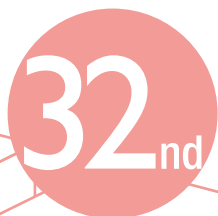


Semiannual Report

Thirty-second Fiscal Period

From June 1, 2019 to November 30, 2019



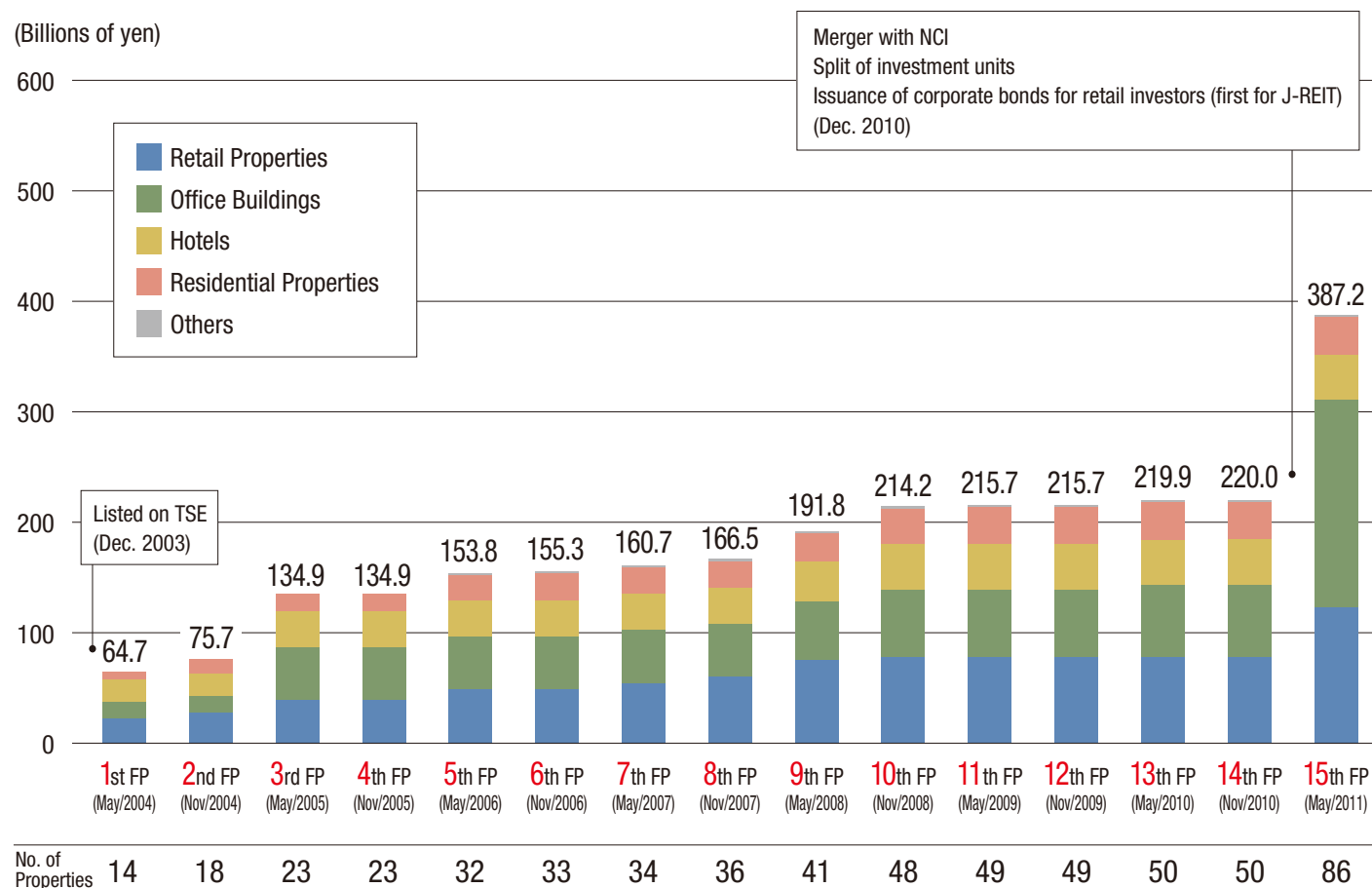
Profile

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 listing. In addition, through the merger with Nippon Commercial Investment Corporation (“NCI”) in December 2010, United Urban considerably expanded the size of assets.

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

Growth of Assets ^(Note 1)

(Billions of yen)



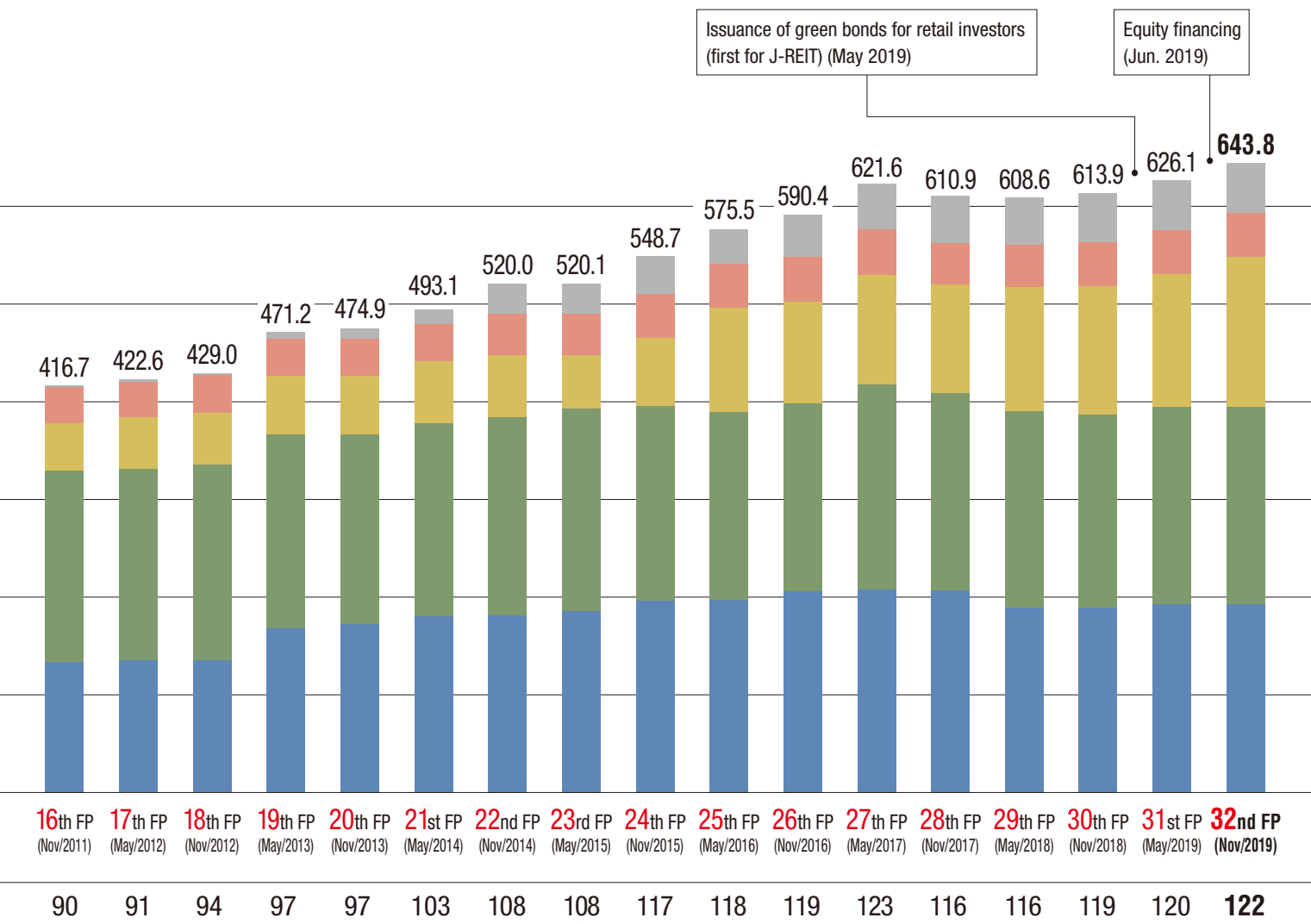
Notes: 1. The total acquisition prices of properties owned by United Urban at the end of each fiscal period are shown above, and figures are rounded to the units stated.
 2. Unless otherwise indicated, in principle, all figures in this report are rounded down to the nearest unit.
 3. In this document, J-REIT refers to a real-estate investment trust listed on a Japanese stock exchange.



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- 5 Distinctive Features of United Urban
- 6 Acquisitions of Properties

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



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Financial Section

Key Figures (As of November 30, 2019)

Cash Distribution per Unit for the 32nd Fiscal Period

¥3,435

Occupancy Ratio

99.2%

Total Acquisition Price

¥644 billion

Number of Properties

122

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

32.7%

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 17, 2020)



Long-term issuer rating

AA

Rating Outlook: Stable



Long-term issuer rating

A3

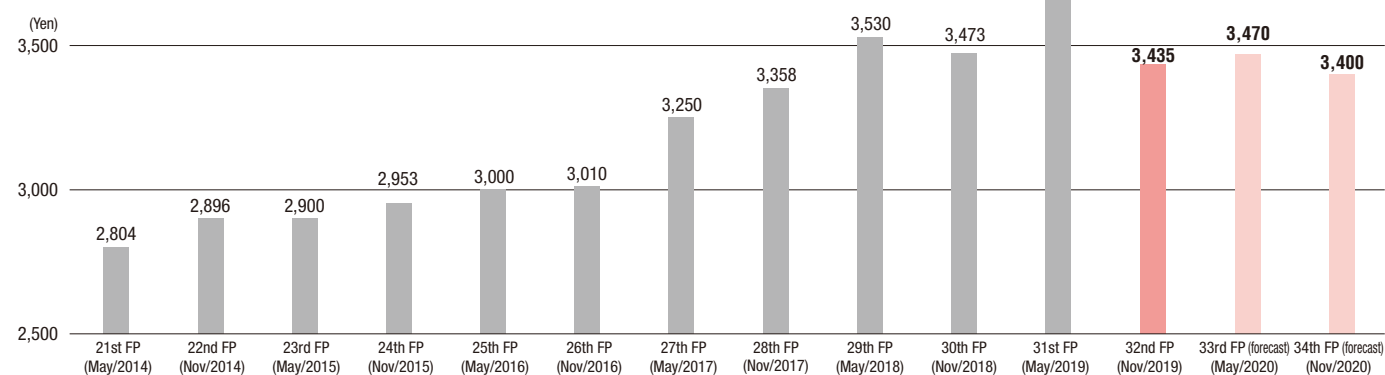
Rating Outlook: Stable

Financial Highlights

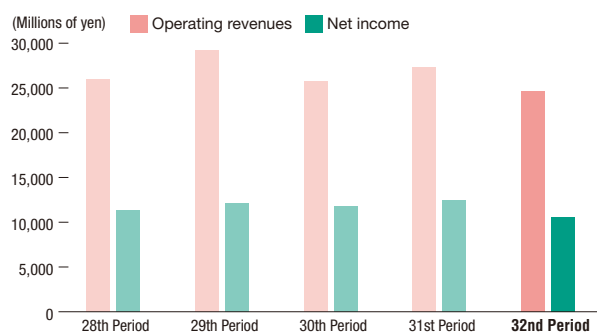
(Millions of yen, except per unit information)

	28th Fiscal Period	29th Fiscal Period	30th Fiscal Period	31st Fiscal Period	32nd Fiscal Period
	June 1, 2017- November 30, 2017	December 1, 2017- May 31, 2018	June 1, 2018- November 30, 2018	December 1, 2018- May 31, 2019	June 1, 2019- November 30, 2019
Operating revenues	¥ 25,926	¥ 29,166	¥ 25,733	¥ 27,261	¥ 24,671
Operating income	12,482	13,089	12,894	13,569	11,565
Ordinary income	11,320	11,974	11,789	12,413	10,544
Net income	11,319	11,973	11,788	12,413	10,543
Total cash distribution	10,258	10,784	10,610	11,184	10,711
Cash distribution per unit (Yen)	3,358	3,530	3,473	3,661	3,435
Total assets	663,531	648,503	651,242	680,901	678,208
Total net assets	353,258	355,017	356,029	357,789	367,970
Net assets per unit (Yen)	115,629	116,205	116,536	117,112	118,002

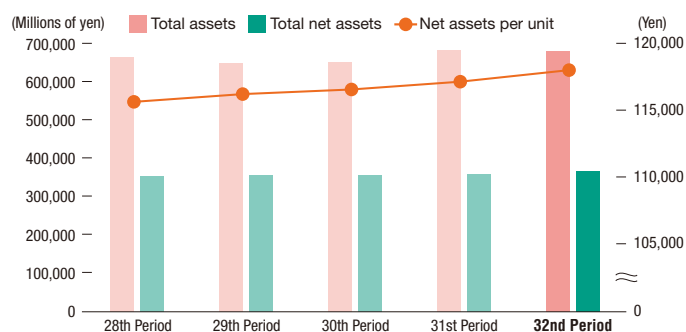
Cash distribution per unit



Operating revenues / Net income



Total assets / Total net assets / Net assets per unit



To Our Unitholders

It is our pleasure to present this report on the business activities of United Urban during the 32nd fiscal period: the six-month period ended November 30, 2019.

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 by type of use and geographical location. Since listing, United Urban has endeavored to maintain or improve revenues and reduce various risks to obtain stable earnings over the medium to long term. In addition, United Urban has been pursuing sustainable growth by identifying real estate with intrinsic value as a diversified investment policy through selected investments in various real estate and enhancement of property values based on bottom-up approach. As of November 30, 2019 (the end of the 32nd fiscal period), the asset size was ¥643.8 billion, making United Urban one of the largest J-REITs measured by asset size.

In the 32nd fiscal period, United Urban acquired Hotel Hewitt Koshien, a full-service hotel located in Nishinomiya, Hyogo (acquisition price: ¥13.5 billion) and Smile Hotel Premium Sapporo Susukino, a limited-service hotel located in Sapporo, Hokkaido (acquisition price: ¥4.2 billion).

United Urban posted operating revenues of ¥24,671 million and net income of ¥10,543 million, affected by factors such as reduction of gain on sale of ¥3,001 million in the previous fiscal period. For the cash distribution, under the provisions of laws and regulations, etc., United Urban reversed ¥77 million of the reserve for temporary difference adjustments and ¥93 million of the reserve for reduction entry by using the internal reserve to deal with the differences between taxable and accounting profit arisen at some of properties, respectively, and then added the reversal amount to the cash distribution. Consequently, the cash distribution per unit for the 32nd fiscal period became ¥3,435 (increased by 0.4% or ¥15 per unit compared with the forecast).

In finance, United Urban conducted the eleventh public offering and procured ¥10.7 billion together with a third-party allotment. Moreover, United Urban repaid a portion of existing borrowings. As a result, the balance of interest-bearing liabilities at the end of the 32nd fiscal period decreased to ¥270.7 billion from ¥282.8 billion at the end of the previous fiscal period.

In the 33rd fiscal period ending May 31, 2020, United Urban acquired the square hotel KANAZAWA, a limited-service hotel located in Kanazawa, Ishikawa (acquisition price: ¥4.8 billion).

All of the officers and employees of United Urban and JRA have a firm awareness of ESG (environment, social, and governance) issues and make every effort to achieve the sustained growth of United Urban while coexisting with society and the environment. Your continuing support and kind attention are highly appreciated.

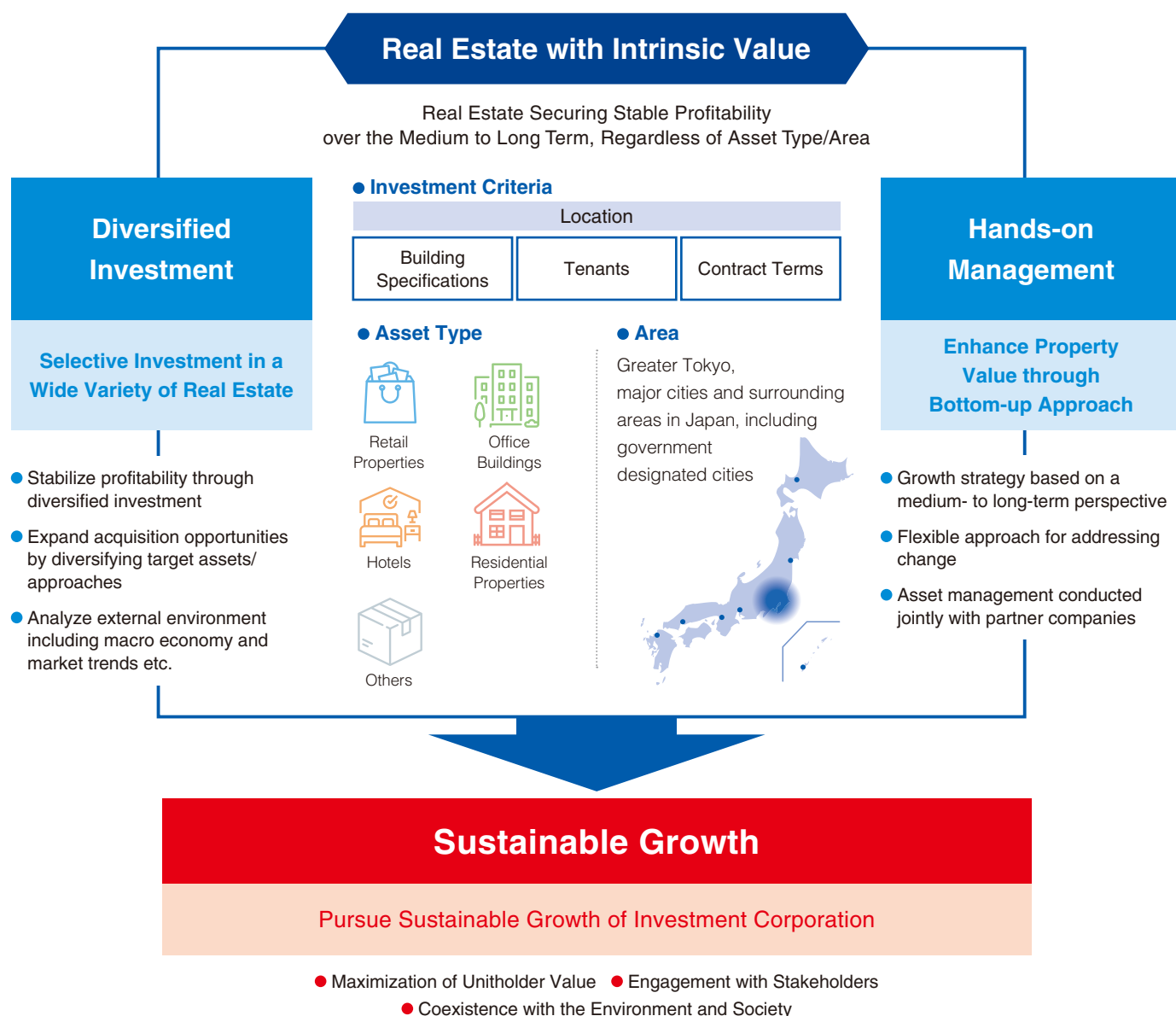
Ikuo Yoshida (Right)
Executive Officer
United Urban Investment Corporation

Norimasa Gaun (Left)
President and CEO
Japan REIT Advisors Co., Ltd.



Distinctive Features of United Urban

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



Diversified Investment

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

Hands-on Management

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

Acquisitions of Properties

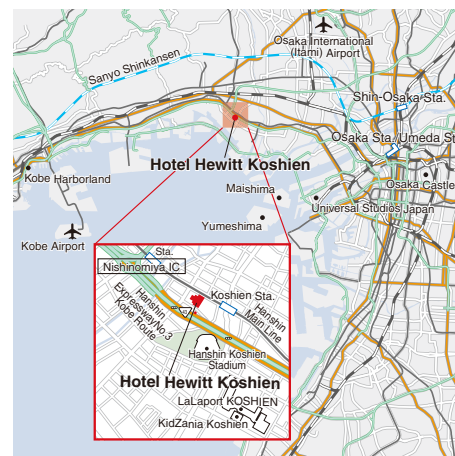
New Acquisitions during the 32nd Fiscal Period

C18 Hotel Hewitt Koshien

HOTELS



■ Location	Nishinomiya, Hyogo
■ Site Area	14,997.27 m ²
■ Total Floor Space	Main building: 29,537.39 m ² New building: 6,543.65 m ²
■ Structure and Scale	Main building: SRC/S B1/14F New building: S 8F
■ Completed	Main building: August 1992 New building: July 2018
■ Acquisition Price	¥13,520 million
■ Acquisition Date	June 25, 2019

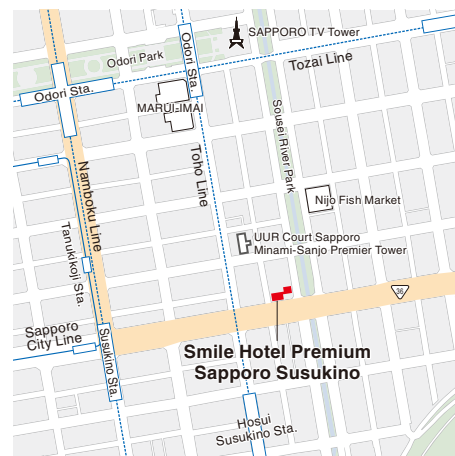


C19 Smile Hotel Premium Sapporo Susukino

HOTELS



■ Location	Sapporo, Hokkaido
■ Site Area	958.37 m ²
■ Total Floor Space	7,762.50 m ²
■ Structure and Scale	S 13F
■ Completed	December 2017
■ Acquisition Price	¥4,233 million
■ Acquisition Date	June 28, 2019



New Acquisition during the 33rd Fiscal Period

C20 the square hotel KANAZAWA

HOTELS

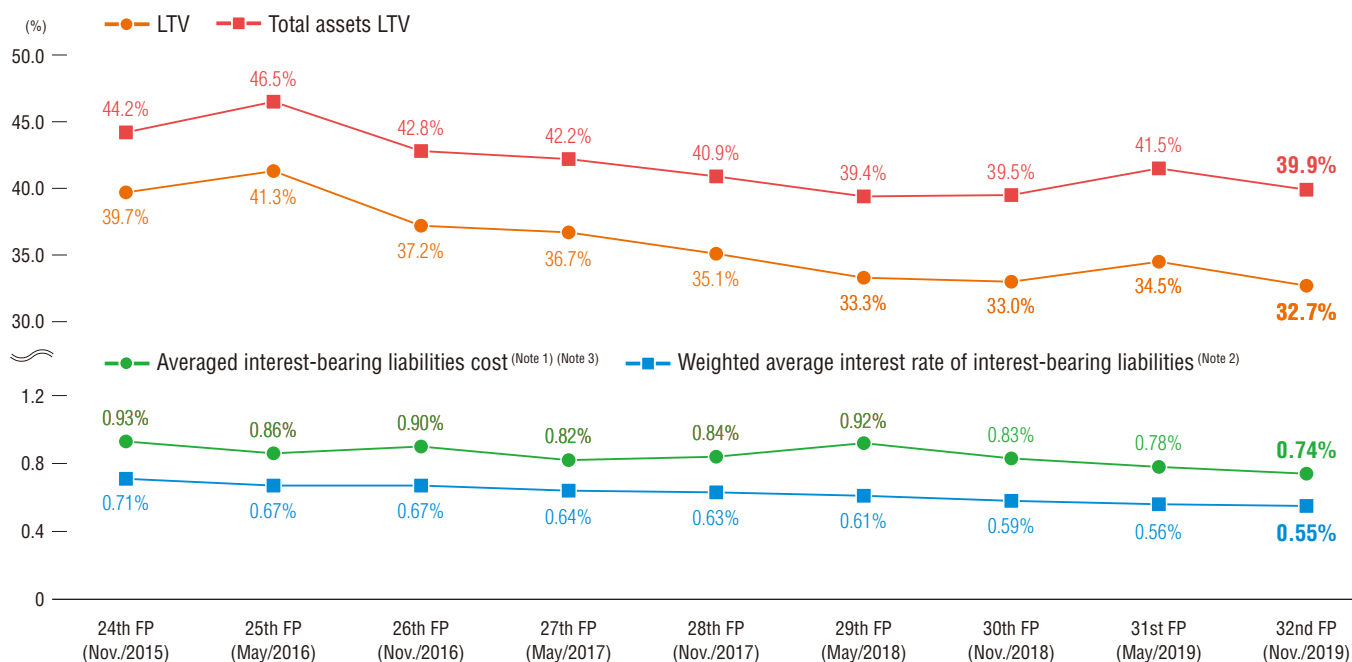


■ Location	Kanazawa, Ishikawa
■ Site Area	1,632.92 m ²
■ Total Floor Space	6,253.86 m ²
■ Structure and Scale	S 13F
■ Completed	September 2018
■ Acquisition Price	¥4,802 million
■ Acquisition Date	December 3, 2019



Financial Status

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



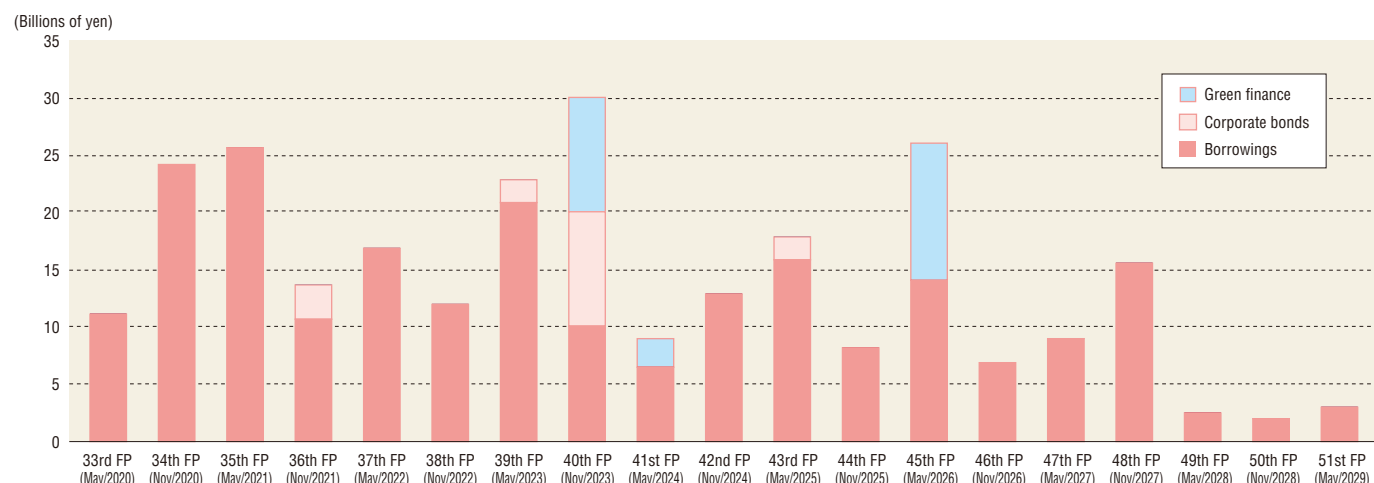
Notes: 1. Averaged interest-bearing liabilities cost is calculated as (interest expenses + loan-related expenses + interest expenses on corporate bonds + corporate bonds issuance expenses) / outstanding balance of interest-bearing liabilities at the end of the each fiscal period * 365 / number of operating days.
 2. Weighted average interest rate represents a weighted average efficiency of the nominal interest rate of total interest-bearing liabilities at the end of each fiscal period (excluding loan-related expenses, etc.).
 3. The figure for averaged interest-bearing liabilities cost during the 29th fiscal period and the 31st fiscal period include total issuance expenses for the corporate bonds that were issued in the fiscal period.

