



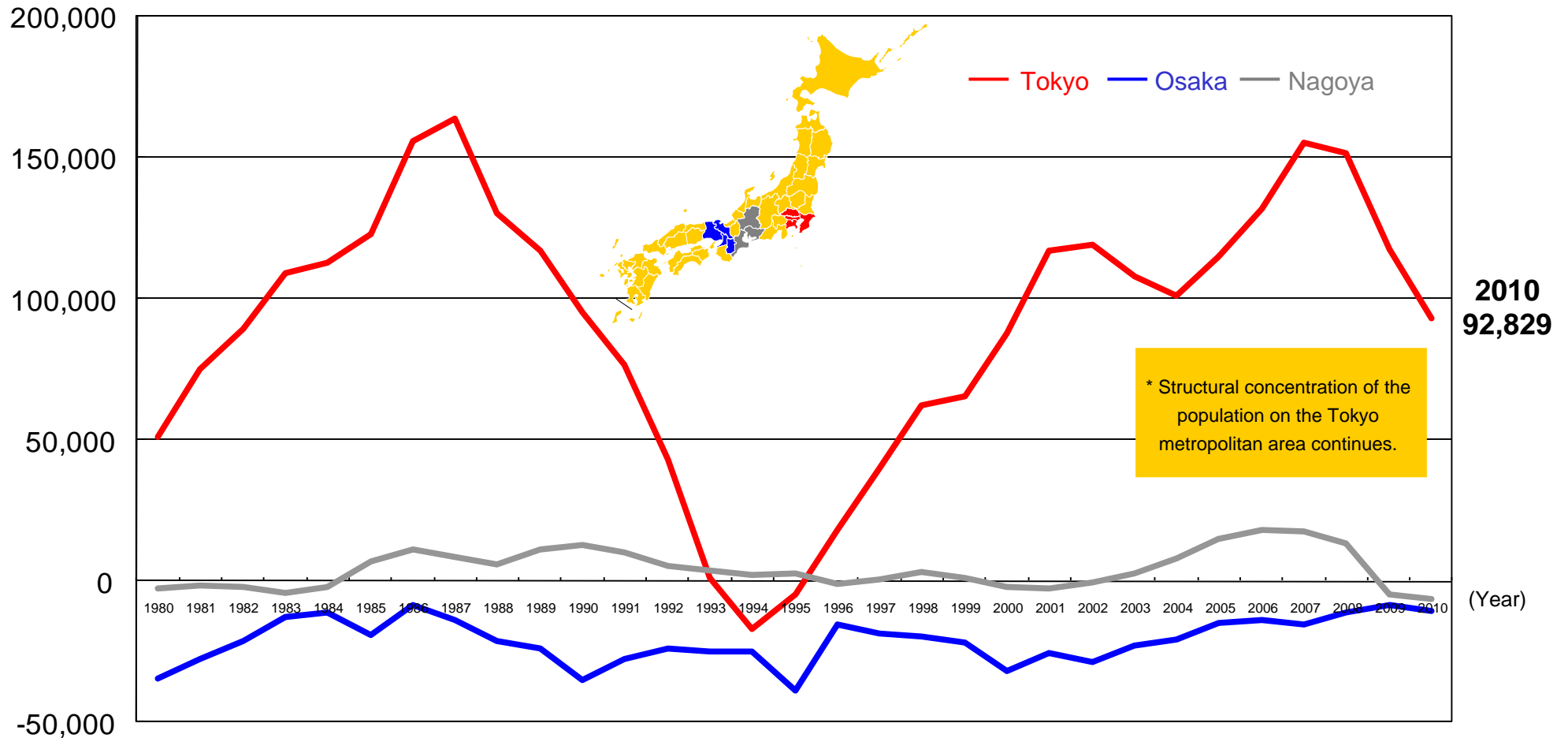
1. Investment Policy and Strategy	2
2. Topics of 16th Period	
(1) Executive Summary	15
(2) Financial Results and Forecast	17
(3) Impact of the Great East Japan Earthquake	20
(4) Restructuring of the Sponsorship	24
(5) Investment Management Overview (External Growth)	26
(6) Investment Management Overview (Internal Growth)	30
(7) Debt Finance	42
3. Fund Management	
(1) Performance	45
(2) Debt Management and Composition of Unitholders	53
(3) Portfolio Management and Risk Management	58
4. Market Review	68
5. Appendix	88



1. Investment Policy and Strategy

Excess Population Inflow into Three Major Metropolitan Areas (1980-2010)

(Number of people)



* 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

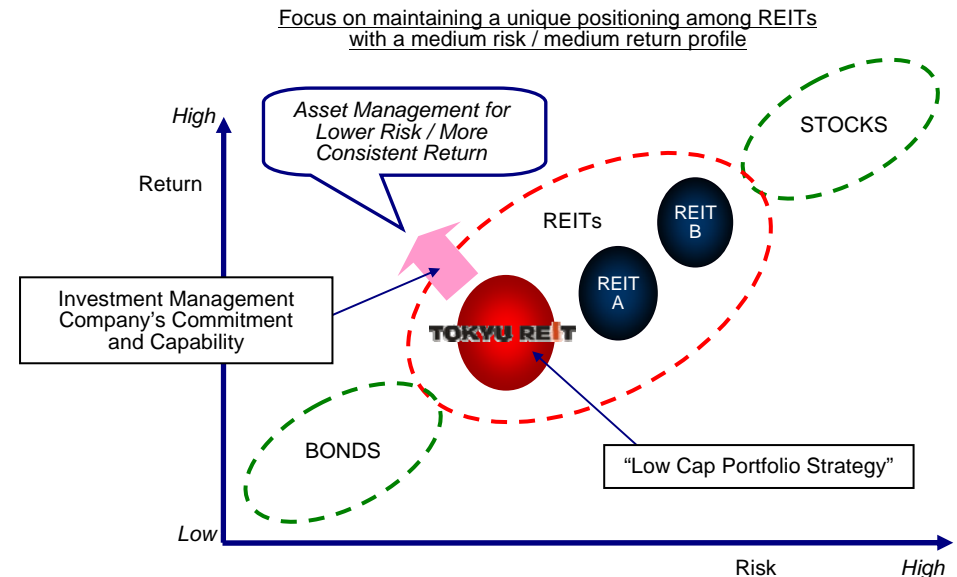
- Aim for EPS growth (higher quality of earnings) and enhancement of asset value

(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 Tokyu 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**

Investment Stance of Tokyu REIM

Fiduciary Duties of Tokyu REIM as REIT Management Company	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Fund management with high transparency and accountability through improvement of disclosure, including IR activities, and the involvement of an independent third-party in the decision-making process
Collaboration	<ul style="list-style-type: none"> • Growth and value enhancement of the Tokyu Areas through synergies from collaboration with Tokyu Corporation (Note) (Capital Reinvestment Model)
Brand Strategy	<ul style="list-style-type: none"> • Leverage the “Tokyu Brand” name in leasing operations based on trademark license agreement
Enhanced Measures Against Conflicts of Interest	<ul style="list-style-type: none"> • Implementation of self-imposed rules to secure collaboration and governance to maximize the advantages of such cooperation
Diversified Portfolio	<ul style="list-style-type: none"> • Portfolio management employed to control downside risk associated with major properties and tenants
Strategic Financial Principle	<ul style="list-style-type: none"> • Strategy focused on managing the required debt and equity risk premium while also securing additional funding availability
Investment Management Fee	<ul style="list-style-type: none"> • Management fee structure linked to three performance indices to balance conflicts of interest 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	<ul style="list-style-type: none"> • Allocate many asset managers in comparison to the portfolio size • Have the Investment Management Company bear some of the IR costs • Utilize experience and expertise of employees assigned from Tokyu Corporation and its subsidiaries
Long-Term Investment Management Strategy (Surf Plan)	<ul style="list-style-type: none"> • Value & Contrary (presented separately)

(Note) “Tokyu Corporation” refers to any entity that falls under the following (i) to (iii):

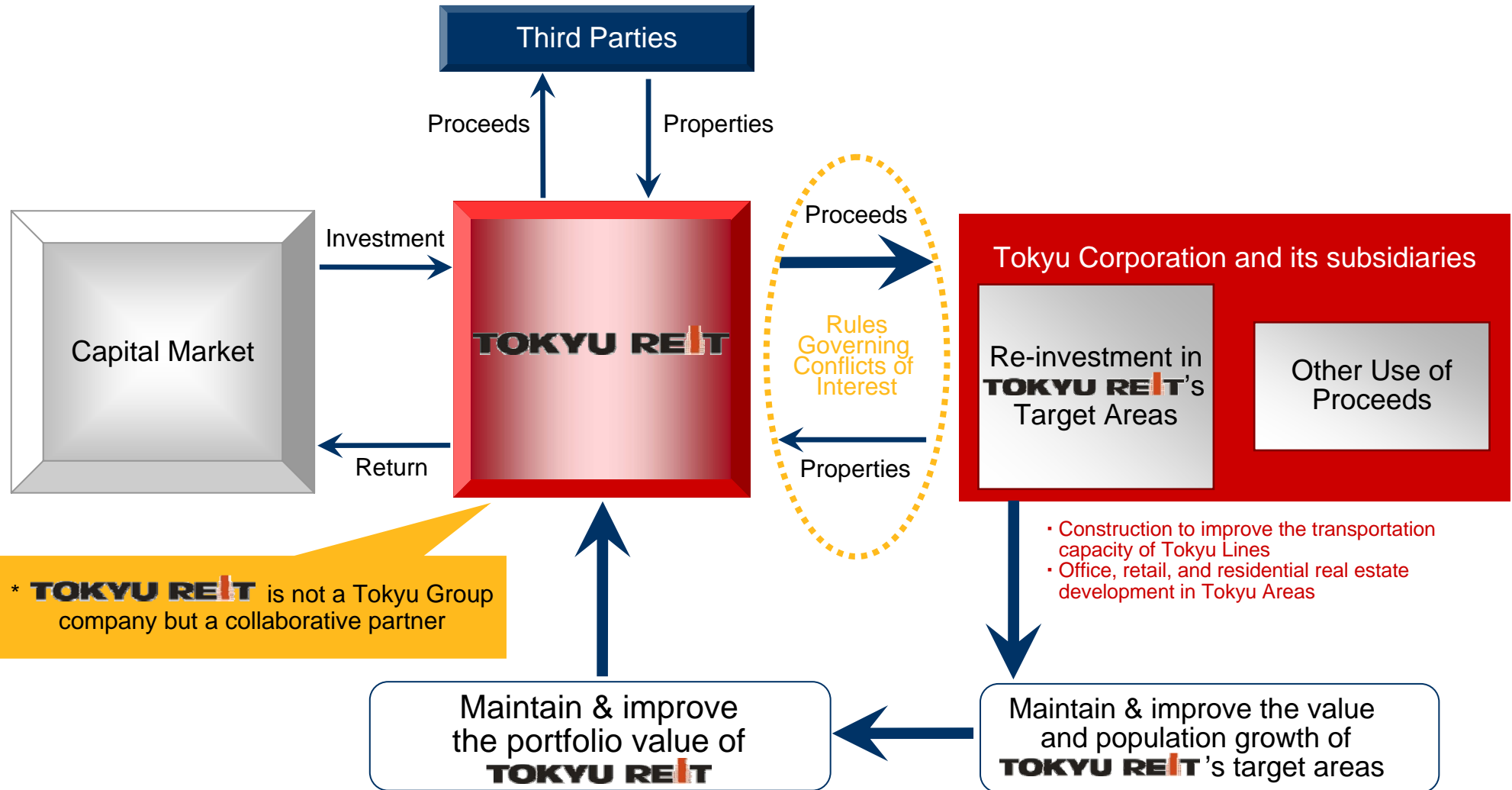
(i) Tokyu Corporation

(ii) A consolidated subsidiary of Tokyu Corporation (*not including equity method affiliates)

(iii) A tokutei mokuteki kaisha (TMK) or special purpose entity (SPE) that was established based on the intention of Tokyu Corporation or a consolidated subsidiary of Tokyu Corporation and where the share of investment by undisclosed associations or other investment shares in that entity by the respective company exceeds 50%.

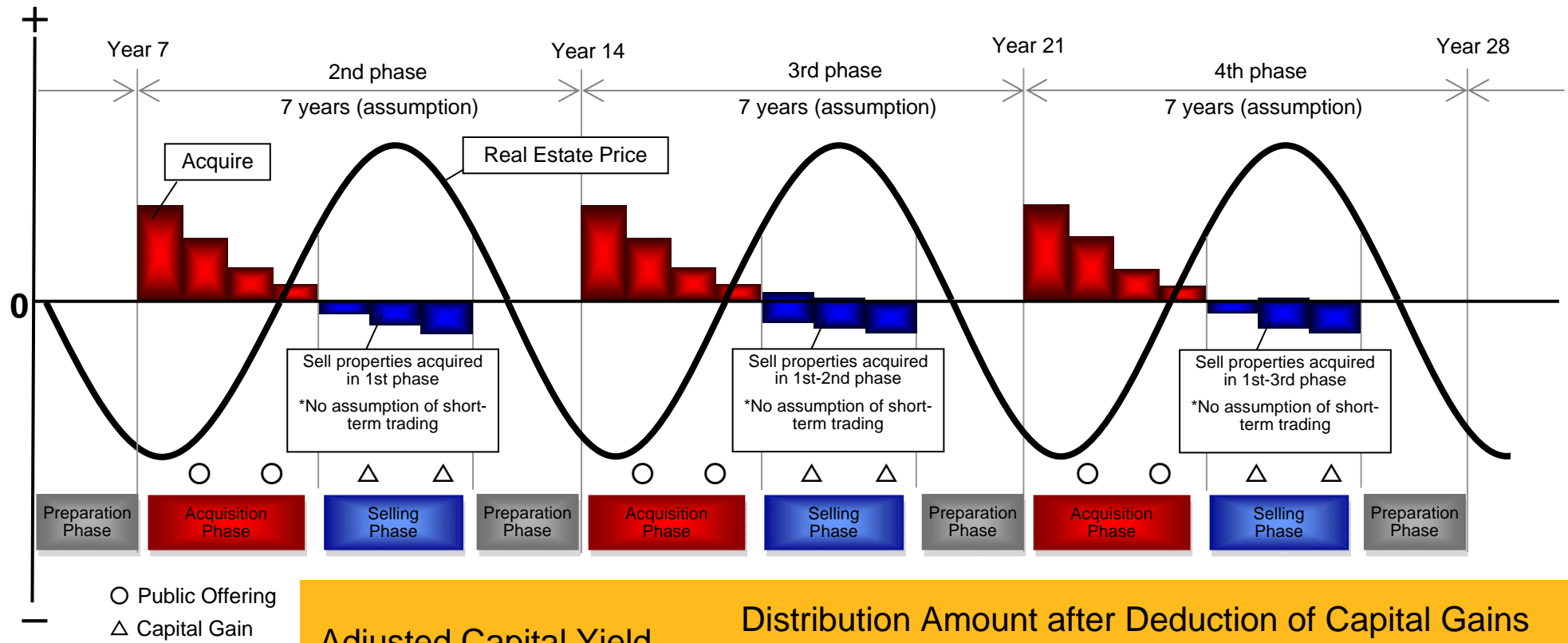
Capital Re-investment Model

Growth and value enhancement of the Tokyu Areas (areas along Tokyu rail lines) through synergies from collaboration with Tokyu Corporation and its subsidiaries



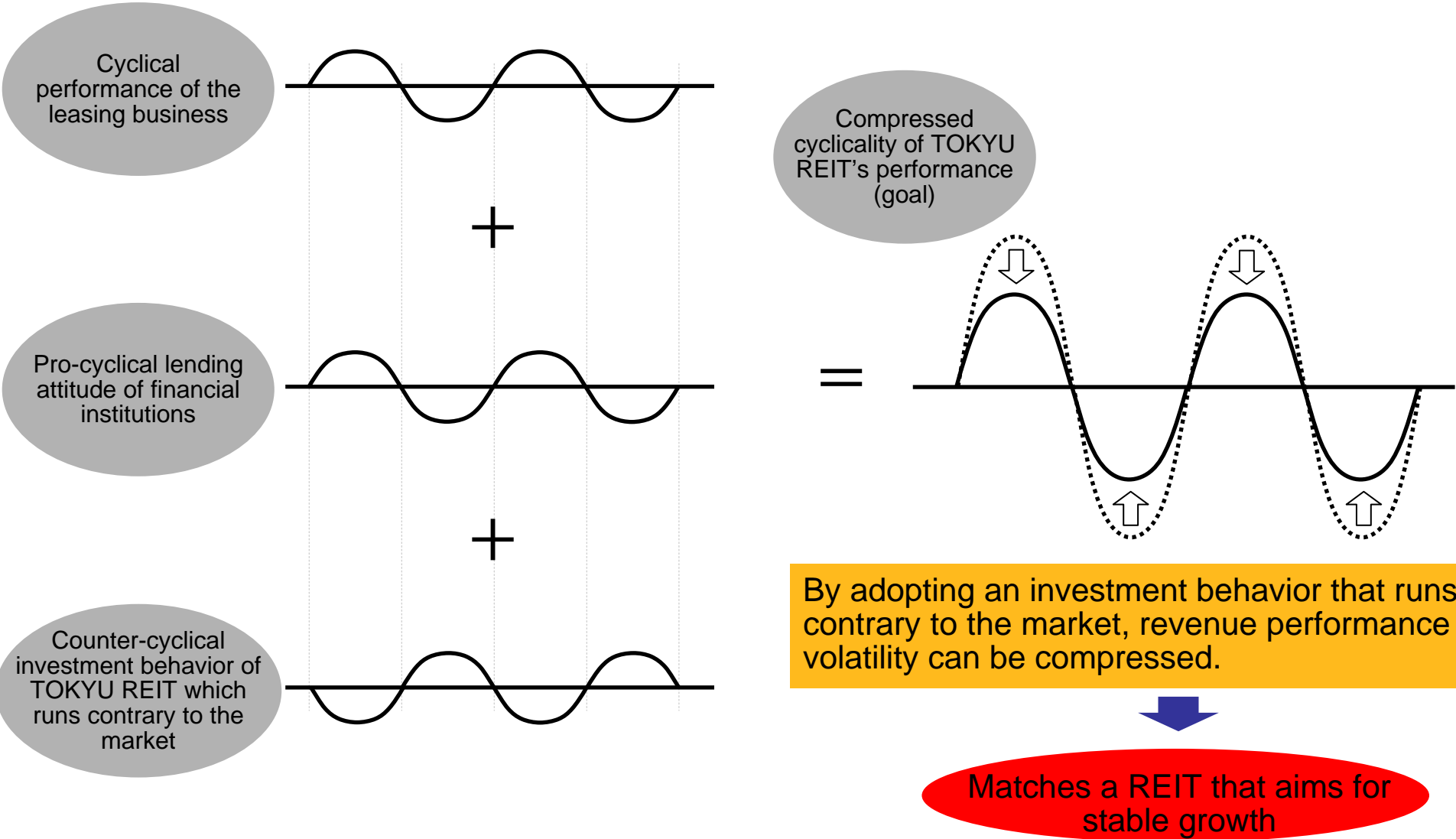
Value & Contrary

Focusing on the cyclicity 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 by contrarian investment approach.



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

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

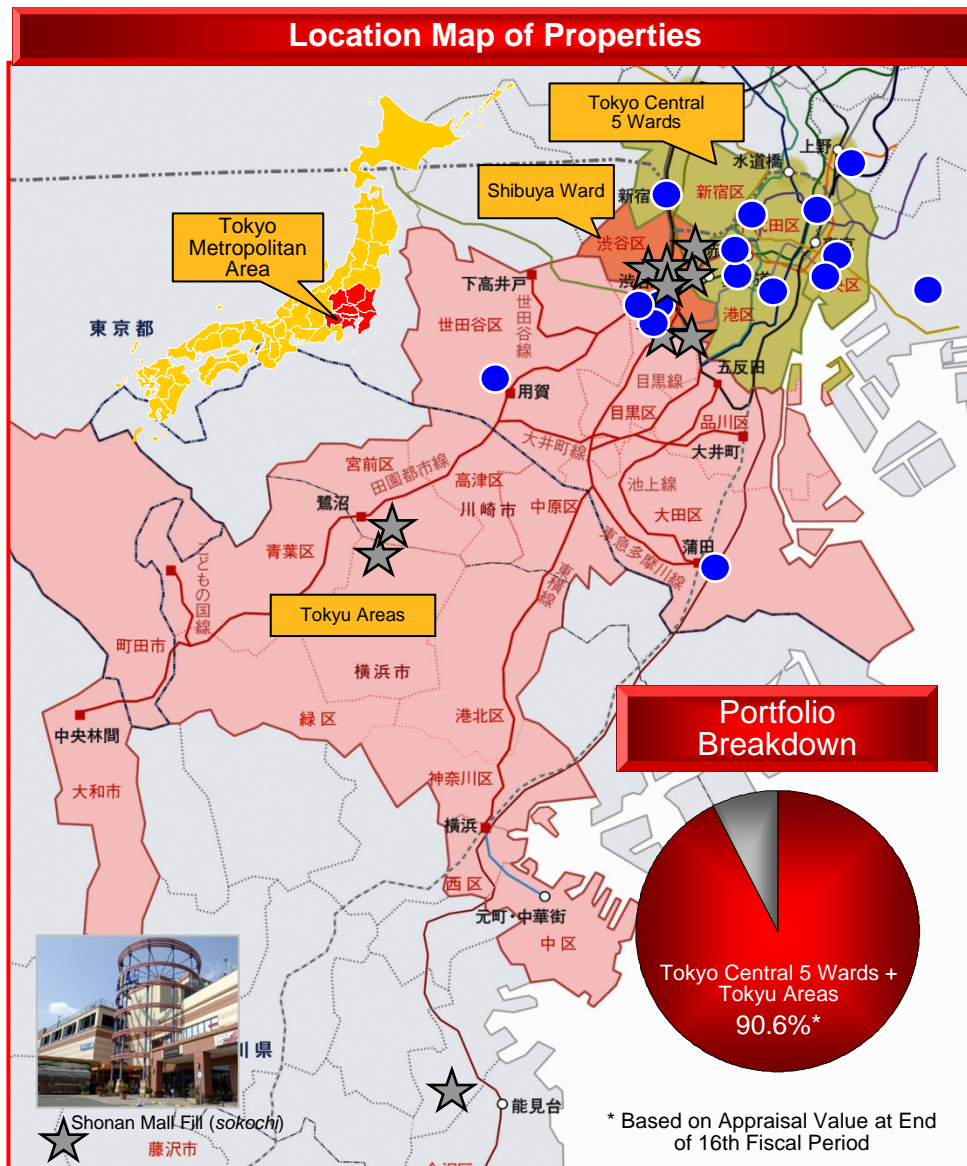


Adjusted ROE Matrix

Cumulative Capital Gains Going Forward		Distribution per Unit after Deduction of Capital Gain									Item	Amount
		¥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%	Capital (¥ mn) a	98,020
	¥500 mn	3.99%	4.39%	4.79%	5.19%	5.59%	5.99%	6.39%	6.79%	7.19%	Capital Gains (¥ mn) b	12,716
	¥1,000 mn	4.02%	4.42%	4.82%	5.22%	5.63%	6.03%	6.43%	6.83%	7.23%	Yokohama Yamashita-cho Building (Barneys New York Yokohama Store)	1,637
	¥2,000 mn	4.07%	4.47%	4.88%	5.29%	5.69%	6.10%	6.51%	6.91%	7.32%	Resona Maruha Building	18,259
	¥5,000 mn	4.22%	4.64%	5.06%	5.48%	5.91%	6.33%	6.75%	7.17%	7.59%	Ryoshin Harajuku Building	-7,180
	¥10,000 mn	4.50%	4.95%	5.40%	5.85%	6.30%	6.75%	7.20%	7.65%	8.10%	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	

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














Portfolio Overview (26 Properties; Total acquisition price: 199.6 billion yen)



Retail Properties ★

 QFRONT	 Lexington Aoyama	 TOKYU REIT Omotesando Sq.	 Tokyu Saginuma Bldg.	 CONZE Ebisu
 Tokyu Saginuma 2 Bldg.	 TOKYU REIT Shibuya Udagawa-cho Sq.	 Beacon Hill Plaza (Ito-Yokado Nokendai Store)	 cocoti	 Daikanyama Forum

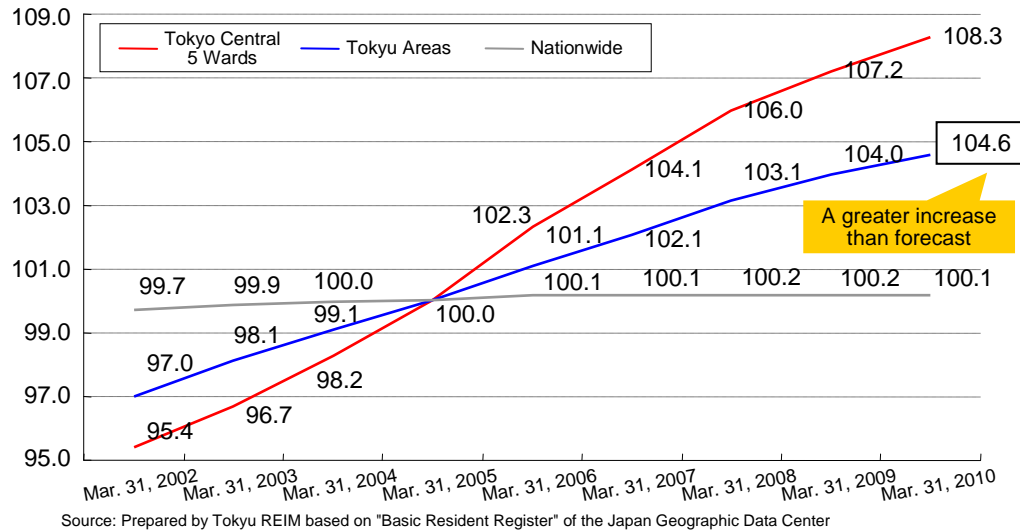
Office Properties ○

 Setagaya Business Square	 Tokyu Nampoedai-cho Bldg.	 Tokyu Sakuragaoka-cho Bldg.	 Tokyo Nissan Taito Bldg.	 TOKYU REIT Akasaka Hinoki-cho Bldg.
 TOKYU REIT Kamata Bldg.	 TOKYU REIT Toranomon Bldg.	 TOKYU REIT Hatchobori Bldg.	 Akasaka 4-chome Bldg. (Tokyu Agency Inc. Head Office Building)	 Tokyu Ikejiri-ohashi Building
 Kojimachi Square	 TOKYU REIT Shinjuku Building	 Akihabara Sanwa Toyo Building	 Kiba Eitai Building	 Tokyu Ginza 2-chome Building

Total Acquisition Price does not include acquisition-related costs, property tax, city planning tax and consumption tax.
"sokochi" means ownership of land with a fixed-term leasehold for commercial use.

Strengths of Major Target Areas (1)

Changes in the Population of Major Target Areas (year 2005 = 100)

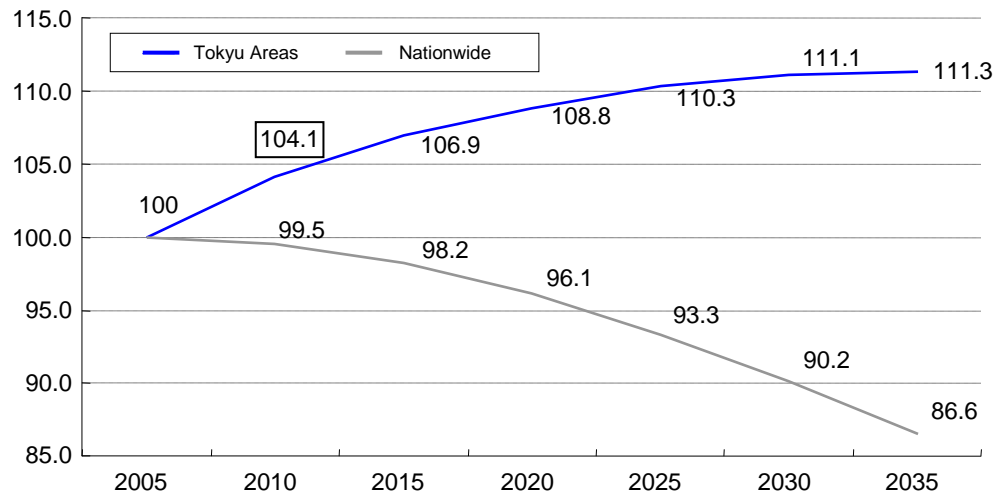


* The population of the nation is on a downward trend, but in major target areas, economic growth stemming from population growth can be expected.

* In Tokyu Areas, population is said to continue increasing until 2035.

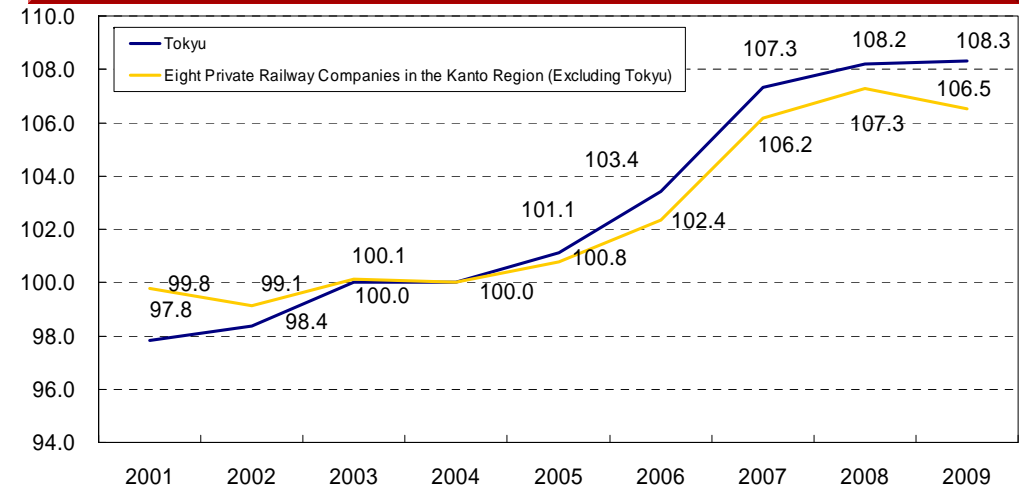
* Due to the network enhancement and large-scale renovations conducted in the past, the convenience of Tokyu rail lines has improved and the number of passengers has increased.

Population Forecasts for Tokyu Areas



* Prepared by Tokyu REIM on March 2008 based on "Basic Resident Register" of the Japan Geographic Data Center
 * Tokyu Areas: Defined as the "17 cities and wards (i.e. -ku) which Tokyu rail lines pass through" (Shinagawa-ku, Meguro-ku, Ota-ku, Setagaya-ku, Shibuya-ku, and Machida-city in Tokyo prefecture, Kanagawa-ku, Nishi-ku, Naka-ku, Kohoku-ku, Midori-ku, Aoba-ku, Tsuzuki-ku in Yokohama City, Nakahara-ku, Takatsuki-ku and Miyamae-ku in Kawasaki City, and Yamato City in Kanagawa prefecture.

Changes in the Number of Passengers (Fiscal 2004 (Fiscal Period Ended Mar. 2005) = 100)

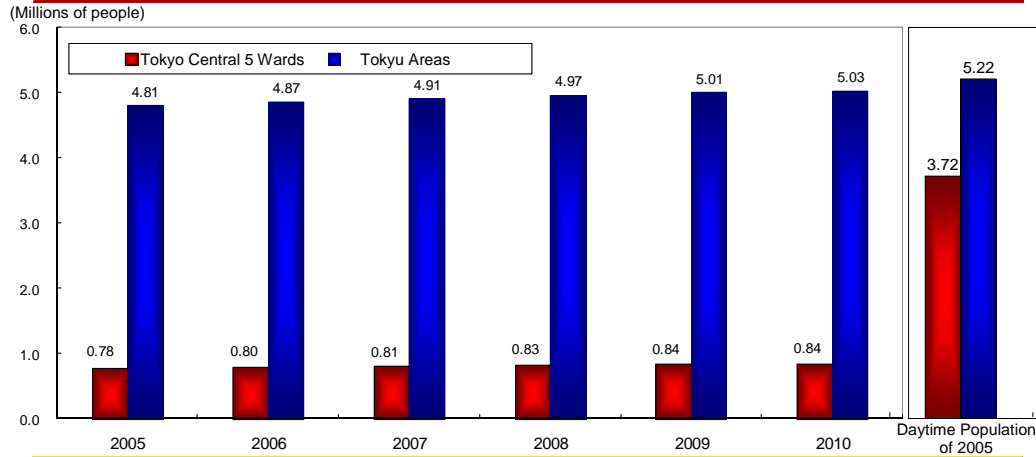


Source: Prepared by Tokyu REIM based on materials posted on the website of the Association of Japanese Private Railways
 * Eight Private Railway Companies in the Kanto Region (Excluding Tokyu) includes Tokyo Metro, Tobu, Odakyu, Keio, Seibu, Keikyu, Keisei and Sagami Railway.

*Comments by TOKYU REIM 11

Strengths of Major Target Areas (2)

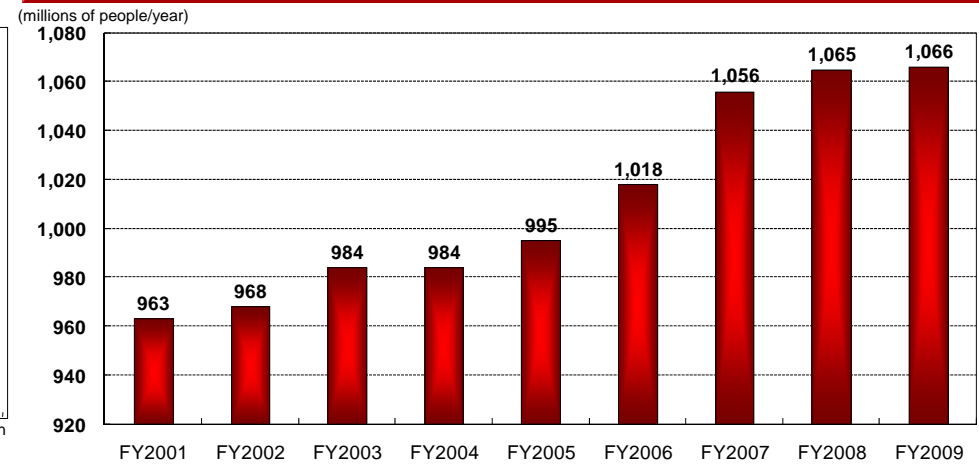
Population of Major Target Areas



* The population of major target areas totals 5,680,000

Source: "Basic Resident Register" of the Japan Geographic Data Center and "Population Census" of the Ministry of Internal Affairs and Communications (daytime populations after 2006 are unannounced)
 *Shibuya Ward is included in both the Tokyo Central 5 Wards and the Tokyu Areas (the population of Shibuya Ward is 190,000 people as of March 31, 2010).

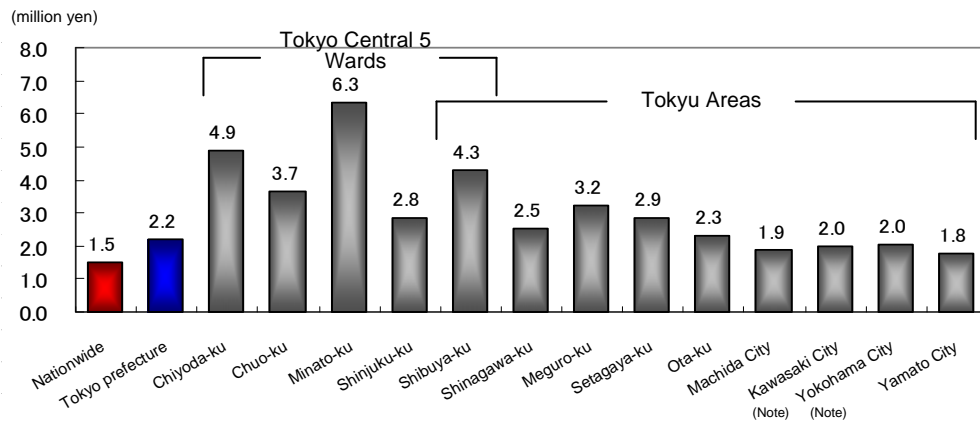
Number of Passengers Using Tokyu Rail Lines



* The number of passengers transported by Tokyu rail lines exceeds 1 billion per year

Source: The Association of Japanese Private Railways

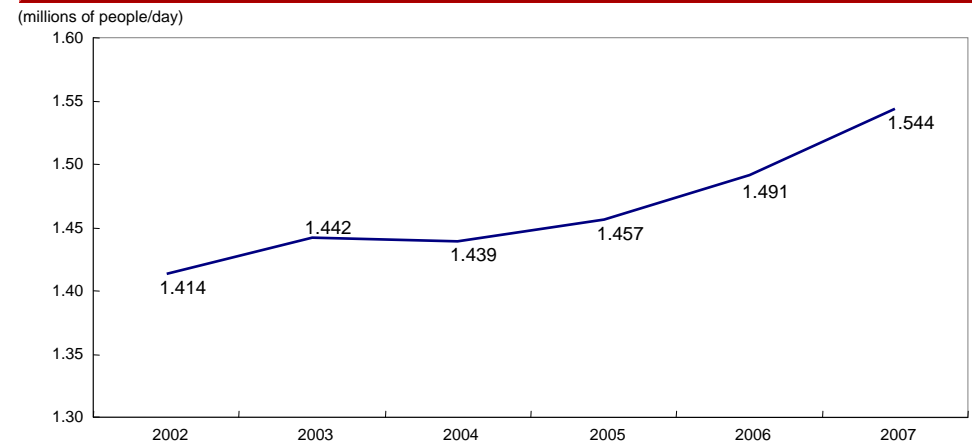
Personal Income Taxation Level by Area (2009)



* Relatively high income level

Source: "Personal Income Index, 2011" by Japan Planning Systems Co., Ltd.
 (Note) The cities of Yokohama and Kawasaki include areas outside of the administrative districts of Tokyu Areas.

Changes in the Number of Passengers Using Shibuya Station



* Approximately 1.5 million people use Shibuya Station per day

Source: "Urban Transportation Yearbook" (2002-2007) by Institution of Transport Policy Studies
 * The Number of Passengers Using Shibuya Station is the total number of passengers who use Shibuya Station via the Tokyu Line, JR Line, Keio Line and Tokyo Metro lines.

*Comments by TOKYU REIM **12**

Overview of Investment Management Fee (~Fiscal Period Ending July 2011 (16th Period)~)

*** 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 and 300 billion yen or less) (0.115% for the portion exceeding 300 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)		Standard cash flow in current period × 6.0% (5% for the portion exceeding 5 billion yen and 7.5 billion yen or less) (4.6% for the portion exceeding 7.5 billion yen)	Standard cash flow here shall be the amount derived by subtracting an amount equivalent to 50% each of profit or loss from the sale of specified assets and profit or loss from the valuation of specified assets from the net income before income taxes , plus depreciation and amortization of deferred assets.
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%	Change from 1.0% to 0.4%, approved by General Meeting of Unitholders on April 17, 2007
Time-limited reduction	Response to uncertainties that continue to exist	The following percentage shall be reduced from the above calculated Investment Management Fees: 16th fiscal period to the 19th fiscal period: 5%	

* 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.

