



<Provisional translation>

March 29, 2013

For Immediate Release

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 Acquisition of Domestic Real Estate Trust Beneficiary Interests

Hankyu REIT, Inc. (hereafter "Hankyu REIT") announced that it today decided to make the following acquisition of assets.

Details

1. Overview of Acquisition

(1) HANKYU NISHINOMIYA GARDENS

- (i) Asset to be acquired: Real estate trust beneficiary interests  
(Trustee: Mitsubishi UFJ Trust and Banking Corporation)
- (ii) Property name: HANKYU NISHINOMIYA GARDENS
- (iii) Proposed acquisition price: 18,300,000,000 yen  
(excluding acquisition-related expenses, property tax, city planning tax and consumption tax, among others)
- (iv) Appraised value: 20,300,000,000 yen (Date of appraisal: March 21, 2013)
- (v) Proposed acquisition date: April 16, 2013
- (vi) Seller: Hankyu Corporation
- (vii) Acquisition funds: Corporate funds (plan to use the funds from the partial transfer of HEP Five and transfer of NU chayamachi)

Note: The acquisition of 28% quasi co-ownership of the real estate trust beneficiary interests of the land and buildings of the property.

(2) Hankyu Corporation Head Office Building

- (i) Asset to be acquired: Real estate trust beneficiary interests  
(Trustee: Sumitomo Mitsui Trust Bank, Limited)
- (ii) Property name: Hankyu Corporation Head Office Building
- (iii) Proposed acquisition price: 10,200,000,000 yen  
(excluding acquisition-related expenses, property tax, city planning

- tax and consumption tax, among others)
- (iv) Appraised value: 10,200,000,000 yen (Date of appraisal: February 28, 2013)
  - (v) Proposed acquisition date: April 10, 2013
  - (vi) Seller: Kairos Funding GK
  - (vii) Acquisition funds: Corporate funds (plan is to use the funds from the partial transfer of HEP Five)

## 2. Reason for Acquisition

Hankyu REIT decided that, along with transferring two retail facilities in the Umeda area held by Hankyu REIT in light of such factors as intensifying competition with surrounding facilities as stated in the “Notice Concerning Transfer of Domestic Real Estate Trust Beneficiary Interests” dated today, it will acquire these two properties (the transfer and acquisition, hereafter the “Asset Replacement”). Hankyu REIT decided to carry out the Asset Replacement in an aim to enhance the portfolio NOI yield, while maintaining portfolio quality.

### (1) HANKYU NISHINOMIYA GARDENS

The property, which opened in 2008 as a redevelopment of the former site of Hankyu Nishinomiya Stadium, is one of the largest shopping centers in western Japan.

The property has a size of approximately 70,000m<sup>2</sup> in lot area, approximately 247,000m<sup>2</sup> in total floor area and approximately 107,000m<sup>2</sup> in leased area, which is the area of the retail facility. The parking garage space is divided into the three locations of South Parking, Central Parking and Department Store Parking, boasting a capacity of 3,000 vehicles in total.

The anchor stores are Nishinomiya Hankyu (business category: department store), Izumiya Nishinomiya Gardens Store (business category: GMS) and Toho Cinemas Nishinomiya OS (cinema complex). The total number of stores is 268. In addition, there is a rooftop garden (Sky Garden).

The area where the property is located is midway between Osaka and Kobe. The area’s trade area is favorable, even within the Kansai region, and has an abundant population volume, which by trade area is 340,000 within 3km and 780,000 within 5km. In addition, the property has excellent access as it is directly connected by a deck to Nishinomiya-kitaguchi Station on the Hankyu Railway Kobe Line and Imazu Line, which is a major station that ranks third behind Umeda Station and Sannomiya Station in the number of passengers out of all Hankyu Railway lines.

### (2) Hankyu Corporation Head Office Building

The property is the core base of the Hankyu Hanshin Holdings Group. It is located in the Umeda area, the largest retail business concentration in western Japan. Being within approximately 3 minutes walking distance from Hankyu Umeda Station and also within approximately 10 minutes walking distance from Umeda Station on the Subway Midosuji Line and JR Osaka Station, it is in a highly convenient location for transport.

