

July 16, 2008

**SUMMARY OF FINANCIAL REPORT FOR THE NINTH FISCAL PERIOD
ENDED MAY 31, 2008 (December 1, 2007 – May 31, 2008)**

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 submission of Securities Report: August 27, 2008
 Scheduled date for commencing dividend payments: August 15, 2008

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

1. PERFORMANCE FOR THE NINTH FISCAL PERIOD (December 1, 2007 - May 31, 2008)

(1) Business Results

(Millions of yen, unless otherwise indicated)

	Operating Revenues		Operating Income		Ordinary Income	
	(Percentage change)		(Percentage change)		(Percentage change)	
Ninth Fiscal Period	7,184	7.7%	3,796	13.2%	3,096	9.6%
Eighth Fiscal Period	6,673	4.1%	3,354	2.3%	2,824	0.6%

	Net Income		Net Income per Unit (Yen)	Return on Equity	Return on Assets	Return on Operating Income
	(Percentage change)					
Ninth Fiscal Period	3,095	9.6%	19,368	3.3%	1.6%	43.1%
Eighth Fiscal Period	2,823	0.6%	17,666	3.0%	1.6%	42.3%

(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)	Total Cash Distribution	Distribution in Excess of Earnings per Unit (Yen)	Total Distribution in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
Ninth Fiscal Period	19,368	3,095	0	0	99.9%	3.3%
Eighth Fiscal Period	17,667	2,823	0	0	100.0%	3.0%

(Notes)

1. “Distribution per Unit” doesn't 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)
Ninth Fiscal Period	208,841	92,934	44.5%	581,411
Eighth Fiscal Period	181,877	92,662	50.9%	579,710

(Reference)

Equity was ¥92,934 million for the Ninth Fiscal Period and ¥92,662 million for the Eighth Fiscal Period.

(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
Ninth Fiscal Period	4,172	(25,166)	22,474	17,018
Eighth Fiscal Period	4,384	(6,191)	1,193	15,538

2. FORECASTS OF RESULTS FOR THE TENTH FISCAL PERIOD (June 1, 2008 – November 30, 2008)

	(Millions of yen, unless otherwise indicated)					
	Operating Revenues	Operating Income	Ordinary Income	Net Income	Distribution per Unit (Yen)	Distribution in excess of earnings per unit (Yen)
	(Percentage change)	(Percentage change)	(Percentage change)	(Percentage change)		
Tenth Fiscal Period	7,994 (11.3)%	4,087 (7.7)%	3,254 (5.1)%	3,253 (5.1)%	16,150	0

(Notes)

1. "Percentage change" is the percentage of increase or decrease from the previous period.
2. Net income forecast per unit (full business year): ¥16,150

3. OTHERS

(1) Change of Accounting Policies

- A. Changes in accordance with revision of accounting rules: None
- B. Changes other than above A: None

(2) Number of Investment Units Issued and Outstanding

- A. Number of investment units issued and outstanding at the end of the period (including treasury investment units)
 - The ninth fiscal period (ended May 31, 2008): 159,843 units
 - The eighth fiscal period (ended November 30, 2007): 159,843 units
- B. Treasury investment units at the end of the period
 - The ninth fiscal period (ended May 31, 2008): None
 - The eighth fiscal period (ended November 30, 2007): None

The aforementioned forecasts 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 selling of properties, trends of real estate market and changes of other situations around United Urban. In addition, United Urban doesn't guarantee payment of any cash distributions. For details of assumptions, please refer to the "Assumptions Underlying the Forecast of Financial Results for the Tenth Fiscal Period Ending November 30, 2008".

