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Notice Concerning Revision to Expected Operating Condition
and Revision to Distribution Forecast for the Fiscal Period Ending January 2020 (33rd Fiscal Period)
and the Fiscal Period Ending July 2020 (34th Fiscal Period)

TOKYU REIT, Inc. (“TOKYU REIT”) today announced a decision to revise its expected operating condition and its distribution forecast for its Fiscal Period Ending January 2020 (FP 33) (from August 1, 2019 to January 31, 2020) and to revise its expected operating condition and its distribution forecast for its Fiscal Period Ending July 2020 (FP 34) (from February 1, 2020 to July 31, 2020) which were announced on September 12, 2019.

1. Revision to Expected Operating Condition and Revision to Distribution Forecast

(1) Fiscal Period Ending January 2020 (FP 33)

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Unit (Yen)	Distribution per Unit (not including distribution in excess of earnings) (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Previous Forecast (A)	8,126	4,021	3,531	3,530	3,611	3,250	—
Revised Forecast (B)	8,143	4,040	3,553	3,552	3,634	3,270	—
Change (B)-(A)	16	18	22	22	23	20	—
Change	0.2%	0.5%	0.6%	0.6%	0.6%	0.6%	—
<Reference> Actual Distribution per Unit for the Previous Period (Fiscal Period ended July 2019 (FP 32))	7,366	3,349	2,858	2,857	2,923	2,923	—

(2) Fiscal Period Ending July 2020 (FP 34)

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Unit (Yen)	Distribution per Unit (not including distribution in excess of earnings) (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Previous Forecast (A)	8,136	4,055	3,585	3,584	3,666	3,300	—
Revised Forecast (B)	8,224	4,164	3,693	3,692	3,777	3,400	—
Change (B) -(A)	88	108	108	108	111	100	—
Change	1.1%	2.7%	3.0%	3.0%	3.0%	3.0%	—

(Note 1) The forecasts presented in this document have been calculated in accordance with the assumptions set out under certain condition. Forecasts for Operating Revenues, Operating Income, Ordinary Income, Net Income, Net Income per Unit, Distribution per Unit, and Distribution in Excess of Earnings per Unit may differ from actual figures and TOKYU REIT does not guarantee any figures. In the future, in the event that a discrepancy between the assumptions and the initial forecast exceeding a certain amount is expected, and the numerical values of the forecast are expected to change beyond a certain amount, we will amend the forecast and announce them accordingly.

(Note 2) Figures have been rounded down and percentages have been rounded to the nearest first decimal place.

2. Rationale

The expected operating conditions and distribution forecasts for the fiscal period ending January 2020 (33rd fiscal period) and the fiscal period ending July 2020 (34th fiscal period) are revised as there are changes to the forecast figures due to increase in rent revenue, etc. at Shibuya Dogenzaka Sky Building and Setagaya Business Square, in addition to rent revision for a major tenant of QFRONT whose lease agreement will be renewed in December 2019.

This notice may contain forward-looking statements, such as current plans, strategies, and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, fluctuations of the real estate market in Japan, general conditions of the Japanese economy, competitive pressures and relevant regulations.
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