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For Immediate Release

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Notice Concerning Repayment of Short-Term Debt Financing

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to undertake repayment of short-term debt. Details are as follows.

Classification	Short-term debt
Lender	The Chuo Mitsui Trust and Banking Company, Limited
Outstanding principal balance (Amount borrowed)	¥7,000 million (¥9,000 million)
Amount to be repaid	¥7,000 million
Interest rate	0.46091% (floating interest rate)
Borrowing method	Unsecured, unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	April 6, 2005
Planned date for prepayment	May 1, 2006
Maturity date	October 6, 2006
Prepayment source	Cash on hand

Translation Purpose Only

[Reference]

1. Total Borrowings after Prepayment

Short-Term Borrowings	¥12,000 million
Long-Term Borrowings	¥41,000 million
Interest-Bearing Debt	¥53,000 million

2. Interest-Bearing Debt Ratios

Interest-Bearing Debt to Total Assets Ratio	30.5%
Interest-Bearing Debt to Total Appraisal Value Ratio	33.2%
Long-Term Interest-Bearing Debt Ratio	77.4%

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

To calculate the above formula, TOKYU REIT adopts the expectation of total assets on the close of the 6th financial period.

Interest-Bearing Debt to Total Appraisal Value Ratio (%) = (Interest-Bearing Debt + Security Deposit and Guarantee Money without Reserved Cash) ÷ (Total estimated value of specified assets as of the period-end or total appraisal value as of the acquisition date) × 100

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

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