

TOKYU REIT

TOKYU REIT, Inc. Semiannual Report

The Fiscal Period Ended July 2021
(36th Fiscal Period)

From February 1, 2021 to July 31, 2021



Investment in **Highly Competitive Properties**
in Areas with **Strong Growth Potential**

BASIC POLICY

1 Investment strategy to secure 'growth potential'

- Invest in areas with strong growth potential
—Investment in properties in central Tokyo and Tokyu Areas
- Committed to continued collaboration with Tokyu Corporation and its subsidiaries^(Note) (Sponsor collaboration)
- Growth through heightened added value of the Tokyu Areas

2 A portfolio that secures 'stability'

- Diversified property uses and limited investment regions
- Winning long-term contracts with well-balanced tenants
- Investment criteria aimed at low risk and steady returns

3 Fund structure that backs 'transparency'

- Thorough implementation of strict measures against conflicts of interest
- Independent third-party checks
- Proactive disclosure of transaction details

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(Note) Tokyu Corporation and its subsidiaries referred to in this semiannual report collectively represent "Tokyu Corporation," "a consolidated subsidiary of Tokyu Corporation (not including equity method affiliates)," "a tokutei mokuteki kaisha (TMK) or a 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%." (The same applies hereinafter.)

Executive Director
TOKYU REIT, Inc.

Representative Director & President,
Chief Executive Officer
Tokyu Real Estate Investment
Management Inc.

Kazuyoshi Kashiwazaki



On behalf of **TOKYU REIT**, I would like to express my sincere appreciation to all of you, our unitholders, for your continued support and patronage to us.

I hereby report our operating environment and results for the fiscal period ended July 2021.

First, concerning the impact of COVID-19, we have completed a round of responding to requests for rent reduction or exemption, and decrease in revenue stood at ¥11 million for the fiscal period ended July 2021, which is less than the initial forecast by ¥77 million. In order to secure stable rent revenue in the future, we will promote responding to tenants that aims to realize long-term, fixed contracts.

In the fiscal period ended July 2021, revenue from property leasing increased by ¥213 million from the previous fiscal period and NOI from property leasing increased by ¥221 million from the previous fiscal period due to the acquisition of Hulic Shibuya Miyashita Koen Building, the full-period contribution of OKI Business Center No. 5 and STYLIO FIT Musashikosugi, acquired in the previous fiscal period and others. However, with the absence of gain on sale of real estate of ¥764 million from the disposal of OKI System Center (land with leasehold interest) posted in the previous fiscal period, operating income was ¥3,981 million (decrease of ¥557 million from the previous fiscal period), net income was ¥3,540 million (decrease of ¥543 million from the previous fiscal

period) and net income per unit was ¥3,621 (decrease of ¥555 from the previous fiscal period). Distribution per unit will be ¥3,621 (decrease of ¥139 from the previous fiscal period).

Positioning ESG (Environment, Social and Governance) and SDGs (Sustainable Development Goals) as important management issues, **TOKYU REIT** and Tokyu REIM have promoted identification of material issues (materiality) and ESG initiatives in various fields. During the fiscal period ended July 2021, we started to use 100% renewable energy at 23 properties under management of **TOKYU REIT** from August 2021 to promote lowering of carbon emissions. Through this initiative, we expect to eliminate 96.1% of greenhouse gas emissions from the use of electricity at TOKYU REIT's properties. **TOKYU REIT** and Tokyu REIM will continue to press ahead with initiatives for realizing a sustainable society.

With regard to the next fiscal period onward, the extension work at Tokyu Toranomom Building is expected to contribute to lower revenue from the fiscal period ending January 2022 to the fiscal period ending July 2022, but given the gain on sale of real estate of Daikanyama Forum, Shonan Mall Fill (land with leasehold interest) and OKI System Center (land with leasehold interest) in the fiscal period ending January 2022 and of OKI System Center (land with leasehold interest) in the fiscal period ending July 2022 as well as a partial reversal of the reserve for reduction entry, distribution per unit is projected to be ¥3,410 (decrease of ¥211 from the previous fiscal period) for the fiscal period ending January 2022 and ¥3,400 (decrease of ¥10 from the previous fiscal period) for the fiscal period ending July 2022.

TOKYU REIT will continue to strive to maximize unitholder value through "investment in highly competitive properties in areas with strong growth potential."

TOKYU REIT greatly appreciates your continued support.

September 2021

April 1985

Entered Tokyu Corporation, Railway Operation Division, Railway Business Unit

April 1986

Tokyu Corporation, Finance & Account Division

March 1998

Tokyu Corporation, Division I, Group Management Division

July 1999

Tokyu Corporation, Division II, Group Management Division

October 1999

Tokyu Corporation, Finance & Account Division

January 2000

Tokyu Corporation, Manager of Finance & Account Division

April 2003

Tokyu Corporation, Manager of Finance, Accounting & Group Strategy Headquarters

April 2005

Tokyu Corporation, Manager of Accounting & IR Division, Finance, Accounting & Group Strategy Headquarters

June 2006

Tokyu Corporation, Manager of Group Management & Planning Division, Finance, Accounting & Group Strategy Headquarters

April 2007

Tokyu Corporation, Manager of Group Strategy Division, Finance, Accounting & Group Strategy Headquarters

April 2008

Tokyu Corporation, General Manager of Group Strategy Division, Finance, Accounting & Group Strategy Headquarters

April 2009

Transferred to Tokyu Agency Inc., Executive Officer & Senior Executive General Manager of Corporate Management Division

June 2009

Tokyu Agency Inc., Director, Executive Officer & Senior Executive General Manager of Corporate Management Division

June 2010

Tokyu Agency Business Service Inc., President & Representative Director

April 2014

Tokyu Corporation, General Manager of Business Planning Department, Building Management Division, Urban Development Headquarters

April 2014

Tokyu REIM, Auditor (Non-Executive)

March 2015

Transferred to Tokyu REIM, Representative Director & Executive Vice President, Chief Investment Officer

May 2015

Tokyu REIM, Representative Director & President, Chief Executive Officer (current position)

May 2015

Executive Director of **TOKYU REIT** (current position)

Fiscal Period Ended July 2021
(FP 36)
Cash Distribution per Unit

¥3,621 (Fixed)

(Date of payment: October 15, 2021)

Fiscal Period Ending January 2022
(FP 37)
Cash Distribution per Unit

¥3,410 (Forecast)

(Date of payment: Mid April 2022)

Fiscal Period Ending July 2022
(FP 38)
Cash Distribution per Unit

¥3,400 (Forecast)

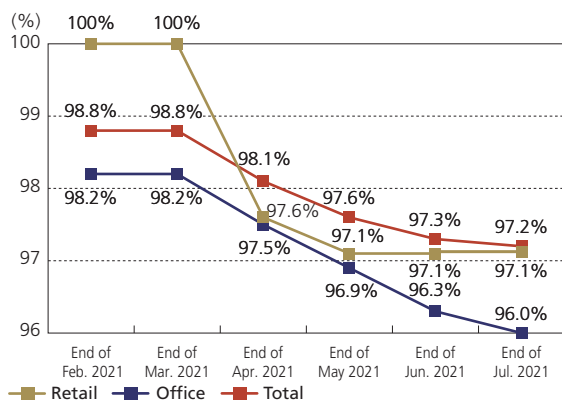
(Date of payment: Mid October 2022)

Financial Summary

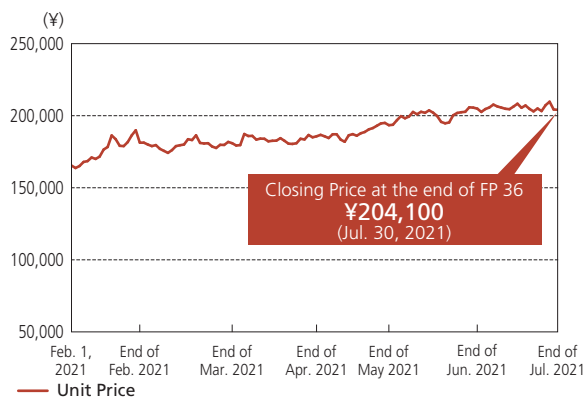
		Ended January 2021 (FP 35) Actual	Ended July 2021 (FP 36) Actual
Balance Sheets	■ Number of Properties	33 properties	34 properties
	■ Total Assets	¥231,090 million	¥235,035 million
	■ Interest-Bearing Debt	¥101,600 million	¥105,600 million
	■ Total Assets Loan-to-Value (LTV) Ratio	44.0%	44.9%
Statements of Income	■ Operating Revenues	¥8,611 million	¥8,066 million
	■ Net Income	¥4,083 million	¥3,540 million
Distributions	■ Distribution per Unit	¥3,760	¥3,621
	■ Average Market Price per Unit	¥147,909	¥189,045

TOKYU REIT, Inc. (TOKYU REIT) listed its units on the Tokyo Stock Exchange on September 10, 2003. With the ultimate goal of maximizing unitholder value, TOKYU REIT is engaged in asset investment and management based on principles of growth, stability, and transparency. TOKYU REIT is committed to securing stable earnings and cash distributions through investment in highly competitive properties in areas with strong growth potential. TOKYU REIT invests primarily in office properties, retail properties, residences and complexes that include any one of these properties located in Tokyo Central 5 Wards and the Tokyu Areas, which refers to the areas serviced by the Tokyu rail network. As of July 31, 2021 (FP 36), TOKYU REIT held 20 office buildings, 9 retail facilities, 2 residences and 3 land with leasehold interest for a total of 34 properties.

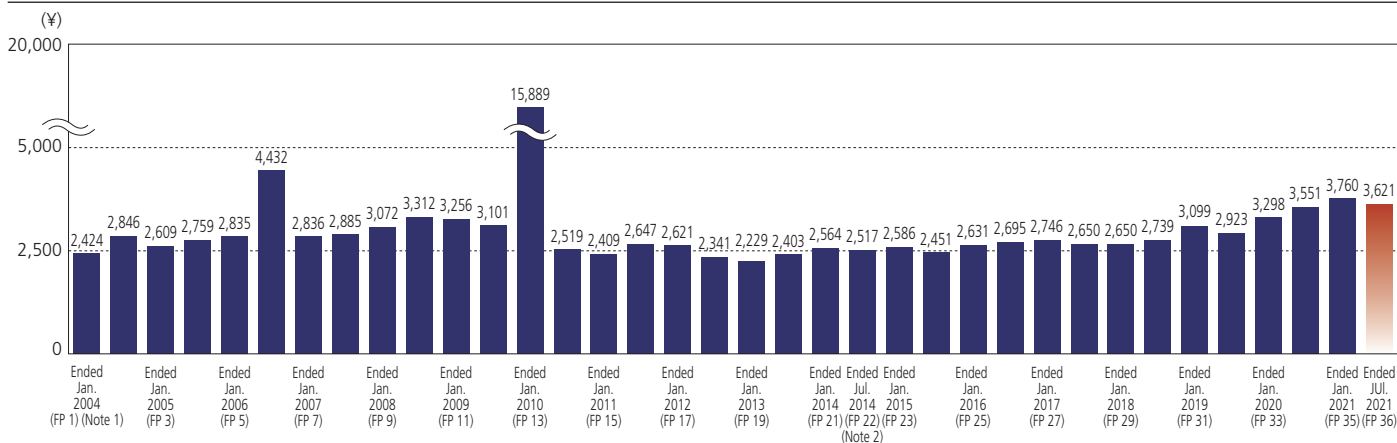
Occupancy Rate



Unit Price



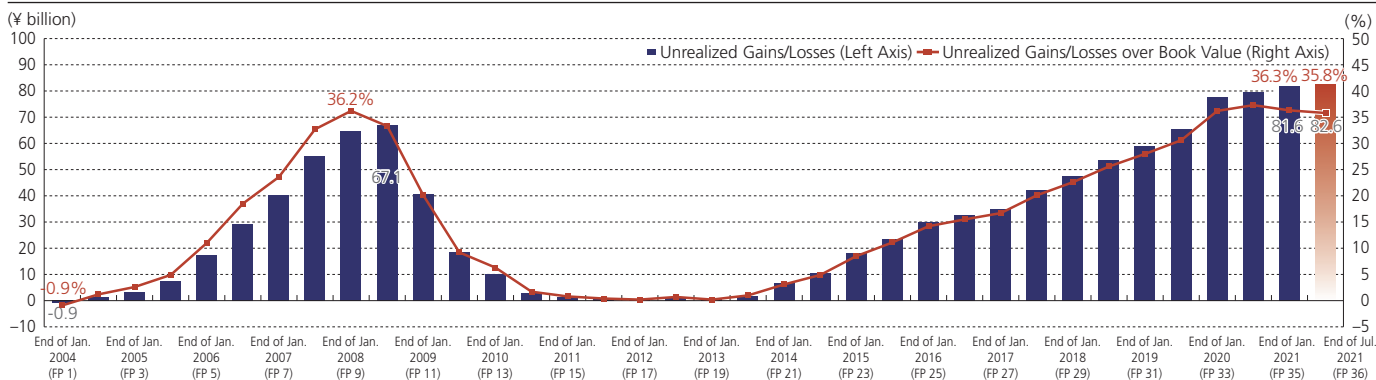
Cash Distribution per Unit



■ Cash Distribution per Unit

(Notes) 1. Official distribution per unit in the fiscal period ended January 2004 (FP1) was ¥1,897 (adjusted for five-for-one split) based on the actual operating period of 144 days, but the recalculated distribution per unit of ¥2,424 based on 184 operating days is used in the above graph for the sake of comparison with figures from the fiscal period ended July 2004 (FP2) and thereafter.
 2. Cash distribution per unit have been adjusted to take into account the split of investment units (five-for-one split) conducted on February 1, 2014 for pre-split figures.

