



Hankyu REIT

Financial Results Briefing Materials
for **13th** Fiscal Period
ended November 2011



Hankyu REIT, Inc.
<http://www.hankyu-reit.jp>



Hankyu REIT Asset Management, Inc.
<http://www.hankyu-rt.jp>



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This material includes forward-looking statements based on present assumptions and future outlook. Actual results may differ from the includes forward-looking statements values due to various factors.

This material is not intended as a solicitation to acquire investment securities of Hankyu REIT nor is it intended as a solicitation to sign contracts relating to transactions of other financial instruments. When undertaking any investment, please do so based on your own judgment and responsibility as an investor.

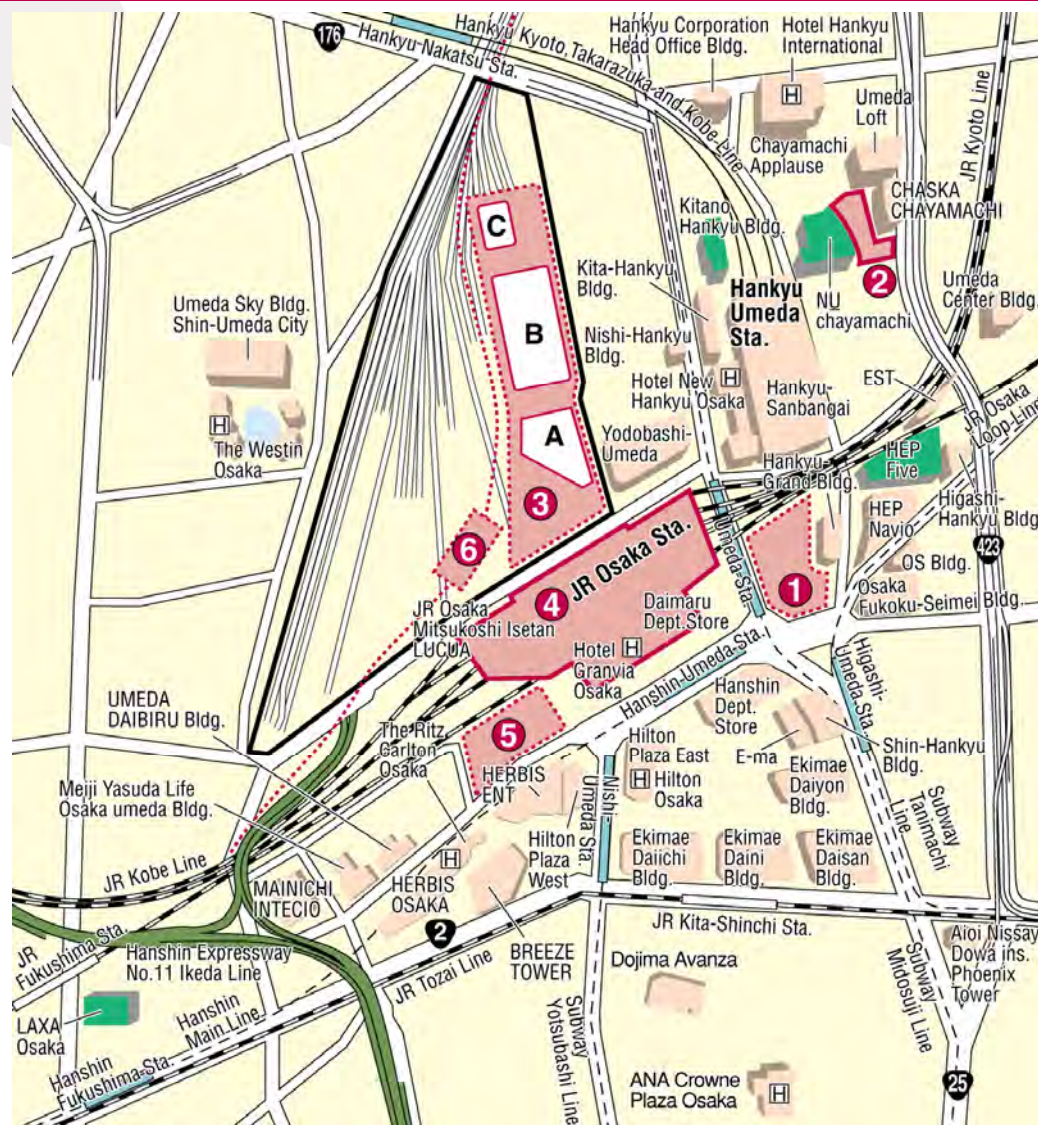
Before purchasing investment securities of Hankyu REIT, please consult with a securities company that conducts a “first financial instruments business.”

This material is an English translation of the original, which was issued in the Japanese language.

There are sections that display property names in abbreviated form.



1. Trend of Development in Kansai region



※ (dotted line) Property under development
 ——— (solid line) Project in operation for less than 1 year
 ■ (green line) Owned property

- (1) **Rebuilding of Umeda Hankyu Building**
 Phase I of the department store opened in September 2009.
 Office wing on the upper floors opened in May 2010.
 Phase II scheduled for completion between October and December 2012
Hankyu Corporation
 (Department store, offices, etc.)
- (2) **NU chayamachi Plus**
 (Opened in April, 2011)
Hankyu Corporation (chief lease-right holder)
 (Retail stores, residences, schools, etc.)
- (3) **GRAND FRONT OSAKA**
 Began construction in March 2010.
 Scheduled for completion in March 2013.
A block: Office, retail (About 1.1ha)
B block: Office, Knowledge capital, retail, hotel (Inter Continental) and serviced apartments, convention (About 2.2ha)
C block: Condominium development (About 0.5ha)
 Corporate Group : Mitsubishi Estate Co., Ltd.,
 ORIX Real Estate Corporation, Sekisui House, Ltd.,
Hankyu Corporation, etc.
- (4) **OSAKA STATION CITY**
 SOUTH GATE BUILDING (Opened in March, 2011)
 NORTH GATE BUILDING (Opened in May, 2011)
 Station area, Open –space areas
 West Japan Railway Company, Osaka Terminal Bldg.
 (Department, Retail stores, offices, etc.)
- (5) **Collaborative urban development for Osaka Ekimae**
 Japan Post Holdings Co., Ltd., West Japan Railway Company
 (Offices, theater, retail stores, etc.)
- (6) **Addition of a branch line to JR Tokaido line and construction of a new station**

1-2. GRAND FRONT OSAKA

One-stop access to all city functions

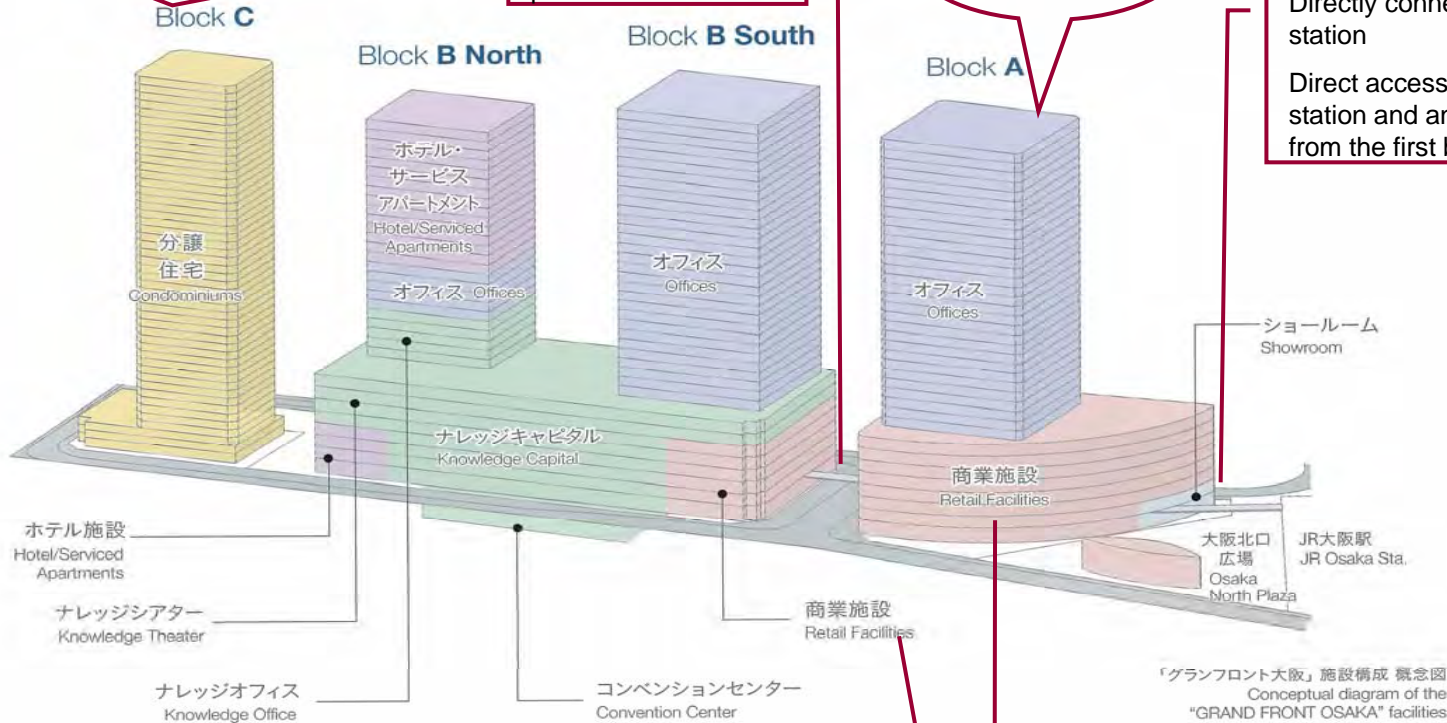
As of autumn 2011, 47 high-rise condominiums were mostly sold. (Highest price 415 million yen for 300 m²)

Connection to Hankyu Umeda station is also planned

Up to 2,800m² per floor

Directly connected to JR Osaka station

Direct access to the Umeda subway station and an underground mall from the first basement floor



Area by use

- Offices ...About 236,800m²
- Retail Facilities ...About 80,700m²
- Knowledge Capital ...About 88,200m²
- Hotel/ Serviced Apartments ...About 38,900m²
- Condominiums ...About 65,400m²

* Figures above are total floor area

Around 300 stores in about 42,000m²

Keyword is "Flagship".

Umeda area's superiority is ever becoming clearer

- Approximately 44 minutes (expected) from the currently planned new station at the Phase 2 Development Area to Kansai International Airport
- Trackage rights agreements are also planned with other lines

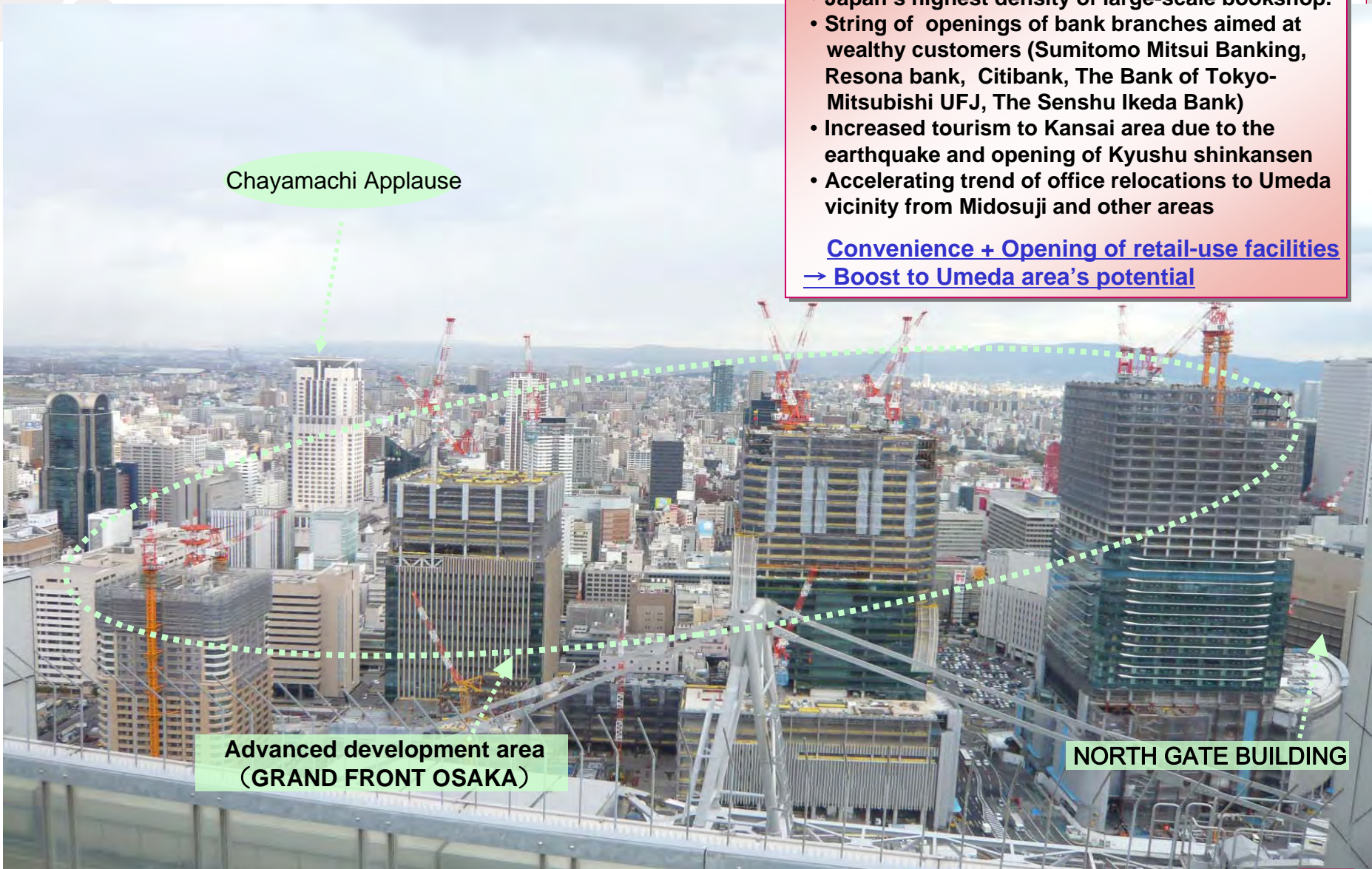


1-3. Development of "GRAND FRONT OSAKA"

Flow of people is shifting to Umeda

- Japan's highest density of large-scale bookshop.
- String of openings of bank branches aimed at wealthy customers (Sumitomo Mitsui Banking, Resona bank, Citibank, The Bank of Tokyo-Mitsubishi UFJ, The Senshu Ikeda Bank)
- Increased tourism to Kansai area due to the earthquake and opening of Kyushu shinkansen
- Accelerating trend of office relocations to Umeda vicinity from Midosuji and other areas

Convenience + Opening of retail-use facilities
 → Boost to Umeda area's potential



Chayamachi Applause

Advanced development area (GRAND FRONT OSAKA)

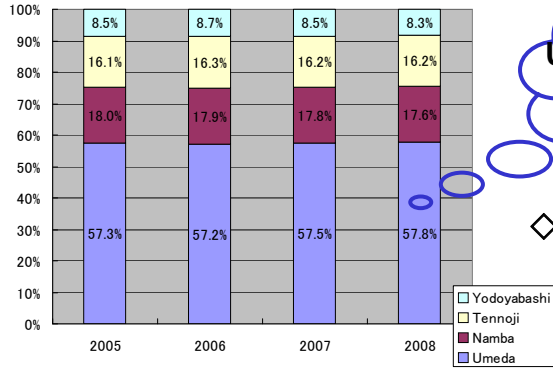
NORTH GATE BUILDING

(Photo taken from Umeda Sky Bldg. on December 26, 2011)



1-4. Status of "Umeda", Hankyu REIT's main area

◇ Passenger trends of major stations in Osaka City

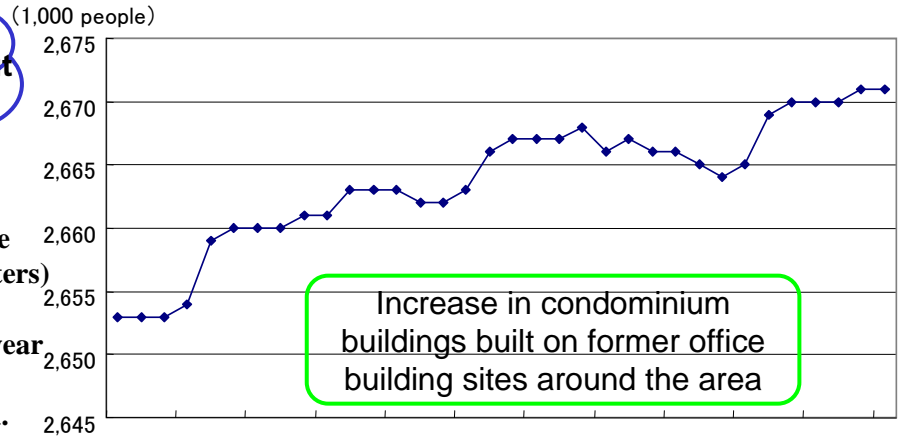


Passengers using Umeda are slightly but definitely increasing

◇ Number of short-distance passengers (non-commuters) of JR Osaka Station has grown on average 10% year on year since OSAKA STATION CITY opened.

