



United Urban Investment Corporation

31st

Fiscal Period

(Six months ended May 2019)

<https://www.united-reit.co.jp>

Securities Code: 8960



July 2019



1 Recent Development	
1-1 31st FP Business Results	p.2
● 31st FP Major Topics	p.3
● 31st FP Business Results	p.4
1-2 11th Public Offering/32nd FP & 33rd FP Business Forecast	p.5
● 11th Public Offering (PO): June-July 2019	p.6
● Prioritized Measures (32nd & 33rd FP)	p.7
● Business Forecast (32nd & 33rd FP)	p.8
2 Strategy & Implementation	
2-1 External Growth	p.9
● Various Measures for External Growth	p.10
● Acquisition 31st FP	p.11
● Acquisition 31st FP & 32nd FP	p.12
● Acquisition 32nd FP & 33rd FP (scheduled)	p.13
● Property-Replacement	p.14
2-2 Internal Growth	p.15
● Asset Management Retail Properties	p.16
● Asset Management Office	p.17
● Asset Management Hotel	p.18
● Asset Management Residential Properties/Others	p.19
● Strategic Investment for Value-up	p.20
● Pursuits of Further Profitability	p.21
2-3 Finance	p.23
● Green Finance	p.24
● Transition of LTV and Interest-Bearing Debt Cost	p.25
● Standing of Interest-Bearing Debt	p.26
● Financial Standing	p.27
● Increase and Strategic Use of Retained Earnings	p.28
2-4 Initiatives for ESG	p.29
3 Appendix	p.32
● Major Events and Schedule	p.33
● Track Record of External Growth	P.34
● Portfolio Summary	p.35
● Portfolio Performance	p.36
● Trend of Rent in Existing Properties	p.37
● Financial Indices	p.38
● Balance Sheet	p.39
● Income Statement	p.40
● Trend of Unrealized Capital Gain	p.41
● Appraisal Value	p.42
● Property Income and Occupancy	p.45
● Properties	p.50
● Retention of Earnings Negative Goodwill	p.53
● Retention of Earnings Reserve for Reduction Entry	p.54
● Overview of Unitholders and Unit Price	p.55
● Definition	p.56

1 Recent Development

1-1 ||| 31st FP Business Results

Distribution per unit (DPU)

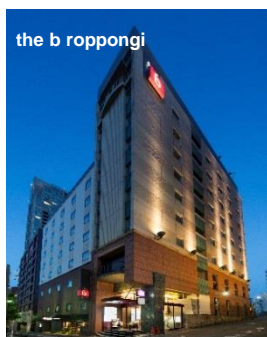
Highest DPU since United Urban's listing due to new acquisitions and partial appropriation of capital gain from dispositions to cash distribution

30 th FP (November 2018) Actual	31 st (May 2019)	
	Forecast*	Actual
¥3,473	¥3,550	¥3,661
	+¥188 (+5.4%)	+¥111 (+3.1%)

*Announced on January 18, 2019.

Measures to keep/raise property value/profitability

- Rent increase in office/hotel properties
- Intensive implementation of renovation works in the long-term repair plan
- Revitalization of facilities in cooperation with tenants/Lease term extension for longer years
- Continuous cut of property-related expenses



Property-replacement

Acquisitions by capital recycling

Disposition		Acquisition		
Himonya Shopping Center (Retail Facility) <small>Quasi co-ownership 30%</small>	Maison Ukima (Residence)	Luz Musashikosugi (Retail Facility)	GRANFONTE (Residence)	Henn na Hotel Tokyo Hamamatsucho (Hotel)
Sales price ¥8.2 Bn	¥3.1 Bn	Sales price ¥12.1 Bn	¥2.7 Bn	¥4.4 Bn
¥11.4 Bn		¥19.3 Bn		
Building age* 44 years	27 years	Building age* 11 years	20 years	1 year

*As of May-end, 2019.

Diversification of financing methods/ Increase of retained earnings

Green Finance Transaction Total ¥14.5 Bn

		Finance amount	Term
First in Japan	UUR Green Trust	¥2.5 Bn / ¥2.0 Bn	5 years / 7 years
First in J-REIT	Green Yu Yu Sai <small>Retail green bond</small>	¥10 Bn	7 years

Retention of earnings

Retained a part of the capital gain from dispositions (¥1.3 Bn) without corporate tax

Outstanding: ¥13.9 Bn

ESG initiatives

- Introduction of **ISO14001** at JRA
- Increase of environment certification coverage **55.3%**

(GFA based; as of May-end, 2019)

31st FP Business Results

(¥ Mn, unless otherwise indicated)

No	Item	30th FP (Actual) (A)	31st FP (Actual) (B)	Change (B-A)	31st FP (Forecast*1) (C)	Change (B-C)
1	Revenues from real estate leasing operation	23,867	24,215	+348	24,132	+83
2	(Rental revenues & CAM*2)	(21,134)	(21,636)	(+501)	(21,537)	(+99)
3	Property-related expenses	10,663	11,506	+843	11,831	-325
4	(Repair costs)	(892)	(1,824)	(+932)	(2,077)	(-253)
5	(Depreciation)	(4,050)	(4,050)	(+0)	(4,055)	(-5)
6	(Taxes and public dues)	(1,885)	(1,892)	(+7)	(1,870)	(+22)
7	Income from real estate leasing operation	13,203	12,708	-494	12,301	+407
8	(NOI)	(17,253)	(16,759)	(-494)	(16,356)	(+403)
9	Gain on property sale, etc.	1,864	3,001	+1,136	2,950	+51
10	Dividends income	2	44	+42	44	+0
11	Sales admin. expenses	2,174	2,184	+10	2,194	-10
12	Operating income	12,894	13,569	+674	13,101	+468
13	Non-operating profit and loss	-1,105	-1,155	-50	-1,151	-4
14	Ordinary income	11,789	12,413	+624	11,949	+464
15	Net income	11,788	12,413	+624	11,949	+464
16	[EPU (yen/unit)]	(3,858)	(4,063)	(+205)	(3,911)	(+152)
17	Reserve for temporary difference (+)	76	76	+0	76	+0
18	Internal reserve (-)	1,254	1,305	+50	1,179	+125
19	Total cash distributions	10,610	11,184	+574	10,846	+339
20	DPU (yen/unit)	3,473	3,661	+188	3,550	+111
21	No. of investment units outstanding (unit)	3,055,087	3,055,087	-	3,055,087	-
22	CAPEX	1,406	2,870	+1,463	3,429	-559

*1 As of January 18, 2019.

*2 Common area maintenance fee.

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

30th FP (Actual) vs 31st FP (Actual) (B-A)			Converted to DPU
	Revenues	Expenses	
Income from real estate leasing operation	-494	+348	-¥162
Properties acquired in 30th FP	+119	6-month income of properties since acquisition	
Properties acquired in 31st FP	+244	Income of properties acquired	
Properties sold in 31st FP	-165	Decrease of income of properties disposed	
Repair costs	-925	Renovation works for property value-up	
Others	+233	Rental revenues incl. CAM*2 +339, Utilities cost -38, Others -72 (Renewal fee for leasehold, Leasing expenses, etc.)	
Gain on property sale, etc.	+1,136		+¥372
Himonya Shopping Center	+1,111	Sold 30% in 31st FP (19% in 30th FP)	
Maison Ukima	+25	Unplanned	
Other	-18		-¥6
Dividends income	+42	Dividends of preferential negotiating right (Tenjin 123 project TMK)	
Sales admin. expenses & Non-operating profit and loss	-60	Bond issuance expenses -67 Investment unit issuance expenses -11 Decrease of interest expenses +25, etc.	

31st FP (Forecast*1) vs 31st FP (Actual) (B-C)			Converted to DPU
	Revenues	Expenses	
Income from real estate leasing operation	+407	+83	+¥133
Properties acquired in 30th FP	+2		
Properties acquired in 31st FP	+22	GRANFONTE (+27: Unplanned)	
Properties sold in 31st FP	-27	Maison Ukima (-29: Unplanned)	
Repair costs	+255	Renovation works for property value-up	
Others	+155	Rental revenues incl. CAM*2 +102 Utilities cost +14, Others +39	
Gain on property sale, etc.	+51		+¥17
Himonya Shopping Center	+25	Decrease of disposition expenses	
Maison Ukima	+25	Unplanned	
Other	+6		+¥2
Sales admin. expenses & Non-operating profit and loss	+6	Bond issuance expenses +33, Investment unit issuance expenses -11 Loss on disposal of assets -12, etc.	

Acquisition

30th: Chatte Otemachi S・N ('18/7) / the b fukuoka tenjin ('18/9)

Musashimurayama Logistics Center ('18/10)

31st: Luz Musashikosugi ('18/12) / GRAN FONTE ('19/4) / Henn na Hotel Tokyo Hamamatsucho ('19/5)

Disposition

31st: Himonya Shopping Center (30% quasi co-ownership) ('19/3) / Maison Ukima ('19/4)

1 Recent Development

1-2 ||| 11th Public Offering

32nd FP & 33rd FP Business Forecast

11th Public Offering (PO): June-July, 2019

Summary

Number of units issued	63,250 units	55,000 units (PO) 8,250 units (3 rd -party allotment)
Number of units outstanding after the offering	3,118,337 units (+2.1%)	
Issue price/Issue value	¥175,616 / ¥170,240 per unit	
Total issue value	¥10.7 Bn	¥9.3 Bn (PO) ¥1.4 Bn (3 rd -party allotment)
Payment date	June 19, 2019 (PO) July 11, 2019 (3rd-party allotment)	

Key Index

	FP 30 th (Nov.-end, 2018)	FP 31 st Disposition *3 (May-end, 2019)	New (scheduled) acquisition	After acquiring new (scheduled) properties *5
Number of properties	119 properties	2 properties	6 properties	123 properties
Total acquisition (scheduled) price	¥613.9 Bn	¥8.1 Bn	¥41.8 Bn *4	¥648.6 Bn *4
Total appraisal value	¥725.9 Bn	¥9.8 Bn	¥45.3 Bn	¥761.3 Bn
Avg. NOI yield *1	5.6%	5.1%	4.9%	5.5%
Avg. NOI yield after depreciation *1	4.3%	3.9%	4.2%	4.3%
Avg. building age *2	23.6 years	36.8 years	13.4 years	23.2 years

New (scheduled) acquisition

- FP 31st**
- Luz Musashikosugi
 - Henn na Hotel Tokyo Hamamatsucho
 - GRAN FONTE
- FP 32nd**
- Hotel Hewitt Koshien
 - Smile Hotel Premium Sapporo Susukino
- FP 33rd**
- the square hotel KANAZAWA

LTV

	FP 30 th (Nov.-end, 2018)	FP 31 st (May-end, 2019)	After acquiring (scheduled) new properties *5
LTV (Total asset)	39.5%	41.5%	40.2%
LTV (Fair value base)	33.0%	34.5%	33.4%

*1 (Scheduled) acquisition price or disposition price based.

*2 Building age of each property as of May-end in 2019 was weighted averaged based on acquisition price.

*3 Himonya Shopping Center (30% quasi co-ownership), Maison Ukima

*4 the b roppongi (the Annex) acquired on December 17, 2018 is included in the total acquisition (scheduled) price of after acquiring new (scheduled) properties, but not included in the one of new (scheduled) acquisition.

*5 As of December 3, 2019 (scheduled).

*6 Amount of appropriation to cash distribution from the gain on sale and cancellation penalty from tenant.

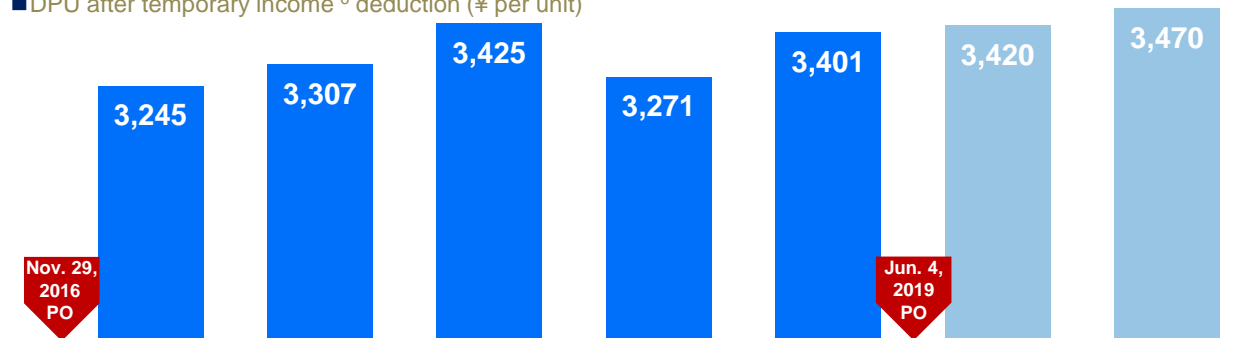
Cash distributions

■ Distribution per unit (DPU)

Acquiring (scheduled) new properties

3,250円	3,358円	3,530円	3,473円	3,661円	3,420円	3,470円
--------	--------	--------	--------	--------	--------	--------

■ DPU after temporary income *6 deduction (¥ per unit)



■ Temporary income *6 per unit (¥ per unit)

5	51	105	202	260	—	—
27FP ('17/5)	28FP ('17/11)	29FP ('18/5)	30FP ('18/11)	31FP ('19/5)	32FP ('19/11) Forecast	33FP ('20/5) Forecast

External Growth

Selective investment for adequate return

- Acquisition through various approach by keeping adequate return on investment
- Expansion of investment for the AUM growth and higher profitability
- Property replacement with eye on the active real estate investment market
- Utilization of property pipeline from the sponsor group

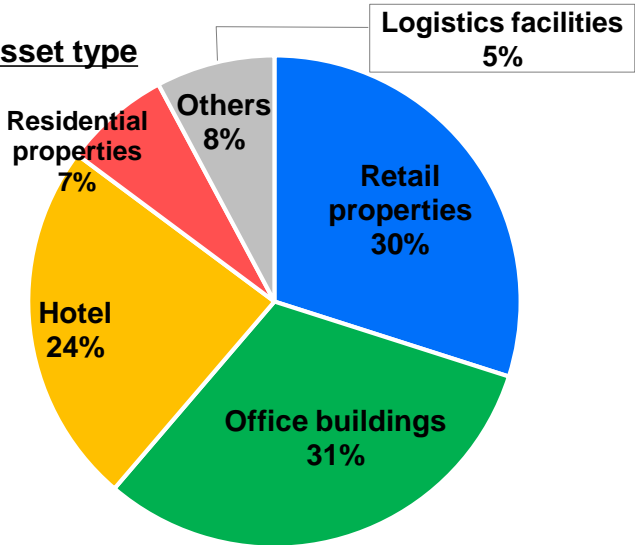
Finance

Development of robust financial standing

- Reduction of financing cost
- Construct robust financial standing through LTV control, etc.
- Strategic utilization of retained earnings

Portfolio summary by asset type

123 Proprieties
¥648 Bn
(Acquisition price based)
As of Dec. 3, 2019
(scheduled)



Internal Growth

Proactive asset management for internal growth

- Steady rent increase mainly in office and hotel properties
- Property value increase through renovation work
- Continuous cost reduction through installation of LED lighting, utilization of groundwater, change of parking operator, etc.

ESG

Various ESG initiatives and contribution to SDGs

- Action plan for selected “Materiality” based on the vision of SDGs and monitoring of the set targets
- Responsible actions to societal requirements including governance, diversity, etc.

Outstanding of retained earnings

31st FP
(May-end, 2019)
¥13.9 Bn

Environment certification coverage

31st FP
(May-end, 2019)

55.3%

33rd FP
(May-end, 2020)

Target
60.0%

Business Forecast (32nd & 33rd FP)

(¥ Mn, unless otherwise indicated)

No	Item	31st FP (Actual) (A)	32nd FP (Forecast*1) (B)	Change (B-A)	33rd FP (Forecast*1) (C)	Change (C-B)
1	Revenues from real estate leasing operation	24,215	24,995	+780	24,780	-215
2	(Rental revenues & CAM*2)	(21,636)	(22,156)	(+520)	(22,233)	(+77)
3	Property-related expenses	11,506	11,088	-418	10,760	-328
4	(Repair costs)	(1,824)	(973)	(-851)	(804)	(-169)
5	(Depreciation)	(4,050)	(4,141)	(+91)	(4,209)	(+68)
6	(Taxes and public dues)	(1,892)	(1,994)	(+102)	(1,996)	(+2)
7	Income from real estate leasing operation	12,708	13,907	+1,199	14,019	+112
8	(NOI)	(16,759)	(18,048)	(+1,289)	(18,228)	(+180)
9	Gain on property sale, etc.	3,001	-	-3,001	-	-
10	Dividends income	44	-	-44	-	-
11	Sales admin. expenses	2,184	2,237	+53	2,239	+2
12	Operating income	13,569	11,670	-1,899	11,781	+111
13	Non-operating profit and loss	-1,155	-1,082	+73	-1,037	+45
14	Ordinary income	12,413	10,588	-1,825	10,744	+156
15	Net income	12,413	10,587	-1,826	10,743	+156
16	[EPU (yen/unit)]	(4,063)	(3,395)	(-668)	(3,445)	(+50)
17	Reserve for temporary difference (+)	76	77	+1	77	-
18	Internal reserve (-)	1,305	-	-1,305	-	-
19	Total cash distributions	11,184	10,664	-520	10,820	+156
20	DPU (yen/unit)	3,661	3,420	-241	3,470	+50
21	No. of investment units outstanding (unit)	3,055,087	3,118,337	+63,250	3,118,337	-
22	CAPEX	2,870	2,904	+34	1,925	-979

*1 As of July 12, 2019.

*2 Common area maintenance fee.

*3 Inclusive of property tax/city planning tax for Luz Musashikosugi.

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

31st FP (Actual) vs 32nd FP (Forecast*1)				Converted to DPU
(B-A)		Revenues	Expenses	
Income from real estate leasing operation	+1,199	+780	+418	+ ¥392
Properties acquired in 30th FP	+120	6-month income of properties since acquisition*3		
Properties sold in 31st FP	-124	Decrease of income of properties disposed		
Properties acquired in 32nd FP	+380	Income of properties acquired		
Property taxes/city planning taxes	-123	For 4 properties acquired in 2018		
Decrease of repair costs	+864	Completion of repair/renovation works		
Others	+82	Rental revenues incl. CAM*2 +34, Others +53 (Leasing expenses, etc.)		
Gain on property sale, etc.	-3,001	Decrease from 30th FP		
Other	-24			
Dividends income	-44	Decrease from the previous FP		
Sales admin. expenses	-53	Increase of AM fee due to acquisitions, etc.		
Non-operating profit and loss	+73	Decrease of interest expenses +24, Investment unit issuance expenses -25, Difference booked from the previous FP +70 (Bond issuance expenses +67, Insurance revenue -17, etc.)		
Impact on units issued				- ¥70

32nd FP (Forecast*1) vs 33rd FP (Forecast*1)				Converted to DPU
(C-B)		Revenues	Expenses	
Income from real estate leasing operation	+112	-215	+328	+ ¥36
Properties acquired in 32nd FP	+38	6-month income of properties since acquisition		
Properties acquired in 33rd FP	+125	Income of properties acquired		
Others	-51	Decrease of rental revenues incl. CAM*2, etc.		
Other	+43			
Sales admin. expenses & Non-operating profit and loss	+43	Difference booked from the previous FP +70 (Bond issuance expenses +37, etc.)		

Acquisition

31st: Luz Musashikosugi ('18/12) / GRAN FONTE ('19/4) / Henn na Hotel Tokyo Hamamatsucho ('19/5)

32nd: Hotel Hewitt Koshien ('19/6) / Smile Hotel Premium Sapporo Susukino ('19/6)

33rd: the square hotel KANAZAWA ('19/12)

Disposition

31st: Himonya Shopping Center (30% quasi co-ownership) ('19/3) / Maison Ukima('19/4)

2 Strategy & Implementation

2-1 External Growth

Various Measures for External Growth

United Urban continues to acquire intrinsic-valued properties with an adequate return on investment by using various measures of property acquisition derived from the more than 15 years of expertise in real estate asset management and the function/know-how of Marubeni group.

Engagement in development

JRA introduced a tenant (hotel operator) to a developer and secured the preferential negotiating right to acquire a completed property. To minimize income risks, United Urban took minority stakes of the development SPC and acquired the property after a stable operation was ensured.

the b fukuoka tenjin
Acquisition date: Sep. 2018



Investment in mixed-used property in major regional city

Driving its strengths in investment/management of myriad asset types/areas, United Urban acquired a mixed-used property where broad-ranging expertise is required in management. Further profitability will be pursued in a landmark property in the area through proactive investments.

SS30
Acquisition date: Mar. 2017



Investment in development project with support of the sponsor group

JRA planed a hotel development project with a sponsor group at a site where JRA sourced. Sponsor group developed the hotel, and United Urban is to acquire it after its stable operation is ensured.

the square hotel KANAZAWA
Acquisition date: Dec. 2019 (scheduled)



Extension of existing property by JRA

United Urban additionally acquired an adjacent site of an already acquired property and develop an extension. With an increase in number of rooms and an improvement in efficiency of operation, growth of rent revenues is expected.

the b roppongi (the Annex)
Acquisition date: Dec. 2018



Investment in bridge SPC

United Urban took minority stakes of the SPC that owned a logistics facility and secured preferential negotiating right to acquire the property upon disposition.

Musashimurayama Logistics Center
Acquisition date: Oct. 2018



Sponsor group has been working on development projects including residential properties (student housing, etc.) and hotels. Similar to the case above, United Urban will likely have opportunities to acquire completed properties from the sponsor group going forward (Note: There is no property that United Urban has committed to purchase as of the date this material is released).

Sponsor Support

Marubeni

Marubeni Real Estate Development

MGL MG Leasing Corporation

Marubeni Asset Management

Marubeni Real Estate Management

C9 the b roppongi (the Annex)

Hotel

Location	Minato-ku, Tokyo
Structure & Scale	SRC・S B2/9F (35 rooms)
Completion	December 2018
Acquisition price (Note 1)	¥988 Mn
Estimated NOI yield (Note 2)	5.9% (after depreciation: 4.9%)
Occupancy rate *	100.0%
Acquisition date	December 17, 2018

Fixed rent
+
GOP ratio

Sponsor
Support



(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.



A42 Luz Musashikosugi

Retail Property

Location	Kawasakishi, 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%
Acquisition date	December 28, 2018



D30 GRAN FONTE

Residence

Location	Nerima-ku, Tokyo
Structure & Scale	RC 11F
Completion	October 1998
Acquisition price	¥2,700 Mn
Estimated NOI yield	5.3% (after depreciation: 4.4%)
Occupancy rate *	98.9%
Acquisition date	April 1, 2019



* The occupancy rate without time point is as of May 31, 2019. The same applies to newly acquired properties below.

