



For Immediate Release



<For translation purposes only>

October 28, 2011

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

Asset Management Company
Hankyu REIT Asset Management, Inc.
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Notice Concerning Issuance of Investment Corporation Bonds

Hankyu REIT, Inc. (hereafter "Hankyu REIT") hereby notifies it has decided today to issue investment corporation bonds as described below, based on a comprehensive resolution made at its Board of Directors meeting held on September 21, 2011 for the issuance of investment corporation bonds.

1. Overview of Investment Corporation Bonds

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| (1) Name of investment corporation bonds | Hankyu REIT First Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds) (hereafter "the Bonds") |
| (2) Total issue amount of investment corporation bonds | 6.0 billion yen |
| (3) Form of bond certificate | Pursuant to the Act on Book-Entry Transfer of Company Bonds, Shares, etc., which is applicable to the Bonds, certificates for the Bonds will not be issued. |
| (4) Issue price | 100 yen per 100 yen of face amount of each investment corporation bond |
| (5) Redemption value | 100 yen per 100 yen of face amount of each investment corporation bond |
| (6) Interest rate | 1.27% per annum |
| (7) Price of each investment corporation bond | 100 million yen |
| (8) Offering method | Public offering |
| (9) Subscription date | October 28, 2011 (Friday) |
| (10) Payment date | November 11, 2011 (Friday) |
| (11) Collateral or guarantee | No collateral or guarantee is applicable to the Bonds. No assets are specially reserved for the Bonds. |
| (12) Redemption method and redemption date | The entire amount of the Bonds will be redeemed on November 11, 2016.
The Bonds may be repurchased and cancelled at the option of Hankyu REIT at any time from the day immediately after the payment date, unless otherwise provided for by the book-entry transfer agent. |
| (13) Interest payment date | May 11 and November 11 of each year |

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|--|---|
| (14) Financial covenants | The Bonds contain a negative pledge. |
| (15) Ratings | A+ (Rating and Investment Information, Inc.) |
| (16) Fiscal agent, issue agent and payment agent | Sumitomo Mitsui Banking Corporation |
| (17) Underwriters | Nomura Securities Co., Ltd.
Mizuho Securities Co., Ltd.
Daiwa Securities Capital Markets Co. Ltd. |

2. Reason for Issuance

Through the issuance of the Bonds, in order to construct a more robust financial base, Hankyu REIT intends to work for an increase in the ratio of long-term debt to interest-bearing debt and the diversification of methods of fund procurement.

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

- (1) Amount of funds to be procured (estimated net amount Hankyu REIT will obtain)

5,967 million yen

- (2) Details of use and scheduled date of expenditure of funds to be procured

Hankyu REIT will allocate the funds to be part of the funds for the early repayment (Note) of short-term borrowing (6.6 billion yen) scheduled for November 16, 2011.

We plan to cover the difference between the amount of funds to be procured and the amount of repayment of short-term borrowing (6.6 billion yen) with corporate funds.

(Note) For further details of the early repayment, please refer to the press release titled "Notice Concerning Early Repayment of Debt Financing," which was released separately today.

4. Balance of Interest-bearing Debt After Issuance of the Bonds (As of November 16, 2011 (Note 1))

	Before issuance (millions of yen)	After issuance (millions of yen)	Change (millions of yen)
Short-term borrowing	10,100	3,500	-6,600
Long-term debt (Note 2)	47,400	47,400	±0
Total debt financing	57,500	50,900	-6,600
Investment corporation bonds	-	6,000	+6,000
Total interest-bearing debt	57,500	56,900	-600

(Note 1) The balance shown is the balance after the early repayment of short-term borrowing indicated in 3. (2) above.

(Note 2) Long-term debts are loans with a repayment term (from loan execution date until the due date) that exceeds one year.

5. Other Matters Pertinent to the Appropriate Understanding and Judgments of Investors Concerning the Above Information

The risks associated with the Bonds, such as risks of redemption, have not changed in any material way from the "Investment Risks" stated in the most recent Securities Report (submitted on August 26, 2011).

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club), Osaka Securities Exchange, Ministry of Land, Infrastructure, Transport and Tourism, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.
- Hankyu REIT website: <http://www.hankyu-reit.jp/eng/>