Changes in Financial Indices

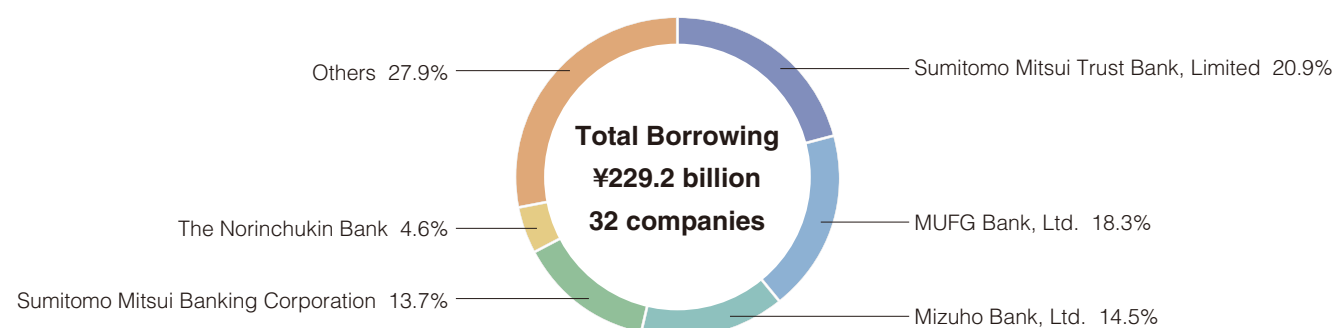
(Billions of yen, unless otherwise indicated)

	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)	As of January 17, 2020
Total amount of interest-bearing liabilities	282.8	270.7	275.7
Borrowings	241.3	229.2	234.2
Corporate bonds	17.0	17.0	17.0
Green finance	24.5	24.5	24.5
Collateral/Guarantee	unsecured, unguaranteed		
Weighted average life	4.1 years	3.9 years	3.8 years
Weighted average interest rate	0.56%	0.55%	0.55%
Long-term ratio of interest-bearing liabilities	100% (contract base)		
Ratio of fixed interest rate	89.2%	88.7%	88.9%
Commitment line	36.0 (no borrowing record)		

Diversification of Maturity Date (As of the end of 32nd fiscal period ended November 30, 2019)



Lenders and Borrowing Amount (As of the end of 32nd fiscal period ended November 30, 2019)



Note: Percentage figures are rounded to one decimal place. Accordingly, they may not add up to the total.

Strategic Utilization of Retained Earnings

(reserve for temporary difference adjustments, reserve retained for distribution, and reserve for reduction entry)

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

► Policy for retained earnings

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

Total Amount of Retained Earnings (End of the 32nd Fiscal Period ended November 30, 2019)



¥13,808 million

Actions Taken on ESG Materiality

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



► Materiality set in 2019 and related SDGs

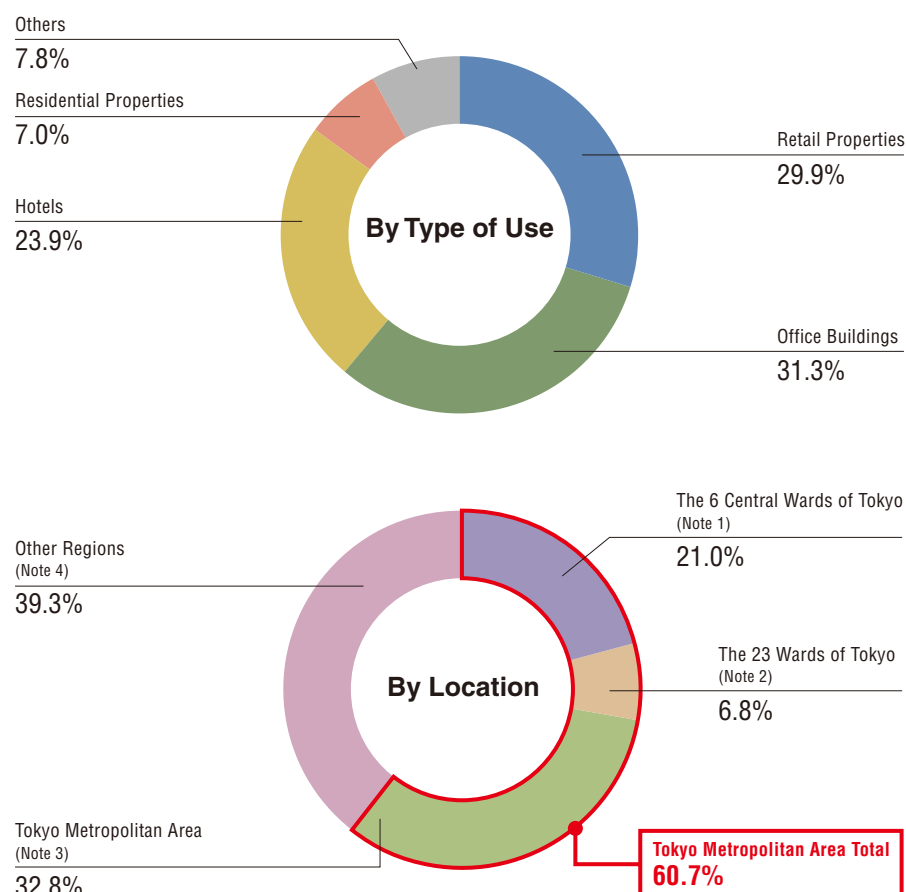
	Materiality		Achievement	Result*					
Environment	Energy consumption/ management, Use of renewable energy	 	<ul style="list-style-type: none">Assess the electricity used by all 65 properties contracted with power companies.Assess the electricity used by 108 properties, including tenants who rent entire buildings.	3					
	Green certified buildings	  	<p>4 Star rating from GRESB for the first time in 2019. Highest “A” ranking for the second consecutive year in GRESB’s disclosure of evaluations in 2019.</p> <p>Environment Certification Coverage</p> <table><tr><td>December 31, 2018: 45 properties Total floor space basis: 53%</td><td>December 31, 2019: 54 properties Total floor space basis: 58%</td></tr></table>	December 31, 2018: 45 properties Total floor space basis: 53%	December 31, 2019: 54 properties Total floor space basis: 58%	3			
	December 31, 2018: 45 properties Total floor space basis: 53%	December 31, 2019: 54 properties Total floor space basis: 58%							
Tenant/Property manager engagement	  	<p>Agreement Ratio of Green Lease</p> <table><tr><th>Office Buildings</th><th>Retail Properties</th></tr><tr><td>November 30, 2018: 28%</td><td>–</td></tr><tr><td>September 30, 2019: 32%</td><td>September 30, 2019: 33%</td></tr></table>	Office Buildings	Retail Properties	November 30, 2018: 28%	–	September 30, 2019: 32%	September 30, 2019: 33%	3
Office Buildings	Retail Properties								
November 30, 2018: 28%	–								
September 30, 2019: 32%	September 30, 2019: 33%								
Society	Supply chain management	 	Incorporated ESG items into the qualitative PM continuous checklist, and promoted awareness on the field from the perspective of AM.	3					
	Employee job satisfaction/wellness		<ul style="list-style-type: none">Introduction of a “no overtime day” to create awareness of leaving work on time.Recommended employees to take at least five consecutive days of paid vacations once a year.Implemented teleconference systems, shortened work time by transitioning to PCs.	3					
Governance	Disclosure and assurance		<p>Started pre-operations of new asset management system in August 2019.</p> <p>Scheduled to completely switch over during 2020.</p>	2					
	Executive compensation/ Employee remuneration		Implemented a system for the employees of the asset management company to acquire United Urban's investment units using a part of their monthly salary (cumulative investment program). (August 2019)	3					
	Board skills/diversity		<p>Changed two Supervisory Officers (September 1, 2019)</p> <table><tr><td>Ratio of females on management team</td><td>0% → 33%</td></tr><tr><td>Average consecutive years served by Supervisory Officers</td><td>6 years → 0 years</td></tr></table>	Ratio of females on management team	0% → 33%	Average consecutive years served by Supervisory Officers	6 years → 0 years	3	
Ratio of females on management team	0% → 33%								
Average consecutive years served by Supervisory Officers	6 years → 0 years								

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

Portfolio Properties

Portfolio Data

Portfolio Breakdown (Based on acquisition prices) (As of the end of 32nd fiscal period ended November 30, 2019)



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

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

3. "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.

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

Occupancy Ratio

	2019					
	End of June	End of July	End of August	End of September	End of October	End of November
Retail Properties	99.6%	99.4%	99.4%	99.4%	99.2%	99.3%
Office Buildings	98.9%	98.9%	98.8%	98.5%	98.7%	98.8%
Hotels	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
Residential Properties	97.9%	97.9%	98.1%	98.0%	97.8%	97.3%
Others	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	99.4%	99.3%	99.3%	99.3%	99.2%	99.2%

Portfolio Properties

Portfolio Roster (As of the end of 32nd fiscal period ended November 30, 2019)

No.	Property Name	Location	Type of Asset	Completion Date (Note 1) (Note 4)	Acquisition Date (Note 2)	
Retail Properties						
A2	Joy Park Izumigaoka	Sakai, Osaka	Trust beneficial interest in real estate	Nov. 2000	Dec. 22, 2003	
A4	Luz Funabashi (Note 15)	Funabashi, Chiba	Trust beneficial interest in real estate	Mar. 1998	Sep. 17, 2004	
A6	TENJIN LUCE	Fukuoka, Fukuoka	Trust beneficial interest in real estate	Nov. 2005	Apr. 14, 2006	
A7	Kaden Sumairu-kan YAMADA Sakai Honten (Note 15)	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	Yokohama Aoba Shopping Center (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	Kaden Sumairu-kan YAMADA Matsudo Honten (Note 15)	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	ACTIOLE Ueno	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	
A41	K's Denki Nagoya-kita	Nishikasugai-gun, Aichi	Trust beneficial interest in real estate	Jun. 2000	Dec. 1, 2016	
A42	Luz Musashikosugi	Kawasaki, Kanagawa	Trust beneficial interest in real estate	May 2008	Dec. 28, 2018	
Office Buildings						
B1	T&G Hamamatsucho Building	Minato-ku, Tokyo	Trust beneficial interest in real estate	Dec. 1988	Dec. 26, 2003	
B3	Fukuoka Earthon 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 Toyochu 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 Tsukishima	Chuo-ku, Tokyo	Real estate	Mar. 1990	Dec. 1, 2010	
B14	Pacific Marks Yokohama East	Yokohama, Kanagawa	Trust beneficial interest in real estate	Oct. 1992	Dec. 1, 2010	
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	
B34	Pacific Marks Esaka	Suita, Osaka	Trust beneficial interest in real estate	Mar. 1975	Dec. 1, 2010	
B35	Pacific Marks Sapporo Kita-Ichijo	Sapporo, Hokkaido	Trust beneficial interest in real estate	Feb. 1993	Dec. 1, 2010	
B36	Shin-Sapporo Center Building	Sapporo, Hokkaido	Trust beneficial interest in real estate	Sep. 1991	Dec. 1, 2010	
B37	ARENA TOWER	Yokohama, Kanagawa	Trust beneficial interest in real estate	May 2008	Jun. 16, 2011	
B38	Yushima First Building	Bunkyo-ku, Tokyo	Trust beneficial interest in real estate	Feb. 1989	Aug. 29, 2012	
B39	Dogenzaka Square	Shibuya-ku, Tokyo	Trust beneficial interest in real estate	Oct. 2004	Nov. 22, 2012	
B40	GRAND-SQUARE Shin-Sakae	Nagoya, Aichi	Trust beneficial interest in real estate	May 2009	Feb. 28, 2014	
B41	GRAND-SQUARE Meieki-minami	Nagoya, Aichi	Trust beneficial interest in real estate	Feb. 2009	Feb. 28, 2014	
B42	Shiba 520 Building	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	
B44	SS30 (Note 6, 8)	Sendai, Miyagi	Trust beneficial interest in real estate	Mar. 1989	Mar. 30, 2017	
B45	LOOP-X・M (Note 9)	Minato-ku, Tokyo	Trust beneficial interest in real estate	Nov. 1991	Apr. 26, 2017	

	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)	Structure (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	6,770	1.1%	10,368.45	29,250.71	RC/S	5F	Proprietary Ownership	Proprietary Ownership
	5,200	0.8%	5,198.20	12,944.65	SRC	B2/5F	Proprietary Ownership	Proprietary Ownership
	6,500	1.0%	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	0.8%	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	0.6%	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	1.1%	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	3.5%	2,430.23	25,865.61	S/RC	B3/12F	Proprietary Ownership	Proprietary Ownership
	1,580	0.2%	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	1.1%	79,484.47	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	0.8%	828.70	2,771.59	S/SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	3,350	0.5%	749.42	4,452.39	S/RC	B1/7F	Proprietary Ownership	Proprietary Ownership
	2,600	0.4%	9,193.00	—	—	—	Proprietary Ownership	—
	2,150	0.3%	7,594.00	—	—	—	Proprietary Ownership	—
	28,000	4.3%	3,582.39	37,932.95	S/SRC	B4/9F	Proprietary Ownership	Proprietary Ownership
	5,150	0.8%	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	1.0%	60,747.02	—	—	—	Proprietary Ownership	—
	1,800	0.3%	2,450.62	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	0.6%	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	1.4%	7,266.41	59,361.08	SRC/RC/S	B3/28F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,750	0.3%	7,461.97	4,733.74	S	2F	Proprietary Ownership	Proprietary Ownership
	12,151	1.9%	6,104.63	12,223.72	SRC/S/RC	B1/5F	Proprietary Ownership	Proprietary Ownership
	2,257	0.4%	453.81	3,296.58	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	2,080	0.3%	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	0.3%	689.70	4,031.14	SRC	B1/7F	Proprietary Ownership	Proprietary Ownership
	14,279	2.2%	7,265.79	58,882.64	SRC	B1/23F	Proprietary Ownership	Proprietary Ownership
	19,200	3.0%	8,615.20	51,254.06	S/RC/SRC	B2/14F	Proprietary Ownership	Proprietary Ownership
	5,021	0.8%	(53,363.57)	(—)	—	—	Proprietary Ownership (Co-ownership)	—
	8,500	1.3%	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	2.3%	3,464.39	22,952.71	SRC/RC	B2/12F	Proprietary Ownership (Co-ownership)	Proprietary Ownership (Co-ownership)
	12,100	1.9%	3,201.80	19,802.22	SRC/RC	B2/7F	Proprietary Ownership	Proprietary Ownership
	6,080	0.9%	3,302.07	14,507.92	SRC	B2/13F	Proprietary Ownership	Proprietary Ownership
	7,050	1.1%	2,525.41	15,387.49	SRC	B1/12F	Proprietary Ownership	Proprietary Ownership
	3,290	0.5%	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	0.3%	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	1.5%	1,183.52	10,694.91	S/SRC	B1/13F	Proprietary Ownership (Co-ownership)	Compartmentalized Ownership
	6,840	1.1%	1,401.61	8,331.90	S/RC	B2/8F	Right of Site (Co-ownership)	Compartmentalized Ownership
	2,750	0.4%	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	1.1%	2,053.30	16,142.54	S/SRC	B1/18F	Proprietary Ownership	Proprietary Ownership
	4,570	0.7%	1,284.23	9,596.62	SRC	B1/9F	Proprietary Ownership	Proprietary Ownership
	9,590	1.5%	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%	1,940.15	3,725.13	SRC	B1/6F	Proprietary Ownership	Proprietary Ownership
	9,500	1.5%	2,733.00	24,412.67	S/SRC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,100	0.3%	1,120.85	6,165.88	SRC	B1/8F	Proprietary Ownership	Proprietary Ownership
	2,300	0.4%	488.93	3,227.62	SRC	B1/9F	Right of Site (Co-ownership)	Compartmentalized Ownership
	1,480	0.2%	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	0.3%	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
	11,521	1.8%	15,542.84	110,955.68	(1)SRC/S (2)RC (3)SRC	(1)B3/31F (2)B1/2F (3)B2/12F	Proprietary Ownership	Compartmentalized Ownership, Proprietary Ownership
	11,200	1.7%	5,491.44	31,583.38	(1)S/SRC (2)SRC/RC	(1)B1/17F (2)B1/18F	Proprietary Ownership	Proprietary Ownership

Portfolio Properties

No.	Property Name	Location	Type of Asset	Completion Date (Note 1) (Note 4)	Acquisition Date (Note 2)	
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 ^(Note 7)	Minato-ku, Tokyo	Trust beneficial interest in real estate	(1)Jan. 2001 (2)Dec. 2018	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 10)	Naha, Okinawa	Trust beneficial interest in real estate	(1)Oct. 1992 (2)Jun. 2009	Feb. 5, 2016	
C14	Royal Pines Hotel Urawa	Saitama, Saitama	Trust beneficial interest in real estate	Aug. 1999	Apr. 1, 2016	
(B44)	SS30 ^(Note 6, 8)	Sendai, Miyagi	Trust beneficial interest in real estate	Mar. 1989	Mar. 30, 2017	
C15	RIHGA Royal Hotel Kokura・ARUARU City ^(Note 11)	Kitakyushu, Fukuoka	Trust beneficial interest in real estate	(1)Mar. 1993 (2)Mar. 1993 (3)Aug. 1992	Jan. 26, 2018	
C16	the b fukuoka tenjin	Fukuoka, Fukuoka	Trust beneficial interest in real estate	May 2017	Sep. 27, 2018	
C17	Henn na Hotel Tokyo Hamamatsucho	Minato-ku, Tokyo	Trust beneficial interest in real estate	Mar. 2018	May 15, 2019	
C18	Hotel Hewitt Koshien	Nishinomiya, Hyogo	Trust beneficial interest in real estate	Aug. 1992	Jun. 25, 2019	
C19	Smile Hotel Premium Sapporo Susukino	Sapporo, Hokkaido	Trust beneficial interest in real estate	Dec. 2017	Jun. 28, 2019	
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	UUR Court Shiba-Daimon	Minato-ku, Tokyo	Trust beneficial interest in real estate	Apr. 2003	Oct. 15, 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	
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	
D28	GRAND-ROUGE Tanimachi Rokuchome	Osaka, Osaka	Trust beneficial interest in real estate	Jul. 2010	Dec. 1, 2016	
D29	Chatle Otemachi S-N ^(Note 12)	Kitakyushu, Fukuoka	Real estate	Aug. 2008	Jul. 3, 2018	
D30	GRAN FONTE	Nerima-ku, Tokyo	Trust beneficial interest in real estate	Oct. 1998	Apr. 1, 2019	
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	Tsugogawa 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 13)	Kawasaki, Kanagawa	Trust beneficial interest in real estate	May 2008	Oct. 2, 2014	
E6	MT Ariake Center Building I&II ^(Note 14)	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	
E11	Shin-Narashino Logistics Center II	Narashino, Chiba	Trust beneficial interest in real estate	Jan. 1990	Jan. 31, 2017	
E12	Yoshikawa Logistics Center	Yoshikawa, Saitama	Trust beneficial interest in real estate	Apr. 1997	Jul. 27, 2017	
E13	Musashimurayama Logistics Center	Musashimurayama, Tokyo	Trust beneficial interest in real estate	Oct. 2001	Oct. 30, 2018	
Total						

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

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

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

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

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

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

7. For Hamamatsucho 262 Building, Shinjuku Washington Hotel Honkan, and the b roppongi, the additional acquisitions were executed, respectively. The acquisition prices in the above table are the total amount of the existing possession and the additional acquisition. Furthermore, the "Acquisition Date" above is the initial acquisition date by United Urban.

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

	Acquisition Price (Millions of yen) (Note 3)	Share in Total Acquisition Price	Site Area (m ²) (Note 1)	Total Floor Space (m ²) (Note 1)	Structure (Note 1) (Note 4)	Number of Floors (Note 1) (Note 4)	Type of Ownership	
							Land	Building
	21,140	3.3%	6,215.31	59,985.37	S/SRC	B4/25F	Proprietary Ownership (partly Co-ownership)	Compartmentalized Ownership (partly, Co-ownership)
	9,721	1.5%	(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	0.7%	970.83	6,610.51	SRC	11F	Proprietary Ownership	Proprietary Ownership
	7,650	1.2%	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	0.8%	1,264.94	7,884.53	SRC	14F	Proprietary Ownership	Compartmentalized Ownership
	4,488	0.7%	551.39	4,154.72	SRC/S	B2/9F	Proprietary Ownership	Proprietary Ownership
	2,655	0.4%	639.19	4,785.93	SRC	B1/14F	Proprietary Ownership	Proprietary Ownership
	2,113	0.3%	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	3.1%	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	2.7%	7,418.83	51,071.32	SRC/S	B3/20F	Proprietary Ownership, Right of Site	Compartmentalized Ownership
	6,679	1.0%	(15,542.84)	(110,955.68)	(1)SRC/S (2)RC (3)SRC	(1)B3/31F (2)B1/2F (3)B2/12F	Proprietary Ownership	Compartmentalized Ownership, Proprietary Ownership
	16,600	2.6%	22,799.65	114,117.54	(1)SRC/RC/S (2)SRC (3)SRC/RC	(1)B1/30F (2)B1/7F (3)B1/11F	Proprietary Ownership	Proprietary Ownership
	3,000	0.5%	496.79	3,567.22	S	10F	Proprietary Ownership	Proprietary Ownership
	4,456	0.7%	365.81	2,293.64	S	14F	Proprietary Ownership	Proprietary Ownership
	13,520	2.1%	14,997.27	29,537.39	SRC/S	B1/14F	Proprietary Ownership	Proprietary Ownership
	4,233	0.7%	958.37	7,762.50	S	13F	Proprietary Ownership	Proprietary 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
	3,031	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
	3,170	0.5%	814.54	5,871.77	SRC	B1/15F	Right of Site	Compartmentalized Ownership
	1,570	0.2%	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	0.5%	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	0.1%	336.55	2,196.97	S	12F	Proprietary Ownership	Proprietary Ownership
	1,570	0.2%	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%	1,078.42	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	0.8%	2,156.35	14,340.44	RC	B1/15F	Proprietary Ownership	Proprietary Ownership
	2,730	0.4%	6,132.03	9,885.83	SRC/RC	13F	Proprietary Ownership	Proprietary Ownership
	1,300	0.2%	817.52	3,607.14	RC	13F	Proprietary Ownership	Proprietary Ownership
	3,398	0.5%	3,516.04	12,599.91	(1)SRC (2)SRC	(1)15F (2)15F	Proprietary Ownership	Proprietary Ownership
	2,700	0.4%	4,132.97	6,983.30	RC	11F	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	0.6%	5,294.63	14,742.80	S	11F	Proprietary Ownership	Proprietary Ownership
	3,500	0.5%	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	1.2%	8,307.86	22,917.94	(1)S/SRC (2)S	(1)5F (2)5F	Proprietary Ownership	Proprietary Ownership
	5,700	0.9%	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	1.2%	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
	2,590	0.4%	7,870.01	12,578.45	S	4F	Proprietary Ownership	Proprietary Ownership
	1,960	0.3%	5,705.63	10,806.37	S	5F	Proprietary Ownership	Proprietary Ownership
	1,800	0.3%	5,788.52	9,207.73	S	4F	Proprietary Ownership	Proprietary Ownership
	643,836	100.0%	674,136.16	1,683,698.84				

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

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

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

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

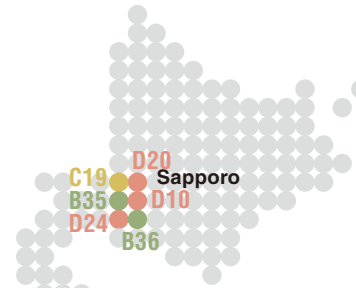
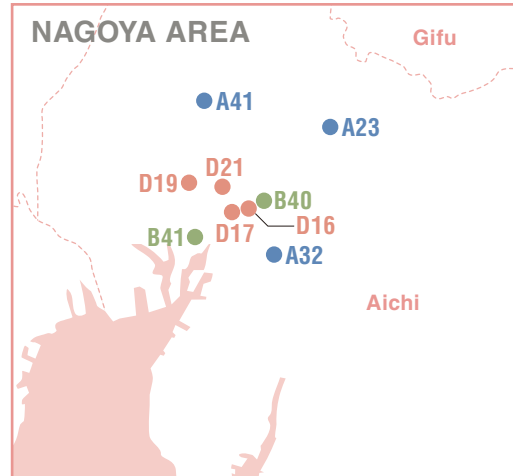
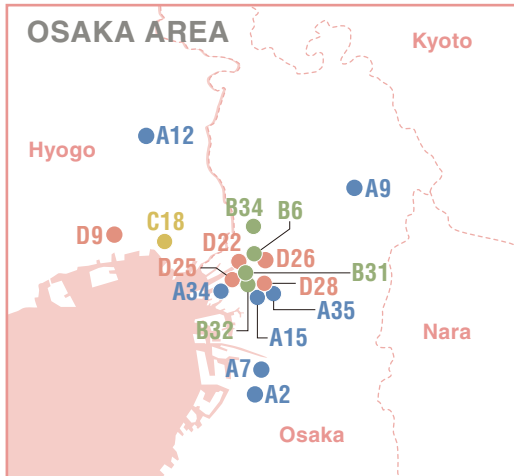
13. United Urban sold its 49% quasi co-ownership of the property on February 26, 2016 and continues to hold the remaining 51% quasi co-ownership. The acquisition price is calculated as 51% of the initial acquisition price (¥8,300 million).