The property is an office building constructed in 1992. It is large in size with 17 floors above ground and a total floor area of 8,279 tsubo. The air conditioning system comprises two systems located at the north and south each combining a central unit and a perimeter induction unit. The standard floor ceiling height is 2,600mm (excluding the 100mm access floor). The power outlet capacity is 50VA/m<sup>2</sup>. The floor load capacity is 300kg/m<sup>2</sup>. These and other features make the property a large-scale building with also a high standard of facility support. In addition, the pale and soft color

of the property's exterior complements the shrubbery of the public spaces, producing a bright and open space.

With the principal tenant being Hankyu Corporation and occupied by the Hankyu Corporation Head Office, Hankyu Hanshin Holdings, Inc. and others, the property is a central property to the Hankyu Hanshin Holdings Group.

### 3. Details of Assets to be Acquired

#### (1) HANKYU NISHINOMIYA GARDENS

Property name		HANKYU NISHINOMIYA GARDENS			
Specified asset type		Trust beneficiary interests (quasi co-ownership: 28% interest)			
Proposed acquisition price		18,300,000,000 yen			
Appraised value		20,300,000,000 yen (Date of appraisal: March 21, 2013) (Appraisal organization: The Tanizawa Sogo Appraisal Co., Ltd.)			
Location	Address				
	14-2, Takamatsu-cho, Nishinomiya-shi, Hyogo				
Land	Building coverage	80% / 60%	Building	Month/Year built	October 2008
	Floor area ratio	300% / 200%		Structure / Floors (Note 3)	(i) Reinforced concrete structure with flat roof / 9 floors (ii) Steel-frame structure with flat roof / 6 floors
	Zone use	Neighboring commercial district Quasi-industrial district		Use	(i) Store, parking garage space and movie theater (ii) Parking garage space
	Lot area (Note 1) (Note 2)	79,003.72m <sup>2</sup> (Note 1)		Total floor area (Note 1)	(i) 201,581.85m <sup>2</sup> (ii) 31,891.07m <sup>2</sup>
	Form of ownership	Right of ownership Leased-land right		Form of ownership	Right of ownership
Design company		Takenaka Corporation			
Construction company		Takenaka Corporation			
Building recognition organization		General Building Research Corporation of Japan (designated confirmation and inspection body)			
Author of engineering report		Engineering & Risk Services Corporation (January 2013)			
Property manager		Hankyu Hanshin Building Management Co., Ltd.			
PML of earthquake risk analysis		9.2% (Evaluators: Engineering & Risk Services Corporation and OYO RMS Corporation)			
Collateral		None			

Note 1: The area of the property's lot/buildings in total.

Note 2: The lot area includes a 6,255.29m<sup>2</sup> area of leased land portion (that Hankyu Corporation leases from the land owner and then subleases out to the trustee).

Note 3: The matters specified in the registry. Based on the Building Standards Act: (i) 1 underground level, 7 floors and 2 rooftop floors and (ii) 1 underground level, 6 floors and 1 rooftop floor.

(2) Hankyu Corporation Head Office Building

Property name		Hankyu Corporation Head Office Building			
Specified asset type		Trust beneficiary interests			
Proposed acquisition price		10,200 million yen			
Appraised value		10,200 million yen (Date of appraisal: February 28, 2013) (Appraisal organization: Daiwa Real Estate Appraisal Co., Ltd.)			
Location	Address	1-16-1, Shibata, Kita-ku, Osaka-shi			
Land	Building coverage	80%	Building	Month/Year built	September 1992
	Floor area ratio	600% / 400%		Structure / Floors	Steel-frame, steel-frame reinforced concrete, reinforced concrete structure with flat roof / 2 underground levels, 19 floors (Note)
	Zone use	Commercial district		Use	Office
	Lot area	3,396.82m <sup>2</sup>		Total floor area	27,369.37m <sup>2</sup>
	Form of ownership	Right of ownership		Form of ownership	Right of ownership
Design company		Takenaka Corporation			
Construction company		Takenaka Corporation			
Building recognition organization		City of Osaka			
Author of engineering report		Daiwa Real Estate Appraisal Co., Ltd. (January 2013)			
Property manager		Hankyu Hanshin Building Management Co., Ltd.			
PML of earthquake risk analysis		3.7% (Evaluators: Engineering & Risk Services Corporation and OYO RMS Corporation)			
Collateral		None			

Note: Based on the Building Standards Act: 2 underground levels, 17 floors and 2 rooftop floors.