C17 Henn-na Hotel Tokyo Hamamatsucho

Hotel

Location	Minato-ku, Tokyo
Structure & Scale	S14F (118 rooms)
Completion	March 2018
Acquisition price	¥4,456 Mn
Estimated NOI Yield	4.4% (after depreciation: 3.7%)
Occupancy rate *	100.0%
Acquisition date	May 15, 2019

Fixed rent



C18 Hotel Hewitt Koshien

Hotel

Sponsor Support

Location	Nishinomiya, Hyogo
Structure & Scale	Main Building: SRC・S B1/14F New Building: S 8F (412 rooms)
Completion	Main Building: August 1992 New Building: July 2018
Acquisition price	¥13,520 Mn
Estimated NOI Yield	5.0% (after depreciation: 4.0%)
Occupancy rate	100.0% (as of June 25, 2019)
Acquisition date	June 25, 2019

Fixed rent + GOP ratio



- ✓ Competitive facility with large parking lot for sightseeing buses and spacious breakfast meeting venue is closed to Nishinomiya Interchange and suitable to accommodate groups of inbound tourists.
- ✓ Featured as one of the largest full-serviced hotels in Osaka/Kobe areas, restaurants, various-sized banquet facilities, a fitness gym, a chapel, etc. are available for myriad of customer/guest requirements.
- ✓ As one of the associate hotels of Universal Studios Japan, more different types of customers can be expected.
- ✓ Convenient to stay for tourists/customers visiting large facilities including Hanshin Koshien Stadium and KidZania Koshien.

Kobe Harborland,
Kobe Kitano Ijinkan Gai,
Kobe Nankin-machi

Kobe
Sannomiya

Hanshin Main Line (Express)
about **18 min**



Koshien

Hanshin Main Line (Express)
about **13 min**



Shinsaibashi, Namba,
Osaka castle, Abeno

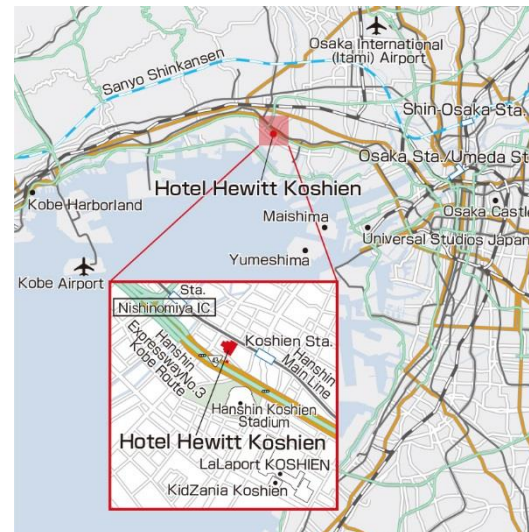
Osaka
Umeda



Breakfast meeting venue



Guest room



Hanshin
Expressway
about **20 min**



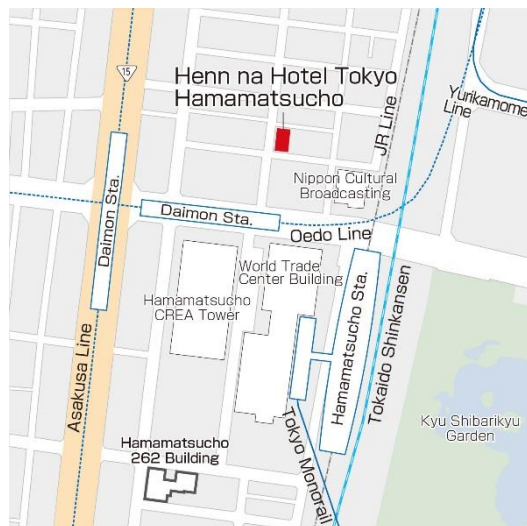
Wangan
Maishima

UNIVERSAL
STUDIOS JAPAN,
Osaka/Kansai EXPO
(Yumeshima)

about **1 hour**



Kansai
International
Airport

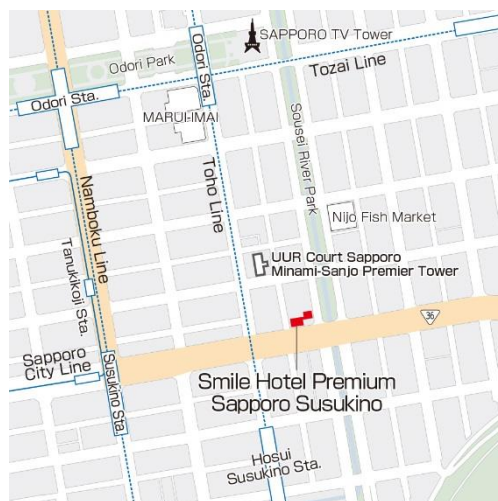


C19 Smile Hotel Premium Sapporo Susukino

Hotel

Location	Sapporo, Hokkaido	Fixed rent
Structure & Scale	S 13F (412 rooms)	
Completion	December 2017	
Acquisition price	¥4,233 Mn	
Estimated NOI Yield	6.0% (after depreciation: 5.0%)	
Occupancy rate	100.0% (as of June 28, 2019)	
Acquisition date	June 28, 2019	

Sponsor
Support



C20 the square hotel KANAZAWA

Hotel

Location	Kanazawa, Ishikawa	Fixed rent + Sales ratio
Structure & Scale	S 13F (186 rooms)	
Completion	September 2018	
Acquisition price	¥4,802 Mn (scheduled)	
Estimated NOI Yield	5.7% (after depreciation: 4.7%)	
Occupancy rate	100.0% (as of December 3, 2019)	
Acquisition price	December 3, 2019 (scheduled)	

Sponsor
Support



Entrance



Cafe restaurant



- ✓ Located on the Hyakumangoku Dori, a main street for business and tourism in Kanazawa and closed to the major sightseeing spots including Kenrokuen Garden and Omi-cho market.
- ✓ Total of 186 rooms (129 twin bedrooms and 57 double bedrooms) are offered, where the average room size is approximately 23 sqm and all the rooms are designed to accommodate two people or more.
- ✓ Appreciative large open-air bath on the top floor with a sauna is available.



Hyakumangoku
Festival



Naga-machi
Buke Yashiki District



Higashi Chaya District



Kenrokuen Garden

Property-Replacement

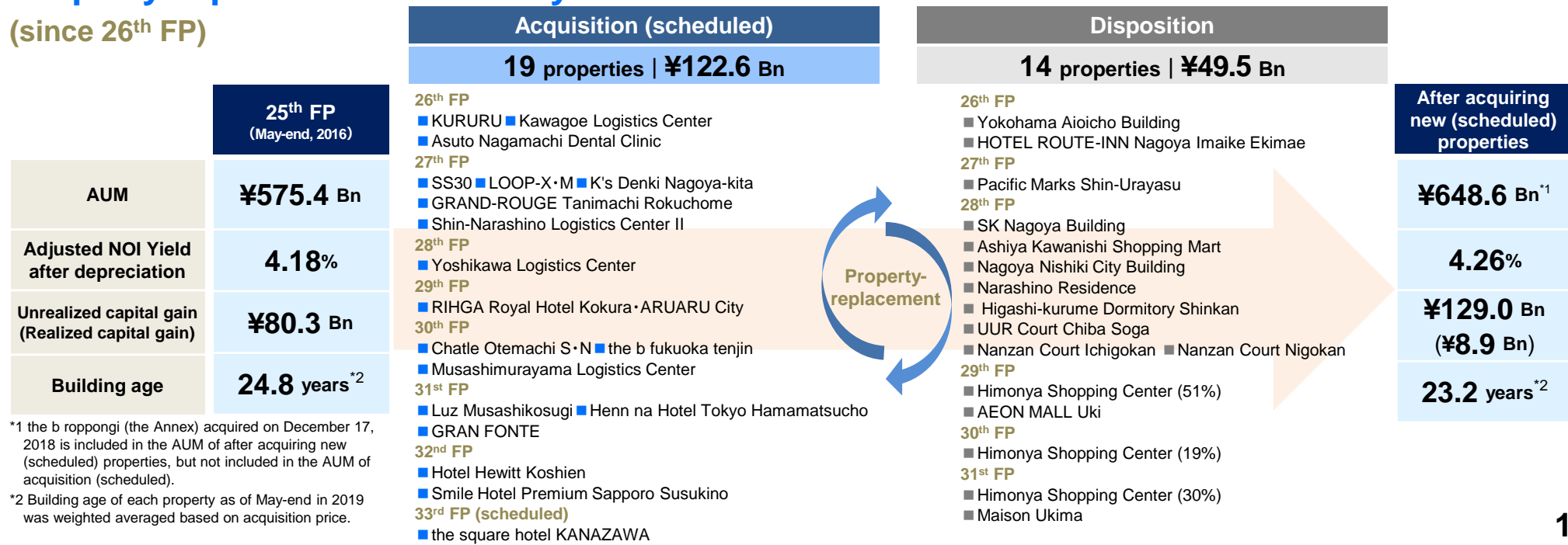
Disposition

(31st FP)

	Location	Acquisition price	Book value	Appraisal value	Disposition price	Gain on sale	Disposition date	Reasons for disposition
Retail property								
Himonya Shopping Center (30% quasi co-ownership)	23 wards of Tokyo	¥4,590 Mn	¥5,165 Mn	¥6,780 Mn	¥8,250 Mn	¥2,975 Mn	March 1, 2019	<ul style="list-style-type: none"> Current floor ratio was not compliant to stipulated floor ratio. Gross floor area was likely to be downsized upon reconstruction. Only 53 parking space was secured on site, whereas about 600 space was required under Large-scale retail store law. From long-term perspective, stable management was concerned as the remainder of required parking space was largely secured by the tenant on leasehold lands.
Residence								
Maison Ukima	23 wards of Tokyo	¥3,530 Mn	¥3,072 Mn	¥3,110 Mn	¥3,190 Mn	¥25 Mn	April 1, 2019	<ul style="list-style-type: none"> Single tenant (Taiheiyo Cement) let the property under fixed term building lease agreement due in October 2019. Tenant's intention for recontract was unclear. Disposition was determined from mid-to-long term perspective after examining various options such as to rent alternative tenants, to alter the specifications to general apartment building for rent, etc.

Property-replacement summary

(since 26th FP)

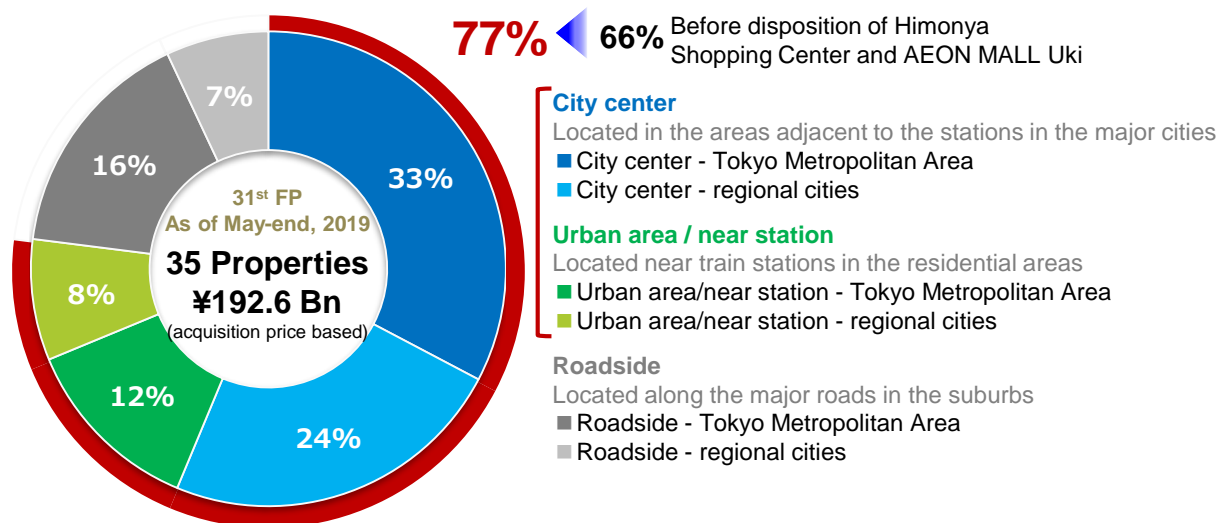


2 Strategy & Implementation

2-2 Internal Growth

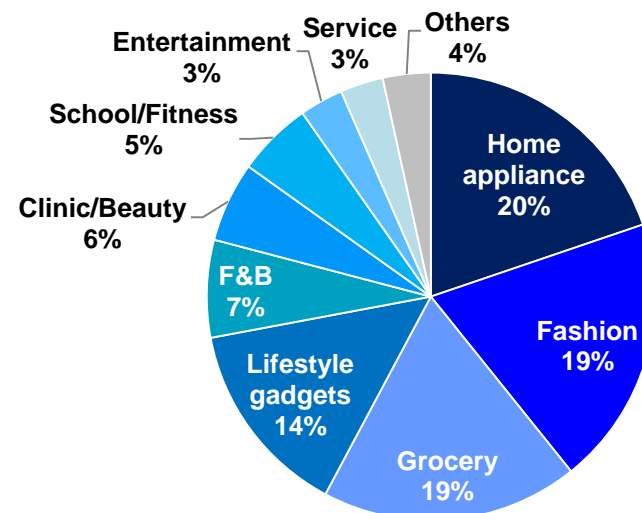
Portfolio composition

More than ¾ is located in City center and Urban area/Near station.



Tenant mix (fixed rent based)

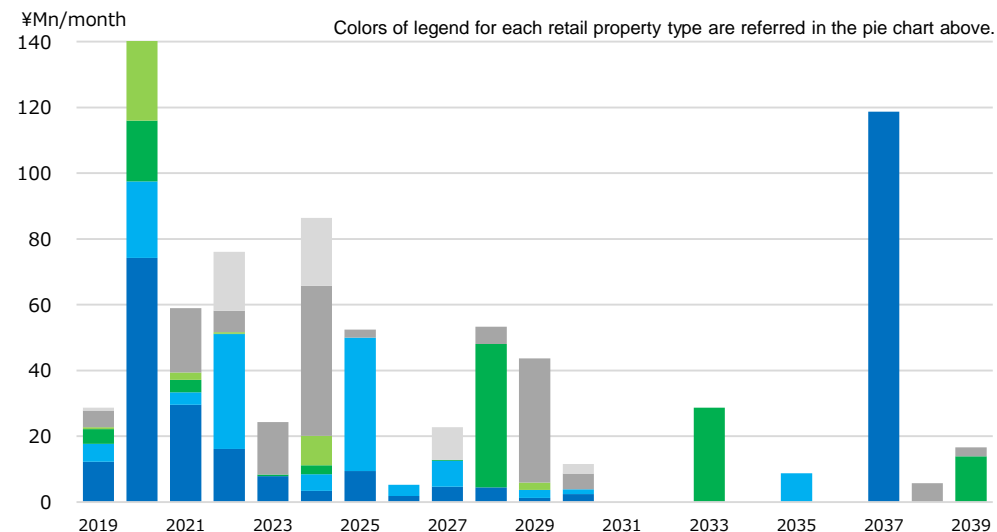
Variety in tenant to meet myriad customer demand.



Remaining contract period Avg. contract period left 6.9 years*

Avg. period stayed 11.8 years* (fixed rent based)

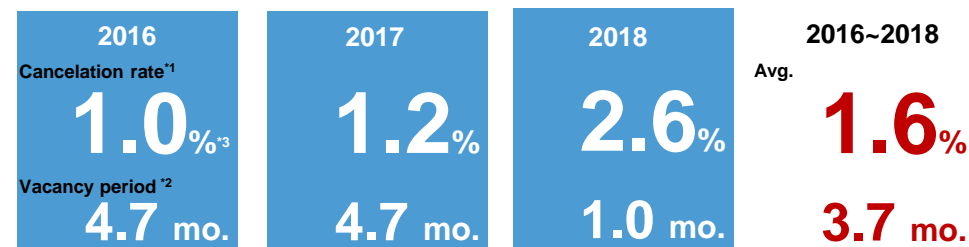
Long-term lease with single/anchor tenants.



*As of end-May, 2019 (31st FP). Excluding tenants under legal renewal.

Tenant cancellation rate*1 & vacancy period*2

Minimize tenants' leaves and vacancy period through close communication with tenants.



Reference: Tenant cancellation rate of other asset types of United Urban

	2016	2017	2018
Office	3.9%	2.7%	4.6%
Residential*3	19.8%	19.1%	18.0%

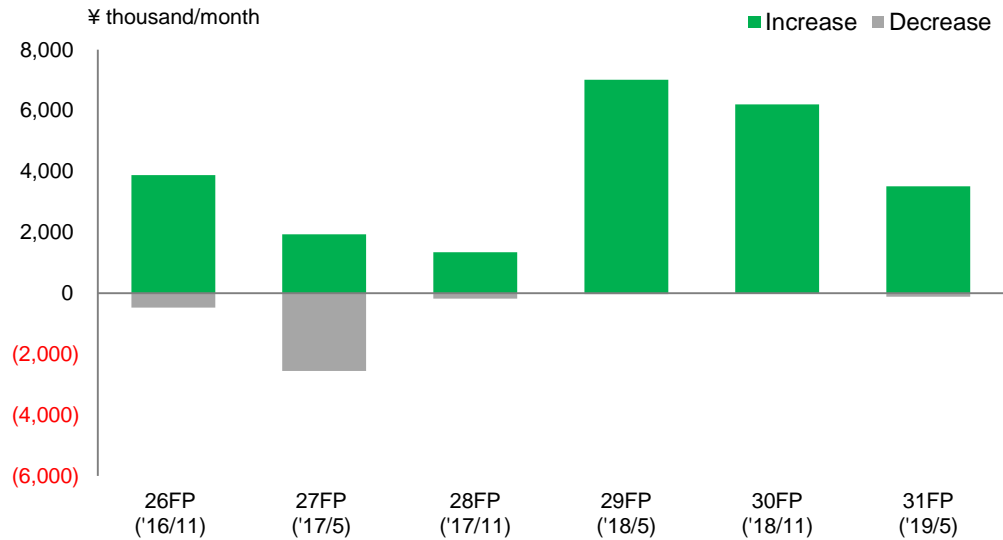
*1 Total area cancelled / Total avg. of rentable area for retail property during the period in review (Excluding the rentable areas of Himonya SC and AEON MALL Uki).

*2 Weighted avg. based on area.

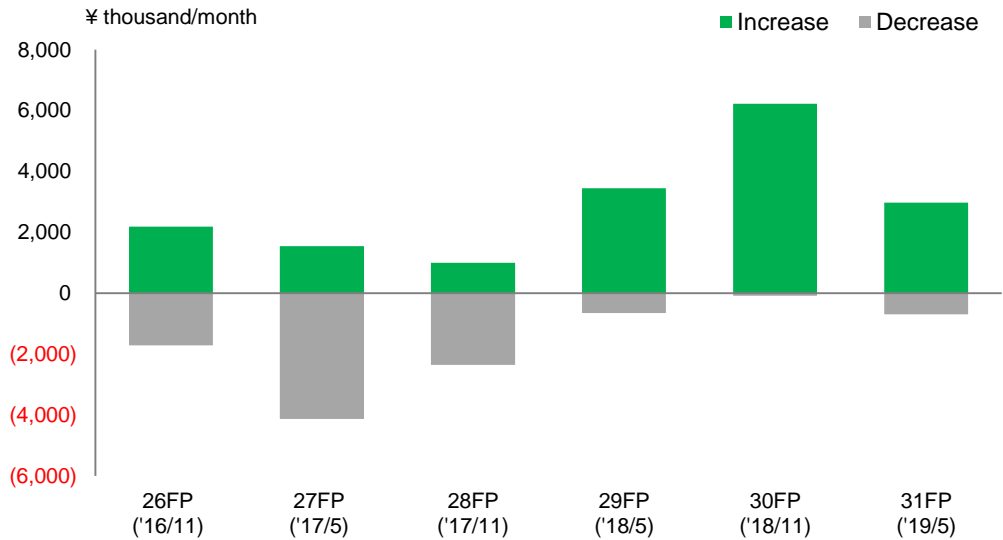
*3 Excluding residential properties let by fixed tenants and guaranteed by master lessees.

Rental income

Impact from rent renewal

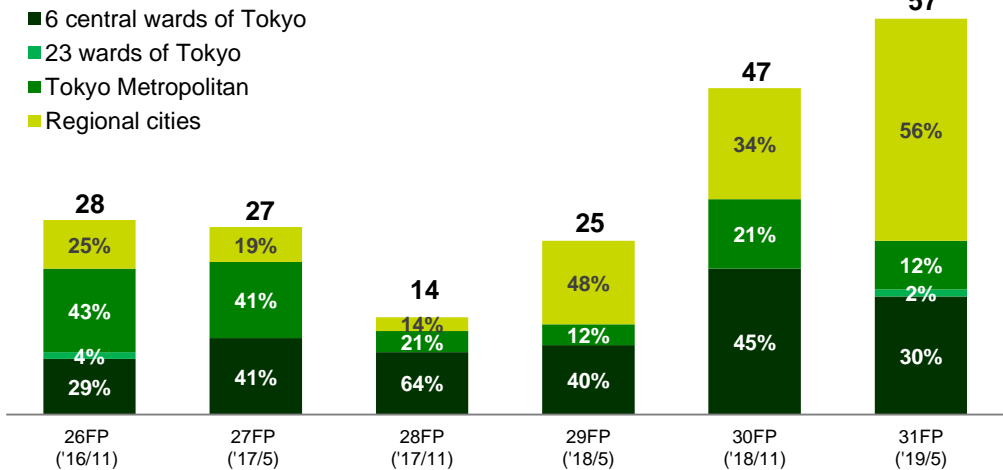


Impact from tenant replacement

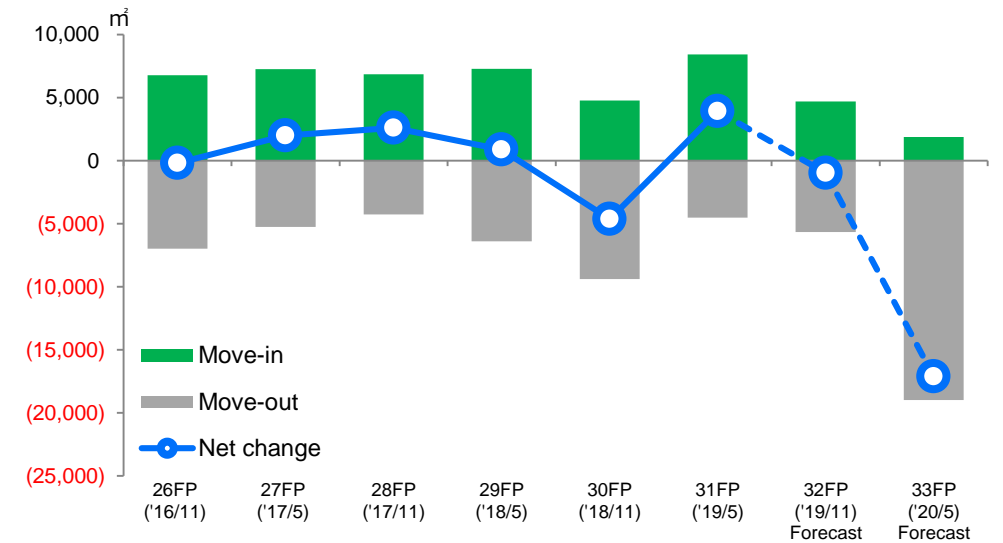


Rent increase (by area)

Number of tenants that agreed with higher rent renew



Move-in vs Move-out



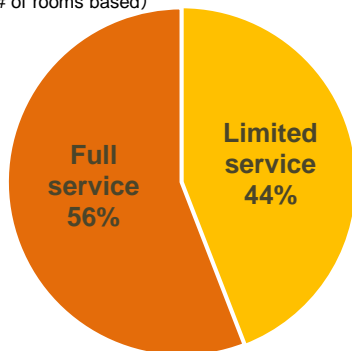
*Tenant cancellation is expected in Hitachi High-Tech Building in 33rd FP.