Source: Institution for Transport Policy Studies "Urban Transportation Yearly Report"

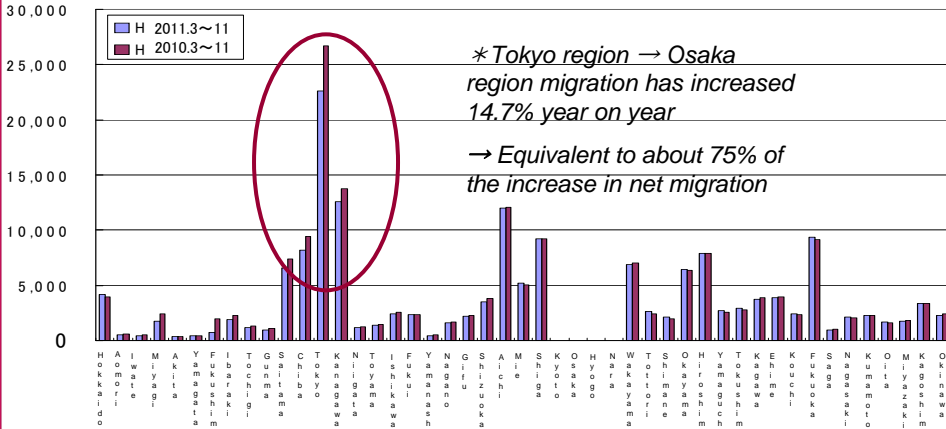
◇ Population of Osaka City continues to increase



Source: "Osaka City Population Estimates" of Planning and Coordination Bureau, Osaka city

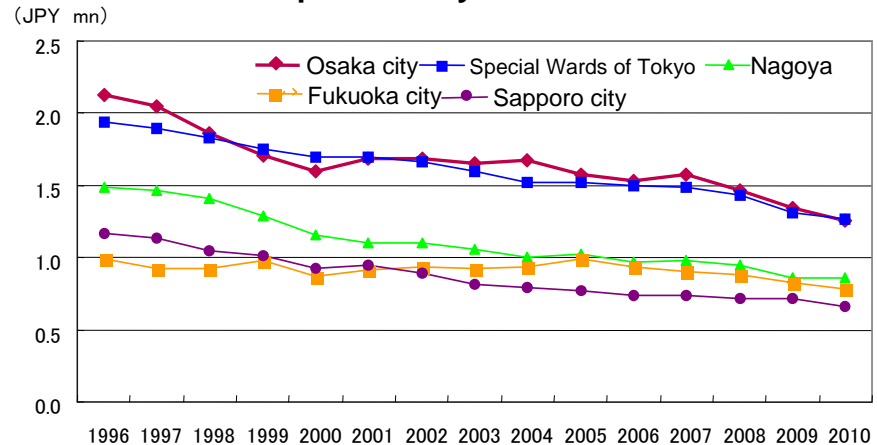
◇ Net migration to Osaka region for 5 consecutive months (March to July)

(People) · Number of migrants to Osaka region by prefecture



Source: Statistics Bureau, Ministry of Internal Affairs and Communications "Report on Internal Migration in Japan Derived from the basic Resident Registers- Statistical Tables"

◇ Annual sales per 1㎡ at large-scale retail stores are about equal to Tokyo



Source: Ministry of Economy, Trade and Industry "Results of the Census of Commerce"

In a "most livable cities" ranking of 140 major world cities
1st in Asia, 12th in the world

Challenge: Preparation of environment for carrying out public offering

External Growth Strategies

Secure properties by utilizing sponsor group's warehousing capabilities (Community-based retail facilities)

Internal Growth Strategies

Maintain and improve of properties' earning power through internal growth efforts

Financial Strategies

Diversify methods of fund procurement, extend remaining years on long-term loans and disperse repayment dates

Measures for 13th period

- Acquired investment interest in anonymous association of AEON MALL SakaiKitahanada
- Focused on Kitano Hankyu Building's revitalization and successfully attracted nightclub
- Occupancy rate for total portfolio
The end of previous fiscal period 99.0%
→ **The end of current period 99.4%**
(occupancy by end-tenants)
- Issued first investment corporation bonds

Results for 13th Fiscal Period

Distribution per unit JPY 12,688 (up 3.2% from the initial forecast)

Portfolio NOI Capitalization Rate(※) 4.8%

(※) (lease operation income + depreciation) × 2 ÷ acquisition price

Investment unit price at end of 13th fiscal period (closing price):

JPY 335,000

Net assets per unit: JPY 660,753

Net assets per unit reflecting unrealized income/loss: JPY 564,878

Forecast for 14th Fiscal Period

Distribution per unit forecast JPY 12,000

Challenges for 12th period

1. Diversify methods of fund procurement
2. Extend remaining years on long-term loans and disperse repayment dates
3. Suppress rise in funding costs

Measures for 13th period

1. Issued investment corporation bonds (5-year bond/JPY 6.0 bn), repay JPY 6.6 bn short-term borrowing before due date
2. Refinanced a portion of short-term borrowing into long term
3. Reduced borrowing spread upon refinancing

Overview of First Series of Unsecured Investment Corporation Bonds

Name of investment corporation bonds : Hankyu REIT First Series of Unsecured Investment Corporation Bonds
 Total issue amount : 6.0 billion yen
 Interest rate : 1.27%
 Payment date : November 11, 2011
 Collateral or guarantee : Unsecured/Non-guaranteed
 Ratings : A+ (Rating and Investment Information, Inc.)

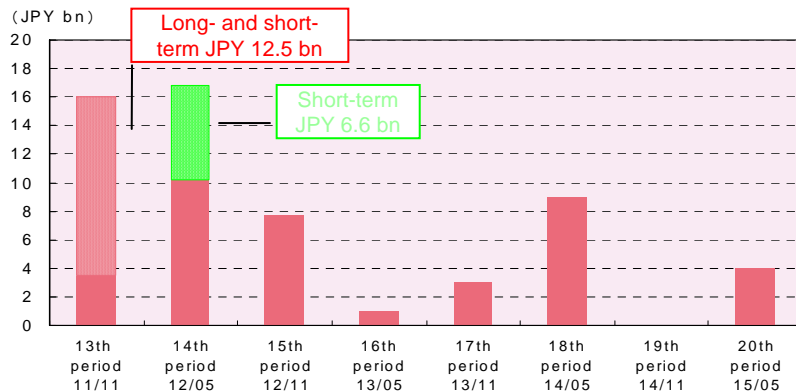
	As of end of 12th period
Interest-bearing debt	JPY 57.5 bn
Ave. funding cost (interest-bearing debt + utilized amount of security deposits)	1.38%
Ave. debt financing cost (incl. investment corporation bonds)	1.52%
Ave. remaining years on long-term loans payable and investment corporation bonds	1.5 years
Long-term & fixed debt ratio	80.0%
LTV	55.9%
Interest-bearing debt ratio	45.5%

	As of end of 13th period
Interest-bearing debt	JPY 56.9bn
Ave. funding cost	1.36%
Ave. debt financing cost	1.51%
Ave. remaining years on long-term loans payable and investment corporation bonds	2.1 years
Long-term & fixed debt ratio	93.8%
LTV	56.0%
Interest-bearing debt ratio	45.2%

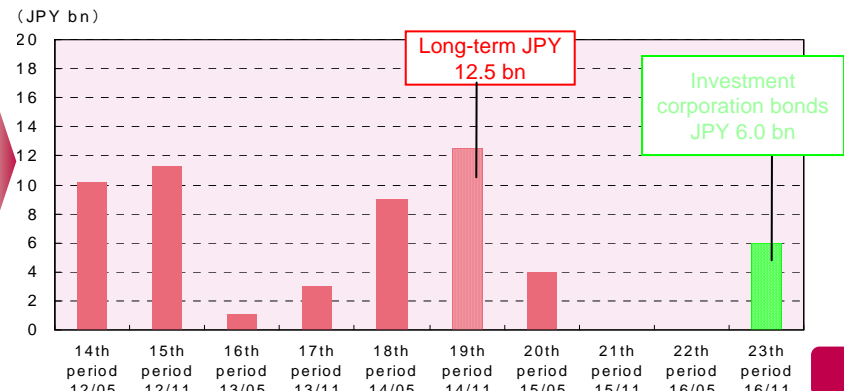
(Note) LTV = (Amount of Interest-bearing debt + Security deposits – Matched money to security deposits) / (Total amount of assets* – Matched money to security deposits) *Appraised value basis

Diversification of repayment dates

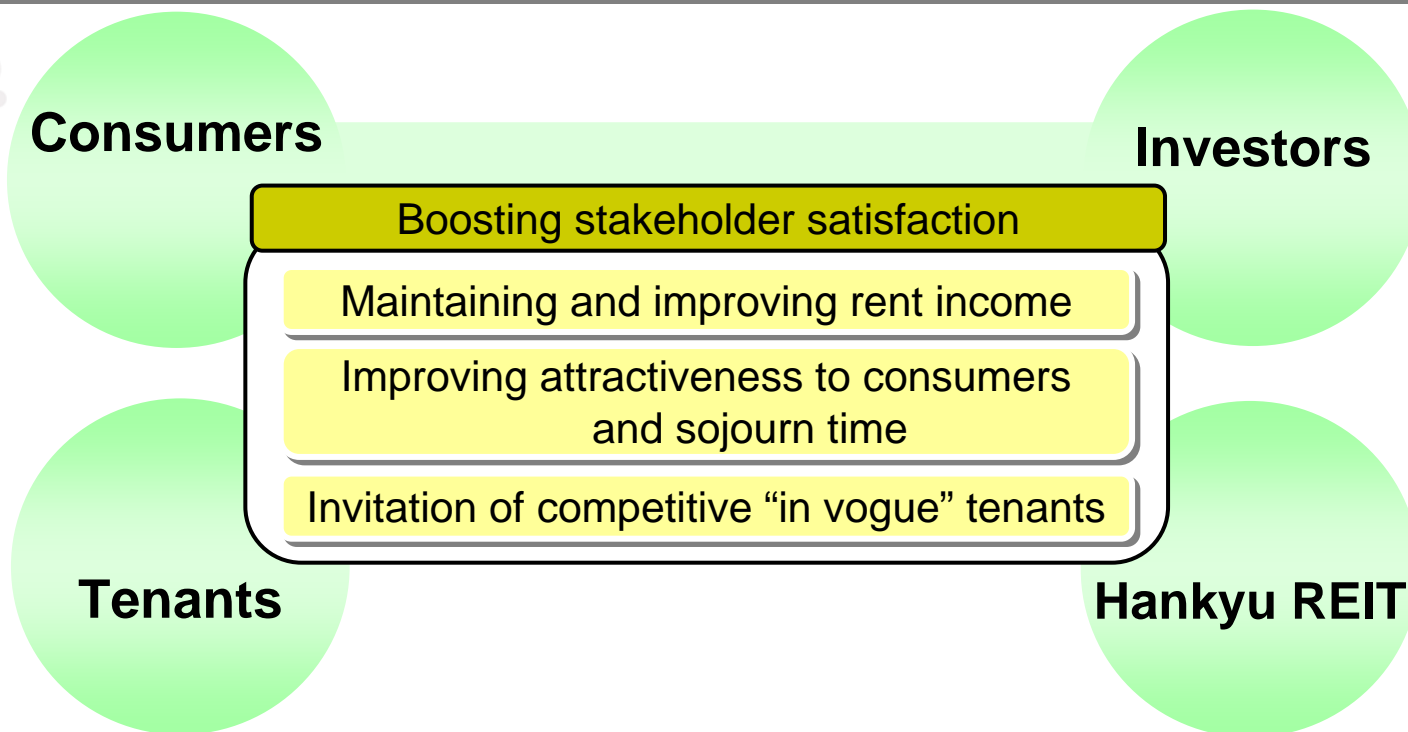
« As of the end of 12th Fiscal Period (May 31, 2011) »



« As of the end of 13th Fiscal Period (Nov.30, 2011) »



Achieving a WIN-WIN-WIN-WIN relationship in operations



<<Results for the 13th fiscal period>>

- *Kitano Hankyu Building: Opened nightclub & darts bar and revitalized the building*
- *HEP Five: Reopened amusement facility after renewal, collaborated with clothing stores, and attracted popular brand stores and expanded rental floor space*
- *NU chayamachi : Integrated management with NU chayamachi Plus and conducted area revitalization by chayamachi.tv (MBS)*
- *Dew Hankyu Yamada: Applied rent increase to a portion of tenants through rent revision*
- *Reduced nonlife insurance premiums*

<Kitano Hankyu Building>

Opening of large-scale nightclub and expectations of building revitalization

Popular large-scale nightclub attracted to the third floor (opened on November 2).

Building revitalization is expected by shower effect.

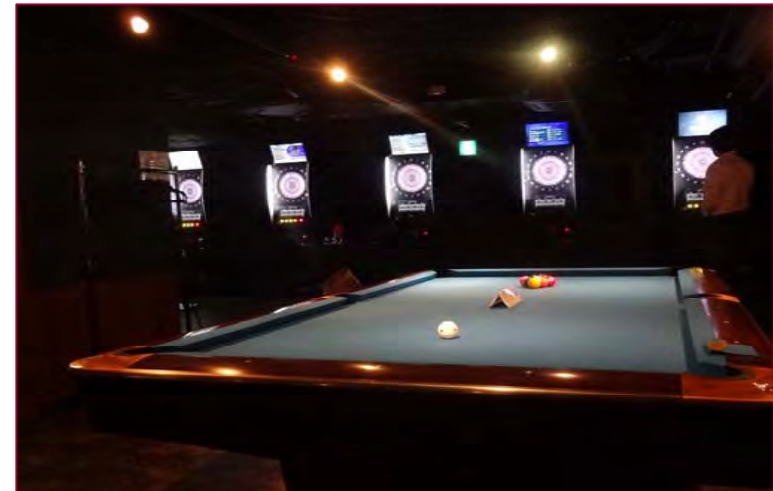


Large-scale nightclub

Realize presence as a leading complex retail facility of Umeda area

Steadily realize presence as a leading leisure facility of Umeda possessing a large-scale nightclub, a billiard and darts bar, a karaoke venue, various restaurants, a sports club, a hotel for business travelers, etc.

Occupancy rate was 98.5% at the end of the 13th fiscal period (Up by 4.9pt from the end of previous fiscal period)



Billiard and darts bar

<Dew Hankyu Yamada>

Applied rent increase to a portion of tenants through rent revision

Earnings are strong and rent was revised up 2.6% from November
Occupancy rate continued at 100%
Overall sales remained stable

<Shiodome East Side Building>

New tenant moved in to fill half-floor vacant space in July and occupancy rate recovered to 100%

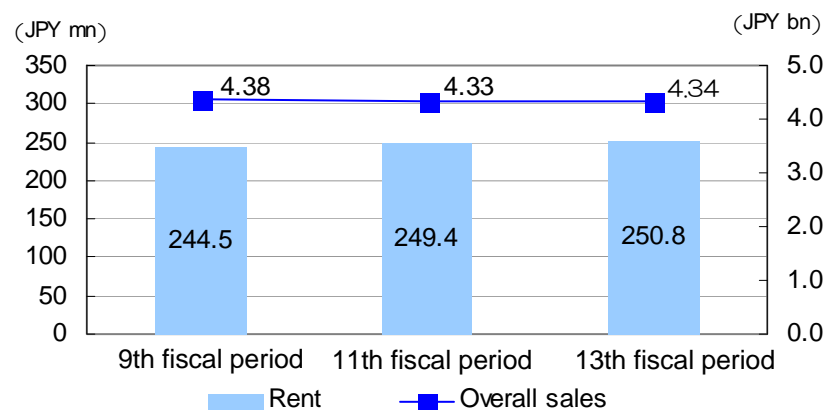
<Namba-Hanshin building>

Entrance hall was renewed and tenant satisfaction and property value were boosted.

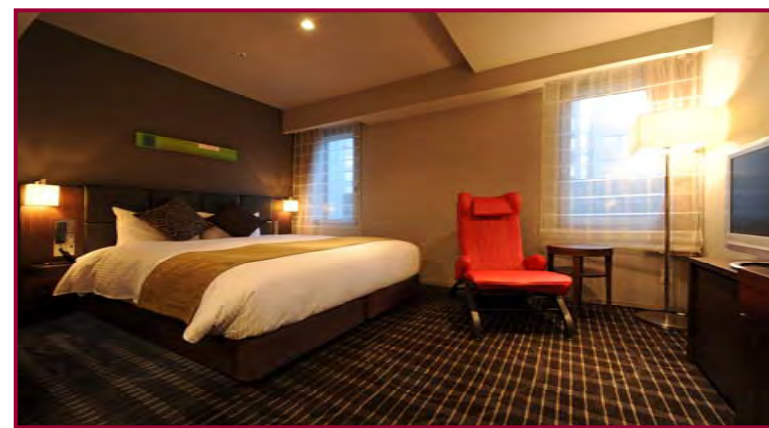
<Hotel Gracery Tamachi>

Listed in “MICHELIN Guide Tokyo Yokohama Shonan 2012” released on December 2, 2011

Changes in overall sales and rent



*Include variable-rent portion (classification is not disclosed)



Hotel Gracery Tamachi guest room

<HEP Five>

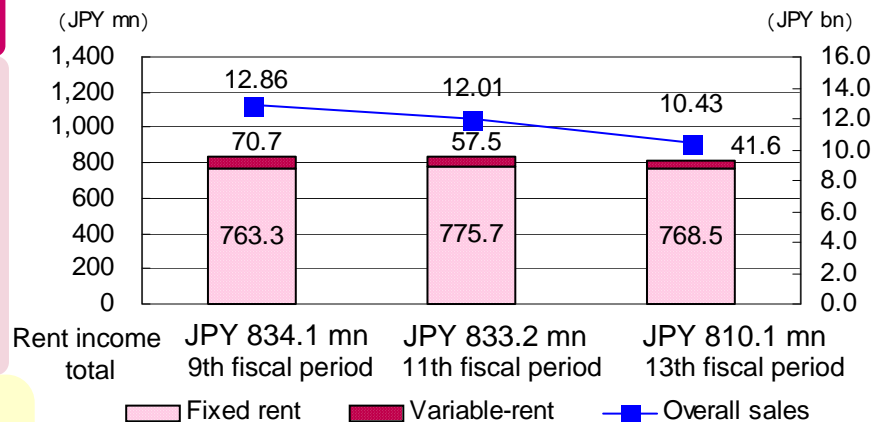
Renewal opening of amusement facility

“P+closet”, a fashion themed renewal, opened in July at the amusement facility on the eighth and ninth floor (Umeda Joypolis).

Active initiatives to replace tenants and change brands (new brand tenants: earth music & ecology, YECCA VECCA, Cona Blue, GARULA, L. CHANCE, and others).

- Although initial opening fever of “LUCUA” has settled down, effect of openings continues.
- JR Osaka Mitsukoshi Isetan is performing below sales targets (its sales are below LUCUA, which has a floor area less than half the size)
- The impact on HEP Five’s sales has not yet finished converging.

