

Semiannual Report

Thirty-ninth Fiscal Period

From December 1, 2022 to May 31, 2023

39th



Profile

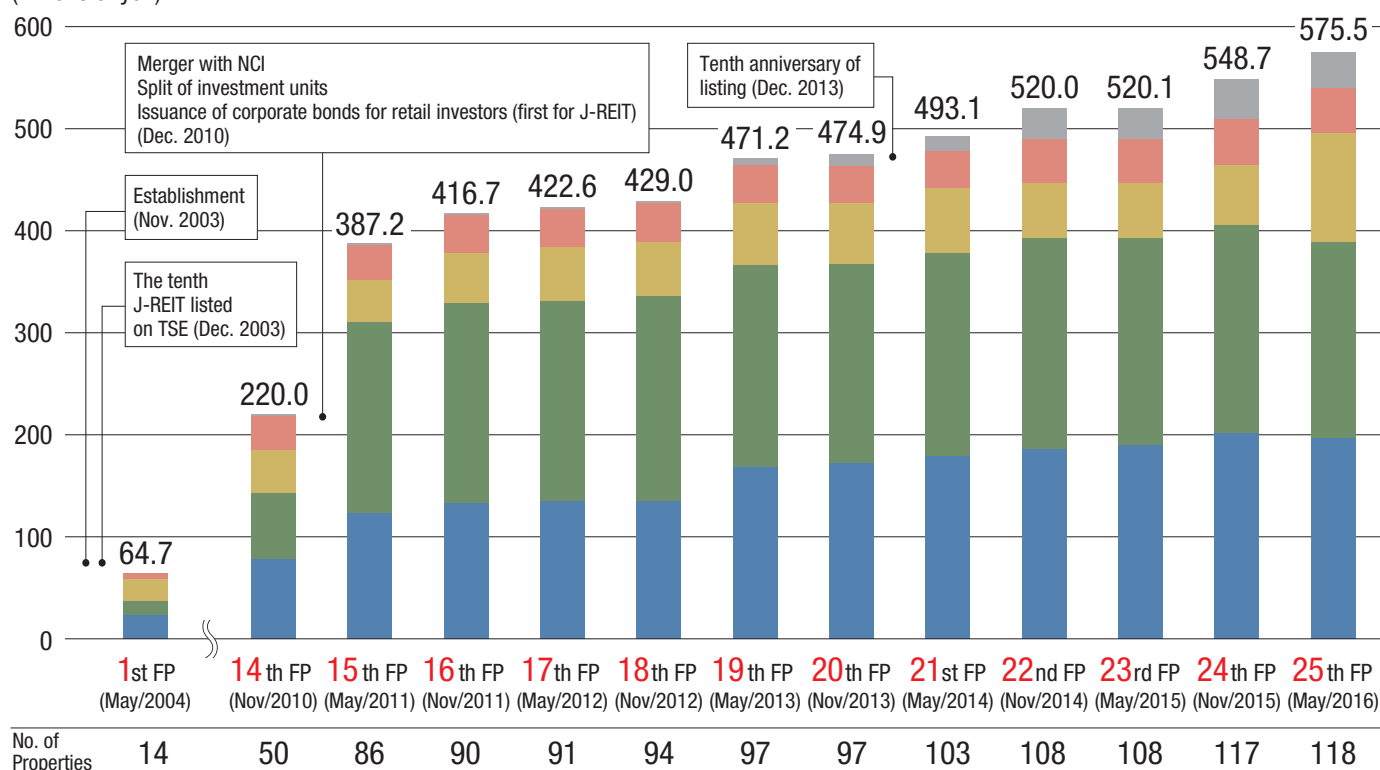
United Urban Investment Corporation (“United Urban”) was incorporated on November 4, 2003, under the Act on Investment Trusts and Investment Corporations of Japan. On December 22, 2003, United Urban was listed on the real estate investment trust (“J-REIT”) section of the Tokyo Stock Exchange (Securities Code: 8960), and United Urban has been growing steadily since listing. In addition, through the merger with Nippon Commercial Investment Corporation (“NCI”) in December 2010, United Urban considerably expanded the size of assets.

In order to obtain stable earnings over the medium to long term, United Urban intends to form an optimal portfolio that is diversified both in terms of the types of use and areas of location, which is thought to cope with economic and real estate market fluctuations. And United Urban will conduct asset management aiming to both improve revenues and mitigate risk through property management and enhancement of property values based on a bottom-up approach.

Growth of Assets (Note 1)

■ Retail Properties ■ Office Buildings ■ Hotels ■ Residential Properties ■ Others

(Billions of yen)



Notes: 1. The total acquisition prices of properties owned by United Urban at the end of each fiscal period are shown above, and figures are rounded to the units stated.

2. Unless otherwise indicated, in principle, all figures in this report are rounded down to the nearest unit.

3. In this document, J-REIT refers to a real-estate investment trust listed on a Japanese stock exchange.



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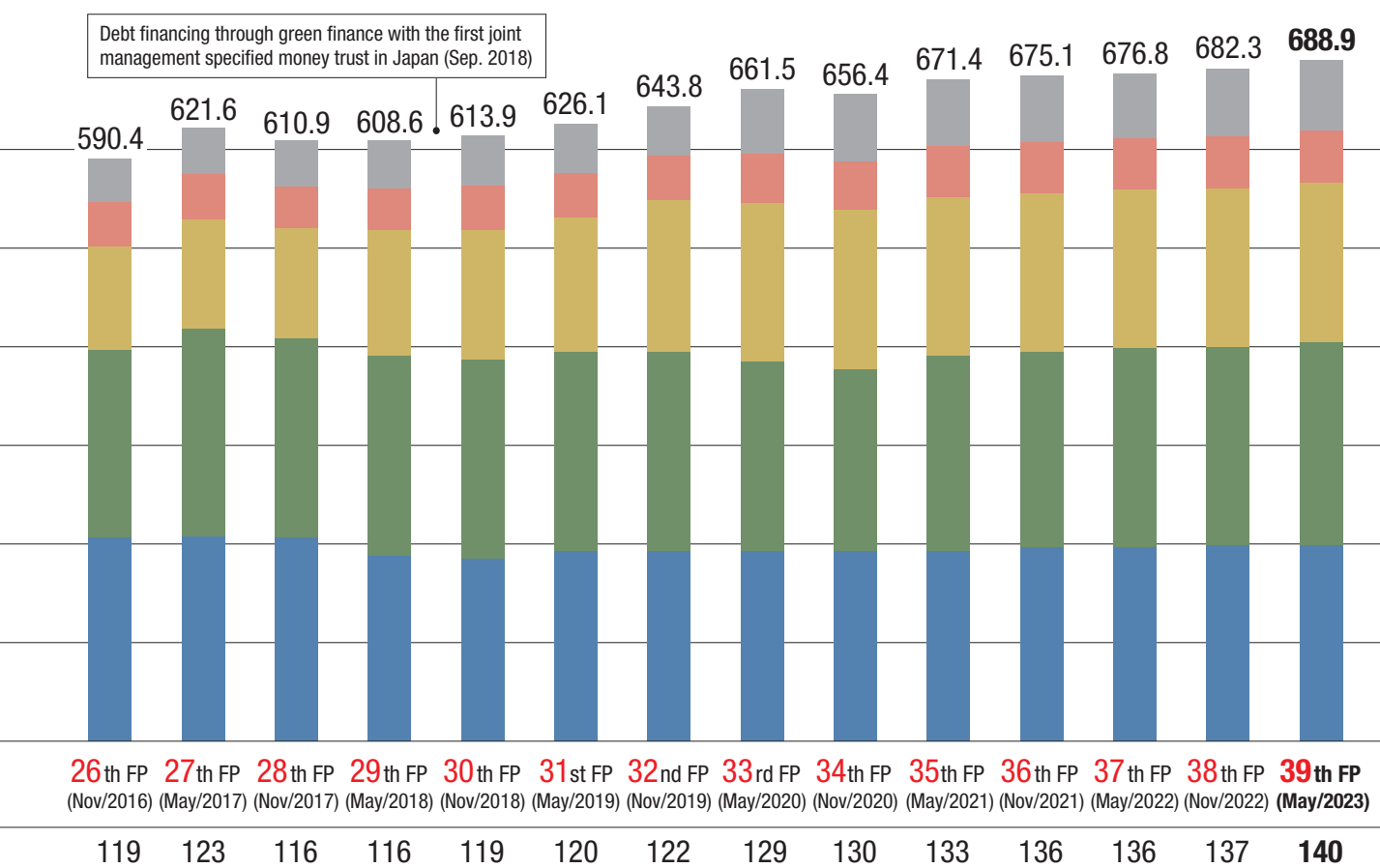
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The shareholder of Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company that United Urban entrusts with asset management services, is the general trading company Marubeni Corporation (“Marubeni”). United Urban takes full advantage of the functions and the wide-ranging information network and support provided by Marubeni and its affiliated companies to execute property acquisition and sales, tenant leasing, and to reduce costs, etc. Furthermore, United Urban aims to develop and manage a stable portfolio of properties over the medium to long term.

Marubeni



Japan REIT Advisors Co.,Ltd.



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Key Figures (As of May 31, 2023)

Cash Distribution per Unit for the 39th Fiscal Period

¥3,229

Total Acquisition Price

¥689 billion

Number of Properties

140

Occupancy Rate

98.4%

Loan-to-Value Ratio (LTV) (total assets basis) (Note)

44.3%

Note | LTV (total assets basis) =
Interest-bearing liabilities (including corporate bonds) / Total assets

Ratings (As of June 30, 2023)



Long-term issuer rating

AA

Rating outlook: Stable

Total Amount of Retained Earnings (Note)

¥9,901 million

Note | Reserve for temporary difference adjustments and
reserve retained for distribution

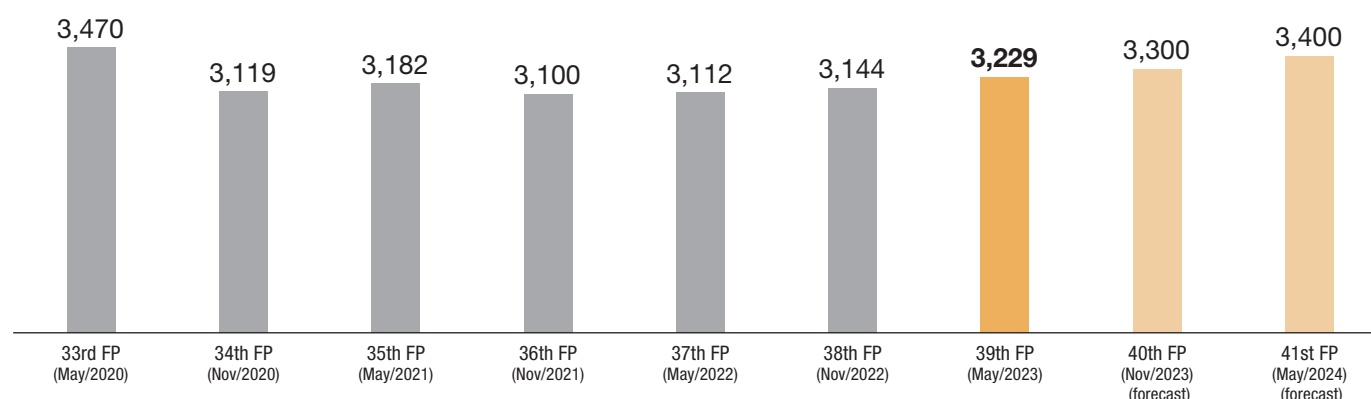
Financial Highlights

Financial Indicators

(Millions of yen, except per unit information)

	37th Fiscal Period December 1, 2021 – May 31, 2022	38th Fiscal Period June 1, 2022 – November 30, 2022	39th Fiscal Period December 1, 2022 – May 31, 2023	40th Fiscal Period June 1, 2023 – November 30, 2023 (forecast)	41st Fiscal Period December 1, 2023 – May 31, 2024 (forecast)
Operating revenues	¥ 24,184	¥ 24,433	¥ 25,052	¥ 25,305	¥ 25,273
Operating income	10,553	10,627	10,903	11,220	11,568
Ordinary income	9,628	9,666	9,930	10,148	10,458
Net income	9,628	9,666	9,929	10,148	10,458
Total cash distribution	9,704	9,741	10,005	10,225	10,535
Cash distribution per unit (Yen)	3,112	3,144	3,229	3,300	3,400
Total assets	715,568	714,899	723,202	—	—
Total net assets	363,291	360,338	360,480	—	—
Net assets per unit (Yen)	116,501	116,291	116,336	—	—

Cash distribution per unit (Yen)



Cash distribution per unit forecast for the
40th Fiscal Period:

(From June 1, 2023 to November 30, 2023)

¥ 3,300

Cash distribution per unit forecast for the
41st Fiscal Period:

(From December 1, 2023 to May 31, 2024)

¥ 3,400

Note: Cash distribution per unit forecast is our current expectations produced as of July 19, 2023, based on certain assumptions. Accordingly, the actual cash distributions per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other circumstances around United Urban. In addition, the forecasts are not guarantees of payment of any cash distributions by United Urban. For the latest information of forecasts, please refer to United Urban's website.

To Our Unitholders

We would like to express our sincere gratitude for your support and patronage of United Urban Investment Corporation (“United Urban”).

On July 19, 2023, United Urban announced the financial results for the 39th fiscal period ended May 31, 2023.

Under our diversified investment policy, in this fiscal period, United Urban, for the first time as a development company, completed housing for the elderly on schedule. We have acquired the building and started the operation of the property. In addition to this property, we acquired three others: one residential property, one logistics facility, and one office building, for a total of four properties acquired in this fiscal period (total acquisition price: ¥6.62 billion). As a result, we improved the profitability of our property portfolio.

For the 39th fiscal period, although the business environment remained uncertain due to a global surge in the costs of energy and raw materials, and the accompanying price increases, United Urban posted operating revenues of ¥25,052 million (an increase of ¥618 million over the previous fiscal period) and net income of ¥9,929 million (an increase of ¥263 million over the previous fiscal period). These increases were due to a recovery in domestic demand, mainly from higher personal consumption and the relaxation of immigration restrictions on people from overseas visiting Japan after the slowdown in COVID-19 infections, as well as our drive to improve profitability for each type of property and field. As a result, the cash distribution per unit for the 39th fiscal period became ¥3,229 (an increase of ¥85 over the previous fiscal period).

United Urban, together with our asset manager, Japan REIT Advisors Co., Ltd. (“JRA”), will focus on stable management over the medium to long term with a view to improving our added value.

Your continuing support and kind attention are highly appreciated.

Toshiaki Emon (left)

Executive Officer
United Urban Investment Corporation

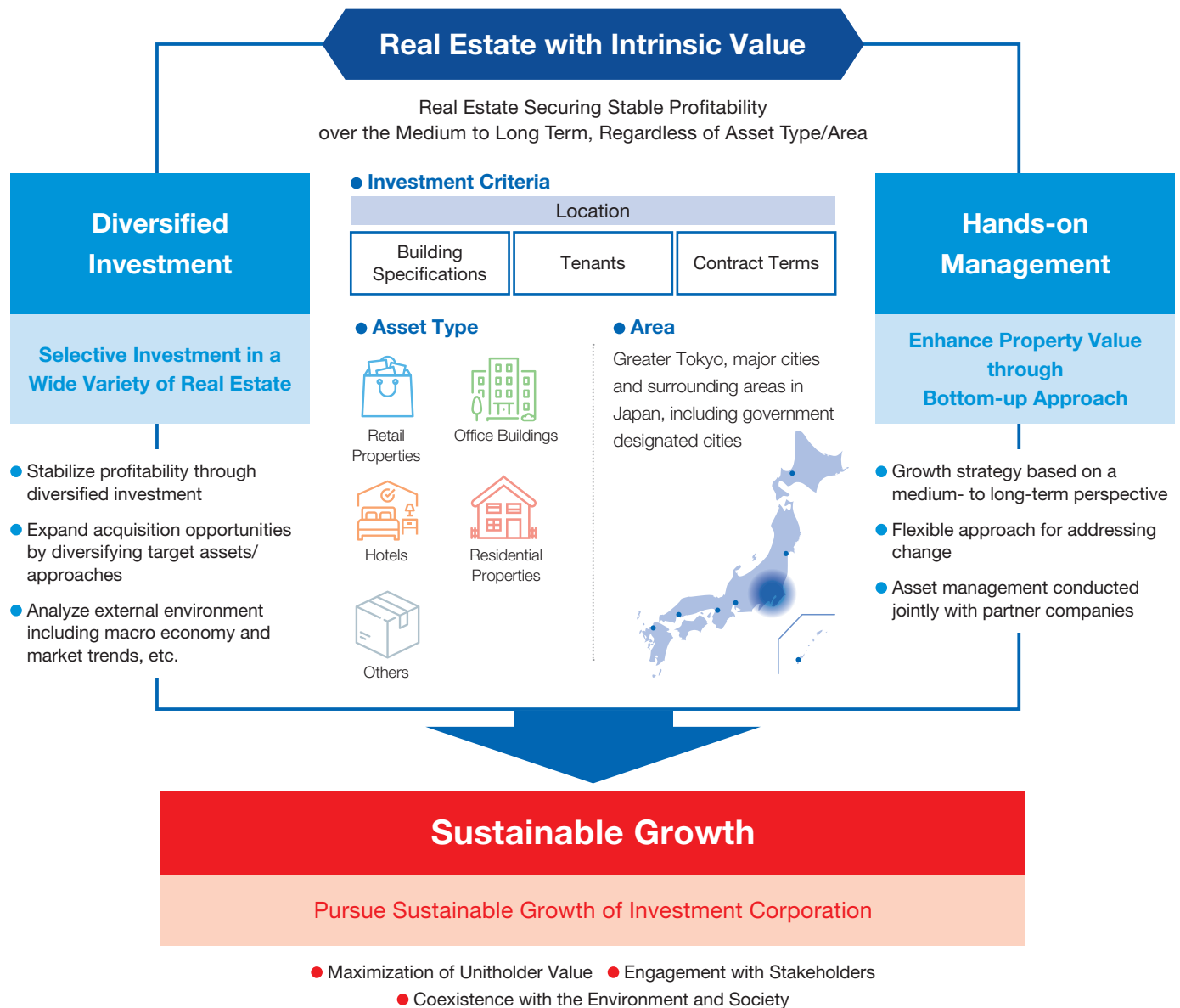
Junichi Batai

President and Chief Executive Officer
Japan REIT Advisors Co., Ltd.



Distinctive Features of United Urban

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



Diversified Investment

- Regardless of specific asset types and locations, United Urban pursues various real estate investment opportunities with superior potential and acquires properties with intrinsic value.
- United Urban makes investments in properties deemed to be the most advantageous by carefully eyeing the market conditions for asset types and locations. This enables us to focus on reasonable acquisitions amid fierce investment competition and to continue acquiring properties at the target yield.

Hands-on Management

- United Urban takes a bottom-up approach and prioritizes communications with tenants and strategic business partners to maximize the potential of every property. Through strategic investments, including large renewal/expansion to capitalize on anticipated change in customer needs and market trends, United Urban keeps and raises the value of every property.
- By proactive leasing and reducing operating costs, United Urban also aims to increase the profitability of every property.

Acquisitions and Sales of Properties

New Acquisition during the 39th Fiscal Period

D36 GRAND-ROUGE Joto

RESIDENTIAL PROPERTIES



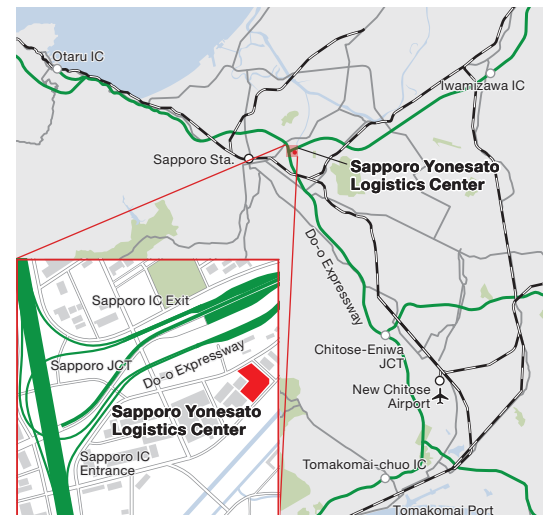
■ Location	Osaka, Osaka
■ Structure and Scale	RC 11F
■ Completed	January 2008
■ Acquisition Date	December 22, 2022
■ Acquisition Price	¥1,755 million

Note: As of November 2022.

- Located in Joto Ward, with the second-highest population density within Osaka City^(Note). 5 stations on 4 train lines are nearby, including JR, subway, and private railways, within a ten-minute walk from the property.
- Unit size ranges 30–60 m², appealing to people from single occupants to family households.
- Neighborhoods have public facilities including parks, the ward office and the municipal library as well as supermarkets and a DIY store which give residents convenience of living.

E22 Sapporo Yonesato Logistics Center

OTHERS



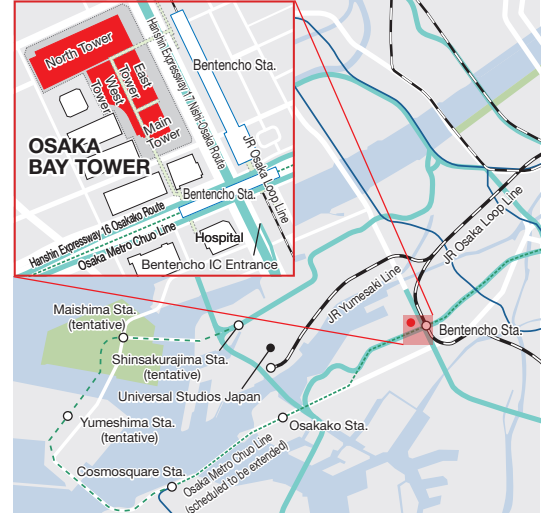
■ Location	Sapporo, Hokkaido
■ Structure and Scale	S 4F
■ Completed	September 1998
■ Acquisition Date	December 22, 2022
■ Acquisition Price	¥1,177 million

Note: Sapporo City, Otaru City, Tomakomai City, etc.

- The Do-O Expressway is a major transportation artery that connects Hokkaido's major cities from north to south via Sapporo City, New Chitose Airport and Tomakomai Port.
- The property has excellent access to the Sapporo metropolitan area^(Note) and city center via the Sapporo Interchange.
- The property has a ceiling height of 6.8 m, a floor load of approximately 0.6 tons/m² to 1.4 tons/m², a standard column span of 8.75 m x 9 m and 13 truck berths. It has highly versatile specifications and can accommodate a wide range of tenant needs, including shippers and 3PL operators.

B50 OSAKA BAY TOWER (Acquire 10% quasi co-ownership of the trust beneficial interest)

OFFICE BUILDINGS



■ Location	Osaka, Osaka
■ Structure and Scale	SRC/S/RC B3/50F
■ Completed	September 1993
■ Acquisition Date	March 20, 2023
■ Acquisition Price	¥2,637 million

Note: Heavy-duty zone is an area that is reinforced to withstand heavy loads for server rooms, cabinets, etc.

- Within 10 minutes by train to the Umeda area and Honmachi area in the center of Osaka. The property is connected to Bentencho Station, a transport hub between the Osaka Bay area and the center of Osaka.
- The location potential is expected to be further improved as the property is close to Yumesima where the upcoming 2025 Japan International Exposition ("the Osaka Expo") and the integrated resorts are planned.
- The floor plate of the Main Tower has excellent views and more than enough natural lighting with a ceiling height of 2.5 m and 1,138 m² of pillar-free space, creating a flexible layout. Each floor has heavy-duty zones ^(Note) with a floor load of 500 kg/m², where data servers and archives can be installed.

E20 Granda Miyanomori (Former name: Miyanomori Nijo Development Site)

OTHERS



■ Location	Sapporo, Hokkaido
■ Structure and Scale	RC 5F
■ Completed	May 2023
■ Acquisition Date	September 30, 2021
■ Acquisition Price	¥1,423 million

Note: The property name was changed from Miyanomori Nijo Development Site to Granda Miyanomori on May 31, 2023. United Urban acquired the land on September 30, 2021, and acquired the building on May 31, 2023, respectively. An acquisition price shows the total price of land and building, and the acquisition date of land is stated.

- A five-story housing for the elderly with 62 rooms, all private rooms.
- Located in a high-class residential area centered on single-family housing in Sapporo. The neighborhood is rich in nature and close to Maruyama Park.
- About 7 minutes to Odori Station in the center of Sapporo City without changing trains and a highly convenient location for transportation.

Acquisitions and Sales of Properties

New Acquisition during the 40th Fiscal Period

A45 Higashi-Matsudo Shopping Center

RETAIL PROPERTIES



■ Location	Matsudo, Chiba
■ Structure and Scale	Residence: RC 19F Mall: S 1F
■ Completed	January 2018
■ Acquisition Date	June 1, 2023
■ Acquisition Price	¥2,200 million

- With supermarkets as a main tenant, the facility composes of tenants providing high living convenience, including drug stores and clinics.
- Located in Matsudo City, Chiba Prefecture, and a two-minute walk from Higashi-Matsudo Station, where there are three train lines, including JR and private railways.
- Within walking distance, there are parks, nurseries, libraries, and other public facilities, providing a good living environment.

Sale of Property in the 40th Fiscal Period

D16 GRAND-ROUGE Sakae

RESIDENTIAL PROPERTIES



Location	Nagoya, Aichi	Date of Sale	June 1, 2023
Completed	March 2006	Sale Price	¥1,450 million
Acquisition Date	November 30, 2006	Book Value ^(Note 2)	¥1,121 million
Acquisition Price	¥1,570 million	Gain or loss on Sale of Property ^(Note 3)	+¥310 million
Appraisal Value ^(Note 1)	¥1,430 million		

Notes: 1. As of May 31, 2023.
2. As of the date of sale.
3. Estimated amount.

- Acquired in 2006 for new construction. Maintained stable operation since being acquired.
- Decided to sell the property, considering prospective capital expenditure and conditions of real estate market.
- Reused proceeds from the sale for a new acquisition in the 40th fiscal period.

Hands-on Management

Create liveliness and improve profitability of the entire facility through strategic tenant mix and replacement aiming at stable operation of retail properties.

A38 Luz Shonan Tsujido Fujisawa, Kanagawa

RETAIL PROPERTIES



- Plans to raise profitability over the medium to long term by taking advantage of the expiration of contracts of major tenants during the COVID-19 pandemic. Focuses on reviewing the tenant mix of the entire facility through industry conversion and replacement of the same industry from 2021.
- Attracts multiple tenants with a strong ability to attract customers and pay the rent, contributing to the increase in migration of visitors inside retail properties.

Renewal open April 2023

Monthly rent **+13%**

Compared with the 34th ('20/11) FP before renewal construction work started



Newly structured clinic mall



1

Under the sponsorship of Fujisawa City, Luz Shonan Tsujido, Tsujido Revitalization Committee and others organized Tsujido Festival ("TSUJI FES") for two days from the day that this property reopened.

2

Various programs were arranged by local organizations and the property contributed to revitalizing the local community.

Main programs organized

Program 1

Art events and workshops in collaboration with local universities.

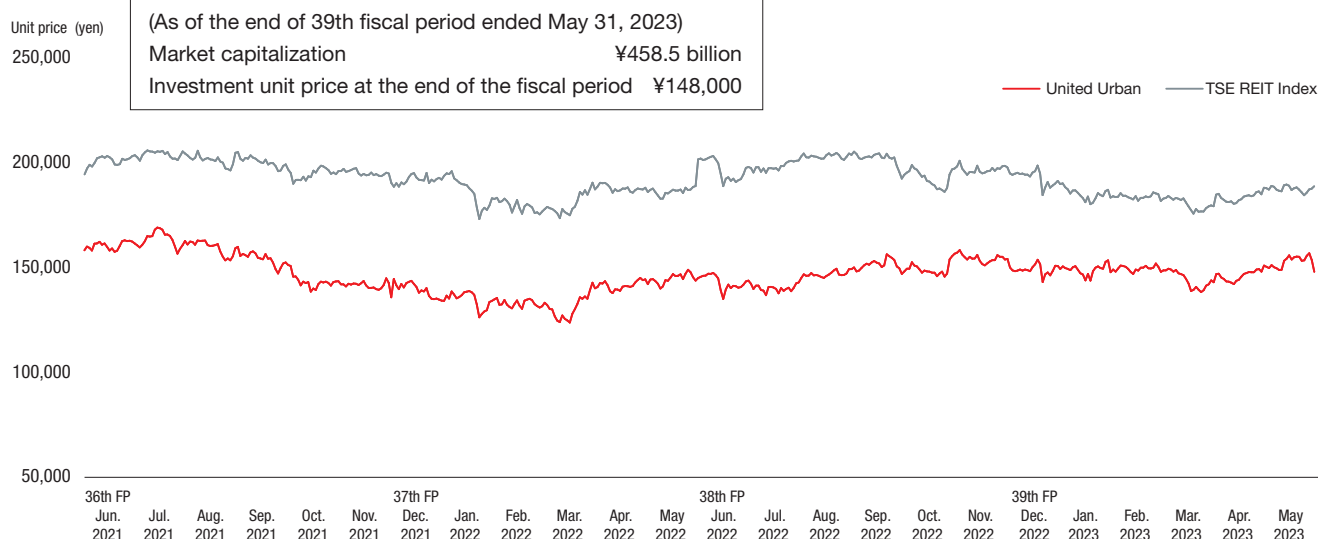
Program 2

Sports lesson / game tournaments for kids with local professional sports teams (baseball, soccer, basketball).



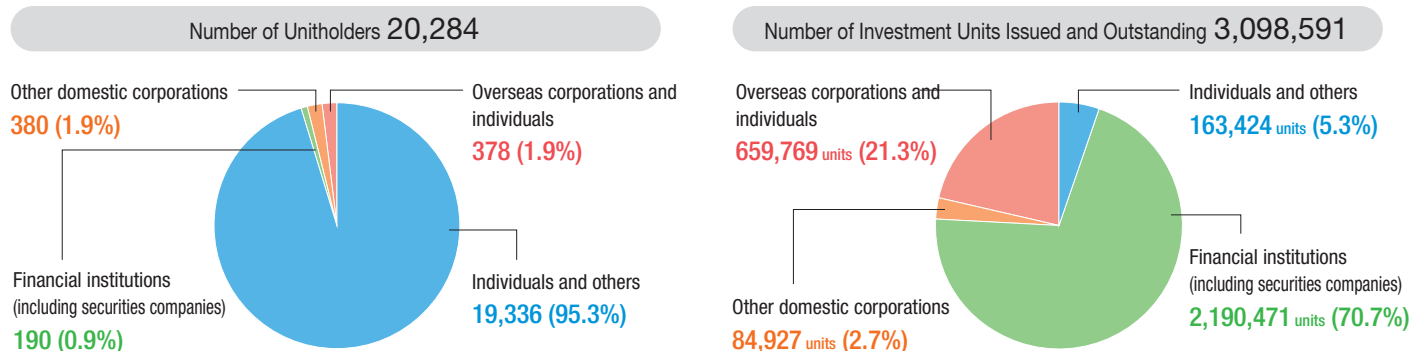
Investment Unit Information

Change in Unit Price



Note: TSE REIT Index is shown indexed based on the unit price of United Urban as of December 1, 2010 (the effective date of the merger with NCI).

Breakdown of Unitholders (As of May 31, 2023)



Note: Percentage figures are rounded to the nearest one decimal place. Therefore, the sum of the figures does not always add up to 100%.

Policy of Retained Earnings Utilization ^(Note)

United Urban aims to enhance unitholders' value over medium to long term through the utilization of retained earnings, considering the stability of distribution per unit ("DPU").

