

Translation Purpose Only

February 23, 2005

For Immediate Release

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

Inquiries:
Tokyu Real Estate Investment Management Inc.
Yosuke Koi
General Manager, Investor Relations
TEL: +81-3-5428-5828

Notice Concerning Debt Financing Interest Rate

TOKYU REIT, Inc. ("TOKYU REIT") today announced that the interest rate applicable to debt financing executed on June 25, 2004 and December 15, 2004 were determined as below.

1. Period

From February 25, 2005 to March 24, 2005

2. Annual Interest Rate

- | | |
|--|----------|
| (1) Debt financing executed on June 25, 2004 | 0.46000% |
| (Amount borrowed : ¥10,000 million / Outstanding balance : ¥2,000 million) | |
| (2) Debt financing executed on December 15, 2004 | 0.46000% |
| (Outstanding balance : ¥8,500 million) | |

Interest rate on and after March 25, 2005 will be announced as and when determined.

<Reference>

1. Total Borrowings after Additional Debt Financing

| | |
|-----------------------|-----------------|
| Short-Term Borrowings | ¥15,500millions |
| Long-Term Borrowings | ¥35,000millions |
| Interest-Bearing Debt | ¥50,500millions |

2. Interest-Bearing Debt Ratio after Additional Debt Financing

| | |
|--|-------|
| Interest-Bearing Debt to Expected Total Assets as of 3 rd Financial Close Ratio | 34.7% |
| Interest-Bearing Debt to Total Appraisal Value Ratio | 41.0% |
| Long-Term Debt Ratio | 69.3% |

Notes :

* The above Interest-Bearing Debt Ratio are calculated using the following formulas :

Interest-Bearing Debt to Expected Total Assets as of 3rd Financial Close Ratio (%)

$$= \text{Interest-Bearing Debt} \div \text{Expected Total Assets as of 3}^{\text{rd}} \text{ Financial Close} \times 100$$

(To calculate the above formula we adopt the expectation after the acquisition of Fujita-Kanko Toranomom Building as "Expected Total Assets of 3rd Financial Close".)

Interest-Bearing Debt to Total Appraisal Value Ratio (%)

$$= (\text{Interest-Bearing Debt} + \text{Security Deposit and Guarantee Money which is not Reserved}) \div \text{Total of latest Appraisal Value} \times 100$$

* Long-Term Interest-Bearing Debt Ratio (%) = Long-Term Borrowings \div Interest-Bearing Debt \times 100

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