



For Immediate Release

<Provisional translation>

May 30, 2013

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

Asset Management Company
Hankyu REIT Asset Management, Inc.
Yoshiaki Shiraki, President & Representative Director
Contact:
Yoshihiro Nakano
General Manager, Corporate Planning Dept.
Email: hankyureit-ir@hankyu-rt.jp

Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units

Hankyu REIT, Inc. (hereafter "Hankyu REIT") announces resolutions on issuance of new investment units and secondary offering for investment units was made at its Board of Directors' Meeting held on May 30, 2013. Details are described below.

1. Issuance of New Investment Units through Public Offering (primary offering)

(1) Number of units to be offered: 18,000 units

(2) Issue price (offer price): To be determined.

The issue price (offer price) will be provisionally determined by multiplying a value in the range 0.90 to 1.00 with the closing price for ordinary trading of an investment unit of Hankyu REIT on the Tokyo Stock Exchange on any of the days during the period June 11, 2013 (Tue.) to June 14, 2013 (Fri.) (hereinafter the "Issue Price Determination Date") (or if closing price is not available for such date, the closing price on the immediately preceding day) based on the method provided in Article 25 of the regulations in regard to the underwriting etc. of securities as provided by the Japan Securities Dealers Association. The issue price will take into account demand for the offering (any fraction of one yen shall be rounded down to the nearest yen).

(3) Amount to be paid in (purchase price amount):

To be determined.

To be decided at the Board of Directors' Meeting to be held on the Issue Price Determination Date based on the method provided in Article 25 of the regulations in regard to the underwriting etc. of securities as provided by the Japan Securities Dealers Association.

(4) Total amount to be paid in (purchase price):

To be determined.

(5) Method of offer:

Investment units shall be offered through a public offering, and all investment units shall be underwritten and purchased by an underwriting syndicate of which Nomura Securities Co., Ltd., and Mizuho Securities Co., Ltd., are the joint lead managers. In addition to the aforementioned joint lead managers, the other underwriters are: SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan

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Stanley Securities Co., Ltd., and Daiwa Securities Co., Ltd. (together with the joint lead managers, hereinafter collectively called the "Underwriters").

- (6) Details of underwriting contract: Hankyu REIT shall not pay an underwriting fee. Underwriting fees applicable to the underwriters shall be the difference between the total amount of the issue price (offer price) and the total amount to be paid in (purchase price), which shall be paid to Hankyu REIT by the Underwriters.
- (7) Offering unit: One unit or more in multiples of one unit.
- (8) Offering period: From the next business day of the Issue Price Determination Date to two business days following the Issue Price Determination Date.
- (9) Payment date: A date between June 18, 2013 (Thu.) and June 21, 2013 (Fri.). However, it shall be five business days after the Issue Price Determination Date.
- (10) Delivery date: A date between June 19, 2013 (Wed.) and June 24, 2013 (Mon.). However, it shall be the next business day of the Payment Date.
- (11) The issue price (offer price), amount to be paid in (purchase price), and other necessary items concerning issue of new investment units shall be determined at a future Board of Director's Meeting.
- (12) The above items shall be subject to requisite completion of filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act.

2. Secondary Offering of Investment Units (Over-allotment) (See <Reference> 1. below.)

- (1) Seller and number of investment units to be offered:
Nomura Securities Co., Ltd. 1,800 units
- The above number represents the minimum number of investment units to be offered. Depending on the actual demand, either the number may be reduced or the secondary offering through over-allotment may be cancelled. The number of investment units to be offered shall be determined after considering the demand for primary offering on the Issue Price Determination Date.
- (2) Offer price: To be determined.
The offer price shall be determined at the Board of Directors' Meeting to be held on the Issue Price Determination Date. The offer price shall be the same as the issue price (offer price) in the primary offering.
- (3) Total offer price: To be determined.
- (4) Offering method: In consideration of the demand of primary offering, Nomura Securities Co., Ltd. shall conduct secondary offering up to 1,800 units that it will borrow from unitholders of Hankyu REIT.
- (5) Application unit: Minimum 1 unit, and in multiples of one unit.
- (6) Offering period: The same period as the offering period for the primary offering.
- (7) Delivery date: The next business day after the payment date for the primary offering.
- (8) Offer price and other necessary items concerning secondary offering investment units shall be determined at the future Board of Directors' Meeting.
- (9) The above items shall be subject to requisite completion of filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act.

