

# Semiannual Report

Twenty-second Fiscal Period

From June 1, 2014 to November 30, 2014



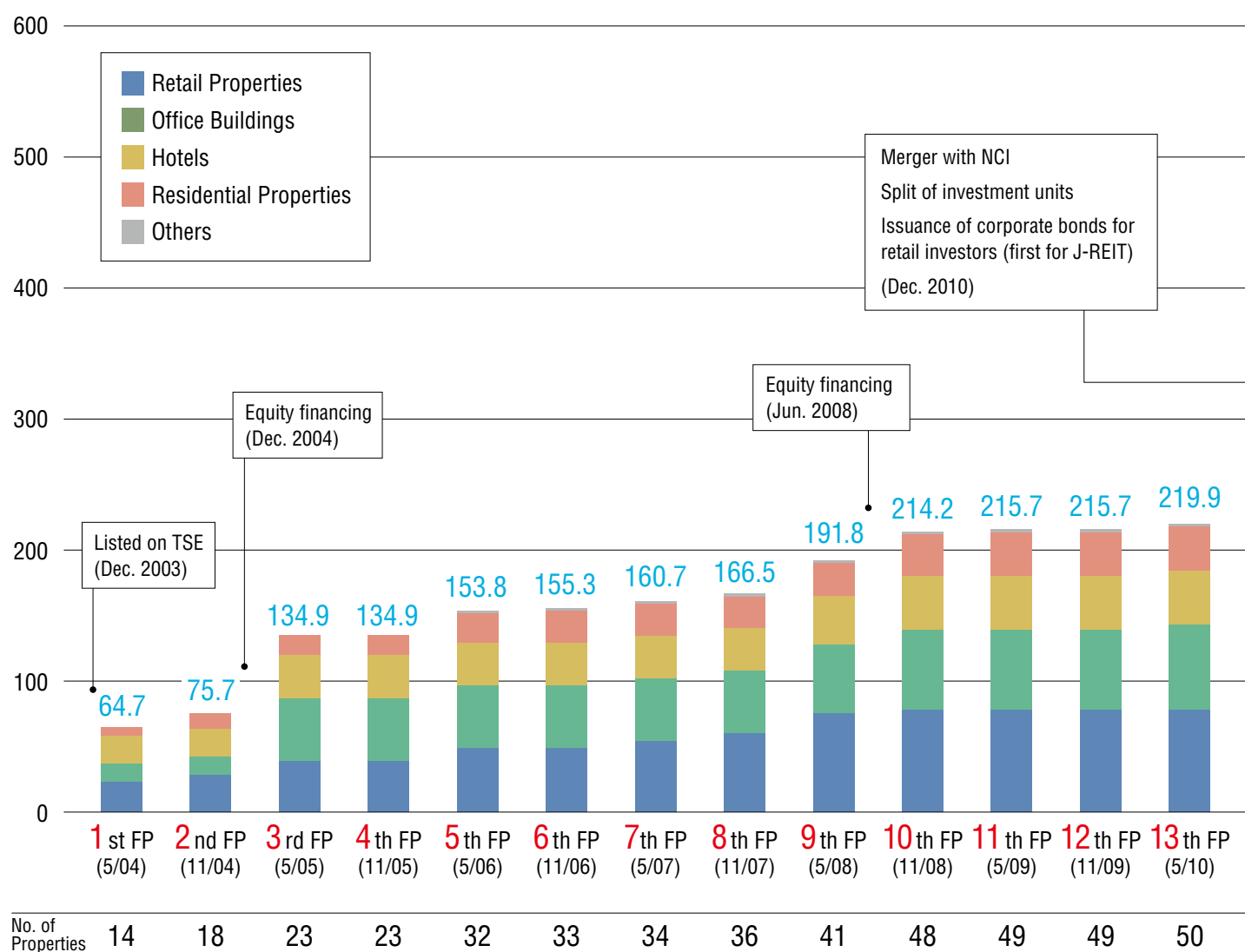
# Profile

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 section (“J-REIT section”) of the Tokyo Stock Exchange (Securities Code: 8960), and United Urban has been growing steadily over the past 10 years since its listing. In addition, through the merger with Nippon Commercial Investment Corporation (“NCI”) in December 2010, United Urban considerably expanded the size of its 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 lead to the mitigation of risks involved.

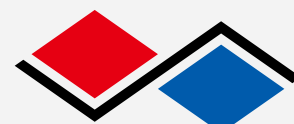
## Growth of Assets (Note 1)

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.



**United Urban**  
Investment Corporation

The main sponsor of United Urban is Marubeni Corporation (“Marubeni”), a parent company of Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company to which United Urban entrusts asset management services. United Urban aims to realize its further growth as a diversified J-REIT<sup>(Note)</sup> by taking full advantage of the network and support provided by Marubeni and its affiliate companies.

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

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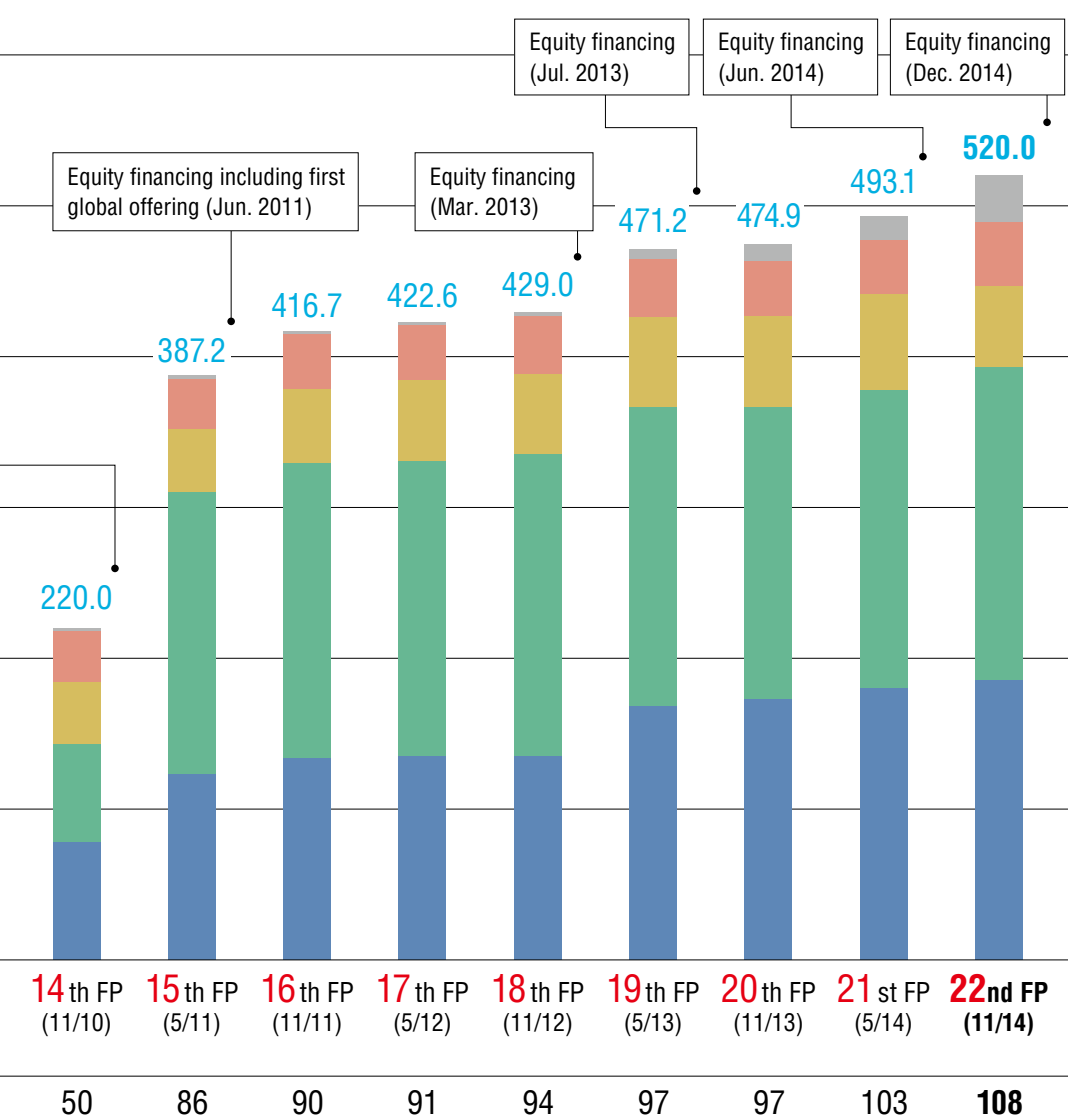
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# Key Figures

(As of November 30, 2014)

## Cash Distribution per Unit for the 22nd Fiscal Period

¥2,896

## Occupancy Ratio

98.7%

## Total Acquisition Price

¥520.0 billion

## Number of Properties

108

## Loan-to-Value Ratio (LTV) <sup>(Note)</sup>

44.8%

Note: LTV=Interest-bearing liabilities (including corporate bonds) / (Total assets + Appraisal values at the end of the period - Book value at the end of the period)

## Ratings

(As of January 20, 2015)

### JCR

Long-Term  
Issuer Rating:

AA

Rating Outlook: Stable

### R&I

Issuer Rating:

A+

Rating Outlook: Stable

### Moody's

Issuer Rating:

A3

Rating Outlook: Stable

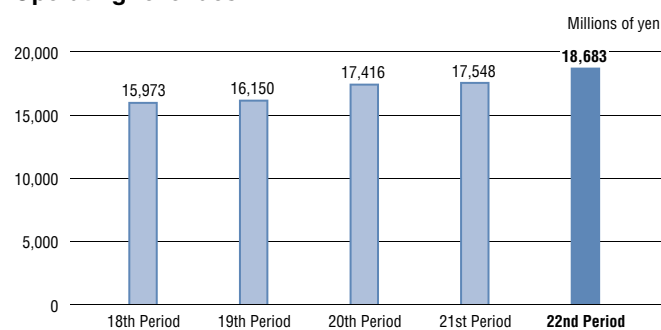
# Financial Highlights

Millions of yen, except per unit information

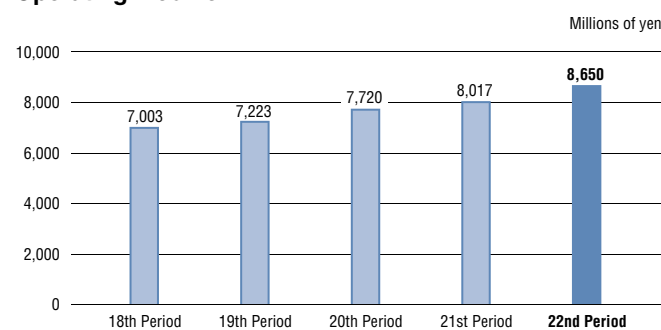
	22nd Fiscal Period June 1, 2014- November 30, 2014	21st Fiscal Period December 1, 2013- May 31, 2014	20th Fiscal Period June 1, 2013- November 30, 2013	19th Fiscal Period December 1, 2012- May 31, 2013	18th Fiscal Period June 1, 2012- November 30, 2012
Operating revenues	¥ 18,683	¥ 17,548	¥ 17,416	¥ 16,150	¥ 15,973
Operating income	8,650	8,017	7,720	7,223	7,003
Ordinary income	7,276	6,694	6,113	5,252	4,635
Net income	7,275	6,674	6,113	5,251	4,635
Cash distribution	7,275	6,674	6,545	6,339	5,784
Cash distribution per unit (Yen)	2,896	2,804	2,750	2,750	2,750
Total assets	561,415	527,807	527,025	516,739	462,503
Total unitholders' equity	258,335	237,208	237,079	228,142	204,533
Unitholders' equity per unit (Yen)	102,830	99,659	99,605	98,958	97,240

Note: United Urban's 18th fiscal period was for 183 days from June 1, 2012 to November 30, 2012, the 19th fiscal period was for 182 days from December 1, 2012 to May 31, 2013, the 20th fiscal period was for 183 days from June 1, 2013 to November 30, 2013, the 21st fiscal period was for 182 days from December 1, 2013 to May 31, 2014 and the 22nd fiscal period was for 183 days from June 1, 2014 to November 30, 2014.

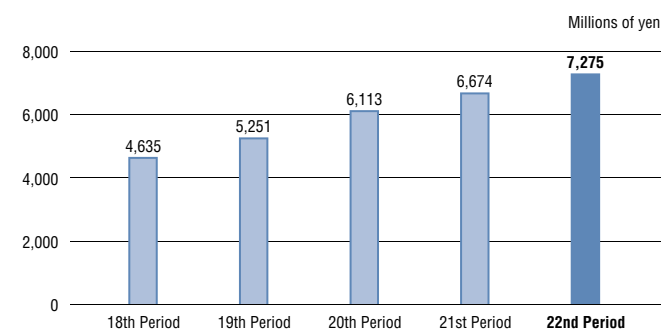
## Operating revenues



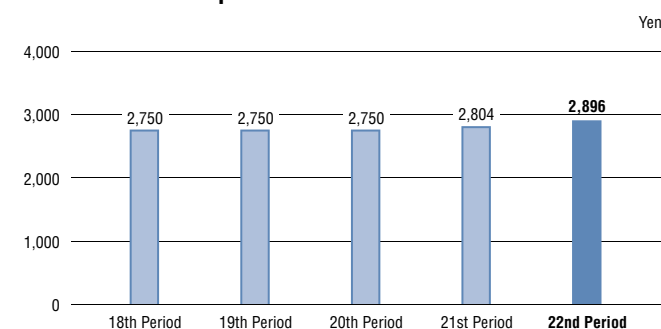
## Operating income



## Net income



## Cash distribution per unit



# To Our Unitholders

It is a pleasure to present this report on the business activities of United Urban during the 22nd fiscal period: the six-month period ended November 30, 2014.

United Urban was listed on the J-REIT section of the Tokyo Stock Exchange in December 2003. As of November 30, 2014 (at the end of the 22nd fiscal period), United Urban is the fourth largest among all J-REITs and the largest diversified J-REIT in terms of asset size.

In the 22nd fiscal period, United Urban acquired five new properties (total acquisition price: ¥26.8 billion), and realized growth in its asset size and improvement in profitability. United Urban also has entered into an agreement to acquire two properties (total scheduled acquisition price: ¥3.6 billion), to be transferred on March 2015. The performance of existing properties has been steady due to the favorable trends in the Japanese economy, Japanese corporate profits and the financial environment. United Urban has achieved reductions in financial costs while reinforcing its financial standing to cope with fluctuation in the financial markets by lowering LTV, raising fixed-interest borrowing ratio and increasing commitment facilities.

In addition to these factors, revenues from properties acquired during the previous fiscal period (21st fiscal period ended May 31, 2014) contributed to this fiscal period's profit in the full-term. As a result, United Urban was able to achieve revenue and profit growth with operating revenues of ¥18,683 million, operating income of ¥8,650 million and net income of ¥7,275 million. United Urban decided the distribution amount for this fiscal period to be ¥2,896 per unit (up by ¥92 from the previous fiscal period). United Urban had continued to make the distribution per unit of ¥2,750 by utilizing the negative goodwill (reserve for distribution) over the past five fiscal periods (from the 16th fiscal period to 20th fiscal period) to cope with the transient profit decline due to the succession of high-yield loans and bonds, etc., in connection with the merger with NCI in December 2010. For the 22nd fiscal period, we increased distribution per unit for the second consecutive period without using negative goodwill.

The issuance of new investment units through the seventh public offering since the IPO and third-party allotment was resolved on November 20, 2014 and the equity capital of ¥24.1 billion was paid in. United Urban aims for further external growth by utilizing its borrowing capacity increased through this capital raise.

As a diversified J-REIT, investing in properties varied both in types of use and geographical location, United Urban, together with its asset manager, Japan REIT Advisors Co., Ltd., will do its best to secure the stability in its earnings over the medium to long term pursuant to its investment policy. Your continuous support and kind attention are highly appreciated.



**Hitoshi Murakami**  
Executive Officer  
United Urban Investment Corporation

**Ikuyo Yoshida**  
President and CEO  
Japan REIT Advisors Co., Ltd.

# Topics of 22nd Fiscal Period

## Acquisitions during the 22nd Fiscal Period

### E5 Logistics Higashi-Ohgishima

Others



■ Acquisition Date	October 2, 2014
■ Acquisition Price	¥8,300 million
■ Location	Kawasaki, Kanagawa
■ Site Area	28,351.30 m <sup>2</sup>
■ Total Floor Space	41,949.12 m <sup>2</sup>
■ Construction	S
■ Number of Floors	4F
■ Completed	May 2008
■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership



### E6 MT Ariake Center Building I&II (Note 1)

Others



■ Acquisition Date	November 25, 2014	■ Construction	(1) S/SRC (2) S
■ Acquisition Price	¥8,000 million	■ Number of Floors	(1) 5F (2) 5F
■ Location	Koto-ku, Tokyo	■ Completed	(1) April 1989 (2) June 1992
■ Site Area	8,307.00 m <sup>2</sup> (Note 2)	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	(1) 18,887.44 m <sup>2</sup> (2) 4,030.50 m <sup>2</sup>		

Notes: 1. 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 each of the two buildings, with the Building I expressed as (1) and the Building II expressed as (2).  
2. "Site Area" is described as it appears on the notification for provisional replotting.



# Topics of 22nd Fiscal Period

## A33 Plussing Wave Enoshima

Retail Properties



■ Acquisition Date	August 29, 2014
■ Acquisition Price	¥1,800 million
■ Location	Fujisawa, Kanagawa
■ Site Area	2,449.00 m <sup>2</sup>
■ Total Floor Space	3,471.69 m <sup>2</sup>
■ Construction	S
■ Number of Floors	4F
■ Completed	December 2007
■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership

## D26 Glenpark Umeda-kita

Residential Properties



■ Acquisition Date	August 29, 2014	■ Construction	RC
■ Acquisition Price	¥5,150 million	■ Number of Floors	B1/15F
■ Location	Osaka, Osaka	■ Completed	August 2007
■ Site Area	2,156.35 m <sup>2</sup>	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	14,340.44 m <sup>2</sup>		



## B43 Hirose-dori SE Building

Office Buildings



■ Acquisition Date	June 13, 2014	■ Construction	S
■ Acquisition Price	¥3,600 million	■ Number of Floors	9F
■ Location	Sendai, Miyagi	■ Completed	November 2007
■ Site Area	2,145.00 m <sup>2</sup> (Note)	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	10,396.94 m <sup>2</sup>		

Note: "Site Area" is described as it appears on the notification for provisional replotting.





# Subsequent Events

## Public Offering (Issuance of New Investment Units)

United Urban implemented the public offering in two consecutive fiscal periods. Through the offering, United Urban decided to acquire two new properties ("LIFE Nishikujo (Site)" and "LIFE Tamatsukuri (Site)") on March 2015 and secured its debt funding capacity to realize further external growth by repaying existing borrowings.

### [Overview]

Resolution Date of the Issuance	November 20, 2014	
Pricing Date	December 2, 2014	
Total Number of Investment Units Newly Issued	132,065 units	Public offering: 120,000 units Third-party allotment: 12,065 units
Offer Price (per unit)	¥188,258	
Issue Price (per unit)	¥182,495	
Total Issue Price	¥24,101 million	Public offering: ¥21,899 million Third-party allotment: ¥2,201 million
Payment Date	Public offering: December 9, 2014 Third-party allotment: January 7, 2015	



After the Offering	
Total Number of Investment Units Issued and Outstanding	2,512,246 units ➡ 2,644,311 units
Unitholders' Capital	¥219,768 million ➡ ¥243,869 million
LTV	44.8% (As of Nov. 30, 2014) ➡ 41.6% (Note)

Note: Based on a calculation made by the asset management company, the estimated value after the payment of the third-party allotment on January 7, 2015 is as stated.

### [Repayment, Redemption and Early Repayment of Interest-bearing Liabilities]

Contractual repayment / Redemption at maturity	Title	Drawdown / Issue Date	Maturity/ Redemption Date	Amount	Lenders	Remarks
	Series 5 of Unsecured Corporate Bonds	Dec. 16, 2011	Dec. 16, 2014	¥7.0 billion	—	Unsecured Unguaranteed
	Term Loan 29A <sup>(Note 1)</sup>	Dec. 21, 2009	Dec. 22, 2014 <sup>(Note 2)</sup>	¥4.25 billion	Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. Mizuho Trust & Banking Co., Ltd.	Unsecured Unguaranteed



Early repayment	Title	Drawdown Date	Maturity Date	Amount	Lenders	Early Repayment Date	Remarks
	Term Loan 34A <sup>(Note 1)</sup>	Sep. 27, 2011	Sep. 20, 2016	¥1.9 billion	Mizuho Bank, Ltd.	Dec. 22, 2014	Unsecured Unguaranteed
	Term Loan 36A <sup>(Note 1)</sup>	Oct. 25, 2011	Sep. 20, 2016	¥8.3 billion <sup>(Note 3)</sup>	Sumitomo Mitsui Trust Bank, Limited <sup>(Note 3)</sup> The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. The Bank of Fukuoka, Ltd.		Unsecured Unguaranteed

Notes: 1. We had named the term loans using the numbers (1 through 100), but since the number has reached 100 in a new loan as of October 2, 2014, we changed the way we name the term loans. For the existing term loans, we will put an alphabet letter "A" at the end of the name (i.e., "Term Loan 1A" ~ "Term Loan 100A"). For the new borrowings, we will put a "B," the next letter in the alphabet, following the number of 1 through 99, and therefore they will be called "Term Loan 01B" and "Term Loan 99B." After "Term Loan 99B," we will put an alphabet letter in order.

2. The contractual maturity date was December 20, 2014 (Saturday). However, since December 20, 2014 (Saturday) was not a business day, December 22, 2014 (Monday), the immediate following business day, was the maturity date in accordance with the terms of the agreement.

3. Of the borrowing balance of ¥8.3 billion, United Urban made an early repayment with regard to ¥2.6 billion which has been borrowed from Sumitomo Mitsui Trust Bank, Limited.

### [New Acquisitions]

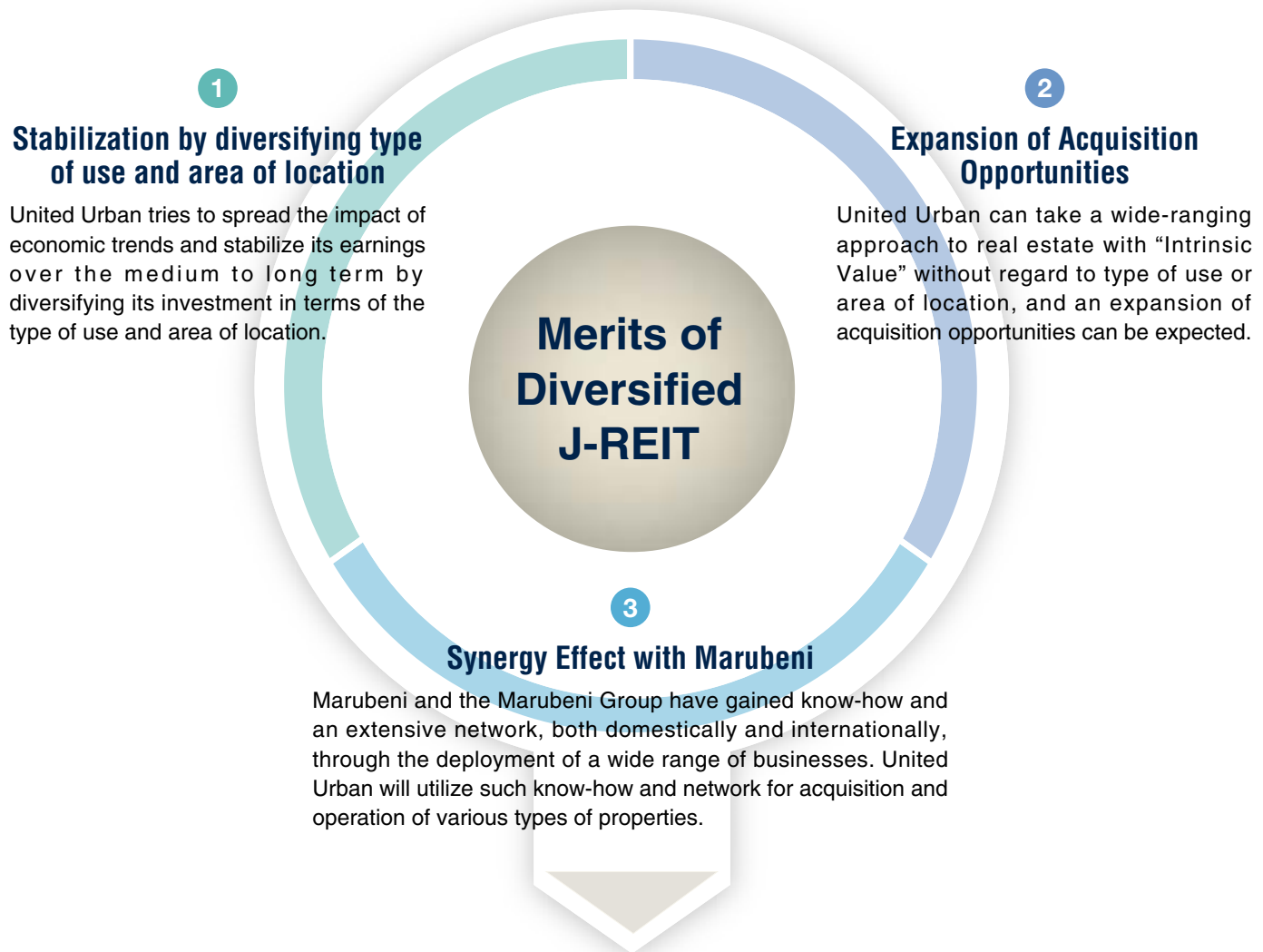
A34	LIFE Nishikujo (Site) <sup>(Note)</sup>	Retail Properties
	■ Acquisition Date	March 2, 2015
	■ Acquisition Price	¥1,760 million
	■ Location	Osaka, Osaka
	■ Site Area	3,252.76 m <sup>2</sup>
	■ Total Floor Space	—
	■ Construction	—
	■ Number of Floors	—
	■ Completed	—
	■ Type of Ownership	Land: Proprietary Ownership Building: —
A35	LIFE Tamatsukuri (Site) <sup>(Note)</sup>	Retail Properties
	■ Acquisition Date	March 2, 2015
	■ Acquisition Price	¥1,880 million
	■ Location	Osaka, Osaka
	■ Site Area	2,391.44 m <sup>2</sup>
	■ Total Floor Space	—
	■ Construction	—
	■ Number of Floors	—
	■ Completed	—
	■ Type of Ownership	Land: Proprietary Ownership Building: —

Note: The properties which United Urban acquired are trust beneficial interests with underlying assets of the site. Buildings and structures situated in the site are not included in the underlying assets.

# Merits of Diversified J-REIT and Management Strategy of United Urban

## Merits of Diversified J-REIT

United Urban aims to reduce several risks and secure stable earnings over the medium to long term by diversifying its investments in terms of the type of use and area of location as a diversified J-REIT. The main sponsor of United Urban is Marubeni, a general trading company which has connections with a wide range of industries. With comprehensive support from Marubeni, United Urban aims for continuous and stable portfolio management by taking advantage of the functions of the Marubeni Group.



