

Semiannual Report

Twenty-sixth Fiscal Period

From June 1, 2016 to November 30, 2016



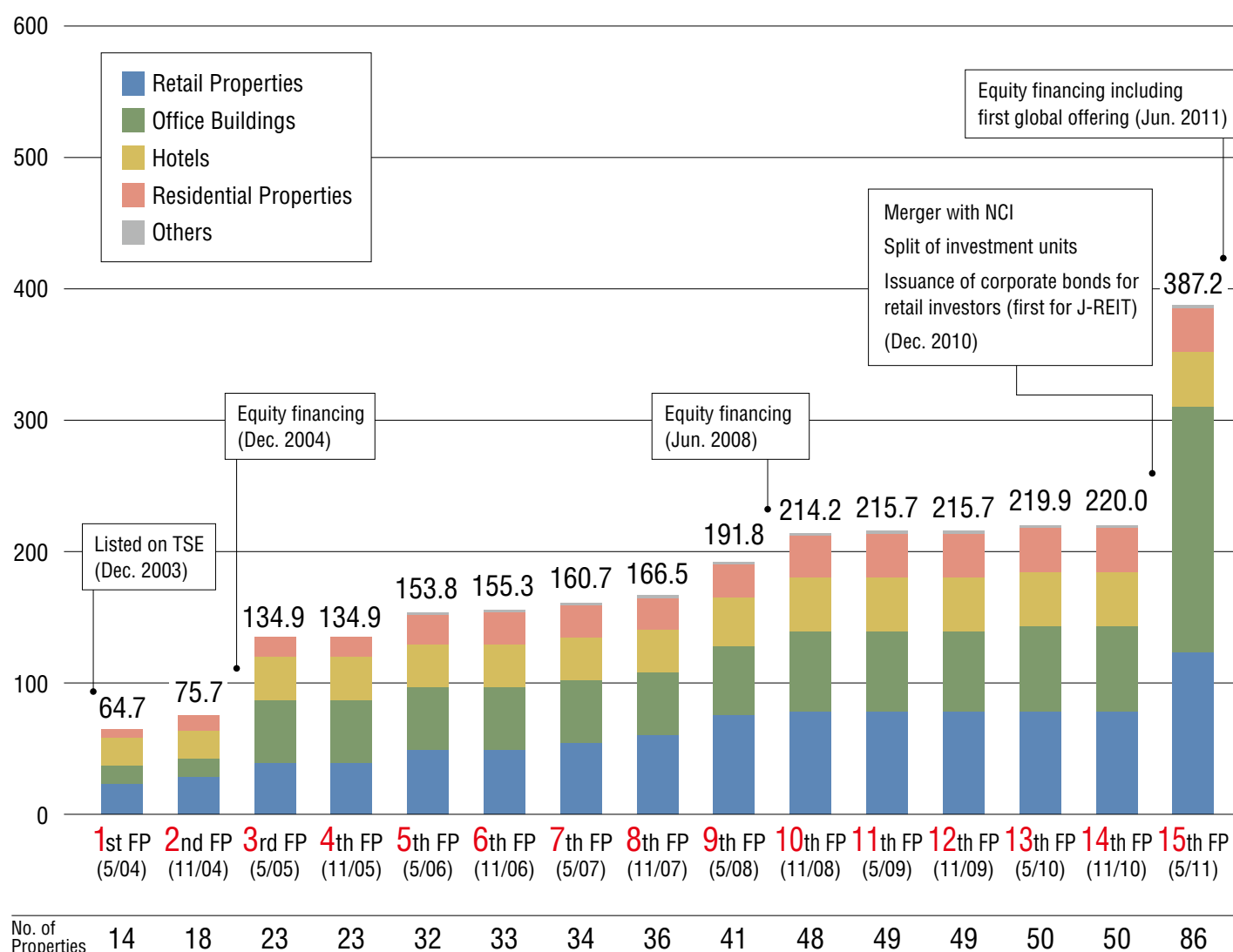
Profile

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 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.

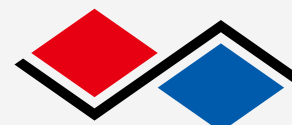
Growth of Assets (Note 1)

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^(Note) 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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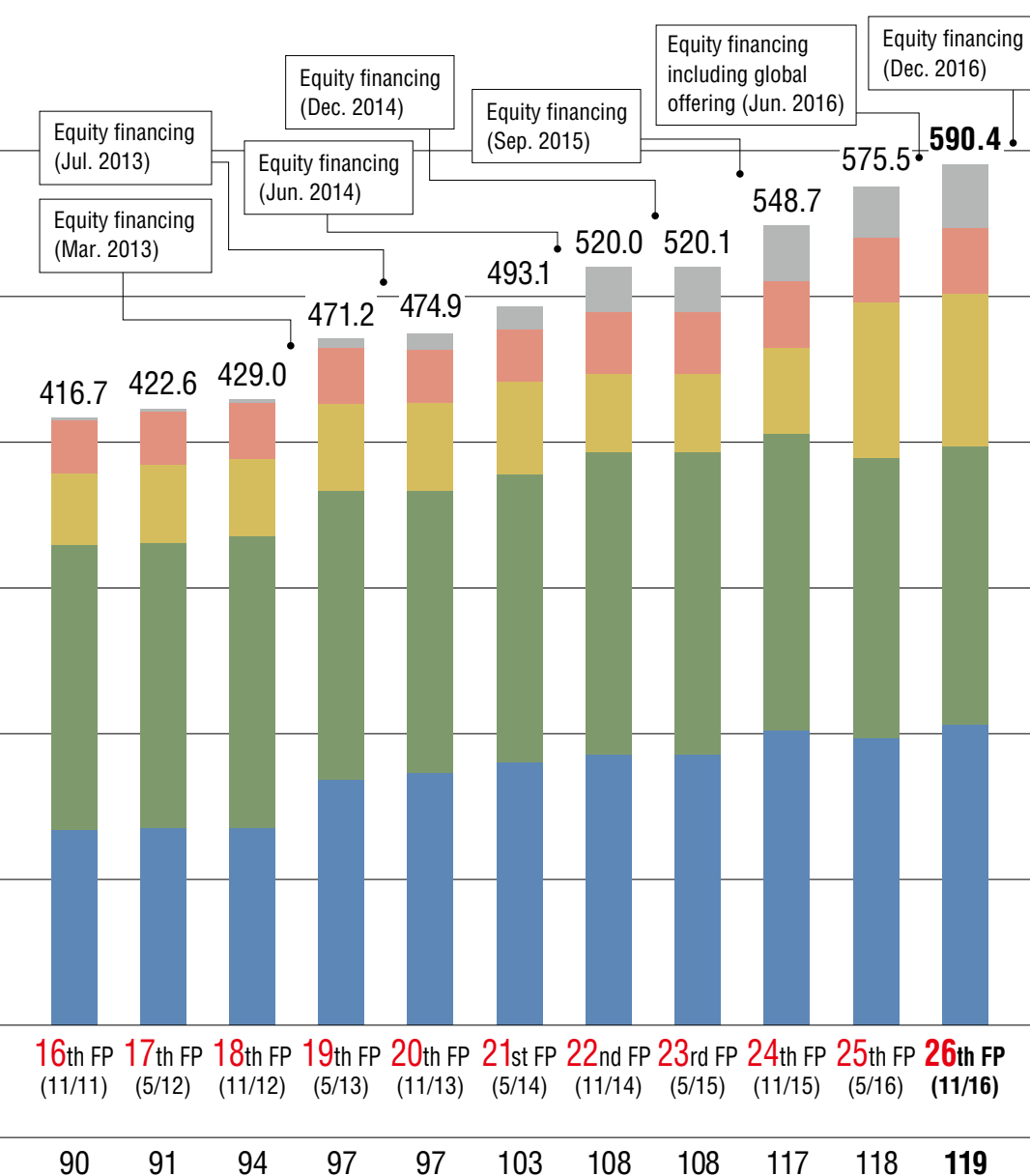
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Financial Section



Key Figures (As of November 30, 2016)

Cash Distribution per Unit for the 26th Fiscal Period

¥3,010

Occupancy Ratio

98.9%

Total Acquisition Price

¥590 billion

Number of Properties

119

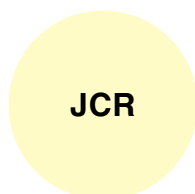
Loan-to-Value Ratio (LTV) (Note)

37.3%

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 18, 2017)

Long-Term Issuer Rating:



AA

Rating Outlook: Stable

Issuer Rating:



A3

Rating Outlook: Positive

Financial Highlights

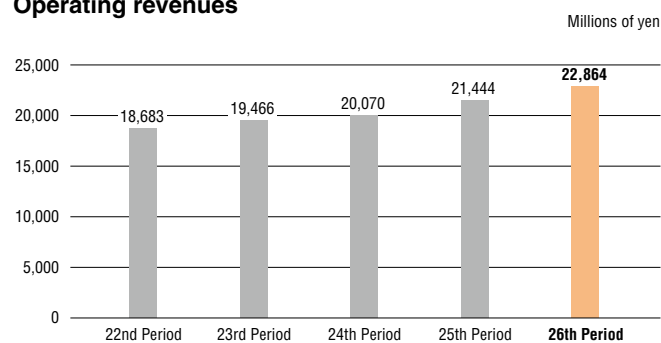
Millions of yen, except per unit information

	22nd Fiscal Period	23rd Fiscal Period	24th Fiscal Period	25th Fiscal Period	26th Fiscal Period
	June 1, 2014- November 30, 2014	December 1, 2014- May 31, 2015	June 1, 2015- November 30, 2015	December 1, 2015- May 31, 2016	June 1, 2016- November 30, 2016
Operating revenues	¥ 18,683	¥ 19,466	¥ 20,070	¥ 21,444	¥ 22,864
Operating income	8,650	9,113	9,427	10,591	11,057
Ordinary income	7,276	7,790	8,163	9,224	9,349
Net income	7,275	7,790 (Note 2)	7,916 (Note 1)	9,089 (Note 2)	9,348 (Note 2)
Cash distribution	7,275	7,668 (Note 2)	8,124 (Note 1)	8,254 (Note 2)	8,888 (Note 2)
Cash distribution per unit (Yen)	2,896	2,900 (Note 2)	2,953 (Note 1)	3,000 (Note 2)	3,010 (Note 2)
Total assets	561,415	573,318	598,077	629,262	648,105
Total unitholders' equity	258,335	282,906	297,340	298,009	333,592
Unitholders' equity per unit (Yen)	102,830	106,987	108,069	108,313	112,966

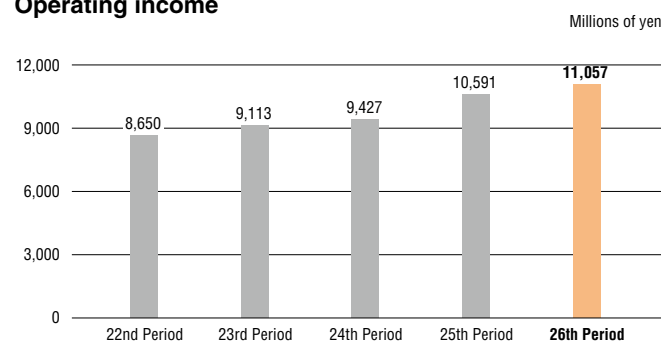
Notes: 1. The reversal of reserve for distribution (¥208 million) was added to the net income as the source of distribution, and the cash distribution per unit became ¥2,953.

2. For the 23rd fiscal period, United Urban carried forward ¥121 million of the total unappropriated retained earnings to the next fiscal period, and the cash distribution per unit became ¥2,900. For the 25th fiscal period, United Urban reserved ¥834 million from the total unappropriated retained earnings as reserve retained for distribution, and the cash distribution per unit became ¥3,000. For the 26th fiscal period, United Urban reserved ¥459 million from the total unappropriated retained earnings as reserve retained for distribution, and the cash distribution per unit became ¥3,010.

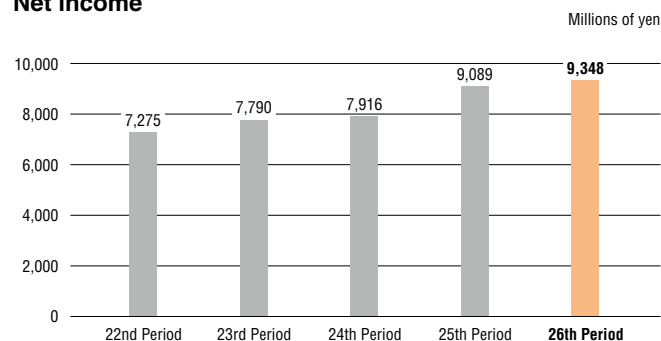
Operating revenues



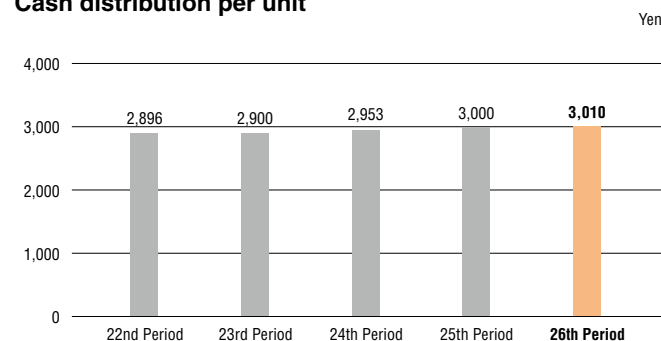
Operating income



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 26th fiscal period: the six-month period ended November 30, 2016.

United Urban was listed on the J-REIT section of the Tokyo Stock Exchange in December 2003 as a diversified J-REIT, investing in properties varied both in types of use and geographical location. Since its listing, United Urban has been making efforts to maintain or improve its revenues and reduce various risks for the purpose of obtaining stable earnings over the medium to long term. As of November 30, 2016 (the end of the 26th fiscal period), its asset size was ¥590.4 billion, and United Urban is one of the largest among all J-REITs in terms of asset size.

As a result of vigorous acquisition activities based on our diversified investment policy, in the 26th fiscal period United Urban purchased Kawagoe Logistics Center (Kawagoe City, Saitama Pref.), a logistic facility which has easy access to several major motorways; KURURU (Fuchu City, Tokyo Met.), a large-scale retail facility in front of Fuchu Station; and Asuto Nagamachi Dental Clinic (Sendai City, Miyagi Pref.), operated by Japan's leading dental clinic group. The total acquisition amount of these three properties was ¥18.0 billion. United Urban invested additionally in the preferred equity securities of *Tokutei Mokuteki Kaisha* (specific purpose company) that was initially acquired in the previous fiscal period (25th fiscal period ended May 31, 2016). United Urban also acquired the building located on the land adjacent to our existing property, "the b roppongi" attempting extension of the facility in the future (the acquisition of the adjacent land was completed in the 27th fiscal period ending May 31, 2017). Concurrently, United Urban sold two properties under our initiatives toward improvements in the quality and profitability of our properties, and realized a gain of ¥1,363 million on the sale.

The performance of our existing properties has been good due to the favorable business performance of Japanese corporations and the increase of foreign tourists. The properties acquired during the previous fiscal period (25th fiscal period ended May 31, 2016), increased rent revenues from properties adopting the variable rent system, and rent increases through negotiation with existing tenants have also contributed to this fiscal period's profit increase.

In the 26th fiscal period, United Urban was able to achieve continuous revenue and profit increase with operating revenues of ¥22,864 million, operating income of ¥11,057 million and net income of ¥9,348 million. We had expected to allocate ¥1,068 million to cash distribution from the reserve for distribution in this period to cover the increased costs and decrease of the rent revenues arising from large-scale renovation of the Himonya Shopping Center (former Daiei Himonya). However, we could dispense with such reversal thanks to the above-mentioned gain on sale of properties while increasing the dividend per unit. In order to strengthen the capability to cope with the risk, United Urban decided to retain ¥459 million, of the gains related to sale of properties as a reserve retained for distribution, which is not subject to corporate tax. Consequently, the cash distribution per unit for the 26th fiscal period became ¥3,010 (up by ¥10 per unit from the previous period) and we could increase distribution per unit for six consecutive fiscal periods since the 21st fiscal period.

For the 27th fiscal period ending May 31, 2017, the acquisition of two new properties (total acquisition price: ¥3.1 billion) was completed on December 1, 2016 and the acquisition of one more property (acquisition price: ¥2.5 billion) was completed on January 31, 2017. Moreover, a total of approximately ¥16.8 billion of equity was raised through the issuance of new investment units in order to strengthen financial standing and secure room for further external growth.

United Urban, together with its asset manager, Japan REIT Advisors Co., Ltd., will do its best to secure 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

Ikuo Yoshida
President and CEO
Japan REIT Advisors Co., Ltd.

Topics of 26th Fiscal Period

Acquisitions during the 26th Fiscal Period

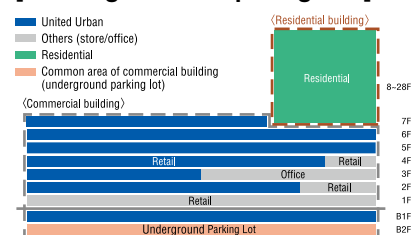
In the 26th fiscal period, as the competition for property acquisition intensifies, United Urban acquired three properties: a logistics facility, a large-scale commercial facility, and a dental clinic. Consequently, United Urban achieved steady external growth.

A40 KURURU

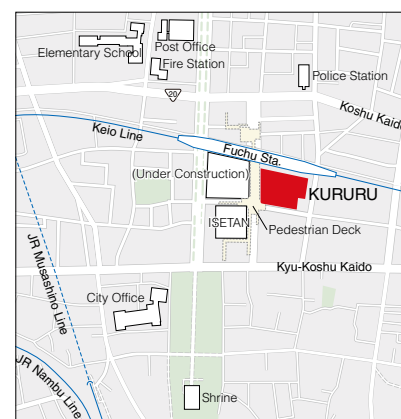
Retail Properties



[Building Ownership Image (Note)]



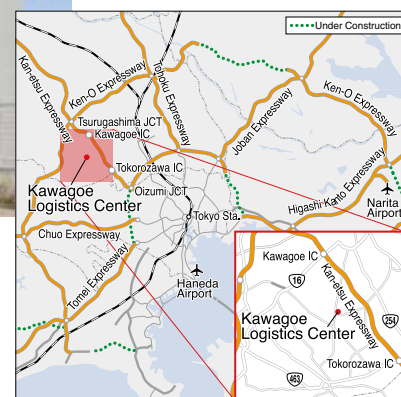
Note: This image is a conceptual representation of the part of the building owned by United Urban, and may differ from the shape, situation, ownership percentage, etc. of the actual building.



■ Acquisition Date	September 1, 2016	■ Construction	SRC/RC/S
■ Acquisition Price	¥9,285 million	■ Number of Floors	B3/28F
■ Location	Fuchu, Tokyo	■ Completed	February 2005
■ Site Area	7,266.41 m ²	■ Type of Ownership	Land: Right of Site (co-ownership)
■ Total Floor Space	59,361.08 m ²		Building: Compartmentalized Ownership

E9 Kawagoe Logistics Center

Others



■ Acquisition Date	June 17, 2016	■ Construction	RC/S
■ Acquisition Price	¥7,550 million	■ Number of Floors	4F
■ Location	Kawagoe, Saitama	■ Completed	August 2007
■ Site Area	32,665.82 m ²	■ Type of Ownership	Land: Proprietary Ownership
■ Total Floor Space	47,284.22 m ²		Building: Proprietary Ownership

Topics of 26th Fiscal Period

E10 Asuto Nagamachi Dental Clinic

Others

■ Acquisition Date	August 29, 2016
■ Acquisition Price	¥1,200 million
■ Location	Sendai, Miyagi
■ Site Area	2,009.14 m ²
■ Total Floor Space	1,554.09 m ²
■ Construction	S
■ Number of Floors	B1/2F
■ Completed	October 2014
■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership



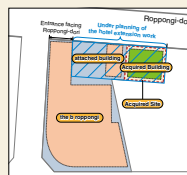
Pursuit of Internal Growth through Proactive Asset Management

Acquisition of the adjacent site to “the b roppongi” with expectations of future extension

United Urban acquired a building with leasehold on the adjacent site to the b roppongi in November 2016 and the land in January 2017 in order to enable the extension of the b roppongi in the future.

United Urban will investigate the extension work closely especially on its costs, expected profitability from the new leasing contract with the tenant and its risks. We are also considering renovation of the existing building on the occasion of the extension work.

In case the extension and renovation of the b roppongi are realized, United Urban expects an increase in rental revenues because the property competitiveness will be enhanced by improved visibility from the main road and an increase in hotel revenues.



Details of the Adjacent Site



Acquired Asset	Real Estate (land and building with leasehold)
Property Name	the adjacent site to the b roppongi
Acquisition Price	¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million)
Acquisition Date	Land: January 13, 2017; Building with leasehold: November 18, 2016

Notes: 1. The extension of the b roppongi is the policy or the objective as of the date hereof, but has not been decided.
2. The layout of building, etc. of the image is a conceptual representation of the part of the b roppongi and the adjacent site owned by United Urban and may differ from the actual shape, situation, etc. of the building and the land.



Sale of Properties

As part of initiatives to improve the quality and profitability of its properties, United Urban sold two properties, and realized gains of ¥1,363 million on the sale. United Urban decided to retain ¥459 million from the gains on sale of properties as a reserve retained for distribution in terms of the Investment Corporation's management from a medium- to long-term perspective.

Property Name	Location	Acquisition Price	Appraisal Value	Sale Price	Gain on Sale of Property	Date of Sale
 Yokohama Aioicho Building	Yokohama, Kanagawa	¥1,060 million	¥1,250 million	¥1,260 million	¥133 million	November 29, 2016
 HOTEL ROUTE-INN Nagoya Imaike Ekimae	Nagoya, Aichi	¥2,000 million	¥2,930 million	¥3,160 million	¥1,229 million	
Total		¥3,060 million	¥4,180 million	¥4,420 million	¥1,363 million	—

¥1,363 million of the profit on the sales of two properties in the 26th fiscal period was recorded in accounting, but a loss was recognized in taxation on the sale of Yokohama Aioicho Building (a property succeeded from the former NCI) (it brings about reduction of the taxable income).

As a result, the profit in accounting is bigger than that in taxation owing mainly to the sale of the former NCI property and part of the profit in accounting can be retained as reserve retained for distribution not subject to corporate tax as long as the conduit requirement is satisfied.

¥459 million of the profit of the 26th fiscal period has been retained as reserve retained for distribution.

Reserve retained for distribution

23rd fiscal period ¥121 million
25th fiscal period ¥834 million
26th fiscal period ¥459 million

Total amount of reserve retained for distribution **¥1,416 million**

Subsequent Events

Public Offering (Issuance of New Investment Units)

In order to increase debt financing capacity for future external growth by lowering LTV, United Urban implemented the public offering and third-party allotment in December 2016 and January 2017. The issuance was the tenth since the IPO of 2003 and was carried out for two consecutive fiscal periods following that of the 25th fiscal period.

[Overview]

Resolution Date of the Issuance	November 29, 2016	
Pricing Date	December 7, 2016	
Total Number of Investment Units Newly Issued	102,065 units	Public offering: 90,000 units Third-party allotment: 12,065 units
Offer Price (per unit)	¥169,736	
Issue Price (per unit)	¥164,540	
Total Issue Price	¥16,793 million	Public offering: ¥14,808 million Third-party allotment: ¥1,985 million
Payment Date	Public offering: December 14, 2016 Third-party allotment: January 12, 2017	



After the Offering	
Total Number of Investment Units Issued and Outstanding	2,953,022 units ➡ 3,055,087 units
Unitholders' Capital	¥292,411 million ➡ ¥309,205 million
LTV (Loan-to-Value Ratio)	42.8% ➡ 40.1% <small>(Note)</small>

Note: The ratio is the estimated figure as of January 18, 2017.

