

For Translation Purposes Only

July 19, 2023

## SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED May 31, 2023 (December 1, 2022 – May 31, 2023)

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: August 29, 2023  
 Scheduled date for commencing dividend payments: August 14, 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 May 31, 2023 (December 1, 2022 – May 31, 2023)

#### (1) Business Results

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended May 31, 2023	25,052	2.5	10,903	2.6	9,930	2.7	9,929	2.7
Fiscal period ended November 30, 2022	24,433	1.0	10,627	0.7	9,666	0.4	9,666	0.4

  

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended May 31, 2023	3,204	2.8	1.4	39.6
Fiscal period ended November 30, 2022	3,103	2.7	1.4	39.6

#### (2) Distributions

	Cash Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended May 31, 2023	3,229	10,005	—	—	100.7	2.8
Fiscal period ended November 30, 2022	3,144	9,741	—	—	101.3	2.7

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

2. 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. For the fiscal period ended May 31, 2023, because a reversal of reserve for temporary difference adjustments (¥77 million) was added to the net income, there was a difference between cash distribution per unit and net income per unit.

#### (3) Financial Position

	Total Assets	Total Unitholders' Equity (Net Asset)	Equity Ratio	Net Asset per Unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended May 31, 2023	723,202	360,480	49.8	116,336
Fiscal period ended November 30, 2022	714,899	360,338	50.4	116,291

#### (4) Conditions of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended May 31, 2023	13,227	(8,656)	(2,739)	60,737
Fiscal period ended November 30, 2022	13,211	(7,403)	(10,005)	58,906

## **2. Forecasts of Results for the Fiscal Period Ending November 30, 2023 (June 1, 2023 – November 30, 2023) and the Fiscal Period Ending May 31, 2024 (December 1, 2023 – May 31, 2024)**

(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 November 30, 2023	25,305	1.0	11,220	2.9	10,148	2.2	10,148	2.2	3,300	-
Fiscal period ending May 31, 2024	25,273	(0.1)	11,568	3.1	10,458	3.1	10,458	3.1	3,400	-

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

Fiscal period ending November 30, 2023 ¥3,274      Fiscal period ending May 31, 2024 ¥3,374

Note: The resource for cash distributions for the fiscal period ending November 30, 2023 and the fiscal period ending May 31, 2024 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) to the net income, respectively. Therefore, it differs from “net income” of each fiscal period.

### **\*Other**

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

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 own investment units)	As of May 31, 2023	3,098,591 units	As of November 30, 2022	3,098,591 units
2. Number of own investment units at the end of the fiscal period	As of May 31, 2023	0 units	As of November 30, 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 Notes  
Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023)” and the Fiscal Period Ending May 31, 2024 (41st fiscal period: from December 1, 2023 to May 31, 2024) on page 10.

**DISCLAIMER**

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts” (*Kessan-Tanshin*) for the fiscal period ended May 31, 2023. 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, during this period, continued to need close watching over uncertainty from surging prices for energy and raw materials across the globe, mainly due to the situation in Ukraine and accompanying price increase. With COVID-19 infections now settling down, social and economic activities are now becoming normal, and a further recovery in consumer spending and corporate capital spending has taken place. In particular, the recovery has been gaining momentum since the downgrade of the COVID-19 to category V (a common infectious disease) in the Infectious Disease Act dated May 2023.

In the real estate investment market in Japan, the investment appetite of both domestic and overseas investors remains strong, so the market continues to be highly competitive. Two major reasons for this market strength are that the new governor of the Bank of Japan is maintaining the fiscal easing policy as well as the continuing credit uneasiness due to the bankruptcy of financial institutions in Europe and the US.

Similar to the last period, the real estate leasing market remained strong across the board during this period.

Sales of retail properties have been picking up steadily because Japanese people are going out more often and there are increasing numbers of overseas visitors coming to Japan due to the depreciated yen, although many prices are in an upward trend.

For hotels, guest room occupancy rates are gaining momentum due to promotions by the central and local governments as well as relaxed entry requirements for overseas travelers.

In office buildings, companies have largely completed reviewing their strategies, and office vacancy rates in major cities nationwide have been leveling off. A slowing trend for office rents has been seen in business districts in Tokyo and other cities.

Residential demand remains strong, and the occupancy rates and rents have been stable across the country.

In the logistics (warehousing) market, supply is continuing to grow in areas next to major cities nationwide, including the Tokyo Metropolitan Area. While the occupancy rates have been trending slightly downward, rents remain flat.

###### (ii) New acquisition

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

Moreover, the housing for the elderly, Granda Miyanomori, of which United Urban led the project as a development company for the first time, was constructed and United Urban additionally acquired the building portion of the property.

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
D36	GRAND-ROUGE Joto	Apartment	Osaka, Osaka	1,755	December 22, 2022
E22	Sapporo Yonesato Logistics Center	Warehouse	Sapporo, Hokkaido	1,177	
B50	OSAKA BAY TOWER (Note 3)	Office	Osaka, Osaka	2,637	March 20, 2023
Subtotal (Above three properties)				5,569	
E20	Granda Miyanomori (Building portion) (Additional acquisition) (Note 4)	Nursing home	Sapporo, Hokkaido	1,053 (Note 5)	May 31, 2023
Total				6,622	

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.

3. The acquisition asset is 10% quasi co-ownership of the trust beneficial interest of the compartmentalized ownership in a part of

OSAKA BAY TOWER (55.4% of the entire property). Therefore, the ownership ratio of United Urban is 5.54% of OSAKA BAY TOWER.

4. The property name was changed from “Miyanomori Nijo Development Site” to “Granda Miyanomori” on May 31, 2023. The same shall apply hereinafter.
5. The total acquisition price of the entire property is ¥1,423 million, consisting of the land portion (acquisition price: ¥370 million) and the building portion (construction and design costs: ¥1,053 million).

### (iii) Portfolio overview

As a result of the acquisition of properties mentioned above (ii), United Urban held a total of 140 properties, comprising 36 retail properties, 35 office buildings, 1 retail-office complex, 20 hotels, 2 office-hotel complexes, 26 residential properties and 20 others, with an aggregate acquisition price of ¥688,901 million at the end of the 39th fiscal period (as of May 31, 2023). In addition, the total leasable floor space was 1,632,781.16 sq. m. and the total numbers of tenants were 3,069.

United Urban has continued to focus on maintaining occupancy rates during the period. Thereby, the occupancy rate for the entire portfolio at the end of each month during the period fluctuated between 98.4% and 99.1%, and stood at 98.4% at the end of the 39th fiscal period (as of May 31, 2023).

### (iv) Sustainability initiatives

United Urban and JRA support the UN’s Sustainable Development Goals (SDGs), aiming to realize a sustainable, diverse, and inclusive society through initiatives that help resolve environmental, social, and economic problems and create new value (“Sustainability Activities”).

For our climate change initiatives, United Urban and JRA have set a medium-term target for the environment certification coverage rate for 80% of the properties in United Urban’s portfolio based on gross floor area, (excluding land) by the end of 2024 (for reference, this was 75.1% as of May 31, 2023). For the reduction target of greenhouse gas (GHG) emissions, although we had only targeted our office portfolio in the past, in June 2023 we expanded the scope to the entire portfolio and set new reduction targets:

- 1) reduce Scope 1 and Scope 2 GHG emissions by 42% by 2030 (compared with 2021)
- 2) achieve net zero GHG emissions, including within the value chain (Scope 3), by 2050.

Moreover, as a result of our Sustainability Activities, in the 2022 survey of the GRESB Real Estate Assessment, an international benchmark for measuring ESG integration of real estate companies and funds, United Urban received 4 Stars in the five-level GRESB Rating (the second-highest level). Moreover, in the results for GRESB Public Disclosure Level Assessment, United Urban received the highest level: A.

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

### b. Financing overview

During the period, United Urban procured debt financing 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 39th fiscal period are as follows.

(Millions of yen)				
		Balance at the end of the 38th Fiscal Period (As of November 30, 2022)	Balance at the end of the 39th Fiscal Period (As of May 31, 2023)	Changes
	Short-term borrowings	-	1,000	+1,000
	Long-term borrowings (borrowings due for repayment within one year)	276,903 (41,000)	284,903 (31,600)	+8,000 (-9,400)
	Total of borrowings	276,903	285,903	+9,000
	Corporate bonds (corporate bonds that is to become due for maturity within one year)	36,500 (12,000)	34,500 (10,000)	-2,000 (-2,000)
	Total of interest-bearing liabilities	313,403	320,403	+7,000

Moreover, the details of ratings of United Urban as of June 30, 2023 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 ¥25,052 million (up by 2.5% from the previous period), profit from rental activities of ¥13,274 million (up by 6.1% from the previous period), operating income of ¥10,903 million (up by 2.6% from the previous period), ordinary income of ¥9,930 million (up by 2.7% from the previous period), and net income of ¥9,929 million (up by 2.7% from the previous period).

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 ¥9,929 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥10,005 million, and cash distribution per unit was ¥3,229.

## 2. Outlook for the next fiscal period

a. Outlook for overall operation

Uncertainty is assumed to continue in politics and economics in Japan. However, since domestic demand, including consumer spending, has been strong due to far fewer COVID-19 infections, the forecast is for the healthy conditions in this period to continue both in the investment and leasing markets.

United Urban’s portfolio is almost completely diversified. Asset types, which had been continuously affected by COVID-19, have now solidly recovered profitability. After looking into the unclear trends in the real estate investment and leasing market, United Urban believes that it is important to assure overall stability of the portfolio performance through initiatives for sound real estate management that can adapt to changes in society.