Unrealized Gains/Losses and Unrealized Gains/Losses over Book Value



Topics

Property Replacement (FP ended Jul. 2021 (FP 36) to FP ending Jan. 2022 (FP 37))

Continue to conduct property replacement based on the “Long-Term Investment Management Strategy (Surf Plan)”^(Note 1) Acquisition of properties located in Tokyu Areas (Shibuya Ward) while realizing capital gains

Acquisition

Hulic Shibuya Miyashita Koen Building^(Note 2)
(Office)



Overview of property	
Acquisition date	March 29, 2021
Seller	Hulic Co., Ltd.
Acquisition price	6,000 million yen
Appraisal value on acquisition	6,060 million yen (as of Mar. 1, 2021)
NOI ^(Note 3) (NOI yield)	181 million yen per annum (3.0%)
Occupancy rate ^(Note 4)	100%
Completion date	Apr. 2008

Disposition

Shonan Mall Fill
(Land with leasehold interest)



Overview of property	
Disposition date	Aug. 2, 2021
Buyer	Domestic corporation
Disposition price	7,700 million yen
Difference between the disposition price and the book value ^(Note 5)	673 million yen
NOI ^(Note 3) (NOI yield)	324 million yen per annum (4.2%)
Occupancy rate ^(Note 4)	100%



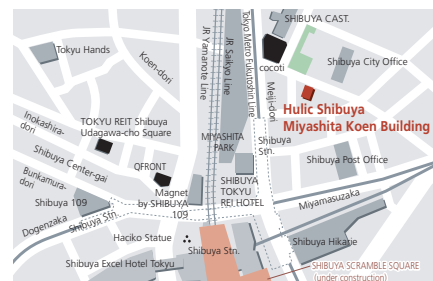
Effect of Property Replacement

- Increase in percentage of properties in focused investment areas^(Note 6) : 96.1%^(Note 7) → 100%^(Note 8)
- Recording of gain on sale of real estate, etc. and provision of reserve for reduction entry

	Jan. 2022 (FP 37)
Gain on sale of property	662
Of which, provision of reserve for reduction entry	355

(Unit: million yen)

Location



(Note 1) An idea to secure capital gains while replacing properties and achieve improvement of portfolio quality through a value and contrarian investment approach that eyes the cyclicality of real estate prices (page 17).

(Note 2) The name of Hulic Shibuya Miyashita Koen Building was changed to TOKYU REIT Shibuya Miyashita Koen Building on October 1, 2021.

(Note 3) For the acquired property, estimated figures exclusive of special items from income and expenditure of the acquisition fiscal year; and for the disposed property, the actual results from February 2020 to January 2021. Yields are based on acquisition/disposition price.

(Note 4) As of the end of July 2021.

(Note 5) Difference between the disposition price and estimated book value as of the disposition date is indicated.

(Note 6) Investment ratio in Tokyo Central 5 Wards and Tokyu Areas (based on acquisition price).

(Note 7) As of the end of January 2021.

(Note 8) The figures after the disposition of 30% co-ownership interest in OKI System Center (land with leasehold interest) on December 24, 2021, and disposition of 30% co-ownership interest on February 25, 2022, are indicated.

Property Acquisition/Disposition (FP ended Jan. 2021 (FP 35) and FP ending Jan. 2022 (FP 37))

Realized the acquisition of properties located in Tokyu Areas through sponsor pipeline as well as the recognition of gain on sale of real estate, etc. through sales of properties with unrealized losses

Acquisition

STYLIO FIT Musashikosugi

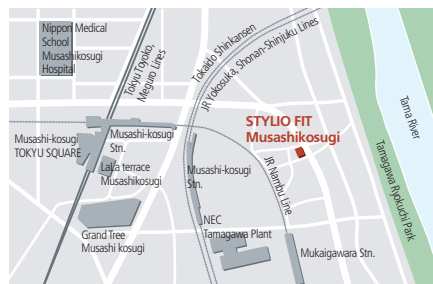


Overview of property	
Acquisition date	Jan. 20, 2021
Seller	Tokyu Corporation
Acquisition price	1,500 million yen
Appraisal value on acquisition	1,510 million yen (as of Dec. 1, 2020)
NOI ^(Note 1) (NOI yield)	62 million yen per annum (4.1%)
Occupancy rate ^(Note 2)	100%
Completion date	Apr. 2020

Effect of Acquisition

- Acquisition of residential properties through sponsor pipeline
- Increase in percentage of properties in Tokyu Areas 54.2% → 54.5% (as of January 2021)

Area around STYLIO FIT Musashikosugi



Disposition

Daikanyama Forum



Overview of property	
Disposition date	Aug. 31, 2021
Buyer	Domestic corporation
Disposition price	4,250 million yen
Difference between the disposition price and the book value ^(Note 3)	130 million yen
NOI ^(Note 1) (NOI yield)	133 million yen per annum (3.1%)
Occupancy rate ^(Note 2)	100%
Completion date	Feb. 1993
Gain on sale of real estate, etc.	90 million yen

(Note 1) For the acquired property, estimated figures exclusive of special items from income and expenditure of the acquisition fiscal year; and for the disposed property, the actual results from August 2020 to July 2021. Yields are based on acquisition/disposition price.






























(Note 2) As of the end of July 2021.

(Note 3) Difference between the disposition price and estimated book value as of the disposition date is indicated.

Identification of Materiality/Introduction of 100% renewable energy

Identification of Materiality

TOKYU REIT and Tokyu REIM identified the material issues (materiality) from the perspective of the importance of stakeholders as well as economy, society and environment to pursue sustainable investment management focusing on growth potential and stability.

Material issues (materiality)		Relevant SDGs
 <p>E (Environment)</p>	Reduction of energy consumption and greenhouse gas ("GHG") emissions	   
	Reduction of water consumption and waste	 
 <p>S (Social)</p>	Information disclosure to and dialogue with stakeholders	 
	Improvement of safety and comfort of tenants	   
	Contribution to the development of communities	   
	Allocation and development of personnel sufficient in both quality and quantity	  
	Creation of a healthy organizational culture and work environment	  
 <p>G (Governance)</p>	Development and operation of a process that ensures highly workable governance	 
	Promotion of compliance and risk management	 

Topics of the Fiscal Period ended July 2021 (FP 36)

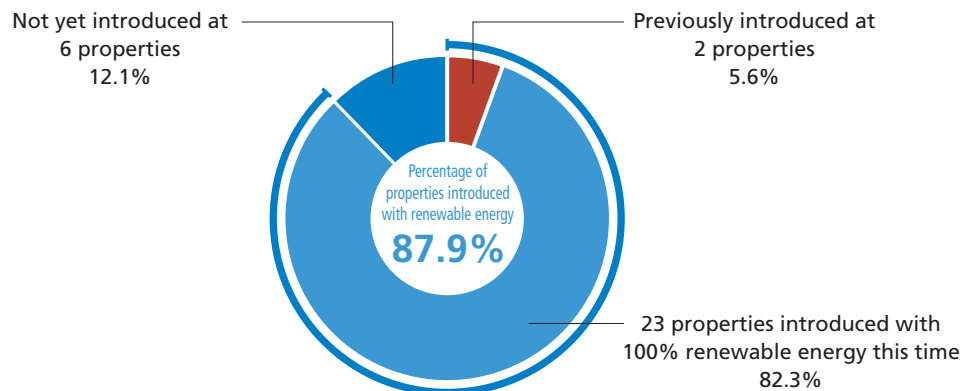
Introduction of 100% renewable energy (2021)

Introduced 100% renewable energy at 87.9% (25 properties) of the total floor area of all the 31 properties under management excluding land with leasehold interest (as of the end of July 2021)

Greenhouse gas emissions derived from electricity:
96.1% reduction ^(Note)

Effect of reduction of CO₂ emissions:
Approx. 16,000 tons (converted into t-CO₂)

Status of introduction of 100% renewable energy at properties under management



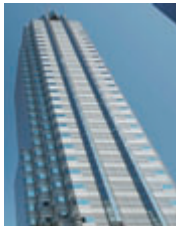
(Note) The estimated figures based on the actual results for fiscal 2020 are indicated. Moreover, greenhouse gas emissions at properties at which occupying tenants or building management associations directly concluded contracts for electric power supply and demand with power companies (4 properties) are not included in the calculation of the estimated figures.

Sustainability Measures

Identification of Materiality/Environmental Measure

Obtain Certifications from External Assessment Institutions

DBJ Green Building Certification



Setagaya Business Square



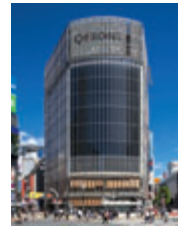
Tokyu Bancho Building



cocoti



Tokyu Toranomon Building



QFRONT

BELS



Tokyu Ikejiri-ohashi Building

Acquisition ratio of environmental certification: 26.2%
(based on total leasable area)

DBJ Green Building Certification: 5 properties



BELS for 1 property

GRESB



Since 2015, TOKYU REIT has continuously acquired "Green Star," which is given to participants that are rated highly in terms of both system and actual results regarding environmental consideration and initiatives on sustainability

Reduction of Energy Consumption and Greenhouse Gas ("GHG") Emissions / Reduction of Water Consumption and Waste

Reduction target for energy consumption, etc.

Goal

Energy consumption intensity, greenhouse gas emission intensity, energy intensity of crude oil equivalent, water consumption 1% year-on-year reduction

Actual results

Achieved reduction targets for all items during fiscal period ended Jul. 2020 (FP 34) and fiscal period ended Jan. 2021 (FP 35)

Goal

Waste recycling rate more than the previous year ^(Note 1)

Actual results

Achieved the goal for fiscal 2018 and 2019

Major construction work related to reduction of energy consumption

(fiscal period ended Jan. 2021 (FP 35) & fiscal period ended Jul. 2021 (FP 36))

- Renewal of air conditioning equipment: 6 properties [Reduction of electricity consumption](#)
(QFRONT, Lexington Aoyama, Setagaya Business Square, Tokyo Nissan Taito Building, Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building), Kojimachi Square)
- Renewal of elevators: 2 properties [Reduction of electricity consumption](#)
(Setagaya Business Square, Tokyo Nissan Taito Building)
- Renovation of restrooms: 2 properties [Water-saving](#)
(Setagaya Business Square, Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building))
- Progress rate of switching to LED at exclusively owned office areas (Note 2): 61.7% [Reduction of electricity consumption](#)



After construction work for switching to LED (Setagaya Business Square)

Other

- Acquisition of Rank A in energy conservation diagnosis conducted by an external business operator (TOKYU REIT Shinjuku Building, fiscal 2018)
- Promotion of effective use of water resources through the reuse of miscellaneous drainage (Setagaya Business Square)
- Efforts on heat countermeasures utilizing the Tokyo Metropolitan Government's subsidy business (Setagaya Business Square, 2019)

(Note 1) The figures for waste are counted for each fiscal year.

(Note 2) Based on total leasable area

Social Contribution

Improvement of Safety and Comfort of Tenants

Conducted a disaster drill



Setagaya Business Square (2019)

Promoted disaster prevention and BCP measures (each property)



- Installing display board for emergency contact
- Keeping the booklet of “Tokyo Bousai”
- Installing wireless device
- Installing portable emergency power generator
- Installing bar and hydraulic jack
- Installing emergency disaster prevention box (inside elevator)
- Installing rescue pack toilet
- Installing AED

Contribution to the Development of Communities

Provided part of the property for a local event



“SBS Christmas Concert”(Setagaya Business Square (2019))

Installed disaster-relief vending machines (each property)



Installed 17 vending machines that can provide goods free of charge at the time of emergency including disasters in 7 properties (as of July 2021)

Allocation and Development of Personnel Sufficient in Both Quality and Quantity

<Training program>

Implemented various trainings targeting all officers and employees

- Compliance training: 7 times (actual results for fiscal 2020)
- Training by job class (expansion of online training service)

<Support for the acquisition of qualifications>

Supported self-development of officers and employees through improved system to subsidize expenses for acquiring and maintaining qualifications

- Major qualifications
 - 5 Real Estate Appraisers
 - 23 Real Estate Notaries
 - 7 ARES Certified Masters
 - 6 Certified Building Administrators, etc.
- No. of people who utilized subsidy system of expenses for acquiring and maintaining qualifications: 27 (actual results for fiscal 2020)

*The investment management company's initiatives are shown.

