



For Immediate Release

<Provisional translation>

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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.
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Notice Concerning Rent Reduction Action Filed Against the Investment Corporation
(Hotel Gracery Tamachi)

Hankyu REIT, Inc. (hereafter "Hankyu REIT") hereby notifies that the following action for reduction in the amount of rent (hereafter the "Action") has been filed against Hankyu REIT by Fujita Kanko Inc., which is the lessee of a portfolio asset "Hotel Gracery Tamachi" (hereafter the "Property"), through the trustee of the Property. Details are described below.

1. Party Filing the Action

- (1) Name: Fujita Kanko Inc.
(2) Location: 2-10-8 Sekiguchi, Bunkyo-ku, Tokyo
(3) Name and title of representative: Akira Segawa, President

2. Content of the Action

- (1) Court with which action filed: Tokyo District Court
(2) Date on which action filed: October 9, 2014
(3) Main claim: Claiming approximately 23.5% reduction in amount compared with the existing rent for rent on and after September 30, 2013

3. Policy on Future Response

Hankyu REIT considers the claim for reduction in the amount of rent to lack reasonable grounds in light of such factors as the current hotel market conditions and rent trends in the Tokyo metropolitan area, and plans to assert its opinion to that effect through the trustee in upcoming court proceedings.

4. Future Outlook

At this point in time, there are no unpaid rents with regard to the property. The impact of the Action on the business performance of Hankyu REIT is yet to be determined at this point in time. Any matters to be disclosed in the future will be promptly notified.

- 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/>