

For Translation Purposes Only

January 18, 2019

SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED NOVEMBER 30, 2018 (June 1, 2018 – November 30, 2018)

Name of issuer: United Urban Investment Corporation (United Urban)
 Listing: Tokyo Stock Exchange
 Securities code: 8960
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Scheduled date of filing of Securities Report: February 27, 2019
 Scheduled date for commencing dividend payments: February 15, 2019
 Supplementary Materials on Financial Results: Scheduled
 Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

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

1. Performance for the Fiscal Period Ended November 30, 2018 (June 1, 2018 – November 30, 2018)

(1) Business Results

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2018	25,733	(11.8)	12,894	(1.5)	11,789	(1.5)	11,788	(1.5)
Fiscal period ended May 31, 2018	29,166	12.5	13,089	4.9	11,974	5.8	11,973	5.8

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended November 30, 2018	3,858	3.3	1.8	45.8
Fiscal period ended May 31, 2018	3,919	3.4	1.8	41.1

(2) Distributions

	Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended November 30, 2018	3,473	10,610	0	0	90.0	3.0
Fiscal period ended May 31, 2018	3,530	10,784	0	0	90.0	3.0

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

2. For both fiscal period, because a portion of unappropriated retained earnings was reserved (Fiscal period ended May 31, 2018: ¥1,264 million, Fiscal period ended November 30, 2018: ¥1,254 million as a reserve for reduction entry, etc.) and a reversal of reserve for temporary difference adjustments (Fiscal period ended May 31, 2018: ¥75 million, Fiscal period ended November 30, 2018: ¥76 million) was added to the net income, there was a difference between cash distribution per unit and net income per unit.

(3) Financial Position

	Total Assets	Total Unitholders' Equity (Net Asset)	Equity Ratio	Net Asset per Unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended November 30, 2018	651,242	356,029	54.7	116,536
Fiscal period ended May 31, 2018	648,503	355,017	54.7	116,205

(4) Conditions of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2018	14,271	(5,001)	(9,283)	49,652
Fiscal period ended May 31, 2018	13,295	97	(26,054)	49,665

2. Forecasts of Results for the Fiscal Period Ending May 31, 2019 (December 1, 2018 – May 31, 2019) and the Fiscal Period Ending November 30, 2019 (June 1, 2019 – November 30, 2019)

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per Unit (excluding excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2019	27,126	5.4	13,101	1.6	11,949	1.4	11,949	1.4	3,550	0
Fiscal period ending November 30, 2019	24,532	(9.6)	11,401	(13.0)	10,311	(13.7)	10,310	(13.7)	3,400	0

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

Fiscal period ending May 31, 2019 ¥3,911 Fiscal period ending November 30, 2019 ¥3,374

Note: The resource for cash distributions for the fiscal period ending May 31, 2019 is the result of adding a reversal of reserve for temporary difference adjustments (¥76 million) to the net income while accumulating the reserve for reduction entry (¥1,179 million) from the net income. The resource for cash distributions for the fiscal period ending November 30, 2019 is the result of adding a reversal of reserve for temporary difference adjustments (¥76 million) to the net income. Therefore, it differs from “net income” of each fiscal period.

*** Other**

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

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

(2) Total Number of Investment Units Issued and Outstanding

1. Total number of investment units issued at the end of the fiscal period (including treasury investment units)
 - As of November 30, 2018: 3,055,087 units
 - As of May 31, 2018: 3,055,087 units
2. Treasury investment units at the end of the fiscal period
 - As of November 30, 2018: None
 - As of May 31, 2018: None

Note: For the number of investment units used as the basis for the calculation of net income per unit, please refer to “Notes to Per Unit Information” on page 26.

(3) Rounding of Fractions of Amounts and Ratios

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

Description of implementation status of audit procedure

- As of January 18, 2019, the audit procedure of the financial statements under the Financial Instruments and Exchange Act has not been completed.

Explanation for appropriate use of result forecasts and other special instructions

- Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2019 (31st fiscal period: from December 1, 2018 to May 31, 2019) and the Fiscal Period Ending November 30, 2019 (32nd fiscal period: from

June 1, 2019 to November 30, 2019)” below.

DISCLAIMER

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts” (*Kessan-Tanshin*) for the fiscal period ended November 30, 2018. This translation is provided for information purpose only and is not intended to constitute a statutory document for an offer to sell, or seeking an offer to buy, any securities of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation; the Japanese versions of the *Kessan-Tanshin* should always be referred to as the originals of this document.

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1. Related Corporations of Investment Corporation

Structure of Investment Corporation

As there are no significant changes in “Structure of Investment Corporation” stated in the latest Securities Report (submitted on August 30, 2018), the disclosure is omitted.

2. Management Policies and Management Status

(1) Management Policies

As there are no significant changes in “Investment Policies,” “Investment Targets,” “Distribution Policies” and “Investment Restriction” stated in the latest Securities Report (submitted on August 30, 2018), the disclosure is omitted.

(2) Management Status

1. Overview during the period

a. Investment environment and operation

(i) Investment environment

Japanese economy during this period remains stable due to the good condition of corporate performance. Overseas, although there are concerns over the rise of interest rates and the trade friction, etc. in the United States, financing environment has been generally favorable in Japan due to the low interest rate.

In the real estate sales market, transaction prices are still increasing against a background of active investment demand from domestic and foreign investors in the continuation of favorable financing environment. With regard to the real estate rental market, as for retail properties, the sales of urban type properties has been mainly stable, and the rental market for retail properties remains steady. As for office buildings, although there are new supplies in Tokyo area, extended demands for corporates’ business expansion are strong and there is favorable progress in contracts with tenants for the new large-scale buildings which was completed in 2018. The vacancy ratio in Sapporo, Osaka, Nagoya, Fukuoka, etc. has kept historical low, and it also has kept low in the Tokyo metropolitan area and major cities throughout Japan. The asking rents have continued to rise. Number of inbound tourists was 28.69 million in 2017, increased by 19% compared with the previous year, and it keeps good condition in 2018 even though it reduced temporary because of typhoons and earthquakes etc. And the sale of hotels has been favorable mainly in the local areas. As for residential properties, while the supply of new properties is increasingly limited, rental properties have a steady demand, and both the occupancy ratio and rent levels remains stable.

(ii) New acquisition and sale of properties

During the period, United Urban acquired the following three properties. In addition, United Urban exchanged a part of the land of Shin-Sapporo Center Building (6.39sq. m) for a part of the adjacent land owned by City of Sapporo (6.39sq. m) on August 24, 2018.

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
D29	Chatle Otemachi S・N	Apartment	Kitakyusyu, Fukuoka	3,398	July 3, 2018
C16	the b fukuoka tenjin	Hotel	Fukuoka, Fukuoka	3,000	September 27, 2018
E13	Musashimurayama Logistics Center	Warehouse	Musashimurayama, Tokyo	1,800	October 30, 2018
Total				8,198	

On the other hand, the second transfer of the sale of Himonya Shopping Center was executed on November 1, 2018 based on the sale and purchase agreement of the trust beneficial interest dated May 24, 2018.

Property No.	Property Name	Type (Note 1)	Location	Sale Price (Millions of yen) (Note 2)	Date of Sale
A1	Himonya Shopping Center (Note 3)	Store	Meguro-ku, Tokyo	5,225 (Note 3)	November 1, 2018 (Note 3)

- Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements, etc. concerning the acquisition or sale of each property. The acquisition price is rounded to the nearest whole unit. In addition, the amount of the each price does not include expenses related to the acquisition or sales and consumption tax, etc. The same shall apply hereinafter.
3. As for Himonya Shopping Center, the sale and purchase agreement of the trust beneficial interest (the "Sale and Purchase Agreement") was concluded on May 24, 2018, and United Urban sold its 51% quasi co-ownership as of the same date and 19% quasi co-ownership on November 1, 2018, respectively. United Urban will sell the remaining 30% quasi co-ownership on March 1, 2019.
- In addition, because the payment and transfer of the transaction shall be made at least one month after the conclusion of the Sale and Purchase Agreement, it falls into forward commitment, etc. defined in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." established by Financial Services Agency. The Sale and Purchase Agreement provides that either party may terminate the agreement if the other party materially breaches a provision thereof, in which case the party may request the other party in breach of the agreement to pay an amount equivalent to 20% of the acquisition price as penalty charges.

Overview of the Transfer	(Scheduled) Sale Price (Millions of yen)	(Scheduled) Date of Sale
(1st) Transfer of trust beneficial interest (51% quasi co-ownership)	14,025	May 24, 2018
(2nd) Transfer of trust beneficial interest (19% quasi co-ownership)	5,225	November 1, 2018
(3rd) Transfer of trust beneficial interest (30% quasi co-ownership)	8,250	March 1, 2019
Total	27,500	

(iii) Portfolio overview

As a result of the acquisition and sales of properties mentioned above (ii), United Urban held a total of 119 properties, comprising 34 retail properties, 33 office buildings, 1 retail-office complex, 15 hotels, 2 office-hotel complexes, 21 residential properties and 13 others, with an aggregate acquisition price of ¥613,908 million at the end of the 30th fiscal period (as of November 30, 2018). In addition, the total leasable floor space was 1,456,193.69 sq. m. and the total numbers of tenants were 2,442.

United Urban has continued to focus on maintaining and improving occupancy ratios at a high level during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 99.1% and 99.3%, and stood at 99.1% at the end of the 30th fiscal period (as of November 30, 2018).

b. Financing overview

During the period, United Urban newly established a joint management specified money trust (UUR Green Trust, amount of borrowing: ¥10,000 million) that is invested in loans with the purpose of being appropriated to the acquisition funds and refinancing funds related to the "Green Eligible Assets" (Note). On the other hand, after the result of repayment of interest-bearing liabilities with proceeds from sales of properties, the total amount of interest-bearing liabilities was ¥257,384 million, an increase of ¥1,500 million compared to the end of the previous fiscal period. In addition, it is the first case among J-REITs to lend funds to environmental businesses through the use of joint management specified money trust.

The status of interest-bearing liabilities at the end of the previous period and the end of the 30th fiscal period are as follows.

(Millions of yen)				
	Balance at the end of the 29th Fiscal Period (As of May 31, 2018)	Balance at the end of the 30th Fiscal Period (As of November 30, 2018)	Changes	
Short-term borrowings	-	-	-	
Long-term borrowings	223,884	240,384	16,500	
Total of borrowings	223,884	240,384	16,500	
Corporate bonds	32,000	17,000	(15,000)	
Total of interest-bearing liabilities	255,884	257,384	1,500	

In addition, as of the end of the 30th fiscal period, the amount of borrowings due for repayment within one year was ¥25,207 million, and there is no corporate bonds that is to become due for maturity within one year.

Note: In the Asset Management Guideline of Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company to which United Urban entrusts asset management services, the new and existing properties that have or are expected to obtain DBJ Green Building certification (three stars or better), CASBEE real estate certification (A rank or higher), or BELS evaluation (two stars or better) are defined as “Green Eligible Assets”.

Moreover, the details of ratings of United Urban as of December 31, 2018 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency Ltd.	Long-Term Issuer Rating: AA	Rating Outlook: Stable
Moody’s Japan K.K.	Long-Term Issuer Rating: A3	Rating Outlook: Stable

c. Overview of financial results and distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥25,733 million (down by 11.8% from the previous period), profit from rental activities of ¥13,203 million (down by 4.9% from the previous period), operating income of ¥12,894 million (down by 1.5% from the previous period), ordinary income of ¥11,789 million (down by 1.5% from the previous period), and net income of ¥11,788 million (down by 1.5% from the previous period).

During the period under the review, ¥1,254 million, which accounts for the bulk of the gain on sale of properties in the net income, was reserved as a reserve for reduction entry, etc. to enhance the risk tolerance for unexpected market conditions. On the other hand, in accordance with “Ordinance on Accountings of Investment Corporations” and “Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” stipulated by the Investment Trusts Association, Japan, United Urban reversed ¥76 million of the reserve for temporary difference adjustments and added the reversal amount to cash distributions. As a result, United Urban decided to distribute ¥10,610 million, and cash distribution per unit was ¥3,473. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended; the same shall apply hereinafter) is satisfied during the fiscal period, and the corporate tax is not imposed.

2. Outlook for the next fiscal period

a. Outlook for overall operation

As for the real estate rental market in Japan, the stable rental revenue is expected due to the continuous high occupancy ratio of office buildings, etc. On the other hand, as for the real estate sales market, there is a sense of caution against the market overheating, but severe competition in property acquisitions is also expected, and real estate prices would be kept increasing.

Under these circumstances, United Urban will take advantage of the knowledge and network of the sponsor group, cooperate with tenants, and work on several acquisition schemes in addition to its information channel for property acquisition of JRA, and make efforts for profitability and quality-conscious property acquisition by utilizing the characteristics of a diversified J-REIT. In addition, United Urban pursues the improvement of quality and profitability of its portfolio through a strategic property-replacement in view of present real estate sales market. With regard to internal growth, United Urban makes efforts to increase rents and revise the contract conditions of tenants whose contracts come up for renewal for office buildings and hotels, and to maintain and improve asset value by the implementation of repair works.

