

January 18, 2013

**SUMMARY OF FINANCIAL REPORT FOR THE EIGHTEENTH FISCAL PERIOD  
ENDED NOVEMBER 30, 2012 (June 1, 2012 – November 30, 2012)**

United Urban Investment Corporation (United Urban) is listed on the Tokyo Stock Exchange with the securities code number 8960. (URL: <http://www.united-reit.co.jp>)

Executive Officer : Hisamitsu Abe  
Asset Management Company : Japan REIT Advisors Co., Ltd.  
Kenichiro Oikawa  
President and CEO  
Inquiries : Kenichi Natsume  
Chief Financial Officer  
TEL: +81-3-5402-3680

Scheduled date of filing of Securities Report: February 27, 2013  
Scheduled date for commencing dividend payments: February 15, 2013

*The figures have been rounded down to the nearest one million yen, unless otherwise indicated.*

**1. PERFORMANCE FOR THE EIGHTEENTH FISCAL PERIOD (June 1, 2012- November 30, 2012)**

(1) Business Results

(Millions of yen, unless otherwise indicated)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	(Percentage change)		(Percentage change)		(Percentage change)		(Percentage change)	
Eighteenth Fiscal Period	15,973	1.4%	7,003	0.6%	4,635	(4.4)%	4,635	(4.4)%
Seventeenth Fiscal Period	15,759	1.3%	6,959	(1.0)%	4,850	4.3%	4,849	4.3%

  

	Net Income per Unit (Yen)	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
Eighteenth Fiscal Period	2,203	2.3%	1.0%	29.0%
Seventeenth Fiscal Period	2,305	2.4%	1.1%	30.8%

(Note)

“Percentage change” is the percentage of increase or decrease from the previous period.

(2) Distribution

(Millions of yen, unless otherwise indicated)

	Distribution per Unit (Yen) (Note 2)	Total Cash Distribution	Distribution in Excess of Earnings per Unit (Yen)	Total Distribution in Excess of Earnings (Yen)	Payout Ratio (Note 3)	Distribution Ratio to Unitholders’ Equity
Eighteenth Fiscal Period	2,750	5,784	0	0	124.7%	2.8%
Seventeenth Fiscal Period	2,750	5,784	0	0	119.2%	2.8%

(Notes)

- The resource for distribution of the Seventeenth Fiscal Period and the Eighteenth Fiscal Period is a total of net income and reversal of reserve for distribution. Therefore, those amounts differ from net income, respectively.
- “Distribution per Unit” does not include distribution in excess of earnings per unit.
- “Payout Ratio” is rounded down to the nearest one decimal place.

(3) Financial Position

(Millions of yen, unless otherwise indicated)

	Total Assets	Total Unitholders’ Equity (Net Asset)	Equity Ratio	Net Asset per Unit (Yen)
Eighteenth Fiscal Period	462,503	204,533	44.2%	97,240
Seventeenth Fiscal Period	457,026	205,682	45.0%	97,786

## (4) Conditions of Cash Flows

(Millions of yen)				
	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
Eighteenth Fiscal Period	8,001	(7,957)	805	37,627
Seventeenth Fiscal Period	9,329	(11,233)	997	36,777

**2. FORECASTS OF RESULTS FOR THE NINETEENTH FISCAL PERIOD (December 1, 2012 – May 31, 2013) AND THE TWENTIETH FISCAL PERIOD (June 1, 2013 – November 30, 2013)**

(Millions of yen, unless otherwise indicated)										
	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distribution per Unit (Yen) (Note 2) (Note 3)	Distribution in Excess of Earnings per Unit (Yen)
	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)		
Nineteenth Fiscal Period	15,466 (3.2)%	6,478 (7.5) %	4,692 1.2%	4,692 1.2%	4,692 1.2%	4,692 1.2%	2,750		2,750	0
Twentieth Fiscal Period	15,682 1.4%	6,401 (1.2)%	4,901 4.5%	4,901 4.5%	4,901 4.5%	4,901 4.5%	2,750		2,750	0

[Reference] Estimated net income per unit (full business year): Nineteenth Fiscal Period ¥2,230, Twentieth Fiscal Period ¥2,330

(Notes)

1. "Percentage change" is the percentage of increase or decrease from the previous period.
2. "Distribution per Unit" does not include distribution in excess of earnings per unit.
3. Regarding the Nineteenth Fiscal Period and the Twentieth Fiscal Period, United Urban will make a distribution by reducing some of the reserve for distribution.