Creation of a Healthy Organizational Culture and Work Environment

<Development of comfortable work environment>

- Ratio of female officers and employees, and ratio of female managers: 54% (25 people) and 28% (7 people)
- Percentage of employees taking annual paid holiday: 65% (actual results for fiscal 2020)
- Enrichment of childcare and nursing care leave system, short-time work system, etc.
- Establishment of health committee (appointment of industrial physician, interview with officers and employees)
- Implementation rate of stress checks for officers and employee: 95% (actual results for fiscal 2020)

<Initiatives on the health and safety of employees amid the COVID-19 crisis>

- Established in-house rules on remote work/shortened working hours and staggered working hours
- Promoted utilization of IT such as online meetings
- Promoted the use of NewWork^(Note) (satellite office)
- Promoted vaccination opportunities at workplaces
- Installed thermal cameras to check the body temperature of those entering the room

(Note) Jointly used satellite shared office for corporations operated by Tokyu corporation

*The investment management company's initiatives are shown.

Sustainability Measures

Governance

TOKYU REIT, Inc. Board of Directors

TOKYU REIT's Board of Directors comprises Executive Directors that execute the operations of the investment corporation and Supervisory Directors that oversee the Executive Directors' execution of operations. The Articles of Incorporation stipulate that the Board of Directors must contain one or two Executive Directors and two or three Supervisory Directors, with at least one more Supervisory Director than the number of Executive Directors. It also limits the term of office of these directors at two years. As of the end of the July 2021 (FP 36), there were one Executive Director^(Note) and two Supervisory Directors at **TOKYU REIT**.

(Note) In addition, appointment of Tatsumi Yamagami as a substitute executive director was approved at the General Meeting of Unitholders of TOKYU REIT held on April 16, 2021.



Maruhito Kondo
Supervisory Director



Kazuyoshi Kashiwazaki
Executive Director



Takashi Aikawa
Supervisory Director

Maruhito Kondo Supervisory Director		Takashi Aikawa Supervisory Director	
April 1988	Admitted to the Bar of Japan (Tokyo Bar Association). Entered Ohara Law Office.	November 1997	Admitted to Joto Audit Corporation
May 1988	Studied abroad at the Chinese University of Hong Kong.	March 2001	Admitted to Shinsoh Audit Corporation
September 1988	Studied abroad at Renmin University of China.	April 2003	Certified as a public accountant in Japan (current)
July 1989	Worked at Robert Lee & Fong Solicitors in Hong Kong.	April 2015	Appointed Chief Representative, Shinsoh Audit Corporation (current position)
February 1996	Opened Maruhito Kondo Law Office (current position).	January 2021	Outside auditor of SHOEI FOODS CORPORATION (current position)
May 1998	Admitted to Daini Tokyo Bar Association (current position).	May 2021	Appointed Supervisory Director, TOKYU REIT, Inc. (current position)
June 2003	Appointed Supervisory Director, TOKYU REIT, Inc. (current position).		

*See page 3 about Kazuyoshi Kashiwazaki's career.

TOKYU REIT's Initiatives (Governance)

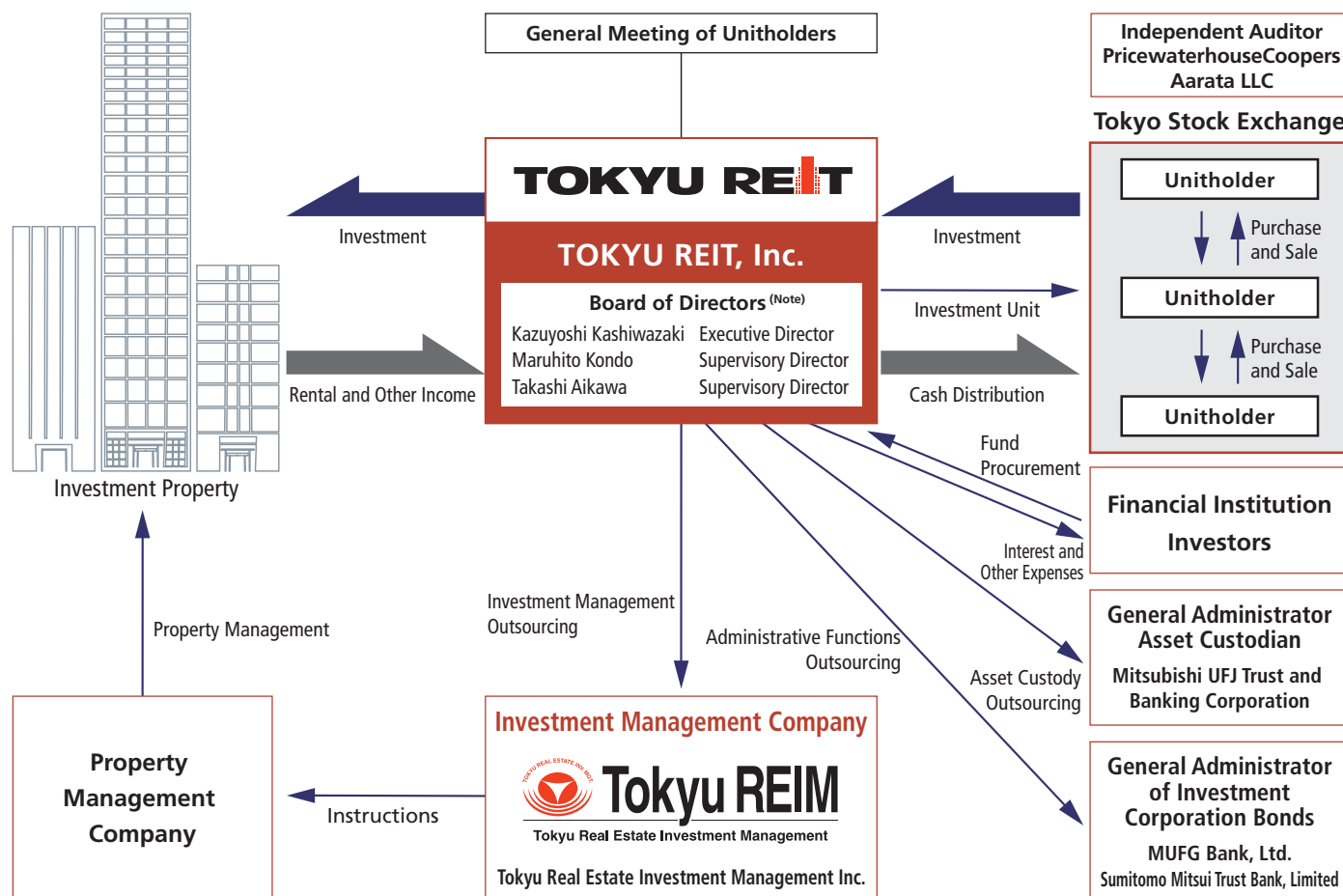
TOKYU REIT's Aim, Goals	Characteristics of TOKYU REIT's Governance Structure
1 Unitholder first Willing to learn from investors but reject requests from short-term interests	1 Involvement of independent outside board members
2 Aim to become a "Global investment product" Willing to become invest-worthy for all investors around the globe	2 Optimal balance between sponsor collaboration and independence
3 Quality decision-making process Highest level board management in the REIT industry	3 Strict focus on fiduciary duty for investment management company and the others
4 Aim to become the most reputable J-REIT Outperform other J-REITs	4 Management fee set to "being in the same boat as unitholders"

TOKYU REIT's Management Characteristics

Excellent Governance as a Source of Competitiveness	Structural	<ul style="list-style-type: none"> Multiple layers of monitoring and proactive involvement of outside board members Management fee set to "being in the same boat as unitholders" 	<ul style="list-style-type: none"> Stringent measures against conflicts of interest Board meetings held twice or more a month on a regular basis and enhanced resolution and reporting system
	Human Resources	<ul style="list-style-type: none"> Carefully select board members to enhance debate* Provide appropriate compensation to board members for the responsibility and the workload 	<ul style="list-style-type: none"> Legal advisor to be present at board meetings
	Culture	<ul style="list-style-type: none"> Board members not hesitant to reject, waive resolution or agree with conditions Willing to debate among independent outside board members 	<ul style="list-style-type: none"> Tokyu REIT's efforts <ul style="list-style-type: none"> Strict focus on fiduciary duty Management fee programmed to enhance involvement of all business segments Intend to let all Tokyu REIT staff communicate directly with investors
	Track Record	<ul style="list-style-type: none"> Status of the Board of Directors' meetings held (ended Jul. 2021 (FP 36)): 1.8 meetings per month on average 	<ul style="list-style-type: none"> Attendance at Board of Directors' meeting (ended Jul. 2021 (FP 36)) <ul style="list-style-type: none"> Kazuyoshi Kashiwazaki (Executive Director) 100% Giichi Yanagisawa (Supervisory Director) 100% Maruhito Kondo (Supervisory Director) 100% Takashi Aikawa (Supervisory Director) 100% General Administrator 100%

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

TOKYU REIT Structure and External Service Providers



(Note) In addition, appointment of Tatsumi Yamagami as substitute executive director was approved at the General Meeting of Unitholders of TOKYU REIT held on April 16, 2021.

Overview of Investment Management Fee

Investment management fee structure linked to three performance indices aimed to balance conflicts of interest by “being in the same boat as unitholders”

Remuneration	Criteria for calculation	Remuneration Ended Jul. 2021 (FP 36)
	Reason for adoption	
Base 1 (Linked to asset valuation)	Asset value at the end of previous fiscal period × 0.125% (0.120% for the portion exceeding 200 billion yen and 300 billion yen or less) (0.115% for the portion exceeding 300 billion yen)	¥377 million
	It will be linked not to the total investment amount but to the total asset valuation and motivate the enhancement of asset value even after the acquisition of properties	
Base 2 (Linked to cash flow)	Standard cash flow in current fiscal period ^(Note) × 6.0% (5.7% for the portion exceeding 5.0 billion yen and 7.5 billion yen or less) (5.4% for the portion exceeding 7.5 billion yen)	¥315 million
	Motivating the increase of distributions through the increase in rent revenue and reduction of expenses	
Incentive Fee (Linked to investment unit price)	(Average price in current fiscal period - Highest average price over all previous fiscal periods) × number of units × 0.4%	Not occurred
	It will motivate the increase in investment unit price and efforts on the overall asset management business such as finance, IR, governance and compliance in addition to the normal asset management business will be enriched	

(Note) 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.

*Apart from the above, TOKYU REIT pays predetermined fees, etc. to an asset custodian, general administrators, property management companies and an independent auditor, among others.

* The above fees are all booked as expenses. TOKYU REIT does not adopt an acquisition incentive fee, which is capitalized on the balance sheet.

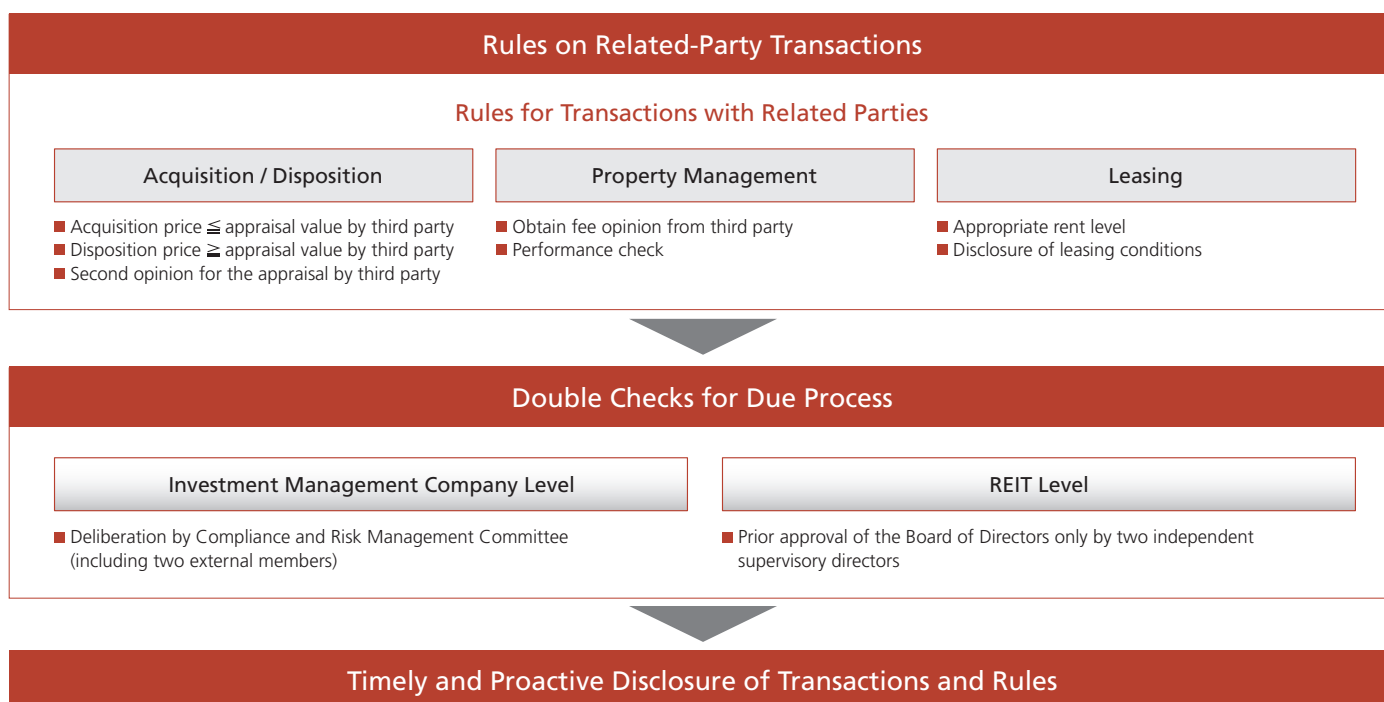
Collaboration with Tokyu Corporation and Its Subsidiaries

To achieve external growth, **TOKYU REIT** works to acquire a balanced mix of properties from the real estate investment market as well as Tokyu Corporation and its subsidiaries. **TOKYU REIT** also conducts replacement of properties and other measures as needed in order to maintain and improve the portfolio quality, aiming to enhance its asset value and increase net income per unit. **TOKYU REIT** also endeavors to achieve internal growth by enhancing earnings stability and growth potential through collaboration with Tokyu Corporation and its subsidiaries in the areas of property maintenance and management.

