

**SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED
NOVEMBER 30, 2015 (June 1, 2015 – November 30, 2015)**

Name of issuer: United Urban Investment Corporation (United Urban)
Listing: Tokyo Stock Exchange
Securities code: 8960
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Scheduled date for commencing dividend payments: February 10, 2016
Supplementary Materials on Financial Results: Scheduled
Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

(Amounts are rounded down to the nearest millions of yen, unless otherwise indicated)

1. Performance for the Fiscal Period Ended November 30, 2015 (June 1, 2015 – November 30, 2015)

(1) Business Results

(Percentage figures show the increase/decrease rate compared to the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2015	20,070	3.1	9,427	3.4	8,163	4.8	7,916	1.6
Fiscal period ended May 31, 2015	19,466	4.2	9,113	5.4	7,790	7.1	7,790	7.1

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended November 30, 2015	2,946	2.7	1.4	40.7
Fiscal period ended May 31, 2015	2,954	2.9	1.4	40.0

(2) Distributions

	Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended November 30, 2015	2,953	8,124	0	0	100.2	2.7
Fiscal period ended May 31, 2015	2,900	7,668	0	0	98.1	2.8

Notes: 1. "Payout Ratio" is rounded down to the nearest one decimal place.
2. For the fiscal period ended May 31, 2015, because a calculation of net income per unit was based on an average number of investment units during the period due to an issuance of new investment units, and part of unappropriated retained earnings was carried forward to the next fiscal period, there was a difference between cash distribution per unit and net income per unit. For the fiscal period ended November 30, 2015, because a calculation of net income per unit was based on an average number of investment units during the period due to an issuance of new investment units and a reversal of reserve for distribution (¥208 million) was added to the net income as the source of distribution, there was a difference between cash distribution per unit and net income per unit.

(3) Financial Position

	Total Assets	Total Unitholders' Equity (Net Asset)	Equity Ratio	Net Asset per Unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended November 30, 2015	598,077	297,340	49.7	108,069
Fiscal period ended May 31, 2015	573,318	282,906	49.3	106,987

(4) Conditions of Cash Flows

	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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2015	11,990	(29,370)	15,934	58,186
Fiscal period ended May 31, 2015	9,641	(2,967)	2,984	59,632

2. Forecasts of Results for the Fiscal Period Ending May 31, 2016 (December 1, 2015 – May 31, 2016) and the Fiscal Period Ending November 30, 2016 (June 1, 2016 – November 30, 2016)

(Percentage figures show the increase/decrease rate compared to the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per Unit (excluding excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2016	20,254	0.9	9,357	(0.7)	8,117	(0.6)	8,117	2.5	2,950	0
Fiscal period ending November 30, 2016	20,074	(0.9)	8,430	(9.9)	6,898	(15.0)	6,898	(15.0)	2,950	0

[Reference] Estimated net income per unit (full business year):

Fiscal period ending May 31, 2016 ¥2,950 Fiscal period ending November 30, 2016 ¥2,506

Note: The resource for cash distributions for the fiscal period ending November 30, 2016 is a total of net income and reversal of reserves for distributions (¥1,219 million). Therefore, it differs from “net income”.

*** 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) Total Number of Investment Units Issued and Outstanding

- A. Total number of investment units issued at the end of the fiscal period (including treasury investment units)
 - As of November 30, 2015: 2,751,376 units
 - As of May 31, 2015: 2,644,311 units
- B. Treasury investment units at the end of the fiscal period
 - As of November 30, 2015: None
 - As of May 31, 2015: None

Note: For the number of investment units used as the basis for the calculation of net income per unit, please refer to “Notes to Per Unit Information” on page 24.

(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 15, 2016, 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 Fiscal Period Ending May 31, 2016 (25th fiscal period: from December 1, 2015 to May 31, 2016) and the Fiscal Period Ending November 30, 2016 (26th fiscal period: from June 1, 2016 to November 30, 2016)” below.

DISCLAIMER

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts (*Kessan-Tanshin*) for the fiscal period ended November 30, 2015. This translation is provided for information purpose only 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. 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* should always be referred to as the originals of this document.

1. Related Corporations of Investment Corporation

Structure of Investment Corporation

As there are no significant changes in “Structure of Investment Corporation” stated in the latest Securities Report (submitted on August 28, 2015), the disclosure is omitted.

2. Management Policies and Management Status

(1) Management Policies

As there are no significant changes in “Investment Policies,” “Investment Targets,” “Distribution Policies” and “Investment Restriction” stated in the latest Securities Report (submitted on August 28, 2015), the disclosure is omitted.

(2) Management Status

1. Overview during the period

i) Investment environment and operation

A. Investment environment

Japanese economy generally remains in good condition due to the expansion of corporate performance and the increase in foreign visitors, even though there are some concerns about economic trends in developing countries.

In the real estate sales market, the scale and number of the real estate transactions have been increasing based on the expectations of increase in rents and the favorable financing environment. With regard to the real estate rental market, as for retail properties, the impact of the increase in the consumption tax has run its course, and the sales of retail industry are improving. Therefore, the market for retail properties is remaining steady. As for office buildings, with the increasing needs for company’s business expansion, the asking rents in major cities throughout Japan shows a sign of bottoming out. As for hotels, the room occupancy ratio and the room rates for guests have continued to rise due to an increase in foreign visitors, domestic travel and business travel. As for residential properties, rental properties have steady demand as necessities of life, and both the occupancy ratio and rent levels remains stable.

B. Issuance of new investment units

In order to procure funds for the acquisition of new specified assets and to replenish cash reserves which were reduced by the acquisition of specified assets, United Urban resolved the issuance of 95,000 new investment units by way of public offering and the issuance of 12,065 new investment units by way of third-party allotment to SMBC Nikko Securities at the board of directors’ meeting of United Urban, held on August 31, 2015. 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 September 9, 2015. Based on these resolutions, United Urban issued new investment units, and the payments of ¥14,290 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 “8th Public Offering”).

As a result, United Urban’s total capital increased to ¥258,160 million and United Urban’s total number of investment units issued and outstanding increased to 2,751,376 units.

C. New acquisitions

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

Property No.	Property Name	Type of Use (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
A36	Granbell Ginza Building	Retail	Chuo-ku, Tokyo	2,621	June 30, 2015
A37	UUR Tenjin Nishi-dori Building	Retail	Fukuoka, Fukuoka	5,500	July 15, 2015
A38	Luz Shonan Tsujido (Note 3)	Retail	Fujisawa, Kanagawa	3,938	September 30, 2015 (Note 3)
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Hotel	Kawasaki, Kanagawa	2,655	August 31, 2015
C11	Toyoko Inn Hiroshima Heiwa-odori	Hotel	Hiroshima, Hiroshima	2,113	August 31, 2015
C12	Toyoko Inn Naha Kokusai-dori Miebashiki	Hotel	Naha, Okinawa	745	August 31, 2015
D27	UUR Court Shiki	Apartment	Shiki, Saitama	2,730	September 18, 2015
E7	Quartz Tower (Note 4)	Clinic	Shibuya-ku, Tokyo	5,700 (Note 4)	November 13, 2015 (Note 4)
E8	Shin-Narashino Logistics Center	Warehouse	Narashino, Chiba	2,555	August 7, 2015
Total				28,557	-

- 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 prices are stated based on the purchase prices stated in the purchase and sale agreements concerning the acquisition of each property. In addition, the amounts of the acquisition prices do not include the acquisition cost, property tax, city planning tax and consumption tax, etc. The same shall apply hereinafter.
3. United Urban concluded a purchase and sale agreement of the trust beneficial interest regarding "Luz Shonan Tsujido" on March 30, 2015. In correlation with conclusion of the agreement, United Urban has concluded the master lease agreement (rent-guarantee type) (it has been changed into a pass-through-type master lease agreement on and after the acquisition date of September 30, 2015) with the trustee on the same date (United Urban acquired the leasehold rights for the property collaterally), and has been engaged in subleasing as a master lessee until September 30, 2015. Therefore, the profit from rental activities related to the subleasing was allocated for the term before the acquisition date.
4. Because Quartz Tower was a development-type property, United Urban concluded a purchase and sale agreement of the trust beneficial interest in real estate on June 30, 2015, and acquired the land (acquisition price: ¥4,535 million) at first on the same date. Then, United Urban acquired the building of the property (acquisition price: ¥1,165 million) on November 13, 2015, after the completion of the building construction.

D. Portfolio overview

As of November 30, 2015, United Urban held a total of 117 properties, comprising 34 retail properties, 37 office buildings, 1 retail-office complex, 12 hotels, 1 office-hotel complex, 24 residential properties and 8 others, with an aggregate acquisition price of ¥548,661 million. In addition, the total leasable floor space was 1,229,197.15 sq m. and the numbers of tenants were 1,929.

United Urban has continued to focus on improving occupancy ratios by devoting its attention to improvement in the quality of assets during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 98.5% and 99.0%, and stood at 98.5% on November 30, 2015.

ii) Financing overview

During this period, United Urban conducted certain financings including fund procurement through the 8th Public Offering for the purpose of procuring funds for redemption of corporate bonds and acquisition of specified assets.

The status of interest-bearing liabilities at the end of the previous period and the end of the 24th fiscal period are as follows.

(Millions of yen)				
	Balance at the end of the 23rd Fiscal Period (As of May 31, 2015)	Balance at the end of the 24th Fiscal Period (As of November 30, 2015)	Changes	
Short-term borrowings	-	-	-	
Long-term borrowings	181,857	201,207	19,350	
Total of borrowings	181,857	201,207	19,350	
Corporate bonds	73,500	63,500	(10,000)	
Total of interest-bearing liabilities	255,357	264,707	9,350	

In addition, as of the end of the 24th fiscal period, the amount of borrowings due for repayment within one year was ¥10,700 million, and the amount of the current portion of corporate bonds was ¥10,000 million.

Moreover, the details of ratings of United Urban as of December 31, 2015 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency Ltd.	Long-Term Issuer Rating: AA	Rating Outlook: Stable
Moody's Japan K.K.	Issuer Rating: A3	Rating Outlook: Positive

iii) Effect on the current fiscal period regarding the case to reduce the rents with OPA co., ltd.

With regard to Shinsaibashi OPA Honkan (“OPA Honkan”) and Shinsaibashi OPA Kireikan (“OPA Kireikan”), a case to reduce the rents of these two properties was brought against United Urban on October 15, 2012 by OPA co., ltd. (the “Plaintiff”), the lessee of the OPA Honkan and OPA Kireikan. The Plaintiff has requested to reduce the rent of OPA Honkan, from March 1, 2012 and onwards, by approximately 20% of the current level, and to reduce the rent of OPA Kireikan, from March 1, 2012 and onwards, by approximately 18% of the current level. However, United Urban believes that there are no reasonable grounds for their request to reduce the rent, and obtained an appraisal report with regard to the rent for the two properties as of March 1, 2013. Based on the appraisal report, United Urban filed a counterclaim against OPA co., ltd. on June 3, 2013, seeking to increase the rent of OPA Honkan, from June 1, 2013 and onwards, by approximately 7% of the current level, and to increase the rent of OPA Kireikan, from June 1, 2013 and onwards, by approximately 4% of the current level (collectively with a case to reduce the rent of two properties, the “Case”), and the Case is pending at the Osaka District Court.

By taking into consideration the progress of the Case and other factors, United Urban decided to allocate an estimated amount of losses of ¥275 million, calculated based on rents which have been thought to have a high probability at the end of the period, (decrease in rents for the current period: ¥29 million (operating revenues), decrease in rents for the previous fiscal periods and legal interests on the decrease in rents, etc.: ¥246 million (extraordinary loss)) as the provision for loss on litigation for the current period.

iv) Overview of financial results and distribution

As a result of the above operations, United Urban achieved operating revenues of ¥20,700 million (up by 3.1% from the previous period), profit from rental activities of ¥11,364 million (up by 2.6% from the previous period), operating income after expenses such as asset management fees, asset custodian fees and other commissions of ¥9,427 million (up by 3.4% from the previous period), ordinary income reflecting other factors such as interest expenses for borrowings and corporate bonds of ¥8,163 million (up by 4.8% from the previous period), and net income after extraordinary loss regarding the provision for loss on litigation (¥246 million) of ¥7,916 million (up by 1.6% from the previous period).