United Urban and JRA will continue to implement its initiatives on ESG (Environmental, Social and Governance) issues including supply chain and would like to contribute to the realization of a sustainable society.

With regard to the financial management, United Urban will make continuous efforts to create a robust and stable financial standing by reducing financial costs, extending and diversifying the maturities for interest-bearing liabilities, and ensuring enough liquidity.

b. Outlook for management status

(i) Material facts arising after the end of 30th fiscal period and other material events

There are no material facts arising after the end of the fiscal period (November 30, 2018). In addition, the reference information is as follows:

A. Acquisition of properties and debt financing

- 1) United Urban acquired “the b roppongi (Annex)” on December 17, 2018 and “Luz Musashikosugi” on December 28, 2018, respectively. Moreover, United Urban has decided to acquire “Henn na Hotel Tokyo Hamamatsucho” and “Smile Hotel Premium Sapporo Susukino” on January 15, 2019.

Property No.	Property Name	Type	Location	(Scheduled) Acquisition Price (Millions of yen)	(Scheduled) Acquisition Date
C9	the b roppongi (Annex)	Hotel	Minato-ku, Tokyo	988 (Annex building: 528, Adjacent Site: 460) (Note 1)	December 17, 2018
A42	Luz Musashikosugi	Store	Kawasaki, Kanagawa	12,151	December 28, 2018
C17	Henn na Hotel Tokyo Hamamatsucho (Note 2)	Hotel	Minato-ku, Tokyo	4,456	May 15, 2019
C18	Smile Hotel Premium Sapporo Susukino (Note 2)	Hotel	Sapporo, Hokkaido	4,233	June 28, 2019
Total				21,828	

Notes: 1. United Urban acquired the adjacent site to the b roppongi (acquisition price: ¥460 million, hereinafter, the “Adjacent Site”) dated January 13, 2017 and constructed the Annex building on this site and the less utilized land of the Property. The Adjacent Site and the Annex building have been additionally entrusted as trust asset of the property on December 17, 2018.

2. As for Henn na Hotel Tokyo Hamamatsucho and Smile Hotel Premium Sapporo Susukino, because the payment and transfer of the transaction shall be made at least one month after the conclusion of each transfer agreement of the trust beneficial interest (referred to as collectively the “Transfer Agreement”) was concluded on January 16, 2019 respectively, it falls into forward commitment, etc.

The Transfer Agreement provides that either party may terminate the agreement if the other party breaches a provision thereof, in which case the party may request the other party in breach of the agreement to pay an amount equivalent to 20% of the acquisition price as penalty charges.

However, each Transfer Agreement is subject to the condition precedent to United Urban’s fund procurement for acquisition of the trust beneficial interest. Therefore, as for these two properties, the Transfer Agreement will be terminated with no penalty, if United Urban cannot complete fund procurement on the scheduled acquisition date.

In view of the current situation of the financial market and financial standings of United Urban, United Urban considers that material adverse effect on United Urban’s financial standing and the payment of cash distributions and other conditions are not likely to be caused in connection with the acquisitions of each trust beneficial interest.

- 2) United Urban procured debt financing to support for acquiring “Luz Musashikosugi” mentioned above 1) as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 81B	Mizuho Bank, Ltd.	4,000	0.32335%	December 28, 2018	December 22, 2025	Unsecured Unguaranteed
Term Loan 82B	MUFG Bank, Ltd.	3,000	0.47000%		December 20, 2028	
Term Loan 83B	Sumitomo Mitsui Trust Bank, Limited The Shinkumi Federation Bank	3,000	0.39050% (Note)		December 21, 2026	
Term Loan 84B	Sumitomo Mitsui Banking Corporation	2,000	Basic Interest Rate (JBA one month TIBOR+0.25%)		June 21, 2027	
Total		12,000				

Note: It is a borrowing with floating interest rate applying the Japanese Bankers Association (JBA) one month JPY TIBOR as a basic interest rate. However, the interest rate for this borrowing is, in effect, fixed due to the execution of an interest rate swap agreement. The adjusted interest rate in consideration of swap transactions is stated.

B. New committed line of credit agreement

United Urban concluded a new committed line of credit agreement on December 26, 2018, as set forth below.

Outline of the new committed line of credit agreement

Participating financial institutions	: Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited
Maximum loan amount	: ¥12,000 million
Date of agreement	: December 26, 2018
Term of agreement	: From December 26, 2018 to December 25, 2019
Remarks	: Unsecured, unguaranteed

(ii) Outlook for management status

For the fiscal period ending May 31, 2019 (31st fiscal period: from December 1, 2018 to May 31, 2019) and the fiscal period ending November 30, 2019 (32nd fiscal period: from June 1, 2019 to November 30, 2019), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2019 (31st fiscal period: from December 1, 2018 to May 31, 2019) and the Fiscal Period Ending November 30, 2019 (32nd fiscal period: from June 1, 2019 to November 30, 2019)” below.

Fiscal Period Ending May 31, 2019

Operating revenues:	¥27,126 million	Cash distributions per unit (Note 1):	¥3,550
Operating income:	¥13,101 million	Distributions in excess of earnings per unit:	¥0
Ordinary income:	¥11,949 million		
Net income (Note 1):	¥11,949 million		

Fiscal Period Ending November 30, 2019

Operating revenues:	¥24,532 million	Cash distributions per unit: (Note 1)	¥3,400
Operating income:	¥11,401 million	Distributions in excess of earnings per unit:	¥0
Ordinary income:	¥10,311 million		
Net income (Note 1):	¥10,310 million		

- Notes: 1. The resource for cash distributions for the fiscal period ending May 31, 2019 is the result of adding a reversal of reserve for temporary difference adjustments (¥76 million) to the net income while accumulating the reserve for reduction entry (¥1,179 million) from the net income. And the resource for cash distributions for the fiscal period ending November 30, 2019 is the result of adding a reversal of reserve for temporary difference adjustments (¥76 million) to the net income. Therefore, it differs from “net income” of each fiscal period. In addition, the scheduled amount of the reversal is based on the total number of investment units issued and outstanding of 3,055,087 units as of the date hereof, and it is based on the assumption that there will be no additional issuance of investment units until November 30, 2019.
2. The above-listed forward-looking statements are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2019
 (31st fiscal period: from December 1, 2018 to May 31, 2019) and the Fiscal Period Ending November 30, 2019
 (32nd fiscal period: from June 1, 2019 to November 30, 2019)

Item	Assumptions																		
Terms	<ul style="list-style-type: none"> Fiscal period ending May 31, 2019 (31st fiscal period: from December 1, 2018 to May 31, 2019) (182 days) Fiscal period ending November 30, 2019 (32nd fiscal period: from June 1, 2019 to November 30, 2019) (183 days) 																		
Investment Assets	<ul style="list-style-type: none"> The forecasts of financial results are based on a portfolio of 121 properties which comprise (i) 120 properties owned by United Urban as of the date hereof, (ii) Himonya Shopping Center to be sold on March 1, 2019, (iii) Henn na Hotel Tokyo Hamamatsucho to be acquired on May 15, 2019, and (iv) Smile Hotel Premium Sapporo Susukino to be acquired on June 28 2019. The forecasts are also based on the assumption that there will be no change of properties (acquisition of new property or sale of existing property, etc.) until November 30, 2019 (the end of the 32nd fiscal period) other than mentioned above. However, the forecasts may be changed by the change of properties in actually. 																		
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> The forecasts are based on 3,055,087 units issued and outstanding as of the date hereof. The forecasts are also based on the assumption that there will be no additional issuance of investment units until November 30, 2019 (the end of the 32nd fiscal period). 																		
Operating Revenues	<ul style="list-style-type: none"> Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of the date hereof by taking into account a certain effect of tenants' move-in and departures for the expected rent and estimated occupancy ratio in the future, while taking into consideration the existence of neighboring competitive properties, market trends, status of negotiation for the lease terms with each tenant, and other conditions. Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below. <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2019</th> <th>Fiscal period ending November 30, 2019</th> </tr> </thead> <tbody> <tr> <td>Rental revenues (including common area charges)</td> <td align="right">¥21,537 million</td> <td align="right">¥21,759 million</td> </tr> <tr> <td>Parking revenues</td> <td align="right">¥758 million</td> <td align="right">¥764 million</td> </tr> <tr> <td>Utility revenues (electricity, water, gas, etc.) from tenants</td> <td align="right">¥1,503 million</td> <td align="right">¥1,733 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants. As for dividend income from the "Preferred Equity Securities of Tenjin 123 Project TMK", United Urban expects to receive ¥44 million for the fiscal period ending May 31, 2019. As for gain on sales of real estates due to the sale of "Himonya Shopping Center", United Urban expects to receive ¥2,950 million for the fiscal period ending May 31, 2019. 	Major Item	Fiscal period ending May 31, 2019	Fiscal period ending November 30, 2019	Rental revenues (including common area charges)	¥21,537 million	¥21,759 million	Parking revenues	¥758 million	¥764 million	Utility revenues (electricity, water, gas, etc.) from tenants	¥1,503 million	¥1,733 million						
Major Item	Fiscal period ending May 31, 2019	Fiscal period ending November 30, 2019																	
Rental revenues (including common area charges)	¥21,537 million	¥21,759 million																	
Parking revenues	¥758 million	¥764 million																	
Utility revenues (electricity, water, gas, etc.) from tenants	¥1,503 million	¥1,733 million																	
Operating Expenses	<ul style="list-style-type: none"> Of the property-related expenses, which are the principal component of the operating expenses, expenses other than depreciation and amortization are calculated based on historical data for the properties and reflect factors that may cause fluctuations in expenses. United Urban anticipates each major item of the property-related expenses as set forth below. <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2019</th> <th>Fiscal period ending November 30, 2019</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td> <td align="right">¥1,870 million</td> <td align="right">¥2,003 million</td> </tr> <tr> <td>Property management fees</td> <td align="right">¥1,739 million</td> <td align="right">¥1,735 million</td> </tr> <tr> <td>Utilities</td> <td align="right">¥1,534 million</td> <td align="right">¥1,765 million</td> </tr> <tr> <td>Repairs and maintenance (Note 2)</td> <td align="right">¥2,077 million</td> <td align="right">¥827 million</td> </tr> <tr> <td>Depreciation and amortization (Note 3)</td> <td align="right">¥4,055 million</td> <td align="right">¥4,080 million</td> </tr> </tbody> </table>	Major Item	Fiscal period ending May 31, 2019	Fiscal period ending November 30, 2019	Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥1,870 million	¥2,003 million	Property management fees	¥1,739 million	¥1,735 million	Utilities	¥1,534 million	¥1,765 million	Repairs and maintenance (Note 2)	¥2,077 million	¥827 million	Depreciation and amortization (Note 3)	¥4,055 million	¥4,080 million
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Depreciation and amortization (Note 3)	¥4,055 million	¥4,080 million																	