4. Overview of Leasing

(1) HANKYU NISHINOMIYA GARDENS

Total number of tenants	1 (Note 1)
Principal tenant	Hankyu Corporation
Annual rent (corresponding to 28% quasi co-ownership interest)	1,236 million yen (Note 2)
Leasable area (corresponding to 28% quasi co-ownership interest)	65,372.42m <sup>2</sup> (Note 3)
Leased area (corresponding to 28% quasi co-ownership interest)	65,372.42m <sup>2</sup> (Note 3)
Occupancy rate	100% (Note 4)
Security deposits	618 million yen (Note 5)

Note 1: The total number of tenants is considered as 1 because the property is entirely leased to tenants under the master lease method.

Note 2: The monthly rent specified in the fixed-term building lease agreement concluded on March 26, 2013, multiplied by 12 times, and then that multiplied by 28%. The amount is rounded to the nearest million yen.

Note 3: The contractual area specified in the fixed-term building lease agreement concluded on March 26, 2013, multiplied by 28%. The area is rounded to two decimal places.

Note 4: The ratio of leased area to leasable area.

Note 5: The amount specified in the fixed-term building lease agreement concluded on March 26, 2013, multiplied by 28%. Rounded to the nearest million yen.

## (2) Hankyu Corporation Head Office Building

Total number of tenants	1 (Note 1)
Principal tenant	Hankyu Corporation
Annual rent	719 million yen (Note 2)
Leasable area	27,369.37 m <sup>2</sup> (Note 3)
Leased area	27,369.37m <sup>2</sup> (Note 3)
Occupancy rate	100% (Note 4)
Security deposits	180 million yen (Note 5)

Note 1: The total number of tenants is considered as 1 because the property is entirely leased to tenants under the master lease method.

Note 2: The monthly rent specified in the fixed-term building lease agreement concluded on November 25, 2009, multiplied by 12 times. The amount is rounded to the nearest million yen.

Note 3: The contractual area specified in the fixed-term building lease agreement concluded on November 25, 2009.

Note 4: The ratio of leased area to leasable area.

Note 5: The amount specified in the fixed-term building lease agreement concluded on November 25, 2009. Rounded to the nearest million yen.

## 5. Overview of Sellers

### (1) HANKYU NISHINOMIYA GARDENS

Name	Hankyu Corporation
Location	1-1, Sakae-machi, Ikeda-shi, Osaka
Title and name of representative	Kazuo Sumi, Representative Director
Main business activities	Urban transportation business; real estate-related business; entertainment & communications business; distribution business
Capital	100 million yen (Note 1)
Date of establishment	October 19, 1907
Net assets and total assets in immediately preceding fiscal year	Net assets: 144,065 million yen Total assets: 1,028,237 million yen (as of March 31, 2012)
Major shareholder and shareholding ratio	Hankyu Hanshin Holdings, Inc. 100%

Relationship to Hankyu REIT or asset management company	<p>Capital relationships:</p> <p>A unitholder (4.1% unitholding) of Hankyu REIT.</p> <p>A shareholder (100% shareholding) of the asset management company Hankyu REIT Asset Management, Inc. and thus falls under the definition of “interested party, etc.” in the Investment Trusts Act.</p> <p>Personnel relationships:</p> <p>12 directors/employees have been seconded to the asset management company, of which the president &amp; representative director of the asset management company concurrently holds the position of executive director of Hankyu REIT.</p> <p>3 directors/employees concurrently hold a position at the asset management company. (as of the end of the previous fiscal period (November 30, 2012))</p> <p>Business relationships:</p> <p>Business relationships with Hankyu REIT Rent paid 1,229 thousand yen (previous period (June 1, 2012 to November 30, 2012))</p> <p>Business relationships with asset management company An information sharing-related agreement has been entered into with the asset management company.</p> <p>Applicability as related party:</p> <p>A shareholder (100% shareholding) of the asset management company Hankyu REIT Asset Management, Inc. and thus falls under the definition of “related party.”</p>
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Note 1: The capital as of the date of this press release.

