

July 21, 2011

**SUMMARY OF FINANCIAL REPORT FOR THE FIFTEENTH FISCAL PERIOD  
ENDED MAY 31, 2011 (December 1, 2010 - May 31, 2011)**

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>)

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Scheduled date of filing of Securities Report: August 31, 2011  
Scheduled date for commencing dividend payments: August 15, 2011

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

**1. PERFORMANCE FOR THE FIFTEENTH FISCAL PERIOD (December 1, 2010- May 31, 2011)**

(1) Business Results

(Millions of yen, unless otherwise indicated)

	Operating Revenues		Operating Income		Ordinary Income		Net Income (Note 2)	
	(Percentage change)		(Percentage change)		(Percentage change)		(Percentage change)	
Fifteenth Fiscal Period	14,912	77.3%	7,078	66.6%	4,315	32.5%	16,616	410.4%
Fourteenth Fiscal Period	8,409	0.3%	4,249	(1.9)%	3,256	(6.5)%	3,255	(6.5)%

  

	Net Income per Unit (Yen)	Return on Equity	Return on Assets	Return on Operating Income
Fifteenth Fiscal Period	11,449	12.8%	1.3%	28.9%
Fourteenth Fiscal Period	16,172	2.9%	1.4%	38.7%

(Note)

1. "Percentage change" is the percentage of increase or decrease from the previous period.
2. "Net Income" of Fifteenth Fiscal Period includes gain on negative goodwill of ¥12,492 million recognized as extraordinary income, and differs from the resource for distributions.

(2) Distribution

(Millions of yen, unless otherwise indicated)

	Distribution per Unit (Yen) (Note 1)	Total Cash Distribution	Distribution in Excess of Earnings per Unit (Yen)	Total Distribution in Excess of Earnings (Yen)	Payout Ratio (Note 2)	Distribution Ratio to Unitholders' Equity
Fifteenth Fiscal Period	2,841	4,123	0	0	24.8%	2.9%
Fourteenth Fiscal Period	16,173	3,255	0	0	100.0%	2.9%

(Notes)

1. "Distribution per Unit" does not include distribution in excess of earnings per unit.
2. "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)
Fifteenth Fiscal Period	416,471	148,413	35.6%	102,261
Fourteenth Fiscal Period	230,778	111,566	48.3%	554,228

## (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
Fifteenth Fiscal Period	7,079	141	(2,429)	32,293
Fourteenth Fiscal Period	4,989	(893)	(3,534)	13,724

**2. FORECASTS OF RESULTS FOR THE SIXTEENTH FISCAL PERIOD (June 1, 2011 – November 30, 2011) AND THE SEVENTEENTH FISCAL PERIOD (December 1, 2011 – May 31, 2012)**

(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)			
Sixteenth Fiscal Period	15,565	4.4%	6,646	(6.1)%	4,292	(0.5)%	4,292	(74.2)%	2,750	0
Seventeenth Fiscal Period	15,273	(1.9)%	6,527	(1.8)%	4,462	3.9%	4,461	3.9%	2,750	0

[Reference] Estimated net income per unit (full business year): Sixteenth Fiscal Period ¥2,040, Seventeenth Fiscal Period ¥2,120

(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 sixteenth fiscal period and the seventeenth fiscal period, United Urban will make a distribution from reserve for distribution.

**3. OTHERS**

## (1) Change of Accounting Policies

- A. Changes in accordance with revision of accounting rules: Not Applicable
- B. Changes other than A above: 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 fifteenth fiscal period (ended May 31, 2011): 1,451,319 units
  - The fourteenth fiscal period (ended November 30, 2010): 201,300 units
- B. Treasury investment units at the end of the fiscal period
  - The fifteenth fiscal period (ended May 31, 2011): Nil
  - The fourteenth fiscal period (ended November 30, 2010): Nil

(Note)

The investment unit of United Urban was split into six units as of December 1, 2010.