With regard to the cash distribution in the period, the reversal of reserve for distribution of ¥208 million was added to a net income of ¥7,916 million by the application of the special provisions of taxation (Article 67-15 of the Act on Special Measures Concerning Taxation) and the use of reserve for distribution, in order to deal with differences between accounting and taxation due to a recording of provision for loss on litigation. As a result, United Urban decided to distribute ¥8,124 million (cash distribution per unit: ¥2,953).

In terms of the strategic portfolio management and enhanced growth of the Investment Corporation over the medium to long term, and the stabilization of levels of cash distributions, ¥121 million, which is the amount equivalent to the retained earnings brought forward from the previous period, was reserved as reserve for distribution.

2. Outlook for the next fiscal period

i) Outlook for overall operation

As for the real estate rental market in Japan, the further improvement in the rental revenues is expected based on the growing needs for floor space expansion. On the other hand, as for the real estate sales market, it is anticipated that aggressive investing activities by Japanese and overseas investors and a favorable financing environment will continue. Moreover, severe competition in property acquisitions and increase in real estate prices are also expected.

Under the circumstances, United Urban will take advantage of the knowledge and network of the sponsor in addition to its information channel of the asset management company for property acquisitions, and make efforts for external growth by utilizing the characteristics of a diversified J-REIT. As for asset management, United Urban will make continuous efforts to improve the occupancy ratio and the profitability of the portfolio through selective equipment work, tenant replacement, and cost reduction, etc.

In regard to the financial strategy, United Urban will make continuous efforts to create robust and stable financial standing by reducing financial costs, extending and diversifying the maturities for interest-bearing liabilities, and ensuring enough liquidity.

ii) Outlook for management status

A. Material facts arising after the end of 24th fiscal period and other material events

1) Acquisition of property and debt financing

a. United Urban decided to acquire “455 Ueno Building” on December 2, 2015, and acquired the property on December 4, 2015.

Property No.	Property Name	Type of Use	Location	Acquisition Price (Millions of yen)	Acquisition Date
A39	455 Ueno Building	Retail	Taito-ku, Tokyo	3,000	December 4, 2015

b. United Urban procured debt financing to support the payment for acquiring “455 Ueno Building” mentioned above a., as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 20B	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	0.68000%	December 4, 2015	September 20, 2024	Unsecured Unguaranteed
Term Loan 21B	Mizuho Bank, Ltd.	1,000	0.63275% (Note)			
Term Loan 22B	Mitsubishi UFJ Trust and Banking Corporation	1,000	0.62500% (Note)		March 21, 2024	
Total		3,000				

Note: It is a borrowing with floating interest rate applying the one month Euro-Yen 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.

2) New committed line of credit agreement

United Urban concluded a new committed line of credit agreement on December 25, 2015, as set forth below.

Outline of the new committed line of credit agreement

Participating financial institutions	:	Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation Mizuho Trust & Banking Co., Ltd. Resona Bank Limited
Maximum loan amount	:	¥12,000 million
Date of agreement	:	December 25, 2015
Term of agreement	:	From December 25, 2015 to December 26, 2016
Collateral	:	Unsecured, unguaranteed

B. Outlook for management status

For the fiscal period ending May 31, 2016 (25th fiscal period: from December 1, 2015 to May 31, 2016) and the fiscal period ending November 30, 2016 (26th fiscal period: from June 1, 2016 to November 30, 2016), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2016 (25th fiscal period: from December 1, 2015 to May 31, 2016) and the Fiscal Period Ending November 30, 2016 (26th fiscal period: from June 1, 2016 to November 30, 2016)” below.

Fiscal Period Ending May 31, 2016

Operating revenues:	¥20,254 million	Cash distributions per unit:	¥2,950
Operating income:	¥9,357 million	Distributions in excess of earnings per unit:	¥0
Ordinary income:	¥8,117 million		
Net income:	¥8,117 million		

Fiscal Period Ending November 30, 2016

Operating revenues:	¥20,074 million	Cash distributions per unit:	¥2,950
Operating income:	¥8,430 million	Distributions in excess of earnings per unit:	¥0
Ordinary income:	¥6,898 million		
Net income:	¥6,898 million		

Note: The above-listed forward-looking statements 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, cash 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, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2016
(25th fiscal period: from December 1, 2015 to May 31, 2016) and the Fiscal Period Ending November 30, 2016
(26th fiscal period: from June 1, 2016 to November 30, 2016)

Item	Assumptions
Terms	<ul style="list-style-type: none"> • Fiscal period ending May 31, 2016 (25th fiscal period: from December 1, 2015 to May 31, 2016) (183 days) • Fiscal period ending November 30, 2016 (26th fiscal period: from June 1, 2016 to November 30, 2016) (183 days)
Investment Assets	<ul style="list-style-type: none"> • The forecast of financial results is based on 118 properties consisting of (i) 117 properties owned by United Urban as of November 30, 2015 and (ii) “455 Ueno Building” acquired on December 4, 2015. 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 November 30, 2016 (the end of the 26th fiscal period) other than mentioned above. • However, the actual results may fluctuate due to changes in the investment portfolio.
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> • The number of investment units issued and outstanding is based on 2,751,376 units as of January 15, 2016. • It is based on the assumption that there will be no additional issuance of investment units until November 30, 2016 (the end of the 26th fiscal period).
Operating Revenues	<ul style="list-style-type: none"> • Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of January 15, 2016 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. • As for “Shinsaibashi OPA Honkan” and “Shinsaibashi OPA Kireikan,” (i) a case brought by OPA co., Ltd., the lessee, to reduce the rent and (ii) a counterclaim brought by United Urban to increase the rent (collectively, the Case”) have been pending as of the date hereof. By taking into consideration the progress of the Case, United Urban anticipates the rents and other revenues of both properties for the fiscal period ending May 31, 2016 and the fiscal period ending November 30, 2016, based on rents which have been thought to have a high probability as of the date hereof. <p style="margin-left: 40px;">(Note) For details of the Case, please refer to the press releases “Notice Concerning a Case Brought against United Urban to Reduce the Rent of Shinsaibashi OPA Honkan and Shinsaibashi OPA Kireikan” dated October 29, 2012 and “Notice Concerning a Counterclaim against the Case Brought against United Urban to Reduce the Rent of Shinsaibashi OPA Honkan and Shinsaibashi OPA Kireikan” dated June 3, 2013.</p> <ul style="list-style-type: none"> • United Urban anticipates rental revenues (including common area charges) of ¥18,179 million for the fiscal period ending May 31, 2016, and ¥17,972 million for the fiscal period ending November 30, 2016, respectively. • United Urban anticipates parking revenues of ¥507 million for the fiscal period ending May 31, 2016, and ¥508 million for the fiscal period ending November 30, 2016, respectively. • United Urban anticipates utility revenues (electricity, water, gas, etc.) from tenants of ¥1,243 million for the fiscal period ending May 31, 2016, and ¥1,378 million for the fiscal period ending November 30, 2016, respectively. • Operating revenues from rental activities are based on the assumption that there is no back rent or nonpayment of rent, etc. by the tenants.
Operating Expenses	<ul style="list-style-type: none"> • 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. • United Urban assumes it will incur ¥1,564 million as taxes and public charges (property taxes and city planning taxes, etc.) concerning its investment assets for the fiscal period ending May 31, 2016, and ¥1,646 million for the fiscal period ending November 30, 2016, 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. • United Urban assumes it will incur ¥1,331 million as property management fees for the fiscal period ending May 31, 2016, and ¥1,462 million for the fiscal period ending November 30, 2016, respectively.

	<ul style="list-style-type: none"> United Urban assumes it will incur ¥1,341 million as utilities for the fiscal period ending May 31, 2016, and ¥1,487 million for the fiscal period ending November 30, 2016, respectively. United Urban assumes it will incur ¥606 million as repairs and maintenance of buildings for the fiscal period ending May 31, 2016, and ¥819 million for the fiscal period ending November 30, 2016, respectively. However, please note that the actual 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 work due to damages to buildings owing to unexpected factors, the large variance in amounts between fiscal years and the fact that these amounts do not accrue on a regular basis. Depreciation and amortization are calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures. United Urban assumes it will incur ¥3,608 million as depreciation and amortization for the fiscal period ending May 31, 2016, and ¥3,636 million for the fiscal period ending November 30, 2016, respectively. 															
<p style="text-align: center;">Non-Operating Expenses</p>	<ul style="list-style-type: none"> United Urban assumes it will incur, as a one-off expense for the fiscal period ending November 30, 2016, about ¥81 million in expenses associated with the issuance of new corporate bonds in order to procure funds for redemption of the corporate bonds coming due on August 5, 2016 (¥10,000 million). (The costs will be recorded as expenses at the time of payment.) United Urban assumes it will incur ¥1,234 million as interest expenses for interest-bearing liabilities (including financing-related expenses and interest expenses on corporate bonds, etc.) for the fiscal period ending May 31, 2016, and ¥1,244 million for the fiscal period ending November 30, 2016, respectively. 															
<p style="text-align: center;">Interest-bearing Liabilities</p>	<ul style="list-style-type: none"> The total balance of interest-bearing liabilities is ¥267,657 million of which ¥204,157 million are borrowings and ¥63,500 million are corporate bonds as of January 15, 2016. The interest-bearing liabilities coming due during the fiscal period ending May 31, 2016 and our plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 1019 1409 1137"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td>March 20, 2016 (Note)</td> <td>Borrowing: ¥5,000 million</td> <td>United Urban will newly obtain borrowings from lender(s) to repay the borrowings</td> </tr> </tbody> </table> <p>(Note) Since March 20, 2016 is not a business day, March 22, 2016 which is the immediate following business day, will be the maturity date pursuant to the contract.</p> The interest-bearing liabilities coming due during the fiscal period ending November 30, 2016 and our plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 1290 1409 1485"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td>August 5, 2016</td> <td>Corporate bond: ¥10,000 million</td> <td>United Urban will issue new corporate bonds to redeem the corporate bonds.</td> </tr> <tr> <td>September 20, 2016</td> <td>Borrowing: ¥5,700 million</td> <td>United Urban will newly obtain borrowings from lender(s) to repay the borrowings</td> </tr> </tbody> </table> <p>(Note) Apart from the abovementioned borrowing (¥5,700 million), United Urban is to make a scheduled install payment in the amount of ¥50 million funded by cash reserves, separately, on June 20, 2016.</p> After the abovementioned refinancing of borrowings etc., the total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2016 will be ¥267,607 million (however, if a part of the cash reserves are appropriated for the abovementioned redemption of corporate bonds and repayment of borrowings, the balance will vary in the amount of such appropriation.). 	Maturity Date	Overview of Interest-bearing Liabilities	Plan for Repayment	March 20, 2016 (Note)	Borrowing: ¥5,000 million	United Urban will newly obtain borrowings from lender(s) to repay the borrowings	Maturity Date	Overview of Interest-bearing Liabilities	Plan for Repayment	August 5, 2016	Corporate bond: ¥10,000 million	United Urban will issue new corporate bonds to redeem the corporate bonds.	September 20, 2016	Borrowing: ¥5,700 million	United Urban will newly obtain borrowings from lender(s) to repay the borrowings
Maturity Date	Overview of Interest-bearing Liabilities	Plan for Repayment														
March 20, 2016 (Note)	Borrowing: ¥5,000 million	United Urban will newly obtain borrowings from lender(s) to repay the borrowings														
Maturity Date	Overview of Interest-bearing Liabilities	Plan for Repayment														
August 5, 2016	Corporate bond: ¥10,000 million	United Urban will issue new corporate bonds to redeem the corporate bonds.														
September 20, 2016	Borrowing: ¥5,700 million	United Urban will newly obtain borrowings from lender(s) to repay the borrowings														
<p style="text-align: center;">Cash Distributions per Unit</p>	<ul style="list-style-type: none"> Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban. United Urban assumes that it will distribute only the unappropriated retained earnings of ¥8,117 million as the source of distribution, and it does not intend to add the reserve for distribution or retained earnings in the source of distribution for the fiscal period ending May 31, 2016. United Urban assumes it will distribute ¥8,117 million, which is a total of the unappropriated retained earnings of ¥6,898 million and the reversal of reserve for distribution of ¥1,219 million for the fiscal period ending November 30, 2016. 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. 															

Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> · United Urban does not currently plan distribution in excess of earnings (distribution in excess of earnings per unit).
Other	<ul style="list-style-type: none"> · 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. · 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.

3. Financial Statement

(1) Balance Sheet

		(Thousands of yen)	
		End of 23rd Fiscal Period (as of May 31, 2015)	End of 24th Fiscal Period (as of November 30, 2015)
ASSETS			
Current Assets			
Cash and bank deposit	*1	37,784,038	33,173,051
Cash and bank deposit in trust		23,053,815	25,013,801
Rent receivables		409,405	403,145
Consumption taxes refundable		-	489,075
Prepaid expenses		575,833	128,580
Other		2,224,967	1,460,113
Total Current Assets		<u>64,048,059</u>	<u>60,667,767</u>
Fixed Assets			
Property and equipment, at cost			
Buildings	*1	20,402,322	20,426,504
Less accumulated depreciation		(4,055,620)	(4,394,881)
Buildings, net		<u>16,346,702</u>	<u>16,031,623</u>
Structures	*1	159,989	159,989
Less accumulated depreciation		(111,313)	(116,966)
Structures, net		<u>48,676</u>	<u>43,023</u>
Machinery and equipment		242,544	282,990
Less accumulated depreciation		(117,970)	(127,680)
Machinery and equipment, net		<u>124,573</u>	<u>155,309</u>
Tools, furniture and fixtures		34,551	36,395
Less accumulated depreciation		(11,308)	(14,048)
Tools, furniture and fixtures, net		<u>23,243</u>	<u>22,347</u>
Land	*1	46,078,276	46,078,276
Construction in progress		1,813	1,813
Buildings in trust	*1	190,199,594	200,244,763
Less accumulated depreciation		(37,564,034)	(40,488,969)
Buildings in trust, net		<u>152,635,560</u>	<u>159,755,794</u>
Structures in trust	*1	1,661,095	1,731,404
Less accumulated depreciation		(809,327)	(858,863)
Structures in trust, net		<u>851,767</u>	<u>872,541</u>
Machinery and equipment in trust		1,740,151	1,952,715
Less accumulated depreciation		(723,084)	(796,524)
Machinery and equipment in trust, net		<u>1,017,066</u>	<u>1,156,190</u>
Tools, furniture and fixtures in trust	*1	430,548	477,333
Less accumulated depreciation		(152,003)	(181,107)
Tools, furniture and fixtures in trust, net		<u>278,544</u>	<u>296,226</u>
Land in trust	*1	285,134,233	304,162,885
Construction in progress in trust		583,808	349,967
Total property and equipment		<u>503,124,267</u>	<u>528,926,000</u>
Intangible assets			
Software		31,128	35,492
Leasehold rights		1,149,355	1,149,355
Leasehold rights in trust		2,780,922	5,177,059
Other intangible assets in trust		212,437	205,772
Total intangible assets		<u>4,173,842</u>	<u>6,567,680</u>
Investments and other assets			
Security deposits paid		10,000	10,000
Security deposits paid in trust		80,266	80,392
Long-term prepaid expenses		1,882,049	1,826,142
Total investments and other assets		<u>1,972,316</u>	<u>1,916,534</u>
Total Fixed Assets		<u>509,270,425</u>	<u>537,410,215</u>
TOTAL ASSETS		<u>573,318,485</u>	<u>598,077,982</u>

		(Thousands of yen)	
		End of 23rd Fiscal Period (as of May 31, 2015)	End of 24th Fiscal Period (as of November 30, 2015)
LIABILITIES			
Current Liabilities			
Trade accounts payable		1,517,426	1,841,303
Current portion of corporate bonds		10,000,000	10,000,000
Long-term debt due for repayment within one year		5,000,000	10,700,000
Accrued expenses		445,478	376,518
Distributions payable		21,534	19,903
Consumption taxes payable		853,135	-
Rent received in advance		344,509	349,285
Rent received in advance in trust		2,499,877	2,642,549
Deposits received		2,593	2,885
Deposits received in trust		51,951	28,065
Provision for loss on litigation		-	275,605
Other		27,000	27,000
Total Current Liabilities		20,763,506	26,263,116
Long-term Liabilities			
Corporate bonds		63,500,000	53,500,000
Long-term debt		176,857,000	190,507,000
Leasehold and security deposits received	*1	3,254,083	3,249,316
Leasehold and security deposits received in trust	*1	25,980,520	27,056,902
Derivatives liabilities		56,430	161,237
Total Long-term Liabilities		269,648,034	274,474,456
Total Liabilities		290,411,540	300,737,572
NET ASSETS			
Unitholders' Equity			
Unitholders' capital		243,869,759	258,160,260
Surplus			
Capital surplus		23,548,287	23,548,287
Reserve for distribution		7,754,927	7,754,927
Unappropriated retained earnings (unappropriated deficit)		7,790,400	8,038,171
Total surplus		39,093,615	39,341,387
Total Unitholders' Equity		282,963,375	297,501,647
Valuation and Translation Adjustment			
Deferred gains or losses on hedges		(56,430)	(161,237)
Total Valuation and Translation Adjustment		(56,430)	(161,237)
Total Net Assets	*4	282,906,944	297,340,410
TOTAL LIABILITIES and NET ASSETS		573,318,485	598,077,982

(2) Statement of Income

		(Thousands of yen)	
		23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Operating Revenues			
Rental revenues	*1	18,053,499	18,541,897
Other rental revenues	*1	1,335,780	1,528,445
Gain on sales of real estates	*2	76,878	-
Total Operating Revenues		19,466,157	20,070,343
Operating Expenses			
Property-related expenses	*1	8,313,414	8,705,601
Loss on sales of real estates	*3	176,491	-
Asset management fees		1,559,775	1,601,124
Asset custodian fees		17,403	17,566
Administrative service fees		69,648	68,016
Directors' compensation		10,200	10,200
Other operating expenses		205,592	240,391
Total Operating Expenses		10,352,526	10,642,901
Operating Income		9,113,631	9,427,442
Non-operating Revenues			
Interest income		3,122	3,374
Reversal of cash distributions payable		5,173	2,519
Insurance income		8,110	5,318
Interest on refund		376	-
Compensation income		4,540	-
Other		2,996	925
Total Non-operating Revenues		24,320	12,138
Non-operating Expenses			
Interest expenses		965,096	987,597
Interest expenses on corporate bonds		310,083	238,005
Corporate bond issuance expenses		20,684	-
Investment unit issuance expenses		25,290	38,223
Other		26,173	12,722
Total Non-operating Expenses		1,347,328	1,276,547
Ordinary Income		7,790,623	8,163,033
Extraordinary Loss			
Provision for loss on litigation		-	246,154
Total Extraordinary Loss		-	246,154
Income before Income Taxes		7,790,623	7,916,878
Income Taxes - current		605	605
Total Income Taxes		605	605
Net Income		7,790,018	7,916,273
Retained Earnings Brought Forward		381	121,898
Unappropriated Retained Earnings (unappropriated deficit)		7,790,400	8,038,171

(3) Statements of Unitholders' Equity

23rd Fiscal Period (From December 1, 2014 to May 31, 2015)

(Thousands of yen)

	Unitholders's Equity					
	Unitholders' Capital	Surplus				Total Unitholders' Equity
		Capital Surplus	Reserve for Distribution	Unappropriated Retained Earnings	Total Surplus	
Balance at the beginning of current period	219,768,557	23,548,287	7,754,927	7,275,845	38,579,060	258,347,618
Changes of items during the period						
Issuance of new investment units	24,101,202				-	24,101,202
Cash distribution disbursed				(7,275,464)	(7,275,464)	(7,275,464)
Net income				7,790,018	7,790,018	7,790,018
Net changes during the period except for items under unitholders' equity					-	-
Total changes of items during the period	24,101,202	-	-	514,554	514,554	24,615,756
Balance at the end of current period	*243,869,759	23,548,287	7,754,927	7,790,400	39,093,615	282,963,375

	Valuation and Translation Adjustment		Total Net Assets
	Deferred gains or losses on hedges	Total Valuation and Translation Adjustment	
Balance at the beginning of current period	(12,199)	(12,199)	258,335,418
Changes of items during the period			
Issuance of new investment units		-	24,101,202
Cash distribution disbursed		-	(7,275,464)
Net income		-	7,790,018
Net changes during the period except for items under unitholders' equity	(44,231)	(44,231)	(44,231)
Total changes of items during the period	(44,231)	(44,231)	24,571,525
Balance at the end of current period	(56,430)	(56,430)	282,906,944

24th Fiscal Period (From June 1, 2015 to November 30, 2015)

(Thousands of yen)

	Unitholders's Equity					
	Unitholders' Capital	Surplus				Total Unitholders' Equity
		Capital Surplus	Reserve for Distribution	Unappropriated Retained Earnings	Total Surplus	
Balance at the beginning of current period	243,869,759	23,548,287	7,754,927	7,790,400	39,093,615	282,963,375
Changes of items during the period						
Issuance of new investment units	14,290,500				-	14,290,500
Cash distribution disbursed				(7,668,501)	(7,668,501)	(7,668,501)
Net income				7,916,273	7,916,273	7,916,273
Net changes during the period except for items under unitholders' equity					-	-
Total changes of items during the period	14,290,500	-	-	247,771	247,771	14,538,272
Balance at the end of current period	*258,160,260	23,548,287	7,754,927	8,038,171	39,341,387	297,501,647

	Valuation and Translation Adjustment		Total Net Assets
	Deferred gains or losses on hedges	Total Valuation and Translation Adjustment	
Balance at the beginning of current period	(56,430)	(56,430)	282,906,944
Changes of items during the period			
Issuance of new investment units		-	14,290,500

Cash distribution disbursed		-	(7,668,501)
Net income		-	7,916,273
Net changes during the period except for items under unitholders' equity	(104,806)	(104,806)	(104,806)
Total changes of items during the period	(104,806)	(104,806)	14,433,466
Balance at the end of current period	(161,237)	(161,237)	297,340,410

(4) Statements of Cash Distribution

	(Yen)	
	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
I. Unappropriated retained earnings	¥ 7,790,400,217	¥ 8,038,171,790
II. Reversal of reserve for distribution	-	¥ 208,539,855
III. Cash distributions	¥ 7,668,501,900	¥ 8,124,813,328
(Cash distribution per unit)	(¥ 2,900)	(¥ 2,953)
IV. Voluntary retained earnings		
Provision of reserve for distribution	-	¥ 121,898,317
V. Retained earnings carried forward to the next period	¥ 121,898,317	-

Calculation method for cash distribution	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, 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, within the limit of the amount of earnings. Based on this policy, United Urban reserved part of unappropriated retained earnings, and decided to distribute ¥7,668,501,900, which is the amount equivalent to the integral multiple of total number of investment units issued and outstanding (2,644,311 units) for the 23rd 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.	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, 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, within the limit of the amount of earnings. Based on this policy, United Urban deducted ¥121,898,317, which is equivalent to the retained earnings brought forward from the previous period, from the unappropriated retained earnings of ¥8,038,171,790 (an amount equivalent to the net income: ¥7,916,273,473). Then, United Urban decided to distribute ¥8,124,813,328, which is a total of ¥7,916,273,473 and reversal of reserve for distribution of ¥208,539,855 (of the balance of reserve for distribution, ¥7,754,927,926) for the 24th 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. In addition, United Urban reserved the aforementioned ¥121,898,317, which is equivalent to the retained earnings brought forward from the previous period, as the reserve for distribution.