Based on this understanding of the business environment, United Urban—while closely watching the trends in the real estate investment market—will take a proactive approach to a wide range of real estate investment opportunities and will continue selective investments through various methods as well as asset replacement. These initiatives should be effective for maintaining a high-quality portfolio. For existing properties, United Urban continually focuses on stable management by maintaining or increasing occupancy rates, renewing terms and conditions with the aim to raise rents, as well as the profitability and stability of the portfolio and reducing business costs, among other actions. Further, United Urban intends to stabilize cash distributions by using retained earnings effectively.

Regarding financial management, United Urban is continuing to create a robust and stable financial base by controlling the LTV level, reducing the cost of financing, extending and diversifying the maturities of interest-bearing liabilities, and ensuring adequate liquidity.

Looking at the sustainable growth of United Urban, including maximizing unitholder value, engaging with stakeholders, and coexistence with the environment and society, United Urban is dedicated not only to improving in our finances but also to resolving several of the nonfinancial issues associated with ESG (environment, society, and governance) as well as the UN’s SDGs (Sustainable Development Goals).

b. Outlook for management status

(i) Material facts arising after the end of 39th fiscal period and other material events

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

A. Acquisition of property and debt financing

1) United Urban acquired the following property on June 1, 2023.

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
A45	Higashi-Matsudo Shopping Center	Store	Matsudo, Chiba	2,200	June 1, 2023

2) United Urban procured debt financing to support a part of the payment for acquiring the property mentioned above 1), as set forth below. In addition, United Urban used cash on hand (including the procurement from the sale of the property mentioned below B.) for the remaining amount to acquire the property.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 78C	The Ashikaga Bank, Ltd.	1,000	0.68219%	June 1, 2023	June 20, 2029	Unsecured Unguaranteed

#### B. Sale of property

United Urban sold the following property on June 1, 2023.

Property No.	Property Name	Type	Location	Sale Price (Millions of yen)	Date of Sale
D16	GRAND-ROUGE Sakae	Apartment	Nagoya, Aichi	1,450	June 1, 2023

#### C. New borrowing for repayment

United Urban procured debt financing on June 20, 2023 for the repayment of the existing borrowings (total: ¥3,500 million) upon their maturity on June 20, 2023, as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 79C	Mizuho Trust & Banking Co., Ltd.	1,000	Basic interest rate (JBA 3 month JPY TIBOR) + 0.22%	June 20, 2023	December 20, 2027	Unsecured Unguaranteed
Term Loan 80C	Development Bank of Japan Inc.	1,500	0.84184%		June 20, 2030	
Term Loan 81C	THE NISHI-NIPPON CITY BANK, LTD.	1,000	Basic interest rate (JBA 3 month JPY TIBOR) + 0.23%		June 20, 2028	
Total		3,500				

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

United Urban concluded a new committed line of credit agreement on June 26, 2023, as set forth below.

Outline of the new committed line of credit agreement

Participating financial institutions	Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd.
Maximum loan amount	¥24,000 million
Date of agreement	June 26, 2023
Term of agreement	From June 26, 2023 to June 26, 2024
Remarks	Unsecured, Unguaranteed

#### (ii) Outlook for management status

For the fiscal period ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023) and the fiscal period ending May 31, 2024 (41st fiscal period: from December 1, 2023 to May 31, 2024), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023) and the Fiscal Period Ending May 31, 2024 (41st fiscal period: from December 1, 2023 to May 31, 2024)” below.

##### Fiscal Period Ending November 30, 2023

Operating revenues:	¥25,305 million	Cash distributions per unit (Note 1):	¥3,300
Operating income:	¥11,220 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥10,148 million		
Net income (Note 1):	¥10,148 million		



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Fiscal Period Ending May 31, 2024

Operating revenues:	¥25,273 million	Cash distributions per unit (Note 1):	¥3,400
Operating income:	¥11,568 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥10,458 million		
Net income (Note 1):	¥10,458 million		

- Notes: 1. The resource for cash distributions for the fiscal period ending November 30, 2023 and the fiscal period ending May 31, 2024 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) to the net income, respectively. 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 May 31, 2024.
2. The above-listed forward-looking statements are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2023  
(40th fiscal period: from June 1, 2023 to November 30, 2023) and the Fiscal Period Ending May 31, 2024  
(41st fiscal period: from December 1, 2023 to May 31, 2024)

Item	Assumptions																		
Terms	<ul style="list-style-type: none"><li>• Fiscal period ending November 30, 2023 (40th fiscal period: from June 1, 2023 to November 30, 2023) (183 days)</li><li>• Fiscal period ending May 31, 2024 (41st fiscal period: from December 1, 2023 to May 31, 2024) (183 days)</li></ul>																		
Investment Assets	<ul style="list-style-type: none"><li>• The forecast of financial result for the fiscal period ending November 30, 2023 is based on a portfolio of 140 properties owned by United Urban as of the date hereof.</li><li>• The forecast of financial result for the fiscal period ending May 31, 2024 is based on a portfolio of 139 properties excluding Fuchu Building (land portion) to be sold on January 31, 2024.</li><li>• The forecasts are also based on the assumption that there will be no change of properties (acquisition of new property or sale of existing property, etc.) until May 31, 2024 (the end of the 41st fiscal period) other than mentioned above. However, the forecasts may be changed by the change of properties in actually.</li></ul>																		
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"><li>• The forecasts are based on 3,098,591 units issued and outstanding as of the date hereof.</li><li>• The forecasts are also based on the assumption that there will be no additional issuance of investment units until May 31, 2024 (the end of the 41st fiscal period).</li></ul>																		
Operating Revenues	<ul style="list-style-type: none"><li>• Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of the date hereof by taking into account a certain effect of tenants' move-in and departures for the expected rent and estimated occupancy rate in the future, while taking into consideration the existence of neighboring competitive properties, market trends, status of negotiation for the lease terms with each tenant, and other conditions.</li><li>• Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below.<table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2023</th><th>Fiscal period ending May 31, 2024</th></tr><tr><td>Rental revenues (including common area charges)</td><td>¥22,079 million</td><td>¥22,585 million</td></tr><tr><td>Parking revenues</td><td>¥773 million</td><td>¥773 million</td></tr><tr><td>Utility revenues (electricity, water, gas, etc.) from tenants</td><td>¥1,758 million</td><td>¥1,597 million</td></tr></table></li><li>• The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants.</li><li>• United Urban anticipates ¥310 million for the fiscal period ending November 30, 2023 as the gain on sales of real estate properties in accordance with the sale of GRAND-ROUGE Sakae.</li><li>• United Urban plan to sell Fuchu Building (land portion) in the fiscal period ending May 31, 2024, but we do not anticipate the gain on sales of real estate properties.</li></ul>	Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024	Rental revenues (including common area charges)	¥22,079 million	¥22,585 million	Parking revenues	¥773 million	¥773 million	Utility revenues (electricity, water, gas, etc.) from tenants	¥1,758 million	¥1,597 million						
Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024																	
Rental revenues (including common area charges)	¥22,079 million	¥22,585 million																	
Parking revenues	¥773 million	¥773 million																	
Utility revenues (electricity, water, gas, etc.) from tenants	¥1,758 million	¥1,597 million																	
Operating Expenses	<ul style="list-style-type: none"><li>• Of the property-related expenses, which are the principal component of the operating expenses, expenses other than depreciation and amortization are calculated based on historical data for the properties and reflect factors that may cause fluctuations in expenses.</li><li>• United Urban anticipates each major item of the property-related expenses as set forth below.<table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2023</th><th>Fiscal period ending May 31, 2024</th></tr><tr><td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td><td>¥2,146 million</td><td>¥2,154 million</td></tr><tr><td>Property management fees</td><td>¥1,854 million</td><td>¥1,812 million</td></tr><tr><td>Utilities</td><td>¥1,948 million</td><td>¥1,775 million</td></tr><tr><td>Repairs and maintenance (Note 2)</td><td>¥1,067 million</td><td>¥995 million</td></tr><tr><td>Depreciation and amortization (Note 3)</td><td>¥4,073 million</td><td>¥4,050 million</td></tr></table></li></ul> <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 three properties acquired in 2023 will be imposed up from the fiscal period ending November 30, 2024. It is expected that the estimated full amount of those taxes will be ¥20 million.</p>	Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024	Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥2,146 million	¥2,154 million	Property management fees	¥1,854 million	¥1,812 million	Utilities	¥1,948 million	¥1,775 million	Repairs and maintenance (Note 2)	¥1,067 million	¥995 million	Depreciation and amortization (Note 3)	¥4,073 million	¥4,050 million
Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024																	
Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥2,146 million	¥2,154 million																	
Property management fees	¥1,854 million	¥1,812 million																	
Utilities	¥1,948 million	¥1,775 million																	
Repairs and maintenance (Note 2)	¥1,067 million	¥995 million																	
Depreciation and amortization (Note 3)	¥4,073 million	¥4,050 million																	