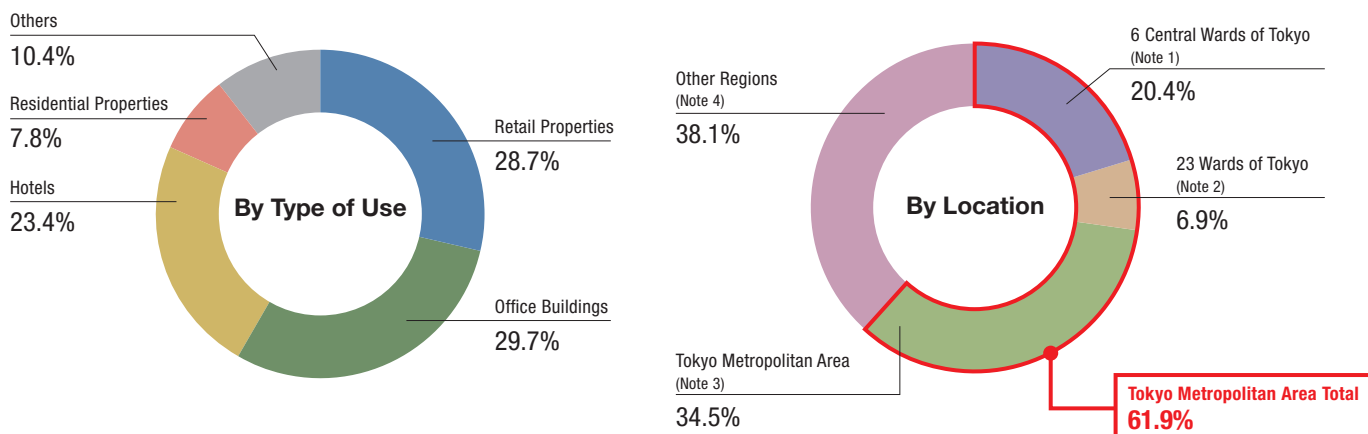
- Promotion of external growth with the flexible equity-raise**
 United Urban will use retained earnings to mitigate the influence in such cases as the dilution of DPU arising from the issuance of new investment units. Flexibility of equity-finance corresponding to the economic and financial markets and promotion of external growth can be expected through these initiatives.
- Portfolio management from a medium- to long-term perspective**
 United Urban will use retained earnings to maintain DPU levels in such cases as losses on the sale of properties or sudden decreases in revenues (major tenants' leaving, etc.). This will enable us to build the optimum portfolio and asset management from a medium- to long-term perspective.
- Coping with difference between accounting and taxation**
 United Urban will mitigate the risk of large amount of corporate tax by adding the retained earnings to the cash distribution, when there are concerns over the difference between accounting and taxation such as impairment losses.
- Response to state of emergency**
 In case that an unforeseen circumstance arises, and this is expected to give a significant impact on the United Urban's asset management, United Urban will clearly state its policy to utilize retained earnings in an effort to stabilize distributions.

Note: Reserve for temporary difference adjustments and reserve retained for distribution.

Portfolio Properties

Portfolio Data

Portfolio Breakdown (Based on acquisition prices) (As of the end of 39th fiscal period ended May 31, 2023)



Notes: 1. The "6 Central Wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya, and Shinagawa.

2. The "23 Wards of Tokyo" are all 23 wards excluding the 6 central wards of Tokyo.

3. The "Tokyo Metropolitan Area" refers to the capital region (Tokyo Metropolis, Kanagawa Prefecture, Chiba Prefecture, Saitama Prefecture, Ibaraki Prefecture, Gunma Prefecture, Tochigi Prefecture, and Yamanashi Prefecture) excluding the 23 wards of Tokyo.

4. "Other Regions" refers to other major cities in Japan including government designated cities (excluding cities located in the capital region) and surrounding areas. In addition, "Other Regions" includes "Osaka Area: Osaka Prefecture, Kyoto Prefecture, and Hyogo Prefecture," "Nagoya Area: Aichi Prefecture, Mie Prefecture, and Gifu Prefecture," and "Other Area: a general term for areas excluding the capital region, Osaka Area or Nagoya Area."

Occupancy Rate

	2022			2023		
	End of December	End of January	End of February	End of March	End of April	End of May
Retail Properties	98.9%	99.0%	99.2%	99.3%	98.1%	98.2%
Office Buildings	97.1%	97.2%	97.9%	97.6%	96.9%	97.0%
Hotels	99.9%	99.8%	99.8%	99.8%	99.8%	99.5%
Residential Properties	97.6%	97.3%	97.8%	98.3%	97.6%	96.7%
Others	100.0%	100.0%	100.0%	100.0%	99.8%	99.8%
Total	98.9%	98.9%	99.1%	99.1%	98.5%	98.4%

Portfolio Properties

Portfolio Roster (As of the end of 39th fiscal period ended May 31, 2023)

No.	Property Name	Area	Location	Completion Date (Notes 1 & 4)	Acquisition Date (Note 2)	
Retail Properties						
A2	Joy Park Izumigaoka	Other Regions	Sakai, Osaka	Nov. 2000	Dec. 22, 2003	
A4	Luz Funabashi	Tokyo Metropolitan Area	Funabashi, Chiba	Mar. 1998	Sep. 17, 2004	
A6	TENJIN LUCE	Other Regions	Fukuoka, Fukuoka	Nov. 2005	Apr. 14, 2006	
A7	Tecc LAND Sakai Honten	Other Regions	Sakai, Osaka	May 2002	Apr. 28, 2006	
A8	Miyamae Shopping Center	Tokyo Metropolitan Area	Kawasaki, Kanagawa	Oct. 1993	Feb. 19, 2007	
A9	KONAMI SPORTS CLUB Korigaoka	Other Regions	Hirakata, Osaka	Dec. 2006	Jun. 29, 2007	
A10	ACTIOLE Minami-ikebukuro	23 Wards of Tokyo	Toshima-ku, Tokyo	Nov. 2006	Sep. 27, 2007	
A11	Tip's Machida Building	Tokyo Metropolitan Area	Machida, Tokyo	Jun. 1992	Dec. 27, 2007	
A12	Daiei Takarazuka Nakayama	Other Regions	Takarazuka, Hyogo	Nov. 1997	Jan. 30, 2008	
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) ^(Note 5)	Tokyo Metropolitan Area	Yokohama, Kanagawa	—	Feb. 18, 2008	
A14	ACTIOLE Kannai	Tokyo Metropolitan Area	Yokohama, Kanagawa	Sep. 2007	Jun. 30, 2008	
A15	Shinsaibashi OPA Honkan	Other Regions	Osaka, Osaka	Nov. 1994	Dec. 1, 2010	
A19	Albore Jingumae	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	Feb. 2006	Dec. 1, 2010	
A20	Albore Sendai	Other Regions	Sendai, Miyagi	Mar. 1997	Dec. 1, 2010	
A21	Mallage Kashiwa	Tokyo Metropolitan Area	Kashiwa, Chiba	Jun. 2004	Dec. 1, 2010	
A23	Ito-Yokado Owariasahi	Other Regions	Owariasahi, Aichi	Oct. 1998	Dec. 1, 2010	
A24	Yokohama Kariba Shopping Center	Tokyo Metropolitan Area	Yokohama, Kanagawa	Sep. 2007	Dec. 1, 2010	
A25	Luz Jiyugaoka	23 Wards of Tokyo	Meguro-ku, Tokyo	May 2009	Jun. 15, 2011	
A26	ACTIOLE Ichikawa	Tokyo Metropolitan Area	Ichikawa, Chiba	Apr. 2010	Jun. 15, 2011	
A27	Yokohama Aoba Shopping Center (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	—	Oct. 31, 2011	
A28	Yamada Denki Tecc Land Aoba (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	—	May 18, 2012	
A29	Yodobashi Camera Multimedia Kichijoji	Tokyo Metropolitan Area	Musashino, Tokyo	May 1974	Mar. 18, 2013	
A30	Kaden Sumairu-kan YAMADA Matsudo Honten	Tokyo Metropolitan Area	Matsudo, Chiba	Aug. 2009	Mar. 18, 2013	
A31	Luz Fukuoka Tenjin ^(Note 17)	Other Regions	Fukuoka, Fukuoka	Mar. 1989	Nov. 29, 2013	
A32	Narumi Shopping Center (Site)	Other Regions	Nagoya, Aichi	—	Apr. 8, 2014	
A33	Plussing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	Dec. 2007	Aug. 29, 2014	
A34	LIFE Nishikujo (Site)	Other Regions	Osaka, Osaka	—	Mar. 2, 2015	
A35	LIFE Tamatsukuri (Site)	Other Regions	Osaka, Osaka	—	Mar. 2, 2015	
A36	Granbell Ginza Building	6 Central Wards of Tokyo	Chuo-ku, Tokyo	Oct. 2006	Jun. 30, 2015	
A37	UUR Tenjin Nishi-dori Building	Other Regions	Fukuoka, Fukuoka	Mar. 2010	Jul. 15, 2015	
A38	Luz Shonan Tsujido	Tokyo Metropolitan Area	Fujisawa, Kanagawa	Aug. 2010	Sep. 30, 2015	
A39	ACTIOLE Ueno	23 Wards of Tokyo	Taito-ku, Tokyo	Sep. 1984	Dec. 4, 2015	
A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	Feb. 2005	Sep. 1, 2016	
A41	K's Denki Nagoya-kita	Other Regions	Nishikasugai-gun, Aichi	Jun. 2000	Dec. 1, 2016	
A42	Luz Musashikosugi	Tokyo Metropolitan Area	Kawasaki, Kanagawa	May 2008	Dec. 28, 2018	
A43	LEVEN Otakanomori	Tokyo Metropolitan Area	Nagareyama, Chiba	Jul. 2017	Jun. 30, 2021	
A44	Gulliver Hachioji Minamino	Tokyo Metropolitan Area	Hachioji, Tokyo	Aug. 2018	Jun. 30, 2022	
Office Buildings						
B1	T&G Hamamatsucho Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	Dec. 1988	Dec. 26, 2003	
B3	Fukuoka Eartheon Building	Other Regions	Fukuoka, Fukuoka	Sep. 1998	Dec. 26, 2003	
B4	Kojimachi Center Place ^(Note 18)	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	Sep. 1989	Mar. 29, 2004	
B6	Shin-Osaka Central Tower ^(Note 6)	Other Regions	Osaka, Osaka	Jun. 1989	Dec. 2, 2004	
B7	Kawasaki Toshiba Building	Tokyo Metropolitan Area	Kawasaki, Kanagawa	Apr. 1987	Dec. 20, 2004	
B8	UUR Toyocho Building	23 Wards of Tokyo	Koto-ku, Tokyo	Nov. 1990	Jun. 30, 2008	
B9	FOUR SEASONS BLDG	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Oct. 1994	Dec. 25, 2009	
B11	Pacific Marks Shinjuku Parkside	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Mar. 1989	Dec. 1, 2010	
B13	Pacific Marks Tsukishima	6 Central Wards of Tokyo	Chuo-ku, Tokyo	Mar. 1990	Dec. 1, 2010	
B14	Pacific Marks Yokohama East	Tokyo Metropolitan Area	Yokohama, Kanagawa	Oct. 1992	Dec. 1, 2010	
B17	Akasaka Hikawa Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	Apr. 1984	Dec. 1, 2010	
B18	Pacific Marks Shibuya Koen-dori	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	Aug. 1996	Dec. 1, 2010	
B20	Pacific Marks Akasaka-mitsuke	6 Central Wards of Tokyo	Minato-ku, Tokyo	Mar. 1994	Dec. 1, 2010	
B22	Pacific Marks Shin-Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	Oct. 1991	Dec. 1, 2010	
B25	Pacific Marks Kawasaki	Tokyo Metropolitan Area	Kawasaki, Kanagawa	Aug. 2004	Dec. 1, 2010	
B26	Hamamatsucho 262 Building ^(Note 7)	6 Central Wards of Tokyo	Minato-ku, Tokyo	Feb. 1993	Dec. 1, 2010	
B27	Lila Hijirizaka	6 Central Wards of Tokyo	Minato-ku, Tokyo	Nov. 1991	Dec. 1, 2010	
B29	Otsuka HT Building	23 Wards of Tokyo	Toshima-ku, Tokyo	Mar. 1990	Dec. 1, 2010	
B30	Pacific Marks Shinjuku South-gate	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Aug. 1985	Dec. 1, 2010	
B31	Pacific Marks Nishi-Umeda	Other Regions	Osaka, Osaka	Mar. 1997	Dec. 1, 2010	
B32	Pacific Marks Higobashi	Other Regions	Osaka, Osaka	Oct. 1983	Dec. 1, 2010	
B35	Pacific Marks Sapporo Kita-Ichijo	Other Regions	Sapporo, Hokkaido	Feb. 1993	Dec. 1, 2010	
B36	Shin-Sapporo Center Building	Other Regions	Sapporo, Hokkaido	Sep. 1991	Dec. 1, 2010	
B37	ARENA TOWER	Tokyo Metropolitan Area	Yokohama, Kanagawa	May 2008	Jun. 16, 2011	
B38	Yushima First Building	23 Wards of Tokyo	Bunkyo-ku, Tokyo	Feb. 1989	Aug. 29, 2012	
B39	Dogenzaka Square	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	Oct. 2004	Nov. 22, 2012	
B40	GRAND-SQUARE Shin-Sakae	Other Regions	Nagoya, Aichi	May 2009	Feb. 28, 2014	
B41	GRAND-SQUARE Meieki-minami	Other Regions	Nagoya, Aichi	Feb. 2009	Feb. 28, 2014	
B42	Shiba 520 Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	Jul. 1994	Mar. 28, 2014	
B43	Hirose-dori SE Building	Other Regions	Sendai, Miyagi	Nov. 2007	Jun. 13, 2014	
B44	SS30 ^(Note 6 & 8)	Other Regions	Sendai, Miyagi	Mar. 1989	Mar. 30, 2017	
B45	LOOP-X・M ^(Note 9)	6 Central Wards of Tokyo	Minato-ku, Tokyo	Nov. 1991	Apr. 26, 2017	
B46	Toranomon Hills Mori Tower	6 Central Wards of Tokyo	Minato-ku, Tokyo	May 2014	Dec. 1, 2020	
B47	Toranomon PF Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	Mar. 1986	Dec. 1, 2020	
B48	UUR Kyobashi East Building	6 Central Wards of Tokyo	Chuo-ku, Tokyo	Apr. 2017	Mar. 31, 2021	
B49	IIDABASHI PLANO ^(Note 7)	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	Feb. 2009	Mar. 31, 2022	
B50	OSAKA BAY TOWER	Other Regions	Osaka, Osaka	Sep. 1993	Mar. 20, 2023	

	Acquisition Price (Millions of yen) (Note 3)	Site Area (m ²) (Note 1)	Total Floor Space (m ²) (Note 1)	Structure (Notes 1 & 4)	Number of Floors (Notes 1 & 4)	Type of Ownership	
						Land	Building
	6,770	10,368.45	29,250.71	RC/S	5F	Proprietary Ownership	Proprietary Ownership
	5,200	5,198.20	12,944.65	SRC	B2/5F	Proprietary Ownership	Proprietary Ownership
	6,500	1,138.66	5,458.81	RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	3,210	10,702.86	8,637.63	S	3F	Proprietary Ownership	Proprietary Ownership
	5,312	6,937.54	17,338.54	RC	4F	Proprietary Ownership	Proprietary Ownership
	2,040	4,120.00	6,381.40	S	4F	Proprietary Ownership	Proprietary Ownership
	3,760	320.39	2,265.15	RC	B1/8F	Proprietary Ownership	Proprietary Ownership
	4,100	1,596.82	8,075.04	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	4,284	16,330.14	16,729.60	S	B1/3F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	11,904	53,363.57	—	—	—	Proprietary Ownership (Co-ownership)	—
	2,410	375.17	2,238.82	S/RC	B1/9F	Proprietary Ownership	Proprietary Ownership
	22,800	2,430.23	25,895.78	S/RC	B3/12F	Proprietary Ownership	Proprietary Ownership
	1,580	308.02	816.60	S/RC	B1/4F	Proprietary Ownership	Proprietary Ownership
	2,590	736.01	4,082.94	S/SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	7,040	63,755.15	54,689.28	S	2F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,840	34,612.39	56,371.77	S	6F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	2,500	7,093.66	10,628.44	S	5F	Proprietary Ownership	Proprietary Ownership
	5,090	828.70	2,771.59	S/SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	3,350	749.42	4,452.39	S/RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	2,600	9,193.00	—	—	—	Proprietary Ownership	—
	2,150	7,594.00	—	—	—	Proprietary Ownership	—
	28,000	3,582.39	37,932.95	S/SRC	B4/9F	Proprietary Ownership	Proprietary Ownership
	5,150	7,311.98	17,461.22	S/SRC	4F	Proprietary Ownership	Proprietary Ownership
	4,350	1,947.80	10,594.19	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	6,460	60,747.02	—	—	—	Proprietary Ownership	—
	1,800	2,450.62	3,471.69	S	4F	Proprietary Ownership	Proprietary Ownership
	1,760	3,252.76	—	—	—	Proprietary Ownership	—
	1,880	2,391.44	—	—	—	Proprietary Ownership	—
	2,621	231.00	1,646.50	RC	B1/9F	Leasehold Rights	Proprietary Ownership
	5,500	466.76	1,506.45	S	B1/4F	Proprietary Ownership	Proprietary Ownership
	3,938	3,658.25	17,889.43	S/RC	B2/6F	Proprietary Ownership	Proprietary Ownership
	3,000	159.59	1,234.99	SRC	10F	Surface Right	Proprietary Ownership
	9,285	7,266.41	59,361.08	SRC/RC/S	B3/28F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,750	7,461.97	4,733.74	S	2F	Proprietary Ownership	Proprietary Ownership
	12,151	6,104.63	12,223.72	SRC/S/RC	B1/5F	Proprietary Ownership	Proprietary Ownership
	3,800	12,432.58	5,793.15	S	2F	Proprietary Ownership	Proprietary Ownership
	1,500	8,278.27	231.10	S	1F	Proprietary Ownership	Proprietary Ownership
	2,257	453.81	3,296.58	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	2,080	1,358.91	6,079.35	SRC	7F	Proprietary Ownership	Proprietary Ownership
	2,350	703.24	5,218.55	SRC/RC	B1/9F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	24,000	7,265.79	58,882.64	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	19,200	8,615.20	51,254.06	S/RC/SRC	B2/14F	Proprietary Ownership	Proprietary Ownership
	8,500	3,262.50	10,768.11	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	4,200	690.93	6,318.81	S/RC	B1/10F	Proprietary Ownership	Proprietary Ownership
	12,100	3,201.80	19,802.22	SRC/RC	B2/7F	Proprietary Ownership	Proprietary Ownership
	6,080	3,302.07	14,507.92	SRC	B2/13F	Proprietary Ownership	Proprietary Ownership
	7,050	2,525.41	15,387.49	SRC	B1/12F	Proprietary Ownership	Proprietary Ownership
	3,290	1,328.93	4,795.06	RC	B1/6F	Proprietary Ownership	Proprietary Ownership
	2,570	428.62	1,972.43	S	7F	Proprietary Ownership	Proprietary Ownership
	2,210	390.86	1,895.87	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	1,710	475.00	4,141.89	SRC	B1/10F	Proprietary Ownership	Proprietary Ownership
	9,890	1,183.52	10,694.91	S/SRC	B1/13F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	6,840	1,401.61	8,331.90	S/RC	B2/8F	Right of Site (Co-ownership)	Compartmentalized Ownership
	2,750	1,474.05	6,598.52	SRC	B1/7F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,160	455.94	2,317.67	SRC	7F	Leasehold Rights	Proprietary Ownership
	2,460	257.87	2,038.70	SRC	10F	Proprietary Ownership	Proprietary Ownership
	6,860	2,053.30	16,142.54	S/SRC	B1/18F	Proprietary Ownership	Proprietary Ownership
	4,570	1,284.23	9,596.62	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	1,790	987.04	6,048.97	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	987	1,940.15	3,725.13	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	9,500	2,733.00	24,412.67	S/SRC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,100	1,120.85	6,165.88	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	2,300	488.93	3,227.62	SRC	B1/9F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,480	1,294.88	5,333.51	S	7F	Proprietary Ownership	Proprietary Ownership
	1,220	1,012.06	5,017.30	S	8F	Proprietary Ownership	Proprietary Ownership
	2,100	727.86	3,781.22	SRC/S	7F	Proprietary Ownership	Proprietary Ownership
	3,600	2,146.31	10,396.94	S	9F	Proprietary Ownership	Proprietary Ownership
	18,200	15,542.84	110,955.68	(1)SRC/S (2)RC (3)SRC	(1)B3/31F (2)B1/2F (3)B2/12F	Proprietary Ownership	Compartmentalized Ownership, Proprietary Ownership
	11,200	5,491.44	31,583.38	(1)S/SRC (2)SRC/RC	(1)B1/17F (2)B1/18F	Proprietary Ownership	Proprietary Ownership
	10,000	17,068.95	241,581.95	S/SRC	B5/52F	Right of Site (Co-ownership)	Compartmentalized Ownership
	3,435	1,071.65	4,829.15	RC	B2/5F	Proprietary Ownership	Proprietary Ownership
	7,280	608.84	4,707.44	S/RC	B1/9F	Proprietary Ownership	Proprietary Ownership
	5,950	7,812.45	70,055.06	RC	B2/38F	Right of Site (Co-ownership)	Compartmentalized Ownership
	2,637	25,031.92	175,604.98	SRC/S/RC	B3/50F	Right of Site (Co-ownership)	Compartmentalized Ownership

Portfolio Properties

No.	Property Name	Area	Location	Completion Date (Notes 1 & 4)	Acquisition Date (Note 2)	
Hotels						
C1	Shinjuku Washington Hotel Honkan ^(Note 7)	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Oct. 1983	Dec. 22, 2003	
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	6 Central Wards of Tokyo	Minato-ku, Tokyo	Oct. 1999	Feb. 18, 2005	
C3	MZ BLD.	Tokyo Metropolitan Area	Hachioji, Tokyo	Apr. 2007	Apr. 10, 2008	
C4	HOTEL ROUTE-INN Yokohama Bashamichi	Tokyo Metropolitan Area	Yokohama, Kanagawa	Jul. 2007	Jun. 30, 2008	
C5	Hotel JAL City Naha ^(Note 7)	Other Regions	Naha, Okinawa	May 2006	Oct. 25, 2011	
C6	UUR Yotsuya Sanchome Building	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Jan. 1997	Dec. 26, 2011	
C7	Yotsuya 213 Building	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	Apr. 2001	Mar. 18, 2013	
C9	Comfort Inn Tokyo Roppongi ^(Note 7)	6 Central Wards of Tokyo	Minato-ku, Tokyo	(1)Jan. 2001 (2)Dec. 2018	May 1, 2014	
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Tokyo Metropolitan Area	Kawasaki, Kanagawa	Sep. 2005	Aug. 31, 2015	
C11	Toyoko Inn Hiroshima Heiwa-odori	Other Regions	Hiroshima, Hiroshima	Mar. 2004	Aug. 31, 2015	
C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	Other Regions	Naha, Okinawa	Apr. 2002	Aug. 31, 2015	
C13	Loisir Hotel & Spa Tower Naha ^(Note 10)	Other Regions	Naha, Okinawa	(1)Oct. 1992 (2)Jun. 2009	Feb. 5, 2016	
C14	Royal Pines Hotel Urawa	Tokyo Metropolitan Area	Saitama, Saitama	Aug. 1999	Apr. 1, 2016	
C15	RIHGA Royal Hotel Kokura・ARUARU City ^(Note 11)	Other Regions	Kitakyushu, Fukuoka	(1)Mar. 1993 (2)Mar. 1993 (3)Aug. 1992	Jan. 26, 2018	
C16	Comfort Inn Fukuoka Tenjin	Other Regions	Fukuoka, Fukuoka	May 2017	Sep. 27, 2018	
C17	Henn na Hotel Tokyo Hamamatsucho	6 Central Wards of Tokyo	Minato-ku, Tokyo	Mar. 2018	May 15, 2019	
C18	Hotel Hewitt Koshien	Other Regions	Nishinomiya, Hyogo	Aug. 1992	Jun. 25, 2019	
C19	Smile Hotel Premium Sapporo Susukino	Other Regions	Sapporo, Hokkaido	Dec. 2017	Jun. 28, 2019	
C20	the square hotel KANAZAWA	Other Regions	Kanazawa, Ishikawa	Sep. 2018	Dec. 3, 2019	
C21	RIHGA Place Kyoto Shijo Karasuma ^(Note 15)	Other Regions	Kyoto, Kyoto	Jun. 2018	Mar. 31, 2020	
Residential Properties						
D1	T&G Higashi-ikebukuro Mansion	23 Wards of Tokyo	Toshima-ku, Tokyo	Dec. 2001	Dec. 26, 2003	
D4	Komazawa Court	23 Wards of Tokyo	Setagaya-ku, Tokyo	Oct. 1998	Dec. 26, 2003	
D6	UUR Court Shiba-Daimon	6 Central Wards of Tokyo	Minato-ku, Tokyo	Apr. 2003	Oct. 15, 2004	
D9	Aprile Shin-Ohgi Ichibankan	Other Regions	Kobe, Hyogo	Sep. 1997	Apr. 13, 2005	
D10	UUR Court Sapporo Kita-Sanjo	Other Regions	Sapporo, Hokkaido	Feb. 2006	Mar. 16, 2006	
D15	CLIO Bunkyo Koishikawa	23 Wards of Tokyo	Bunkyo-ku, Tokyo	Feb. 2005	Apr. 28, 2006	
D16	GRAND-ROUGE Sakae	Other Regions	Nagoya, Aichi	Mar. 2006	Nov. 30, 2006	
D17	GRAND-ROUGE Sakae II	Other Regions	Nagoya, Aichi	Feb. 2007	Dec. 26, 2007	
D18	MA Sendai Building	Other Regions	Sendai, Miyagi	Feb. 2008	Sep. 24, 2008	
D19	UUR Court Nagoya Meieki	Other Regions	Nagoya, Aichi	Aug. 2008	Sep. 30, 2008	
D21	Park Site IZUMI	Other Regions	Nagoya, Aichi	Sep. 2002	Nov. 21, 2008	
D22	UUR Court Osaka Juso-honmachi	Other Regions	Osaka, Osaka	Jan. 2009	Feb. 26, 2009	
D23	UUR Court Kinshicho	23 Wards of Tokyo	Koto-ku, Tokyo	Feb. 1998	Jun. 15, 2011	
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Other Regions	Sapporo, Hokkaido	Sep. 2006	Jun. 28, 2012	
D25	GRAND-ROUGE Nakanoshima-minami	Other Regions	Osaka, Osaka	Aug. 2009	Jun. 25, 2013	
D26	Glenpark Umeda-kita	Other Regions	Osaka, Osaka	Aug. 2007	Aug. 29, 2014	
D27	UUR Court Shiki	Tokyo Metropolitan Area	Shiki, Saitama	Mar. 1999	Sep. 18, 2015	
D28	GRAND-ROUGE Tanimachi Rokuchose	Other Regions	Osaka, Osaka	Jul. 2010	Dec. 1, 2016	
D29	Chatle Otemachi S・N ^(Note 12)	Other Regions	Kitakyushu, Fukuoka	Aug. 2008	Jul. 3, 2018	
D30	GRAN FONTE	23 Wards of Tokyo	Nerima-ku, Tokyo	Oct. 1998	Apr. 1, 2019	
D31	Park Axis Akatsuka	23 Wards of Tokyo	Itabashi-ku, Tokyo	Sep. 2018	Mar. 30, 2020	
D32	UUR Court Shirasagi	23 Wards of Tokyo	Nakano-ku, Tokyo	Feb. 2002	Mar. 31, 2020	
D33	Court Branche AP	6 Central Wards of Tokyo	Shinagwa-ku, Tokyo	Mar. 2006	Mar. 31, 2020	
D34	UUR Court Ibaraki Higashi-Chujo	Other Regions	Ibaraki, Osaka	Feb. 2009	Dec. 1, 2020	
D35	Amour Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	Mar. 2003	Oct. 31, 2022	
D36	GRAND-ROUGE Joto	Other Regions	Osaka, Osaka	Jan. 2008	Dec. 22, 2022	
Others						
E1	Lilycolor Tohoku Branch	Other Regions	Sendai, Miyagi	Apr. 1996	May 29, 2006	
E2	Fuchu Building ^(Note 15)	Tokyo Metropolitan Area	Fuchu, Tokyo	—	May 16, 2013	
E3	Tsubogawa Square Building	Other Regions	Naha, Okinawa	Jun. 2009	Nov. 1, 2013	
E4	THE PLACE of TOKYO	6 Central Wards of Tokyo	Minato-ku, Tokyo	Oct. 1964	May 1, 2014	
E5	Logistics Higashi-Ohgishima ^(Note 7)	Tokyo Metropolitan Area	Kawasaki, Kanagawa	May 2008	Oct. 2, 2014	
E6	MT Ariake Center Building I&II ^(Note 13)	23 Wards of Tokyo	Koto-ku, Tokyo	(1)Apr. 1989 (2)Jun. 1992	Nov. 25, 2014	
E8	Shin-Narashino Logistics Center	Tokyo Metropolitan Area	Narashino, Chiba	Jun. 1991	Aug. 7, 2015	
E9	Kawagoe Logistics Center	Tokyo Metropolitan Area	Kawagoe, Saitama	Aug. 2007	Jun. 17, 2016	
E11	Shin-Narashino Logistics Center II	Tokyo Metropolitan Area	Narashino, Chiba	Jan. 1990	Jan. 31, 2017	
E12	Yoshikawa Logistics Center	Tokyo Metropolitan Area	Yoshikawa, Saitama	Apr. 1997	Jul. 27, 2017	
E13	Musashimurayama Logistics Center	Tokyo Metropolitan Area	Musashimurayama, Tokyo	Oct. 2001	Oct. 30, 2018	
E14	Chibaminato Logistics Center (Site)	Tokyo Metropolitan Area	Chiba, Chiba	—	Feb. 28, 2020	
E15	Hirakata Nagao Logistics Center	Other Regions	Hirakata, Osaka	Mar. 1989	Mar. 31, 2020	
E16	Kobe Toyahama Logistics Center	Other Regions	Kobe, Hyogo	Jan. 1989	Apr. 17, 2020	
E17	REDWOOD Narita Distribution Centre	Tokyo Metropolitan Area	Sanbu, Chiba	Dec. 2016	Jun. 30, 2020	
E18	Kazo Logistics Center I・II ^(Note 14)	Tokyo Metropolitan Area	Kazo, Saitama	(1)Jan. 1997 (2)Jan. 1999	Jun. 30, 2021	
E19	Kobe Seishin Logistics Center	Other Regions	Kobe, Hyogo	Dec. 1995	Aug. 6, 2021	
E20	Granda Miyanomori ^(Note 16)	Other Regions	Sapporo, Hokkaido	May 2023	Sep. 30, 2021	
E21	KIC Sayama Hidaka Distribution Center	Tokyo Metropolitan Area	Hidaka, Saitama	Apr. 2022	Jun. 30, 2022	
E22	Sapporo Yonesato Logistics Center	Other Regions	Sapporo, Hokkaido	Sep. 1998	Dec. 22, 2022	
Total						

Notes: 1. Each piece of information in the "Completion Date," "Site Area," "Total Floor Space," "Structure," and "Number of Floors" is described as it appears on the real estate register unless otherwise stated in this footnote or other footnotes. Some information may differ from the current situations. In regard to the "Site Area" for properties where a part of the site space is for leasehold land, total site area including the site space for leasehold is described. In regard to the "Site Area" and "Total Floor Space" of properties held in co-ownership with other entities, total figures are described.

