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For Immediate Release

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Notice Concerning Debt Financing and Repayment

TOKYU REIT, Inc. ("TOKYU REIT") today announced its decision to undertake debt financing and repayment, brief details as follows.

1. Debt Financing

(1) Rationale

TOKYU REIT undertakes debt financing for procurement of funds to repay long-term debt financing becoming due date. In an effort to ensure stability in connection with the procurement of funds, TOKYU REIT has adopted the strategies to convert its debt financing to long-term fixed interest rate borrowings and to disperse repayment dates.

(2) Details of Debt Financing

Classification	Long-Term Debt Financing	Long-Term Debt Financing	Long-Term Debt Financing
Lender	Mizuho Corporate Bank, Ltd.	Mitsubishi UFJ Trust and Banking Corporation	Development Bank of Japan
Debt Financing Amount	¥2,000 million	¥1,000 million	¥5,000 million
Interest Rate	To be determined (*) (Fixed interest rate)	To be determined (*) (Fixed interest rate)	2.21100% (Fixed interest rate)
Borrowing Method	Unsecured, unguaranteed	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment Method	Lump-sum repayment on maturity	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown Date	June 25, 2008	June 25, 2008	June 25, 2008
Repayment Date	June 25, 2011	December 25, 2013	June 25, 2015
Period	3 years	5 years and 6 months	7 years

(*) The interest rates for the debt financing above are scheduled to be determined on June 23, 2008, and will be announced at that time.

(3) Use of Funds

The funds procured will be used to refinance existing borrowings.

2. Repayment of Debt Financing

(1) Repayment of Short-Term Debt Financing

a. Advanced Repayment of Short-Term Debt Financing Executed on October 31, 2006

Classification	Short-Term Debt Financing	Short-Term Debt Financing	Short-Term Debt Financing
Lender	The Sumitomo Trust & Banking Co., Ltd.	The Chuo Mitsui Trust and Banking Company, Limited	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Principal amount outstanding prior to repayment (Initial amount borrowed)	¥400 million (¥1,000 million)	¥400 million (¥1,000 million)	¥400 million (¥1,000 million)
Amount to be repaid	¥400 million	¥400 million	¥400 million
Interest rate	1.01167% (Floating interest rate)	1.01167% (Floating interest rate)	1.01167% (Floating interest rate)
Borrowing method	Unsecured, unguaranteed	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown date	October 31, 2006	October 31, 2006	October 31, 2006
Repayment date	June 25, 2008	June 25, 2008	June 25, 2008
Maturity date	October 31, 2008 (**)	October 31, 2008 (**)	October 31, 2008 (**)
Repayment source	Separately procured funds	Separately procured funds	Separately procured funds

Classification	Short-Term Debt Financing	Short-Term Debt Financing
Lender	Mizuho Corporate Bank, Ltd.	Mitsubishi UFJ Trust and Banking Corporation
Principal amount outstanding prior to repayment (Initial amount borrowed)	¥400 million (¥1,000 million)	¥400 million (¥1,000 million)
Amount to be repaid	¥400 million	¥400 million
Interest rate	1.01167% (Floating interest rate)	1.01167% (Floating interest rate)
Borrowing method	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown date	October 31, 2006	October 31, 2006
Repayment date	June 25, 2008	June 25, 2008
Maturity date	October 31, 2008 (**)	October 31, 2008 (**)
Repayment source	Separately procured funds	Separately procured funds

(**) Maturity date for the aforementioned short-term debt has been extended.

b. Partial Advanced Repayment of Short-Term Debt Financing Executed on January 31, 2008

Classification	Short-Term Debt Financing	Short-Term Debt Financing	Short-Term Debt Financing
Lender	The Sumitomo Trust & Banking Co., Ltd.	The Chuo Mitsui Trust and Banking Company, Limited	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Principal amount outstanding prior to repayment (Initial amount borrowed)	¥1,700 million (¥1,700 million)	¥1,700 million (¥1,700 million)	¥1,700 million (¥1,700 million)
Amount to be repaid	¥200 million	¥200 million	¥200 million
Interest rate	0.96167% (Floating interest rate)	0.96167% (Floating interest rate)	0.96167% (Floating interest rate)
Borrowing method	Unsecured, unguaranteed	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown date	January 31, 2008	January 31, 2008	January 31, 2008
Repayment date	June 25, 2008	June 25, 2008	June 25, 2008
Maturity date	January 31, 2009	January 31, 2009	January 31, 2009
Repayment source	Separately procured funds	Separately procured funds	Separately procured funds

