



March 19, 2025

For Immediate Release

REIT Issuer

Hankyu Hanshin REIT, Inc. (Securities Code: 8977)
19-19 Chaya-machi, Kita-ku, Osaka
Toyoshige Okazaki, Executive Director

Asset Management Company

Hankyu Hanshin REIT Asset Management, Inc.
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Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interest

Hankyu Hanshin REIT, Inc. (hereafter "HHR") hereby notifies that Hankyu Hanshin REIT Asset Management, Inc., the asset management company that HHR has selected to manage its assets (hereafter the "Asset Management Company"), today decided to make the following acquisition of asset.

Details

1. Overview of Acquisition

AEON MALL INAGAWA

- | | |
|---|---|
| 1) Specified asset type: | Trust Beneficiary Interest
(Trustee: Sumitomo Mitsui Trust Bank, Limited) |
| 2) Property name: | AEON MALL INAGAWA |
| 3) Planned acquisition price ^(Note1) : | 11,500,000,000 yen |
| 4) Appraisal value: | 11,600,000,000 yen (Date of appraisal: February 1, 2025) |
| 5) Planned acquisition date: | April 24, 2025 |
| 6) Seller: | Domestic corporation
(Please refer to postscript "5. Overview of Seller") ^(Note2) |
| 7) Intermediary: | Applicable
(Please refer to postscript "8. Overview of Intermediary") ^(Note 3) |
| 8) Acquisition fund: | Proceeds from funds procured from the transfer of Shiodome East Side Building and cash on hand |

(Note 1) Excluding acquisition-related expenses, property tax, city planning tax and consumption tax, among others.

(Note 2) Not disclosed as consent has not been obtained from the Seller.

(Note 3) Not disclosed as consent has not been obtained from the intermediary.

2. Reason for Acquisition

The acquisition of AEON MALL INAGAWA (hereafter the "Property"), a retail facility in the Kansai Region that is a key investment target of HHR in accordance with the asset management targets and policies set out in the Articles of Incorporation, aims to ensure the continued steady growth of HHR. Also, we plan to utilize the proceeds from the transfer of Shiodome East Side Building when acquiring the Property to further enhance distributions.

The Property is a community-based retail facility located along a railway line owned by the Sponsor Group and

is being acquired through the exclusive network of the Asset Management Company. The decision to acquire the Property was made after comprehensively considering the following: with a NOI yield of 5.5%, it will help improve the profitability of the portfolio; it is a community-based retail facility that is expected to generate stable cash flows over the medium-to-long-term; and it was priced within the appropriate range for HHR. HHR will continue to grow utilizing the network of the Asset Management Company and the Sponsor Group.

The following were evaluated as key benefits in deciding to acquire the Property:

The Property is close to Nissei Chuo Station on the Nose Electric Railway, which is operated by the Sponsor Group, and it is a community-based retail facility in a dominant area of the Sponsor Group. There are three new towns, including Inagawa Park Town, within a 15-minute drive of the Property, and hopefully many new families with children will visit on weekends. It is comprehensively leased to AEON RETAIL Co., Ltd. and consists of the anchor store AEON INAGAWA, supermarket, and specialty stores. We have determined that it has a highly competitive position in the local market.

3. Details of the Asset Planned to be Acquired

Property name		AEON MALL INAGAWA			
Specified asset type		Trust Beneficiary Interest			
Trustee of the trust		Sumitomo Mitsui Trust Bank, Limited (planned)			
Period of trust		April 24, 2025 to April 30, 2035 (planned)			
Planned acquisition price		11,500,000,000 yen			
Appraisal value		11,600,000,000 yen (Date of appraisal: February 1, 2025) (Appraisal organization: The Tanizawa Sogo Appraisal Co., Ltd.)			
Location	Address	Shirokane 2-chome, Inagawa-cho, Kawabe-gun, Hyogo Prefecture			
Land	Building coverage	80%	Building (Note 1)	Month/Year built	April 1998 (Time of new construction) September 2007 (Time of extension)
	Floor area ratio	300%		Structure/ Floor	Steel-framed, flat-roofed, 4 floors
	Zone use	Neighborhood commercial		Use	Store and Parking lot
	Site area (Note 1)	59,550.39 m ²		Total floor area	62,100.86 m ² (Note 2)
	Form of ownership	Right of ownership		Form of ownership	Right of ownership
Design company		Morimoto Corporation First Class Architect Office (Time of new construction) Takenaka Corporation Osaka First Class Architect Office (Time of extension)			
Construction company		Morimoto Corporation (Time of new construction) Takenaka Corporation (Time of extension)			
Building recognition organization		Hyogo Prefectural Government Hanshinkita District Administration Office Chief Architect			
Property manager		JLL Retail Management K.K. (planned)			
Earthquake PML (evaluators)		1.2% (ERS Corporation)			
Collateral		None			
Other matters to note		· According to the Engineering Report, there are multiple points pointed out regarding the Building Standard Law, etc., but said points are scheduled to be corrected promptly after HHR acquires the target real estate.			