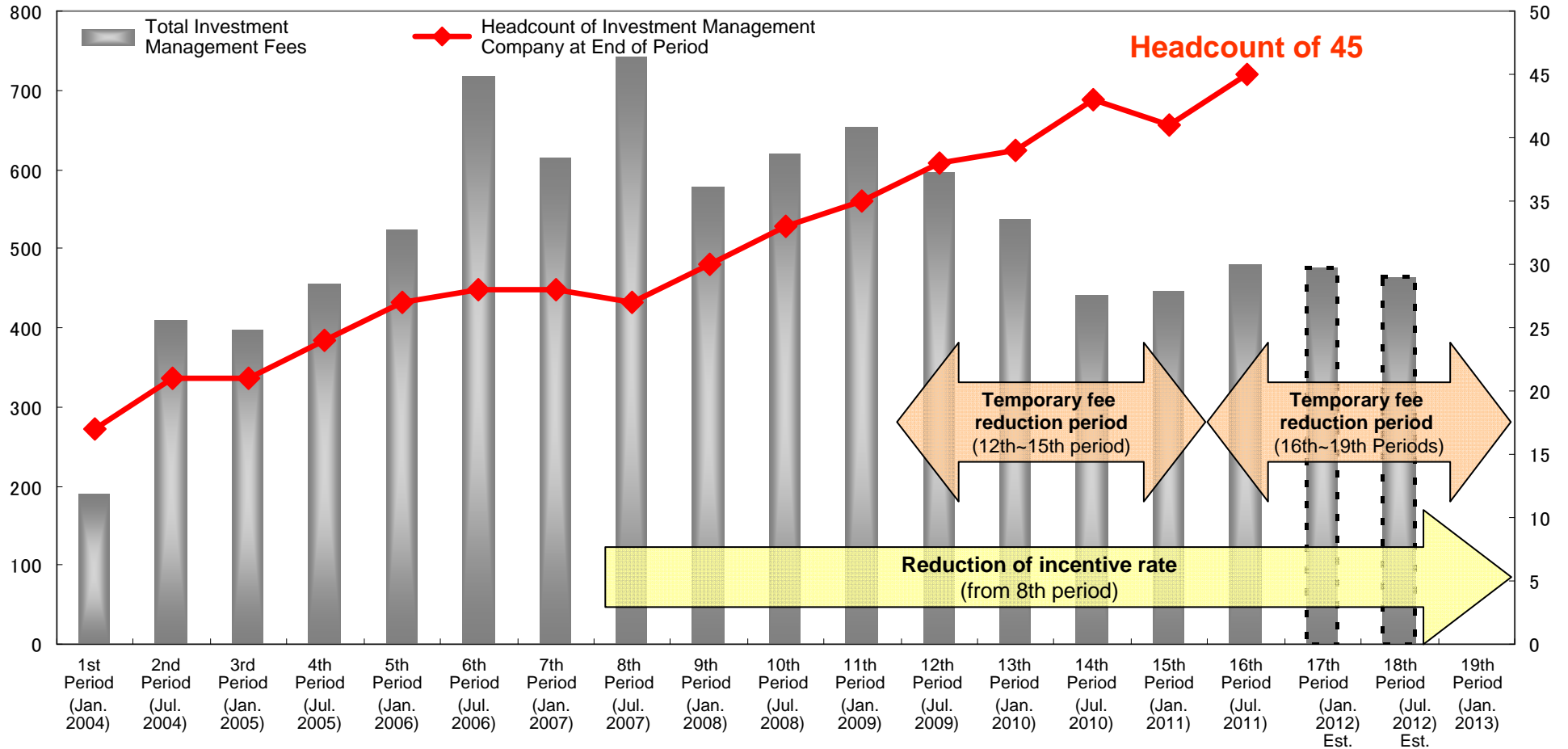
Amendments to the Articles of Incorporation (continue the time-limited reduction and amend the fee structure) approved at the 5th General Meeting of Unitholders on April 14, 2011 (text in red indicates amended parts)

Transition of Total Investment Management Fees

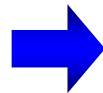
Total Investment Management Fees and Headcount of Investment Management Company

Total Investment Management Fees
(¥ million)

Headcount of Investment Management
Company at End of Period
(Headcount)



* Have the investment management company improve service quality despite the reduction in total fees



* Strive to further win credibility from investment corporations and unitholders who are our customers



2. Topics of 16th Period

(1) Executive Summary

Financial Results and Forecast

	16th Period Actual Ended Jul. 2011	17th Period Estimates Ending Jan. 2012	18th Period Estimates Ending Jul. 2012
NOI	¥4,712 million	¥4,576 million	¥4,312 million
NOI Yield	4.77%	4.55%	4.33%
Net Income	¥2,242 million	¥2,066 million	¥1,863 million
Distribution per Unit	¥13,239	¥12,200	¥11,000
LTV at End of Period	48.8%	48.5%	48.4%
LTV / Total Assets	43.3%	43.4%	43.5%

Impact of the Great East Japan Earthquake

- **Casualties : None**
- **Property Damage : Minor (No structural failure)**
Posted 49 million yen (of this, 26 million yen are allowances) in earthquake related expenses during the 16th fiscal period (initial estimate: 60 million yen)

Restructuring of Sponsorship

Jan. 2011	Announcement (held Extraordinary IR)
Apr.	Approved amendment of Articles of Incorporation at the General Meeting of Unitholders
Apr.	Tokyu Corporation acquired TOKYU REIT investment units held by Tokyu Land
Jun.	Tokyu Corporation acquired the Tokyu REIM shares held by Tokyu Land

External Growth

- **Acquired Tokyu Ginza 2-chome Building**
- **Strengthen pipeline with the Sponsor**

Internal Growth

- **Period end occupancy rate improved through leasing activities**
Occupancy rate as of the end of the 16th period: 98.5% (occupancy rate as of the end of the 15th period: 96.3%)
- **Average rent as of the end of the 16th period: ¥19,470** (average rent as of the end of the 15th period: ¥19,472)
- **Two major tenants vacated**
Will impact occupancy rates and distributions in 17th and 18th periods

Debt Finance

- **Enlarged commitment line**

Apr. 2011	Updated commitment line	¥2,000 million
Jul.	Updated commitment line	¥10,000 million
Jul.	Concluded new commitment line	¥8,000 million
Total commitment line		¥20,000 million
- **Refinanced long-term debt (¥10,000 million)**
- **Maintained high credit ratings**



2. Topics of 16th Period

(2) Financial Results and Forecast

Operating Results

		16th Period Actual	15th Period Actual	Change		16th Period	Change	
		Ended Jul. 2011 (181 days)	Ended Jan. 2011 (184 days)		(%)	Forecast as of 3/15/2011		(%)
Distribution per Unit	(¥)	13,239	12,045	1,194	9.9	12,400	839	6.8
Adjusted ROE	(%)	5.30	4.74	0.56	—			
Average LTV	(%)	49.7	51.3	-1.6	—	49.7	0.0	—
LTV at End of Period	(%)	48.8	48.6	0.2	—	48.5	0.3	—
Balance of Cash and Bank Deposits at End of Period	(¥ million)	4,600	8,393	-3,793	-45.2	4,195	405	9.6
Acquisition Capacity through Cash and Bank Deposits	(¥ million) b	2,357	6,353	-3,996	-62.9	2,094	263	12.6
Acquisition Capacity through Debt	(¥ million) a	4,610	5,300	-691	-13.0	5,775	-1,165	-20.2
Total Acquisition Capacity	(¥ million) a+b	6,967	11,653	-4,686	-40.2	7,869	-902	-11.5
Average Balance of Assets during the Period (Based on Acquisition Price)	(¥ million)	199,285	190,502	8,783	4.6	199,285	0	—
Occupancy Rate (End of Period)	(%)	98.5	96.3	2.2	—	97.3	1.2	—
NOI Yield	(%)	4.77	4.68	0.09	—	4.65	0.12	—
Unrealized Gain	(¥ million)	731	1,487	-756	-50.8			
Adjusted Net Asset Value (NAV) per Unit	(¥)	583,012	587,478	-4,466	-0.8			
Average Unit Price during the Period	(¥)	534,655	490,426	44,229	9.0			

* Average LTV = (Average Balance of Interest-Bearing Debt + Average Balance of Security Deposits 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 the end of the period of 50%.

* Acquisition Capacity through Cash and Bank Deposits = the 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 is (Total Capital + Unrealized Gain) / Outstanding Units. Total Capital does not include Retained Earnings.

* Adjusted ROE = Distribution Amount after Deduction of Capital Gains / (Total Capital – Accumulated Distribution of Capital Gains)

Detailed B/S and P/L data are presented in the separate DATA BOOK.

17th Period (Ending Jan. 2012) Estimates

■ EPS: ¥12,200 (change from 16th period ¥ -1,039)

➤ Net Income: ¥2,066 million change from 16th period ¥ -176 million (profit decrease)

Expenses corresponding to the earthquake to be implemented during the 17th fiscal period are already posted in the 16th fiscal period results

□ Profit from Leasing Operations change from 16th period ¥ -103 million (profit decrease)

Rental revenues	decrease	¥ -94 million	... including estimated rent reductions in the future
Repair and maintenance	increase	¥ -47 million	... energy conservation work (installing Eco mirrors, switching lights to LED, etc.) Renovation work for common areas at TOKYU REIT Toranomon Building Original state restoration work at CONZE Ebisu and cocoti External wall renovation work at Tokyu Sakuragaoka-cho Building, etc.
Loss from the removal of fixed assets	decrease	¥47 million	...Tokyu Saginuma Building , etc.
Property management fee	decrease	¥19 million	
Depreciation	increase	¥ -16 million	... Tokyu Saginuma Building

□ Construction fees (received from tenants)
change from 16th period ¥ -67 million (profit decrease) ...Tokyu Saginuma Building

□ Non-operating expenses change from 16th period ¥ -14 million (cost increase) ... new establishment of commitment lines, etc.

□ Extraordinary loss change from 16th period ¥ 49 million (cost decrease) ... loss on disaster and allowance for disaster losses

■ Adjusted ROE: 4.8% NOI: ¥4,576 million NOI Yield: 4.6% LTV / Total Assets: 43.4% LT Debt Ratio: 100.0% Period End Occupancy Estimate: 96.8%

18th Period (Ending Jul. 2012) Estimates

■ EPS: ¥11,000

➤ Operating Income: ¥6,329 million Recurring Profit: ¥1,864 million Net Income: ¥1,863 million

■ Adjusted ROE: 4.4% NOI: ¥4,312 million NOI Yield: 4.3% LTV / Total Assets: 43.5% LT Debt Ratio: 99.1% Period End Occupancy Estimate: 94.2%

* Leasing spaces left by tenants who have submitted notices of cancellation is expected to remain vacant up until the end of the 18th period. In addition, we have factored the effect of the recent deterioration in the real estate market into the rent levels.

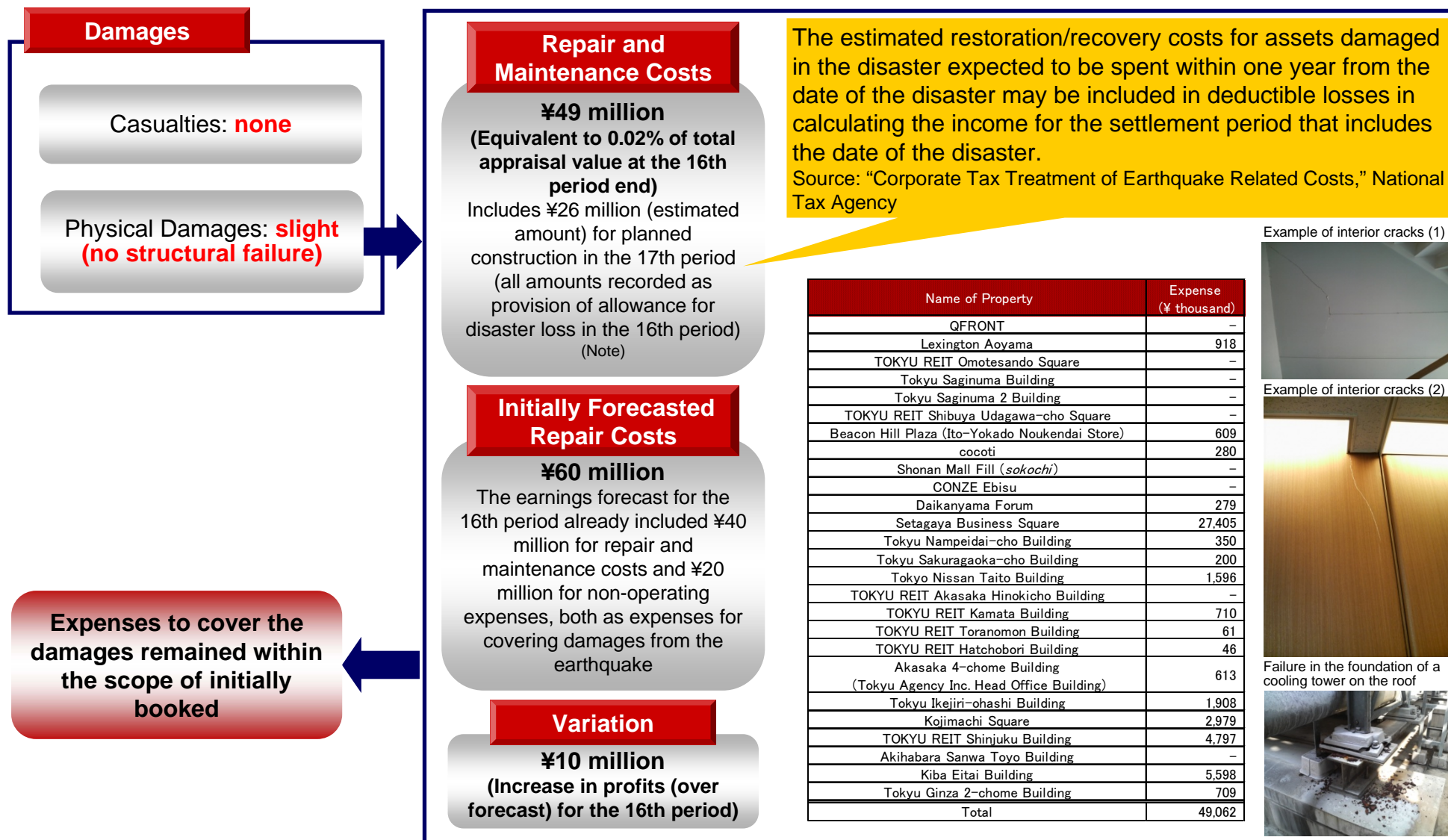
* Expected Period End LTV = Total Assets Expected Period End Interest-Bearing Debt / Expected Period End Total Assets

* Interest-Bearing Debt does not include Security Deposits provided by tenants.



2. Topics of 16th Period

(3) Impact of the Great East Japan Earthquake



(Note) The earnings forecast for the 17th period does not include expenses surpassing the provision of allowances for disaster loss, which was recorded in the 16th period. The earnings results for the 17th period may be affected if the actual repair and maintenance construction amounts differ from the provision of the allowance.

Damage Reduction Measures by TOKYU REIT

Creation of Portfolio Resilient to Disasters

Implementation of due diligence including:

- Earthquake risk analyses (PML)
- Flood hazard investigations
- Liquefaction risk investigations



Has created a portfolio that is resilient to disasters

Probable Loss due to Earthquakes

- PML for the entire portfolio: 4.1%
- Probable loss for the entire portfolio (Note 1): ¥2,717 million

(Note 1) Probable loss: economic loss anticipated to be generated by earthquake
PML = amount of probable loss / replacement value

	Item	¥ million	A/B
A	Probable loss for entire portfolio	2,717	-
B	Net income before income taxes for 16th period	2,243	121.1%
	Portfolio replacement value	65,892	4.1%
	Portfolio appraisal value at end of 16th period	191,440	1.4%

Damage Reduction Measures through Management

Investigations to check fixation status of roof-top facilities

- ⇒ Placed additional orders upon re-obtaining engineering reports for existing properties, starting in January 2011
- ⇒ Aims to prevent function stoppage, etc. caused by horizontal slips or falling of roof-top facilities and equipment due to earthquakes

Investigations on business continuity upon earthquakes

- ⇒ Analyzed reinforcement plans to reduce damages, based on the assumed damages to facilities and equipment due to earthquakes (July 2011)
- ⇒ Examined facility reinforcement works from the perspective of business continuity (17th period)

Evaluation of Anti-seismic Performance

Property	Completion	Earthquake resistance standard (Note 2)	PML (Note 3)
QFRONT	1999	New standards	4.1%
Lexington Aoyama	1998	New standards	2.3%
TOKYU REIT Omotesando Square	1985	New standards	9.5%
Tokyu Saginuma Building	1978	Previous standards (anti-seismic reinforcement work completed)	9.9%
Tokyu Saginuma 2 Building	1979	Previous standards	9.3%
TOKYU REIT Shibuya Udagawa-cho Square	1998	New standards	7.3%
	1995	New standards	
Beacon Hill Plaza (Ito-Yokado Noukendai Store)	1998	New standards	9.5%
cocoti	2004	New standards	6.2%
Shonan Mall Fill (sokochi)	-	New standards	-
CONZE Ebisu	2004	New standards	4.1%
Daikanyama Forum	1993	New standards	8.0%
Setagaya Business Square	1993	New standards	2.8%
Tokyu Nampeidai-cho Building	1992	New standards	7.9%
Tokyu Sakuragaoka-cho Building	1987	New standards	11.1%
Tokyo Nissan Taito Building	1992	New standards	7.4%
TOKYU REIT Akasaka Hinokicho Building	1984	New standards	11.2%
TOKYU REIT Kamata Building	1992	New standards	7.7%
TOKYU REIT Toranomon Building	1988	New standards	7.2%
TOKYU REIT Hatchobori Building	1965	Previous standards (seismic isolation work completed)	4.0%
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	2003	New standards	3.9%
Tokyu Ikejiri-ohashi Building	1989	New standards	5.8%
Kojimachi Square	2003	New standards	4.8%
TOKYU REIT Shinjuku Building	2003	New standards	4.2%
Akihabara Sanwa Toyoko Building	1985	New standards	11.8%
Kiba Eitai Building	1992	New standards	7.3%
Tokyu Ginza 2-chome Building	2008	New standards	4.4%

(Note 2) The new earthquake resistance standards are the earthquake resistant design standards based on the Building Standards Act, which was revised in 1981 with the aim to prevent buildings from collapsing even from earthquakes with seismic intensity of 6 and secure safety for human lives. Buildings that obtained building confirmation in June 1981 and after are understood to satisfy the new earthquake resistance standards. In fact, there were almost no reports of collapsing of buildings that were designed in accordance with the new earthquake resistance standards from the Great Hanshin Earthquake in 1995 and the Great East Japan Earthquake, in which a seismic intensity of 7 was actually observed.

(Note 3) The PML (Probable Maximum Loss) indicates the rate of anticipated losses caused by earthquakes. In this presentation, PML refers to the percentage of expected damages caused by a small-to-large-scale earthquake that happens within the next 475 years to the replacement value.

Responses to Restrictions on Power Consumption

Overview of Restrictions on Power Consumption

The impact of the Great East Japan Earthquake led to the implementation of Article 27 of the Electricity Business Act, legally imposing restrictions on power consumption to large users.

- **Period and time zone:** July 1, 2011 – September 9 (initially September 22), 2011, from 9:00 am to 8:00 pm on weekdays
- **Coverage:** large users (with contract demand for electricity of 500kw or more)
→ Ten properties out of 26 in TOKYU REIT's portfolio were subject to the restrictions
- **Restrictions:** Usable up to 85% of the maximum power consumption in the same period and the time zone a year ago
→ Two TOKYU REIT properties surpassed the restriction values three times (in August 2011)
- Intentional violation is fined at one million yen or less per hour of excess
- Restrictions are imposed regardless of the occupancy in the same period a year ago
(However, mitigation measures are available if the occupancy a year ago was 20% or more less than this year)



- QFRONT
cocoti
Setagaya Business Square
Tokyu Nampeidai-cho Building
Tokyo Nissan Taito Building
TOKYU REIT Toranomon Building
Tokyu Ikejiri-ohashi Building
Kojimachi Square
TOKYU REIT Shinjuku Building
Kiba Eitai Building

Partial adoption of the scheme of common restrictions on power consumption

Properties with low reduction rates of power consumption are covered by properties with high such rates, under the scheme in which multiple properties are deemed to be a single property and subject to restrictions as such.

Responses to Power Saving

Responses to Power Saving in the 16th Period

- Lights out and reduction of lamps in use in common areas
- Stoppage or temperature setting at 28°C for air conditioners in common areas
- (Partial) replacement to LED lamps for common area lighting (Setagaya Business Square and CONZE Ebisu)
- Partial stoppage of elevators
- Requesting tenants to cooperate in power saving (setting temperature of air conditioners at 28°C, reduction of lamps in use, etc.)

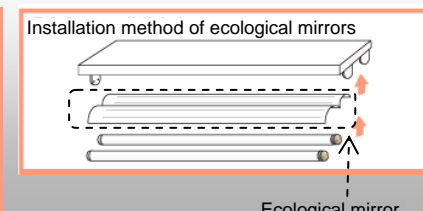
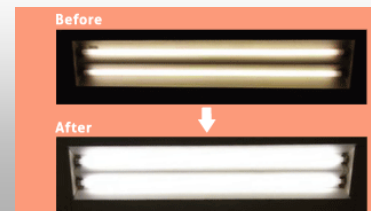
■ Delivery of circulators to multiple tenants (expenses borne by the Investment Management Company)



The equipment provides a whirling wind that blows straight and far, resulting in the air in the room to circulate efficiently. It increases cooling efficiency in summer and heating efficiency in winter, leading to reductions in power consumption.

Responses to Power Saving in the 17th Period (Planned)

- **Shift to high frequency fluorescent lamps that feature high lighting efficiency** (exclusive areas)
(TOKYU REIT Toranomon Building)
- **Installation work of ecological mirrors** (exclusive areas)
Ecological mirrors are "high-performance lighting reflection boards" that make lighting brighter and sharper without replacing existing fluorescent lamps. Installation of the equipment allows the illumination to be intensified about 1.6 times. This makes it possible to reduce the number of fluorescent lamps in use, leading to reductions in power consumption.
(Installation planned at Tokyo Nissan Taito Building, Kojimachi Square, TOKYU REIT Shinjuku Building and Kiba Eitai Building)





2. Topics of 16th Period

(4) Restructuring of the Sponsorship

Restructuring of Sponsorship Progress Status

Approval at the General Meeting of Unitholders

Apr. 2011 Related memorandums, etc. took effect by being approved at the General Meeting of Unitholders and conducted various procedures

TOKYU REIT Investment Units

• Transfer of Investment Units

Apr. 2011 Tokyu Corporation acquired 3,920 investment units of TOKYU REIT (2.31%) held by Tokyu Land (Investment units held by Tokyu Corporation became 9,800 units (5.79%))

Tokyu REIM

• Shareholders (Tokyu Corporation to own 100% of shares)

Jun. 2011 Acquisition of shares by Tokyu Corporation completed

• Switch directors

Jun. 2011 Directors from Tokyu Land retired (Representative Director & Vice President and an auditor retired, changing the number of directors from Tokyu Land from 3 to 1)

• Employees

Apr. 2011 2 more employees were seconded from Tokyu Corporation

Tokyu Brand

The new REIT to be launched by Tokyu Land Corporation shall not bear the “Tokyu” brand

Opportunities to Acquire Property

Tokyu Corporation: Provision of Opportunities to Acquire Property

Feb. 2011 Acquisition of Tokyu Ginza 2-chome Building

Tokyu Land Corporation: Provision of Opportunities to Acquire Properties with Upper Limit

- Until the total acquisition price of properties acquired by TOKYU REIT from Tokyu Land Corporation and its subsidiaries reaches 20 billion yen (including properties acquired through cooperation by warehousing)
- Same timing as the new REIT and/or a third party

Property Management

- Will be outsourced, in principle, to Tokyu Corporation and its subsidiaries
(Property management of Tokyu Ginza 2-chome Building will be outsourced to Tokyu Corporation)
- Arrangement with Tokyu Community Corporation will be sustained for the time being
(Continuously outsource to Tokyu Community Corporation the property management of properties currently outsourced to the company)

* Red letters are changes from the “15th Fiscal Period (August 1, 2010 to January 31, 2011) Financial Results Presentation” announced on March 16, 2011.



2. Topics of 16th Period

(5) Investment Management Overview (External Growth)

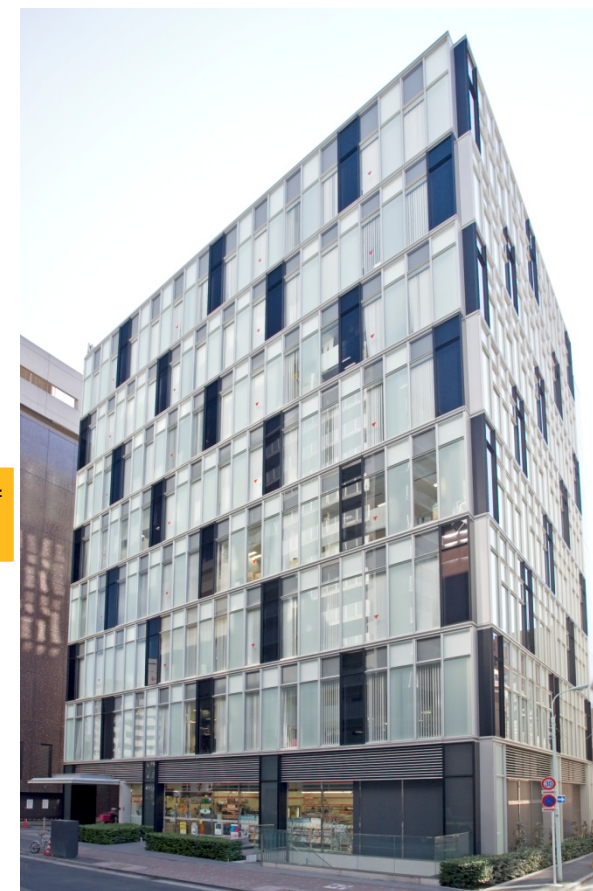
Property Acquisition in the 16th Fiscal Period

Tokyu Ginza 2-chome Building

1. Property Summary at Acquisition

- Type of Acquisition: Real estate in Japan
- Use: Office
- Tenants: The Dai-ichi Building Co., Ltd.
Seven-Eleven Japan Co., Ltd.
- Location: Ginza, Chuo-ku, Tokyo
Approximately a two-minute walk from Shintomicho Station, Tokyo Metro Yurakucho Line, approximately a four-minute walk from Higashi-Ginza Station, Hibiya Line, approximately an eight-minute walk from Ginza Station, Ginza Line, etc., and approximately a four-minute walk from Higashi-Ginza Station, Toei Subway Asakusa Line
- Total Land Area: 805.42m²
- Total Floor Area: 5,098.61m²
- Type of Ownership: Land: Proprietary ownership
Building: Proprietary ownership
- Acquisition Price: 5,010 million yen
- NOI Yield : 7.52% (expected yield of acquisition fiscal year)
(based on acquisition price) 4,58% (expected yield in the medium to long term)
- Appraisal Value at Acquisition: 5,020 million yen (as of January 14, 2011)
- NCF Cap Rate: 4.60%
(Appraisal value at acquisition; capitalization method)
- Completion Date: August 2008
- Acquisition Date: February 15, 2011
- Seller: Tokyu Corporation

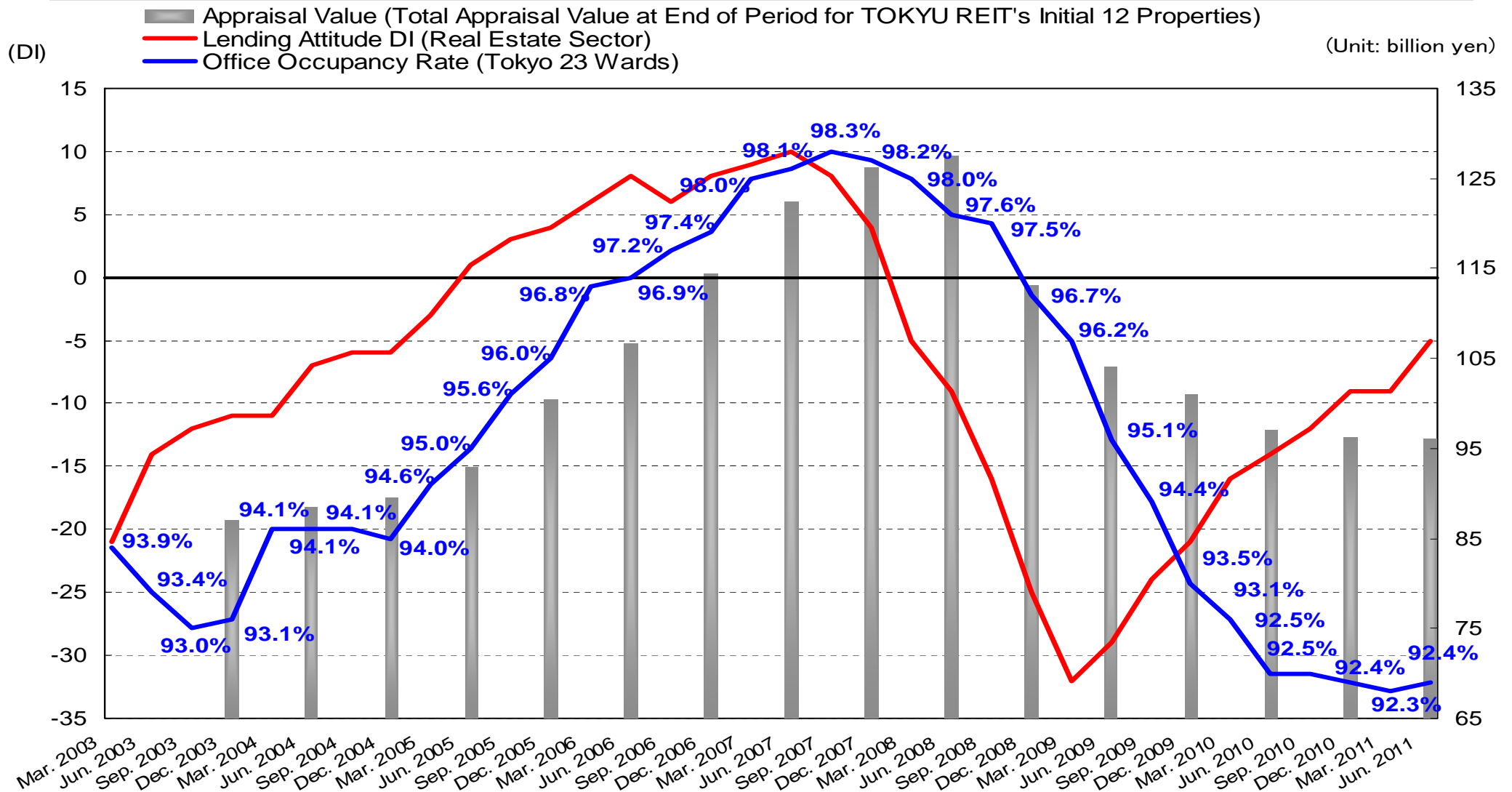
Appraisal Value at the End of 16th Period ¥5,060 million



2. Characteristics and Issues of the Property at Acquisition

- Strengths: Extremely close to the nearest station, several train lines and stations nearby, a Ginza address, relatively new, and highly competitive building specifications
- Weaknesses: Not very busy commercial area since it is east of Chuo-dori
- Risk: Single tenant (office), and fluctuation of rental revenues after the end of fixed-term lease contracts (21st fiscal period and 25th fiscal period)
- Special Items: None

Changes in Lending Attitude DI/Occupancy Rate/Appraisal Value



* "TOKYU REIT's Initial 12 Properties" refers to the 11 properties TOKYU REIT incorporated into its portfolio at the time of listing and the TOKYU REIT Shibuya Udagawa-cho Square it acquired during the 2nd fiscal period, making a total of 12 properties.

* The December 2003 figure for TOKYU REIT Shibuya Udagawa-cho Square is the appraisal value as of October 1, 2003.

Source: BOJ "Tankan Survey" and "Office Market Report" issued by CB Richard Ellis – Japan.

Investment Environment Recognition and Investment Activities under the Surf Plan

1. Recognition of the Investment Environment (17th period ending January 2012)

Decisions: Acquisition Phase

<Cap Rate>

- The Lending Attitude Diffusion Index continues to show an improving trend even after the earthquake, indicating that buyers' willingness to invest remains strong. However, the impact of the earthquake has caused a decrease in demand as income-generating properties for buildings in bay areas and those conforming to the previous regulatory earthquake resistance standards.
- On the other hand, shortage continues to be felt for quality properties, indicating a gap in supply and demand in the real estate trading market.
⇒Downward trend of cap rates and re-start of investment in class B office properties and retail facilities become conspicuous

<Cash Flows>

- In the real estate leasing market, vacancy rates remain high but have started to show a sense of peaking out. However, there is a concern for the impact of the earthquake to delay the recovery of rents.
- Although relocations by large tenants have begun to emerge, a full-fledged recovery of rents will probably require more time.
⇒Recovery in cash flows is yet to come.

<Decisions>

- Although cap rates show a declining trend for the moment, cash flows are believed to be at a low level from a long-term perspective. As such, we judged that the fiscal period under review (17th fiscal period) is still in the acquisition phase as it was in the previous fiscal period (16th fiscal period).
We think that real estate prices will take a path to recovery in association with the recovery in cash flows.

2. Investment Activities

		16th Fiscal Period		17th Fiscal Period
		Policy	Results	Policy
Investment Activity	Acquisition	Office	• While focusing primarily on properties in the 10 billion yen range, deliberation also on properties worth more than 4 billion yen	• Acquired Tokyu Ginza 2-chome Building (5.01 billion yen, February 15, 2011)
		Retail (Urban)	• In addition to quality properties facing front streets in busy commercial areas, under-priced properties to be made the target of deliberations	• There were projects that were considered, but no contracts were concluded.
		Retail (Suburban)	• Under-priced properties were targets of deliberations (value investment)	• There were projects that were considered, but no contracts were concluded.
	Selling	• Selection of candidate properties in preparation for the coming selling phase	• Prioritized respective properties for possible sales	• Add value properties worth more than 4 billion yen to our deliberations, in addition to continued focus on quality properties in the 10 billion yen range • Continue discussing trade in direct negotiation with the sponsor, in addition to sourcing from the market
				• Deliberate under-priced properties in addition to quality properties
				• Deliberate under-priced properties with stable rents, including sokochi
				• Make preparations for property sales in a dynamic and flexible way

* On the condition, however, that LTV is kept at 50% or less as a rule

*This page represents the views of Tokyu REIM **29**

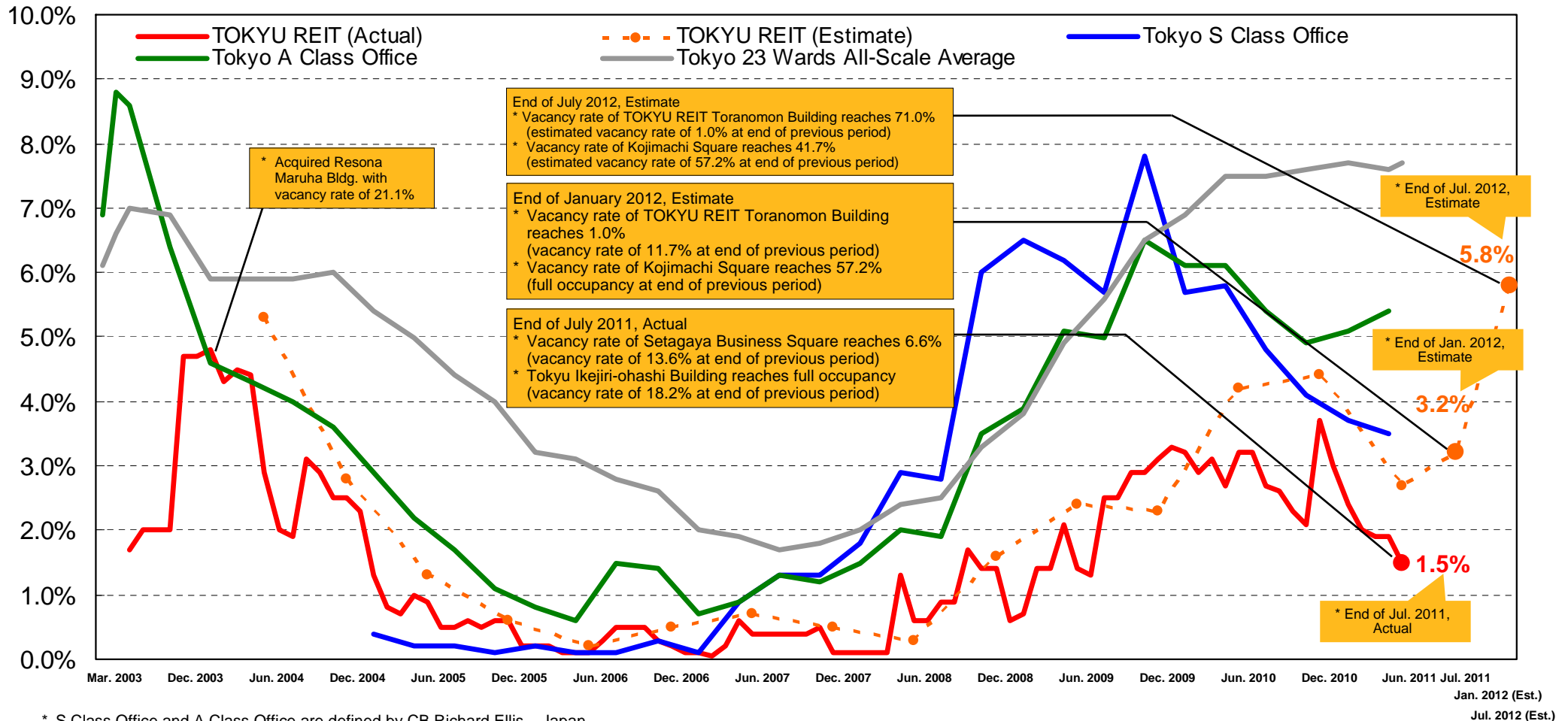


2. Topics of 16th Period

(6) Investment Management Overview (Internal Growth)

Changes in Vacancy Rate

Changes in Vacancy Rate (TOKYU REIT, Tokyo S Class Office, Tokyo A Class Office, Tokyo 23 Wards All-Scale Average)



* S Class Office and A Class Office are defined by CB Richard Ellis – Japan.

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)

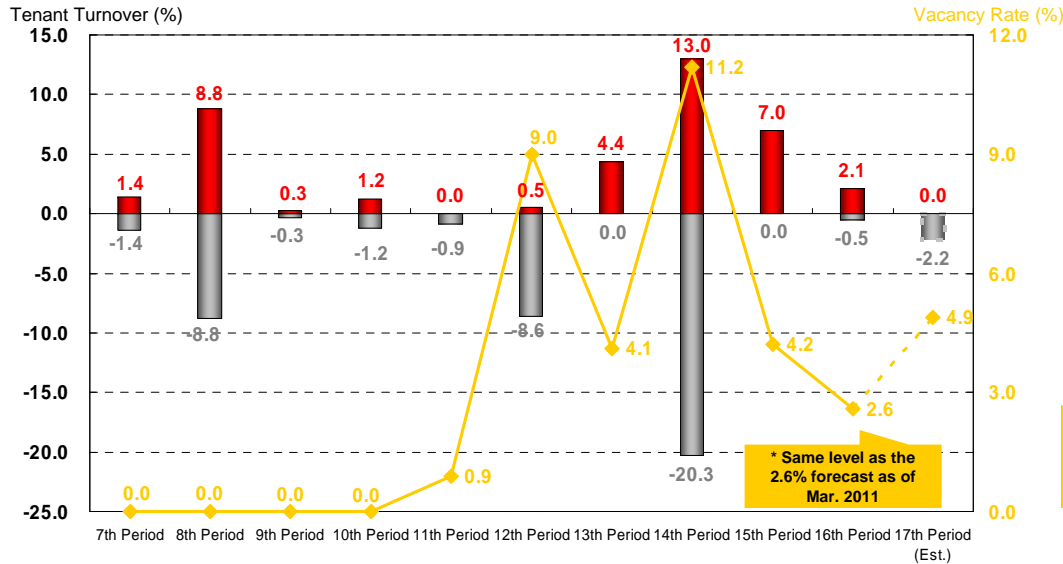
A Class Office... Located in Tokyo's major 5 wards (Chiyoda, Chuo, Minato, Shinjuku, Shibuya) with features including total floor space of over 10,000 tsubo and typical floor area over 200 tsubo)

Source: "Office Market Report" issued by CB Richard Ellis – Japan.