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

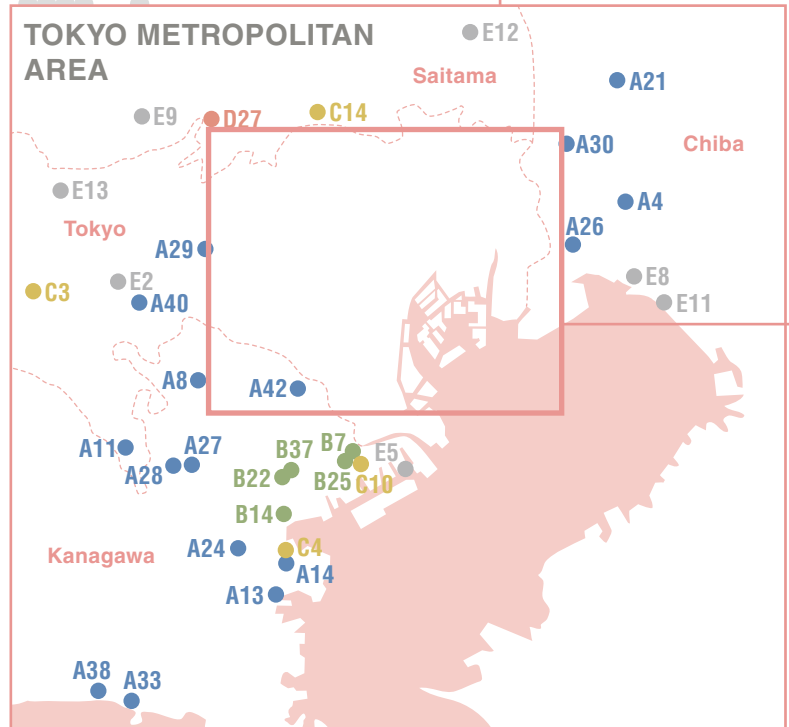
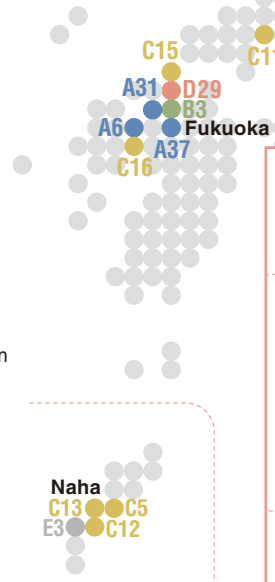
15. The property name was changed from Re-Land Shopping Center to Luz Funabashi, from Yamada Denki Tecc Land Sakai Honten to Kaden Sumairu-kan YAMADA Sakai Honten, and from Yamada Denki Tecc Land New Matsudo Honten to Kaden Sumairu-kan YAMADA Matsudo Honten on May 1, 2019, respectively.

Portfolio Properties

Portfolio Map

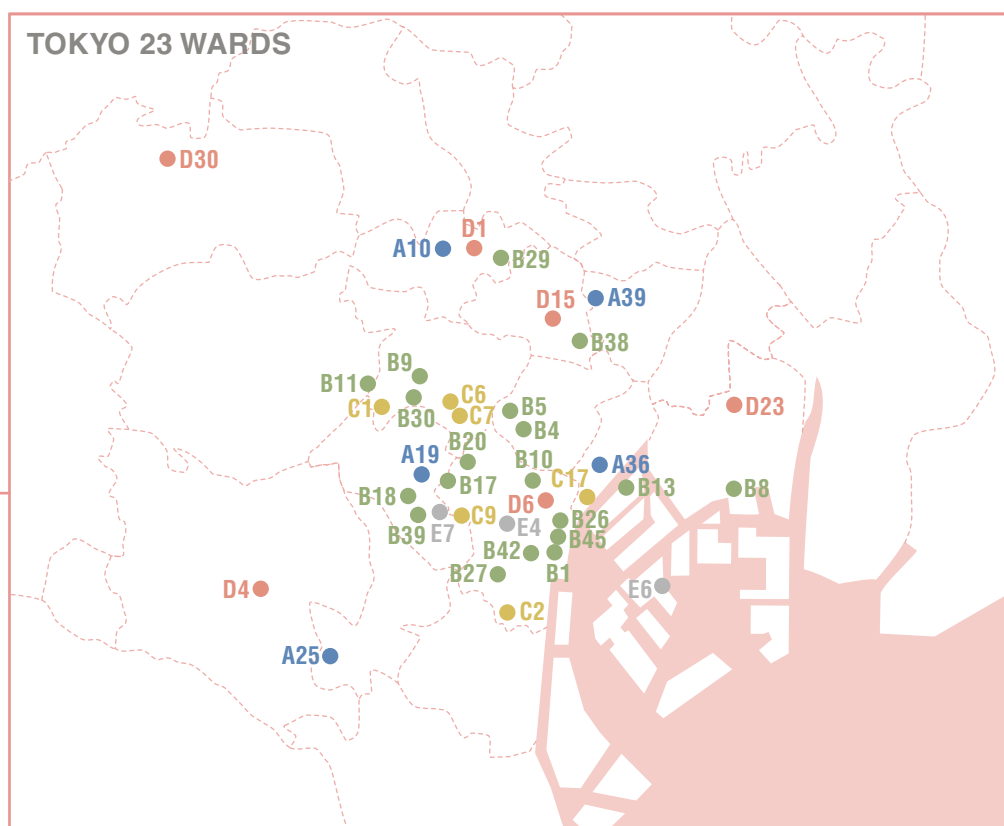


- A2 Joy Park Izumigaoka
- A4 Luz Funabashi
- A6 TENJIN LUCE
- A7 Kaden Sumairu-kan YAMADA Sakai Honten
- A8 Miyamae Shopping Center
- A9 KONAMI SPORTS CLUB Korigaoka
- A10 ACTIOLE Minami-ikebukuro
- A11 Tip's Machida Building
- A12 Daiei Takarazuka Nakayama
- A13 maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (Note 1)
- A14 ACTIOLE Kannai
- A15 Shinsaibashi OPA Honkan
- A19 Albore Jingumae
- A20 Albore Sendai
- A21 Mallage Kashiwa
- A23 Ito-Yokado Owariasahi
- A24 Yokohama Kariba Shopping Center
- A25 Luz Jiyugaoka
- A26 ACTIOLE Ichikawa
- A27 Yokohama Aoba Shopping Center (Site)
- A28 Yamada Denki Tecc Land Aoba (Site)
- A29 Yodobashi Camera Multimedia Kichijoji
- A30 Kaden Sumairu-kan YAMADA Matsudo Honten
- A31 Tenjin Loft Building
- A32 Narumi Shopping Center (Site)
- A33 Plussing Wave Enoshima
- A34 LIFE Nishikujo (Site)
- A35 LIFE Tamatsukuri (Site)
- A36 Granbell Ginza Building
- A37 UUR Tenjin Nishi-dori Building
- A38 Luz Shonan Tsujido
- A39 ACTIOLE Ueno
- A40 KURURU
- A41 K's Denki Nagoya-kita
- A42 Luz Musashikosugi
- B1 T&G Hamamatsucho Building
- B3 Fukuoka Eartheon Building
- B4 Marumasu Kojimachi Building
- B5 Rokubancho K Building
- B6 Shin-Osaka Central Tower (Note 2)



- Retail Properties
- Office Buildings
- Hotels
- Residential Properties
- Others

B7	Kawasaki Toshiba Building	B45	LOOP-X-M	D18	MA Sendai Building
B8	UUR Toyocho Building	C1	Shinjuku Washington Hotel Honkan	D19	UUR Court Nagoya Meieki
B9	FOUR SEASONS BLDG	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	D20	UUR Court Sapporo Shinoro Ichibankan
B10	Hitachi High-Tech Building	C3	MZ BLD.	D21	Park Site IZUMI
B11	Pacific Marks Shinjuku Parkside	C4	HOTEL ROUTE-INN Yokohama Bashamichi	D22	UUR Court Osaka Juso-honmachi
B13	Pacific Marks Tsukishima	C5	Hotel JAL City Naha	D23	UUR Court Kinshicho
B14	Pacific Marks Yokohama East	C6	UUR Yotsuya Sanhome Building	D24	UUR Court Sapporo Minami-Sanjo Premier Tower
B17	Akasaka Hikawa Building	C7	Yotsuya 213 Building	D25	GRAND-ROUGE Nakanoshima-minami
B18	Pacific Marks Shibuya Koen-dori	C9	the b roppongi	D26	Glenpark Umeda-kita
B20	Pacific Marks Akasaka-mitsuke	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	D27	UUR Court Shiki
B22	Pacific Marks Shin-Yokohama	C11	Toyoko Inn Hiroshima Heiwa-odori	D28	GRAND-ROUGE Tanimachi Rokuchome
B25	Pacific Marks Kawasaki	C12	Toyoko Inn Naha Kokusai-dori Miebashiki	D29	Chatle Otemachi S-N
B26	Hamamatsucho 262 Building	C13	Loisir Hotel & Spa Tower Naha	D30	GRAN FONTE
B27	Lila Hijirizaka	C14	Royal Pines Hotel Urawa	E1	Lilycolor Tohoku Branch
B29	Otsuka HT Building	C15	RIHGA Royal Hotel Kokura-ARUARU City	E2	KDDI Fuchu Building
B30	Pacific Marks Shinjuku South-gate	C16	the b fukuoka tenjin	E3	Tsubogawa Square Building
B31	Pacific Marks Nishi-Umeda	C17	Henn na Hotel Tokyo Hamamatsucho	E4	THE PLACE of TOKYO
B32	Pacific Marks Higobashi	C18	Hotel Hewitt Koshien	E5	Logistics Higashi-Ohgishima
B34	Pacific Marks Esaka	C19	Smile Hotel Premium Sapporo Susukino	E6	MT Ariake Center Building I&II
B35	Pacific Marks Sapporo Kita-Ichijo	D1	T&G Higashi-ikebukuro Mansion	E7	Quartz Tower
B36	Shin-Sapporo Center Building	D4	Komazawa Court	E8	Shin-Narashino Logistics Center
B37	ARENA TOWER	D6	UUR Court Shiba-Daimon	E9	Kawagoe Logistics Center
B38	Yushima First Building	D9	Aprile Shin-Ohgi Ichibankan	E10	Asuto Nagamachi Dental Clinic
B39	Dogenzaka Square	D10	UUR Court Sapporo Kita-Sanjo	E11	Shin-Narashino Logistics Center II
B40	GRAND-SQUARE Shin-Sakae	D15	CLIO Bunkyo Koishikawa	E12	Yoshikawa Logistics Center
B41	GRAND-SQUARE Meieki-minami	D16	GRAND-ROUGE Sakae	E13	Musashimurayama Logistics Center
B42	Shiba 520 Building	D17	GRAND-ROUGE Sakae II		
B43	Hirose-dori SE Building				
B44	SS30 (Note 2)				



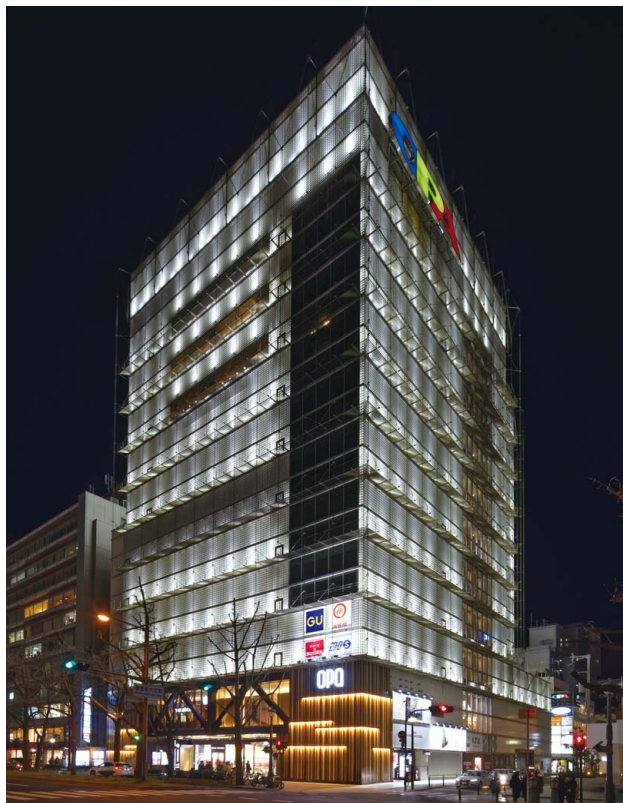
Notes: 1. maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) includes the retail portion and the office portion.
 2. Shin-Osaka Central Tower and SS30 include the office portion and the hotel portion.

Portfolio Properties

Major Properties

Retail Properties

A15 Shinsaibashi OPA Honkan



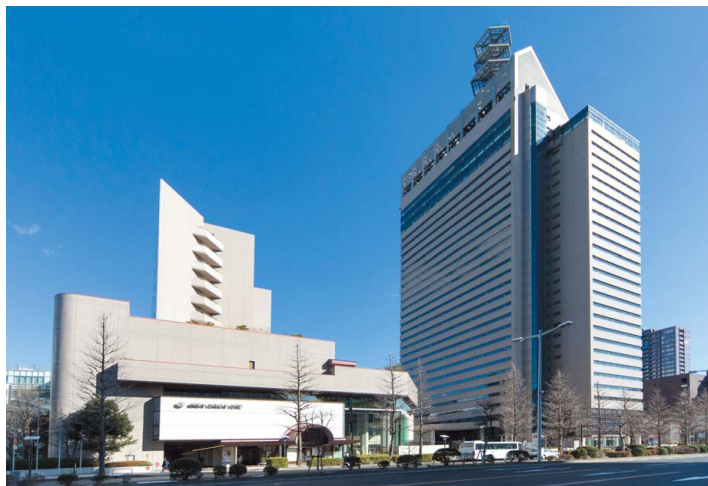
Office Buildings

B37 ARENA TOWER



Office Buildings/Hotels

B44 SS30



Hotels

C13 Loisir Hotel & Spa Tower Naha



Retail Properties

A29 Yodobashi Camera Multimedia Kichijoji



Office Buildings/Hotels

B6 Shin-Osaka Central Tower



Hotels

C1 Shinjuku Washington Hotel Honkan



Hotels

C15 RIHGA Royal Hotel Kokura・ARUARU City



Residential Properties

D29 Chatle Otemachi S・N



Portfolio Properties

Residential Properties

D26 Glenpark Umeda-kita



Retail Properties

A42 Luz Musashikosugi



Others

E4 THE PLACE of TOKYO



Hotels

C14 Royal Pines Hotel Urawa



Others

E6 MT Ariake Center Building I&II



Corporate Profile

Overview

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

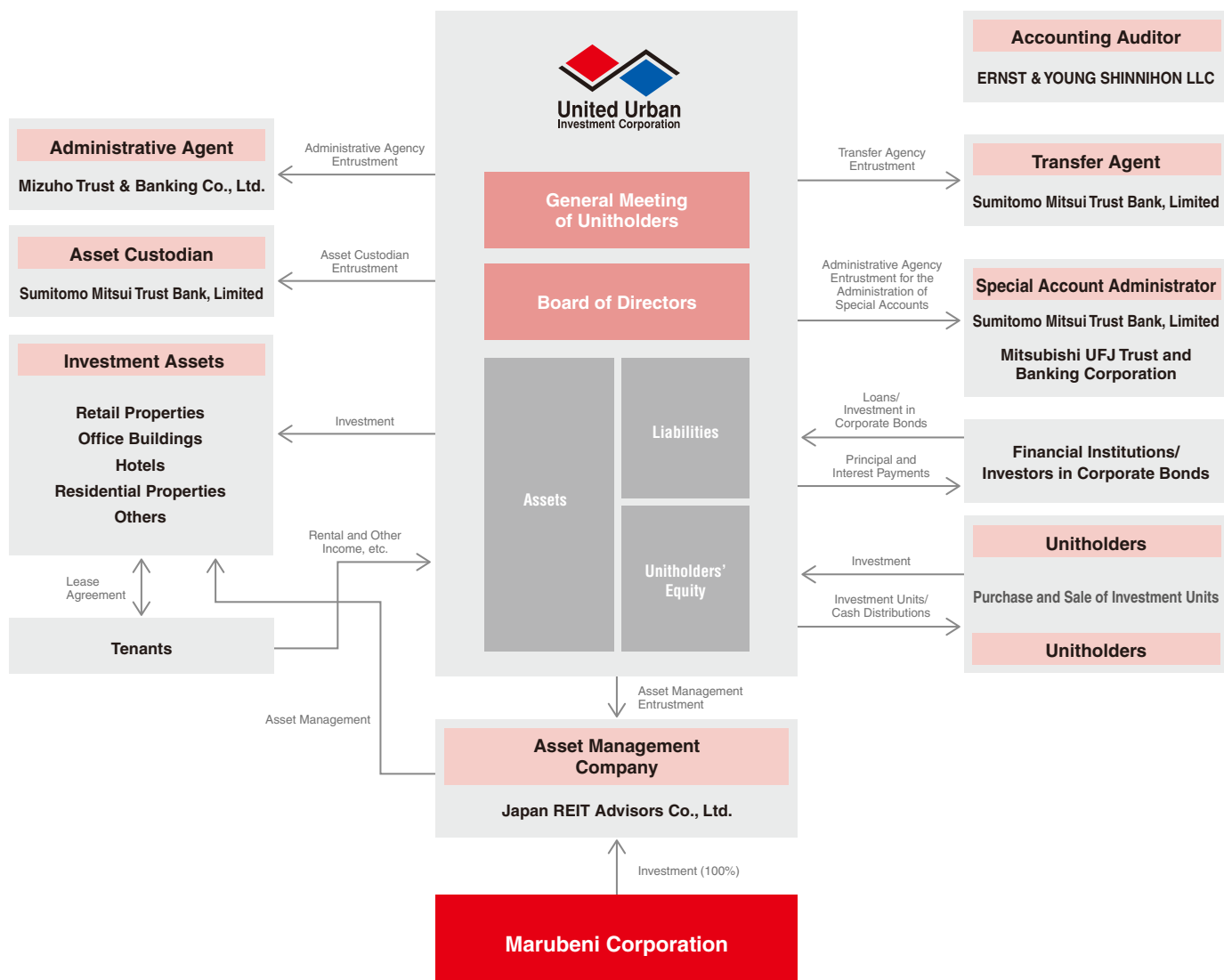


Kumiko Sekine
Supervisory Officer

Ikuo Yoshida
Executive Officer

Kenichiro Okamura
Supervisory Officer

Corporate Structure

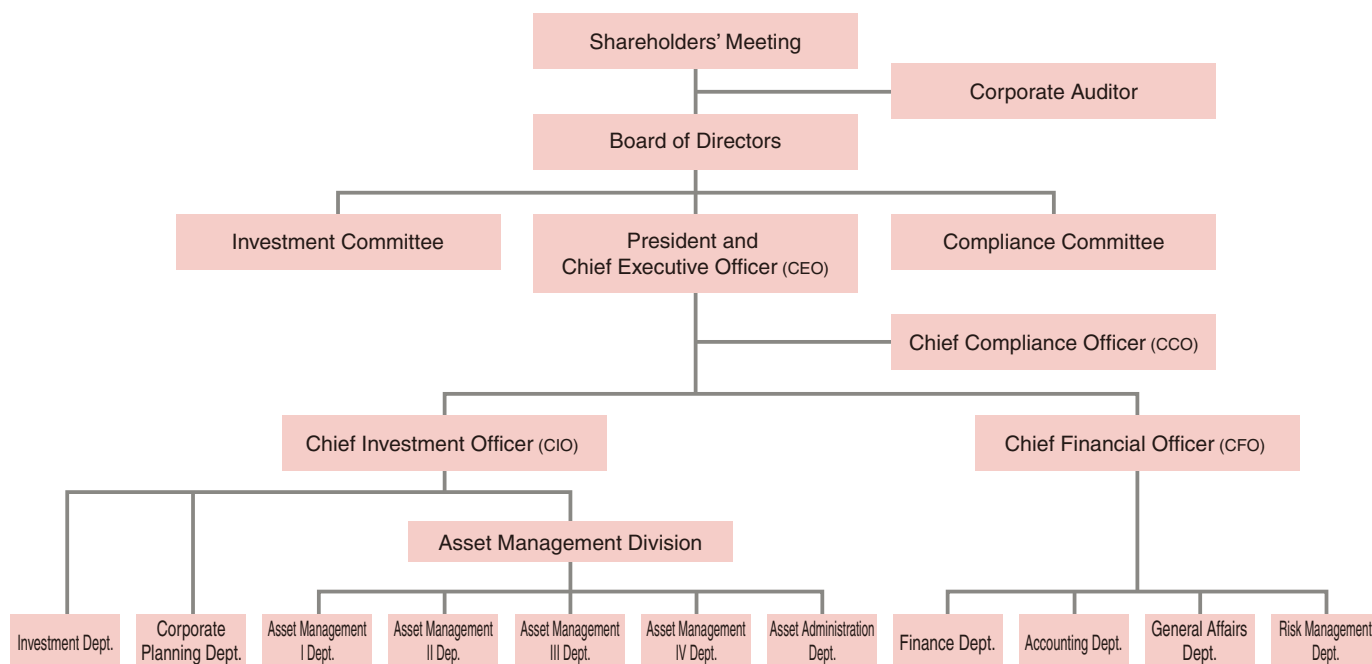


Profile of Asset Management Company

Overview (As of November 30, 2019)

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
Shareholder	Marubeni Corporation (100%)
Representative	Norimasa Gaun, President and CEO
Description of Business	Investment management business under Article 28, Paragraph 4 of the Financial Instruments and Exchange Act

Organization (As of November 30, 2019)



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, 2019, 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, 2019, the chairman of the committee is the CCO of JRA, and committee members are the President and CEO, the head of the General Affairs Dept. and one external intellectual (external lawyer).