3. Issuance of New Investment Units through Third-Party Allotment (See <Reference> 1. below.)

- (1) Number of units to be offered: 1,800 units
- (2) Amount to be paid in (purchase price):
To be determined.
To be decided at the Board of Directors' Meeting held on the Issue Price Determination Date. The amount to be paid in (purchase price) shall be the same as the amount to be paid in (purchase price) for the primary offering.
- (3) Total amount to be paid in (purchase price):
To be determined.
- (4) Allottee and number of units allocated:

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Nomura Securities Co., Ltd. 1,800 units

- (5) Subscription unit: Minimum 1 unit, and in multiples of one unit.
- (6) Subscription period (Subscription Date): July 9, 2013 (Tue.)
- (7) Payment date: July 10, 2013 (Wed.)
- (8) If there is no subscription for investment units to be issued by the end of the above mentioned “(6) Subscription Period (Subscription Date),” issue of such investment units shall be cancelled.
- (9) The amount to be paid in (purchase price), and other necessary items concerning issue of new investment units shall be determined at future Board of Directors’ Meeting
- (10) The above items shall be subject to requisite completion of filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act.

<Reference>

1. Notes Concerning Secondary Offering through Over-Allotment

(1) Secondary offering through over-allotment is determined by considering the demand for the primary offering. Nomura Securities Co., Ltd. will offer up to 1,800 units of the investment units it borrowed from unitholders of Hankyu REIT at the same time of primary offering. Although the number of investment units to be offered through over-allotment is expected to be 1,800 units, the number indicates the maximum number of investment units offered through over-allotment. This number may be reduced depending on the demand, or secondary offering through over-allotment itself may be cancelled.

For the purpose of obtaining the investment units necessary to return those Nomura Securities borrowed from the aforementioned unitholders of Hankyu REIT in connection with the secondary offering through over-allotment (hereinafter the “Borrowed Investment Units”), Hankyu REIT has made resolution at its Board of Directors’ Meeting held on May 30, 2013 (Thu.), to carry out an issuance of investment units through third-party allotment of 1,800 units of new investment units for which Nomura Securities is the allottee (hereinafter “Third-Party Allotment”) with the payment date for that issuance to be July 10, 2013 (Wed.).

During the period from the day after the expiration day of the offering period of the primary offering and over-allotment to July 3, 2013 (Wed.) (hereinafter “Syndicate Cover Transaction Period”), Nomura Securities Co., Ltd. may perform a transaction on the Tokyo Stock Exchange to purchase a number of investment units that does not exceed the maximum number of investment units of the over-allotment (herein after “Syndicate Cover Transaction”) for the purpose of returning the Borrowed Investment Units. All the investment units that Nomura Securities Co., Ltd. obtains by the Syndicate Cover Transaction are used to return the Borrowed Investment Units. Nomura Securities Co., Ltd. may decide not to execute the Syndicate Cover Transaction at all during the Syndicate Cover Transaction period, or may terminate the Syndicate Cover Transaction with the actual number of units transacted less than the number of investment units in the secondary offering of the over-allotment.

In addition, Nomura Securities Co., Ltd. may engage in stabilizing transactions in connection to the primary offering and secondary offering of over-allotment, and use all or part of the investment units obtained through those stabilizing transactions to return the Borrowed Investment Units.

The number of investment units that Nomura Securities Co., Ltd. plans to obtain by the Third-Party Allotment is the difference derived by deducting the number of units that were obtained by stabilizing transactions or the Syndicate Cover Transactions for the purpose of returning Borrowed Investment Units from the number of units of secondary offering of the over-allotment. For this reason, Nomura Securities Co., Ltd. may not subscribe for all or part of the number of units issued by Third-Party Allotment and the result of this forfeit of rights would either be a reduction of the final number of issued units by Third-Party Allotment or the issuance itself would be cancelled.

(2) The transactions set forth in (1) shall be conducted by Nomura Securities Co., Ltd. to engage offer joint consultation with Mizuho Securities Co., Ltd.

2. Number of Total Investment Units Issued as a Result of This Issuance of New Investment Units

Investment units currently issued	85,400 units
Increase in investment units by primary offering	18,000 units

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Investment units issued after primary offering	103,400 units
Increase in investment units by Third-Party Allotment	1,800 units (Note)
Total investment units issued after Third-Party Allotment	105,200 units (Note)

(Note) The number of investment units stated above is for the case where Nomura Securities subscribes for all the investment units of Third-Party Allotment and those investment units are subsequently issued.

3. Purpose and Reason for Issuance

The issuance of the new investment units was determined for the purpose of growing asset size and improving the quality of portfolio through acquisition of new specified asset (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations. Same hereafter), after having considered factors such as the market trends and the level of dividends per unit, etc.