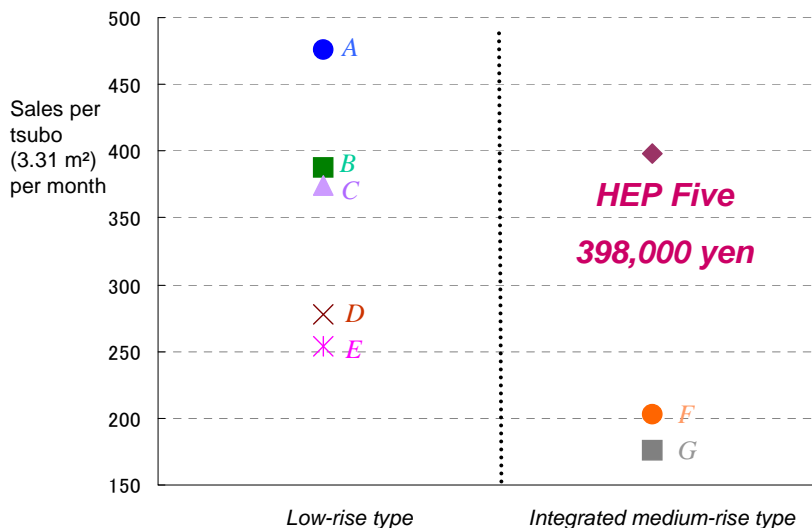
Changes in overall sales and rent



(Note) In the 9th fiscal period, as 10% of the quasi co-ownership (equity ratio 50%) of the trust beneficiary interests was transferred, the comparison is based on an equity ratio of 45%. For comparison purposes, rent income before the transfer of trust beneficiary interests for the 9th fiscal period has been calculated at an equity ratio of 45%.

High level of sales efficiency

* Comparison with major facilities in Osaka City (fiscal 2010)



High rent per tsubo (including common service fees)

* Comparison with 20,000—30,000 m² sized buildings in 14 major cities



Source: Japan Council of Shopping Centers “Shopping Center White Paper 2011”

<NU chayamachi>

Cooperation with NU chayamachi Plus Opening of chayamachi.tv (MBS)

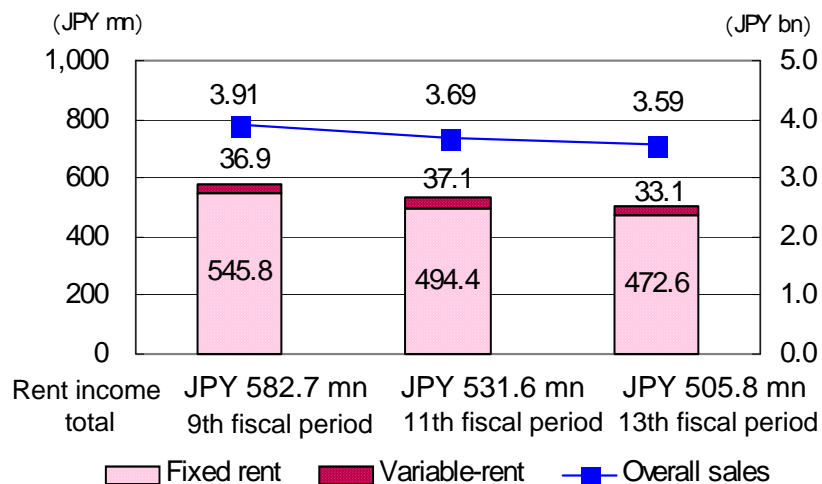
By integrating management with NU chayamachi Plus, which opened in April, rationalization of security operations has been achieved and effective sales promotion activities are being conducted.

Presence and recognition has been boosted by growing into a 100-tenant-scale shopping center.

Mainichi Broadcasting System has opened “chayamachi.tv,” a TV station which broadcasts to a limited area. Participate in highly topical initiatives such as broadcasting of live events and digital signage installation that allows regional information to be downloaded to personal terminals.

- The impact of LUCUA minimized, partly due to the opening of NU chayamachi Plus.

Changes in overall sales and rent



NU chayamachi Plus which opened in April

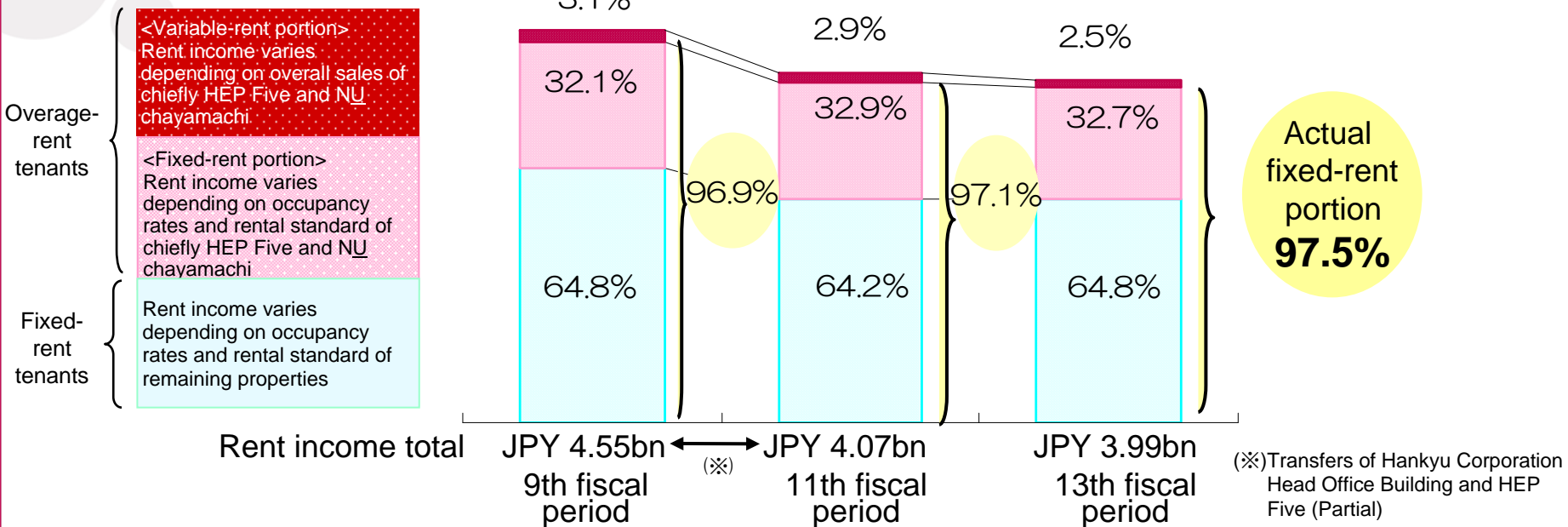


NU chayamachi

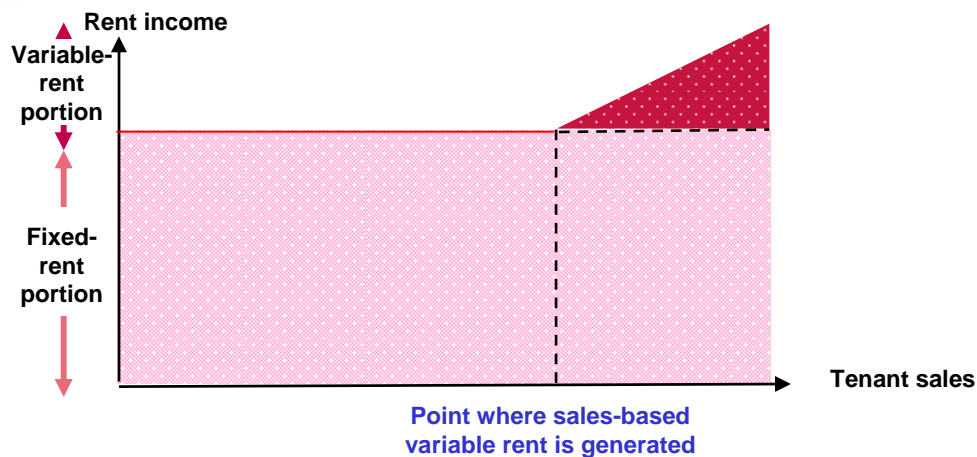


NU chayamachi corridor

Income ratio by rent category and variation factors



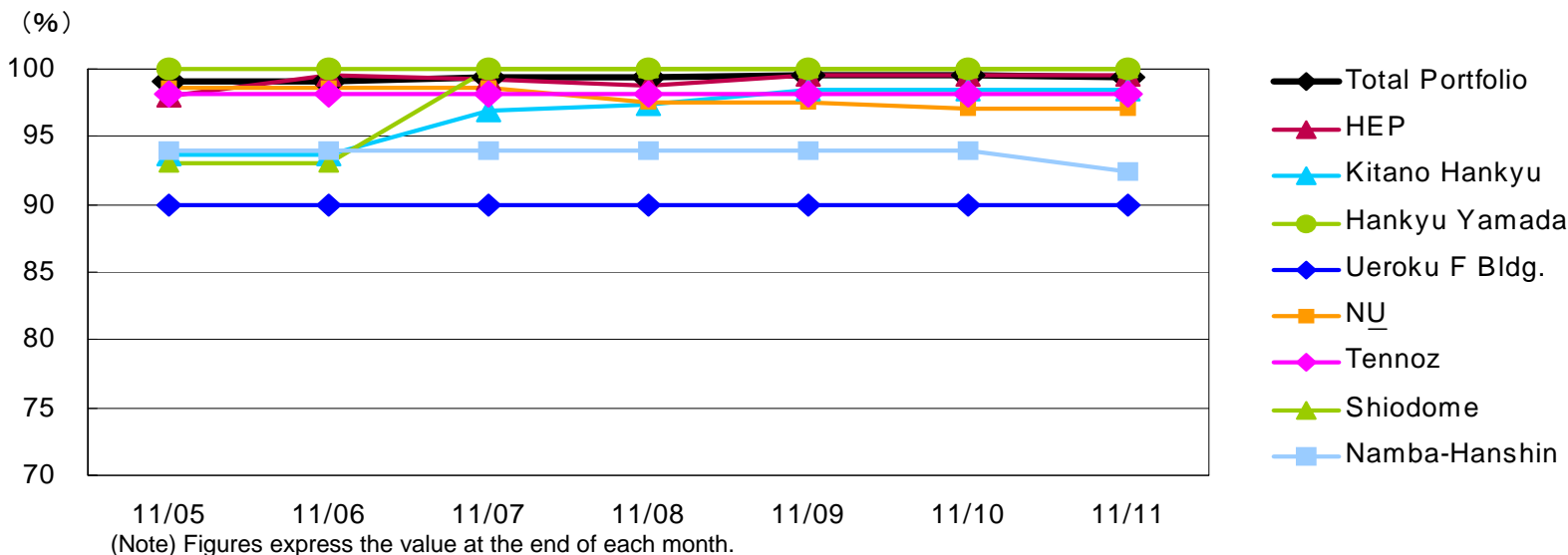
Concept diagram of the general sales-based overage rent system



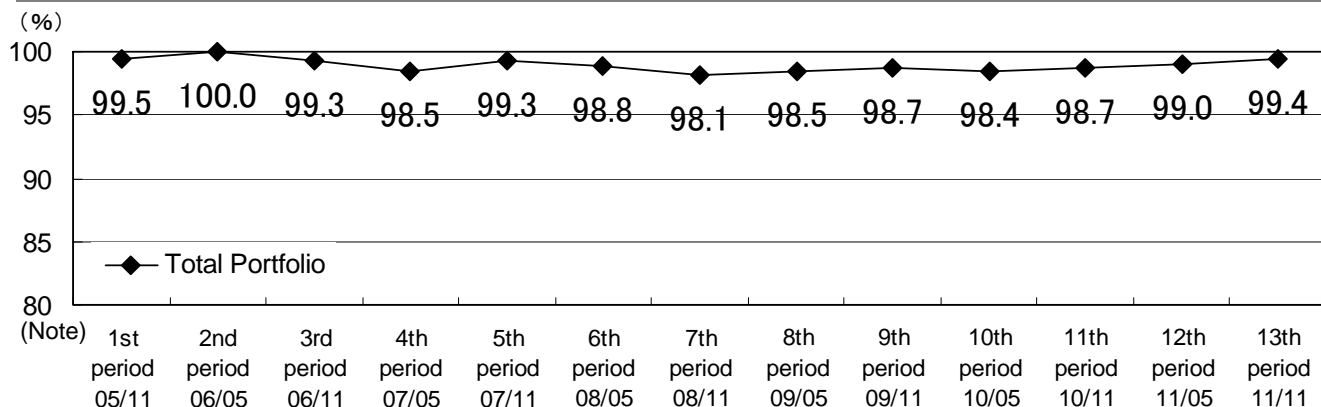


Occupancy rate for Total Portfolio **99.4%** (as of the end of the 13th fiscal period)

The graph showing leased properties to single tenants (occupancy rate : 100%) has been omitted.
 (The seven properties leased to single tenants are: Takatsuki-Josai, Nitori Ibaraki, Kohnan Hiroshima, Tamachi, LaLaport KOSHIEN, LAXA Osaka and Hamamatsu.)



Continuation of stable occupancy rates since 1st fiscal period





3. Growth Strategies

Return to growth path Restoration of finances

Preparation of environment for carrying out public offering

- Secure properties by utilizing sponsor group's warehousing capabilities (Community-based retail facilities)
- Maintain and improve of properties' earning power through internal growth efforts
- Suppress rise in funding costs (utilizing security deposits, issuance of corporate bonds)

Expansion of growth

Multiple property acquisitions and carrying out public offering

- While achieving retention and improvement of Distribution per unit as well as gradual reduction of LTV.

3-2. Property information

Network of the Hankyu Hanshin Holdings Group

Priority negotiation rights

We hold priority negotiation rights with Hankyu Corporation, Hankyu Realty Co., Ltd. and Hankyu Investment Partners, Inc.



Hankyu REIT Asset Management's own network

We obtain highly accurate information by directly approaching general companies and distributors.

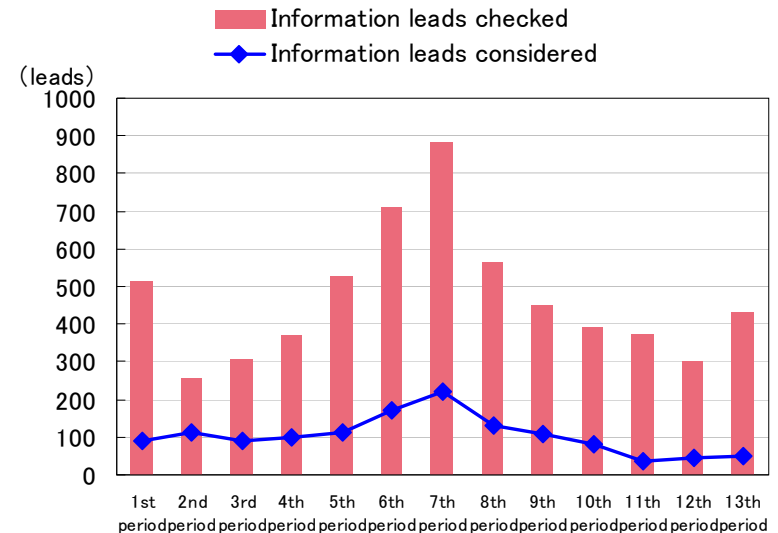


Hankyu REIT, Inc.

We aim to achieve sustained growth by utilizing the information and network of the Hankyu Hanshin Holdings Group with connections deeply rooted in the region.

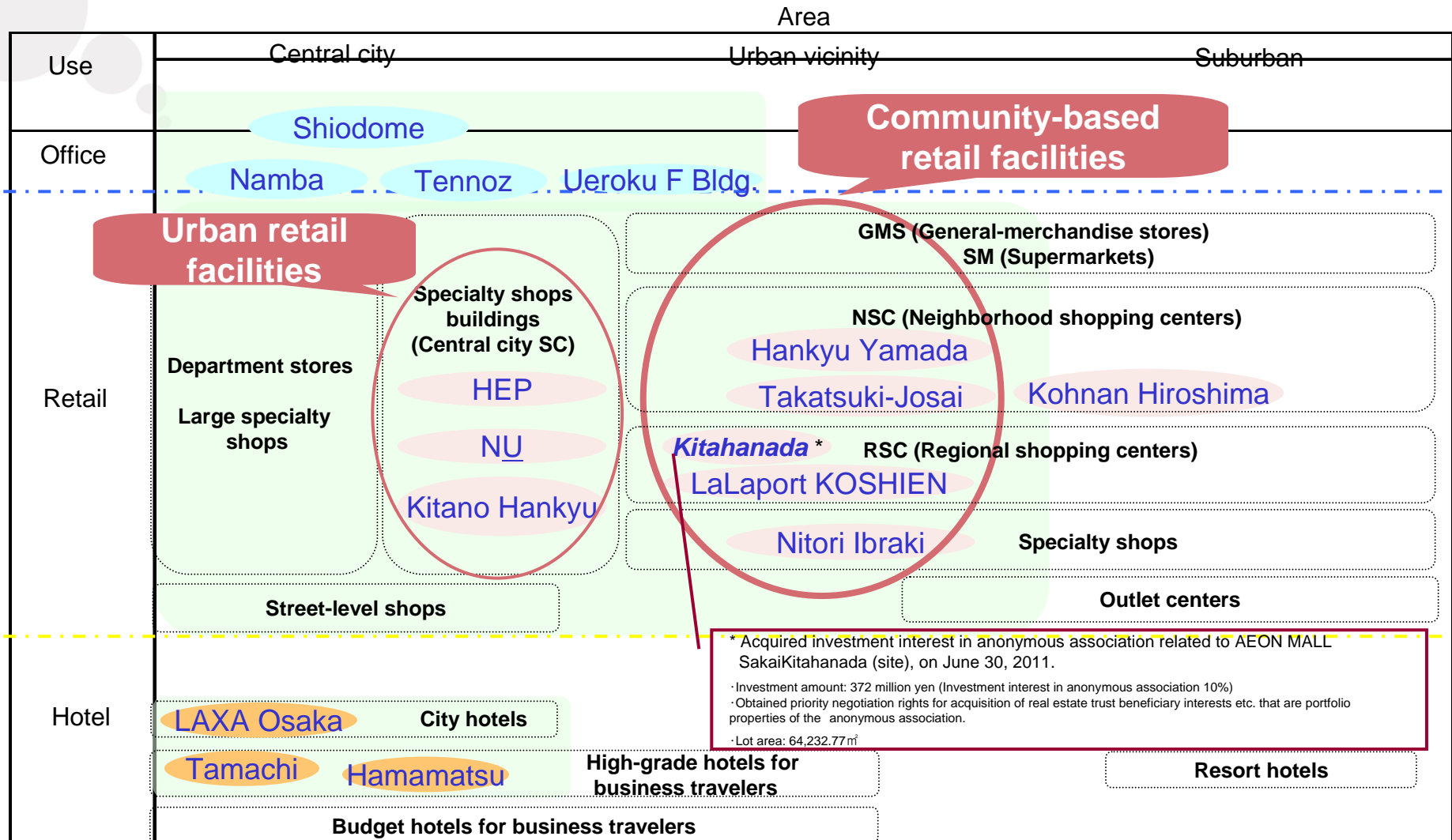
81% of acquisitions
(11 properties)
acquired through
the sponsor pipeline

Trend of information leads





3-3. Property Acquisition Policy for Future



* Acquired investment interest in anonymous association related to AEON MALL SakaiKitahanada (site), on June 30, 2011.
 - Investment amount: 372 million yen (Investment interest in anonymous association 10%)
 - Obtained priority negotiation rights for acquisition of real estate trust beneficiary interests etc. that are portfolio properties of the anonymous association.
 - Lot area: 64,232.77㎡

Primary investment target zone



Hankyu REIT focal investment zone in retail-use facilities

Focus on community-based retail facilities

Use	Area								
	Central city			Urban vicinity			Suburban		
Office	7	41	11	7	14	15	1	1	1
	6	22	14	2	6	0	0	0	1
Retail	3	2	2	15	21	4	2	5	7
	10	16	4	35	57	19			
Hotel	1	3	2	3	4	0	0	0	1
Others	18	39	3	1	35	3	0	3	2
				23					

*Outer circle: information leads Inner circle: leads actually considered

- 

Kansai region (Osaka, Kyoto, Hyogo, Nara, Shiga, Wakayama)
- 

Tokyo metropolitan area (Tokyo, Kanagawa, Saitama, Chiba)
- 

Other area

Leads considered were mostly community-based retail facilities of Kansai region and Tokyo metropolitan area



4. Financial Strategies



Financial basic policy

- Sound financial position
- Maintain favorable trading relationship with finance institutions
- Lower funding costs (effective use of security deposits)
- Reduce the risk of financing (diversification of debt repayment dates)
- Reduce the risk of interest increase (focus on long-term, fixed debts)

Future Policy

Aim to boost stability and efficiency by focusing on suppressing rises in funding costs through choice of borrowing formats and utilization of security deposits.