2. The "Acquisition Date" of properties owned by NCI (the "Former NCI Properties") is described as of December 1, 2010, the effective date of the merger.

3. The "Acquisition Price" is an amount (the amount stated in each purchase and sale agreement, excluding consumption taxes) that does not include the expenses (e.g. agency fees, public taxes and impositions) necessary for making the relevant acquisitions and is rounded to the nearest million yen. The "Acquisition Price" of the Former NCI Properties is the acceptance price at the time of the merger.

4. For properties consisting of several buildings, some information in the "Completion Date," "Structure," and "Number of Floors" applies to the main building, unless otherwise indicated.

5. maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) includes the retail portion and the office portion.

6. Shin-Osaka Central Tower and SS30 include the office portion and the hotel portion.

7. For Hamamatsucho 262 Building, HIDABASHI PLANO, Shinjuku Washington Hotel Honkan, Hotel JAL City Naha, Comfort Inn Tokyo Roppongi, and Logistics Higashi-Ohgishima, the additional acquisitions were executed, respectively. The acquisition prices in the above table are the total amount of the existing possession and the additional acquisition. Furthermore, the "Acquisition Date" above is the initial acquisition date by United Urban.

8. The property comprises three buildings: an office building, a fitness club building, and a hotel building, and some of the information are shown for the office building as (1), fitness club building as (2), and hotel building as (3). In addition, because the completion date of the office building and hotel building disappears on the real estate register, the completion date of the fitness club building is described.

	Acquisition Price (Millions of yen) (Note 3)	Site Area (m ²) (Note 1)	Total Floor Space (m ²) (Note 1)	Structure (Notes 1 & 4)	Number of Floors (Notes 1 & 4)	Type of Ownership	
						Land	Building
	21,140	6,215.31	59,985.37	S/SRC	B4/25F	Proprietary Ownership (partly Co-ownership)	Compartmentalized Ownership (partly, Co-ownership)
	1,884	482.10	2,928.94	SRC	14F	Proprietary Ownership	Proprietary Ownership
	3,800	1,304.44	7,708.88	S	13F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,720	970.83	6,610.51	SRC	11F	Proprietary Ownership	Proprietary Ownership
	7,666	3,573.31	13,655.23	SRC/RC	B1/14F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,200	1,053.16	7,682.82	SRC/RC	B1/13F	Proprietary Ownership	Proprietary Ownership
	5,020	1,264.94	7,884.53	SRC	14F	Proprietary Ownership	Compartmentalized Ownership
	4,488	551.39	4,154.72	SRC/S	B2/9F	Proprietary Ownership	Proprietary Ownership
	2,655	639.19	4,785.93	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,113	660.40	4,345.24	SRC	14F	Proprietary Ownership	Proprietary Ownership
	745	384.93	1,566.12	S/RC	9F	Proprietary Ownership	Proprietary Ownership
	20,000	11,850.24	45,731.16	(1)SRC/RC (2)SRC	(1)B1/12F (2)13F	Right of Site (Co-ownership), Proprietary Ownership	Compartmentalized Ownership (partly Co-ownership), Proprietary Ownership
	17,500	7,418.83	51,071.32	SRC/S	B3/20F	Proprietary Ownership, Right of Site	Compartmentalized Ownership
	16,600	22,799.65	114,117.54	(1)SRC/RC/S (2)SRC (3)SRC/RC	(1)B1/30F (2)B1/7F (3)B1/11F	Proprietary Ownership	Proprietary Ownership
	3,000	496.79	3,567.22	S	10F	Proprietary Ownership	Proprietary Ownership
	4,456	365.81	2,293.64	S	14F	Proprietary Ownership	Proprietary Ownership
	13,520	14,997.27	29,537.39	SRC/S	B1/14F	Proprietary Ownership	Proprietary Ownership
	4,233	958.37	7,762.50	S	13F	Proprietary Ownership	Proprietary Ownership
	4,802	1,632.92	6,253.86	S	13F	Proprietary Ownership	Proprietary Ownership
	2,010	609.28	2,358.25	RC	5F	Proprietary Ownership	Proprietary Ownership
	2,021	398.82	3,300.18	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	1,680	2,943.33	3,580.44	RC	3F	Proprietary Ownership	Proprietary Ownership
	1,175	233.66	1,486.38	SRC	12F	Proprietary Ownership	Proprietary Ownership
	3,031	3,329.45	12,700.44	SRC	14F	Proprietary Ownership	Proprietary Ownership
	1,278	1,249.35	6,588.72	RC	B1/14F	Proprietary Ownership	Proprietary Ownership
	3,170	814.54	5,871.77	SRC	B1/15F	Right of Site	Compartmentalized Ownership
	1,570	1,009.16	3,912.49	RC	10F	Proprietary Ownership	Proprietary Ownership
	1,300	674.34	3,172.34	RC	11F	Proprietary Ownership	Proprietary Ownership
	3,440	3,656.44	12,642.98	SRC/RC	B1/14F	Leasehold Rights	Proprietary Ownership
	1,473	639.17	3,207.39	RC	15F	Proprietary Ownership	Proprietary Ownership
	900	336.55	2,196.97	S	12F	Proprietary Ownership	Proprietary Ownership
	1,570	1,266.32	4,166.73	RC	11F	Proprietary Ownership	Proprietary Ownership
	2,900	924.27	6,890.13	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,050	1,078.42	10,224.31	RC	B1/17F	Proprietary Ownership	Proprietary Ownership
	1,380	405.74	3,741.79	RC	15F	Proprietary Ownership	Proprietary Ownership
	5,150	2,156.35	14,340.44	RC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,730	6,132.03	9,885.83	SRC/RC	13F	Proprietary Ownership	Proprietary Ownership
	1,300	817.52	3,607.14	RC	13F	Proprietary Ownership	Proprietary Ownership
	3,398	3,516.04	12,599.91	(1)SRC (2)SRC	(1)15F (2)15F	Proprietary Ownership	Proprietary Ownership
	2,700	4,132.97	6,983.30	RC	11F	Proprietary Ownership	Proprietary Ownership
	1,980	1,137.49	5,433.60	RC/S	13F	Right of Site (Co-ownership)	Compartmentalized Ownership (Co-ownership)
	1,442	2,849.08	2,978.00	RC	7F	Proprietary Ownership	Proprietary Ownership
	1,270	599.07	1,786.90	SRC	8F	Proprietary Ownership	Proprietary Ownership
	1,665	2,064.56	4,137.00	RC	8F	Proprietary Ownership	Proprietary Ownership
	1,570	652.03	2,572.11	RC	10F	Proprietary Ownership	Proprietary Ownership
	1,755	1,155.76	4,197.62	RC	11F	Proprietary Ownership	Proprietary Ownership
	2,050	5,457.02	8,693.79	RC/S	4F	Proprietary Ownership	Proprietary Ownership
	2,863	5,479.15	—	—	—	Proprietary Ownership (Co-ownership)	—
	4,150	5,294.63	14,742.80	S	11F	Proprietary Ownership	Proprietary Ownership
	3,500	645.87	3,105.31	SRC	B3/7F	Surface Right	Proprietary Ownership
	9,525	28,351.30	41,949.12	S	4F	Proprietary Ownership	Proprietary Ownership
	8,000	8,307.86	22,917.94	(1)S/SRC (2)S	(1)5F (2)5F	Proprietary Ownership	Proprietary Ownership
	2,555	6,968.26	13,268.65	S	6F	Proprietary Ownership	Proprietary Ownership
	7,550	32,665.82	47,284.22	RC/S	4F	Proprietary Ownership	Proprietary Ownership
	2,590	7,870.01	12,578.45	S	4F	Proprietary Ownership	Proprietary Ownership
	1,960	5,705.63	10,806.37	S	5F	Proprietary Ownership	Proprietary Ownership
	1,800	5,770.53	9,207.73	S	4F	Proprietary Ownership	Proprietary Ownership
	6,600	24,467.78	—	—	—	Proprietary Ownership	—
	2,550	5,951.88	11,374.78	RC/SRC	4F	Proprietary Ownership	Proprietary Ownership
	1,300	5,158.42	9,046.80	S	4F	Proprietary Ownership	Proprietary Ownership
	2,345	12,105.00	22,079.22	S	4F	Proprietary Ownership	Proprietary Ownership
	3,259	20,242.48	12,205.78	(1)S (2)S	(1)2F (2)1F	Proprietary Ownership	Proprietary Ownership
	1,923	5,489.57	8,564.44	S	4F	Proprietary Ownership	Proprietary Ownership
	1,423	1,441.46	3,781.90	RC	5F	Proprietary Ownership	Proprietary Ownership
	4,450	8,052.10	15,113.11	S	4F	Proprietary Ownership	Proprietary Ownership
	1,177	4,862.78	7,389.49	S	4F	Proprietary Ownership	Proprietary Ownership
	688,901	815,377.78	2,220,894.05				

9. The property comprises two buildings: LOOP-X (office building) and LOOP-M (residential building), and some of the information are shown for LOOP-X as (1) and LOOP-M as (2).

10. The property comprises two buildings: Main Building and the Annex, and some of the information are shown for the Main Building as (1) and the Annex as (2).

11. The property comprises three buildings: a hotel building, a retail building I, and a retail building II, and some of the information are shown for the hotel building as (1), retail building I as (2), and retail building II as (3).

12. The property comprises two buildings: S Building and N Building, and some of the information are shown for S Building as (1) and N Building as (2).

13. The property comprises two buildings: MT Ariake Center Building I (the "Building I") and MT Ariake Center Building II (the "Building II"), and some of the information are shown for the Building I as (1) and the Building II as (2).

14. The property comprises two buildings: Kazo Logistics Center I and Kazo Logistics Center II, and some of the information are shown for Kazo Logistics Center I as (1) and Kazo Logistics Center II as (2).

15. For the Fuchu Building, United Urban sold the building on the property on March 31, 2022 and holds only land at the end of the 39th fiscal period. In addition, the land will be transferred on January 31, 2024.

16. For Granda Miyanomori, United Urban acquired the land on September 30, 2021 and the building on May 31, 2023, respectively. The acquisition price shows a total amount of land and building, and the acquisition date shows the acquisition date of land. In addition, the property name was changed from Miyanomori Nijo Development Project on May 31, 2023.

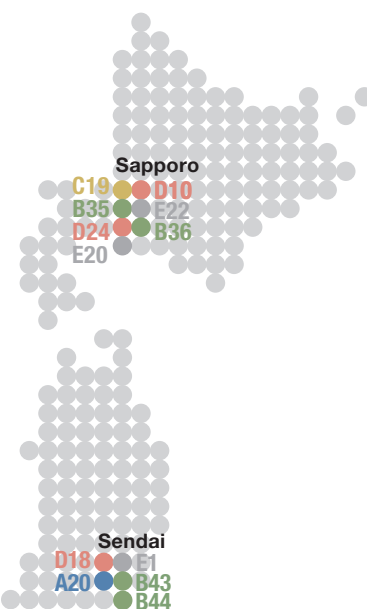
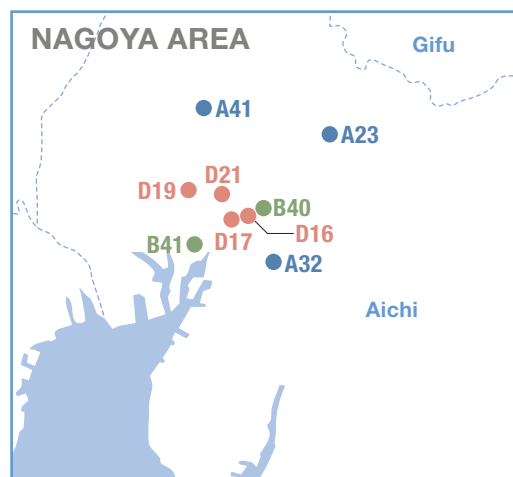
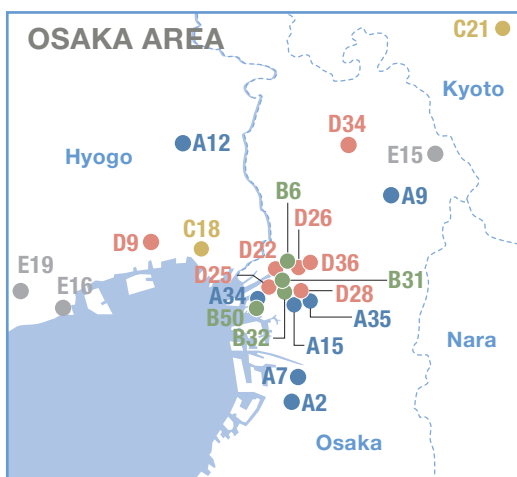
17. The property name was changed from Tenjin Loft Building to Luz Fukuoka Tenjin on April 1, 2023.

18. The property name was changed from Marumasa Kojimachi Building to Kojimachi Center Place on December 1, 2022.

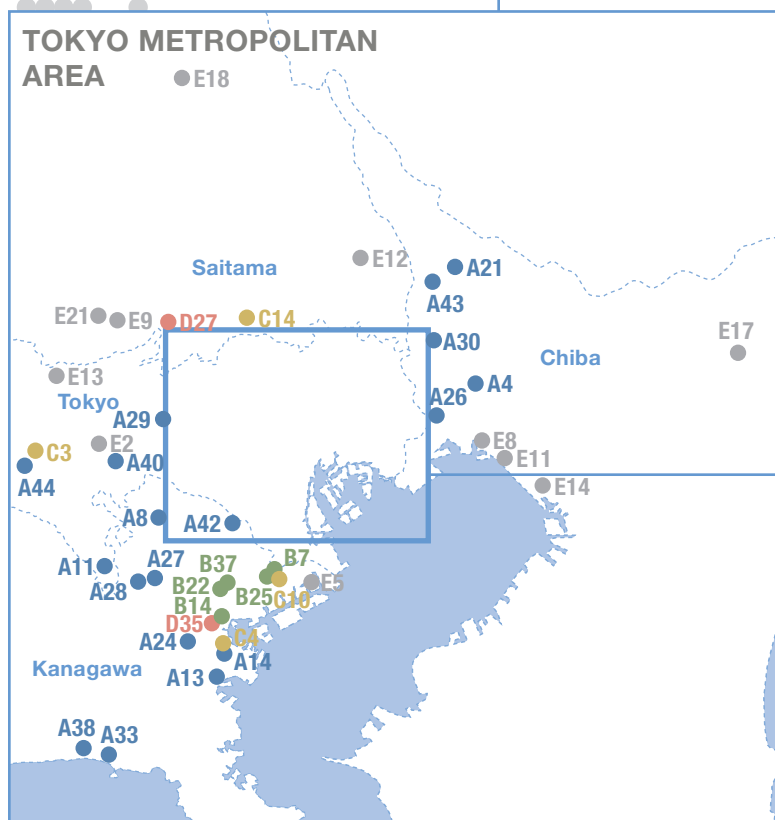
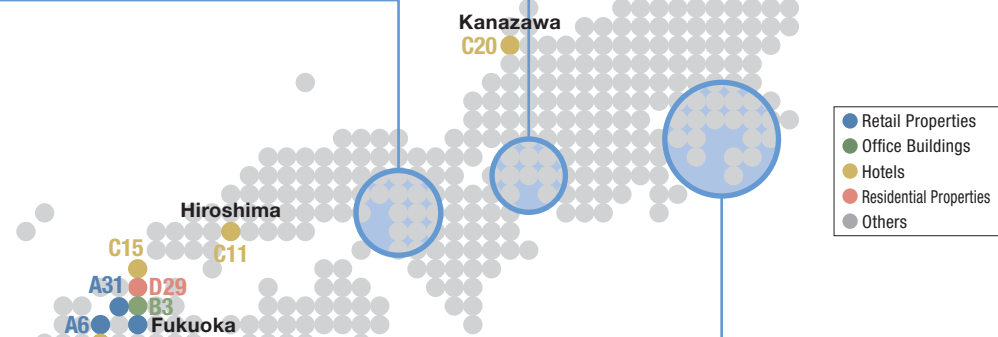
19. The property name was changed from NEST HOTEL KYOTO SHIJOKARASUMA to RIHGA Place Kyoto Shijo Karasuma on April 1, 2023.

Portfolio Properties

Portfolio Map



- A2 Joy Park Izumigaoka
- A4 Luz Funabashi
- A6 TENJIN LUCE
- A7 Tecc LAND Sakai Honten
- A8 Miyamae Shopping Center
- A9 KONAMI SPORTS CLUB Korigaoka
- A10 ACTIOLE Minami-ikebukuro
- A11 Tip's Machida Building
- A12 Daiei Takarazuka Nakayama
- A13 maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)
- A14 ACTIOLE Kannai
- A15 Shinsaibashi OPA Honkan
- A19 Albore Jingumae
- A20 Albore Sendai
- A21 Mallage Kashiwa
- A23 Ito-Yokado Owariasahi
- A24 Yokohama Kariba Shopping Center
- A25 Luz Jiyugaoka
- A26 ACTIOLE Ichikawa
- A27 Yokohama Aoba Shopping Center (Site)
- A28 Yamada Denki Tecc Land Aoba (Site)
- A29 Yodobashi Camera Multimedia Kichijoji
- A30 Kaden Sumairu-kan YAMADA Matsudo Honten
- A31 Luz Fukuoka Tenjin
- A32 Narumi Shopping Center (Site)
- A33 Plussing Wave Enoshima
- A34 LIFE Nishikujo (Site)
- A35 LIFE Tamatsukuri (Site)
- A36 Granbell Ginza Building
- A37 UUR Tenjin Nishi-dori Building
- A38 Luz Shonan Tsujido
- A39 ACTIOLE Ueno
- A40 KURURU
- A41 K's Denki Nagoya-kita
- A42 Luz Musashikosugi
- A43 LEVEN Otakanomori
- A44 Gulliver Hachioji Minamino
- B1 T&G Hamamatsucho Building
- B3 Fukuoka Eartheon Building
- B4 Kojimachi Center Place
- B6 Shin-Osaka Central Tower
- B7 Kawasaki Toshiba Building
- B8 UUR Toyochi Building
- B9 FOUR SEASONS BLDG
- B11 Pacific Marks Shinjuku Parkside



B13 Pacific Marks Tsukishima
B14 Pacific Marks Yokohama East
B17 Akasaka Hikawa Building
B18 Pacific Marks Shibuya Koen-dori
B20 Pacific Marks Akasaka-mitsuke
B22 Pacific Marks Shin-Yokohama
B25 Pacific Marks Kawasaki
B26 Hamamatsucho 262 Building
B27 Lila Hijirizaka
B29 Otsuka HT Building
B30 Pacific Marks Shinjuku South-gate
B31 Pacific Marks Nishi-Umeda
B32 Pacific Marks Higobashi
B35 Pacific Marks Sapporo Kita-Ichijo
B36 Shin-Sapporo Center Building
B37 ARENA TOWER
B38 Yushima First Building
B39 Dogenzaka Square
B40 GRAND-SQUARE Shin-Sakae
B41 GRAND-SQUARE Meieki-minami
B42 Shiba 520 Building
B43 Hirose-dori SE Building
B44 SS30
B45 LOOP-X・M
B46 Toranomon Hills Mori Tower
B47 Toranomon PF Building
B48 UUR Kyobashi East Building
B49 IIDABASHI PLANO
B50 OSAKA BAY TOWER

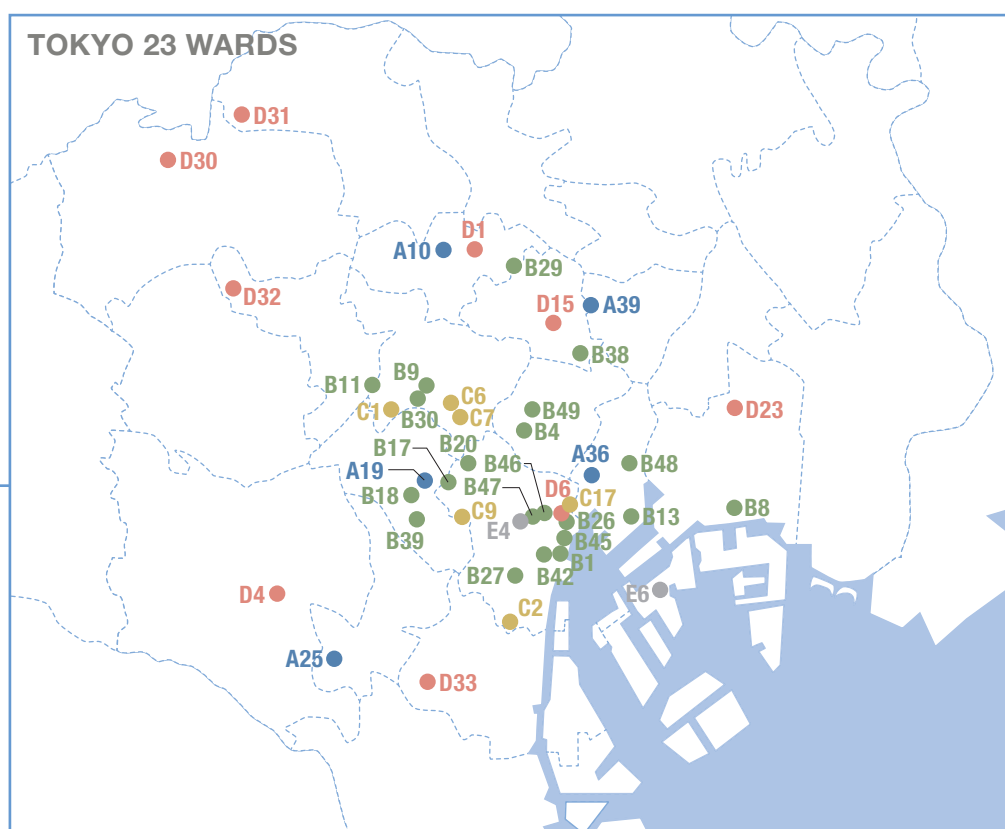
C1 Shinjuku Washington Hotel Honkan
C2 Toyoko Inn Shinagawa-eki Takanawa-guchi
C3 MZ BLD.

C4 HOTEL ROUTE-INN Yokohama Bashamichi
C5 Hotel JAL City Naha
C6 UUR Yotsuya Sanchome Building
C7 Yotsuya 213 Building
C9 Comfort Inn Tokyo Roppongi
C10 Toyoko Inn Kawasaki Ekimae Shiyakusho-dori
C11 Toyoko Inn Hiroshima Heiwa-odori
C12 Toyoko Inn Naha Kokusai-dori Miehashi-eki
C13 Loisir Hotel & Spa Tower Naha
C14 Royal Pines Hotel Urawa
C15 RIHGA Royal Hotel Kokura・ARUARU City
C16 Comfort Inn Fukuoka Tenjin
C17 Henn na Hotel Tokyo Hamamatsucho
C18 Hotel Hewitt Koshien
C19 Smile Hotel Premium Sapporo Susukino
C20 the square hotel KANAZAWA
C21 RIHGA Place Kyoto Shijo Karasuma

D1 T&G Higashi-ikebukuro Mansion
D4 Komazawa Court
D6 UUR Court Shiba-Daimon
D9 Aprile Shin-Ohgi Ichibankan
D10 UUR Court Sapporo Kita-Sanjo
D15 CLIO Bunkyo Koishikawa
D16 GRAND-ROUGE Sakae
D17 GRAND-ROUGE Sakae II
D18 MA Sendai Building
D19 UUR Court Nagoya Meieki
D21 Park Site IZUMI
D22 UUR Court Osaka Juso-honmachi
D23 UUR Court Kinshicho
D24 UUR Court Sapporo Minami-Sanjo Premier Tower
D25 GRAND-ROUGE Nakanoshima-minami

D26 Glenpark Umeda-kita
D27 UUR Court Shiki
D28 GRAND-ROUGE Tanimachi Rokuchome
D29 Chatle Otemachi S・N
D30 GRAN FONTE
D31 Park Axis Akatsuka
D32 UUR Court Shirasagi
D33 Court Branche AP
D34 UUR Court Ibaraki Higashi-Chujo
D35 Amour Yokohama
D36 GRAND-ROUGE Joto

E1 Lilycolor Tohoku Branch
E2 Fuchu Building
E3 Tsubogawa Square Building
E4 THE PLACE of TOKYO
E5 Logistics Higashi-Ohgishima
E6 MT Ariake Center Building I&II
E8 Shin-Narashino Logistics Center
E9 Kawagoe Logistics Center
E11 Shin-Narashino Logistics Center II
E12 Yoshikawa Logistics Center
E13 Musashimurayama Logistics Center
E14 Chibaminato Logistics Center (Site)
E15 Hirakata Nagao Logistics Center
E16 Kobe Toyahama Logistics Center
E17 REDWOOD Narita Distribution Centre
E18 Kazo Logistics Center I・II
E19 Kobe Seishin Logistics Center
E20 Granda Miyanomori
E21 KIC Sayama Hidaka Distribution Center
E22 Sapporo Yonesato Logistics Center



Portfolio Properties

Major Properties

Office Buildings

B37 ARENA TOWER



Hotels

C1 Shinjuku Washington Hotel Honkan



Hotels

C15 RIHGA Royal Hotel Kokura · ARUARU City



Residential Properties

D26 Glenpark Umeda-kita



Retail Properties

A43 LEVEN Otakanomori



Residential Properties

D34 UUR Court Ibaraki Higashi-Chujo



Office Buildings/Hotels

B44 SS30



Retail Properties

A29 Yodobashi Camera Multimedia Kichijoji



Retail Properties

A40 KURURU



Office Buildings

B49 IIDABASHI PLANO



Hotels

C13 Loisir Hotel & Spa Tower Naha



Retail Properties

A42 Luz Musashikosugi



Others

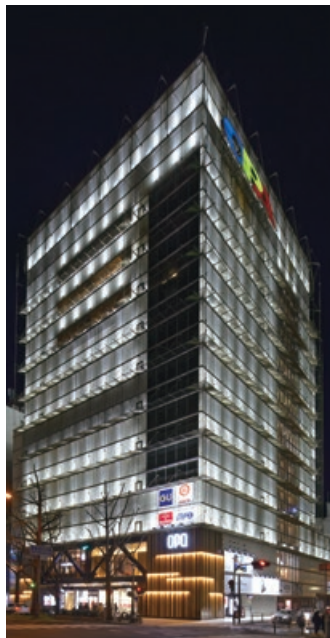
E4 THE PLACE of TOKYO



Portfolio Properties

Retail Properties

A15 Shinsaibashi OPA Honkan



Office Buildings/Hotels

B6 Shin-Osaka Central Tower



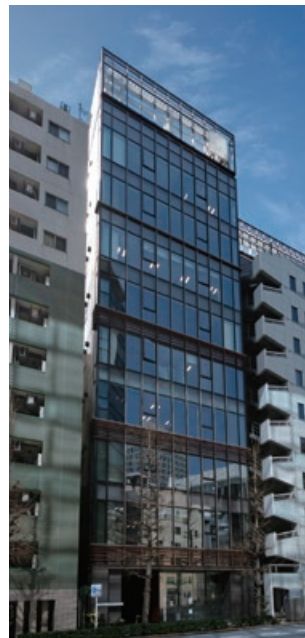
Office Buildings

B46 Toranomon Hills Mori Tower



Office Buildings

B48 UUR Kyobashi East Building



Hotels

C14 Royal Pines Hotel Urawa



Retail Properties

A37 UUR Tenjin Nishi-dori Building



Residential Properties

D31 Park Axis Akatsuka



Others

E6 MT Ariake Center Building I&II



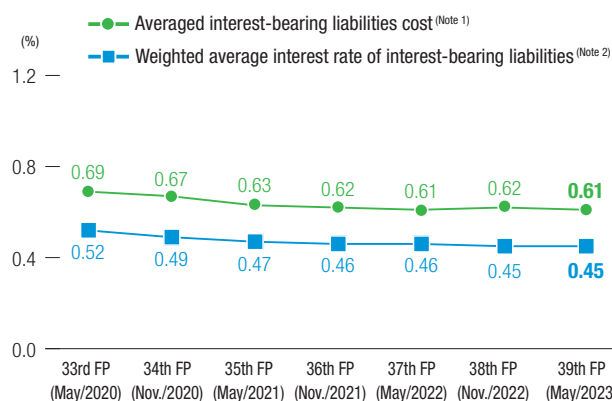
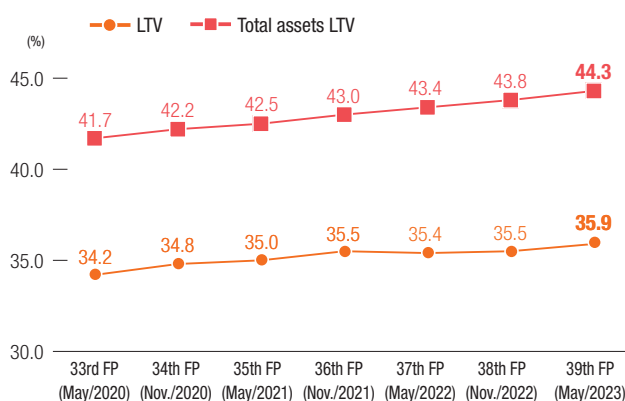
Others

E5 Logistics Higashi-Ohgishima



Financial Status

Changes in LTV Performance (end of each fiscal period) and Averaged Interest-Bearing Liabilities Cost, etc.



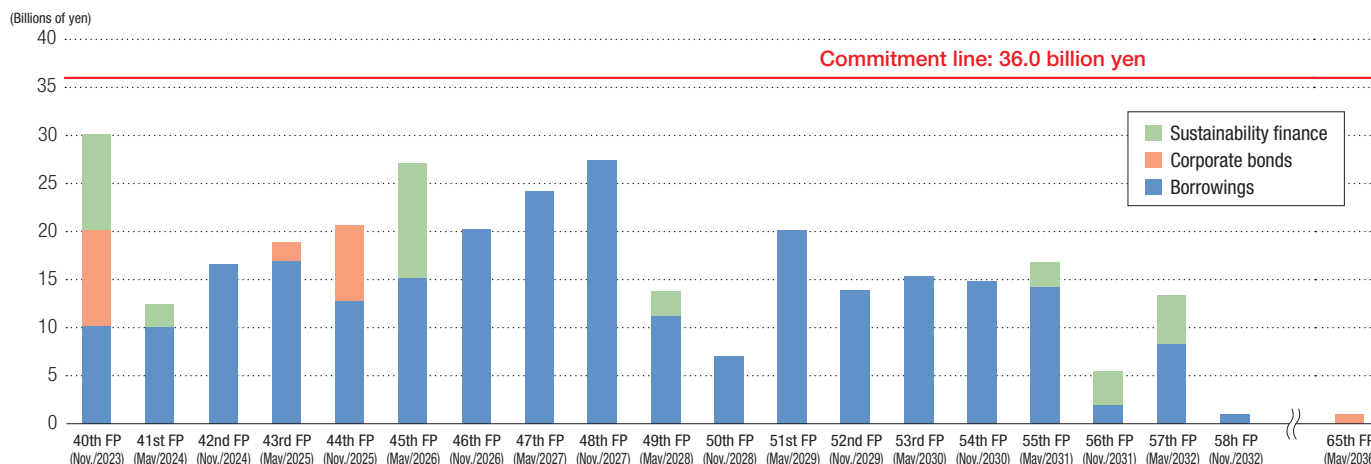
Notes: 1. Averaged interest-bearing liabilities cost is calculated as (interest expenses + loan-related expenses + interest expenses on corporate bonds + corporate bonds issuance expenses) / outstanding balance of interest-bearing liabilities at the end of each fiscal period × 365 / number of operating days.
2. Weighted average interest rate represents a weighted average efficiency of the nominal interest rate of total interest-bearing liabilities at the end of each fiscal period (excluding loan-related expenses, etc.).

