

January 17, 2014

## SUMMARY OF FINANCIAL REPORT FOR THE TWENTIETH FISCAL PERIOD ENDED NOVEMBER 30, 2013 (June 1, 2013 – November 30, 2013)

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

Executive Officer : Hitoshi Murakami  
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 26, 2014  
Scheduled date for commencing dividend payments: February 14, 2014  
Supplementary Materials on Financial Results: Scheduled  
Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

### 1. PERFORMANCE FOR THE TWENTIETH FISCAL PERIOD (June 1, 2013 - November 30, 2013)

#### (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)	
Twentieth Fiscal Period	17,416	7.8%	7,720	6.9%	6,113	16.4%	6,113	16.4%
Nineteenth Fiscal Period	16,150	1.1%	7,223	3.1%	5,252	13.3%	5,251	13.3%

  

	Net Income per Unit (Yen)	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
Twentieth Fiscal Period	2,586	2.6%	1.2%	35.1%
Nineteenth Fiscal Period	2,396	2.4%	1.1%	32.5%

(Note)

“Percentage change” is the increase or decrease, represented as a percentage, as compared to the previous period.

#### (2) Distributions

(Millions of yen, unless otherwise indicated)

	Distributions per Unit (Yen) (Note 2)	Total Cash Distributions	Distributions in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings	Payout Ratio (Note 3)	Distribution Ratio to Unitholders' Equity
Twentieth Fiscal Period	2,750	6,545	0	0	106.3%	2.8%
Nineteenth Fiscal Period	2,750	6,339	0	0	114.7%	2.8%

(Notes)

- The resource for cash distributions is a total of net income and a reversal of reserves for distributions (Nineteenth Fiscal Period: ¥1,088 million, Twentieth Fiscal Period: ¥432 million). Therefore, those amounts differ from net income, respectively.
- “Distributions per Unit” does not include distributions 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)
Twentieth Fiscal Period	527,025	237,079	45.0%	99,605
Nineteenth Fiscal Period	516,739	228,142	44.2%	98,958

## (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
Twentieth Fiscal Period	10,811	(5,428)	3,670	59,237
Nineteenth Fiscal Period	7,120	(41,149)	46,585	50,184

**2. FORECASTS OF RESULTS FOR THE TWENTY-FIRST FISCAL PERIOD (December 1, 2013 – May 31, 2014) AND THE TWENTY-SECOND FISCAL PERIOD (June 1, 2014 – November 30, 2014)**

(Millions of yen, unless otherwise indicated)										
	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per Unit (Yen) (Note 2)	Distributions in Excess of Earnings per Unit (Yen)
	(Percentage change)		(Percentage change)		(Percentage change)		(Percentage change)			
Twenty-first Fiscal Period	17,236	(1.0)%	7,736	0.2%	6,427	5.1%	6,427	5.1%	2,750	0
Twenty-second Fiscal Period	17,555	1.9%	7,984	3.2%	6,570	2.2%	6,570	2.2%	2,760	0

[Reference] Estimated net income per unit (full business year): Twenty-first Fiscal Period ¥2,700, Twenty-second Fiscal Period ¥2,760

## (Notes)

1. "Percentage change" is the increase or decrease, represented as a percentage, as compared to the previous period.
2. "Distributions per Unit" does not include distributions in excess of earnings per unit.
3. The resource for cash distributions of Twenty-first Fiscal Period is a total of net income and a reversal of reserves for distributions (¥118 million). Therefore, it differs from net income.

**3. OTHER**

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

- A. Changes in accounting policies in accordance with a revision of the accounting rules: Not Applicable
- B. Changes in 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 at the end of the fiscal period (including treasury investment units)
  - The twentieth fiscal period (ended November 30, 2013): 2,380,181 units
  - The nineteenth fiscal period (ended May 31, 2013): 2,305,447 units
- B. Treasury investment units at the end of the fiscal period
  - The twentieth fiscal period (ended November 30, 2013): None
  - The nineteenth fiscal period (ended May 31, 2013): None

## (3) Rounding of Fractions of Amounts and Ratios

Unless otherwise specifically 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 17, 2014, the audit procedure of the 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, distributions per unit and distributions 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 concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Twenty-first Fiscal Period Ending May 31, 2014 and Twenty-second Fiscal Period Ending November 30, 2014” below.