(5) Statements of Cash Flows

	(Thousands of yen)	
	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Cash flows from operating activities		
Income before income taxes	7,790,623	7,916,878
Depreciation and amortization	3,464,656	3,482,401
Gain on sale of properties	(76,878)	-
Loss on sale of properties	176,491	-
Provision for loss on litigation	-	246,154
Interest income and interest on securities	(3,122)	(3,374)
Interest expense and interest expense on corporate bonds	1,275,180	1,225,602
Corporate bond issuance expenses	20,684	-
Investment unit issuance expenses	25,290	38,223
Decrease (increase) in rent receivables	(10,053)	6,259
Decrease (increase) in consumption taxes refundable	65,167	(419,593)
Decrease (increase) in prepaid expenses	(468,594)	454,818
Decrease (increase) in long-term prepaid expenses	24,347	24,160
Increase (decrease) in trade accounts payable	(50,882)	241,234
Increase (decrease) in accrued expenses	(18,736)	(7,100)
Increase (decrease) in consumption taxes payable	853,919	(853,135)
Increase (decrease) in rent received in advance	(4,265)	4,776
Increase (decrease) in rent received in advance in trust	20,466	142,672
Increase (decrease) in deposits received	310	291
Increase (decrease) in deposits received in trust	(23,308)	(23,886)
Amortization of leasehold and security deposits received	(25,676)	(23,259)
Amortization of leasehold and security deposits received in trust	(74,905)	(57,483)
Other	(2,207,708)	855,020
Subtotal	<u>10,753,004</u>	<u>13,250,659</u>
Interest received	3,102	3,395
Interest paid	(1,114,286)	(1,263,281)
Income taxes (paid) refund	(640)	(656)
Net cash provided by (used in) operating activities	<u>9,641,180</u>	<u>11,990,116</u>
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	-	1,205,530
Payments into time deposits	(1,000,000)	-
Sale of property and equipment in trust	3,213,152	-
Purchase of property and equipment	(137,086)	(59,533)
Purchase of property and equipment in trust	(5,520,664)	(29,270,819)
Purchase of intangible assets in trust	-	(2,397,631)
Proceeds from collection of leasehold and security deposits in trust	-	138
Payment for leasehold and security deposits in trust	-	(264)
Proceeds from leasehold and security deposits received	63,689	62,375
Payment of leasehold and security deposits received	(27,776)	(43,882)
Proceeds from leasehold and security deposits received in trust	766,857	1,506,673
Payment of leasehold and security deposits received in trust	(325,601)	(372,807)
Net cash provided by (used in) investing activities	<u>(2,967,429)</u>	<u>(29,370,221)</u>
Cash flows from financing activities		
Proceeds from long-term debt	3,500,000	19,400,000
Repayment of long-term debt	(12,300,000)	(50,000)
Proceeds from issuance of corporate bonds	1,984,693	-
Repayment of corporate bonds	(7,000,000)	(10,000,000)
Proceeds from issuance of investment units	24,075,912	14,252,277
Distributions to unitholders	(7,275,999)	(7,667,623)
Net cash provided by (used in) financing activities	<u>2,984,606</u>	<u>15,934,653</u>
Net changes in cash and cash equivalents	<u>9,658,356</u>	<u>(1,445,451)</u>
Cash and cash equivalents at the beginning of the period	<u>49,973,947</u>	<u>59,632,303</u>
Cash and cash equivalents at the end of the period	<u>59,632,303</u>	<u>58,186,852</u>

(6) Notes to Assumption of Going Concern

Not applicable

(7) Notes to Important Accounting Policies

1.	Depreciation and amortization methods of fixed assets	<p>(1) Property and equipment (including trust assets) Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows: Building: 2-70 years Structure: 2-46 years Machinery and equipment: 2-17 years Tools, furniture and fixtures: 3-15 years</p> <p>(2) Intangible assets (including trust assets) Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years.</p> <p>(3) Long-term prepaid expenses Depreciation of long-term prepaid expenses is calculated on a straight-line basis.</p>
2.	Accounting method of differed assets	<p>Investment unit issuance expenses Investment unit issuance expenses are expensed at once at the time of payment.</p>
3.	Accounting standards of allowance	<p>Provision for loss on litigation In order to prepare for the probable losses on lawsuit, the estimated amounts of loss at the end of the current fiscal period are provided.</p>
4.	Revenues and expenses recognition	<p>Accounting method for taxes on property and equipment United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held allocated to the current period and charged this to property-related expenses.</p> <p>The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥46,898 thousand of such property taxes which were capitalized for the current fiscal period.</p>
5.	Hedge accounting	<p>(1) Hedge accounting method The differed hedge accounting is adopted.</p> <p>(2) Hedging instrument and hedged item Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts</p> <p>(3) Hedging policy Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation.</p> <p>(4) Evaluation method of the effectiveness of hedging 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.</p>
6.	Scope of cash and cash equivalents in the statements of cash flows	<p>Cash in the statements of cash flows (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.</p>

7.	Important matters as the basis for preparation of the financial statements	<p>(1) Accounting treatment for trust beneficial interests in entrusted assets including real estate</p> <p>For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts. In addition, the following significant accounts of assets held in trust which are recorded in the relevant accounts are reported separately in the balance sheet.</p> <ol style="list-style-type: none"> 1) Cash and bank deposit in trust 2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Leasehold rights in trust and Other intangible assets in trust 4) Security deposits paid in trust 5) Rent received in advance in trust 6) Deposits received in trust 7) Leasehold and security deposits received in trust <p>(2) Accounting method for consumption taxes</p> <p>The consumption tax and local consumption tax are accounted for using the tax exclusion method. However, non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.</p>
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(8) Notes to Financial Statements

[Notes to Balance Sheets]

*1. Pledged assets and secured debt

Pledged assets were as follows:

	(Thousands of yen)	
	End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
Cash and bank deposit	205,550	-
Buildings	1,804,071	1,750,084
Structures	4,035	2,123
Land	2,089,982	2,089,982
Buildings in trust	2,088,958	2,072,602
Structures in trust	1,735	1,698
Tools, furniture and fixtures in trust	1,147	1,997
Land in trust	2,114,743	2,114,743
Total	8,310,224	8,033,232

Debt secured by pledged assets were as follows:

	(Thousands of yen)	
	End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
Leasehold security deposits received	408,171	408,171
Leasehold security deposits received in trust	1,032,506	826,976
Total	1,440,677	1,235,147

2. Line-of-credit agreement

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

	(Thousands of yen)	
	End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
Total amount of commitment	36,000,000	36,000,000
Outstanding borrowings at end of the period	-	-
Net balance	36,000,000	36,000,000

3. Contingent liabilities

23rd Fiscal Period (As of May 31, 2015)

With regard to Shinsaibashi OPA Honkan (hereinafter “OPA Honkan”) and Shinsaibashi OPA Kireikan (hereinafter “OPA Kireikan”), a case to reduce the rent of these two properties was brought against United Urban at the Tokyo District Court on October 15, 2012 by OPA co., ltd. (hereinafter the “Plaintiff”), the lessee of OPA Honkan and OPA Kireikan. Later, the case was decided to be transferred to the Osaka District Court, and is now pending at the Osaka District Court.

The Plaintiff has requested to reduce the rent of OPA Honkan, from March 1, 2012 and onwards, by approximately 20% of the current level, and to reduce the rent of OPA Kireikan, from March 1, 2012 and onwards, by approximately 18% of the current level. However, United Urban believes that there are no reasonable grounds for their request to reduce the rent. In addition, United Urban obtained an appraisal report with regard to the rent for the two properties as of March 1, 2013. Based on the appraisal report, United Urban filed a counterclaim to the Osaka District Court against OPA co., ltd. on June 3, 2013, seeking to increase the rent of OPA Honkan, from June 1, 2013 and onwards, by approximately 7% of the current level, and to increase the rent of OPA Kireikan, from June 1, 2013 and onwards, by approximately 4% of the current level, and the counterclaim is also pending at the Osaka District Court together with the Case.

Depending on the results of the case or the counterclaim, there may be some effects on the operating condition of United Urban. However, United Urban is not able to predict the effect at present.

24th Fiscal Period (As of November 30, 2015)

There was no applicable information on contingent liabilities for the fiscal period ended November 30, 2015.

*4. Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan

(Thousands of yen)	
End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
50,000	50,000

[Notes to the Statement of Income]

*1. Operating revenues and expenses

	(Thousands of yen)			
	23rd Fiscal Period (December 1, 2014- May 31, 2015)		24th Fiscal Period (June 1, 2015- November 30, 2015)	
A. Operating revenues				
Rental revenues				
Rental revenues	15,961,415		16,419,263	
Common area charges	1,495,657		1,492,930	
Parking revenues	480,543		507,029	
Other revenues (Note 1)	115,882	18,053,499	122,673	18,541,897
Other rental revenues				
Incidental revenues (Note 2)	1,198,084		1,289,251	
Temporary revenues	56,873		146,144	
Other miscellaneous revenues	80,822	1,335,780	93,050	1,528,445
Total operating revenues		19,389,279		20,070,343
B. Property-related expenses				
Rental expenses				
Property and other taxes	1,484,819		1,567,377	
Property management fees	1,270,003		1,317,655	
Utilities	1,289,805		1,333,882	
Casualty insurance	23,761		24,416	
Repairs and maintenance (Note 3)	422,030		550,387	
Depreciation and amortization	3,464,656		3,482,401	
Other rental expenses	358,336		429,481	
Total rental expenses		8,313,414		8,705,601
C. Profit from rental activities (A-B)		11,075,865		11,364,741

- Notes: 1 The consistent revenues other than rental revenues, common area charges and parking revenues are stated.
2 The utilities revenues that come from tenants in proportion to the amount used are stated.
3 The repair expense and repair and maintenance reserve are stated.

*2. Gain on Sale of Properties

23rd Fiscal Period (From December 1, 2014 to May 31, 2015)

		(Thousand of yen)
Pacific Marks Nihonbashi Tomizawacho		
Revenue from sale of property	2,020,000	
Cost of sale of property	1,857,892	
Other sales expenses	85,229	
Gain on sale of properties		76,878

24th Fiscal Period (From June 1, 2015 to November 30, 2015)

There was no applicable information on gain on sale of properties for the fiscal period ended November 30, 2015.

*3. Loss on Sale of Properties

23rd Fiscal Period (From December 1, 2014 to May 31, 2015)

		(Thousand of yen)
Pacific Marks Aobadai		
Revenue from sale of property	1,500,000	
Cost of sale of property	1,615,947	
Other sales expenses	60,544	
Loss on sale of properties		176,491

24th Fiscal Period (From June 1, 2015 to November 30, 2015)

There was no applicable information on loss on sale of properties for the fiscal period ended November 30, 2015.

[Notes to Statements of Changes in Unitholders' Equity]

* Total number of investment units authorized and Total number of investment units issued and outstanding

	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November, 2015)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	2,644,311 units	2,751,376 units

[Notes to Tax Effect Accounting]

1. Significant components of deferred tax assets and deferred tax liabilities

	(Thousands of yen)	
	End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
Deferred tax assets (current)		
Provision for loss on litigation	-	89,047
Difference in revenue recognition for tax purposes	8,723	8,723
Subtotal	8,723	97,771
Valuation allowance	(8,723)	(97,771)
Total	-	-
Deferred tax assets (non current)		
Valuation difference on assets acquired by merger	22,613,659	22,591,524
Other	193	96
Subtotal	22,613,852	22,591,621
Valuation allowance	(22,613,852)	(22,591,621)
Total	-	-
Total deferred tax assets	-	-

2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate after the application of tax effect accounting

	End of 23rd Fiscal Period (As of May 31, 2015)	End of 24th Fiscal Period (As of November 30, 2015)
Statutory tax rate	34.15 %	32.31 %
(Adjustment)		
Distributions of tax-deductible dividends	(24.01) %	(33.15) %
Changes in valuation allowance	(10.14) %	0.84 %
Other	0.01 %	0.01 %
Effective tax rate after the application of tax effect accounting	0.01 %	0.01 %

3. Revisions to deferred tax assets and deferred tax liabilities due to change in corporate tax rate

23rd Fiscal Period (As of May 31, 2015)

The "Act for Partial Revision of the Income Tax Act, etc." (Act No. 9 of 2015) was issued on March 31, 2015, and corporate tax rate is reduced from fiscal periods beginning on or after April 1, 2015. In line with this, for temporary differences expected to reverse during fiscal periods beginning on or after June 1, 2015, the statutory tax rate used for the calculation of deferred tax assets and deferred tax liabilities will be changed from the existing rate of 34.15% to 32.31%. This change will have no impact on the results of operations of United Urban.

24th Fiscal Period (As of November 30, 2015)

There was no applicable information for the fiscal period ended November 30, 2015.

