



United Urban Investment Corporation

32nd

Fiscal Period

(Six months ended November 2019)

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

Securities Code: 8960



January 2020



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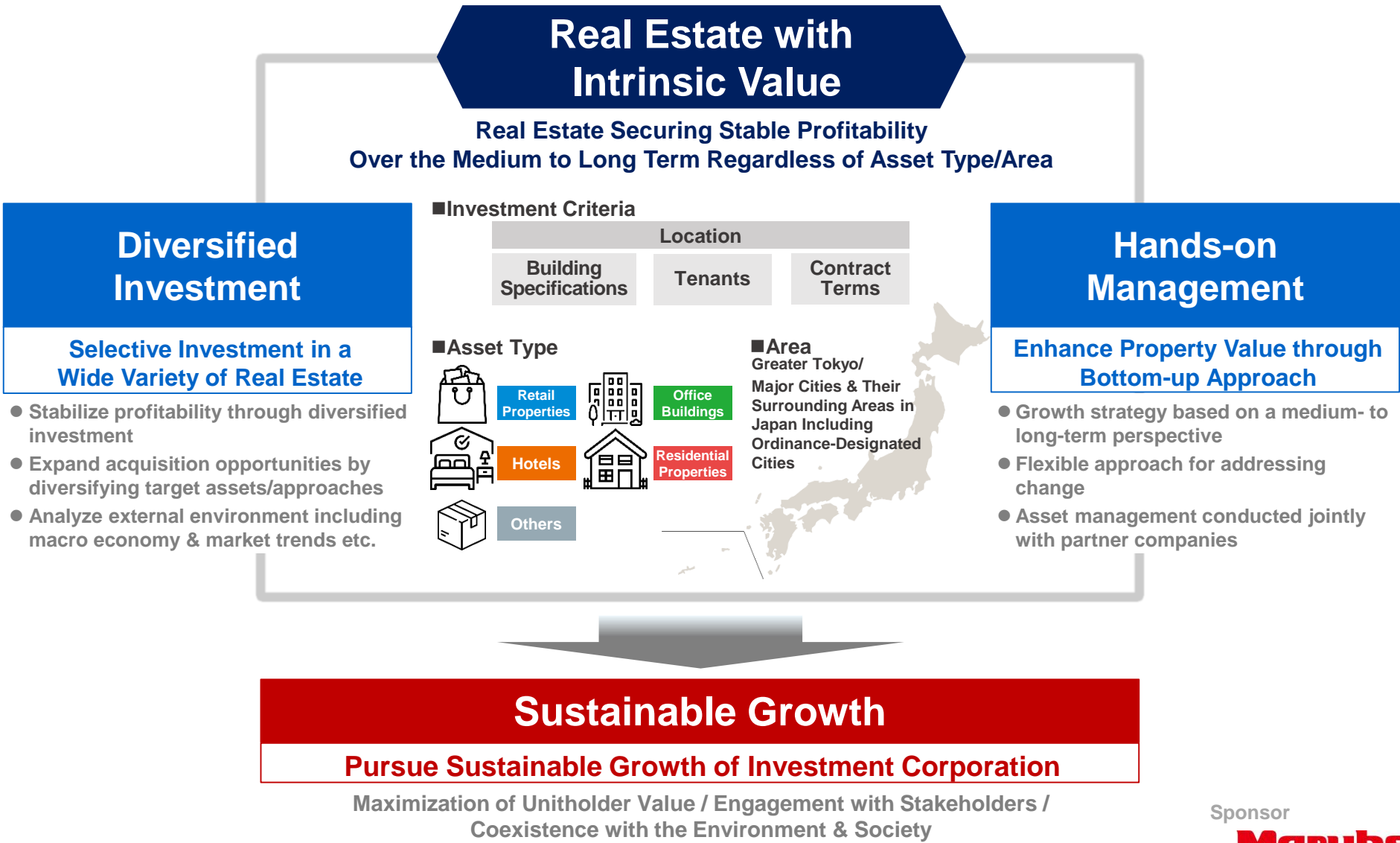
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A J-REIT Pursuing **Sustainable Growth** by Identifying Real Estate with Intrinsic Value

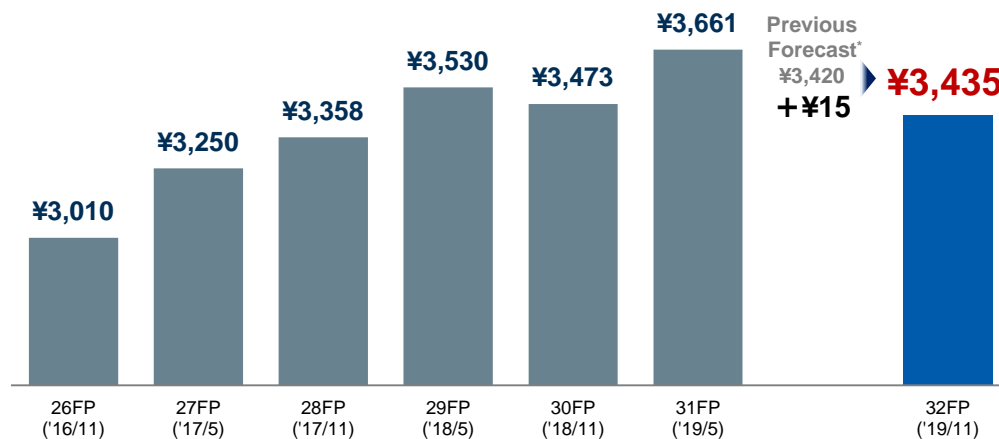


1 Recent Development

1-1 32nd FP Business Results

Financial Highlight for 32nd FP

Distribution per Unit (DPU)



* As of July 12, 2019.

New Acquisition

	Hotel Hewitt Koshien (Hotel)	Smile Hotel Premium Sapporo Susukino (Hotel)
Acquisition Price	¥13.52 Bn	¥4.23 Bn
	Total ¥17.75 Bn	
Building Age*	Main Building 27.2 years New Building 1.3 years	1.9 years
		

*As of end of November, 2019.

11th Public Offering (June-July, 2019)

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

Major Indicator

	31 st FP (May 31, 2019)	32 nd FP (November 30, 2019)
Total assets	¥626.0 Bn	¥643.8 Bn
Number of properties	120 properties	122 properties
Adjusted NOI yield	5.36%	5.57%
Adjusted NOI yield after depreciation	4.06%	4.28%
LTV (Total assets)	41.5%	39.9%
Retained earnings	¥13.9 Bn	¥13.8 Bn

32nd FP Business Results

(¥ Mn, unless otherwise indicated)

No	Item	31st FP (Actual) (A)	32nd FP (Actual) (B)	Change (B-A)	32nd FP (Forecast* ¹) (C)	Change (B-C)
1	Revenues from real estate leasing operation	24,215	24,671	+455	24,995	-324
2	(Rental revenues & CAM* ²)	(21,636)	(21,792)	(+156)	(22,156)	(-363)
3	Property-related expenses	11,506	10,870	-636	11,088	-217
4	(Repair costs)	(1,824)	(905)	(-919)	(973)	(-67)
5	(Depreciation)	(4,050)	(4,132)	(+82)	(4,141)	(-7)
6	(Taxes and public dues)	(1,892)	(2,006)	(+113)	(1,994)	(+12)
7	Income from real estate leasing operation	12,708	13,801	+1,092	13,907	-106
8	(NOI)	(16,759)	(17,933)	(+1,174)	(18,048)	(-114)
9	Gain on property sale, etc.	3,001	-	-3,001	-	-
10	Dividends income	44	-	-44	-	-
11	Sales admin. expenses	2,184	2,235	+50	2,237	-1
12	Operating income	13,569	11,565	-2,003	11,670	-104
13	Non-operating profit and loss	-1,155	-1,021	+134	-1,082	+61
14	Ordinary income	12,413	10,544	-1,869	10,588	-43
15	Net income	12,413	10,543	-1,869	10,587	-43
16	[EPU (yen/unit)]	(4,063)	(3,381)	(-682)	(3,395)	(-14)
17	Reserve for temporary difference adjustment	76	77	+0	77	-
18	Voluntary retained earnings	-1,305	90	+1,395	-	+90
19	Total carh distributions	11,184	10,711	-473	10,664	+46
20	DPU (yen/unit)	3,661	3,435	-226	3,420	+15
21	No. of investment units outstanding (unit)	3,055,087	3,118,337	+63,250	3,118,337	-
22	CAPEX	2,870	2,373	-495	2,904	-530

*1 As of July 12, 2019.

*2 Common area maintenance fee.

Acquisition

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

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

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

Disposition

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

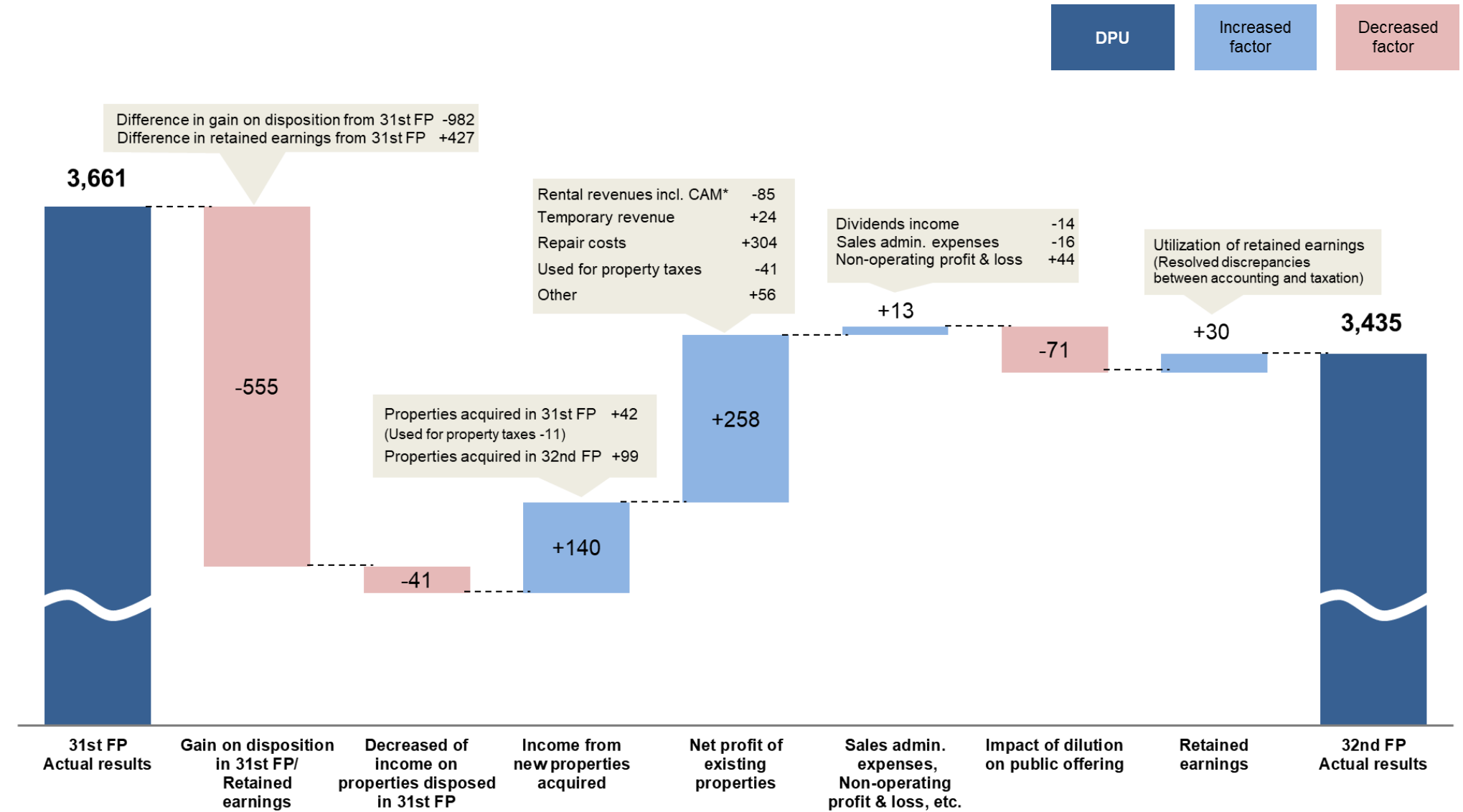
(Note) Signs(+/-) show increase / decrease of each item

31st FP (Actual) vs 32nd FP (Actual)				Converted to DPU
(B-A)		Revenues	Expenses	
Income from real estate leasing operation	+1,092	+455	+636	+ ¥357
Properties sold in 31st FP	-124	Decrease of income of properties disposed		- ¥41
Properties acquired in 31st FP	+127	6-month income of properties since acquisition		+ ¥42
Properties acquired in 32nd FP	+302	Income of properties acquired		+ ¥99
Revenues from existing properties	+15	Rental revenues incl. CAM ² -259, Utilities revenue +202, Temporary revenue +72		+ ¥5
Costs from existing properties	+773	Repair costs +929, Utilities cost -130, etc.		+ ¥253
Gain on property sale, etc.	-3,001	Difference booked from 31st FP		- ¥982
	-2,975	Himonya Shopping Center		- ¥974
	-26	Maison Ukima		- ¥8
Other	+40			+ ¥13
Dividends income	-44	Difference booked from 31st FP (dividends of preferential negotiating right)		- ¥14
Sales admin. expenses	-50	Increase of AM fee due to acquisitions, etc.		- ¥16
Non-operating profit and loss	+134	Difference booked from 31st FP +87 (Bond issuance expenses +67, Loss from valuation of securities +19), Decrease of interest expenses +29, etc.		+ ¥44
Impact on units issued		Number of units issued +63,250 units		- ¥70
Net income	-1,869			- ¥682
Net reserves	+1,395	Difference in reserves of retained earnings from 31st FP +1,305, Decreased retained earnings in 32nd FP +93, Reserved retained earnings in 32nd FP -3		+ ¥457
Impact on units issued				- ¥1
DPU	-473			- ¥226

32nd FP (Forecast) vs 32nd FP (Actual)				Converted to DPU
(B-C)		Revenues	Expenses	
Income from real estate leasing operation	-106	-324	+217	- ¥34
Properties acquired in 31st FP	+7	Repair costs +3, etc.		+ ¥2
Properties acquired in 32nd FP	-78	Rental revenues incl. CAM ² -69, etc.		- ¥25
Revenues from existing properties	-253	Rental revenues incl. CAM ² -292, Utilities revenue -44, Temporary revenue +82		- ¥81
Costs from existing properties	+218	Repair costs +65, Utilities cost +142, etc.		+ ¥70
Other	+63			+ ¥20
Sales admin. expenses	+63	Insurance revenue +21, Investment unit issuance & Non-operating profit and loss expenses +10, Loss on disposal of assets +25, etc.		+ ¥20
Net income	-43			- ¥14
Net reserves	+90	Decreased retained earnings in 32nd FP +93, Reserved retained earnings in 32nd FP -3		+ ¥29
DPU	+46			+ ¥15

Main Causes for Difference in Distribution Per Unit (DPU)

(¥ per unit)



* Common area maintenance fee.

1 Recent Development

1-2 ||| 33rd FP & 34th FP Business Forecast

		Recognition of External Environment	Mid-term Growth Strategy/Initiatives
Property Type	Retail properties	<ul style="list-style-type: none"> ■ Tenant demand remains stable despite temporary impacts of natural hazards such as typhoons, etc. ■ Carefully watch the impacts of the consumption tax hike in October 2019. 	<ul style="list-style-type: none"> ■ Make selective investments in superior properties with profitability. ■ Understand tenant sales and management conditions and respond flexibly when changes are observed. ■ Make considerations for proactive investment for facility revitalization.
	Office buildings	<ul style="list-style-type: none"> ■ Tenant demand is robust in all major cities in Japan. ■ New supply is limited in regional cities. Most of the space in buildings to be completed in 2020 in central Tokyo seem to be taken up, and it is forecast that supply and demand balance will continue to be tight going forward. 	<ul style="list-style-type: none"> ■ Consider ambitious acquisition of excellent properties centering on the three major metropolitan areas of Japan. ■ Raise existing rents when renewing contracts with existing tenants and when concluding new contracts. ■ Continue cost reduction by switching to energy-saving equipment, etc.
	Hotels	<ul style="list-style-type: none"> ■ Carefully watch impacts of natural hazards, trends in foreigners visiting Japan, and supply and demand balance in certain areas. ■ Differences in KPI are manifesting based on operations and ability to attract customers, even between hotels in the same area. 	<ul style="list-style-type: none"> ■ Carefully review business plans of operators when considering acquisitions. ■ Aim for differentiation by improving facility attractiveness through strategic investments in both tangible asset (ex. interior) and intangible asset (ex. operations). ■ Maintain ratio of fixed rent that makes up the portfolio. Aim to increase variable rent.
	Residential properties	<ul style="list-style-type: none"> ■ Demand for leased residential properties is resilient, and both occupancy rates and rent levels remain stable. 	<ul style="list-style-type: none"> ■ Consider ambitious acquisition of excellent properties centering on the three major metropolitan areas of Japan. ■ Aim to raise rents through value enhancement work that conforms to changes in residents' needs.
	Others	<ul style="list-style-type: none"> ■ Tenant demand in logistics is robust, and the logistics market continues to expand. ■ The diversity of investment targets is progressing steadily (data centers, hospitals, land for factories, etc.). 	<ul style="list-style-type: none"> ■ Anticipate acquisition opportunities of logistics facilities, for which demand around the major cities in Japan is firm. ■ Raise existing rents when renewing contracts with existing tenants and when concluding new contracts. ■ Analyze and consider real estate with various asset types as investment targets.
Finance		<ul style="list-style-type: none"> ■ While foreign factors remain uncertain, perceptions of the current economic state do not point to any reasons for raising interest rates. ■ Carefully watch the fact that the domestic demand for funds is concentrated on real estate. 	<ul style="list-style-type: none"> ■ Maintain the borrowing capacity by controlling LTV. ■ While endeavoring to keep financing costs low, diversification of finance providers through direct market financing, etc. is a theme in the future.
ESG		<ul style="list-style-type: none"> ■ Interest in non-financial information concerning environmental, social, and governance (ESG) issues is rising among investors. ■ In the long-term, ESG measures could be an opportunity to improve corporate value. 	<ul style="list-style-type: none"> ■ Aim to resolve non-financial issues through materiality initiatives (see page 26).

Business Forecast: 33rd & 34th FP

(¥ Mn, unless otherwise indicated)

No	Item	32nd FP (Actual) (A)	33rd FP (Forecast* ¹) (B)	Change (B-A)	34th FP (Forecast* ¹) (C)	Change (C-B)
1	Revenues from real estate leasing operation	24,671	25,169	+498	24,847	-322
2	(Rental revenues & CAM* ²)	(21,792)	(22,198)	(+406)	(21,929)	(-269)
3	Property-related expenses	10,870	11,166	+296	11,546	+380
4	(Repair costs)	(905)	(1,222)	(+317)	(1,265)	(+43)
5	(Depreciation)	(4,132)	(4,203)	(+71)	(4,172)	(-31)
6	(Taxes and public dues)	(2,006)	(2,014)	(+8)	(2,110)	(+96)
7	Income from real estate leasing operation	13,801	14,003	+202	13,301	-702
8	(NOI)	(17,933)	(18,206)	(+273)	(17,473)	(-733)
9	Sales admin. expenses	2,235	2,248	+13	2,269	+21
10	Operating income	11,565	11,755	+190	11,032	-723
11	Non-operating profit and loss	-1,021	-1,011	+10	-997	+14
12	Ordinary income	10,544	10,744	+200	10,035	-708
13	Net income	10,543	10,743	+200	10,035	-708
14	[EPU (yen/unit)]	(3,381)	(3,445)	(+64)	(3,218)	(-227)
15	Reserve for temporary difference adjustment	77	77	-	77	-
16	Voluntary retained earnings	90	-	-90	490	+490
17	Total cash distributions	10,711	10,821	+109	10,602	-218
18	DPU (yen/unit)	3,435	3,470	+35	3,400	-70
19	No. of investment units outstanding (unit)	3,118,337	3,118,337	-	3,118,337	-
20	CAPEX	2,373	1,745	-629	2,745	+1,001

*1 As of January 17, 2020.

*2 Common area maintenance fee.

Acquisition

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

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

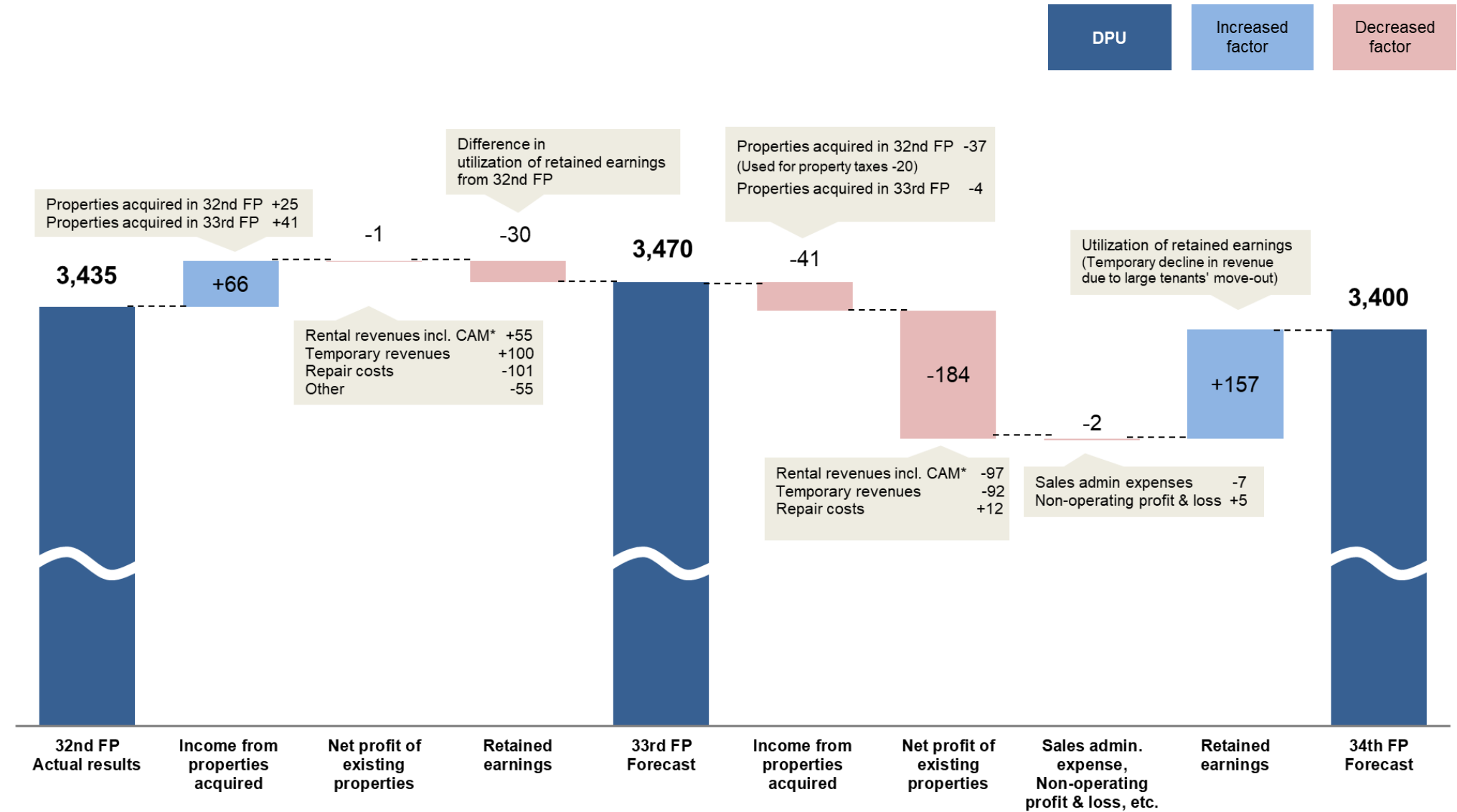
(Note) Signs (+/-) show increase / decrease of each item

32nd FP (Actual) vs 33rd FP (Forecast)				Converted to DPU
(B-A)		Revenues	Expenses	
Income from real estate leasing operation	+202	+498	-296	+ ¥65
Properties acquired in 32nd FP	+79	6-month income of properties since acquisition		+ ¥25
Properties acquired in 33rd FP	+126	Income of properties acquired		+ ¥41
Revenues from existing properties	+263	Rental revenues incl. CAM ² +172, Utilities revenue -227, Temporary revenue +310, etc.		+ ¥84
Costs from existing properties	-267	Repair costs -314, Utilities cost +151, Leasing expenses -52, Depreciation -46, etc.		- ¥85
Other	-3			- ¥1
Sales admin. expenses	-13	Increase of AM fee due to acquisitions, etc.		- ¥4
Non-operating profit and loss	+10	Difference booked from 31st FP +14 (Investment unit issuance expenses +27, Insurance revenue -13), etc.		+ ¥3
Net income	+ 200			+ ¥64
Net reserves	-90	Difference in retained earnings from 31st FP -93, Difference in reserves of retained earnings from 31st FP +3		- ¥29
DPU	+ 109			+ ¥35

33rd FP (Forecast) vs 34th FP (Forecast)				Converted to DPU
(C-B)		Revenues	Expenses	
Income from real estate leasing operation	-702	-322	-380	- ¥225
Properties acquired in 32nd FP	-113	Used for property taxes -62, Repair costs -80, etc.		- ¥37
Properties acquired in 33rd FP	-13	Used for property taxes -14, etc.		- ¥4
Revenues from existing properties	-356	Rental revenues incl. CAM ² -302, Utilities revenues +243, Temporary revenues -304, etc.		- ¥114
Costs from existing properties	-220	Used for property taxes -27, Utilities cost -211, Depreciation +33, etc.		- ¥70
Other	-7			- ¥2
Sales admin. expenses	-21	Period-end appraisal value acquisition costs, etc.		- ¥7
Non-operating profit and loss	+14	Decrease of interest expenses +24, Difference booked from 31st FP -9 (Insurance revenue), etc.		+ ¥5
Net income	-708			- ¥227
Net reserves	+490	Decreased retained earnings in 32nd FP +490		+ ¥157
DPU	-218			- ¥70

Main Causes for Difference in Distribution Per Unit (DPU)

(¥ per unit)



* Common area maintenance fee.

