

FINANCIAL RESULTS PRESENTATION

13th Fiscal Period
August 1, 2009 to January 31, 2010



TSE
8957

Value & Contrary

TOKYU REIT

<http://www.tokyu-reit.co.jp/eng/>

- 1. TOKYU REIT's Policy and Strategy**
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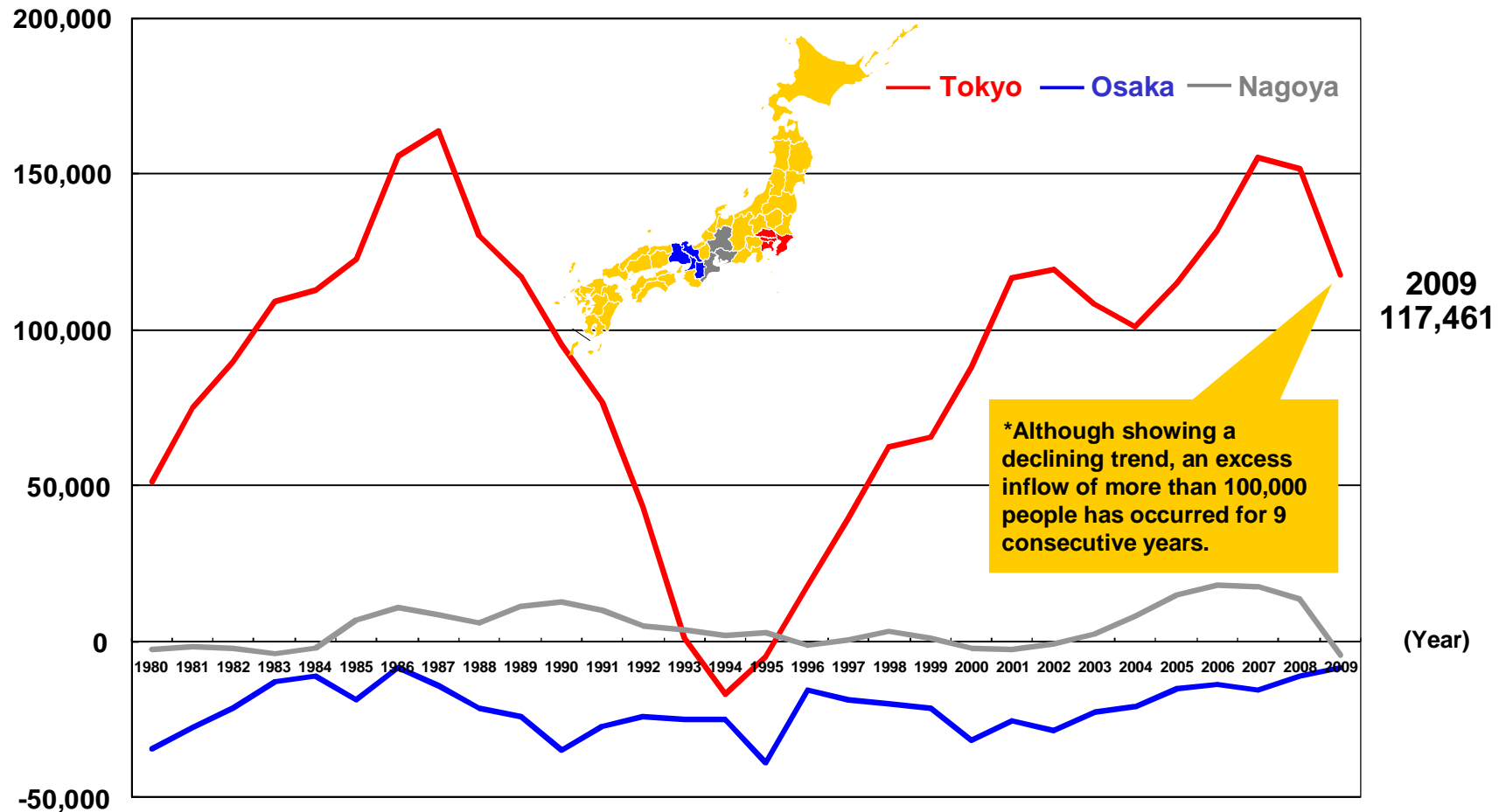
TOKYU REIT

1. TOKYU REIT's Policy and Strategy

(1) Investment Policy

Excess Population Inflow into Three Major Metropolitan Areas (1980-2009)

(Number of People)



*Although showing a declining trend, an excess inflow of more than 100,000 people has occurred for 9 consecutive years.

***Excess inflow continues to occur in the Tokyo Metropolitan Area, while there is excess outflow occurring in the Osaka Metropolitan Area and Nagoya Metropolitan Area.**

Source: Population Movement from Basic Resident Register, Ministry of Internal Affairs and Communications

* Comments by Tokyu REIM

Investment in Highly Competitive Properties in Areas with Strong Growth Potential

1. Targeted Product Characteristics

(1) Yield product with the attractiveness of equity

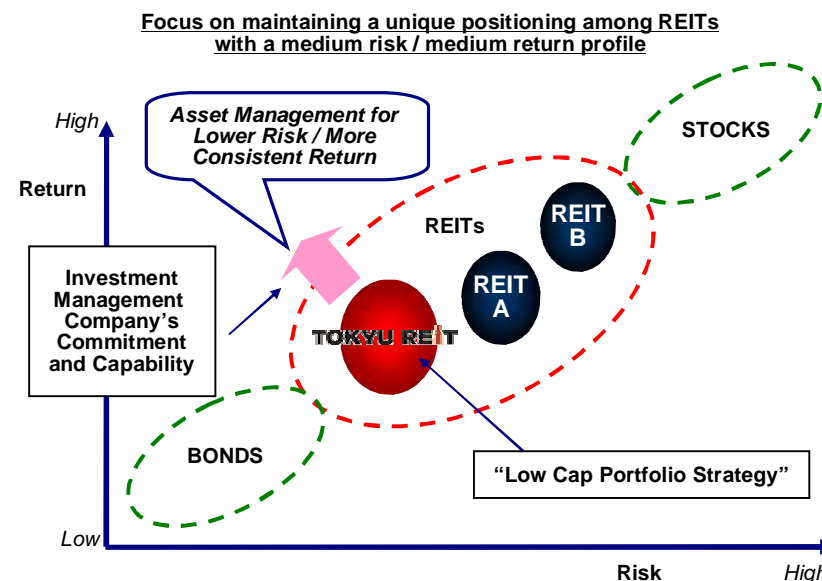
- Aim for EPS growth (higher quality of earnings) and enhancement of asset value

(2) Risk-Return Profile

- Establish a low risk, steady return portfolio with promising future growth potential
“Low Cap Portfolio Strategy”
- Improve investment return while controlling risk through active management
(Focus on risk management emphasizing risk vs. return)

(3) Global Product

- High quality product that meets the investment criteria of a wide variety of investors worldwide, including those investing globally for diversification purposes



2. Investment Policy


- | | |
|------------------------|---|
| (1) Target Areas | Limited to Tokyo Metropolitan Area (over 85% in Tokyo’s central 5 wards and in areas along Tokyo rail lines (“Tokyu Areas”)) |
| (2) Sector Allocation | Office : Retail = 60 : 40 (± 10 points) |
| (3) Size of Properties | In principle, invest in properties over 4 billion yen (for all properties), and with over 5,000 m ² of floor space (for office properties) |

*** Strive to further improve portfolio quality**

* Comments by Tokyu REIM

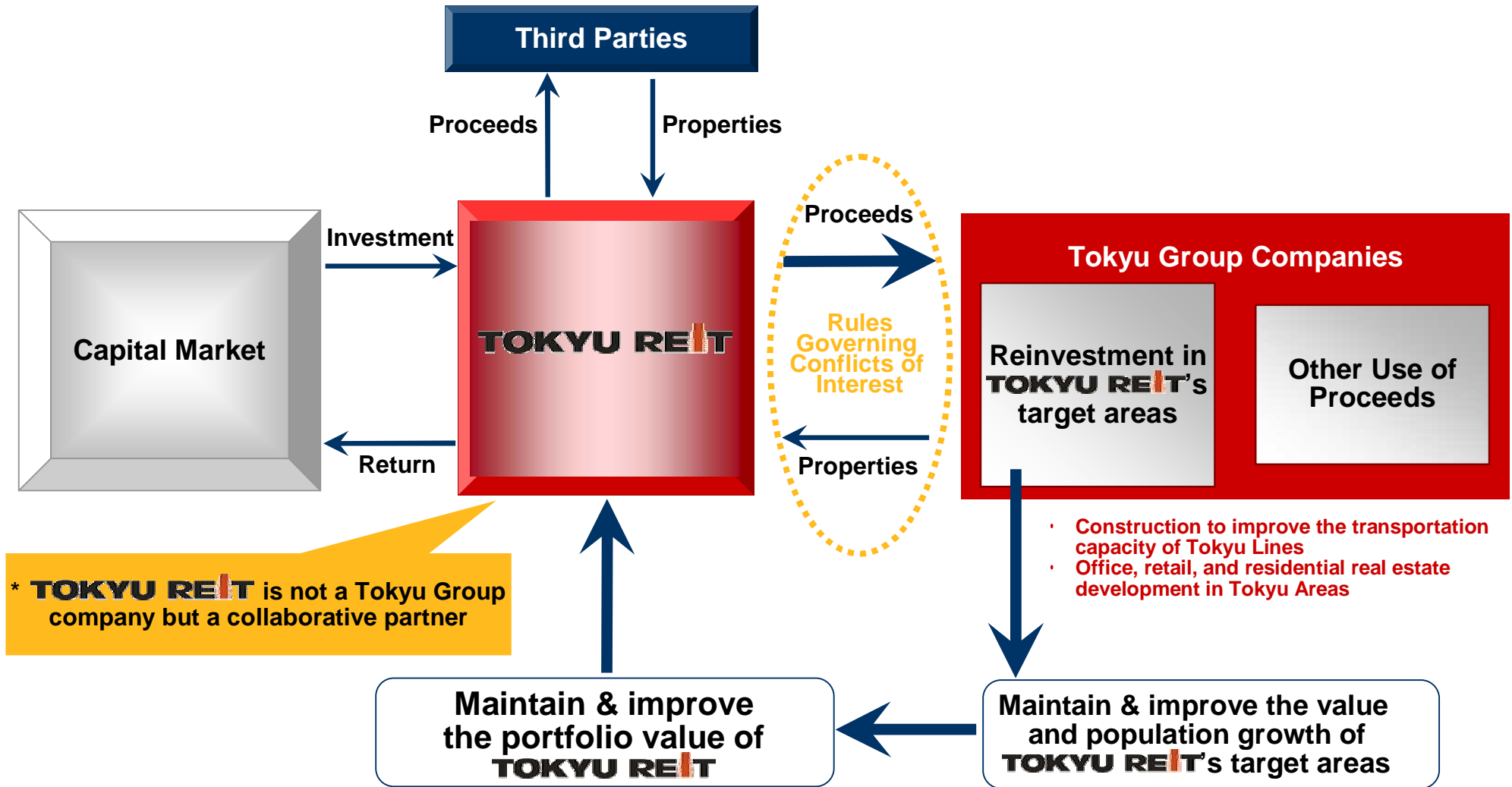
Investment Stance of Tokyu REIM

Investment Stance of Tokyu REIM

Fiduciary Duties of TREIM as REIT Management Company	Employ an investment stance that enables the fulfillment of the “Fiduciary Duties” that are fundamental to the fiduciary Investment Manager and to provide significant added value
Fund Structure with High Transparency and Accountability	Improvement of disclosure, including IR activities, and the achievement of accountable management through the involvement of an independent third-party in the decision-making process
Collaboration	Growth and value enhancement of the Tokyu Areas through the synergies from collaboration with Tokyu Group companies (Capital Reinvestment Model)
Brand Strategy	Leverage the “Tokyu Brand” name in leasing operations based on brand license agreement
Enhanced Measures Against Conflicts of Interest	Development of self-imposed rules to secure collaboration and governance to maximize the advantages of such cooperation
Diversified Portfolio	Diversification strategy employed to control downside risk associated with major properties and tenants
Strategic Financial Principle	Strategy focused on managing the required debt and equity risk premium while also securing additional funding availability
Investment Management Fee	Management fee structure linked to three performance indices to balance conflict by “being in the same boat as unitholders” Adoption of a structure to expense rather than capitalize the management fee
Resource Allocation Seeking Stability and Growth	Restrain the number of properties covered per investment manager, IR cost paid by Investment Management Company (Tokyu REIM) Utilize experience and expertise of employees assigned from Tokyu Group companies
 Long-Term Investment Management Strategy	Value & Contrary (Surf Plan) presented separately

Capitalize on Synergies with Tokyu Group Companies in Tokyu Areas

Reinvestment of Capital Generated through TOKYU REIT



*Comments by Tokyu REIM

TOKYU REIT

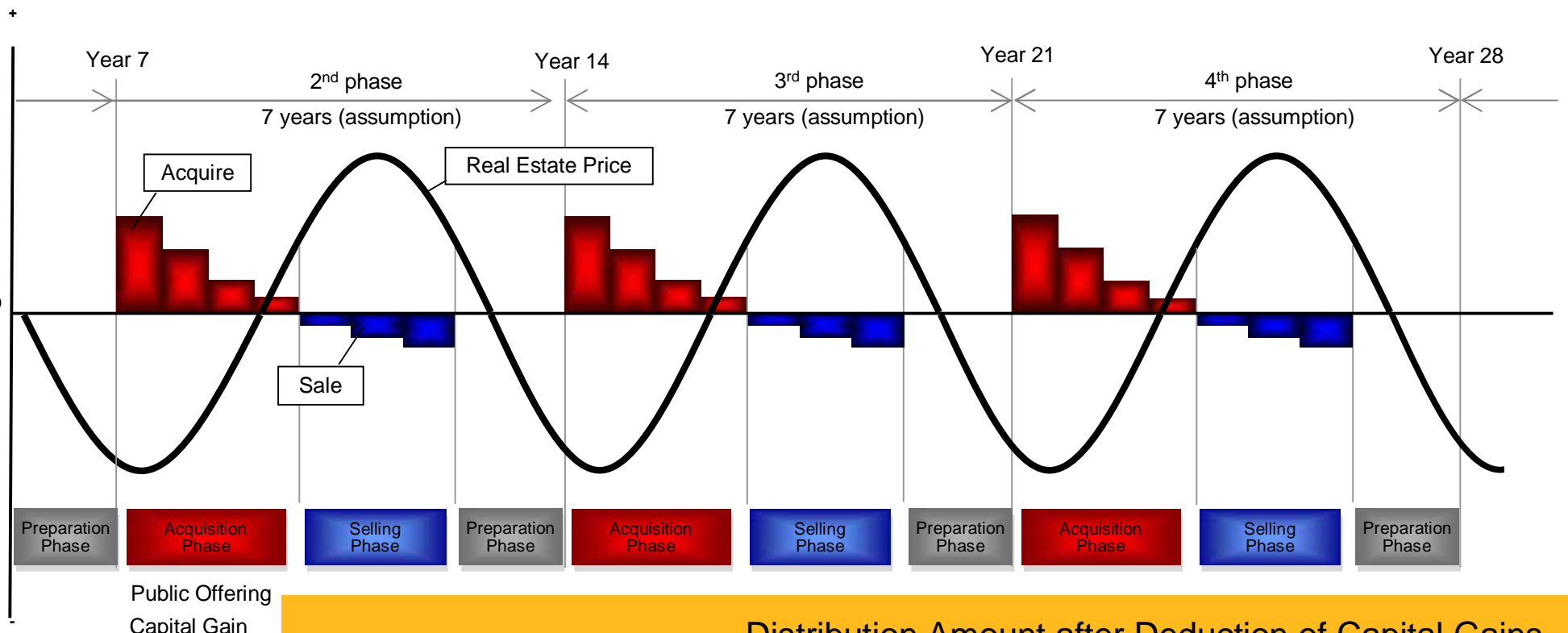
1. TOKYU REIT's Policy and Strategy

(2) Rationale of the Long-Term Investment Management Strategy

Long-Term Investment Management of TOKYU REIT (Surf Plan)

Value & Contrary

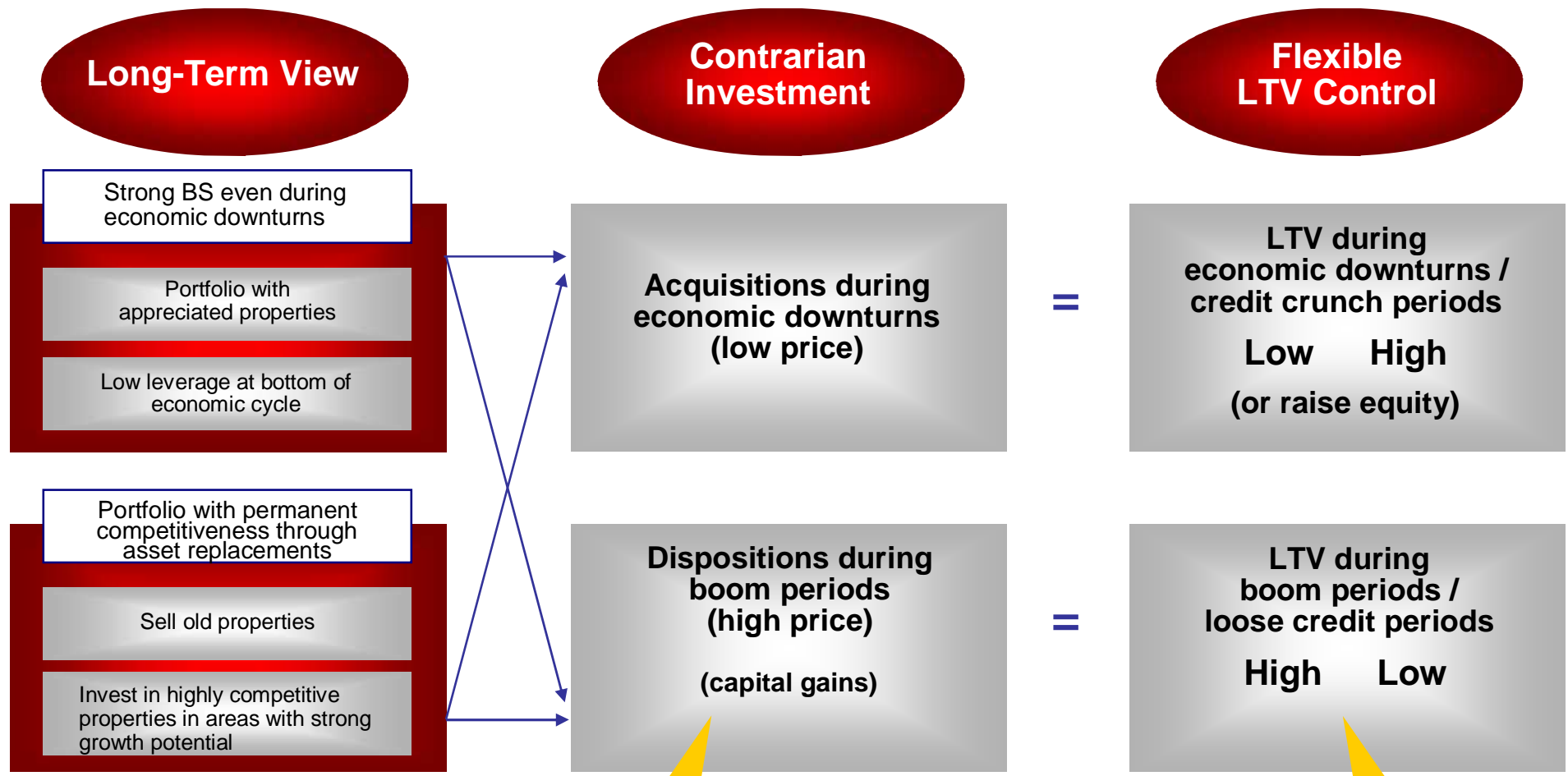
Focusing on circularity of real estate prices, TOKYU REIT secures capital gains while interchanging properties, and achieves improvement of both portfolio quality (rejuvenating average age of property) and adjusted ROE



$$\text{Adjusted Capital Yield (Adjusted ROE)} = \frac{\text{Distribution Amount after Deduction of Capital Gains}}{\text{Total Capital} - \text{Accumulated Distribution of Capital Gains}}$$

* This page represents the view of Tokyu REIM.

Concept of Long-Term Investment Management Strategy (Surf Plan)

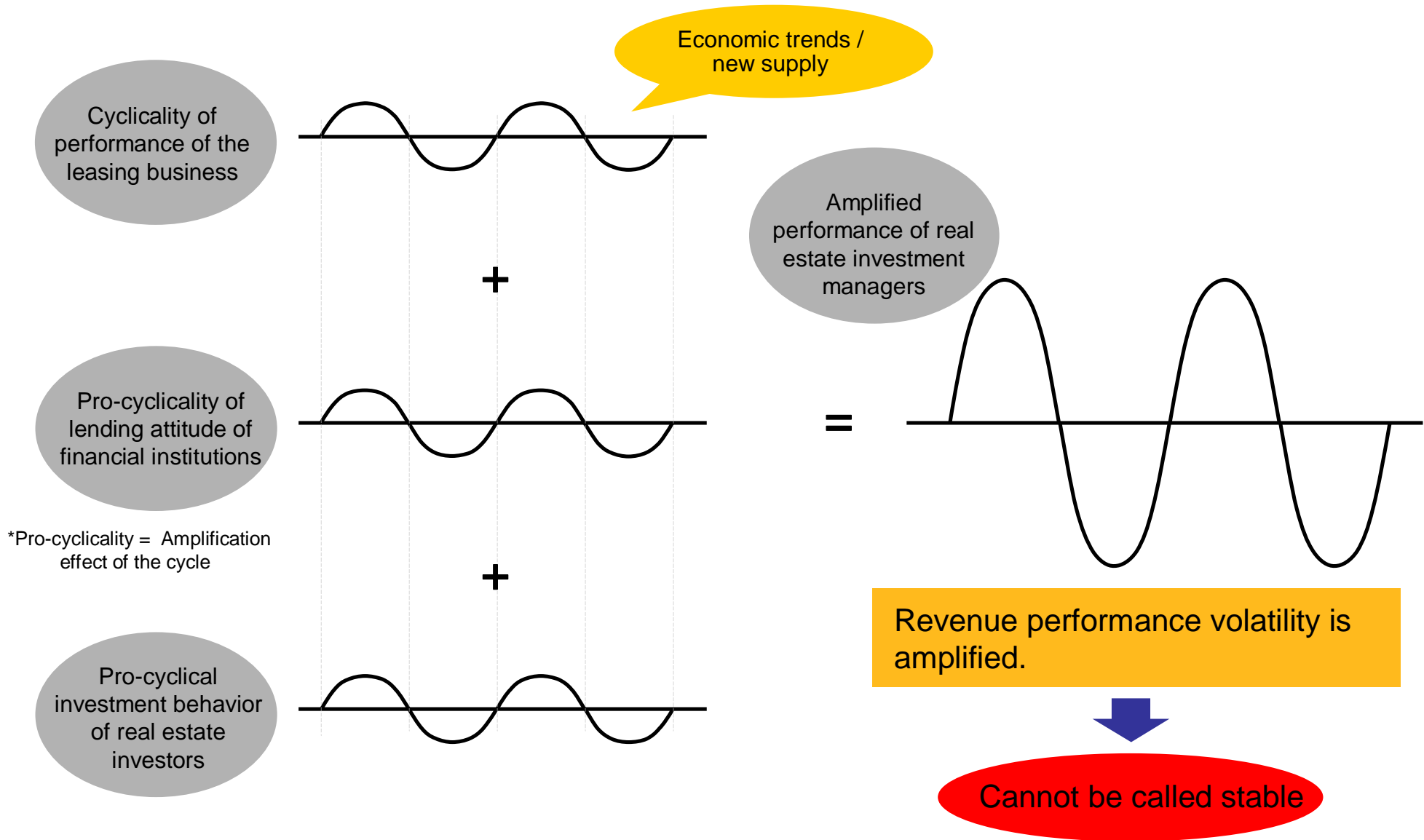


Target higher adjusted ROE performance
DPU might fluctuate, treat distribution of capital gains as a share buyback to measure performance since JREITs have no legal framework for share buybacks or stock dividends.

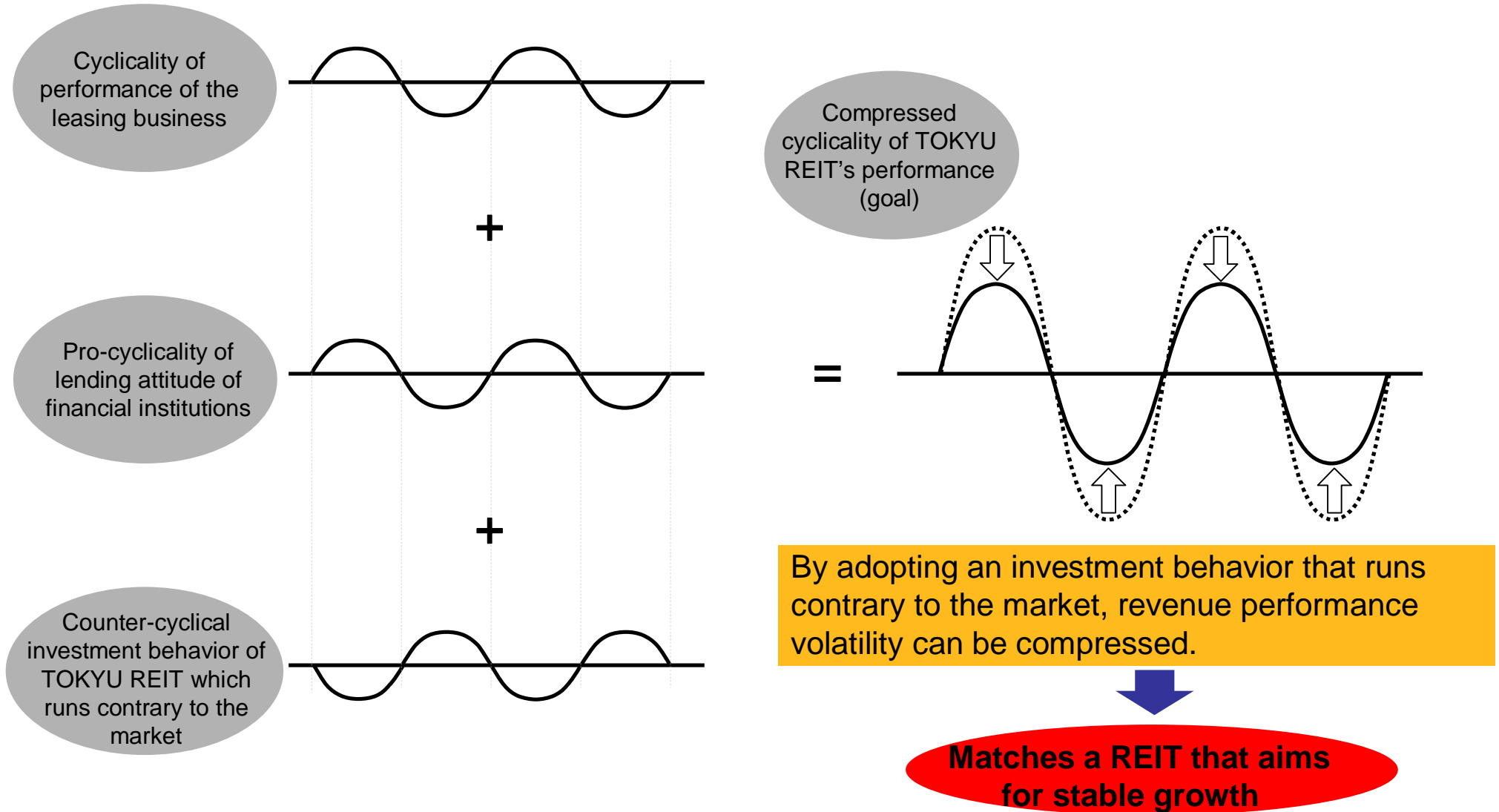
Strengthen financial capability for economic downturns

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Rationale of the Surf Plan: Awareness of Issue of the Amplification Effect of Cyclicity



Compression Effect of Cyclicity: Objective of the Surf Plan TOKYU REIT

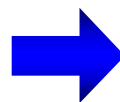
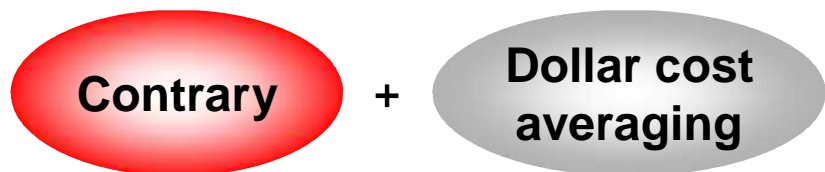


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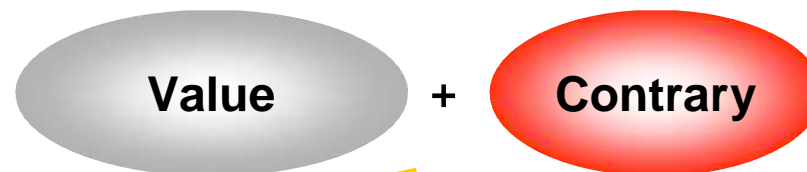
Long-Term Investment Management Strategy (Disclosed Sep. 14, 2009): What Changed?

Style

Before



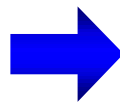
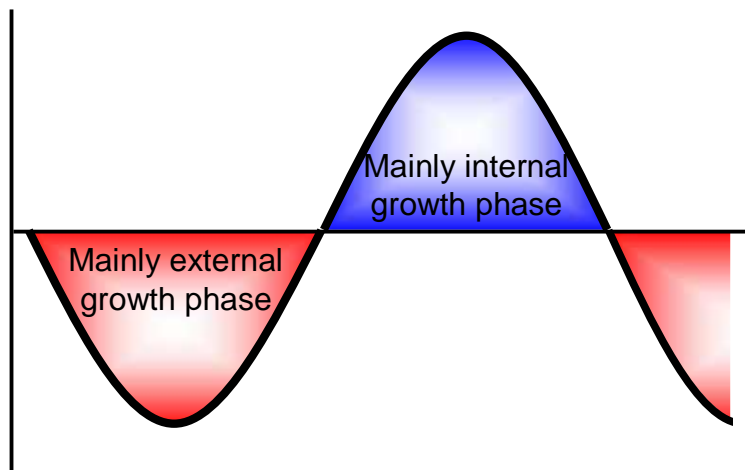
Long-Term Investment Management Strategy



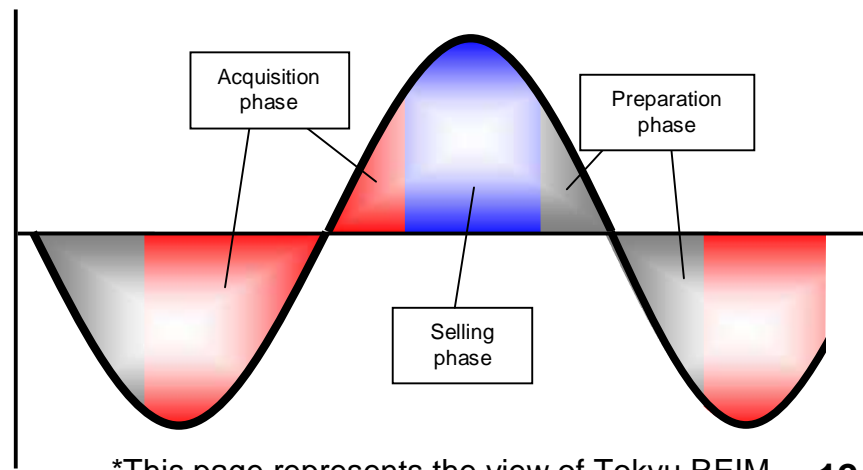
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Timing

Before



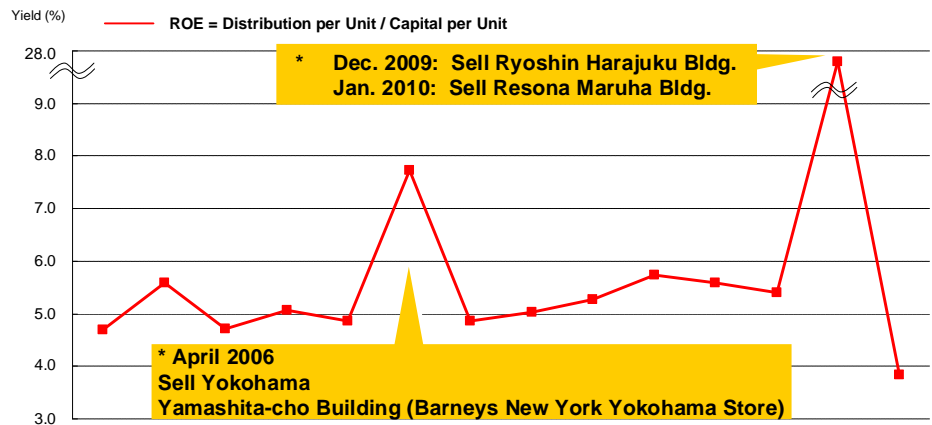
Long-Term Investment Management Strategy



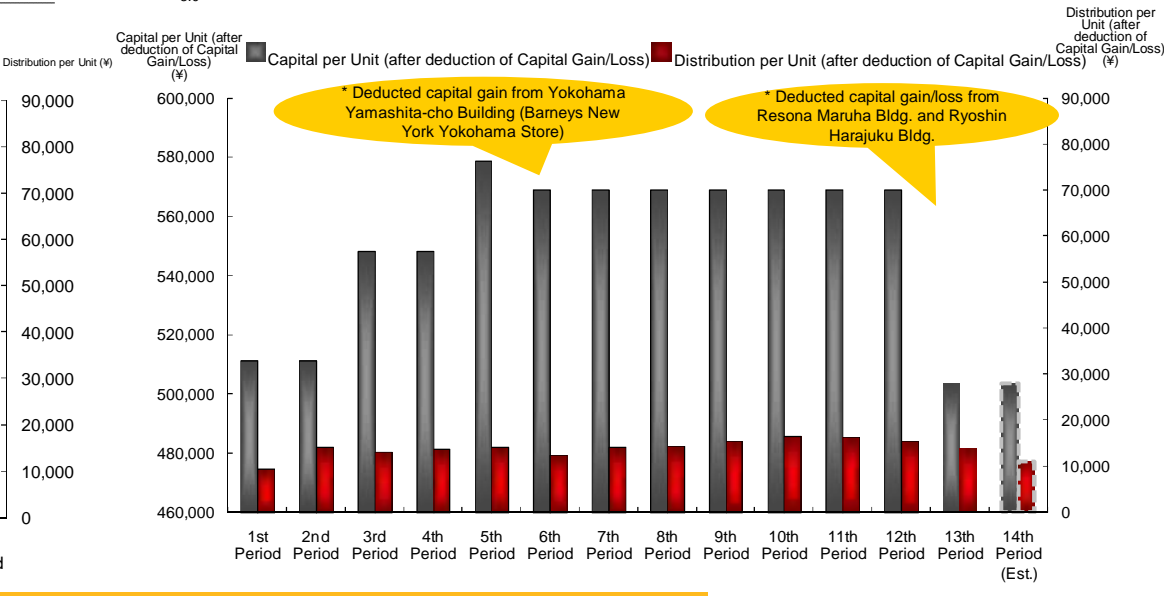
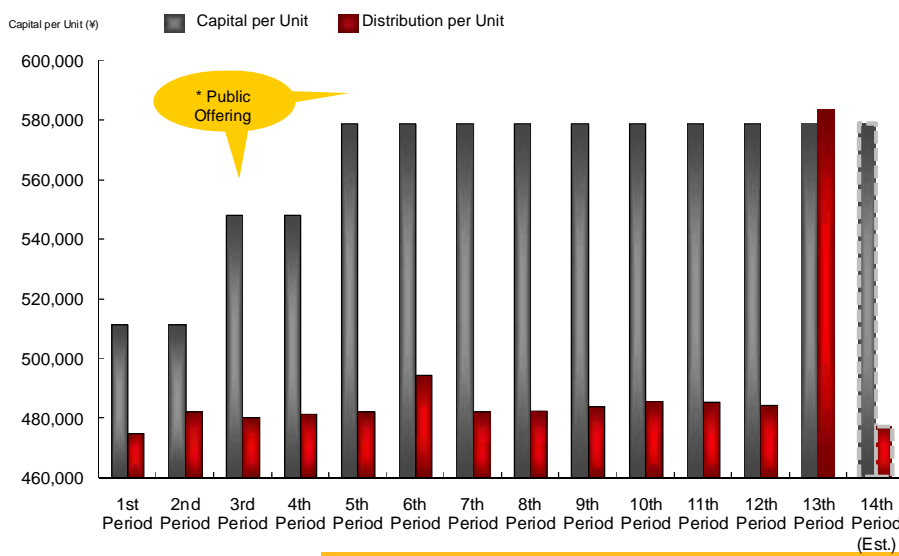
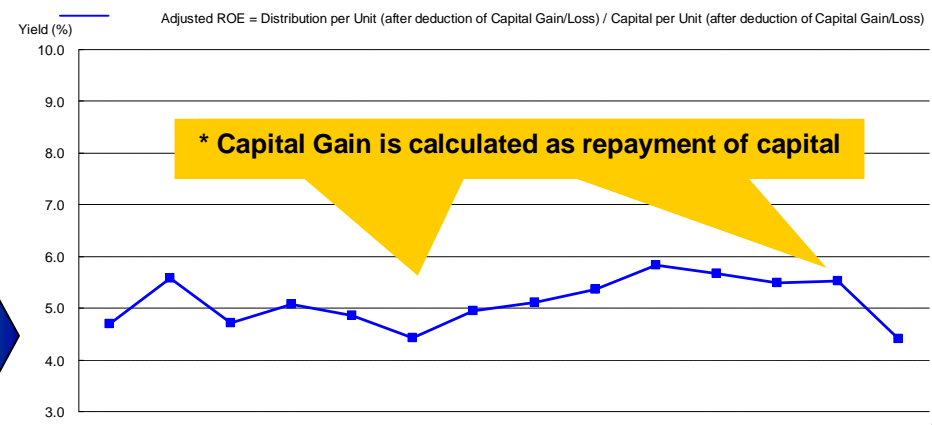
*This page represents the view of Tokyu REIM. 12

ROE (Capital Yield) and Adjusted ROE (Capital Yield after Deduction of Capital Gain)

ROE (Capital Yield)



Adjusted ROE (Capital Yield after deduction of Capital Gain)



$$\text{Adjusted Capital Yield (Adjusted ROE)} = \frac{\text{Distribution Amount after Deduction of Capital Gain}}{\text{Total Capital} - \text{Accumulated Distribution of Capital Gain}}$$

Adjusted ROE Matrix

Cumulative Capital Gains Going Forward		Distribution per Unit after Deduction of Capital Gain								
		¥10,000	¥11,000	¥12,000	¥13,000	¥14,000	¥15,000	¥16,000	¥17,000	¥18,000
Capital Gain	¥0 mn	3.97%	4.37%	4.77%	5.16%	5.56%	5.96%	6.35%	6.75%	7.15%
	¥500 mn	3.99%	4.39%	4.79%	5.19%	5.59%	5.99%	6.39%	6.79%	7.19%
	¥1,000 mn	4.02%	4.37%	4.82%	5.22%	5.63%	6.03%	6.43%	6.83%	7.23%
	¥2,000 mn	4.07%	4.47%	4.88%	5.29%	5.69%	6.10%	6.51%	6.91%	7.32%
	¥5,000 mn	4.22%	4.64%	5.06%	5.48%	5.91%	6.33%	6.75%	7.17%	7.59%
	¥10,000 mn	4.50%	4.95%	5.40%	5.85%	6.30%	6.75%	7.20%	7.65%	8.10%

Item	Amount
Capital (¥ mn) a	98,020
Capital Gain (¥ mn) b	12,716
Yokohama Yamashita-cho Building (Barneys New York Yokohama Store)	1,637
Resona Maruha Building	18,259
Ryoshin Harajuku Building	-7,180
Adjusted Capital after Deduction (¥ mn) c=a-b	85,304
Outstanding Units (Units) d	169,380
Adjusted Capital per Unit (¥) e=c/d	503,624

*This page represents the view of Tokyu REIM.