	<table><tr><th>Acquisition Date</th><th>Property Name</th></tr><tr><td>March 20, 2023</td><td>OSAKA BAY TOWER</td></tr><tr><td>May 31, 2023</td><td>Granda Miyanomori (building portion)</td></tr><tr><td>June 1, 2023</td><td>Higashi-Matsudo Shopping Center</td></tr></table> <div><div>2. Actual repairs and maintenance for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damage to buildings owing to unexpected factors, the large variance in amounts among fiscal years and the fact that these amounts do not accrue on a regular basis.</div><div>3. Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures (including undetermined expenditures as of this moment).</div></div> <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>	Acquisition Date	Property Name	March 20, 2023	OSAKA BAY TOWER	May 31, 2023	Granda Miyanomori (building portion)	June 1, 2023	Higashi-Matsudo Shopping Center																							
Acquisition Date	Property Name																															
March 20, 2023	OSAKA BAY TOWER																															
May 31, 2023	Granda Miyanomori (building portion)																															
June 1, 2023	Higashi-Matsudo Shopping Center																															
Non-Operating Expenses	<div>United Urban anticipates the non-operating expenses per major item, as set forth below.</div> <table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2023</th><th>Fiscal period ending May 31, 2024</th></tr><tr><td>Interest expenses for interest-bearing liabilities (Note)</td><td>¥1,013 million</td><td>¥1,078 million</td></tr></table> <div>Note: Including financing-related expenses and interest expenses on corporate bonds, etc.</div>	Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024	Interest expenses for interest-bearing liabilities (Note)	¥1,013 million	¥1,078 million																									
Major Item	Fiscal period ending November 30, 2023	Fiscal period ending May 31, 2024																														
Interest expenses for interest-bearing liabilities (Note)	¥1,013 million	¥1,078 million																														
Interest-bearing Liabilities	<div><div>The total balance of interest-bearing liabilities as of the date hereof is ¥321,403 million, of which ¥286,903 million are borrowings and ¥34,500 million are corporate bonds.</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">September 20, 2023</td><td>Borrowing: ¥1,300 million</td><td rowspan="4">United Urban plans to repay or redeem the amount in full through refinancing or an issuance of corporate bonds.</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></tr><tr><td>November 22, 2023</td><td>Corporate bonds: ¥10,000 million</td><td></td></tr></table> <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 ¥321,403 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div><div>The interest-bearing liabilities maturing during the fiscal period ending May 31, 2024 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">December 20, 2023</td><td>Borrowing: ¥1,000 million</td><td rowspan="11">United Urban plans to repay or redeem the amount in full through refinancing or an issuance of corporate bonds.</td></tr><tr><td>Borrowing: ¥330 million</td></tr><tr><td>Borrowing: ¥670 million</td></tr><tr><td rowspan="6">March 21, 2024</td><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,500 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,200 million</td></tr><tr><td rowspan="2">March 29, 2024</td><td>Borrowing: ¥1,300 million</td></tr><tr><td>Borrowing: ¥2,500 million</td></tr></table> <div>The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2024 is to be ¥321,403 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div>	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	September 20, 2023	Borrowing: ¥1,300 million	United Urban plans to repay or redeem the amount in full through refinancing or an issuance of corporate bonds.	Borrowing: ¥1,300 million	Borrowing: ¥4,000 million	September 29, 2023	Borrowing: ¥10,000 million	November 22, 2023	Corporate bonds: ¥10,000 million		Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	December 20, 2023	Borrowing: ¥1,000 million	United Urban plans to repay or redeem the amount in full through refinancing or an issuance of corporate bonds.	Borrowing: ¥330 million	Borrowing: ¥670 million	March 21, 2024	Borrowing: ¥1,000 million	Borrowing: ¥1,000 million	Borrowing: ¥1,000 million	Borrowing: ¥1,500 million	Borrowing: ¥1,000 million	Borrowing: ¥1,200 million	March 29, 2024	Borrowing: ¥1,300 million	Borrowing: ¥2,500 million
Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment																														
September 20, 2023	Borrowing: ¥1,300 million	United Urban plans to repay or redeem the amount in full through refinancing or an issuance of corporate bonds.																														
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	Borrowing: ¥1,200 million																															
March 29, 2024	Borrowing: ¥1,300 million																															
	Borrowing: ¥2,500 million																															
Cash Distributions per Unit	<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>The total number of investment units issued and outstanding as of the end of the fiscal period which are used to calculate the cash distribution per unit are based on the assumption given in the “Total Number of Investment Units Issued and Outstanding” column above.</div><div>Cash distributions for the fiscal period ending November 30, 2023 are based on the total distribution amount of ¥10,225 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥77 million to the unappropriated retained earnings of ¥10,148 million.</div><div>Cash distributions for the fiscal period ending May 31, 2024 are based on the total distribution amount of ¥10,535 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥77 million to the unappropriated retained earnings of ¥10,458 million.</div><div>Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs.</div></div>																															

Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> <li>United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit).</li> </ul>
Other	<ul style="list-style-type: none"> <li>Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan, which may affect the aforementioned forecasted figures.</li> <li>Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions.</li> </ul>

## 2. Financial Statement

### (1) Balance Sheet

	(Thousands of yen)	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
<b>ASSETS</b>		
Current Assets		
Cash and bank deposit	31,999,503	34,265,446
Cash and bank deposit in trust	26,906,951	26,472,549
Rent receivables	593,593	527,957
Prepaid expenses	225,822	853,729
Other	39,670	42,483
Allowance for doubtful accounts	(11,626)	(6,262)
Total Current Assets	59,753,914	62,155,904
Fixed Assets		
Property and equipment, at cost		
Buildings	*1 25,549,412	*1 26,961,138
Less accumulated depreciation	(8,738,156)	(9,063,088)
Buildings, net	16,811,256	17,898,050
Structures	*1 205,901	*1 217,620
Less accumulated depreciation	(134,099)	(136,229)
Structures, net	71,801	81,390
Machinery and equipment	386,066	388,427
Less accumulated depreciation	(267,977)	(275,010)
Machinery and equipment, net	118,089	113,417
Tools, furniture and fixtures	115,310	117,960
Less accumulated depreciation	(68,476)	(73,524)
Tools, furniture and fixtures, net	46,833	44,435
Land	*1 65,754,857	*1 65,754,857
Construction in progress	153,737	3,726
Buildings in trust	*3 251,011,679	*3 254,261,754
Less accumulated depreciation	(75,502,981)	(78,986,361)
Buildings in trust, net	175,508,697	175,275,393
Structures in trust	2,506,179	2,534,680
Less accumulated depreciation	(1,223,303)	(1,276,138)
Structures in trust, net	1,282,875	1,258,541
Machinery and equipment in trust	2,995,023	3,074,288
Less accumulated depreciation	(1,884,761)	(1,966,008)
Machinery and equipment in trust, net	1,110,261	1,108,280
Tools, furniture and fixtures in trust	1,887,715	1,989,219
Less accumulated depreciation	(1,067,862)	(1,162,614)
Tools, furniture and fixtures in trust, net	819,853	826,605
Land in trust	381,677,795	386,358,802
Construction in progress in trust	163,774	583,190
Total property and equipment	643,519,834	649,306,691
Intangible assets		
Software	3,545	2,824
Leasehold rights	1,149,355	1,149,355
Leasehold rights in trust	8,171,352	8,171,352
Other intangible assets in trust	111,395	104,784
Total intangible assets	9,435,648	9,428,316
Investments and other assets		
Security deposits paid	10,000	10,000
Security deposits paid in trust	38,372	38,372
Long-term prepaid expenses	1,948,993	2,110,617
Long-term deposits	29,232	41,616
Derivatives	98,041	51,799
Total investments and other assets	2,124,640	2,252,405
Total Fixed Assets	655,080,124	660,987,413
Deferred Assets		
Corporate bond issuance expenses	65,449	59,126

Total Deferred Assets	65,449	59,126
<b>TOTAL ASSETS</b>	<b>714,899,488</b>	<b>723,202,444</b>

	(Thousands of yen)	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
<b>LIABILITIES</b>		
Current Liabilities		
Trade accounts payable	2,669,295	3,242,910
Short-term debt	-	1,000,000
Current portion of corporate bonds	12,000,000	10,000,000
Long-term debt due for repayment within one year	41,000,000	31,600,000
Accrued expenses	852,291	894,830
Distributions payable	15,572	16,806
Income taxes payable	588	587
Consumption taxes payable	386,327	296,664
Rent received in advance	407,517	426,334
Rent received in advance in trust	3,279,264	3,390,699
Deposits received	1,605	1,767
Deposits received in trust	313,210	307,014
Other	-	7,781
Total Current Liabilities	60,925,672	51,185,397
Long-term Liabilities		
Corporate bonds	24,500,000	24,500,000
Long-term debt	235,903,000	253,303,000
Leasehold and security deposits received	*1 3,477,636	*1 3,468,777
Leasehold and security deposits received in trust	29,754,556	30,265,074
Total Long-term Liabilities	293,635,193	311,536,852
Total Liabilities	354,560,866	362,722,249
<b>NET ASSETS</b>		
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)	*4 (2,999,918)
Capital surplus net	20,548,369	20,548,369
Voluntary retained earnings		
Reserve for temporary difference adjustments	*5 6,907,995	*5 6,830,470
Reserve retained for distribution	3,144,636	3,146,465
Total voluntary retained earnings	10,052,632	9,976,935
Unappropriated retained earnings (unappropriated deficit)	9,666,272	9,929,741
Total surplus	40,267,274	40,455,046
Total Unitholders' Equity	360,240,579	360,428,351
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	98,041	51,843
Total Valuation and Translation Adjustment	98,041	51,843
Total Net Assets	*6 360,338,621	*6 360,480,195
<b>TOTAL LIABILITIES and NET ASSETS</b>	<b>714,899,488</b>	<b>723,202,444</b>

