



<Provisional translation>

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For Immediate Release

REIT Issuer

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Notice Concerning Forecasts of Financial Results for the Fiscal Period Ending November 30, 2014

Hankyu REIT, Inc. (hereafter "Hankyu REIT") announces its forecasts of financial results for the fiscal period ending November 30, 2014 (19th fiscal period: June 1, 2014 to November 30, 2014). The details are as follows.

Details

1. Forecasts of Financial Results for the Fiscal Period Ending November 30, 2014

	Operating revenues	Operating income	Ordinary income	Net income	Distribution per unit (not including distributions in excess of earnings)	Distribution in excess of earnings per unit
Fiscal period ending November 30, 2014	4,764 million yen	1,905 million yen	1,483 million yen	1,481 million yen	12,400 yen	0 yen

Note 1: Expected number of issued and outstanding investment units at the end of the period ending November 30, 2014: 119,500 units

Note 2: Figures less than a unit have been rounded down.

2. Reason for Announcement

Hankyu REIT resolved to conduct the issuance of new investment units and secondary offering of investment units with the purpose of procuring funds to allocate for acquiring specified assets, etc. at its Board of Directors meeting held today. Accordingly, the forecasts for the fiscal period ending November 30, 2014 are announced.

Disclaimer: This document is a press release to make a public announcement of the forecast of financial results for the fiscal period ending November 30, 2014, and has not been prepared as a solicitation for investment. Hankyu REIT cautions investors to ensure that they refer to the prospectus for notification of the issuance of new investment units and secondary offering of investment units as well as amendments thereto prepared by Hankyu REIT, if any, before undertaking investments and investments be made at their own discretion and responsibility.

Moreover, there are no changes to the forecasts of financial results for the fiscal period ending May 31, 2014 at this point in time.

3. (Reference) Forecasts for the Fiscal Period Ending May 31, 2014 (18th fiscal period: December 1, 2013 to May 31, 2014)

The forecasts for the fiscal period ending May 31, 2014 (18th fiscal period: December 1, 2013 to May 31, 2014) announced in “Financial Results for the Fiscal Period From June 1, 2013 to November 30, 2013” dated January 22, 2014 are as follows.

	Operating revenues	Operating income	Ordinary income	Net income	Distribution per unit (not including distributions in excess of earnings)	Distribution in excess of earnings per unit
Fiscal period ending May 31, 2014	4,445 million yen	1,708 million yen	1,295 million yen	1,293 million yen	12,300 yen	0 yen

Note 1: Expected number of issued and outstanding investment units at the end of the period ending May 31, 2014: 105,200 units

Note 2: Figures less than a unit have been rounded down.

Note: The forecasts above are based on certain assumptions currently available to Hankyu REIT. Actual operating revenues, operating income, ordinary income, net income, and distribution per unit may differ substantially due to factors such as future acquisitions or transfer of real estate, fluctuations in the real estate market, and other changes surrounding Hankyu REIT, and the forecasts do not guarantee any cash distribution amounts. If a certain difference is expected from the forecasts above, Hankyu REIT may revise it.

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club), Osaka Securities Exchange, and 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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Assumptions for Forecasts of Financial Results for the Fiscal Period ending November 30, 2014