Full service hotels count over 50% of UUR's hotels

- Most upcoming new supply comes from limited service hotels that could be developed on small-sized lands.
- New supply of full service hotels is limited due to less development opportunity.

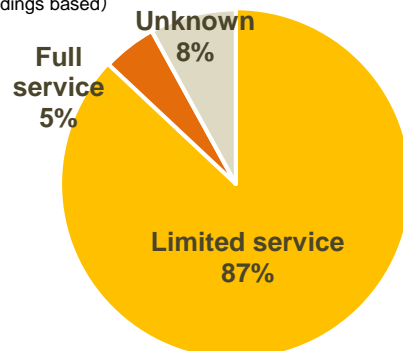
Composition of portfolio

(# of rooms based)



Reference: New supply by type (open in 2019-2021)

(# of buildings based)

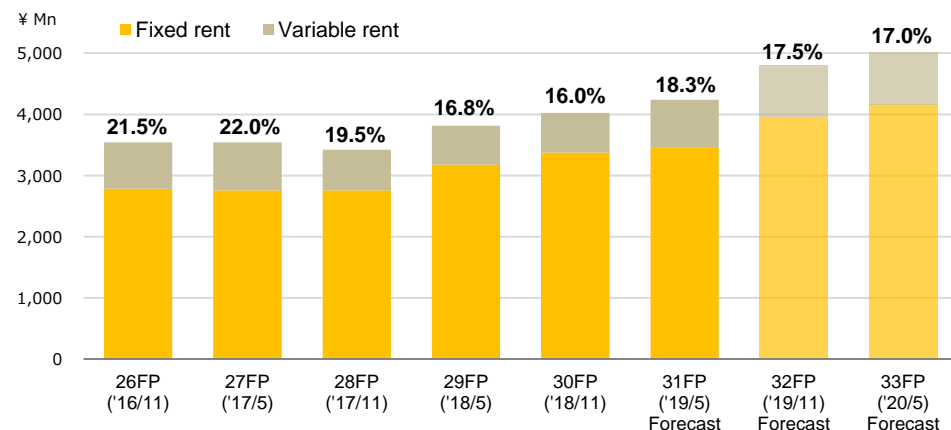


*Major 9 cities: Tokyo, Osaka, Nagoya, Sapporo, Sendai, Kyoto, Hiroshima, Fukuoka, Naha.
Source : CBRE, February 2019

Steady rent income

- In 31st FP, variable rent was **18.3%** of the hotel's total rent income; **3.6%** of United Urban's overall rent income.
- Pursuit of the increase in rent income expected from renovation works.

Composition of variable rent in United Urban's hotel portfolio



*Rent revenues of Shin-Osaka Central Tower and SS30 are not included.

Actions towards income increase

Strategic investment for the number of rooms increase

Loisir Hotel & Spa Tower Naha

602 rooms → **640 rooms**

the b roppongi

76 rooms → **114 rooms**

Renovation works to meet customer demand

Hotel JAL City Naha

Renovation works were completed in order to accommodate more **couples/families/groups of tourists** who are likely to pay higher ADR.

Cooperation with hotel operators

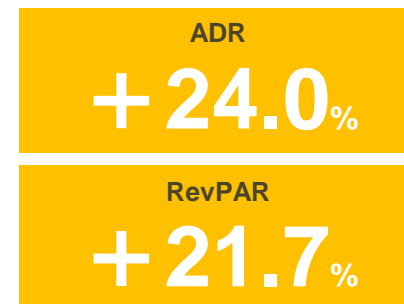
the b fukuoka tenjin / the square hotel KANAZAWA

United Urban co-worked with hotel operators* from a planning phase and acquired under favorable terms after completion.

*Ishin Hotels Group / Solare Hotels & Resorts, respectively.

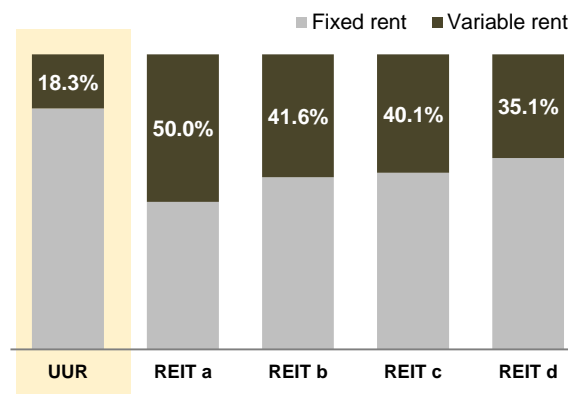
KPI

2014 - 2018



*Estimation by using monthly occupancy rate, monthly ADR and the number of rooms as of each year-end. Subject hotels for estimation are those United Urban owns since 26th FP and adopt variable rent structure: Shinjuku Washington Hotel Honkan, United Urban Yotsuya Sanchome Building (Hotel Wing International Premium Tokyo Yostusya), Loisir Hotel & Spa Tower Naha and Royal Pines Hotel Urawa.

Reference: % of variable rent income of other hotel J-REIT

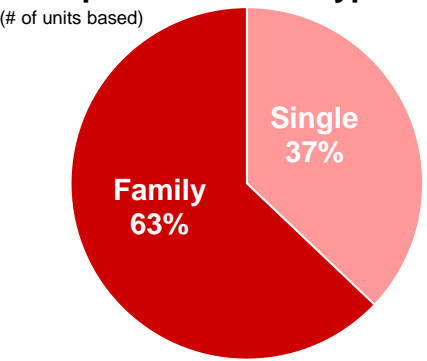


Source: Presentation materials of each J-REIT as of the latest fiscal period of each J-REIT.

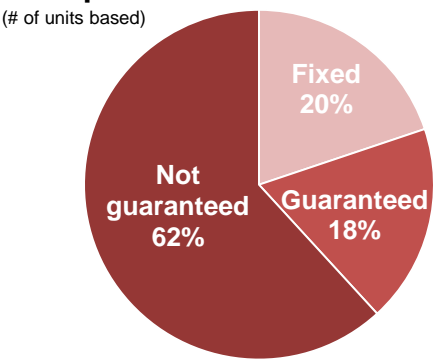
Retain/Improve profitability through continuous preferred management for each property.

Residential

Composition of unit type



Composition of rent structure



Reduction of electricity expenses

- ✓ Replaced traditional lightings with LED lightings in common area*

Cost
¥65 Mn

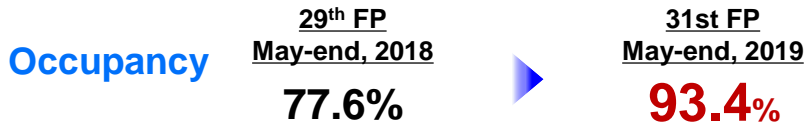
Utility expense
▲¥11 Mn/year (estimated)

*Subject 11 properties
● UUR Court Sapporo Kita-Sanjo ● GRAND-ROUGE Sakae ● GRAND-ROUGE Sakae II ● MA Sendai Building ● UUR Court Nagoya Meieki ● Park Site Izumi ● UUR Court Kinshicho ● UUR Court Sapporo Minami-Sanjo Premier Tower ● GRAND-ROUGE Nakanoshima-minami ● GRAND-ROUGE Tanimachi Rokuhome ● Chatle Otemachi S・N

Occupancy improvement

GRAND-ROUGE Sakae

- ✓ Changed a property manager and accelerated leasing activity.
- ✓ With free Wi-Fi facilities being installed, occupancy recovered to a stabilized level.



Others

Rent increase (Logistics facilities)

- ✓ Analyzed market rents and business situation of tenants, of which lease agreements were about to expiry.
- ✓ Each lease agreement was renewed through negotiation and higher rents were achieved respectively.

Rent increase
(avg.)

+ 3.4%/year

Increase of rent and appraisal value

MT Ariake Center Building I & II

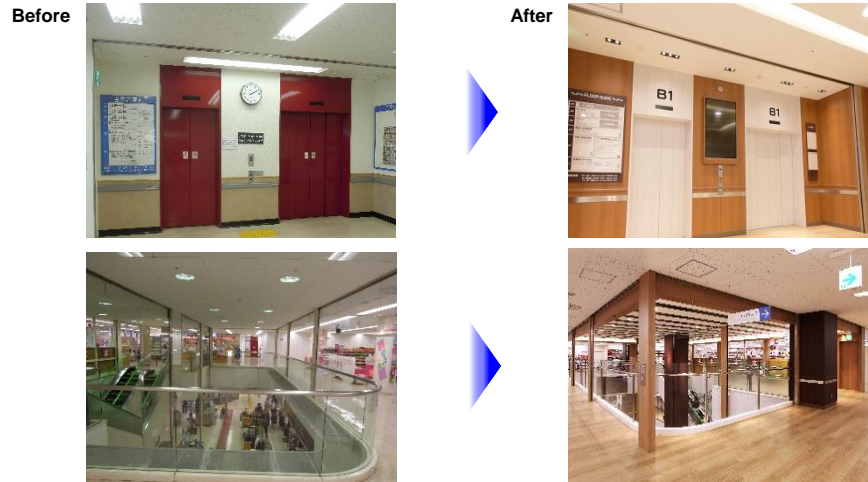
- ✓ Replaced to a **non-logistics tenant at a higher rent** upon the leave of previous tenant.
- ✓ **Increased rent and appraisal value.**
- ✓ In 31st FP, further increase in rent and appraisal value was realized due to the new tenant's expansion.



Renewal for retail properties

Luz Funabashi

- Cooperated with the anchor tenant for holistic renewals including exterior and interiors.
- Agreed with the tenant on long-term lease for stable operation.



Additional land acquisition/Annex development

the b roppongi



- Increase number of rooms from 76 to 114 (added rooms are mostly for double occupancy).
- Re-arranged entrance for better visibility.
- Accommodate tourists with preference of twin/double rooms and who generally pay higher ADR

Estimated NOI Yield

As of the acquisition date

4.9%

After stabilization

5.9%

Renovation work for value-up

- Given their popular residential areas in Tokyo CBD, upgraded/replaced obsolete facilities to meet tenant requirements, including water supply equipment such as bathtub, shower, toilet, kitchen, downlight, wooden floor.
- Contracted with tenants at a higher rent after renovation. Renovation works for other units are planned upon leaves of existing tenants.

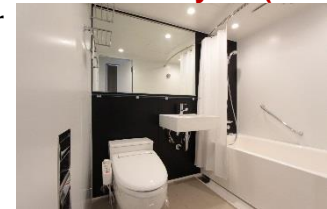
LOOP-M

(Total units:107 | completed units: 5)

Before



After



(Avg. per contracted unit*)

Cost

¥ 3.9 Mn

Rent

+¥0.5 Mn/year (+ 29%)

After

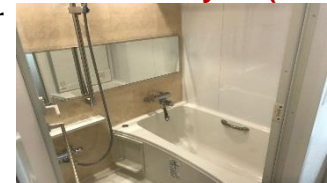
Pacific Marks Tsukishima

(Total units:46 | completed units: 8)

Before



After



(Avg. per contracted unit*)

Cost

¥2.3 Mn

Rent

+¥0.4 Mn/year (+ 28%)

After

* As of the end of May 2019.

With many years of expertise in asset management, uncover sources of additional income or cost reduction for each property and increase profitability through creative measures

Stipulated parking lot

- ✓ Considering lower occupancy, applied for permission to decrease the number of stipulated parking lot reserved at leased land off-site.
- ✓ Cut the land lease rent payment by canceling the lease.

Luz Shonan Tsujido



Cost
Reduction

Parking lot

- ✓ Considering the location adjacent to a traffic circle at a terminal station, projected to raise income from parking lot.
- ✓ Changed a parking lot operator by bidding.

Luz Musashikosugi



Revenue
Increase

Security system

- ✓ By streamlining a midnight security with installation of security sensors, cost of security guards was decreased.

SS30



Cost
Reduction

Bicycle parking

- ✓ Considering higher occupancy, projected to raise income from bicycle parking.
- ✓ Changed a parking operator by bidding.

TENJIN LUCE



Revenue
Increase

Signboard

- ✓ By setting a signboard on the side after the negotiation with a new tenant, rent for the signboard has been additionally collected.

Tenjin Loft Building



Revenue
Increase

2 Strategy & Implementation





2-3 ||| Finance

	Method	Overview	Period	Amount	Borrowing period/ Duration	Interest rate	Libor against *
First in Japan	Green Trust Loan (UUR Green Trust)	Green finance transaction with joint trust scheme the same as 30th FP.	March, 2019	¥2.5 Bn	5 years	0.290% (Fixed)	+0.27%
First in J-REIT				¥2.0 Bn	7 years	0.390% (Fixed)	+0.33%
	Retail Green Bonds (Green Yu Yu Sai)	Green bonds for retail investors.	May, 2019	¥10.0 Bn	7 years	0.448% (Fixed)	+0.36%

* Estimated data based on Libor Swap offered rate.

Eligible green assets : 45 properties Approx. **¥271.8 Bn** (as of end of May, 2019)

Main eligible green assets

Mallage Kashiwa	ARENA TOWER	Yodobashi Camera Multimedia Kichijoji	Yotsuya 213 Building
			
CASBEE ★★★★★	DBJ ★★★★★ BELS ★★	DBJ ★★★	BELS ★★★★★

Limit of green finance : Approx. ¥112.9 Bn (Remaining : **Approx. ¥88.4 Bn**) (as of end of May, 2019)

Book value of Eligible green assets

Approx. **¥271.8 Bn**



LTV (Total assets)

41.5%

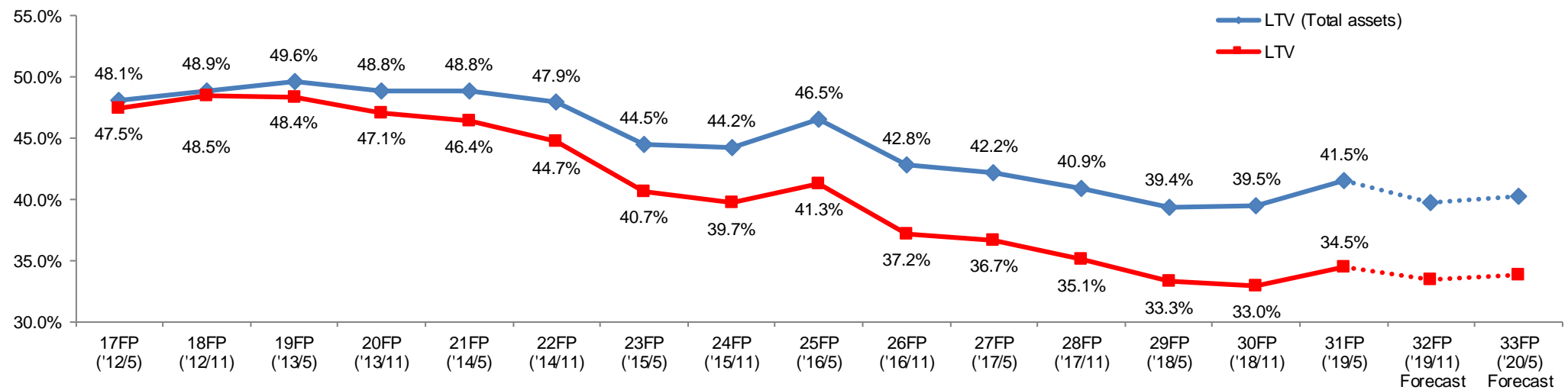
Definition under Asset Management Guideline

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.

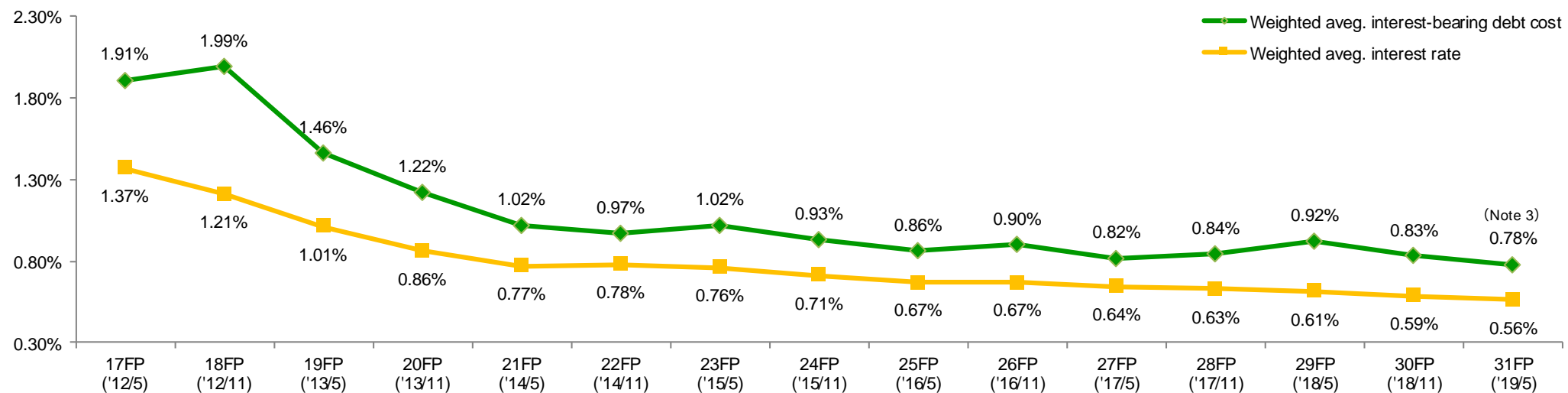
Eligible green assets : The new/existing properties that have or are expected to obtain DBJ Green Building certification (three stars or better), CASBEE real estate certification (A rank or higher), or BELS evaluation (two stars or better)

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 (Note 1~2)



(Notes)

- Interest bearing debt cost is calculated by "(interest expenses + financing related expenses) / outstanding balance of interest bearing debt at the end of fiscal period / number of operating days * 365".
- Weighted average interest rate on all the interest bearing debt at the end of each fiscal period. Does not include financing related cost, etc.
- 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 17th to 20th, 22nd, 23rd and 29th.

Standing of Interest-Bearing Debt

■ Reduction of interest-bearing liabilities cost

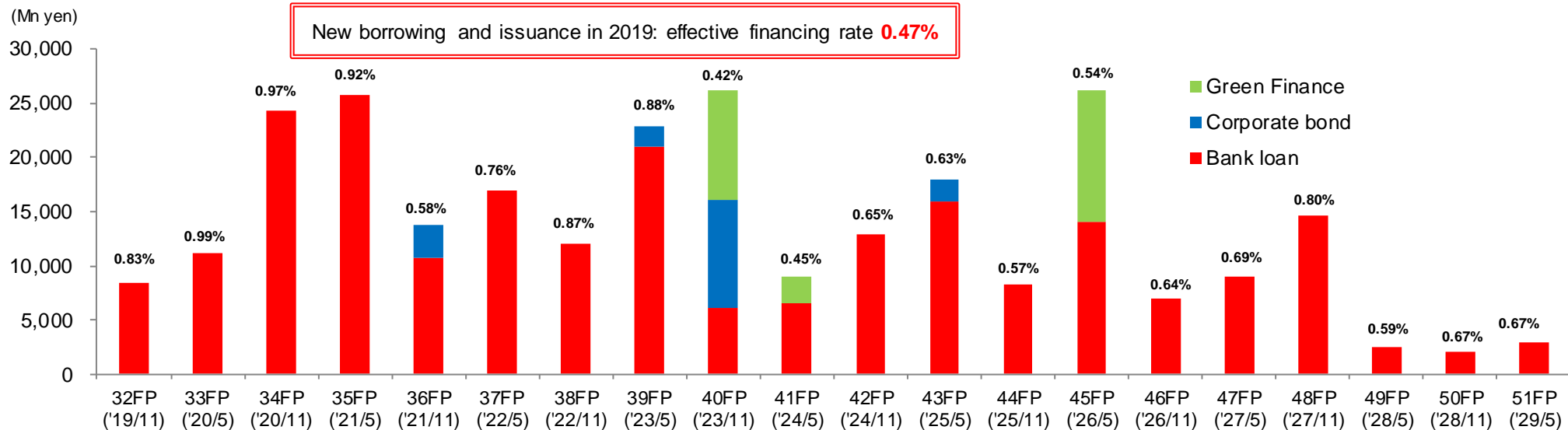
Financing in 31st FP

	Repayment in 31st FP (Note1)	Financing in 31st FP (Note 2)
Loans and bonds (Bn yen) (Note3)	7.1	32.6
Interest rate (excluding financing related expenses) (Note3, 4)	0.60%	0.39%
Interest-bearing debt cost (including fees) (Note3, 5)	0.79%	0.50%
Averaged duration (Note3)	5.6 years	7.4 years

(Notes)

1. "Repayment in 31st FP" means interest-bearing which was reimbursed in 31st FP.
2. "Financing in 31st FP" means interest-bearing which was completed finance between December 1, 2018 and May 31, 2019, as of July 12, 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 July 12, 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 32nd FP to 51th FP.

