

For Translation Purposes Only

January 19, 2023

SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED November 30, 2022 (June 1, 2022 – November 30, 2022)

Name of issuer: United Urban Investment Corporation (United Urban)
 Listing: Tokyo Stock Exchange
 Securities code: 8960
 URL: <https://www.united-reit.co.jp/en/>
 Representative: Toshiaki Emon, Executive Officer
 Asset Management Company: Japan REIT Advisors Co., Ltd. (JRA)
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Scheduled date of filing of Securities Report: February 28, 2023
 Scheduled date for commencing dividend payments: February 15, 2023
 Supplementary Materials on Financial Results: Scheduled
 Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

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

1. Performance for the Fiscal Period Ended November 30, 2022 (June 1, 2022 – November 30, 2022)

(1) Business Results

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2022	24,433	1.0	10,627	0.7	9,666	0.4	9,666	0.4
Fiscal period ended May 31, 2022	24,184	6.0	10,553	27.8	9,628	31.4	9,628	31.4

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended November 30, 2022	3,103	2.7	1.4	39.6
Fiscal period ended May 31, 2022	3,087	2.7	1.4	39.8

(2) Distributions

	Cash Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended November 30, 2022	3,144	9,741	—	—	101.3	2.7
Fiscal period ended May 31, 2022	3,112	9,704	—	—	100.8	2.7

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

2. For the fiscal period ended May 31, 2022, because a reversal of reserve for temporary difference adjustments (¥77 million) was added to the net income, there was a difference between cash distribution per unit and net income per unit. For the fiscal period ended November 30, 2022, because a reversal of reserve for temporary difference adjustments (¥77 million) was added to the net income and the calculation of net income per unit is based on the average number of investment units during the period due to the acquisition and cancellation of own investment units in the fiscal period, there was a difference between cash distribution per unit and net income per unit.

(3) Financial Position

	Total Assets	Total Unitholders' Equity (Net Asset)	Equity Ratio	Net Asset per Unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended November 30, 2022	714,899	360,338	50.4	116,291
Fiscal period ended May 31, 2022	715,568	363,291	50.8	116,501

(4) Conditions of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2022	13,211	(7,403)	(10,005)	58,906
Fiscal period ended May 31, 2022	13,365	(3,434)	(3,396)	63,103

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

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Cash Distributions per Unit (excluding excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2023	24,613	0.7	10,307	(3.0)	9,307	(3.7)	9,306	(3.7)	3,154	—
Fiscal period ending November 30, 2023	24,677	0.3	10,379	0.7	9,313	0.1	9,312	0.1	3,164	—

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

Fiscal period ending May 31, 2023 ¥3,003 Fiscal period ending November 30, 2023 ¥3,005

Note: The resource for cash distributions for the fiscal period ending May 31, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥389 million) to the net income. And the resource for cash distributions for the fiscal period ending November 30, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥414 million) to the net income. Therefore, it differs from “net income” of each fiscal period.

*** Other**

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

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

(2) Total Number of Investment Units Issued and Outstanding

1. Total number of investment units issued at the end of the fiscal period (including treasury investment units)
2. Treasury investment units at the end of the fiscal period

As of November 30, 2022	3,098,591 units	As of May 31, 2022	3,118,337 units
As of November 30, 2022	0 units	As of May 31, 2022	0 units

Note: For the number of investment units used as the basis for the calculation of net income per unit, please refer to “Notes to Per Unit Information” on page 29.

(3) Rounding of Fractions of Amounts and Ratios

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

- This report (“Brief Report on the Closing of Accounts” (*Kessan-Tanshin*)) is not subject to audits by a certified public accountant or an audit corporation.
- Special Instruction
Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023) and the Fiscal Period Ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023)” on page 10.

DISCLAIMER

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts” (*Kessan-Tanshin*) for the fiscal period ended November 30, 2022. This translation is provided for information purpose only and is not intended to constitute a statutory document for an offer to sell, or seeking an offer to buy, any securities of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation; the Japanese versions of the *Kessan-Tanshin* should always be referred to as the originals of this document.

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1. Management Status

Management Status

1. Overview during the period

a. Investment environment and operation

(i) Investment environment

The Japanese economy in this period saw another wave of COVID-19 infections from July to September 2022. However, owing to the nationwide roll-out of the COVID-19 vaccination, there were no movement restrictions issued and a recovery momentum in consumer spending has remained since the last period. Also, investments which companies have put off during the pandemic are being resumed and capital expenditures continue to increase with the improvement of supply chains where disruptions have lingered. Consequently, the Japanese economy has been gradually regaining strength. On the other hand, the tight monetary policy continues to be maintained in certain major countries of Europe and in the U.S., and thus the depreciation trend of the yen persists. Moreover, impacts of globally prolonged price surge in energy and raw materials due to the deteriorating Ukraine situation and others have now emerged. Therefore, vigilance is still needed.

In the real estate investment market, an investment appetite of both domestic and foreign investors remains strong. While central banks in certain major countries of Europe and in the U.S. continue to adopt the fiscal tightening, the Bank of Japan maintains its easing policy. Real estate transactions of certain asset types (type of use, industries/business segments) including hotels, which had been experiencing a severe business environment due to COVID-19, have started to be reported.

Similar to the last period, the real estate leasing market remained strong across almost asset types in this period.

In retail facilities, a recovery of consumer spending has been confirmed thanks to the further increase in flow of people compared to the last period, although prices are in an upward trend.

For hotels, guest room occupancy ratios are gaining momentum with the help of tourism boosting measures initiated by the Japanese government and local governments as well as relaxations of entry restrictions for foreign travelers.

Office vacancy rates remain flat, although poor business performance and reviewing of workplace strategies lingers in some companies. A rather weakening trend of office rents has been monitored in the business districts in Tokyo and Osaka.

Residential demand remains robust and the occupancy ratios and rents have been kept stable across the country.

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

(ii) New acquisition and sale of property

During the period, United Urban acquired the following three properties.

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
A44	Gulliver Hachioji Minamino	Store	Hachioji, Tokyo	1,500	June 30, 2022
E21	KIC Sayama Hidaka Distribution Center	Warehouse	Hidaka, Saitama	4,450	
D35	Amour Yokohama	Apartment	Yokohama, Kanagawa	1,570	October 31, 2022
Total				7,520	

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

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

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

(iii) Portfolio overview

As a result of the acquisition and sale of properties mentioned above (ii), United Urban held a total of 137 properties, comprising 36 retail properties, 34 office buildings, 1 retail-office complex, 20 hotels, 2 office-hotel complexes, 25 residential properties and 19 others, with an aggregate acquisition price of ¥682,279 million at the end of the 38th fiscal period (as of November 30, 2022). In addition, the total leasable floor space was 1,574,218.12 sq. m. and the total numbers of tenants were 2,850.

United Urban has continued to focus on maintaining occupancy ratios during the period. Thereby, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 98.5% and 98.9%, and stood at 98.9% at the end of the 38th fiscal period (as of November 30, 2022).

(iv) Sustainability initiatives

United Urban and JRA support the Sustainable Development Goals (SDGs), and aim to realize a sustainable, diverse, and inclusive society through our efforts to solve environmental, social, and economic problems and create new value (“Sustainability Activities”).

As initiatives for climate change, United Urban and JRA have set a medium-term target for the environment certification coverage rate for the portfolio of United Urban and greenhouse gas (GHG) emission at our office portfolio, respectively, as follows:

Environment certification coverage rate: 80% (based on gross floor area, excluding land) by 2024 (for your reference, 73.1% as of November 2022)

GHG emission at office portfolio: 40% reduction on an intensity (based on gross floor area) by 2030 compared with the 2014 level (for your reference, 29.4% reduction as of December 2021)

As a result of the Sustainability Activities, in the 2021 survey of the GRESB Real Estate Assessment which is an international benchmark for measuring ESG integration of real estate companies and funds, United Urban received a “4 Stars” in the five-level GRESB Rating (the second-highest level). Moreover, in the results of GRESB Public Disclosure Level Assessment, United Urban received the highest “A” level.

JRA expressed our support for the TCFD (Task Force on Climate-related Financial Disclosures) Recommendations in January 2022. The cross-organizational team of members representing various departments of JRA conducted scenario analysis of climate risks and opportunities for United Urban’s portfolio in accordance with the TCFD’s recommendations and disclosed the result of the analysis on our sustainability website (<https://uur-jra-sustainability.com/en/sustainability/>).

b. Financing overview

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

The status of interest-bearing liabilities at the end of the previous period and the end of the 38th fiscal period are as follows.

(Millions of yen)				
		Balance at the end of the 37th Fiscal Period (As of May 31, 2022)	Balance at the end of the 38th Fiscal Period (As of November 30, 2022)	Changes
	Short-term borrowings	-	-	-
	Long-term borrowings (borrowings due for repayment within one year)	274,203 (32,900)	276,903 (41,000)	+2,700 (+8,100)

Total of borrowings	274,203	276,903	+2,700
Corporate bonds (corporate bonds that is to become due for maturity within one year)	36,500 (2,000)	36,500 (12,000)	- (+10,000)
Total of interest-bearing liabilities	310,703	313,403	+2,700

Moreover, the details of ratings of United Urban as of December 31, 2022 are as follows.

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

c. Overview of financial results and distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥24,433 million (up by 1.0% from the previous period), profit from rental activities of ¥12,516 million (up by 4.6% from the previous period), operating income of ¥10,627 million (up by 0.7% from the previous period), ordinary income of ¥9,666 million (up by 0.4% from the previous period), and net income of ¥9,666 million (up by 0.4% from the previous period).

In addition, taking into consideration the level of unit price, the status of cash on hand, the financial condition, the market conditions and others, United Urban acquired own investment units through the market purchases on the Tokyo Stock Exchange based on the discretionary transaction contract with a securities company and cancelled all of the acquired units. The number of investment units which United Urban acquired and cancelled during the fiscal period was 19,746 units (0.63% of the total number of investment units issued and outstanding before the acquisition and cancellation), and total acquisition value was ¥2,999 million.

During the period under the review, United Urban added ¥77 million, which is a reversal of the reserve for temporary difference adjustments in accordance with “Ordinance on Accountings of Investment Corporations” and “Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” stipulated by the Investment Trusts Association, Japan to ¥9,666 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥9,741 million, and cash distribution per unit was ¥3,144.

In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended) is satisfied during the fiscal period, and the corporate tax is not imposed.

2. Outlook for the next fiscal period

a. Outlook for overall operation

Uncertainties are assumed to remain in the political and economic situations in Japan. However, good prospects for a containment of COVID-19 as well as effects of a series of government stimulus package have started to be seen and it is forecast that healthy conditions monitored in the last period will continue both in investment and leasing markets.

United Urban’s portfolio is almost fully diversified. Asset types which had been continuously affected by the behavior restrictions by COVID-19 have now witnessed a solid recovery. United Urban believes that it is important to assure an overall stability of the portfolio performance with initiatives for a sound real estate management by adapting to changes in society.

Based on these understanding of the business environment, United Urban keeps watching the future trend of the real estate investment market, takes a proactive approach towards a wide variety of real estate investment opportunities, and continues selective investment through diverse methods as well as asset replacement which are effective for a further quality portfolio. For existing properties, United Urban continuously focuses on a stable management by keeping or raising occupancy ratios, renewing terms and conditions with an aim to increase rents and profitability and stability of the portfolio, reducing business costs and others. Furthermore, United Urban strives to stabilize cash distribution by utilizing retained earnings.

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

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

(Environment, Society, and Governance) and SDGs (Sustainable Development Goals).

b. Outlook for management status

(i) Material facts arising after the end of 38th fiscal period and other material events

Not applicable. In addition, the reference information is as follows:

A. New borrowing for repayment

United Urban procured debt financing on December 20, 2022 for the repayment of the existing borrowings (total: ¥3,400 million) upon their maturity on December 20, 2022, as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 64C	Sumitomo Mitsui Trust Bank, Limited	3,400	0.85000%	December 20, 2022	December 20, 2030	Unsecured Unguaranteed

B. Acquisition of property and debt financing

1) United Urban acquired the following two properties.

