

# **30<sup>th</sup> Fiscal Period**

(Six months ended November 2018)

**Securities Code: 8960**

**<http://www.united-reit.co.jp>**

**January 2019**

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# 1 || Recent Development

## Distribution per unit (DPU)

Actual DPU of the 30<sup>th</sup> FP exceeded the forecast mainly due to new acquisitions and cost reduction

29 <sup>th</sup> FP (May 2018) Actual	30 <sup>th</sup> FP (November 2018)	
	Forecast *	Actual
¥3,530	¥3,420	¥3,473
	-¥57 (-1.6%)	+¥53 (+1.5%)

\* Announced on July 13, 2018.

## Measures to raise property value & profitability

- Strategic investment to increase rent revenue
- Renovation work to enhance property value
- Rent increase by changing floor-usage
- Rent renewal considering relationship with tenants
- Continuous reduction of property-related expenses



## Property-replacement

Disposition	Acquisition		
Himonya Shopping Center (Retail Facility)	Chatle Otemachi S-N (Residence)	the b fukuoka tenjin (Hotel)	Musashi-murayama Logistics Center (Others)
Price (19%)	Price ¥3,398 Mn	¥3,000 Mn	¥1,800 Mn
¥5,220 Mn	¥8,198 Mn		
Building Age* 43.8 years	Building Age* 10.3 years	1.6 years	17.1 years

\* As of November-end, 2018.

## Diversification of financing methods/Increase of retained earnings

### UUR Green Trust

First in Japanese financial market for green finance transaction with joint trust scheme

Finance Amount: <b>¥10.0 Bn</b>	Term: <b>5 years</b>	Interest Rate: <b>0.25%</b> (Fixed)
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### Retention of earnings

Retained a part of the capital gain from dispositions (**¥1.25 Bn**) without corporate tax

## ESG initiatives

- Engagement in ESG initiatives/Acquisition of external ESG certificates
- Rise of environment certification coverage
- Contribution to the community

# 30<sup>th</sup> FP Business Results

(in millions of yen, unless otherwise indicated)

No	Item	29th FP (Actual) (A)	30th FP (Actual) (B)	Change (B - A)	30th FP (Forecast) (C)	Change (B - C)
1	Revenues from real estate leasing operation	24,219	23,867	-352	23,827	+40
2	(of which, rental revenues & common area charges)	(21,521)	(21,134)	(-387)	(21,150)	(-15)
3	Property-related expenses	10,328	10,663	+335	10,769	-105
4	(of which, repair costs)	(833)	(892)	(+59)	(891)	(+1)
5	(of which, depreciation)	(4,160)	(4,050)	(-110)	(4,044)	(+6)
6	(of which, taxes and public dues)	(1,782)	(1,885)	(+103)	(1,886)	(0)
7	<b>Income from real estate leasing operation</b>	<b>13,890</b>	<b>13,203</b>	<b>-687</b>	<b>13,058</b>	<b>+145</b>
8	(NOI)	(18,051)	(17,253)	(-797)	(17,102)	(+152)
9	<b>Gain on property sale etc.</b>	<b>1,360</b>	<b>1,864</b>	<b>+504</b>	<b>1,850</b>	<b>+14</b>
10	Dividends income	1	2	0	-	+2
11	Sales admin. expenses	2,163	2,174	+11	2,171	+4
12	<b>Operating income</b>	<b>13,089</b>	<b>12,894</b>	<b>-194</b>	<b>12,737</b>	<b>+157</b>
13	Non-operating profit and loss	-1,114	-1,105	+9	-1,206	+100
14	Ordinary income	11,974	11,789	-185	11,531	+257
15	<b>Net income</b>	<b>11,973</b>	<b>11,788</b>	<b>-185</b>	<b>11,531</b>	<b>+257</b>
16	[ EPU (yen/unit) ]	(3,919)	(3,858)	(-61)	(3,774)	(+84)
17	Use of negative goodwill (+)	75	76	0	76	-
18	Retained as reserve retained for distribution (-)	1,264	1,254	-10	1,158	+96
19	<b>Total cash distributions</b>	<b>10,784</b>	<b>10,610</b>	<b>-174</b>	<b>10,448</b>	<b>+161</b>
20	<b>DPU (yen/unit)</b>	<b>3,530</b>	<b>3,473</b>	<b>-57</b>	<b>3,420</b>	<b>+53</b>
21	No. of investment units outstanding (unit)	3,055,087	3,055,087	-	3,055,087	-
22	CAPEX	1,903	1,406	-496	1,941	-534

(Note) (Forecast) is the one which was announced on July 13, 2018.

(Note) Signs(+/-) show increase / decrease of each item

(in millions of yen)

29th FP (Actual) ⇒ 30th FP (Actual)	Change
<b>Income from real estate leasing operation</b>	<b>-687</b>
• Properties acquired in 29th FP	+155 (Revenues +344, Expenses -190)
• Properties sold in 29th & 30th FP	-484 (Revenues -729, Expenses +245)
• Properties acquired in 30th FP	+109 (Revenues +155, Expenses -47)
• Property taxes & city planning taxes	-176 (Properties acquired in 2017)
• Others	-290 Temporary income -286 etc.
<b>Gain on property sale etc.</b>	<b>+504</b> (Elimination of loss on property sale +3,584, Decrease in gain on property sale -3,080)
<b>Sales admin. expenses</b>	<b>-11</b>
<b>Non-operating profit &amp; loss</b>	<b>+9</b> (Elimination of bond issuance expenses +79, Elimination of subsidy -71 etc.)

30th FP (Forecast) ⇒ 30th FP (Actual)	Change
<b>Income from real estate leasing operation</b>	<b>+145</b>
• Properties acquired in 29th FP	+33 (Revenues +8, Expenses +25)
• Properties acquired in 30th FP	+45 (Revenues +56, Expenses -11)
• Properties sold in 30th FP	+8 (Revenues 0, Expenses +8)
• Others	+60 (Revenues -24, Expenses +84)
<b>Gain on property sale etc.</b>	<b>+14</b>
<b>Sales admin. expenses</b>	<b>-4</b>
<b>Non-operating profit &amp; loss</b>	<b>+100</b> (Non-issuance of corporate bonds +110, Increase in insurance income +18, Increase in interest expense -25 etc.)

<b>Properties acquired in 29th FP</b>
• RIHGA Royal Hotel Kokura • ARUARU City ('18/1)
<b>Properties sold in 29th FP</b>
• Himonya Shopping Center (51%*) ('18/5) • AEON MALL Uki ('18/5)
<b>Properties acquired in 30th FP</b>
• Chatle Otemachi S • N ('18/7) • the b fukuoka tenjin ('18/9)
• Musashimurayama Logistics Center ('18/10)
<b>Properties sold in 30th FP</b>
• Himonya Shopping Center (19%*) ('18/11)

\* quasi co-ownership

# Prioritized Measures (31<sup>st</sup> & 32<sup>nd</sup> FP)

## External Growth

- Continuous property-acquisition & keeping adequate return on investment
- Improvement of the asset quality & profitability through property-replacement
- Recovery of rental income decrease derived from the property disposition

## Internal Growth

- Intensive/Front-loaded implementation of renovation works scheduled in the long term repair plan
- Steady rent increase especially in office and hotel properties
- Improvement of profitability through continuous reduction of utility cost

## Finance

- Reduction of financing cost
- Robust financial standing through LTV control, retention of earnings, etc.

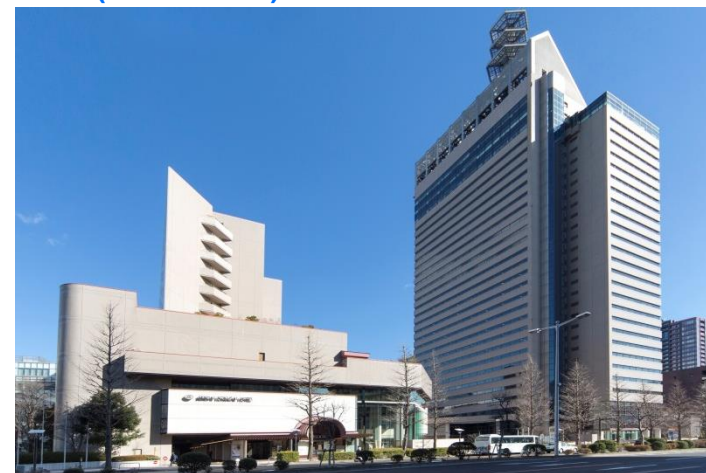
## ESG

- Further raise of environment certification coverage
- Initiatives for sharing interest with United Urban's unitholders including the scheme that enables JRA's employees to acquire United Urban's investment units.

Luz Musashikosugi (Retail Property)



SS30 (Office/Hotel)



# Business Forecast (31<sup>st</sup> & 32<sup>nd</sup> FP)

(in millions of yen, unless otherwise indicated)

No	Item	30th FP (Actual) (A)	31st FP (Forecast) (B)	Change (B - A)	32nd FP (Forecast) (C)	Change (C - B)
1	Revenues from real estate leasing operation	23,867	24,132	+264	24,532	+400
2	(of which, rental revenues & common area charges)	(21,134)	(21,537)	(+402)	(21,759)	(+222)
3	Property-related expenses	10,663	11,831	+1,166	10,886	-945
4	(of which, repair costs)	(892)	(2,077)	(+1,184)	(827)	(-1,250)
5	(of which, depreciation)	(4,050)	(4,055)	(+4)	(4,080)	(+24)
6	(of which, taxes and public dues)	(1,885)	(1,870)	(-15)	(2,003)	(+132)
7	<b>Income from real estate leasing operation</b>	<b>13,203</b>	<b>12,301</b>	<b>-902</b>	<b>13,647</b>	<b>+1,345</b>
8	(NOI)	(17,253)	(16,356)	(-897)	(17,726)	(+1,370)
9	<b>Gain on property sale etc.</b>	<b>1,864</b>	<b>2,950</b>	<b>+1,085</b>	-	<b>-2,950</b>
10	Dividends income	2	44	+42	-	-44
11	Sales admin. expenses	2,174	2,194	+19	2,246	+51
12	<b>Operating income</b>	<b>12,894</b>	<b>13,101</b>	<b>+205</b>	<b>11,401</b>	<b>-1,700</b>
13	Non-operating profit and loss	-1,105	-1,151	-45	-1,090	+61
14	Ordinary income	11,789	11,949	+160	10,311	-1,638
15	<b>Net income</b>	<b>11,788</b>	<b>11,949</b>	<b>+160</b>	<b>10,310</b>	<b>-1,638</b>
16	[ EPU (yen/unit) ]	(3,858)	(3,911)	(+53)	(3,374)	(-537)
17	Use of negative goodwill (+)	76	76	0	76	-
18	Retained as reserve retained for distribution (-)	1,254	1,179	-74	-	-1,179
19	<b>Total cash distributions</b>	<b>10,610</b>	<b>10,846</b>	<b>+235</b>	<b>10,387</b>	<b>-458</b>
20	<b>DPU (yen/unit)</b>	<b>3,473</b>	<b>3,550</b>	<b>+77</b>	<b>3,400</b>	<b>-150</b>
21	No. of investment units outstanding (unit)	3,055,087	3,055,087	-	3,055,087	-
22	CAPEX	1,406	3,429	+2,022	3,195	-234

(Note) The forecasts are the ones which were announced on January 18, 2019.

(Note) Signs(+/-) show increase / decrease of each item (in millions of yen)

30th FP (Actual) ⇒ 31st FP (Forecast)	Change
<b>Income from real estate leasing operation</b>	<b>-902</b>
• Properties acquired in 29th FP	-289 (Revenues -47, Expenses -242)
• Properties acquired in 30th FP	+117 (Revenues +137, Expenses -21)
• Properties sold in 30th & 31st FP	-138 (Revenues -194, Expenses +56)
• Properties acquired in 31st & 32nd FP	+222 (Revenues +281, Expenses -59)
• Repair costs	-915 Front-loaded renovation to increase/keep property values
• Others	+101 Rental revenues and common area charges +238, Utilities-38
	Increase in renewal charge of leased land & leasing cost -60 etc.
<b>Gain on property sale etc.</b>	<b>+1,085</b> (Increase in gain on property sale)
<b>Sales admin. expenses</b>	<b>-19</b>
<b>Non-operating profit &amp; loss</b>	<b>-45</b> (Increase in the expense of issuance of corporate bonds-100, Insurance income peeling -19
	Decrease in interest expense+24, Decrease in loss on disposal of assets +45 etc.)

31st FP (Forecast) ⇒ 32nd FP (Forecast)	Change
<b>Income from real estate leasing operation</b>	<b>+1,345</b>
• Properties acquired in 29thFP	+227 (Revenues +51, Expenses +176)
• Properties acquired in 30th FP	+7 (Revenues +4, Expenses +3)
• Properties sold in 31st FP	-63 (Revenues -95, Expenses +32)
• Properties acquired in 31st & 32nd FP	+212 (Revenues +260, Expenses -48)
• Property taxes & city planning taxes	-156 (Taxes on properties acquired in 2018)
• Repairs	+1,083 Decrease in renovation works
• Others	+34 Rental revenues and common area charges +64, Utilities -6 etc.
<b>Gain on property sale etc.</b>	<b>-2,950</b> (Elimination of gain on property sale)
<b>Sales admin. expenses</b>	<b>-51</b> (Cost of general meeting of unitholders -15 etc.)
<b>Non-operating profit &amp; loss</b>	<b>+61</b> (Elimination of bond issuance expenses +100, Interest expense-15, Increase in loss on disposal of assets -17 etc.)

<b>Properties acquired in 29th FP</b>
• RIHGA Royal Hotel Kokura・ARUARU City ('18/1)
<b>Properties acquired in 30th FP</b>
• Chatte Otemachi S・N ('18/7)
• the b fukuoka tenjin ('18/9)
• Musashimurayama Logistics Center ('18/10)
<b>Properties sold in 30th &amp; 31st FP</b>
• Himonya Shopping Center (19%*) ('18/11)
• Himonya Shopping Center (30%*) ('19/3 (scheduled))
<b>Properties acquired in 31st &amp; 32nd FP</b>
• Luz Musashikosugi ('18/12)
• Henn na Hotel Tokyo Hamamatsucho ('19/5 (scheduled))
• Smile Hotel Premium Sapporo Susukino ('19/6 (scheduled))

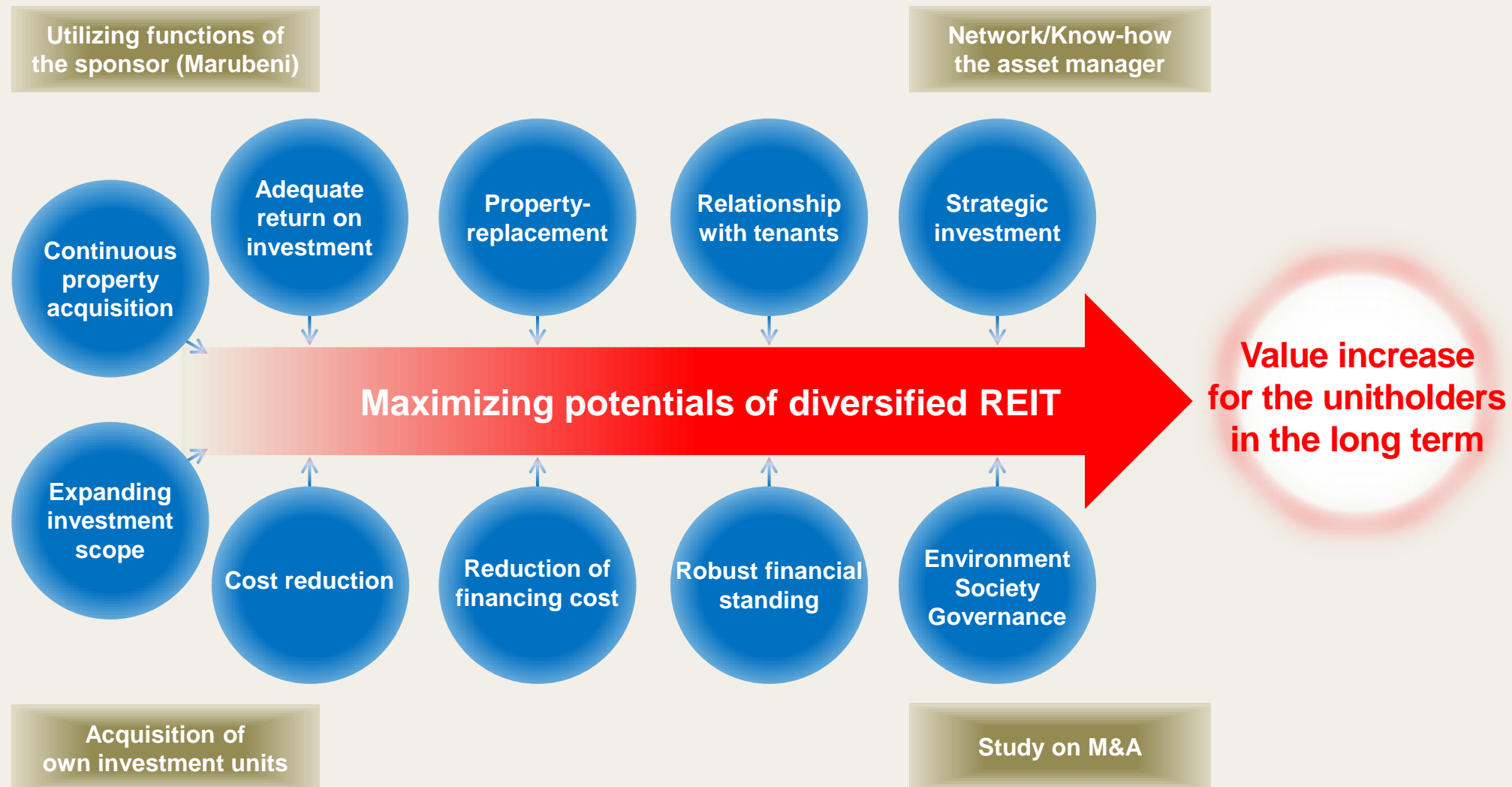
\* quasi co-ownership



# 2 || Strategy & Implementation



Enhance unitholders' value through various approaches by taking advantage of being a diversified REIT



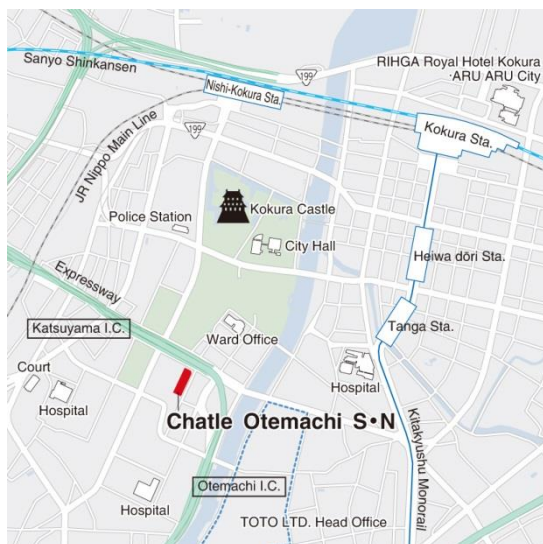
## 2-1 External Growth

- Continuous acquisition through various sourcing approaches
- Adequate return on investment
- Improvement in quality & profitability of the asset through property-replacement

## D29 Chatle Otemachi S・N

Residence

Location	Kitakyushu, Fukuoka
Structure & Scale	SRC15F (154 units)
Completion	August 2008
Acquisition price	¥3,398 Mn
Estimated NOI yield	5.4% (after depreciation: 4.0%)
Occupancy rate	97.4% (as of November 30, 2018)
Acquisition date	July 3, 2018



## C16 the b fukuoka tenjin

Hotel

Location	Fukuoka, Fukuoka
Structure & Scale	S10F (125 rooms)
Completion	May 2017
Acquisition price	¥3,000 Mn
Estimated NOI yield	6.2% (after depreciation: 5.3%)
Occupancy rate	100.0% (as of November 30, 2018)
Acquisition date	September 27, 2018



## E13 Musashimurayama Logistics Center

Others

Location	Musashimurayama, Tokyo
Structure & Scale	S4F
Completion	October 2001
Acquisition price	¥1,800 Mn
Estimated NOI Yield	5.4% (after depreciation: 4.7%)
Occupancy rate	100.0% (as of November 30, 2018)
Acquisition date	October 30, 2018





## C9 the b roppongi (the Annex)

Hotel

Location	Minato-ku, Tokyo
Structure & Scale	SRC・S B2/9F (35 rooms)
Completion	December 2018
Acquisition price (Note1)	¥988 Mn
Estimated NOI yield (Note2)	5.9% (after depreciation: 4.9%)
Occupancy rate	92.3% (as of November 30, 2018)
Acquisition date	December 17, 2018

Fixed rent  
+  
GOP ratio



Image drawing

(Notes)

1. Together with the existing portion and the Annex, the acquisition price of the property is ¥4,488 Mn (114 rooms).
2. Estimated yields are based on a whole year operation of the property.



Image drawing

(The completion is scheduled in March 2019)



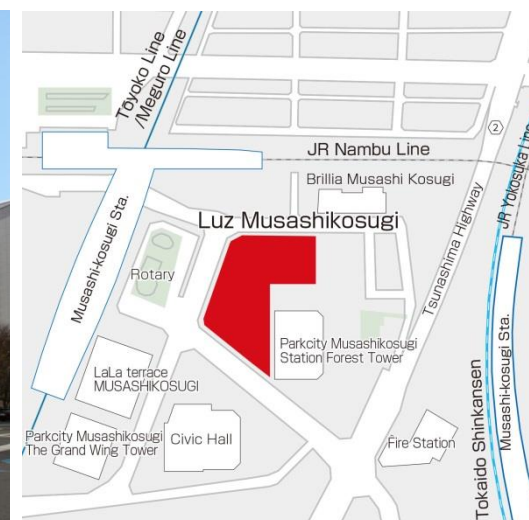
## A42 Luz Musashikosugi

Retail Property

Location	Kawasaki, Kanagawa
Structure & Scale	SRC・S・RC B1/5F
Completion	May 2008
Acquisition price	¥12,151 Mn
Estimated NOI Yield	3.8% (after depreciation: 3.6%)
Occupancy rate	100.0% (as of December 28, 2018)
Acquisition date	December 28, 2018



- ✓ 2 minutes' walk from Musashikosugi Sta. (Tokyu Line and JR Line) with good access to central Tokyo and facing the traffic circle.
- ✓ Many high-rise apartments have been developed in the vicinity; further increase of population and households around the area is expected.
- ✓ 1F: supermarket and café; 2F: medical mall, etc. 3F and 4F: sports club.



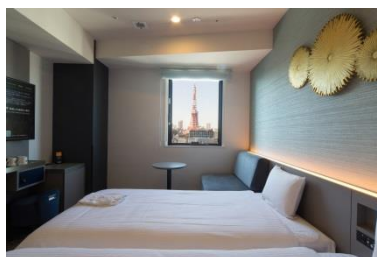
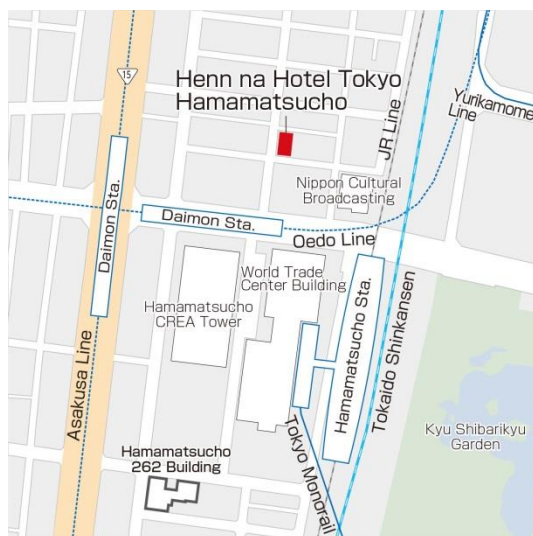
## C17 Henn-na Hotel Tokyo Hamamatsucho

Hotel

Location	Minato-ku, Tokyo	Fixed rent
Structure & Scale	S14F (118 rooms)	
Completion	March 2018	
Acquisition price	¥4,458 Mn (scheduled)	
Estimated NOI Yield	4.4% (after depreciation: 3.7%)	
Occupancy rate	100.0% (as of May 15, 2019)	
Acquisition date	May 15, 2019 (scheduled)	



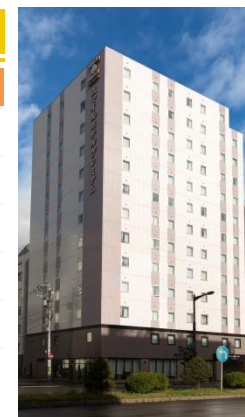
- ✓ Located near Hamamatsucho Sta. on JR Lines and Daimon Sta. on Toei Subway Line with good access to Haneda Airport and Narita Airport.
- ✓ Redevelopment has been underway in the neighborhood.
- ✓ Steady demand from business and inbound travelers.