New Acquisitions

A41 K's Denki Nagoya-Kita

Retail Properties

■ Acquisition Date	December 1, 2016	■ Construction	S
■ Acquisition Price	¥1,750 million	■ Number of Floors	2F
■ Location	Nishikasugai-gun, Aichi	■ Completed	June 2000
■ Site Area	7,461.97 m ²	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	4,733.74 m ²		



D28 Scent Hills

Residential Properties

■ Acquisition Date	December 1, 2016	■ Construction	RC
■ Acquisition Price	¥1,300 million	■ Number of Floors	13F
■ Location	Osaka, Osaka	■ Completed	July 2010
■ Site Area	817.52 m ²	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	3,607.14 m ²		



E11 Shin-Narashino Logistics Center II

Others

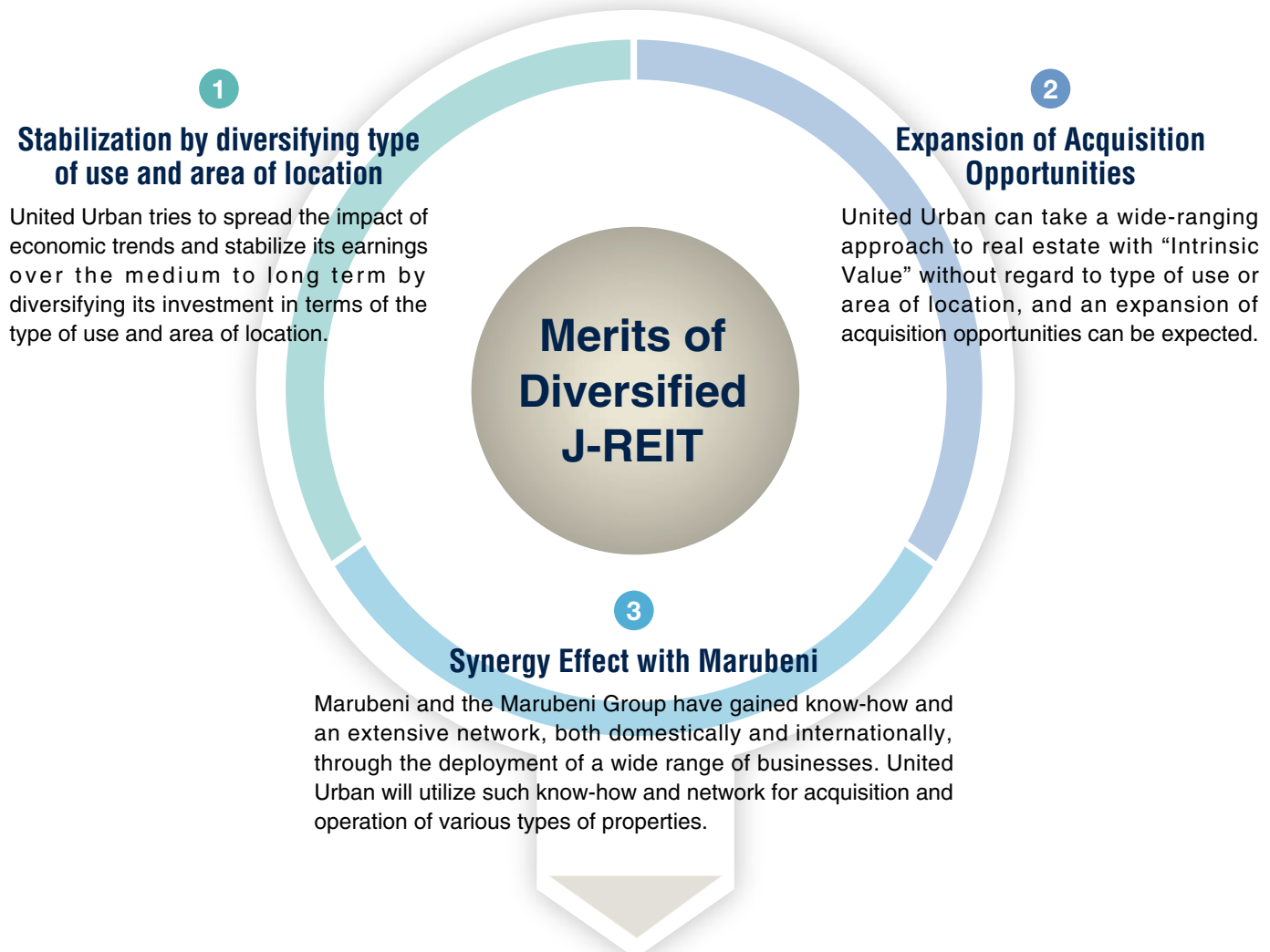
■ Acquisition Date	January 31, 2017	■ Construction	S
■ Acquisition Price	¥2,590 million	■ Number of Floors	4F
■ Location	Narashino, Chiba	■ Completed	January 1990
■ Site Area	7,870.01 m ²	■ Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership
■ Total Floor Space	12,578.45 m ²		



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

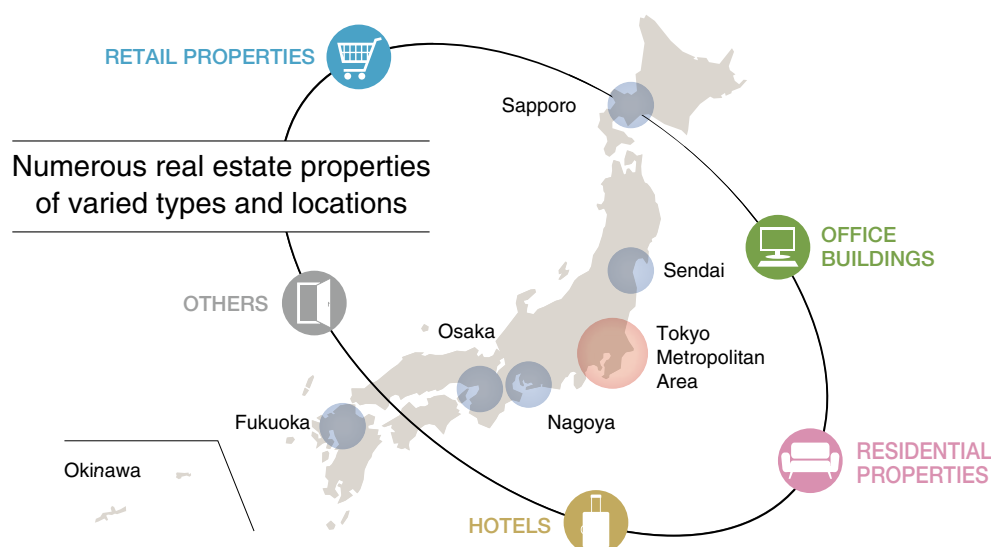
Internal Growth

Financial Strategy

Management Strategy

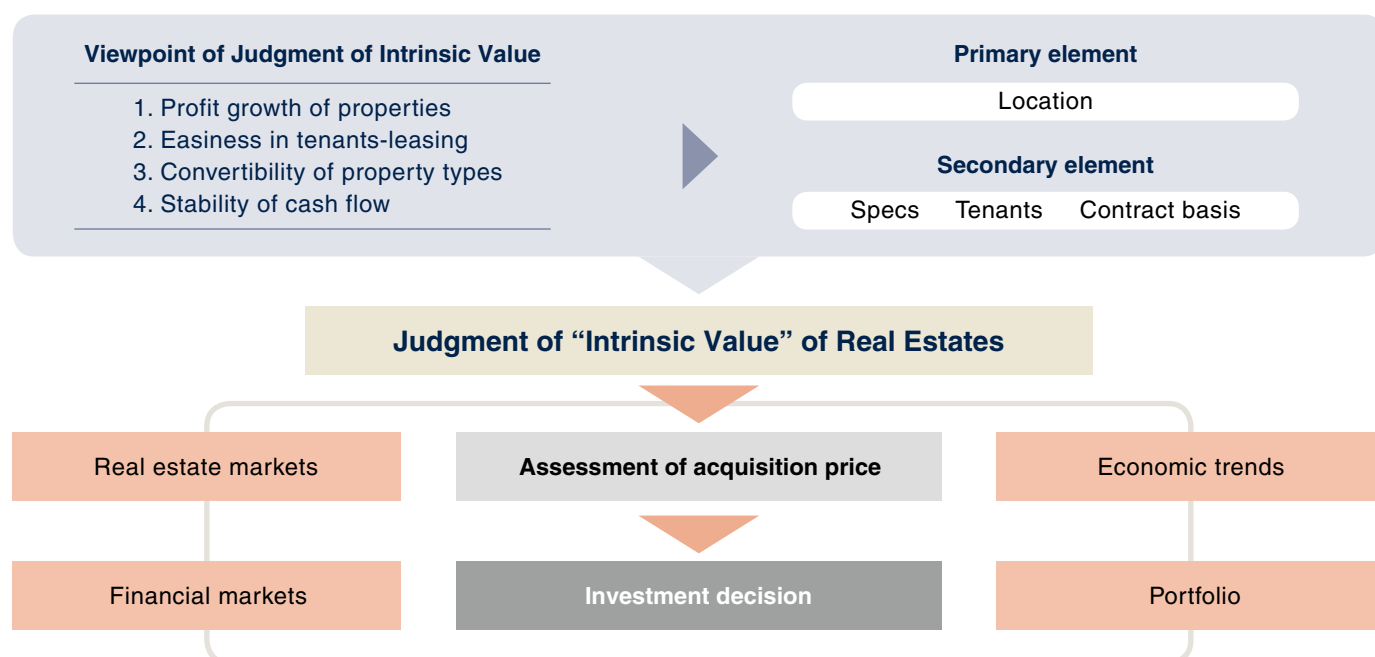
Building an Investment Portfolio by Taking Advantage of the Strength of Diversified J-REIT

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”

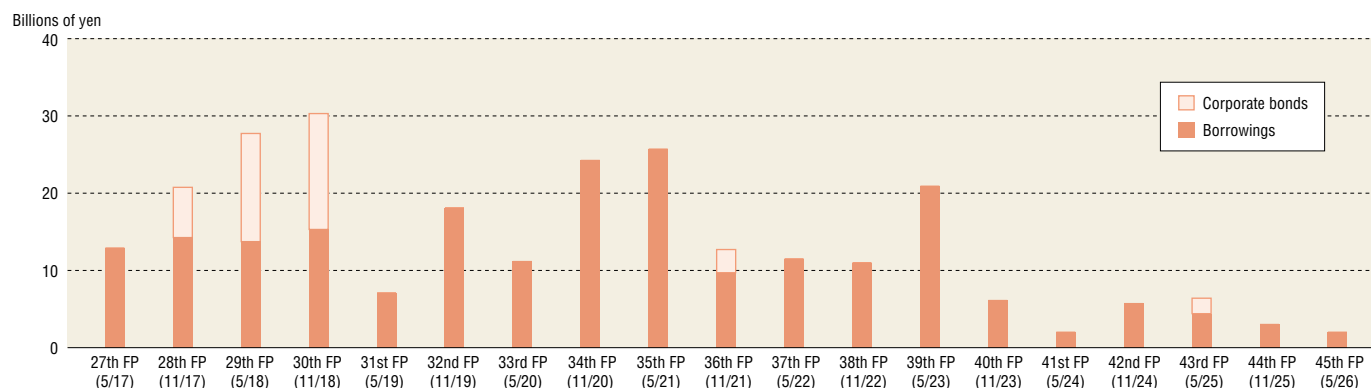
United Urban defines the real estate that can secure stable profitability over the medium to long term as the real estate with “Intrinsic Value” and aims to implement carefully selected investment in real estate with “Intrinsic Value.” On that basis, through analysis of various factors such as the external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



Financial Status

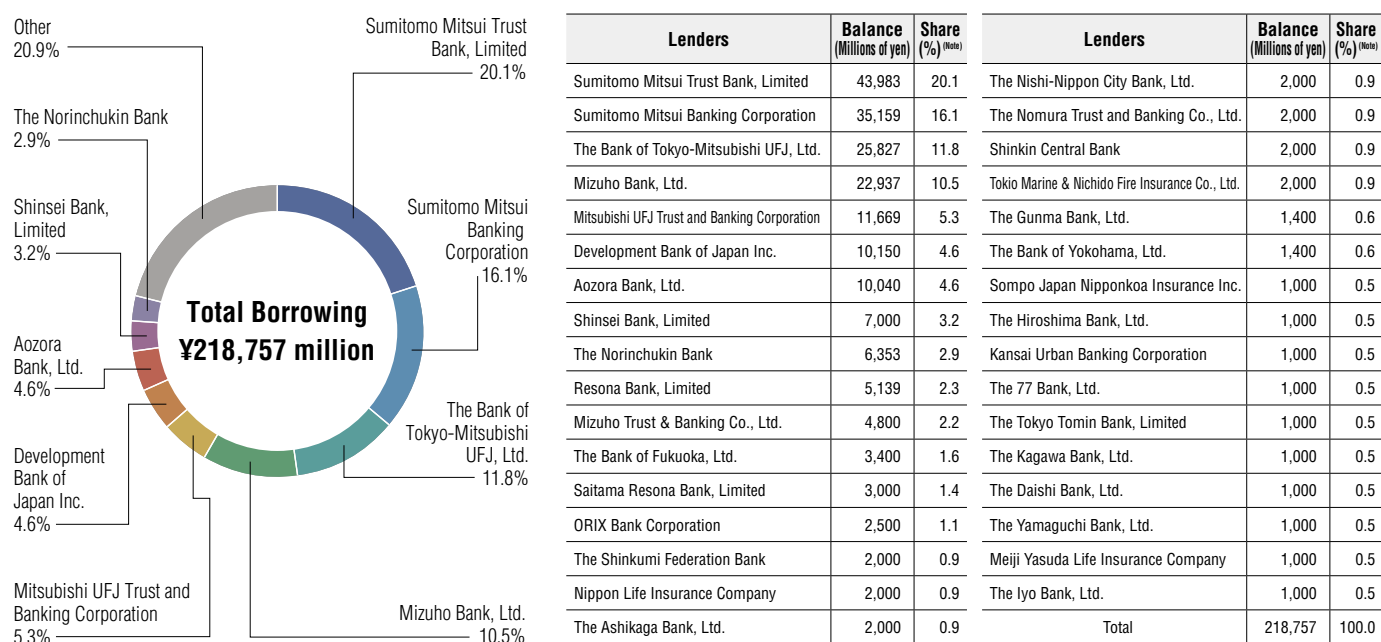
United Urban tries to maintain the LTV within a range deemed to be appropriate and principally seeks to raise long-term fixed-interest-rate funding to prevent any impact on the procurement of funds for interest-bearing liabilities and ratings. United Urban also intends to select the optimal financing 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 18, 2017) ^(Note)



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

Lenders and Borrowing Amount (As of January 18, 2017)



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

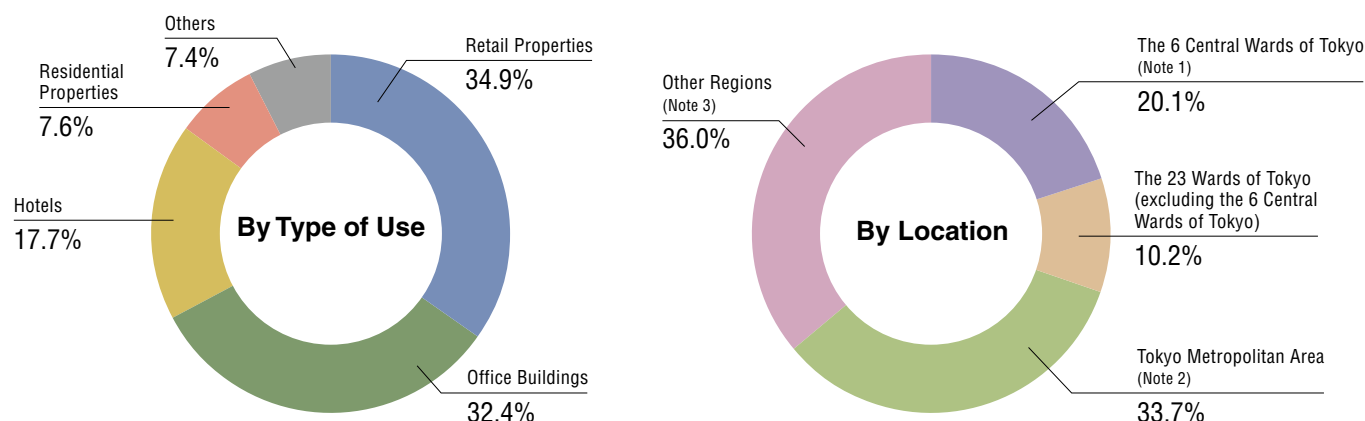
Committed Line of Credit Agreement (As of January 18, 2017)

Participating Financial Institutions	Maximum Loan Amount	Term of Agreement	Limitation of Use	Remarks
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥24.0 billion	From Jun. 17, 2016 to Jun. 26, 2017	None	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited	¥12.0 billion	From Dec. 27, 2016 to Dec. 25, 2017	None	Unsecured Unguaranteed
Total	¥36.0 billion			

Portfolio Properties

Portfolio Data

Portfolio Breakdown (Based on acquisition prices) (As of November 30, 2016)



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 Metropolis, Kanagawa Prefecture, Chiba Prefecture, Saitama Prefecture, Ibaraki Prefecture, Gunma Prefecture, Tochigi Prefecture and Yamanashi Prefecture) 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 Area: Osaka Prefecture, Kyoto Prefecture and Hyogo Prefecture", "Nagoya Area: Aichi Prefecture, Mie Prefecture and Gifu Prefecture", and "Other Area: general term for areas excluding Tokyo Metropolitan Area, Osaka Area or Nagoya Area".

Occupancy Ratio

	2016					
	End of June	End of July	End of August	End of September	End of October	End of November
Retail Properties	94.4%	94.4%	94.3%	94.5%	94.5%	99.5%
Office Buildings	97.3%	97.4%	97.8%	97.6%	97.1%	97.1%
Hotels	99.6%	99.8%	99.8%	99.8%	99.8%	99.8%
Residential Properties	97.7%	99.8%	98.0%	98.7%	98.5%	98.5%
Others	100.0%	99.6%	100.0%	100.0%	100.0%	100.0%
Total	96.9%	97.0%	97.0%	97.1%	97.0%	98.9%

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 has 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, and received the "Green Star," in the 2016 survey, following 2015. This evaluation has been given to companies which receive a superior sustainability evaluation in terms of both "Management and Policy" and "Implementation and Measurement."



Portfolio Properties

Portfolio Roster (As of November 30, 2016)

No.	Property Name	Location	Type of Asset	Completion Date (Note 1)	Acquisition Date (Note 2)	
Retail Properties						
A1	Himonya Shopping Center ^(Note 11)	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	Ashiya Kawanishi Shopping Mart ^(Note 12)	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	
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	
A34	LIFE Nishikujo (Site)	Osaka, Osaka	Trust beneficial interest in real estate	—	Mar. 2, 2015	
A35	LIFE Tamatsukuri (Site)	Osaka, Osaka	Trust beneficial interest in real estate	—	Mar. 2, 2015	
A36	Granbell Ginza Building	Chuo-ku, Tokyo	Trust beneficial interest in real estate	Oct. 2006	Jun. 30, 2015	
A37	UUR Tenjin Nishi-dori Building	Fukuoka, Fukuoka	Trust beneficial interest in real estate	Mar. 2010	Jul. 15, 2015	
A38	Luz Shonan Tsujido	Fujisawa, Kanagawa	Trust beneficial interest in real estate	Aug. 2010	Sep. 30, 2015	
A39	455 Ueno Building	Taito-ku, Tokyo	Trust beneficial interest in real estate	Sep. 1984	Dec. 4, 2015	
A40	KURURU	Fuchu, Tokyo	Trust beneficial interest in real estate	Feb. 2005	Sep. 1, 2016	
Office Buildings						
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 Toyokocho 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	
B13	Pacific Marks Tsukushima	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	
B20	Pacific Marks Akasaka-mitsuke	Minato-ku, Tokyo	Real estate	Mar. 1994	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	
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	
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	

	Acquisition Price (Millions of yen) (Note 3)	Share in Total Acquisition Price	Site Area (m ²) (Note 1)	Total Floor Space (m ²) (Note 1)	Construction (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	15,300	2.6%	5,249.86	27,032.50	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	6,770	1.1%	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	0.9%	5,198.20	12,944.65	SRC	B2/5F	Proprietary Ownership	Proprietary Ownership
	11,100	1.9%	173,498.31	63,058.78	S	2F	Proprietary Ownership and Term Leasehold Rights	Proprietary Ownership
	6,500	1.1%	1,138.66	5,393.09	RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	3,210	0.5%	10,702.86	8,637.63	S	3F	Proprietary Ownership	Proprietary Ownership
	5,312	0.9%	6,937.54	17,338.54	RC	4F	Proprietary Ownership	Proprietary Ownership
	2,040	0.3%	4,120.00	6,381.40	S	4F	Proprietary Ownership	Proprietary Ownership
	3,760	0.6%	320.39	2,265.15	RC	B1/8F	Proprietary Ownership	Proprietary Ownership
	4,100	0.7%	1,596.82	8,075.04	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	4,284	0.7%	16,330.14	16,729.60	S	B1/3F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	6,883	1.2%	53,363.57	—	—	—	Proprietary Ownership (Co-ownership)	—
	2,410	0.4%	375.17	2,238.82	S/RC	B1/9F	Proprietary Ownership	Proprietary Ownership
	22,800	3.9%	2,430.23	25,865.61	S/RC	B3/12F	Proprietary Ownership	Proprietary Ownership
	1,580	0.3%	308.02	816.60	S/RC	B1/4F	Proprietary Ownership	Proprietary Ownership
	2,590	0.4%	736.01	4,082.94	S/SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	7,040	1.2%	82,314.45	54,689.28	S	2F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,840	0.8%	34,612.39	56,371.77	S	6F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	2,500	0.4%	7,093.66	10,628.44	S	5F	Proprietary Ownership	Proprietary Ownership
	5,090	0.9%	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	0.4%	9,193.00	—	—	—	Proprietary Ownership	—
	2,150	0.4%	7,594.00	—	—	—	Proprietary Ownership	—
	28,000	4.7%	3,582.39	37,932.95	S/SRC	B4/9F	Proprietary Ownership	Proprietary Ownership
	5,150	0.9%	7,311.98	17,461.22	S/SRC	4F	Proprietary Ownership	Proprietary Ownership
	4,350	0.7%	1,947.80	10,594.19	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	6,460	1.1%	60,747.02	—	—	—	Proprietary Ownership	—
	1,800	0.3%	2,449.00	3,471.69	S	4F	Proprietary Ownership	Proprietary Ownership
	1,760	0.3%	3,252.76	—	—	—	Proprietary Ownership	—
	1,880	0.3%	2,391.44	—	—	—	Proprietary Ownership	—
	2,621	0.4%	231.00	1,646.50	RC	B1/9F	Leasehold Rights	Proprietary Ownership
	5,500	0.9%	466.76	1,486.52	S	B1/4F	Proprietary Ownership	Proprietary Ownership
	3,938	0.7%	3,658.25	17,889.43	S/RC	B2/6F	Proprietary Ownership	Proprietary Ownership
	3,000	0.5%	159.59	1,234.99	SRC	10F	Surface Right	Proprietary Ownership
	9,285	1.6%	7,266.41	59,361.08	SRC/RC/S	B3/28F	Right of Site (Co-ownership)	Compartmentalized Ownership
	2,257	0.4%	453.81	3,296.58	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	5,400	0.9%	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	0.4%	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	2.4%	7,265.79	58,882.64	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	19,200	3.3%	8,615.20	51,254.06	S/RC/SRC	B2/14F	Proprietary Ownership	Proprietary Ownership
	5,021	0.9%	(53,363.57)	(—)	—	—	Proprietary Ownership (Co-ownership)	—
	8,500	1.4%	3,262.50	10,768.11	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	4,200	0.7%	690.93	6,318.81	S/RC	B1/10F	Proprietary Ownership	Proprietary Ownership
	14,800	2.5%	3,464.39	22,952.71	SRC/RC	B2/12F	Proprietary Ownership (Co-ownership)	Proprietary Ownership (Co-ownership)
	12,100	2.0%	3,201.80	19,802.22	SRC/RC	B2/7F	Proprietary Ownership	Proprietary Ownership
	6,080	1.0%	3,302.07	14,507.92	SRC	B2/13F	Proprietary Ownership	Proprietary Ownership
	7,050	1.2%	2,525.41	15,387.49	SRC	B1/12F	Proprietary Ownership	Proprietary Ownership
	3,920	0.7%	2,877.11	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	0.4%	428.62	1,972.43	S	7F	Proprietary Ownership	Proprietary Ownership
	2,210	0.4%	390.86	1,895.87	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	1,710	0.3%	475.00	4,141.89	SRC	B1/10F	Proprietary Ownership	Proprietary Ownership
	9,890	1.7%	1,183.52	10,694.91	S/SRC	B1/13F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	6,840	1.2%	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
	1,160	0.2%	455.94	2,317.67	SRC	7F	Leasehold Rights	Proprietary Ownership
	2,460	0.4%	257.87	2,038.70	SRC	10F	Proprietary Ownership	Proprietary Ownership
	6,860	1.2%	2,053.30	16,142.54	S/SRC	B1/18F	Proprietary Ownership	Proprietary Ownership
	4,570	0.8%	1,284.23	9,596.62	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	2,670	0.5%	1,342.54	8,219.53	SRC/RC/S	B1/11F	Proprietary Ownership	Proprietary Ownership
	9,590	1.6%	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	1.6%	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

Portfolio Properties

Portfolio Roster (As of November 30, 2016)

No.	Property Name	Location	Type of Asset	Completion Date (Note 1)	Acquisition Date (Note 2)	
Office Buildings						
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	Minato-ku, Tokyo	Trust beneficial interest in real estate	Jul. 1994	Mar. 28, 2014	
B43	Hirose-dori SE Building	Sendai, Miyagi	Trust beneficial interest in real estate	Nov. 2007	Jun. 13, 2014	
Hotels						
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 Sanchome Building	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	
C9	the b roppongi	Minato-ku, Tokyo	Trust beneficial interest in real estate	Jan. 2001	May 1, 2014	
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Kawasaki, Kanagawa	Trust beneficial interest in real estate	Sep. 2005	Aug. 31, 2015	
C11	Toyoko Inn Hiroshima Heiwa-odori	Hiroshima, Hiroshima	Trust beneficial interest in real estate	Mar. 2004	Aug. 31, 2015	
C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	Naha, Okinawa	Trust beneficial interest in real estate	Apr. 2002	Aug. 31, 2015	
C13	Loisir Hotel & Spa Tower Naha ^(Note 8)	Naha, Okinawa	Trust beneficial interest in real estate	(1)Oct. 1992 (2)Jun. 2009	Feb. 5, 2016	
C14	Urawa Royal Pines Hotel	Saitama, Saitama	Trust beneficial interest in real estate	Aug. 1999	Apr. 1, 2016	
Residential Properties						
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	
D27	UUR Court Shiki	Shiki, Saitama	Trust beneficial interest in real estate	Mar. 1999	Sep. 18, 2015	
Others						
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 ^(Note 10)	Kawasaki, Kanagawa	Trust beneficial interest in real estate	May 2008	Oct. 2, 2014	
E6	MT Ariake Center Building I&II ^(Note 9)	Koto-ku, Tokyo	Trust beneficial interest in real estate	(1)Apr. 1989 (2)Jun. 1992	Nov. 25, 2014	
E7	Quartz Tower	Shibuya-ku, Tokyo	Trust beneficial interest in real estate	Aug. 2015	Nov. 13, 2015	
E8	Shin-Narashino Logistics Center	Narashino, Chiba	Trust beneficial interest in real estate	Jun. 1991	Aug. 7, 2015	
E9	Kawagoe Logistics Center	Kawagoe, Saitama	Trust beneficial interest in real estate	Aug. 2007	Jun. 17, 2016	
E10	Asuto Nagamachi Dental Clinic	Sendai, Miyagi	Trust beneficial interest in real estate	Oct. 2014	Aug. 29, 2016	
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 purchase and sale agreement, excluding consumption taxes) that does not include the expenses (e.g. agency fees, public taxes and impositions) necessary for making the relevant acquisitions and is rounded to the nearest million yen. The "Acquisition Price" of the Former NCI Properties is the acceptance price at the time of the merger.

4. For properties consisting of several buildings, information on the "Construction" and "Number of Floors" applies to the main building.

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.

	Acquisition Price (Millions of yen) (Note 3)	Share in Total Acquisition Price	Site Area (m ²) (Note 1)	Total Floor Space (m ²) (Note 1)	Construction (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	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	0.6%	2,146.31	10,396.94	S	9F	Proprietary Ownership	Proprietary Ownership
	21,140	3.6%	6,215.31	59,985.37	S/SRC	B4/25F	Proprietary Ownership (partly Co-ownership)	Compartmentalized Ownership (partly, Co-ownership)
	9,721	1.6%	(7,265.79)	(58,882.64)	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	1,884	0.3%	482.10	2,928.94	SRC	14F	Proprietary Ownership	Proprietary Ownership
	3,800	0.6%	1,304.44	7,708.88	S	13F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,720	0.8%	970.83	6,610.51	SRC	11F	Proprietary Ownership	Proprietary Ownership
	7,650	1.3%	3,573.31	13,655.23	SRC/RC	B1/14F	Proprietary Ownership and Leasehold Rights	Proprietary Ownership
	4,200	0.7%	1,053.16	7,682.82	SRC/RC	B1/13F	Proprietary Ownership	Proprietary Ownership
	5,020	0.9%	1,264.94	7,884.53	SRC	14F	Proprietary Ownership	Compartmentalized Ownership
	3,500	0.6%	482.37	3,138.82	SRC	B2/9F	Proprietary Ownership	Proprietary Ownership
	2,655	0.4%	639.19	4,785.93	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,113	0.4%	660.40	4,345.24	SRC	14F	Proprietary Ownership	Proprietary Ownership
	745	0.1%	384.93	1,566.12	S/RC	9F	Proprietary Ownership	Proprietary Ownership
	20,000	3.4%	11,850.24	45,731.16	(1)SRC/RC (2)SRC	(1)B1/12F (2)13F	Right of Site (Co-ownership), Proprietary Ownership	Compartmentalized Ownership (partly Co-ownership), Proprietary Ownership
	17,500	3.0%	7,418.83	51,071.32	SRC/S	B3/20F	Proprietary Ownership, Right of Site	Compartmentalized Ownership
	2,021	0.3%	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	0.6%	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	0.5%	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	0.5%	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	0.2%	674.34	3,172.34	RC	11F	Proprietary Ownership	Proprietary Ownership
	3,440	0.6%	3,656.44	12,642.98	SRC/RC	B1/14F	Leasehold Rights	Proprietary Ownership
	1,473	0.2%	639.17	3,207.39	RC	15F	Proprietary Ownership	Proprietary Ownership
	870	0.1%	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	0.5%	924.27	6,890.13	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,050	0.3%	1,077.92	10,224.31	RC	B1/17F	Proprietary Ownership	Proprietary Ownership
	1,380	0.2%	405.74	3,741.79	RC	15F	Proprietary Ownership	Proprietary Ownership
	5,150	0.9%	2,156.35	14,340.44	RC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,730	0.5%	6,132.03	9,885.53	SRC/RC	13F	Proprietary Ownership	Proprietary Ownership
	2,050	0.3%	5,457.02	8,693.79	RC/S	4F	Proprietary Ownership	Proprietary Ownership
	4,920	0.8%	5,479.15	14,165.71	S	6F	Right of Site (Co-ownership)	Compartmentalized Ownership (Co-ownership)
	4,150	0.7%	5,294.63	14,742.80	S	11F	Proprietary Ownership	Proprietary Ownership
	3,500	0.6%	645.87	3,105.31	SRC	B3/7F	Surface Right	Proprietary Ownership
	4,233	0.7%	28,351.30	41,949.12	S	4F	Proprietary Ownership	Proprietary Ownership
	8,000	1.4%	8,307.00	22,917.94	(1)S/SRC (2)S	(1)5F (2)5F	Proprietary Ownership	Proprietary Ownership
	5,700	1.0%	354.27	2,720.38	S/SRC	B1/12F	Proprietary Ownership	Proprietary Ownership
	2,555	0.4%	6,968.26	13,268.65	S	6F	Proprietary Ownership	Proprietary Ownership
	7,550	1.3%	32,665.82	47,284.22	RC/S	4F	Proprietary Ownership	Proprietary Ownership
	1,200	0.2%	2,009.14	1,554.09	S	B1/2F	Proprietary Ownership	Proprietary Ownership
	590,439	100.0%	781,220.95	1,465,911.91				

Notes: 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. The property comprises two buildings: (i) Main Building and (ii) the Annex, and some of the information are shown for each of the two buildings, with the Main Building expressed as (1) and the Annex expressed as (2).