(2) Hankyu Corporation Head Office Building

Name	Kairos Funding GK
Location	Within Tokyo Kyodo Accounting Office, 3-1-1, Marunouchi, Chiyoda-ku, Tokyo
Title and name of representative	Representative partner: ZEKUTO Holdings GIA Executor of duties: Masato Kaida
Capital	100,000 yen (Note 1)
Major shareholder and shareholding ratio	The company is a special purpose company in which ZEKUTO Holdings GIA has made investment (100%) and Hankyu Corporation and others have made investment in anonymous association.
Main business activities	<ol style="list-style-type: none"> <li>1. Acquisition, ownership, disposal, lease and management of real estate</li> <li>2. Acquisition, ownership and disposal of trust beneficiary interests of real estate</li> <li>3. Operations related to, or of ancillary relationship to, the above operations</li> </ol>

Relationship to Hankyu REIT or asset management company	<p>Hankyu Corporation, which is a shareholder (100% shareholding) of the asset management company Hankyu REIT Asset Management, Inc. and thus falls under the definition of “interested party, etc.” in the Investment Trusts Act, has made some investment in anonymous association in the company, but the company does not fall under the definition of “interested party, etc.” in the Investment Trusts Act. In addition, because an investment of more than 50% has not been made, the company also does not fall under the definition of “interested party, etc.” in the asset management company’s rules concerning transactions involving conflicts of interest.</p> <p>However, in accordance with the asset management company’s compliance committee regulations, etc., the compliance committee, as advisory body, undertakes deliberations and reports all opinions, including minority opinions, to the asset management company’s president &amp; representative director and board of directors.</p>
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Note 1: The capital as of the date of this press release.

## 6. Status of Property Acquirers, etc.

### (1) HANKYU NISHINOMIYA GARDENS

	Previous owner
Company name	Hankyu Corporation
Relationship to special interested parties	See “5. Overview of Sellers” above
Acquisition background, reasons, etc.	Purpose of development
Acquisition date	Built in October 2008
Acquisition price	—

### (2) Hankyu Corporation Head Office Building

	Previous owner	Second previous owner	Third previous owner
Company name	Kairos Funding GK	Hankyu REIT, Inc.	Umeda Property Two Co., Ltd.
Relationship to special interested parties	See “5. Overview of Sellers” above	Hankyu REIT itself	Special purpose company in which Hankyu Corporation (parent company of asset management company) has made investment in anonymous association
Acquisition background, reasons, etc.	Purpose of investment management	Purpose of investment management	Purpose of investment management
Acquisition date	November 25, 2009	May 16, 2008	March 20, 2003
Acquisition price	Omitted because ownership exceeds one year	—	—

	Fourth previous owner	Fifth previous owner	Sixth previous owner
Company name	Hankyu Corporation (currently Hankyu Hanshin Holdings, Inc.)	(i) Hankyu Corporation (currently Hankyu Hanshin Holdings, Inc.) (ii) Hankyu Sigma Corporation	Not applicable
Relationship to special interested parties	Parent company of asset management company	(i) Parent company of asset management company (ii) Consolidated subsidiary of asset management company's parent company (liquidated)	—
Acquisition background, reasons, etc.	Purpose of self use	(i) Purpose of self use (ii) Purpose of investment management	—
Acquisition date	February 28, 2003	September 28, 1992	—
Acquisition price	—	—	—

#### 7. Transactions with Interested Parties, etc.

Because Hankyu Corporation, which is the seller of HANKYU NISHINOMIYA GARDENS and the master lessee of these two properties, falls under the definition of “interested party, etc.” in the Investment Trusts Act, the agreement to transfer real estate trust beneficiary interests and the master lease agreement have been deliberated and approved by the investment management committee, the compliance committee and the board of directors of the asset management company in accordance with the asset management company's rules concerning transactions involving conflicts of interest set forth in the management guidelines, investment management committee regulations, compliance committee regulations, etc.

Because Hankyu Hanshin Building Management Co., Ltd., to which the property management operations for these two properties have been consigned, falls under the definition of “interested party, etc.” in the Investment Trusts Act, the property management agreement has been deliberated and approved by the investment management committee, the compliance committee and the board of directors of the asset management company in accordance with the asset management company's rules concerning transactions involving conflicts of interest set forth in the management guidelines, investment management committee regulations, compliance committee regulations, etc.

#### 8. Overview of Intermediaries

Not applicable.