Classification	Short-Term Debt Financing	Short-Term Debt Financing
Lender	Mizuho Corporate Bank, Ltd.	Mitsubishi UFJ Trust and Banking Corporation
Principal amount outstanding prior to repayment (Initial amount borrowed)	¥1,700 million (¥1,700 million)	¥1,700 million (¥1,700 million)
Amount to be repaid	¥200 million	¥200 million
Interest rate	0.96167% (Floating interest rate)	0.96167% (Floating interest rate)
Borrowing method	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown date	January 31, 2008	January 31, 2008
Repayment date	June 25, 2008	June 25, 2008
Maturity date	January 31, 2009	January 31, 2009
Repayment source	Separately procured funds	Separately procured funds

(2) Repayment of Long-Term Debt Financing

Classification	Long-Term Debt Financing	Long-Term Debt Financing
Lender	The Norinchukin Bank	The Hyakugo Bank, Ltd.
Principal amount outstanding prior to repayment (Initial amount borrowed)	¥4,000 million (¥4,000 million)	¥1,000 million (¥1,000 million)
Amount to be repaid	¥4,000 million	¥1,000 million
Interest rate	1.38875% (Fixed interest rate)	1.23875% (Fixed interest rate)
Borrowing method	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown date	June 25, 2004	June 25, 2004
Repayment date	June 25, 2008	June 25, 2008
Maturity date	June 25, 2008	June 25, 2008
Repayment source	Separately procured funds	Separately procured funds

3. Total Debt After Additional Debt Financing and Repayment

	Debt Balance Prior to Additional Debt Financing and Repayment (¥ millions)	Debt Balance after Additional Debt Financing and Repayment (¥ millions)	Change (¥ millions)
Short-Term Debt Financing	20,000	17,000	-3,000
Long-Term Debt Financing	53,000	56,000	+3,000
Total Debt Financing	73,000	73,000	0
Investment Corporation Bonds	10,000	10,000	0
Interest-Bearing Liabilities	83,000	83,000	0

Reference

1. Interest-Bearing Debt Ratios after Debt Financing and Repayment

Interest-bearing debt to total assets ratio	41.0%
Interest-bearing debt to total appraisal value ratio	35.2%
Long-term interest-bearing debt ratio	79.5%

* The above interest-bearing debt ratios are calculated using the following formulas:

Interest-bearing debt to total assets ratio (%) = Total interest-bearing debt ÷ Total assets × 100

For total assets, TOKYU REIT adopts the estimate for total assets on the close of the 10th financial period announced as of the 9th financial period settlement, considering debt financing and repayment already undertaken during the 10th financial period together with the debt financing and repayment amount that is the subject of this press release.

Interest-bearing debt to total appraisal value ratio (%) = (Total interest-bearing debt + Security deposits and guarantee money without reserved cash) ÷ (Total estimated value of specified assets as of the period-end or total appraisal value as of the acquisition date) × 100

The total estimated value of specified assets is the total appraisal price as of the 9th period-end (January 31, 2008).

Long-term interest-bearing debt ratio (%) = (Long-term debt + Investment corporation bonds) ÷ Total interest-bearing debt × 100

** Percentage figures are rounded to the nearest first decimal place.

2. Timely Disclosure Relating to the Aforementioned Debt Financing

(1) Short-term debt drawn down on October 31, 2006

October 27, 2006 Notice Concerning Debt Financing

September 14, 2007 Notice Concerning Change in Short-Term Debt Financing Repayment Dates

March 6, 2008 Notice Concerning Debt Financing, Partial Repayment of Short-Term Borrowings and Determination of Interest Rate

(2) Short-term debt drawn down on January 31, 2008

January 29, 2008 Notice Concerning Debt Financing

(3) Long-term debt drawn down on June 25, 2004

June 21, 2004 Notice Concerning Debt Financing and Repayment