**United Urban Investment Corporation**

External Growth

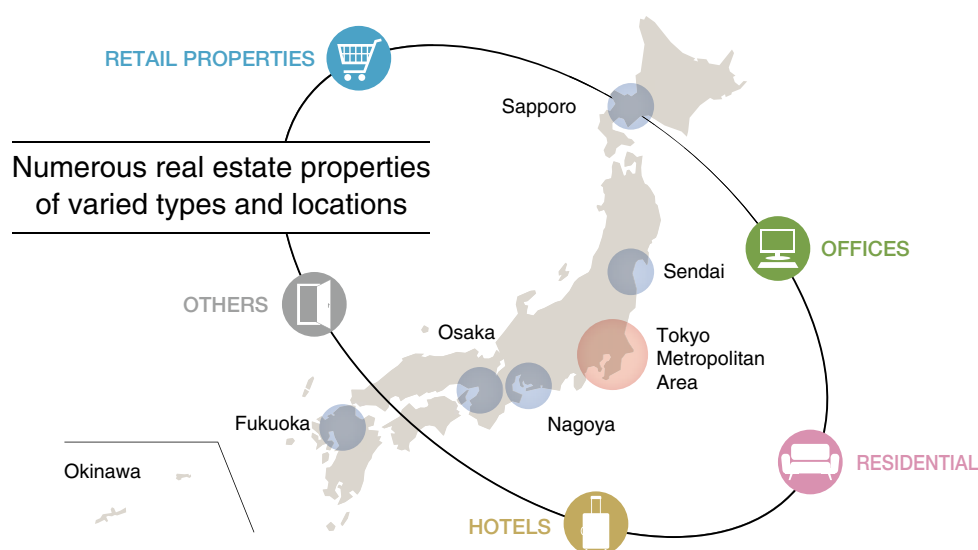
Internal Growth

Financial Strategy

## Management Strategy

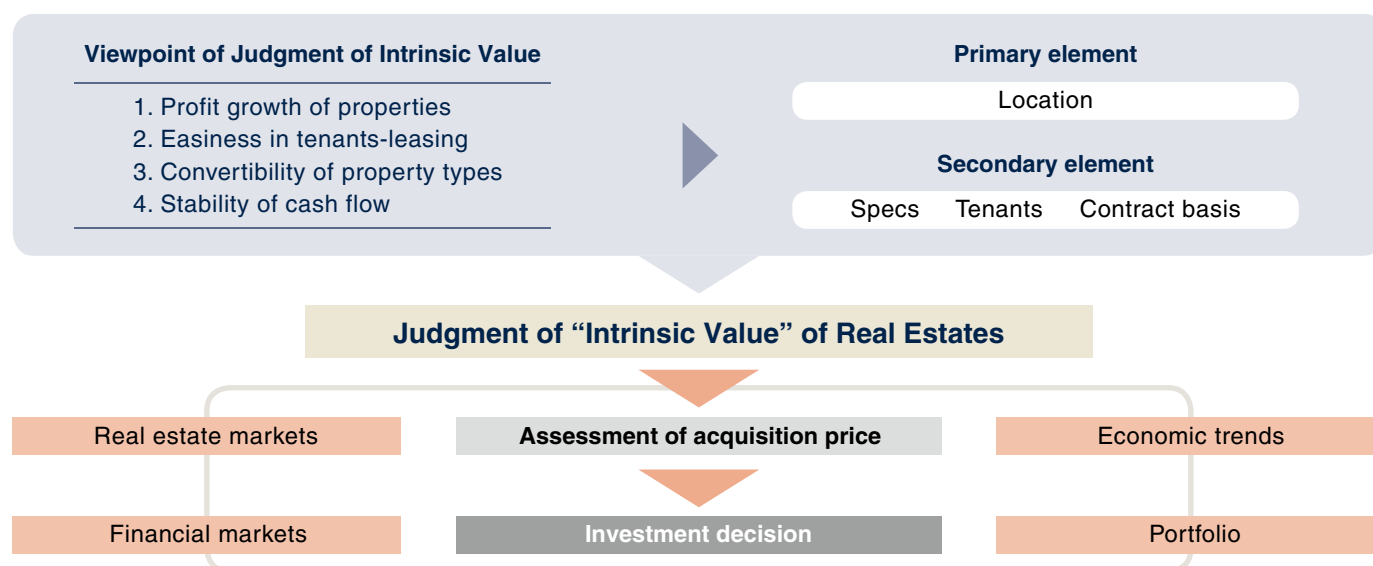
### Building an Investment Portfolio by Taking Advantage of the Strength of Diversified J-REIT

Revenues obtained from real estate investment and management concentrated on specific property types or regions may be significantly affected if the real estate markets of specific property types or regions stagnate. United Urban aims to secure stable earnings over the medium to long term and reduce risks inherent to real estate market conditions for specific types of use or specific regions by diversifying investment both in property types and regions.



### Selected Investment Policy Focused on Real Estate with “Intrinsic Value”

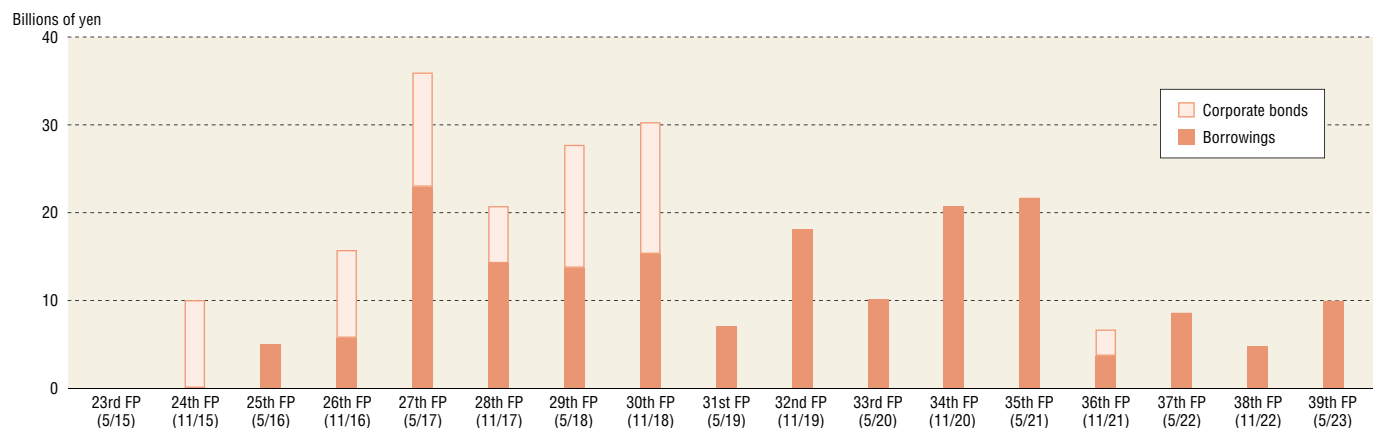
United Urban defines the real estate that can secure stable profitability over the medium to long term as the real estate with “Intrinsic Value” and aims to implement carefully selected investment in real estate with “Intrinsic Value.” On that basis, through analysis of various factors such as the external environment including current economic trends and real estate market trends, United Urban makes its final investment decision.



# Financial Strategy and Financial Status

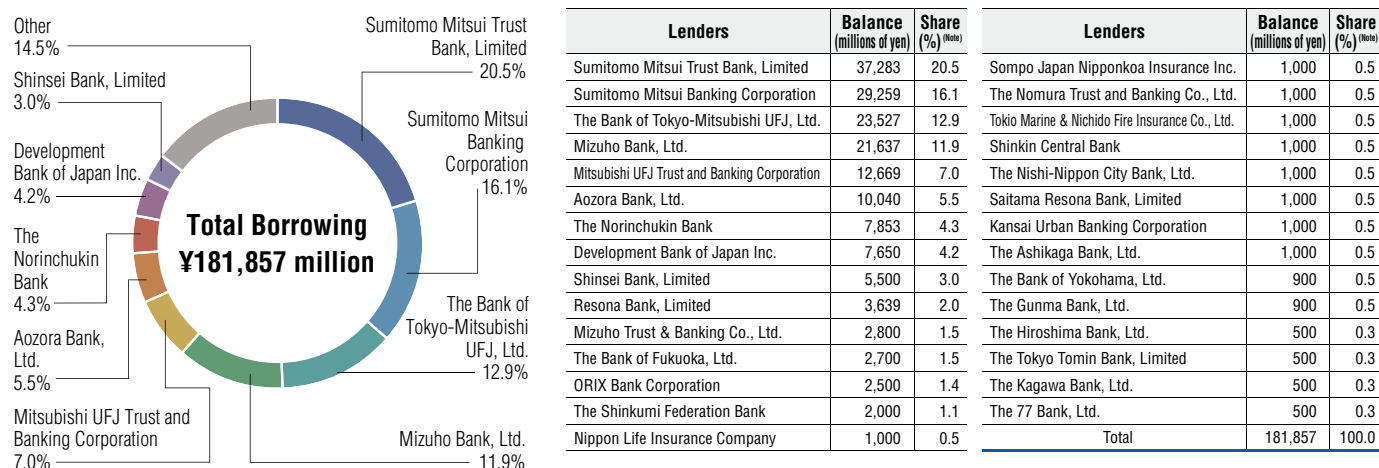
United Urban carefully considers maintaining the LTV within a range deemed to be appropriate and principally seeks to raise long-term fixed-interest-rate funding to prevent any impact on the procurement of funds for interest-bearing liabilities and ratings. United Urban also intends to select the optimal financing methods and conditions, and aims to strengthen its financial standing to be able to cope with changes in the financial markets and reduce financial costs.

## Diversification of Maturity Date (As of January 20, 2015) <sup>(Note)</sup>



Note: Repayments less than ¥100 million are not included in the above chart.

## Lenders and Borrowing Amount (As of January 20, 2015)



Note: "Share" is rounded to the nearest one decimal place. Accordingly, "Share" may not add up to the "Total."

## Committed Line of Credit Agreement (As of January 20, 2015)

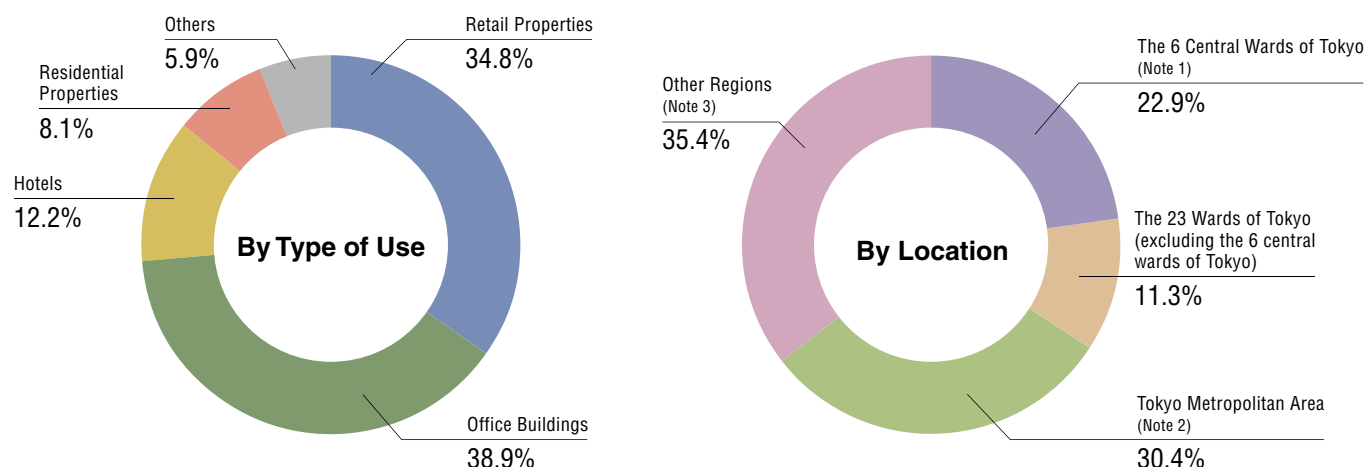
Participating Financial Institutions	Maximum Loan Amount	Term of Agreement	Limitation of Use	Remarks
Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited	¥12.0 billion	From Dec. 25, 2014 to Dec. 24, 2015	None	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	(Before change) ¥20.5 billion (After change) ¥24.0 billion (Note)	From Jun. 20, 2014 to Jun. 19, 2015 (Note)	None	Unsecured Unguaranteed
<b>Total</b>	<b>¥36.0 billion</b>			

Note: Items other than the maximum loan amount remain unchanged.

# Portfolio Properties

## Portfolio Data

**Portfolio Breakdown (Based on acquisition prices)** (As of November 30, 2014)



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

2. "Tokyo Metropolitan Area" refers to the Tokyo Metropolitan Area (Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi) excluding the 23 Wards of Tokyo.

3. "Other Regions" refers to other major cities in Japan including government designated cities (excluding cities located in Tokyo Metropolitan Area) and surrounding areas thereof. In addition, "Other Regions" includes Osaka, Nagoya, Fukuoka, and other cities.

## Occupancy Ratio

	2014					
	End of June	End of July	End of August	End of September	End of October	End of November
Retail Properties	99.8%	99.8%	99.8%	99.8%	99.7%	99.8%
Office Buildings	93.9%	94.4%	94.9%	95.1%	95.1%	96.5%
Hotels	99.8%	99.8%	99.8%	99.8%	99.8%	99.7%
Residential Properties	98.5%	98.3%	97.0%	97.1%	97.4%	97.5%
Others	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	97.9%	98.1%	98.1%	98.2%	98.2%	98.7%

## Approaches to Environmental Issues

### ► Environmental Policies

United Urban, being aware of its corporate social responsibility, has established "Environmental Policies" such as energy saving/measures for global warming and compliance with environment-related laws and regulations in order to contribute to the sustainable prosperity of our society through efforts focused on the environment and reduction of environmental burdens. United Urban will continue to promote environmental improvement and energy conservation, and enhance energy efficiency, with respect to properties owned by United Urban.

### ► DBJ Green Building Certification

"DBJ Green Building Certification" is a comprehensive evaluation system for real estate properties with high environmental and social awareness by the Development Bank of Japan Inc. (DBJ). DBJ conducts assessments based on an original scoring model and certifies real estate properties with one of five ranks according to the assessment score.

"ARENA TOWER" and "Tsubogawa Square Building" owned by United Urban acquired a "three stars" ranking (properties with excellent environmental & social awareness).



### ► Participation in the GRESB Survey

The "Global Real Estate Sustainability Benchmark (GRESB)" is a benchmark developed by a group of leading European pension funds. It evaluates the sustainability performance of real estate companies and funds, and is becoming a de facto standard among major European, American and Asian institutional investors and is utilized in their investment decision-making processes. United Urban has been participating in the GRESB survey since 2012.



# Portfolio Properties

## Portfolio Roster (As of November 30, 2014)

No.	Property Name	Location	Type of Asset	Completion Date (Note 1)	Acquisition Date (Note 2)	
<b>Retail Properties</b>						
A1	Daiei Himonya	Meguro-ku, Tokyo	Trust beneficial interest in real estate	Mar. 1975	Dec. 25, 2003	
A2	Joy Park Izumigaoka	Sakai, Osaka	Trust beneficial interest in real estate	Nov. 2000	Dec. 22, 2003	
A3	Daimaru Peacock Ashiya Kawanishi	Ashiya, Hyogo	Trust beneficial interest in real estate	Apr. 1997	Dec. 22, 2003	
A4	Re-LAND Shopping Center	Funabashi, Chiba	Trust beneficial interest in real estate	Mar. 1998	Sep. 17, 2004	
A5	AEON MALL Uki	Uki, Kumamoto	Trust beneficial interest in real estate	Oct. 1997	Dec. 3, 2004	
A6	TENJIN LUCE	Fukuoka, Fukuoka	Trust beneficial interest in real estate	Nov. 2005	Apr. 14, 2006	
A7	Yamada Denki Tecc Land Sakai Honten	Sakai, Osaka	Real estate	May 2002	Apr. 28, 2006	
A8	Miyamae Shopping Center	Kawasaki, Kanagawa	Trust beneficial interest in real estate	Oct. 1993	Feb. 19, 2007	
A9	KONAMI SPORTS CLUB Korigaoka	Hirakata, Osaka	Trust beneficial interest in real estate	Dec. 2006	Jun. 29, 2007	
A10	ACTIOLE Minami-ikebukuro	Toshima-ku, Tokyo	Trust beneficial interest in real estate	Nov. 2006	Sep. 27, 2007	
A11	Tip's Machida Building	Machida, Tokyo	Trust beneficial interest in real estate	Jun. 1992	Dec. 27, 2007	
A12	Daiei Takarazuka Nakayama	Takarazuka, Hyogo	Trust beneficial interest in real estate	Nov. 1997	Jan. 30, 2008	
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (retail portion) (Note 5)	Yokohama, Kanagawa	Trust beneficial interest in real estate	—	Feb. 18, 2008	
A14	ACTIOLE Kannai	Yokohama, Kanagawa	Real estate	Sep. 2007	Jun. 30, 2008	
A15	Shinsaibashi OPA Honkan	Osaka, Osaka	Trust beneficial interest in real estate	Nov. 1994	Dec. 1, 2010	
A16	Shinsaibashi OPA Kireikan	Osaka, Osaka	Trust beneficial interest in real estate	Jul. 1998	Dec. 1, 2010	
A19	Albore Jingumae	Shibuya-ku, Tokyo	Trust beneficial interest in real estate	Feb. 2006	Dec. 1, 2010	
A20	Albore Sendai	Sendai, Miyagi	Trust beneficial interest in real estate	Mar. 1997	Dec. 1, 2010	
A21	Mallage Kashiwa	Kashiwa, Chiba	Trust beneficial interest in real estate	Jun. 2004	Dec. 1, 2010	
A23	Ito-Yokado Owariasahi	Owariasahi, Aichi	Real estate	Oct. 1998	Dec. 1, 2010	
A24	Yokohama Kariba Shopping Center	Yokohama, Kanagawa	Trust beneficial interest in real estate	Sep. 2007	Dec. 1, 2010	
A25	Luz Jiyugaoka	Meguro-ku, Tokyo	Trust beneficial interest in real estate	May 2009	Jun. 15, 2011	
A26	ACTIOLE Ichikawa	Ichikawa, Chiba	Trust beneficial interest in real estate	Apr. 2010	Jun. 15, 2011	
A27	VIVAHOME Yokohama Aoba (Site)	Yokohama, Kanagawa	Real estate	—	Oct. 31, 2011	
A28	Yamada Denki Tecc Land Aoba (Site)	Yokohama, Kanagawa	Real estate	—	May 18, 2012	
A29	Yodobashi Camera Multimedia Kichijoji	Musashino, Tokyo	Trust beneficial interest in real estate	May 1974	Mar. 18, 2013	
A30	Yamada Denki Tecc Land New Matsudo Honten	Matsudo, Chiba	Trust beneficial interest in real estate	Aug. 2009	Mar. 18, 2013	
A31	Tenjin Loft Building	Fukuoka, Fukuoka	Trust beneficial interest in real estate	Mar. 1989	Nov. 29, 2013	
A32	Narumi Shopping Center (Site)	Nagoya, Aichi	Real estate	—	Apr. 8, 2014	
A33	Plussing Wave Enoshima	Fujisawa, Kanagawa	Trust beneficial interest in real estate	Dec. 2007	Aug. 29, 2014	
<b>Office Buildings</b>						
B1	T&G Hamamatsucho Building	Minato-ku, Tokyo	Trust beneficial interest in real estate	Dec. 1988	Dec. 26, 2003	
B2	SK Nagoya Building	Nagoya, Aichi	Trust beneficial interest in real estate	Feb. 1986	Dec. 26, 2003	
B3	Fukuoka Eartheon Building	Fukuoka, Fukuoka	Trust beneficial interest in real estate	Sep. 1998	Dec. 26, 2003	
B4	Marumasu Kojimachi Building	Chiyoda-ku, Tokyo	Trust beneficial interest in real estate	Sep. 1989	Mar. 29, 2004	
B5	Rokubancho K Building	Chiyoda-ku, Tokyo	Trust beneficial interest in real estate	Dec. 1988	Mar. 30, 2004	
B6	Shin-Osaka Central Tower (office portion) (Note 6)	Osaka, Osaka	Trust beneficial interest in real estate	Jun. 1989	Dec. 2, 2004	
B7	Kawasaki Toshiba Building	Kawasaki, Kanagawa	Trust beneficial interest in real estate	Apr. 1987	Dec. 20, 2004	
(A13)	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (office portion) (Note 5)	Yokohama, Kanagawa	Trust beneficial interest in real estate	—	Feb. 18, 2008	
B8	UUR Toyochō Building	Koto-ku, Tokyo	Real estate	Nov. 1990	Jun. 30, 2008	
B9	FOUR SEASONS BLDG	Shinjuku-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1994	Dec. 25, 2009	
B10	Hitachi High-Tech Building	Minato-ku, Tokyo	Trust beneficial interest in real estate	Feb. 1986	Dec. 1, 2010	
B11	Pacific Marks Shinjuku Parkside	Shinjuku-ku, Tokyo	Trust beneficial interest in real estate	Mar. 1989	Dec. 1, 2010	
B12	UUR Tsukiji Building	Chuo-ku, Tokyo	Trust beneficial interest in real estate	Nov. 1999	Dec. 1, 2010	
B13	Pacific Marks Tsukishima	Chuo-ku, Tokyo	Real estate	Mar. 1990	Dec. 1, 2010	
B14	Pacific Marks Yokohama East	Yokohama, Kanagawa	Trust beneficial interest in real estate	Oct. 1992	Dec. 1, 2010	
B15	Pacific Marks Shin-Urayasu	Urayasu, Chiba	Trust beneficial interest in real estate	May 1993	Dec. 1, 2010	
B17	Akasaka Hikawa Building	Minato-ku, Tokyo	Trust beneficial interest in real estate	Apr. 1984	Dec. 1, 2010	
B18	Pacific Marks Shibuya Koen-dori	Shibuya-ku, Tokyo	Trust beneficial interest in real estate	Aug. 1996	Dec. 1, 2010	
B19	Pacific Marks Nihonbashi-Tomizawacho	Chuo-ku, Tokyo	Trust beneficial interest in real estate	Apr. 1991	Dec. 1, 2010	
B20	Pacific Marks Akasaka-mitsuke	Minato-ku, Tokyo	Real estate	Mar. 1994	Dec. 1, 2010	
B21	Yokohama Aioicho Building	Yokohama, Kanagawa	Trust beneficial interest in real estate	Aug. 1993	Dec. 1, 2010	
B22	Pacific Marks Shin-Yokohama	Yokohama, Kanagawa	Trust beneficial interest in real estate	Oct. 1991	Dec. 1, 2010	
B25	Pacific Marks Kawasaki	Kawasaki, Kanagawa	Real estate	Aug. 2004	Dec. 1, 2010	
B26	Hamamatsucho 262 Building (Note 7)	Minato-ku, Tokyo	Trust beneficial interest in real estate	Feb. 1993	Dec. 1, 2010	
B27	Lila Hijirizaka	Minato-ku, Tokyo	Real estate	Nov. 1991	Dec. 1, 2010	
B28	Pacific Marks Aobadai	Meguro-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1993	Dec. 1, 2010	
B29	Otsuka HT Building	Toshima-ku, Tokyo	Real estate	Mar. 1990	Dec. 1, 2010	
B30	Pacific Marks Shinjuku South-gate	Shinjuku-ku, Tokyo	Real estate	Aug. 1985	Dec. 1, 2010	
B31	Pacific Marks Nishi-Umeda	Osaka, Osaka	Trust beneficial interest in real estate	Mar. 1997	Dec. 1, 2010	
B32	Pacific Marks Higobashi	Osaka, Osaka	Trust beneficial interest in real estate	Oct. 1983	Dec. 1, 2010	



	Acquisition Price (Millions of yen) (Note 3)	Share in Total Acquisition Price	Site Area (m <sup>2</sup> ) (Note 1)	Total Floor Space (m <sup>2</sup> ) (Note 1)	Construction (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	15,300	2.9%	5,249.86	27,032.50	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	6,770	1.3%	10,368.45	29,250.71	RC/S	5F	Proprietary Ownership	Proprietary Ownership
	769	0.1%	3,455.30	1,488.28	S	1F	Proprietary Ownership	Proprietary Ownership
	5,200	1.0%	5,198.20	12,944.65	SRC	B2/5F	Proprietary Ownership	Proprietary Ownership
	11,100	2.1%	173,498.31	63,058.78	S	2F	Proprietary Ownership and Term Leasehold Rights	Proprietary Ownership
	6,500	1.3%	1,138.66	5,393.09	RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	3,210	0.6%	10,702.86	8,637.63	S	3F	Proprietary Ownership	Proprietary Ownership
	5,312	1.0%	6,937.54	17,338.54	RC	4F	Proprietary Ownership	Proprietary Ownership
	2,040	0.4%	4,120.00	6,381.40	S	4F	Proprietary Ownership	Proprietary Ownership
	3,760	0.7%	320.39	2,265.15	RC	B1/8F	Proprietary Ownership	Proprietary Ownership
	4,100	0.8%	1,596.82	8,075.04	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	4,284	0.8%	16,330.14	16,729.60	S	B1/3F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	6,883	1.3%	53,363.57	—	—	—	Proprietary Ownership (Co-ownership)	—
	2,410	0.5%	375.17	2,238.82	S/RC	B1/9F	Proprietary Ownership	Proprietary Ownership
	22,800	4.4%	2,430.23	25,865.61	S/RC	B3/12F	Proprietary Ownership	Proprietary Ownership
	2,770	0.5%	946.53	4,923.95	S/SRC	B2/5F	Proprietary Ownership	Proprietary Ownership
	1,580	0.3%	308.02	816.60	S/RC	B1/4F	Proprietary Ownership	Proprietary Ownership
	2,590	0.5%	736.01	4,082.94	S/SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	7,040	1.4%	83,810.27	54,689.28	S	2F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,840	0.9%	34,612.39	56,371.77	S	6F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	2,500	0.5%	7,093.66	10,628.44	S	5F	Proprietary Ownership	Proprietary Ownership
	5,090	1.0%	828.70	2,771.59	S/SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	3,350	0.6%	749.42	4,452.39	S/RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	2,600	0.5%	9,193.00	—	—	—	Proprietary Ownership	—
	2,150	0.4%	7,594.00	—	—	—	Proprietary Ownership	—
	28,000	5.4%	3,582.39	37,932.95	S/SRC	B4/9F	Proprietary Ownership	Proprietary Ownership
	5,150	1.0%	7,311.98	17,461.22	S/SRC	4F	Proprietary Ownership	Proprietary Ownership
	4,350	0.8%	1,947.80	10,594.19	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	6,460	1.2%	60,747.02	—	—	—	Proprietary Ownership	—
	1,800	0.3%	2,449.00	3,471.69	S	4F	Proprietary Ownership	Proprietary Ownership
	2,257	0.4%	453.81	3,296.58	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	5,400	1.0%	1,361.96	11,795.38	SRC	B1/9F	Proprietary Ownership	Compartmentalized Ownership
	2,080	0.4%	1,358.91	6,079.35	SRC	7F	Proprietary Ownership	Proprietary Ownership
	2,350	0.5%	703.24	5,218.55	SRC/RC	B1/9F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	2,150	0.4%	689.70	4,031.14	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	14,279	2.7%	7,265.79	58,882.64	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	19,200	3.7%	8,615.20	51,254.06	S/RC/SRC	B2/14F	Proprietary Ownership	Proprietary Ownership
	5,021	1.0%	(53,363.57)	(—)	—	—	Proprietary Ownership (Co-ownership)	—
	8,500	1.6%	3,262.50	10,768.11	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	4,200	0.8%	690.93	6,318.81	S/RC	B1/10F	Proprietary Ownership	Proprietary Ownership
	14,800	2.8%	3,464.39	22,952.71	SRC/RC	B2/12F	Proprietary Ownership (Co-ownership)	Proprietary Ownership (Co-ownership)
	12,100	2.3%	3,201.80	19,802.22	SRC/RC	B2/7F	Proprietary Ownership	Proprietary Ownership
	6,860	1.3%	1,418.01	6,936.48	S	7F	Proprietary Ownership	Proprietary Ownership
	6,080	1.2%	3,302.07	14,507.92	SRC	B2/13F	Proprietary Ownership	Proprietary Ownership
	7,050	1.4%	2,525.41	15,387.49	SRC	B1/12F	Proprietary Ownership	Proprietary Ownership
	3,920	0.8%	2,876.94	15,017.17	SRC/RC	B2/7F	Proprietary Ownership	Proprietary Ownership
	3,290	0.6%	1,328.93	4,795.06	RC	B1/6F	Proprietary Ownership	Proprietary Ownership
	2,570	0.5%	428.62	1,972.43	S	7F	Proprietary Ownership	Proprietary Ownership
	1,890	0.4%	550.67	3,627.03	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	2,210	0.4%	390.86	1,895.87	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	1,060	0.2%	1,040.76	7,511.49	SRC	B1/10F	Proprietary Ownership	Compartmentalized Ownership
	1,710	0.3%	475.00	4,141.89	SRC	B1/10F	Proprietary Ownership	Proprietary Ownership
	9,890	1.9%	1,183.52	10,694.91	S/SRC	B1/13F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	6,840	1.3%	1,401.61	8,331.90	S/RC	B2/8F	Right of Site (Co-ownership)	Compartmentalized Ownership
	2,750	0.5%	1,474.05	6,598.52	SRC	B1/7F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,620	0.3%	701.83	3,215.11	SRC	B1/7F	Proprietary Ownership	Compartmentalized Ownership
	1,160	0.2%	455.94	2,317.67	SRC	7F	Leasehold Rights	Proprietary Ownership
	2,460	0.5%	257.87	2,038.70	SRC	10F	Proprietary Ownership	Proprietary Ownership
	6,860	1.3%	2,053.30	16,142.54	S/SRC	B1/18F	Proprietary Ownership	Proprietary Ownership
	4,570	0.9%	1,284.23	9,596.62	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership



# Portfolio Properties

## Portfolio Roster (As of November 30, 2014)

No.	Property Name	Location	Type of Asset	Completion Date (Note 1)	Acquisition Date (Note 2)	
<b>Office Buildings</b>						
B33	Nagoya Nishiki City Building	Nagoya, Aichi	Trust beneficial interest in real estate	Nov. 1991	Dec. 1, 2010	
B34	Pacific Marks Esaka	Suita, Osaka	Trust beneficial interest in real estate	Mar. 1975	Dec. 1, 2010	
B35	Pacific Marks Sapporo Kita-Ichijo	Sapporo, Hokkaido	Trust beneficial interest in real estate	Feb. 1993	Dec. 1, 2010	
B36	Shin-Sapporo Center Building	Sapporo, Hokkaido	Trust beneficial interest in real estate	Sep. 1991	Dec. 1, 2010	
B37	ARENA TOWER	Yokohama, Kanagawa	Trust beneficial interest in real estate	May 2008	Jun. 16, 2011	
B38	Yushima First Building	Bunkyo-ku, Tokyo	Trust beneficial interest in real estate	Feb. 1989	Aug. 29, 2012	
B39	Dogenzaka Square	Shibuya-ku, Tokyo	Trust beneficial interest in real estate	Oct. 2004	Nov. 22, 2012	
B40	GRAND-SQUARE Shin-Sakae	Nagoya, Aichi	Trust beneficial interest in real estate	May 2009	Feb. 28, 2014	
B41	GRAND-SQUARE Meieki-minami	Nagoya, Aichi	Trust beneficial interest in real estate	Feb. 2009	Feb. 28, 2014	
B42	Shiba 520 Building (Note 10)	Minato-ku, Tokyo	Trust beneficial interest in real estate	Jul. 1994	Mar. 28, 2014	
B43	Hirose-dori SE Building (Note 8)	Sendai, Miyagi	Trust beneficial interest in real estate	Nov. 2007	Jun. 13, 2014	
<b>Hotels</b>						
C1	Shinjuku Washington Hotel Honkan (Note 7)	Shinjuku-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1983	Dec. 22, 2003	
(B6)	Shin-Osaka Central Tower (hotel portion) (Note 6)	Osaka, Osaka	Trust beneficial interest in real estate	Jun. 1989	Dec. 2, 2004	
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	Minato-ku, Tokyo	Real estate	Oct. 1999	Feb. 18, 2005	
C3	MZ BLD.	Hachioji, Tokyo	Trust beneficial interest in real estate	Apr. 2007	Apr. 10, 2008	
C4	HOTEL ROUTE-INN Yokohama Bashamichi	Yokohama, Kanagawa	Real estate	Jul. 2007	Jun. 30, 2008	
C5	Hotel JAL City Naha	Naha, Okinawa	Trust beneficial interest in real estate	May 2006	Oct. 25, 2011	
C6	UUR Yotsuya Sanchoe Building (Note 11)	Shinjuku-ku, Tokyo	Trust beneficial interest in real estate	Jan. 1997	Dec. 26, 2011	
C7	Yotsuya 213 Building	Shinjuku-ku, Tokyo	Trust beneficial interest in real estate	Apr. 2001	Mar. 18, 2013	
C8	HOTEL ROUTE-INN Nagoya Imaike Ekimae	Nagoya, Aichi	Trust beneficial interest in real estate	Jun. 2010	Mar. 25, 2013	
C9	the b roppongi	Minato-ku, Tokyo	Trust beneficial interest in real estate	Jan. 2001	May 1, 2014	
<b>Residential Properties</b>						
D1	T&G Higashi-ikebukuro Mansion	Toshima-ku, Tokyo	Trust beneficial interest in real estate	Dec. 2001	Dec. 26, 2003	
D4	Komazawa Court	Setagaya-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1998	Dec. 26, 2003	
D6	Sky Court Shiba-Daimon	Minato-ku, Tokyo	Trust beneficial interest in real estate	Apr. 2003	Oct. 15, 2004	
D7	Maison Ukima	Kita-ku, Tokyo	Trust beneficial interest in real estate	Mar. 1992	Oct. 26, 2004	
D8	Narashino Residence	Funabashi, Chiba	Trust beneficial interest in real estate	Feb. 1990	Oct. 26, 2004	
D9	Aprile Shin-Ohgi Ichibankan	Kobe, Hyogo	Trust beneficial interest in real estate	Sep. 1997	Apr. 13, 2005	
D10	UUR Court Sapporo Kita-Sanjo	Sapporo, Hokkaido	Trust beneficial interest in real estate	Feb. 2006	Mar. 16, 2006	
D11	UUR Court Chiba Soga	Chiba, Chiba	Trust beneficial interest in real estate	Apr. 1993	Feb. 8, 2006	
D12	Higashi-kurume Dormitory Shinkan	Higashikurume, Tokyo	Trust beneficial interest in real estate	Mar. 1997	Feb. 8, 2006	
D13	Nanzan Court Ichigokan	Nagoya, Aichi	Trust beneficial interest in real estate	Mar. 1997	Mar. 30, 2006	
D14	Nanzan Court Nigokan	Nagoya, Aichi	Trust beneficial interest in real estate	Mar. 1999	Mar. 30, 2006	
D15	CLIO Bunkyo Koishikawa	Bunkyo-ku, Tokyo	Trust beneficial interest in real estate	Feb. 2005	Apr. 28, 2006	
D16	GRAND-ROUGE Sakae	Nagoya, Aichi	Trust beneficial interest in real estate	Mar. 2006	Nov. 30, 2006	
D17	GRAND-ROUGE Sakae II	Nagoya, Aichi	Trust beneficial interest in real estate	Feb. 2007	Dec. 26, 2007	
D18	MA Sendai Building	Sendai, Miyagi	Trust beneficial interest in real estate	Feb. 2008	Sep. 24, 2008	
D19	UUR Court Nagoya Meieki	Nagoya, Aichi	Trust beneficial interest in real estate	Aug. 2008	Sep. 30, 2008	
D20	UUR Court Sapporo Shinoro Ichibankan	Sapporo, Hokkaido	Real estate	Sep. 2008	Nov. 11, 2008	
D21	Park Site IZUMI	Nagoya, Aichi	Trust beneficial interest in real estate	Sep. 2002	Nov. 21, 2008	
D22	UUR Court Osaka Juso-honmachi	Osaka, Osaka	Trust beneficial interest in real estate	Jan. 2009	Feb. 26, 2009	
D23	UUR Court Kinshicho	Koto-ku, Tokyo	Real estate	Feb. 1998	Jun. 15, 2011	
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Sapporo, Hokkaido	Trust beneficial interest in real estate	Sep. 2006	Jun. 28, 2012	
D25	GRAND-ROUGE Nakanoshima-minami	Osaka, Osaka	Trust beneficial interest in real estate	Aug. 2009	Jun. 25, 2013	
D26	Glenpark Umeda-kita	Osaka, Osaka	Trust beneficial interest in real estate	Aug. 2007	Aug. 29, 2014	
<b>Others</b>						
E1	Lilycolor Tohoku Branch	Sendai, Miyagi	Trust beneficial interest in real estate	Apr. 1996	May 29, 2006	
E2	KDDI Fuchu Building	Fuchu, Tokyo	Trust beneficial interest in real estate	Dec. 1999	May 16, 2013	
E3	Tsubogawa Square Building	Naha, Okinawa	Trust beneficial interest in real estate	Jun. 2009	Nov. 1, 2013	
E4	THE PLACE of TOKYO	Minato-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1964	May 1, 2014	
E5	Logistics Higashi-Ohgishima	Kawasaki, Kanagawa	Trust beneficial interest in real estate	May 2008	Oct. 2, 2014	
E6	MT Ariake Center Building I&II (Note 8) (Note 9)	Koto-ku, Tokyo	Trust beneficial interest in real estate	(1)Apr. 1989 (2)Jun. 1992	Nov. 25, 2014	
Total						

Notes: 1. Each piece of information in the "Completion Date," "Site Area," "Total Floor Space," "Construction" 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 sale and purchase 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 "Construction" and "Number of Floors" are applicable to the main building.

	Acquisition Price (Millions of yen) (Note 3)	Share in Total Acquisition Price	Site Area (m <sup>2</sup> ) (Note 1)	Total Floor Space (m <sup>2</sup> ) (Note 1)	Construction (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	2,670	0.5%	1,342.54	8,219.53	SRC/RC/S	B1/11F	Proprietary Ownership	Proprietary Ownership
	9,590	1.8%	3,929.31	33,316.53	SRC	B2/20F	Proprietary Ownership	Proprietary Ownership
	1,790	0.3%	987.04	6,048.97	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	987	0.2%	1,940.08	3,725.13	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	9,500	1.8%	2,733.00	24,412.67	S/SRC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,100	0.4%	1,120.85	6,165.88	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	2,300	0.4%	488.93	3,227.62	SRC	B1/9F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,480	0.3%	1,294.88	5,333.51	S	7F	Proprietary Ownership	Proprietary Ownership
	1,220	0.2%	1,012.06	5,017.30	S	8F	Proprietary Ownership	Proprietary Ownership
	2,100	0.4%	727.86	3,781.22	SRC/S	7F	Proprietary Ownership	Proprietary Ownership
	3,600	0.7%	2,145.00	10,396.94	S	9F	Proprietary Ownership	Proprietary Ownership
	21,140	4.1%	6,215.31	59,985.37	S/SRC	B4/25F	Proprietary Ownership (In Some Parts, Co-ownership)	Compartmentalized Ownership (In Some Parts, Co-ownership)
	9,721	1.9%	(7,265.79)	(58,882.64)	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	1,884	0.4%	482.10	2,928.94	SRC	14F	Proprietary Ownership	Proprietary Ownership
	3,800	0.7%	1,304.44	7,708.88	S	13F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,720	0.9%	970.83	6,610.51	SRC	11F	Proprietary Ownership	Proprietary Ownership
	7,650	1.5%	3,573.31	13,655.23	SRC/RC	B1/14F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,200	0.8%	1,053.16	7,682.82	SRC/RC	B1/13F	Proprietary Ownership	Proprietary Ownership
	5,020	1.0%	1,264.94	7,884.53	SRC	14F	Proprietary Ownership	Compartmentalized Ownership
	2,000	0.4%	1,045.37	5,735.24	RC	12F	Proprietary Ownership	Proprietary Ownership
	3,500	0.7%	482.37	3,138.82	SRC	B2F/9F	Proprietary Ownership	Proprietary Ownership
	2,021	0.4%	398.82	3,300.18	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	1,680	0.3%	2,943.33	3,580.44	RC	3F	Proprietary Ownership	Proprietary Ownership
	1,175	0.2%	233.66	1,486.38	SRC	12F	Proprietary Ownership	Proprietary Ownership
	3,530	0.7%	6,456.64	12,691.43	SRC	12F	Proprietary Ownership	Proprietary Ownership
	1,140	0.2%	3,948.67	6,840.86	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	3,031	0.6%	3,329.45	12,700.44	SRC	14F	Proprietary Ownership	Proprietary Ownership
	1,278	0.2%	1,249.45	6,588.72	RC	B1/14F	Proprietary Ownership	Proprietary Ownership
	620	0.1%	1,990.13	2,931.14	RC	6F	Proprietary Ownership	Proprietary Ownership
	480	0.1%	2,635.52	1,397.61	RC	B1/3F	Proprietary Ownership	Proprietary Ownership
	1,070	0.2%	2,423.12	3,551.60	RC	5F	Proprietary Ownership	Proprietary Ownership
	450	0.1%	1,137.18	1,762.40	RC	5F	Proprietary Ownership	Proprietary Ownership
	3,170	0.6%	814.54	5,871.77	SRC	B1/15F	Right of Site	Compartmentalized Ownership
	1,570	0.3%	1,009.16	3,912.49	RC	10F	Proprietary Ownership	Proprietary Ownership
	1,300	0.3%	674.34	3,172.34	RC	11F	Proprietary Ownership	Proprietary Ownership
	3,440	0.7%	3,656.44	12,642.98	SRC/RC	B1/14F	Leasehold Rights	Proprietary Ownership
	1,473	0.3%	639.17	3,207.39	RC	15F	Proprietary Ownership	Proprietary Ownership
	870	0.2%	3,340.48	6,255.74	RC	10F	Proprietary Ownership	Proprietary Ownership
	900	0.2%	336.55	2,196.97	S	12F	Proprietary Ownership	Proprietary Ownership
	1,570	0.3%	1,266.32	4,166.73	RC	11F	Proprietary Ownership	Proprietary Ownership
	2,900	0.6%	924.27	6,890.13	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,050	0.4%	1,077.92	10,224.31	RC	B1/17F	Proprietary Ownership	Proprietary Ownership
	1,380	0.3%	405.74	3,741.79	RC	15F	Proprietary Ownership	Proprietary Ownership
	5,150	1.0%	2,156.35	14,340.44	RC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,050	0.4%	5,457.02	8,693.79	RC/S	4F	Proprietary Ownership	Proprietary Ownership
	4,920	0.9%	5,479.15	14,165.71	S	6F	Right of Site (Co-ownership)	Compartmentalized Ownership (Co-ownership)
	4,150	0.8%	5,294.63	14,742.80	S	11F	Proprietary Ownership	Proprietary Ownership
	3,500	0.7%	645.87	3,105.31	SRC	B3/7F	Surface Right	Proprietary Ownership
	8,300	1.6%	28,351.30	41,949.12	S	4F	Proprietary Ownership	Proprietary Ownership
	8,000	1.5%	8,307.00	(1) 18,887.44 (2) 4,030.50	(1) S/SRC (2) S	(1) 5F (2) 5F	Proprietary Ownership	Proprietary Ownership
	519,974	100.0%	701,909.14	1,234,029.75				

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

6. "Shin-Osaka Central Tower" includes the office portion and the hotel portion.

7. For the "Hamamatsucho 262 Building," the additional acquisitions were executed on October 31, 2011 and January 23, 2013, respectively. In addition, for the "Shinjuku Washington Hotel Honkan," the additional acquisition was executed on September 29, 2010. 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. "Site Area" of the "Hirose-dori SE Building" and "Ariake MT Center Building I&II" is described as it appears on the notification for provisional replotting.

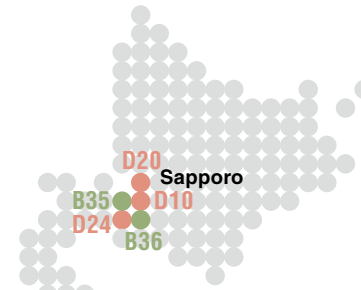
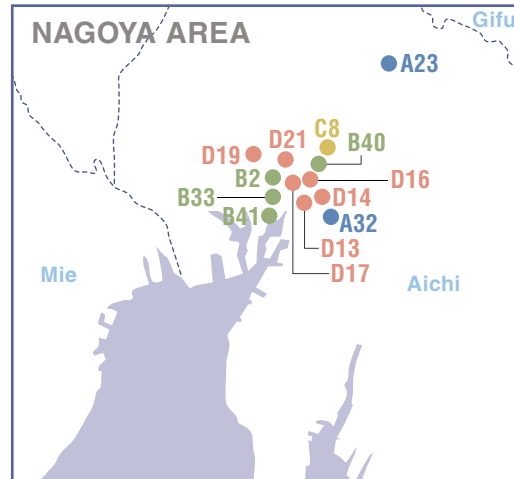
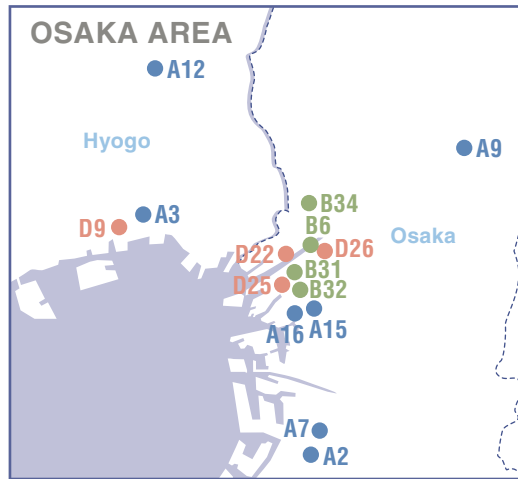
9. The property comprises two buildings; MT Ariake Center Building I (the "Building I") and MT Ariake Center Building II (the "Building II"), and some of the information are shown for each of the two buildings, with the Building I expressed as (1) and the Building II expressed as (2).

10. The property name was changed from "Marubeni Corporation Tokyo Head Office Mita Annex" to "Shiba 520 Building" on April 1, 2014.

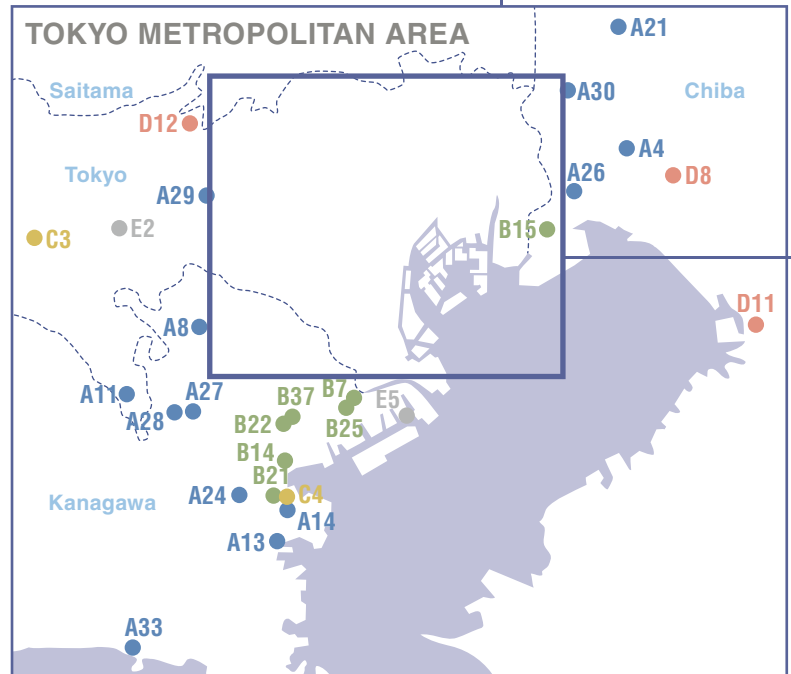
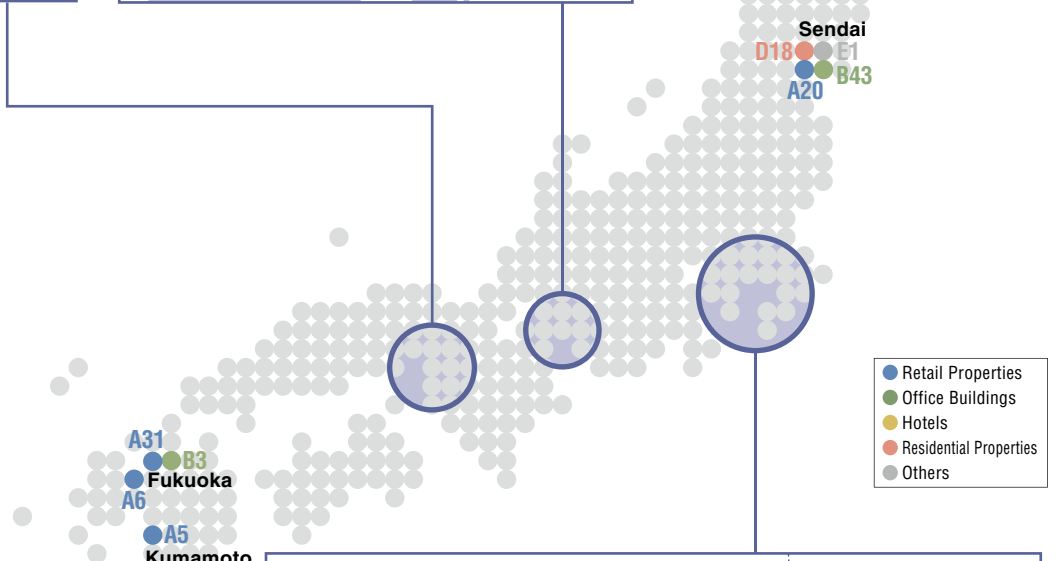
11. The property name was changed from "Hotel JAL City Yotsuya Tokyo" to "UUR Yotsuya Sanhome Building" on October 1, 2014.

# Portfolio Properties

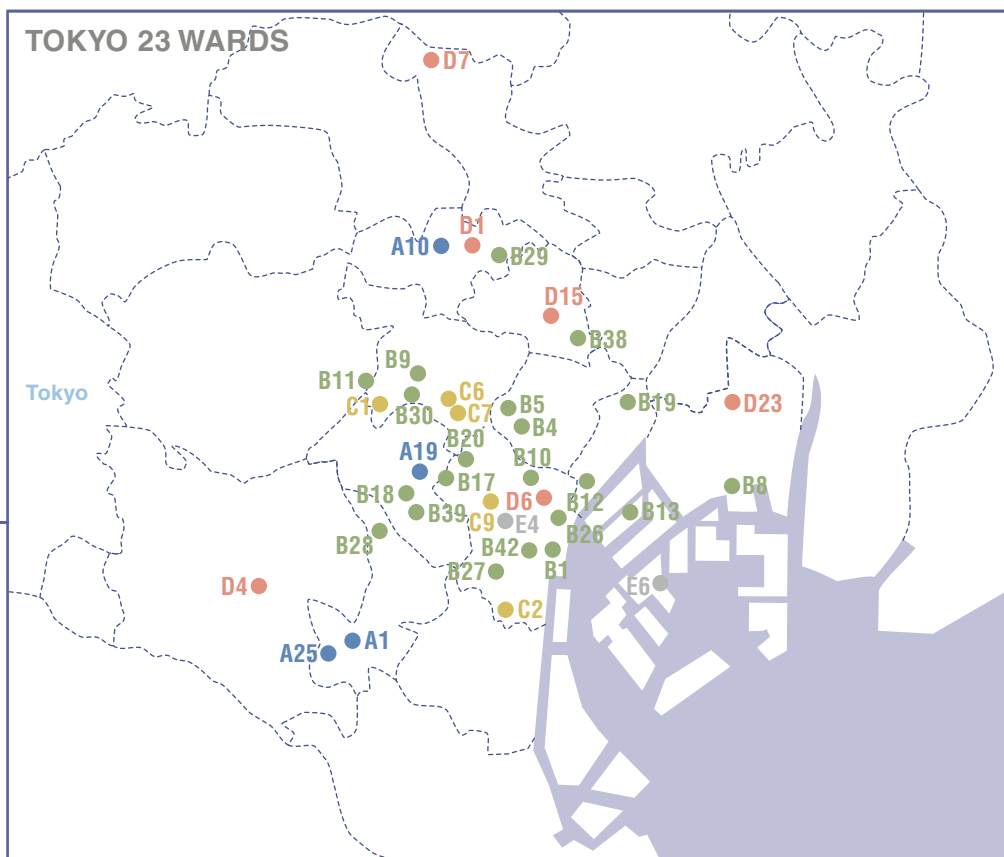
## Portfolio Map



- A1 Daiei Himonya
- A2 Joy Park Izumigaoka
- A3 Daimaru Peacock Ashiya Kawanishi
- A4 Re-LAND Shopping Center
- A5 AEON MALL Uki
- A6 TENJIN LUCE
- A7 Yamada Denki 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) (Note 1)
- A14 ACTIOLE Kannai
- A15 Shinsaibashi OPA Honkan
- A16 Shinsaibashi OPA Kireikan
- 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 VIVAHOME Yokohama Aoba (Site)
- A28 Yamada Denki Tecc Land Aoba (Site)
- A29 Yodobashi Camera Multimedia Kichijoji
- A30 Yamada Denki Tecc Land New Matsudo Honten
- A31 Tenjin Loft Building
- A32 Narumi Shopping Center (Site)
- A33 Plussing Wave Enoshima
- B1 T&G Hamamatsucho Building
- B2 SK Nagoya Building
- B3 Fukuoka Eartheon Building
- B4 Marumasu Kojimachi Building



B5	Rokubancho K Building	B34	Pacific Marks Esaka	D9	Aprile Shin-Ohgi Ichibankan
B6	Shin-Osaka Central Tower (Note 2)	B35	Pacific Marks Sapporo Kita-Ichijo	D10	UUR Court Sapporo Kita-Sanjo
B7	Kawasaki Toshiba Building	B36	Shin-Sapporo Center Building	D11	UUR Court Chiba Soga
B8	UUR Toyoko Building	B37	ARENA TOWER	D12	Higashi-kurume Dormitory Shinkan
B9	FOUR SEASONS BLDG	B38	Yushima First Building	D13	Nanzan Court Ichigokan
B10	Hitachi High-Tech Building	B39	Dogenzaka Square	D14	Nanzan Court Nigokan
B11	Pacific Marks Shinjuku Parkside	B40	GRAND-SQUARE Shin-Sakae	D15	CLIO Bunkyo Koishikawa
B12	UUR Tsukiji Building	B41	GRAND-SQUARE Meieki-minami	D16	GRAND-ROUGE Sakae
B13	Pacific Marks Tsukushima	B42	Shiba 520 Building	D17	GRAND-ROUGE Sakae II
B14	Pacific Marks Yokohama East	B43	Hirose-dori SE Building	D18	MA Sendai Building
B15	Pacific Marks Shin-Urayasu	C1	Shinjuku Washington Hotel Honkan	D19	UUR Court Nagoya Meieki
B17	Akasaka Hikawa Building	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	D20	UUR Court Sapporo Shinoro Ichibankan
B18	Pacific Marks Shibuya Koen-dori	C3	MZ BLD.	D21	Park Site IZUMI
B19	Pacific Marks Nihonbashi-Tomizawacho	C4	HOTEL ROUTE-INN Yokohama Bashamichi	D22	UUR Court Osaka Juso-honmachi
B20	Pacific Marks Akasaka-mitsuke	C5	Hotel JAL City Naha	D23	UUR Court Kinshicho
B21	Yokohama Aioicho Building	C6	UUR Yotsuya Sanchome Building	D24	UUR Court Sapporo Minami-Sanjo Premier Tower
B22	Pacific Marks Shin-Yokohama	C7	Yotsuya 213 Building	D25	GLAND-ROUGE Nakanoshima-minami
B25	Pacific Marks Kawasaki	C8	HOTEL ROUTE-INN Nagoya Imaike Ekimae	D26	Glenpark Umeda-kita
B26	Hamamatsucho 262 Building	C9	the b roppongi	E1	Lilycolor Tohoku Branch
B27	Lila Hijirizaka	D1	T&G Higashi-ikebukuro Mansion	E2	KDDI Fuchu Building
B28	Pacific Marks Aobadai	D4	Komazawa Court	E3	Tsubogawa Square Building
B29	Otsuka HT Building	D6	Sky Court Shiba-Daimon	E4	THE PLACE of TOKYO
B30	Pacific Marks Shinjuku South-gate	D7	Maison Ukima	E5	Logistics Higashi-Ohgishima
B31	Pacific Marks Nishi-Umeda	D8	Narashino Residence	E6	MT Ariake Center Building I&II
B32	Pacific Marks Higobashi				
B33	Nagoya Nishiki City Building				



Notes: 1. "maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)" includes the retail portion and the office portion.  
 2. "Shin-Osaka Central Tower" includes the office portion and the hotel portion.



