



For Immediate Release

<For translation purposes only>

May 29, 2012

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

Asset Management Company
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Notice Concerning Additional Acquisition of Assets (Investment Interest in Anonymous Association)

Hankyu REIT, Inc. (hereafter "Hankyu REIT") hereby notifies it has today decided to make the following additional acquisition of assets (investment interest in anonymous association) (hereafter "the Additional Acquisition").

Details

1. Overview of Acquisition

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|---------------------------------|--|
| (1) Asset to be acquired: | Investment interest in anonymous association with real estate trust beneficiary interests as portfolio properties |
| (2) Property name: | Bay Leaf Funding GK (hereafter "the Limited Liability Company")
Investment interest in anonymous association (hereafter "the Investment Interest in Anonymous Association") |
| (3) Real estate under trust: | AEON MALL SakaiKitahanada (site) |
| (4) Proposed acquisition price: | 738,399,327 yen
(20.0% investment interest in the entire anonymous association) |
| (5) Proposed acquisition date: | June 1, 2012 |
| (6) Seller: | Hankyu Corporation |
| (7) Acquisition funds: | Corporate funds |

2. Reason for Acquisition

Based on policies and properties under management as stipulated in our articles of incorporation, we will additionally acquire the Investment Interest in Anonymous Association to obtain steady growth with a focus on an overall balanced portfolio. On June 30, 2011, Hankyu REIT acquired 10.0% investment interest in the entire anonymous association (for details of the acquisition, please refer to "Notice Concerning Conclusion of Agreement on Acquisition of Assets (Investment Interest in Anonymous Association)" released on June 9, 2011 and "Notice Concerning Finalization of Details on Acquisition of Assets (Investment Interest in Anonymous Association)" released on June 23,

2011). Combined with the Additional Acquisition, Hankyu REIT shall own 30.0% investment interest in the entire anonymous association.

The Additional Acquisition is the receipt of a partial transfer from Hankyu REIT's sponsor, Hankyu Corporation of anonymous association membership rights (investment interest). It is part of the sponsor's support for external growth (pipeline support), and it shall contribute towards securing sustainable growth and stable revenues of Hankyu REIT.

In addition, Hankyu REIT possesses priority negotiation rights for acquisition of the real estate trust beneficiary interests (hereafter "the Trust Beneficiary Interests") or the sites that are targeted real estate under the trust, which are portfolio properties of the Limited Liability Company (for details of the priority negotiation rights, please refer to "3. Details of Proposed Acquisition of Asset, (1) Overview of targeted anonymous association to be invested," below). (Note that the priority negotiation rights are held by Hankyu REIT as rights and Hankyu REIT has no obligation to acquire the trust beneficiary interests or the sites that are targeted real estate under the trust.)

Furthermore, when making the Additional Acquisition, the following points were evaluated regarding the AEON MALL SakaiKitahanada site (hereafter "the Property"), which is the targeted real estate under the trust.

(1) Location conditions

The Property is the site of a large-scale community-based retail facility located adjacent to Kitahanada Station on the Subway Midosuji Line. In addition, the eastern side of the site touches a principal local road, the Osaka-Takaishi Route (Osaka Prefectural Road Route 28), and the southern side of the site touches the Obori-Sakai Route (Osaka Prefectural Road Route 187), making the site an important hub for road traffic. As well as its convenience for access by road, another strength of the retail facility on the Property is its ability to attract customers due to the ease with which it can be accessed by multiple means of transport, including rail and bus.

The population volume in the market area of the Property is abundant. By distance, the population in the 3km area around the Property is 330,000, and 860,000 in the 5km area. In the same 5km area, there is no competing facility to beat the retail facility on the Property in terms of features such as size or the ability to attract customers, and as a result, we judge it to be highly competitive.