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
D36	GRAND-ROUGE Joto	Apartment	Osaka, Osaka	1,755	December 22, 2022
E22	Sapporo Yonesato Logistics Center	Warehouse	Sapporo, Hokkaido	1,177	
Total				2,932	

2) United Urban procured debt financing to support the payment for acquiring GRAND-ROUGE Joto (Term Loan 65C and 66C) and Sapporo Yonesato Logistics Center (Term Loan 67C) mentioned above 1), as set forth below.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 65C	Mizuho Bank, Ltd.	1,000	0.85771%	December 22, 2022	December 20, 2029	Unsecured Unguaranteed
Term Loan 66C	The Joyo Bank, Ltd.	900	0.88962%		December 20, 2027	
Term Loan 67C	Shinsei Bank, Limited (Note)	1,300	Basic Interest Rate (JBA 3 month JPY TIBOR) + 0.20%			
Total		3,200				

Note: The corporate name was changed from Shinsei Bank, Limited to SBI Shinsei Bank, Limited on January 4, 2023.

C. Debt financing (Miyanomori Nijo Development Project)

1) United Urban entered into the loan agreement to support the payment for building construction costs concerning the development project of a housing for the elderly, "Miyanomori Nijo Development Project" and part of costs incidental to this project, as set forth below.

Outline of the loan agreement (Term Loan 68C)

Lender	Sumitomo Mitsui Trust Bank, Limited
Date of agreement	December 20, 2022
Maximum amount of borrowing	¥1,000 million (Note)
Drawdown date	The date specified by United Urban between December 23, 2022 and November 30, 2023 (Note)
Interest rate	Basic Interest Rate (JBA 1 month JPY TIBOR) + 0.12%
Principal repayment date	December 20, 2023
Collateral	Unsecured, Unguaranteed

Note: The borrowing can be separately executed twice at maximum with any amount on specified dates.

2) United Urban procured debt financing based on the loan agreement mentioned above 1) on January 6, 2023, as set forth below.

Title	Amount of Borrowing (Millions of yen)	Drawdown Date	Repayment Date
Term Loan 68C (First drawdown)	330	January 6, 2023	December 20, 2023

D. New committed line of credit agreement

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

Outline of the new committed line of credit agreement

Participating financial institutions	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited
Maximum loan amount	¥12,000 million
Date of agreement	December 27, 2022
Term of agreement	From December 28, 2022 to December 27, 2023
Remarks	Unsecured, Unguaranteed

(ii) Outlook for management status

For the fiscal period ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023) and the fiscal period ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023) and the Fiscal Period Ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023)” below.

Fiscal Period Ending May 31, 2023

Operating revenues:	¥24,613 million	Cash distributions per unit (Note 1):	¥3,154
Operating income:	¥10,307 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥9,307 million		
Net income (Note 1):	¥9,306 million		

Fiscal Period Ending November 30, 2023

Operating revenues:	¥24,677 million	Cash distributions per unit (Note 1):	¥3,164
Operating income:	¥10,379 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥9,313 million		
Net income (Note 1):	¥9,312 million		

- Notes: 1. The resource for cash distributions for the fiscal period ending May 31, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥389 million) to the net income. And the resource for cash distributions for the fiscal period ending November 30, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥414 million) to the net income. Therefore, it differs from “net income” of each fiscal period. In addition, cash distributions per unit is based on the total number of investment units issued and outstanding of 3,098,591 units as of the date hereof, and it is based on the assumption that there will be no additional issuance of investment units until November 30, 2023.
2. The above-listed forward-looking statements are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2023
(39th fiscal period: from December 1, 2022 to May 31, 2023) and the Fiscal Period Ending November 30, 2023
(40th fiscal period: from June 1, 2023 to November 30, 2023)

Item	Assumptions																		
Terms	<ul style="list-style-type: none">• Fiscal period ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023) (182 days)• Fiscal period ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023) (183 days)																		
Investment Assets	<ul style="list-style-type: none">• The forecasts of financial results are based on a portfolio of 139 properties (Note) owned by United Urban as of the date hereof. Note: Of the 139 properties, a housing for the elderly is under construction on the site of “Miyanomori Nijo Development Site” as of the date hereof. The forecasts are based on the assumption that the building will be completed and delivered to United Urban on May 31, 2023, and the property will be started to operate. For detail, please refer to the press release “Notice Concerning Acquisition and Agreements Concerning Development Project (Miyanomori Nijo Development Project)” dated July 15, 2021.• The forecasts are also based on the assumption that there will be no change of properties (acquisition of new property or sale of existing property, etc.) until November 30, 2023 (the end of the 40th fiscal period). However, the forecasts may be changed by the change of properties in actually.																		
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none">• The forecasts are based on 3,098,591 units issued and outstanding as of the date hereof.• The forecasts are also based on the assumption that there will be no additional issuance of investment units until November 30, 2023 (the end of the 40th fiscal period).																		
Operating Revenues	<ul style="list-style-type: none">• Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of the date hereof by taking into account a certain effect of tenants’ move-in and departures for the expected rent and estimated occupancy ratio in the future, while taking into consideration the existence of neighboring competitive properties, market trends, status of negotiation for the lease terms with each tenant, and other conditions.• Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below. <table><tr><th>Major Item</th><th>Fiscal period ending May 31, 2023</th><th>Fiscal period ending November 30, 2023</th></tr><tr><td>Rental revenues (including common area charges)</td><td>¥ 21,643 million</td><td>¥ 21,750 million</td></tr><tr><td>Parking revenues</td><td>¥ 761 million</td><td>¥ 763 million</td></tr><tr><td>Utility revenues (electricity, water, gas, etc.) from tenants</td><td>¥ 1,657 million</td><td>¥ 1,847 million</td></tr></table> <ul style="list-style-type: none">• The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants.	Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023	Rental revenues (including common area charges)	¥ 21,643 million	¥ 21,750 million	Parking revenues	¥ 761 million	¥ 763 million	Utility revenues (electricity, water, gas, etc.) from tenants	¥ 1,657 million	¥ 1,847 million						
Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023																	
Rental revenues (including common area charges)	¥ 21,643 million	¥ 21,750 million																	
Parking revenues	¥ 761 million	¥ 763 million																	
Utility revenues (electricity, water, gas, etc.) from tenants	¥ 1,657 million	¥ 1,847 million																	
Operating Expenses	<ul style="list-style-type: none">• Of the property-related expenses, which are the principal component of the operating expenses, expenses other than depreciation and amortization are calculated based on historical data for the properties and reflect factors that may cause fluctuations in expenses.• United Urban anticipates each major item of the property-related expenses as set forth below. <table><tr><th>Major Item</th><th>Fiscal period ending May 31, 2023</th><th>Fiscal period ending November 30, 2023</th></tr><tr><td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td><td>¥ 2,110 million</td><td>¥ 2,145 million</td></tr><tr><td>Property management fees</td><td>¥ 1,803 million</td><td>¥ 1,889 million</td></tr><tr><td>Utilities</td><td>¥ 2,147 million</td><td>¥ 2,419 million</td></tr><tr><td>Repairs and maintenance (Note 2)</td><td>¥ 1,266 million</td><td>¥ 892 million</td></tr><tr><td>Depreciation and amortization (Note 3)</td><td>¥ 4,069 million</td><td>¥ 4,062 million</td></tr></table> <p>Notes: 1. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period starting from the time United Urban acquires the assets. However, United Urban does not allocate such reimbursement as its expenses, because an amount equivalent to such reimbursement is included in the cost of acquisition and is capitalized. Therefore, the property taxes and city planning taxes for the following seven properties acquired in 2022 (*) will be imposed up from the fiscal period ending November 30, 2023. It is expected that the estimated full amount of those taxes will be ¥35 million.</p>	Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023	Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥ 2,110 million	¥ 2,145 million	Property management fees	¥ 1,803 million	¥ 1,889 million	Utilities	¥ 2,147 million	¥ 2,419 million	Repairs and maintenance (Note 2)	¥ 1,266 million	¥ 892 million	Depreciation and amortization (Note 3)	¥ 4,069 million	¥ 4,062 million
Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023																	
Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥ 2,110 million	¥ 2,145 million																	
Property management fees	¥ 1,803 million	¥ 1,889 million																	
Utilities	¥ 2,147 million	¥ 2,419 million																	
Repairs and maintenance (Note 2)	¥ 1,266 million	¥ 892 million																	
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	<table><tr><th>Acquisition Date</th><th>Property Name</th></tr><tr><td>March 30, 2022</td><td>Hotel JAL City Naha (additional acquisition of the site)</td></tr><tr><td>March 31, 2022</td><td>IIDABASHI PLANO (*)</td></tr><tr><td>May 12, 2022</td><td>IIDABASHI PLANO (additional acquisition) (*)</td></tr><tr><td>June 30, 2022</td><td>Gulliver Hachioji Minamino</td></tr><tr><td>October 31, 2022</td><td>KIC Sayama Hidaka Distribution Center</td></tr><tr><td>December 22, 2022</td><td>Amour Yokohama</td></tr><tr><td></td><td>GRAND-ROUGE Joto</td></tr><tr><td></td><td>Sapporo Yonesato Logistics Center</td></tr></table> <p>(*) Although IIDABASHI PLANO was acquired in two times, it is counted as one property.</p> <div><div>2.</div><div>Actual repairs and maintenance for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damage to buildings owing to unexpected factors, the large variance in amounts among fiscal years and the fact that these amounts do not accrue on a regular basis.</div></div> <div><div>3.</div><div>Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures (including undetermined expenditures as of this moment).</div></div> <div><div>•</div><div>Other operating expenses, such as asset management fees are calculated based on the track record with consideration of factors that may cause fluctuations in expenses.</div></div>	Acquisition Date	Property Name	March 30, 2022	Hotel JAL City Naha (additional acquisition of the site)	March 31, 2022	IIDABASHI PLANO (*)	May 12, 2022	IIDABASHI PLANO (additional acquisition) (*)	June 30, 2022	Gulliver Hachioji Minamino	October 31, 2022	KIC Sayama Hidaka Distribution Center	December 22, 2022	Amour Yokohama		GRAND-ROUGE Joto		Sapporo Yonesato Logistics Center													
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	GRAND-ROUGE Joto																															
	Sapporo Yonesato Logistics Center																															
Non-Operating Expenses	<div><div>•</div><div>United Urban anticipates the non-operating expenses per major item, as set forth below.</div></div> <table><tr><th>Major Item</th><th>Fiscal period ending May 31, 2023</th><th>Fiscal period ending November 30, 2023</th></tr><tr><td>Interest expenses for interest-bearing liabilities (Note)</td><td>¥ 983 million</td><td>¥ 1,047 million</td></tr></table> <p>Note: Including financing-related expenses and interest expenses on corporate bonds, etc.</p>	Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023	Interest expenses for interest-bearing liabilities (Note)	¥ 983 million	¥ 1,047 million																									
Major Item	Fiscal period ending May 31, 2023	Fiscal period ending November 30, 2023																														
Interest expenses for interest-bearing liabilities (Note)	¥ 983 million	¥ 1,047 million																														
Interest-bearing Liabilities	<div><div>•</div><div>The total balance of interest-bearing liabilities as of the date hereof is ¥316,933 million, of which ¥280,433 million are borrowings and ¥36,500 million are corporate bonds.</div></div> <div><div>•</div><div>The interest-bearing liabilities maturing during the fiscal period ending May 31, 2023 and the plan for repayment, etc. are as set forth below.</div></div> <table><tr><th>Maturity Date</th><th>Overview of Interest-bearing Liabilities</th><th>Scheduled Plan for Repayment</th></tr><tr><td rowspan="6">March 20, 2023</td><td>Borrowing: ¥6,500 million</td><td rowspan="6">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td></tr><tr><td>Borrowing: ¥3,500 million</td></tr><tr><td>Borrowing: ¥1,500 million</td></tr><tr><td>Borrowing: ¥2,000 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥2,000 million</td></tr><tr><td>May 22, 2023</td><td>Corporate bonds: ¥2,000 million</td><td>United Urban will issue new corporate bonds to redeem in full.</td></tr></table> <div><div>•</div><div>The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2023 is to be ¥316,933 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div></div> <div><div>•</div><div>The interest-bearing liabilities maturing during the fiscal period ending November 30, 2023 and the plan for repayment, etc. are as set forth below.</div></div> <table><tr><th>Maturity Date</th><th>Overview of Interest-bearing Liabilities</th><th>Scheduled Plan for Repayment</th></tr><tr><td rowspan="3">June 20, 2023</td><td>Borrowing: ¥1,000 million</td><td rowspan="6">United Urban will newly obtain borrowing(s) from lender(s) to repay the amount in full.</td></tr><tr><td>Borrowing: ¥1,500 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td rowspan="3">September 20, 2023</td><td>Borrowing: ¥1,300 million</td></tr><tr><td>Borrowing: ¥1,300 million</td></tr><tr><td>Borrowing: ¥4,000 million</td></tr><tr><td>September 29, 2023</td><td>Borrowing: ¥10,000 million</td><td rowspan="2"></td></tr><tr><td>November 22, 2023</td><td>Corporate bonds: ¥10,000 million</td></tr></table> <div><div>•</div><div>The forecasts are based on the assumption that United Urban procures debt financing of ¥670 million from a financial institution on June 7, 2023 for the final payment of the building construction costs of “Miyanomori Nijo Development Project”.</div></div> <div><div>•</div><div>The forecasts are based on the assumption that the total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2023 is to be ¥317,603 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div></div>	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	March 20, 2023	Borrowing: ¥6,500 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥3,500 million	Borrowing: ¥1,500 million	Borrowing: ¥2,000 million	Borrowing: ¥1,000 million	Borrowing: ¥2,000 million	May 22, 2023	Corporate bonds: ¥2,000 million	United Urban will issue new corporate bonds to redeem in full.	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	June 20, 2023	Borrowing: ¥1,000 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the amount in full.	Borrowing: ¥1,500 million	Borrowing: ¥1,000 million	September 20, 2023	Borrowing: ¥1,300 million	Borrowing: ¥1,300 million	Borrowing: ¥4,000 million	September 29, 2023	Borrowing: ¥10,000 million		November 22, 2023	Corporate bonds: ¥10,000 million
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September 29, 2023	Borrowing: ¥10,000 million																															
November 22, 2023	Corporate bonds: ¥10,000 million																															
Cash Distributions per Unit	<div><div>•</div><div>Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban.</div></div>																															