# Portfolio Properties

## Major Properties

*Office Buildings/Hotels*

**B6** Shin-Osaka Central Tower



*Office Buildings*

**B10** Hitachi High-Tech Building



*Office Buildings*

**B37** ARENA TOWER



*Hotels*

**C1** Shinjuku Washington Hotel Honkan





Retail Properties

**A15 Shinsaibashi OPA Honkan**



Office Buildings

**B7 Kawasaki Toshiba Building**



Retail Properties

**A29 Yodobashi Camera Multimedia Kichijoji**



Retail Properties

**A5 AEON MALL Uki**



Hotels

**C9 the b roppongi**





# Portfolio Properties

## Major Properties

*Others*

**E3** Tsubogawa Square Building



*Residential Properties*

**D25** GRAND-ROUGE Nakanoshima-minami



*Retail Properties*

**A1** Daiei Himonya



*Others*

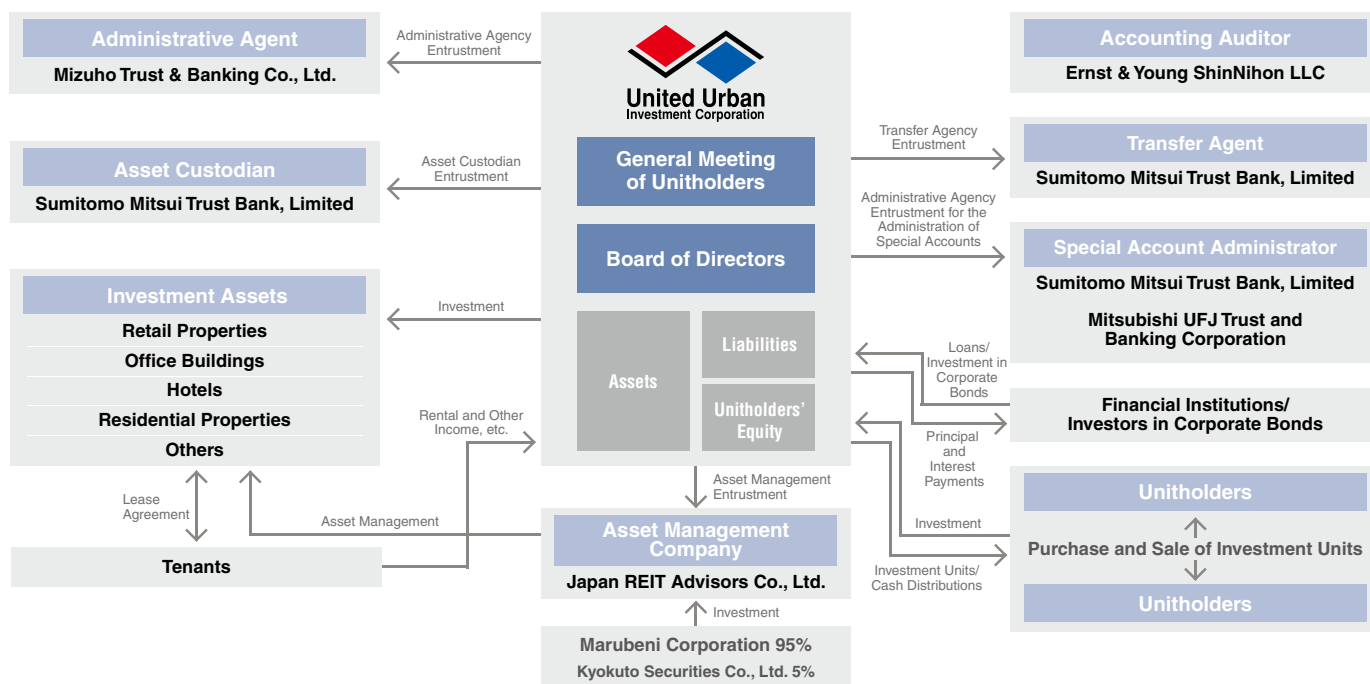
**E4** THE PLACE of TOKYO





# Structure of United Urban / Investment Unit Information

## Corporate Structure

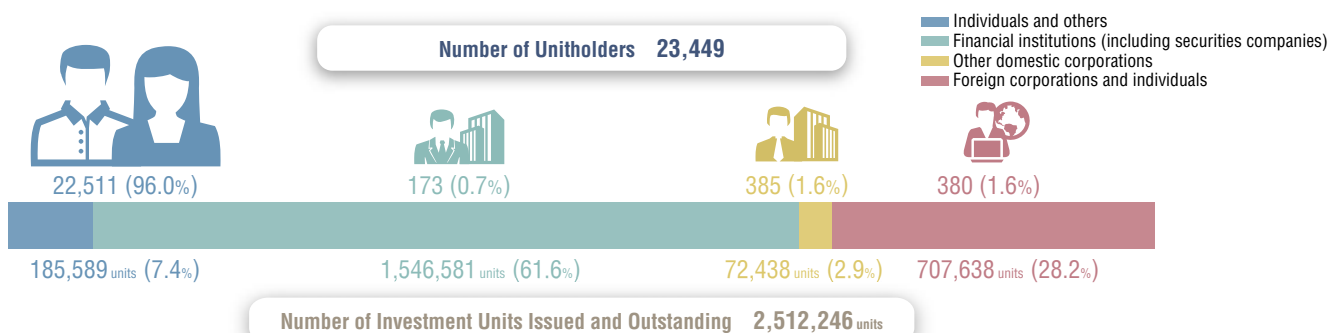


## Unit Price and Trading Volume



Note: In connection with the six-for-one unit split which became effective as of December 1, 2010, United Urban's investment units have been traded at the unit price after the unit split from November 26, 2010. Accordingly, the unit prices on or before November 25, 2010, as indicated in the above chart, are divided by six, and the trading volumes on or before November 25, 2010, as indicated in the above chart, are multiplied by six.

## Breakdown of Unitholders (As of November 30, 2014)

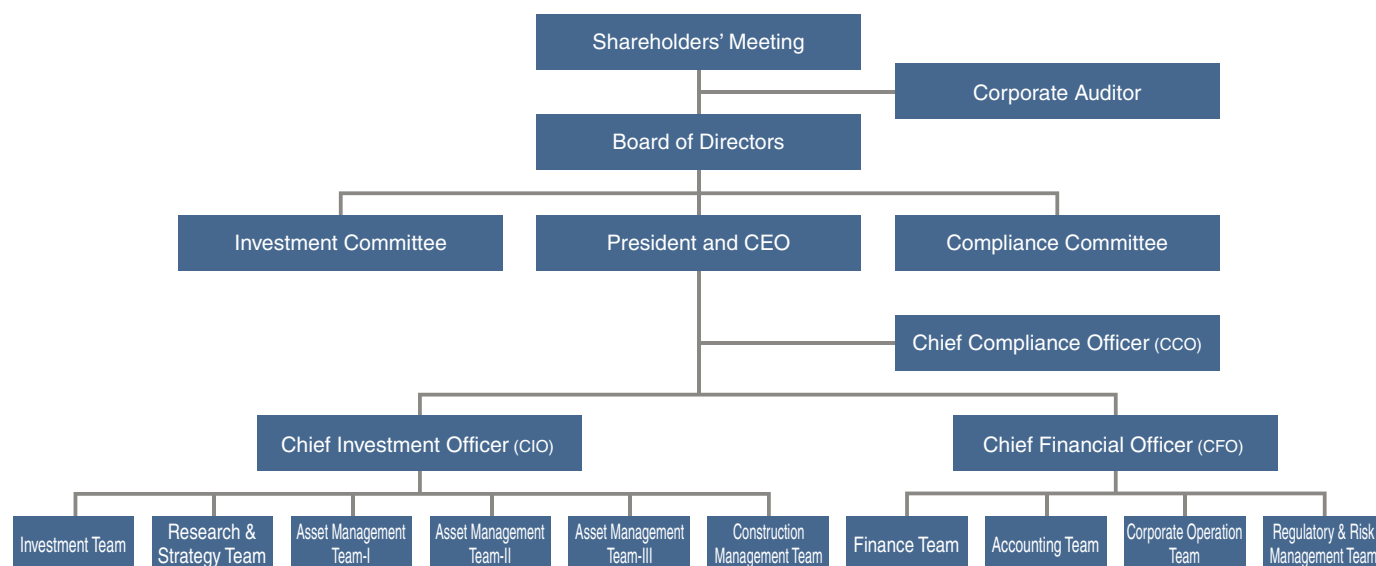


# Profile of Asset Management Company

## Overview

<b>Corporate Name</b>	Japan REIT Advisors Co., Ltd. ("JRA")		
<b>Address</b>	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo		
<b>Date of Foundation</b>	December 4, 2001		
<b>Capital</b>	¥425 million (As of November 30, 2014)		
<b>Shareholders</b> (As of November 30, 2014)	Marubeni Corporation	95.0%	
	Kyokuto Securities Co., Ltd.	5.0%	
<b>Representative</b>	Ikuo Yoshida, President and CEO		
<b>Description of Business</b>	Investment management business under Article 28, Paragraph 4 of the Financial Instruments and Exchange Act		

## Organization (As of November 30, 2014)



### Investment Committee

The Investment Committee deliberates and resolves important management plans and policies regarding the investment corporation in a multilayered way by cooperating with the Board of Directors. The chairman of the committee and its members are appointed by the Board of Directors. As of November 30, 2014, the chairman of the committee is the President and CEO of JRA, and the committee members are one non-executive director and one external intellectual (external lawyer).

### Compliance Committee

The Compliance Committee aims at executing compliance as an asset management company which deals with the asset management of the investment corporation by cooperating with the Board of Directors and Corporate Auditor. As of November 30, 2014, the chairman of the committee is the CCO of JRA, and committee members are the President and CEO, the head of Corporate Operation Team and one external intellectual (external lawyer).

## ◆ PERFORMANCE REPORT

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Trading Activities during the Period	49
Others	50

## Financial Highlights

### 1. Track Records on Operations

Fiscal Period (Calculation Period)		Millions of yen, unless otherwise indicated		
		22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	20th Fiscal Period (June 1, 2013 - November 30, 2013)
Operating revenues	(Note 1)	18,683	17,548	17,416
(Rental revenues)		(18,683)	(17,548)	(17,084)
Operating expenses		10,033	9,530	9,695
(Property-related expenses)		(8,199)	(7,757)	(7,771)
Operating income		8,650	8,017	7,720
Ordinary income		7,276	6,694	6,113
Net income	(a)	7,275	6,674	6,113
Total assets	(b)	561,415	527,807	527,025
Total unitholders' equity (Net assets)	(c)	258,335	237,208	237,079
Unitholders' capital		219,768	199,230	199,230
Total no. of investment units issued and outstanding	(d)	(Units) 2,512,246	2,380,181	2,380,181
Net assets per unit	(c)/(d)	(Yen) 102,830	99,659	99,605
Total cash distribution	(e)	7,275	6,674	6,545
Net income per unit	(Note 2)	(Yen) 2,905	2,804	2,586
Cash distribution per unit	(e)/(d)	(Yen) 2,896	2,804	2,750
(Distribution of earnings per unit)		(Yen) (2,896)	(2,804)	(2,750)
(Distribution in excess of earnings per unit)		(Yen) (—)	(—)	(—)
Return on assets (Annualized)	(Note 3)	(%) 1.3 (2.7)	1.3 (2.5)	1.2 (2.3)
Return on equity (Annualized)	(Note 3)	(%) 2.9 (5.9)	2.8 (5.6)	2.6 (5.2)
Equity ratio	(c)/(b)	(%) 46.0	44.9	45.0
Payout ratio	(Note 3)	(%) 99.6	100.0	106.3
<b>Supplementary information</b>				
No. of investment properties at the end of the period	(Units)	108	103	97
Total leasable floor space at the end of the period	(m <sup>2</sup> )	1,177,315.20	1,087,135.55	1,009,057.69
Total no. of tenants at the end of the period	(Units)	1,881	1,681	1,592
Occupancy ratio at the end of the period	(%)	98.7	98.0	97.0
Depreciation and amortization		3,409	3,358	3,484
Capital expenditures		1,084	2,049	1,034
NOI (Net Operating Income) from leasing	(Note 3)	13,894	13,149	12,796
FFO (Funds From Operations) per unit	(Note 3)	(Yen) 4,253	4,215	3,957
FFO ratio	(Note 3)	(Times) 22.5	19.3	18.6
Debt service coverage ratio	(Note 3)	(Times) 9.3	8.7	7.5
Net income before interest, depreciation and amortization		11,970	11,335	11,063
Interest expense and interest expenses on corporate bonds		1,284	1,302	1,465
Interest-bearing liabilities		269,157	257,707	257,333
Ratio of interest-bearing liabilities to total assets at the end of the period (Note 3)	(%)	47.9	48.8	48.8
No. of operating days	(Days)	183	182	183

Notes: 1. Operating revenues, etc., do not include consumption taxes.

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

Average no. of investment units during the period	20th fiscal period:	2,363,119 units
	21st fiscal period:	2,380,181 units
	22nd fiscal period:	2,503,839 units

3. 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 the beginning of the period + Total assets at the end of the period) / 2) × 100
Return on equity	Net income / ((Net assets at the beginning of the period + Net assets at the end of the 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) / Total no. of investment units issued and outstanding
FFO ratio	Investment unit price at the end of the period / Annualized FFO per unit

Debt service coverage ratio	Net income before interest, depreciation and amortization / Interest expense and Interest expenses on corporate bonds
Ratio of interest-bearing liabilities to total assets at the end of the period	Interest-bearing liabilities at the end of the period / total assets at the end of the period × 100 (Fractions are rounded down to the nearest one decimal place.)

4. 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 real estate investment trust (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 has been the fourth largest among all J-REITs and the largest diversified J-REIT in terms of asset size (on an acquisition price basis) (as of November 30, 2014).

As a result of performance, a distribution has been made in each of 21 fiscal periods from the 1st fiscal period (fiscal year ended May 31, 2004) to the 21st fiscal period (fiscal year ended May 31, 2014). For the current period (22nd fiscal period: fiscal year ended November 30, 2014), United Urban decided to make cash distribution of ¥2,896 per unit.

Note: “Type of use” : Retail properties, office buildings, hotels, residential properties, and others  
“Area of location” : Tokyo metropolitan area and major Japanese cities including government designated cities and surrounding areas thereof

### A. Investment Environment and Operation

#### a. Investment Environment

As for the domestic economy, despite the impact of the increase in the consumption tax from April 2014 and the increase in costs due to the depreciation of the yen, the corporate profit has increased greatly and the employment environment has improved. With effects of additional monetary easing policy by the Bank of Japan and the depreciation of the yen, the number of market players and real estate transactions in the real estate sales market has increased and the real estate prices have been rising, particularly in urban areas.

With regard to the real estate rental market, as for retail properties, the impact of the increase in the consumption tax has not made a significant change in the rental market, and the market for retail properties is expected to stay steady. As for office buildings, the occupancy ratio, particularly in major cities, is improving since tenant needs for expanding rental space and relocation have manifested themselves due to the recovery of corporate performance. Moreover, there is movement towards improvement in rental revenues. As for hotels, foreign visitors have been increasing thanks to the depreciation of the yen and the room occupancy ratio has been rising, and the room rates for guests are also improving. As for residential properties, there are no particular changes in the occupancy ratio and rent levels.

#### b. Issuance of New Investment Units

In order to replenish cash reserves, which were reduced by the acquisition of specified assets, and to procure funds for the acquisition of new specified assets and for repayment of interest-bearing liabilities, United Urban resolved the issuance of 120,000 new investment units by way of public offering and the issuance of 12,065 new investment units (maximum) by way of third-party allotment at the board of directors’ meeting of United Urban, held on May 23, 2014. Thereafter, United Urban determined the offer price, the selling price and other matters for the issuance of new investment units and secondary offering of investment units at the board of directors’ meeting of United Urban, held on June 3, 2014. Based on these resolutions, the payments of ¥18,661 million in connection with the issuance of new investment units by way of public offering were completed on June 10, 2014, and the payment of ¥1,876 million in connection with the issuance of new investment units by way of third-party allotment (12,065

units) to SMBC Nikko Securities was also completed on July 9, 2014 (the issuance of new investment units by way of both public offering and third-party allotment hereinafter collectively referred to as the "6th Public Offering").

As a result, the United Urban's total capital increased to ¥219,768 million and United Urban's total number of investment units issued and outstanding increased to 2,512,246 units.

#### c. Acquisition of Properties

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

Property No.	Property Name	Type of Use (Note 1)	Location	Acquisition Price (Note 2)	Acquisition Date
A33	Plussing Wave Enoshima	Retail Clinic	Fujisawa, Kanagawa	¥1,800 million	August 29, 2014
B43	Hirose-dori SE Building	Office	Sendai, Miyagi	¥3,600 million	June 13, 2014
D26	Glenpark Umeda-kita	Apartment	Osaka, Osaka	¥5,150 million	August 29, 2014
E5	Logistics Higashi-Ohigishima	Warehouse	Kawasaki, Kanagawa	¥8,300 million	October 2, 2014
E6	MT Ariake Center Building I&II	Warehouse	Koto-ku, Tokyo	¥8,000 million	November 25, 2014
Total				¥26,850 million	-

Notes: 1. Of the type of use indicated in the real estate register, the primary type is stated.  
2. The acquisition prices are stated based on the purchase prices stated in the sale and purchase agreements concerning the acquisition of each property. In addition, the amounts of the acquisition prices do not include acquisition costs, property tax, city planning tax and consumption tax, etc.

#### [Reference]

As of November 20, 2014, United Urban decided to acquire another two properties (total acquisition price: ¥3,640 million) on March 2, 2015 in addition to the aforementioned five properties acquired during the period. For detail of the acquisitions, please refer to the "6. Material Facts Arising after the End of 22nd Fiscal Period and Other Material Events, B. Acquisition of Property" below.

#### d. Portfolio Overview

As of November 30, 2014, United Urban held a total of 108 properties, comprising 29 retail properties, 39 office buildings, 1 retail-office complex, 9 hotels, 1 office-hotel complex, 23 residential properties and 6 others, with an aggregate acquisition price of ¥519,974 million. In addition, the total leasable floor space was increased to 1,177,315.20 sq m. and the number of tenants increased to 1,881.

United Urban has continued to focus on improving occupancy ratios by devoting its attention to improvement in the quality of assets during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 97.9% and 98.7%, and stood at 98.7% on November 30, 2014.

#### B. Financing

During this period, United Urban conducted certain financings including fund procurement through the 6th Public Offering for the purpose of procuring funds for repayment of interest-bearing liabilities and acquisition of specified assets.

The status of interest-bearing liabilities at the end of the previous period and the end of the 22nd fiscal period are as follows.

(Millions of yen)				
	Balance at the End of the 21st Fiscal Period (As of May 31, 2014)	Balance at the End of the 22nd Fiscal Period (As of November 30, 2014)	Changes	
Short-term borrowings	-	-	-	
Long-term borrowings	¥ 182,207	¥ 190,657	¥ 8,450	
Total of borrowings	182,207	190,657	8,450	
Corporate bonds	75,500	78,500	3,000	
Total of interest-bearing liabilities	¥ 257,707	¥ 269,157	¥ 11,450	

In addition, as of the end of the 22nd fiscal period, the amount of borrowings due for repayment within one year was ¥4,250 million, and the amount of the current portion of corporate bonds was ¥17,000 million.

Moreover, the details of issuer ratings as of December 31, 2014 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency, Ltd. (JCR)	Long-Term Issuer Rating: AA	Rating Outlook: Stable
Rating and Investment Information, Inc. (R&I)	Issuer Rating: A+	Rating Outlook: Stable
Moody's Japan K.K. (Moody's)	Issuer Rating: A3	Rating Outlook: Stable

### C. Financial Results and Overview of Distribution

As a result of the above operations, United Urban achieved operating revenues of ¥18,683 million (up by 6.5% from the previous period), profit from rental activities of ¥10,484 million (up by 7.1% from the previous period), operating income after expenses such as asset management fees, asset custodian fees and other commissions of ¥8,650 million (up by 7.9% from the previous period), ordinary income reflecting other factors such as interest expenses for borrowings and corporate bonds of ¥7,276 million (up by 8.7% from the previous period), and a net income of ¥7,275 million (up by 9.0% from the previous period).

With regard to the distribution in the period, in order to ensure that maximum amount of distribution of earnings would be deductible through the application of the special provisions of taxation (Article 67-15 of the Act on Special Measures Concerning Taxation), it was decided that the entire amount of unappropriated profit at the end of the period would be distributed, excluding cases in which the distributions per investment unit were fractions less than one yen. As a result, the cash distribution per unit was ¥2,896.

## 3. Issuance of New Investment Units

During this period, United Urban procured funds of ¥20,538 million through issuance of new investment units by way of the public offering in June 2014 (120,000 units) and the third-party allotment in July 2014 (12,065 units). The changes in unitholders' capital and total number of investment units issued and outstanding in the past five years are shown below.

Date	Remarks	Number of Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
December 1, 2010	Split of investment units	1,006,500	1,207,800	-	108,310	(Note 1)
December 1, 2010	Merger with NCI	243,519	1,451,319	-	108,310	(Note 2)
June 8, 2011	Additional issue of new investment units through public offering	640,000	2,091,319	56,548	164,858	(Note 3)
July 6, 2011	Additional issue of new investment units through third-party allotment	12,064	2,103,383	1,065	165,924	(Note 4)
March 12, 2013	Additional issue of new investment units through public offering	190,000	2,293,383	22,701	188,625	(Note 5)
April 10, 2013	Additional issue of new investment units through third-party allotment	12,064	2,305,447	1,441	190,067	(Note 6)
July 9, 2013	Additional issue of new investment units through public offering	65,000	2,370,447	7,969	198,036	(Note 7)
August 7, 2013	Additional issue of new investment units through third-party allotment	9,734	2,380,181	1,193	199,230	(Note 8)
June 10, 2014	Additional issue of new investment units through public offering	120,000	2,500,181	18,661	217,892	(Note 9)
July 9, 2014	Additional issue of new investment units through third-party allotment	12,065	2,512,246	1,876	219,768	(Note 10)

- Notes: 1. One investment unit was split into six units.  
2. United Urban conducted an absorption-type merger based on Article 147 of the Investment Trust Act under which United Urban remained as the surviving company and NCI as the absorbed company. Due to the absorption-type merger, one United Urban unit after the split of units was allocated per one NCI unit (257,400 NCI outstanding units prior to the merger, minus 13,881 NCI units for which appraisal rights were invoked).  
3. New investment units were issued through public offering at the offer price of ¥91,162 per unit (issue price (underwriter price) ¥88,357), for the purpose of procuring funds for property acquisitions and repayments of borrowings.  
4. New investment units were issued through third-party allotment at the issue price of ¥88,357 per unit for the purpose of procuring funds for repayments of borrowings.



5. New investment units were issued through public offering at the offer price of ¥123,382 per unit (issue price (underwriter price) ¥119,479), for the purpose of procuring funds for property acquisitions.
6. New investment units were issued through third-party allotment at the issue price of ¥119,479 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.
7. New investment units were issued through public offering at the offer price of ¥126,616 per unit (issue price (underwriter price) ¥122,610), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for repayments of borrowings.
8. New investment units were issued through third-party allotment at the issue price of ¥122,610 per unit for the purpose of procuring funds for repayments of borrowings.
9. New investment units were issued through public offering at the offer price of ¥160,426 per unit (issue price (underwriter price) ¥155,515), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for property acquisitions and repayments of interest-bearing liabilities.
10. New investment units were issued through third-party allotment at the issue price of ¥155,515 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.

#### 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:

	Yen		
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	20th Fiscal Period (June 1, 2013 - November 30, 2013)
Highest	195,300	162,900	152,800
Lowest	160,300	138,500	116,700

#### 4. Distribution Information

With regard to the distribution in the period, in order to ensure that the maximum amount of distribution of earnings would be deductible through the application of the special provisions of taxation (Article 67-15 of the Act on Special Measures Concerning Taxation), it was decided that the entire amount of unappropriated profit at the end of the period would be distributed, excluding cases in which the distributions per investment unit were fractions less than one yen. In consequence, the cash distribution per unit was ¥2,896 for the 22nd fiscal period.

		22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	20th Fiscal Period (June 1, 2013 - November 30, 2013)
Unappropriated retained earnings at the end of period	Thousands of yen	7,275,845	6,674,349	6,113,271
Cash distribution	Thousands of yen	7,275,464	6,674,027	6,545,497
Cash distribution per unit	Yen	2,896	2,804	2,750
Unappropriated retained earnings carried forward to the next period	Thousands of yen	381	321	-

#### 5. Future Policies and Challenges

As for the real estate rental market in Japan, it is expected that rental revenues will increase due to continuing improvement in the occupancy ratio of office properties. On the other hand, as for the real estate sales market, further increases in real estate prices are expected and there are concerns about competition in property acquisitions, especially for the office properties located in the central Tokyo.

Under the circumstances, United Urban will promote investments in new types of property by taking advantage of the knowledge and network of the sponsor. Moreover, United Urban will also utilize the supports such as property supply and information through a wide variety of network of the asset management company. Through the balanced information channel for property acquisitions, United Urban will make efforts for an active external growth in consideration of yield by utilizing the characteristics of a diversified J-REIT. In addition, United Urban will make continuous efforts to maintain or improve the occupancy ratio and the rent levels and to reduce the costs for the purpose of the improvement of profitability of the portfolio.

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

## 6. Material Facts Arising after the End of 22nd Fiscal Period and Other Material Events

### A. Issuance of New Investment Units

In order to procure funds for repayment of interest-bearing liabilities and for the acquisition of new specified assets, United Urban resolved the issuance of 120,000 new investment units by way of public offering and the issuance of 12,065 new investment units (maximum) by way of third-party allotment at the board of directors' meeting of United Urban, held on November 20, 2014. Thereafter, United Urban determined offer prices, the selling price and other matters for the issuance of new investment units and secondary offering of investment units at the board of directors' meeting of United Urban, held on December 2, 2014. Based on these resolutions, the payments of ¥21,899 million in connection with the issuance of new investment units by way of public offering were completed on December 9, 2014, and the payment of ¥2,201 million in connection with the issuance of new investment units by way of third-party allotment (12,065 units) was also completed on January 7, 2015.

As a result, the United Urban's total unitholders' capital increased to ¥243,869 million and United Urban's total number of investment units issued and outstanding increased to 2,644,311 units.

#### a. Issuance of new investment units by way of public offering

Number of investment units issued	: 120,000 units
Offer price (per unit)	: ¥188,258
Total offer price	: ¥22,590,960,000
Issue price (per unit)	: ¥182,495
Total issue price	: ¥21,899,400,000
Payment date	: December 9, 2014 (Tuesday)
Starting date of the computation for cash distribution	: December 1, 2014 (Monday)

#### b. Issuance of new investment units by way of third-party allotment

Number of investment units issued	: 12,065 units
Issue price (per unit)	: ¥182,495
Total issue price	: ¥2,201,802,175
Payment date	: January 7, 2015 (Wednesday)
Starting date of the computation for cash distribution	: December 1, 2014 (Monday)
Allottee	: SMBC Nikko Securities Inc.

### B. Acquisition of Property

United Urban has decided to acquire the following two properties ("Assets to be Acquired") on March 2, 2015.

Property No.	Property Name	Type of Use	Location	Scheduled Acquisition Price (Note 2)	Scheduled Acquisition Date
A34	Life Nishikujo (Site) (Note 1)	-	Osaka, Osaka	¥1,760 million	March 2, 2015 (Note 3)
A35	Life Tamatsukuri (Site) (Note 1)	-	Osaka, Osaka	¥1,880 million	March 2, 2015 (Note 3)
Total				¥3,640 million	-

Notes: 1. Assets to be Acquired are trust beneficial interests with underlying assets of the site (the "Trust Beneficial Interests"). Buildings and structures situated in the site are not included in the underlying assets.

