

January 26, 2007

Financial Results for the Fiscal Period From June 1, 2006 to November 30, 2006

Hankyu REIT Inc. is listed on the Tokyo Stock Exchange (J-REIT) with the securities code number 8977. (Website: <http://www.hankyu-reit.jp/>)

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Date of Board of Directors' Meeting on Account Closing: January 26, 2007

Scheduled Commencement Date of Cash Distribution Payment: February 22, 2007

1. Business Results for the Fiscal Period From June 1, 2006 to November 30, 2006

(1) Operating Results

(in millions of yen, rounded down; except as noted)

	Operating revenues		Operating income		Ordinary income	
	Change (%)		Change (%)		Change (%)	
For the period ended						
November 30, 2006	2,745	4.0	1,019	(0.6)	954	1.1
May 31, 2006	2,639	(27.1)	1,026	(29.7)	944	(28.4)

	Net income		Net income per unit	Net income/ Net assets	(Ref.) Annualized percentage
	Change (%)		(yen)	(%)	(%)
For the period ended					
November 30, 2006	952	1.1	13,723	2.7	5.3
May 31, 2006	942	(28.4)	13,579	2.6	5.3

	Ordinary income/ Total assets	(Ref.) Annualized percentage	Ordinary income/ Operating revenues
	(%)	(%)	(%)
For the period ended			
November 30, 2006	1.6	3.3	34.7
May 31, 2006	1.6	3.3	35.8

Notes:

1. Net income per unit is calculated based on the following number of day-averaged investment units for the period.

For the period ended November 30, 2006: 69,400 units

For the period ended May 31, 2006: 69,400 units

2. Change of accounting methods: None

3. Percent figures of operating revenues, operating income, ordinary income, and net income show changes from previous period and the figures are rounded to one decimal place. The number of days for actual duration of operation during the 1st fiscal period from December 3, 2004 to November 30, 2005, which is the previous period of the period ended May 31, 2006, is 303 days.

4. Annualized percentage are calculated respectively as follows.

For the period ended November 30, 2006: The actual figure during the fiscal period/the number of days for the period (183 days) × 365 days

For the period ended May 31, 2006: The actual figure during the fiscal period/the number of days for the period (182 days) × 365 days

5. To calculate the percentages of "Net income/Net assets" and "Ordinary income/Total assets", net assets and total assets were averaged using the figures at the beginning and end of the period.

(2) Distributions

(in millions of yen, rounded down; except as noted)

	Distribution per unit (yen)	Total distributions	Distribution in excess of earnings per unit (yen)	Total distributions in excess of earnings	Payout ratio (%)	Distributions/Net assets (%)
For the period ended						
November 30, 2006	13,723	952	0	—	100.0	2.7
May 31, 2006	13,579	942	0	—	100.0	2.6

Note:

"Distribution per unit" does not include distribution in excess of earnings per unit.

(3) Financial Position

(in millions of yen, rounded down; except as noted)

	Total assets	Net assets	Net assets/ Total assets (%)	Net assets per unit (yen)
As of				
November 30, 2006	58,118	35,652	61.3	513,723
May 31, 2006	57,604	35,642	61.9	513,580

Note:

The number of investment unit issued

As of November 30, 2006

69,400 units

As of May 31, 2006

69,400 units

2. Forecasts for the Fiscal Period From December 1, 2006 to May 31, 2007

(in millions of yen, rounded down; except as noted)

	Operating revenues	Ordinary income	Net income	Distribution per unit (yen)	Distributions in excess of earnings per unit (yen)
For the period ending May 31, 2007	3,235	994	992	14,300	0

Notes:

1. "Distribution per unit" does not include distribution in excess of earnings per unit.
2. Projected net income per unit for the fiscal period ending May 31, 2007 is 14,300 yen.

Disclaimer:

The forecasts for the fiscal period from December 1, 2006 to May 31, 2007 are based on certain assumptions currently available to Hankyu REIT Inc. Actual net income and distribution per unit may differ substantially due to changes in conditions and the forecasts do not guarantee any cash distribution amounts.