2 Strategy & Implementation

2-1 External Growth

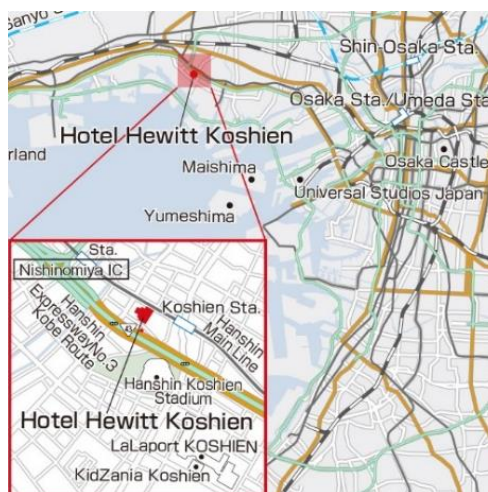
Acquisition: 32nd & 33rd FP

Hotel

C18 Hotel Hewitt Koshien

Location	Nishinomiya, Hyogo	Fixed rent + GOP ratio
Structure & Scale	Main Bldg. : SRC+S B1/14F New Bldg. : S 8F (412 rooms)	
Completion	Main Bldg. : August 1992 New Bldg. : July 2018	
Acquisition price	¥13,520 Mn	
Estimated NOI Yield	5.0% (after depreciation: 4.0%)	
Occupancy rate	100.0% (as of Nov. 30, 2019)	
Acquisition date	June 25, 2019	

**Sponsor
Support**

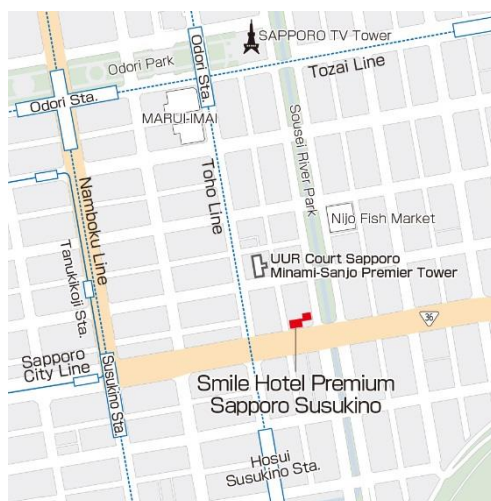


Hotel

C19 Smile Hotel Premium Sapporo Susukino

Location	Sapporo, Hokkaido	Fixed rent
Structure & Scale	S 13F (284 rooms)	
Completion	December 2017	
Acquisition price	¥4,233 Mn	
Estimated NOI Yield	6.0% (after depreciation: 5.0%)	
Occupancy rate	100.0% (as of Nov. 30, 2019)	
Acquisition date	June 28, 2019	

**Sponsor
Support**

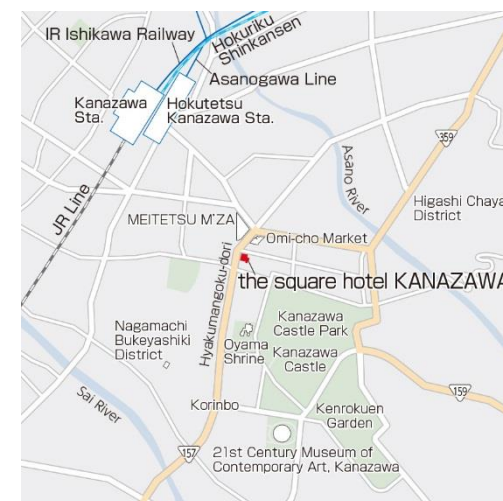
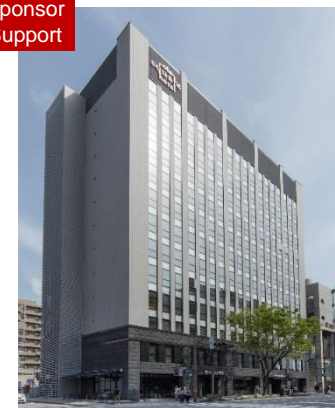


Hotel

C20 the square hotel KANAZAWA

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

**Sponsor
Support**



Various Measures for External Growth

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

Engagement in development project

The Asset Management Company **arrange for a construction company and operator (prospective lessee) after obtaining development land information and secured the preferential negotiating right** to acquire a the property upon completion. To minimize risks, United Urban acquired the property after stable operation was ensured.

the b fukuoka tenjin
Acquisition date: Sep. 2018



Investment in mixed-use property in major regional city

Capitalizing on strengths in management of diversified asset types/areas, United Urban **acquired a mixed-use property where broad management expertise is required**. Further profitability will be pursued for a landmark property in the area through proactive investment.

SS30
Acquisition date: Mar. 2017



Investment in development project with support of the sponsor group

JRA **planned a hotel development project with the sponsor group at a site the sponsor group developed**, and United Urban is to acquire it after stable operation is ensured.

the square hotel KANAZAWA
Acquisition date: Dec. 2019



Extension of existing property

United Urban additionally **acquired an adjacent site of an already acquired property and developed an extension**. By increasing the number of guest rooms and improving efficiency of operation, increase in rent revenues is expected.

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



Investment in bridge SPC

United Urban **took a minority stake** in an SPC that owned a logistics facility in a prime location and **secured the preferential negotiating right** to acquire the property upon disposition.

Musashimurayama Logistics Center
Acquisition date: Oct. 2018



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

Sponsor Support

Marubeni

Marubeni Real Estate Development

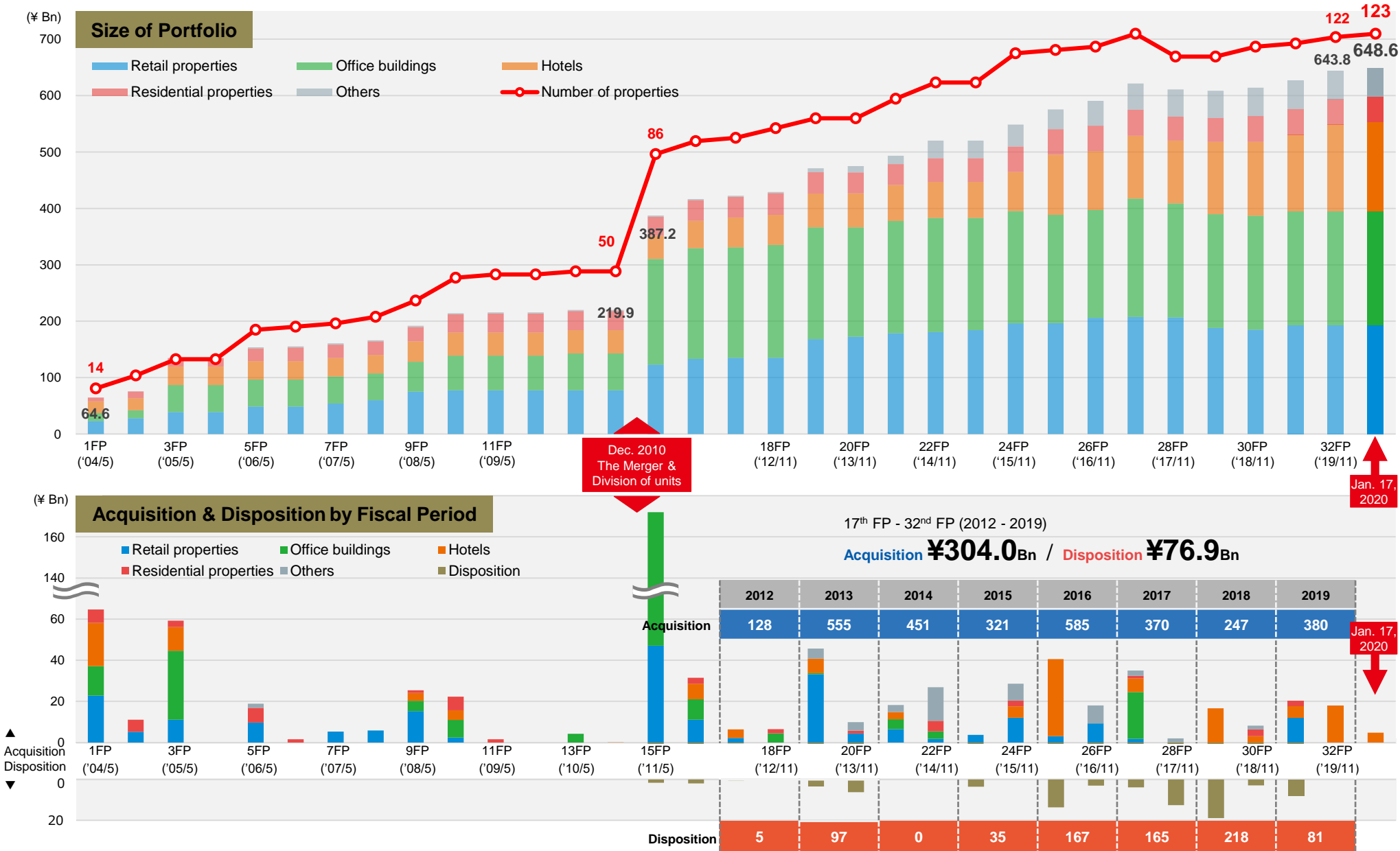
MGL MG Leasing Corporation

Marubeni Asset Management

Marubeni Real Estate Management

Track Record of External Growth

As of January 17, 2020



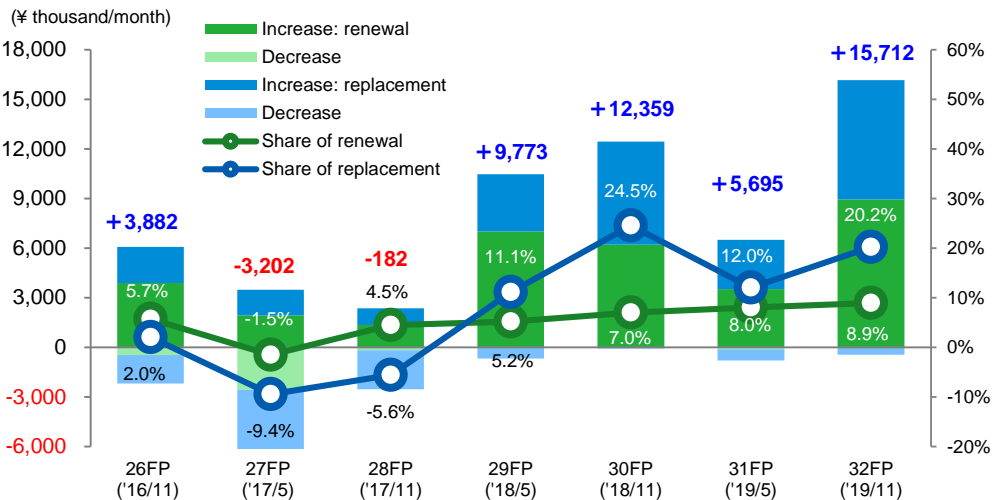
Note: All ¥ (Japanese yen) values are based on acquisition price.

2 Strategy & Implementation

2-2 || Internal Growth

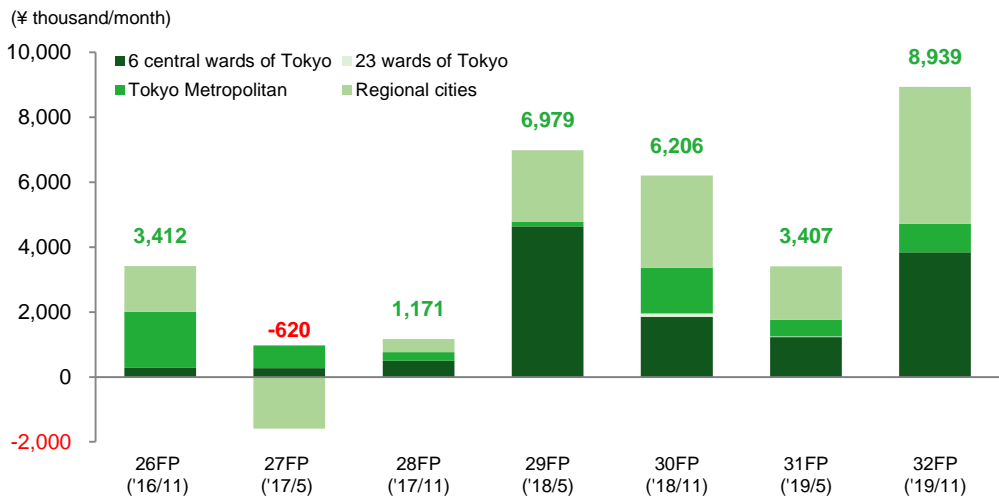
Office Rent Increase/Decrease

Impact from rent renewal/tenant replacement

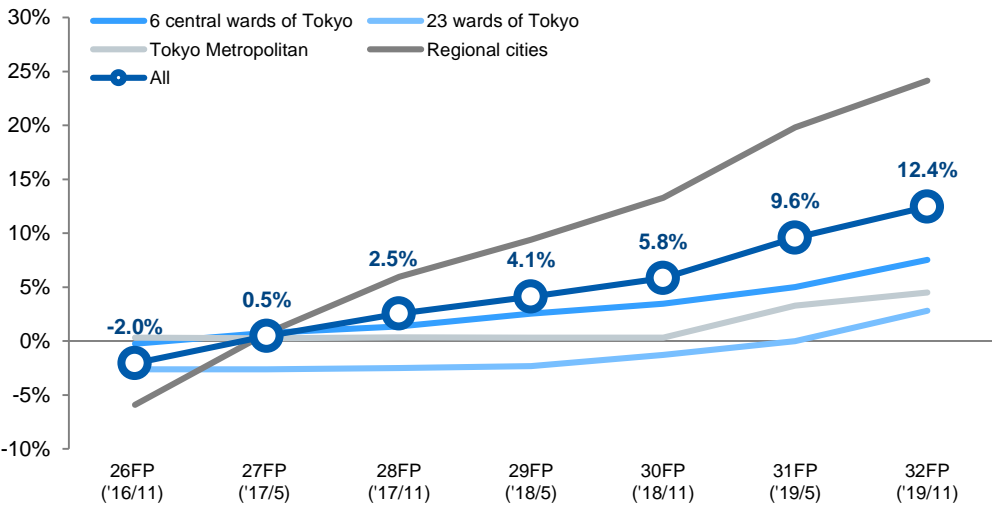


Rent Increase/Decrease by Area

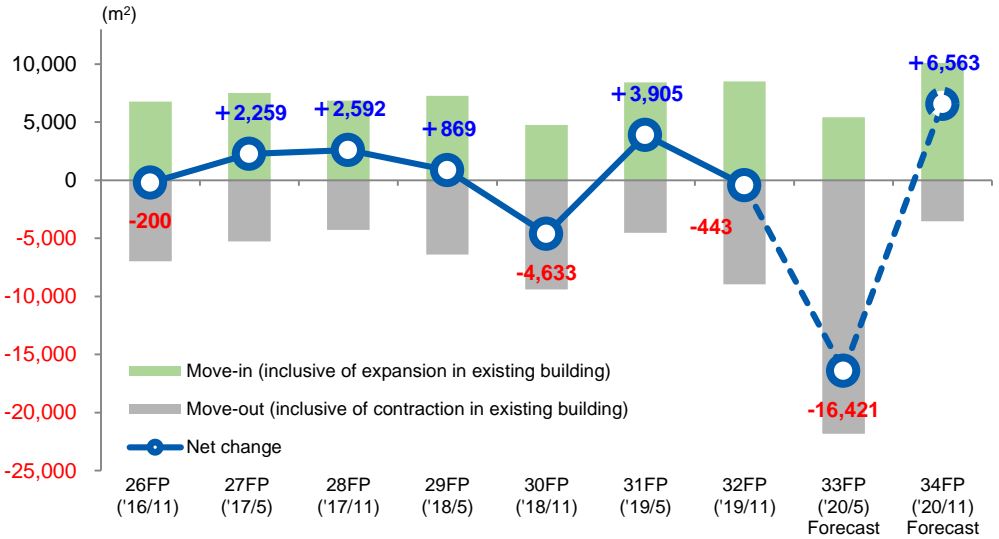
Impact from rent renewal



Rent Gap



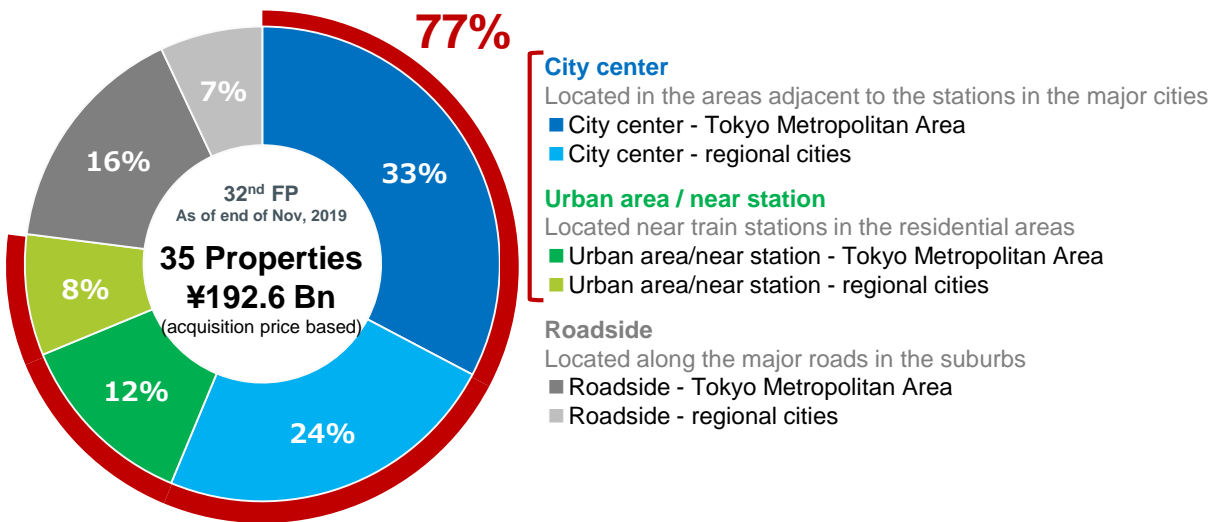
Move-in vs Move-out



Note: Data surveyed in this slide are based on the activities of tenants in the properties categorized as "office buildings" in the portfolio.

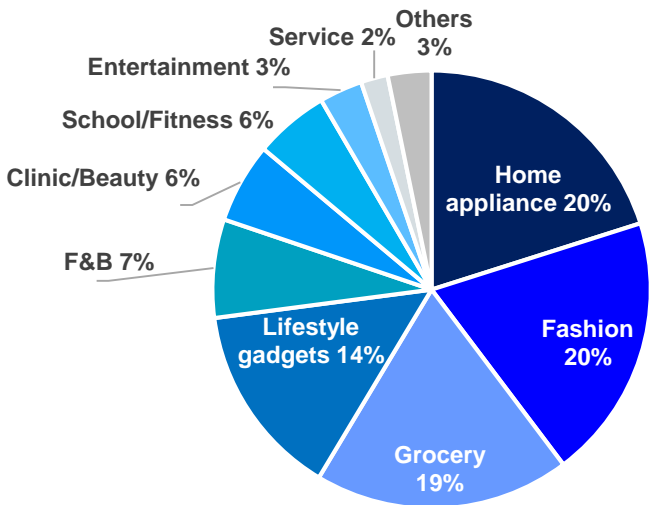
Retail Portfolio Composition

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

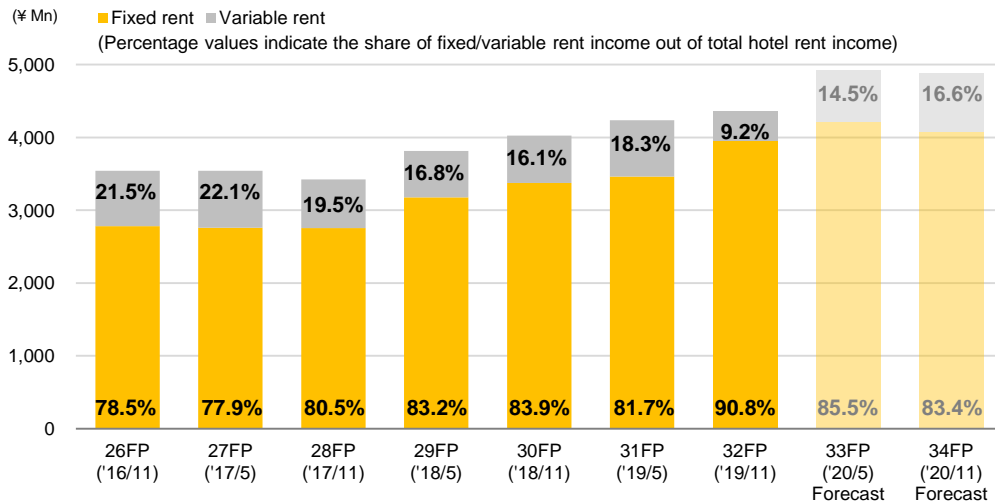


Tenant Mix (Fixed rent based)

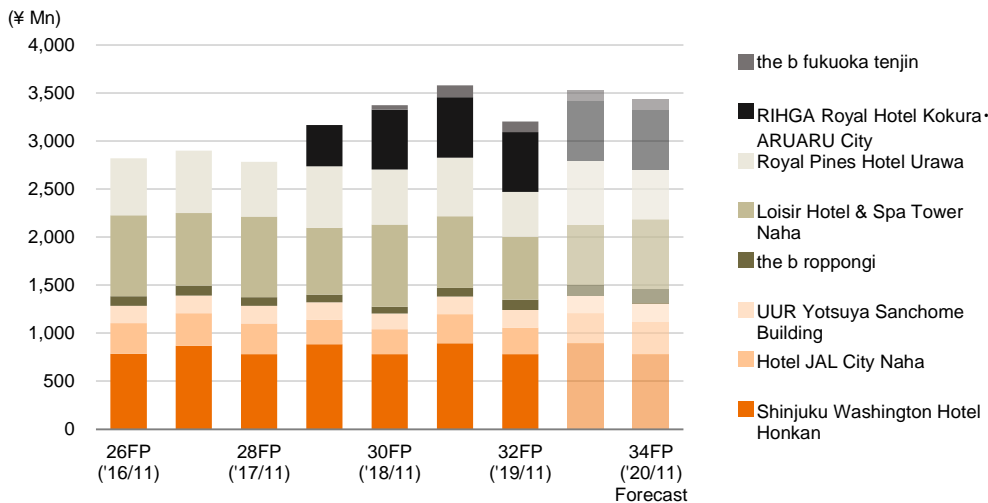
Variety in tenant to meet myriad customer demand.



Hotel Rent Income Composition in Portfolio*



Total Rent Income of Variable-Rent-Type Hotels*



* Exclusive of rent revenues of Shin-Osaka Central Tower and SS30.

* Exclusive of rent income of properties where those are not disclosed; i.e. Hotel Hewitt Koshien and the square hotel Kanazawa.

Value Enhancement Investment & Review of Operational Methods

Office Hotel Shin-Osaka Central Tower

Conducted large-scale renewal work on outdoor facilities (including parking lots) and common area (first floor) in a large-scale complex facility occupied by offices, hotel, fitness gym, and various shops, etc.

- Increased rents for offices and hotels through negotiations spanning multiple fiscal periods.
- Cost reduction through changing of parking lot management company and installation of wastewater reuse facility.
- Renewed a contract with a sports club (extended contract period, included a percentage rent system).

Renewal Work Period

29th FP (Nov. 2017-May 2018) – 32nd FP (Jun. 2019-Nov. 2019)

Main Entrance on North Side

Before



After



Office

Avg. rent/tsubo/month
(lease renewals + new leases)

4.2% ↑

Hotel

Fixed rent/month

3.8% ↑

Retail Office Residential Parking Lot Management

Cost reduction due to increased income and improved operational efficiency through improved occupancy rate.