4. Total Amount to be Procured, Use of Funds and Schedule Expenditure Date

(1) Amount to be Procured (approximate net amount to be obtained)

10,720,036,800 yen (maximum)

(Note) The above-mentioned amount represents the combined amount of 9,745,488,000 yen in net proceeds Hankyu REIT will receive from the primary offering and the maximum amount of 974,548,800 yen Hankyu REIT will receive from the issuance of new investment units from Third-Party Allotment. This sum is an estimate based on the closing price of the investment units in ordinary trading at the Tokyo Stock Exchange as of May 17, 2013 (Fri.).

(2) Use of the Funds and the Schedule Expenditure Date

Funds to be procured will be allocated to acquisition funds of new specified assets as indicated in the press release, "Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interests" separately announced today. If, as a result of allocation, any remaining balance occurs, then it will be allocated to the redemption of deposit and security Hankyu REIT used for the acquisition of assets under management (Note) and to the repayment of loans.

(Note) Part of deposit and security pledged by tenants at assets under management is reserved at trust accounts as cash and deposit for future redemption. However, based on the agreement with the trustee, Hankyu REIT may use part of it, and Hankyu REIT allocates it for the redemption of part of deposit and security on trust accounts it uses. The deposit and security Hankyu REIT uses as of April 30, 2013 is 4,059 million yen.

5. Designation of Allottee

The underwriters plan to offer 700 units in the primary offering to Hankyu Corporation, a shareholder of Hankyu REIT, Inc., to which Hankyu REIT outsources the operations for the management of its assets, as an allottee designated by Hankyu REIT.

6. Future Outlook

Please refer to the press release "Notice Concerning Forecasts of Financial Results for the Fiscal Period Ending November 30, 2013" dated today, for the impact on forecasts for the fiscal period ending May 2013 (16th Fiscal Period: December 1, 2012 to May 31, 2013) and fiscal period ending November 2013 (17th Fiscal Period: June 1, 2013 to November 30, 2013).

7. Management Conditions during Past Three Fiscal Periods and Status of Equity Finance

(1) Management Conditions during Past Three Fiscal Periods

	November 30, 2011	May 31, 2012	November 30, 2012
Net income per unit	¥12,688	¥12,324	¥12,227
Distribution per unit	¥12,688	¥12,324	¥12,228
Distribution payout ratio	100.0%	100.0%	100.0%
Net assets per unit	¥660,753	¥660,390	¥660,294

(2) Conditions of the Most Recent Investment Unit Price

① Conditions during the past three fiscal periods

	November 30, 2011	May 31, 2012	November 30, 2012
Opening price	¥429,500	¥339,000	¥356,500
High	¥430,000	¥409,500	¥413,000

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Low	¥330,000	¥324,500	¥337,000
Closing price	¥335,000	¥358,500	¥394,500

②Conditions during past six-month period

	December 31, 2012	January 31, 2013	February	March	April	May
Opening price	¥396,000	¥420,000	¥475,000	¥552,000	¥646,000	¥635,000
High	¥416,000	¥474,000	¥558,000	¥706,000	¥702,000	¥647,000
Low	¥390,500	¥417,500	¥461,000	¥549,000	¥600,000	¥514,000
Closing price	¥413,000	¥470,000	¥552,000	¥653,000	¥644,000	¥541,000

(Note) The investment unit price for May 2013 is the price as of May 29, 2013

③Investment unit prices on the business day before the issuance of resolution date

	May 29, 2013
Opening price	¥543,000
High	¥547,000
Low	¥533,000
Closing price	¥541,000

(3) Status of equity finance during past three fiscal periods

Not applicable.

8. Others (restrictions on sale and additional issuance, etc.)

(1) With respect to the primary offering, Hankyu Corporation is supposed to agree with the joint lead managers not to sell, furnish security, lend etc. (excluding lending the investment units to Nomura Securities to execute over-allotment), without approval in writing beforehand from the joint lead managers within the period from the Issue Price Determination Date until the corresponding day one year after the delivery date of the primary offering.

The joint lead managers plan to hold the right to cancel all or part of the aforesaid agreement within the abovementioned periods at their own discretion.

(2) With respect to the primary offering, Hankyu REIT agrees with the joint lead managers not to issue (etc.) investment units (excluding the issuance etc. of investment units for primary offering, Third-Party Allotment and issuance of investment units by the split of investment units) without the approval in writing beforehand from the joint lead managers within the period from the Issue Price Determination Date until the corresponding day 3 months after the delivery date of the primary offering.

The joint lead managers plan to hold the right to cancel all or part of the aforesaid agreement within the abovementioned periods at their own discretion.

- The Japanese original document was distributed to Kabuto Club (the press club of Tokyo Stock Exchange), 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/>

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