TOKYU REIT

1. TOKYU REIT's Policy and Strategy

(3) Investment Management Fee

Overview of Investment Management Fee

*** Investment management fee structure linked to three performance indices
Aimed to balance conflict by “being in the same boat as unitholders”**

	Objective (Aim)	Formula	Note
Base 1 (Linked to asset valuation)	Enhance Growth	Asset value at end of previous period × 0.150% (0.125% for the portion exceeding 200 billion yen)	Encourage Investment Management Company to strive for asset appreciation by linking fee to valuation, not to the amount invested
Base 2 (Linked to cash flow)		Operating cash flow in current period × 6.0% (5.0% for the portion exceeding 5 billion yen)	Operating cash flow is the amount equal to ordinary income plus depreciation and amortization of deferred assets minus profit or loss from valuation
Incentive Fee (Linked to investment unit price)		Reduce risk premium related to investment unit	(Average price in current period - Highest average price over all previous periods) × number of units × 0.4%

* Apart from the above fees, TOKYU REIT pays service charges to an asset custodian firm, general administration firm, property management firm and accounting auditor, among others.

*** The above fees are all booked as expenses. TOKYU REIT does not have a fee structure that leaves the income statement unaffected, such as the acquisition incentive fee, which is capitalized as an acquisition cost.**

Temporary reduction of Total Investment Management Fee (Authorized by General Meeting of Unitholders. (Apr. 15th, 2009))

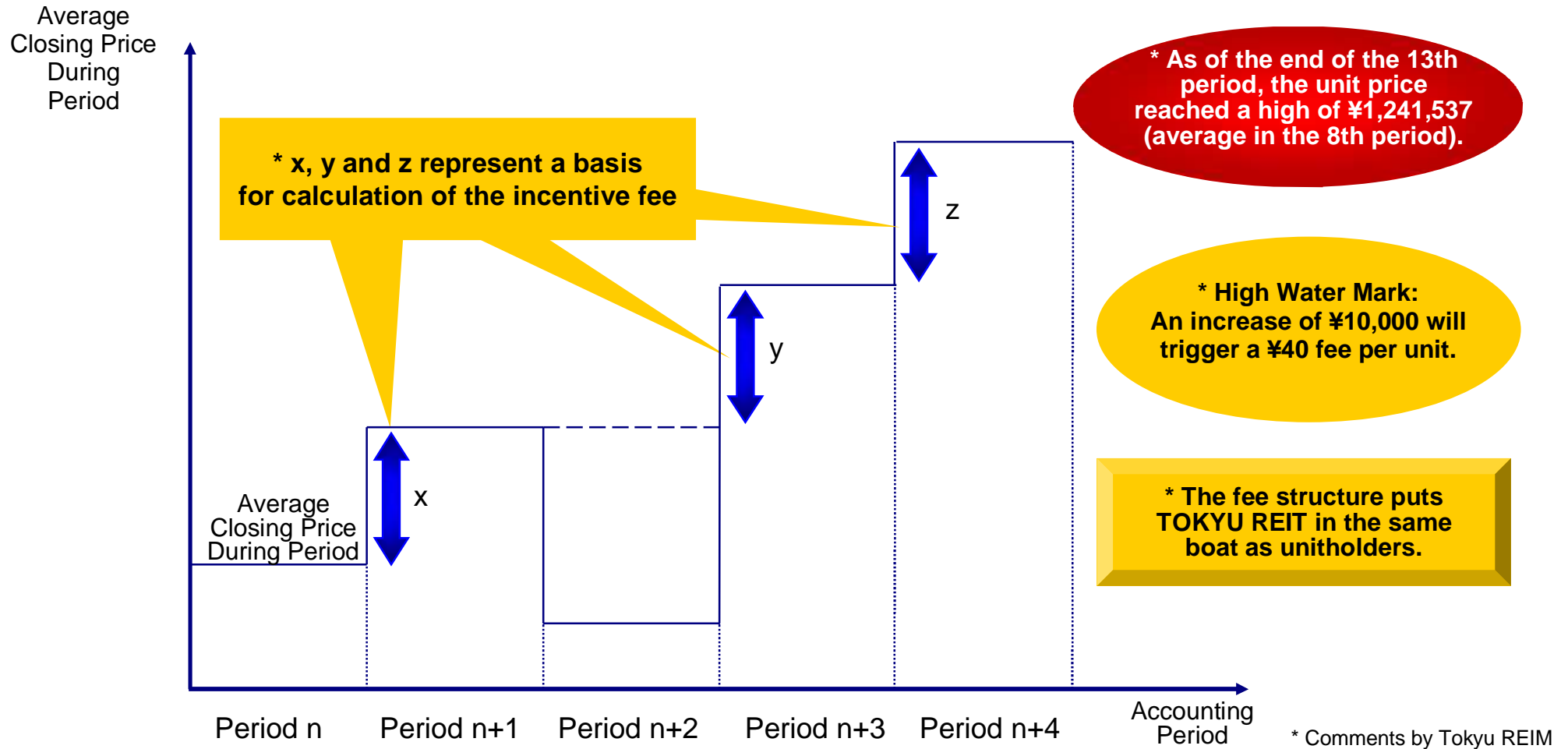
< Reduction period > From Feb. 1st 2009 to Jan. 31st 2011 (12th period to 15th period)

< Reduction rate > 12th period: 2%, 13th period: 4%, 14th period: 6%, 15th period: 8%

* Comments by Tokyu REIM

Incentive Fee Structure

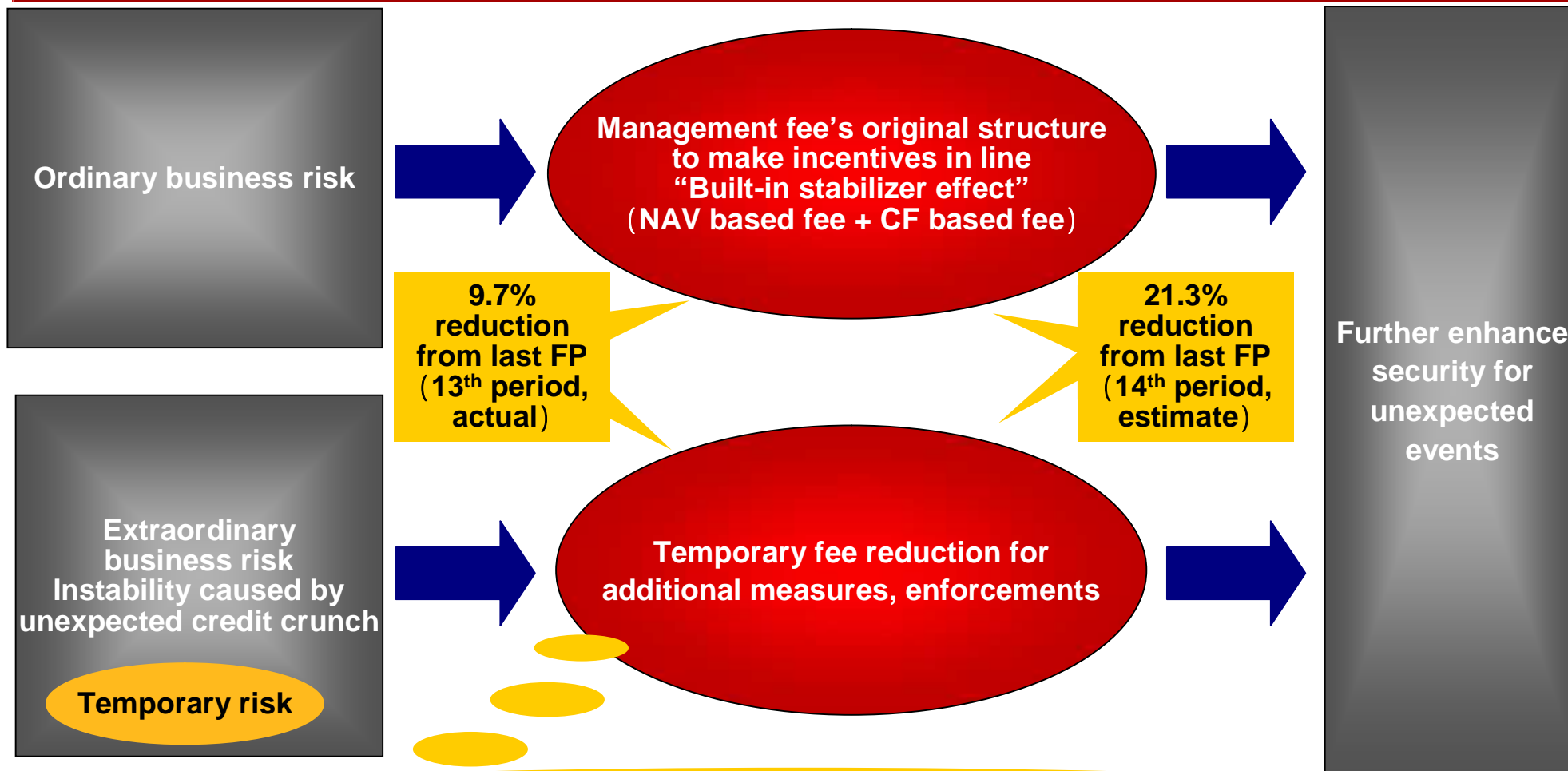
* The incentive fee arises only when the average investment unit price during the period exceeds the past high (high water mark).



Incentive Fee = Number of Units Outstanding at End of Previous Period x (x, y or z) x 0.4%

Purpose for Temporary Investment Management Fee Reduction

**“Being in the same boat as unitholders”
Management fee structure designed to mitigate conflict with investors**



Do not pay out dividends, except for payouts that were not used for additional measures to support credit risk and were booked as profit and paid out as dividends.

TOKYU REIT

2. Topics

(1) Financial Results and Forecast

Operating Results

		13th Period Actual	12th Period Actual	Change		13th Period	Change	
		Ended Jan. 2010 (184 days)	Ended Jul. 2009 (181 days)		(%)	Forecast as of 12/24/2009		(%)
Distribution per Unit	(¥)	79,446	15,505	63,941	412.4	78,500	946	1.2
Average LTV	(%)	47.9	42.5	5.4	-	47.8	0.1	-
LTV at End of Period	(%)	45.8	46.5	-0.7	-	44.3	1.5	-
Acquisition Capacity through Debt	(¥ million) a	18,754	15,571	3,183	20.4	26,508	-7,754	-29.3
Cash and Bank Deposits	(¥ million) b	39,228	-780	40,008	-5,129.2	39,450	-222	-0.6
Total Acquisition Capacity	(¥ million) a+b	57,982	14,791	43,191	292.0	65,958	-7,976	-12.1
Average Acquisition Price	(¥ million)	201,328	206,648	-5,320	-2.6	201,328	0	0.0
Occupancy Rate (End of Period)	(%)	96.9	98.6	-1.7	-	96.9	0.0	-
NOI Yield	(%)	4.91	5.10	-0.19	-	4.85	0.06	-
Unrealized Gain	(¥ million)	10,178	18,511	-8,333	-45.0			
Adjusted Net Asset Value (NAV) per Unit Reflecting Unrealized Gain	(¥)	638,789	687,988	-49,199	-7.2			
Average Unit Price during the Period	(¥)	478,579	496,772	-18,193	-3.7			

- Average LTV = (Average Balance of Interest-Bearing Debt + Average Balance of Securities Deposit without Reserved Cash) / Appraisal Value at End of Previous Period or Weighted Average Appraisal Value at Acquisition
- LTV at End of Period = (Balance of Interest-Bearing Debt at End of Period + Balance of Securities Deposit without Reserved Cash at End of Period) / (Appraisal Value at End of Period or Average Appraisal Value at Acquisition + Balance of Cash and Deposits with Banks at End of Period)
- Acquisition Capacity through Debt indicates the potential acquisition by debt assuming a maximum LTV at end of period of 50%.
- Cash and Bank Deposits = (Balance of Cash and Bank Deposits at End of Period – Balance of Retained Earnings at End of Period)
- NOI Yield = Leasing NOI / Average Acquisition Price of Properties during the Period
- Unrealized Gain is the balance after deducting the book value from the appraisal value of properties at the end of the period.
- Adjusted Net Asset Value per Unit, which reflects Unrealized Gain, does not include Retained Earnings.
- Detailed B/S and P/L data are in the separate Data Book.

14th Period (Ending Jul. 2010) Estimates

Projected EPS: ¥11,000 (change from 13th period ¥ -68,446)

➤ Net Income: ¥1,863 million	change from 13 th period	¥ - 11,593 million (profit decrease)
❑ Leasing Operations Profit	change from 13 th period	¥ - 670 million (profit decrease)
✓ 2 properties sold	¥ - 596 million	
✓ Kojimachi Square acquired	¥ 150 million	
✓ Existing 21 properties	¥ - 224 million	
• Rental Revenue decrease	¥ - 205 million	
• Cancellation Fee	¥ 131 million (QFRONT)	
• Repair Cost increase	¥ - 62 million	
❑ Investment Management Fee	¥ 114 million (cost decrease)	
❑ Non-Operating Expense	¥ 62 million (cost decrease) etc.	(Interest expense decrease: 29 million)

* Rental Revenue decreased due to sale of property and cancellations/rate reductions

* New acquisition is scheduled for March 19, 2010 (Kojimachi Square)

* Forecast does not include New Lease Contract (non contracted)

■ **LTV / Total Assets: 43.6% LT Debt Ratio: 100% Period End Occupancy Estimate: 95.8%**

15th Period (Ending Jan. 2011) Estimates

■ **Projected EPS: ¥10,000**

➤ Operating Income: ¥6,022 million Recurring Profit: ¥1,694 million Net Income: ¥1,693 million

■ **LTV / Total Assets: 43.7% LT Debt Ratio: 100% Period End Occupancy Estimate: 95.7%**

* Tenants submitting their notice of cancellation are expected to leave vacancies up until and past the 15th period. In addition, rent level factors in the effect of the recent deterioration in the real estate market.

* $LTV / Total Assets (Period End) = Expected Period End Interest-Bearing Debt / Expected Period End Total Assets$



2. Topics

(2) Disposition and Acquisition of Property

- 1. Realization of maximum value of Resona Maruha Building**
- 2. Reduction of risks of application of impairment accounting loss for Ryoshin Harajuku Building and corresponding recovery of investment unit price**
- 3. Distribution of (net) capital gain**
- 4. Enhancement of revenue-generating potential through replacement of properties (long-term investment management strategy)**
- 5. Securing of cash position**
 - (1) Competitiveness in acquisitions in real estate investment market**
 - (2) Preparing for risk of another credit crunch**

Disposition of Resona Maruha Building

1. Summary

- **Type of Ownership:** (Land) Proprietary ownership <Co-ownership interest: 27%>
(Building) Compartmentalized ownership comprising exclusive area of 19,542.77m²
- **Completion Date:** November 1978
- **Property Age:** 31.3 years (as of the disposition on January 2010)
- **Disposition Price:** 42,000 million yen
- **Acquisition Price:** 23,260 million yen (acquired on January 15, 2004)
- **Capital Gain:** 18,258 million yen (107,798 yen per unit)
- **Purchaser:** Otemachi Development Tokutei Mokuteki Kaisha (TMK established by Mitsubishi Estate Co., Ltd. and others)
- **Schedule:** Disposition contracted on December 24, 2009 and closed on January 15, 2010



2. Background

- **June 2004:** Floor area ratio increased as a result of urban planning change (1,000% → 1,300%)
- **April 2008:** Acquisition of lower portion by Otemachi Development Tokutei Mokuteki Kaisha, and confirmation of Resona Bank, Ltd.'s intention to leave
- **March 2011:** Maruha Nichiro Seafoods, Inc.'s fixed-term lease agreement expires

3. Consideration of Options

- **Keep under management:** Risk of value decreasing due to obsolescence in correlation with redevelopment of adjacent building and other factors; No benefits of value increasing from redevelopment
- **Exchange of assets:** As the norm is basically exchange based on appraised value, cannot reap benefits of added value from the Property that cannot be incorporated in the appraisal
- **Hold as sokochi:** Rent (Ground rent) income may possibly fall compared to when held as a building.
- **Disposition:** Regarded as a measure to maximize unitholder value by realizing added value from the Property and thus was the option selected

4. Disposition Procedures

- **Consider maximization of disposition price and certainty of transaction**
- **Decide on disposition price through negotiations with Otemachi Development Tokutei Mokuteki Kaisha (holder of right of first refusal based on agreement between compartmentalized owners)**

Disposition of Ryoshin Harajuku Building

1. Summary

- **Completion Date:** March 1989
- **Property Age:** 20.8 years (as of the disposition on December 2009)
- **Disposition Price:** 8,400 million yen
- **Acquisition Price:** 15,356 million yen (acquired on June 27, 2008; acquired additional ownership on October 3, 2008)
- **Capital Loss:** 7,179 million yen (42,388 yen per unit)
- **Purchaser:** Japan Prime Realty Investment Corporation
- **Schedule:** Disposition contracted on December 24, 2009 and closed on December 25, 2009

2. Background

- **Falling appraisal value**
- **Risk of application of impairment accounting loss and corresponding decrease in investment unit price**

3. Undertakings after Acquisition

- **Changed to complete ownership**
(acquired 95.74% ownership and then acquired the other compartmentalized owners' portions on October 3, 2008)
- **Dissolved compartmentalized owners' association (reduced management work)**
- **Leasing (improved occupancy from 71.8% (at the time of acquisition) to full occupancy)**
- **Reduced building maintenance costs**

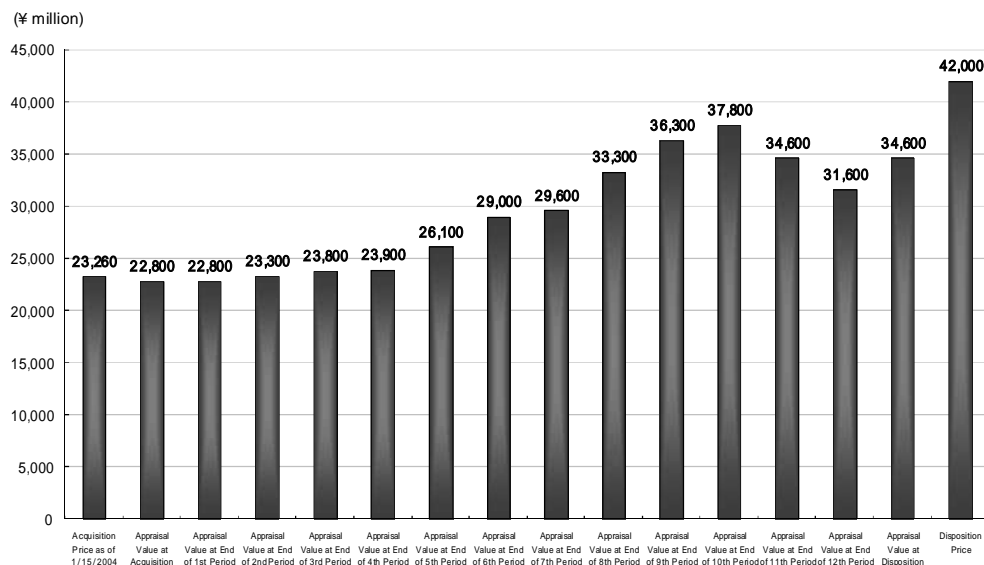
4. Disposition

- **From a conservative standpoint, deemed that reducing risk of application of impairment accounting loss would be best in terms of protection of unitholder value and recovery of investment unit price**
- **In pursuit of maximization of disposition price and certainty of disposition, accept bid for tender price and intention for acquisition from only potential buyers that boast high creditworthiness**

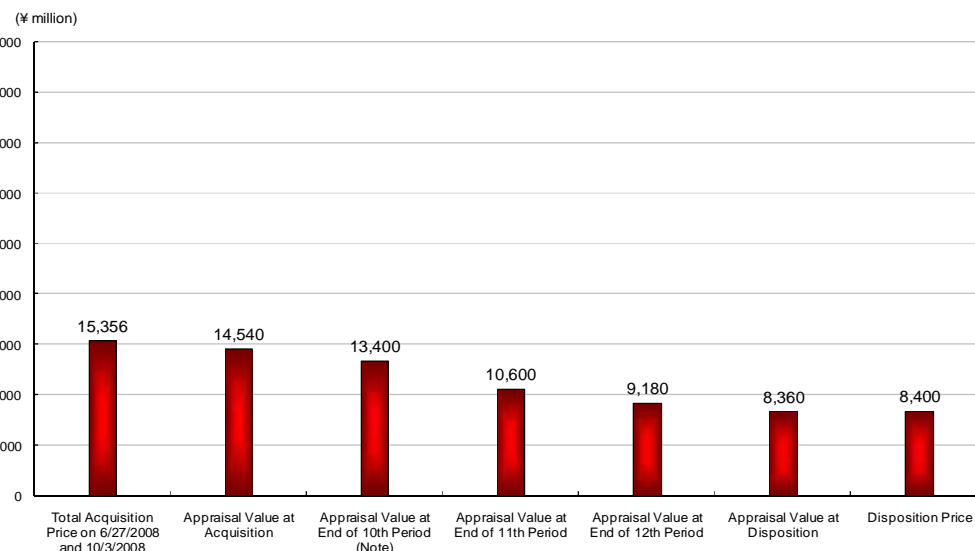


Changes in Valuation of the Two Properties

Resona Maruha Building



Ryoshin Harajuku Building



	Based on Appraisal Value at Acquisition	Based on Appraisal Value at End of 12 th Period	Based on Appraisal Value at Disposition
NCF (Direct capitalization method)	¥ 1,231 million	¥1,313 million	Income capitalization method based on assumption of redevelopment
NCF Cap Rate (Direct Cap rate)	5.40%	4.10%	

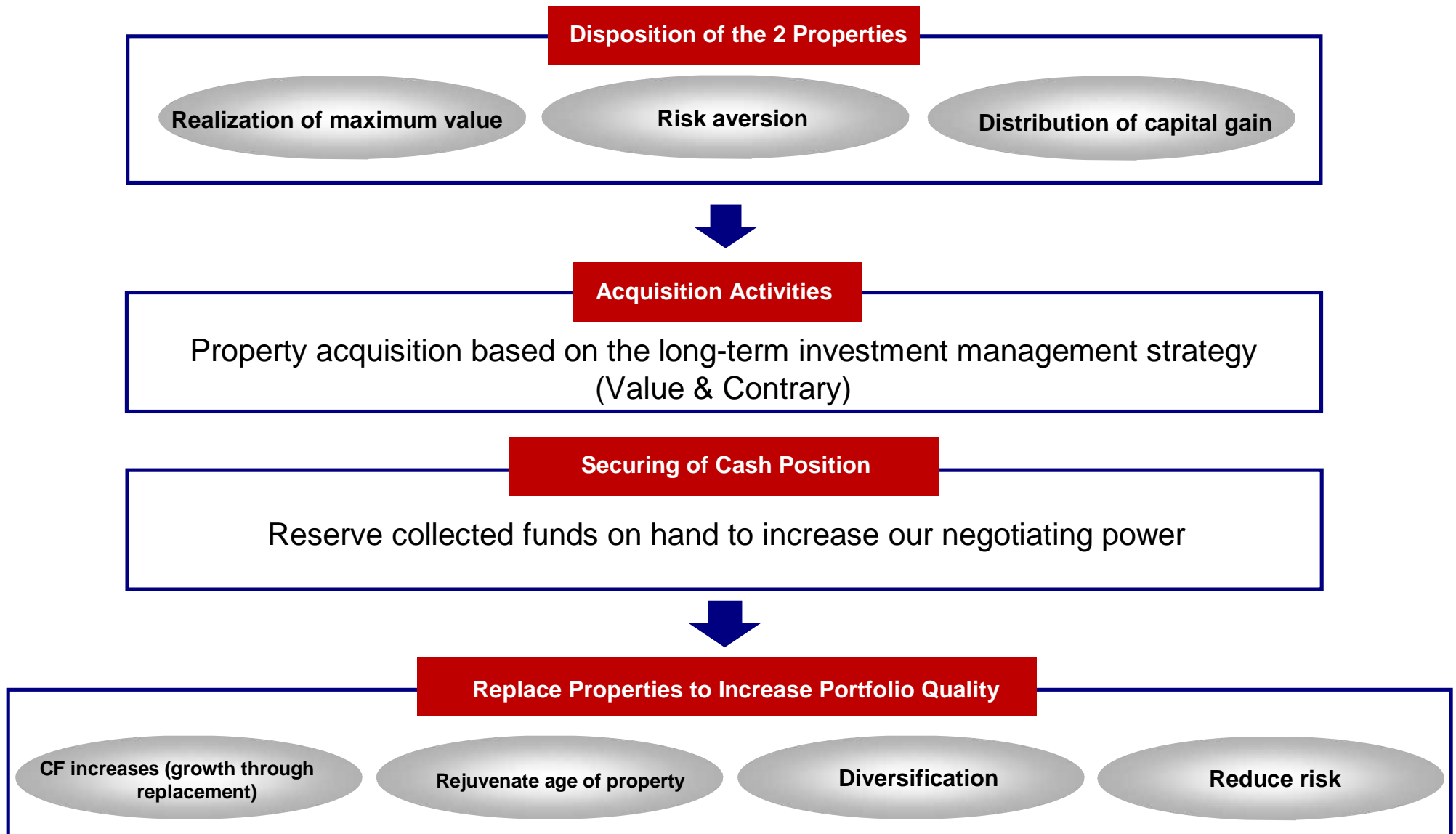
	Based on Appraisal Value at Acquisition	Based on Appraisal Value at End of 12 th Period	Based on Appraisal Value at Disposition
NCF (Direct capitalization method)	¥ 598 million	¥406 million	¥379 million
NCF Cap Rate (Direct Cap rate)	4.10%	4.40%	4.50%

(Note) Appraisal Value at End of 10th Period does not include the additional acquisition portion.

* Large disparity from disposition price due to presence of values that cannot be incorporated in the appraisal

* Assumed to be 34,000 yen per month/*tsubo* at time of acquisition, but this dropped to 26,000 yen per month/*tsubo* at the end of the 12th fiscal period (end of July 2009)

Ideas Behind Disposition of the Two Properties and Reinvestment



* This page represents the view of Tokyu REIM.

Acquisition of Kojimachi Square

1. Summary

- **Type of Acquisition:** Trust beneficiary interest in real estate
- **Use:** Office
- **Tenants:** Japan Science and Technology Agency, Construction Industry Engineers Center, etc.
- **Location:** Nibancho, Chiyoda-ku, Tokyo
Approximately a one-minute walk from Kojimachi Station, Tokyo Metro Yurakucho Line
- **Total Land Area:** 1,269.24m²
- **Total Floor Area:** 6,803.47m²
- **Type of Ownership:** Land: Proprietary ownership
Building: Proprietary ownership
- **Acquisition Price:** 9,030 million yen
- **Appraisal Value at Acquisition:** 9,100 million yen (as of February 1, 2010)
- **Overall Capitalization Rate:** 4.70% (Direct capitalization method)
- **Completion Date:** January 2003 (Property age: 7.1 years)
- **Acquisition Date:** March 19, 2010 (scheduled)
- **Seller:** Verde Investment Ltd.
(a special-purpose company (SPC) established under instruction of Tokyu Land Corporation)



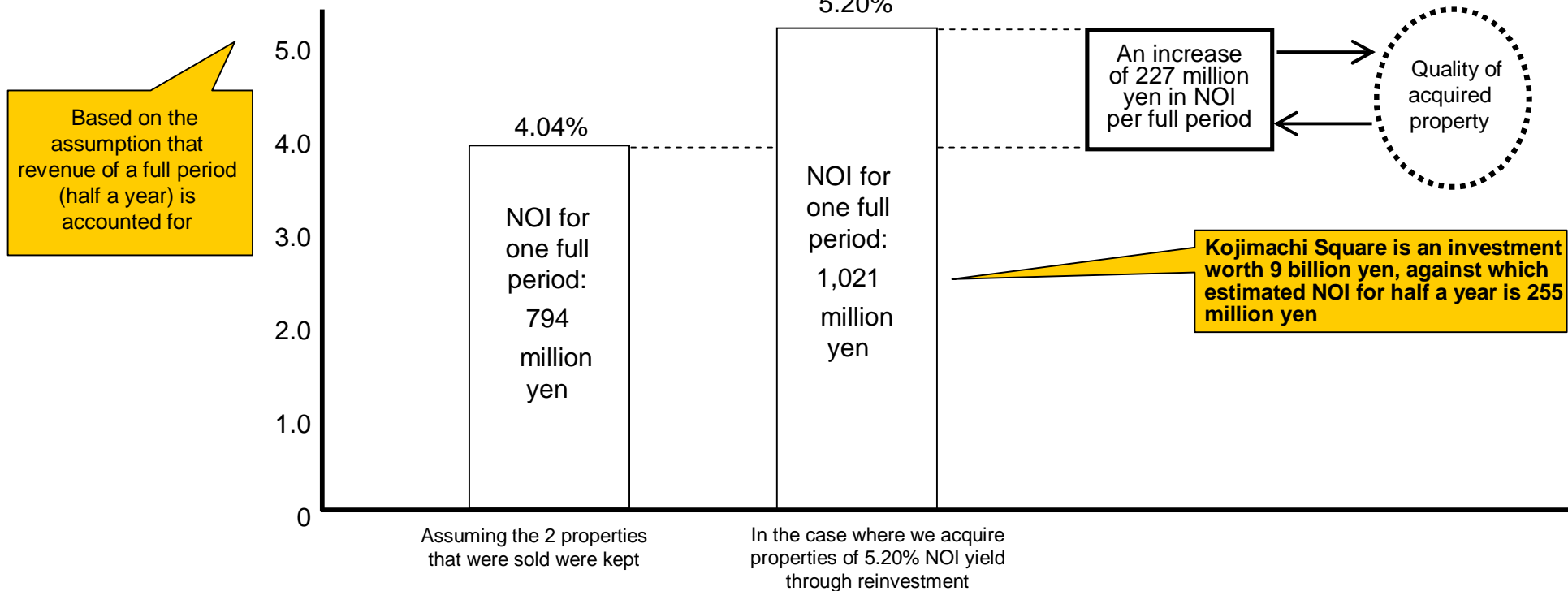
2. Characteristics and Issues

- **Strengths:** A one-minute walk from the nearest station, several train lines and stations nearby, competitive building specifications are competitive, relatively new, floors with highly versatile design and high occupancy
- **Weaknesses:** Not a very busy commercial area
- **Risk:** Fluctuation of rental revenues with changes in the real estate leasing market
- **Special Items:** The border of the road cuts into sections of the land (confirmed with the Ward Office that this presents no problem)
Urban planning changes to build a road apply to certain sections (approx. 15m²; setback has been completed)

Reinvestment Simulation

Ryoshin Harajuku Building book value 15.5 billion yen (39.6%)	Source of funds for reinvestment 39.2 billion yen (100%)
Resona Maruha Building book value 23.7 billion yen (60.4%)	

Expected NOI Yield (%)



Based on the assumption that revenue of a full period (half a year) is accounted for

An increase of 227 million yen in NOI per full period

Quality of acquired property

Kojimachi Square is an investment worth 9 billion yen, against which estimated NOI for half a year is 255 million yen

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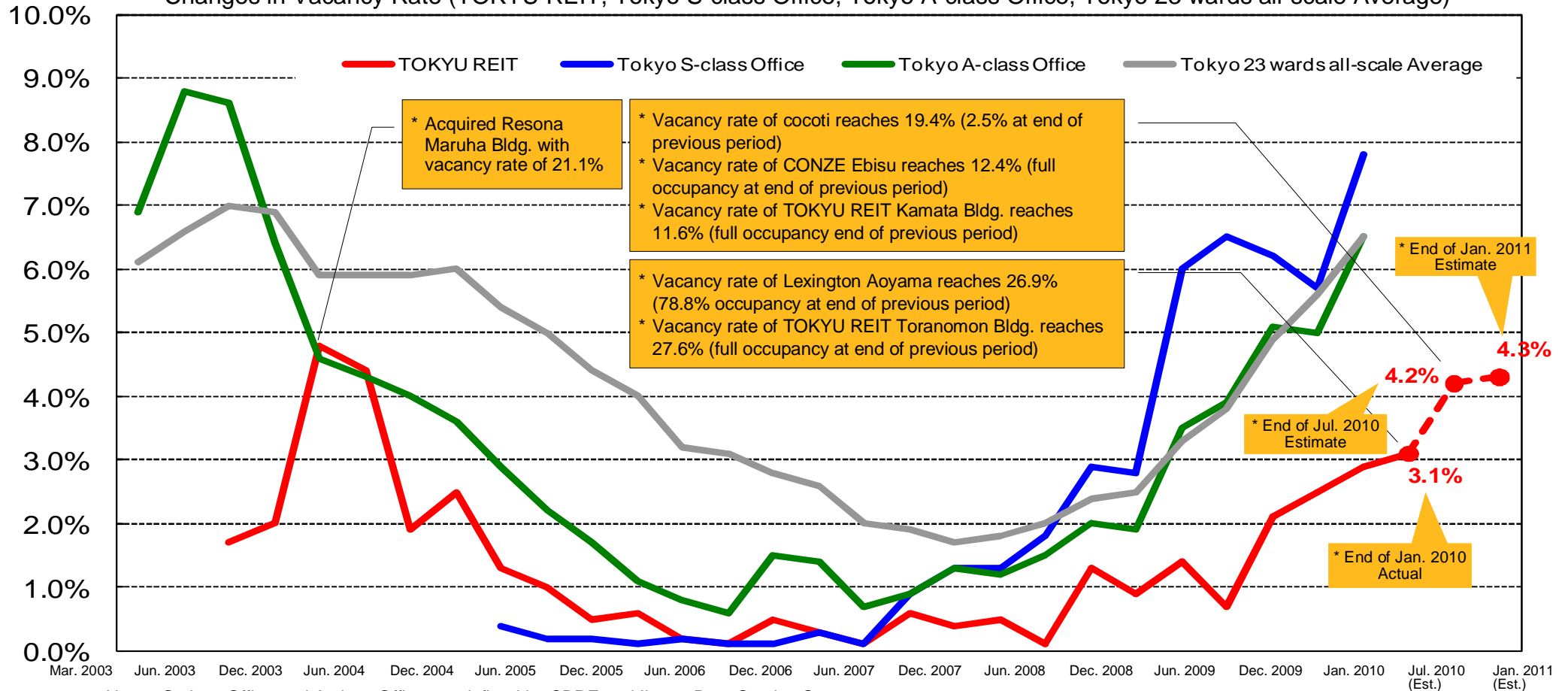
TOKYU REIT

2. Topics

(3) Outlook of TOKYU REIT

Changes in Vacancy Rate

Changes in Vacancy Rate (TOKYU REIT, Tokyo S-class Office, Tokyo A-class Office, Tokyo 23 wards all-scale Average)



* Acquired Resona Maruha Bldg. with vacancy rate of 21.1%

* Vacancy rate of cocoti reaches 19.4% (2.5% at end of previous period)
 * Vacancy rate of CONZE Ebisu reaches 12.4% (full occupancy at end of previous period)
 * Vacancy rate of TOKYU REIT Kamata Bldg. reaches 11.6% (full occupancy end of previous period)

* Vacancy rate of Lexington Aoyama reaches 26.9% (78.8% occupancy at end of previous period)
 * Vacancy rate of TOKYU REIT Toranomon Bldg. reaches 27.6% (full occupancy at end of previous period)