	<p>Notes: 1. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period starting from the time United Urban acquires the assets. However, United Urban does not allocate such reimbursement as its expenses, because an amount equivalent to such reimbursement is included in the cost of acquisition and is capitalized.</p> <p>2. Actual repairs and maintenance for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damage to buildings owing to unexpected factors, the large variance in amounts among fiscal years and the fact that these amounts do not accrue on a regular basis.</p> <p>3. Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures (including undetermined expenditures as of this moment).</p> <ul style="list-style-type: none"> Other operating expenses, such as asset management fees are calculated based on the track record with consideration of factors that may cause fluctuations in expenses. 																							
<p>Non-Operating Expenses</p>	<ul style="list-style-type: none"> United Urban anticipates the non-operating expenses per major item, as set forth below. <table border="1" data-bbox="491 584 1410 734"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2019</th> <th>Fiscal period ending November 30, 2019</th> </tr> </thead> <tbody> <tr> <td>Interest expenses for interest-bearing liabilities (Note 1)</td> <td>¥1,038 million</td> <td>¥1,053 million</td> </tr> <tr> <td>Expenses associated with the issuance of corporate bonds (Note 2)</td> <td>¥ 100 million</td> <td>-</td> </tr> </tbody> </table> <p>Note: 1. Including financing-related expenses and interest expenses on corporate bonds, etc. 2. For the repayment of the existing borrowings which will mature on March 20, 2019 (total: ¥7,100 million), United Urban plans to issue new corporate bonds. The expenses associated with the issuance of the corporate bond are expected to be expensed at once at the time of payment.</p>	Major Item	Fiscal period ending May 31, 2019	Fiscal period ending November 30, 2019	Interest expenses for interest-bearing liabilities (Note 1)	¥1,038 million	¥1,053 million	Expenses associated with the issuance of corporate bonds (Note 2)	¥ 100 million	-														
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Interest expenses for interest-bearing liabilities (Note 1)	¥1,038 million	¥1,053 million																						
Expenses associated with the issuance of corporate bonds (Note 2)	¥ 100 million	-																						
<p>Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> The total balance of interest-bearing liabilities as of the date hereof is ¥269,384 million, of which ¥252,384 million are borrowings and ¥17,000 million are corporate bonds. The interest-bearing liabilities maturing during the fiscal period ending May 31, 2019 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 1025 1410 1176"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="4">March 20, 2019</td> <td>Borrowing: ¥3,500 million</td> <td rowspan="4">United Urban will issue new corporate bonds to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td>Borrowing: ¥1,600 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2019 is to be ¥269,384 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. The interest-bearing liabilities maturing during the fiscal period ending November 30, 2019 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 1357 1410 1585"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="4">June 20, 2019</td> <td>Borrowing: ¥4,500 million</td> <td rowspan="4">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥2,200 million</td> </tr> <tr> <td>Borrowing: ¥2,000 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td rowspan="3">September 20, 2019</td> <td>Borrowing: ¥6,207 million</td> <td rowspan="3">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥1,200 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The forecasts are based on the assumption that United Urban will newly obtain ¥4,400 million borrowing(s) from lender(s) to acquire “Smile Hotel Premium Sapporo Susukino” on June 28, 2019. The forecasts are based on the assumption that the total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2019 is to be ¥273,784 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. 	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	March 20, 2019	Borrowing: ¥3,500 million	United Urban will issue new corporate bonds to repay the borrowings in full.	Borrowing: ¥1,000 million	Borrowing: ¥1,600 million	Borrowing: ¥1,000 million	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	June 20, 2019	Borrowing: ¥4,500 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥2,200 million	Borrowing: ¥2,000 million	Borrowing: ¥1,000 million	September 20, 2019	Borrowing: ¥6,207 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥1,200 million	Borrowing: ¥1,000 million
Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment																						
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	Borrowing: ¥1,200 million																							
	Borrowing: ¥1,000 million																							
<p>Cash Distributions per Unit</p>	<ul style="list-style-type: none"> Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban. The total number of investment units issued and outstanding as of the end of the fiscal period which are used to calculate the cash distribution per unit are based on the assumption given in the “Total Number of Investment Units Issued and Outstanding” column above. 																							

	<ul style="list-style-type: none"> · Cash distributions for the fiscal period ending May 31, 2019 are based on the total distribution amount of ¥10,846 million, which is the result of i) reserving ¥1,179 million from the unappropriated retained earnings of ¥11,949 million by using the reduction entry system, etc. stipulated in the Act on Special Measures Concerning Taxation of Japan and ii) adding a reversal of reserve for temporary difference adjustments of ¥76 million to the remaining amount. · Cash distributions for the fiscal period ending November 30, 2019 are based on the total distribution amount of ¥10,387 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥76 million to the unappropriated retained earnings of ¥10,310 million. · Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> · United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit).
Other	<ul style="list-style-type: none"> · Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan, which may affect the aforementioned forecasted figures. · Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions.

3. Financial Statement

(1) Balance Sheet

	(Thousands of yen)	
	End of 29th Fiscal Period (as of May 31, 2018)	End of 30th Fiscal Period (as of November 30, 2018)
ASSETS		
Current Assets		
Cash and bank deposit	20,427,825	21,853,605
Cash and bank deposit in trust	29,237,510	27,799,105
Rent receivables	618,211	631,858
Prepaid expenses	681,181	214,444
Other	52,403	82,264
Allowance for doubtful accounts	-	(1,815)
Total Current Assets	51,017,131	50,579,463
Fixed Assets		
Property and equipment, at cost		
Buildings	*1 20,557,827	*1 22,798,059
Less accumulated depreciation	(5,979,657)	(6,305,705)
Buildings, net	14,578,170	16,492,353
Structures	*1 159,989	*1 185,713
Less accumulated depreciation	(134,661)	(137,095)
Structures, net	25,328	48,618
Machinery and equipment	285,562	346,029
Less accumulated depreciation	(176,466)	(187,376)
Machinery and equipment, net	109,096	158,652
Tools, furniture and fixtures	54,031	67,474
Less accumulated depreciation	(30,183)	(33,903)
Tools, furniture and fixtures, net	23,848	33,571
Land	*1 46,570,450	*1 47,997,372
Construction in progress	199,471	583,660
Buildings in trust	*3 230,650,137	*3 231,647,990
Less accumulated depreciation	(49,610,468)	(52,637,799)
Buildings in trust, net	181,039,668	179,010,190
Structures in trust	2,027,971	2,140,036
Less accumulated depreciation	(784,027)	(838,775)
Structures in trust, net	1,243,944	1,301,261
Machinery and equipment in trust	2,352,656	2,413,536
Less accumulated depreciation	(1,156,964)	(1,252,276)
Machinery and equipment in trust, net	1,195,692	1,161,259
Tools, furniture and fixtures in trust	928,531	995,771
Less accumulated depreciation	(379,737)	(435,214)
Tools, furniture and fixtures in trust, net	548,793	560,557
Land in trust	340,571,259	341,908,227
Construction in progress in trust	177,799	187,930
Total property and equipment	586,283,525	589,443,657
Intangible assets		
Software	27,551	21,117
Leasehold rights	1,149,355	1,149,355
Leasehold rights in trust	8,171,352	8,171,352
Other intangible assets in trust	172,300	165,636
Total intangible assets	9,520,559	9,507,461
Investments and other assets		
Investment securities	144,337	93,905
Security deposits paid	10,000	10,000
Security deposits paid in trust	80,222	79,958
Long-term prepaid expenses	1,447,520	1,527,706
Total investments and other assets	1,682,080	1,711,570
Total Fixed Assets	597,486,165	600,662,690
TOTAL ASSETS	648,503,297	651,242,153

	(Thousands of yen)	
	End of 29th Fiscal Period (as of May 31, 2018)	End of 30th Fiscal Period (as of November 30, 2018)
LIABILITIES		
Current Liabilities		
Trade accounts payable	2,025,760	2,305,872
Current portion of corporate bonds	15,000,000	-
Long-term debt due for repayment within one year	22,400,000	25,207,000
Accrued expenses	295,428	289,756
Distributions payable	15,181	15,157
Income taxes payable	149	117
Consumption taxes payable	74,633	389,329
Rent received in advance	349,799	364,207
Rent received in advance in trust	3,223,889	3,156,552
Deposits received	7,675	2,282
Deposits received in trust	210,286	25,524
Derivatives liabilities	4,339	12,497
Other	7,038	6,810
Total Current Liabilities	43,614,183	31,775,109
Long-term Liabilities		
Corporate bonds	17,000,000	17,000,000
Long-term debt	201,484,000	215,177,000
Leasehold and security deposits received	*1 3,284,464	*1 3,129,408
Leasehold and security deposits received in trust	28,017,232	*1 28,061,230
Derivatives liabilities	85,508	70,221
Total Long-term Liabilities	249,871,205	263,437,860
Total Liabilities	293,485,388	295,212,970
NET ASSETS		
Unitholders' Equity		
Unitholders' capital	309,205,625	309,205,625
Surplus		
Capital surplus	23,548,287	23,548,287
Voluntary retained earnings		
Reserve for temporary difference adjustments	*4 7,395,460	*4 7,386,945
Reserve retained for distribution	2,984,773	3,061,917
Reserve for reduction entry	-	1,120,523
Total voluntary retained earnings	10,380,234	11,569,387
Unappropriated retained earnings (unappropriated deficit)	11,973,610	11,788,602
Total surplus	45,902,131	46,906,277
Total Unitholders' Equity	355,107,757	356,111,902
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	(89,847)	(82,719)
Total Valuation and Translation Adjustment	(89,847)	(82,719)
Total Net Assets	*5 355,017,909	*5 356,029,183
TOTAL LIABILITIES and NET ASSETS	648,503,297	651,242,153

(2) Statement of Income and Retained Earnings

	(Thousands of yen)			
	29th Fiscal Period (December 1, 2017 - May 31, 2018)		30th Fiscal Period (June 1, 2018 - November 30, 2018)	
Operating Revenues				
Rental revenues	*1	22,378,409	*1	22,033,656
Other rental revenues	*1	1,841,006	*1	1,833,565
Gain on sales of real estates	*2	4,944,705	*2	1,864,267
Dividends income		1,961		2,206
Total Operating Revenues		29,166,082		25,733,696
Operating Expenses				
Property-related expenses	*1	10,328,885	*1	10,663,855
Loss on sales of real estates	*3	3,584,422		-
Asset management fees		1,863,620		1,840,950
Asset custodian fees		17,720		17,545
Administrative service fees		67,088		65,678
Directors' compensation		4,200		9,200
Provision of allowance for doubtful accounts		-		1,815
Other operating expenses		211,114		239,723
Total Operating Expenses		16,077,052		12,838,768
Operating Income		13,089,029		12,894,928
Non-operating Revenues				
Interest income		360		242
Reversal of cash distributions payable		1,268		1,586
Insurance income		3,223		18,847
Subsidy income		71,482		-
Interest on refund		-		215
Compensation income for damage or loss		-		5,000
Other		2,838		437
Total Non-operating Revenues		79,173		26,329
Non-operating Expenses				
Interest expenses		1,000,911		998,741
Interest expenses on corporate bonds		87,464		63,254
Corporate bond issuance expenses		79,895		-
Loss on disposal of real estate		19,643		58,445
Other		6,071		11,608
Total Non-operating Expenses		1,193,987		1,132,050
Ordinary Income		11,974,215		11,789,207
Income before Income Taxes		11,974,215		11,789,207
Income Taxes - current		605		605
Total Income Taxes		605		605
Net Income		11,973,610		11,788,602
Retained Earnings Brought Forward		-		-
Unappropriated Retained Earnings (unappropriated deficit)		11,973,610		11,788,602

(3) Statements of Unitholders' Equity

29th Fiscal Period (From December 1, 2017 to May 31, 2018)

(Thousands of yen)

	Unitholders' Equity					
	Unitholders' Capital	Surplus				
		Capital Surplus	Voluntary Retained Earnings			Total Voluntary Retained Earnings
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Reserve for Reduction Entry	
Balance at the beginning of current period	309,205,625	23,548,287	7,470,924	1,848,706	-	9,319,631
Changes of items during the period						
Reversal of reserve for temporary difference adjustments			(75,463)			(75,463)
Provision of reserve retained for distribution				1,136,066		1,136,066
Cash distribution disbursed						-
Net income						-
Net changes during the period except for items under unitholders' equity						-
Total changes of items during the period	-	-	(75,463)	1,136,066	-	1,060,602
Balance at the end of current period	* 309,205,625	23,548,287	7,395,460	2,984,773	-	10,380,234

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	11,319,585	44,187,503	353,393,128	(134,744)	(134,744)	353,258,384
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	75,463	-	-		-	-
Provision of reserve retained for distribution	(1,136,066)	-	-		-	-
Cash distribution disbursed	(10,258,982)	(10,258,982)	(10,258,982)		-	(10,258,982)
Net income	11,973,610	11,973,610	11,973,610		-	11,973,610
Net changes during the period except for items under unitholders' equity	-	-	-	44,896	44,896	44,896
Total changes of items during the period	654,025	1,714,628	1,714,628	44,896	44,896	1,759,524
Balance at the end of current period	11,973,610	45,902,131	355,107,757	(89,847)	(89,847)	355,017,909

30th Fiscal Period (From June 1, 2018 to November 30, 2018)

(Thousands of yen)

	Unitholders' Equity					
	Unitholders' Capital	Surplus				
		Capital Surplus	Voluntary Retained Earnings			Total Voluntary Retained Earnings
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Reserve for Reduction Entry	
Balance at the beginning of current period	309,205,625	23,548,287	7,395,460	2,984,773	-	10,380,234
Changes of items during the period						
Provision of reserve for temporary difference adjustments			66,949			66,949
Reversal of reserve for temporary difference adjustments			(75,463)			(75,463)
Provision of reserve retained for distribution				77,144		77,144
Provision of reserve for reduction entry					1,120,523	1,120,523
Cash distribution disbursed						-
Net income						-
Net changes during the period except for items under unitholders' equity						-
Total changes of items during the period	-	-	(8,514)	77,144	1,120,523	1,189,153
Balance at the end of current period	* 309,205,625	23,548,287	7,386,945	3,061,918	1,120,523	11,569,387