#### 9. Acquisition Process

March 29, 2013 Resolution of acquisition of two properties at the asset management company's board of directors' meeting

April 10, 2013 Proposed conclusion of agreement to transfer real estate trust beneficiary interests and proposed acquisition of Hankyu Corporation Head Office Building

April 16, 2013 Proposed conclusion of agreement to transfer real estate trust beneficiary interests and proposed acquisition of HANKYU NISHINOMIYA GARDENS

#### 10. Future Outlook

The acquisition of these properties will have minimal influence on the conditions surrounding the management of Hankyu REIT's assets for the fiscal period ending May 2013 (December 1, 2012 to May 31, 2013) and there is thus no revision to the forecasts for such.

- 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/>

#### <Attached Materials>

- Reference Material 1 Overview of Appraisal Report
- Reference Material 2 Table of Real Estate Portfolio After the Asset Replacement
- Reference Material 3 Property Photograph, and Map of Location and Surrounding Area

## Reference Material 1

## &lt;Overview of Appraisal Report&gt;

PROPERTY NAME	HANKYU NISHINOMIYA GARDENS
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Appraised value	20,300,000,000 yen
Appraisal organization	The Tanizawa Sogo Appraisal Co., Ltd.
Date of appraisal	March 21, 2013

Item	Value	Basis for Valuation
Value indicated by the income approach*	72,500,000,000 yen	Provisional calculation with weight on the DCF method and verified from the direct capitalization method
Value using the direct capitalization method	73,800,000,000 yen	—
(1) Operating revenues (a + b - c)	4,413,600,000 yen	—
a Income from rental fees, etc.	4,413,600,000 yen	Assessment of market rent with existing master lease rent by verification based on market-rent-based subleasing business revenues/expenses
b Other income	0 yen	—
c Loss from non-occupancy, etc.	0 yen	Not recorded, taking into consideration the lease format (vacancy risks taken into account in capitalization rate assessment, etc.)
(2) Operating costs (a + b + c + d + e + f + g)	534,266,818 yen	—
a Maintenance/Administrative fees, etc.	0 yen	Not recorded, taking into consideration the lease format
b Utilities	0 yen	Not recorded, taking into consideration the lease format
c Repairs	37,431,000 yen	Assessment based on engineering report, similar cases, etc.
d Property management fees	3,600,000 yen	Based on projected amount
e Public charges and taxes	426,450,050 yen	Assessment based on materials on fiscal 2012 tax amount
f Casualty insurance premiums	17,726,000 yen	Based on projected amount
g Other expenses	49,059,768 yen	Recorded payable ground rent, road occupancy fees, etc.
(3) Net operating income (NOI = (1) - (2))	3,879,333,182 yen	—
(4) Operating profit on lump-sum payments	44,136,000 yen	Assessment based on existing lease agreement content, surrounding market trends, etc.
(5) Capital expenditures	87,339,000 yen	Assessment based on engineering report, similar cases, etc.
(6) Net cash flow (NCF = (3) + (4) - (5))	3,836,130,182 yen	—
(7) Capitalization rate	5.2%	Assessment taking as reference the market-derived capitalization rate, etc. of similar real estate
Value using the discounted cash flow (DCF) method	71,900,000,000 yen	—
Discount rate per period	5.3%	Assessment taking into account the appraised real estate's regional characteristics, property-specific risks, etc.
Terminal capitalization rate	5.5%	Assessment factoring in future uncertainties, etc. into the capitalization rate
Value indicated by the cost approach*	69,000,000,000 yen	—
Land ratio	69.8%	—
Building ratio	30.2%	—