■ Financial indices

	End of 30th FP (November 30, 2018)	End of 31st FP (May 31, 2019)	As of July 12, 2019
Total Interest Bearing Debt	257.3 Bn yen	282.8 Bn yen	273.1 Bn yen
Bank Loans	230.3 Bn yen	241.3 Bn yen	231.6 Bn yen
Corporate Bonds	17.0 Bn yen	17.0 Bn yen	17.0 Bn yen
Green Trust	10.0 Bn yen	24.5 Bn yen	24.5 Bn yen
Collateral/ Guarantee	Nil		
Weighted average duration of interest bearing debt	4.1 years	4.1 years	4.1 years
Weighted average interest rate of interest bearing debt	0.59%	0.56%	0.56%
Long term ratio of interest bearing debt	100% (Agreement base)		
Ratio of fixed interest rate debt	88.9%	89.2%	88.8%
Amount of Commitment line	36.0 Bn yen		

■ Standing of retained earnings (Note)

(in millions of yen)

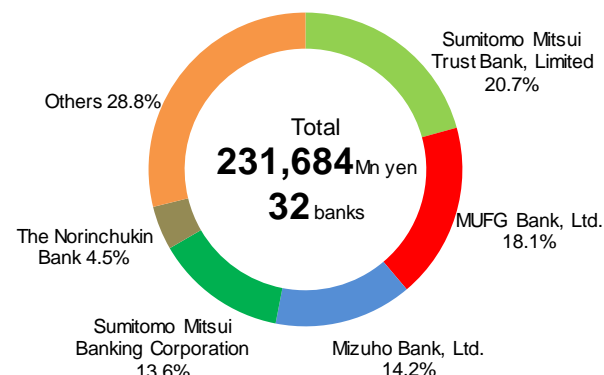
	As of end of 30th FP (18/11)	Reserved in 31st FP (19/5)	Decreased in 31st FP (19/5)	As of end of 31st FP (19/5)
Reserve for temporary difference adjustments	7,386	+63	-76	7,373
Reserve retained for distribution	3,132	+72	—	3,204
Reserve for reduction entry	2,228	+1,170	—	3,398
Total amount of retained earnings	12,747	+1,305	-76	13,976

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

■ Credit rating

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

■ Lenders and borrowing amount (as of July 12, 2019)



Bank	Ratio	Bank	Ratio	Bank	Ratio
Sumitomo Mitsui Trust Bank, Limited	20.7%	Saitama Resona Bank, Limited	1.3%	The Hiroshima Bank, Ltd	0.6%
MUFG Bank, Ltd.	18.1%	Shinkin Central Bank	1.3%	The Gunma Bank, Ltd.	0.6%
Mizuho Bank, Ltd.	14.2%	The 77 Bank, Ltd.	0.9%	Sompo Japan Nipponkoa Insurance Inc.	0.4%
Sumitomo Mitsui Banking Corporation	13.6%	Nippon Life Insurance Company	0.9%	The Yamaguchi Bank, Ltd.	0.4%
The Norinchukin Bank	4.5%	The Ashikaga Bank, Ltd.	0.9%	THE IYO BANK, Ltd.	0.4%
Development Bank of Japan Inc.	3.7%	The Nishi-Nippon City Bank, Ltd.	0.9%	Taiyo Life Insurance Company	0.4%
Shinsei Bank, Limited	2.6%	The Nomura Trust and Banking Co., Ltd.	0.9%	The Bank of Kyoto, Ltd.	0.4%
Resona Bank, Limited	2.3%	Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.9%	The Bank of Yokohama, Ltd.	0.2%
Mizuho Trust & Banking Co., Ltd.	2.1%	The Daishi Bank, Ltd.	0.9%	Kiraboshi Bank, Ltd.	0.2%
Aozora Bank, Ltd.	2.1%	Meiji Yasuda Life Insurance Company	0.9%	The Kagawa Bank, Ltd.	0.2%
The Bank of Fukuoka, Ltd.	1.7%	The Shinkumi Federation Bank	0.9%		

We are going to maximize unitholder's profit in the long-term perspective through utilizing retained earnings considering DPU level.

■ 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 mitigate the risk of large amount of corporate tax by adding the retained earnings to dividends in case there are discrepancies between accounting and taxation.

■ Examples: Utilization of retained earnings

Provision for loss (Shinsaibashi OPA)



- In consideration of the progress of the law suit on rental reduction, provision for loss was allocated to maintain the sound financial standing.
- Retained earnings were allocated to dividends in order to mitigate the influence of discrepancy between accounting and taxation.
- Realized higher DPU than the forecast announced in the previous FP.

Large scale renovation work (Himonya SC)



- Large scale renovation works were implemented, supposed allocating retained earnings to dividends.
- Growth of rental revenues and enhancement of the property competitiveness have been realized.
- Utilization of retained earnings was canceled due to acquisition/disposition of properties.

2 Strategy & Implementation



















2-4 ||| Initiatives for ESG

Actions on ESG materiality

Among various ESG issues, United Urban has selected some to be addressed as a real estate investment trust by considering the vision of **SDGs (Sustainable Development Goals)**. Major ESG initiatives on which United Urban puts a high priority have been specified as **"Materiality"**. The action plan and target for each Materiality are annually monitored and reviewed accordingly.



Materiality (2019) & related SDGs

	Materiality	Action plan/Target
Environment	Green certified buildings   	<ul style="list-style-type: none">Acquire external environmental certification including GRESB Green Star.Obtain DBJ Green Building, CASBEE, BELS and other environmental certifications on each property held by United Urban and raise such coverage.
	Tenant and property manager engagement   	<ul style="list-style-type: none">Add green lease clauses in lease agreement for the retail properties, following those in the office buildings.Seek understanding and cooperation from tenants for environment initiatives in the properties.
	Energy consumption/management  	<ul style="list-style-type: none">Assess the electricity usage of all properties* contracting direct with power companies for electricity supply.Optimize and rationalize the energy usage. <p><small>*Excluding the properties consisting of only land or leasing the entire buildings to single tenant under direct contract with electric power companies for supply of electricity.</small></p>
Society	Stakeholder engagement  	<ul style="list-style-type: none">Add ESG related issues (reduction of environmental burden, improvement of tenant satisfaction, etc.) to criterion for PM selection.
	Occupational safety for employees  	<ul style="list-style-type: none">Enhance HR actions for better work-life-balance of all employees of JRA as TOKYO Workstyle Reform Declaration Company.
Governance	Disclosure and assurance  	<ul style="list-style-type: none">Start operation of the new asset management system for efficiency and accuracy
	Executive compensation/Employee remuneration  	<ul style="list-style-type: none">Review on the bonus connected with EPS of United Urban.Introduce the new system for the employees to acquire United Urban's investment units from the monthly salary.
	Board skills/diversity  	<ul style="list-style-type: none">Address the points and study of the examples.

Contribution to environment

Environment certification coverage



* 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.

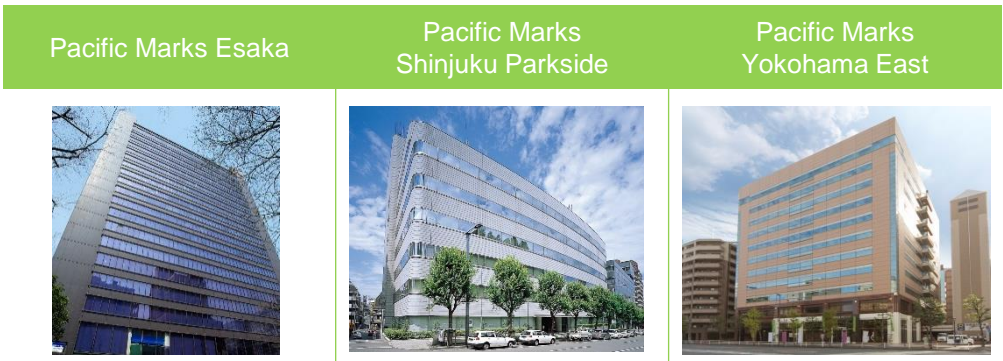
Number of properties that obtained environment certification

DBJ Green Building		12	CASBEE		24	BELS		14
 DBJ Green Building 2018	★★★★	1		★★★★★	3	 BELS Building Environment Labeling System	★★★★★	1
	★★★	7		★★★★	21		★★★	6
	★★	3					★★	7
	★	1						

* As of May-end, 2019.

Renew of certification

United Urban has been introducing energy-saving facilities including **LED lighting system** and **highly efficient A/C** to its properties. United Urban reacquires certifications of the properties where the certification period expired. In the 31st FP, CASBEE certifications of six properties have been properly renewed and three of them earned the highest **S ranking**, higher than the previous A ranking, with the effect of installation of energy-saving facilities.



Contribution to society

United Urban and Marubeni group have been proactively taking broader actions on ESG

- While United Urban and JRA have been one of the industry leaders on ESG initiatives, **Marubeni Corporation (Marubeni)**, JRA's sponsor, has also received high recognitions for their ESG initiatives and been selected in major ESG indices*. In 2018, Marubeni has set a goal of reducing 50% of current net volume of coal fire power by 2030, first as a power operator in Japan.
- Teruo Asada, Executive Advisor of **Marubeni** and Vice Chairman of **Association for Real Estate Securitization (ARES)** contributed an article to the ARES's news magazine on ESG. As an asset management company of J-REIT, **JRA** was chosen to be an interviewee on ESG from one of the major industry magazine.
- JRA's** employee was invited as a panelist to a symposium hosted by one of the leading publishers in the industry where "Hotel's Progress and Change" was lively discussed.

* Dow Jones Sustainable Indices, FTSE Good Global Index Series, FTSE Blossom Japan Index, MSCI Japan Empowering Women (WIN) Select Index



We should aspire "Sustainable Enterprise" to be needed in the society by having long-term horizon over 100 years"
Teruo Asada
Vice Chairman, Association for Real Estate Securitization
Executive Advisor, Marubeni Corporation

ARES JOURNAL
Vol.49, May-Jun., 2019



PROPERTY MANAGEMENT
No.227, June, 2019

"Given tenants' awareness of ESG varies, while we continue to encourage them to take actions on ESG issues, we also stand by tenants and pursuit economic performance."
Jun Yamamura
General Manager, Corporate Planning Dpt., JRA



HOTERES
January 25, 2019

"Design hotels are expected to increase in Japan going forward, if we see more inbound tourists who appreciate values of design from across the globe."
Takeshi Naito
General Manager, Asset Management II Dept., JRA
Panelist at an industry symposium, "Successful Hotel Renovation Part 11" hosted by Ohta Publications Co., Ltd.

Participation in ESG initiatives

United Urban and JRA have participated in ESG initiatives and acquired high recognitions/evaluations from third parties.

First in
J-REIT

Acquisition of ISO14001 certification



GRESB survey
Green Star rating for four consecutive years



Becoming a signatory member to PRI

Signatory of:



MUFG ESG Rating Certificate for J-REIT
Highest rank of S



Development of professionals

As investment transaction/management of real estate require advanced knowledge and distinguished experience, JRA offers its employees various training programs and opportunities.

	2016	2017	2018
Avg. hours of training programs per officer/employee (April to March of every year)	7.8 hours	11.7 hours	13.3 hours
Ratio of officers/employees in professional training programs (January to December of every year)	88.8%	100%	100%
Ratio of officers/employees in training programs focused on sustainability (January to December of every year)	32.5%	40.8%	100%

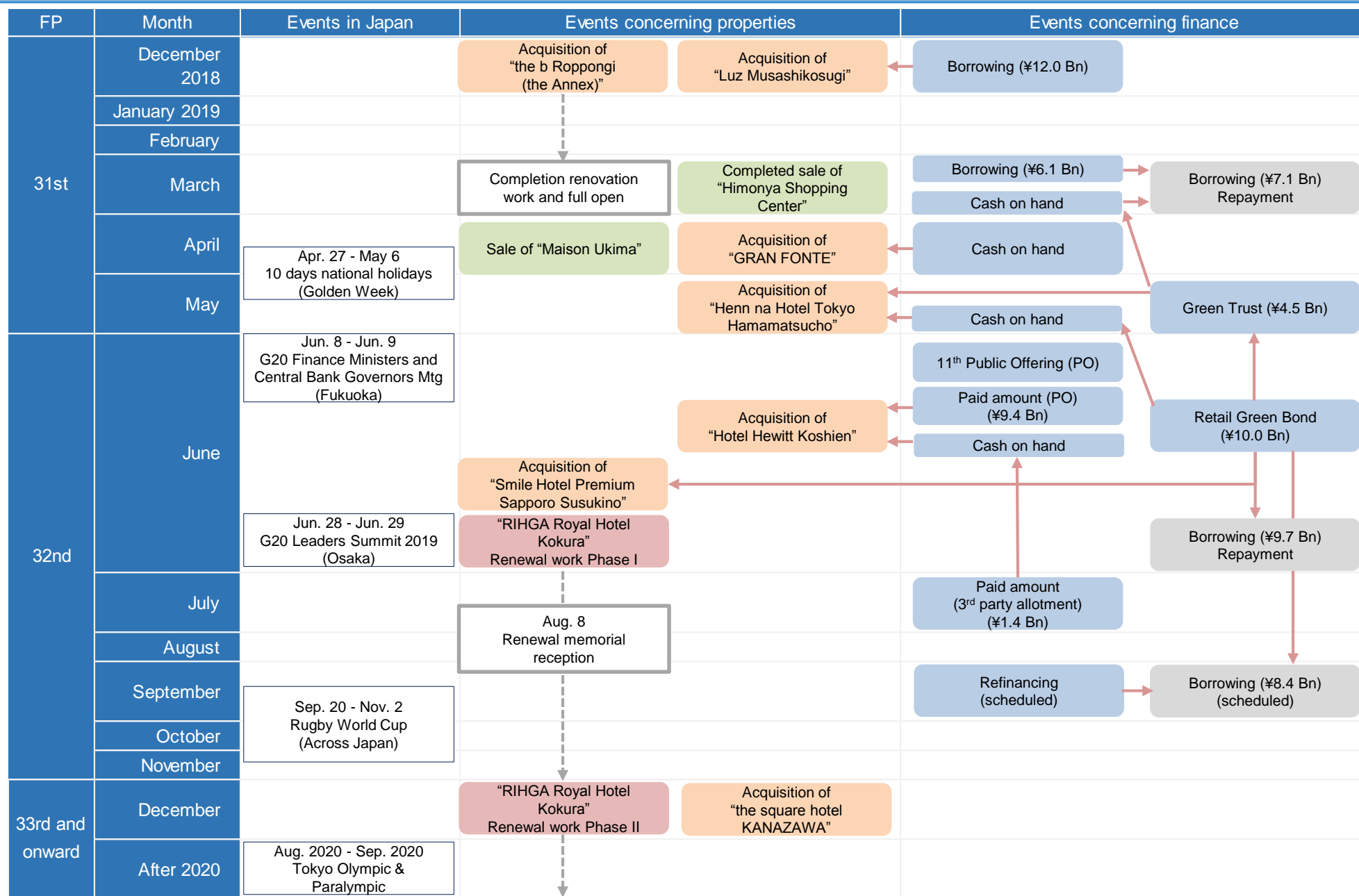
ESG factsheet

Factsheet incorporates major ESG initiatives of United Urban and JRA.



3 Appendix

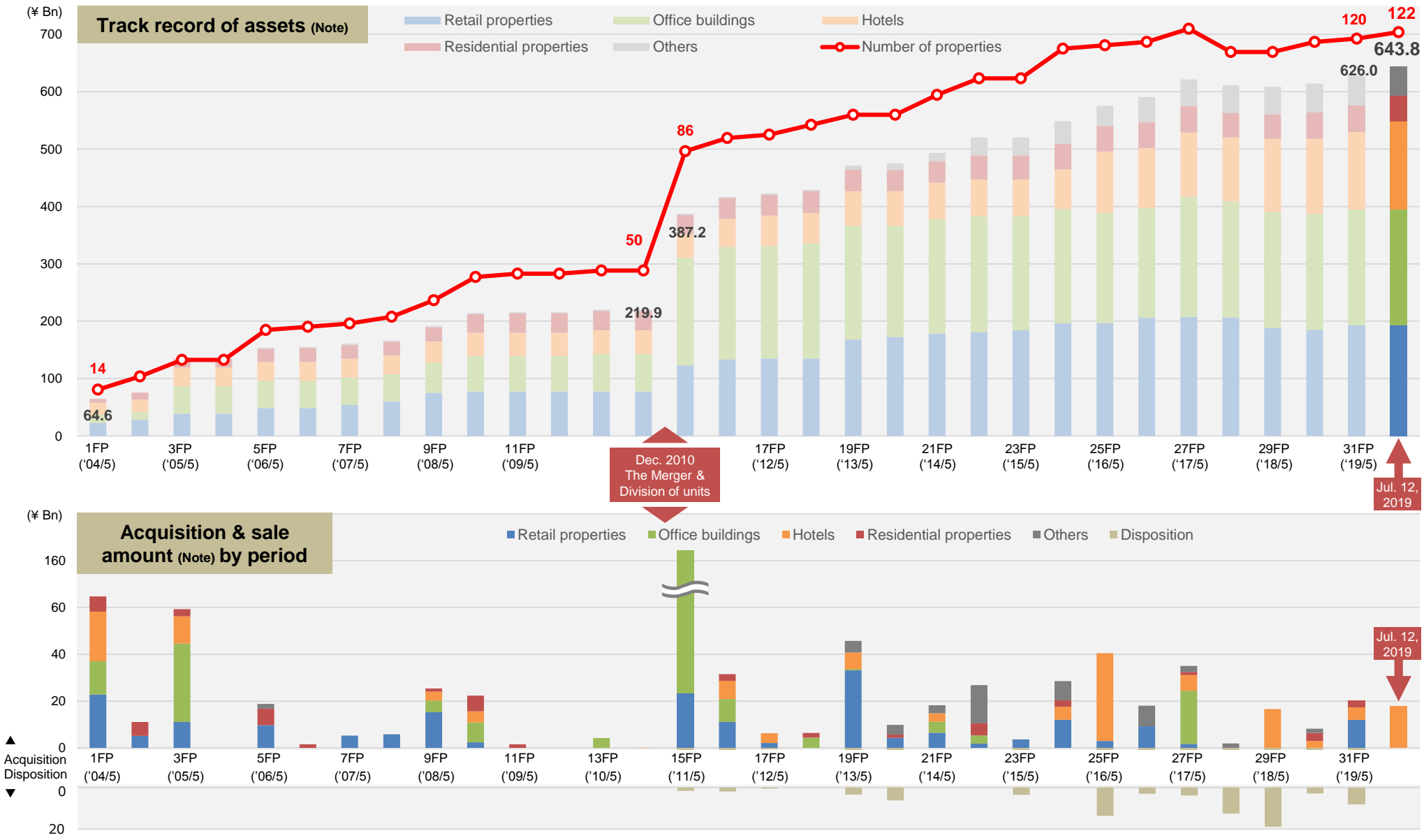
Major Events and Schedule



(Note) After 32nd FP, it is shown that settled, decided, occurred matters or assumptions, dated July 12, 2019.

Track Record of External Growth

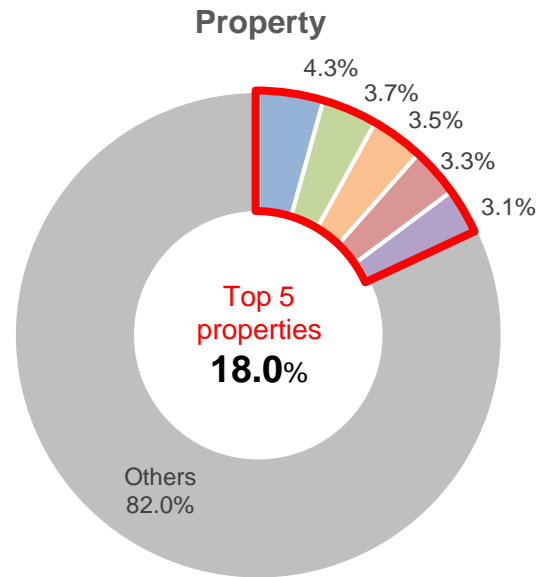
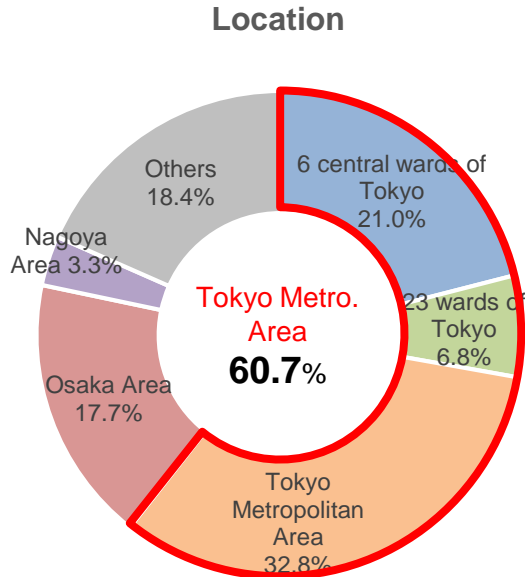
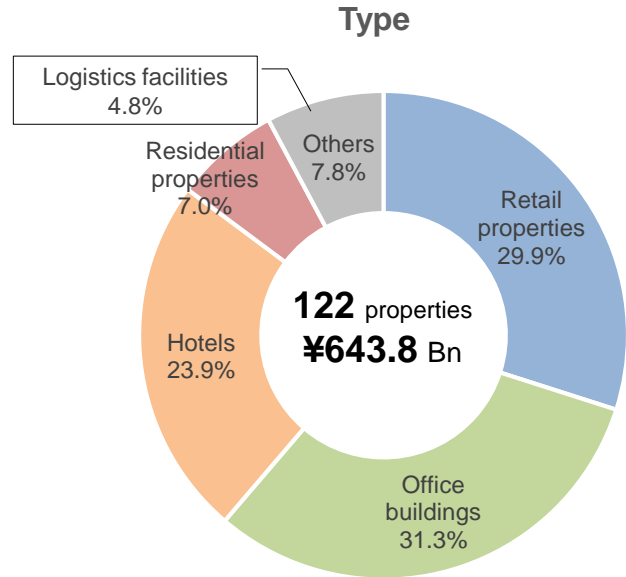
As of July 12, 2019



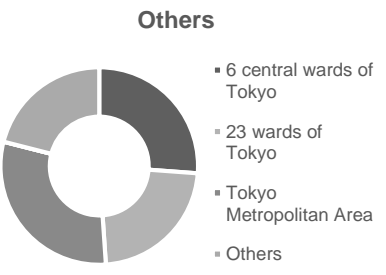
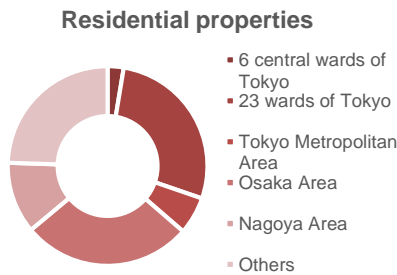
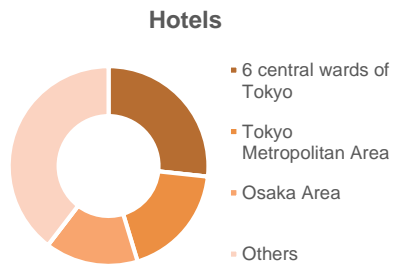
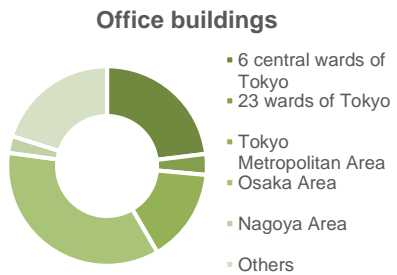
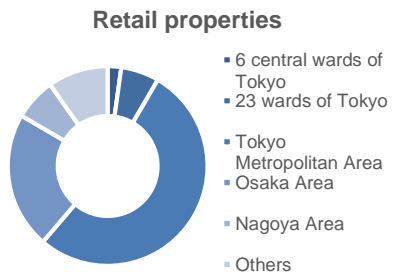
(Note) All prices are based on acquisition price.