Investor rating

Ratings of issuers

MOODY'S

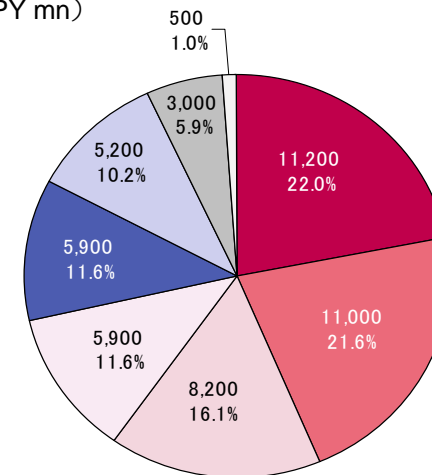
A3 ※ (negative)



A+ (Stable)

* Requested Moody's to withdraw the rating as of January 17, 2012 and the rating was withdrawn on the same day.

Outstanding debt by lender (JPY mn)



- Mitsubishi UFJ Trust and Banking Corporation
- Development Bank of Japan Inc.
- Sumitomo Mitsui Banking Corporation
- The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- Mizuho Corporate Bank, Ltd.
- The Sumitomo Trust and Banking Co., Ltd.
- The Senshu Ikeda Bank, Ltd.
- The Chuo Mitsui Trust and Banking Company, Limited

Total JPY 50.9 bn

Registration of issue of corporation bonds

Proposed value of issuance (Upper limited) : JPY 100,000 mn
 Proposed issuance period :
 December 19, 2011 to December 18, 2013



 **5. Overview of
Financial Results**



(Unit:JPY mn)

Item	Forecast for 13th Fiscal Period (1) (as of Jul.14, 2011)	Results for 13th Fiscal Period (2) (Jun. 1, 2011 to Nov.30, 2011)	Change (2)-(1)
Operation period (days)	183	183	—
Operating revenues	4,927	4,894	△32
Operating income	1,528	1,549	21
Ordinary income	1,052	1,085	33
Net income	1,050	1,083	33
Number of outstanding units at end of period (units)	85,400	85,400	—
Distribution per unit (JPY)	12,300	12,688	388
FFO per unit (JPY)	23,903	24,273	370

(Main factors of increase/decrease)

① **Decrease in operating revenues** △ JPY 32 mn

Decreased income from lease △ JPY 9 mn
(Mainly NU)

Decreased utilities expense income △ JPY 31 mn
Contract breach fine etc. JPY 13 mn

② **Decrease in operating expenses** JPY 54 mn

Decreased utilities expense JPY 36 mn
Decreased repair expenses JPY 16 mn

③ **Decreased interest due** JPY 7 mn

Income Statement

(Unit: JPY mn)

Item	12th Fiscal Period (Duration of investment: 182days) Dec. 1, 2010 to May 31, 2011		13th Fiscal Period (Duration of investment: 183days) Jun. 1, 2011 to Nov. 30, 2011		Change
	Amount	Percentage	Amount	Percentage	
	1. Operating revenues	4,742	100.0	4,894	
Lease operating revenues	4,742		4,882		
Distribution revenue of anonymous association	—		11		
2. Operating expenses	3,181	67.1	3,344	68.3	163 ②
Lease operating costs	2,814		2,972		
Asset management remuneration	278		278		
Officer remuneration	3		3		
Asset consignment remuneration	16		16		
Administrative agency remuneration	29		30		
Auditor remuneration	7		7		
Other operating expenses	30		35		
Operating income	1,561	32.9	1,549	31.7	△ 11
3. Non-operating revenues	2	0.1	1	0.0	△ 0
Interest earned	0		0		
Other non-operating revenues	1		0		
4. Non-operating expenses	478	10.1	466	9.5	△ 11 ③
Interest due	448		431		
Loan related expense	28		28		
Interest due on investment corporation bonds	—		3		
Amortization of investment corporation bond issuance costs	—		0		
Other expenses	1		1		
Ordinary income	1,085	22.9	1,085	22.2	△ 0
Pretax net income for current period	1,085		1,085		
Corporate, local and enterprise tax	1		1		
Adjustment for corporate tax, etc.	0		△ 0		
Net income for current period	1,084	22.9	1,083	22.1	△ 0
Retained earnings carried forward from the previous period	0		0		
Unappropriated income for current period	1,084		1,083		

Lease operating revenues and costs

Breakdown: Refer to page 31 and 32

Occupancy rate at end of fiscal period: 99.4%
(Occupancy by end-tenants)

Cash Distribution Statement

(Unit: JPY thousand)

Item	12th Fiscal Period	13th Fiscal Period	Change
	Amount	Amount	Amount
Unappropriated income for current period	1,084,085	1,083,582	△ 502
Distributions	1,084,067	1,083,555	△ 512
(Distribution per unit (JPY))	(12,694)	(12,688)	(△ 6)
Retained earnings carried forward	17	27	9

(Main factors of increase/decrease)

① Increase in operating revenues	JPY 151 mn
Decreased income from lease (HEP, Shiodome, NU, and etc)	△ JPY 70 mn
Increased utilities expense income	JPY 37 mn
Increased tenant incidental income	JPY 115 mn
Increased air conditioning expenses	JPY 10 mn
Increased other income	JPY 55 mn

② Increase in operating expenses	JPY 163 mn
Decreased property/facility management fees	△ JPY 20 mn
Increased utilities expense	JPY 92 mn
Increased advertising and promotion expenses	JPY 114 mn
Decreased repair expenses	△ JPY 26 mn

③ Decrease in non-operating expenses	△ JPY 11 mn
Decreased interest due	△ JPY 12 mn

※ At HEP Five and NU chayamachi, the tenant bearing sales promotion expenses that were treated as deposits by the master lessee will be recorded as income/expense by Hankyu REIT from the 13th fiscal period as a result of changes to the agreement with the master lessee. Accordingly, a balance of these deposits of 51 million yen held by the master lessee at the beginning of the 13th fiscal period is recorded as income in a lump-sum.

5-3. Balance Sheet

(Unit: JPY mn)

Item	12th Fiscal Period (as of May 31, 2011)		13th Fiscal Period (as of Nov. 30, 2011)		Change Amount
	Amount	Ratio (%)	Amount	Ratio (%)	
Assets					
I Current assets total	9,589	7.6	9,472	7.5	△ 117
Currency and demand deposit	2,068		2,267		
Currency and demand deposit in trust	7,027		6,790		
Operational income receivable	11		25		
Stores	0		—		
Deposit paid	337		309		
Prepaid expense	143		79		
Deferred income tax assets	0		0		
II Fixed assets total	116,725	92.4	116,364	92.4	△ 361
1. Tangible fixed assets					
Buildings	2,360		2,298		
Structures	331		315		
Tools, furniture and fixtures	3		2		
Land	7,938		7,938		
Buildings in trust	34,713		34,072		
Structures in trust	462		443		
Machinery and equipment in trust	231		213		
Tools, furniture and fixtures in trust	73		80		
Land in trust	69,613		69,613		
Tangible fixed assets total	115,728	91.6	114,978	91.3	△ 749
2. Intangible fixed assets					
Land leasehold	957		957		
Misc. intangible fixed assets	2		2		
Trust and other intangible fixed assets	4		4		
Intangible fixed assets total	964	0.8	963	0.8	△ 0
3. Investments, other assets					
Investment securities	—		375		
Long-fiscal period prepaid expenses	23		36		
Guarantee money deposit	10		10		
Investment, other assets total	33	0.0	422	0.3	389
III Total deferred assets	—	—	31	0.0	31
Investment corporation bond issuance costs	—		31		
Assets total	126,314	100.0	125,868	100.0	△ 446

Item	12th Fiscal Period (as of May 31, 2011)		13th Fiscal Period (as of Nov. 30, 2011)		Change Amount
	Amount	Ratio (%)	Amount	Ratio (%)	
Liabilities					
I Current liabilities total	34,129	27.0	23,137	18.4	△ 10,991
Operating no-trade accounts payable	239		575		
Short-fiscal period loans payable	11,500		3,500		
Long-fiscal period loans payable (return within 1 year)	21,300		17,900		
Accrued dividend	10		11		
Accrued expenses	229		226		
Income taxes payable	1		1		
Accrued consumption tax	46		34		
Advance received	461		487		
Current deposit received	0		0		
Security deposits (return within 1 year)	94		94		
Security deposits in trust (return within 1 year)	245		305		
II Funded liabilities total	35,756	28.3	46,302	36.8	10,546
Investment corporation bonds	—		6,000		
Long-fiscal period loans payable	24,700		29,500		
Security deposits	1,646		1,599		
Security deposits in trust	9,409		9,203		
Liabilities total	69,885	55.3	69,440	55.2	△ 445
Net assets					
I Overall investment	55,344	43.8	55,344	44.0	
II Surplus fund total	1,084	0.9	1,083	0.9	
Unappropriated income for current period	1,084		1,083		
Net assets total	56,428	44.7	56,428	44.8	△ 0
Liabilities and net assets total	126,314	100.0	125,868	100.0	△ 446

Loans payable:
JPY 50,900 mn
Breakdown:
Refer to Page 23

Total of security deposits:
JPY 11,202 mn
↓
JPY 6,293 mn
was applied to property acquisition financing

5-4. Distribution Forecast for 14th Fiscal Period①

(Unit: JPY mn)

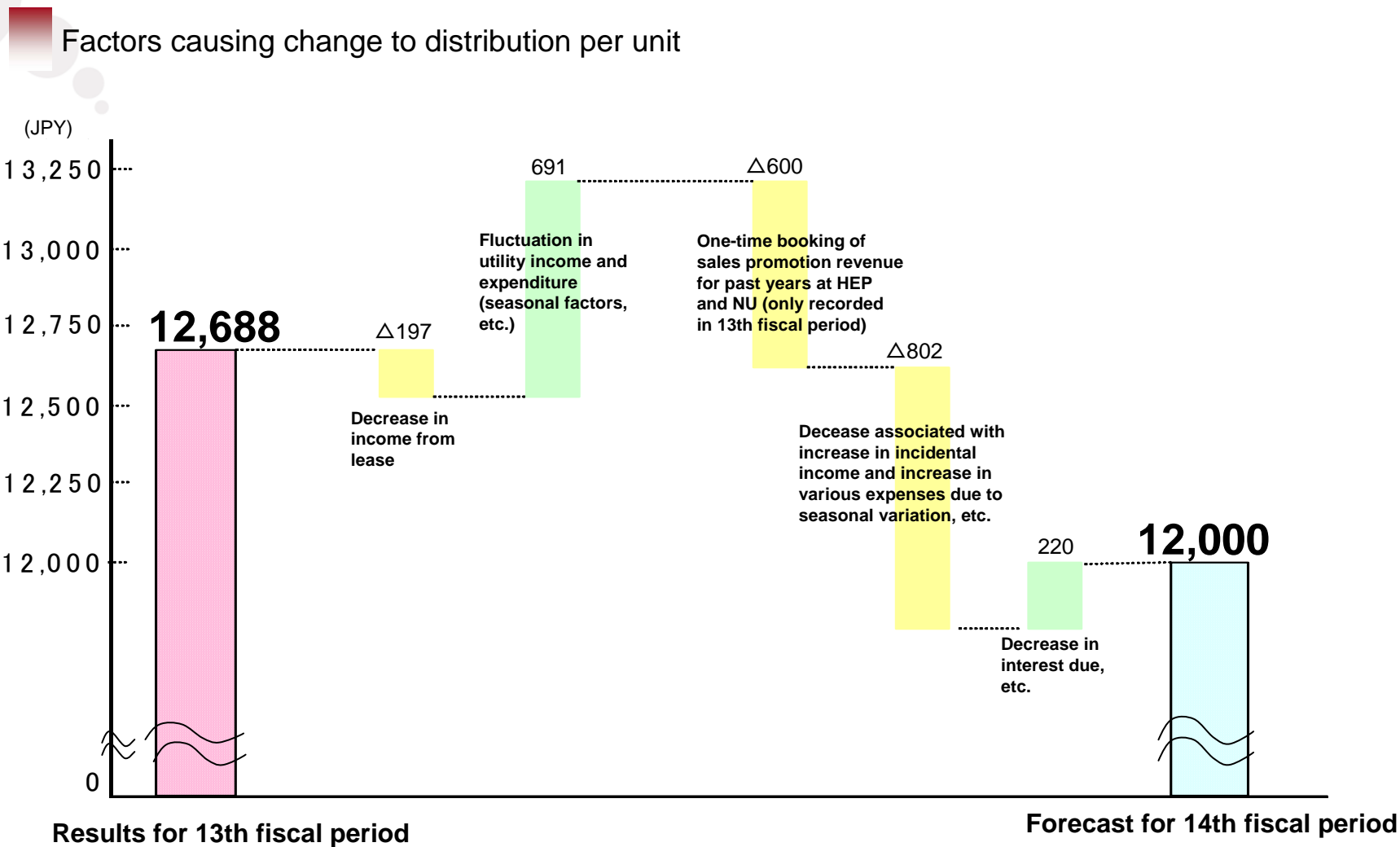
Item	Results for 13th Fiscal Period ① (Jun. 1, 2011 to Nov. 30, 2011)	Forecast for 14th Fiscal Period ② (Dec. 1, 2011 to May 31, 2012)	Change (2)-(1)	Results for 12th Fiscal Period (3) (Dec. 1, 2010 to May 31, 2011)	Change (2)-(3)
Operation period (days)	183	183	—	182	1
Operating revenues	4,894 ^{※1} _{※2}	4,784 ^{※1}	△ 109	4,742	41
Operating income	1,549	1,477	△ 72	1,561	△ 83
Ordinary income	1,085	1,026	△ 58	1,085	△ 59
Net income	1,083	1,024	△ 58	1,084	△ 59
Number of outstanding units at end of period (units)	85,400	85,400	—	85,400	—
Distribution per unit (JPY)	12,688	12,000	△ 688	12,694	△ 694
FFO per unit (JPY)	24,273	23,698	△ 575	24,311	△ 613

※1 At HEP Five and NU chayamachi, the tenant bearing sales promotion expenses that were treated as deposits by the master lessee will be recorded as income/expense by Hankyu REIT from the 13th fiscal period as a result of changes to the agreement with the master lessee.

※2 According to ※1, a balance of these deposits of 51 million yen held by the master lessee at the beginning of the 13th fiscal period is recorded as income in a lump-sum.

[Main preconditions]

- There are no transfers of portfolio properties from the presently held 15 properties and 1 investment interest in anonymous association with real estate trust beneficiary interests as portfolio property.
- At present, 85,400 units have been issued and no additional units will be issued until end of the period.



5-5. Financial Index

Item	12th Fiscal Period	13th Fiscal Period	Remarks
Operation period	182 days	183 days	12th fiscal period: Dec. 1, 2010 to May 31, 2011 13th fiscal period: Jun. 1, 2011 to Nov. 30, 2011
Return On Assets (ROA)	0.9%	0.9%	Ordinary income / {(Total assets at beginning of period + Total assets at end of period) / 2 }
(Per annum)	1.7%	1.7%	Calculated from duration of operation
Return On Equity (ROE)	1.9%	1.9%	Net income / {(Net assets at beginning of period + Net assets at end of period) / 2 }
(Per annum)	3.9%	3.8%	Calculated from duration of operation
Ratio of net assets at end of period	44.7%	44.8%	Net assets / Total assets
Loan To Value ratio at end of period (LTV)	55.9% (52.5%)	56.0% (52.2%)	(Amount of interest-bearing debt + Security deposits - Matched money to security deposits) / (Total assets(*) - Matched money to security deposits) *Appraisal-value basis (Ratios in brackets are based on book value)
Ratio of interest-bearing debts to total assets at end of period	45.5%	45.2%	Interest-bearing debt / Total assets
Debt Service Coverage Ratio (DSCR)	5.6 times	5.8 times	Pre-interest and pre-depreciation net income for current fiscal period / Interest due
Net Operating Income (NOI)	JPY 2,920 mn	JPY 2,899 mn	Net lease operating income + Depreciation
Funds From Operation (FFO)	JPY 2,076 mn	JPY 2,072 mn	Net income for current fiscal period + Depreciation

5-6. Income and Expenditure by Property ①

(Unit: JPY mn)

Item	HEP Five (45% of the quasi co-ownership of the trust beneficiary interests)	Kitano Hankyu Bldg.	Dew Hankyu Yamada	Takatsuki- Josai SC	Nitori Ibaraki- Kita Store (site) (Note 1)	Kohnan Hiroshima Nakano- Higashi Store (site)	NU chayamachi	Ueroku F Bldg.	Sphere Tower Tennoz (33% of the quasi co-ownership of the trust beneficiary)	Shiodome East Side Bldg.
Number of operating days of 13th fiscal period	183	183	183	183	183	183	183	183	183	183
Lease operating revenues total	1,048	561	373	284		76	697	134	355	423
Income from lease	823	376	252	283		76	510	114	281	398
Utilities expense income	59	131	57	—		—	71	11	23	20
Other incomes	164	54	63	1		0	114	8	50	4
Lease operating costs total	651	395	244	144		7	524	84	202	197
Property/Facility management fees	141	113	72	10		0	105	22	29	20
Utilities expense	81	152	54	0		—	107	11	57	25
Rent paid	7	1	1	21		—	—	—	—	0
Advertising and promotion expenses	137	3	0	—		—	79	—	—	—
Repair expense	20	6	8	3		—	5	1	16	0
Nonlife insurance premium	3	2	1	0		—	2	0	0	1
Tax and public dues	69	53	28	28		7	55	14	31	23
Other expenses	26	1	4	0		—	1	1	3	4
Depreciation	164	62	73	78		—	168	33	64	121
Lease operating income	397	166	129	140		68	172	49	153	225
NOI (Lease operating income + Depreciation)	561	228	203	219	60	68	340	83	217	347
Capital expenditure	19	① 186	1	—	—	—	2	—	3	—

(Note 1) Rent information are not permitted to be disclosed (tenant request).