*** TOKYU REIT's portfolio has lower vacancy than the average market rate in Tokyo and has recorded stable performance. Occupancy rate forecasts are conservative figures.**

Changes in Tenant Turnover and Vacancy Rate

Retail (Urban)



* Retail (Urban)

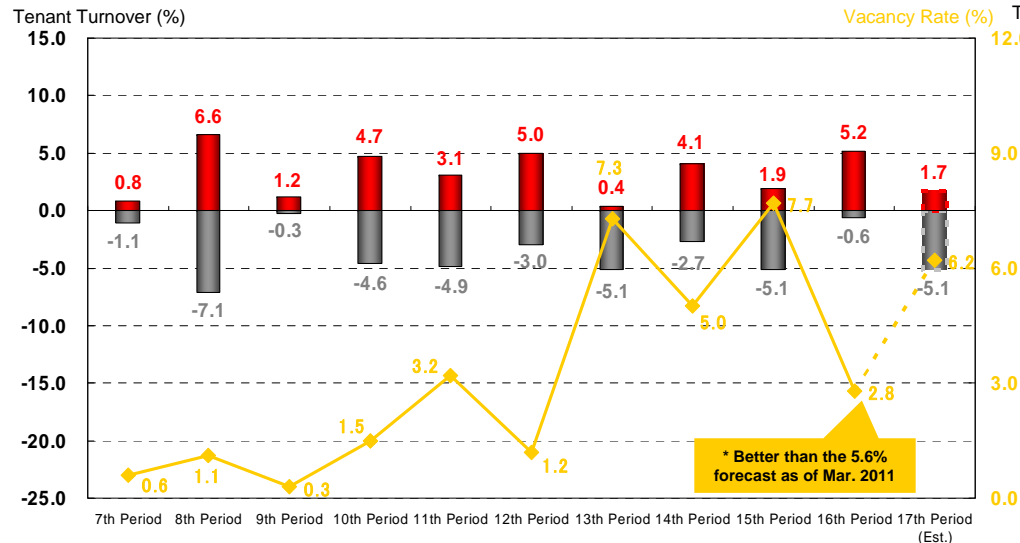
- QFRONT
- TOKYU REIT Omotesando Square
- Lexington Aoyama
- TOKYU REIT Shibuya Udagawa-cho Square
- cocoti
- CONZE Ebisu
- Daikanyama Forum

* Retail (Suburban)

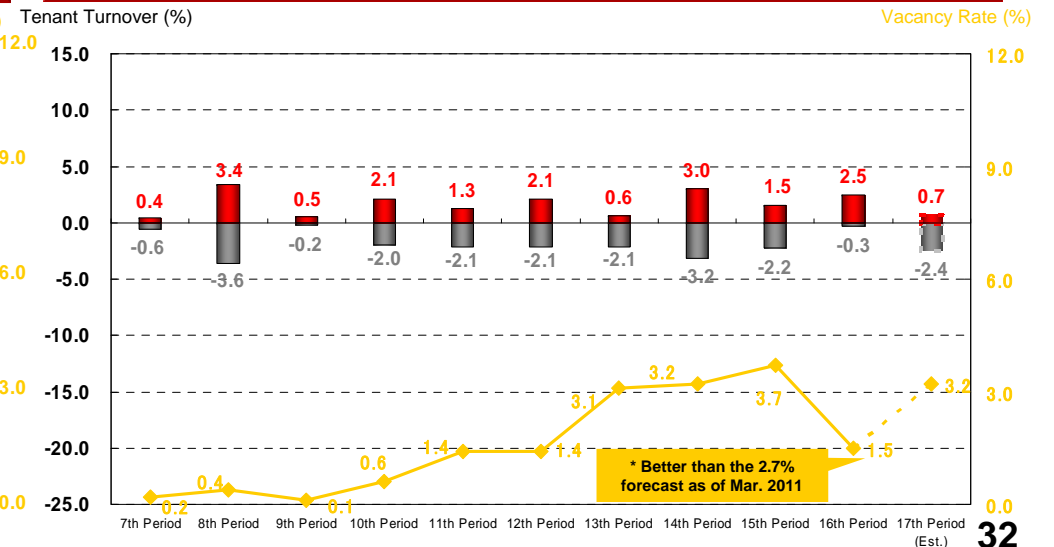
- Tokyu Saginuma Building
- Tokyu Saginuma 2 Building
- Beacon Hill Plaza (Ito-Yokado Noukendai Store)
- Shonan Mall Fill (*sokochi*)

*** No vacancy for suburban retail properties**

Office



Overall Portfolio



Leasing Market Environment Recognition and Management Activities

1. Recognition of the Leasing Market Environment (17th period ending January 2012)

Negative factors		Positive factors	
Vacancy Rate Changes and Rent Level	Impact of the Earthquake	Changes of Tenant Needs Caused by the Earthquake	Heightened Tenant Needs for Relocation and Integration
<p>The vacancy rate of office buildings in Tokyo's 23 wards has remained largely unchanged for a year, at 7.5% for the third quarter of 2010, 7.6% for the fourth quarter of 2010, 7.7% for the first quarter of 2011 and 7.6% for the second quarter of 2011. (Note)</p> <p>⇒ The vacancy rate stays at a high level, and the rent level for new tenants is lower than the previous period or remains unchanged</p>	<p>No movement is seen on a macroscopic scale, such as relocation of headquarters from the Tokyo metropolitan area to Kansai and other areas. However, there are concerns for delays in the recovery of economy and demand for office spaces due to the GDP growth rate for 2011 drifting on the downside</p> <p>⇒ Peaking out of the vacancy rate and bottoming out of the rent level are being postponed</p>	<p>Heightened consciousness for anti-seismic performance (building ages, grounds and liquefaction risk) and private power generation facilities</p> <p>⇒ Needs are shifting to inland locations, young buildings (buildings conforming to new earthquake resistance standards) and buildings with high specifications (seismic isolation and control structures, emergency power sources, etc.)</p>	<p>Heightened Tenant Needs for Relocation and Integration</p> <ul style="list-style-type: none"> • Demand for office spaces turned into growth in 2010, and showed expansion in the first quarter of 2011 as well • New demand also showed a positive reversal even for office buildings with total floor space of less than 10,000 tsunos <p>⇒ Private vies and applications also increased for vacant spaces of TOKYU REIT's properties by tenants who have relocation and integration needs requiring a large space</p>

2. Management Activities

- Recovery of the rent level within a short period of time is difficult to anticipate and, like the 16th period, focus is placed on occupancy for the 17th period
- Conduct leasing activities by taking advantage of such strengths as inland locations and buildings conforming to the new earthquake resistance standards
- Maintain and enhance competitiveness through renovation work timed to leasing

(Note) Source: "Office Market Report Japan" by CB Richard Ellis

Status of Leasing Activities

Type	Name of Property	Status
Retail	Lexington Aoyama	<ul style="list-style-type: none"> In 16th period, a new contract was concluded for 1 space (approx. 88 tsubos) and the occupancy rate as of the end of the 16th period improved to 94.0% Currently conducting marketing for 1 vacant space (approx. 38 tsubos), targeting offices, showrooms, etc.
	cocoti	<ul style="list-style-type: none"> As for the 1 space (approx. 63 tsubos) for which a contract was concluded during the 15th period, the settlement was completed at the beginning of the 16th period and full occupancy was attained for the entire 16th period. However, as 1 space (approx. 163 tsubos) became vacant at the beginning of the 17th period, currently marketing is being conducted centering on merchandising stores. Expected occupancy rate as of the end of the 17th period is 93.5%
	CONZE Ebisu	<ul style="list-style-type: none"> Although a contract for 1 space (approx. 87 tsubos) was concluded at the beginning of the 16th period, it was cancelled before the settlement date due to the impact of the Great East Japan Earthquake. Therefore, the occupancy rate as of the end of the 16th period was 87.6%, the same as at the end of the 15th period. Currently marketing is being conducted targeting restaurants.
	Daikanyama Forum	<ul style="list-style-type: none"> Progress was not made on new contracts during the 16th period and so the occupancy rate at the end of the period remains at 91.5% or the same as the end of the 15th period. We newly received a cancellation notice for 1 space (approx. 63 tsubos) in the 17th period and so the expected occupancy rate as of the end of the 18th period is 83.1%. Currently conducting marketing for 2 vacant spaces (approx. 126 tsubos in total), targeting merchandising stores, showrooms, etc. Furthermore, Culture Convenience Club Co., Ltd. is planning to start the "Daikanyama Project" in Autumn 2011 on the land adjacent to the property.
Retail Portfolio		The occupancy rate for retail properties (urban): 97.4% at end of the 16th period 95.1% expected at the end of 17th period 94.3% expected at the end of the 18th period The occupancy rate for retail properties (suburban): 100% at end of the 16th period 100% expected at the end of 17th period 100% expected at the end of the 18th period
Office	Setagaya Business Square	<ul style="list-style-type: none"> In 16th period, new contracts were concluded for 10 spaces and the occupancy rate as of the end of the period improved to 93.4% (86.4% at end of 15th period). Currently conducting marketing for 10 vacant spaces (approx. 714 tsubos), targeting offices conducting restructurings and relocations from central Tokyo, IT companies, etc. (Note) Expected occupancy rate as of the end of the 17th period is 90.4%
	TOKYU REIT Toranomon Building	<ul style="list-style-type: none"> In 16th period, new contracts were concluded for 2 spaces and the occupancy rate as of the end of the 16th period improved to 88.3% (76.6% at end of 15th period). Expected occupancy rate as of the end of the 17th period is 99.0%, but expect 29.0% for the occupancy rate as of the end of the 18th period due to a cancellation by a large tenant. Currently conducting marketing for 7 vacant spaces (approx. 2,177 tsubos), targeting offices conducting restructurings and relocations, or needing to integrate their offices, etc. Details are indicated on the next page.
	TOKYU REIT Kamata Building	<ul style="list-style-type: none"> In 16th period, new contracts were concluded for 2 spaces and the occupancy rate as of the end of the period improved to 100% (88.4% at end of 15th period). Currently conducting marketing for 1 vacant space (approx. 257 tsubos) which occurred due to a cancellation for 1 floor, targeting companies related to manufacturers on the same train line, while responding to needs for renting the space by dividing office space. Expected occupancy rate as of the end of the 17th period is 88.4%
	TOKYU REIT Akasaka Hinokicho Building	<ul style="list-style-type: none"> As for the 1 space for which a contract was concluded during the 15th period, the settlement was completed at the beginning of the 16th period and the occupancy rate as of the end of the period improved to 95.0% (92.5% at end of 15th period). Currently conducting marketing for 1 vacant space (approx. 48 tsubos) which occurred during the 16th period, targeting restaurants, clinics, etc. Expected occupancy rate as of the end of the 17th period is 95.0%
	Kojimachi Square	<ul style="list-style-type: none"> The occupancy rate as of the end of the 16th period is 100%. However, 5 spaces (approx. 1,138 tsubos) are expected to be cancelled in the 17th period, due to a large tenant and others moving out. Of these, new contracts are already concluded for 2 spaces (approx. 456 tsubos) and are planned to be settled in the 17th and 18th periods respectively. Expected occupancy rate as of the end of the 17th period is 42.8%, and expected occupancy rate as of the end of the 18th period is 58.3%. Currently conducting marketing for 3 vacant spaces (approx. 682 tsubos), targeting offices conducting restructurings and relocations, or needing to integrate their offices, etc. Details are indicated on the next page.
	TOKYU REIT Shinjuku Building	<ul style="list-style-type: none"> Conducted replacement for 1 space in the 16th period, and the occupancy rate as of the end of the period was 100%, the same as that of the end of the 15th period. Expected occupancy rate as of the end of the 17th period is 100% as well.
Office Portfolio		The occupancy rate of office properties: 97.2% at end of the 16th period 93.8% expected at the end of 17th period 87.9% expected at the end of the 18th period
Entire portfolio		20 out of 26 properties had full occupancy at the end of the 16th period. Full occupancy is expected at 17 out of 26 properties at the end of the 17th period and at the end of the 18th period. The occupancy rate of properties was 98.5% at the end of the 16th period. The expected occupancy rate is 96.8% at the end of the 17th period and 94.2% at the end of the 18th period.

Expected occupancy rate as of the end of the 16th period was 97.3% at the time of announcing the 15th financial period settlement (as of March 2011). However, we leased approx. 1,826 tsubos during the 16th period, exceeding expectations by approx. 889 tsubos.

* 16th Period: February 1, 2011 – July 31, 2011; 17th Period: August 1, 2011 – January 31, 2012; 18th Period: February 1, 2012 – July 31, 2012

* Expected occupancy rates at the end of the 17th and 18th periods only reflect tenants with whom contracts have been contracted and tenants from whom we have received cancellation notices as of August 24, 2011.

(Note) Areas indicated for Setagaya Business Square are the figures for the 55% co-ownership interest.

Status of Leasing Activities (Move-outs of Large Tenants)

■ TOKYU REIT Toranomon Building

➤ Cancellation by a large tenant

(4th through 9th floors, Japan Nuclear Energy Safety Organization)
 Planned cancellation date: January 31, 2012
 Leased floor space: 7,096.8m²
 Total leasable floor space: 10,136.44 m²

➤ New contracts for 2 floors (2nd and 3rd floors)

Leased floor space: 2,276.37m²
 Delivery date: Aug. 2011 (2F) and Jul. 2011 (3F)
 Occupancy rate of the property at 16th period end: 88.3%
 →Expected occupancy rate at 17th period end: 99.0% Expected occupancy rate at 18th period end: 29.0%

Impact of the 2 properties on the office property portfolio.

Expected vacancy rate of office property portfolio at 17th period end
 6.2% (3.0% for the 2 properties).

Expected vacancy rate of office property portfolio at 18th period end
 12.1% (8.9% for the 2 properties).

- ✓ **Strength:** Approximately one-minute walk from Kamiyacho Station, large floor space of more than 350 tsubos per floor
- ✓ **Weakness:** High vacancy rate in the Toranomon zone (9.1% as of June 2011), aged common areas

<Leasing policy>

- (1) Respond to relocation and integration needs for restructuring purposes, etc. by taking advantage of the property's scarcity value that offers a large leasable space of more than 2,000 tsubos in a single building
- (2) Respond to relocation needs from the bay areas or from buildings with the previous regulatory earthquake-resistance standards in neighboring areas
- (3) Implement renewal of common areas in line with leases

<Leasing status>

Multiple companies have had private viewing and inquiries since pre-leasing for the 4th through 9th floors, but no agreement has been reached in terms of lease conditions.

(Note) Renewal images



Before renewal



After renewal

■ Kojimachi Square

➤ Cancellation by large tenant (2nd, 3rd and 5th floors)

Planned cancellation date: December 26, 2011 Leased floor space: 2,486.25m² (2F, 3F and 5F) Total leasable floor space: 5,409.11m²

➤ Cancellation by tenant on the 1st floor (606.25m²)

➤ New contract for the 3rd floor (839.47m²)

Planned delivery date: Feb. 2012

Occupancy rate of the property at 16th period end: 100.0%

→Expected occupancy rate at 17th period end: 42.8% / Expected occupancy rate at 18th period end: 58.3%

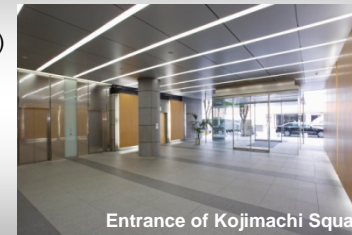
- ✓ **Strength:** Multiple train lines available, about a one-minute walk from Kojimachi Station, about a 7 minute-walk from Hanzomon Station and about an 8-minute walk from Ichigaya Station
 High specifications (including ceiling height of about 2,700mm, OA floor of about 100mm and independent air conditioning systems)
 Floor space of approximately 250 tsubos per floor
- ✓ **Weakness:** High vacancy rates in surrounding areas
 (9.5% for the Bancho zone and 13.7% for the Kojimachi-Hirakawacho-Kioicho zone as of June 2011)

<Leasing policy>

- (1) Appeal to tenants for the highly convenient location and high specifications
- (2) Respond to relocations from the bay areas or from buildings with previous regulatory earthquake-resistance standards in neighboring areas
- (3) Respond to the needs for large spaces on multiple floors

<Leasing status>

Received applications from multiple tenant candidates
 Contracts concluded for 3F, while leasing activities under way for other floors, though agreements not yet reached in terms of lease conditions



Entrance of Kojimachi Square



Exterior view of Kojimachi Square

Status of Existing Tenants

Percentage of Tenants Facing Rent Renegotiation

Asset Class	17th Period	18th Period	19th Period	20th Period	21st Period	22nd Period
Retail	24.7%	13.1%	22.8%	8.0%	14.8%	14.4%
Urban	33.7%	7.8%	10.4%	11.9%	19.1%	8.4%
Suburban	6.0%	24.2%	48.9%	0.0%	6.0%	26.9%
Office	24.9%	22.6%	14.0%	24.1%	18.1%	17.5%
Total	24.8%	19.1%	17.3%	18.1%	16.9%	16.3%

* 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, warehousing, or billboards).
 * As of the end of the 16th Period

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

* Market rents have dropped due to the deterioration of the market environment.

Divergence from Market Rent

Asset Class	13th Period End (21 Properties)	14th Period End (23 Properties)	15th Period End (25 Properties)	16th Period End (26 Properties)
Retail	-8.9%	-6.1%	-4.3%	-3.2%
Urban	-13.4%	-9.4%	-6.5%	-5.0%
Suburban	-0.2%	-0.4%	-0.2%	-0.1%
Office	-28.3%	-28.5%	-30.3%	-29.3%
Total	-19.2%	-19.4%	-19.8%	-19.3%

* Divergence = (New market monthly rent at beginning of next period – Monthly rent at end of period) / Monthly rent at end of period
 * New market rent is calculated by Tokyu REIM based on market reports of third parties
 * Monthly rent includes common service charges (except revenue from parking, warehousing, or billboards).
 * Vacant spaces are not included in the divergence calculation

* Market rents underperformed against monthly rents (contracted rents).

Changes in Market Rents (New Rents Appraised by CBRE)

	Market Rents									
	Jun. 2009	Sep. 2009	Dec. 2009	Mar. 2010	Jun. 2010	Sep. 2010	Dec. 2010	Mar. 2011	Jun. 2011	
Marunouchi / Otemachi / Yurakucho	100	111	96	96	91	90	94	89	91	
Kojimachi / Hirakawacho / Kioicho	100	97	95	92	91	87	85	83	79	
Kayabacho / Hatchobori / Shinkaw a	100	99	99	96	95	94	91	91	88	
Ginza	100	96	94	94	93	92	90	88	87	
Toranomon	100	95	95	93	90	87	87	83	83	
Akasaka	100	101	101	97	95	92	92	90	88	
Shinjuku	100	97	93	92	90	91	90	90	88	
Shibuya	100	98	95	92	92	91	87	84	85	
Jinnan / Udagawacho / Dogenzaka	100	99	99	99	96	96	96	92	91	
Ueno / Okachimachi	100	101	100	97	95	94	92	92	92	
Kamata	100	101	99	97	98	99	102	102	97	

* With regards to the new rents appraised by CBRE, figures as of the end of June 2009 are given an index value of 100 and changes until the end of June 2011 are indicated in comparison.

Market rents have increased from the previous appraisal
 Market rents have not changed from the previous appraisal
 Market rents have decreased from the previous appraisal

*Comments by Tokyu REIM **36**

Asset Safeguarding

Changes in Repair and Maintenance Costs and CapEx

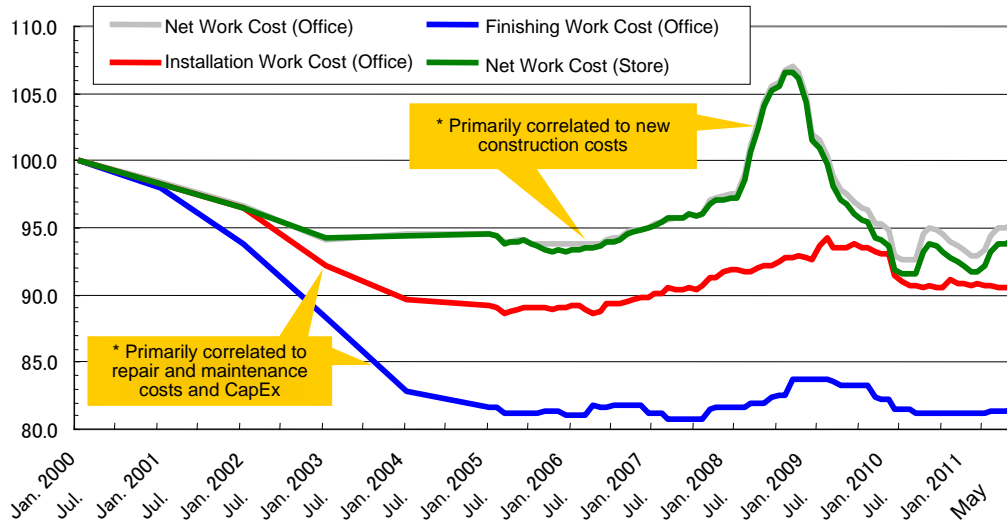
(¥ million)

	12th Period (Actual)	13th Period (Actual)	14th Period (Actual)	15th Period (Actual)	16th Period (Actual)	17th Period (Estimate)
Repair and Maintenance Costs	182	129	142	163	219	266
CapEx	205	125	121	235	259	262
Disaster loss	-	-	-	-	22	26
Total	388	255	263	398	501	555
Depreciation	1,032	1,019	983	1,039	994	1,010

* The 26 million yen for work corresponding to the earthquake, scheduled to be conducted in the 17th period, was recorded as a provision of allowances for disaster loss in the 16th period.

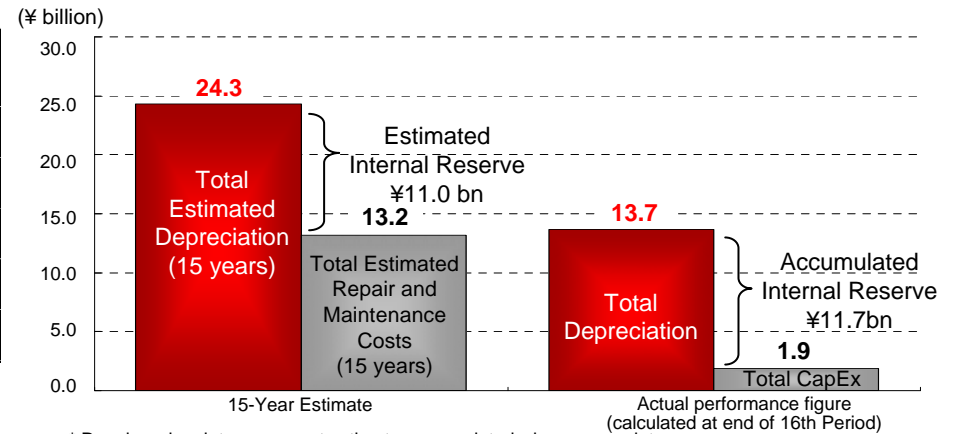
*** Increase investment in repair and maintenance costs and CapEx**

Changes in the Building Construction Cost Index (January 2000 = 100)



Source: "Building Construction Cost Index" by the Construction Research Institute
 (Office: Modeled after the following building type: SRC, 7,000m², 9 floors above ground and 1-2 floors below ground)
 (Store: Modeled after the following building type: SRC, 4,000m², 8 floors above ground and 1 floor below ground)

Balance of Depreciation and Repair and Maintenance Costs



* Repair and maintenance cost estimates are updated when appropriate.

* Not including Shonan Mall Fill (sokochi)

Strategic renovation

- (16th period) • Renovation of Tokyu Saginuma Building: ¥265 million (of which, ¥67 million was received from Tokyu Store)
- OA floor installation work on the 2nd and 3rd floors at TOKYU REIT Toranomon Building: ¥11 million
- (17th period) • Renewal construction of common areas on the 2nd through 9th floors at TOKYU REIT Toranomon Building: ¥141 million
- Construction start for renewal at cocoti
- Completion and renewal opening scheduled for 18th period

Property maintenance and management

- (16th period) • Work on damage from the earthquake: ¥22 million
- Renovation of external walls at Kiba Eitai Building: ¥15 million
- (17th period) • External wall renovation construction at Tokyu Sakuragaokacho Building: ¥75 million
- Reduced future maintenance costs by introducing the panel covering method
- Work on damages from the earthquake: ¥26 million (All amounts recorded as provision of allowances in the 16th period)

Power saving

- (16th period) • Replacement of lighting equipment on the 2nd, 8th and 9th floors at TOKYU REIT Kamata Building: ¥9 million
- Replacement of LED lamps on the 1st basement floor at Setagaya Business Square: ¥0.4 million
- Replacement with LED lamps on the 1st floor at CONZE Ebisu: ¥1 million
- (17th period) • Replacement of lighting equipment on the 2nd through 9th floors at TOKYU REIT Toranomon Building: ¥44 million
- Installation of ecological mirrors: ¥18 million
- Replacement with LED lamps for common areas: ¥7 million

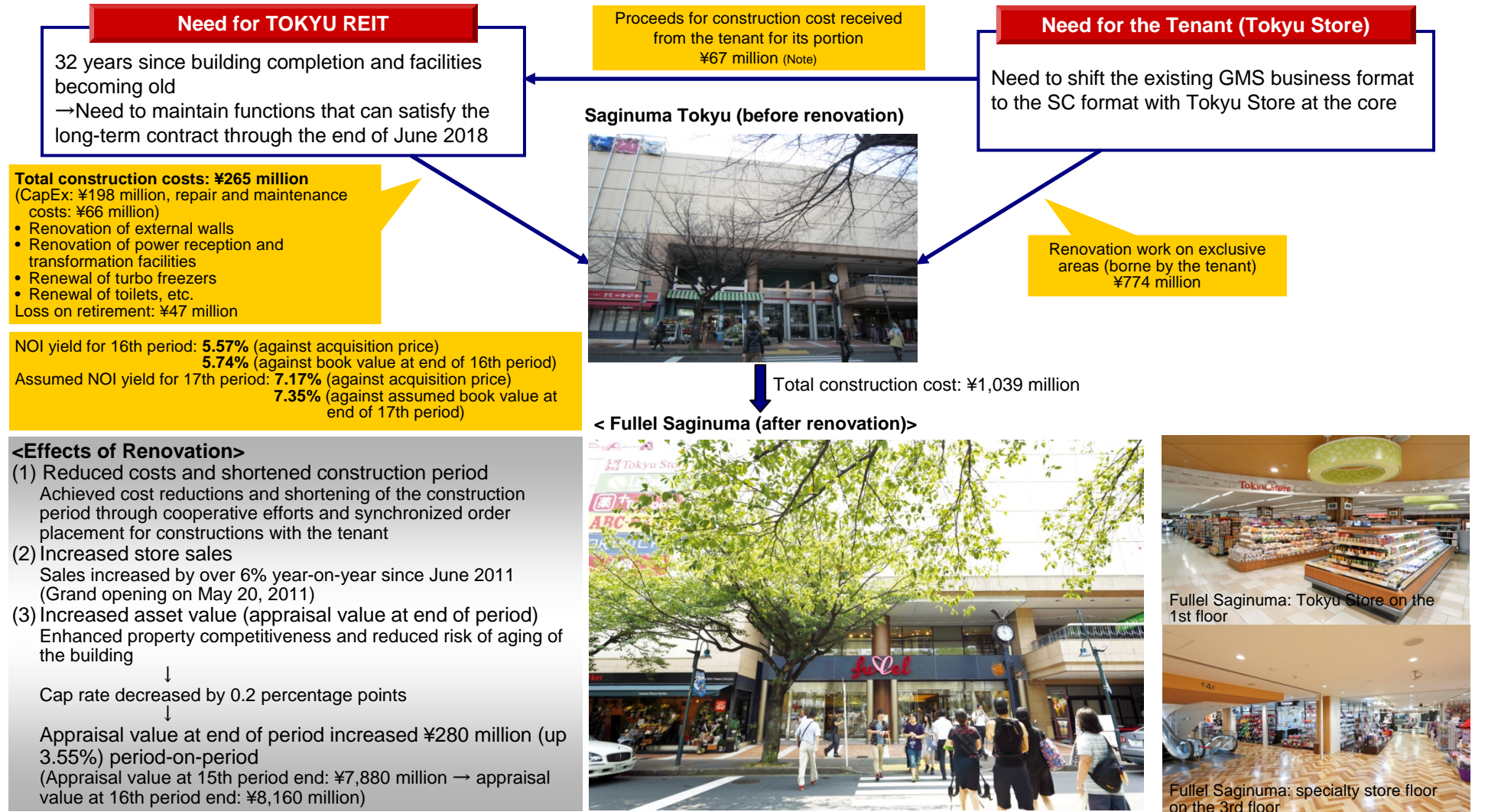
Asset investigation

- (16th period) • Implemented investigations on business continuity in times of earthquakes at QFRONT and TOKYU REIT Toranomon Building
- Re-obtained engineering reports (ER) for 4 properties under management
- (17th period) • Examine implementation of construction for damage reductions based on the investigations on business continuity in times of earthquakes
- Plan to re-obtain ERs for 2 properties under management

* The above-indicated amounts represent the total construction amounts including repair and maintenance costs and the CapEx.

*Comments by Tokyu REIM **37**

Renovation of Tokyu Saginuma Building



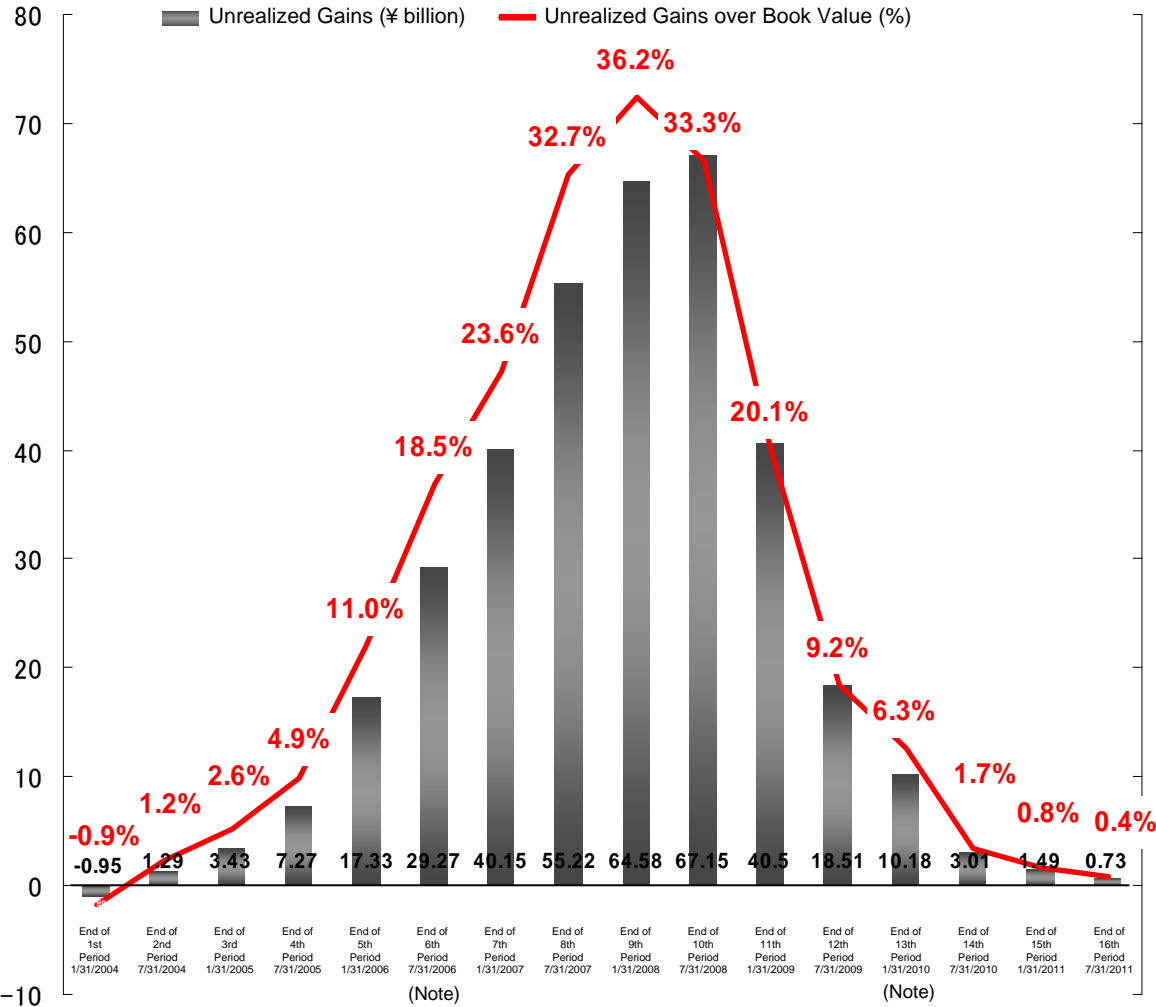
Collaboration with Tokyu Store contributed to enhancing the value of areas along the Tokyu lines and, in accompanying this, the value of TOKYU REIT

(Note) The 67 million yen received for production costs from the tenant for its portion was recorded as revenue in the settlement for the 16th period.

Unrealized Gains and Capital Gains

Unrealized Gains

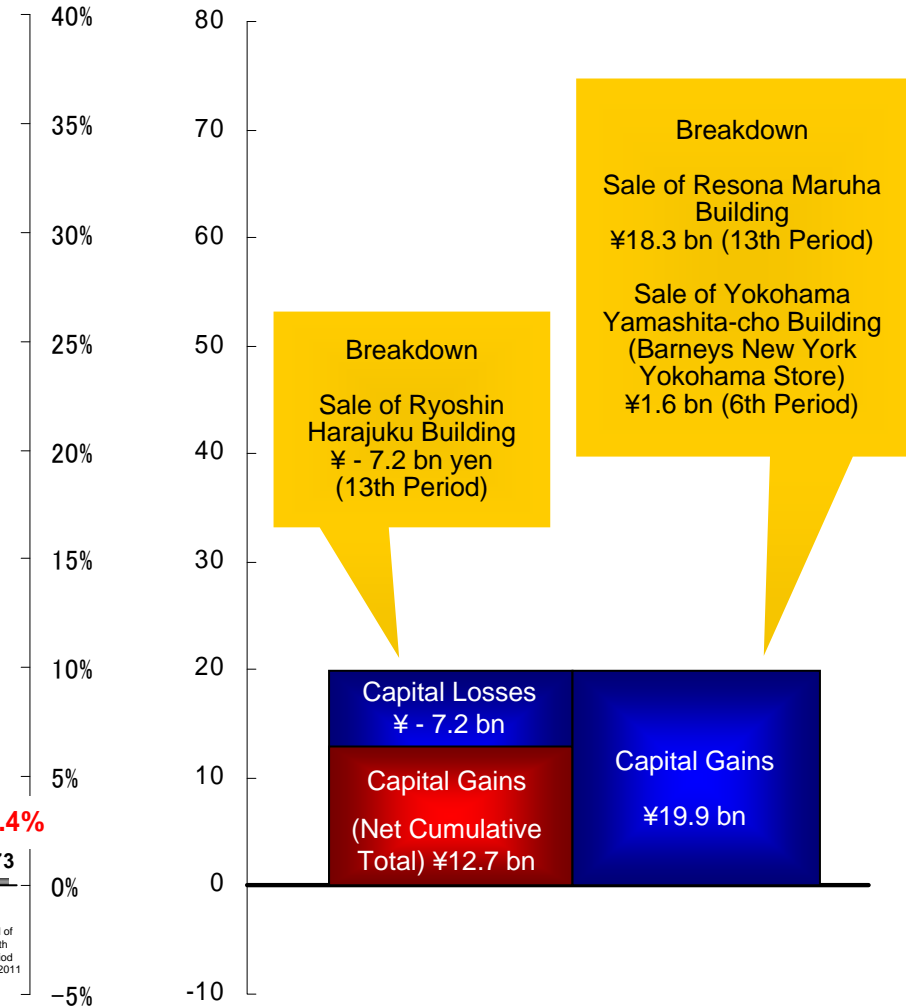
Unrealized Gains
(¥ billion)



* Unrealized Gains over Book Value = Unrealized Gains / Book Value of Assets
(Note) Capital gain distribution period

Capital Gains (Realized Gains)

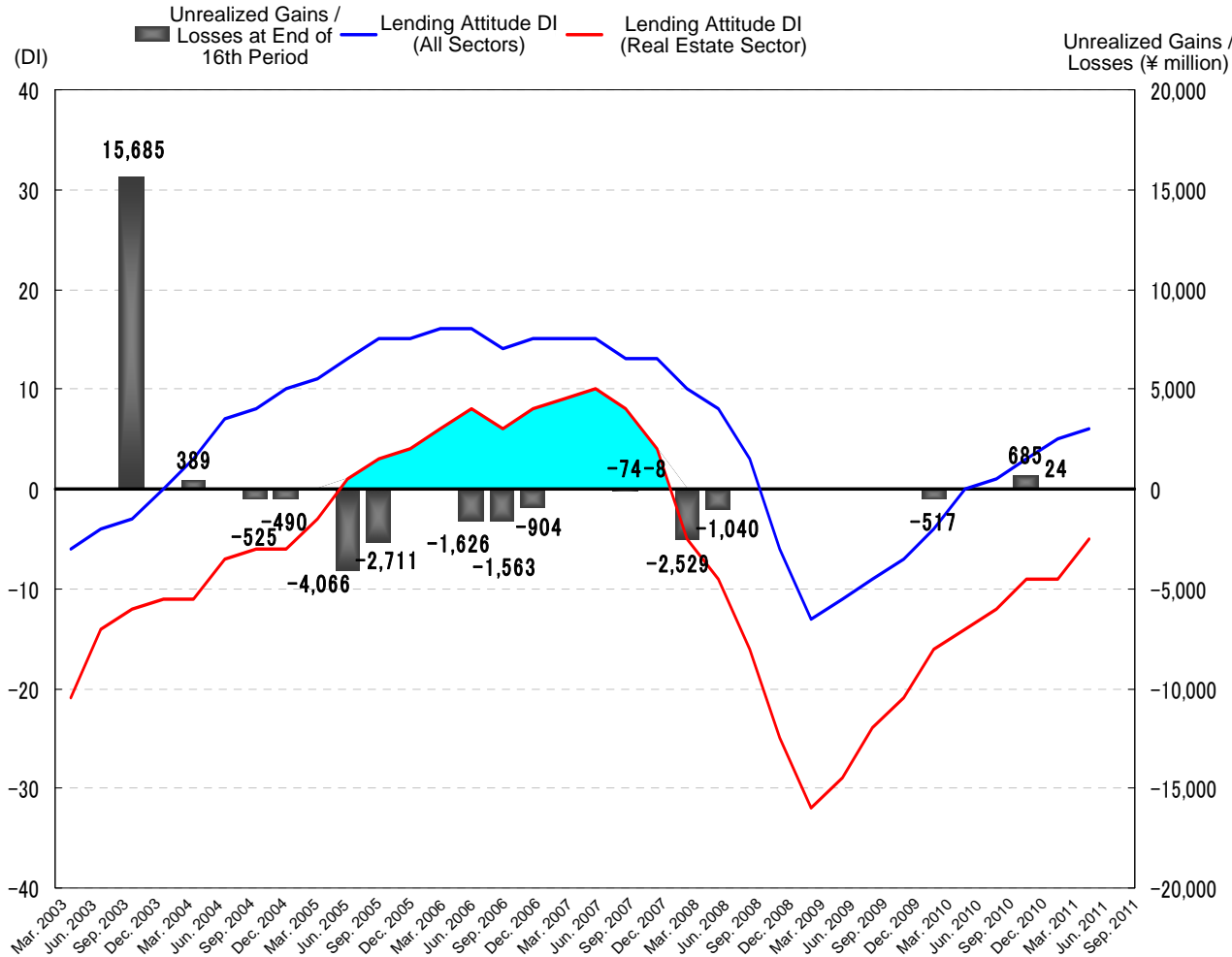
Unrealized Gains over Book Value
(¥ billion)



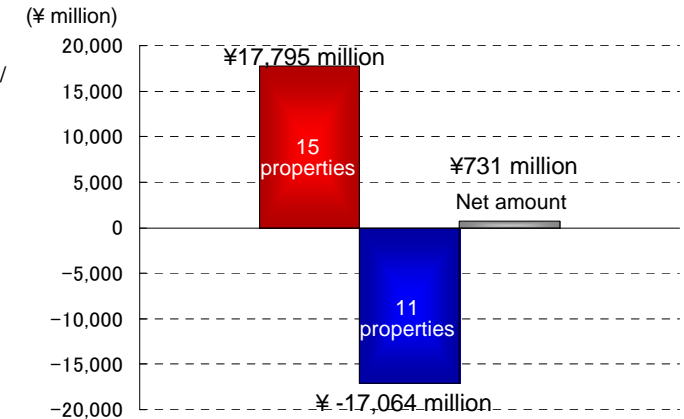
* Net cumulative total as of the end of the 16th period

Analysis of Unrealized Gains / Losses

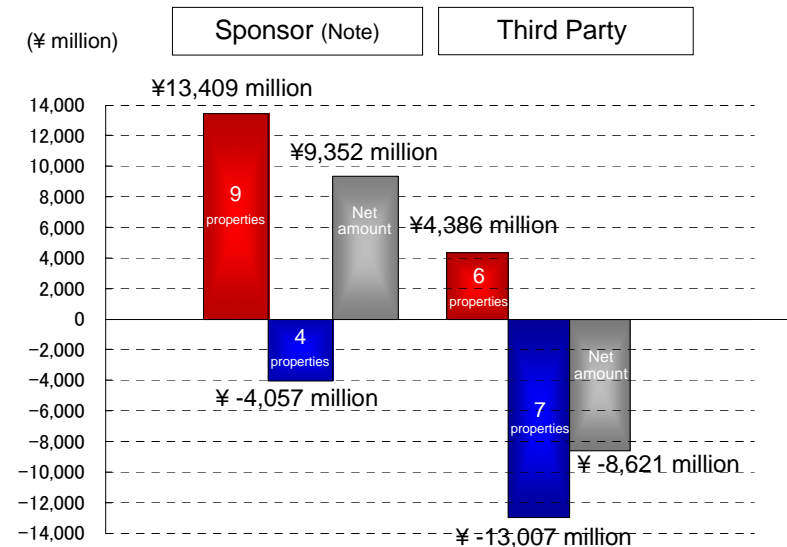
Unrealized Gains / Losses Due to Timing of Property Acquisition



Breakdown of Unrealized Gains / Losses



Unrealized Gains / Losses by Seller



(Note) Includes properties acquired from Tokyuu Land Corporation

* Figures for properties for which additional acquisition was conducted (cocoti and TOKYU REIT Toranomon Building) are calculated in accordance with the respective percentage of acquisition price.

Change in Appraisal Value (End of 16th Period – End of 15th Period)

(¥ million)

Name of Property	Appraisal Value at End of Period (JPY mm)		Increase / Decrease (JPY mm)	Increase / Decrease %	Impact from change in NCF	Impact from change in NCF Cap Rate	NCF (Direct capitalization method)			NCF Cap Rate (Direct cap rate)			Appraiser (Note)
	16th Period	15th Period					16th Period	15th Period	Change	16th Period	15th Period	Change	
QFRONT	19,900	19,900	0	0.00%	0.02%	0.00%	782	782	0	3.90%	3.90%	0.00%	a
Lexington Aoyama	4,190	4,390	-200	-4.56%	-4.59%	0.00%	187	196	-9	4.40%	4.40%	0.00%	a
TOKYU REIT Omotesando Square	6,540	6,670	-130	-1.95%	-2.18%	0.00%	299	306	-7	4.50%	4.50%	0.00%	a
TOKYU REIT Shibuya Udagawa-cho Square	7,020	6,830	190	2.78%	16.67%	0.00%	309	265	44	4.50%	4.50%	0.00%	b
cocoti	16,600	16,500	100	0.61%	0.24%	0.00%	727	725	2	4.30%	4.30%	0.00%	c
CONZE Ebisu	4,070	4,110	-40	-0.97%	-0.90%	0.00%	177	179	-2	4.30%	4.30%	0.00%	c
Daikanyama Forum	3,100	3,090	10	0.32%	0.58%	0.00%	138	137	1	4.40%	4.40%	0.00%	b
Retail Properties (Urban) Total	61,420	61,490	-70	-0.11%	1.14%	-1.25%	2,619	2,589	30	4.26%	4.21%	0.05%	
Tokyu Saginuma Building	8,160	7,880	280	3.55%	0.00%	3.39%	467	467	0	5.70%	5.90%	-0.20%	a
Tokyu Saginuma 2 Building	1,350	1,350	0	0.00%	-0.03%	0.00%	92	92	0	6.80%	6.80%	0.00%	a
Beacon Hill Plaza (Ito-Yokado Noukendai Store)	8,120	8,100	20	0.25%	0.59%	0.00%	474	472	3	5.50%	5.50%	0.00%	b
Shonan Mall Fill (sokochi)	5,400	5,400	0	0.00%	0.00%	0.00%	302	302	0	5.50%	5.50%	0.00%	d
Retail Properties (Suburban) Total	23,030	22,730	300	1.32%	0.21%	1.10%	1,336	1,333	3	5.80%	5.86%	-0.06%	
Retail Properties Total	84,450	84,220	230	0.27%	0.82%	-0.55%	3,955	3,922	32	4.68%	4.66%	0.03%	
Setagaya Business Square	20,300	19,900	400	2.01%	1.73%	0.00%	1,037	1,019	18	5.10%	5.10%	0.00%	a
Tokyu Nampeidai-cho Building	5,550	5,540	10	0.18%	0.11%	0.00%	274	273	0	4.90%	4.90%	0.00%	a
Tokyu Sakuragaoka-cho Building	8,110	8,260	-150	-1.82%	0.26%	-2.17%	385	384	1	4.70%	4.60%	0.10%	a
Tokyo Nissan Taito Building	5,010	5,010	0	0.00%	0.02%	0.00%	258	257	0	5.10%	5.10%	0.00%	a
TOKYU REIT Akasaka Hinokicho Building	4,030	3,960	70	1.77%	-0.39%	2.13%	188	188	-1	4.60%	4.70%	-0.10%	a
TOKYU REIT Kamata Building	5,990	6,600	-610	-9.24%	-9.04%	0.00%	321	352	-32	5.30%	5.30%	0.00%	a
TOKYU REIT Toranomon Building	9,350	10,200	-850	-8.33%	-5.51%	-2.13%	453	480	-26	4.80%	4.70%	0.10%	a
TOKYU REIT Hatchobori Building	5,320	5,370	-50	-0.93%	-0.60%	0.00%	251	252	-2	4.70%	4.70%	0.00%	c
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	6,790	6,760	30	0.44%	0.50%	0.00%	316	314	2	4.40%	4.40%	0.00%	b
Tokyu Ikejiri-ohashi Building	4,470	4,330	140	3.23%	2.56%	0.00%	234	228	6	5.20%	5.20%	0.00%	c
Kojimachi Square	7,940	8,610	-670	-7.78%	-11.83%	4.26%	361	409	-48	4.50%	4.70%	-0.20%	a
TOKYU REIT Shinjuku Building	9,690	9,780	-90	-0.92%	0.19%	0.00%	449	448	1	4.50%	4.50%	0.00%	c
Akihabara Sanwa Toyo Building	4,940	4,900	40	0.82%	0.84%	0.00%	252	250	2	4.80%	4.80%	0.00%	b
Kiba Eitai Building	4,440	4,460	-20	-0.45%	-0.88%	0.00%	248	251	-2	5.20%	5.20%	0.00%	b
Office Properties Total	101,930	103,680	-1,750	-1.69%	-1.60%	-0.09%	5,025	5,107	-82	4.93%	4.93%	0.00%	
Total	186,380	187,900	-1,520	-0.81%	-0.55%	-0.26%	8,980	9,029	-50	4.82%	4.81%	0.01%	

(Note) a. Japan Real Estate Institute, b. Japan Valuers Co., Ltd., 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 NCF figures divided by the NCF Cap Rate. Therefore, the total change in NCF and change in NCF Cap Rate may not add up to Increase/Decrease (%).