## (2) Statement of Income and Retained Earnings

	(Thousands of yen)	
	38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Operating Revenues		
Rental revenues	*1 22,033,852	*1 22,818,571
Other rental revenues	*1 1,950,483	*1 2,233,947
Gain on sales of real estate properties	*2 449,540	-
Total Operating Revenues	24,433,876	25,052,518
Operating Expenses		
Property-related expenses	*1 11,467,621	*1 11,778,376
Asset management fees	2,017,025	2,041,826
Asset custodian fees	18,936	18,972
Administrative service fees	68,755	67,948
Directors' compensation	10,200	10,200
Other operating expenses	224,262	231,897
Total Operating Expenses	13,806,801	14,149,222
Operating Income	10,627,074	10,903,295
Non-operating Revenues		
Interest income	110	111
Reversal of cash distributions payable	1,595	1,323
Insurance income	32,829	3,583
Subsidy income	-	257
Interest on refund	9	-
Other	4,025	995
Total Non-operating Revenues	38,570	6,271
Non-operating Expenses		
Interest expenses	892,260	893,886
Interest expenses on corporate bonds	66,142	66,424
Amortization of corporate bond issuance expenses	6,357	6,322
Loss on disposal of real estate	12,214	9,022
Other	21,792	3,563
Total Non-operating Expenses	998,767	979,220
Ordinary Income	9,666,877	9,930,346
Income before Income Taxes	9,666,877	9,930,346
Income Taxes - current	605	605
Total Income Taxes	605	605
Net Income	9,666,272	9,929,741
Retained Earnings Brought Forward	-	-
Unappropriated Retained Earnings (unappropriated deficit)	9,666,272	9,929,741

(3) Statements of Unitholders' Equity  
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



39th Fiscal Period (From December 1, 2022 to May 31, 2023)

(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	(2,999,918)	20,548,369	6,907,995	3,144,636	10,052,632
Changes of items during the period							
Reversal of reserve for temporary difference adjustments				-	(77,525)		(77,525)
Provision of reserve retained for distribution				-		1,828	1,828
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)	1,828	(75,697)
Balance at the end of current period	* 319,973,305	23,548,287	(2,999,918)	20,548,369	6,830,470	3,146,465	9,976,935

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	9,666,272	40,267,274	360,240,579	98,041	98,041	360,338,621
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	77,525	-	-		-	-
Provision of reserve retained for distribution	(1,828)	-	-		-	-
Cash distribution disbursed	(9,741,970)	(9,741,970)	(9,741,970)		-	(9,741,970)
Net income	9,929,741	9,929,741	9,929,741		-	9,929,741
Net changes during the period except for items under unitholders' equity		-	-	(46,198)	(46,198)	(46,198)
Total changes of items during the period	263,469	187,771	187,771	(46,198)	(46,198)	141,573
Balance at the end of current period	9,929,741	40,455,046	360,428,351	51,843	51,843	360,480,195

#### (4) Statements of Cash Distribution

	38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
I. Unappropriated retained earnings	¥ 9,666,272,710	¥ 9,929,741,912
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)	¥ 9,741,970,104 (¥3,144)	¥ 10,005,350,339 (¥3,229)
IV. Voluntary retained earnings Provision of reserve retained for distribution	¥ 1,828,301	¥ 1,917,268
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 ¥9,666,272,710, 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>	<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 ¥9,929,741,912, and reserved ¥1,917,268, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥10,005,350,339.</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)	
	38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Cash flows from operating activities		
Income before income taxes	9,666,877	9,930,346
Depreciation and amortization	4,068,836	4,067,539
Gain on sales of real estate properties	(449,540)	-
Increase (decrease) in allowance for doubtful accounts	(5,364)	(5,364)
Interest income and interest on securities	(110)	(111)
Interest expense and interest expense on corporate bonds	958,403	960,311
Amortization of corporate bond issuance expenses	6,357	6,322
Loss on disposal of real estate	12,214	9,022
Decrease (increase) in rent receivables	(62,198)	65,635
Decrease (increase) in prepaid expenses	605,733	(633,834)
Decrease (increase) in long-term prepaid expenses	32,845	34,214
Increase (decrease) in trade accounts payable	(275,072)	286,494
Increase (decrease) in accrued expenses	(3,186)	27,782
Increase (decrease) in consumption taxes payable	(322,604)	(89,663)
Increase (decrease) in rent received in advance	(855)	18,816
Increase (decrease) in rent received in advance in trust	(78,248)	111,435
Increase (decrease) in deposits received	668	161
Increase (decrease) in deposits received in trust	38,088	(6,195)
Amortization of leasehold and security deposits received	(17,368)	(27,005)
Amortization of leasehold and security deposits received in trust	(77,274)	(383,202)
Other	(28,292)	(7,717)
Subtotal	14,069,909	14,364,988
Interest received	110	111
Interest paid	(858,085)	(1,136,727)
Income taxes (paid) refund	(605)	(605)
Net cash provided by (used in) operating activities	13,211,328	13,227,768
Cash flows from investing activities		
Sale of property and equipment	570,282	-
Sale of property and equipment in trust	1,552,127	-
Purchase of property and equipment	(1,797,128)	(1,154,583)
Purchase of property and equipment in trust	(7,775,584)	(8,413,827)
Proceeds from leasehold and security deposits received	98,442	79,652
Payment of leasehold and security deposits received	(9,873)	(61,506)
Proceeds from leasehold and security deposits received in trust	568,078	1,104,960
Payment of leasehold and security deposits received in trust	(609,601)	(211,240)
Net cash provided by (used in) investing activities	(7,403,257)	(8,656,544)
Cash flows from financing activities		
Proceeds from short-term debt	-	1,000,000
Proceeds from long-term debt	14,700,000	28,900,000
Repayment of long-term debt	(12,000,000)	(20,900,000)
Payment for acquisition of own investment units	(3,002,948)	-
Redemption of corporate bond	-	(2,000,000)
Distributions to unitholders	(9,702,556)	(9,739,682)
Net cash provided by (used in) financing activities	(10,005,504)	(2,739,682)
Net changes in cash and cash equivalents	(4,197,432)	1,831,541
Cash and cash equivalents at the beginning of the period	63,103,888	58,906,455
Cash and cash equivalents at the end of the period	58,906,455	60,737,996

## (6) Notes to Assumption of Going Concern

Not applicable

## (7) Notes to Important Accounting Policies

1.	Depreciation and amortization methods of fixed assets	<p>(1) Property and equipment (including trust assets)</p> <p>Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows:</p> <p>Building: 2-70 years Structure: 2-53 years Machinery and equipment: 2-31 years Tools, furniture and fixtures: 2-20 years</p> <p>(2) Intangible assets (including trust assets)</p> <p>Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years.</p> <p>(3) Long-term prepaid expenses</p> <p>Depreciation of long-term prepaid expenses is calculated on a straight-line basis.</p>
2.	Standards for recognition of allowances	<p>Allowance for doubtful accounts</p> <p>In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.</p>
3.	Accounting method of deferred assets	<p>Corporate bond issuance expenses</p> <p>Corporate bond issuance expenses is amortized on a straight-line basis over the period up to redemption.</p>
4.	Revenues and expenses recognition	<p>(1) Standard for recording revenues</p> <p>The content of the main performance obligations regarding the revenue arising from contracts with the customers of United Urban and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are as follows:</p> <p>1) Sale of real estate properties</p> <p>United Urban recognizes revenue from sales of real estate properties when the purchaser, which is a customer, acquires control of the real estate properties by fulfilling the delivery obligations stipulated in the contract for the sale of real estate properties.</p> <p>2) Utilities revenue</p> <p>United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements. Of utilities revenue, when United Urban is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, gas, etc. from the amount received as the charges for electricity, gas, etc. is recognized as revenue.</p> <p>(2) Accounting method for taxes on property and equipment</p> <p>United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held to the current period and charged this to property-related expenses.</p> <p>The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥21,432 thousand of such property taxes which were capitalized for the current fiscal period.</p>
5.	Hedge accounting	<p>(1) Hedge accounting method</p> <p>The deferred hedge accounting is adopted.</p> <p>(2) Hedging instrument and hedged item</p> <p>Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts</p> <p>(3) Hedging policy</p> <p>Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation.</p> <p>(4) Evaluation method of the effectiveness of hedging</p>

		<p>The effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment.</p> <p>(Hedging relationship applying “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR”)</p> <p>Of the above hedging relationship, United Urban applies the exceptional treatment to all hedging relationship included in the scope of “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (Practical Issues Task Force (“PITF”) No.40 issued on March 17, 2022). Details of the hedging relationship applying the said PITF are as follows:</p> <p>Hedge accounting method: Special treatment of interest rate swap</p> <p>Hedging instrument: Interest rate swap transaction</p> <p>Hedged item: Interest rate on debts</p> <p>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 statement of income and retained earnings accounts.</p> <p>In addition, the following significant accounts of assets held in trust which are recorded in the relevant accounts are reported separately in the balance sheet.</p> <ol style="list-style-type: none"> <li>1) Cash and bank deposit in trust</li> <li>2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust</li> <li>3) Leasehold rights in trust and Other intangible assets in trust</li> <li>4) Security deposits paid in trust</li> <li>5) Rent received in advance in trust</li> <li>6) Deposits received in trust</li> <li>7) Leasehold and security deposits received in trust</li> </ol> <p>(2) Accounting method for non-deductible consumption taxes</p> <p>Non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.</p>

## (8) Notes to Financial Statements

### [Notes to Significant Accounting Estimates]

#### Impairment Losses of Fixed Assets

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

	(Thousands of yen)	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Impairment losses	-	-
Fixed assets	643,519,834	649,306,691
Intangible assets	9,435,648	9,428,316

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

###### 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.

### 39th Fiscal Period (As of May 31, 2023)

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. Therefore, 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 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Buildings	1,216,600	1,233,968
Structures	5,809	5,606
Land	2,089,982	2,089,982
Total	3,312,392	3,329,557

Debt secured by pledged assets were as follows:

	(Thousands of yen)	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
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 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
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 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Buildings in trust	39,608	39,608

## \*4. Status of cancellation of own investment units

	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Total number of units cancelled (Unit)	19,746	19,746
Total amount cancelled (Thousands of yen)	2,999,918	2,999,918

Note: There were no cancellations of own investment units during the 39th fiscal period.