	<ul style="list-style-type: none"> • The total number of investment units issued and outstanding as of the end of the fiscal period which are used to calculate the cash distribution per unit are based on the assumption given in the “Total Number of Investment Units Issued and Outstanding” column above. • Cash distributions for the fiscal period ending May 31, 2023 are based on the total distribution amount of ¥9,772 million, which is the result adding a reversal of reserve for temporary difference adjustments of ¥77 million and a reversal of reserve retained for distribution of ¥389 million to the unappropriated retained earnings of ¥9,306 million. • Cash distributions for the fiscal period ending November 30, 2023 are based on the total distribution amount of ¥9,803 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥77 million and a reversal of reserve retained for distribution of ¥414 million to the unappropriated retained earnings of ¥9,312 million. • Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> • United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit).
Other	<ul style="list-style-type: none"> • Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan, which may affect the aforementioned forecasted figures. • Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions.

2. Financial Statement

(1) Balance Sheet

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
ASSETS		
Current Assets		
Cash and bank deposit	36,678,143	31,999,503
Cash and bank deposit in trust	26,425,744	26,906,951
Rent receivables	531,394	593,593
Prepaid expenses	824,495	225,822
Other	40,221	39,670
Allowance for doubtful accounts	(16,990)	(11,626)
Total Current Assets	64,483,009	59,753,914
Fixed Assets		
Property and equipment, at cost		
Buildings	*1 25,918,456	*1 25,549,412
Less accumulated depreciation	(8,691,643)	(8,738,156)
Buildings, net	17,226,812	16,811,256
Structures	*1 212,775	*1 205,901
Less accumulated depreciation	(150,919)	(134,099)
Structures, net	61,855	71,801
Machinery and equipment	361,615	386,066
Less accumulated depreciation	(259,744)	(267,977)
Machinery and equipment, net	101,870	118,089
Tools, furniture and fixtures	106,510	115,310
Less accumulated depreciation	(63,221)	(68,476)
Tools, furniture and fixtures, net	43,288	46,833
Land	*1 64,472,432	*1 65,754,857
Construction in progress	157,936	153,737
Buildings in trust	*3 248,575,849	*3 251,011,679
Less accumulated depreciation	(72,115,741)	(75,502,981)
Buildings in trust, net	176,460,107	175,508,697
Structures in trust	2,426,762	2,506,179
Less accumulated depreciation	(1,173,159)	(1,223,303)
Structures in trust, net	1,253,602	1,282,875
Machinery and equipment in trust	2,926,914	2,995,023
Less accumulated depreciation	(1,801,337)	(1,884,761)
Machinery and equipment in trust, net	1,125,576	1,110,261
Tools, furniture and fixtures in trust	1,816,831	1,887,715
Less accumulated depreciation	(965,798)	(1,067,862)
Tools, furniture and fixtures in trust, net	851,033	819,853
Land in trust	377,585,014	381,677,795
Construction in progress in trust	78,174	163,774
Total property and equipment	639,417,706	643,519,834
Intangible assets		
Software	4,267	3,545
Leasehold rights	1,149,355	1,149,355
Leasehold rights in trust	8,171,352	8,171,352
Other intangible assets in trust	118,006	111,395
Total intangible assets	9,442,981	9,435,648
Investments and other assets		
Security deposits paid	10,000	10,000
Security deposits paid in trust	38,372	38,372
Long-term prepaid expenses	2,085,707	1,948,993
Long-term deposits	6,389	29,232
Derivatives	12,810	98,041
Total investments and other assets	2,153,279	2,124,640
Total Fixed Assets	651,013,967	655,080,124
Deferred Assets		
Corporate bond issuance expenses	71,806	65,449

Total Deferred Assets	71,806	65,449
TOTAL ASSETS	715,568,783	714,899,488

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
LIABILITIES		
Current Liabilities		
Trade accounts payable	2,586,838	2,669,295
Current portion of corporate bonds	2,000,000	12,000,000
Long-term debt due for repayment within one year	32,900,000	41,000,000
Accrued expenses	850,663	852,291
Distributions payable	15,101	15,572
Income taxes payable	588	588
Consumption taxes payable	708,932	386,327
Rent received in advance	408,373	407,517
Rent received in advance in trust	3,357,512	3,279,264
Deposits received	937	1,605
Deposits received in trust	275,121	313,210
Other	8,543	-
Total Current Liabilities	43,112,611	60,925,672
Long-term Liabilities		
Corporate bonds	34,500,000	24,500,000
Long-term debt	241,303,000	235,903,000
Leasehold and security deposits received	*1 3,410,515	*1 3,477,636
Leasehold and security deposits received in trust	29,951,354	29,754,556
Total Long-term Liabilities	309,164,870	293,635,193
Total Liabilities	352,277,481	354,560,866
NET ASSETS		
Unitholders' Equity		
Unitholders' capital	319,973,305	319,973,305
Surplus		
Capital surplus	23,548,287	23,548,287
Deduction from capital surplus	-	*4 (2,999,918)
Capital surplus net	23,548,287	20,548,369
Voluntary retained earnings		
Reserve for temporary difference adjustments	*5 6,985,521	*5 6,907,995
Reserve retained for distribution	3,143,148	3,144,636
Total voluntary retained earnings	10,128,669	10,052,632
Unappropriated retained earnings (unappropriated deficit)	9,628,227	9,666,272
Total surplus	43,305,184	40,267,274
Total Unitholders' Equity	363,278,490	360,240,579
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	12,810	98,041
Total Valuation and Translation Adjustment	12,810	98,041
Total Net Assets	*6 363,291,301	*6 360,338,621
TOTAL LIABILITIES and NET ASSETS	715,568,783	714,899,488

(2) Statement of Income and Retained Earnings

	(Thousands of yen)			
	37th Fiscal Period (December 1, 2021 - May 31, 2022)		38th Fiscal Period (June 1, 2022 - November 30, 2022)	
Operating Revenues				
Rental revenues	*1	21,524,555	*1	22,033,852
Other rental revenues	*1	1,687,967	*1	1,950,483
Gain on sales of real estate properties	*2	971,598	*2	449,540
Total Operating Revenues		24,184,121		24,433,876
Operating Expenses				
Property-related expenses	*1	11,244,867	*1	11,467,621
Impairment Losses	*3	68,000		-
Asset management fees		2,004,788		2,017,025
Asset custodian fees		18,775		18,936
Administrative service fees		68,383		68,755
Directors' compensation		10,200		10,200
Other operating expenses		215,506		224,262
Total Operating Expenses		13,630,522		13,806,801
Operating Income		10,553,599		10,627,074
Non-operating Revenues				
Interest income		107		110
Reversal of cash distributions payable		1,293		1,595
Insurance income		4,853		32,829
Subsidy income		20,900		-
Interest on refund		198		9
Other		1,017		4,025
Total Non-operating Revenues		28,370		38,570
Non-operating Expenses				
Interest expenses		871,335		892,260
Interest expenses on corporate bonds		66,537		66,142
Amortization of corporate bond issuance expenses		6,322		6,357
Loss on disposal of real estate		4,972		12,214
Other		3,969		21,792
Total Non-operating Expenses		953,137		998,767
Ordinary Income		9,628,832		9,666,877
Income before Income Taxes		9,628,832		9,666,877
Income Taxes - current		605		605
Total Income Taxes		605		605
Net Income		9,628,227		9,666,272
Retained Earnings Brought Forward		-		-
Unappropriated Retained Earnings (unappropriated deficit)		9,628,227		9,666,272

(3) Statements of Unitholders' Equity

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

(Thousands of yen)

	Unitholders' Equity				
	Unitholders' Capital	Surplus			
		Voluntary Retained Earnings			
		Capital Surplus	Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Total Voluntary Retained Earnings
Balance at the beginning of current period	319,973,305	23,548,287	7,063,047	5,406,175	12,469,222
Changes of items during the period					
Reversal of reserve for temporary difference adjustments			(77,525)		(77,525)
Reversal of reserve retained for distribution				(2,263,027)	(2,263,027)
Cash distribution disbursed					-
Net income					-
Net changes during the period except for items under unitholders' equity					-
Total changes of items during the period	-	-	(77,525)	(2,263,027)	(2,340,553)
Balance at the end of current period	* 319,973,305	23,548,287	6,985,521	3,143,148	10,128,669

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	7,326,291	43,343,801	363,317,106	(60,076)	(60,076)	363,257,030
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	77,525	-	-		-	-
Reversal of reserve retained for distribution	2,263,027	-	-		-	-
Cash distribution disbursed	(9,666,844)	(9,666,844)	(9,666,844)		-	(9,666,844)
Net income	9,628,227	9,628,227	9,628,227		-	9,628,227
Net changes during the period except for items under unitholders' equity		-	-	72,887	72,887	72,887
Total changes of items during the period	2,301,936	(38,616)	(38,616)	72,887	72,887	34,270
Balance at the end of current period	9,628,227	43,305,184	363,278,490	12,810	12,810	363,291,301

38th Fiscal Period (From June 1, 2022 to November 30, 2022)

(Thousands of yen)

	Unitholders' Equity						
	Unitholders' Capital	Surplus					
		Capital Surplus	Deduction from Capital Surplus	Capital Surplus Net	Voluntary Retained Earnings		
					Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Total Voluntary Retained Earnings
Balance at the beginning of current period	319,973,305	23,548,287	-	23,548,287	6,985,521	3,143,148	10,128,669
Changes of items during the period							
Reversal of reserve for temporary difference adjustments				-	(77,525)		(77,525)
Provision of reserve retained for distribution				-		1,488	1,488
Cash distribution disbursed				-			-
Net income				-			-
Acquisition of own investment units				-			-
Cancellation of own investment units			(2,999,918)	(2,999,918)			-
Net changes during the period except for items under unitholders' equity				-			-
Total changes of items during the period	-	-	(2,999,918)	(2,999,918)	(77,525)	1,488	(76,036)
Balance at the end of current period	* 319,973,305	23,548,287	(2,999,918)	20,548,369	6,907,995	3,144,636	10,052,632

