



<Provisional translation>

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REIT Issuer

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Notice Concerning Relocation of Tenant (New Lease)

Hankyu REIT, Inc. (hereafter "Hankyu REIT") announces today that a building lease contract was determined to conclude with a large tenant (hereafter the "Tenant") that will occupy 35.2% of the total leasable area (10 floors) at Sphere Tower Tennozu (hereafter the "Property"), a trust property in which Hankyu REIT has trust beneficiary interest (quasi co-ownership 33%) in real estate.

Details

1. Background of Leasing

Hankyu REIT has promoted leasing, taking into account the area of Tennozu and characteristics of the building, and a building lease contract was determined to conclude today with the Tenant that considers the contents indicated in "2. Content of Leasing" as the principal conditions.

The occupancy rate of the Property will become 87.7% as of December 1, 2016 due to the new lease with the Tenant and is forecasted to increase by 40.9pt from the occupancy rate as of the end of September 2016 (46.9%).

Note: The above forecast of occupancy rate is calculated by considering the relocation of tenants scheduled to be conducted by December 1, 2016 that have already been decided as of now (3 leases and 1 termination including the Tenant).

2. Content of Leasing

Tenant name	Not disclosed (Note 1)
Property name	Sphere Tower Tennozu
Leased floor space	3,099.69m ² (Note 2)
Ratio of total leasable floor space of property	35.2% (Note 3)
Ratio of total leasable floor space of Hankyu REIT's portfolio	0.63% (Note 4)
Rent	Not disclosed (Note 1)
Security deposit	Not disclosed (Note 1)
Date of conclusion of contract (scheduled)	November 1, 2016
Scheduled commencement date of lease	December 1, 2016

(Note 1): Not disclosed as no consent has been obtained from the Tenant.

(Note 2): The area proportional to the quasi co-ownership of trust beneficiary interest of the Property (33%) is indicated.

(Note 3): Calculated based on 8,818.09 m², the total leasable area of the Property as of December 1, 2016. (forecast)

(Note 4): Calculated based on 488,728.20 m², the total leasable area of Hankyu REIT's portfolio as of December 1, 2016. (forecast)

3. Future Outlook

There is no change to the forecast of operational status for the fiscal period ending November 2016 (23rd fiscal period: June 1, 2016 to November 30, 2016) announced in the “Financial results for the fiscal period ended May 2016” dated July 15, 2016, since the impact of the conclusion of building lease contract with the Tenant is expected to be minimal.

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club), Osaka Securities Exchange, and the 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/>