[Notes to Real Estate Assets for Rent]

United Urban owns investment real estate 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 at the end of the period were as follows:

(Thousands of yen)

Type of Use		23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Retail properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	175,087,964	177,955,286
	Change during the period (Note 2)	2,867,321	11,623,511
	Balance at the end of the period	177,955,286	189,578,797
	Fair value at the end of the period (Note 3)	191,478,000	207,936,000
Office buildings	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	200,154,503	196,464,812
	Change during the period (Note 2)	(3,689,691)	(720,001)
	Balance at the end of the period	196,464,812	195,744,810
	Fair value at the end of the period (Note 3)	218,163,000	221,881,000
Hotels	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	62,521,093	62,715,833
	Change during the period (Note 2)	194,740	6,300,385
	Balance at the end of the period	62,715,833	69,016,219
	Fair value at the end of the period (Note 3)	70,249,000	80,037,000
Residential properties	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	39,354,523	38,993,055
	Change during the period (Note 2)	(361,467)	2,586,738
	Balance at the end of the period	38,993,055	41,579,794
	Fair value at the end of the period (Note 3)	46,931,000	50,720,000
Others	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	31,097,984	30,925,556
	Change during the period (Note 2)	(172,427)	8,407,236
	Balance at the end of the period	30,925,556	39,332,793
	Fair value at the end of the period (Note 3)	33,530,000	42,650,000
Total	Carrying amount on the balance sheet (Note 1)		
	Balance at the beginning of the period	508,216,070	507,054,544
	Change during the period (Note 2)	(1,161,525)	28,197,870
	Balance at the end of the period	507,054,544	535,252,415
	Fair value at the end of the period (Note 3)	560,351,000	603,224,000

- Notes: 1 The carrying amount on the balance sheet is the acquisition value (including the expenses incidental to the acquisition) less accumulated depreciation.
- 2 Of the “Change during the period” for the 23rd fiscal period, the amount of the increase is primarily attributable to acquisition of two new properties (total: ¥3,810 million) and capital expenditures (¥1,429 million). And the amount of the decrease is primarily attributable to the sale of two properties (total: ¥3,473 million) and the depreciation and amortization (¥3,457 million).
Of the “Change during the period” for the 24th fiscal period, the amount of the increase is primarily attributable to acquisition of nine new properties (total: ¥29,872 million) and capital expenditures (¥2,049 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥3,475 million).
- 3 The “Fair value at the end of the 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 the real estate assets for rent, please refer to the “Notes to the Statement of Income.”

[Omission of Disclosure]

Notes to statements of cash flow, leases, financial instruments, securities, derivative transactions, employee retirement benefit, equity earnings of affiliate companies, transactions with related parties, segment information, and asset retirement obligation are omitted since the disclosure of these notes in this Financial Report is not considered to be important.

[Notes to Per Unit Information]

	(Yen)	
	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Net assets per unit	¥ 106,987	¥ 108,069
Net income per unit	¥ 2,954	¥ 2,946

- Notes: 1 Net income per unit is calculated by dividing net income by the daily weighted average number of investment units during the period. Diluted net income per unit is not stated, as there are no dilutive investment units.
- 2 A basis for calculation of net income per unit is as follows:

		23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Net income	(Thousands of yen)	7,790,018	7,916,273
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	7,790,018	7,916,273
Average number of investment units during the period	(Unit)	2,636,583	2,686,863

[Notes to Significant Subsequent Events]

Not applicable.

[Additional Information]

Provision for loss on litigation

With regard to Shinsaibashi OPA Honkan (hereinafter “OPA Honkan”) and Shinsaibashi OPA Kireikan (hereinafter “OPA Kireikan”), a case to reduce the rent of these two properties was brought against United Urban on October 15, 2012 by OPA co., ltd. (hereinafter the “Plaintiff”), the lessee of OPA Honkan and OPA Kireikan. The Plaintiff has requested to reduce the rent of OPA Honkan, from March 1, 2012 and onwards, by approximately 20% of the current level, and to reduce the rent of OPA Kireikan, from March 1, 2012 and onwards, by approximately 18% of the current level. However, United Urban believes that there are no reasonable grounds for their request to reduce the rent. United Urban obtained an appraisal report with regard to the rent for the two properties as of March 1, 2013, and filed a counterclaim against OPA co., ltd. on June 3, 2013, seeking to increase the rent of OPA Honkan, from June 1, 2013 and onwards, by approximately 7% of the current level, and to increase the rent of OPA Kireikan, from June 1, 2013 and onwards, by approximately 4% of the current level (collectively with a case to reduce the rent of two properties, the “Case”) based on the appraisal report. And the Case is pending at the Osaka District Court.

By taking into consideration the progress of the Case and other factors, United Urban decided to allocate an estimated amount of losses of ¥275 million, calculated based on rents which have been thought to have a high probability at the end of the period, (decrease in rents for the current period: ¥29 million (operating revenues), decrease in rents for the previous fiscal periods and legal interests on the decrease in rents, etc.: ¥246 million (extraordinary loss)) as the provision for loss on litigation for the current period.

(9) Change in Total Number of Investment Units Issued and Outstanding

During this period, United Urban procured funds of ¥14,290 million through issuance of new investment units by way of the public offering in September 2015 (95,000 units) and the third-party allotment in October 2015 (12,065 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 (Unit)		Unitholders’ Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
December 1, 2010	Split of investment units	1,006,500	1,207,800	-	108,310	(Note 1)
December 1, 2010	Merger with NCI	243,519	1,451,319	-	108,310	(Note 2)
June 8, 2011	Additional issue of new investment units through public offering	640,000	2,091,319	56,548	164,858	(Note 3)
July 6, 2011	Additional issue of new investment units through third-party allotment	12,064	2,103,383	1,065	165,924	(Note 4)
March 12, 2013	Additional issue of new investment units through public offering	190,000	2,293,383	22,701	188,625	(Note 5)
April 10, 2013	Additional issue of new investment units through third-party allotment	12,064	2,305,447	1,441	190,067	(Note 6)
July 9, 2013	Additional issue of new investment units through public offering	65,000	2,370,447	7,969	198,036	(Note 7)

August 7, 2013	Additional issue of new investment units through third-party allotment	9,734	2,380,181	1,193	199,230	(Note 8)
June 10, 2014	Additional issue of new investment units through public offering	120,000	2,500,181	18,661	217,892	(Note 9)
July 9, 2014	Additional issue of new investment units through third-party allotment	12,065	2,512,246	1,876	219,768	(Note 10)
December 9, 2014	Additional issue of new investment units through public offering	120,000	2,632,246	21,899	241,667	(Note 11)
January 7, 2015	Additional issue of new investment units through third-party allotment	12,065	2,644,311	2,201	243,869	(Note 12)
September 16, 2015	Additional issue of new investment units through public offering	95,000	2,739,311	12,680	256,549	(Note 13)
October 15, 2015	Additional issue of new investment units through third-party allotment	12,065	2,751,376	1,610	258,160	(Note 14)

- Notes
- One investment unit was split into six units.
 - United Urban conducted an absorption-type merger based on Article 147 of the Investment Trust Act under which United Urban remained as the surviving company and NCI as the absorbed company. Due to the absorption-type merger, one United Urban unit after the split of units was allocated per one NCI unit (257,400 NCI outstanding units prior to the merger, minus 13,881 NCI units for which appraisal rights were invoked).
 - New investment units were issued through public offering at the offer price of ¥91,162 per unit (issue price (underwriter price) ¥88,357), for the purpose of procuring funds for property acquisitions and repayments of borrowings.
 - New investment units were issued through third-party allotment at the issue price of ¥88,357 per unit for the purpose of procuring funds for repayments of borrowings.
 - New investment units were issued through public offering at the offer price of ¥123,382 per unit (issue price (underwriter price) ¥119,479), for the purpose of procuring funds for property acquisitions.
 - New investment units were issued through third-party allotment at the issue price of ¥119,479 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.
 - New investment units were issued through public offering at the offer price of ¥126,616 per unit (issue price (underwriter price) ¥122,610), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for repayments of borrowings.
 - New investment units were issued through third-party allotment at the issue price of ¥122,610 per unit for the purpose of procuring funds for repayments of borrowings.
 - New investment units were issued through public offering at the offer price of ¥160,426 per unit (issue price (underwriter price) ¥155,515), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for property acquisitions and repayments of interest-bearing liabilities.
 - New investment units were issued through third-party allotment at the issue price of ¥155,515 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.
 - 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.
 - 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.
 - 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.
 - 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.

4. Change in Directors

Change in directors had been disclosed timely at the time of decision.

5. Reference Information

(1) Composition of Portfolio

Categories of Assets	Type of Use	Areas		23rd Fiscal Period (As of May 31, 2015)		24th Fiscal Period (As of November 30, 2015)		
				Total Amounts Held (Thousands of yen) (Note 1)	Percentage of Total Assets (%)	Total Amounts Held (Thousands of yen) (Note 1)	Percentage of 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)	7,353,479	1.3	7,340,960	1.2		
		Other regions	14,112,105	2.5	14,031,187	2.3		
	Office Buildings	Capital region	The 6 central wards of Tokyo	13,335,688	2.3	13,298,194	2.2	
			The 23 wards of Tokyo	9,771,060	1.7	9,736,891	1.6	
		Tokyo metropolitan area	9,400,300	1.6	9,344,112	1.6		
		Other regions	-	-	-	-		
	Hotels	Capital region	The 6 central wards of Tokyo	1,688,276	0.3	1,673,755	0.3	
			The 23 wards of Tokyo	-	-	-	-	
		Tokyo metropolitan area	4,337,409	0.8	4,291,863	0.7		
		Other regions	-	-	-	-		
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-	
			The 23 wards of Tokyo	2,984,684	0.5	2,986,402	0.5	
		Tokyo metropolitan area	-	-	-	-		
		Other regions	789,635	0.1	778,381	0.1		
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-	
			The 23 wards of Tokyo	-	-	-	-	
		Tokyo metropolitan area	-	-	-	-		
		Other regions	-	-	-	-		
	Subtotal				63,772,640	11.1	63,481,749	10.6
	Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	1,572,115	0.3	4,294,409	0.7
				The 23 wards of Tokyo	23,456,538	4.1	23,346,261	3.9
			Tokyo metropolitan area	68,641,136	12.0	72,434,847	12.1	
Other regions			62,819,910	11.0	68,131,131	11.4		
Office Buildings		Capital region	The 6 central wards of Tokyo	61,446,412	10.7	61,252,113	10.2	
			The 23 wards of Tokyo	2,119,955	0.4	2,104,454	0.4	
		Tokyo metropolitan area	46,783,234	8.2	46,437,957	7.8		
		Other regions	53,608,160	9.4	53,571,088	9.0		
Hotels		Capital region	The 6 central wards of Tokyo	34,087,945	5.9	34,880,250	5.8	
			The 23 wards of Tokyo	-	-	-	-	
		Tokyo metropolitan area	3,362,953	0.6	6,085,666	1.0		
		Other regions	19,239,248	3.4	22,084,682	3.7		
Residential Properties		Capital region	The 6 central wards of Tokyo	1,038,739	0.2	1,060,747	0.2	
			The 23 wards of Tokyo	9,252,791	1.6	9,169,270	1.5	
		Tokyo metropolitan area	2,084,202	0.4	5,007,905	0.8		
		Other regions	22,843,003	4.0	22,577,085	3.8		
Others		Capital region	The 6 central wards of Tokyo	3,588,081	0.6	9,500,185	1.6	
			The 23 wards of Tokyo	8,058,644	1.4	8,059,092	1.3	
		Tokyo metropolitan area	13,445,650	2.3	16,015,837	2.7		
		Other regions	5,833,180	1.0	5,757,678	1.0		
Subtotal				443,281,904	77.3	471,770,666	78.9	
Bank deposit and other assets				66,263,940	11.6	62,825,567	10.5	
Total Assets				573,318,485	100.0	598,077,982	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 wards of Tokyo."

6. United Urban concluded a purchase and sale agreement of the trust beneficial interest regarding “Luz Shonan Tsujido” on March 30, 2015. In correlation with conclusion of the agreement, United Urban has concluded the master lease agreement (rent-guarantee type) (it has been changed into a pass-through-type master lease agreement on and after the acquisition date of September 30, 2015) with the trustee on the same date (United Urban acquired the leasehold rights for the property collaterally), and has been engaged in subleasing as a master lessee until the acquisition date of September 30, 2015.