- Leased to sublessors
- Changed operational company
- Implemented car sharing/coin parking
- Cancelled contracts with distant parking lots

¥5.1 Mn/month ↑

Note: Total proceeds of parking lots at 13 properties.

Example of implementing car sharing:
GRAN FONTE



Joint Management with Partner Companies

Hotel RIHGA Royal Hotel Kokura・ARUARU City

- In an attempt to secure profitability in the medium to long term, large-scale renewal work was conducted for the first time since opening in 1993.
- After phase I was completed, the floors that were renovated experienced increases in year-on-year RevPAR and restaurant sales for three consecutive months.

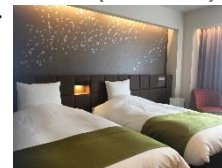
Large-scale Renewal Work (Phase I: Completed August 2019)

Holistic Renovation of Guestrooms (21F - 23F)

Before



After



Renovation of Restaurant



Hotel Royal Pines Hotel Urawa

- Conducted large-scale renewal work upon redefining target clients given changing needs.
- Year-on-year increases in number of guests and sales upon opening after renewal.

Large-scale renewal work at restaurant, Michela:
Completed October 2019

- No. of seats
172 seats → 194 seats
- Review line flow
- Review menu provided



Retail Shinsaibashi OPA Honkan

- Conducted large-scale renewal work appropriate for the premier landmark in Osaka's downtown area based on the conclusion of a 10-year contract.
- Reviewed the merchandizing by the tenant and promoted facility revitalization through interior investment.

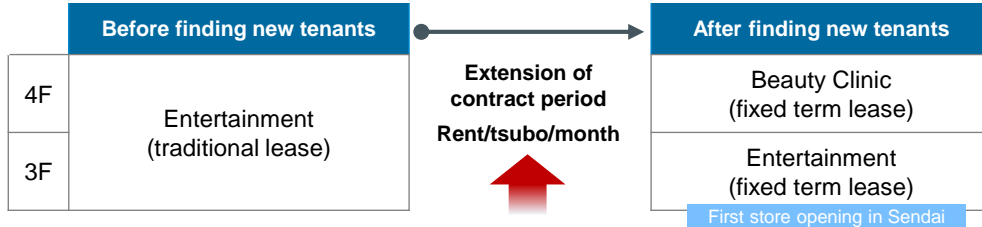
Completed November 2019



Flexible leasing looking ahead

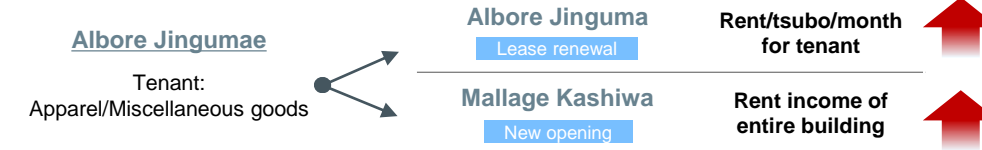
Retail Albore Sendai

- Reviewed tenant mix of Albore Sendai after one of the tenants moved out citing stagnant sales.
- Placed two tenants that have a high ability to attract customers. Also, increased rents and extended contracts.



Retail Albore Jingumae

- Increased rent and renewed contracts for tenants whose contracts were reaching expiration.
- Suggested relocating to another property. Realized the move-in of a separate, popular brand of the tenant.



Office Utilization of Technology: Virtual Reality (VR)

Conventionally

Not possible for new tenants to preview a site before the former tenant moves out. Certain amount of downtime before conclusion of new contracts.

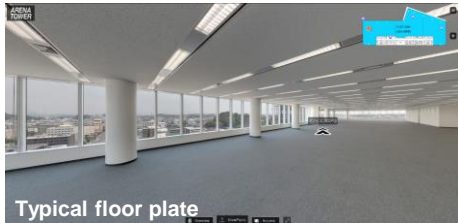
VR

As possible tenants can confirm the internal look of rooms before the former tenant moves out, this speeds up decision-making and reduces downtime.

Example: ARENA TOWER

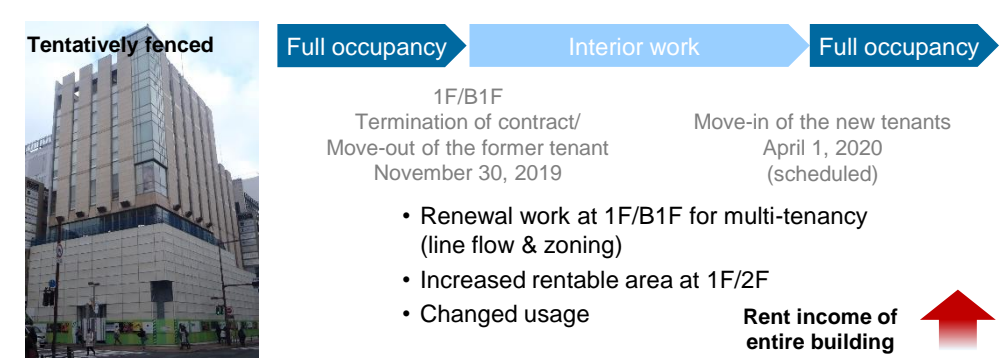


The actual VR footage can be viewed here



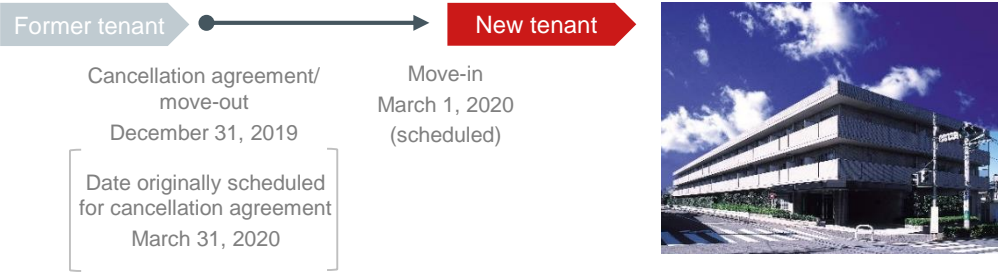
Retail TENJIN LUCE

- Conducted strategic renewal work eyeing new tenants.
- Placed two tenants that have a high ability to attract customers to move in. Increased rent income of entire building, due partly to the impact of increase in leasable area.



Residential Komazawa Court

- Placed a new tenant for corporate dormitory without downtime by flexibly taking in corporate needs.
- Realized move-out of the former tenant ahead of schedule, provided the demands of the new tenant.



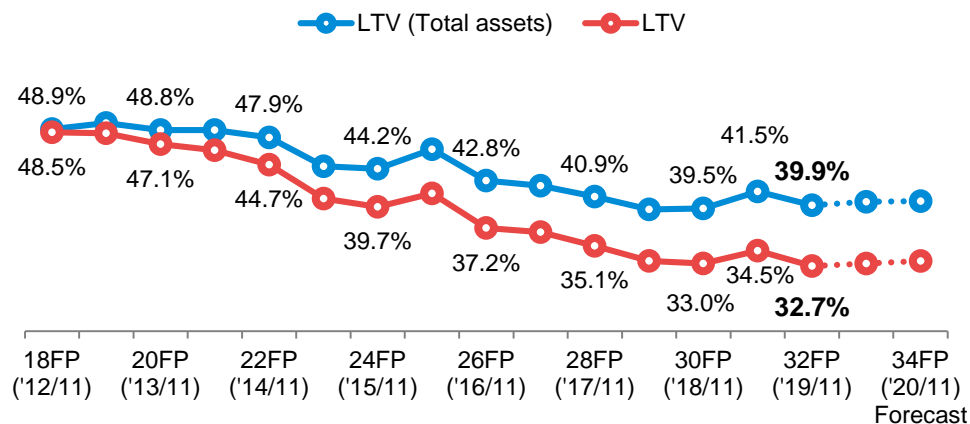
Conclusion of the memorandum of understanding with the new tenant

2 Strategy & Implementation

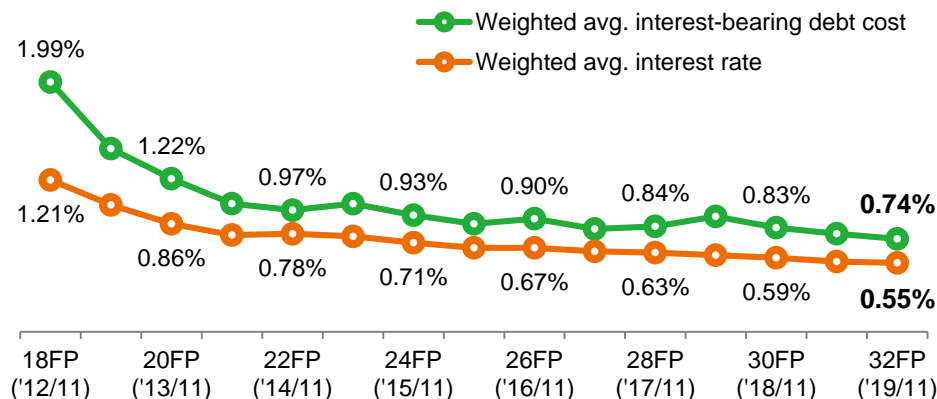
2-3  Finance

LTV and Interest-Bearing Debt Cost

■ LTV Performance at the End of Fiscal Period



■ Interest-bearing Debt Cost & Weighted Average Interest Rate Performance*1~3



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

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

*3 The figure includes the lump-sum of bond issuance expenses of the bonds issued during the relevant fiscal period. The same applies to the figures from 18th to 20th, 22nd, 23rd, 29th and 31st.

■ Reduction of Interest-bearing Liabilities Cost

Financing in 32nd FP

	Repayment in 32 nd FP*1	Financing in 32 nd FP*2
Loans and bonds*3	¥18.1 Bn	¥6.0 Bn
Interest rate (excluding financing related expenses)*3, 4	0.66%	0.32%
Interest-bearing debt cost (including fees)*3, 5	0.91%	0.39%
Averaged duration*3	6.4 years	4.8 years

*1 "Repayment in 32nd FP" means interest-bearing which was reimbursed in 32nd FP.

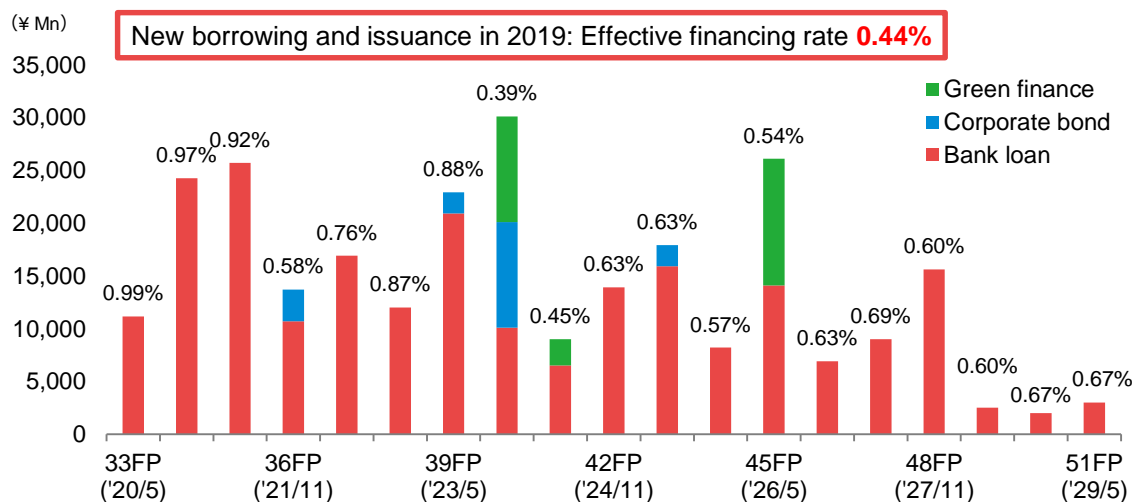
*2 "Financing in 32nd FP" means interest-bearing which was completed finance between June 1, 2019 and November 30, 2019, as of January 17, 2020.

*3 Interest bearing debt amount is total figure, and interest rate and term length are calculated by weighted average.

*4 Borrowing expenses and corporate bond issuance expenses are excluded from these figures.

*5 The fees concerning about borrowings or corporate bonds are included in these figures.

■ Repayment & Redemption Schedule (as of November 31, 2019)*



* The figures in above graph is weighted average interest bearing debt cost (interest rates which include borrowing-related expenses and corporate bond issuance expenses etc.) of all the interest bearing debt maturing on each fiscal period.

Financial Indices

	End of 31 st FP (May 31, 2019)	End of 32 nd FP (Nov. 30, 2019)	As of January 17, 2020
Total interest bearing debt	¥282.8 Bn	¥270.7 Bn	¥275.7 Bn
Bank loans	¥241.3 Bn	¥229.2 Bn	¥234.2 Bn
Corporate bonds	¥17.0 Bn	¥17.0 Bn	¥17.0 Bn
Green finance	¥24.5 Bn	¥24.5 Bn	¥24.5 Bn
Collateral/Guarantee	Nil		
Weighted avg. duration of interest bearing debt	4.1 years	3.9 years	3.8 years
Weighted avg. interest rate of interest bearing debt	0.56%	0.55%	0.55%
Long term ratio of interest bearing debt	100% (Agreement base)		
Ratio of fixed interest rate debt	89.2%	88.7%	88.9%
Amount of commitment line	¥36.0 Bn		

Standing of Retained Earnings*

(¥ Mn)

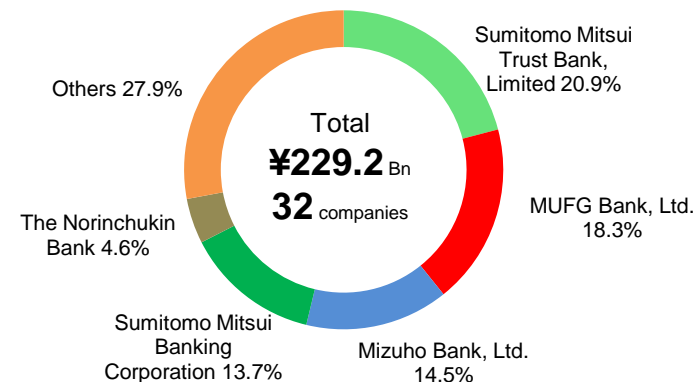
	End of 31 st FP (*19/5)	32 nd FP (*19/11)		End of 32 nd FP
		Reserved	Decreased	
Reserve for temporary difference adjustment	7,373	-	-77	7,295
Reserve retained for distribution	3,204	+2	-	3,207
Reserve for reduction entry	3,398	-	-93	3,305
Total amount of retained earnings	13,976	+2	-170	13,808

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

Credit Rating

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

Lenders & Borrowing Amount (as of November 30, 2019)



Bank	Ratio	Bank	Ratio
Sumitomo Mitsui Trust Bank, Limited	20.9%	The Nishi-Nippon City Bank, Ltd.	0.9%
MUFG Bank, Ltd.	18.3%	The Nomura Trust and Banking Co., Ltd.	0.9%
Mizuho Bank, Ltd.	14.5%	Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.9%
Sumitomo Mitsui Banking Corporation	13.7%	The Daishi Bank, Ltd.	0.9%
The Norinchukin Bank	4.6%	Meiji Yasuda Life Insurance Company	0.9%
Development Bank of Japan Inc.	3.7%	The Shinkumi Federation Bank	0.9%
Shinsei Bank, Limited	2.6%	The Hiroshima Bank, Ltd	0.7%
Resona Bank, Limited	2.3%	The Gunma Bank, Ltd.	0.7%
Mizuho Trust & Banking Co., Ltd.	2.1%	Sompo Japan Nipponkoa Insurance Inc.	0.4%
The Bank of Fukuoka, Ltd.	1.7%	The Yamaguchi Bank, Ltd.	0.4%
Saitama Resona Bank, Limited	1.3%	THE IYO BANK, Ltd.	0.4%
Shinkin Central Bank	1.3%	Taiyo Life Insurance Company	0.4%
Aozora Bank, Ltd.	0.9%	The Bank of Kyoto, Ltd.	0.4%
The 77 Bank, Ltd.	0.9%	The Bank of Yokohama, Ltd.	0.2%
Nippon Life Insurance Company	0.9%	Kiraboshi Bank, Ltd.	0.2%
The Ashikaga Bank, Ltd.	0.9%	The Kagawa Bank, Ltd.	0.2%

Aiming to maximize unitholder’s profit over the long term by utilizing retained earnings, taking into consideration the DPU level

■ Policy for utilizing internal reserves



- 1. Promoting external growth through flexible fund procurement**

Aim to mitigate dilution of DPU impacted by issuance of new units, conduct flexible fund procurement corresponding to the economic and financial markets and promote external growth.
- 2. Portfolio management over the long term**

Aim to mitigate negative impact on dividends through utilization of retained earnings in such cases as when loss on sale of properties arises or when there are sudden decreases in revenue (due to major tenants' leaving, etc.) to build the optimum portfolio and perform asset management over the long term.
- 3. Coping with difference between accounting and taxation**

Aim to avert the imposition of large amounts of corporate tax due to difference between accounting and taxation such as impairment loss by partially allocating retained earnings to cash distribution and mitigate the risk of decrease of cash distribution.

■ Examples: Utilization of Retained Earnings

Large-scale renovation work (Himonya Shopping Center)	Coping with differences between accounting and taxation (Royal Pines Hotel Urawa)
<div data-bbox="45 849 484 1215"></div> <ul style="list-style-type: none">■ Large-scale renovation work was conducted, eying allocation of internal reserves to cash distribution.■ Significant rent increase and enhancement of property competitiveness were realized, all while stabilizing DPU level.■ Utilization of internal reserves was canceled due to acquisition/disposition of properties.	<div data-bbox="1073 829 1369 1233"></div> <ul style="list-style-type: none">■ The difference between the total amount of monthly variable rents based on monthly GOP and the annual variable rent calculated based on annual GOP is adjusted every year in fiscal periods ending in May (March).■ The expected annual difference was required to record as an income in the 32nd FP (the ended November 2019) and beyond. Expected annual difference in 2019: - ¥93 Mn, To be paid: March 2020■ As this recording would result in differences between accounting and taxation, retained earnings were used to avoid corporate taxation in the 32nd FP. <p>The measures of annual adjustment in the lease agreement has been revised and no booking of the expected annual differences will be required from 2020 .</p>

2 Strategy & Implementation

2-4 ||| ESG Initiatives
































ESG Initiatives

Actions on ESG Materiality

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



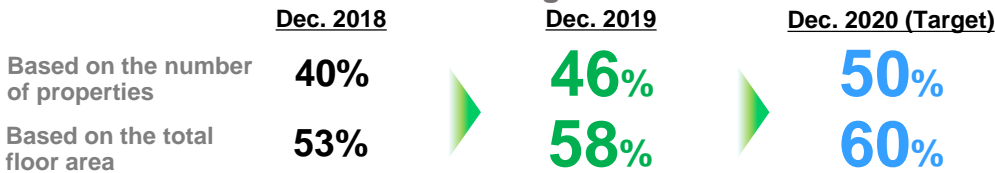
The achievement/results* of established materiality

	2019	Materiality	Achievement	Result*	2020	Materiality	Action plan/Target
Environment	Energy consumption/management, Use of renewable energy	 	<ul style="list-style-type: none"> Assess the electricity usage of all 65 properties contracted with power companies. Assess the electricity usage of 108 properties including tenants who rent entire buildings. 	3	Energy consumption/management, Use of renewable energy	 	Cut GHG (Greenhouse Gas) by 40% compared to 2014.
	Green certified buildings	  	<p>4 Star rating from GRESB for the first time in 2019. Highest "A" ranking for the second consecutive year in GRESB's disclosure of evaluation in 2019.</p> <p>Environment Certification Coverage</p> <p>As of December 31, 2018: 45 properties As of December 31, 2019: 54 properties Total floor space basis: 53% Total floor space basis: 58%</p>	3	Green certified buildings	  	<ul style="list-style-type: none"> Acquire external environmental certification including GRESB Green Star. Obtain DBJ Green Building, CASBEE, BELS and other external certifications and raise the coverage to 60% (total floor space basis) by 2020.
	Tenant/Property manager engagement	  	<p>Agreement Ratio of Green Lease</p> <p><u>Office</u> <u>Commercial</u></p> <p>As of November 30, 2018: 28% As of September 30, 2019: 32%</p> <p>As of September 30, 2019: 33%</p>	3	Tenant/Property manager engagement	  	Incorporate green lease clauses in 100% of contracts by 2030 (Including buildings that are wholly leased, excluding residences).
Society	Supply chain Management	 	Incorporated ESG items in the qualitative PM continuous check sheet, and promoted awareness on the field from the perspective of AM.	3	Employee job satisfaction/wellness		<ul style="list-style-type: none"> Improve operational effectiveness and quality through IT investments. Continue and enhance a culture that respects and helps each other.
	Employee job satisfaction/wellness		<ul style="list-style-type: none"> Introduction of a "no overtime day" to create awareness about leaving work on time. Recommended employees to take week-long paid vacations once a year. Implemented teleconference systems, shortened work time by transitioning to PCs. 	3	Contribution to local community/government	  	As a member of society, simultaneously contribute to local disaster prevention measures and revitalization while increasing the interest of retail investors in J-REITs.
	Contribution to the real estate industry	 			Disclosure and assurance		Enhance risk management through improvements in IT literacy
Governance	Disclosure and assurance		Started pre-operations of new system in August 2019. Scheduled to completely switch over during 2020.	2	Disclosure for investors		Proactive disclosure of non-financial information centering on ESG related material
	Executive compensation/Employee remuneration		Implement a system for the employees of the Asset Management Company to acquire UUR's investment units using a part of their monthly salary. (August 2019)	3	Whistleblower protection		Reconfirm compliance awareness in each employee, circulate internal whistleblower systems
	Board skills/diversity		<p>Changed two Supervisory Officers (as of September 1, 2019)</p> <ul style="list-style-type: none"> Ratio of females on management team: 0% → 33% Avg. consecutive years served by Supervisory Officers: 6 years → 0 years 	3			

*3: Reached target, 2: Improving (though target has not been reached), 1: Continuing to tackle the issue

Contribution to Environment

Environmental Certification Coverage



Number of Properties that Acquired Environmental Certification

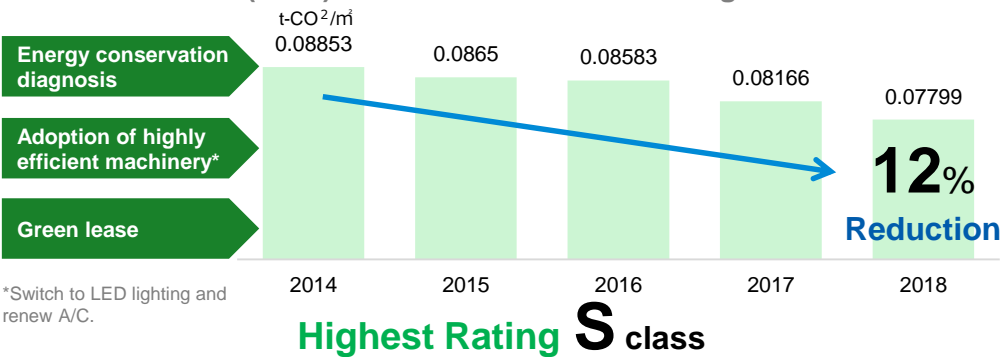
DBJ Green Building	13	CASBEE	24	BELS	18
★★★★	1	★★★★★	3	★★★★★	2
★★★	8	★★★★	21	★★★★	2
★★	3			★★★	7
★	1			★★	7

Contribution to Climate Change

Sustainability Target

- UUR endeavors to **lower annual energy consumption by more than 1% on a five-year average** across its properties, a target indicated by the Japanese Government, based on the standard unit of energy calculated by considering energy usage and total floor space, etc., of its properties.
- UUR has been awarded the **highest rank of “S” for four consecutive years** in the 2018 classification of business operators by the Japanese Government as an entity that has met the target.

Greenhouse Gas (GHG) Emissions at Office Buildings



Out of 64 J-REITs, only 7 have held this rating for four consecutive years

(as of December 2019)

Effective Use/Reuse of Water Resources

Cutting Waterworks Usage & Water Charges by Using an Ocean Water Filtration System

Loisir Hotel & Spa Tower Naha has installed a system that filters ocean water that has permeated through the ground, and expects to reduce its water charges and environmental burden by drastically cutting waterworks usage.

Annual Estimated Reduction

Waterworks Usage

- 85%

Before Switching

195,071 m³ per year

After Switching

29,261 m³ per year

Water Charges

- ¥17 Mn

Note: The above figures are estimated values.

Loisir Hotel & Spa Tower Naha



Contribution to Society

Investment in Medical Facilities/Attracting Medical Institutions and Day-Care Facilities

With an operational policy of **diversified investment**, UUR invests in medical facilities with high utility. Furthermore, by drawing in medical institutions, clinics, and day-care facilities, UUR endeavors to **provide convenience and security** to users.