(2) Property characteristics

With a large supermarket and the Hankyu Department Store at its core, the retail facility on the Property is a large-scale shopping mall with about 160 specialty retail stores in areas such as fashion, household goods, and eating and drinking establishments. These stores account for about 56,500 square meters of the retail facility's floor space, and there is parking garage space for about 2,800 vehicles. The retail facility opened in October 2004, and, even after July 2011 when the Limited Liability Company acquired the trust beneficiary rights of the Property, the facility maintains a considerable ability to attract customers as a sophisticated retail facility.

3. Details of Proposed Acquisition of Asset

(1) Overview of targeted anonymous association to be invested

Operator name	Bay Leaf Funding GK				
Anonymous association contract period	Until the end of June 2016 or the day of complete repayment of debt to the non-recourse loan lender, whichever is later				
Total amount of investment in anonymous association etc.	3,693 million yen (*Balance of investment in anonymous association stated on the operator's balance sheet as of May 29, 2012.)				
Overview of the anonymous association contract	<p>1) Overview of investment in anonymous association: (as of April 30, 2012)</p> <table border="1" style="margin-left: 20px;"> <tr> <th colspan="2" style="text-align: center;">Bay Leaf Funding GK</th> </tr> <tr> <td style="width: 50%; vertical-align: top;"> <p>[Assets]</p> <p>Currency and demand deposit</p> <p>Real estate trust beneficiary interests etc.</p> <p>8,295 million yen (Note 1)</p> </td> <td style="width: 50%; vertical-align: top;"> <p>[Liabilities]</p> <p>Guarantee deposits</p> <p>Non-recourse loan etc.</p> <p>4,424 million yen</p> <hr/> <p>[Contribution]</p> <p>Unappropriated income</p> <p>Investment in anonymous association etc.</p> <p>3,871 million yen (Note 2)</p> </td> </tr> </table> <p>Note 1 Appraisal value of the Property is 8,490 million yen (value as of May 15, 2012).</p> <p>Note 2 Of the investment in anonymous association etc., Hankyu REIT already owns 10.0% investment interest, and combined with the Additional Acquisition, its investment interest will become 30.0%. Also, Hankyu Corporation, shareholder (100% holding) of asset management company, Hankyu REIT Asset Management, Inc. (hereafter "Hankyu REIT AM") owns partial investment interest in anonymous association.</p> <p>Note 3 Hankyu Investment Partners, Inc. has been entrusted the asset management by the Limited Liability Company. Hankyu Investment Partners, Inc. is an interested party of Hankyu REIT's asset management company, Hankyu REIT AM as defined by the Act on Investment Trusts and Investment Corporations (hereafter "Investment Trusts Act").</p> <p>2) Accounting period: The respective six-month periods of May 1 to the end of October and November 1 to the end of April of the following year, each year. The final day of the last accounting period shall be the termination date of the contract.</p> <p>3) Distribution of profits and losses: Profits or losses that arise in each accounting period as a result of operations conducted by the Limited Liability Company shall be attributable to the members of the anonymous association including Hankyu REIT pro rata to the ratio of respective member's investment interest in the anonymous association as of the final day of the accounting period; provided, however, in the case of losses being distributed until the immediately preceding accounting period, the profits in each subsequent accounting period shall be applied to cover the cumulative amount of losses until the amount comes to 0. The cumulative amount of losses attributable to Hankyu REIT, even when that amount exceeds the balance of Hankyu REIT's investment as of the final day of the respective accounting period, Hankyu REIT will bear only the amount that is within the range of Hankyu REIT's balance of investment. Losses exceeding the applicable range shall belong to the Limited Liability Company.</p> <p>Note that the expected dividend yield (Note 4) from the Investment Interest in Anonymous Association is approximately 8%.</p> <p>Note 4 For the expected dividend yield, the annual expected dividends are divided by the amount of investment.</p>	Bay Leaf Funding GK		<p>[Assets]</p> <p>Currency and demand deposit</p> <p>Real estate trust beneficiary interests etc.</p> <p>8,295 million yen (Note 1)</p>	<p>[Liabilities]</p> <p>Guarantee deposits</p> <p>Non-recourse loan etc.</p> <p>4,424 million yen</p> <hr/> <p>[Contribution]</p> <p>Unappropriated income</p> <p>Investment in anonymous association etc.</p> <p>3,871 million yen (Note 2)</p>
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	4) Priority negotiation rights: If the Limited Liability Company considers the advice of Hankyu Investment Partners Inc. and decides to conduct a sale of the Trust Beneficiary Interests or the site, which is the targeted real estate under the trust, the Limited Liability Company shall provide notice beforehand of this intention to Hankyu REIT on or before January 1, 2014 (provided, however, that in the event of the sale of the aforesaid site, this is via the procedure of offer or negotiation etc. with the land leaseholder or the lessee required for a leased-land contract or a land use contract related to the aforesaid site) and priority negotiation rights related to the acquisition of the aforesaid asset shall be granted to Hankyu REIT thereafter.
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(2) Overview of the Trust Beneficiary Interests and targeted real estate