* We acquired Tokyu Ginza 2-chome Building on February 15, 2011 (appraisal value at acquisition: 5,020 million yen). The Appraisal Value at End of 16th Period, NCF and NCF Cap Rate of the property are as follows: Tokyu Ginza 2-chome Building (Appraisal Value at End of 16th Period: 5,060 million yen, NCF: 233 million yen and NCF Cap Rate: 4.6%)

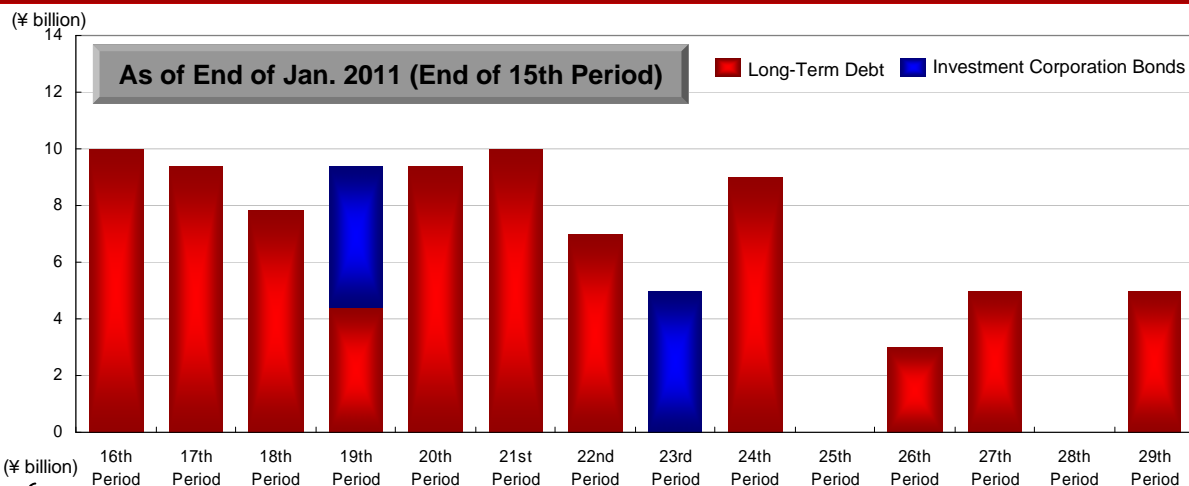


2. Topics of 16th Period

(7) Debt Finance

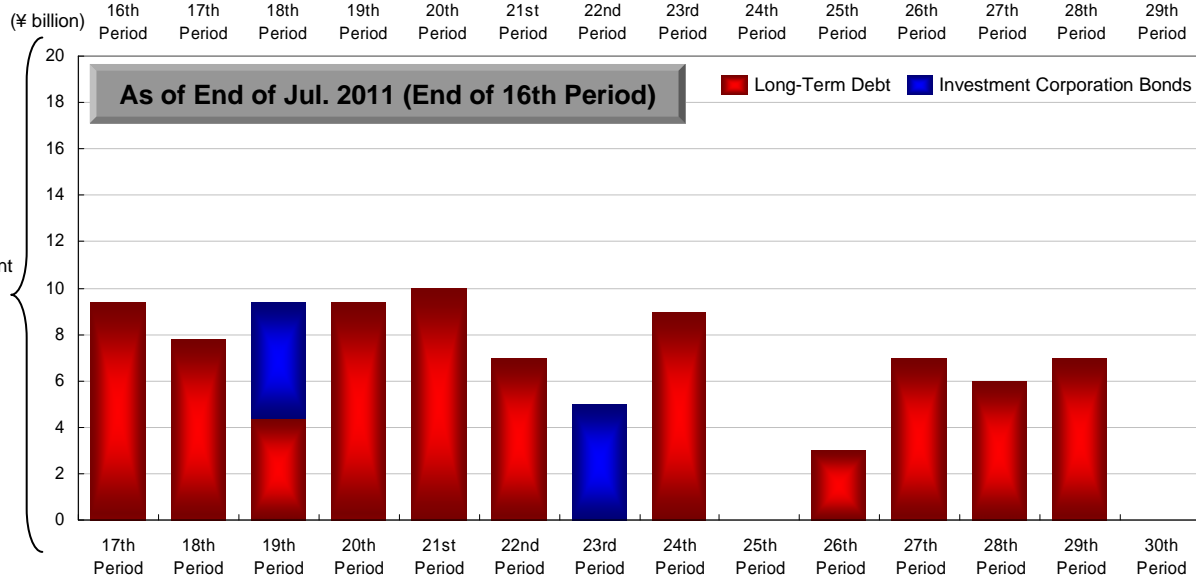
Diversification of Repayment (Redemption) Dates

Maturity Ladder (Interest-Bearing Debt Balance by Repayment Date)



*** ¥9.4 billion in long-term debt due by end of Jan. 2012 (17th Period) (10.4%)**

Bank of Tokyo- Mitsubishi UFJ	¥5.0 bn	...	Due 9/25/2011
National Mutual Insurance Federation of Agricultural Cooperatives	¥1.0 bn	...	Due 10/25/2011
Mizuho Corporate Bank	¥0.4 bn	...	Due 10/27/2011
Mizuho Corporate Bank	¥3.0 bn	...	Due 11/11/2011



Limit of commitment lines

Remaining years to maturity

* Interest-Bearing Debt in this presentation does not include security deposits provided by tenants.

Total	: ¥90.0 bn	(¥ ±0 bn)
Avg. Remaining Yrs.	: 2.96 yrs	(+0.17 yrs)
LT Ratio	: 100%	(±0 pts.)
Number of Ladders	: 12	(±0 ladders)
Avg. Ladder Amount	: ¥7.5 bn	(¥ ±0 bn)

* Figures in the parentheses indicate changes from the end of the 15th Period.

*** 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: %)

Category	Duration	Borrowing Date																
		2007			2008				2009			2010			2011			
		Jan.	Jun.	Sep.	Mar.	Jun.	Jul.	Nov.	Feb.	Apr.	Jun.	Jun.	Jul.	Dec.	May	Jun.	Jul.	
Long term	1.5 yr																	
	2.0 yr						1.55500											
	2.5 yr							1.48125	1.47500		1.32750			1.17125				
	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	1.31250			
	4.5 yr												1.78812					
	5.0 yr										1.79000				1.46250			
	5.5 yr						2.10187											1.36875
	6.0 yr														1.63250	1.47625	1.45375	
	6.5 yr																	1.49563
	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 credit crunch in 2008, although base interest rates have fallen due to the shrinkage in spread and the decline in the market interest rate.**

*Comments by Tokyu REIM **44**

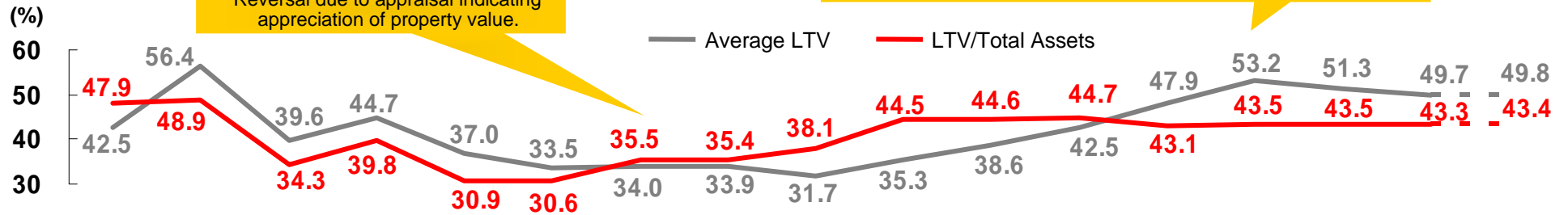


3. Fund Management

(1) Performance

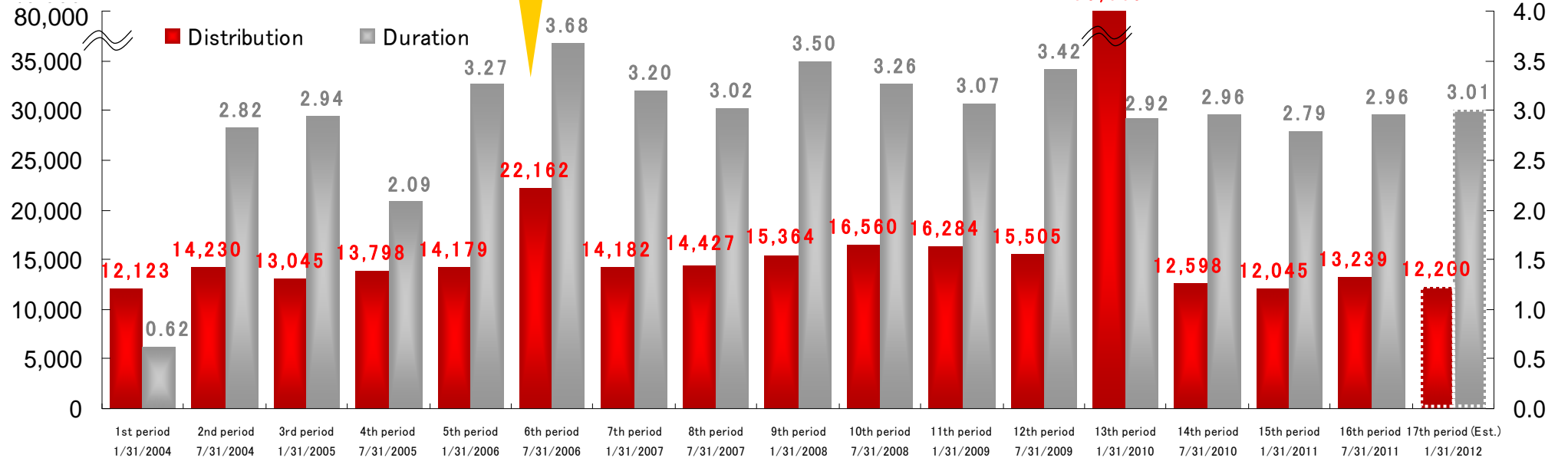
Changes in Profit (EPS)

LTV transition



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

Distribution (¥)

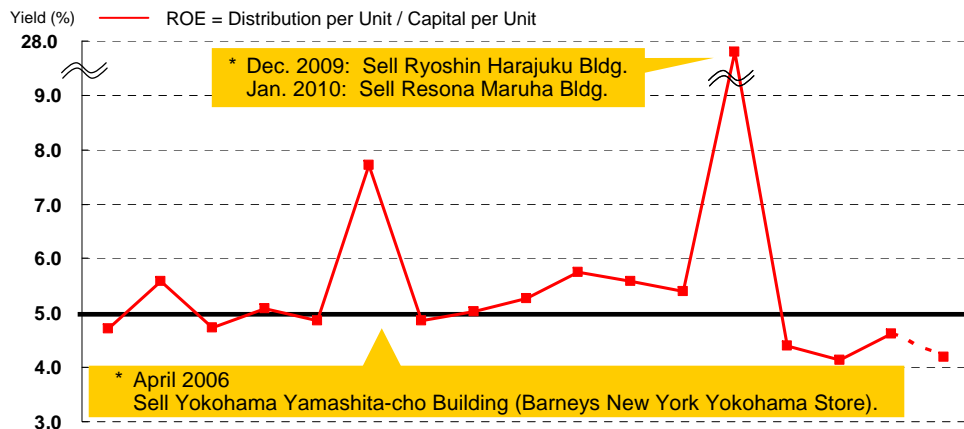


* Official distribution in the 1st Period was ¥9,488 based on the actual operating period of 144 days, but the recalculated distribution of ¥12,123 based on 184 operating days is used in the above graph for the sake of comparison with figures from the 2nd Period and thereafter.

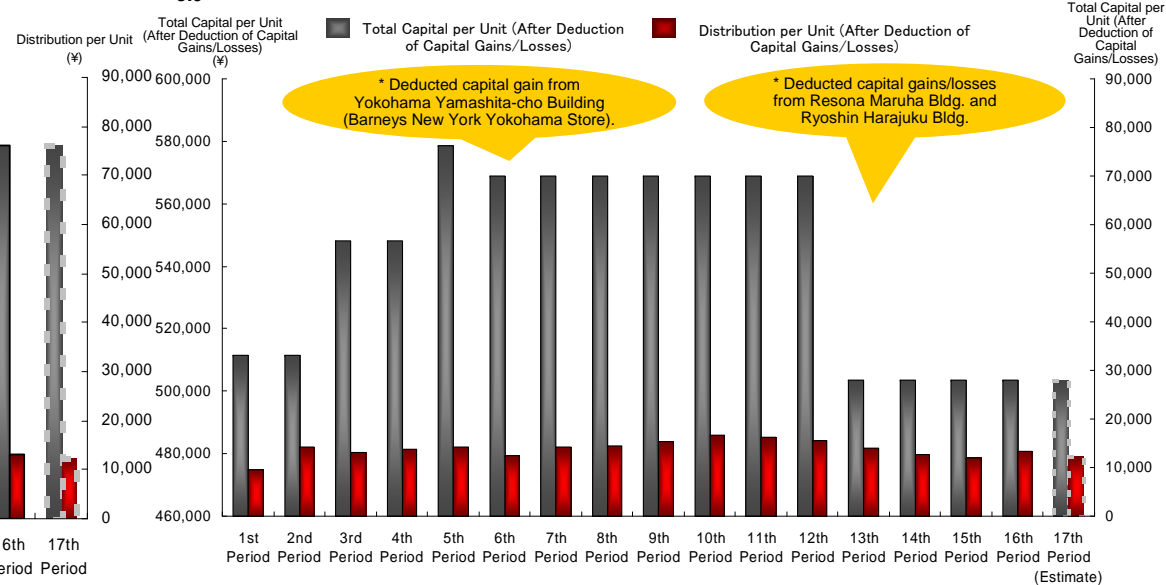
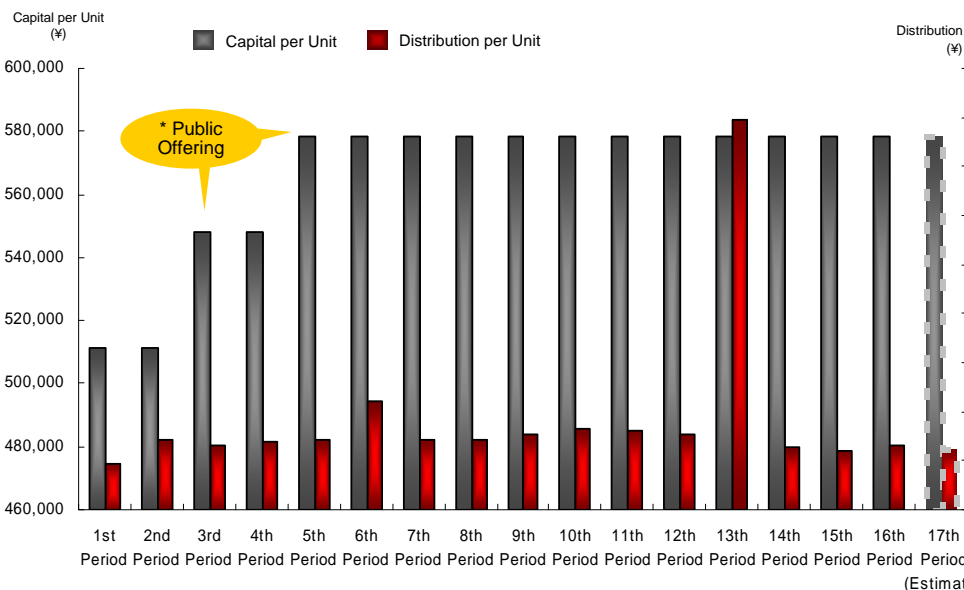
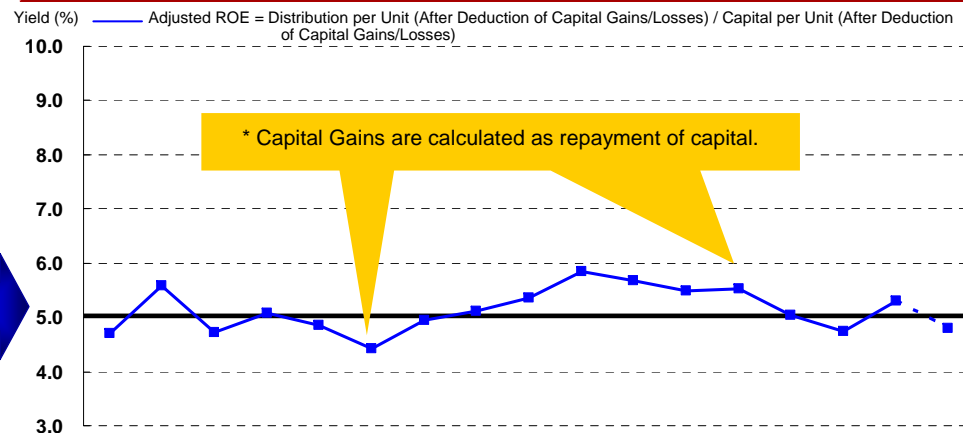
*Comments by Tokyu REIM

ROE (Capital Yield) and Adjusted ROE (Capital Yield after Deduction of Capital Gains/Losses)

ROE (Capital Yield)



Adjusted ROE (Capital Yield After Deduction of Capital Gains)



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

*Comments by Tokyu REIM **47**

Performance Against Public Offering Price

IPO (Initial Public Offering) (Issued Sep. 10, 2003)



* 56% of the IPO offering price was distributed in around 8 years.

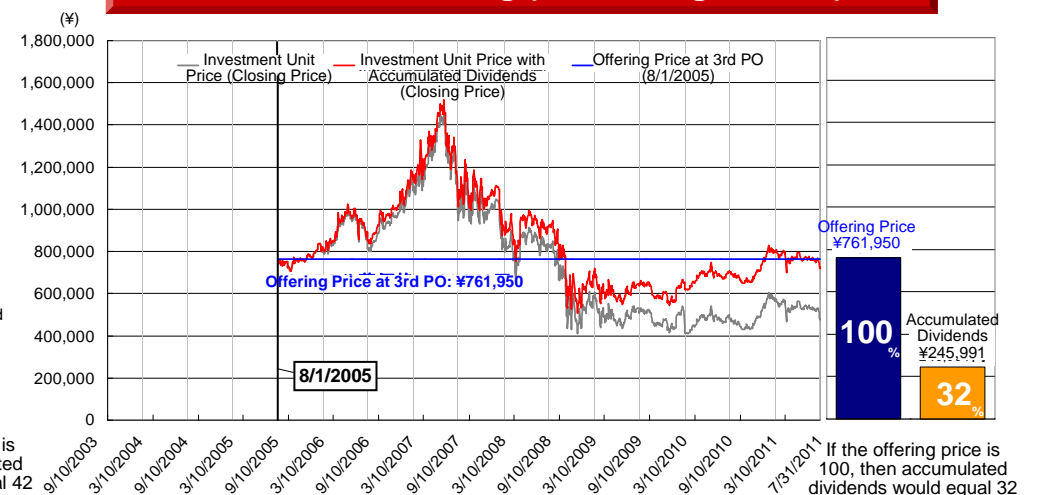
* 42% of the 2nd PO offering price was distributed in around 7 years.

* 32% of the 3rd PO offering price was distributed in around 6 years.

Second Public Offering (Issued Aug. 3, 2004)



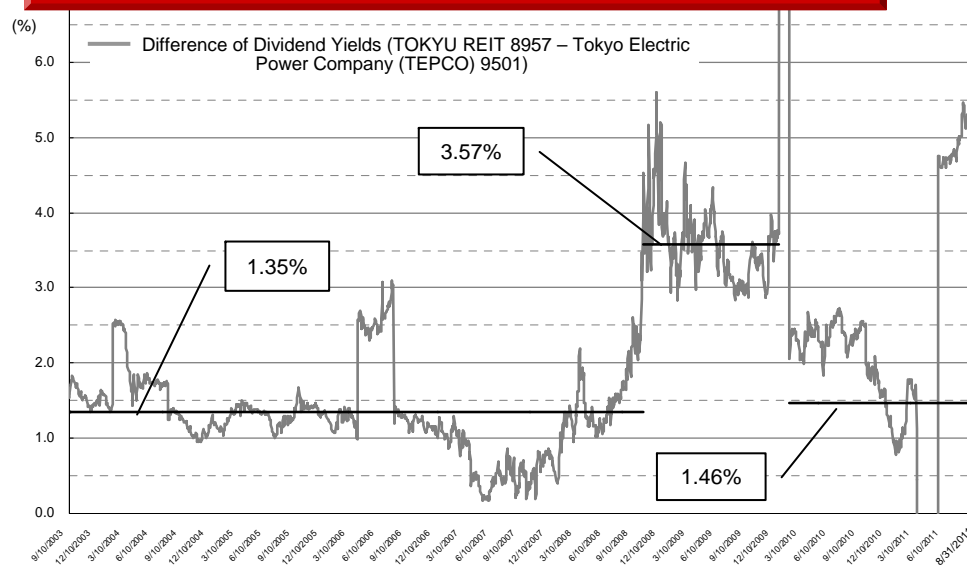
Third Public Offering (Issued Aug. 1, 2005)



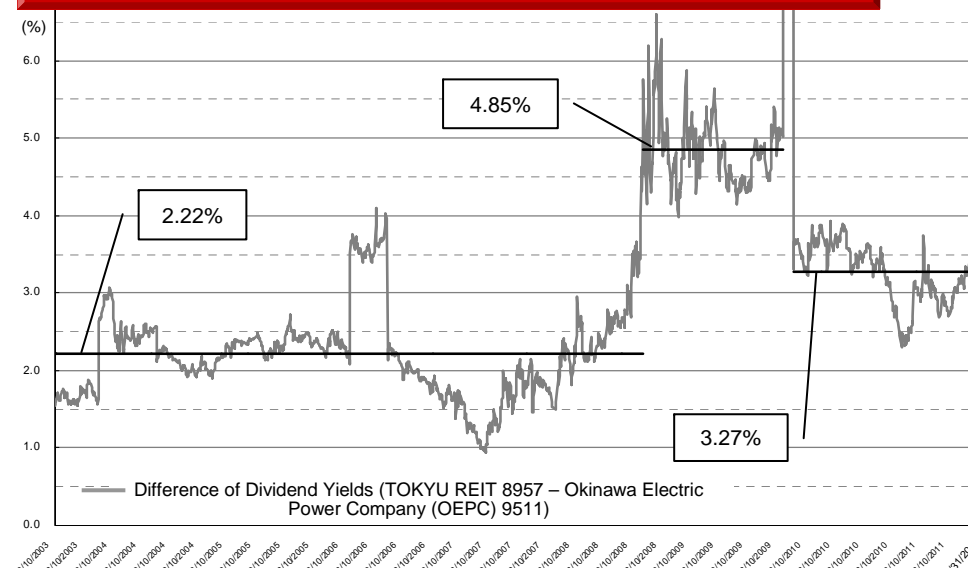
* Yields greater than offering prices in the IPO and 2nd PO, including dividends.

Difference Between Dividend Yields of TOKYU REIT and Utility Stocks

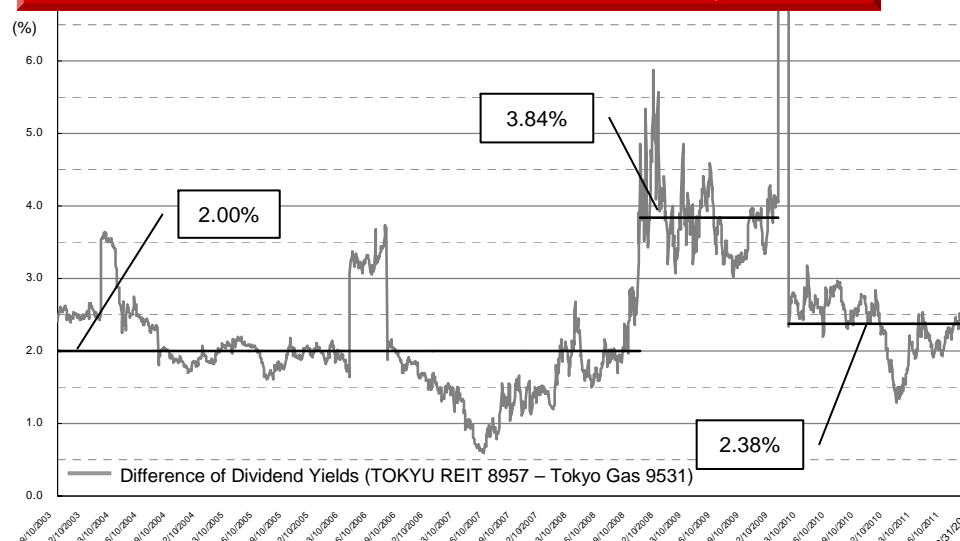
Difference Between Dividend Yields with TEPCO



Difference Between Dividend Yields with OEPC



Difference Between Dividend Yields with Tokyo Gas

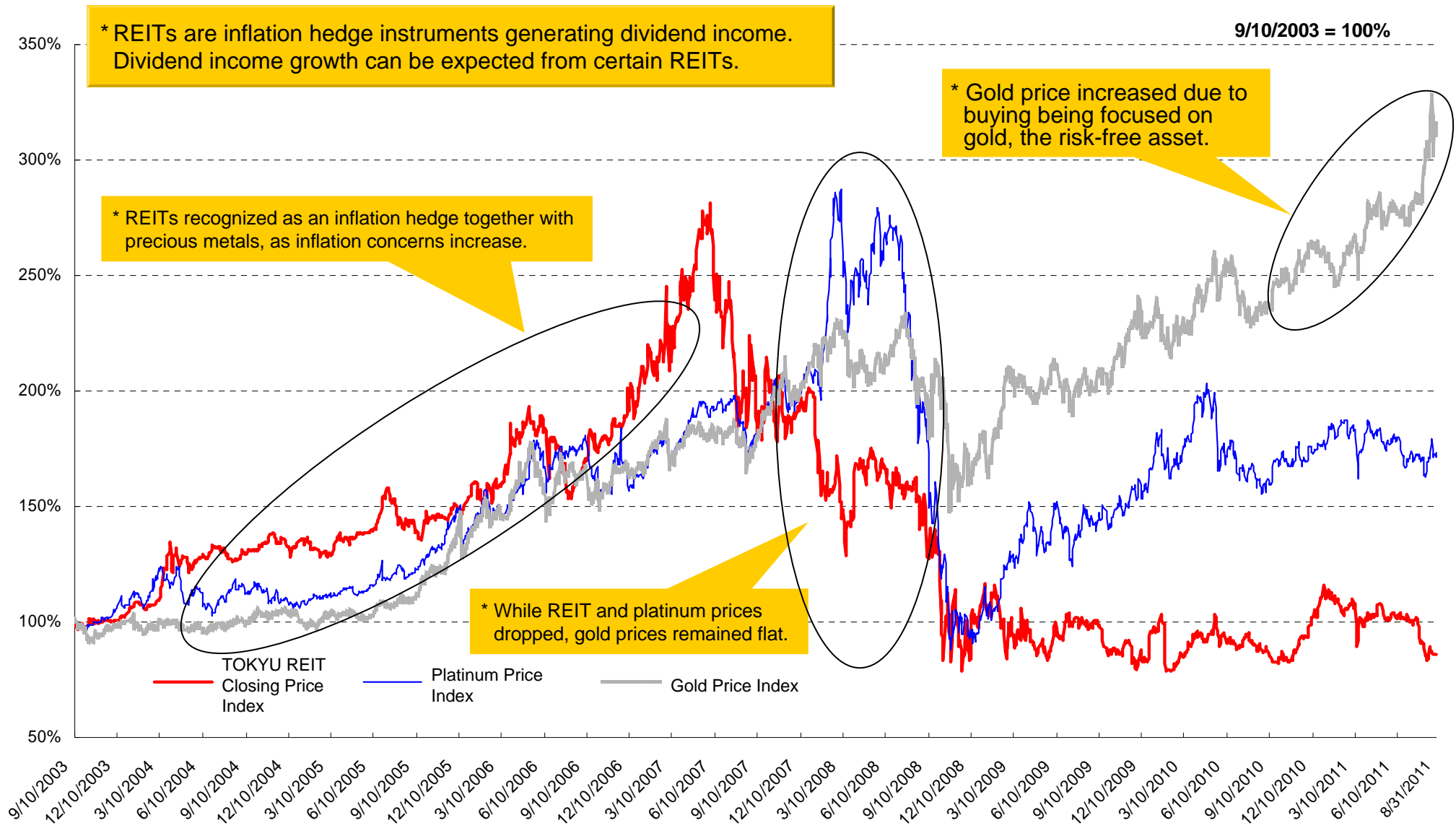


* Compared the dividend yield of TOKYU REIT with that of TEPCO and Tokyo Gas, Japan's representative utility stocks, respectively. Also compared with that of OEPC, which does not own any nuclear power plants, in order to exclude the impact of the Great East Japan Earthquake.

* Each figure represents the average spread for the respective periods of:
 Sep. 10, 2003 – Oct. 9, 2008,
 Oct. 10, 2008 – Dec. 24, 2009 and
 Jan. 27, 2010 – Aug. 31, 2011.

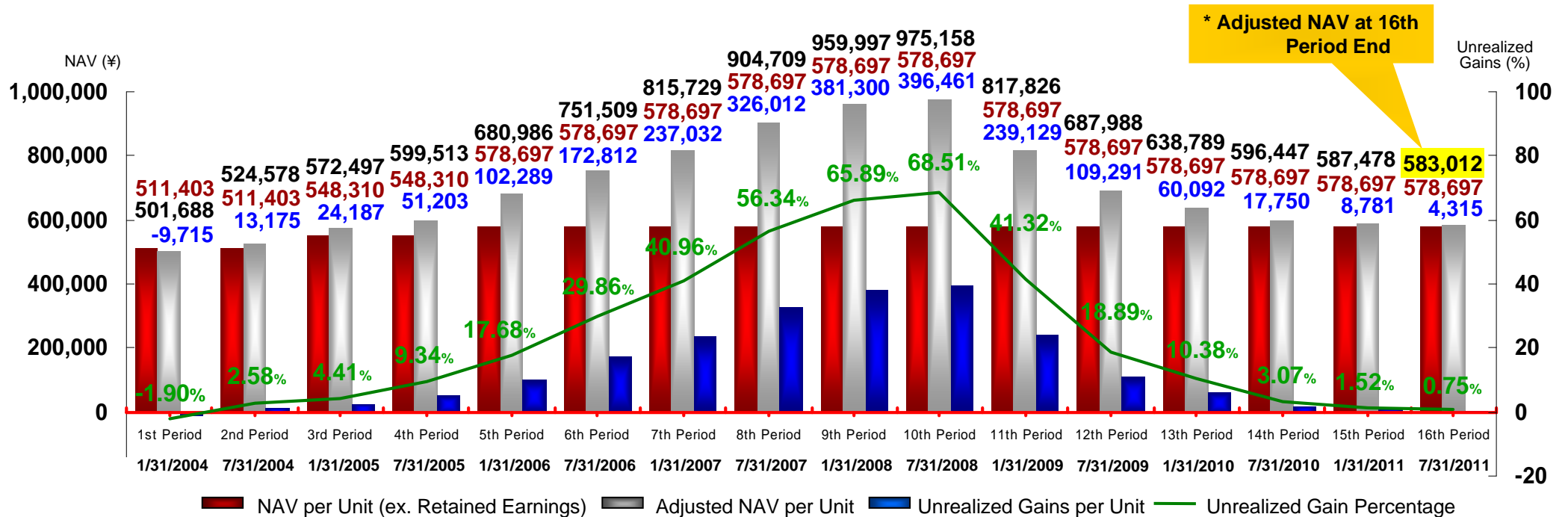
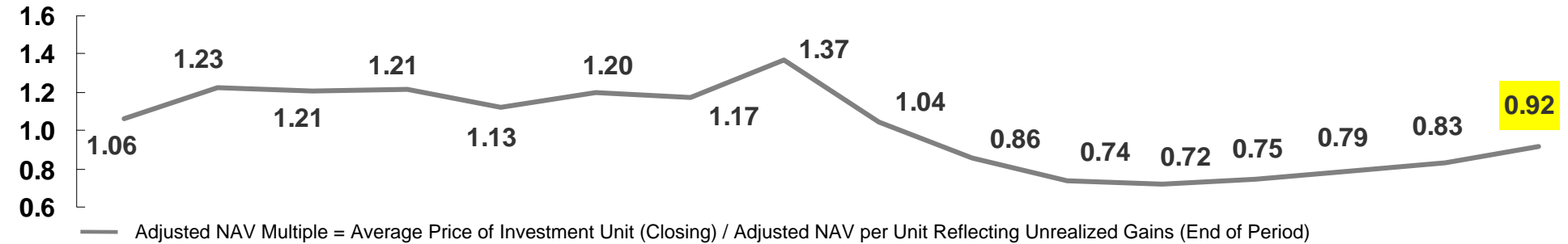
* The differences of yields rose sharply for the period between Dec. 25, 2009 and Jan. 26, 2010 because of the impact of the increase in the estimated distribution in accordance with the announced selling of Resona Maruha Building and Ryoshin Harajuku Building.

Comparison of Inflation Hedge Instruments and Unit Price (Comparison of TOKYU REIT (8957) and Precious Metals)



Changes in Asset Value (Adjusted NAV)

Adjusted NAV Multiple



Average Investment Unit Price	1st Period	2nd Period	3rd Period	4th Period	5th Period	6th Period	7th Period	8th Period	9th Period	10th Period	11th Period	12th Period	13th Period	14th Period	15th Period	16th Period
	¥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	¥470,862	¥490,426	¥534,655

Purchase of Investment Units of Real Estate Investment Trusts (J-REITs) by the Bank of Japan (BOJ)

1. Summary

- (1) Eligible for Purchase
 - J-REITs with an AA rating or above and which do not have any credit problems, etc.
 - J-REITs for whom dates when a trade is closed exceed 200 days per year and whose annual cumulative trading value is 20 billion yen or more
- (2) Method of Purchase:
 - A trust bank will act as the trustee and J-REITs will be purchased as a trust asset
 - Depending on market conditions, the trustee will proceed with the purchase in accordance with standards set forth by the BOJ
- (3) Purchasing Price:
 - Volume weighted average price (VWAP) at a stock exchange
- (4) Purchasing Period:
 - December 2010 ~ End of 2012 (amended as of August 4, 2011)
- (5) Purchasing Limit, etc.:
 - Around 110 billion yen (amended as of August 4, 2011)
 - Limited to less than 5% of outstanding units of a single REIT
- (6) Exercising of Voting Rights:
 - The BOJ will set forth a policy and the trustee shall exercise the rights accordingly
- (7) Selling:
 - The BOJ will set forth a policy and the trustee shall dispose them accordingly

2. Purchasing Results Up until Now (as of September 12, 2011)

Dec. 16, 2010	¥2.2 billion	Mar. 15, 2011	¥1.8 billion	Aug. 5, 2011	¥3.3 billion
Jan. 28, 2011	¥2.4 billion	Mar. 17, 2011	¥2.1 billion	Aug. 8, 2011	¥3.3 billion
Mar. 2, 2011	¥1.8 billion	Mar. 23, 2011	¥2.1 billion	Aug. 9, 2011	¥2.2 billion
Mar. 3, 2011	¥1.8 billion	Apr. 5, 2011	¥1.9 billion	Aug. 17, 2011	¥2.2 billion
Mar. 11, 2011	¥1.8 billion	Jul. 13, 2011	¥3.0 billion	Aug. 19, 2011	¥2.2 billion
Mar. 14, 2010	¥1.8 billion	Aug. 3, 2011	¥3.3 billion	Sep. 9, 2011	¥1.7 billion
				Sep. 12, 2011	¥1.7 billion

¥42.6 billion (Note)

*** The purchasing conducted by the BOJ is contributing to the recovery of trust in the J-REIT market.**

Source: Prepared by Tokyu REIM based on information from the BOJ website

(Note) Estimate

*Comments by Tokyu REIM

TOKYU REIT

3. Fund Management

(2) Debt Management and Composition of Unitholders

Debt Structure (1)

Rating (As of End of 16th Period)

- R&I** ■ Issuer Rating: AA- (Rating Outlook: Stable)
- S&P** ■ Long-Term Corporate Credit Rating: A (Outlook: Stable)
- Moody's** ■ Short-Term Corporate Credit Rating: A-1
- Issuer Rating: A2 (Rating Outlook: Negative)

*** High credit ratings help to respond to changing monetary situations.**

Commitment Line (As of End of 16th Period)

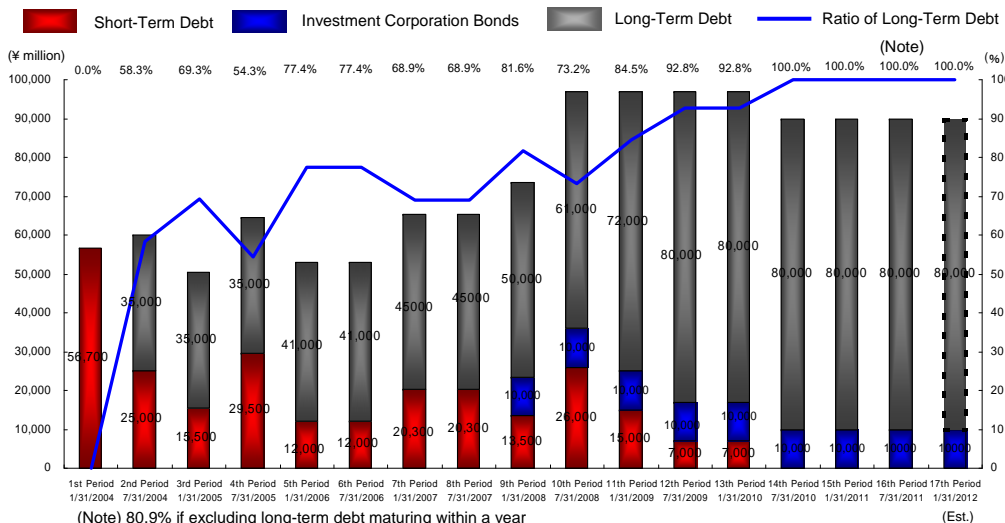
Development Bank of Japan ¥10.0 bn ... Due 7/1/2012 Mizuho Corporate Bank ¥1.6 bn ... Due 7/1/2012

Sumitomo Trust ¥1.6 bn ... Due 7/11/2012 Tokyo-Mitsubishi UFJ ¥1.6 bn ... Due 7/11/2012

Chuo Mitsui Trust ¥1.0 bn ... Due 4/20/2012 Mitsubishi UFJ Trust ¥1.6 bn ... Due 7/11/2012