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	11,973,610	45,902,131	355,107,757	(89,847)	(89,847)	355,017,909
Changes of items during the period						
Provision of reserve for temporary difference adjustments	(66,949)	-	-		-	-
Reversal of reserve for temporary difference adjustments	75,463	-	-		-	-
Provision of reserve retained for distribution	(77,144)	-	-		-	-
Provision of reserve for reduction entry	(1,120,523)	-	-		-	-
Cash distribution disbursed	(10,784,457)	(10,784,457)	(10,784,457)		-	(10,784,457)
Net income	11,788,602	11,788,602	11,788,602		-	11,788,602
Net changes during the period except for items under unitholders' equity	-	-	-	7,128	7,128	7,128
Total changes of items during the period	(185,007)	1,004,145	1,004,145	7,128	7,128	1,011,274
Balance at the end of current period	11,788,602	46,906,277	356,111,902	(82,719)	(82,719)	356,029,183

(4) Statements of Cash Distribution

	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
I. Unappropriated retained earnings	¥ 11,973,610,450	¥ 11,788,602,603
II. Reversal of voluntary retained earnings Reversal of reserve for temporary difference adjustments	* ¥ 75,463,881	* ¥ 76,133,374
III. Cash distributions (Cash distribution per unit)	¥ 10,784,457,110 (¥ 3,530)	¥ 10,610,317,151 (¥ 3,473)
IV. Voluntary retained earnings Provision of reserve retained for distribution Provision of reserve for temporary difference adjustments Provision of reserve for reduction entry	¥ 77,144,522 * ¥ 66,949,209 ¥ 1,120,523,490	¥ 70,726,796 * ¥ 76,099,699 ¥ 1,107,592,331
V. Retained earnings carried forward to the next period	-	-

Calculation method for cash distribution	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings. Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥75,463,881 to the unappropriated retained earnings of ¥11,973,610,450, and reserved ¥77,144,522 as reserve retained for distribution, ¥66,949,209 as reserve for temporary difference adjustments, and ¥1,120,523,490 as reserve for reduction entry under Article 65-7 of the Act on Special Measures Concerning Taxation of Japan. Then, United Urban decided to distribute the remaining ¥10,784,457,110 for the 29th fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings. Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥76,133,374 to the unappropriated retained earnings of ¥11,788,602,603, and reserved ¥70,726,796 as reserve retained for distribution, ¥76,099,699 as reserve for temporary difference adjustments, and ¥1,107,592,331 as reserve for reduction entry under Article 65-7 of the Act on Special Measures Concerning Taxation of Japan. Then, United Urban decided to distribute the remaining ¥10,610,317,151 for the 30th fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.

(5) Statements of Cash Flows

	(Thousands of yen)	
	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Cash flows from operating activities		
Income before income taxes	11,974,215	11,789,207
Depreciation and amortization	4,160,564	4,050,506
Gain on sale of properties	(4,944,705)	(1,864,267)
Loss on sale of properties	3,584,422	-
Increase (decrease) in allowance for doubtful accounts	-	1,815
Interest income and interest on securities	(360)	(242)
Interest expense and interest expense on corporate bonds	1,088,376	1,061,995
Corporate bonds issuance expenses	79,895	-
Loss on disposal of real estate	19,643	58,445
Decrease (increase) in rent receivables	(116,322)	(13,647)
Decrease (increase) in prepaid expenses	(537,771)	473,022
Decrease (increase) in long-term prepaid expenses	3,109	28,473
Increase (decrease) in trade accounts payable	(230,460)	(118,947)
Increase (decrease) in accrued expenses	5,742	(3,441)
Increase (decrease) in consumption taxes payable	(970,223)	316,052
Increase (decrease) in rent received in advance	2,571	14,407
Increase (decrease) in rent received in advance in trust	26,266	(67,337)
Increase (decrease) in deposits received	5,262	(5,393)
Increase (decrease) in deposits received in trust	150,517	(184,762)
Amortization of leasehold and security deposits received	(22,796)	(22,897)
Amortization of leasehold and security deposits received in trust	(140,628)	(44,856)
Other	37,117	(15,803)
Subtotal	14,174,437	15,452,332
Interest received	360	242
Interest paid	(878,284)	(1,180,446)
Income taxes (paid) refund	(1,022)	(636)
Net cash provided by (used in) operating activities	13,295,491	14,271,490
Cash flows from investing activities		
Sale of property and equipment in trust	18,280,554	4,957,885
Purchase of property and equipment	(92,572)	(3,959,533)
Purchase of property and equipment in trust	(19,730,749)	(6,204,998)
Purchase of intangible assets in trust	-	(1,010)
Proceeds from refund of investment securities	-	50,000
Proceeds from collection of leasehold and security deposits in trust	-	264
Proceeds from leasehold and security deposits received	163,647	49,971
Payment of leasehold and security deposits received	(6,127)	(182,130)
Proceeds from leasehold and security deposits received in trust	3,236,348	496,616
Payment of leasehold and security deposits received in trust	(1,753,986)	(208,140)
Net cash provided by (used in) investing activities	97,115	(5,001,074)
Cash flows from financing activities		
Proceeds from long-term debt	-	31,800,000
Repayment of long-term debt	(13,723,000)	(15,300,000)
Proceeds from issuance of corporate bonds	11,925,726	-
Repayment of corporate bonds	(14,000,000)	(15,000,000)
Distributions to unitholders	(10,257,037)	(10,783,040)
Net cash provided by (used in) financing activities	(26,054,310)	(9,283,040)
Net changes in cash and cash equivalents	(12,661,703)	(12,624)
Cash and cash equivalents at the beginning of the period	62,327,039	49,665,335
Cash and cash equivalents at the end of the period	49,665,335	49,652,711

(6) Notes to Assumption of Going Concern

Not applicable

(7) Notes to Important Accounting Policies

1.	Valuation bases and methods of marketable securities	Other securities Other securities without market value are stated using the moving average cost method.
2.	Depreciation and amortization methods of fixed assets	(1) Property and equipment (including trust assets) Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows: Building: 2-70 years Structure: 2-53 years Machinery and equipment: 2-24 years Tools, furniture and fixtures: 3-20 years (2) Intangible assets (including trust assets) Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years. (3) Long-term prepaid expenses Depreciation of long-term prepaid expenses is calculated on a straight-line basis.
3.	Standards for recognition of allowances	Allowance for doubtful accounts In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.
4.	Revenues and expenses recognition	Accounting method for taxes on property and equipment United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held to the current period and charged this to property-related expenses. The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥20,971 thousand of such property taxes which were capitalized for the current fiscal period.
5.	Hedge accounting	(1) Hedge accounting method The differed hedge accounting is adopted. (2) Hedging instrument and hedged item Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts (3) Hedging policy Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation. (4) Evaluation method of the effectiveness of hedging The effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment.
6.	Scope of cash and cash equivalents in the statements of cash flows	Cash in the statements of cash flows (cash and cash equivalents) consist of cash on hand, cash held in trust, deposits and deposits in trust which can be withdrawn at any time, and short-term investments which are readily convertible to cash with only an insignificant risk of any price fluctuation and with original maturities of three months or less.
7.	Important matters as the basis for preparation of the financial statements	(1) Accounting treatment for trust beneficial interests in entrusted assets including real estate For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts. For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts.

		1) Cash and bank deposit in trust 2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Leasehold rights in trust and Other intangible assets in trust 4) Security deposits paid in trust 5) Rent received in advance in trust 6) Deposits received in trust 7) Leasehold and security deposits received in trust (2) Accounting method for consumption taxes The consumption tax and local consumption tax are accounted for using the tax exclusion method. However, non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.
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(8) Notes to Financial Statements

[Notes to Balance Sheet]

*1. Pledged assets and secured debt

Pledged assets were as follows:

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Buildings	1,556,867	1,515,947
Structures	1,061	1,061
Land	2,089,982	2,089,982
Total	3,647,911	3,606,992

Debt secured by pledged assets were as follows:

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Leasehold security deposits received	408,171	408,171
Leasehold security deposits received in trust	-	244,216
Total	408,171	652,388

2. Line-of-credit agreement

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

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Total amount of commitment	36,000,000	36,000,000
Outstanding borrowings at end of the period	-	-
Net balance	36,000,000	36,000,000

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

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Buildings in trust	80,237	56,666

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

29th Fiscal Period (As of May 31, 2018)

	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note)	7,546,388	7,470,924	-	75,463	7,395,460	Appropriation for cash distribution

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

30th Fiscal Period (As of November 30, 2018)

(Thousands of yen)

	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	7,395,460	-	75,463	7,319,996	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	-	66,949	-	66,949	A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. was transferred to reserve for temporary difference adjustments.

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

2 The reserve for distribution is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the balance of the reserve for distribution (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended November 30, 2018.

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

(Thousands of yen)

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
	50,000	50,000

[Notes to the Statement of Income]

*1. Operating revenues and expenses

(Thousands of yen)

	29th Fiscal Period (December 1, 2017- May 31, 2018)	30th Fiscal Period (June 1, 2018- November 30, 2018)
A. Operating revenues		
Rental revenues		
Rental revenues	19,890,766	19,511,853
Common area charges	1,631,073	1,622,588
Parking revenues	702,239	739,519
Other revenues (Note 1)	154,329	159,694
	22,378,409	22,033,656
Other rental revenues		
Incidental revenues (Note 2)	1,381,473	1,655,552
Temporary revenues	362,583	79,360
Other miscellaneous revenues	96,948	98,653
	1,841,006	1,833,565
Total operating revenues	24,219,415	23,867,222
B. Property-related expenses		
Rental expenses		
Property and other taxes	1,782,243	1,885,536
Property management fees	1,685,861	1,735,777
Utilities	1,385,596	1,644,439
Casualty insurance	31,885	32,693
Repairs and maintenance (Note 3)	833,190	892,658
Depreciation and amortization	4,160,564	4,050,506
Other rental expenses	449,543	422,244
	10,328,885	10,663,855
Total rental expenses	10,328,885	10,663,855
C. Profit from rental activities (A-B)	13,890,530	13,203,367

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

*2. Gain on Sale of Properties

29th Fiscal Period (From December 1, 2017 to May 31, 2018)

Himonya Shopping Center (Note)		(Thousands of yen)
Revenue from sale of property	14,025,000	
Cost of sale of property	8,888,688	
Other sales expenses	191,606	
Gain on sale of properties		4,944,705

Note: As for Himonya Shopping Center, United Urban sold its 51% quasi co-ownership.

30th Fiscal Period (From June 1, 2018 to November 30, 2018)

Himonya Shopping Center (Note)		(Thousands of yen)
Revenue from sale of property	5,225,000	
Cost of sale of property	3,289,238	
Other sales expenses	71,493	
Gain on sale of properties		1,864,267

Note: As for Himonya Shopping Center, United Urban sold its 19% quasi co-ownership.

*3. Loss on Sale of Properties

29th Fiscal Period (From December 1, 2017 to May 31, 2018)

AEON MALL Uki		(Thousands of yen)
Revenue from sale of property	6,500,000	
Cost of sale of property	9,378,038	
Other sales expenses	706,384	
Loss on sale of properties		3,584,422

30th Fiscal Period (From June 1, 2018 to November 30, 2018)

There was no applicable information on loss on sale of properties for the fiscal period ended November 30, 2018.

[Notes to Statements of Changes in Unitholders' Equity]

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

	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	3,055,087 units	3,055,087 units

[Notes to Statements of Cash Distribution]

* Reserve for temporary difference adjustments

29th Fiscal Period (As of May 31, 2018)

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

and reversed the required amount in this system.		extent the balance of reserve for temporary difference adjustments remains and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the “statement of cash distribution” of the fiscal period ended May 31, 2018.	Provision amount: ¥66,949,209	From the fiscal period ending November 30, 2018, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the reserve balance at the time of provision (more than ¥669,493: amount equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution.

30th Fiscal Period (As of November 30, 2018)

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

[Notes to Tax Effect Accounting]

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

	(Thousands of yen)	
	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Deferred tax assets		
Difference in revenue recognition for tax purposes	10,983	2,866
Valuation difference on assets acquired by merger	18,913,507	18,896,970
Excess allowance for doubtful accounts	-	572
Other	338	328
Subtotal	18,913,846	18,900,738
Valuation allowance	(18,913,846)	(18,900,738)
Total	-	-
Total deferred tax assets	-	-

* “Partial Amendments to Accounting Standard for Tax Effect Accounting” (Corporate Accounting Standards No. 28, February 16, 2018) has been applied starting with the current fiscal period, and the items related to temporary differences, etc. are collectively stated in the above table regardless of a section of assets (current or non current). Accordingly, certain reclassifications were made to the previous fiscal period in order to reflect this change in presentation.