9. The property comprises two buildings: (i) MT Ariake Center Building I (the "Building I") and (ii) 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). And "Site Area" of the property is described as it appears on the notification for provisional replotting.

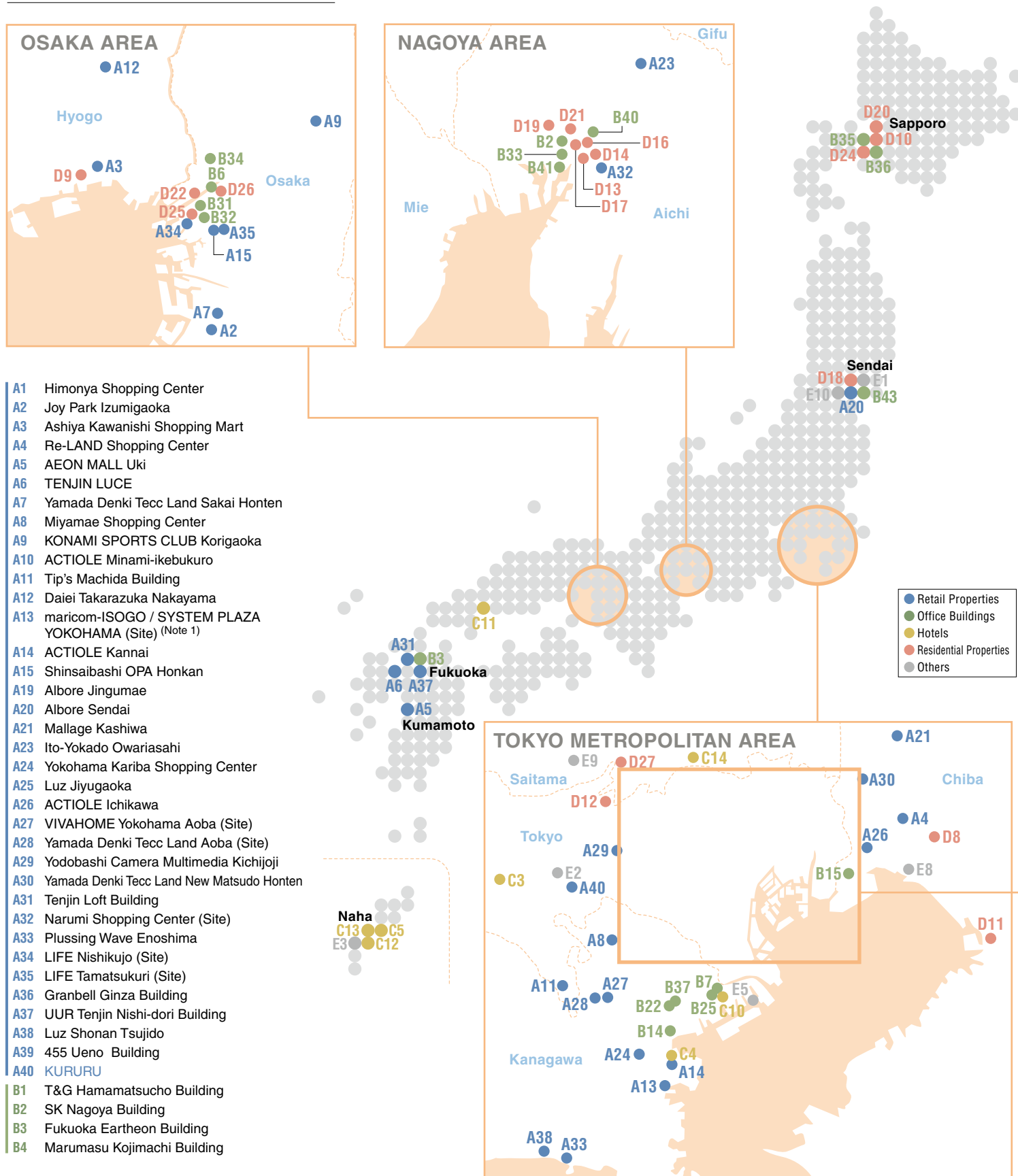
10. United Urban sold its 49% quasi co-ownership of the property and continues to hold the remaining 51% quasi co-ownership. The acquisition price is calculated as 51% of the initial acquisition price (¥8,300 million).

11. The property name was changed from Daiiei Himonya to Himonya Shopping Center on July 13, 2016.

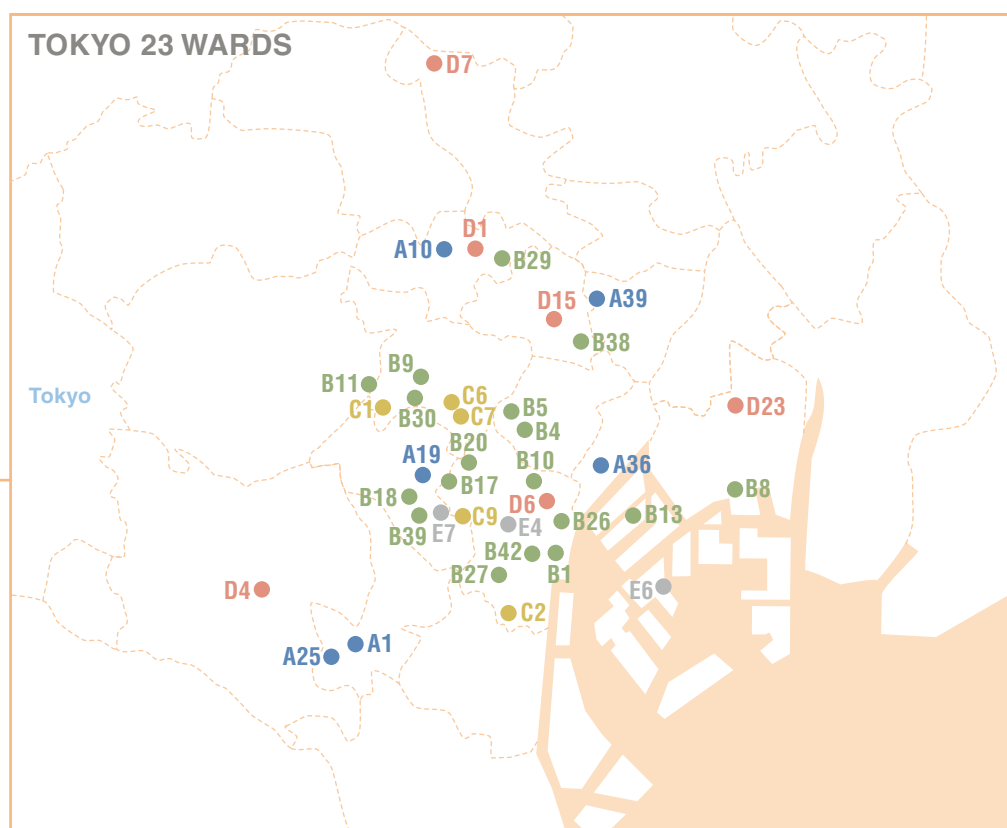
12. The property name was changed from Daimaru Peacock Ashiya Kawanishi to Ashiya Kawanishi Shopping Mart on July 13, 2016.

Portfolio Properties

Portfolio Map (As of November 30, 2016)



B5	Rokubancho K Building	B39	Dogenzaka Square	D11	UUR Court Chiba Soga
B6	Shin-Osaka Central Tower (Note 2)	B40	GRAND-SQUARE Shin-Sakae	D12	Higashi-kurume Dormitory Shinkan
B7	Kawasaki Toshiba Building	B41	GRAND-SQUARE Meieki-minami	D13	Nanzan Court Ichigokan
B8	UUR Toyochi Building	B42	Shiba 520 Building	D14	Nanzan Court Nigokan
B9	FOUR SEASONS BLDG	B43	Hirose-dori SE Building	D15	CLIO Bunkyo Koishikawa
B10	Hitachi High-Tech Building	C1	Shinjuku Washington Hotel Honkan	D16	GRAND-ROUGE Sakae
B11	Pacific Marks Shinjuku Parkside	C2	Toyoko Inn Shinagawa-eki	D17	GRAND-ROUGE Sakae II
B13	Pacific Marks Tsukishima		Takanawa-guchi	D18	MA Sendai Building
B14	Pacific Marks Yokohama East	C3	MZ BLD.	D19	UUR Court Nagoya Meieki
B15	Pacific Marks Shin-Urayasu	C4	HOTEL ROUTE-INN Yokohama	D20	UUR Court Sapporo Shinoro Ichibankan
B17	Akasaka Hikawa Building		Bashamichi	D21	Park Site IZUMI
B18	Pacific Marks Shibuya Koen-dori	C5	Hotel JAL City Naha	D22	UUR Court Osaka Juso-honmachi
B20	Pacific Marks Akasaka-mitsuke	C6	UUR Yotsuya Sanhome Building	D23	UUR Court Kinshicho
B22	Pacific Marks Shin-Yokohama	C7	Yotsuya 213 Building	D24	UUR Court Sapporo Minami-Sanjo Premier Tower
B25	Pacific Marks Kawasaki	C9	the b roppongi	D25	GRAND-ROUGE Nakanoshima-minami
B26	Hamamatsucho 262 Building	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	D26	Glenpark Umeda-kita
B27	Lila Hijirizaka	C11	Toyoko Inn Hiroshima Heiwa-odori	D27	UUR Court Shiki
B29	Otsuka HT Building	C12	Toyoko Inn Naha Kokusai-dori Miebashieki	E1	Lilycolor Tohoku Branch
B30	Pacific Marks Shinjuku South-gate	C13	Loisir Hotel & Spa Tower Naha	E2	KDDI Fuchu Building
B31	Pacific Marks Nishi-Umeda	C14	Urawa Royal Pines Hotel	E3	Tsubogawa Square Building
B32	Pacific Marks Higobashi	D1	T&G Higashi-ikebukuro Mansion	E4	THE PLACE of TOKYO
B33	Nagoya Nishiki City Building	D4	Komazawa Court	E5	Logistics Higashi-Ohgishima
B34	Pacific Marks Esaka	D6	Sky Court Shiba-Daimon	E6	MT Ariake Center Building I&II
B35	Pacific Marks Sapporo Kita-Ichijo	D7	Maison Ukima	E7	Quartz Tower
B36	Shin-Sapporo Center Building	D8	Narashino Residence	E8	Shin-Narashino Logistics Center
B37	ARENA TOWER	D9	Aprile Shin-Ohgi Ichibankan	E9	Kawagoe Logistics Center
B38	Yushima First Building	D10	UUR Court Sapporo Kita-Sanjo	E10	Asuto Nagamachi Dental Clinic



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

Retail Properties

A1 Himonya Shopping Center



Retail Properties

A29 Yodobashi Camera Multimedia Kichijoji



Others

E4 THE PLACE of TOKYO



Retail Properties

A6 TENJIN LUCE



Retail Properties

A15 Shinsaibashi OPA Honkan



Hotels

C9 the b roppongi



Hotels

C13 Loisir Hotel & Spa Tower Naha



Office Buildings

B37 ARENA TOWER



Hotels

C1 Shinjuku Washington Hotel Honkan



Portfolio Properties

Others

E3 Tsubogawa Square Building



Others

E7 Quartz Tower



Office Buildings

B10 Hitachi High-Tech Building



Office Buildings/Hotels

B6 Shin-Osaka Central Tower



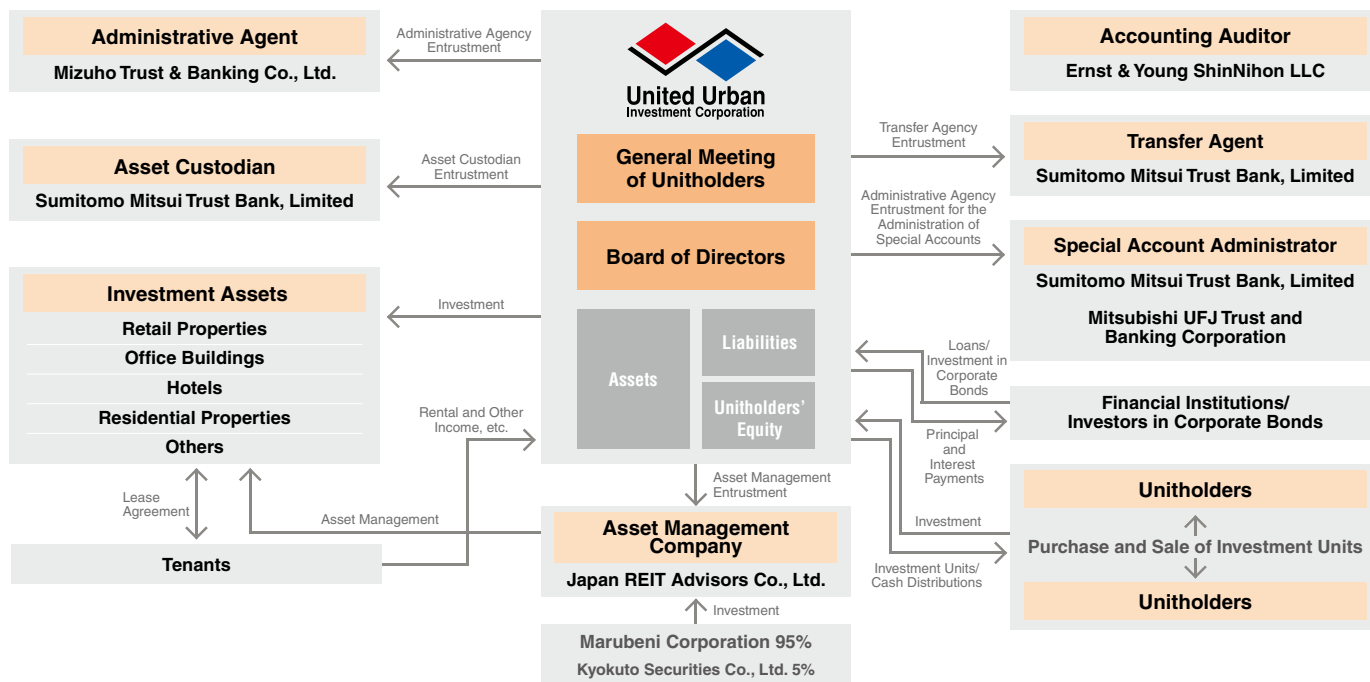
Residential Properties

D26 Glenpark Umeda-kita



Structure of United Urban / Investment Unit Information

Corporate Structure

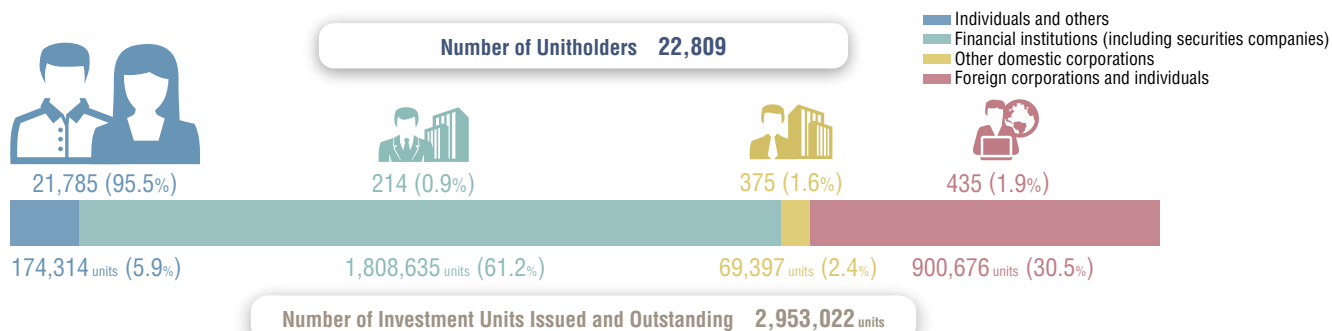


Unit Price and Trading Volume



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, 2016)



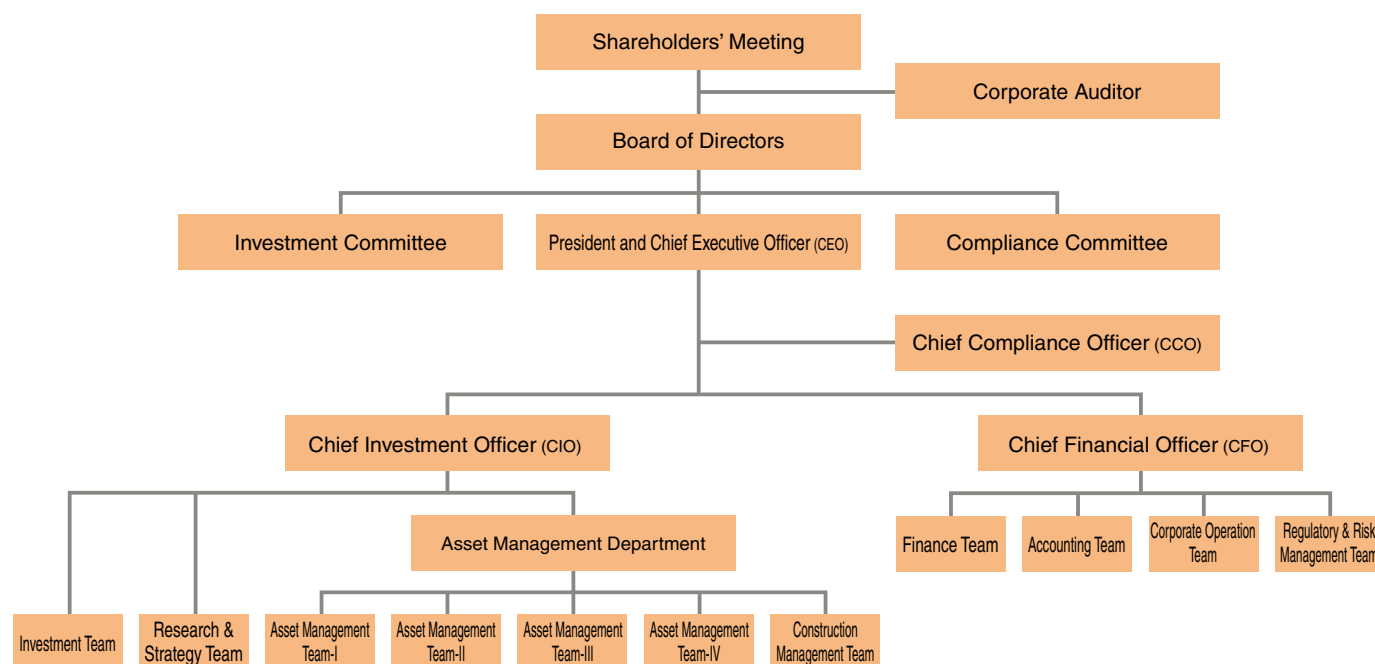
Note: Percentage figures are rounded to the nearest one decimal place. Therefore the sum of each figure does not always add up to the total.

Profile of Asset Management Company

Overview

Corporate Name	Japan REIT Advisors Co., Ltd. ("JRA")		
Address	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo		
Date of Foundation	December 4, 2001		
Capital	¥425 million (As of November 30, 2016)		
Shareholders (As of November 30, 2016)	Marubeni Corporation	95.0%	
	Kyokuto Securities Co., Ltd.	5.0%	
Representative	President and CEO Ikuo Yoshida		
Description of Business	Investment management business under Article 28, Paragraph 4 of the Financial Instruments and Exchange Act		

Organization (As of November 30, 2016)



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, 2016, 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, 2016, 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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Financial Highlights

1. Track Records on Operations

Fiscal Period (Calculation Period)		22nd Fiscal Period (June 1, 2014 - November 30, 2014)	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Operating revenues (Note 1) (Millions of yen)		18,683	19,466	20,070	21,444	22,864
(Rental revenues) (Millions of yen)		(18,683)	(19,389)	(20,070)	(20,597)	(21,501)
Operating expenses (Millions of yen)		10,033	10,352	10,642	10,853	11,807
(Property-related expenses) (Millions of yen)		(8,199)	(8,313)	(8,705)	(8,873)	(9,706)
Operating income (Millions of yen)		8,650	9,113	9,427	10,591	11,057
Ordinary income (Millions of yen)		7,276	7,790	8,163	9,224	9,349
Net income (a) (Millions of yen)		7,275	7,790	7,916	9,089	9,348
Total assets (compared to the previous period) (b) (Millions of yen)		561,415 (+6.4%)	573,318 (+2.1%)	598,077 (+4.3%)	629,262 (+5.2%)	648,105 (+3.0%)
Total unitholders' equity (Net assets) (compared to the previous period) (c) (Millions of yen)		258,335 (+8.9%)	282,906 (+9.5%)	297,340 (+5.1%)	298,009 (+0.2%)	333,592 (+11.9%)
Unitholders' capital (compared to the previous period) (Millions of yen)		219,768 (+10.3%)	243,869 (+11.0%)	258,160 (+5.9%)	258,160 (-)	292,411 (+13.3%)
Total no. of investment units issued and outstanding (d) (Units)		2,512,246	2,644,311	2,751,376	2,751,376	2,953,022
Net assets per unit (c)/(d) (Yen)		102,830	106,987	108,069	108,313	112,966
Total cash distribution (e) (Millions of yen)		7,275	7,668	8,124	8,254	8,888
Net income per unit (Note 2) (Yen)		2,905	2,954	2,946	3,303	3,183
Cash distribution per unit (e)/(d) (Yen)		2,896	2,900	2,953	3,000	3,010
(Distribution of earnings per unit) (Yen)		(2,896)	(2,900)	(2,953)	(3,000)	(3,010)
(Distribution in excess of earnings per unit) (Yen)		(-)	(-)	(-)	(-)	(-)
Return on assets (Annualized) (Note 3) (%)		1.3 (2.7)	1.4 (2.8)	1.4 (2.8)	1.5 (3.0)	1.5 (2.9)
Return on equity (Annualized) (Note 3) (%)		2.9 (5.9)	2.9 (5.8)	2.7 (5.4)	3.1 (6.1)	3.0 (5.9)
Equity ratio (compared to the previous period) (c)/(b) (%)		46.0 (+1.1%)	49.3 (+3.3%)	49.7 (+0.4%)	47.4 (△2.4%)	51.5 (+4.1%)
Payout ratio (Note 3) (%)		99.6	98.1	100.2	90.8	94.5
Supplementary information						
No. of investment properties at the end of the period (Properties)		108	108	117	118	119
Total leasable floor space at the end of the period (m ²)		1,177,315.20	1,177,654.28	1,229,197.15	1,296,365.99	1,342,847.93
Total no. of tenants at the end of the period (Tenants)		1,882	1,861	1,930	2,037	2,066
Occupancy ratio at the end of the period (%)		98.7	98.8	98.5	98.8	98.9
Depreciation and amortization (Millions of yen)		3,409	3,464	3,482	3,697	3,884
Capital expenditures (Millions of yen)		1,084	1,429	2,049	2,970	5,762
NOI (Net Operating Income) from leasing (Note 3) (Millions of yen)		13,894	14,540	14,847	15,420	15,679
FFO (Funds From Operations) per unit (Note 3) (Yen)		4,253	4,293	4,142	4,339	4,019
FFO ratio (Note 3) (Times)		22.5	21.6	19.8	20.2	21.8
Debt service coverage ratio (Note 3) (Times)		9.3	9.8	10.3	11.1	11.6
Net income before interest, depreciation and amortization (Note 3) (Millions of yen)		11,970	12,529	12,624	14,048	14,477
Interest expense and interest expenses on corporate bonds (Millions of yen)		1,284	1,275	1,225	1,262	1,243
Interest-bearing liabilities (Note 3) (Millions of yen)		269,157	255,357	264,707	293,157	277,407
Ratio of interest-bearing liabilities to total assets at the end of the period (Note 3) (%)		47.9	44.5	44.2	46.5	42.8
No. of operating days (Days)		183	182	183	183	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.

	22nd FP	23rd FP	24th FP	25th FP	26th FP
Average no. of investment units during the period	2,503,839 units	2,636,583 units	2,686,863 units	2,751,376 units	2,936,915 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	$\text{Ordinary income} / ((\text{Total assets at the beginning of the period} + \text{Total assets at the end of the period}) / 2) \times 100$
Return on equity	$\text{Net income} / ((\text{Net assets at the beginning of the period} + \text{Net assets at the end of the period}) / 2) \times 100$
Payout ratio	$\text{Cash distribution per unit} / \text{Net income per unit} \times 100$ (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	$\text{FFO (Net income} + \text{Depreciation and amortization} + \text{Amortization of deferred assets} - \text{Gain or loss on sales of real estate properties}) / \text{Total no. of investment units issued and outstanding}$
FFO ratio	$\text{Investment unit price at the end of the period} / \text{Annualized FFO per unit}$
Debt service coverage ratio	$\text{Net income before interest, depreciation and amortization} / \text{Interest expense and Interest expenses on corporate bonds}$
Net income before interest, depreciation and amortization	Net income + Depreciation and amortization + Amortization of deferred assets + Interest expense and Interest expenses on corporate bonds
Interest-bearing liabilities	Short-term borrowings + Current portion of corporate bonds + Long-term borrowings due for repayment within one year + Corporate bonds + Long-term borrowings
Ratio of interest-bearing liabilities to total assets at the end of the period	$\text{Interest-bearing liabilities at the end of the period} / \text{total assets at the end of the period} \times 100$ (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, its asset size (on an acquisition price basis) was close to ¥600 billion (as of November 30, 2016).