Total ¥20.0 bn

Ratio of Long-Term Debt



Interest Bearing Debt

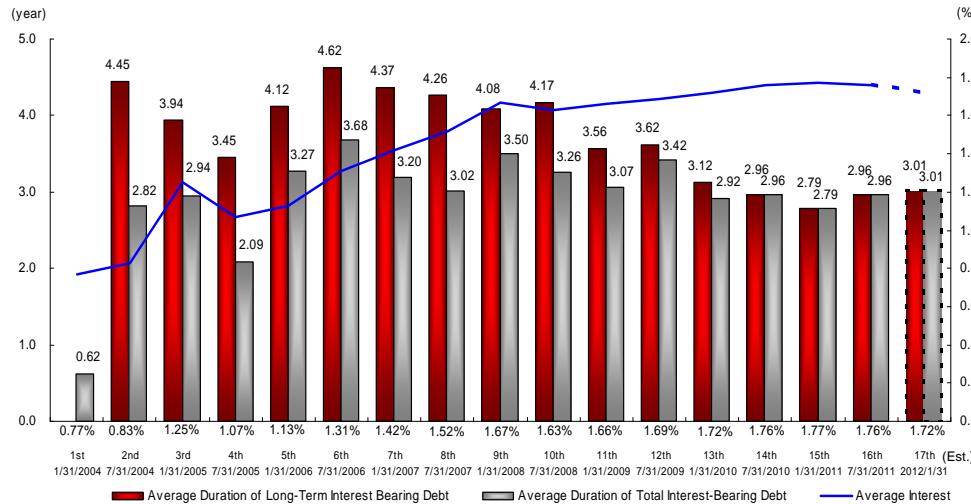
Category	Lender	Amount (¥ million)	Interest Rate (%)	Debt Origination Date	Maturity		Note	
					Due Date	Period		
Long term	Development Bank of Japan	4,000	2.03000	6/25/2004	6/25/2012	18th	Unsecured Unguaranteed	
	National Mutual Insurance Federation of Agricultural Cooperatives	1,000	1.26250	10/25/2005	10/25/2011	17th		
	Development Bank of Japan	5,000	1.95000	1/25/2006	1/25/2018	29th		
	Dai-ichi Life Mutual Life Insurance	4,000	2.21125	7/31/2006	7/31/2013	20th		
	Dai-ichi Life Mutual Life Insurance	1,000	-	-	-	-		-
	National Mutual Insurance Federation of Agricultural Cooperatives	3,000	1.92000	1/25/2007	1/25/2014	21st		
	Bank of Tokyo- Mitsubishi UFJ	5,000	1.62625	9/25/2007	9/25/2011	17th		
	Daido Life Insurance Company	3,000	1.76625	3/10/2008	3/10/2016	26th		
	Mitsubishi UFJ Trust Bank	1,000	2.10187	-	12/25/2013	21st		
	Development Bank of Japan	5,000	2.21100	6/25/2008	6/25/2015	24th		
	The Norinchukin Bank	1,000	1.80375	7/25/2008	7/25/2012	18th		
	Mizuho Corporate Bank	2,000	1.54250	11/11/2008	11/11/2011	17th		
	Mitsubishi UFJ Trust Bank	2,000	1.72500	11/18/2008	11/18/2012	19th		
	Bank of Tokyo-Mitsubishi UFJ	2,000	1.63062	11/25/2008	5/25/2012	18th		
	Mizuho Corporate Bank	1,000	1.52875	-	11/11/2011	17th		
	Development Bank of Japan	5,000	1.79000	2/25/2009	2/25/2014	22nd		
	Mizuho Corporate Bank	400	1.32750	4/27/2009	10/27/2011	17th		
	Chuo Mitsui Trust Bank	2,500	1.67500	-	6/25/2013	20th		
	Mitsubishi UFJ Trust Bank	2,500	-	6/25/2009	-	-		
	Chuo Mitsui Trust Bank	2,500	1.78812	-	12/25/2013	21st		
	Mitsubishi UFJ Trust Bank	2,500	-	-	-	-		
	Bank of Tokyo-Mitsubishi UFJ	1,400	1.17000 (Floating Rate)	-	8/29/2012	19th		
	Sumitomo Trust Bank	400	1.66375	6/29/2009	6/29/2013	20th		
	Chuo Mitsui Trust Bank	400	1.46875	-	6/29/2012	18th		
	Mitsubishi UFJ Trust Bank	400	-	-	-	-		
	Daido Life Insurance Company	1,000	1.17125	-	12/25/2012	19th		
	Mizuho Corporate Bank	1,000	1.31250	6/25/2010	6/25/2014	22nd		
	Mitsui Sumitomo Insurance	1,000	-	-	-	-		
Sumitomo Trust Bank	1,000	-	-	-	-			
Chuo Mitsui Trust Bank	1,000	1.46250	7/26/2010	7/26/2015	24th			
Shinkin Central Bank	2,000	-	-	-	-			
Sumitomo Trust Bank	5,000	1.63250	12/27/2010	12/27/2016	27th			
Chuo Mitsui Trust Bank	2,000	1.47625	5/18/2011	5/18/2017	28th			
Sumitomo Trust Bank	2,000	1.47625	5/25/2011	5/25/2017	28th			
Mizuho Corporate Bank	2,000	1.45375	6/27/2011	6/27/2017	28th			
Nippon Life Insurance	2,000	1.36875	7/29/2011	1/31/2017	27th			
Nippon Life Insurance	2,000	1.49563	-	1/31/2018	29th			
Total Long-Term Borrowings		80,000	-	-	-	-		
Total Borrowings		80,000	-	-	-	-		
Bonds	#1 Investment Corporation Bond	5,000	1.65000	10/24/2007	10/24/2012	19th	Unsecured Unguaranteed	
	#2 Investment Corporation Bond	5,000	1.89000	-	10/24/2014	23rd		
Total Corporate Bonds		10,000	-	-	-	-		
Total Interest-Bearing Debt		90,000	-	-	-	-		

* Average Interest Rate: 1.76%
Commitment Line (As of End of 16th Period)

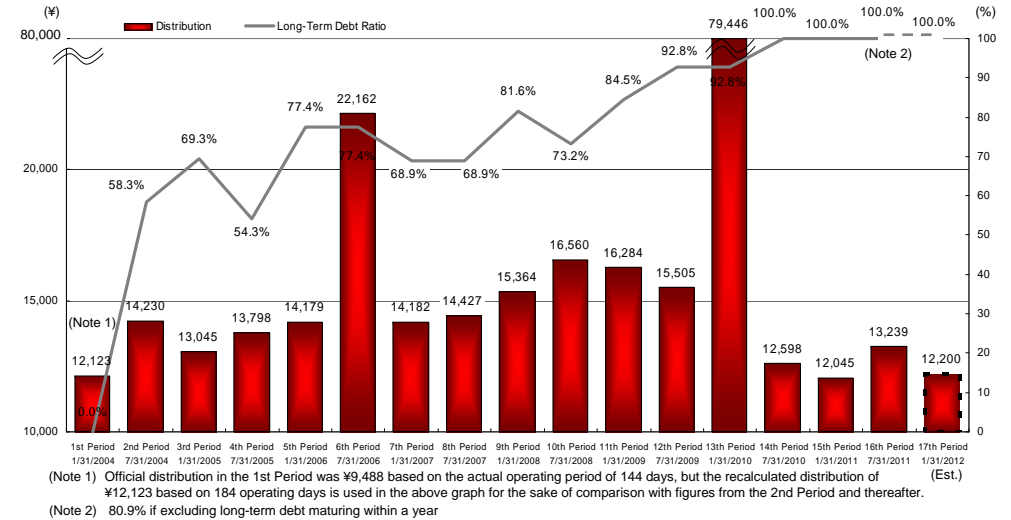
*** Increasing long-term debt position in order to strengthen financial situation.**

Debt Structure (2)

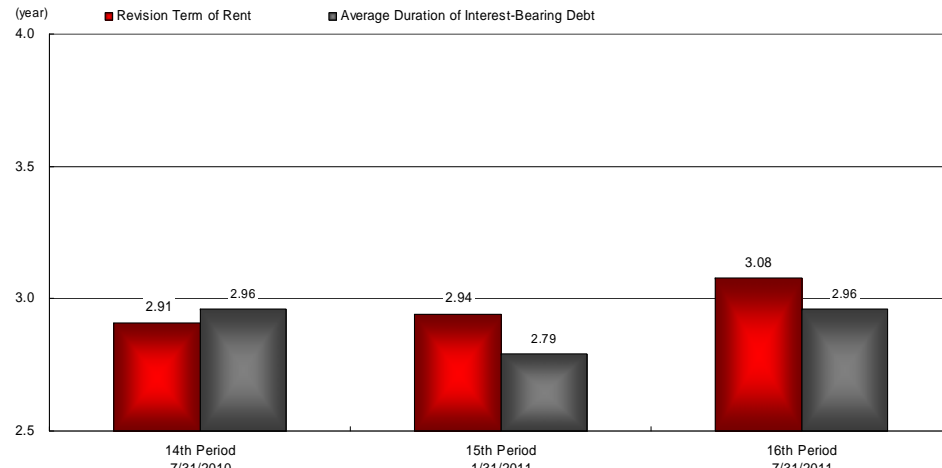
Average Duration of Interest-Bearing Debt and Average Interest



Distribution and Long-Term Debt Ratio

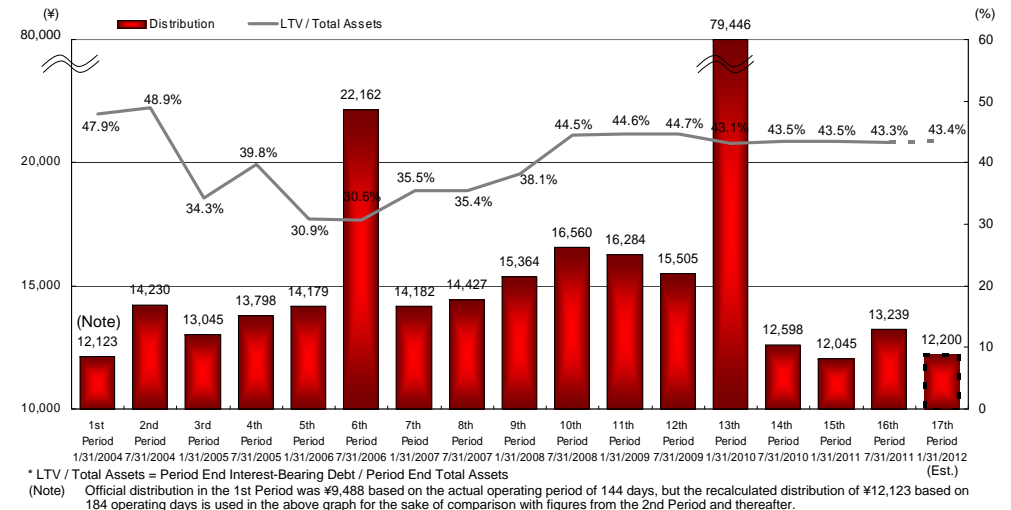


Revision Term of Rent to Average Duration of Interest-Bearing Debt



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

Distribution and LTV / Total Assets

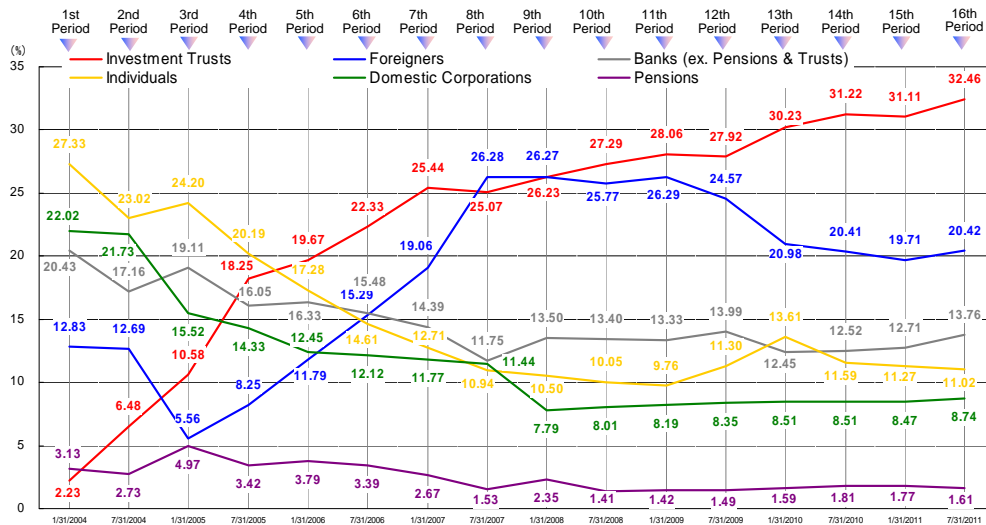


*** Focus on earnings quality through conservative long-term debt ratio and LTV.**

* Interest-Bearing Debt in this presentation does not include security deposits provided by tenants.

Composition of Unitholders

Changes in Unitholder Composition (Main Segments)

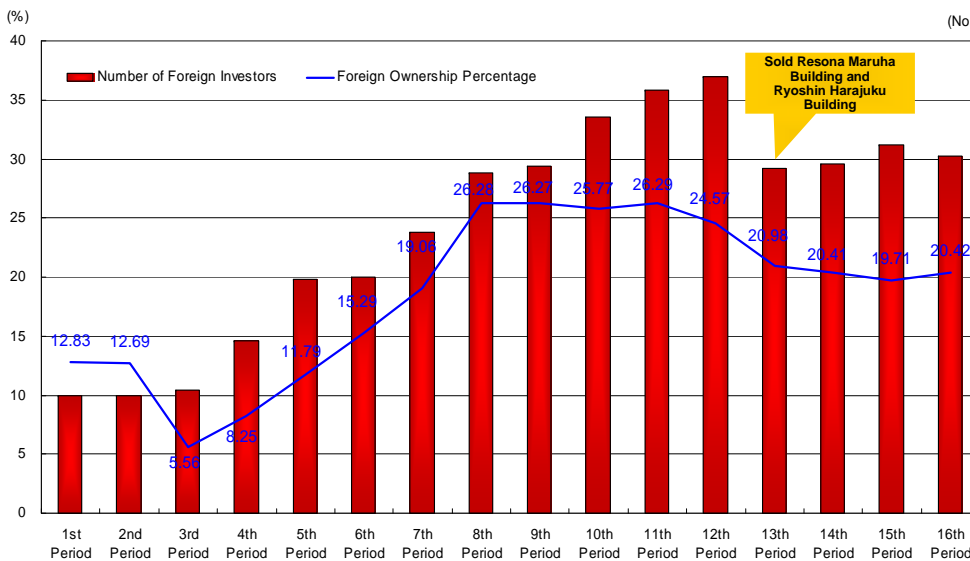


* Domestic Mutual Funds hold the largest share among investors.

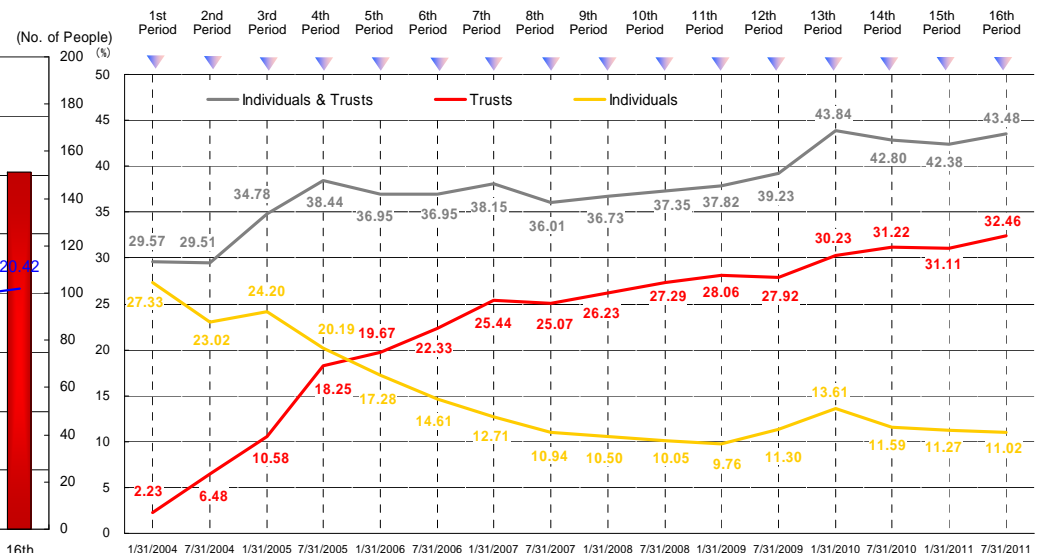
* Individual ownership percentage (Individuals and Trusts) exceeds 40% of the total.

* Investment by foreigners remains flat.

Foreign Ownership Percentage / Number of Foreign Investors



Individual Ownership Percentage



*Comments by Tokyu REIM 56

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

15th Period (Ended Jan. 31, 2011)

Unitholders	No. of Units Held	Share (%)
1 Japan Trustee Services Bank Ltd.	24,353	14.37
2 The Nomura Trust and Banking Co., Ltd.	14,809	8.74
3 Trust & Custody Services Bank, Ltd.	13,433	7.93
4 Tokyu Corporation	5,880	3.47
5 AIG Star Life Insurance Co., Ltd.	4,871	2.87
6 The Master Trust Bank of Japan, Ltd.	4,172	2.46
7 AIG Edison Life Insurance Co., Ltd.	4,056	2.39
8 State Street Bank and Trust Company 505103	4,039	2.38
9 Asahi Fire and Marine Insurance	4,000	2.36
10 Tokyu Land Corporation	3,920	2.31
11 American Life Insurance Company	3,902	2.30
12 The Momiji Bank	3,479	2.05
13 Nomura Bank (Luxembourg) S.A.	3,371	1.99
14 The National Mutual Insurance Federation of Agricultural Cooperatives	2,505	1.47
15 The Hachijuni Bank, Ltd.	2,357	1.39
16 Kansai Urban Banking Corporation	1,964	1.15
17 Mizuho Trust & Banking Co. Ltd.	1,479	0.87
18 Mellon Bank ABN Amro Global Custody N.V.	1,357	0.80
19 SIX SIS Ltd.	1,349	0.79
20 The Chukyo Bank, Ltd.	1,344	0.79
Total Units Held by Top 20 Unitholders	106,640	62.95
Outstanding Units	169,380	100.00

16th Period (Ended Jul. 31, 2011)

Unitholders	No. of Units Held	Share (%)
1 Japan Trustee Services Bank Ltd.	30,739	18.14
2 Trust & Custody Services Bank, Ltd.	13,791	8.14
3 The Nomura Trust and Banking Co., Ltd.	13,188	7.78
4 Tokyu Corporation	9,800	5.78
5 Nomura Bank (Luxembourg) S.A.	4,720	2.78
6 State Street Bank and Trust Company 505103	4,023	2.37
7 Asahi Fire and Marine Insurance	4,000	2.36
8 AIG Star Life Insurance Co., Ltd.	3,961	2.33
9 American Life Insurance Company	3,902	2.30
10 The Hachijuni Bank, Ltd.	3,250	1.91
11 The Master Trust Bank of Japan, Ltd.	3,234	1.90
12 The Momiji Bank	2,979	1.75
13 The National Mutual Insurance Federation of Agricultural Cooperatives	2,097	1.23
14 Kansai Urban Banking Corporation	1,964	1.15
15 State Street Bank and Trust Company 505223	1,527	0.90
16 SIX SIS Ltd.	1,382	0.81
17 The Chukyo Bank, Ltd.	1,344	0.79
18 The Bank of New York, Treaty JASDEC Account	1,327	0.78
19 North Pacific Bank	1,043	0.61
20 ORIX Life Insurance Corporation	1,026	0.60
Total Units Held by Top 20 Unitholders	109,297	64.52
Outstanding Units	169,380	100.00



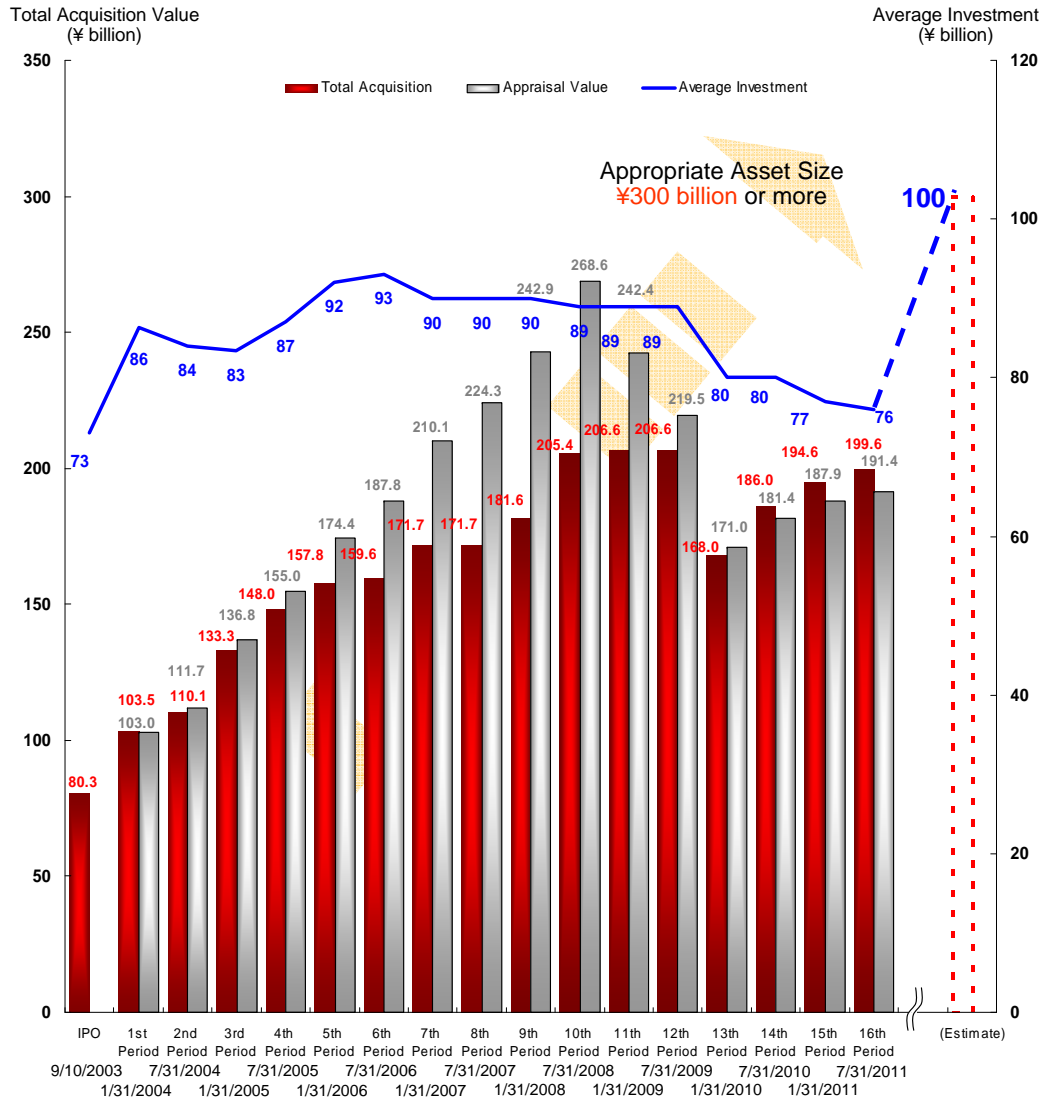
3. Fund Management

(3) Portfolio Management and Risk Management

External Growth

External Growth (Steady Acquisition of Quality Properties)

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



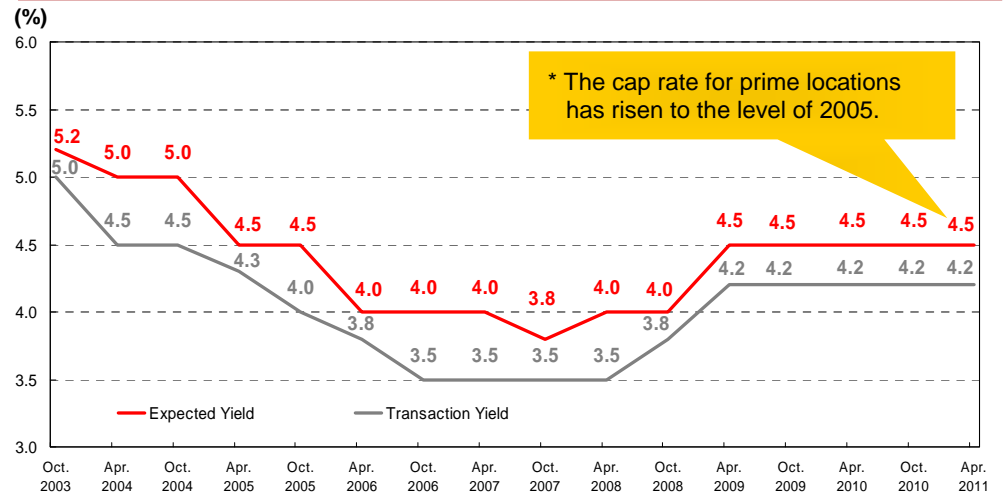
Rent Estimates by Region (Rent Level at Survey Date = 100)

* Investor outlook remained almost the same as the previous survey in Tokyo.

23rd Survey (Oct. 2010)					24th Survey (Apr. 2011)				
Area	Next Year	2 Years	5 Years	10 Years	Area	Next Year	2 Years	5 Years	10 Years
Marunouchi, Otemachi area	100	100	103	105	Marunouchi, Otemachi area	100	100	103	105
Shibuya, Shibuya Station area	99	100	100	102	Shibuya, Shibuya Station area	99	100	100	102
Nagoya, Nagoya Station area	97	97	99	100	Nagoya, Nagoya Station area	97	98	100	100
Osaka, along the Midosuji Line	97	97	99	100	Osaka, along the Midosuji Line	98	98	100	100

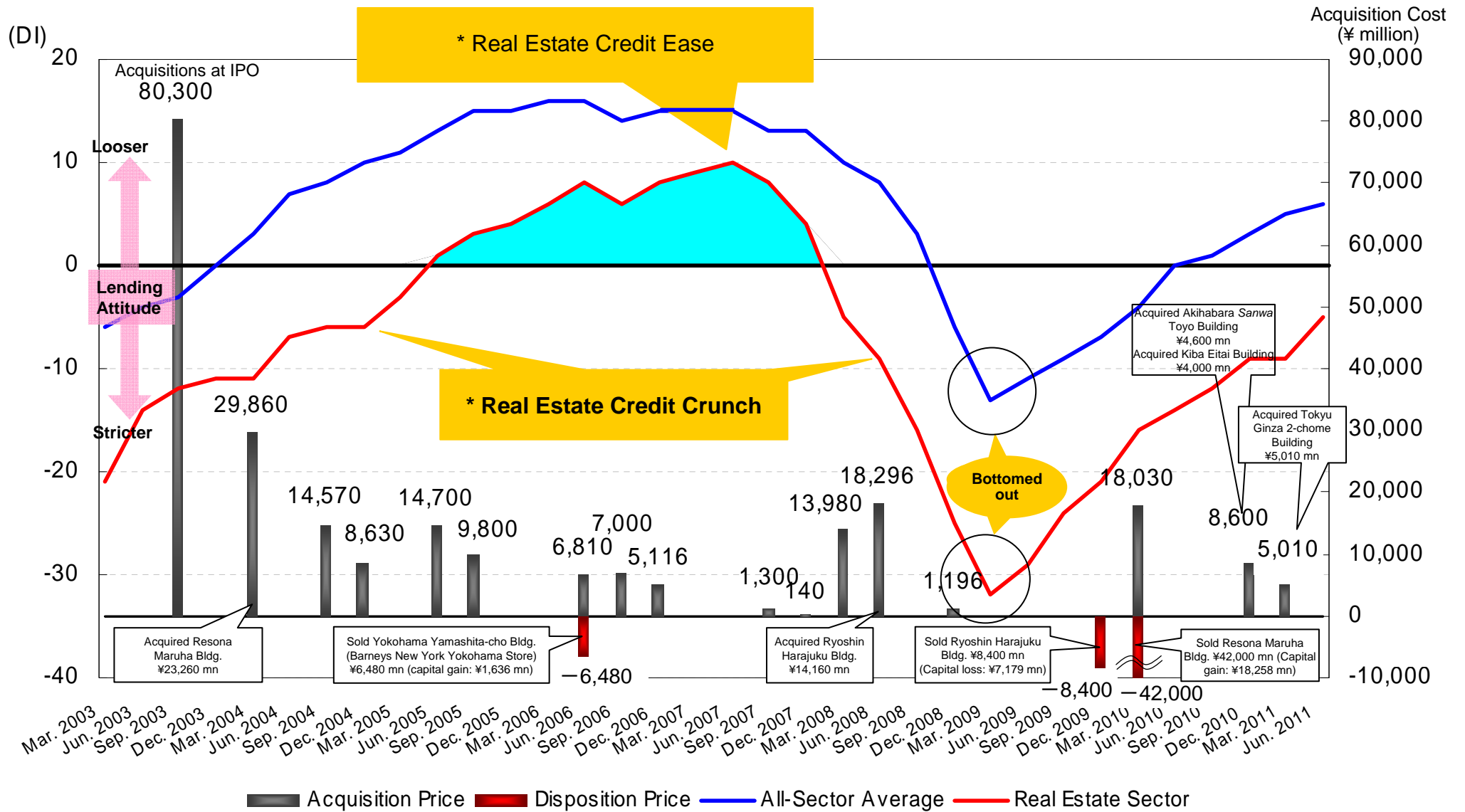
Source: Japan Real Estate Institute "Japan Real Estate Investors Survey"

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



Source: Japan Real Estate Institute "Japan Real Estate Investors Survey" *Comments by Tokyu REIM **59**

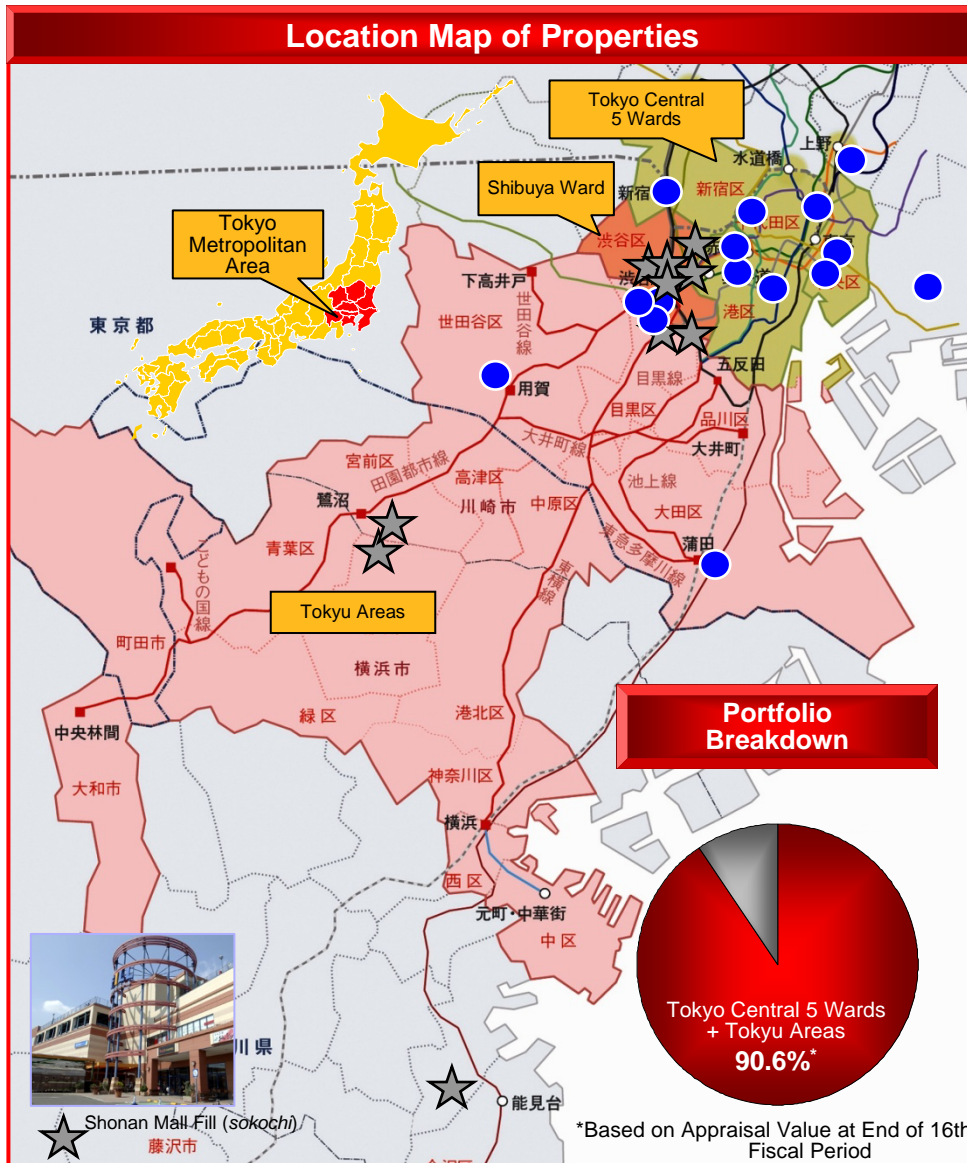
Lending Attitude of Financial Institutions & TOKYU REIT's Acquisition Timing of Properties



* Acquisition price on secondary y-axis, each bar represents the total acquisition price in the respective month and 2 months prior (i.e., June 2008 includes April – June 2008)
Source: BOJ (Tankan Survey)

*Comments by Tokyu REIM **60**

Portfolio Overview (26 Properties; Total acquisition price: 199.6 billion yen)



Retail Properties ☆

 QFRONT	 Lexington Aoyama	 TOKYU REIT Omotesando Sq.	 Tokyu Saginuma Bldg.	 CONZE Ebisu
 Tokyu Saginuma 2 Bldg.	 TOKYU REIT Shibuya Udagawa-cho Sq.	 Beacon Hill Plaza (Ito-Yokado Nokendai Store)	 cocoti	 Daikanyama Forum

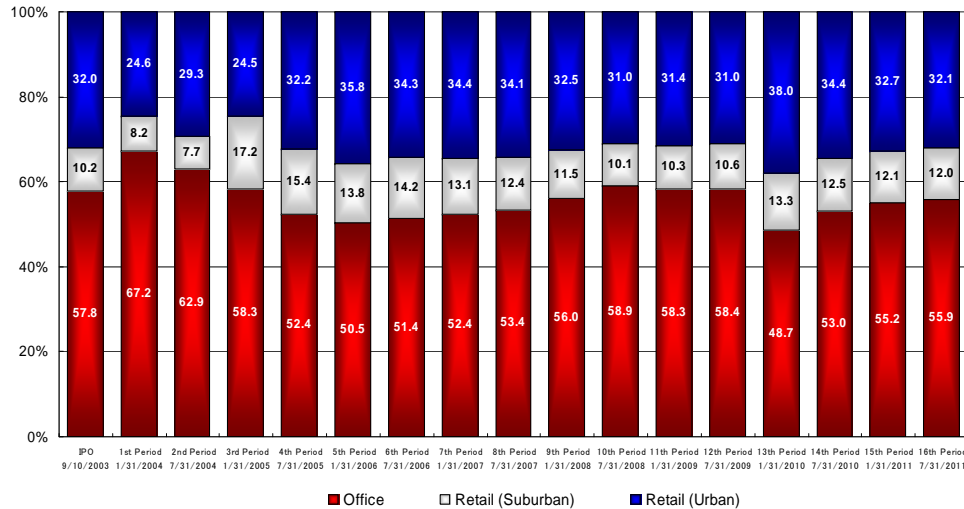
Office Properties ○

 Setagaya Business Square	 Tokyu Nampoicho Bldg.	 Tokyu Sakuragaoka-cho Bldg.	 Tokyo Nissan Taito Bldg.	 TOKYU REIT Akasaka Hinokicho Bldg.
 TOKYU REIT Kamata Bldg.	 TOKYU REIT Toranomon Bldg.	 TOKYU REIT Hatchobori Bldg.	 Akasaka 4-chome Bldg. (Tokyu Agency Inc. Head Office Building)	 Tokyu Ikejiri-ohashi Building
 Kojimachi Square	 TOKYU REIT Shinjuku Building	 Akihabara Sanwa Toyo Building	 Kiba Eitai Building	 Tokyu Ginza 2-chome Building

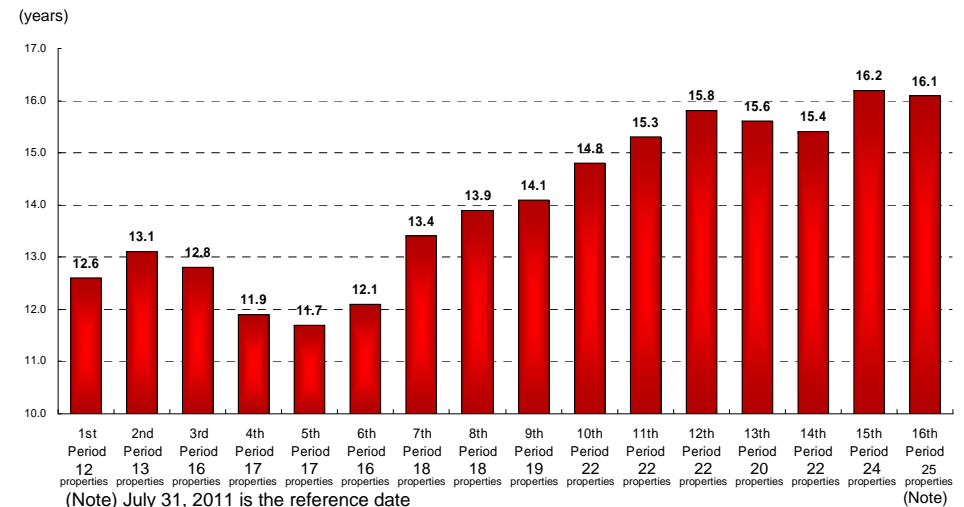
Total Acquisition Price does not include acquisition-related costs, property tax, city planning tax and consumption tax.

Portfolio Overview (1)

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

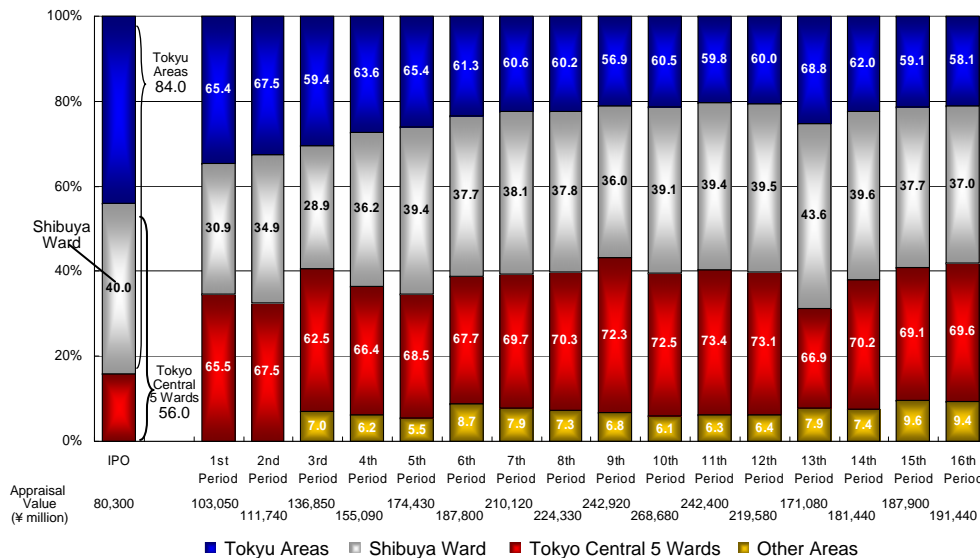


Weighted Average Property Age

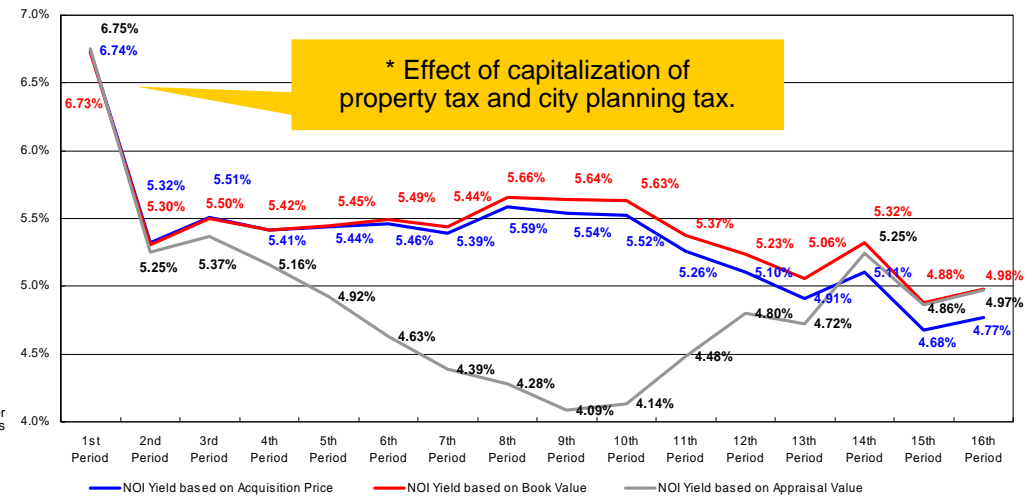


(Note) July 31, 2011 is the reference date
 * Weighted average of the age of buildings at period end multiplied by the acquisition cost
 * Not including Shonan Mall Fill (sokochi)

Area (Based on Appraisal Values at End of Period)



NOI Yield

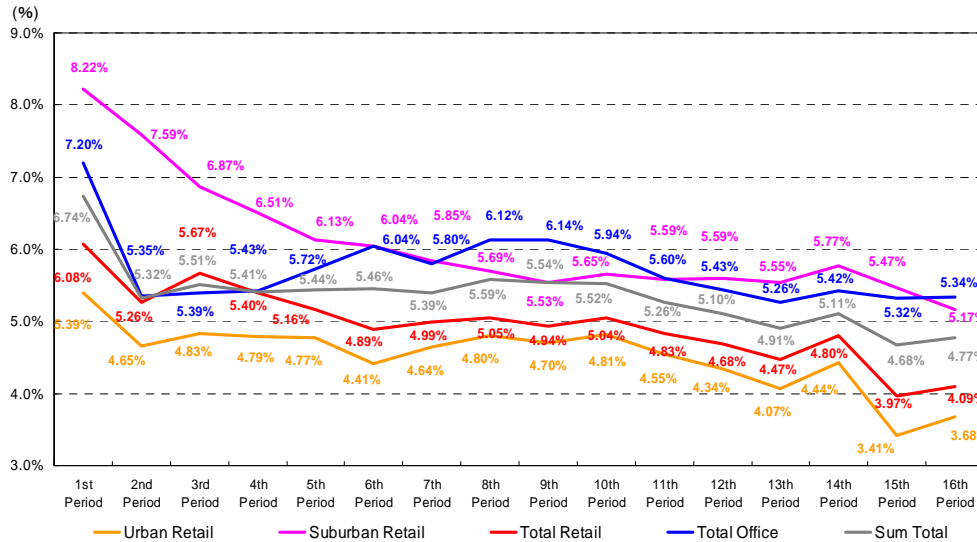


* Effect of capitalization of property tax and city planning tax.