Pipeline Support for Property Acquisition	<ul style="list-style-type: none"> The memorandum requires that, when Tokyu Corporation and its subsidiaries attempt to sell their owned real estate assets that are qualified for investment by TOKYU REIT, they should preemptively offer the sale to TOKYU REIT. This arrangement will enable TOKYU REIT to make further progress in the implementation of its Capital Re-investment Model explained.
Property Management	<ul style="list-style-type: none"> Will be outsourced, in principle, to Tokyu Corporation and its subsidiaries.
Trademark License	<ul style="list-style-type: none"> TOKYU REIT has received permission from Tokyu Corporation to use the trademarks of “東急” and “TOKYU.”
Holding of Investment Units	<ul style="list-style-type: none"> Tokyu Corporation owns 49,000 investment units (5.01% of total) of TOKYU REIT.

Related Party Transactions

■ Development of self-imposed rules on transactions with Related Parties^(Note) and measures to avoid conflicts of interest through multiple checks



(Note) “Related Parties” is a collective term for “Tokyu Corporation and its subsidiaries,” “Affiliates of Tokyu Corporation except Tokyu Corporation’s subsidiaries,” and “Tokyu Land Corporation and its subsidiaries.”

- “Tokyu Corporation and its subsidiaries” refers to any entity that falls under the following (1) to (3):
 - Tokyu Corporation
 - A consolidated subsidiary of Tokyu Corporation
 - 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%.
- “Affiliates of Tokyu Corporation except Tokyu Corporation’s subsidiaries” refers to affiliates within the scope of consolidation of Tokyu Corporation.
- “Tokyu Fudosan Holdings Corporation and its subsidiaries” refers to any entity that falls under the following (1) to (3):
 - Tokyu Fudosan Holdings Corporation (“Tokyu Fudosan Holdings”)
 - A consolidated subsidiary of Tokyu Fudosan Holdings
 - A tokutei mokuteki kaisha (TMK) or special purpose company (SPC) that was established based on the intention of Tokyu Fudosan Holdings or a consolidated subsidiary of Tokyu Fudosan Holdings and where the share of investment by undisclosed associations or other investment shares in that entity by the respective company exceeds 50%

**Tokyu Real Estate Investment Management Inc.
(Investment management company)**

URL: www.tokyu-reim.co.jp/en/

Tokyu Real Estate Investment Management Inc. ("Tokyu REIM") contracted with **TOKYU REIT** on June 20, 2003, to act as its investment manager.

Underpinned by investment policies held in common with **TOKYU REIT**, Tokyu REIM strives to maximize unitholder value through business growth, stability and transparent operations. In addition, Tokyu REIM implements strict measures against conflicts of interest and takes all necessary care in transactions with Tokyu Corporation and other related parties.

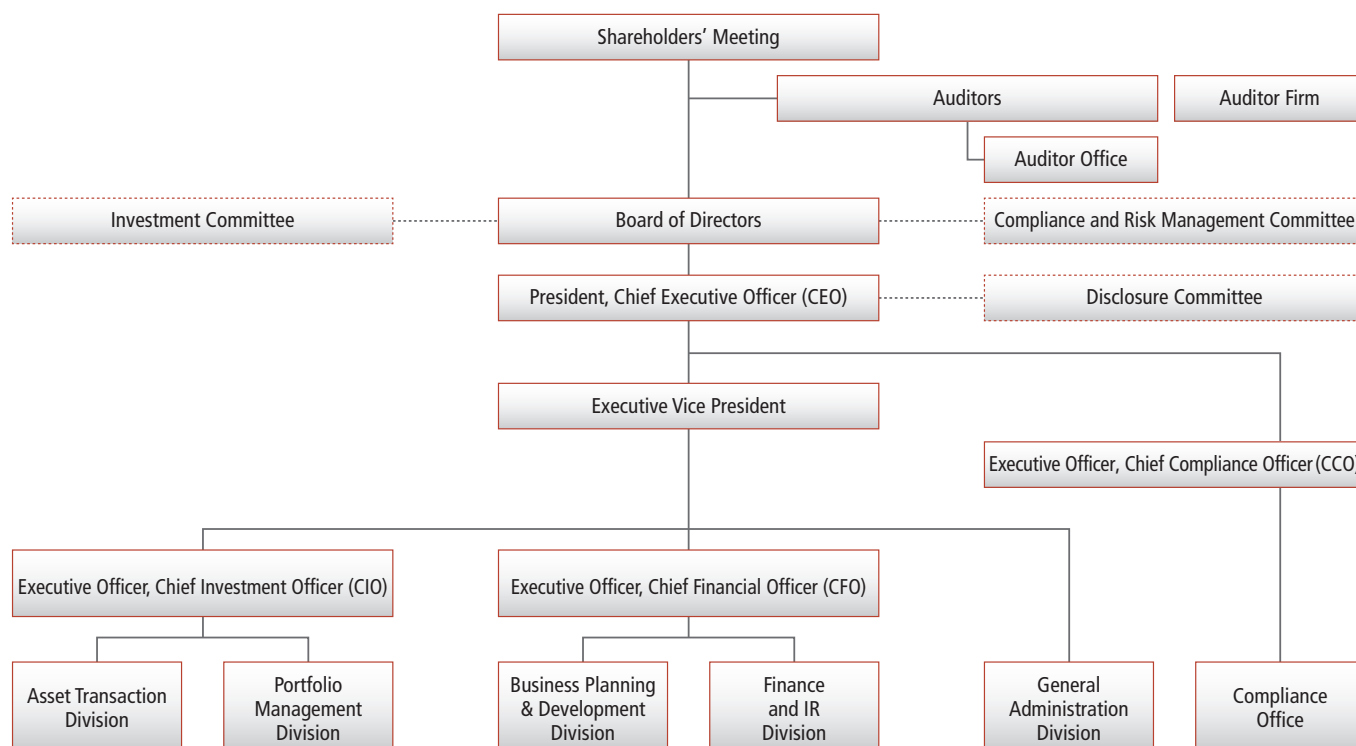
Tokyu REIM is a financial instruments dealer under the Financial Instruments and Exchange Law (Kanto Financial Bureau (*Kin-sho*) No. 360).

Board of Directors	<p>Function : Decision-making on management strategy</p> <p>Members : Representative director & president, representative director & executive vice president, two directors, four directors (part-time) and two auditors (part-time) from sponsors</p>
Compliance and Risk Management Committee	<p>Function : Advisory on compliance and risk management, and Related-Party transactions</p> <p>Members : Two directors (part-time), and two external committee members</p>
Investment Committee	<p>Function : Advisory on investment decisions</p> <p>Members : Representative director & president (committee chairman), representative director & executive vice president, three directors and one appraiser</p>

Major Shareholder

Name	Address	Shares Held	Ratio
Tokyu Corporation	5-6, Nampeidai-cho, Shibuya-ku, Tokyo	6,000 shares	100%

Organization Chart



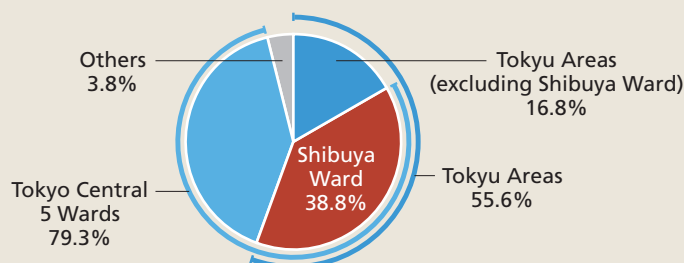
Investment in Highly Competitive Properties in Areas with Strong Growth Potential

Areas with Strong Growth Potential

Investment Area: Tokyo Metropolitan Area

- Investment of more than 85% in Tokyo Central 5 Wards and areas along Tokyu rail lines, areas showing population growth and more growth potential in the Tokyo Metropolitan Area
- ✓ 96.2% of investment in Tokyo Central 5 Wards and areas along Tokyu rail lines as of the end of July 2021 (FP 36)
- *Based on acquisition price
- Control earthquake risk through PML (Set portfolio PML ^(Note) at 10% or lower)
- ✓ Set portfolio PML as of the end of July 2021 (FP 36): 4.0%
- Oriented towards total return (comprised of income return (rental revenues, etc.) of each fiscal period and future capital return (gains on sales))

Percentage Share in Total Portfolio by Region



Area	Targeted Areas of Investment	
Central Tokyo	Tokyo Central 5 Wards	Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards
	Other major commercial and retail districts of Tokyo	The areas surrounding Ikebukuro, Koraku, Ueno and other areas
Tokyu Areas	Tokyu rail network hub	Shibuya Ward
	Other Tokyu rail network areas	Tokyo: Shinagawa, Meguro, Setagaya and Ota wards, Machida city
		Yokohama, Kanagawa Prefecture: Kohoku, Kanagawa, Naka, Nishi, Midori, Aoba and Tsuzuki wards
		Kawasaki, Kanagawa Prefecture: Nakahara, Takatsu and Miyamae wards
	Yamato, Kanagawa Prefecture	
Others	Other districts in the Tokyo Metropolitan Area, including Kanagawa, Saitama and Chiba Prefectures (excluding the separately mentioned areas above)	

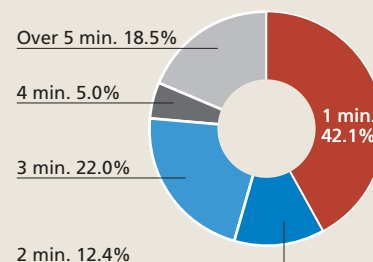
(Note) The PML for the entire portfolio. There is no unified, strict definition of PML; as used in this semiannual report, PML represents the percentage of expected loss due to small- to large-level earthquakes (those statistically calculated as possible over a 475-year period) that occur during an assumed period for the economic life of a building, to procurement cost for restoring expected damage. Calculations incorporate data relating to individual property survey, assessment of building conditions, conformity to architectural design, surveys of local areas and structural evaluation. The PML and the probable lost days are based on the earthquake risk assessment reports prepared by Engineering & Risk Services Corporation and OYO RMS Corporation. Damages in this instance refer to property damage and do not include secondary damages such as loss of life and damages to fixtures. In addition, damages are limited to structural damage and damages to facilities and building interior and exterior, and do not cover damages caused by earthquake fire and fire damage from surrounding facilities.

Highly Competitive Properties

■ Focus on Location

- Office buildings
 - Within a seven-minute walk from the nearest station as a rule
- Retail properties
 - Conduct various surveys and analyses in many aspects, including purchasing power potential of the trade zone, growth potential, compatibility of tenants with the trade zone, and status of competition
- Residences
 - Primarily located within a ten-minute walk from the nearest station
- Secure favorable location, with focus on exit price and liquidity
- ✓ 76.6%* of properties lie within a three-minute range (as of the end of July 2021 (FP 36))
 - * Based on acquisition price

Travel time from the nearest train station (on foot; acquisition price basis)



■ Minimum Investment Amount per Property

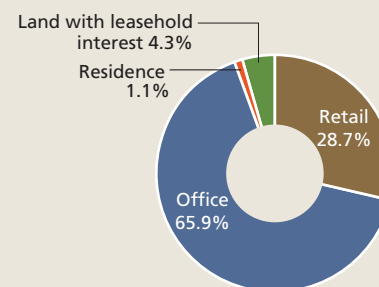
- 4.0 billion yen, in principle (Note 1)
- However,
 - (1) Properties located in Tokyu Areas (including Shibuya Ward): 1.0 billion yen
 - (2) Properties located in Central Tokyo (excluding Shibuya Ward) (Note 2): 2.0 billion yen
 - (3) Land with leasehold interest: 1.0 billion yen
- ✓ Average amount invested per property is ¥7.3 billion* (end of July 2021 (FP 36))
 - * Based on acquisition price

■ Asset Class

- (1) Office buildings
- (2) Retail properties
- (3) Residences
- (4) Complexes that include any one of the (1) to (3) above (Note 3)

(Notes) 1. The portfolio shall maintain 80% or higher ratio of properties with the investment amount per property of 4.0 billion yen or larger.
 2. Chiyoda, Chuo, Minato and Shinjuku wards, and other major commercial and retail districts of Tokyo.
 3. When a hotel is included in the above complex, it shall, in principle, meet the following criteria.
 (1) A lease agreement which can reduce business/operational risks of the hotel shall be concluded with the tenant of the hotel portion of the complex.
 (2) The tenant of the hotel portion of the complex shall be Tokyu Corporation and its subsidiaries or shall possess operational skills equal to those of Tokyu Corporation and its subsidiaries.