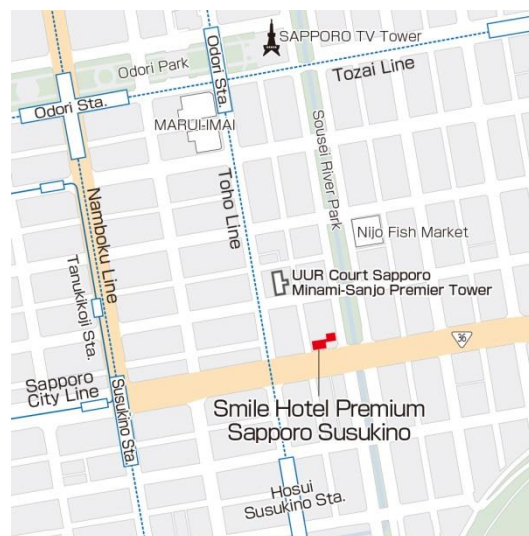
## C18 Smile Hotel Premium Sapporo Susukino

Hotel

Location	Sapporo, Hokkaido	Fixed rent
Structure & Scale	S13F (284 rooms)	
Completion	December 2017	
Acquisition price	¥4,233 Mn (scheduled)	
Estimated NOI Yield	6.0% (after depreciation: 5.0%)	
Occupancy rate	100.0% (as of June 28, 2019)	
Acquisition date	June 28, 2019 (scheduled)	

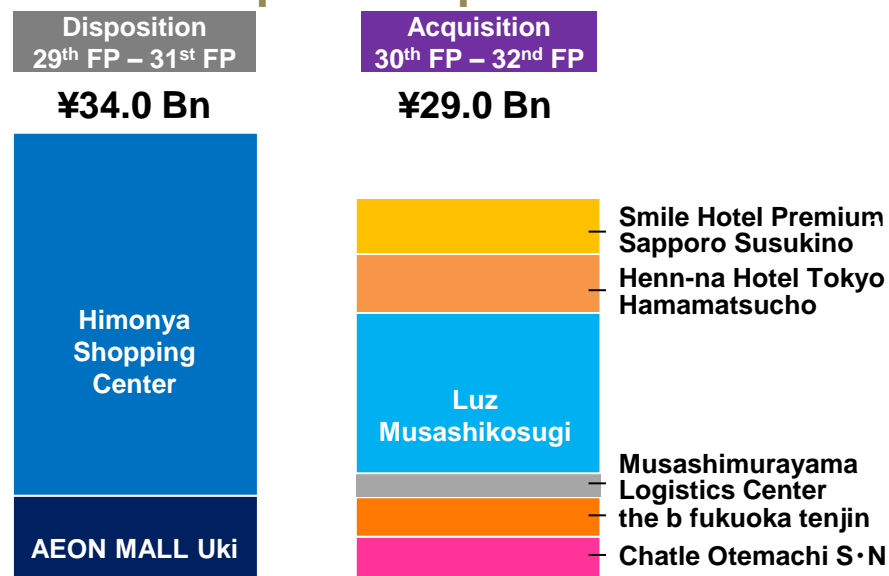


- ✓ Located in the Susukino area, the busiest amusement center in Hokkaido.
- ✓ Closed to the office area; convenient for public transportation.
- ✓ Consisting of twin or double guest rooms suited for double occupancy.

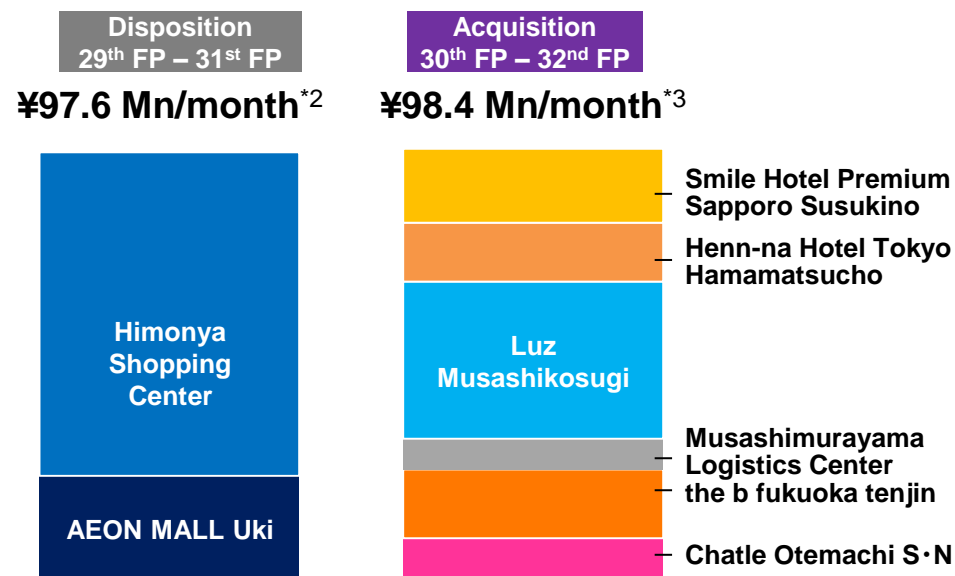


- Steady progress in reinvestment of proceeds by property disposition; The rental income of the new properties is expected to exceed that of the disposed ones.
- A part of the capital gain has been and will be allocated to distribution; ¥3.7 Bn<sup>\*1</sup> is to be retained to enhance ability to cope with risks.

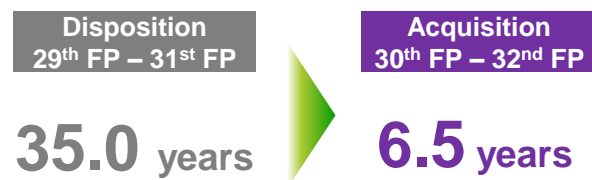
## Acquisition/Disposition price



## Rent revenues



## Age of buildings<sup>\*4</sup>



## Use of the capital gain



<sup>\*1</sup> Inclusive of retained earnings reserved in 29<sup>th</sup> FP and 30<sup>th</sup> FP as well as the one scheduled in 31<sup>st</sup> FP.

<sup>\*2</sup> Based on the estimation (after rent reduction in the case of AEON MALL Uki) on the day of sale decision.

<sup>\*3</sup> Based on the estimation (based on a whole year operation) on the day of acquisition decision.

<sup>\*4</sup> As of end-November, 2018. Based on weighted averaged acquisition price.

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## 2-2 Internal Growth

- **Strategic investment to enhance property value and improve profitability**
- **Increase in rent revenue through better relationship with tenants**
- **Continuous reduction of property-related expenses**



# Renovation Works for Property Value/Profitability Improvement

## Renewal: Common area (lobby)

### LOOP-X

Forming upper grade taste by replacing furniture, lighting, etc.

**Before**



**After**



Note: Completed in 30<sup>th</sup> FP.

## Renewal: Exterior/Common area (1F)

### Shin-Osaka Central Tower

Improving visibility by full renovation of exterior wall, etc.

**Before**



**After**



Note: Partially completed in 30<sup>th</sup> FP.

## Green lease

### Pacific Marks Shin-Yokohama (photo)/Pacific Marks Yokohama East

Installing LED lights for three existing tenants in two properties; benefit of electricity cost reduction is to be shared with tenants via rent increase.

**Investment**

**¥8 Mn**

(Completed in 30<sup>th</sup> FP)

**Rental income**

**Approx. ¥1.8 Mn/year** ↑

(Estimated)



## Renewal: Change of floor-usage

### Pacific Marks Yokohama East

Considering high occupancy of the property, changing floor-usage from rental meeting rooms to office.

**investment**

**¥35 Mn**

(Scheduled in 31<sup>st</sup> FP)

**Rental income**

**Approx. ¥10 Mn/year** ↑

(Estimated)

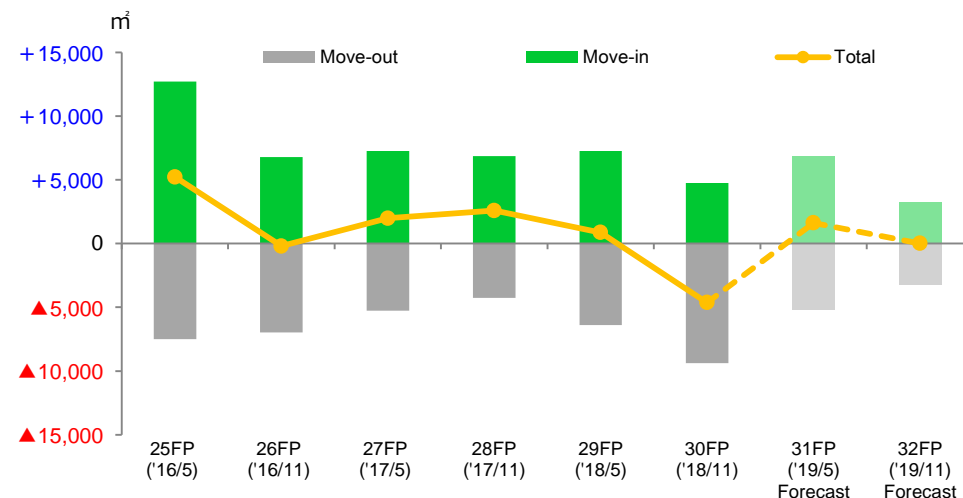


## Rent renewal standing in 30<sup>th</sup> FP

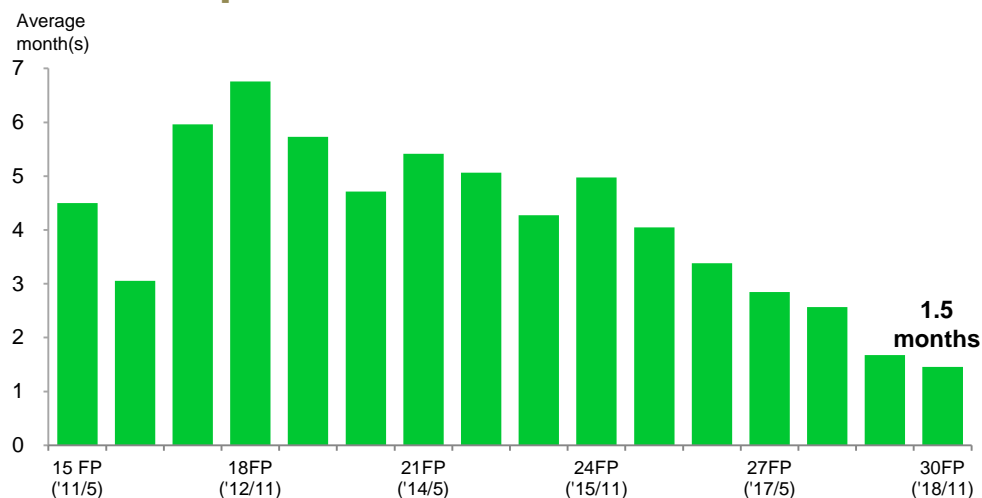
	Number of tenants negotiating in 30 <sup>th</sup> FP	Amount of rental increase*	Rate of rental increase
Total	66	¥41 Mn	+2.7%
Increased	50	¥41 Mn	+7.7%
Decreased	0	—	—
Deferred	16	—	—

\* Converted for six months.

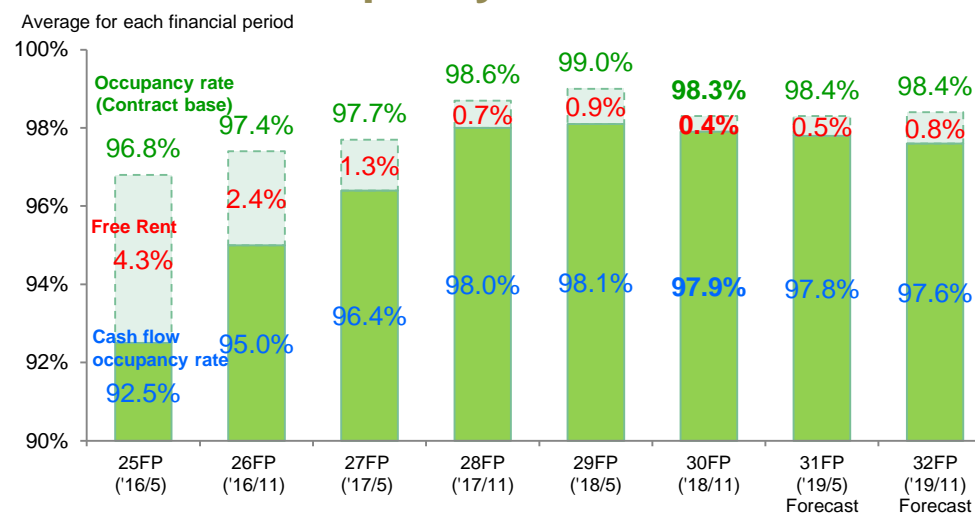
## Move-in vs Move-out



## Free rent period

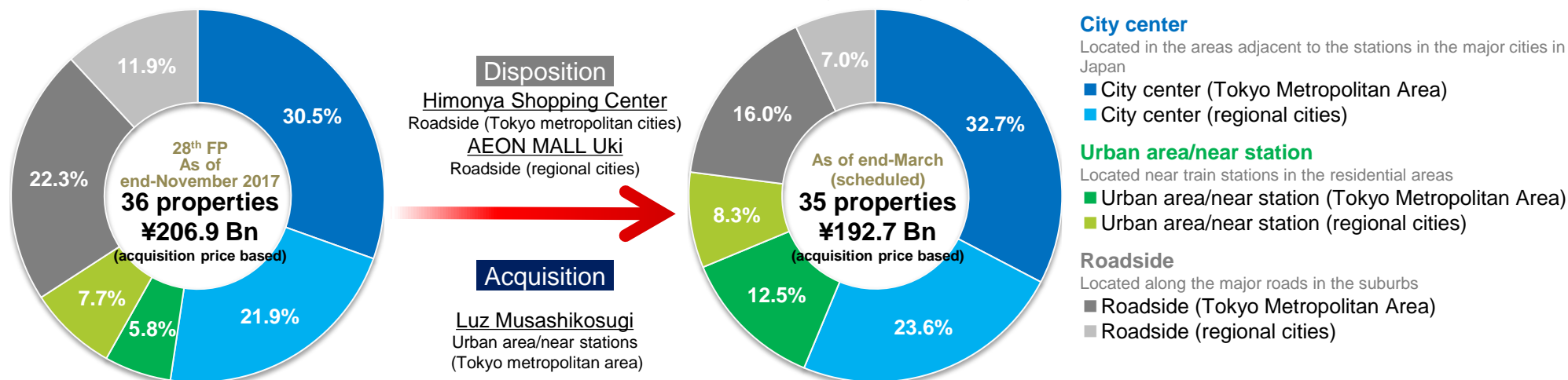


## Cash flow occupancy rate



## Portfolio composition

The share of facilities in City center and Urban area/near station is increased, while that of Roadside in regional cities has decreased. Especially, the portion of Tokyo Metropolitan Area, that has potentiality to grow, is going to rise to 45.2% from 36.3%.



## Revitalization of facilities in cooperation with tenants

Renovation works have been completed/scheduled in cooperation with the main tenants of the facilities; Longer term lease contracts have been/are to be concluded in exchange of renovation works to contribute the sales increase.

Property Name (Completion)	Renovation works by UUR	Renewed terms agreed with the main tenant
Re-LAND Shopping Center (1998)	<ul style="list-style-type: none"> <li>Renewal work has been underway since 2018.</li> <li>Digital signage has been installed.</li> </ul>	No rent renewal for 15 years; 10-year fixed term lease with no cancelation clause
Miyamae Shopping Center (1993)	<ul style="list-style-type: none"> <li>Renewal for exterior walls, common areas and toilets is being planned.</li> </ul>	Negotiating long term lease with the same rent
Daiei Takarazuka Nakayama (1997)	<ul style="list-style-type: none"> <li>Renovation works for the parking building and renewal for toilets are being planned.</li> </ul>	Negotiating long term lease with the same rent

### Re-LAND Shopping Center



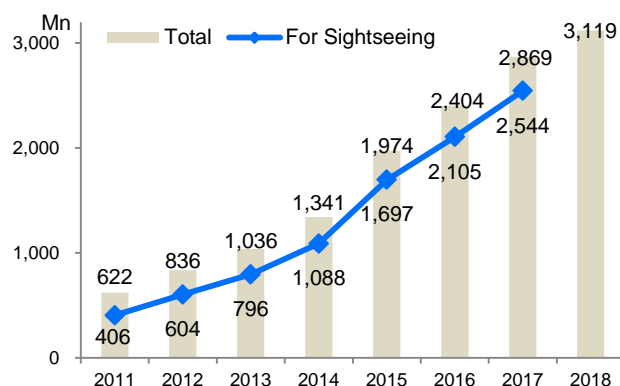
Exterior (image)



Elevator hall with  
digital signage

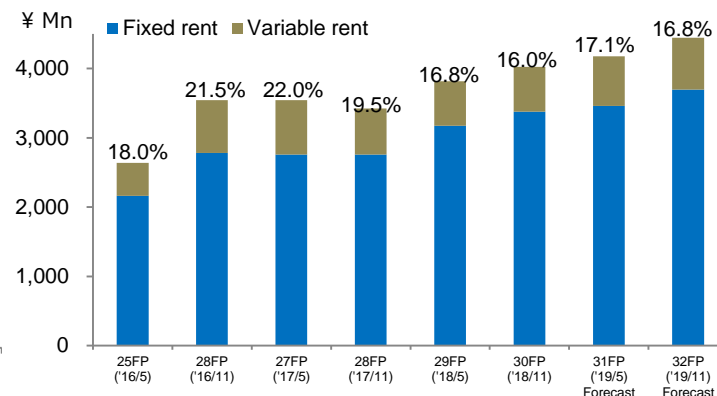
- The number of inbound tourists exceeded over 30 millions in 2018 for the first time in history, regardless of natural disasters including earthquake and typhoon.
- Pursuing upside potential of rent revenues from the hotels adopting variable rent system, while keeping stable income.
- Making efforts for realization of fruits from investment, especially at hotels where works for value-up were conducted.

## Inbound tourists



Source: JNTO

## Variable rent ratio over total rent revenues



Note: Rent revenues of "Shin-Osaka Tower" and "SS30" are not included.

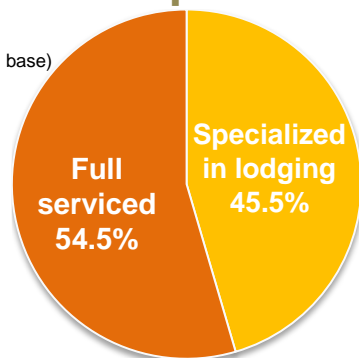
## Number of guest rooms in hotel portfolio (as of June 28, 2019, scheduled)

Property name	Guest rooms	Rent type
Hotel JAL City Naha	302	Fixed rent + GOP ratio
the b roppongi	114	Fixed rent + GOP ratio
Loisir Hotel & Spa Tower Naha	640	Fixed rent + GOP ratio
Royal Pines Hotel Urawa	196	Fixed rent + GOP ratio
the b fukuoka tenjin	125	Fixed rent + GOP ratio
Shinjuku Washington Hotel Honkan	1,280	Fixed rent + sales ratio
UUR Yotsuya Sanhome Building (Hotel Wing International Premium Tokyo Yotsuya)	185	Fixed rent + sales ratio
RIHGA Royal Hotel Kokura	295	Fixed rent + sales ratio
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	281	Step-up rent
Toyoko Inn Hiroshima Heiwa-odori	255	Step-up rent
Toyoko Inn Naha Kokusai-dori Miebashiki	94	Step-up rent
Toyoko Inn Shinagawa-eki Takanawa-guchi	180	Fixed rent
MZ BLD.(R&B Hotel Hachioji)	257	Fixed rent
HOTEL ROUTE-INN Yokohama Bashamichi	272	Fixed rent
Yotsuya 213 Building (TOKYU STAY YOTSUYA)	148	Fixed rent
Shin-Osaka Central Tower (Washington Hotel Plaza Shin Osaka)	491	Fixed rent
SS30 (SENDAI KOKUSAI HOTEL)	234	Fixed rent
Henn na Hotel Tokyo Hamamatsucho	118	Fixed rent
Smile Hotel Premium Sapporo Susukino	284	Fixed rent
<b>Total</b>	<b>5,751</b>	<b>—</b>

## Composition of portfolio

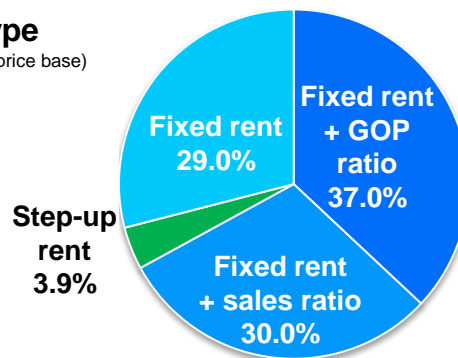
### Hotel type

(Number of guest rooms base)



### Rent type

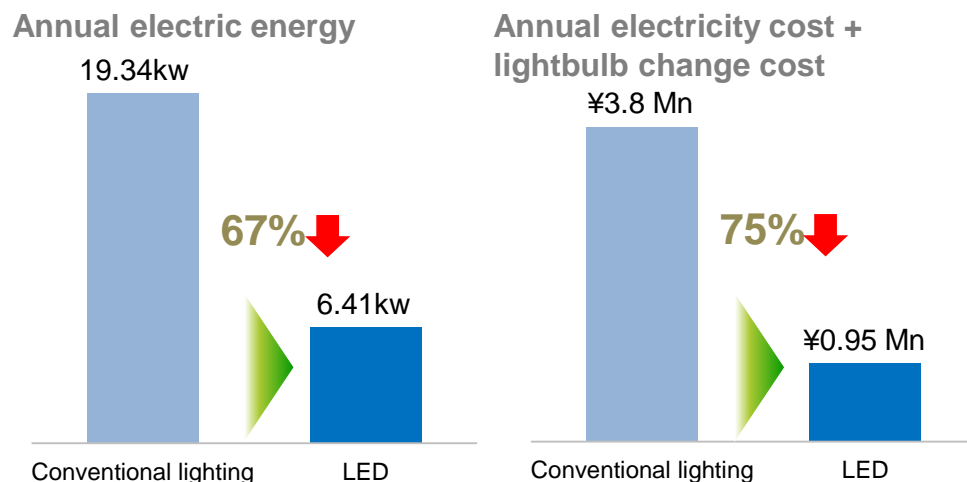
(Acquisition price base)



## Electricity cost reduction with LED lighting

### Loisir Hotel & Spa Tower Naha

Decrease of electricity cost and running cost is expected by declining electricity usage with LED lighting installation.

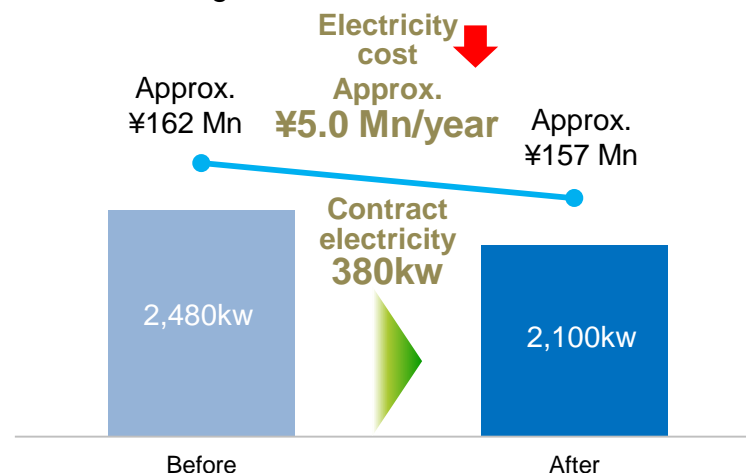


Note: Scheduled in 31<sup>st</sup> FP. All figures above are for estimation purpose only.

## Electricity cost reduction by changing the electricity supply contract

### Mallage Kashiwa

The electricity supply contract was changed through LED lighting installation in common areas and tenant-occupied areas and adoption of higher-efficient equipment; The electricity cost is to be reduced with this change.



Note: Completed in 30<sup>th</sup> FP. All figures above are for estimation purpose only.

## Waterline charge reduction by using well water

### Loisir Hotel & Spa Tower Naha

Waterline charge is expected to decrease by using purified well water.

Approx. ¥17 Mn/year ↓



Note: Scheduled in 32<sup>nd</sup> FP. All figures above are for estimation purpose only.