2. The scheduled acquisition price is stated based on the purchase price stated in the sale and purchase agreements concerning the acquisition of the Trust Beneficial Interests. In addition, the amount of the purchase price does not include the acquisition cost, property tax, city planning tax and consumption tax, etc.

3. The purchase and sale agreements of the trust beneficial interests (the "PSA") as of November 20, 2014 provides that either party may terminate the PSA if the other party has materially breached a provision thereof, in which case the party may request the party in breach to pay an amount equivalent to 20% of the transaction price as penalty charges. In addition, in the event that the party who terminated the PSA suffered a loss which exceeds the amount of the penalty charges, such party may request the other party to compensate such loss in the amount exceeding the penalty charges, separately.

However, this PSA is subject to the condition precedent of payment of an acquisition price that United Urban's fund procurement is completed for the acquisition of the Trust Beneficial Interests. Therefore, as for the acquisition of the Trust Beneficial Interests, the PSA will be terminated with no penalty if United Urban cannot consummate fund procurement as of the scheduled acquisition date.

In view of the current state of the financial market and financial standings of United Urban, United Urban believes that material adverse effect on United Urban's financial standing and the payment of cash distributions and other conditions are not likely to be caused in connection with the acquisitions of the Trust Beneficial Interests.

### C. Early Repayment of Existing Borrowing

United Urban has repaid the below-stated borrowing on December 22, 2014 prior to the maturity date with proceeds from the issuance of new investment units mentioned in A. above.

#### Term Loan 34A (Note 1)

Lender	:	Mizuho Bank, Ltd.
Balance of borrowing	:	¥1,900 million
Interest rate	:	Basic interest rate (JBA one month JPY TIBOR) + 0.50%
Drawdown date	:	September 27, 2011
Maturity date	:	September 20, 2016
Early repayment date	:	December 22, 2014
Amount of repayment	:	¥1,900 million
Balance after repayment	:	- (full payment)
Remarks	:	Unsecured, unguaranteed

#### Term Loan 36A (Note 1)

Lender	:	Sumitomo Mitsui Trust Bank, Limited (Note 2) The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. The Bank of Fukuoka, Ltd.
Balance of borrowing	:	¥8,300 million (Note 2)
Interest rate	:	Basic interest rate (JBA one month JPY TIBOR) + 0.45%
Drawdown date	:	October 25, 2011
Maturity date	:	September 20, 2016
Early repayment date	:	December 22, 2014
Amount of repayment	:	¥2,600 million (Note 2)
Balance after repayment	:	¥5,700 million (Note 2)
Remarks	:	Unsecured, unguaranteed

- Notes: 1. We had named the term loans using the numbers (1 through 100), but since the number has reached 100 in a new loan as of October 2, 2014, we changed the way we name the term loans. For the existing term loans, we will put an alphabet letter "A" at the end of the name (i.e., "Term Loan 1A" ~ "Term Loan 100A"). For the new borrowings, we will put a "B," the next letter in the alphabet, following the number of 1 through 99, and therefore they will be called such as "Term Loan 01B" and "Term Loan 99B". After "Term Loan 99B" will come "Term Loan 01C," and after "Term Loan 99C" will come "Term Loan 01D."
2. Of the borrowing balance of ¥8,300 million of Term Loan 36A, United Urban will make an early repayment with regard to ¥2,600 million which has been borrowed from Sumitomo Mitsui Trust Bank, Limited.

### D. New Committed Line of Credit Agreement and Amendment to Existing Committed Line of Credit Agreement

United Urban concluded a new committed line of credit agreement and amended the existing committed line of credit agreement on December 25, 2014, as set forth below. As a result, the total maximum loan amount under the committed line of credit agreements increased from ¥30,000 million to ¥36,000 million.

#### a. Outline of new committed line of credit agreement

Participating financial institutions	:	Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited
Maximum loan amount	:	¥12,000 million
Date of agreement	:	December 25, 2014
Term of agreement	:	From December 25, 2014 to December 24, 2015
Collateral	:	Unsecured, unguaranteed

#### b. Amendment of the existing committed line of credit agreement (Note)

Participating financial institutions	:	Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Maximum loan amount	:	(Before change) ¥20,500 million (After change) ¥24,000 million
Date of agreement	:	June 20, 2014
Date of change	:	December 25, 2014
Term of agreement	:	From June 20, 2014 to June 19, 2015
Collateral	:	Unsecured, unguaranteed

Note: Items other than the maximum loan amount remain unchanged.

#### E. Lawsuits, etc.

With regard to Shinsaibashi OPA Honkan ("OPA Honkan") and Shinsaibashi OPA Kireikan ("OPA Kireikan"), a case to reduce the rents of these two properties (the "Case") was brought against United Urban at the Tokyo District Court on October 15, 2012 by OPA co., Ltd., the lessee of the OPA Honkan and OPA Kireikan (the "Plaintiff"). Later, the Case was decided to be transferred to the Osaka District Court, and is now pending at the Osaka District Court.

The Plaintiff has requested to reduce the rent of OPA Honkan, from March 1, 2012 and onwards, by approximately 20% of the current level, and to reduce the rent of OPA Kireikan, from March 1, 2012 and onwards, by approximately 18% of the current level. However, United Urban believes that there are no reasonable grounds for their request to reduce the rent.

In addition, United Urban obtained an appraisal report with regard to the rent for the two properties as of March 1, 2013. Based on the appraisal report, United Urban filed a counterclaim to the Osaka District Court against OPA co., Ltd. on June 3, 2013, seeking to increase the rent of OPA Honkan, from June 1, 2013 and onwards, by approximately 7% of the current level, and to increase the rent of OPA Kireikan, from June 1, 2013 and onwards, by approximately 4% of the current level, and the counterclaim is also pending at the Osaka District Court together with the Case.

## Overall Condition of Investment Corporation

### 1. Summary of Unitholders' Contribution

	22nd Fiscal Period (As of November 30, 2014)	21st Fiscal Period (As of May 31, 2014)	20th Fiscal Period (As of November 30, 2013)
Total number of investment units authorized (Units)	10,000,000	10,000,000	10,000,000
Total number of investment units issued and outstanding (Units)	2,512,246	2,380,181	2,380,181
Total unitholders' capital (Millions of yen)	219,768	199,230	199,230
Number of unitholders	23,449	22,377	25,097

### 2. Major Unitholders

(As of November 30, 2014)

Unitholder Name	Investment Units Held (Units)	Percentage of Investment Units Held
Japan Trustee Services Bank, Ltd. (trust account)	559,786	22.28 %
The Master Trust Bank of Japan, Ltd. (trust account)	214,965	8.56 %
Trust & Custody Services Bank, Ltd. (securities investment trust account)	179,669	7.15 %
The Nomura Trust and Banking Co., Ltd. (investment trust account)	110,934	4.42 %
NOMURA BANK (LUXEMBOURG) S.A.	73,122	2.91 %
STATE STREET BANK WEST CLIENT-TREATY	42,940	1.71 %
STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT	39,088	1.56 %
Mizuho Securities Co., Ltd.	36,873	1.47 %
THE BANK OF NEW YORK MELLON SA/NV 10	33,010	1.31 %
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	29,441	1.17 %
Total	1,319,828	52.54 %

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 for the 22nd fiscal period were as follows:

Title	Name	Other Title	Total Amount of Compensation for Directors, etc. (Thousands of yen)
Executive Officer	Hitoshi Murakami	—	6,000
Supervisory Officer	Masakazu Watase	Lawyer, Watase Law Office	2,100
Supervisory Officer	Masaaki Akiyama	Corporate Auditor, JOYFUL HONDA Co., Ltd. Member of Compliance Committee, Tokyo Capital Management Corporate Auditor, Mitsubishi Kakoki Kaisha, Ltd.	2,100
Accounting Auditor	Ernst & Young ShinNihon LLC	—	28,900 (Note 3)
Total			39,100

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 compensation for Accounting Auditor includes the preparation fee of a comfort letter regarding the issuance of corporate bonds and the issuance of new investment units.

**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.

#### 4. Advisors and Agents

(As of November 30, 2014)

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 Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. Mizuho Securities Co., Ltd. Citigroup Global Markets Japan Inc. Kyokuto Securities Co., Ltd.

## Portfolio Profiles

### 1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		22nd Fiscal Period (As of November 30, 2014)		21st Fiscal Period (As of May 31, 2014)	
				Total Amounts Held (Thousands of yen) (Note1)	Percentage of Total Assets (%)	Total Amounts Held (Thousands of yen) (Note1)	Percentage of Total Assets (%)
Real Estate	Retail Properties	Capital region (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-
			The 23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,367,325	1.3	7,381,171	1.4
		Other regions		14,192,455	2.5	14,242,392	2.7
	Office Buildings	Capital region	The 6 central wards of Tokyo	13,369,262	2.4	13,372,400	2.5
			The 23 wards of Tokyo	9,771,146	1.7	9,810,123	1.9
			Tokyo metropolitan area	9,451,700	1.7	9,507,250	1.8
		Other regions		-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,702,796	0.3	1,717,317	0.3
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	4,382,904	0.8	4,429,292	0.8
		Other regions		-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	2,963,061	0.5	2,995,901	0.6
			Tokyo metropolitan area	-	-	-	-
		Other regions		800,889	0.1	812,143	0.2
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	-	-	-	-
		Other regions		-	-	-	-
	Subtotal			64,001,543	11.4	64,267,993	12.2
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	1,575,737	0.3	1,570,796	0.3
			The 23 wards of Tokyo	23,544,387	4.2	23,660,430	4.5
			Tokyo metropolitan area	69,014,995	12.3	67,476,538	12.8
		Other regions		59,393,062	10.6	59,744,064	11.3
	Office Buildings	Capital region	The 6 central wards of Tokyo	63,421,651	11.3	63,568,071	12.0
			The 23 wards of Tokyo	3,758,486	0.7	3,766,391	0.7
			Tokyo metropolitan area	46,835,263	8.3	46,972,025	8.9
		Other regions		53,546,992	9.5	49,952,167	9.5
	Hotels	Capital region	The 6 central wards of Tokyo	33,619,267	6.0	33,714,050	6.4
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,410,996	0.6	3,459,312	0.7
		Other regions		19,405,127	3.5	19,539,930	3.7
	Residential Properties	Capital region	The 6 central wards of Tokyo	1,048,422	0.2	1,059,191	0.2
			The 23 wards of Tokyo	9,341,534	1.7	9,427,844	1.8
			Tokyo metropolitan area	2,097,815	0.4	2,113,299	0.4
		Other regions		23,102,799	4.1	17,916,578	3.4
	Others	Capital region	The 6 central wards of Tokyo	3,614,478	0.6	3,640,875	0.7
			The 23 wards of Tokyo	8,076,799	1.4	-	-
			Tokyo metropolitan area	13,537,031	2.4	5,059,163	1.0
		Other regions		5,869,675	1.0	5,938,472	1.1
	Subtotal			444,214,526	79.1	418,579,204	79.3
Bank Deposits and Other Assets			53,199,598	9.5	44,960,671	8.5	
Total Assets			561,415,668	100.0	527,807,870	100.0	

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



2. The "Capital region" refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.
3. The "6 central wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.
4. The "23 wards of Tokyo" are the 23 Tokyo wards excluding the "6 central wards of Tokyo."
5. "Tokyo metropolitan area" refers to the Capital region excluding the 23 wards of Tokyo.

## 2. Selected Data by Property

(As of November 30, 2014)

Property Name	Book Value (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 1)	Leasable Floor Space (m <sup>2</sup> ) (Note 2)	Leased Floor Space (m <sup>2</sup> ) (Note 2)(Note 3)	Occupancy Ratio (%) (Note 2)	Type of Property	Granting of Security
Daiei Himonya	14,713	14,300	26,655.66	26,655.66	100.0	Retail Properties	N/A
Joy Park Izumigaoka	5,507	4,460	13,611.24	13,611.24	100.0	Retail Properties	N/A
Daimaru Peacock Ashiya Kawanishi	745	1,120	1,558.80	1,558.80	100.0	Retail Properties	N/A
Re-LAND Shopping Center	4,254	5,460	12,968.85	12,695.30	97.9	Retail Properties	Applicable (Note 5)
AEON MALL Uki	9,606	9,330	72,073.39	72,073.39	100.0	Retail Properties	N/A
TENJIN LUCE	6,476	4,880	4,194.66	4,194.66	100.0	Retail Properties	N/A
Yamada Denki Tecc Land Sakai Honten	2,921	3,240	8,637.63	8,637.63	100.0	Retail Properties	N/A
Miyamae Shopping Center	5,238	4,890	10,487.92	10,487.92	100.0	Retail Properties	N/A
KONAMI SPORTS CLUB Korigaoka	1,745	1,800	8,627.58	8,627.58	100.0	Retail Properties	N/A
ACTIOLE Minami-ikebukuro	3,726	3,090	2,081.50	2,081.50	100.0	Retail Properties	N/A
Tip's Machida Building	4,243	4,290	6,715.75	6,715.75	100.0	Retail Properties	N/A
Daiei Takarazuka Nakayama	3,409 (Note 4)	3,910	16,729.60	16,729.60	100.0	Retail Properties	N/A
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	12,450	11,100	52,668.38	52,668.38	100.0	Retail / Office	N/A
ACTIOLE Kannai	2,356	1,950	1,938.56	1,938.56	100.0	Retail Properties	N/A
Shinsaibashi OPA Honkan	22,300	25,000	27,025.42	27,025.42	100.0	Retail Properties	N/A
Shinsaibashi OPA Kireikan	2,666	3,090	4,858.61	4,858.61	100.0	Retail Properties	N/A
Albore Jingumae	1,575	1,990	931.14	931.14	100.0	Retail Properties	N/A
Albore Sendai	2,439	2,860	3,147.29	3,147.29	100.0	Retail Properties	N/A
Mallage Kashiwa	6,830	8,170	40,153.16	39,755.81	99.0	Retail Properties	N/A
Ito-Yokado Owariasahi	4,420	4,950	54,606.34	54,606.34	100.0	Retail Properties	Applicable (Note 6)
Yokohama Kariba Shopping Center	2,349	1,900	11,345.09	11,345.09	100.0	Retail Properties	N/A
Luz Jiyugaoka	5,104	5,460	2,283.47	2,283.47	100.0	Retail Properties	N/A
ACTIOLE Ichikawa	3,251	3,660	3,925.49	3,925.49	100.0	Retail Properties	N/A
VIVAHOME Yokohama Aoba (Site)	2,740	3,020	9,193.00	9,193.00	100.0	Retail Properties	N/A
Yamada Denki Tecc Land Aoba (Site)	2,270	2,390	7,650.63	7,650.63	100.0	Retail Properties	N/A
Yodobashi Camera Multimedia Kichijoji	28,600	33,000	37,932.95	37,932.95	100.0	Retail Properties	N/A
Yamada Denki Tecc Land New Matsudo Honten	5,166	6,210	17,561.23	17,561.23	100.0	Retail Properties	N/A
Tenjin Loft Building	4,494	4,610	7,575.89	7,414.67	97.9	Retail Properties	N/A
Narumi Shopping Center (Site)	6,850	6,610	60,419.26	60,419.26	100.0	Retail Properties	N/A
Plusing Wave Enoshima	1,881	2,110	3,155.64	3,054.86	96.8	Retail Properties	N/A
T&G Hamamatsucho Building	2,116	2,890	2,420.85	2,420.85	100.0	Office Buildings	N/A

SK Nagoya Building	5,337	4,570	8,708.52	7,389.06	84.8	Office Buildings	N/A
Fukuoka Eartheon Building	1,696	2,320	4,934.39	4,934.39	100.0	Office Buildings	N/A
Marumasu Kojimachi Building	2,462	2,320	2,578.84	2,481.37	96.2	Office Buildings	N/A
Rokubancho K Building	2,329	3,440	4,031.14	4,031.14	100.0	Office Buildings	N/A
Shin-Osaka Central Tower	24,602	25,500	45,978.59	44,917.54	97.7	Office / Hotels	N/A
Kawasaki Toshiba Building	18,981	29,600	36,118.31	36,118.31	100.0	Office Buildings	N/A
UUR Toyochō Building	8,673	8,450	7,540.30	7,540.30	100.0	Office Buildings	N/A
FOUR SEASONS BLDG	4,302	5,070	5,000.54	5,000.54	100.0	Office Buildings	N/A
Hitachi High-Tech Building	14,630	14,800	15,781.64	15,781.64	100.0	Office Buildings	N/A
Pacific Marks Shinjuku Parkside	12,259	10,300	11,119.39	10,398.29	93.5	Office Buildings	N/A
UUR Tsukiji Building	6,523	6,340	5,971.42	5,971.42	100.0	Office Buildings	N/A
Pacific Marks Tsukishima	5,996	6,160	9,336.27	9,336.27	100.0	Office Buildings	N/A
Pacific Marks Yokohama East	7,062	6,940	10,745.24	8,790.19	81.8	Office Buildings	N/A
Pacific Marks Shin-Urayasu	3,766	3,970	8,743.05	7,394.52	84.6	Office Buildings	N/A
Akasaka Hikawa Building	3,237	3,570	3,438.23	3,438.23	100.0	Office Buildings	N/A
Pacific Marks Shibuya Koen-dori	2,488	2,910	1,972.43	1,972.43	100.0	Office Buildings	N/A
Pacific Marks Nihonbashi-Tomizawacho	1,853	1,900	2,631.17	2,227.56	84.7	Office Buildings	N/A
Pacific Marks Akasaka-mitsuke	2,186	2,050	1,675.13	1,675.13	100.0	Office Buildings	N/A
Yokohama Aioicho Building	1,107	1,190	2,445.10	2,181.83	89.2	Office Buildings	N/A
Pacific Marks Shin-Yokohama	1,619	1,560	3,110.72	3,110.72	100.0	Office Buildings	N/A
Pacific Marks Kawasaki	9,451	10,400	7,382.14	6,673.29	90.4	Office Buildings	N/A
Hamamatsucho 262 Building	6,672	6,820	6,183.89	6,183.89	100.0	Office Buildings	N/A
Lila Hijirizaka	2,677	2,770	4,255.02	4,204.92	98.8	Office Buildings	N/A
Pacific Marks Aobadai	1,621	1,550	2,486.40	2,206.30	88.7	Office Buildings	N/A
Otsuka HT Building	1,098	1,220	1,794.71	1,794.71	100.0	Office Buildings	N/A
Pacific Marks Shinjuku South-gate	2,508	2,730	1,742.04	1,389.22	79.7	Office Buildings	N/A
Pacific Marks Nishi-Umeda	6,452	6,810	11,039.26	10,608.48	96.1	Office Buildings	N/A
Pacific Marks Higobashi	4,393	4,340	7,623.57	7,224.17	94.8	Office Buildings	N/A
Nagoya Nishiki City Building	2,527	2,370	5,617.67	4,238.18	75.4	Office Buildings	N/A
Pacific Marks Esaka	9,214	9,530	20,015.73	19,821.67	99.0	Office Buildings	N/A
Pacific Marks Sapporo Kita-Ichijo	1,879	1,910	4,761.87	4,761.87	100.0	Office Buildings	N/A
Shin-Sapporo Center Building	917	1,070	2,797.03	2,607.59	93.2	Office Buildings	N/A
ARENA TOWER	9,046	11,300	17,967.46	17,967.46	100.0	Office Buildings	N/A
Yushima First Building	2,137	2,740	4,598.87	4,598.87	100.0	Office Buildings	N/A
Dogenzaka Square	2,361	2,650	2,231.84	2,111.72	94.6	Office Buildings	N/A
GRAND-SQUARE Shin-Sakae	1,521	1,790	4,578.93	4,578.93	100.0	Office Buildings	N/A
GRAND-SQUARE Meieki-minami	1,261	1,730	4,003.05	4,003.05	100.0	Office Buildings	N/A
Shiba 520 Building (Note 7)	2,182	2,350	2,854.26	2,854.26	100.0	Office Buildings	N/A
Hirose-dori SE Building	3,709	4,040	8,235.87	8,235.87	100.0	Office Buildings	N/A

Shinjuku Washington Hotel Honkan	20,586	21,400	53,363.11	53,256.78	99.8	Hotels	N/A
Toyoko Inn Shinagawa-eki Takanawa-guchi	1,702	2,190	3,088.85	3,088.85	100.0	Hotels	N/A
MZ BLD.	3,410	3,510	6,670.21	6,404.78	96.0	Hotels	N/A
HOTEL ROUTE-INN Yokohama Bashamichi	4,382	4,460	7,139.44	7,139.44	100.0	Hotels	N/A
Hotel JAL City Naha	7,451	8,400	13,701.80	13,701.80	100.0	Hotels	N/A
UUR Yotsuya Sanhome Building (Note 8)	4,256	4,790	7,854.86	7,854.86	100.0	Hotels	N/A
Yotsuya 213 Building	5,128	5,600	7,550.16	7,550.16	100.0	Hotels	N/A
HOTEL ROUTE-INN Nagoya Imaike Ekimae	1,989	2,570	5,880.69	5,880.69	100.0	Hotels	N/A
the b roppongi	3,647	3,690	2,710.90	2,710.90	100.0	Hotels	N/A
T&G Higashi-ikebukuro Mansion	1,606	2,050	2,603.22	2,502.32	96.1	Residential Properties	N/A
Komazawa Court	1,553	2,190	3,741.17	3,741.17	100.0	Residential Properties	N/A
Sky Court Shiba-Daimon	1,048	1,190	1,486.38	1,486.38	100.0	Residential Properties	N/A
Maison Ukima	3,287	4,260	12,691.43	12,691.43	100.0	Residential Properties	N/A
Narashino Residence	1,036	1,210	6,840.86	6,840.86	100.0	Residential Properties	N/A
Aprile Shin-Ohgi Ichibankan	2,645	3,380	12,700.44	12,700.44	100.0	Residential Properties	N/A
UUR Court Sapporo Kita-Sanjo	1,101	1,390	4,790.50	4,790.50	100.0	Residential Properties	N/A
UUR Court Chiba Soga	595	643	2,931.14	2,931.14	100.0	Residential Properties	N/A
Higashi-kurume Dormitory Shinkan	466	519	1,397.61	1,397.61	100.0	Residential Properties	N/A
Nanzan Court Ichigokan	946	1,050	3,576.74	3,576.74	100.0	Residential Properties	N/A
Nanzan Court Nigokan	394	502	1,890.51	1,890.51	100.0	Residential Properties	N/A
CLIO Bunkyo Koishikawa	2,894	3,170	4,097.51	3,943.79	96.2	Residential Properties	N/A
GRAND-ROUGE Sakae	1,347	1,430	3,697.38	3,697.38	100.0	Residential Properties	N/A
GRAND-ROUGE Sakae II	1,140	1,260	2,579.89	2,579.89	100.0	Residential Properties	N/A
MA Sendai Building	3,040	3,980	11,525.36	11,361.98	98.6	Residential Properties	N/A
UUR Court Nagoya Meieki	1,331	1,420	2,958.45	2,958.45	100.0	Residential Properties	N/A
UUR Court Sapporo Shinoro Ichibankan	800	830	6,271.74	6,271.74	100.0	Residential Properties	N/A
Park Site IZUMI	854	722	2,067.95	1,687.19	81.6	Residential Properties	N/A
UUR Court Osaka Juso-honmachi	1,445	1,580	3,650.00	3,650.00	100.0	Residential Properties	N/A
UUR Court Kinshicho	2,963	3,430	5,460.39	5,253.41	96.2	Residential Properties	N/A
UUR Court Sapporo Minami-Sanjo Premier Tower	2,018	2,570	7,817.12	6,617.26	84.7	Residential Properties	N/A
GLAND-ROUGE Nakanoshima-minami	1,442	1,590	3,090.36	2,892.88	93.6	Residential Properties	N/A
Glenpark Umeda-kita	5,394	5,490	12,730.60	12,100.38	95.0	Residential Properties	N/A
Lilycolor Tohoku Branch	1,632	2,010	9,271.16	9,271.16	100.0	Others	N/A
KDDI Fuchu Building	5,026	5,390	14,490.92	14,490.92	100.0	Others	N/A
Tsubogawa Square Building	4,236	4,620	10,570.98	10,570.98	100.0	Others	N/A
THE PLACE OF TOKYO	3,614	3,970	3,212.21	3,212.21	100.0	Others	N/A
Logistics Higashi-Ohgishima	8,510	8,660	42,113.83	42,113.83	100.0	Others	N/A
MT Ariake Center Building I&II	8,076	8,150	23,934.32	23,934.32	100.0	Others	N/A

Total	508,216	548,086	1,177,315.20	1,161,702.54	98.7		
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- Notes: 1. "Appraisal Value at the 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 November 30, 2014 based on the Articles of Incorporation of United Urban and the "Ordinance on Accountings of Investment Corporations" (Cabinet Office Ordinance No. 47 of 2006).
2. "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of November 30, 2014. "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 land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. The same shall apply hereinafter.) "Occupancy Ratio" is the percentage obtained from dividing "Leased Floor Space" by "Leasable Floor Space." With regard to the portion of maricom-ISOGO/SYSTEM PLAZA YOKOHAMA (Site), Hitachi High-Tech Building, Shinjuku Washington Hotel Honkan and KDDI Fuchu Building held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area.
3. As a general rule, "Leased Floor Space" indicates the floor space that has been leased to end-tenants under lease agreements. However, for master lease agreements with rental guarantee, the floor spaces in the master lease agreements are indicated.
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, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement ("Reserve for Soil Improvement"), as a condition of the sale and purchase agreement of trust beneficial interest. The Book Value at the end of the period of this trust beneficial interest is described as ¥3,409 million reflecting the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
5. The right to demand restitution of security deposit by tenants of this property is set as a secured claim and a mortgage has been placed on the real estate in trust.
6. The right to demand restitution of security deposit by tenants of this property is set as a secured claim and a mortgage has been placed on the building and the land of the property.
7. The property name was changed from "Marubeni Corporation Tokyo Head Office Mita Annex" to "Shiba 520 Building" on April 1, 2014.
8. The property name was changed from "Hotel JAL City Yotsuya Tokyo" to "UUR Yotsuya Sanhome Building" on October 1, 2014.