Investment ratio by use *Based on acquisition price



Main Strategy and the Other

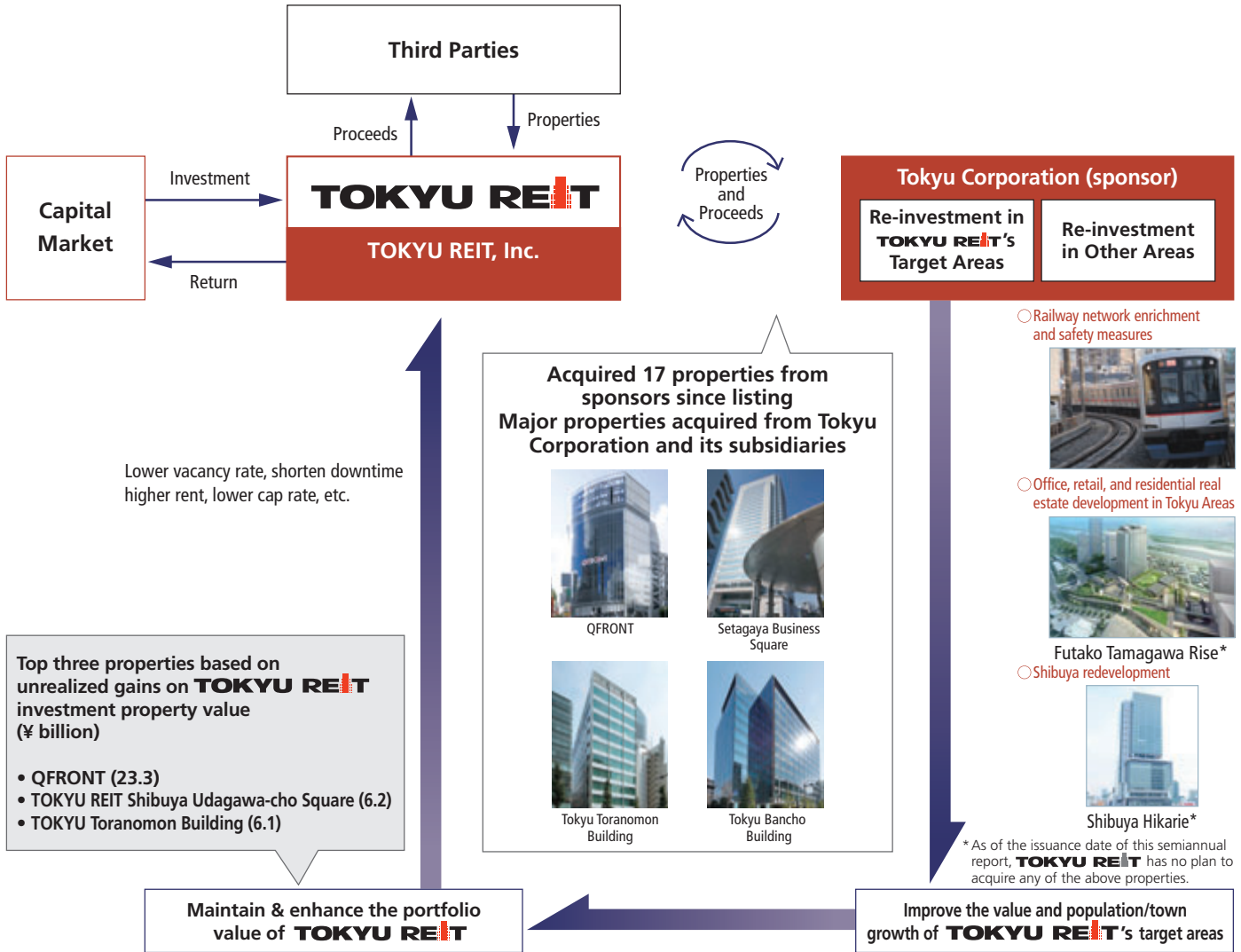
- Investment management fee structure “being in the same boat as unitholders” → Refer to Page 11
- “Capital Re-investment Model” through collaboration with sponsors → Refer to Page 16
- “Value and contrarian investment strategy” focusing on cyclicity of real estate prices → Refer to Page 17
- Debt management strong against credit crises → Refer to Page 20

Investment Management Strategy

Capital Re-investment Model

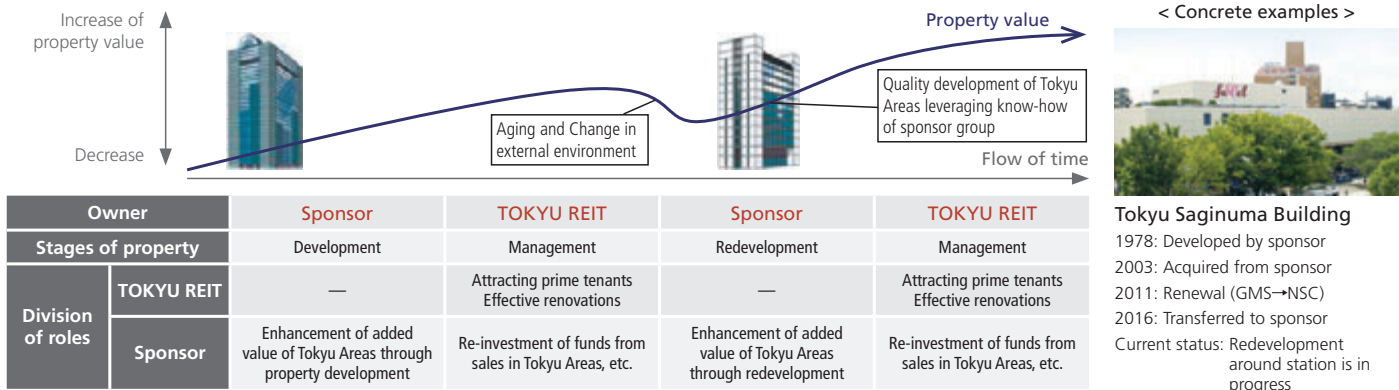
“Capital Re-investment Model” through collaboration with sponsors

Our unique investment strategy involves a re-investment model. When we purchase properties from Tokyu Corporation and its subsidiaries, the proceeds are eventually used for re-investment in the Tokyu Areas by Tokyu Corporation and its subsidiaries, and therefore, contribute to maintaining and improving the value of our target area. While **TOKYU REIT** is not part of and is independent from the Tokyu Group, we try to explore opportunities for collaboration with Tokyu Corporation and its subsidiaries, while, at the same time, making sure we maintain and observe rules on conflicts of interest that investors also believe in.



Sponsor Collaboration in Line with Stages of Life of Property (medium to long term)

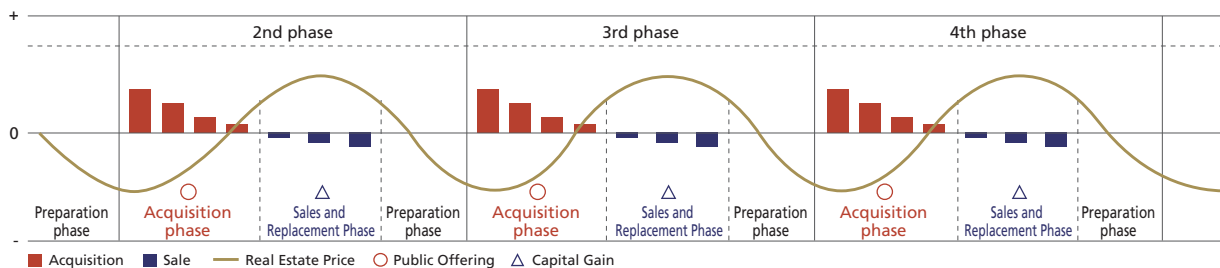
Aim for ceaseless value enhancement in investment targeted areas through division of roles with sponsor



TOKYU REIT's Long-Term Investment Management Strategy (Surf Plan)

“Value and contrarian investment strategy” focusing on cyclicity of real estate prices

TOKYU REIT has conducted investment with a focus on the cyclicity of real estate prices, in order to achieve enhanced portfolio quality. Specifically, TOKYU REIT has been implementing the “Long-Term Investment Management Strategy (Surf Plan).” Under this strategy, through value investment and contrarian investment^(Note) by focusing on the cyclicity of real estate prices, TOKYU REIT secures capital gains while replacing properties, aiming to build a portfolio that boasts lasting competitiveness and balance sheets that are strong against even difficult economic times. The objective of this approach is to accurately discern the ‘waves’ of prosperity and depression in real estate market conditions.



(Note) It is not intended for TOKYU REIT to engage in short-term trading in property investments.

Investment Style

Value & Contrary

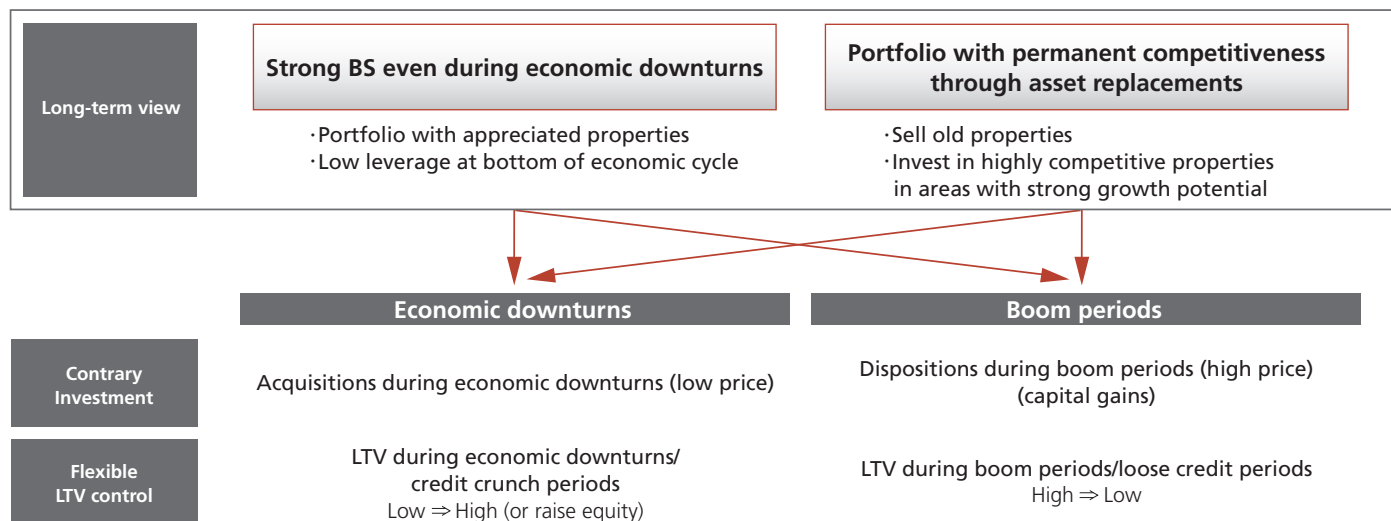
Value Investment

An approach of investing into properties that are undervalued against the respective benchmarks. TOKYU REIT aims to secure high yield (total return) by acquiring properties that appear to be undervalued in terms of their appraisal values, NOI (net operating income) and other indicators.

Contrary Investment

An approach of investing in the phase when prices are falling. TOKYU REIT aims to acquire properties when they are priced low and sell them when they are priced high, thereby recouping the investment.

Concept



Status of Redevelopment around Shibuya Station

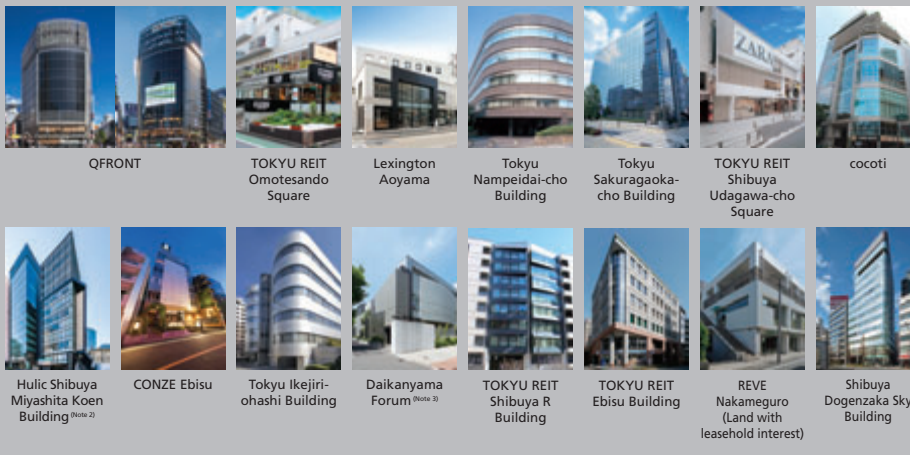
Redevelopment of Greater SHIBUYA (extensive Shibuya area) (Note 1) is in progress mainly by Tokyu Group



*As of the issuance date of this semiannual report.