◆ PERFORMANCE REPORT

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Financial Highlights

1. Track Records on Operations

Fiscal Period (Calculation Period)		28th Fiscal Period (June 1, 2017- November 30, 2017)	29th Fiscal Period (December 1, 2017- May 31, 2018)	30th Fiscal Period (June 1, 2018- November 30, 2018)	31st Fiscal Period (December 1, 2018- May 31, 2019)	32nd Fiscal Period (June 1, 2019- November 30, 2019)
Operating revenues (Note 1) (Millions of yen)		25,926	29,166	25,733	27,261	24,671
(Rental revenues) (Millions of yen)		(23,764)	(24,219)	(23,867)	(24,215)	(24,671)
Operating expenses (Millions of yen)		13,443	16,077	12,838	13,691	13,106
(Property-related expenses) (Millions of yen)		(10,360)	(10,328)	(10,663)	(11,506)	(10,870)
Operating income (Millions of yen)		12,482	13,089	12,894	13,569	11,565
Ordinary income (Millions of yen)		11,320	11,974	11,789	12,413	10,544
Net income (a) (Millions of yen)		11,319	11,973	11,788	12,413	10,543
Total assets (compared with the previous period) (b) (Millions of yen)		663,531 (△1.8%)	648,503 (△2.3%)	651,242 (+0.4%)	680,901 (+4.6%)	678,208 (△0.4%)
Total unitholders' equity (Net assets) (compared with the previous period) (c) (Millions of yen)		353,258 (+0.4%)	355,017 (+0.5%)	356,029 (+0.3%)	357,789 (+0.5%)	367,970 (+2.8%)
Unitholders' capital (compared with the previous period) (Millions of yen)		309,205 (-)	309,205 (-)	309,205 (-)	309,205 (-)	319,973 (+3.5%)
Total no. of investment units issued and outstanding (d) (Units)		3,055,087	3,055,087	3,055,087	3,055,087	3,118,337
Net assets per unit (c)/(d) (Yen)		115,629	116,205	116,536	117,112	118,002
Total cash distribution (e) (Millions of yen)		10,258	10,784	10,610	11,184	10,711
Net income per unit (Note 2) (Yen)		3,705	3,919	3,858	4,063	3,388
Cash distribution per unit (e)/(d) (Yen)		3,358	3,530	3,473	3,661	3,435
(Distribution of earnings per unit) (Yen)		(3,358)	(3,530)	(3,473)	(3,661)	(3,435)
(Distribution in excess of earnings per unit) (Yen)		(-)	(-)	(-)	(-)	(-)
Return on assets (Annualized) (Note 3) (%)		1.7 (3.4)	1.8 (3.7)	1.8 (3.6)	1.9 (3.7)	1.6 (3.1)
Return on equity (Annualized) (Note 3) (%)		3.2 (6.4)	3.4 (6.8)	3.3 (6.6)	3.5 (7.0)	2.9 (5.8)
Equity ratio (compared with the previous period) (c)/(b) (%)		53.2 (+1.2%)	54.7 (+1.5%)	54.7 (△0.1%)	52.5 (△2.1%)	54.3 (+1.7%)
Payout ratio (Note 3) (%)		90.6	90.0	90.0	90.1	101.3
Supplementary information						
No. of investment properties at end of period (Properties)		116	116	119	120	122
Total leasable floor space at end of period (m ²)		1,422,041.46	1,431,245.06	1,456,193.69	1,434,587.61	1,479,025.78
Total no. of tenants at end of period (Tenants)		2,259	2,278	2,442	2,534	2,511
Occupancy ratio at end of period (%)		98.4	99.3	99.1	99.3	99.2
Depreciation and amortization (Millions of yen)		4,109	4,160	4,050	4,050	4,132
Capital expenditures (Millions of yen)		1,575	1,903	1,406	2,870	2,373
NOI (Net Operating Income) from leasing (Note 3) (Millions of yen)		17,514	18,051	17,253	16,759	17,933
FFO (Funds From Operations) per unit (Note 3) (Yen)		4,629	4,835	4,574	4,406	4,706
FFO ratio (Note 3) (Times)		17.3	17.2	19.8	20.3	22.7
Debt service coverage ratio (Note 3) (Times)		14.5	15.8	15.9	16.9	15.6
Net income before interest, depreciation and amortization (Note 3) (Millions of yen)		16,573	17,222	16,901	17,500	15,683
Interest expense and interest expenses on corporate bonds (Millions of yen)		1,144	1,088	1,061	1,036	1,007
Interest-bearing liabilities (Note 3) (Millions of yen)		271,607	255,884	257,384	282,884	270,777
Ratio of interest-bearing liabilities to total assets at end of period (Note 3) (%)		40.9	39.4	39.5	41.5	39.9
No. of operating days (Days)		183	182	183	182	183

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

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

	28th FP	29th FP	30th FP	31st FP	32nd FP
Average no. of investment units during the period	3,055,087 units	3,055,087 units	3,055,087 units	3,055,087 units	3,111,123 units

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

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

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 J-REIT, diversifying its investments in terms of the "types of use" and "area of location" (Note).

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

As a result of performance, a distribution has been made in each of 31 fiscal periods from the 1st fiscal period (fiscal year ended May 31, 2004) to the 31st fiscal period (fiscal period ended May 31, 2019). For the current period (32nd fiscal period: fiscal period ended November 30, 2019), United Urban decided to make cash distribution of ¥3,435 per unit.

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

a. Investment Environment and Operation

(i) Investment Environment

During this fiscal period, the performance of the Japanese companies stagnated due to the escalation of US-China trade conflicts and the growing uncertainty of global economy. However, Japanese economy remains stable backed with robust corporate capital investment and buoyant consumer spending, thanks to the enthronement of the new Japanese emperor and the 2019 Rugby World Cup, etc. Financing environment has been also favorable in Japan on ground of continued low interest rate policy.

In the real estate investment market, yield compression and rising transaction price have been continuing based on the strong appetite from both domestic and foreign investors amid the stable real estate leasing market as well as the negative interest rate.

Real estate leasing market has been strong across all asset types. Office market has particularly been seeing a strong demand from tenants moving to large buildings in Central Business District in order to secure good talents and from tech companies and co-working companies seeking space for expansion. There are many new supplies coming to the market, but most of the spaces have seemed to be already let even before the completions. Vacancy rates have remained low in the Tokyo metropolitan area and other major cities across Japan. Asking rents have kept rising with the rents in some markets recording historical high.

The number of inbound tourists from the beginning of 2019 to November 2019 has been estimated at 29.35 million, up 2.8% year-on-year, but the growth rate recorded moderate. Diminution of the inbound tourists due to typhoons and souring of Japan-Korea

relationship has been offset by the growth attributed to the 2019 Rugby World Cup and the increase from China and South East Asia. Therefore, sales of hotels have been favorable, but some cities including Osaka and Kyoto have seemed to be hit by the intensive large new supply.

As for the residential market, while new supply of rental properties has remained limited, there has been a steady demand and the occupancy ratio and rents have been kept stabilized. Retail and logistics markets have also seen a robust demand across major cities in Japan.

(ii) Issuance of New Investment Units

In order to procure funds for the acquisition of new specified assets and restore the decreased cash on hand which was allocated to a part of acquisition of new specified assets, United Urban resolved the issuance of new investment units at the board of directors' meeting of United Urban, held on June 4, 2019. 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 12, 2019. Based on these resolutions, United Urban issued 55,000 new investment units by way of public offering and 8,250 new investment units by way of third-party allotment to SMBC Nikko Securities Inc., and the payments of ¥10,767 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 "11th Public Offering, etc.").

As a result, United Urban's total capital increased to ¥319,973 million and United Urban's total number of investment units issued and outstanding increased to 3,118,337 units.

(iii) New Acquisition of Properties

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

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
C18	Hotel Hewitt Koshien	Hotel	Nishinomiya, Hyogo	13,520	June 25, 2019
C19	Smile Hotel Premium Sapporo Susukino	Hotel	Sapporo, Hokkaido	4,233	June 28, 2019
Total				17,753	

Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements, etc. concerning the acquisition or sale of each property. The acquisition price is rounded to the nearest whole unit. In addition, the amount of the each price does not include expenses related to the acquisition or sales and consumption tax, etc. The same shall apply hereinafter.

(iv) Portfolio Overview

As a result of the acquisition of properties mentioned above (iii), United Urban held a total of 122 properties, comprising 34 retail properties, 33 office buildings, 1 retail-office complex, 18 hotels, 2 office-hotel complexes, 21 residential properties and 13 others, with an aggregate acquisition price of ¥643,836 million at the end of the 32nd fiscal period (as of November 30, 2019). In addition, the total leasable floor space was 1,479,025.78 sq. m. and the total numbers of tenants were 2,511.

United Urban has continued to focus on maintaining and improving occupancy ratios at a high level during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 99.2% and 99.4%, and stood at 99.2% at the end of the 32nd fiscal period (as of November 30, 2019).

b. Financing Overview

During the period, in addition to the fund procurement through the 11th Public Offering, etc., United Urban repaid the existing interest-bearing liabilities by applying funds which were procured by issuance of Retail Green Bonds (Nickname: *Green Yu Yu Sai*, total amount: ¥10 billion) in the previous period and long-term borrowings.

The status of interest-bearing liabilities at the end of the previous period and the end of the 32nd fiscal period are as follows.

(Millions of yen)

	Balance at End of 31st Fiscal Period (As of May 31, 2019)	Balance at End of 32nd Fiscal Period (As of November 30, 2019)	Changes
Short-term borrowings	-	-	-
Long-term borrowings	255,884	243,777	(12,107)
Total of borrowings	255,884	243,777	(12,107)
Corporate bonds	27,000	27,000	-
Total of interest-bearing liabilities	282,884	270,777	(12,107)

In addition, as of the end of the 32nd fiscal period, the amount of borrowings due for repayment within one year was ¥35,377 million, and there is no corporate bonds that is to become due for maturity within one year.

Moreover, the details of ratings of United Urban as of December 31, 2019 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)	Long-Term Issuer Rating: A3	Rating Outlook: Stable

c. Overview of Financial Results and Distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥24,671 million (down by 9.5% from the previous period), profit from rental activities of ¥13,801 million (up by 8.6% from the previous period), operating income of ¥11,565 million (down by 14.8% from the previous period), ordinary income of ¥10,544 million (down by 15.1% from the previous period), and net income of ¥10,543 million (down by 15.1% from the previous period).

During the fiscal period, United Urban reversed ¥77 million of the reserve for temporary difference adjustments in accordance with "Ordinance on Accountings of Investment Corporations" and "Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations" stipulated by the Investment Trusts Association, Japan, and ¥93 million of the reserve for reduction entry in accordance with the Article 65-7 of the Act on Special Measures Concerning Taxation (Act No.26 of 1957, as amended; the same shall apply hereinafter), respectively, and added the reversal amount to unappropriated retained earnings. Furthermore, United Urban decided to distribute the remaining amount after the retention of fractional part which distribution per unit was less than ¥1 as reserve retained for distribution. As a result, United Urban decided to distribute ¥10,711 million, and cash distribution per unit was ¥3,435. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied during the fiscal period, and the corporate tax is not imposed.

3. Issuance of New Investment Units

During this period, United Urban procured funds of ¥10,767 million through issuance of new investment units by way of the public offering on June 19, 2019 (55,000 units) and the third-party allotment on July 11, 2019 (8,250 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	Total Number of Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
December 9, 2014	Additional issue of new investment units through public offering	120,000	2,632,246	21,899	241,667	(Note 1)
January 7, 2015	Additional issue of new investment units through third-party allotment	12,065	2,644,311	2,201	243,869	(Note 2)
September 16, 2015	Additional issue of new investment units through public offering	95,000	2,739,311	12,680	256,549	(Note 3)
October 15, 2015	Additional issue of new investment units through third-party allotment	12,065	2,751,376	1,610	258,160	(Note 4)
June 14, 2016	Additional issue of new investment units through public offering	190,000	2,941,376	32,273	290,433	(Note 5)
July 12, 2016	Additional issue of new investment units through third-party allotment	11,646	2,953,022	1,978	292,411	(Note 6)
December 14, 2016	Additional issue of new investment units through public offering	90,000	3,043,022	14,808	307,220	(Note 7)

Date	Remarks	Total Number of Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
January 12, 2017	Additional issue of new investment units through third-party allotment	12,065	3,055,087	1,985	309,205	(Note 8)
June 19, 2019	Additional issue of new investment units through public offering	55,000	3,110,087	9,363	318,568	(Note 9)
July 11, 2019	Additional issue of new investment units through third-party allotment	8,250	3,118,337	1,404	319,973	(Note 10)

Notes: 1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. New investment units were issued through public offering at the offer price of ¥169,736 per unit (issue price (underwriter price) ¥164,540), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds to support a portion of the repayment of interest-bearing liabilities.
8. New investment units were issued through third-party allotment at the issue price of ¥164,540 per unit for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.
9. New investment units were issued through public offering at the offer price of ¥175,616 per unit (issue price (underwriter price) ¥170,240), for the purpose of procuring funds for property acquisitions.
10. New investment units were issued through third-party allotment at the issue price of ¥170,240 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.

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:

	28th Fiscal Period (June 1, 2017 - November 30, 2017)	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Highest	167,800	173,900	181,900	185,400	221,700
Lowest	151,700	159,400	166,100	165,000	175,800

4. Distribution Information

During the period under the review, United Urban reversed ¥77 million of the reserve for temporary difference adjustments in accordance with "Ordinance on Accountings of Investment Corporations" and "Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations" stipulated by the Investment Trusts Association, Japan, and ¥93 million of the reserve for reduction entry in accordance with the Article 65-7 of the Act on Special Measures Concerning Taxation, respectively, and added the reversal amount to unappropriated retained earnings. Furthermore, United Urban decided to distribute the remaining amount after the retention of fractional part which distribution per unit was less than ¥1 as reserve retained for distribution. As a result, United Urban decided to distribute ¥10,711 million, and cash distribution per unit was ¥3,435. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied during the fiscal period, and the corporate tax is not imposed.

		28th Fiscal Period (June 1, 2017 - November 30, 2017)	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Unappropriated retained earnings at end of period	Thousands of yen	11,319,585	11,973,610	11,788,602	12,413,047	10,543,501
Retained earnings (Note)	Thousands of yen	10,380,234	11,569,387	12,747,672	13,976,047	13,808,060
Total cash distribution	Thousands of yen	10,258,982	10,784,457	10,610,317	11,184,673	10,711,487
(Cash distribution per unit)	(Yen)	(3,358)	(3,530)	(3,473)	(3,661)	(3,435)
Total profit distribution	Thousands of yen	10,258,982	10,784,457	10,610,317	11,184,673	10,711,487
(Profit distribution per unit)	(Yen)	(3,358)	(3,530)	(3,473)	(3,661)	(3,435)
Total refund of capital	Thousands of yen	-	-	-	-	-
(Refund of capital per unit)	(Yen)	(-)	(-)	(-)	(-)	(-)
Of total refund of capital, the total cash distribution from provision for temporary difference adjustment (Of refund of capital per unit, cash distribution per unit from provision for temporary difference adjustment)	Thousands of yen (Yen)	- (-)	- (-)	- (-)	- (-)	- (-)
Of total refund of capital, the total cash distribution from the distribution associated with investment decrease for tax purpose (Of refund of capital per unit, cash distribution per unit from the distribution associated with investment decrease for tax purpose)	Thousands of yen (Yen)	- (-)	- (-)	- (-)	- (-)	- (-)

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

5. Future Policies and Challenges

Backed by the robust real estate leasing market nationwide, the stable rental revenue is expected with the high occupancy ratio being kept across all asset types. In the real estate investment market, severe competition in property acquisition is likely to persist in the market under the low interest rate and the real estate price would continue to rise.

Under these environmental awareness, United Urban pursues quality asset and profitability and remains persistent in selective investment in various types of assets through varied acquisition approaches by taking advantage of expertise of its asset manager, Japan REIT Advisors Co., Ltd. ("JRA"), that United Urban has entrusted with asset management services for many years, and functions and know-how of its sponsor. In addition, United Urban focuses on increase of rental revenue in offices and hotels and upward contracted rents upon lease renewals with existing tenants. Also, United Urban maintains and improves values of each asset through proactive investments and asset management jointly with its partner companies.

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

Having an eye on a sustainable growth of United Urban, i.e. maximization of investor's value, engagement with stakeholders, and coexistence with the environment and society, United Urban is dedicated not only to the improvement in aforementioned financial aspects, but also to the resolutions for non-financial issues associated with ESG (Environment, Society, and Governance) and SDGs (Sustainable Development Goals).

6. Material Facts Arising after the End of the 32nd Fiscal Period and Other Material Events

There are no material facts arising after the end of the 32nd fiscal period (November 30, 2019). In addition, the reference information is as follows:

a. Acquisition of Properties and Debt Financing

- 1) United Urban acquired the square hotel KANAZAWA on December 3, 2019. In addition, as of February 26, 2020, United Urban has decided to acquire Chibaminato Logistics Center (Site) and execute an additional acquisition of Logistics Higashi-Ohgishima.

Property No.	Property Name	Type	Location	(Scheduled) Acquisition Price (Millions of yen)	(Scheduled) Acquisition Date
C20	the square hotel KANAZAWA	Hotel	Kanazawa, Ishikawa	4,802	December 3, 2019
E14	Chibaminato Logistics Center (Site)	-	Chiba, Chiba	6,600	February 28, 2020
E5	Logistics Higashi-Ohgishima (additional acquisition) (Note)	Warehouse	Kawasaki, Kanagawa	5,292	March 19, 2020
Total				16,694	

Note: The asset to be acquired is 49% quasi co-ownership of the trust beneficial interest of Logistics Higashi-Ohgishima. United Urban will own the whole trust beneficial interest of the property, together with the existing 51% quasi co-ownership owned by United Urban.

- 2) United Urban procured debt financing (Term Loan 91B) to support for acquiring the square hotel KANAZAWA mentioned above 1), as set for the below. Moreover, on February 26, 2020, United Urban has decided to procure debt financing (Term Loan 92B) to support for acquiring Chibaminato Logistics Center (Site), as set forth the below.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	(Scheduled) Drawdown Date	Repayment Date	Remarks
Term Loan 91B	Sumitomo Mitsui Trust Bank, Limited	5,000	0.23770%	December 3, 2019	September 24, 2026	Unsecured Unguaranteed
Term Loan 92B	Mizuho Bank, Ltd.	7,000	(Note)	February 28, 2020	March 21, 2029	
Total		12,000				

Note: The interest rate of Term Loan 92B is a fixed interest rate. However, the interest rate has not been determined at the time of preparation of this report (as of February 25, 2020).

b. New Committed Line of Credit Agreement

United Urban concluded a new committed line of credit agreement on December 26, 2019, as set forth below.

Outline of the new committed line of credit agreement

Participating financial institutions	:	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited
Maximum loan amount	:	¥12,000 million
Date of agreement	:	December 26, 2019
Term of agreement	:	From December 26, 2019 to December 25, 2020
Remarks	:	Unsecured, unguaranteed

Overall Condition of Investment Corporation

1. Summary of Unitholders' Contribution

		28th Fiscal Period (As of November 30, 2017)	29th Fiscal Period (As of May 31, 2018)	30th Fiscal Period (As of November 30, 2018)	31st Fiscal Period (As of May 31, 2019)	32nd Fiscal Period (As of November 30, 2019)
Total number of investment units authorized	(Units)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total number of investment units issued and outstanding	(Units)	3,055,087	3,055,087	3,055,087	3,055,087	3,118,337
Total unitholders' capital	(Millions of yen)	309,205	309,205	309,205	309,205	319,973
Number of unitholders		22,182	21,303	20,408	19,983	18,860

2. Major Unitholders

TOP 10 unitholders based on the number of investment units held at the end of the 32nd fiscal period were as follows:

Unitholder Name	Investment Units Held (Units)	Percentage of Investment Units Held (%) (Note)
Japan Trustee Services Bank, Ltd. (trust account)	675,295	21.66
The Master Trust Bank of Japan, Ltd. (trust account)	506,766	16.25
The Nomura Trust and Banking Co., Ltd. (investment trust account)	133,333	4.28
STATE STREET BANK WEST CLIENT - TREATY 505234	115,247	3.70
Trust & Custody Services Bank, Ltd. (securities investment trust account)	76,552	2.45
SMBC Nikko Securities Inc.	60,553	1.94
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	54,006	1.73
STATE STREET BANK AND TRUST COMPANY 505103	41,761	1.34
JP MORGAN CHASE BANK 385771	36,273	1.16
JPMorgan Securities Japan Co., Ltd.	31,668	1.02
Total	1,731,454	55.52

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	Ikuo Yoshida	-	6,000
Supervisory Officer (Note 1)	Kenichiro Okamura	Chief Executive Officer, Kaede Accounting Advisory, Inc. Representative Partner, Kaede Tax Corporation Outside Corporate Auditor, CYBERDYNE, INC. Outside Corporate Auditor, SG Holdings Co., Ltd. Outside Director (auditing committee member), Kanematsu Sustech Corporation	1,050
	Kumiko Sekine	Partner, Tanabe & Partners	1,050
	Masaaki Akiyama	- (Note 2)	1,050
	Tetsuo Ozawa	- (Note 2)	1,050
Accounting Auditor	ERNST & YOUNG SHINNIHON LLC	-	19,000 (Note 3)
Total			29,200

- Notes: 1. Masaaki Akiyama and Tetsuo Ozawa resigned as the Supervisory Officer of United Urban on August 31, 2019, and Kenichiro Okamura and Kumiko Sekine assumed the office as the Supervisory Officer on September 1, 2019.
2. Because Masaaki Akiyama and Tetsuo Ozawa resigned as the Supervisory Officer on August 31, 2019, information of their other title is omitted.
3. The compensation for Accounting Auditor includes the preparation fee of a comfort letter regarding the issuance of new investment units (¥2,000 thousand).
4. 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.
5. 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.

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

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

4. Advisors and Agents

Asset Management Company, Asset Custodian, and Administrative Agents at the end of the 32nd fiscal period were as follows:

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

Portfolio Profiles

1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		31st Fiscal Period (As of May 31, 2019)		32nd Fiscal Period (As of November 30, 2019)	
				Total Amounts Held (Thousands of yen) (Note1)	Percentage to Total Assets (%)	Total Amounts Held (Thousands of yen) (Note1)	Percentage to Total Assets (%)
Real Estate	Retail Properties	Capital region (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-
			The 23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,253,584	1.1	7,239,732	1.1
		Other regions (Note 6)			13,614,763	2.0	13,559,765
	Office Buildings	Capital region	The 6 central wards of Tokyo	12,992,536	1.9	12,980,955	1.9
			The 23 wards of Tokyo	9,474,778	1.4	9,435,493	1.4
			Tokyo metropolitan area	8,951,984	1.3	8,895,510	1.3
		Other regions			-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,611,273	0.2	1,604,675	0.2
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,970,106	0.6	3,924,718	0.6
		Other regions			-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	2,854,674	0.4	2,830,632	0.4
			Tokyo metropolitan area	-	-	-	-
		Other regions			4,414,137	0.6	4,379,651
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	-	-	-	-
		Other regions			-	-	-
	Subtotal				65,137,837	9.6	64,851,133
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,257,886	0.6	4,248,424	0.6
			The 23 wards of Tokyo	11,674,442	1.7	11,654,619	1.7
			Tokyo metropolitan area	92,264,997	13.6	91,856,072	13.5
		Other regions			56,162,682	8.2	56,102,795
	Office Buildings	Capital region	The 6 central wards of Tokyo	65,432,292	9.6	65,413,145	9.6
			The 23 wards of Tokyo	2,033,558	0.3	2,019,994	0.3
			Tokyo metropolitan area	41,100,479	6.0	40,870,287	6.0
		Other regions			56,470,246	8.3	56,227,971
	Hotels	Capital region	The 6 central wards of Tokyo	40,909,298	6.0	40,812,658	6.0
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	23,325,460	3.4	23,411,718	3.5
		Other regions			67,508,381	9.9	85,538,268
	Residential Properties	Capital region	The 6 central wards of Tokyo	983,444	0.1	977,494	0.1
			The 23 wards of Tokyo	8,412,073	1.2	8,353,848	1.2
			Tokyo metropolitan area	2,839,245	0.4	2,848,980	0.4
		Other regions			20,974,243	3.1	20,731,227
	Others	Capital region	The 6 central wards of Tokyo	9,201,542	1.4	9,158,879	1.4
			The 23 wards of Tokyo	7,952,777	1.2	7,937,438	1.2
			Tokyo metropolitan area	25,727,055	3.8	25,641,284	3.8
		Other regions			6,495,991	1.0	6,430,010
	Subtotal				543,726,100	79.9	560,235,118
Bank Deposits and Other Assets				72,037,915	10.6	53,122,488	7.8
Total Assets				680,901,853	100.0	678,208,740	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 Tokyo wards.
6. "Other regions" refers to other major cities in Japan including government designated cities (excluding cities located in the Capital region) and surrounding areas thereof.

2. Major Properties

Major properties (top 10 properties based on book value) owned by United Urban as of November 30, 2019 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 End of Period (%) (Note 3)	Type of Use	Granting of Security
Yodobashi Camera Multimedia Kichijoji	27,064	37,932.95	37,932.95	100.0	(Note 4)	Retail Properties	N/A
Shin-Osaka Central Tower	23,633	45,938.36	45,862.89	99.8	4.7	Office / Hotels	N/A
Shinjuku Washington Hotel Honkan	22,090	53,310.20	53,310.20	100.0	3.6	Hotels	N/A
Shinsaibashi OPA Honkan	21,951	27,025.42	27,025.42	100.0	3.2	Retail Properties	N/A
Loisir Hotel & Spa Tower Naha	20,432	45,731.16	45,731.16	100.0	1.7	Hotels	N/A
Kawasaki Toshiba Building	19,401	36,142.30	36,142.30	100.0	3.9	Office Buildings	N/A
SS30	18,747	67,700.37	67,267.52	99.4	4.3	Office / Hotels	N/A
Royal Pines Hotel Urawa	17,675	31,129.86	31,129.86	100.0	2.5	Hotels	N/A
RIHGA Royal Hotel Kokura • ARUARU City	17,554	81,371.29	81,260.16	99.9	2.9	Hotels	N/A
Hitachi High-Tech Building	14,359	15,781.64	15,781.64	100.0	1.9	Office Buildings	N/A
Total	202,911	442,063.55	441,444.10	99.9	(Note 4)		

- Notes: 1. "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of November 30, 2019. "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.) With regard to the portion of properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area. In addition, "Occupancy Ratio" is the percentage obtained from dividing "Leased Floor Space" by "Leasable Floor Space".
2. As a general rule, "Leased Floor Space" indicates the floor space that has been leased to end-tenants under lease agreements. However, for master lease agreements with rental guarantee, the floor spaces in the master lease agreements are indicated.
3. "Monthly Rent Ratio at End of Period" is calculated based on monthly rent(s) (total of room rent and common area charges) under the lease agreement in effect as of November 30, 2019. In addition, it doesn't include variable rents.
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.