* End of Jan. 2011 Estimate

* End of Jul. 2010 Estimate

* End of Jan. 2010 Actual

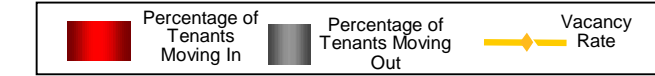
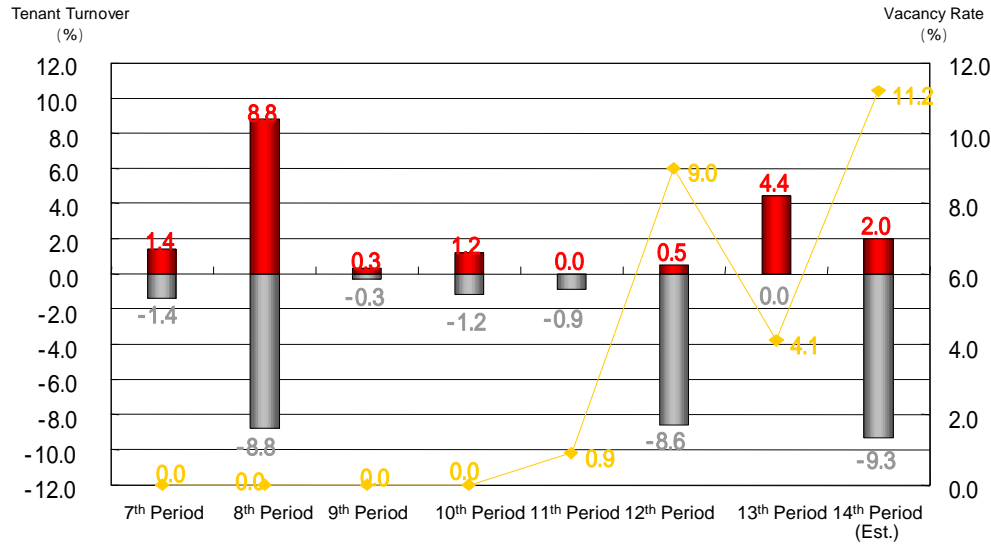
Note : S-class Office and A-class Office are defined by CBRE and Ikoma Data Service System.
 S-class Office ... Office buildings located in Tokyo's major 5 wards with especially significant features as an office property (features include total floor space over 20,000 tsubo, typical floor area over 500 tsubo)
 A-class Office ... Located in Tokyo's major 5 wards (Chiyoda, Chuo, Minato, Shinjuku, Shibuya) with features including total floor space of over 10,000 tsubo and typical floor area over 200 tsubo)

Source: CBRE Research Institutions "Office Market Report" * Comments by Tokyu REIM

*** TOKYU REIT's portfolio has lower vacancy than the average market rate in Tokyo and has recorded stable performance**

Changes in Tenant Turnover and Vacancy Rate

Retail (Urban)



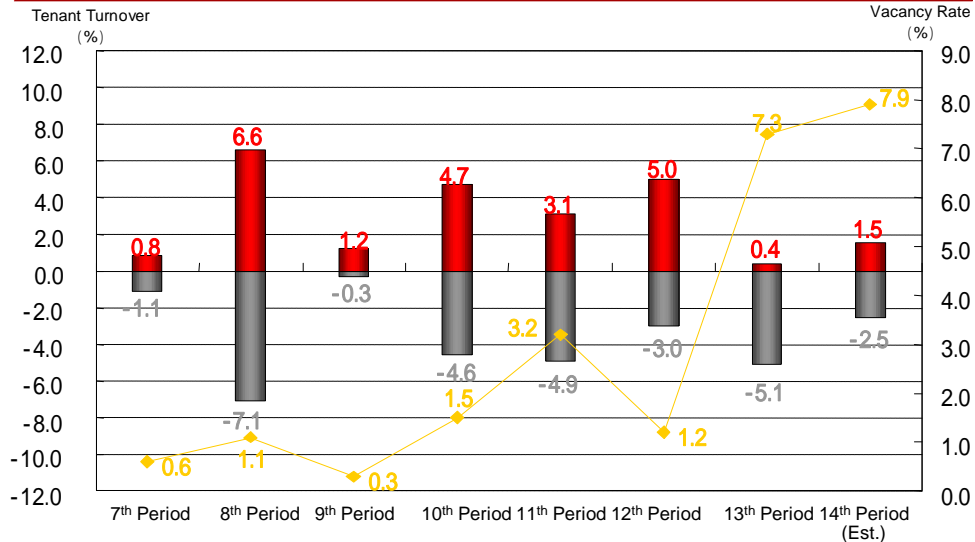
* Retail (Urban) QFRONT
 TOKYU REIT Omotesando Square
 Lexington Aoyama
 TOKYU REIT Shibuya Udagawa-cho Square
 cocoti
 CONZE Ebisu
 Daikanyama Forum

* Retail (Suburban) Tokyu Saginuma Building
 Tokyu Saginuma 2 Building
 Beacon Hill Plaza (Ito-Yokado Noukendai Store)
 Shonan Mall Fill (*sokochi*)

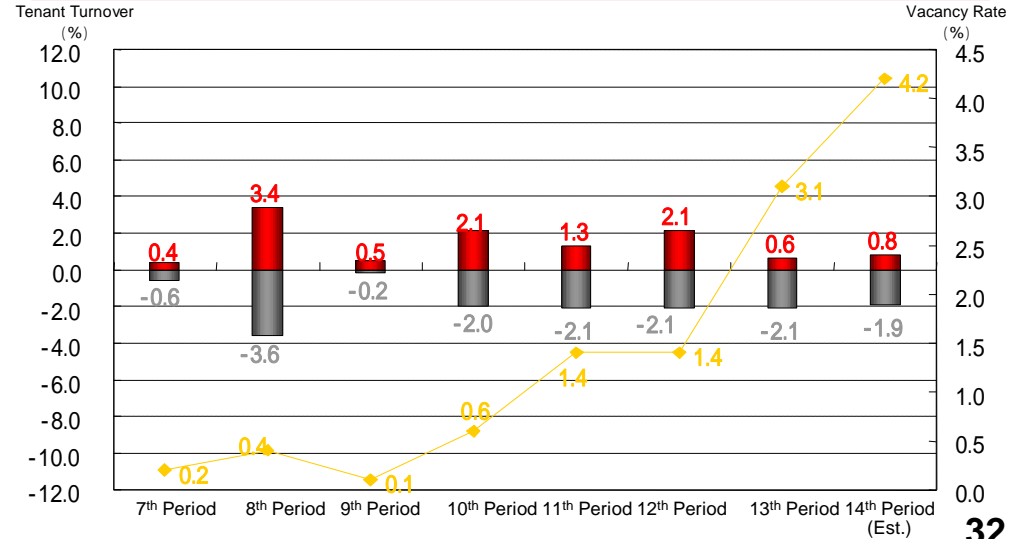
* There have been no tenants moving out or moving in for retail (Suburban) properties, and thus no new vacancies have occurred.

*** Pressure of moving out from offices has slightly receded**

Office



Overall Portfolio



Status of Leasing Activities

Name of Property	Type	Status
Lexington Aoyama	Retail	*During the 13th period, 3 new tenants (apparel store, hair salon and office) moved in (approx. 323 tsubo), and the occupancy rate by the end of the 13th period recovered to 73.1% (21.2% at end of 12th period) *Currently conducting marketing for the remaining 2 vacant spaces (approx. 171 tsubo), targeting merchandising stores such as apparel stores.
cocoti	Retail	*One space became vacant (approx. 63 tsubo) in March 2009 (12th period) and so the occupancy rate as of the end of the 13th period remains at 97.5%, or the same as the end of the 12th period *In addition to the above, we are currently negotiating with multiple candidates (mainly merchandising stores such as apparel stores) for spaces, including 1 scheduled to be cancelled during the 14th period (approx. 488 tsubo)
CONZE Ebisu	Retail	*One space (approx. 86 tsubo) is scheduled to become vacant during the 14th period *Currently conducting marketing for the above space, targeting restaurants
Daikanyama Forum	Retail	*The occupancy rate at the end of the 13th period was 91.5%, or unchanged from the end of the 12th period *Currently conducting marketing for 1 vacant space (approx. 64 tsubo), targeting merchandising stores, showrooms, etc.
TOKYU REIT Toranomon Building	Office	*Two tenants moved out during the 13th period (approx. 845 tsubo) and the occupancy rate fell to 72.4% as of the end of the 13th period (100% at end of 12th period) *Currently conducting marketing for the vacant spaces (approx. 845 tsubo), targeting offices conducting restructurings, or candidates that need to integrate their offices, etc.
Setagaya Business Square	Office	*Cancellations continued into the 13th period and the occupancy rate fell to 89.4% as of the end of the 13th period (95.1% at end of 12th period) *Currently conducting marketing for 15 vacant spaces (approx. 950 tsubo), including the space scheduled for cancellation as of the end of 13th period, targeting offices conducting restructurings and moving out of central Tokyo, IT-related companies, etc.
TOKYU REIT Kamata Building	Office	*The occupancy rate at the end of the 13th period was 100%, or unchanged from the end of the 12th period *One space is scheduled to become vacant in May 2010 (14th period) (approx. 257 tsubo) *Currently conducting marketing for the above space, targeting manufacturers of the vicinity, etc.
TOKYU REIT Hatchobori Building	Office	*Tenant in 1F vacated during the 13th period, but we concluded a contract with a store during the same period. The occupancy rate at the end of the 13th period was 99.3%, and we managed to maintain a roughly full occupancy rate (100% at end of 12th period) *For the space for which tenants notified of cancellation (approx. 221 tsubo) during the 13th period, we managed to conclude a contract on February 2010 (14th period). The occupancy rate returned to 100%.
Others		*Out of the 22 properties, which is the sum of the above 8 properties and others scheduled to be acquired, we expect 15 properties to have full occupancy as of the end of the 14th period and end of the 15th period (Expected portfolio occupancy rate of 95.8% and 95.7% at the end of 14th and 15th period, respectively)

* 13th Period: August 1, 2009 – January 31, 2010
 * 14th Period: February 1, 2010 – July 31, 2010
 * 15th Period: August 1, 2010 – January 31, 2011

(Note) The vacant spaces for Setagaya Business Square, for which we are currently conducting leasing, has been reduced to 12 spaces (approx. 480 tsubo) as of the date this presentation was prepared.

Status of Existing Tenants

Percentage of Tenants Facing Rent Renegotiation

Asset Class	14th Period	15th Period	16th Period	17th Period	18th Period	19th Period
Retail	13.1%	9.1%	17.6%	20.7%	11.1%	17.5%
Urban	1.6%	11.0%	8.4%	28.2%	6.2%	5.0%
Suburban	36.3%	5.4%	36.3%	5.4%	21.0%	42.7%
Office	26.5%	25.4%	25.3%	10.3%	32.2%	26.9%
Total	21.4%	18.9%	22.9%	15.8%	23.7%	23.8%

* Retail (Urban):
QFRONT, TOKYU REIT Omotesando Square, Lexington Aoyama, TOKYU REIT Shibuya Udagawa-cho Square, cocoti, CONZE Ebisu, Daikanyama Forum

* Retail (Suburban):
Tokyu Saginuma Building, Tokyu Saginuma 2 Building, Beacon Hill Plaza (Ito-Yokado Noukendai Store), Shonan Mall Fill (*sokochi*)

* Percentage calculated by dividing rent for tenants facing rent renegotiation by total rent by asset class

* Rent includes common service charge (except revenue from parking / sign charge).

* As of beginning of 14th Period

Divergence from Market Rent

Asset Class	6th Period Beginning (16 Properties)	7th Period Beginning (17 Properties)	8th Period Beginning (19 Properties)	9th Period Beginning (19 Properties)	10th Period Beginning (20 Properties)	11th Period Beginning (23 Properties)	12th Period Beginning (23 Properties)	13th Period Beginning (21 Properties)	14th Period Beginning (21 Properties)
Retail	9.3%	9.4%	11.1%	10.6%	9.0%	9.2%	1.7%	-3.3%	-10.0%
Urban	13.3%	14.5%	16.7%	15.9%	13.5%	13.4%	2.5%	-4.8%	-14.8%
Suburban	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	-0.3%	-0.2%
Office	4.2%	12.5%	14.1%	16.0%	15.6%	11.5%	-5.9%	-19.8%	-27.8%
Total	6.3%	11.1%	12.8%	13.7%	12.9%	10.6%	-2.9%	-12.3%	-19.7%

* Since occupancy rates are high, it does not mean that continuous rents will immediately decrease to market levels.

* The rate of decrease is decelerating.

* Market rents underperformed against contracted rents due to market deterioration.

* Divergence = (New market rent - Rent at Beginning of Period) / Rent at Beginning of Period

* Market rent is calculated by Tokyu REIM based on market reports of third parties.

* Monthly rent at the beginning of each period includes common service charges (except revenue from parking / sign charge).

* Yokohama Yamashita-cho Bldg. (Barneys New York Yokohama Store) is excluded from the 6th Period Beginning.

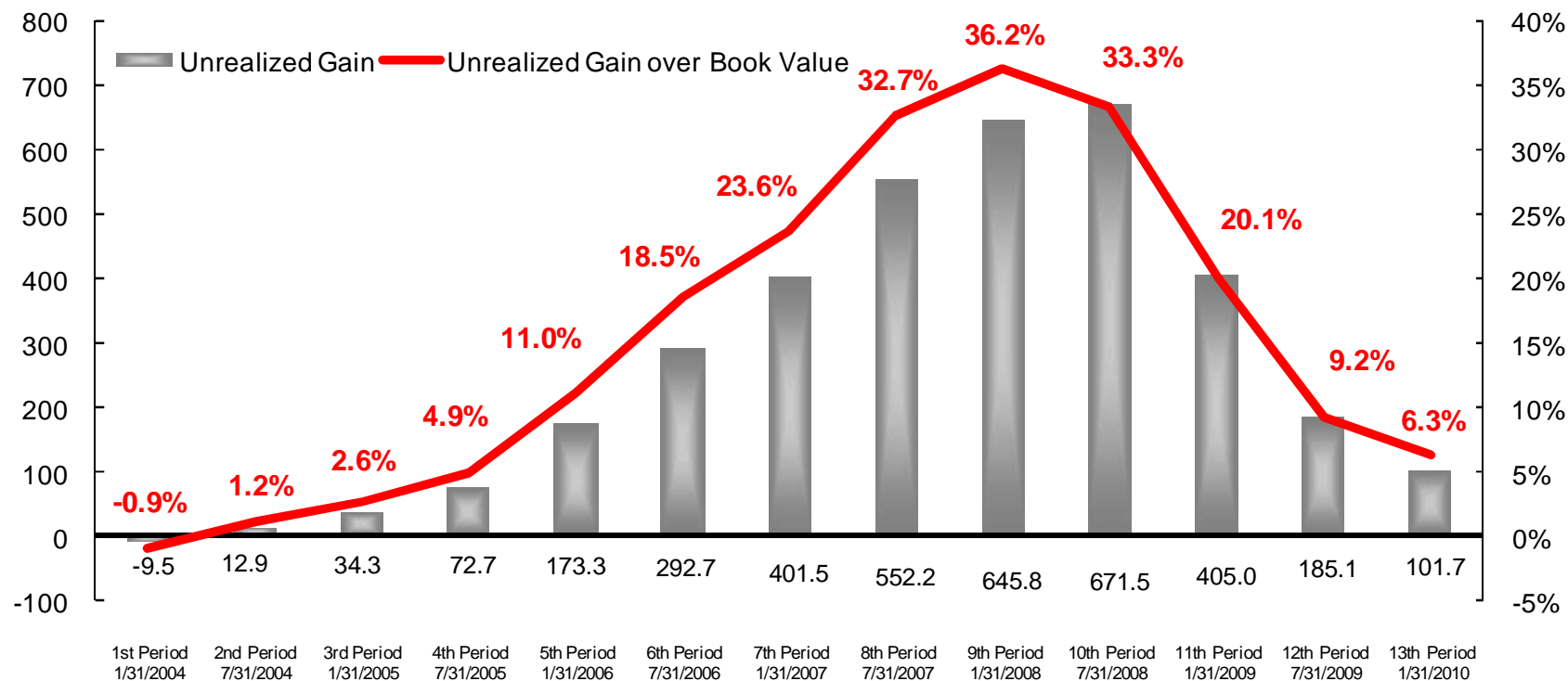
* 13th Period Beginning excludes the Resona Maruha Building and Ryoshin Harajuku Building.

*Comments by Tokyu REIM

Change in Unrealized Gain of the Portfolio

Unrealized Gain (¥100 million)

% Unrealized Gain over Book Value



* % Unrealized Gain over Book Value = Unrealized Gain / Book Value of Asset

***Decline in unrealized gain due to declining trend of current asset value**

*Comments by Tokyu REIM

Change in Appraisal Value (End of 13th Period – End of 12th Period)

(¥ million)

Name of Property	Appraisal Value at the End of Period (in JPY mm)		Increase / Decrease %	Increase / Decrease (in JPY mm)	Impact from change in NCF	Impact from change in NCF Cap Rate	NCF (Direct capitalization method)			NCF Cap Rate (Direct Cap rate)			Appraiser
	13th Period	12th Period					13th Period	12th Period	Change	13th Period	12th Period	Change	
QFRONT	19,700	19,600	0.51%	100	118%	0%	776	772	5	3.90%	3.90%	0.00%	a
Lexington Aoyama	4,880	5,300	-7.92%	-420	131%	-29%	219	243	-24	4.40%	4.50%	-0.10%	a
TOKYU REIT Omotesando Square	6,820	7,000	-2.57%	-180	85%	0%	308	315	-7	4.50%	4.50%	0.00%	a
Tokyu Saginuma Building	7,890	7,890	0.00%	0	0%	0%	460	460	0	5.80%	5.80%	0.00%	a
Tokyu Saginuma 2 Building	1,390	1,390	0.00%	0	0%	0%	95	95	0	6.80%	6.80%	0.00%	a
TOKYU REIT Shibuya Udagawa-cho Square	7,300	7,730	-5.56%	-430	10%	32%	274	276	-2	4.50%	4.40%	0.10%	b
Beacon Hill Plaza (Ito-Yokado Noukendai Store)	8,030	8,290	-3.14%	-260	-11%	123%	467	466	2	5.50%	5.30%	0.20%	b
cocoti	18,800	20,600	-8.74%	-1,800	93%	0%	826	898	-72	4.30%	4.30%	0.00%	c
Shonan Mall Fill (<i>sokochi</i>)	5,420	5,710	-5.08%	-290	0%	109%	302	302	0	5.50%	5.20%	0.30%	d
CONZE Ebisu	4,400	4,500	-2.22%	-100	107%	0%	192	196	-5	4.30%	4.30%	0.00%	c
Daikanyama Forum	3,190	3,330	-4.20%	-140	49%	55%	142	146	-3	4.40%	4.30%	0.10%	b
Retail Properties Total	87,820	91,340	-3.85%	-3,520	70%	21%	4,062	4,169	-107	4.63%	4.56%	0.07%	
Setagaya Business Square	22,400	23,900	-6.28%	-1,500	101%	0%	1,143	1,220	-77	5.10%	5.10%	0.00%	a
Tokyu Nampeidai-cho Building	5,650	5,750	-1.74%	-100	-15%	121%	273	272	1	4.80%	4.70%	0.10%	a
Tokyu Sakuragaoka-cho Building	8,730	8,970	-2.68%	-240	18%	86%	388	390	-2	4.40%	4.30%	0.10%	a
Tokyo Nissan Taito Building	5,240	5,190	0.96%	50	-105%	205%	270	272	-3	5.10%	5.20%	-0.10%	a
TOKYU REIT Akasaka Hinokicho Building	4,410	4,480	-1.56%	-70	97%	0%	210	213	-3	4.70%	4.70%	0.00%	a
TOKYU REIT Kamata Building	6,680	6,900	-3.19%	-220	84%	0%	358	368	-10	5.30%	5.30%	0.00%	a
TOKYU REIT Toranomom Building	13,000	14,200	-8.45%	-1,200	97%	0%	612	667	-55	4.70%	4.70%	0.00%	a
TOKYU REIT Hatchobori Building	5,610	5,810	-3.44%	-200	121%	0%	265	277	-11	4.70%	4.70%	0.00%	c
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	6,760	7,170	-5.72%	-410	83%	0%	315	330	-15	4.40%	4.40%	0.00%	b
Tokyu Ikejiri-ohashi Building	4,780	5,090	-6.09%	-310	105%	0%	252	269	-17	5.20%	5.20%	0.00%	c
Office Properties Total	83,260	87,460	-4.80%	-4,200	94%	5%	4,086	4,278	-192	4.91%	4.89%	0.02%	
End of 13th Period (21 Properties)	171,080	178,800	-4.32%	-7,720	83%	12%	8,148	8,447	-299	4.76%	4.72%	0.04%	

(Note) a Japan Real Estate Institute b HIRO & REAS Network, Inc. c DAIWA REAL ESTATE APPRAISAL Corporation d Jones Lang LaSalle IP, Inc.

* Appraisal Value is determined by using several methodologies including the direct capitalization approach and DCF approach. Therefore, the Appraisal Value may differ from the above NFC figures divided by the NCF Cap Rate.

* We sold the Ryoshin Harajuku Building on December 25, 2009 and the Resona Maruha Building on January 15, 2010. The Appraisal Value at End of 12th Period, Appraisal Value at Disposition and Disposition Price of the 2 properties are as follows:

* Ryoshin Harajuku Building (Appraisal Value at End of 12th Period: ¥9,180 million; Appraisal Value at Disposition: ¥8,360 million; Disposition Price: ¥8,400 million) and Resona Maruha Building (Appraisal Value at End of 12th Period: ¥31,600 million; Appraisal Value at Disposition: ¥34,600 million; Disposition Price: ¥42,000 million)

Status of Debt Balance by Repayment Date: Result of Strategic Debt Management

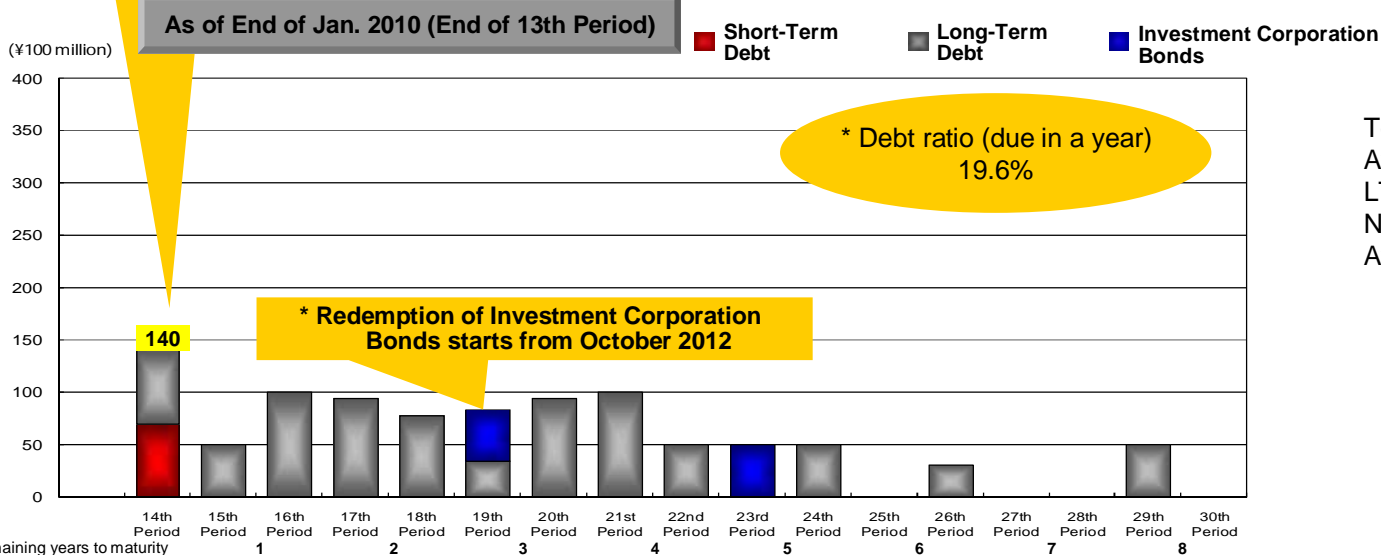
Interest Bearing Debt Balance by Repayment Date (Maturity Ladder)

* ¥19.0 billion due in a year (due end of Jan. 2011)

Long-term debt	¥12.0 bn		
Aioi Insurance	¥1.0 bn	} ...	Due 2010/6/25
Daido Life Insurance	¥1.0 bn		
Mitsui Sumitomo Insurance	¥1.0 bn		
Sumitomo Trust	¥1.0 bn	} ...	Due 2010/7/25
Chuo Mitsui Trust	¥1.0 bn		
Shinkin Central	¥2.0 bn		
Sumitomo Trust	¥5.0 bn	...}	Due 2010/12/25
Short-term debt	¥7.0 bn		
Mitsubishi UFJ Trust	¥7.0 bn	...}	Due 2010/6/27

*** Commitment Line**

Development Bank of Japan	¥ 10.0 bn	...	Due 2010/7/1
Sumitomo Trust	¥ 1.0 bn	...	Due 2010/4/20
Chuo Mitsui Trust	¥ 1.0 bn	...	Due 2010/4/20



* Figures in the parentheses indicate changes from the end of the 12th Period.

Total	:	¥97.0 bn	(¥ ± 0 bn)
Avg. Remaining Yrs.	:	2.92 yrs	(-0.5 yrs)
LT Ratio	:	92.8%	(± 0 pts.)
Number of Ladders	:	13	(± 0 ladders)
Avg. Ladder Amount	:	¥7.46 bn	(¥ ± 0 bn)

*** Strive to prolong interest-bearing debt and diversify repayment dates**

* Comments by Tokyu REIM

Changes in Base Interest Rates: Result of Strategic Debt Management

(Unit: %)

	Duration	Borrowing Date											
		2007			2008				2009				
		Jan.	Jun.	Sep.	Mar.	Jun.	Jul.	Nov.	Feb.	Apr.	Jun.		
Long term	1.5 yr												
	2.0 yr						1.55500						
	2.5 yr							1.48125	1.47500		1.32750		
	3.0 yr					1.81875		1.54250	1.52875			1.46875	
	3.2 yr											1.39000 (Note)	
	3.5 yr		1.81062						1.63062				
	4.0 yr			1.62625			1.80375		1.72500			1.67500	1.66375
	4.5 yr											1.78812	
	5.0 yr									1.79000			
	5.5 yr						2.10187						
	6.0 yr												
	6.5 yr												
	7.0 yr	1.92000					2.21100						
	7.5 yr												
8.0 yr					1.76625								

(Note) Floating rates are based on JBA Tibor and not the base interest rate as of the date this presentation was prepared (interest rates in the table are the interest rates as of the borrowing date).

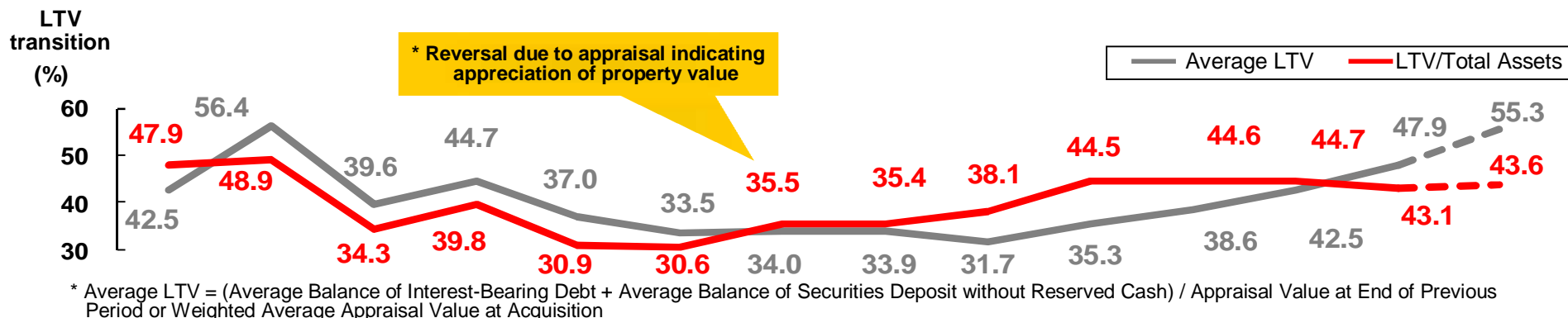
*** Spreads have risen since the Lehman shock, although base interest rates have fallen due to the decline in the market interest rate.**

*Comments by Tokyu REIM

TOKYU REIT

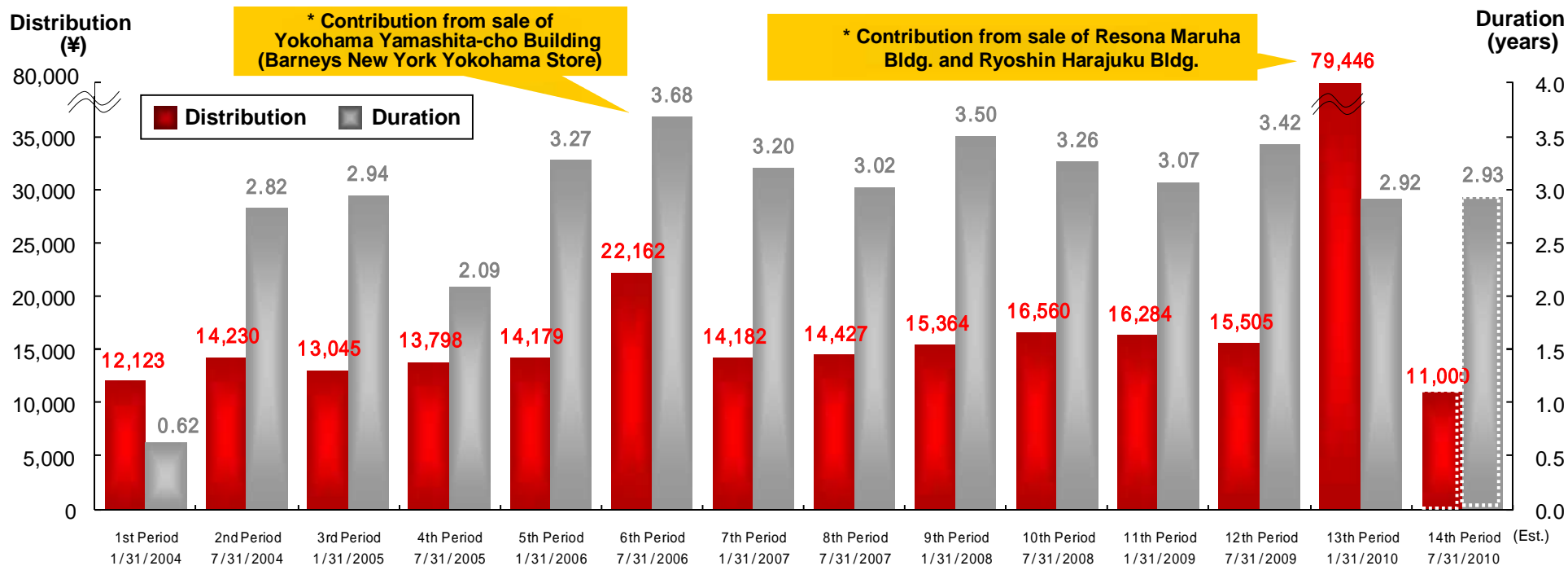
3. Fund Management

Changes in Profit (EPS)



* Average LTV = (Average Balance of Interest-Bearing Debt + Average Balance of Securities Deposit without Reserved Cash) / Appraisal Value at End of Previous Period or Weighted Average Appraisal Value at Acquisition

* LTV / Total Assets = Period End Interest-Bearing Debt / Period End Total Assets

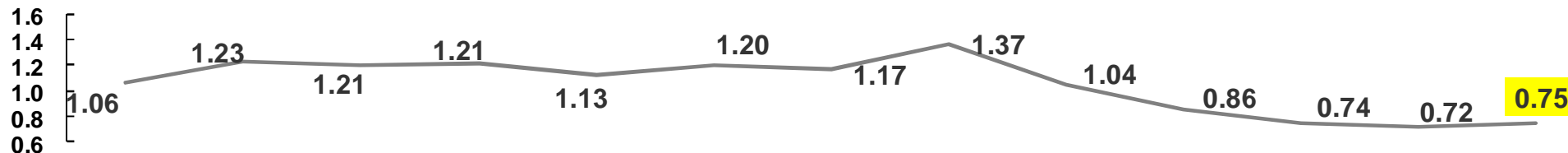


* Official distribution in the 1st Period was ¥9,488 based on the actual operating period of 144 days, but the recalculated distribution of ¥12,123 based on 184 operating days is used in the above graph for the sake of comparison with figures from the 2nd Period and thereafter.

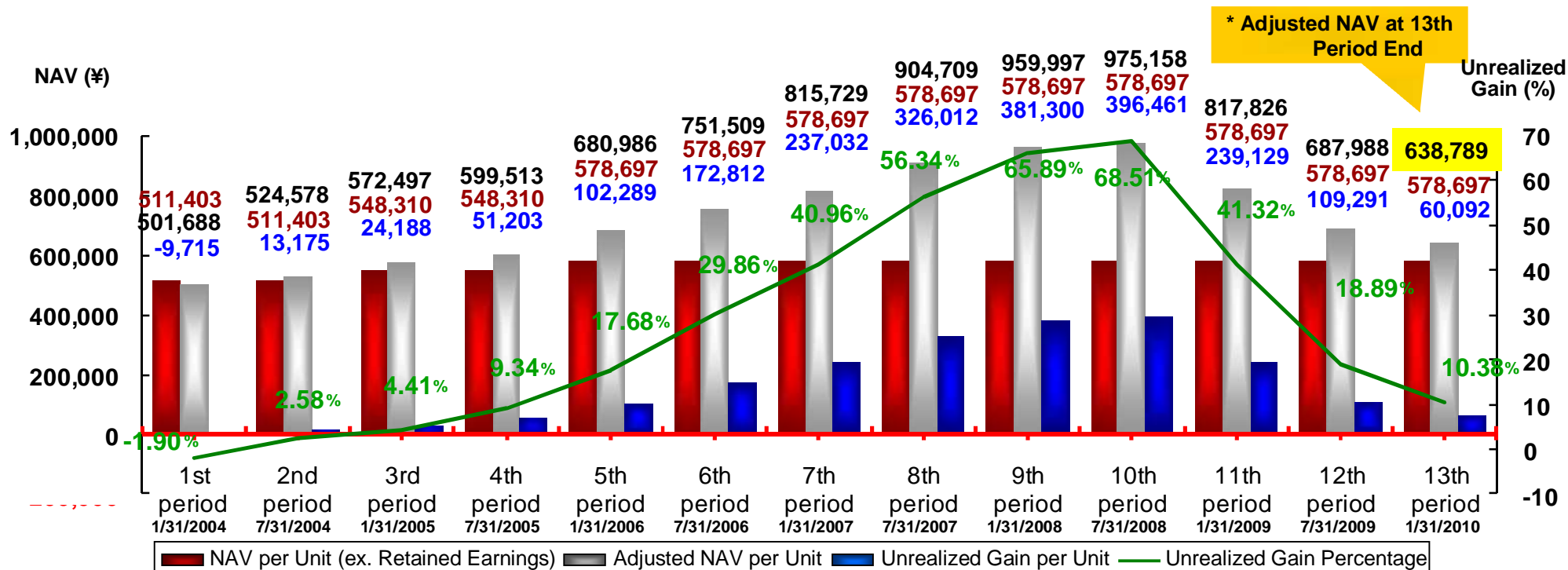
*Comments by Tokyuu REIM

Changes in Asset Value (Adjusted NAV)

Adjusted NAV Multiple



Adjusted NAV Multiple = Average Price of Investment Unit (Closing) / Adjusted NAV per Unit Reflecting Unrealized Gain (End of Period)

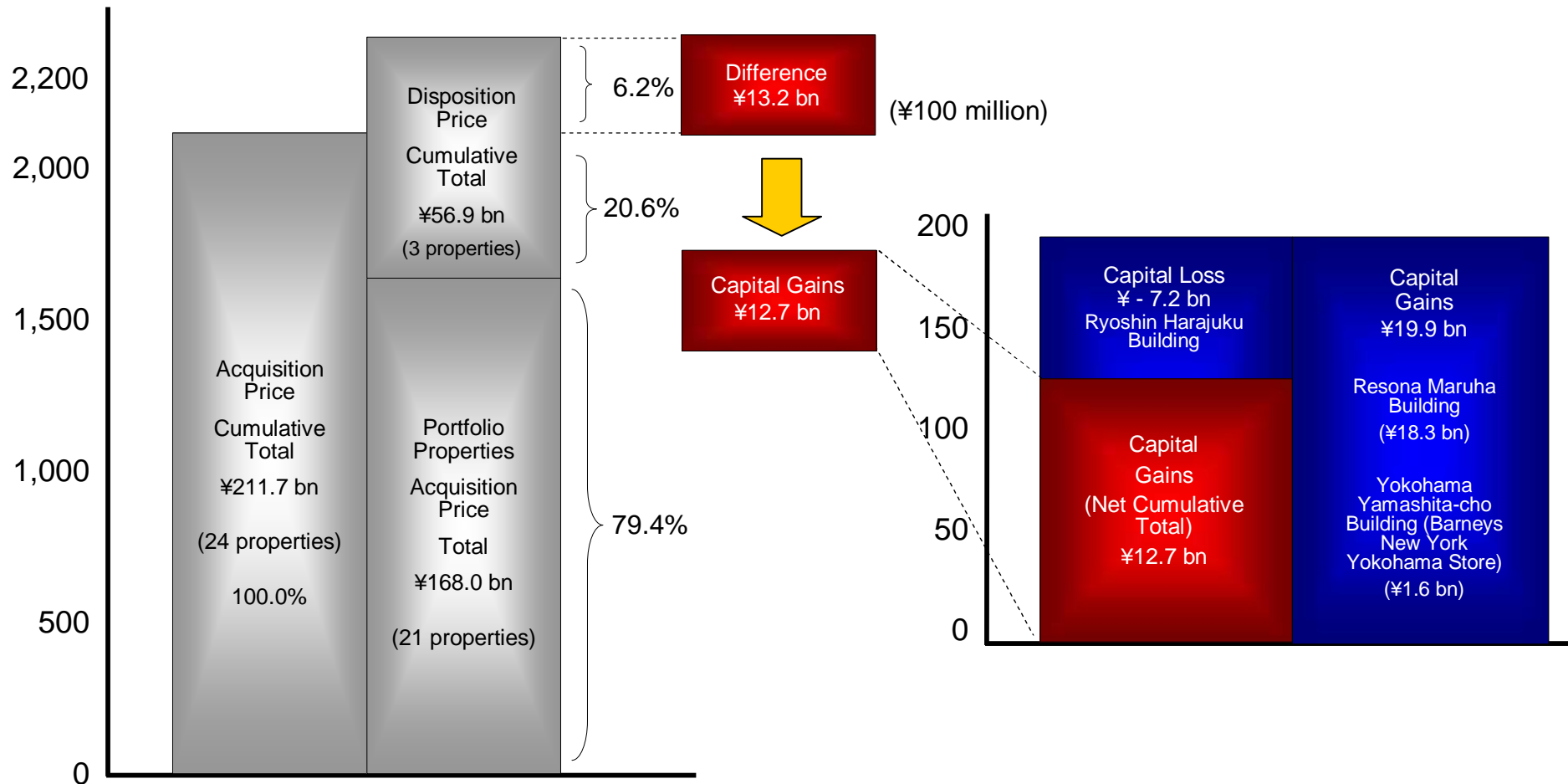


Average Investment Unit Price	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th
	¥530,828	¥643,097	¥690,705	¥726,082	¥766,520	¥902,435	¥958,306	¥1,241,537	¥1,000,664	¥835,903	¥603,570	¥496,772	¥478,579