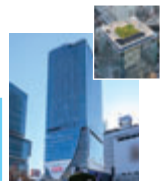
TOKYU REIT owns 15 properties in Greater SHIBUYA (extensive Shibuya area) (Note 1) where redevelopment is in progress

Acquisition Price: 107.8 billion yen Appraisal Value: 152.9 billion yen



(Notes) 1. Area within radius of 2.5 km from Shibuya Station.
 2. The name of Hulic Shibuya Miyashita Koen Building was changed to TOKYU REIT Shibuya Miyashita Koen Building on October 1, 2021.
 3. Daikanyama Forum was disposed on August 31, 2021.
 *Some properties are only partially owned by TOKYU REIT or Tokyu Corporation and its subsidiaries.
 *As of the issuance date of this semiannual report, TOKYU REIT has no plan to acquire properties owned by Tokyu Corporation and its subsidiaries, and properties planned by the Tokyu Group.
 *Pictures are provided by SHIBUYA SCRAMBLE SQUARE [1], SHIBUYA STREAM [2], Shibuya 2-Chome 17 District Urban Redevelopment Association [3] and Tokyu Land Corporation [4-6].

1 SHIBUYA SCRAMBLE SQUARE



Phase I (East building)
Opened on November 2019
Phase II (Central building/West building)
Scheduled to open in fiscal 2027

Implementing body	Tokyu Corporation, East Japan Railway Company, Tokyo Metro Co., Ltd.
Usage	Office, store, observation facility, parking lot, etc.
Major tenants	<Office> CyberAgent, Inc., mixi, Inc., WeWork
Floors	East building: B7/47F Central building: B2/10F West building: B5/13F

2 SHIBUYA STREAM



Opened on September 2018

Implementing body	Tokyu Corporation, etc.
Usage	Office, store, hotel, hall, parking lot, etc.
Major tenants	<Office> Google GK <Hotel> Shibuya Stream Excel Hotel TOKYU
Floors	B4/35F

3 SHIBUYA 2-Chome 17 District



Scheduled for completion in fiscal 2024

Implementing body	Shibuya 2-chome 17 District Urban Redevelopment Association (Members: Tokyu Corporation, etc.)
Usage	Office, store, parking lot, etc.
Floors	B2/23F

4 SHIBUYA FUKURAS



Opened in November 2019

Implementing body	Dogenzaka 1-chome Ekimae Area Urban Redevelopment Association (Member: Tokyu Land Corporation)
Usage	Office, store, bus terminal, etc.
Major tenants	<Office> GMO Internet Group <Retail> Tokyu Plaza Shibuya
Floors	B4/18F

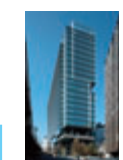
5 Shibuya Station Sakuragaoka Exit Block



Scheduled for completion in fiscal 2023

Implementing body	Shibuya Station Sakuragaoka-guchi Area Urban Redevelopment Association (Member: Tokyu Land Corporation)
Usage	Office, store, residences, church, parking lot, etc.
Floors	Block A: B4/39F Block B: B2/29F Block C: 4F

6 SHIBUYA SOLASTA



Completed in March 2019

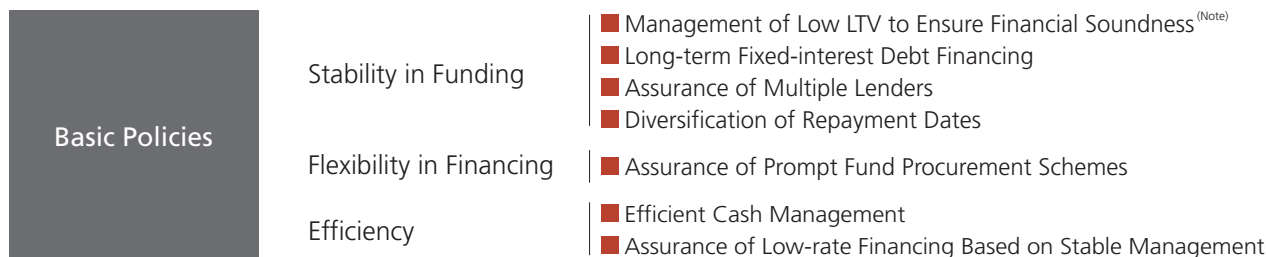
Implementing body	General Incorporated Association Dogenzaka 121 (business company formed by Tokyu Land Corporation and land owners)
Usage	Office, assembly hall (incubation office, etc.), store, parking lot, etc.
Major tenants	<Office> Tokyu Land Corporation, Business-Airport
Floors	B1/21F

Financial Strategies

TOKYU REIT's Financial Strategies

Debt management strong against credit crises

With its financial strategies based on stability, flexibility and efficiency, **TOKYU REIT** strives to maximize unitholder value by reducing capital costs as well as fostering external growth with minimal expenditures.



(Note) An acronym for Loan to Value (LTV). The proportion of liabilities including bonds, debt financing and other interest-bearing liabilities to total asset value. This formula derives the liability level to the acquired property's value. Low LTV (namely, less liabilities or high-valued properties) is considered as high level of financial soundness.

Debt

Total Interest-Bearing Debt	¥105.6 billion
Long-Term Fixed-Rate Ratio	87.1%
Avg. Duration	4.13 years
Commitment Line	¥18.0 billion ^(Note)

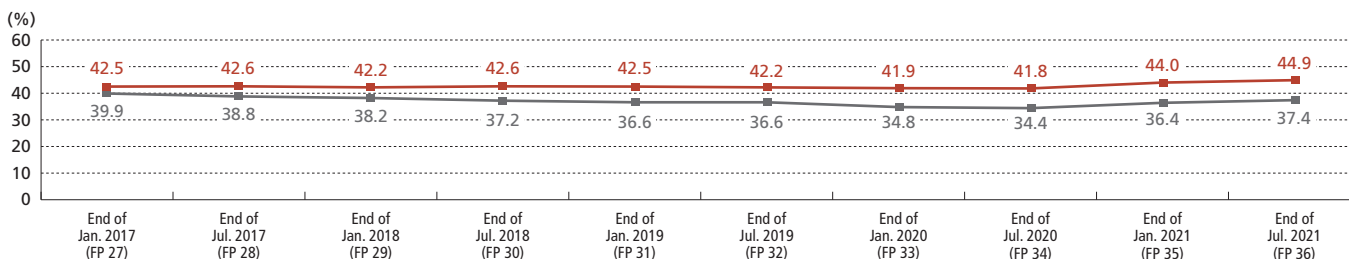
(Note) The execution of the commitment line agreement allows us to undergo debt financing at any given time up to the designated amount. To this end, a flexible and efficient fund procurement system has been assured. Moreover, the balance of debt under the commitment line agreement as of July 31, 2021 is ¥6.2 billion.

Ratings

Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	AA- (Outlook: Stable)
Rating and Investment Information, Inc. (R&I)	Issuer Rating	A+ (Rating Outlook: Stable)

Changes in LTV

TOKYU REIT controls its LTV in a conservative manner in order to secure financial soundness.



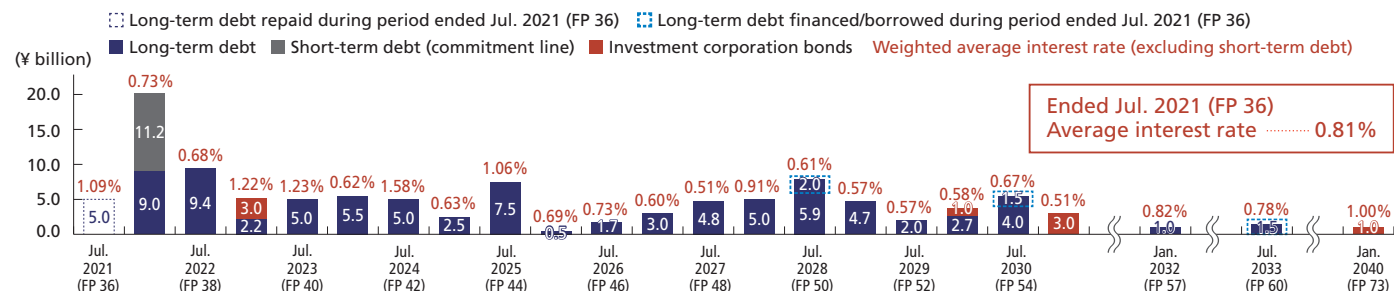
■ LTV based on total assets at the end of period = Balance of period-end interest-bearing debt / Period end total assets

■ LTV based on appraisal value = (Balance of interest-bearing debt at the end of period + Balance of securities deposit without reserved cash at the end of period) / (Appraisal value at the end of period)

LTV based on appraisal value is calculated by using appraisal value, and thus increases or decreases if appraisal value at the end of period decreases or increases.

Diversification of Repayment and Redemption Dates of Interest-Bearing Debts

In addition, **TOKYU REIT** works to diversify repayment dates for its debt financing in order to avoid the risk of large-scale refinancing within a short period of time.



Data of the Fiscal Period ended July 2021 (FP 36)

In the acquisition of investment properties, TOKYU REIT considers a variety of factors, including a comprehensive analysis of forecasted revenue stream, growth potential of the area, property size, construction and facility specifications, earthquake resistance, leasing rights, occupancy and appeal to tenants, property management, the environment and foundation quality, and the property's competitiveness.

Top 10 Tenants by Leased Area

No.	Tenant name	Business category	Property name	Expiration date	Leased area (m ²)	Ratio (Note 1)
1	DAIWA INFORMATION SERVICE Co., Ltd	Real estate	Shonan Mall Fill (land with leasehold interest) (Note 2)	Mar. 31, 2033	44,078.12	20.3%
2	OKI Electric Industry Co., Ltd.	Electric equipment	OKI Business Center No. 5	Mar. 31, 2030	18,102.32	8.3%
			OKI System Center (land with leasehold interest) (Note 3)	Mar. 26, 2033	10,211.51	4.7%
3	Tokyu Corporation	Real estate	Tokyu Nampeidai-cho Building	Dec. 31, 2021	7,148.18	3.3%
			Tokyu Sakuragaoka-cho Building	Dec. 31, 2021	3,878.36	1.8%
			REVE Nakameguro (land with leasehold interest)	Sep. 26, 2068	497.02	0.2%
			Setagaya Business Square (Note 4)	Jan. 31, 2022	315.62	0.1%
4	VENDOR SERVICE CO., LTD.	Wholesale	Tokyu Toranomom Building	Jul. 31, 2021	5,907.30	2.7%
5	FUJITSU LIMITED	Electric equipment	TOKYU REIT Kamata Building	Sep. 30, 2022 (Note 5)	4,593.33	2.1%
6	Culture Convenience Club Co., Ltd.	Other financial business	QFRONT	Dec. 14, 2039	4,502.93	2.1%
7	Tokyu Community Corporation	Service	Setagaya Business Square (Note 4)	Jul. 31, 2021 (Note 5)	3,857.61	1.8%
8	Japan Post Insurance Co., Ltd.	Insurance	TOKYU REIT Toranomom Building	Apr. 30, 2022 (Note 5)	3,553.89	1.6%
9	Tokyu Agency Inc.	Service	Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Feb. 24, 2022	3,533.03	1.6%
10	Netyear Group Corporation	Service	Tokyu Ginza 2-chome Building	Sep. 30, 2022	3,282.06	1.5%
Total of top 10 tenants in leased area					113,461.28	52.2%
Total leased area as of end of Jul. 2021 (FP 36 (34 properties))					217,352.84	100.0%

(Notes) 1. "Ratio" indicates ratio of tenant's leased areas to total leased area of 34 properties held as of the end of the fiscal period ended Jul. 2021 (FP 36).

2. Disposed on August 2, 2021.

3. Leased area for the 60% co-ownership interest is indicated for the tenant of OKI System Center (land with leasehold interest). Disposed 40% co-ownership interest on September 28, 2020, and scheduled to dispose 30% co-ownership interest on December 24, 2021, and 30% co-ownership interest on February 25, 2022.