### 3. Selected Financial Data by Property

Name of Property	22nd Fiscal Period (June 1, 2014 to November 30, 2014)			
	Total Number of Tenants at the End of Period (Note 1)	Occupancy Ratio at the End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share of Total Rental Revenue (%)
Daiei Himonya	1	100.0	459	2.5
Joy Park Izumigaoka	23	100.0	270	1.4
Daimaru Peacock Ashiya Kawanishi	1	100.0	30	0.2
Re-LAND Shopping Center	15	97.9	262	1.4
AEON MALL Uki	1	100.0	451	2.4
TENJIN LUCE	10	100.0	189	1.0
Yamada Denki Tecc Land Sakai Honten	1	100.0	(Note 3)	(Note 3)
Miyamae Shopping Center	3	100.0	166	0.9
KONAMI SPORTS CLUB Korigaoka	1	100.0	(Note 3)	(Note 3)
ACTIOLE Minami-ikebukuro	10	100.0	76	0.4
Tip's Machida Building	10	100.0	207	1.1
Daiei Takarazuka Nakayama	1	100.0	151	0.8
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	4	100.0	298	1.6
ACTIOLE Kannai	9	100.0	63	0.3
Shinsaibashi OPA Honkan	1	100.0	707	3.8
Shinsaibashi OPA Kireikan	1	100.0	87	0.5
Albore Jingumae	4	100.0	49	0.3

Albore Sendai	5	100.0	111	0.6
Mallage Kashiwa	95	99.0	687	3.7
Ito-Yokado Owariasahi	1	100.0	224	1.2
Yokohama Kariba Shopping Center	1	100.0	(Note 3)	(Note 3)
Luz Jiyugaoka	21	100.0	175	0.9
ACTIOLE Ichikawa	13	100.0	150	0.8
VIVAHOME Yokohama Aoba (Site)	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land Aoba (Site)	1	100.0	(Note 3)	(Note 3)
Yodobashi Camera Multimedia Kichijoji	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land New Matsudo Honten	1	100.0	(Note 3)	(Note 3)
Tenjin Loft Building	9	97.9	278	1.5
Narumi Shopping Center (Site)	3	100.0	(Note 3)	(Note 3)
Plussing Wave Enoshima	7	96.8	38	0.2
T&G Hamamatsucho Building	6	100.0	85	0.5
SK Nagoya Building	9	84.8	164	0.9
Fukuoka Eartheon Building	4	100.0	117	0.6
Marumasu Kojimachi Building	16	96.2	80	0.4
Rokubancho K Building	1	100.0	108	0.6
Shin-Osaka Central Tower	60	97.7	1,022	5.5
Kawasaki Toshiba Building	1	100.0	836	4.5
UUR Toyoko Building	1	100.0	283	1.5
FOUR SEASONS BLDG	1	100.0	180	1.0
Hitachi High-Tech Building	2	100.0	398	2.1
Pacific Marks Shinjuku Parkside	22	93.5	316	1.7
UUR Tsukiji Building	4	100.0	166	0.9
Pacific Marks Tsukishima	49	100.0	260	1.4
Pacific Marks Yokohama East	20	81.8	198	1.1
Pacific Marks Shin-Urayasu	12	84.6	184	1.0
Akasaka Hikawa Building	1	100.0	113	0.6
Pacific Marks Shibuya Koen-dori	1	100.0	84	0.5
Pacific Marks Nihonbashi-Tomizawacho	7	84.7	74	0.4
Pacific Marks Akasaka-mitsuke	8	100.0	59	0.3
Yokohama Aioicho Building	19	89.2	61	0.3
Pacific Marks Shin-Yokohama	11	100.0	59	0.3
Pacific Marks Kawasaki	35	90.4	295	1.6
Hamamatsucho 262 Building	18	100.0	225	1.2
Lila Hijirizaka	15	98.8	110	0.6
Pacific Marks Aobadai	6	88.7	50	0.3
Otsuka HT Building	6	100.0	58	0.3
Pacific Marks Shinjuku South-gate	8	79.7	81	0.4
Pacific Marks Nishi-Umeda	30	96.1	260	1.4
Pacific Marks Higobashi	22	94.8	155	0.8
Nagoya Nishiki City Building	21	75.4	83	0.4
Pacific Marks Esaka	34	99.0	510	2.7
Pacific Marks Sapporo Kita-Ichijo	13	100.0	97	0.5
Shin-Sapporo Center Building	18	93.2	58	0.3
ARENA TOWER	13	100.0	427	2.3

Yushima First Building	7	100.0	117	0.6
Dogenzaka Square	30	94.6	92	0.5
GRAND-SQUARE Shin-Sakae	6	100.0	89	0.5
GRAND-SQUARE Meieki-minami	13	100.0	67	0.4
Shiba 520 Building (Note 4)	4	100.0	94	0.5
Hirose-dori SE Building	12	100.0	181	1.0
Shinjuku Washington Hotel Honkan	7	99.8	739	4.0
Toyoko Inn Shinagawa-eki Takanawa-guchi	1	100.0	57	0.3
MZ BLD.	7	96.0	136	0.7
HOTEL ROUTE-INN Yokohama Bashamichi	4	100.0	159	0.9
Hotel JAL City Naha	2	100.0	278	1.5
UUR Yotsuya Sanhome Building (Note 5)	3	100.0	186	1.0
Yotsuya 213 Building	4	100.0	180	1.0
HOTEL ROUTE-INN Nagoya Imaike Ekimae	1	100.0	(Note 3)	(Note 3)
the b roppongi	2	100.0	107	0.6
T&G Higashi-ikebukuro Mansion	124	96.1	66	0.4
Komazawa Court	1	100.0	60	0.3
Sky Court Shiba-Daimon	1	100.0	32	0.2
Maison Ukima	1	100.0	124	0.7
Narashino Residence	1	100.0	51	0.3
Aprile Shin-Ohgi Ichibankan	1	100.0	(Note 3)	(Note 3)
UUR Court Sapporo Kita-Sanjo	1	100.0	52	0.3
UUR Court Chiba Soga	1	100.0	(Note 3)	(Note 3)
Higashi-kurume Dormitory Shinkan	1	100.0	16	0.1
Nanzan Court Ichigokan	1	100.0	38	0.2
Nanzan Court Nigokan	1	100.0	17	0.1
CLIO Bunkyo Koishikawa	87	96.2	97	0.5
GRAND-ROUGE Sakae	1	100.0	44	0.2
GRAND-ROUGE Sakae II	1	100.0	38	0.2
MA Sendai Building	148	98.6	166	0.9
UUR Court Nagoya Meieki	1	100.0	44	0.2
UUR Court Sapporo Shinoro Ichibankan	3	100.0	33	0.2
Park Site IZUMI	33	81.6	27	0.1
UUR Court Osaka Juso-honmachi	1	100.0	52	0.3
UUR Court Kinshicho	194	96.2	120	0.6
UUR Court Sapporo Minami-Sanjo Premier Tower	129	84.7	107	0.6
GLAND-ROUGE Nakanoshima-minami	110	93.6	55	0.3
Glenpark Umeda-kita	174	95.0	87	0.5
Lilycolor Tohoku Branch	1	100.0	(Note 3)	(Note 3)
KDDI Fuchu Building	1	100.0	(Note 3)	(Note 3)
Tsubogawa Square Building	5	100.0	273	1.5
THE PLACE of TOKYO	1	100.0	(Note 3)	(Note 3)
Logistics Higashi-Ohgishima	2	100.0	(Note 3)	(Note 3)
MT Ariake Center Building I&II	3	100.0	(Note 3)	(Note 3)
Total	1,881	98.7	18,683	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 concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a sublease property in which the lessee is subleasing the property to end tenants and if the lease agreement between the owner, United Urban or the asset custodian, and the lessee is a pass-through-type agreement without rental guarantee, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.
2. "Occupancy Ratio" figures are stated on the basis of the data as of the end of the fiscal period. "Occupancy Ratio" is the percentage obtained from dividing "leased floor space" by "leasable floor space." With regard to the portion of maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site), Hitachi High-Tech Building, Shinjuku Washington Hotel Honkan and KDDI Fuchu Building held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area.
3. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenue. Therefore, there has been no choice but to omit disclosure of this figure here
4. The property name was changed from "Marubeni Corporation Tokyo Head Office Mita Annex" to "Shiba 520 Building" on April 1, 2014.
5. The property name was changed from "Hotel JAL City Yotsuya Tokyo" to "UUR Yotsuya Sanchome Building" on October 1, 2014.

#### 4. Amount of Contract and Fair Value of Specified Transactions

(As of November 30, 2014)

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)	84,480,000	84,480,000	(305,578)
Total		84,480,000	84,480,000	(305,578)

- 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

There were no other specified assets other than properties stated in "2. Selected Data by Property" above as of November 30, 2014.

## Capital Expenditures

### 1. Plan of Capital Expenditures

The table below sets out the principal capital expenditures for repair, etc., of properties and properties which are the trust assets of trust beneficial interests in real estate managed by United Urban (collectively the "Real Estate Assets") scheduled as of November 30, 2014. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Description of Work	Scheduled Period	Amount Projected (Millions of yen)		
			Total amount	Amount payable in the 22nd fiscal period	Amount already paid
SK Nagoya Building	Renewal of air-conditioning facilities (2nd period)	From August 2014 to May 2015	311	-	-
Shin-Osaka Central Tower	Repair of outdoor facilities	From March 2015 to August 2015	222	-	-
Kawasaki Toshiba Building	Renewal of air-conditioning facilities (1st period)	From October 2014 to December 2014	248	-	-
Hamamatsucho 262 Building	Renewal of air-conditioning facilities of exclusive use areas	From February 2015 to May 2015	141	-	-
Pacific Marks Esaka	Renewal of air-conditioning facilities	From September 2015 to November 2015	194	-	-
Pacific Marks Esaka	Renewal of receiving and transforming facilities (2nd period)	From September 2013 to December 2014	176	-	-
Pacific Marks Esaka	Renewal of entrance hall (1F and 2F)	From March 2015 to October 2015	121	-	-
Shinjuku Washington Hotel Honkan	Renewal of unit bath	From April 2015 to May 2015	187	-	-
Shinjuku Washington Hotel Honkan	Renewal of fan coil units	From April 2015 to May 2015	113	-	-
Shinjuku Washington Hotel Honkan	Renewal of unit bath	From June 2015 to November 2015	631	-	-
Shinjuku Washington Hotel Honkan	Renewal of fan coil units	From June 2015 to November 2015	382	-	-
Shinjuku Washington Hotel Honkan	Renewal of elevator	From June 2015 to November 2015	230	-	-

### 2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Real Estate Assets during the 22nd fiscal period, which totaled ¥1,084 million. Together with ¥379 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥1,464 million.

Name of Properties	Description of Work	Period Implemented	Expenditure Amount (Millions of yen)
Joy Park Izumigaoka	Repair of central monitoring panel of disaster prevention center	From September 2014 to November 2014	12
TENJIN LUCE	Renewal of 1F entrance sign	From October 2014 to November 2014	61
Miyamae Shopping Center	Liquid-applied membrane waterproofing of parking lots (4F)	From August 2014 to October 2014	53
Mallage Kashiwa	Renewal of electric energy meter of the commercial building	From June 2014 to June 2014	11
Rokubancho K Building	Renewal of toilets Renewal of water supply and drainage pipe (2nd period)	From April 2014 To June 2014	15
Shin-Osaka Central Tower	Replacement of main parts of automated parking system	From October 2014 to November 2014	22
Shin-Osaka Central Tower	Installation work for new tenant	From July 2014 to August 2014	11



Shin-Osaka Central Tower	Renewal of toilets (North wing 2F)	From September 2014 to November 2014	15
Shin-Osaka Central Tower	Overhaul of emergency generator	From October 2014 to October 2014	13
Kawasaki Toshiba Building	Renewal of air-conditioning facilities (in some floors)	From April 2014 to July 2014	123
Hitachi High-Tech Building	Renewal of comprehensive operation panel	From August 2014 to October 2014	41
Pacific Marks Tsukishima	Renewal of automatic fire alarm facilities (management office, common area on each floor, etc.)	From October 2014 to November 2014	39
Yokohama Aioicho Building	Renewal of air-conditioning facilities (in some floors)	From August 2014 to November 2014	68
Pacific Marks Nishi-Umeda	Installation work for new tenant	From May 2014 to September 2014	44
Pacific Marks Esaka	Renewal of high-voltage receiving and transforming facility (1st period)	From October 2013 to October 2014	82
Pacific Marks Sapporo Kita-Ichijo	Replacement of driving device of entrance door of automated parking system	From November 2014 to November 2014	31
MA Sendai Building	Repair of exterior walls	From July 2014 to November 2014	23
Other capital expenditures			412
Total			1,084

### 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		
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	20th Fiscal Period (June 1, 2013 - November 30, 2013)
Reserve balance at the beginning of period	663	642	612
Addition to the reserve during the period (Note)	106	49	61
Reduction of reserve during the period	77	28	32
Reserve balance to be carried over to next period	692	663	642

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

	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	20th Fiscal Period (June 1, 2013 - November 30, 2013)
Thousands of yen			
Asset management fees (Note)	1,496,485	1,429,032	1,412,232
Asset custodian fees	16,881	17,065	17,334
Administrative agent fees	66,308	68,913	74,732
Directors' fees	10,200	10,200	10,200
Other expenses	244,110	247,959	255,654
Total	1,833,985	1,773,171	1,770,153

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 property (20th fiscal period: ¥79,040 thousand, 21st fiscal period: ¥146,080 thousand, 22nd fiscal period: ¥214,800 thousand) and asset management fees related to sale of properties which was deducted from gain or loss from sale of real estate (20th fiscal period: ¥49,400 thousand).

### 2. Borrowings

Borrowings from financial institutions as of November 30, 2014 were as follows:

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

Lenders	Drawdown Date	Balance at the beginning of the 22nd FP (Millions of yen) (Note 1)	Balance at the end of the 22nd FP (Millions of yen) (Note 1)	Average Interest Rate (Note 2)	Maturity Date	Remarks
Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2011	3,850	-	0.746%	Jun. 20, 2014	Unsecured Unguaranteed Floating interest rate
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000	-			
Mizuho Bank, Ltd.		2,850	-			
Mitsubishi UFJ Trust and Banking Corporation	Oct. 31, 2011	2,800	-	0.496%	Sep. 20, 2014 (Note 4)	
Sumitomo Mitsui Trust Bank, Limited	Dec. 21, 2009	800	800	1.975%	Dec. 20, 2014	Unsecured Unguaranteed Fixed interest rate
Sumitomo Mitsui Banking Corporation		1,650	1,650			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		300	300			
Mizuho Bank, Ltd.		1,000	1,000			
Mizuho Trust & Banking Co., Ltd.		500	500			
Total		15,750	4,250			

(Long-term debt)

Lenders	Drawdown Date	Balance at the beginning of the 22nd FP (Millions of yen) (Note 1)	Balance at the end of the 22nd FP (Millions of yen) (Note 1)	Average Interest Rate (Note 2)	Maturity Date	Remarks
Sumitomo Mitsui Banking Corporation	Apr. 12, 2012	1,000	1,000	0.545%	Mar. 20, 2016	Unsecured Unguaranteed Floating interest rate
Mizuho Bank, Ltd.		2,000	2,000			
Resona Bank, Limited		1,000	1,000			
Mizuho Trust & Banking Co., Ltd.		1,000	1,000			
Sumitomo Mitsui Trust Bank, Limited	Jul. 20, 2011	3,400	-	0.746%	Jun. 20, 2016 (Note 5)	
Mizuho Bank, Ltd.	Sep. 27, 2011	1,900	1,900	0.645%	Sep. 20, 2016 (Note 6)	

Sumitomo Mitsui Trust Bank, Limited	Oct. 25, 2011	2,600	2,600	0.595%	Sep. 20, 2016 (Note 7)	Unsecured Unguaranteed Floating interest rate
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000	2,000			
Mizuho Bank, Ltd.		2,500	2,500			
The Bank of Fukuoka, Ltd.		1,200	1,200			
Mitsubishi UFJ Trust and Banking Corporation	Dec. 20, 2011	2,000	2,000	0.595%	Dec. 20, 2016	
Mizuho Bank, Ltd.	Dec. 26, 2011	500	500	0.595%	Dec. 20, 2016	
The Norinchukin Bank		4,000	4,000			
Sumitomo Mitsui Trust Bank, Limited	Mar. 30, 2012	1,500	1,500	0.595%	Mar. 20, 2017	
Sumitomo Mitsui Banking Corporation		2,400	2,400			
Sompo Japan Nipponkoa Insurance Inc. (Note 9)	Mar. 30, 2012	1,000	1,000	0.993%	Mar. 20, 2017	Unsecured Unguaranteed Fixed interest rate
The Hiroshima Bank, Ltd.		500	500			
Kansai Urban Banking Corporation		1,000	1,000			
Mizuho Bank, Ltd.	Apr. 12, 2012	1,500	1,500	0.595%	Mar. 20, 2017	Unsecured Unguaranteed Floating interest rate
Mitsubishi UFJ Trust and Banking Corporation		1,500	1,500			
Shinsei Bank, Limited		1,000	1,000			
The Bank of Fukuoka, Ltd.		1,000	1,000			
The 77 Bank, Ltd.		500	500			
Sumitomo Mitsui Trust Bank, Limited	Apr. 12, 2012	3,500	3,500	0.495%	Mar. 20, 2017	
Shinsei Bank, Limited	May 18, 2012	1,000	1,000	0.922%	Mar. 20, 2017	Unsecured Unguaranteed Fixed interest rate
Development Bank of Japan Inc. (Note 3)	Jul. 7, 2010	1,650	1,600	2.142%	Jun. 20, 2017	
Resona Bank, Limited	May 18, 2012	1,300	1,300	0.534% (Note 8)	Jun. 20, 2017	Unsecured Unguaranteed (Note 8)
The Gunma Bank, Ltd.	Jun. 20, 2012	900	900	0.534% (Note 8)	Jun. 20, 2017	
The Bank of Yokohama, Ltd.		900	900			
The Tokyo Tomin Bank, Limited		500	500			
Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2012	2,500	2,500	0.484% (Note 8)	Jun. 20, 2017	
Mizuho Bank, Ltd.	Nov. 22, 2012	2,400	2,400	0.434% (Note 8)	Jun. 20, 2017	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jun. 20, 2012	4,400	4,400	0.740%	Sep. 20, 2017	Unsecured Unguaranteed Fixed interest rate
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Apr. 12, 2012	3,000	3,000	0.611% (Note 8)	Mar. 20, 2018	Unsecured Unguaranteed (Note 8)
Sumitomo Mitsui Banking Corporation	Aug. 29, 2012	2,200	2,200	0.511% (Note 8)	Mar. 20, 2018	
Mizuho Bank, Ltd.	Mar. 21, 2013	3,000	3,000	0.461% (Note 8)	Mar. 20, 2018	
Aozora Bank, Ltd.	Mar. 21, 2013	1,570	1,570	0.461% (Note 8)	Mar. 20, 2018	
The Norinchukin Bank		2,253	2,253			
Aozora Bank, Ltd.	Mar. 20, 2014	1,700	1,700	0.559%	Mar. 20, 2018	Unsecured Unguaranteed Fixed interest rate
Mitsubishi UFJ Trust and Banking Corporation	May 16, 2013	2,000	2,000	0.778% (Note 8)	Jun. 20, 2018	Unsecured Unguaranteed (Note 8)
Saitama Resona Bank, Limited	Jun. 20, 2013	1,000	1,000	0.449% (Note 8)	Jun. 20, 2018	
The Shinkumi Federation Bank		2,000	2,000			
The Bank of Fukuoka, Ltd.		500	500			
Mitsubishi UFJ Trust and Banking Corporation	Jun. 20, 2013	1,000	1,000	0.735% (Note 8)	Jun. 20, 2018	
ORIX Bank Corporation	Jun. 20, 2013	1,500	1,500	0.830%	Jun. 20, 2018	Unsecured Unguaranteed Fixed interest rate
Development Bank of Japan Inc.	Sep. 27, 2011	2,800	2,800	1.464%	Sep. 20, 2018	

THE NISHI-NIPPON CITY BANK, LTD.	Sep. 20, 2013	1,000	1,000	0.453% (Note 8)	Sep. 20, 2018	Unsecured Unguaranteed (Note 8)
The Nomura Trust and Banking Co., Ltd.		1,000	1,000			
The Kagawa Bank, Ltd.		500	500			
The Ashikaga Bank, Ltd.	Sep. 20, 2013	1,000	1,000	0.781%	Sep. 20, 2018	Unsecured Unguaranteed Fixed interest rate
Shinkin Central Bank	Nov. 1, 2013	1,000	1,000	0.688%	Sep. 20, 2018	
Sumitomo Mitsui Banking Corporation	Mar. 15, 2013	3,500	3,500	0.524% (Note 8)	Mar. 20, 2019	Unsecured Unguaranteed (Note 8)
ORIX Bank Corporation	Nov. 1, 2013	1,000	1,000	0.753%	Mar. 20, 2019	Unsecured Unguaranteed Fixed interest rate
The Norinchukin Bank	Feb. 28, 2014	1,600	1,600	0.620% (Note 8)	Mar. 20, 2019	Unsecured Unguaranteed (Note 8)
Resona Bank, Limited	Apr. 8, 2014	1,000	1,000	0.708%	Mar. 20, 2019	Unsecured Unguaranteed Fixed interest rate
Sumitomo Mitsui Banking Corporation	Jun. 20, 2012	4,500	4,500	0.693% (Note 8)	Jun. 20, 2019	Unsecured Unguaranteed (Note 8)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jun. 28, 2012	2,200	2,200	0.960%	Jun. 20, 2019	Unsecured Unguaranteed Fixed interest rate
Aozora Bank, Ltd.	May 16, 2013	2,000	2,000	0.523% (Note 8)	Jun. 20, 2019	Unsecured Unguaranteed (Note 8)
Shinsei Bank, Limited	May 16, 2013	1,000	1,000	1.056%	Jun. 20, 2019	Unsecured Unguaranteed Fixed interest rate
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Oct. 2, 2014	-	1,000	0.511%	Sep. 20, 2019	
Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	4,000	4,000	0.555% (Note 8)	Sep. 20, 2019	Unsecured Unguaranteed (Note 8)
Mizuho Bank, Ltd.		637	637			
Aozora Bank, Ltd.		1,570	1,570			
Aozora Bank, Ltd.	Aug. 29, 2014	-	1,200	0.593%	Sep. 20, 2019	Unsecured Unguaranteed Fixed interest rate
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 15, 2013	4,000	4,000	0.800%	Mar. 23, 2020	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 21, 2013	2,427	2,427	0.780%	Mar. 23, 2020	Unsecured Unguaranteed (Note 8)
Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	1,209	1,209	0.617% (Note 8)	Mar. 23, 2020	
Mitsubishi UFJ Trust and Banking Corporation		869	869			
Resona Bank, Limited		339	339			
Mitsubishi UFJ Trust and Banking Corporation	Mar. 20, 2014	1,300	1,300	0.640% (Note 8)	Mar. 23, 2020	
Development Bank of Japan Inc.	Jun. 20, 2012	900	900	1.370%	Jun. 20, 2020	Unsecured Unguaranteed Fixed interest rate
Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2013	1,000	1,000	0.631% (Note 8)	Jun. 20, 2020	Unsecured Unguaranteed (Note 8)
Sumitomo Mitsui Banking Corporation		1,650	1,650			
Mizuho Bank, Ltd.		1,000	1,000			
Aozora Bank, Ltd.		2,000	2,000			
Mizuho Trust & Banking Co., Ltd.		500	500			
Sumitomo Mitsui Trust Bank, Limited	Mar. 15, 2013	4,500	4,500	0.668% (Note 8)	Sep. 23, 2020	Unsecured Unguaranteed Fixed interest rate
Sumitomo Mitsui Trust Bank, Limited	Mar. 21, 2013	3,283	3,283	0.668% (Note 8)	Sep. 23, 2020	
Nippon Life Insurance Company	Sep. 20, 2013	1,000	1,000	1.000%	Sep. 23, 2020	
Development Bank of Japan Inc.	Nov. 1, 2013	2,400	2,400	0.826%	Sep. 23, 2020	
Shinsei Bank, Limited	Nov. 29, 2013	2,500	2,500	0.888%	Sep. 23, 2020	
Mizuho Trust & Banking Co., Ltd.	Feb. 28, 2014	1,300	1,300	0.858%	Dec. 21, 2020	Unsecured Unguaranteed (Note 8)
Sumitomo Mitsui Banking Corporation	Mar. 20, 2014	5,800	5,800	0.850% (Note 8)	Mar. 22, 2021	

The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 20, 2014	1,400	1,400	0.830%	Mar. 22, 2021	Unsecured Unguaranteed Fixed interest rate
Mizuho Bank, Ltd.	Mar. 20, 2014	1,400	1,400	0.841%	Mar. 22, 2021	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 28, 2014	2,200	2,200	0.850%	Mar. 22, 2021	
Sumitomo Mitsui Trust Bank, Limited	Apr. 8, 2014	5,700	5,700	0.883%	Mar. 22, 2021	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Aug. 29, 2014	-	1,900	0.690%	Mar. 22, 2021	
Sumitomo Mitsui Banking Corporation	Oct. 2, 2014	-	2,000	0.619% (Note 8)	Mar. 22, 2021	Unsecured Unguaranteed (Note 8)
Mizuho Bank, Ltd.	May 1, 2014	1,700	1,700	0.737% (Note 8)	Jun. 21, 2021	
Sumitomo Mitsui Banking Corporation	May 1, 2014	1,000	1,000	0.872% (Note 8)	Jun. 21, 2021	
Mitsubishi UFJ Trust and Banking Corporation	May 1, 2014	1,000	1,000	0.770% (Note 8)	Jun. 21, 2021	
Mitsubishi UFJ Trust and Banking Corporation	Aug. 29, 2014	-	3,000	0.670% (Note 8)	Dec. 20, 2021	
Sumitomo Mitsui Trust Bank, Limited	Mar. 20, 2014	2,600	2,600	1.030%	Mar. 22, 2022	Unsecured Unguaranteed Fixed interest rate
Mizuho Bank, Ltd.	Oct. 2, 2014	-	3,000	0.661% (Note 8)	Mar. 22, 2022	Unsecured Unguaranteed (Note 8)
Mizuho Bank, Ltd.	Nov. 25, 2014	-	2,000	0.672% (Note 8)	Jun. 20, 2022	
Sumitomo Mitsui Trust Bank, Limited	Oct. 2, 2014	-	2,800	0.814%	Sep. 20, 2022	Unsecured Unguaranteed Fixed interest rate
Sumitomo Mitsui Trust Bank, Limited	Dec. 20, 2013	3,400	3,400	1.239%	Dec. 20, 2022	
Sumitomo Mitsui Trust Bank, Limited	Nov. 25, 2014	-	6,500	0.842%	Mar. 20, 2023	
Total		166,457	186,407			

Borrowings Total	182,207	190,657	
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- Notes: 1. Amounts in balance at the beginning and end of the fiscal period 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. From December 20, 2010 as the first repayment date, ¥50 million will be repaid every six months and ¥1,350 million will be repaid on the final repayment date (June 20, 2017).
4. As for this borrowing, United Urban made a full repayment on July 22, 2014 prior to the principal repayment date (completion of repayment).
5. As for this borrowing, United Urban made a full repayment on November 20, 2014 prior to the principal repayment date (completion of repayment).
6. As for this borrowing, United Urban made a full repayment on December 22, 2014 prior to the principal repayment date (completion of repayment).
7. Of the borrowing balance of ¥8,300 million, United Urban made an early repayment with regard to ¥2,600 million which has been borrowed from Sumitomo Mitsui Trust Bank, Limited on December 22, 2014. Therefore, the balance after the early repayment is ¥5,700 million.
8. It is a borrowing with floating interest rate applying the Japanese Bankers Association (JBA) one month JPY TIBOR or the one month Euroyen LIBOR as a basic interest rate. However, the interest rate for this borrowing is, in effect, fixed due to the execution of an interest rate swap agreement. The adjusted interest rate in consideration of swap transactions is stated.
9. Sompo Japan Insurance Inc. merged with NIPPONKOA Insurance Co., Ltd. on September 1, 2014, and changed its company name to "Sompo Japan Nipponkoa Insurance Inc."

### 3. Corporate Bonds

Corporate Bonds as of November 30, 2014 were as follows:

Name	Balance at the beginning of the 22nd FP (Millions of yen)	Balance at the end of the 22nd FP (Millions of yen)	Interest Rate (%)	Issue Date	Maturity Date	Redemption Method
Series 2 of Unsecured Corporate Bonds	10,000	10,000	1.910	Jul. 12, 2005	Jul. 10, 2015	Bullet payment
Series 5 of Unsecured Corporate Bonds (Note)	7,000	7,000	1.000	Dec. 16, 2011	Dec. 16, 2014	Bullet payment
Series 6 of Unsecured Corporate Bonds	3,000	3,000	1.120	Dec. 9, 2011	Dec. 9, 2016	Bullet payment
Series 7 of Unsecured Corporate Bonds	6,500	6,500	0.950	Jul. 5, 2012	Jul. 5, 2017	Bullet payment
Series 8 of Unsecured Corporate Bonds	10,000	10,000	0.800	Aug. 6, 2012	Aug. 5, 2016	Bullet payment
Series 9 of Unsecured Corporate Bonds	10,000	10,000	0.620	Dec. 19, 2012	Dec. 19, 2016	Bullet payment
Series 10 of Unsecured Corporate Bonds	4,000	4,000	0.690	Dec. 12, 2012	Dec. 12, 2017	Bullet payment
Series 11 of Unsecured Corporate Bonds	8,000	8,000	0.690	May 30, 2013	May 30, 2018	Bullet payment
Series 12 of Unsecured Corporate Bonds	2,000	2,000	0.690	May 30, 2013	May 30, 2018	Bullet payment
Series 13 of Unsecured Corporate Bonds	13,000	13,000	0.470	Nov. 20, 2013	Nov. 20, 2018	Bullet payment
Series 14 of Unsecured Corporate Bonds	2,000	2,000	0.470	Nov. 20, 2013	Nov. 20, 2018	Bullet payment
Series 15 of Unsecured Corporate Bonds	-	3,000	0.525	Oct. 30, 2014	Oct. 29, 2021	Bullet payment
Total	75,500	78,500				

Note: The Series 5 of Unsecured Corporate Bonds was redeemed at maturity on December 16, 2014.