	Unitholders' Equity				Valuation and Translation Adjustment		Total Net Assets
	Surplus		Own Investment Units	Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus					
Balance at the beginning of current period	9,628,227	43,305,184	-	363,278,490	12,810	12,810	363,291,301
Changes of items during the period							
Reversal of reserve for temporary difference adjustments	77,525	-		-		-	-
Provision of reserve retained for distribution	(1,488)	-		-		-	-
Cash distribution disbursed	(9,704,264)	(9,704,264)		(9,704,264)		-	(9,704,264)
Net income	9,666,272	9,666,272		9,666,272		-	9,666,272
Acquisition of own investment units		-	(2,999,918)	(2,999,918)		-	(2,999,918)
Cancellation of own investment units		(2,999,918)	2,999,918	-		-	-
Net changes during the period except for items under unitholders' equity		-		-	85,230	85,230	85,230
Total changes of items during the period	38,044	(3,037,910)	-	(3,037,910)	85,230	85,230	(2,952,679)
Balance at the end of current period	9,666,272	40,267,274	-	360,240,579	98,041	98,041	360,338,621

(4) Statements of Cash Distribution

	37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
I. Unappropriated retained earnings	¥ 9,628,227,903	¥ 9,666,272,710
II. Reversal of voluntary retained earnings Reversal of reserve for temporary difference adjustments	* ¥ 77,525,695	* ¥ 77,525,695
III. Cash distributions (Cash distribution per unit)	¥ 9,704,264,744 (¥3,112)	¥ 9,741,970,104 (¥3,144)
IV. Voluntary retained earnings Provision of reserve retained for distribution	¥ 1,488,854	¥ 1,828,301
V. Retained earnings carried forward to the next period	-	-

Calculation method for cash distribution	<p>Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings.</p> <p>Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525,695 to the unappropriated retained earnings of ¥9,628,227,903, and reserved ¥1,488,854, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥9,704,264,744.</p> <p>United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.</p>	<p>Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings.</p> <p>Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525,695 to the unappropriated retained earnings of ¥9,666,272,710, and reserved ¥1,828,301, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥9,741,970,104.</p> <p>United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.</p>
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(5) Statements of Cash Flows

	(Thousands of yen)	
	37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Cash flows from operating activities		
Income before income taxes	9,628,832	9,666,877
Depreciation and amortization	4,102,092	4,068,836
Impairment losses	68,000	-
Gain on sales of real estate properties	(971,598)	(449,540)
Increase (decrease) in allowance for doubtful accounts	(5,364)	(5,364)
Interest income and interest on securities	(107)	(110)
Interest expense and interest expense on corporate bonds	937,872	958,403
Amortization of corporate bond issuance expenses	6,322	6,357
Loss on disposal of real estate	4,972	12,214
Decrease (increase) in rent receivables	17,273	(62,198)
Decrease (increase) in prepaid expenses	(613,182)	605,733
Decrease (increase) in long-term prepaid expenses	(185,633)	32,845
Increase (decrease) in trade accounts payable	28,013	(275,072)
Increase (decrease) in accrued expenses	528,446	(3,186)
Increase (decrease) in consumption taxes payable	659,097	(322,604)
Increase (decrease) in rent received in advance	6,478	(855)
Increase (decrease) in rent received in advance in trust	275,125	(78,248)
Increase (decrease) in deposits received	(41)	668
Increase (decrease) in deposits received in trust	83,722	38,088
Amortization of leasehold and security deposits received	(16,121)	(17,368)
Amortization of leasehold and security deposits received in trust	(104,199)	(77,274)
Other	(15,378)	(28,292)
Subtotal	14,434,622	14,069,909
Interest received	107	110
Interest paid	(1,068,440)	(858,085)
Income taxes (paid) refund	(607)	(605)
Net cash provided by (used in) operating activities	13,365,681	13,211,328
Cash flows from investing activities		
Sale of property and equipment	-	570,282
Sale of property and equipment in trust	4,682,051	1,552,127
Purchase of property and equipment	(343,667)	(1,797,128)
Purchase of property and equipment in trust	(8,625,538)	(7,775,584)
Proceeds from collection of leasehold and security deposits in trust	41,395	-
Proceeds from leasehold and security deposits received	14,475	98,442
Payment of leasehold and security deposits received	(33,558)	(9,873)
Proceeds from leasehold and security deposits received in trust	1,675,025	568,078
Payment of leasehold and security deposits received in trust	(844,306)	(609,601)
Net cash provided by (used in) investing activities	(3,434,121)	(7,403,257)
Cash flows from financing activities		
Proceeds from long-term debt	23,170,000	14,700,000
Repayment of long-term debt	(16,900,000)	(12,000,000)
Payment for acquisition of own investment units	-	(3,002,948)
Distributions to unitholders	(9,666,491)	(9,702,556)
Net cash provided by (used in) financing activities	(3,396,491)	(10,005,504)
Net changes in cash and cash equivalents	6,535,068	(4,197,432)
Cash and cash equivalents at the beginning of the period	56,568,819	63,103,888
Cash and cash equivalents at the end of the period	63,103,888	58,906,455

(6) Notes to Assumption of Going Concern

Not applicable

(7) Notes to Important Accounting Policies

1.	Depreciation and amortization methods of fixed assets	<p>(1) Property and equipment (including trust assets) Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows: Building: 2-70 years Structure: 2-53 years Machinery and equipment: 2-31 years Tools, furniture and fixtures: 2-20 years</p> <p>(2) Intangible assets (including trust assets) Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years.</p> <p>(3) Long-term prepaid expenses Depreciation of long-term prepaid expenses is calculated on a straight-line basis.</p>
2.	Standards for recognition of allowances	<p>Allowance for doubtful accounts In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.</p>
3.	Accounting method of deferred assets	<p>Corporate bond issuance expenses Corporate bond issuance expenses is amortized on a straight-line basis over the period up to redemption.</p>
4.	Revenues and expenses recognition	<p>(1) Standard for recording revenues The content of the main performance obligations regarding the revenue arising from contracts with the customers of United Urban and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are as follows: 1) Sale of real estate properties United Urban recognizes revenue from sales of real estate properties when the purchaser, which is a customer, acquires control of the real estate properties by fulfilling the delivery obligations stipulated in the contract for the sale of real estate properties. 2) Utilities revenue United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements. Of utilities revenue, when United Urban is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, gas, etc. from the amount received as the charges for electricity, gas, etc. is recognized as revenue.</p> <p>(2) Accounting method for taxes on property and equipment United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held to the current period and charged this to property-related expenses. The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥5,613 thousand of such property taxes which were capitalized for the current fiscal period.</p>
5.	Hedge accounting	<p>(1) Hedge accounting method The deferred hedge accounting is adopted.</p> <p>(2) Hedging instrument and hedged item Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts</p> <p>(3) Hedging policy Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation.</p> <p>(4) Evaluation method of the effectiveness of hedging</p>

		<p>The effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment.</p> <p>(Hedging relationship applying “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR”)</p> <p>Of the above hedging relationship, United Urban applies the exceptional treatment to all hedging relationship included in the scope of “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (Practical Issues Task Force (“PITF”) No.40 issued on March 17, 2022). Details of the hedging relationship applying the said PITF are as follows:</p> <p>Hedge accounting method: Special treatment of interest rate swap Hedging instrument: Interest rate swap transaction Hedged item: Interest rate on debts Type of hedge transaction: hedge transaction to fix cash flows</p>
6.	Scope of cash and cash equivalents in the statements of cash flows	Cash in the statements of cash flows (cash and cash equivalents) consist of cash on hand, cash held in trust, deposits and deposits in trust which can be withdrawn at any time, and short-term investments which are readily convertible to cash with only an insignificant risk of any price fluctuation and with original maturities of three months or less.
7.	Matters as the basis for preparation of the financial statements	<p>(1) Accounting treatment for trust beneficial interests in entrusted assets including real estate</p> <p>For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts. In addition, the following significant accounts of assets held in trust which are recorded in the relevant accounts are reported separately in the balance sheet.</p> <ol style="list-style-type: none"> 1) Cash and bank deposit in trust 2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Leasehold rights in trust and Other intangible assets in trust 4) Security deposits paid in trust 5) Rent received in advance in trust 6) Deposits received in trust 7) Leasehold and security deposits received in trust <p>(2) Accounting method for non-deductible consumption taxes</p> <p>Non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.</p>

(8) Notes to Financial Statements

[Notes to Significant Accounting Estimates]

Impairment Losses of Fixed Assets

1. Amounts recorded in the financial statements

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Impairment losses	68,000	-
Fixed assets	639,417,706	643,519,834
Intangible assets	9,442,981	9,435,648

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

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

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

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

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

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

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

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

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

38th Fiscal Period (As of November 30, 2022)

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

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

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

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

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. As for COVID-19, it is still necessary to monitor infection levels. However, United Urban expects that the business environment will gradually recover after 2023 due to tapering of behavior restrictions, effects of various measures by governments and municipalities including tourism revival measures and tapering of restrictions on foreign visitors, and others.

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

[Notes to Balance Sheet]

*1. Pledged assets and secured debt

Pledged assets were as follows:

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Buildings	1,253,554	1,216,600
Structures	6,011	5,809
Land	2,089,982	2,089,982
Total	3,349,548	3,312,392

Debt secured by pledged assets were as follows:

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Leasehold security deposits received	408,171	408,171
Total	408,171	408,171

2. Line-of-credit agreement

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

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Total amount of commitment	36,000,000	36,000,000
Outstanding borrowings at end of the period	-	-
Net balance	36,000,000	36,000,000

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

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Buildings in trust	39,608	39,608

*4. Status of cancellation of own investment units

	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Total number of units cancelled (Unit)	-	19,746
Total amount cancelled (Thousands of yen)	-	2,999,918

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

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

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

38th Fiscal Period (As of November 30, 2022)

	(Thousands of yen)					
	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	6,791,749	-	75,463	6,716,285	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	62,262	-	669	61,593	Appropriation for cash distribution
	76,099	71,533	-	760	70,772	
	63,132	59,975	-	631	59,344	

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

2 It is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and

amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting from the fiscal period subsequent to the fiscal period in which the reserve was allocated.

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

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
	50,000	50,000

[Notes to the Statement of Income]

*1. Operating revenues and expenses

	(Thousands of yen)			
	37th Fiscal Period (December 1, 2021 - May 31, 2022)		38th Fiscal Period (June 1, 2022 - November 30, 2022)	
A. Operating revenues				
Rental revenues				
Rental revenues	19,150,065		19,714,415	
Common area charges	1,443,171		1,408,537	
Parking revenues	770,641		748,216	
Other revenues (Note 1)	160,678	21,524,555	162,682	22,033,852
Other rental revenues				
Incidental revenues (Note 2)	1,319,385		1,676,330	
Temporary revenues	280,039		182,622	
Other miscellaneous revenues	88,541	1,687,967	91,530	1,950,483
Total operating revenues		23,212,523		23,984,335
B. Property-related expenses				
Rental expenses				
Property and other taxes	2,127,237		2,163,124	
Property management fees	1,804,075		1,824,199	
Utilities	1,374,731		1,940,039	
Casualty insurance	35,978		37,614	
Repairs and maintenance (Note 3)	1,300,154		997,060	
Depreciation and amortization	4,102,092		4,068,836	
Other rental expenses	500,598		436,746	
Total rental expenses		11,244,867		11,467,621
C. Profit from rental activities (A-B)		11,967,655		12,516,713

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

*2. Gain on sales of real estate properties

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

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

38th Fiscal Period (From June 1, 2022 to November 30, 2022)

UUR Court Sapporo Shinoro Ichibankan		(Thousands of yen)
Revenue from sales of real estate properties	600,000	
Cost of sales of real estate properties	568,970	
Other sales expenses	25,638	
Gain on sales of real estate properties		5,390

Asuto Nagamachi Dental Clinic		(Thousands of yen)
Revenue from sales of real estate properties	1,650,000	
Cost of sales of real estate properties	1,189,637	
Other sales expenses	16,212	
Gain on sales of real estate properties		444,149

*3. Breakdown of Impairment Losses

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

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

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

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

38th Fiscal Period (From June 1, 2022 to November 30, 2022)

There was no applicable information on breakdown of impairment losses for the fiscal period ended November 30, 2022.

