

October 7, 2022

Real Estate Investment Trust Unit Issuer:
TOKYU REIT, Inc.
1-12-1, Dogenzaka,
Shibuya-ku, Tokyo, 150-0043, Japan
Kazuyoshi Kashiwazaki
Executive Director
(Securities Code: 8957)

Investment Management Company:
Tokyu Real Estate Investment Management Inc.
Representative:
Kazuyoshi Kashiwazaki
Representative Director & President, Chief Executive Officer
Inquiries:
Yuji Shimizu
General Manager, Finance and IR
TEL: +81-3-5428-5828

Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to issue investment corporation bonds (green bonds). Brief details are as follows.

1. Outline of the Investment Corporation Bonds

Name	TOKYU REIT, Inc. 9th Series Unsecured Investment Corporation Bonds (Ranks <i>pari passu</i> in right of payment with certain investment corporation bonds) (Green Bonds) (hereafter, “The Investment Corporation Bonds”)
Total issue amount	¥ 3,000 million
Form of bonds Certificate	The Investment Corporation Bonds in whole will be subject to application of the provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares. Accordingly, investment corporation bond certificates will not be issued for The Investment Corporation Bonds.
Issue price	Nominal par value of each bond: ¥100 per ¥100
Redemption value	Nominal par value of each bond: ¥100 per ¥100
Annual interest rates	0.360%
Denomination price	¥ 100 million
Offering method	Public placement
Subscription term	October 7, 2022
Payment date	October 14, 2022
Collateral	The Investment Corporation Bonds are unsecured, unguaranteed, and not backed by specific assets.
Redemption method and maturity date	The entire amount of the principal of The Investment Corporation Bonds will be redeemed on October 14, 2027. The Investment Corporation Bonds may be redeemed at any time from the day following the payment date, unless determined otherwise by Japan Securities Depository Center, Incorporated.
Interest payment dates	April 14 and October 14 every year (If the interest payment date is not a bank business day, then the business day preceding it shall be deemed to be the interest payment date.)
Bond ratings	AA — (Japan Credit Rating Agency, Ltd.)

Special financial agreements	Restrictions on collateral provision have been included.
Fiscal, issuing and payment agent	The Norinchukin Bank
Underwriters	Mizuho Securities Co., Ltd.

2. Reason for Bond Issuance

The investment corporation bonds are being issued to contribute to the realization of a sustainable environment and society through financing in investments contributing to the resolution of environmental issues (green financing) and to strengthen the financing base through the expansion of the investor base interested in ESG investments.

3. Total Amount to be Procured, Use of Funds and Scheduled Outlay Period

(1) Total amount to be procured (approximate net balance)

¥ 2,983 million

(2) Specific use of funds and scheduled outlay period

The entire amount of the funds will be allocated to funds for redemption of the TOKYU REIT, Inc. 3rd Series Unsecured Investment Corporation Bonds (the “3rd Series Unsecured Investment Corporation Bonds”) due for redemption on October 21, 2022. The 3rd Series Unsecured Investment Corporation Bonds to be redeemed fulfill the criteria of the green finance framework formulated in July 2022 as they constitute funds for refinancing the acquisition funds for Shonan Mall Fill (land with leasehold interest) that was sold in the property replacement together with TOKYU REIT Shibuya Miyashita Koen Building (Note 1), which is a specific asset fulfilling the green eligibility criteria (Note 2).

(Note 1) TOKYU REIT Shibuya Miyashita Koen Building acquired “Rank A” in “CASBEE Certification” and fulfills the green eligibility criteria ①.

(Note 2) Green eligibility criteria

① Green Buildings

Structures that have acquired or are scheduled to acquire one of the environmental certifications from third-party certification bodies in (i) to (iv) below that are effective as of the payment date of green bonds or the drawdown date of green loans.

(i) DBJ Green Building Certification: 3, 4 or 5 Stars

(ii) CASBEE Certification: Rank S, A or B+

(iii) BELS Certification: 3, 4 or 5 Stars

(iv) LEED Certification: Platinum, Gold or Silver (top three)

② Renovation Work, etc.

Renovation Work, etc. fulfilling one of the criteria in (i) to (iii) below

(i) Renovation work intending to improve the number of stars or rank by one or more for one of the certifications in green eligibility criteria ①

(ii) Renovation work capable of reducing energy consumption, greenhouse gas emission or water consumption by 30% or more

(iii) Introduction or acquisition of facilities related to renewable energy

4. Total Debt After Issuance of the Investment Corporation Bonds and Redemption of the 3rd Series Unsecured Investment Corporation Bonds

(¥ millions)

	Debt Balance Prior to the Financings	Debt Balance After Financings	Change
Short-Term Debt Financing	0	0	-
Long-Term Debt Financing	86,500	86,500	-
Total Debt Financing	86,500	86,500	-
Investment Corporation Bonds	8,000	8,000	-
Interest-Bearing Debt	94,500	94,500	-

5. Others

Regarding issuance risks of the investment corporation bonds, there are no changes from “Investment risks” stated in the latest securities report submitted on April 22, 2022, and the content stated in the shelf registration supplements submitted today.

[Reference]

- Timely Disclosure Relating to the Aforementioned Investment Corporation Bonds
 - December 3, 2021 “Notice Concerning the Submission of Shelf Registration Statement for Investment Corporation Bonds”
- Timely Disclosure Relating to Investment Corporation Bonds to be Redeemed Using Funds Procured from Issuance of the Investment Corporation Bonds
 - October 16, 2012 “Notice Concerning Issue and Redemption of Investment Corporation Bonds”
- Disclosure Relating to the Green Finance Framework
 - July 29, 2022 “Notice Concerning Formulation of Green Finance Framework and Acquisition of Green Finance Framework Evaluation”

* Website of TOKYU REIT: <https://www.tokyu-reit.co.jp/eng/>

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. This notice is a translation of the original document in Japanese and is prepared solely for the convenience of non-Japanese speakers. There is no assurance as to the accuracy of the English translation. The original Japanese notice shall prevail in the event of any discrepancies between the translation and the Japanese original.