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

	End of 29th Fiscal Period (As of May 31, 2018)	End of 30th Fiscal Period (As of November 30, 2018)
Statutory tax rate	31.74%	31.51%
(Adjustment)		
Distributions of tax-deductible dividends	(28.58)%	(28.35)%
Changes in valuation allowance	(0.19)%	(0.20)%
Provision of reserve for reduction entry	(2.97)%	(2.96)%
Other	0.00%	0.00%
Effective tax rate after the application of tax effect accounting	0.01%	0.01%

[Notes to Real Estate Assets for Rent]

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

		(Thousands of yen)	
Type of Use		29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Retail properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	201,467,556	182,485,097
	Change during the period (Note 2)	(18,982,458)	(4,054,095)
	Balance at the end of the period	182,485,097	178,431,002
	Fair value at the end of the period (Note 3)	214,266,000	209,812,000
Office buildings	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	198,328,320	197,783,304
	Change during the period (Note 2)	(545,015)	(843,048)
	Balance at the end of the period	197,783,304	196,940,256
	Fair value at the end of the period (Note 3)	240,745,000	246,666,000
Hotels	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	112,440,862	129,784,056
	Change during the period (Note 2)	17,343,194	3,094,927
	Balance at the end of the period	129,784,056	132,878,983
	Fair value at the end of the period (Note 3)	150,820,000	156,439,000
Residential properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	38,030,049	37,655,988
	Change during the period (Note 2)	(374,060)	3,331,921
	Balance at the end of the period	37,655,988	40,987,910
	Fair value at the end of the period (Note 3)	50,169,000	52,255,000
Others	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	48,116,624	47,895,785
	Change during the period (Note 2)	(220,839)	1,630,427
	Balance at the end of the period	47,895,785	49,526,212
	Fair value at the end of the period (Note 3)	58,237,200	60,773,000
Total	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	598,383,413	595,604,232
	Change during the period (Note 2)	(2,779,180)	3,160,132
	Balance at the end of the period	595,604,232	598,764,365
	Fair value at the end of the period (Note 3)	714,237,200	725,945,000

Notes: 1 The carrying amount on the balance sheet is the acquisition value (including the expenses incidental to the acquisition) less accumulated depreciation.

2 Of the "Change during the period" for the 29th fiscal period, the amount of the increase is primarily attributable to acquisition of one property (¥17,485 million) and capital expenditures (¥1,903 million). And the amount of the decrease is primarily attributable to the sale of two properties (for one of two properties, part of the ownership) (¥18,266 million) and the depreciation and amortization (¥4,153 million).

Of the "Change during the period" for the 30th fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (total: ¥8,749 million) and capital expenditures (¥1,406 million). And the amount of the decrease is primarily attributable to the sale of one property (part of the ownership) (¥3,289 million) and the depreciation and amortization (¥4,042 million).

- 3 The “Fair value at the end of the period” stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban’s Articles of Incorporation and the rules of The Investment Trusts Association, Japan.

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

[Notes to Per Unit Information]

	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Net assets per unit	¥ 116,205	¥ 116,536
Net income per unit	¥ 3,919	¥ 3,858

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

		29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Net income	(Thousands of yen)	11,973,610	11,788,602
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	11,973,610	11,788,602
Average number of investment units during the period	(Unit)	3,055,087	3,055,087

[Notes to Significant Subsequent Events]

Not Applicable

[Notes to Other Matters]

(Unapplied Accounting Standard, etc.)

- “Accounting Standard for Revenue Recognition” (Corporate Accounting Standards No. 29 issued by Accounting Standards Board of Japan (“ASBJ”) on March 30, 2018)
- “Implementation Guidance on Accounting Standard for Revenue Recognition” (Implementation Guidance of Corporate Accounting Standards No. 30 issued by ASBJ on March 30, 2018)

(1) Overview

The International Accounting Standard Board (“IASB”) and the Financial Accounting Standards Board (“FASB”) have jointly developed the comprehensive accounting standard for revenue recognition, and have published “Revenue from Contracts with Customers” (IFRS 15 by IASB and Topic 606 by FASB) in May 2014. As IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and Topic 606 is effective for annual periods beginning after December 15, 2017, ASBJ has developed and published the comprehensive accounting standard and implementation guidance for revenue recognition accordingly.

As the basic policy of ASBJ for the development of accounting standard for revenue recognition, the accounting standard in Japan have been established while adopting the basic principal of IFRS 15 from the point of view of the comparability between the financial statements based on IFRS or U.S. GAAP and Japanese GAAP as a benefit for the consistency with IFRS 15. In addition, in the case that there is an item that the actual practice conducted in Japan is considered, the alternate treatments are added within the scope not to fail the comparability.

(2) Scheduled date of the application

United Urban will adopt the accounting standard, etc. from the beginning of the period ending November 30, 2021.

(3) Impact of the application of the respective accounting standard, etc.

United Urban is currently evaluating the effect on its financial statements by applying the “Accounting Standard for Revenue Recognition”, etc.

[Omission of Disclosure]

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

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

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

Date	Remarks	Total Number of Investment Units Issued and Outstanding (Unit)		Unitholders' Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
June 10, 2014	Additional issue of new investment units through public offering	120,000	2,500,181	18,661	217,892	(Note 1)
July 9, 2014	Additional issue of new investment units through third-party allotment	12,065	2,512,246	1,876	219,768	(Note 2)
December 9, 2014	Additional issue of new investment units through public offering	120,000	2,632,246	21,899	241,667	(Note 3)
January 7, 2015	Additional issue of new investment units through third-party allotment	12,065	2,644,311	2,201	243,869	(Note 4)
September 16, 2015	Additional issue of new investment units through public offering	95,000	2,739,311	12,680	256,549	(Note 5)
October 15, 2015	Additional issue of new investment units through third-party allotment	12,065	2,751,376	1,610	258,160	(Note 6)
June 14, 2016	Additional issue of new investment units through public offering	190,000	2,941,376	32,273	290,433	(Note 7)
July 12, 2016	Additional issue of new investment units through third-party allotment	11,646	2,953,022	1,978	292,411	(Note 8)
December 14, 2016	Additional issue of new investment units through public offering	90,000	3,043,022	14,808	307,220	(Note 9)
January 12, 2017	Additional issue of new investment units through third-party allotment	12,065	3,055,087	1,985	309,205	(Note 10)

- Notes: 1. New investment units were issued through public offering at the offer price of ¥160,426 per unit (issue price (underwriter price) ¥155,515), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for property acquisitions and repayments of interest-bearing liabilities.
2. New investment units were issued through third-party allotment at the issue price of ¥155,515 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
3. New investment units were issued through public offering at the offer price of ¥188,258 per unit (issue price (underwriter price) ¥182,495) for the purpose of procuring funds to support the repayment of interest-bearing liabilities.
4. New investment units were issued through third-party allotment at the issue price of ¥182,495 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
5. New investment units were issued through public offering at the offer price of ¥137,690 per unit (issue price (underwriter price) ¥133,475), for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
6. New investment units were issued through third-party allotment at the issue price of ¥133,475 per unit for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
7. New investment units were issued through public offering at the offer price of ¥175,224 per unit (issue price (underwriter price) ¥169,860) for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.
8. New investment units were issued through third-party allotment at the issue price of ¥169,860 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
9. New investment units were issued through public offering at the offer price of ¥169,736 per unit (issue price (underwriter price) ¥164,540), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds to support a portion of the repayment of interest-bearing liabilities.
10. New investment units were issued through third-party allotment at the issue price of ¥164,540 per unit for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.

4. Change in Directors

Change in directors had been disclosed timely at the time of decision.

5. Reference Information

(1) Composition of Portfolio

Categories of Assets	Type of Use	Areas		29th Fiscal Period (As of May 31, 2018)		30th Fiscal Period (As of November 30, 2018)	
				Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)	Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)
Real Estate	Retail Properties	Capital region (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-
			The 23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,275,297	1.1	7,262,057	1.1
		Other regions		13,718,920	2.1	13,662,199	2.1
	Office Buildings	Capital region	The 6 central wards of Tokyo	13,074,718	2.0	13,029,891	2.0
			The 23 wards of Tokyo	9,542,133	1.5	9,501,819	1.5
			Tokyo metropolitan area	9,074,945	1.4	9,013,890	1.4
		Other regions		-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	2,314,029	0.4	2,693,122	0.4
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	4,060,881	0.6	4,015,494	0.6
		Other regions		-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	2,872,682	0.4	2,851,734	0.4
			Tokyo metropolitan area	-	-	-	-
		Other regions		722,112	0.1	4,433,375	0.7
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	-	-	-	-
		Other regions		-	-	-	-
Subtotal				62,655,722	9.7	66,463,585	10.2
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,272,063	0.7	4,264,962	0.7
			The 23 wards of Tokyo	20,275,365	3.1	16,881,098	2.6
			Tokyo metropolitan area	80,538,926	12.4	80,136,196	12.3
		Other regions		56,404,523	8.7	56,224,487	8.6
	Office Buildings	Capital region	The 6 central wards of Tokyo	65,753,587	10.1	65,568,841	10.1
			The 23 wards of Tokyo	2,055,048	0.3	2,041,369	0.3
			Tokyo metropolitan area	41,522,548	6.4	41,326,701	6.3
		Other regions		56,760,322	8.8	56,457,742	8.7
	Hotels	Capital region	The 6 central wards of Tokyo	35,225,107	5.4	35,253,066	5.4
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	23,369,647	3.6	23,251,283	3.6
		Other regions		64,814,390	10.0	67,666,016	10.4
	Residential Properties	Capital region	The 6 central wards of Tokyo	1,005,226	0.2	994,564	0.2
			The 23 wards of Tokyo	8,746,010	1.3	8,671,719	1.3
			Tokyo metropolitan area	2,865,718	0.4	2,852,700	0.4
		Other regions		21,444,237	3.3	21,183,815	3.3
	Others	Capital region	The 6 central wards of Tokyo	9,286,869	1.4	9,244,206	1.4
			The 23 wards of Tokyo	7,983,016	1.2	7,968,204	1.2
			Tokyo metropolitan area	24,000,387	3.7	25,764,209	4.0
		Other regions		6,625,511	1.0	6,549,591	1.0
Subtotal				532,948,510	82.2	532,300,779	81.7
Preferred equity securities (Note 6)				144,337	0.0	93,905	0.0
Bank deposit and other assets				52,754,726	8.1	52,383,882	8.0
Total Assets				648,503,297	100.0	651,242,153	100.0

- Notes: 1. "Total Amounts Held" is net book value of assets at the end of the period ("Real Estate" and "Real Estate in Trust" being stated at book value net of depreciation). The trust beneficial interest which trust asset mainly consists of real estate does not include an amount of deposit in the trust asset.
2. The "Capital region" refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.
3. The "6 central wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.
4. The "23 wards of Tokyo" are the 23 Tokyo wards excluding the "6 central wards of Tokyo."
5. "Tokyo metropolitan area" refers to the capital region excluding the "23 wards of Tokyo."

6. Preferred equity securities are preferred equity securities of Tenjin 123 Project TMK and KICAM Musashimurayama TMK. At the end of the 30th fiscal period, United Urban had received a refund for KICAM Musashimurayama TMK and has held only preferred equity securities of Tenjin 123 Project TMK.

	29th Fiscal Period (As of May 31, 2018)		30th Fiscal Period (As of November 30, 2018)	
	Amount (Thousands of yen)	Percentage to Total Assets (%)	Amount (Thousands of yen)	Percentage to Total Assets (%)
Total liabilities	293,485,388	45.3	295,212,970	45.3
Total net assets	355,017,909	54.7	356,029,183	54.7
Total assets	648,503,297	100.0	651,242,153	100.0

(2) Investment Assets

1. Major Stock of Investment Securities

As of the end of the 30th fiscal period, investments securities owned by United Urban were as follows:

Description	Type	Number of Units (Unit)	Book Value (Thousands of yen)	Appraisal Value (Thousands of yen) (Note 2)	Percentage to Total Assets (%)
Preferred equity securities of Tenjin 123 Project TMK (Note 1)	Preferred equity securities	1,497	93,905	93,905	0.0

Notes: 1. United Urban acquired the b fukuoka tenjin that Tenjin 123 Project TMK (the "Tenjin 123 TMK") had owned on September 27, 2018.

2. As for the preferred equity securities of the Tenjin 123 TMK, book value is stated because there are no market values and values calculated using the reasonable methods.