Property name:		AEON MALL SakaiKitahanada (site)			
Specific asset type		Real estate trust beneficiary interests			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust period		July 1, 2011 ~ the end of June, 2021			
Appraisal value		8,490 million yen (value as of May 15, 2012) (Appraisal organization: Rich Appraisal Institute co.,ltd.)			
Location	Lot number	4-1-32, Higashiasakayama-Cho, Kita-ku, Sakai and other			
Land	Building coverage	80% / 60%	Building	Month/Year Built	-
	Floor area ratio	300% / 200%		Structure/Floors	-
	Zone use	Neighborhood commercial district, Category 1 medium-to-high-rise exclusive residential districts		Use	-
	Lot area	64,232.77 m ²		Total floor area	-
	Form of ownership	Right of ownership		Form of ownership	-
Property manager		Hankyu Investment Partners, Inc.			
PML of earthquake risk analysis		-			
Collateral		Yes (Note 1)			
Overview of leasing					
Total number of tenants (lessee of the land)		2			
Tenant (lessee of the land)		Sumitomo Mitsui Trust Bank, Limited and AEON Mall Co., Ltd.			
Annual rent		- (Note 2)			
Leasable area capacity		64,232.77 m ² (Note 3)			
Actual rented area		64,232.77 m ² (Note 3)			
Occupancy rate		100% (Note 4)			
Security deposits		- (Note 2)			

Note 1: For the Trust Beneficiary Interests, a pledge has been established setting the Limited Liability Company as the pledgor and a non-recourse loan lender as the pledgee.

Note 2: At the request of tenant (lessee of the land), information is not permitted to be disclosed.

Note 3: Figures represent areas noted in the existing registry.

Note 4: The ratio of actual rented area to leasable area capacity.

(3) Overview of operator of anonymous association who is proposed to be invested

Trade name	Bay Leaf Funding GK
Location of headquarters	Tokyo Kyodo Accounting Office, 3-1-1 Marunouchi, Chiyoda-ku, Tokyo
Representative	Representative company: NFB48 Commerce Promotion Organization GIA Executor of duties: Masakazu Hongo
Capital	100 thousand yen
Date of establishment	March 10, 2011
Major shareholder and shareholding ratio	The Limited Liability Company is a special purpose company in which the general incorporated association, NFB48 Commerce Promotion Organization GIA, has made investments (100%) and Hankyu Corporation and others have invested for the part of anonymous associations.
Main business activities	1. Acquisition, ownership, disposal, lease and management of real estate 2. Acquisition, ownership, and disposal of trust beneficiary interests of real estate 3. Operations related to or of ancillary relationship to, the above operations
Relation to Hankyu REIT or Hankyu REIT AM	Hankyu Corporation, shareholder (100% holding) of asset management company, Hankyu REIT AM, is an interested party as defined by the Investment Trusts Act. Although it comprises a part of anonymous associations investing in the Limited Liability Company, the Limited Liability Company does not fall under the definition of "interested party, etc." in the Investment Trusts Act.