## (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.

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

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Results for the Sixteenth Fiscal Period Ending November 30, 2011 and the Seventeenth Fiscal Period Ending May 31, 2012” below.

- United Urban made split of the investment units, held as at the record date of November 30, 2010, whereby it divided one investment unit into six units with an effect as of December 1, 2010.

Assumptions for the Forecast of Financial Results for the Sixteenth Fiscal Period  
Ending November 30, 2011 and the Seventeenth Fiscal Period Ending May 31, 2012

Item	Assumptions
Terms	<ul style="list-style-type: none"> <li>· Sixteenth fiscal period: from June 1, 2011 to November 30, 2011 (183 days)</li> <li>· Seventeenth fiscal period: from December 1, 2011 to May 31, 2012 (183 days)</li> </ul>
Investment Assets	<ul style="list-style-type: none"> <li>· The forecast of financial results is based on 90 properties consisting of (i) 86 properties owned by United Urban as of May 31, 2011, (ii) 3 properties acquired on June 15, 2011 (“Luz Jiyugaoka”, “ACTIOLE Ichikawa” and “Le Monde Koto”), and (iii) 1 property acquired on June 16, 2011 (“ARENA TOWER”). In addition, the forecast is based on the assumption that there will be no change in the investment portfolio (United Urban shall not acquire or sell investment assets, etc.) through the end of the seventeenth fiscal period (May 31, 2012), other than the aforementioned 4 properties.</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 July 21, 2011.</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 seventeenth fiscal period (May 31, 2012).</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>· Operating revenues are calculated based on lease agreements in effect as of July 21, 2011 for existing properties.</li> <li>· Rent levels are calculated 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 approximately ¥13,762 million for the sixteenth fiscal period and ¥13,734 million for the seventeenth fiscal period, respectively.</li> <li>· United Urban anticipates parking revenues of approximately ¥406 million for the sixteenth fiscal period and ¥409 million for the seventeenth fiscal period, respectively.</li> <li>· United Urban anticipates utility revenues (electricity, water, gas, etc.) from tenants of approximately ¥1,159 million for the sixteenth fiscal period and ¥958 million for the seventeenth 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 in the case of existing properties, and reflect factors that may cause fluctuations in expenses.</li> <li>· United Urban assumes it will incur approximately ¥1,307 million as taxes and public charges (property taxes and city planning taxes, etc.) concerning its investment assets for the sixteenth fiscal period and ¥1,307 million for the seventeenth 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 approximately ¥1,073 million as property management fees for the sixteenth fiscal period and ¥1,080 million for the seventeenth fiscal period, respectively.</li> <li>· United Urban assumes it will incur approximately ¥1,181 million as utilities for the sixteenth fiscal period and ¥958 million for the seventeenth fiscal period, respectively.</li> <li>· United Urban assumes it will incur approximately ¥439 million as repairs and maintenance of buildings for the sixteenth fiscal period and ¥443 million for the seventeenth 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 approximately ¥2,922 million as depreciation and amortization for the sixteenth fiscal period and ¥3,013 million for the seventeenth 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 sixteenth fiscal period, approximately ¥101 million as expenses associated with the issuance of investment units that was resolved at the board of directors' meetings held on May 23, 2011 and June 1, 2011.</li> <li>· United Urban assumes it will incur approximately ¥2,200 million as interest expenses for interest-bearing liabilities (including financing-related expenses and interest expenses on corporate bonds, etc.) for the sixteenth fiscal period and ¥2,000 million for the seventeenth fiscal period, respectively.</li> </ul>
<p>Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> <li>· During the sixteenth fiscal period there was a refinancing and an early repayment of the existing borrowing in June 2011, and an early repayment of the existing borrowing in July 2011, respectively.</li> <li>· As of July 20, 2011, the balance of interest-bearing liabilities is ¥201,854 million (the balance of borrowings: ¥ 149,854 million and the balance of corporate bonds: ¥ 52,000 million).</li> <li>· During the sixteenth fiscal period after July 21, 2011, there are existing borrowings that will be due in September 2011. However, United Urban assumes that there will be minor changes in the balance of interest-bearing liabilities after the aforementioned refinance.</li> <li>· During the seventeenth fiscal period, there are existing borrowings that will be due in December 2011 and March 2012, and the existing corporate bonds that will be due in April 2012. However, United Urban assumes that there will be minor 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 ¥5,785 million (the entire amount excluding fractional amounts less than 1 yen in the distribution per unit), which is a total of unappropriated retained earnings of ¥4,293 million and reserve for distribution of ¥1,492 million, for the sixteenth fiscal period.</li> <li>· United Urban assumes that it will distribute a total amount of ¥5,785 million (the entire amount excluding fractional amounts less than 1 yen in the distribution per unit), which is a total of unappropriated retained earnings of ¥4,461 million and reserve for distribution of ¥1,324 million, for the seventeenth 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)

