



<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

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Notice Concerning the Determination of Prices and Other Items for the Issuance of New Investment Units and Secondary Offering of Investment Units

Hankyu Hanshin REIT, Inc. (hereafter “Hankyu Hanshin REIT”) hereby announces it has determined at its Executive Meeting held today the issue price, offer price and other items concerning the issuance of new investment units and secondary offering of investment units that were resolved at its Executive Meeting held on November 8, 2018. Details are described below.

Details

1. Issuance of New Investment Units through Public Offering (primary offering)

(1) Issue price (offer price):	137,377 yen per unit
(2) Total issue price (total offer price):	7,418,358,000 yen
(3) Amount to be paid in (purchase price):	132,868 yen per unit
(4) Total amount to be paid in (total purchase price):	7,174,872,000 yen
(5) Offering period:	November 20, 2018 (Tue.) to November 21, 2018 (Wed.)
(6) Payment date:	December 3, 2018 (Mon.)
(7) Delivery date:	December 4, 2018 (Tue.)

(Note) The underwriters will purchase investment units for the amount to be paid in (purchase price) and conduct primary offering at the issue price (offer price).

2. Secondary Offering of Investment Units (over-allotment)

(1) Number of investment units to be offered:	2,700 units
(2) Offer price:	137,377 yen per unit
(3) Total offer price:	370,917,900 yen
(4) Offering period:	November 20, 2018 (Tue.) to November 21, 2018 (Wed.)
(5) Delivery date:	December 4, 2018 (Tue.)

Disclaimer: This document is a press release to make a public announcement of the Issuance of New Investment Units and Secondary Offering of Investment Units, and has not been prepared as a solicitation for investment. Hankyu Hanshin REIT advises investors to ensure that they refer to the prospectus for notification of the issuance of new investment units and secondary offering of investment units as well as amendments thereto (if any) prepared by Hankyu Hanshin REIT before undertaking investments and investments be made at their own discretion and responsibility.

3. Issuance of New Investment Units through Third-Party Allotment

(1) Amount to be paid in (purchase price):	<u>132,868 yen per unit</u>
(2) Total amount to be paid in (total purchase price) (Maximum amount):	<u>358,743,600 yen</u>
(3) Subscription period (Subscription Date):	<u>December 25, 2018 (Tue.)</u>
(4) Payment date:	<u>December 26, 2018 (Wed.)</u>

(Note) If there is no subscription for investment units to be issued by the end of the above mentioned “(3) Subscription Period (Subscription Date),” issuance of such investment units shall be cancelled.

<Reference>

1. Calculations of issue price and offer price

(1) Calculation base date and price	<u>November 19, 2018 (Mon.)</u>	<u>143,900 yen</u>
(2) Discount rate (Note)	<u>2.50%</u>	

(Note) Discount rate is calculated by deducting 3,000 yen of forecasted distribution per unit for the fiscal period ending November 2018 from the investment unit price on the reference day (closing price in ordinary trading of Hankyu Hanshin REIT's investment units at the Tokyo Stock Exchange).

2. Syndicate Cover Transaction Period

November 22, 2018 (Thu.) to December 18, 2018 (Tue.)

3. Use of Funds to be Procured

The amount of 7,174,872,000 yen in net proceeds from the primary offering will be allocated to acquisition funds of GRAND FRONT OSAKA (Umekita Plaza and South Building) (equivalent of 4.9% co-ownership) and GRAND FRONT OSAKA (North Building) (equivalent of 4.9% co-ownership) among Hankyu Hanshin REIT's new specified assets (as defined in Paragraph 1, Article 2 of the Act on Investment Trusts and Investment Corporations; the same applies hereafter), as indicated 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” dated November 8, 2018. Furthermore, if the allocation results in a surplus, such shall be held as cash on hand together with the maximum proceeds amount of 358,743,600 yen from the issuance of new investment units through the Third-Party Allotment, deposited in a financial institution until expenditure and allocated to funds for future acquisition of specified assets, deposit or security (Note) or to funds for the repayment of borrowings.

(Note) Part of deposit and security pledged by tenants at assets under management is reserved at trust accounts as cash and deposit for future redemption. However, based on the agreement with the trustee, Hankyu Hanshin REIT may use part of it, and Hankyu Hanshin REIT allocates it for the redemption of part of deposit and security on trust accounts it uses. The deposit and security Hankyu Hanshin REIT uses as of September 30, 2018 is 3,762 million yen.

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club), Osaka Securities Exchange, and 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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