**3. OTHERS**

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

- A. Changes of accounting policies in accordance with revision of accounting rules: Not Applicable
- B. Changes of accounting policies other than A above: Not Applicable
- C. Changes in accounting estimate: Not Applicable
- D. Restatement: Not Applicable

## (2) Number of Investment Units Issued and Outstanding

- A. Number of investment units issued and outstanding at the end of the fiscal period (including treasury investment units)
  - The eighteenth fiscal period (ended November 30, 2012): 2,103,383 units
  - The seventeenth fiscal period (ended May 31, 2012): 2,103,383 units
- B. Treasury investment units at the end of the fiscal period
  - The eighteenth fiscal period (ended November 30, 2012): Nil
  - The seventeenth fiscal period (ended May 31, 2012): Nil

## (3) Rounding of Fractions of Amount and Ratio

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

Description of implementation status of audit procedure

- As of January 18, 2013, audit procedure of financial statements under the Financial Instruments and Exchange Act has not been completed.

Explanation for appropriate use of result forecasts and other special instructions

- Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations around United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of assumptions, please refer to the “Assumptions for the Forecast of Financial Results for the Nineteenth Fiscal Period Ending May 31, 2013 and the Twentieth Fiscal Period Ending November 30, 2013” below.

Assumptions for the Forecast of Financial Results for the Nineteenth Fiscal Period  
Ending May 31, 2013 and the Twentieth Fiscal Period Ending November 30, 2013

Item	Assumptions
Terms	<ul style="list-style-type: none"> <li>· Nineteenth fiscal period: from December 1, 2012 to May 31, 2013 (182 days)</li> <li>· Twentieth fiscal period: from June 1, 2013 to November 30, 2013 (183 days)</li> </ul>
Investment Assets	<ul style="list-style-type: none"> <li>· The forecast of financial results is based on the assumption that, other than the sale of “Pacific Marks Shinkawa” as of December 27, 2012, there will be no change in the investment portfolio (and United Urban shall not acquire or sell any investment assets, etc.) of the 94 properties which United Urban owned as of the end of the eighteenth fiscal period (November 30, 2012) until the end of the twentieth fiscal period (November 30, 2013).</li> <li>· However, the actual results may fluctuate due to changes in the investment portfolio.</li> </ul>
Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> <li>· The number of investment units issued and outstanding is based on 2,103,383 units as of January 18, 2013.</li> <li>· The forecast is also based on the assumption that there will be no additional issuance of investment units until the end of the twentieth fiscal period (November 30, 2013).</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>· Operating revenues are calculated based on lease agreements in effect as of January 18, 2013 by taking into account the expected rent and estimated occupancy ratio in future, and in view of the existence of neighboring competitive properties and market trends and other conditions.</li> <li>· United Urban anticipates rental revenues (including common area charges) of ¥13,805 million for the nineteenth fiscal period and ¥13,976 million for the twentieth fiscal period, respectively.</li> <li>· United Urban anticipates parking revenues of ¥401 million for the nineteenth fiscal period and ¥404 million for the twentieth fiscal period, respectively.</li> <li>· United Urban anticipates utility revenues (electricity, water, gas, etc.) from tenants of ¥940 million for the nineteenth fiscal period and ¥1,050 million for the twentieth fiscal period, respectively.</li> <li>· Operating revenues are based on the assumption that there are no back rents or nonpayment by tenants.</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>· Of the property-related expenses, which are the principal component of the operating expenses, the expenses other than depreciation and amortization are calculated based on historical data, and reflect factors that may cause fluctuations in expenses.</li> <li>· United Urban assumes it will incur ¥1,311 million as taxes and public charges (property taxes and city planning taxes, etc.) concerning its investment assets for the nineteenth fiscal period and ¥1,330 million for the twentieth fiscal period, respectively. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period starting from the time United Urban acquires the assets. However, United Urban does not allocate such reimbursement as its expenses, because an amount equivalent to such reimbursement is included in the cost of acquisition.</li> <li>· United Urban assumes it will incur ¥1,091 million as property management fees for the nineteenth fiscal period and ¥1,070 million for the twentieth fiscal period, respectively.</li> <li>· United Urban assumes it will incur ¥990 million as utilities for the nineteenth fiscal period and ¥1,140 million for the twentieth fiscal period, respectively.</li> <li>· United Urban assumes it will incur ¥344 million as repairs and maintenance of buildings for the nineteenth fiscal period and ¥439 million for the twentieth fiscal period, respectively. However, please note that the actual expenses incurred for repairs and maintenance for each fiscal period may possibly differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damages to buildings owing to unexpected factors, the increasing variance with every passing fiscal period and the amounts not accruing on a regular basis.</li> <li>· Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future additional capital expenditures. United Urban assumes it will incur ¥3,198 million as depreciation and amortization for the nineteenth fiscal period and ¥3,268 million for the twentieth fiscal period, respectively.</li> </ul>