2. Investment Real Estate Properties

As of the end of the 30th fiscal period, United Urban had ownership of, or trust beneficial interests in real estate (properties which are the trust assets of trust beneficial interests in real estate are referred to as the "Real Estate in Trust", and real estate and Real Estate in Trust are collectively referred to as the "Investment Real Estate"). Consequently, all of the real estate and Real Estate in Trust are shown in the table below.

a. Outline of Investment Real Estate 1

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

(As of November 30, 2018)										
Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A1	Himonya Shopping Center (Note 9)	4,590	5,186	6,780	0.9	JREI	1	26,655.66	26,655.66	100.0
A2	Joy Park Izumigaoka	6,770	5,080	4,840	0.7	JREI	22	13,611.24	13,611.24	100.0
A4	Re-LAND Shopping Center	5,200	4,289	5,960	0.8	JREI	18	12,952.88	12,952.88	100.0
A6	TENJIN LUCE	6,500	6,248	6,470	0.9	Nittochi	11	4,194.68	4,194.68	100.0
A7	Yamada Denki Tecc Land Sakai Honten	3,210	2,736	3,780	0.5	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	5,027	5,230	0.7	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,542	1,970	0.3	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,643	3,350	0.5	JREI	10	2,081.50	2,081.50	100.0
A11	Tip's Machida Building	4,100	4,185	4,850	0.7	JREI	10	6,710.19	6,710.19	100.0
A12	Daiei Takarazuka Nakayama	4,284	3,170 (Note 10)	3,870	0.5	JREI	1	16,729.60	16,729.60	100.0
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	11,904	12,450	11,400	1.6	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,251	2,160	0.3	JREI	9	1,938.56	1,938.56	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A15	Shinsaibashi OPA Honkan	22,800	21,875	26,100	3.6	JREI	1	27,025.42	27,025.42	100.0
A19	Albore Jingumae	1,580	1,556	2,360	0.3	JREI	4	931.14	931.14	100.0
A20	Albore Sendai	2,590	2,365	3,600	0.5	JREI	5	3,147.29	3,147.29	100.0
A21	Mallage Kashiwa	7,040	6,667	8,940	1.2	JREI	94	41,738.82	40,545.86	97.1
A23	Ito-Yokado Owariasahi	4,840	4,074	4,860	0.7	JREI	1	54,606.34	54,606.34	100.0
A24	Yokohama Kariba Shopping Center	2,500	2,171	2,100	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	4,879	6,090	0.8	JREI	19	2,283.47	2,183.07	95.6
A26	ACTIOLE Ichikawa	3,350	2,974	4,060	0.6	JREI	13	3,927.49	3,927.49	100.0
A27	Yokohama Aoba Shopping Center (Site) (Note 21)	2,600	2,740	3,280	0.5	JREI	1	9,193.00	9,193.00	100.0
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,550	0.4	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	27,366	34,400	4.7	JREI	1	37,932.95	37,932.95	100.0
A30	Yamada Denki Tecc Land New Matsudo Honten	5,150	4,846	6,580	0.9	JREI	1	17,561.23	17,561.23	100.0
A31	Tenjin Loft Building	4,350	4,609	6,120	0.8	JREI	6	7,730.09	7,730.09	100.0
A32	Narumi Shopping Center (Site)	6,460	6,850	7,280	1.0	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,903	2,120	0.3	JREI	5	3,154.42	1,780.45	56.4
A34	LIFE Nishikujo (Site)	1,760	1,842	2,060	0.3	Tanizawa	1	3,252.76	3,252.76	100.0
A35	LIFE Tamatsukuri (Site)	1,880	1,967	2,150	0.3	Tanizawa	1	2,391.44	2,391.44	100.0
A36	Granbell Ginza Building	2,621	2,708	2,990	0.4	JREI	11	1,352.35	1,352.35	100.0
A37	UUR Tenjin Nishi-dori Building	5,500	5,680	6,280	0.9	JREI	1	1,564.70	1,564.70	100.0
A38	Luz Shonan Tsujido	3,938	3,945	4,600	0.6	Tanizawa	31	10,454.22	10,228.40	97.8
A39	ACTIOLE Ueno	3,000	3,170	3,150	0.4	Tanizawa	8	1,167.63	1,167.63	100.0
A40	KURURU	9,285	9,557	10,400	1.4	Tanizawa	27	13,292.33	13,292.33	100.0
A41	K's Denki Nagoya-kita	1,750	1,841	1,890	0.3	Tanizawa	1	4,733.74	4,733.74	100.0
B1	T&G Hamamatsucho Building	2,257	2,108	3,230	0.4	Tanizawa	5	2,420.85	2,135.08	88.2
B3	Fukuoka Eartheon Building	2,080	1,599	2,950	0.4	JREI	8	4,934.40	4,934.40	100.0
B4	Marumasu Kojimachi Building	2,350	2,412	2,680	0.4	JREI	15	2,576.57	2,269.62	88.1
B5	Rokubancho K Building	2,150	2,263	3,810	0.5	JREI	1	4,031.14	4,031.14	100.0
B6	Shin-Osaka Central Tower	24,000	23,698	29,000	4.0	Nittochi	62	45,978.59	45,923.73	99.9
B7	Kawasaki Toshiba Building	19,200	19,553	33,000	4.5	Tanizawa	1	36,142.30	36,142.30	100.0
B8	UUR Toyochō Building	8,500	8,421	8,670	1.2	JREI	1	7,540.30	7,540.30	100.0
B9	FOUR SEASONS BLDG	4,200	4,148	6,380	0.9	JREI	1	5,000.54	5,000.54	100.0
B10	Hitachi High-Tech Building	14,800	14,419	17,100	2.4	JREI	2	15,781.64	15,781.64	100.0
B11	Pacific Marks Shinjuku Parkside	12,100	11,854	12,400	1.7	JREI	22	10,947.34	10,947.34	100.0
B13	Pacific Marks Tsukishima	6,080	5,780	6,640	0.9	JREI	43	9,335.19	9,119.99	97.7
B14	Pacific Marks Yokohama East	7,050	6,716	7,680	1.1	Tanizawa	27	10,744.60	10,142.78	94.4
B17	Akasaka Hikawa Building	3,290	3,226	4,190	0.6	JREI	1	3,438.20	3,438.20	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,466	3,220	0.4	JREI	1	1,972.43	1,972.43	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
B20	Pacific Marks Akasaka-mitsuke	2,210	2,138	2,410	0.3	JREI	8	1,675.13	1,675.13	100.0
B22	Pacific Marks Shin-Yokohama	1,710	1,572	1,770	0.2	Tanizawa	10	3,110.72	3,110.72	100.0
B25	Pacific Marks Kawasaki	9,890	9,013	11,600	1.6	Tanizawa	42	7,382.62	7,382.62	100.0
B26	Hamamatsucho 262 Building	6,840	6,499	7,710	1.1	JREI	18	6,162.85	6,162.85	100.0
B27	Lila Hijirizaka	2,750	2,615	3,220	0.4	JREI	14	4,255.02	4,149.50	97.5
B29	Otsuka HT Building	1,160	1,079	1,210	0.2	JREI	7	1,774.56	1,774.56	100.0
B30	Pacific Marks Shinjuku South-gate	2,460	2,495	3,520	0.5	JREI	9	1,723.03	1,723.03	100.0
B31	Pacific Marks Nishi-Umeda	6,860	6,374	7,780	1.1	Tanizawa	28	11,039.51	10,382.14	94.0
B32	Pacific Marks Higobashi	4,570	4,436	4,880	0.7	Tanizawa	21	7,623.57	6,092.31	79.9
B34	Pacific Marks Esaka	9,590	9,667	10,000	1.4	Tanizawa	44	19,963.32	19,963.32	100.0
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,735	2,100	0.3	Tanizawa	11	4,727.65	4,727.65	100.0
B36	Shin-Sapporo Center Building	987 (Note 11)	859	1,100	0.2	Tanizawa	20	2,797.02	2,690.14	96.2
B37	ARENA TOWER	9,500	8,233	12,800	1.8	Tanizawa	12	17,967.46	17,967.46	100.0
B38	Yushima First Building	2,100	2,041	2,960	0.4	JREI	7	4,558.77	4,558.77	100.0
B39	Dogenzaka Square	2,300	2,271	2,970	0.4	JREI	28	2,233.57	2,206.29	98.8
B40	GRAND-SQUARE Shin-Sakae	1,480	1,345	2,060	0.3	JREI	7	4,578.93	3,215.43	70.2
B41	GRAND-SQUARE Meieki-minami	1,220	1,129	2,310	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,162	3,090	0.4	JREI	5	2,831.94	2,831.94	100.0
B43	Hirose-dori SE Building	3,600	3,277	5,240	0.7	JREI	10	8,235.87	8,235.87	100.0
B44	SS30	18,200	18,838	19,300	2.7	JREI	84	67,681.83	66,130.54	97.7
B45	LOOP-X・M	11,200	11,737	11,700	1.6	JREI	115	21,591.35	21,094.28	97.7
C1	Shinjuku Washington Hotel Honkan	21,140	22,298	27,700	3.8	JREI	8	53,322.10	53,322.10	100.0
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,617	2,600	0.4	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	3,084	3,800	0.5	JREI	10	6,660.20	6,406.93	96.2
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	4,015	5,140	0.7	Nittochi	4	7,139.44	7,139.44	100.0
C5	Hotel JAL City Naha	7,650	7,475	11,800	1.6	Nittochi	2	13,701.80	13,701.80	100.0
C6	UUR Yotsuya Sanchome Building	4,200	4,417	6,580	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	4,945	6,860	0.9	JREI	4	7,550.16	7,550.16	100.0
C9	the b roppongi (Note 12)	3,500	4,666	4,890	0.7	JREI	2	2,710.90	2,501.31	92.3
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,673	3,140	0.4	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	2,102	2,530	0.3	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	745	739	837	0.1	Daiwa	1	1,529.47	1,529.47	100.0
C13	Loisir Hotel & Spa Tower Naha	20,000	20,461	23,200	3.2	JREI	1	45,731.16	45,731.16	100.0
C14	Royal Pines Hotel Urawa (Note 22)	17,500	17,492	18,100	2.5	JREI	10	31,129.86	31,129.86	100.0
C15	RIHGA Royal Hotel Kokura・ARUARU City	16,600	17,258	16,900	2.3	Tanizawa	31	81,385.06	81,273.93	99.9
C16	the b fukuoka tenjin	3,000	3,122	3,540	0.5	JREI	2	3,567.22	3,567.22	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
D1	T&G Higashi-ikebukuro Mansion	2,021	1,428	2,370	0.3	Tanizawa	127	2,603.22	2,562.86	98.4
D4	Komazawa Court	1,680	1,490	2,360	0.3	JREI	1	3,741.17	3,741.17	100.0
D6	UUR Court Shiba-Daimon (Note 23)	1,175	994	1,460	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D7	Maison Ukima	3,530	3,089	3,110	0.4	JREI	1	12,691.43	12,691.43	100.0
D9	Aprile Shin-Oghi Ichibankan	3,031	2,458	3,590	0.5	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	958	1,580	0.2	Tanizawa	1	4,790.50	4,790.50	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,662	3,450	0.5	JREI	90	4,097.51	4,036.79	98.5
D16	GRAND-ROUGE Sakae	1,570	1,205	1,330	0.2	JREI	83	3,697.38	3,154.34	85.3
D17	GRAND-ROUGE Sakae II	1,300	1,011	1,330	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,668	4,290	0.6	JREI	151	11,525.36	11,444.24	99.3
D19	UUR Court Nagoya Meieki	1,473	1,184	1,500	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D20	UUR Court Sapporo Shinoro Ichibankan	870	710	859	0.1	Nittochi	3	6,271.74	6,271.74	100.0
D21	Park Site IZUMI	900	819	756	0.1	JREI	36	2,067.95	1,885.55	91.2
D22	UUR Court Osaka Juso-honmachi	1,570	1,295	1,630	0.2	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,851	3,520	0.5	JREI	194	5,460.45	5,245.42	96.1
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,808	2,920	0.4	JREI	126	7,763.23	6,933.85	89.3
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,296	1,560	0.2	JREI	112	3,090.36	2,942.42	95.2
D26	Glenpark Umeda-kita	5,150	5,095	6,430	0.9	Tanizawa	179	12,730.60	12,365.39	97.1
D27	UUR Court Shiki	2,730	2,852	3,160	0.4	JREI	1	9,885.83	9,885.83	100.0
D28	GRAND-ROUGE Tanimachi Rokuchome (Note 24)	1,300	1,380	1,490	0.2	Tanizawa	50	2,792.81	2,758.42	98.8
D29	Chatle Otemachi S・N	3,398	3,722	3,560	0.5	JREI	150	12,040.28	11,727.98	97.4
E1	Lilycolor Tohoku Branch	2,050	1,433	2,190	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	KDDI Fuchu Building	4,920	4,794	5,210	0.7	JREI	1	14,490.92	14,490.92	100.0
E3	Tsubogawa Square Building	4,150	3,884	6,070	0.8	JREI	5	10,570.98	10,570.98	100.0
E4	THE PLACE of TOKYO	3,500	3,403	4,500	0.6	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	4,233	4,113	5,253	0.7	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	7,968	11,200	1.5	JREI	3	23,995.01	23,995.01	100.0
E7	Quartz Tower	5,700	5,840	6,120	0.8	Tanizawa	1	2,940.22	2,940.22	100.0
E8	Shin-Narashino Logistics Center	2,555	2,623	2,850	0.4	JREI	1	12,909.90	12,909.90	100.0
E9	Kawagoe Logistics Center	7,550	7,696	9,480	1.3	Tanizawa	1	40,060.76	40,060.76	100.0
E10	Asuto Nagamachi Dental Clinic	1,200	1,231	1,310	0.2	JREI	1	1,554.09	1,554.09	100.0
E11	Shin-Narashino Logistics Center II	2,590	2,681	2,660	0.4	JREI	1	12,598.46	12,598.46	100.0
E12	Yoshikawa Logistics Center	1,960	1,980	2,020	0.3	JREI	1	11,096.70	11,096.70	100.0
E13	Musashimurayama Logistics Center	1,800	1,873	1,910	0.3	JREI	1	9,237.87	9,237.87	100.0
	Total	613,908	598,764	725,945	100.0	-	2,442	1,456,193.69	1,442,609.89	99.1

b. Outline of Investment Real Estate 2

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

(As of November 30, 2018)