Changes in Financial Indices

(Billions of yen, unless otherwise indicated)

	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Total amount of interest-bearing liabilities	313.4	320.4
Borrowings	276.9	285.9
Corporate bonds	36.5	34.5
Weighted average life	4.0 years	4.0 years
Weighted average interest rate	0.45%	0.45%
Long-term ratio of interest-bearing liabilities	100% (contract base)	
Ratio of fixed interest rate	90.5%	88.0%
Commitment line	36.0 (no borrowing record)	
Total assets LTV	43.8%	44.3%
(Reference) Sustainability finance	28.0	38.0

Diversification of Maturity Date (As of May 31, 2023)























ESG Initiatives

Actions Taken on ESG Materiality

Among the many environment, social, and governance (ESG) issues, United Urban has selected some to be addressed as a real estate investment trust based on the concept of the SDGs (Sustainable Development Goals). The major ESG initiatives that United Urban places a high priority on are considered part of materiality.

► Materiality set in 2023 and related SDGs

	Materiality	Related SDGs	Action Plan/Target
Environment	Energy management/ use of renewable energy	 	Long term target: <ul style="list-style-type: none"> • Reduce entire portfolio's GHG emissions covering Scope 1 and Scope 2 by 42% by 2030 (compared with 2021). • Reduce total GHG emissions covering our value chain (including Scope 3) to net zero by 2050.
	Green certified buildings	  	<ul style="list-style-type: none"> • Acquire external environmental certification including CASBEE for Real Estate and BELS. • Raise environment certification coverage to 80% (GFA based) by 2024.
	Tenant and property manager engagement	  	Long term target: Incorporate green lease clauses in 100% of contracts of office buildings by 2030 (including whole building lease, but excluding residential areas).
Society	Employee job satisfaction/wellness	 	<ul style="list-style-type: none"> • Further improve the working environment through better HR system design, workspace infrastructure or IT services. • Improve employee engagement.
	Employee performance/ career development	 	<ul style="list-style-type: none"> • Improve each employee's qualifications and skills through such as grade based training programs. • Encourage employees to learn technical skills, knowledge and expertise and to obtain qualifications and take external training programs.
	Contribution to local community/local government	  	<ul style="list-style-type: none"> • Get more involved with disaster prevention measures and revitalization of local communities. • Contribute more to making the environment cleaner.
	Satisfaction, health, and comfort of building users	 	Conduct a tenant satisfaction survey and improve assessment results.
Governance	Disclosure and assurance		Stabilize the operations of real estate management system and reinforce the operational structure.
	Disclosure for investors		Disclose non-financial information including ESG related initiatives in a more investor friendly manner (improve higher evaluation).
	Protection of data and personal information		<ul style="list-style-type: none"> • Build secure systems in preparation for security risks. • Respond to vulnerabilities of the information assets and maintain and improve the information management system.

Initiatives that Support

TCFD (Task Force on Climate-Related Financial Disclosures)

- JRA: Approved in January 2022



PRI (Principles for Responsible Investment)

- JRA: Signed in November 2018.

Signatory of:



Module	Star score
Investment & Stewardship Policy	★★★★☆
Real Estate	★★★★★ (June 2022)

UN GLOBAL COMPACT

- JRA: Signed in March 2022 (Coupled with Marubeni (JRA's sponsor))



UNHCR support

- JRA: Started with multiple owned properties from 2020

External Assessment and Assurance



MSCI ESG Ratings

Rating evaluation that serves as a criterion for selecting the MSCI Japan ESG Select Leaders Index



Become a constituent of the MSCI Japan ESG Select Leaders Index

- The Index is composed of companies with high ESG performance selected from the constituent companies in the MSCI Japan IMI Index.
- The Index has been used as one of the benchmarks for investment by Japan's Government Pension Investment Fund (GPIF).

2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

THE INCLUSION OF United Urban IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF United Urban BY MSCI OR ANY OF ITS AFFILIATES.

THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Third-Party Assurance for Environment-Related Data

Obtained the third-party assurance that complies with the International Standard for Assurance and Engagements ISAE 3000 and ISAE 3410 from Sustainability Accounting Co., Ltd.



E (Environment)

Easing Climate Change

Set New Targets for Reducing GHG Emissions

Expand the scope of GHG emission reduction targets to entire portfolio from office portfolio only.

Target 1
By 2030
Reduce entire portfolio's total GHG emissions covering Scope 1 and Scope 2 by 42% (Note 1)

Target 1 has been certified by SBTi (Note 2) as a science-based target to achieve under 2°C temperature increase from pre-industrial levels as well as to be under 1.5°C in line with the Paris Agreement.



Target 2
By 2050
Reduce total GHG emissions throughout the value chain (including Scope 3) to net zero (Note 3)

Notes: 1. Compared to the amount in 2021.

2. Science Based Targets initiative. It is an international climate-change initiative established in 2015 by CDP (Carbon Disclosure Project), UNGC (United Nations Global Compact), WRI (World Resources Institute), and WWF (World Wildlife Fund). To obtain a certification from SBTi, it is necessary to develop GHG emission reduction targets that are consistent with the levels required by the Paris Agreement, i.e., to control the global average temperature increases due to climate change to below 2°C at most compared with pre-industrial levels).

3. To reduce greenhouse gas emissions such as CO₂ to effectively zero.

4. Compared to the same period in 2022.

Hands-on Management

Decrease electricity usage by **7.6%** (Note 4) by joining an energy-saving campaign organized by a power company.

Subject properties

SS30 and Hirose-dori SE Building (Sendai, Miyagi)

Campaign period

January - March 2023

Actions for saving energy

- **Suspend air-conditioning equipment during the designated time period**
Subject equipment: Fans for air supply and exhaust at parking lots, air-conditioning equipment at entrances.
- **Adjust peak of electricity usage**
Set the heat temperature higher an hour before the designated time period; lower during the designated period.

S (Society)

Contribution to Community

UNHCR Support

- United Urban has been supporting the fund-raising campaigns initiated by Japan for UNHCR at our properties since 2020.
- Japan for UNHCR is an official representative point of contact in Japan for supporting the activities of the Office of the United Nations High Commissioner for Refugees (UNHCR), which is the refugee support organization of the United Nations.
- As a member of society, United Urban also plans to offer continued support for their initiative in 2023.



UNHCR staff member explaining their fund-raising campaigns at KURURU (2022)

Number of visitors to fund-raising booths

	2020	2021	2022
Number of visitors	285	708	1,537
	285	423	829
	285	285	423
	285	285	285
Fund-raising campaigns	2	2	5
Cumulative amount of monthly donations	¥54,000	¥215,000	¥432,000

(From December to November of each year)

United Urban's properties where fund-raising activities were conducted

(As of the end of the 39th FP)

- Luz Funabashi
- Luz Fukuoka Tenjin
- Mallage Kashiwa
- KURURU
- Luz Shonan Tsujido
- LEVEN Otokanomori

Local Clean-up Activities

- JRA participates in clean-up activities hosted by the local government of Minato-ku, Tokyo, a location of JRA, as one of its environmental and community contribution activities.
- With this opportunity, the perspectives of JRA's employees may broaden, having a ripple effect on the management of United Urban's assets, subsequently contributing to the realization of a sustainable society.



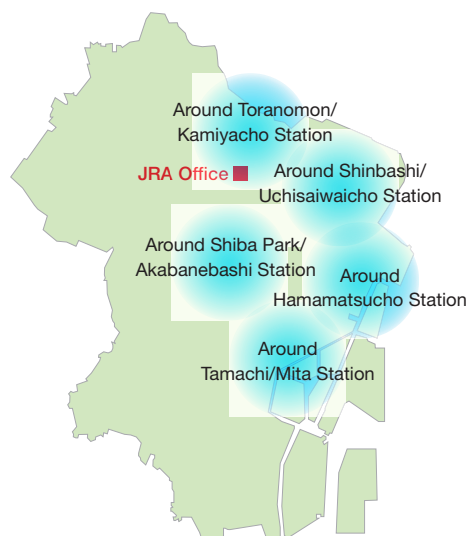
JRA's employees participating in the clean-up activity (June 2023)

Clean-up activity areas: Minato-ku, Tokyo

Number of activities:

8 in 2022
(From January to December)

5 in 2023
(From January to June)

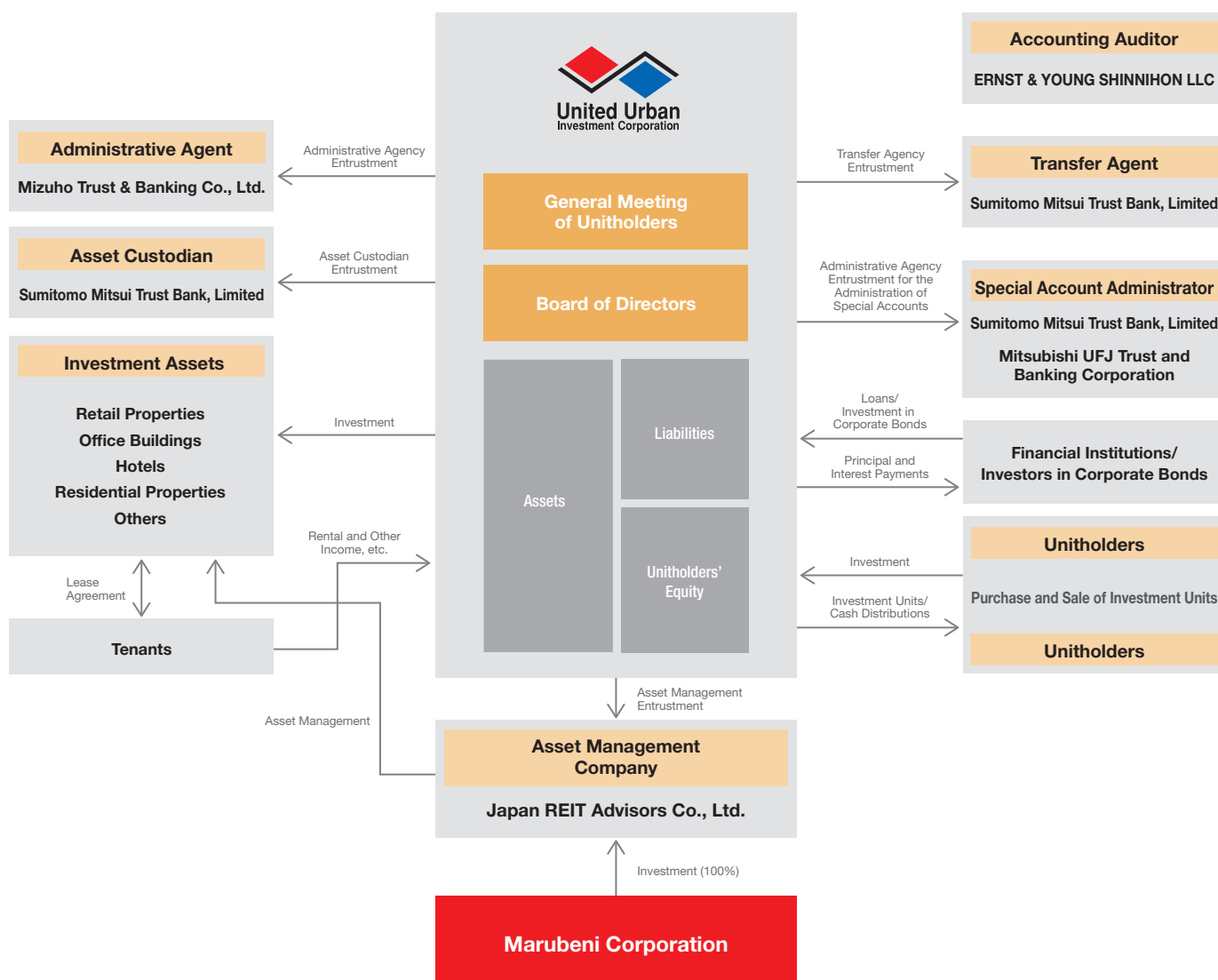


Corporate Profile

Overview

Name	United Urban Investment Corporation
Board of Directors	Toshiaki Emon, Executive Officer Kenichiro Okamura, Supervisory Officer Kumiko Sekine, Supervisory Officer
Head Office Location	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo
Date of Listing	December 22, 2003 Real estate investment trust (J-REIT) section of the Tokyo Stock Exchange (securities code: 8960)
Asset Management Company	Japan REIT Advisors Co., Ltd.

Corporate Structure

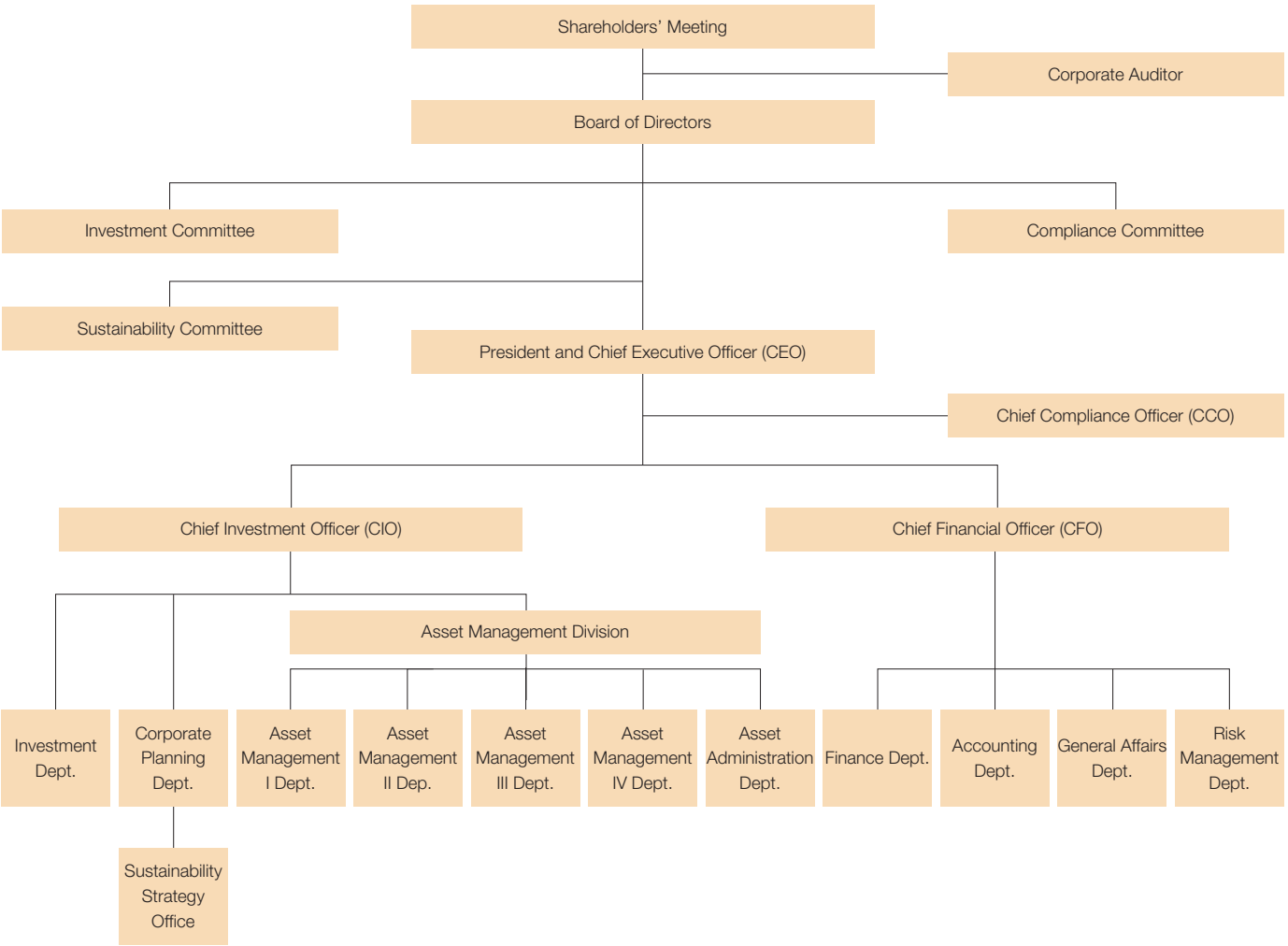


Profile of Asset Management Company

Overview (As of May 31, 2023)

Corporate Name	Japan REIT Advisors Co., Ltd.
Address	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo
Date of Foundation	December 4, 2001
Capital	¥425 million
Shareholder	Marubeni Corporation (100%)
Representative	Junichi Batai, President and Chief Executive Officer
Description of Business	Investment management business under Article 28, Paragraph 4 of the Financial Instruments and Exchange Act

Organization (As of May 31, 2023)



◆ PERFORMANCE REPORT

Financial Highlights	28
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Financial Highlights

1. Track Records on Operations

Fiscal Period (Calculation Period)		35th Fiscal Period (December 1, 2020 – May 31, 2021)	36th Fiscal Period (June 1, 2021 – November 30, 2021)	37th Fiscal Period (December 1, 2021 – May 31, 2022)	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Operating revenues	(Millions of yen)	24,198	22,806	24,184	24,433	25,052
(Rental revenues)	(Millions of yen)	(22,302)	(22,806)	(23,212)	(23,984)	(25,052)
Operating expenses	(Millions of yen)	13,414	14,550	13,630	13,806	14,149
(Property-related expenses)	(Millions of yen)	(11,122)	(11,032)	(11,244)	(11,467)	(11,778)
Operating income	(Millions of yen)	10,784	8,256	10,553	10,627	10,903
Ordinary income	(Millions of yen)	9,847	7,326	9,628	9,666	9,930
Net income	(a) (Millions of yen)	9,847	7,326	9,628	9,666	9,929
Total assets (compared with the previous period)	(b) (Millions of yen)	704,135 (+0.3%)	707,548 (+0.5%)	715,568 (+1.1%)	714,899 (-0.1%)	723,202 (+1.2%)
Total unitholders' equity (Net assets) (compared with the previous period)	(c) (Millions of yen)	365,797 (+0.0%)	363,257 (-0.7%)	363,291 (+0.0%)	360,338 (-0.8%)	360,480 (+0.0%)
Unitholders' capital (compared with the previous period)	(Millions of yen)	319,973 (-)	319,973 (-)	319,973 (-)	319,973 (-)	319,973 (-)
Total no. of investment units issued and outstanding	(d) (Units)	3,118,337	3,118,337	3,118,337	3,098,591	3,098,591
Net assets per unit	(c)/(d) (Yen)	117,305	116,490	116,501	116,291	116,336
Total cash distribution	(e) (Millions of yen)	9,922	9,666	9,704	9,741	10,005
Net income per unit	(Note 1) (Yen)	3,157	2,349	3,087	3,103	3,204
Cash distribution per unit	(e)/(d) (Yen)	3,182	3,100	3,112	3,144	3,229
(Distribution of earnings per unit)	(Yen)	(3,182)	(3,100)	(3,112)	(3,144)	(3,229)
(Distribution in excess of earnings per unit)	(Yen)	(-)	(-)	(-)	(-)	(-)
Return on assets (Annualized)	(Note 2) (%)	1.4 (2.8)	1.0 (2.1)	1.4 (2.7)	1.4 (2.7)	1.4 (2.8)
Return on equity (Annualized)	(Note 2) (%)	2.7 (5.4)	2.0 (4.0)	2.7 (5.3)	2.7 (5.3)	2.8 (5.5)
Equity ratio (compared with the previous period)	(c)/(b) (%)	51.9 (-0.1%)	51.3 (-0.6%)	50.8 (-0.6%)	50.4 (-0.4%)	49.8 (-0.6%)
Payout ratio	(Note 2) (%)	100.7	131.9	100.8	101.3	100.7
Supplementary information						
No. of investment properties at end of period	(Properties)	133	136	136	137	140
Total leasable floor space at end of period	(m ²)	1,541,488.04	1,566,349.17	1,556,492.03	1,574,218.12	1,632,781.16
Total no. of tenants at end of period	(Tenants)	2,725	2,772	2,803	2,850	3,069
Occupancy rate at end of period	(%)	97.3	97.8	98.6	98.9	98.4
Depreciation and amortization	(Millions of yen)	4,130	4,098	4,102	4,068	4,067
Capital expenditures	(Millions of yen)	1,746	2,450	2,184	1,950	2,443
NOI (Net Operating Income) from leasing	(Note 2) (Millions of yen)	15,310	15,872	16,069	16,585	17,341
FFO (Funds From Operations) per unit	(Note 2) (Yen)	3,875	4,033	4,115	4,289	4,519
FFO ratio	(Note 2) (Times)	20.2	18.0	17.4	18.0	16.3
Debt service coverage ratio	(Note 2) (Times)	16.0	14.4	15.7	15.3	15.6
Net income before interest, depreciation and amortization	(Note 2) (Millions of yen)	14,916	13,505	14,742	14,699	14,963
Interest expense and interest expenses on corporate bonds	(Millions of yen)	934	937	937	958	960
Interest-bearing liabilities	(Note 2) (Millions of yen)	299,833	304,433	310,703	313,403	320,403
Ratio of interest-bearing liabilities to total assets at end of period	(Note 2) (%)	42.5	43.0	43.4	43.8	44.3
No. of operating days	(Days)	182	183	182	183	182

Notes: 1. Net income per unit is computed on the basis of the average numbers of investment units during the period set out below.

	35th FP	36th FP	37th FP	38th FP	39th FP
Average no. of investment units during the period	3,118,337 units	3,118,337 units	3,118,337 units	3,114,668 units	3,098,591 units

2. The indicators stated above are computed by the methods set out below. The figures in parentheses are the annualized figures by actual days of each fiscal period, respectively.

Return on assets	Ordinary income / ((Total assets at beginning of period + Total assets at end of period) / 2) × 100
Return on equity	Net income / ((Net assets at beginning of period + Net assets at end of period) / 2) × 100
Payout ratio	Cash distribution per unit / Net income per unit × 100 (Payout ratios are rounded down to one decimal place.)
NOI (Net Operating Income) from leasing	Income or loss from property leasing in the period (Rental revenues - Property-related expenses) + Depreciation and Amortization
FFO (Funds From Operations) per unit	FFO (Net income + Depreciation and amortization + Amortization of deferred assets - Gain or loss on sales of real estate properties + Impairment losses) / Total no. of investment units issued and outstanding
FFO ratio	Investment unit price at end of period / Annualized FFO per unit
Debt service coverage ratio	Net income before interest, depreciation and amortization / Interest expense and Interest expenses on corporate bonds
Net income before interest, depreciation and amortization	Net income + Depreciation and amortization + Amortization of deferred assets + Interest expense and Interest expenses on corporate bonds + Impairment losses
Interest-bearing liabilities	Short-term borrowings + Current portion of corporate bonds + Long-term borrowings due for repayment within one year + Corporate bonds + Long-term borrowings
Ratio of interest-bearing liabilities to total assets at end of period	Interest-bearing liabilities at end of period / total assets at end of period × 100 (Fractions are rounded down to the nearest one decimal place.)

3. Unless otherwise indicated specifically, amounts above have been rounded down and percentage figures are rounded to the unit stated.

2. Performance Review for the Current Period

United Urban Investment Corporation (“United Urban”) was incorporated on November 4, 2003, under the Act on Investment Trusts and Investment Corporations of Japan (Act No. 198 of 1951, as amended, the “Investment Trust Act”). On December 22, 2003, United Urban was listed (Securities Code: 8960) on the real estate investment trust section (J-REIT section) of the Tokyo Stock Exchange.

United Urban defines real estate which can secure stable profitability over the medium to long term, as real estate with “Intrinsic Value” and aims to secure stable earnings over the medium to long term by investing in selected properties in consideration of “Intrinsic Value” as a diversified J-REIT, diversifying its investments in terms of the “types of use” and “area of location” (Note).

United Urban merged with Nippon Commercial Investment Corporation (“NCI”) on December 1, 2010 (the “Merger”). As a result of continuous property acquisitions using fund procurement through borrowings and public offering after the Merger, United Urban is one of the largest J-REITs in terms of asset size (on an acquisition price basis).

As a result of performance, a distribution has been made in each of 38 fiscal periods from the 1st fiscal period (fiscal period ended May 31, 2004) to the 38th fiscal period (fiscal period ended November 30, 2022). For the current period (39th fiscal period: fiscal period ended May 31, 2023), United Urban decided to make cash distribution of ¥3,229 per unit.

Note: “Type of use” : Retail properties, office buildings, hotels, residential properties, and others

“Area of location” : Mainly, Tokyo metropolitan area and major Japanese cities including government designated cities and surrounding areas thereof

a. Investment Environment and Operation

(i) Investment Environment

The Japanese economy, during this period, continued to need close watching over uncertainty from surging prices for energy and raw materials across the globe, mainly due to the situation in Ukraine and accompanying price increase. With COVID-19 infections now settling down, social and economic activities are now becoming normal, and a further recovery in consumer spending and corporate capital spending has taken place. In particular, the recovery has been gaining momentum since the downgrade of the COVID-19 to category V (a common infectious disease) in the Infectious Disease Act dated May 2023.

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

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

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

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

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

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

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

(ii) New Acquisition

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

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

- Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements, etc. concerning the acquisition or sale of each property. The acquisition price is rounded to the nearest whole unit. In addition, the amount of each price does not include expenses related to the acquisition or sale and consumption tax, etc. The same shall apply hereinafter.
3. The acquisition asset is 10% quasi co-ownership of the trust beneficial interest of the compartmentalized ownership in a part of OSAKA BAY TOWER (55.4% of the entire property). Therefore, the ownership ratio of United Urban is 5.54% of OSAKA BAY TOWER.
4. The property name was changed from "Miyanomori Nijo Development Site" to "Granda Miyanomori" on May 31, 2023. The same shall apply hereinafter.
5. The total acquisition price of the entire property is ¥1,423 million, consisting of the land portion (acquisition price: ¥370 million) and the building portion (construction and design costs: ¥1,053 million).

(iii) Portfolio Overview

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

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

(iv) Sustainability Initiatives

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

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

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

Moreover, as a result of our Sustainability Activities, in the 2022 survey of the GRESB Real Estate Assessment, an international

benchmark for measuring ESG integration of real estate companies and funds, United Urban received 4 Stars in the five-level GRESB Rating (the second-highest level). Moreover, in the results for GRESB Public Disclosure Level Assessment, United Urban received the highest level: A.

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

b. Financing Overview

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

The status of interest-bearing liabilities at the end of the previous period and the end of the 39th fiscal period are as follows.

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

Moreover, the details of ratings of United Urban as of June 30, 2023 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency, Ltd. (JCR)	Long-Term Issuer Rating: AA	Rating Outlook: Stable

c. Overview of Financial Results and Distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥25,052 million (up by 2.5% from the previous period), profit from rental activities of ¥13,274 million (up by 6.1% from the previous period), operating income of ¥10,903 million (up by 2.6% from the previous period), ordinary income of ¥9,930 million (up by 2.7% from the previous period), and net income of ¥9,929 million (up by 2.7% from the previous period).

During the period under the review, United Urban added ¥77 million, which is a reversal of the reserve for temporary difference adjustments in accordance with "Ordinance on Accountings of Investment Corporations" and "Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations" stipulated by the Investment Trusts Association, Japan to ¥9,929 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥10,005 million, and cash distribution per unit was ¥3,229.

3. Issuance of New Investment Units

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

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

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

Changes in Investment Unit Prices

The highest and lowest closing prices of United Urban's investment units in the J-REIT Section of the Tokyo Stock Exchange are as follows:

	35th Fiscal Period (December 1, 2020 – May 31, 2021)	36th Fiscal Period (June 1, 2021 – November 30, 2021)	37th Fiscal Period (December 1, 2021 – May 31, 2022)	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
	Yen				
Highest	167,600	169,200	149,000	158,400	156,900
Lowest	118,800	135,800	123,700	135,000	138,300

4. Distribution Information

During the fiscal period, United Urban added ¥77 million, which is the reversal of the reserve for temporary difference adjustments in accordance with "Ordinance on Accountings of Investment Corporations" and "Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations" stipulated by the Investment Trusts Association, Japan to ¥9,929 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥10,005 million, and cash distribution per unit was ¥3,229.

		35th Fiscal Period (December 1, 2020 – May 31, 2021)	36th Fiscal Period (June 1, 2021 – November 30, 2021)	37th Fiscal Period (December 1, 2021 – May 31, 2022)	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Unappropriated retained earnings at end of period	Thousands of yen	9,847,056	7,326,291	9,628,227	9,666,272	9,929,741
Retained earnings (Note)	Thousands of yen	12,469,222	10,128,669	10,052,632	9,976,935	9,901,326
Total cash distribution	Thousands of yen	9,922,548	9,666,844	9,704,264	9,741,970	10,005,350
(Cash distribution per unit)	(Yen)	(3,182)	(3,100)	(3,112)	(3,144)	(3,229)
Total profit distribution	Thousands of yen	9,922,548	9,666,844	9,704,264	9,741,970	10,005,350
(Profit distribution per unit)	(Yen)	(3,182)	(3,100)	(3,112)	(3,144)	(3,229)
Total refund of capital	Thousands of yen	-	-	-	-	-
(Refund of capital per unit)	(Yen)	(-)	(-)	(-)	(-)	(-)
Of total refund of capital, the total cash distribution from provision for temporary difference adjustment (Of refund of capital per unit, cash distribution per unit from provision for temporary difference adjustment)	Thousands of yen	-	-	-	-	-
	(Yen)	(-)	(-)	(-)	(-)	(-)
Of total refund of capital, the total cash distribution from the distribution associated with investment decrease for tax purpose	Thousands of yen	-	-	-	-	-

(Of refund of capital per unit, cash distribution per unit from the distribution associated with investment decrease for tax purpose)

(Yen)

(-)

(-)

(-)

(-)

(-)

Note: "Retained earnings" shows total amount of the balance of voluntary retained earnings such as reserve for temporary difference adjustments, reserve retained for distribution, and reserve for reduction entry, and unappropriated retained earnings carried forward.

5. Future Policies and Challenges

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

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

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

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

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

6. Material Facts Arising after the End of the 39th Fiscal Period and Other Material Events

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

a. Acquisition of Property and Debt Financing

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

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

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

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

b. Sale of Property

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

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

c. New Borrowing for Repayment

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

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

d. New Committed Line of Credit Agreement

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

Outline of the new committed line of credit agreement

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

e. Acquisition of Asset related to Development Project and Debt Financing

- (i) United Urban decided to acquire a real estate for the development site (the "Property") of the hotel development project (the "Project") as well as to conclude related agreements on July 25, 2023, and acquired the Property on July 31, 2023.

(Outline of the Property) (Note)

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
C22	Hakata Gion Development Site	-	Fukuoka, Fukuoka	2,300	July 31, 2023

Note: As of today, there exists a building on the Property. The seller, as a lessor and an assignee, has entered into a contract for lease for temporary use of land and a free assignment of building (the "Existing Lease and Free Assignment Contract") with a lessee and an assignor (the "Lessee"), and the Lessee carries out the business on the Property. United Urban succeeded the status, rights, and obligations of the lessor and assignee prescribed in the Existing Lease and Free Assignment Contract from the seller on the acquisition date. In addition, the lease term expires on March 31, 2024, and the building on the Property will be transferred to United Urban on the same date. United Urban plans to dismantle the building after that date.