*Comments by Tokyu REIM

Capital Gains (Net Cumulative Total as of End of 13th Period)

(¥100 million)

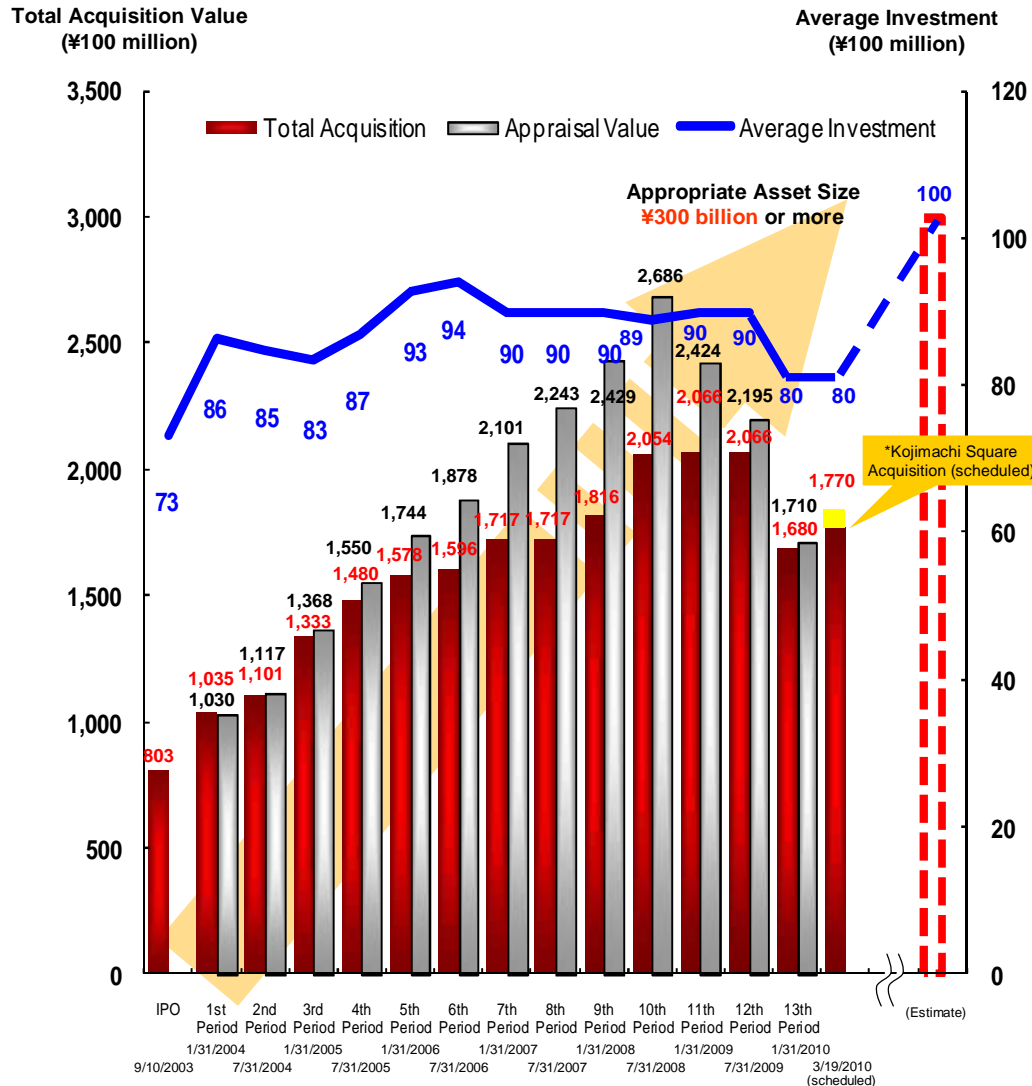


*This page represents the view of Tokyu REIM

External Growth

External Growth (Steady Acquisition of Quality Properties)

* Investment in highly competitive properties in areas with strong growth potential



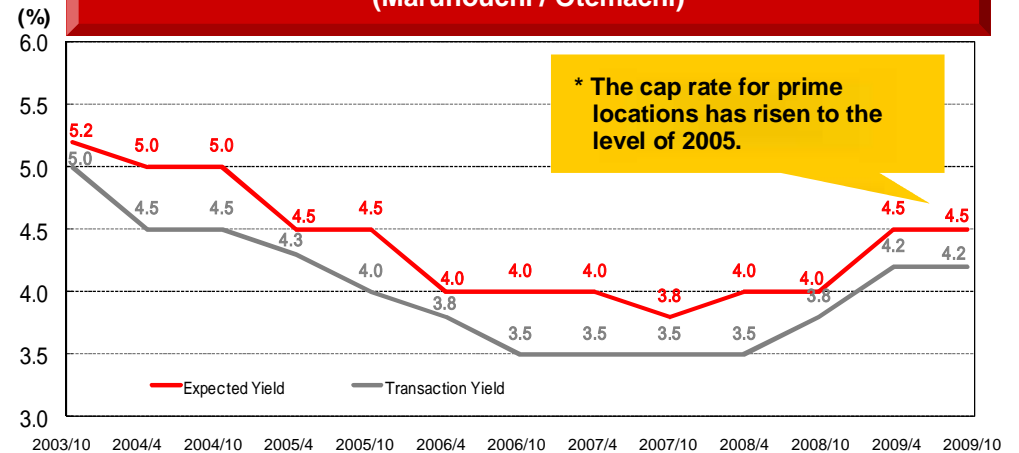
Rent Estimates by Region (Rent Level at Survey Date = 100)

* Rent perspective is almost the same

Area	20th Survey (Apr. 2009)				21st Survey (Oct. 2009)			
	Next Year	2 Years	5 Years	10 Years	Next Year	2 Years	5 Years	10 Years
Marunouchi, Otemachi area	98	99	100	100	99	100	101	102
Shibuya, Shibuya station area	97	97	100	100	98	98	100	100
Nagoya, Station area	96	96	98	99	95	96	98	100
Osaka, along the Midosuji Line	97	97	98	100	97	97	98	100

Source: Japan Real Estate Institute "Japan Real Estate Investors Survey"

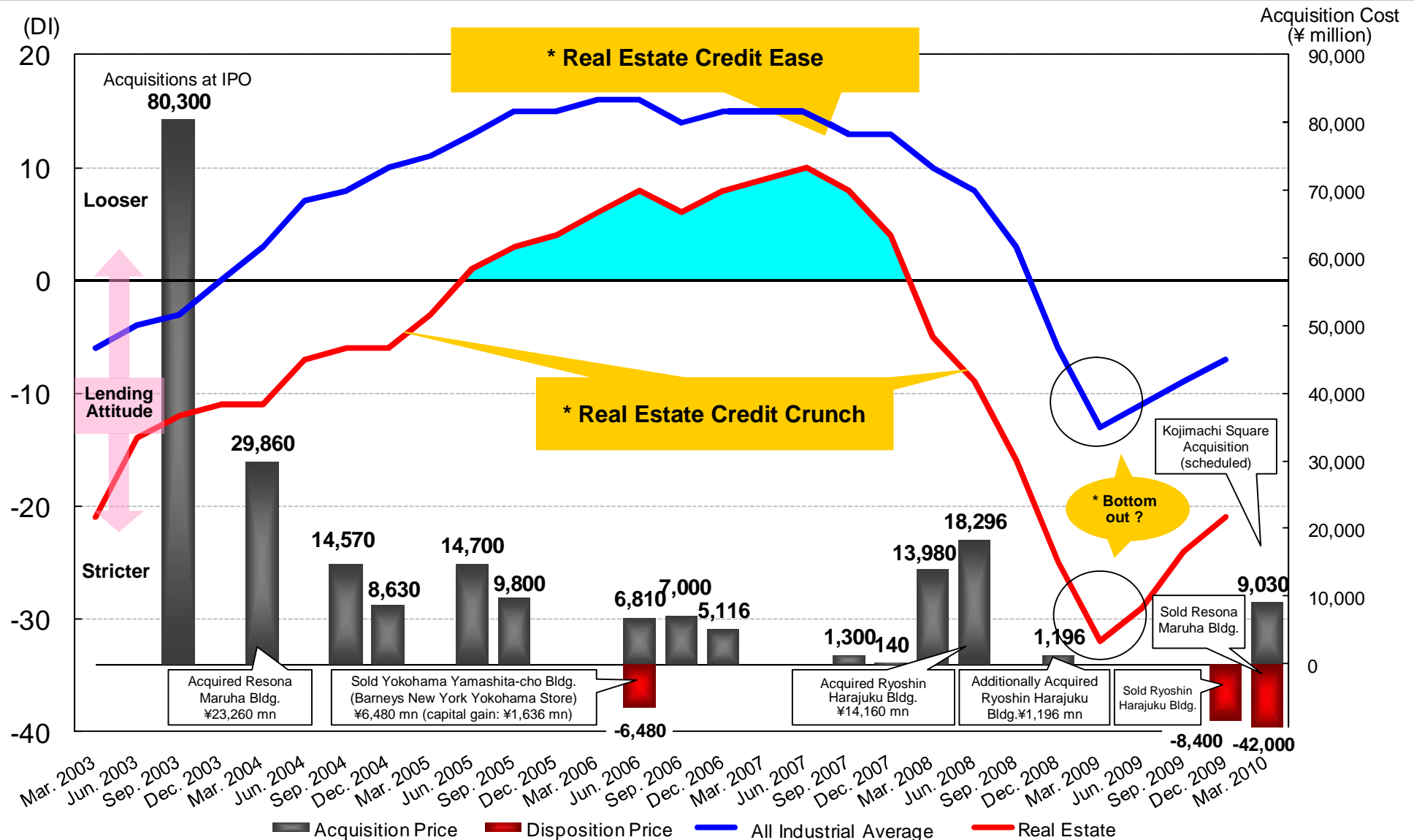
Expected Yield and Transaction Yield of Benchmark Buildings (Marunouchi / Otemachi)



Source: Japan Real Estate Institute "Japan Real Estate Investors Survey"

* Comments by Tokyu REIM

Lending Attitude of Financial Institutions & TOKYU REIT's Acquisition Timing of Properties



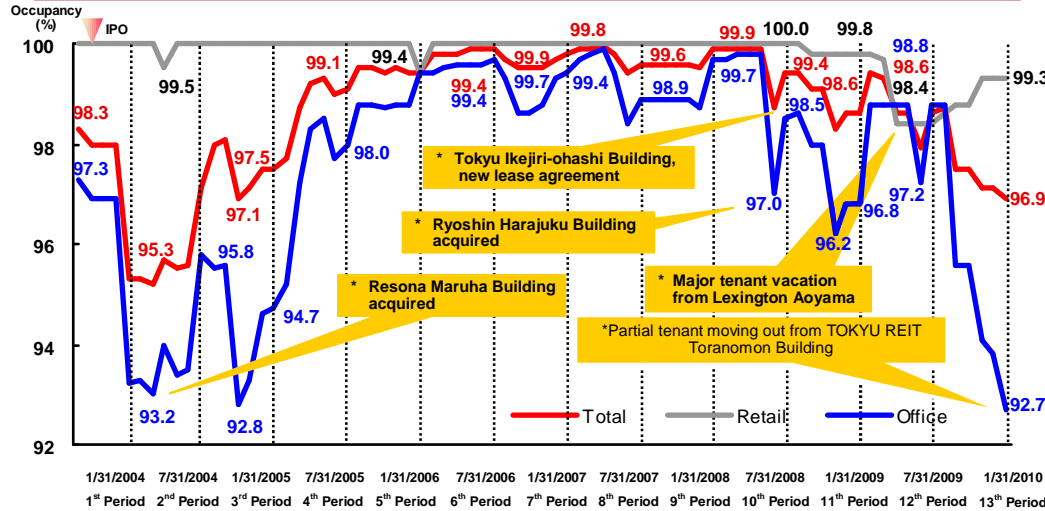
* Acquisition price on secondary y-axis, each bar represents the total acquisition price in the respective month and 3 months prior (i.e., June 2008 includes April – June 2008)

Source: BOJ (Tankan Survey)

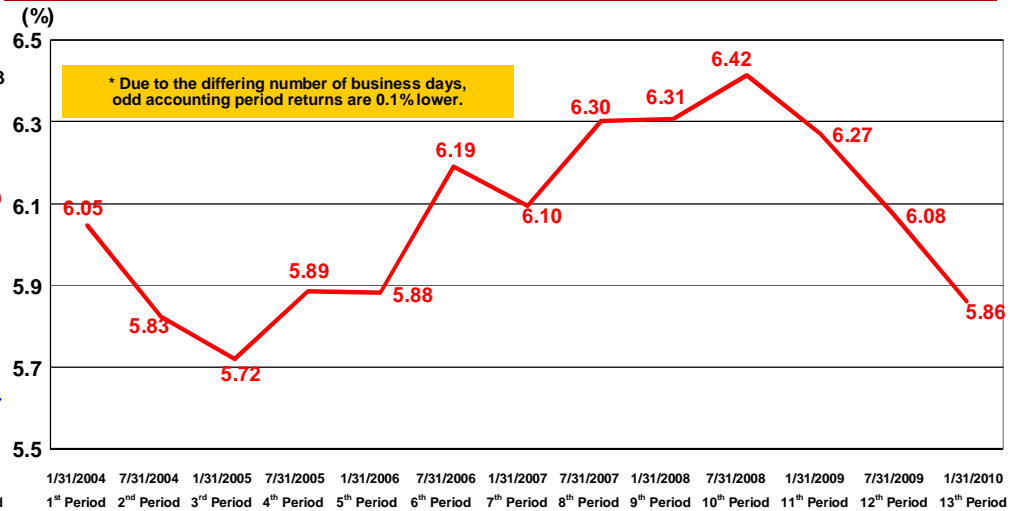
* Comments by Tokyuu REIM

Internal Growth

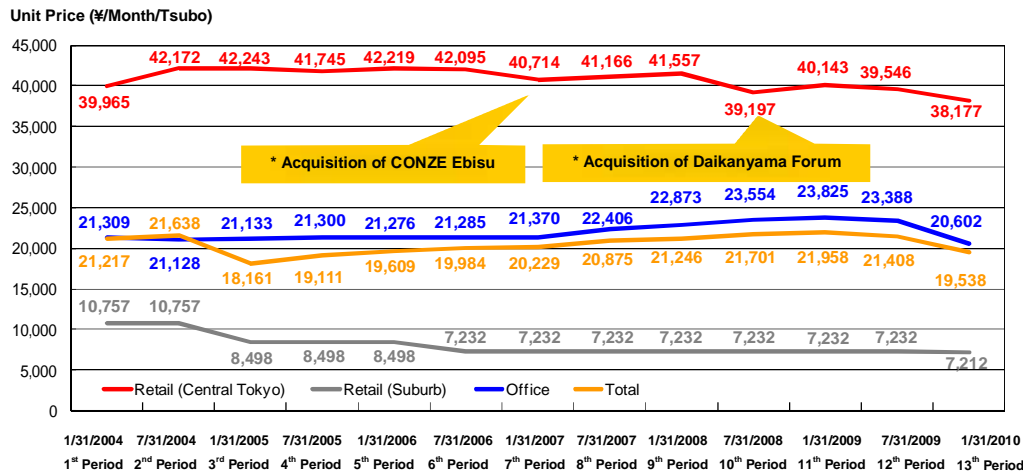
Changes in Occupancy of Overall Portfolio



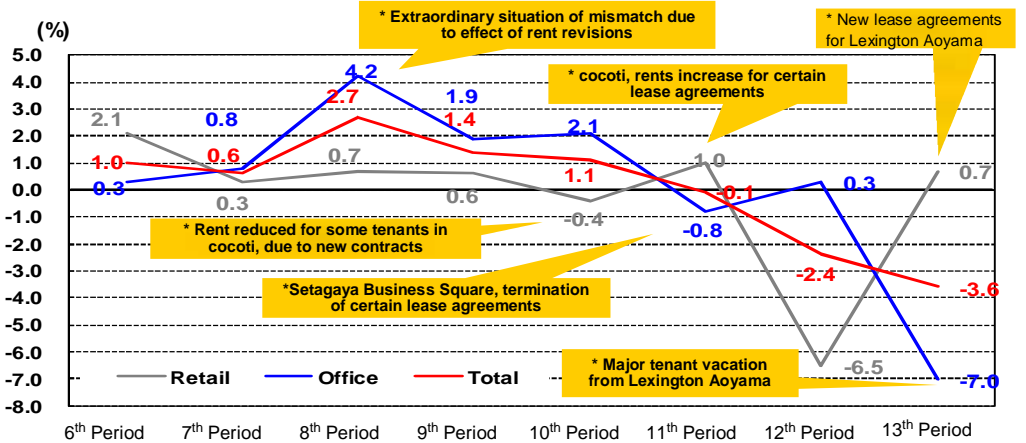
NOI Yield of 11 Properties at IPO (after deducting capitalized property and city planning taxes)



Average Rent (including Common Area Charge)



Year-on-Year Monthly Leasing Revenue Growth Rate



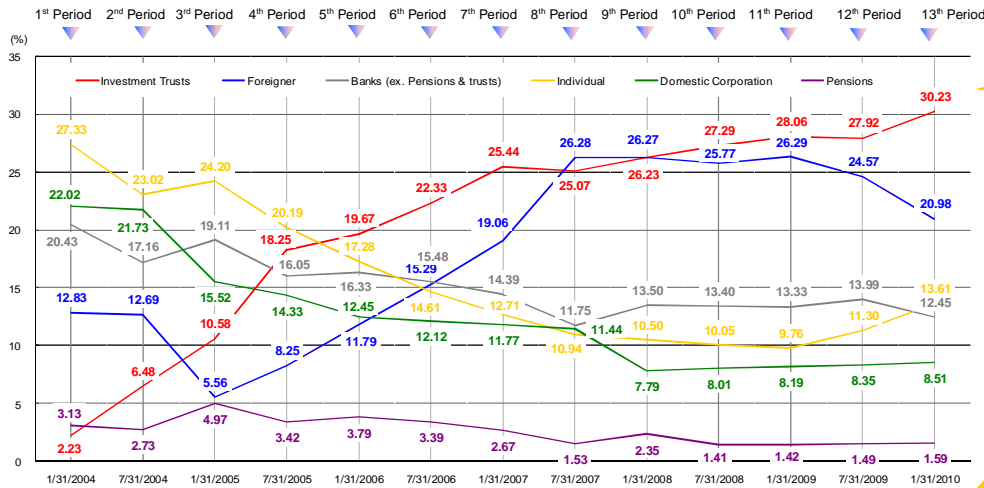
* Monthly leasing revenue down compared with previous period

* In calculating the above unit price, Shonan Mall Fill is not included.
 Retail (Urban): QFRONT, TOKYU REIT Omotesando Sq., Lexington Aoyama, TOKYU REIT Shibuya Udagawa-cho Sq., cocoti, CONZE Ebisu, Daikanyama Forum
 Retail (Suburb): Tokyu Saginuma, Tokyu Saginuma 2, Beacon Hill Plaza (Ito-Yokado Noukandai Store), Yokohama Yamashita-cho Building (Barneys New York Yokohama Store) (sold in 6th Period)

* Excludes income from parking and signs
 * Comparison of monthly leasing revenue at the end of each period (based on actual rent charged) * Comments by Tokyu REIM

Composition of Unitholders

Changes in Unitholder Composition (Main Segments)

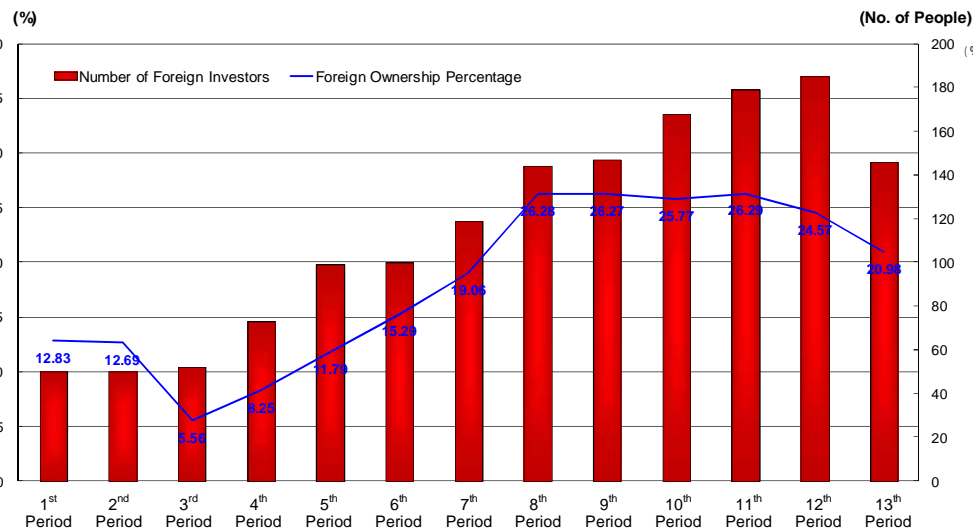


* Mutual Funds hold the largest share among investors

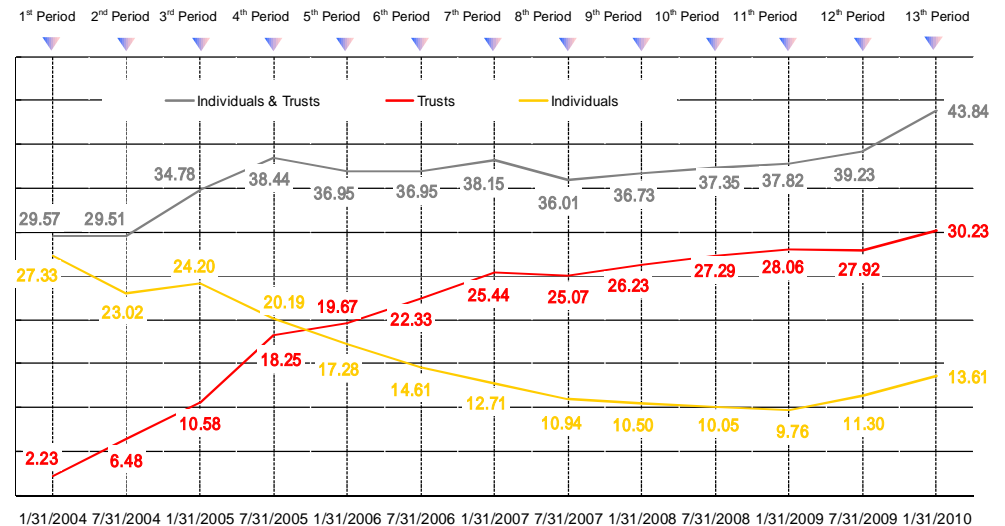
* Number and percentage of foreign investors both recently decreased

* Individual ownership percentage (Individuals and Trusts) exceeds 40% of the total

Foreign Ownership Percentage / Number of Foreign Investors



Individual Ownership Percentage



*Comments by Tokyu REIM 46

List of Major Unitholders

1st Period (ended Jan. 31, 2004)

Unitholders	No. of Units Held	Share (%)
1 Tokyu Corporation	5,880	6.00
2 Kawasaki Gakuen School Corporation	5,000	5.10
3 Tokyu Land Corporation	3,920	4.00
4 Japan Trustee Services Bank	3,084	3.14
5 Shinwa Bank	2,794	2.85
6 Aozora Bank	2,766	2.82
7 Hiroshima Bank	2,064	2.10
8 Resona Bank	2,043	2.08
9 Morgan Stanley	2,016	2.05
10 Bank of Ikeda	1,917	1.95
11 The Gibraltar Life Insurance Company	1,534	1.56
12 The Chase Manhattan Bank London	1,460	1.48
13 AIG Star Life Insurance Co., Ltd.	1,394	1.42
14 Trust & Custody Services Bank, Ltd.	1,201	1.22
15 The Chase Manhattan Bank London (SL Omnibus Acct.)	1,090	1.11
16 North Pacific Bank	1,000	1.02
16 Bank of Bermuda	1,000	1.02
18 The Hachijuni Bank, Ltd.	960	0.97
19 American Life Insurance Company	959	0.97
20 Pictet & Cie	947	0.96
Total Units Held by Top 20 Unitholders	43,029	43.90
Outstanding Units	98,000	100.00

12th Period (ended July 31, 2009)

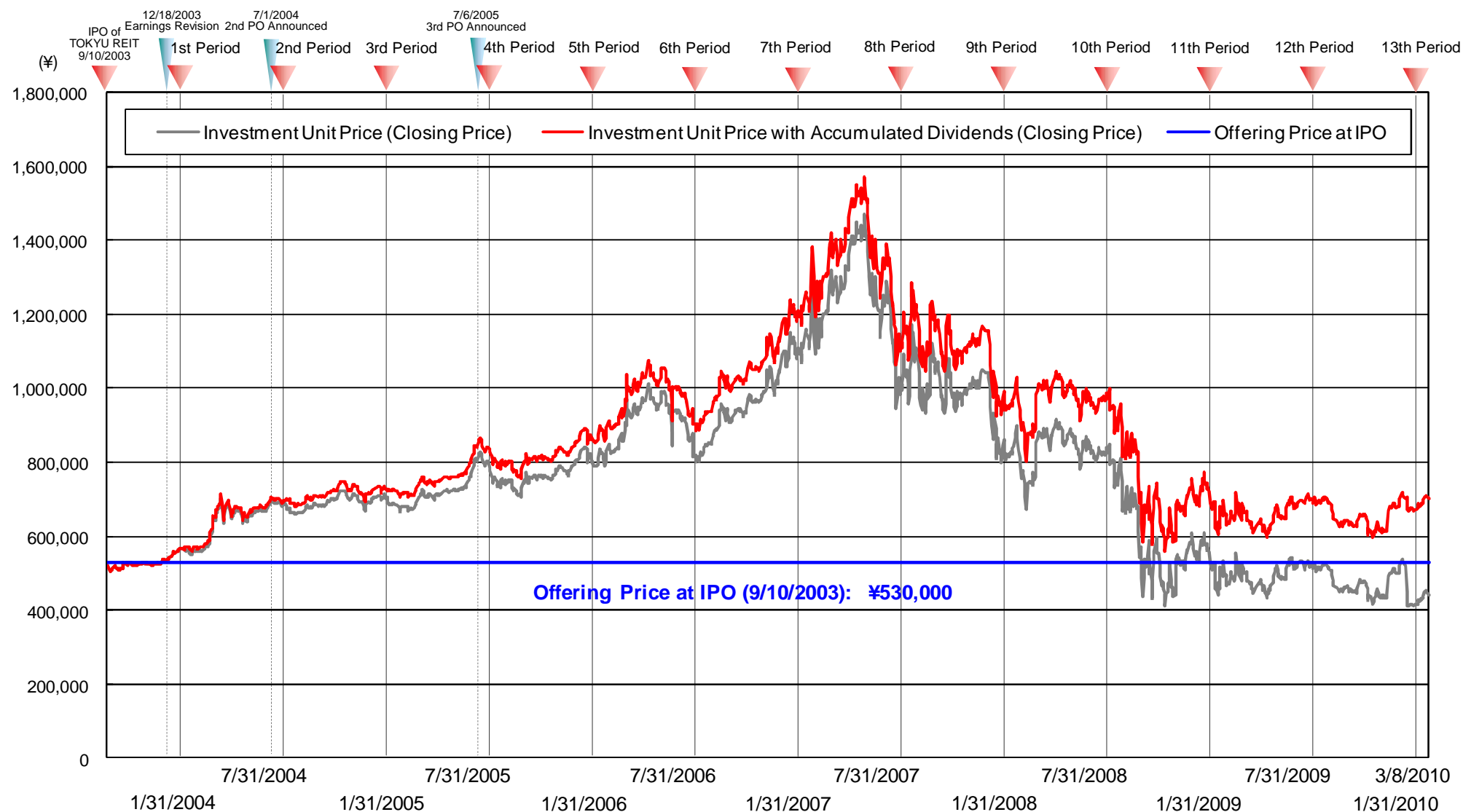
Unitholders	No. of Units Held	Share (%)
1 NikkoCiti Trust and Banking Corporation	13,925	8.22
2 Japan Trustee Services Bank Ltd.	12,276	7.24
3 Trust & Custody Services Bank, Ltd.	11,301	6.67
4 The Master Trust Bank of Japan, Ltd.	8,096	4.77
5 Tokyu Corporation	5,880	3.47
6 AIG Star Life Insurance Co., Ltd.	4,871	2.87
7 North Pacific Bank, Ltd.	4,604	2.71
8 Bank of New York, US Pension Fund Global Business 132561	3,927	2.31
9 Tokyu Land Corporation	3,920	2.31
10 The Nomura Trust and Banking Co., Ltd.	3,750	2.21
11 American Life Insurance Company	2,949	1.74
12 The Momiji Bank	2,740	1.61
13 AIG Edison Life Insurance Co., Ltd.	2,600	1.53
14 The National Mutual Insurance Federation of Agricultural Cooperatives	2,505	1.47
15 Bank of New York, Treaty JASDEC Account	2,251	1.32
16 Kansai Urban Banking Corporation	1,790	1.05
17 The Fuji Fire and Marine Insurance	1,696	1.00
18 The Hachijuni Bank, Ltd.	1,669	0.98
19 Pictet & Cie	1,659	0.97
20 The Gibraltar Life Insurance Co., Ltd.	1,617	0.95
Total Units Held by Top 20 Unitholders	94,026	55.51
Outstanding Units	169,380	100.00

13th Period (ended Jan. 31, 2010)

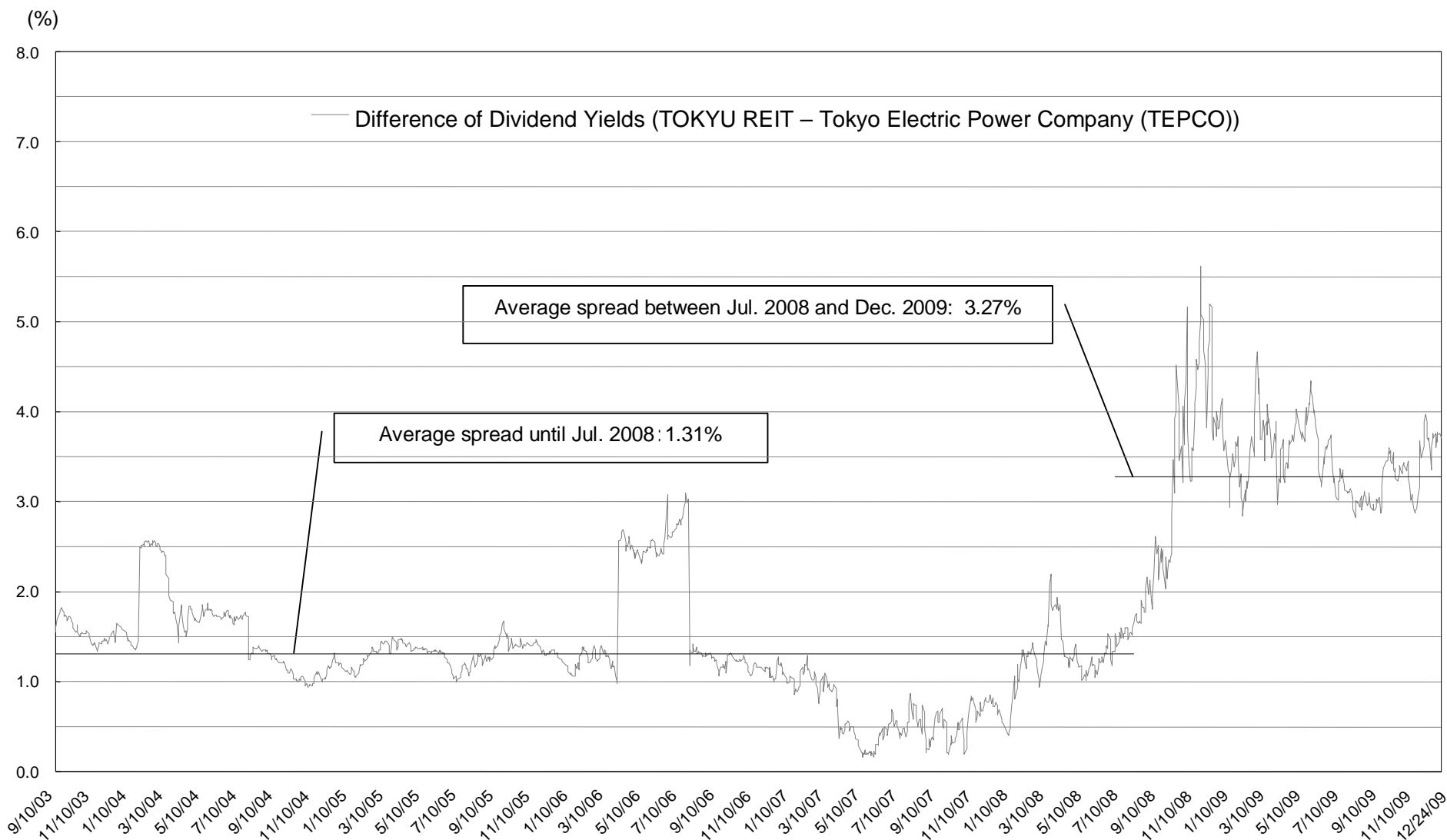
Unitholders	No. of Units Held	Share (%)
1 Japan Trustee Services Bank Ltd.	17,979	10.61
2 NikkoCiti Trust and Banking Corporation	13,662	8.06
3 Trust & Custody Services Bank, Ltd.	9,587	5.66
4 The Master Trust Bank of Japan, Ltd.	6,384	3.76
5 Tokyu Corporation	5,880	3.47
6 The Nomura Trust and Banking Co., Ltd.	5,652	3.33
7 AIG Star Life Insurance Co., Ltd.	4,871	2.87
8 American Life Insurance Company	4,000	2.36
9 Tokyu Land Corporation	3,920	2.31
10 The Momiji Bank	3,819	2.25
11 Bank of New York, US Pension Fund Global Business 132561	2,833	1.67
12 AIG Edison Life Insurance Co., Ltd.	2,600	1.53
13 The National Mutual Insurance Federation of Agricultural Cooperatives	2,505	1.47
14 The Hachijuni Bank, Ltd.	2,357	1.39
15 Nippon Vest	2,119	1.25
16 North Pacific Bank, Ltd.	1,849	1.09
17 Goldman Sachs and Company Regular Account	1,840	1.08
18 State Street Bank and Trust Company 505025	1,824	1.07
19 Kansai Urban Banking Corporation	1,740	1.02
20 The Fuji Fire and Marine Insurance	1,696	1.00
Total Units Held by Top 20 Unitholders	97,117	57.33
Outstanding Units	169,380	100.00

Performance Against Offering Price at IPO

Changes in TOKYU REIT's Investment Unit Price and Investment Unit Price with Accumulated Dividends



Difference Between Dividend Yields of TOKYU REIT and TEPCO





4. Debt Management

Debt Structure (1)

Rating (as of end of 13th period)

R&I

■ Issuer Rating: AA- (Rating Outlook: Stable)

S&P

■ Long-Term Corporate Credit Rating: A (Outlook: Stable)

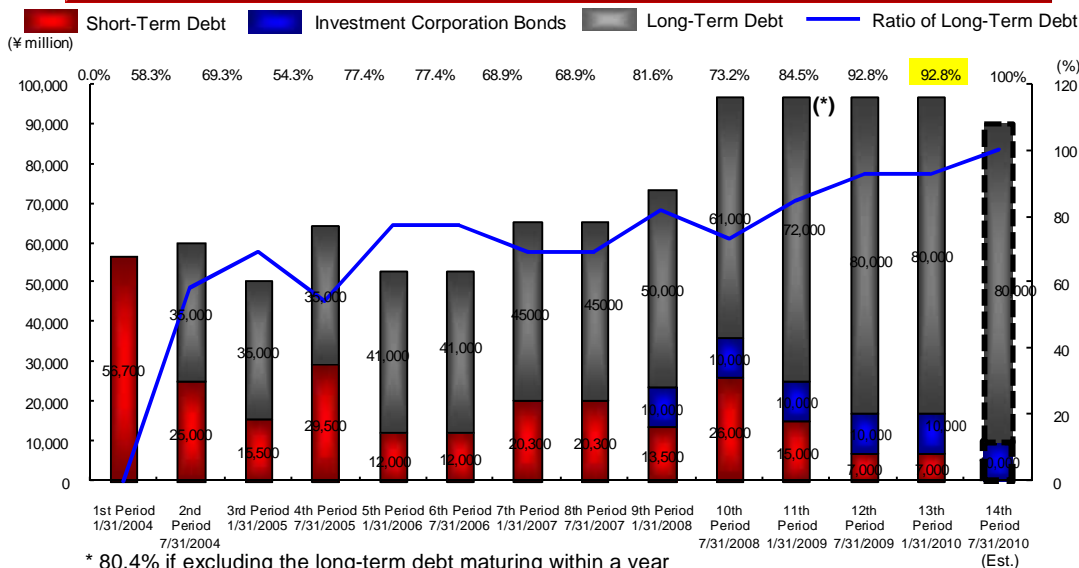
■ Short-Term Corporate Credit Rating: A-1

Moody's

■ Issuer Rating: A2 (Rating Outlook: Negative)

* High credit ratings help to respond to changing monetary situations

Ratio of Long-Term Debt



Interest Bearing Debt

(As of end of 13th Period)

