

# **TOKYU REIT**

## **TOKYU REIT's Characteristic and Challenge**

### **~3 minutes Investment Highlight ~**

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**TOKYU REIT, Inc.**  
8957  
<http://www.tokyu-reit.co.jp/eng/>

- Only Invest in the Tokyo metropolitan area, Tokyo is still Growing International City
- Invest in Retail and Office properties  
~Stable Earnings and Growth Potential ~
- Value & Contrary, Refined Long Term Investment Strategy  
“SURF PLAN”, focusing on ROE as Equity Product
- On the Same Boat Fee Structure with our Shareholder  
~No Acquisition Fee, The Answer to The Question about External Investment Management Structure~
- Strategic Debt Management  
~Long-term fixed-Interest debt financing, Diversified repayment schedule,  
Average amount of repayment~  
~No Bond Maturity until Oct. 2012~

※This page represents view of Tokyu REIM.

- Strong Commitment to Governance
  - ~Excellent Governance as a Source of Competitiveness~
- Appropriate Measures to avoid Conflicts of Interest and Independent decision-making
  - ~Optimal balance between sponsor collaboration and independence~
- Management Capability & Commitment, additional Human Resources allocated
- Best Disclosure, Best Investor Relations
- No Forward Commitment for Development Property Purchase
- Industry Record-Highest Dividend paid

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## <Challenge>

- Smaller Portfolio Size, Not Enough Benefit from Diversification & Economy of Scale
- Smaller Market Capitalization, Lower Liquidity
- Still Small, weak point but Higher Growth Potential

## <Solutions>

- Additional Property Acquisitions in Right Timing, giving Higher Total Return to our Shareholders
- Additional Equity Capitalization (offering) in Right Timing, for Growth & Liquidity

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