## 2-3 Finance

- **Reduction in finance cost through various measures including diversifying funding methods, etc.**
- **Building robust financial standing that can cope with market change**

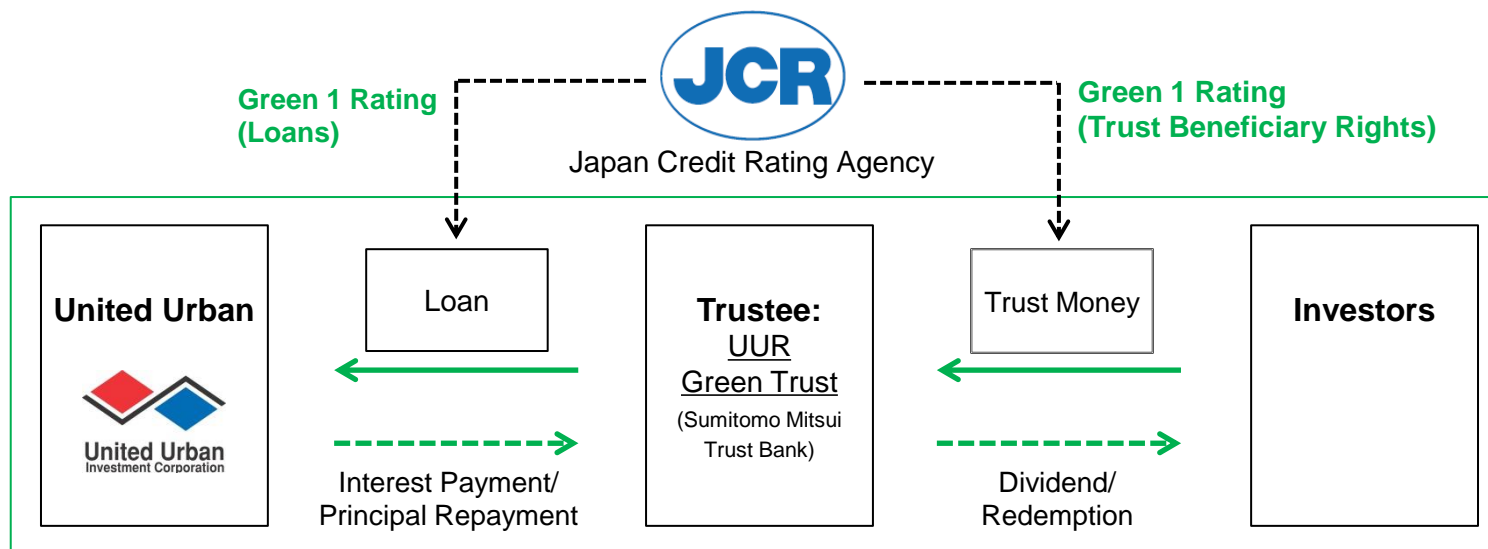


Green finance transaction with joint trust scheme in September 2018, first in Japanese financial market

Amount **¥10.0 Billion**

Term **5 years**

Interest rate **0.25% (Fixed )**



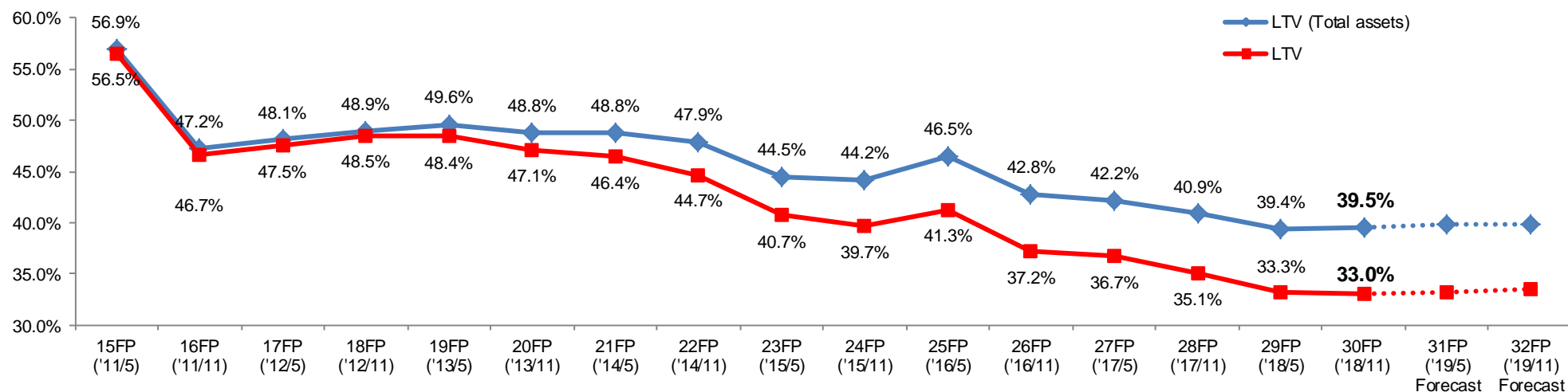
(Note) All the proceeds of the debt financing is used to replenish UUR's cash balance, a part of which was allocated to the repayment of the borrowing to acquire "Mallage Kashiwa" etc. which obtained external recognition and the acquisition of "the b fukuoka tenjin" on September 27, 2018 (acquisition price: ¥3.0 billion)

## Definition under Asset Management Guideline

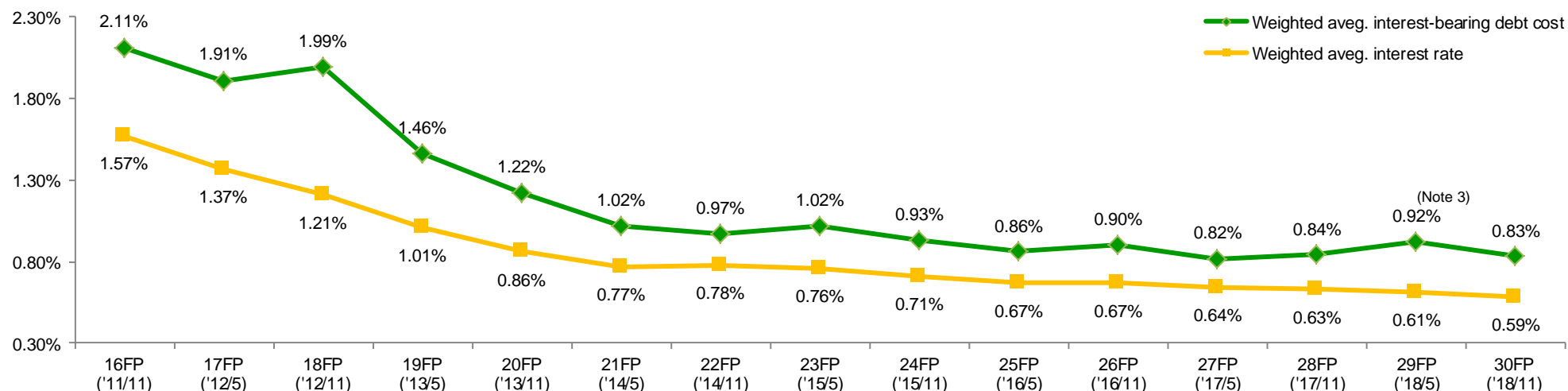
- Green finance** : Loans and bonds that will be all used for acquisition of the existing/new Eligible Green Assets or refinancing of the existing debts that have already been allocated to the Eligible Green Assets.
- Eligible green assets** : The new/existing properties that have or are expected to obtain DBJ Green Building certification (three stars or better), CASBEE real estate certification (A rank or higher), or BELS evaluation (two stars or better)
- Limit of green finance** : Approx. **¥72.9 billion**, as of end-November, 2018  
Book value of Eligible Green Assets (¥184.6 billion) x (Interest-bearing liabilities (¥257.3 billion) /AUM (¥651.2 billion))

# Transition of LTV and Interest-Bearing Debt Cost

## ■ Track record of LTV at the end of fiscal period



## ■ Trend of interest-bearing debt cost and weighted average interest rate (Note1~2)



(Notes)

1. Interest bearing debt cost is calculated by "(interest expenses + financing related expenses) / outstanding balance of interest bearing debt at the end of relevant fiscal periods \* 365 / number of operating days".

2. Weighted average interest rate on all the interest bearing debt at the end of each fiscal period. Does not include financing related cost, etc.

3. The figure includes the lump-sum of bond issuance expenses of the bonds issued during the relevant fiscal period. The same applies to the figures from 16<sup>th</sup> to 20<sup>th</sup>, 22<sup>nd</sup> and 23<sup>rd</sup>.



# Standing of Interest-Bearing Debt

## ■ Reduction of interest-bearing liabilities cost

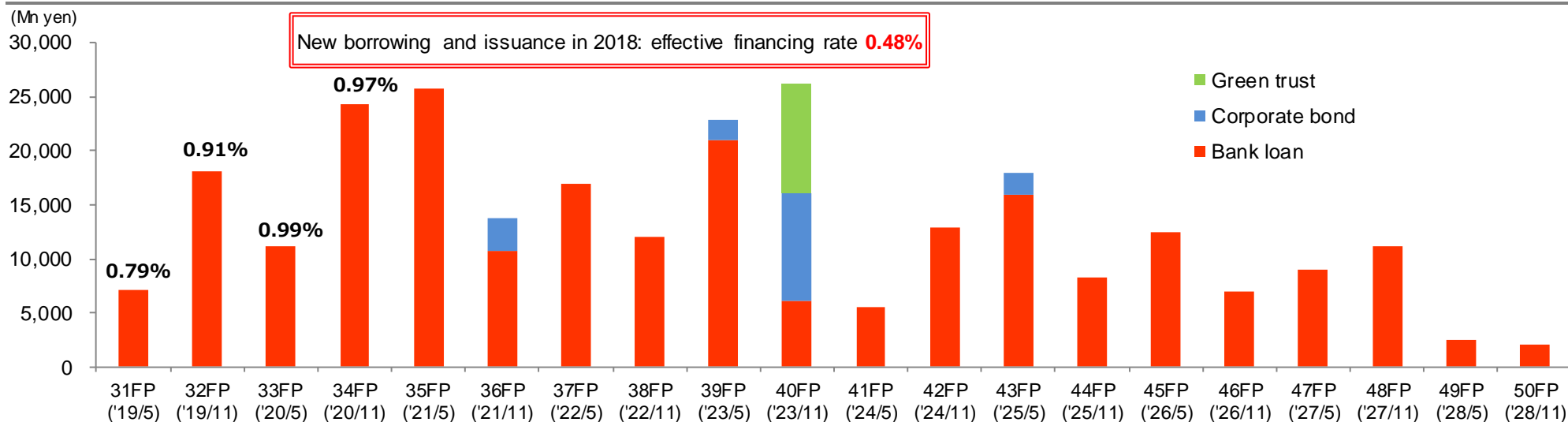
Financing in 30th FP

	Financing up to 29th FP (Note1)	Financing in 30th FP (Note 2)
Loans and bonds (Bn yen) (Note3)	225.5	31.8
Interest rate (excluding financing related expenses) (Note3, 4)	0.61%	0.40%
Interest-bearing debt cost (including fees) (Note3, 5)	0.78%	0.54%
Averaged duration (Note3)	7.2 years	7.2 years

(Notes)

1. "Financing up to 29th FP" means interest-bearing which was completed to finance up to May 31, 2018, as of January 18, 2019.
2. "Financing in 30th FP" means interest-bearing which was completed finance between June 1, 2018 and November 30, 2018, as of January 18, 2019.
3. Interest bearing debt amount is total figure, and interest rate and term length are calculated by weighted average.
4. Borrowing expenses and corporate bond issuance expenses are excluded from these figures.
5. The fees concerning about borrowings or corporate bonds are included in these figures.

## ■ Repayment & redemption schedule (as of January 18, 2019) (Note)



(Note) The figures in above graph is weighted average interest bearing debt cost (interest rates which include borrowing-related expenses and corporate bond issuance expenses etc.) of all the interest bearing debt maturing on each fiscal period from 31st FP to 34th FP.

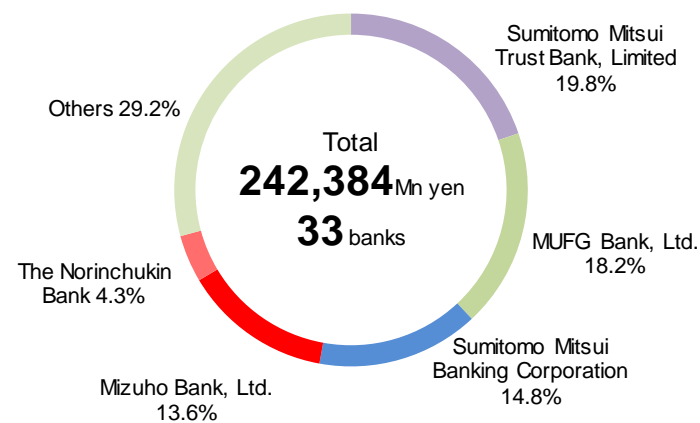
## ■ Financial indices

	End of 29th FP (May 31, 2018)	End of 30th FP (November 30, 2018)	As of January 18, 2019
Total Interest Bearing Debt	255.8 Bn yen	257.3 Bn yen	269.3 Bn yen
Bank Loans	223.8 Bn yen	230.3 Bn yen	242.3 Bn yen
Corporate Bonds	32.0 Bn yen	17.0 Bn yen	17.0 Bn yen
Green Trust	—	10.0 Bn yen	10.0 Bn yen
Collateral/ Guarantee	Nil		
Weighted average duration of interest bearing debt	3.7 years	4.1 years	4.1 years
Weighted average interest rate of interest bearing debt	0.61%	0.59%	0.58%
Long term ratio of interest bearing debt	100% (Agreement base)		
Ratio of fixed interest rate debt	88.9%	88.9%	88.7%
Amount of Commitment line	36.0 Bn yen		

## ■ Credit rating

Rating Agency	Rating
Japan Credit Rating Agency (JCR)	Long term issuer rating : <b>AA</b> (Outlook : stable)
Moody's Japan K.K.	Long term Issuer rating : <b>A3</b> (Outlook : stable)

## ■ Lenders and borrowing amount (as of January 18, 2019)



Bank	Ratio	Bank	Ratio
Sumitomo Mitsui Trust Bank, Limited	19.8%	The Nomura Trust and Banking Co., Ltd.	0.8%
MUFG Bank, Ltd.	18.2%	Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.8%
Sumitomo Mitsui Banking Corporation	14.8%	The Daishi Bank, Ltd.	0.8%
Mizuho Bank, Ltd.	13.6%	Meiji Yasuda Life Insurance Company	0.8%
The Norinchukin Bank	4.3%	The Shinkumi Federation Bank	0.8%
Development Bank of Japan Inc.	3.5%	The Hiroshima Bank, Ltd.	0.6%
Shinsei Bank, Limited	2.9%	The Gunma Bank, Ltd.	0.6%
Aozora Bank, Ltd.	2.8%	ORIX Bank Corporation	0.4%
Resona Bank, Limited	2.2%	Sompo Japan Nipponkoa Insurance Inc.	0.4%
Mizuho Trust & Banking Co., Ltd.	2.0%	The Yamaguchi Bank, Ltd.	0.4%
The Bank of Fukuoka, Ltd.	1.6%	THE IYO BANK, Ltd.	0.4%
Saitama Resona Bank, Limited	1.2%	Taiyo Life Insurance Company	0.4%
Shinkin Central Bank	1.2%	The Bank of Kyoto, Ltd.	0.4%
The 77 Bank, Ltd.	0.8%	The Bank of Yokohama, Ltd.	0.2%
Nippon Life Insurance Company	0.8%	Kiraboshi Bank, Ltd.	0.2%
The Ashikaga Bank, Ltd.	0.8%	The Kagawa Bank, Ltd.	0.2%
The Nishi-Nippon City Bank, Ltd.	0.8%		

## ■ Standing of retained earnings (Note)

(in millions of yen)

		As of end of 29th FP ( <sup>18</sup> /5)	Reserved in 30th FP ( <sup>18</sup> /11)	Decreased in 30th FP ( <sup>18</sup> /11)	As of end of 30th FP ( <sup>18</sup> /11)
	Negative goodwill (Reserve for temporary difference adjustments)	7,386	+76	-76	7,386
	Reserve retained for distribution	3,061	+70	—	3,132
	Reserve for reduction entry	1,120	+1,107	—	2,228
	<b>Total amount of retained earnings</b>	<b>11,569</b>	<b>+1,254</b>	<b>-76</b>	<b>12,747</b>

(Note) Each end of fiscal period amount shows amount after increasing or decreasing of negative goodwill and of reserve retained for distribution and of Reserve for reduction entry based on "Statements of Cash Distribution".

Distribution policy of negative goodwill	Distribution of the same amount for 50 years (100FP)		
	Distribute at least 1% of the balance in each FP, to the extent its balance remains		
Resource of distribution	End of 26th FP( <sup>16</sup> /11) (Reserve for temporary difference)	Reserved in 29th FP ( <sup>18</sup> /5)	Reserved in 30th FP ( <sup>18</sup> /11)
	7,546 Mn yen	66Mn yen	76Mn yen
Appropriated amount (lower limit)	Starting from the 27th FP ( <sup>17</sup> /5)	Starting from the 30th FP ( <sup>18</sup> /11)	Starting from the 31st FP ( <sup>19</sup> /5)
	75.4 Mn yen / FP	0.6 Mn yen / FP	0.7 Mn yen / FP
Starting from the 31st FP ( <sup>19</sup> /5) 76.8 Mn yen / FP			

## ■ Utilize policy of retained earnings

### 1. Promotion of external growth with the flexible equity-raise

We use our retained earnings to mitigate the influence in such case as the dilution of DPU arises by the issuance of new units and stabilize DPU level. Flexibility of equity-finance corresponding to the economic and financial markets and promotion of external growth can be expected through these initiatives.

### 2. Portfolio management from long-term perspective

We use our retained earnings to maintain DPU level in such cases as losses on disposition of the properties, sudden decreases in revenues (major tenants' leave etc.). This will enable us to build the optimum portfolio and asset management in the long perspective.

### 3. Coping with difference between accounting and taxation

We can mitigate the risk of large amount of corporate tax due to difference between accounting and taxation such as impairment loss by using our retained earnings.

## 2-4 Initiatives for ESG

- **G: Enhancing information security/Sharing interest with UUR's unitholders**
- **E: Raising certification coverage/Implementing energy saving**
- **S: Creation of better workplace & ability development/Contribution to society**

# Engagement in ESG Initiatives/Acquisition of ESG Certificates

## Signatory member to PRI

Japan REIT Advisors Co., Ltd. (JRA), the asset manager which United Urban has entrusted with its asset management services, agreed with the basic concept of PRI and was attested as a PRI signatory member by PRI Association in November 2018.

Signatory of:



PRI is a set of principles established for the financial industry in 2006 under the leadership of the United Nations Secretary-General of the time, Kofi Annan.

### The Six Principles

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

## GRESB “Green Star” for four consecutive years

United Urban has been participating in the GRESB survey since 2012, and the “Green Star” rating was granted to United Urban in 2018 for four consecutive years. It is granted to entities which have exhibited excellence in both dimensions of “Management and Policy” and “Implementation and Measurement.”



The “GRESB (Global Real Estate Sustainability Benchmark)” is a benchmark developed by a group of leading European pension funds in 2009.

## TOKYO Workstyle Reform Declaration

JRA submitted "TOKYO Workstyle Reform Declaration" to Tokyo Metropolitan Government and was recognized as "TOKYO Workstyle Reform Declaration Company" in November 2018.



JRA has declared that it will be engaged in the company-level workstyle reform by becoming the better workplace for its employees.

In particular, JRA intends to encourage its employees to work more productively by introducing **monthly no overtime day** (on the 10th of each month) and to take **more than 10 paid holidays per year**.

## Highest rank of “S” in MUFG ESG Rating Certificate for J-REIT supported by JCR

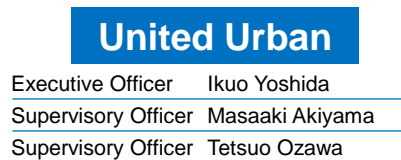


It is highly appreciated that United Urban and JRA have set up the policies on their supply chain and put them into practice, to say nothing of building their own structure on ESG.

The rating system intends to evaluate J-REITs' initiatives and implementations on ESG (Environmental, Social, Governance) issues based on the items originally selected by MURC with services provided by JCR. It assigns the rank to each J-REIT that applies the evaluation and provides the feedback for improvement.

## Independence of decision

With a conscious of conflict of interest, Investment Committee and Compliance Committee including external experts have been set up at JRA and the asset management for investors' interest have been undertaken.



Investment Committee	Compliance Committee
<b>Chairman (1)</b>	<b>Chairman (1)</b>
President & CEO, JRA	CCO, JRA
<b>Committee member (2)</b>	<b>Committee member (3)</b>
Non-executive Director	President & CEO, JRA
External expert (Attorney at Law)	External expert (Attorney at Law)
	General Manager of Corporate Operation Team

<b>Responsibility</b>	Deliberates and resolves important asset management plans and policies of ng United Urban.	<b>Responsibility</b>	Deliberate on subjects not only on compliance but also broader matters such as professional standards and internal auditing and submit report to the board of directors in case suspicion or doubt is found.
<b>Agenda</b>	Acquire and dispose properties (lands and buildings) of United Urban; Decide asset management plans of United Urban's properties.	<b>Agenda</b>	Deliberate investment decisions from the perspective of compliance; Response to acts that are, or may prove to be, problematic from the standpoint of the law, professional standards, etc.
<b>Requirements for the meeting/ resolution</b>	Attendance of the external experts and more than half of embers is required. The unanimous consent of the attendees is necessary for resolution .The interest related party on the subject is to be excluded on resolution.	<b>Requirements for the meeting/ resolution</b>	Attendance of more than half of the members is required (Chairman or President & CEO should be present.) In case that the external expert is absent, another meeting should be held instantly for the report to the external expert.

## Management/Utilization of information

### Introduction of new AM system

Introduction of new AM System is in progress in order to improve efficiency and accuracy in asset management and collection of financial data.

### Enhancement of information security

Planning to introduce M-IGS (Marubeni IT Governance and Service) is in progress with collaboration with Marubeni group for enhancement of information security.

## Compensation of employees

### Sharing interest with United Urban's unitholders

- Annual amount of bonus for all employees of JRA (excluding seconded employees from Marubeni Corporation and its group companies) is fully linked to United Urban's EPU (earnings per unit).
- Preparation of the scheme for JRA employees to acquire investment units of United Urban from their monthly salary is in progress.

## Disclosure to investors

Number of press release	24
Number of the meeting with institutional investors	133
Number of the explanatory meeting for individual investors	8

(Note) From June 1, 2018 to November 30, 2018.

## Increase in environment certification coverage

**29<sup>th</sup> FP**  
23 properties  
(27.7%)

As of the end of December, 2018  
**45 properties**  
**(52.9%)**

United Urban's goal for over 50% coverage by 2020 was achieved forward in December 2018.

(Note) In total of DBJ Green Building, CASBEE and BELS. Total floor space basis. ARENA TOWER has received recognition under both DBJ Green Building Certification and BELS, but the overlap is excluded in total floor space.

## Future actions





- JRA has been aiming to introduce **ISO14001** as the first J-REIT asset management company to enforce management for environment performance.
- With the introduction of ISO14001, JRA contributes to the development of sustainability in society by way of cooperation with JRA's employees and other stakeholders.

## The number of properties that obtained environment certification

DBJ Green Building		12	CASBEE		24	BELS		10
	★★★★★	1		★★★★★	3		★★★	4
	★★★	7		★★★★	21		★★	6
	★★	3						
	★	1						

(Note) As of the end of December, 2018. ARENA TOWER has received recognition under both DBJ Green Building Certification and BELS.

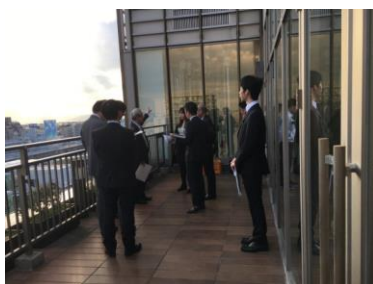
## Major properties that obtained environment certification

Mallage Kashiwa	ARENA TOWER	Yodobashi Camera Multimedia Kichijoji	Pacific Marks Kawasaki
			
CASBEE ★★★★★	DBJ ★★★★★ BELS ★★	DBJ ★★★	BELS ★★★



## Internship

- JRA has been arranging opportunities for students to obtain working experience in J-REIT industry and helping them assess their aptitude and make their career plan.
- In 30<sup>th</sup> FP, JRA accepted a student majoring business administration and offered opportunities to learn the property management as well as property inspection to acquire an external certification in retail, office, and hotel properties owned by United Urban.

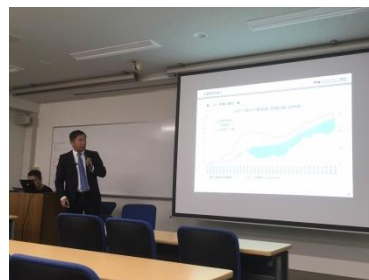


Luz Shonan Tsujido  
Intern on the right-hand side

## Contribution to Society through Education Activities

### Collaboration with academic institutions

- JRA employee was appointed to one of the lecturers for a two-day MBA program on tourist business strategy in Graduate School of Management, Kyoto University and presented the hotel investment/management strategy of United Urban.
- JRA officer joined as a lecturer for the open seminar competition held at the business administration department of Bunkyo Gakuin University and provided advice and guidance to the survey presented there.



JRA employee at Graduate School of Management, Kyoto University

### Development of financial literacy

- JRA has sent its officer to the investment trust forums organized by Investment Trusts Association since 2016 and contributing to knowledge development of individual investors regarding investment trust and J-REIT.
- JRA has been diligent about improvement in recognition of J-REIT by attending various explanatory meetings for individual investors as follows.

## Contribution to the Community

United Urban contributes to the society through allowing the local residents to use the site of the property and agreement with local governments to enable their residents to use United Urban's building upon emergency.

### Loisir Hotel & Spa Tower Naha



Offer the space for bike-sharing service by Okinawa Convention & Visitors Bureau



Offered the hot spring for free to people suffering blackout by the typhoon in 2018

### Mallage Kashiwa



Soccer lessons/events are organized by local football club, etc. (Rooftop sports park)



The site has been used for radio-calisthenics during the summer holidays with collaboration with Kashiwa City and its social welfare association

### SS30



Food and beverage are stored as an evacuation space based on the agreement with Sendai City for people who are unable to return home in case of disasters. Also, supply of those goods and communication are to be done in corporation with the City in case of emergency.