4. Overview of Seller

Trade name	Hankyu Corporation
Location of headquarters	1-1, Sakae-machi, Ikeda-shi, Osaka
Representative	Kazuo Sumi
Capital	100 million yen
Major shareholder	Hankyu Hanshin Holdings, Inc.
Main business activities	Urban transportation business; real estate-related business; entertainment & communications business; distribution business
Relation to Hankyu REIT or Hankyu REIT AM	Hankyu Corporation, shareholder (100% holding) of Hankyu REIT AM, is an interested party as defined by the Investment Trusts Act.

5. Transactions with Interested Parties, etc.

Because Hankyu Corporation, who is the seller of the Investment Interest in Anonymous Association, falls under the definition of "interested party, etc." of the Investment Trusts Act, the agreement to be concluded concerning partial transfer of anonymous association membership status has been deliberated and approved by the Investment Management Committee, the Compliance Committee, and the Board of Directors of Hankyu REIT AM in accordance with its rules on transactions involving conflicts of interest, Investment Management Committee Regulations, and Compliance Committee Regulations, among others.

6. Overview of Intermediaries

(1) Overview of intermediary

Trade name	SMBC Nikko Securities Inc.
Location of headquarters	3-3-1 Marunouchi, Chiyoda-ku, Tokyo
Representative	Eiji Watanabe
Capital	10 billion yen
Major shareholder	Sumitomo Mitsui Banking Corporation
Main business activities	Financial instruments business (general securities business)
Financial instrument dealer registration number	Director of Kanto Local Finance Bureau (Financial instruments firms) No. 2251
Relation to Hankyu REIT or Hankyu REIT AM	The aforesaid company does not fall under the definition of interested party, etc, or the Investment Trusts Act

(2) Breakdown and amount of intermediary fees

Since consent for disclosure of this information has not been obtained from the intermediary, this information is not disclosed.

7. Acquisition Process

May 29, 2012	Resolution of conclusion of agreement concerning partial transfer of anonymous association membership status by the Hankyu REIT AM's Board of Directors' meeting
June 1, 2012	Proposed conclusion of agreement concerning partial transfer of anonymous association membership status
June 1, 2012	Proposed additional acquisition of the Investment Interest in Anonymous Association

8. Future Outlook

There is no influence from the additional acquisition of the Investment Interest in Anonymous Association that affects the conditions surrounding the management of Hankyu REIT's assets for the 14th fiscal period ending May 31, 2012. Forecasts on the management of Hankyu REIT's assets for the 15th fiscal period ending November 30, 2012 will be announced with the announcement of the financial results for the 14th fiscal period ending May 31, 2012.

- 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/>

<Attached Materials>

Reference Material 1	Overview of Appraisal Report
Reference Material 2	Table of Real Estate Portfolio after the Additional Acquisition
Reference Material 3	Photograph of External Facade, Map of Location and Surrounding Area

Reference Material 1

Overview of Appraisal Report

PROPERTY NAME	AEON MALL SakaiKitahanada (Site)
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Appraised Value	8,490,000,000 yen
Appraisal Organization	Rich Appraisal Institute co.,ltd.
Date of Appraisal	May 15, 2012

Item	Value	Basis for Valuation
Earned Price	8,490,000,000 yen	-
Earned Price from Discounted-Cash-Flow (DCF) method	8,490,000,000 yen	-
Discount rate per period	5.0%	-
Terminal capitalization rate	5.0%	-