<p>Non-Operating Expenses</p>	<ul style="list-style-type: none"> <li>United Urban assumes it will incur, as a one-off expense for the nineteenth fiscal period, ¥89 million as expenses associated with the issuance of Series 10 of Unsecured Corporate Bonds issued on December 12, 2012 and Series 9 of Unsecured Corporate Bonds issued on December 19, 2012.</li> <li>United Urban assumes it will incur ¥1,634 million as interest expenses for interest-bearing liabilities (including financing-related expenses and interest expenses on corporate bonds, etc.) for the nineteenth fiscal period and ¥1,440 million for the twentieth fiscal period, respectively.</li> </ul>
<p>Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> <li>During the nineteenth fiscal period there were repayments of the existing borrowings associated with issuances of corporate bonds in December 2012.</li> <li>As of January 18, 2013, the balance of interest-bearing liabilities is ¥226,356 million (the balance of borrowings: ¥150,856 million and the balance of corporate bonds: ¥75,500 million).</li> <li>During the nineteenth fiscal period after January 18, 2013, there are existing borrowings that will be due in March 2013. However, United Urban assumes that there will be almost no changes in the balance of interest-bearing liabilities after those refinances.</li> <li>During the twentieth fiscal period, there are existing borrowings that will be due in June and September 2013 and the existing corporate bonds that will be due in June 2013. However, United Urban assumes that there will be almost no changes in the balance of interest-bearing liabilities after those refinances.</li> </ul>
<p>Cash Distribution per Unit</p>	<ul style="list-style-type: none"> <li>Cash distributions (cash distribution per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban.</li> <li>United Urban assumes that it will distribute a total amount of ¥5,784 million, which is a total of unappropriated retained earnings of ¥4,692 million and reversal of reserve for distribution of ¥1,093 million, for the nineteenth fiscal period.</li> <li>United Urban assumes that it will distribute a total amount of ¥5,784 million, which is a total of unappropriated retained earnings of ¥4,901 million and reversal of reserve for distribution of ¥883 million, for the twentieth fiscal period.</li> <li>Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs.</li> </ul>
<p>Distribution in Excess of Earnings per Unit</p>	<ul style="list-style-type: none"> <li>United Urban does not currently plan distribution in excess of earnings (distribution in excess of earnings per unit).</li> </ul>
<p>Others</p>	<ul style="list-style-type: none"> <li>Forecasts are based on the assumption that there will be no amendments to laws, taxation system, accounting standards, listing rules or regulations of the Investment Trust Association, Japan and other regulations which affect aforementioned forecasted figures.</li> <li>Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and the real estate market trends and other conditions.</li> </ul>