Medical Facilities

Plussing Wave Enoshima	Medical mall with drugstore and supermarket
Quartz Tower	Medical building providing comprehensive dental services
Asuto Nagamachi Dental Clinic	Dental clinic with nursery

3 properties **¥8.7 Bn**

Based on acquisition price
(as of December 31, 2019)

Asuto Nagamachi Dental Clinic



Medical Institutions/Clinics

12 properties **50** corporations

Nursery

4 properties **5** corporations

Attracting Local Governments/Public Organizations

At some properties of UUR, municipalities and public organizations occupy space as tenants, and these serve as a base to provide various public services. **With the understanding that “real estate acts as a part of social infrastructure,” UUR operates its properties in cooperation with partner corporations.**

Main Properties/Tenants

Mallage Kashiwa	Kita-Kashiwa Daini Regional Community Comprehensive Support Center
Pacific Marks Kawasaki	Kawasaki District Branch Office
Pacific Marks Higobashi	Edobori Notary Office
RIHGA Royal Hotel Kokura-ARUARU City	Kitakyushu Manga Museum

10 properties

11 tenants

Note: Excluding public housing (UUR Court Sapporo Shinoro Ichibankan).

Corporate Governance

Change in Supervisory Officers

At the General Meeting of Unitholders hosted on August 29, 2019, it was decided that two Supervisory Officers would be changed as of September 1, 2019, and **a new management structure with diversity in age, gender, and background was adopted**. Each executive brings knowledge from their specialized field, and in addition to managing various risks, they will pay due consideration to conflicts of interest to maximize unitholders' interest.

Ratio of Females on Management Team*

0% **33%**

* Executive Officer + Supervisory Officers

Average Consecutive Years Served by Supervisory Officers

6 year **0** year



Investor Engagement

● Disclosure

An **“A” rating, the highest rating**, was granted to UUR for the **second consecutive year** in **GRESB's disclosure of evaluations** in 2019, as its disclosure of information regarding environmental considerations and sustainability initiatives were commended in particular.



● IR

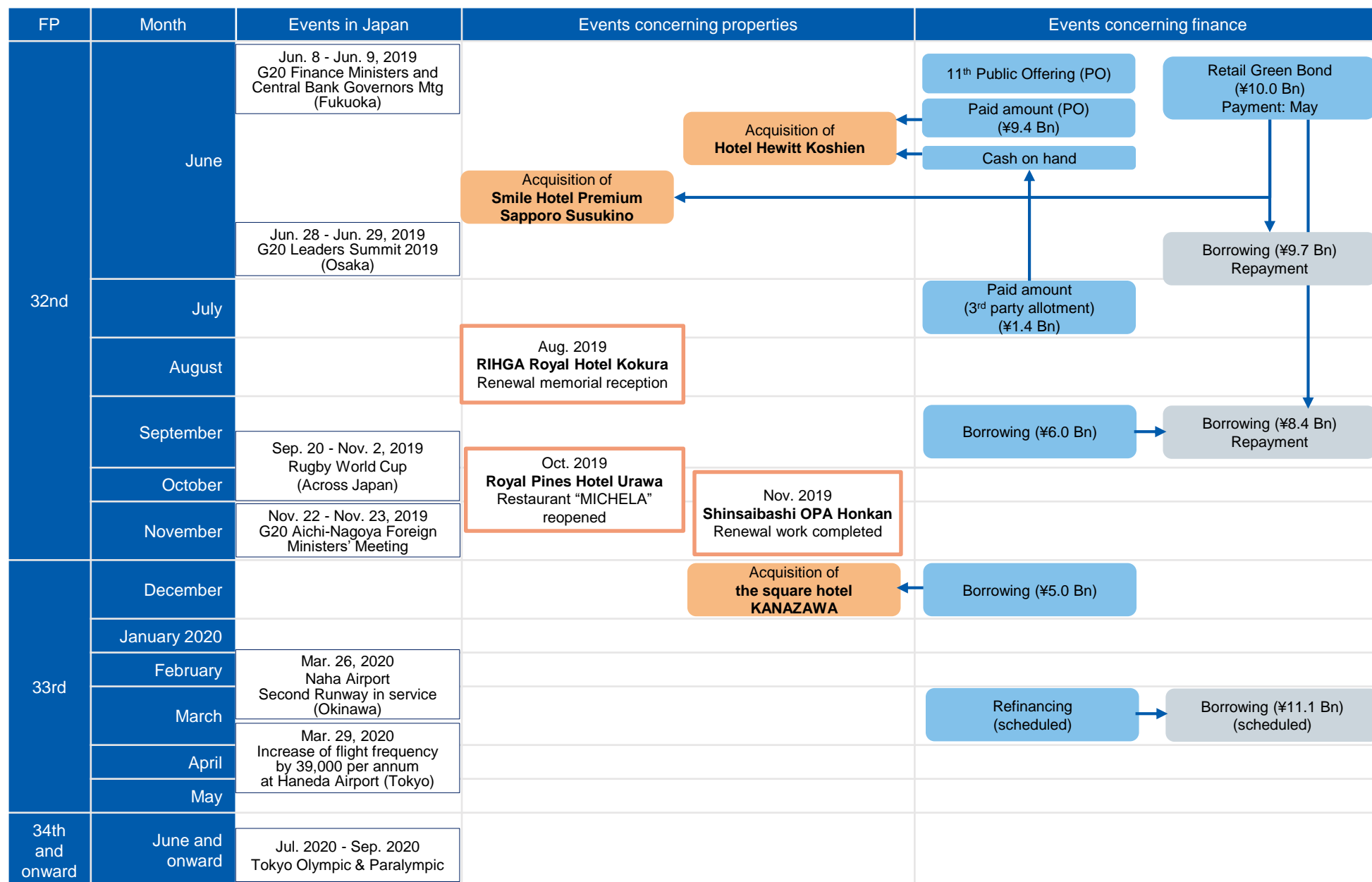
UUR has been pursuing direct communications with various investors. The latest IR activities are as follows.

	Japan	Overseas
Institutional Investors	144 (85)	58
	Participation by UUR (number of events)	Seminar Participants
Individual Investors	11(7)	1,068 (651)

Note: Values in parentheses are those for events that took place outside of Tokyo.

3 Appendix

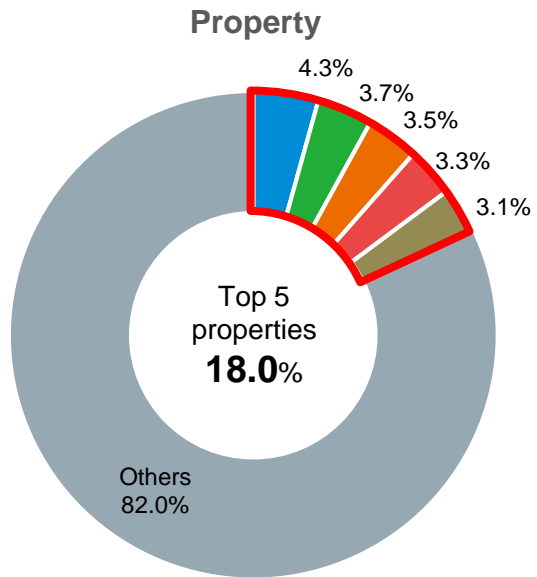
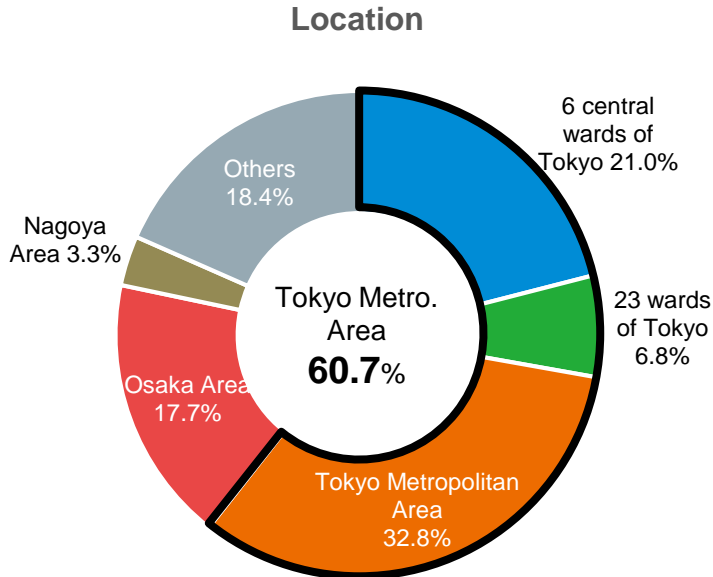
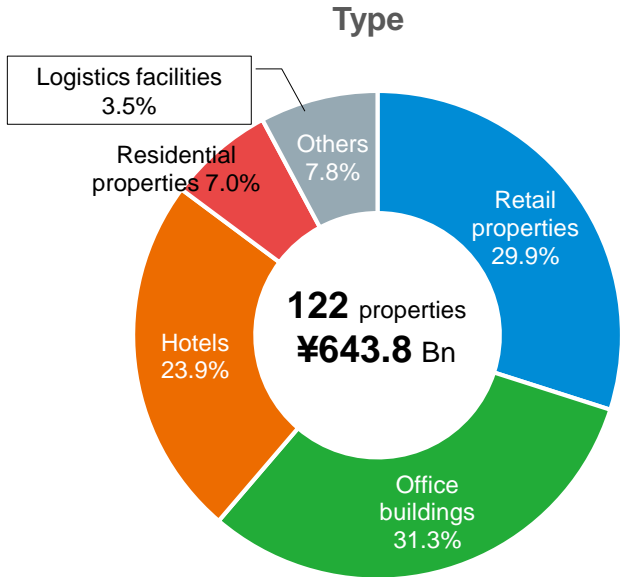
Major Events and Schedule



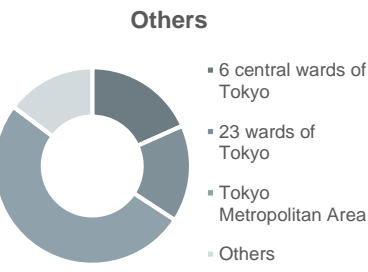
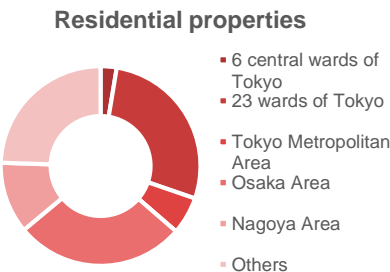
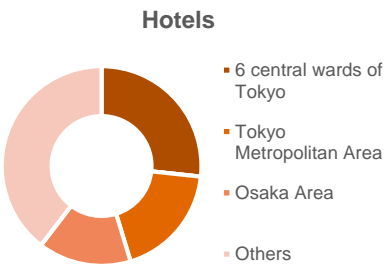
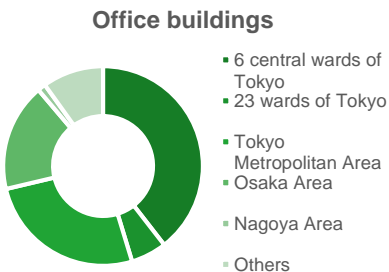
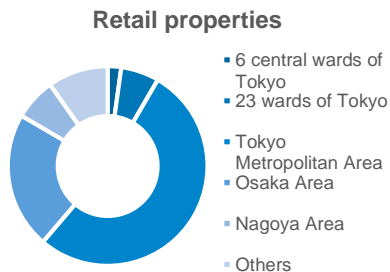
Note: Events after 33rd FP in this slide are settled, decided, occurred matters or assumptions dated January 17, 2020.

Portfolio Summary

As of November 30, 2019



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



6 central wards of Tokyo : Chiyoda-ku, Minato-ku, Chuo-ku, Shinjuku-ku, Shibuya-ku, and Shinagawa-ku

23 wards of Tokyo : 23 wards of Tokyo except for 6 central wards of Tokyo

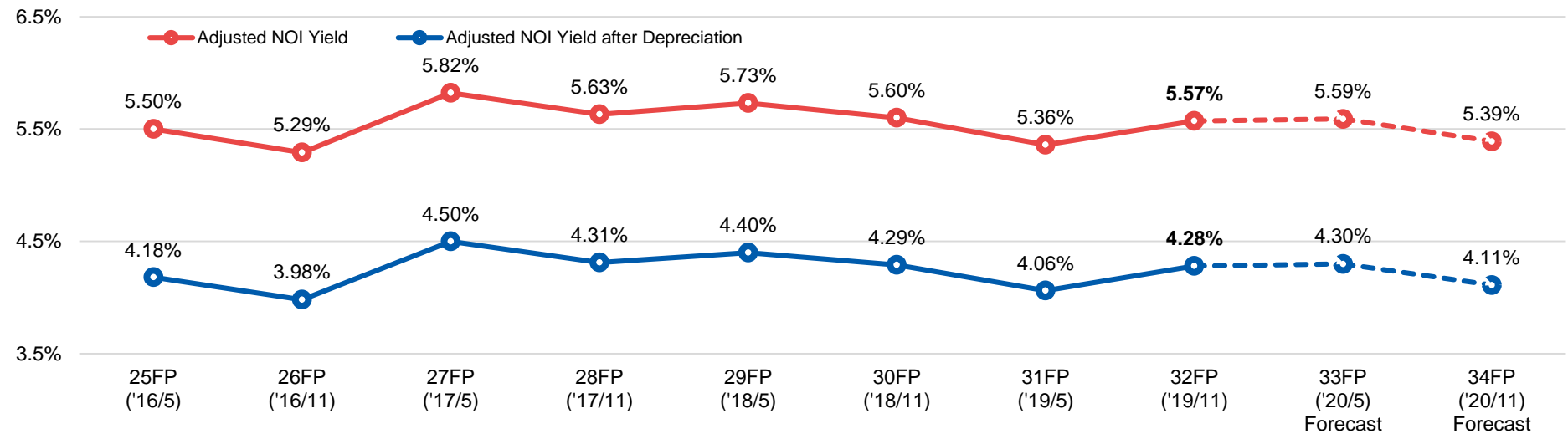
Tokyo Metropolitan Area : Tokyo Metropolitan Area except for 23 wards of Tokyo, and refers to Tokyo as well as Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures

Osaka Area : Osaka, Kyoto and Hyogo prefectures

Nagoya Area : Aichi, Mie and Gifu prefectures

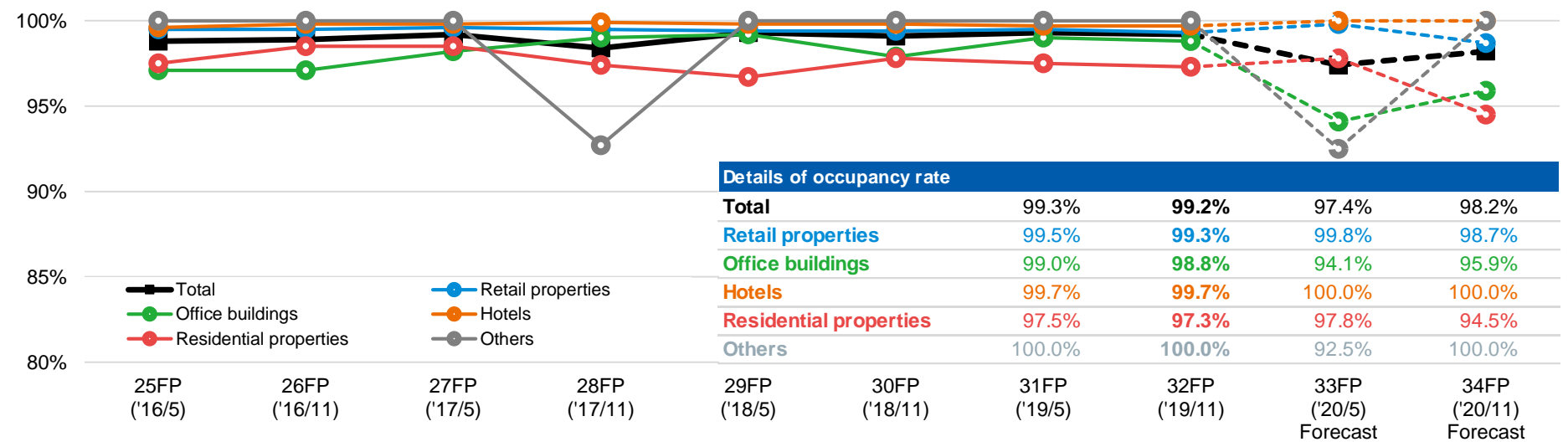
Others : Excluding Tokyo Metropolitan Area, Osaka Area or Nagoya Area

Change in Portfolio Yield*



* Yield of the properties held at the end of the period are weighted average by acquisition price.

Change in Portfolio Occupancy Rate (End of Fiscal Period)



Details of occupancy rate				
Total	99.3%	99.2%	97.4%	98.2%
Retail properties	99.5%	99.3%	99.8%	98.7%
Office buildings	99.0%	98.8%	94.1%	95.9%
Hotels	99.7%	99.7%	100.0%	100.0%
Residential properties	97.5%	97.3%	97.8%	94.5%
Others	100.0%	100.0%	92.5%	100.0%

Change in Rent at Existing Properties

■ Change in Monthly Rent (Based on Lease Contracts) at Existing Properties*1~2 (The figures in parentheses are the index numbers with the end of the 30th FP (end of November 2018) defined as 100)



*1 "Existing Properties" refers to the 117 properties which have been owned by United Urban for one year or more as of the end of November 2019.

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

(millions of yen, unless otherwise indicated)

		FP 2019/11 (32nd FP: 183 days)	FP 2019/5 (31st FP: 182 days)	FP 2018/11 (30th FP: 183 days)	FP 2018/5 (29th FP: 182 days)	FP 2017/11 (28th FP: 183 days)
Total assets		678,208	680,901	651,242	648,503	663,531
Number of properties	(properties)	122	120	119	116	116
Interest-bearing liabilities		270,777	282,884	257,384	255,884	271,607
Net asset		367,970	357,789	356,029	355,017	353,258
Net asset per unit	(yen)	118,002	117,112	116,536	116,205	115,629
Return on Assets (ROA) (annualized)	(%)	3.1%	3.7%	3.6%	3.7%	3.4%
Return on Equity (ROE) (annualized)	(%)	5.8%	7.0%	6.6%	6.8%	6.4%
Equity ratio	(%)	54.3%	52.5%	54.7%	54.7%	53.2%
Debt service coverage ratio ^{*1}	(X)	15.6	16.9	15.9	15.8	14.5
NOI		17,933	16,759	17,253	18,051	17,514
FFO ^{*2}		14,676	13,462	13,974	14,773	14,144

		FP 2017/5 (27th FP: 182 days)	FP 2016/11 (26th FP: 183 days)	FP 2016/5 (25th FP: 183 days)	FP 2015/11 (24th FP: 183 days)	FP 2015/5 (23rd FP: 182 days)
Total assets		675,885	648,105	629,262	598,077	573,318
Number of properties	(properties)	123	119	118	117	108
Interest-bearing liabilities		285,857	277,407	293,157	264,707	255,357
Net asset		351,801	333,592	298,009	297,340	282,906
Net asset per unit	(yen)	115,152	112,966	108,313	108,069	106,987
Return on Assets (ROA) (annualized)	(%)	3.1%	2.9%	3.0%	2.8%	2.8%
Return on Equity (ROE) (annualized)	(%)	6.0%	5.9%	6.1%	5.4%	5.8%
Equity ratio	(%)	52.1%	51.5%	47.4%	49.7%	49.3%
Debt service coverage ratio ^{*1}	(X)	13.2	11.6	11.1	10.3	9.8
NOI		17,528	15,679	15,420	14,847	14,540
FFO ^{*2}		14,213	11,870	11,939	11,398	11,354

*1 The amount of Gain on Negative Goodwill are not taken into account in calculating FFO and Debt service coverage ratio.

*2 FFO = Net Income + Depreciation and Amortization + Gain/Loss on Sales of Real Estate

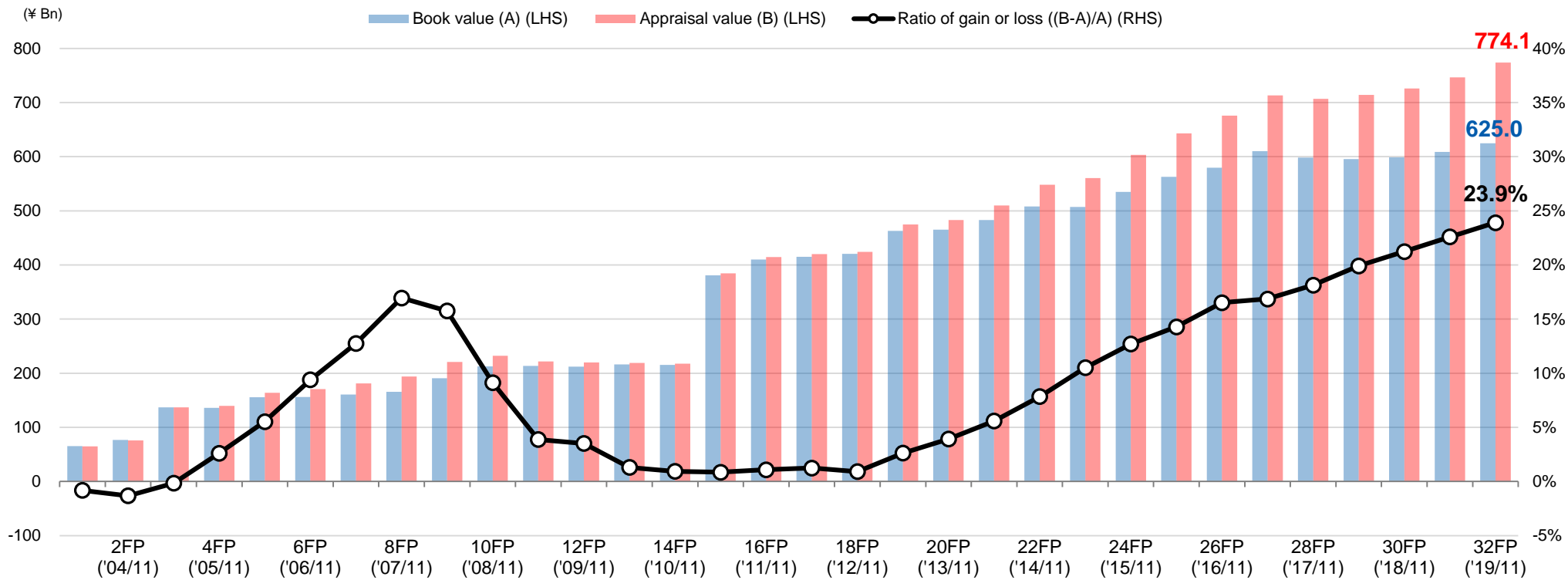
		End of 31st Fiscal Period (May 31, 2019)		End of 32nd Fiscal Period (November 30, 2019)		Change	
		(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
ASSETS	Current Assets	70,080	10.3%	51,377	7.6%	-18,703	-26.7%
	Cash and bank deposits	68,619	10.1%	50,475	7.4%	-18,144	-26.4%
	Rent receivables	642	0.1%	642	0.1%	+ 0	+ 0.0%
	Other	818	0.1%	259	0.0%	-559	-68.3%
	Fixed Assets	610,821	89.7%	626,831	92.4%	+ 16,010	+ 2.6%
	Property and equipment	599,543	88.1%	615,765	90.8%	+ 16,222	+ 2.7%
	Land	401,502	59.0%	413,716	61.0%	+ 12,213	+ 3.0%
	Buildings and structures	258,120	37.9%	265,938	39.2%	+ 7,817	+ 3.0%
	Machinery and equipment	2,868	0.4%	3,007	0.4%	+ 139	+ 4.9%
	Tools, furniture and fixtures	1,266	0.2%	1,445	0.2%	+ 179	+ 14.2%
	Construction in progress	82	0.0%	69	0.0%	-13	-15.9%
	Subtotal	663,840	97.5%	684,178	100.9%	+ 20,337	+ 3.1%
	Less accumulated depreciation	-64,297	-9.4%	-68,412	-10.1%	-4,114	+ 6.4%
	Intangible assets	9,496	1.4%	9,485	1.4%	-10	-0.1%
	Software	17	0.0%	12	0.0%	-4	-24.5%
	Leasehold	9,320	1.4%	9,320	1.4%	+ 0	+ 0.0%
	Other	158	0.0%	152	0.0%	-6	-4.2%
	Investments and other assets	1,781	0.3%	1,579	0.2%	-201	-11.3%
	Long-term prepaid expenses	1,691	0.2%	1,488	0.2%	-202	-12.0%
	Other	89	0.0%	91	0.0%	+ 1	+ 1.7%
	TOTAL ASSETS	680,901	100.0%	678,208	100.0%	-2,693	-0.4%
LIABILITIES	Current Liabilities	37,321	5.5%	42,406	6.3%	+ 5,085	+ 13.6%
	Trade accounts payable	3,752	0.6%	2,989	0.4%	-763	-20.3%
	Long-term debt due for repayment within one year	29,251	4.3%	35,377	5.2%	+ 6,126	+ 20.9%
	Rent received in advance	3,664	0.5%	3,649	0.5%	-15	-0.4%
	Other	652	0.1%	391	0.1%	-261	-40.1%
	Long-term Liabilities	285,791	42.0%	267,831	39.5%	-17,959	-6.3%
	Corporate bonds	27,000	4.0%	27,000	4.0%	+ 0	+ 0.0%
	Long-term debt	226,633	33.3%	208,400	30.7%	-18,233	-8.0%
	Leasehold and security deposits received	32,039	4.7%	32,382	4.8%	+ 342	+ 1.1%
	Other	118	0.0%	49	0.0%	-68	-58.0%
	TOTAL LIABILITIES	323,112	47.5%	310,238	45.7%	-12,873	-4.0%
NET ASSETS	Unitholders' Equity	357,914	52.6%	368,041	54.3%	+ 10,126	+ 2.8%
	Unitholders' capital	309,205	45.4%	319,973	47.2%	+ 10,767	+ 3.5%
	Capital surplus	23,548	3.5%	23,548	3.5%	+ 0	+ 0.0%
	Reserve for temporary difference adjustment	7,386	1.1%	7,373	1.1%	-13	-0.2%
	Reserve retained for distribution	3,132	0.5%	3,204	0.5%	+ 72	+ 2.3%
	Reserve for reduction entry	2,228	0.3%	3,398	0.5%	+ 1,170	+ 52.5%
	Unappropriated retained earnings	12,413	1.8%	10,543	1.6%	-1,869	-15.1%
	Deferred gains or losses on hedges	-125	-0.0%	-70	-0.0%	+ 54	+43.4%
	TOTAL NET ASSETS	357,789	52.5%	367,970	54.3%	+ 10,180	+ 2.8%