3. Details of Properties in the Portfolio

Details of properties owned by United Urban as of November 30, 2019 were as follows:

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Joy Park Izumigaoka	1-3 Miharadai 1-cho, Minami-ku, Sakai, Osaka	Trust beneficial interest	13,611.24	4,850	5,043
Luz Funabashi (Note 5)	7-2-2 Fujiwara, Funabashi, Chiba	Trust beneficial interest	12,952.88	6,200	4,333
TENJIN LUCE	2-3-24 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,194.68	6,490	6,186
Kaden Sumairu-kan YAMADA Sakai Honten (Note 5)	5-1 Yashimocho 1-cho, Higashi-ku, Sakai, Osaka	Real estate	8,637.63	3,930	2,705

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Miyamae Shopping Center	3-9-12 Inukura, Miyamae-ku, Kawasaki, Kanagawa	Trust beneficial interest	10,487.92	5,330	4,957
KONAMI SPORTS CLUB Korigaoka	3-3-1 Korigaoka, Hirakata, Osaka	Trust beneficial interest	8,627.58	2,060	1,494
ACTIOLE Minami-ikebukuro	2-26-10 Minami-ikebukuro, Toshima- ku, Tokyo	Trust beneficial interest	2,081.50	3,400	3,615
Tip's Machida Building	6-7-8 Haramachida, Machida, Tokyo	Trust beneficial interest	6,710.19	5,060	4,254
Daiei Takarazuka Nakayama	21-22 Mefuhigashino-cho, Takarazuka, Hyogo	Trust beneficial interest	16,729.60	3,940	3,155 (Note 4)
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	1-1-1 Isogo, Isogo-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	52,668.38	11,500	12,460
ACTIOLE Kannai	3-31 Masago-cho, Naka-ku, Yokohama, Kanagawa	Real estate	1,938.56	2,170	2,228
Shinsaibashi OPA Honkan	1-4-3 Nishi-Shinsaibashi, Chuo-ku, Osaka, Osaka	Trust beneficial interest	27,025.42	26,300	21,951
Albore Jingumae	5-27-7 Jingumae, Shibuya-ku, Tokyo	Trust beneficial interest	931.14	2,390	1,551
Albore Sendai	2-4-5 Chuo, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	3,151.71	3,600	2,341
Mallage Kashiwa	2-3-1 Oyamadai, Kashiwa, Chiba, etc.	Trust beneficial interest	41,748.73	8,980	6,698
Ito-Yokado Owariasahi	116-4 Ishihara, Minami-Harayama- cho, Owariasahi, Aichi, etc.	Real estate	54,606.34	4,870	4,003
Yokohama Kariba Shopping Center	164-1 Kariba-cho Hodogaya-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	11,345.09	2,140	2,126
Luz Jiyugaoka	2-9-6 Jiyugaoka, Meguro-ku, Tokyo	Trust beneficial interest	2,283.47	5,940	4,863
ACTIOLE Ichikawa	1-4-17 Ichikawa, Ichikawa, Chiba	Trust beneficial interest	3,927.49	4,070	2,904
Yokohama Aoba Shopping Center (Site)	1-2 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	9,193.00	3,280	2,740
Yamada Denki Tecc Land Aoba (Site)	2-3 Moegino, Aoba-ku, Yokohama, Kanagawa, etc.	Real estate	7,650.63	2,590	2,270
Yodobashi Camera Multimedia Kichijoji	1-19-1 Kichijoji-honcho, Musashino, Tokyo	Trust beneficial interest	37,932.95	33,900	27,064
Kaden Sumairu-kan YAMADA Matsudo Honten (Note 5)	2289-3 Matsudo Aza Iwase-sakai, Matsudo, Chiba , etc.	Trust beneficial interest	17,561.23	6,830	4,766
Tenjin Loft Building	4-9-25 Watanabe-dori, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	7,730.09	6,120	4,618
Narumi Shopping Center (Site)	3-2 Narumicho-aza Denjiyama, Midori- ku, Nagoya, Aichi , etc.	Real estate	60,419.26	7,460	6,850
Plussing Wave Enoshima	1-3-16 Kugenuma-Kaigan, Fujisawa, Kanagawa	Trust beneficial interest	2,896.93	1,970	1,910
Life Nishikujo (Site)	6-41-6 Nishikujo, Konohana-ku, Osaka, Osaka	Trust beneficial interest	3,252.76	2,090	1,842
Life Tamatsukuri (Site)	3-12-1 Nakamichi, Higashinari-ku, Osaka, Osaka	Trust beneficial interest	2,391.44	2,190	1,967
Granbell Ginza Building	2-8-18 Ginza, Chuo-ku, Tokyo	Trust beneficial interest	1,352.35	3,050	2,697
UUR Tenjin Nishi-dori Building	2-5-21 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	1,564.70	6,000	5,667
Luz Shonan Tsujido	1-2-12 Tsujido-Kandai, Fujisawa, Kanagawa	Trust beneficial interest	10,454.22	4,620	3,897
ACTIOLE Ueno	4-5-5 Ueno, Taito-ku, Tokyo	Trust beneficial interest	1,163.44	3,110	3,176
KURURU	1-50 Miyamachi, Fuchu, Tokyo	Trust beneficial interest	13,292.33	9,760	9,496
K's Denki Nagoya-kita	3-1 Nagaregawa, Aza-Toyoba, Oaza- Toyoyamacho, Nishikasugai-gun, Aichi	Trust beneficial interest	4,733.74	1,890	1,831
Luz Musashikosugi	3-1100-4, Shinmarukohigashi, Nakahara-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	8,272.58	12,300	12,241
T&G Hamamatsucho Building	2-12-10 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	2,382.25	3,210	2,110
Fukuoka Eartheon Building	3-6-3 Hakata-Eki Higashi, Hakata-ku, Fukuoka, Fukuoka	Trust beneficial interest	4,934.40	2,970	1,559
Marumasu Kojimachi Building	3-3-8 Kojimachi, Chiyoda-ku, Tokyo	Trust beneficial interest	2,576.57	2,760	2,408
Rokubancho K Building	2-19 Rokuban-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	4,031.14	3,640	2,247
Shin-Osaka Central Tower	5-5-15 Nishi-Nakashima, Yodogawa- ku, Osaka, Osaka	Trust beneficial interest	45,938.36	30,600	23,633
Kawasaki Toshiba Building	580-1 Horikawa-cho, Saiwai-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	36,142.30	34,500	19,401

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
UUR Toyochō Building	2-4-18 Toyo, Koto-ku, Tokyo	Real estate	7,540.30	8,770	8,359
FOUR SEASONS BLDG	2-4-3 Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	5,000.54	6,640	4,099
Hitachi High-Tech Building	1-24-14 Nishi-Shinbashi, Minato-ku, Tokyo	Trust beneficial interest	15,781.64	17,900	14,359
Pacific Marks Shinjuku Parkside	4-15-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	10,947.34	13,100	11,747
Pacific Marks Tsukishima	1-15-7 Tsukishima, Chuo-ku, Tokyo	Real estate	9,335.19	6,970	5,737
Pacific Marks Yokohama East	3-4 Sakae-cho, Kanagawa-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	11,199.20	7,950	6,626
Akasaka Hikawa Building	6-18-3 Akasaka, Minato-ku, Tokyo	Trust beneficial interest	3,438.20	4,320	3,203
Pacific Marks Shibuya Koen-dori	1-6-3 Jinnan, Shibuya-ku, Tokyo	Trust beneficial interest	1,972.43	3,340	2,465
Pacific Marks Akasaka-mitsuke	3-20-6 Akasaka, Minato-ku, Tokyo	Real estate	1,675.13	2,660	2,163
Pacific Marks Shin-Yokohama	3-18-20 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	3,110.72	1,780	1,563
Pacific Marks Kawasaki	11-1 Ekimae-honcho, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Real estate	7,395.50	12,600	8,895
Hamamatsucho 262 Building	2-6-2 Hamamatsucho, Minato-ku, Tokyo	Trust beneficial interest	6,157.96	8,090	6,431
Lila Hijirizaka	3-4-9 Mita, Minato-ku, Tokyo, etc.	Real estate	4,255.02	3,300	2,596
Otsuka HT Building	3-43-1 Minami-otsuka, Toshima-ku, Tokyo	Real estate	1,774.56	1,220	1,076
Pacific Marks Shinjuku South-gate	4-2-16 Shinjuku, Shinjuku-ku, Tokyo	Real estate	1,726.68	3,830	2,483
Pacific Marks Nishi-Umeda	2-6-20 Umeda, Kita-ku, Osaka, Osaka	Trust beneficial interest	10,990.99	8,570	6,571
Pacific Marks Higobashi	1-10-8 Edobori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	7,623.37	5,220	4,409
Pacific Marks Esaka	9-1 Toyotsu-cho, Suita, Osaka	Trust beneficial interest	19,963.32	10,400	9,607
Pacific Marks Sapporo Kita-Ichijo	7-4-4 Kita Ichi-jo Nishi, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	4,727.65	2,190	1,710
Shin-Sapporo Center Building	6-2-15 Atsubetsu Chuo Ichi-jo, Atsubetsu-ku, Sapporo, Hokkaido	Trust beneficial interest	2,797.02	1,100	843
ARENA TOWER	3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa, etc.	Trust beneficial interest	17,967.46	12,900	8,023
Yushima First Building	3-19-11 Yushima, Bunkyo-ku, Tokyo	Trust beneficial interest	4,558.77	3,060	2,019
Dogenzaka Square	5-18 Maruyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,233.57	3,130	2,246
GRAND-SQUARE Shin-Sakae	2-19-6 Shin-Sakae, Naka-ku, Nagoya, Aichi, etc.	Trust beneficial interest	4,578.93	1,870	1,305
GRAND-SQUARE Meieki-minami	1-12-9 Meieki-minami, Nakamura-ku, Nagoya, Aichi	Trust beneficial interest	4,003.05	2,190	1,095
Shiba 520 Building	5-20-6 Shiba, Minato-ku, Tokyo	Trust beneficial interest	2,831.94	3,300	2,143
Hirose-dori SE Building	205-1 Nagake-cho, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	8,235.87	5,170	3,188
SS 30	4-6-1 Chuo, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	67,700.37	21,800	18,747
LOOP-X・M	3-9-15 Kaigan, Minato-ku, Tokyo, etc.	Trust beneficial interest	21,590.90	12,100	11,949
Shinjuku Washington Hotel Honkan	3-2-9 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficial interest	53,310.20	27,200	22,090
Toyoko Inn Shinagawa-eki Takanawa-guchi	4-23-2 Takanawa, Minato-ku, Tokyo	Real estate	3,088.85	2,590	1,604
MZ BLD.	2-26-9 Myojin-cho, Hachioji, Tokyo	Trust beneficial interest	6,660.20	3,960	3,088
HOTEL ROUTE-INN Yokohama Bashamichi	4-53-1 Benta Dori, Naka-ku, Yokohama, Kanagawa	Real estate	7,139.44	5,150	3,924
Hotel JAL City Naha	1-3-70 Makishi, Naha, Okinawa	Trust beneficial interest	13,701.80	11,800	7,323
UUR Yotsuya Sanchome Building	3-14-1 Yotsuya, Shinjuku-ku, Tokyo, etc.	Trust beneficial interest	7,854.86	6,970	4,511
Yotsuya 213 Building	2-1-3 Yotsuya, Shinjuku-ku, Tokyo	Trust beneficial interest	7,550.16	7,040	4,939
the b roppongi	3-9-8 Roppongi, Mitato-ku, Tokyo	Trust beneficial interest	3,714.06	5,090	4,783
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2-11-14 Isago, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	4,874.28	3,180	2,647
Toyoko Inn Hiroshima Heiwa-odori	5-15 Tanakamachi, Naka-ku, Hiroshima, Hiroshima	Trust beneficial interest	4,357.75	2,570	2,072

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Toyoko Inn Naha Kokusai-dori Miebashi-eki	1-20-1 Makishi, Naha, Okinawa	Trust beneficial interest	1,529.47	854	726
Loisir Hotel & Spa Tower Naha	3-2-1 Nishi, Naha, Okinawa	Trust beneficial interest	45,731.16	23,200	20,432
Royal Pines Hotel Urawa	2-5-1 Nakachou, Urawa-ku, Saitama, Saitama	Trust beneficial interest	31,129.86	18,000	17,675
RIHGA Royal Hotel Kokura・ ARUARU City	2-14-2 Asano, Kokurakita-ku, Kitakyushu, Fukuoka, etc.	Trust beneficial interest	81,371.29	17,000	17,554
the b fukuoka tenjin	1-2-1 Tenjin, Chuo-ku, Fukuoka, Fukuoka	Trust beneficial interest	3,567.22	3,700	3,096
Henn na Hotel Tokyo Hamamatsucho	1-24-11 Hamamatsucho, Minato-ku, Tokyo	Trust beneficial interest	2,293.64	4,740	4,487
Hotel Hewitt Koshien	3-30 Koshientakashiocho, Nishinomiya, Hyogo	Trust beneficial interest	36,104.06	14,000	13,620
Smile Hotel Premium Sapporo Susukino	1-13-1 Minami4jonishi, Chuo-ku, Sapporo, Hokkaido	Trust beneficial interest	8,332.04	5,320	4,265
T&G Higashi-ikebukuro Mansion	3-8-8 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficial interest	2,603.22	2,420	1,404
Komazawa Court	2-37-1 Komazawa, Setagaya-ku, Tokyo	Trust beneficial interest	3,741.17	2,120	1,475
UUR Court Shiba-Daimon	1-2-3 Shiba-Daimon, Minato-ku, Tokyo	Trust beneficial interest	1,486.38	1,460	977
Aprile Shin-Ohgi Ichibankan	2-10-6 Kita-Ohgi, Higashi Nada-ku, Kobe, Hyogo	Trust beneficial interest	12,700.44	3,600	2,410
UUR Court Sapporo Kita-Sanjo	3-1-28 Kitasanjo Higashi, Chuo-ku, Sapporo, Hokkaido	Trust beneficial interest	4,790.50	1,620	928
CLIO Bunkyo Koishikawa	1-13-9 Koishikawa, Bunkyo-ku, Tokyo	Trust beneficial interest	4,097.51	3,560	2,606
GRAND-ROUGE Sakae	5-21-26 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	3,697.38	1,360	1,177
GRAND-ROUGE Sakae II	5-21-37 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficial interest	2,579.89	1,400	983
MA Sendai Building	1-3-7 Kimachidori, Aoba-ku, Sendai, Miyagi	Trust beneficial interest	11,525.36	4,460	2,584
UUR Court Nagoya Meieki	2-5-4 Meieki, Nishi-ku, Nagoya, Aichi	Trust beneficial interest	2,958.45	1,570	1,153
UUR Court Sapporo Shinoro Ichibankan	Shinoro 3-jo 6-4-32, Kita-ku, Sapporo, Hokkaido	Real estate	6,271.74	863	689
Park Site IZUMI	1-14-6 Izumi, Higashi-ku, Nagoya, Aichi	Trust beneficial interest	2,067.95	769	811
UUR Court Osaka Juso-honmachi	3-4-15 Jusohommachi, Yodogawa-ku, Osaka, Osaka	Trust beneficial interest	3,650.00	1,700	1,259
UUR Court Kinshicho	1-7-5 Kameido, Koto-ku, Tokyo	Real estate	5,460.39	3,660	2,830
UUR Court Sapporo Minami-Sanjo Premier Tower	2-3 Minamisanjo Nishi 1-chome, Chuo-ku, Sapporo, Hokkaido, etc.	Trust beneficial interest	7,763.18	3,070	1,756
GRAND-ROUGE Nakanoshima- minami	1-25-27 Edohori, Nishi-ku, Osaka, Osaka	Trust beneficial interest	3,090.36	1,630	1,262
Glenpark Umeda-kita	3-4-22 Nakazaki, Kita-ku, Osaka, Osaka	Trust beneficial interest	12,730.60	6,590	5,031
UUR Court Shiki	1-6-5 Saiwaicho, Shiki, Saitama	Trust beneficial interest	9,885.83	3,160	2,848
GRAND-ROUGE Tanimachi Rokuchome	3-22 Junikencho, Chuo-ku, Osaka, Osaka	Trust beneficial interest	2,792.81	1,510	1,371
Chatle Otemachi S・N	10-20 Otemachi, Kokurakita-ku, Kitakyushu, Fukuoka, etc.	Real estate	12,040.28	3,680	3,690
GRAN FONTE	6-49-2 Higashioizumi, Nerima-ku, Tokyo	Trust beneficial interest	6,268.24	3,340	2,868
Lilycolor Tohoku Branch	3-10 Okadanishimachi, Miyagino-ku, Sendai, Miyagi	Trust beneficial interest	9,271.16	2,200	1,400
KDDI Fuchu Building	1-43 Nikkocho, Fuchu, Tokyo	Trust beneficial interest	14,490.92	5,210	4,752
Tsubogawa Square Building	3-3-5 Tsubogawa, Naha, Okinawa	Trust beneficial interest	10,570.98	6,200	3,810
THE PLACE of TOKYO	3-5-4 Shibakoen, Mitato-ku, Tokyo	Trust beneficial interest	3,212.21	4,600	3,350
Logistics Higashi-Ohgishima	6-4 Higashi-Ohgishima, Kawasaki-ku, Kawasaki, Kanagawa, etc.	Trust beneficial interest	42,113.83	5,508	4,063
MT Ariake Center Building I&II	1-2-41 Ariake, Koto-ku, Tokyo, etc.	Trust beneficial interest	23,816.82	14,400	7,937
Quartz Tower	2-10-10 Shibuya, Shibuya-ku, Tokyo	Trust beneficial interest	2,940.22	6,480	5,808
Shin-Narashino Logistics Center	2-3-6 Akanehamma, Narashino, Chiba	Trust beneficial interest	12,909.90	2,820	2,640
Kawagoe Logistics Center	1822-1 Aza-Obakeue, Oaza- Shimoakasaka, Kawagoe, Saitama	Trust beneficial interest	40,060.76	9,490	7,625

Property Name	Location (Residential) (Note 1)	Type of Asset (Note 2)	Leasable Floor Space (m ²)	Appraisal Value at End of Period (Millions of yen) (Note 3)	Book Value (Millions of yen)
Asuto Nagamachi Dental Clinic	1-6-37 Asutonagamachi, Taihaku-ku, Sendai, Miyagi	Trust beneficial interest	1,554.09	1,290	1,219
Shin-Narashino Logistics Center II	2-5-2 Shibazono, Narashino, Chiba	Trust beneficial interest	12,598.46	2,630	2,721
Yoshikawa Logistics Center	1-1 Asahi, Yoshikawa, Saitama	Trust beneficial interest	11,096.70	2,020	1,971
Musashimurayama Logistics Center	2-93-1 Inadaira, Musashimurayama, Tokyo, etc.	Trust beneficial interest	9,237.87	1,910	1,865
Total			1,479,025.78	774,194	625,086

- 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. As for properties that United Urban owns only land, the location of land (lot number) is stated.
2. "Trust beneficial interest" means trust beneficial interests in trust assets comprised mainly of real estate, and "Real estate" means actual real estate.
3. "Appraisal Value at End of Period" shows the real estate appraisal values or the prices resulting from price surveys conducted by the same methods as appraisals conducted by real estate appraisers as of November 30, 2019, based on the Articles of Incorporation of United Urban and the "Ordinance on Accountings of Investment Corporations" (Cabinet Office Ordinance No. 47 of 2006).
4. According to the soil environmental survey report on the land of this property, prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, such report says that there is no likelihood of direct health damages on the land. As a precaution, in the case where the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement ("Reserve for Soil Improvement"), when United Urban acquired this property. The Book Value of this trust beneficial interest at the end of the period reflects the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the trustee.
5. The property name was changed from Re-Land Shopping Center to Luz Funabashi, from Yamada Denki Tecc Land Sakai Honten to Kaden Sumairu-kan YAMADA Sakai Honten, and from Yamada Denki Tecc Land New Matsudo Honten to Kaden Sumairu-kan YAMADA Matsudo Honten on May 1, 2019, respectively. The same shall apply hereinafter.

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

Name of Property	31st Fiscal Period (December 1, 2018 to May 31, 2019)				32nd Fiscal Period (June 1, 2019 to November 30, 2019)			
	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)
Himonya Shopping Center (Note 4)	-	-	(Note 3)	(Note 3)				
Joy Park Izumigaoka	21	100.0	257	1.1	19	98.8	259	1.1
Luz Funabashi	16	99.9	255	1.1	17	100.0	261	1.1
TENJIN LUCE	11	100.0	220	0.9	10	85.0	285	1.2
Kaden Sumairu-kan YAMADA Sakai Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Miyamae Shopping Center	3	100.0	189	0.8	3	100.0	191	0.8
KONAMI SPORTS CLUB Korigaoka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
ACTIOLE Minami-ikebukuro	10	100.0	85	0.4	10	100.0	84	0.3
Tip's Machida Building	10	100.0	206	0.9	9	100.0	210	0.9
Daiei Takarazuka Nakayama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	4	100.0	299	1.2	4	100.0	299	1.2
ACTIOLE Kannai	9	100.0	60	0.3	8	88.7	65	0.3
Shinsaibashi OPA Honkan	1	100.0	683	2.8	1	100.0	683	2.8
Albore Jingumae	4	100.0	50	0.2	4	100.0	52	0.2
Albore Sendai	6	84.4	131	0.5	6	84.4	100	0.4
Mallage Kashiwa	94	97.0	668	2.8	95	97.1	671	2.7
Ito-Yokado Owariasahi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of Property	31st Fiscal Period (December 1, 2018 to May 31, 2019)				32nd Fiscal Period (June 1, 2019 to November 30, 2019)			
	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)
Yokohama Kariba Shopping Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Jiyugaoka	20	100.0	159	0.7	20	100.0	162	0.7
ACTIOLE Ichikawa	12	95.7	158	0.7	13	100.0	161	0.7
Yokohama Aoba Shopping Center (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yamada Denki Tecc Land Aoba (Site)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yodobashi Camera Multimedia Kichijoji	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Kaden Sumairu-kan YAMADA Matsudo Honten	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Tenjin Loft Building	6	100.0	300	1.2	6	100.0	266	1.1
Narumi Shopping Center (Site)	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
Plussing Wave Enoshima	6	91.5	56	0.2	8	90.4	68	0.3
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	76	0.3	11	100.0	75	0.3
UUR Tenjin Nishi-dori Building	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Shonan Tsujido	31	97.8	290	1.2	33	98.8	304	1.2
ACTIOLE Ueno	9	100.0	82	0.3	9	100.0	82	0.3
KURURU	27	100.0	470	1.9	26	98.8	392	1.6
K's Denki Nagoya-kita	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Luz Musashikosugi	2	100.0	262	1.1	2	100.0	322	1.3
T&G Hamamatsucho Building	6	100.0	88	0.4	6	100.0	91	0.4
Fukuoka Eartheon Building	8	100.0	119	0.5	7	100.0	122	0.5
Marumasu Kojimachi Building	16	100.0	89	0.4	16	100.0	96	0.4
Rokubancho K Building	1	100.0	108	0.4	1	100.0	108	0.4
Shin-Osaka Central Tower	61	100.0	1,124	4.6	63	99.8	1,235	5.0
Kawasaki Toshiba Building	1	100.0	836	3.5	1	100.0	836	3.4
UUR Toyochō Building	1	100.0	276	1.1	1	100.0	277	1.1
FOUR SEASONS BLDG	1	100.0	190	0.8	1	100.0	190	0.8
Hitachi High-Tech Building	2	100.0	413	1.7	2	100.0	413	1.7
Pacific Marks Shinjuku Parkside	22	100.0	368	1.5	21	97.0	363	1.5
Pacific Marks Tsukishima	42	97.1	256	1.1	40	96.0	258	1.0
Pacific Marks Yokohama East	28	97.8	239	1.0	28	95.9	253	1.0
Akasaka Hikawa Building	1	100.0	118	0.5	1	100.0	117	0.5
Pacific Marks Shibuya Koen-dori	1	100.0	42	0.2	1	100.0	84	0.3
Pacific Marks Akasaka-mitsuke	8	100.0	69	0.3	8	100.0	67	0.3
Pacific Marks Shin-Yokohama	10	100.0	66	0.3	10	100.0	67	0.3
Pacific Marks Kawasaki	42	100.0	344	1.4	41	98.7	342	1.4
Hamamatsucho 262 Building	18	100.0	227	0.9	19	100.0	230	0.9
Lila Hijirizaka	14	97.5	118	0.5	14	97.5	119	0.5
Otsuka HT Building	7	100.0	57	0.2	7	100.0	58	0.2
Pacific Marks Shinjuku South-gate	8	90.1	88	0.4	8	100.0	95	0.4
Pacific Marks Nishi-Umeda	28	91.9	250	1.0	31	100.0	268	1.1