As a result of performance, a distribution has been made in each of 25 fiscal periods from the 1st fiscal period (fiscal year ended May 31, 2004) to the 25th fiscal period (fiscal period ended May 31, 2016). For the current period (26th fiscal period: fiscal period ended November 30, 2016), United Urban decided to make cash distribution of ¥3,010 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

(i) Investment Environment

During the period, there were some movements altering expectations in the domestic and international market, but corporate performance remains strong due to exchange rate trends and a financing environment has been favorable.

In the real estate sales market, transaction prices have been rising continuously due to the favorable financing environment. With regard to the real estate rental market, as for retail properties, the sales of the retail industry have been stable overall although there have been increases and declines in some business. Therefore, the market for retail properties remains steady. As for office buildings, oversupply of new office buildings is expected with the increasing needs for company's business expansion, the asking rents in the Tokyo metropolitan area and major cities throughout Japan have been increasing. As for hotels, the number of hotel guests was reduced temporarily due to the impact of the Kumamoto Earthquake and other factors, but the room occupancy ratio is recovering and the management environment is good. As for residential properties, rental properties have steady demand as necessities of life, and both the occupancy ratio and rent levels remains stable.

(ii) Issuance of New Investment Units

In order to procure funds for the acquisition of new specified assets and for the repayment and redemption of interest-bearing liabilities, United Urban resolved the issuance of new investment units at the board of directors' meeting of United Urban, held on

May 25, 2016. 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 7, 2016. Based on these resolutions, United Urban issued 190,000 new investment units by way of public offering including global offering and 11,646 new investment units by way of third-party allotment to SMBC Nikko Securities Inc., and the payments of ¥34,251 million in connection with the issuance of new investment units by way of public offering and third-party allotment was completed (the issuance of new investment units by way of both public offering and third-party allotment hereinafter collectively referred to as the "9th Public Offering").

As a result, United Urban's total capital increased to ¥292,411 million and the total number of investment units issued and outstanding increased to 2,953,022 units.

(iii) New Acquisitions and Sale of Properties

During the period, United Urban acquired the following three properties and the building with leasehold standing on the land adjacent to the existing property, "the b roppongi". Moreover, United Urban executed the additional investment to the Tenjin 123 Project *Tokutei Mokuteki Kaisha* (specific purpose company), in which United Urban has already had preferred equity securities.

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
A40	KURURU	Retail	Fuchu, Tokyo	9,285	September 1, 2016
E9	Kawagoe Logistics Center	Cargo collecting place	Kawagoe, Saitama	7,550	June 17, 2016
E10	Asuto Nagamachi Dental Clinic	Clinic	Sendai, Miyagi	1,200	August 29, 2016
Total				18,035	

Name of Asset	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
the adjacent site to the b roppongi (Note 3) (building with leasehold)	Residence Store	Minato-ku, Tokyo	320 (Note 3)	November 18, 2016 (Note 3)

Name of Asset	Acquired Asset	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
Preferred equity securities of Tenjin 123 Project <i>Tokutei Mokuteki Kaisha</i> (specific purpose company) (Note 4)	Preferred equity securities: 367 units (percentage of ownership for additional securities: 5.0%)	18	October 3, 2016

On the other hand, United Urban sold the following two properties.

Property No.	Property Name	Type (Note 1)	Location	Sale Price (Millions of yen) (Note 2)	Date of Sale
B21	Yokohama Aioicho Building	Office	Yokohama, Kanagawa	1,260	November 29, 2016
C8	HOTEL ROUTE-INN Nagoya Imaike Ekimae	Hotel	Nagoya, Aichi	3,160	
Total				4,420	

- Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements concerning the acquisition or sale of each property. In addition, the amount of the each price does not include expenses related to the acquisition or sales and consumption tax, etc. The same shall apply hereinafter.
3. United Urban decided to acquire the adjacent site to the b roppongi (acquisition price ¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million)) (the "Adjacent Site") on November 16, 2016, and acquired the building with leasehold on November 18, 2016 and the land on January 13, 2017, respectively.
Because United Urban acquired the Adjacent Site considering it enables to the extension of the b roppongi (the "Hotel") in the future, the Adjacent Site is considered to be attached to the Hotel and it is not recognized as one separate property. Therefore, the acquisition of the Adjacent Site was not counted as one acquisition, and the acquisition price and other information of the Adjacent Site are not included in United Urban's portfolio. The same shall apply hereinafter.
4. Tenjin 123 Project *Tokutei Mokuteki Kaisha* (specific purpose company) (the "TMK") is developing a development-type hotel "(tentative name) the b fukuoka tenjin" (the "Hotel Property"). Prior to the above mentioned additional investment, United Urban has acquired 1,130 units of preferred equity securities of the TMK (acquisition price: ¥74 million, equivalent to 5% of issued preferred equity securities) on April 21, 2016 for the purpose of acquisition of the preferential negotiation right of the Hotel Property.
Holding status of preferred equity securities of the TMK as of January 18, 2017 is as follows.

	Number of Preferred Equity Units Owned (Units)	Acquisition Price (Millions of yen)	(Reference) Number of Issued Preferred Equity Units of the TMK (Units)
First acquisition (April 21, 2016)	1,130	74	22,600
Additional acquisition (capital increase) (October 3, 2016)	367	18	7,340
Total	1,497	93	29,940

And the overview of the Hotel Property is as follows.

Name of the Property	Location	Type	Site Area	Structure / Scale	Business Starting Date
(tentative name) The b fukuoka tenjin	Fukuoka, Fukuoka	Hotel (125 rooms) Retail	Land: 496.79 m ² Building: 3,625.15 m ²	S/10F	July 2017 (scheduled)

* The above table is shown based on the architectural planning, etc. Accordingly, some information might be changed.

(iv) Portfolio Overview

As a result of the acquisitions and sales of properties mentioned above (iii), United Urban held a total of 119 properties, comprising 35 retail properties, 35 office buildings, 1 retail-office complex, 13 hotels, 1 office-hotel complex, 24 residential properties and 10 others, with an aggregate acquisition price of ¥590,439 million at the end of the 26th fiscal period (November 30, 2016). In addition, the total leasable floor space was 1,342,847.93 sq m. and the numbers of tenants were 2,066.

United Urban has continued to focus on improving occupancy ratios during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 96.9% and 98.9%, and stood at 98.9% on November 30, 2016.

b. Financing Overview

During this period, United Urban acquired specified assets and repaid/redeemed interest-bearing liabilities with fund procurement through the 9th Public Offering.

The status of interest-bearing liabilities at the end of the previous period and the end of the 26th fiscal period are as follows.

(Millions of yen)				
	Balance at the End of the 25th Fiscal Period (As of May 31, 2016)	Balance at the End of the 26th Fiscal Period (As of November 30, 2016)	Changes	
Short-term borrowings	-	-	-	
Long-term borrowings	¥ 229,657	¥ 223,907	¥ (5,750)	
Total of borrowings	229,657	223,907	(5,750)	
Corporate bonds	63,500	53,500	(10,000)	
Total of interest-bearing liabilities	¥ 293,157	¥ 277,407	¥ (15,750)	

In addition, as of the end of the 26th fiscal period, the amount of borrowings due for repayment within one year was ¥33,700 million, and the amount of the current portion of corporate bonds that is to become due for maturity within one year was ¥19,500 million.

Moreover, the details of issuer ratings of United Urban as of December 31, 2016 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency, Ltd. (JCR)	Long-Term Issuer Rating: AA	Rating Outlook: Stable
Moody's Japan K.K. (Moody's)	Issuer Rating: A3	Rating Outlook: Positive

c. Overview of Financial Results and Distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥22,864 million (up by 6.6% from the previous period), profit from rental activities of ¥11,794 million (up by 0.6% from the previous period), operating income of ¥11,057 million (up by 4.4% from the previous period), ordinary income of ¥9,349 million (up by 1.3% from the previous period), and a net income of ¥9,348 million (up by 2.9% from the previous period).

With regard to the cash distribution in the period, ¥459 million of the net income was set aside as a reserve retained for distribution in terms of the strategic portfolio management and the enhanced growth of the Investment Corporation from a medium- to long- term

perspective. As a result, United Urban decided to distribute ¥8,888 million, and cash distribution per unit was ¥3,010. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied even though the reserve retained for distribution is allocated as stated above, and the corporate tax is not imposed.

3. Issuance of New Investment Units

During this period, United Urban procured funds of ¥34,251 million through the issuance of new investment units by way of the public offering on June 14, 2016 (190,000 units) and the third-party allotment on July 12, 2016 (11,646 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	
March 12, 2013	Additional issue of new investment units through public offering	190,000	2,293,383	22,701	188,625	(Note 1)
April 10, 2013	Additional issue of new investment units through third-party allotment	12,064	2,305,447	1,441	190,067	(Note 2)
July 9, 2013	Additional issue of new investment units through public offering	65,000	2,370,447	7,969	198,036	(Note 3)
August 7, 2013	Additional issue of new investment units through third-party allotment	9,734	2,380,181	1,193	199,230	(Note 4)
June 10, 2014	Additional issue of new investment units through public offering	120,000	2,500,181	18,661	217,892	(Note 5)
July 9, 2014	Additional issue of new investment units through third-party allotment	12,065	2,512,246	1,876	219,768	(Note 6)
December 9, 2014	Additional issue of new investment units through public offering	120,000	2,632,246	21,899	241,667	(Note 7)
January 7, 2015	Additional issue of new investment units through third-party allotment	12,065	2,644,311	2,201	243,869	(Note 8)
September 16, 2015	Additional issue of new investment units through public offering	95,000	2,739,311	12,680	256,549	(Note 9)
October 15, 2015	Additional issue of new investment units through third-party allotment	12,065	2,751,376	1,610	258,160	(Note 10)
June 14, 2016	Additional issue of new investment units through public offering	190,000	2,941,376	32,273	290,433	(Note 11)
July 12, 2016	Additional issue of new investment units through third-party allotment	11,646	2,953,022	1,978	292,411	(Note 12)

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

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:

	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Highest	195,300	198,300	188,200	193,800	191,700
Lowest	160,300	179,100	137,700	149,800	167,700

4. Distribution Information

With regard to the cash distribution in the period, ¥ 459 million of the net income was set aside as a reserve retained for distribution in terms of the strategic portfolio management and the enhanced growth of United Urban from a medium- to long- term perspective. As a result, United Urban decided to distribute ¥8,888 million, and cash distribution per unit was ¥3,010. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied even though the reserve retained for distribution is allocated as stated above, and the corporate tax is not imposed.

		22nd Fiscal Period (June 1, 2014 - November 30, 2014)	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Unappropriated retained earnings at the end of period	Thousands of yen	7,275,845	7,790,400	8,038,171	9,089,092	9,348,568
Retained earnings (Note)	Thousands of yen	7,755,309	7,876,826	7,668,286	8,503,250	8,963,223
Total cash distribution	Thousands of yen	7,275,464	7,668,501	8,124,813	8,254,128	8,888,596
(Cash distribution per unit)	(Yen)	(2,896)	(2,900)	(2,953)	(3,000)	(3,010)
Total profit distribution	Thousands of yen	7,275,464	7,668,501	8,124,813	8,254,128	8,888,596
(Profit distribution per unit)	(Yen)	(2,896)	(2,900)	(2,953)	(3,000)	(3,010)
Total refund of capital	Thousands of yen	-	-	-	-	-
(Refund of capital per unit)	(Yen)	(-)	(-)	(-)	(-)	(-)
Of total refund of capital, the total cash distribution from provision for temporary difference adjustment	Thousands of yen	-	-	-	-	-
(Of refund of capital per unit, cash distribution per unit from provision for temporary difference adjustment)	(Yen)	(-)	(-)	(-)	(-)	(-)
Of total refund of capital, the total cash distribution from the distribution associated with investment decrease for tax purpose	Thousands of yen	-	-	-	-	-
(Of refund of capital per unit, cash distribution per unit from the distribution associated with investment decrease for tax purpose)	(Yen)	(-)	(-)	(-)	(-)	(-)

Note: "Retained earnings" shows total amount of the balance of voluntary retained earnings such as reserve for distribution and unappropriated retained earnings carried forward.

5. Future Policies and Challenges

As for the real estate rental market in Japan, the further improvement in the rental revenues is expected due to the growing corporate needs for office floor space expansion and the prospect for high level room occupancy ratio of hotels. On the other hand, as for the real estate sales market, there is a sense of caution against the market overheating, but severe competition in property acquisitions and increase in real estate prices are also expected.

Under these circumstances, United Urban will take advantage of the knowledge and network of the sponsor, cooperate with tenants, and work on various acquisition schemes in addition to its information channel of the asset management company for property acquisitions, and make efforts for property acquisition by utilizing the characteristics of a diversified J-REIT in consideration of

profitability. As for asset management, United Urban aims to pursue internal growth through proactive (Note) portfolio management such as strategic investment for the future and tenant replacement, etc. in addition to existing efforts.

In regard to the financial management, 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.

Note: "Proactive" means that United Urban and the asset management company try to improve the asset value independently, such as conducting large-scale renovations for the future in collaboration with tenants.

6. Material Facts Arising after the End of 26th Fiscal Period and Other Material Events

a. Issuance of New Investment Units

In order to replenish cash reserves which were reduced by the acquisitions of new specified assets and to procure funds for the repayment and redemption of interest-bearing liabilities, United Urban resolved the issuance of new investment units at the board of directors' meeting of United Urban, held on November 29, 2016. 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 7, 2016. Based on these resolutions, United Urban issued 90,000 new investment units by way of a public offering and 12,065 new investment units by way of a third-party allotment to SMBC Nikko Securities Inc., and the payments of ¥16,793 million in connection with the issuance of new investment units by way of the public offering and the third-party allotment were completed (the issuance of new investment units by way of both public offering and third-party allotment hereinafter collectively referred to as the "10th Public Offering").

As a result, United Urban's total capital increased to ¥309,205 million, and United Urban's total number of investment units issued and outstanding increased to 3,055,087 units.

(i) Issuance of new investment units by way of public offering

Number of investment units issued	: 90,000 units
Offer price (per unit)	: ¥169,736 per unit
Total offer price	: ¥15,276,240 thousand
Issue price (per unit)	: ¥164,540 per unit
Total issue price	: ¥14,808,600 thousand
Payment date	: December 14, 2016 (Wednesday)
Starting date of the computation for cash distribution	: December 1, 2016 (Thursday)

(ii) Issuance of new investment units by way of third-party allotment

Number of investment units issued	: 12,065 units
Issue price (per unit)	: ¥164,540 per unit
Total issue price	: ¥1,985,175 thousand
Payment date	: January 12, 2017 (Thursday)
Starting date of the computation for cash distribution	: December 1, 2016 (Thursday)
Allottee	: SMBC Nikko Securities Inc.

b. Acquisitions of Properties and Debt Financing

(i) United Urban acquired the following two properties (K's Denki Nagoya-kita and Scent Hills) and the adjacent site to the existing property, "the b roppongi", after the end of 26th fiscal period. Moreover, United Urban decided to acquire one property mentioned below (Shin-Narashino Logistics Center II) on January 27, 2017, and acquired the property on January 31, 2017.

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
A41	K's Denki Nagoya-kita	Store	Nishikasugai-gun, Aichi	1,750	December 1, 2016
D28	Scent Hills	Apartment	Osaka, Osaka	1,300	
E11	Shin-Narashino Logistics Center II	Warehouse	Narashino, Chiba	2,590	January 31, 2017
Total				5,640	

Asset Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
the adjacent site to the b roppongi (land) (Note)	-	Minato-ku, Tokyo	140	January 13, 2017

Note: For details, please refer to “the adjacent site to the b roppongi (building with leasehold)” of “Financial Highlights, 2.Performance Review for the Current Period, a. Investment Environment and Operation, (iii) New Acquisitions and Sale of Properties” above.

- (ii) United Urban procured debt financing “Term Loan 44B” to support for acquiring Scent Hills and “Term Loan 45B” to support for acquiring Shin-Narashino Logistics Center II mentioned above (i), respectively, as set forth below. In addition, United Urban acquired other two properties (K’s Denki Nagoya-kita and the adjacent site to the b roppongi (land)) mentioned above (i) with cash on hand.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Maturity Date	Remarks
Term Loan 44B	The Bank of Fukuoka, Ltd.	1,400	Basic interest rate (JBA one month JPY TIBOR) + 0.30%	December 1, 2016	December 20, 2024	Unsecured Unguaranteed
Term Loan 45B	The Norinchukin Bank	2,700	Basic interest rate (JBA one month JPY TIBOR) + 0.35%	January 31, 2017	June 20, 2024	Unsecured Unguaranteed

c. New Committed Line of Credit Agreement

United Urban concluded a new committed line of credit agreement on December 27, 2016, as set forth below.

Outline of the 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 27, 2016

Term of agreement : From December 27, 2016 to December 25, 2017

Collateral : Unsecured, unguaranteed

Overall Condition of Investment Corporation

1. Summary of Unitholders' Contribution

		22nd Fiscal Period (As of November 30, 2014)	23rd Fiscal Period (As of May 31, 2015)	24th Fiscal Period (As of November 30, 2015)	25th Fiscal Period (As of May 31, 2016)	26th Fiscal Period (As of November 30, 2016)
Total number of investment units authorized	(Units)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total number of investment units issued and outstanding	(Units)	2,512,246	2,644,311	2,751,376	2,751,376	2,953,022
Total unitholders' capital	(Millions of yen)	219,768	243,869	258,160	258,160	292,411
Number of unitholders		23,449	24,156	24,726	22,704	22,809

2. Major Unitholders

TOP 10 unitholders based on the number of investment units held at the end of the 26th fiscal period were as follows:

Unitholder Name	Investment Units Held (Units)	Percentage of Investment Units Held (%) (Note)
Japan Trustee Services Bank, Ltd. (trust account)	664,773	22.51
The Master Trust Bank of Japan, Ltd. (trust account)	331,226	11.22
Trust & Custody Services Bank, Ltd. (securities investment trust account)	198,962	6.74
The Nomura Trust and Banking Co., Ltd. (investment trust account)	113,756	3.85
NOMURA BANK (LUXEMBOURG) S.A.	113,394	3.84
STATE STREET BANK WEST CLIENT-TREATY 505234	76,609	2.59
STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT 505233	50,794	1.72
STATE STREET BANK AND TRUST COMPANY 505223	40,788	1.38
CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	31,347	1.06
SIX SIS FOR SWISS NATIONAL BANK	30,912	1.05
Total	1,652,561	55.96

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

3. Directors and Auditor

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

Title	Name	Other Title	Total Amount of Compensation for Directors, etc. (Thousands of yen)
Executive Officer	Hitoshi Murakami	-	6,000
Supervisory Officer	Masaaki Akiyama	Corporate Auditor, JOYFUL HONDA Co., Ltd. Member of Compliance Committee, Tokyo Capital Management Corporate Auditor, KYOCERA Corporation	2,100
Supervisory Officer	Tetsuo Ozawa	Corporate Auditor, Lawson, Inc. Corporate Auditor, Cemedine Co., Ltd. Corporate Auditor, Sekisui Chemical Co., Ltd.	2,100
Accounting Auditor	Ernst & Young ShinNihon LLC	-	49,000 (Note 3)
Total			59,200

- Notes: 1. The Executive Officer and the Supervisory Officers do not have investment units of United Urban either under their own name or other people's names.
2. The Supervisory Officers may be directors of other companies other than those indicated above. However, each company, including the companies listed above, has no interest with United Urban.
3. The compensation for Accounting Auditor includes the preparation fee of a comfort letter regarding 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.

c. Business suspension order issued to an Accounting Auditor in the last two years

Ernst & Young ShinNihon LLC, the Accounting Auditor of United Urban, received business suspension order of accepting new engagements for 3 months (from January 1, 2016, to March 31, 2016) from the Financial Services Agency on December 22, 2015. By comprehensively considering the fact that the Accounting Auditor has been undertaking initiatives to prevent a reoccurrence and pursuing the auditing service for United Urban properly and rigorously, United Urban has determined it is deemed appropriate to continue to entrust the auditing to Ernst & Young ShinNihon LLC.

4. Advisors and Agents

Asset Management Company, Asset Custodian, and Administrative Agents at the end of the 26th fiscal period were as follows:

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

Portfolio Profiles

1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		25th Fiscal Period (As of May 31, 2016)		26th Fiscal Period (As of November 30, 2016)	
				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)	7,329,098	1.2	7,316,213	1.1
		Other regions		13,971,239	2.2	13,906,100	2.1
	Office Buildings	Capital region	The 6 central wards of Tokyo	13,260,370	2.1	13,211,095	2.0
			The 23 wards of Tokyo	9,703,828	1.5	9,661,189	1.5
			Tokyo metropolitan area	9,290,979	1.5	9,251,034	1.4
		Other regions		-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,659,234	0.3	2,030,919	0.3
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	4,245,721	0.7	4,199,241	0.6
		Other regions		-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	2,962,652	0.5	2,940,629	0.5
			Tokyo metropolitan area	-	-	-	-
		Other regions		767,128	0.1	755,874	0.1
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	-	-	-	-
		Other regions		-	-	-	-
	Subtotal			63,190,252	10.0	63,272,300	9.8
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,286,995	0.7	4,281,253	0.7
			The 23 wards of Tokyo	23,248,144	3.7	26,653,076	4.1
			Tokyo metropolitan area	75,384,848	12.0	84,631,528	13.1
		Other regions		65,237,809	10.4	65,382,721	10.1
	Office Buildings	Capital region	The 6 central wards of Tokyo	54,658,029	8.7	54,481,616	8.4
			The 23 wards of Tokyo	2,091,242	0.3	2,083,770	0.3
			Tokyo metropolitan area	46,994,646	7.5	45,723,696	7.1
		Other regions		53,423,489	8.5	53,237,070	8.2
	Hotels	Capital region	The 6 central wards of Tokyo	35,529,502	5.6	35,474,505	5.5
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	6,022,262	1.0	5,991,389	0.9
		Other regions		60,185,882	9.6	58,148,832	9.0
	Residential Properties	Capital region	The 6 central wards of Tokyo	1,049,643	0.2	1,038,539	0.2
			The 23 wards of Tokyo	9,080,797	1.4	8,992,482	1.4
			Tokyo metropolitan area	4,976,837	0.8	4,952,109	0.8
		Other regions		22,317,126	3.5	22,091,690	3.4
	Others	Capital region	The 6 central wards of Tokyo	9,457,522	1.5	9,414,858	1.5
			The 23 wards of Tokyo	8,044,293	1.3	8,035,963	1.2
			Tokyo metropolitan area	11,841,729	1.9	19,625,088	3.0
		Other regions		5,684,800	0.9	6,866,848	1.1
	Subtotal			499,515,605	79.4	517,107,044	79.8
Preferred Equity Securities (Note 6)			75,397	0.0	93,905	0.0	
Bank Deposits and Other Assets			66,481,015	10.6	67,632,020	10.4	
Total Assets			629,262,270	100.0	648,105,270	100.0	

- Notes: 1. "Total Amounts Held" is net book value of assets at the end of the period ("Real Estate" and "Real Estate in Trust" being stated at book value net of depreciation). The trust beneficial interest which trust asset mainly consists of real estate does not include an amount of deposit in the trust asset.
2. The "Capital region" refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.
3. The "6 central wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.
4. The "23 wards of Tokyo" are the 23 Tokyo wards excluding the "6 central wards of Tokyo."
5. "Tokyo metropolitan area" refers to the Capital region excluding the 23 wards of Tokyo.
6. Preferred equity securities of Tenjin 123 Project TMK

2. Major Properties

Major properties (top 10 properties based on book value) owned by Untied Urban as of November 30, 2016 were as follows:

Property Name	Book Value (Millions of yen)	Leasable Floor Space (m ²) (Note 1)	Leased Floor Space (m ²) (Note 1)(Note 2)	Occupancy Ratio (%) (Note 1)	Monthly Rent Ratio at the End of the 26th Fiscal Period (%) (Note 3)	Type of Use	Granting of Security
Yodobashi Camera Multimedia Kichijoji	27,993	37,932.95	37,932.95	100.0	(Note 4)	Retail Properties	N/A
Shin-Osaka Central Tower	24,101	45,978.59	45,168.35	98.2	4.8	Office / Hotels	N/A
Shinjuku Washington Hotel Honkan	22,597	53,363.11	53,353.75	99.98	4.0	Hotels	N/A
Shinsaibashi OPA Honkan	22,076	27,025.42	27,025.42	100.0	3.5	Retail Properties	N/A
Loisir Hotel & Spa Tower Naha	20,556	45,731.16	45,731.16	100.0	1.8	Hotels	N/A
Kawasaki Toshiba Building	19,617	36,118.31	36,118.31	100.0	4.3	Office Buildings	N/A
Himonya Shopping Center (Note 5)	17,981	26,655.66	26,655.66	100.0	(Note 4)	Retail Properties	N/A
Urawa Royal Pines Hotel	17,691	31,129.86	31,129.86	100.0	2.7	Hotels	N/A
Hitachi High-Tech Building	14,522	15,781.64	15,781.64	100.0	2.0	Office Buildings	N/A
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	12,450	52,668.38	52,668.38	100.0	1.5	Retail / Office	N/A
Total	199,588	372,385.08	371,565.48	99.8	(Note 4)		

- Notes: 1. "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of November 30, 2016. "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 Shinjuku Washington Hotel Honkan, Loisir Hotel & Spa Tower Naha, Hitachi High-Tech Building and maricom-ISOGO/SYSTEM PLAZA YOKOHAMA (Site) held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area. In addition, occupancy ratio of Shinjuku Washington Hotel Honkan is rounded to two decimal places.
2. 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.
3. "Monthly Rent Ratio at the End of the Period" is calculated based on monthly rent(s) (total of room rent and common area charges) under the lease agreement in effect as of November 30, 2016.
4. 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.
5. The property name was changed from "Daiei Himonya" to "Himonya Shopping Center" on July 13, 2016.