<p>Special items to consider at the time of making adjustments to provisional calculations and deciding the appraised value</p>	<p>The appraised real estate is a large retail facility that opened in the fall of 2008 as a result of redevelopment of the former site of Hankyu Nishinomiya Stadium (formerly Hankyu Nishinomiya Kyujo) located in a commercial district along the Yamate-kansen Street in an approximately 250m vicinity to the southeast of Hankyu Railway Nishinomiya-kitaguchi Station. In addition to the location conditions, building grade, etc., the trade area population and customers' purchasing power, etc. are excellent and the ability to attract customers, centering on the cities between Osaka and Kobe, is high. The appraisal decision was based on the "rental building and its lot (partial leased-land right)" category, setting the value indicated by the income approach assessed using both the direct capitalization method and DCF method as the standard and verified from the value indicated by the cost approach to derive the value of the block of buildings and its lot, and then that value multiplied by the ownership interest for which the appraisal is being conducted (28%). As a result, the appraised value (market value based on special consideration) was decided at 20,300,000,000 yen.</p> <p>*The value indicated by the income approach and the value indicated by the cost approach above is the value corresponding to the block of buildings and its lot.</p>
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The appraised value of real estate is no more than an indication of the opinion of the value of the appraised real estate at the time of the appraisal conducted by the real estate appraiser in accordance with the Act on Real Estate Appraisal, Real Property Appraisal Standards, etc. There are cases where another appraisal of the same real estate may result in a different appraised value, depending on the real estate appraiser conducting the appraisal and the method or timing of the appraisal. Furthermore, the appraisal of real estate is neither a guarantee nor an obligation, now or into the future, of a sale or purchase at that appraised value.

<Overview of Appraisal Report>

PROPERTY NAME	Hankyu Corporation Head Office Building
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Appraised value	10,200,000,000 yen
Appraisal organization	Daiwa Real Estate Appraisal Co., Ltd.
Date of appraisal	February 28, 2013

Item	Value	Basis for Valuation
Value indicated by the income approach*	10,200,000,000 yen	
Value using the direct capitalization method	10,300,000,000 yen	
(1) Operating revenues (a + b - c)	719,424,000 yen	
a Income from rental fees, etc.	719,424,000 yen	Assessment taking into consideration the contracted rent levels and market rent levels
b Other income	0 yen	Assessment based on actual amount
c Loss from non-occupancy, etc.	0 yen	Assessment based on actual amount
(2) Operating costs (a + b + c + d + e + f)	133,467,753 yen	
a Maintenance/Administrative fees, etc.	3,600,000 yen	Assessment based on existing agreement content
b Utilities	0 yen	Assessment based on actual amount
c Repairs	24,185,083 yen	Assessment based on engineering report
d Public charges and taxes	97,415,600 yen	Assessment based on actual amount
e Casualty insurance premiums	4,669,950 yen	Assessment based on quoted amount
f Other expenses	3,597,120 yen	Assessment based on existing agreement content
(3) Net operating income (NOI = (1) - (2))	585,956,247 yen	
(4) Operating profit on lump-sum payments	3,597,120 yen	Assessment taking into consideration the investment management yield from the perspective of both the investment management aspect and procurement aspect
(5) Capital expenditures	83,737,500 yen	Assessment based on engineering report
(6) Net cash flow (NCF = (3) + (4) - (5))	505,815,867 yen	
(7) Capitalization rate	4.9%	Assessment taking into consideration the appraised real estate's location conditions, building conditions, agreement conditions, etc. in a comprehensive manner
Value using the discounted cash flow (DCF) method	10,200,000,000 yen	
Discount rate per period	4.7%	Assessment taking into consideration the long-term financial instruments investment yield, borrowing rates, risks as an investment target, etc.
Terminal capitalization rate	5.1%	Assessment taking into consideration the appraised real estate's location conditions, building conditions, agreement conditions, etc. in a comprehensive manner
Value indicated by the cost approach*	8,740,000,000 yen	
Land ratio	59.9%	
Building ratio	40.1%	

Special items to consider at the time of making adjustments to provisional calculations and deciding the appraised value	The appraisal decision was based on an assessment of the value indicated by the income approach using both the direct capitalization method and DCF method at 10,200,000,000 yen and taking as reference the value indicated by the cost approach. As a result, the appraised value was decided at 10,200,000,000 yen.
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The appraised value of real estate is no more than an indication of the opinion of the value of the appraised real estate at the time of the appraisal conducted by the real estate appraiser in accordance with the Act on Real Estate Appraisal, Real Property Appraisal Standards, etc. There are cases where another appraisal of the same real estate may result in a different appraised value, depending on the real estate appraiser conducting the appraisal and the method or timing of the appraisal. Furthermore, the appraisal of real estate is neither a guarantee nor an obligation, now or into the future, of a sale or purchase at that appraised value.