Assumptions for the Forecast of Financial Results for the Twenty-first Fiscal Period  
Ending May 31, 2014 and the Twenty-second Fiscal Period Ending November 30, 2014

Item	Assumptions
Terms	<ul style="list-style-type: none"> <li>· Twenty-first fiscal period: from December 1, 2013 to May 31, 2014 (182 days)</li> <li>· Twenty-second fiscal period: from June 1, 2014 to November 30, 2014 (183 days)</li> </ul>
Investment Assets	<ul style="list-style-type: none"> <li>· The forecast of financial results is based on 97 properties owned by United Urban as of November 30, 2013. In addition, the forecast is based on the assumption that there will be no change in the investment portfolio (and United Urban shall not acquire or sell any investment assets, etc.) until the end of the twenty-second fiscal period (November 30, 2014).</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 2,380,181 units as of January 17, 2014.</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 twenty-second fiscal period (November 30, 2014).</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>· Operating revenues are calculated based on lease agreements in effect as of January 17, 2014 by taking into account the expected rent and estimated occupancy ratio in the 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 ¥15,571 million for the twenty-first fiscal period and ¥15,762 million for the twenty-second fiscal period, respectively.</li> <li>· United Urban anticipates parking revenues of ¥431 million for the twenty-first fiscal period and ¥435 million for the twenty-second fiscal period, respectively.</li> <li>· United Urban anticipates utility revenues (electricity, water, gas, etc.) from tenants of ¥990 million for the twenty-first fiscal period and ¥1,162 million for the twenty-second fiscal period, respectively.</li> <li>· Operating revenues are based on the assumption that there is no back rent or nonpayment of rent by the 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, 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 ¥1,317 million as taxes and public charges (property taxes and city planning taxes, etc.) concerning its investment assets for the twenty-first fiscal period and ¥1,454 million for the twenty-second 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 ¥1,166 million in property management fees for the twenty-first fiscal period and ¥1,146 million for the twenty-second fiscal period, respectively.</li> <li>· United Urban assumes it will incur ¥1,051 million in utilities costs for the twenty-first fiscal period and ¥1,240 million for the twenty-second fiscal period, respectively.</li> <li>· United Urban assumes it will incur ¥417 million in repairs and for the maintenance of buildings for the twenty-first fiscal period and ¥339 million for the twenty-second fiscal period, respectively. However, please note that the actual expenses incurred for repairs and maintenance of buildings for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance work due to damages to buildings owing to unexpected factors, the fact that amounts can vary widely from year to year and the amounts not accruing on a regular basis.</li> <li>· Depreciation and amortization are calculated on a straight-line basis, inclusive of ancillary expenses and future additional capital expenditures. United Urban assumes it will incur ¥3,341 million in depreciation and amortization for the twenty-first fiscal period and ¥3,246 million for the twenty-second fiscal period, respectively.</li> </ul>
Non-Operating Expenses	<ul style="list-style-type: none"> <li>· United Urban assumes it will incur ¥1,281 million in interest expenses for interest-bearing liabilities (including financing-related expenses and interest expenses on corporate bonds, etc.) for the twenty-first fiscal period and ¥1,218 million for the twenty-second fiscal period, respectively.</li> </ul>

<p style="text-align: center;">Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> <li>As of January 17, 2014, the total balance of interest-bearing liabilities is ¥242,283 million of which ¥166,783 million are borrowings and ¥75,500 million are corporate bonds.</li> <li>The interest-bearing liabilities coming due during the twenty-first fiscal period and our plan for repayment are as set forth below.           <table border="1" data-bbox="491 331 1401 465" style="margin-left: 20px;"> <thead> <tr> <th>Repayment Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td>March 20, 2014</td> <td>Borrowing: ¥14,276 million</td> <td>United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.</td> </tr> </tbody> </table> </li> <li>The interest-bearing liabilities coming due during the twenty-second fiscal period and our plan for repayment are as set forth below.           <table border="1" data-bbox="491 555 1401 689" style="margin-left: 20px;"> <thead> <tr> <th>Repayment Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td>June 20, 2014 (Note)</td> <td>Borrowing: ¥8,700 million</td> <td rowspan="2">United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.</td> </tr> <tr> <td>September 20, 2014</td> <td>Borrowing: ¥2,800 million</td> </tr> </tbody> </table> <p>(Note) United Urban is to make a scheduled payment in the amount of ¥50 million, funded by cash reserves, separately, on the same date.</p> </li> <li>The forecast is based on the assumption that due to the abovementioned refinancing of borrowings, the total balance of interest-bearing liabilities at the end of the twenty-second fiscal period will essentially have not changed from that as of January 17, 2014.</li> </ul>	Repayment Date	Overview of Interest-bearing Liabilities	Plan for Repayment	March 20, 2014	Borrowing: ¥14,276 million	United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.	Repayment Date	Overview of Interest-bearing Liabilities	Plan for Repayment	June 20, 2014 (Note)	Borrowing: ¥8,700 million	United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.	September 20, 2014	Borrowing: ¥2,800 million
Repayment Date	Overview of Interest-bearing Liabilities	Plan for Repayment													
March 20, 2014	Borrowing: ¥14,276 million	United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.													
Repayment Date	Overview of Interest-bearing Liabilities	Plan for Repayment													
June 20, 2014 (Note)	Borrowing: ¥8,700 million	United Urban plans to obtain new borrowing(s) from the lender(s) to refinance the borrowing in full.													
September 20, 2014	Borrowing: ¥2,800 million														
<p style="text-align: center;">Cash Distributions per Unit</p>	<ul style="list-style-type: none"> <li>Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban. In addition, United Urban assumes that it will distribute a total amount of ¥6,545 million (¥2,750 per unit), which is a total of the unappropriated retained earnings of ¥6,427 million and a reversal of reserves for a distribution of ¥118 million for the twenty-first 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 style="text-align: center;">Distributions 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 style="text-align: center;">Other</p>	<ul style="list-style-type: none"> <li>Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan and other regulations, which would affect the aforementioned forecasted figures.</li> <li>Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions.</li> </ul>														