#### 4. BALANCE SHEET

(Figures are rounded down to the nearest one thousand yen)

	Seventeenth Fiscal Period (as of May 31, 2012)	Eighteenth Fiscal Period (as of November 30, 2012)
<b>ASSETS</b>		
Current Assets		
Cash and bank deposit	12,415,462	12,326,467
Cash and bank deposit in trust	24,569,540	25,507,953
Rent receivables	238,365	270,948
Prepaid expenses	460,186	87,431
Other	12,056	21,024
<b>Total Current Assets</b>	<b>37,695,611</b>	<b>38,213,825</b>
Fixed Assets		
Property and equipment, at cost		
Buildings	19,680,954	19,940,212
Less accumulated depreciation	1,936,560	2,292,382
Buildings, net	17,744,393	17,647,830
Structures	141,023	145,079
Less accumulated depreciation	73,153	81,165
Structures, net	67,869	63,914
Machinery and equipment	226,171	233,617
Less accumulated depreciation	47,864	60,344
Machinery and equipment, net	178,307	173,273
Tools, furniture and fixtures	7,769	19,298
Less accumulated depreciation	552	1,389
Tools, furniture and fixtures, net	7,217	17,909
Land	39,221,351	39,227,659
Construction in progress	2,799	4,817
Buildings in trust	147,614,250	152,057,284
Less accumulated depreciation	21,984,473	24,596,701
Buildings in trust, net	125,629,777	127,460,583
Structures in trust	1,240,457	1,259,228
Less accumulated depreciation	544,053	588,961
Structures in trust, net	696,403	670,266
Machinery and equipment in trust	1,113,320	1,273,573
Less accumulated depreciation	326,228	397,313
Machinery and equipment in trust, net	787,092	876,260
Tools, furniture and fixtures in trust	185,986	228,649
Less accumulated depreciation	68,024	80,464
Tools, furniture and fixtures in trust, net	117,961	148,185
Land in trust	228,870,572	232,483,446
Construction in progress in trust	359	11,750
<b>Total property and equipment</b>	<b>413,324,104</b>	<b>418,785,896</b>
Intangible assets		
Software	2,660	2,006
Leasehold right	1,149,355	1,149,355
Leasehold right in trust	585,575	585,575
Other intangible assets in trust	252,423	245,758
<b>Total intangible assets</b>	<b>1,990,014</b>	<b>1,982,696</b>
Investments and other assets		
Investment securities	2,408,885	2,212,516
Security deposits paid	10,000	10,000
Security deposits paid in trust	77,939	78,119
Long-term prepaid expenses	1,519,858	1,220,937
<b>Total investments and other assets</b>	<b>4,016,684</b>	<b>3,521,574</b>
<b>Total Fixed Assets</b>	<b>419,330,803</b>	<b>424,290,167</b>
<b>TOTAL ASSETS</b>	<b>457,026,414</b>	<b>462,503,993</b>

(Note) The sum may not equal the total due to rounding.

(Figures are rounded down to the nearest one thousand yen)