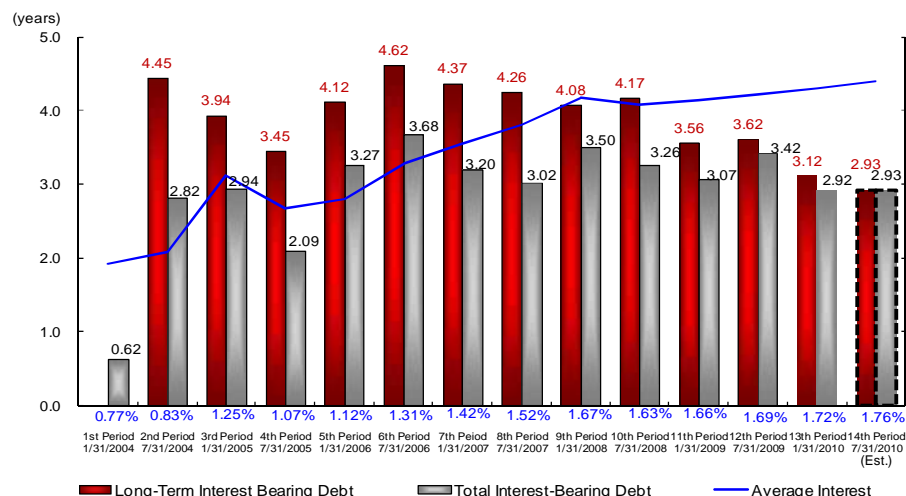
Category	Lender	Amount (¥ million)	Coupon (%)	Debt Origination Date	Maturity		Note
					Due Date	Period	
Short-term	Mitsubishi UFJ Trust Bank	7,000	0.68330	2008/6/27	2010/6/27	14th	Unsecured Unguaranteed
	Total Short-Term Borrowings	7,000	-	-	-	-	-
Long-term	Aioi Insurance Company	1,000	-	-	-	-	-
	Daido Life Insurance Company	1,000	1.92750	2004/6/25	2010/6/25	14th	-
	Mitsui Sumitomo Insurance	1,000	-	-	-	-	-
	Development Bank of Japan	4,000	2.03000	-	2012/6/25	18th	-
	National Mutual Insurance Federation of Agricultural Cooperatives	1,000	1.26250	2005/10/25	2011/10/25	17th	-
	Development Bank of Japan	5,000	1.95000	2006/1/25	2018/1/25	29th	-
	Nippon Life Insurance	4,000	1.93000	-	2011/7/31	16th	-
	Dai-ichi Life Mutual Life Insurance	4,000	2.21125	2006/7/31	2013/7/31	20th	-
	Dai-ichi Life Mutual Life Insurance	1,000	-	-	-	-	-
	National Mutual Insurance Federation of Agricultural Cooperatives	3,000	1.92000	2007/1/25	2014/1/25	21th	-
	Sumitomo Trust Bank	5,000	1.81062	2007/6/25	2010/12/25	15th	-
	Bank of Tokyo- Mitsubishi UFJ	5,000	1.62625	2007/9/25	2011/9/25	17th	-
	Daido Life Insurance Company	3,000	1.76625	2008/3/10	2016/3/10	26th	-
	Mizuho Corporate Bank	2,000	1.81875	-	2011/6/25	16th	-
	Mitsubishi UFJ Trust Bank	1,000	2.10187	2008/6/25	2013/12/25	21th	-
	Development Bank of Japan	5,000	2.21100	-	2015/6/25	24th	-
	Sumitomo Trust Bank	1,000	-	-	-	-	-
	Chuo Mitsui Trust Bank	1,000	1.55500	2008/7/25	2010/7/25	14th	Unsecured Unguaranteed
	Shinkin Central Bank	2,000	-	-	-	-	-
	The Norinchukin Bank	1,000	1.80375	-	2012/7/25	18th	-
	Mizuho Corporate Bank	2,000	1.54250	2008/11/11	2011/11/11	17th	-
	Chuo Mitsui Trust Bank	2,000	1.48125	-	2011/5/18	16th	-
	Mitsubishi UFJ Trust Bank	2,000	1.72500	2008/11/18	2012/11/18	19th	-
Sumitomo Trust Bank	2,000	1.47500	-	2011/5/25	16th	-	
Bank of Tokyo-Mitsubishi UFJ	2,000	1.63062	2008/11/25	2012/5/25	18th	-	
Mizuho Corporate Bank	1,000	1.52875	-	2011/11/11	17th	-	
Development Bank of Japan	5,000	1.79000	2009/2/25	2014/2/25	22th	-	
Mizuho Corporate Bank	400	1.32750	2009/4/27	2011/10/27	17th	-	
Chuo Mitsui Trust Bank	2,500	-	-	-	-	-	
Mitsubishi UFJ Trust Bank	2,500	1.67500	-	2013/6/25	20th	-	
Chuo Mitsui Trust Bank	2,500	-	-	-	-	-	
Mitsubishi UFJ Trust Bank	2,500	1.78812	-	2013/12/25	21th	-	
Sumitomo Trust Bank	400	1.66375	-	2013/6/29	20th	-	
Chuo Mitsui Trust Bank	400	1.46875	-	2012/6/29	18th	-	
Mitsubishi UFJ Trust Bank	400	-	-	-	-	-	
Bank of Tokyo-Mitsubishi UFJ	1,400	1.37117 (Floating Rate)	-	2012/8/29	19th	-	
Total Long-Term Borrowings	80,000	-	-	-	-	-	-
Total Borrowings	87,000	-	-	-	-	-	-
Bonds	#1 Investment Corporation Bond	5,000	1.65000	2007/10/24	2012/10/24	19th	Unsecured Unguaranteed
	#2 Investment Corporation Bond	5,000	1.89000	2007/10/24	2014/10/24	23th	-
Total Corporate Bonds	10,000	-	-	-	-	-	-
Total Interest-Bearing Debt	97,000	-	-	-	-	-	-

* Average Interest Rate: 1.72%

* Increasing long-term debt position in order to strengthen financial situation

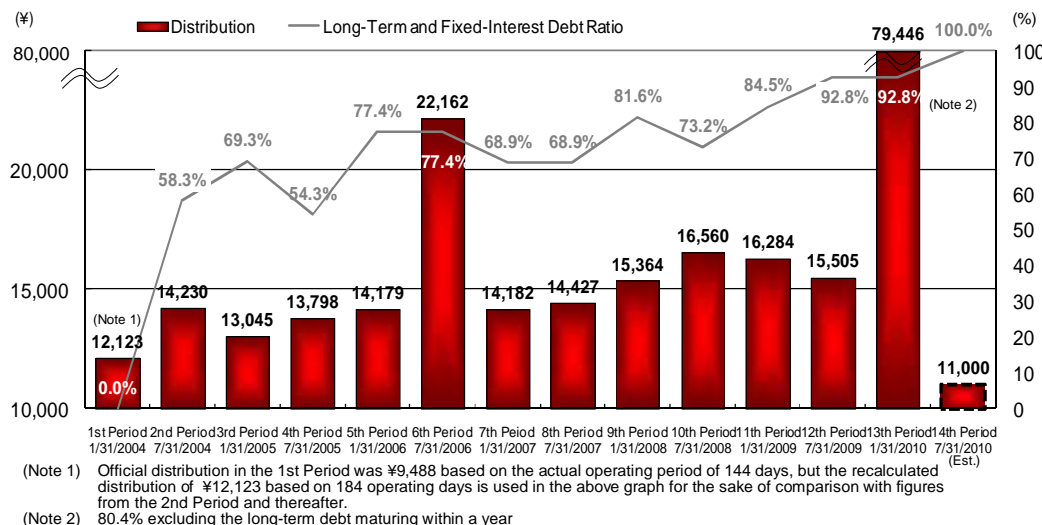
Debt Structure (2)

Average Duration of Interest-Bearing Debt and Average Interest



*** Increase in average interest is limited due to duration management**

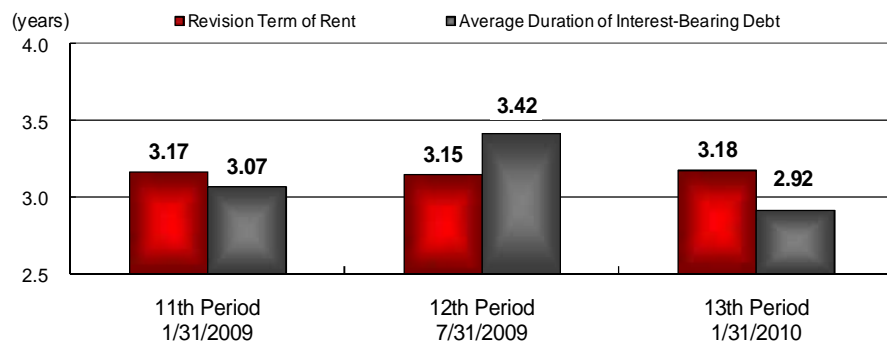
Distribution and Long-Term Debt Ratio



(Note 1) Official distribution in the 1st Period was ¥9,488 based on the actual operating period of 144 days, but the recalculated distribution of ¥12,123 based on 184 operating days is used in the above graph for the sake of comparison with figures from the 2nd Period and thereafter.
 (Note 2) 80.4% excluding the long-term debt maturing within a year

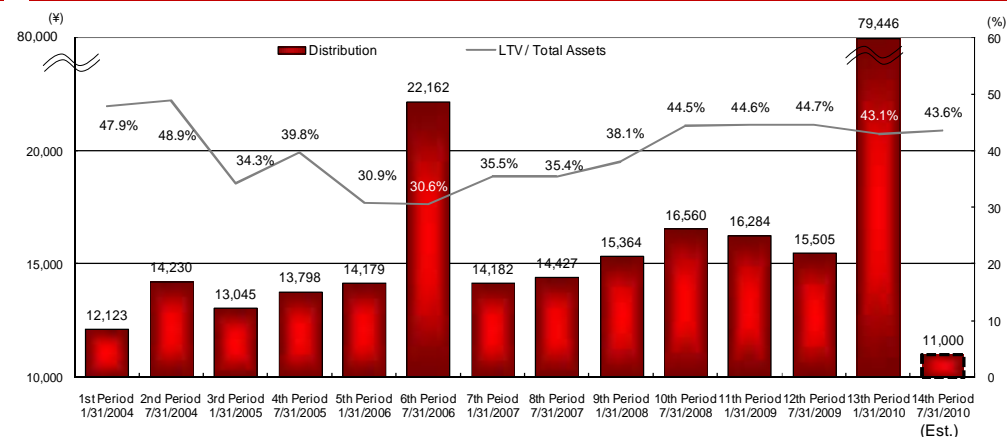
*** Focus on balance between EPS growth and earnings quality**

Revision Term of Rent to Average Duration of Interest-Bearing Debt



*** Striving to achieve a debt duration longer than the rent revision interval through active debt management**

Distribution and LTV / Total Assets

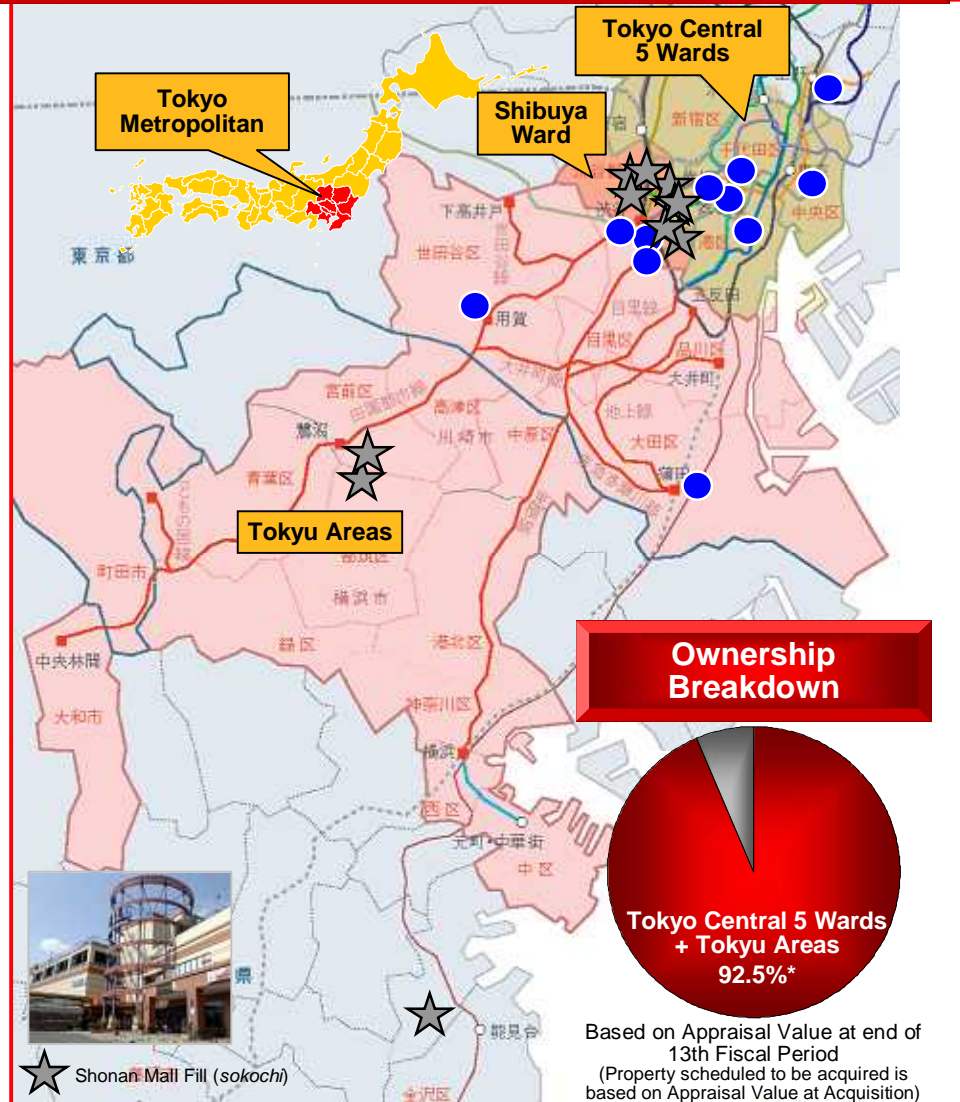




5. Portfolio and Risk Management

Portfolio Overview

Location Map of Properties



Retail Properties ★



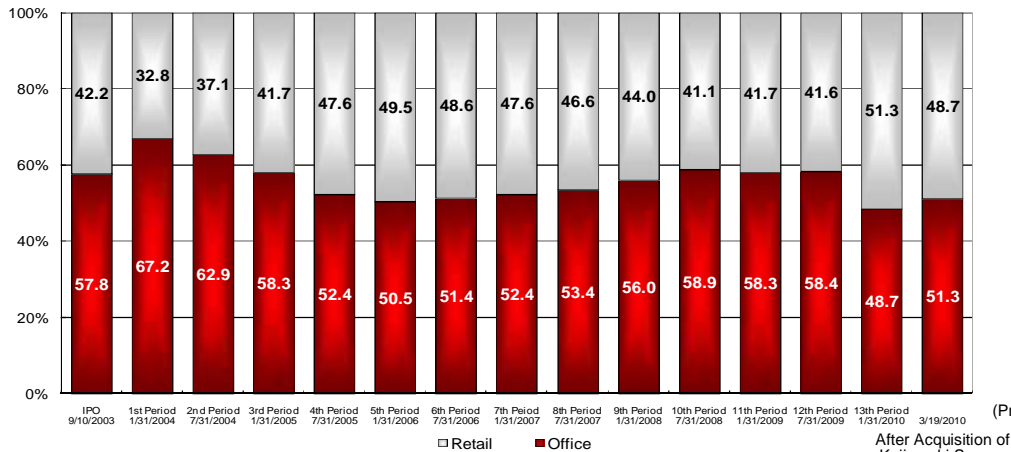
Office Properties ○



(Note) Scheduled to be acquired on March 19, 2010

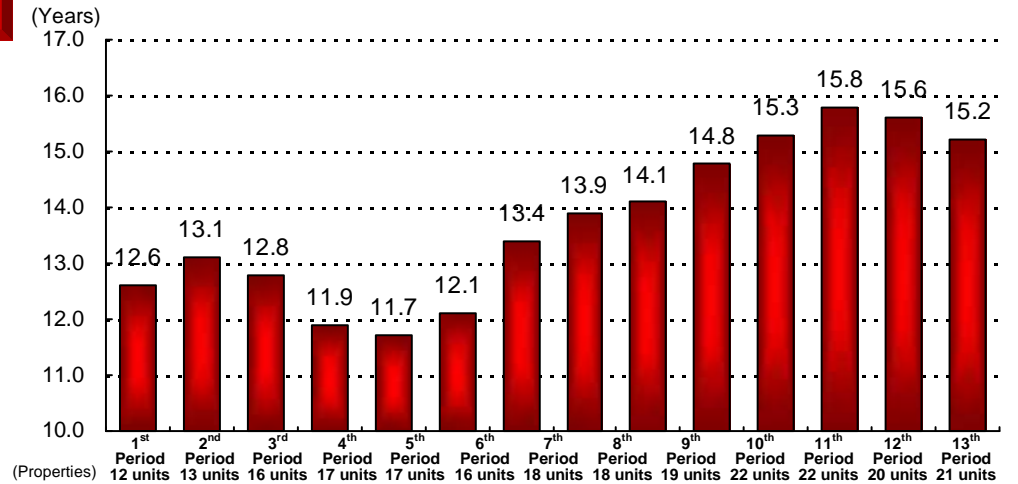
Portfolio Overview (1)

Office / Retail Ratio (Based on Property Values Calculated at End of Period)



* Figures for Kojimachi Square are based on Appraisal Value at Acquisition.

Weighted Average Property Age



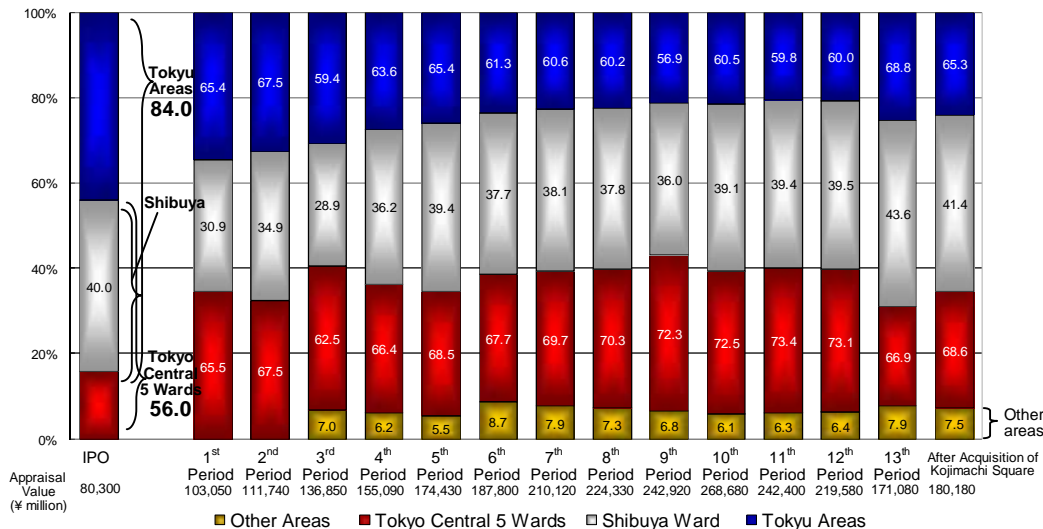
(Note) January 31, 2010 is the reference date

(*) Weighted average of the number of buildings at period end multiplied by the acquisition cost

(Note) After Acquisition of Kojimachi Square

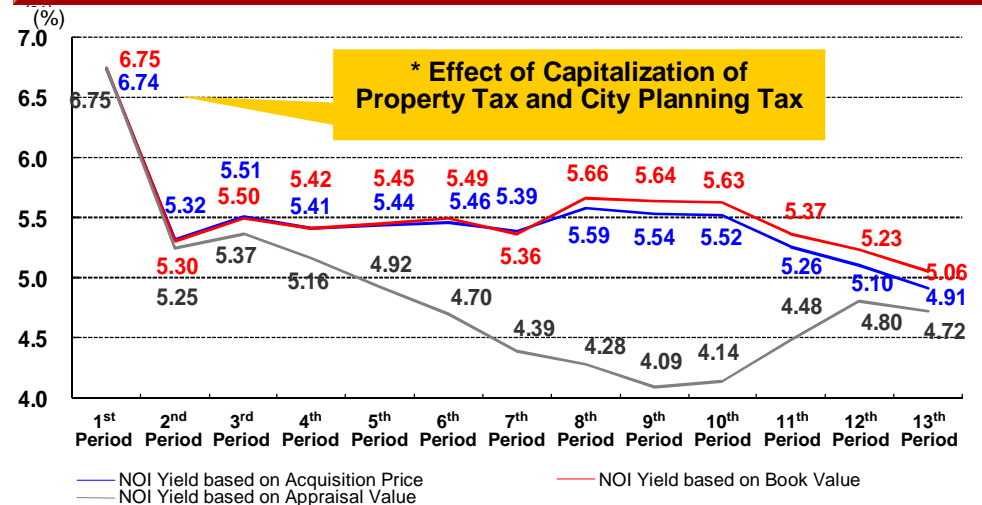
(*) Not including Shonan Mall Fill (sokochi)

Area (Based on Appraisal Values at End of Period)



* Figures for Kojimachi Square are based on Appraisal Value at Acquisition.

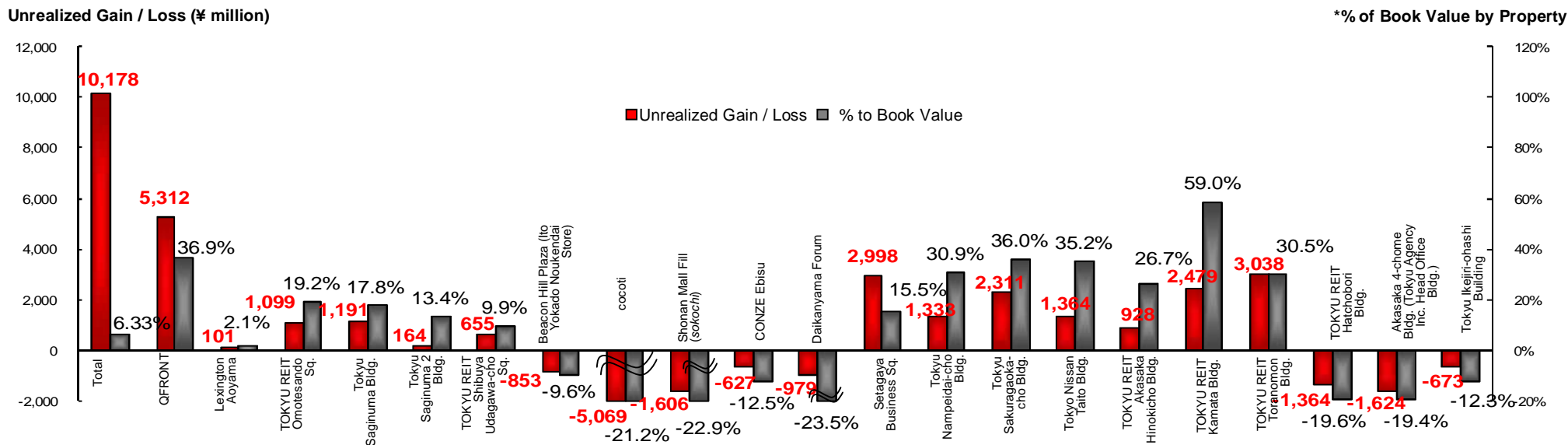
NOI Yield



* Effect of Capitalization of Property Tax and City Planning Tax

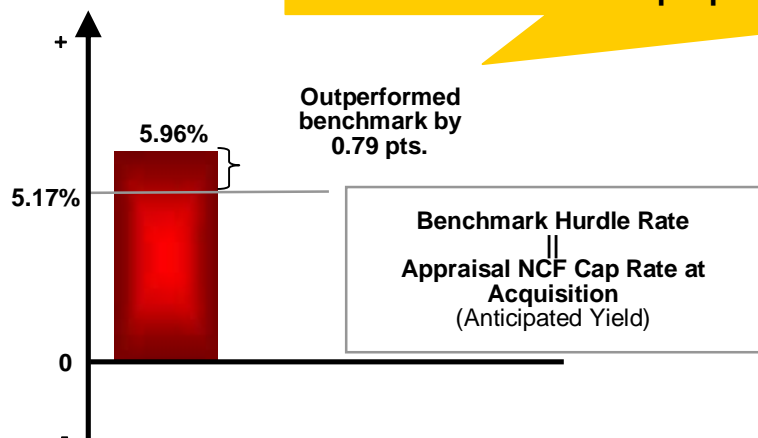
Portfolio Overview (2)

Unrealized Gain / Loss and Percentage Against Book Value by Property



Portfolio Return Performance

* Total return of the 21 properties since acquisition has outperformed the benchmark by 0.79 points.



Based on the 21 properties (acquisition price base: ¥168,033 million) that have been held for more than 4 periods

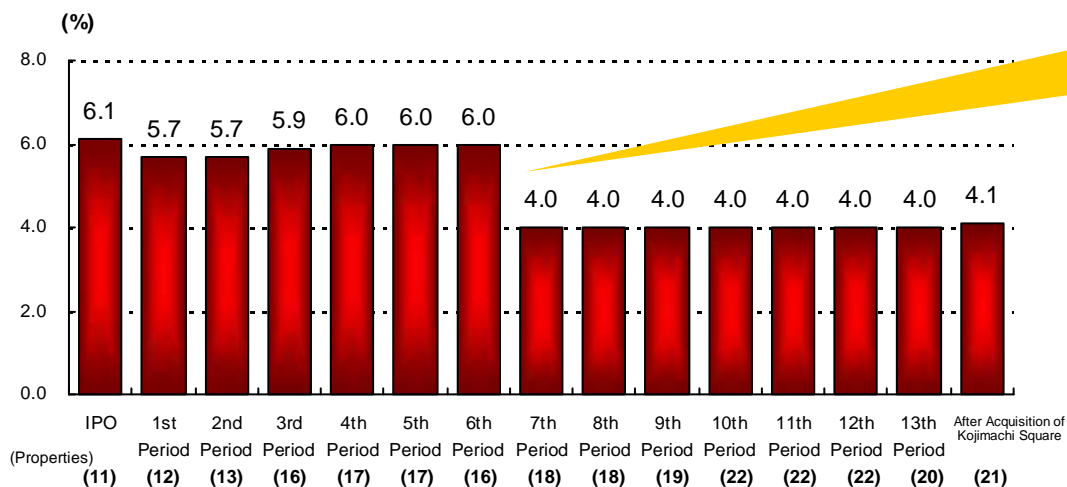
- * Fiscal period end property values are utilized as the disposal price (sale price) for the calculation of IRR.
- * Acquisition price does not include capitalized expenses (such as broker's fees, first year's property / city planning tax, compensation for specialist agents).
- * Cash flow from leasehold and security deposits are not included.

IRR for the 24 properties (the above 21 properties, Yokohama Yamashita-cho Building (Barneys New York Yokohama Store), Resona Maruha Building and Ryoshin Harajuku Building – Acquisition Price: ¥211,699 million) is 6.84% (outperforming the benchmark return of 5.17% by 1.67 points)

- * Sale price of the Yokohama Yamashita-cho Building (Barneys New York Yokohama Store) is ¥6,480 million (sold in 6th period).
- * Sale price of the Resona Maruha Building is ¥42,000 million (sold in 13th period).
- * Sale price of the Ryoshin Harajuku Building is ¥8,400 million (sold in 13th period).

Risk Management (1)

Portfolio PML Trends



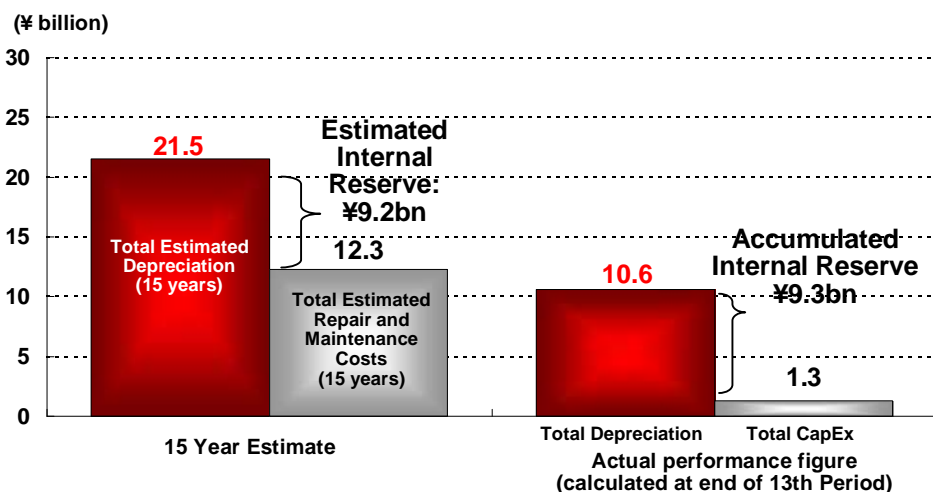
* PML decreased due to a change in the property value appraisal method utilized by E.R.S. Corporation and Oyo RMS Corporation resulting from the introduction of a new seismic analysis method.

* The source of funds for CapEx is limited to depreciation for REITs, as 100% of profits are distributed.

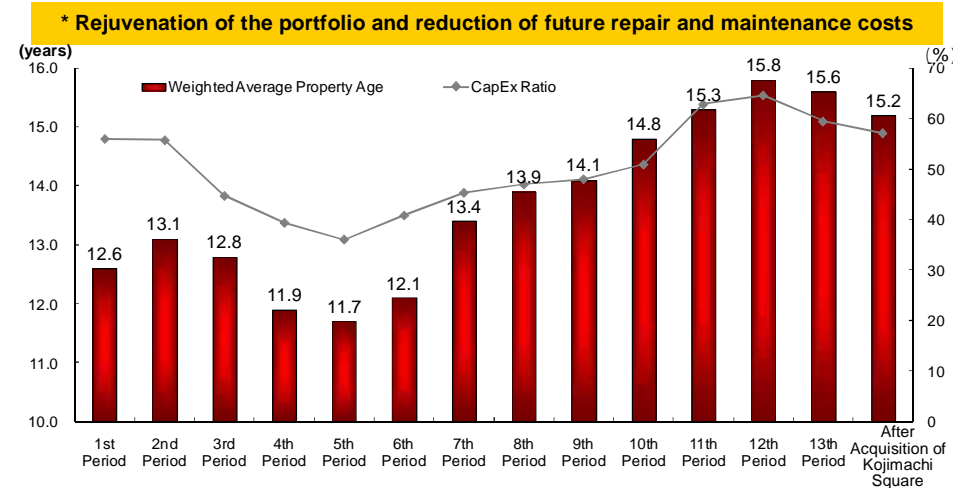
Therefore, we focus on maintaining the proper balance between long-term repair and maintenance estimates and accumulated depreciation.

* Not including Shonan Mall Fill (sokochi)

Balance of Depreciation and Repair and Maintenance Costs



Weighted Average Property Age and CapEx Ratio



* Rejuvenation of the portfolio and reduction of future repair and maintenance costs

* CapEx Ratio = (Total Estimated Repair and Maintenance Costs per Period) / (Total Estimated Depreciation per Period)

* Repair and maintenance cost estimates are updated when appropriate.

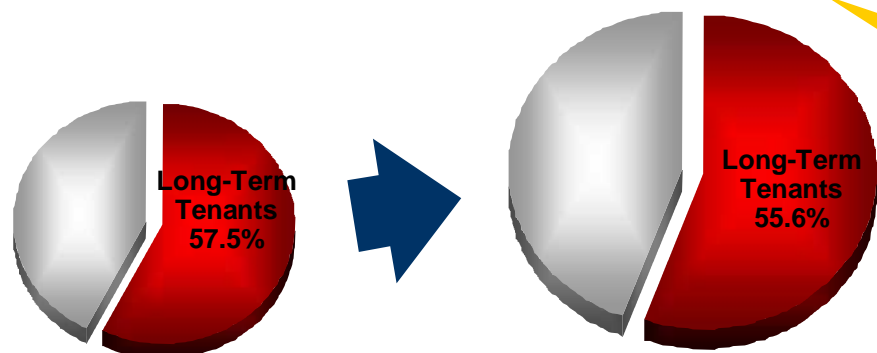
* Not including Shonan Mall Fill (sokochi)

* Including Kojimachi Square (scheduled to be) acquired on March 19, 2010

Risk Management (2)

Ratio of Tenants with LT Contracts (Based on Leasable Area)

* Continue to attract long-term commitments



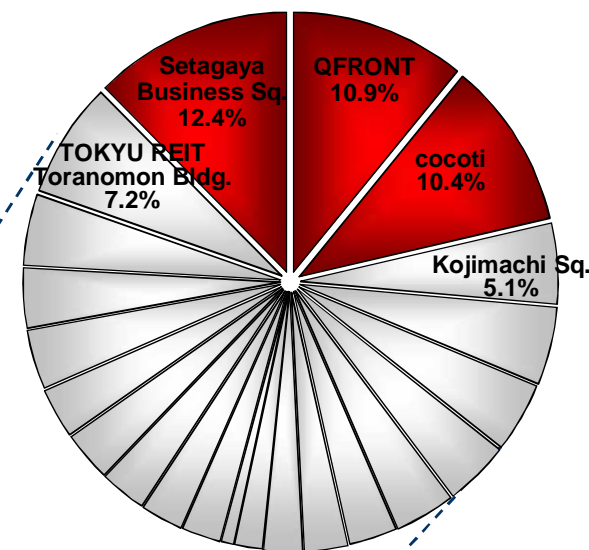
11 Properties at IPO
(as of end of April 2003)
(Note) Percentage of leasable area for long-term contracts without rent revision: 0%

22 Properties
(as of March 19, 2010 (scheduled))

* However, the average rent revision interval for all properties is 3.18 years

Property Concentration

* Ratio of each property decreased as number of buildings increased

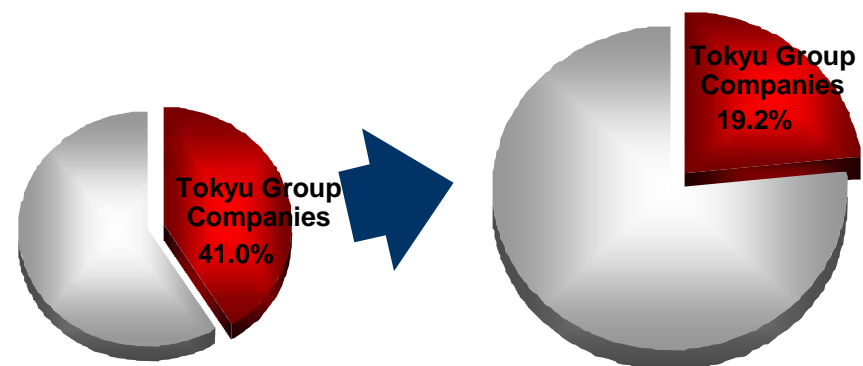


22 properties
as of March 19, 2010 (scheduled)
(based on appraisal value)

Top 3: 33.8%
Top 5: 46.1%

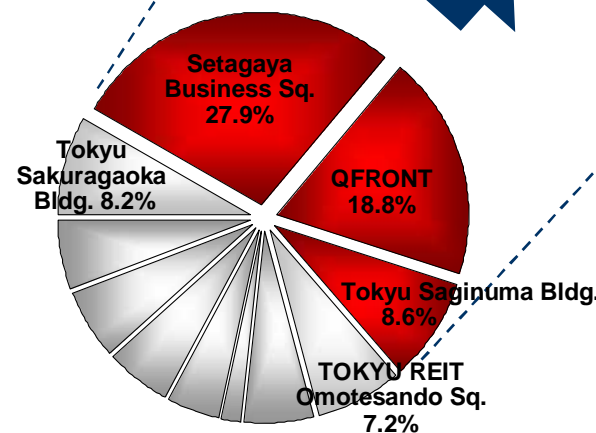
Tokyu Group Tenant Concentration (Based on Leasable Area)

* Lower dependence on Tokyu Group Companies



11 Properties at IPO
(as of end of April 2003)

22 Properties
(as of March 19, 2010 (scheduled))



11 Properties at IPO
(based on appraisal value
as of end of April 2003)

Top 3: 55.3%
Top 5: 70.7%

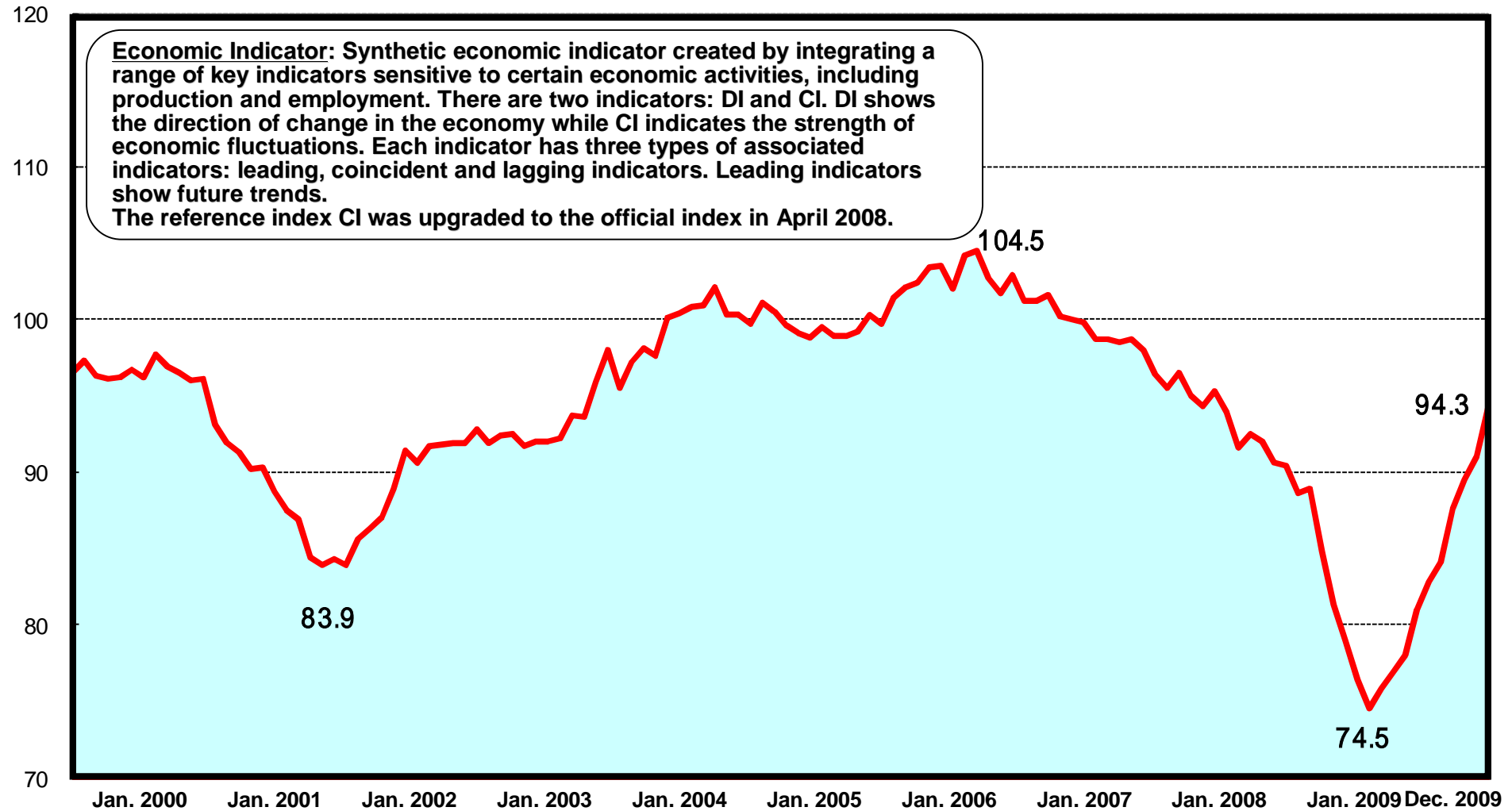
* Comments by TOKYU REIM



6. Market Review

Economic Trends in Japan

Economic Indicator: Composite Index (2005 = 100)