[Notes to Statements of Changes in Unitholders' Equity]

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

	37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	3,118,337 units	3,098,591 units

[Notes to Statements of Cash Distribution]

* Reserve for temporary difference adjustments

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

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the "statement of cash distribution" of the fiscal period ended November 30, 2016, and reversed the required amount in this	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference

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

38th Fiscal Period (As of November 30, 2022)

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the “statement of cash distribution” of the fiscal period ended November 30, 2016, and reversed the required amount in this system.	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the “statement of cash distribution,” and reversed the required amount in this system.	<ul style="list-style-type: none"> • Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493 • Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997 • Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324 	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

[Notes to Tax Effect Accounting]

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

	(Thousands of yen)	
	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Deferred tax assets		
Difference in revenue recognition for tax purposes	16,102	12,361
Valuation difference on assets acquired by merger	15,599,714	15,580,652
Excess allowance for doubtful accounts	5,345	3,657
Impairment losses	349,835	328,442
Other	256	246
Subtotal	15,971,254	15,925,361
Valuation allowance	(15,971,254)	(15,925,361)
Total	-	-
Total deferred tax assets	-	-

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

	End of 37th Fiscal Period (As of May 31, 2022)	End of 38th Fiscal Period (As of November 30, 2022)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Distributions of tax-deductible dividends	(30.73)%	(31.15)%
Changes in valuation allowance	(0.73)%	(0.32)%
Other	0.01%	0.01%
Effective tax rate after the application of tax effect accounting	0.01%	0.01%

[Notes to Real Estate Assets for Rent]

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

		(Thousands of yen)	
Type of Use		37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Retail properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	186,384,665	186,385,219
	Change during the period	553	1,411,244
	Balance at the end of the period	186,385,219	187,796,463
	Fair value at the end of the period	214,454,000	216,694,000
Office buildings	Carrying amount on the balance sheet		
	Balance at the beginning of the period	190,203,987	193,379,400
	Change during the period	3,175,413	(849,314)
	Balance at the end of the period	193,379,400	192,530,086
	Fair value at the end of the period	258,481,000	260,760,000
Hotels	Carrying amount on the balance sheet		
	Balance at the beginning of the period	160,262,402	159,710,652
	Change during the period	(551,750)	(749,557)
	Balance at the end of the period	159,710,652	158,961,094
	Fair value at the end of the period	186,116,000	185,710,000
Residential properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	45,535,327	45,149,499
	Change during the period	(385,828)	971,715
	Balance at the end of the period	45,149,499	46,121,214
	Fair value at the end of the period	64,608,000	67,264,000
Others	Carrying amount on the balance sheet		
	Balance at the beginning of the period	65,781,386	64,113,642
	Change during the period	(1,667,743)	3,318,040
	Balance at the end of the period	64,113,642	67,431,683
	Fair value at the end of the period	85,644,000	90,334,000
Total	Carrying amount on the balance sheet		
	Balance at the beginning of the period	648,167,769	648,738,414
	Change during the period	570,644	4,102,128
	Balance at the end of the period	648,738,414	652,840,542
	Fair value at the end of the period	809,303,000	820,762,000

- Notes: 1 The carrying amount on the balance sheet is the acquisition cost (including the expenses incidental to the acquisition) less accumulated depreciation.
- 2 Of the “Change during the period” for the 37th fiscal period, the amount of the increase is primarily attributable to acquisition of one property (¥6,179 million), an additional acquisition of the existing property (¥20 million), and capital expenditures (¥2,184 million). And the amount of the decrease is primarily attributable to the sale of one property (¥2,206 million), the sale of part of the existing property (¥1,582 million), the depreciation and amortization (¥4,094 million), and the impairment losses (¥68 million).
Of the “Change during the period” for the 38th fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (total: ¥7,900 million) and capital expenditures (¥1,950 million). And the amount of the decrease is primarily attributable to the sale of two properties (total: ¥1,758 million) and the depreciation and amortization (¥4,060 million).
- 3 The “Fair value at the end of the period” stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban’s Articles of Incorporation and the rules of The Investment Trusts Association, Japan.

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

[Notes to Revenue Recognition]

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

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

(Thousands of yen)

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

38th Fiscal Period (From June 1, 2022 to November 30, 2022)

(Thousands of yen)

	Revenue from contracts with customers (Note 1)	Net sales to external customers
Revenue from sale of real estate properties	2,250,000	449,540 (Note 2)
Utility revenues (Note 3)	1,676,330	1,676,330
Other revenues	-	22,308,005
Total	3,926,330	24,433,876

- Notes: 1. The rental revenues, etc. subject to the “Accounting Standard for Lease Transactions” (Corporate Accounting Standards No. 13) and the sale of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in the above amount because they are not applied to the Revenue Recognition Accounting Standard. Moreover, the main revenues arising from contracts with customers are revenue from sale of real estate properties and utility revenues.
2. The revenues from sales of real estate properties (amount deducting cost of sales of real estate properties and other sales expenses from revenue from sales of real estate properties) are recognized as gains or losses on sales of real estate properties in the statements of income and retained earnings. Since the gain on sales of real estate properties is recorded in operating revenues and the loss on sales of real estate properties is recorded in operating expenses, only the amount of gain on sales of real estate properties is stated in the above table.
3. United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements.

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

As for the 37th fiscal period (from December 1, 2021 to May 31, 2022) and the 38th Fiscal Period (from June 1, 2022 to November 30, 2022), the information is as described in “(7) Notes to Important Accounting Policies”.

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

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

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

(Thousands of yen)

Claims arising from contracts with customers (balance at beginning of the fiscal period)	263,259
Claims arising from contracts with customers (balance at end of the fiscal period)	278,104
Contract assets (balance at beginning of the fiscal period)	-
Contract assets (balance at end of the fiscal period)	-
Contract liabilities (balance at beginning of the fiscal period)	-
Contract liabilities (balance at end of the fiscal period)	-

(2) Transaction value allocated to remaining performance obligations

Not applicable.

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

Recognition.

38th Fiscal Period (From June 1, 2022 to November 30, 2022)

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

	(Thousands of yen)
Claims arising from contracts with customers (balance at beginning of the fiscal period)	278,104
Claims arising from contracts with customers (balance at end of the fiscal period)	317,711
Contract assets (balance at beginning of the fiscal period)	-
Contract assets (balance at end of the fiscal period)	-
Contract liabilities (balance at beginning of the fiscal period)	-
Contract liabilities (balance at end of the fiscal period)	-

(2) Transaction value allocated to remaining performance obligations

Not applicable.

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

[Notes to Per Unit Information]

	37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Net assets per unit	¥ 116,501	¥ 116,291
Net income per unit	¥ 3,087	¥ 3,103

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

		37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Net income	(Thousands of yen)	9,628,227	9,666,272
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	9,628,227	9,666,272
Average number of investment units during the period	(Unit)	3,118,337	3,114,668

[Notes to Significant Subsequent Events]

Not Applicable

[Omission of Disclosure]

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

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

During the period, United Urban acquired own investment units and cancelled all of the acquired units. The changes in unitholders' capital and total number of investment units issued and outstanding in the past five years are shown below.

Date	Remarks	Total Number of Investment Units Issued and Outstanding (Unit)		Unitholders' Capital (Millions of yen)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
June 19, 2019	Additional issue of new investment units through public offering	55,000	3,110,087	9,363	318,568	(Note 1)
July 11, 2019	Additional issue of new investment units through third-party allotment	8,250	3,118,337	1,404	319,973	(Note 2)
October 28, 2022	Cancellation	(19,746)	3,098,591	-	319,973	(Note 3)

Notes: 1. New investment units were issued through public offering at the offer price of ¥175,616 per unit (issue price (underwriter price) ¥170,240), for the purpose of procuring funds for property acquisitions.
2. New investment units were issued through third-party allotment at the issue price of ¥170,240 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.
3. United Urban acquired own investment units through the market purchases on the Tokyo Stock Exchange based on the discretionary transaction contract with a securities company from September 16, 2022 to September 30, 2022. Then, United Urban cancelled all of the acquired units (19,746 units) on October 28, 2022 in accordance with the resolution of the Board of Directors of United Urban which was held on October 20, 2022. As the acquisition cost of its own investment units was deducted from capital surplus, there was no change in unitholders' capital.

3. Reference Information

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

1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		37th Fiscal Period (As of May 31, 2022)		38th Fiscal Period (As of November 30, 2022)		
				Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)	Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)	
Real Estate	Retail Properties	Capital region (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-	
			The 23 wards of Tokyo (Note 4)	-	-	-	-	
			Tokyo metropolitan area (Note 5)	7,185,737	1.0	7,220,451	1.0	
			Other regions (Note 6)	13,299,132	1.9	13,247,308	1.9	
	Office Buildings	Capital region	The 6 central wards of Tokyo	22,939,608	3.2	22,880,760	3.2	
			The 23 wards of Tokyo	9,352,129	1.3	9,320,993	1.3	
			Tokyo metropolitan area	8,729,023	1.2	8,715,554	1.2	
			Other regions	-	-	-	-	
	Hotels	Capital region	The 6 central wards of Tokyo	1,571,683	0.2	1,565,085	0.2	
			The 23 wards of Tokyo	-	-	-	-	
			Tokyo metropolitan area	3,700,143	0.5	3,654,675	0.5	
			Other regions	-	-	-	-	
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-	
			The 23 wards of Tokyo	4,764,843	0.7	4,747,227	0.7	
			Tokyo metropolitan area	-	-	1,681,579	0.2	
			Other regions	4,181,762	0.6	3,585,287	0.5	
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-	
			The 23 wards of Tokyo	-	-	-	-	
			Tokyo metropolitan area	6,934,188	1.0	6,934,188	1.0	
			Other regions	555,299	0.1	552,821	0.1	
	Subtotal				83,213,551	11.6	84,105,931	11.8
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,223,940	0.6	4,215,028	0.6	
			The 23 wards of Tokyo	11,437,577	1.6	11,433,576	1.6	
			Tokyo metropolitan area	94,169,301	13.2	95,691,247	13.4	
			Other regions	56,069,529	7.8	55,988,850	7.8	
	Office Buildings	Capital region	The 6 central wards of Tokyo	65,563,272	9.2	65,405,755	9.1	
			The 23 wards of Tokyo	1,970,643	0.3	1,960,896	0.3	
			Tokyo metropolitan area	39,186,561	5.5	38,804,490	5.4	
			Other regions	45,638,162	6.4	45,441,635	6.4	
	Hotels	Capital region	The 6 central wards of Tokyo	40,256,676	5.6	40,073,449	5.6	
			The 23 wards of Tokyo	-	-	-	-	
			Tokyo metropolitan area	23,095,381	3.2	22,966,423	3.2	
			Other regions	91,086,767	12.7	90,701,460	12.7	
	Residential Properties	Capital region	The 6 central wards of Tokyo	2,299,097	0.3	2,293,421	0.3	
			The 23 wards of Tokyo	9,691,483	1.4	9,686,849	1.4	
			Tokyo metropolitan area	2,808,726	0.4	2,792,522	0.4	
			Other regions	21,403,586	3.0	21,334,327	3.0	
	Others	Capital region	The 6 central wards of Tokyo	3,224,908	0.5	3,222,619	0.5	
			The 23 wards of Tokyo	7,854,388	1.1	7,885,149	1.1	
			Tokyo metropolitan area	33,499,973	4.7	38,026,036	5.3	
			Other regions	12,044,884	1.7	10,810,869	1.5	
	Subtotal				565,524,862	79.0	568,734,610	79.6
	Bank deposit and other assets				66,830,368	9.3	62,058,945	8.7
	Total Assets				715,568,783	100.0	714,899,488	100.0

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

2. The "Capital region" refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.

3. The "6 central wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.

4. The "23 wards of Tokyo" are the 23 Tokyo wards excluding the "6 central wards of Tokyo."

5. "Tokyo metropolitan area" refers to the capital region excluding the "23 wards of Tokyo."

6. "Other regions" refers to other major cities in Japan including government designated cities (excluding cities located in Tokyo).

metropolitan area) and surrounding areas thereof.

	37th Fiscal Period (As of May 31, 2022)		End of 38th Fiscal Period (As of November 30, 2022)	
	Amount (Thousands of yen)	Percentage to Total Assets (%)	Amount (Thousands of yen)	Percentage to Total Assets (%)
Total liabilities	352,277,481	49.2	354,560,866	49.6
Total net assets	363,291,301	50.8	360,338,621	50.4
Total assets	715,568,783	100.0	714,899,488	100.0

2. Investment Assets

a. Major Stock of Investment Securities

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

b. Investment Real Estate Properties

As of the end of the 38th fiscal period, United Urban had ownership of, or trust beneficial interests in real estate (properties which are the trust assets of trust beneficial interests in real estate are referred to as the “Real Estate in Trust”, and real estate and Real Estate in Trust are collectively referred to as the “Investment Real Estate”). Consequently, all of the real estate and Real Estate in Trust are shown in the table below.