Income Statement

	31st Fiscal Period (December 1, 2018-May 31, 2019)		32nd Fiscal Period (June 1, 2019-November 30, 2019)		Change	
	(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
OPERATING REVENUES	27,261	100.0%	24,671	100.0%	-2,589	-9.5%
Rental revenues	22,549	82.7%	22,720	92.1%	+ 171	+ 0.8%
Other rental revenues	1,665	6.1%	1,950	7.9%	+ 284	+ 17.1%
Gain on sales of real estate properties	3,001	11.0%	-	-	-3,001	-
Dividend income	44	0.2%	-	-	-44	-
OPERATING EXPENSES	13,691	50.2%	13,106	53.1%	-585	-4.3%
Property-related expenses	11,506	42.2%	10,870	44.1%	-636	-5.5%
Property and other taxes	1,892	6.9%	2,006	8.1%	+ 113	+ 6.0%
Property management fees	1,758	6.5%	1,770	7.2%	+ 12	+ 0.7%
Utilities	1,473	5.4%	1,617	6.6%	+ 143	+ 9.7%
Casualty insurance	24	0.1%	24	0.1%	+ 0	-2.4%
Repairs and maintenances	1,824	6.7%	905	3.7%	-919	-50.4%
Depreciation and amortization	4,050	14.9%	4,132	16.8%	+ 82	+ 2.0%
Other	481	1.8%	412	1.7%	-68	-14.3%
Selling, General & Admin. expenses	2,184	8.0%	2,235	9.1%	+ 50	+ 2.3%
Asset management fees	1,868	6.9%	1,917	7.8%	+ 48	+ 2.6%
Asset custodian fees	17	0.1%	18	0.1%	+ 0	+ 3.4%
Administrative service fees	65	0.2%	65	0.3%	+ 0	+ 0.9%
Directors' compensation	10	0.0%	10	0.0%	+ 0	+ 0.0%
Other	223	0.8%	224	0.9%	+ 1	+ 0.5%
OPERATING INCOME	13,569	49.8%	11,565	46.9%	-2,003	-14.8%
NON-OPERATING REVENUES	20	0.1%	26	0.1%	+ 5	+ 27.9%
NON-OPERATING EXPENSES	1,175	4.3%	1,047	4.2%	-128	-10.9%
Interest expense	1,005	3.7%	954	3.9%	-50	-5.0%
Interest expense on corporate bonds	31	0.1%	52	0.2%	+ 21	+ 67.4%
Corporate bond issuance expenses	67	0.2%	-	-	-67	-
Investment unit issuance expenses	11	0.0%	26	0.1%	+ 14	+ 125.0%
Other	59	0.2%	13	0.1%	-46	-78.1%
ORDINARY INCOME	12,413	45.5%	10,544	42.7%	-1,869	-15.1%
INCOME BEFORE INCOME TAXES	12,413	45.5%	10,544	42.7%	-1,869	-15.1%
INCOME TAXES	0	0.0%	0	0.0%	+ 0	+ 0.0%
Current	0	0.0%	0	0.0%	+ 0	+ 0.0%
NET INCOME	12,413	45.5%	10,543	42.7%	-1,869	-15.1%

Change in Unrealized Gain or Loss

Change in Book Value and Appraisal Value at End of Fiscal Periods



	End of 31st FP Total	End of 32nd FP Total	Retail properties	Office buildings	Hotels	Residential properties	Others	Change
Number of properties	120 properties	122 properties	35 properties	35 properties	18 properties	21 properties	13 properties	+2 properties
Book value (A)	¥608.8 Bn	¥625.0 Bn	¥189.8 Bn	¥207.0 Bn	¥138.8 Bn	¥40.1 Bn	¥49.1 Bn	+ ¥16.2 Bn
Appraisal value (B)	¥746.4 Bn	¥774.1 Bn	¥220.3 Bn	¥273.1 Bn	¥162.3 Bn	¥53.5 Bn	¥64.7 Bn	+ ¥27.7 Bn
Unrealized capital gain	¥137.5 Bn	¥149.1 Bn	¥30.4 Bn	¥66.1 Bn	¥23.5 Bn	¥13.4 Bn	¥15.5 Bn	+ ¥11.5 Bn
Ratio of gain or loss ((B-A)/A)	22.6%	23.9%	16.0%	31.9%	16.9%	33.4%	31.7%	+1.3%

Appraisal Value 1/3

(in millions of yen)

Type	No.	Property Name	Acquisition			31st fiscal period (2019/5/31)				32nd fiscal period (2019/11/30)				Comparison between 32nd and 31st FP				Appraisers
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Retail properties	A2	Joy Park Izumigaoka	1	03/12/22	6,770	5,058	4,840	5.4%	-218	5,043	4,850	5.3%	-193	+10	+0.2%	-0.1%	+24	JREI
	A4	Luz Funabashi	2	04/09/17	5,200	4,368	5,970	5.3%	+1,602	4,333	6,200	5.2%	+1,866	+230	+3.9%	-0.1%	+264	JREI
	A6	TENJIN LUCE	5	06/04/14	6,500	6,215	6,400	4.4%	+184	6,186	6,490	4.4%	+303	+90	+1.4%	±0%	+118	Nittochi
	A7	Kaden Sumairu-kan YAMADA Sakai Honten	5	06/04/28	3,210	2,721	3,860	5.1%	+1,139	2,705	3,930	5.0%	+1,224	+70	+1.8%	-0.1%	+85	JREI
	A8	Miyamae Shopping Center	7	07/02/19	5,312	4,992	5,230	4.8%	+237	4,957	5,330	4.7%	+372	+100	+1.9%	-0.1%	+135	JREI
	A9	KONAMI SPORTS CLUB Korigaoka	8	07/06/29	2,040	1,519	2,010	5.1%	+491	1,494	2,060	5.0%	+565	+50	+2.5%	-0.1%	+74	JREI
	A10	ACTIOLE Minami-ikebukuro	8	07/09/27	3,760	3,629	3,350	4.0%	-279	3,615	3,400	3.9%	-215	+50	+1.5%	-0.1%	+64	JREI
	A11	Tip's Machida Building	9	07/12/27	4,100	4,274	4,970	4.6%	+695	4,254	5,060	4.5%	+805	+90	+1.8%	-0.1%	+110	JREI
	A12	Daiei Takarazuka Nakayama	9	08/01/30	4,284	3,184	3,940	6.0%	+755	3,155	3,940	6.0%	+784	±0	±0%	±0%	+28	JREI
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	9	08/02/18	11,904	12,460	11,500	5.5%	-961	12,460	11,500	5.5%	-960	±0	±0%	±0%	±0	JREI
	A14	ACTIOLE Kannai	10	08/06/30	2,410	2,242	2,170	4.5%	-73	2,228	2,170	4.3%	-58	±0	±0%	-0.2%	+13	JREI
	A15	Shinsaibashi OPA Honkan	15	10/12/01	22,800	21,916	26,600	4.1%	+4,684	21,951	26,300	4.0%	+4,348	-300	-1.1%	-0.1%	-335	JREI
	A19	Albore Jingumae	15	10/12/01	1,580	1,554	2,360	3.4%	+805	1,551	2,390	3.3%	+838	+30	+1.3%	-0.1%	+33	JREI
	A20	Albore Sendai	15	10/12/01	2,590	2,353	3,600	4.5%	+1,246	2,341	3,600	4.3%	+1,258	±0	±0%	-0.2%	+11	JREI
	A21	Mallage Kashiwa	15	10/12/01	7,040	6,682	8,950	5.4%	+2,268	6,698	8,980	5.2%	+2,281	+30	+0.3%	-0.2%	+13	JREI
	A23	Ito-Yokado Owariasahi	15	10/12/01	4,840	4,043	4,870	6.6%	+827	4,003	4,870	6.6%	+866	±0	±0%	±0%	+39	JREI
	A24	Yokohama Kariba Shopping Center	15	10/12/01	2,500	2,148	2,100	5.0%	-49	2,126	2,140	4.9%	+13	+40	+1.9%	-0.1%	+62	JREI
	A25	Luz Jiyugaoka	16	11/06/15	5,090	4,872	5,940	3.8%	+1,068	4,863	5,940	3.7%	+1,076	±0	±0%	-0.1%	+8	JREI
	A26	ACTIOLE Ichikawa	16	11/06/15	3,350	2,939	4,070	4.6%	+1,130	2,904	4,070	4.4%	+1,165	±0	±0%	-0.2%	+35	JREI
	A27	Yokohama Aoba Shopping Center (Site)	16	11/10/31	2,600	2,740	3,280	4.5%	+539	2,740	3,280	4.5%	+539	±0	±0%	±0%	±0	JREI
	A28	Yamada Denki Tecc Land Aoba (Site)	17	12/05/18	2,150	2,270	2,570	5.4%	+300	2,270	2,590	5.4%	+319	+20	+0.8%	±0%	+20	JREI
	A29	Yodobashi Camera Multimedia Kichijoji	19	13/03/18	28,000	27,221	34,400	3.7%	+7,179	27,064	33,900	3.7%	+6,835	-500	-1.5%	±0%	-342	JREI
	A30	Kaden Sumairu-kan YAMADA Matsudo Honten	19	13/03/18	5,150	4,806	6,590	5.7%	+1,783	4,766	6,830	5.6%	+2,063	+240	+3.6%	-0.1%	+280	JREI
	A31	Tenjin Loft Building	20	13/11/29	4,350	4,593	6,080	4.5%	+1,486	4,618	6,120	4.3%	+1,501	+40	+0.7%	-0.2%	+15	JREI
	A32	Narumi Shopping Center (Site)	21	14/04/08	6,460	6,850	7,410	4.6%	+559	6,850	7,460	4.6%	+609	+50	+0.7%	±0%	+50	Tanizawa
	A33	Plussing Wave Enoshima	22	14/08/29	1,800	1,921	1,990	5.3%	+69	1,910	1,970	5.2%	+59	-20	-1.0%	-0.1%	-9	JREI
	A34	LIFE Nishikujo (Site)	23	15/03/02	1,760	1,842	2,090	4.2%	+247	1,842	2,090	4.2%	+247	±0	±0%	±0%	±0	Tanizawa
	A35	LIFE Tamatsukuri (Site)	23	15/03/02	1,880	1,967	2,190	4.1%	+222	1,967	2,190	4.1%	+222	±0	±0%	±0%	±0	Tanizawa
	A36	Granbell Ginza Building	24	15/06/30	2,621	2,703	3,010	3.4%	+307	2,697	3,050	3.4%	+352	+40	+1.3%	±0%	+45	JREI
	A37	UUR Tenjin Nishi-dori Building	24	15/07/15	5,500	5,674	6,280	5.2%	+606	5,667	6,000	3.9%	+332	-280	-4.5%	-1.3%	-273	JREI
	A38	Luz Shonan Tsujido	24	15/09/30	3,938	3,925	4,620	5.1%	+695	3,897	4,620	5.1%	+722	±0	±0%	±0%	+27	Tanizawa
	A39	ACTIOLE Ueno	25	15/12/04	3,000	3,172	3,150	3.5%	-23	3,176	3,110	3.4%	-66	-40	-1.3%	-0.1%	-43	Tanizawa
	A40	KURURU	26	16/09/01	9,285	9,530	9,950	4.3%	+420	9,496	9,760	4.3%	+263	-190	-1.9%	±0%	-156	Tanizawa
	A41	K's Denki Nagoya-kita	27	16/12/01	1,750	1,836	1,890	5.7%	+54	1,831	1,890	5.7%	+58	±0	±0%	±0%	+5	Tanizawa
	A42	Luz Musashikosugi	31	18/12/28	12,151	12,249	12,200	4.1%	-49	12,241	12,300	4.1%	+58	+100	+0.8%	±0%	+107	Tanizawa
Office buildings	B1	T&G Hamamatsucho Building	1	03/12/26	2,257	2,108	3,230	3.8%	+1,121	2,110	3,210	3.8%	+1,099	-20	-0.6%	±0%	-21	Tanizawa
	B3	Fukuoka Eartheon Building	1	03/12/26	2,080	1,574	2,950	5.2%	+1,375	1,559	2,970	5.1%	+1,410	+20	+0.7%	-0.1%	+35	JREI
	B4	Marumasu Kojimachi Building	1	04/03/29	2,350	2,406	2,730	3.3%	+324	2,408	2,760	3.2%	+351	+30	+1.1%	-0.1%	+28	JREI
	B5	Rokubancho K Building	1	04/03/30	2,150	2,255	3,620	3.8%	+1,364	2,247	3,640	3.7%	+1,392	+20	+0.6%	-0.1%	+28	JREI
	B6	Shin-Osaka Central Tower	3	04/12/02	24,000	23,601	29,100	4.9%	+5,498	23,633	30,600	4.9%	+6,966	+1,500	+5.2%	±0%	+1,468	Nittochi
	B7	Kawasaki Toshiba Building	3	04/12/20	19,200	19,474	33,700	4.4%	+14,225	19,401	34,500	4.3%	+15,098	+800	+2.4%	-0.1%	+873	Tanizawa
	B8	UUR Toyochi Building	10	08/06/30	8,500	8,395	8,680	4.2%	+285	8,359	8,770	4.1%	+410	+90	+1.0%	-0.1%	+125	JREI
	B9	FOUR SEASONS BLDG	13	09/12/25	4,200	4,122	6,560	4.0%	+2,437	4,099	6,640	3.9%	+2,540	+80	+1.2%	-0.1%	+103	JREI

(in millions of yen)

Type	No.	Property Name	Acquisition			31st fiscal period (2019/5/31)				32nd fiscal period (2019/11/30)				Comparison between 32nd and 31st FP				Appraisers
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Office buildings	B10	Hitachi High-Tech Building	15	10/12/01	14,800	14,391	17,600	3.5%	+3,208	14,359	17,900	3.4%	+3,540	+300	+1.7%	-0.1%	+331	JREI
	B11	Pacific Marks Shinjuku Parkside	15	10/12/01	12,100	11,806	12,800	3.6%	+993	11,747	13,100	3.5%	+1,352	+300	+2.3%	-0.1%	+359	JREI
	B13	Pacific Marks Tsukushima	15	10/12/01	6,080	5,762	6,820	4.3%	+1,057	5,737	6,970	4.2%	+1,232	+150	+2.2%	-0.1%	+175	JREI
	B14	Pacific Marks Yokohama East	15	10/12/01	7,050	6,680	7,930	4.4%	+1,249	6,626	7,950	4.4%	+1,323	+20	+0.3%	±0%	+74	Tanizawa
	B17	Akasaka Hikawa Building	15	10/12/01	3,290	3,215	4,300	4.0%	+1,085	3,203	4,320	3.9%	+1,116	+20	+0.5%	-0.1%	+31	JREI
	B18	Pacific Marks Shibuya Koen-dori	15	10/12/01	2,570	2,459	3,290	4.5%	+831	2,465	3,340	4.4%	+874	+50	+1.5%	-0.1%	+43	JREI
	B20	Pacific Marks Akasaka-mitsuke	15	10/12/01	2,210	2,132	2,550	3.6%	+417	2,163	2,660	3.5%	+496	+110	+4.3%	-0.1%	+78	JREI
	B22	Pacific Marks Shin-Yokohama	15	10/12/01	1,710	1,561	1,780	4.7%	+218	1,563	1,780	4.7%	+216	±0	±0%	±0%	-1	Tanizawa
	B25	Pacific Marks Kawasaki	15	10/12/01	9,890	8,951	12,100	4.0%	+3,148	8,895	12,600	3.9%	+3,704	+500	+4.1%	-0.1%	+556	Tanizawa
	B26	Hamamatsucho 262 Building	15	10/12/01	6,840	6,465	8,020	3.7%	+1,554	6,431	8,090	3.6%	+1,658	+70	+0.9%	-0.1%	+103	JREI
	B27	Lila Hijirizaka	15	10/12/01	2,750	2,605	3,300	4.1%	+694	2,596	3,300	4.0%	+703	±0	±0%	-0.1%	+9	JREI
	B29	Otsuka HT Building	15	10/12/01	1,160	1,079	1,270	4.8%	+190	1,076	1,220	4.7%	+143	-50	-3.9%	-0.1%	-46	JREI
	B30	Pacific Marks Shinjuku South-gate	15	10/12/01	2,460	2,491	3,660	3.6%	+1,169	2,483	3,830	3.5%	+1,346	+170	+4.6%	-0.1%	+177	JREI
	B31	Pacific Marks Nishi-Umeda	15	10/12/01	6,860	6,564	8,110	4.1%	+1,545	6,571	8,570	4.0%	+1,998	+460	+5.7%	-0.1%	+452	Tanizawa
	B32	Pacific Marks Higobashi	15	10/12/01	4,570	4,431	5,040	4.2%	+609	4,409	5,220	4.1%	+810	+180	+3.6%	-0.1%	+201	Tanizawa
	B34	Pacific Marks Esaka	15	10/12/01	9,590	9,650	10,300	4.7%	+649	9,607	10,400	4.6%	+792	+100	+1.0%	-0.1%	+142	Tanizawa
	B35	Pacific Marks Sapporo Kita-Ichijo	15	10/12/01	1,790	1,724	2,170	5.3%	+446	1,710	2,190	5.3%	+479	+20	+0.9%	±0%	+33	Tanizawa
	B36	Shin-Sapporo Center Building	15	10/12/01	987	851	1,100	5.7%	+248	843	1,100	5.7%	+256	±0	±0%	±0%	+8	Tanizawa
	B37	ARENA TOWER	16	11/06/16	9,500	8,127	12,800	4.7%	+4,672	8,023	12,900	4.7%	+4,876	+100	+0.8%	±0%	+203	Tanizawa
	B38	Yushima First Building	18	12/08/29	2,100	2,033	3,030	4.2%	+996	2,019	3,060	4.1%	+1,040	+30	+1.0%	-0.1%	+43	JREI
	B39	Dogenzaka Square	18	12/11/22	2,300	2,258	3,080	3.7%	+821	2,246	3,130	3.6%	+883	+50	+1.6%	-0.1%	+62	JREI
	B40	GRAND-SQUARE Shin-Sakae	21	14/02/28	1,480	1,329	1,860	5.1%	+531	1,305	1,870	5.0%	+564	+10	+0.5%	-0.1%	+33	JREI
	B41	GRAND-SQUARE Meieki-minami	21	14/02/28	1,220	1,112	2,190	4.6%	+1,077	1,095	2,190	4.5%	+1,094	±0	±0%	-0.1%	+17	JREI
	B42	Shiba 520 Building	21	14/03/28	2,100	2,153	3,150	3.8%	+997	2,143	3,300	3.6%	+1,156	+150	+4.8%	-0.2%	+159	JREI
	B43	Hirose-dori SE Building	22	14/06/13	3,600	3,238	4,970	4.9%	+1,731	3,188	5,170	4.8%	+1,981	+200	+4.0%	-0.1%	+250	JREI
	B44	SS30	27	17/03/30	18,200	18,867	20,100	4.7%	+1,233	18,747	21,800	4.6%	+3,052	+1,700	+8.5%	-0.1%	+1,819	JREI
	B45	LOOP-X・M	27	17/04/26	11,200	11,787	11,900	4.0%	+112	11,949	12,100	3.9%	+150	+200	+1.7%	-0.1%	+38	JREI
Hotels	C1	Shinjuku Washington Hotel Honkan	1	03/12/22	21,140	22,197	27,700	4.5%	+5,502	22,090	27,200	4.4%	+5,109	-500	-1.8%	-0.1%	-392	JREI
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	3	05/02/18	1,884	1,611	2,600	3.8%	+989	1,604	2,590	3.8%	+985	-10	-0.4%	-0.0%	-3	Nittochi
	C3	MZ BLD.	9	08/04/10	3,800	3,065	3,870	4.9%	+805	3,088	3,960	4.8%	+871	+90	+2.3%	-0.1%	+66	JREI
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	10	08/06/30	4,720	3,970	5,150	4.7%	+1,180	3,924	5,150	4.7%	+1,225	±0	±0%	±0%	+45	Nittochi
	C5	Hotel JAL City Naha	16	11/10/25	7,650	7,411	11,800	4.5%	+4,389	7,323	11,800	4.5%	+4,476	±0	±0%	±0%	+87	Nittochi
	C6	UUR Yotsuya Sanchoe Building	17	11/12/26	4,200	4,464	6,940	4.0%	+2,475	4,511	6,970	4.0%	+2,458	+30	+0.4%	±0%	-17	JREI
	C7	Yotsuya 213 Building	19	13/03/18	5,020	4,953	6,890	4.0%	+1,936	4,939	7,040	3.9%	+2,100	+150	+2.2%	-0.1%	+164	JREI
	C9	the b roppongi	21	14/05/01	4,488	4,796	5,260	3.8%	+464	4,783	5,090	3.8%	+306	-170	-3.2%	±0%	-157	JREI
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	24	15/08/31	2,655	2,660	3,170	4.0%	+509	2,647	3,180	4.0%	+532	+10	+0.3%	±0%	+23	DAIWA
	C11	Toyoko Inn Hiroshima Heiwa-odori	24	15/08/31	2,113	2,087	2,550	4.9%	+462	2,072	2,570	4.9%	+497	+20	+0.8%	±0%	+34	DAIWA
	C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	24	15/08/31	745	733	848	6.1%	+115	726	854	6.1%	+127	+6	+0.7%	±0%	+12	DAIWA
	C13	Loisir Hotel & Spa Tower Naha	25	16/02/05	20,000	20,401	23,300	5.3%	+2,898	20,432	23,200	5.3%	+2,767	-100	-0.4%	±0%	-130	JREI
	C14	Royal Pines Hotel Urawa	25	16/04/01	17,500	17,599	18,100	5.3%	+501	17,675	18,000	5.3%	+324	-100	-0.6%	±0%	-176	JREI
	C15	RIHGA Royal Hotel Kokura・ARUARU City	29	18/01/26	16,600	17,287	16,900	5.5%	-388	17,554	17,000	5.4%	-554	+100	+0.6%	-0.1%	-166	Tanizawa
	C16	the b fukuoka tenjin	30	18/09/27	3,000	3,109	3,630	4.3%	+520	3,096	3,700	4.3%	+603	+70	+1.9%	±0%	+83	JREI
	C17	Henn na Hotel Tokyo Hamamatsucho	31	19/05/15	4,456	4,496	4,710	4.0%	+213	4,487	4,740	3.9%	+252	+30	+0.6%	-0.1%	+39	JREI

Appraisal Value 3/3

(in millions of yen)