4. BALANCE SHEET

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

	Eighth Fiscal Period (as of November 30, 2007)		Ninth Fiscal Period (as of May 31, 2008)		Increase and Decrease	
	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Quarter over quarter (%)
ASSETS						
I. Current Assets						
Cash and bank deposit	5,739,922		4,874,216		(865,706)	
Cash and bank deposit in trust	10,004,259		12,350,566		2,346,307	
Rent receivables	114,913		152,805		37,891	
Consumption taxes refundable	-		122,877		122,877	
Prepaid expenses	21,294		178,675		157,381	
Differed tax assets	18		19		1	
Other current assets	-		5,271		5,271	
Total Current Assets	15,880,407	8.7	17,684,432	8.5	1,804,025	11.4
II. Fixed Assets						
1. Property and equipment, at cost						
Buildings	2,019,868		2,019,868			
Structures	44,646		44,646			
Land	3,308,733		3,308,733			
Buildings in trust	72,443,222		78,876,530			
Structures in trust	722,315		775,171			
Machinery and equipment in trust	227,416		355,278			
Tools, furniture and fixtures in trust	57,151		65,990			
Land in trust	94,537,669		114,241,174			
Construction in progress in trust	22,570		22,353			
Less accumulated depreciation	(7,582,404)		(8,874,163)			
Net property and equipment	165,801,190	91.2	190,835,584	91.4	25,034,394	15.1
2. Intangible assets						
Other intangible assets	313		2,049		1,735	
Total intangible assets	313	0.0	2,049	0.0	1,735	553.4
3. Investments and other assets						
Security deposits paid	10,000		10,000		-	
Security deposits paid in trust	13		20,013		20,000	
Long-term prepaid expenses	159,888		288,953		129,065	
Total investments and other assets	169,901	0.1	318,966	0.1	149,065	87.7
Total Fixed Assets	165,971,405	91.3	191,156,600	91.5	25,185,195	15.2
III. Deferred Assets						
Organization costs	5,580		-		(5,580)	
Corporate bond issuance expenses	20,442		-		(20,442)	
Total Deferred Assets	26,022	0.0	-	-	(26,022)	(100.0)
TOTAL ASSETS	181,877,834	100.0	208,841,033	100.0	26,963,198	14.8

(Note)

The sum may not equal the total due to rounding.

	Eighth Fiscal Period (as of November 30, 2007)		Ninth Fiscal Period (as of May 31, 2008)		Increase and Decrease	
	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Quarter over quarter (%)
LIABILITIES						
I. Current Liabilities						
Trade accounts payable	206,092		408,236		202,144	
Long-term debt due for repayment within one year	10,200,000		9,400,000		(800,000)	
Accrued expenses	307,665		381,458		73,792	
Dividends payable	13,716		11,939		(1,777)	
Income taxes payable	895		888		(6)	
Consumption taxes payable	29,677		-		(29,677)	
Rent received in advance	25,280		25,280		-	
Rent received in advance in trust	961,130		1,061,570		100,439	
Deposit received in trust	14,178		43,904		29,726	
Total Current Liabilities	11,758,637	6.5	11,333,278	5.4	(425,359)	(3.6)
II. Long-term Liabilities						
Corporate bonds	25,000,000		25,000,000		-	
Long-term debt	38,700,000		64,800,000		26,100,000	
Leasehold and security deposits received	892,500		871,500		(21,000)	
Leasehold and security deposits received in trust	12,864,009		13,901,664		1,037,655	
Total long-term liabilities	77,456,509	42.6	104,573,164	50.1	27,116,655	35.0
Total Liabilities	89,215,146	49.1	115,906,443	55.5	26,691,296	29.9
UNITHOLDERS' EQUITY						
I. Unitholders' Equity						
1. Unitholders' capital						
Unitholders' capital	89,838,680	49.4	89,838,680	43.0	-	-
2. Retained earnings						
Unappropriated retained earnings at the end of the period	2,824,008		3,095,909		271,901	
Total retained earnings	2,824,008	1.5	3,095,909	1.5	271,901	9.6
Total unitholders' equity	92,662,688	50.9	92,934,589	44.5	271,901	0.3
Total Unitholders' Equity	92,662,688	50.9	92,934,589	44.5	271,901	0.3
TOTAL LIABILITIES and UNITHOLDERS' EQUITY	181,877,834	100.0	208,841,033	100.0	26,963,198	14.8

