

December 19, 2013

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**Notice Concerning Split of Investment Units,
Partial Amendments to the Articles of Incorporation and
Revision to Distribution Forecast for the Twenty-Second Fiscal Period
(Ending July 31, 2014)**

TOKYU REIT, Inc. (“TOKYU REIT”) announced that the following resolution to conduct a split of investment units and make partial amendments to the Articles of Incorporation was made at the Board of Directors meeting held on December 19, 2013.

In addition, TOKYU REIT announced the following decision to revise the forecast of distribution per unit for its 22nd Fiscal Period (from February 1, 2014 to July 31, 2014) which was announced on September 13, 2013.

1. Purpose of the Split

TOKYU REIT will conduct a split of the investment units with an aim to further broaden the investor base and to enhance liquidity of the investment units by creating an environment which makes it easier for our investors to make investments by lowering amount per unit for investment based on the fact that the Japanese version of the Individual Savings Account (NISA) will be introduced from January 1, 2014.

2. Overview of Split

(1) Method of Split

TOKYU REIT will execute a five-for-one split of investment units owned by unitholders indicated or recorded in final unitholder registry as of January 31, 2014 by stating the date as reference date.

(2) Number of Investment Units to be Increased through Split

i. Number of investment units issued and outstanding before split	: 195,520 units
ii. Number of investment units to be increased through split	: 782,080 units
iii. Number of investment units issued and outstanding after split	: 977,600 units
iv. Total number of investment units authorized after split	: 10 million units

(3) Schedule of Split

- i. Public announcement date of reference date : January 6, 2014 (Monday)(planned)
- ii. Reference date : January 31, 2014 (Friday)
- iii. Effective date : February 1, 2014 (Saturday)

3. Partial Amendments to the Articles of Incorporation

(1) Rationale

TOKYU REIT will amend Article 5 Paragraph 1 of its Articles of Incorporation in order to increase the total number of investment units authorized in accordance with the ratio of split of investment units based on provisions of Article 184 Paragraph 2 of Japan's Companies Act, which is applied mutatis mutandis due to the Article 81-3 Paragraph 2 of the Act on Investment Trusts and Investment Corporations.

(2) Details of Amendments

Proposed amendments are as follows.

(Underlined portions indicate changes)

Before Amendment	After Amendment
Article 5. (Total Number of Investment Units Authorized)	Article 5. (Total Number of Investment Units Authorized)
1. The total number of investment units authorized shall be <u>two million (2,000,000)</u> .	1. The total number of investment units authorized shall be <u>ten million (10,000,000)</u> .

(3) Effective Date of the Amendments to the Articles of Incorporation

February 1, 2014 (Saturday)

4. Revision to Distribution Forecast

In accordance with a five-for-one split of investment units, TOKYU REIT will revise the forecast for distribution per unit for its 22nd Fiscal Period (from February 1, 2014 to July 31, 2014) which was announced on September 13, 2013 in correspondence with the ratio of investment units split (one-fifth), from ¥12,500 to ¥2,500. Furthermore, the revision to distribution forecast is made in accordance with the increase in investment units issued and outstanding due to the investment unit split, and there are no substantial changes in distribution forecast and expected operating condition.

In addition, there are no revisions to forecast for distribution per unit of ¥12,400 for the 21st Fiscal Period (from August 1, 2013 to January 31, 2014) as the subject investment units are those before the effective date of the investment unit split (February 1, 2014).

22nd Fiscal Period (from February 1, 2014 to July 31, 2014)

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Unit (Yen)	Distribution per Unit (not including distribution in excess of earnings) (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Previous Forecast (A)	7,247	3,221	2,445	2,444	12,500	12,500	0
Revised Forecast (B)	7,247	3,221	2,445	2,444	2,500	2,500	0
Change (B) —(A)	—	—	—	—	-10,000	-10,000	—
Change	—	—	—	—	-80.0%	-80.0%	—
<Reference> Financial Forecast for 21st Fiscal Period	7,259	3,253	2,425	2,424	12,400	12,400	0

(Note 1) The forecasts presented in this document have been calculated in accordance with the assumptions set out in “<Assumptions for Forecasts for the Twenty-first Fiscal Period (from August 1, 2013 to January 31, 2014) and the Twenty-second Fiscal Period (from February 1, 2014 to July 31, 2014)> in page 3 of Financial Report for the Twentieth Fiscal Period Ended July 31, 2013” announced on September 13, 2013 and split of investment units described in abovementioned 2. Forecasts for Operating Revenues, Operating Income, Ordinary Income, Net Income, Net Income per Unit, Distribution per unit, and Distribution in Excess of Earnings per Unit may differ from actual figures and TOKYU REIT does not guarantee any figures. In the future, in the event that a discrepancy between the assumptions and the initial forecast exceeding a certain amount is expected, and the numerical values of the forecast are expected to change beyond a certain amount, TOKYU REIT will amend the forecast and announce them accordingly.

(Note 2) Figures have been rounded down to the nearest specified unit and percentages have been rounded to the nearest first decimal place.

This notice contain forward-looking statements, such as current plans, strategies, and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, fluctuations of the real estate market in Japan, general conditions of the Japanese economy, competitive pressures and relevant regulations.
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