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# 3 ||| Appendix

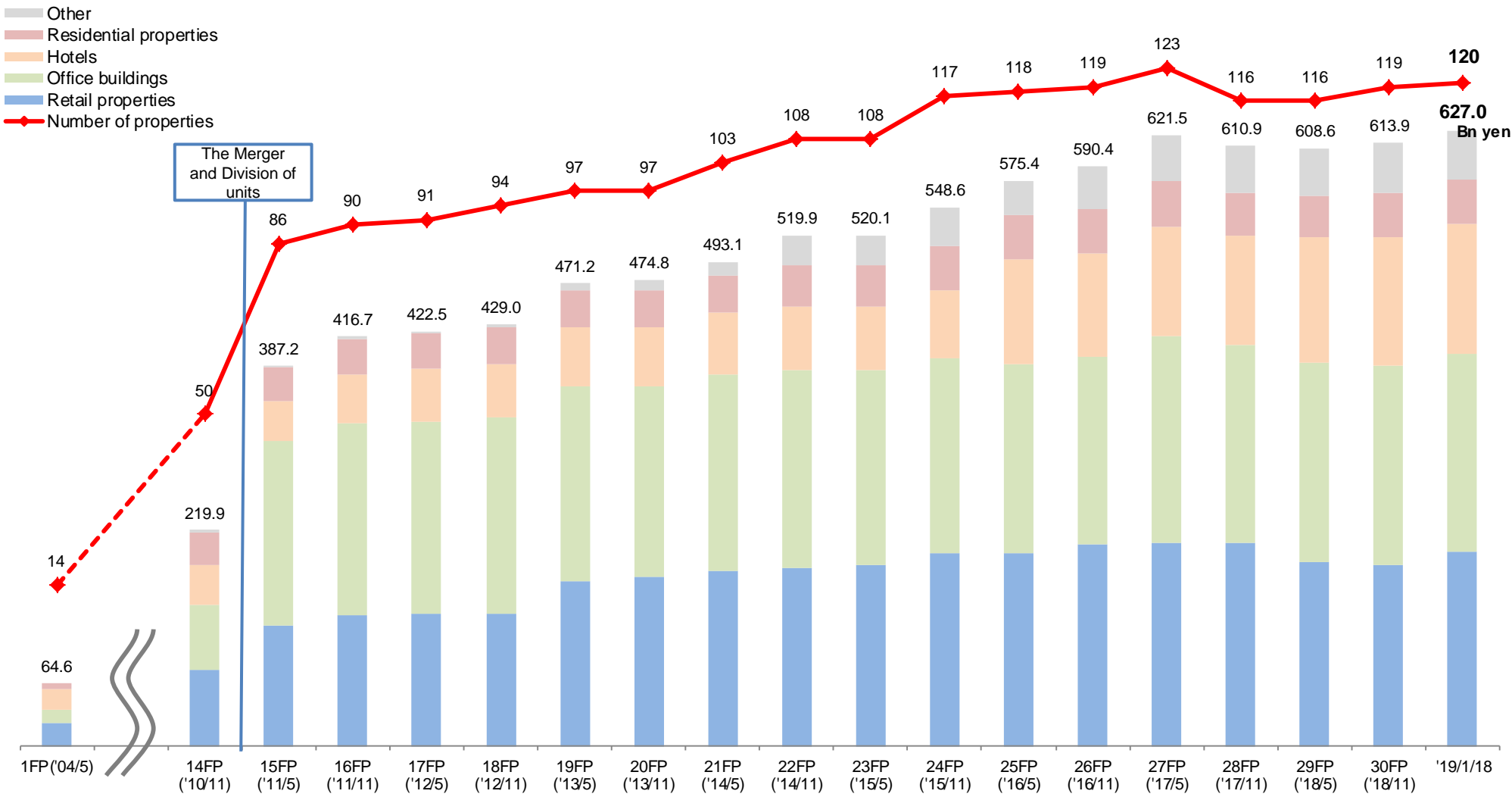
# Major Events and Schedule

FP	Month	Events concerning properties		Events concerning finance	
30th	Jun.		"Hotel JAL City Naha" Construction work for room-type change was complete	Borrowing (¥8.0Bn)	Repayment of TL66/68/70/71A (¥8.0Bn)
	Jul.		Acquisition of "Chatle Otemachi S・N"	Borrowing (¥3.8Bn)	
	Aug.				
	Sep.	"the b roppongi" Building an annex and renovation work	Acquisition of "the b fukuoka tenjin"	Green Trust (¥10.0Bn)	Repayment of TL35/72/73/75A (¥7.3Bn)
	Oct.		Acquisition of "Musashimurayama Logistics Center"		
	Nov.		Sale of "Himonya Shopping Center (19% quasi co-ownership)"	Borrowing (¥10.0Bn) + Cash on hand	Maturity of series 13 and 14 of Corporate Bond (¥15.0Bn)
31st	Dec.	Acquisition of "the b roppongi (the Annex)"	Acquisition of "Luz Musashikosugi"	Borrowing (¥12.0Bn)	
	Jan. 2019				
	Feb.				
	Mar.	Completion (scheduled) Renovation work: Mar. 2019	Sale of "Himonya Shopping Center (30% quasi co-ownership)" (scheduled)		Repayment of TL57/76/80/90A (¥7.1Bn)
	Apr.				
	May		Acquisition of "Henn-na Hotel Tokyo Hamamatsucho" (scheduled)		
32nd	Jun. to Aug.		Acquisition of "Smile Hotel Premium Sapporo Susukino" (scheduled)		Repayment of TL52/53/65/67A (¥9.7Bn)
	Sep. to Nov.				Repayment of TL63/95/100A (¥8.4Bn)

(Note) After 31<sup>st</sup> FP, it is shown that settled, decided, occurred matters or assumptions, dated January 18, 2019.

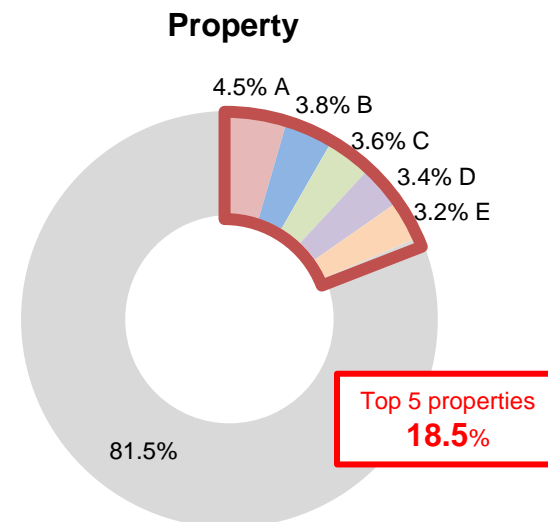
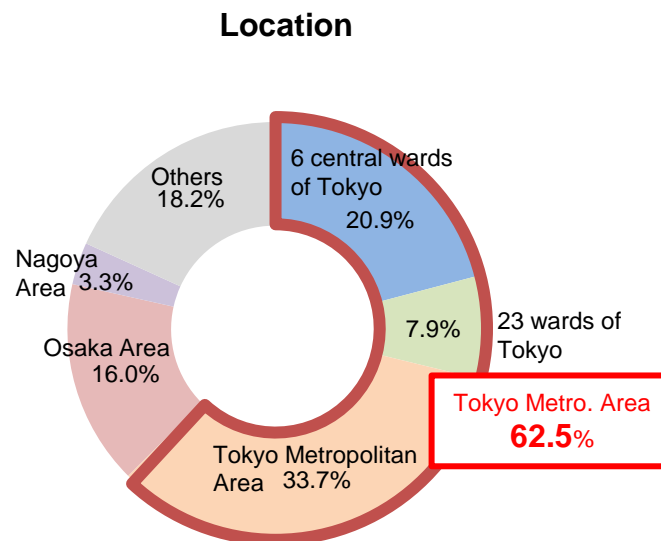
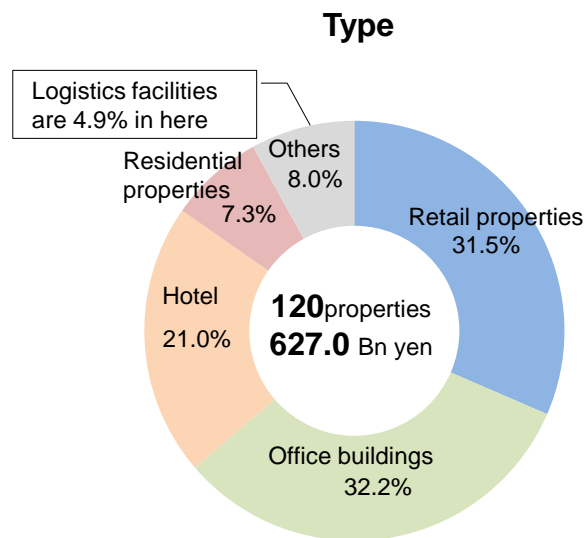
# Track Record of External Growth

## External growth (Bn yen)

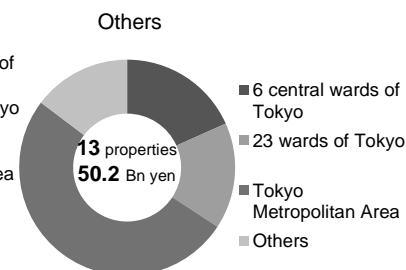
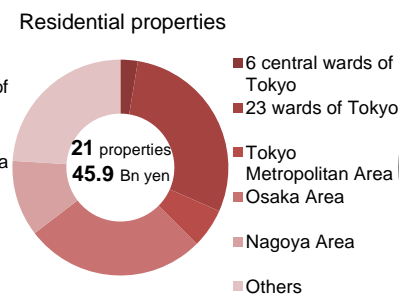
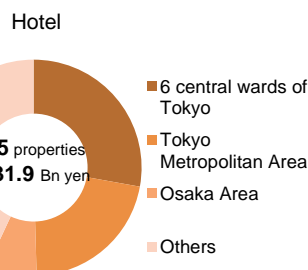
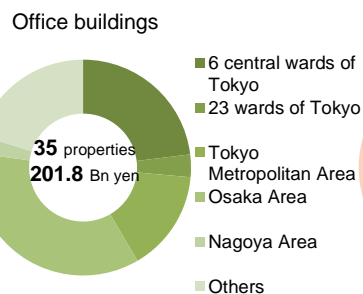
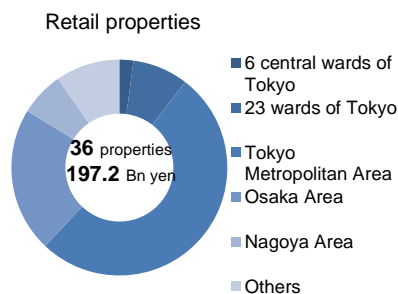


# Portfolio Summary (Acquisition price base)

As of January 18, 2019



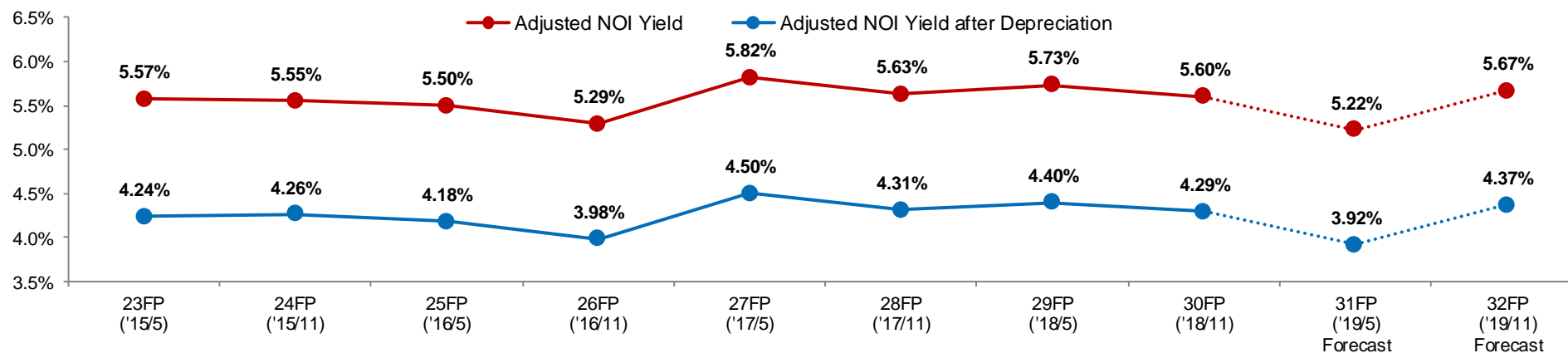
A : Yodobashi Camera Multimedia Kichijoji  
B : Shin-osaka Central Tower  
C : Shinsaibashi OPA Honkan  
D : Shinjuku Washington Hotel Honkan  
E : Loisir Hotel & Spa Tower Naha



6 central wards of Tokyo : Chiyoda-ku, Minato-ku, Chuo-ku, Shinjuku-ku, Shibuya-ku, and Shinagawa-ku  
23 wards of Tokyo : 23 wards of Tokyo except for 6 central wards of Tokyo  
Tokyo Metropolitan Area : Tokyo Metropolitan Area except for 23 wards of Tokyo, and refers to Tokyo as well as Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures

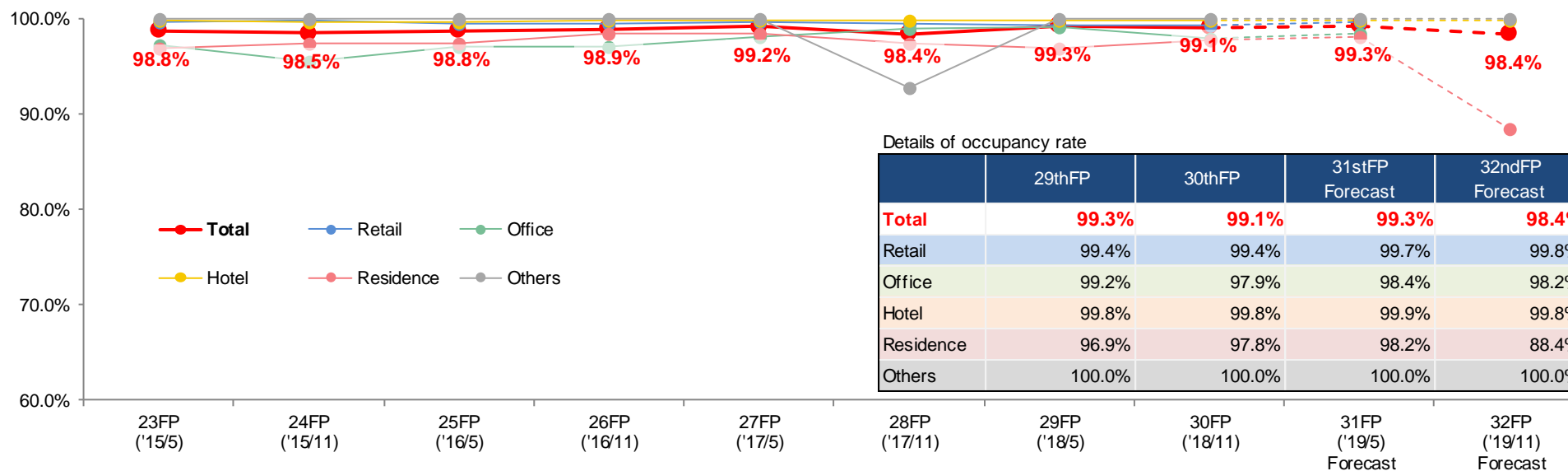
Osaka Area : Osaka Prefecture, Kyoto Prefecture and Hyogo Prefecture  
Nagoya Area : Aichi Prefecture, Mie Prefecture and Gifu Prefecture  
Others : Excluding Tokyo Metropolitan Area, Osaka Area or Nagoya Area

## ■ Trend of profit ratio



(Note) Yield of the properties held at the end of the period has been weighted averaged by the acquisition price.

## ■ Trend of portfolio occupancy rate (end of fiscal period)





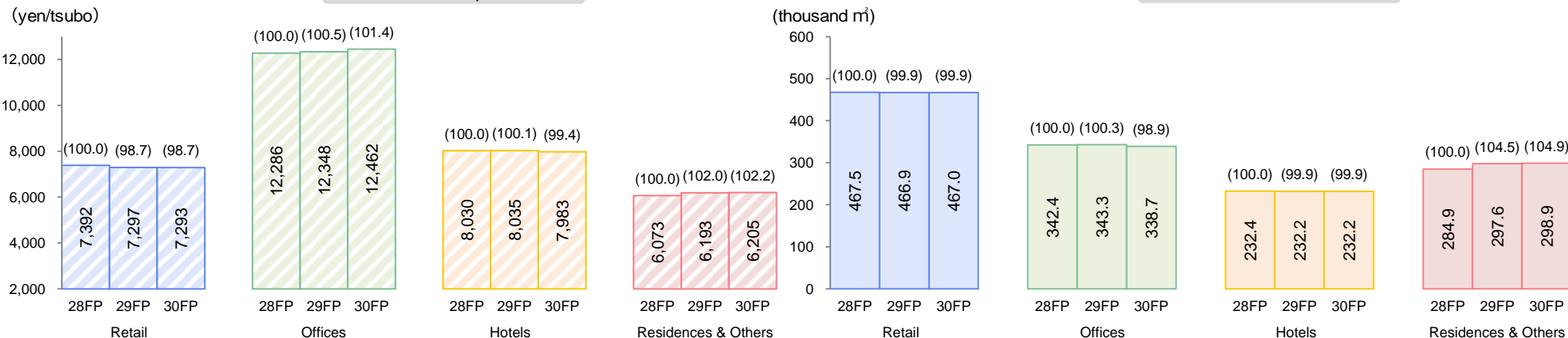
# Trend of Rent in Existing Properties

## ■ Trend of monthly rent (based on lease contracts) in existing properties

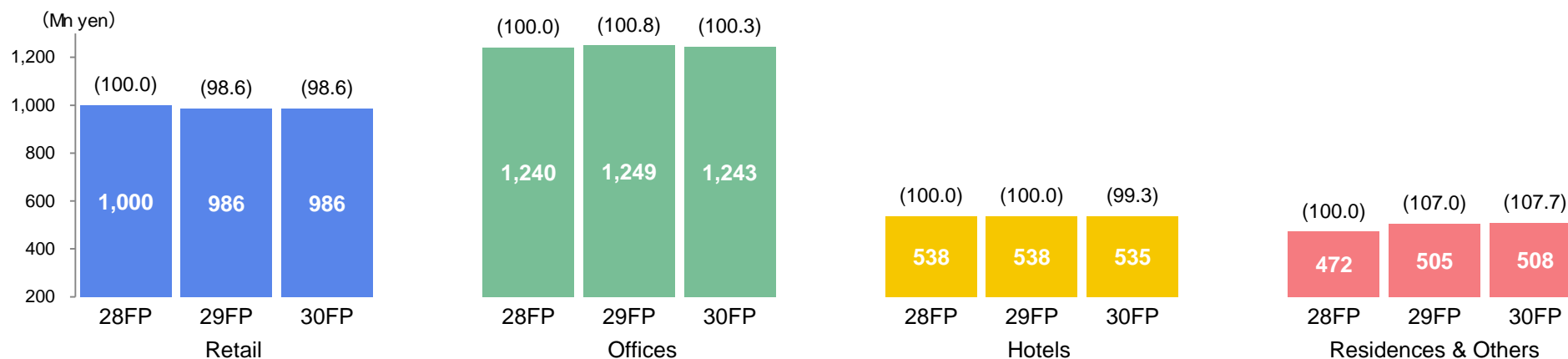
(The figures with parentheses show the index numbers, the end of 28th FP (November 2017) are defined as 100)

Rent unit price

Leased area



Monthly rent (contracted base)



(Notes)

1. "Existing Properties" refers to the 115 properties which have been owned by United Urban for one year or more as at the end of November 2018. "Himonya Shopping Center" has been corrected the numeric value of the remaining 30% ownership interest that remains in United Urban.
2. This analysis shows the trend of fixed rent only. Therefore, variable rent, based on sales volume, etc. is excluded from this analysis.

# Financial Indices

(millions of yen, unless otherwise indicated)

		FP 2018/11 (30th FP: 183 days)	FP 2018/5 (29th FP: 182 days)	FP 2017/11 (28th FP: 183 days)	FP 2017/5 (27th FP: 182 days)	FP 2016/11 (26th FP: 183 days)
Total Assets		651,242	648,503	663,531	675,885	648,105
Number of Properties	(properties)	119	116	116	123	119
Interest-bearing liabilities		257,384	255,884	271,607	285,857	277,407
Net Asset		356,029	355,017	353,258	351,801	333,592
Net Asset per unit	(yen)	116,536	116,205	115,629	115,152	112,966
Return on Assets (ROA) (annualized)	(%)	3.6%	3.7%	3.4%	3.1%	2.9%
Return on Equity (ROE) (annualized)	(%)	6.6%	6.8%	6.4%	6.0%	5.9%
Equity ratio	(%)	54.7%	54.7%	53.2%	52.1%	51.5%
Debt service coverage ratio	(X)	15.9	15.8	14.5	13.2	11.6
NOI		17,253	18,051	17,514	17,528	15,679
FFO		13,974	14,773	14,144	14,213	11,870

		FP 2016/5 (25th FP: 183 days)	FP 2015/11 (24th FP: 183 days)	FP 2015/5 (23rd FP: 182 days)	FP 2014/11 (22nd FP: 183 days)	FP 2014/5 (21st FP: 182 days)
Total Assets		629,262	598,077	573,318	561,415	527,807
Number of Properties	(properties)	118	117	108	108	103
Interest-bearing liabilities		293,157	264,707	255,357	269,157	257,707
Net Asset		298,009	297,340	282,906	258,335	237,208
Net Asset per unit	(yen)	108,313	108,069	106,987	102,830	99,659
Return on Assets (ROA) (annualized)	(%)	3.0%	2.8%	2.8%	2.7%	2.5%
Return on Equity (ROE) (annualized)	(%)	6.1%	5.4%	5.8%	5.9%	5.6%
Equity ratio	(%)	47.4%	49.7%	49.3%	46.0%	44.9%
Debt service coverage ratio	(X)	11.1	10.3	9.8	9.3	8.7
NOI		15,420	14,847	14,540	13,894	13,149
FFO		11,939	11,398	11,354	10,685	10,033

(Notes)

1. The amount of Gain on Negative Goodwill are not taken into account in calculating FFO and Debt service coverage ratio.
2. FFO = Net Income + Depreciation and Amortization + Gain/Loss on Sales of Real Estate