(i) Outline of Investment Real Estate 1

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

(As of November 30, 2022)										
Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A2	Joy Park Izumigaoka	6,770	4,989	4,590	0.6	JREI	27	12,977.79	12,717.84	98.0
A4	Luz Funabashi	5,200	4,078	6,270	0.8	JREI	16	12,955.48	12,955.48	100.0
A6	TENJIN LUCE	6,500	6,256	6,510	0.8	Nittochi	10	4,256.57	3,341.92	78.5
A7	Tecc LAND Sakai Honten (Note 14)	3,210	2,616	3,850	0.5	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	4,750	5,330	0.6	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,357	2,020	0.2	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,542	3,400	0.4	JREI	10	2,081.50	2,081.50	100.0
A11	Tip's Machida Building	4,100	4,191	5,240	0.6	JREI	10	6,616.32	6,616.32	100.0
A12	Daiei Takarazuka Nakayama	4,284	2,995 (Note 9)	3,950	0.5	JREI	1	16,729.60	16,729.60	100.0
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	11,904	12,457	11,300	1.4	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,209	1,930	0.2	JREI	7	1,938.56	1,336.11	68.9
A15	Shinsaibashi OPA Honkan	22,800	21,841	24,900	3.0	JREI	1	27,025.42	27,025.42	100.0
A19	Albore Jingumae	1,580	1,533	2,770	0.3	JREI	4	824.73	824.73	100.0
A20	Albore Sendai	2,590	2,306	3,300	0.4	JREI	7	3,182.13	2,638.33	82.9
A21	Mallage Kashiwa	7,040	6,660	9,260	1.1	JREI	95	41,749.24	41,537.63	99.5
A23	Ito-Yokado Owariasahi	4,840	3,779	4,930	0.6	JREI	1	54,606.34	54,606.34	100.0
A24	Yokohama Kariba Shopping Center	2,500	1,997	2,160	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	4,693	5,910	0.7	JREI	19	2,283.47	2,109.32	92.4
A26	ACTIOLE Ichikawa	3,350	2,700	4,170	0.5	JREI	12	3,927.48	3,685.39	93.8
A27	Yokohama Aoba Shopping Center (Site)	2,600	2,740	3,340	0.4	JREI	1	9,193.00	9,193.00	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,860	0.3	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	26,122	35,400	4.3	JREI	1	37,932.95	37,932.95	100.0
A30	Kaden Sumairu-kan YAMADA Matsudo Honten	5,150	4,553	6,950	0.8	JREI	1	17,561.23	17,561.23	100.0
A31	Tenjin Loft Building	4,350	4,592	4,990	0.6	JREI	6	7,730.09	7,730.09	100.0
A32	Narumi Shopping Center (Site)	6,460	6,850	7,610	0.9	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,874	1,600	0.2	JREI	7	2,885.94	1,792.31	62.1
A34	LIFE Nishikujo (Site)	1,760	1,842	2,090	0.3	Tanizawa	1	3,252.76	3,252.76	100.0
A35	LIFE Tamatsukuri (Site)	1,880	1,967	2,170	0.3	Tanizawa	1	2,391.44	2,391.44	100.0
A36	Granbell Ginza Building	2,621	2,681	3,000	0.4	JREI	12	1,352.35	1,352.35	100.0
A37	UUR Tenjin Nishi-dori Building	5,500	6,036	3,810	0.5	JREI	3	1,053.10	1,053.10	100.0
A38	Luz Shonan Tsujido	3,938	4,041	4,630	0.6	Tanizawa	33	10,421.14	9,956.59	95.5
A39	ACTIOLE Ueno	3,000	3,196	2,760	0.3	Tanizawa	9	1,163.44	1,163.44	100.0
A40	KURURU	9,285	9,893	8,980	1.1	Tanizawa	27	12,810.05	12,810.05	100.0
A41	K's Denki Nagoya-kita	1,750	1,801	1,870	0.2	Tanizawa	1	4,733.74	4,733.74	100.0
A42	Luz Musashikosugi	12,151	12,201	12,100	1.5	Tanizawa	2	8,272.58	8,272.58	100.0
A43	LEVEN Otakanomori	3,800	3,839	3,900	0.5	Tanizawa	14	5,984.28	5,984.28	100.0
A44	Gulliver Hachioji Minamino	1,500	1,583	1,610	0.2	JREI	1	8,278.27	8,278.27	100.0
B1	T&G Hamamatsucho Building	2,257	2,105	3,060	0.4	Tanizawa	6	2,260.99	2,062.99	91.2
B3	Fukuoka Eartheon Building	2,080	1,458	3,260	0.4	JREI	7	4,934.40	4,934.40	100.0
B4	Kojimachi Center Place (Note 15)	2,350	2,386	2,960	0.4	JREI	16	2,577.76	2,354.01	91.3
B6	Shin-Osaka Central Tower	24,000	23,080	29,100	3.5	Nittochi	63	45,951.31	44,482.91	96.8
B7	Kawasaki Toshiba Building	19,200	18,344	32,100	3.9	Tanizawa	1	36,142.30	36,142.30	100.0
B8	UUR Toyochō Building	8,500	8,279	7,220	0.9	JREI	1	7,571.20	7,571.20	100.0
B9	FOUR SEASONS BLDG	4,200	3,958	6,700	0.8	JREI	1	5,000.54	5,000.54	100.0
B11	Pacific Marks Shinjuku Parkside	12,100	11,448	15,300	1.9	JREI	20	10,947.34	10,830.06	98.9
B13	Pacific Marks Tsukishima	6,080	5,662	7,140	0.9	JREI	47	9,335.19	9,335.19	100.0
B14	Pacific Marks Yokohama East	7,050	6,307	7,990	1.0	Tanizawa	28	11,199.19	11,199.19	100.0
B17	Akasaka Hikawa Building	3,290	3,135	4,320	0.5	JREI	1	3,438.20	3,438.20	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,411	3,480	0.4	JREI	1	1,972.43	1,972.43	100.0
B20	Pacific Marks Akasaka-mitsuke	2,210	2,127	2,750	0.3	JREI	8	1,675.13	1,675.13	100.0
B22	Pacific Marks Shin-Yokohama	1,710	1,481	1,590	0.2	Tanizawa	10	3,110.72	3,110.72	100.0
B25	Pacific Marks Kawasaki	9,890	8,715	12,900	1.6	Tanizawa	41	7,395.50	7,395.50	100.0
B26	Hamamatsucho 262 Building	6,840	6,261	8,400	1.0	JREI	16	6,149.77	5,800.32	94.3
B27	Lila Hijirizaka	2,750	2,602	3,700	0.5	JREI	12	4,255.02	3,685.33	86.6
B29	Otsuka HT Building	1,160	1,041	1,310	0.2	JREI	7	1,774.56	1,774.56	100.0
B30	Pacific Marks Shinjuku South-gate	2,460	2,443	4,100	0.5	JREI	8	1,727.48	1,727.48	100.0
B31	Pacific Marks Nishi-Umeda	6,860	6,550	8,140	1.0	Tanizawa	31	10,990.99	10,990.99	100.0
B32	Pacific Marks Higobashi	4,570	4,281	5,530	0.7	Tanizawa	26	7,617.24	7,617.24	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,627	2,270	0.3	Tanizawa	11	4,727.65	4,727.65	100.0
B36	Shin-Sapporo Center Building	987	808	976	0.1	Tanizawa	21	2,797.23	2,797.23	100.0
B37	ARENA TOWER	9,500	7,417	13,400	1.6	Tanizawa	11	17,967.46	16,561.09	92.2
B38	Yushima First Building	2,100	1,960	3,510	0.4	JREI	6	4,554.23	4,554.23	100.0
B39	Dogenzaka Square	2,300	2,210	3,230	0.4	JREI	26	2,233.97	2,041.71	91.4
B40	GRAND-SQUARE Shin-Sakae	1,480	1,203	1,980	0.2	JREI	9	4,578.93	4,578.93	100.0
B41	GRAND-SQUARE Meieki-minami	1,220	1,016	2,600	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,095	3,930	0.5	JREI	5	2,831.94	2,831.94	100.0
B43	Hirose-dori SE Building	3,600	2,918	5,640	0.7	JREI	8	8,235.87	8,235.87	100.0
B44	SS30	18,200	18,700	22,900	2.8	JREI	76	67,677.36	66,018.00	97.5
B45	LOOP-X・M	11,200	12,218	13,100	1.6	JREI	103	21,589.56	19,269.70	89.3
B46	Toranomon Hills Mori Tower	10,000	10,044	11,600	1.4	JREI	1	3,273.51	3,273.51	100.0
B47	Toranomon PF Building	3,435	3,471	4,440	0.5	JREI	4	3,603.09	3,603.09	100.0
B48	UUR Kyobashi East Building	7,280	7,540	8,230	1.0	Tanizawa	5	3,642.18	3,514.80	96.5
B49	IIDABASHI PLANO	5,950	6,163	7,320	0.9	JREI	2	4,370.23	4,370.23	100.0
C1	Shinjuku Washington Hotel Honkan	21,140	21,678	27,100	3.3	JREI	10	53,315.02	53,315.02	100.0
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,565	2,580	0.3	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	2,959	3,940	0.5	JREI	10	6,660.20	6,660.20	100.0
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	3,654	4,890	0.6	Nittochi	3	7,139.44	6,805.76	95.3
C5	Hotel JAL City Naha	7,666	6,847	10,600	1.3	Nittochi	1	13,701.80	13,490.40	98.5
C6	UUR Yotsuya Sanchome Building	4,200	4,379	7,050	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	4,911	7,200	0.9	JREI	4	7,544.42	7,544.42	100.0
C9	Comfort Inn Tokyo Roppongi	4,488	4,720	3,660	0.4	JREI	3	3,708.47	3,708.47	100.0
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,568	3,210	0.4	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	1,993	2,630	0.3	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebashiki-eki	745	703	878	0.1	Daiwa	1	1,529.47	1,529.47	100.0
C13	Loisir Hotel & Spa Tower Naha	20,000	19,756	22,000	2.7	JREI	1	45,731.16	45,731.16	100.0
C14	Royal Pines Hotel Urawa	17,500	17,439	17,100	2.1	JREI	10	31,129.86	31,129.86	100.0
C15	RIHGA Royal Hotel Kokura・ARUARU City	16,600	17,506	16,900	2.1	Tanizawa	31	81,372.50	81,031.91	99.6
C16	Comfort Inn Fukuoka Tenjin	3,000	3,031	3,590	0.4	JREI	2	3,567.22	3,567.22	100.0
C17	Henn na Hotel Tokyo Hamamatsucho	4,456	4,383	4,780	0.6	JREI	1	2,293.64	2,293.64	100.0
C18	Hotel Hewitt Koshien	13,520	13,603	13,700	1.7	Tanizawa	2	36,104.06	36,104.06	100.0
C19	Smile Hotel Premium Sapporo Susukino	4,233	4,128	5,250	0.6	Tanizawa	1	8,332.04	8,332.04	100.0
C20	the square hotel KANAZAWA	4,802	4,852	5,900	0.7	Tanizawa	1	6,333.36	6,333.36	100.0
C21	NEST HOTEL KYOTO SHIJOKARASUMA	2,010	2,072	2,570	0.3	Tanizawa	1	2,358.25	2,358.25	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
D1	T&G Higashi-ikebukuro Mansion	2,021	1,349	2,740	0.3	Tanizawa	126	2,665.59	2,584.87	97.0
D4	Komazawa Court	1,680	1,445	2,520	0.3	JREI	1	3,741.17	3,741.17	100.0
D6	UUR Court Shiba-Daimon	1,175	947	1,610	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D9	Aprile Shin-Ohgi Ichibankan	3,031	2,284	4,100	0.5	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	894	1,700	0.2	Tanizawa	1	4,790.50	4,790.50	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,490	4,100	0.5	JREI	90	4,097.51	4,049.20	98.8
D16	GRAND-ROUGE Sakae	1,570	1,131	1,440	0.2	JREI	89	3,697.38	3,430.37	92.8
D17	GRAND-ROUGE Sakae II	1,300	930	1,520	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,302	4,940	0.6	JREI	148	11,525.36	11,299.22	98.0
D19	UUR Court Nagoya Meieki	1,473	1,076	1,710	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D21	Park Site IZUMI	900	786	854	0.1	JREI	39	2,067.95	2,022.35	97.8
D22	UUR Court Osaka Juso-honmachi	1,570	1,152	1,950	0.2	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,704	4,200	0.5	JREI	193	5,460.39	5,251.10	96.2
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,632	3,570	0.4	JREI	139	7,763.18	7,607.37	98.0
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,163	1,790	0.2	JREI	114	3,090.36	2,994.36	96.9
D26	Glenpark Umeda-kita	5,150	4,857	7,090	0.9	Tanizawa	179	12,730.60	12,439.84	97.7
D27	UUR Court Shiki	2,730	2,792	3,310	0.4	JREI	2	9,288.00	9,288.00	100.0
D28	GRAND-ROUGE Tanimachi Rokuchome	1,300	1,353	1,570	0.2	Tanizawa	51	2,792.81	2,792.81	100.0
D29	Chatle Otemachi S・N	3,398	3,585	3,980	0.5	JREI	142	12,040.28	11,140.34	92.5
D30	GRAN FONTE	2,700	2,872	3,670	0.4	Tanizawa	85	6,268.24	5,877.34	93.8
D31	Park Axis Akatsuka	1,980	2,042	2,280	0.3	Tanizawa	152	4,370.31	4,194.19	96.0
D32	UUR Court Shirasagi	1,442	1,529	1,790	0.2	Tanizawa	47	2,815.30	2,815.30	100.0
D33	Court Branche AP	1,270	1,345	1,450	0.2	Tanizawa	38	1,480.17	1,380.86	93.3
D34	UUR Court Ibaraki Higashi-Chujo	1,665	1,766	1,800	0.2	Tanizawa	55	3,783.25	3,653.17	96.6
D35	Amour Yokohama	1,570	1,681	1,580	0.2	JREI	35	2,274.30	2,211.99	97.3
E1	Lilycolor Tohoku Branch	2,050	1,272	2,330	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	Fuchu Building (Note 10)	2,863	1,938	1,900	0.2	JREI	1	5,479.15	5,479.15	100.0
E3	Tsubogawa Square Building	4,150	3,526	6,640	0.8	JREI	5	10,570.98	10,570.98	100.0
E4	THE PLACE of TOKYO	3,500	3,222	4,790	0.6	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	9,525	9,222	11,900	1.4	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	7,885	15,600	1.9	JREI	1	23,816.82	23,816.82	100.0
E8	Shin-Narashino Logistics Center	2,555	2,630	3,080	0.4	JREI	1	12,909.90	12,909.90	100.0
E9	Kawagoe Logistics Center	7,550	7,406	10,500	1.3	Tanizawa	1	40,060.76	40,060.76	100.0
E11	Shin-Narashino Logistics Center II	2,590	2,682	2,860	0.3	JREI	1	12,598.46	12,598.46	100.0
E12	Yoshikawa Logistics Center	1,960	1,926	1,970	0.2	JREI	1	11,096.70	11,096.70	100.0
E13	Musashimurayama Logistics Center	1,800	1,852	2,120	0.3	JREI	1	9,237.87	9,237.87	100.0
E14	Chibaminato Logistics Center (Site)	6,600	6,934	8,380	1.0	Tanizawa	1	24,467.78	24,467.78	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
E15	Hirakata Nagao Logistics Center	2,550	2,613	2,960	0.4	Tanizawa	1	11,874.51	11,874.51	100.0
E16	Kobe Toyahama Logistics Center	1,300	1,375	1,940	0.2	JREI	1	9,402.93	9,402.93	100.0
E17	REDWOOD Narita Distribution Centre	2,345	2,413	2,570	0.3	Tanizawa	2	21,445.46	21,445.46	100.0
E18	Kazo Logistics Center I・II	3,259	3,329	3,530	0.4	Tanizawa	2	12,777.19	12,777.19	100.0
E19	Kobe Seishin Logistics Center	1,923	2,022	2,110	0.3	Tanizawa	1	9,533.88	9,533.88	100.0
E20	Miyanomori Nijo Development Site (Note 11)	370	552	374	0.0	Tanizawa	-	-	-	-
E21	KIC Sayama Hidaka Distribution Center	4,450	4,622	4,780	0.6	Tanizawa	1	15,113.07	15,113.07	100.0
Total		682,279	652,840	820,762	100.0	-	2,850	1,574,218.12	1,557,015.47	98.9