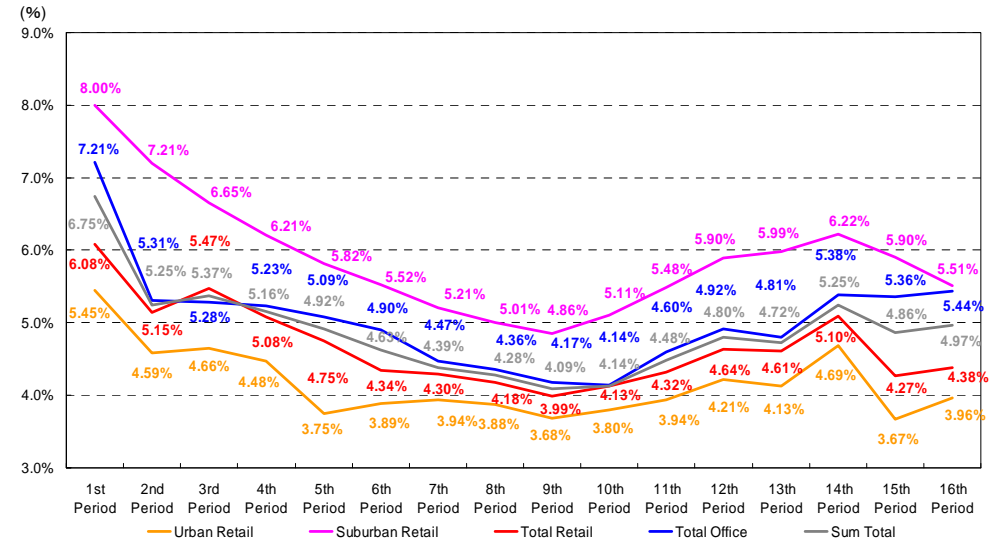
Portfolio Overview (2)



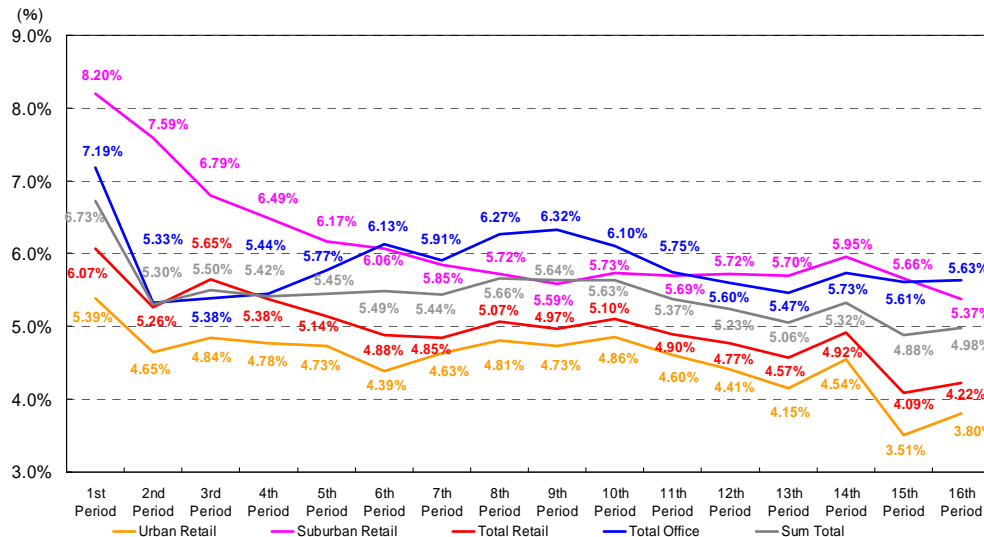
Changes in NOI Yield (Based on Acquisition Price)



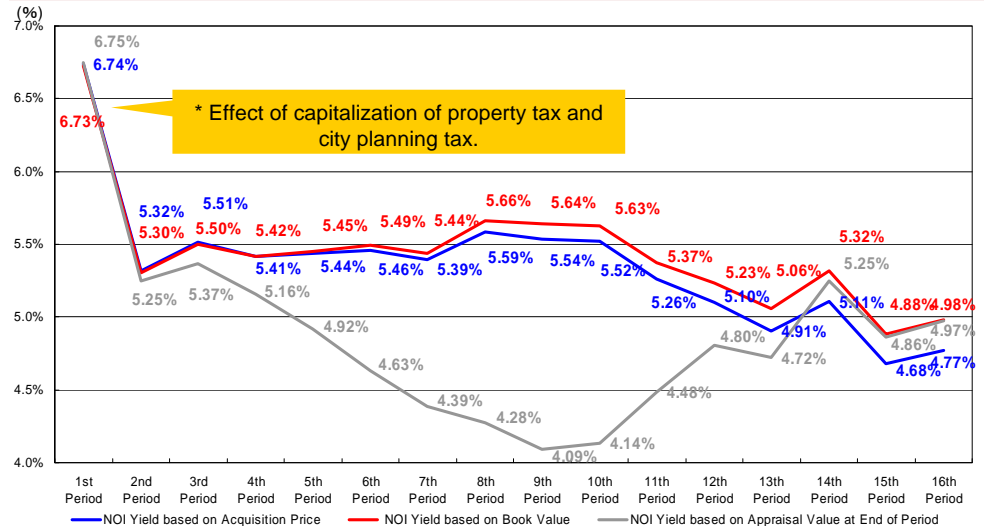
Changes in NOI Yield (Based on Appraisal Value at End of Period)



Changes in NOI Yield (Based on Book Value)



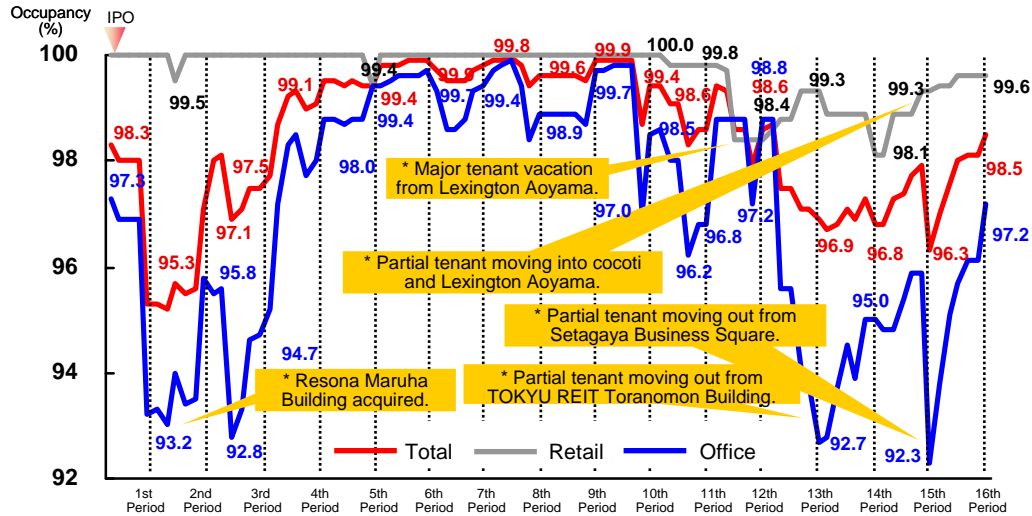
Changes in NOI Yield



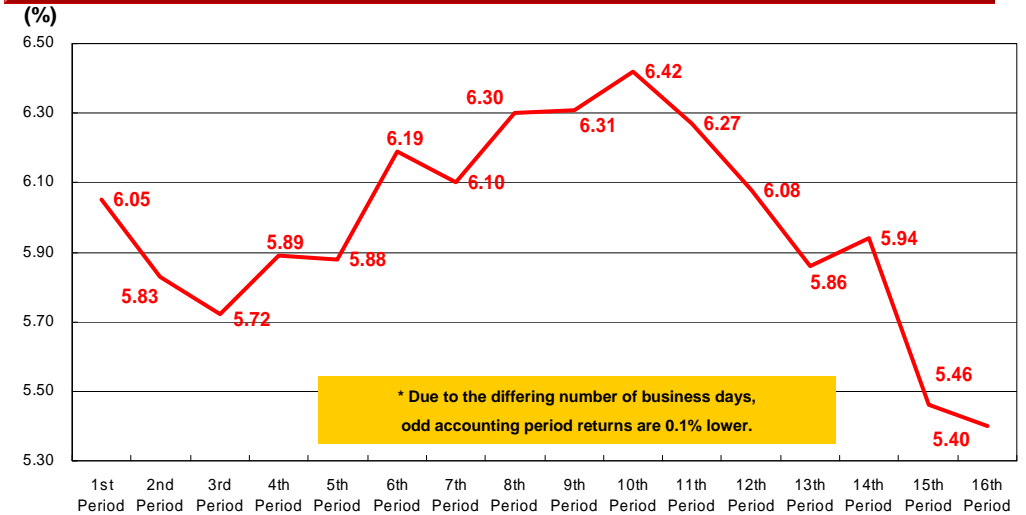
*Comments by Tokyu REIT 63

Internal Growth

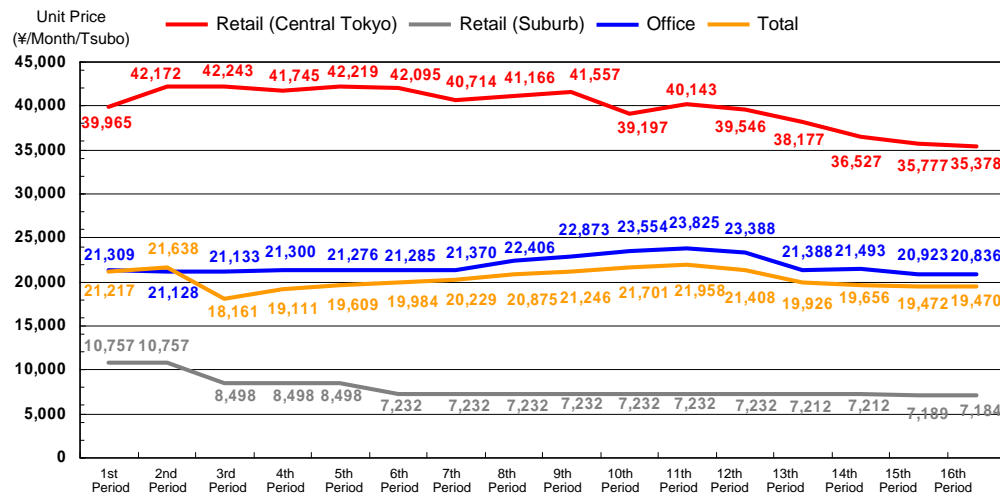
Changes in Occupancy of Overall Portfolio



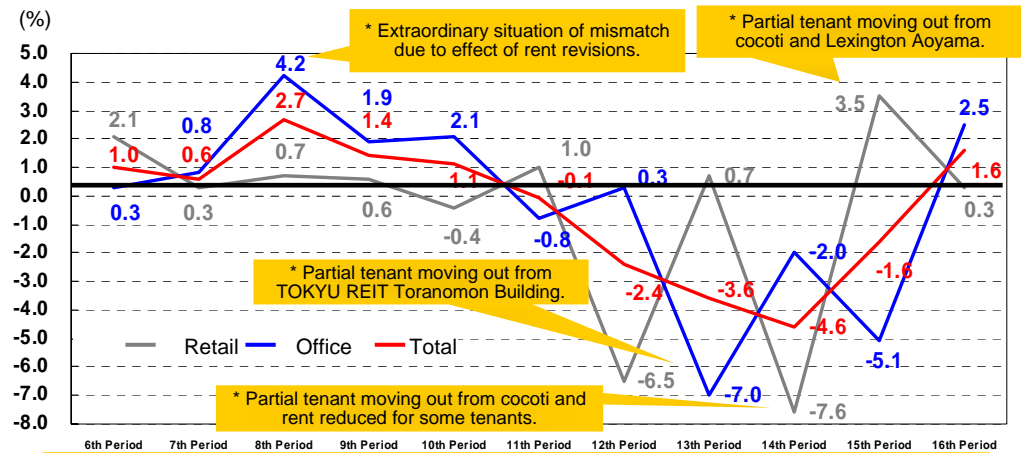
NOI Yield of 11 Properties at IPO (After Deducting Capitalized Property and City Planning Taxes)



Average Rent (Including Common Area Charge)



Period-on-Period Monthly Leasing Revenue Increase Rate



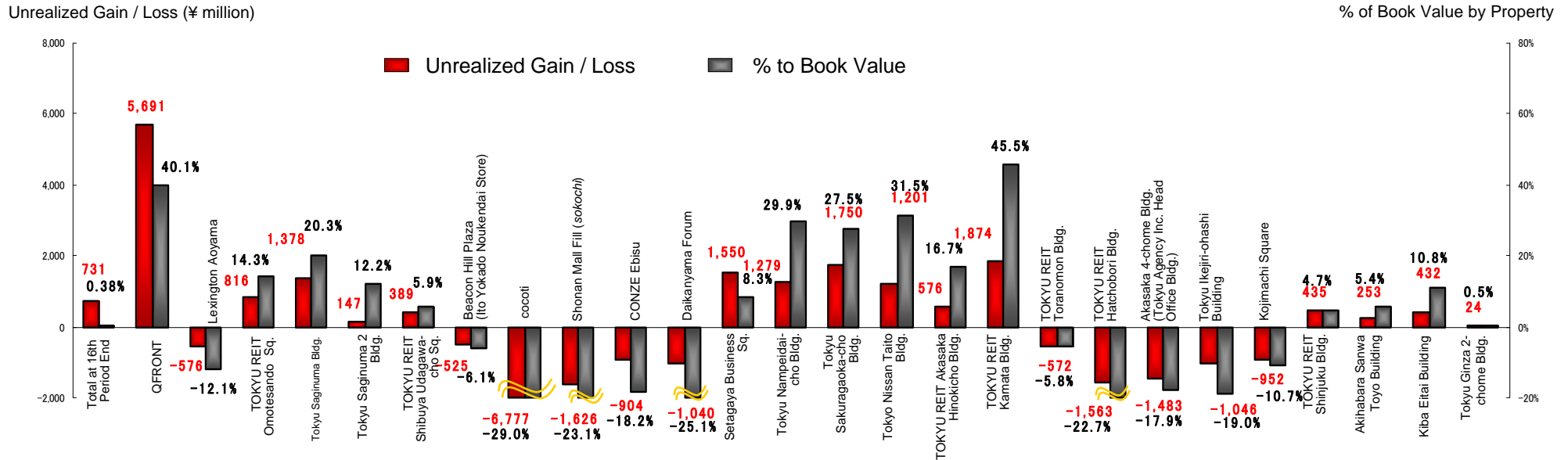
*** Monthly leasing revenue increased due to improved occupancy rate.**

* In calculating the above unit price, Shonan Mall Fill (sokochi) is not included.
 * Excludes income from parking, warehouses, etc.
 * Retail (Central Tokyo): OFront, TOKYU REIT Omotesando Square, Lexington Aoyama, TOKYU REIT Shibuya Udagawa-cho Square, cocoti, CONZE Eblisu and Daikanyama Forum.
 * Retail (Suburb): Tokyu Saginuma Building, Tokyu Saginuma 2 Building, Beacon Hill Plaza (Ito-Yokado Nokenland Store), Yokohama Yamashita-cho Building (Bameys 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).
 * Effects from property sales and purchases have been eliminated.

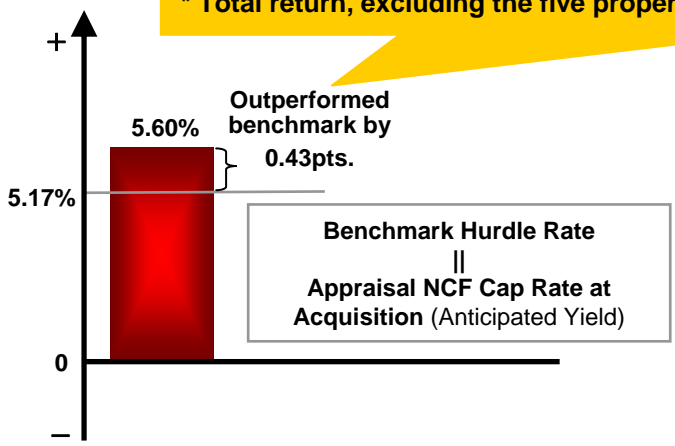
Unrealized Gains and Total Return

Unrealized Gains / Losses and Percentage Against Book Value by Property



Portfolio Return Performance

*** Total return, excluding the five properties recently acquired, has outperformed the benchmark by 0.43 points.**

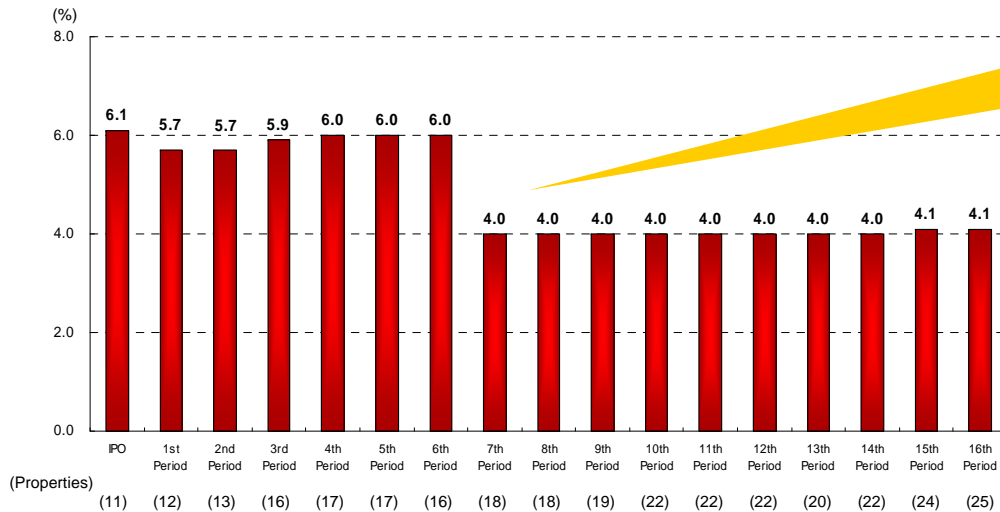


- Based on 24 properties (acquisition price base: ¥211,699 million), which is the sum of 21 properties that have been held for more than 4 periods, Yokohama Yamashita-cho Building (Barneys New York Yokohama Store), Resona Maruha Building and Ryoshin Harajuku Building
- * Fiscal period end property values are utilized as the disposal price (sale price) of properties 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.
- * 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).
- IRR for the above 21 properties (acquisition price base: ¥168,033 million) is 4.66% (underperforming the benchmark return of 5.17% by 0.51 points)

*Comments by Tokyu REIM **65**

Risk Management (1)

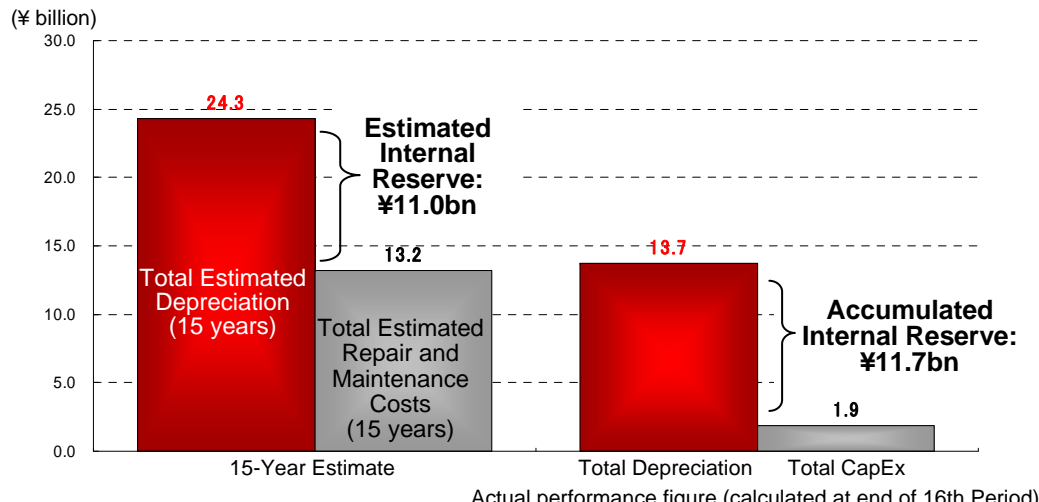
Portfolio PML Trends



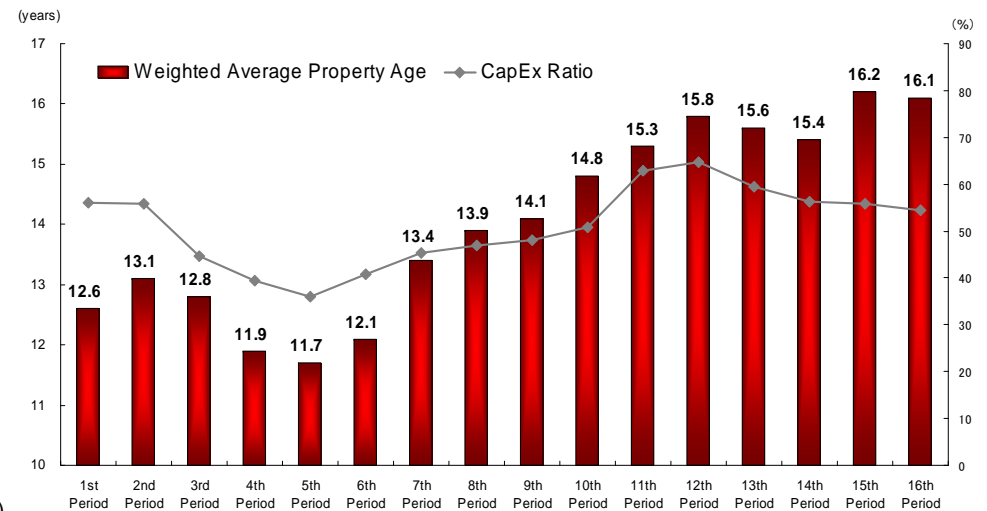
* PML decreased due to a change in the property value appraisal method utilized by E.R.S. Corporation and Oyo RMS Corporation resulting from the introduction of a new seismic analysis method.

* 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.

Balance of Depreciation and Repair and Maintenance Costs



Weighted Average Property Age and CapEx Ratio



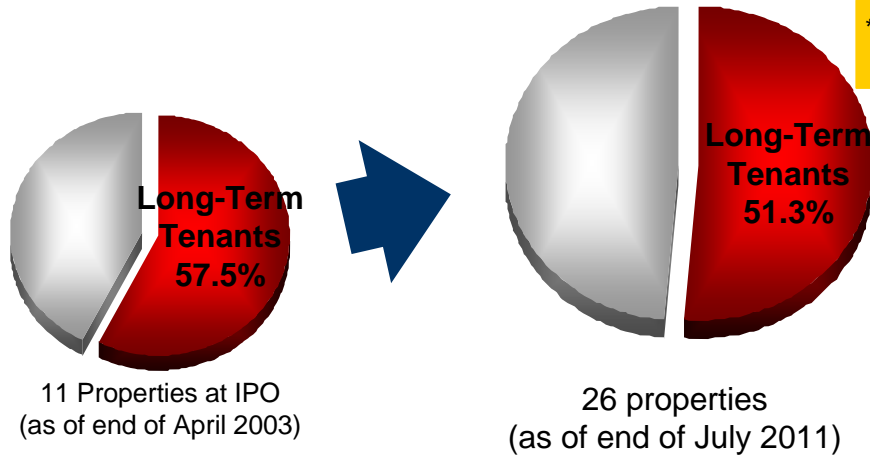
* Repair and maintenance cost estimates are updated when appropriate.
* Not including Shonan Mall Fill (sokochi)

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

Risk Management (2)

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

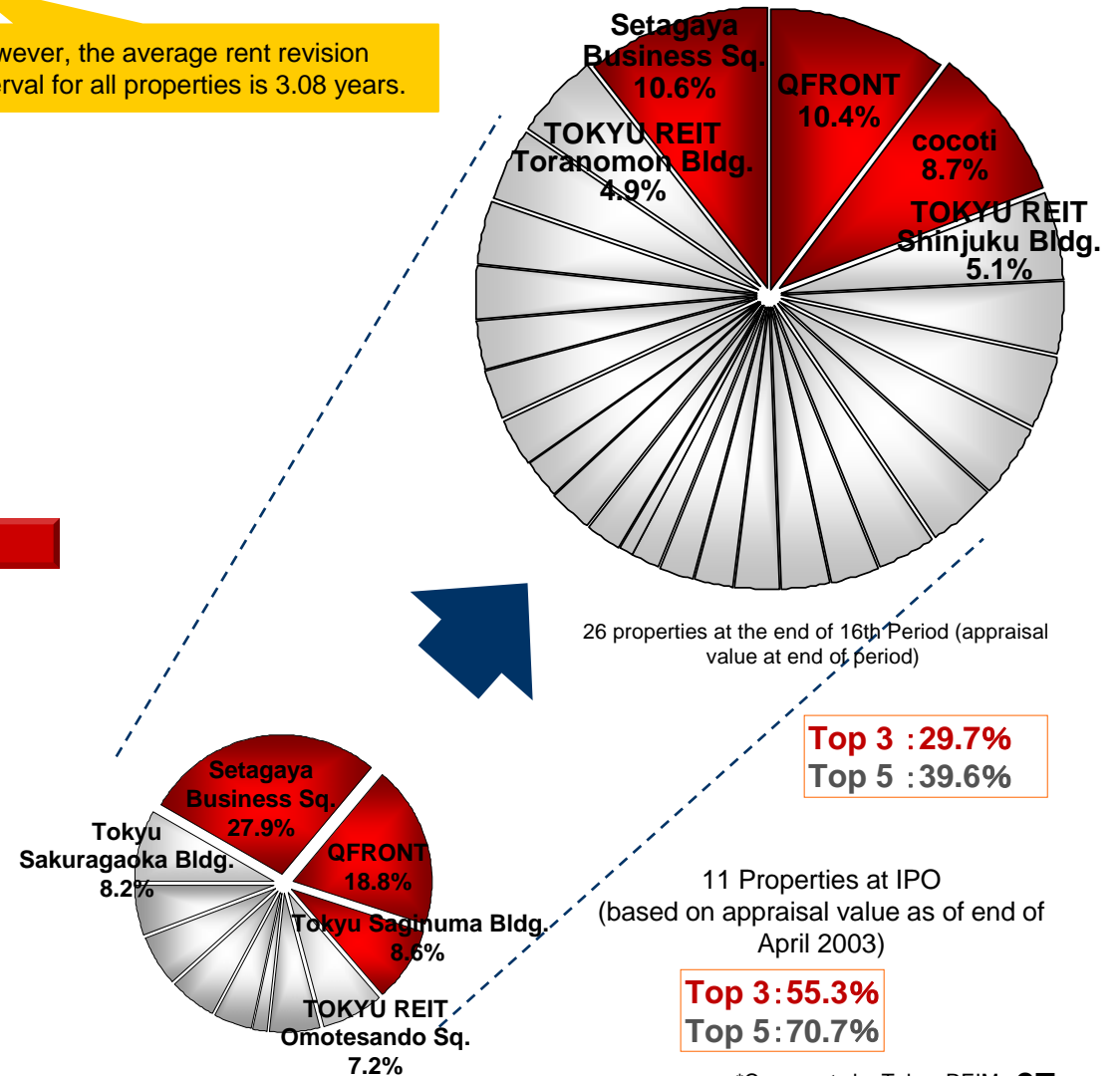
* Continue to attract long-term commitments.



* However, the average rent revision interval for all properties is 3.08 years.

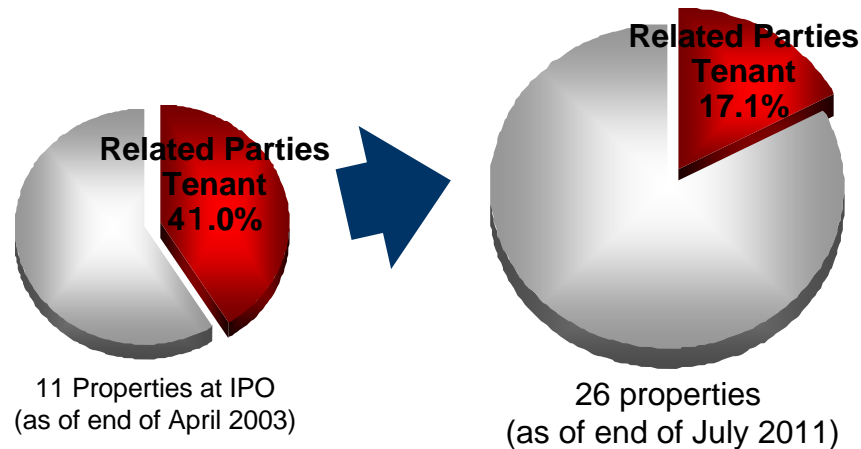
Property Concentration

* Ratio of each property decreased as number of buildings increased.



Related Parties Tenant Concentration (Based on Leasable Area)

* Lower dependence on Related Parties.



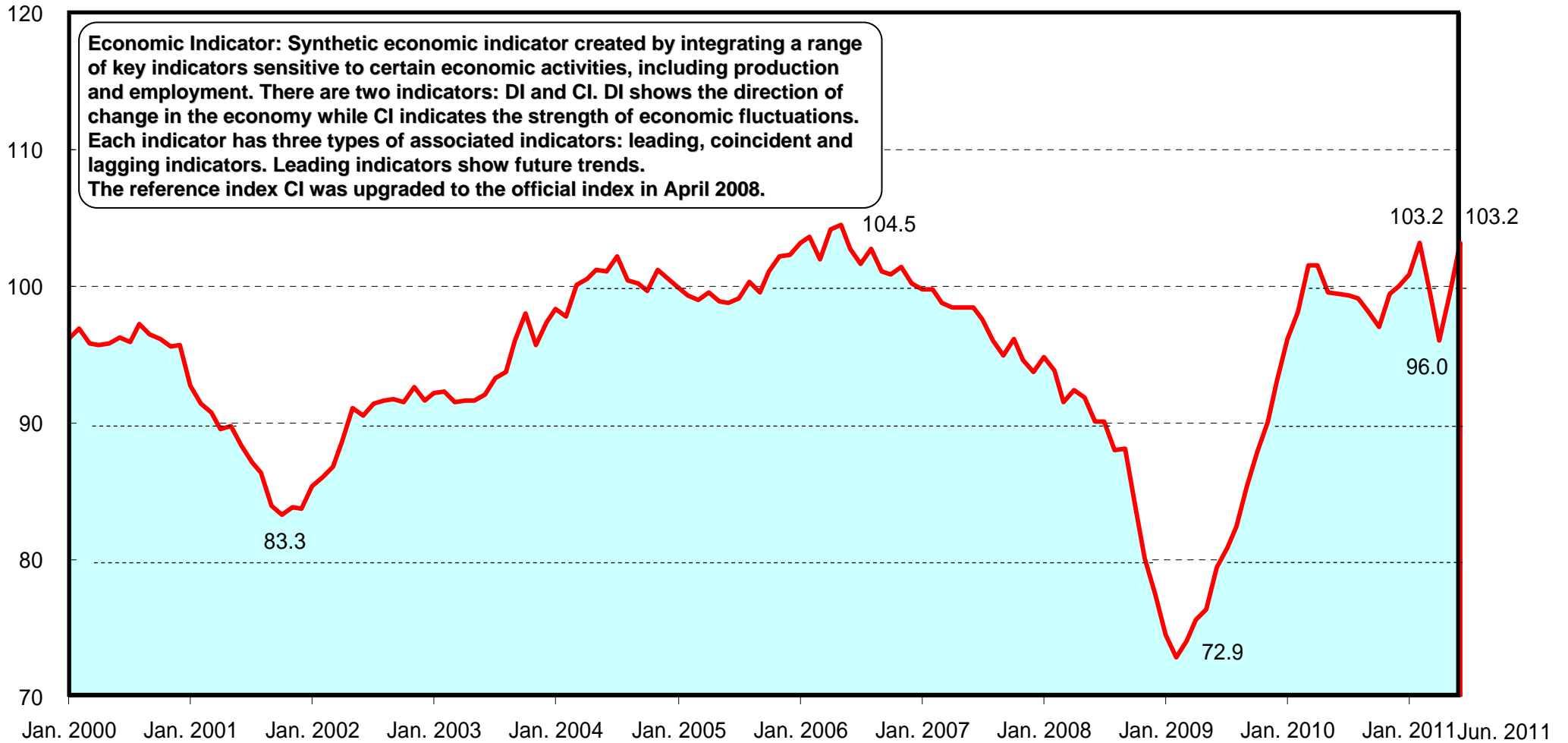
*Comments by Tokyu REIM **67**



4. Market Review

Economic Trends in Japan

Economic Indicator: Composite Index / Leading Index (2005 = 100)



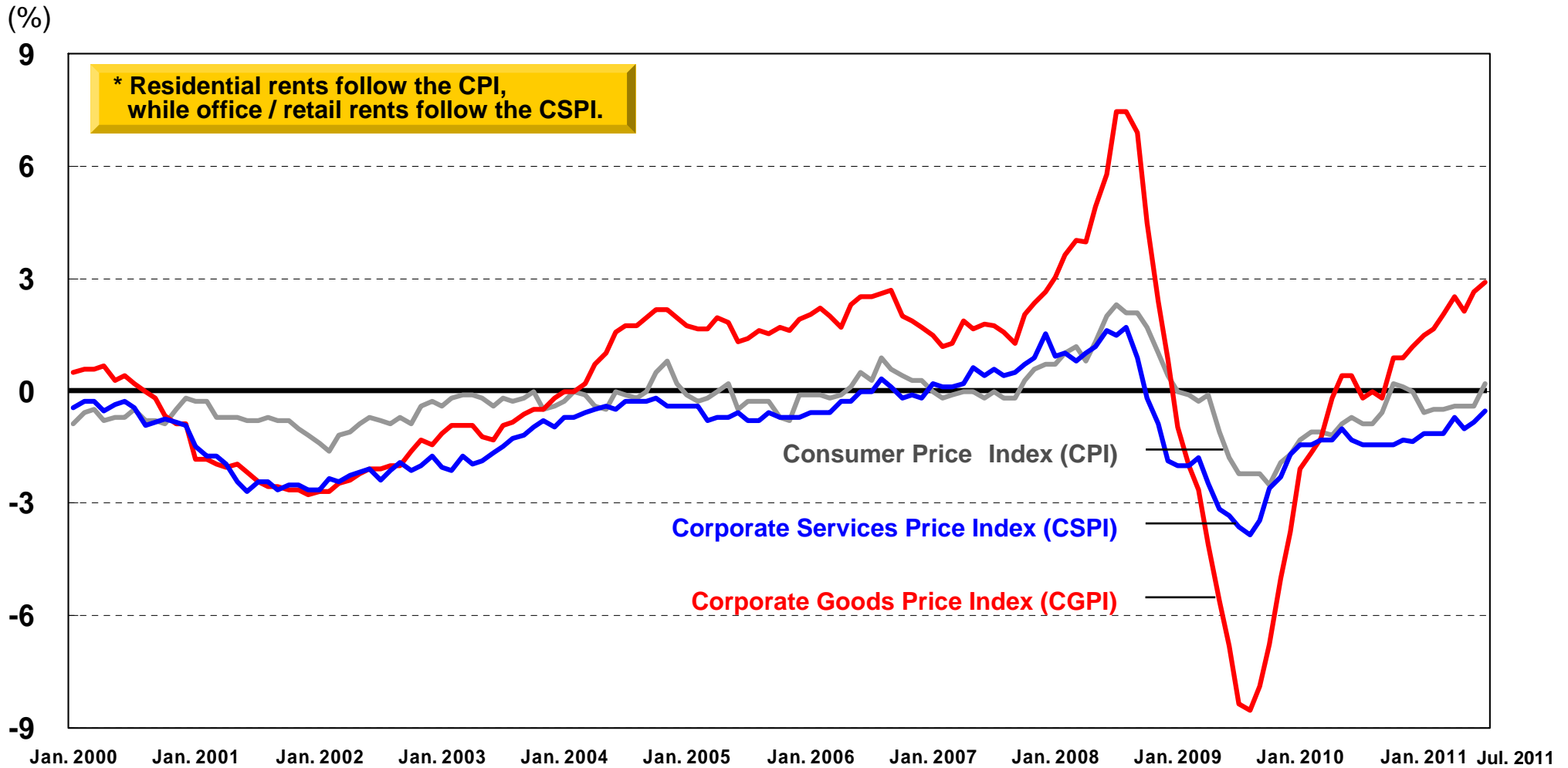
***The Leading Index recorded its largest-ever increase. Recovery from the earthquake is prominent.**

Source: Cabinet Office

*Comments by Tokyu REIM **69**

Price Trends in Japan

Price Index (YoY Change)

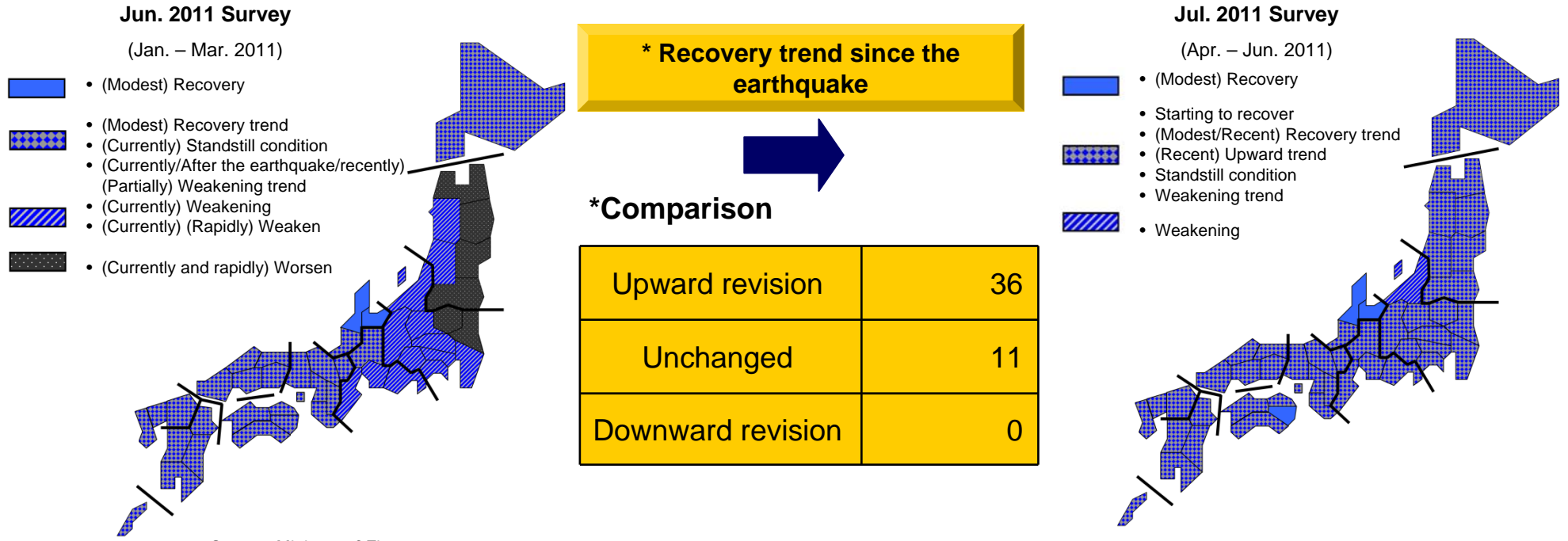


Source: Ministry of Internal Affairs and Communications, BOJ

*** The Corporate Services Price Index (CSPI) has continued on a downward trend since the credit crunch, but the range of reduction has shrunk.**

*Comments by Tokyu REIM **70**

Economic Conditions by Prefecture



Source: Ministry of Finance

* Color coding on the map shows the direction of the economy, not the prefecture's current economic status.

Although the regional economy is in a severe condition due to the Great East Japan Earthquake, upward trend can be seen recently.

(Ministry of Finance, 7/28/2011)

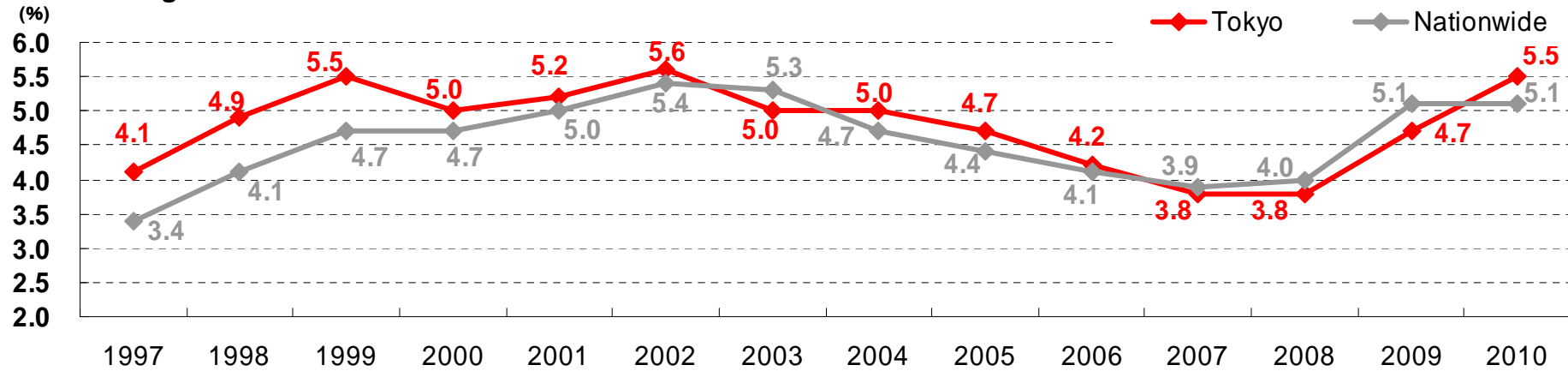
Regions – which had made a cautious assessment in the aftermath of the Great East Japan Earthquake – reported that there were signs of a pick-up in their economies against the background of an easing of supply-side constraints and an improvement in household and business sentiment.

(Bank of Japan, 7/4/2011)

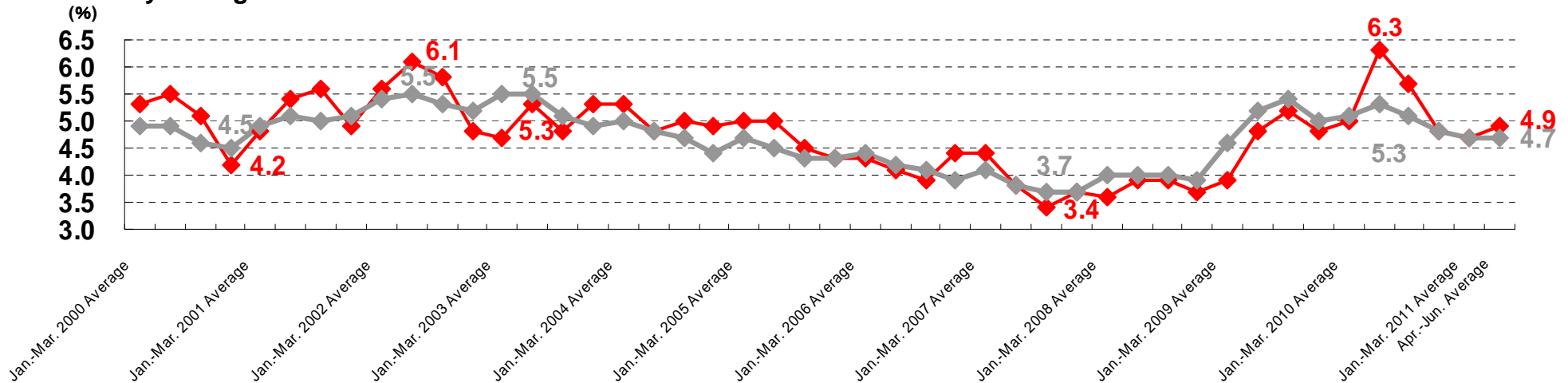
Employment Trends in Japan (Unemployment)

Unemployment in Tokyo and Nationwide

<Annual average>



<Quarterly average>



* Figures for March 2011 and after are the figures excluding the 3 prefectures of Iwate, Miyagi and Fukushima in consideration of the impact of the Great East Japan Earthquake.