# Balance Sheet

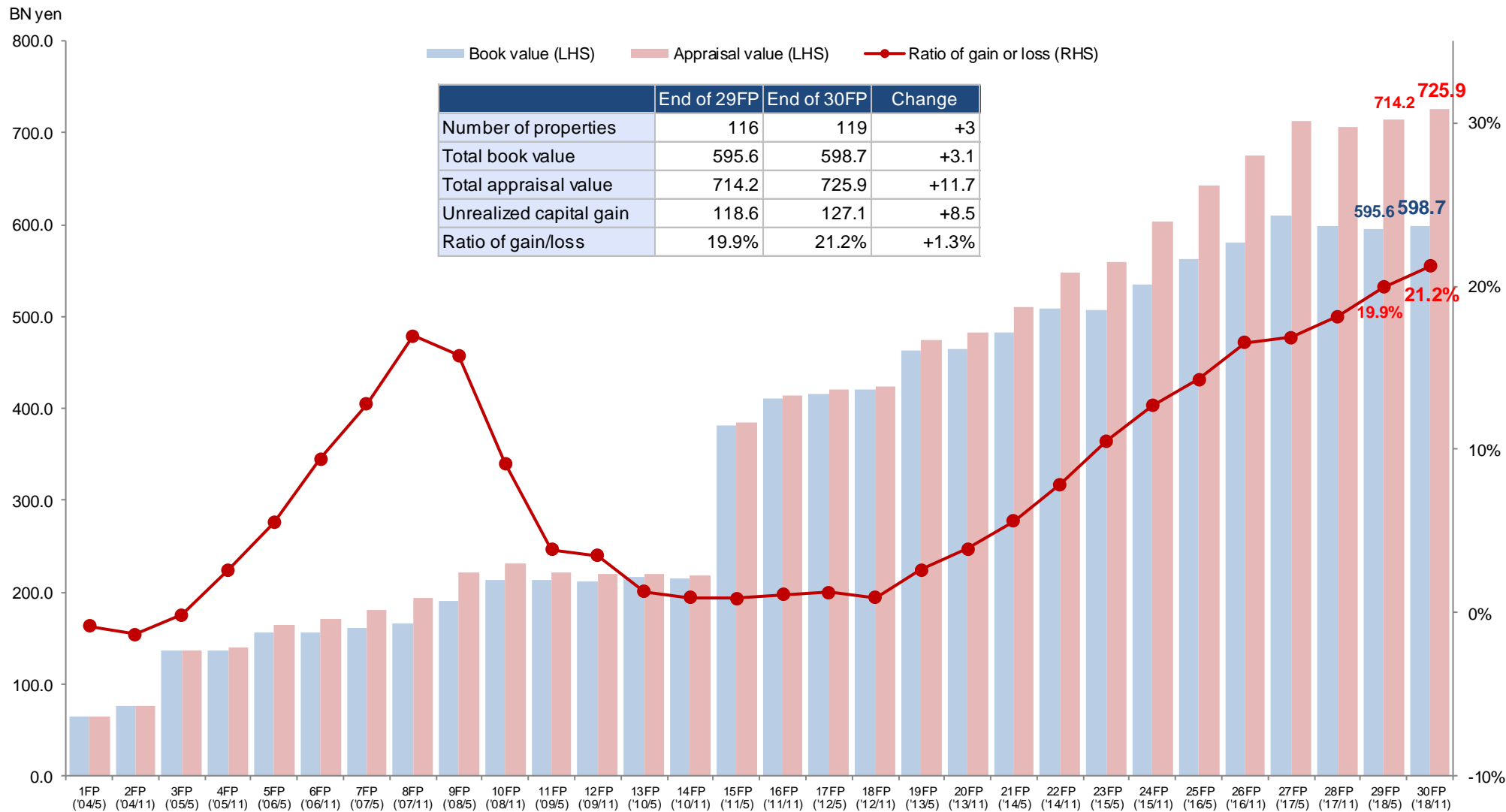
		End of 29th Fiscal Period (May 31, 2018)		End of 30th Fiscal Period (November 30, 2018)		Change	
		(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
ASSETS	Current Assets	51,017	7.9%	50,579	7.8%	▲437	▲0.9%
	Cash and bank deposits	49,665	7.7%	49,652	7.6%	▲12	▲0.0%
	Rent receivables	618	0.1%	631	0.1%	+13	+2.2%
	Other	733	0.1%	294	0.0%	▲438	▲59.8%
	Fixed Assets	597,486	92.1%	600,662	92.2%	+3,176	+0.5%
	Property and equipment	586,283	90.4%	589,443	90.5%	+3,160	+0.5%
	Land	387,141	59.7%	389,905	59.9%	+2,763	+0.7%
	Buildings and structures	253,395	39.1%	256,771	39.4%	+3,375	+1.3%
	Machinery and equipment	2,638	0.4%	2,759	0.4%	+121	+4.6%
	Tools, furniture and fixtures	982	0.2%	1,063	0.2%	+80	+8.2%
	Construction in progress	377	0.1%	771	0.1%	+394	+104.5%
	Subtotal	644,535	99.4%	651,271	100.0%	+6,736	+1.0%
	Less accumulated depreciation	▲58,252	▲9.0%	▲61,828	▲9.5%	▲3,575	+6.1%
	Intangible assets	9,520	1.5%	9,507	1.5%	▲13	▲0.1%
	Software	27	0.0%	21	0.0%	▲6	▲23.4%
	Leasehold	9,320	1.4%	9,320	1.4%	+0	+0.0%
	Other	172	0.0%	165	0.0%	▲6	▲3.9%
	Investments and other assets	1,682	0.3%	1,711	0.3%	+29	+1.8%
	Investment securities	144	0.0%	93	0.0%	▲50	▲34.9%
	Long-term prepaid expenses	1,447	0.2%	1,527	0.2%	+80	+5.5%
	Other	90	0.0%	89	0.0%	+0	▲0.3%
TOTAL ASSETS		648,503	100.0%	651,242	100.0%	+2,738	+0.4%
LIABILITIES	Current Liabilities	43,614	6.7%	31,775	4.9%	▲11,839	▲27.1%
	Trade accounts payable	2,025	0.3%	2,305	0.4%	+280	+13.8%
	Current portion of corporate bonds	15,000	2.3%	-	-	▲15,000	-
	Long-term debt due for repayment within one year	22,400	3.5%	25,207	3.9%	+2,807	+12.5%
	Rent received in advance	3,573	0.6%	3,520	0.5%	▲52	▲1.5%
	Other	614	0.1%	741	0.1%	+126	+20.6%
	Long-term Liabilities	249,871	38.5%	263,437	40.5%	+13,566	+5.4%
	Corporate bonds	17,000	2.6%	17,000	2.6%	+0	+0.0%
	Long-term debt	201,484	31.1%	215,177	33.0%	+13,693	+6.8%
	Leasehold and security deposits received	31,301	4.8%	31,190	4.8%	▲111	▲0.4%
	Other	85	0.0%	70	0.0%	▲15	▲17.9%
TOTAL LIABILITIES		293,485	45.3%	295,212	45.3%	+1,727	+0.6%
NET ASSETS	Unitholders' Equity	355,107	54.8%	356,111	54.7%	+1,004	+0.3%
	Unitholders' capital	309,205	47.7%	309,205	47.5%	+0	+0.0%
	Capital surplus	23,548	3.6%	23,548	3.6%	+0	+0.0%
	Reserve for Temporary difference Adjustment	7,395	1.1%	7,386	1.1%	▲8	▲0.1%
	Reserve retained for distribution	2,984	0.5%	3,061	0.5%	+77	+2.6%
	Reserve for reduction entry	-	-	1,120	0.2%	+1,120	-
	Unappropriated retained earnings	11,973	1.8%	11,788	1.8%	▲185	▲1.5%
	Deferred gains or losses on hedges	▲89	▲0.0%	▲82	▲0.0%	+7	▲7.9%
TOTAL NET ASSETS		355,017	54.7%	356,029	54.7%	+1,011	+0.3%

# Income Statement

	29th Fiscal Period (December 1, 2017-May 31, 2018)		30th Fiscal Period (June 1, 2018-November 30, 2018)		Change	
	(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
OPERATING REVENUES	29,166	100.0%	25,733	100.0%	▲3,432	▲11.8%
Rental revenues	22,378	76.7%	22,033	85.6%	▲344	▲1.5%
Other rental revenues	1,841	6.3%	1,833	7.1%	▲7	▲0.4%
Gain on sales of real estate properties	4,944	17.0%	1,864	7.2%	▲3,080	▲62.3%
Dividend income	1	0.0%	2	0.0%	+0	+12.5%
OPERATING EXPENSES	16,077	55.1%	12,838	49.9%	▲3,238	▲20.1%
Property-related expenses	10,328	35.4%	10,663	41.4%	+334	+3.2%
Property and other taxes	1,782	6.1%	1,885	7.3%	+103	+5.8%
Property management fees	1,685	5.8%	1,735	6.7%	+49	+3.0%
Utilities	1,385	4.8%	1,644	6.4%	+258	+18.7%
Casualty insurance	31	0.1%	32	0.1%	+0	+2.5%
Repairs and maintenances	833	2.9%	892	3.5%	+59	+7.1%
Depreciation and amortization	4,160	14.3%	4,050	15.7%	▲110	▲2.6%
Other	449	1.5%	422	1.6%	▲27	▲6.1%
Loss on sales of real estates	3,584	12.3%	-	-	▲3,584	-
Selling, General & Admin. Expenses	2,163	7.4%	2,174	8.5%	+11	+0.5%
Asset management fees	1,863	6.4%	1,840	7.2%	▲22	▲1.2%
Asset custodian fees	17	0.1%	17	0.1%	+0	▲1.0%
Administrative service fees	67	0.2%	65	0.3%	▲1	▲2.1%
Directors' compensation	4	0.0%	9	0.0%	+5	+119.0%
Other	211	0.7%	241	0.9%	+30	+14.4%
OPERATING INCOME	13,089	44.9%	12,894	50.1%	▲194	▲1.5%
NON-OPERATING REVENUES	79	0.3%	26	0.1%	▲52	▲66.7%
Other	79	0.3%	26	0.1%	▲52	▲66.7%
NON-OPERATING EXPENSES	1,193	4.1%	1,132	4.4%	▲61	▲5.2%
Interest expense	1,000	3.4%	998	3.9%	▲2	▲0.2%
Interest expense on corporate bonds	87	0.3%	63	0.2%	▲24	▲27.7%
Corporate bond issuance expenses	79	0.3%	-	-	▲79	-
Other	25	0.1%	70	0.3%	+44	+172.4%
ORDINARY INCOME	11,974	41.1%	11,789	45.8%	▲185	▲1.5%
INCOME BEFORE INCOME TAXES	11,974	41.1%	11,789	45.8%	▲185	▲1.5%
INCOME TAXES	0	0.0%	0	0.0%	+0	+0.0%
Current	0	0.0%	0	0.0%	+0	+0.0%
NET INCOME	11,973	41.1%	11,788	45.8%	▲185	▲1.5%

# Trend of Unrealized Capital Gain

## ■ Trend of book value and appraisal value at the end of fiscal periods



# Appraisal Value 1/3

(in millions of yen)

Type	No.	Property Name	Acquisition			29th fiscal period (2018/5/31)				30th fiscal period (2018/11/30)				Comparison between 30th and 29th FP				Appraisers
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Retail Property	A1	Himonya Shopping Center	1	03/12/25	4,590	8,540	11,074	5.1%	+ 2,534	5,186	6,780	5.1%	+ 1,593	-4,294	-38.8%	±0%	-941	JREI
	A2	Joy Park Izumigaoka	1	03/12/22	6,770	5,123	4,750	5.6%	-374	5,080	4,840	5.5%	-240	+ 90	+ 1.9%	-0.1%	+ 133	JREI
	A4	Re-LAND Shopping Center	2	04/09/17	5,200	4,273	5,820	5.5%	+ 1,546	4,289	5,960	5.4%	+ 1,670	+ 140	+ 2.4%	-0.1%	+ 124	JREI
	A6	TENJIN LUCE	5	06/04/14	6,500	6,277	6,520	4.4%	+ 242	6,248	6,470	4.4%	+ 222	-50	-0.8%	±0%	-21	Nittochi
	A7	Yamada Denki Tecc Land Sakai Honten	5	06/04/28	3,210	2,752	3,700	5.3%	+ 947	2,736	3,780	5.2%	+ 1,043	+ 80	+ 2.2%	-0.1%	+ 96	JREI
	A8	Miyamae Shopping Center	7	07/02/19	5,312	5,056	5,140	4.9%	+ 84	5,027	5,230	4.8%	+ 202	+ 90	+ 1.8%	-0.1%	+ 118	JREI
	A9	KONAMI SPORTS CLUB Korigaoka	8	07/06/29	2,040	1,566	1,930	5.3%	+ 364	1,542	1,970	5.2%	+ 428	+ 40	+ 2.1%	-0.1%	+ 64	JREI
	A10	ACTIOLE Minami-ikebukuro	8	07/09/27	3,760	3,654	3,350	4.0%	-305	3,643	3,350	4.0%	-294	±0	±0%	±0%	+ 11	JREI
	A11	Tip's Machida Building	9	07/12/27	4,100	4,204	4,960	4.6%	+ 756	4,185	4,850	4.7%	+ 664	-110	-2.2%	+ 0.1%	-92	JREI
	A12	Daiei Takarazuka Nakayama	9	08/01/30	4,284	3,197	3,930	6.0%	+ 732	3,170	3,870	6.1%	+ 700	-60	-1.5%	+ 0.1%	-32	JREI
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	9	08/02/18	11,904	12,450	11,400	5.5%	-1,051	12,450	11,400	5.5%	-1,051	±0	±0%	±0%	±0	JREI
	A14	ACTIOLE Kannai	10	08/06/30	2,410	2,264	2,110	4.5%	-154	2,251	2,160	4.5%	-91	+ 50	+ 2.4%	±0%	+ 63	JREI
	A15	Shinsaibashi OPA Honkan	15	10/12/01	22,800	21,922	26,100	4.2%	+ 4,177	21,875	26,100	4.2%	+ 4,225	±0	±0%	±0%	+ 47	JREI
	A19	Albore Jingumae	15	10/12/01	1,580	1,560	2,220	3.4%	+ 660	1,556	2,360	3.4%	+ 803	+ 140	+ 6.3%	±0%	+ 143	JREI
	A20	Albore Sendai	15	10/12/01	2,590	2,373	3,570	4.5%	+ 1,196	2,365	3,600	4.5%	+ 1,234	+ 30	+ 0.8%	±0%	+ 38	JREI
	A21	Mallage Kashiwa	15	10/12/01	7,040	6,716	8,710	5.6%	+ 1,993	6,667	8,940	5.5%	+ 2,272	+ 230	+ 2.6%	-0.1%	+ 279	JREI
	A23	Ito-Yokado Owariasahi	15	10/12/01	4,840	4,115	4,840	6.6%	+ 724	4,074	4,860	6.6%	+ 785	+ 20	+ 0.4%	±0%	+ 61	JREI
	A24	Yokohama Kariba Shopping Center	15	10/12/01	2,500	2,193	2,050	5.1%	-144	2,171	2,100	5.0%	-71	+ 50	+ 2.4%	-0.1%	+ 72	JREI
	A25	Luz Jiyugaoka	16	11/06/15	5,090	4,909	6,090	3.7%	+ 1,181	4,879	6,090	3.7%	+ 1,210	±0	±0%	±0%	+ 29	JREI
	A26	ACTIOLE Ichikawa	16	11/06/15	3,350	3,010	4,060	4.6%	+ 1,050	2,974	4,060	4.6%	+ 1,085	±0	±0%	±0%	+ 36	JREI
	A27	Yokohama Aoba Shopping Center (Site)	16	11/10/31	2,600	2,740	3,240	4.5%	+ 499	2,740	3,280	4.5%	+ 539	+ 40	+ 1.2%	±0%	+ 40	JREI
	A28	Yamada Denki Tecc Land Aoba (Site)	17	12/05/18	2,150	2,270	2,530	5.4%	+ 260	2,270	2,550	5.4%	+ 280	+ 20	+ 0.8%	±0%	+ 20	JREI
	A29	Yodobashi Camera Multimedia Kichijoji	19	13/03/18	28,000	27,523	35,300	3.7%	+ 7,777	27,366	34,400	3.7%	+ 7,033	-900	-2.5%	±0%	-743	JREI
	A30	Yamada Denki Tecc Land New Matsudo Honten	19	13/03/18	5,150	4,886	6,580	5.7%	+ 1,693	4,846	6,580	5.7%	+ 1,733	±0	±0%	±0%	+ 40	JREI
	A31	Tenjin Loft Building	20	13/11/29	4,350	4,598	5,950	4.9%	+ 1,351	4,609	6,120	4.8%	+ 1,511	+ 170	+ 2.9%	-0.1%	+ 159	JREI
	A32	Narumi Shopping Center (Site)	21	14/04/08	6,460	6,850	7,280	4.7%	+ 429	6,850	7,280	4.7%	+ 429	±0	±0%	±0%	±0	Tanizawa
	A33	Plussing Wave Enoshima	22	14/08/29	1,800	1,909	2,120	5.3%	+ 210	1,903	2,120	5.3%	+ 216	±0	±0%	±0%	+ 6	JREI
	A34	LIFE Nishikujo (Site)	23	15/03/02	1,760	1,842	2,060	4.3%	+ 217	1,842	2,060	4.3%	+ 217	±0	±0%	±0%	±0	Tanizawa
	A35	LIFE Tamatsukuri (Site)	23	15/03/02	1,880	1,967	2,150	4.2%	+ 182	1,967	2,150	4.2%	+ 182	±0	±0%	±0%	±0	Tanizawa
	A36	Granbell Ginza Building	24	15/06/30	2,621	2,711	2,990	3.5%	+ 278	2,708	2,990	3.4%	+ 282	±0	±0%	-0.1%	+ 4	JREI
	A37	UUR Tenjin Nishi-dori Building	24	15/07/15	5,500	5,687	6,160	5.3%	+ 473	5,680	6,280	5.2%	+ 599	+ 120	+ 1.9%	-0.1%	+ 126	JREI
	A38	Luz Shonan Tsujido	24	15/09/30	3,938	3,972	4,600	5.1%	+ 627	3,945	4,600	5.1%	+ 655	±0	±0%	±0%	+ 27	Tanizawa
	A39	ACTIOLE Ueno	25	15/12/04	3,000	3,171	3,190	3.5%	+ 18	3,170	3,150	3.5%	-21	-40	-1.3%	±0%	-39	Tanizawa
	A40	KURURU	26	16/09/01	9,285	9,591	10,700	4.3%	+ 1,108	9,557	10,400	4.3%	+ 843	-300	-2.8%	±0%	-265	Tanizawa
	A41	K's Denki Nagoya-a-kita	27	16/12/01	1,750	1,846	1,900	5.7%	+ 54	1,841	1,890	5.7%	+ 49	-10	-0.5%	±0%	-5	Tanizawa
Office	B1	T&G Hamamatsucho Building	1	03/12/26	2,257	2,114	3,160	4.0%	+ 1,046	2,108	3,230	3.9%	+ 1,122	+ 70	+ 2.2%	-0.1%	+ 76	Tanizawa
	B3	Fukuoka Eartheon Building	1	03/12/26	2,080	1,616	2,740	5.5%	+ 1,123	1,599	2,950	5.4%	+ 1,350	+ 210	+ 7.7%	-0.1%	+ 227	JREI
	B4	Marumasu Kojimachi Building	1	04/03/29	2,350	2,421	2,570	3.5%	+ 148	2,412	2,680	3.4%	+ 268	+ 110	+ 4.3%	-0.1%	+ 119	JREI
	B5	Rokubancho K Building	1	04/03/30	2,150	2,269	3,710	4.0%	+ 1,440	2,263	3,810	3.9%	+ 1,547	+ 100	+ 2.7%	-0.1%	+ 107	JREI
	B6	Shin-Osaka Central Tower	3	04/12/02	24,000	23,748	28,600	5.0%	+ 4,852	23,698	29,000	4.9%	+ 5,301	+ 400	+ 1.4%	-0.1%	+ 450	Nittochi
	B7	Kawasaki Toshiba Building	3	04/12/20	19,200	19,601	32,300	4.6%	+ 12,699	19,553	33,000	4.5%	+ 13,447	+ 700	+ 2.2%	-0.1%	+ 748	Tanizawa
	B8	UUR Toyochi Building	10	08/06/30	8,500	8,456	8,640	4.3%	+ 183	8,421	8,670	4.3%	+ 248	+ 30	+ 0.3%	±0%	+ 65	JREI
B9	FOUR SEASONS BLDG	13	09/12/25	4,200	4,160	6,180	4.2%	+ 2,019	4,148	6,380	4.1%	+ 2,232	+ 200	+ 3.2%	-0.1%	+ 212	JREI	



# Appraisal Value 2/3

(in millions of yen)

Type	No.	Property Name	Acquisition			29th fiscal period (2018/5/31)				30th fiscal period (2018/11/30)				Comparison between 30th and 29th FP				Appraisers
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Office	B10	Hitachi High-Tech Building	15	10/12/01	14,800	14,445	16,500	3.7%	+2,054	14,419	17,100	3.6%	+2,681	+600	+3.6%	-0.1%	+626	JREI
	B11	Pacific Marks Shinjuku Parkside	15	10/12/01	12,100	11,905	12,000	3.8%	+94	11,854	12,400	3.7%	+545	+400	+3.3%	-0.1%	+451	JREI
	B13	Pacific Marks Tsukishima	15	10/12/01	6,080	5,810	6,500	4.5%	+689	5,780	6,640	4.4%	+860	+140	+2.2%	-0.1%	+170	JREI
	B14	Pacific Marks Yokohama East	15	10/12/01	7,050	6,749	7,580	4.5%	+830	6,716	7,680	4.4%	+964	+100	+1.3%	-0.1%	+133	Tanizawa
	B17	Akasaka Hikawa Building	15	10/12/01	3,290	3,231	4,050	4.2%	+818	3,226	4,190	4.1%	+964	+140	+3.5%	-0.1%	+145	JREI
	B18	Pacific Marks Shibuya Koen-dori	15	10/12/01	2,570	2,475	3,160	4.7%	+685	2,466	3,220	4.6%	+754	+60	+1.9%	-0.1%	+69	JREI
	B20	Pacific Marks Akasaka-mitsuke	15	10/12/01	2,210	2,145	2,350	3.8%	+205	2,138	2,410	3.7%	+272	+60	+2.6%	-0.1%	+67	JREI
	B22	Pacific Marks Shin-Yokohama	15	10/12/01	1,710	1,582	1,710	4.7%	+128	1,572	1,770	4.7%	+197	+60	+3.5%	±0%	+69	Tanizawa
	B25	Pacific Marks Kawasaki	15	10/12/01	9,890	9,074	11,300	4.2%	+2,225	9,013	11,600	4.1%	+2,586	+300	+2.7%	-0.1%	+361	Tanizawa
	B26	Hamamatsucho 262 Building	15	10/12/01	6,840	6,532	7,440	3.9%	+907	6,499	7,710	3.8%	+1,211	+270	+3.6%	-0.1%	+304	JREI
	B27	Lila Hijirizaka	15	10/12/01	2,750	2,618	3,090	4.3%	+472	2,615	3,220	4.2%	+604	+130	+4.2%	-0.1%	+133	JREI
	B29	Otsuka HT Building	15	10/12/01	1,160	1,085	1,180	5.1%	+94	1,079	1,210	5.0%	+130	+30	+2.5%	-0.1%	+36	JREI
	B30	Pacific Marks Shinjuku South-gate	15	10/12/01	2,460	2,500	3,350	3.8%	+850	2,495	3,520	3.7%	+1,025	+170	+5.1%	-0.1%	+175	JREI
	B31	Pacific Marks Nishi-Umeda	15	10/12/01	6,860	6,374	7,340	4.3%	+966	6,374	7,780	4.2%	+1,405	+440	+6.0%	-0.1%	+439	Tanizawa
	B32	Pacific Marks Higobashi	15	10/12/01	4,570	4,467	4,730	4.4%	+263	4,436	4,880	4.3%	+443	+150	+3.2%	-0.1%	+181	Tanizawa
	B34	Pacific Marks Esaka	15	10/12/01	9,590	9,703	9,710	4.9%	+7	9,667	10,000	4.8%	+333	+290	+3.0%	-0.1%	+326	Tanizawa
	B35	Pacific Marks Sapporo Kita-Ichijo	15	10/12/01	1,790	1,750	2,100	5.3%	+349	1,735	2,100	5.3%	+365	±0	±0%	±0%	+15	Tanizawa
	B36	Shin-Sapporo Center Building	15	10/12/01	987	868	1,090	5.7%	+222	859	1,100	5.7%	+240	+10	+0.9%	±0%	+18	Tanizawa
	B37	ARENA TOWER	16	11/06/16	9,500	8,338	12,800	4.7%	+4,462	8,233	12,800	4.7%	+4,567	±0	±0%	±0%	+105	Tanizawa
	B38	Yushima First Building	18	12/08/29	2,100	2,055	2,880	4.4%	+825	2,041	2,960	4.3%	+919	+80	+2.8%	-0.1%	+94	JREI
	B39	Dogenzaka Square	18	12/11/22	2,300	2,281	2,950	3.9%	+669	2,271	2,970	3.8%	+699	+20	+0.7%	-0.1%	+30	JREI
	B40	GRAND-SQUARE Shin-Sakae	21	14/02/28	1,480	1,364	2,030	5.3%	+666	1,345	2,060	5.2%	+715	+30	+1.5%	-0.1%	+49	JREI
	B41	GRAND-SQUARE Meieki-minami	21	14/02/28	1,220	1,147	2,250	4.8%	+1,103	1,129	2,310	4.7%	+1,180	+60	+2.7%	-0.1%	+77	JREI
	B42	Shiba 520 Building	21	14/03/28	2,100	2,169	3,010	4.0%	+840	2,162	3,090	3.9%	+928	+80	+2.7%	-0.1%	+88	JREI
	B43	Hirose-dori SE Building	22	14/06/13	3,600	3,333	5,140	5.1%	+1,807	3,277	5,240	5.0%	+1,962	+100	+1.9%	-0.1%	+156	JREI
	B44	SS30	27	17/03/30	18,200	18,954	18,600	4.9%	-355	18,838	19,300	4.8%	+461	+700	+3.8%	-0.1%	+816	JREI
	B45	LOOP-X・M	27	17/04/26	11,200	11,745	11,600	4.3%	-145	11,737	11,700	4.1%	-38	+100	+0.9%	-0.2%	+107	JREI
Hotel	C1	Shinjuku Washington Hotel Honkan	1	03/12/22	21,140	22,401	26,900	4.7%	+4,499	22,298	27,700	4.6%	+5,401	+800	+3.0%	-0.1%	+902	JREI
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	3	05/02/18	1,884	1,624	2,600	3.8%	+975	1,617	2,600	3.8%	+982	±0	±0%	±0%	+7	Nittochi
	C3	MZ BLD.	9	08/04/10	3,800	3,132	3,770	5.1%	+637	3,084	3,800	5.0%	+715	+30	+0.8%	-0.1%	+78	JREI
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	10	08/06/30	4,720	4,060	5,140	4.7%	+1,079	4,015	5,140	4.7%	+1,125	±0	±0%	±0%	+45	Nittochi
	C5	Hotel JAL City Naha	16	11/10/25	7,650	7,388	12,000	4.7%	+4,612	7,475	11,800	4.5%	+4,325	-200	-1.7%	-0.2%	-287	Nittochi
	C6	UUR Yotsuya a Sanchome Building	17	11/12/26	4,200	4,269	6,420	4.3%	+2,150	4,417	6,580	4.2%	+2,163	+160	+2.5%	-0.1%	+12	JREI
	C7	Yotsuya a 213 Building	19	13/03/18	5,020	4,951	6,700	4.2%	+1,749	4,945	6,860	4.1%	+1,915	+160	+2.4%	-0.1%	+166	JREI
	C9	the b Roppongi	21	14/05/01	3,500	4,292	4,810	-	+518	4,666	4,890	-	+224	+80	+1.7%	±0%	-294	JREI
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	24	15/08/31	2,655	2,686	3,130	4.0%	+443	2,673	3,140	4.0%	+466	+10	+0.3%	±0%	+23	DAIWA
	C11	Toyoko Inn Hiroshima Heiwa-odori	24	15/08/31	2,113	2,117	2,520	4.9%	+403	2,102	2,530	4.9%	+428	+10	+0.4%	±0%	+25	DAIWA
	C12	Toyoko Inn Naha Kokusai-dori Miebashi-eki	24	15/08/31	745	746	827	6.1%	+81	739	837	6.1%	+97	+10	+1.2%	-0.1%	+16	DAIWA
	C13	Loisir Hotel & Spa Tower Naha	25	16/02/05	20,000	20,630	22,700	5.5%	+2,069	20,461	23,200	5.4%	+2,738	+500	+2.2%	±0%	+669	JREI
	C14	Royal Pines Hotel Urawa	25	16/04/01	17,500	17,549	18,100	5.4%	+550	17,492	18,100	5.4%	+607	±0	±0%	±0%	+57	JREI
	C15	RIHGA Royal Hotel Kokura・ARUARU City	29	18/01/26	16,600	17,364	16,800	5.5%	-564	17,258	16,900	5.5%	-358	+100	+0.6%	±0%	+206	Tanizawa
	C15	the b fukuoka tenjin	30	18/09/27	3,000	-	-	-	-	3,122	3,540	4.4%	+417	-	-	-	+417	JREI
D1	T&G Higashi-ikebukuro Mansion	1	03/12/26	2,021	1,440	2,370	4.2%	+930	1,428	2,370	4.1%	+942	±0	±0%	-0.1%	+12	Tanizawa	