## Trading Activities during the Period

### 1. Trading of Real Estate and Real Estate-Backed Securities

(Millions of yen)

Type of Asset	Name of Properties	Acquisition		Transfer			
		Date	Acquisition price (Note)	Date	Sale price	Book value	Gain or loss on sale
Trust beneficial interest in real estate	Hirose-dori SE Building	Jun. 13, 2014	3,600	-	-	-	-
Trust beneficial interest in real estate	Plussing Wave Enoshima	Aug. 29, 2014	1,800	-	-	-	-
Trust beneficial interest in real estate	Glenpark Umeda-kita	Aug. 29, 2014	5,150	-	-	-	-
Trust beneficial interest in real estate	Logistics Higashi-Ohgishima	Oct. 2, 2014	8,300	-	-	-	-
Trust beneficial interest in real estate	MT Ariake Center Building I&II	Nov. 25, 2014	8,000	-	-	-	-
Total		-	26,850	-	-	-	-

Note: The "Acquisition price" is the price stated in the each sale and purchase agreement of the asset, and do not include consumption taxes and expenses necessary for making the relevant acquisition (e.g. agency fees, taxes and impositions).

### 2. Trading of Other Assets

Major assets other than the transactions stated in "1. Trading of Real Estate and Real Estate-Backed Securities" are generally bank deposits and bank deposits in trust.

### 3. Research for Specified Assets

(1) Real estates (Note 1)

Acquisition or Sale	Type of Asset	Name of Properties	Transaction Date	Acquisition Price or Sale Price (Millions of yen) (Note 2)	Appraisal Value (Millions of yen)	Date of Valuation	Real Estate Appraisal Organization
Acquisition	Trust beneficial interest in real estate	Hirose-dori SE Building	Jun. 13, 2014	3,600	3,740	Apr. 1, 2014	Japan Real Estate Institute
	Trust beneficial interest in real estate	Plussing Wave Enoshima	Aug. 29, 2014	1,800	2,010	Aug. 1, 2014	Japan Real Estate Institute
	Trust beneficial interest in real estate	Glenpark Umeda-kita	Aug. 29, 2014	5,150	5,380	Aug. 1, 2014	The Tanizawa Sōgō Appraisal Co., Ltd.
	Trust beneficial interest in real estate	Logistics Higashi-Ohgishima	Oct. 2, 2014	8,300	8,650	Sep. 1, 2014	Japan Real Estate Institute
	Trust beneficial interest in real estate	MT Ariake Center Building I&II	Nov. 25, 2014	8,000	8,160	Oct. 1, 2014	Japan Real Estate Institute

Notes: 1. As for transactions that require appraisal values of real estate, etc. regarding specified assets, the appraisal was conducted by Japan Real Estate Institute and The Tanizawa Sōgō Appraisal Co., Ltd. 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. The "Acquisition Price or Sale Price" is the price stated in the sale and purchase agreement of the asset, and do not include consumption taxes and expenses necessary for making the relevant acquisition or sale (e.g. agency fees, taxes and impositions).

(2) Others

As for transactions conducted by United Urban other than the transactions stated above in "(1) Real estates" that require research of value, etc. of specified assets pursuant to Article 201 of the Investment Trust Act, United Urban entrusts the research to Ernst & Young ShinNihon LLC.

During the 22nd fiscal period (from June 1, 2014 to November 30, 2014), fourteen interest rate swap transactions were subject to the research, and United Urban has received the results from Ernst & Young ShinNihon LLC. As for the research, United Urban entrusted the research on name, brand, contract value, financial instruments or financial index, transaction period, and other matters related to the interest rate swap transaction.

#### 4. Trading with Related Parties and Major Shareholders

##### (1) Status of transactions

Category	Amount of Purchase and Sale Price etc.	
	Purchase price etc. (Thousands of yen)	Sale price etc. (Thousands of yen)
Total Amount	26,850,000 (100.0%)	-
	Purchase prices from related parties and major shareholders	Sale prices to related parties and major shareholders
	3,600,000 (13.4%)	-
Breakdown of transactions with related parties and major shareholders		
Sendai Higashi-guchi G.K.	Hirose-dori SE Building 3,600,000 (13.4%)	-

##### (2) Amount of commissions paid to related parties and major shareholders

Category	Total Commissions Paid (A) (Thousands of yen)	Description of Transactions with Related Parties and Major Shareholders		(B)/(A) (%)
		Payee	Amount paid (B) (Thousands of yen)	
Brokerage Commission	249,100	Marubeni Asset Management Co., Ltd.	108,000	43.4
		Marubeni Real Estate Co., Ltd. (Note 3)	141,100	56.6
Property Management Fees	1,222,671	Marubeni Real Estate Co., Ltd. (Note 3)	279,124	22.8
Casualty Insurance Premium	23,281	Marubeni Safenet Co., Ltd.	23,010	98.8
Construction Management Fees	27,007	Marubeni Real Estate Co., Ltd. (Note 3)	9,396	34.8

Notes: 1. "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. In addition, "Related Parties" includes major shareholders of the asset management company as defined in Article 29-4, Paragraph 2 of the Financial Instruments and Exchange Act. Among Related Parties, the above-mentioned companies have conducted business or have received payment of commissions during the 22nd fiscal period are stated above.

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

Marubeni Real Estate Co., Ltd. (Note 3): ¥30,892 thousand

3. Marubeni Real Estate Co., Ltd. succeeded to a property management business and its incidental business ("Business subject to Split") from Marubeni Community Co., Ltd. in accordance with the absorption-type company split as of June 1, 2014 as the effective date. Accordingly, Marubeni Real Estate Co., Ltd. has succeeded to the status of Marubeni Community Co., Ltd., which was a property management company of United Urban, for the Business subject to Split. In addition, Marubeni Real Estate Co., Ltd. changed its company name to Marubeni Real Estate Management Co., Ltd. on December 1, 2014.

## Others

### 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 22nd fiscal period.



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## BALANCE SHEETS

(As of November 30, 2014 and May 31, 2014)

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and bank deposits	¥ 50,179,477	¥ 41,709,017
Rent receivables	399,351	358,919
Consumption taxes refundable	65,167	57,392
Other current assets	116,242	509,810
Total current assets	50,760,239	42,635,140
<b>PROPERTY AND EQUIPMENT, AT COST:</b>		
Land	329,918,790	313,102,181
Buildings and structures	212,231,845	200,580,039
Machinery and equipment	1,990,893	1,776,023
Tools, furniture and fixtures	425,076	365,256
Construction in progress	39,462	35,074
Subtotal	544,606,069	515,858,575
Less accumulated depreciation	(40,320,276)	(36,941,655)
Net property and equipment	504,285,792	478,916,920
<b>INVESTMENTS AND OTHER ASSETS:</b>		
Software	35,269	29,136
Leasehold	3,930,277	3,930,277
Other intangible assets	219,101	225,765
Security deposits paid	90,266	90,279
Long-term prepaid expenses	2,094,722	1,980,349
<b>TOTAL ASSETS</b>	<b>¥ 561,415,668</b>	<b>¥ 527,807,870</b>

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Trade accounts payable	¥ 1,438,510	¥ 1,601,991
Current portion of corporate bonds	17,000,000	7,000,000
Long-term debt due for repayment within one year	4,250,000	15,750,000
Accrued expenses	494,866	490,090
Income taxes payable	9	19,542
Rent received in advance	2,828,185	2,630,175
Other current liabilities	130,387	66,404
<b>Total current liabilities</b>	<b>26,141,959</b>	<b>27,558,204</b>
<b>LONG-TERM LIABILITIES:</b>		
Corporate bonds	61,500,000	68,500,000
Long-term debt	186,407,000	166,457,000
Leasehold and security deposits received	29,019,090	28,084,632
Derivatives liabilities	12,199	-
<b>Total long-term liabilities</b>	<b>276,938,290</b>	<b>263,041,632</b>
<b>Total liabilities</b>	<b>303,080,249</b>	<b>290,599,836</b>
<b>NET ASSETS</b>		
<b>UNITHOLDERS' EQUITY:</b>		
Units authorized: 10,000,000 units as of November 30, 2014 and May 31, 2014		
Units issued and outstanding: 2,512,246 units as of November 30, 2014 and 2,380,181 units as of May 31, 2014	219,768,557	199,230,469
Capital surplus	23,548,287	23,548,287
Reserve for distribution	7,754,927	7,754,927
Retained earnings	7,275,845	6,674,349
<b>VALUATION AND TRANSLATION ADJUSTMENTS:</b>		
Deferred gains or losses on hedges	(12,199)	-
<b>Total net assets</b>	<b>258,335,418</b>	<b>237,208,033</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>¥ 561,415,668</b>	<b>¥ 527,807,870</b>

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

# STATEMENTS OF INCOME AND RETAINED EARNINGS

(For the fiscal periods ended November 30, 2014 and May 31, 2014)

	Thousands of yen	
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)
<b>OPERATING REVENUES</b>		
Rental revenues	¥ 17,349,664	¥ 16,348,932
Other rental revenues	1,334,161	1,199,103
	18,683,825	17,548,036
<b>OPERATING EXPENSES</b>		
Property-related expenses	8,199,426	7,757,790
Asset management fees	1,496,485	1,429,032
Administrative service fees	83,189	85,979
Other operating expenses	254,310	258,159
	10,033,412	9,530,962
<b>OPERATING INCOME</b>	8,650,413	8,017,074
<b>NON-OPERATING REVENUES</b>		
Interest income	2,948	2,209
Reversal of cash distributions payable	1,344	1,618
Insurance income	1,135	14,285
Interest on refund	576	9
Other non-operating revenues	286	2,561
	6,291	20,684
<b>NON-OPERATING EXPENSES</b>		
Interest expense	951,217	959,384
Interest expense on corporate bonds	333,558	342,847
Corporate bond issuance expenses	22,009	-
Investment unit issuance expenses	60,538	10,407
Other non-operating expenses	13,252	30,781
	1,380,576	1,343,420
<b>ORDINARY INCOME</b>	7,276,128	6,694,337
<b>INCOME BEFORE INCOME TAXES</b>	7,276,128	6,694,337
<b>INCOME TAXES</b>		
Current	605	19,988
	605	19,988
<b>NET INCOME</b>	7,275,523	6,674,349
<b>RETAINED EARNINGS BROUGHT FORWARD</b>	321	-
<b>RETAINED EARNINGS AT THE END OF PERIOD</b>	¥ 7,275,845	¥ 6,674,349

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

## STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY

(For the fiscal periods ended November 30, 2014 and May 31, 2014)

	Thousands of yen							
	Number of Units	Unitholders' Capital	Capital Surplus	Reserve for Distribution	Unappropriated Retained Earnings	Total Unitholders' Equity	Total Valuation and Translation Adjustments	Net Assets
<b>BALANCE AS OF NOVEMBER 30, 2013</b>	2,380,181	¥199,230,469	¥ 23,548,287	¥8,187,154	¥6,113,271	¥237,079,182	-	¥237,079,182
Reversal of reserve for distribution	-	-	-	(432,226)	-	(432,226)	-	(432,226)
Cash distributions disbursed	-	-	-	-	(6,113,271)	(6,113,271)	-	(6,113,271)
Net income	-	-	-	-	6,674,349	6,674,349	-	6,674,349
<b>BALANCE AS OF MAY 31, 2014</b>	2,380,181	¥199,230,469	¥ 23,548,287	¥7,754,927	¥6,674,349	¥237,208,033	-	¥237,208,033
Issuance of new investment units	132,065	20,538,088	-	-	-	20,538,088	-	20,538,088
Cash distributions disbursed	-	-	-	-	(6,674,027)	(6,674,027)	-	(6,674,027)
Net income	-	-	-	-	7,275,523	7,275,523	-	7,275,523
Net changes of items other than unitholders' equity	-	-	-	-	-	-	(12,199)	(12,199)
<b>BALANCE AS OF NOVEMBER 30, 2014</b>	2,512,246	¥219,768,557	¥ 23,548,287	¥7,754,927	¥7,275,845	¥258,347,618	¥(12,199)	¥258,335,418

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

## STATEMENTS OF CASH FLOWS

(For the fiscal periods ended November 30, 2014 and May 31, 2014)

	Thousands of yen	
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income taxes	¥ 7,276,128	¥ 6,694,337
Depreciation and amortization	3,409,965	3,358,834
Interest income and interest on securities	(2,948)	(2,209)
Interest expense and interest expense on corporate bonds	1,284,776	1,302,231
Corporate bond issuance expenses	22,009	-
Investment unit issuance expenses	60,538	10,407
Increase in rent receivables	(40,432)	(4,478)
Increase in consumption taxes refundable	(7,098)	(57,392)
Decrease (increase) in prepaid expenses	400,792	(409,509)
Decrease in long-term prepaid expenses	21,132	20,389
Increase (decrease) in trade accounts payable	13,803	(25,649)
Decrease in accrued expenses	(24,808)	(1,238)
Decrease in consumption taxes payable	-	(375,267)
Increase in rent received in advance	196,410	118,613
Other, net	(40,234)	(124,242)
Subtotal	12,570,035	10,504,826
Interest received	4,603	2,189
Interest paid	(1,421,549)	(1,607,845)
Income taxes paid	(20,138)	(414)
Net cash provided by operating activities	11,132,950	8,898,755
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(28,963,099)	(19,050,361)
Purchase of intangible assets	(1,396)	(2,227,177)
Proceeds from collection of leasehold and security deposits	876	30
Payments for leasehold and security deposits	(863)	-
Proceeds from leasehold and security deposits received	1,417,000	1,262,402
Payments for leasehold and security deposits received	(366,552)	(448,499)
Net cash used in investing activities	(27,914,034)	(20,463,605)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	23,400,000	33,100,000
Repayment of long-term debt	(14,950,000)	(17,726,000)
Proceeds from issuance of corporate bonds	2,981,790	-
Repayment of corporate bonds	-	(15,000,000)
Proceeds from issuance of investment units	20,495,156	-
Distributions to unitholders	(6,673,748)	(6,545,158)
Net cash (used in) provided by financing activities	25,253,198	(6,171,158)
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	8,472,114	(17,736,009)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	41,501,833	59,237,842
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	¥ 49,973,947	¥ 41,501,833

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



# NOTES TO FINANCIAL STATEMENTS

(November 30, 2014 and May 31, 2014)

## 1. ORGANIZATION AND BASIS OF PRESENTATION

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### **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 95% by Marubeni Corporation ("Marubeni") and 5% by Kyokuto Securities Co., Ltd. ("Kyokuto").

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, 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 ("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 November 30, 2014, the end of its 22nd fiscal period, United Urban had ownership of, or beneficial interests in, 29 retail properties, 39 office buildings, 9 hotels, 23 residential properties, 1 property which consisted of retail properties and an office building, 1 property which consisted of an office building and a hotel, and 6 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 22nd fiscal period began on June 1, 2014 and ended on November 30, 2014.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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### **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 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Buildings and structures	2 - 67 years	2 - 67 years
Machinery and equipment	2 - 17 years	2 - 17 years
Tools, furniture and fixtures	3 - 15 years	3 - 15 years

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

### ***Intangible Assets***

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

### ***Corporate Bond Issuance Expenses***

Corporate bond issuance expenses are expensed at once at the time of payment.

### ***Investment Unit Issuance Expenses***

Investment unit issuance expenses are expensed at once at the time of payment.

### ***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***

United Urban operates retail properties, office buildings, hotels, residential properties, and other properties which are rented to tenants. Revenues from these leases are recognized on an accrual basis over the life of each lease. Rental revenues include rent received, the recovery of utility charges and certain other income.

### ***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 ¥88,020 thousand of such property taxes and city planning taxes were capitalized for the fiscal period ended May 31, 2014 and ¥39,753 thousand of such property taxes and city planning taxes were capitalized for the fiscal period ended November 30, 2014.

### ***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.

### **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 statements 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 November 30, 2014.

## **3. PLEDGED ASSETS AND SECURED DEBT**

At November 30, 2014 and May 31, 2014, the following assets were pledged as collateral for the following debt:

#### *Pledged Assets*

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Cash and bank deposits	¥ 205,530	¥ 207,184
Land	4,204,726	4,204,726
Buildings and structures	4,001,601	4,110,066
Tools, furniture and fixtures	1,424	1,701
Total	¥ 8,413,282	¥ 8,523,678

#### *Debt Secured by Pledged Assets*

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Leasehold and security deposits received	¥ 1,547,945	¥ 1,547,945
Total	¥ 1,547,945	¥ 1,547,945

#### 4. LINE-OF-CREDIT AGREEMENT

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

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Total amount of commitment	¥ 30,000,000	¥ 30,000,000
Outstanding borrowings at end of the period	-	-
Amount unutilized at end of the period	¥ 30,000,000	¥ 30,000,000

#### 5. CONTINGENT LIABILITIES

With regard to Shinsaibashi OPA Honkan ("OPA Honkan") and Shinsaibashi OPA Kireikan ("OPA Kireikan"), a case to reduce the rent of these two properties (the "Case") was brought against United Urban at the Tokyo District Court on October 15, 2012 by OPA co., Ltd., the lessee of OPA Honkan and OPA Kireikan (the "Plaintiff"). Later, the Case was decided to be transferred to the Osaka District Court, and is now pending at the Osaka District Court.

The Plaintiff has requested to reduce the rent of OPA Honkan, from March 1, 2012 and onwards, by approximately 20% of the current level, and to reduce the rent of OPA Kireikan, from March 1, 2012 and onwards, by approximately 18% of the current level. However, United Urban believes that there are no reasonable grounds for their request to reduce the rent.

In addition, United Urban obtained an appraisal report with regard to the rent for the two properties as of March 1, 2013. Based on the appraisal report, United Urban filed a counterclaim to the Osaka District Court against OPA co., Ltd. on June 3, 2013, seeking to increase the rent of OPA Honkan, from June 1, 2013 and onwards, by approximately 7% of the current level, and to increase the rent of OPA Kireikan, from June 1, 2013 and onwards, by approximately 4% of the current level, and the counterclaim is also pending at the Osaka District Court together with the Case.

Depending on the results of the Case or the counterclaim, there may be some effects on the operating condition of United Urban. However, United Urban is not able to predict the effect at present.

#### 6. 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 million as minimum net assets.

#### 7. LONG-TERM DEBT

Long-term debt at November 30, 2014 and May 31, 2014 consisted of the following:

	End of 22nd Fiscal Period (As of November 30, 2014)		End of 21st Fiscal Period (As of May 31, 2014)	
	Amount (Thousands of yen)	Weighted- average interest rate (Note 1)	Amount (Thousands of yen)	Weighted- average interest rate (Note 1)
Unsecured loan from banks and a trust bank at floating interest rate, due June 20, 2014	-	-	¥ 8,700,000	0.747%
Unsecured loan from a trust bank at floating interest rate, due September 20, 2014	-	-	2,800,000	0.497%
Unsecured loans from banks and trust banks at fixed interest rate, due December 20, 2014	¥ 4,250,000	1.975%	4,250,000	1.975%
Unsecured loan from banks and a trust bank at floating interest rate, due March 20, 2016	5,000,000	0.545%	5,000,000	0.547%

Unsecured loan from a trust bank at floating interest rate, due June 20, 2016	-	-	3,400,000	0.747%
Unsecured loan from a bank at floating interest rate, due September 20, 2016	1,900,000	0.645%	1,900,000	0.647%
Unsecured loan from banks and a trust bank at floating interest rate, due September 20, 2016	8,300,000	0.595%	8,300,000	0.597%
Unsecured loan from a trust bank at floating interest rate, due December 20, 2016	2,000,000	0.595%	2,000,000	0.597%
Unsecured loan from banks at floating interest rate, due December 20, 2016	4,500,000	0.595%	4,500,000	0.597%
Unsecured loan from a bank and a trust bank at floating interest rate, due March 20, 2017	3,900,000	0.595%	3,900,000	0.597%
Unsecured loans from banks and an insurance company at fixed interest rate, due March 20, 2017	2,500,000	0.993%	2,500,000	0.993%
Unsecured loan from banks and a trust bank at floating interest rate, due March 20, 2017	5,500,000	0.595%	5,500,000	0.597%
Unsecured loan from a trust bank at floating interest rate, due March 20, 2017	3,500,000	0.495%	3,500,000	0.497%
Unsecured loan from a bank at fixed interest rate, due March 20, 2017	1,000,000	0.922%	1,000,000	0.922%
Unsecured loan from a bank at fixed interest rate, due June 20, 2017 (Note 2)	1,600,000	2.142%	1,650,000	2.142%
Unsecured loan from a bank at floating interest rate, due June 20, 2017	1,300,000	0.534% (Note 3)	1,300,000	0.547%
Unsecured loan from banks at floating interest rate, due June 20, 2017	2,300,000	0.534% (Note 3)	2,300,000	0.547%
Unsecured loan from a trust bank at floating interest rate, due June 20, 2017	2,500,000	0.484% (Note 3)	2,500,000	0.497%
Unsecured loan from a bank at floating interest rate, due June 20, 2017	2,400,000	0.434% (Note 3)	2,400,000	0.447%
Unsecured loan from a bank at fixed interest rate, due September 20, 2017	4,400,000	0.740%	4,400,000	0.740%
Unsecured loan from a bank at floating interest rate, due March 20, 2018	3,000,000	0.611% (Note 3)	3,000,000	0.597%
Unsecured loan from a bank at floating interest rate, due March 20, 2018	2,200,000	0.511% (Note 3)	2,200,000	0.497%
Unsecured loan from a bank at floating interest rate, due March 20, 2018	3,000,000	0.461% (Note 3)	3,000,000	0.447%
Unsecured loan from banks at floating interest rate, due March 20, 2018	3,823,000	0.461% (Note 3)	3,823,000	0.447%
Unsecured loan from a bank at fixed interest rate, due March 20, 2018	1,700,000	0.559%	1,700,000	0.559%
Unsecured loan from a trust bank at floating interest rate, due June 20, 2018	2,000,000	0.778% (Note 3)	2,000,000	0.778% (Note 3)
Unsecured loan from banks and a federation at floating interest rate, due June 20, 2018	3,500,000	0.449% (Note 3)	3,500,000	0.447%
Unsecured loan from a trust bank at floating interest rate, due June 20, 2018	1,000,000	0.735% (Note 3)	1,000,000	0.735% (Note 3)
Unsecured loan from a bank at fixed interest rate, due June 20, 2018	1,500,000	0.830%	1,500,000	0.830%
Unsecured loan from a bank at fixed interest rate, due September 20, 2018	2,800,000	1.464%	2,800,000	1.464%
Unsecured loan from banks and a trust bank at floating interest rate, due September 20, 2018	2,500,000	0.453% (Note 3)	2,500,000	0.447%
Unsecured loan from a bank at fixed interest rate, due September 20, 2018	1,000,000	0.781%	1,000,000	0.781%
Unsecured loan from a bank at fixed interest rate, due September 20, 2018	1,000,000	0.688%	1,000,000	0.688%
Unsecured loan from a bank at floating interest rate, due March 20, 2019	3,500,000	0.524% (Note 3)	3,500,000	0.497%
Unsecured loan from a bank at fixed interest rate, due March 20, 2019	1,000,000	0.753%	1,000,000	0.753%
Unsecured loan from a bank at floating interest rate, due March 20, 2019	1,600,000	0.620% (Note 3)	1,600,000	0.620% (Note 3)
Unsecured loan from a bank at fixed interest rate, due March 20, 2019	1,000,000	0.708%	1,000,000	0.708%
Unsecured loan from a bank at floating interest rate, due June 20, 2019	4,500,000	0.693% (Note 3)	4,500,000	0.647%
Unsecured loan from a bank at fixed interest rate, due June 20, 2019	2,200,000	0.960%	2,200,000	0.960%
Unsecured loan from a bank at floating interest rate, due June 20, 2019	2,000,000	0.523% (Note 3)	2,000,000	0.477%
Unsecured loan from a bank at fixed interest rate, due June 20, 2019	1,000,000	1.056%	1,000,000	1.056%

Unsecured loan from an insurance company at fixed interest rate, due September 20, 2019	1,000,000	0.511%	-	-
Unsecured loan from banks at floating interest rate, due September 20, 2019	6,207,000	0.555% (Note 3)	6,207,000	0.497%
Unsecured loan from a bank at fixed interest rate, due September 20, 2019	1,200,000	0.593%	-	-
Unsecured loan from a bank at fixed interest rate, due March 23, 2020	4,000,000	0.800%	4,000,000	0.800%
Unsecured loan from a bank at fixed interest rate, due March 23, 2020	2,427,000	0.780%	2,427,000	0.780%
Unsecured loan from banks and a trust bank at floating interest rate, due March 23, 2020	2,417,000	0.617% (Note 3)	2,417,000	0.527%
Unsecured loan from a trust bank at floating interest rate, due March 23, 2020	1,300,000	0.640% (Note 3)	1,300,000	0.640% (Note 3)
Unsecured loan from a bank at fixed interest rate, due June 20, 2020	900,000	1.370%	900,000	1.370%
Unsecured loan from banks and trust banks at floating interest rate, due June 20, 2020	6,150,000	0.631% (Note 3)	6,150,000	0.527%
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	4,500,000	0.668% (Note 3)	4,500,000	0.547%
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	3,283,000	0.668% (Note 3)	3,283,000	0.547%
Unsecured loan from an insurance company at fixed interest rate, due September 23, 2020	1,000,000	1.000%	1,000,000	1.000%
Unsecured loan from a bank at fixed interest rate, due September 23, 2020	2,400,000	0.826%	2,400,000	0.826%
Unsecured loan from a bank at fixed interest rate, due September 23, 2020	2,500,000	0.888%	2,500,000	0.888%
Unsecured loan from a trust bank at fixed interest rate, due December 21, 2020	1,300,000	0.858%	1,300,000	0.858%
Unsecured loan from a bank at floating interest rate, due March 22, 2021	5,800,000	0.850% (Note 3)	5,800,000	0.850% (Note 3)
Unsecured loan from a bank at fixed interest rate, due March 22, 2021	1,400,000	0.830%	1,400,000	0.830%
Unsecured loan from a bank at fixed interest rate, due March 22, 2021	1,400,000	0.841%	1,400,000	0.841%
Unsecured loan from a bank at fixed interest rate, due March 22, 2021	2,200,000	0.850%	2,200,000	0.850%
Unsecured loan from a trust bank at fixed interest rate, due March 22, 2021	5,700,000	0.883%	5,700,000	0.883%
Unsecured loan from a bank at fixed interest rate, due March 22, 2021	1,900,000	0.690%	-	-
Unsecured loan from a bank at floating interest rate, due March 22, 2021	2,000,000	0.619% (Note 3)	-	-
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,700,000	0.737% (Note 3)	1,700,000	0.737% (Note 3)
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,000,000	0.872% (Note 3)	1,000,000	0.872% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due June 21, 2021	1,000,000	0.770% (Note 3)	1,000,000	0.770% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due December 20, 2021	3,000,000	0.670% (Note 3)	-	-
Unsecured loan from a trust bank at fixed interest rate, due March 22, 2022	2,600,000	1.030%	2,600,000	1.030%
Unsecured loan from a bank at floating interest rate, due March 22, 2022	3,000,000	0.661% (Note 3)	-	-
Unsecured loan from a bank at floating interest rate, due June 20, 2022	2,000,000	0.672% (Note 3)	-	-
Unsecured loan from a trust bank at fixed interest rate, due September 20, 2022	2,800,000	0.814%	-	-
Unsecured loan from a trust bank at fixed interest rate, due December 20, 2022	3,400,000	1.239%	3,400,000	1.239%
Unsecured loan from a trust bank at fixed interest rate, due March 20, 2023	6,500,000	0.842%	-	-
<b>Total</b>	<b>¥ 190,657,000</b>		<b>¥ 182,207,000</b>	

Notes: 1. The average interest rate represents the weighted average during the period based on the number of days and the outstanding balance of the borrowing, and is rounded to the nearest third decimal place.

