

August 18, 2004

For Immediate Release

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Notice Concerning Issue of New Investment Units Through Third-Party Allotment

TOKYU REIT, Inc. ("TOKYU REIT"), today announced its decision to issue new investment units through third-party allotment in conjunction with its earlier announcement following Board of Directors' Meetings held on July 1 and July 20, 2004, to issue new investment units through a primary offering and a secondary offering (through over-allotment). In addition, the third-party buyer has petitioned to purchase all of the investment units to be issued, as outlined below.

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| (1) Total number of new units to be issued | 2,000
(Investment units to be issued: 2,000) |
| (2) Total issue amount | ¥1,261,024,000
(¥630,512 per investment unit) |
| (3) Application date | August 23, 2004 (Monday) |
| (4) Payment date | August 24, 2004 (Tuesday) |
| (5) Buyer | Nomura Securities Co., Ltd. |

(Reference)

1. The issuance of new investment units through third-party allotment was decided along with the issuance of new investment units through primary offering and secondary offering (over-allotment) at Board of Directors' Meetings held on July 1 and July 20, 2004.
For details on the third-party allotment, see Notice Concerning Issue of New Investment Units and Secondary Offering, released on July 1, 2004.
2. Total Number of Investment Units Through Third-Party Allotment

Number of investment units outstanding	140,000
Increase in investment units	2,000
Number of investment units outstanding after third-party allotment	142,000
3. Use of Funds Procured Through Third-Party Allotment
Net proceeds of ¥1,261,024,000 to be raised through the third-party allotment are allocated for the acquisition of specific new assets and to repay a portion of TOKYU REIT's short-term debt.

Note: This press release provides information regarding the issues of new investment units through third-party allotment and is not provided as an inducement or invitation for investment.