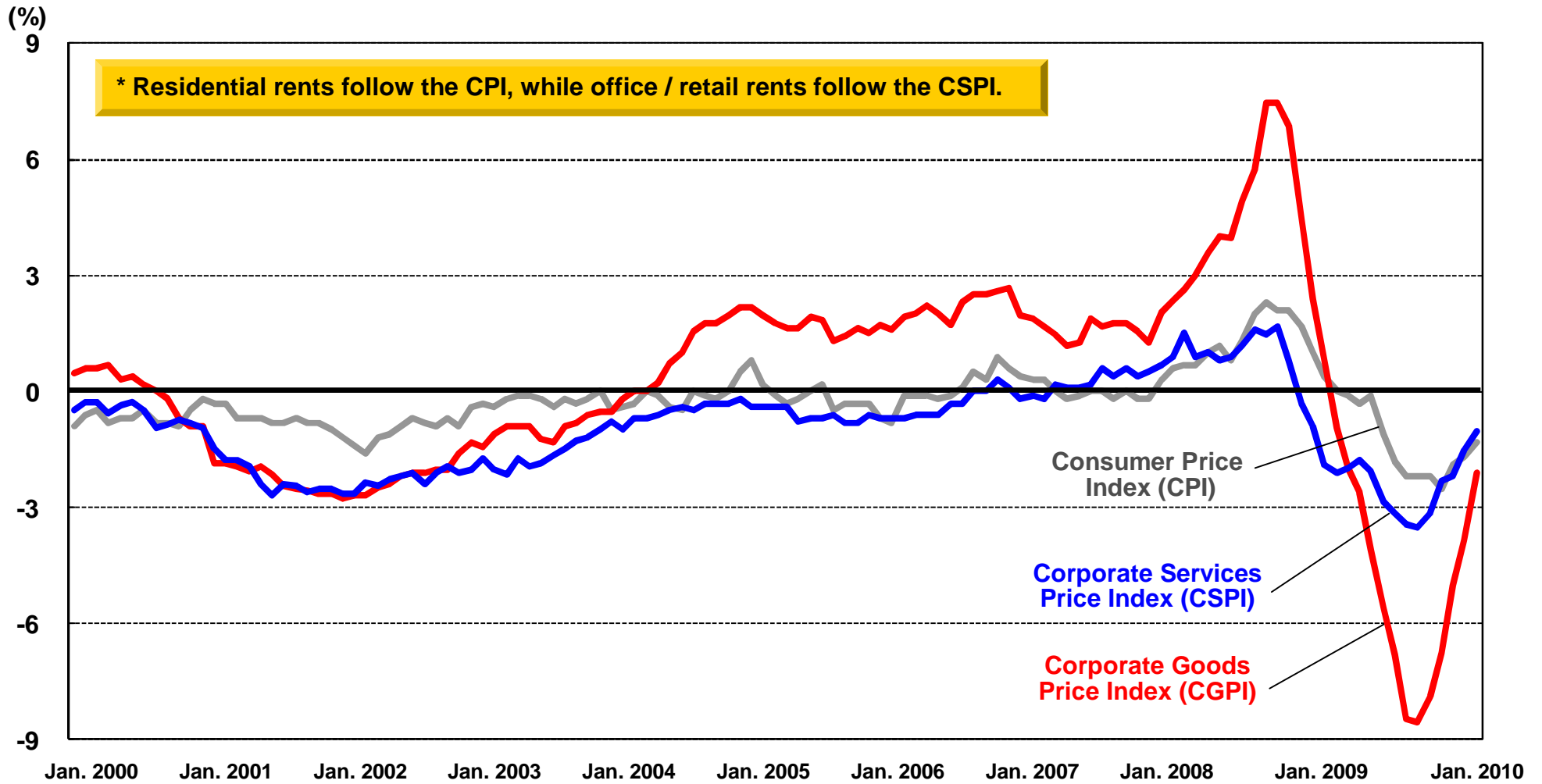
*** The Composite Index increased for 10 straight months due to inventory corrections.**

Source: Cabinet Office

* Comments by Tokyu REIM

Price Trends in Japan

Price Index (YoY Change)



*** The rate of decrease of price indices is gradually decelerating.**

Source: Ministry of Internal Affairs and Communications, BOJ

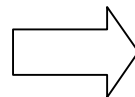
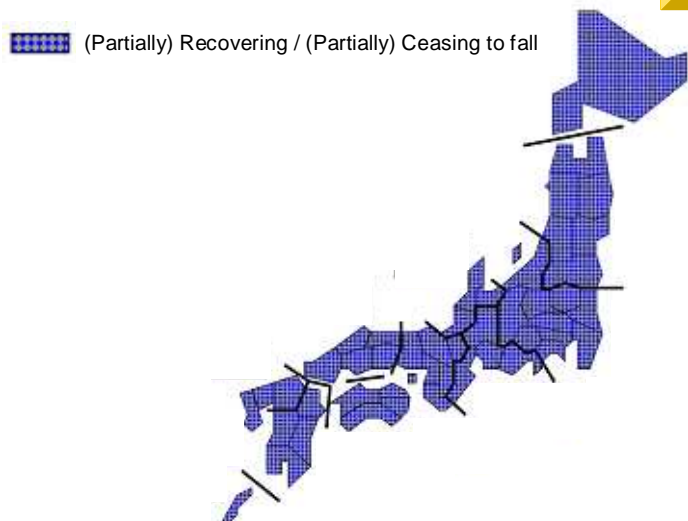
* Comments by Tokyu REIM

Economic Conditions by Prefecture

Oct. 2009 Survey

*** Business Confidence is recovering Nationwide**

Jan. 2010 Survey



***Comparison**

Upward revision	1
Unchanged	45
Downward revision	1

Source: Ministry of Finance

(Note) Color coding on the map shows the direction of the economy, not the prefecture's current economy status.

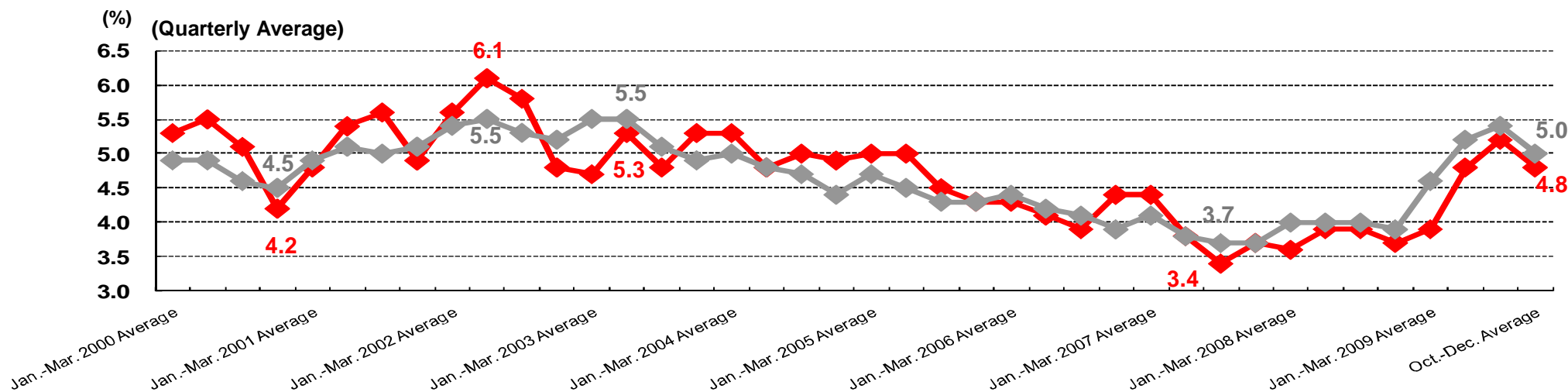
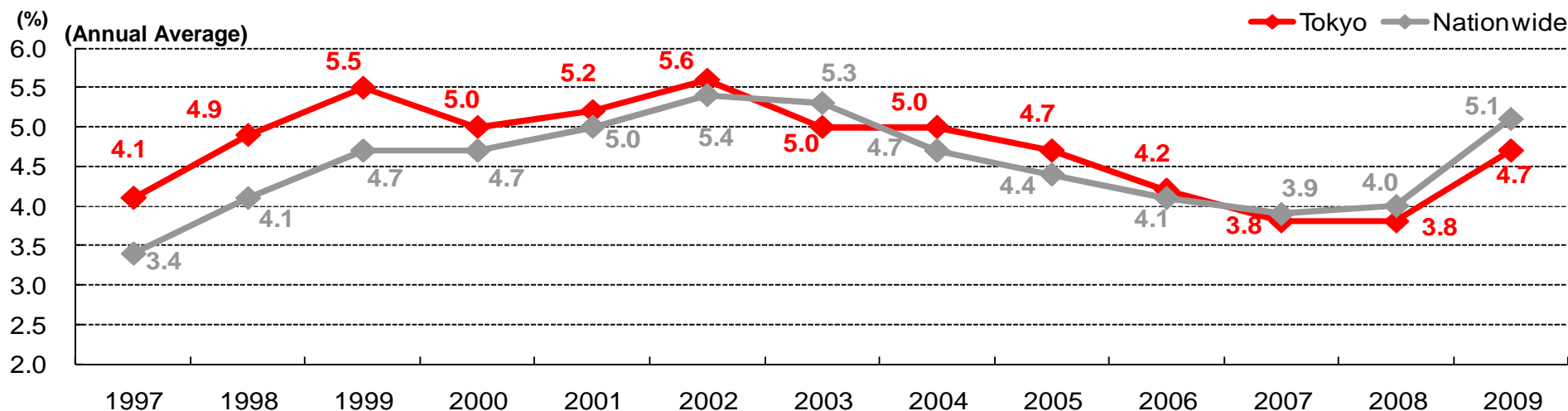
Regional economies are still in a severe situation, although recovery trends can be seen in some areas, such as with upturns in production activity.
 (Ministry of Finance, 1/29/2010)

All regions have indicated that their economies have recently begun recovering, although the pace and extent of these recoveries continue to vary.
 (Bank of Japan, 1/18/2010)

* Comments and comparison by Tokyu REIM **62**

Employment Trends in Japan (Unemployment)

Unemployment in Tokyo and Nationwide (Raw Data)



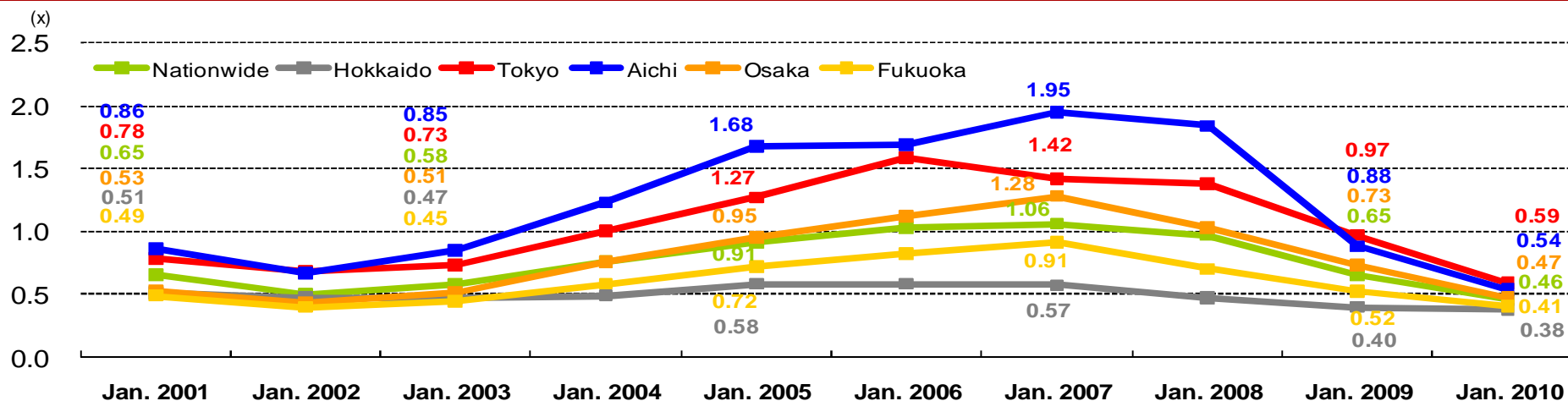
*** The unemployment rate, which is a lagging indicator, showed signs of improvement, but is still in a severe situation.**

Source: "Labor Force Survey" by the Ministry of Internal Affairs and Communications

* Comments by Tokyu REIM

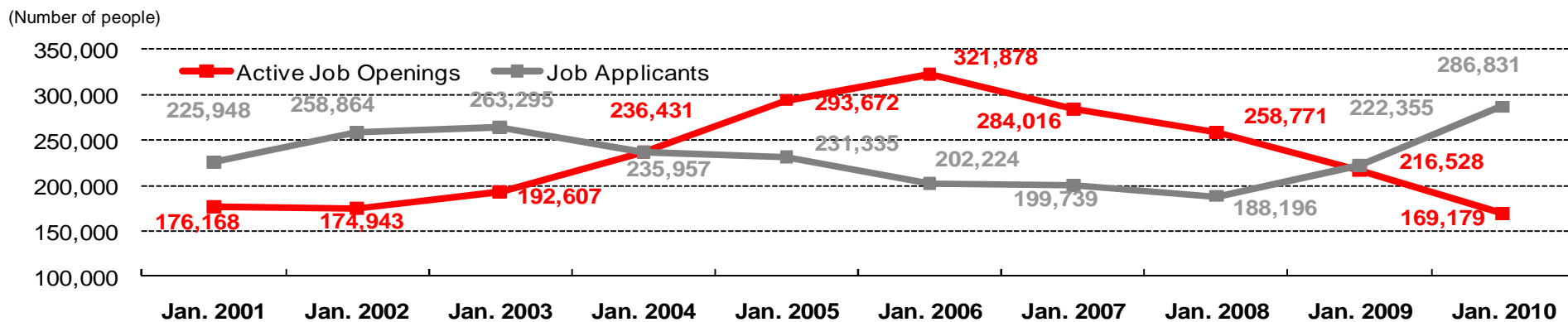
Employment Trends in Japan (Job Openings)

Job to Applicant Ratio (Seasonally Adjusted)



*The Job to Applicant Ratio (Nationwide) marked a record low in January 2010.

Active Job Openings / Job Applicants in Tokyo



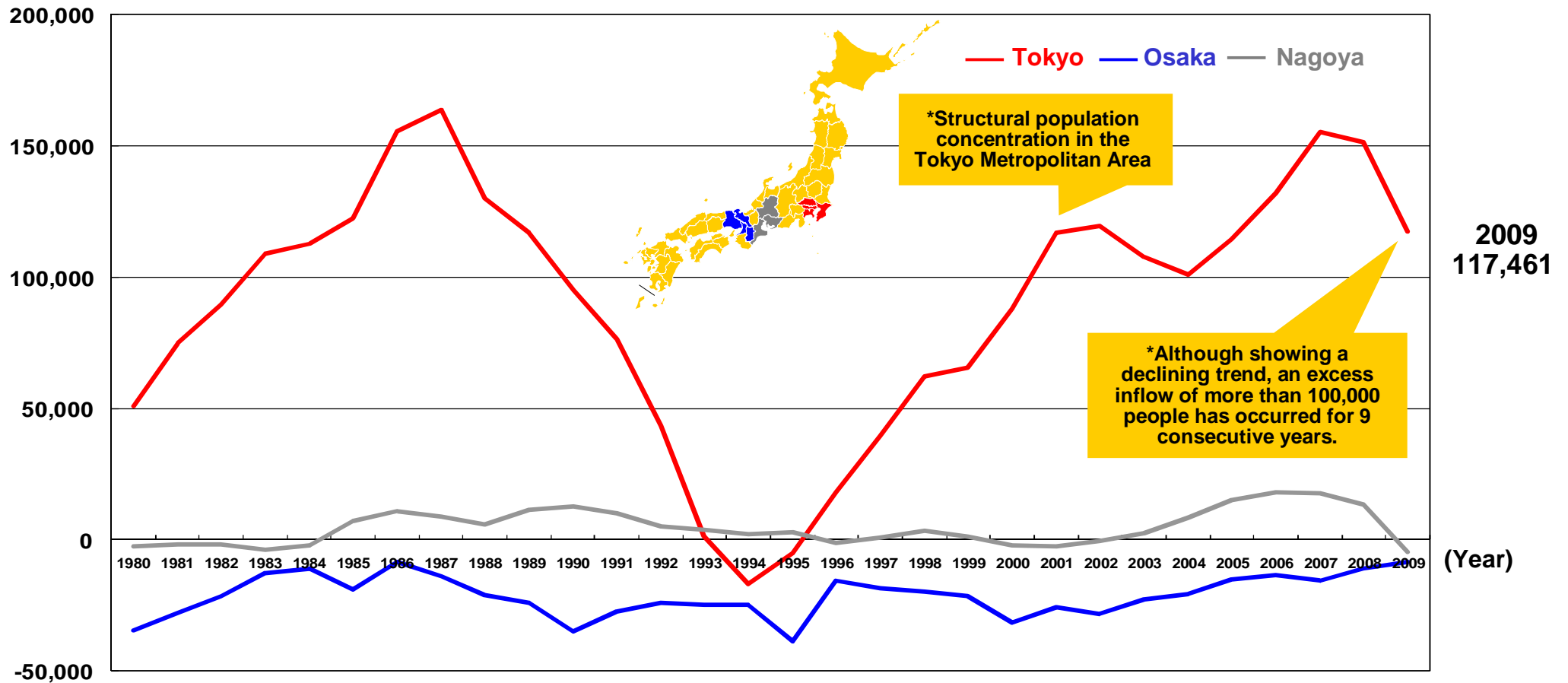
* The number of active job openings has been below the number of job applicants since January 2009.

Source: "Employment Service" by the Ministry of Health, Labour and Welfare

* Comments by Tokyu REIM

Excess Population Inflow into Three Major Metropolitan Areas (1980-2009)

(Number of People)



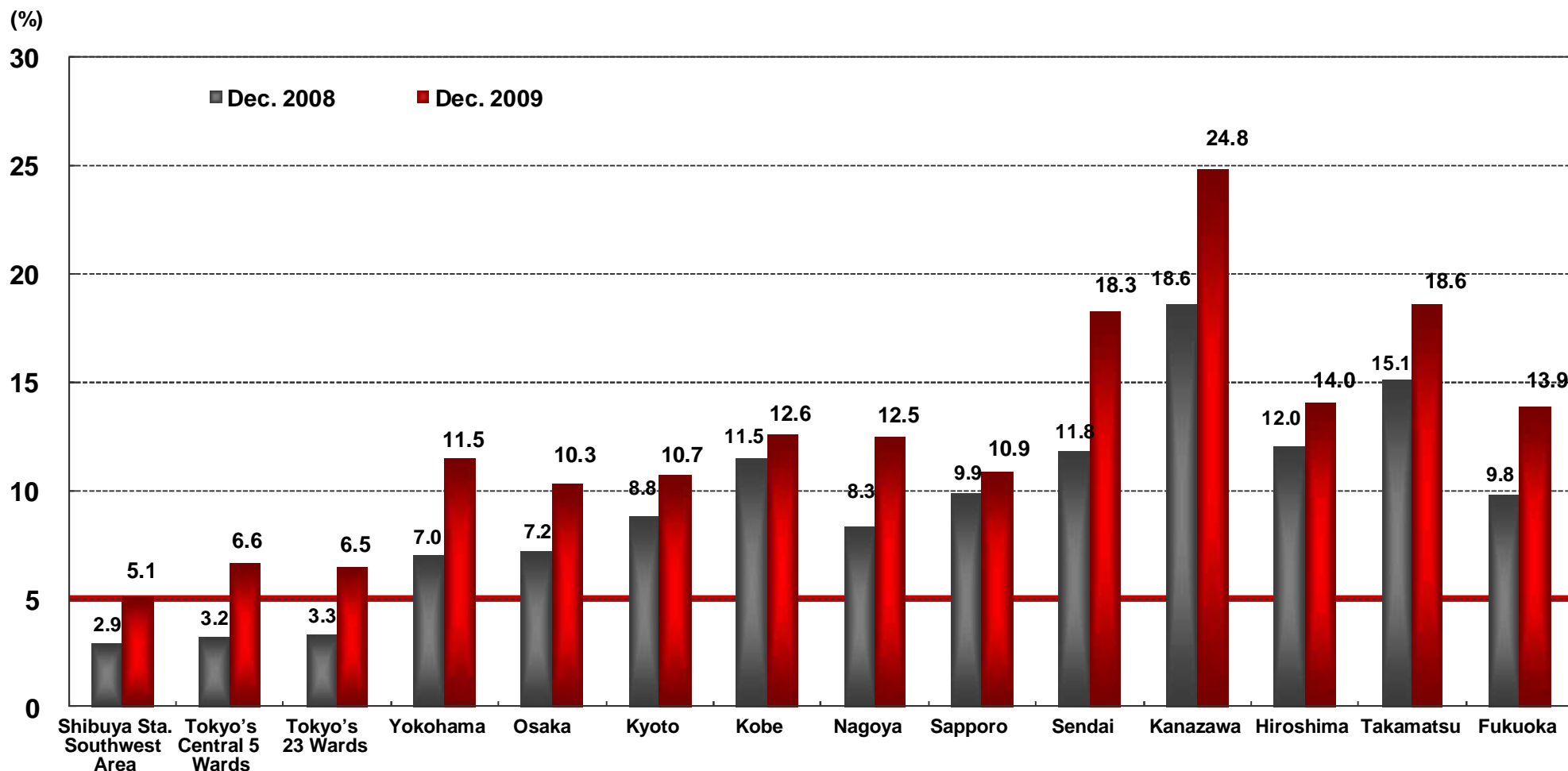
*** Excess inflow continues to occur in the Tokyo Metropolitan Area, while there is excess outflow occurring in the Nagoya Metropolitan Area.**

Source: Population Movement from Basic Resident Register, Ministry of Internal Affairs and Communications

* Comments by Tokyu REIM

Office Leasing Market Overview (1)

Vacancy by Market



*** The vacancy rate is showing an upward trend nationwide and Tokyo's rate is approaching the level of 2003.**

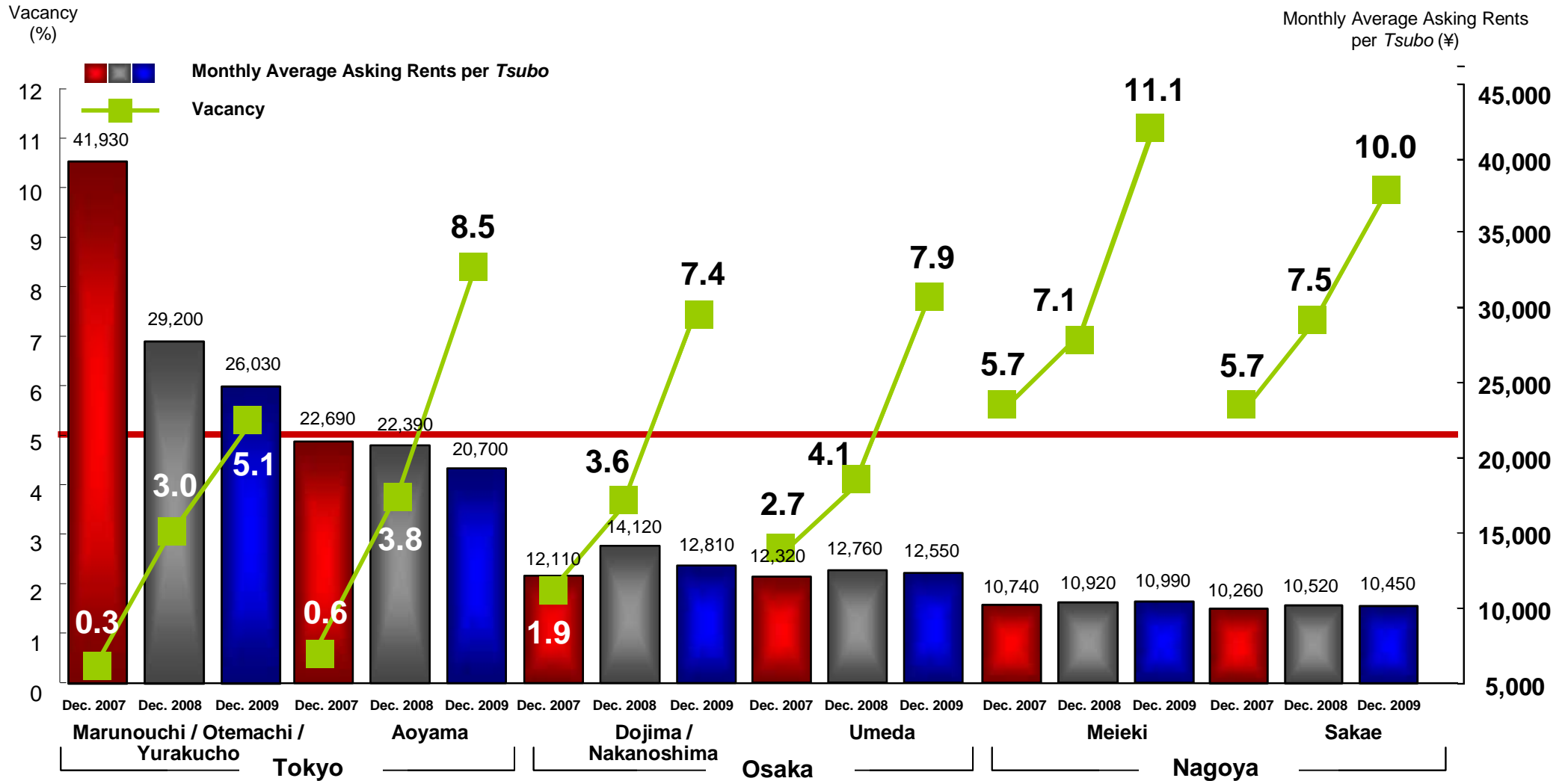
Source: "Office Market Report" issued by CBRE Research Institutions

Shibuya Station Southwest Area does not represent the entire Shibuya Ward, but specifically indicates the "Jinnan, Udagawa-cho, Dogenzaka area," including Nampoedai-cho, Sakuragaoka-cho.

* Comments by Tokyu REIM

Office Leasing Market Overview (2)

Vacancy and Asking Rents for New Tenants by Zone



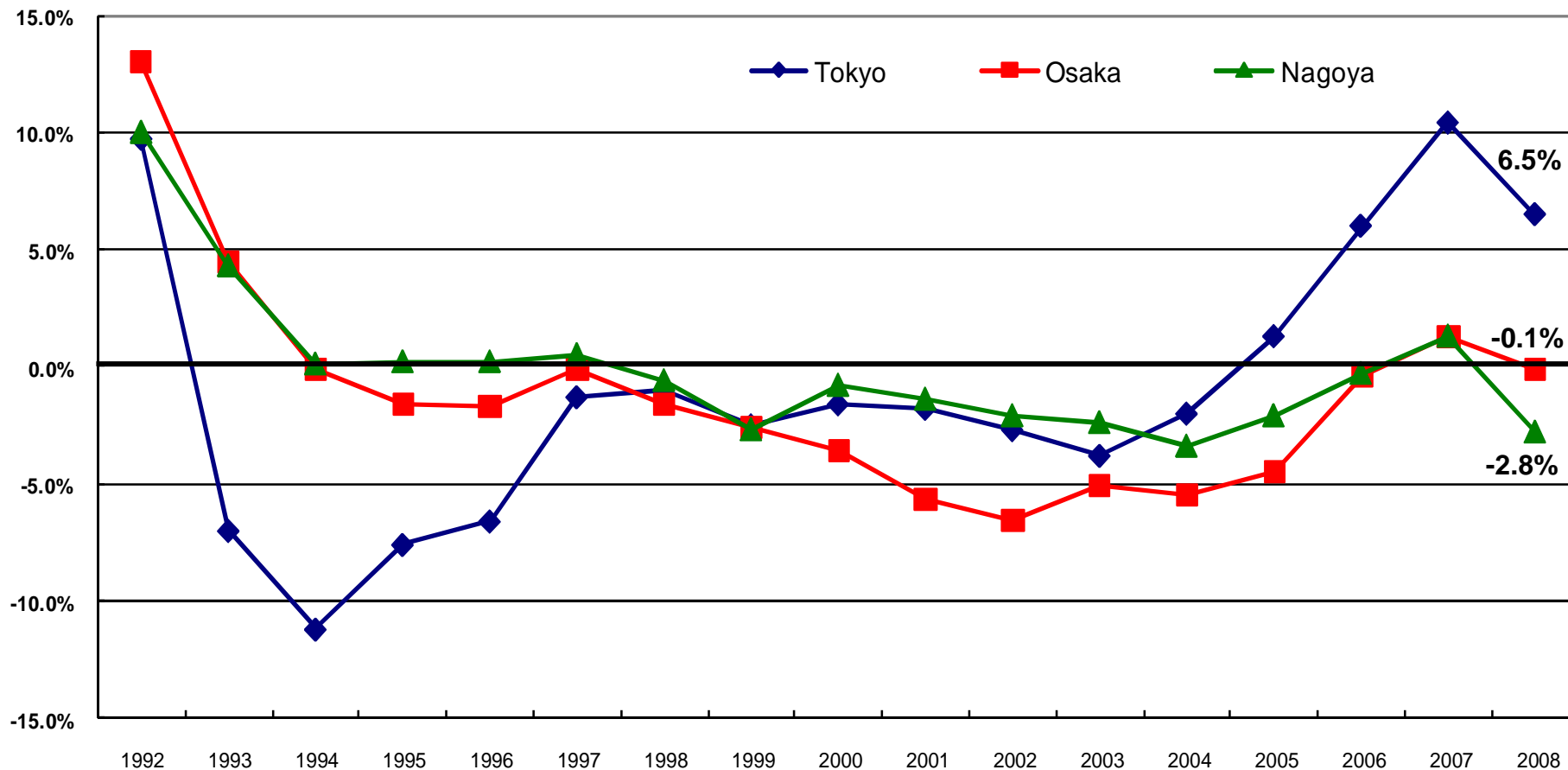
***Similar to Osaka and Nagoya, the vacancy rate of prime locations in Tokyo has risen.**

Source: "Office Market Report" issued by CBRE Research Institutions

* Comments by Tokyu REIM 67

Office Leasing Market Overview (3)

Office Rent Revisions in the Three Major Cities (Tokyo, Nagoya and Osaka)



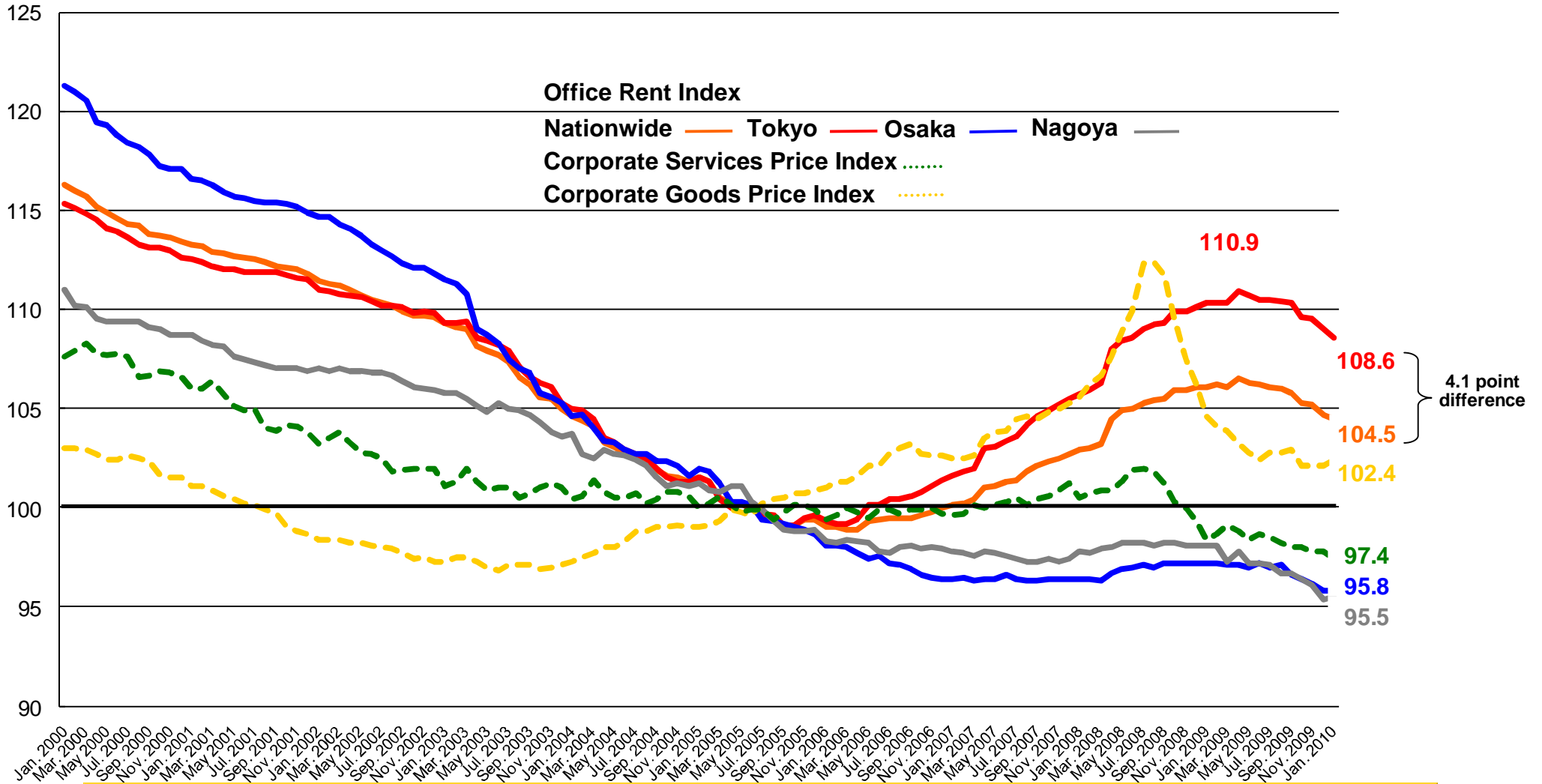
*** Rent revisions increased in Tokyo between 2005 and 2008.**

Source: "Office Market Report" issued by CBRE Research Institutions

* Comments by Tokyu REIM

Office Leasing Market Overview (4)

Office Rent Index (Corporate Services Price Index) 2005 = 100



*** The impact of deflation on contracted rents in Tokyo is slight.**

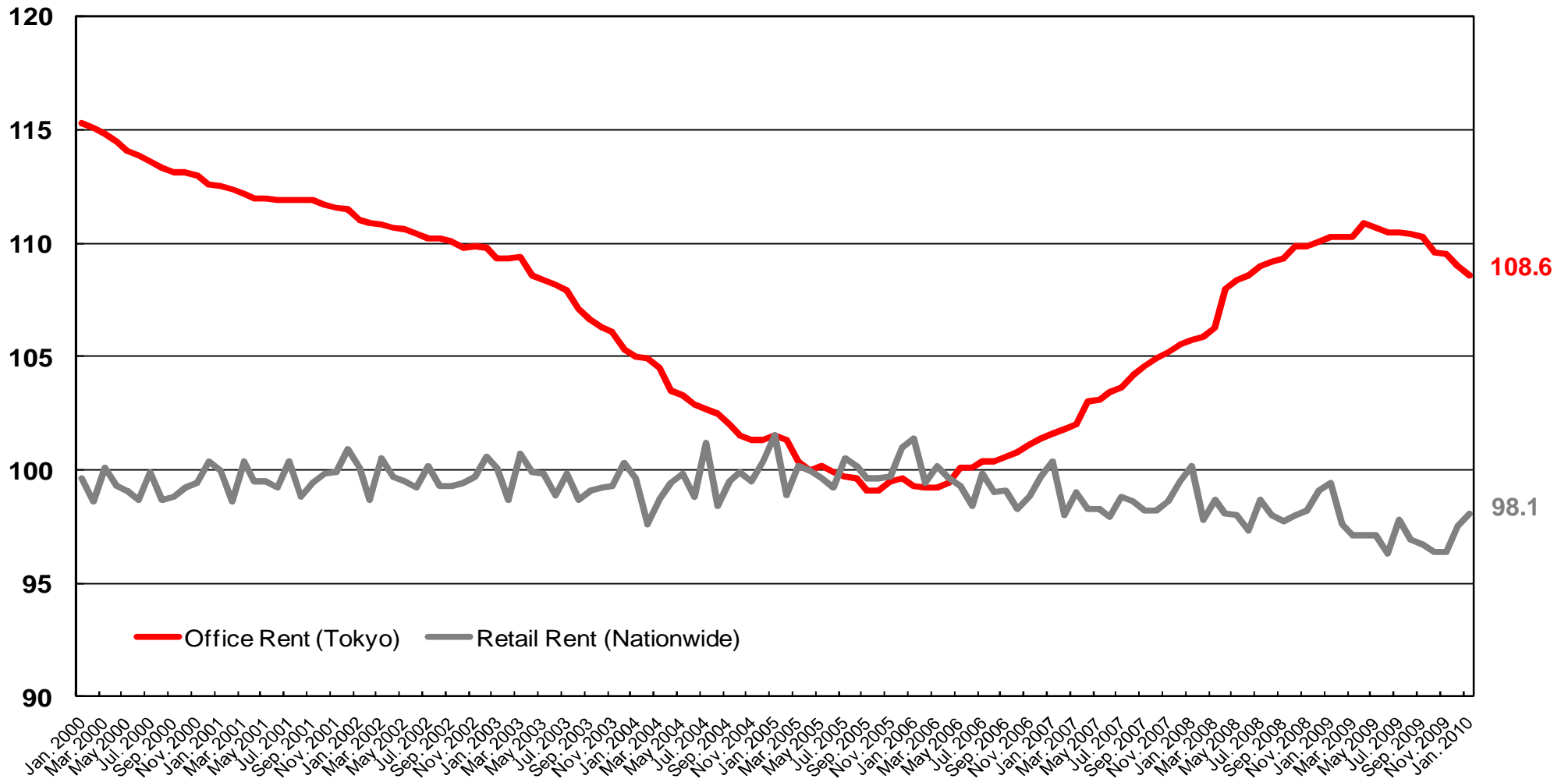
Source: Prepared by TREIM based on information from the BOJ website

* The Office Rent Index is calculated based on contracted rents, rather than newly asking rents.

