



<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

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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.

1. Details of Debt Financing (Scheduled)

Category	Lender		Amount of debt financing (millions of yen)	Interest rate (Note 2)	Drawdown date	Lending and repayment methods	Maturity date
Long-term borrowings	(1)	Sumitomo Mitsui Trust Bank, Limited	600	Not determined Fixed interest rate	December 3, 2018	Unsecured/ non-guaranteed Lump-sum repayment	November 30, 2028
	(2)		600		March 28, 2019		March 28, 2029
		Sumitomo Mitsui Banking Corporation	400				
		Development Bank of Japan Inc.	400				
		Mizuho Bank, Ltd.	400				
		Mizuho Trust & Banking Co., Ltd	400				
	The Senshu Ikeda Bank, Ltd.	200					
Total			3,000				

(Note 1) This information is based on the notice on results of studies issued by financial institutions regarding the debt financing. However, it does not guarantee actual conduct of financing listed above.

(Note 2) • The interest payment dates for (1) are the last day of every May and November with the first payment date being May 31, 2019 (or the previous business day if the applicable date is a non-business day of the bank). The interest payment dates for (2) are the 28th of every March and September with the first payment date being September 28, 2019 (or the

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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 rates are scheduled to be determined on November 29, 2018 for (1), and March 26, 2019 for (2), respectively. They will be announced once they are determined.

2. Reason for Debt Financing

These funds will be allocated to the acquisition funds of new specified assets (GRAND FRONT OSAKA (Umekita Plaza and South Building) (equivalent of 4.9% co-ownership), GRAND FRONT OSAKA (North Building) (equivalent of 4.9% co-ownership), and (Tentative name) Valor Takatsuki Store (site)) described in “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interest and Domestic Real Estate, Commencement of Leasing, and Transfer of Domestic Trust Beneficiary Interest” announced today.

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

(1) Amount to be procured

3,000 million yen (planned)

(2) Specific use of the funds to be procured

To be allocated to acquisition funds of the specific assets.

(3) Expenditure Date (Scheduled)

December 5, 2018 and March 29, 2019

4. Balance of Interest-bearing Debt after Execution of Debt Financing

	Before execution of debt financing (millions of yen)	After execution of debt financing (Note 2) (millions of yen)	Change (millions of yen)
Short-term borrowings	3,000	3,000	± 0
Long-term borrowings (Note 1)	60,900	63,900	+ 3,000
Total debt financing	63,900	66,900	+ 3,000
Investment corporation bonds	4,000	4,000	± 0
Total interest-bearing debt	67,900	70,900	+ 3,000

(Note 1) Long-term borrowings are borrowings with a repayment term (from the drawdown date until the maturity date) exceeding one year.

(Note 2) As for After execution of the debt financing, it is assumed that there would be no new debt financing, refinancing or repayment, etc., other than the ones discussed in this press release.

5. Other

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 Registration Statement submitted today.

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club), Osaka Securities Exchange, the 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 Hanshin REIT website: <https://www.hankyuhanshinreit.co.jp/eng/>

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