5. STATEMENTS OF INCOME

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

	Eighth Fiscal Period (June 1, 2007- November 30, 2007)		Ninth Fiscal Period (December 1, 2007- May 31, 2008)		Increase and Decrease	
	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Share (%)	Amount (Thousands of yen)	Quarter over quarter (%)
I. Operating Revenues						
Rental revenues	6,275,607		6,837,740			
Other rental revenues	397,705		346,345			
	6,673,312	100.0	7,184,085	100.0	510,773	7.7
II. Operating Expenses						
Property-related expenses	2,591,675		2,620,404			
Asset management fees	489,375		534,842			
Asset custodian fees	24,778		25,303			
Administrative service fees	67,656		67,304			
Directors' compensation	10,200		10,200			
Other operating expenses	135,511		129,357			
	3,319,199	49.7	3,387,412	47.2	68,213	2.1
Operating Income	3,354,113	50.3	3,796,672	52.8	442,559	13.2
III. Non-operating Revenues						
Interest income	395		605			
Other non-operating revenues	1,640		1,039			
	2,036	0.0	1,644	0.0	(391)	(19.2)
IV. Non-operating Expenses						
Interest expenses	348,695		518,439			
Interest expenses on corporate bonds	154,390		154,651			
Amortization of corporate bond issuance expenses	20,442		20,442			
Amortization of organization costs	5,580		5,580			
Other non-operating expenses	2,151		2,352			
	531,260	8.0	701,466	9.8	170,206	32.0
Ordinary Income	2,824,889	42.3	3,096,851	43.1	271,961	9.6
Income before Income Taxes	2,824,889	42.3	3,096,851	43.1	271,961	9.6
Current Income Taxes	972		1,004			
Deferred Income Taxes	3		(1)			
	976	0.0	1,003	0.0	26	2.7
Net Income	2,823,913	42.3	3,095,847	43.1	271,934	9.6
Unappropriated Retained Earnings Brought Forward	94		61		(32)	
Unappropriated Retained Earnings	2,824,008		3,095,909		271,901	9.6

Assumptions Underlying the Forecast of Financial Results for the Tenth Fiscal Period Ending November 30, 2008

Item	Assumptions																
Investment Assets	<ul style="list-style-type: none"> The forecast of financial results is based on 48 properties, 41 of which are owned by United Urban as of May 31, 2008 (“existing properties”) and 7 of which were already acquired or will be acquired during the tenth fiscal period, as set forth below (referred to collectively as “assets (to be) acquired”). In addition, the forecast is based on the assumption that there will be no changes in the investment portfolio during the tenth fiscal period (United Urban shall not acquire or sell investment assets, excluding assets (to be) acquired during the tenth fiscal period ending November 30, 2008). <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Acquisition Date or Scheduled Acquisition Date</th> <th style="text-align: center;">Property Name</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">June 30, 2008</td> <td style="text-align: center;">ACTIOLE Kannai</td> </tr> <tr> <td style="text-align: center;">June 30, 2008</td> <td style="text-align: center;">Haseman Building Toyocho</td> </tr> <tr> <td style="text-align: center;">June 30, 2008</td> <td style="text-align: center;">Hotel Route Inn Yokohama Bashamichi</td> </tr> <tr> <td style="text-align: center;">September 24, 2008</td> <td style="text-align: center;">MA Sendai Building</td> </tr> <tr> <td style="text-align: center;">September 30, 2008</td> <td style="text-align: center;">Park Site IZUMI</td> </tr> <tr> <td style="text-align: center;">September 30, 2008</td> <td style="text-align: center;">UUR Court Nagoya Meieki</td> </tr> <tr> <td style="text-align: center;">November 11, 2008</td> <td style="text-align: center;">UUR Court Sapporo Shinoro Ichibankan</td> </tr> </tbody> </table> <ul style="list-style-type: none"> However, the actual results may fluctuate depending on changes in the investment assets. 	Acquisition Date or Scheduled Acquisition Date	Property Name	June 30, 2008	ACTIOLE Kannai	June 30, 2008	Haseman Building Toyocho	June 30, 2008	Hotel Route Inn Yokohama Bashamichi	September 24, 2008	MA Sendai Building	September 30, 2008	Park Site IZUMI	September 30, 2008	UUR Court Nagoya Meieki	November 11, 2008	UUR Court Sapporo Shinoro Ichibankan
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Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> The number of investment units issued and outstanding totals 201,437 units, consisting of 159,843 units issued and outstanding as of May 31, 2008 and 41,594 units to be issued, which is the sum of the number of new investment units to be additionally issued by public offering pursuant to the decision of the board of directors held on June 2, 2008 (40,000 units) and the number of new investment units to be issued by the third-party allotment in relation to the offering by over-allotment (1,594 units shall be the upper limit). The number of additional new investment units to be issued by the third-party allotment is based on the assumption that all the investment units, up to the upper limit of 1,594 units, will be issued. The forecast is also based on the assumption that there will be no investment units, other than the above, issued during the tenth fiscal period ending November 30, 2008. 																
Operating Revenues	<ul style="list-style-type: none"> Operating revenues are calculated based on the lease agreements valid as of this date for existing properties or information, etc. provided by current owners, etc. for assets (to be) acquired. Rent levels are calculated in view of existing neighboring competitive properties and market trends, etc. Operating revenues are based on the assumption that there is no back rent or nonpayment by tenants. 																
Operating Expenses	<ul style="list-style-type: none"> Among the property-related expenses, which expenses 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 historical data according to materials received from current owners, etc. in the case of assets (to be) acquired, and reflect factors that may cause fluctuations in expenses. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period from the time United Urban acquires the assets. However, United Urban does not record the reimbursement as expenses, because an amount equivalent to the reimbursement is included in the cost of acquisition. Repairs and maintenance of buildings are recorded as expenses, in the amount expected to be necessary for each fiscal period. However, please note that the actual expenses incurred for repairs and maintenance during each fiscal period may differ significantly from the forecasted amount of such expenses for various reasons, including the possibility of emergency repairs and maintenance arising due to damages to buildings owing to unexpected factors, the amount of repair and maintenance costs varying largely with each passing fiscal year, as a general rule, and the expenses for repairs not accruing on a regular basis. Depreciation and amortization are calculated on a straight-line basis, inclusive of ancillary expenses and future additional capital expenditures. (Tenth fiscal period: approximately ¥ 1,432 million) 																