* Comments by Tokyu REIM

Office Leasing Market Overview (5): Comparison with Retail Properties

Indexed Office Rent and Retail Rent Comparison (2005 = 100)



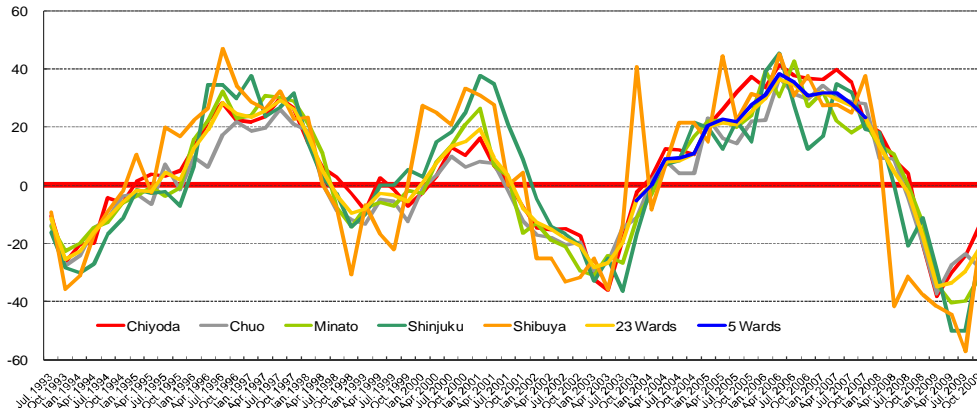
*** Unlike office rents, the retail market is less affected by economic fluctuations.**

Source: Prepared by TREIM based on information from the BOJ website

* Comments by Tokyu REIM

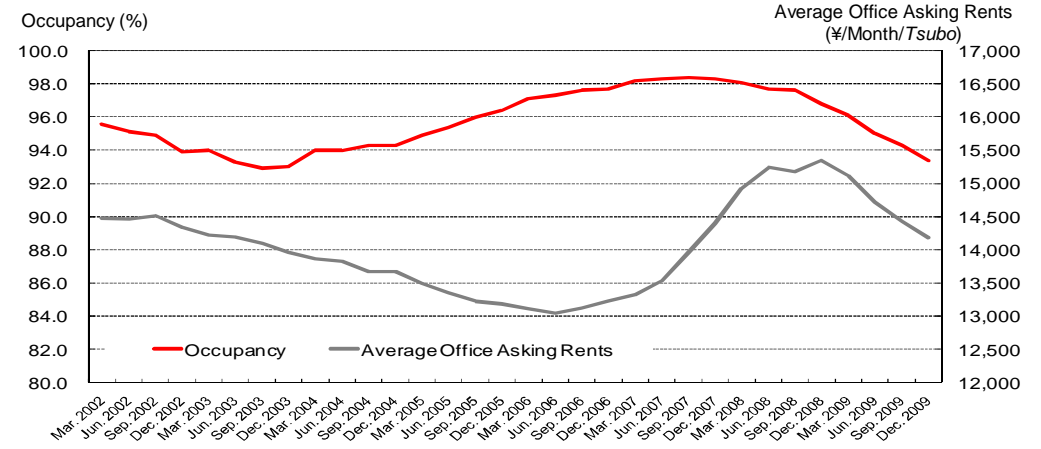
Office Leasing Market Overview (6)

Business Sentiment on Vacancy Levels in Tokyo (Now vs. 3 Months Later)



Source: Japan Building Owners and Managers Association "Building Management Trend Research Report" From January 2008, information on the 5 Wards is no longer disclosed.

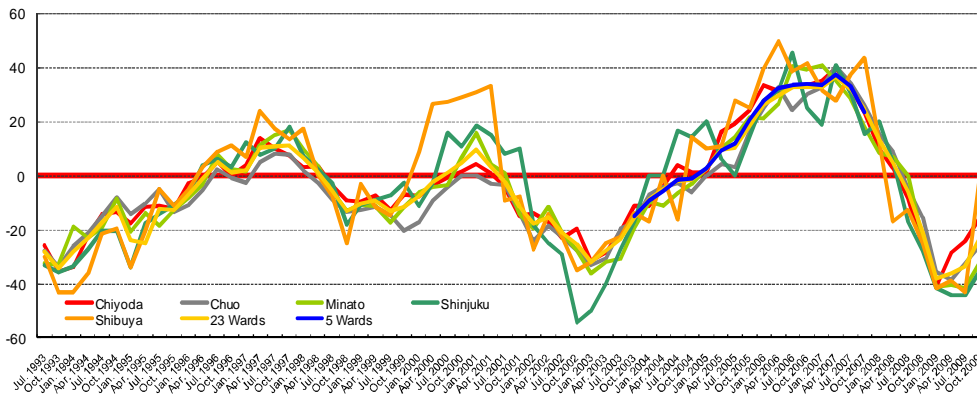
Occupancy and Asking Rents in 5 Central Wards of Tokyo



Source: "Office Market Report" issued by CBRE Research Institutions

*** The downturn in the Occupancy rate has led to a downward trend in Asking Rents.**

Business Sentiment on Rent Levels in Tokyo (Now vs. 3 Months Later)



Source: Japan Building Owners and Managers Association "Building Management Trend Research Report" From January 2008, information on the 5 Wards is no longer disclosed.

*** The outlook of building owners is recovering.**

Rent Estimates by Region (Rent Level at Survey Date = 100)

20th Period Survey (as of April 2009)

Area	1 Yr	2 Yr	5 Yr	10 Yr
Marunouchi, Otemachi area	98	99	100	100
Shibuya, Shibuya Station area	97	97	100	100
Nagoya, Station area	96	96	98	99
Osaka, along the Midousuji line	97	97	98	100

21st Period Survey (as of October 2009)

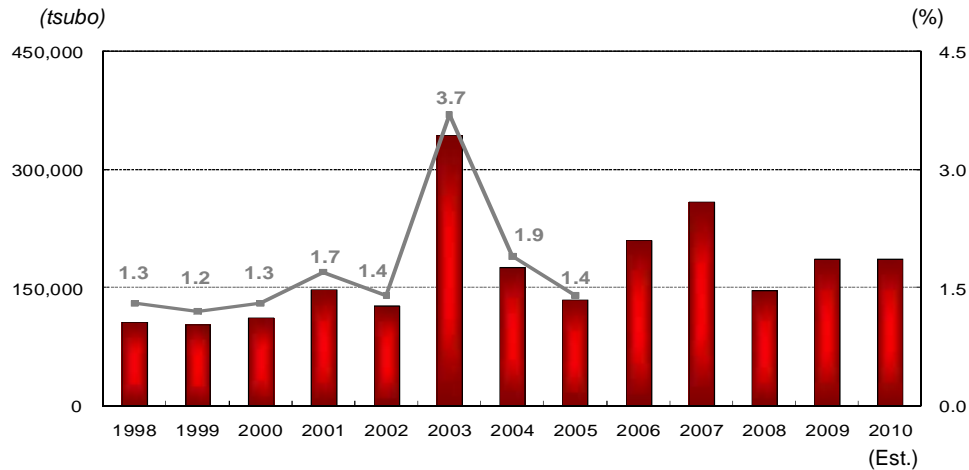
Area	1 Yr	2 Yr	5 Yr	10 Yr
Marunouchi, Otemachi area	99	100	101	102
Shibuya, Shibuya Station area	98	98	100	100
Nagoya, Station area	95	96	98	100
Osaka, along Midousuji line	97	97	98	100

Source: Japan Real Estate Institute "Japanese Real Estate Investors Survey"

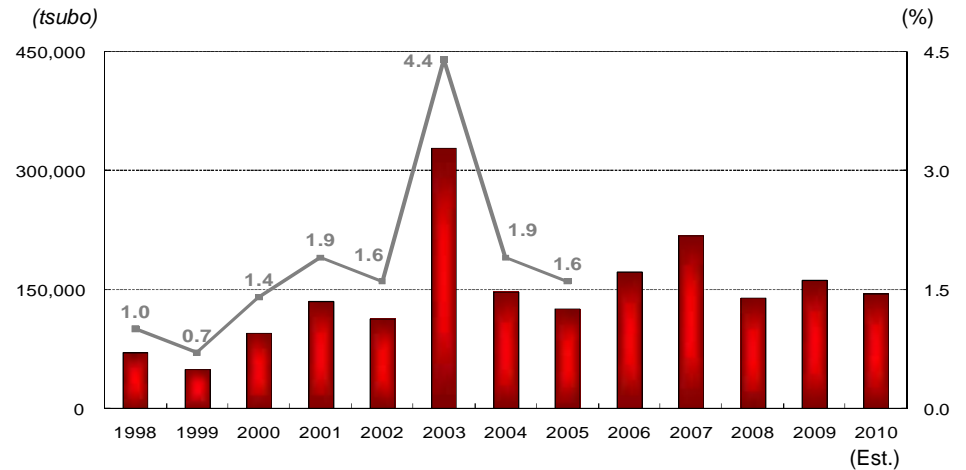
*** The rent perspective is unchanged.**

New Office Supply and Percentage to Total Rental Area

Tokyo's 23 Wards

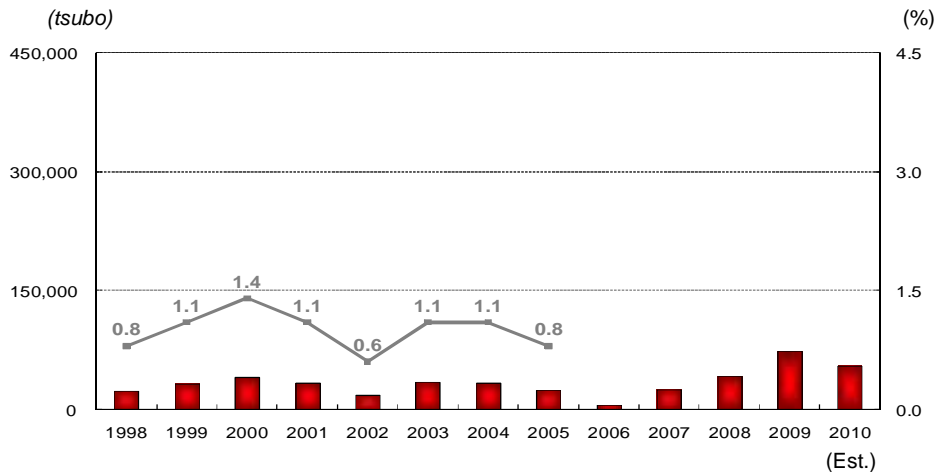


Tokyo's 5 Central Wards

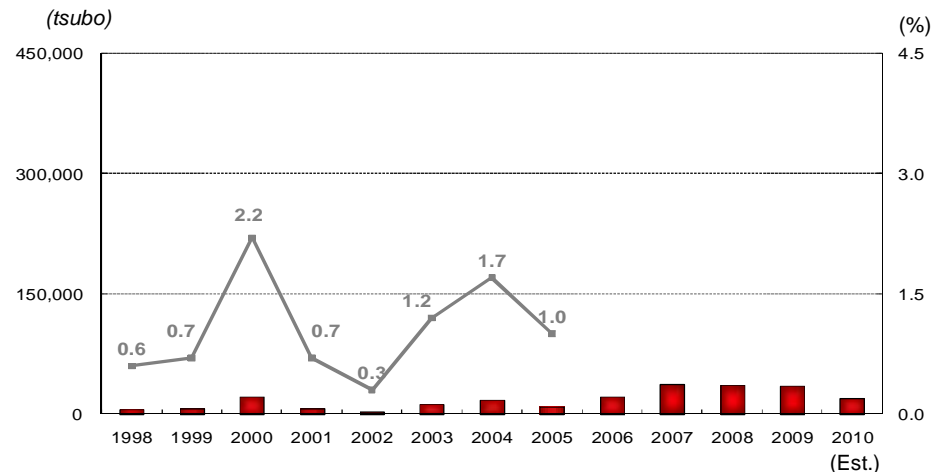


***New office supply in Tokyo in 2010 is expected to be almost half that of 2003.**

Osaka



Nagoya



Source: Prepared by TREIM based on the "Office Market Report" issued by CBRE Research Institutions

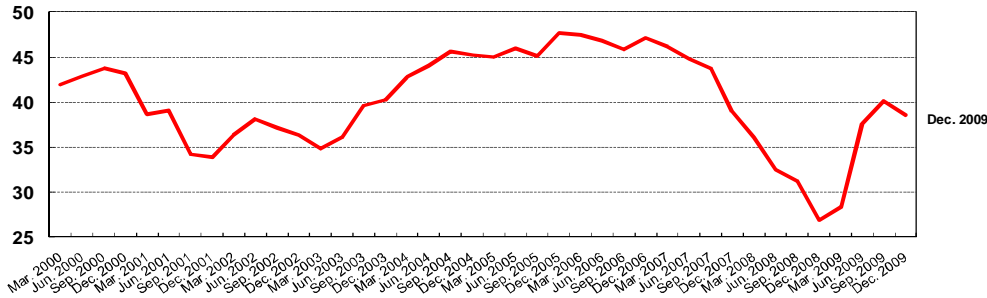
- (1) New office supply as a percentage of total rental area no longer available since 2006
- (2) Decrease in rental space caused by rebuilding/demolition not calculated

■ New Office Supply — % of Total Rental Area

* Comments by Tokyu REIM **72**

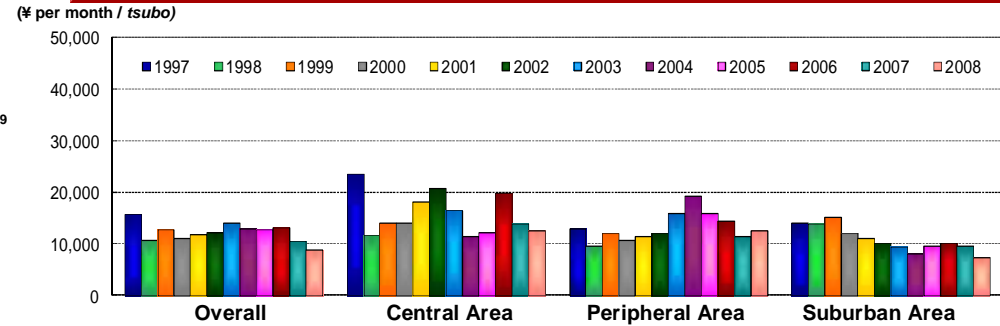
Retail Leasing Market Overview

Consumer Confidence Index
(Nationwide General Households / Seasonally Adjusted)

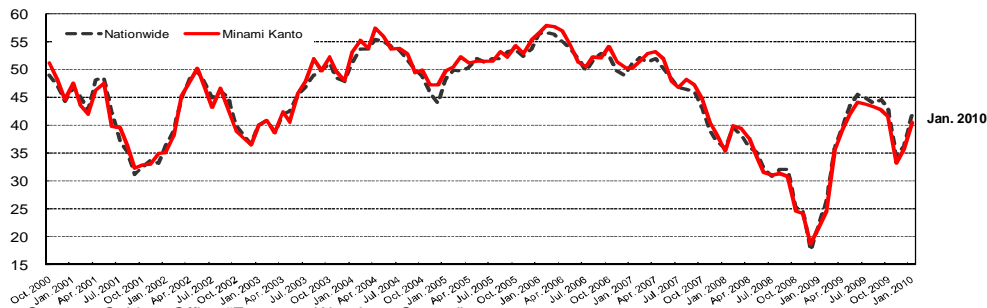


Source: Cabinet Office "Consumer Confidence Survey"

Average Rent of SC Tenants (Key Tenants)

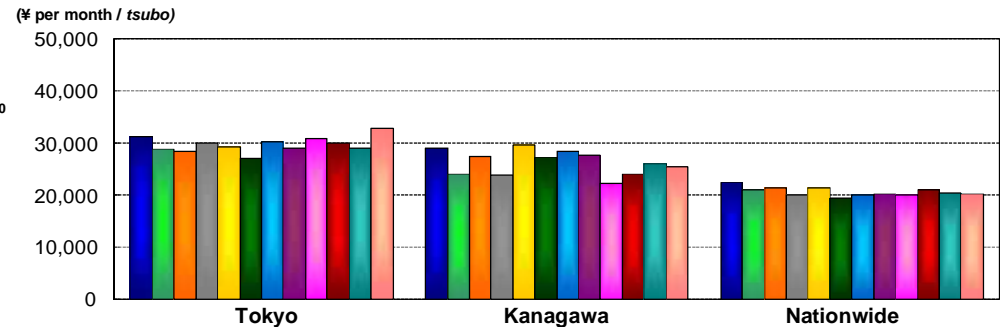


Economy Watchers Survey (Leading Indicator: Household Related)

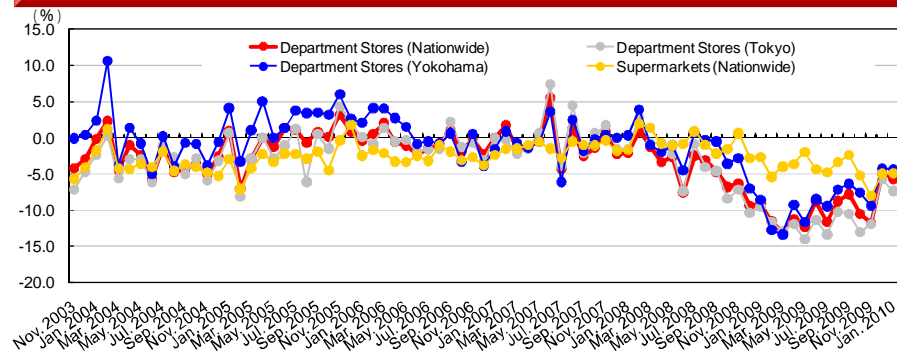


Source: Cabinet Office "Economy Watchers Survey"

Average Rent of SC Tenants (Restaurants)

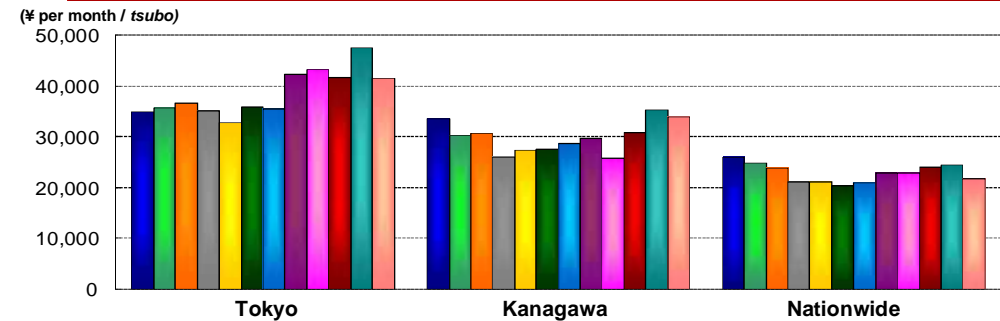


Department Store & Super Market Sales (YoY Change)



Source: Website of Japan Department Stores Association, Japan Chain Stores Association "Statistics on Sales of Chain Stores" Source: Survey on shopping center rents and common service charges by Japan Council of Shopping Centers

Average Rent of SC Tenants (Retail Stores)



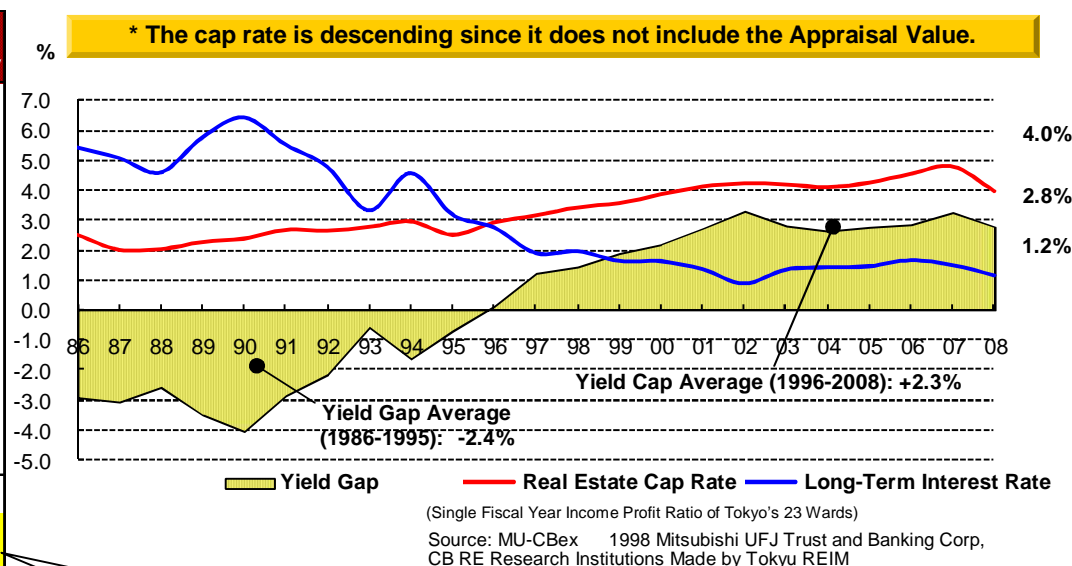
*** Consumption attitude bottomed out in December 2008 and since then has gradually recovered. However, the situation still requires careful monitoring.**

Real Estate Trading Market Overview (1)

Real Estate Transparency Index (CY2008)

Transparency Level	CY 2008 Rank	Country Name	CY 2008 Score	CY2006 Score	CY2004 Score	Change in Transparency
High Transparency	1	Australia	1.15	1.15	1.19	
	1	United States	1.15	1.15	1.24	
	3	Canada	1.16	1.21	1.37	
	4	New Zealand	1.25	1.20	1.19	
	5	United Kingdom	1.30	1.25	1.24	
	6	Holland	1.37	1.37	1.37	
	7	Sweden	1.38	1.38	1.51	
	8	France	1.40	1.40	1.62	
	9	Hong Kong	1.46	1.30	1.50	
	9	Singapore	1.46	1.44	1.55	
Transparent	23	Malaysia	2.21	2.21	2.30	
	25	Japan	2.40	2.40	3.08	
Semi-Transparent	40	Taiwan	3.12	2.86	3.10	
	43	Korea	3.16	2.88	3.36	
	46	Thailand	3.21	3.40	3.44	
	48	Philippines	3.32	3.30	3.43	
	49	China	3.34	3.50	3.71	
	50	India	3.39	3.46	3.90	
Low Transparency	55	Indonesia	3.59	3.90	4.11	
	60	Macau	3.71	3.65	na	
	77	Vietnam	4.36	4.69	4.60	

Real Estate Cap Rate, Long-Term Interest, Yield Gap



The market in Japan did not grow as much due to the small number of J-REIT IPOs and decreasing amount of asset acquisitions. This did not help improve disclosure standards or upgrade the investor index which serves as the industry standard. As a result, the transparency in Japan during 2008 only improved fractionally.

Source: Prepared by TREIM based on information from Jones Lang LaSalle's website

The survey addressed the following five attributes of real estate transparency: 1) Availability of investment performance indices, 2) Availability of data on market fundamentals, 3) Listed vehicle financial disclosure and governance, 4) Regulatory and legal factors, and 5) Professional and ethical standards.

Source: Prepared by TREIM based on Jones Lang LaSalle "2008 World Real Estate Transparency Index" Report
For comparison purposes the index based on older standards, not including new attributes, is used.

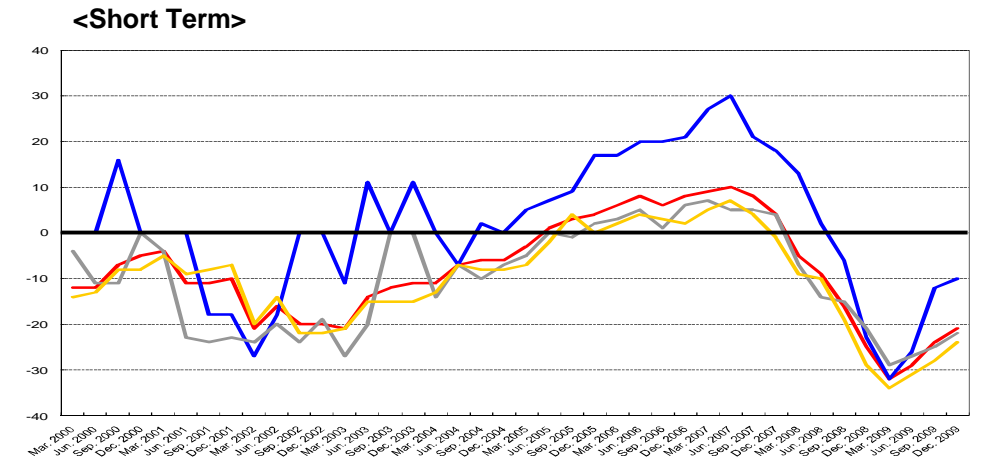
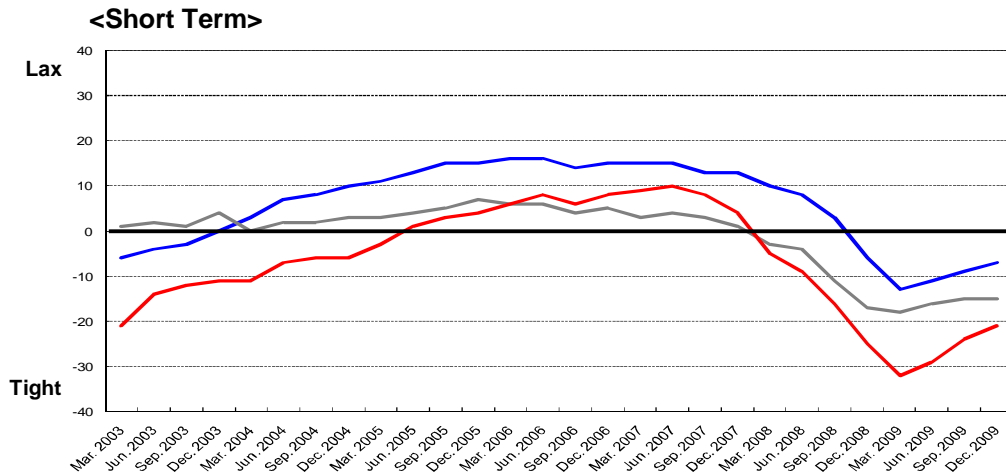
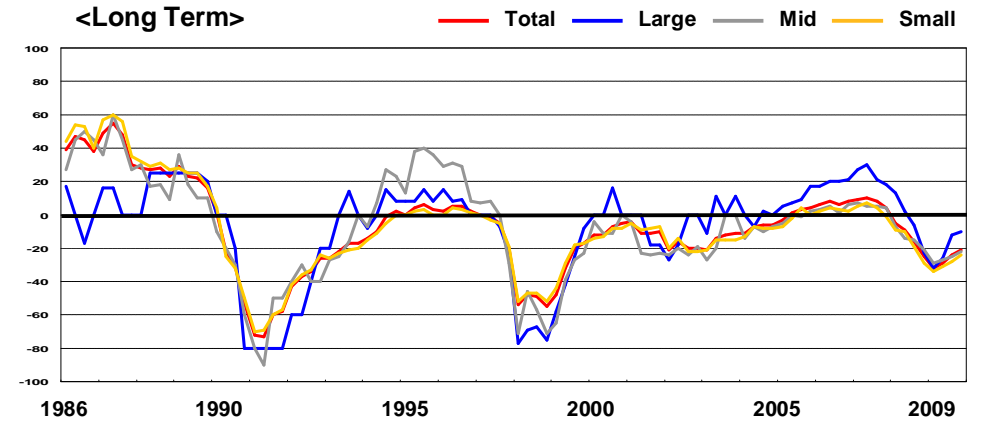
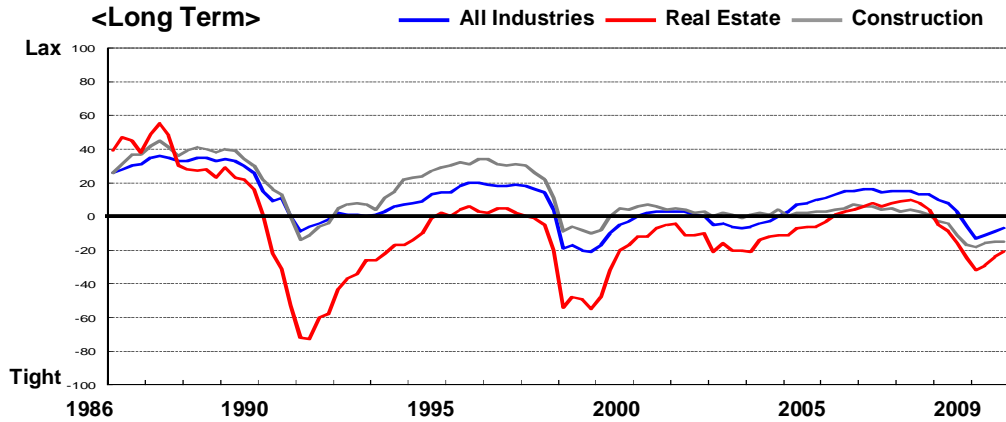
- Slight improvement in transparency (2006 ~ 2008)
- Moderate improvement in transparency (2006 ~ 2008)
- Significant improvement in transparency (2006 ~ 2008)

* Comments by Tokyu REIM

Real Estate Trading Market Overview (2)

Lending Attitude DI by Industry

Lending Attitude DI by Size (Real Estate Industry)



Source : BOJ "Tankan"
Note: REITs not covered in the survey

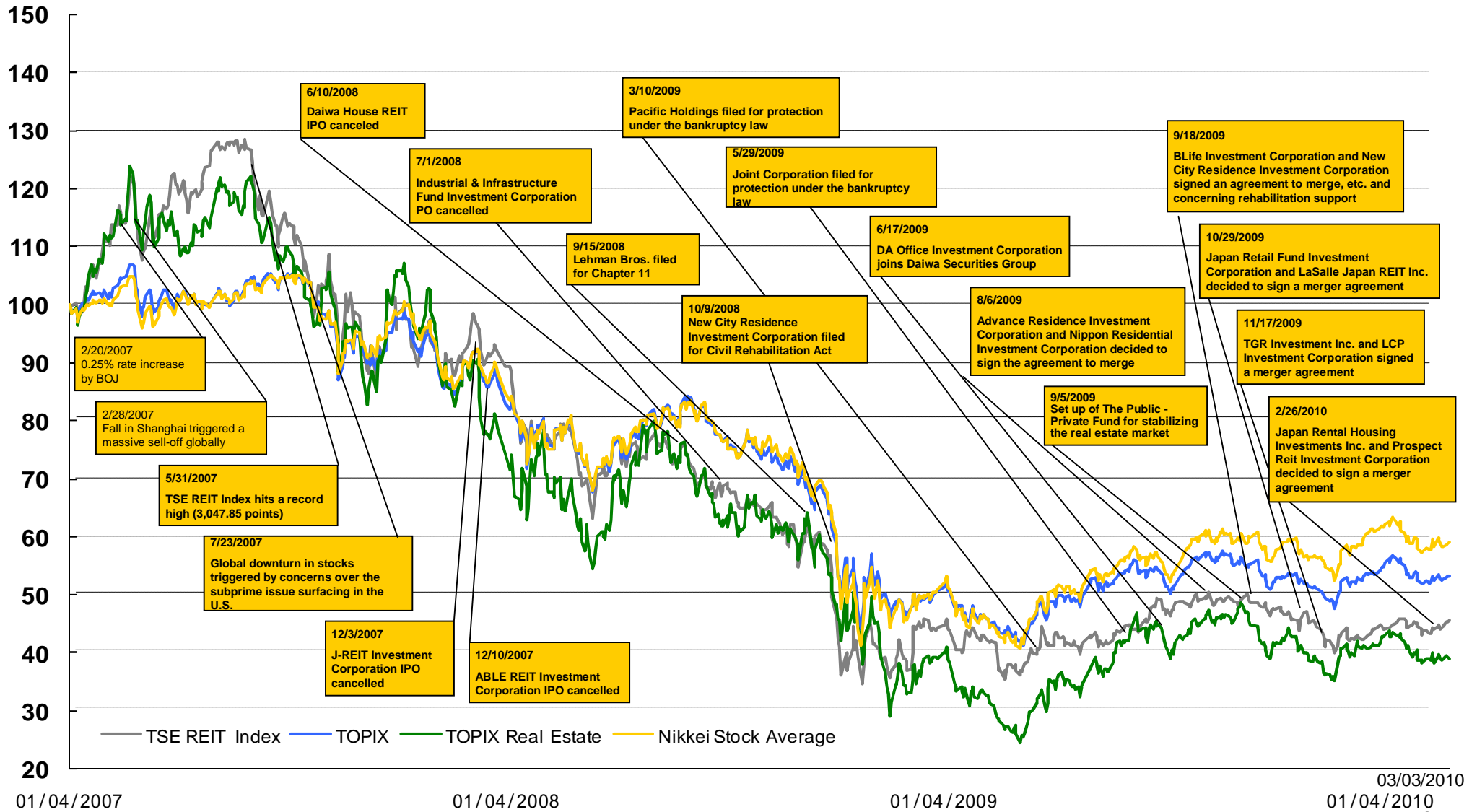
Large: Cap size over ¥1 billion, Mid: Cap size between ¥1 billion and ¥100 million,
Small: Cap size between ¥100 million and ¥20 million
For data before April 2004, size was based on number of employees.

*** The lending attitude for the real estate industry is volatile.**

*** The lending attitude for the real estate industry bottomed out in March 2009 and began to recover.**

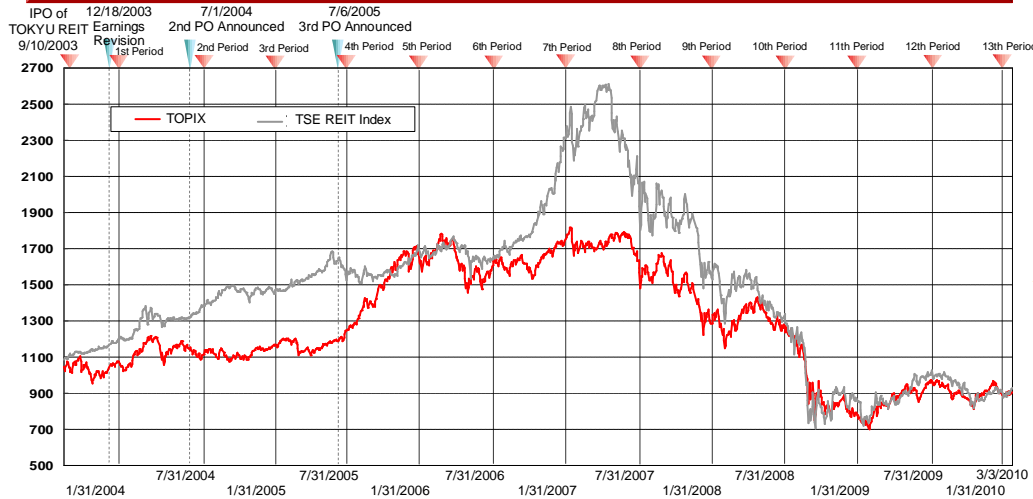
REIT Market Overview (1)

Capital Market Trends Since 2007 (1/4/2007 = 100)



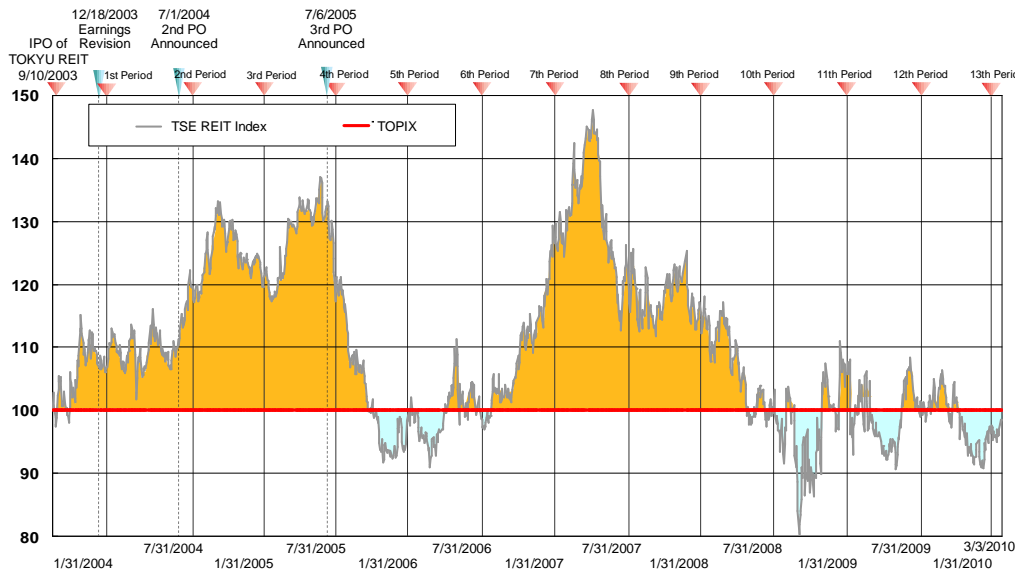
REIT Market Overview (2)

TOPIX and TSE REIT Index Performance

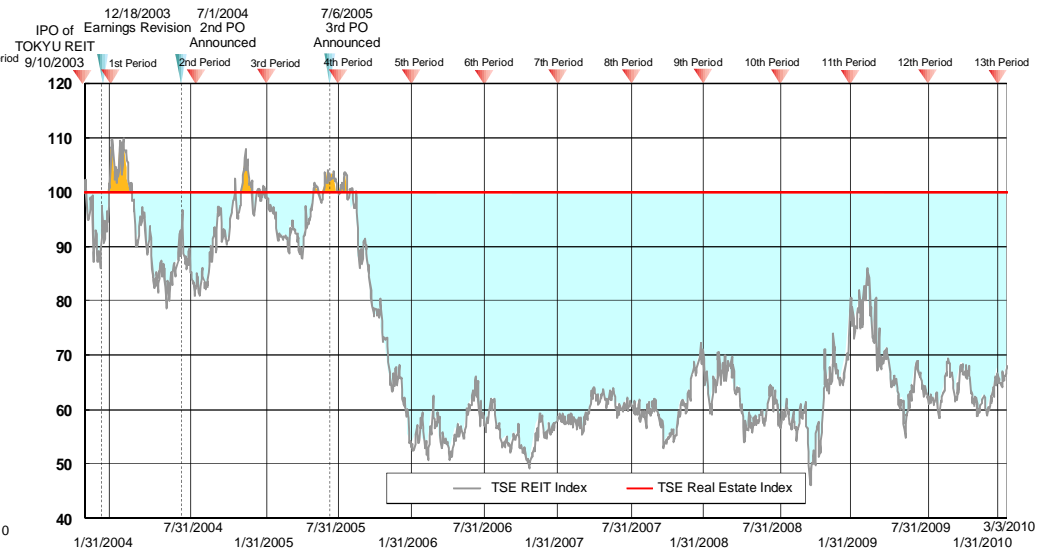


* The TSE REIT Index remains steady after hitting a record low in March 2009.