- (ii) United Urban procured debt financing to acquire the Property mentioned above (i), as set forth below.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 82C	Sumitomo Mitsui Banking Corporation	1,450	Basic Interest Rate (JBA 3 month JPY TIBOR) + 0.24%	July 31, 2023	December 20, 2027	Unsecured Unguaranteed
Term Loan 83C	Mizuho Bank, Ltd.	1,000	Basic Interest Rate (JBA 3 month JPY TIBOR) + 0.24%			

(Outline of the Project)

For the purpose of hotel development, United Urban concluded a basic contract agreement with the hotel operator on July 25, 2023, and a project management contract with the project manager on July 31, 2023, respectively. In addition, the building (hotel) is slated for completion by September 2026 and will be handed over to United Urban by a building constructor.

(Schedule of the Project)

Conclusion of the purchase and sales agreement of real estate	July 25, 2023
Conclusion of the basic contract agreement	
Acquisition of the Property	July 31, 2023
Conclusion of the project management contract	
Expiry of the Existing Lease and Free Assignment Contract / Transfer of the existing building	March 31, 2024 (scheduled)
Start of the soil investigation	Immediately after April 1, 2024 (scheduled)
Completion of the building	September 2026 (scheduled)

Overall Condition of Investment Corporation

1. Summary of Unitholders' Contribution

		35th Fiscal Period (As of May 31, 2021)	36th Fiscal Period (As of November 30, 2021)	37th Fiscal Period (As of May 31, 2022)	38th Fiscal Period (As of November 30, 2022)	39th Fiscal Period (As of May 31, 2023)
Total number of investment units authorized	(Units)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total number of investment units issued and outstanding	(Units)	3,118,337	3,118,337	3,118,337	3,098,591	3,098,591
Total unitholders' capital	(Millions of yen)	319,973	319,973	319,973	319,973	319,973
Number of unitholders		21,376	21,366	21,182	20,738	20,284

2. Major Unitholders

TOP 10 unitholders based on the number of investment units held at the end of the 39th fiscal period were as follows:

Unitholder Name	Investment Units Held (Units)	Percentage of Investment Units Held (%) (Note)
Custody Bank of Japan, Ltd. (trust account)	952,718	30.75
The Master Trust Bank of Japan, Ltd. (trust account)	550,564	17.77
The Nomura Trust and Banking Co., Ltd. (investment trust account)	149,178	4.81
SMBC Nikko Securities Inc.	103,774	3.35
SSBTC CLIENT OMNIBUS ACCOUNT	52,459	1.69
STATE STREET BANK WEST CLIENT - TREATY 505234	45,794	1.48
Mizuho Securities Co., Ltd.	45,379	1.46
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	42,781	1.38
STATE STREET BANK AND TRUST COMPANY 505103	40,490	1.31
JP MORGAN CHASE BANK 385770	29,972	0.97
Total	2,013,109	64.97

Note: The percentages of investment units held are rounded to two decimal places.

3. Directors and Auditor

a. Board of Directors, etc. of United Urban were as follows:

Title	Name	Other Title	Total Amount of Compensation for Directors, etc. (Thousands of yen)
Executive Officer	Toshiaki Emon (Note 3)	-	6,000
Supervisory Officer	Kenichiro Okamura	Chief Executive Officer, Kaede Accounting Advisory, Inc. Representative Partner, Kaede Tax Corporation Outside Corporate Auditor, CYBERDYNE, INC. Outside Corporate Auditor, SG Holdings Co., Ltd. Outside Director (auditing committee member), Kanematsu Sustech Corporation (Note 4)	2,100
	Kumiko Sekine	Partner, Tanabe & Partners	2,100
Accounting Auditor	ERNST & YOUNG SHINNIHON LLC	-	18,000
Total			28,200

Notes: 1. The Executive Officer and the Supervisory Officers do not have investment units of United Urban either under their own name or other people's names.

2. The Supervisory Officers may be directors of other companies other than those indicated above. However, each company, including the companies listed above, has no interest with United Urban.
3. The term of office of the Executive Officer, Toshiaki Emon will expire on August 31, 2023. Based on the resolution of the General Meeting of Unitholders of United Urban held on August 29, 2023, Kenmin Asatani will assume the office of the Executive Officer on September 1, 2023.
4. The Supervisory Director, Kenichiro Okamura resigned the Outside Director (auditing committee member) of Kanematsu Sustech Corporation on June 22, 2023.

b. Determination policy for dismissal or non-reappointment of Accounting Auditor

The dismissal of Accounting Auditor shall be considered at the board of directors of United Urban, subject to the Investment Trust Act. In addition, non-reappointment shall also be considered at the board of directors of United Urban by comprehensively taking into account the quality of audit, audit fee, and other various factors.

c. Matters concerning compensation agreement between directors, etc. and Investment Corporation

Not Applicable

4. Matters concerning Directors and Officers Liability Insurance Agreement

United Urban has entered into the directors and officers liability insurance agreement as follows:

Scope of the insured	Overview of agreement
All Executive Officer and Supervisory Officers	<p>(Overview of insured event covered by the insurance) United Urban has concluded a directors and officers liability insurance agreement to cover loss, such as compensation payment and dispute costs, etc. to be borne by the insured to a certain extent when they receive a claim for compensation for the actions they have taken as an officer of United Urban.</p> <p>(Burden ratio of insurance premium) United Urban shall bear all insurance premiums.</p> <p>(Measures to ensure the appropriateness of the execution of duties) When the insured suffer damages by actions which they executed with knowledge that it may constitute criminal act or violate the laws and regulations, the loss is not subject of the protection.</p>

5. Advisors and Agents

Asset Management Company, Asset Custodian, and Administrative Agents at the end of the 39th fiscal period were as follows:

Role	Name
Asset Management Company	Japan REIT Advisors Co., Ltd.
Asset Custodian	Sumitomo Mitsui Trust Bank, Limited
Administrative Agent (Transfer Agent (unitholder registry))	Sumitomo Mitsui Trust Bank, Limited
Administrative Agent (Special Account Administrator)	Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation
Administrative Agent (accounting, etc.)	Mizuho Trust & Banking Co., Ltd.
Administrative Agent (related to corporate bonds)	Sumitomo Mitsui Trust Bank, Limited MUFG Bank, Ltd.

Portfolio Profiles

1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		38th Fiscal Period (As of November 30, 2022)		39th Fiscal Period (As of May 31, 2023)	
				Total Amounts Held (Thousands of yen) (Note1)	Percentage to Total Assets (%)	Total Amounts Held (Thousands of yen) (Note1)	Percentage to Total Assets (%)
Real Estate	Retail Properties	Capital region (Note 2)	6 central wards of Tokyo (Note 3)	-	-	-	-
			23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,220,451	1.0	7,209,102	1.0
			Other regions (Note 6)	13,247,308	1.9	13,284,617	1.8
	Office Buildings	Capital region	6 central wards of Tokyo	22,880,760	3.2	22,833,648	3.2
			23 wards of Tokyo	9,320,993	1.3	9,281,845	1.3
			Tokyo metropolitan area	8,715,554	1.2	8,711,619	1.2
			Other regions	-	-	-	-
	Hotels	Capital region	6 central wards of Tokyo	1,565,085	0.2	1,558,486	0.2
			23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,654,675	0.5	3,620,946	0.5
			Other regions	-	-	-	-
	Residential Properties	Capital region	6 central wards of Tokyo	-	-	-	-
			23 wards of Tokyo	4,747,227	0.7	4,727,904	0.7
			Tokyo metropolitan area	1,681,579	0.2	1,678,406	0.2
			Other regions	3,585,287	0.5	3,558,917	0.5
	Others	Capital region	6 central wards of Tokyo	-	-	-	-
			23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	6,934,188	1.0	6,934,188	1.0
			Other regions	552,821	0.1	1,645,551	0.2
	Subtotal				84,105,931	11.8	85,045,233
Real Estate in Trust	Retail Properties	Capital region	6 central wards of Tokyo	4,215,028	0.6	4,209,177	0.6
			23 wards of Tokyo	11,433,576	1.6	11,395,244	1.6
			Tokyo metropolitan area	95,691,247	13.4	95,668,528	13.2
			Other regions	55,988,850	7.8	56,128,737	7.8
	Office Buildings	Capital region	6 central wards of Tokyo	65,405,755	9.1	65,236,510	9.0
			23 wards of Tokyo	1,960,896	0.3	1,955,635	0.3
			Tokyo metropolitan area	38,804,490	5.4	38,440,664	5.3
			Other regions	45,441,635	6.4	48,099,168	6.7
	Hotels	Capital region	6 central wards of Tokyo	40,073,449	5.6	39,886,006	5.5
			23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	22,966,423	3.2	22,907,876	3.2
			Other regions	90,701,460	12.7	90,906,158	12.6
	Residential Properties	Capital region	6 central wards of Tokyo	2,293,421	0.3	2,287,021	0.3
			23 wards of Tokyo	9,686,849	1.4	9,647,962	1.3
			Tokyo metropolitan area	2,792,522	0.4	2,776,886	0.4
			Other regions	21,334,327	3.0	23,009,807	3.2
	Others	Capital region	6 central wards of Tokyo	3,222,619	0.5	3,220,500	0.4
			23 wards of Tokyo	7,885,149	1.1	7,869,838	1.1
			Tokyo metropolitan area	38,026,036	5.3	37,944,720	5.2
			Other regions	10,810,869	1.5	11,991,717	1.7
	Subtotal				568,734,610	79.6	573,582,165
Bank Deposits and Other Assets				62,058,945	8.7	64,575,045	8.9
Total Assets				714,899,488	100.0	723,202,444	100.0

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

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

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

4. The “23 wards of Tokyo” are the 23 Tokyo wards excluding the “6 central wards of Tokyo.”
5. The “Tokyo metropolitan area” refers to the Capital region excluding the 23 Tokyo wards.
6. “Other regions” refers to other major cities in Japan including government designated cities (excluding cities located in the Capital region) and surrounding areas thereof.

2. Major Properties

Major properties (top 10 properties based on book value) owned by United Urban as of May 31, 2023 were as follows:

Property Name	Book Value (Millions of yen)	Leasable Floor Space (m ²) (Note 1)	Leased Floor Space (m ²) (Note 1)(Note 2)	Occupancy Rate (%) (Note 1)	Monthly Rent Ratio at End of Period (%) (Note 3)	Type of Use	Granting of Security
Yodobashi Camera Multimedia Kichijoji	25,974	37,932.95	37,932.95	100.0	(Note 4)	Retail Properties	No
Shin-Osaka Central Tower	22,920	45,951.31	44,113.53	96.0	4.4	Office / Hotels	No
Shinsaibashi OPA Honkan	21,778	27,025.42	27,025.42	100.0	3.1	Retail Properties	No
Shinjuku Washington Hotel Honkan	21,577	53,315.02	52,182.76	97.9	3.4	Hotels	No
Loisir Hotel & Spa Tower Naha	19,701	45,731.16	45,731.16	100.0	(Note 4)	Hotels	No
SS30	18,811	67,681.45	65,499.82	96.8	4.4	Office / Hotels	No
Kawasaki Toshiba Building	18,144	36,142.30	36,142.30	100.0	3.8	Office Buildings	No
RIHGA Royal Hotel Kokura • ARUARU City	17,687	81,372.50	80,899.50	99.4	2.9	Hotels	No
Royal Pines Hotel Urawa	17,427	31,129.86	31,129.86	100.0	(Note 4)	Hotels	No
Hotel Hewitt Koshien	13,865	36,104.06	36,104.06	100.0	(Note 4)	Hotels	No
Total	197,887	462,386.03	456,761.36	98.8	29.7		

- Notes: 1. “Leasable Floor Space,” “Leased Floor Space,” and “Occupancy Rate” are based on data as of May 31, 2023. “Leasable Floor Space” means the aggregate leasable floor space of the portions owned by United Urban of individual real estate and real estate in trust. “Leased Floor Space” means the aggregate of the areas within the total leasable floor space that has been actually leased under lease agreements. (In principle, numerical values in “Leasable Floor Space” and “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*sekou yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. The same shall apply hereinafter.) 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. In addition, “Occupancy Rate” is the percentage obtained from dividing “Leased Floor Space” by “Leasable Floor Space”.
2. As a general rule, “Leased Floor Space” indicates the floor space that has been leased to end-tenants under lease agreements. However, of master lease agreements, the floor spaces in the lease agreements that don't fall into pass-through type indicates the floor spaces in the master lease agreements or the numerical values stated in the management reports or the monthly reports prepared by the property management companies.
3. “Monthly Rent Ratio at End of Period” is calculated based on monthly rent(s) (total of room rent and common area charges) under the lease agreement in effect as of May 31, 2023. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of May 31, 2023 is used for the calculation. In addition, it doesn't include variable rents.
4. With regard to these properties, the tenants with whom a lease agreement (including a reservation lease agreement) has been concluded have not given their consent for the disclosure of rental revenue. Therefore, there has been no choice but to omit disclosure of this figure here.

3. Details of Properties in the Portfolio

Details of properties owned by United Urban as of May 31, 2023 were as follows:

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Joy Park Izumigaoka	1-3 Miharadai 1-cho, Minami-ku, Sakai, Osaka	Trust beneficial interest	12,977.80	4,590	4,929
Luz Funabashi	7-2-2 Fujiwara, Funabashi, Chiba	Trust beneficial interest	12,955.48	6,270	4,024
TENJIN LUCE	2-3-24 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,256.57	6,740	6,236
Tecc LAND Sakai Honten	5-1 Yashimochi 1-cho, Higashi-ku, Sakai, Osaka	Real estate	8,637.63	3,930	2,636
Miyamae Shopping Center	3-9-12 Inukura, Miyamae-ku, Kawasaki, Kanagawa	Trust beneficial interest	10,487.92	5,330	4,716
KONAMI SPORTS CLUB Korigaoka	3-3-1 Korigaoka, Hirakata, Osaka	Trust beneficial interest	8,627.58	2,020	1,333
ACTIOLE Minami-ikebukuro	2-26-10 Minami-ikebukuro, Toshima- ku, Tokyo	Trust beneficial interest	2,081.50	3,480	3,535
Tip's Machida Building	6-7-8 Haramachida, Machida, Tokyo	Trust beneficial interest	6,616.32	5,300	4,176
Daiei Takarazuka Nakayama	21-22 Mefuhigashino-cho, Takarazuka, Hyogo	Trust beneficial interest	16,729.60	3,950	2,970 (Note 4)
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	1-1-1 Isogo, Isogo-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	52,668.38	11,500	12,457
ACTIOLE Kannai	3-31 Masago-cho, Naka-ku, Yokohama, Kanagawa	Real estate	1,938.56	1,930	2,198
Shinsaibashi OPA Honkan	1-4-3 Nishi-Shinsaibashi, Chuo-ku, Osaka, Osaka	Trust beneficial interest	27,025.42	25,000	21,778
Albore Jingumae	5-27-7 Jingumae, Shibuya-ku, Tokyo	Trust beneficial interest	824.73	2,810	1,530
Albore Sendai	2-4-5 Chuo, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	3,182.13	3,300	2,292
Mallage Kashiwa	2-3-1 Oyamadai, Kashiwa, Chiba, etc.	Trust beneficial interest	41,749.24	9,270	6,687
Ito-Yokado Owariasahi	116-4 Ishihara, Minami-Harayama- cho, Owariasahi, Aichi, etc.	Real estate	54,606.34	4,940	3,797
Yokohama Kariba Shopping Center	164-1 Kariba-cho Hodogaya-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	11,345.09	2,410	1,974
Luz Jiyugaoka	2-9-6 Jiyugaoka, Meguro-ku, Tokyo	Trust beneficial interest	2,283.47	5,910	4,661
ACTIOLE Ichikawa	1-4-17 Ichikawa, Ichikawa, Chiba	Trust beneficial interest	3,931.56	4,170	2,664
Yokohama Aoba Shopping Center (Site)	1-2 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	9,193.00	3,390	2,740
Yamada Denki Tecc Land Aoba (Site)	2-3 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	7,650.63	2,890	2,270
Yodobashi Camera Multimedia Kichijoji	1-19-1 Kichijoji-honcho, Musashino, Tokyo	Trust beneficial interest	37,932.95	36,100	25,974
Kaden Sumairu-kan YAMADA Matsudo Honten	2289-3 Matsudo Aza Iwase-sakai, Matsudo, Chiba, etc.	Trust beneficial interest	17,561.23	7,080	4,512
Luz Fukuoka Tenjin (Note 7)	4-9-25 Watanabe-dori, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	7,730.09	4,480	4,954
Narumi Shopping Center (Site)	3-2 Narumicho-aza Denjiyama, Midori- ku, Nagoya, Aichi, etc.	Real estate	60,419.26	7,160	6,850
Plussing Wave Enoshima	1-3-16 Kugenuma-Kaigan, Fujisawa, Kanagawa	Trust beneficial interest	2,885.94	1,600	1,880
LIFE Nishikujo (Site)	6-41-6 Nishikujo, Konohana-ku, Osaka, Osaka	Trust beneficial interest	3,252.76	2,090	1,842
LIFE Tamatsukuri (Site)	3-12-1 Nakamichi, Higashinari-ku, Osaka, Osaka	Trust beneficial interest	2,391.44	2,170	1,967
Granbell Ginza Building	2-8-18 Ginza, Chuo-ku, Tokyo	Trust beneficial interest	1,352.35	2,750	2,678
UUR Tenjin Nishi-dori Building	2-5-21 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	1,053.10	3,810	6,024
Luz Shonan Tsujido	1-2-12 Tsujido-Kandai, Fujisawa, Kanagawa	Trust beneficial interest	10,373.71	4,660	4,267
ACTIOLE Ueno	4-5-5 Ueno, Taito-ku, Tokyo	Trust beneficial interest	1,163.44	2,760	3,198
KURURU	1-50 Miyamachi, Fuchu, Tokyo	Trust beneficial interest	12,810.05	8,980	9,972
K's Denki Nagoya-kita	3-1 Nagaregawa, Aza-Toyoba, Oaza- Toyoyamacho, Nishikasugai-gun, Aichi	Trust beneficial interest	4,733.74	1,870	1,797
Luz Musashikosugi	3-1100-4, Shinmarukohigashi, Nakahara-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	8,272.58	11,800	12,196

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
LEVEN Otakanomori	3-8 Otakanomori-minami, Nagareyama, Chiba	Trust beneficial interest	5,984.28	3,870	3,833
Gulliver Hachioji Minamino	6-20-1 Minamino, Hachioji, Tokyo	Trust beneficial interest	8,278.27	1,640	1,582
T&G Hamamatsucho Building	2-12-10 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	2,261.97	2,920	2,088
Fukuoka Eartheon Building	3-6-3 Hakata-Eki Higashi, Hakata-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,934.40	3,350	1,439
Kojimachi Center Place (Note 8)	3-3-8 Kojimachi, Chiyoda-ku, Tokyo	Trust beneficial interest	2,577.76	2,960	2,378
Shin-Osaka Central Tower	5-5-15 Nishi-Nakashima, Yodogawa-ku, Osaka, Osaka	Trust beneficial interest	45,951.31	29,000	22,920
Kawasaki Toshiba Building	580-1 Horikawa-cho, Saiwai-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	36,142.30	31,000	18,144
UUR Toyochō Building	2-4-18 Toyo, Koto-ku, Tokyo	Real estate	7,571.20	6,730	8,247
FOUR SEASONS BLDG	2-4-3 Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	5,000.54	6,380	3,935
Pacific Marks Shinjuku Parkside	4-15-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	10,947.34	15,000	11,395
Pacific Marks Tsukishima	1-15-7 Tsukishima, Chuo-ku, Tokyo	Real estate	9,335.19	7,140	5,661
Pacific Marks Yokohama East	3-4 Sakae-cho, Kanagawa-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	11,199.19	7,990	6,246
Akasaka Hikawa Building	6-18-3 Akasaka, Minato-ku, Tokyo	Trust beneficial interest	3,438.20	4,150	3,123
Pacific Marks Shibuya Koen-dori	1-6-3 Jinnan, Shibuya-ku, Tokyo	Trust beneficial interest	1,972.43	3,470	2,405
Pacific Marks Akasaka-mitsuke	3-20-6 Akasaka, Minato-ku, Tokyo	Real estate	1,675.13	2,660	2,124
Pacific Marks Shin-Yokohama	3-18-20 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	3,084.02	1,600	1,463
Pacific Marks Kawasaki	11-1 Ekimae-honcho, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Real estate	7,395.50	12,900	8,711
Hamamatsucho 262 Building	2-6-2 Hamamatsucho, Minato-ku, Tokyo	Trust beneficial interest	6,149.77	8,400	6,247
Lila Hijirizaka	3-4-9 Mita, Minato-ku, Tokyo, etc.	Real estate	4,255.02	3,670	2,590
Otsuka HT Building	3-43-1 Minami-otsuka, Toshima-ku, Tokyo	Real estate	1,774.56	1,310	1,034
Pacific Marks Shinjuku South-gate	4-2-16 Shinjuku, Shinjuku-ku, Tokyo	Real estate	1,727.48	4,050	2,436
Pacific Marks Nishi-Umeda	2-6-20 Umeda, Kita-ku, Osaka, Osaka	Trust beneficial interest	10,990.99	8,140	6,542
Pacific Marks Higobashi	1-10-8 Edobori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	7,617.24	5,630	4,268
Pacific Marks Sapporo Kita-Ichijo	7-4-4 Kita Ichijo Nishi, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	4,731.59	2,400	1,638
Shin-Sapporo Center Building	6-2-15 Atsubetsu Chuo Ichijo, Atsubetsu-ku, Sapporo, Hokkaido	Trust beneficial interest	2,797.23	844	800
ARENA TOWER	3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	17,967.46	12,600	7,331
Yushima First Building	3-19-11 Yushima, Bunkyo-ku, Tokyo	Trust beneficial interest	4,554.23	3,470	1,955
Dogenzaka Square	5-18 Maruyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,234.21	3,230	2,204
GRAND-SQUARE Shin-Sakae	2-19-6 Shin-Sakae, Naka-ku, Nagoya, Aichi, etc.	Trust beneficial interest	4,578.93	1,980	1,191
GRAND-SQUARE Meieki-minami	1-12-9 Meieki-minami, Nakamura-ku, Nagoya, Aichi	Trust beneficial interest	4,003.05	2,670	1,010
Shiba 520 Building	5-20-6 Shiba, Minato-ku, Tokyo	Trust beneficial interest	2,831.93	3,930	2,090
Hirose-dori SE Building	205-1 Nagake-cho, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	8,235.87	5,720	2,870
SS 30	4-6-1 Chuo, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	67,681.45	23,400	18,811
LOOP-X・M	3-9-15 Kaigan, Minato-ku, Tokyo, etc.	Trust beneficial interest	21,589.27	13,000	12,208
Toranomon Hills Mori Tower	1-23-1 Toranomon, Minato-ku, Tokyo	Real estate	3,273.51	11,500	10,020
Toranomon PF Building	3-10-11 Toranomon, Minato-ku, Tokyo	Trust beneficial interest	3,603.09	4,560	3,466
UUR Kyobashi East Building	4-2-2 Hatchobori, Chuo-ku, Tokyo	Trust beneficial interest	3,642.18	8,160	7,535
IIDABASHI PLANO	2-7-2 Fujimi, Chiyoda-ku, Tokyo	Trust beneficial interest	4,370.23	7,180	6,155
OSAKA BAY TOWER	1-2-1 Benten, Minato-ku, Osaka, Osaka	Trust beneficial interest	44,076.20	2,760	2,786

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Shinjuku Washington Hotel Honkan	3-2-9 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	53,315.02	26,300	21,577
Toyoko Inn Shinagawa-eki Takanawa-guchi	4-23-2 Takanawa, Minato-ku, Tokyo	Real estate	3,088.85	2,590	1,558
MZ BLD.	2-26-9 Myojin-cho, Hachioji, Tokyo	Trust beneficial interest	6,660.20	3,850	2,923
HOTEL ROUTE-INN Yokohama Bashamichi	4-53-1 Benten Dori, Naka-ku, Yokohama, Kanagawa	Real estate	7,139.44	4,850	3,620
Hotel JAL City Naha	1-3-70 Makishi, Naha, Okinawa	Trust beneficial interest	13,701.80	10,700	6,766
UUR Yotsuya Sanchome Building	3-14-1 Yotsuya, Shinjuku-ku, Tokyo, etc.	Trust beneficial interest	7,854.86	7,060	4,354
Yotsuya 213 Building	2-1-3 Yotsuya, Shinjuku-ku, Tokyo	Trust beneficial interest	7,544.42	7,200	4,888
Comfort Inn Tokyo Roppongi	3-9-8 Roppongi, Mitato-ku, Tokyo	Trust beneficial interest	3,708.47	3,650	4,699
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2-11-14 Isago, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	4,874.28	3,210	2,557
Toyoko Inn Hiroshima Heiwa-odori	5-15 Tanakamachi, Naka-ku, Hiroshima, Hiroshima	Trust beneficial interest	4,357.75	2,640	1,983
Toyoko Inn Naha Kokusai-dori Miehashi-eki	1-20-1 Makishi, Naha, Okinawa	Trust beneficial interest	1,529.47	881	699
Loisir Hotel & Spa Tower Naha	3-2-1 Nishi, Naha, Okinawa	Trust beneficial interest	45,731.16	22,000	19,701
Royal Pines Hotel Urawa	2-5-1 Nakachou, Urawa-ku, Saitama, Saitama	Trust beneficial interest	31,129.86	17,100	17,427
RIHGA Royal Hotel Kokura · ARUARU City	2-14-2 Asano, Kokurakita-ku, Kitakyushu, Fukuoka, etc.	Trust beneficial interest	81,372.50	15,900	17,687
Comfort Inn Fukuoka Tenjin	1-2-1 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	3,567.22	3,550	3,018
Henn na Hotel Tokyo Hamamatsucho	1-24-11 Hamamatsucho, Minato-ku, Tokyo	Trust beneficial interest	2,293.64	4,760	4,366
Hotel Hewitt Koshien	3-30 Koshientakashiocho, Nishinomiya, Hyogo	Trust beneficial interest	36,104.06	13,700	13,865
Smile Hotel Premium Sapporo Susukino	1-13-1 Minami4jonishi, Chuo-ku, Sapporo, Hokkaido	Trust beneficial interest	8,332.04	5,250	4,106
the square hotel KANAZAWA	10 Shimotsutsumicho, Kanazawa, Ishikawa	Trust beneficial interest	6,333.36	5,950	4,829
RIHGA Place Kyoto Shijo Karasuma (Note 9)	551 Sannou-cho, Muromachi-dori Takatsuji-agaru, Shimogyo-ku, Kyoto, Kyoto	Trust beneficial interest	2,358.25	2,580	2,068
T&G Higashi-ikebukuro Mansion	3-8-8 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficial interest	2,665.59	2,810	1,339
Komazawa Court	2-37-1 Komazawa, Setagaya-ku, Tokyo	Trust beneficial interest	3,741.17	2,520	1,439
UUR Court Shiba-Daimon	1-2-3 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	1,486.38	1,650	942
Aprile Shin-Ohgi Ichibankan	2-10-6 Kita-Ohgi, Higashi Nada-ku, Kobe, Hyogo	Trust beneficial interest	12,700.44	4,110	2,264
UUR Court Sapporo Kita-Sanjo	3-1-28 Kitasanjo Higashi, Chuo-ku, Sapporo, Hokkaido	Trust beneficial interest	4,790.50	1,730	888
CLIO Bunkyo Koishikawa	1-13-9 Koishikawa, Bunkyo-ku, Tokyo	Trust beneficial interest	4,097.51	4,090	2,475
GRAND-ROUGE Sakae (Note 5)	5-21-26 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	3,697.38	1,430	1,121
GRAND-ROUGE Sakae II	5-21-37 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	2,579.89	1,260	923
MA Sendai Building	1-3-7 Kimachidori, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	11,525.36	4,760	2,255
UUR Court Nagoya Meieki	2-5-4 Meieki, Nishi-ku, Nagoya, Aichi	Trust beneficial interest	2,958.45	1,720	1,061
Park Site IZUMI	1-14-6 Izumi, Higashi-ku, Nagoya, Aichi	Trust beneficial interest	2,067.95	770	788
UUR Court Osaka Juso-honmachi	3-4-15 Jusohommachi, Yodogawa-ku, Osaka, Osaka	Trust beneficial interest	3,650.00	1,950	1,134
UUR Court Kinshicho	1-7-5 Kameido, Koto-ku, Tokyo	Real estate	5,460.39	4,170	2,690
UUR Court Sapporo Minami-Sanjo Premier Tower	2-3 Minamisanjo Nishi 1-chome, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	7,763.18	3,600	1,611
GRAND-ROUGE Nakanoshima-minami	1-25-27 Edobori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	3,090.36	1,790	1,145
Glenpark Umeda-kita	3-4-22 Nakazaki, Kita-ku, Osaka, Osaka	Trust beneficial interest	12,730.60	7,230	4,835
UUR Court Shiki	1-6-5 Saiwaicho, Shiki, Saitama	Trust beneficial interest	9,288.00	3,320	2,776

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
GRAND-ROUGE Tanimachi Rokuchome	3-22 Junikencho, Chuo-ku, Osaka, Osaka	Trust beneficial interest	2,792.81	1,600	1,347
Chatle Otemachi S・N	10-20 Otemachi, Kokurakita-ku, Kitakyushu, Fukuoka, etc.	Real estate	12,040.28	4,030	3,558
GRAN FONTE	6-49-2 Higashioizumi, Nerima-ku, Tokyo	Trust beneficial interest	6,268.24	3,780	2,866
Park Axis Akatsuka	2-2-18 Akatsuka, Itabashi-ku, Tokyo	Real estate	4,370.31	2,340	2,037
UUR Court Shirasagi	1-13-17 Shirasagi, Nakano-ku, Tokyo	Trust beneficial interest	2,815.30	1,830	1,527
Court Branche AP	5-8-2 Nakanobu, Shinagawa-ku, Tokyo	Trust beneficial interest	1,480.17	1,490	1,344
UUR Court Ibaraki Higashi-Chujo	12-11 Higashi-Chujo-cho, Ibaraki, Osaka	Trust beneficial interest	3,783.25	1,840	1,761
Amour Yokohama	2-105-1 Sengencho, Nishi-ku, Yokohama, Kanagawa	Real estate	2,272.73	1,580	1,678
GRAND-ROUGE Joto	2-12-12 Seiku, Joto-ku, Osaka, Osaka	Trust beneficial interest	3,309.62	1,860	1,869
Lilycolor Tohoku Branch	3-10 Okadanishimachi, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	9,271.16	2,370	1,250
Fuchu Building (Note 6)	1-39 Nikkocho, Fuchu, Tokyo, etc.	Trust beneficial interest	5,479.15	1,910	1,938
Tsubogawa Square Building	3-3-5 Tsubogawa, Naha, Okinawa	Trust beneficial interest	10,570.98	6,850	3,477
THE PLACE of TOKYO	3-5-4 Shibakoen, Mitato-ku, Tokyo	Trust beneficial interest	3,212.21	4,800	3,220
Logistics Higashi-Ohgishima	6-4 Higashi-Ohgishima, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	42,113.83	12,400	9,235
MT Ariake Center Building I&II	1-2-41 Ariake, Koto-ku, Tokyo, etc.	Trust beneficial interest	23,856.74	15,800	7,869
Shin-Narashino Logistics Center	2-3-6 Akanehama, Narashino, Chiba	Trust beneficial interest	12,909.90	3,110	2,615
Kawagoe Logistics Center	1822-1 Aza-Obakeue, Oaza- Shimoakasaka, Kawagoe, Saitama	Trust beneficial interest	40,060.76	10,700	7,370
Shin-Narashino Logistics Center II	2-5-2 Shibazono, Narashino, Chiba	Trust beneficial interest	12,598.46	3,000	2,677
Yoshikawa Logistics Center	1-1 Asahi, Yoshikawa, Saitama	Trust beneficial interest	11,096.70	2,020	1,921
Musashimurayama Logistics Center	2-93-1 Inadaira, Musashimurayama, Tokyo, etc.	Trust beneficial interest	9,237.87	2,170	1,846
Chibaminato Logistics Center (Site)	43-5 Shin-minato, Mihama-ku, Chiba, Chiba, etc.	Real estate	24,467.78	8,530	6,934
Hirakata Nagao Logistics Center	1-72-1 Nagaotanimachi, Hirakata, Osaka, etc.	Trust beneficial interest	11,874.51	3,050	2,604
Kobe Toyahama Logistics Center	5-35 Toyahamacho, Hyogo-ku, Kobe, Hyogo	Trust beneficial interest	9,402.93	1,980	1,415
REDWOOD Narita Distribution Centre	33-1 Kayamashinden-aza Mitsubori, Shibayamamachi, Sanbu, Chiba, etc.	Trust beneficial interest	21,445.46	2,610	2,405
Kazo Logistics Center I・II	1-13, Okuwa, Kazo, Saitama, etc.	Trust beneficial interest	12,777.19	3,610	3,323
Kobe Seishin Logistics Center	2-5-1 Yasakadai, Suma-ku, Kobe, Hyogo	Trust beneficial interest	9,533.88	2,160	2,015
Granda Miyanomori	6-3-13 Miyanomori Nijo, Chuo-ku, Sapporo, Hokkaido	Real estate	3,810.47	1,640	1,645
KIC Sayama Hidaka Distribution Center	482 Aza-Shin-Uehara, Oaza-Tagi, Hidaka, Saitama	Trust beneficial interest	15,113.07	4,660	4,610
Sapporo Yonesato Logistics Center	3-5-15 Yonesato Sanjo, Shiroishi-ku, Sapporo, Hokkaido	Trust beneficial interest	7,389.49	1,310	1,228
Total			1,632,781.16	825,465	658,627

Notes: 1. "Location" shows residential indication of each property, in principle. However, as for properties which have no residential indication, location stated in the register of its building is stated. As for properties that United Urban owns only land, the location of land (lot number) is stated.