Type	No.	Property Name	Acquisition			31st fiscal period (2019/5/31)				32nd fiscal period (2019/11/30)				Comparison between 32nd and 31st FP				Appraisers	
			Period	Date	Price	① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)		
														④－② (change)	④/②-1 (change)				
	C18	Hotel Hewitt Koshien	32	19/06/25	13,520	-	-	-	-	13,620	14,000	4.4%	+379	-	-	-	+379	Tanizawa	
	C19	Smile Hotel Premium Sapporo Susukino	32	19/06/28	4,233	-	-	-	-	4,265	5,320	4.5%	+1,054	-	-	-	+1,054	Tanizawa	
Residential properties	D1	T&G Higashi-ikebukuro Mansion	1	03/12/26	2,021	1,415	2,420	4.0%	+1,004	1,404	2,420	4.0%	+1,015	±0	±0%	±0%	+11	Tanizawa	
	D4	Komazawa Court	1	03/12/26	1,680	1,482	2,280	4.3%	+797	1,475	2,120	4.1%	+644	-160	-7.0%	-0.2%	-152	JREI	
	D6	UUR Court Shiba-Daimon	2	04/10/15	1,175	983	1,460	3.9%	+477	977	1,460	3.9%	+482	±0	±0%	±0%	+5	Tanizawa	
	D9	Aprile Shin-Ohgi Ichibankan	3	05/04/13	3,031	2,434	3,600	5.2%	+1,165	2,410	3,600	5.2%	+1,189	±0	±0%	±0%	+23	JREI	
	D10	UUR Court Sapporo Kita-Sanjo	5	06/03/16	1,278	947	1,620	4.7%	+673	928	1,620	4.7%	+691	±0	±0%	±0%	+18	Tanizawa	
	D15	CLIO Bunkyo Koishikawa	5	06/04/28	3,170	2,634	3,460	4.3%	+826	2,606	3,560	4.2%	+953	+100	+2.9%	-0.1%	+128	JREI	
	D16	GRAND-ROUGE Sakae	6	06/11/30	1,570	1,189	1,330	4.5%	+141	1,177	1,360	4.4%	+182	+30	+2.3%	-0.1%	+41	JREI	
	D17	GRAND-ROUGE Sakae II	9	07/12/26	1,300	1,000	1,370	4.5%	+370	983	1,400	4.4%	+416	+30	+2.2%	-0.1%	+46	JREI	
	D18	MA Sendai Building	10	08/09/24	3,440	2,632	4,380	5.5%	+1,747	2,584	4,460	5.4%	+1,875	+80	+1.8%	-0.1%	+128	JREI	
	D19	UUR Court Nagoya Meieki	10	08/09/30	1,473	1,170	1,530	4.5%	+359	1,153	1,570	4.4%	+416	+40	+2.6%	-0.1%	+57	Nittochi	
	D20	UUR Court Sapporo Shinoro Ichibankan	10	08/11/11	870	699	862	5.5%	+162	689	863	5.5%	+173	+1	+0.1%	±0%	+11	Nittochi	
	D21	Park Site IZUMI	10	08/11/21	900	817	763	4.5%	-55	811	769	4.4%	-42	+6	+0.8%	-0.1%	+11	JREI	
	D22	UUR Court Osaka Juso-honmachi	11	09/02/26	1,570	1,277	1,660	4.6%	+383	1,259	1,700	4.5%	+440	+40	+2.4%	-0.1%	+57	JREI	
	D23	UUR Court Kinshicho	16	11/06/15	2,900	2,854	3,570	4.3%	+715	2,830	3,660	4.2%	+829	+90	+2.5%	-0.1%	+114	JREI	
	D24	UUR Court Sapporo Minami-Sanjo P.T.	18	12/06/28	2,050	1,783	3,020	4.9%	+1,237	1,756	3,070	4.8%	+1,313	+50	+1.7%	-0.1%	+76	JREI	
	D25	GRAND-ROUGE Nakanoshima-minami	20	13/06/25	1,380	1,280	1,600	4.5%	+320	1,262	1,630	4.4%	+367	+30	+1.9%	-0.1%	+47	JREI	
	D26	Glenpark Umeda-kita	22	14/08/29	5,150	5,065	6,430	4.2%	+1,365	5,031	6,590	4.2%	+1,558	+160	+2.5%	±0%	+193	Tanizawa	
	D27	UUR Court Shiki	24	15/09/18	2,730	2,839	3,160	5.1%	+321	2,848	3,160	5.1%	+311	±0	±0%	±0%	-9	JREI	
	D28	GRAND-ROUGE Tanimachi Rokuchome	27	16/12/01	1,300	1,376	1,510	4.2%	+134	1,371	1,510	4.2%	+138	±0	±0%	±0%	+5	Tanizawa	
	D29	Chatte Otemachi S・N	30	18/07/03	3,398	3,714	3,620	5.0%	-95	3,690	3,680	4.9%	-10	+60	+1.7%	-0.1%	+84	JREI	
	D30	GRAN FONTE	31	19/04/01	2,700	2,878	3,280	4.3%	+401	2,868	3,340	4.3%	+471	+60	+1.8%	±0%	+70	Tanizawa	
	Others	E1	Lilycolor Tohoku Branch	5	06/05/29	2,050	1,410	2,200	5.5%	+790	1,400	2,200	5.5%	+799	±0	±0%	±0%	+10	Nittochi
		E2	KDDI Fuchu Building	19	13/05/16	4,920	4,773	5,210	5.7%	+436	4,752	5,210	5.7%	+457	±0	±0%	±0%	+20	JREI
E3		Tsubogawa Square Building	20	13/11/01	4,150	3,859	6,160	5.4%	+2,300	3,810	6,200	5.3%	+2,389	+40	+0.6%	-0.1%	+89	JREI	
E4		THE PLACE of TOKYO	21	14/05/01	3,500	3,376	4,510	5.0%	+1,133	3,350	4,600	4.9%	+1,249	+90	+2.0%	-0.1%	+116	JREI	
E5		Logistics Higashi-Ohgishima	22	14/10/02	4,233	4,088	5,253	4.6%	+1,164	4,063	5,508	4.5%	+1,444	+255	+4.9%	-0.1%	+280	JREI	
E6		MT Ariake Center Building I&II	22	14/11/25	8,000	7,952	14,000	4.8%	+6,047	7,937	14,400	4.6%	+6,462	+400	+2.9%	-0.2%	+415	JREI	
E7		Quartz Tower	24	15/11/13	5,700	5,824	6,300	3.4%	+475	5,808	6,480	3.3%	+671	+180	+2.9%	-0.1%	+196	Tanizawa	
E8		Shin-Narashino Logistics Center	24	15/08/07	2,555	2,620	2,850	4.6%	+229	2,640	2,820	4.6%	+179	-30	-1.1%	±0%	-50	JREI	
E9		Kawagoe Logistics Center	26	16/06/17	7,550	7,659	9,480	4.5%	+1,820	7,625	9,490	4.5%	+1,864	+10	+0.1%	±0%	+43	Tanizawa	
E10		Asuto Nagamachi Dental Clinic	26	16/08/29	1,200	1,225	1,310	5.2%	+84	1,219	1,290	5.2%	+70	-20	-1.5%	±0%	-13	JREI	
E11		Shin-Narashino Logistics Center II	27	17/01/31	2,590	2,732	2,660	4.7%	-73	2,721	2,630	4.7%	-91	-30	-1.1%	±0%	-18	JREI	
E12		Yoshikawa Logistics Center	28	17/07/27	1,960	1,983	2,020	4.7%	+36	1,971	2,020	4.7%	+48	±0	±0%	±0%	+12	JREI	
E13		Musashimurayama Logistics Center	30	18/10/30	1,800	1,867	1,910	4.8%	+42	1,865	1,910	4.8%	+44	±0	±0%	±0%	+2	JREI	
Total					643,836	608,863	746,426	4.47%	+137,562	625,086	774,194	4.29%	+149,107	+8,448	+1.1%	-0.17%	+11,545		

(Notes)

- Each of B26, C1 and C9 were acquired in separate acquisitions. The acquisition date indicates the initial acquisition date and the acquisition price indicates the aggregated acquisition price.
- The discount rates applied for the DCF method are shown as the "Cap Rate" for A27, A28, A34, and A35.
- The name for A4 was changed to "Luz Funabashi" (old name: Re-LAND Shopping Center), A7 was changed to "Kaden Sumairu-kan YAMADA Sakai Honten" (old name: Yamada Denki Tecc Land Sakai Honten) and A30 was changed to "Kaden Sumairu-kan YAMADA Matsudo Honten" (old name: Yamada Denki Tecc Land New Matsudo Honten) from May 1, 2019.
- Under "Appraisers," "JREI" stands for Japan Real Estate Institute, "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.

Property Income and Occupancy 1/5

(in thousand yen)	Total	A2 Joy Park Izumigaoka	A4 Luz Funabashi	A6 TENJIN LUCE	A7 Kaden Sumairu-kan YAMADA Sakai Honten	A8 Miyamae Shopping Center	A9 KONAMI SPORTS CLUB Korigaoka	A10 ACTIOLE Minami-ikebukuro	A11 Tip's Machida Building	A12 Daiei Takarazuka Nakayama	A13 maricom-ISOGO / SYSTEM PLAZA YOKOHAMA	A14 ACTIOLE Kannai	A15 Shinsaibashi OPA Honkan
Operating Revenues	24,671,381	259,645	261,505	285,665	(Note)	191,906	(Note)	84,813	210,184	(Note)	299,287	65,497	683,606
Rental Revenues	22,720,890	226,133	208,963	176,513		157,191		84,453	158,548		299,287	59,677	682,608
Other Rental Revenues	1,950,491	33,511	52,541	109,152		34,715		360	51,635		-	5,820	998
Operating Expenses	10,825,869	180,280	151,574	91,499		96,555		27,704	87,157		35,726	27,382	203,347
Property and other taxes	1,961,701	15,223	11,114	19,946		11,865		3,449	12,998		34,967	3,412	81,356
Other expenses	4,731,211	107,145	86,673	38,716		49,580		9,866	53,683		317	10,118	56,094
Property Mgmt Fees	1,770,947	51,946	41,862	15,293		19,591		6,150	16,785		288	6,280	3,320
Utilities	1,617,597	37,019	38,335	21,153		28,978		-	34,338		-	-	-
Casualty Insurance	24,157	311	248	165		185		63	159		29	62	671
Repairs & Maintenance	905,611	5,327	3,149	1,850		27		706	1,533		-	1,797	48,237
Other Rental Expenses	412,897	12,540	3,077	254		797		2,946	866		-	1,978	3,865
Depreciation	4,132,956	57,911	53,786	32,836		35,108		14,388	20,475		441	13,851	65,896
Profit from Rental Activities	13,845,511	79,365	109,930	194,166	81,041	95,351	490	57,109	123,026	94,832	263,561	38,115	480,259
Net Operating Income (NOI)	17,978,468	137,276	163,717	227,002	96,799	130,460	24,306	71,497	143,501	123,825	264,002	51,966	546,156
CAPEX	2,373,956	34,233	18,717	4,177	-	-	-	-	-	-	-	-	89,621
Occupancy (as of Nov. 30, 2019)	99.2%	98.8%	100.0%	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.7%	100.0%
Adjusted NOI Yield	5.57%	4.04%	6.28%	6.97%	6.01%	4.90%	2.38%	3.79%	6.98%	5.77%	4.42%	4.30%	4.78%

(in thousand yen)	A19 Albore Jingumae	A20 Albore Sendai	A21 Mallage Kashiwa	A23 Ito-Yokado Owariasahi	A24 Yokohama Kariba Shopping Center	A25 Luz Jiyugaoka	A26 Actiole Ichikawa	A27 Yokohama Aoba Shopping Center (Site)	A28 Yamada Denki Tecc. Land Aoba (site)	A29 Yodobashi Camera Multimedia Kichijoji	A30 Kaden Sumairu-kan YAMADA Matsudo Honten	A31 Tenjin Loft Building	A32 Narumi Shopping Center (Site)
Operating Revenues	52,102	100,580	671,259	(Note)	(Note)	162,635	161,366	(Note)	(Note)	(Note)	(Note)	266,906	(Note)
Rental Revenues	48,300	92,859	519,944			146,558	115,384					244,546	
Other Rental Revenues	3,802	7,721	151,315			16,077	45,982					22,359	
Operating Expenses	13,741	37,375	581,891			77,575	85,249					140,433	
Property and other taxes	3,291	7,060	52,724			7,557	6,100					26,671	
Other expenses	6,712	16,634	431,111			37,603	43,478					86,893	
Property Mgmt Fees	3,235	6,092	127,428			11,475	11,989					44,395	
Utilities	3,297	6,878	110,455			10,583	25,391					34,021	
Casualty Insurance	37	87	753			133	113					261	
Repairs & Maintenance	113	2,898	49,315			6,020	1,108					6,551	
Other Rental Expenses	29	678	143,158			9,390	4,876					1,664	
Depreciation	3,737	13,679	98,055			32,414	35,670					26,868	
Profit from Rental Activities	38,361	63,205	89,367	140,328	31,905	85,060	76,117	73,659	47,719	505,932	146,797	126,472	151,068
Net Operating Income (NOI)	42,098	76,885	187,423	181,789	54,269	117,474	111,787	73,659	47,719	663,065	186,883	153,341	151,068
CAPEX	-	1,812	114,304	2,228	-	26,014	480	-	-	-	-	51,603	-
Occupancy (as of Nov. 30, 2019)	100.0%	84.4%	97.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.31%	5.92%	5.31%	7.49%	4.33%	4.60%	6.66%	5.65%	4.43%	4.72%	7.24%	7.03%	4.66%

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

Property Income and Occupancy 2/5

(in thousand yen)	A33	A34	A35	A36	A37	A38	A39	A40	A41	A42	Retail properties Total	B1	B3
	Plusing Wave Enoshima	LIFE Nishikujo (Site)	LIFE Tamatsukuri (Site)	Granbell Ginza Building	UUR Tenjin Nishi-dori Building	Luz Shonan Tsujido	ACTIOLE Ueno	KURURU	K's Denki Nagoya-kita	Luz Musashikosugi		T&G Hamamatsucho Building	Fukuoka Eartheon Building
Operating Revenues	68,641			75,027		304,358	82,256	392,449		322,028	7,184,173	91,468	122,258
Rental Revenues	58,561			69,683		227,055	75,731	323,198		275,752	6,433,398	84,677	114,585
Other Rental Revenues	10,079			5,344		77,302	6,525	69,250		46,276	750,774	6,791	7,673
Operating Expenses	31,111			30,296		208,605	29,273	278,943		102,208	3,120,094	41,626	50,046
Property and other taxes	4,310			1,158		24,612	828	32,712		33,880	575,209	9,825	7,782
Other expenses	16,262	(Note)	(Note)	23,899	(Note)	153,225	24,985	207,039	(Note)	60,505	1,601,425	15,890	23,588
Property Mgmt Fees	4,929			5,240		68,408	3,299	121,843		16,620	603,038	5,436	12,621
Utilities	9,856			2,729		61,526	6,567	53,062		40,698	524,893	5,714	10,012
Casualty Insurance	60			61		335	55	587		153	6,766	58	84
Repairs & Maintenance	1,266			2,485		4,957	7,133	24,834		2,920	208,178	4,680	592
Other Rental Expenses	148			13,382		17,997	7,929	6,711		112	258,549	-	278
Depreciation	10,538			5,238		30,767	3,459	39,190		7,822	943,458	15,910	18,676
Profit from Rental Activities	37,529	43,986	49,112	44,730	157,299	95,752	52,983	113,506	56,112	219,819	4,064,078	49,841	72,211
Net Operating Income (NOI)	48,067	43,986	49,112	49,969	163,953	126,520	56,442	152,696	61,166	227,642	5,007,537	65,752	90,887
CAPEX	292	-	-	-	-	2,769	6,908	5,208	-	416	358,788	16,984	3,354
Occupancy (as of Nov. 30, 2019)	90.4%	100.0%	100.0%	100.0%	100.0%	98.8%	100.0%	98.8%	100.0%	100.0%	99.3%	100.0%	100.0%
Adjusted NOI Yield	5.33%	4.98%	5.21%	3.80%	5.95%	6.41%	3.75%	3.28%	6.97%	3.74%	5.05%	5.81%	8.72%

(in thousand yen)	B4	B5	B6	B7	B8	B9	B10	B11	B13	B14	B17	B18	B20
	Marumasu Kojimachi Building	Rokubancho K Building	Shin-Osaka Central Tower	Kawasaki Toshiba Building	UUR Toyochō Building	FOUR SEASONS BLDG	Hitachi High-Tech Building	Pacific Marks Shinjuku Parkside	Pacific Marks Tsukushima	Pacific Marks Yokohama East	Akasaka Hikawa Building	Pacific Marks Shibuya Koen-dori	Pacific Marks Akasaka-mitsuke
Operating Revenues	96,320	108,545	1,235,226	836,594	277,423	190,903	413,678	363,593	258,726	253,285	117,030	84,372	67,234
Rental Revenues	91,449	108,545	1,105,996	836,594	254,658	174,168	408,128	337,061	216,772	232,270	114,114	84,372	61,059
Other Rental Revenues	4,871	-	129,229	-	22,765	16,735	5,550	26,532	41,954	21,014	2,916	-	6,174
Operating Expenses	48,443	36,789	588,268	285,230	89,841	71,249	119,462	165,076	125,337	138,506	34,071	16,388	46,324
Property and other taxes	14,385	11,841	86,391	52,034	13,696	10,203	46,205	39,042	20,599	20,702	10,736	3,959	6,510
Other expenses	20,410	13,877	294,199	25,702	40,469	35,415	40,046	62,733	70,224	53,051	11,661	3,251	32,706
Property Mgmt Fees	8,620	13,675	110,164	6,000	18,802	18,303	25,069	29,325	22,099	24,272	7,529	2,390	4,437
Utilities	6,898	-	114,884	-	19,838	15,203	13,546	26,757	27,949	20,417	3,648	-	3,554
Casualty Insurance	329	69	954	641	172	105	203	282	221	240	64	28	29
Repairs & Maintenance	3,246	132	63,721	19,060	1,211	1,395	1,034	5,018	18,924	6,637	351	832	23,165
Other Rental Expenses	1,316	-	4,475	0	445	407	192	1,349	1,029	1,483	68	-	1,520
Depreciation	13,647	11,071	207,677	207,493	35,674	25,630	33,210	63,299	34,514	64,751	11,673	9,177	7,107
Profit from Rental Activities	47,877	71,756	646,958	551,364	187,582	119,654	294,216	198,517	133,388	114,779	82,958	67,983	20,909
Net Operating Income (NOI)	61,524	82,827	854,636	758,858	223,257	145,285	327,426	261,817	167,902	179,531	94,631	77,161	28,017
CAPEX	15,512	2,556	239,151	134,727	-	2,320	1,169	3,705	9,183	10,307	115	15,259	38,488
Occupancy (as of Nov. 30, 2019)	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	97.0%	96.0%	95.9%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.22%	7.68%	7.10%	7.88%	5.24%	6.90%	4.41%	4.32%	5.51%	5.08%	5.74%	5.99%	2.53%

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

Property Income and Occupancy 3/5

(in thousand yen)	B22	B25	B26	B27	B29	B30	B31	B32	B34	B35	B36	B37	B38
	Pacific Marks Shin-Yokohama	Pacific Marks Kawasaki	Hamamatsucho 262 Building	Lila Hijirizaka	Otsuka HT Building	Pacific Marks Shinjuku South-gate	Pacific Marks Nishi-Umeda	Pacific Marks Higobashi	Pacific Marks Esaka	Pacific Marks Sapporo Kita-Ichijo	Shin-Sapporo Center Building	ARENA TOWER	Yushima First Building
Operating Revenues	67,659	342,717	230,924	119,678	58,720	95,963	268,133	149,908	440,318	101,766	61,746	473,953	118,009
Rental Revenues	59,313	308,909	204,876	107,730	51,133	87,507	236,941	131,248	403,539	92,485	56,045	413,805	103,448
Other Rental Revenues	8,345	33,808	26,048	11,948	7,587	8,456	31,192	18,660	36,779	9,280	5,700	60,148	14,560
Operating Expenses	38,932	148,325	95,532	49,972	30,139	27,770	151,643	80,217	273,755	53,148	34,328	240,081	48,974
Property and other taxes	5,660	23,173	15,468	12,791	2,135	6,347	26,342	17,404	40,224	8,643	4,948	32,850	11,283
Other expenses	16,524	63,219	46,490	27,205	19,899	14,067	79,149	30,816	138,812	24,576	20,330	96,736	23,832
Property Mgmt Fees	7,780	19,313	21,898	15,786	5,549	5,497	30,755	9,990	59,229	9,809	7,178	47,063	8,050
Utilities	6,395	32,282	18,266	7,190	6,464	6,155	29,911	12,720	47,801	10,677	7,091	44,757	12,483
Casualty Insurance	65	181	103	77	40	36	245	124	408	82	50	373	88
Repairs & Maintenance	2,142	8,799	6,222	3,852	2,899	943	11,361	4,772	28,852	3,514	5,796	3,804	2,854
Other Rental Expenses	139	2,642	-	298	4,944	1,433	6,875	3,208	2,521	492	213	737	356
Depreciation	16,748	61,933	33,573	9,975	8,104	7,356	46,151	31,996	94,718	19,928	9,049	110,494	13,858
Profit from Rental Activities	28,726	194,391	135,392	69,706	28,581	68,192	116,489	69,691	166,563	48,618	27,418	233,872	69,034
Net Operating Income (NOI)	45,475	256,325	168,965	79,681	36,685	75,549	162,641	101,687	261,281	68,546	36,467	344,367	82,892
CAPEX	18,137	5,459	-	-	4,494	-	53,206	10,785	52,014	6,370	346	7,565	295
Occupancy (as of Nov. 30, 2019)	100.0%	98.7%	100.0%	97.5%	100.0%	100.0%	100.0%	91.5%	98.7%	100.0%	96.2%	100.0%	100.0%
Adjusted NOI Yield	5.30%	5.17%	4.93%	5.78%	6.31%	6.13%	4.73%	4.44%	5.43%	7.64%	7.37%	7.23%	7.87%

(in thousand yen)	B39	B40	B41	B42	B43	B44	B45	Office buildings Total	C1	C2	C3	C4	C5
	Dogenzaka Square	GRAND-SQUARE Shin-Sakae	GRAND-SQUARE Meieki-minami	Shiba 520 Building	Hirose-dori SE Building	SS30	LOOP-X・M		Shinjuku Washington Hotel Honkan	Toyoko Inn Shinagawa-eki Takanawa-guchi	MZ BLD.	HOTEL ROUTE-INN Yokohama Bashamichi	Hotel JAL City Naha
Operating Revenues	98,760	91,785	89,960	116,119	209,803	1,117,475	484,679	9,254,750	785,194	57,000	130,840	156,975	276,095
Rental Revenues	90,575	84,925	82,004	107,998	183,665	1,012,690	418,183	8,461,483	783,867	57,000	130,840	141,660	276,095
Other Rental Revenues	8,184	6,860	7,955	8,121	26,138	104,785	66,496	793,266	1,327	-	-	15,315	-
Operating Expenses	41,986	48,597	43,362	38,215	119,290	653,234	283,500	4,357,672	261,152	13,700	86,091	75,453	112,676
Property and other taxes	6,162	7,552	8,018	8,238	13,321	129,046	45,438	778,968	87,071	6,499	9,488	9,476	16,953
Other expenses	22,881	17,522	17,854	19,112	52,389	353,425	195,432	2,023,509	66,859	602	26,891	20,589	6,183
Property Mgmt Fees	7,888	9,459	8,552	10,538	23,922	153,294	74,163	844,471	27,270	540	7,346	7,165	1,124
Utilities	5,529	7,371	8,051	7,210	25,860	150,602	47,511	762,761	3,554	-	1,818	13,266	-
Casualty Insurance	53	81	78	68	159	1,794	487	8,086	875	62	145	157	270
Repairs & Maintenance	9,180	326	951	896	1,922	42,065	39,389	330,551	35,016	-	5,552	-	2,158
Other Rental Expenses	229	284	220	398	525	5,668	33,880	77,638	142	-	12,028	-	2,629
Depreciation	12,943	23,522	17,489	10,864	53,579	170,762	42,629	1,555,194	107,221	6,598	49,711	45,387	89,539
Profit from Rental Activities	56,773	43,187	46,597	77,903	90,512	464,240	201,179	4,897,077	524,041	43,299	44,749	81,522	163,418
Net Operating Income (NOI)	69,717	66,710	64,086	88,768	144,092	635,003	243,808	6,452,271	631,262	49,897	94,460	126,910	252,957
CAPEX	500	270	270	1,462	2,770	51,420	205,125	913,329	-	-	76,534	-	1,996
Occupancy (as of Nov. 30, 2019)	97.3%	100.0%	100.0%	100.0%	94.5%	99.4%	96.3%	98.9%	100.0%	100.0%	95.2%	100.0%	100.0%
Adjusted NOI Yield	6.05%	8.99%	10.48%	8.43%	7.98%	6.96%	4.34%	6.04%	5.96%	5.28%	4.96%	5.36%	6.60%