3. Details of Properties in the Portfolio

Details of properties owned by Untied Urban as of November 30, 2016 were as follows:

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at the End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Himonya Shopping Center (Note 5)	4-1-1 Himonya, Meguro-ku, Tokyo	Trust beneficial interest	26,655.66	22,700	17,981
Joy Park Izumigaoka	1-3 Miharadai 1-cho, Minami-ku, Sakai, Osaka	Trust beneficial interest	13,611.24	4,560	5,192
Ashiya Kawanishi Shopping Mart (Note 6)	3-28 Kawanishicho, Ashiya, Hyogo	Trust beneficial interest	1,558.80	1,180	740
Re-LAND Shopping Center	7-2-2 Fujiwara, Funabashi, Chiba	Trust beneficial interest	12,968.84	5,680	4,184
AEON MALL Uki	121-1 Gohnoe Aza Ebata, Ogawa-machi, Uki, Kumamoto, etc.	Trust beneficial interest	72,073.39	8,500	9,685
TENJIN LUCE	2-3-24 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,194.68	6,370	6,364
Yamada Denki Tecc Land Sakai Honten	5-1 Yashimochi 1-cho, Higashi-ku, Sakai, Osaka	Real estate	8,637.63	3,490	2,820
Miyamae Shopping Center	3-9-12 Inukura, Miyamae-ku, Kawasaki, Kanagawa	Trust beneficial interest	10,487.92	5,010	5,142
KONAMI SPORTS CLUB Korigaoka	3-3-1 Korigaoka, Hirakata, Osaka	Trust beneficial interest	8,627.58	1,890	1,641
ACTIOLE Minami-ikebukuro	2-26-10 Minami-ikebukuro, Toshima-ku, Tokyo	Trust beneficial interest	2,081.50	3,290	3,676
Tip's Machida Building	6-7-8 Haramachida, Machida, Tokyo	Trust beneficial interest	6,715.75	4,740	4,223
Daiei Takarazuka Nakayama	21-22 Mefuhigashino-cho, Takarazuka, Hyogo	Trust beneficial interest	16,729.60	4,060	3,283
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	1-1-1 Isogo, Isogo-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	52,668.38	11,300	12,450
ACTIOLE Kannai	3-31 Masago-cho, Naka-ku, Yokohama, Kanagawa	Real estate	1,938.56	2,070	2,305
Shinsaibashi OPA Honkan	1-4-3 Nishi-Shinsaibashi, Chuo-ku, Osaka, Osaka	Trust beneficial interest	27,025.42	26,100	22,076
Albore Jingumae	5-27-7 Jingumae, Shibuya-ku, Tokyo	Trust beneficial interest	931.14	2,060	1,562
Albore Sendai	2-4-5 Chuo, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	3,147.29	3,260	2,381
Mallage Kashiwa	2-3-1 Oyamadai, Kashiwa, Chiba, etc.	Trust beneficial interest	41,766.67	8,760	6,821
Ito-Yokado Owariasahi	116-4 Ishihara, Minami-Harayama-cho, Owariasahi, Aichi, etc.	Real estate	54,606.34	4,970	4,234
Yokohama Kariba Shopping Center	164-1 Kariba-cho Hodogaya-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	11,345.09	2,000	2,260
Luz Jiyugaoka	2-9-6 Jiyugaoka, Meguro-ku, Tokyo	Trust beneficial interest	2,283.47	6,050	4,995
ACTIOLE Ichikawa	1-4-17 Ichikawa, Ichikawa, Chiba	Trust beneficial interest	3,927.49	3,940	3,111
VIVAHOME Yokohama Aoba (Site)	1-2 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	9,193.00	3,140	2,740
Yamada Denki Tecc Land Aoba (Site)	2-3 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	7,650.63	2,470	2,270
Yodobashi Camera Multimedia Kichijoji	1-19-1 Kichijoji-honcho, Musashino, Tokyo	Trust beneficial interest	37,932.95	35,900	27,993
Yamada Denki Tecc Land New Matsudo Honten	2289-3 Matsudo Aza Iwase-sakai, Matsudo, Chiba, etc.	Trust beneficial interest	17,561.23	6,470	5,006
Tenjin Loft Building	4-9-25 Watanabe-dori, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	7,730.09	5,640	4,499
Narumi Shopping Center (Site)	3-2 Narumicho-aza Denjiyama, Midori-ku, Nagoya, Aichi, etc.	Real estate	60,419.26	6,950	6,850
Plussing Wave Enoshima	1-3-16 Kugenuma-Kaigan, Fujisawa, Kanagawa	Trust beneficial interest	3,155.64	2,140	1,866
Life Nishikujo (Site)	6-41-6 Nishikujo, Konohana-ku, Osaka, Osaka	Trust beneficial interest	3,252.76	1,990	1,842
Life Tamatsukuri (Site)	3-12-1 Nakamichi, Higashinari-ku, Osaka, Osaka	Trust beneficial interest	2,391.44	2,090	1,967
Granbell Ginza Building	2-8-18 Ginza, Chuo-ku, Tokyo	Trust beneficial interest	1,352.35	2,900	2,718
UUR Tenjin Nishi-dori Building	2-5-21 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	1,564.70	5,800	5,707
Luz Shonan Tsujido	1-2-12 Tsujido-Kandai, Fujisawa, Kanagawa	Trust beneficial interest	10,454.22	4,350	4,046
455 Ueno Building	4-5-5 Ueno, Taito-ku, Tokyo	Trust beneficial interest	1,167.63	3,290	3,122
KURURU	1-50 Miyamachi, Fuchu, Tokyo	Trust beneficial interest	13,292.30	10,500	9,653

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at the End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
T&G Hamamatsucho Building	2-12-10 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	2,420.85	3,110	2,084
SK Nagoya Building	1-3-7 Nishiki, Naka-ku, Nagoya, Aichi	Trust beneficial interest	8,708.52	4,830	5,524
Fukuoka Eartheon Building	3-6-3 Hakata-Eki Higashi, Hakata-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,934.40	2,580	1,648
Marumasu Kojimachi Building	3-3-8 Kojimachi, Chiyoda-ku, Tokyo	Trust beneficial interest	2,578.84	2,440	2,438
Rokubanchō K Building	2-19 Rokuban-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	4,031.14	3,670	2,289
Shin-Osaka Central Tower	5-5-15 Nishi-Nakashima, Yodogawa-ku, Osaka, Osaka	Trust beneficial interest	45,978.59	27,800	24,101
Kawasaki Toshiba Building	580-1 Horikawa-cho, Saiwai-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	36,118.31	31,700	19,617
UUR Toyochō Building	2-4-18 Toyo, Koto-ku, Tokyo	Real estate	7,540.30	8,800	8,556
FOUR SEASONS BLDG	2-4-3 Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	5,000.54	5,330	4,231
Hitachi High-Tech Building	1-24-14 Nishi-Shinbashi, Minato-ku, Tokyo	Trust beneficial interest	15,781.64	15,700	14,522
Pacific Marks Shinjuku Parkside	4-15-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	10,947.34	11,200	12,082
Pacific Marks Tsukishima	1-15-7 Tsukishima, Chuo-ku, Tokyo	Real estate	9,336.27	6,430	5,894
Pacific Marks Yokohama East	3-4 Sakae-cho, Kanagawa-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	10,732.11	7,260	6,882
Pacific Marks Shin-Urayasu	1-9-2 Mihama, Urayasu, Chiba	Trust beneficial interest	8,743.05	3,540	3,756
Akasaka Hikawa Building	6-18-3 Akasaka, Minato-ku, Tokyo	Trust beneficial interest	3,438.23	3,950	3,237
Pacific Marks Shibuya Koen-dori	1-6-3 Jinnan, Shibuya-ku, Tokyo	Trust beneficial interest	1,972.43	3,040	2,464
Pacific Marks Akasaka-mitsuke	3-20-6 Akasaka, Minato-ku, Tokyo	Real estate	1,675.13	2,210	2,163
Pacific Marks Shin-Yokohama	3-18-20 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	3,110.72	1,620	1,578
Pacific Marks Kawasaki	11-1 Ekimae-honcho, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Real estate	7,382.14	11,100	9,251
Hamamatsucho 262 Building	2-6-2 Hamamatsucho, Minato-ku, Tokyo	Trust beneficial interest	6,162.85	7,010	6,633
Lila Hijirizaka	3-4-9 Mita, Minato-ku, Tokyo, etc.	Real estate	4,255.02	3,060	2,646
Otsuka HT Building	3-43-1 Minami-otsuka, Toshima-ku, Tokyo	Real estate	1,774.56	1,220	1,104
Pacific Marks Shinjuku South-gate	4-2-16 Shinjuku, Shinjuku-ku, Tokyo	Real estate	1,723.03	3,200	2,507
Pacific Marks Nishi-Umeda	2-6-13 Umeda, Kita-ku, Osaka, Osaka, etc.	Trust beneficial interest	11,039.51	7,020	6,420
Pacific Marks Higobashi	1-10-8 Edobori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	7,623.57	4,620	4,431
Nagoya Nishiki City Building	1-6-5 Nishiki, Naka-ku, Nagoya, Aichi	Trust beneficial interest	5,609.97	2,450	2,436
Pacific Marks Esaka	9-1 Toyotsu-cho, Suita, Osaka	Trust beneficial interest	20,005.03	9,410	9,627
Pacific Marks Sapporo Kita-Ichijo	7-4-4 Kita Ichi-jo Nishi, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	4,727.65	2,020	1,807
Shin-Sapporo Center Building	6-2-15 Atsubetsu Chuo Ichi-jo, Atsubetsu-ku, Sapporo, Hokkaido	Trust beneficial interest	2,797.03	1,100	885
ARENA TOWER	3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	17,967.46	12,300	8,637
Yushima First Building	3-19-11 Yushima, Bunkyo-ku, Tokyo	Trust beneficial interest	4,558.77	2,800	2,083
Dogenzaka Square	5-18 Maruyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,233.57	2,810	2,317
GRAND-SQUARE Shin-Sakae	2-19-6 Shin-Sakae, Naka-ku, Nagoya, Aichi, etc.	Trust beneficial interest	4,578.93	1,940	1,433
GRAND-SQUARE Meieki-minami	1-12-9 Meieki-minami, Nakamura-ku, Nagoya, Aichi	Trust beneficial interest	4,003.05	2,020	1,194
Shiba 520 Building	5-20-6 Shiba, Minato-ku, Tokyo	Trust beneficial interest	2,831.94	2,760	2,179
Hirose-dori SE Building	205-1 Nagake-cho, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	8,235.87	4,810	3,487
Shinjuku Washington Hotel Honkan	3-2-9 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	53,363.11	25,900	22,597

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at the End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Toyoko Inn Shinagawa-eki Takanawa-guchi	4-23-2 Takanawa, Minato-ku, Tokyo	Real estate	3,088.85	2,490	1,645
MZ BLD.	2-26-9 Myojin-cho, Hachioji, Tokyo	Trust beneficial interest	6,670.21	3,900	3,260
HOTEL ROUTE-INN Yokohama Bashamichi	4-53-1 Benten Dori, Naka-ku, Yokohama, Kanagawa	Real estate	7,139.44	4,950	4,199
Hotel JAL City Naha	1-3-70 Makishi, Naha, Okinawa	Trust beneficial interest	13,701.80	11,400	7,208
UUR Yotsuya Sanchome Building	3-14-1 Yotsuya, Shinjuku-ku, Tokyo	Trust beneficial interest	7,854.86	6,370	4,219
Yotsuya 213 Building	2-1-3 Yotsuya, Shinjuku-ku, Tokyo	Trust beneficial interest	7,550.16	6,190	5,027
the b roppongi (Note 4)	3-9-8 Roppongi, Mitato-ku, Tokyo	Trust beneficial interest	2,710.90	4,170	3,629
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2-11-14 Isogo, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	4,874.28	3,140	2,730
Toyoko Inn Hiroshima Heiwa-odori	5-15 Tanakamachi, Naka-ku, Hiroshima, Hiroshima	Trust beneficial interest	4,357.75	2,400	2,164
Toyoko Inn Naha Kokusai-dori Miebash-eki	1-20-1 Makishi, Naha, Okinawa	Trust beneficial interest	1,529.47	809	765
Loisir Hotel & Spa Tower Naha	3-2-1 Nishi, Naha, Okinawa	Trust beneficial interest	45,731.16	22,200	20,556
Urawa Royal Pines Hotel	2-5-1 Nakachou, Urawa-ku, Saitama, Saitama	Trust beneficial interest	31,129.86	18,300	17,691
T&G Higashi-ikebukuro Mansion	3-8-8 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficial interest	2,603.22	2,250	1,502
Komazawa Court	2-37-1 Komazawa, Setagaya-ku, Tokyo	Trust beneficial interest	3,741.17	2,320	1,520
Sky Court Shiba-Daimon	1-2-3 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	1,486.38	1,310	1,038
Maison Ukima	1-3-1 Ukima, Kita-ku, Tokyo	Trust beneficial interest	12,691.43	4,500	3,190
Narashino Residence	4-83-10 Narashinodai, Funabashi, Chiba	Trust beneficial interest	6,840.86	1,240	1,005
Aprile Shin-Ohgi Ichibankan	2-10-6 Kita-Ohgi, Higashi Nada-ku, Kobe, Hyogo	Trust beneficial interest	12,700.44	3,600	2,554
UUR Court Sapporo Kita-Sanjo	3-1-28 Kitasanjo Higashi, Chuo-ku, Sapporo, Hokkaido	Trust beneficial interest	4,790.50	1,490	1,031
UUR Court Chiba Soga	2-3-5 Minami-cho, Chuo-ku, Chiba, Chiba	Trust beneficial interest	2,931.14	669	579
Higashi-kurume Dormitory Shinkan	1-8-4 Hikawadai, Higashikurume, Tokyo	Trust beneficial interest	1,397.61	545	459
Nanzan Court Ichigokan	6-8 Komagatacho, Showa-ku, Nagoya, Aichi, etc.	Trust beneficial interest	3,576.74	872	926
Nanzan Court Nigokan	5-19 Komagatacho, Showa-ku, Nagoya, Aichi, etc.	Trust beneficial interest	1,890.51	407	380
CLIO Bunkyo Koishikawa	1-13-9 Koishikawa, Bunkyo-ku, Tokyo	Trust beneficial interest	4,097.51	3,290	2,778
GRAND-ROUGE Sakae	5-21-26 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	3,697.38	1,320	1,273
GRAND-ROUGE Sakae II	5-21-37 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	2,579.89	1,350	1,074
MA Sendai Building	1-3-7 Kimachidori, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	11,525.36	4,270	2,859
UUR Court Nagoya Meieki	2-5-4 Meieki, Nishi-ku, Nagoya, Aichi	Trust beneficial interest	2,958.45	1,540	1,258
UUR Court Sapporo Shinoro Ichibankan	Shinoro 3-jo 6-4-32, Kita-ku, Sapporo, Hokkaido	Real estate	6,271.74	895	755
Park Site IZUMI	1-14-6 Izumi, Higashi-ku, Nagoya, Aichi	Trust beneficial interest	2,067.95	757	822
UUR Court Osaka Juso-honmachi	3-4-15 Jusohommachi, Yodogawa-ku, Osaka, Osaka	Trust beneficial interest	3,650.00	1,700	1,369
UUR Court Kinshicho	1-7-5 Kameido, Koto-ku, Tokyo	Real estate	5,460.39	3,610	2,940
UUR Court Sapporo Minami-Sanjo Premier Tower	2-3 Minamisanjo Nishi 1-chome, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	7,763.23	2,920	1,930
GRAND-ROUGE Nakanoshima-minami	1-25-27 Edohori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	3,090.36	1,650	1,370
Glenpark Umeda-kita	3-4-22 Nakazaki, Kita-ku, Osaka, Osaka	Trust beneficial interest	12,730.60	5,870	5,239
UUR Court Shiki	1-6-5 Saiwaicho, Shiki, Saitama	Trust beneficial interest	9,885.83	3,040	2,908

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at the End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Lilycolor Tohoku Branch	3-10 Okadanishimachi, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	9,271.16	2,150	1,530
KDDI Fuchu Building	1-43 Nikkocho, Fuchu, Tokyo	Trust beneficial interest	14,490.92	5,480	4,893
Tsubogawa Square Building	3-3-5 Tsubogawa, Naha, Okinawa	Trust beneficial interest	10,570.98	5,600	4,080
THE PLACE of TOKYO	3-5-4 Shibakoen, Mitato-ku, Tokyo	Trust beneficial interest	3,212.21	4,190	3,508
Logistics Higashi-Ohgishima	6-4 Higashi-Ohgishima, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	42,113.83	4,860	4,222
MT Ariake Center Building I&II	1-2-41 Ariake, Koto-ku, Tokyo, etc.	Trust beneficial interest	23,934.32	8,480	8,035
Quartz Tower	2-10-10 Shibuya, Shibuya-ku, Tokyo	Trust beneficial interest	2,940.22	5,980	5,905
Shin-Narashino Logistics Center	2-3-6 Akanehama, Narashino, Chiba	Trust beneficial interest	12,909.90	2,630	2,664
Kawagoe Logistics Center	1822-1 Aza-Obakeue, Oaza-Shimoakasaka, Kawagoe, Saitama	Trust beneficial interest	40,060.76	8,990	7,844
Asuto Nagamachi Dental Clinic	1-6-37 Asutonagamachi, Taihaku-ku, Sendai, Miyagi	Trust beneficial interest	1,554.09	1,310	1,255
Total (Note 4)			1,342,847.93	675,774	579,993

- Notes: 1. "Location" shows residential indication of each property, in principle. However, as for properties which have no residential indication, location stated in the land register of its building is stated. With regard to maricom-ISOGO/SYSTEM PLAZA YOKOHAMA (Site), VIVAHOME Yokohama Aoba (Site), Yamada Denki Tecc Land Aoba (Site), Narumi Shopping Center (Site), Life Nishikujo (Site), and Life Tamatsukuri (Site), the location of land (lot number) is stated because United Urban acquired only land.
2. "Trust beneficial interest" means trust beneficial interests in trust assets comprised mainly of real estate, and "Real estate" means actual real estate.
3. "Appraisal Value at 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, 2016, based on the Articles of Incorporation of United Urban and the "Ordinance on Accountings of Investment Corporations" (Cabinet Office Ordinance No. 47 of 2006).
4. United Urban decided to acquire the adjacent site to the b roppongi (acquisition price ¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million)) (the "Adjacent Site") on November 16, 2016, and acquired the building with leasehold on November 18, 2016 and the land on January 13, 2017, respectively.
Because United Urban acquired the Adjacent Site considering it enables to the extension of the b roppongi (the "Hotel") in the future, the Adjacent Site is considered to be attached to the Hotel and it is not recognized as one separate property. Therefore, the book value and other information of the Adjacent Site are not included in United Urban's portfolio.
5. The property name was changed from "Daiei Himonya" to "Himonya Shopping Center" on July 13, 2016.
6. The property name was changed from "Daimaru Peacock Ashiya Kawanishi" to "Ashiya Kawanishi Shopping Mart" on July 13, 2016.

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

Name of Property	25th Fiscal Period (December 1, 2015 to May 31, 2016)				26th Fiscal Period (June 1, 2016 to November 30, 2016)			
	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 (%)	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 (%)
Himonya Shopping Center (Note 10)	1	100.0	459	2.2	1	100.0	(Note 3)	(Note 3)
Joy Park Izumigaoka	22	99.8	263	1.3	22	99.8	266	1.2
Ashiya Kawanishi Shopping Mart (Note 11)	1	100.0	30	0.1	1	100.0	30	0.1
Re-LAND Shopping Center	14	97.8	247	1.2	15	97.9	248	1.2
AEON MALL Uki	1	100.0	312	1.5	1	100.0	364	1.7
TENJIN LUCE	11	100.0	278	1.4	11	100.0	220	1.0
Yamada Denki Tecc Land Sakai Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Miyamae Shopping Center	3	100.0	187	0.9	3	100.0	188	0.9
KONAMI SPORTS CLUB Korigaoka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
ACTIOLE Minami-ikebukuro	10	100.0	85	0.4	10	100.0	84	0.4
Tip's Machida Building	9	92.2	196	1.0	9	92.2	194	0.9
Daiei Takarazuka Nakayama	1	100.0	151	0.7	1	100.0	151	0.7

Name of Property	25th Fiscal Period (December 1, 2015 to May 31, 2016)				26th Fiscal Period (June 1, 2016 to November 30, 2016)			
	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 (%)	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 (%)
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	4	100.0	299	1.5	4	100.0	299	1.4
ACTIOLE Kannai	9	100.0	57	0.3	9	100.0	58	0.3
Shinsaibashi OPA Honkan	1	100.0	684	3.3	1	100.0	684	3.2
Shinsaibashi OPA Kireikan (Note 4)	-	-	51	0.3				
Albore Jingumae	4	100.0	49	0.2	4	100.0	49	0.2
Albore Sendai	5	100.0	110	0.5	5	100.0	109	0.5
Mallage Kashiwa	91	97.5	700	3.4	89	97.0	684	3.2
Ito-Yokado Owariasahi	1	100.0	224	1.1	1	100.0	224	1.0
Yokohama Kariba Shopping Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Jiyugaoka	20	96.5	163	0.8	19	92.5	162	0.8
ACTIOLE Ichikawa	13	100.0	149	0.7	13	100.0	153	0.7
VIVAHOME Yokohama Aoba (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land Aoba (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yodobashi Camera Multimedia Kichijoji	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land New Matsudo Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Tenjin Loft Building	5	100.0	288	1.4	5	100.0	292	1.4
Narumi Shopping Center (Site)	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
Plussing Wave Enoshima	7	96.8	77	0.4	7	96.8	78	0.4
Life Nishikujo (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Life Tamatsukuri (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Granbell Ginza Building	11	100.0	81	0.4	10	94.2	70	0.3
UUR Tenjin Nishi-dori Building	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Shonan Tsujido	32	98.1	289	1.4	32	98.1	302	1.4
455 Ueno Building	6	79.6	87	0.4	6	79.6	75	0.3
KURURU					27	100.0	197	0.9
T&G Hamamatsucho Building	6	100.0	94	0.5	6	100.0	95	0.4
SK Nagoya Building	12	95.7	188	0.9	13	98.5	193	0.9
Fukuoka Eartheon Building	6	89.3	87	0.4	7	93.3	101	0.5
Marumasu Kojimachi Building	16	100.0	82	0.4	16	100.0	88	0.4
Rokubancho K Building	1	100.0	108	0.5	1	100.0	108	0.5
Shin-Osaka Central Tower	61	98.6	1,102	5.4	61	98.2	1,111	5.2
Kawasaki Toshiba Building	1	100.0	836	4.1	1	100.0	836	3.9
UUR Toyochō Building	1	100.0	275	1.3	1	100.0	277	1.3
FOUR SEASONS BLDG	1	100.0	176	0.9	1	100.0	177	0.8
Hitachi High-Tech Building	2	100.0	398	1.9	2	100.0	406	1.9
Pacific Marks Shinjuku Parkside	21	94.4	323	1.6	21	99.1	324	1.5
UUR Tsukiji Building (Note 5)	-	-	87	0.4				
Pacific Marks Tsukishima	46	98.9	256	1.2	46	98.9	267	1.2
Pacific Marks Yokohama East	22	86.2	221	1.1	23	89.9	224	1.0
Pacific Marks Shin-Urayasu	16	85.0	158	0.8	14	66.4	190	0.9
Akasaka Hikawa Building	1	100.0	118	0.6	1	100.0	118	0.5
Pacific Marks Shibuya Koen-dori	1	100.0	84	0.4	1	100.0	84	0.4
Pacific Marks Akasaka-mitsuke	8	100.0	64	0.3	8	100.0	66	0.3
Yokohama Aioicho Building (Note 6)	19	92.1	57	0.3	-	-	57	0.3
Pacific Marks Shin-Yokohama	10	100.0	64	0.3	10	100.0	65	0.3

Name of Property	25th Fiscal Period (December 1, 2015 to May 31, 2016)				26th Fiscal Period (June 1, 2016 to November 30, 2016)			
	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 (%)	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 (%)
Pacific Marks Kawasaki	38	97.0	321	1.6	40	93.0	320	1.5
Hamamatsucho 262 Building	18	100.0	223	1.1	16	97.1	229	1.1
Lila Hijirizaka	15	98.8	117	0.6	16	100.0	118	0.6
Otsuka HT Building	7	100.0	52	0.3	7	100.0	58	0.3
Pacific Marks Shinjuku South-gate	10	100.0	95	0.5	10	100.0	96	0.4
Pacific Marks Nishi-Umeda	31	95.6	271	1.3	30	97.0	278	1.3
Pacific Marks Higobashi	24	100.0	165	0.8	23	100.0	172	0.8
Nagoya Nishiki City Building	29	95.5	98	0.5	30	100.0	104	0.5
Pacific Marks Esaka	45	94.7	291	1.4	41	91.5	379	1.8
Pacific Marks Sapporo Kita-Ichijo	12	100.0	97	0.5	12	100.0	95	0.4
Shin-Sapporo Center Building	20	100.0	63	0.3	19	92.5	61	0.3
ARENA TOWER	13	100.0	432	2.1	13	100.0	446	2.1
Yushima First Building	7	100.0	105	0.5	7	100.0	113	0.5
Dogenzaka Square	29	95.6	99	0.5	31	100.0	98	0.5
GRAND-SQUARE Shin-Sakae	6	100.0	93	0.5	6	100.0	94	0.4
GRAND-SQUARE Meieki-minami	13	100.0	79	0.4	13	100.0	81	0.4
Shiba 520 Building	2	50.0	76	0.4	4	83.3	67	0.3
Hirose-dori SE Building	10	100.0	196	1.0	10	100.0	209	1.0
Shinjuku Washington Hotel Honkan	8	99.98	650	3.2	8	99.98	787	3.7
Toyoko Inn Shinagawa-eki Takanawa-guchi	1	100.0	57	0.3	1	100.0	57	0.3
MZ BLD.	7	93.2	133	0.6	8	94.6	131	0.6
HOTEL ROUTE-INN Yokohama Bashamichi	4	100.0	155	0.8	4	100.0	154	0.7
Hotel JAL City Naha	2	100.0	334	1.6	2	100.0	320	1.5
UUR Yotsuya Sanchoe Building	2	95.0	178	0.9	3	100.0	180	0.8
Yotsuya 213 Building	4	100.0	181	0.9	4	100.0	177	0.8
HOTEL ROUTE-INN Nagoya Imaike Ekimae (Note 7)	1	100.0	(Note 3)	(Note 3)	-	-	(Note 3)	(Note 3)
the b roppongi (Note 8)	2	97.2	115	0.6	2	97.2	106	0.5
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Toyoko Inn Hiroshima Heiwa-odori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Toyoko Inn Naha Kokusai-dori Miebash-eki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Loisir Hotel & Spa Tower Naha	1	100.0	422	2.1	1	100.0	842	3.9
Urawa Royal Pines Hotel	10	100.0	220	1.1	10	100.0	590	2.7
T&G Higashi-ikebukuro Mansion	128	99.2	67	0.3	120	93.0	67	0.3
Komazawa Court	1	100.0	60	0.3	1	100.0	60	0.3
Sky Court Shiba-Daimon	1	100.0	32	0.2	1	100.0	32	0.2
Maison Ukima	1	100.0	124	0.6	1	100.0	124	0.6
Narashino Residence	1	100.0	51	0.3	1	100.0	51	0.2
Aprile Shin-Ohgi Ichibankan	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
UUR Court Sapporo Kita-Sanjo	1	100.0	52	0.3	1	100.0	52	0.2
UUR Court Chiba Soga	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Higashi-kurume Dormitory Shinkan	1	100.0	16	0.1	1	100.0	16	0.1
Nanzan Court Ichigokan	1	100.0	37	0.2	1	100.0	37	0.2
Nanzan Court Nigokan	1	100.0	16	0.1	1	100.0	16	0.1

Name of Property	25th Fiscal Period (December 1, 2015 to May 31, 2016)				26th Fiscal Period (June 1, 2016 to November 30, 2016)			
	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 (%)	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 (%)
CLIO Bunkyo Koishikawa	85	94.5	100	0.5	88	95.2	96	0.4
GRAND-ROUGE Sakae	86	89.0	45	0.2	87	89.3	44	0.2
GRAND-ROUGE Sakae II	1	100.0	38	0.2	1	100.0	38	0.2
MA Sendai Building	145	97.1	167	0.8	152	99.6	167	0.8
UUR Court Nagoya Meieki	1	100.0	45	0.2	1	100.0	45	0.2
UUR Court Sapporo Shinoro Ichibankan	3	100.0	33	0.2	3	100.0	33	0.2
Park Site IZUMI	40	97.8	25	0.1	41	100.0	29	0.1
UUR Court Osaka Juso-honmachi	1	100.0	52	0.3	1	100.0	52	0.2
UUR Court Kinshicho	192	94.7	118	0.6	193	95.8	118	0.6
UUR Court Sapporo Minami-Sanjo Premier Tower	130	84.9	106	0.5	134	92.0	120	0.6
GRAND-ROUGE Nakanoshima-minami	101	86.5	51	0.2	110	93.6	55	0.3
Glenpark Umeda-kita	178	97.5	189	0.9	181	99.0	191	0.9
UUR Court Shiki	1	100.0	93	0.5	1	100.0	93	0.4
Lilycolor Tohoku Branch	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
KDDI Fuchu Building	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Tsubogawa Square Building	5	100.0	276	1.3	5	100.0	299	1.4
THE PLACE of TOKYO	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Logistics Higashi-Ohgishima (Note 9)	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
MT Ariake Center Building I&II	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
Quartz Tower	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Shin-Narashino Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Kawagoe Logistics Center					1	100.0	(Note 3)	(Note 3)
Ausuto Nagamachi Dental Clinic					1	100.0	(Note 3)	(Note 3)
Total	2,037	98.8	20,597	100.0	2,066	98.9	21,501	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, Loisir Hotel & Spa Tower Naha, KDDI Fuchu Building and Logistics Higashi-Ohgishima held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area. In addition, occupancy ratio of Shinjuku Washington Hotel Honkan is rounded to two decimal places.
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. United Urban sold Shinsaibashi OPA Kireikan on March 25, 2016.
5. United Urban sold UUR Tsukiji Building on February 26, 2016.
6. United Urban sold Yokohama Aioicho Building on November 29, 2016.
7. United Urban sold HOTEL ROUTE-INN Nagoya Imaike Ekimae on November 29, 2016.
8. United Urban decided to acquire the adjacent site to the b roppongi (acquisition price ¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million)) (the "Adjacent Site") on November 16, 2016, and acquired the building with leasehold on November 18, 2016 and the land on January 13, 2017, respectively. The first floor of the building with leasehold of the Adjacent Site has been leased to two lessees as of the end of the 26th fiscal period, and the fixed-term building lease agreements, the expiration date of which are February 5, 2017 and March 23, 2017 respectively, are concluded. "Rental Revenue" and "Share of Total Rental Revenue" of the b roppongi for the 26th fiscal period are stated based on the amount including rental revenues, etc. for the Adjacent Site (¥0 million).
9. United Urban sold its 49 % quasi co-ownership interest of the trust beneficial interest in "Logistics Higashi-Ohgishima" on February 26, 2016. In addition, United Urban continues to hold the remaining 51% quasi co-ownership.
10. The property name was changed from "Daiei Himonya" to "Himonya Shopping Center" on July 13, 2016.