# Appraisal Value 3/3

(in millions of yen)

Type	No.	Property Name	Acquisition			29th fiscal period (2018/5/31)				30th fiscal period (2018/11/30)				Comparison between 30th and 29th FP				Appraisers
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Residential Property	D4	Komazawa Court	1	03/12/26	1,680	1,499	2,370	4.4%	+ 871	1,490	2,360	4.4%	+ 869	-10	-0.4%	±0%	-2	JREI
	D6	UUR Court Shiba-Daimon	2	04/10/15	1,175	1,005	1,410	4.1%	+ 405	994	1,460	4.0%	+ 465	+ 50	+ 3.5%	-0.1%	+ 61	Tanizawa
	D7	Maison Ukima	2	04/10/26	3,530	3,114	4,500	4.8%	+ 1,385	3,089	3,110	7.0%	+ 20	-1,390	-30.9%	+ 2.2%	-1,365	JREI
	D9	Aprile Shin-Ohgi Ichibankan	3	05/04/13	3,031	2,483	3,590	5.2%	+ 1,107	2,458	3,590	5.2%	+ 1,131	±0	±0%	±0%	+ 25	JREI
	D10	UUR Court Sapporo Kita-Sanjo	5	06/03/16	1,278	976	1,550	4.9%	+ 573	958	1,580	4.8%	+ 622	+ 30	+ 1.9%	-0.1%	+ 48	Tanizawa
	D15	CLIO Bunkyo Koishikawa	5	06/04/28	3,170	2,691	3,450	4.3%	+ 758	2,662	3,450	4.3%	+ 787	±0	±0%	±0%	+ 29	JREI
	D16	GRAND-ROUGE Sakae	6	06/11/30	1,570	1,221	1,310	4.7%	+ 88	1,205	1,330	4.6%	+ 125	+ 20	+ 1.5%	-0.1%	+ 36	JREI
	D17	GRAND-ROUGE Sakae II	9	07/12/26	1,300	1,027	1,310	4.7%	+ 283	1,011	1,330	4.6%	+ 319	+ 20	+ 1.5%	-0.1%	+ 36	JREI
	D18	MA Sendai Building	10	08/09/24	3,440	2,717	4,230	5.7%	+ 1,513	2,668	4,290	5.6%	+ 1,621	+ 60	+ 1.4%	-0.1%	+ 108	JREI
	D19	UUR Court Nagoya a Meieki	10	08/09/30	1,473	1,203	1,470	4.7%	+ 267	1,184	1,500	4.6%	+ 315	+ 30	+ 2.0%	-0.1%	+ 48	Nittochi
	D20	UUR Court Sapporo Shinoro Ichibankan	10	08/11/11	870	722	904	5.5%	+ 182	710	859	5.5%	+ 148	-45	-5.0%	±0%	-34	Nittochi
	D21	Park Site IZUMI	10	08/11/21	900	828	755	4.7%	-74	819	756	4.6%	-64	+ 1	+ 0.1%	-0.1%	+ 10	JREI
	D22	UUR Court Osaka Juso-honmachi	11	09/02/26	1,570	1,314	1,740	4.8%	+ 425	1,295	1,630	4.7%	+ 334	-110	-6.3%	-0.1%	-91	JREI
	D23	UUR Court Kinshicho	16	11/06/15	2,900	2,872	3,720	4.5%	+ 847	2,851	3,520	4.4%	+ 668	-200	-5.4%	-0.1%	-179	JREI
	D24	UUR Court Sapporo Minami-Sanjo P.T.	18	12/06/28	2,050	1,837	3,000	5.1%	+ 1,163	1,808	2,920	5.0%	+ 1,112	-80	-2.7%	-0.1%	-51	JREI
	D25	GRAND-ROUGE Nakanoshima-minami	20	13/06/25	1,380	1,315	1,650	4.7%	+ 335	1,296	1,560	4.6%	+ 263	-90	-5.5%	-0.1%	-71	JREI
	D26	Glenpark Umeda-kita	22	14/08/29	5,150	5,134	6,280	4.4%	+ 1,146	5,095	6,430	4.3%	+ 1,334	+ 150	+ 2.4%	-0.1%	+ 189	Tanizawa
	D27	UUR Court Shiki	24	15/09/18	2,730	2,865	3,100	5.2%	+ 234	2,852	3,160	5.1%	+ 307	+ 60	+ 1.9%	-0.1%	+ 73	JREI
	D28	GRAND-ROUGE Tanimachi Rokuchohome	27	16/12/01	1,300	1,385	1,460	4.4%	+ 75	1,380	1,490	4.3%	+ 110	+ 30	+ 2.1%	-0.1%	+ 35	Tanizawa
	D29	Chatle Otemachi S・N	30	18/07/03	3,398	-	-	-	-	3,722	3,560	5.1%	-163	-	-	-	-163	JREI
Others	E1	Lily color Tohoku Branch	5	06/05/29	2,050	1,457	2,190	5.5%	+ 732	1,433	2,190	5.5%	+ 757	±0	±0%	±0%	+ 24	Nittochi
	E2	KDDI Fuchu Building	19	13/05/16	4,920	4,816	5,480	5.4%	+ 664	4,794	5,210	5.7%	+ 415	-270	-4.9%	+ 0.3%	-249	JREI
	E3	Tsubogawa Square Building	20	13/11/01	4,150	3,930	6,070	5.6%	+ 2,140	3,884	6,070	5.4%	+ 2,185	±0	±0%	-0.2%	+ 46	JREI
	E4	THE PLACE of TOKYO	21	14/05/01	3,500	3,429	4,420	5.1%	+ 990	3,403	4,500	5.0%	+ 1,097	+ 80	+ 1.8%	-0.1%	+ 106	JREI
	E5	Logistics Higashi-Ohgishima	22	14/10/02	4,233	4,138	4,957	4.7%	+ 819	4,113	5,253	4.6%	+ 1,140	+ 296	+ 6.0%	-0.1%	+ 321	JREI
	E6	MT Ariake Center Building I&II	22	14/11/25	8,000	7,983	11,000	5.1%	+ 3,017	7,968	11,200	5.1%	+ 3,232	+ 200	+ 1.8%	±0%	+ 215	JREI
	E7	Quartz Tower	24	15/11/13	5,700	5,857	6,090	3.5%	+ 233	5,840	6,120	3.5%	+ 279	+ 30	+ 0.5%	±0%	+ 46	Tanizawa
	E8	Shin-Narashino Logistics Center	24	15/08/07	2,555	2,633	2,680	4.7%	+ 46	2,623	2,850	4.6%	+ 226	+ 170	+ 6.3%	-0.1%	+ 180	JREI
	E9	Kawagoe Logistics Center	26	16/06/17	7,550	7,733	9,450	4.5%	+ 1,717	7,696	9,480	4.5%	+ 1,784	+ 30	+ 0.3%	±0%	+ 67	Tanizawa
	E10	Asuto Nagamachi Dental Clinic	26	16/08/29	1,200	1,237	1,320	5.2%	+ 82	1,231	1,310	5.2%	+ 78	-10	-0.8%	±0%	-4	JREI
	E11	Shin-Narashino Logistics Center II	27	17/01/31	2,590	2,684	2,610	4.8%	-75	2,681	2,660	4.7%	-21	+ 50	+ 1.9%	-0.1%	+ 54	JREI
	E12	Yoshikawa Logistics Center	28	17/07/27	1,960	1,993	1,970	4.8%	-24	1,980	2,020	4.7%	+ 39	+ 50	+ 2.5%	-0.1%	+ 63	JREI
	E13	Musashimurayama Logistics Center	30	18/10/30	1,800	-	-	-	-	1,873	1,910	4.8%	+ 36	-	-	-	+ 36	JREI
Total					613,908	595,604	714,237	4.7%	+ 118,633	598,764	725,945	4.5%	+ 127,181	+ 6,992	+ 1.0%	-0.14%	+ 8,548	

(Notes)

- Each of B26 and C1 was acquired in separate acquisitions. Initial acquisition date is shown as the acquisition date and aggregated acquisition price is shown as the acquisition price.
- The discount rate applied for the DCF method are shown as the "Cap Rate" for A27, A28, A34, and A35.
- United Urban acquired the adjacent site to "C9 the b roppongi (the "Hotel")" (acquisition price ¥460 million, the "Adjacent Site") for the construction of the Hotel annex, and has conducted the extension work since Nov. 2017 (completed as of December 17, 2018). Therefore, the appraisal value for this fiscal period shows the value estimate by the "Income Capitalization Approach (Development Method)". According to the method, the value estimate is calculated by deducting "the present value of the expenses for the development necessary to accomplish the extension work" from "the present value of the value estimate of the building and land after the extension work". In addition to above, the value estimate of this property has been assessed in consideration with "the present value of the net operating income related to the existing building during the development period". Also, the book value at the end of period is the amount including the Adjacent Site.
- 70% quasi co-ownership interest of trust beneficial interest in A1 was sold at November 1, 2018.
- C14 was changed name to "Royal Pines Hotel Urawa" from January 1, 2019. (old name : Urawa Royal Pines Hotel)
- D6 was changed name to "UUR Court Shiba-Daimon" from October 19, 2018. (old name : Sky Court Shiba-Daimon)
- The properties acquired or sold during this fiscal period are excluded. The value of the total appraisal value (④-② (change)) is calculated assuming the appraisal value of "A1 Himonya Shopping Center" as 30% quasi co-ownership interest of trust beneficial interest.

# Property Income and Occupancy 1/5

(in thousand yen)		A1	A2	A4	A6	A7	A8	A9	A10	A11	A12	A13	A14
	Total	Himonya Shopping Center	Joy Park Izumigaoka	Re-LAND Shopping Center	TENJIN LUCE	Yamada Denki Tecc Land Sakai Honten	Miyamae Shopping Center	KONAMI SPORTS CLUB Korigaoka	ACTIOLE Minami-ikebukuro	Tip's Machida Building	Daiei Takarazuka Nakayama	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA	ACTIOLE Kannai
Operating Revenues	23,867,222		262,840	260,766	223,771		191,686		84,694	210,793	151,999	299,274	60,399
Rental Revenues	22,033,656		228,090	207,716	198,724		157,186		84,689	159,705	151,999	299,274	59,839
Other Rental Revenues	1,833,565		34,750	53,050	25,046		34,499		5	51,087	-	-	560
Operating Expenses	10,579,271		179,163	178,535	105,647		101,926		25,705	90,493	61,997	35,363	26,709
Property and other taxes	1,800,952		15,281	10,966	18,664		11,828		3,470	13,036	19,186	34,980	3,422
Other expenses	4,727,812	(Note)	107,151	118,938	54,255	(Note)	55,118	(Note)	7,890	58,970	15,189	383	9,557
Property Mgmt Fees	1,735,777		50,152	40,429	16,426		19,656		5,238	17,050	1,500	288	7,495
Utilities	1,644,439		40,188	39,548	21,872		34,125		-	34,013	-	-	-
Casualty Insurance	32,693		356	261	143		205		56	158	378	95	59
Repairs & Maintenance	892,658		6,365	35,719	13,074		335		1,623	6,976	7,520	-	1,512
Other Rental Expenses	422,244		10,088	2,978	2,738		795		972	772	5,791	-	490
Depreciation	4,050,506		56,730	48,630	32,727		34,979		14,343	18,486	27,621	-	13,729
Profit from Rental Activities	13,287,950	201,000	83,676	82,231	118,123	81,480	89,759	28,733	58,989	120,299	90,002	263,910	33,690
Net Operating Income (NOI)	17,338,456	266,522	140,407	130,862	150,851	97,237	124,738	52,549	73,333	138,786	117,623	263,910	47,420
CAPEX	1,406,805	1,372	13,374	65,016	3,595	-	6,555	-	1,804	130	-	-	490
Occupancy (as of Nov. 30, 2018)	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.60%	7.09%	4.14%	5.02%	4.63%	6.04%	4.68%	5.14%	3.89%	6.75%	5.48%	4.42%	3.92%

(in thousand yen)	A15	A19	A20	A21	A23	A24	A25	A26	A27	A28	A29	A30	A31
	Shinsaibashi OPA Honkan	Albore Jingumae	Albore Sendai	Mallage Kashiwa	Ito-Yokado Owariasahi	Yokohama Kariba Shopping Center	Luz Jiyugaoka	Actiole Ichikawa	Yokohama Aoba Shopping Center (Site)	Yamada Denki Tecc. Land Aoba (site)	Yodobashi Camera Multimedia Kichijoin	Yamada Denki Tecc Land New Matsudo Honten	Tenjin Loft Building
Operating Revenues	684,287	49,772	115,870	674,652	223,965		157,868	148,798					268,330
Rental Revenues	683,334	45,775	104,784	514,308	223,065		138,143	114,447					244,779
Other Rental Revenues	953	3,997	11,085	160,343	899		19,725	34,351					23,551
Operating Expenses	152,410	14,615	40,979	556,430	80,973		77,913	91,777					139,779
Property and other taxes	76,576	3,089	6,911	52,697	24,236		7,373	6,121					26,019
Other expenses	13,926	7,785	20,506	411,109	15,774	(Note)	39,828	49,969	(Note)	(Note)	(Note)	(Note)	88,502
Property Mgmt Fees	3,275	2,728	6,581	127,508	1,800		11,749	11,410					44,380
Utilities	-	3,692	9,159	115,568	-		11,814	25,483					35,843
Casualty Insurance	660	32	91	825	502		122	105					253
Repairs & Maintenance	4,133	702	4,571	24,915	932		6,619	7,781					6,065
Other Rental Expenses	5,857	629	102	142,290	12,539		9,522	5,188					1,959
Depreciation	61,906	3,740	13,561	92,623	40,962		30,711	35,685					25,257
Profit from Rental Activities	531,877	35,157	74,890	118,222	142,992	32,108	79,955	57,021	33,502	47,663	509,489	149,642	128,551
Net Operating Income (NOI)	593,784	38,897	88,451	210,845	183,955	54,484	110,666	92,707	33,502	47,663	666,345	189,728	153,808
CAPEX	13,234	400	5,645	45,044	-	-	1,341	-	-	-	-	-	35,949
Occupancy (as of Nov. 30, 2018)	100.0%	100.0%	100.0%	97.1%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.19%	4.91%	6.81%	5.97%	7.58%	4.35%	4.34%	5.52%	2.57%	4.42%	4.75%	7.35%	7.05%

(Note) Operating revenues of this property cannot be disclosed as consent from the relevant tenant has not been obtained.

# Property Income and Occupancy 2/5

(in thousand yen)	A32	A33	A34	A35	A36	A37	A38	A39	A40	A41		B1	B3
	Narumi Shopping Center (Site)	Plussing Wave Enoshima	LIFE Nishikujo (Site)	LIFE Tamatsukuri (Site)	Granbell Ginza Building	UUR Tenjin Nishi-dori Building	Luz Shonan Tsujido	ACTIOLE Ueno	KURURU	K's Denki Nagoya-kita	Retail Total	T&G Hamamatsucho Building	Fukuoka Eartheon Building
Operating Revenues		54,532			79,294		314,267	80,103	388,245		7,042,725	92,548	118,923
Rental Revenues		48,599			72,181		225,810	73,779	326,676		6,419,423	82,769	109,319
Other Rental Revenues		5,933			7,112		88,457	6,324	61,568		623,302	9,779	9,603
Operating Expenses		28,289			30,408		217,144	22,982	270,095		3,044,784	42,603	54,491
Property and other taxes		4,262			1,163		24,686	856	32,046		548,218	9,846	7,455
Other expenses	(Note)	14,083	(Note)	(Note)	24,044	(Note)	161,906	18,411	197,178	(Note)	1,518,431	17,432	28,349
Property Mgmt Fees		4,699			6,333		68,423	3,243	112,742		580,024	6,317	12,937
Utilities		4,587			2,591		63,427	5,677	53,697		501,290	6,238	10,059
Casualty Insurance		58			57		370	49	932		7,859	85	122
Repairs & Maintenance		4,097			476		11,989	1,308	27,887		176,228	4,470	4,991
Other Rental Expenses		640			14,585		17,695	8,131	1,920		253,028	320	239
Depreciation		9,944			5,201		30,551	3,714	40,870		978,134	15,323	18,686
Profit from Rental Activities	150,994	26,242	43,982	49,109	48,885	157,525	97,123	57,121	118,149	55,833	3,997,940	49,945	64,432
Net Operating Income (NOI)	150,994	36,186	43,982	49,109	54,086	164,211	127,674	60,835	159,020	60,887	4,976,074	65,269	83,118
CAPEX	-	3,659	-	-	955	250	3,203	3,030	6,100	-	211,152	9,760	1,335
Occupancy (as of Nov. 30, 2018)	100.0%	56.4%	100.0%	100.0%	100.0%	100.0%	97.8%	100.0%	100.0%	100.0%	99.4%	88.2%	100.0%
Adjusted NOI Yield	4.66%	4.01%	4.98%	5.21%	4.12%	5.96%	6.47%	4.04%	3.42%	6.94%	5.11%	5.77%	7.97%

(in thousand yen)	B4	B5	B6	B7	B8	B9	B10	B11	B13	B14	B17	B18	B20
	Marumasa Kojimachi Building	Rokubancho K Building	Shin-Osaka Central Tower	Kawasaki Toshiba Building	UUR Toyocho Building	FOUR SEASONS BLDG	Hitachi High-Tech Building	Pacific Marks Shinjuku Parkside	Pacific Marks Tsukishima	Pacific Marks Yokohama East	Alasaka Hikawa Building	Pacific Marks Shibuya Koen-dori	Pacific Marks Alasaka-mitsuke
Operating Revenues	95,969	108,515	1,132,596	836,594	279,686	188,018	414,147	354,223	258,444	250,947	118,514	84,372	67,761
Rental Revenues	82,552	108,515	1,005,097	836,594	255,832	170,364	408,278	325,944	217,315	229,146	114,114	84,372	59,874
Other Rental Revenues	13,416	-	127,499	-	23,853	17,654	5,869	28,278	41,129	21,800	4,400	-	7,887
Operating Expenses	52,116	39,917	541,450	280,348	98,822	76,348	118,250	175,605	115,388	142,474	38,385	15,824	22,155
Property and other taxes	14,140	11,588	85,824	52,122	13,688	10,223	43,246	39,083	20,036	20,697	10,506	3,933	6,516
Other expenses	24,863	16,632	254,244	24,649	49,744	40,694	41,913	73,498	60,483	58,119	16,466	2,933	8,650
Property Mgmt Fees	8,178	13,747	100,775	6,000	18,981	19,688	24,295	30,410	21,409	28,839	7,556	2,292	3,737
Utilities	6,991	-	119,823	-	20,824	16,675	14,934	29,555	28,914	22,181	4,259	-	4,176
Casualty Insurance	336	101	1,223	964	238	146	312	387	325	350	85	44	44
Repairs & Maintenance	7,771	2,783	28,239	17,684	9,279	3,789	1,673	11,697	8,762	6,324	4,404	597	654
Other Rental Expenses	1,584	-	4,181	0	420	394	697	1,447	1,072	422	160	-	38
Depreciation	13,112	11,696	201,382	203,575	35,389	25,430	33,090	63,023	34,869	63,657	11,412	8,956	6,988
Profit from Rental Activities	43,853	68,598	591,146	556,246	180,863	111,670	295,897	178,617	143,056	108,472	80,129	68,547	45,606
Net Operating Income (NOI)	56,965	80,294	792,528	759,822	216,253	137,100	328,988	241,641	177,925	172,130	91,542	77,504	52,594
CAPEX	3,828	4,881	145,333	156,012	1,875	13,135	6,636	41,795	4,416	30,214	5,963	-	235
Occupancy (as of Nov. 30, 2018)	88.1%	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	97.7%	94.4%	100.0%	100.0%	100.0%
Adjusted NOI Yield	4.83%	7.45%	6.59%	7.89%	5.07%	6.51%	4.43%	3.98%	5.84%	4.87%	5.55%	6.01%	4.75%

(Note) Operating revenues of this property cannot be disclosed as consent from the relevant tenant has not been obtained.

# Property Income and Occupancy 3/5

(in thousand yen)	B22	B25	B26	B27	B29	B30	B31	B32	B34	B35	B36	B37	B38
	Pacific Marks Shin-Yokohama	Pacific Marks Kawasaki	Hamamatsucho 262 Building	Lila Hijirizaka	Otsuka HT Building	Pacific Marks Shinjuku South-gate	Pacific Marks Nishi-Umeda	Pacific Marks Higobashi	Pacific Marks Esaka	Pacific Marks Sapporo Kita-Ichijo	Shin-Sapporo Center Building	ARENA TOWER	Yushima First Building
Operating Revenues	66,758	347,720	228,693	120,667	59,195	96,959	266,887	136,934	440,910	97,197	58,676	444,887	118,402
Rental Revenues	57,953	313,248	200,613	107,823	51,080	87,401	230,031	121,883	403,735	88,260	53,526	386,491	102,722
Other Rental Revenues	8,805	34,471	28,080	12,843	8,115	9,558	36,855	15,050	37,174	8,937	5,149	58,396	15,679
Operating Expenses	39,011	139,134	97,077	51,051	28,883	31,264	153,070	74,497	268,049	54,995	31,051	245,421	49,973
Property and other taxes	5,703	22,185	15,266	12,722	2,151	5,991	25,778	16,706	38,644	8,717	4,962	32,907	11,310
Other expenses	16,933	55,083	48,237	28,789	18,851	18,189	88,892	26,637	137,833	26,712	17,057	102,333	24,984
Property Mgmt Fees	9,192	19,837	22,229	15,896	4,966	5,552	28,672	9,745	60,294	9,592	7,043	49,572	7,240
Utilities	6,388	32,523	19,056	7,469	6,676	6,660	35,407	11,076	51,295	10,262	6,693	46,204	12,971
Casualty Insurance	93	268	159	116	57	52	359	185	610	119	68	500	131
Repairs & Maintenance	1,167	1,943	5,757	5,007	2,279	4,949	20,471	5,039	22,411	6,066	2,437	5,092	4,252
Other Rental Expenses	92	511	1,035	300	4,870	975	3,981	591	3,222	670	814	962	387
Depreciation	16,373	61,865	33,573	9,539	7,880	7,083	38,398	31,152	91,572	19,564	9,030	110,180	13,678
Profit from Rental Activities	27,746	208,585	131,616	69,615	30,311	65,695	113,816	62,437	172,860	42,202	27,625	199,465	68,429
Net Operating Income (NOI)	44,120	270,450	165,189	79,154	38,192	72,778	152,215	93,590	264,432	61,766	36,656	309,646	82,107
CAPEX	6,974	810	-	7,007	2,310	3,789	38,998	452	55,353	4,168	824	5,136	-
Occupancy (as of Nov. 30, 2018)	100.0%	100.0%	100.0%	97.5%	100.0%	100.0%	94.0%	79.9%	100.0%	100.0%	96.2%	100.0%	100.0%
Adjusted NOI Yield	5.15%	5.45%	4.82%	5.74%	6.57%	5.90%	4.43%	4.08%	5.50%	6.88%	7.41%	6.50%	7.80%