(Note 1) The site area of the land is shown based on that stated in the registry.

(Note 2) Total floor area includes annex buildings (Parking lot: Steel-framed, flat-roofed, high-floor, single-story building 5,665.04m²).

4. Overview of Leasing

Total number of tenants	1
Principal tenants	AEON RETAIL Co., Ltd.
Annual rent	Undisclosed (Note 1)
Leasable area	62,100.86 m ²
Leased area	62,100.86 m ²
Occupancy rate	100.0% (Note 2)
Security deposits	Undisclosed (Note 1)

(Note 1) Not disclosed as consent has not been obtained from the tenant.

(Note 2) The rate is the ratio of the rental area to the leasable area.

5. Overview of Seller

Not disclosed because consent has not been obtained from the transferee domestic corporation regarding disclosure of the name, etc. There is no capital, personnel or business relationship to note between HHR or the Asset Management Company and the corporation. It is not a related party.

6. Status of Property Acquirers, etc.

Details are omitted as the acquisition of the Property is not an acquisition from parties with special interest in HHR or the Asset Management Company.

7. Transaction with Interested Parties, etc.

Not applicable.

8. Overview of Intermediary

Not disclosed because consent has not been obtained from the domestic business corporation as the intermediary regarding disclosure of the name, etc. There is no capital, personnel or business relationship to note between HHR or the Asset Management Company and the corporation. It is not a related party.

9. Settlement Method, etc.

Collective payment on the planned acquisition date.

10. Schedule of Acquisition

March 19, 2025	Resolutions of acquisition of the Property adopted at the Asset Management Company's Board of Directors Meeting
April 10, 2025	Conclusion of property agreement for the Property (planned)
April 24, 2025	Payment for and acquisition of the Property (planned)

11. Future Outlook

In conjunction with the acquisition of the Property, we have made forecasts for the operating results and distributions for the fiscal period ending May 2025 (40th fiscal period) and the fiscal period ending November 2025 (41st fiscal period). For details, please refer to the “Notice Concerning Revision to the Forecasts of Financial Results and Distribution for the Fiscal Period Ending May 2025 and Ending November 2025” dated today.

*HHR website: <https://www.hankyuhanshinreit.co.jp/eng/>

<Attached Materials>

- Reference Material 1: Overview of Appraisal Report
- Reference Material 2: Table of Real Estate Portfolio after the Acquisition of the Asset Planned to be Acquired
- Reference Material 3: Property Photograph and Map of Surrounding Area

< Overview of Appraisal Report >

Property name	AEON MALL INAGAWA
Appraisal value	11,600,000,000 yen
Appraisal organization	The Tanizawa Sogo Appraisal Co., Ltd.
Date of appraisal	February 1, 2025

Item	Value	Basis for valuation
Value indicated by the income approach	11,600,000,000 yen	
Value indicated by the direct capitalization method	11,600,000,000 yen	
(1) Operating income (a + b - c)	undisclosed	
a. Income from rental fees, etc		
b. Other income		
c. Non-occupancy loss, etc.		
(2) Operating costs (a + b + c + d + e + f + g + h)	undisclosed	
a. Maintenance/Administrative fees, etc.		
b. Utilities		
c. Repairs		
d. Property management fee		
e. Cost for tenant recruitment		
f. Public charges and taxes		
g. Casualty insurance premiums		
h. Other expenses		
(3) Net operating income (NOI = (1) - (2))	641,146,854 yen	
(4) Operating profit on deposit and security	7,475,760 yen	Assess investment yields based on the yields of financial instruments including government bonds, trends in borrowing interest rates, future forecasts, etc.
(5) Capital expenditures	55,000,000 yen	Assess based on engineering reports and figures from similar cases
(6) Net cash flow (NCF = (3) + (4) - (5))	593,622,614 yen	
(7) Capitalization rate	5.1%	Assess by comparing the yields of multiple transactions in similar areas within the same supply and demand zone, taking into account the forecast of future fluctuations in net income and the discount rate.
Value indicated by DCF method	11,600,000,000 yen	
Discount rate (1st to 3rd year)	5.1%	Assess considering the individual risks for the target property
Discount rate (From 4th year onwards)	5.2%	
Terminal capitalization rate	5.3%	Assess based on capitalization rate with future forecast uncertainty
Value indicated by the cost approach	11,000,000,000 yen	
Land ratio	67.4%	
Building ratio	32.6%	

Special items to consider at the time of making adjustments to provisional calculations and deciding the appraisal value	
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*The appraisal 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 appraisal 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 appraisal value.