As of July 12, 2019

(Acquisition price based)



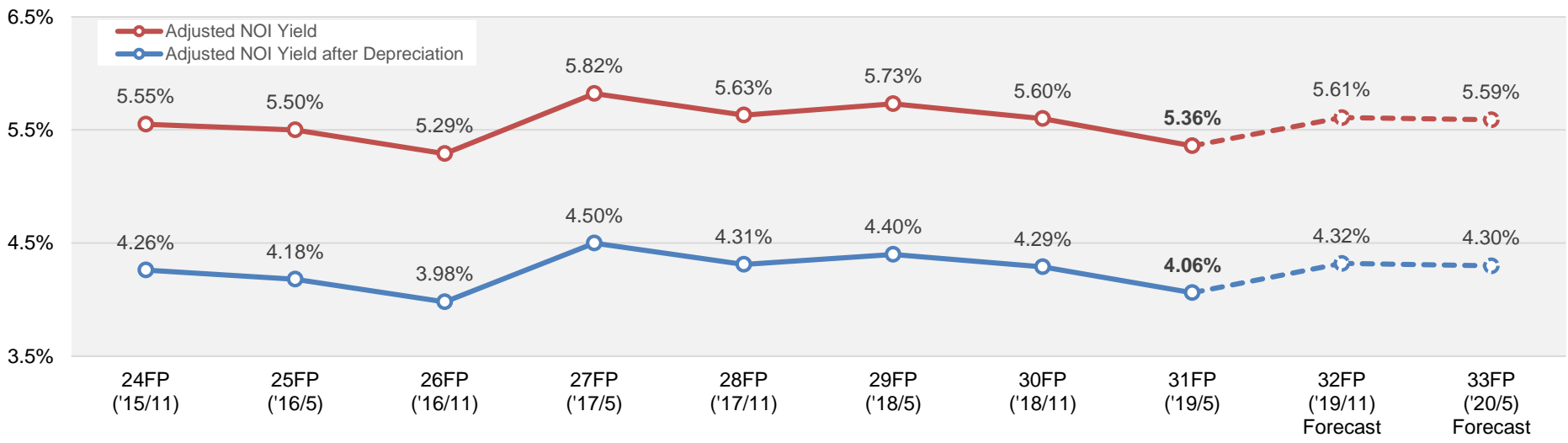
- Yodobashi Camera Multimedia Kichijoji
- Shin-osaka Central Tower
- Shinsaibashi OPA Honkan
- Shinjuku Washington Hotel Honkan
- Loisir Hotel & Spa Tower Naha



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

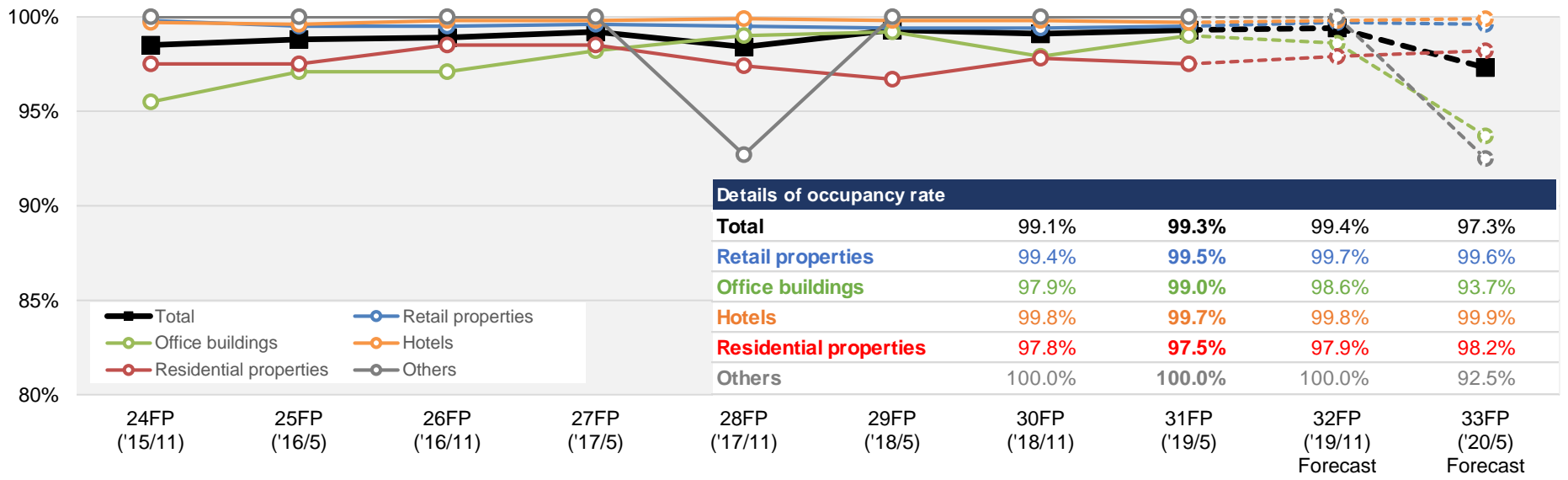
Osaka Area : Osaka, Kyoto and Hyogo prefectures
Nagoya Area : Aichi, Mie and Gifu prefectures
Others : Excluding Tokyo Metropolitan Area, Osaka Area or Nagoya Area

Trend of profit ratio (Note)



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

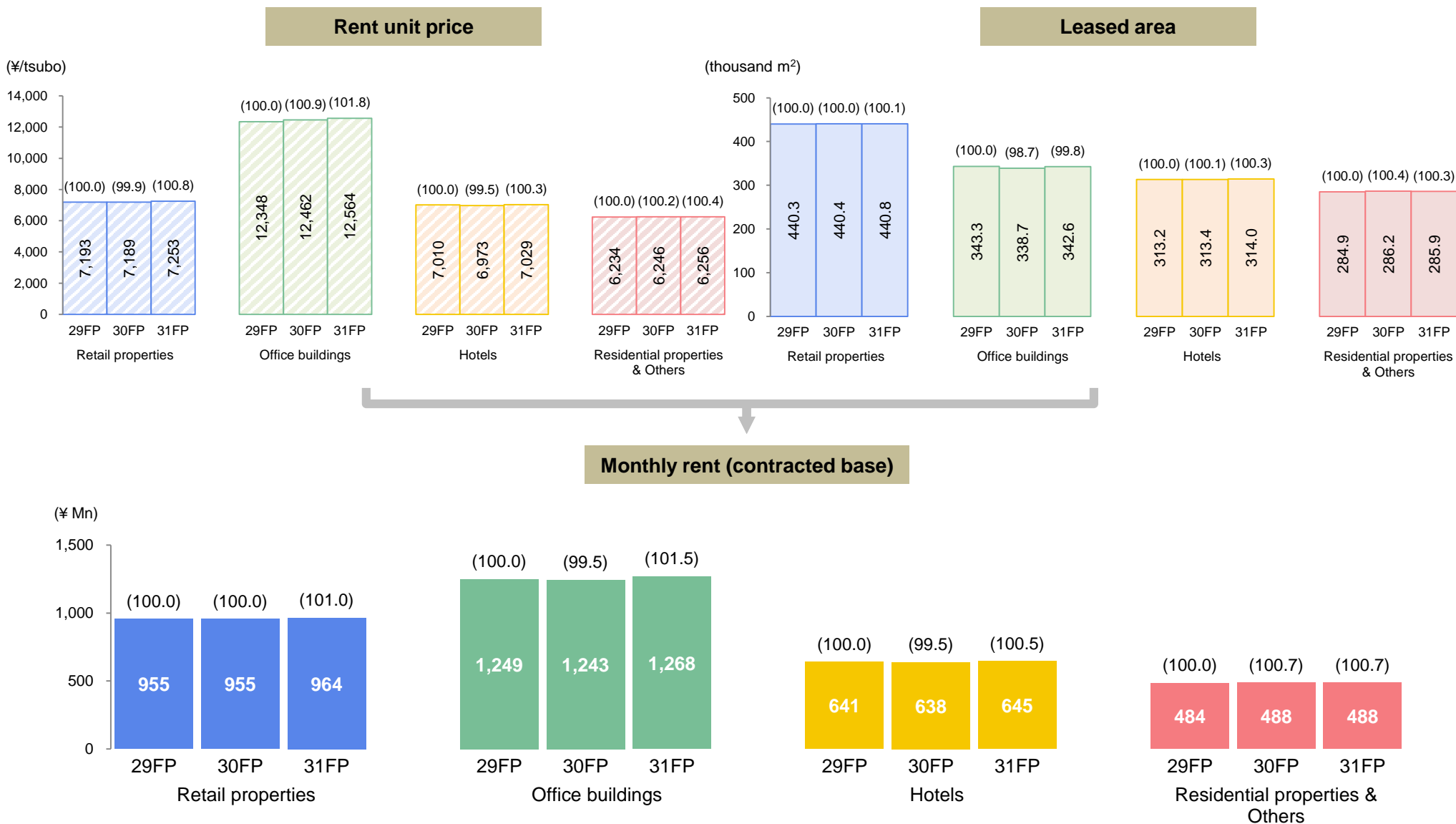
Trend of portfolio occupancy rate (end of fiscal period)



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 29th FP (May-end 2018) are defined as 100)



(Notes)

1. "Existing Properties" refers to the 114 properties which have been owned by United Urban for one year or more as of the end of May 2019.

2. This analysis shows the trend of fixed rent only. Therefore, variable rent, based on sales volume, etc. is excluded from this analysis.

(millions of yen, unless otherwise indicated)

		FP 2019/5 (31st FP: 182 days)	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)
Total Assets		680,901	651,242	648,503	663,531	675,885
Number of Properties	(properties)	120	119	116	116	123
Interest-bearing liabilities		282,884	257,384	255,884	271,607	285,857
Net Asset		357,789	356,029	355,017	353,258	351,801
Net Asset per unit	(yen)	117,112	116,536	116,205	115,629	115,152
Return on Assets (ROA) (annualized)	(%)	3.7%	3.6%	3.7%	3.4%	3.1%
Return on Equity (ROE) (annualized)	(%)	7.0%	6.6%	6.8%	6.4%	6.0%
Equity ratio	(%)	52.5%	54.7%	54.7%	53.2%	52.1%
Debt service coverage ratio	(X)	16.9	15.9	15.8	14.5	13.2
NOI		16,759	17,253	18,051	17,514	17,528
FFO		13,462	13,974	14,773	14,144	14,213

		FP 2016/11 (26th FP: 183 days)	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)
Total Assets		648,105	629,262	598,077	573,318	561,415
Number of Properties	(properties)	119	118	117	108	108
Interest-bearing liabilities		277,407	293,157	264,707	255,357	269,157
Net Asset		333,592	298,009	297,340	282,906	258,335
Net Asset per unit	(yen)	112,966	108,313	108,069	106,987	102,830
Return on Assets (ROA) (annualized)	(%)	2.9%	3.0%	2.8%	2.8%	2.7%
Return on Equity (ROE) (annualized)	(%)	5.9%	6.1%	5.4%	5.8%	5.9%
Equity ratio	(%)	51.5%	47.4%	49.7%	49.3%	46.0%
Debt service coverage ratio	(X)	11.6	11.1	10.3	9.8	9.3
NOI		15,679	15,420	14,847	14,540	13,894
FFO		11,870	11,939	11,398	11,354	10,685

(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

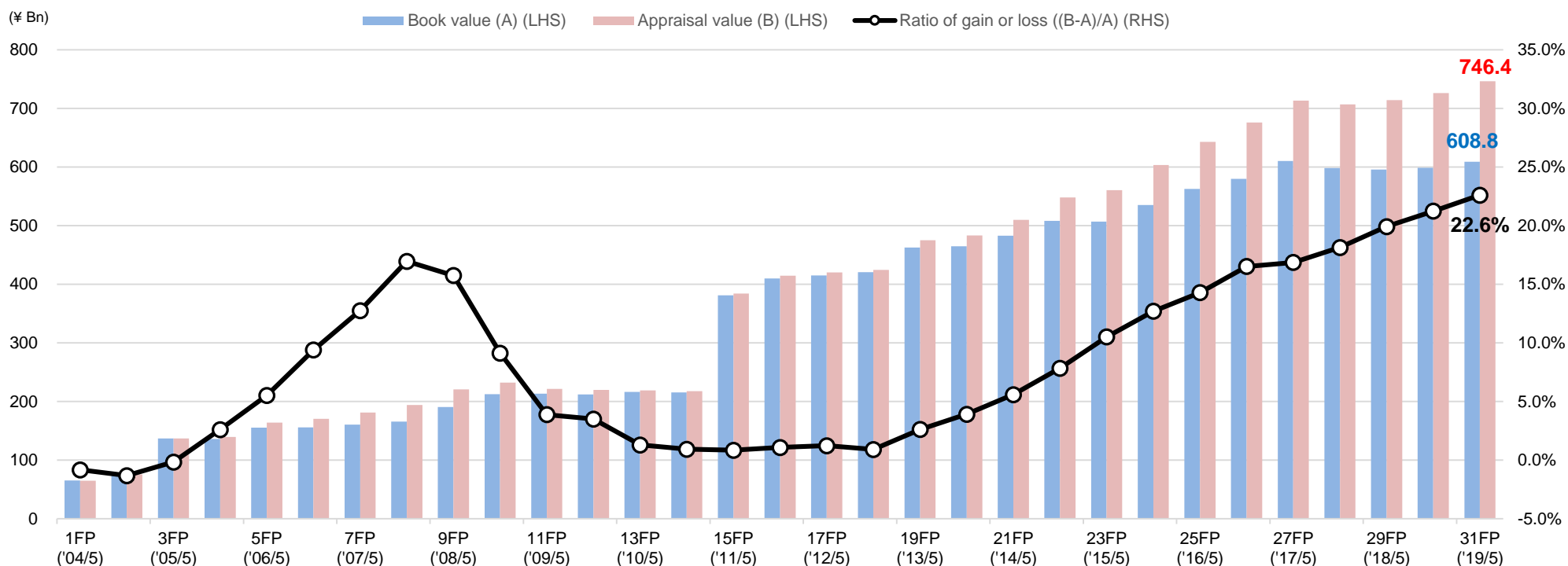
		End of 30th Fiscal Period (November 30, 2018)		End of 31st Fiscal Period (May 31, 2019)		Change	
		(Mn yen)	percentage	(Mn yen)	percentage	(Mn yen)	ratio
ASSETS	Current Assets	50,579	7.8%	70,080	10.3%	+ 19,501	+ 38.6%
	Cash and bank deposits	49,652	7.6%	68,619	10.1%	+ 18,966	+ 38.2%
	Rent receivables	631	0.1%	642	0.1%	+ 10	+ 1.7%
	Other	294	0.0%	818	0.1%	+ 523	+ 177.6%
	Fixed Assets	600,662	92.2%	610,821	89.7%	+ 10,158	+ 1.7%
	Property and equipment	589,443	90.5%	599,543	88.1%	+ 10,099	+ 1.7%
	Land	389,905	59.9%	401,502	59.0%	+ 11,597	+ 3.0%
	Buildings and structures	256,771	39.4%	258,120	37.9%	+ 1,348	+ 0.5%
	Machinery and equipment	2,759	0.4%	2,868	0.4%	+ 109	+ 4.0%
	Tools, furniture and fixtures	1,063	0.2%	1,266	0.2%	+ 203	+ 19.1%
	Construction in progress	771	0.1%	82	0.0%	▲ 689	▲ 89.3%
	Subtotal	651,271	100.0%	663,840	97.5%	+ 12,569	+ 1.9%
	Less accumulated depreciation	▲ 61,828	▲ 9.5%	▲ 64,297	▲ 9.4%	▲ 2,469	+ 4.0%
	Intangible assets	9,507	1.5%	9,496	1.4%	▲ 10	▲ 0.1%
	Software	21	0.0%	17	0.0%	▲ 3	▲ 18.6%
	Leasehold	9,320	1.4%	9,320	1.4%	+ 0	+ 0.0%
	Other	165	0.0%	158	0.0%	▲ 6	▲ 4.0%
	Investments and other assets	1,711	0.3%	1,781	0.3%	+ 69	+ 4.1%
	Investment securities	93	0.0%	-	-	▲ 93	-
	Long-term prepaid expenses	1,527	0.2%	1,691	0.2%	+ 163	+ 10.7%
	Other	89	0.0%	89	0.0%	+ 0	+ 0.0%
TOTAL ASSETS		651,242	100.0%	680,901	100.0%	+ 29,659	+ 4.6%
LIABILITIES	Current Liabilities	31,775	4.9%	37,321	5.5%	+ 5,545	+ 17.5%
	Trade accounts payable	2,305	0.4%	3,752	0.6%	+ 1,446	+ 62.7%
	Long-term debt due for repayment within one year	25,207	3.9%	29,251	4.3%	+ 4,044	+ 16.0%
	Rent received in advance	3,520	0.5%	3,664	0.5%	+ 144	+ 4.1%
	Other	741	0.1%	652	0.1%	▲ 88	▲ 12.0%
	Long-term Liabilities	263,437	40.5%	285,791	42.0%	+ 22,353	+ 8.5%
	Corporate bonds	17,000	2.6%	27,000	4.0%	+ 10,000	+ 58.8%
	Long-term debt	215,177	33.0%	226,633	33.3%	+ 11,456	+ 5.3%
	Leasehold and security deposits received	31,190	4.8%	32,039	4.7%	+ 849	+ 2.7%
	Other	70	0.0%	118	0.0%	+ 48	+ 68.9%
TOTAL LIABILITIES		295,212	45.3%	323,112	47.5%	+ 27,899	+ 9.5%
NET ASSETS	Unitholders' Equity	356,111	54.7%	357,914	52.6%	+ 1,802	+ 0.5%
	Unitholders' capital	309,205	47.5%	309,205	45.4%	+ 0	+ 0.0%
	Capital surplus	23,548	3.6%	23,548	3.5%	+ 0	+ 0.0%
	Reserve for Temporary difference adjustment	7,386	1.1%	7,386	1.1%	+ 0	▲ 0.0%
	Reserve retained for distribution	3,061	0.5%	3,132	0.5%	+ 70	+ 2.3%
	Reserve for reduction entry	1,120	0.2%	2,228	0.3%	+ 1,107	+ 98.8%
	Unappropriated retained earnings	11,788	1.8%	12,413	1.8%	+ 624	+ 5.3%
	Deferred gains or losses on hedges	▲ 82	▲ 0.0%	▲ 125	▲ 0.0%	▲ 42	+ 51.4%
TOTAL NET ASSETS		356,029	54.7%	357,789	52.5%	+ 1,760	+ 0.5%

Income Statement

	30th Fiscal Period (June 1,2018-November 30,2018)		31st Fiscal Period (December 1,2018-May 31,2019)		Change	
	(Mn yen)	percentage	(Mn yen)	percentage	(Mn yen)	ratio
OPERATING REVENUES	25,733	100.0%	27,261	100.0%	+ 1,527	+ 5.9%
Rental revenues	22,033	85.6%	22,549	82.7%	+ 516	+ 2.3%
Other rental revenues	1,833	7.1%	1,665	6.1%	▲ 167	▲ 9.2%
Gain on sales of real estate properties	1,864	7.2%	3,001	11.0%	+ 1,136	+ 61.0%
Dividend income	2	0.0%	44	0.2%	+ 42	+ 1922.8%
OPERATING EXPENSES	12,838	49.9%	13,691	50.2%	+ 853	+ 6.6%
Property-related expenses	10,663	41.4%	11,506	42.2%	+ 843	+ 7.9%
Property and other taxes	1,885	7.3%	1,892	6.9%	+ 7	+ 0.4%
Property management fees	1,735	6.7%	1,758	6.5%	+ 22	+ 1.3%
Utilities	1,644	6.4%	1,473	5.4%	▲ 170	▲ 10.4%
Casualty insurance	32	0.1%	24	0.1%	▲ 7	▲ 24.3%
Repairs and maintenances	892	3.5%	1,824	6.7%	+ 932	+ 104.4%
Depreciation and amortization	4,050	15.7%	4,050	14.9%	+ 0	+ 0.0%
Other	422	1.6%	481	1.8%	+ 59	+ 14.1%
Selling, General & Admin. Expenses	2,174	8.5%	2,184	8.0%	+ 10	+ 0.5%
Asset management fees	1,840	7.2%	1,868	6.9%	+ 27	+ 1.5%
Asset custodian fees	17	0.1%	17	0.1%	+ 0	+ 0.0%
Administrative service fees	65	0.3%	65	0.2%	+ 0	▲ 0.9%
Directors' compensation	9	0.0%	10	0.0%	+ 1	+ 10.9%
Other	241	0.9%	223	0.8%	▲ 18	▲ 7.5%
OPERATING INCOME	12,894	50.1%	13,569	49.8%	+ 674	+ 5.2%
NON-OPERATING REVENUES	26	0.1%	20	0.1%	▲ 5	▲ 22.6%
NON-OPERATING EXPENSES	1,132	4.4%	1,175	4.3%	+ 43	+ 3.9%
Interest expense	998	3.9%	1,005	3.7%	+ 6	+ 0.7%
Interest expense on corporate bonds	63	0.2%	31	0.1%	▲ 31	▲ 50.5%
Corporate bond issuance expenses	-	-	67	0.2%	+ 67	-
Investment unit issuance expenses	-	-	11	0.0%	+ 11	-
Other	70	0.3%	59	0.2%	▲ 10	▲ 14.9%
ORDINARY INCOME	11,789	45.8%	12,413	45.5%	+ 624	+ 5.3%
INCOME BEFORE INCOME TAXES	11,789	45.8%	12,413	45.5%	+ 624	+ 5.3%
INCOME TAXES	0	0.0%	0	0.0%	+ 0	+ 0.0%
Current	0	0.0%	0	0.0%	+ 0	+ 0.0%
NET INCOME	11,788	45.8%	12,413	45.5%	+ 624	+ 5.3%