	23rd Fiscal Period (As of May 31, 2015)		24th Fiscal Period (As of November 30, 2015)	
	Amount (Thousands of yen)	Percentage of Total Assets (%)	Amount (Thousands of yen)	Percentage of Total Assets (%)
Total Liabilities	290,411,540	50.7	300,737,572	50.3
Total net assets	282,906,944	49.3	297,340,410	49.7
Total assets	573,318,485	100.0	598,077,982	100.0

(2) Investment Assets

Investment Real Estate Properties

As of the end of the 24th fiscal period, United Urban had ownership of, or trust beneficial interests in real estate (properties which are the trust assets of trust beneficial interests in real estate are referred to as the “Real Estate in Trust”, and real estate and Real Estate in Trust are referred to as collectively the “Investment Real Estate”). Consequently, all of the real estate and Real Estate in Trust are shown in the table below.

Outline of Investment Real Estate 1

Acquisition price, book value at the end of the period, appraisal value at the end of the period, appraisers, number of tenants, leasable floor space, leased floor space and occupancy ratio of Investment Real Estate were as follows:

(As of November 30, 2015)

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen) (Note 2)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A1	Daiei Himonya	15,300	14,595	14,400	2.4	JREI	1	26,655.66	26,655.66	100.0
A2	Joy Park Izumigaoka	6,770	5,317	4,490	0.7	JREI	22	13,611.24	13,588.92	99.8
A3	Daimaru Peacock Ashiya Kawanishi	769	742	1,140	0.2	JREI	1	1,558.80	1,558.80	100.0
A4	Re-LAND Shopping Center	5,200	4,191	5,600	0.9	JREI	14	12,968.84	12,678.23	97.8
A5	AEON MALL Uki	11,100	9,422	8,490	1.4	JREI	1	72,073.39	72,073.39	100.0
A6	TENJIN LUCE	6,500	6,415	5,740	1.0	Nittochi	10	4,194.66	4,194.66	100.0
A7	Yamada Denki Tecc Land Sakai Honten	3,210	2,871	3,340	0.6	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	5,170	4,990	0.8	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,693	1,840	0.3	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,700	3,260	0.5	JREI	10	2,081.50	2,081.50	100.0
A11	Tip's Machida Building	4,100	4,245	4,510	0.7	JREI	10	6,715.75	6,715.75	100.0
A12	Daiei Takarazuka Nakayama	4,284	3,342 (Note 13)	3,990	0.7	JREI	1	16,729.60	16,729.60	100.0
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	11,904	12,450	11,200	1.9	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,330	2,030	0.3	JREI	9	1,938.56	1,938.56	100.0
A15	Shinsaibashi OPA Honkan	22,800	22,182	25,600	4.2	JREI	1	27,025.42	27,025.42	100.0
A16	Shinsaibashi OPA Kireikan	2,770	2,606	3,160	0.5	JREI	1	4,858.61	4,858.61	100.0
A19	Albore Jingumae	1,580	1,568	2,030	0.3	JREI	4	931.14	931.14	100.0
A20	Albore Sendai	2,590	2,410	3,140	0.5	JREI	5	3,147.29	3,147.29	100.0
A21	Mallage Kashiwa	7,040	6,779	8,670	1.4	JREI	97	41,766.68	41,397.38	99.1
A23	Ito-Yokado Owariasahi	4,840	4,309	4,970	0.8	JREI	1	54,606.34	54,606.34	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A24	Yokohama Kariba Shopping Center	2,500	2,305	1,940	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	5,051	5,970	1.0	JREI	22	2,283.47	2,283.47	100.0
A26	ACTIOLE Ichikawa	3,350	3,182	3,820	0.6	JREI	13	3,925.49	3,925.49	100.0
A27	VIVAHOME Yokohama Aoba (Site)	2,600	2,740	3,080	0.5	JREI	1	9,193.00	9,193.00	100.0
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,430	0.4	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	28,297	35,400	5.9	JREI	1	37,932.95	37,932.95	100.0
A30	Yamada Denki Tecc Land New Matsudo Honten	5,150	5,086	6,320	1.0	JREI	1	17,561.23	17,561.23	100.0
A31	Tenjin Loft Building	4,350	4,466	5,340	0.9	JREI	5	7,730.09	7,730.09	100.0
A32	Narumi Shopping Center (Site)	6,460	6,850	6,870	1.1	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,875	2,100	0.3	JREI	7	3,155.64	3,054.86	96.8
A34	LIFE Nishikujo (Site)	1,760	1,842	1,910	0.3	Tanizawa	1	3,252.76	3,252.76	100.0
A35	LIFE Tamatsukuri (Site)	1,880	1,967	2,030	0.3	Tanizawa	1	2,391.44	2,391.44	100.0
A36	Granbell Ginza Building	2,621	2,725	2,900	0.5	JREI	11	1,352.35	1,352.35	100.0
A37	UUR Tenjin Nishi-dori Building	5,500	5,720	5,670	0.9	JREI	1	1,564.70	1,564.70	100.0
A38	Luz Shonan Tsujido	3,938	4,102	4,290	0.7	Tanizawa	31	10,454.22	10,192.20	97.5
B1	T&G Hamamatsucho Building	2,257	2,105	3,000	0.5	Tanizawa	6	2,420.85	2,420.85	100.0
B2	SK Nagoya Building	5,400	5,562	4,680	0.8	Tanizawa	10	8,708.52	7,889.69	90.6
B3	Fukuoka Eartheon Building	2,080	1,671	2,420	0.4	JREI	6	4,934.39	4,404.14	89.3
B4	Marumasa Kojimachi Building	2,350	2,440	2,420	0.4	JREI	17	2,578.84	2,578.84	100.0
B5	Rokubancho K Building	2,150	2,313	3,600	0.6	JREI	1	4,031.14	4,031.14	100.0
B6	Shin-Osaka Central Tower	24,000	24,332	26,500	4.4	Nittochi	63	45,978.59	45,320.00	98.6
B7	Kawasaki Toshiba Building	19,200	18,974	30,800	5.1	Tanizawa	1	36,118.31	36,118.31	100.0
B8	UUR Toyochō Building	8,500	8,624	8,790	1.5	JREI	1	7,540.30	7,540.30	100.0
B9	FOUR SEASONS BLDG	4,200	4,282	5,290	0.9	JREI	1	5,000.54	5,000.54	100.0
B10	Hitachi High-Tech Building	14,800	14,575	15,100	2.5	JREI	2	15,781.64	15,781.64	100.0
B11	Pacific Marks Shinjuku Parkside	12,100	12,192	10,300	1.7	JREI	23	10,971.90	10,971.90	100.0
B12	UUR Tsukiji Building	6,860	6,435	6,550	1.1	JREI	4	5,971.42	5,971.42	100.0
B13	Pacific Marks Tsukishima	6,080	5,951	6,360	1.1	JREI	48	9,336.27	9,281.96	99.4
B14	Pacific Marks Yokohama East	7,050	6,958	7,120	1.2	Tanizawa	22	10,732.11	9,253.64	86.2
B15	Pacific Marks Shin-Urayasu	3,920	3,732	3,890	0.6	JREI	15	8,743.05	8,208.87	93.9
B17	Akasaka Hikawa Building	3,290	3,237	3,930	0.7	JREI	1	3,438.23	3,438.23	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,474	3,020	0.5	JREI	1	1,972.43	1,972.43	100.0
B20	Pacific Marks Akasaka-mitsuke	2,210	2,174	2,150	0.4	JREI	8	1,675.13	1,675.13	100.0
B21	Yokohama Aioicho Building	1,060	1,090	1,230	0.2	Tanizawa	20	2,445.10	2,316.77	94.8
B22	Pacific Marks Shin-Yokohama	1,710	1,591	1,580	0.3	Tanizawa	10	3,110.72	3,110.72	100.0
B25	Pacific Marks Kawasaki	9,890	9,344	10,700	1.8	Tanizawa	37	7,382.14	7,030.22	95.2
B26	Hamamatsucho 262 Building	6,840	6,690	7,010	1.2	JREI	18	6,183.89	6,183.89	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
B27	Lila Hijirizaka	2,750	2,665	2,950	0.5	JREI	16	4,255.02	4,255.02	100.0
B29	Otsuka HT Building	1,160	1,112	1,220	0.2	JREI	6	1,774.56	1,608.30	90.6
B30	Pacific Marks Shinjuku South-gate	2,460	2,507	3,060	0.5	JREI	10	1,722.14	1,722.14	100.0
B31	Pacific Marks Nishi-Umeda	6,860	6,400	6,930	1.1	Tanizawa	30	11,039.44	10,425.83	94.4
B32	Pacific Marks Higobashi	4,570	4,381	4,500	0.7	Tanizawa	24	7,623.57	7,623.57	100.0
B33	Nagoya Nishiki City Building	2,670	2,471	2,410	0.4	Tanizawa	28	5,609.64	5,471.45	97.5
B34	Pacific Marks Esaka	9,590	9,560	9,540	1.6	Tanizawa	36	20,015.73	11,857.03	59.2
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,845	1,990	0.3	Tanizawa	12	4,727.65	4,727.65	100.0
B36	Shin-Sapporo Center Building	987	900	1,100	0.2	Tanizawa	18	2,797.03	2,629.46	94.0
B37	ARENA TOWER	9,500	8,839	11,600	1.9	Tanizawa	13	17,967.46	17,967.46	100.0
B38	Yushima First Building	2,100	2,104	2,760	0.5	JREI	7	4,558.77	4,558.77	100.0
B39	Dogenzaka Square	2,300	2,341	2,710	0.4	JREI	31	2,233.57	2,233.57	100.0
B40	GRAND-SQUARE Shin-Sakae	1,480	1,475	1,880	0.3	JREI	6	4,578.93	4,578.93	100.0
B41	GRAND-SQUARE Meieki-minami	1,220	1,227	1,890	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,163	2,400	0.4	JREI	4	2,854.26	2,854.26	100.0
B43	Hirose-dori SE Building	3,600	3,597	4,510	0.7	JREI	10	8,235.87	8,027.61	97.5
C1	Shinjuku Washington Hotel Honkan	21,140	21,909	24,700	4.1	JREI	7	53,363.11	53,256.78	99.8
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,673	2,340	0.4	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	3,323	3,740	0.6	JREI	8	6,670.21	6,416.17	96.2
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	4,291	4,690	0.8	Nittochi	4	7,139.44	7,139.44	100.0
C5	Hotel JAL City Naha	7,650	7,330	9,850	1.6	Nittochi	2	13,701.80	13,701.80	100.0
C6	UUR Yotsuya Sanchome Building	4,200	4,246	5,260	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	5,089	6,000	1.0	JREI	4	7,550.16	7,550.16	100.0
C8	HOTEL ROUTE-INN Nagoya Imaike Ekimae	2,000	1,922	2,770	0.5	JREI	1	5,880.69	5,880.69	100.0
C9	the b roppongi	3,500	3,635	3,890	0.6	JREI	2	2,710.90	2,710.90	100.0
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,761	3,000	0.5	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	2,197	2,290	0.4	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	745	778	774	0.1	Daiwa	1	1,529.47	1,529.47	100.0
D1	T&G Higashi-ikebukuro Mansion	2,021	1,554	2,170	0.4	Tanizawa	126	2,603.22	2,542.68	97.7
D4	Komazawa Court	1,680	1,537	2,280	0.4	JREI	1	3,741.17	3,741.17	100.0
D6	Sky Court Shiba-Daimon	1,175	1,060	1,270	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D7	Maison Ukima	3,530	3,241	4,420	0.7	JREI	1	12,691.43	12,691.43	100.0
D8	Narashino Residence	1,140	1,018	1,230	0.2	JREI	1	6,840.86	6,840.86	100.0
D9	Aprile Shin-Oghi Ichibankan	3,031	2,600	3,540	0.6	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	1,065	1,470	0.2	Tanizawa	1	4,790.50	4,790.50	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
D11	UUR Court Chiba Soga	620	587	661	0.1	JREI	1	2,931.14	2,931.14	100.0
D12	Higashi-kurume Dormitory Shinkan	480	463	537	0.1	JREI	1	1,397.61	1,397.61	100.0
D13	Nanzan Court Ichigokan	1,070	936	1,050	0.2	JREI	1	3,576.74	3,576.74	100.0
D14	Nanzan Court Nigokan	450	385	498	0.1	JREI	1	1,890.51	1,890.51	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,835	3,290	0.5	JREI	90	4,097.51	4,056.39	99.0
D16	GRAND-ROUGE Sakae	1,570	1,310	1,470	0.2	JREI	1	3,697.38	3,697.38	100.0
D17	GRAND-ROUGE Sakae II	1,300	1,107	1,330	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,951	4,190	0.7	JREI	146	11,525.36	11,254.72	97.7
D19	UUR Court Nagoya Meieki	1,473	1,294	1,470	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D20	UUR Court Sapporo Shinoro Ichibankan	870	778	864	0.1	Nittochi	3	6,271.74	6,271.74	100.0
D21	Park Site IZUMI	900	839	730	0.1	JREI	28	2,067.95	1,475.15	71.3
D22	UUR Court Osaka Juso-honmachi	1,570	1,407	1,680	0.3	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,986	3,540	0.6	JREI	187	5,460.39	5,047.06	92.4
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,958	2,730	0.5	JREI	123	7,817.12	6,375.19	81.6
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,407	1,650	0.3	JREI	103	3,090.36	2,698.48	87.3
D26	Glenpark Umeda-kita	5,150	5,312	5,640	0.9	Tanizawa	182	12,730.60	12,630.58	99.2
D27	UUR Court Shiki	2,730	2,939	3,010	0.5	JREI	1	9,885.83	9,885.83	100.0
E1	Lilycolor Tohoku Branch	2,050	1,579	2,060	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	KDDI Fuchu Building	4,920	4,960	5,490	0.9	JREI	1	14,490.92	14,490.92	100.0
E3	Tsubogawa Square Building	4,150	4,177	5,080	0.8	JREI	5	10,570.98	10,570.98	100.0
E4	THE PLACE of TOKYO	3,500	3,561	4,120	0.7	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	8,300	8,395	9,100	1.5	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	8,059	8,450	1.4	JREI	3	23,934.32	23,934.32	100.0
E7	Quartz Tower	5,700	5,938	5,780	1.0	Tanizawa	1	2,940.22	2,940.22	100.0
E8	Shin-Narashino Logistics Center	2,555	2,660	2,570	0.4	JREI	1	12,909.90	12,909.90	100.0
	Total	548,661	535,252	603,224	100.0	-	1,929	1,229,197.15	1,210,472.02	98.5

