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For Immediate Release

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Notice Concerning Debt Financing and Partial Repayment of Short-Term Debt

TOKYU REIT, Inc. ("TOKYU REIT") today announced its decision to undertake debt refinancing and partial repayment of short-term debt. Brief details are as follows.

1. Debt Financing

(1) Rationale

The decision to undertake debt refinancing is consistent with TOKYU REIT's efforts to stabilize funds procurement by ensuring an appropriate and prudent level of long-term fixed-interest rate debt financing and the dispersion of repayment dates.

(2) Details of Debt Financing

Lender	The National Mutual Insurance Federation of Agricultural Cooperatives
Amount	¥1,000 million
Interest Rate	Fixed rate (yet to be determined)
Loan Type	Unsecured / unguaranteed
Repayment Method	Lump-sum repayment on maturity
Drawdown Date	October 25, 2005
Repayment Date	October 25, 2011
Period	6 years

(3) Application of Funds

Refinancing and replacement of existing debt

Note: Interest rate details are expected to be determined on October 21, 2005.
Details will be disclosed as and when determined.

2. Partial Repayment of Short-Term Debt

Short-term debt financing executed on April 6, 2005

Classification	Short-term debt
Lender	The Sumitomo Trust and Banking Company, Limited
Outstanding principal balance (Amount borrowed)	¥1,300 million (¥1,500 million)
Amount to be repaid	¥200 million
Interest rate	0.46917% (floating interest rate)
Borrowing method	Unsecured / unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for partial repayment	October 25, 2005
Maturity date	April 6, 2006
Repayment source	Debt refinancing

Classification	Short-term debt
Lender	The Chuo Mitsui Trust and Banking Company, Limited
Outstanding principal balance (Amount borrowed)	¥8,800 million (¥9,000 million)
Amount to be repaid	¥200 million
Interest rate	0.46917% (floating interest rate)
Borrowing method	Unsecured / unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for partial repayment	October 25, 2005
Maturity date	April 6, 2006
Repayment source	Debt refinancing

Classification	Short-term debt
Lender	The Bank of Tokyo-Mitsubishi, Ltd.
Outstanding principal balance (Amount borrowed)	¥1,300 million (¥1,500 million)
Amount to be repaid	¥200 million
Interest rate	0.46917% (floating interest rate)
Borrowing method	Unsecured / unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for partial repayment	October 25, 2005
Maturity date	April 6, 2006
Repayment source	Debt refinancing

Classification	Short-term debt
Lender	Mizuho Corporate Bank, Ltd.
Outstanding principal balance (Amount borrowed)	¥1,300 million (¥1,500 million)
Amount to be repaid	¥200 million
Interest rate	0.46917% (floating interest rate)
Borrowing method	Unsecured / unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for partial repayment	October 25, 2005
Maturity date	April 6, 2006
Repayment source	Debt refinancing

Classification	Short-term debt
Lender	Mitsubishi UFJ Trust and Banking Corporation
Outstanding principal balance (Amount borrowed)	¥1,300 million (¥1,500 million)
Amount to be repaid	¥200 million
Interest rate	0.46917% (floating interest rate)
Borrowing method	Unsecured / unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for partial repayment	October 25, 2005
Maturity date	April 6, 2006
Repayment source	Debt refinancing

<Reference>

1. Total Borrowings after Debt Financing and Partial Repayment

Short-Term Borrowings	¥18,000 million
Long-Term Borrowings	¥36,000 million
Interest-Bearing Debt	¥54,000 million

2. Interest-Bearing Debt Ratio

Interest-Bearing Debt to Total Assets Ratio	31.5%
Interest-Bearing Debt to Total Appraisal Value Ratio	36.2%
Long-Term Debt Ratio	66.7%

Notes:

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

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

The above formula was calculated using projected total assets as of the end of the 5th financial period, announced on September 16, 2005.

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

= (Interest-Bearing Debt + Security Deposit and Guarantee Money without Reserved Cash)
÷ Total of most recent 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.