<p>Non-operating Expenses</p>	<ul style="list-style-type: none"> • United Urban assumed it will incur, as a one-off expense for the tenth fiscal period, approximately ¥74 million in expenses associated with the additional issue of new investment units ratified at the board of directors held on June 2, 2008.
<p>Ratio of Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> • United Urban expects the ratio of interest-bearing liabilities to be around 48.8% as of November 30, 2008, as a result of an increase in unitholders' capital due to the issue of new investment units ratified at the board of directors held on June 2, 2008, etc., although the ratio of interest-bearing liabilities as of May 31, 2008 was 52.5%. • The ratio of interest-bearing liabilities described in this chart is calculated based on the following formula. $\text{Ratio of interest-bearing liabilities} = \frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' capital}} \times 100$ • This ratio may fluctuate depending on the number of additional investment units to be newly issued by the third-party allotment this time.
<p>Cash Distribution per Unit</p>	<ul style="list-style-type: none"> • Cash distributions (cash distribution per unit) are calculated based on the distribution policy stated in the Articles of Incorporation of United Urban. • Actual cash distributions per unit may fluctuate as a result of various factors, including changes in investment assets, fluctuations of rental revenue caused by tenant replacements or unexpected repairs, etc.
<p>Distribution in Excess of Earnings per Unit</p>	<ul style="list-style-type: none"> • United Urban does not currently plan to distribute excess earnings (distributions in excess of earnings per unit).
<p>Others</p>	<ul style="list-style-type: none"> • The forecast is based on the assumption that there will be no amendments to laws, the taxation system, accounting standards, listing rules or regulations of the Investment Trust Association, Japan that may affect the aforementioned forecast figures. • The forecast is based on the assumption that there will be no unexpected significant change in general economic trends, the real estate market, etc.

DISCLAIMER

This document includes translations of selected information described in the Brief Report on Closing of Accounts Report (*Kessan-Tanshin*) prepared under the timely-disclosure requirements of the Tokyo Stock Exchange, and portions of the Financial Statements and Performance Information Report prepared pursuant to the Law Concerning Investment Trusts and Investment Corporations of Japan for the period from December 1, 2007 to May 31, 2008 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 *Kessan-Tanshin* and the Financial Statements and Performance Information Report for the aforementioned period should always be referred to as originals of this document.

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The financial statements in this document are basically translations of those described in the Japanese language *Kessan-Tanshin*. However, certain reclassifications and modifications have been made to the original financial statements in order to present them in a format that is more familiar to readers outside Japan.