Trend of Unrealized Capital Gain

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



	End of 30th FP Total	End of 31st FP Total	Retail properties	Office buildings	Hotels	Residential properties	Others	Change
Number of properties	119 properties	120 properties	35 properties	35 properties	16 properties	21 properties	13 properties	+1 properties
Book value (A)	¥598.7 Bn	¥608.8 Bn	¥190.4 Bn	¥207.6 Bn	¥120.8 Bn	¥40.4 Bn	¥49.3 Bn	+ ¥10.1 Bn
Appraisal value (B)	¥725.9 Bn	¥746.4 Bn	¥220.4 Bn	¥265.7 Bn	¥143.4 Bn	¥52.9 Bn	¥63.8 Bn	+ ¥20.5 Bn
Unrealized capital gain	¥127.1 Bn	¥137.5 Bn	¥29.9 Bn	¥58.1 Bn	¥22.5 Bn	¥12.4 Bn	¥14.4 Bn	+ ¥10.4 Bn
Ratio of gain or loss ((B-A)/A)	21.2%	22.6%	15.7%	28.0%	18.7%	30.8%	29.3%	+1.4%

Appraisal Value 1/3

(in millions of yen)

Type	No.	Property Name	Acquisition			30th fiscal period (2018/11/30)				31st fiscal period (2019/5/31)				Comparison between 31st and 30th 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 properties	A1	Himonya Shopping Center	1	03/12/25	4,590	5,186	6,780	5.1%	+1,593	-	-	-	-	-	-	-	-1,593	JREI
	A2	Joy Park Izumigaoka	1	03/12/22	6,770	5,080	4,840	5.5%	-240	5,058	4,840	5.4%	-218	±0	±0%	-0.1%	+22	JREI
	A4	Luz Funabashi	2	04/09/17	5,200	4,289	5,960	5.4%	+1,670	4,368	5,970	5.3%	+1,602	+10	+0.2%	-0.1%	-68	JREI
	A6	TENJIN LUCE	5	06/04/14	6,500	6,248	6,470	4.4%	+222	6,215	6,400	4.4%	+184	-70	-1.1%	±0%	-37	Nittochi
	A7	Kaden Sumairu-kan YAMADA Sakai Honten	5	06/04/28	3,210	2,736	3,780	5.2%	+1,043	2,721	3,860	5.1%	+1,139	+80	+2.1%	-0.1%	+96	JREI
	A8	Miyamae Shopping Center	7	07/02/19	5,312	5,027	5,230	4.8%	+202	4,992	5,230	4.8%	+237	±0	±0%	±0%	+35	JREI
	A9	KONAMI SPORTS CLUB Korigaoka	8	07/06/29	2,040	1,542	1,970	5.2%	+428	1,519	2,010	5.1%	+491	+40	+2.0%	-0.1%	+63	JREI
	A10	ACTIOLE Minami-ikebukuro	8	07/09/27	3,760	3,643	3,350	4.0%	-294	3,629	3,350	4.0%	-279	±0	±0%	±0%	+14	JREI
	A11	Tip's Machida Building	9	07/12/27	4,100	4,185	4,850	4.7%	+664	4,274	4,970	4.6%	+695	+120	+2.5%	-0.1%	+31	JREI
	A12	Daiei Takarazuka Nakayama	9	08/01/30	4,284	3,170	3,870	6.1%	+700	3,184	3,940	6.0%	+755	+70	+1.8%	-0.1%	+56	JREI
	A13	maricom-ISOGO / SYSTEMPLAZA YOKOHAMA (Site)	9	08/02/18	11,904	12,450	11,400	5.5%	-1,051	12,460	11,500	5.5%	-961	+100	+0.9%	±0%	+90	JREI
	A14	ACTIOLE Kannai	10	08/06/30	2,410	2,251	2,160	4.5%	-91	2,242	2,170	4.5%	-73	+10	+0.5%	±0%	+18	JREI
	A15	Shinsaibashi OPA Honkan	15	10/12/01	22,800	21,875	26,100	4.2%	+4,225	21,916	26,600	4.1%	+4,684	+500	+1.9%	-0.1%	+459	JREI
	A19	Albore Jingumae	15	10/12/01	1,580	1,556	2,360	3.4%	+803	1,554	2,360	3.4%	+805	±0	±0%	±0%	+2	JREI
	A20	Albore Sendai	15	10/12/01	2,590	2,365	3,600	4.5%	+1,234	2,353	3,600	4.5%	+1,246	±0	±0%	±0%	+12	JREI
	A21	Mallage Kashiwa	15	10/12/01	7,040	6,667	8,940	5.5%	+2,272	6,682	8,950	5.4%	+2,268	+10	+0.1%	-0.1%	-4	JREI
	A23	Ito-Yokado Owariasahi	15	10/12/01	4,840	4,074	4,860	6.6%	+785	4,043	4,870	6.6%	+827	+10	+0.2%	±0%	+42	JREI
	A24	Yokohama Kariba Shopping Center	15	10/12/01	2,500	2,171	2,100	5.0%	-71	2,148	2,100	5.0%	-49	±0	±0%	±0%	+22	JREI
	A25	Luz Jiyugaoka	16	11/06/15	5,090	4,879	6,090	3.7%	+1,210	4,872	5,940	3.8%	+1,068	-150	-2.5%	+0.1%	-143	JREI
	A26	ACTIOLE Ichikawa	16	11/06/15	3,350	2,974	4,060	4.6%	+1,085	2,939	4,070	4.6%	+1,130	+10	+0.2%	±0%	+45	JREI
	A27	Yokohama Aoba Shopping Center (Site)	16	11/10/31	2,600	2,740	3,280	4.5%	+539	2,740	3,280	4.5%	+539	±0	±0%	±0%	±0	JREI
	A28	Yamada Denki Tecc Land Aoba (Site)	17	12/05/18	2,150	2,270	2,550	5.4%	+280	2,270	2,570	5.4%	+300	+20	+0.8%	±0%	+20	JREI
	A29	Yodobashi Camera Multimedia Kichijoji	19	13/03/18	28,000	27,366	34,400	3.7%	+7,033	27,221	34,400	3.7%	+7,179	±0	±0%	±0%	+145	JREI
	A30	Kaden Sumairu-kan YAMADA Matsudo Honten	19	13/03/18	5,150	4,846	6,580	5.7%	+1,733	4,806	6,590	5.7%	+1,783	+10	+0.2%	±0%	+50	JREI
	A31	Tenjin Loft Building	20	13/11/29	4,350	4,609	6,120	4.8%	+1,511	4,593	6,080	4.5%	+1,486	-40	-0.7%	-0.3%	-25	JREI
	A32	Narumi Shopping Center (Site)	21	14/04/08	6,460	6,850	7,280	4.7%	+429	6,850	7,410	4.6%	+559	+130	+1.8%	-0.1%	+130	Tanizawa
	A33	Plussing Wave Enoshima	22	14/08/29	1,800	1,903	2,120	5.3%	+216	1,921	1,990	5.3%	+69	-130	-6.1%	±0%	-147	JREI
	A34	LIFE Nishikujo (Site)	23	15/03/02	1,760	1,842	2,060	4.3%	+217	1,842	2,090	4.2%	+247	+30	+1.5%	-0.1%	+30	Tanizawa
	A35	LIFE Tamatsukuri (Site)	23	15/03/02	1,880	1,967	2,150	4.2%	+182	1,967	2,190	4.1%	+222	+40	+1.9%	-0.1%	+40	Tanizawa
	A36	Granbell Ginza Building	24	15/06/30	2,621	2,708	2,990	3.4%	+282	2,703	3,010	3.4%	+307	+20	+0.7%	±0%	+25	JREI
	A37	UUR Tenjin Nishi-dori Building	24	15/07/15	5,500	5,680	6,280	5.2%	+599	5,674	6,280	5.2%	+606	±0	±0%	±0%	+7	JREI
	A38	Luz Shonan Tsujido	24	15/09/30	3,938	3,945	4,600	5.1%	+655	3,925	4,620	5.1%	+695	+20	+0.4%	±0%	+40	Tanizawa
	A39	ACTIOLE Ueno	25	15/12/04	3,000	3,170	3,150	3.5%	-21	3,172	3,150	3.5%	-23	±0	±0%	±0%	-2	Tanizawa
	A40	KURURU	26	16/09/01	9,285	9,557	10,400	4.3%	+843	9,530	9,950	4.3%	+420	-450	-4.3%	±0%	-423	Tanizawa
	A41	K's Denki Nagoya-kita	27	16/12/01	1,750	1,841	1,890	5.7%	+49	1,836	1,890	5.7%	+54	±0	±0%	±0%	+5	Tanizawa
	A42	Luz Musashikosugi	31	18/12/28	12,151	-	-	-	-	12,249	12,200	4.1%	-49	-	-	-	-49	Tanizawa
Office buildings	B1	T&G Hamamatsucho Building	1	03/12/26	2,257	2,108	3,230	3.9%	+1,122	2,108	3,230	3.8%	+1,121	±0	±0%	-0.1%	-1	Tanizawa
	B3	Fukuoka Eartheon Building	1	03/12/26	2,080	1,599	2,950	5.4%	+1,350	1,574	2,950	5.2%	+1,375	±0	±0%	-0.2%	+25	JREI
	B4	Marumasu Kojimachi Building	1	04/03/29	2,350	2,412	2,680	3.4%	+268	2,406	2,730	3.3%	+324	+50	+1.9%	-0.1%	+56	JREI
	B5	Rokubancho K Building	1	04/03/30	2,150	2,263	3,810	3.9%	+1,547	2,255	3,620	3.8%	+1,364	-190	-5.0%	-0.1%	-183	JREI
	B6	Shin-Osaka Central Tower	3	04/12/02	24,000	23,698	29,000	4.9%	+5,301	23,601	29,100	4.9%	+5,498	+100	+0.3%	±0%	+197	Nittochi
	B7	Kawasaki Toshiba Building	3	04/12/20	19,200	19,553	33,000	4.5%	+13,447	19,474	33,700	4.4%	+14,225	+700	+2.1%	-0.1%	+779	Tanizawa
	B8	UUR Toyocho Building	10	08/06/30	8,500	8,421	8,670	4.3%	+248	8,395	8,680	4.2%	+285	+10	+0.1%	-0.1%	+37	JREI
	B9	FOUR SEASONS BLDG	13	09/12/25	4,200	4,148	6,380	4.1%	+2,232	4,122	6,560	4.0%	+2,437	+180	+2.8%	-0.1%	+206	JREI
	B10	Hitachi High-Tech Building	15	10/12/01	14,800	14,419	17,100	3.6%	+2,681	14,391	17,600	3.5%	+3,208	+500	+2.9%	-0.1%	+528	JREI

(in millions of yen)

Type	No.	Property Name	Acquisition			30th fiscal period (2018/11/30)				31st fiscal period (2019/5/31)				Comparison between 31st and 30th 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 buildings	B11	Pacific Marks Shinjuku Parkside	15	10/12/01	12,100	11,854	12,400	3.7%	+545	11,806	12,800	3.6%	+993	+400	+3.2%	-0.1%	+448	JREI
	B13	Pacific Marks Tsukishima	15	10/12/01	6,080	5,780	6,640	4.4%	+860	5,762	6,820	4.3%	+1,057	+180	+2.7%	-0.1%	+197	JREI
	B14	Pacific Marks Yokohama East	15	10/12/01	7,050	6,716	7,680	4.4%	+964	6,680	7,930	4.4%	+1,249	+250	+3.3%	±0%	+286	Tanizawa
	B17	Akasaka Hikawa Building	15	10/12/01	3,290	3,226	4,190	4.1%	+964	3,215	4,300	4.0%	+1,085	+110	+2.6%	-0.1%	+121	JREI
	B18	Pacific Marks Shibuya Koen-dori	15	10/12/01	2,570	2,466	3,220	4.6%	+754	2,459	3,290	4.5%	+831	+70	+2.2%	-0.1%	+77	JREI
	B20	Pacific Marks Akasaka-mitsuke	15	10/12/01	2,210	2,138	2,410	3.7%	+272	2,132	2,550	3.6%	+417	+140	+5.8%	-0.1%	+146	JREI
	B22	Pacific Marks Shin-Yokohama	15	10/12/01	1,710	1,572	1,770	4.7%	+197	1,561	1,780	4.7%	+218	+10	+0.6%	±0%	+21	Tanizawa
	B25	Pacific Marks Kawasaki	15	10/12/01	9,890	9,013	11,600	4.1%	+2,586	8,951	12,100	4.0%	+3,148	+500	+4.3%	-0.1%	+562	Tanizawa
	B26	Hamamatsucho 262 Building	15	10/12/01	6,840	6,499	7,710	3.8%	+1,211	6,465	8,020	3.7%	+1,554	+310	+4.0%	-0.1%	+344	JREI
	B27	Lila Hijirizaka	15	10/12/01	2,750	2,615	3,220	4.2%	+604	2,605	3,300	4.1%	+694	+80	+2.5%	-0.1%	+90	JREI
	B29	Otsuka HT Building	15	10/12/01	1,160	1,079	1,210	5.0%	+130	1,079	1,270	4.8%	+190	+60	+5.0%	-0.2%	+60	JREI
	B30	Pacific Marks Shinjuku South-gate	15	10/12/01	2,460	2,495	3,520	3.7%	+1,025	2,491	3,660	3.6%	+1,169	+140	+4.0%	-0.1%	+144	JREI
	B31	Pacific Marks Nishi-Umeda	15	10/12/01	6,860	6,374	7,780	4.2%	+1,405	6,564	8,110	4.1%	+1,545	+330	+4.2%	-0.1%	+140	Tanizawa
	B32	Pacific Marks Higobashi	15	10/12/01	4,570	4,436	4,880	4.3%	+443	4,431	5,040	4.2%	+609	+160	+3.3%	-0.1%	+166	Tanizawa
	B34	Pacific Marks Esaka	15	10/12/01	9,590	9,667	10,000	4.8%	+333	9,650	10,300	4.7%	+649	+300	+3.0%	-0.1%	+317	Tanizawa
	B35	Pacific Marks Sapporo Kita-Ichijo	15	10/12/01	1,790	1,735	2,100	5.3%	+365	1,724	2,170	5.3%	+446	+70	+3.3%	±0%	+81	Tanizawa
	B36	Shin-Sapporo Center Building	15	10/12/01	987	859	1,100	5.7%	+240	851	1,100	5.7%	+248	±0	±0%	±0%	+8	Tanizawa
	B37	ARENA TOWER	16	11/06/16	9,500	8,233	12,800	4.7%	+4,567	8,127	12,800	4.7%	+4,672	±0	±0%	±0%	+105	Tanizawa
	B38	Yushima First Building	18	12/08/29	2,100	2,041	2,960	4.3%	+919	2,033	3,030	4.2%	+996	+70	+2.4%	-0.1%	+78	JREI
	B39	Dogenzaka Square	18	12/11/22	2,300	2,271	2,970	3.8%	+699	2,258	3,080	3.7%	+821	+110	+3.7%	-0.1%	+122	JREI
	B40	GRAND-SQUARE Shin-Sakae	21	14/02/28	1,480	1,345	2,060	5.2%	+715	1,329	1,860	5.1%	+531	-200	-9.7%	-0.1%	-184	JREI
	B41	GRAND-SQUARE Meieki-minami	21	14/02/28	1,220	1,129	2,310	4.7%	+1,180	1,112	2,190	4.6%	+1,077	-120	-5.2%	-0.1%	-103	JREI
	B42	Shiba 520 Building	21	14/03/28	2,100	2,162	3,090	3.9%	+928	2,153	3,150	3.8%	+997	+60	+1.9%	-0.1%	+69	JREI
	B43	Hirose-dori SE Building	22	14/06/13	3,600	3,277	5,240	5.0%	+1,962	3,238	4,970	4.9%	+1,731	-270	-5.2%	-0.1%	-231	JREI
	B44	SS30	27	17/03/30	18,200	18,838	19,300	4.8%	+461	18,867	20,100	4.7%	+1,233	+800	+4.1%	-0.1%	+772	JREI
	B45	LOOP-X・M	27	17/04/26	11,200	11,737	11,700	4.1%	-38	11,787	11,900	4.0%	+112	+200	+1.7%	-0.1%	+150	JREI
Hotels	C1	Shinjuku Washington Hotel Honkan	1	03/12/22	21,140	22,298	27,700	4.6%	+5,401	22,197	27,700	4.5%	+5,502	±0	±0%	-0.1%	+101	JREI
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	3	05/02/18	1,884	1,617	2,600	3.8%	+982	1,611	2,600	3.8%	+989	±0	±0%	+0.0%	+7	Nittochi
	C3	MZ BLD.	9	08/04/10	3,800	3,084	3,800	5.0%	+715	3,065	3,870	4.9%	+805	+70	+1.8%	-0.1%	+89	JREI
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	10	08/06/30	4,720	4,015	5,140	4.7%	+1,125	3,970	5,150	4.7%	+1,180	+10	+0.2%	±0%	+55	Nittochi
	C5	Hotel JAL City Naha	16	11/10/25	7,650	7,475	11,800	4.5%	+4,325	7,411	11,800	4.5%	+4,389	±0	±0%	±0%	+64	Nittochi
	C6	UUR Yotsuya a Sanhome Building	17	11/12/26	4,200	4,417	6,580	4.2%	+2,163	4,464	6,940	4.0%	+2,475	+360	+5.5%	-0.2%	+313	JREI
	C7	Yotsuya a 213 Building	19	13/03/18	5,020	4,945	6,860	4.1%	+1,915	4,953	6,890	4.0%	+1,936	+30	+0.4%	-0.1%	+22	JREI
	C9	the b Roppongi	21	14/05/01	4,488	4,666	4,890	-	+224	4,796	5,260	3.8%	+464	+370	+7.6%	-	+240	JREI
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	24	15/08/31	2,655	2,673	3,140	4.0%	+466	2,660	3,170	4.0%	+509	+30	+1.0%	±0%	+43	DAIWA
	C11	Toyoko Inn Hiroshima Heiwa-odori	24	15/08/31	2,113	2,102	2,530	4.9%	+428	2,087	2,550	4.9%	+462	+20	+0.8%	±0%	+35	DAIWA
	C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	24	15/08/31	745	739	837	6.1%	+97	733	848	6.1%	+115	+11	+1.3%	±0%	+17	DAIWA
	C13	Loisir Hotel & Spa Tower Naha	25	16/02/05	20,000	20,461	23,200	5.4%	+2,738	20,401	23,300	5.3%	+2,898	+100	+0.4%	-0.1%	+160	JREI
	C14	Royal Pines Hotel Urawa	25	16/04/01	17,500	17,492	18,100	5.4%	+607	17,599	18,100	5.3%	+501	±0	±0%	-0.1%	-107	JREI
	C15	RIHGA Royal Hotel Kokura・ARUARU City	29	18/01/26	16,600	17,258	16,900	5.5%	-358	17,287	16,900	5.5%	-388	±0	±0%	±0%	-30	Tanizawa
	C16	the b fukuoka tenjin	30	18/09/27	3,000	3,122	3,540	4.4%	+417	3,109	3,630	4.3%	+520	+90	+2.5%	-0.1%	+103	JREI
	C17	Henn na Hotel Tokyo Hamamatsucho	31	19/05/15	4,456	-	-	-	-	4,496	4,710	4.0%	+213	-	-	-	+213	JREI
	D	D1	T&G Higashi-ikebukuro Mansion	1	03/12/26	2,021	1,428	2,370	4.1%	+942	1,415	2,420	4.0%	+1,004	+50	+2.1%	-0.1%	+62
D4		Komazawa Court	1	03/12/26	1,680	1,490	2,360	4.4%	+869	1,482	2,280	4.3%	+797	-80	-3.4%	-0.1%	-72	JREI
D6		UUR Court Shiba-Daimon	2	04/10/15	1,175	994	1,460	4.0%	+465	983	1,460	3.9%	+477	±0	±0%	-0.1%	+11	Tanizawa

Appraisal Value 3/3

(in millions of yen)