2. From December 20, 2010 as the first repayment date, ¥50 million will be repaid every six months and ¥1,350 million will be repaid on the final repayment date (June 20, 2017).

3. These are borrowings with floating interest rates applying the Japanese Bankers Association (JBA) one month JPY TIBOR or the one month Euroyen LIBOR as a basic interest rate. However, the interest rates for these borrowings are, in effect, fixed due to the execution of interest rate swap agreements. The adjusted interest rates in consideration of the swap transactions are stated.

## 8. CORPORATE BONDS

Corporate bonds at November 30, 2014 and May 31, 2014 consisted of the following:

	End of 22nd Fiscal Period (As of November 30, 2014)		End of 21st Fiscal Period (As of May 31, 2014)	
	Amount (Thousands of yen)	Interest rate	Amount (Thousands of yen)	Interest rate
Series 2 unsecured bonds, due July 10, 2015	¥ 10,000,000	1.910%	¥ 10,000,000	1.910%
Series 5 unsecured bonds, due December 16, 2014	7,000,000	1.000%	7,000,000	1.000%
Series 6 unsecured bonds, due December 9, 2016	3,000,000	1.120%	3,000,000	1.120%
Series 7 unsecured bonds, due July 5, 2017	6,500,000	0.950%	6,500,000	0.950%
Series 8 unsecured bonds, due August 5, 2016	10,000,000	0.800%	10,000,000	0.800%
Series 9 unsecured bonds, due December 19, 2016	10,000,000	0.620%	10,000,000	0.620%
Series 10 unsecured bonds, due December 12, 2017	4,000,000	0.690%	4,000,000	0.690%
Series 11 unsecured bonds, due May 30, 2018	8,000,000	0.690%	8,000,000	0.690%
Series 12 unsecured bonds, due May 30, 2018	2,000,000	0.690%	2,000,000	0.690%
Series 13 unsecured bonds, due November 20, 2018	13,000,000	0.470%	13,000,000	0.470%
Series 14 unsecured bonds, due November 20, 2018	2,000,000	0.470%	2,000,000	0.470%
Series 15 unsecured bonds, due October 29, 2021	3,000,000	0.525%	-	-
Total	¥ 78,500,000		¥ 75,500,000	

## 9. OPERATING REVENUES AND EXPENSES

Operating revenues and expenses for the fiscal periods ended November 30, 2014 and May 31, 2014 were as follows:

	Thousands of yen	
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)
<b>Operating Revenues</b>	¥ 18,683,825	¥ 17,548,036
<b>Rental Revenues</b>	17,349,664	16,348,932
Rental revenues	15,312,572	14,400,426
Common area charges	1,451,118	1,395,164
Parking revenues	470,144	439,132
Other	115,828	114,209
<b>Other Rental Revenues</b>	1,334,161	1,199,103
Incidental revenues	1,223,050	1,020,421
Temporary revenues (including cancellation charges)	38,540	108,439
Other miscellaneous revenues	72,570	70,242
<b>Property-Related Expenses</b>	8,199,426	7,757,790
Property and other taxes	1,456,472	1,310,706
Property management fees	1,222,671	1,180,470
Utilities	1,336,468	1,111,046
Casualty insurance	23,281	22,291
Repairs and maintenance	379,831	432,966
Depreciation and amortization	3,409,965	3,358,834
Other rental expenses	370,735	341,473
<b>Profit from rental activities</b>	¥ 10,484,398	¥ 9,790,245

## 10. INCOME TAXES

The significant components of deferred tax assets and deferred tax liabilities at November 30, 2014 and May 31, 2014 were summarized as follows:

22nd Fiscal Period (As of November 30, 2014)		21st Fiscal Period (As of May 31, 2014)	
(Deferred tax assets – current)		(Deferred tax assets – non current)	
Unconfirmed liabilities	¥ 853	Valuation difference on assets acquired by merger	¥24,717,847
Subtotal	853	Other	408
Valuation allowance	(853)	Subtotal	24,718,255
Total	-	Valuation allowance	(24,718,255)
(Deferred tax assets – non current)		Total	-
Valuation difference on assets acquired by merger	24,699,608	Total deferred tax assets	-
Other	306	(Net deferred tax assets)	-
Subtotal	24,699,915		
Valuation allowance	(24,699,915)		
Total	-		
Total 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, 2014 and May 31, 2014 were summarized as follows:

	22nd Fiscal Period (As of November 30, 2014)	21st Fiscal Period (As of May 31, 2014)
Statutory tax rate	34.16%	39.43%
(Adjustment)		
Distributions of tax-deductible dividends	(33.90)%	(39.31)%
Changes in valuation allowance	(0.24)%	0.14%
Other	(0.01)%	0.03%
Effective tax rate after the application of tax effect accounting	0.01%	0.29%

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, United Urban decided to distribute ¥6,674,027 thousand which is the amount that does not exceed the unappropriated retained earnings and is the amount equivalent to the maximum integral multiple of number of investment units issued and outstanding (2,380,181 units) for the 21st fiscal period and distribute ¥7,275,464 thousand which is the amount that does not exceed the unappropriated retained earnings and is the amount equivalent to the maximum integral multiple of number of investment units issued and outstanding (2,512,246 units) for the 22nd fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.

## 11. 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 assets 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 (no outstanding balance of debt at the end of the 22nd fiscal period) 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

The fair value of a financial instrument, in addition to values based on market prices, includes values based on reasonable calculations when there is no market price. Certain assumptions, etc. are adopted in the calculations of the said values and 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, 2014 and May 31, 2014 are as follows. However, the following table does not include the financial instruments whose fair values are deemed extremely difficult to measure. (Note 2)

(22nd Fiscal Period: As of November 30, 2014)

(Thousands of yen)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 27,351,231	¥ 27,351,231	-
(2) Cash and bank deposits in trust	22,828,246	22,828,246	-
Total assets	¥ 50,179,477	¥ 50,179,477	-
(3) Current portion of corporate bonds	¥ 17,000,000	¥ 17,097,520	¥ 97,520
(4) Long-term debt due for repayment within one year	4,250,000	4,254,306	4,306
(5) Corporate bonds	61,500,000	62,042,250	542,250
(6) Long-term debt	186,407,000	186,900,149	493,149
(7) Leasehold and security deposits received in trust	429,069	446,998	17,928
Total liabilities	¥ 269,586,069	¥ 270,741,224	¥ 1,155,154
(8) Derivative transactions (*)	¥ (12,199)	¥ (12,199)	-
Total derivative transactions	¥ (12,199)	¥ (12,199)	-

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

(21st Fiscal Period: As of May 31, 2014)

(Thousands of yen)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 19,845,869	¥ 19,845,869	-
(2) Cash and bank deposits in trust	21,863,148	21,863,148	-
Total assets	¥ 41,709,017	¥ 41,709,017	-
(3) Current portion of corporate bonds	¥ 7,000,000	¥ 7,027,300	¥ 27,300
(4) Long-term debt due for repayment within one year	15,750,000	15,792,531	42,531
(5) Corporate bonds	68,500,000	69,144,200	644,200
(6) Long-term debt	166,457,000	165,171,638	(1,285,361)
(7) Leasehold and security deposits received in trust	429,069	443,677	14,607
Total liabilities	¥ 258,136,069	¥ 257,579,347	¥ (556,722)
(8) Derivative transactions	-	-	-

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

(1) Cash and bank deposits / (2) Cash and bank deposits in trust

As these items are settled within a short period of time and the fair value approximates the book value, the fair value stated above is the book value thereof.

(3) Current portion of corporate bonds / (5) Corporate bonds

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

(4) Long-term debt due for repayment within one year / (6) 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 "17. 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 swap, by the rate assumed as being applicable in the event of the same type of new borrowings corresponding to the remaining loan term.

(7) Leasehold and security deposits received in trust

The fair value of these is based on the method of calculating by discounting the future cash flows of such by the rate that takes into account the credit risks and the remaining term until the repayment deadline.

(8) Derivative transactions

Please refer to "17. Derivative Transactions".

2. Financial instruments whose fair values are deemed extremely difficult to measure

	Thousands of yen	
	22nd Fiscal Period (As of November 30, 2014)	21st Fiscal Period (As of May 31, 2014)
Leasehold and security deposits received (*)	¥ 2,927,309	¥ 2,909,530
Leasehold and security deposits received in trust (*)	¥ 25,084,067	¥ 24,246,221

(\*) Concerning leasehold and security deposits received and leasehold and security deposits received in trust that are deposited by lessees, future cash flows cannot be estimated since there is no market price, since it is difficult to assume when such deposits will be returned due to such factors as possibility of early termination or renewal/re-contracting of the agreement even if the term of the lease agreement has been set and since trends cannot be derived based on analyses of past departures by tenants from the portfolio assets of United Urban due to the unique circumstances of each departure. Accordingly, discerning the fair value is concluded to be extremely difficult and, thus, fair value disclosure of these items is not required.

3. Amount of monetary claims and debt securities held to maturity to be repaid subsequent to November 30, 2014 and May 31, 2014

(22nd Fiscal Period: As of November 30, 2014)

(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
Cash and bank deposits	¥ 27,351,231	-	-	-	-	-
Cash and bank deposits in trust	22,828,246	-	-	-	-	-
Total	¥ 50,179,477	-	-	-	-	-

(21st Fiscal Period: As of May 31, 2014)

(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
Cash and bank deposits	¥ 19,845,869	-	-	-	-	-
Cash and bank deposits in trust	21,863,148	-	-	-	-	-
Total	¥ 41,709,017	-	-	-	-	-

4. Amount of borrowings and corporate bonds to be repaid subsequent to November 30, 2014 and May 31, 2014

(22nd Fiscal Period: As of November 30, 2014)

(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	¥ 17,000,000	¥ 10,000,000	¥ 19,500,000	¥ 29,000,000	-	¥ 3,000,000
Long-term debt	4,250,000	15,200,000	37,400,000	29,023,000	¥ 25,207,000	79,577,000
Total	¥ 21,250,000	¥ 25,200,000	¥ 56,900,000	¥ 58,023,000	¥ 25,207,000	¥ 82,577,000

(21st Fiscal Period: As of May 31, 2014)

(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	¥ 7,000,000	¥ 10,000,000	¥ 23,000,000	¥ 20,500,000	¥ 15,000,000	-
Long-term debt	15,750,000	5,000,000	36,500,000	28,273,000	22,400,000	¥ 74,284,000
Total	¥ 22,750,000	¥ 15,000,000	¥ 59,500,000	¥ 48,773,000	¥ 37,400,000	¥ 74,284,000

## 12. THE FAIR VALUE OF INVESTMENT AND RENTAL PROPERTIES

United Urban owns real estate assets 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, 2014 and May 31, 2014 are as follows:

(Thousands of yen)

Type of Use		22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)
Retail properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 174,075,394	¥ 167,732,131
	Change during the period (Note 2)	1,012,570	6,343,262
	Balance at the end of the period	175,087,964	174,075,394
	Fair value at the end of the period (Note 3)	¥ 184,168,000	¥ 178,918,000
Office buildings	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 196,948,429	¥ 192,019,858
	Change during the period (Note 2)	3,206,073	4,928,571
	Balance at the end of the period	200,154,503	196,948,429
	Fair value at the end of the period (Note 3)	¥ 218,324,000	¥ 211,016,000
Hotels	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 62,859,904	¥ 59,511,820
	Change during the period (Note 2)	(338,811)	3,348,083
	Balance at the end of the period	62,521,093	62,859,904
	Fair value at the end of the period (Note 3)	¥ 66,938,000	¥ 65,026,000

Residential properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 34,324,958	¥ 34,630,676
	Change during the period (Note 2)	5,029,565	(305,717)
	Balance at the end of the period	39,354,523	34,324,958
	Fair value at the end of the period (Note 3)	¥ 45,856,000	¥ 39,244,000
Others	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 14,638,510	¥ 11,106,655
	Change during the period (Note 2)	16,459,473	3,531,855
	Balance at the end of the period	31,097,984	14,638,510
	Fair value at the end of the period (Note 3)	¥ 32,800,000	¥ 15,620,000
Total	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	¥ 482,847,198	¥ 465,001,142
	Change during the period (Note 2)	25,368,871	17,846,055
	Balance at the end of the period	508,216,070	482,847,198
	Fair value at the end of the period (Note 3)	¥ 548,086,000	¥ 509,824,000

- Notes: 1. The carrying amount on the balance sheet is the acquisition value (including the expenses incidental to the acquisition) less accumulated depreciation.
2. Of the "Change during the period" for the 22nd fiscal period, the amount of the increase is primarily attributable to acquisition of five new properties (total: ¥27,667 million) and capital expenditures (¥1,084 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥3,403 million).  
Of the "Change during the period" for the 21st fiscal period, the amount of the increase is primarily attributable to acquisition of six new properties (total: ¥19,171 million) and capital expenditures (¥2,049 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥3,352 million).
3. The "Fair value at the end of the period" stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban's Articles of Incorporation and the rules of the Investment Trusts Association, Japan.

For the revenues and expenses concerning investment and rental properties, please refer to the aforementioned "9. OPERATING REVENUES AND EXPENSES."

### 13. TRANSACTIONS WITH RELATED PARTIES

(22nd Fiscal Period: June 1, 2014 – November 30, 2014)

#### 1. Asset Management Companies and Related Parties, etc.

Thousands of yen							
Company Name	Section	Share of Voting Rights (%)	Concurrently Serving Directors	Description of Transaction	Amount of Transaction (Note 1)	Account	Balance at the End of the Period (Note 1)
Sendai Higashi-guchi G.K.	Real estate	-	None	Acquisition of trust beneficial interest in real estate (Note 2)	¥ 3,600,000	-	-
Marubeni Asset Management Co., Ltd.	Investing	-	None	Brokerage commissions	108,000	-	-
Marubeni Real Estate Co., Ltd.	Real estate	-	None	Property leasing	74,852	Leasehold and security deposits received	¥ 37,497
				Other rental revenues	1,685	Rent receivables	254
				Brokerage commissions	141,100	-	-
				Property management fees	279,124	Trade accounts payable	50,544
				Construction management fees	9,396	Trade accounts payable	4,668
				Construction costs	30,892	Trade accounts payable	19,911
				Utilities	674	-	-
				Other rental expenses (including communication expenses)	4,985	Trade accounts payable	509

Marubeni Corporation	Wholesale industry	0.3	None	Property leasing	59,400	Leasehold and security deposits received	19,800
						Rent received in advance	9,900
				Utilities	162,975	Trade accounts payable	24,082
The Maruetsu, Inc.	Supermarket	-	None	Property leasing	78,096	Leasehold and security deposits received	739,000
						Rent received in advance	14,797
				Other rental revenues	10,124	Rent receivables	2,936
TIPNESS LIMITED	Fitness club operator	-	None	Property leasing	43,040	Leasehold and security deposits received	70,246
						Rent received in advance	7,747
				Other rental revenues	23,372	Rent receivables	4,121
Marubeni Real Estate Sales Co., Ltd.	Real estate	-	None	Property leasing	12,850	Leasehold and security deposits received	12,564
				Other rental revenues	1,295	Rent receivables	180
ARTERIA Networks Corporation	Telecommunications carrier	-	None	Property leasing	4,380	Leasehold and security deposits received	4,200
				Other rental revenues	926	Rent receivables	169
Benirei Corporation	Wholesale industry	-	None	Property leasing	1,970	Leasehold and security deposits received	3,383
						Rent received in advance	379
				Other rental revenues	281	Rent receivables	49
Marubeni Community Co., Ltd. (Note 4)	Real estate management	-	None	Property leasing	7,370	-	-
				Other rental revenues	941	-	-

- Notes: 1. "Amount of Transaction" is exclusive of consumption tax; however, "Balance at the End of the Period" is inclusive of consumption tax.  
2. Acquisition of trust beneficial interest in real estate refers to United Urban's acquisition of "Hirose-dori SE Building" from Sendai Higashi-guchi G.K. "Amount of Transaction" is the price indicated in the sale and purchase agreement, which does not include acquisition costs (brokerage commission, property taxes, etc.).  
3. Decisions relating to the terms and conditions of these related party transactions are based on market forces.  
4. Marubeni Community Co., Ltd. (its company name was changed to "Mitsubishi Jisho Marubeni Residence Services Co., Ltd." on July 1, 2014) does not fall under "Related Parties" after July 1, 2014 due to the establishment of a new holding company through a joint share transfer for the purpose of integrating the management with Mitsubishi Jisho Community Co., Ltd. Accordingly, as for Marubeni Community Co., Ltd., transactions conducted from June 1, 2014 to June 30, 2014 are stated.

## 2. Asset Custodian

Thousands of yen						
Company Name	Section	Share of Voting Rights (%)	Description of Transaction	Amount of Transaction (Note 1)	Account	Balance at the End of the Period (Note 1)
Sumitomo Mitsui Trust Bank, Limited	Trust bank	-	New long-term debt	¥ 9,300,000	Long-term debt	¥ 39,883,000
			Repayment of long-term debt	3,400,000		
			Repayment of long-term debt due for repayment within one year	3,850,000	Long-term debt due for repayment within one year	800,000
			Interest expenses	136,789	Accrued expenses	33,543
			Loan expenses	95,550	Long-term prepaid expenses	609,965
					Prepaid expenses	8,678
					Accrued expenses	2,340
			Commissions related to corporate bonds	5,943	Prepaid expenses	201

			Custodian fees	23,458	-	-
			Agent commissions	20,985	Accrued expenses	1,797

Notes: 1. "Amount of Transaction" is exclusive of consumption tax; however, "Balance at the End of the Period" is inclusive of consumption tax.  
2. Decisions relating to the terms and conditions of these related party transactions are based on market forces.

(21st Fiscal Period: December 1, 2013 – May 31, 2014)

1. Asset Management Companies and Related Parties, etc.

Thousands of yen							
Company Name	Section	Share of Voting Rights (%)	Concurrently Serving Directors	Description of Transaction	Amount of Transaction (Note 1)	Account	Balance at the End of the Period (Note 1)
Marubeni Asset Management Co., Ltd.	Investing	-	None	Brokerage commissions	¥ 144,000	-	-
MC Nagoya Shin-Sakae Real Estate Investment K.K.	Real estate	-	None	Acquisition of trust beneficial interest in real estate (Note 2)	1,480,000	-	-
MC Nagoya Meieki-minami Real Estate Investment K.K.	Real estate	-	None	Acquisition of trust beneficial interest in real estate (Note 3)	1,220,000	-	-
Marubeni Community Co., Ltd.	Real estate management	-	None	Property leasing	73,511	Leasehold and security deposits received	¥ 71,903
						Rent received in advance	7,960
				Other rental revenues	962	Rent receivables	627
				Property management fees	215,076	Trade accounts payable	42,875
				Construction management fees	3,285	Trade accounts payable	1,407
				Construction costs	34,754	Trade accounts payable	24,362
				Utilities	1,955	Trade accounts payable	292
				Other rental expenses	8,975	Trade accounts payable	321
Marubeni Real Estate Co., Ltd.	Real estate	-	None	Property leasing	4,529	Leasehold and security deposits received	18,467
				Other rental revenues	113	Rent receivables	71
				Property management fees	24,780	Trade accounts payable	3,253
				Construction management fees	4,813	Trade accounts payable	3,891
				Other rental expenses (including communication expenses)	86	Trade accounts payable	10
Marubeni Corporation	Wholesale industry	0.3	None	Acquisition of trust beneficial interest in real estate (Note 4)	2,100,000	-	-
				Property leasing	59,400	Leasehold and security deposits received	19,800
						Rent received in advance	9,900
				Utilities	144,889	Trade accounts payable	26,213
The Maruetsu, Inc.	Supermarket	-	None	Property leasing	72,275	Leasehold and security deposits received	739,000
						Rent received in advance	13,009
TIPNESS LIMITED	Fitness club operator	-	None	Property leasing	43,040	Leasehold and security deposits received	70,246
						Rent received in advance	7,747
				Other rental revenues	24,319	Rent receivables	4,343

Marubeni Real Estate Sales Co., Ltd.	Real estate	-	None	Property leasing	4,559	Leasehold and security deposits received	12,564
				Other rental revenues	246	Rent receivables	159
ARTERIA Networks Corporation	Telecommunications carrier	-	None	Property leasing	1,550	Leasehold and security deposits received	4,200
				Other rental revenues	210	Rent receivables	147

- Notes: 1. "Amount of Transaction" is exclusive of consumption tax; however, "Balance at the End of the Period" is inclusive of consumption tax.  
2. Acquisition of trust beneficial interest in real estate refers to United Urban's acquisition of "GRAND-SQUARE Shin-Sakae" from MC Nagoya Shin-Sakae Real Estate Investment K.K. "Amount of Transaction" is the price indicated in the sale and purchase agreement, which does not include acquisition costs (brokerage commission, property taxes, etc.).  
3. Acquisition of trust beneficial interest in real estate refers to United Urban's acquisition of "GRAND-SQUARE Meieki-minami" from MC Nagoya Meieki-minami Real Estate Investment K.K. "Amount of Transaction" is the price indicated in the sale and purchase agreement, which does not include acquisition costs (brokerage commission, property taxes, etc.).  
4. Acquisition of trust beneficial interest in real estate refers to United Urban's acquisition of "Shiba 520 Building" (the property name was changed from "Marubeni Corporation Tokyo Head Office Mita Annex" on April 1, 2014) from Marubeni Corporation. "Amount of Transaction" is the price indicated in the sale and purchase agreement, which does not include acquisition costs (brokerage commission, property taxes, etc.).  
5. Decisions relating to the terms and conditions of these related party transactions are based on market forces.

## 2. Asset Custodian

Thousands of yen						
Company Name	Section	Share of Voting Rights (%)	Description of Transaction	Amount of Transaction (Note 1)	Account	Balance at the End of the Period (Note 1)
Sumitomo Mitsui Trust Bank, Limited	Trust bank	-	New long-term debt	¥ 11,700,000	Long-term debt	¥ 33,983,000
			Repayment of long-term debt due for repayment within one year	6,055,000	Long-term debt due for repayment within one year	4,650,000
			Interest expenses	133,308	Accrued expenses	29,519
			Loan expenses	77,587	Long-term prepaid expenses	497,959
					Prepaid expenses	4,863
					Accrued expenses	3,167
			Commissions related to corporate bonds	801	Prepaid expenses	200
			Custodian fees	23,399	-	-
			Agent commissions	23,380	Accrued expenses	1,993

- Notes: 1. "Amount of Transaction" is exclusive of consumption tax; however, "Balance at the End of the Period" is inclusive of consumption tax.  
2. Decisions relating to the terms and conditions of these related party transactions are based on market forces.

## 14. 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, 2014 and May 31, 2014 for the fiscal periods then ended are summarized as follows:

	Yen	
	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	21st Fiscal Period (December 1, 2013 - May 31, 2014)
Net assets per unit	¥ 102,830	¥ 99,659
Net income per unit	¥ 2,905	¥ 2,804
Average number of investment units during the period (units)	2,503,839	2,380,181

## 15. SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents at November 30, 2014 and May 31, 2014 were as follows:

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Cash and bank deposits	¥ 50,179,477	¥ 41,709,017
Restricted deposits with a bank (Note)	(205,530)	(207,184)
Cash and cash equivalents	¥ 49,973,947	¥ 41,501,833

Note: "Restricted deposits with a bank" means the bank deposits in trust reserved for the refund of security deposits received from tenants.

## 16. LEASES

United Urban leases properties on which rental revenue is earned. At November 30, 2014 and May 31, 2014, future lease revenues under non-cancelable operating leases are summarized as follows:

	Thousands of yen	
	End of 22nd Fiscal Period (As of November 30, 2014)	End of 21st Fiscal Period (As of May 31, 2014)
Due within one year	¥ 14,997,474	¥ 14,452,042
Due over one year	44,860,868	47,160,351
Total	¥ 59,858,343	¥ 61,612,393

## 17. DERIVATIVE TRANSACTIONS

### 1. Derivative transactions not subject to hedge accounting

Fiscal period ended November 30, 2014: None

Fiscal period ended May 31, 2014: None

### 2. Derivative transactions subject to hedge accounting

(22nd Fiscal Period: As of November 30, 2014)

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	¥ 59,080,000	¥ 59,080,000	¥ (12,199)	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	25,400,000	25,400,000	(Note 1)	-
Total			¥ 84,480,000	¥ 84,480,000	¥ (12,199)	

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.

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



(21st Fiscal Period: As of May 31, 2014)

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		
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	¥ 15,400,000	¥ 15,400,000	(Note)	-

Note: 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.

## 18. SUBSEQUENT EVENTS

### **Cash Distribution**

On January 20, 2015, the Board of Directors of United Urban approved a resolution for the payment of a cash distribution of ¥2,896 per unit, amounting to ¥7,275,464 thousand in the aggregate, to unitholders of record as of November 30, 2014.

### **Issuance of New Investment Units**

In order to procure funds for repayment of interest-bearing liabilities and for the acquisition of new specified assets, United Urban resolved the issuance of 120,000 new investment units by way of public offering and the issuance of 12,065 new investment units (maximum) by way of third-party allotment at the board of directors' meeting of United Urban, held on November 20, 2014. Thereafter, United Urban determined the offer price, the selling price and other matters for the issuance of new investment units and secondary offering of investment units at the board of directors' meeting of United Urban, held on December 2, 2014. Based on these resolutions, the payment of ¥21,899 million in connection with the issuance of new investment units by way of public offering was completed on December 9, 2014, and the payment of ¥2,201 million in connection with the issuance of new investment units by way of third-party allotment (12,065 units) was also completed on January 7, 2015.

As a result, the United Urban's total unitholders' capital increased to ¥243,869 million and United Urban's total number of investment units issued and outstanding increased to 2,644,311 units.

#### a. Issuance of new investment units by way of public offering

Number of investment units issued	: 120,000 units
Offer price (per unit)	: ¥188,258
Total offer price	: ¥22,590,960,000
Issue price (per unit)	: ¥182,495
Total issue price	: ¥21,899,400,000
Payment date	: December 9, 2014 (Tuesday)
Starting date of the computation for cash distribution	: December 1, 2014 (Monday)

#### b. Issuance of new investment units by way of third-party allotment

Number of investment units issued	: 12,065 units
Issue price (per unit)	: ¥182,495
Total issue price	: ¥2,201,802,175
Payment date	: January 7, 2015 (Wednesday)
Starting date of the computation for cash distribution	: December 1, 2014 (Monday)
Allottee	: SMBC Nikko Securities Inc.

## Independent Auditor's Report

The Board of Directors  
United Urban Investment Corporation

We have audited the accompanying financial statements of United Urban Investment Corporation, which comprise the balance sheet as at November 30, 2014, and the statements of income and retained earnings, changes in unitholders' equity, and cash flows for the six-month period then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

### *Management's Responsibility 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 designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Urban Investment Corporation as at November 30, 2014, and its financial performance and cash flows for the six-month period then ended in conformity with accounting principles generally accepted in Japan.

### *Emphasis of Matter*

We draw attention to Note 18 to the financial statements, which describes, that United Urban Investment Corporation issued new investment units. Our opinion is not qualified in respect of this matter.

*Ernst & Young Shinnihon LLC*  
February 25, 2015

## Corporate Data

Set out below is certain corporate data of United Urban Investment Corporation (“United Urban”), as of November 30, 2014:

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:	¥219,768,557,541
Number of Unitholders:	23,449
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 Auditors:	Ernst & Young ShinNihon LLC Hibiya Kokusai Building, 2-2-3 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, 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

<http://www.united-reit.co.jp/eng/>

United Urban’s website offers various contents such as investment policies, basic structure, 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.

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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**

4-3-1 Toranomon, Minato-ku, Tokyo

<http://www.united-reit.co.jp/eng/>