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance	
A1	Retail Properties	Himonya Shopping Center	(Note 13)	(Note 13)	10%	N/A	
A2		Joy Park Izumigaoka	384,735	213,997	10%	N/A	
A4		Re-LAND Shopping Center	414,243	346,770	13%	N/A	
A6		TENJIN LUCE	393,635	282,639	2%	N/A	
A7		Yamada Denki Tecc Land Sakai Honten	(Note 13)	(Note 13)	8%	N/A	
A8		Miyamae Shopping Center	267,074	909,730	17%	N/A	
A9		KONAMI SPORTS CLUB Korigaoka	(Note 13)	(Note 13)	11%	N/A	
A10		ACTIOLE Minami-ikebukuro	161,417	141,553	14%	N/A	
A11		Tip's Machida Building	316,471	248,270	18%	N/A	
A12		Daiei Takarazuka Nakayama	303,999	-	9%	N/A	
A13		Retail / Offices	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	598,549	309,222	- (Note 14)	- (Note 14)
A14		Retail Properties	ACTIOLE Kannai	114,708	100,669	16%	N/A
A15	Shinsaibashi OPA Honkan		1,362,000	1,448,304	12%	N/A	
A19	Albore Jingumae		91,800	68,600	14.6%	N/A	
A20	Albore Sendai		201,454	116,210	8%	N/A	
A21	Mallage Kashiwa		877,018	899,360	9%	N/A	
A23	Ito-Yokado Owariasahi		419,090	408,171	11%	N/A	
A24	Yokohama Kariba Shopping Center		(Note 13)	(Note 13)	12%	N/A	
A25	Luz Jiyugaoka		278,817	228,827	12%	N/A	
A26	ACTIOLE Ichikawa		230,646	185,163	10%	N/A	
A27	Yokohama Aoba Shopping Center (Site) (Note 21)		(Note 13)	(Note 13)	- (Note 14)	- (Note 14)	
A28	Yamada Denki Tecc Land Aoba (Site)		(Note 13)	(Note 13)	- (Note 14)	- (Note 14)	
A29	Yodobashi Camera Multimedia Kichijoji		(Note 13)	(Note 13)	14%	N/A	
A30	Yamada Denki Tecc Land New Matsudo Honten		(Note 13)	(Note 13)	11%	N/A	
A31	Tenjin Loft Building		527,857	277,045	1%	N/A	
A32	Narumi Shopping Center (Site)		(Note 13)	(Note 13)	- (Note 14)	- (Note 14)	
A33	Plusing Wave Enoshima		87,102	162,641	14%	N/A	
A34	LIFE Nishikujo (Site)		(Note 13)	(Note 13)	- (Note 14)	- (Note 14)	
A35	LIFE Tamatsukuri (Site)		(Note 13)	(Note 13)	- (Note 14)	- (Note 14)	
A36	Granbell Ginza Building		144,623	110,442	10%	N/A	
A37	UUR Tenjin Nishi-dori Building		(Note 13)	(Note 13)	2%	N/A	
A38	Luz Shonan Tsujido		407,240	309,322	14%	N/A	
A39	ACTIOLE Ueno		142,963	106,297	12%	N/A	
A40	KURURU		464,910	404,301	6%	N/A	
A41	K's Denki Nagoya-kita		(Note 13)	(Note 13)	8%	N/A	
B1	Office Buildings		T&G Hamamatsucho Building	140,702	264,136	12%	N/A
B3			Fukuoka Eartheon Building	204,908	114,340	1%	N/A
B4			Marumasu Kojimachi Building	147,095	124,766	11%	N/A
B5			Rokubancho K Building	204,674	82,011	14%	N/A
B6	Office /Hotels		Shin-Osaka Central Tower	1,917,446	1,523,024	7%	N/A

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7%	N/A
B8		UUR Toyochō Building	492,683	369,370	13%	N/A
B9		FOUR SEASONS BLDG	333,600	281,222	11%	N/A
B10		Hitachi High-Tech Building	792,690	793,726	15%	N/A
B11		Pacific Marks Shinjuku Parkside	632,952	458,531	14.8%	N/A
B13		Pacific Marks Tsukishima	421,733	228,241	14%	N/A
B14		Pacific Marks Yokohama East	399,018	259,110	15%	N/A
B17		Akasaka Hikawa Building	216,228	244,216	14%	N/A
B18		Pacific Marks Shibuya Koen-dori	168,000	100,500	12%	N/A
B20		Pacific Marks Akasaka-mitsuke	118,993	74,561	13%	N/A
B22		Pacific Marks Shin-Yokohama	113,914	72,182	16%	N/A
B25		Pacific Marks Kawasaki	600,873	468,494	17%	N/A
B26		Hamamatsucho 262 Building	394,783	491,051	14%	N/A
B27		Lila Hijirizaka	206,495	119,263	12%	N/A
B29		Otsuka HT Building	94,166	76,157	13%	N/A
B30		Pacific Marks Shinjuku South-gate	173,754	181,663	12%	N/A
B31		Pacific Marks Nishi-Umeda	418,400	366,395	10%	N/A
B32		Pacific Marks Higobashi	216,972	180,724	12%	N/A
B34		Pacific Marks Esaka	771,807	626,611	9%	N/A
B35		Pacific Marks Sapporo Kita-Ichijo	166,015	128,624	1%	N/A
B36		Shin-Sapporo Center Building	103,514	85,728	2%	N/A
B37		ARENA TOWER	802,805	460,342	10%	N/A
B38		Yushima First Building	196,020	142,730	13%	N/A
B39		Dogenzaka Square	178,813	131,325	16%	N/A
B40	GRAND-SQUARE Shin-Sakae	102,823	102,231	10%	N/A	
B41	GRAND-SQUARE Meieki-minami	139,205	92,586	10%	N/A	
B42	Shiba 520 Building	183,379	129,157	13%	N/A	
B43	Hirose-dori SE Building	355,382	383,298	8%	N/A	
B44	Office /Hotels	SS30 (Note 15)	1,730,413	1,303,085	① 2% ② 6% ③ 1%	N/A
B45	Office Buildings	LOOP-X・M (Note 16)	803,355	414,056	① 7% ② 6%	N/A
C1	Hotels	Shinjuku Washington Hotel Honkan	1,545,930	2,009,397	9%	N/A
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	114,000	70,000	17%	N/A
C3		MZ BLD.	254,264	182,680	13%	N/A
C4		HOTEL ROUTE-INN Yokohama Bashamichi	280,298	107,487	19%	N/A
C5		Hotel JAL City Naha	448,393	14,196	5%	N/A
C6		UUR Yotsuya Sanhome Building	327,448	206,465	14%	N/A
C7		Yotsuya 213 Building	334,652	253,143	13%	N/A
C9		the b roppongi (Note 12)	88,873	14,310	12%	N/A
C10		Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	(Note 13)	(Note 13)	14.5%	N/A
C11		Toyoko Inn Hiroshima Heiwa-odori	(Note 13)	(Note 13)	7%	N/A
C12		Toyoko Inn Naha Kokusai-dori Miebash-eki	(Note 13)	(Note 13)	2%	N/A
C13		Loisir Hotel & Spa Tower Naha (Note 17)	720,000	(Note 13)	① 7% ② 6%	N/A
C14		Royal Pines Hotel Urawa (Note 22)	1,064,613	(Note 13)	10%	N/A

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance
C15	Hotels	RIHGA Royal Hotel Kokura • ARUARU City (Note 18)	1,244,388	1,506,559	① 1% ② 2% ③ 1%	N/A
C16		the b fukuoka tenjin	138,457	19,984	1%	N/A
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	130,236	16,936	12%	N/A
D4		Komazawa Court	118,800	19,800	11%	N/A
D6		UUR Court Shiba-Daimon (Note 23)	66,000	11,000	17%	N/A
D7		Maison Ukima	247,320	82,440	14.6%	N/A
D9		Aprile Shin-Ohgi Ichibankan	(Note 13)	(Note 13)	8%	N/A
D10		UUR Court Sapporo Kita-Sanjo	94,200	7,838	2%	N/A
D15		CLIO Bunkyo Koishikawa	193,908	29,925	14.5%	N/A
D16		GRAND-ROUGE Sakae	84,660	4,565	13%	N/A
D17		GRAND-ROUGE Sakae II	69,303	6,413	13%	N/A
D18		MA Sendai Building	277,315	24,220	11%	N/A
D19		UUR Court Nagoya Meieki	88,414	7,381	16%	N/A
D20		UUR Court Sapporo Shinoro Ichibankan	61,581	4,021	3%	N/A
D21		Park Site IZUMI	53,256	11,808	12%	N/A
D22		UUR Court Osaka Juso-honmachi	100,854	9,391	16%	N/A
D23		UUR Court Kinshicho	217,956	35,630	14.8%	N/A
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	199,971	49,095	1%	N/A
D25		GLAND-ROUGE Nakanoshima-minami	104,064	10,023	15%	N/A
D26		Glenpark Umeda-kita	352,698	35,267	15.5%	N/A
D27		UUR Court Shiki	178,800	178,800	11%	N/A
D28		GRAND-ROUGE Tanimachi Rokuchose (Note 24)	83,652	4,589	13%	N/A
D29	Chatle Otemachi S • N (Note 19)	218,794	18,514	① 1% ② 1%	N/A	
E1	Others	Lilycolor Tohoku Branch	(Note 13)	(Note 13)	11%	N/A
E2		KDDI Fuchu Building	(Note 13)	(Note 13)	11%	N/A
E3		Tsubogawa Square Building	422,752	262,744	8%	N/A
E4		THE PLACE of TOKYO	(Note 13)	(Note 13)	13%	N/A
E5		Logistics Higashi-Ohgishima	(Note 13)	(Note 13)	12%	N/A
E6		MT Ariake Center Building I&II (Note 20)	(Note 13)	(Note 13)	① 12% ② 13%	N/A
E7		Quartz Tower	(Note 13)	(Note 13)	7%	N/A
E8		Shin-Narashino Logistics Center	(Note 13)	(Note 13)	10%	N/A
E9		Kawagoe Logistics Center	(Note 13)	(Note 13)	9%	N/A
E10		Asuto Nagamachi Dental Clinic	(Note 13)	(Note 13)	8%	N/A
E11		Shin-Narashino Logistics Center II	(Note 13)	(Note 13)	9%	N/A
E12		Yoshikawa Logistics Center	(Note 13)	(Note 13)	8%	N/A
E13		Musashimurayama Logistics Center	(Note 13)	(Note 13)	14%	N/A
Total			41,022,114	31,190,639	6.46%	

- Notes: 1. The “Acquisition Price” is an amount (the amounts stated in each purchase and sale agreements excluding consumption taxes) does not include the expenses necessary for making the relevant acquisitions (e.g. agency fees, public taxes and impositions) and is rounded to the nearest million yen.
2. “Appraisal Value at the End of Period” shows the real estate appraisal values or the prices resulting from price surveys using the same methods as appraisals conducted by real estate appraisers as of November 30, 2018.
In addition, “Appraisers” shows the real estate appraisers, which conducted real estate appraisal or price surveys at the time of acquisition of each properties and continuous assessments. The appraisers are referred to as “JREI” for Japan Real Estate Institute, “Tanizawa” for The Tanizawa Sōgō Appraisal Co., Ltd., “Nittochi” for NIPPON TOCHI-TATEMONO Co., Ltd., and “Daiwa” for DAIWA REAL ESTATE APPRAISAL CO., LTD.

