



<Provisional translation>

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For Immediate Release

REIT Issuer

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

Asset Management Company

Hankyu Hanshin REIT Asset Management, Inc.
Yoshiaki Shiraki, President & Representative Director
Contact:
Hiroshi Yoshida
General Manager, IR and Public Relations Department
Email: IR_PR@hhram.co.jp

Notice Concerning Debt Financing and Early Repayment of Existing Borrowing

Hankyu Hanshin REIT, Inc. (hereafter “Hankyu Hanshin REIT”) announces its decision made today to undertake debt financing (hereafter “Debt Financing”) and early repayment of existing borrowing as described below.

1. Reason for Debt Financing

These funds will be allocated for the early repayment of 1,000 million yen in borrowings executed on February 28, 2018, 1,000 million yen in borrowings executed on May 28, 2018, and 1,500 million yen in borrowings executed on May 31, 2018.

2. Details of Debt Financing (Scheduled)

Category	Lender		Amount of debt financing (millions of yen)	Interest rate (Note)	Drawdown date	Lending and repayment methods	Maturity date
Long-term borrowings	1	MUFG Bank, Ltd.	2,500	Not determined Fixed interest rate	October 29, 2018	Unsecured/ non-guaranteed	October 30, 2028
	2		1,000		October 31, 2018	Lump-sum repayment	October 31, 2028
Total			3,500				

Note: • The interest payment dates for No.1 are the 29th of every April and October with the first payment date being April 29, 2019 (or the next business day if the applicable date is a non-business day of the bank. In case the next business day falls into next month, it is due the previous business day). The interest payment dates for No.2 are the last day of every April and October with the first payment date being April 30, 2019 (or the previous business day if the applicable date is a non-business day of the bank).

- The interest rates are scheduled to be determined on October 25, 2018 for No.1 and October 29, 2018 for No.2, respectively. They will be announced once they are determined.

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	Repayment date (early repayment) (scheduled)	Maturity date
Short-term borrowings	MUFG Bank, Ltd. (Formerly Mitsubishi UFJ Trust and Banking Corporation)	1,000	February 28, 2018	Unsecured/ non-guaranteed	October 31, 2018	February 28, 2019
	MUFG Bank, Ltd.	1,000	May 28, 2018	Lump-sum repayment	October 29, 2018	May 28, 2019
		1,500	May 31, 2018			
Total		3,500				

4. Balance of Interest-bearing Debt After Execution of Debt Financing and Early Repayment

	Before execution of the debt financing and early repayment (millions of yen)	After execution of the debt financing and early repayment (millions of yen)	Change (millions of yen)
Short-term borrowings	6,500	3,000	-3,500
Long-term borrowings (Note)	57,400	60,900	+3,500
Total debt financing	63,900	63,900	±0
Investment corporation bonds	4,000	4,000	±0
Total interest-bearing liabilities	67,900	67,900	±0

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

5. Others

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 Report for the 26th fiscal period submitted on August 24, 2018.

• Hankyu Hanshin REIT website: <https://www.hankyuhanshinreit.co.jp/eng/>