



For Immediate Release

REIT Issuer
Hankyu REIT, Inc. (Securities Code: 8977)
19-19 Chaya-machi, Kita-ku, Osaka
Yoshiaki Shiraki, Executive Director

Asset Management Company
Hankyu Hanshin REIT Asset Management, Inc.
Yoshiaki Shiraki, President & Representative Director
Contact:
Hiroshi Yoshida
General Manager, IR and Public Relations Department
Email: IR_PR@hhram.co.jp

Notice Concerning Debt Financing and Early Repayment of Existing Borrowing

Hankyu REIT, Inc. (hereafter “Hankyu REIT”) announces its decision made today to undertake debt financing (hereafter “Debt Financing”) and early repayment of existing borrowing as described below.

1. Reason for debt financing

These funds will be allocated for the repayments of 3,200 million yen in borrowings executed on May 31, 2017 and 1,500 million yen in borrowing executed on October 31, 2017, and for the early repayment of 2,500 million yen in borrowing executed on July 24, 2017.

2. Details of Debt Financing (Scheduled)

Category	Lender	Amount of debt financing (millions of yen)	Interest rate (Note)	Drawdown date	Lending and repayment methods	Maturity date
Long-term borrowings	Sumitomo Mitsui Banking Corporation	2,500	Not determined Fixed interest rate	May 24, 2018	Unsecured/ non-guaranteed Lump-sum repayment	May 31, 2028
		500		May 28, 2018		
	Development Bank of Japan Inc.	500				
	Mizuho Bank, Ltd.	500				
	Mizuho Trust & Banking Co., Ltd.	500				
The Senshu Ikeda Bank, Ltd.	200					
Short-term borrowings	MUFG Bank, Ltd.	1,000	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.15%	May 28, 2018		May 28, 2019
		1,500	Variable interest rate	May 31, 2018		
Total		7,200				

(Note)

- As for the long-term borrowings, the interest payment dates are the last day of every May and November with the first payment date being November 30, 2018 (or the previous business day if the applicable date is a non-business day of the bank). The interest rates are scheduled to be determined on the following dates, respectively. They will be announced once they are determined.
 - The borrowing drawn down on May 24, 2018: May 22, 2018
 - The borrowings drawn down on May 28, 2018: May 24, 2018
- As for the short-term borrowings, the interest payment dates are the 28th of every month, with the first payment date being June 28, 2018 (or the next business day if the said date is a non-business day of the bank. Should such next business day be on the next month, the payment will be made on the previous business day of the 28th). 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 May 15, 2018 is 0.05364%).
- 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 notifications 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.

3. Use for funds

Capital for repayment of borrowings below

Category	Lender	Amount of debt financing (millions of yen)	Drawdown date	Lending and repayment methods	Repayment date (including early repayment) (scheduled)	Maturity date
Short-term borrowings	Sumitomo Mitsui Trust Bank, Limited	500	May 31, 2017	Unsecured/ non-guaranteed Lump-sum repayment	May 28, 2018	May 28, 2018
	Mizuho Bank, Ltd.	500				
	Mizuho Trust & Banking Co., Ltd.	500				
	Sumitomo Mitsui Banking Corporation	500				
	MUFG Bank, Ltd. (Formerly The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	500				
	MUFG Bank, Ltd. (Formerly Mitsubishi UFJ Trust and Banking Corporation)	500				
	The Senshu Ikeda Bank, Ltd.	200				
	Sumitomo Mitsui Banking Corporation	2,500	July 24, 2017		May 24, 2018	July 24, 2018
	MUFG Bank, Ltd. (Formerly The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	1,500	October 31, 2017		May 31, 2018	May 31, 2018
Total		7,200				

4. Balance of Interest-bearing Liabilities After Execution of Debt Financing and Early Repayment

	Before execution of the debt financing and early repayment (millions of yen)	After execution of the debt financing and early repayment (millions of yen)	Change (millions of yen)
Short-term borrowings	10,200	5,500	-4,700
Long-term borrowings (Note)	53,700	58,400	+4,700
Total debt financing	63,900	63,900	±0
Investment corporation bonds	4,000	4,000	±0
Total interest-bearing liabilities	67,900	67,900	±0

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

5. Others

The risks associated with the Debt Financing and the early repayment of existing borrowing, 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/>