Type	No.	Property Name	Acquisition			30th fiscal period (2018/11/30)				31st fiscal period (2019/5/31)				Comparison between 31st and 30th 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 Properties	D7	Maison Ukima	2	04/10/26	3,530	3,089	3,110	7.0%	+20	-	-	-	-	-	-	-	-20	JREI
	D9	Aprile Shin-Ohgi Ichibankan	3	05/04/13	3,031	2,458	3,590	5.2%	+1,131	2,434	3,600	5.2%	+1,165	+10	+0.3%	±0%	+34	JREI
	D10	UUR Court Sapporo Kita-Sanjo	5	06/03/16	1,278	958	1,580	4.8%	+622	947	1,620	4.7%	+673	+40	+2.5%	-0.1%	+51	Tanizawa
	D15	CLIO Bunky o Koishikawa	5	06/04/28	3,170	2,662	3,450	4.3%	+787	2,634	3,460	4.3%	+826	+10	+0.3%	±0%	+39	JREI
	D16	GRAND-ROUGE Sakae	6	06/11/30	1,570	1,205	1,330	4.6%	+125	1,189	1,330	4.5%	+141	±0	±0%	-0.1%	+16	JREI
	D17	GRAND-ROUGE Sakae II	9	07/12/26	1,300	1,011	1,330	4.6%	+319	1,000	1,370	4.5%	+370	+40	+3.0%	-0.1%	+51	JREI
	D18	MA Sendai Building	10	08/09/24	3,440	2,668	4,290	5.6%	+1,621	2,632	4,380	5.5%	+1,747	+90	+2.1%	-0.1%	+126	JREI
	D19	UUR Court Nagoya Meieki	10	08/09/30	1,473	1,184	1,500	4.6%	+315	1,170	1,530	4.5%	+359	+30	+2.0%	-0.1%	+44	Nittochi
	D20	UUR Court Sapporo Shinoro Ichibankan	10	08/11/11	870	710	859	5.5%	+148	699	862	5.5%	+162	+3	+0.3%	±0%	+14	Nittochi
	D21	Park Site IZUMI	10	08/11/21	900	819	756	4.6%	-64	817	763	4.5%	-55	+7	+0.9%	-0.1%	+9	JREI
	D22	UUR Court Osaka Juso-honmachi	11	09/02/26	1,570	1,295	1,630	4.7%	+334	1,277	1,660	4.6%	+383	+30	+1.8%	-0.1%	+49	JREI
	D23	UUR Court Kinshicho	16	11/06/15	2,900	2,851	3,520	4.4%	+668	2,854	3,570	4.3%	+715	+50	+1.4%	-0.1%	+47	JREI
	D24	UUR Court Sapporo Minami-Sanjo P.T.	18	12/06/28	2,050	1,808	2,920	5.0%	+1,112	1,783	3,020	4.9%	+1,237	+100	+3.4%	-0.1%	+125	JREI
	D25	GRAND-ROUGE Nakanoshima-minami	20	13/06/25	1,380	1,296	1,560	4.6%	+263	1,280	1,600	4.5%	+320	+40	+2.6%	-0.1%	+57	JREI
	D26	Glenpark Umeda-kita	22	14/08/29	5,150	5,095	6,430	4.3%	+1,334	5,065	6,430	4.2%	+1,365	±0	±0%	-0.1%	+30	Tanizawa
	D27	UUR Court Shiki	24	15/09/18	2,730	2,852	3,160	5.1%	+307	2,839	3,160	5.1%	+321	±0	±0%	±0%	+13	JREI
	D28	GRAND-ROUGE Tanimachi Rokuchome	27	16/12/01	1,300	1,380	1,490	4.3%	+110	1,376	1,510	4.2%	+134	+20	+1.3%	-0.1%	+24	Tanizawa
	D29	Chatle Otemachi S・N	30	18/07/03	3,398	3,722	3,560	5.1%	-163	3,714	3,620	5.0%	-95	+60	+1.7%	-0.1%	+68	JREI
	D30	GRAN FONTE	31	19/04/01	2,700	-	-	-	-	2,878	3,280	4.3%	+401	-	-	-	+401	Tanizawa
	Others	E1	Lilycolor Tohoku Branch	5	06/05/29	2,050	1,433	2,190	5.5%	+757	1,410	2,200	5.5%	+790	+10	+0.5%	±0%	+33
E2		KDDI Fuchu Building	19	13/05/16	4,920	4,794	5,210	5.7%	+415	4,773	5,210	5.7%	+436	±0	±0%	±0%	+21	JREI
E3		Tsubogawa Square Building	20	13/11/01	4,150	3,884	6,070	5.4%	+2,185	3,859	6,160	5.4%	+2,300	+90	+1.5%	±0%	+115	JREI
E4		THE PLACE of TOKYO	21	14/05/01	3,500	3,403	4,500	5.0%	+1,097	3,376	4,510	5.0%	+1,133	+10	+0.2%	±0%	+36	JREI
E5		Logistics Higashi-Ogishima	22	14/10/02	4,233	4,113	5,253	4.6%	+1,140	4,088	5,253	4.6%	+1,164	±0	±0%	±0%	+25	JREI
E6		MT Ariake Center Building I&II	22	14/11/25	8,000	7,968	11,200	5.1%	+3,232	7,952	14,000	4.8%	+6,047	+2,800	+25.0%	-0.3%	+2,815	JREI
E7		Quartz Tower	24	15/11/13	5,700	5,840	6,120	3.5%	+279	5,824	6,300	3.4%	+475	+180	+2.9%	-0.1%	+196	Tanizawa
E8		Shin-Narashino Logistics Center	24	15/08/07	2,555	2,623	2,850	4.6%	+226	2,620	2,850	4.6%	+229	±0	±0%	±0%	+3	JREI
E9		Kawagoe Logistics Center	26	16/06/17	7,550	7,696	9,480	4.5%	+1,784	7,659	9,480	4.5%	+1,820	±0	±0%	±0%	+37	Tanizawa
E10		Asuto Nagamachi Dental Clinic	26	16/08/29	1,200	1,231	1,310	5.2%	+78	1,225	1,310	5.2%	+84	±0	±0%	±0%	+6	JREI
E11		Shin-Narashino Logistics Center II	27	17/01/31	2,590	2,681	2,660	4.7%	-21	2,732	2,660	4.7%	-73	±0	±0%	±0%	-52	JREI
E12		Yoshikawa Logistics Center	28	17/07/27	1,960	1,980	2,020	4.7%	+39	1,983	2,020	4.7%	+36	±0	±0%	±0%	-3	JREI
E13		Musashimurayama Logistics Center	30	18/10/30	1,800	1,873	1,910	4.8%	+36	1,867	1,910	4.8%	+42	±0	±0%	±0%	+6	JREI
Total					634,203	598,764	725,945	4.56%	+127,181	608,863	746,426	4.41%	+137,562	+10,181	+1.4%	-0.14%	+10,381	

(Notes)

- Each of B26, C1 and C9 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 (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.
- A4 was changed name to "Luz Funabashi" (old name : Re-LAND Shopping Center), A7 was changed name to "Kaden Sumairu-kan YAMADA Sakai Honten" (old name : Yamada Denki Tecc Land Sakai Honten) and A30 was changed name to "Kaden Sumairu-kan YAMADA Matsudo Honten" (old name : Yamada Denki Tecc Land New Matsudo Honten) from May 1, 2019.
- C14 was changed name to "Royal Pines Hotel Urawa" (old name: Urawa Royal Pines Hotel) from January 1, 2019.
- "Appraisers" are referred to as "JREI" for Japan Real Estate Institute, "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.

Property Income and Occupancy 1/5

(in thousand yen)	Total	A1	A2	A4	A6	A7	A8	A9	A10	A11	A12	A13	A14
		Himonya Shopping Center	Joy Park Izumigaoka	Luz Funabashi	TENJIN LUCE	Kaden Sumairu-kan YAMADA 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	24,215,491	(Note)	257,521	255,939	220,245	(Note)	189,216	(Note)	85,119	206,057	151,999	299,274	60,810
Rental Revenues	22,549,715		228,499	207,480	199,829		157,196		85,113	156,505	151,999	299,274	60,750
Other Rental Revenues	1,665,775		29,021	48,458	20,416		32,019		5	49,551	-	-	60
Operating Expenses	11,401,782		179,096	180,606	88,780		94,059		28,449	138,702	155,723	40,048	24,105
Property and other taxes	1,787,574		15,280	10,966	18,664		11,828		3,470	13,036	19,186	34,980	3,422
Other expenses	5,563,573		106,865	118,367	37,296		47,122		10,590	106,885	108,713	4,994	6,895
Property Mgmt Fees	1,758,394		52,858	41,185	16,136		19,622		5,462	16,512	1,970	288	5,696
Utilities	1,473,913		34,525	35,255	19,974		26,453		-	29,958	-	-	-
Casualty Insurance	24,748		315	248	161		187		62	158	328	36	62
Repairs & Maintenance	1,824,671		9,077	38,782	99		59		4,093	58,960	100,923	4,189	1,136
Other Rental Expenses	481,845		10,088	2,896	924		799		972	1,295	5,490	480	-
Depreciation	4,050,634		56,950	51,271	32,819		35,108		14,388	18,781	27,824	73	13,787
Profit from Rental Activities	12,813,709	65,243	78,424	75,333	131,465	81,546	95,156	27,928	56,669	67,354	-3,723	259,225	36,704
Net Operating Income (NOI)	16,864,343	86,692	135,374	126,605	164,284	97,303	130,264	51,744	71,057	86,135	24,100	259,299	50,492
CAPEX	2,870,689	-	35,194	140,638	-	-	-	-	-	107,779	42,225	9,815	5,314
Occupancy (as of May 31, 2019)	99.3%	-	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.36%	7.66%	4.01%	4.88%	5.07%	6.08%	4.92%	5.09%	3.79%	4.21%	1.13%	4.37%	4.20%

(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	Kaden Sumairu-kan YAMADA Matsudo Honten	Tenjin Loft Building
Operating Revenues	683,796	50,859	131,083	668,892	223,065	(Note)	159,840	158,192	(Note)	(Note)	(Note)	(Note)	300,009
Rental Revenues	682,795	47,100	98,124	520,677	223,065		143,870	115,055					277,350
Other Rental Revenues	1,001	3,759	32,958	148,214	-		15,969	43,136					22,658
Operating Expenses	162,030	13,916	67,116	564,989	88,791		72,174	85,524					133,830
Property and other taxes	76,576	3,089	6,911	52,700	24,236		7,373	6,121					25,975
Other expenses	22,721	7,097	46,552	416,895	23,465		34,072	43,687					81,714
Property Mgmt Fees	3,322	2,993	6,823	126,579	1,800		11,420	11,573					41,788
Utilities	-	3,295	8,535	102,227	-		10,319	23,427					30,599
Casualty Insurance	666	36	87	757	403		131	111					258
Repairs & Maintenance	11,934	742	28,460	44,873	7,333		8,154	2,866					6,876
Other Rental Expenses	6,797	29	2,645	142,456	13,927		4,045	5,708					2,190
Depreciation	62,732	3,729	13,652	95,393	41,090		30,728	35,715					26,140
Profit from Rental Activities	521,765	36,943	63,966	103,903	134,274	31,869	87,666	72,667	66,364	47,272	509,716	138,698	166,178
Net Operating Income (NOI)	584,498	40,673	77,619	199,297	175,364	54,234	118,394	108,383	66,364	47,272	666,618	178,784	192,319
CAPEX	102,189	1,678	1,765	129,930	9,411	-	20,955	798	-	-	11,758	-	10,852
Occupancy (as of May 31, 2019)	100.0%	100.0%	84.4%	97.0%	100.0%	100.0%	100.0%	95.7%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.14%	5.16%	6.01%	5.68%	7.27%	4.35%	4.66%	6.49%	5.12%	4.41%	4.77%	6.96%	8.87%

(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	A42	Retail properties Total	B1
	Narumi Shopping Center (Site)	Plussing Wave Enoshima	LIFE Nishikujo (Site)	LIFE Tamatsukuri (Site)	Granbell Ginza Building	UUR Tenjin Nishi-dori Building	Luz Shonan Tsujiido	ACTIOLE Ueno	KURURU	K's Denki Nagoya-kita	Luz Musashikosugi		T&G Hamamatsucho Building
Operating Revenues		56,092			76,676		290,997	82,901	470,877		262,123	7,243,857	88,491
Rental Revenues		49,826			72,368		227,176	72,424	416,530		231,210	6,626,494	81,293
Other Rental Revenues		6,266			4,308		63,820	10,476	54,347		30,912	617,363	7,197
Operating Expenses		41,975			36,716		205,029	29,059	260,702		52,243	3,222,358	50,302
Property and other taxes		4,262			1,163		24,686	856	32,046		-	536,150	9,846
Other expenses	(Note)	27,482	(Note)	(Note)	30,320	(Note)	149,681	24,747	189,918	(Note)	44,446	1,737,777	24,814
Property Mgmt Fees		10,162			4,594		69,951	5,860	115,514		13,096	598,182	5,284
Utilities		4,112			2,653		54,600	5,339	42,934		29,813	464,027	5,755
Casualty Insurance		60			61		338	54	786		129	7,103	61
Repairs & Maintenance		12,860			9,636		7,201	4,693	23,309		-	400,122	12,143
Other Rental Expenses		286			13,375		17,589	8,798	7,374		1,405	268,341	1,570
Depreciation		10,230			5,233		30,661	3,455	38,736		7,796	948,430	15,641
Profit from Rental Activities	151,060	14,117	43,985	49,112	39,959	156,472	85,967	53,841	210,175	54,313	209,880	4,021,499	38,189
Net Operating Income (NOI)	151,060	24,348	43,985	49,112	45,193	163,167	116,629	57,297	248,912	59,367	217,676	4,969,929	53,830
CAPEX	-	27,602	-	-	208	-	10,457	5,972	11,638	-	-	686,187	16,165
Occupancy (as of May 31, 2019)	100.0%	91.5%	100.0%	100.0%	100.0%	100.0%	97.8%	100.0%	100.0%	100.0%	100.0%	99.5%	100.0%
Adjusted NOI Yield	4.69%	2.71%	5.01%	5.24%	3.46%	5.95%	5.94%	3.83%	5.38%	6.80%	3.65%	4.96%	4.78%

(in thousand yen)	B3	B4	B5	B6	B7	B8	B9	B10	B11	B13	B14	B17	B18
	Fukuoka Eartheon Building	Marumasa Kojimachi Building	Rokubanchō 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	Akasaka Hikawa Building	Pacific Marks Shibuya Koen-dori
Operating Revenues	119,660	89,252	108,515	1,124,568	836,662	276,570	190,176	413,664	368,487	256,308	239,826	118,223	42,161
Rental Revenues	111,737	84,355	108,515	1,010,498	836,594	255,618	174,365	408,178	339,110	220,502	222,193	114,114	42,161
Other Rental Revenues	7,923	4,896	-	114,070	67	20,952	15,810	5,486	29,376	35,805	17,632	4,109	-
Operating Expenses	111,134	49,840	42,260	609,030	340,077	96,148	72,714	118,586	177,605	118,293	142,925	38,228	15,593
Property and other taxes	7,455	14,140	11,588	85,823	52,122	12,766	10,194	43,246	39,083	20,034	20,697	10,506	3,933
Other expenses	84,868	22,445	19,187	318,409	83,543	47,944	36,882	42,188	75,609	63,574	58,073	16,065	2,695
Property Mgmt Fees	12,753	9,817	13,549	101,505	6,000	19,095	18,627	24,085	31,337	22,560	24,037	8,096	2,323
Utilities	9,078	6,779	-	99,726	-	19,450	14,694	14,534	28,148	25,538	19,293	4,049	-
Casualty Insurance	88	332	73	980	675	178	109	214	293	232	251	66	30
Repairs & Maintenance	62,734	3,195	5,565	112,575	76,868	8,804	3,100	2,776	14,400	13,594	12,325	3,765	342
Other Rental Expenses	214	2,321	-	3,622	0	415	349	576	1,429	1,648	2,164	88	-
Depreciation	18,810	13,253	11,483	204,796	204,411	35,438	25,638	33,152	62,913	34,685	64,154	11,656	8,963
Profit from Rental Activities	8,526	39,412	66,255	515,538	496,584	180,422	117,461	295,077	190,881	138,014	96,900	79,995	26,567
Net Operating Income (NOI)	27,336	52,666	77,738	720,335	700,995	215,860	143,099	328,230	253,794	172,699	161,055	91,651	35,531
CAPEX	5,018	7,427	4,344	104,697	127,147	8,600	-	5,315	15,267	17,288	28,357	710	1,709
Occupancy (as of May 31, 2019)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	97.1%	97.8%	100.0%	100.0%
Adjusted NOI Yield	2.64%	4.49%	7.25%	6.02%	7.32%	5.09%	6.83%	4.45%	4.21%	5.70%	4.58%	5.59%	2.77%

(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)	B20	B22	B25	B26	B27	B29	B30	B31	B32	B34	B35	B36	B37
	Pacific Marks Akasaka-mitsuke	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
Operating Revenues	69,916	66,063	344,308	227,958	118,744	57,382	88,568	250,582	139,410	438,644	100,272	64,009	464,559
Rental Revenues	58,414	58,391	313,890	204,228	107,761	51,127	82,186	217,532	126,278	405,379	90,758	57,321	412,804
Other Rental Revenues	11,501	7,671	30,417	23,729	10,983	6,255	6,382	33,049	13,131	33,265	9,513	6,687	51,755
Operating Expenses	24,679	35,335	154,471	94,304	48,477	60,701	29,113	202,692	77,203	266,369	58,303	37,024	236,700
Property and other taxes	6,516	5,703	22,191	15,266	12,722	2,149	5,991	25,778	16,706	38,644	8,718	4,970	32,907
Other expenses	11,211	13,160	70,374	45,464	25,779	50,536	15,833	135,003	29,211	134,457	29,760	23,007	93,485
Property Mgmt Fees	3,689	6,473	19,343	22,432	14,808	4,921	4,340	29,624	10,520	59,029	10,919	7,012	47,693
Utilities	3,523	5,749	30,153	16,962	6,653	5,780	5,961	24,796	10,121	40,978	10,275	9,946	41,135
Casualty Insurance	31	68	190	109	81	42	37	257	130	429	86	52	386
Repairs & Maintenance	3,200	771	19,894	5,869	4,141	1,838	4,808	73,896	3,533	31,480	5,766	5,506	3,250
Other Rental Expenses	767	97	791	90	95	37,952	685	6,428	4,904	2,538	2,712	490	1,019
Depreciation	6,951	16,471	61,905	33,573	9,975	8,015	7,288	41,910	31,285	93,267	19,825	9,046	110,307
Profit from Rental Activities	45,236	30,728	189,837	133,654	70,266	-3,318	59,455	47,890	62,206	172,274	41,968	26,985	227,859
Net Operating Income (NOI)	52,188	47,199	251,742	167,227	80,242	4,696	66,743	89,801	93,492	265,542	61,793	36,031	338,167
CAPEX	830	5,744	-	-	-	7,811	3,146	232,820	25,648	77,636	8,949	1,118	5,032
Occupancy (as of May 31, 2019)	100.0%	100.0%	100.0%	100.0%	97.5%	100.0%	90.1%	91.9%	91.5%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	4.74%	5.54%	5.10%	4.90%	5.85%	0.81%	5.44%	2.63%	4.10%	5.55%	6.92%	7.32%	7.14%

(in thousand yen)	B38	B39	B40	B41	B42	B43	B44	B45		C1	C2	C3	C4
	Yushima First Building	Dogenzaka Square	GRAND- SQUARE Shin-Sakae	GRAND- SQUARE Meiki- minami	Shiba 520 Building	Hirose-dori SE Building	SS30	LOOP-X・M	Office buildings Total	Shinjuku Washington Hotel Honkan	Toyoko Inn Shinagawa-eki Takanawa-guchi	MZ BLD.	HOTEL ROUTE- INN Yokohama Bashamichi
Operating Revenues	117,204	100,548	71,932	88,561	105,747	218,094	1,072,714	478,575	8,956,370	897,668	57,000	131,172	157,849
Rental Revenues	103,380	89,842	66,028	81,534	99,381	189,165	975,647	420,089	8,220,386	897,047	57,000	131,172	141,049
Other Rental Revenues	13,823	10,706	5,903	7,027	6,366	28,929	97,066	58,485	735,984	621	-	-	16,800
Operating Expenses	51,559	41,697	56,240	51,470	38,824	128,983	698,493	348,558	4,723,947	249,708	13,535	95,526	76,819
Property and other taxes	11,310	6,031	7,619	7,848	8,154	13,105	129,441	44,987	768,207	87,064	6,269	9,540	9,508
Other expenses	26,515	22,733	25,193	26,159	19,836	59,856	398,638	263,582	2,416,105	55,489	604	36,772	21,923
Property Mgmt Fees	8,075	8,208	9,228	8,899	11,322	21,792	154,028	74,684	836,123	26,315	540	7,016	7,165
Utilities	12,458	5,199	7,273	7,646	6,162	29,693	153,573	50,534	731,631	3,783	-	1,833	14,598
Casualty Insurance	93	55	84	82	71	166	1,854	489	8,388	896	64	147	159
Repairs & Maintenance	5,404	8,223	3,701	9,412	1,879	6,193	70,852	107,177	708,997	24,367	-	15,487	-
Other Rental Expenses	482	1,046	4,904	120	400	2,009	18,330	30,695	130,964	126	-	12,287	-
Depreciation	13,734	12,932	23,427	17,461	10,832	56,022	170,413	39,988	1,539,634	107,155	6,662	49,212	45,387
Profit from Rental Activities	65,644	58,851	15,692	37,091	66,923	89,111	374,220	130,016	4,232,422	647,959	43,464	35,646	81,029
Net Operating Income (NOI)	79,378	71,783	39,119	54,553	77,755	145,133	544,634	170,005	5,772,057	755,114	50,126	84,858	126,417
CAPEX	5,922	611	7,239	597	1,488	17,224	336,858	89,239	1,169,969	5,949	-	32,177	-
Occupancy (as of May 31, 2019)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.6%	96.5%	99.1%	100.0%	100.0%	96.2%	100.0%
Adjusted NOI Yield	7.58%	6.26%	5.30%	8.97%	7.43%	8.09%	6.00%	3.04%	5.43%	7.16%	5.34%	4.48%	5.37%

Property Income and Occupancy 4/5

(in thousand yen)	C5	C6	C7	C9	C10	C11	C12	C13	C14	C15	C16	C17	Hotels Total
	Hotel JAL City Naha	UUR Yotsuya Sanchoe 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	Henn na Hotel Tokyo Hamamatsucho	
Operating Revenues	305,200	185,106	184,647	93,805				744,536	610,292	923,681	121,741	9,596	4,584,096
Rental Revenues	305,200	183,592	170,463	93,036				744,536	610,292	739,723	121,741	9,596	4,366,250
Other Rental Revenues	-	1,514	14,184	768				-	-	183,957	-	-	217,846
Operating Expenses	129,240	80,771	93,028	93,983				288,124	299,922	653,382	14,452	2,949	2,145,092
Property and other taxes	15,928	19,984	17,609	14,864				35,668	40,496	-	-	-	274,193
Other expenses	24,657	34,481	52,891	59,934	(Note)	(Note)	(Note)	54,737	142,982	503,620	1,399	87	991,553
Property Mgmt Fees	1,020	4,655	7,204	2,617				1,130	37,269	69,113	900	82	166,770
Utilities	-	-	12,847	784				-	-	163,340	-	-	197,188
Casualty Insurance	273	167	167	115				992	815	1,777	99	4	5,913
Repairs & Maintenance	21,052	29,581	31,954	55,379				51,456	99,833	259,371	-	-	588,482
Other Rental Expenses	2,311	78	717	1,036				1,159	5,063	10,017	400	-	33,197
Depreciation	88,654	26,304	22,527	19,184				197,717	116,443	149,762	13,053	2,862	879,346
Profit from Rental Activities	175,960	104,335	91,618	-178	47,975	43,759	16,414	456,412	310,370	270,298	107,289	6,647	2,439,003
Net Operating Income (NOI)	264,614	130,640	114,146	19,006	61,167	58,519	22,880	654,129	426,813	420,060	120,342	9,509	3,318,350
CAPEX	24,698	73,465	23,650	142,560	-	-	-	130,622	223,365	162,340	-	-	818,831
Occupancy (as of May 31, 2019)	100.0%	100.0%	91.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%	99.6%
Adjusted NOI Yield	6.94%	6.24%	4.56%	0.85%	4.62%	5.55%	6.16%	6.56%	4.89%	3.83%	7.48%	4.11%	5.50%