11. The property name was changed from "Daimaru Peacock Ashiya Kawanishi" to "Ashiya Kawanishi Shopping Mart" on July 13, 2016.

4. Details of Investment Securities

Overview of investment securities owned by Untied Urban as of November 30, 2016 was as follows:

Name of Asset	Type of Asset	Quantity (Unit)	Book Value (Thousands of yen)		Appraisal Value (Thousands of yen)		Valuation Gain or Loss (Thousands of yen)	Remarks
			Unit price	Amount	Unit price	Amount		
Preferred equity securities of Tenjin 123 Project <i>Tokutei Mokuteki Kaisha</i> (specific purpose company) (Note 1)	Preferred equity securities	1,497	-	93,905	-	93,905 (Note 2)	-	-
Total			-	93,905	-	93,905	-	-

Notes: 1. Tenjin 123 Project *Tokutei Mokuteki Kaisha* (specific purpose company) (the "TMK") is developing a development-type hotel "(tentative name) the b fukuoka tenjin" (the "Hotel Property"), and United Urban has acquired the preferential negotiation right of the Hotel Property in connection with United Urban's acquisition of the preferred securities of the TMK.

Outline of the Hotel Property is as follows.

Name of the Hotel Property	Location	Type	Site Area	Structure / Scale	Business Starting Date
(tentative name) The b fukuoka tenjin	Fukuoka, Fukuoka	Hotel (125 rooms) Retail	Land: 496.79 m ² Building: 3,625.15 m ²	S/10F	July 2017 (scheduled)

* The above table is shown based on the architectural planning, etc. Accordingly, some information might be changed.

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

5. Amount of Contract and Fair Value of Specified Transactions

Overview of amount of contract and fair values of specified transactions as of November 30, 2016 was as follows:

Classification	Type	Amount of Contract (Thousands of yen) (Note 1)		Fair Value (Thousands of yen) (Note 2) (Note 3)
			over one year	
Transaction other than market transactions	Interest rate swaps (fixed rate payable and floating rate receivable)	102,680,000	94,180,000	(899,557)
Total		102,680,000	94,180,000	(899,557)

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.

6. Status of Other Assets

As of November 30, 2016, trust beneficial interests in real estate, etc. owned by United Urban are stated in "3. Details of Properties in the Portfolio" above and there were no other specified assets.

7. Status of Holding Assets by Country and Region

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

Capital Expenditures

1. Plan of Capital Expenditures

The table below sets out the principal capital expenditures for repair, etc., of properties and properties which are the trust assets of trust beneficial interests in real estate managed by United Urban (collectively the "Investment Real Estate") scheduled as of November 30, 2016. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Description of Work	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Amount payable in the 26th fiscal period	Amount already paid
Mallage Kashiwa	Kashiwa, Chiba	Installation work for new tenant	From May 2017 to May 2017	204	-	-
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of air-conditioning facilities	From January 2016 to December 2016	453	-	-
Pacific Marks Shin-Urayasu	Urayasu, Chiba	Renewal of individual air-conditioner	From December 2016 to February 2017	132	-	-
Pacific Marks Shin-Urayasu	Urayasu, Chiba	Renewal of individual air-conditioner	From May 2017 to November 2017	153	-	-
Pacific Marks Shibuya Koen-dori	Shibuya-ku, Tokyo	Renewal of the entire building	From June 2017 to November 2017	303	-	-
Pacific Marks Esaka	Suita, Osaka	Renewal of sign of outdoor facility	From May 2017 to June 2017	151	-	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of banquet hall	From May 2017 to August 2017	220	-	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Extension work of guest rooms	From May 2017 to October 2017	180	-	-

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 26th fiscal period, which totaled ¥5,762 million. Together with ¥1,048 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥6,810 million.

Name of Properties	Location	Description of Work	Period Implemented	Expenditure Amount (Millions of yen)
Himonya Shopping Center	Meguro-ku, Tokyo	Renovation of the entire building	From June 2016 to October 2016	3,960
Joy Park Izumigaoka	Sakai, Osaka	Renewal of security camera and monitor	From November 2016 to November 2016	16
Re-LAND Shopping Center	Funabashi, Chiba	Renewal of central monitoring facility	From November 2016 to November 2016	22
AEON MALL Uki	Uki, Kumamoto	Renewal of air-conditioning and electric facilities	From June 2016 to August 2016	213
AEON MALL Uki	Uki, Kumamoto	Earthquake restoration work	From June 2016 to July 2016	248
Yodobashi Camera Multimedia Kichijoji	Musashino, Tokyo	Renewal of central monitoring equipment of disaster control center	From November 2016 to November 2016	10
Tenjin Loft Building	Fukuoka, Fukuoka	Renewal of toilets (in some floors)	From October 2016 to November 2016	16
Marumasu Kojimachi Building	Chiyoda-ku, Tokyo	Renewal of rooftop transformer	From November 2016 to November 2016	14
Shin-Osaka Central Tower	Osaka, Osaka	Replacement of parts of mechanical parking lot	From November 2016 to November 2016	26
Shin-Osaka Central Tower	Osaka, Osaka	Replacement of parts of receiving and transforming facilities at extra-high voltage electrical room, etc.	From November 2016 to November 2016	21
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of central monitoring panel of disaster control center	From April 2016 to November 2016	112

Name of Properties	Location	Description of Work	Period Implemented	Expenditure Amount (Millions of yen)
Pacific Marks Yokohama East	Yokohama, Kanagawa	Renewal of a central security system	From April 2016 to September 2016	28
Pacific Marks Kawasaki	Kawasaki, Kanagawa	Repair of external wall seal	From September 2016 to November 2016	17
Pacific Marks Nishi-Umeda	Osaka, Osaka	Replacement of parts of mechanical parking lot	From November 2016 to November 2016	11
Pacific Marks Nishi-Umeda	Osaka, Osaka	Renewal of disaster prevention monitoring panel	From October 2016 to November 2016	55
Pacific Marks Higobashi	Osaka, Osaka	Renewal of air-conditioning facility (1st period)	From November 2016 to November 2016	71
Pacific Marks Esaka	Suita, Osaka	Renewal of rooftop cooling tower	From June 2016 to July 2016	19
ARENA TOWER	Yokohama, Kanagawa	Replacement of part of mechanical parking lot equipment	From June 2016 to September 2016	14
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Repair of elevator	From June 2016 to November 2016	115
MZ BLD.	Hachioji, Tokyo	Installation work for new tenant	From August 2016 to August 2016	11
MZ BLD.	Hachioji, Tokyo	Replacement of electric energy meter and central meter reading equipment	From October 2016 to November 2016	15
Hotel JAL City Naha	Naha, Okinawa	Renewal of salt removal filter unit of machine room on each floor	From November 2016 to November 2016	10
the b roppongi	Minato-ku, Tokyo	Renewal of guest rooms, corridors, interior facilities, etc. (3rd period)	From August 2016 to August 2016	10
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Extension work of guest rooms and repair of entrance of basement parking lot	From March 2016 to June 2016	240
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of private branch exchange	From June 2016 to June 2016	28
Urawa Royal Pines Hotel	Saitama, Saitama	Replacement of lobby display system	From November 2016 to November 2016	10
UUR Court Sapporo Minami-Sanjo Premier Tower	Sapporo, Hokkaido	Installation work for tenant (3rd floor)	From July 2016 to August 2016	29
Shin-Narashino Logistics Center	Narashino, Chiba	Replacement of control boards of rooftop elevator machine room	From October 2016 to November 2016	14
Other capital expenditures				395
Total				5,762

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)	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Reserve balance at the beginning of period	663	692	711	792	971
Addition to the reserve during the period (Note)	106	29	90	188	36
Reduction of reserve during the period	77	10	9	9	9
Reserve balance to be carried over to next period	692	711	792	971	998

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

Expenses and Debt

1. Asset Management Expenses

	Thousands of yen	
	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Asset management fees (Note)	1,666,100	1,752,072
Asset custodian fees	17,661	18,285
Administrative agent fees	68,022	67,897
Directors' fees	10,200	10,200
Other expenses	217,809	251,631
Total	1,979,793	2,100,086

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 (25th fiscal period: ¥324,598 thousand, 26th fiscal period: ¥146,986 thousand) and asset management fees related to sale of properties which was deducted from gain or loss from sale of the Investment Real Estate (25th fiscal period: ¥114,312 thousand, 26th fiscal period: ¥35,360 thousand).

2. Borrowings

Borrowings from financial institutions as of November 30, 2016 were as follows :

	Lenders	Drawdown Date	Balance at the beginning of the 26th FP (Millions of yen) (Note 1)	Balance at the end of the 26th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Long-term debt due for repayment within one year	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Oct. 25, 2011	2,000	-	0.484	Sep. 20, 2016 (Note 8)	Bullet Payment	(Note 3)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		2,500	-					
	The Bank of Fukuoka, Ltd.		1,200	-					
	Mitsubishi UFJ Trust and Banking Corporation	Dec. 20, 2011	2,000	2,000	0.482	Dec. 20, 2016		(Note 4)	
	Mizuho Bank, Ltd.	Dec. 26, 2011	500	500	0.482	Dec. 20, 2016		(Note 3)	
	The Norinchukin Bank		4,000	4,000					
	Sumitomo Mitsui Trust Bank, Limited	Mar. 30, 2012	1,500	1,500	0.482	Mar. 20, 2017		(Note 4)	
	Sumitomo Mitsui Banking Corporation		2,400	2,400					
	Sompo Japan Nipponkoa Insurance Inc.	Mar. 30, 2012	1,000	1,000	0.993	Mar. 20, 2017		(Note 4)	
	The Hiroshima Bank, Ltd.		500	500					
	Kansai Urban Banking Corporation		1,000	1,000					
	Mizuho Bank, Ltd.	Apr. 12, 2012	1,500	1,500	0.482	Mar. 20, 2017		(Note 5)	
	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					
	Shinsei Bank, Limited	May 18, 2012	1,000	1,000	0.922	Mar. 20, 2017		(Note 3)	
	Development Bank of Japan Inc.	Jul. 7, 2010	-	1,400	2.142	Jun. 20, 2017	(Note 6)	(Note 5)	
	Resona Bank, Limited	May 18, 2012	-	1,300	0.534 (Note 7)	Jun. 20, 2017	Bullet Payment	(Note 3)	

		Drawdown Date	Balance at the beginning of the 26th FP (Millions of yen) (Note 1)	Balance at the end of the 26th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Lenders									
Long-term debt due for repayment within one year	The Gunma Bank, Ltd.	Jun. 20, 2012	-	900	0.534 (Note 7)	Jun. 20, 2017	Bullet Payment	(Note 4)	Unsecured Unguaranteed
	The Bank of Yokohama, Ltd.		-	900					
	The Tokyo Tomin Bank, Limited		-	500					
	Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2012	-	2,500	0.484 (Note 7)	Jun. 20, 2017		(Note 4)	
	Mizuho Bank, Ltd.	Nov. 22, 2012	-	2,400	0.434 (Note 7)	Jun. 20, 2017		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jun. 20, 2012	-	4,400	0.740	Sep. 20, 2017		(Note 4)	
Subtotal			25,100	33,700					
Long-term debt	Development Bank of Japan Inc.	Jul. 7, 2010	1,450	-	2.142	Jun. 20, 2017	(Note 6)	(Note 5)	Unsecured Unguaranteed
	Resona Bank, Limited	May 18, 2012	1,300	-	0.534 (Note 7)	Jun. 20, 2017	Bullet Payment	(Note 3)	
	The Gunma Bank, Ltd.	Jun. 20, 2012	900	-	0.534 (Note 7)	Jun. 20, 2017		(Note 4)	
	The Bank of Yokohama, Ltd.		900	-					
	The Tokyo Tomin Bank, Limited		500	-					
	Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2012	2,500	-	0.484 (Note 7)	Jun. 20, 2017		(Note 4)	
	Mizuho Bank, Ltd.	Nov. 22, 2012	2,400	-	0.434 (Note 7)	Jun. 20, 2017		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jun. 20, 2012	4,400	-	0.740	Sep. 20, 2017		(Note 4)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Apr. 12, 2012	3,000	3,000	0.611 (Note 7)	Mar. 20, 2018		(Note 5)	
	Sumitomo Mitsui Banking Corporation	Aug. 29, 2012	2,200	2,200	0.511 (Note 7)	Mar. 20, 2018		(Note 3)	
	Mizuho Bank, Ltd.	Mar. 21, 2013	3,000	3,000	0.461 (Note 7)	Mar. 20, 2018		(Note 3)	
	Aozora Bank, Ltd.	Mar. 21, 2013	1,570	1,570	0.461 (Note 7)	Mar. 20, 2018		(Note 4)	
	The Norinchukin Bank		2,253	2,253					
	Aozora Bank, Ltd.	Mar. 20, 2014	1,700	1,700	0.559	Mar. 20, 2018		(Note 4)	
	Mitsubishi UFJ Trust and Banking Corporation	May 16, 2013	2,000	2,000	0.778 (Note 7)	Jun. 20, 2018		(Note 3)	
	The Shinkumi Federation Bank	Jun. 20, 2013	2,000	2,000	0.449 (Note 7)	Jun. 20, 2018	Bullet Payment	(Note 4)	
	The Bank of Fukuoka, Ltd.		500	500					
	Saitama Resona Bank, Limited		1,000	1,000					
	Mitsubishi UFJ Trust and Banking Corporation	Jun. 20, 2013	1,000	1,000	0.735 (Note 7)	Jun. 20, 2018		(Note 4)	
	ORIX Bank Corporation	Jun. 20, 2013	1,500	1,500	0.830	Jun. 20, 2018		(Note 4)	
	Development Bank of Japan Inc.	Sep. 27, 2011	2,800	2,800	1.464	Sep. 20, 2018		(Note 4)	
	THE NISHI-NIPPON CITY BANK, LTD.	Sep. 20, 2013	1,000	1,000	0.453 (Note 7)	Sep. 20, 2018		(Note 4)	
	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		(Note 4)	
	Shinkin Central Bank	Nov. 1, 2013	1,000	1,000	0.688	Sep. 20, 2018		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Mar. 15, 2013	3,500	3,500	0.524 (Note 7)	Mar. 20, 2019		(Note 3)	
	ORIX Bank Corporation	Nov. 1, 2013	1,000	1,000	0.753	Mar. 20, 2019		(Note 3)	
	The Norinchukin Bank	Feb. 28, 2014	1,600	1,600	0.620 (Note 7)	Mar. 20, 2019		(Note 3)	
	Resona Bank, Limited	Apr. 8, 2014	1,000	1,000	0.708	Mar. 20, 2019		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Jun. 20, 2012	4,500	4,500	0.693 (Note 7)	Jun. 20, 2019		(Note 4)	

		Drawdown Date	Balance at the beginning of the 26th FP (Millions of yen) (Note 1)	Balance at the end of the 26th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
	Lenders								
Long-term debt	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jun. 28, 2012	2,200	2,200	0.960	Jun. 20, 2019	Bullet Payment	(Note 3)	Unsecured Unguaranteed
	Aozora Bank, Ltd.	May 16, 2013	2,000	2,000	0.523 (Note 7)	Jun. 20, 2019		(Note 3)	
	Shinsei Bank, Limited	May 16, 2013	1,000	1,000	1.056	Jun. 20, 2019		(Note 3)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Oct. 2, 2014	1,000	1,000	0.511	Sep. 20, 2019		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	4,000	4,000	0.555 (Note 7)	Sep. 20, 2019		(Note 4)	
	Mizuho Bank, Ltd.		637	637					
	Aozora Bank, Ltd.		1,570	1,570					
	Aozora Bank, Ltd.	Aug. 29, 2014	1,200	1,200	0.593	Sep. 20, 2019		(Note 3)	
	Mizuho Trust & Banking Co., Ltd.	Apr. 1, 2016	1,000	1,000	0.200	Mar. 23, 2020		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 15, 2013	4,000	4,000	0.800	Mar. 23, 2020		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 21, 2013	2,427	2,427	0.780	Mar. 23, 2020		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	1,209	1,209	0.617 (Note 7)	Mar. 23, 2020		(Note 4)	
	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 7)	Mar. 23, 2020		(Note 4)	
	Development Bank of Japan Inc.	Jun. 20, 2012	900	900	1.370	Jun. 20, 2020		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2013	1,000	1,000	0.631 (Note 7)	Jun. 20, 2020		(Note 4)	
	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					
	The Daishi Bank, Ltd.	Jul. 8, 2015	1,000	1,000	0.550 (Note 7)	Jun. 22, 2020		(Note 5)	
	The 77 Bank, Ltd.	Jul. 8, 2015	500	500	0.527 (Note 7)	Sep. 23, 2020		(Note 5)	
	The Bank of Yokohama, Ltd.		500	500					
	The Tokyo Tomin Bank, Limited		500	500					
	The Kagawa Bank, Ltd.		500	500					
	The Bank of Fukuoka, Ltd.	Aug. 7, 2015	500	500	0.428 (Note 7)	Sep. 23, 2020		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 15, 2013	4,500	4,500	0.668 (Note 7)	Sep. 23, 2020		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 21, 2013	3,283	3,283	0.668 (Note 7)	Sep. 23, 2020		(Note 4)	
	Nippon Life Insurance Company	Sep. 20, 2013	1,000	1,000	1.000	Sep. 23, 2020		(Note 4)	
	Development Bank of Japan Inc.	Nov. 1, 2013	2,400	2,400	0.826	Sep. 23, 2020		(Note 3)	
	Shinsei Bank, Limited	Nov. 29, 2013	2,500	2,500	0.888	Sep. 23, 2020		(Note 3)	
	The Norinchukin Bank	Jul. 8, 2015	1,000	1,000	0.509 (Note 7)	Dec. 21, 2020		(Note 5)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Feb. 5, 2016	1,000	1,000	0.230 (Note 7)	Dec. 21, 2020		(Note 3)	
	Mizuho Trust & Banking Co., Ltd.	Feb. 28, 2014	1,300	1,300	0.858	Dec. 21, 2020		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Feb. 5, 2016	1,000	1,000	0.217 (Note 7)	Mar. 22, 2021		(Note 3)	
	The Iyo Bank, Ltd.	Feb. 5, 2016	1,000	1,000	0.337	Mar. 22, 2021		(Note 3)	

	Lenders	Drawdown Date	Balance at the beginning of the 26th FP (Millions of yen) (Note 1)	Balance at the end of the 26th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Long-term debt	Sumitomo Mitsui Banking Corporation	Mar. 20, 2014	5,800	5,800	0.850 (Note 7)	Mar. 22, 2021	Bullet Payment	(Note 4)	Unsecured Unguaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 20, 2014	1,400	1,400	0.830	Mar. 22, 2021		(Note 4)	
	Mizuho Bank, Ltd.	Mar. 20, 2014	1,400	1,400	0.841	Mar. 22, 2021		(Note 4)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mar. 28, 2014	2,200	2,200	0.850	Mar. 22, 2021		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Apr. 8, 2014	5,700	5,700	0.883	Mar. 22, 2021		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Aug. 29, 2014	1,900	1,900	0.690	Mar. 22, 2021		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Oct. 2, 2014	2,000	2,000	0.619 (Note 7)	Mar. 22, 2021		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Mar. 22, 2016	1,000	1,000	0.282	Jun. 21, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Apr. 1, 2016	2,000	2,000	0.282	Jun. 21, 2021		(Note 3)	
	The Nomura Trust and Banking Co., Ltd.	Apr. 1, 2016	1,000	1,000	0.350	Jun. 21, 2021		(Note 3)	
	Mizuho Bank, Ltd.	May 1, 2014	1,700	1,700	0.737 (Note 7)	Jun. 21, 2021		(Note 3)	
	Sumitomo Mitsui Banking Corporation	May 1, 2014	1,000	1,000	0.872 (Note 7)	Jun. 21, 2021		(Note 3)	
	Mitsubishi UFJ Trust and Banking Corporation	May 1, 2014	1,000	1,000	0.770 (Note 7)	Jun. 21, 2021		(Note 3)	
	The Gunma Bank, Ltd.	Jul. 8, 2015	500	500	0.559 (Note 7)	Sep. 21, 2021		(Note 5)	
	The Norinchukin Bank	Apr. 1, 2016	1,500	1,500	0.282	Sep. 21, 2021		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Jun. 30, 2015	2,900	2,900	0.612 (Note 7)	Dec. 20, 2021		(Note 3)	
	Mitsubishi UFJ Trust and Banking Corporation	Aug. 29, 2014	3,000	3,000	0.670 (Note 7)	Dec. 20, 2021		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 20, 2014	2,600	2,600	1.030	Mar. 22, 2022		(Note 4)	
	Mizuho Bank, Ltd.	Oct. 2, 2014	3,000	3,000	0.661 (Note 7)	Mar. 22, 2022		(Note 3)	
	Mizuho Bank, Ltd.	Nov. 25, 2014	2,000	2,000	0.672 (Note 7)	Jun. 20, 2022		(Note 3)	
	Shinkin Central Bank	Jul. 8, 2015	1,000	1,000	0.728	Jun. 20, 2022		(Note 5)	
	Development Bank of Japan Inc.	Aug. 7, 2015	1,200	1,200	0.710	Jun. 20, 2022		(Note 3)	
	The Hiroshima Bank, Ltd.	Jul. 8, 2015	500	500	0.685 (Note 7)	Sep. 20, 2022		(Note 5)	
	Yamaguchi Bank, Ltd.	Jul. 8, 2015	1,000	1,000	0.885 (Note 7)	Sep. 20, 2022		(Note 5)	
	Nippon Life Insurance Company	Jul. 8, 2015	1,000	1,000	0.861	Sep. 20, 2022		(Note 5)	
	Shinsei Bank, Limited	Jul. 15, 2015	1,500	1,500	0.773	Sep. 20, 2022		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Oct. 2, 2014	2,800	2,800	0.814	Sep. 20, 2022		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Dec. 20, 2013	3,400	3,400	1.239	Dec. 20, 2022		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Nov. 25, 2014	6,500	6,500	0.842	Mar. 20, 2023		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	May 29, 2015	3,500	3,500	0.775	Mar. 20, 2023		(Note 4)	
	Resona Bank, Limited	Feb. 5, 2016	1,500	1,500	0.370 (Note 7)	Mar. 20, 2023		(Note 3)	
	Mizuho Bank, Ltd.	Mar. 22, 2016	2,000	2,000	0.452	Mar. 20, 2023		(Note 4)	
	Resona Bank, Limited	Mar. 22, 2016	1,000	1,000	0.332	Mar. 20, 2023		(Note 4)	
	Saitama Resona Bank, Limited	Apr. 1, 2016	2,000	2,000	0.490 (Note 7)	Mar. 20, 2023		(Note 3)	

	Lenders	Drawdown Date	Balance at the beginning of the 26th FP (Millions of yen) (Note 1)	Balance at the end of the 26th FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Long-term debt	The Ashikaga Bank, Ltd.	Apr. 1, 2016	1,000	1,000	0.441	Mar. 20, 2023	Bullet Payment	(Note 3)	Unsecured Unguaranteed
	Mizuho Trust & Banking Co., Ltd.	Aug. 7, 2015	1,000	1,000	0.798	Jun. 20, 2023		(Note 3)	
	Development Bank of Japan Inc.	Apr. 1, 2016	1,500	1,500	0.372	Jun. 20, 2023		(Note 3)	
	THE NISHI-NIPPON CITY BANK, LTD.	Apr. 1, 2016	1,000	1,000	0.382	Jun. 20, 2023		(Note 3)	
	Mizuho Bank, Ltd.	Jul. 15, 2015	1,300	1,300	0.749 (Note 7)	Sep. 20, 2023		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Jul. 15, 2015	1,300	1,300	0.780	Sep. 20, 2023		(Note 3)	
	Mitsubishi UFJ Trust and Banking Corporation	Dec. 4, 2015	1,000	1,000	0.625 (Note 7)	Mar. 21, 2024		(Note 3)	
	Mizuho Trust & Banking Co., Ltd.	Mar. 22, 2016	1,000	1,000	0.312	Mar. 21, 2024		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Jul. 15, 2015	1,700	1,700	0.924	Jun. 20, 2024		(Note 3)	
	Mizuho Bank, Ltd.	Apr. 1, 2016	2,000	2,000	0.523	Jun. 20, 2024		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Dec. 4, 2015	1,000	1,000	0.680	Sep. 20, 2024		(Note 3)	
	Mizuho Bank, Ltd.	Dec. 4, 2015	1,000	1,000	0.633 (Note 7)	Sep. 20, 2024		(Note 3)	
	Meiji Yasuda Life Insurance Company	Feb. 5, 2016	1,000	1,000	0.687	Mar. 21, 2025		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Apr. 1, 2016	2,000	2,000	0.430	Mar. 21, 2025		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Apr. 1, 2016	3,000	3,000	0.372	Sep. 22, 2025		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Feb. 5, 2016	2,000	2,000	0.627	Dec. 22, 2025		(Note 3)	
Subtotal			204,557	190,207					
Total			229,657	223,907					

- 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. The funds are used for acquisition of real estate or trust beneficial interest in real estate and expenses related to the acquisition.
4. The funds are used for repayment of borrowings.
5. The funds are used for redemption of corporate bonds.
6. 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).
7. It is a borrowing with floating interest rate applying the Japanese Bankers Association (JBA) one month JPY TIBOR, three months 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.
8. A maturity date of this borrowing is September 20, 2016. However, this borrowing was repaid in full on July 20, 2016.