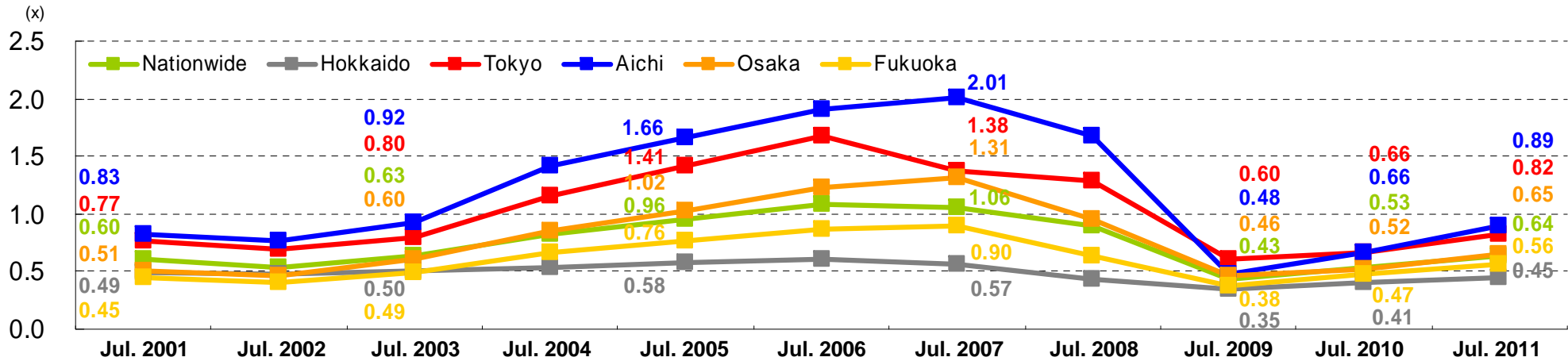
*** Recently, the unemployment rate has remained unchanged.**

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

*Comments by Tokyu REIM **72**

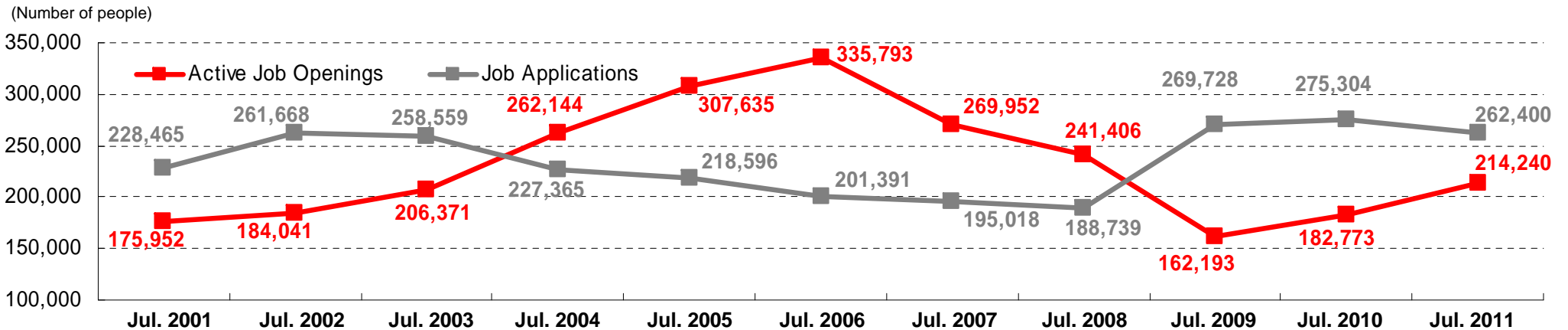
Employment Trends in Japan (Job Openings)

Job to Application Ratio (Seasonally Adjusted)



* Tokyo improved to as high as 0.82x.

Active Job Openings / Job Applications in Tokyo



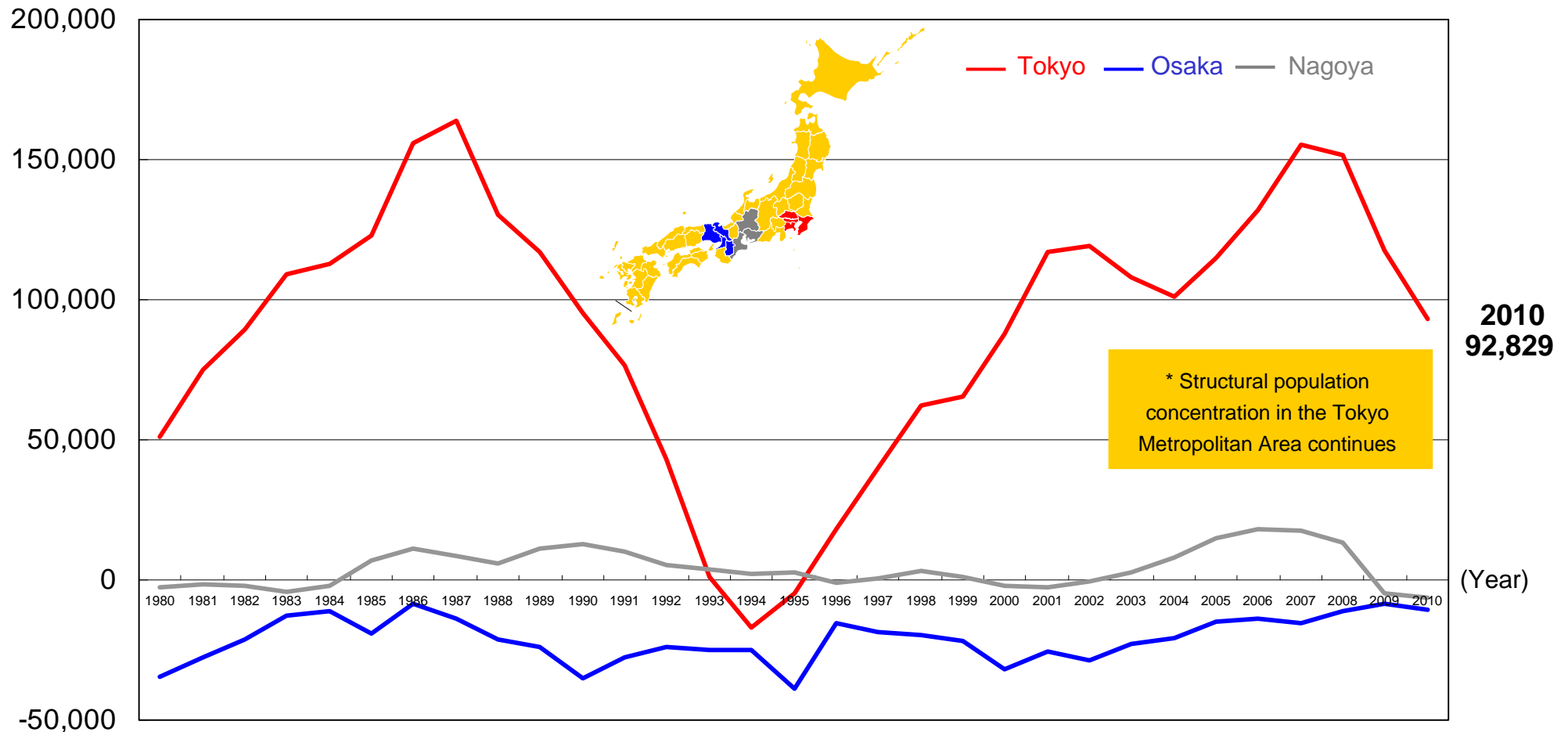
* Modest recovery continues after bottoming out in 2009.

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

*Comments by Tokyu REIM **73**

Excess Population Inflow into Three Major Metropolitan Areas (1980-2010)

(Number of people)



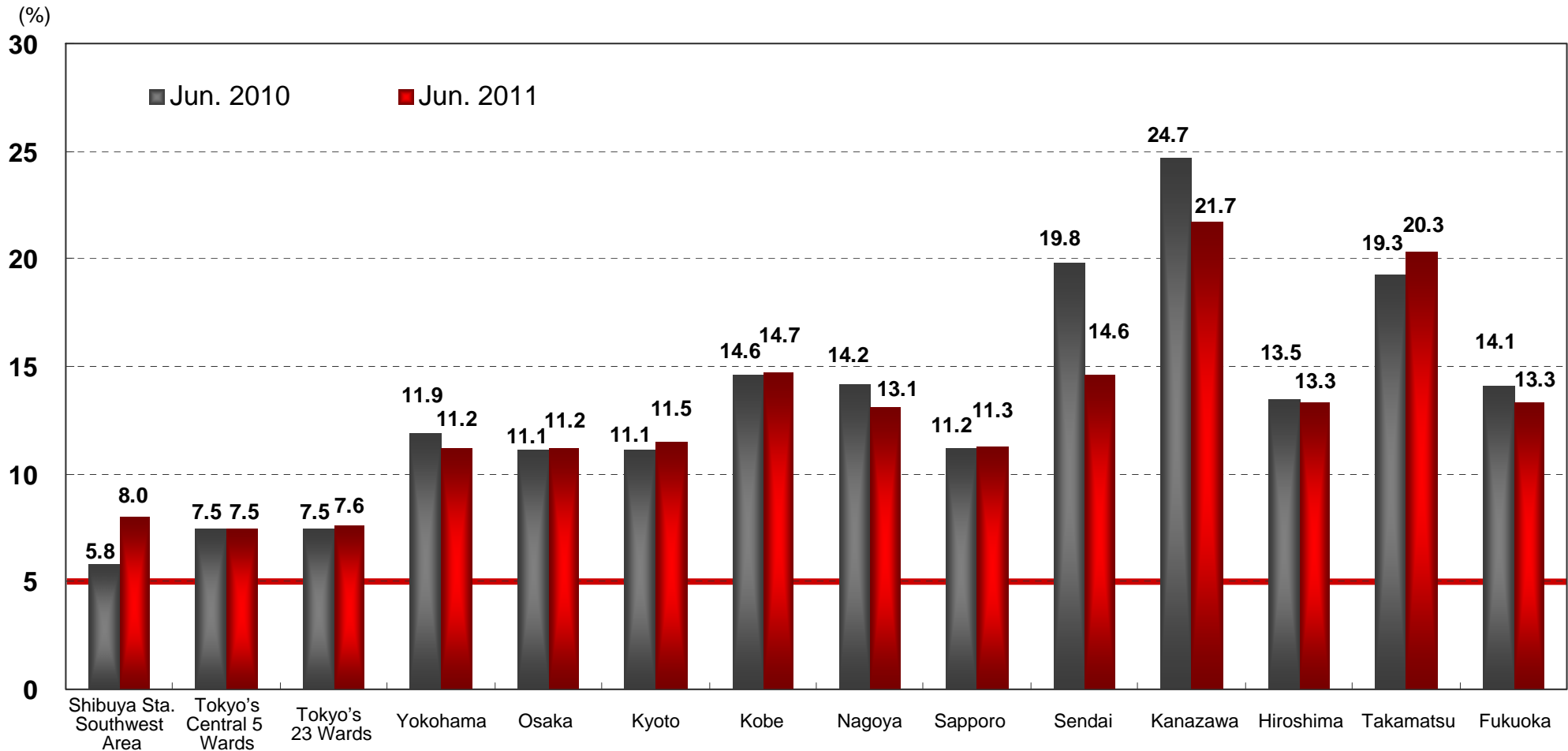
*** Excess inflow continues to occur in the Tokyo Metropolitan Area, while there is excess outflow occurring in the Osaka Metropolitan Area and Nagoya Metropolitan Area.**

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

*Comments by Tokyu REIM **74**

Office Leasing Market Overview (1)

Vacancy by Market



*** While the nationwide vacancy rate is high, Tokyo's rate is relatively low.**

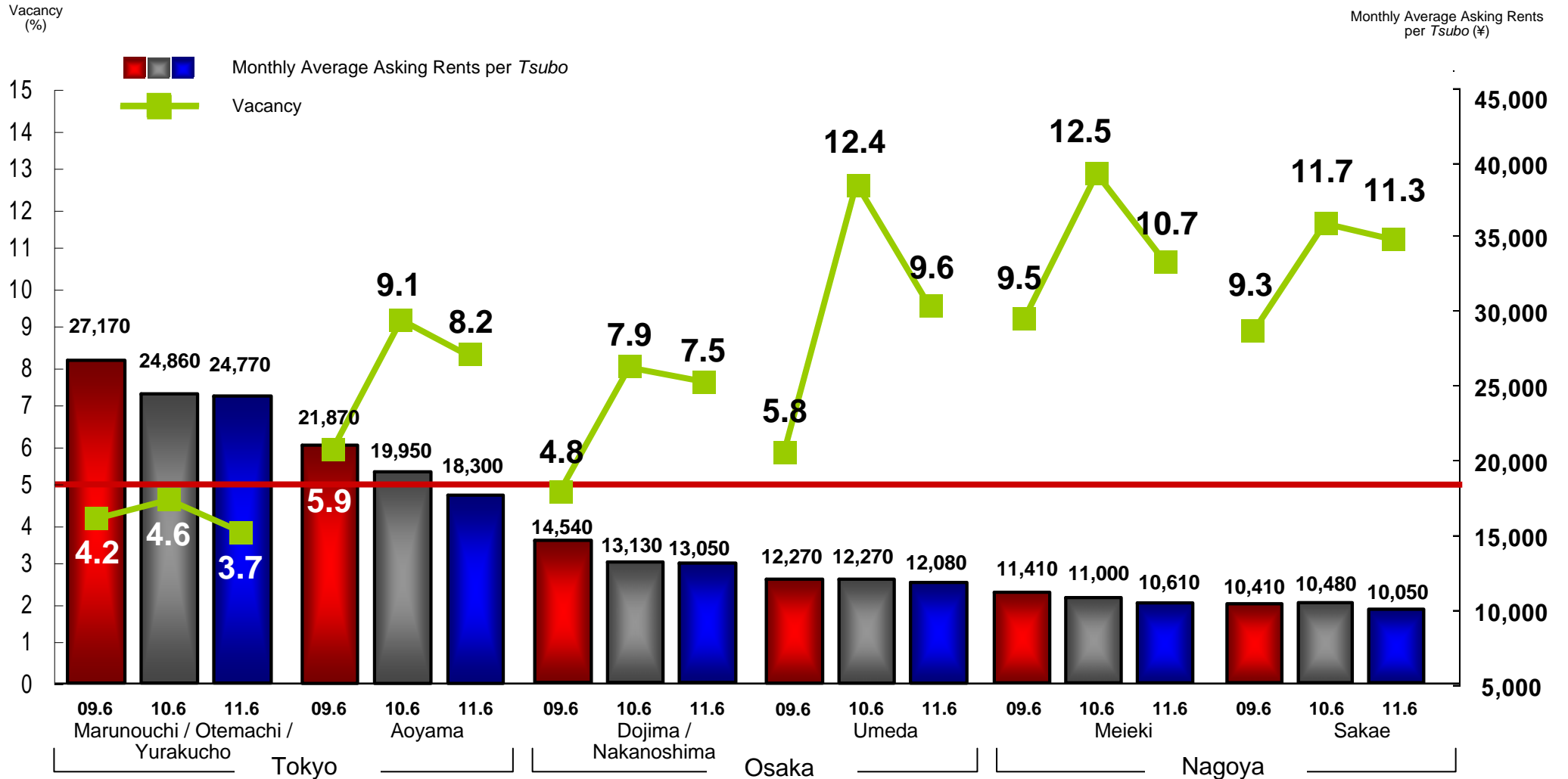
Source: "Office Market Report" issued by CB Richard Ellis – Japan.

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

*Comments by Tokyu REIM **75**

Office Leasing Market Overview (2)

Vacancy and Asking Rents for New Tenants by Location



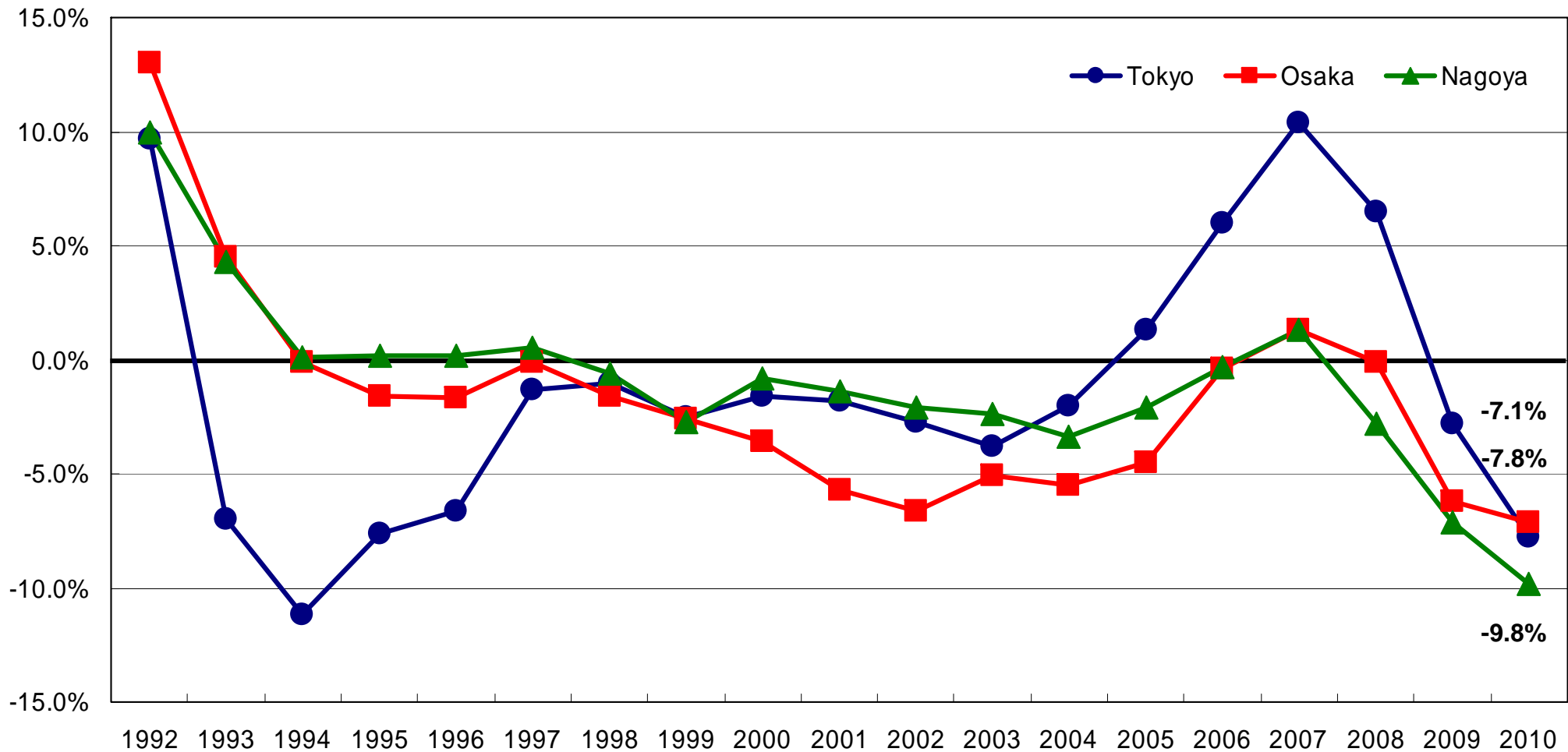
*** While improvement in vacancy can be seen at prime locations, it has not led to a rebound in asking rents.**

Source: "Office Market Report" issued by CB Richard Ellis – Japan.

*Comments by Tokyu REIM **76**

Office Leasing Market Overview (3)

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

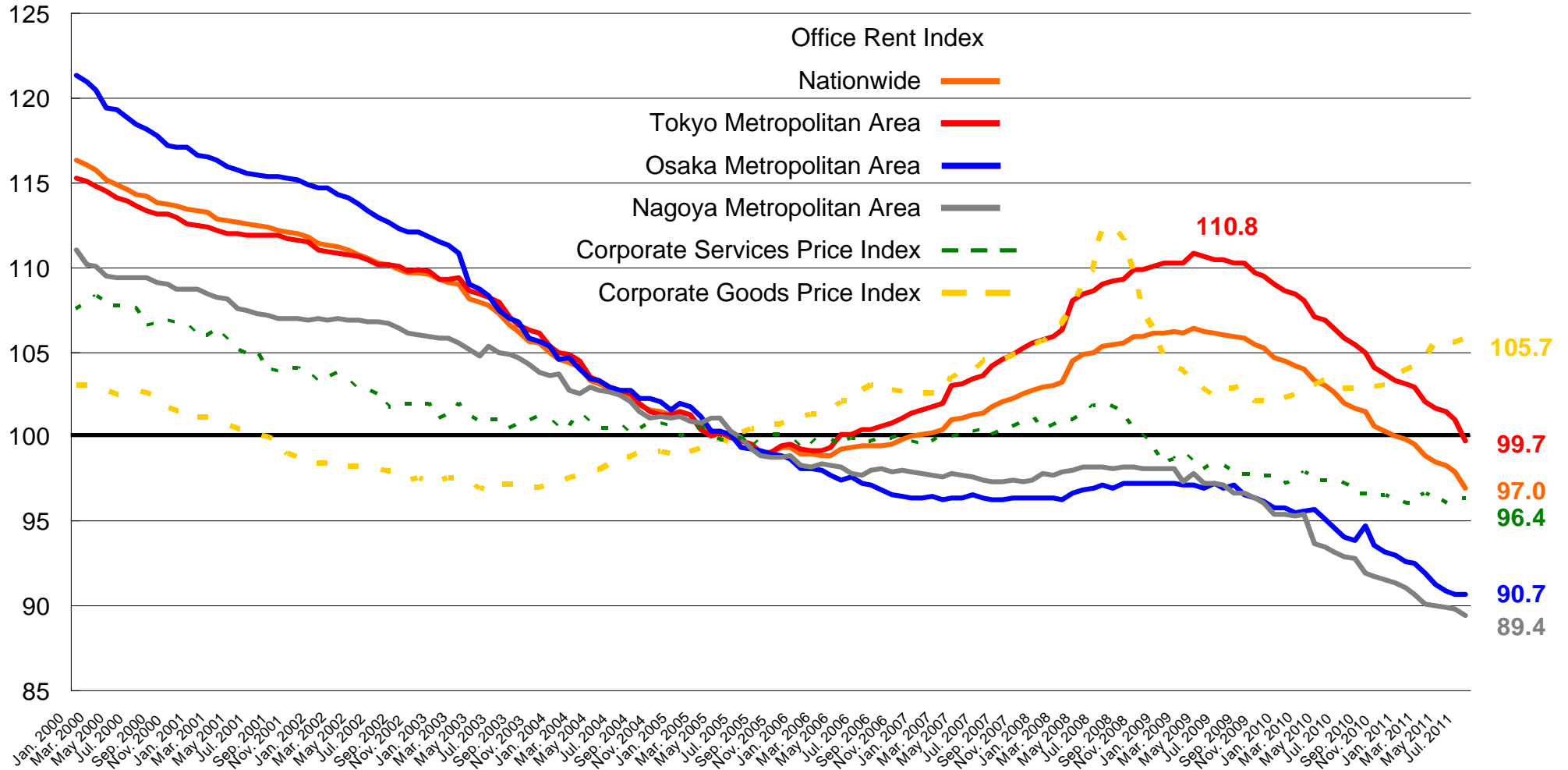


*** Rent revisions decreased in all three cities in 2010 as well, continuing on from 2009.**

Source: "National Office Building Rent Revision Trends" issued by CB Richard Ellis – Japan.

Office Leasing Market Overview (4)

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



*** Contracted rents in the Tokyo Metropolitan Area have been declining since April 2009.**

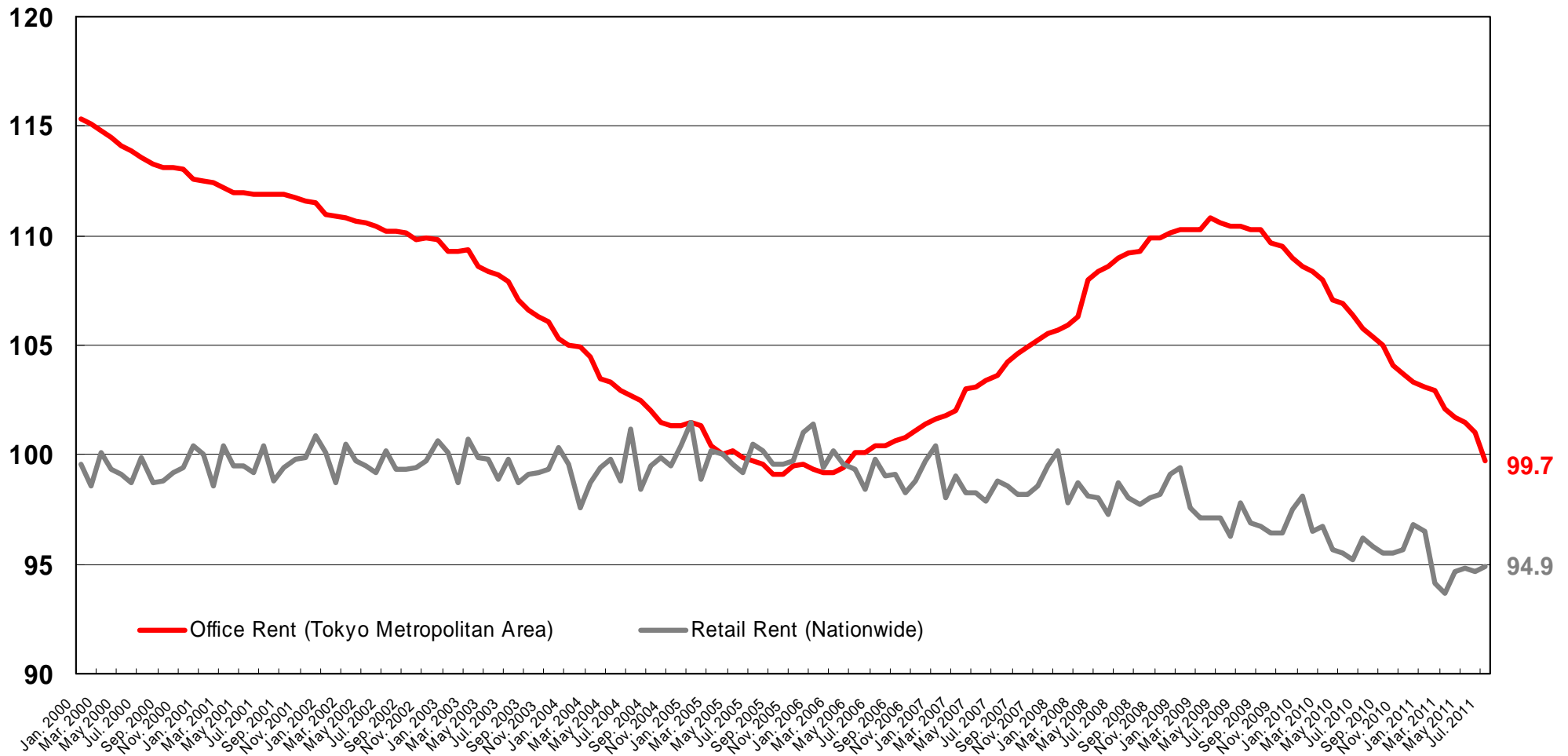
Source: Prepared by Tokyu REIM based on information from the BOJ website

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

*Comments by Tokyu REIM **78**

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

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



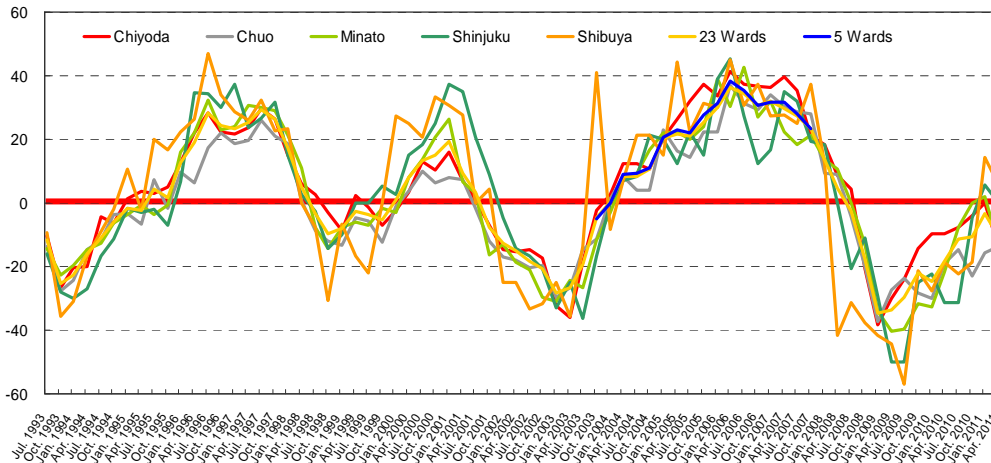
*** Unlike office rents, the rents of retail market is less affected by economic fluctuations.**

Source: Prepared by Tokyu REIM based on information from the BOJ website

*Comments by Tokyu REIM **79**

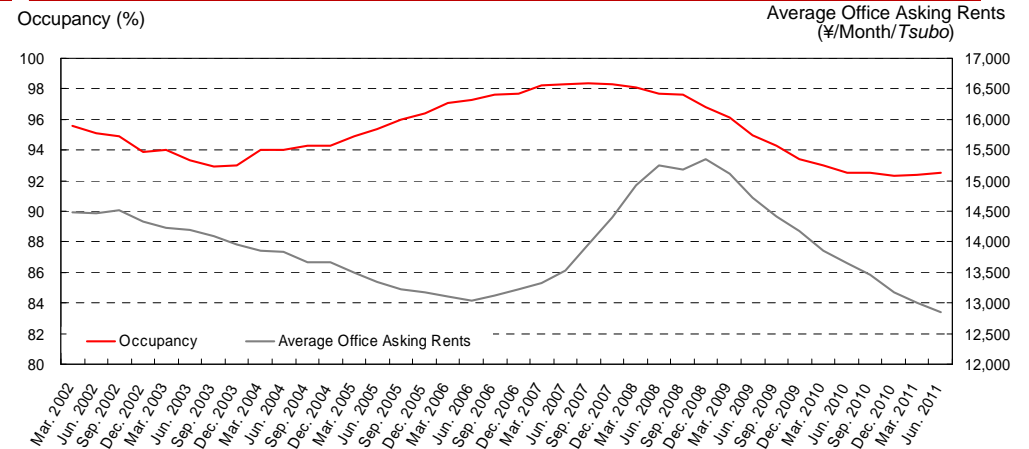
Office Leasing Market Overview (6)

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



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

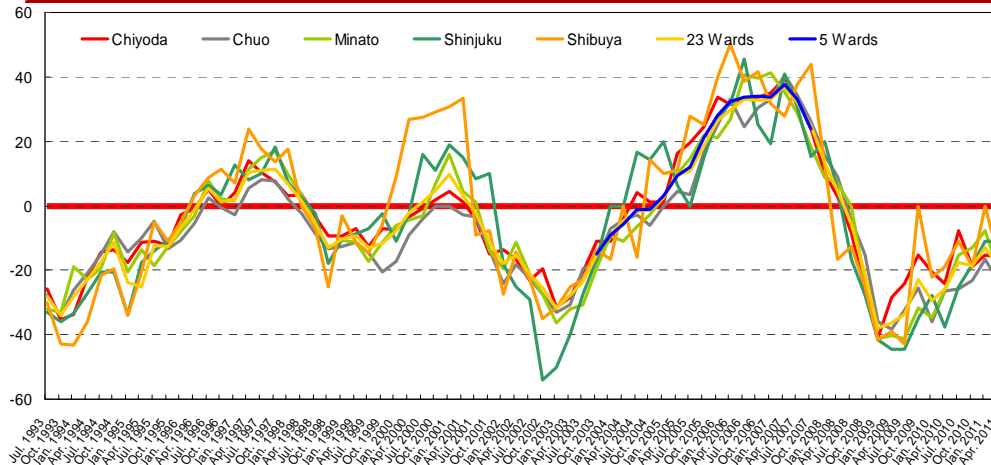
Occupancy and Asking Rents in 5 Central Wards of Tokyo



Source: "Office Market Report" issued by CB Richard Ellis – Japan.

*** Even though the occupancy rate is showing signs of bottoming out, the downward trend in asking rents continues.**

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



Source: Tokyo 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 for the near future remained unchanged.**

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

23rd Period Survey (as of October 2010)

Area	Next Years	2 Years	5 Years	10 Years
Marunouchi, Otemachi area	100	100	103	105
Shibuya, Shibuya Station area	99	100	100	102
Nagoya, Nagoya Station area	97	97	99	100
Osaka, along Midousuji line	97	97	99	100

24th Period Survey (as of April 2011)

Area	Next Years	2 Years	5 Years	10 Years
Marunouchi, Otemachi area	100	100	103	105
Shibuya, Shibuya Station area	99	100	100	102
Nagoya, Nagoya Station area	97	98	100	100
Osaka, along Midousuji line	98	98	100	100

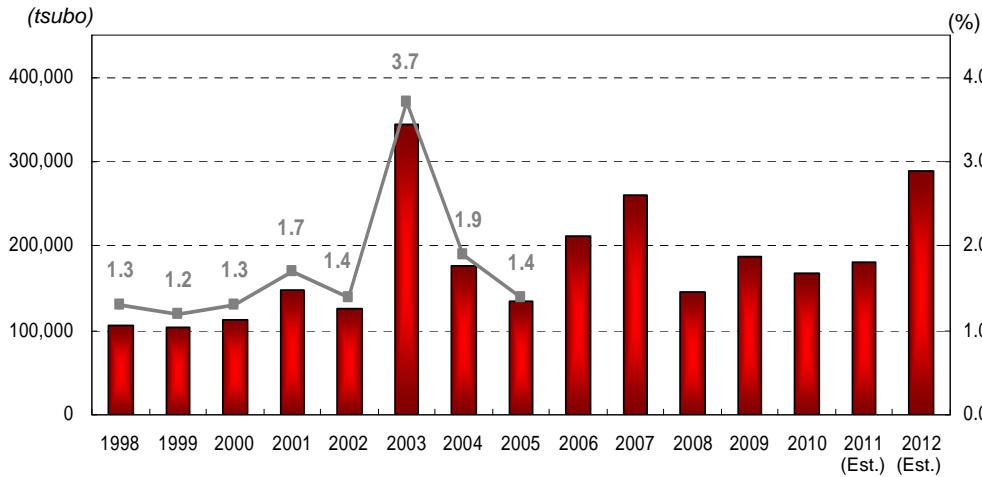
Source: Japan Real Estate Institute "Japanese Real Estate Investors Survey"

*** Investor outlook is almost the same as that of six months ago.**

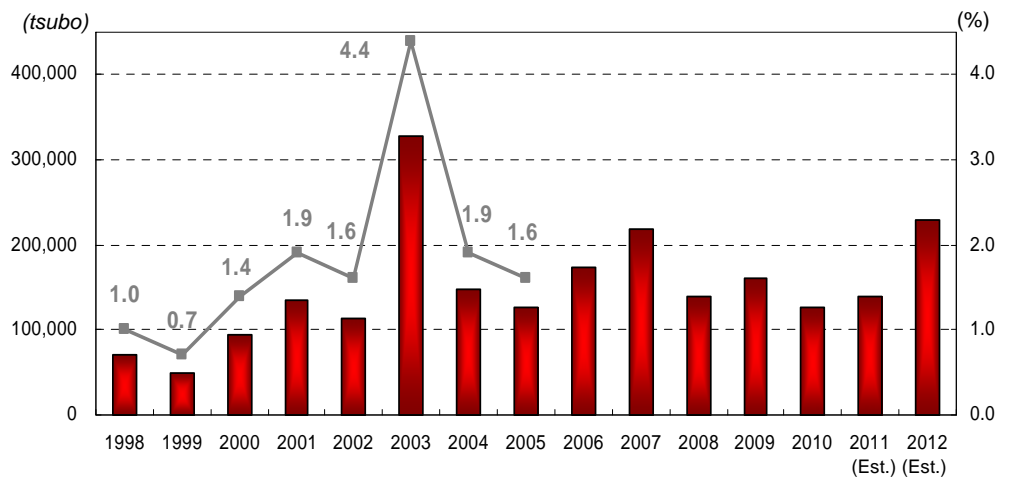
*Comments by Tokyu REIM **80**

New Office Supply and Percentage to Total Rental Area

Tokyo's 23 Wards

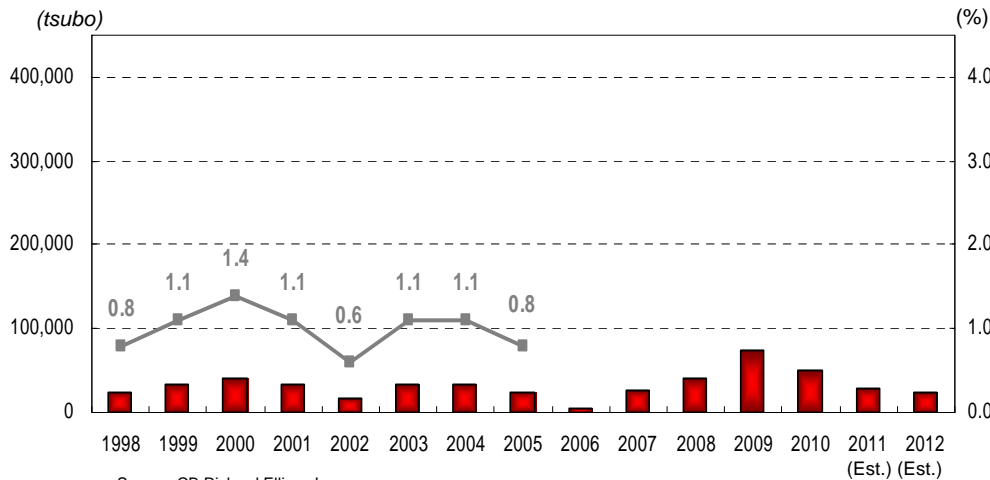


Tokyo's 5 Central Wards

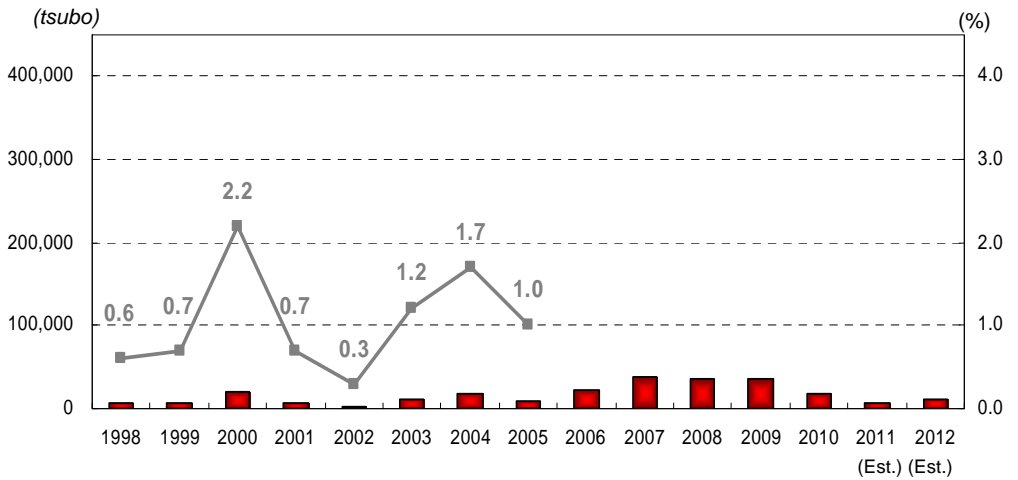


*** Even though new office supply in Tokyo in 2012 is expected to exceed 200 thousand tsubo for the first time in 5 years, it is around 84% of that of 2003.**

Osaka



Nagoya



Source: CB Richard Ellis - Japan.