	Fourteenth Fiscal Period (as of November 30, 2010)	Fifteenth Fiscal Period (as of May 31, 2011)
<b>ASSETS</b>		
Current Assets		
Cash and bank deposit	2,879,966	9,197,549
Cash and bank deposit in trust	11,051,491	23,303,388
Rent receivables	132,042	291,576
Prepaid expenses	65,485	440,820
Differed tax assets	18	-
Other	182,328	352
Total Current Assets	14,311,332	33,233,686
Fixed Assets		
Property and equipment, at cost		
Buildings	8,091,269	18,336,646
Less accumulated depreciation	888,133	1,231,332
Buildings, net	7,203,136	17,105,314
Structures	99,226	140,697
Less accumulated depreciation	45,263	54,715
Structures, net	53,963	85,981
Machinery and equipment	93,811	193,383
Less accumulated depreciation	14,707	23,952
Machinery and equipment, net	79,103	169,431
Tools, furniture and fixtures	1,511	1,987
Less accumulated depreciation	27	170
Tools, furniture and fixtures, net	1,483	1,816
Land	14,422,418	33,665,955
Buildings in trust	89,103,803	129,954,800
Less accumulated depreciation	14,753,693	17,024,120
Buildings in trust, net	74,350,110	112,930,680
Structures in trust	879,482	1,065,465
Less accumulated depreciation	424,023	465,685
Structures in trust, net	455,459	599,779
Machinery and equipment in trust	458,403	757,396
Less accumulated depreciation	146,625	198,957
Machinery and equipment in trust, net	311,777	558,438
Tools, furniture and fixtures in trust	87,498	98,810
Less accumulated depreciation	43,878	50,322
Tools, furniture and fixtures in trust, net	43,619	48,487
Land in trust	118,554,640	214,348,675
Construction in progress in trust	26,665	43,207
Total property and equipment	215,502,377	379,557,768
Intangible assets		
Software	3,601	3,032
Leasehold right	-	1,149,355
Leasehold right in trust	437,174	437,174
Other intangible assets in trust	1,830	249,972
Total intangible assets	442,606	1,839,534
Investments and other assets		
Investment securities	-	9,910
Security deposits paid	10,000	35,365
Security deposits paid in trust	20,651	77,689
Long-term prepaid expenses	491,769	1,717,426
Total investments and other assets	522,421	1,840,393
Total Fixed Assets	216,467,405	383,237,696
<b>TOTAL ASSETS</b>	<b>230,778,737</b>	<b>416,471,382</b>