(ii) Outline of Investment Real Estate 2

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

(As of November 30, 2022)

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
A2	Retail Properties	Joy Park Izumigaoka	350,669	231,542	10	Yes
A4		Luz Funabashi	412,689	343,075	13	Yes
A6		TENJIN LUCE	347,192	324,988	2	Yes
A7		Tecc LAND Sakai Honten (Note 14)	(Note 12)	(Note 12)	8	Yes
A8		Miyamae Shopping Center	267,074	909,730	17	Yes
A9		KONAMI SPORTS CLUB Korigaoka	(Note 12)	(Note 12)	11	Yes
A10		ACTIOLE Minami-ikebukuro	151,520	141,401	14	Yes
A11		Tip's Machida Building	292,286	230,745	18	Yes
A12		Daiei Takarazuka Nakayama	(Note 12)	(Note 12)	9	Yes
A13	Retail / Offices	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	598,549	272,412	(Note 13)	(Note 13)
A14	Retail Properties	ACTIOLE Kannai	74,309	69,208	16	Yes
A15		Shinsaibashi OPA Honkan	1,362,000	1,448,304	12	Yes
A19		Albore Jingumae	99,000	85,000	14.6	Yes
A20		Albore Sendai	152,778	102,349	8	Yes
A21		Mallage Kashiwa	878,728	868,344	9	Yes
A23		Ito-Yokado Owariasahi	(Note 12)	(Note 12)	11	Yes
A24		Yokohama Kariba Shopping Center	(Note 12)	(Note 12)	12	Yes
A25		Luz Jiyugaoka	256,654	225,545	12	Yes
A26		ACTIOLE Ichikawa	210,493	178,159	10	Yes
A27		Yokohama Aoba Shopping Center (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
A28		Yamada Denki Tecc Land Aoba (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
A29		Yodobashi Camera Multimedia Kichijoji	(Note 12)	(Note 12)	14	Yes
A30		Kaden Sumairu-kan YAMADA Matsudo Honten	(Note 12)	(Note 12)	11	Yes
A31		Tenjin Loft Building	506,221	280,282	1	Yes
A32		Narumi Shopping Center (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
A33	Retail Properties	Plussing Wave Enoshima	59,920	47,429	14	Yes
A34		LIFE Nishikujo (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
A35		LIFE Tamatsukuri (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
A36		Granbell Ginza Building	150,048	130,254	10	Yes
A37		UUR Tenjin Nishi-dori Building	169,972	101,844	2	Yes
A38		Luz Shonan Tsujido	431,225	310,533	14	Yes
A39		ACTIOLE Ueno	126,810	92,461	12	Yes
A40		KURURU	442,081	365,864	7	Yes
A41		K's Denki Nagoya-kita	(Note 12)	(Note 12)	8	Yes
A42		Luz Musashikosugi	503,524	1,008,149	11	Yes
A43		LEVEN Otakanomori	204,970	130,189	9	Yes
A44		Gulliver Hachioji Minamino	(Note 12)	(Note 12)	12	Yes
B1	Office Buildings	T&G Hamamatsucho Building	129,026	111,981	12	Yes
B3		Fukuoka Eartheon Building	213,523	132,334	1	Yes
B4		Kojimachi Center Place (Note 15)	170,872	159,844	11	Yes
B6	Office /Hotels	Shin-Osaka Central Tower	1,905,032	1,457,073	7	Yes
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7	Yes
B8		UUR Toyochō Building	369,398	380,080	13	Yes
B9		FOUR SEASONS BLDG	313,776	260,968	11	Yes
B11		Pacific Marks Shinjuku Parkside	664,481	495,820	14.8	Yes
B13		Pacific Marks Tsukishima	442,514	229,547	14	Yes
B14		Pacific Marks Yokohama East	479,923	363,919	15	Yes
B17		Akasaka Hikawa Building	216,228	244,216	14	Yes
B18		Pacific Marks Shibuya Koen-dori	168,000	100,500	12	Yes
B20		Pacific Marks Akasaka-mitsuke	125,606	89,107	13	Yes
B22		Pacific Marks Shin-Yokohama	118,058	75,472	16	Yes
B25		Pacific Marks Kawasaki	619,897	491,319	17	Yes
B26		Hamamatsucho 262 Building	384,070	405,470	14	Yes
B27		Lila Hijirizaka	192,636	176,885	12	Yes
B29		Otsuka HT Building	96,109	78,142	13	Yes
B30		Pacific Marks Shinjuku South-gate	182,415	194,476	12	Yes
B31		Pacific Marks Nishi-Umeda	501,702	455,585	10	Yes
B32		Pacific Marks Higobashi	303,195	255,554	12	Yes
B35		Pacific Marks Sapporo Kita-Ichijo	204,623	169,440	1	Yes
B36		Shin-Sapporo Center Building	108,207	87,556	2	Yes
B37		ARENA TOWER	745,999	404,862	10	Yes
B38		Yushima First Building	208,663	153,549	13	Yes
B39		Dogenzaka Square	167,557	119,429	16	No
B40		GRAND-SQUARE Shin-Sakae	147,632	101,617	10	Yes
B41		GRAND-SQUARE Meieki-minami	154,125	120,951	10	Yes
B42		Shiba 520 Building	206,459	155,815	13	Yes
B43		Hirose-dori SE Building	376,953	397,161	8	Yes
B44	Office /Hotels	SS30	1,724,151	1,115,218	2	Yes
B45	Office Buildings	LOOP-X・M	835,551	488,161	7	Yes

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
B46	Office Buildings	Toranomon Hills Mori Tower	(Note 12)	(Note 12)	1	Yes
B47		Toranomon PF Building	224,723	228,906	10	Yes
B48		UUR Kyobashi East Building	306,201	256,449	9	Yes
B49		IIDABASHI PLANO	402,582	204,419	4	Yes
C1	Hotels	Shinjuku Washington Hotel Honkan	1,580,145	2,053,605	9	Yes
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	114,000	70,000	17	Yes
C3		MZ BLD.	264,377	193,659	13	Yes
C4		HOTEL ROUTE-INN Yokohama Bashamichi	243,475	131,713	19	Yes
C5		Hotel JAL City Naha	(Note 12)	(Note 12)	5	Yes
C6		UUR Yotsuya Sanchome Building	327,448	110,160	14	Yes
C7		Yotsuya 213 Building	350,916	246,257	13	Yes
C9		Comfort Inn Tokyo Roppongi	152,136	(Note 12)	12	Yes
C10		Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	(Note 12)	(Note 12)	14.5	Yes
C11		Toyoko Inn Hiroshima Heiwa-odori	(Note 12)	(Note 12)	7	Yes
C12		Toyoko Inn Naha Kokusai-dori Miebash-eki	(Note 12)	(Note 12)	2	Yes
C13		Loisir Hotel & Spa Tower Naha	(Note 12)	(Note 12)	7	Yes
C14		Royal Pines Hotel Urawa	(Note 12)	(Note 12)	10	Yes
C15		RIHGA Royal Hotel Kokura • ARUARU City	1,260,042	1,509,906	1	Yes
C16		Comfort Inn Fukuoka Tenjin	110,960	57,000	1	Yes
C17		Henn na Hotel Tokyo Hamamatsucho	(Note 12)	(Note 12)	14.8	Yes
C18		Hotel Hewitt Koshien	(Note 12)	(Note 12)	9	Yes
C19		Smile Hotel Premium Sapporo Susukino	(Note 12)	(Note 12)	1	Yes
C20		the square hotel KANAZAWA	(Note 12)	(Note 12)	4	Yes
C21		NEST HOTEL KYOTO SHIJOKARASUMA	(Note 12)	(Note 12)	8	Yes
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	133,644	15,783	12	No
D4		Komazawa Court	106,920	35,640	11	No
D6		UUR Court Shiba-Daimon	66,000	11,000	17	No
D9		Aprile Shin-Ohgi Ichibankan	(Note 12)	(Note 12)	8	No
D10		UUR Court Sapporo Kita-Sanjo	94,273	7,838	2	No
D15		CLIO Bunkyo Koishikawa	198,720	24,537	14.5	No
D16		GRAND-ROUGE Sakae	88,104	6,284	13	No
D17		GRAND-ROUGE Sakae II	69,303	6,413	13	No
D18		MA Sendai Building	276,883	17,483	11	No
D19		UUR Court Nagoya Meieki	88,095	7,381	16	No
D21		Park Site IZUMI	57,024	11,356	12	No
D22		UUR Court Osaka Juso-honmachi	100,854	9,434	16	No
D23		UUR Court Kinshicho	216,254	35,317	14.8	No
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	181,961	57,480	1	No
D25		GLAND-ROUGE Nakanoshima-minami	105,264	7,353	15	No
D26		Glenpark Umeda-kita	360,744	36,245	15.5	No
D27		UUR Court Shiki	190,687	144,392	11	No
D28		GRAND-ROUGE Tanimachi Rokuchome	85,896	5,747	13	No
D29		Chatle Otemachi S • N	209,062	16,071	1	No
D30		GRAN FONTE	173,477	46,883	1	Yes
D31		Park Axis Akatsuka	97,552	22,508	12	No

