

**Translation Purpose Only**

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**For Immediate Release**

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## **Notice Concerning Debt Financing Interest Rate**

TOKYU REIT, Inc. ("TOKYU REIT") today announced that the interest rate applicable to debt financing executed on June 25, 2004, December 15, 2004 and April 6, 2005 were determined as below.

### **1. Period**

From April 25, 2005 to May 24, 2005

### **2. Annual Interest Rate**

- |  |          |
|--|----------|
| (1) Debt financing executed on June 25, 2004                               | 0.46000% |
| (Amount borrowed : ¥10,000 million / Outstanding balance : ¥2,000 million) |          |
| (2) Debt financing executed on December 15, 2004                           | 0.46000% |
| (Outstanding balance : ¥8,500 million)                                     |          |
| (3) Debt financing executed on April 6, 2005                               | 0.46000% |
| (Outstanding balance : ¥15,000 million)                                    |          |

Interest rate on and after May 25, 2005 will be announced as and when determined.

<Reference>

## 1. Total Borrowings

Short-Term Borrowings	¥30,500millions
Long-Term Borrowings	¥35,000millions
Interest-Bearing Debt	¥65,500millions

## 2. Interest-Bearing Debt Ratio

Interest-Bearing Debt to Total Assets Ratio	40.3%
Interest-Bearing Debt to Total Appraisal Value Ratio	46.9%
Long-Term Debt Ratio	53.4%

Notes :

\* The above Interest-Bearing Debt Ratio are calculated using the following formulas :

Interest-Bearing Debt to Total Assets Ratio (%) = Interest-Bearing Debt ÷ Total Assets × 100

In addition, to calculate the above formula, we used Expected Total Assets as of 4<sup>th</sup> Financial Close as Total Assets

Interest-Bearing Debt to Total Appraisal Value Ratio (%)

= (Interest-Bearing Debt + Security Deposit and Guarantee Money without Reserved Cash)  
÷ Total of latest Appraisal Value × 100

\* Long-Term Interest-Bearing Debt Ratio (%) = Long-Term Borrowings ÷ Interest-Bearing Debt × 100

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