(in thousand yen)	B39	B40	B41	B42	B43	B44	B45		C1	C2	C3	C4	C5
	Dogenzaka Square	GRAND- SQUARE Shin-Sakae	GRAND- SQUARE Meieki- minami	Shiba 520 Building	Hirose-dori SE Building	SS30	LOOP-X・M	Office Total	Shinjuku Washington Hotel Honkan	Toyoko Inn Shinagawa-eki Takanawa-guchi	MZ BLD.	HOTEL ROUTE- INN Yokohama Bashamichi	Hotel JAL City Naha
Operating Revenues	100,161	79,941	85,204	102,405	218,186	1,077,865	465,978	9,014,898	785,318	57,000	131,172	156,883	258,075
Rental Revenues	91,162	73,401	77,364	95,286	188,528	971,614	406,641	8,198,864	785,318	57,000	131,172	141,660	258,075
Other Rental Revenues	8,998	6,539	7,839	7,118	29,658	106,250	59,336	816,033	-	-	-	15,222	-
Operating Expenses	42,618	51,791	44,418	49,884	127,311	674,916	263,182	4,331,785	264,059	13,780	92,579	75,492	248,677
Property and other taxes	6,031	7,619	7,848	8,154	13,105	126,734	44,987	766,442	87,064	6,269	9,540	9,508	15,928
Other expenses	23,791	20,847	19,119	30,904	58,553	382,495	179,582	2,044,506	69,992	620	33,901	20,596	144,238
Property Mgmt Fees	8,525	9,006	8,769	10,427	22,359	154,879	74,893	843,864	27,318	540	6,928	7,187	1,020
Utilities	5,596	7,533	9,018	6,471	28,885	158,422	49,906	803,154	4,222	-	1,698	13,224	-
Casualty Insurance	77	116	111	99	230	2,401	532	11,063	1,103	80	169	183	308
Repairs & Maintenance	9,025	1,927	972	9,114	6,514	54,727	17,179	299,460	37,208	-	12,994	-	140,385
Other Rental Expenses	566	2,262	246	4,791	563	12,063	37,071	86,963	141	-	12,110	-	2,524
Depreciation	12,794	23,325	17,451	10,825	55,652	165,685	38,613	1,520,836	107,001	6,891	49,136	45,387	88,510
Profit from Rental Activities	57,543	28,149	40,785	52,521	90,875	402,949	202,795	4,683,112	521,259	43,219	38,593	81,390	9,398
Net Operating Income (NOI)	70,337	51,475	58,236	63,346	146,527	568,635	241,408	6,203,949	628,261	50,110	87,729	126,778	97,908
CAPEX	2,905	4,125	180	3,173	-	49,579	31,147	642,362	4,672	-	856	-	189,383
Occupancy (as of Nov. 30, 2018)	98.8%	70.2%	100.0%	100.0%	100.0%	97.7%	97.7%	98.0%	100.0%	100.0%	96.2%	100.0%	100.0%
Adjusted NOI Yield	6.10%	6.94%	9.52%	6.02%	8.12%	6.23%	4.30%	5.81%	5.93%	5.31%	4.60%	5.36%	2.55%

# Property Income and Occupancy 4/5

(in thousand yen)	C6	C7	C9	C10	C11	C12	C13	C14	C15	C16	Hotel Total	D1	D4
	UUR Yotsuya Sanhome Building	Yotsuya 213 Building	the b roppongi	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Toyoko Inn Hiroshima Heiwa-odori	Toyoko Inn Naha Kokusai-dori Miebash-eki	Loisir Hotel & Spa Tower Naha	Royal Pines Hotel Urawa	RIHGA Royal Hotel Kokura-ARUARU City	the b fukuoka tenjin		T&G Higashi-ikebukuro Mansion	Komazawa Court
Operating Revenues	167,617	188,543	72,668				856,793	572,913	983,604	45,029	4,436,459	68,698	60,560
Rental Revenues	165,462	172,738	71,892				856,793	572,913	734,534	45,029	4,153,431	65,622	60,560
Other Rental Revenues	2,154	15,805	775				-	-	249,069	-	283,028	3,076	-
Operating Expenses	59,807	65,090	38,946				290,081	248,031	474,789	7,686	1,932,720	29,772	16,915
Property and other taxes	19,984	17,609	14,864				35,669	40,496	-	-	274,193	2,701	3,924
Other expenses	17,210	24,753	11,378	(Note)	(Note)	(Note)	48,802	90,920	326,838	1,159	792,434	14,759	4,690
Property Mgmt Fees	3,745	6,302	1,093				1,740	37,307	73,106	320	168,350	6,935	604
Utilities	-	13,686	752				-	-	215,089	-	248,674	860	-
Casualty Insurance	199	203	102				1,667	916	4,046	33	9,296	80	76
Repairs & Maintenance	13,156	4,494	8,728				40,321	46,715	30,463	-	334,469	5,978	4,008
Other Rental Expenses	109	67	700				5,074	5,979	4,132	805	31,643	903	-
Depreciation	22,612	22,727	12,703				205,610	116,614	147,951	6,526	866,092	12,311	8,301
Profit from Rental Activities	107,809	123,453	33,722	47,951	42,781	16,407	566,711	324,882	508,815	37,343	2,503,739	38,925	43,644
Net Operating Income (NOI)	130,421	146,180	46,426	61,144	57,541	22,874	772,321	441,496	656,766	43,870	3,369,831	51,237	51,945
CAPEX	179,624	15,678	863	-	-	-	37,020	76,551	20,828	-	525,480	475	-
Occupancy (as of Nov. 30, 2018)	100.0%	100.0%	92.3%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%	99.8%	98.4%	100.0%
Adjusted NOI Yield	6.19%	5.81%	2.06%	4.59%	5.43%	6.12%	7.70%	5.03%	6.65%	7.65%	5.79%	5.06%	6.17%

(in thousand yen)	D6	D7	D9	D10	D15	D16	D17	D18	D19	D20	D21	D22	D23
	UUR Court Shiba-Daimon	Maison Ukima	Aprile Shin-Ohgi Ichibanban	UUR Court Sapporo Kita-Sanjo	CLIO Bunkyo Koishikawa	GRAND-ROUGE Sakae	GRAND-ROUGE Sakae II	MA Sendai Building	UUR Court Nagoya Meieki	UUR Court Sapporo Shinoro Ichibanban	Park Site IZUMI	UUR Court Osaka Juso-honmachi	UUR Court Kinshicho
Operating Revenues	32,800	124,080		52,583	101,912	42,383	36,831	168,516	45,888	33,173	25,705	52,408	119,748
Rental Revenues	32,800	124,080		52,502	96,140	41,257	36,831	163,034	45,888	33,173	25,118	52,408	116,191
Other Rental Revenues	-	-		80	5,771	1,125	-	5,481	-	-	586	-	3557
Operating Expenses	14,671	35,510		30,839	50,003	37,734	19,728	89,473	26,380	18,021	19,619	27,230	52,141
Property and other taxes	1,751	8,741		4,805	5,125	3,132	2,621	10,004	3,004	3,947	1,590	3,933	5,909
Other expenses	1,810	1,457	(Note)	7,767	16,038	16,374	983	30,784	5,077	2,820	9,236	4,397	22,588
Property Mgmt Fees	328	1,236		2,590	7,531	5,406	53	9,912	2,834	2,034	2,355	3,879	10,841
Utilities	-	-		1,626	31	908	-	2,713	944	-	770	-	2147
Casualty Insurance	40	220		71	117	82	65	197	66	63	47	88	165
Repairs & Maintenance	1,441	-		3,417	7,381	5,256	760	4,282	1,231	623	2910	428	7063
Other Rental Expenses	-	-		61	975	4,721	103	13,678	-	100	3,153	-	2,371
Depreciation	11,109	25,312		18,265	28,839	18,227	16,123	48,684	18,299	11,253	8,792	18,899	23,643
Profit from Rental Activities	18,128	88,569	78,084	21,743	51,908	4,649	17,102	79,042	19,507	15,151	6,086	25,178	67,607
Net Operating Income (NOI)	29,238	113,881	103,621	40,009	80,748	22,876	33,226	127,727	37,806	26,405	14,878	44,077	91,250
CAPEX	447	-	806	-	-	2,133	-	195	-	-	-	355	2695
Occupancy (as of Nov. 30, 2018)	100.0%	100.0%	100.0%	100.0%	98.5%	85.3%	100.0%	99.3%	100.0%	100.0%	91.2%	100.0%	96.1%
Adjusted NOI Yield	4.96%	6.43%	6.82%	6.24%	5.08%	2.91%	5.10%	7.41%	5.12%	6.05%	3.30%	5.60%	6.28%

(Note) Operating revenues of this property cannot be disclosed as consent from the relevant tenant has not been obtained.



# Property Income and Occupancy 5/5

(in thousand yen)	D24	D25	D26	D27	D28	D29	Residential Total	E1	E2	E3	E4	E5	E6
	UUR Court Sapporo Minami-Sanjo Premier Tower	GLAND-ROUGE Nakanoshima-minami	Glenpark Umeda-kita	UUR Court Shiki	GRAND-ROUGE Tanimachi Rokuchome	Chatte Otemachi S-N		Lilycolor Tohoku Branch	KDDI Fuchu Building	Tsubogawa Square Building	THE PLACE of TOKYO	Logistics Higashi-Ohgishima	MT Ariake Center Building I&II
Operating Revenues	109,200	53,673	186,275	93,436	43,136	100,657	1,664,916			304,398			
Rental Revenues	105,043	52,516	180,361	93,436	41,705	97,474	1,629,396			252,813			
Other Rental Revenues	4,157	1,156	5,913	-	1,431	3,182	35,520			51,584			
Operating Expenses	62,402	32,312	76,420	24,064	13,910	37,006	749,324			160,094			
Property and other taxes	7,701	3485	10524	6985	3493	-	101,600			18627			
Other expenses	22,782	10,063	26,866	1,773	5,131	14,850	221,663	(Note)	(Note)	91,534	(Note)	(Note)	(Note)
Property Mgmt Fees	7,837	4,017	13,554	780	3,621	6,246	93,178			29,446			
Utilities	4,915	666	1,225	-	577	1,039	18,427			53,837			
Casualty Insurance	163	68	267	176	59	157	2,477			368			
Repairs & Maintenance	9,034	3132	8678	816	199	4568	71,750			3494			
Other Rental Expenses	830	2,177	3,140	-	673	2,838	35,829			4,387			
Depreciation	31,918	18,763	39,029	15,305	5,286	22,156	426,060			49,932			
Profit from Rental Activities	46,798	21,361	109,855	69,372	29,226	63,650	915,592	36,718	126,261	144,304	89,086	94,405	274,843
Net Operating Income (NOI)	78,716	40,124	148,884	84,677	34,512	85,806	1,341,653	61,573	147,504	194,236	115,483	119,539	290,387
CAPEX	2,945	167	334	2287	464	561	13,870	559	-	4,320	-	-	733
Occupancy (as of Nov. 30, 2018)	89.3%	95.2%	97.1%	100.0%	98.8%	97.4%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	7.66%	5.80%	5.77%	6.19%	5.30%	5.51%	5.86%	5.99%	5.98%	9.34%	6.58%	5.63%	7.24%

(in thousand yen)	E7	E8	E9	E10	E11	E12	E13	Others Total
	Quartz Tower	Shin-Narashino Logistics Center	Kawagoe Logistics Center	Asuto Nagamachi Dental Clinic	Shin-Narashino Logistics Center II	Yoshikawa Logistics Center	Musashi murayama Logistics Center	
Operating Revenues								1,708,222
Rental Revenues								1,632,541
Other Rental Revenues								75,680
Operating Expenses								520,656
Property and other taxes								110,498
Other expenses	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	150,775
Property Mgmt Fees								50,358
Utilities								72,892
Casualty Insurance								1,996
Repairs & Maintenance								10,750
Other Rental Expenses								14,778
Depreciation								259,382
Profit from Rental Activities	93,873	56,927	146,179	28,294	52,072	37,057	7,538	1,187,565
Net Operating Income (NOI)	110,139	69,587	182,901	34,307	62,000	49,748	9,535	1,446,947
CAPEX	-	2,363	-	-	5,962	-	-	13,939
Occupancy (as of Nov. 30, 2018)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	3.85%	5.43%	4.83%	5.70%	4.77%	5.06%	5.55%	5.91%

(Note) Operating revenues of this property cannot be disclosed as consent from the relevant tenant has not been obtained.

# Properties 1/3

As of January 18, 2019

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Retail Property	A1	Himonya Shopping Center	23 Wards of Tokyo	Meguro-ku, Tokyo	4,590	0.7%	5,249.86	27,032.50	26,655.66	10	1	2003/12/25
	A2	Joy Park Izumigaoka	Other Regions (Osaka)	Sakai, Osaka	6,770	1.1%	10,368.45	29,250.71	13,611.24	10	1	2003/12/22
	A4	Re-LAND Shopping Center	Tokyo Metropolitan Area	Funabashi, Chiba	5,200	0.8%	5,198.20	12,944.65	12,952.88	13	2	2004/09/17
	A6	TENJIN LUCE	Other Regions (Others)	Fukuoka, Fukuoka	6,500	1.0%	1,138.66	5,393.09	4,194.68	2	5	2006/04/14
	A7	Yamada Denki Tecc Land Sakai Honten	Other Regions (Osaka)	Sakai, Osaka	3,210	0.5%	10,702.86	8,637.63	8,637.63	8	5	2006/04/28
	A8	Miyamae Shopping Center	Tokyo Metropolitan Area	Kawasaki, Kanagawa	5,312	0.8%	6,937.54	17,338.54	10,487.92	17	7	2007/02/19
	A9	KONAMI SPORTS CLUB Korigaoka	Other Regions (Osaka)	Hirakata, Osaka	2,040	0.3%	4,120.00	6,381.40	8,627.58	11	8	2007/06/29
	A10	ACTIOLE Minami-ikebukuro	23 Wards of Tokyo	Toshima-ku, Tokyo	3,760	0.6%	320.39	2,265.15	2,081.50	14	8	2007/09/27
	A11	Tip's Machida Building	Tokyo Metropolitan Area	Machida, Tokyo	4,100	0.7%	1,596.82	8,075.04	6,710.19	18	9	2007/12/27
	A12	Daiei Takarazuka Nakayama	Other Regions (Osaka)	Takarazuka, Hyogo	4,284	0.7%	16,330.14	16,729.60	16,729.60	9	9	2008/01/30
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	6,883	1.1%	53,363.57	—	30,453.73	—	9	2008/02/18
	A14	ACTIOLE Kannai	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,410	0.4%	375.17	2,238.82	1,938.56	16	10	2008/06/30
	A15	Shinsaibashi OPA Honkan	Other Regions (Osaka)	Osaka, Osaka	22,800	3.6%	2,430.23	25,865.61	27,025.42	12	15	2010/12/01
	A19	Albore Jingumae	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	1,580	0.3%	308.02	816.60	931.14	14.6	15	2010/12/01
	A20	Albore Sendai	Other Regions (Others)	Sendai, Miyagi	2,590	0.4%	736.01	4,082.94	3,147.29	8	15	2010/12/01
	A21	Mallage Kashiwa	Tokyo Metropolitan Area	Kashiwa, Chiba	7,040	1.1%	79,484.47	54,689.28	41,738.82	9	15	2010/12/01
	A23	Ito-Yokado Owariasahi	Other Regions (Nagoya)	Owariasahi, Aichi	4,840	0.8%	34,612.39	56,371.77	54,606.34	11	15	2010/12/01
	A24	Yokohama Kariba Shopping Center	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,500	0.4%	7,093.66	10,628.44	11,345.09	12	15	2010/12/01
	A25	Luz Jiyugaoka	23 Wards of Tokyo	Meguro-ku, Tokyo	5,090	0.8%	828.70	2,771.59	2,283.47	12	16	2011/06/15
	A26	ACTIOLE Ichikawa	Tokyo Metropolitan Area	Ichikawa, Chiba	3,350	0.5%	749.42	4,452.39	3,927.49	10	16	2011/06/15
	A27	Yokohama Aoba Shopping Center (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,600	0.4%	9,193.00	—	9,193.00	—	16	2011/10/31
	A28	Yamada Denki Tecc Land Aoba (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,150	0.3%	7,594.00	—	7,650.63	—	17	2012/05/18
	A29	Yodobashi Camera Multimedia Kichijoji	Tokyo Metropolitan Area	Musashino, Tokyo	28,000	4.5%	3,582.39	37,932.95	37,932.95	14	19	2013/03/18
	A30	Yamada Denki Tecc Land New Matsudo Honten	Tokyo Metropolitan Area	Matsudo, Chiba	5,150	0.8%	7,311.98	17,461.22	17,561.23	11	19	2013/03/18
	A31	Tenjin Loft Building	Other Regions (Others)	Fukuoka, Fukuoka	4,350	0.7%	1,947.80	10,594.19	7,730.09	1	20	2013/11/29
	A32	Narumi Shopping Center (Site)	Other Regions (Nagoya)	Nagoya, Aichi	6,460	1.0%	60,747.02	—	60,419.26	—	21	2014/04/08
	A33	Plusing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	1,800	0.3%	2,450.62	3,471.69	3,154.42	14	22	2014/08/29
	A34	LIFE Nishikujo (Site)	Other Regions (Osaka)	Osaka, Osaka	1,760	0.3%	3,252.76	—	3,252.76	—	23	2015/03/02
	A35	LIFE Tamatsukuri (Site)	Other Regions (Osaka)	Osaka, Osaka	1,880	0.3%	2,391.44	—	2,391.44	—	23	2015/03/02
	A36	Granbell Ginza Building	6 Central Wards of Tokyo	Chuo-ku, Tokyo	2,621	0.4%	231.00	1,646.50	1,352.35	10	24	2015/06/30
	A37	UUR Tenjin Nishi-dori Building	Other Regions (Others)	Fukuoka, Fukuoka	5,500	0.9%	466.76	1,486.52	1,564.70	2	24	2015/07/15
	A38	Luz Shonan Tsujido	Tokyo Metropolitan Area	Fujisawa, Kanagawa	3,938	0.6%	3,658.25	17,889.43	10,454.22	14	24	2015/09/30
	A39	455 Ueno Building	23 Wards of Tokyo	Taito-ku, Tokyo	3,000	0.5%	159.59	1,234.99	1,167.63	12	25	2015/12/04
	A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	9,285	1.5%	7,266.41	59,361.08	13,292.33	6	26	2016/09/01
	A41	K's Denki Nagoya-kita	Other Regions (Nagoya)	Toyoyama, Aichi	1,750	0.3%	7,461.97	4,733.74	4,733.74	8	27	2016/12/01
	A42	Luz Musashikosugi	Tokyo Metropolitan Area	Kawasaki, Kanagawa	12,151	1.9%	6,104.63	12,223.72	8,272.58	11	31	2018/12/28
Office	B1	T&G Hamamatsucho Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	2,257	0.4%	453.81	3,296.58	2,420.85	12	1	2003/12/26
	B3	Fukuoka Eartheon Building	Other Regions (Others)	Fukuoka, Fukuoka	2,080	0.3%	1,358.91	6,079.35	4,934.40	1	1	2003/12/26
	B4	Marumasu Kojimachi Building	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	2,350	0.4%	703.24	5,218.55	2,576.57	11	1	2004/03/29
	B5	Rokubancho K Building	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	2,150	0.3%	689.70	4,031.14	4,031.14	14	1	2004/03/30
	B6	Shin-Osaka Central Tower (office portion)	Other Regions (Osaka)	Osaka, Osaka	14,279	2.3%	7,265.79	58,882.64	27,828.96	7	3	2004/12/02
	B7	Kawasaki Toshiba Building	Tokyo Metropolitan Area	Kawasaki, Kanagawa	19,200	3.1%	8,615.20	51,254.06	36,142.30	7	3	2004/12/20
	(A13)	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	5,021	0.8%	—	—	22,214.65	—	9	2008/02/18
	B8	UUR Toyochō Building	23 Wards of Tokyo	Koto-ku, Tokyo	8,500	1.4%	3,262.50	10,768.11	7,540.30	13	10	2008/06/30

# Properties 2/3

As of January 18, 2019

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Office	B9	FOUR SEASONS BLDG	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	690.93	6,318.81	5,000.54	11	13	2009/12/25
	B10	Hitachi High-Tech Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	14,800	2.4%	3,464.39	22,952.71	15,781.64	15	15	2010/12/01
	B11	Pacific Marks Shinjuku Parkside	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	12,100	1.9%	3,201.80	19,802.22	10,947.34	14.8	15	2010/12/01
	B13	Pacific Marks Tsukushima	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	6,080	1.0%	3,302.07	14,507.92	9,335.19	14	15	2010/12/01
	B14	Pacific Marks Yokohama East	Tokyo Metropolitan Area	Yokohama, Kanagawa	7,050	1.1%	2,525.41	15,387.49	10,744.60	15	15	2010/12/01
	B17	Akasaka Hikawa Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,290	0.5%	1,328.93	4,795.06	3,438.20	14	15	2010/12/01
	B18	Pacific Marks Shibuya Koen-dori	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,570	0.4%	428.62	1,972.43	1,972.43	12	15	2010/12/01
	B20	Pacific Marks Akasaka-mitsuke	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,210	0.4%	390.86	1,895.87	1,675.13	13	15	2010/12/01
	B22	Pacific Marks Shin-Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	1,710	0.3%	475.00	4,141.89	3,110.72	16	15	2010/12/01
	B25	Pacific Marks Kawasaki	Tokyo Metropolitan Area	Kawasaki, Kanagawa	9,890	1.6%	1,183.52	10,694.91	7,382.62	17	15	2010/12/01
	B26	Hamamatsucho 262 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	6,840	1.1%	1,401.61	8,331.90	6,162.85	14	15	2010/12/01
	B27	Lila Hijirizaka	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,750	0.4%	1,474.05	6,598.52	4,255.02	12	15	2010/12/01
	B29	Otsuka HT Building	23 Wards of Tokyo	Toshima-ku, Tokyo	1,160	0.2%	455.94	2,317.67	1,774.56	13	15	2010/12/01
	B30	Pacific Marks Shinjuku South-gate	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	2,460	0.4%	257.87	2,038.70	1,723.03	12	15	2010/12/01
	B31	Pacific Marks Nishi-Umeda	Other Regions (Osaka)	Osaka, Osaka	6,860	1.1%	2,053.30	16,142.54	11,039.51	10	15	2010/12/01
	B32	Pacific Marks Higobashi	Other Regions (Osaka)	Osaka, Osaka	4,570	0.7%	1,284.23	9,596.62	7,623.57	12	15	2010/12/01
	B34	Pacific Marks Esaka	Other Regions (Osaka)	Suita, Osaka	9,590	1.5%	3,929.31	33,316.53	19,963.32	9	15	2010/12/01
	B35	Pacific Marks Sapporo Kita-Ichijo	Other Regions (Others)	Sapporo, Hokkaido	1,790	0.3%	987.04	6,048.97	4,727.65	1	15	2010/12/01
	B36	Shin-Sapporo Center Building	Other Regions (Others)	Sapporo, Hokkaido	987	0.2%	1,940.15	3,725.13	2,797.02	2	15	2010/12/01
	B37	ARENA TOWER	Tokyo Metropolitan Area	Yokohama, Kanagawa	9,500	1.5%	2,733.00	24,412.67	17,967.46	10	16	2011/06/16
	B38	Yushima First Building	23 Wards of Tokyo	Bunkyo-ku, Tokyo	2,100	0.3%	1,120.85	6,165.88	4,558.77	13	18	2012/08/29
	B39	Dogenzaka Square	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,300	0.4%	488.93	3,227.62	2,233.57	16	18	2012/11/22
	B40	GRAND-SQUARE Shin-Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,480	0.2%	1,294.88	5,333.51	4,578.93	10	21	2014/02/28
	B41	GRAND-SQUARE Meieki-minami	Other Regions (Nagoya)	Nagoya, Aichi	1,220	0.2%	1,012.06	5,017.30	4,003.05	10	21	2014/02/28
	B42	Shiba 520 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,100	0.3%	727.86	3,781.22	2,831.94	13	21	2014/03/28
	B43	Hirose-dori SE Building	Other Regions (Others)	Sendai, Miyagi	3,600	0.6%	2,146.31	10,396.94	8,235.87	8	22	2014/06/13
	B44	SS30 (office portion)	Other Regions (Others)	Sendai, Miyagi	11,521	1.8%	15,542.84	110,955.68	42,867.59	①2②6③1	27	2017/03/30
	B45	LOOP-X・M	6 Cental Wards of Tokyo	Minato-ku, Tokyo	11,200	1.8%	5,491.44	31,583.38	21,591.35	①7②6	27	2017/04/26
Hotel	C1	Shinjuku Washington Hotel Honkan	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	21,140	3.4%	6,215.31	59,985.37	53,322.10	9	1	2003/12/22
	(B6)	Shin-Osaka Central Tower (hotel portion)	Other Regions (Osaka)	Osaka, Osaka	9,721	1.6%	—	—	18,149.63	—	3	2004/12/02
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	1,884	0.3%	482.10	2,928.94	3,088.85	17	3	2005/02/18
	C3	MZ BLD.	Tokyo Metropolitan Area	Hachioji, Tokyo	3,800	0.6%	1,304.44	7,708.88	6,660.20	13	9	2008/04/10
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	Tokyo Metropolitan Area	Yokohama, Kanagawa	4,720	0.8%	970.83	6,610.51	7,139.44	19	10	2008/06/30
	C5	Hotel JAL City Naha	Other Regions (Others)	Naha, Okinawa	7,650	1.2%	3,573.31	13,655.23	13,701.80	5	16	2011/10/25
	C6	UUR Yotsuy a Sanchome Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	1,053.16	7,682.82	7,854.86	14	17	2011/12/26
	C7	Yotsuya 213 Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	5,020	0.8%	1,264.94	7,884.53	7,550.16	13	19	2013/03/18
	C9	the b roppongi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,488	0.7%	482.37	3,138.82	2,710.90	12	21	2014/05/01
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Tokyo Metropolitan Area	Kawasaki, Kanagawa	2,655	0.4%	639.19	4,785.93	4,874.28	14.5	24	2015/08/31
	C11	Toyoko Inn Hiroshima Heiwa-odori	Other Regions (Others)	Hiroshima, Hiroshima	2,113	0.3%	660.40	4,345.24	4,357.75	7	24	2015/08/31
	C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	Other Regions (Others)	Naha, Okinawa	745	0.1%	384.93	1,566.12	1,529.47	2	24	2015/08/31
	C13	Loisir Hotel & Spa Tower Naha	Other Regions (Others)	Naha, Okinawa	20,000	3.2%	11,850.24	45,731.16	45,731.16	①7②6	25	2016/02/05
	C14	Royal Pines Hotel Urawa	Tokyo Metropolitan Area	Saitama, Saitama	17,500	2.8%	7,418.83	51,071.32	31,129.86	10	25	2016/04/01
	(B44)	SS30 (hotel portion)	Other Regions (Others)	Sendai, Miyagi	6,679	1.1%	—	—	24,814.24	—	27	2017/03/30
	C15	RIHGA Royal Hotel Kokura・ARUARU City	Other Regions (Others)	Kitakyushu, Fukuoka	16,600	2.6%	22,799.65	114,117.54	81,385.06	①1②2③1	29	2018/01/26