## Reference Material 2

## &lt;Table of Real Estate Portfolio After the Asset Replacement&gt;

After the Asset Replacement (as of March 29, 2013)

Property Code (Note 1)	Property Name	Facility (Type of Use)	Region	Acquisition Date (Actual/Proposed)	Acquisition Price (Actual/Proposed) (million yen)	Investment Ratio
R1 (K)	HEP Five (Note 2) (Note 3)	Retail	Kansai	February 1, 2005	6,468	5.6%
R2 (K)	Kitano Hankyu Building	Retail	Kansai	February 1, 2005	7,740	6.7%
R3 (K)	Dew Hankyu Yamada	Retail	Kansai	February 1, 2005	6,930	6.0%
R4 (K)	Takatsuki-Josai Shopping Center	Retail	Kansai	November 15, 2005	8,600	7.4%
R5 (K)	Nitori Ibaraki-Kita Store (site)	Retail	Kansai	March 29, 2006	1,318	1.1%
R6	Kohnan Hiroshima Nakano-Higashi Store (site)	Retail	Other	October 2, 2006	2,170	1.9%
				April 9, 2007	5	
R7 (K)	NU chayamachi (Note 3)	Retail	Kansai	Transfer	—	—
R8	Hotel Gracery Tamachi	Retail	Other	December 25, 2008	4,160	3.6%
R9 (K)	LaLaport KOSHIEN (site)	Retail	Kansai	January 22, 2009	7,350	6.3%
R10	Richmond Hotel Hamamatsu	Retail	Other	January 22, 2009	2,100	1.8%
R11 (K)	HANKYU NISHINOMIYA GARDENS	Retail	Kansai	April 16, 2013	18,300	15.8%
	Subtotal				65,141	56.1%
O1	Shiodome East Side Building	Office	Other	February 29, 2008	19,025	16.4%
O2 (K)	Hankyu Corporation Head Office Building	Office	Kansai	April 10, 2013	10,200	8.8%
	Subtotal				29,225	25.2%
M1 (K)	Ueroku F Building	Complex	Kansai	November 1, 2005	2,980	2.6%
M2	Sphere Tower Tennoz	Complex	Other	October 2, 2007	9,405	8.1%
M3 (K)	LAXA Osaka	Complex	Kansai	January 22, 2009	5,122	4.4%
M4 (K)	Namba-Hanshin Building	Complex	Kansai	January 22, 2009	4,310	3.7%
	Subtotal				21,817	18.8%
	Total				116,184	100.0%

Note 1: The properties owned by Hankyu REIT are assigned codes classified by facility (type of use) and region.

The letters on the left represent the facility (type of use): "R" is for retail-use facility, "O" is for office-use facility and "M" is for mixed-use (complex) facility. The numerals are the numbers assigned to each facility in the chronological order of the acquisition. Also, the letter "K" in parentheses to the right of the numerals indicates that the property is located in the Kansai region.

Note 2: HEP Five's acquisition price and investment ratio are the figures after partial transfer.

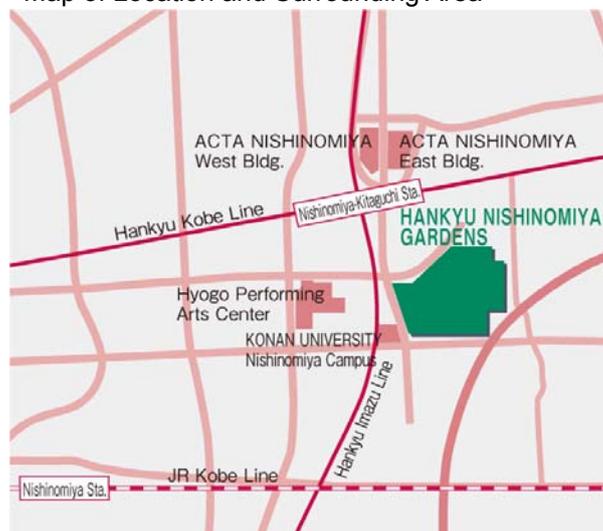
Note 3: For the partial transfer of HEP Five and transfer of NU chayamachi, please refer to the "Notice Concerning Transfer of Domestic Real Estate Trust Beneficiary Interests" dated today.

Reference Material 3

<HANKYU NISHINOMIYA GARDENS: Property Photograph>



<HANKYU NISHINOMIYA GARDENS:  
Map of Location and Surrounding Area>



<Hankyu Corporation Head Office Building: Property Photo>



<Hankyu Corporation Head Office Building: Map of Location and Surrounding Area>