(Main factors)

① Kitano Hankyu Bldg.	JPY 186 mn
Preparatory works for new tenants on 3rd floor	JPY 175 mn

5-6. Income and Expenditure by Property ②

(Unit: JPY mn)

Item	Hotel Gracery Tamachi	LAXA Osaka	LaLaport KOSHIEEN (site)	Namba-Hanshin Building	Richmond Hotel Hamamatsu (Note 1)
Number of operating days of 13th fiscal period	183	183	183	183	183
Lease operating revenues total	118	254	257	157	
Income from lease	113	254	257	129	
Utilities expense income	—	—	—	9	
Other incomes	4	—	0	17	
Lease operating costs total	54	168	109	124	
Property/Facility management fees	1	2	1	23	
Utilities expense	—	—	—	16	
Rent paid	—	18	0	—	
Advertising and promotion expenses	—	—	—	—	
Repair expense	0	9	3	5	
Nonlife insurance premium	0	3	0	0	
Tax and public dues	15	53	102	21	
Other expenses	0	1	1	0	
Depreciation	36	81	0	55	
Lease operating income	63	85	147	32	
NOI (Lease operating income + Depreciation)	100	167	147	88	65
Capital expenditure	—	6	—	② 20	—

Item	Total (15 properties)
Number of operating days of 13th fiscal period	—
Lease operating revenues total	4,882
Income from lease	4,012
Utilities expense income	386
Other incomes	483
Lease operating costs total (Note 2)	2,972
Property/Facility management fees	546
Utilities expense	507
Rent paid	50
Advertising and promotion expenses	219
Repair expense	80
Nonlife insurance premium	17
Tax and public dues	514
Other expenses	47
Depreciation	988
Lease operating income	1,910
NOI (Lease operating income + Depreciation)	2,899
Capital expenditure	238

(Note 1) Rent information are not permitted to be disclosed (tenant request).

(Note 2) Depreciation amount of Head Office are not included.

② Namba-Hanshin Bldg.	JPY	20 mn
Entrance hall renewal	JPY	9 mn

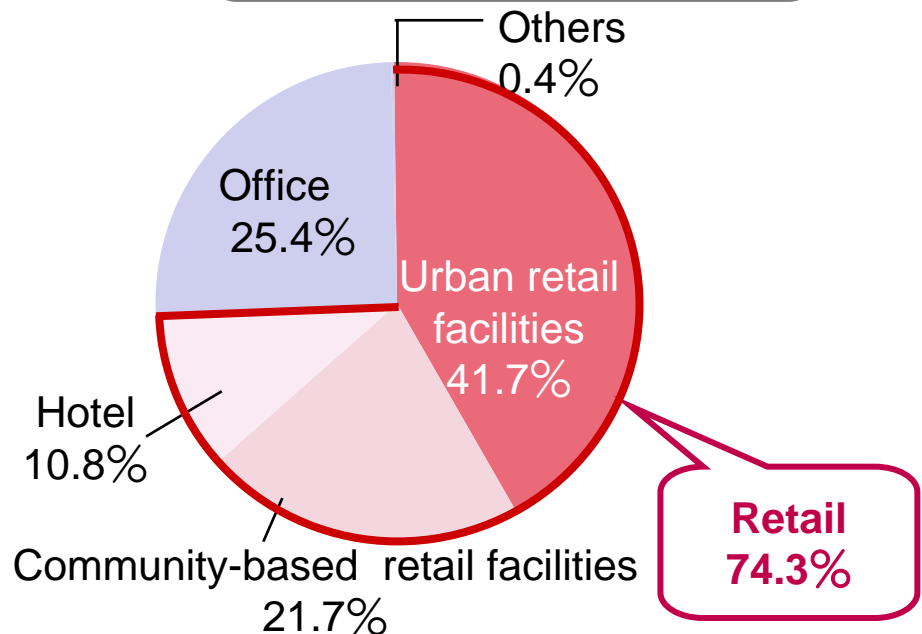
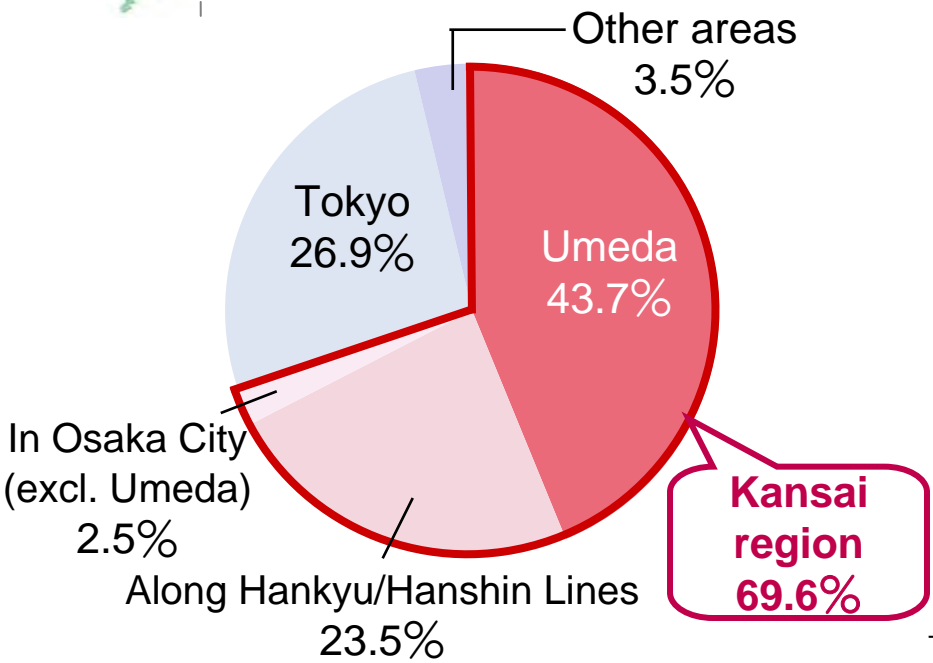
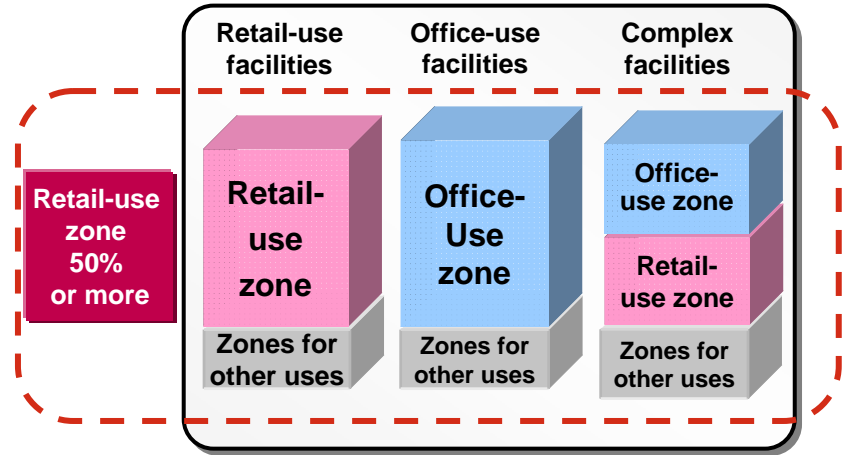
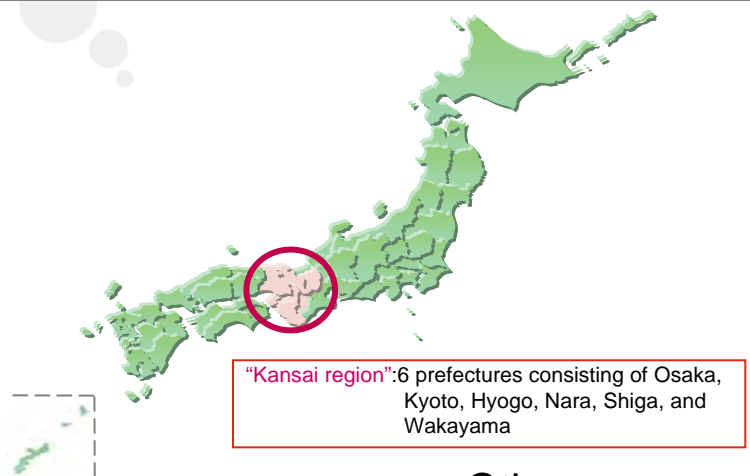


6. APPENDIX



Two-thirds of investment located in Umeda or along Hankyu/Hanshin Lines

Primary emphasis on highly competitive retail facilities

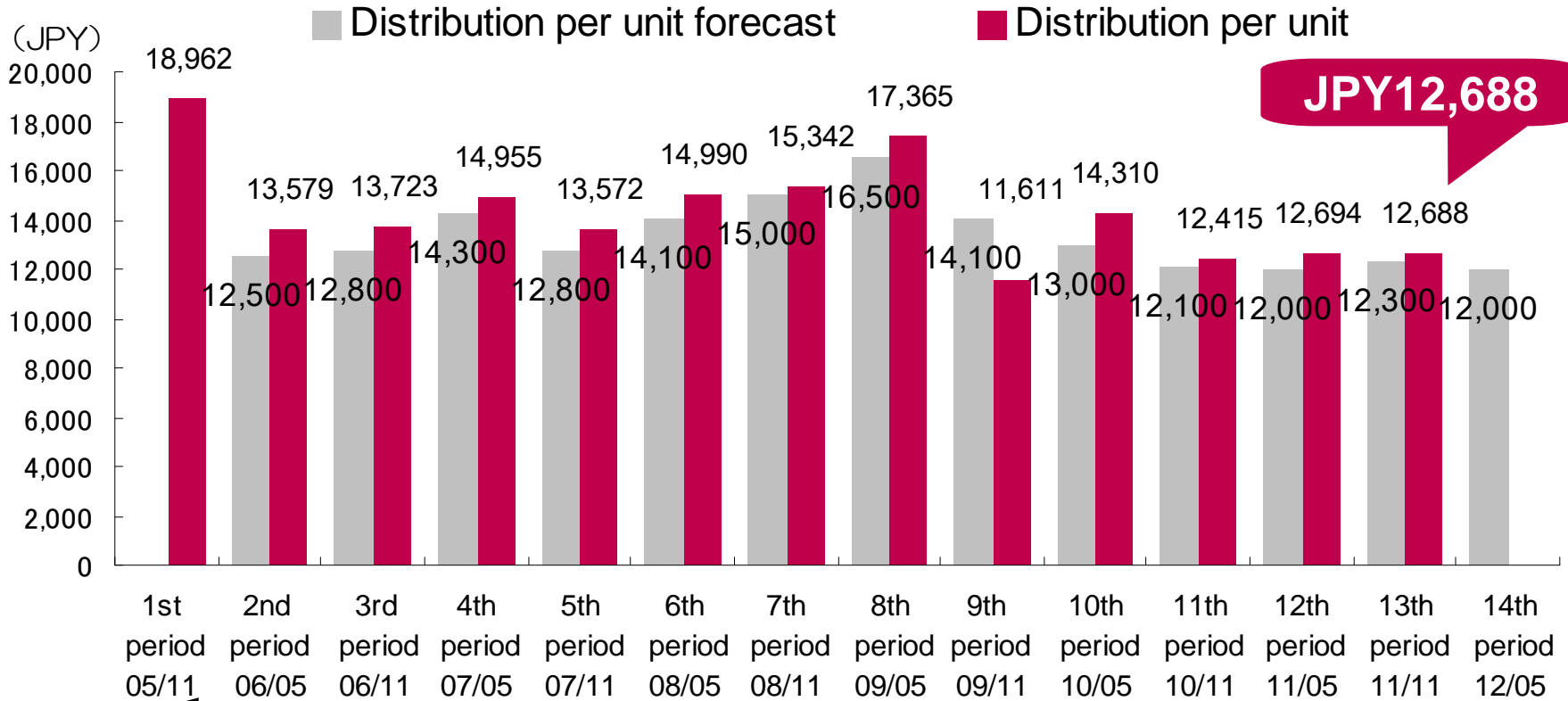


The ratios are calculated based on the acquisition price. Investment interest in anonymous association is not included.

The ratios are calculated based on the acquisition price. (For multiple-use zone properties, the amount is proportionate to the rent income and common service fees for each zone.) Investment interest in anonymous association is not included.



6-2. Trends of distribution per unit



Irregular period (303 days)

(Compared with 13th fiscal period forecast)

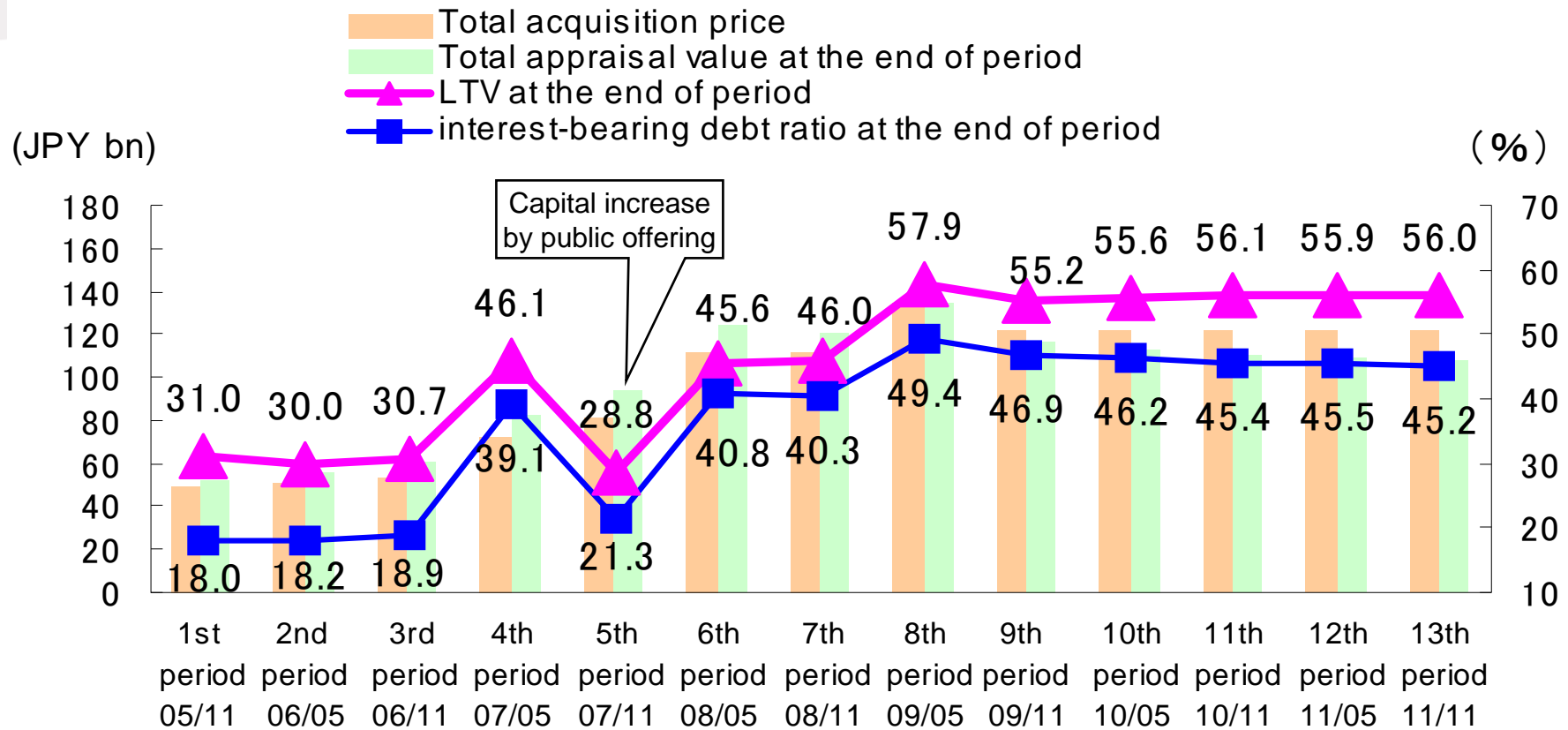
Increase in lease operating income JPY 25 mn

(Although operating revenues decreased by JPY 32 mn, profit increased as a result of JPY 58 mn reduction in lease operating costs such as repair expenses.)

Decrease in interest due JPY 7 mn



6-3. Changes in Asset scale and LTV (Loan to Value)



Number of Properties	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th
	5	6	7	8	9	11	11	16	15	15	15	15	15

LTV is generally stable despite a slight increase in the rate of decline of appraisal values.

