

<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.**  
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Notice Concerning Debt Financing

Hankyu Hanshin REIT, Inc. (hereafter “Hankyu Hanshin REIT”) announces its decision made today to undertake debt financing (hereafter “Debt Financing”) as described below. The borrowing from Sumitomo Mitsui Banking Corporation is based on SMBC Environmental Considerations Lending Program which takes into consideration corporate environmental initiatives.

1. Reason for Debt Financing

These funds will be allocated for the repayments of 5,500 million yen in borrowings executed on July 22, 2014, 1,000 million yen in borrowing executed on July 31, 2018 and 1,000 million yen in borrowing executed on January 31, 2019.

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
Short-term borrowings	Sumitomo Mitsui Banking Corporation	4,500	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.15%  Variable interest rate	July 31, 2019	Unsecured/ non-guaranteed	July 31, 2020
	MUFG Bank, Ltd.	3,000			Lump-sum repayment	September 30, 2019
Total		7,500				

- Note:
- The interest payment dates are the last day of every month, with the first payment date being August 30, 2019 (or the previous business day if the applicable date is a non-business day of the bank.). Base interest rate applied on the interest to be paid on interest payment date will be JBA 1-month Japanese Yen TIBOR as of two days prior to the most recent interest payment date (in case of first payment, this will be the drawdown date) of each interest payment date.
  - The JBA 1-month Japanese Yen TIBOR can be referenced on the website of the JBA TIBOR Administration: <http://www.jbatibor.or.jp/english/rate/>
  - In the future, Hankyu Hanshin REIT will not provide notifications regarding the determination of variable interest rate. As for changes to the applicable base interest rate, please refer to the website of JBA TIBOR Administration.

### 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	Maturity date
Long-term borrowings	Sumitomo Mitsui Banking Corporation	3,500	July 22, 2014	Unsecured/ non-guaranteed  Lump-sum repayment	July 31, 2019
	MUFG Bank, Ltd.	2,000			
Short-term borrowings	Sumitomo Mitsui Banking Corporation	1,000	July 31, 2018		
	MUFG Bank, Ltd.	1,000	January 31, 2019		
Total		7,500			

### 4. Balance of Interest-bearing Debt After Execution of Debt Financing

	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	7,000	12,500	+5,500
Long-term borrowings (Note)	62,900	57,400	-5,500
<b>Total debt financing</b>	<b>69,900</b>	<b>69,900</b>	<b>±0</b>
Investment corporation bonds	4,000	4,000	±0
<b>Total interest-bearing liabilities</b>	<b>73,900</b>	<b>73,900</b>	<b>±0</b>

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 27th fiscal period submitted on February 27, 2019.

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