



Hankyu Hanshin REIT

For Immediate Release

(Translation of Japanese Original)
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REIT Issuer

Hankyu Hanshin 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 Issuance of Investment Corporation Bonds (Green Bonds) and
Early Repayment of Existing Borrowings**

Hankyu Hanshin REIT, Inc. (hereafter “HHR”) announces that it has decided to issue investment corporation bonds (hereafter the “Green Bonds”) based on the comprehensive resolution on the issuance of the investment corporation bonds at the executive meeting held on September 16, 2020. HHR also announces that it has decided to make an early repayment of existing borrowings as described below.

1. Overview of investment corporation bonds

	5-year bonds	10-year bonds
(1) Name	Hankyu Hanshin REIT Forth Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds) (green bonds)	Hankyu Hanshin REIT Fifth Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds) (green bonds)
(2) Total issue amount	1.0 billion yen	1.0 billion yen
(3) Form of bond certificates	No bond certificates for the Green Bonds will be issued subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc.	
(4) Issue price	100 yen per value of 100 yen of each bond	
(5) Redemption price	100 yen per value of 100 yen of each bond	
(6) Interest rate	0.300% per annum	0.540% per annum
(7) Denomination of each bond	100 million yen	
(8) Offering method	Public offering	
(9) Subscription date	October 22, 2020(Thursday)	
(10) Payment date	October 28, 2020(Wednesday)	
(11) Security and guarantee	The Green Bonds will be issued on an unsecured and unguaranteed basis with no specific assets reserved.	
(12) Redemption method and date	The total issue amount will be redeemed on October 28, 2025.	The total issue amount will be redeemed on October 28, 2030.
	The Green Bonds may be repurchased and cancelled at any time after the payment date unless otherwise provided for by the book-entry transfer agent.	

	5-year bonds	10-year bonds
(13) Interest payment date	April 28 and October 28 of each year (or the previous business day if the applicable date is a non-business day of the bank.)	
(14) Financial covenant	Negative pledge clause is established	
(15) Credit rating	AA- (Japan Credit Rating Agency, Ltd.)	
(16) Agent for finance, issuance and payment	Sumitomo Mitsui Trust Bank, Limited	
(17) Underwriters	Nomura Securities Co., Ltd. SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd.	SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd. Nomura Securities Co., Ltd.

2. Reason for Issuance

HHR decided to issue the Green Bonds with the aim of further promoting its initiatives concerning sustainability through procurement of funds by the Green Bonds, expanding the investor base while stimulating demand of bond investors who have a strong interest in ESG investment and diversifying fund procurement methods.

The Green Bonds will be issued as green bonds based on the Green Finance Framework ^(Note), that HHR has formulated as announced in “Notice Concerning Submission of Revised Shelf Registration Statement for issuance of Green Bonds” on October 13, 2020.

For eligibility of the Green Finance Framework, HHR has been assigned “Green 1 (F),” the highest evaluation grade in the JCR Green Finance Framework Evaluation by Japan Credit Rating Agency, Ltd. (JCR).

(Note) For the content of the Green Finance Framework, please refer to “Notice Concerning Submission of Revised Shelf Registration Statement for issuance of Green Bonds” on October 13, 2020.

3. Amount, Use and Scheduled Date of Expenditure of Funds to Be Procured

(1) Amount of funds to be procured (estimated net proceeds)

1,980 million yen

(2) Specific use of funds and scheduled date of expenditure

HHR plans to apply all of the proceeds from the Green Bonds to fund the repayment of the loans (including the loans from subsequent refinancing) that were required for acquisition of Shiodome East Side Building, an eligible green asset under the Green Finance Framework.

4. Investors Who Declared Investment in the Green Bonds

- YOKOHAMA MINATOMIRAI21 CORPORATION
- The Kita Osaka Shinkin Bank
- Daitokyo Shinyokumiai Credit Cooperative
- Tokio Marine & Nichido Fire Insurance Co., Ltd.
- Nishihyogo Shinkin Bank
- Credit Guarantee Corporation of Osaka
- SHIZUOKA YAIZU SHINKIN BANK
- THE TAKINOGAWA SHINKINBANK
- Nagano Shinkin Bank
- LIFENET INSURANCE COMPANY

5. Overview of Early Repayment of Borrowings

Category	Lender	Amount of debt financing (millions of yen)	Drawdown date	Lending and repayment methods	Scheduled early repayment date	Maturity date
Short-term borrowings	Mizuho Bank, Ltd.	700	August 31, 2020	Unsecured/ non-guaranteed Lump-sum repayment	October 30, 2020	August 31, 2021
	Mizuho Trust & Banking Co., Ltd.	700				
	The Senshu Ikeda Bank, Ltd.	600				
Total		2,000				

6. Balance of Interest-bearing Debt after Issuance of the Green Bonds and Early Repayment (as of October 30, 2020)

	Before execution of the debt financing (millions of yen)	After execution of the debt financing (millions of yen)	Change (millions of yen)
Short-term borrowings	6,500	4,500	-2,000
Long-term borrowings (Note)	64,900	64,900	±0
Total debt financing	71,400	69,400	-2,000
Investment corporation bonds	4,000	6,000	+2,000
Total interest-bearing liabilities	75,400	75,400	±0

7. Other

The risks associated with the Green Bonds, such as risks of redemption, have not changed in any material way from the “Investment Risks” stated in the most recent Securities Report (submitted on August 25, 2020).

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