

**Translation Purpose Only**

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**For Immediate Release**

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### **Notice Concerning the Falsification of Structural Statements**

In response to the public notice announced on December 6, 2005 by the Ministry of Land, Infrastructure and Transport in connection with falsification of structural statements, TOKYU REIT, Inc. ("TOKYU REIT") today confirmed that the developers and architects included in the aforementioned public notice were not involved in the construction of the 17 properties that comprise TOKYU REIT's investment portfolio.

TOKYU REIT prudently examines properties prior to acquisition according to investment criteria, which has been made public. In addition, TOKYU REIT has entrusted Engineering & Risk Services Corporation (<http://www.ers-co.co.jp/e/>), a joint-venture company established by KAJIMA CORPORATION and OYO Corporation, and OYO RMS Corporation (<http://www.oyorms.co.jp/>), a joint-venture company established by OYO Corporation and Risk Management Solutions, Inc., with investigations concerning earthquake risk. Engineering & Risk Services Corporation and OYO RMS Corporation independently conducted evaluations of the structural soundness of the properties utilizing architectural designs and structural statements. Appropriate analyses of earthquake risk were carried out by the above-mentioned method, along with calculations of PML.

Furthermore, TOKYU REIT periodically discloses PML details for each property and for the overall investment portfolio.

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**[Appendix] Data Relating to the Earthquake Risk of TOKYU REIT's Portfolio**

**PML of Each Property**

No.	Property Name	Earthquake-proof Test			Earthquake Insurance	Date of Analysis Report of Earthquake Risk
		Current Earthquake Regulatory Standards	Structural Reinforcement	PML		
R1	QFRONT		-	6.7%	-	2002/8/7
R2	Lexington Aoyama		-	5.0%	-	2003/3/17
R3	TOKYU REIT Omotesando Square		-	11.3%	-	2002/11/29
R4	Tokyu Saginuma Building	-		12.3%	-	2003/4/30
R5	Tokyu Saginuma 2 Building	-	-	12.1%	-	2002/11/8
R6	TOKYU REIT Shibuya Udagawa-cho Square		-	15.8%	-	2003/10/24
R7	Yokohama Yamashita-cho Building (Barneys New York Yokohama)		-	9.3%	-	2004/1/22
R8	Beacon Hill Plaza (Ito-Yokado Nokendai)		-	9.8%	-	2004/2/9
R9	PICASSO347(t)		-	11.4%	-	2005/2/15
O1	Setagaya Business Square		-	5.6%	-	2002/11/8
O2	Tokyu Nampeidai-cho Building		-	12.8%	-	2002/11/8
O3	Tokyu Sakuragaoka-cho Building		-	13.9%	-	2002/11/8
O4	Tokyo Nissan Taito Building		-	10.6%	-	2003/1/31
O5	TOKYU REIT Akasaka Hinokicho Building		-	12.6%	-	2002/11/29
O6	TOKYU REIT Kamata Building		-	11.0%	-	2003/7/25
O7	Resona Maruha Building	(**)	-	7.7%	-	2004/9/6
O8	Fujita Kanko Tranomon Building		-	9.2%	-	2003/3/26
<b>Average PML of Overall Portfolio</b>						
17 Properties Total		-	-	6.0%	-	2005/7/19

(\*) PML (Probable Maximum Loss) refers to the expected maximum loss ratio caused by earthquakes. Although there is no single authoritative definition of PML, in this document it is defined as the percentage of expected loss due to small- to large-level earthquakes (calculated as statistically possible over a 475 year period) that occur during an assumed period over the economic life of a building, which includes procurement cost for restoring expected damage.

The calculation of PML incorporates data relating to individual property surveys, assessment of building conditions, conformity to architectural design, surveys of local areas and structural evaluation.

Damages in this instance refer to property damage and do not include secondary damages such as loss of life or damages to fixtures. In addition, damages are limited to structural damage and damages to facilities and building interior and exterior, and do not cover damages caused by earthquake fire or fire from surrounding facilities.

(\*\*) Although the Resona Maruha Building had been built before the current earthquake regulatory standards were established, its structural evaluation was acquired from The Building Center of Japan on its architectural confirmation.