* New office supply as a percentage of total rental area no longer available since 2006

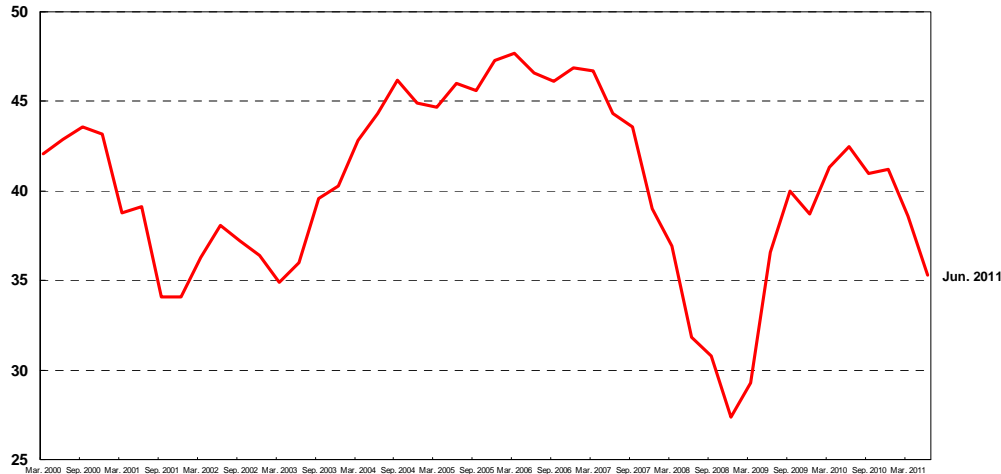
* Decrease in rental space caused by rebuilding/demolition not calculated

■ New Office Supply ■ % of Total Rental Area

*Comments by Tokyu REIM **81**

Retail Leasing Market Overview

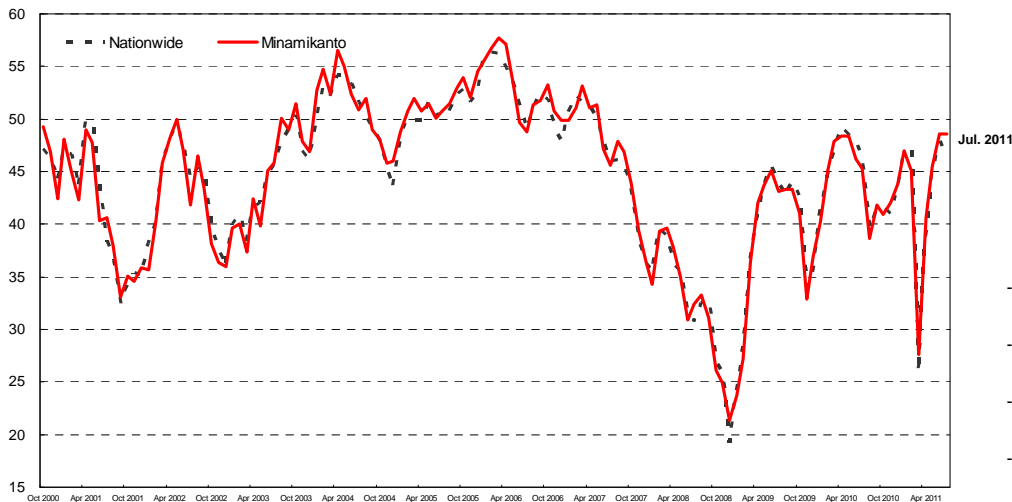
**Consumer Confidence Index
(Nationwide General Households / Seasonally Adjusted)**



Source: Cabinet Office "Consumer Confidence Survey"

*** Consumer confidence has recovered rapidly to the pre-earthquake level.**

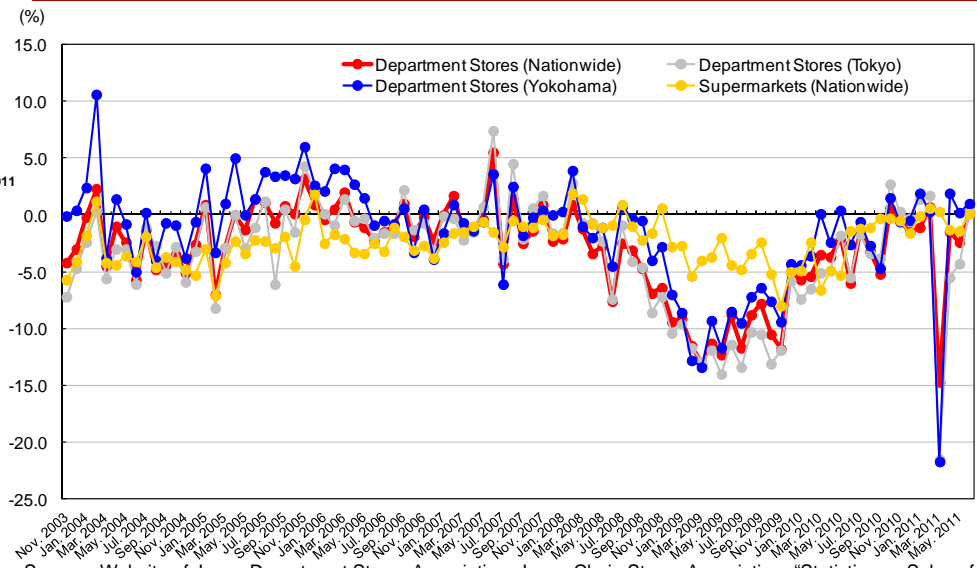
Economy Watchers Survey (Leading Indicator: Household Related)



Source: Cabinet Office "Economy Watchers Survey"

The Average Rent of SC Tenants which we have posted on this document until now is no longer permitted for public use.

Department Store & Supermarket Sales (YoY Change) (Store number-adjusted)



Source: Website of Japan Department Stores Association, Japan Chain Stores Association "Statistics on Sales of Chain Stores"

*Comments by Tokyu REIM **82**

Real Estate Trading Market Overview (1)

Real Estate Transparency Index (CY2010)

Transparency Level	CY 2010	Country Name	CY 2010 Score	CY 2008 Score
High Transparency	1	Australia	1.22	1.20
	2	Canada	1.23	1.17
	3	United Kingdom	1.24	1.31
	4	New Zealand	1.25	1.21
	4	Sweden	1.25	1.43
	6	United States	1.25	1.20
	7	Ireland	1.27	1.52
	8	France	1.28	1.34
	9	Holland	1.38	1.33
	10	Germany	1.38	1.58
Transparent	16	Singapore	1.73	1.55
	18	Hong Kong	1.76	1.55
	25	Malaysia	2.30	2.25
	26	Japan	2.30	2.39
Semi-Transparent	33	Taiwan	2.71	3.07
	39	Thailand	3.02	3.16
	41	India Tier 1 Cities (Note 1)	3.11	3.34
	42	Korea	3.11	3.15
	44	Macau	3.13	3.54
	45	China Tier 1 Cities (Note 2)	3.14	3.33
	48	Philippines	3.15	3.23
	49	India Tier 2 Cities (Note 1)	3.17	3.38
	54	China Tier 2 Cities (Note 2)	3.38	3.68
	55	India Tier 3 Cities (Note 1)	3.39	3.65
Low Transparency	65	China Tier 3 Cities (Note 2)	3.73	3.97
	76	Vietnam	4.25	4.29

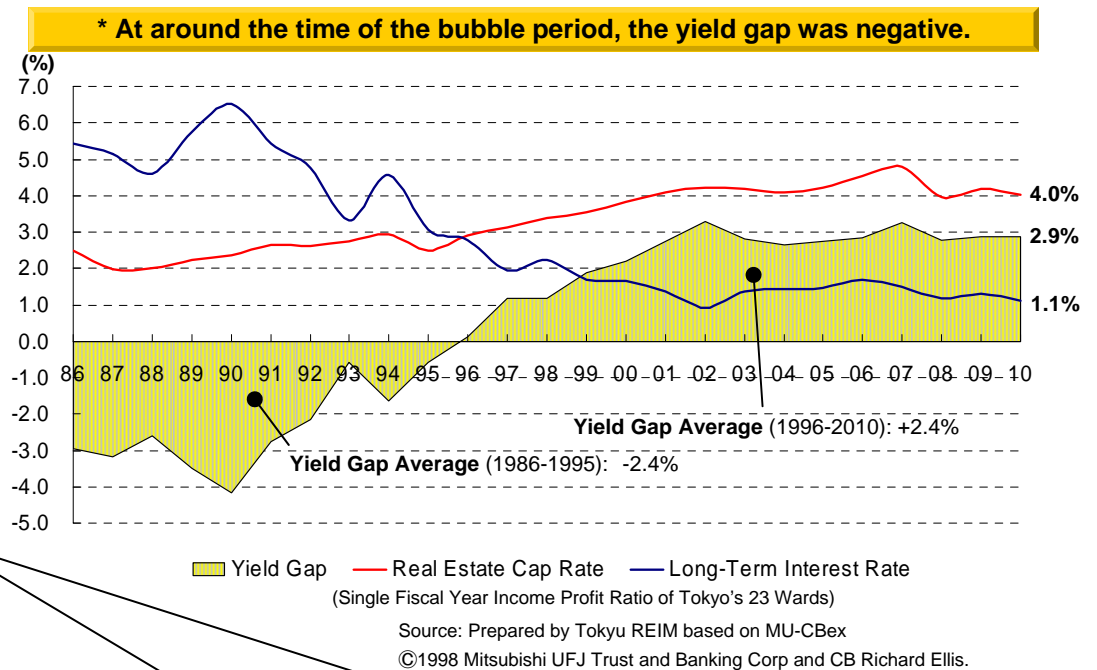
The survey addressed the following five attributes of real estate transparency: 1) "Performance Measurement," 2) "Market Fundamentals," 3) "Listed Vehicles," 4) "Regulatory and Legal" and 5) "Transaction Process."

Source: Prepared by Tokyu REIM based on Jones Lang LaSalle's "Global Real Estate Transparency Index 2008" Report and "Global Real Estate Transparency Index 2010" Report.

(Note 1) India Tier 1 Cities: Delhi, Mumbai, India Tier 2 Cities: Kolkata, Hyderabad, India Tier 3 Cities: Ahmedabad, Kochi

(Note 2) China Tier 1 Cities: Shanghai, Beijing, China Tier 2 Cities: Chongqing, Tianjin, China Tier 3 Cities: Wuxi, Zhengzhou

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



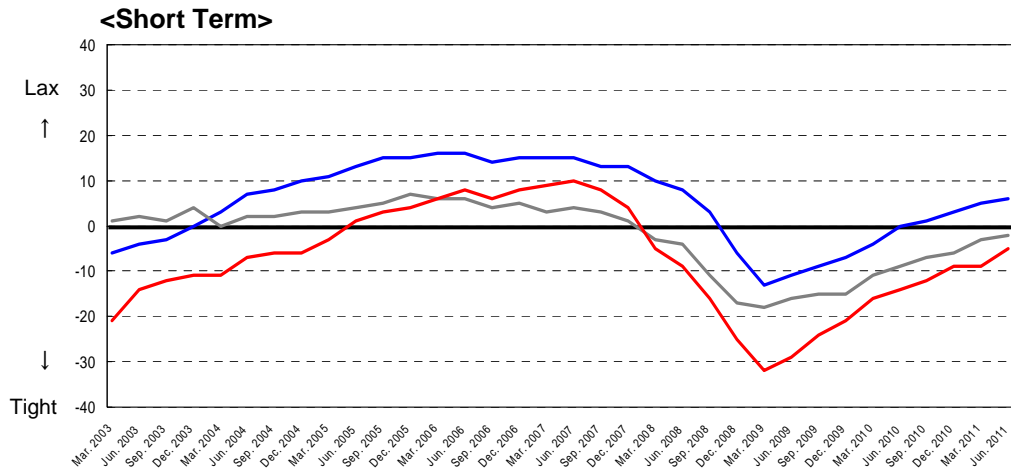
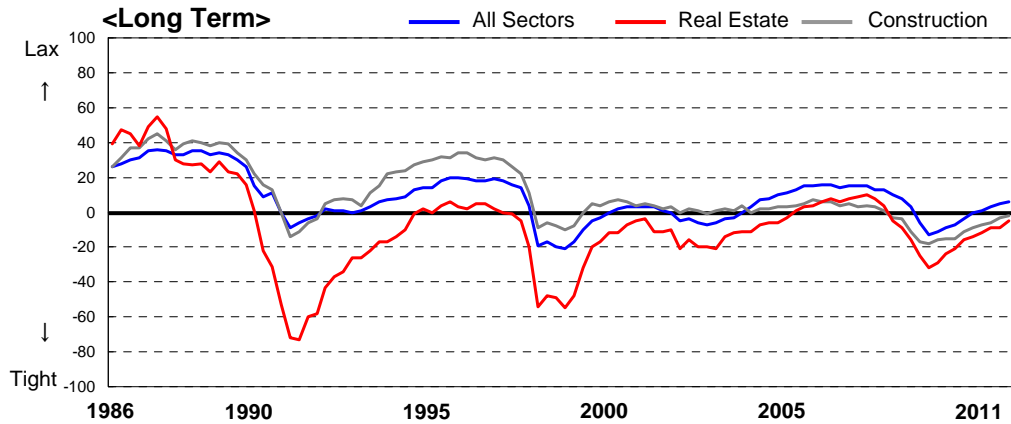
For the past few years, the solid growth of the real estate investment trust (REIT) sector in Asia has contributed to the early improvement of transparency. However, the markets have stagnated since 2008.

Improvement of the transparency in Japan is dependent on the development of the real estate investment market and the diversification of owners.

(Comments were prepared by Tokyu REIM based on the "Global Real Estate Transparency Index 2010" Report)

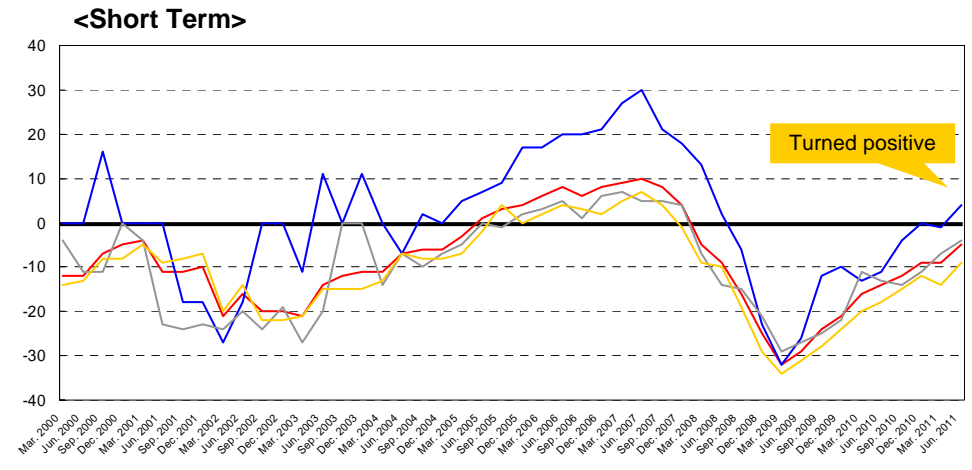
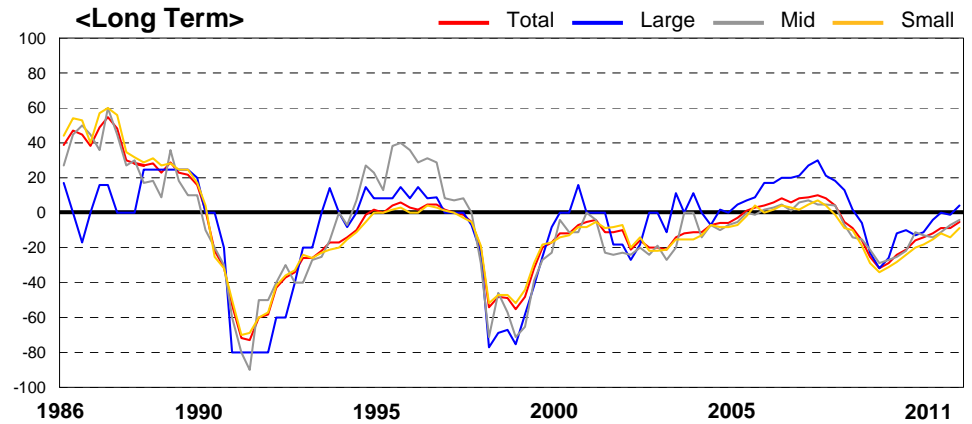
Real Estate Trading Market Overview (2)

Lending Attitude DI by Sector



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

Lending Attitude DI by Size (Real Estate Sector)



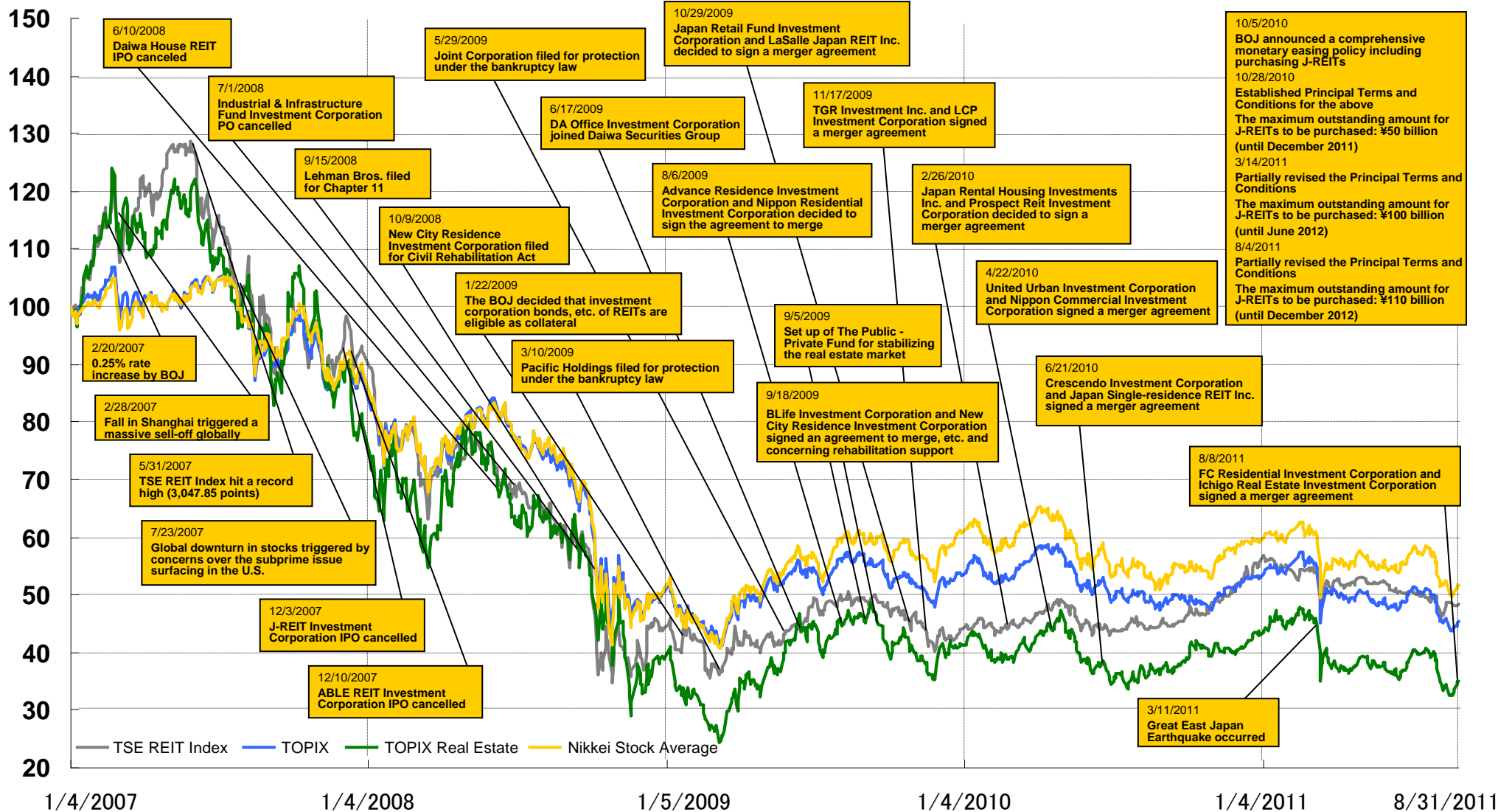
Large: Cap size over ¥1 billion, Mid: Cap size between ¥1 billion and ¥100 million,
Small: Cap size between ¥100 million and ¥20 million
For data before April 2004, size was based on the number of employees.

* The lending attitude for the real estate sector shows a wider range of fluctuation.

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

REIT Market Overview (1)

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



REIT Market Overview (2)

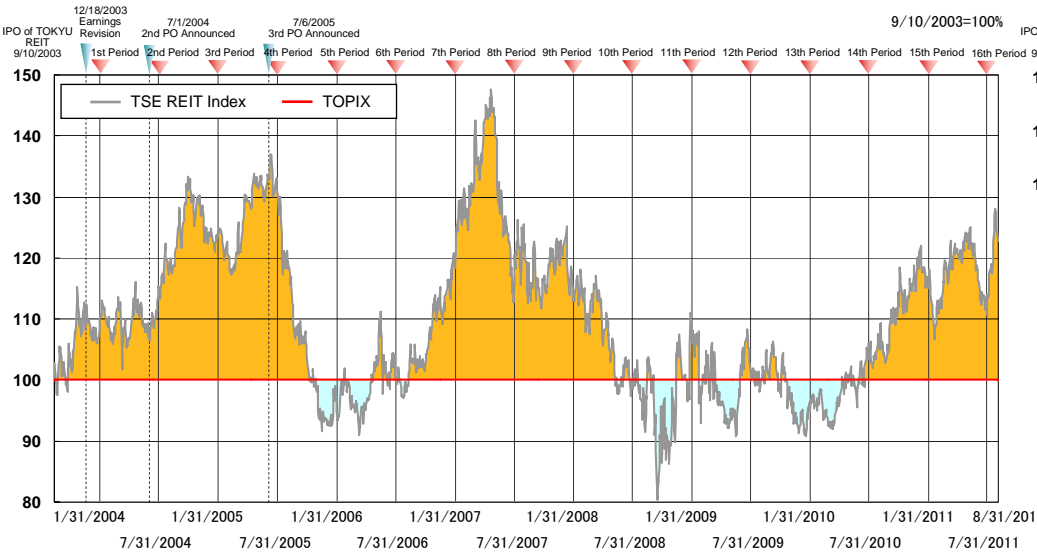
TOPIX and TSE REIT Index Performance



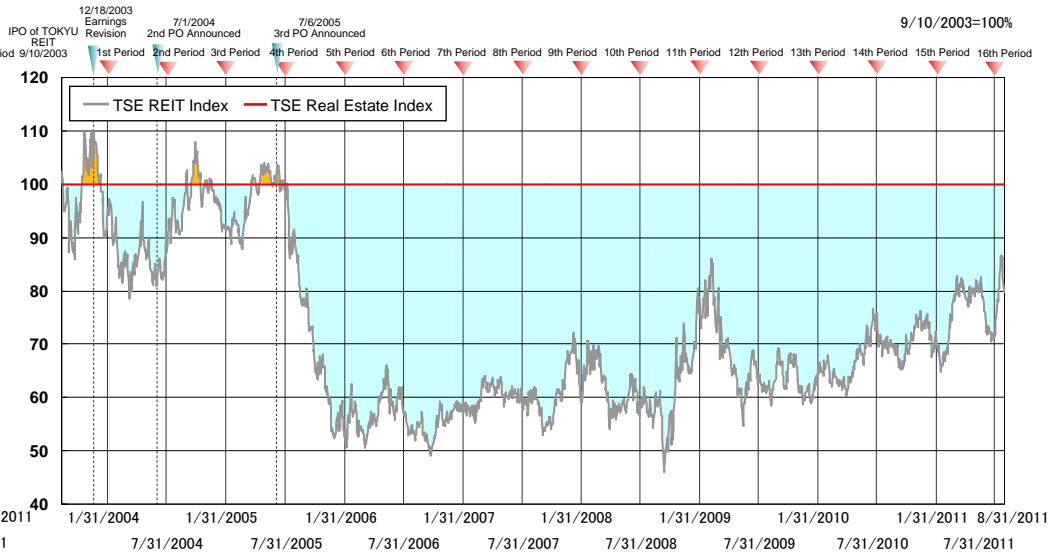
*** It becomes clear that the TSE REIT Index is uncorrelated with TOPIX.**

*** The TSE REIT Index outperforms TOPIX, as the market valued REIT's stable earnings and purchasing by the BOJ.**

TSE REIT Index Performance (TOPIX=100)



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



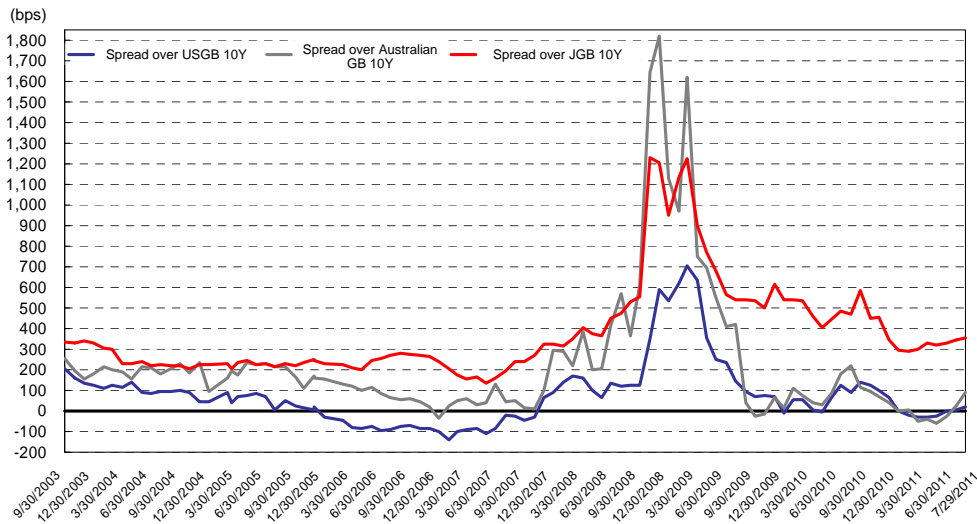
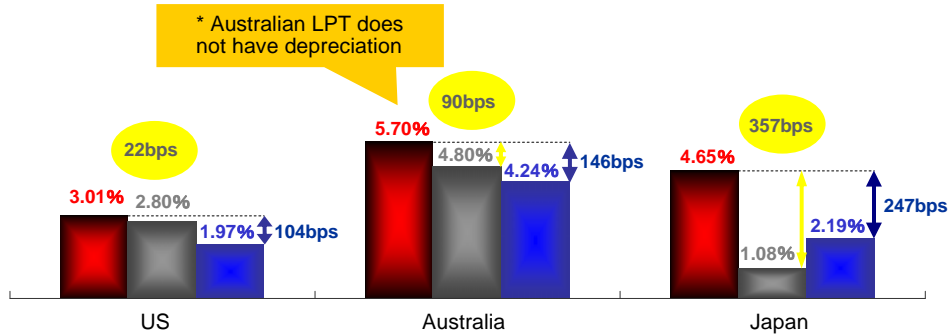
*Comments by Tokyu REIM **86**

REIT Market Overview (3)

Spread Over Risk Free Rate

- Dividend Yield of REITs (Note 1)
- Coupon on 10 Year Bond
- Dividend Yield of Indices (Note 2)

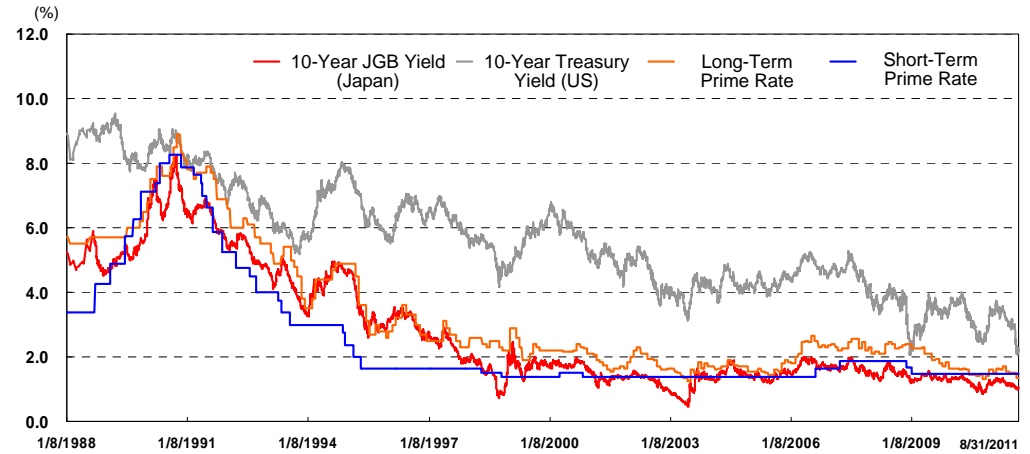
As of 7/29/2011



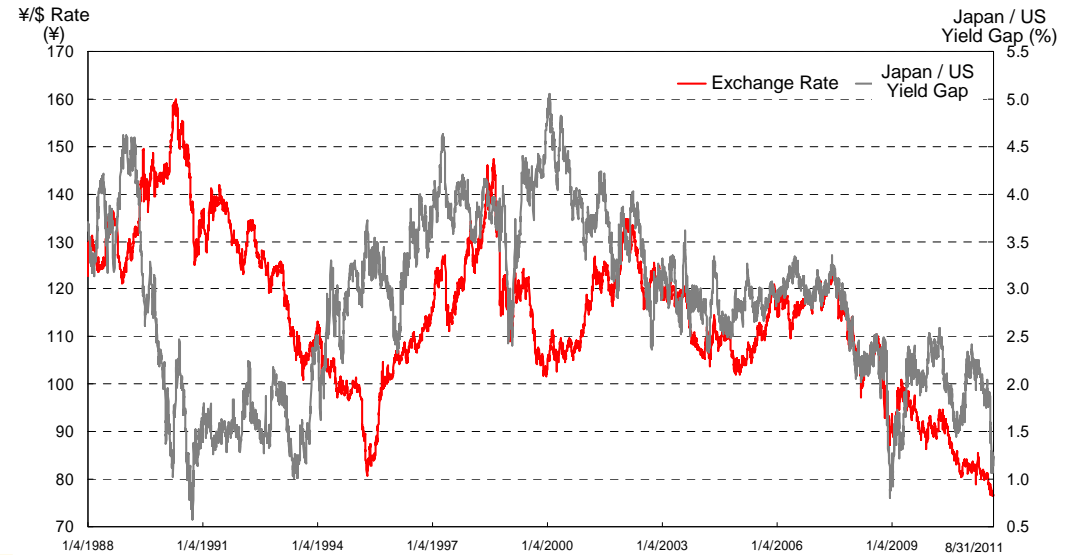
Source: Bloomberg and S&P
 (Note 1) Based on S&P's REIT index by country/region; weighted average basis
 (Note 2) US based on S&P500, Australia based on ASX All Ordinaries, Japan based on TOPIX

*** Wider spread than the US and Australia**

Major Interest Rates



Japan / US Yield Gap vs. Exchange Rate



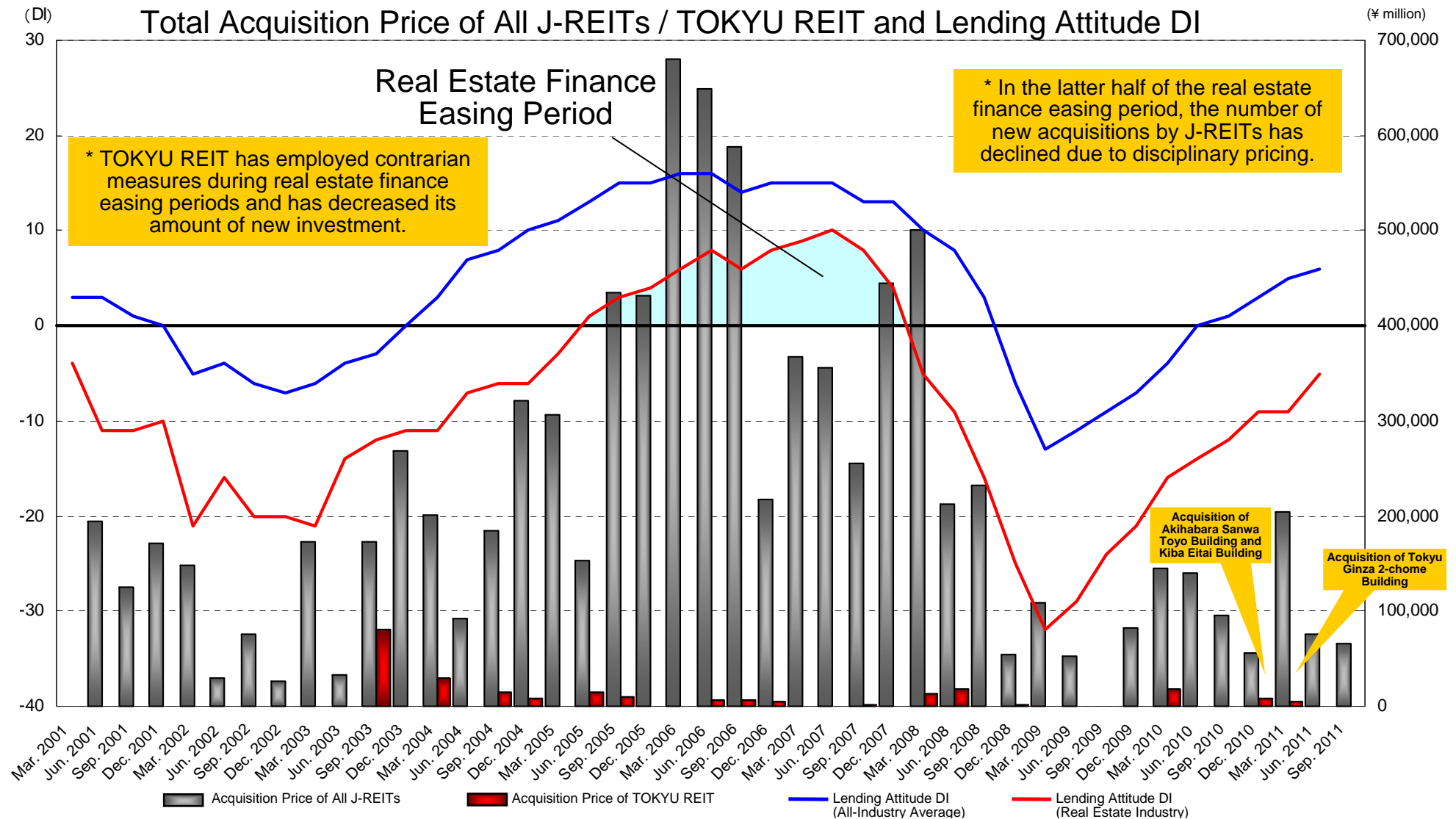
* Japan / US Yield Gap = 10-Year US Treasury Yield - 10-Year JGB Yield

*Comments by Tokyu REIM **87**



5. Appendix

External Growth Timing and Pace (J-REIT Total vs. TOKYU REIT) 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, "Sep. 2011" indicates results for the period from July 1, 2011 to August 31, 2011)

Source: BOJ (Tankan Survey)

*Comments by Tokyu REIM **89**

3-Minute Investment Highlights ~ TOKYU REIT's Characteristics ~

- Only invest in the Tokyo metropolitan area ~ Tokyo is a growing international city ~
- Invest in offices and retail properties ~ Stable earnings and growth potential ~
- Adoption of “Value & Contrary” (Long-Term Investment Strategy (“Surf Plan”))
 - ~ Also focusing on ROE as an equity product ~
- An investment management fee structure which puts us on the same boat with our shareholders
 - ~ No acquisition fees charged; an answer to the question about external investment management structure ~
- Strategic debt management
 - ~ Long-term fixed-interest debt financing; diversified repayment dates and averaging out individual amounts of repayment ~
 - ~ No maturity of corporate bonds prior to Oct. 2012 ~
- Strong commitment to governance ~ Excellent governance as a source of competitiveness ~
- Appropriate measures to avoid conflicts of interest and independent decision-making
 - ~ Optimal balance between sponsor collaboration and independence ~
- Management capability and commitment ~ Allocation of additional human resources ~
- Best disclosure and best investor relations
- No forward commitments for acquisition of properties to be developed
- Track record of highest dividends paid in the industry

3-Minute Investment Highlights

~ TOKYU REIT's Challenges and Solutions ~

<Challenges>

- Relatively small portfolio size
 - ~ Insufficient economies of scale and diversification ~
 - Relatively small market capitalization
 - ~ Insufficient liquidity of investment units ~
- (Although being small is a weak point, growth potential is high)

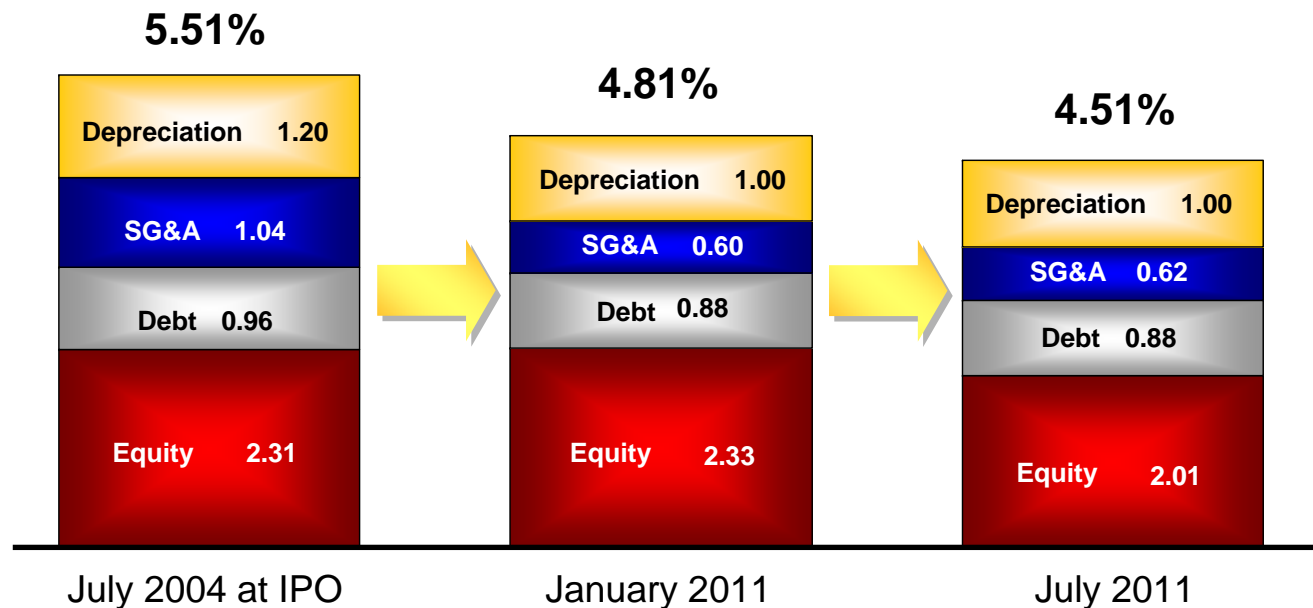
<Solutions>

- Additional property acquisitions at the right timing
 - ~ Providing higher total returns to our shareholders ~
- Capital increases at the right timing
 - ~ To add to our growth and liquidity ~

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

- 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 price (varies by property)

Acquisition Price	Debt 50
100	Equity 50



July 2011 vs. IPO

Hurdle Rate	-1.00 pts.
Depreciation	-0.20 pts.
SG&A	-0.42 pts.
Debt	-0.08 pts.
Equity	-0.30 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 X 2 / Investment Unit Price) at the beginning of the respective period.

*This page represents the views of Tokyu REIM **92**

Collaboration with Tokyu Group Companies

Acquisition

- Pipeline Support: 13 of 29 properties accumulated thus far (¥100.86bn out of total acquisition price of ¥243.33bn)
 - 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 (Note) (14th Period; ¥9.03bn)
 - Tokyu Ginza 2-chome Building (16th Period; ¥5.01bn)
 - 2 of 11 Properties at time of IPO (Lexington Aoyama (Note), Tokyo Nissan Taito Building (Note))
- 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 Group companies
 - Resona Maruha Building
 - Beacon Hill Plaza (Ito-Yokado Noukendai Store)
- PM business outsourcing
- Community-based tenant promotion capability
- “TOKYU” brand licensing
 - “TOKYU REIT” name (free of change)
 - Building name change to “TOKYU REIT” brand (free of change)

Developed and contributed by Tokyu Corporation and its subsidiaries

...Contributed by Tokyu Group companies
(Note) Contributed by Tokyu Land Corporation and its subsidiaries

“Tokyu Group Companies” on this page refers to any entity that falls under the following (1) to (3).

- (1) Tokyu Corporation and its subsidiaries
- (2) Affiliates within the scope of consolidation of Tokyu Corporation
- (3) Any entity that falls under the following (i) to (iii):
 - (i) Tokyu Land
 - (ii) A consolidated subsidiary of Tokyu Land
 - (iii) A tokutei mokuteki kaisha (TMK) or special purpose entity (SPE) that was established based on the intention of Tokyu Land or a consolidated subsidiary of Tokyu Land and where the share of investment by undisclosed associations or other investment shares in that entity by the respective company exceeds 50%.

PM (Property Management)

Brand Strategy

■ Response Status for New Accounting Rules

Accounting Rule	Response Status
Disclosure of fair value of financial products	Disclosure of information such as fair value of financial products (cash and bank deposits, borrowings, investment corporation bonds and a portion of security deposits) whose fair value can be calculated, starting from the 14th fiscal period (ended Jul. 2010).
Disclosure of fair value of investment and rental properties	Disclosure of appraisal value at end of period, which we have been announcing from before, as the normal value (fair value), starting from the 14th fiscal period (ended Jul. 2010).
Asset retirement obligations	Application to start from the 15th fiscal period (ended Jan. 2011).
Disclosure of segment-related information	Application of dividing into 2 reporting segments (“office building leasing business” and “retail property leasing business”) to start from the 15th fiscal period (ended Jan. 2011).

■ Accounting Processing of Free-Rent Agreements

TOKYU REIT posts income based on cash (1st~16th fiscal period results and 17th~18th fiscal period forecasts)

* For the so-called free-rent agreement, there are two accounting processing methods for a leasing agreement for which a certain period during which cancellations cannot be made (b) after the free-rent period (a) is established. They are the following:

- Method of posting as income (based on cash) the rent actually received after the free-rent period.
- Method of posting the pro-rated total rents of the agreement for the full period ((a)+(b)).

- This document is solely intended to provide information and is not intended to solicit securities or special product transactions.
- In addition to information on TOKYU REIT, Inc. (“TOKYU REIT”), this document includes charts and data prepared by Tokyu Real Estate Investment Management Inc. (the “Investment Management Company”) based on data/index and other information released by third parties. Also, analyses, judgments and other views of the Investment Management Company on such information at the moment are included in this document.
- The Investment Management Company is a financial instruments dealer under the Financial Instruments and Exchange Law (Kanto Financial Bureau (Kin-sho) No. 360).
- The information contained in this document is not audited and there is no assurance regarding the accuracy and certainty of the information. Analyses, judgments and other non-factual views of the Investment Management Company merely represent views of the Investment Management Company as of the preparation date. Different views may exist and the Investment Management Company may change its views in the future.
- Numbers for the same item may be different from other disclosure materials due to difference in rounding.
- Although much attention has been paid to the inclusion of all relevant information in this document, there may be errors and omissions. Therefore, they are subject to correction or amendment without prior notice.
- TOKYU REIT and the Investment Management Company assume no responsibility for the accuracy of data, indexes and other information released by third parties.
- This document contains forward-looking statements, such as current plans, strategies and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, fluctuations of the real estate market in Japan, general conditions of the Japanese economy, competitive pressures and relevant regulations.
- Dates indicated in this document may differ from business days for the convenience of preparing charts.
- This document is a translation of the original document in Japanese and is prepared solely for the convenience of non-Japanese speakers. There is no assurance as to the accuracy of the English translation. The original Japanese document shall prevail in the event of any discrepancies between the translation and the Japanese original.