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

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

	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	

### 39th Fiscal Period (As of May 31, 2023)

	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	6,716,285	-	75,463	6,640,821	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	61,593	-	669	60,923	Appropriation for cash distribution
	76,099	70,772	-	760	70,011	
	63,132	59,344	-	631	58,713	

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 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
	50,000	50,000

[Notes to the Statement of Income and Retained Earnings]

\*1. Operating revenues and expenses

	(Thousands of yen)			
	38th Fiscal Period (June 1, 2022 - November 30, 2022)		39th Fiscal Period (December 1, 2022 - May 31, 2023)	
A. Operating revenues				
Rental revenues				
Rental revenues	19,714,415		20,493,491	
Common area charges	1,408,537		1,388,156	
Parking revenues	748,216		770,051	
Other revenues (Note 1)	162,682	22,033,852	166,870	22,818,571
Other rental revenues				
Incidental revenues (Note 2)	1,676,330		1,605,287	
Temporary revenues	182,622		532,405	
Other miscellaneous revenues	91,530	1,950,483	96,254	2,233,947
Total operating revenues		23,984,335		25,052,518
B. Property-related expenses				
Rental expenses				
Property and other taxes	2,163,124		2,126,537	
Property management fees	1,824,199		1,834,831	
Utilities	1,940,039		1,919,501	
Casualty insurance	37,614		37,814	
Repairs and maintenance (Note 3)	997,060		1,322,963	
Depreciation and amortization	4,068,836		4,067,539	
Other rental expenses	436,746		469,189	
Total rental expenses		11,467,621		11,778,376
C. Profit from rental activities (A-B)		12,516,713		13,274,141

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

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

39th Fiscal Period (From December 1, 2022 to May 31, 2023)

There was no applicable information on gain on sales of real estate properties for the fiscal period ended May 31, 2023.



[Notes to Statements of Changes in Unitholders' Equity]

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

	38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	3,098,591 units	3,098,591 units

[Notes to Statements of Cash Distribution]

\* Reserve for temporary difference adjustments

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"> <li>Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493</li> <li>Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997</li> <li>Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324</li> </ul>	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

39th Fiscal Period (As of May 31, 2023)

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

[Notes to Tax Effect Accounting]

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

	(Thousands of yen)	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Deferred tax assets		
Difference in revenue recognition for tax purposes	12,361	23,980
Valuation difference on assets acquired by merger	15,580,652	15,563,658
Excess allowance for doubtful accounts	3,657	1,970
Impairment losses	328,442	328,442
Other	246	236
Subtotal	15,925,361	15,918,288
Valuation allowance	(15,925,361)	(15,918,288)
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 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Distributions of tax-deductible dividends	(31.15)%	(31.23)%
Changes in valuation allowance	(0.32)%	(0.23)%
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		38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Retail properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	186,385,219	187,796,463
	Change during the period	1,411,244	98,945
	Balance at the end of the period	187,796,463	187,895,408
	Fair value at the end of the period	216,694,000	217,099,000
Office buildings	Carrying amount on the balance sheet		
	Balance at the beginning of the period	193,379,400	192,530,086
	Change during the period	(849,314)	2,029,006
	Balance at the end of the period	192,530,086	194,559,093
	Fair value at the end of the period	260,760,000	260,380,000
Hotels	Carrying amount on the balance sheet		
	Balance at the beginning of the period	159,710,652	158,961,094
	Change during the period	(749,557)	(81,619)
	Balance at the end of the period	158,961,094	158,879,474
	Fair value at the end of the period	185,710,000	184,046,000
Residential properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	45,149,499	46,121,214
	Change during the period	971,715	1,565,692
	Balance at the end of the period	46,121,214	47,686,906
	Fair value at the end of the period	67,264,000	69,260,000
Others	Carrying amount on the balance sheet		
	Balance at the beginning of the period	64,113,642	67,431,683
	Change during the period	3,318,040	2,174,832
	Balance at the end of the period	67,431,683	69,606,515
	Fair value at the end of the period	90,334,000	94,680,000

Total	Carrying amount on the balance sheet		
	Balance at the beginning of the period	648,738,414	652,840,542
	Change during the period	4,102,128	5,786,856
	Balance at the end of the period	652,840,542	658,627,399
	Fair value at the end of the period	820,762,000	825,465,000

- 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 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).  
Of the “Change during the period” for the 39th fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (¥5,897 million), an additional acquisition of the building portion of the existing property (¥1,244 million), and capital expenditures (¥2,443 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥4,059 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 and Retained Earnings.”

#### [Notes to Revenue Recognition]

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

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

39th Fiscal Period (From December 1, 2022 to May 31, 2023)

	(Thousands of yen)	
	Revenue from contracts with customers (Note 1)	Net sales to external customers
Revenue from sale of real estate properties	-	-
Utility revenues (Note 3)	1,605,287	1,605,287
Other revenues	-	23,447,230
Total	1,605,287	25,052,518

- 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 38th Fiscal Period (from June 1, 2022 to November 30, 2022) and the 39th fiscal period (from December 1, 2022 to May 31, 2023), 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

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.

39th Fiscal Period (From December 1, 2022 to May 31, 2023)

- (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)	317,711
Claims arising from contracts with customers (balance at end of the fiscal period)	315,789
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]

	38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Net assets per unit	¥ 116,291	¥ 116,336
Net income per unit	¥ 3,103	¥ 3,204

- 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:

		38th Fiscal Period (June 1, 2022 - November 30, 2022)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Net income	(Thousands of yen)	9,666,272	9,929,741
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	9,666,272	9,929,741
Average number of investment units during the period	(Unit)	3,114,668	3,098,591

[Notes to Significant Subsequent Events]

Not Applicable

[Omission of Disclosure]

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

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

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

Date	Remarks	Total Number of Investment Units Issued and Outstanding (Unit)		Unitholders' Capital (Millions of yen)		Notes
		Increase (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		38th Fiscal Period (As of November 30, 2022)		39th Fiscal Period (As of May 31, 2023)	
				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)	7,220,451	1.0	7,209,102	1.0
			Other regions (Note 6)	13,247,308	1.9	13,284,617	1.8
	Office Buildings	Capital region	The 6 central wards of Tokyo	22,880,760	3.2	22,833,648	3.2
			The 23 wards of Tokyo	9,320,993	1.3	9,281,845	1.3
			Tokyo metropolitan area	8,715,554	1.2	8,711,619	1.2
			Other regions	-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,565,085	0.2	1,558,486	0.2
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,654,675	0.5	3,620,946	0.5
			Other regions	-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	4,747,227	0.7	4,727,904	0.7
			Tokyo metropolitan area	1,681,579	0.2	1,678,406	0.2
			Other regions	3,585,287	0.5	3,558,917	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	552,821	0.1	1,645,551	0.2
	Subtotal				84,105,931	11.8	85,045,233
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,215,028	0.6	4,209,177	0.6
			The 23 wards of Tokyo	11,433,576	1.6	11,395,244	1.6
			Tokyo metropolitan area	95,691,247	13.4	95,668,528	13.2
			Other regions	55,988,850	7.8	56,128,737	7.8
	Office Buildings	Capital region	The 6 central wards of Tokyo	65,405,755	9.1	65,236,510	9.0
			The 23 wards of Tokyo	1,960,896	0.3	1,955,635	0.3
			Tokyo metropolitan area	38,804,490	5.4	38,440,664	5.3
			Other regions	45,441,635	6.4	48,099,168	6.7
	Hotels	Capital region	The 6 central wards of Tokyo	40,073,449	5.6	39,886,006	5.5
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	22,966,423	3.2	22,907,876	3.2
			Other regions	90,701,460	12.7	90,906,158	12.6
	Residential Properties	Capital region	The 6 central wards of Tokyo	2,293,421	0.3	2,287,021	0.3
			The 23 wards of Tokyo	9,686,849	1.4	9,647,962	1.3
			Tokyo metropolitan area	2,792,522	0.4	2,776,886	0.4
			Other regions	21,334,327	3.0	23,009,807	3.2
	Others	Capital region	The 6 central wards of Tokyo	3,222,619	0.5	3,220,500	0.4
			The 23 wards of Tokyo	7,885,149	1.1	7,869,838	1.1
			Tokyo metropolitan area	38,026,036	5.3	37,944,720	5.2
			Other regions	10,810,869	1.5	11,991,717	1.7
	Subtotal				568,734,610	79.6	573,582,165
Bank deposit and other assets				62,058,945	8.7	64,575,045	8.9
Total Assets				714,899,488	100.0	723,202,444	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 Tokyo wards."

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.