#### 4. BALANCE SHEET

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

	Nineteenth Fiscal Period (as of May 31, 2013)	Twentieth Fiscal Period (as of November 30, 2013)
<b>ASSETS</b>		
Current Assets		
Cash and bank deposit	20,711,221	23,444,838
Cash and bank deposit in trust	19,680,099	21,000,167
Rent receivables	315,039	354,440
Marketable securities	10,000,000	15,000,000
Consumption taxes refundable	593,629	-
Prepaid expenses	470,314	112,010
Other	49,938	6,227
<b>Total Current Assets</b>	<b>51,820,242</b>	<b>59,917,685</b>
Fixed Assets		
Property and equipment, at cost		
Buildings	20,070,520	20,119,874
Less accumulated depreciation	(2,657,159)	(3,023,935)
Buildings, net	17,413,360	17,095,938
Structures	145,079	153,035
Less accumulated depreciation	(87,679)	(94,247)
Structures, net	57,400	58,787
Machinery and equipment	233,617	237,871
Less accumulated depreciation	(73,034)	(85,755)
Machinery and equipment, net	160,583	152,115
Tools, furniture and fixtures	21,145	22,467
Less accumulated depreciation	(2,950)	(4,636)
Tools, furniture and fixtures, net	18,194	17,830
Land	39,227,659	39,227,659
Construction in progress	3,475	2,606
Buildings in trust	168,818,790	172,553,262
Less accumulated depreciation	(26,875,403)	(29,152,431)
Buildings in trust, net	141,943,387	143,400,830
Structures in trust	1,397,409	1,417,254
Less accumulated depreciation	(630,851)	(668,541)
Structures in trust, net	766,558	748,712
Machinery and equipment in trust	1,345,335	1,415,280
Less accumulated depreciation	(464,783)	(528,649)
Machinery and equipment in trust, net	880,551	886,630
Tools, furniture and fixtures in trust	230,030	287,704
Less accumulated depreciation	(76,049)	(84,016)
Tools, furniture and fixtures in trust, net	153,980	203,688
Land in trust	260,467,532	261,464,880
Construction in progress in trust	6,489	6,532
<b>Total property and equipment</b>	<b>461,099,173</b>	<b>463,266,212</b>
Intangible assets		
Software	1,353	792
Leasehold right	1,149,355	1,149,355
Leasehold right in trust	585,575	585,575
Other intangible assets in trust	239,094	232,430
<b>Total intangible assets</b>	<b>1,975,378</b>	<b>1,968,152</b>
Investments and other assets		
Investment securities	2,953	-
Security deposits paid	10,000	10,000
Security deposits paid in trust	80,279	80,309
Long-term prepaid expenses	1,751,049	1,783,409
<b>Total investments and other assets</b>	<b>1,844,282</b>	<b>1,873,719</b>
<b>Total Fixed Assets</b>	<b>464,918,834</b>	<b>467,108,084</b>
<b>TOTAL ASSETS</b>	<b>516,739,077</b>	<b>527,025,769</b>