Name of Property	31st Fiscal Period (December 1, 2018 to May 31, 2019)				32nd Fiscal Period (June 1, 2019 to November 30, 2019)			
	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)
Pacific Marks Higobashi	23	91.5	139	0.6	23	91.5	149	0.6
Pacific Marks Esaka	44	100.0	438	1.8	42	98.7	440	1.8
Pacific Marks Sapporo Kita-Ichijo	11	100.0	100	0.4	11	100.0	101	0.4
Shin-Sapporo Center Building	21	100.0	64	0.3	20	96.2	61	0.3
ARENA TOWER	12	100.0	464	1.9	11	100.0	473	1.9
Yushima First Building	7	100.0	117	0.5	7	100.0	118	0.5
Dogenzaka Square	29	100.0	100	0.4	28	97.3	98	0.4
GRAND-SQUARE Shin-Sakae	8	100.0	71	0.3	8	100.0	91	0.4
GRAND-SQUARE Meieki-minami	13	100.0	88	0.4	13	100.0	89	0.4
Shiba 520 Building	5	100.0	105	0.4	5	100.0	116	0.5
Hirose-dori SE Building	10	100.0	218	0.9	8	94.5	209	0.9
SS30	84	99.6	1,072	4.4	81	99.4	1,117	4.5
LOOP-X・M	110	96.5	478	2.0	108	96.3	484	2.0
Shinjuku Washington Hotel Honkan	8	100.0	897	3.7	8	100.0	785	3.2
Toyoko Inn Shinagawa-eki Takanawa-guchi	1	100.0	57	0.2	1	100.0	57	0.2
MZ BLD.	10	96.2	131	0.5	9	95.2	130	0.5
HOTEL ROUTE-INN Yokohama Bashamichi	4	100.0	157	0.7	4	100.0	156	0.6
Hotel JAL City Naha	2	100.0	305	1.3	2	100.0	276	1.1
UUR Yotsuya Sanchome Building	3	100.0	185	0.8	3	100.0	186	0.8
Yotsuya 213 Building	3	91.8	184	0.8	3	91.8	192	0.8
the b roppongi	3	100.0	93	0.4	3	100.0	111	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 Miebashiki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Loisir Hotel & Spa Tower Naha	1	100.0	744	3.1	1	100.0	657	2.7
Royal Pines Hotel Urawa	10	100.0	610	2.5	10	100.0	466	1.9
RIHGA Royal Hotel Kokura・ARUARU City	31	99.9	923	3.8	30	99.9	969	3.9
the b fukuoka tenjin	2	100.0	121	0.5	2	100.0	109	0.4
Henn na Hotel Tokyo Hamamatsucho	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Hotel Hewitt Koshien					2	100.0	(Note 3)	(Note 3)
Smile Hotel Premium Sapporo Susukino					1	100.0	(Note 3)	(Note 3)
T&G Higashi-ikebukuro Mansion	128	99.2	70	0.3	128	99.2	69	0.3
Komazawa Court	1	100.0	60	0.3	1	100.0	60	0.2
UUR Court Shiba-Daimon	1	100.0	33	0.1	1	100.0	33	0.1
Maison Ukima (Note 5)	-	-	82	0.3				
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	0.2	1	100.0	52	0.2
CLIO Bunkyo Koishikawa	88	96.2	102	0.4	86	94.1	100	0.4
GRAND-ROUGE Sakae	90	93.4	47	0.2	91	94.8	49	0.2

Name of Property	31st Fiscal Period (December 1, 2018 to May 31, 2019)				32nd Fiscal Period (June 1, 2019 to November 30, 2019)			
	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)	Total Number of Tenants at End of Period (Note 1)	Occupancy Ratio at End of Period (%) (Note 2)	Rental Revenue (During the Period) (Millions of yen)	Share to Total Rental Revenue (%)
GRAND-ROUGE Sakae II	1	100.0	36	0.2	1	100.0	36	0.1
MA Sendai Building	143	96.8	167	0.7	147	98.4	167	0.7
UUR Court Nagoya Meieki	1	100.0	46	0.2	1	100.0	45	0.2
UUR Court Sapporo Shinoro Ichibankan	3	100.0	33	0.1	3	100.0	33	0.1
Park Site IZUMI	37	93.4	27	0.1	37	93.4	26	0.1
UUR Court Osaka Juso-honmachi	1	100.0	52	0.2	1	100.0	52	0.2
UUR Court Kinshicho	198	97.2	119	0.5	196	96.9	120	0.5
UUR Court Sapporo Minami-Sanjo Premier Tower	125	90.1	112	0.5	125	90.9	108	0.4
GRAND-ROUGE Nakanoshima-minami	116	96.8	53	0.2	108	92.1	53	0.2
Glenpark Umeda-kita	172	93.4	187	0.8	179	98.2	192	0.8
UUR Court Shiki	1	100.0	93	0.4	1	100.0	93	0.4
GRAND-ROUGE Tanimachi Rokuchome	51	100.0	44	0.2	50	98.0	44	0.2
Chatle Otemachi S・N	151	97.8	125	0.5	142	92.6	118	0.5
GRAN FONTE	90	98.9	34	0.1	88	96.7	90	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	289	1.2	5	100.0	306	1.2
THE PLACE of TOKYO	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Logistics Higashi-Ohgishima	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
MT Ariake Center Building I&II	3	100.0	(Note 3)	(Note 3)	1	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)	1	100.0	(Note 3)	(Note 3)
Ausuto Nagamachi Dental Clinic	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Shin-Narashino Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Yoshikawa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Musashimurayama Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	2,534	99.3	24,215	100.0	2,511	99.2	24,671	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 trustee, 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 trustee, 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 properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using the entire floor area.
3. With regard to these properties, the tenants with whom a lease agreement 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 Himonya Shopping Center (30% quasi co-ownership) on March 1, 2019.
5. United Urban sold Maison Ukima on April 1, 2019.

4. Amount of Contract and Fair Value of Specified Transactions

Overview of amount of contract and fair values of specified transactions as of November 30, 2019 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)	66,850,000	45,700,000	(390,983)
Total		66,850,000	45,700,000	(390,983)

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

5. Status of Other Assets

As of November 30, 2019, trust beneficial interests in real estate, etc. owned by United Urban are stated in "3. Details of Properties in the Portfolio" above and there were no other specified assets.

6. Status of Holding Assets by Country and Region

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

Capital Expenditures

1. Plan of Capital Expenditures

The table below sets out the principal capital expenditures for repair, etc., of 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, 2019. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Purpose	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Amount payable in the 32nd fiscal period	Amount already paid
Joy Park Izumigaoka	Sakai, Osaka	Renewal for presenting interior environment	From April 2020 to November 2020	101	-	-
TENJIN LUCE	Fukuoka, Fukuoka	Renewal of basement floors (B1F and B2F)	From December 2019 to July 2020	286	-	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Repair of large common bath (SHIMANCHU no Yu)	From June 2020 to November 2020	234	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms (superior floors)	From May 2020 to July 2020	133	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms (tower floors)	From January 2020 to February 2020	107	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of exterior wall (3rd period)	From June 2019 to December 2019	290	-	-
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of exterior wall (4th period)	From January 2020 to June 2020	274	-	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Repair of air-conditioning heat source equipment	From October 2020 to November 2020	183	-	-

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 32nd fiscal period, which totaled ¥2,373 million. Together with ¥905 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥3,279 million.

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Joy Park Izumigaoka	Sakai, Osaka	Renewal of automatic fire alarm system	From October 2019 to November 2019	32
Shinsaibashi OPA Honkan	Osaka, Osaka	Repair of exterior wall of main entrance	From October 2019 to November 2019	51
Mallage Kashiwa	Kashiwa, Chiba	Large-scale renovation work (Part I residential building)	From June 2019 to October 2019	34
Shin-Osaka Central Tower	Osaka, Osaka	Repair of exterior wall tile (2nd period)	From June 2019 to November 2019	73
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of panelboard breaker on each floor (4th period)	From June 2019 to November 2019	76
Pacific Marks Akasaka-mitsuke	Minato-ku, Tokyo	Overall renovation of rooftop and exterior walls	From March 2019 to September 2019	35
Pacific Marks Nishi-Umeda	Osaka, Osaka	Renewal of air-cooled heat pump chiller for exclusive area of basement floor	From November 2019 to November 2019	48
LOOP-X・M	Minato-ku, Tokyo	Overall renovation of exterior wall tiles and sealant (office building)	From June 2019 to November 2019	104
MZ BLD.	Hachioji, Tokyo	Repair of exterior wall (2nd period)	From June 2019 to November 2019	76
UUR Yotsuya Sanchome Building	Shinjuku-ku, Tokyo	Renewal of air conditioners and total heat exchangers (in some floors)	From September 2019 to November 2019	74
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	New construction of ground water cleaning system	From March 2019 to November 2019	94
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of guest room elevators of the main building (1st period)	From September 2019 to November 2019	89

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Royal Pines Hotel Urawa	Saitama, Saitama	Renewal of store interior (MICHELA)	From August 2019 to September 2019	108
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms of the hotel building (21st-23rd floors)	From June 2019 to July 2019	129
RIHGA Royal Hotel Kokura・ARUARU City	Kitakyushu, Fukuoka	Repair of restaurant, banquet hall and common areas of the hotel building	From June 2019 to November 2019	253
Other capital expenditures				1,090
Total				2,373

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				
	28th Fiscal Period (June 1, 2017 - November 30, 2017)	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Reserve balance at beginning of period	1,343	1,308	1,417	1,465	1,490
Addition to the reserve during the period (Note)	28	165	51	75	154
Reduction of reserve during the period	63	56	4	50	10
Reserve balance to be carried over to the next period	1,308	1,417	1,465	1,490	1,634

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	
	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Asset management fees (Note)	1,868,708	1,917,079
Asset custodian fees	17,549	18,143
Administrative agent fees	65,061	65,665
Directors' fees	10,200	10,200
Other expenses	223,479	224,691
Total	2,184,999	2,235,779

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 (31st fiscal period: ¥158,680 thousand, 32nd fiscal period: ¥142,024 thousand) and asset management fees related to sale of properties which was deducted from gain or loss from sale of the Investment Real Estate (31st fiscal period: ¥91,520 thousand).

2. Borrowings

Borrowings from financial institutions as of November 30, 2019 were as follows:

		Drawdown Date	Balance at Beginning of 32nd FP (Millions of yen) (Note 1)	Balance at End of 32nd 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	Sumitomo Mitsui Banking Corporation	Jun. 20, 2012	4,500	-	0.693 (Note 7)	Jun. 20, 2019	Bullet Payment	(Note 3)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Jun. 28, 2012	2,200	-	0.960	Jun. 20, 2019		(Note 4)	
	Aozora Bank, Ltd.	May 16, 2013	2,000	-	0.523 (Note 7)	Jun. 20, 2019		(Note 4)	
	Shinsei Bank, Limited	May 16, 2013	1,000	-	1.056	Jun. 20, 2019		(Note 4)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Oct. 2, 2014	1,000	-	0.511	Sep. 20, 2019		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	4,000	-	0.555 (Note 7)	Sep. 20, 2019		(Note 3)	
	Mizuho Bank, Ltd.		637	-					
	Aozora Bank, Ltd.		1,570	-					
	Aozora Bank, Ltd.	Aug. 29, 2014	1,200	-	0.593	Sep. 20, 2019		(Note 4)	
	Mizuho Trust & Banking Co., Ltd.	Apr. 1, 2016	1,000	1,000	0.200	Mar. 23, 2020		(Note 4)	
	MUFG Bank, Ltd.	Mar. 15, 2013	4,000	4,000	0.800	Mar. 23, 2020		(Note 4)	
	MUFG Bank, Ltd.	Mar. 21, 2013	2,427	2,427	0.780	Mar. 23, 2020		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Mar. 21, 2013	1,209	1,209	0.617 (Note 7)	Mar. 23, 2020		(Note 3)	
	MUFG Bank, Ltd.		869	869					
	Resona Bank, Limited		339	339					
	MUFG Bank, Ltd.	Mar. 20, 2014	1,300	1,300	0.640 (Note 7)	Mar. 23, 2020		(Note 3)	
	Development Bank of Japan Inc.	Jun. 20, 2012	-	900	1.370	Jun. 20, 2020		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2013	-	1,000	0.631 (Note 7)	Jun. 20, 2020		(Note 3)	
	Sumitomo Mitsui Banking Corporation		-	1,650					
	Mizuho Bank, Ltd.		-	1,000					
	Aozora Bank, Ltd.		-	2,000					
	Mizuho Trust & Banking Co., Ltd.		-	500					

		Drawdown Date	Balance at Beginning of 32nd FP (Millions of yen) (Note 1)	Balance at End of 32nd 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 Daishi Bank, Ltd.	Jul. 8, 2015	-	1,000	0.550 (Note 7)	Jun. 22, 2020	Bullet Payment	(Note 5)	Unsecured Unguaranteed
	The 77 Bank, Ltd.	Jul. 8, 2015	-	500	0.527 (Note 7)	Sep. 23, 2020		(Note 5)	
	The Bank of Yokohama, Ltd.		-	500					
	Kiraboshi Bank, Ltd.		-	500					
	THE KAGAWA BANK LTD.		-	500					
	The Bank of Fukuoka, Ltd.	Aug. 7, 2015	-	500	0.428 (Note 7)	Sep. 23, 2020		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 15, 2013	-	4,500	0.668 (Note 7)	Sep. 23, 2020		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 21, 2013	-	3,283	0.668 (Note 7)	Sep. 23, 2020		(Note 3)	
	Nippon Life Insurance Company	Sep. 20, 2013	-	1,000	1.000	Sep. 23, 2020		(Note 3)	
	Development Bank of Japan Inc.	Nov. 1, 2013	-	2,400	0.826	Sep. 23, 2020		(Note 4)	
	Shinsei Bank, Limited	Nov. 29, 2013	-	2,500	0.888	Sep. 23, 2020		(Note 4)	
Subtotal			29,251	35,377					
Long-term debt	Development Bank of Japan Inc.	Jun. 20, 2012	900	-	1.370	Jun. 20, 2020	Bullet Payment	(Note 3)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	Jun. 20, 2013	1,000	-	0.631 (Note 7)	Jun. 20, 2020		(Note 3)	
	Sumitomo Mitsui Banking Corporation		1,650	-					
	Mizuho Bank, Ltd.		1,000	-					
	Aozora Bank, Ltd.		2,000	-					
	Mizuho Trust & Banking Co., Ltd.		500	-					
	The Daishi Bank, Ltd.	Jul. 8, 2015	1,000	-	0.550 (Note 7)	Jun. 22, 2020		(Note 5)	
	The 77 Bank, Ltd.	Jul. 8, 2015	500	-	0.527 (Note 7)	Sep. 23, 2020		(Note 5)	
	The Bank of Yokohama, Ltd.		500	-					
	Kiraboshi Bank, Ltd.		500	-					
	THE KAGAWA BANK LTD.		500	-					
	The Bank of Fukuoka, Ltd.	Aug. 7, 2015	500	-	0.428 (Note 7)	Sep. 23, 2020		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 15, 2013	4,500	-	0.668 (Note 7)	Sep. 23, 2020		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 21, 2013	3,283	-	0.668 (Note 7)	Sep. 23, 2020		(Note 3)	
	Nippon Life Insurance Company	Sep. 20, 2013	1,000	-	1.000	Sep. 23, 2020		(Note 3)	
	Development Bank of Japan Inc.	Nov. 1, 2013	2,400	-	0.826	Sep. 23, 2020		(Note 4)	
	Shinsei Bank, Limited	Nov. 29, 2013	2,500	-	0.888	Sep. 23, 2020		(Note 4)	
	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 4)	
	Mizuho Trust & Banking Co., Ltd.	Feb. 28, 2014	1,300	1,300	0.858	Dec. 21, 2020		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Feb. 5, 2016	1,000	1,000	0.217 (Note 7)	Mar. 22, 2021		(Note 4)	
	The Iyo Bank, Ltd.	Feb. 5, 2016	1,000	1,000	0.337	Mar. 22, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 20, 2014	5,800	5,800	0.850 (Note 7)	Mar. 22, 2021		(Note 3)	
	MUFG Bank, Ltd.	Mar. 20, 2014	1,400	1,400	0.830	Mar. 22, 2021		(Note 3)	
	Mizuho Bank, Ltd.	Mar. 20, 2014	1,400	1,400	0.841	Mar. 22, 2021		(Note 3)	
	MUFG Bank, Ltd.	Mar. 28, 2014	2,200	2,200	0.850	Mar. 22, 2021		(Note 4)	

	Lenders	Drawdown Date	Balance at Beginning of 32nd FP (Millions of yen) (Note 1)	Balance at End of 32nd FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Long-term debt	Sumitomo Mitsui Trust Bank, Limited	Apr. 8, 2014	5,700	5,700	0.883	Mar. 22, 2021	Bullet Payment	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Aug. 29, 2014	1,900	1,900	0.690	Mar. 22, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Oct. 2, 2014	2,000	2,000	0.619 (Note 7)	Mar. 22, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 22, 2016	1,000	1,000	0.321	Jun. 21, 2021		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Apr. 1, 2016	2,000	2,000	0.321	Jun. 21, 2021		(Note 4)	
	The Nomura Trust and Banking Co., Ltd.	Apr. 1, 2016	1,000	1,000	0.350	Jun. 21, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Jul. 4, 2017	1,000	1,000	0.271	Jun. 21, 2021		(Note 5)	
	Mizuho Bank, Ltd.	May 1, 2014	1,700	1,700	0.737 (Note 7)	Jun. 21, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	May 1, 2014	1,000	1,000	0.872 (Note 7)	Jun. 21, 2021		(Note 4)	
	MUFG Bank, Ltd.	May 1, 2014	1,000	1,000	0.770 (Note 7)	Jun. 21, 2021		(Note 4)	
	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	0.321	Sep. 21, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Jun. 30, 2015	2,900	2,900	0.612 (Note 7)	Dec. 20, 2021		(Note 4)	
	MUFG Bank, Ltd.	Aug. 29, 2014	3,000	3,000	0.670 (Note 7)	Dec. 20, 2021		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 21, 2017	2,400	2,400	0.321	Mar. 22, 2022		(Note 3)	
	Sompo Japan Nipponkoa Insurance Inc.	Mar. 21, 2017	1,000	1,000	0.455	Mar. 22, 2022		(Note 3)	
	The Daishi Bank, Ltd.	Mar. 30, 2017	1,000	1,000	0.448	Mar. 22, 2022		(Note 4)	
	The Gunma Bank, Ltd.	Apr. 26, 2017	1,000	1,000	0.342	Mar. 22, 2022		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 20, 2014	2,600	2,600	1.030	Mar. 22, 2022		(Note 3)	
	Mizuho Bank, Ltd.	Oct. 2, 2014	3,000	3,000	0.661 (Note 7)	Mar. 22, 2022		(Note 4)	
	Mizuho Bank, Ltd.	Nov. 25, 2014	2,000	2,000	0.672 (Note 7)	Jun. 20, 2022		(Note 4)	
	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 4)	
	Sumitomo Mitsui Trust Bank, Limited	Jul. 4, 2017	1,000	1,000	0.271	Jun. 20, 2022		(Note 5)	
	The Hiroshima Bank, Ltd.	Jul. 8, 2015	500	500	0.685 (Note 7)	Sep. 20, 2022		(Note 5)	
	The 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 4)	
	Sumitomo Mitsui Trust Bank, Limited	Oct. 2, 2014	2,800	2,800	0.814	Sep. 20, 2022		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Dec. 20, 2013	3,400	3,400	1.239	Dec. 20, 2022		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Nov. 25, 2014	6,500	6,500	0.842	Mar. 20, 2023		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	May 29, 2015	3,500	3,500	0.775	Mar. 20, 2023		(Note 3)	
	Resona Bank, Limited	Feb. 5, 2016	1,500	1,500	0.370 (Note 7)	Mar. 20, 2023		(Note 4)	
	Mizuho Bank, Ltd.	Mar. 22, 2016	2,000	2,000	0.452	Mar. 20, 2023		(Note 3)	
	Resona Bank, Limited	Mar. 22, 2016	1,000	1,000	0.371	Mar. 20, 2023		(Note 3)	

	Lenders	Drawdown Date	Balance at Beginning of 32nd FP (Millions of yen) (Note 1)	Balance at End of 32nd FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
Long-term debt	Saitama Resona Bank, Limited	Apr. 1, 2016	2,000	2,000	0.490 (Note 7)	Mar. 20, 2023	Bullet Payment	(Note 4)	Unsecured Unguaranteed
	The Ashikaga Bank, Ltd.	Apr. 1, 2016	1,000	1,000	0.441	Mar. 20, 2023		(Note 4)	
	Mizuho Trust & Banking Co., Ltd.	Aug. 7, 2015	1,000	1,000	0.798	Jun. 20, 2023		(Note 4)	
	Development Bank of Japan Inc.	Apr. 1, 2016	1,500	1,500	0.372	Jun. 20, 2023		(Note 4)	
	THE NISHI-NIPPON CITY BANK, LTD.	Apr. 1, 2016	1,000	1,000	0.421	Jun. 20, 2023		(Note 4)	
	Mizuho Bank, Ltd.	Jul. 15, 2015	1,300	1,300	0.749 (Note 7)	Sep. 20, 2023		(Note 4)	
	MUFG Bank, Ltd.	Jul. 15, 2015	1,300	1,300	0.780	Sep. 20, 2023		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Sep. 20, 2019	-	4,000	0.300	Sep. 20, 2023		(Note 3)	
	The Ashikaga Bank, Ltd.	Nov. 16, 2018	1,000	1,000	0.306	Dec. 20, 2023		(Note 5)	
	MUFG Bank, Ltd.	Dec. 4, 2015	1,000	1,000	0.625 (Note 7)	Mar. 21, 2024		(Note 4)	
	Mizuho Trust & Banking Co., Ltd.	Mar. 22, 2016	1,000	1,000	0.351	Mar. 21, 2024		(Note 3)	
	The Hiroshima Bank, Ltd.	Mar. 21, 2017	1,000	1,000	0.565	Mar. 21, 2024		(Note 3)	
	The 77 Bank, Ltd.	Mar. 30, 2017	1,500	1,500	0.421	Mar. 21, 2024		(Note 4)	
	Resona Bank, Limited	Mar. 20, 2019	1,000	1,000	0.191 (Note 7)	Mar. 21, 2024		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Jul. 15, 2015	1,700	1,700	0.924	Jun. 20, 2024		(Note 4)	
	Mizuho Bank, Ltd.	Apr. 1, 2016	2,000	2,000	0.523	Jun. 20, 2024		(Note 4)	
	The Norinchukin Bank	Jan. 31, 2017	2,700	2,700	0.421	Jun. 20, 2024		(Note 4)	
	Resona Bank, Limited	Apr. 26, 2017	1,500	1,500	0.301	Jun. 20, 2024		(Note 4)	
	MUFG Bank, Ltd.	Dec. 4, 2015	1,000	1,000	0.680	Sep. 20, 2024		(Note 4)	
	Mizuho Bank, Ltd.	Dec. 4, 2015	1,000	1,000	0.633 (Note 7)	Sep. 20, 2024		(Note 4)	
	The Norinchukin Bank	Mar. 30, 2017	1,500	1,500	0.421	Sep. 20, 2024		(Note 4)	
	Development Bank of Japan Inc.	Apr. 26, 2017	1,500	1,500	0.428	Sep. 20, 2024		(Note 4)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Sep. 20, 2019	-	1,000	0.320	Sep. 20, 2024		(Note 3)	
	The Bank of Fukuoka, Ltd.	Dec. 1, 2016	1,400	1,400	0.371	Dec. 20, 2024		(Note 4)	
	Mizuho Bank, Ltd.	Jul. 4, 2017	3,000	3,000	0.430	Dec. 20, 2024		(Note 5)	
	Meiji Yasuda Life Insurance Company	Feb. 5, 2016	1,000	1,000	0.687	Mar. 21, 2025		(Note 4)	
	MUFG Bank, Ltd.	Apr. 1, 2016	2,000	2,000	0.430	Mar. 21, 2025		(Note 4)	
	MUFG Bank, Ltd.	Mar. 21, 2017	3,500	3,500	0.489	Mar. 21, 2025		(Note 3)	
	Shinsei Bank, Limited	Mar. 21, 2017	2,000	2,000	0.639	Mar. 21, 2025		(Note 3)	
	The Bank of Fukuoka, Ltd.	Mar. 21, 2017	1,000	1,000	0.489	Mar. 21, 2025		(Note 3)	
	Shinkin Central Bank	Mar. 30, 2017	1,000	1,000	0.624	Mar. 21, 2025		(Note 4)	
	The Bank of Kyoto, Ltd.	Mar. 30, 2017	1,000	1,000	0.524	Mar. 21, 2025		(Note 4)	
	The Norinchukin Bank	Jun. 20, 2018	2,200	2,200	0.423	Jun. 20, 2025		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Apr. 1, 2016	3,000	3,000	0.411	Sep. 22, 2025		(Note 4)	
	Development Bank of Japan Inc.	Nov. 16, 2018	1,000	1,000	0.466	Sep. 22, 2025		(Note 5)	
	Shinkin Central Bank	Nov. 16, 2018	1,000	1,000	0.466	Sep. 22, 2025		(Note 5)	
	THE NISHI-NIPPON CITY BANK, LTD.	Nov. 16, 2018	1,000	1,000	0.466	Sep. 22, 2025		(Note 5)	
	Sumitomo Mitsui Trust Bank, Limited	Feb. 5, 2016	2,000	2,000	0.627	Dec. 22, 2025		(Note 4)	

		Drawdown Date	Balance at Beginning of 32nd FP (Millions of yen) (Note 1)	Balance at End of 32nd FP (Millions of yen) (Note 1)	Average Interest Rate (%) (Note 2)	Maturity Date	Repayment Method	Use	Remarks
	Lenders								
Long-term debt	Mizuho Bank, Ltd.	Dec. 28, 2018	4,000	4,000	0.323	Dec. 22, 2025	Bullet Payment	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Mar. 30, 2017	2,000	2,000	0.460	Mar. 23, 2026		(Note 4)	
	Mizuho Bank, Ltd.	Mar. 30, 2017	4,500	4,500	0.569	Mar. 23, 2026		(Note 4)	
	The Norinchukin Bank	Mar. 20, 2019	1,600	1,600	0.313	Mar. 23, 2026		(Note 3)	
	Mizuho Bank, Ltd.	Apr. 26, 2017	2,400	2,400	0.544	Jun. 22, 2026		(Note 4)	
	Mizuho Bank, Ltd.	Jun. 20, 2018	3,000	3,000	0.474	Jun. 22, 2026		(Note 3)	
	MUFG Bank, Ltd.	Jul. 4, 2017	1,500	1,500	0.440	Sep. 24, 2026		(Note 5)	
	The Bank of Fukuoka, Ltd.	Nov. 16, 2018	1,000	1,000	0.495 (Note 7)	Dec. 21, 2026		(Note 5)	
	Saitama Resona Bank, Limited		1,000	1,000					
	The Nomura Trust and Banking Co., Ltd.		1,000	1,000					
	The Shinkumi Federation Bank		1,000	1,000					
	Sumitomo Mitsui Trust Bank, Limited	Dec. 28, 2018	2,000	2,000	0.391 (Note 7)	Dec. 21, 2026		(Note 4)	
	The Shinkumi Federation Bank		1,000	1,000				(Note 4)	
	Meiji Yasuda Life Insurance Company	Mar. 30, 2017	1,000	1,000	0.756	Mar. 23, 2027		(Note 4)	
	Taiyo Life Insurance Company	Mar. 30, 2017	1,000	1,000	0.656	Mar. 23, 2027		(Note 4)	
	Sumitomo Mitsui Trust Bank, Limited	Mar. 30, 2017	2,500	2,500	0.381	Jun. 21, 2027		(Note 4)	
	MUFG Bank, Ltd.	Jun. 20, 2018	2,800	2,800	0.465	Jun. 21, 2027		(Note 3)	
	Sumitomo Mitsui Banking Corporation	Dec. 28, 2018	2,000	2,000	0.321	Jun. 21, 2027		(Note 4)	
	MUFG Bank, Ltd.	Jul. 3, 2018	3,800	3,800	0.465	Sep. 21, 2027		(Note 4)	
	Sumitomo Mitsui Banking Corporation	Mar. 20, 2019	3,500	3,500	0.426 (Note 7)	Sep. 21, 2027		(Note 3)	
	Mizuho Bank, Ltd.	Sep. 20, 2019	-	1,000	0.414	Sep. 21, 2027		(Note 3)	
	Sumitomo Mitsui Trust Bank, Limited	Apr. 26, 2017	2,500	2,500	0.411	Dec. 20, 2027		(Note 4)	
	MUFG Bank, Ltd.	Nov. 16, 2018	2,000	2,000	0.570	Sep. 20, 2028		(Note 5)	
	MUFG Bank, Ltd.	Dec. 28, 2018	3,000	3,000	0.470	Dec. 20, 2028		(Note 4)	
Long-term debt (Green Finance)	Sumitomo Mitsui Trust Bank, Limited (Trust account)	Sep. 28, 2018	10,000	10,000	0.250	Sep. 29, 2023	Bullet Payment	(Note 6)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Trust account)	Mar. 29, 2019	2,500	2,500	0.290	Mar. 29, 2024		(Note 6)	
	Sumitomo Mitsui Trust Bank, Limited (Trust account)	Mar. 29, 2019	2,000	2,000	0.390	Mar. 31, 2026		(Note 6)	
Subtotal			226,633	208,400					
Total			255,884	243,777					

- 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 repayment of borrowings.
4. The funds are used for acquisition of real estate or trust beneficial interest in real estate and expenses related to the acquisition.
5. The funds are used for redemption of corporate bonds.
6. The funds are used for the repayment of borrowings related to the "Eligible Green Assets" and acquisition of real estate or trust beneficial interest in real estate which are "Eligible Green Assets," and the related expenses.
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.