	Seventeenth Fiscal Period (as of May 31, 2012)	Eighteenth Fiscal Period (as of November 30, 2012)
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade accounts payable	1,923,434	2,240,075
Current portion of corporate bonds	-	10,000,000
Long-term debt due for repayment within one year	46,988,395	59,880,000
Accrued expenses	907,863	919,945
Dividends payable	30,655	29,692
Income taxes payable	605	605
Consumption taxes payable	366,981	42,031
Rent received in advance	295,313	288,695
Rent received in advance in trust	1,918,201	1,862,964
Deposit received	2,501	4,595
Deposit received in trust	32,697	58,825
Other	1,200,428	1,154,431
<b>Total Current Liabilities</b>	<b>53,667,077</b>	<b>76,481,862</b>
<b>Long-term Liabilities</b>		
Corporate bonds	45,000,000	51,500,000
Long-term debt	127,928,000	105,226,000
Leasehold and security deposits received	3,099,906	3,043,334
Leasehold and security deposits received in trust	21,649,249	21,719,765
<b>Total Long-term Liabilities</b>	<b>197,677,156</b>	<b>181,489,099</b>
<b>Total Liabilities</b>	<b>251,344,233</b>	<b>257,970,962</b>
<b>UNITHOLDERS' EQUITY</b>		
<b>Unitholders' Equity</b>		
Unitholders' capital	165,924,928	165,924,928
Retained earnings		
Investment surplus	23,548,287	23,548,287
Reserve for distribution	11,359,014	10,424,661
Unappropriated retained earnings (unappropriated deficit)	4,849,949	4,635,153
<b>Total retained earnings</b>	<b>39,757,252</b>	<b>38,608,102</b>
<b>Total Unitholders' Equity</b>	<b>205,682,180</b>	<b>204,533,030</b>
<b>Total Unitholders' Equity</b>	<b>205,682,180</b>	<b>204,533,030</b>
<b>TOTAL LIABILITIES and UNITHOLDERS' EQUITY</b>	<b>457,026,414</b>	<b>462,503,993</b>

(Note) The sum may not equal the total due to rounding.

## 5. STATEMENTS OF INCOME

	(Figures are rounded down to the nearest one thousand yen)	
	Seventeenth Fiscal Period (December 1, 2011- May 31, 2012)	Eighteenth Fiscal Period (June 1, 2012- November 30, 2012)
Operating Revenues		
Rental revenues	14,623,495	14,372,714
Other rental revenues	1,107,816	1,515,402
Dividend income from investment in anonymous association	27,864	84,992
Total Operating Revenues	15,759,176	15,973,109
Operating Expenses		
Property-related expenses	7,074,185	7,291,077
Loss on sales of real estate	95,891	-
Asset management fees	1,264,692	1,281,799
Asset custodian fees	16,019	16,140
Administrative service fees	71,835	69,010
Directors' compensation	10,200	10,200
Other operating expenses	266,586	301,020
Total Operating Expenses	8,799,410	8,969,249
Operating Income	6,959,765	7,003,860
Non-operating Revenues		
Interest income	1,453	1,882
Reversal of dividends payable	7,115	3,926
Insurance income	10,638	980
Subsidy income	-	8,614
Interest on refund	4,478	13
Other	483	3,033
Total Non-operating Revenues	24,170	18,450
Non-operating Expenses		
Interest expenses	1,588,557	1,774,933
Interest expenses on corporate bonds	445,718	378,072
Corporate bond issuance expenses	67,925	106,045
Other	31,180	127,501
Total Non-operating Expenses	2,133,381	2,386,552
Ordinary Income	4,850,554	4,635,758
Income before Income Taxes	4,850,554	4,635,758
Current Income Taxes	605	605
Total Income Taxes	605	605
Net Income	4,849,949	4,635,153
Retained Earnings Brought Forward	-	-
Unappropriated Retained Earnings (unappropriated deficit)	4,849,949	4,635,153

(Note) The sum may not equal the total due to rounding.



---

#### DISCLAIMER

This document includes translations of selected information described in the Brief Report on Closing of Accounts Report (*Kessan-Tanshin*) in Japanese language prepared under the timely-disclosure requirements of the Tokyo Stock Exchange, and portions of the Financial Statements and Performance Information Report in Japanese language prepared pursuant to the Act on Investment Trusts and Investment Corporations of Japan for the period from June 1, 2012 to November 30, 2012 of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation and the Japanese language versions of the *Kessan-Tanshin* and the Financial Statements and Performance Information Report for the aforementioned period should always be referred to as originals of this document.

This English language document 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 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 English translation contained herein, the Japanese documents shall always govern the meaning and interpretation.

The summary financial statements in this document are basically translations of those described in and extracted from the Japanese language *Kessan-Tanshin*.

---