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For Immediate Release

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Notice Concerning Debt Financing, Partial Repayment of Short-Term Debt and Determination of Interest Rates

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to undertake debt financing and to partially repay short-term debt. In addition to the aforementioned, TOKYU REIT provides details of interest rates determination applicable to short-term debt.

1. Debt Financing

(1) Rationale

In an effort to ensure stability in connection with the procurement of funds, TOKYU REIT has adopted the strategies to lengthen period of interest-bearing debt, to fix interest rates, and to disperse repayment dates.

(2) Details of Debt Financing

Classification	Long-Term Debt
Lender	Development Bank of Japan Inc.
Debt Financing Amount	¥5,000 million
Interest Rate	1.79000% (Fixed interest rate)
Borrowing Method	Unsecured, unguaranteed
Repayment Method	Lump-sum repayment on maturity
Drawdown Date	February 25, 2009
Repayment Date	February 25, 2014
Period	5 years

(3) Use of Funds

The funds procured will be used to refinance existing short-term debt.

2. Repayment of Debt

(1) Partial Advanced Repayment of Short-Term Debt Procured on April 22, 2008

Classification	Short-Term Debt
Lender	Mitsubishi UFJ Trust and Banking Corporation
Principal amount outstanding prior to Repayment (Initial Amount Borrowed)	¥1,000 million (¥2,400 million)
Amount to be Repaid	¥1,000 million
Interest Rate	0.74333% (Floating interest rate)
Borrowing Method	Unsecured, unguaranteed
Repayment Method	Lump-sum repayment on maturity
Drawdown Date	April 22, 2008
Partial Repayment Date	February 25, 2009
Repayment Date	April 22, 2009
Repayment Source	Separately Procured funds

(2) Partial Advanced Repayment of Short-Term Debt Procured on June 27, 2008

Classification	Short-Term Debt	Short-Term Debt
Lender	The Sumitomo Trust and Banking Co., Ltd.	The Chuo Mitsui Trust and Banking Company, Limited
Principal amount outstanding prior to Repayment (Initial Amount Borrowed)	¥1,400 million (¥1,400 million)	¥1,400 million (¥1,400 million)
Amount to be Repaid	¥1,000 million	¥1,000 million
Interest Rate	0.76833% (Floating interest rate)	0.76833% (Floating interest rate)
Borrowing Method	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment Method	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown Date	June 27, 2008	June 27, 2008
Partial Repayment Date	February 25, 2009	February 25, 2009
Repayment Date	June 27, 2009	June 27, 2009
Repayment Source	Separately Procured funds	Separately procured funds

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Classification	Short-Term Debt	Short-Term Debt
Lender	Mizuho Corporate Bank, Ltd.	Mitsubishi UFJ Trust and Banking Corporation
Principal amount outstanding prior to Repayment (Initial Amount Borrowed)	¥1,400 million (¥1,400 million)	¥8,400 million (¥8,400 million)
Amount to be Repaid	¥1,000 million	¥1,000 million
Interest Rate	0.76833% (Floating interest rate)	0.76833% (Floating interest rate)
Borrowing Method	Unsecured, unguaranteed	Unsecured, unguaranteed
Repayment Method	Lump-sum repayment on maturity	Lump-sum repayment on maturity
Drawdown Date	June 27, 2008	June 27, 2008
Partial Repayment Date	February 25, 2009	February 25, 2009
Repayment Date	June 27, 2009	June 27, 2009
Repayment Source	Separately procured funds	Separately procured funds

3. Determination of Interest Rates

(1) Short-Term Debt Procured on June 27, 2008

Lender	Debt Financing Amount (Millions of Yen)	Interest Rate	Borrowing Method; Repayment Method	Drawdown Date; Repayment Date
The Sumitomo Trust and Banking Co., Ltd.	400	0.72000% Floating interest rate (Note)	Unsecured, unguaranteed; Lump-sum repayment on maturity	June 27, 2008 June 27, 2009
The Chuo Mitsui Trust and Banking Company, Limited	400			
Mizuho Corporate Bank, Ltd.	400			
Mitsubishi UFJ Trust and Banking Corporation	7,400			
Total	8,600	—	—	—

(2) Short-Term Debt Procured on July 25, 2008

Lender	Debt Financing Amount (Millions of Yen)	Interest Rate	Borrowing Method; Repayment Method	Drawdown Date; Repayment Date
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,400	0.72000% Floating interest rate (Note)	Unsecured, unguaranteed; Lump-sum repayment on maturity	July 25, 2008 July 25, 2009
Total	1,400	—	—	—

(Note) Applicable for a one-month period commencing February 25, 2009.

*The interest rates after the aforementioned interest period will be announced when determined.

Translation Purpose Only

4. Total Debt After Additional Debt Financing and Repayment

	Debt Balance Prior to Additional Debt Financing and Repayment (¥ millions)	Debt Balance after Additional Debt Financing and Repayment (¥ millions)	Change (¥ millions)
Short-Term Debt Financing	15,000	10,000	-5,000
Long-Term Debt Financing	72,000	77,000	+5,000
Total Debt Financing	87,000	87,000	0
Investment Corporation Bonds	10,000	10,000	0
Interest-Bearing Debt	97,000	97,000	0

Reference

1. Interest-Bearing Debt Ratios after Debt Financing and Repayment

Interest-bearing debt to total assets ratio	44.4 %
Interest-bearing debt to total appraisal value ratio	38.3 %
Long-term interest-bearing debt ratio	89.7 %

* The above interest-bearing debt ratios are calculated using the following formulas:

- Interest-bearing debt to total assets ratio (%) = Total interest-bearing debt ÷ Total assets × 100
For total assets, TOKYU REIT adopts the estimate for total assets on the close of the 11th financial period announced as of the 10th financial period settlement, considering debt financing and repayment already undertaken during the 11th financial period together with the debt financing and repayment amount that is the subject of this press release.
- Interest-bearing debt to total appraisal value ratio (%) = (Total interest-bearing debt + Security deposits 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
The total estimated value of specified assets is the total appraisal price as of the 10th period-end (July 31, 2008).
- Long-term interest-bearing debt ratio (%) = (Long-term debt + Investment corporation bonds) ÷ Total interest-bearing debt × 100

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

2. Timely Disclosure Relating to the Aforementioned Debt Financings (Except for timely disclosures concerning determination of interest rates)

- (1) Short-term debt financing executed on April 22, 2008

April 18, 2008	Notice Concerning Debt Financing
November 20, 2008	Notice Concerning Debt Financing, Partial Repayment of Short-Term Debt and Determination of Interest Rates
- (2) Short-term debt financing executed on June 27, 2008

June 25, 2008	Notice Concerning Debt Financing
July 23, 2008	Notice Concerning Debt Financing, Partial Repayment of Short-Term Debt and Determination of Interest Rates
- (3) Short-term debt financing executed on July 25, 2008

July 23, 2008	Notice Concerning Debt Financing, Partial Repayment of Short-Term Debt and Determination of Interest Rates
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