Outline of Investment Real Estate 2

Type, total annual rent, tenant leasehold and security deposits, PML and earthquake insurance of Investment Real Estate were as follows:

(As of November 30, 2015)

Property No.	Type	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance
A1	Retail Properties	Daiei Himonya	918,720	765,600	15%	N/A
A2		Joy Park Izumigaoka	382,562	368,176	10%	N/A
A3		Daimaru Peacock Ashiya Kawanishi	60,000	60,000	6%	N/A
A4		Re-LAND Shopping Center	402,136	873,643	13%	N/A
A5		AEON MALL Uki	838,255	1,000,000	7.8% (Note 9)	N/A

Property No.	Type	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance
A6	Retail Properties	TENJIN LUCE	322,162	293,548	2%	N/A
A7		Yamada Denki Tecc Land Sakai Honten	(Note 10)	476,000	8%	N/A
A8		Miyamae Shopping Center	267,074	909,730	17%	N/A
A9		KONAMI SPORTS CLUB Korigaoka	(Note 10)	60,000	11%	N/A
A10		ACTIOLE Minami-ikebukuro	162,462	144,315	14%	N/A
A11		Tip's Machida Building	311,202	219,768	18%	N/A
A12		Daiei Takarazuka Nakayama	303,999	-	9%	N/A
A13	Retail / Offices	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	596,821	366,819	- (Note 11)	- (Note 11)
A14	Retail Properties	ACTIOLE Kannai	110,602	90,751	19%	N/A
A15		Shinsaibashi OPA Honkan	1,408,804	1,448,304	12%	N/A
A16		Shinsaibashi OPA Kireikan	175,536	184,312	10%	N/A
A19		Albore Jingumae	91,200	68,200	14.6%	N/A
A20		Albore Sendai	189,729	116,210	8%	N/A
A21		Mallage Kashiwa	893,475	896,256	9%	N/A
A23		Ito-Yokado Owariasahi	419,090	414,547	11%	N/A
A24		Yokohama Kariba Shopping Center	(Note 10)	110,000	12%	N/A
A25		Luz Jiyugaoka	308,842	258,717	12%	N/A
A26		ACTIOLE Ichikawa	226,946	176,080	10%	N/A
A27		VIVAHOME Yokohama Aoba (Site)	(Note 10)	150,000	- (Note 11)	- (Note 11)
A28		Yamada Denki Tecc Land Aoba (Site)	(Note 10)	87,500	- (Note 11)	- (Note 11)
A29		Yodobashi Camera Multimedia Kichijoji	(Note 10)	1,210,000	14%	N/A
A30		Yamada Denki Tecc Land New Matsudo Honten	(Note 10)	350,000	11%	N/A
A31		Tenjin Loft Building	512,456	254,723	1%	N/A
A32		Narumi Shopping Center (Site)	(Note 10)	290,617	- (Note 11)	- (Note 11)
A33		Plussing Wave Enoshima	126,576	280,764	14%	N/A
A34		LIFE Nishhikujo (Site)	(Note 10)	78,716	- (Note 11)	- (Note 11)
A35		LIFE Tamatsukuri (Site)	(Note 10)	52,476	- (Note 11)	- (Note 11)
A36		Granbell Ginza Building	138,859	104,262	10%	N/A
A37	UUR Tenjin Nishi-dori Building	(Note 10)	348,000	2%	N/A	
A38	Luz Shonan Tsujido	410,078	298,154	14%	N/A	
B1	Office Buildings	T&G Hamamatsucho Building	159,269	246,162	12%	N/A
B2		SK Nagoya Building	330,427	250,458	11%	N/A
B3		Fukuoka Eartheon Building	166,654	92,727	1%	N/A
B4		Marumasu Kojimachi Building	163,424	125,160	11%	N/A
B5		Rokubancho K Building	204,674	82,011	14%	N/A
B6	Office /Hotels	Shin-Osaka Central Tower	1,862,505	1,476,660	7%	N/A
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7%	N/A
B8		UUR Toyochi Building	492,683	368,304	13%	N/A
B9		FOUR SEASONS BLDG	306,489	254,537	11%	N/A
B10		Hitachi High-Tech Building	752,669	753,392	15%	N/A

Property No.	Type	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance
B11	Office Buildings	Pacific Marks Shinjuku Parkside	561,652	445,858	14.8%	N/A
B12		UUR Tsukiji Building	337,209	230,188	14%	N/A
B13		Pacific Marks Tsukishima	446,963	264,428	14%	N/A
B14		Pacific Marks Yokohama East	360,108	233,417	15%	N/A
B15		Pacific Marks Shin-Urayasu	315,141	203,378	11%	N/A
B17		Akasaka Hikawa Building	216,228	244,216	14%	N/A
B18		Pacific Marks Shibuya Koen-dori	168,000	100,500	12%	N/A
B20		Pacific Marks Akasaka-mitsuke	115,755	72,031	13%	N/A
B21		Yokohama Aioicho Building	92,482	65,610	17%	N/A
B22		Pacific Marks Shin-Yokohama	110,185	76,475	16%	N/A
B25		Pacific Marks Kawasaki	559,835	450,231	17%	N/A
B26		Hamamatsucho 262 Building	408,686	516,104	14%	N/A
B27		Lila Hijirizaka	204,290	111,305	12%	N/A
B29		Otsuka HT Building	83,003	73,248	13%	N/A
B30		Pacific Marks Shinjuku South-gate	169,706	184,569	12%	N/A
B31		Pacific Marks Nishi-Umeda	447,155	360,353	10%	N/A
B32		Pacific Marks Higobashi	284,674	231,374	12%	N/A
B33		Nagoya Nishiki City Building	163,324	146,423	16%	N/A
B34		Pacific Marks Esaka	516,375	838,989	9%	N/A
B35		Pacific Marks Sapporo Kita-Ichijo	163,856	125,790	1%	N/A
B36		Shin-Sapporo Center Building	106,074	78,471	2%	N/A
B37		ARENA TOWER	773,021	401,846	10%	N/A
B38		Yushima First Building	196,020	141,237	13%	N/A
B39		Dogenzaka Square	178,233	130,920	16%	N/A
B40		GRAND-SQUARE Shin-Sakae	148,070	90,403	10%	N/A
B41		GRAND-SQUARE Meieki-minami	127,343	88,304	10%	N/A
B42	Shiba 520 Building	160,325	78,474	13%	N/A	
B43	Hirose-dori SE Building	325,341	363,669	8%	N/A	
C1	Hotels	Shinjuku Washington Hotel Honkan	1,155,052	2,008,257	9%	N/A
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	114,000	70,000	17%	N/A
C3		MZ BLD.	259,224	191,150	13%	N/A
C4		HOTEL ROUTE-INN Yokohama Bashamichi	279,813	107,487	19%	N/A
C5		Hotel JAL City Naha	268,393	14,196	5%	N/A
C6		UUR Yotsuya Sanhome Building	369,385	239,023	14%	N/A
C7		Yotsuya 213 Building	318,062	239,318	13%	N/A
C8		HOTEL ROUTE-INN Nagoya Imaike Ekimae	(Note 10)	75,000	12%	N/A
C9		the b roppongi	148,100	11,387	12%	N/A
C10		Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	(Note 10)	110,230	14.5%	N/A
C11		Toyoko Inn Hiroshima Heiwa-odori	(Note 10)	98,500	7%	N/A
C12		Toyoko Inn Naha Kokusai-dori Miebash-eki	(Note 10)	35,000	2%	N/A
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	128,400	19,023	12%	N/A

Property No.	Type	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (Note 8)	Earthquake Insurance	
D4	Residential Properties	Komazawa Court	118,800	19,800	11%	N/A	
D6		Sky Court Shiba-Daimon	64,800	10,800	17%	N/A	
D7		Maison Ukima	247,320	82,440	14.6%	N/A	
D8		Narashino Residence	102,720	34,540	10%	N/A	
D9		Aprile Shin-Ohgi Ichibankan	(Note 10)	55,288	8%	N/A	
D10		UUR Court Sapporo Kita-Sanjo	94,200	7,838	2%	N/A	
D11		UUR Court Chiba Soga	(Note 10)	16,400	14%	N/A	
D12		Higashi-kurume Dormitory Shinkan	33,696	11,232	10%	N/A	
D13		Nanzan Court Ichigokan	70,894	13,228	12%	N/A	
D14		Nanzan Court Nigokan	31,336	5,801	14%	N/A	
D15		CLIO Bunkyo Koishikawa	193,788	34,358	14.5%	N/A	
D16		GRAND-ROUGE Sakae	83,859	-	13%	N/A	
D17		GRAND-ROUGE Sakae II	69,303	6,413	13%	N/A	
D18		MA Sendai Building	270,583	23,525	11%	N/A	
D19		UUR Court Nagoya Meieki	88,295	7,381	16%	N/A	
D20		UUR Court Sapporo Shinoro Ichibankan	61,581	4,061	3%	N/A	
D21		Park Site IZUMI	44,352	9,440	12%	N/A	
D22		UUR Court Osaka Juso-honmachi	100,854	9,453	16%	N/A	
D23		UUR Court Kinshicho	206,994	34,231	14.8%	N/A	
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	191,500	42,061	1%	N/A	
D25		GLAND-ROUGE Nakanoshima-minami	98,052	9,661	15%	N/A	
D26		Glenpark Umeda-kita	358,644	36,066	15.5%	N/A	
D27		UUR Court Shiki	178,800	178,800	11%	N/A	
E1		Others	Lilycolor Tohoku Branch	(Note 10)	600,000	11%	N/A
E2			KDDI Fuchu Building	(Note 10)	573,513	11%	N/A
E3			Tsubogawa Square Building	402,585	243,071	8%	N/A
E4			THE PLACE of TOKYO	(Note 10)	100,000	13%	N/A
E5	Logistics Higashi-Ohgishima		(Note 10)	185,358	12%	N/A	
E6	MT Ariake Center Building I&II (Note 12)		(Note 10)	107,474	① 12% ② 13%	N/A	
E7	Quartz Tower		(Note 10)	240,000	7%	N/A	
E8	Shin-Narashino Logistics Center		(Note 10)	1,050	10%	N/A	
Total			35,930,177	30,306,219	8.38%		