2. "Trust beneficial interest" means trust beneficial interests in trust assets comprised mainly of real estate, and "Real estate" means actual real estate.

3. "Appraisal Value at End of Period" shows the real estate appraisal values or the prices resulting from price surveys conducted by the same methods as appraisals conducted by real estate appraisers as of May 31, 2023, based on the Articles of Incorporation of United Urban and the "Ordinance on Accountings of Investment Corporations" (Cabinet Office Ordinance No. 47 of 2006).

4. 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, such report says that there is no likelihood of direct health damages on the land. As a precaution, in the case where 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"), when United Urban acquired this property. The Book Value of this trust beneficial interest at the end of the period reflects the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of

fund efficiency, United Urban has received the Reserve for Soil Improvement from the trustee.

5. United Urban sold GRAND-ROUGE Sakae on June 1, 2023. The same shall apply hereinafter.
6. For the Fuchu Building, United Urban sold the building on the property on March 31, 2022 and holds only land of the property at the end of the 39th fiscal period. In addition, the land will be transferred on January 31, 2024. The same shall apply hereinafter.
7. The property name was changed from "Tenjin Loft Building" to "Luz Fukuoka Tenjin" on April 1, 2023. The same shall apply hereinafter.
8. The property name was changed from "Marumasu Kojimachi Building" to "Kojimachi Center Place" on December 1, 2022. The same shall apply hereinafter.
9. The property name was changed from "NEST HOTEL KYOTO SHIJOKARASUMA" to "RIHGA Place Kyoto Shijo Karasuma" on April 1, 2023. The same shall apply hereinafter.

The status of rental business related to real estate properties owned by United Urban is as follows:

Name of Property	38th Fiscal Period (June 1, 2022 to November 30, 2022)				39th Fiscal Period (December 1, 2022 to May 31, 2023)			
	Total Number of Tenants at End of Period (Note 1)	Occupancy Rate at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)	Total Number of Tenants at End of Period (Note 1)	Occupancy Rate at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)
Joy Park Izumigaoka	27	98.0	249	1.0	28	100.0	258	1.0
Luz Funabashi	16	100.0	277	1.2	16	100.0	272	1.1
TENJIN LUCE	10	78.5	197	0.8	12	91.8	194	0.8
Tecc LAND Sakai Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Miyamae Shopping Center	3	100.0	208	0.9	3	100.0	202	0.8
KONAMI SPORTS CLUB Korigaoka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
ACTIOLE Minami-ikebukuro	10	100.0	73	0.3	10	100.0	78	0.3
Tip's Machida Building	10	100.0	175	0.7	10	100.0	192	0.8
Daiei Takarazuka Nakayama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	4	100.0	299	1.2	4	100.0	299	1.2
ACTIOLE Kannai	7	68.9	36	0.2	7	68.9	38	0.2
Shinsaibashi OPA Honkan	1	100.0	683	2.9	1	100.0	683	2.7
Albore Jingumae	4	100.0	53	0.2	3	100.0	56	0.2
Albore Sendai	7	82.9	86	0.4	7	82.9	91	0.4
Mallage Kashiwa	95	99.5	656	2.7	92	99.1	687	2.7
Ito-Yokado Owariasahi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yokohama Kariba Shopping Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Jiyugaoka	19	92.4	145	0.6	21	100.0	147	0.6
ACTIOLE Ichikawa	12	93.8	135	0.6	13	100.0	135	0.5
Yokohama Aoba Shopping Center (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land Aoba (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yodobashi Camera Multimedia Kichijoji	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Kaden Sumairu-kan YAMADA Matsudo Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Fukuoka Tenjin	6	100.0	277	1.2	5	32.3	314	1.3
Narumi Shopping Center (Site)	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
Plussing Wave Enoshima	7	62.1	94	0.4	7	62.1	43	0.2
LIFE Nishikujo (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
LIFE Tamatsukuri (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Granbell Ginza Building	12	100.0	73	0.3	12	100.0	75	0.3
UUR Tenjin Nishi-dori Building	3	100.0	83	0.3	3	100.0	89	0.4
Luz Shonan Tsujido	33	95.5	314	1.3	33	98.0	293	1.2

Name of Property	38th Fiscal Period (June 1, 2022 to November 30, 2022)				39th Fiscal Period (December 1, 2022 to May 31, 2023)			
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ACTIOLE Ueno	9	100.0	72	0.3	9	100.0	71	0.3
KURURU	27	100.0	472	2.0	26	98.9	505	2.0
K's Denki Nagoya-kita	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Musashikosugi	2	100.0	328	1.4	2	100.0	324	1.3
LEVEN Otakanomori	14	100.0	111	0.5	14	100.0	109	0.4
Gulliver Hachioji Minamino	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
T&G Hamamatsucho Building	6	91.2	73	0.3	7	100.0	79	0.3
Fukuoka Eartheon Building	7	100.0	127	0.5	7	100.0	126	0.5
Kojimachi Center Place	16	91.3	81	0.3	15	98.4	96	0.4
Shin-Osaka Central Tower	63	96.8	990	4.1	63	96.0	1,153	4.6
Kawasaki Toshiba Building	1	100.0	836	3.5	1	100.0	836	3.3
UUR Toyocho Building	1	100.0	181	0.8	1	100.0	185	0.7
FOUR SEASONS BLDG	1	100.0	170	0.7	1	100.0	182	0.7
Pacific Marks Shinjuku Parkside	20	98.9	351	1.5	20	100.0	381	1.5
Pacific Marks Tsukishima	47	100.0	266	1.1	45	98.9	263	1.1
Pacific Marks Yokohama East	28	100.0	276	1.2	28	100.0	276	1.1
Akasaka Hikawa Building	1	100.0	114	0.5	1	100.0	113	0.5
Pacific Marks Shibuya Koen-dori	1	100.0	84	0.4	1	100.0	84	0.3
Pacific Marks Akasaka-mitsuke	8	100.0	69	0.3	8	100.0	69	0.3
Pacific Marks Shin-Yokohama	10	100.0	68	0.3	10	100.0	64	0.3
Pacific Marks Kawasaki	41	100.0	365	1.5	41	98.9	358	1.4
Hamamatsucho 262 Building	16	94.3	212	0.9	18	95.2	208	0.8
Lila Hijirizaka	12	86.6	119	0.5	13	100.0	114	0.5
Otsuka HT Building	7	100.0	59	0.2	7	100.0	58	0.2
Pacific Marks Shinjuku South-gate	8	100.0	104	0.4	8	100.0	101	0.4
Pacific Marks Nishi-Umeda	31	100.0	279	1.2	29	95.6	288	1.2
Pacific Marks Higobashi	26	100.0	172	0.7	26	95.6	175	0.7
Pacific Marks Sapporo Kita-Ichijo	11	100.0	106	0.4	12	100.0	114	0.5
Shin-Sapporo Center Building	21	100.0	63	0.3	21	100.0	67	0.3
ARENA TOWER	11	92.2	411	1.7	11	92.2	444	1.8
Yushima First Building	6	100.0	118	0.5	6	100.0	120	0.5
Dogenzaka Square	26	91.4	90	0.4	27	95.2	99	0.4
GRAND-SQUARE Shin-Sakae	9	100.0	94	0.4	9	100.0	94	0.4
GRAND-SQUARE Meieki-minami	13	100.0	94	0.4	13	100.0	96	0.4
Shiba 520 Building	5	100.0	124	0.5	5	100.0	110	0.4
Hirose-dori SE Building	8	100.0	233	1.0	8	100.0	236	0.9
SS30	76	97.5	1,041	4.3	80	96.8	1,172	4.7
LOOP-X・M	103	89.3	474	2.0	116	93.8	491	2.0
Toranomon Hills Mori Tower	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Toranomon PF Building	4	100.0	125	0.5	4	100.0	124	0.5
UUR Kyobashi East Building	5	96.5	160	0.7	6	100.0	163	0.7
IIDABASHI PLANO	2	100.0	204	0.9	2	100.0	205	0.8

Name of Property	38th Fiscal Period (June 1, 2022 to November 30, 2022)				39th Fiscal Period (December 1, 2022 to May 31, 2023)			
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OSAKA BAY TOWER					155	94.1	41	0.2
Shinjuku Washington Hotel Honkan	10	100.0	801	3.3	9	97.9	856	3.4
Toyoko Inn Shinagawa-eki Takanawa-guchi	1	100.0	57	0.2	1	100.0	57	0.2
MZ BLD.	10	100.0	136	0.6	8	97.3	141	0.6
HOTEL ROUTE-INN Yokohama Bashamichi	3	95.3	157	0.7	4	100.0	157	0.6
Hotel JAL City Naha	1	98.5	(Note 3)	(Note 3)	1	98.5	(Note 3)	(Note 3)
UUR Yotsuya Sanchome Building	3	100.0	168	0.7	3	100.0	229	0.9
Yotsuya 213 Building	4	100.0	198	0.8	4	100.0	197	0.8
Comfort Inn Tokyo Roppongi	3	100.0	79	0.3	3	100.0	79	0.3
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Toyoko Inn Hiroshima Heiwa-odori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Toyoko Inn Naha Kokusai-dori Miebashiki-eki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Loisir Hotel & Spa Tower Naha	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Royal Pines Hotel Urawa	10	100.0	(Note 3)	(Note 3)	10	100.0	(Note 3)	(Note 3)
RIHGA Royal Hotel Kokura・ ARUARU City	31	99.6	892	3.7	31	99.4	915	3.7
Comfort Inn Fukuoka Tenjin	2	100.0	55	0.2	2	100.0	55	0.2
Henn na Hotel Tokyo Hamamatsucho	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Hotel Hewitt Koshien	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
Smile Hotel Premium Sapporo Susukino	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
the square hotel KANAZAWA	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
RIHGA Place Kyoto Shijo Karasuma	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
T&G Higashi-ikebukuro Mansion	126	97.0	68	0.3	121	93.2	70	0.3
Komazawa Court	1	100.0	55	0.2	1	100.0	55	0.2
UUR Court Shiba-Daimon	1	100.0	33	0.1	1	100.0	33	0.1
Aprile Shin-Ohgi Ichibankan	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
UUR Court Sapporo Kita-Sanjo	1	100.0	53	0.2	1	100.0	53	0.2
CLIO Bunkyo Koishikawa	90	98.8	102	0.4	88	96.6	102	0.4
GRAND-ROUGE Sakae	89	92.8	47	0.2	85	89.1	47	0.2
GRAND-ROUGE Sakae II	1	100.0	37	0.2	1	100.0	35	0.1
MA Sendai Building	148	98.0	178	0.7	141	95.9	178	0.7
UUR Court Nagoya Meieki	1	100.0	46	0.2	1	100.0	46	0.2
UUR Court Sapporo Shinoro Ichibankan (Note 4)			6	0.0				
Park Site IZUMI	39	97.8	29	0.1	37	89.3	32	0.1
UUR Court Osaka Juso-honmachi	1	100.0	52	0.2	1	100.0	52	0.2
UUR Court Kinshicho	193	96.2	118	0.5	195	95.6	117	0.5
UUR Court Sapporo Minami-Sanjo Premier Tower	139	98.0	106	0.4	137	96.6	111	0.4
GRAND-ROUGE Nakanoshima- minami	114	96.9	53	0.2	113	96.0	54	0.2
Glenpark Umeda-kita	179	97.7	195	0.8	173	94.0	194	0.8
UUR Court Shiki	2	100.0	102	0.4	2	100.0	102	0.4

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GRAND-ROUGE Tanimachi Rokuchome	51	100.0	44	0.2	49	95.9	45	0.2
Chatle Otemachi S・N	142	92.5	117	0.5	146	95.3	120	0.5
GRAN FONTE	85	93.8	95	0.4	88	96.8	100	0.4
Park Axis Akatsuka	152	96.0	50	0.2	153	96.5	52	0.2
UUR Court Shirasagi	47	100.0	40	0.2	45	95.7	40	0.2
Court Branche AP	38	93.3	35	0.1	38	90.8	32	0.1
UUR Court Ibaraki Higashi-Chujo	55	96.6	49	0.2	55	96.6	50	0.2
Amour Yokohama	35	97.3	6	0.0	35	97.3	39	0.2
GRAND-ROUGE Joto					68	94.6	44	0.2
Lilycolor Tohoku Branch	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Fuchu Building	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Tsubogawa Square Building	5	100.0	308	1.3	5	94.4	283	1.1
THE PLACE of TOKYO	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Logistics Higashi-Ohgishima	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
MT Ariake Center Building I&II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Shin-Narashino Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Kawagoe Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Asuto Nagamachi Dental Clinic (Note 5)			(Note 3)	(Note 3)				
Shin-Narashino Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yoshikawa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Musashimurayama Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Chibaminato Logistics Center (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Hirakata Nagao Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Kobe Toyahama Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
REDWOOD Narita Distribution Centre	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
Kazo Logistics Center I・II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
Kobe Seishin Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Granda Miyanomori	-	-	-	-	1	100.0	(Note 3)	(Note 3)
KIC Sayama Hidaka Distribution Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Sapporo Yonesato Logistics Center					1	100.0	(Note 3)	(Note 3)
Total	2,850	98.9	23,984	100.0	3,069	98.4	25,052	100.0

Notes: 1. "Total Number of Tenants" figures are stated on the basis of the data as of the end of the fiscal period. "Total Number of Tenants" figures are stated by calculating lessees that have a lease agreement (including lease agreements in which all or part of rooms are leased in bulk for the purpose of subleasing, and a lessee of such lease agreement (master lease agreement) is subleasing those rooms to end tenants) concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a pass-through-type agreement in which the rents received from a lessee of master lease agreement is equal to the rents which the lessee receives from end-tenants, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same investment real estate (real estate, real estate in trust, or trust beneficial interest are individually or collectively referred to as the "Investment Real Estate"), 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.

2. "Occupancy Rate" figures are stated on the basis of the data as of the end of the fiscal period. "Occupancy Rate" is the percentage obtained from dividing "leased floor space" by "leasable floor space." With regard to the properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using the entire floor area.

3. With regard to these properties, the tenants with whom a lease agreement (including a reservation lease agreement) has been concluded have not given their consent for the disclosure of rental revenue. Therefore, there has been no choice but to omit disclosure of this figure here.
4. United Urban sold UUR Court Sapporo Shinoro Ichibankan on July 4, 2022.
5. United Urban sold Asuto Nagamachi Dental Clinic on June 1, 2022.

4. Amount of Contract and Fair Value of Specified Transactions

Overview of amount of contract and fair values of specified transactions as of May 31, 2023 was as follows:

Classification	Type	Amount of Contract (Thousands of yen) (Note 1)		Fair Value (Thousands of yen) (Note 2) (Note 3)
			over one year	
Transaction other than market transactions	Interest rate swaps (fixed rate payable and floating rate receivable)	14,800,000	11,500,000	41,015
Total		14,800,000	11,500,000	41,015

- Notes: 1. The "Amount of Contract" of the interest-rate swaps is based on the notional principal.
2. The "Fair Value" is evaluated at the prices calculated by the other party of the transaction based on the prevailing market rates, etc.
3. Among the fair value amount, the interest rate swaps for which United Urban applied the special treatment under the "Accounting Standard for Financial Instruments" (Statement No.10 issued by Accounting Standards Board of Japan on March 10, 2008), are not measured at fair value in the balance sheets.

5. Status of Other Assets

As of May 31, 2023, trust beneficial interests in real estate, etc. owned by United Urban are stated in "3. Details of Properties in the Portfolio" above and there were no other specified assets.

6. Status of Holding Assets by Country and Region

United Urban does not own assets in country or region outside of Japan.

Capital Expenditures

1. Plan of Capital Expenditures

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of May 31, 2023. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Purpose	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Construction amount	Amount already paid
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Renewal of elevator and escalator	From March 2023 to November 2023	242	242	-
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Repair of exterior wall for new tenant	From March 2023 to November 2023	1,010	1,010	-
Luz Fukuoka Tenjin	Fukuoka, Fukuoka	Outdoor facility and sign construction	From March 2023 to January 2024	121	121	-
Shin-Osaka Central Tower	Osaka, Osaka	Renewal of power receiving and transforming facilities	From June 2023 to November 2023	108	108	-
SS30	Sendai, Miyagi	Renewal of air-conditioning facilities	From June 2023 to May 2024	203	203	-
SS30	Sendai, Miyagi	Renewal of the first basement floor of hotel building	From June 2023 To July 2023	347	347	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Repair work for new tenant (B1-1F)	From July 2023 to November 2023	150	150	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of main building's kitchen (1st period)	From July 2023 to November 2023	172	172	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of main building's kitchen (2nd period)	From December 2023 to May 2024	159	159	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of elevator	From October 2023 to March 2024	111	111	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Renewal of air-conditioning equipment	From June 2023 to August 2023	137	137	-
THE PLACE of TOKYO	Minato-ku, Tokyo	Interior renewal construction	From June 2023 to August 2023	303	303	-

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 39th fiscal period, which totaled ¥2,443 million. Together with ¥1,322 million of repair and maintenance costs recorded as expenses in the statement of income and retained earnings in the period, expenditure on engineering works totaled ¥3,766 million.

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

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

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

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

	Millions of yen				
	35th Fiscal Period (December 1, 2020 – May 31, 2021)	36th Fiscal Period (June 1, 2021 – November 30, 2021)	37th Fiscal Period (December 1, 2021 – May 31, 2022)	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Reserve balance at beginning of period	1,610	1,681	1,703	1,839	1,836
Addition to the reserve during the period (Note)	72	21	183	0	68
Reduction of reserve during the period	1	-	47	3	7
Reserve balance to be carried over to the next period	1,681	1,703	1,839	1,836	1,898

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

Expenses and Debt

1. Asset Management Expenses

	Thousands of yen	
	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Asset management fees (Note)	2,017,025	2,041,826
Asset custodian fees	18,936	18,972
Administrative agent fees	68,755	67,948
Directors' fees	10,200	10,200
Other expenses	224,262	231,897
Total	2,339,179	2,370,846

Note: In addition to the asset management fees stated above, there were asset management fees related to acquisition of properties, which was capitalized and included in acquisition cost of each Investment Real Estate (38th fiscal period: ¥60,160 thousand, 39th fiscal period: ¥52,976 thousand) and asset management fees related to sale of properties which was deducted from gain or loss from sale of the Investment Real Estate (38th fiscal period: ¥18,000 thousand).

2. Borrowings

Please refer to "10. SHORT-TERM DEBT AND LONG-TERM DEBT" of FINANCIAL SECTION on page 68.

3. Corporate Bonds

Please refer to "11. CORPORATE BONDS" of FINANCIAL SECTION on page 74.

4. Short-term Corporate Bonds

Not Applicable

5. Subscription Rights of New Investment Units

Not Applicable

Trading Activities during the Period

1. Trading of Real Estate and Real Estate-Backed Securities, and Infrastructure Assets and Infrastructure Related Assets

Type of Asset	Name of Properties	Acquisition		Transfer			
		Acquisition date	Acquisition price (Millions of yen)	Date of transfer	Sale price (Millions of yen)	Book value (Millions of yen)	Gain or loss on sale (Millions of yen)
Trust beneficial interest in real estate	GRAND-ROUGE Joto	December 22, 2022	1,755	-	-	-	-
Trust beneficial interest in real estate	Sapporo Yonesato Logistics Center	December 22, 2022	1,177	-	-	-	-
Trust beneficial interest in real estate	OSAKA BAY TOWER (Note 1)	March 20, 2023	2,637	-	-	-	-
Real estate	Granda Miyanomori (building portion)	May 31, 2023	1,053 (Note 2)	-	-	-	-
Total		-	6,622	-	-	-	-

Notes: 1. The acquisition asset is 10% quasi co-ownership of the trust beneficial interest of the compartmentalized ownership in a part of OSAKA BAY TOWER (55.4% of the entire property). Therefore, the ownership ratio of United Urban is 5.54% of OSAKA BAY TOWER.
2. The total acquisition price of the entire property is ¥1,423 million, consisting of the land portion (acquisition price: ¥370 million) and the building portion (construction and design costs: ¥1,053 million).

2. Trading of Other Assets

Major assets other than the transactions stated in “1. Trading of Real Estate and Real Estate-Backed Securities, and Infrastructure Assets and Infrastructure Related Assets” are generally bank deposits and bank deposits in trust.

3. Research for Specified Assets

a. Real Estates (Note 1)

Acquisition or Sale	Type of Asset	Name of Properties	Transaction Date	Acquisition Price or Sale Price (Millions of yen)	Appraisal Value (Millions of yen)	Date of Valuation	Real Estate Appraisal Organization
Acquisition	Trust beneficial interest in real estate	GRAND-ROUGE Joto	December 22, 2022	1,755	1,860	December 1, 2022	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Acquisition	Trust beneficial interest in real estate	Sapporo Yonesato Logistics Center	December 22, 2022	1,177	1,290	December 1, 2022	The Tanizawa Sōgō Appraisal Co., Ltd.
Acquisition	Trust beneficial interest in real estate	OSAKA BAY TOWER	March 20, 2023	2,637	2,750	March 1, 2023	Japan Real Estate Institute
Acquisition	Real estate	Granda Miyanomori	May 31, 2023	1,423 (Note 2)	1,640 (Note 2)	May 17, 2023	The Tanizawa Sōgō Appraisal Co., Ltd.

Notes: 1. As for transactions that require appraisal values of real estate, etc. regarding specified assets pursuant to Article 201, Paragraph 1 of the Investment Trust Act, the appraisal was conducted by real estate appraisal organizations based on the Japanese Real Estate Appraisal Standard Section 3, “Appraisal concerning prices of real estate for securitization”, and United Urban has received the results.
2. As for Granda Miyanomori, during the 39th fiscal period, the building portion was constructed and United Urban acquired the building. Acquisition price and appraisal value of the property stated above shows a total amount of land and building.

b. Others

There was no applicable information on other specified asset transactions.

4. Trading with Related Parties

a. Status of Transactions

Category	Amount of Purchase and Sale Price etc.	
	Purchase price etc. (Millions of yen)	Sale price etc. (Millions of yen)
Total Amount	6,622	-
Breakdown of transactions with related parties		
Mizuho Marubeni Leasing Corporation	GRAND-ROUGE Joto 1,755 (26.5%)	-
	Sapporo Yonesato Logistics Center 1,177 (17.8%)	
Total	2,932 (44.3%)	-

Note: "Related Parties" means the related parties of the asset management company that United Urban has concluded asset management agreement with, as stipulated in Article 201, Paragraph 1 of the Investment Trust Act and Article 26, Item 27 of the Regulation for Asset Management Reports Concerning Investment Trusts and Investment Corporation by The Investment Trusts Association, Japan.

b. Amount of Commissions

Category	Total Commissions Paid (A) (Thousands of yen)	Description of Transactions with Related Parties		(B) / (A) (%)
		Payee	Amount paid (B) (Thousands of yen)	
Property Management Fees	1,834,831	Marubeni Real Estate Management Co., Ltd.	579,840	31.6
Casualty Insurance	37,814	Marubeni Safenet Co., Ltd.	36,958	97.7
Construction Management Fees	104,255	Marubeni Corporation	50,143	48.1
		Marubeni Real Estate Management Co., Ltd.	31,093	29.8
Other Rental Expenses	186,370	Marubeni Real Estate Management Co., Ltd.	24,000	12.9
		Marubeni Network Solutions Inc.	1,556	0.8

Notes: 1. Among Related Parties, the companies have conducted business or have received payment of commissions during the 39th fiscal period are stated above.

2. In addition to the transactions above, the amount of repair expense paid to Related Parties during the period under review was as set forth below.

Marubeni Real Estate Management Co., Ltd.: ¥76,215 thousand
TSUNAGU NETWORK COMMUNICATIONS INC.: ¥3,668 thousand

5. Status of Transactions with the Asset Management Company regarding Concurrent Business Conducted by the Asset Management Company

The Asset Management Company of United Urban does not concurrently conduct any other business, and there are no relevant transactions.

Accounting Status

1. Status of Assets, Liabilities, Principal, and Profit and Loss

Please refer to the accompanying financial statements.

2. Changes in Calculation Method of Depreciation

Not Applicable

3. Changes in Evaluation Method of Real Estate, etc. and Infrastructure Assets

Not Applicable

4. Disclosure concerning Investment Trust Beneficiary Certificates Established by United Urban

The status of investment units of United Urban held by JRA were as follows:

a. Status of Acquisitions

Acquisition Date	Number of Investment Units of Acquisition (Unit)	Number of Investment Units of Disposition (Unit)	Number of Investment Units Held (Unit)	Remarks
November 4, 2003	13	-	13	(Note 1)
December 20, 2003	187	-	200	(Note 2)
June 24, 2008	200	-	400	(Note 3)
December 1, 2010	2,000	-	2,400	(Note 4)
December 1, 2010	1	-	2,401	(Note 5)
June 8, 2011	2,500	-	4,901	(Note 6)
Accumulated Total	4,901	-	4,901	

Notes: 1. JRA acquired investment units at the price of ¥500,000 per unit when United Urban was founded.
2. JRA acquired investment units at the price of ¥480,000 per unit when United Urban issued new investment units through the public offering.
3. JRA acquired investment units at the price of ¥461,580 per unit when United Urban issued new investment units through the public offering.
4. One investment unit was split into six units.
5. Due to the absorption-type merger with NCI, one United Urban unit after the split of unit was allocated per one NCI units owned by JRA.
6. JRA acquired investment units at the price of ¥91,162 per unit when United Urban issued new investment units through the public offering.

b. Status of Investment Units Held (fiscal periods in recent five years including the end of the 39th fiscal period)

	Number of Investment Units Held at End of Period (Unit)	Total Value of Investment Units Held at End of Period (Thousands of Yen) (Note 1)	(Reference) Investment Unit Price at End of Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at End of Period (Unit)
30th Fiscal Period (From Jun. 1, 2018 to Nov. 30, 2018)	4,901	885,610	180,700	0.16	3,055,087
31st Fiscal Period (From Dec. 1, 2018 to May 31, 2019)	4,901	877,279	179,000	0.16	3,055,087
32nd Fiscal Period (From Jun. 1, 2019 to Nov. 30, 2019)	4,901	1,043,913	213,000	0.16	3,118,337
33rd Fiscal Period (From Dec. 1, 2019 to May 31, 2020)	4,901	559,694	114,200	0.16	3,118,337
34th Fiscal Period (From Jun. 1, 2020 to Nov. 30, 2020)	4,901	578,318	118,000	0.16	3,118,337

	Number of Investment Units Held at End of Period (Unit)	Total Value of Investment Units Held at End of Period (Thousands of Yen) (Note 1)	(Reference) Investment Unit Price at End of Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at End of Period (Unit)
35th Fiscal Period (From Dec. 1, 2020 to May 31, 2021)	4,901	769,457	157,000	0.16	3,118,337
36th Fiscal Period (From Jun. 1, 2021 to Nov. 30, 2021)	4,901	708,684	144,600	0.16	3,118,337
37th Fiscal Period (From Dec. 1, 2021 to May 31, 2022)	4,901	704,763	143,800	0.16	3,118,337
38th Fiscal Period (From Jun. 1, 2022 to Nov. 30, 2022)	4,901	755,734	154,200	0.16	3,098,591 (Note 2)
39th Fiscal Period (From Dec. 1, 2022 to May 31, 2023)	4,901	725,348	148,000	0.16	3,098,591

Notes: 1. It is calculated by multiplying number of investment units held at the end of the period by investment unit price at the end of the period.
2. United Urban acquired own investment units through the market purchases on the Tokyo Stock Exchange based on the discretionary transaction contract with a securities company from September 16, 2022 to September 30, 2022. Then, United Urban cancelled all of the acquired units (19,746 units) on October 28, 2022 in accordance with the resolution of the Board of Directors of United Urban which was held on October 20, 2022.

Others

1. Notifications

United Urban Board of Directors

There were no conclusions and modifications of major agreements approved by the Board of Directors of United Urban during the 39th fiscal period.