6-4. Portfolio List (as of end of 13th Fiscal Period)①

As of November 30, 2011

Classification	Code (Note 1)	Name	Location	Completion date	Building age (Note 2)	Leasable area (m ²) (Note 3)	Occupancy rate (Note 3)	Total number of tenants (Note 3)	PML (Note 4)	Date of acquisition	Acquisition price (JPY mn)	Investment ratio	Appraisal value (JPY mn)	CAP rate (Note 5)
Retail-use facilities	R1(K)	HEP Five (45% of the quasi co-ownership of the trust beneficiary interests)	Kita Ward, Osaka City	Nov. 1998	13.1	20,370.13 (9,510.90)	100.0% (99.6%)	1 (133)	4.6%	Feb. 1, 2005	20,790	17.1%	24,120	4.5%
	R2(K)	Kitano Hankyu Bldg.	Kita Ward, Osaka City	Jun. 1985	26.5	28,194.15 (18,477.35)	100.0% (98.5%)	1 (23)	10.1%	Feb. 1, 2005	7,740	6.4%	6,870	5.6%
	R3(K)	Dew Hankyu Yamada	Suita City, Osaka Prefecture	Oct. 2003	8.2	12,982.19	100.0%	26	4.5%	Feb. 1, 2005	6,930	5.7%	6,840	5.6%
	R4(K)	Takatsuki-Josai Shopping Center	Takatsuki City, Osaka Prefecture	Apr. 2003	8.7	31,451.81	100.0%	1	6.1%	Nov. 15, 2005	8,600	7.1%	7,330	5.8%
	R5(K)	Nitori Ibaraki-Kita Store (site)	Ibaraki City, Osaka Prefecture	—	—	6,541.31	100.0%	1	—	Mar. 29, 2006	1,318	1.1%	1,377	6.9%
	R6	Kohnan Hiroshima Nakano-Higashi Store (site)	Aki Ward, Hiroshima City	—	—	25,469.59 60.14	100.0%	1	—	Oct. 2, 2006 Apr. 9, 2007	2,170 5	1.8%	2,000	6.7%
	R7(K)	NU chayamachi	Kita Ward, Osaka City	Sep. 2005	6.2	15,546.75 (11,626.65)	100.0% (97.1%)	1 (66)	4.5%	Mar. 15, 2007	19,300	15.9%	14,400	4.8%
	R8	Hotel Gracery Tamachi	Minato Ward, Tokyo	Sep. 2008	3.2	4,943.66	100.0%	1	10.2%	Dec. 25, 2008	4,160	3.4%	3,850	5.4%
	R9(K)	LaLaport KOSHIEEN (site)	Nishinomiya City, Hyogo Prefecture	—	—	126,052.16	100.0%	1	6.0%	Jan. 22, 2009	7,350	6.1%	6,710	5.0%
	R10	Richmond Hotel Hamamatsu	Naka Ward, Hamamatsu City	Sep. 2002	9.3	6,995.33	100.0%	1	13.9%	Jan. 22, 2009	2,100	1.7%	1,937	6.3%
Office-use facilities	O1	Shiodome East Side Bldg.	Chuo Ward, Tokyo	Aug.2007	4.3	9,311.32	100.0%	5	4.6%	Feb. 29, 2008	19,025	15.7%	13,400	4.8%
Complex facilities	M1(K)	Ueroku F Bldg.	Chuo Ward, Osaka City	Sep. 1993	18.3	4,611.82	89.9%	12	3.2%	Nov. 1, 2005	2,980	2.5%	2,440	6.0%
	M2	Sphere Tower Tennoz (33% of the quasi co-ownership of the trust beneficiary interests)	Shinagawa Ward, Tokyo	Apr. 1993 (Note 6)	18.7	8,807.71	98.1%	23	2.7%	Oct. 2, 2007	9,405	7.8%	8,448	4.6%
	M3(K)	LAXA Osaka	Fukushima Ward, Osaka City	Feb. 1999	12.8	30,339.91	100.0%	1	3.4%	Jan. 22, 2009	5,122	4.2%	5,000	5.9%
	M4(K)	Namba-Hanshin Building	Chuo Ward, Osaka City	Mar. 1992	19.8	9,959.01 (6,456.88)	100.0% (92.5%)	1 (17)	4.5%	Jan. 22, 2009	4,310	3.6%	3,030	5.5%
Total					11.1	341,637.00 (313,638.74)	99.8% (99.4%)	77 (312)	3.2%	—	121,306	100.0%	107,752	5.1%

In addition to the assets shown above, we own an investment interest in anonymous association issued by Bay Leaf Funding GK, which owns trust beneficiary interests of AEON MALL SakaiKitahanada (site), the targeted real estate under the trust.

- (Note 1) These codes represent properties owned by Hankyu REIT classified into the following facilities and regions.
Left-side letters represent facilities: R is a retail-use facility, O is an office-use facility, and M is a complex facility.
The figures are attached to facilities in order of date of acquisition, and a K means the property is located in the Kansai region.
- (Note 2) Portfolio total represents the weighted average building age by acquisition price.
- (Note 3) Figures in parenthesis indicate the area leasable for end-tenants, the occupancy rate based on the said area, and the number of end-tenants, respectively.
In the case of HEP Five, 45% quasi co-ownership of the trust beneficiary interests is listed as the leasable area.
For Sphere Tower Tennoz, 33% quasi co-ownership of the trust beneficiary interests is listed as the leasable area.
For LaLaport KOSHIEN (site), the leasable area is the total of the retail facility lot portion (86,124.96 m²) and the parking garage space portion (39,927.2 m²).
- (Note 4) PML of LaLaport KOSHIEN (site) is for parking garage space administration building portion (394.88m²)
- (Note 5) Cap rate by direct capitalization method using appraisal value calculation. (Nitori Ibaraki-Kita Store (site), Kohnan Hiroshima Nakano-Higashi Store (site) and LaLaport KOSHIEN (site), are allocated a discount rate using the DCF method.)
Portfolio total is the weighted average CAP rate based on appraisal value.
- (Note 6) The year of completion for the office and store portions.



Urban retail facilities

HEP Five



NU chayamachi



Kitano Hankyu Building



Community-based retail facilities

Dew Hankyu Yamada



LaLaport KOSHIEEN (Site)



Kohnan Hiroshima Nakano-Higashi Store (Site)



Takatsuki-Josai SC



Nitori Ibaraki-Kita Store (Site)





Hotel

LAXA Osaka



Hotel Gracery Tamachi



Richmond Hotel Hamamatsu



Office

Ueroku F Building



Namba-Hanshin Building



Shiodome East Side Building



Sphere Tower Tennoz





<Properties that mainly use the sales-based overage rent system>

Name	Main rent system	Present conditions
HEP Five Specialty shops buildings (Central city SC)	Overage (fixed + variable)	Average occupancy rate for the fiscal period was at a high level (99.2%). Renewal of amusement floors on the eighth and ninth floor based on a fashion theme (P+closet) was conducted and facility revitalization was promoted. Aiming for sales recovery, examining ways to strengthen operational structure, such as reform of sales promotion activities. Continue to strengthen tenant relationships, and promote tenant replacing and brand change.
NU chayamachi Specialty shops buildings (Central city SC)	Overage (fixed + variable)	Conducted integrated sales promotion activities with NU chayamachi Plus, which opened in April 2011, and currently focusing on capturing existing customers and attracting new customers. The area features cityscape that offers a street-level experience where one can enjoy both city strolling and shopping at once. Growing recognition as the center of art and culture in the Umeda area. Currently focusing on tenant leasing to achieve early occupancy of a floor which is to be returned at the end of January 2012.

<Properties that use the fixed rent system>

Name	Main rent system	Present conditions
Ueroku F Building Office	Fixed	Occupancy rate was stable at 89.9% at the end of the 13th fiscal period, no change from the end of the previous period (12th fiscal period). Utilizing the building attributes that make it competitive in the area (accessibility, visibility and scale), currently focusing on leasing vacant offices by conducting open property viewings aimed at real estate agents and offering tenants the option to expand floor space and other efforts.
Sphere Tower Tennoz Office	Fixed	Occupancy rate was at a high level of 98.1% at the end of the 13th fiscal period, no change from the end of the previous period (12th fiscal period). Currently focusing on measures to boost tenant satisfaction such as creating disaster response manuals and adding stockpiles for earthquake response, as requested by tenants subsequent to the occurrence of the Great East Japan Earthquake.
Shiodome East Side Building Office	Fixed	Although half-floor vacant space was occupied from July, which resulted in a 100% occupancy rate, one floor contract is to be canceled at the end of January 2012. Currently focusing on tenant leasing to achieve early occupancy. It was also used as a location for a trendy drama.
Namba-Hanshin Building Office	Fixed	Average occupancy rate for the fiscal period was at a high level of 94.0%. Measures such as renewing the first floor entrance hall were conducted to boost property value. The area is attractive to businesses with in-person visits from clients and we are currently focusing on leasing vacant offices by continuing to conduct open property viewings aimed at real estate agents and offering tenants the option to expand floor space and other efforts.

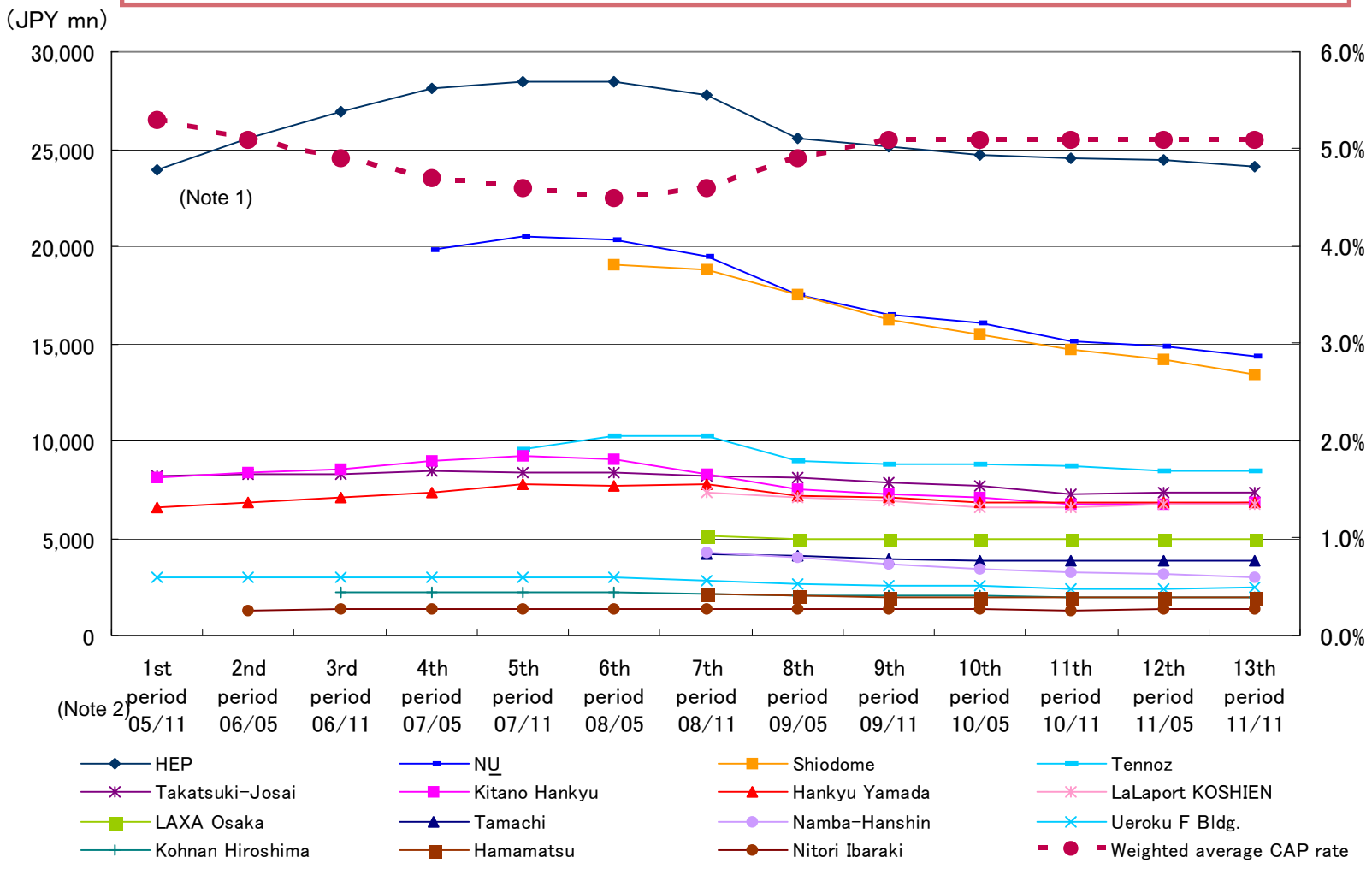
<Properties that mainly use the long-term, fixed rent systems>

Name	Main rent system	Present conditions
Kitano Hankyu Building Specialty shops buildings (Central city SC)	Long-term, fixed (partly overage)	3 stores newly opened as a result of aggressive leasing activities and occupancy rate was 98.5% at the end of the 13th fiscal period, 4.9 pt rose from the end of the previous period (12th fiscal period). In particular, nightclub "North Platinum" newly opened on the third floor in November is expected to provide a spark for the property's revitalization and we are also examining ways to conduct sales promotion activities that will contribute to a positive ripple effect to surrounding stores.
Dew Hankyu Yamada NSC (Neighborhood shopping centers)	Long-term, fixed (partly overage)	Average occupancy rate for the fiscal period was stable at 100% and rent increase of portion of tenants was achieved. Because the market area population is large and the building has strong attractiveness to customers, both overall sales and rent income are stable. We will continue to focus on sales promotion activities utilizing the atrium area such as the "8th Anniversary Fair", to create sparking atmosphere and boost sales.
Takatsuki-Josai Shopping Center NSC (Neighborhood shopping centers)	Long-term, fixed	Stable rent income based on the fixed-type master lease method* with Kohnan Shoji Co., Ltd. Tenant composition of home improvement center, grocery store, home electronics retailer, sporting goods store, etc. fulfills the needs of residents in the surrounding area. Currently applying for administrative approval among other measures. to expand retail floor space.
Nitori Ibaraki-Kita Store (site) Specialty shops	Long-term, fixed	Stable rent income based on a contract for the establishment of fixed-term leased-land rights for business use with Nitori Holdings Co., Ltd. The market area population is increasing mainly due to local residential property development.
Kohnan Hiroshima Nakano-Higashi Store (site) NSC (Neighborhood shopping centers)	Long-term, fixed	Stable rent income based on a contract for the establishment of fixed-term leased-land rights for business use with Kohnan shoji Co., Ltd. Retail facility, that offers high transportation convenience with a home improvement center and a grocery store.
Hotel Gracery Tamachi High-grade hotels for business travelers	Long-term, fixed	Stable rent income based on long-term lease with Fujita Kanko Inc. Although hotel occupancy rate was impacted by the Great East Japan Earthquake, it has recovered to a high level since summer. Listed in "MICHELIN Guide 2012".
LaLaport KOSHIEN (site) RSC (Regional shopping centers)	Long-term, fixed	Stable rent income based on a contract for the establishment of fixed-term leased-land rights for business use with Mitsui Fudosan Co., Ltd. Facility's competitive strength further boosted by conducting a major renewal in spring 2011 (bringing in fast-fashion chains new stores such as H&M, ZARA, UNIQLO and newly adding "LaLa Kid's Park").
LAXA Osaka City hotels	Long-term, fixed	Stable rent income based on the fixed-type master lease method* with Hanshin Electric Railway Co., Ltd. The Great East Japan Earthquake had only a limited impact on Hotel Hanshin and the occupancy rate remained at a high level.
Richmond Hotel Hamamatsu High-grade hotels for business travelers	Long-term, fixed	Stable rent income based on the fixed-type master lease method* with RNT HOTELS Co., Ltd. (consolidated subsidiary of ROYAL HOLDINGS Co., Ltd.). By providing a wide range of accommodation plans among other incentives, the hotel continues to maintain a top class occupancy rate in the Hamamatsu City area.

*Fixed-type master lease method: Hankyu REIT receives rent income from the master lessee (sublessor). The amount received is fixed irrespective of the rent received by sublessor from end-tenants.



Appraisal value down 1.4% Sign of CAP rate decline



6-8. Changes in Appraisal Value

(Unit : JPY mn)

	Acquisition price	① End of previous period (12th fiscal period-end)	CAP rate	② End of current period (13th fiscal period-end)	CAP rate	Change (②-①)	Change (②-①)/①	③ Value recorded on the balance sheet at end of current period	Unrealized income/loss ②-③	Value to book ratio ②/③
HEP Five (45% of the quasi co-ownership of the trust beneficiary interests)	20,790	24,435	4.5%	24,120	4.5%	△ 315	-1.3%	19,325	4,794	124.8%
Kitano Hankyu Building	7,740	6,790	5.6%	6,870	5.6%	80	1.2%	7,872	△ 1,002	87.3%
Dew Hankyu Yamada	6,930	6,860	5.6%	6,840	5.6%	△ 20	-0.3%	6,145	694	111.3%
Takatsuki-Josai Shopping Center	8,600	7,330	5.8%	7,330	5.8%	0	0.0%	7,891	△ 561	92.9%
Ueroku F Building	2,980	2,430	6.0%	2,440	6.0%	10	0.4%	2,870	△ 430	85.0%
Nitori Ibaraki-Kita Store (Site)	1,318	1,329	7.4%	1,377	6.9%	48	3.6%	1,340	36	102.7%
Kohnan Hiroshima Nakano-Higashi Store (Site)	2,175	1,980	6.9%	2,000	6.7%	20	1.0%	2,280	△ 280	87.7%
NU chayamachi	19,300	14,900	4.8%	14,400	4.8%	△ 500	-3.4%	17,987	△ 3,587	80.1%
Sphere Tower Tennoz (33% of the quasi co-ownership of the trust beneficiary)	9,405	8,448	4.7%	8,448	4.6%	0	0.0%	8,882	△ 434	95.1%
Shiodome East Side Bldg.	19,025	14,200	4.8%	13,400	4.8%	△ 800	-5.6%	18,538	△ 5,138	72.3%
Hotel Gracery Tamachi	4,160	3,850	5.4%	3,850	5.4%	0	0.0%	4,068	△ 218	94.6%
LAXA Osaka	5,122	5,000	5.9%	5,000	5.9%	0	0.0%	4,942	57	101.2%
LaLaport KOSHIEN (site)	7,350	6,710	5.0%	6,710	5.0%	0	0.0%	7,748	△ 1,038	86.6%
Namba-Hanshin Building	4,310	3,130	5.5%	3,030	5.5%	△ 100	-3.2%	4,155	△ 1,125	72.9%
Richmond Hotel Hamamatsu	2,100	1,937	6.3%	1,937	6.3%	0	0.0%	1,888	48	102.6%
Total	121,306	109,329	5.1%	107,752	5.1%	△ 1,577	-1.4%	115,939	△ 8,187	92.9%

Cap rate by direct capitalization method process using appraisal value calculation. (Nitori Ibaraki-Kita Store (site), Kohnan Hiroshima Nakano-Higashi Store (site) and LaLaport KOSHIEN (site) are allocated a discount rate using the DCF method.) Portfolio total is the weighted average CAP rate based on appraisal amount.