3. Corporate Bonds

Corporate Bonds as of November 30, 2019 were as follows :

Name	Issue Date	Balance at Beginning of 32nd FP (Millions of yen)	Balance at End of 32nd FP (Millions of yen)	Interest Rate (%)	Maturity Date	Redemption Method	Use	Remarks
Series 15 of Unsecured Corporate Bonds	Oct. 30, 2014	3,000	3,000	0.525	Oct. 29, 2021	Bullet payment	(Note 1)	Unsecured (Note 5)
Series 16 of Unsecured Corporate Bonds	May 29, 2015	2,000	2,000	0.804	May 29, 2025	Bullet payment	(Note 2)	Unsecured (Note 5)
Series 17 of Unsecured Corporate Bonds	May 22, 2018	10,000	10,000	0.240	Nov. 22, 2023	Bullet payment	(Note 3)	Unsecured (Note 5)
Series 18 of Unsecured Corporate Bonds	May 22, 2018	2,000	2,000	0.230	May 22, 2023	Bullet payment	(Note 3)	Unsecured (Note 5)
Series 19 of Unsecured Corporate Bonds (Green Finance)	May 23, 2019	10,000	10,000	0.448	May 22, 2026	Bullet payment	(Note 4)	Unsecured (Note 5)
Total		27,000	27,000					

Notes: 1. The funds are used for the repayment of the existing borrowings.
2. The funds are used for the redemption of the corporate bonds.
3. The funds are used for the redemption of the corporate bonds and the working capital
4. The funds are used for the repayment of borrowings related to the "Eligible Green Assets" and acquisition of real estate or trust beneficial interest in real estate which are "Eligible Green Assets," and the related expenses.
5. 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)	Date of transfer	Sale price (Millions of yen) (Note)	Book value (Millions of yen)	Gain or loss on sale (Millions of yen)
Trust beneficial interest in real estate	Hotel Hewitt Koshien	Jun. 25, 2019	13,520	-	-	-	-
Trust beneficial interest in real estate	Smile Hotel Premium Sapporo Susukino	Jun. 28, 2019	4,233	-	-	-	-
Total		-	17,753	-	-	-	-

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

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	Hotel Hewitt Koshien	Jun. 25, 2019	13,520	14,000	May 1, 2019	The Tanizawa Sōgō Appraisal Co., Ltd.
Acquisition	Trust beneficial interest in real estate	Smile Hotel Premium Sapporo Susukino	Jun. 28, 2019	4,233	5,320	Dec. 1, 2018	The Tanizawa Sōgō Appraisal Co., Ltd.

Notes: 1. As for transactions that require appraisal values of real estate, etc, regarding specified assets pursuant to Article 201, Paragraph 1 of the Investment Trust Act, the appraisal was conducted by real estate appraisal organizations based on the Japanese Real Estate Appraisal Standard Section 3, "Appraisal concerning prices of real estate for securitization", and United Urban has received the results.

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

b. Others

There was no applicable information on other specified asset transactions.

4. Trading with Related Parties

a. Status of Transactions

Category	Amount of Purchase and Sale Price etc.		
	Purchase price etc. (Thousands of yen)		Sale price etc. (Thousands of yen)
Total Amount	17,753,000		-
Breakdown of transactions with related parties			
MG Leasing Corporation	Hotel Hewitt Koshien	13,520,000 (76.2%)	-
	Smile Hotel Premium Sapporo Susukino	4,233,000 (23.8%)	
Total	17,753,000 (100.0%)		-

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

b. Amount of Commissions

Category	Total Commissions Paid (A) (Thousands of yen)	Description of Transactions with Related Parties		(B) / (A) (%)
		Payee	Amount paid (B) (Thousands of yen)	
Property Management Fees	1,770,947	Marubeni Real Estate Management Co., Ltd.	579,842	32.7
Casualty Insurance	24,157	Marubeni Safenet Co., Ltd.	23,713	98.2
Construction Management Fees	104,483	Marubeni Real Estate Management Co., Ltd.	22,898	21.9
Other Rental Expenses	100,716	Marubeni Real Estate Management Co., Ltd.	1,700	1.7
		Marubeni Network Solutions Inc.	746	0.7

Notes: 1. Among Related Parties, the companies have conducted business or have received payment of commissions during the 32nd fiscal period are stated above.

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

Marubeni Real Estate Management Co., Ltd.: ¥38,705 thousand
Marubeni Network Solutions Inc.: ¥2,692 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 JRA were as follows:

a. Status of Acquisitions

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

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

b. Status of Investment Units Held (fiscal periods in recent five years including the end of the 32nd fiscal period)

	Number of Investment Units at End of Period (Unit)	Total Value of Investment Units Held at End of Period (Thousands of Yen) (Note)	(Reference) Investment Unit Price at End of Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at End of Period (Unit)
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
27th Fiscal Period (From Dec. 1, 2016 to May 31, 2017)	4,901	798,863	163,000	0.16	3,055,087

	Number of Investment Units at End of Period (Unit)	Total Value of Investment Units Held at End of Period (Thousands of Yen) (Note)	(Reference) Investment Unit Price at End of Period (Yen)	Ratio of Number of Investment Units Held to Investment Units Issued and Outstanding (%)	(Reference) Total Number of Investment Units Issued and Outstanding at End of Period (Unit)
28th Fiscal Period (From Jun. 1, 2017 to Nov. 30, 2017)	4,901	780,729	159,300	0.16	3,055,087
29th Fiscal Period (From Dec. 1, 2017 to May 31, 2018)	4,901	817,486	166,800	0.16	3,055,087
30th Fiscal Period (From Jun. 1, 2018 to Nov. 30, 2018)	4,901	885,610	180,700	0.16	3,055,087
31st Fiscal Period (From Dec. 1, 2018 to May 31, 2019)	4,901	877,279	179,000	0.16	3,055,087
32nd Fiscal Period (From Jun. 1, 2019 to Nov. 30, 2019)	4,901	1,043,913	213,000	0.16	3,118,337

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

a. General Meeting of Unitholders

The Tenth General Meeting of Unitholders of United Urban was held on August 29, 2019. The summaries of major matters approved by the General Meeting of Unitholders were as follows:

Partial amendments to the Articles of Incorporation	The notation of years in the Articles of Incorporation was changed from the Japanese calendar to the Western calendar.
Election of one Executive Officer	Ikuo Yoshida was elected as the Executive Officer.
Election of two Supervisory Officers	Kenichiro Okamura and Kumiko Sekine were elected as the Supervisory Officers.
Election of the Substitute Executive Officer	Norimasa Gaun was elected as the Substitute Executive Officer.
Election of the Substitute Supervisory Officer	Fumi Shimizu (Note) was elected as the Substitute Supervisory Officer.

Note: The family register name of Fumi Shimizu, the Substitute Supervisory Officer is Fumi Yamazaki..

b. United Urban Board of Directors

The conclusions and modifications of major agreements approved by the Board of Directors of United Urban during the 32nd fiscal period were as follows:

Conclusion of the underwriting agreement regarding issuance of new investment units	On June 4, 2019, United Urban decided to enter into the underwriting agreement regarding issuance of new investment units with SMBC Nikko Securities Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
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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 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
ASSETS		
CURRENT ASSETS:		
Cash and bank deposits	¥ 68,619,522	¥ 50,475,055
Rent receivables	640,858	641,020
Other current assets	820,338	261,244
Total current assets	70,080,720	51,377,321
PROPERTY AND EQUIPMENT, AT COST:		
Land	401,502,887	413,716,869
Buildings and structures	258,120,495	265,938,011
Machinery and equipment	2,868,718	3,007,901
Tools, furniture and fixtures	1,266,363	1,445,893
Construction in progress	82,486	69,355
Subtotal	663,840,951	684,178,032
Less accumulated depreciation	(64,297,721)	(68,412,487)
Net property and equipment	599,543,230	615,765,544
INVESTMENTS AND OTHER ASSETS:		
Software	17,180	12,965
Leasehold	9,320,707	9,320,707
Other intangible assets	158,972	152,307
Security deposits paid	89,958	91,458
Long-term prepaid expenses	1,691,084	1,488,436
Total investments and other assets	11,277,902	11,065,874
TOTAL ASSETS	¥ 680,901,853	¥ 678,208,740

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
LIABILITIES		
CURRENT LIABILITIES:		
Trade accounts payable	¥ 3,752,585	¥ 2,989,192
Long-term debt due for repayment within one year	29,251,000	35,377,000
Accrued expenses	324,055	271,786
Consumption taxes payable	274,380	37,623
Rent received in advance	3,664,785	3,649,427
Derivatives liabilities	6,576	21,073
Other current liabilities	47,710	60,538
Total current liabilities	37,321,094	42,406,641
LONG-TERM LIABILITIES:		
Corporate bonds	27,000,000	27,000,000
Long-term debt	226,633,000	208,400,000
Leasehold and security deposits received	32,039,703	32,382,030
Derivatives liabilities	118,626	49,798
Total long-term liabilities	285,791,329	267,831,828
Total liabilities	323,112,423	310,238,470
NET ASSETS		
UNITHOLDERS' EQUITY:		
Unitholders' Capital	309,205,625	319,973,305
Units authorized: 10,000,000 units as of May 31, 2019 and November 30, 2019		
Units issued and outstanding: 3,055,087 units as of May 31, 2019 and 3,118,337 units as of November 30, 2019		
Capital surplus	23,548,287	23,548,287
Reserve for temporary difference adjustments	7,386,911	7,373,149
Reserve retained for distribution	3,132,645	3,204,781
Reserve for reduction entry	2,228,115	3,398,115
Unappropriated retained earnings	12,413,047	10,543,501
VALUATION AND TRANSLATION ADJUSTMENTS:		
Deferred gains or losses on hedges	(125,202)	(70,871)
Total net assets	357,789,430	367,970,269
TOTAL LIABILITIES AND NET ASSETS	¥ 680,901,853	¥ 678,208,740

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

STATEMENT OF INCOME AND RETAINED EARNINGS

	Thousands of yen	
	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
OPERATING REVENUES		
Rental revenues	¥ 22,549,715	¥ 22,720,890
Other rental revenues	1,665,775	1,950,491
Gain on sales of real estate properties	3,001,011	-
Dividend income	44,634	-
	27,261,137	24,671,381
OPERATING EXPENSES		
Property-related expenses	11,506,906	10,870,357
Asset management fees	1,868,708	1,917,079
Administrative service fees	82,611	83,808
Other operating expenses	233,679	234,891
	13,691,905	13,106,137
OPERATING INCOME	13,569,232	11,565,243
NON-OPERATING REVENUES		
Interest income	117	120
Reversal of cash distributions payable	1,430	1,128
Insurance income	17,184	21,242
Subsidy income	1,270	-
Compensation income for damage or loss	-	1,643
Other non-operating revenues	386	1,951
	20,389	26,087
NON-OPERATING EXPENSES		
Interest expense	1,005,459	954,982
Interest expense on corporate bonds	31,291	52,388
Corporate bond issuance expenses	67,667	-
Investment unit issuance expenses	11,912	26,808
Loss on disposal of real estate	26,039	5,531
Other non-operating expenses	33,597	7,514
	1,175,968	1,047,224
ORDINARY INCOME	12,413,652	10,544,106
INCOME BEFORE INCOME TAXES	12,413,652	10,544,106
INCOME TAXES		
Current	605	605
	605	605
NET INCOME	12,413,047	10,543,501
RETAINED EARNINGS BROUGHT FORWARD	-	-
UNAPPROPRIATED RETAINED EARNINGS AT END OF PERIOD	¥ 12,413,047	¥ 10,543,501

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

STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

Thousands of yen							
	Number of Units	Unitholders' Capital	Unitholders' Equity				
			Capital Surplus	Surplus			
				Voluntary Retained Earnings			
				Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Reserve for Reduction Entry	Total Voluntary Retained Earnings
BALANCE AS OF NOVEMBER 30, 2018	3,055,087	¥309,205,625	¥ 23,548,287	¥ 7,386,945	¥ 3,061,918	¥ 1,120,523	¥11,569,387
Provision of reserve for temporary difference adjustments				76,099			76,099
Reversal of reserve for temporary difference adjustments				(76,133)			(76,133)
Provision of reserve retained for distribution					70,726		70,726
Provision of reserve for reduction entry						1,107,592	1,107,592
Cash distributions disbursed							-
Net income							-
Net changes of items other than unitholders' equity							-
BALANCE AS OF MAY 31, 2019	3,055,087	¥309,205,625	¥ 23,548,287	¥ 7,386,911	¥ 3,132,645	¥ 2,228,115	¥12,747,672
Issuance of new investment units	63,250	10,767,680					-
Provision of reserve for temporary difference adjustments				63,132			63,132
Reversal of reserve for temporary difference adjustments				(76,894)			(76,894)
Provision of reserve retained for distribution					72,136		72,136
Provision of reserve for reduction entry						1,170,000	1,170,000
Cash distributions disbursed							-
Net income							-
Net changes of items other than unitholders' equity							-
BALANCE AS OF NOVEMBER 30, 2019	3,118,337	¥319,973,305	¥ 23,548,287	¥ 7,373,149	¥ 3,204,781	¥ 3,398,115	¥13,976,047

Thousands of yen						
	Unitholders' Equity			Valuation and Translation Adjustments		
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustments	Net Assets
	Unappropriated Retained Earnings	Total Surplus				
BALANCE AS OF NOVEMBER 30, 2018	¥11,788,602	¥46,906,277	¥356,111,902	¥(82,719)	¥(82,719)	¥356,029,183
Provision of reserve for temporary difference adjustments	(76,099)	-	-		-	-
Reversal of reserve for temporary difference adjustments	76,133	-	-		-	-
Provision of reserve retained for distribution	(70,726)	-	-		-	-
Provision of reserve for reduction entry	(1,107,592)	-	-		-	-
Cash distributions disbursed	(10,610,317)	(10,610,317)	(10,610,317)		-	(10,610,317)
Net income	12,413,047	12,413,047	12,413,047		-	12,413,047
Net changes of items other than unitholders' equity	-	-	-	(42,483)	(42,483)	(42,483)
BALANCE AS OF MAY 31, 2019	¥12,413,047	¥48,709,008	¥357,914,633	¥(125,202)	¥(125,202)	¥357,789,430
Issuance of new investment units		-	10,767,680		-	10,767,680
Provision of reserve for temporary difference adjustments	(63,132)	-	-		-	-
Reversal of reserve for temporary difference adjustments	76,894	-	-		-	-
Provision of reserve retained for distribution	(72,136)	-	-		-	-
Provision of reserve for reduction entry	(1,170,000)	-	-		-	-

Cash distributions disbursed	(11,184,673)	(11,184,673)	(11,184,673)	-	(11,184,673)
Net income	10,543,501	10,543,501	10,543,501	-	10,543,501
Net changes of items other than unitholders' equity	-	-	-	54,331	54,331
BALANCE AS OF NOVEMBER 30, 2019	¥10,543,501	¥48,067,835	¥368,041,141	¥(70,871)	¥(70,871)
					¥367,970,269

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

STATEMENT OF CASH FLOWS

	Thousands of yen	
	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	¥ 12,413,652	¥ 10,544,106
Depreciation and amortization	4,050,634	4,132,956
Gain on sales of real estate properties	(3,001,011)	-
Interest income and interest on securities	(117)	(120)
Interest expense and interest expense on corporate bonds	1,036,751	1,007,370
Corporate bond issuance expenses	67,667	-
Investment unit issuance expenses	11,912	26,808
Loss on disposal of real estate	26,039	5,531
Increase in rent receivables	(10,815)	(161)
(Increase) decrease in prepaid expenses	(561,411)	558,492
(Increase) decrease in long-term prepaid expenses	(112,666)	17,844
Increase (decrease) in trade accounts payable	948,483	(804,741)
Increase (decrease) in accrued expenses	3,484	(28,717)
Decrease in consumption taxes payable	(70,036)	(234,189)
Increase (decrease) in rent received in advance	144,025	(15,357)
Other, net	(26,214)	(146,721)
Subtotal	14,920,377	15,063,099
Interest received	117	120
Interest paid	(1,066,037)	(842,376)
Income taxes refund (paid)	(9,249)	8,508
Net cash provided by operating activities	13,845,207	14,229,351
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property and equipment	10,842,374	-
Purchase of property and equipment	(21,978,200)	(20,315,922)
Proceeds from refund of investment securities	74,850	-
Payments for leasehold and security deposits	-	(1,500)
Proceeds from leasehold and security deposits received	1,592,232	860,391
Payments for leasehold and security deposits received	(236,632)	(355,084)
Net cash used in investing activities	(9,705,376)	(19,812,115)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	22,600,000	6,000,000
Repayment of long-term debt	(7,100,000)	(18,107,000)
Proceeds from issuance of corporate bonds	9,935,632	-
Proceeds from issuance of investment units	-	10,728,959
Distributions to unitholders	(10,608,651)	(11,183,663)
Net cash provided by (used in) financing activities	14,826,980	(12,561,703)
NET CHANGES IN CASH AND CASH EQUIVALENTS	18,966,811	(18,144,467)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	49,652,711	68,619,522
CASH AND CASH EQUIVALENTS AT END OF PERIOD	¥ 68,619,522	¥ 50,475,055

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

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

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

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

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

As of November 30, 2019, the end of its 32nd fiscal period, United Urban had ownership of, or beneficial interests in, 34 retail properties, 33 office buildings, 18 hotels, 21 residential properties, 1 property which consisted of retail properties and an office building, 2 properties which consisted of an office building and a hotel, and 13 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 32nd fiscal period began on June 1, 2019 and ended on November 30, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property and Equipment

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

	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Buildings and structures	2 - 70 years	2 - 70 years
Machinery and equipment	2 - 24 years	2 - 31 years
Tools, furniture and fixtures	3 - 20 years	3 - 20 years

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

Intangible Assets

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

Long-term Prepaid Expenses

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

Allowance for Doubtful Accounts

In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.

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 ¥9,447 thousand and ¥71,674 thousand of such property taxes and city planning taxes capitalized for the fiscal periods ended May 31, 2019 and November 30, 2019, 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, 2019.

3. PLEDGED ASSETS AND SECURED DEBT

At May 31, 2019 and November 30, 2019, the following assets were pledged as collateral for the following debt:

Pledged Assets

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Land	¥ 2,089,982	¥ 2,089,982
Buildings and structures	1,485,373	1,446,176
Total	¥ 3,575,356	¥ 3,536,158

Debt Secured by Pledged Assets

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Leasehold and security deposits received	¥ 408,171	¥ 408,171
Total	¥ 408,171	¥ 408,171

4. LINE-OF-CREDIT AGREEMENT

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

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
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

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

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Buildings in trust	¥ 39,608	¥ 39,608

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

(End of 31st Fiscal Period: As of May 31, 2019)

	(Thousands of yen)					
	Initial amount	Balance at beginning of period	Addition to the reserve during the period	Reversal during the period	Balance at end of period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	7,319,996	-	75,463	7,244,532	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	66,949	-	669	66,279	Appropriation for cash distribution
	76,099	-	76,099	-	76,099	A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. was transferred to reserve for temporary difference adjustments in the "statement of cash distribution" of the fiscal period ended November 30, 2018.

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

(End of 32nd Fiscal Period: As of November 30, 2019)

(Thousands of yen)

	Initial amount	Balance at beginning of period	Addition to the reserve during the period	Reversal during the period	Balance at end of period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	7,244,532	-	75,463	7,169,068	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	66,279	-	669	65,610	Appropriation for cash distribution
	76,099	76,099	-	760	75,338	
	63,132	-	63,132	-	63,132	A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. was transferred to reserve for temporary difference adjustments in the "statement of cash distribution" of the fiscal period ended May 31, 2019.

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

7. 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.