Special items to consider at the time of making adjustments to provisional calculations and deciding the appraisal price/value	<p>The targeted real estate is located adjacent to prefectural road routes close to the border with Osaka City inside the northern edge of Kita-ku, Sakai. This area is a favorable commercial zone intersected by major transportation routes in a superb location both in terms of commercial area population and accessibility. Also the targeted real estate is comprised of a large-scale retail facility for which a fifty-year contract has been executed for the establishment of general fixed-term leased-land rights, and a parking area that is used for the aforesaid facility. The profitability of the property is therefore deemed safe and secure.</p> <p>The discount rate, etc. using the DCF method was calculated based on consideration of the current standard land prices and the remaining term of the lease. The appraised value of the property was decided by the appraisal organization, who treated the value as the earned price obtained by the DCF method. The appraisal decision was based on similar cases with leased-land ownership and considerations were given to the process by which the earned price was formulated, placing emphasis on profitability of the market participants.</p>
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*The appraised value of real estate is an indication of the opinion of the value by the appraiser of the real estate in question and is conducted by an appraisal in accordance with the law and standards related to real estate appraisals at the time of the appraisal. There may be cases where an appraisal of the exact real estate is conducted again, and because of factors such as timing of the appraisal and the appraisal method used by the appraiser, a different value may result. Furthermore, the appraised valuation of real estate is neither a guarantee nor an obligation, now or into the future, of a sale or purchase of the real estate.

Reference Material 2

Table of Real Estate Portfolio after the Additional Acquisition

Building No. (Note 1)	Property Name	Facility (Type of Use)	Area	Acquisition Date	Acquisition Price (in millions)	Investment Ratio
R1 (K)	HEP Five	Retail	Kansai	February 1, 2005	20,790	17.1%
R2 (K)	Kitano Hankyu Building	Retail	Kansai	February 1, 2005	7,740	6.4%
R3 (K)	Dew Hankyu Yamada	Retail	Kansai	February 1, 2005	6,930	5.7%
R4 (K)	Takatsuki-Josai Shopping Center	Retail	Kansai	November 15, 2005	8,600	7.1%
R5 (K)	Nitori Ibaraki-Kita Store (site)	Retail	Kansai	March 29, 2006	1,318	1.1%
R6	Kohnan Hiroshima Nakano-Higashi Store (site)	Retail	Other areas	October 2, 2006	2,170	1.8%
				April 9, 2007	5	
R7 (K)	NU chayamachi	Retail	Kansai	March 15, 2007	19,300	15.9%
R8	Hotel Gracery Tamachi	Retail	Other areas	December 25, 2008	4,160	3.4%
R9 (K)	LaLaport KOSHIEN (site)	Retail	Kansai	January 22, 2009	7,350	6.1%
R10	Richmond Hotel Hamamatsu	Retail	Other areas	January 22, 2009	2,100	1.7%
	Subtotal				80,463	66.3%
01	Shiodome Eastside Building	Office	Other areas	February 29, 2008	19,025	15.7%
	Subtotal				19,025	15.7%
M1 (K)	Ueroku F Building	Complex facility	Kansai	November 1, 2005	2,980	2.5%
M2	Sphere Tower Tennoz	Complex facility	Other areas	October 2, 2007	9,405	7.8%
M3 (K)	LAXA Osaka	Complex facility	Kansai	January 22, 2009	5,122	4.2%
M4 (K)	Namba-Hanshin Building	Complex facility	Kansai	January 22, 2009	4,310	3.6%
	Subtotal				21,817	18.0%
	Total				121,306	100.0%

Note 1: Numbers represent the classification for properties owned by Hankyu REIT by each region and type of use. Letters represent retail ("R"), office ("O") and complex facility ("M").

Numbers represent the chronological order of the acquisition of each facility. Also, the letter "K" in parentheses to the right of these numbers indicates that the property is located in the Kansai region.

Note 2: In addition to the assets shown above, we have acquired the investment interest in anonymous association issued by Bay Leaf Funding GK (30.0% investment interest in the entire anonymous association when combined with the Additional Acquisition).

Reference Material 3

Photograph of External Facade



Map of Location and Surrounding Area