Unit Price (closing price basis)



Source: QUICK

Per unit trading trends (Oct. 26, 2005 - Jan. 13, 2012)

Highest price (traded value) 1,410,000 JPY
(Apr. 25, 2007)

Lowest price (traded value) 318,000 JPY
(Mar. 15, 2011)

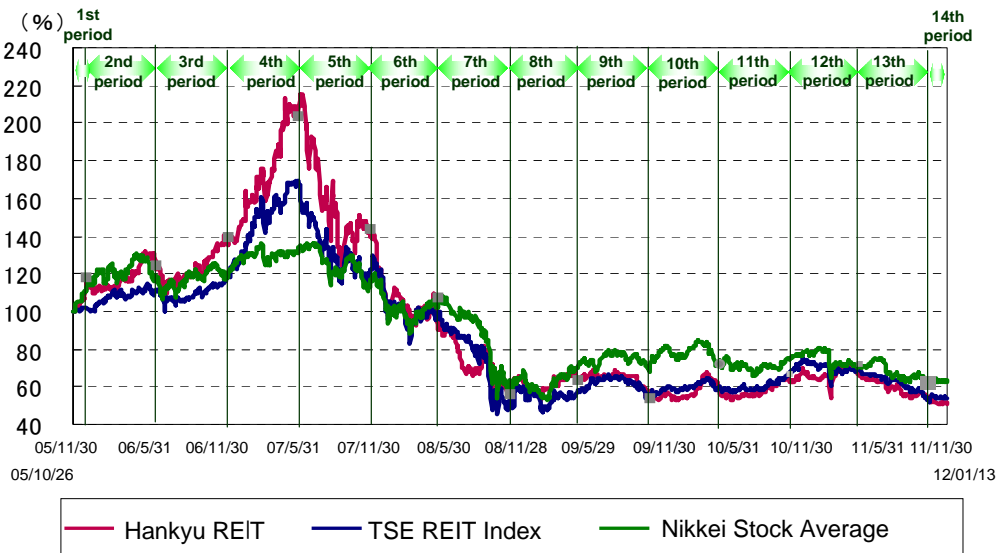
During 13th fiscal period (Jun. 1, 2011 - Nov. 30, 2011)

Highest price (traded value) 430,000 JPY
(Jun. 1, 2011)

Lowest price (traded value) 330,000 JPY
(Nov. 29, 2011)

Price as of Jan. 13, 2012 (closing price basis)
328,500 JPY

Relative Price (closing price basis)



Source: QUICK, Tokyo Stock Exchange

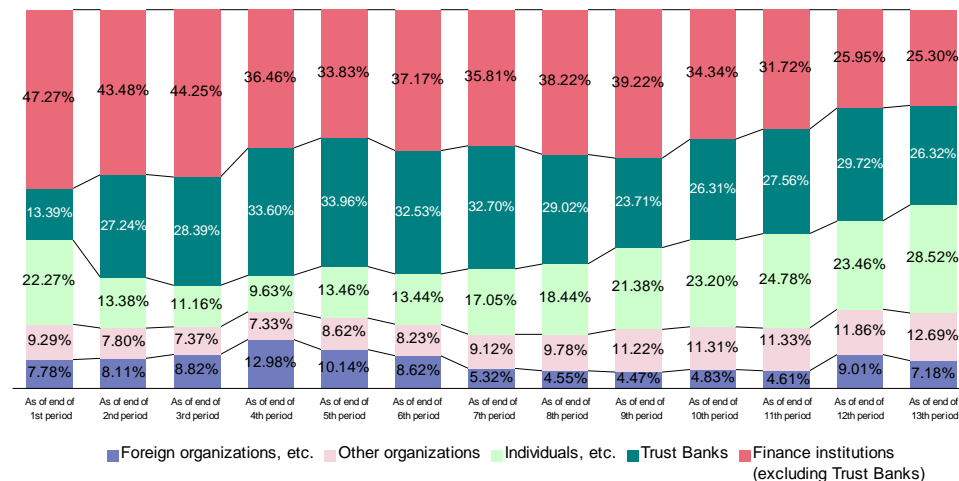
Unitholder Composition

Ownership by category	Number of unitholders (persons)	Ratio to ownership	Number of units invested (units)	Ratio to number of units
Finance institutions (excluding Trust Bank)	76	0.90%	21,607	25.30%
Trust Banks	10	0.12%	22,478	26.32%
Individuals, etc.	8,086	96.08%	24,354	28.52%
Other organizations	171	2.03%	10,833	12.69%
Foreign organizations, etc.	73	0.87%	6,128	7.18%
Total	8,416	100%	85,400	100%

Top 10 unitholders

Unitholder name	Number of units held (units)	Ownership
Japan Trustee Services Bank, Ltd. (Trust account)	12,167	14.25%
The Nomura Trust and Banking Co., Ltd. (Investment accounts)	5,085	5.95%
The Senshu Ikeda Bank, Ltd.	4,150	4.86%
Hankyu Corporation	3,500	4.10%
Trust & Custody Services Bank, Ltd. (Securities investment trust account)	2,445	2.86%
The Master Trust Bank of Japan, Ltd. (Trust account)	2,311	2.71%
North Pacific Bank, Ltd.	2,071	2.43%
Fuji Fire And Marine Insurance Co., Ltd.	1,995	2.34%
Shikoku Railway Company	1,768	2.07%
Nomura Bank (Luxembourg) S.A.	1,605	1.88%
Total	37,097	43.44%
Number of outstanding units	85,400	100%

Ratio to number of units by unitholders



< Questionnaire sent to investors >

A postcard-style questionnaire was sent to investors on the registrar at the end of the 12th fiscal period (May 31, 2011).

Offered calendars with themes such as Takarazuka Revue and Hanshin Tigers to 200 lucky respondents, and there was a large response to the questionnaire with responses from 1,508 investors (20.5% response rate).

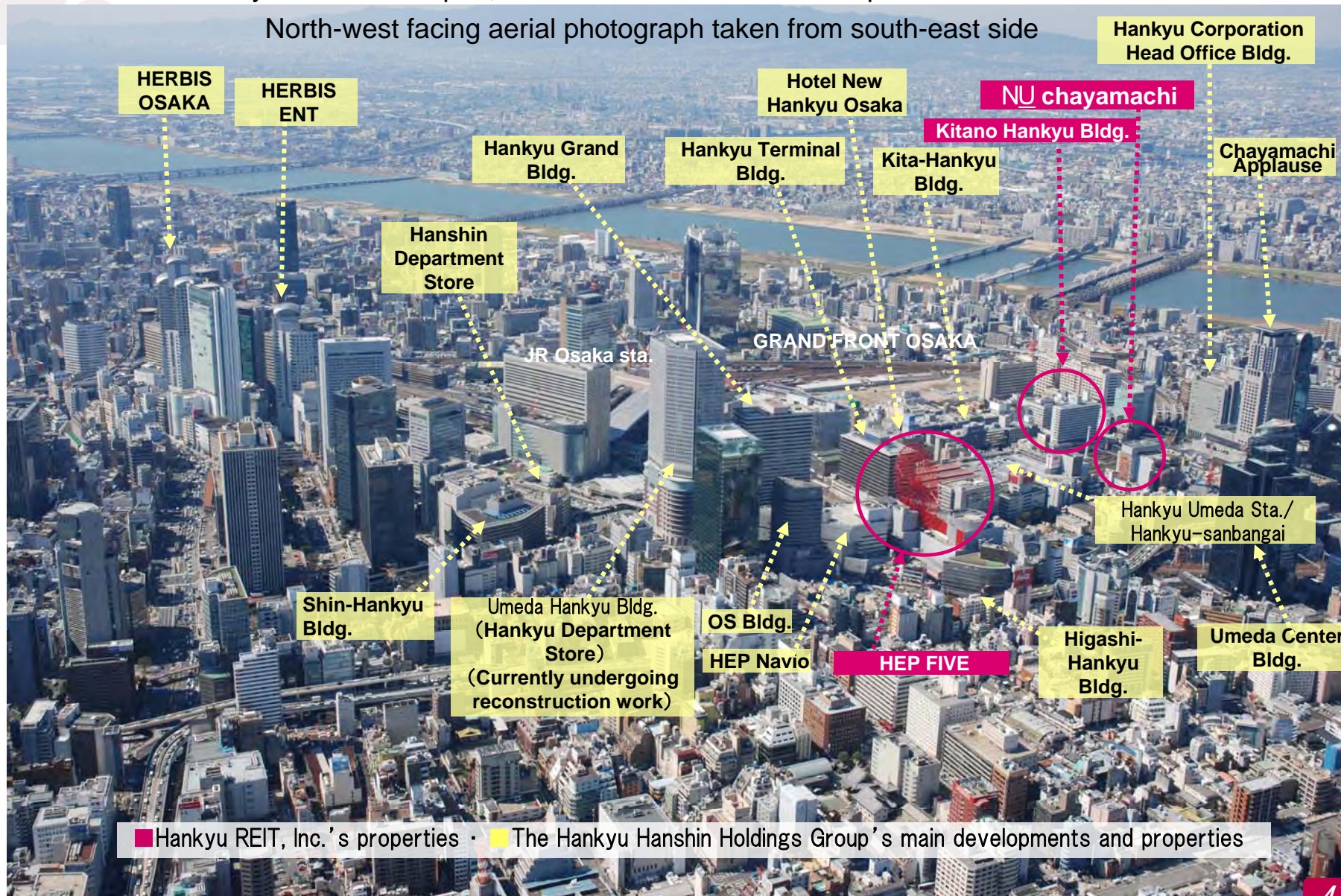
Hankyu REIT will continue to value a management style that listens to its investors.



6-11. "Umeda," Hankyu REIT's main area

"Umeda" has already grown into the largest area of concentrated commercial activity in Western Japan, and it still continues to develop

North-west facing aerial photograph taken from south-east side





Merits of Investments in Anonymous Association

- ① Secure investment opportunities in excellent properties by obtaining priority negotiation rights
- ② Enabling us to flexibly conduct public offering + property acquisition
- ③ Stronger ties with the sponsor group
- ④ Investments in anonymous association will generate dividends on profits that contribute to distributions to unitholders



(Overview of Property)

Location: 4-1-32, Higashiasakayama-Cho, Kita-ku, Sakai and other

Lot area: 64,232.77㎡

(Overview of Acquisition)

Asset acquired: Investment interest in anonymous association with real estate trust beneficiary interests as portfolio properties※1

Property name: Bay Leaf Funding GK※2 Investment interest in anonymous association

Real estate under trust: AEON MALL SakaiKitahanada(site)

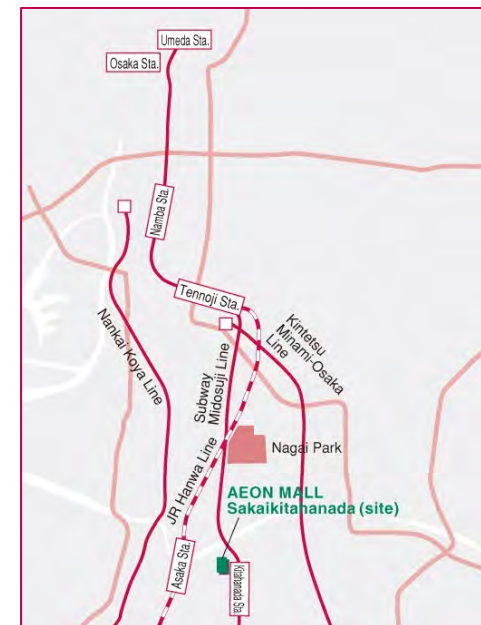
Investment amount: 372 million yen (Investment interest in anonymous association: 10.0%)

Acquisition date: June 30, 2011

Acquisition funds: Corporate funds

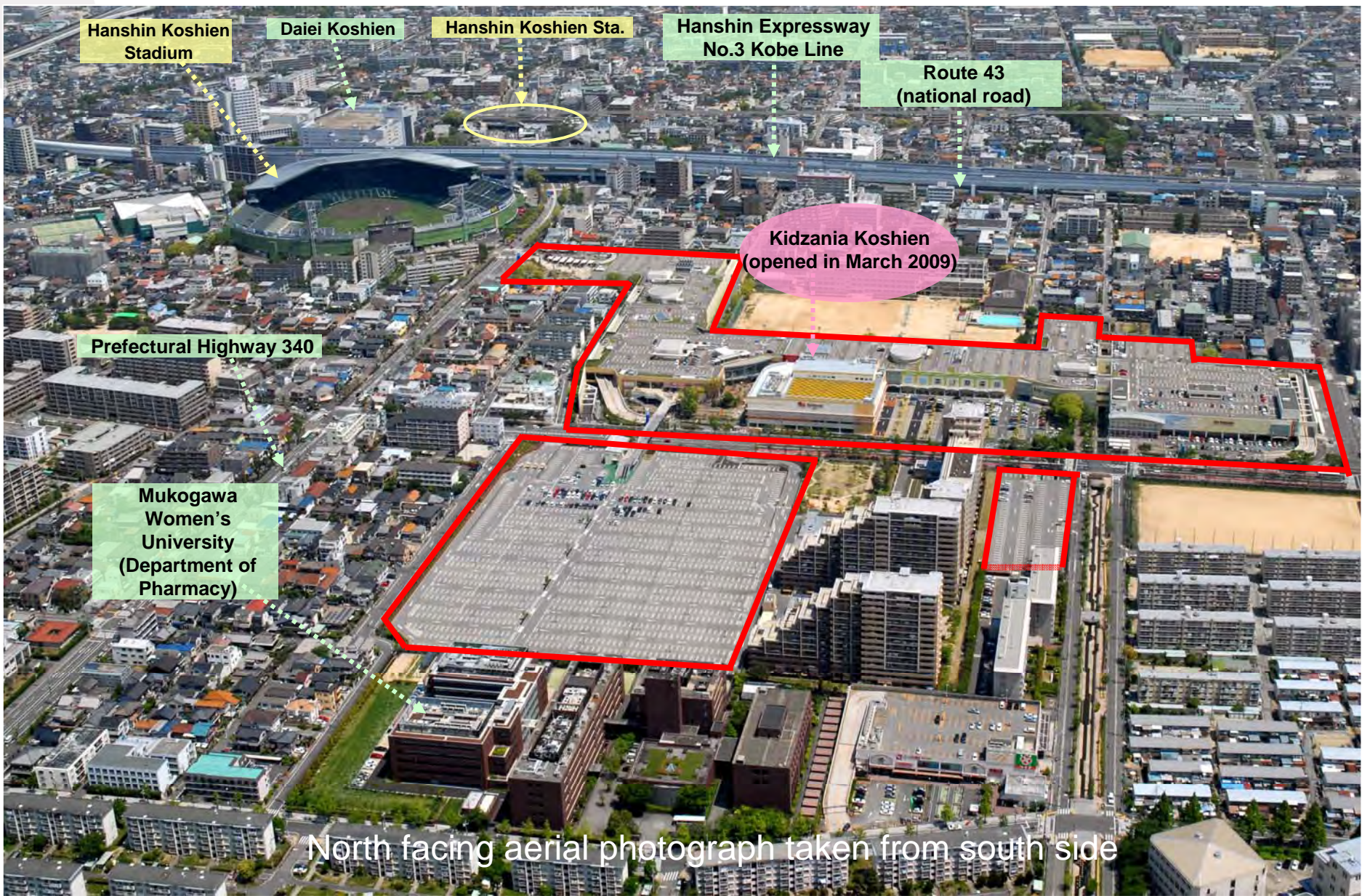
*1 Along with this acquisition of the investment interest, Hankyu REIT is granted priority negotiation rights related to the acquisition of the real estate trust beneficiary interests, etc. that are portfolio properties of the anonymous association.

* 2: Hankyu Corporation will make part of the anonymous association investment





North facing aerial photograph taken from south side





North facing aerial photograph taken from south side

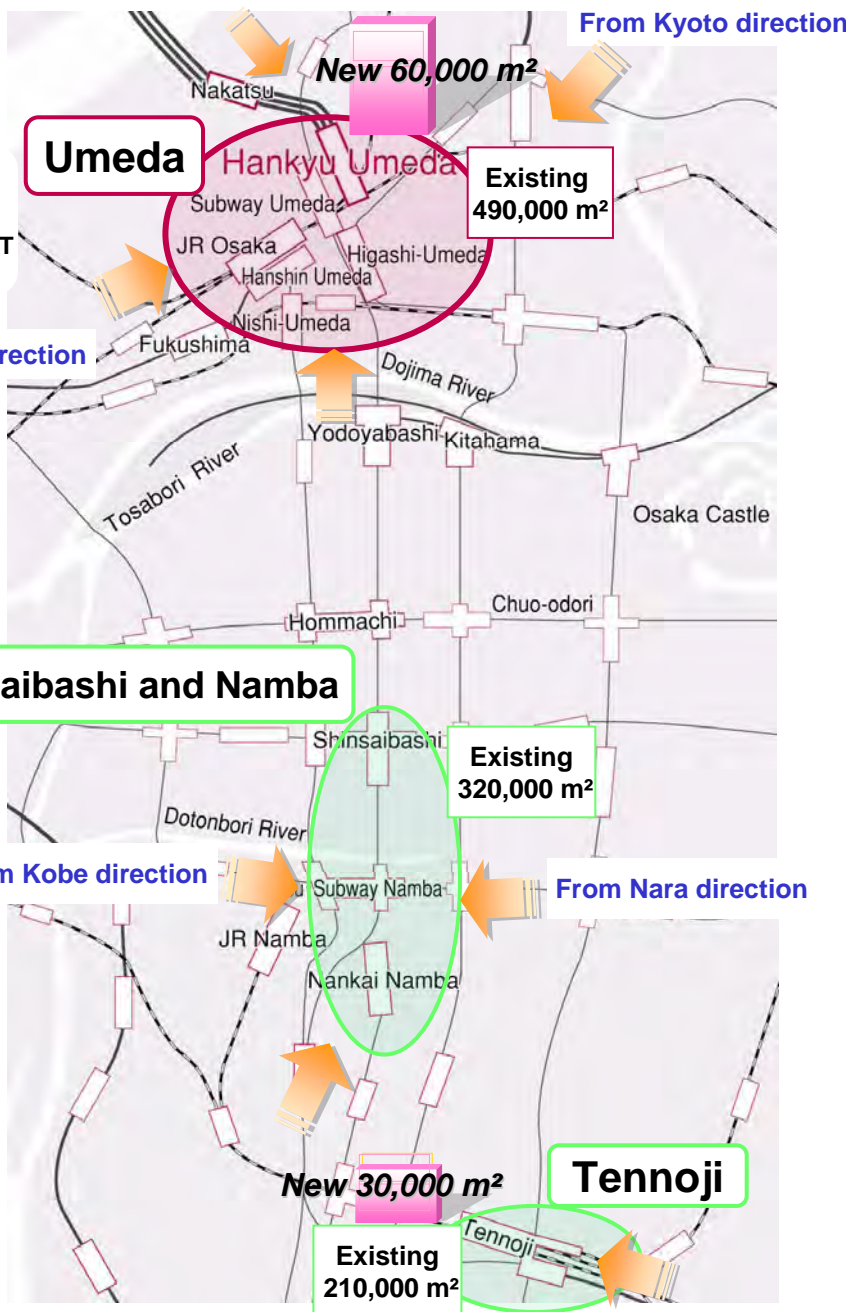
Properties held outside Kansai region

(Tokyo)
Tennoz
Shiodome
Tamachi

(Other areas)
Kohnan Hiroshima
Hamamatsu



Main direction of customer flow
(Estimated by Hankyu REIT Asset Management)



Floor area of new development: 100,000 m²
(Retail floor area in new facilities between January 2012 and 2015)

Equivalent to 9.3% of existing facility floor area
(Total floor area of large-scale retail-use facilities in 3 main areas: 1,030,000 m²)

In Umeda area, development is mostly new opening of Grand Front Osaka.