2. Disclosure Relating to Companies Owning Overseas Real Estate

Not Applicable

3. Disclosure Relating to Real Estate Owned by Companies Owning Overseas Real Estate

Not Applicable

◆ FINANCIAL SECTION

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BALANCE SHEET

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
ASSETS		
CURRENT ASSETS:		
Cash and bank deposits	¥ 58,906,455	¥ 60,737,996
Rent receivables	581,966	521,695
Other current assets	265,492	896,213
Total current assets	59,753,914	62,155,904
PROPERTY AND EQUIPMENT, AT COST:		
Land	447,432,652	452,113,660
Buildings and structures	279,273,172	283,975,193
Machinery and equipment	3,381,090	3,462,716
Tools, furniture and fixtures	2,003,025	2,107,179
Construction in progress	317,512	586,917
Subtotal	732,407,454	742,245,666
Less accumulated depreciation	(88,887,619)	(92,938,974)
Net property and equipment	643,519,834	649,306,691
INVESTMENTS AND OTHER ASSETS:		
Software	3,545	2,824
Leasehold	9,320,707	9,320,707
Other intangible assets	111,395	104,784
Security deposits paid	48,372	48,372
Long-term prepaid expenses	1,948,993	2,110,617
Long-term deposits	29,232	41,616
Derivatives	98,041	51,799
Corporate bond issuance expenses	65,449	59,126
Total investments and other assets	11,625,738	11,739,848
TOTAL ASSETS	¥ 714,899,488	¥ 723,202,444

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
LIABILITIES		
CURRENT LIABILITIES:		
Trade accounts payable	¥ 2,669,295	¥ 3,242,910
Short-term debt	-	1,000,000
Current portion of corporate bonds	12,000,000	10,000,000
Long-term debt due for repayment within one year	41,000,000	31,600,000
Accrued expenses	852,291	894,830
Consumption taxes payable	386,327	296,664
Rent received in advance	3,686,781	3,817,033
Other current liabilities	330,976	333,958
Total current liabilities	60,925,672	51,185,397
LONG-TERM LIABILITIES:		
Corporate bonds	24,500,000	24,500,000
Long-term debt	235,903,000	253,303,000
Leasehold and security deposits received	33,232,193	33,733,852
Total long-term liabilities	293,635,193	311,536,852
Total liabilities	354,560,866	362,722,249
NET ASSETS		
UNITHOLDERS' EQUITY:		
Unitholders' Capital	319,973,305	319,973,305
Units authorized: 10,000,000 units as of November 30, 2022 and May 31, 2023		
Units issued and outstanding: 3,098,591 units as of November 30, 2022 and May 31, 2023		
Capital surplus	23,548,287	23,548,287
Deduction from capital surplus	(2,999,918)	(2,999,918)
Capital surplus net	20,548,369	20,548,369
Reserve for temporary difference adjustments	6,907,995	6,830,470
Reserve retained for distribution	3,144,636	3,146,465
Unappropriated retained earnings	9,666,272	9,929,741
VALUATION AND TRANSLATION ADJUSTMENTS:		
Deferred gains or losses on hedges	98,041	51,843
Total net assets	360,338,621	360,480,195
TOTAL LIABILITIES AND NET ASSETS	¥ 714,899,488	¥ 723,202,444

The accompanying notes to financial statements are an integral part of these statements.

STATEMENT OF INCOME AND RETAINED EARNINGS

	Thousands of yen	
	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
OPERATING REVENUES		
Rental revenues	¥ 22,033,852	¥ 22,818,571
Other rental revenues	1,950,483	2,233,947
Gain on sales of real estate properties	449,540	-
	24,433,876	25,052,518
OPERATING EXPENSES		
Property-related expenses	11,467,621	11,778,376
Asset management fees	2,017,025	2,041,826
Administrative service fees	87,692	86,921
Other operating expenses	234,462	242,097
	13,806,801	14,149,222
OPERATING INCOME	10,627,074	10,903,295
NON-OPERATING REVENUES		
Interest income	110	111
Reversal of cash distributions payable	1,595	1,323
Insurance income	32,829	3,583
Subsidy income	-	257
Interest on refund	9	-
Other non-operating revenues	4,025	995
	38,570	6,271
NON-OPERATING EXPENSES		
Interest expense	892,260	893,886
Interest expense on corporate bonds	66,142	66,424
Amortization of corporate bond issuance expenses	6,357	6,322
Loss on disposal of real estate	12,214	9,022
Other non-operating expenses	21,792	3,563
	998,767	979,220
ORDINARY INCOME	9,666,877	9,930,346
INCOME BEFORE INCOME TAXES	9,666,877	9,930,346
INCOME TAXES		
Current	605	605
	605	605
NET INCOME	9,666,272	9,929,741
RETAINED EARNINGS BROUGHT FORWARD	-	-
UNAPPROPRIATED RETAINED EARNINGS AT END OF PERIOD	¥ 9,666,272	¥ 9,929,741

The accompanying notes to financial statements are an integral part of these statements.

STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

Thousands of yen								
	Number of Units (Unit)	Unitholders' Equity						
		Unitholders' Capital	Surplus			Voluntary Retained Earnings		
			Capital Surplus	Deduction from Capital Surplus	Capital Surplus Net	Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Total Voluntary Retained Earnings
BALANCE AS OF MAY 31, 2022	3,118,337	¥319,973,305	¥23,548,287	-	¥23,548,287	¥6,985,521	¥3,143,148	¥10,128,669
Reversal of reserve for temporary difference adjustments						(77,525)		(77,525)
Provision of reserve retained for distribution							1,488	1,488
Cash distributions disbursed								-
Net income								-
Acquisition of own investment units								-
Cancellation of own investment units	(19,746)			(2,999,918)	(2,999,918)			-
Net changes of items other than unitholders' equity								-
BALANCE AS OF NOVEMBER 30, 2022	3,098,591	¥319,973,305	¥23,548,287	¥(2,999,918)	¥20,548,369	¥6,907,995	¥3,144,636	¥10,052,632
Reversal of reserve for temporary difference adjustments						(77,525)		(77,525)
Provision of reserve retained for distribution							1,828	1,828
Cash distributions disbursed								-
Net income								-
Net changes of items other than unitholders' equity								-
BALANCE AS OF MAY 31, 2023	3,098,591	¥319,973,305	¥23,548,287	¥(2,999,918)	¥20,548,369	¥6,830,470	¥3,146,465	¥9,976,935

	Thousands of yen						
	Unitholders' Equity				Valuation and Translation Adjustments		
	Surplus		Own Investment Units	Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustments	Total Net Assets
	Unappropriated Retained Earnings	Total Surplus					
BALANCE AS OF MAY 31, 2022	¥9,628,227	¥43,305,184	-	¥363,278,490	¥12,810	¥12,810	¥363,291,301
Reversal of reserve for temporary difference adjustments	77,525	-		-		-	-
Provision of reserve retained for distribution	(1,488)	-		-		-	-
Cash distributions disbursed	(9,704,264)	(9,704,264)		(9,704,264)		-	(9,704,264)
Net income	9,666,272	9,666,272		9,666,272		-	9,666,272
Acquisition of own investment units		-	(2,999,918)	(2,999,918)		-	(2,999,918)
Cancellation of own investment units		(2,999,918)	2,999,918	-		-	-
Net changes of items other than unitholders' equity		-		-	85,230	85,230	85,230
BALANCE AS OF NOVEMBER 30, 2022	¥9,666,272	¥40,267,274	-	¥360,240,579	¥98,041	¥98,041	¥360,338,621
Reversal of reserve for temporary difference adjustments	77,525	-		-		-	-
Provision of reserve retained for distribution	(1,828)	-		-		-	-
Cash distributions disbursed	(9,741,970)	(9,741,970)		(9,741,970)		-	(9,741,970)
Net income	9,929,741	9,929,741		9,929,741		-	9,929,741
Net changes of items other than unitholders' equity		-		-	(46,198)	(46,198)	(46,198)
BALANCE AS OF MAY 31, 2023	¥9,929,741	¥40,455,046	-	¥360,428,351	¥51,843	¥51,843	¥360,480,195

The accompanying notes to financial statements are an integral part of these statements.

STATEMENT OF CASH FLOWS

	Thousands of yen	
	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	¥ 9,666,877	¥ 9,930,346
Depreciation and amortization	4,068,836	4,067,539
Gain on sales of real estate properties	(449,540)	-
Increase (decrease) in allowance for doubtful accounts	(5,364)	(5,364)
Interest income and interest on securities	(110)	(111)
Interest expense and interest expense on corporate bonds	958,403	960,311
Amortization of corporate bond issuance expenses	6,357	6,322
Loss on disposal of real estate	12,214	9,022
(Increase) decrease in rent receivables	(62,198)	65,635
(Increase) decrease in prepaid expenses	605,733	(633,834)
(Increase) decrease in long-term prepaid expenses	32,845	34,214
Increase (decrease) in trade accounts payable	(275,072)	286,494
Increase (decrease) in accrued expenses	(3,186)	27,782
Increase (decrease) in consumption taxes payable	(322,604)	(89,663)
Increase (decrease) in rent received in advance	(79,104)	130,252
Other, net	(84,178)	(423,959)
Subtotal	14,069,909	14,364,988
Interest received	110	111
Interest paid	(858,085)	(1,136,727)
Income taxes refund (paid)	(605)	(605)
Net cash provided by operating activities	13,211,328	13,227,768
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property and equipment	2,122,409	-
Purchase of property and equipment	(9,572,712)	(9,568,410)
Proceeds from leasehold and security deposits received	666,520	1,184,613
Payments for leasehold and security deposits received	(619,475)	(272,747)
Net cash used in investing activities	(7,403,257)	(8,656,544)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term debt	-	1,000,000
Proceeds from long-term debt	14,700,000	28,900,000
Repayment of long-term debt	(12,000,000)	(20,900,000)
Payment for acquisition of own investment units	(3,002,948)	-
Redemption of corporate bonds	-	(2,000,000)
Distributions to unitholders	(9,702,556)	(9,739,682)
Net cash used in financing activities	(10,005,504)	(2,739,682)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(4,197,432)	1,831,541
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	63,103,888	58,906,455
CASH AND CASH EQUIVALENTS AT END OF PERIOD	¥ 58,906,455	¥ 60,737,996

The accompanying notes to financial statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

United Urban Investment Corporation ("United Urban") is a real estate investment corporation formed to own and invest in retail properties, office buildings, hotels, residential properties, and other properties in Japan. United Urban is externally managed by a registered asset management company, Japan REIT Advisors Co., Ltd. ("JRA"). JRA is currently owned 100% by Marubeni Corporation ("Marubeni").

United Urban was founded on November 4, 2003, with an initial capitalization of ¥125 million, under the Act on Investment Trusts and Investment Corporations of Japan (the "Investment Trust Act"). Trinity Investment Trust L.L.C., Marubeni, Credit Suisse Principal Investment Limited, Tokyo Branch, Kyokuto Securities Co., Ltd., Yamato Life Insurance Co., and JRA initially established United Urban. On December 20, 2003, United Urban raised ¥36,633 million through an initial public offering of investment units, and on December 22, 2003, United Urban was listed on the J-REIT section of the Tokyo Stock Exchange.

On May 10, 2010, United Urban entered into a merger agreement with Nippon Commercial Investment Corporation ("NCI"). The merger was effective December 1, 2010, and United Urban became one of the largest J-REITs in terms of asset size.

As of May 31, 2023, the end of its 39th fiscal period, United Urban had ownership of, or beneficial interests in, 36 retail properties, 35 office buildings, 20 hotels, 26 residential properties, 1 property which consisted of retail properties and an office building, 2 properties which consisted of an office building and a hotel, and 20 other properties. United Urban invests primarily in real estate and trust beneficial interest in real estate. All assets and liabilities within trust are recorded in the relevant balance sheet and income statement account.

Basis of Presentation of Financial Statements

The accompanying financial statements of United Urban are prepared on the basis of generally accepted accounting principles in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

The accompanying financial statements are translations of the audited financial statements of United Urban, prepared in accordance with Japanese GAAP and presented in the Securities Report of United Urban filed with the Kanto Local Finance Bureau. In preparing the accompanying financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan. In addition, the notes to the financial statements include information which might not be required under Japanese GAAP but is presented herein as additional information. The amounts have been rounded down to the nearest thousand yen in the accompanying financial statements and the notes thereto. As a result, the totals shown in the accompanying financial statements and the notes thereto do not necessarily agree with the sums of the individual amounts.

United Urban's six-month fiscal periods end either at the end of May or November. United Urban's 39th fiscal period began on December 1, 2022 and ended on May 31, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. The cost of land, buildings and structures includes the purchase prices of property, legal fees, and other acquisition costs. Depreciation of property and equipment is calculated on a straight-line basis over the estimated useful lives of the respective assets which are summarized as follows:

	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Buildings and structures	2 – 70 years	2 – 70 years
Machinery and equipment	2 – 31 years	2 – 31 years
Tools, furniture and fixtures	2 – 20 years	2 – 20 years

Expenditures for repairs and maintenance are charged to operating expenses as incurred. Significant renewals and betterments are capitalized.

Intangible Assets

Amortization of intangible assets is calculated on a straight-line basis. In addition, amortization of the software for internal use is calculated using an estimated useful life of 5 years.

Long-term Prepaid Expenses

Amortization of long-term prepaid expenses is calculated on a straight-line basis.

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.

Corporate Bond Issuance Expenses

Corporate bond issuance expenses are amortized on a straight-line basis over the period up to redemption.

Cash and Cash Equivalents

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.

Revenue Recognition

The content of the main performance obligations regarding the revenue arising from contracts with the customers of United Urban and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are as follows:

1) Sale of real estate properties

United Urban recognizes revenue from sales of real estate properties when the purchaser, which is a customer, acquires control of the real estate properties by fulfilling the delivery obligations stipulated in the contract for the sale of real estate properties.

2) Utilities revenue

United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements. Of utilities revenue, when United Urban is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, gas, etc. from the amount received as the charges for electricity, gas, etc. is recognized as revenue.

Taxes on Property and Equipment

United Urban allocated the respective portion of property taxes and city planning taxes to the current period and charged this to property-related expenses.

In general, registered owners of properties in Japan as of January 1 are responsible for paying property taxes and city planning taxes for the calendar year based on assessments made by local governments. Consequently, registered owners who sold their properties to United Urban were liable for the property taxes and city planning taxes for the calendar year, including the period from the date of purchase by United Urban through the end of the year. United Urban paid an amount equivalent to the property taxes and city planning taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year, and included this as a capitalized cost in the purchase price of each property. There were ¥5,613 thousand and ¥21,432 thousand of such property taxes and city planning taxes capitalized for the fiscal periods ended November 30, 2022 and May 31, 2023, respectively.

Hedge Accounting

United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation based on its financial policy. Derivative transactions (interest rate cap transactions and interest rate swap transactions) are utilized as hedging instrument for the purpose of avoiding interest-rate risks relating to debts. In addition, 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.

(Hedging relationship applying "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR") Of the above hedging relationship, United Urban applies the exceptional treatment to all hedging relationship included in the scope of "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (Practical Issues Task Force ("PITF") No.40 issued on March 17, 2022). Details of the hedging treatment applying the said PITF are as follows:

Hedge accounting method: Special treatment of interest rate swap

Hedging instrument: Interest rate swap transaction

Hedged item: Interest rate on debts

Type of hedge transaction: hedge transaction to fix cash flows

Accounting Treatment for 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 all income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts.

Income Taxes

Deferred income taxes are recognized by the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial and tax reporting of the assets and liabilities, and are measured using the enacted tax rates and laws which will be in effect when the differences are expected to reverse.

Consumption Taxes

Consumption taxes withheld and paid are not included in the accompanying statement of income and retained earnings. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over the amounts withheld is included in current assets as "Consumption taxes refundable" and the excess of the amounts withheld over the amounts paid is included in current liabilities as "Consumption taxes payable."

Certain consumption tax payments relating to purchases of property and equipment are not deductible from consumption taxes withheld. Such consumption tax payments are capitalized and included in the respective acquisition costs of the property and equipment.

Reclassifications

Certain reclassifications have been made to the prior period's financial statements to conform these to the presentation used for the fiscal period ended May 31, 2023.

3. SIGNIFICANT ACCOUNTING ESTIMATES

Impairment Losses of Fixed Assets

1. Amounts recorded in the financial statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. Therefore, the financial conditions, results of operations, and cash flow of United Urban for the next fiscal period may be affected in case of any changes in the assumptions of estimate.

4. PLEDGED ASSETS AND SECURED DEBT

At November 30, 2022 and May 31, 2023, the following assets were pledged as collateral for the following debt:

Pledged Assets

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Land	¥ 2,089,982	¥ 2,089,982
Buildings and structures	1,222,409	1,239,574
Total	¥ 3,312,392	¥ 3,329,557

Debt Secured by Pledged Assets

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Leasehold and security deposits received	¥ 408,171	¥ 408,171
Total	¥ 408,171	¥ 408,171

5. LINE-OF-CREDIT AGREEMENT

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

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Total amount of commitment	¥ 36,000,000	¥ 36,000,000
Outstanding borrowings at end of fiscal period	-	-
Amount unutilized at end of fiscal period	¥ 36,000,000	¥ 36,000,000

6. REDUCTION ENTRY OF PROPERTY AND EQUIPMENT ACQUIRED THROUGH STATE SUBSIDY

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

7. STATUS OF CANCELLATION OF OWN INVESTMENT UNITS

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

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

8. MATTERS RELATED TO PROVISION AND REVERSAL OF RESERVE FOR TEMPORARY DIFFERENCE ADJUSTMENTS

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

(Thousands of yen)

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

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

(Thousands of yen)

	Initial amount	Balance at beginning of period	Addition to the reserve during the period	Reversal during the period	Balance at end of period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	6,716,285	-	75,463	6,640,821	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	61,593	-	669	60,923	Appropriation for cash distribution
	76,099	70,772	-	760	70,011	
	63,132	59,344	-	631	58,713	

- Notes: 1. It is the balance of amount subdivided into the gains on negative goodwill which were allocated in the past fiscal periods. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.
2. It is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting from the fiscal period subsequent to the fiscal period in which the reserve was allocated.

9. UNITHOLDERS' EQUITY

United Urban issues only units with no par value in accordance with the Investment Trust Act, under which United Urban is required to maintain at least ¥50,000 thousand as minimum net assets.

10. SHORT-TERM DEBT AND LONG-TERM DEBT

Short-term debt and long-term debt at November 30, 2022 and May 31, 2023 consisted of the following:

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Short-term debt	Sumitomo Mitsui Trust Bank, Limited	-	330	-	330	0.178	Dec. 20, 2023	(Note 4)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	-	670	-	670	0.165	Dec. 20, 2023	(Note 4)	
Subtotal		-	1,000	-	1,000	-	-	-	-

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Long-term debt due for repayment within one year	Sumitomo Mitsui Trust Bank, Limited	3,400	-	3,400	-	1.239	Dec. 20, 2022	(Note 5)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	6,500	-	6,500	-	0.842	Mar. 20, 2023	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited	3,500	-	3,500	-	0.775	Mar. 20, 2023	(Note 5)	
	Resona Bank, Limited	1,500	-	1,500	-	0.370 (Note 3)	Mar. 20, 2023	(Note 6)	
	Mizuho Bank, Ltd.	2,000	-	2,000	-	0.452	Mar. 20, 2023	(Note 5)	
	Resona Bank, Limited	1,000	-	1,000	-	0.357	Mar. 20, 2023	(Note 5)	
	Saitama Resona Bank, Limited	2,000	-	2,000	-	0.490 (Note 3)	Mar. 20, 2023	(Note 6)	
	The Ashikaga Bank, Ltd.	1,000	-	1,000	-	0.441	Mar. 20, 2023	(Note 6)	
	Mizuho Trust & Banking Co., Ltd.	1,000	-	-	1,000	0.798	Jun. 20, 2023	(Note 6)	
	Development Bank of Japan Inc.	1,500	-	-	1,500	0.372	Jun. 20, 2023	(Note 6)	
	THE NISHI-NIPPON CITY BANK, LTD.	1,000	-	-	1,000	0.408	Jun. 20, 2023	(Note 6)	
	Mizuho Bank, Ltd.	1,300	-	-	1,300	0.749 (Note 3)	Sep. 20, 2023	(Note 6)	
	MUFG Bank, Ltd.	1,300	-	-	1,300	0.780	Sep. 20, 2023	(Note 6)	
	Sumitomo Mitsui Banking Corporation	4,000	-	-	4,000	0.300	Sep. 20, 2023	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited (Trust Account)	10,000	-	-	10,000	0.250	Sep. 29, 2023	(Note 7)	
	The Ashikaga Bank, Ltd.	-	1,000	-	1,000	0.306	Dec. 20, 2023	(Note 8)	
	MUFG Bank, Ltd.	-	1,000	-	1,000	0.625 (Note 3)	Mar. 21, 2024	(Note 6)	
	Mizuho Trust & Banking Co., Ltd.	-	1,000	-	1,000	0.338	Mar. 21, 2024	(Note 5)	
	The Hiroshima Bank, Ltd.	-	1,000	-	1,000	0.565	Mar. 21, 2024	(Note 5)	
	The 77 Bank, Ltd.	-	1,500	-	1,500	0.408	Mar. 21, 2024	(Note 6)	
	Resona Bank, Limited	-	1,000	-	1,000	0.191 (Note 3)	Mar. 21, 2024	(Note 5)	
	Sumitomo Mitsui Banking Corporation	-	1,200	-	1,200	0.300	Mar. 21, 2024	(Note 5)	
	Sumitomo Mitsui Banking Corporation	-	1,300	-	1,300	0.300	Mar. 21, 2024	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited (Trust Account)	-	2,500	-	2,500	0.290	Mar. 29, 2024	(Note 7)	
Subtotal		41,000	11,500	20,900	31,600	-	-	-	-
Long-term debt	The Ashikaga Bank, Ltd.	1,000	-	1,000	-	0.306	Dec. 20, 2023	(Note 8)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	1,000	-	1,000	-	0.625 (Note 3)	Mar. 21, 2024	(Note 6)	
	Mizuho Trust & Banking Co., Ltd.	1,000	-	1,000	-	0.338	Mar. 21, 2024	(Note 5)	
	The Hiroshima Bank, Ltd.	1,000	-	1,000	-	0.565	Mar. 21, 2024	(Note 5)	
	The 77 Bank, Ltd.	1,500	-	1,500	-	0.408	Mar. 21, 2024	(Note 6)	
	Resona Bank, Limited	1,000	-	1,000	-	0.191 (Note 3)	Mar. 21, 2024	(Note 5)	
	Sumitomo Mitsui Banking Corporation	1,200	-	1,200	-	0.300	Mar. 21, 2024	(Note 5)	
	Sumitomo Mitsui Banking Corporation	1,300	-	1,300	-	0.300	Mar. 21, 2024	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited (Trust Account)	2,500	-	2,500	-	0.290	Mar. 29, 2024	(Note 7)	
	Sumitomo Mitsui Trust Bank, Limited	1,700	-	-	1,700	0.924	Jun. 20, 2024	(Note 6)	

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Long-term debt	Mizuho Bank, Ltd.	2,000	-	-	2,000	0.523	Jun. 20, 2024	(Note 6)	Unsecured Unguaranteed
	The Norinchukin Bank	2,700	-	-	2,700	0.408	Jun. 20, 2024	(Note 6)	
	Resona Bank, Limited	1,500	-	-	1,500	0.288	Jun. 20, 2024	(Note 6)	
	Sumitomo Mitsui Banking Corporation	1,650	-	-	1,650	0.300	Jun. 20, 2024	(Note 5)	
	Aozora Bank, Ltd.	1,000	-	-	1,000	0.336	Jun. 20, 2024	(Note 5)	
	MUFG Bank, Ltd.	1,000	-	-	1,000	0.680	Sep. 20, 2024	(Note 6)	
	Mizuho Bank, Ltd.	1,000	-	-	1,000	0.633 (Note 3)	Sep. 20, 2024	(Note 6)	
	The Norinchukin Bank	1,500	-	-	1,500	0.408	Sep. 20, 2024	(Note 6)	
	Development Bank of Japan Inc.	1,500	-	-	1,500	0.428	Sep. 20, 2024	(Note 6)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000	-	-	1,000	0.320	Sep. 20, 2024	(Note 5)	
	The Bank of Fukuoka, Ltd.	1,400	-	-	1,400	0.358	Dec. 20, 2024	(Note 6)	
	Mizuho Bank, Ltd.	3,000	-	-	3,000	0.430	Dec. 20, 2024	(Note 8)	
	Meiji Yasuda Life Insurance Company	1,000	-	-	1,000	0.687	Mar. 21, 2025	(Note 6)	
	MUFG Bank, Ltd.	2,000	-	-	2,000	0.430	Mar. 21, 2025	(Note 6)	
	MUFG Bank, Ltd.	3,500	-	-	3,500	0.489	Mar. 21, 2025	(Note 5)	
	SBI Shinsei Bank, Limited	2,000	-	-	2,000	0.639	Mar. 21, 2025	(Note 5)	
	The Bank of Fukuoka, Ltd.	1,000	-	-	1,000	0.489	Mar. 21, 2025	(Note 5)	
	Shinkin Central Bank	1,000	-	-	1,000	0.624	Mar. 21, 2025	(Note 6)	
	The Bank of Kyoto, Ltd.	1,000	-	-	1,000	0.524	Mar. 21, 2025	(Note 6)	
	Sompo Japan Insurance Inc.	1,000	-	-	1,000	0.306	Mar. 21, 2025	(Note 5)	
	The Norinchukin Bank	2,200	-	-	2,200	0.423	Jun. 20, 2025	(Note 5)	
	Mizuho Bank, Ltd.	1,000	-	-	1,000	0.364	Jun. 20, 2025	(Note 5)	
	Aozora Bank, Ltd.	1,000	-	-	1,000	0.398	Jun. 20, 2025	(Note 5)	
	The Nomura Trust and Banking Co., Ltd.	1,000	-	-	1,000	0.284	Jun. 20, 2025	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	3,000	-	-	3,000	0.398	Sep. 22, 2025	(Note 6)	
	Development Bank of Japan Inc.	1,000	-	-	1,000	0.466	Sep. 22, 2025	(Note 8)	
	Shinkin Central Bank	1,000	-	-	1,000	0.466	Sep. 22, 2025	(Note 8)	
	THE NISHI-NIPPON CITY BANK, LTD.	1,000	-	-	1,000	0.466	Sep. 22, 2025	(Note 8)	
	Nippon Life Insurance Company	1,000	-	-	1,000	0.330	Sep. 22, 2025	(Note 5)	
	The Bank of Yokohama, Ltd.	500	-	-	500	0.308	Sep. 22, 2025	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	2,000	-	-	2,000	0.627	Dec. 22, 2025	(Note 6)	
	Mizuho Bank, Ltd.	4,000	-	-	4,000	0.323	Dec. 22, 2025	(Note 6)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000	-	-	1,000	0.300	Dec. 22, 2025	(Note 5)	
	MUFG Bank, Ltd.	2,000	-	-	2,000	0.460	Mar. 23, 2026	(Note 6)	
	Mizuho Bank, Ltd.	4,500	-	-	4,500	0.569	Mar. 23, 2026	(Note 6)	
	The Norinchukin Bank	1,600	-	-	1,600	0.313	Mar. 23, 2026	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited (Trust Account)	2,000	-	-	2,000	0.390	Mar. 31, 2026	(Note 7)	
	The Hachijuni Bank, Ltd.	1,100	-	-	1,100	0.290	Jun. 20, 2026	(Note 6)	

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Long-term debt	Mizuho Bank, Ltd.	2,400	-	-	2,400	0.544	Jun. 22, 2026	(Note 6)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.	3,000	-	-	3,000	0.474	Jun. 22, 2026	(Note 5)	
	MUFG Bank, Ltd.	1,000	-	-	1,000	0.230	Jun. 22, 2026	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	2,000	-	-	2,000	0.183	Jun. 22, 2026	(Note 6)	
	Daishi Hokuetsu Bank, Ltd.	1,000	-	-	1,000	0.250	Jun. 22, 2026	(Note 6)	
	Shinkin Central Bank	1,000	-	-	1,000	0.657	Jun. 22, 2026	(Note 5)	
	MUFG Bank, Ltd.	1,500	-	-	1,500	0.440	Sep. 24, 2026	(Note 8)	
	Sumitomo Mitsui Trust Bank, Limited	5,000	-	-	5,000	0.238	Sep. 24, 2026	(Note 6)	
	The Gunma Bank, Ltd.	500	-	-	500	0.274	Sep. 24, 2026	(Note 5)	
	Resona Bank, Limited	1,000	-	-	1,000	0.213	Sep. 24, 2026	(Note 6)	
	The Bank of Fukuoka, Ltd.	700	-	-	700	0.213	Sep. 24, 2026	(Note 6)	
	The Bank of Fukuoka, Ltd.	1,000	-	-	1,000	0.495 (Note 3)	Dec. 21, 2026	(Note 8)	
	Saitama Resona Bank, Limited	1,000	-	-	1,000				
	The Nomura Trust and Banking Co., Ltd.	1,000	-	-	1,000				
	The Shinkumi Federation Bank	1,000	-	-	1,000				
	Sumitomo Mitsui Trust Bank, Limited	2,000	-	-	2,000	0.391 (Note 3)	Dec. 21, 2026	(Note 6)	
	The Shinkumi Federation Bank	1,000	-	-	1,000				
	Mizuho Trust & Banking Co., Ltd.	1,300	-	-	1,300	0.309	Dec. 21, 2026	(Note 5)	
	Meiji Yasuda Life Insurance Company	1,000	-	-	1,000	0.756	Mar. 23, 2027	(Note 6)	
	TAIYO LIFE INSURANCE COMPANY	1,000	-	-	1,000	0.656	Mar. 23, 2027	(Note 6)	
	THE NISHI-NIPPON CITY BANK, LTD.	1,000	-	-	1,000	0.390	Mar. 23, 2027	(Note 6)	
	The 77 Bank, Ltd.	1,000	-	-	1,000	0.400	Mar. 23, 2027	(Note 6)	
	Shinkin Central Bank	1,000	-	-	1,000	0.375	Mar. 23, 2027	(Note 6)	
	Resona Bank, Limited	1,000	-	-	1,000	0.295	Mar. 23, 2027	(Note 6)	
	MUFG Bank, Ltd.	8,900	-	-	8,900	0.230	Mar. 23, 2027	(Note 5)	
	The Ashikaga Bank, Ltd.	-	1,000	-	1,000	0.255	Mar. 23, 2027	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	2,500	-	-	2,500	0.368	Jun. 21, 2027	(Note 6)	
	MUFG Bank, Ltd.	2,800	-	-	2,800	0.465	Jun. 21, 2027	(Note 5)	
	Sumitomo Mitsui Banking Corporation	2,000	-	-	2,000	0.308	Jun. 21, 2027	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited	2,000	-	-	2,000	0.483	Jun. 21, 2027	(Note 5)	
	Mizuho Trust & Banking Co., Ltd.	500	-	-	500	0.533	Jun. 21, 2027	(Note 5)	
	Development Bank of Japan Inc.	900	-	-	900	0.500	Jun. 21, 2027	(Note 5)	
	The Norinchukin Bank	1,500	-	-	1,500	0.396	Jun. 21, 2027	(Note 6)	
	MUFG Bank, Ltd.	1,000	-	-	1,000	0.360	Jun. 21, 2027	(Note 6)	
	Mizuho Bank, Ltd.	2,000	-	-	2,000	0.313	Jun. 21, 2027	(Note 5)	
	The Bank of Yokohama, Ltd.	1,000	-	-	1,000	0.313	Jun. 21, 2027	(Note 6)	
	MUFG Bank, Ltd.	3,800	-	-	3,800	0.465	Sep. 21, 2027	(Note 6)	
	Sumitomo Mitsui Banking Corporation	3,500	-	-	3,500	0.426 (Note 3)	Sep. 21, 2027	(Note 5)	