Property Income and Occupancy 4/5

(in thousand yen)	C6	C7	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19
	UUR Yotsuya Sanchoe Building	Yotsuya 213 Building	the b roppongi	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Toyoko Inn Hiroshima Heiwa-odori	Toyoko Inn Naha Kokusai- dori Miebash- eki	Loisir Hotel & Spa Tower Naha	Royal Pines Hotel Urawa	RIHGA Royal Hotel Kokura・ ARUARU City	the b fukuoka tenjin	Henn na Hotel Tokyo Hamamatsucho	Hotel Hewitt Koshien	Smile Hotel Premium Sapporo Susukino
Operating Revenues	186,792	192,697	111,205	(Note)	(Note)	(Note)	657,497	466,206	969,014	109,931	(Note)	(Note)	(Note)
Rental Revenues	185,278	155,811	109,208				657,497	466,206	731,280	109,931			
Other Rental Revenues	1,514	36,886	1,997				-	-	237,733	-			
Operating Expenses	58,239	63,324	44,181				241,436	225,640	674,982	23,448			
Property and other taxes	19,973	17,799	17,674				35,459	41,098	101,033	8,327			
Other expenses	10,862	22,048	5,328				24,155	90,184	415,135	2,067			
Property Mgmt Fees	3,555	6,101	1,800				1,740	37,353	74,399	1,200			
Utilities	-	11,039	2,045				-	-	210,179	-			
Casualty Insurance	164	164	117				910	806	1,492	100			
Repairs & Maintenance	7,142	4,453	665				19,512	46,238	125,552	-			
Other Rental Expenses	-	288	700				1,992	5,785	3,511	766			
Depreciation	27,403	23,476	21,178				181,821	94,357	158,814	13,053			
Profit from Rental Activities	128,553	129,373	67,024	47,840	44,733	16,416	416,060	240,566	294,031	86,483	86,845	207,027	95,009
Net Operating Income (NOI)	155,956	152,849	88,202	61,033	59,493	22,882	597,882	334,923	452,846	99,536	104,047	281,146	117,785
CAPEX	74,750	9,365	-	-	-	-	214,856	172,206	448,778	-	-	6,280	-
Occupancy (as of Nov. 30, 2019)	100.0%	91.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	7.41%	6.07%	3.92%	4.59%	5.62%	6.13%	5.96%	3.82%	5.44%	6.62%	4.19%	4.06%	6.27%

(in thousand yen)	Hotels Total	D1	D4	D6	D9	D10	D15	D16	D17	D18	D19	D20	D21
		T&G Higashi- ikebukuro Mansion	Komazawa Court	UUR Court Shiba-Daimon	Aprile Shin-Ohgi Ichibankan	UUR Court Sapporo Kita-Sanjo	CLIO Bunkyo Koishikawa	GRAND-ROUGE Sakae	GRAND-ROUGE Sakae II	MA Sendai Building	UUR Court Nagoya Meieki	UUR Court Sapporo Shinoro Ichibankan	Park Site IZUMI
Operating Revenues	4,774,809	69,934	60,982	33,000	(Note)	52,515	100,724	49,147	36,841	167,932	45,830	33,367	26,389
Rental Revenues	4,480,035	65,681	60,960	33,000		52,433	95,493	47,862	36,841	162,414	45,830	33,367	26,066
Other Rental Revenues	294,774	4,252	22	-		81	5,230	1,285	-	5,518	-	-	322
Operating Expenses	2,057,813	33,517	12,342	8,677		30,069	56,875	35,556	24,669	86,196	25,161	16,502	13,517
Property and other taxes	388,235	2,724	3,964	1,781		4,811	5,163	3,167	2,627	9,987	3,010	3,946	1,600
Other expenses	702,499	18,466	906	945		6,786	22,836	14,002	5,706	27,987	4,488	2,188	6,333
Property Mgmt Fees	174,821	7,738	604	330		1,976	7,526	4,813	45	9,205	2,805	2,038	2,406
Utilities	241,903	885	-	-		1,624	64	808	-	2,460	747	-	618
Casualty Insurance	6,238	54	51	27		47	78	58	50	136	51	40	35
Repairs & Maintenance	250,401	8,341	250	588		3,117	13,127	5,976	5,608	2,072	884	109	1,225
Other Rental Expenses	29,134	1,445	-	-		20	2,039	2,346	2	14,112	-	-	2,048
Depreciation	967,078	12,325	7,471	5,949		18,472	28,875	18,386	16,335	48,221	17,662	10,367	5,584
Profit from Rental Activities	2,716,996	36,416	48,639	24,322	78,359	22,445	43,848	13,591	12,171	81,736	20,669	16,865	12,871
Net Operating Income (NOI)	3,684,075	48,742	56,111	30,272	104,032	40,917	72,724	31,977	28,507	129,957	38,331	27,233	18,455
CAPEX	1,004,768	439	-	-	1,779	-	613	6,556	-	214	-	-	-
Occupancy (as of Nov. 30, 2019)	99.7%	99.2%	100.0%	100.0%	100.0%	100.0%	94.1%	94.8%	100.0%	98.4%	100.0%	100.0%	93.4%
Adjusted NOI Yield	5.33%	4.81%	6.66%	5.14%	6.85%	6.39%	4.58%	4.06%	4.37%	7.54%	5.19%	6.24%	4.09%

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

Property Income and Occupancy 5/5

(in thousand yen)	D22	D23	D24	D25	D26	D27	D28	D29	D30	Residential properties Total	E1	E2	E3
	UUR Court Osaka Juso-honmachi	UUR Court Kinshicho	UUR Court Sapporo Minami-Sanjo Premier Tower	GLAND-ROUGE Nakanoshima-minami	Glenpark Umeda-ki	UUR Court Shiki	GRAND-ROUGE Tanimachi Rokucho	Chatte Otemachi S・N	GRAN FONTE		Lilycolor Tohoku Branch	KDDI Fuchu Building	Tsubogawa Square Building
Operating Revenues	52,098	120,889	108,828	53,961	192,532	93,432	44,247	118,972	90,320	1,665,192			306,166
Rental Revenues	52,098	116,859	103,119	52,715	185,930	93,432	43,272	116,951	88,890	1,626,466			254,081
Other Rental Revenues	-	4,029	5,709	1,246	6,601	-	974	2,020	1,429	38,726			52,084
Operating Expenses	27,690	49,435	64,153	30,626	76,484	23,537	14,034	51,035	25,930	740,900			160,131
Property and other taxes	3,923	5,906	7,740	3,495	10,560	6,983	3,332	10,683	-	103,621			18,746
Other expenses	5,044	19,002	24,154	8,293	31,209	2,270	5,364	13,447	13,509	233,945	(Note)	(Note)	90,634
Property Mgmt Fees	3,863	11,337	9,617	3,129	14,551	1,256	3,442	6,305	5,907	99,478			30,757
Utilities	-	1,710	5,028	577	1,139	-	392	1,284	2,578	19,922			52,382
Casualty Insurance	61	114	107	45	211	119	49	160	92	1,729			244
Repairs & Maintenance	1,118	3,397	6,377	3,640	10,418	895	1,100	4,408	4,619	77,564			3,034
Other Rental Expenses	-	2,442	3,023	901	4,889	-	379	1,289	311	35,251			4,214
Depreciation	18,723	24,526	32,257	18,837	34,714	14,282	5,338	26,904	12,420	403,332			50,750
Profit from Rental Activities	24,407	71,453	44,675	23,334	116,047	69,894	30,212	67,937	64,390	924,291	36,015	129,959	146,034
Net Operating Income (NOI)	43,130	95,980	76,932	42,172	150,761	84,177	35,550	94,841	76,810	1,327,624	61,007	150,925	196,785
CAPEX	1,381	485	1,269	843	729	24,018	-	2,786	1,815	42,932	14,776	-	997
Occupancy (as of Nov. 30, 2019)	100.0%	96.9%	90.9%	92.1%	98.2%	100.0%	98.0%	92.6%	96.7%	97.3%	100.0%	100.0%	100.0%
Adjusted NOI Yield	5.48%	6.60%	7.49%	6.10%	5.84%	6.15%	5.45%	5.57%	5.24%	5.85%	5.94%	6.12%	9.46%

(in thousand yen)	E4	E5	E6	E7	E8	E9	E10	E11	E12	E13	Others Total
	THE PLACE of TOKYO	Logistics Higashi-Ogishima	MT Ariake Center Building I&II	Quartz Tower	Shin-Narashino Logistics Center	Kawagoe Logistics Center	Asuto Nagamachi Dental Clinic	Shin-Narashino Logistics Center II	Yoshikawa Logistics Center	Musashi murayama Logistics Center	
Operating Revenues											1,792,456
Rental Revenues											1,719,506
Other Rental Revenues											72,949
Operating Expenses											549,389
Property and other taxes											115,665
Other expenses	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	169,830
Property Mgmt Fees											49,137
Utilities											68,116
Casualty Insurance											1,336
Repairs & Maintenance											38,916
Other Rental Expenses											12,324
Depreciation											263,892
Profit from Rental Activities	89,274	99,387	311,041	93,804	56,227	146,565	28,180	51,927	12,024	42,624	1,243,066
Net Operating Income (NOI)	115,670	124,530	326,379	110,070	68,076	183,120	34,193	63,501	24,069	48,628	1,506,959
CAPEX	-	-	-	-	31,958	2,684	-	227	-	3,494	54,137
Occupancy (as of Nov. 30, 2019)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	6.59%	5.87%	8.14%	3.85%	5.31%	4.84%	5.68%	4.89%	2.45%	5.39%	5.99%

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

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Retail properties	A2	Joy Park Izumigaoka	Other Regions (Osaka)	Sakai, Osaka	6,770	1.1%	10,368.45	29,250.71	13,611.24	10	1	2003/12/22
	A4	Luz Funabashi	Tokyo Metropolitan Area	Funabashi, Chiba	5,200	0.8%	5,198.20	12,944.65	12,952.88	13	2	2004/09/17
	A6	TENJIN LUCE	Other Regions (Others)	Fukuoka, Fukuoka	6,500	1.0%	1,138.66	5,393.09	4,194.68	2	5	2006/04/14
	A7	Kaden Sumairu-kan YAMADA Sakai Honten	Other Regions (Osaka)	Sakai, Osaka	3,210	0.5%	10,702.86	8,637.63	8,637.63	8	5	2006/04/28
	A8	Miyamae Shopping Center	Tokyo Metropolitan Area	Kawasaki, Kanagawa	5,312	0.8%	6,937.54	17,338.54	10,487.92	17	7	2007/02/19
	A9	KONAMI SPORTS CLUB Korigaoka	Other Regions (Osaka)	Hirakata, Osaka	2,040	0.3%	4,120.00	6,381.40	8,627.58	11	8	2007/06/29
	A10	ACTIOLE Minami-ikebukuro	23 Wards of Tokyo	Toshima-ku, Tokyo	3,760	0.6%	320.39	2,265.15	2,081.50	14	8	2007/09/27
	A11	Tip's Machida Building	Tokyo Metropolitan Area	Machida, Tokyo	4,100	0.6%	1,596.82	8,075.04	6,710.19	18	9	2007/12/27
	A12	Daiei Takarazuka Nakayama	Other Regions (Osaka)	Takarazuka, Hyogo	4,284	0.7%	16,330.14	16,729.60	16,729.60	9	9	2008/01/30
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (retail portion)	Tokyo Metropolitan Area	Yokohama, Kanagawa	6,883	1.1%	53,363.57	-	30,453.73	-	9	2008/02/18
	A14	ACTIOLE Kannai	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,410	0.4%	375.17	2,238.82	1,938.56	16	10	2008/06/30
	A15	Shinsaibashi OPA Honkan	Other Regions (Osaka)	Osaka, Osaka	22,800	3.5%	2,430.23	25,865.61	27,025.42	12	15	2010/12/01
	A19	Albore Jingumae	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	1,580	0.2%	308.02	816.60	931.14	14.6	15	2010/12/01
	A20	Albore Sendai	Other Regions (Others)	Sendai, Miyagi	2,590	0.4%	736.01	4,082.94	3,151.71	8	15	2010/12/01
	A21	Mallage Kashiwa	Tokyo Metropolitan Area	Kashiwa, Chiba	7,040	1.1%	79,484.47	54,689.28	41,748.73	9	15	2010/12/01
	A23	Ito-Yokado Owariasahi	Other Regions (Nagoya)	Owariasahi, Aichi	4,840	0.8%	34,612.39	56,371.77	54,606.34	11	15	2010/12/01
	A24	Yokohama Kariba Shopping Center	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,500	0.4%	7,093.66	10,628.44	11,345.09	12	15	2010/12/01
	A25	Luz Jiyugaoka	23 Wards of Tokyo	Meguro-ku, Tokyo	5,090	0.8%	828.70	2,771.59	2,283.47	12	16	2011/06/15
	A26	ACTIOLE Ichikawa	Tokyo Metropolitan Area	Ichikawa, Chiba	3,350	0.5%	749.42	4,452.39	3,927.49	10	16	2011/06/15
	A27	Yokohama Aoba Shopping Center (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,600	0.4%	9,193.00	-	9,193.00	-	16	2011/10/31
	A28	Yamada Denki Tecc Land Aoba (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,150	0.3%	7,594.00	-	7,650.63	-	17	2012/05/18
	A29	Yodobashi Camera Multimedia Kichijoji	Tokyo Metropolitan Area	Musashino, Tokyo	28,000	4.3%	3,582.39	37,932.95	37,932.95	14	19	2013/03/18
	A30	Kaden Sumairu-kan YAMADA Matsudo Honten	Tokyo Metropolitan Area	Matsudo, Chiba	5,150	0.8%	7,311.98	17,461.22	17,561.23	11	19	2013/03/18
	A31	Tenjin Loft Building	Other Regions (Others)	Fukuoka, Fukuoka	4,350	0.7%	1,947.80	10,594.19	7,730.09	1	20	2013/11/29
	A32	Narumi Shopping Center (Site)	Other Regions (Nagoya)	Nagoya, Aichi	6,460	1.0%	60,747.02	-	60,419.26	-	21	2014/04/08
	A33	Plussing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	1,800	0.3%	2,450.62	3,471.69	2,896.93	14	22	2014/08/29
	A34	LIFE Nishikujo (Site)	Other Regions (Osaka)	Osaka, Osaka	1,760	0.3%	3,252.76	-	3,252.76	-	23	2015/03/02
	A35	LIFE Tamatsukuri (Site)	Other Regions (Osaka)	Osaka, Osaka	1,880	0.3%	2,391.44	-	2,391.44	-	23	2015/03/02
	A36	Granbell Ginza Building	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	2,621	0.4%	231.00	1,646.50	1,352.35	10	24	2015/06/30
	A37	UUR Tenjin Nishi-dori Building	Other Regions (Others)	Fukuoka, Fukuoka	5,500	0.9%	466.76	1,486.52	1,564.70	2	24	2015/07/15
	A38	Luz Shonan Tsujido	Tokyo Metropolitan Area	Fujisawa, Kanagawa	3,938	0.6%	3,658.25	17,889.43	10,454.22	14	24	2015/09/30
	A39	ACTIOLE Ueno	23 Wards of Tokyo	Taito-ku, Tokyo	3,000	0.5%	159.59	1,234.99	1,163.44	12	25	2015/12/04
	A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	9,285	1.4%	7,266.41	59,361.08	13,292.33	6	26	2016/09/01
	A41	K's Denki Nagoya-kita	Other Regions (Nagoya)	Toyoyama, Aichi	1,750	0.3%	7,461.97	4,733.74	4,733.74	8	27	2016/12/01
	A42	Luz Musashikosugi	Tokyo Metropolitan Area	Kawasaki, Kanagawa	12,151	1.9%	6,104.63	12,223.72	8,272.58	11	31	2018/12/28
Office buildings	B1	T&G Hamamatsucho Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,257	0.4%	453.81	3,296.58	2,382.25	12	1	2003/12/26
	B3	Fukuoka Eartheon Building	Other Regions (Others)	Fukuoka, Fukuoka	2,080	0.3%	1,358.91	6,079.35	4,934.40	1	1	2003/12/26
	B4	Marumasu Kojimachi Building	6 Cental Wards of Tokyo	Chiyoda-ku, Tokyo	2,350	0.4%	703.24	5,218.55	2,576.57	11	1	2004/03/29
	B5	Rokubancho K Building	6 Cental Wards of Tokyo	Chiyoda-ku, Tokyo	2,150	0.3%	689.70	4,031.14	4,031.14	14	1	2004/03/30
	B6	Shin-Osaka Central Tower (office portion)	Other Regions (Osaka)	Osaka, Osaka	14,279	2.2%	7,265.79	58,882.64	27,788.73	7	3	2004/12/02
	B7	Kawasaki Toshiba Building	Tokyo Metropolitan Area	Kawasaki, Kanagawa	19,200	3.0%	8,615.20	51,254.06	36,142.30	7	3	2004/12/20
	(A13)	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (office portion)	Tokyo Metropolitan Area	Yokohama, Kanagawa	5,021	0.8%	-	-	22,214.65	-	9	2008/02/18
	B8	UUR Toyocho Building	23 Wards of Tokyo	Koto-ku, Tokyo	8,500	1.3%	3,262.50	10,768.11	7,540.30	13	10	2008/06/30

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Office buildings	B9	FOUR SEASONS BLDG	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	690.93	6,318.81	5,000.54	11	13	2009/12/25
	B10	Hitachi High-Tech Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	14,800	2.3%	3,464.39	22,952.71	15,781.64	15	15	2010/12/01
	B11	Pacific Marks Shinjuku Parkside	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	12,100	1.9%	3,201.80	19,802.22	10,947.34	14.8	15	2010/12/01
	B13	Pacific Marks Tsukushima	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	6,080	0.9%	3,302.07	14,507.92	9,335.19	14	15	2010/12/01
	B14	Pacific Marks Yokohama East	Tokyo Metropolitan Area	Yokohama, Kanagawa	7,050	1.1%	2,525.41	15,387.49	11,199.20	15	15	2010/12/01
	B17	Akasaka Hikawa Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,290	0.5%	1,328.93	4,795.06	3,438.20	14	15	2010/12/01
	B18	Pacific Marks Shibuya Koen-dori	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,570	0.4%	428.62	1,972.43	1,972.43	12	15	2010/12/01
	B20	Pacific Marks Akasaka-mitsuke	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,210	0.3%	390.86	1,895.87	1,675.13	13	15	2010/12/01
	B22	Pacific Marks Shin-Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	1,710	0.3%	475.00	4,141.89	3,110.72	16	15	2010/12/01
	B25	Pacific Marks Kawasaki	Tokyo Metropolitan Area	Kawasaki, Kanagawa	9,890	1.5%	1,183.52	10,694.91	7,395.50	17	15	2010/12/01
	B26	Hamamatsucho 262 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	6,840	1.1%	1,401.61	8,331.90	6,157.96	14	15	2010/12/01
	B27	Lila Hijirizaka	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,750	0.4%	1,474.05	6,598.52	4,255.02	12	15	2010/12/01
	B29	Otsuka HT Building	23 Wards of Tokyo	Toshima-ku, Tokyo	1,160	0.2%	455.94	2,317.67	1,774.56	13	15	2010/12/01
	B30	Pacific Marks Shinjuku South-gate	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	2,460	0.4%	257.87	2,038.70	1,726.68	12	15	2010/12/01
	B31	Pacific Marks Nishi-Umeda	Other Regions (Osaka)	Osaka, Osaka	6,860	1.1%	2,053.30	16,142.54	10,990.99	10	15	2010/12/01
	B32	Pacific Marks Higobashi	Other Regions (Osaka)	Osaka, Osaka	4,570	0.7%	1,284.23	9,596.62	7,623.37	12	15	2010/12/01
	B34	Pacific Marks Esaka	Other Regions (Osaka)	Suita, Osaka	9,590	1.5%	3,929.31	33,316.53	19,963.32	9	15	2010/12/01
	B35	Pacific Marks Sapporo Kita-Ichijo	Other Regions (Others)	Sapporo, Hokkaido	1,790	0.3%	987.04	6,048.97	4,727.65	1	15	2010/12/01
	B36	Shin-Sapporo Center Building	Other Regions (Others)	Sapporo, Hokkaido	987	0.2%	1,940.15	3,725.13	2,797.02	2	15	2010/12/01
	B37	ARENA TOWER	Tokyo Metropolitan Area	Yokohama, Kanagawa	9,500	1.5%	2,733.00	24,412.67	17,967.46	10	16	2011/06/16
	B38	Yushima First Building	23 Wards of Tokyo	Bunkyo-ku, Tokyo	2,100	0.3%	1,120.85	6,165.88	4,558.77	13	18	2012/08/29
	B39	Dogenzaka Square	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,300	0.4%	488.93	3,227.62	2,233.57	16	18	2012/11/22
	B40	GRAND-SQUARE Shin-Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,480	0.2%	1,294.88	5,333.51	4,578.93	10	21	2014/02/28
	B41	GRAND-SQUARE Meieki-minami	Other Regions (Nagoya)	Nagoya, Aichi	1,220	0.2%	1,012.06	5,017.30	4,003.05	10	21	2014/02/28
	B42	Shiba 520 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,100	0.3%	727.86	3,781.22	2,831.94	13	21	2014/03/28
	B43	Hirose-dori SE Building	Other Regions (Others)	Sendai, Miyagi	3,600	0.6%	2,146.31	10,396.94	8,235.87	8	22	2014/06/13
	B44	SS30 (office portion)	Other Regions (Others)	Sendai, Miyagi	11,521	1.8%	15,542.84	110,955.68	42,886.13	2	27	2017/03/30
	B45	LOOP-X·M	6 Cental Wards of Tokyo	Minato-ku, Tokyo	11,200	1.7%	5,491.44	31,583.38	21,590.90	7	27	2017/04/26
Hotels	C1	Shinjuku Washington Hotel Honkan	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	21,140	3.3%	6,215.31	59,985.37	53,310.20	9	1	2003/12/22
	(B6)	Shin-Osaka Central Tower (hotel portion)	Other Regions (Osaka)	Osaka, Osaka	9,721	1.5%	-	-	18,149.63	-	3	2004/12/02
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	1,884	0.3%	482.10	2,928.94	3,088.85	17	3	2005/02/18
	C3	MZ BLD.	Tokyo Metropolitan Area	Hachioji, Tokyo	3,800	0.6%	1,304.44	7,708.88	6,660.20	13	9	2008/04/10
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	Tokyo Metropolitan Area	Yokohama, Kanagawa	4,720	0.7%	970.83	6,610.51	7,139.44	19	10	2008/06/30
	C5	Hotel JAL City Naha	Other Regions (Others)	Naha, Okinawa	7,650	1.2%	3,573.31	13,655.23	13,701.80	5	16	2011/10/25
	C6	UUR Yotsuya Sanchoe Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	1,053.16	7,682.82	7,854.86	14	17	2011/12/26
	C7	Yotsuya 213 Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	5,020	0.8%	1,264.94	7,884.53	7,550.16	13	19	2013/03/18
	C9	the b roppongi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,488	0.7%	551.39	4,154.72	3,714.06	12	21	2014/05/01
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Tokyo Metropolitan Area	Kawasaki, Kanagawa	2,655	0.4%	639.19	4,785.93	4,874.28	14.5	24	2015/08/31
	C11	Toyoko Inn Hiroshima Heiwa-odori	Other Regions (Others)	Hiroshima, Hiroshima	2,113	0.3%	660.40	4,345.24	4,357.75	7	24	2015/08/31
	C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	Other Regions (Others)	Naha, Okinawa	745	0.1%	384.93	1,566.12	1,529.47	2	24	2015/08/31
	C13	Loisir Hotel & Spa Tower Naha	Other Regions (Others)	Naha, Okinawa	20,000	3.1%	11,850.24	45,731.16	45,731.16	7	25	2016/02/05
	C14	Royal Pines Hotel Urawa	Tokyo Metropolitan Area	Saitama, Saitama	17,500	2.7%	7,418.83	51,071.32	31,129.86	10	25	2016/04/01
	(B44)	SS30 (hotel portion)	Other Regions (Others)	Sendai, Miyagi	6,679	1.0%	-	-	24,814.24	-	27	2017/03/30

