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**For Immediate Release**

Real Estate Investment Trust Unit Issuer:  
 TOKYU REIT, Inc.  
 1-12-1 Dogenzaka,  
 Shibuya-ku, Tokyo 150-0043, Japan  
 Masahiro Horie  
 Executive Director  
 (Securities Code: 8957)

Investment Management Company:  
 Tokyu Real Estate Investment Management Inc.  
 Representative:  
 Masahiro Horie  
 Representative Director & President, Chief Executive Officer  
 Inquiries:  
 Yosuke Koi  
 Chief Financial Officer and General Manager, Investor Relations  
 TEL: +81-3-5428-5828

**Notice Concerning Long-Term Debt Financing and  
 Repayment of Long-Term Borrowings**

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to undertake long-term debt financing and use the funds procured to repay long-term borrowings that will soon reach maturity. Brief details are as follows.

**1. Long-Term Debt Financing**

**(1) Rationale**

The fund procured will be used to refinance existing long-term borrowings.

**(2) Details of Long-Term Debt Financing**

Lender	Debt Financing Amount (Millions of Yen)	Interest Rate	Borrowing Method Repayment Method	Drawdown Date Repayment Date	Period
The Sumitomo Trust & Banking Co., Ltd.	5,000	1.81062% (Fixed interest rate)	Unsecured, Unguaranteed, Lump-sum repayment on maturity	June 25, 2007 December 25, 2010	3 years and 6 months

## 2. Repayment of Long-Term Borrowings

Lender	The Sumitomo Trust & Banking Co., Ltd.
Amount borrowed	¥5,000 Million
Interest rate	1.11625% (Fixed)
Borrowing method	Unsecured/Unguaranteed
Repayment method	Lump-sum repayment on maturity
Drawdown date	June 25, 2004
Maturity date	June 25, 2007

### Reference

#### 1. Total Borrowings after Debt Financing and Repayment

Short-term borrowings	¥20,300 million
Long-term borrowings	¥45,000 million
Interest-bearing debt	¥65,300 million

#### 2. Interest-Bearing Debt Ratio after Debt Financing and Repayment

Interest-bearing debt to total assets ratio	35.5%
Interest-bearing debt to total appraisal value ratio	33.9%
Long-term interest-bearing debt ratio	68.9%

### 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 amount of total assets used in the above formula is the projected amount at the close of the 8th financial period, as announced as of the 7th financial period settlement.

Interest-bearing debt to total appraisal value ratio (%) = (Interest-bearing debt + Security deposit and guarantee money without reserved cash) ÷ (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.