

Translation Purpose Only

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For Immediate Release

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Notice Concerning Debt Financing and Repayment

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to undertake debt refinancing and repayment, brief details as follows.

1. Rationale

TOKYU REIT has decided to refinance a portion of its outstanding debt. Secured short-term debt totaling ¥62.2 billion be refinanced and replaced by unsecured debt comprising short-term borrowings of ¥25 billion and long-term borrowings of ¥35 billion. At the same time, the decision has been made to further diversify TOKYU REIT’s source of funds and maturity profile, and to lock a portion of the TOKYU REIT’s borrowings to a fixed interest rate.

2. Details of Debt Financing (Short-Term Debt)

Lender	Amount (¥ millions)	Interest Rate	Loan Type Repayment Method	Drawdown Date Repayment Date
The Bank of Tokyo -Mitsubishi, Ltd.	5,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2005
The Mitsubishi Trust and Banking Corporation	10,000	Floating Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2005
The Bank of Tokyo -Mitsubishi, Ltd.	2,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 August 6, 2004
Mizuho Corporate Bank, Ltd.	2,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 August 6, 2004

The Mitsubishi Trust and Banking Corporation	2,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 August 6, 2004
The Chuo Mitsui Trust and Banking Corporation, Ltd.	2,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 August 6, 2004
The Sumitomo Trust and Banking Corporation, Ltd.	2,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 August 6, 2004
Total	25,000	-	-	-

(Long-Term Debt)

Lender	Amount (¥ millions)	Interest Rate	Loan Type Repayment Method	Drawdown Date Repayment Date	Term (Years)
Development Bank of Japan	4,000	2.03% Fixed Rate	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2012	8
Mizuho Corporate Bank, Ltd.	3,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2010	6
The Mitsubishi Trust and Banking Corporation	5,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2009	5
The Chuo Mitsui Trust and Banking Corporation, Ltd.	5,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2009	5
Mizuho Corporate Bank, Ltd.	1,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2008	4
The Norinchukin Bank	4,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2008	4
The Sumitomo Trust and Banking Corporation, Ltd.	5,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2007	3
The Dai-ichi Mutual Life Insurance Company	4,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2007	3
Nippon Life Insurance Company	4,000	Fixed Rate (Yet to be determined)	Unsecured/Unguaranteed Lump-sum Repayment on maturity	June 25, 2004 June 25, 2007	3
Total	35,000	-	-	-	-

Note: Interest rate details are expected to be determined on June 23, 2004. Details will be disclosed as and when determined.

3. Application of Funds

Repayment of existing short-term debt.

4. Repayment Details

(Short-Term Debt)

Lender	Repayment Amount (¥ millions)	Loan Type	Repayment Date
The Bank of Tokyo -Mitsubishi, Ltd.	12,440	Secured/Unguaranteed	June 25, 2004
Mizuho Corporate Bank, Ltd.	12,440	Secured/Unguaranteed	June 25, 2004
The Mitsubishi Trust and Banking Corporation	12,440	Secured/Unguaranteed	June 25, 2004
The Chuo Mitsui Trust and Banking Corporation, Ltd.	12,440	Secured/Unguaranteed	June 25, 2004
The Sumitomo Trust and Banking Corporation, Ltd.	12,440	Secured/Unguaranteed	June 25, 2004
Total	62,200	-	-

【Reference】

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	Change
Short-Term Debt	62,200	25,000	37,200
Long-Term Debt	-	35,000	35,000
Total	62,200	60,000	2,200