- Notes: 1. The "Acquisition Price" is an amount (the amounts stated in each purchase and sale agreements excluding consumption taxes) does not include the expenses necessary for making the relevant acquisitions (e.g. agency fees, public taxes and impositions) and is rounded to the nearest million yen.
2. "Appraisal Value at the 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, 2015. In addition, "Appraisers" shows the real estate appraisers, which conducted real estate appraisal or price surveys at the time of acquisition of each properties and continuous assessments. The appraisers are referred to as "JREI" for Japan Real Estate Institute", "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.
3. "Number of Tenants," "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of November 30, 2015. "Leasable Floor Space" means the aggregate leasable floor space of the portions owned by United Urban of individual Investment Real Estate. "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.) “Occupancy Ratio” is the percentage obtained from dividing “Leased Floor Space” by “Leasable Floor Space.” With regard to the portion of maricom-ISOGO/SYSTEM PLAZA YOKOHAMA (Site), Hitachi High-Tech Building, Shinjuku Washington Hotel Honkan and KDDI Fuchu Building held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion’s entire floor area.
4. “Number of Tenants” figures are stated by calculating lessees that have a lease agreement concluded directly with the owner, United Urban or the respective asset custodian, 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 asset custodian, 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.
 5. 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.
 6. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2015 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. As for residential properties which are leased in the form of a pass-through-type master lease agreement, monthly rent(s) under the lease agreement of end-tenants in effect as of November 30, 2015 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen are shown.
 7. “Tenant Leasehold and Security Deposits” are based on data as of November 30, 2015. In addition, “Tenant Leasehold and Security Deposits” include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
 8. “PML” (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at “Total” for “PML” represents the overall portfolio PML.
 9. As for “PML” of AEON MALL Uki, the entire portfolio PML of eleven buildings held by United Urban is stated.
 10. 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.
 11. For maricom-ISOGO/SYSTEM PLAZA YOKOHAMA (Site), VIVAHOME Yokohama Aoba (Site), Yamada Denki Tecc Land Aoba (Site), Narumi Shopping Center (Site), LIFE Nishikujo (Site) and LIFE Tamatsukuri (Site), United Urban acquired only land. Accordingly, there is no applicable information.
 12. The property comprises two buildings; MT Ariake Center Building I (the “Building I”) and MT Ariake Center Building II (the “Building II”), and information in the “PML” are shown for each of two buildings with the Building I expressed as ① and the Building II expressed as ②.
 13. 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, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case 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”), as a condition of the purchase and sale agreement of trust beneficial interest. The Book Value at the End of the Period of this trust beneficial interest is described as ¥3,342 million reflecting 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 asset custodian.

(3) Capital Expenditures

1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of November 30, 2015. 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 24th fiscal period	Amount already paid
Daiei Himonya	Meguro-ku, Tokyo	Renovation of the entire building	From June 2016 to November 2016	4,400	-	-
Mallage Kashiwa	Kashiwa, Chiba	Renewal of floor tile	From March 2016 to May 2016	102	-	-
Mallage Kashiwa	Kashiwa, Chiba	Renewal of common toilets	From February 2016 to May 2016	102	-	-
Mallage Kashiwa	Kashiwa, Chiba	Installation work for new tenat	From November 2016 to November 2016	132	-	-
Shin-Osaka Central Tower	Osaka, Osaka	Repair of exterior walls	From April 2016 to November 2016	157	-	-
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of air-conditioning facilities	From December 2014 to April 2016	979	-	-
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of central monitoring panel	From March 2016 to November 2016	116	-	-
Pacific Marks Shin-Urayasu	Urayasu, Chiba	Renewal of rooftop chiller	From July 2016 to September 2016	204	-	-
Pacific Marks Nishi-Umeda	Osaka, Osaka	Renewal of central monitoring panel	From June 2016 to November 2016	111	-	-
Pacific Marks Esaka	Suita, Osaka	Renewal of 1st and 2nd floor	From October 2015 to February 2016	131	-	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Renewal of unit bath and fan coil units	From April 2015 to March 2016	749	-	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Renewal of elevator	From April 2015 to March 2016	248	-	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Interior construction of the guest rooms	From April 2015 to March 2016	123	-	-
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Renewal of elevator	From April 2016 to September 2016	116	-	-

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 24th fiscal period, which totaled ¥2,049 million. Together with ¥550 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥2,599 million.

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Re-LAND Shopping Center	Funabashi, Chiba	Repair of ceiling lightning at east passage of 1st floor Construction of frontage sign	From November 2015 to November 2015	14
Mallage Kashiwa	Kashiwa, Chiba	Renewal of floor tile for the Building Part I (1st period)	From November 2015 to November 2015	71
SK Nagoya Building	Nagoya, Aichi	Liquid-applied membrane waterproofing of roof top, renewal of iron section, and paint work	From August 2015 to September 2015	13
Shin-Osaka Central Tower	Osaka, Osaka	Replacement of parts of automated parking system	From September 2015 to October 2015	38
Shin-Osaka Central Tower	Osaka, Osaka	Replacement of parts of receiving and transforming facilities in high-voltage electric room, etc.	From October 2015 to November 2015	13
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Construction work of turbo refrigerator	From July 2015 to November 2015	10

FOUR SEASONS BLDG	Shinjuku-ku, Tokyo	Renewal of toilets	From August 2015 to November 2015	17
Pacific Marks Shinjuku Parkside	Shinjuku-ku, Tokyo	Renewal of central monitoring panel of common area	From August 2015 to November 2015	18
Akasaka Hikawa Building	Minato-ku, Tokyo	Renewal of toilets (1F and 3F)	From August 2015 to September 2015	18
Pacific Marks Nishi-Umeda	Osaka, Osaka	Replacement of parts of automated parking system	From October 2015 to November 2015	11
Pacific Marks Esaka	Suita, Osaka	Renewal of high-voltage receiving and transforming facility (3rd period)	From June 2015 to September 2015	46
Pacific Marks Esaka	Suita, Osaka	Renewal of high-voltage receiving and transforming facility (4th period)	From June 2015 to September 2015	28
Pacific Marks Esaka	Suita, Osaka	Renewal of individual air-conditioner	From August 2015 to November 2015	140
Pacific Marks Esaka	Suita, Osaka	Electric work related to renewal of individual air-conditioner	From October 2015 to November 2015	10
Pacific Marks Esaka	Suita, Osaka	Construction related to repair of common area	From November 2015 to November 2015	11
Pacific Marks Esaka	Suita, Osaka	Electric work related to repair of common area	From November 2015 to November 2015	10
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Repair of elevator	From April 2015 to September 2015	214
Shinjuku Washington Hotel Honkan	Shinjuku-ku, Tokyo	Repair of guest rooms (12-24F)	From April 2015 to November 2015	927
the b roppongi	Minato-ku, Tokyo	Repair of guest rooms (4F and 5F) Repair of corridor in common area	From August 2015 to August 2015	10
Sky Court Shiba-Daimon	Minato-ku, Tokyo	Large-scale repair work	From July 2015 to November 2015	33
UUR Court Kinshicho	Koto-ku, Tokyo	Replacement of parts of automated parking system	From September 2015 to November 2015	32
Other capital expenditures				353
Total				2,049

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)				
	20th Fiscal Period (June 1, 2013 - November 30, 2013)	21st Fiscal Period (December 1, 2013 - May 31, 2014)	22nd Fiscal Period (June 1, 2014 - November 30, 2014)	23rd Fiscal Period (December 1, 2014 - May 31, 2015)	24th Fiscal Period (June 1, 2015 - November 30, 2015)
Reserve balance at the beginning of period	612	642	663	692	711
Addition to the reserve during the period (Note)	61	49	106	29	90
Reduction of reserve during the period	32	28	77	10	9
Reserve balance to be carried over to the next of period	642	663	692	711	792

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.

(4) Information Concerning Tenants

Top 10 Tenants by Leased Floor Space

(As of November 30, 2015)

No.	Tenant Name	Property Name	Leased Floor Space (Note 1)	Total Annual Rent (Thousand of yen) (Note 2)	Expiration Date of Contract
1	AEON MALL Co., Ltd.	AEON MALL Uki	72,073.39 m ²	838,255	August 9, 2019
2	Ito-Yokado Co., Ltd.	Ito-Yokado Owariasahi	54,606.34 m ²	419,090	November 11, 2018
3	Yamada Denki Co., Ltd.	<ul style="list-style-type: none"> · Yamada Denki Tecc Land Sakai Honten · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) · Yamada Denki Tecc Land Aoba (Site) · Yamada Denki Tecc Land New Matsudo Honten 	49,897.43m ²	- (Note 3)	<ul style="list-style-type: none"> · Yamada Denki Tecc Land Sakai Honten May 9, 2022 · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) November 15, 2020 · Yamada Denki Tecc Land Aoba (Site) May 31, 2020 · Yamada Denki Tecc Land New Matsudo Honten August 20, 2029
4	Fujita Kanko Inc.	Shinjuku Washington Hotel-Honkan	49,304.81 m ²	913,675	October 31, 2023, etc. (Note 4)
5	UNY Co., Ltd.	Narumi Shopping Center (Site)	46,362.44 m ²	- (Note 3)	November 19, 2024, etc. (Note 4)
6	The Daiei, Inc. (Note 5)	<ul style="list-style-type: none"> · Daiei Himonya · Daiei Takarazuka Nakayama 	43,385.26 m ²	1,222,719	<ul style="list-style-type: none"> · Daiei Himonya (Note 5) May 31, 2016 · Daiei Takarazuka Nakayama August 1, 2017
7	Yodobashi Camera Co., Ltd.	Yodobashi Camera Multimedia Kichijoji	37,932.95 m ²	- (Note 3)	May 31, 2027
8	TOSHIBA CORPORATION	Kawasaki Toshiba Building	36,118.31 m ²	1,665,139	October 20, 2018
9	OPA Co., Ltd. (Note 6)	<ul style="list-style-type: none"> · Shinsaibashi OPA Honkan · Shinsaibashi OPA Kireikan 	31,884.03 m ²	1,584,340 (Note 6)	<ul style="list-style-type: none"> · Shinsaibashi OPA Honkan (Note 7) · Shinsaibashi OPA Kireikan August 5, 2018
10	Hitachi Information Engineering, Ltd.	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	26,605.59 m ²	- (Note 3)	September 30, 2021, etc. (Note 4)

- Notes: 1. In principle, numerical values in “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. In addition, in the case of a master lease agreement without rental guarantee, “Leased Floor Space” is counted based on the end-tenants who are actually using the property, not based on the tenants who have the lease agreement between the owner, United Urban or the asset custodian.
2. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2015 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent.
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. An expiration date of the representative agreement is stated because there are several lease agreements.
5. A lease agreement with The Daiei, Inc., the lessee of Daiei Himonya, will expire on May 31, 2016. However, a new lease agreement, which starts after November 2016, will be concluded with AEON Retail Co., Ltd. The details of the new lease agreement has not yet been determined as of the date hereof.
6. With regard to Shinsaibashi OPA Honkan and Shinsaibashi OPA Kireikan, a case to reduce the rent of these two properties was brought against United Urban on October 15, 2012 by OPA co., ltd., the lessee of these two properties. Then, United Urban filed a counterclaim against OPA co., ltd. on June 3, 2013, seeking to increase the rent of these two properties (collectively with a case to reduce the rent of two properties, the “Case”). The Case is pending at the Osaka District Court as of the date hereof. (For details of the Case, please refer to the “2. Management Policies and Management Status, (2) Management Status, 1. Overview during the period, iii) Effect on the current fiscal period regarding the case to reduce the rents with OPA co., ltd.” mentioned above.) However, the judgment has not become final yet as of the date hereof. Therefore, “Total Annual Rent” is calculated based on the current lease agreement. The amount may fluctuate due to the judgment of the Case.
7. As for Shinsaibashi OPA Honkan, the due date for the renewal of lease agreement has arrived on November 18, 2014. However, we haven’t finished the renewal of lease agreement with a lessee as of November 30, 2015, and the expiration date of contract has not yet been determined.