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Long-term debt	Mizuho Bank, Ltd.	1,000	-	-	1,000	0.414	Sep. 21, 2027	(Note 5)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,400	-	-	1,400	0.313	Sep. 21, 2027	(Note 5)	
	SBI Shinsei Bank, Limited	1,500	-	-	1,500	0.313	Sep. 21, 2027	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	2,500	-	-	2,500	0.398	Dec. 20, 2027	(Note 6)	
	The Norinchukin Bank	1,000	-	-	1,000	0.365	Dec. 20, 2027	(Note 5)	
	SBI Shinsei Bank, Limited	-	1,300	-	1,300	0.263	Dec. 20, 2027	(Note 6)	
	The Bank of Fukuoka, Ltd.	1,500	-	-	1,500	0.290	Mar. 21, 2028	(Note 6)	
	Mizuho Trust & Banking Co., Ltd.	1,000	-	-	1,000	0.344	Mar. 21, 2028	(Note 5)	
	MUFG Bank, Ltd.	3,000	-	-	3,000	0.340	Mar. 21, 2028	(Note 5)	
	The Iyo Bank, Ltd.	1,000	-	-	1,000	0.393	Mar. 21, 2028	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	-	2,500	-	2,500	0.295	Mar. 21, 2028	(Note 5)	
	MUFG Bank, Ltd.	2,000	-	-	2,000	0.570	Sep. 20, 2028	(Note 8)	
	SBI Shinsei Bank, Limited	2,500	-	-	2,500	0.391	Sep. 20, 2028	(Note 5)	
	The Bank of Fukuoka, Ltd.	500	-	-	500	0.371	Sep. 20, 2028	(Note 5)	
	The 77 Bank, Ltd.	500	-	-	500	0.410	Sep. 20, 2028	(Note 5)	
	The Norinchukin Bank	1,500	-	-	1,500	0.418	Sep. 20, 2028	(Note 5)	
	MUFG Bank, Ltd.	3,000	-	-	3,000	0.470	Dec. 20, 2028	(Note 6)	
	Resona Bank, Limited	-	2,500	-	2,500	0.643	Mar. 20, 2029	(Note 5)	
	Mizuho Bank, Ltd.	7,000	-	-	7,000	0.405	Mar. 21, 2029	(Note 6)	
	MUFG Bank, Ltd.	1,500	-	-	1,500	0.420	Mar. 21, 2029	(Note 6)	
	The Gunma Bank, Ltd.	1,000	-	-	1,000	0.559	Mar. 21, 2029	(Note 5)	
	Aozora Bank, Ltd.	2,000	-	-	2,000	0.674	Mar. 21, 2029	(Note 6)	
	Mizuho Trust & Banking Co., Ltd.	1,200	-	-	1,200	0.673	Mar. 21, 2029	(Note 6)	
	Saitama Resona Bank, Limited	-	2,000	-	2,000	0.315	Mar. 21, 2029	(Note 5)	
	Development Bank of Japan Inc.	1,200	-	-	1,200	0.839	Jun. 20, 2029	(Note 5)	
	Sumitomo Mitsui Banking Corporation	6,500	-	-	6,500	0.536	Sep. 20, 2029	(Note 5)	
	Sumitomo Mitsui Banking Corporation	2,300	-	-	2,300	0.496	Sep. 20, 2029	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited	1,400	-	-	1,400	0.643	Sep. 20, 2029	(Note 5)	
	The Hiroshima Bank, Ltd.	500	-	-	500	0.661	Sep. 20, 2029	(Note 5)	
	The Yamaguchi Bank, Ltd.	1,000	-	-	1,000	0.761	Sep. 20, 2029	(Note 5)	
	Nippon Life Insurance Company	1,000	-	-	1,000	0.660	Sep. 20, 2029	(Note 5)	
	Sumitomo Mitsui Banking Corporation	5,000	-	-	5,000	0.399	Dec. 20, 2029	(Note 5)	
	Mizuho Bank, Ltd.	-	1,000	-	1,000	0.858	Dec. 20, 2029	(Note 6)	
	The Joyo Bank, Ltd.	-	900	-	900	0.890	Dec. 20, 2029	(Note 6)	
	Mizuho Bank, Ltd.	1,400	-	-	1,400	0.524	Mar. 21, 2030	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	1,500	-	-	1,500	0.466	Mar. 21, 2030	(Note 6)	
	Mizuho Bank, Ltd.	1,500	-	-	1,500	0.543	Mar. 21, 2030	(Note 6)	

	Classification	Balance at Beginning of 39th FP (Millions of yen) (Note 1)	Increase during the Period (Millions of yen) (Note 1)	Decrease during the Period (Millions of yen) (Note 1)	Balance at End of 39th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Use	Remarks
	Lenders								
Long-term debt	Daishi Hokuetsu Bank, Ltd.	1,000	-	-	1,000	0.480	Mar. 21, 2030	(Note 5)	Unsecured Unguaranteed
	Sumitomo Mitsui Banking Corporation	2,500	-	-	2,500	0.689	Mar. 21, 2030	(Note 6)	
	Sumitomo Mitsui Banking Corporation	570	-	-	570	0.728	Mar. 21, 2030	(Note 6)	
	Mizuho Bank, Ltd.	1,700	-	-	1,700	0.490	Jun. 20, 2030	(Note 5)	
	Sumitomo Mitsui Banking Corporation	2,900	-	-	2,900	0.476	Jun. 20, 2030	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	7,783	-	-	7,783	0.450	Sep. 20, 2030	(Note 5)	
	Sumitomo Mitsui Banking Corporation	2,400	-	-	2,400	0.595	Sep. 20, 2030	(Note 5)	
	MUFG Bank, Ltd.	3,000	-	-	3,000	0.470	Dec. 20, 2030	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	-	3,400	-	3,400	0.850	Dec. 20, 2030	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	3,400	-	-	3,400	0.609	Mar. 20, 2031	(Note 5)	
	MUFG Bank, Ltd.	2,500	-	-	2,500	0.530	Mar. 20, 2031	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	-	2,500	-	2,500	0.763	Mar. 20, 2031	(Note 5)	
	Mizuho Bank, Ltd.	-	2,000	-	2,000	0.804	Mar. 20, 2031	(Note 5)	
	Mitsubishi UFJ Trust and Banking Corporation	-	2,000	-	2,000	0.435	Nov. 20, 2031	(Note 8)	
	Sumitomo Mitsui Trust Bank, Limited	2,600	-	-	2,600	0.651	Mar. 22, 2032	(Note 5)	
	Mizuho Bank, Ltd.	3,000	-	-	3,000	0.686	Mar. 22, 2032	(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	-	5,000	-	5,000	0.834	Mar. 22, 2032	(Note 5)	
	MUFG Bank, Ltd.	-	2,800	-	2,800	1.010	Mar. 22, 2032	(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited	1,000	-	-	1,000	0.984	Jun. 21, 2032	(Note 5)	
	Subtotal	235,903	28,900	11,500	253,303	-	-	-	-
	Total	276,903	41,400	32,400	285,903	-	-	-	-

- Notes: 1. Amounts are stated after being rounded down to the units stated. Therefore, the sum may not equal to the total due to rounding.
2. The average interest rate represents the weighted average during the period based on the number of days and the outstanding balance of a borrowing, and is rounded to the nearest third decimal places. The figures do not include fees related to these borrowings that have been paid to the lenders listed in the table.
3. Though it is a borrowing with floating interest rate, 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.
4. The funds are used for development funds of real estate (building).
5. The funds are used for repayment of borrowings.
6. The funds are used for acquisition of real estate or trust beneficial interest in real estate and expenses related to the acquisition.
7. The funds are used for the repayment of borrowings related to the "Eligible Green Assets" and acquisition of real estate or trust beneficial interest in real estate which are "Eligible Green Assets," and the related expenses.
8. The funds are used for redemption of corporate bonds.
9. The scheduled repayment amount of "Long-term debt" and "Long-term debt due for repayment within one year" within five years after the date of Balance Sheet are as follows:

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years
Long-term debt (Millions of yen)	31,600	33,450	29,800	44,400	41,200

11. CORPORATE BONDS

Corporate bonds at November 30, 2022 and May 31, 2023 consisted of the following:

Name	Issue Date	Balance at Beginning of 39th FP (Millions of yen)	Decrease during the Period (Millions of yen)	Balance at End of 39th FP (Millions of yen)	Interest Rate (%)	Maturity Date	Use	Remarks
Series 16 of Unsecured Corporate Bonds	May 29, 2015	2,000	-	2,000	0.804	May 29, 2025	(Note 1)	Unsecured (Note 7)
Series 17 of Unsecured Corporate Bonds	May 22, 2018	10,000	-	10,000	0.240	Nov. 22, 2023	(Note 2)	Unsecured (Note 7)
Series 18 of Unsecured Corporate Bonds	May 22, 2018	2,000	2,000	-	0.230	May 22, 2023	(Note 2)	Unsecured (Note 7)
Series 19 of Unsecured Corporate Bonds (Green Bonds)	May 23, 2019	10,000	-	10,000	0.448	May 22, 2026	(Note 3)	Unsecured (Note 7)
Series 20 of Unsecured Corporate Bonds	Aug. 11, 2020	8,000	-	8,000	0.270	Aug. 8, 2025	(Note 4)	Unsecured (Note 7)
Series 21 of Unsecured Corporate Bonds	Mar. 23, 2021	1,000	-	1,000	0.760	Mar. 21, 2036	(Note 5)	Unsecured (Note 7)
Series 22 of Unsecured Corporate Bonds (Sustainability Bonds)	Oct. 28, 2021	3,500	-	3,500	0.400	Oct. 28, 2031	(Note 6)	Unsecured (Note 7)
Total		36,500	2,000	34,500	-	-	-	-

- Notes: 1. The funds are used for the redemption of the corporate bonds.
2. The funds are used for the redemption of the corporate bonds and the working capital.
3. The funds are used for the refinancing of borrowings related to the "Eligible Green Assets" and acquisition of real estate or trust beneficial interest in real estate which are "Eligible Green Assets," and the related expenses.
4. The funds are used for the repayment of the existing borrowings.
5. The funds are used for acquisition of real estate or trust beneficial interest in real estate and expenses related to the acquisition.
6. The funds are used for the redemption of the corporate bonds related to the "Eligible Green Assets," and acquisition of real estate which are "Eligible Social Assets", and funds required for development.
7. Ranking pari passu among corporate bonds.
8. The scheduled redemption amount of "Corporate bonds" within five years after the date of Balance Sheet are as follows:

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years
Corporate bonds (Millions of yen)	10,000	2,000	18,000	-	-

12. OPERATING REVENUES AND EXPENSES

Operating revenues and expenses for the fiscal periods ended November 30, 2022 and May 31, 2023 were as follows:

	38th Fiscal Period (June 1, 2022 – November 30, 2022)	Thousands of yen 39th Fiscal Period (December 1, 2022 – May 31, 2023)
Operating Revenues	¥ 23,984,335	¥ 25,052,518
Rental Revenues	22,033,852	22,818,571
Rental revenues	19,714,415	20,493,491
Common area charges	1,408,537	1,388,156
Parking revenues	748,216	770,051
Other	162,682	166,870
Other Rental Revenues	1,950,483	2,233,947
Incidental revenues	1,676,330	1,605,287
Temporary revenues (including cancellation charges)	182,622	532,405
Other miscellaneous revenues	91,530	96,254
Property-Related Expenses	11,467,621	11,778,376
Property and other taxes	2,163,124	2,126,537
Property management fees	1,824,199	1,834,831

	Thousands of yen	
	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Utilities	1,940,039	1,919,501
Casualty insurance	37,614	37,814
Repairs and maintenance	997,060	1,322,963
Depreciation and amortization	4,068,836	4,067,539
Other rental expenses	436,746	469,189
Profit from rental activities	¥ 12,516,713	¥ 13,274,141

13. GAIN ON SALES OF REAL ESTATE PROPERTIES

There was no gain on sales of real estate properties for the fiscal period ended May 31, 2023. In addition, gain on sales of real estate properties for the fiscal period ended November 30, 2022 was as follows:

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

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

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

14. INCOME TAXES

The significant components of deferred tax assets and deferred tax liabilities at November 30, 2022 and May 31, 2023 were summarized as follows:

End of 38th Fiscal Period (As of November 30, 2022)		End of 39th Fiscal Period (As of May 31, 2023)	
Deferred tax assets		Deferred tax assets	
Difference in revenue recognition for tax purposes	¥ 12,361	Difference in revenue recognition for tax purposes	¥ 23,980
Valuation difference on assets acquired by merger	15,580,652	Valuation difference on assets acquired by merger	15,563,658
Excess allowance for doubtful accounts	3,657	Excess allowance for doubtful accounts	1,970
Impairment losses	328,442	Impairment losses	328,442
Other	246	Other	236
Subtotal	15,925,361	Subtotal	15,918,288
Valuation allowance	(15,925,361)	Valuation allowance	(15,918,288)
Total	-	Total	-
Net deferred tax assets	-	Net deferred tax assets	-

A reconciliation of the differences between the statutory tax rate and the effective tax rate after the application of tax effect accounting for the fiscal periods ended November 30, 2022 and May 31, 2023 were summarized as follows:

	38th Fiscal Period (As of November 30, 2022)	39th Fiscal Period (As of May 31, 2023)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Distributions of tax-deductible dividends	(31.15)%	(31.23)%
Changes in valuation allowance	(0.32)%	(0.23)%
Other	0.01%	0.01%
Effective tax rate after the application of tax effect accounting	0.01%	0.01%

United Urban is subject to income taxes in Japan. 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 (including all subsequent amendments) concerning the deductibility of cash dividends paid for income tax purposes within the limit of the amount of earnings. Based on this policy, for the 38th fiscal period, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525 thousand to the unappropriated retained earnings of ¥9,666,272 thousand, and reserved ¥1,828 thousand, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥9,741,970 thousand. For the 39th fiscal period, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525 thousand to the unappropriated retained earnings of ¥9,929,741 thousand, and reserved ¥1,917 thousand, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥10,005,350 thousand. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.

15. THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Matters Concerning Financial Instruments

1. Approach to financial instruments

United Urban procures funds, mainly for the acquisition, repair and maintenance of real estate properties and for the repayment of interest-bearing liabilities, primarily by borrowing from financial institutions, issuing corporate bonds and issuing new investment units. With respect to procurement of funds for interest-bearing liabilities, based on its policy of building a robust financial standing, United Urban procures, in principle, funds with long terms and fixed interest rates, and adopts a conservative financial strategy as its basic policy, which includes aiming to secure financial stability and liquidity through such measures as spreading out the repayment deadlines and utilizing lines of credit. In addition, United Urban may at times engage in investment management of various types of deposits for the purpose of efficiently managing tentative surplus funds. Furthermore, United Urban may conduct derivative transactions only for the purpose of hedging interest rate fluctuation risks in debt, etc.

2. Details of financial instruments and their risks and risk management structure

Funds are procured in the form of debt and corporate bonds, mainly for the purpose of the acquiring real estate properties, real estate backed securities, etc. and the repaying of interest-bearing liabilities. Debt and corporate bonds are exposed to liquidity risks on repayment/redemption deadlines, but United Urban manages the concerned risks by striving to maintain and strengthen its capacity to procure funds from the capital markets through increases in capital by keeping the LTV within a range deemed to be appropriate, by ensuring liquidity at hand, such as through line-of-credit agreements with several leading financial institutions of Japan and by taking other measures.

Moreover, debt with floating interest rates is exposed to risks of fluctuation in the interest payable, however United Urban manages the concerned risks by adjusting the ratio of the debt with floating interest rates to the balance of the total outstanding debt in response to the financial environment, by utilizing or considering derivative transactions (interest rate cap transactions and interest rate swap transactions) as hedging instruments in order to fix interest expenses and by taking other measures. Furthermore, the risks associated with derivative transactions are controlled in accordance with the operational management procedures of JRA.

Surplus funds of United Urban invested as large time deposits, etc., are exposed to risks of failure of the financial institutions holding the deposits and to other credit risks, but United Urban manages the concerned risks by diversifying the financial institutions holding the deposits and by taking other measures.

Leasehold and security deposits received including deposits in trust, are deposits from tenants and are exposed to liquidity risks arising from the tenants' vacating their properties before the expiration of lease agreements. United Urban manages the concerned risks by putting aside an amount sufficient to enable deposits to be returned without interruption and by ensuring liquidity at hand, such as through line-of-credit agreements.

3. Supplemental explanation for matters concerning the fair value, etc. of financial instruments

Since certain assumptions are adopted in the calculation of the fair value of a financial instrument, there may be cases where these values will vary when different assumptions, etc. are adopted.

Matters Concerning the Fair Value, etc. of Financial Instruments

The carrying amounts on the balance sheet, the fair values, and their differences as of November 30, 2022 and May 31, 2023 are as follows. As for the cash and bank deposits, cash and bank deposits in trust, and short-term debt, because those items are cash or the fair value of those items approximates the book value as those are settled within a short period of time, notes are omitted. In addition, notes to the leasehold and security deposits received and leasehold and security deposits received in trust are omitted because it is immaterial.

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

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Current portion of corporate bonds	¥ 12,000,000	¥ 11,979,400	¥ (20,600)
(2) Long-term debt due for repayment within one year	41,000,000	41,080,340	80,340
(3) Corporate bonds	24,500,000	24,230,450	(269,550)
(4) Long-term debt	235,903,000	232,757,452	(3,145,547)
Total liabilities	¥ 313,403,000	¥ 310,047,642	¥ (3,355,357)
(5) Derivative transactions (*)	¥ 98,041	¥ 98,041	-
Total derivative transactions	¥ 98,041	¥ 98,041	-

(Thousands of yen)

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

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Current portion of corporate bonds	¥ 10,000,000	¥ 9,993,000	¥ (7,000)
(2) Long-term debt due for repayment within one year	31,600,000	31,637,627	37,627
(3) Corporate bonds	24,500,000	24,228,050	(271,950)
(4) Long-term debt	253,303,000	252,586,104	(716,895)
Total liabilities	¥ 319,403,000	¥ 318,444,782	¥ (958,217)
(5) Derivative transactions (*)	¥ 51,843	¥ 51,843	-
Total derivative transactions	¥ 51,843	¥ 51,843	-

(Thousands of yen)

(*) The assets/liabilities arising from derivative transactions are shown in the net amount with liabilities on a net basis shown in parentheses.

Notes: 1. Calculation method for the fair values of financial instruments

(1) Current portion of corporate bonds / (3) Corporate bonds

The fair value of these is calculated based on referenced indicative prices of sale/purchase transactions by financial institutions, etc.

(2) Long-term debt due for repayment within one year / (4) Long-term debt

The fair value is calculated by discounting the total amount of principal and interest by the rate assumed as being applicable in the event of a new borrowings corresponding to the remaining loan term. As for long-term debt with floating interest rate that qualifies for the special treatment of interest rate swaps (please refer to "24. DERIVATIVE TRANSACTIONS"), the fair value is calculated by discounting the total amount of principal and interest, which are accounted for as one transaction with the interest rate swap, by the rate assumed as being applicable in the event of the same type of new borrowings corresponding to the remaining loan term.

(5) Derivative transactions

Please refer to "24. DERIVATIVE TRANSACTIONS".

2. Amount of borrowings and corporate bonds to be repaid subsequent to the end of the fiscal period

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

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years	Over 5 years
Corporate bonds	¥ 12,000,000	-	¥ 10,000,000	¥ 10,000,000	-	¥ 4,500,000
Long-term debt	41,000,000	¥ 28,050,000	29,600,000	37,300,000	¥ 50,600,000	90,353,000
Total	¥ 53,000,000	¥ 28,050,000	¥ 39,600,000	¥ 47,300,000	¥ 50,600,000	¥ 94,853,000

(Thousands of yen)

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

(Thousands of yen)

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years	Over 5 years
Corporate bonds	¥ 10,000,000	¥ 2,000,000	¥ 18,000,000	-	-	¥ 4,500,000
Long-term debt	31,600,000	33,450,000	29,800,000	¥ 44,400,000	¥ 41,200,000	104,453,000
Total	¥ 41,600,000	¥ 35,450,000	¥ 47,800,000	¥ 44,400,000	¥ 41,200,000	¥ 108,953,000

16. THE FAIR VALUE OF INVESTMENT AND RENTAL PROPERTIES

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 as of November 30, 2022 and May 31, 2023 are as follows:

(Thousands of yen)

Type of Use		38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Retail properties	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 186,385,219	¥ 187,796,463
	Change during period	1,411,244	98,945
	Balance at end of period	¥ 187,796,463	¥ 187,895,408
	Fair value at end of period	¥ 216,694,000	¥ 217,099,000
Office buildings	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 193,379,400	¥ 192,530,086
	Change during period	(849,314)	2,029,006
	Balance at end of period	¥ 192,530,086	¥ 194,559,093
	Fair value at end of period	¥ 260,760,000	¥ 260,380,000
Hotels	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 159,710,652	¥ 158,961,094
	Change during period	(749,557)	(81,619)
	Balance at end of period	¥ 158,961,094	¥ 158,879,474
	Fair value at end of period	¥ 185,710,000	¥ 184,046,000
Residential properties	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 45,149,499	¥ 46,121,214
	Change during period	971,715	1,565,692
	Balance at end of period	¥ 46,121,214	¥ 47,686,906
	Fair value at end of period	¥ 67,264,000	¥ 69,260,000
Others	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 64,113,642	¥ 67,431,683
	Change during period	3,318,040	2,174,832
	Balance at end of period	¥ 67,431,683	¥ 69,606,515
	Fair value at end of period	¥ 90,334,000	¥ 94,680,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 648,738,414	¥ 652,840,542
	Change during period	4,102,128	5,786,856
	Balance at end of period	¥ 652,840,542	¥ 658,627,399
	Fair value at end of period	¥ 820,762,000	¥ 825,465,000

- Notes: 1. The carrying amount on the balance sheet is the acquisition cost (including the expenses incidental to the acquisition) less accumulated depreciation.
2. Of the "Change during the period" for the 38th fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (total: ¥7,900 million) and capital expenditures (¥1,950 million). And the amount of the decrease is primarily attributable to the sale of two properties (total: ¥1,758 million) and the depreciation and amortization (¥4,060 million). Of the "Change during the period" for the 39th fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (¥5,897 million), an additional acquisition of the building portion of the existing property (¥1,244 million), and capital expenditures (¥2,443 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥4,059 million).

3. The "Fair value at end of 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 investment and rental properties, please refer to the aforementioned "12. OPERATING REVENUES AND EXPENSES."

17. TRANSACTIONS WITH RELATED PARTIES

1. Parent Company and Major Corporate Unitholders

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

None

(39th Fiscal Period: December 1, 2022 – May 31, 2023)

None

2. Subsidiaries and Affiliates

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

None

(39th Fiscal Period: December 1, 2022 – May 31, 2023)

None

3. Fellow Subsidiaries

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

None

(39th Fiscal Period: December 1, 2022 – May 31, 2023)

None

4. Directors and Major Individual Unitholders

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

None

(39th Fiscal Period: December 1, 2022 – May 31, 2023)

None

18. PER UNIT INFORMATION

The calculation of net assets per unit is based on the total number of investment units issued and outstanding at the period end, and the calculation of net income per unit is based on the average number of investment units during the period. Net assets per unit and net income per unit at November 30, 2022 and May 31, 2023 for the fiscal periods then ended are summarized as follows:

	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
		Yen
Net assets per unit	¥ 116,291	¥ 116,336
Net income per unit	¥ 3,103	¥ 3,204
Average number of investment units during the period (units)	3,114,668	3,098,591

19. REVENUE RECOGNITION

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

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

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

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

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

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

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

As for the 38th Fiscal Period (from June 1, 2022 to November 30, 2022) and the 39th fiscal period (from December 1, 2022 to May 31, 2023), the information is as described in "2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES".

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

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

	38th Fiscal Period (June 1, 2022 – November 30, 2022)	39th Fiscal Period (December 1, 2022 – May 31, 2023)
Claims arising from contracts with customers (balance at beginning of the fiscal period)	¥ 278,104	¥ 317,711
Claims arising from contracts with customers (balance at end of the fiscal period)	317,711	315,789
Contract assets (balance at beginning of the fiscal period)	-	-
Contract assets (balance at end of the fiscal period)	-	-
Contract liabilities (balance at beginning of the fiscal period)	-	-
Contract liabilities (balance at end of the fiscal period)	-	-

(2) Transaction value allocated to remaining performance obligations

Not applicable.

With regard to utility revenues, as United Urban has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance was completed by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on

Accounting Standard for Revenue Recognition. Accordingly, it is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

20. RESERVE FOR TEMPORARY DIFFERENCE ADJUSTMENTS

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

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

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

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

21. SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents at November 30, 2022 and May 31, 2023 were as follows:

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Cash and bank deposits	¥ 58,906,455	¥ 60,737,996
Cash and cash equivalents	¥ 58,906,455	¥ 60,737,996

22. LEASES

United Urban leases properties on which rental revenue is earned. At November 30, 2022 and May 31, 2023, future lease revenues under non-cancelable operating leases are summarized as follows:

	Thousands of yen	
	End of 38th Fiscal Period (As of November 30, 2022)	End of 39th Fiscal Period (As of May 31, 2023)
Due within one year	¥ 16,962,090	¥ 17,384,789
Due over one year	85,113,044	79,908,912
Total	¥ 102,075,135	¥ 97,293,702

23. SECURITIES

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

None

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

None

24. DERIVATIVE TRANSACTIONS

1. Derivative transactions not subject to hedge accounting

Fiscal period ended November 30, 2022: None

Fiscal period ended May 31, 2023: None

2. Derivative transactions subject to hedge accounting

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

Hedge Accounting Method	Type	Main Hedged Item	Amount of Contract (Thousands of yen)		Fair Value (Thousands of yen)	Calculation Method of Fair Value
				over one year		
Principal method	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	¥ 11,500,000	¥ 11,500,000	¥ 98,041	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	6,800,000	2,000,000	(Note 1)	-
Total			¥ 18,300,000	¥ 13,500,000	¥ 98,041	

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

Hedge Accounting Method	Type	Main Hedged Item	Amount of Contract (Thousands of yen)		Fair Value (Thousands of yen)	Calculation Method of Fair Value
				over one year		
Principal method	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	¥ 11,500,000	¥ 10,500,000	¥ 51,843	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	3,300,000	1,000,000	(Note 1)	-
Total			¥ 14,800,000	¥ 11,500,000	¥ 51,843	

Notes: 1. Since the derivative financial instruments qualifying for the special treatment of interest-rate swaps are accounted for as one transaction with the hedged item (long-term debt), the fair value is included in that of the relevant long-term debt (please refer to the aforementioned "15. THE FAIR VALUE OF FINANCIAL INSTRUMENTS"). As for transactions included in the scope of "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (PITF No.40 issued on March 17, 2022), United Urban applies the exceptional treatment stipulated in the PITF.

2. The fair value is measured using values which are calculated based on market interest rates by the counterparty to the transaction.

25. SEGMENT INFORMATION

[Segment Information]

Disclosure is omitted because the business of United Urban is comprised of a single segment engaged in the real estate leasing business.

[Related Information]

(38th Fiscal Period: June 1, 2022 – November 30, 2022)

1. Information by product and service

Disclosure is omitted because the operating revenues for external customers in a single product/service category are excess of 90% of the operating revenues on Statement of Income and Retained Earnings.

2. Information by region

(1) Operating revenues

Disclosure is omitted because the operating revenues for external customers in Japan are in excess of 90% of the operating revenues on Statement of Income and Retained Earnings.

(2) Property and equipment

Disclosure is omitted because the amount of property and equipment located in Japan are in excess of 90% of property and equipment on Balance Sheet.

3. Information by major customers

Disclosure is omitted because the operating revenues for a single external customer are less than 10% of the operating revenues on Statement of Income and Retained Earnings.

(39th Fiscal Period: December 1, 2022 – May 31, 2023)

1. Information by product and service

Disclosure is omitted because the operating revenues for external customers in a single product/service category are excess of 90% of the operating revenues on Statement of Income and Retained Earnings.

2. Information by region

(1) Operating revenues

Disclosure is omitted because the operating revenues for external customers in Japan are in excess of 90% of the operating revenues on Statement of Income and Retained Earnings.

(2) Property and equipment

Disclosure is omitted because the amount of property and equipment located in Japan are in excess of 90% of property and equipment on Balance Sheet.

3. Information by major customers

Disclosure is omitted because the operating revenues for a single external customer are less than 10% of the operating revenues on

Statement of Income and Retained Earnings.

26. SUBSEQUENT EVENTS

None

Independent Auditor's Report

The Board of Directors
United Urban Investment Corporation

Opinion

We have audited the accompanying financial statements of United Urban Investment Corporation (the Company), which comprise the balance sheet as at May 31, 2023, and the statements of income and retained earnings, changes in unitholders' equity, and cash flows for the six-month period then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2023, and its financial performance and its cash flows for the six-month period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Semiannual Report that contains audited financial statements but does not include the financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Supervisory Director is responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Supervisory Director for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Supervisory Director is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Executive Director with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Tokyo, Japan

August 29, 2023

/s/ Kazunori Takenouchi

Kazunori Takenouchi
Designated Engagement Partner
Certified Public Accountant

/s/ Katsuya Ishida

Katsuya Ishida
Designated Engagement Partner
Certified Public Accountant

Corporate Data

Set out below is certain corporate data of United Urban Investment Corporation (“United Urban”) as of May 31, 2023:

Corporate Name:	United Urban Investment Corporation
Corporate Office:	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo 105-6018, Japan
Date of Incorporation:	November 4, 2003
Paid-in Capital:	¥319,973,305,251
Number of Unitholders:	20,284
Transfer Agent:	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Business Office of the Transfer Agent:	Stock Transfer Agency Department of Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063, Japan
Independent Auditor:	ERNST & YOUNG SHINNIHON LLC Tokyo Midtown Hibiya, Hibiya Mitsui Tower, 1-1-2 Yuraku-cho, Chiyoda-ku, Tokyo 100-0006, Japan
Stock Listing:	Tokyo Stock Exchange (Securities Code: 8960)
Fiscal Period:	Fiscal periods are the six months ending on May 31 and November 30
Investor Relations:	For further information, please contact our asset management company: Japan REIT Advisors Co., Ltd. Chief Financial Officer Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo 105-6018, Japan Tel: +81-3-5402-3680

About Our Website

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

United Urban’s website offers various content such as investment policies, basic structure, ESG initiatives, portfolio information, financial information and press releases, etc. We intend to enhance our website to provide useful information to our unitholders.



Disclaimer

This semiannual report includes translation of certain documents originally filed and made available in Japan in accordance with Financial Instruments and Exchange Act of Japan and the Act on Investment Trusts and Investment Corporations of Japan. This English language semiannual report was prepared solely for the convenience of readers outside Japan 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.

English terms for Japanese legal, accounting, tax, and business concepts used herein may not to be precisely identical to the concept of the equivalent Japanese terms. With respect to any and all terms herein, including without limitation, financial statements, if there exist any discrepancies in the meaning or interpretation thereof between the original Japanese documents and the English translation contained herein, the Japanese documents will always govern the meaning and interpretation.

United Urban, JRA, and any of their respective directors, officers, employees, partners, shareholders, agents, affiliates or their advisors are not responsible or liable for the completeness, appropriateness, or accuracy of English translations or the selection of the portion(s) of any document(s) translated into English. No person has been authorized to give any information or make any representations other than as contained in this document in relation to the matters set out in this document, and if given or made, such information or representation must not be relied upon as having been authorized by United Urban, JRA or any of their respective directors, officers, employees, partners, shareholders, agents, affiliates or their advisors.

The financial statements of United Urban have been prepared in accordance with generally accepted accounting principles in Japan “Japanese GAAP,” which may materially differ in certain respects from generally accepted accounting principles in other jurisdictions.

This semiannual report contains forward-looking statements. These statements appear in a number of places in this semiannual report and include statements regarding the intent, belief, or current and future expectations of United Urban or JRA with respect to its business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as may, will, should, would, expect, plan, anticipate, believe, estimate, predict, potential, or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Forward-looking statements regarding operating revenues, operating income, net income or profitability from portfolio are particularly subject to a variety of assumptions, some or all of which may not be realized. Accordingly, readers of this document should not interpret the forward-looking statements included herein as predictions or representations of future events or circumstances.

Potential risks and uncertainties also include those identified and discussed in this document. Given these risks and uncertainties, readers of this document are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of information produced herein. We disclaim any obligation to update or, except in the limited circumstances required by the Tokyo Stock Exchange, announce publicly any revisions to any of the forward-looking statements contained in this document.



United Urban Investment Corporation

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