# Properties 3/3

As of January 18, 2019

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Residential Property	C16	the b fukuoka tenjin	Other Regions (Others)	Fukuoka, Fukuoka	3,000	0.5%	496.79	3,567.22	3,567.22	1	30	2018/09/27
	D1	T&G Higashi-ikebukuro Mansion	23 Wards of Tokyo	Toshima-ku, Tokyo	2,021	0.3%	398.82	3,300.18	2,603.22	12	1	2003/12/26
	D4	Komazawa Court	23 Wards of Tokyo	Setagaya-ku, Tokyo	1,680	0.3%	2,943.33	3,580.44	3,741.17	11	1	2003/12/26
	D6	UUR Court Shiba-Daimon	6 Central Wards of Tokyo	Minato-ku, Tokyo	1,175	0.2%	233.66	1,486.38	1,486.38	17	2	2004/10/15
	D7	Maison Ukima	23 Wards of Tokyo	Kita-ku, Tokyo	3,530	0.6%	6,456.64	12,691.43	12,691.43	14.6	2	2004/10/26
	D9	Aprile Shin-Ohgi Ichibankan	Other Regions (Osaka)	Kobe, Hyogo	3,031	0.5%	3,329.45	12,700.44	12,700.44	8	3	2005/04/13
	D10	UUR Court Sapporo Kita-Sanjo	Other Regions (Others)	Sapporo, Hokkaido	1,278	0.2%	1,249.45	6,588.72	4,790.50	2	5	2006/03/16
	D15	CLIO Bunkyo Koishikawa	23 Wards of Tokyo	Bunkyo-ku, Tokyo	3,170	0.5%	814.54	5,871.77	4,097.51	14.5	5	2006/04/28
	D16	GRAND-ROUGE Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,570	0.3%	1,009.16	3,912.49	3,697.38	13	6	2006/11/30
	D17	GRAND-ROUGE Sakae II	Other Regions (Nagoya)	Nagoya, Aichi	1,300	0.2%	674.34	3,172.34	2,579.89	13	9	2007/12/26
	D18	MA Sendai Building	Other Regions (Others)	Sendai, Miyagi	3,440	0.5%	3,656.44	12,642.98	11,525.36	11	10	2008/09/24
	D19	UUR Court Nagoya Meieki	Other Regions (Nagoya)	Nagoya, Aichi	1,473	0.2%	639.17	3,207.39	2,958.45	16	10	2008/09/30
	D20	UUR Court Sapporo Shinoro Ichibankan	Other Regions (Others)	Sapporo, Hokkaido	870	0.1%	3,340.48	6,255.74	6,271.74	3	10	2008/11/11
	D21	Park Site IZUMI	Other Regions (Nagoya)	Nagoya, Aichi	900	0.1%	336.55	2,196.97	2,067.95	12	10	2008/11/21
	D22	UUR Court Osaka Juso-honmachi	Other Regions (Osaka)	Osaka, Osaka	1,570	0.3%	1,266.32	4,166.73	3,650.00	16	11	2009/02/26
	D23	UUR Court Kinshicho	23 Wards of Tokyo	Koto-ku, Tokyo	2,900	0.5%	924.27	6,890.13	5,460.45	14.8	16	2011/06/15
	D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Other Regions (Others)	Sapporo, Hokkaido	2,050	0.3%	1,078.42	10,224.31	7,763.23	1	18	2012/06/28
	D25	GRAND-ROUGE Nakanoshima-minami	Other Regions (Osaka)	Osaka, Osaka	1,380	0.2%	405.74	3,741.79	3,090.36	15	20	2013/06/25
	D26	Glenpark Umeda-kita	Other Regions (Osaka)	Osaka, Osaka	5,150	0.8%	2,156.35	14,340.44	12,730.60	15.5	22	2014/08/29
	D27	UUR Court Shiki	Tokyo Metropolitan Area	Shiki, Saitama	2,730	0.4%	6,132.03	9,885.83	9,885.83	11	24	2015/09/18
	D28	GRAND-ROUGE Tanimachi Rokuchome	Other Regions (Osaka)	Osaka, Osaka	1,300	0.2%	817.52	3,607.14	2,792.81	13	27	2016/12/01
	D29	Chatte Otemachi S-N	Other Regions (Others)	Kitakyushu, Fukuoka	3,398	0.5%	3,516.04	12,599.91	12,040.28	①1②1	30	2018/07/03
Others	E1	Lily color Tohoku Branch	Other Regions (Others)	Sendai, Miyagi	2,050	0.3%	5,457.02	8,693.79	9,271.16	11	5	2006/05/29
	E2	KDDI Fuchu Building	Tokyo Metropolitan Area	Fuchu, Tokyo	4,920	0.8%	5,479.15	14,165.71	14,490.92	11	19	2013/05/16
	E3	Tsubogawa Square Building	Other Regions (Others)	Naha, Okinawa	4,150	0.7%	5,294.63	14,742.80	10,570.98	8	20	2013/11/01
	E4	THE PLACE of TOKYO	6 Central Wards of Tokyo	Minato-ku, Tokyo	3,500	0.6%	645.87	3,105.31	3,212.21	13	21	2014/05/01
	E5	Logistics Higashi-Ohgishima	Tokyo Metropolitan Area	Kawasaki, Kanagawa	4,233	0.7%	28,351.30	41,949.12	42,113.83	12	22	2014/10/02
	E6	MT Ariake Center Building I&II	23 Wards of Tokyo	Koto-ku, Tokyo	8,000	1.3%	8,307.00	22,917.94	23,995.01	①12②13	22	2014/11/25
	E7	Quartz Tower	6 Central Wards of Tokyo	Sibuya-ku, Tokyo	5,700	0.9%	354.27	2,720.38	2,940.22	7	24	2015/11/13
	E8	Shin-Narashino Logistics Center	Tokyo Metropolitan Area	Narashino, Chiba	2,555	0.4%	6,968.26	13,268.65	12,909.90	10	24	2015/08/07
	E9	Kawagoe Logistics Center	Tokyo Metropolitan Area	Kawagoe, Saitama	7,550	1.2%	32,665.82	47,284.22	40,060.76	9	26	2016/06/17
	E10	Asuto Nagamachi Dental Clinic	Other Regions (Others)	Sendai, Miyagi	1,200	0.2%	2,009.14	1,554.09	1,554.09	8	26	2016/08/29
	E11	Shin-Narashino Logistics Center II	Tokyo Metropolitan Area	Narashino, Chiba	2,590	0.4%	7,870.01	12,578.45	12,598.46	9	27	2017/01/31
	E12	Yoshikawa Logistics Center	Tokyo Metropolitan Area	Yoshikawa, Saitama	1,960	0.3%	5,705.63	10,806.37	11,096.70	8	28	2017/07/27
	E13	Musashimurayama Logistics Center	Tokyo Metropolitan Area	Musashimurayama, Tokyo	1,800	0.3%	5,788.52	9,207.73	9,237.87	14	30	2018/10/30
					627,047	100.0%	665,318.36	1,675,830.04	1,464,466.27	6.46		

(Notes)

1. In principle, "Site Area", "Floor Area", "Rentable Area" and "PML" show those at the point of November 30, 2018.

2. PML of "B44", "B45", "C13", "C15", "D29" and "E6" shows PML of each building below.

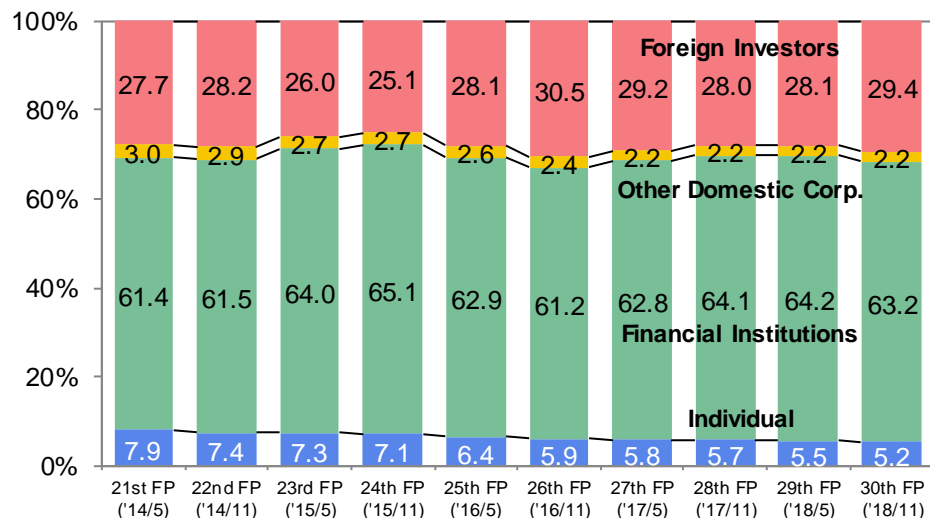
B44: ①Office building ②Fitness club building ③Hotel building / B45: ①LOOP-X ②LOOP-M / C13: ①Main Building ②Annex / C15: ①Hotel Building ②Retail Building I ③Retail Building II / D29: ①S Building ②N Building /

E6: ①Building 1 ②Building 2

3. "PML" shown on the line of "Total" indicates PML of UUR's whole portfolio at the end of 30th FP.

# Overview of Unitholders and Unit Price

## ■ Trend of composition of unitholders

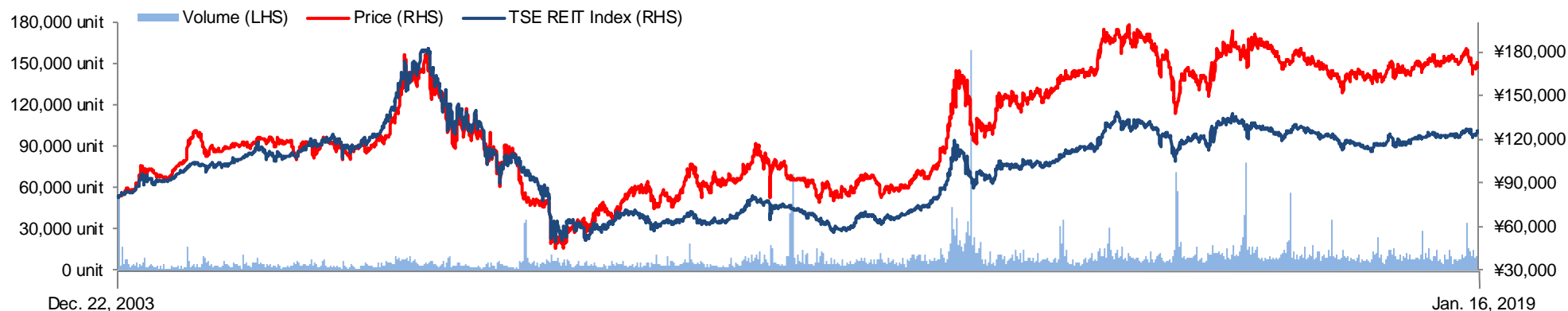


	# of unitholders	# of units issued & outstanding
November 30, 2018	20,408	3,055,087
May 31, 2018	21,303	3,055,087

## ■ Major unitholders (as of November 30, 2018)

Rank	Unitholder	Number of Units Held	Percentage of Unit Held
1	Japan Trustee Services Bank, Ltd. (trust account)	634,899	20.8%
2	The Master Trust Bank of Japan, Ltd. (trust account)	498,601	16.3%
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	124,928	4.1%
4	STATE STREET BANK WEST CLIENT-TREATY 505234	95,713	3.1%
5	Trust & Custody Services Bank, Ltd. (securities investment trust account)	80,359	2.6%
6	SMBC Nikko Securities Inc.	44,302	1.5%
7	JP MORGAN CHASE BANK 385771	39,490	1.3%
8	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	31,833	1.0%
9	STATE STREET BANK AND TRUST COMPANY 505223	30,613	1.0%
10	Mizuho Trust & Banking Co., Ltd.	28,454	0.9%
11	The Chugoku Bank, Ltd.	27,728	0.9%
12	BNYM AS AGT/CLTS 10 PERCENT	27,397	0.9%
13	STATE STREET BANK AND TRUST COMPANY 505103	27,107	0.9%
14	SSBTC CLIENT OMNIBUS ACCOUNT	26,874	0.9%
15	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	26,799	0.9%
Total		1,745,097	57.1%

## ■ Unit price and tracking volume (Note1~4)



(Notes)

1. Source: QUICK

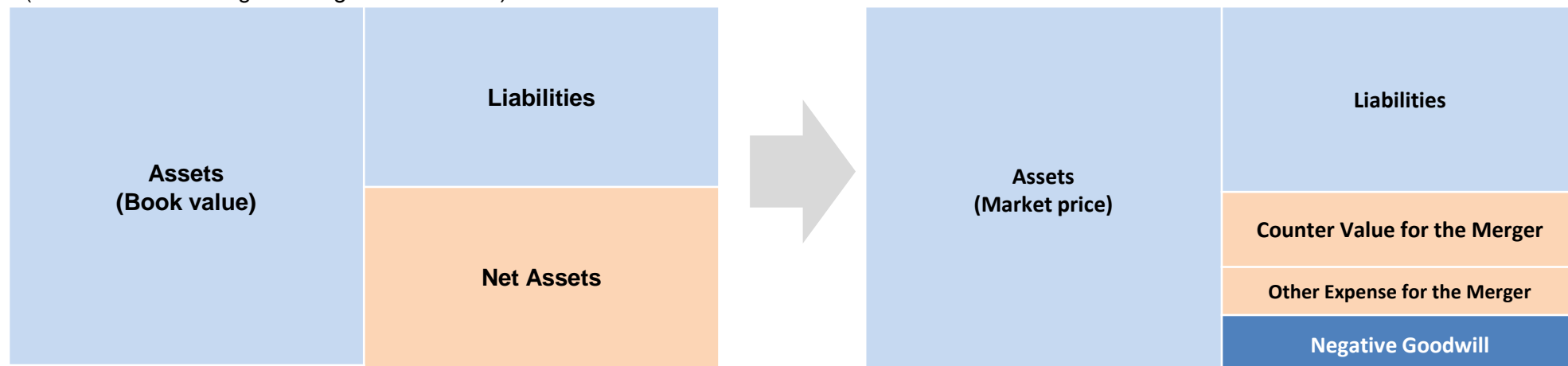
2. UUR's unit price and trading volume from Dec. 22, 2003 to Jan. 16, 2019.

3. In connection with the unit split, before November 25, 2010 (the last trade day in the unit price before the unit split in Tokyo Stock Exchange), unit price are shown divided by six, and trading volume are shown multiplied by six.

4. TSE REIT Index are shown indexed based on the unit price as of Dec. 22, 2003.

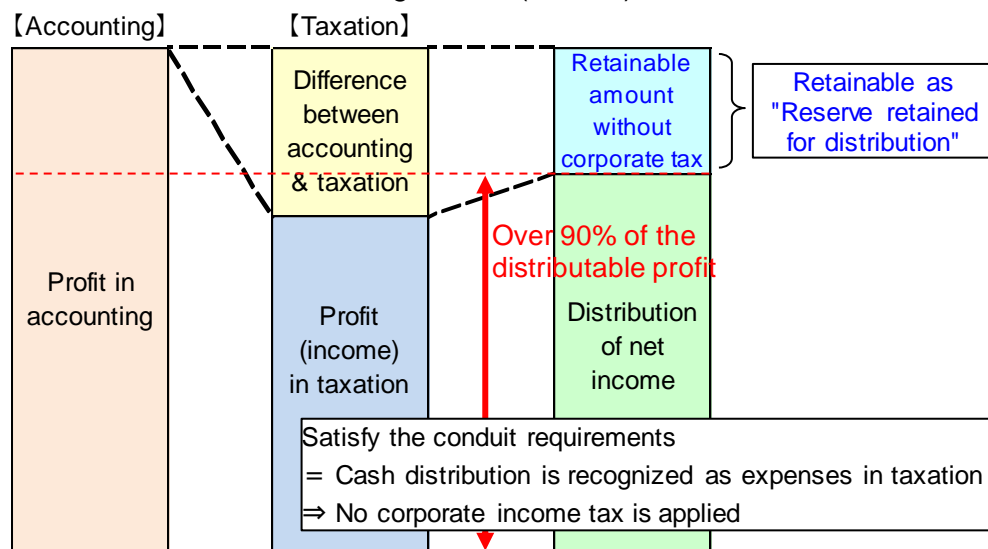
## ■ Occurrence of Negative Goodwill due to the merger

(The occurrence image of "Negative Goodwill")



## ■ Retained earnings (Reserve retained for distribution) through utilizing the difference between accounting and taxation

In case of "Profit in accounting > Profit (income) in taxation"



### Difference between accounting/taxation in case of UUR

With regard to most properties which UUR succeeded from NCI by the merger (NCI properties), the difference between accounting and taxation arises in depreciation cost and gain (loss) on the property sale due to the difference between book value in accounting and that in taxation.

( Profit in accounting > Profit (income) in taxation )

In case retained amount is within the range that satisfies the conduit requirements, a part of the profit in accounting is retainable as "Reserve retained as distribution" without corporate income tax.



## ■ Reserve for reduction entry

Reserve for reduction entry is the reserve based on "Reduction Entry System". Reduction entry is deferment of tax payment on the profits related to the government subsidy on newly acquired property or the gains on real estate sale, etc. by the reduced book entry that meets certain requirement in taxation. There are two ways for "Reduction Entry System".

## ■ The outline of "Reduction Entry System"

	Replacement of the asset held for a long term	Preceding land acquisition
Applicable conditions	In case that the new land or building is to be acquired during the fiscal period or within one year after the relevant fiscal period ends when the land or building held over 10 years is sold.  (Properties acquired within one year before the disposition can be applicable to the system, if the acquisition is notified to a dedicated tax office.)	① The tax payer has the land acquired in 2009 and 2010. (Report to the tax office on acquisition of land is to be made prior to the date for the tax report when the land is acquired.) AND ② Gains on land sale within 10 years after the relevant fiscal period ends (the fiscal period when the land is acquired).
Subject property of reduction	Acquired property (land & building or land or building)	Land mentioned in ① above
Limit of reduction/reduction rate	Acquisition price for reduction entry*1 x Profit ratio*2 x Ratio of Reduction (80% in principle)  *1 Lower amount between "the sale price" and "the acquisition price" *2 "the gains on sale" ÷ "the sale price"  Note 1: Aggregation of profit and loss on the property sale is not necessary even if these are multiple sales. Note 2: Selection of the subject gains is possible. The taxpayer can choose from gains on "the land and building", "the land" only or "the building" only. Note 3: These are certain requirements on the property to be acquired for application of "Reduction Entry System".	Capital gain of land x Reduction ratio* (No larger than total amount of ① above)  *80% is applicable to land(s) acquired in 2009; 60% in 2010. 80% is applicable if lands acquired in both 2009 and 2010 are to be included in the same fiscal year. Note 1: If capital gain is recorded for individual sale of land, such gains is applicable to this system, even in case that total disposition brings capital loss. Note 2: Aggregation of profit and loss is to be required in case that there are multiple sale of land.
Allowable retained earnings	<p><b>Whichever amount is the lower of A or B, can be retained and no corporate tax is levied in the relevant fiscal period.</b></p> <div> <div>A: Limit of reduction calculated as per the above</div> <div>B: Amount compliant with conduit requirement ( ÷ Profit available for dividend × 10% or less)</div> </div>	

	Reserve for reduction entry	Applicable conditions	Subject asset
29th FP (May 2018) (Actual)	¥ 1.1 Bn	Replacement of the asset hold for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 51% quasi co-ownership) Acquisition : RIHGA Royal Hotel Kokura・ARUARU City (Land)
30th FP (Nov. 2018) (Actual)	¥ 1.1 Bn	Replacement of the asset hold for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 19% quasi co-ownership) Acquisition : Chatle Otemachi S・N (Land), the b fukuoka tenjin (Land)
31st FP (May 2019) (Estimated)	¥ 1.1 Bn	Preceding land acquisition	Disposition: Himonya Shopping Center (Land: trust beneficiary, 30% quasi co-ownership) Asset to be reduced : Land acquired in 2009 and 2010 (Total price: 3.4Bn)

\*This page is a summary of accounting system as of January 18, 2019 and can be used for an informational purpose only. Please note that the system mentioned above may not be applicable due to status of United Urban as well as interpretations and ways of handling profits under tax laws and others.

Terms	Definitions
UUR	“United Urban Investment Corporation” may be abbreviated to as “UUR”.
JRA	“Japan REIT Advisors Co., Ltd.” may be abbreviated to as “JRA”.
Fiscal period	Each fiscal period is closed on the end of May or of November , and then, each fiscal period and the number of operating days which appeared on this document are as below; ・27th FP: from December 1, 2016 to May 31, 2017 (182 days) ・28th FP: from June 1, 2017 to November 30, 2017 (183 days) ・29th FP: from December 1, 2017 to May 31, 2018 (182 days) ・30th FP: from June 1, 2018 to November 30, 2018 (183 days) ・31st FP: from December 1, 2018 to May 31, 2019 (182 days) ・32nd FP: from June 1, 2019 to November 30, 2019 (183 days)
Acquisition (Sale) price	The price which is described in a purchase and sale agreement etc. is shown in the amount excluding miscellaneous expenses for the acquisition (sale), consumption tax, etc. The Acquisition Price of NCI properties is the acceptance price at the time of the Merger.
EPU	Calculated by "net income / the number of issued investment units outstanding at the end of the fiscal period". So, it is different from the "net income per unit" on accounting which is calculated based on the average number of issued investment units for each fiscal period.
Negative goodwill (Reserve for temporary difference)	It means "Reserve for temporary difference (after 27th FP)", a reserve account derived from the extraordinary profit on the Merger. Decrease or usage of "Reserve for temporary difference" in accounting is often written as "Use the negative goodwill" or "Add the negative goodwill".
Voluntary reserves	Reserve retained for Distribution and Reserve for Advanced Depreciation not derived from The Merger (separate from Negative Goodwill).
Reserve retained for distribution	Retained earnings not derived from The Merger (separate from Negative Goodwill).
Retained earnings	"Negative Goodwill" and "Voluntary reserves". The amount of Voluntary reserves is often written as "(Amount of ) Retained Earnings".
Difference between accounting and taxation	It means there is the difference between the profit in accounting and the income in taxation. It is mainly arisen because the costs required to be booked in accounting is not equal to the costs permitted to be booked in taxation. With regard to UUR, there is difference between "book value in accounting" and "book value in taxation" of NCI properties derived from the Merger, so there are the differences between accounting and taxation in depreciation cost and gain (loss) on the property sale, etc.

Terms	Definitions
NOI	"Net Operating Income", the figure equal to the amount subtracting rental expenses (excluding depreciation and amortization) from rental revenues.
Adjusted NOI yield	Calculated by "Adjusted NOI / Acquisition price / number of operating days * 365 (annualized) * 100(%)". In case of acquired properties, Adjusted NOI is the NOI amount whose taxes (fix asset tax & city planning tax), which are not recognized as operating expenses in each FP, is added to its costs.
Adjusted profit after depreciation	Calculated by "Adjusted NOI after depreciation / Acquisition price / number of operating days * 365 (annualized) * 100(%)". It is Adjusted NOI amount deducted depreciation costs (with regard to the part of properties, estimated or adjusted figures) in the FP.
Estimated NOI yield	Calculated by "estimated NOI (annualized) / Acquisition price * 100(%)". Estimated NOI (annualized) is, concerning about the acquired properties, the annual estimated NOI from acquisition by UUR, and calculated on the leasing conditions after the acquisition.
Estimated NOI yield after depreciation	Calculated by "estimated NOI after depreciation (annualized) / Acquisition price * 100(%)". Estimated NOI after depreciation (annualized) means, concerning about the acquired properties, the NOI amount that is deducted estimated depreciation amount (annualized) from estimated NOI (annualized). Estimated depreciation amount (annualized) means the annual estimated depreciation amount from acquisition by UUR and is calculated, following with the UUR accounting policy, by the straight line depreciation rate (assumed when in the acquisition) based on the life of each acquired property.
Occupancy rate	Calculated by "total leased floor space / total leasable floor space"
Cash flow occupancy rate	Calculated based on the floor area which yields rent actually, excluding the floor area which does not yield rent due to free-rent period or so.
GOP	It is the abbreviation for "Gross Operating Profit". It is gross profit amount of hotel operations, which is deducted non-allocation costs (for example, labor costs and utility costs of corporate or sales section which are not be included in operating costs of each section, etc.) from the profit of hotel business (lodging, party and others).
Variable rent system with GOP/sales	It is the rent comprising "the fixed amount" and "the variable amount linked with GOP" or "the fixed amount" and "the variable amount linked with sales" defined on the lease agreements.
LTV (Total assets)	Calculated by "Interest-bearing liabilities (including corporate bonds) / Total Assets * 100(%)".
LTV (Fair value base)	Calculated by "Interest-bearing liabilities (including corporate bonds) / Total Assets (Net Assets + Appraised value at the end of fiscal period – Book value at the end of fiscal period) * 100(%)".
The Merger	The merger, which made December 1, 2010 the effective date of the merger and made UUR the surviving corporation after the merger.
The Division of units	The 6-for-1 unit split of UUR units, effective December 1, 2010.



# United Urban Investment Corporation

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