(in thousand yen)	D1	D4	D6	D7	D9	D10	D15	D16	D17	D18	D19	D20	D21
	T&G Higashi-ikebukuro Mansion	Komazawa Court	UUR Court Shiba-Daimon	Maison Ukima	Aprile Shin-Ohgi Ichibankan	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 Ichibankan	Park Site IZUMI
Operating Revenues	70,047	60,560	33,000	82,720		52,631	102,217	47,190	36,947	167,736	46,144	33,317	27,314
Rental Revenues	66,475	60,560	33,000	82,720		52,508	97,005	46,165	36,947	162,889	46,085	33,317	26,826
Other Rental Revenues	3,571	-	-	-		122	5,212	1,025	-	4,846	58	-	488
Operating Expenses	27,808	12,617	16,083	23,725		31,668	50,688	43,255	23,285	90,940	27,641	17,350	19,531
Property and other taxes	2,701	3,924	1,751	5,827		4,805	5,125	3,132	2,621	10,004	3,004	3,947	1,590
Other expenses	12,791	658	3,212	1,023	(Note)	8,563	16,715	21,847	4,503	32,307	6,469	2,148	9,121
Property Mgmt Fees	7,238	604	330	824		2,196	7,827	5,449	127	8,890	2,820	2,105	2,317
Utilities	937	-	-	-		2,352	28	891	-	3,017	963	-	790
Casualty Insurance	57	54	29	199		49	82	60	52	142	52	43	36
Repairs & Maintenance	3,777	-	2,853	-		3,915	7,733	10,125	4,178	6,581	2,633	-	3,097
Other Rental Expenses	780	-	-	-		48	1,043	5,320	144	13,675	-	-	2,880
Depreciation	12,314	8,034	11,120	16,874		18,299	28,847	18,275	16,160	48,628	18,167	11,253	8,819
Profit from Rental Activities	42,239	47,942	16,916	58,994	75,362	20,962	51,528	3,935	13,662	76,795	18,503	15,967	7,783
Net Operating Income (NOI)	54,554	55,976	28,036	75,869	100,981	39,262	80,376	22,210	29,822	125,423	36,670	27,221	16,602
CAPEX	-	-	-	-	1,568	7,206	267	1,789	5,349	12,565	4,132	-	6,444
Occupancy (as of May 31, 2019)	99.2%	100.0%	100.0%	-	100.0%	100.0%	96.2%	93.4%	100.0%	96.8%	100.0%	100.0%	93.4%
Adjusted NOI Yield	5.41%	6.68%	4.79%	6.48%	6.68%	6.16%	5.08%	2.84%	4.60%	7.31%	4.99%	6.27%	3.70%

(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)	D22	D23	D24	D25	D26	D27	D28	D29	D30	Residential properties Total	E1	E2	E3
	UUR Court Osaka Juso-honmachi	UUR Court Kinshicho	UUR Court Sapporo Minami-Sanjo Premier Tower	GLAND-ROUGE Nakanoshima-minami	Glenpark Umeda-kita	UUR Court Shiki	GRAND-ROUGE Tanimachi Rokuchome	Chatle Otemachi S・N	GRAN FONTE		Lilycolor Tohoku Branch	KDDI Fuchu Building	Tsubogawa Square Building
Operating Revenues	52,170	119,879	112,090	53,545	187,178	93,432	44,252	125,074	34,983	1,695,676	(Note)	(Note)	289,247
Rental Revenues	52,170	117,254	104,683	52,797	182,400	93,432	42,625	119,659	32,446	1,655,215			253,009
Other Rental Revenues	-	2,624	7,407	748	4,778	-	1,627	5,414	2,536	40,461			36,237
Operating Expenses	30,715	48,419	64,471	33,463	77,674	22,098	22,818	52,882	7,367	782,389			154,925
Property and other taxes	3,933	5,909	7,701	3,485	10,524	6,985	3,332	-	-	98,526			18,627
Other expenses	7,869	18,652	24,663	11,193	32,496	1,657	14,180	26,149	3,239	263,513			86,062
Property Mgmt Fees	3,867	11,030	8,653	3,960	12,510	780	3,826	8,892	2,575	97,406			30,241
Utilities	-	2,273	7,547	676	1,221	-	547	1,820	364	23,431			42,899
Casualty Insurance	64	119	113	47	216	125	50	162	30	1,933			257
Repairs & Maintenance	3,937	3,116	5,425	4,680	16,414	751	8,822	10,990	268	102,632			8,577
Other Rental Expenses	-	2,112	2,923	1,827	2,133	-	934	4,283	-	38,109			4,087
Depreciation	18,912	23,857	32,105	18,784	34,653	13,455	5,304	26,733	4,128	420,350			50,234
Profit from Rental Activities	21,454	71,460	47,618	20,082	109,504	71,333	21,434	72,191	27,615	913,286	36,058	129,492	134,321
Net Operating Income (NOI)	40,367	95,317	79,724	38,866	144,157	84,789	26,738	98,925	31,743	1,333,637	60,929	150,736	184,556
CAPEX	-	26,797	7,142	2,166	1,486	-	1,355	3,288	648	82,209	1,954	-	25,028
Occupancy (as of May 31, 2019)	100.0%	97.2%	90.1%	96.8%	93.4%	100.0%	100.0%	97.8%	98.9%	97.5%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.16%	6.59%	7.80%	5.65%	5.61%	6.23%	4.12%	5.25%	6.60%	5.80%	5.96%	6.14%	8.92%

(in thousand yen)	E4	E5	E6	E7	E8	E9	E10	E11	E12	E13	Others Total
	THE PLACE of TOKYO	Logistics Higashi-Ohgishima	MT Ariake Center Building I&II	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	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	1,735,489
Rental Revenues											1,681,369
Other Rental Revenues											54,120
Operating Expenses											527,993
Property and other taxes											110,497
Other expenses											154,623
Property Mgmt Fees											59,911
Utilities											57,634
Casualty Insurance											1,409
Repairs & Maintenance											24,436
Other Rental Expenses											11,231
Depreciation											262,872
Profit from Rental Activities	85,979	85,218	275,340	93,917	58,087	146,342	28,315	50,090	36,693	47,636	1,207,496
Net Operating Income (NOI)	112,376	110,354	290,767	110,184	69,712	182,893	34,328	60,401	49,500	53,628	1,470,368
CAPEX	-	288	-	-	8,459	-	-	61,834	15,926	-	113,492
Occupancy (as of May 31, 2019)	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	6.44%	5.23%	7.29%	3.88%	5.47%	4.86%	5.74%	4.68%	5.06%	5.48%	5.86%

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

As of July 12, 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 properties	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	Luz Funabashi	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	Kaden Sumairu-kan YAMADA 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	0.6%	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	3.5%	2,430.23	25,865.61	27,025.42	12	15	2010/12/01
	A19	Albore Jingumae	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	1,580	0.2%	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	3,151.71	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	4.3%	3,582.39	37,932.95	37,932.95	14	19	2013/03/18
	A30	Kaden Sumairu-kan YAMADA 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	Plussing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	1,800	0.3%	2,450.62	3,471.69	3,090.12	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 Cental 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	ACTIOLE Ueno	23 Wards of Tokyo	Taito-ku, Tokyo	3,000	0.5%	159.59	1,234.99	1,163.44	12	25	2015/12/04
	A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	9,285	1.4%	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 buildings	B1	T&G Hamamatsucho Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,257	0.4%	453.81	3,296.58	2,382.25	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 Cental 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 Cental 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	2.2%	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	3.0%	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 Toyochi Building	23 Wards of Tokyo	Koto-ku, Tokyo	8,500	1.3%	3,262.50	10,768.11	7,540.30	13	10	2008/06/30
	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

As of July 12, 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 buildings	B10	Hitachi High-Tech Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	14,800	2.3%	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 Tsukishima	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	6,080	0.9%	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	0.3%	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	1.5%	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	42,874.06	①2②6③1	27	2017/03/30
	B45	LOOP-X・M	6 Cental Wards of Tokyo	Minato-ku, Tokyo	11,200	1.7%	5,491.44	31,583.38	21,591.05	①7②6	27	2017/04/26
Hotels	C1	Shinjuku Washington Hotel Honkan	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	21,140	3.3%	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	1.5%	-	-	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	0.7%	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 Yotsuya Sanhome 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%	551.39	4,154.72	3,714.06	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	3.1%	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	2.7%	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	1.0%	-	-	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
	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

As of July 12, 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
Hotels	C17	Henn na Hotel Tokyo Hamamatsucho	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,456	0.7%	365.81	2,293.64	2,293.64	14.8	31	2019/05/15
	C18	Hotel Hewitt Koshien	Other Regions (Osaka)	Nishinomiya, Hyogo	13,520	2.1%	14,997.27	29,537.39	36,104.06	①9②8	32	2019/06/25
	C19	Smile Hotel Premium Sapporo Susukino	Other Regions (Others)	Sapporo, Hokkaido	4,233	0.7%	958.37	7,762.50	8,332.04	1	32	2019/06/28
Residential Properties	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 Cental Wards of Tokyo	Minato-ku, Tokyo	1,175	0.2%	233.66	1,486.38	1,486.38	17	2	2004/10/15
	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	0.2%	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	0.2%	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	5,460.39	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	7,763.18	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	Chatle Otemachi S-N	Other Regions (Others)	Kitakyushu, Fukuoka	3,398	0.5%	3,516.04	12,599.91	12,040.28	①12②1	30	2018/07/03
	D30	GRAN FONTE	23 Wards of Tokyo	Nerima-ku, Tokyo	2,700	0.4%	4,132.97	6,983.30	6,268.24	1	31	2019/04/01
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	0.6%	5,294.63	14,742.80	10,570.98	8	20	2013/11/01
	E4	THE PLACE of TOKYO	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,500	0.5%	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	1.2%	8,307.00	22,917.94	23,995.01	①12②13	22	2014/11/25
	E7	Quartz Tower	6 Cental 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
					643,836	100.0%	674,135.30	1,683,698.84	1,479,023.71	6.22		

(Notes)

1. In principle, "Site Area", "Floor Area", "Rentable Area" and "PML" show those at the point of May 31, 2019.

For C18, at the point of June 25, 2019 and C19 at the point of June 28, 2019.

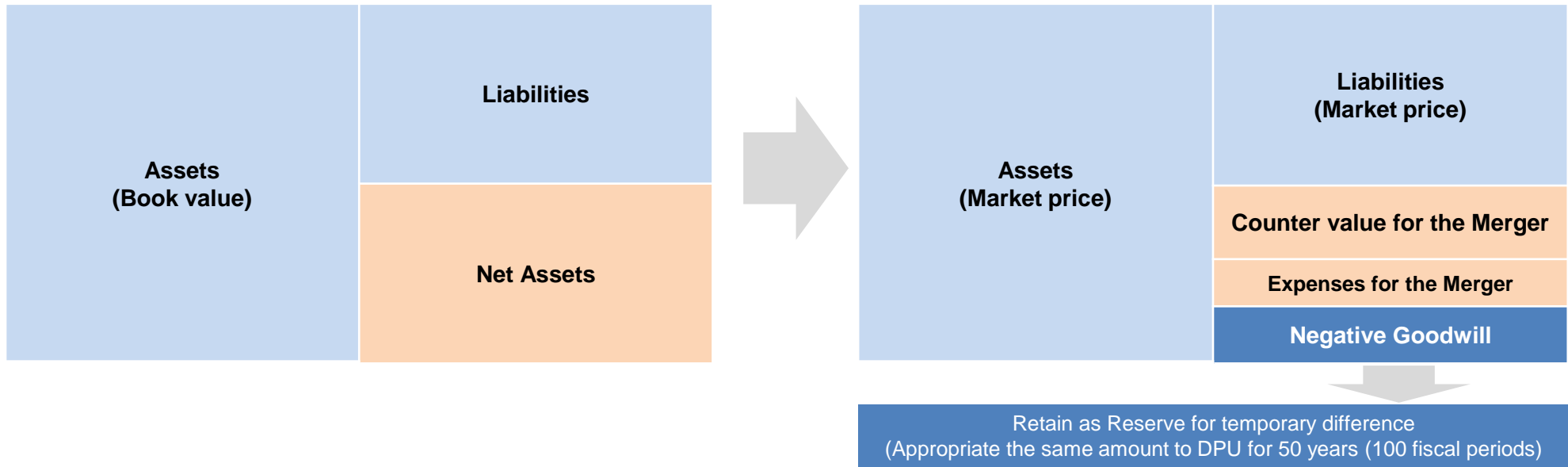
2. PML of "B44", "B45", "C13", "C15", "C18", "D29" and "E6" shows PML of each building below.

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 / C18:①Main Building ②New Building /

D29: ①S Building ②N Building / E6: ①Building 1 ②Building 2

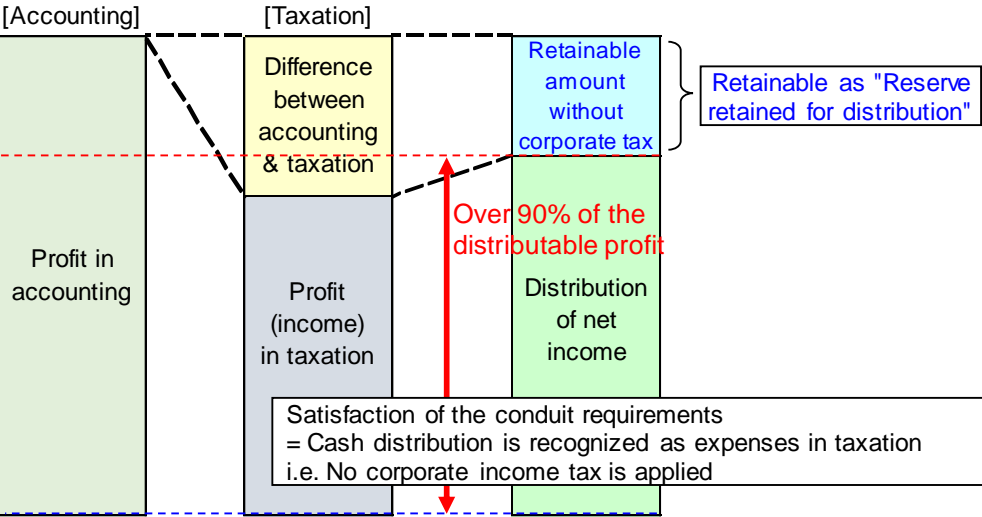
3. "PML" shown on the line of "Total" indicates PML of UUR's whole portfolio at the end of 31st FP.

■ Occurrence of Negative Goodwill due to the Merger (Retain as Reserve for temporary difference)



■ 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"

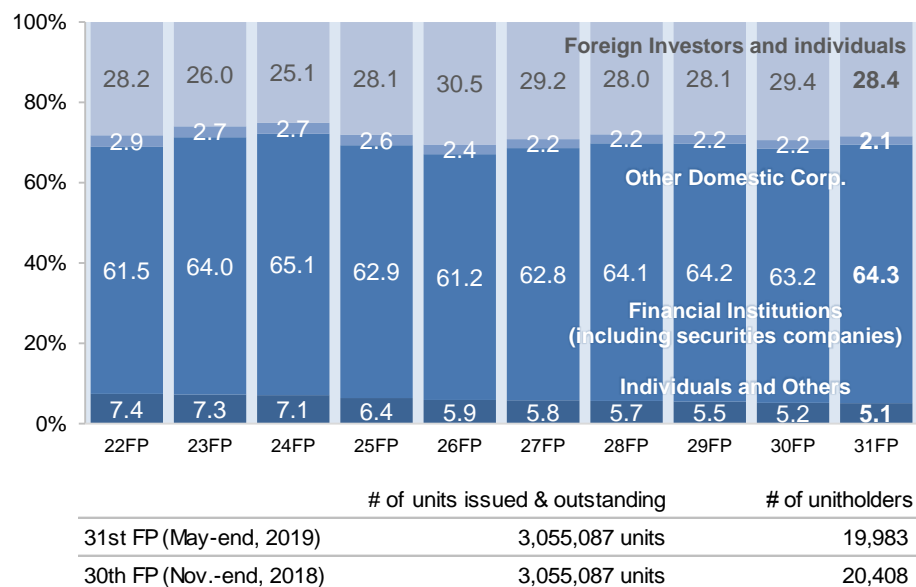
	Replacement of the asset held for a long term	Preceding land acquisition
Applicable conditions	In case that the new land or building is to be acquired during the fiscal period or within one year after the relevant fiscal period ends when the land or building held over 10 years is sold. (Properties acquired within one year before the disposition can be applicable to the system, if the acquisition is notified to a dedicated tax office.)	①The taxpayer 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 ②Gains 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 × Profit ratio*2 × 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 × 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>Whichever amount is the lower of A or B, can be retained and no corporate tax is levied in the relevant fiscal period.</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) (Actual)	¥ 1.1 Bn	Replacement of the asset hold for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 30% quasi co-ownership) Acquisition: Luz Musashikosugi (Land)

*This page is a summary of accounting system as of July 12, 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.

Overview of Unitholders and Unit Price

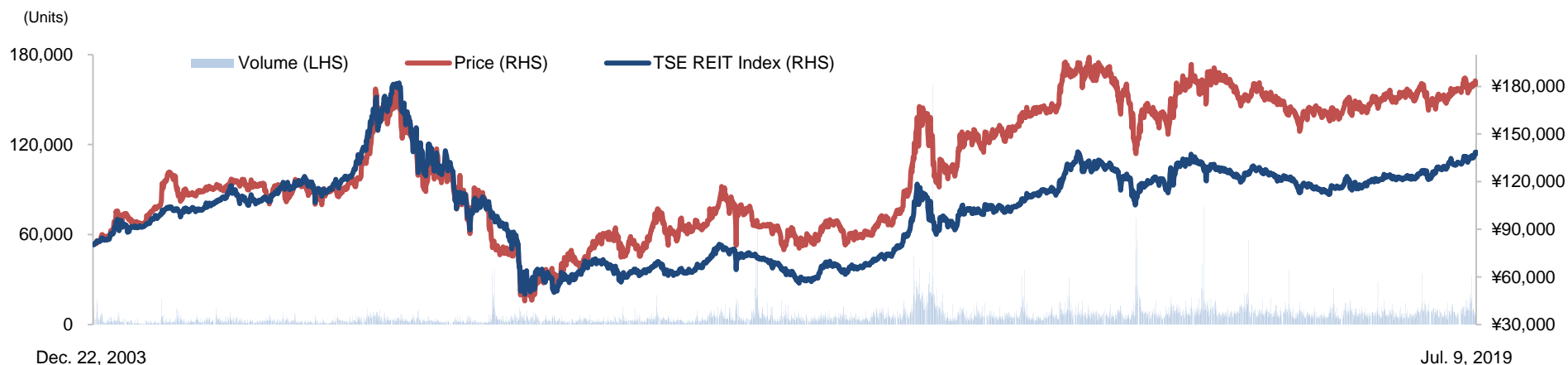
■ Trend of composition of unitholders



■ Major unitholders (as of May 31, 2019)

Rank	Unitholder	Number of units held	Percentage of unit held
1	Japan Trustee Services Bank, Ltd. (trust account)	653,189	21.4%
2	The Master Trust Bank of Japan, Ltd. (trust account)	483,406	15.8%
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	116,784	3.8%
4	STATE STREET BANK WEST CLIENT-TREATY 505234	108,833	3.6%
5	Trust & Custody Services Bank, Ltd. (securities investment trust account)	64,745	2.1%
6	SMBC Nikko Securities Inc.	54,204	1.8%
7	JP MORGAN CHASE BANK 385771	40,321	1.3%
8	STATE STREET BANK AND TRUST COMPANY 505103	38,999	1.3%
9	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	30,413	1.0%
10	NORTHERN TRUST CO. (AVFC) RE 10PCT TREATY ACCOUNT (LENDING)	29,860	1.0%
11	The Chugoku Bank, Ltd.	27,728	0.9%
12	Rakuten General Insurance Co., Ltd.	27,700	0.9%
13	Morgan Stanley MUFG Securities Co., Ltd.	27,228	0.9%
14	J.P. MORGAN SECURITIES PLC	26,325	0.9%
15	SIX SIS FOR SWISS INTERNATIONAL BANK	25,110	0.8%
Total		1,754,845	57.4%

■ Unit price and tracking volume



(Notes)

- Source: QUICK
- UUR's unit price and trading volume from Dec. 22, 2003 to Jul. 9, 2019.
- 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.
- TSE REIT Index are shown indexed based on the unit price as of Dec. 22, 2003.

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; • 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) • 33rd FP: from December 1, 2019 to May 31, 2020 (183 days)
The Merger	UUR merged with Nippon Commercial Investment Corporation (NCI) and became the surviving corporation on December 1, 2010 as the effective date.
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.
Retained earning	The addition to Internal reserve is often written as (amount of) Retained earnings.
Internal reserve	The collective amount of Reserve for temporary difference, Reserve retained for distribution and Reserve for reduction entry.
Reserve for temporary difference	It is considered as a part of the Internal reserve, consisting of reserve derived from Negative goodwill and reserve for appropriation of profit in the future.
Negative goodwill	The amount of extraordinary profit on the Merger. Reserve for temporary difference may be referred to as Negative goodwill.
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" regarding NCI properties acquired through the Merger; Differences of depreciation cost and gain (loss) on the property sale, etc. under accounting and taxation remain permanently.
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.
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(%)".

Terms	Definitions
NOI	Net Operating Income; the figure equal to the amount subtracting rental expenses (excluding depreciation and amortization) from rental revenues.
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.
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.
Occupancy rate	Calculated by "total leased floor space / total leasable floor space"
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.
ADR	Average Daily Rate; calculated by taking the average revenue earned from rooms and dividing it by the number of rooms sold.
RevPAR	Revenue Per Available Room; calculated by "Hotel sales from guest rooms per day / the number of marketable guest rooms".
The Division of units	The 6-for-1 unit split of UUR units, effective December 1, 2010.



United Urban Investment Corporation

Asset Management Company

Japan REIT Advisors Co., Ltd.

**Marubeni
Group**

Registration No. 336 by Kanto Local Bureau

Member of The Investment Trust Association, Japan

Finance Dept. TEL +81-3-5402-3680 FAX +81-3-5402-3199

Disclaimer

- The purpose of this material is to provide information, and not to solicit or canvass for investment in any particular product or to serve as a recommendation to buy or to sell. To purchase United Urban Investment Corporation investment units, please direct requests to any securities company. Final investment decisions are entirely the responsibility of the investors themselves
- This material is neither a disclosure document nor an investment report under the Act on Sales, etc of Financial Products, the Law Concerning Investment Trusts and Investment Corporations or the Security Listing Regulations of the Tokyo Stock Exchange
- Data, analyses, etc., in this material are based on performance in a specific period in the past, and are not guarantees of actual future investment results, changes, etc. In addition, the forward-looking statements contained in this material does not guarantee future performance. It should also be noted that with real estate investment trusts there is a risk that, owing to fluctuations in the prices and profitability of the real estate under management, the actual value may decline to a value below that of the principal sum invested
- No representations or warranties are made as to the accuracy or completeness of the information provided in this material, the content of which is subject to change or deletion without notice
- Neither United Urban Investment Corporation nor Japan REIT Advisors Co., Ltd. accept any responsibility of any kind for the consequences of investment activities carried out on the basis of this material
- Any reproduction or alternative use of the content of this material without prior permission is prohibited

Caveat

- Unless otherwise specifically indicated on this material, amounts have been rounded down to the units stated, and the ratios, the number of years, the magnifications and or have been rounded to the nearest one decimal place.
- Final investment decisions are entirely the responsibility of the investors themselves.