TSE REIT Index Performance (TOPIX=100)



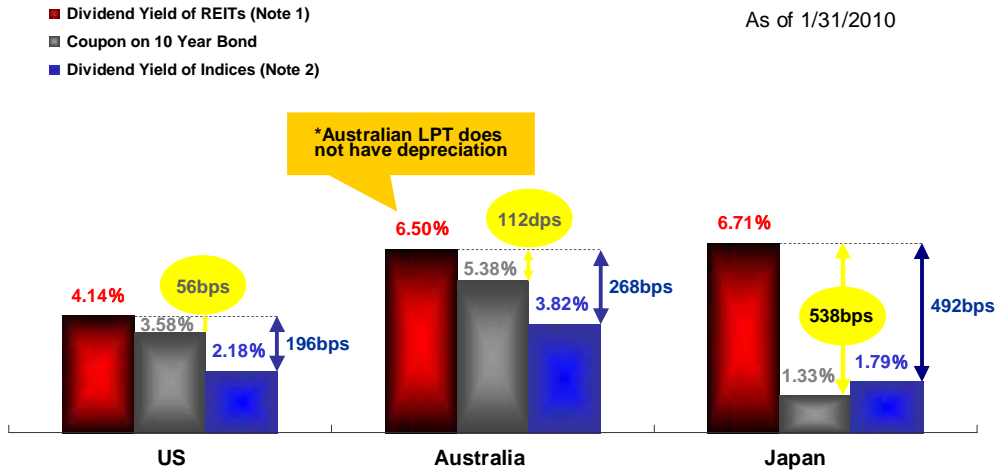
TSE REIT Index Performance (TSE Real Estate Index=100)



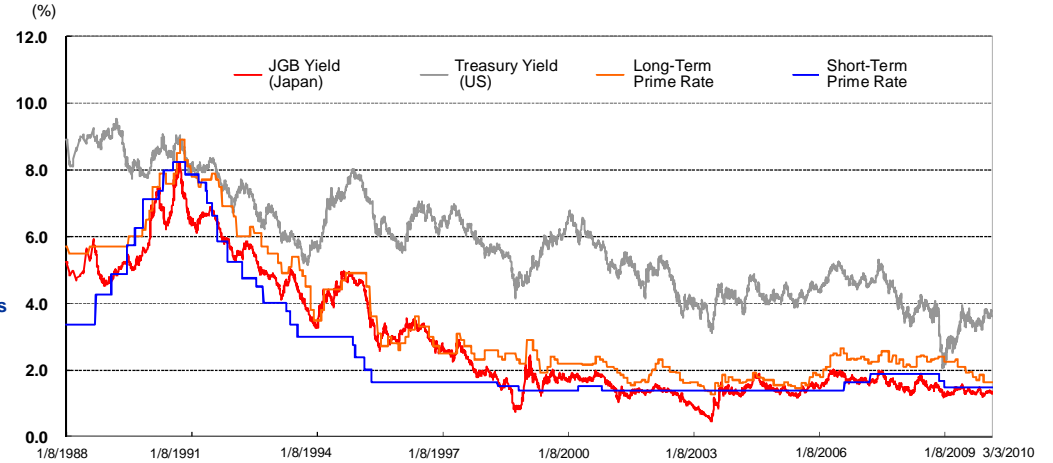
* Relative Change in the TSE REIT Index when TSE Real Estate is indexed at 100 (Sept. 10, 2003 = 100)

REIT Market Overview (3)

Spread Over Risk Free Rate

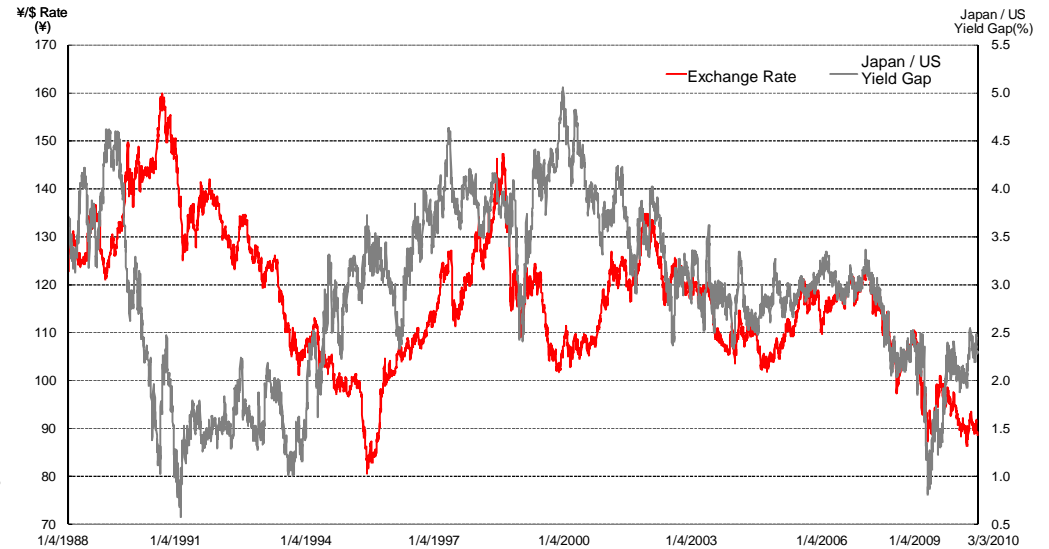
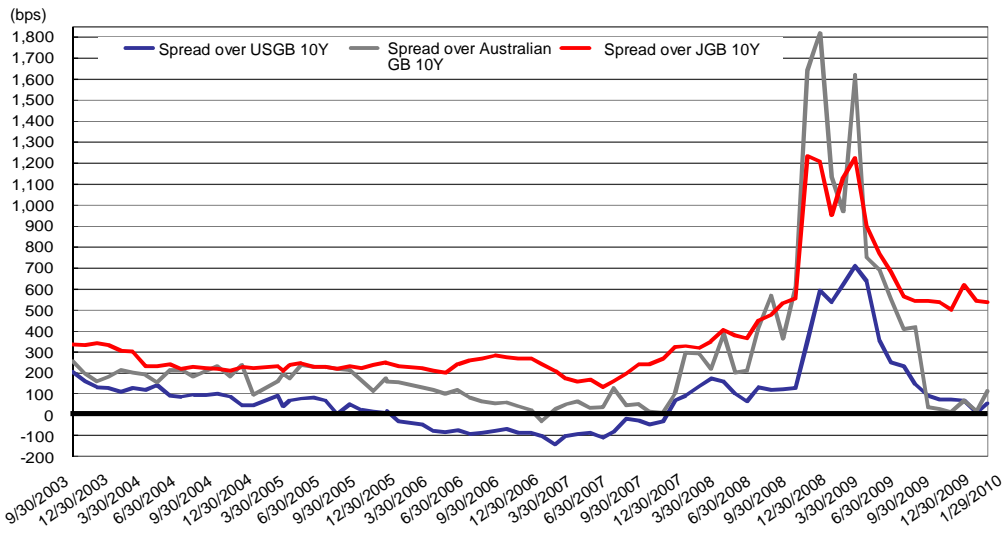


Major Interest Rates



* Wider spread than the US and Australia

Japan / US Yield Gap vs. Exchange Rate



(Note) Japan / US Yield Gap = US Treasury Yield - JGB Yield

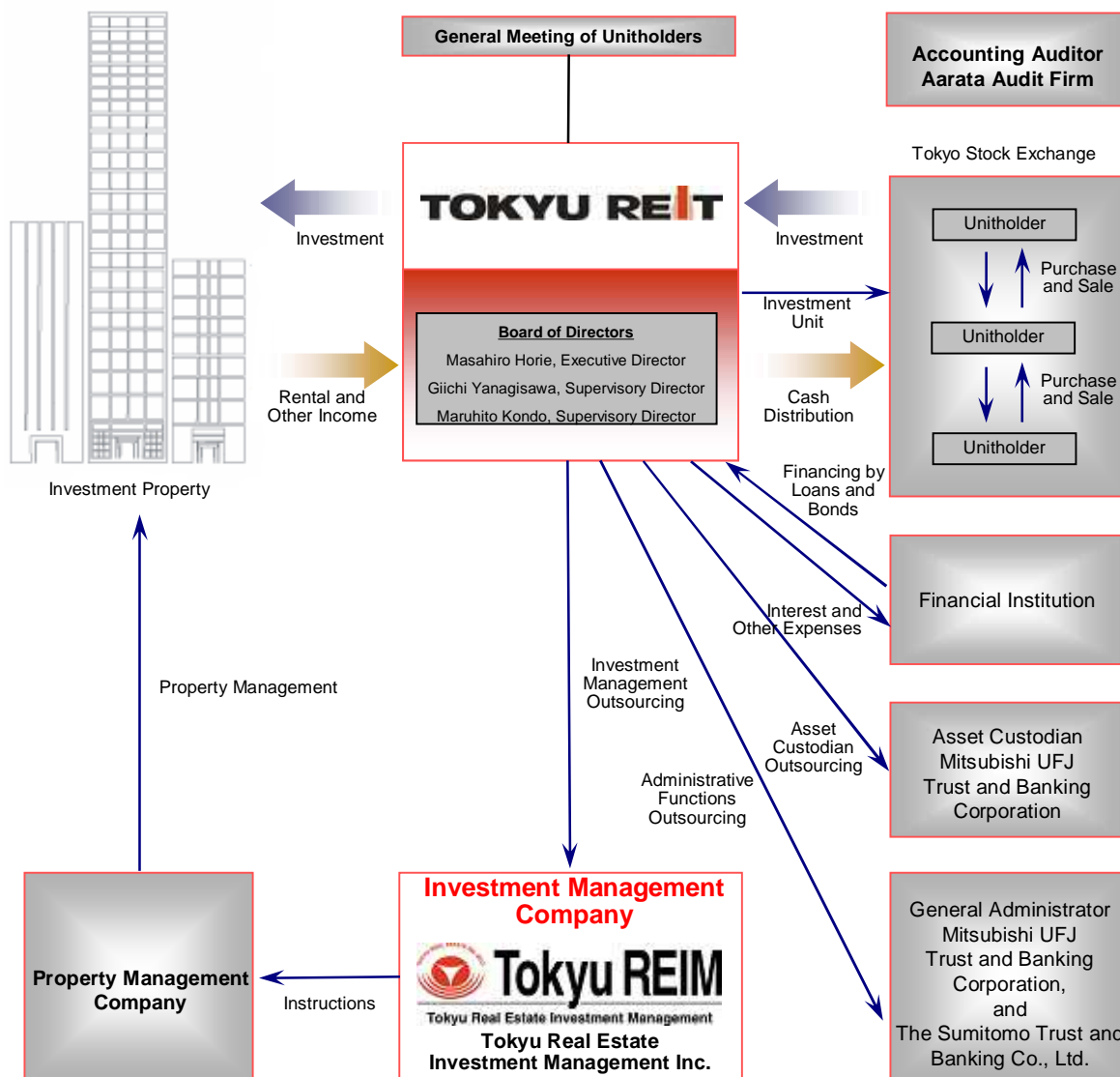
Source: Bloomberg
 (Note 1) US data based on the Equity REITs of NAREIT, Australia based on the Property Trust GREEN Book issued by Merrill Lynch, Japan based on average expected yield of J-REITs since IPO
 (Note 2) US based on S&P500, Australia based on ASX All Ordinaries, Japan based on TOPIX

TOKYU REIT

7. Appendix

(1) Governance of TOKYU REIT

Structure of TOKYU REIT, Inc.



TOKYU REIT, Inc.

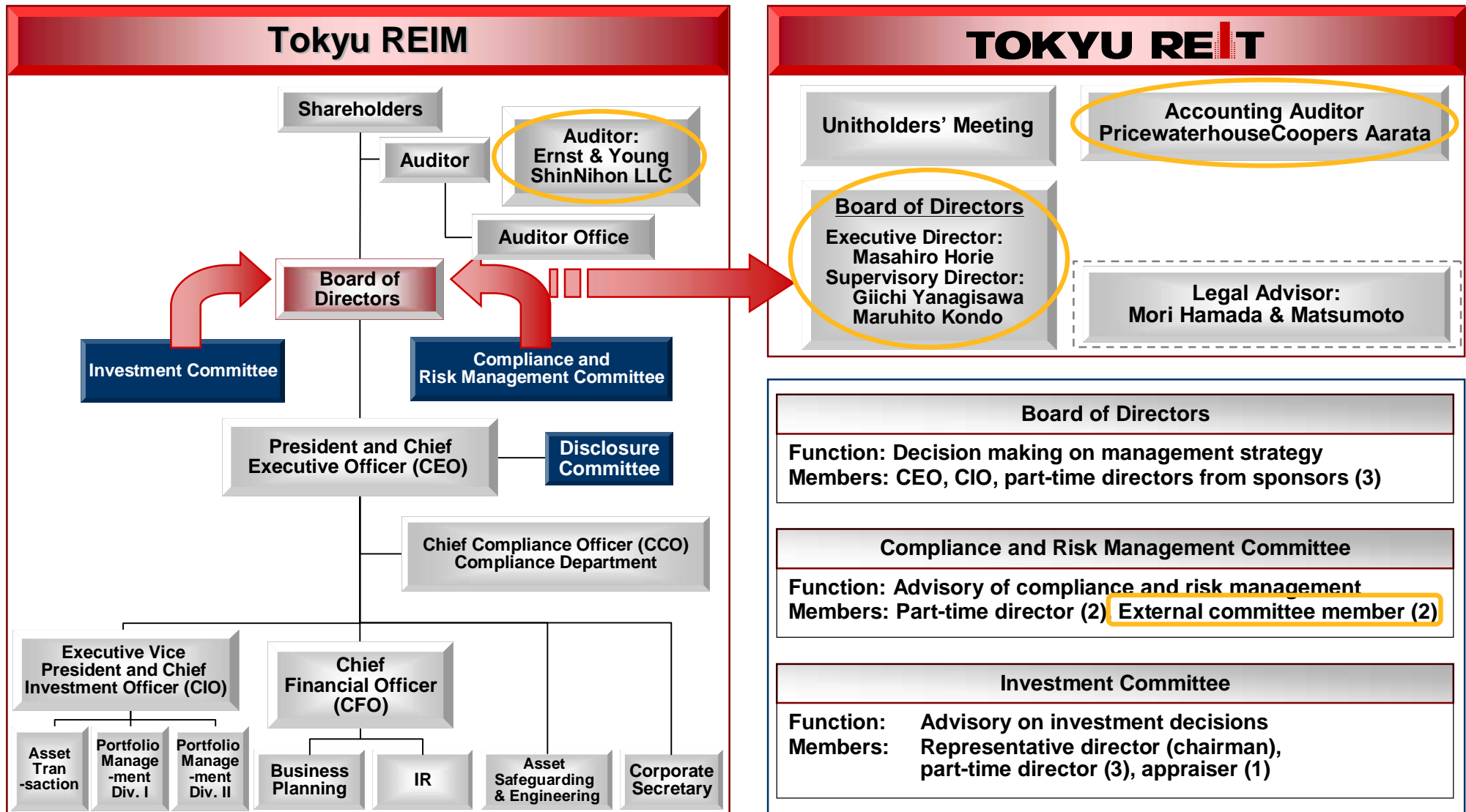
- Listed: 2003/9/10
- Units Outstanding: 169,380 units
- Accounting Period: January and July
- Executive Director: Masahiro Horie
- Supervisory Director: Giichi Yanagisawa
- Supervisory Director: Maruhito Kondo
- Auditor: PricewaterhouseCoopers Aarata

Tokyu Real Estate Investment Management Inc.

Financial Instruments Dealer (Kanto Financial Bureau (Kin-sho) No. 360)
Member of the Investment Trusts Association, Japan

- Established: 2001/6/27
- Business: Investment management
- Paid-in Capital: ¥300 million
- Shareholders: Tokyu Corporation (60%)
Tokyu Land Corporation (40%)
- Auditor: Ernst & Young ShinNihon LLC

Governance Structure of TOKYU REIT



Checked by external directors / committee members and two different auditors

Related Party Transactions

- Development of self-imposed rules on transactions with group companies and measures to avoid conflicts of interest through multiple checks

Rules to Avoid Conflicts of Interest

Rules for Transactions with Tokyu Group Companies

Acquisition / Disposition

- Acquisition Price Appraisal by the Third Party Disposition Price
- Second Opinion for the Appraisal by Third Party

Property Management

- Fee Opinion from Third Party
- Performance Check

Leasing

- Appropriate Rent Level
- Disclosure of Leasing Conditions



Double Checks for Due Process

Investment Management Company Level

- Check by a third party (auditor) submitted to the Board of Directors and to the Compliance Department

REIT Level

- Prior approval of the Board of Directors only by independent supervisory directors



Timely and Proactive Disclosure of Transactions and Rules

Status of Meetings Held

(# of meetings held)

Organizations	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th Period						Total		
	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.		Total	
TOKYU REIT	Unitholders' Meeting	1			1				1				1								4
	Board of Directors' Meeting	22	16	11	16	10	12	12	13	12	15	13	15	2	4	2	2	3	2	15	182
Tokyu REIM	Board of Directors' Meeting	22	15	7	14	9	13	11	10	9	16	9	12	1	3	1	2	3	2	12	159
	Investment Committee	24	9	7	14	12	12	7	7	5	17	7	7	1	3	2	1	2	1	10	138
	Compliance & Risk Management Committees	17	12	11	10	12	12	10	10	9	13	9	10	1	2	2	2	2	2	11	146
	Third party evaluation regarding compliance of each related-party transaction to the rules (AUP)	5	5	2	2	0	1	4	4	0	8	2	1	0	0	0	0	1	0	1	35

* The 1st-13th Periods indicate fiscal periods of TOKYU REIT.

* The 1st Period was from 6/20/2003 to 1/31/2004.

Related Party and Investment Management Company Transactions Approved by the Board of Directors (13th Period)

	Meeting	Approved Issues	AUP
1	Aug. 2009	Renewal of property management agreement	Yes (Note)
2	Sep. 2009	Payment of investment management fee (Base 2) to Tokyu Real Estate Investment Management	
3	Sep. 2009	Signing of memorandum regarding settlement of Daikanyama Forum	
4	Nov. 2009	Signing of memorandum regarding burden of expense for errors in the Semiannual Report Twelfth Fiscal Period	
5	Dec. 2009	Tokyu Ikejiri-ohashi Building: Rent revisions of Tokyu Facility Service Co., Ltd.	Yes
6	Dec. 2009	Tokyu Sakuragaoka-cho Building: Substitute parking space contract as a result of construction to upgrade current parking space to mechanical parking system	No
7	Dec. 2009	Payment of investment management fee (Base 1) to Tokyu Real Estate Investment Management	
8	Dec. 2009	Additional payment of property management expenses for the property transfer accompanying the sale of the Resona Maruha Building and Ryoshin Harajuku Building	No

* Supervisory directors vote prior to the Board of Directors Meeting based on rules relating to the avoidance of conflicts of interest.

* For transactions that do not apply to specific rules or are deemed minor by the Chief Compliance Officer, AUP is not conducted.

(Note) Obtained an AUP report in July 2009

TOKYU REIT's Aim, Goals

Unitholder first

- Willing to learn from investors but reject requests from short-term interests

Aim to become a "Global investment product"

- Willing to become invest-worthy for all investors around the globe

Quality decision-making process

- Among the most excellent governance structures

Aim to become the most reputable J-REIT

- Outperform other J-REITs

Characteristics of TOKYU REIT's Governance Structure

Involvement of independent outside board members

- Willing to welcome third-party monitoring to eliminate self-righteousness

Optimal balance between sponsor collaboration and independence

Strict focus on fiduciary duty

Management fee set to "being in the same boat as unitholders"

TOKYU REIT's Management Characteristics

Excellent Governance as a Source of Competitiveness	Structural	<ul style="list-style-type: none"> · Multiple layers of monitoring and involvement of outside board members · Management fee set to "being in the same boat as unitholders" · Stringent conflict of interest rules · Board meetings held twice a month on a regular basis and enhanced reporting system
	Human Resources	<ul style="list-style-type: none"> · Carefully select board members to enhance debate * · Provide appropriate compensation to board members for the responsibility and the workload · Legal advisor to be present at board meetings
	Culture	<ul style="list-style-type: none"> · Board members not hesitant to reject, waive resolution or agree with condition · Tokyu REIM's efforts <ul style="list-style-type: none"> · Strict focus on fiduciary duty · Management fee programmed to enhance involvement of all business segments · Intend to allow all Tokyu REIM staff to face and communicate with investors · Willing to debate with independent outside board members
	Track Record	<ul style="list-style-type: none"> · Average number of board meetings per month: 2.3 times per month (since establishment) · Average time per meeting: 1 hour and 34 minutes (since establishment) · Board members' involvement besides board meetings: 1.3 times per member per month (13th period)

* Professional and a company manager with experience as an outside board member

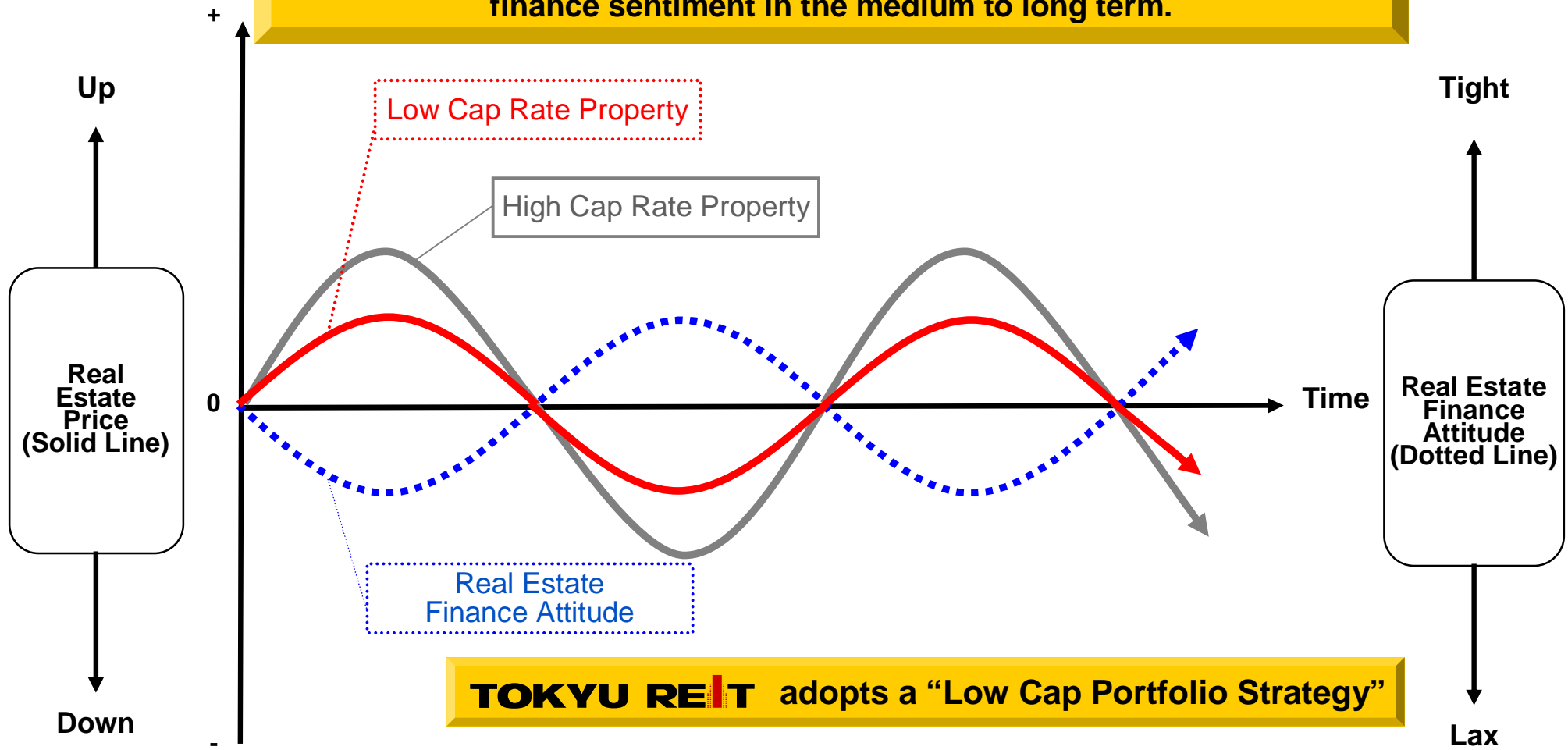


7. Appendix

(2) Others

Degree of Tightness in Real Estate Finance and Changes in Property Prices

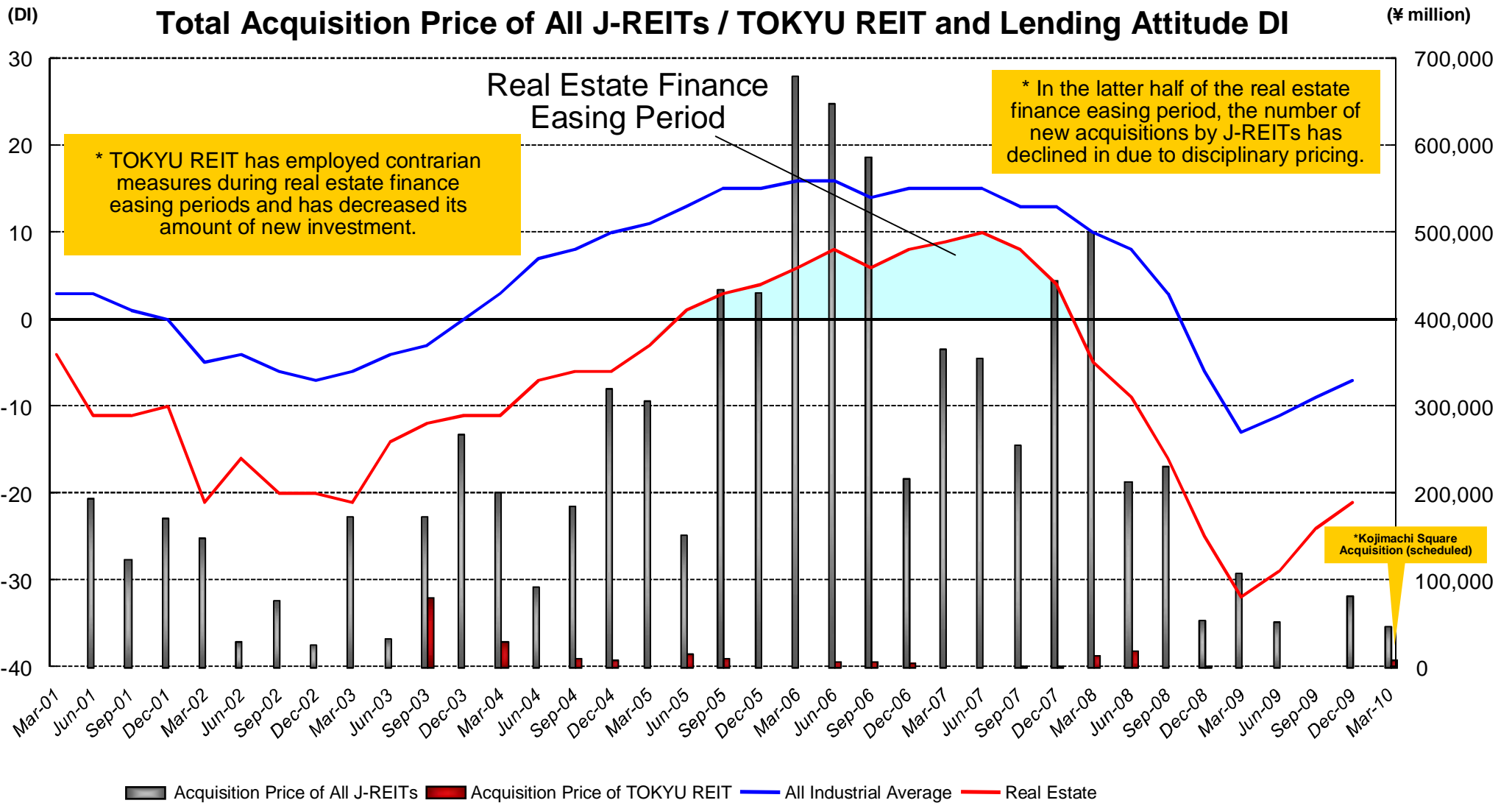
Real estate prices are derived from the income capitalization method, but **TOKYU REIT** believes that the prices react to changes in real estate finance sentiment in the medium to long term.



TOKYU REIT adopts a “Low Cap Portfolio Strategy”

* This page represents the view of Tokyu REIM.

External Growth Timing and Pace (J-REIT Total vs. TOKYU REIT)



* Acquisition Price = Total acquisition price for properties acquired during the 3 months prior to the month indicated beside each bar in the x-axis (e.g. "Jun. 2008" -> from April to June 2008). (However, values for "Mar. 2010" are based on actual property acquisitions between January 1, 2010 and March 2, 2010 plus TOKYU REIT's property acquisition disclosed on March 15, 2010.)

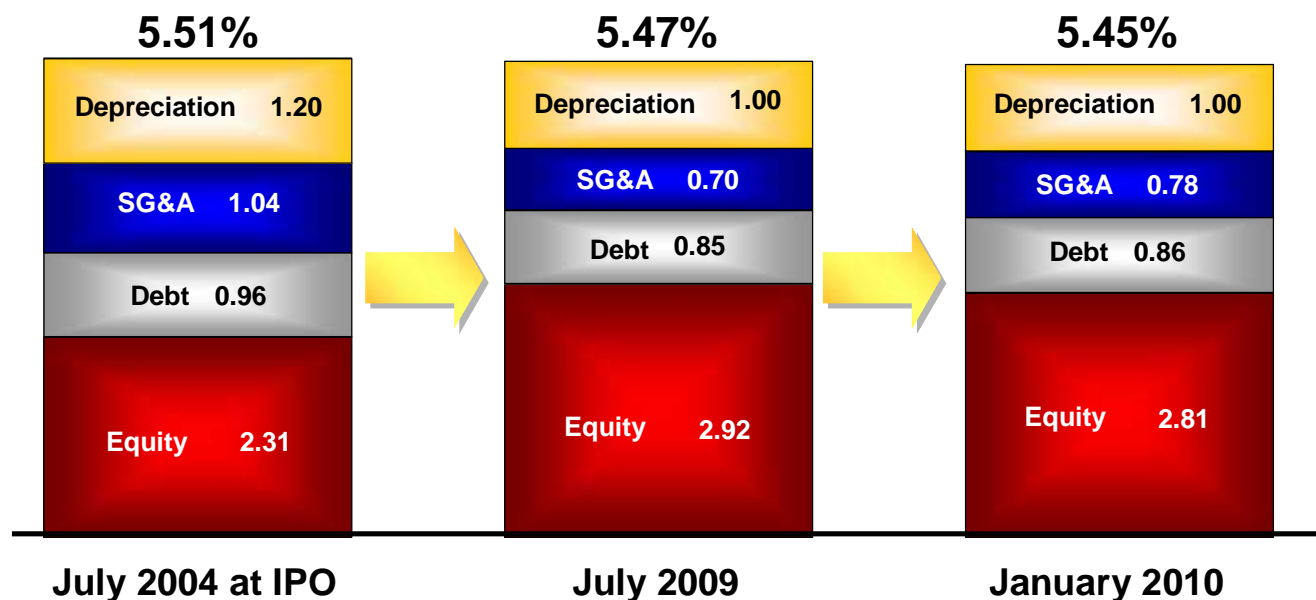
Source: BOJ (Tankan Survey)

* Comments by TOKYU REIM

Changes in Acquisition Hurdle Rate (based on NOI) - External Growth

- Costs shown as % of implied total acquisition cost
- Cost calculated based on a maximum LTV of 50%
- Depreciation expense currently estimated to be around 1.00% of acquisition (varies by property)

Acquisition Price 100	Debt 50
	Equity 50



Jan. 2010 vs. IPO

Hurdle Rate	-0.06 pts.
Depreciation	-0.20 pts.
SG&A	-0.26 pts.
Debt	-0.10 pts.
Equity	0.50 pts.

This is the base rate, coupled with CF growth of properties, utilized for assessment.

- The SG&A ratio is operating expense excluding leasing costs and capital losses on real estate, etc. divided by the average acquisition cost for the respective period.
- The cost of debt is equal to 50% of the average interest during the respective period, except for July 2004 at the IPO, which is an estimate of the cost of debt based on hearings from banks.
- We have determined the cost of equity to be 50% of the yield (Estimated Distribution / Investment Unit Price) during each respective period.

* This page represents the view of Tokyuu REIM.

Acquisition

- Pipeline Support: 12 of 25 properties accumulated thus far (¥95.85bn out of total acquisition price of ¥220.72bn)
 - 6 of 11 properties at time of IPO
 - TOKYU REIT Shibuya Udagawa-cho Square (2nd Period / ¥6.6bn)
 - Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building) (9th Period / ¥8.5bn)
 - Tokyu Ikejiri-ohashi Building (10th Period / ¥5.48bn)
 - Kojimachi Square (14th period acquisition (scheduled); ¥9.03bn)
 - 2 of 11 Properties at time of IPO (Lexington Aoyama, Tokyo Nissan Taito Building)

Developed and contributed by Tokyu Group companies

... Contributed by Tokyu Group companies

- Warehousing
 - 3 of 11 properties acquired at time of IPO: ¥14.06bn
 - Yokohama Yamashita-cho Building (Barneys New York Yokohama Store): 3rd period / ¥5.05bn
 - Beacon Hill Plaza (Ito Yokado Noukendai Store): 3rd period / ¥9.52bn
 - cocoti (Net Collective Ownership 40%): 5th period / ¥9.80bn
 - Shonan Mall Fill (*sokochi*): 6th Period / ¥6.81bn
- Reference by Tokyu Land Corporation
 - Resona Maruha Building
 - Beacon Hill Plaza (Ito-Yokado Noukendai Store)

PM (Property Management)

- PM business outsourcing
- Community-based tenant promotion capability and cost reduction potential through scale economies

Brand Strategy

- “TOKYU” brand licensing
 - “TOKYU REIT” name
 - Building name change to “TOKYU REIT” brand

* Based on contracts as of the date this presentation was prepared

Analyst Coverage <Reference>

As of Mar. 1, 2010

Rating	Date	TOKYU REIT Closing Price	Analyst	Target Price	Period
Neutral	2/17/2010	428,000	Masahiro Mochizuki (Credit Suisse Securities Limited)	450,000	N/A
Buy	1/21/2010	531,000	Yoshizumi Kimura (Citigroup Global Markets Japan Inc.)	560,000	N/A
Neutral	1/14/2010	507,000	Hiroshi Torii (Daiwa Securities Capital Markets Co. Ltd.)	N/A	N/A
Buy	1/8/2010	498,000	Toshiyuki Anegawa (Merrill Lynch Japan Securities Co. Ltd.)	570,000	12 months
Neutral	1/5/2010	511,000	Yoshitane Horibe (Toward the Infinite World, Inc.)	N/A	N/A
Outperform	12/25/2009	489,000	Hiroshi Okubo (Macquarie Capital Securities Limited)	500,000	12 months
Market Average	12/24/2009	439,000	Kazufumi Takeuchi (Mitsubishi UFJ Securities Co., Ltd.)	N/A	N/A
Neutral	12/24/2009	439,000	Tomohiro Araki (Nomura Securities Co., Ltd.)	474,000	12 months

Source: Bloomberg, compiled by Tokyu REIM

* Besides the above analysts, we are currently confirming the analyst report released by Mizuho Securities Corporation's chief real estate analyst Mr. T. Ishizawa.

* Ratings may have changed. Please confirm directly.

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- This document includes forward-looking statements about TOKYU REIT’s future performance, but these statements do not guarantee its future performance.
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