Reference Material 2

<Table of Real Estate Portfolio After the Acquisition of the Asset Planned to be Acquired >

Property Name	Facility (Type of Use)	Region	Acquisition (Planned) Date	Acquisition(Planned) Price(millions of yen)	Investment Ratio
HEP Five (14% of the quasi co-ownership of the trust beneficiary interests)	Retail	Kansai	February 1, 2005	6,468	3.7%
Kitano Hankyu Building	Retail	Kansai	February 1, 2005	7,740	4.4%
Dew Hankyu Yamada	Retail	Kansai	February 1, 2005	6,930	4.0%
Takatsuki-Josai Shopping Center	Retail	Kansai	November 15, 2005	8,600	4.9%
			June 4, 2020	55	
Nitori Ibaraki-Kita Store (site)	Retail	Kansai	March 29, 2006	1,318	0.8%
HANKYU NISHINOMIYA GARDENS (28% of the quasi co-ownership of the trust beneficiary interests)	Retail	Kansai	April 16, 2013	18,300	10.5%
AEON MALL SAKAIKITA HANADA (site)	Retail	Kansai	June 27, 2013	8,100	4.6%
MANDAI Toyonaka Honan Store (site)	Retail	Kansai	June 27, 2013	1,870	1.1%
Kita-Aoyama San cho-me Building	Retail	Other	November 12, 2013	1,680	1.0%
kotocross Hankyu Kaw aramachi	Retail	Kansai	June 4, 2014	2,770	1.6%
DAILY QANAT Izumiya Horikawa Marutamachi Store (site)	Retail	Kansai	June 4, 2014	3,100	1.8%
LIFE Shimoyamate Store (site)	Retail	Kansai	June 4, 2014	1,421	0.8%
MANDAI Gojo Nishikoji Store (site)	Retail	Kansai	June 24, 2014	4,182	2.4%
KOHO Onohara Store	Retail	Kansai	July 1, 2016	1,631	0.9%
OASIS Town Itami Konoike (site)	Retail	Kansai	November 25, 2016	7,100	4.1%
METS OZONE	Retail	Other	February 15, 2018	5,400	3.1%
MANDAI Nigawa Store (site)	Retail	Kansai	March 27, 2018	2,280	1.3%
LAMU Higashiosaka Branch (site)	Retail	Kansai	March 27, 2018	1,850	1.1%
Vessel Inn Hakata Nakasu	Retail	Other	March 29, 2018	2,760	1.6%
FUNDES JIMBOCHO	Retail	Other	March 29, 2019	2,830	1.6%
Valor Takatsuki Store (site)	Retail	Kansai	March 29, 2019	2,258	1.3%
nanohana Ebisubashi (site)	Retail	Kansai	March 31, 2020	4,230	2.4%
MANDAI Shimoshinjo Store	Retail	Kansai	March 31, 2020	674	0.4%
H-CUBE MINAMIAOYAMA	Retail	Other	December 14, 2021	6,650	3.8%
H-CUBE MINAMIAOYAMA II	Retail	Other	December 1, 2022	3,468	2.0%
Home Center Kohnan Sakai Takasu Store (site)	Retail	Kansai	March 27, 2024	6,500	3.7%
Friend Mart Ibaraki Hirata Store (site)	Retail	Kansai	April 3, 2025	2,440	1.4%
AEON MALL INAGAWA	Retail	Kansai	April 24, 2025	11,500	6.6%
Subtotal				134,105	76.7%
Shiodome East Side Building	Office	Other	To be transferred	—	—
Hankyu Corporation Head Office Building	Office	Kansai	April 10, 2013	10,200	5.8%
SHIBAURA RENASITE TOWER (equivalent of 10% co-ownership)	Office	Other	May 28, 2020	3,475	2.0%
Subtotal				13,675	7.8%
Ueroku F Building	Complex	Kansai	November 1, 2005	2,980	1.7%
LAXA Osaka	Complex	Kansai	January 22, 2009	5,122	2.9%
GRAND FRONT OSAKA (Umekita Plaza and South Building) (equivalent of 4.9% co-ownership)	Complex	Kansai	December 5, 2018	9,212	5.3%
GRAND FRONT OSAKA (North Building) (equivalent of 4.9% co-ownership)	Complex	Kansai	December 5, 2018	6,566	3.8%
H-CUBE KITAAOYAMA	Complex	Other	December 1, 2022	1,410	0.8%
Subtotal				25,290	14.5%
Coop Kobe Delivery Center Nishinomiya (site)	Other	Kansai	December 27, 2021	1,864	1.1%
Subtotal				1,864	1.1%
Total				174,935	100.0%

(Note) In addition to the acquisition of the Property, the transfer of "Shiodome East Side Building" and the acquisition of "Friend Mart Ibaraki Hirata (site)" announced in the "Notice Concerning Acquisition of Domestic Real Estate, and Transfer of Domestic Real Estate Trust Beneficiary Interest" dated March 11, 2025 are considered.

Reference Material 3

< AEON MALL INAGAWA Property photograph >



< AEON MALL INAGAWA Map of Surrounding Area >

