



Hankyu REIT

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

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Notice Concerning Debt Financing

Hankyu REIT, Inc. (hereafter “Hankyu REIT”) announces its decision made today to undertake debt financing (hereafter the “Debt Financing”) as described below.

1. Reason for debt financing

These funds will be allocated for the repayment of 2,000 million yen in borrowings that was executed on February 28, 2013.

2. Details of Debt Financing (Scheduled)

Category	Lender	Amount of debt financing (millions of yen)	Interest rate	Drawdown date	Lending and repayment methods	Maturity date
Long-term borrowings	Mizuho Bank, Ltd.	1,000	Not determined Fixed interest rate	February 28, 2018	Unsecured/ non-guaranteed Lump-sum repayment	February 29, 2028
Short-term borrowings	Mitsubishi UFJ Trust and Banking Corporation	1,000	Base interest Rate (JBA 1-month Japanese Yen TIBOR) + 0.15% Variable interest rate			February 28, 2019
Total		2,000				

Note : • As for long-term borrowings, interest payment dates are the last day of every February and August with the first payment date being August 31, 2018 (or the previous business day if the applicable date is a non-business day of the bank). The interest rate is scheduled to be determined on February 26, 2018. They will be announced once they are determined.

• As for short-term borrowings, interest payment dates are the last day of every month, with the first payment date being March 30, 2018 (or the previous business day if the applicable date is a non-business day of the bank). Base interest rate applied on the interest to be paid on interest payment date will be JBA 1-month Japanese Yen TIBOR as of two days prior to the most recent interest payment date (in case of first payment, this will be the drawdown date) of each interest payment date. (The JBA 1-month Japanese Yen TIBOR as of February 20, 2018 is 0.05545%).

- The JBA 1-month Japanese Yen TIBOR can be referenced on the website of the JBA TIBOR Administration: <http://www.jbatibor.or.jp/english/rate/>
- In the future, Hankyu REIT will not provide notification regarding the determination of variable interest rate. As for changes to the applicable base interest rate, please refer to the website of JBA TIBOR Administration.

3. Use for funds

Capital for repayment of borrowings below

Category	Lender	Amount of debt financing (millions of yen)	Drawdown date	Lending and repayment methods	Maturity date
Long-term borrowings	Mizuho Bank, Ltd.	1,000	February 28, 2013	Unsecured/ non-guaranteed Lump-sum repayment	February 28, 2018
	Mitsubishi UFJ Trust and Banking Corporation	1,000			
Total		2,000			

4. Balance of Interest-bearing Debt after Execution of Debt Financing

	Before execution of debt financing (millions of yen)	After execution of debt financing (millions of yen)	Change (millions of yen)
Short-term borrowings	7,200	8,200	+1,000
Long-term borrowings (Note)	54,700	53,700	-1,000
Total debt financing	61,900	61,900	±0
Investment corporation bonds	4,000	4,000	±0
Total interest-bearing debt	65,900	65,900	±0

(Note) Long-term borrowings are borrowings with a repayment term (from the drawdown date until the maturity date) exceeding one year.

5. Other

The risks associated with the Debt Financing, such as risks of repayment, have not changed in any material way from the “risks associated with the fund procurement through additional issuance of new investment units, debt financing and issuance of investment corporation bonds” in the “Investment Risks” stated in the Securities Registration Statement submitted on January 25, 2018.

- Hankyu REIT website: <http://www.hankyu-reit.jp/eng/>