4. Leased area for the 55% co-ownership interest is indicated for the tenant of Setagaya Business Square.

5. Expiration date of contract for largest leased area in plural leased area.

Creation of Portfolio Resilient to Earthquakes

Structural status (earthquake resistance)

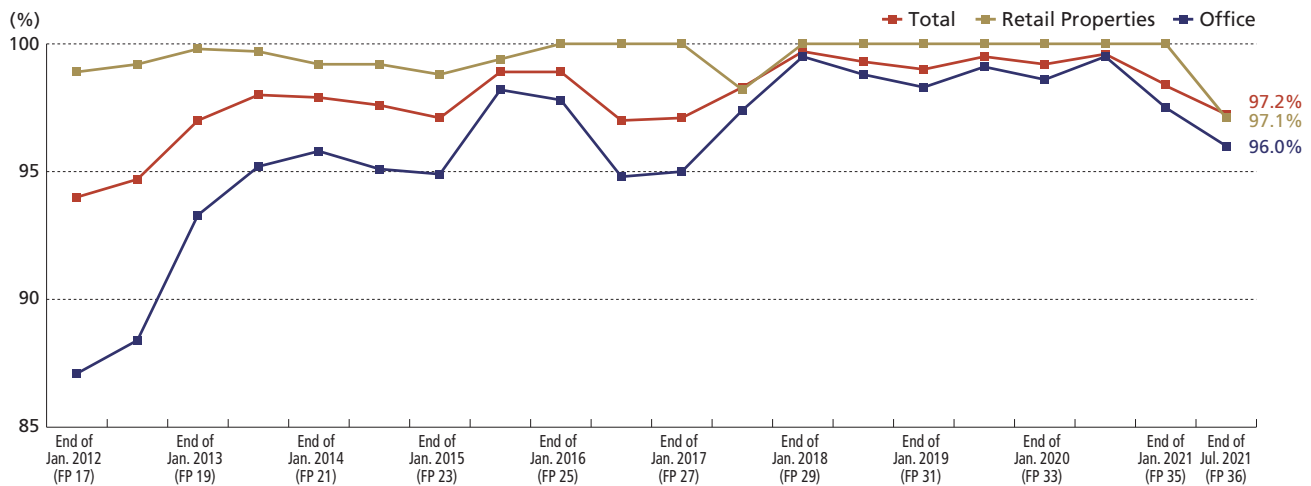
Investment Criteria	Properties that are compliant with the new earthquake resistance standards (Note), that completed anti-seismic reinforcement work, or that has PML of less than 15%	Manage properties with a portfolio PML of 10% or less; examine purchasing earthquake insurance if PML of any property surpasses the figure.
Portfolio	<ul style="list-style-type: none"> 30 out of 34 properties comply with the new earthquake resistance standards (Three remaining properties are land with leasehold interest only) 	<ul style="list-style-type: none"> Portfolio PML: 4.0% Although the merit of geographical diversification in terms of earthquake risks is small, the value of the portfolio PML for properties which have high earthquake resistance ratings is kept at a fairly low level as individual properties have high earthquake resistant ratings.

(Note) 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 six 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 2011, in which a seismic intensity of seven was actually observed.

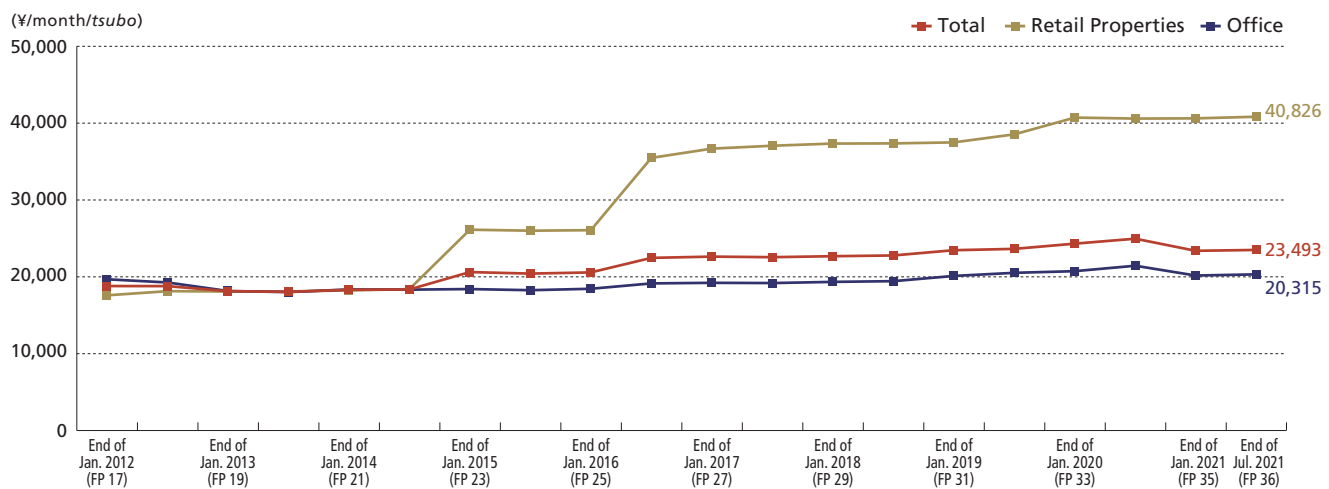
Portfolio (properties owned at the end of July 2021 (FP 36))

Track Record (Results of Management)

Changes in Occupancy Rate

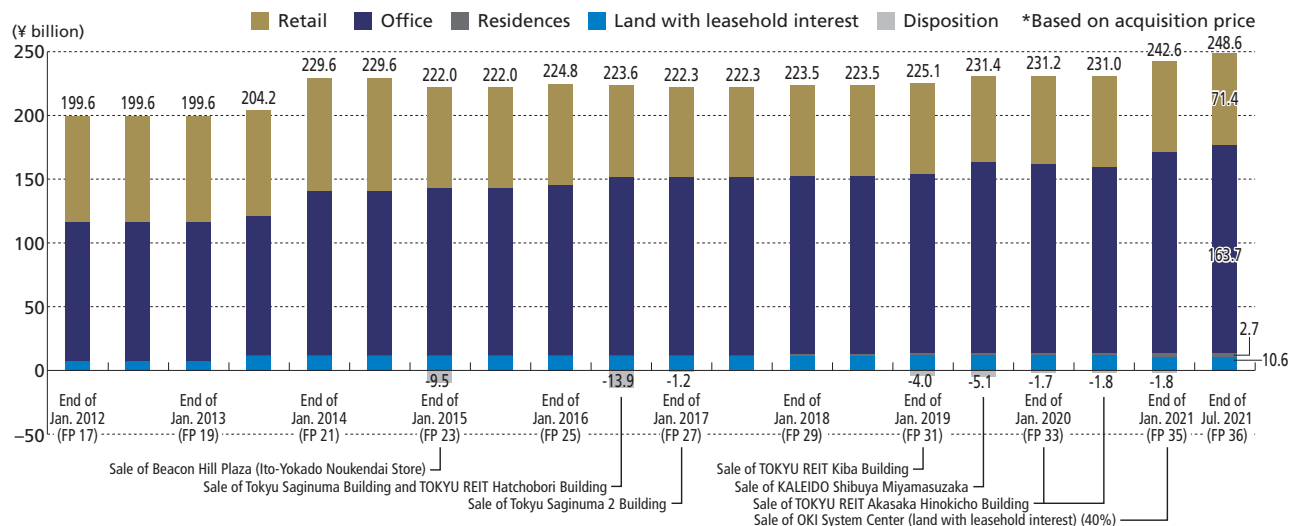


Changes in Average Rent



* In calculating the above unit price, we haven't factored in vacant spaces.
 * Includes common area charges and excludes income from parking, warehouses, etc.
 * 1 tsubo ≈ 3.30578m²

Change in Asset Size



Portfolio Overview (at the end of July 2021 (FP 36))

Use	Name of Property	Acquisition Date	Acquisition Price (¥ million)	Location	Total Leasable Area (m ²)	Occupancy Rate	Ratio (Based on Acquisition Price) ^(Note 1)	Probable Maximum Loss (PML) in Earthquake Risk Analysis	
Retail	QFRONT	Sep. 10, 2003	15,100	Shibuya Ward, Tokyo	4,502.93	100%	6.1%	4.2%	
	Lexington Aoyama	Sep. 11, 2003	4,800	Minato Ward, Tokyo	2,094.96	100%	1.9%	2.3%	
	TOKYU REIT Omotesando Square	Sep. 10, 2003	5,770	Shibuya Ward, Tokyo	2,669.10	100%	2.3%	9.5%	
	TOKYU REIT Shibuya Udagawa-cho Square	Mar. 1, 2004	6,600	Shibuya Ward, Tokyo	1,543.05	100%	2.7%	7.3%	
	cocoti		Apr. 6, 2005	14,700	Shibuya Ward, Tokyo	8,295.62	96.2%	9.9%	6.2%
			Aug. 2, 2005	9,800					
	CONZE Ebisu	Oct. 31, 2006	5,116	Shibuya Ward, Tokyo	2,327.00	85.8%	2.1%	4.1%	
	Daikanyama Forum ^(Note 2)	Apr. 22, 2008	4,136	Shibuya Ward, Tokyo	2,477.37	100%	1.7%	8.0%	
	TOKYU REIT Shimokitazawa Square	Apr. 26, 2019	2,257	Setagaya Ward, Tokyo	1,246.98	89.6%	0.9%	10.9%	
	TOKYU REIT Jiyugaoka Square		Oct. 1, 2019	1,548	Meguro Ward, Tokyo	1,231.80	100%	1.3%	8.8%
Mar. 4, 2020			1,611						
Office	Setagaya Business Square	Sep. 11, 2003	22,400	Setagaya Ward, Tokyo	24,920.26	93.4%	9.0%	2.9%	
	Tokyu Nampeidai-cho Building	Sep. 11, 2003	4,660	Shibuya Ward, Tokyo	7,148.18	100%	1.9%	7.9%	
	Tokyu Sakuragaoka-cho Building	Sep. 11, 2003	6,620	Shibuya Ward, Tokyo	4,737.19	100%	2.7%	11.1%	
	Tokyo Nissan Taito Building	Sep. 11, 2003	4,450	Taito Ward, Tokyo	7,877.43	100%	1.8%	7.4%	
	TOKYU REIT Kamata Building	Sep. 10, 2003	4,720	Ota Ward, Tokyo	7,337.82	100%	1.9%	7.7%	
	TOKYU REIT Toranomon Building		Dec. 15, 2004	8,630	Minato Ward, Tokyo	10,247.06	96.5%	4.1%	7.2%
			Sep. 21, 2007	1,100					
			Oct. 26, 2007	200					
			Jan. 21, 2015	107					
	Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Jan. 31, 2008	8,500	Minato Ward, Tokyo	3,533.03	100%	3.4%	3.9%	
	Tokyu Ikejiri-ohashi Building	Mar. 28, 2008	5,480	Meguro Ward, Tokyo	5,733.23	100%	2.2%	5.8%	
	Kojimachi Square	Mar. 19, 2010	9,030	Chiyoda Ward, Tokyo	5,409.11	69.6%	3.6%	4.8%	
	TOKYU REIT Shinjuku Building	Mar. 26, 2010	9,000	Shinjuku Ward, Tokyo	6,270.68	100%	3.6%	4.2%	
	Akihabara Sanwa Toyo Building	Oct. 29, 2010	4,600	Chiyoda Ward, Tokyo	4,538.02	100%	1.9%	11.8%	
	Tokyu Ginza 2-chome Building	Feb. 15, 2011	5,010	Chuo Ward, Tokyo	3,473.16	100%	2.0%	4.4%	
	TOKYU REIT Shibuya R Building	Aug. 16, 2013	5,270	Shibuya Ward, Tokyo	5,246.68	100%	2.1%	5.9%	
	Tokyu Toranomon Building		Aug. 16, 2013	15,000	Minato Ward, Tokyo	9,016.59	92.8%	6.8%	5.4%
			Jan. 9, 2015	1,850					
	TOKYU REIT Shinjuku 2 Building	Oct. 30, 2015	2,750	Shinjuku Ward, Tokyo	1,790.46	100%	1.1%	4.2%	
	Tokyu Bancho Building		Mar. 24, 2016	12,740	Chiyoda Ward, Tokyo	6,137.50	100%	5.5%	3.3%
			Mar. 28, 2019	1,040					
	TOKYU REIT Ebisu Building	Aug. 1, 2018	4,500	Shibuya Ward, Tokyo	1,879.17	100%	1.8%	5.5%	
	Shibuya Dogenzaka Sky Building	Mar. 28, 2019	8,100	Shibuya Ward, Tokyo	4,136.05	70.2%	3.3%	6.4%	
OKI Business Center No.5	Sep. 28, 2020	11,900	Minato Ward, Tokyo	18,102.32	100%	4.8%	8.1%		
Hulic Shibuya Miyashita Koen Building ^(Note 3)	Mar. 29, 2021	6,000	Shibuya Ward, Tokyo	2,299.77	100%	2.4%	3.0%		
Residence	Maison Peony Toritsudaigaku	Nov. 15, 2017	1,200	Meguro Ward, Tokyo	852.16	96.9%	0.5%	6.2%	
	STYLIO FIT Musashikosugi	Jan. 20, 2021	1,500	Kawasaki City, Kanagawa Prefecture	1,830.00	100%	0.6%	7.1%	
Land with leasehold interest	Shonan Mall Fill ^(Note 4) (Land with leasehold interest)	Apr. 28, 2006	6,810	Fujisawa City, Kanagawa Prefecture	44,078.12	100%	2.7%	—	
	OKI System Center ^(Note 5) (Land with leasehold interest)	Mar. 27, 2013	2,718	Warabi City, Saitama Prefecture	10,211.51	100%	1.1%	—	
	REVE Nakameguro (Land with leasehold interest)	Sep. 27, 2018	1,150	Meguro Ward, Tokyo	497.02	100%	0.5%	—	
	Total		248,614		223,691.34	97.2%	100.0%	4.0%	

(Notes) 1. Ratio is rounded to one decimal place. Accordingly, the total may not exactly match the sum of relevant items.