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

	Fourteenth Fiscal Period (as of November 30, 2010)	Fifteenth Fiscal Period (as of May 31, 2011)
<b>LIABILITIES</b>		
Current Liabilities		
Trade accounts payable	641,292	1,035,150
Current portion of corporate bonds	-	17,000,000
Long-term debt due for repayment within one year	21,100,000	31,588,375
Accrued expenses	445,488	954,273
Dividends payable	15,101	27,464
Income taxes payable	872	605
Consumption taxes payable	101,086	275,932
Revenue received in advance	-	54,327
Rent received in advance	102,059	293,608
Rent received in advance in trust	1,105,089	1,859,042
Deposit received	2,291	3,044
Deposit received in trust	32,663	76,883
Derivatives liabilities	-	61,950
Provision for loss on disaster	-	110,383
Other	-	1,271,857
<b>Total Current Liabilities</b>	<b>23,545,944</b>	<b>54,612,900</b>
Long-term Liabilities		
Corporate bonds	20,000,000	35,000,000
Long-term debt	60,700,000	153,574,395
Leasehold and security deposits received	1,342,543	3,206,181
Leasehold and security deposits received in trust	13,624,069	21,664,033
<b>Total Long-term Liabilities</b>	<b>95,666,613</b>	<b>213,444,611</b>
<b>Total Liabilities</b>	<b>119,212,558</b>	<b>268,057,511</b>
<b>UNITHOLDERS' EQUITY</b>		
Unitholders' Equity		
Unitholders' capital	108,310,509	108,310,509
Retained earnings		
Investment surplus	-	23,548,287
Unappropriated retained earnings (unappropriated deficit)	3,255,669	16,617,025
<b>Total retained earnings</b>	<b>3,255,669</b>	<b>40,165,312</b>
<b>Total Unitholders' Equity</b>	<b>111,566,178</b>	<b>148,475,822</b>
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	-	(61,950)
<b>Total Valuation and Translation Adjustment</b>	<b>-</b>	<b>(61,950)</b>
<b>Total Unitholders' Equity</b>	<b>111,566,178</b>	<b>148,413,871</b>
<b>TOTAL LIABILITIES and UNITHOLDERS' EQUITY</b>	<b>230,778,737</b>	<b>416,471,382</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)	
	Fourteenth Fiscal Period (June 1, 2010- November 30, 2010)	Fifteenth Fiscal Period (December 1, 2010- May 31, 2011)
Operating Revenues		
Rental revenues	7,938,420	13,870,262
Other rental revenues	470,712	1,401,847
Total Operating Revenues	8,409,133	14,912,109
Operating Expenses		
Property-related expenses	3,276,047	6,435,930
Loss on sales of real estates	-	61,275
Asset management fees	659,808	1,037,033
Asset custodian fees	9,931	9,923
Administrative service fees	34,040	62,684
Directors' compensation	10,200	10,200
Other operating expenses	169,840	216,344
Total Operating Expenses	4,159,868	7,833,391
Operating Income	4,249,264	7,078,718
Non-operating Revenues		
Interest income	575	1,790
Insurance income	1,203	660
Compensation income	4,852	-
Subsidy income	-	11,763
Other	1,285	1,804
Total Non-operating Revenues	7,917	16,018
Non-operating Expenses		
Interest expenses	758,415	1,978,989
Interest expenses on corporate bonds	179,111	432,701
Corporate bond issuance expenses	52,714	104,026
Investment unit issuance expenses	-	259,706
Other	10,338	3,524
Total Non-operating Expenses	1,000,581	2,778,947
Ordinary Income	3,256,600	4,315,788
Extraordinary Income		
Gain on negative goodwill	-	12,492,873
Total Extraordinary Income	-	12,492,873
Extraordinary Loss		
Loss due to disaster	-	191,057
Total Extraordinary Loss	-	191,057
Income before Income Taxes	3,256,600	16,617,604
Current Income Taxes	987	605
Deferred Income Taxes	1	18
Total Income Taxes	988	623
Net Income	3,255,612	16,616,980
Retained Earnings Brought Forward	56	44
Unappropriated Retained Earnings (unappropriated deficit)	3,255,669	16,617,025

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

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#### DISCLAIMER

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

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