

March 16, 2007

FINANCIAL REPORT

FOR THE SEVENTH FISCAL PERIOD ENDED JANUARY 31, 2007

TOKYU REIT, Inc. is listed on the Tokyo Stock Exchange with the securities code number 8957.

URL: <http://www.tokyu-reit.co.jp>

Contact: Tokyu Real Estate Investment Management Inc. (Investment manager)
 Yosuke Koi, Chief Financial Officer and General Manager, Investor Relations
 Tel: +81-3-5428-5828

Board of Directors meeting for approving financial results: March 16, 2007

Planned start of dividend payments: April 13, 2007

This financial report has been prepared in accordance with Japanese accounting standards and Japanese law.
 Figures have been rounded down to eliminate amounts of less than one million yen.

PERFORMANCE FOR THE SEVENTH FISCAL PERIOD (AUGUST 1, 2006 – JANUARY 31, 2007)

(1) Business Results

(Millions of yen)

	Operating Revenues	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change	Net Income	Percentage Change
Seventh Fiscal Period	6,460	-18.0%	2,847	-30.9%	2,403	-36.0%	2,402	-36.0%
Sixth Fiscal Period	7,875	24.2%	4,119	49.7%	3,754	56.3%	3,753	56.3%

(Yen)

	Net Income per Unit	Return on Unitholders' Equity (ROE)	(Reference) Annualized	Ordinary Income to Total Assets	(Reference) Annualized	Ordinary Income to Operating Revenues
Seventh Fiscal Period	14,182	2.4%	4.7%	1.3%	2.7%	37.2%
Sixth Fiscal Period	22,162	3.7%	7.5%	2.2%	4.4%	47.7%

Notes:

- Net income per unit is calculated by dividing net income by the weighted average number of investment units (seventh fiscal period: 169,380 units; sixth fiscal period: 169,380 units) for each period.
- Changes in accounting policies: No
- Percentage change shows the increase and decrease ratio to the previous period. Figures are rounded to the nearest first decimal place.
- Return on unitholders' equity and ordinary income to total assets are calculated using the average of unitholders' equity and total assets as of the beginning of each fiscal period and each term-end.
- Annualized percentage figures for the seventh fiscal period
 = Percentage figures for the seventh fiscal period / Number of days in the seventh fiscal period of investment management (184 days) x 365 days (days during the year)
 Annualized percentage figures for the sixth fiscal period
 = Percentage figures for the sixth fiscal period / Number of days in the sixth fiscal period of investment management (181 days) x 365 days (days during the year)

(2) Distributions

(Millions of yen unless otherwise stated)

	Distribution per Unit (Yen)	Total Distributions	Distribution in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
Seventh Fiscal Period	14,182	2,402	0	—	100.0%	2.4%
Sixth Fiscal Period	22,162	3,753	0	—	100.0%	3.7%

Note: The payout ratio is rounded down to the nearest first decimal place.

(3) Financial Position

(Millions of yen unless otherwise stated)

	Total Assets	Unitholders' Equity	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
Seventh Fiscal Period	183,994	100,421	54.6%	592,879
Sixth Fiscal Period	172,929	101,773	58.9%	600,860

Note: The number of investment units outstanding totaled 169,380 units as of January 31, 2007 and July 31, 2006.

FORECAST OF RESULTS FOR EIGHTH FISCAL PERIOD (February 1, 2007 – JULY 31, 2007)

(Millions of yen unless otherwise stated)

	Operating Revenues	Ordinary Income	Net Income	Distribution per Unit (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Eighth Fiscal Period	6,691	2,372	2,371	14,000	0

Reference: Estimated net income per unit for the eighth fiscal period: ¥14,000

Note: Forecasts presented in this document are based on “Assumptions for Forecasts for the Eighth Fiscal Period (from February 1, 2007 to July 31, 2007) and for the Ninth Fiscal Period (from August 1, 2007 to January 31, 2008)” identified in the separate reference attached (Japanese only). Forecasts for operating revenues, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may differ significantly from actual results due to changes in operating conditions and a variety of factors. Accordingly, TOKYU REIT does not guarantee any distribution amount.

This is an English translation of the captioned report. This translation is prepared and provided for readers' convenience. All readers are recommended to refer to the original version in Japanese of the report for complete and accurate information.