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For Immediate Release

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Notice Concerning Debt Refinancing

With regard to short-term debt financing on October 11, 2006, TOKYU REIT, Inc. (“TOKYU REIT”) today announced that it undertook the refinancing set out below, based on commitment line agreements concluded on April 21, 2005.

1. Details of Refinancing

(1) Details of Short-Term Debt Financing to Be Repaid

Lender	Debt financing amount (millions of yen)	Interest rate	Borrowing method Repayment method	Drawdown date Repayment date
The Sumitomo Trust & Banking Co, Ltd.	486	0.68000%	Unsecured, Unguaranteed	October 11, 2006
The Chuo Mitsui Trust and Banking Company, Limited	486		Lump-sum repayment on maturity	October 18, 2006
Total	972	—	—	—

Translation Purpose Only

(2) Details of Short-Term Debt Financing

Lender	Debt financing amount (millions of yen)	Interest rate	Borrowing method Repayment method	Drawdown date Repayment date
The Sumitomo Trust & Banking Co, Ltd.	300	0.71273%	Unsecured, Unguaranteed	October 18, 2006
The Chuo Mitsui Trust and Banking Company, Limited	300		Lump-sum repayment on maturity	November 20, 2006
Total	600	—	—	—

2. Reason for Refinancing

To make partial payment of a debt using cash on hand

3. Application of Funds

To fund operating capital needs

<Reference>

1. Total Borrowings after Debt Refinancing

Short-Term Borrowings	¥19,900 million
Long-Term Borrowings	¥41,000 million
Interest-Bearing Debt	¥60,900 million

2. Interest-Bearing Debt Ratios after Debt Refinancing

Interest-Bearing Debt to Total Assets Ratio	33.9%
Interest-Bearing Debt to Total Appraisal Value Ratio	34.1%
Long-Term Interest-Bearing Debt Ratio	67.3%

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

For total assets, TOKYU REIT adopts the expectation of total assets on the close of the 7th financial period announced as of the 6th financial period settlement, plus debt financing already undertaken during the 7th financial period together with the debt-refinancing amount that is the subject of this press release.

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.