8. LONG-TERM DEBT

Long-term debt at May 31, 2019 and November 30, 2019 consisted of the following:

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	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 June 20, 2019	¥ 4,500,000	0.693% (Note 2)	-	-
Unsecured loan from a bank at fixed interest rate, due June 20, 2019	2,200,000	0.960%	-	-
Unsecured loan from a bank at floating interest rate, due June 20, 2019	2,000,000	0.523% (Note 2)	-	-
Unsecured loan from a bank at fixed interest rate, due June 20, 2019	1,000,000	1.056%	-	-
Unsecured loan from an insurance company at fixed interest rate, due September 20, 2019	1,000,000	0.511%	-	-
Unsecured loan from banks at floating interest rate, due September 20, 2019	6,207,000	0.555% (Note 2)	-	-
Unsecured loan from a bank at fixed interest rate, due September 20, 2019	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%

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	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 March 23, 2020	2,417,000	0.617% (Note 2)	2,417,000	0.617% (Note 2)
Unsecured loan from a bank at floating interest rate, due March 23, 2020	1,300,000	0.640% (Note 2)	1,300,000	0.640% (Note 2)
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 2)	6,150,000	0.631% (Note 2)
Unsecured loan from a bank at floating interest rate, due June 22, 2020	1,000,000	0.550% (Note 2)	1,000,000	0.550% (Note 2)
Unsecured loan from banks at floating interest rate, due September 23, 2020	2,000,000	0.527% (Note 2)	2,000,000	0.527% (Note 2)
Unsecured loan from a bank at floating interest rate, due September 23, 2020	500,000	0.428% (Note 2)	500,000	0.428% (Note 2)
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	4,500,000	0.668% (Note 2)	4,500,000	0.668% (Note 2)
Unsecured loan from a trust bank at floating interest rate, due September 23, 2020	3,283,000	0.668% (Note 2)	3,283,000	0.668% (Note 2)
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 2)	1,000,000	0.509% (Note 2)
Unsecured loan from an insurance company at floating interest rate, due December 21, 2020	1,000,000	0.230% (Note 2)	1,000,000	0.230% (Note 2)
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 2)	1,000,000	0.217% (Note 2)
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 2)	5,800,000	0.850% (Note 2)
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 2)	2,000,000	0.619% (Note 2)
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,000,000	0.311%	1,000,000	0.321%
Unsecured loan from a bank at floating interest rate, due June 21, 2021	2,000,000	0.311%	2,000,000	0.321%
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	1,000,000	0.261%	1,000,000	0.271%
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,700,000	0.737% (Note 2)	1,700,000	0.737% (Note 2)
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,000,000	0.872% (Note 2)	1,000,000	0.872% (Note 2)
Unsecured loan from a bank at floating interest rate, due June 21, 2021	1,000,000	0.770% (Note 2)	1,000,000	0.770% (Note 2)
Unsecured loan from a bank at floating interest rate, due September 21, 2021	500,000	0.559% (Note 2)	500,000	0.559% (Note 2)
Unsecured loan from a bank at floating interest rate, due September 21, 2021	1,500,000	0.311%	1,500,000	0.321%
Unsecured loan from a bank at floating interest rate, due December 20, 2021	2,900,000	0.612% (Note 2)	2,900,000	0.612% (Note 2)

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	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 December 20, 2021	3,000,000	0.670% (Note 2)	3,000,000	0.670% (Note 2)
Unsecured loan from a bank at floating interest rate, due March 22, 2022	2,400,000	0.311%	2,400,000	0.321%
Unsecured loan from an insurance company at fixed interest rate, due March 22, 2022	1,000,000	0.455%	1,000,000	0.455%
Unsecured loan from a bank at fixed interest rate, due March 22, 2022	1,000,000	0.448%	1,000,000	0.448%
Unsecured loan from a bank at fixed interest rate, due March 22, 2022	1,000,000	0.342%	1,000,000	0.342%
Unsecured loan from a trust bank at fixed interest rate, due March 22, 2022	2,600,000	1.030%	2,600,000	1.030%
Unsecured loan from a bank at floating interest rate, due March 22, 2022	3,000,000	0.661% (Note 2)	3,000,000	0.661% (Note 2)
Unsecured loan from a bank at floating interest rate, due June 20, 2022	2,000,000	0.672% (Note 2)	2,000,000	0.672% (Note 2)
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 trust bank at floating interest rate, due June 20, 2022	1,000,000	0.261%	1,000,000	0.271%
Unsecured loan from a bank at floating interest rate, due September 20, 2022	500,000	0.685% (Note 2)	500,000	0.685% (Note 2)
Unsecured loan from a bank at floating interest rate, due September 20, 2022	1,000,000	0.885% (Note 2)	1,000,000	0.885% (Note 2)
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 2)	1,500,000	0.370% (Note 2)
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	0.361%	1,000,000	0.371%
Unsecured loan from a bank at floating interest rate, due March 20, 2023	2,000,000	0.490% (Note 2)	2,000,000	0.490% (Note 2)
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	0.411%	1,000,000	0.421%
Unsecured loan from a bank at floating interest rate, due September 20, 2023	1,300,000	0.749% (Note 2)	1,300,000	0.749% (Note 2)
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 bank at fixed interest rate, due September 20, 2023	-	-	4,000,000	0.300%
Unsecured loan from a bank at fixed interest rate, due December 20, 2023	1,000,000	0.306%	1,000,000	0.306%
Unsecured loan from a bank at floating interest rate, due March 21, 2024	1,000,000	0.625% (Note 2)	1,000,000	0.625% (Note 2)
Unsecured loan from a trust bank at floating interest rate, due March 21, 2024	1,000,000	0.341%	1,000,000	0.351%
Unsecured loan from a bank at fixed interest rate, due March 21, 2024	1,000,000	0.565%	1,000,000	0.565%

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	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 21, 2024	1,500,000	0.411%	1,500,000	0.421%
Unsecured loan from a bank at floating interest rate, due March 21, 2024	1,000,000	0.191%	1,000,000	0.191%
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 floating interest rate, due June 20, 2024	2,700,000	0.411%	2,700,000	0.421%
Unsecured loan from a bank at floating interest rate, due June 20, 2024	1,500,000	0.291%	1,500,000	0.301%
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%	1,000,000	0.633%
Unsecured loan from a bank at floating interest rate, due September 20, 2024	1,500,000	0.411%	1,500,000	0.421%
Unsecured loan from a bank at fixed interest rate, due September 20, 2024	1,500,000	0.428%	1,500,000	0.428%
Unsecured loan from an insurance company at fixed interest rate, due September 20, 2024	-	-	1,000,000	0.320%
Unsecured loan from a bank at floating interest rate, due December 20, 2024	1,400,000	0.361%	1,400,000	0.371%
Unsecured loan from a bank at fixed interest rate, due December 20, 2024	3,000,000	0.430%	3,000,000	0.430%
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 bank at fixed interest rate, due March 21, 2025	3,500,000	0.489%	3,500,000	0.489%
Unsecured loan from a bank at fixed interest rate, due March 21, 2025	2,000,000	0.639%	2,000,000	0.639%
Unsecured loan from a bank at fixed interest rate, due March 21, 2025	1,000,000	0.489%	1,000,000	0.489%
Unsecured loan from a bank at fixed interest rate, due March 21, 2025	1,000,000	0.624%	1,000,000	0.624%
Unsecured loan from a bank at fixed interest rate, due March 21, 2025	1,000,000	0.524%	1,000,000	0.524%
Unsecured loan from a bank at fixed interest rate, due June 20, 2025	2,200,000	0.423%	2,200,000	0.423%
Unsecured loan from a trust bank at floating interest rate, due September 22, 2025	3,000,000	0.401%	3,000,000	0.411%
Unsecured loan from a bank at fixed interest rate, due September 22, 2025	1,000,000	0.466%	1,000,000	0.466%
Unsecured loan from a bank at fixed interest rate, due September 22, 2025	1,000,000	0.466%	1,000,000	0.466%
Unsecured loan from a bank at fixed interest rate, due September 22, 2025	1,000,000	0.466%	1,000,000	0.466%
Unsecured loan from a trust bank at fixed interest rate, due December 22, 2025	2,000,000	0.627%	2,000,000	0.627%
Unsecured loan from a bank at fixed interest rate, due December 22, 2025	4,000,000	0.323%	4,000,000	0.323%
Unsecured loan from a bank at fixed interest rate, due March 23, 2026	2,000,000	0.460%	2,000,000	0.460%
Unsecured loan from a bank at fixed interest rate, due March 23, 2026	4,500,000	0.569%	4,500,000	0.569%
Unsecured loan from a bank at fixed interest rate, due March 23, 2026	1,600,000	0.313%	1,600,000	0.313%
Unsecured loan from a bank at fixed interest rate, due June 22, 2026	2,400,000	0.544%	2,400,000	0.544%
Unsecured loan from a bank at fixed interest rate, due June 22, 2026	3,000,000	0.474%	3,000,000	0.474%
Unsecured loan from a bank at fixed interest rate, due September 24, 2026	1,500,000	0.440%	1,500,000	0.440%
Unsecured loan from banks, a trust bank, and a federation at floating interest rate, due December 21, 2026	4,000,000	0.495%	4,000,000	0.495%
		(Note 2)		(Note 2)

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	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 and a federation at floating interest rate, due December 21, 2026	3,000,000	0.391% (Note 2)	3,000,000	0.391% (Note 2)
Unsecured loan from an insurance company at fixed interest rate, due March 23, 2027	1,000,000	0.756%	1,000,000	0.756%
Unsecured loan from an insurance company at fixed interest rate, due March 23, 2027	1,000,000	0.656%	1,000,000	0.656%
Unsecured loan from a trust bank at floating interest rate, due June 21, 2027	2,500,000	0.371%	2,500,000	0.381%
Unsecured loan from a bank at fixed interest rate, due June 21, 2027	2,800,000	0.465%	2,800,000	0.465%
Unsecured loan from a bank at floating interest rate, due June 21, 2027	2,000,000	0.311%	2,000,000	0.321%
Unsecured loan from a bank at fixed interest rate, due September 21, 2027	3,800,000	0.465%	3,800,000	0.465%
Unsecured loan from a bank at floating interest rate, due September 21, 2027	3,500,000	0.426% (Note 2)	3,500,000	0.426% (Note 2)
Unsecured loan from a bank at fixed interest rate, due September 21, 2027	-	-	1,000,000	0.414%
Unsecured loan from a trust bank at floating interest rate, due December 20, 2027	2,500,000	0.401%	2,500,000	0.411%
Unsecured loan from a bank at fixed interest rate, due September 20, 2028	2,000,000	0.570%	2,000,000	0.570%
Unsecured loan from a bank at fixed interest rate, due December 20, 2028	3,000,000	0.470%	3,000,000	0.470%
Unsecured loan from a trust bank at fixed interest rate, due September 29, 2023 (Green finance)	10,000,000	0.250%	10,000,000	0.250%
Unsecured loan from a trust bank at fixed interest rate, due March 29, 2024 (Green finance)	2,500,000	0.290%	2,500,000	0.290%
Unsecured loan from a trust bank at fixed interest rate, due March 31, 2026 (Green finance)	2,000,000	0.390%	2,000,000	0.390%
Total	¥ 255,884,000		¥ 243,777,000	

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. 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.

9. CORPORATE BONDS

Corporate bonds at May 31, 2019 and November 30, 2019 consisted of the following:

	End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
	Amount (Thousands of yen)	Interest rate	Amount (Thousands of yen)	Interest rate
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%
Series 17 unsecured bonds, due November 22, 2023	10,000,000	0.240%	10,000,000	0.240%
Series 18 unsecured bonds, due May 22, 2023	2,000,000	0.230%	2,000,000	0.230%
Series 19 unsecured bonds, due May 22, 2026 (Green finance)	10,000,000	0.448%	10,000,000	0.448%
Total	¥ 27,000,000		¥ 27,000,000	

10. OPERATING REVENUES AND EXPENSES

Operating revenues and expenses for the fiscal periods ended May 31, 2019 and November 30, 2019 were as follows:

	Thousands of yen	
	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Operating Revenues	¥ 24,215,491	¥ 24,671,381
Rental Revenues	22,549,715	22,720,890
Rental revenues	20,010,185	20,160,511
Common area charges	1,625,917	1,631,700
Parking revenues	755,828	766,005
Other	157,784	162,672
Other Rental Revenues	1,665,775	1,950,491
Incidental revenues	1,449,458	1,668,414
Temporary revenues (including cancellation charges)	116,886	187,855
Other miscellaneous revenues	99,430	94,221
Property-Related Expenses	11,506,906	10,870,357
Property and other taxes	1,892,698	2,006,189
Property management fees	1,758,394	1,770,947
Utilities	1,473,913	1,617,597
Casualty insurance	24,748	24,157
Repairs and maintenance	1,824,671	905,611
Depreciation and amortization	4,050,634	4,132,956
Other rental expenses	481,845	412,897
Profit from rental activities	¥ 12,708,585	¥ 13,801,023

11. GAIN ON SALES OF REAL ESTATE PROPERTIES

There was no gain on sales of real estate properties for the fiscal period ended November 30, 2019. In addition, gain on sales of real estate properties for the fiscal periods ended May 31, 2019 was as follows:

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

<u>Himonya Shopping Center (Note)</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 8,250,000
Cost of sales of real estate properties	5,165,275
Other sales expenses	109,289
Gain on sales of real estate properties	¥ 2,975,435

Note: As for Himonya Shopping Center, United Urban sold its 30% quasi co-ownership of the trust beneficial interest.

<u>Maison Ukima</u>	Thousands of yen
Revenue from sales of real estate properties	¥ 3,190,000
Cost of sales of real estate properties	3,072,693
Other sales expenses	91,730
Gain on sales of real estate properties	¥ 25,576

12. INCOME TAXES

The significant components of deferred tax assets and deferred tax liabilities at May 31, 2019 and November 30, 2019 were summarized as follows:

End of 31st Fiscal Period (As of May 31, 2019)		End of 32nd Fiscal Period (As of November 30, 2019)	
Deferred tax assets		Deferred tax assets	
Difference in revenue recognition for tax purposes	¥ 58	Difference in revenue recognition for tax purposes	¥ 29,315
Difference in expense recognition for tax purposes	21,551	Difference in expense recognition for tax purposes	21,517
Valuation difference on assets acquired by merger	18,857,538	Valuation difference on assets acquired by merger	18,763,147
Excess allowance for doubtful accounts	572	Excess allowance for doubtful accounts	571
Other	318	Other	307
Subtotal	18,880,039	Subtotal	18,814,859
Valuation allowance	(18,880,039)	Valuation allowance	(18,814,859)
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, 2019 and November 30, 2019 were summarized as follows:

	31st Fiscal Period (As of May 31, 2019)	32nd Fiscal Period (As of November 30, 2019)
Statutory tax rate	31.51%	31.51%
(Adjustment)		
Distributions of tax-deductible dividends	(28.38)%	(31.91)%
Changes in valuation allowance	(0.17)%	0.12%
Provision of reserve for reduction entry	(2.97)%	-
Reversal of reserve for reduction entry	-	0.28%
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 31st fiscal period, United Urban added reversal of reserve for temporary difference adjustments of ¥76,894 thousand to the unappropriated retained earnings of ¥12,413,047 thousand, and reserved ¥72,136 thousand as reserve retained for distribution, ¥63,132 thousand as reserve for temporary difference adjustments, and ¥1,170,000 thousand as reserve for reduction entry under Article 65-7 of the Act on Special Measures Concerning Taxation of Japan. Then, United Urban decided to distribute the remaining ¥11,184,673 thousand for the 31st fiscal period. For the 32nd fiscal period, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525 thousand and reversal of reserve for reduction entry of ¥93,000 thousand to the unappropriated retained earnings of ¥10,543,501 thousand, and reserved ¥2,539 thousand, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥10,711,487 thousand for the 32nd 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.

13. 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, 2019 and November 30, 2019 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 31st Fiscal Period: As of May 31, 2019)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 40,017,152	¥ 40,017,152	-
(2) Cash and bank deposits in trust	28,602,370	28,602,370	-
Total assets	¥ 68,619,522	¥ 68,619,522	-
(3) Long-term debt due for repayment within one year	29,251,000	29,309,721	¥ 58,721
(4) Corporate bonds	27,000,000	27,055,300	55,300
(5) Long-term debt	226,633,000	228,784,189	2,151,189
Total liabilities	¥ 282,884,000	¥ 285,149,210	¥ 2,265,210
(6) Derivative transactions (*)	¥ (125,202)	¥ (125,202)	-
Total derivative transactions	¥ (125,202)	¥ (125,202)	-

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

(End of 32nd Fiscal Period: As of November 30, 2019)

	Carrying amounts on the balance sheet	Fair value (Note 1)	Differences
(1) Cash and bank deposits	¥ 22,373,357	¥ 22,373,357	-
(2) Cash and bank deposits in trust	28,101,697	28,101,697	-
Total assets	¥ 50,475,055	¥ 50,475,055	-
(3) Long-term debt due for repayment within one year	35,377,000	35,465,593	¥ 88,593
(4) Corporate bonds	27,000,000	26,998,000	(2,000)
(5) Long-term debt	208,400,000	210,569,847	2,169,847
Total liabilities	¥ 270,777,000	¥ 273,033,440	¥ 2,256,440

(6) Derivative transactions (*)	¥ (70,871)	¥ (70,871)	-
Total derivative transactions	¥ (70,871)	¥ (70,871)	-

(*) 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) Long-term debt due for repayment within one year / (5) 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 "21. 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.

(4) Corporate bonds

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

(6) Derivative transactions

Please refer to "21. DERIVATIVE TRANSACTIONS".

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

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Leasehold and security deposits received (*)	¥ 2,980,731	¥ 3,009,939
Leasehold and security deposits received in trust (*)	28,839,071	29,195,792

(*) 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 31st Fiscal Period: As of May 31, 2019)

	(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	¥ 40,017,152	-	-	-	-	-
Cash and bank deposits in trust	28,602,370	-	-	-	-	-
Total	¥ 68,619,522	-	-	-	-	-

(End of 32nd Fiscal Period: As of November 30, 2019)

	(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	¥ 22,373,357	-	-	-	-	-
Cash and bank deposits in trust	28,101,697	-	-	-	-	-
Total	¥ 50,475,055	-	-	-	-	-

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

(End of 31st Fiscal Period: As of May 31, 2019)

	(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	-	-	¥ 3,000,000	¥ 2,000,000	¥ 10,000,000	¥ 12,000,000
Long-term debt	¥ 29,251,000	¥ 49,933,000	27,600,000	32,900,000	25,100,000	91,100,000
Total	¥ 29,251,000	¥ 49,933,000	¥ 30,600,000	¥ 34,900,000	¥ 35,100,000	¥ 103,100,000

(End of 32nd Fiscal Period: As of November 30, 2019)

(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	-	¥ 3,000,000	-	¥ 12,000,000	-	¥ 12,000,000
Long-term debt	¥ 35,377,000	36,400,000	¥ 28,900,000	41,000,000	¥ 22,900,000	79,200,000
Total	¥ 35,377,000	¥ 39,400,000	¥ 28,900,000	¥ 53,000,000	¥ 22,900,000	¥ 91,200,000

14. 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, 2019 and November 30, 2019 are as follows:

(Thousands of yen)

Type of Use		31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Retail properties	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 178,431,002	¥ 185,228,356
	Change during period	6,797,353	(566,947)
	Balance at end of period	¥ 185,228,356	¥ 184,661,408
	Fair value at end of period	¥ 215,579,000	¥ 215,529,000
Office buildings	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 196,940,256	¥ 196,455,876
	Change during period	(484,380)	(612,518)
	Balance at end of period	¥ 196,455,876	¥ 195,843,358
	Fair value at end of period	¥ 251,486,000	¥ 257,614,000
Hotels	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 132,878,983	¥ 137,324,520
	Change during period	4,445,536	17,967,518
	Balance at end of period	¥ 137,324,520	¥ 155,292,038
	Fair value at end of period	¥ 162,573,000	¥ 182,751,000
Residential properties	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 40,987,910	¥ 40,477,817
	Change during period	(510,092)	(355,983)
	Balance at end of period	¥ 40,477,817	¥ 40,121,833
	Fair value at end of period	¥ 52,925,000	¥ 53,542,000
Others	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 49,526,212	¥ 49,377,367
	Change during period	(148,845)	(209,754)
	Balance at end of period	¥ 49,377,367	¥ 49,167,612
	Fair value at end of period	¥ 63,863,000	¥ 64,758,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	¥ 598,764,365	¥ 608,863,937
	Change during period	10,099,572	16,222,314
	Balance at end of period	¥ 608,863,937	¥ 625,086,252
	Fair value at end of period	¥ 746,426,000	¥ 774,194,000

- Notes: 1. The carrying amount on the balance sheet is the acquisition cost (including the expenses incidental to the acquisition) less accumulated depreciation.
2. Of the "Change during the period" for the 31st fiscal period, the amount of the increase is primarily attributable to acquisition of three properties (total: ¥19,638 million), additional acquisition of the existing property (¥590 million), and capital expenditures (¥2,870 million). And the amount of the decrease is primarily attributable to the sale of two properties (for one of two properties, part of the ownership) (total: ¥8,237 million) and the depreciation and amortization (¥4,042 million).
Of the "Change during the period" for the 32nd fiscal period, the amount of the increase is primarily attributable to acquisition of two properties (total: ¥17,976 million) and capital expenditures (¥2,373 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥4,125 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 "10. OPERATING REVENUES AND EXPENSES."

15. TRANSACTIONS WITH RELATED PARTIES

1. Parent Company and Major Corporate Unitholders

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

None

(32nd Fiscal Period: June 1, 2019 – November 30, 2019)

None

2. Subsidiaries and Affiliates

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

None

(32nd Fiscal Period: June 1, 2019 – November 30, 2019)

None

3. Fellow Subsidiaries

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

None

(32nd Fiscal Period: June 1, 2019 – November 30, 2019)

None

4. Directors and Major Individual Unitholders

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

None

(32nd Fiscal Period: June 1, 2019 – November 30, 2019)

None

16. 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, 2019 and November 30, 2019 for the fiscal periods then ended are summarized as follows:

	Yen	
	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)
Net assets per unit	¥ 117,112	¥ 118,002
Net income per unit	¥ 4,063	¥ 3,388
Average number of investment units during the period (units)	3,055,087	3,111,123

17. RESERVE FOR TEMPORARY DIFFERENCE ADJUSTMENTS

(End of 31st Fiscal Period: As of May 31, 2019)

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

(End of 32nd Fiscal Period: As of November 30, 2019)

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

18. SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents at May 31, 2019 and November 30, 2019 were as follows:

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Cash and bank deposits	¥ 68,619,522	¥ 50,475,055
Cash and cash equivalents	¥ 68,619,522	¥ 50,475,055

19. LEASES

United Urban leases properties on which rental revenue is earned. At May 31, 2019 and November 30, 2019, future lease revenues under non-cancelable operating leases are summarized as follows:

	Thousands of yen	
	End of 31st Fiscal Period (As of May 31, 2019)	End of 32nd Fiscal Period (As of November 30, 2019)
Due within one year	¥ 13,248,269	¥ 14,284,749
Due over one year	71,877,041	85,420,645
Total	¥ 85,125,310	¥ 99,705,395

20. SECURITIES

(End of 31st Fiscal Period: As of May 31, 2019)

None

(End of 32nd Fiscal Period: As of November 30, 2019)

None

21. DERIVATIVE TRANSACTIONS

1. Derivative transactions not subject to hedge accounting

Fiscal period ended May 31, 2019: None

Fiscal period ended November 30, 2019: None

2. Derivative transactions subject to hedge accounting

(End of 31st Fiscal Period: As of May 31, 2019)

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	¥ 40,557,000	¥ 25,433,000	¥ (125,202)	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	39,000,000	37,700,000	(Note 1)	-
Total			¥ 79,557,000	¥ 63,133,000	¥ (125,202)	

(End of 32nd Fiscal Period: As of November 30, 2019)

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	¥ 27,850,000	¥ 11,500,000	¥ (70,871)	(Note 2)
Special treatment of interest-rate swaps	Interest-rate swaps (fixed rate payable and floating rate receivable)	Long-term debt	39,000,000	34,200,000	(Note 1)	-
Total			¥ 66,850,000	¥ 45,700,000	¥ (70,871)	

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.

22. SEGMENT INFORMATION

[Segment Information]

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

[Related Information]

(31st Fiscal Period: December 1, 2018 – May 31, 2019)

1. Information by product and service

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

2. Information by region

(1) Operating revenues

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

(2) Property and equipment

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

3. Information by major customers

(Thousands of yen)		
Name of customer	Operating revenues	Related segment
Undisclosed (Note)	¥ 3,069,993	Real estate leasing business

Note: The customer is a domestic corporation, but it is not disclosed as the customer's consent for disclosure of its name, etc. has not been obtained. The customer does not fall under the related parties.

(32nd Fiscal Period: June 1, 2019 – November 30, 2019)

1. Information by product and service

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

2. Information by region

(1) Operating revenues

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

(2) Property and equipment

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

3. Information by major customers

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

23. UNAPPLIED ACCOUNTING STANDARD, etc.

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

(1) Overview

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

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

(2) Scheduled date of the application

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

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

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

- “Accounting Standard for Fair Value Measurement” (Corporate Accounting Standards No. 30 issued by ASBJ on July 4, 2019)
- “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Implementation Guidance of Corporate Accounting Standards No. 31 issued by ASBJ on July 4, 2019)

(1) Overview

IASB and FASB have established detailed guidance for fair value measurement (IFRS 13 “Fair Value Measurement” by IFRS and Topic 820 “Fair Value Measurement” by FASB). In order to improve the comparability between the international accounting standard and Japanese accounting standard, ASBJ has mainly considered guidance and disclosure on fair value of financial instruments and published the accounting standard and implementation guidance for fair value measurement accordingly.

(2) Scheduled date of the application

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

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

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

24. SUBSEQUENT EVENTS

None

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, 2019, 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, 2019, and its financial performance and cash flows for the six-month period then ended in conformity with accounting principles generally accepted in Japan.

Ernst & Young ShinNihon LLC

February 26, 2020

Corporate Data

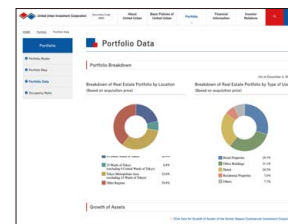
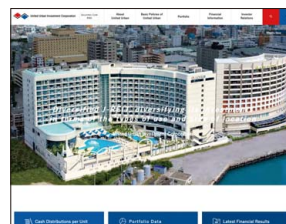
Set out below is certain corporate data of United Urban Investment Corporation (“United Urban”) as of November 30, 2019:

Corporate Name:	United Urban Investment Corporation
Corporate Office:	Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo 105-6018, Japan
Date of Incorporation:	November 4, 2003
Paid-in Capital:	¥319,973,305,251
Number of Unitholders:	18,860
Transfer Agent:	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Business Office of the Transfer Agent:	Stock Transfer Agency Department of Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063, Japan
Independent Auditor:	ERNST & YOUNG SHINNIHON LLC Tokyo Midtown Hibiya, Hibiya Mitsui Tower, 1-1-2 Yuraku-cho, Chiyoda-ku, Tokyo 100-0006, Japan
Stock Listing:	Tokyo Stock Exchange (Securities Code: 8960)
Fiscal Period:	Fiscal periods are the six months ending on May 31 and November 30
Investor Relations:	For further information, please contact our asset management company: Japan REIT Advisors Co., Ltd. Chief Financial Officer Shiroyama Trust Tower 18F, 4-3-1 Toranomon, Minato-ku, Tokyo 105-6018, Japan Tel: +81-3-5402-3680

About Our Website

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

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



Disclaimer

This semiannual report includes translation of certain documents originally filed and made available in Japan in accordance with Financial Instruments and Exchange Act of Japan and the Act on Investment Trusts and Investment Corporations of Japan. This English language semiannual report was prepared solely for the convenience of readers outside Japan and is not intended to constitute a statutory document for an offer to sell, or seeking an offer to buy, any securities of United Urban.

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

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

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

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

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



United Urban Investment Corporation

4-3-1 Toranomom, Minato-ku, Tokyo
<https://www.united-reit.co.jp/en/>