



For Immediate Release

REIT Issuer
Hankyu REIT, Inc. (Securities Code: 8977)
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Notice Concerning Debt Financing

Hankyu REIT, Inc. (hereafter "Hankyu REIT") announces its decision made today to undertake debt financing (hereafter the "Debt Financing") as described below.

1. Details of Debt Financing (Scheduled)

Category	Lender	Amount of debt financing (millions of yen)	Interest rate	Drawdown date	Lending and repayment methods	Maturity date
Short-term borrowings	Sumitomo Mitsui Banking Corporation	2,000	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.15% Variable interest rate	March 30, 2018	Unsecured/ non-guaranteed Lump-sum repayment	March 29, 2019

Note: • Interest payment dates are the last day of every month with the first payment date being April 27, 2018 (or the previous business day if the applicable date is a non-business day of the bank). Base interest rate applied on the interest to be paid on interest payment date will be JBA 1-month Japanese Yen TIBOR as of two days prior to the most recent interest payment date (in case of first payment, this will be the drawdown date) of each interest payment date. (The JBA 1-month Japanese Yen TIBOR as of March 26, 2018 is 0.05545%).

- The JBA 1-month Japanese Yen TIBOR can be referenced on the website of the JBA TIBOR Administration: <http://www.jbatibor.or.jp/english/rate/>
- In the future, Hankyu REIT will not provide notification regarding the determination of variable interest rate. As for changes to the applicable base interest rate, please refer to the website of JBA TIBOR Administration.

2. Reason for Debt Financing

The funds will compensate the cash on hand, etc. allocated for the acquisition of new specified assets, (Tentative name) MANDAI Nigawa Store (site) and LAMU Higashiosaka Branch (site), described in "Notice Concerning Acquisition of Domestic Real Estate" separately announced today.

3. Total Amount to be Procured, Use of Funds and Scheduled Expenditure Date

(1) Amount to be procured

2,000 million yen (planned)

(2) Specific use of the funds to be procured

For the acquisition of the new specified assets described in above "2. Reason for Debt Financing," cash on hand etc., and part of security deposits and guarantees were used. The funds procured by the Debt Financing will compensate the above security deposits and guarantees.

(3) Expenditure Date (Scheduled)

March 30, 2018

4. Balance of Interest-bearing Debt after Execution of Debt Financing

	Before execution of debt financing (millions of yen)	After execution of debt financing (millions of yen)	Change (millions of yen)
Short-term borrowings	8,200	10,200	+2,000
Long-term borrowings (Note)	53,700	53,700	±0
Total debt financing	61,900	63,900	+2,000
Investment corporation bonds	4,000	4,000	±0
Total interest-bearing debt	65,900	67,900	+2,000

(Note) Long-term borrowings are borrowings with a repayment term (from the drawdown date until the maturity date) exceeding one year.

5. Other

The risks associated with the Debt Financing, such as risks of repayment, have not changed in any material way from the "risks associated with the fund procurement through additional issuance of new investment units, debt financing and issuance of investment corporation bonds" in the "Investment Risks" stated in the Securities Report for the 25th fiscal period (submitted on February 27, 2018).

- Hankyu REIT website: <http://www.hankyu-reit.jp/eng/>