	End of 38th Fiscal Period (As of November 30, 2022)		End of 39th Fiscal Period (As of May 31, 2023)	
	Amount (Thousands of yen)	Percentage to Total Assets (%)	Amount (Thousands of yen)	Percentage to Total Assets (%)
Total liabilities	354,560,866	49.6	362,722,249	50.2
Total net assets	360,338,621	50.4	360,480,195	49.8
Total assets	714,899,488	100.0	723,202,444	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 39th 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 rate of Investment Real Estate were as follows:

(As of May 31, 2023)

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Rate (%) (Note 3)
A2	Joy Park Izumigaoka	6,770	4,929	4,590	0.6	JREI	28	12,977.80	12,977.80	100.0
A4	Luz Funabashi	5,200	4,024	6,270	0.8	JREI	16	12,955.48	12,955.48	100.0
A6	TENJIN LUCE	6,500	6,236	6,740	0.8	Nittochi	12	4,256.57	3,908.44	91.8
A7	Tecc LAND Sakai Honten	3,210	2,636	3,930	0.5	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	4,716	5,330	0.6	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,333	2,020	0.2	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,535	3,480	0.4	JREI	10	2,081.50	2,081.50	100.0
A11	Tip's Machida Building	4,100	4,176	5,300	0.6	JREI	10	6,616.32	6,616.32	100.0
A12	Daiei Takarazuka Nakayama	4,284	2,970 (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	11,500	1.4	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,198	1,930	0.2	JREI	7	1,938.56	1,336.11	68.9
A15	Shinsaibashi OPA Honkan	22,800	21,778	25,000	3.0	JREI	1	27,025.42	27,025.42	100.0
A19	Albore Jingumae	1,580	1,530	2,810	0.3	JREI	3	824.73	824.73	100.0
A20	Albore Sendai	2,590	2,292	3,300	0.4	JREI	7	3,182.13	2,638.33	82.9
A21	Mallage Kashiwa	7,040	6,687	9,270	1.1	JREI	92	41,749.24	41,389.03	99.1
A23	Ito-Yokado Owariasahi	4,840	3,797	4,940	0.6	JREI	1	54,606.34	54,606.34	100.0
A24	Yokohama Kariba Shopping Center	2,500	1,974	2,410	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	4,661	5,910	0.7	JREI	21	2,283.47	2,283.47	100.0
A26	ACTIOLE Ichikawa	3,350	2,664	4,170	0.5	JREI	13	3,931.56	3,931.56	100.0
A27	Yokohama Aoba Shopping Center (Site)	2,600	2,740	3,390	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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Rate (%) (Note 3)
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,890	0.4	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	25,974	36,100	4.4	JREI	1	37,932.95	37,932.95	100.0
A30	Kaden Sumairu-kan YAMADA Matsudo Honten	5,150	4,512	7,080	0.9	JREI	1	17,561.23	17,561.23	100.0
A31	Luz Fukuoka Tenjin (Note 14)	4,350	4,954	4,480	0.5	JREI	5	7,730.09	2,498.60	32.3
A32	Narumi Shopping Center (Site)	6,460	6,850	7,160	0.9	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,880	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	2,678	2,750	0.3	JREI	12	1,352.35	1,352.35	100.0
A37	UUR Tenjin Nishi-dori Building	5,500	6,024	3,810	0.5	JREI	3	1,053.10	1,053.10	100.0
A38	Luz Shonan Tsujido	3,938	4,267	4,660	0.6	Tanizawa	33	10,373.71	10,163.04	98.0
A39	ACTIOLE Ueno	3,000	3,198	2,760	0.3	Tanizawa	9	1,163.44	1,163.44	100.0
A40	KURURU	9,285	9,972	8,980	1.1	Tanizawa	26	12,810.05	12,665.35	98.9
A41	K's Denki Nagoya-kita	1,750	1,797	1,870	0.2	Tanizawa	1	4,733.74	4,733.74	100.0
A42	Luz Musashikosugi	12,151	12,196	11,800	1.4	Tanizawa	2	8,272.58	8,272.58	100.0
A43	LEVEN Otakanomori	3,800	3,833	3,870	0.5	Tanizawa	14	5,984.28	5,984.28	100.0
A44	Gulliver Hachioji Minamino	1,500	1,582	1,640	0.2	JREI	1	8,278.27	8,278.27	100.0
B1	T&G Hamamatsucho Building	2,257	2,088	2,920	0.4	Tanizawa	7	2,261.97	2,261.97	100.0
B3	Fukuoka Eartheon Building	2,080	1,439	3,350	0.4	JREI	7	4,934.40	4,934.40	100.0
B4	Kojimachi Center Place (Note 15)	2,350	2,378	2,960	0.4	JREI	15	2,577.76	2,537.46	98.4
B6	Shin-Osaka Central Tower	24,000	22,920	29,000	3.5	Nittochi	63	45,951.31	44,113.53	96.0
B7	Kawasaki Toshiba Building	19,200	18,144	31,000	3.8	Tanizawa	1	36,142.30	36,142.30	100.0
B8	UUR Toyochō Building	8,500	8,247	6,730	0.8	JREI	1	7,571.20	7,571.20	100.0
B9	FOUR SEASONS BLDG	4,200	3,935	6,380	0.8	JREI	1	5,000.54	5,000.54	100.0
B11	Pacific Marks Shinjuku Parkside	12,100	11,395	15,000	1.8	JREI	20	10,947.34	10,947.34	100.0
B13	Pacific Marks Tsukishima	6,080	5,661	7,140	0.9	JREI	45	9,335.19	9,229.93	98.9
B14	Pacific Marks Yokohama East	7,050	6,246	7,990	1.0	Tanizawa	28	11,199.19	11,199.19	100.0
B17	Akasaka Hikawa Building	3,290	3,123	4,150	0.5	JREI	1	3,438.20	3,438.20	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,405	3,470	0.4	JREI	1	1,972.43	1,972.43	100.0
B20	Pacific Marks Akasaka-mitsuke	2,210	2,124	2,660	0.3	JREI	8	1,675.13	1,675.13	100.0
B22	Pacific Marks Shin-Yokohama	1,710	1,463	1,600	0.2	Tanizawa	10	3,084.02	3,084.02	100.0
B25	Pacific Marks Kawasaki	9,890	8,711	12,900	1.6	Tanizawa	41	7,395.50	7,314.34	98.9
B26	Hamamatsucho 262 Building	6,840	6,247	8,400	1.0	JREI	18	6,149.77	5,854.71	95.2
B27	Lila Hijirizaka	2,750	2,590	3,670	0.4	JREI	13	4,255.02	4,255.02	100.0
B29	Otsuka HT Building	1,160	1,034	1,310	0.2	JREI	7	1,774.56	1,774.56	100.0
B30	Pacific Marks Shinjuku South-gate	2,460	2,436	4,050	0.5	JREI	8	1,727.48	1,727.48	100.0
B31	Pacific Marks Nishi-Umeda	6,860	6,542	8,140	1.0	Tanizawa	29	10,990.99	10,506.19	95.6
B32	Pacific Marks Higobashi	4,570	4,268	5,630	0.7	Tanizawa	26	7,617.24	7,279.33	95.6



Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Rate (%) (Note 3)
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,638	2,400	0.3	Tanizawa	12	4,731.59	4,731.59	100.0
B36	Shin-Sapporo Center Building	987	800	844	0.1	Tanizawa	21	2,797.23	2,797.23	100.0
B37	ARENA TOWER	9,500	7,331	12,600	1.5	Tanizawa	11	17,967.46	16,561.09	92.2
B38	Yushima First Building	2,100	1,955	3,470	0.4	JREI	6	4,554.23	4,554.23	100.0
B39	Dogenzaka Square	2,300	2,204	3,230	0.4	JREI	27	2,234.21	2,127.01	95.2
B40	GRAND-SQUARE Shin-Sakae	1,480	1,191	1,980	0.2	JREI	9	4,578.93	4,578.93	100.0
B41	GRAND-SQUARE Meieki-minami	1,220	1,010	2,670	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,090	3,930	0.5	JREI	5	2,831.93	2,831.93	100.0
B43	Hirose-dori SE Building	3,600	2,870	5,720	0.7	JREI	8	8,235.87	8,235.87	100.0
B44	SS30	18,200	18,811	23,400	2.8	JREI	80	67,681.45	65,499.82	96.8
B45	LOOP-X・M	11,200	12,208	13,000	1.6	JREI	116	21,589.27	20,255.86	93.8
B46	Toranomon Hills Mori Tower	10,000	10,020	11,500	1.4	JREI	1	3,273.51	3,273.51	100.0
B47	Toranomon PF Building	3,435	3,466	4,560	0.6	JREI	4	3,603.09	3,603.09	100.0
B48	UUR Kyobashi East Building	7,280	7,535	8,160	1.0	Tanizawa	6	3,642.18	3,642.18	100.0
B49	IIDABASHI PLANO	5,950	6,155	7,180	0.9	JREI	2	4,370.23	4,370.23	100.0
B50	OSAKA BAY TOWER	2,637	2,786	2,760	0.3	JREI	155	44,076.20	41,484.23	94.1
C1	Shinjuku Washington Hotel Honkan	21,140	21,577	26,300	3.2	JREI	9	53,315.02	52,182.76	97.9
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,558	2,590	0.3	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	2,923	3,850	0.5	JREI	8	6,660.20	6,482.75	97.3
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	3,620	4,850	0.6	Nittochi	4	7,139.44	7,139.44	100.0
C5	Hotel JAL City Naha	7,666	6,766	10,700	1.3	Nittochi	1	13,701.80	13,490.40	98.5
C6	UUR Yotsuya Sanchoe Building	4,200	4,354	7,060	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	4,888	7,200	0.9	JREI	4	7,544.42	7,544.42	100.0
C9	Comfort Inn Tokyo Roppongi	4,488	4,699	3,650	0.4	JREI	3	3,708.47	3,708.47	100.0
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,557	3,210	0.4	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	1,983	2,640	0.3	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	745	699	881	0.1	Daiwa	1	1,529.47	1,529.47	100.0
C13	Loisir Hotel & Spa Tower Naha	20,000	19,701	22,000	2.7	JREI	1	45,731.16	45,731.16	100.0
C14	Royal Pines Hotel Urawa	17,500	17,427	17,100	2.1	JREI	10	31,129.86	31,129.86	100.0
C15	RIHGA Royal Hotel Kokura・ARUARU City	16,600	17,687	15,900	1.9	Tanizawa	31	81,372.50	80,899.50	99.4
C16	Comfort Inn Fukuoka Tenjin	3,000	3,018	3,550	0.4	JREI	2	3,567.22	3,567.22	100.0
C17	Henn na Hotel Tokyo Hamamatsucho	4,456	4,366	4,760	0.6	JREI	1	2,293.64	2,293.64	100.0
C18	Hotel Hewitt Koshien	13,520	13,865	13,700	1.7	Tanizawa	2	36,104.06	36,104.06	100.0
C19	Smile Hotel Premium Sapporo Susukino	4,233	4,106	5,250	0.6	Tanizawa	1	8,332.04	8,332.04	100.0
C20	the square hotel KANAZAWA	4,802	4,829	5,950	0.7	Tanizawa	1	6,333.36	6,333.36	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Rate (%) (Note 3)
C21	RIHGA Place Kyoto Shijo Karasuma (Note 16)	2,010	2,068	2,580	0.3	Tanizawa	1	2,358.25	2,358.25	100.0
D1	T&G Higashi-ikebukuro Mansion	2,021	1,339	2,810	0.3	Tanizawa	121	2,665.59	2,483.97	93.2
D4	Komazawa Court	1,680	1,439	2,520	0.3	JREI	1	3,741.17	3,741.17	100.0
D6	UUR Court Shiba-Daimon	1,175	942	1,650	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D9	Aprile Shin-Ohgi Ichibankan	3,031	2,264	4,110	0.5	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	888	1,730	0.2	Tanizawa	1	4,790.50	4,790.50	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,475	4,090	0.5	JREI	88	4,097.51	3,958.70	96.6
D16	GRAND-ROUGE Sakae (Note 10)	1,570	1,121	1,430	0.2	JREI	85	3,697.38	3,293.91	89.1
D17	GRAND-ROUGE Sakae II	1,300	923	1,260	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,255	4,760	0.6	JREI	141	11,525.36	11,054.72	95.9
D19	UUR Court Nagoya Meieki	1,473	1,061	1,720	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D21	Park Site IZUMI	900	788	770	0.1	JREI	37	2,067.95	1,845.85	89.3
D22	UUR Court Osaka Juso-honmachi	1,570	1,134	1,950	0.2	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,690	4,170	0.5	JREI	195	5,460.39	5,218.41	95.6
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,611	3,600	0.4	JREI	137	7,763.18	7,499.53	96.6
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,145	1,790	0.2	JREI	113	3,090.36	2,967.16	96.0
D26	Glenpark Umeda-kita	5,150	4,835	7,230	0.9	Tanizawa	173	12,730.60	11,972.83	94.0
D27	UUR Court Shiki	2,730	2,776	3,320	0.4	JREI	2	9,288.00	9,288.00	100.0
D28	GRAND-ROUGE Tanimachi Rokuchome	1,300	1,347	1,600	0.2	Tanizawa	49	2,792.81	2,678.01	95.9
D29	Chatle Otemachi S・N	3,398	3,558	4,030	0.5	JREI	146	12,040.28	11,473.28	95.3
D30	GRAN FONTE	2,700	2,866	3,780	0.5	Tanizawa	88	6,268.24	6,065.27	96.8
D31	Park Axis Akatsuka	1,980	2,037	2,340	0.3	Tanizawa	153	4,370.31	4,219.35	96.5
D32	UUR Court Shirasagi	1,442	1,527	1,830	0.2	Tanizawa	45	2,815.30	2,695.50	95.7
D33	Court Branche AP	1,270	1,344	1,490	0.2	Tanizawa	38	1,480.17	1,344.64	90.8
D34	UUR Court Ibaraki Higashi-Chujo	1,665	1,761	1,840	0.2	Tanizawa	55	3,783.25	3,653.17	96.6
D35	Amour Yokohama	1,570	1,678	1,580	0.2	JREI	35	2,272.73	2,210.97	97.3
D36	GRAND-ROUGE Joto	1,755	1,869	1,860	0.2	Daiwa	68	3,309.62	3,132.13	94.6
E1	Lilycolor Tohoku Branch	2,050	1,250	2,370	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	Fuchu Building (Note 11)	2,863	1,938	1,910	0.2	JREI	1	5,479.15	5,479.15	100.0
E3	Tsubogawa Square Building	4,150	3,477	6,850	0.8	JREI	5	10,570.98	9,977.86	94.4
E4	THE PLACE of TOKYO	3,500	3,220	4,800	0.6	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	9,525	9,235	12,400	1.5	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	7,869	15,800	1.9	JREI	1	23,856.74	23,856.74	100.0
E8	Shin-Narashino Logistics Center	2,555	2,615	3,110	0.4	JREI	1	12,909.90	12,909.90	100.0
E9	Kawagoe Logistics Center	7,550	7,370	10,700	1.3	Tanizawa	1	40,060.76	40,060.76	100.0
E11	Shin-Narashino Logistics Center II	2,590	2,677	3,000	0.4	JREI	1	12,598.46	12,598.46	100.0
E12	Yoshikawa Logistics Center	1,960	1,921	2,020	0.2	JREI	1	11,096.70	11,096.70	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Rate (%) (Note 3)
E13	Musashimurayama Logistics Center	1,800	1,846	2,170	0.3	JREI	1	9,237.87	9,237.87	100.0
E14	Chibaminato Logistics Center (Site)	6,600	6,934	8,530	1.0	Tanizawa	1	24,467.78	24,467.78	100.0
E15	Hirakata Nagao Logistics Center	2,550	2,604	3,050	0.4	Tanizawa	1	11,874.51	11,874.51	100.0
E16	Kobe Toyahama Logistics Center	1,300	1,415	1,980	0.2	JREI	1	9,402.93	9,402.93	100.0
E17	REDWOOD Narita Distribution Centre	2,345	2,405	2,610	0.3	Tanizawa	2	21,445.46	21,445.46	100.0
E18	Kazo Logistics Center I・II	3,259	3,323	3,610	0.4	Tanizawa	2	12,777.19	12,777.19	100.0
E19	Kobe Seishin Logistics Center	1,923	2,015	2,160	0.3	Tanizawa	1	9,533.88	9,533.88	100.0
E20	Granda Miyanomori	1,423	1,645	1,640	0.2	Tanizawa	1	3,810.47	3,810.47	100.0
E21	KIC Sayama Hidaka Distribution Center	4,450	4,610	4,660	0.6	Tanizawa	1	15,113.07	15,113.07	100.0
E22	Sapporo Yonesato Logistics Center	1,177	1,228	1,310	0.2	Tanizawa	1	7,389.49	7,389.49	100.0
Total		688,901	658,627	825,465	100.0	-	3,069	1,632,781.16	1,606,392.37	98.4

(ii) Outline of Investment Real Estate 2

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

(As of May 31, 2023)

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	362,935	241,764	10	Yes
A4		Luz Funabashi	412,689	343,075	13	Yes
A6		TENJIN LUCE	393,048	352,678	2	Yes
A7		Tecc LAND Sakai Honten	(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	150,890	141,401	14	Yes
A11		Tip's Machida Building	292,286	229,845	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	105,576	91,184	14.6	Yes
A20		Albore Sendai	152,778	102,349	8	Yes
A21		Mallage Kashiwa	878,198	856,744	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	276,195	228,692	12	Yes
A26		ACTIOLE Ichikawa	220,323	186,350	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