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

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

	Nineteenth Fiscal Period (as of May 31, 2013)	Twentieth Fiscal Period (as of November 30, 2013)
<b>LIABILITIES</b>		
Current Liabilities		
Trade accounts payable	1,936,832	1,655,371
Current portion of corporate bonds	25,000,000	15,000,000
Long-term debt due for repayment within one year	45,199,000	29,176,000
Accrued expenses	723,439	583,543
Distributions payable	27,715	27,891
Income taxes payable	605	605
Consumption taxes payable	-	375,354
Rent received in advance	288,507	311,868
Rent received in advance in trust	2,102,284	2,199,693
Deposits received	3,611	4,684
Deposits received in trust	42,906	29,742
Other	-	17
<b>Total Current Liabilities</b>	<b>75,324,902</b>	<b>49,364,773</b>
Long-term Liabilities		
Corporate bonds	60,500,000	75,500,000
Long-term debt	125,657,000	137,657,000
Leasehold and security deposits received	3,007,464	3,013,928
Leasehold and security deposits received in trust	24,106,955	24,410,885
<b>Total Long-term Liabilities</b>	<b>213,271,420</b>	<b>240,581,814</b>
<b>Total Liabilities</b>	<b>288,596,323</b>	<b>289,946,587</b>
<b>NET ASSETS</b>		
Unitholders' Equity		
Unitholders' capital	190,067,333	199,230,469
Retained earnings		
Investment surplus	23,548,287	23,548,287
Reserve for distributions	9,275,511	8,187,154
Unappropriated retained earnings (unappropriated deficit)	5,251,622	6,113,271
<b>Total retained earnings</b>	<b>38,075,421</b>	<b>37,848,712</b>
<b>Total Unitholders' Equity</b>	<b>228,142,754</b>	<b>237,079,182</b>
<b>Total Net Assets</b>	<b>228,142,754</b>	<b>237,079,182</b>
<b>TOTAL LIABILITIES and NET ASSETS</b>	<b>516,739,077</b>	<b>527,025,769</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)	
	Nineteenth Fiscal Period (December 1, 2012- May 31, 2013)	Twentieth Fiscal Period (June 1, 2013- November 30, 2013)
<b>Operating Revenues</b>		
Rental revenues	14,805,971	15,859,355
Other rental revenues	1,049,362	1,224,842
Gain on sales of real estates	72,488	331,935
Dividend income from investment in anonymous association	222,598	29
<b>Total Operating Revenues</b>	<b>16,150,421</b>	<b>17,416,162</b>
<b>Operating Expenses</b>		
Property-related expenses	7,282,408	7,771,624
Loss on sales of real estate	-	153,756
Asset management fees	1,316,728	1,412,232
Asset custodian fees	16,250	17,334
Administrative service fees	69,343	74,732
Directors' compensation	10,200	10,200
Other operating expenses	231,887	255,654
<b>Total Operating Expenses</b>	<b>8,926,818</b>	<b>9,695,534</b>
<b>Operating Income</b>	<b>7,223,603</b>	<b>7,720,628</b>
<b>Non-operating Revenues</b>		
Interest income	1,269	3,118
Reversal of dividends payable	2,647	2,169
Insurance income	1,169	2,471
Subsidy income	1,904	5,120
Interest on refund	105	3,126
Other	48	148
<b>Total Non-operating Revenues</b>	<b>7,146</b>	<b>16,154</b>
<b>Non-operating Expenses</b>		
Interest expenses	1,257,595	1,055,603
Interest expenses on corporate bonds	440,106	409,866
Corporate bond issuance expenses	157,953	101,740
Investment unit issuance expenses	58,074	35,499
Other	64,792	20,197
<b>Total Non-operating Expenses</b>	<b>1,978,522</b>	<b>1,622,906</b>
<b>Ordinary Income</b>	<b>5,252,227</b>	<b>6,113,876</b>
<b>Income before Income Taxes</b>	<b>5,252,227</b>	<b>6,113,876</b>
<b>Current Income Taxes</b>	<b>605</b>	<b>605</b>
<b>Total Income Taxes</b>	<b>605</b>	<b>605</b>
<b>Net Income</b>	<b>5,251,622</b>	<b>6,113,271</b>
<b>Retained Earnings Brought Forward</b>	<b>-</b>	<b>-</b>
<b>Unappropriated Retained Earnings (unappropriated deficit)</b>	<b>5,251,622</b>	<b>6,113,271</b>

(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 the Closing of Accounts (*Kessan-Tanshin*) in Japanese, prepared under the timely-disclosure requirements of the Tokyo Stock Exchange, and portions of the Financial Statements and Performance Information Report in Japanese, prepared pursuant to the Act on Investment Trusts and Investment Corporations of Japan for the period from June 1, 2013 to November 30, 2013 of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation; the Japanese versions of the *Kessan-Tanshin* and the Financial Statements and Performance Information Report for the aforementioned period should always be referred to as the 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.

The English terms for the 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 used 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 shall govern the meaning and interpretation.

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

---