3. “Number of Tenants,” “Leasable Floor Space,” “Leased Floor Space,” and “Occupancy Ratio” are based on data as of November 30, 2018. “Leasable Floor Space” means the aggregate leasable floor space of the portions owned by United Urban of individual Investment Real Estate. “Leased Floor Space” means the aggregate of the areas within the total leasable floor space that has been actually leased under lease agreements. (In principle, numerical values in “Leasable Floor Space” and “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies.) With regard to the portion of properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion’s entire floor area. “Occupancy Ratio” is the percentage obtained from dividing “Leased Floor Space” by “Leasable Floor Space.”
4. “Number of Tenants” figures are stated by calculating lessees that have a lease agreement concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a sublease property in which the lessee is subleasing the property to end tenants and if the lease agreement between the owner, United Urban or the asset custodian, and the lessee is a pass-through-type agreement without rental guarantee, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.
5. As a general rule, “Leased Floor Space” indicates the floor space that has been leased to end-tenants under lease agreements. However, for master lease agreements with rental guarantee, the floor spaces in the master lease agreements are indicated.
6. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2018 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. As for residential properties which are leased in the form of a pass-through-type master lease agreement, monthly rent(s) under the lease agreement of end-tenants in effect as of November 30, 2018 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen are shown.
7. “Tenant Leasehold and Security Deposits” are based on data as of November 30, 2018. In addition, “Tenant Leasehold and Security Deposits” include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
8. “PML” (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at “Total” of “PML” represents the overall portfolio PML.
9. As for Himonya Shopping Center, though United Urban had held its 49% quasi co-ownership of the trust beneficial interest at the beginning of the 30th fiscal period, United Urban sold its 19% quasi co-ownership on November 1, 2018. Accordingly, United Urban has held its 30% quasi co-ownership at the end of the 30th fiscal period. “Acquisition Price” and “Appraisal Value at the End of Period” are the amount calculated by multiplying the acquisition price or appraisal value as of the end of the period of the entire building by 30%, respectively.
10. According to the soil environmental survey report on the land of this property prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement (“Reserve for Soil Improvement”), as a condition of the purchase and sale agreement of trust beneficial interest. “Book Value at the End of Period” of this trust beneficial interest is described as ¥3,170 million reflecting the additional amount of trust.
 However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
11. United Urban exchanged a part of the land of Shin-Sapporo Center Building (6.39sq. m) for a part of the adjacent land owned by City of Sapporo (6.39sq. m) on August 24, 2018. In accordance with the exchange of the land, the acquisition price of this property was changed from ¥987,000 thousand to ¥986,700 thousand.
12. United Urban had owned the adjacent site to the b roppongi (acquisition price ¥460 million, the “Adjacent Site”) at the end of the 30th fiscal period. Because United Urban acquired the Adjacent Site in order to construct an extension building of the b roppongi (the “Hotel”), the Adjacent Site is considered to be attached to the Hotel and is not recognized as an independent property. Therefore, the acquisition price of the Adjacent Site is not included in United Urban’s portfolio at the end of the 30th fiscal period.
 On the other hand, as United Urban has been conducting the extension work on the Hotel since November 2017, the “Appraisal Value at the End of Period” for this fiscal period shows the value estimate by the “Income Capitalization Approach (Development Method)”. According to the method, the value estimate is calculated by deducting “the present value of the expenses for the development necessary to accomplish the extension work” from “the present value of the value estimate of the building and land after the extension work”. In addition to above, the value estimate of this property has been assessed in consideration with “the present value of the net operating income related to the existing building during the development period.” Also, the “Book Value at the End of Period” is the amount including the Adjacent Site.
 In addition, United Urban additionally acquired the extension building on December 17, 2018 with the completion of the extension work.
13. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenue, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
14. Because United Urban acquired only land for these properties, there is no applicable information for the PML.
15. SS30 comprises three buildings: Office Building, Fitness Club Building, and Hotel Building, and information in the “PML” are shown for the Office Building expressed as ①, the Fitness Club Building expressed as ②, and the Hotel Building expressed as ③.
16. LOOP-X・M comprises two buildings: LOOP-X (Office Building) and LOOP-M (Residential Building), and information in the “PML” are shown for LOOP-X expressed as ① and LOOP-M expressed as ②.
17. Loisir Hotel & Spa Tower Naha comprises two buildings: (i) Main Building (the “Loisir Hotel Naha”) and (ii) the Annex (Loisir Hotel Spa Tower Naha (the “Spa Tower”) and Loisir Hotel Naha East (the “East”)), and information in the “PML” are shown for the Main Building expressed as ① and the Annex expressed as ②.
18. RIHGA Royal Hotel Kokura・ARUARU City comprises three buildings: Hotel Building, Retail Building I, and Retail Building II, and information in the “PML” are shown for the Hotel Building expressed as ①, the Retail Building I expressed as ②, and the Retail Building II expressed as ③.

19. Chatle Otemachi S・N comprises two buildings: S Building and S Building, and information in the “PML” are shown for S Building expressed as ① and N Building expressed as ②
20. MT Ariake Center Building I&II comprises two buildings: MT Ariake Center Building I (the “Building I”) and MT Ariake Center Building II (the “Building II”), and information in the “PML” are shown for the Building I expressed as ① and the Building II expressed as ②.
21. The property name was changed from “VIVAHOME Yokohama Aoba (Site)” to “Yokohama Aoba Shopping Center (Site)” on June 15, 2018.
22. The property name was changed from “Urawa Royal Pines Hotel” to “Royal Pines Hotel Urawa” on January 1, 2019.
23. The property name was changed from “Sky Court Shiba-Daimon” to “UUR Court Shiba-Daimon” on October 19, 2018.
24. The property name was changed from “Scent Hills” to “GRAND-ROUGE Tanimachi Rokuhome” on June 1, 2018.

(3) Capital Expenditures

1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of November 30, 2018. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Purpose	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Amount payable in the 30th fiscal period	Amount already paid
Miyamae Shopping Center	Kawasaki, Kanagawa	Renewal of entire building (1st period)	From October 2019 to November 2019	151	-	-
Daiei Takarazuka Nakayama	Takarazuka, Hyogo	Repair of multistory parking facility and guest toilets	From January 2019 to May 2019	102	-	-
Pacific Marks Nishi-Umeda	Osaka, Osaka	Renewal of air-conditioning facilities	From January 2019 to May 2019	110	-	-
SS30	Sendai, Miyagi	Repair of exterior wall	From October 2018 to January 2019	229	-	-
LOOP-X・M	Minato-ku, Tokyo	Repair of exterior wall	From April 2019 to November 2019	121	-	-
the b roppongi	Minato-ku, Tokyo	Partial repair of the existing building	From November 2017 to March 2019	102	-	-
Royal Pines Hotel Urawa	Saitama, Saitama	Repair of exterior wall	From April 2018 to March 2019	202	-	-
Royal Pines Hotel Urawa	Saitama, Saitama	Repair of store (MICHELA)	From June 2019 to September 2019	151	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of exterior wall	From December 2018 to May 2019	231	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of banquet hall (Royal hall)	From August 2019 to August 2019	196	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of banquet hall (Corbeille)	From September 2019 to October 2019	169	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms (in some floors)	From June 2019 to July 2019	120	-	-

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 30th fiscal period, which totaled ¥1,406 million. Together with ¥892 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥2,299 million.

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Re-LAND Shopping Center	Funabashi, Chiba	Renewal for presenting environment inside the building (2nd period)	From August 2018 to November 2018	56
Mallage Kashiwa	Kashiwa, Chiba	Repair of rooftop signboard	From November 2018 to November 2018	11
Mallage Kashiwa	Kashiwa, Chiba	Installation work of new tenant	From November 2018 to November 2018	17
Tenjin Loft Building	Fukuoka, Fukuoka	Parts replacement of escalator	From November 2018 to November 2018	31

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Shin-Osaka Central Tower	Osaka, Osaka	Repair of exterior wall (2nd period)	From June 2018 to November 2018	80
Shin-Osaka Central Tower	Osaka, Osaka	Excavating work of water well (No.4)	From June 2018 to November 2018	10
Shin-Osaka Central Tower	Osaka, Osaka	Maintenance work for receiving and transforming facilities of electric rooms (5th period)	From November 2018 to November 2018	43
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of hot and cool water pipes of for air conditioning (in some floors)	From July 2017 to September 2018	102
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of panelboard breaker on each floor (2nd period)	From August 2018 to November 2018	53
FOUR SEASONS BLDG	Shinjuku-ku, Tokyo	Renewal of lighting equipment of exclusive part (in some floors)	From October 2018 to October 2018	12
Pacific Marks Shinjuku Parkside	Shinjuku-ku, Tokyo	Renewal of exterior wall tiles and ceilings	From July 2018 to November 2018	40
Pacific Marks Nishi-Umeda	Osaka, Osaka	Renewal of perimeter zone air conditioning of exclusive part (2nd period)	From October 2018 to November 2018	35
Pacific Marks Esaka	Suita, Osaka	Renewal of air-conditioning facilities (in some floors)	From October 2018 to November 2018	31
SS30	Sendai, Miyagi	Installation of security monitoring sensor for common corridor of the reference floor (office building)	From September 2018 to November 2018	14
LOOP-X・M	Minato-ku, Tokyo	Repair of entrance exterior of residential building	From November 2018 to November 2018	11
Hotel JAL City Naha	Naha, Okinawa	Repair of guest rooms and signboard	From May 2018 to June 2018	173
UUR Yotsuya Sanchome Building	Shinjuku-ku, Tokyo	Renewal of modular bathroom of guest rooms (2nd period)	From June 2018 to November 2018	59
UUR Yotsuya Sanchome Building	Shinjuku-ku, Tokyo	Renewal of air-conditioning facilities for guest rooms (in some floors) (2nd period)	From May 2018 to November 2018	119
Yotsuya 213 Building	Shinjuku-ku, Tokyo	Renewal of air-conditioning facilities of guest rooms (1st period)	From September 2018 to November 2018	13
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Installation of ice machines for common part	From August 2018 to September 2018	13
Royal Pines Hotel Urawa	Saitama, Saitama	Renewal of central supervisory board for disaster control center (2nd period)	From June 2018 to November 2018	45
Other capital expenditures				426
Total				1,406

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

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

	(Millions of yen)				
	26th Fiscal Period (June 1, 2016 - November 30, 2016)	27th Fiscal Period (December 1, 2016 - May 31, 2017)	28th Fiscal Period (June 1, 2017 - November 30, 2017)	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)
Reserve balance at the beginning of period	971	998	1,343	1,308	1,417
Addition to the reserve during the period (Note)	36	379	28	165	51
Reduction of reserve during the period	9	34	63	56	4
Reserve balance to be carried over to the next of period	998	1,343	1,308	1,417	1,465

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

(4) Information Concerning Tenants

Top 10 Tenants by Leased Floor Space

(As of November 30, 2018)

No.	Tenant Name	Property Name	Leased Floor Space (Note 1)	Total Annual Rent (Thousands of yen) (Note 2)	Expiration Date of Contract
1	RIHGA Royal Hotel Kokura Co., Ltd.	RIHGA Royal Hotel Kokura · ARUARU City	58,297.75 m ²	- (Note 3)	March 31, 2025
2	Ito-Yokado Co., Ltd.	Ito-Yokado Owariasahi	54,606.34 m ²	419,090	(Note 4)
3	SBS Logicom Co., Ltd.	· Kawagoe Logistics Center · Yoshikawa Logistics Center	51,157.46 m ²	- (Note 3)	· Kawagoe Logistics Center August 31, 2027 · Yoshikawa Logistics Center July 26, 2027
4	Yamada Denki Co., Ltd.	· Yamada Denki Tecc Land Sakai Honten · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) · Yamada Denki Tecc Land Aoba (Site) · Yamada Denki Tecc Land New Matsudo Honten	49,897.43m ²	- (Note 3)	· Yamada Denki Tecc Land Sakai Honten May 9, 2022 · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) November 15, 2020 · Yamada Denki Tecc Land Aoba (Site) May 31, 2020 · Yamada Denki Tecc Land New Matsudo Honten August 20, 2029
5	FUJITA KANKO INC.	Shinjuku Washington Hotel-Honkan	49,352.65 m ²	1,303,952	October 31, 2023, etc. (Note 5)
6	UNY Co., Ltd.	Narumi Shopping Center (Site)	46,362.44 m ²	- (Note 3)	November 19, 2024, etc. (Note 5)
7	Loisir Hotels Okinawa Co., Ltd.	Loisir Hotel & Spa Tower Naha	45,731.16m ²	720,000	March 31, 2026
8	Yodobashi Camera Co., Ltd.	Yodobashi Camera Multimedia Kichijoji	37,932.95 m ²	- (Note 3)	May 31, 2037
9	Toshiba Electronic Devices & Storage Corporation	Kawasaki Toshiba Building	36,142.30 m ²	1,665,139	October 20, 2023
10	Urawa Royal Pines Co., Ltd.	Royal Pines Hotel Urawa	29,628.04 m ²	1,000,000	March 31, 2026

- Notes: 1. In principle, numerical values in “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. In addition, in the case of a master lease agreement without rental guarantee, “Leased Floor Space” is counted based on the end-tenants who are actually using the property, not based on the tenants who have the lease agreement between the owner, United Urban or the asset custodian.
2. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2018 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent.
3. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenues, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
4. As for Ito-Yokado Owariasahi, the due date for the renewal of lease agreement has arrived on November 11, 2018. However, United Urban hasn’t finished the renewal of lease agreement with a lessee as of November 30, 2018, and the expiration date of contract has not yet been determined.
5. An expiration date of the representative agreement is stated because there are several lease agreements.