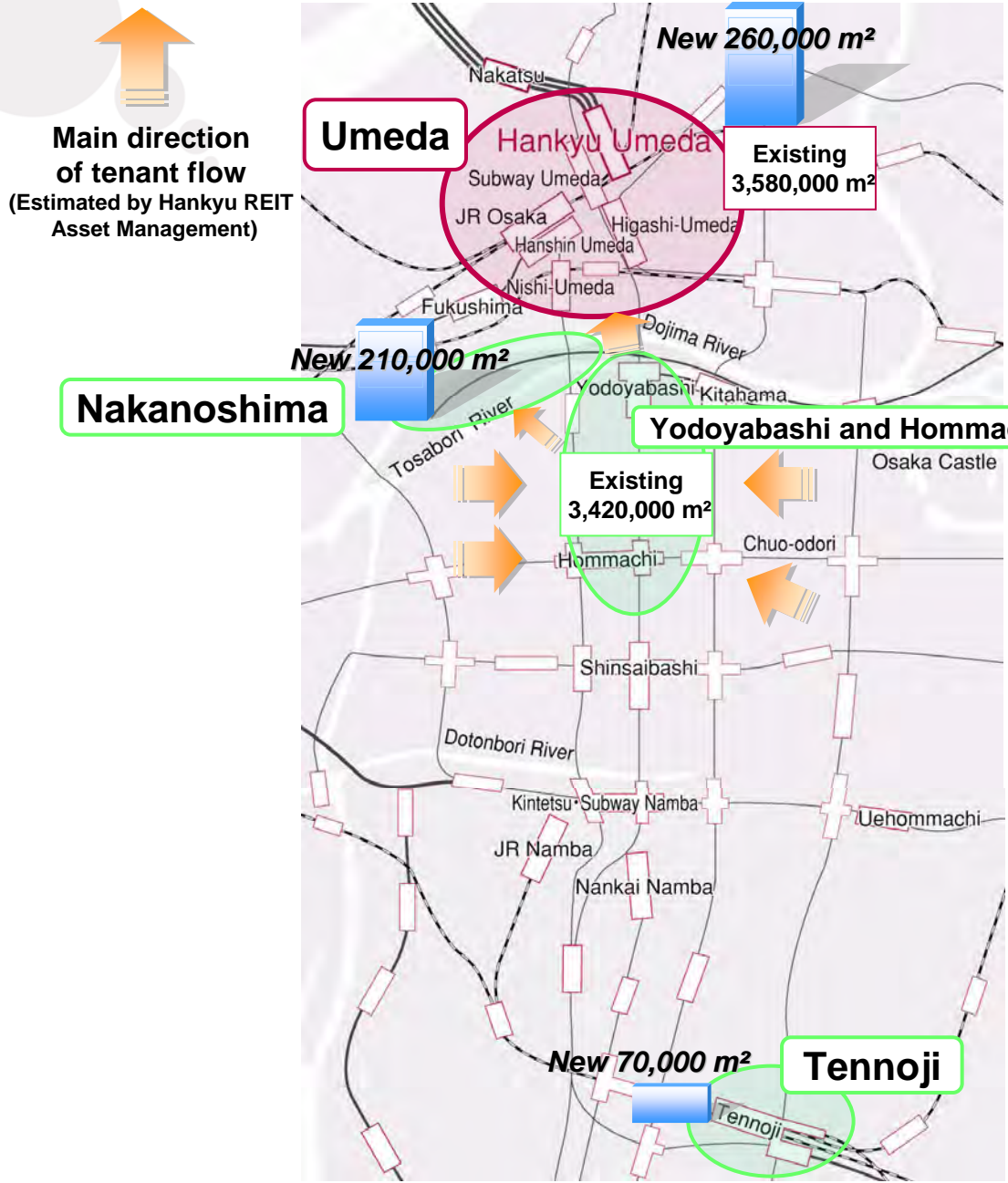
In Umeda area, fresh demand is expected due to new supply of office buildings, hotels and residential buildings in the area, and also, boosted attractiveness and “pull” are expected to draw customers from a wider area.

In order to tap into the increase in customers in the Umeda area, Hankyu REIT plans to collaborate with the Hankyu Group to boost the attractiveness of its retail facilities more effectively on an ongoing basis.

* Created by Hankyu REIT Asset Management from publicly released material by CB Richard Ellis K.K. and other sources.



6-18. Trend of Office Supply in Central Osaka



Floor area of new supply:
540,000 m²
(Total floor area scheduled for completion between January 2012 and 2015)

Equivalent to 4.4% of existing building floor area
(Floor area in main areas: 12,320,000 m²)

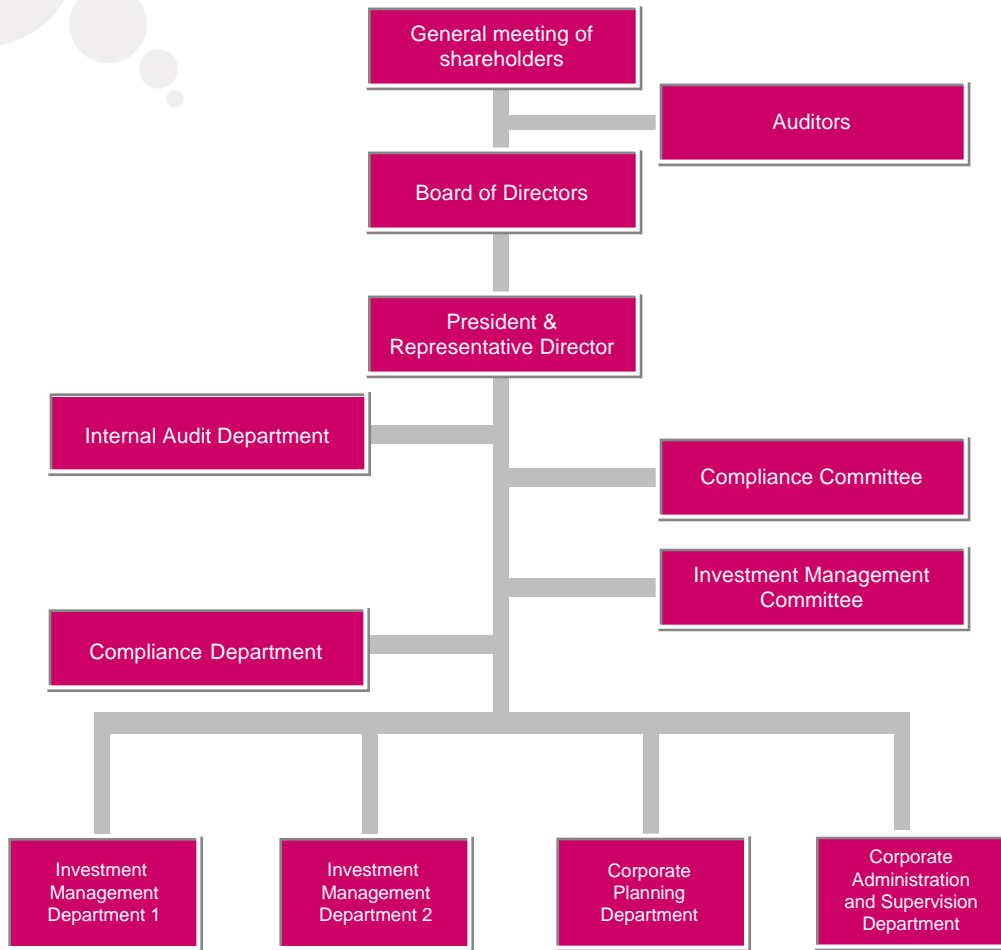
Supply of high-spec buildings (S class) to strong areas in Osaka, which is a rare occurrence in recent years

Promotion of rejuvenation in Osaka office market and concentration of city functions.

Keyword is “polarization”.
(Companies moving to Umeda include manufacturers, trading companies, and audit firms)

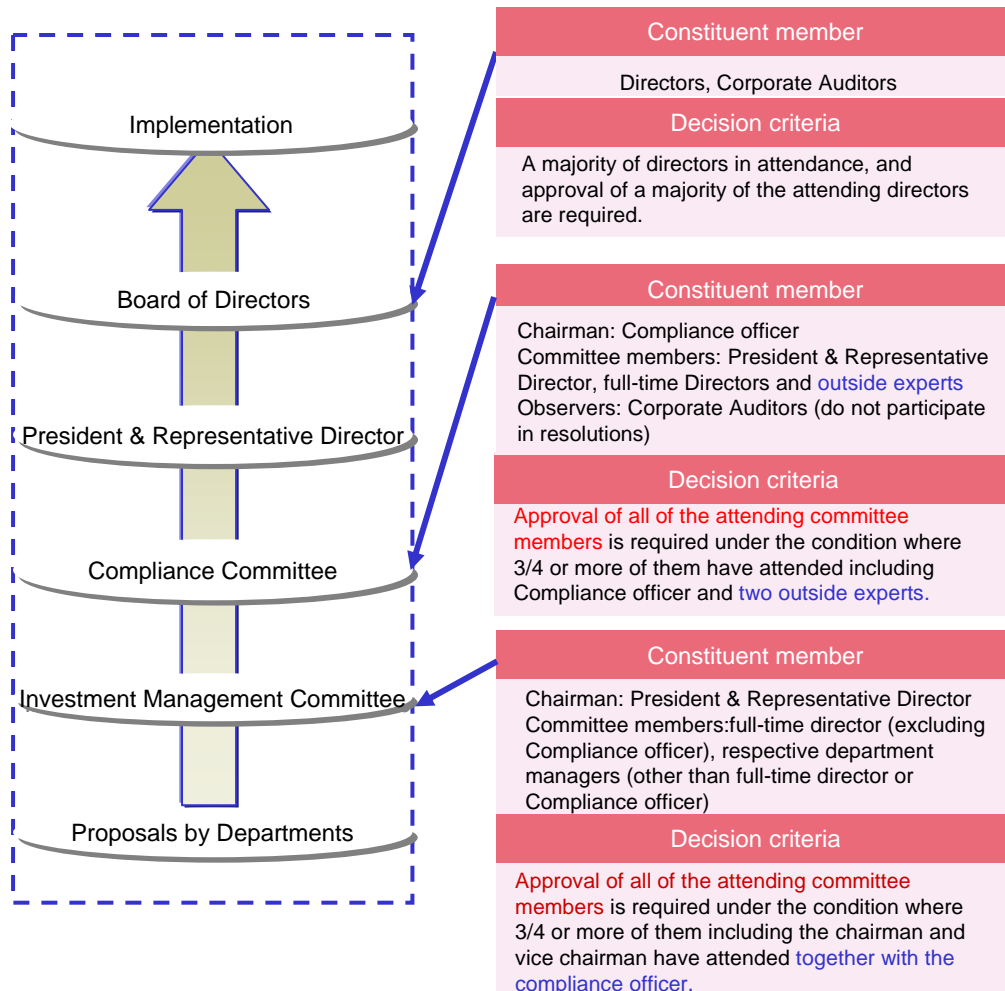
Umeda, together with the Midotsuji vicinity (Yodoyabashi and Hommachi), is expected to win out as a business area.

* Created by Hankyu REIT Asset Management from publicly released material.



Corporate Data		
Trade name	Hankyu REIT Asset Management, Inc.	
Headquarters	19-19, Chayamachi, Kita-ku, Osaka 530-0013, Japan	
Foundation	March 15, 2004	
Capital	JPY 0.3 bn	
Shareholder	Hankyu Corporation (100%)	
Number of employees	19 (As of November 30, 2011)	
Executive officers	President & Representative Director	Shuichiro Takahashi
	Managing Director	Yoshiaki Shiraki
	Director	Masayuki Takao
	Director	Koji Yoshida
	Corporate Auditor (part-time)	Toru Ono
	Corporate Auditor (part-time)	Toshinori Shoji
Principal businesses	Financial instruments trading (investment management business) <ul style="list-style-type: none"> • Financial product trader: Director-General of the Kinki Finance Bureau Ministry of Finance (Kinsho) No. 44 • Real Estate Transaction License: The Governor of Osaka Prefecture (2) No. 50641 • Approval of discretionary dealing trustee etc.: No.23 by Minister of land, infrastructure and transportation 	

Systematically ensure multiple check functions.
Focus on promoting a compliance-conscious corporate culture.



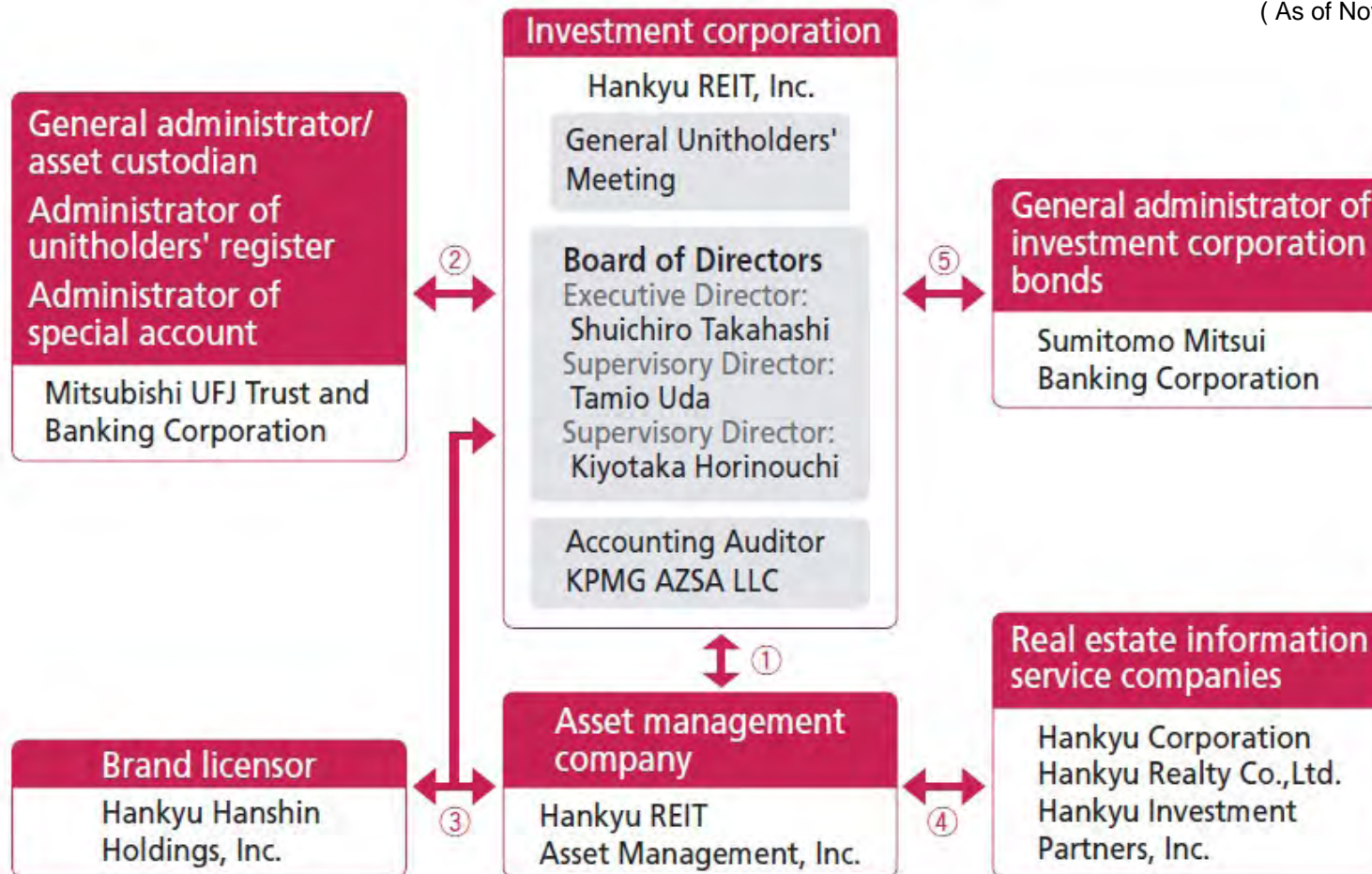
Compliance System

- Achieve comprehensive compliance by establishing a Compliance Department and a Compliance Officer.
- The Compliance Committee, including outside experts, deliberates on Conflicts of Interests Transaction with interested parties.
- The Compliance Officer attends the Investment committee and checks for compliance issues.
- Appointed a person to be in charge of efforts to prevent improper requests and exclude anti-social forces

Internal Audit System

- Put PDCA cycle into operation by systematically implementing the internal audit system every fiscal year based on the annual internal audit plan.
- Utilize external consulting entity to secure independence of internal audit and obtain an extremely effective internal audit.
- Introduced semi-full-time Corporate Auditor system and strengthen auditor functions.
(Independent system of the Hankyu Corporation and the group companies. Recognized as part-time Corporate Auditor under the Companies Act.)
- Construct the internal control system and strengthen the check and balance function as a consolidated subsidiary of Hankyu Hanshin Holdings, Inc.

(As of November 30, 2011)



- ① Asset management services agreement
- ② Administrative agency agreement/asset custody agreement/agreement on administration of unitholders' register/special account management agreement
- ③ Trademark license agreement
- ④ Information sharing-related agreement
- ⑤ Fiscal agency agreement

(Note) In preparation for the event that the number of Executive Directors and Supervisory Directors are less than that stipulated in laws and regulations, Yoshiaki Shiraki, Director (appointed as Managing Director as of April 1, 2011) of asset management company Hankyu REIT Asset Management, Inc. and Motofumi Suzuki, were elected as alternate Executive Director and alternate Supervisory Director, respectively, at the General Unitholders' Meeting held on August 27, 2010.