(June 1, 2014, to November 30, 2014)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> <li>19th Fiscal Period: June 1, 2014, to November 30, 2014</li> <li>Operating period: 183 days</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>It is assumed that the two assets planned to be acquired (DAILY QANAT Izumiya Horikawa Marutamachi Store (site), Kotocross Hankyu Kawaramachi, LIFE Shimoyamate Store (site) and (tentative name) MANDAI Gojo Nishikoji Store (site)) announced in the press release "Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interests" dated today on the planned dates of acquisition to the 19 existing properties owned as of today will be acquired. Additionally, it is assumed that there will be no transfers other than these to the assets under management until November 30, 2014.</li> <li>However, these assumptions may change if there are any changes in the assets under management.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>It is calculated based on lease agreements currently in effect and taking into consideration portfolio property competitiveness, market conditions and other factors. Also, with regard to other factors such as items that might change revenue or contract cancellation notices, we have made calculations taking into account a reasonable margin for fluctuation in the reported figures based on past financial results and the conditions of individual tenants.</li> <li>It is assumed that there are no rents in arrears or delinquency of tenants.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>Expenses of real estate rent, principal operating expenses, are calculated based on past financial results (excluding depreciation costs) reflecting factors that might affect expenses.</li> <li>Property tax, city planning tax, and other taxes are estimated to be 551 million yen. In general, property tax, city planning tax and other related taxes applicable in the fiscal year of acquisition are calculated on a pro rata basis as of the date of acquisition and shared between the buyer and seller. Hankyu REIT, however, capitalizes the amount of these taxes into the acquisition cost.</li> <li>An estimate for repairs and maintenance expenses of buildings for each fiscal period is allocated to expenses during the relevant fiscal period. The actual repairs and maintenance expenses may, however, differ significantly from the amount estimated, as a substantial amount of unexpected contingent repairs and maintenance expenses may be required, and these expenses differ significantly between fiscal periods, and are not incurred on a regular basis.</li> <li>Property/facility management fees are estimated to be 333 million yen.</li> <li>Depreciation costs are calculated using the straight line method and are estimated to be 972 million yen.</li> <li>Operating expenses other than expenses of real estate rent (asset management fees, asset custodian fees, and administrative service fees) are estimated to be 415 million yen.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>Temporary expenses for the issuance of new investment units by public offering resolved at the Investment Corporation's Board of Directors meeting held today</li> </ul>

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	<p>are estimated to be 9 million yen.</p> <ul style="list-style-type: none"> <li>• Interest expenses and finance related costs are estimated to be 407 million yen.</li> </ul>
Investment units	<ul style="list-style-type: none"> <li>• It is assumed that in addition to the 105,200 investment units outstanding as of today, there is issuance of new investment units by public offering resolved at the Investment Corporation's Board of Directors meeting held today (13,000 units) and the issuance of new investment units by way of third-party allotment through over-allotment (1,300 units). It is assumed the additional issuance of investment units by way of third-party allotment, ceiling of 1,300 units, will all be issued.</li> <li>• It is assumed that there will be no issuance of new investment units other than that until November 30, 2014.</li> </ul>
Interest-bearing debt	<ul style="list-style-type: none"> <li>• It is assumed that the balance of debt financing is 50,900 million yen as of today and new debt financing of 5,000 million yen stated in the "Notice Concerning New Debt Financing" announced today will be conducted on June 23, 2014 and after that there will be no increase or decrease in the balance of (interest-bearing) debt of 55,900 million during the 19th fiscal period. In addition, it is assumed that long-term borrowings of 12,500 million yen due in 19th fiscal period will be fully refinanced.</li> <li>• It is assumed that outstanding balance of investment corporation bonds will be 6,000 million yen and there is no increase or decrease due in the 19th fiscal period. Moreover, there is no investment corporation bond due for redemption during the 19th fiscal period.</li> </ul>
Distribution per unit	<ul style="list-style-type: none"> <li>• Distribution per unit is calculated based on the assumption that the distribution is made based on the cash distribution policy set in the Hankyu REIT Articles of Incorporation.</li> <li>• Distribution per unit may change due to change in rental income resulting from a change in assets under management or a change in tenants or other factors including unexpected repairs.</li> </ul>
Distribution in excess of earnings per unit	<ul style="list-style-type: none"> <li>• There is no plan to conduct distribution in excess of earnings per unit.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• It is assumed that there will be no revisions in the laws and regulations, taxation system, accounting standards, exchange listing rules, or The Investment Trusts Association's regulations that will influence the above financial forecasts.</li> <li>• It is assumed that there are no significant unforeseen changes in general economic trends or the real estate market, etc.</li> </ul>

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