3. Corporate Bonds

Corporate Bonds as of November 30, 2016 were as follows :

Name	Issue Date	Balance at the beginning of the 26th FP (Millions of yen)	Balance at the end of the 26th FP (Millions of yen)	Interest Rate (%)	Maturity Date	Redemption Method	Use	Remarks
Series 6 of Unsecured Corporate Bonds	Dec. 9, 2011	3,000	3,000	1.120	Dec. 9, 2016	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 7 of Unsecured Corporate Bonds	Jul. 5, 2012	6,500	6,500	0.950	Jul. 5, 2017	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 8 of Unsecured Corporate Bonds	Aug. 6, 2012	10,000	-	0.800	Aug. 5, 2016	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 9 of Unsecured Corporate Bonds	Dec. 19, 2012	10,000	10,000	0.620	Dec. 19, 2016	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 10 of Unsecured Corporate Bonds	Dec. 12, 2012	4,000	4,000	0.690	Dec. 12, 2017	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 11 of Unsecured Corporate Bonds	May 30, 2013	8,000	8,000	0.690	May 30, 2018	Bullet payment	(Note 2)	Unsecured (Note 3)
Series 12 of Unsecured Corporate Bonds	May 30, 2013	2,000	2,000	0.690	May 30, 2018	Bullet payment	(Note 2)	Unsecured (Note 3)
Series 13 of Unsecured Corporate Bonds	Nov. 20, 2013	13,000	13,000	0.470	Nov. 20, 2018	Bullet payment	(Note 2)	Unsecured (Note 3)
Series 14 of Unsecured Corporate Bonds	Nov. 20, 2013	2,000	2,000	0.470	Nov. 20, 2018	Bullet payment	(Note 2)	Unsecured (Note 3)
Series 15 of Unsecured Corporate Bonds	Oct. 30, 2014	3,000	3,000	0.525	Oct. 29, 2021	Bullet payment	(Note 1)	Unsecured (Note 3)
Series 16 of Unsecured Corporate Bonds	May 29, 2015	2,000	2,000	0.804	May 29, 2025	Bullet payment	(Note 2)	Unsecured (Note 3)
Total		63,500	53,500					

Notes: 1. The funds are used for repayment of the existing borrowings.
2. The funds are used for redemption of corporate bonds.
3. Ranking pari passu among corporate bonds

4. Short-term Corporate Bonds

Not Applicable

5. Subscription Rights of New Investment Units

Not Applicable

Trading Activities during the Period

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

Type of Asset	Name of Properties	Acquisition		Transfer			
		Acquisition date	Acquisition price (Millions of yen) (Note 1)	Date of transfer	Sale price (Millions of yen) (Note 1)	Book value (Millions of yen)	Gain or loss on sale (Millions of yen)
Trust beneficial interest in real estate	Kawagoe Logistics Center	Jun. 17, 2016	7,550	-	-	-	-
Trust beneficial interest in real estate	Asuto Nagamachi Dental Clinic	Aug. 29, 2016	1,200	-	-	-	-
Trust beneficial interest in real estate	KURURU	Sep. 1, 2016	9,285	-	-	-	-
Preferred equity securities	Preferred equity securities of Tenjin 123 Project TMK	Oct. 3, 2016	18	-	-	-	-
Real Estate	the adjacent site to the b roppongi (building with leasehold) (Note 2)	Nov. 18, 2016	320	-	-	-	-
Trust beneficial interest in real estate	Yokohama Aioicho Building	-	-	Nov. 29, 2016	1,260	1,070	133
Trust beneficial interest in real estate	HOTEL ROUTE-INN Nagoya Imaike Ekimae	-	-	Nov. 29, 2016	3,160	1,855	1,229
Total		-	18,373	-	4,420	2,926	1,363

Notes: 1. The "Acquisition price" and "Sale price" does not include consumption taxes and expenses necessary for making the relevant acquisition and transfer.

2. United Urban decided to acquire the adjacent site to the b roppongi (acquisition price ¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million)) (the "Adjacent Site") on November 16, 2016, and acquired the building with leasehold on November 18, 2016 and the land on January 13, 2017, respectively.

2. Trading of Other Assets

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

3. Research for Specified Assets

a. Real Estates (Note 1)

Acquisition or Sale	Type of Asset	Name of Properties	Transaction Date	Acquisition Price or Sale Price (Millions of yen) (Note 2)	Appraisal Value (Millions of yen)	Date of Valuation	Real Estate Appraisal Organization
Acquisition	Trust beneficial interest in real estate	Kawagoe Logistics Center	Jun. 17, 2016	7,550	8,850	Apr. 1, 2016	The Tanizawa Sōgō Appraisal Co., Ltd.
	Trust beneficial interest in real estate	Asuto Nagamachi Dental Clinic	Aug. 29, 2016	1,200	1,340	Jun. 1, 2016	Japan Real Estate Institute
	Trust beneficial interest in real estate	KURURU	Sep. 1, 2016	9,285	10,400	Jul. 1, 2016	The Tanizawa Sōgō Appraisal Co., Ltd.
	Real Estate	the adjacent site to the b roppongi (building with leasehold)	Nov. 18, 2016	320	329 (Note 1)	Nov. 30, 2016	Japan Real Estate Institute
Sale	Trust beneficial interest in real estate	Yokohama Aioicho Building	Nov. 29, 2016	1,260	1,250	May 31, 2016	The Tanizawa Sōgō Appraisal Co., Ltd.
	Trust beneficial interest in real estate	HOTEL ROUTE-INN Nagoya Imaike Ekimae	Nov. 29, 2016	3,160	2,930	May 31, 2016	Japan Real Estate Institute

b. Real Estate-backed Securities (Note 3)

Acquisition or Sale	Type of Asset	Name of Assets	Transaction Date	Acquisition Price or Sale Price (Millions of yen) (Note 2)	Price Survey Value of Specified Asset (Millions of yen)
Acquisition	Preferred equity securities	Preferred equity securities of Tenjin 123 Project TMK	Oct. 3, 2016	18	27

Notes: 1. As for transactions that require appraisal values of real estate, etc. regarding specified assets pursuant to Article 201, Paragraph 1 of the Investment Trust Act, the appraisal was conducted by real estate appraisal organizations based on the Japanese Real Estate Appraisal Standard Section 3, "Appraisal concerning prices of real estate for securitization", and United Urban has received the results. In addition, as for the adjacent site to the b roppongi (acquisition price ¥460 million (of which, land: ¥140 million, building with leasehold: ¥320 million), United Urban has obtained the appraisal of the land when the land is cleared (appraisal value: ¥469 million) (the "Appraisal of Vacant Land"). Moreover, in addition to the Appraisal of Vacant Land, price surveys for the land and the building with leasehold have been conducted by the same methods as appraisals conducted by real estate appraisers. The survey value of the building with lease hold based on the abovementioned price survey is stated in the above table.

2. The "Acquisition Price or Sale Price" do not include consumption taxes and expenses necessary for making the relevant acquisition or sale.

3. As for transactions that require research of value, etc. of specified assets pursuant to Article 201, Paragraph 2 of the Investment Trust Act, Ernst & Young ShinNihon LLC conducted the research based on Japanese Institute of Certified Public Accounts Industry Audit Practice Committee Report No. 23, "Research for Specified Assets Value held by Investment Trusts and Investment Corporations", and United Urban received the research results.

c. Others

Not Applicable

4. Trading with Related Parties

a. Status of Transactions

There were no purchase and sale transactions concerning the specified assets with Related Parties.

b. Amount of Commissions

Category	Total Commissions Paid (A) (Thousands of yen)	Description of Transactions with Related Parties		(B) / (A) (%)
		Payee	Amount paid (B) (Thousands of yen)	
Brokerage Commission	635,910	Marubeni Real Estate Management Co., Ltd.	47,400	7.5
Property Management Fees	1,515,328	Marubeni Real Estate Management Co., Ltd.	529,965	35.0
Casualty Insurance Premium	27,067	Marubeni Safenet Co., Ltd.	26,493	97.9
Construction Management Fees	86,052	Marubeni Real Estate Management Co., Ltd.	68,133	79.2
Other Rental Expenses	97,150	Marubeni Real Estate Management Co., Ltd.	2,117	2.2

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. Among Related Parties, the above-mentioned companies have conducted business or have received payment of commissions during the 26th fiscal period are stated above.

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

Marubeni Real Estate Management Co., Ltd.: ¥32,385 thousand

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

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

Accounting Status

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

Please refer to the accompanying financial statements.

2. Changes in Calculation Method of Depreciation

Not Applicable

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

Not Applicable

4. Status of Investment Trust Beneficiary Certificates Established by United Urban

The status of investment units of United Urban held by Japan REIT Advisors Co., Ltd. ("JRA"), its asset management company, were as follows:

a. Status of Acquisitions

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

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

b. Status of Investment Units Held (fiscal periods in recent five years including the end of the 26th fiscal period)

	Number of Investment Units at the End of the Period (Unit)	Total Value of Investment Units Held at the End of the Period (Thousands of Yen) (Note)	(Reference) Investment Unit Price at the End of the Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at the End of the Period (Unit)
17th Fiscal Period (From Dec. 1, 2011 to May 31, 2012)	4,901	415,114	84,700	0.23	2,103,383
18th Fiscal Period (From Jun. 1, 2012 to Nov. 30, 2012)	4,901	458,243	93,500	0.23	2,103,383
19th Fiscal Period (From Dec. 1, 2012 to May 31, 2013)	4,901	639,090	130,400	0.21	2,305,447

	Number of Investment Units at the End of the Period (Unit)	Total Value of Investment Units Held at the End of the Period (Thousands of Yen) (Note)	(Reference) Investment Unit Price at the End of the Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at the End of the Period (Unit)
20th Fiscal Period (From Jun. 1, 2013 to Nov. 30, 2013)	4,901	719,956	146,900	0.21	2,380,181
21st Fiscal Period (From Dec. 1, 2013 to May 31, 2014)	4,901	798,372	162,900	0.21	2,380,181
22nd Fiscal Period (From Jun. 1, 2014 to Nov. 30, 2014)	4,901	934,620	190,700	0.20	2,512,246
23rd Fiscal Period (From Dec. 1, 2014 to May 31, 2015)	4,901	912,076	186,100	0.19	2,644,311
24th Fiscal Period (From Jun. 1, 2015 to Nov. 30, 2015)	4,901	803,764	164,000	0.18	2,751,376
25th Fiscal Period (From Dec. 1, 2015 to May 31, 2016)	4,901	857,675	175,000	0.18	2,751,376
26th Fiscal Period (From Jun. 1, 2016 to Nov. 30, 2016)	4,901	854,734	174,400	0.17	2,953,022

Note: It is calculated by multiplying number of investment units at the end of the period by investment unit price at the end of the period.

Others

1. Notifications

United Urban Board of Directors

The conclusions and modifications of major agreements approved by the Board of Directors of United Urban during the 26th fiscal period were as follows:

Conclusion of subscription agreements for new investment units	On June 7, 2016, United Urban resolved to conclude the subscription agreements for new investment units with SMBC Nikko Securities Inc. and Mizuho Securities Co., Ltd. as underwriter for the offering in Japan, and SMBC Nikko Capital Markets Limited and Morgan Stanley & Co. International plc as underwriter for the offering outside Japan, respectively.
Issuance of new investment units	United Urban resolved to issue new investment units by way of the public offering and the third-party allotment to SMBC Nikko Securities Inc. on November 29, 2016.

2. Disclosure Relating to Companies Owning Overseas Real Estate

Not Applicable

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

Not Applicable

◆ FINANCIAL SECTION

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BALANCE SHEET

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
ASSETS		
CURRENT ASSETS:		
Cash and bank deposits	¥ 62,385,401	¥ 64,681,393
Rent receivables	435,304	477,850
Consumption taxes refundable	458,901	-
Other current assets	847,446	383,173
Total current assets	64,127,054	65,542,417
PROPERTY AND EQUIPMENT, AT COST:		
Land	358,715,863	370,682,451
Buildings and structures	241,481,746	249,813,617
Machinery and equipment	2,226,926	2,328,620
Tools, furniture and fixtures	580,419	691,833
Construction in progress	168,313	439,530
Subtotal	603,173,270	623,956,054
Less accumulated depreciation	(49,788,120)	(52,897,418)
Net property and equipment	553,385,149	571,058,636
INVESTMENTS AND OTHER ASSETS:		
Software	30,476	40,516
Leasehold	9,320,707	9,320,707
Other intangible assets	199,108	192,443
Investment securities	75,397	93,905
Security deposits paid	90,392	90,432
Long-term prepaid expenses	2,033,984	1,766,210
TOTAL ASSETS	¥ 629,262,270	¥ 648,105,270

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
LIABILITIES		
CURRENT LIABILITIES:		
Trade accounts payable	¥ 2,861,000	¥ 2,129,360
Current portion of corporate bonds	23,000,000	19,500,000
Long-term debt due for repayment within one year	25,100,000	33,700,000
Accrued expenses	534,751	410,407
Consumption taxes payable	-	185,435
Rent received in advance	3,068,364	3,309,481
Provision for loss on disaster	135,200	-
Derivatives liabilities	-	5,262
Other current liabilities	222,875	240,703
Total current liabilities	54,922,192	59,480,650
LONG-TERM LIABILITIES:		
Corporate bonds	40,500,000	34,000,000
Long-term debt	204,557,000	190,207,000
Leasehold and security deposits received	30,817,151	30,610,925
Derivatives liabilities	456,015	214,269
Total long-term liabilities	276,330,167	255,032,194
Total liabilities	331,252,359	314,512,844
NET ASSETS		
UNITHOLDERS' EQUITY:		
Units authorized: 10,000,000 units as of May 31, 2016 and November 30, 2016		
Units issued and outstanding: 2,751,376 units as of May 31, 2016 and 2,953,022 units as of November 30, 2016	258,160,260	292,411,850
Capital surplus	23,548,287	23,548,287
Reserve for distribution	7,546,388	7,546,388
Reserve retained for distribution	121,898	956,862
Unappropriated retained earnings	9,089,092	9,348,568
VALUATION AND TRANSLATION ADJUSTMENTS:		
Deferred gains or losses on hedges	(456,015)	(219,531)
Total net assets	298,009,911	333,592,425
TOTAL LIABILITIES AND NET ASSETS	¥ 629,262,270	¥ 648,105,270

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

STATEMENT OF INCOME AND RETAINED EARNINGS

	Thousands of yen	
	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
OPERATING REVENUES		
Rental revenues	¥ 19,227,927	¥ 20,046,270
Other rental revenues	1,369,513	1,455,647
Gain on sales of real estate properties	847,017	1,363,047
	21,444,457	22,864,965
OPERATING EXPENSES		
Property-related expenses	8,873,554	9,706,927
Asset management fees	1,666,100	1,752,072
Administrative service fees	85,683	86,182
Other operating expenses	228,009	261,831
	10,853,348	11,807,014
OPERATING INCOME	10,591,109	11,057,950
NON-OPERATING REVENUES		
Interest income	2,700	379
Reversal of cash distributions payable	2,474	3,103
Insurance income	19,624	1,035
Interest on refund	2,627	498
Reversal of provision for loss on litigation	5,959	-
Other non-operating revenues	17,373	2,300
	50,760	7,317
NON-OPERATING EXPENSES		
Interest expense	1,044,114	1,051,639
Interest expense on corporate bonds	218,701	192,159
Investment unit issuance expenses	135,314	103,867
Loss on disposal of real estate	11,994	349,808
Other non-operating expenses	6,848	18,619
	1,416,973	1,716,094
ORDINARY INCOME	9,224,897	9,349,173
EXTRAORDINARY LOSS		
Provision for loss on disaster	135,200	-
	135,200	-
INCOME BEFORE INCOME TAXES	9,089,697	9,349,173
INCOME TAXES		
Current	605	605
	605	605
NET INCOME	9,089,092	9,348,568
RETAINED EARNINGS BROUGHT FORWARD	-	-
UNAPPROPRIATED RETAINED EARNINGS AT END OF PERIOD	¥ 9,089,092	¥ 9,348,568

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

STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

Thousands of yen

	Unitholders' Equity								
	Number of Units	Unitholders' Capital	Capital Surplus	Surplus					Total Unitholders' Equity
				Voluntary Retained Earnings			Unappropriated Retained Earnings	Total Surplus	
				Reserve for Distribution	Reserve Retained for Distribution	Total Voluntary Retained Earnings			
BALANCE AS OF NOVEMBER 30, 2015	2,751,376	¥258,160,260	¥ 23,548,287	¥7,754,927	-	¥7,754,927	¥8,038,171	¥39,341,387	¥297,501,647
Reversal of reserve for distribution	-	-	-	(208,539)	-	(208,539)	208,539	-	-
Provision of reserve retained for distribution	-	-	-	-	121,898	121,898	(121,898)	-	-
Cash distributions disbursed	-	-	-	-	-	-	(8,124,813)	(8,124,813)	(8,124,813)
Net income	-	-	-	-	-	-	9,089,092	9,089,092	9,089,092
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-
BALANCE AS OF MAY 31, 2016	2,751,376	¥258,160,260	¥ 23,548,287	¥7,546,388	¥121,898	¥7,668,286	¥9,089,092	¥40,305,666	¥298,465,926
Issuance of new investment units	201,646	34,251,589	-	-	-	-	-	-	34,251,589
Provision of reserve retained for distribution	-	-	-	-	834,964	834,964	(834,964)	-	-
Cash distributions disbursed	-	-	-	-	-	-	(8,254,128)	(8,254,128)	(8,254,128)
Net income	-	-	-	-	-	-	9,348,568	9,348,568	9,348,568
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-
BALANCE AS OF NOVEMBER 30, 2016	2,953,022	¥292,411,850	¥ 23,548,287	¥7,546,388	¥ 956,862	¥8,503,250	¥9,348,568	¥41,400,106	¥333,811,956

	Thousands of yen		
	Valuation and Translation Adjustments		Net Assets
	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustments	
BALANCE AS OF NOVEMBER 30, 2015	¥(161,237)	¥(161,237)	¥297,340,410
Reversal of reserve for distribution	-	-	-
Provision of reserve retained for distribution	-	-	-
Cash distributions disbursed	-	-	(8,124,813)
Net income	-	-	9,089,092
Net changes of items other than unitholders' equity	(294,778)	(294,778)	(294,778)
BALANCE AS OF MAY 31, 2016	¥(456,015)	¥(456,015)	¥298,009,911
Issuance of new investment units	-	-	34,251,589
Provision of reserve retained for distribution	-	-	-
Cash distributions disbursed	-	-	(8,254,128)
Net income	-	-	9,348,568
Net changes of items other than unitholders' equity	236,484	236,484	236,484
BALANCE AS OF NOVEMBER 30, 2016	¥(219,531)	¥(219,531)	¥333,592,425

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

STATEMENT OF CASH FLOWS

	Thousands of yen	
	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	¥ 9,089,697	¥ 9,349,173
Depreciation and amortization	3,697,062	3,884,710
Gain on sales of real estate properties	(847,017)	(1,363,047)
Provision for loss on disaster	135,200	-
Interest income and interest on securities	(2,700)	(379)
Interest expense and interest expense on corporate bonds	1,262,816	1,243,798
Investment unit issuance expenses	135,314	103,867
Loss on disposal of real estate	11,994	349,808
Increase in rent receivables	(32,159)	(42,546)
Decrease in consumption taxes refundable	119,415	458,901
(Increase) decrease in prepaid expenses	(478,966)	465,379
(Increase) decrease in long-term prepaid expenses	(128,898)	24,195
(Decrease) increase in trade accounts payable	(2,334)	610,455
Increase (decrease) in accrued expenses	7,636	(114,764)
Increase in consumption taxes payable	-	203,237
Increase in rent received in advance	76,529	241,117
Other, net	120,800	(221,489)
Subtotal	13,164,391	15,192,418
Interest received	2,700	379
Interest paid	(1,317,742)	(1,035,676)
Income taxes paid	(336)	(249)
Net cash provided by operating activities	11,849,014	14,156,872
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property and equipment	13,442,272	4,151,061
Purchase of property and equipment	(39,523,623)	(26,209,130)
Purchase of intangible assets	(2,994,292)	(10,538)
Purchase of investment securities	(74,751)	(18,995)
Payments for leasehold and security deposits	-	(40)
Proceeds from leasehold and security deposits received	2,464,502	1,130,920
Payments for leasehold and security deposits received	(1,290,289)	(1,065,712)
Net cash used in investing activities	(27,976,182)	(22,022,435)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	33,500,000	-
Repayment of long-term debt	(5,050,000)	(5,750,000)
Repayment of corporate bonds	-	(10,000,000)
Proceeds from issuance of investment units	-	34,164,755
Distributions to unitholders	(8,124,282)	(8,253,200)
Net cash provided by financing activities	20,325,717	10,161,555
NET CHANGES IN CASH AND CASH EQUIVALENTS	4,198,549	2,295,991
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	58,186,852	62,385,401
CASH AND CASH EQUIVALENTS AT END OF PERIOD	¥ 62,385,401	¥ 64,681,393

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

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

United Urban Investment Corporation ("United Urban") is a real estate investment corporation formed to own and invest in retail properties, office buildings, hotels, residential properties, and other properties in Japan. United Urban is externally managed by a registered asset management company, Japan REIT Advisors Co., Ltd. ("JRA"). JRA is currently owned 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, 2016, the end of its 26th fiscal period, United Urban had ownership of, or beneficial interests in, 35 retail properties, 35 office buildings, 13 hotels, 24 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 10 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 26th fiscal period began on June 1, 2016 and ended on November 30, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Securities

Other securities without market value are stated using the moving average cost method.

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 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Buildings and structures	2 - 70 years	2 - 70 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

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

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 ¥125,471 thousand and ¥44,245 thousand of such property taxes and city planning taxes capitalized for the fiscal periods ended May 31, 2016 and November 30, 2016, respectively.

Hedge Accounting

United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation based on its financial policy. Derivative transactions (interest rate cap transactions and interest rate swap transactions) are utilized as hedging instrument for the purpose of avoiding interest-rate risks relating to debts. In addition, the effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment.

Accounting Treatment for Beneficial Interests in Entrusted Assets Including Real Estate

For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as all income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts.

Income Taxes

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

Consumption Taxes

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

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

Reclassifications

Certain reclassifications have been made to the prior period's financial statements to conform these to the presentation used for the fiscal period ended November 30, 2016.

3. CHANGES IN METHOD OF PRESENTATION

(Statement of Income and Retained Earnings)

"Loss on disposal of real estate," which had been included in "Other non-operating expenses" of "Non-operating Expenses" in the fiscal period ended May 31, 2016 is recorded as a separate income statement account from the fiscal period ended November 30, 2016 because it exceeds 10% of the total amount of non-operating expenses. Therefore, certain modifications have been made to the statement of income and retained earnings for the fiscal period ended May 31, 2016. Accordingly, "Other non-operating expenses" in the amount of ¥18,843 thousand of "Non-operating Expenses" stated in the statement of income and retained earnings for the previous fiscal period ended May 31, 2016 has been reclassified to "Loss on disposal of real estate" in the amount of ¥11,994 thousand and "Other non-operating expenses" in the amount of ¥6,848 thousand.

(Statement of Cash Flows)

"Loss on disposal of real estate," which had been included in "Other, net" of "Cash flows from operating activities" in the fiscal period ended May 31, 2016 is stated separately from the fiscal period ended November 30, 2016 because its materiality increased. Therefore, certain modifications have been made to the statement of cash flows for the fiscal period ended May 31, 2016. Accordingly, "Other, net" in the amount of ¥116,975 thousand of "Cash flows from operating activities" stated in the statement of cash flows for the previous fiscal period ended May 31, 2016 has been reclassified to "Loss on disposal of real estate" in the amount of ¥11,994 thousand and "Other, net" in the amount of ¥104,980 thousand.

