

July 20, 2007

Financial Results for the Fiscal Period From December 1, 2006 to May 31, 2007

Hankyu REIT Inc. is listed on the Tokyo Stock Exchange (J-REIT) with the securities code number 8977. (Website: <http://www.hankyu-reit.jp/>)

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Scheduled Commencement Date of Cash Distribution Payment: August 21, 2007

1. Business Results for the Fiscal Period From December 1, 2006 to May 31, 2007

(1) Operating Results *(in millions of yen, rounded down; except as noted)*

	Operating revenues		Operating income		Ordinary income	
		Change (%)		Change (%)		Change (%)
For the period ended						
May 31, 2007	3,211	17.0	1,194	17.1	1,039	9.0
November 30, 2006	2,745	4.0	1,019	(0.6)	954	1.1

	Net income		Net income per unit	Net income/Equity	Ordinary income/Total assets	Ordinary income/Operating revenues
		Change (%)	(yen)	(%)	(%)	(%)
For the period ended						
May 31, 2007	1,037	9.0	14,955	2.9	1.5	32.4
November 30, 2006	952	1.1	13,723	2.7	1.6	34.7

(Percent figures show changes from previous period)

(2) Distributions

(in millions of yen, rounded down; except as noted)

	Distribution per unit (yen)	Total distributions	Distribution in excess of earnings per unit (yen)	Total distributions in excess of earnings	Payout ratio (%)	Distributions/Net assets (%)
For the period ended						
May 31, 2007	14,955	1,037	0	–	100.0	2.9
November 30, 2006	13,723	952	0	–	100.0	2.7

Note:

“Distribution per unit” does not include distribution in excess of earnings per unit.

(3) Financial Position

(in millions of yen, rounded down; except as noted)

	Total assets	Net assets	Net assets/ Total assets (%)	Net assets per unit (yen)
As of				
May 31, 2007	79,242	35,737	45.1	514,955
November 30, 2006	58,118	35,652	61.3	513,723

Note:

Net assets as of May 31, 2007 and November 30, 2006 were respectively ¥35,737 million and ¥35,652 million.

(4) Cash Flows

(in millions of yen, rounded down; except as noted)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
For the period ended				
May 31, 2007	1,029	(18,675)	19,047	6,071
November 30, 2006	1,450	(2,388)	(442)	4,669

2. Forecasts for the Fiscal Period From June 1, 2007 to November 30, 2007

(in millions of yen, rounded down; except as noted)

	Operating revenues		Operating income		Ordinary income		Net income		Distribution per unit	Distributions in excess of earnings per unit
		Change %		Change %		Change %		Change %	(yen)	(yen)
For the period ending November 30, 2007	3,478	8.3	1,219	2.1	1,094	5.3	1,093	5.3	12,800	0

(Percent figures show changes from previous period)

Notes:

1. "Distribution per unit" does not include distribution in excess of earnings per unit.
2. Projected net income per unit for the fiscal period ending November 30, 2007 is 12,800 yen.

3. Others

1. Changes in significant accounting policies

- (1) Changes due to revisions in accounting standards and others: None
- (2) Changes other than in the above item (1): Applicable

2. Number of investment units issued and outstanding

- (1) The number of investment units issued and outstanding (including treasury investment units) as of the period-end:

As of May 31, 2007: 69,400 units

As of November 30, 2006: 69,400 units

- (2) The number of treasury investment units as of the period-end:

As of May 31, 2007: - units

As of November 30, 2006: - units

Disclaimer:

The forecasts for the fiscal period from June 1, 2007 to November 30, 2007 are based on certain assumptions currently available to Hankyu REIT Inc. Actual operating revenues, operating income, ordinary income, net income, and distribution per unit may differ substantially due to changes in conditions and the forecasts do not guarantee any cash distribution amounts.