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
D32	Residential Properties	UUR Court Shirasagi	72,028	15,747	12	No
D33		Court Branche AP	64,476	17,084	13	No
D34		UUR Court Ibaraki Higashi-Chujo	91,728	9,218	10	No
D35		Amour Yokohama	69,936	5,753	12	Yes
E1	Others	Lilycolor Tohoku Branch	(Note 12)	(Note 12)	11	Yes
E2		Fuchu Building	(Note 12)	(Note 12)	(Note 13)	(Note 13)
E3		Tsubogawa Square Building	428,001	267,993	8	Yes
E4		THE PLACE of TOKYO	(Note 12)	(Note 12)	13	Yes
E5		Logistics Higashi-Ohgishima	(Note 12)	(Note 12)	12	Yes
E6		MT Ariake Center Building I&II	(Note 12)	(Note 12)	12	Yes
E8		Shin-Narashino Logistics Center	(Note 12)	(Note 12)	10	Yes
E9		Kawagoe Logistics Center	(Note 12)	(Note 12)	9	Yes
E11		Shin-Narashino Logistics Center II	(Note 12)	(Note 12)	9	Yes
E12		Yoshikawa Logistics Center	(Note 12)	(Note 12)	8	Yes
E13		Musashimurayama Logistics Center	(Note 12)	(Note 12)	14	Yes
E14		Chibaminato Logistics Center (Site)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
E15		Hirakata Nagao Logistics Center	(Note 12)	(Note 12)	8	Yes
E16		Kobe Toyahama Logistics Center	(Note 12)	(Note 12)	7	Yes
E17		REDWOOD Narita Distribution Centre	(Note 12)	(Note 12)	7	Yes
E18		Kazo Logistics Center I・II	(Note 12)	(Note 12)	8	Yes
E19		Kobe Seishin Logistics Center	(Note 12)	(Note 12)	6	Yes
E20		Miyanomori Nijo Development Site	(Note 11)	(Note 12)	(Note 13)	(Note 13)
E21		KIC Sayama Hidaka Distribution Center	(Note 12)	(Note 12)	7	Yes
Total			43,400,434	33,232,193	5.95	

- Notes: 1. The “Acquisition Price” is an amount (the amounts stated in each purchase and sale agreements excluding consumption taxes) does not include the expenses necessary for making the relevant acquisitions (e.g. agency fees, public taxes and impositions) and is rounded to the nearest million yen.
2. “Appraisal Value at the End of Period” shows the real estate appraisal values or the prices resulting from price surveys using the same methods as appraisals conducted by real estate appraisers as of the end of each fiscal period.
In addition, “Appraisers” shows the real estate appraisers, which conducted real estate appraisal or price surveys at the time of acquisition of each property and continuous assessments. The appraisers are referred to as “JREI” for Japan Real Estate Institute, “Tanizawa” for The Tanizawa Sōgō Appraisal Co., Ltd., “Nittochi” for Chuo-Nittochi Solutions Co., Ltd., and “Daiwa” for DAIWA REAL ESTATE APPRAISAL CO., LTD.
3. “Number of Tenants,” “Leasable Floor Space,” “Leased Floor Space,” and “Occupancy Ratio” are based on data as of November 30, 2022. “Leasable Floor Space” means the aggregate leasable floor space of the portions owned by United Urban of individual Investment Real Estate. “Leased Floor Space” means the aggregate of the areas within the total leasable floor space that has been actually leased under lease agreements. (In principle, numerical values in “Leasable Floor Space” and “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*sekou yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies.) With regard to the portion of properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion’s entire floor area. “Occupancy Ratio” is the percentage obtained from dividing “Leased Floor Space” by “Leasable Floor Space.”
4. “Number of Tenants” figures are stated by calculating lessees that have a lease agreement (including lease agreements in which all or part of rooms are leased in bulk for the purpose of subleasing, and a lessee of such lease agreement (master lease agreement) is subleasing those rooms to end tenants) concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a pass-through-type agreement in which the rents received from a lessee of master lease agreement is equal to the rents which the lessee receives from end-tenants, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.

5. As a general rule, “Leased Floor Space” indicates the floor space that has been leased to end-tenants under lease agreements. However, of master lease agreements, the floor spaces in the lease agreements that don’t fall into pass-through type indicates the floor spaces in the master lease agreements or the numerical values stated in the management reports or the monthly reports prepared by the property management companies.
6. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of November 30, 2022 is used for the calculation. Because variable rents are not included in the calculation of “Total Annual Rent”, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of November 30, 2022, the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen is stated without taking into consideration the contents of the claim.
7. “Tenant Leasehold and Security Deposits” are based on data as of November 30, 2022. In addition, “Tenant Leasehold and Security Deposits” include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
8. “PML” (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at “Total” of “PML” represents the overall portfolio PML. As for properties comprised of several buildings, if the earthquake risk analysis report shows the PML of the whole property, the PML of the whole property is stated.
9. According to the soil environmental survey report on the land of this property prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement (“Reserve for Soil Improvement”), as a condition of the purchase and sale agreement of trust beneficial interest. “Book Value at the End of Period” of this trust beneficial interest reflects the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
10. As for Fuchu Building, United Urban sold the building of the property on March 31, 2022 and holds only land of the property at the end of the 38th fiscal period. Therefore, the acquisition price of the land at the initial acquisition is stated in the column of “Acquisition Price”. In addition, the land will be transferred on January 31, 2024.
11. United Urban acquired this property as a development site for the development project of a housing for the elderly on September 30, 2021. In addition, the construction of real estate for rent (building part) is scheduled to be completed in the end of May 2023. Since the property has not operated as of the end of the 38th fiscal period, there are no applicable information.
12. With regard to these properties, the tenants with whom a lease agreement (including a reservation lease agreement) has been concluded have not given their consent for the disclosure of rental revenue, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
13. Because United Urban owns only land for these properties, there is no applicable information.
14. The property name was changed from “Kaden Sumairu-kan YAMADA Sakai Honten” to “Tecc LAND Sakai Honten” on July 30, 2022.
15. The property name was changed from “Marumasu Kojimachi Building” to “Kojimachi Center Place” on December 1, 2022.

3. Information Concerning Tenants

Top 10 Tenants by Leased Floor Space

(As of November 30, 2022)

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

- Notes: 1. In principle, numerical values in “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*sekou yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. In addition, in the case of a master lease agreement without rental guarantee, “Leased Floor Space” is counted based on the end-tenants who are actually using the property, not based on the tenants who have the lease agreement between the owner, United Urban or the asset custodian.
2. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of November 30, 2022 is used for the calculation. Because variable rents are not included in the calculation of “Total Annual Rent”, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of November 30, 2022, the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen is stated without taking into consideration the contents of the claim.
3. With regard to these properties, the tenants with whom a lease agreement (including a reservation lease agreement) has been concluded have not given their consent for the disclosure of rental revenues, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
4. As for Ito-Yokado Owariasahi, the due date for the renewal of lease agreement has arrived on November 11, 2018. However, United Urban hasn’t finished the renewal of lease agreement with a lessee as of November 30, 2022, and the expiration date of contract has not yet been determined.
5. An expiration date of the representative agreement is stated because there are several lease agreements.
6. The expiration date of the lease agreement was changed from October 20, 2023 to October 20, 2028 as of December 23, 2022.

(2) Capital Expenditures

1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of November 30, 2022. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Purpose	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Construction amount	Amount already paid
Tenjin Loft Building	Fukuoka, Fukuoka	Restoration work	From January 2023 to May 2023	132	132	-
Luz Shonan Tsujido	Fujisawa, Kanagawa	Renewal of exterior wall and common area in the building	From August 2022 to May 2023	243	243	-
Shin-Osaka Central Tower	Osaka, Osaka	Renewal of power receiving and transforming facilities	From June 2023 to November 2023	111	111	-
SS30	Sendai, Miyagi	Renewal of air-conditioning facilities	From October 2021 to May 2023	203	203	-
SS30	Sendai, Miyagi	Renewal of the first basement floor of hotel building	From January 2023 To June 2023	460	460	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Repair of employees' dressing room, etc.	From December 2022 to May 2023	108	108	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of kitchen	From January 2023 to May 2023	138	138	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of air-conditioning facilities	From October 2022 to May 2023	140	140	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Renewal of air-conditioning equipment	From June 2022 to August 2023	141	141	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Interior construction	From June 2022 to August 2023	303	303	-

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 38th fiscal period, which totaled ¥ 1,950 million. Together with ¥ 997 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥2,947 million.

Name of Properties	Location	Purpose	Period Implemented	Construction Amount (Millions of yen)
Shinsaibashi OPA Honkan	Osaka, Osaka	Renewal of air-conditioning facilities	From October 2022 to November 2022	77
Shinsaibashi OPA Honkan	Osaka, Osaka	Renewal of motor of air-conditioning facilities	From October 2022 to October 2022	52
Mallage Kashiwa	Kashiwa, Chiba	Renewal of air-conditioning facilities (Part I building)	From September 2022 to October 2022	61
Luz Shonan Tsujido	Fujisawa, Kanagawa	Renewal of common space of sixth floor	From October 2022 to November 2022	39
Luz Shonan Tsujido	Fujisawa, Kanagawa	Dividing area into several sections (6F)	From August 2022 to October 2022	35
KURURU	Fuchu, Tokyo	Renewal of air-conditioning facilities	From September 2022 to November 2022	210
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of fire receiving panel of the main building	From August 2022 to November 2022	45
UUR Court Sapporo Kita-Sanjo	Sapporo, Hokkaido	Large-scale repair of exterior walls	From June 2022 to November 2022	59
GRAND-ROUGE Sakae	Nagoya, Aichi	Exterior wall painting waterproofing	From May 2022 to October 2022	35
GRAND-ROUGE Sakae II	Nagoya, Aichi	Large-scale repair of exterior walls	From May 2022 to August 2022	37
MT Ariake Center Building I&II	Koto-ku, Tokyo	Construction of connecting corridor of outdoor facility	From July 2022 to November 2022	52
Kobe Seishin Logistics Center	Kobe, Hyogo	Repair of rooftop waterproof	From September 2022 to November 2022	35

Name of Properties	Location	Purpose	Period Implemented	Construction Amount (Millions of yen)
Other capital expenditures				1,208
Total				1,950

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

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

(Millions of yen)

	34th Fiscal Period (June 1, 2020 - November 30, 2020)	35th Fiscal Period (December 1, 2020 - May 31, 2021)	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)	38th Fiscal Period (June 1, 2022 - November 30, 2022)
Reserve balance at the beginning of period	1,609	1,610	1,681	1,703	1,839
Addition to the reserve during the period (Note)	24	72	21	183	0
Reduction of reserve during the period	23	1	-	47	3
Reserve balance to be carried over to the next of period	1,610	1,681	1,703	1,839	1,836

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