4. PLEDGED ASSETS AND SECURED DEBT

At May 31, 2016 and November 30, 2016, the following assets were pledged as collateral for the following debt:

Pledged Assets

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Land	¥ 4,204,726	¥ 4,204,726
Buildings and structures	3,793,284	3,743,389
Tools, furniture and fixtures	3,391	3,102
Total	¥ 8,001,402	¥ 7,951,218

Debt Secured by Pledged Assets

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Leasehold and security deposits received	¥ 1,127,880	¥ 1,127,880
Total	¥ 1,127,880	¥ 1,127,880

5. LINE-OF-CREDIT AGREEMENT

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

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Total amount of commitment	¥ 36,000,000	¥ 36,000,000
Outstanding borrowings at end of fiscal period	-	-
Amount unutilized at end of fiscal period	¥ 36,000,000	¥ 36,000,000

6. UNITHOLDERS' EQUITY

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

7. LONG-TERM DEBT

Long-term debt at May 31, 2016 and November 30, 2016 consisted of the following:

	End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)
Unsecured loan from banks at floating interest rate, due September 20, 2016	¥ 5,700,000	0.546%	-	-
Unsecured loan from a trust bank at floating interest rate, due December 20, 2016	2,000,000	0.546%	¥ 2,000,000	0.482%
Unsecured loan from banks at floating interest rate, due December 20, 2016	4,500,000	0.546%	4,500,000	0.482%
Unsecured loan from a bank and a trust bank at floating interest rate, due March 20, 2017	3,900,000	0.546%	3,900,000	0.482%
Unsecured loan 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	0.546%	5,500,000	0.482%
Unsecured loan from a bank at fixed interest rate, due March 20, 2017	1,000,000	0.922%	1,000,000	0.922%

	End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)
Unsecured loan from a bank at fixed interest rate, due June 20, 2017 (Note 2)	1,450,000	2.142%	1,400,000	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	0.534% (Note 3)
Unsecured loan from banks at floating interest rate, due June 20, 2017	2,300,000	0.534% (Note 3)	2,300,000	0.534% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due June 20, 2017	2,500,000	0.484% (Note 3)	2,500,000	0.484% (Note 3)
Unsecured loan from a bank at floating interest rate, due June 20, 2017	2,400,000	0.434% (Note 3)	2,400,000	0.434% (Note 3)
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	0.611% (Note 3)
Unsecured loan from a bank at floating interest rate, due March 20, 2018	2,200,000	0.511% (Note 3)	2,200,000	0.511% (Note 3)
Unsecured loan from a bank at floating interest rate, due March 20, 2018	3,000,000	0.461% (Note 3)	3,000,000	0.461% (Note 3)
Unsecured loan from banks at floating interest rate, due March 20, 2018	3,823,000	0.461% (Note 3)	3,823,000	0.461% (Note 3)
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	0.449% (Note 3)
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	0.453% (Note 3)
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	0.524% (Note 3)
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	0.693% (Note 3)
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	0.523% (Note 3)
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%	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	0.555% (Note 3)
Unsecured loan from a bank at fixed interest rate, due September 20, 2019	1,200,000	0.593%	1,200,000	0.593%
Unsecured loan from a trust bank at fixed interest rate, due March 23, 2020	1,000,000	0.200%	1,000,000	0.200%
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	0.617% (Note 3)

	End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)
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	0.631% (Note 3)
Unsecured loan from a bank at floating interest rate, due June 22, 2020	1,000,000	0.550% (Note 3)	1,000,000	0.550% (Note 3)
Unsecured loan from banks at floating interest rate, due September 23, 2020	2,000,000	0.527% (Note 3)	2,000,000	0.527% (Note 3)
Unsecured loan from a bank at floating interest rate, due September 23, 2020	500,000	0.428% (Note 3)	500,000	0.428% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	4,500,000	0.668% (Note 3)	4,500,000	0.668% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	3,283,000	0.668% (Note 3)	3,283,000	0.668% (Note 3)
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 bank at floating interest rate, due December 21, 2020	1,000,000	0.509% (Note 3)	1,000,000	0.509% (Note 3)
Unsecured loan from an insurance company at floating interest rate, due December 21, 2020	1,000,000	0.230% (Note 3)	1,000,000	0.230% (Note 3)
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	1,000,000	0.217% (Note 3)	1,000,000	0.217% (Note 3)
Unsecured loan from a bank at fixed interest rate, due March 22, 2021	1,000,000	0.337%	1,000,000	0.337%
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%	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)	2,000,000	0.619% (Note 3)
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,000,000	0.309%	1,000,000	0.282%
Unsecured loan from a bank at floating interest rate, due June 21, 2021	2,000,000	0.309%	2,000,000	0.282%
Unsecured loan from a trust bank at fixed interest rate, due June 21, 2021	1,000,000	0.350%	1,000,000	0.350%
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 bank at floating interest rate, due September 21, 2021	500,000	0.559% (Note 3)	500,000	0.559% (Note 3)
Unsecured loan from a bank at floating interest rate, due September 21, 2021	1,500,000	0.309%	1,500,000	0.282%
Unsecured loan from a bank at floating interest rate, due December 20, 2021	2,900,000	0.612% (Note 3)	2,900,000	0.612% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due December 20, 2021	3,000,000	0.670% (Note 3)	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%

	End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)	Amount (Thousands of yen)	Weighted-average interest rate (Note 1)
Unsecured loan from a bank at floating interest rate, due March 22, 2022	3,000,000	0.661% (Note 3)	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)	2,000,000	0.672% (Note 3)
Unsecured loan from a bank at fixed interest rate, due June 20, 2022	1,000,000	0.728%	1,000,000	0.728%
Unsecured loan from a bank at fixed interest rate, due June 20, 2022	1,200,000	0.710%	1,200,000	0.710%
Unsecured loan from a bank at floating interest rate, due September 20, 2022	500,000	0.685% (Note 3)	500,000	0.685% (Note 3)
Unsecured loan from a bank at floating interest rate, due September 20, 2022	1,000,000	0.885% (Note 3)	1,000,000	0.885% (Note 3)
Unsecured loan from an insurance company at fixed interest rate, due September 20, 2022	1,000,000	0.861%	1,000,000	0.861%
Unsecured loan from a bank at fixed interest rate, due September 20, 2022	1,500,000	0.773%	1,500,000	0.773%
Unsecured loan from a trust bank at fixed interest rate, due September 20, 2022	2,800,000	0.814%	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%	6,500,000	0.842%
Unsecured loan from a trust bank at fixed interest rate, due March 20, 2023	3,500,000	0.775%	3,500,000	0.775%
Unsecured loan from a bank at floating interest rate, due March 20, 2023	1,500,000	0.370% (Note 3)	1,500,000	0.370% (Note 3)
Unsecured loan from a bank at fixed interest rate, due March 20, 2023	2,000,000	0.452%	2,000,000	0.452%
Unsecured loan from a bank at floating interest rate, due March 20, 2023	1,000,000	0.359%	1,000,000	0.332%
Unsecured loan from a bank at floating interest rate, due March 20, 2023	2,000,000	0.490% (Note 3)	2,000,000	0.490% (Note 3)
Unsecured loan from a bank at fixed interest rate, due March 20, 2023	1,000,000	0.441%	1,000,000	0.441%
Unsecured loan from a trust bank at fixed interest rate, due June 20, 2023	1,000,000	0.798%	1,000,000	0.798%
Unsecured loan from a bank at fixed interest rate, due June 20, 2023	1,500,000	0.372%	1,500,000	0.372%
Unsecured loan from a bank at floating interest rate, due June 20, 2023	1,000,000	0.409%	1,000,000	0.382%
Unsecured loan from a bank at floating interest rate, due September 20, 2023	1,300,000	0.749% (Note 3)	1,300,000	0.749% (Note 3)
Unsecured loan from a bank at fixed interest rate, due September 20, 2023	1,300,000	0.780%	1,300,000	0.780%
Unsecured loan from a trust bank at floating interest rate, due March 21, 2024	1,000,000	0.625% (Note 3)	1,000,000	0.625% (Note 3)
Unsecured loan from a trust bank at floating interest rate, due March 21, 2024	1,000,000	0.339%	1,000,000	0.312%
Unsecured loan from a trust bank at fixed interest rate, due June 20, 2024	1,700,000	0.924%	1,700,000	0.924%
Unsecured loan from a bank at fixed interest rate, due June 20, 2024	2,000,000	0.523%	2,000,000	0.523%
Unsecured loan from a bank at fixed interest rate, due September 20, 2024	1,000,000	0.680%	1,000,000	0.680%
Unsecured loan from a bank at floating interest rate, due September 20, 2024	1,000,000	0.633% (Note 3)	1,000,000	0.633% (Note 3)
Unsecured loan from an insurance company at fixed interest rate, due March 21, 2025	1,000,000	0.687%	1,000,000	0.687%
Unsecured loan from a bank at fixed interest rate, due March 21, 2025	2,000,000	0.430%	2,000,000	0.430%
Unsecured loan from a trust bank at floating interest rate, due September 22, 2025	3,000,000	0.399%	3,000,000	0.372%
Unsecured loan from a trust bank at fixed interest rate, due December 22, 2025	2,000,000	0.627%	2,000,000	0.627%
Total	¥ 229,657,000		¥ 223,907,000	

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, three months 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 May 31, 2016 and November 30, 2016 consisted of the following:

	End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
	Amount (Thousands of yen)	Interest rate	Amount (Thousands of yen)	Interest rate
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%	-	-
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%	3,000,000	0.525%
Series 16 unsecured bonds, due May 29, 2025	2,000,000	0.804%	2,000,000	0.804%
Total	¥ 63,500,000		¥ 53,500,000	

9. OPERATING REVENUES AND EXPENSES

Operating revenues and expenses for the fiscal periods ended May 31, 2016 and November 30, 2016 were as follows:

	Thousands of yen	
	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Operating Revenues	¥ 20,597,440	¥ 21,501,917
Rental Revenues	19,227,927	20,046,270
Rental revenues	17,156,571	17,915,183
Common area charges	1,441,603	1,458,007
Parking revenues	506,952	545,392
Other	122,800	127,687
Other Rental Revenues	1,369,513	1,455,647
Incidental revenues	1,123,877	1,244,992
Temporary revenues (including cancellation charges)	153,037	118,990
Other miscellaneous revenues	92,599	91,664
Property-Related Expenses	8,873,554	9,706,927
Property and other taxes	1,613,888	1,650,830
Property management fees	1,325,796	1,514,788
Utilities	1,139,849	1,187,420
Casualty insurance	25,350	27,067
Repairs and maintenance	634,981	1,048,051
Depreciation and amortization	3,697,062	3,884,710
Other rental expenses	436,624	394,058
Profit from rental activities	¥ 11,723,886	¥ 11,794,990

10. GAIN ON SALES OF REAL ESTATE PROPERTIES

Gain on sales of real estate properties for the fiscal periods ended May 31, 2016 and November 30, 2016 was as follows:

(25th Fiscal Period: December 1, 2015 - May 31, 2016)

<u>UUR Tsukiji Building</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 6,620,000
Cost of sales of real estate properties	6,412,480
Other sales expenses	156,551
Gain on sales of real estate properties	¥ 50,968

<u>Logistics Higashi-Ohgishima</u> (Note)	Thousands of yen
Revenue from sales of real estate properties	¥ 4,459,000
Cost of sales of real estate properties	4,100,137
Other sales expenses	105,643
Gain on sales of real estate properties	¥ 253,219

Note: The sold asset is 49% quasi co-ownership interest of the trust beneficial interest in "Logistics Higashi-Ohgishima."

<u>Shinsaibashi OPA Kireikan</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 3,210,000
Cost of sales of real estate properties	2,587,963
Other sales expenses	79,206
Gain on sales of real estate properties	¥ 542,829

(26th Fiscal Period: June 1, 2016 - November 30, 2016)

<u>Yokohama Aioicho Building</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 1,260,000
Cost of sales of real estate properties	1,070,444
Other sales expenses	56,281
Gain on sales of real estate properties	¥ 133,273

<u>HOTEL ROUTE-INN Nagoya Imaike Ekimae</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 3,160,000
Cost of sales of real estate properties	1,855,935
Other sales expenses	74,291
Gain on sales of real estate properties	¥ 1,229,773

11. INCOME TAXES

The significant components of deferred tax assets and deferred tax liabilities at May 31, 2016 and November 30, 2016 were summarized as follows:

		(Thousands of yen)	
End of 25th Fiscal Period (As of May 31, 2016)		End of 26th Fiscal Period (As of November 30, 2016)	
Deferred tax assets – current		Deferred tax assets – current	
Provision for loss on disaster	¥ 42,912	Provision for loss on disaster	-
Difference in revenue recognition for tax purposes	33,996	Difference in revenue recognition for tax purposes	¥ 17,995
Other	6	Other	-
Subtotal	76,915	Subtotal	17,995
Valuation allowance	(76,915)	Valuation allowance	(17,995)
Total	-	Total	-
Deferred tax assets – non current		Deferred tax assets – non current	
Valuation difference on assets acquired by merger	¥ 20,268,304	Valuation difference on assets acquired by merger	¥20,039,828
Subtotal	20,268,304	Subtotal	20,039,828
Valuation allowance	(20,268,304)	Valuation allowance	(20,039,828)
Total	-	Total	-
Net deferred tax assets	-	Net deferred tax assets	-

A reconciliation of the differences between the statutory tax rate and the effective tax rate after the application of tax effect accounting for the fiscal periods ended May 31, 2016 and November 30, 2016 were summarized as follows:

	25th Fiscal Period (As of May 31, 2016)	26th Fiscal Period (As of November 30, 2016)
Statutory tax rate	32.31%	31.74%
(Adjustment)		
Distributions of tax-deductible dividends	(11.62)%	(28.65)%
Changes in valuation allowance	(20.69)%	(3.09)%
Other	0.01%	0.01%
Effective tax rate after the application of tax effect accounting	0.01%	0.01%

United Urban is subject to income taxes in Japan. United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan (including all subsequent amendments) concerning the deductibility of cash dividends paid for income tax purposes within the limit of the amount of earnings. Based on this policy, for the 25th fiscal period, United Urban reversed ¥834,964 thousand, which is a part of gain on sales of real estate, as reserve retained for distribution from the unappropriated retained earnings of ¥9,089,092 thousand, and then decided to distribute the remaining ¥8,254,128 thousand. For the 26th fiscal period, United Urban reserved ¥459,972 thousand as reserve retained for distribution from the unappropriated retained earnings of ¥9,348,568 thousand, and then decided to distribute the remaining ¥8,888,596 thousand for the 26th 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.

12. THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Matters Concerning Financial Instruments

1. Approach to financial instruments

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

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

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

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

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

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

through line-of-credit agreements.

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

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 May 31, 2016 and November 30, 2016 are as follows. However, the following table does not include the financial instruments whose fair values are deemed extremely difficult to measure. (Please refer to (Note 2).)

(End of 25th Fiscal Period: As of May 31, 2016)

(Thousands of yen)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 33,519,453	¥ 33,519,453	-
(2) Cash and bank deposits in trust	28,865,948	28,865,948	-
Total assets	¥ 62,385,401	¥ 62,385,401	-
(3) Current portion of corporate bonds	¥ 23,000,000	¥ 23,053,300	¥ 53,300
(4) Long-term debt due for repayment within one year	25,100,000	25,177,212	77,212
(5) Corporate bonds	40,500,000	40,919,450	419,450
(6) Long-term debt	204,557,000	208,015,175	3,458,175
(7) Leasehold and security deposits received in trust	214,534	220,852	6,317
Total liabilities	¥ 293,371,534	¥ 297,385,990	¥ 4,014,455
(8) Derivative transactions (*)	¥ (456,015)	¥ (456,015)	-
Total derivative transactions	¥ (456,015)	¥ (456,015)	-

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

(End of 26th Fiscal Period: As of November 30, 2016)

(Thousands of yen)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 36,132,706	¥ 36,132,706	-
(2) Cash and bank deposits in trust	28,548,687	28,548,687	-
Total assets	¥ 64,681,393	¥ 64,681,393	-
(3) Current portion of corporate bonds	¥ 19,500,000	¥ 19,534,450	¥ 34,450
(4) Long-term debt due for repayment within one year	33,700,000	33,800,938	100,938
(5) Corporate bonds	34,000,000	34,237,600	237,600
(6) Long-term debt	190,207,000	191,488,681	1,281,681
(7) Leasehold and security deposits received in trust	214,534	220,657	6,123
Total liabilities	¥ 277,621,534	¥ 279,282,327	¥ 1,660,792
(8) Derivative transactions (*)	¥ (219,531)	¥ (219,531)	-
Total derivative transactions	¥ (219,531)	¥ (219,531)	-

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

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

(1) 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 "19. 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 “19. DERIVATIVE TRANSACTIONS”.

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

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Investment securities (*1)	¥ 75,397	¥ 93,905
Leasehold and security deposits received (*2)	2,978,030	2,964,334
Leasehold and security deposits received in trust (*2)	27,179,083	26,964,734

(*1) Concerning investment securities (preferred equity securities), there is no market price and future cash flows cannot be reasonably estimated. Therefore, discerning the fair value is concluded to be extremely difficult, and fair value disclosure is not required.

(*2) 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 to be repaid subsequent to the end of the fiscal period

(End of 25th Fiscal Period: As of May 31, 2016)

	(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	¥ 33,519,453	-	-	-	-	-
Cash and bank deposits in trust	28,865,948	-	-	-	-	-
Total	¥ 62,385,401	-	-	-	-	-

(End of 26th Fiscal Period: As of November 30, 2016)

	(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	¥ 36,132,706	-	-	-	-	-
Cash and bank deposits in trust	28,548,687	-	-	-	-	-
Total	¥ 64,681,393	-	-	-	-	-

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

(End of 25th Fiscal Period: As of May 31, 2016)

	(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	¥ 23,000,000	¥ 20,500,000	¥ 15,000,000	-	-	¥ 5,000,000
Long-term debt	25,100,000	28,073,000	22,400,000	¥ 29,251,000	¥ 49,933,000	74,900,000
Total	¥ 48,100,000	¥ 48,573,000	¥ 37,400,000	¥ 29,251,000	¥ 49,933,000	¥ 79,900,000

(End of 26th Fiscal Period: As of November 30, 2016)

(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	¥ 19,500,000	¥ 29,000,000	-	-	¥ 3,000,000	¥ 2,000,000
Long-term debt	33,700,000	29,023,000	¥ 25,207,000	¥ 35,377,000	35,400,000	65,200,000
Total	¥ 53,200,000	¥ 58,023,000	¥ 25,207,000	¥ 35,377,000	¥ 38,400,000	¥ 67,200,000

13. 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 May 31, 2016 and November 30, 2016 are as follows:

(Thousands of yen)

Type of Use		25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Retail properties	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 189,578,797	¥ 189,458,136
	Change during period (Note 2)	(120,661)	12,712,758
	Balance at end of period	¥ 189,458,136	¥ 202,170,895
	Fair value at end of period (Note 3)	¥ 211,556,000	¥ 230,844,000
Office buildings	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 195,744,810	¥ 189,422,587
	Change during period (Note 2)	(6,322,223)	(1,773,112)
	Balance at end of period	¥ 189,422,587	¥ 187,649,474
	Fair value at end of period (Note 3)	¥ 218,736,000	¥ 220,366,000
Hotels	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 69,016,219	¥ 107,642,603
	Change during period (Note 2)	38,626,384	(1,797,714)
	Balance at end of period	¥ 107,642,603	¥ 105,844,888
	Fair value at end of period (Note 3)	¥ 123,165,000	¥ 123,479,000
Residential properties	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 41,579,794	¥ 41,154,184
	Change during period (Note 2)	(425,609)	(382,858)
	Balance at end of period	¥ 41,154,184	¥ 40,771,326
	Fair value at end of period (Note 3)	¥ 50,839,000	¥ 51,415,000
Others	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 39,332,793	¥ 35,028,345
	Change during period (Note 2)	(4,304,447)	8,914,414
	Balance at end of period	¥ 35,028,345	¥ 43,942,759
	Fair value at end of period (Note 3)	¥ 38,788,700	¥ 49,670,300
Total	Carrying amount on the balance sheet (Note 1)		
	Balance at beginning of period	¥ 535,252,415	¥ 562,705,857
	Change during period (Note 2)	27,453,441	17,673,487
	Balance at end of period	¥ 562,705,857	¥ 580,379,344
	Fair value at end of period (Note 3)	¥ 643,084,700	¥ 675,774,300

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

2. Of the "Change during period" for the 25th fiscal period, the amount of the increase is primarily attributable to acquisition of three new properties (total: ¥41,469 million) and capital expenditures (¥2,970 million). And the amount of the decrease is primarily attributable to the sale of two properties (total: ¥9,000 million) and a portion of one property (¥4,100 million), and the depreciation and amortization (¥3,690 million).

Of the "Change during period" for the 26th fiscal period, the amount of the increase is primarily attributable to acquisition of three new properties (total: ¥18,810 million) and acquisition of the building with leasehold standing on the land adjacent to the existing property (¥385 million), and capital expenditures (¥5,762 million). And the amount of the decrease is primarily attributable to the sale of two

- properties (total: ¥2,926 million) and the depreciation and amortization (¥3,878 million).
3. The “Fair value at end of period” stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban’s Articles of Incorporation and the rules of the Investment Trusts Association, Japan.

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

14. TRANSACTIONS WITH RELATED PARTIES

(25th Fiscal Period: December 1, 2015 – May 31, 2016)

1. Asset Management Companies and Related Parties, etc.

Company Name	Section	Share of Voting Rights (%)	Concurrently Serving Directors	Description of Transaction	Amount of Transaction (Thousands of yen) (Note 1)	Account	Balance at End of Period (Thousands of yen) (Note 1)
Marubeni Real Estate Management Co., Ltd.	Real estate	-	None	Property leasing	¥ 73,003	Leasehold and security deposits received	¥ 45,671
				Other rental revenues	1,769	Rent receivables	298
				Brokerage commissions	691,835	-	-
				Property management fees	421,936	Trade accounts payable	77,028
				Construction management fees	51,567	Trade accounts payable	18,248
				Construction costs	40,114	Trade accounts payable	33,227
				Other rental expenses	4,375	Trade accounts payable	261
Marubeni Corporation	Wholesale industry	0.3	None	Property leasing	152,832	Leasehold and security deposits received	198,600
						Rent received in advance	25,525
				Utilities	85,849	-	-
Marubeni Power Retail Corporation	Electricity industry	-	None	Utilities	35,582	Trade accounts payable	21,219
Marubeni Real Estate Sales Co., Ltd.	Real estate	-	None	Property leasing	12,850	Leasehold and security deposits received	12,564
				Other rental revenues	1,234	Rent receivables	153
ARTERIA Networks Corporation	Telecommunications carrier	-	None	Property leasing	2,260	-	-
				Other rental revenues	422	-	-
Benirei Corporation	Wholesale industry	-	None	Property leasing	2,260	Leasehold and security deposits received	3,408
						Rent received in advance	406
				Other rental revenues	353	Rent receivables	56
Marubeni-Mitsubishi Rice, Inc.	Wholesale industry	-	None	Property leasing	9,653	Leasehold and security deposits received	12,391
						Rent received in advance	1,737
				Other rental revenues	447	Rent receivables	65

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

2. Asset Custodian

Company Name	Section	Share of Voting Rights (%)	Description of Transaction	Amount of Transaction (Thousands of yen) (Note 1)	Account	Balance at End of Period (Thousands of yen) (Note 1)
Sumitomo Mitsui Trust Bank, Limited	Trust bank	-	New long-term debt	¥ 5,000,000	Long-term debt	¥ 42,483,000
					long-term debt due for repayment within one year	1,500,000
			Interest expenses	157,103	Accrued expenses	51,215
			Loan expenses	71,806	Prepaid expenses	4,723
					Long-term prepaid expenses	617,099
					Accrued expenses	2,794
			Custodian fees	23,684	-	-
			Agent commissions	18,350	Accrued expenses	1,543

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

(26th Fiscal Period: June 1, 2016 – November 30, 2016)

1. Asset Management Companies and Related Parties, etc.

Company Name	Section	Share of Voting Rights (%)	Concurrently Serving Directors	Description of Transaction	Amount of Transaction (Thousands of yen) (Note 1)	Account	Balance at End of Period (Thousands of yen) (Note 1)
Marubeni Real Estate Management Co., Ltd.	Real estate	-	None	Property leasing	¥ 80,316	Leasehold and security deposits received	¥ 45,671
				Other rental revenues	2,472	Rent receivables	336
				Brokerage commissions	47,400	-	-
				Property management fees	529,965	Trade accounts payable	185,777
				Construction management fees	68,133	Trade accounts payable	9,848
				Construction costs	32,385	Trade accounts payable	14,473
				Other rental expenses	4,396	Trade accounts payable	551
Marubeni Corporation	Wholesale industry	0.2	None	Property leasing	152,832	Leasehold and security deposits received	198,600
						Rent received in advance	25,525
Marubeni Power Retail Corporation	Electricity industry	-	None	Utilities	117,851	Trade accounts payable	18,357
Marubeni Real Estate Sales Co., Ltd.	Real estate	-	None	Property leasing	12,850	Leasehold and security deposits received	12,564
				Other rental revenues	1,248	Rent receivables	175
Benirei Corporation	Wholesale industry	-	None	Property leasing	2,260	Leasehold and security deposits received	3,408
						Rent received in advance	406
				Other rental revenues	339	Rent receivables	52
Marubeni-Mitsubishi Rice, Inc.	Wholesale industry	-	None	Property leasing	9,653	Leasehold and security deposits received	12,391
						Rent received in advance	1,737
				Other rental revenues	498	Rent receivables	70

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

2. Asset Custodian

Company Name	Section	Share of Voting Rights (%)	Description of Transaction	Amount of Transaction (Thousands of yen) (Note 1)	Account	Balance at End of Period (Thousands of yen) (Note 1)
Sumitomo Mitsui Trust Bank, Limited	Trust bank	-	-	-	Long-term debt	¥ 39,983,000
					long-term debt due for repayment within one year	4,000,000
			Interest expenses	¥ 159,086	Accrued expenses	51,461
			Loan expenses	73,332	Prepaid expenses	8,313
					Long-term prepaid expenses	559,040
					Accrued expenses	2,753
			Custodian fees	25,040	-	-
			Agent commissions	17,036	Accrued expenses	1,418
			Brokerage commissions	226,500	-	-

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

15. 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 May 31, 2016 and November 30, 2016 for the fiscal periods then ended are summarized as follows:

	Yen	
	25th Fiscal Period (December 1, 2015 - May 31, 2016)	26th Fiscal Period (June 1, 2016 - November 30, 2016)
Net assets per unit	¥ 108,313	¥ 112,966
Net income per unit	¥ 3,303	¥ 3,183
Average number of investment units during the period (units)	2,751,376	2,936,915

16. SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents at May 31, 2016 and November 30, 2016 were as follows:

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Cash and bank deposits	¥ 62,385,401	¥ 64,681,393
Cash and cash equivalents	¥ 62,385,401	¥ 64,681,393

17. LEASES

United Urban leases properties on which rental revenue is earned. At May 31, 2016 and November 30, 2016, future lease revenues under non-cancelable operating leases are summarized as follows:

	Thousands of yen	
	End of 25th Fiscal Period (As of May 31, 2016)	End of 26th Fiscal Period (As of November 30, 2016)
Due within one year	¥ 15,679,299	¥ 16,069,541
Due over one year	60,956,347	84,431,157
Total	¥ 76,635,647	¥ 100,500,698

18. SECURITIES

(End of 25th Fiscal Period: As of May 31, 2016)

Concerning the preferred equity securities (Balance sheet amount: ¥75,397 thousand), measuring the fair value is concluded to be extremely difficult since there is no market price and future cash flows cannot be reasonably estimated. Therefore, fair value disclosure is not required.

(End of 26th Fiscal Period: As of November 30, 2016)

Concerning the preferred equity securities (Balance sheet amount: ¥93,905 thousand), measuring the fair value is concluded to be extremely difficult since there is no market price and future cash flows cannot be reasonably estimated. Therefore, fair value disclosure is not required.

19. DERIVATIVE TRANSACTIONS

1. Derivative transactions not subject to hedge accounting

Fiscal period ended May 31, 2016: None

Fiscal period ended November 30, 2016: None

2. Derivative transactions subject to hedge accounting

(End of 25th Fiscal Period: As of May 31, 2016)

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	¥ (456,015)	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	43,600,000	43,600,000	(Note 1)	-
Total			¥102,680,000	¥102,680,000	¥ (456,015)	

(End of 26th Fiscal Period: As of November 30, 2016)

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	¥ 50,580,000	¥ (219,531)	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	43,600,000	43,600,000	(Note 1)	-
Total			¥102,680,000	¥ 94,180,000	¥ (219,531)	

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.

20. SUBSEQUENT EVENTS

Issuance of New Investment Units

In order to replenish cash reserves which were reduced by the acquisition of new specified assets and to procure funds for the repayment and redemption of interest-bearing liabilities, United Urban resolved the issuance of new investment units at the board of directors' meeting of United Urban, held on November 29, 2016. 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 7, 2016. Based on these resolutions, United Urban issued 90,000 new investment units by way of a public offering and 12,065 new investment units by way of a third-party allotment to SMBC Nikko Securities Inc., and the payments of ¥16,793 million in connection with the issuance of new investment units by way of the public offering and the third-party allotment were completed.

As a result, United Urban's total capital increased to ¥309,205 million, and United Urban's total number of investment units issued and outstanding increased to 3,055,087 units.

Issuance of new investment units by way of public offering

Number of investment units issued	: 90,000 units
Offer price (per unit)	: ¥169,736 per unit
Total offer price	: ¥15,276,240 thousand
Issue price (per unit)	: ¥164,540 per unit
Total issue price	: ¥14,808,600 thousand
Payment date	: December 14, 2016 (Wednesday)
Starting date of the computation for cash distribution	: December 1, 2016 (Thursday)

Issuance of new investment units by way of third-party allotment

Number of investment units issued	: 12,065 units
Issue price (per unit)	: ¥164,540 per unit
Total issue price	: ¥1,985,175 thousand
Payment date	: January 12, 2017 (Thursday)
Starting date of the computation for cash distribution	: December 1, 2016 (Thursday)
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, 2016, 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, 2016, 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 20 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 22, 2017

Corporate Data

Set out below is certain corporate data of United Urban Investment Corporation (“United Urban”), as of November 30, 2016:

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:	¥292,411,850,151
Number of Unitholders:	22,809
Transfer Agent:	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Business Office of the Transfer Agent:	Stock Transfer Agency Department of Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063, Japan
Independent Auditor:	Ernst & Young ShinNihon LLC 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.

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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

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