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
A30	Retail Properties	Kaden Sumairu-kan YAMADA Matsudo Honten	(Note 12)	(Note 12)	11	Yes
A31		Luz Fukuoka Tenjin (Note 14)	115,270	256,752	1	Yes
A32		Narumi Shopping Center (Site)	(Note 12)	(Note 12)	- (Note 13)	- (Note 13)
A33		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	459,158	319,054	14	Yes
A39		ACTIOLE Ueno	126,810	92,461	12	Yes
A40		KURURU	425,462	356,441	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	141,626	124,581	12	Yes
B3		Fukuoka Eartheon Building	213,523	132,214	1	Yes
B4		Kojimachi Center Place (Note 15)	166,136	196,866	11	Yes
B6	Office /Hotels	Shin-Osaka Central Tower	1,893,537	1,521,329	7	Yes
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7	Yes
B8		UUR Toyochi Building	372,704	380,080	13	Yes
B9		FOUR SEASONS BLDG	313,776	260,968	11	Yes
B11		Pacific Marks Shinjuku Parkside	672,145	501,505	14.8	Yes
B13		Pacific Marks Tsukishima	438,506	228,529	14	Yes
B14		Pacific Marks Yokohama East	479,923	355,252	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	118,321	80,328	16	Yes
B25		Pacific Marks Kawasaki	618,393	482,807	17	Yes
B26		Hamamatsucho 262 Building	388,637	450,192	14	Yes
B27		Lila Hijirizaka	226,758	159,648	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	483,203	442,461	10	Yes
B32		Pacific Marks Higobashi	303,864	254,623	12	Yes
B35		Pacific Marks Sapporo Kita-Ichijo	228,459	192,595	1	Yes
B36		Shin-Sapporo Center Building	108,207	88,167	2	Yes
B37		ARENA TOWER	777,484	419,555	10	Yes
B38		Yushima First Building	208,663	153,549	13	Yes
B39		Dogenzaka Square	174,670	124,820	16	No
B40		GRAND-SQUARE Shin-Sakae	147,632	101,617	10	Yes
B41		GRAND-SQUARE Meieki-minami	160,599	123,903	10	Yes
B42		Shiba 520 Building	206,457	164,666	13	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
B43	Office Buildings	Hirose-dori SE Building	376,953	397,161	8	Yes
B44	Office /Hotels	SS30	1,888,647	1,340,272	2	Yes
B45	Office Buildings	LOOP-X・M	873,143	521,031	7	Yes
B46		Toranomon Hills Mori Tower	(Note 12)	(Note 12)	1	Yes
B47		Toranomon PF Building	224,723	228,809	10	Yes
B48		UUR Kyobashi East Building	314,524	262,017	9	Yes
B49		IIDABASHI PLANO	403,106	204,838	4	Yes
B50		OSAKA BAY TOWER	164,639	134,222	8	No
C1	Hotels	Shinjuku Washington Hotel Honkan	1,489,959	1,991,913	9	Yes
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	114,000	70,000	17	Yes
C3		MZ BLD.	256,964	189,219	13	Yes
C4		HOTEL ROUTE-INN Yokohama Bashamichi	267,701	101,431	19	Yes
C5		Hotel JAL City Naha	(Note 12)	(Note 12)	5	Yes
C6		UUR Yotsuya Sanchome Building	327,448	115,770	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	1,255,203	1,522,786	1	Yes
C16		Comfort Inn Fukuoka Tenjin	110,960	64,708	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		RIHGA Place Kyoto Shijo Karasuma (Note 16)	(Note 12)	(Note 12)	8	Yes
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	129,060	15,228	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	195,492	24,467	14.5	No
D16		GRAND-ROUGE Sakae (Note 10)	84,372	6,337	13	No
D17		GRAND-ROUGE Sakae II	64,740	6,413	13	No
D18		MA Sendai Building	270,223	16,352	11	No
D19		UUR Court Nagoya Meieki	88,095	7,381	16	No
D21		Park Site IZUMI	50,040	6,145	12	No
D22		UUR Court Osaka Juso-honmachi	100,854	9,454	16	No
D23		UUR Court Kinshicho	216,302	34,947	14.8	No
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	179,453	57,351	1	No
D25		GLAND-ROUGE Nakanoshima-minami	104,532	7,105	15	No
D26		Glenpark Umeda-kita	347,832	36,086	15.5	No
D27		UUR Court Shiki	191,320	144,542	11	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
D28	Residential Properties	GRAND-ROUGE Tanimachi Rokuchome	82,524	6,319	13	No
D29		Chatle Otemachi S・N	215,976	17,134	1	No
D30		GRAN FONTE	182,699	48,705	1	Yes
D31		Park Axis Akatsuka	98,287	22,427	12	No
D32		UUR Court Shirasagi	69,069	15,747	12	No
D33		Court Branche AP	63,660	16,562	13	No
D34		UUR Court Ibaraki Higashi-Chujo	91,800	9,457	10	No
D35		Amour Yokohama	70,164	6,111	12	No
D36		GRAND-ROUGE Joto	90,960	15,199	13	Yes
E1	Others	Lilycolor Tohoku Branch	(Note 12)	(Note 12)	11	Yes
E2		Fuchu Building (Note 11)	(Note 12)	(Note 12)	(Note 13)	(Note 13)
E3		Tsubogawa Square Building	407,486	273,096	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		Granda Miyanomori	(Note 12)	(Note 12)	1	Yes
E21		KIC Sayama Hidaka Distribution Center	(Note 12)	(Note 12)	7	Yes
E22		Sapporo Yonesato Logistics Center	(Note 12)	(Note 12)	1	Yes
Total			43,383,170	33,733,852	5.84	

- 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 or 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 Rate” are based on data as of May 31, 2023. “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 Rate" is the percentage obtained from dividing "Leased Floor Space" by "Leasable Floor Space."

4. "Number of Tenants" figures are stated by calculating lessees that have a lease agreement (including lease agreements in which all or part of rooms are leased in bulk for the purpose of subleasing, and a lessee of such lease agreement (master lease agreement) is subleasing those rooms to end tenants) concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a pass-through-type agreement in which the rents received from a lessee of master lease agreement is equal to the rents which the lessee receives from end-tenants, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.
5. As a general rule, "Leased Floor Space" indicates the floor space that has been leased to end-tenants under lease agreements. However, of master lease agreements, the floor spaces in the lease agreements that don't fall into pass-through type indicates the floor spaces in the master lease agreements or the numerical values stated in the management reports or the monthly reports prepared by the property management companies.
6. "Total Annual Rent" shows the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2023 (rental revenues and common area charges) multiplied by twelve and rounded down to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of May 31, 2023 is used for the calculation. Because variable rents are not included in the calculation of "Total Annual Rent", the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of May 31, 2023, the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2023 (rental revenues and common area charges) multiplied by twelve and rounded down to the nearest thousand yen is stated without taking into consideration the contents of the claim.
7. "Tenant Leasehold and Security Deposits" are based on data as of May 31, 2023. In addition, "Tenant Leasehold and Security Deposits" include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
8. "PML" (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at "Total" of "PML" represents the overall portfolio PML. As for properties comprised of several buildings, if the earthquake risk analysis report shows the PML of the whole property, the PML of the whole property is stated.
9. According to the soil environmental survey report on the land of this property prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement ("Reserve for Soil Improvement"), as a condition of the purchase and sale agreement of trust beneficial interest. "Book Value at the End of Period" of this trust beneficial interest reflects the additional amount of trust.  
However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
10. United Urban sold GRAND-ROUGE Sakae on June 1, 2023.
11. As for Fuchu Building, United Urban sold the building of the property on March 31, 2022 and holds only land of the property at the end of the 39th 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.
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 "Tenjin Loft Building" to "Luz Fukuoka Tenjin" on April 1, 2023.
15. The property name was changed from "Marumasu Kojimachi Building" to "Kojimachi Center Place" on December 1, 2022.
16. The property name was changed from "NEST HOTEL KYOTO SHIJOKARASUMA" to "RIHGA Place Kyoto Shijo Karasuma" on April 1, 2023.

### 3. Information Concerning Tenants

#### Top 10 Tenants by Leased Floor Space

(As of May 31, 2023)

No.	Tenant Name	Property Name	Leased Floor Space (m <sup>2</sup> ) (Note 1)	Total Annual Rent (Thousands of yen) (Note 2)	Expiration Date of Contract
1	RIHGA Royal Hotel Kokura Co., Ltd.	• RIHGA Royal Hotel Kokura • ARUARU City	58,297.75	(Note 3)	March 31, 2025
2	Ito-Yokado Co., Ltd.	• Ito-Yokado Owariasahi	54,606.34	(Note 3)	(Note 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, 2044, 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	June 1, 2024 (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 May 31, 2023 (rental revenues and common area charges) multiplied by twelve and rounded down to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of May 31, 2023 is used for the calculation. Because variable rents are not included in the calculation of “Total Annual Rent”, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of May 31, 2023, the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2023 (rental revenues and common area charges) multiplied by twelve and rounded down 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 May 31, 2023, 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. United Urban has received a notice from the tenant that the fixed-term building lease agreement will be terminated as of June 1, 2024.



## (2) Capital Expenditures

### 1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of May 31, 2023. 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
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Renewal of elevator and escalator	From March 2023 to November 2023	242	242	-
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Repair of exterior wall for new tenant	From March 2023 to November 2023	1,010	1,010	-
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Outdoor facility and sign construction	From March 2023 to January 2024	121	121	-
Shin-Osaka Central Tower	Osaka, Osaka	Renewal of power receiving and transforming facilities	From June 2023 to November 2023	108	108	-
SS30	Sendai, Miyagi	Renewal of air-conditioning facilities	From June 2023 to May 2024	203	203	-
SS30	Sendai, Miyagi	Renewal of the first basement floor of hotel building	From June 2023 to July 2023	347	347	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Repair work for new tenant (B1-1F)	From July 2023 to November 2023	150	150	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of main building's kitchen (1st period)	From July 2023 to November 2023	172	172	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of main building's kitchen (2nd period)	From December 2023 to May 2024	159	159	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of elevator	From October 2023 to March 2024	111	111	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Renewal of air-conditioning equipment	From June 2023 to August 2023	137	137	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Interior renewal construction	From June 2023 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 39th fiscal period, which totaled ¥2,443 million. Together with ¥1,322 million of repair and maintenance costs recorded as expenses in the statement of income and retained earnings in the period, expenditure on engineering works totaled ¥3,766 million.

Name of Properties	Location	Purpose	Period Implemented	Construction Amount (Millions of yen)
Tecc LAND Sakai Honten	Sakai, Osaka	Repair of exterior walls	From January 2023 to March 2023	34
Ito-Yokado Owariasahi	Owariasahi, Aichi	Renewal of disaster prevention monitoring panel	From February 2023 to May 2023	33
Luz Shonan Tsujido	Fujisawa, Kanagawa	Repair of exterior walls and common space	From January 2023 to March 2023	215
Luz Shonan Tsujido	Fujisawa, Kanagawa	Compartment formation work (5F)	From December 2022 to January 2023	33
KURURU	Fuchu, Tokyo	Renewal of air-conditioning facilities	From May 2023 to May 2023	105
SS30	Sendai, Miyagi	Renewal of heat source equipment of the office building (1st period)	From November 2021 to May 2023	181
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Repair of employees' dressing room of the main building	From January 2023 to May 2023	70
Royal Pines Hotel Urawa	Saitama, Saitama	Renewal of air-conditioning facilities (hot and cold water generator)	From December 2022 to March 2023	68
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Renewal of emergency elevator	From January 2023 to March 2023	128

Name of Properties	Location	Purpose	Period Implemented	Construction Amount (Millions of yen)
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Renewal of emergency broadcasting equipment	From May 2023 to May 2023	54
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Renewal of air-conditioning facilities (a part of floor)	From February 2023 to May 2023	30
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of air-conditioning facilities of the main building	From October 2022 to May 2023	198
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of water receiving tank of the main building	From January 2023 to April 2023	56
Other capital expenditures				1,232
Total				2,443

### 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)

	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)	39th Fiscal Period (December 1, 2022 - May 31, 2023)
Reserve balance at the beginning of period	1,610	1,681	1,703	1,839	1,836
Addition to the reserve during the period (Note)	72	21	183	0	68
Reduction of reserve during the period	1	-	47	3	7
Reserve balance to be carried over to the next of period	1,681	1,703	1,839	1,836	1,898

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.