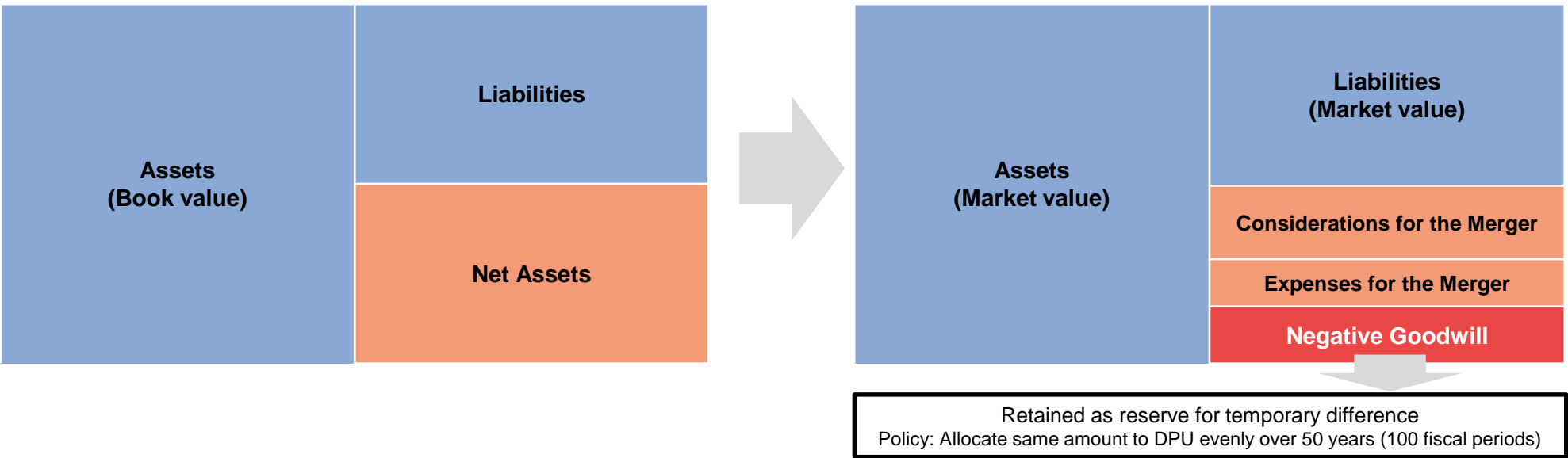
Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Hotels	C15	RIHGA Royal Hotel Kokura・ARUARU City	Other Regions (Others)	Kitakyushu, Fukuoka	16,600	2.6%	22,799.65	114,117.54	81,371.29	1	29	2018/01/26
	C16	the b fukuoka tenjin	Other Regions (Others)	Fukuoka, Fukuoka	3,000	0.5%	496.79	3,567.22	3,567.22	1	30	2018/09/27
	C17	Henn na Hotel Tokyo Hamamatsucho	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,456	0.7%	365.81	2,293.64	2,293.64	14.8	31	2019/05/15
	C18	Hotel Hewitt Koshien	Other Regions (Osaka)	Nishinomiya, Hyogo	13,520	2.1%	14,997.27	29,537.39	36,104.06	9	32	2019/06/25
	C19	Smile Hotel Premium Sapporo Susukino	Other Regions (Others)	Sapporo, Hokkaido	4,233	0.7%	958.37	7,762.50	8,332.04	1	32	2019/06/28
Residential Properties	D1	T&G Higashi-ikebukuro Mansion	23 Wards of Tokyo	Toshima-ku, Tokyo	2,021	0.3%	398.82	3,300.18	2,603.22	12	1	2003/12/26
	D4	Komazawa Court	23 Wards of Tokyo	Setagaya-ku, Tokyo	1,680	0.3%	2,943.33	3,580.44	3,741.17	11	1	2003/12/26
	D6	UUR Court Shiba-Daimon	6 Cental Wards of Tokyo	Minato-ku, Tokyo	1,175	0.2%	233.66	1,486.38	1,486.38	17	2	2004/10/15
	D9	Aprile Shin-Ohgi Ichibankan	Other Regions (Osaka)	Kobe, Hyogo	3,031	0.5%	3,329.45	12,700.44	12,700.44	8	3	2005/04/13
	D10	UUR Court Sapporo Kita-Sanjo	Other Regions (Others)	Sapporo, Hokkaido	1,278	0.2%	1,249.45	6,588.72	4,790.50	2	5	2006/03/16
	D15	CLIO Bunkyo Koishikawa	23 Wards of Tokyo	Bunkyo-ku, Tokyo	3,170	0.5%	814.54	5,871.77	4,097.51	14.5	5	2006/04/28
	D16	GRAND-ROUGE Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,570	0.2%	1,009.16	3,912.49	3,697.38	13	6	2006/11/30
	D17	GRAND-ROUGE Sakae II	Other Regions (Nagoya)	Nagoya, Aichi	1,300	0.2%	674.34	3,172.34	2,579.89	13	9	2007/12/26
	D18	MA Sendai Building	Other Regions (Others)	Sendai, Miyagi	3,440	0.5%	3,656.44	12,642.98	11,525.36	11	10	2008/09/24
	D19	UUR Court Nagoya Meieki	Other Regions (Nagoya)	Nagoya, Aichi	1,473	0.2%	639.17	3,207.39	2,958.45	16	10	2008/09/30
	D20	UUR Court Sapporo Shinoro Ichibankan	Other Regions (Others)	Sapporo, Hokkaido	870	0.1%	3,340.48	6,255.74	6,271.74	3	10	2008/11/11
	D21	Park Site IZUMI	Other Regions (Nagoya)	Nagoya, Aichi	900	0.1%	336.55	2,196.97	2,067.95	12	10	2008/11/21
	D22	UUR Court Osaka Juso-honmachi	Other Regions (Osaka)	Osaka, Osaka	1,570	0.2%	1,266.32	4,166.73	3,650.00	16	11	2009/02/26
	D23	UUR Court Kinshicho	23 Wards of Tokyo	Koto-ku, Tokyo	2,900	0.5%	924.27	6,890.13	5,460.39	14.8	16	2011/06/15
	D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Other Regions (Others)	Sapporo, Hokkaido	2,050	0.3%	1,078.42	10,224.31	7,763.18	1	18	2012/06/28
	D25	GRAND-ROUGE Nakanoshima-minami	Other Regions (Osaka)	Osaka, Osaka	1,380	0.2%	405.74	3,741.79	3,090.36	15	20	2013/06/25
	D26	Glenpark Umeda-kita	Other Regions (Osaka)	Osaka, Osaka	5,150	0.8%	2,156.35	14,340.44	12,730.60	15.5	22	2014/08/29
	D27	UUR Court Shiki	Tokyo Metropolitan Area	Shiki, Saitama	2,730	0.4%	6,132.03	9,885.83	9,885.83	11	24	2015/09/18
	D28	GRAND-ROUGE Tanimachi Rokuchome	Other Regions (Osaka)	Osaka, Osaka	1,300	0.2%	817.52	3,607.14	2,792.81	13	27	2016/12/01
	D29	Chatte Otemachi S・N	Other Regions (Others)	Kitakyushu, Fukuoka	3,398	0.5%	3,516.04	12,599.91	12,040.28	1	30	2018/07/03
	D30	GRAN FONTE	23 Wards of Tokyo	Nerima-ku, Tokyo	2,700	0.4%	4,132.97	6,983.30	6,268.24	1	31	2019/04/01
Others	E1	Lilycolor Tohoku Branch	Other Regions (Others)	Sendai, Miyagi	2,050	0.3%	5,457.02	8,693.79	9,271.16	11	5	2006/05/29
	E2	KDDI Fuchu Building	Tokyo Metropolitan Area	Fuchu, Tokyo	4,920	0.8%	5,479.15	14,165.71	14,490.92	11	19	2013/05/16
	E3	Tsubogawa Square Building	Other Regions (Others)	Naha, Okinawa	4,150	0.6%	5,294.63	14,742.80	10,570.98	8	20	2013/11/01
	E4	THE PLACE of TOKYO	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,500	0.5%	645.87	3,105.31	3,212.21	13	21	2014/05/01
	E5	Logistics Higashi-Ohgishima	Tokyo Metropolitan Area	Kawasaki, Kanagawa	4,233	0.7%	28,351.30	41,949.12	42,113.83	12	22	2014/10/02
	E6	MT Ariake Center Building I&II	23 Wards of Tokyo	Koto-ku, Tokyo	8,000	1.2%	8,307.00	22,917.94	23,816.82	12	22	2014/11/25
	E7	Quartz Tower	6 Cental Wards of Tokyo	Sibuya-ku, Tokyo	5,700	0.9%	354.27	2,720.38	2,940.22	7	24	2015/11/13
	E8	Shin-Narashino Logistics Center	Tokyo Metropolitan Area	Narashino, Chiba	2,555	0.4%	6,968.26	13,268.65	12,909.90	10	24	2015/08/07
	E9	Kawagoe Logistics Center	Tokyo Metropolitan Area	Kawagoe, Saitama	7,550	1.2%	32,665.82	47,284.22	40,060.76	9	26	2016/06/17
	E10	Asuto Nagamachi Dental Clinic	Other Regions (Others)	Sendai, Miyagi	1,200	0.2%	2,009.14	1,554.09	1,554.09	8	26	2016/08/29
	E11	Shin-Narashino Logistics Center II	Tokyo Metropolitan Area	Narashino, Chiba	2,590	0.4%	7,870.01	12,578.45	12,598.46	9	27	2017/01/31
	E12	Yoshikawa Logistics Center	Tokyo Metropolitan Area	Yoshikawa, Saitama	1,960	0.3%	5,705.63	10,806.37	11,096.70	8	28	2017/07/27
	E13	Musashimurayama Logistics Center	Tokyo Metropolitan Area	Musashimurayama,	1,800	0.3%	5,788.52	9,207.73	9,237.87	14	30	2018/10/30
Total					643,836	100.0%	674,135.30	1,683,698.84	1,479,025.78	6.06		

Acquisition after November 30, 2019

Hotels	C20	the square hotel KANAZAWA	Other Regions (Others)	Kanazawa, Ishikawa	4,802	-	1,632.92	6,253.86	6,333.36	4	33	2019/12/03
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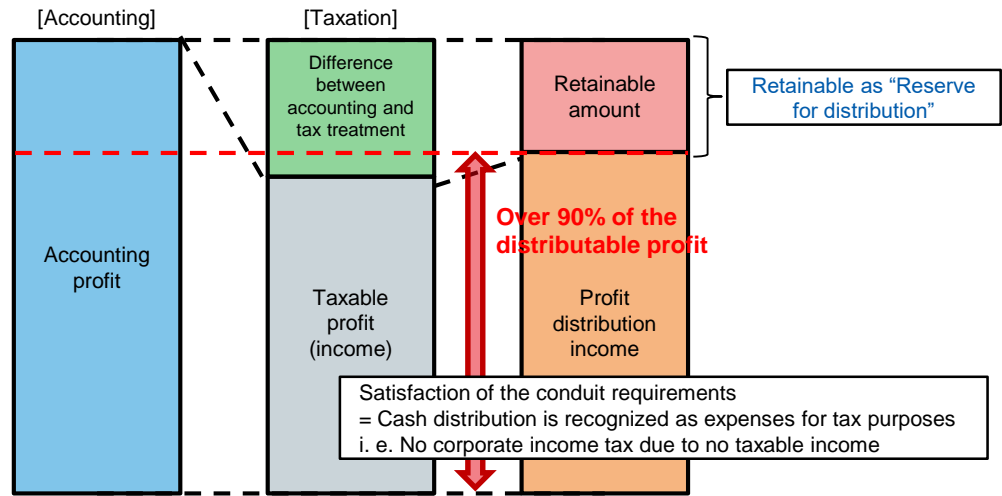
Note: The value of "the square hotel KANAZAWA" is as of the acquisition date.

■ Occurrence of Negative Goodwill due to the Merger (Retained as Reserve for Temporary Difference)




■ Retained Earnings (Provision of Reserve for Distribution) Utilizing the Difference Between Accounting and Taxation

In the case “Accounting profit > Taxable profit (income)”



Difference between accounting/tax treatment in UUR case
With regard to most properties which UUR succeeded from NCI through the Merger (NCI properties), the difference between the accounting and tax treatment arises in depreciation and amortization and gain (loss) on the property sale due to the difference between the book value for accounting and tax purposes.
(Accounting profit > Taxable profit (income))



In the case the retained amount is within the extent that satisfies the conduit requirements, part of the accounting profit is retainable as a “reserve for distribution” without corporate income tax.

Retained Earnings: Reserve for Reduction Entry

■ Reserve for Reduction Entry

Reserve for reduction entry is the reserve based on the "Reduction Entry System." Reduction entry is the deferment of tax payments on the profits from the government subsidy on new property acquisitions or the gains on real estate sales, etc. by the reduced book entry that meets certain taxation requirements.

Outline of the "Reduction Entry System"

	Replacement of the asset held for a long term	Preceding land acquisition
Applicable conditions	In cases where the new land or buildings are acquired or are to be acquired during the fiscal year or within one year after the relevant fiscal year ends when the land or buildings held for over 10 years are sold. (Replaced properties acquired within one year before the first day of the fiscal year in which the property is sold can be applicable to the system, if the acquisition is notified to the relevant tax office.)	① The tax payer has the land acquired in 2009 and 2010. (Report to the tax office on acquisition of land is to be made prior to the deadline for the tax report for the fiscal year in which the land is acquired.) AND ② Gains on land sale arise within 10 years after the end of the relevant fiscal year in which the land is acquired.
Property subject to reduction	Replaced property (land and building, or land or building)	Land mentioned in ① above
Limit of reduction/ reduction rate	Acquisition price for reduction entry ^{*1} x Profit ratio ^{*2} x Ratio of reduction (80% in principle) ^{*1} Lower amount of the "sale price" or the "acquisition price" ^{*2} "Gains on sale" ÷ "Sale price" (Notes) 1: Aggregation of profit and loss on the property sale is not required even if these are multiple sales in the same fiscal year. 2: Selection of the applicable gains is possible. The tax payer can choose from gains on the "land and building," the "land" only or the "building" only. 3: Certain requirements on the property to be acquired are fulfilled for application of the "Reduction Entry System."	Capital gain of land x Reduction ratio* (No larger than total amount of ① above) *80% is applicable to land acquired in 2009; 60% in 2010. 80% is applicable if land acquired in both 2009 and 2010 are to be included in the same fiscal year. (Notes) 1: If capital gains are recorded for an individual sale of land, such gains are applicable to this system, even in the case that the total disposition results in a capital loss. 2: Aggregation of profit and loss is to be required in the case that there are multiple sales of land.
Allowable retained earnings	<p>The lower amount of A or B, can be retained and no corporate tax is levied in the relevant fiscal year.</p> <div> <p>A: Limit of reduction calculated as per the above</p> <p>B: Amount compliant with conduit requirements (≒ Distributable profit x 10% or less)</p> </div>	

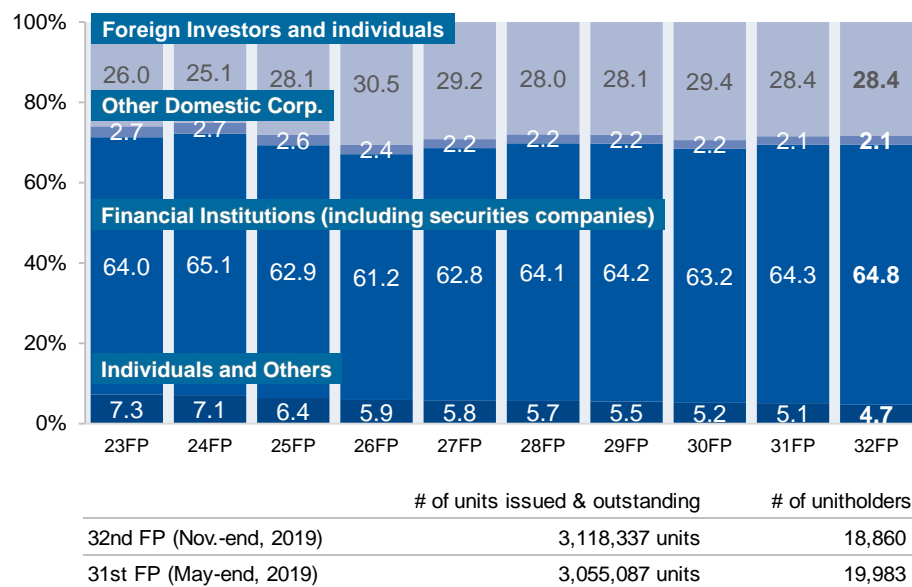
■ Actual Reserve for Reduction Entry

	Reserve for reduction entry	Applicable conditions	Asset subject to reduction
29th FP (May 2018) (Actual)	¥1.12 Bn	Replacement of the asset held for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 51% quasi co-ownership) Acquisition: RIHGA Royal Hotel Kokura・ARUARU City (Land)
30th FP (Nov. 2018) (Actual)	¥1.10 Bn	Replacement of the asset held for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 19% quasi co-ownership) Acquisition: Chatte Otemachi S・N (Land), the b fukuoka tenjin (Land)
31st FP (May 2019) (Actual)	¥1.17 Bn	Replacement of the asset held for a long time	Disposition: Himonya Shopping Center (Land: trust beneficiary, 30% quasi co-ownership) Acquisition: Luz Musashikosugi (Land)

Note: This page is a summary of the accounting system as of January 17, 2020 and is for informational purposes only. Please note that the system mentioned above may not be applicable due to the status of United Urban as well as interpretations and ways of handling profits under tax laws, and other reasons.

Overview of Unitholders and Unit Price

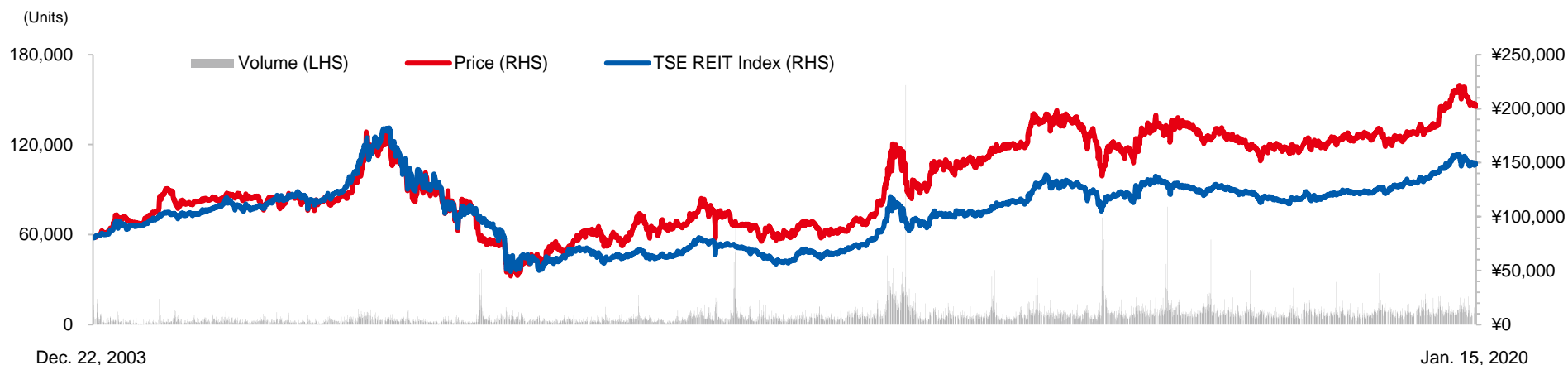
Change in Composition of Unitholders



Major Unitholders (as of November 30, 2019)

Rank	Unitholder	Number of units held	Percentage of unit held
1	Japan Trustee Services Bank, Ltd. (trust account)	675,295	21.7%
2	The Master Trust Bank of Japan, Ltd. (trust account)	506,766	16.3%
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	133,333	4.3%
4	STATE STREET BANK WEST CLIENT-TREATY 505234	115,247	3.7%
5	Trust & Custody Services Bank, Ltd. (securities investment trust account)	76,552	2.5%
6	SMBC Nikko Securities Inc.	60,553	1.9%
7	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	54,006	1.7%
8	STATE STREET BANK AND TRUST COMPANY 505103	41,761	1.3%
9	JP MORGAN CHASE BANK 385771	36,273	1.2%
10	JPMorgan Securities Japan Co., Ltd.	31,668	1.0%
11	JAPAN SECURITIES FINANCE CO., LTD.	31,287	1.0%
12	NORTHERN TRUST CO. (AVFC) RE 10PCT TREATY ACCOUNT (LENDING)	30,510	1.0%
13	The Chugoku Bank, Ltd.	27,728	0.9%
14	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	26,850	0.9%
15	THE BANK OF NEW YORK 133970	26,148	0.8%
Total		1,873,977	60.1%

Change in Unit Price and Trading Volume*1~4



*1 Source: QUICK

*2 UUR's unit price and trading volume from December 22, 2003 to January 15, 2020.

*3 In connection with the unit split, before November 25, 2010 (the last trading day at the unit price before the unit split on the Tokyo Stock Exchange), the unit prices are shown divided by six, and the trading volumes are shown multiplied by six.

*4 TSE REIT Index is shown indexed based on the unit price on December 22, 2003.

Terms	Definitions
UUR	Refers to United Urban Investment Corporation.
JRA	Refers to Japan REIT Advisors Co., Ltd., the asset management company of UUR.
Fiscal period	Each fiscal period ends on the last day of May or of November, and main fiscal periods and the number of operating days that appear in this document are as follows <ul style="list-style-type: none"> •29th FP: from December 1, 2017 to May 31, 2018 (182 days) •30th FP: from June 1, 2018 to November 30, 2018 (183 days) •31st FP: from December 1, 2018 to May 31, 2019 (182 days) •32nd FP: from June 1, 2019 to November 30, 2019 (183 days) •33rd FP: from December 1, 2019 to May 31, 2020 (183 days) •34th FP: from June 1, 2020 to November 30, 2020 (183 days)
The Merger	UUR merged with Nippon Commercial Investment Corporation (NCI) with UUR being the surviving investment corporation with December 1, 2010 as the effective date.
Division of units	The 6-for-1 unit split of UUR investment units with December 1, 2010 as the effective date.
Acquisition (sale) price	The amount described in a purchase and sale agreement etc. excluding miscellaneous expenses for the acquisition (sale), property taxes, city planning taxes, consumption tax, etc. The acquisition price of NCI properties is the acceptance price at the time of the Merger.
Retained earning	The voluntary retained earnings. The provision of voluntary retained earnings may be indicated as “retained earnings” for tax purposes.
Voluntary retained earnings	The collective amount of reserve for temporary difference adjustment, reserve for distribution and reserve for reduction entry.
Reserve for temporary difference adjustment	A kind of voluntary retained earnings, comprised of reserves derived from the gains on negative goodwill and reserves for future appropriation of retained earnings within the difference in amount between the accounting and tax treatment of excess earnings in each accounting period. The difference between the accounting and tax treatment of excess earnings refers to the difference where the deduction adjustment is larger than the addition adjustment (excluding permanent difference) in tax treatment for the accounting period.
Negative goodwill	The gain on negative goodwill in accounting as a result of The Merger. The reserve for temporary difference adjustment that is accumulated based on the gain may be referred to as negative goodwill.
Difference between accounting and tax treatment	It means there is the difference between the profit in accounting and the taxable income adjustment profit on the Merger. It mainly arises because the expenses required to be booked in accounting are not equal to the expenses permitted to be booked in tax treatment. With regard to UUR, there is a difference between the "book value in accounting" and "book value in tax treatment" regarding NCI properties acquired through the Merger. Accordingly, differences of depreciation and gain (loss) on the property sale, etc. in accounting and tax treatment remain permanently.
EPU	Calculated by "net income / the total number of investment units issued and outstanding at the end of the fiscal period." So, it is different from the "net income per unit" for accounting purposes which is calculated based on the average number of investment units issued for each fiscal period.

Terms	Definitions
LTV (total assets basis)	Calculated by "Interest-bearing liabilities (including corporate bonds) / Total Assets * 100(%)".
LTV (fair value basis)	Calculated by "Interest-bearing liabilities (including corporate bonds) / Total Assets (Net Assets + Appraised value at the end of fiscal period – Book value at the end of fiscal period) * 100(%)".
NOI	Net Operating Income; the figure equal to the amount subtracting rental expenses (excluding depreciation and amortization) from rental revenues.
Estimated NOI yield	Calculated by "Estimated NOI (annualized) / Acquisition price * 100(%)" Estimated NOI (annualized) for acquired properties is the annual estimated NOI from the time of acquisition by UUR and is calculated based on the leasing conditions after acquisition.
Estimated NOI yield after depreciation	Calculated by "estimated NOI after depreciation (annualized) / Acquisition price * 100(%)" Estimated NOI after depreciation (annualized) for acquired properties is the NOI amount arrived at by deducting the estimated depreciation amount (annualized) from the estimated NOI (annualized). Estimated depreciation amount (annualized) is the annual estimated depreciation amount from the time of acquisition by UUR and is calculated, in line with UUR's accounting policy, using the straight line depreciation rate (assumed when in the acquisition) according to the life of each acquired property.
Adjusted NOI yield	Calculated by "Adjusted NOI / Acquisition price / number of operating days * 365 (annualized) * 100(%)" In the case of acquired properties, Adjusted NOI is the NOI amount after recording taxes (fix asset tax & city planning tax) for acquisition as expenses which are generally included in the acquisition cost.
Adjusted profit after depreciation	Calculated by "Adjusted NOI after depreciation / Acquisition price / Number of operating days * 365 (annualized) * 100(%)" It is the amount arrived at by deducting depreciation and amortization for part of properties, estimated or adjusted figures, in the FP from the Adjusted NOI in the FP.
Occupancy rate	Calculated by "total leased floor space / total leasable floor space"
GOP	Gross Operating Profit; It is the gross profit amount of hotel operations, which is arrived at by deducting the non-allocation costs (for example, labor costs and utility costs of corporate or sales section which cannot be included in the operating costs of each section, etc.) from the profit of hotel business (lodging, party and others).
Variable rent system with GOP/sales (GOP ratio/Sales ratio)	It is the rent system comprising the "fixed amount" and the "amount linked with GOP" or comprising the "fixed amount" and the "amount linked with sales" defined on the lease agreements.
ADR	Average Daily Rate; calculated by dividing the total average revenue earned from rooms (excluding service fees) by the total number of rooms sold.
RevPAR	Revenue Per Available Room; calculated by "Hotel sales from guest rooms per day / the number of marketable guest rooms."



United Urban Investment Corporation

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