2. Daikanyama forum was disposed on August 31, 2021.

3. The name of Hulic Shibuya Miyashita Koen Building was changed to TOKYU REIT Shibuya Miyashita Koen Building on October 1, 2021.

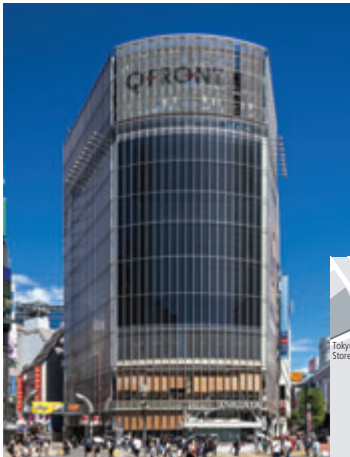
4. Shonan Mall Fill (Land with leasehold interest) was disposed on August 2, 2021.

5. OKI System Center (Land with leasehold interest) was disposed in the form of 40% co-ownership interest on September 28, 2020, and is scheduled to be disposed in the form of 30% co-ownership interest on December 24, 2021 and February 25, 2022, respectively.

PORTFOLIO (properties owned at the end of July 2021 (FP 36))

QFRONT

Properties contributed by sponsors



A retail property representing Tokyo facing the scramble crossing in front of Shibuya Station and having extremely high visibility with a large display screen installed on the wall.



Address: 21-6, Udagawa-cho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Shibuya Station—JR Yamanote Line, etc.
 Total Land Space: 784.26m² (Land included in the property trust totals 728.30m²)
 Total Floor Space: 6,675.52m² (Exclusive area 4,804.46m²)
 Structure/Floors: SRC/S, B3/8F
 Completed: October 1999
 Type of Ownership: Land—Proprietary ownership
 Building—Compartmentalized ownership

Lexington Aoyama

Properties contributed by sponsors



A retail property comprised of tenants such as apparel stores and located at the center of Kotto-dori where stores serving customers with high sensibility concentrate.



Address: 5-11-9, Minami-Aoyama, Minato-ku, Tokyo
 Nearest Station: Approximately a five-minute walk from Omote-sando Station—Tokyo Metro Ginza Line, etc.
 Total Land Space: 776.59m²
 Total Floor Space: 2,342.21m²
 Structure/Floors: S/R, B1/4F
 Completed: January 1998
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Omotesando Square



A retail property located near Omote-sando Station, comprised of various stores such as restaurants, cafés, general merchandise store, sports gym and beauty salon, etc.



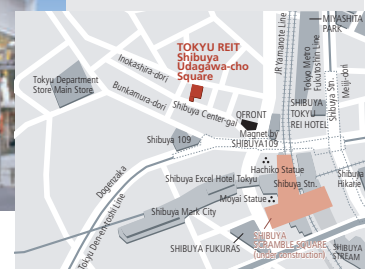
Address: 4-3-2, Jingumae, Shibuya-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Omote-sando Station—Tokyo Metro Ginza Line, etc.
 Total Land Space: 1,259.21m²
 Total Floor Space: 3,321.20m²
 Structure/Floors: S/SRC, B1/4F
 Completed: October 1985
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Shibuya Udagawa-cho Square

Properties contributed by sponsors



A retail property facing Inokashira-dori and Shibuya Center-gai, occupied by apparel stores and restaurants.



Address: [Bldg. 1] 25-10, Udagawa-cho, Shibuya-ku, Tokyo
 [Bldg. 2] 25-5, Udagawa-cho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Shibuya Station—JR Yamanote Line, etc.
 Total Land Space: 679.27m²
 Total Floor Space: [Bldg. 1] 1,473.10m²
 [Bldg. 2] 56.39m²
 Structure/Floors: [Bldg. 1] S, 3F
 [Bldg. 2] S, 2F
 Completed: [Bldg. 1] July 1998
 [Bldg. 2] June 1995
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

cocoti



A retail property with high-quality design located along Meiji-dori and occupied by brand shops and cafés.

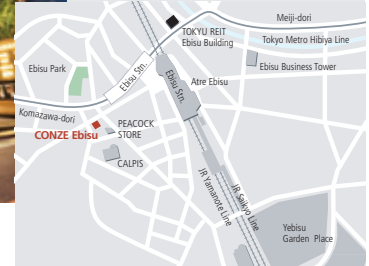


Address: 1-23-16, Shibuya, Shibuya-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Shibuya Station—JR Yamanote Line, Tokyu Toyoko Line and Tokyo Metro Fukutoshin Line, etc.
 Total Land Space: 1,705.35m²
 Total Floor Space: 11,847.87m²
 Structure/Floors: S/SRC, B2/12F
 Completed: September 2004
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

CONZE Ebisu



A retail property located in the Ebisu area occupied by restaurants and service stores. Redevelopments are underway nearby and the area can be expected to grow more vibrant.



Address: 2-3-14, Ebisu-Minami, Shibuya-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Ebisu Station—Tokyo Metro Hibiya Line, etc.
 Total Land Space: 562.07m²
 Total Floor Space: 2,789.35m²
 Structure/Floors: S/SRC, B1/9F
 Completed: March 2004
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Daikanyama Forum



A retail property occupied by high-end tenants comprised of two buildings with an external appearance in harmony with Kyu Yamate-dori.



Address: 17-16, Sarugaku-cho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a six-minute walk from Daikan-yama Station—Tokyu Toyoko Line
 Total Land Space: Building 1 (East): Site rights area 942.30m²
 Building 2 (West): Site rights area 1,108.01m²
 Total Floor Space: Building 1 (East): 1,441.57m²
 Building 2 (West): 2,388.70m²
 (Exclusive area 1,182.62m²)
 Structure/Floors: Building 1 (East): RC, B1/2F
 Building 2 (West): RC, B1/5F
 Completed: February 1993
 Type of Ownership: Land— Building 1 (East): Proprietary ownership
 Building 2 (West): Proprietary ownership
 (Co-ownership ratio 64.13%)
 Building— Building 1 (East): Compartmentalized ownership
 Building 2 (West): Compartmentalized ownership

TOKYU REIT Shimokitazawa Square



A retail property located in the Shimo-kitazawa area occupied by stores and offices. Redevelopment of the station-front plaza of Shimo-kitazawa Station, pedestrian pathways, etc. are underway and greater bustle are anticipated.



Address: 6-6-1, Daita, Setagaya-ku, Tokyo
 Nearest Station: Approximately a three-minute walk from Shimo-kitazawa Station—Keio Inokashira Line
 Approximately a five-minute walk from Shimo-kitazawa Station—Odakyu Odawara Line
 Total Land Space: 489.27m²
 Total Floor Space: 1,306.55m²
 Structure/Floors: RC, B1/4F
 Completed: June 2008
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Jiyugaoka Square



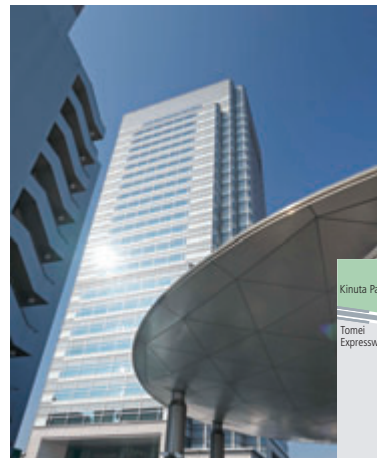
A retail property located approximately a two-minute walk from Jiyugaoka Station on the Tokyu Toyoko and Oimachi lines. Facing Kuhombutsugawa Ryokudo (Green Street), where there is a concentration of many sophisticated stores and customer-visiting-type offices.



Address: 2-13-6, Jiyugaoka, Meguro-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Jiyugaoka Station—Tokyu Toyoko Line and Oimachi Line
 Total Land Space: 575.54m²
 Total Floor Space: 1,272.60m²
 Structure/ Floors: SRC, 5F
 Completed: December 2001
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Setagaya Business Square

Properties contributed by sponsors



A large office building comprised of office and retails directly connected to Yoga Station. Has excellent access from Metropolitan Expressway.



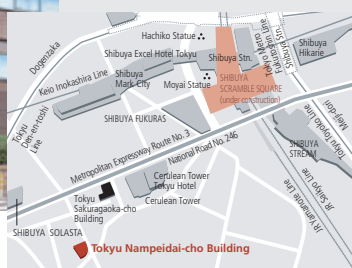
Address: 4-10-1,2,3,4,5,6, Yoga, Setagaya-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Yoga Station—Tokyu Den-en-toshi Line
 Total Land Space: 21,315.68m²
 Total Floor Space: 94,373.72m²
 Structure/Floors: SRC/RC/S, B2/28F
 Completed: September 1993
 Type of Ownership: Land—Proprietary ownership (Co-ownership ratio: 55%)
 Building—Proprietary ownership (Co-ownership ratio: 55%)

Tokyu Nampeidai-cho Building

Properties contributed by sponsors



A five-story office building located in the Shibuya area where development is progressing. Occupied by the headquarters of Tokyu Corporation.



Address: 5-6, Nampeidai-cho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a seven-minute walk from Shibuya Station—JR Yamanote Line, etc.
 Total Land Space: 2,013.28m²
 Total Floor Space: 7,003.88m²
 Structure/Floors: S/SRC, B2/5F
 Completed: July 1992
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Tokyu Sakuragaoka-cho Building

Properties contributed by sponsors



A nine-story office building located in the Shibuya area where development is progressing. Occupied by the headquarters of Tokyu Corporation.



Address: 31-2, Sakuragaoka-cho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a five-minute walk from Shibuya Station—JR Yamanote Line, etc.
 Total Land Space: 1,013.03m²
 Total Floor Space: 6,505.39m²
 Structure/Floors: SRC, B3/9F
 Completed: June 1987
 Type of Ownership: Land—Proprietary ownership
 Building—Compartmentalized ownership (Note)

(Note) All of compartmentalized ownership with whole building are entrusted.

Tokyo Nissan Taito Building

Properties contributed by sponsors

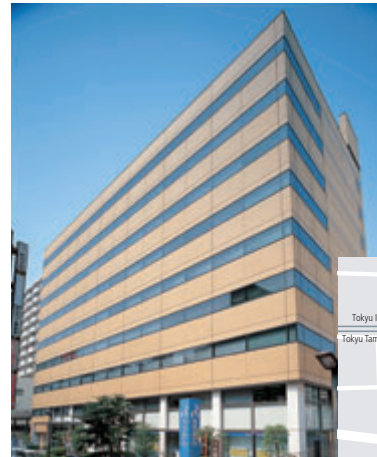


A highly convenient office several stations including Ueno Station, Inaricho Station and Shin-Okachimachi Station available for use.



Address: 2-6-6, Moto-Asakusa, Taito-ku, Tokyo
 Nearest Station: Approximately a three-minute walk from Inaricho Station—Tokyo Metro Ginza Line
 Total Land Space: 1,718.45m²
 Total Floor Space: 11,373.20m²
 Structure/Floors: SRC, B2/10F
 Completed: September 1992
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Kamata Building



A nine-story office building located near Kamata Station where there are available three lines operated by two railway companies as well as the Ota City Office.



Address: 5-13-23, Kamata, Ota-ku, Tokyo
 Nearest Station: Approximately a three-minute walk from Kamata Station—JR Keihin Tohoku Line, etc.
 Total Land Space: 1,642.86m²
 Total Floor Space: 10,244.51m²
 Structure/Floors: S/SRC, B1/9F
 Completed: February 1992
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Toranomon Building



An office building located in an area expected to become more vibrant where large-scale redevelopments are underway nearby.



Address: 3-17-1, Toranomon, Minato-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Kamiyacho Station—Tokyo Metro Hibiya Line
 Total Land Space: 1,728.38m² (Co-ownership ratio: 86.116%)
 Total Floor Space: 15,343.73m² (Area owned by TOKYU REIT: 10,882.65m²)
 Structure/Floors: SRC/RC, B2/9F
 Completed: April 1988
 Type of Ownership: Land—Proprietary ownership (Co-ownership ratio: 86.116%)
 Building—Compartmentalized ownership and co-ownership of compartmentalized ownership

Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)

Properties contributed by sponsors



A nine-story office building located in the Akasaka-mitsuke and Nagatacho area. Occupied by the headquarters of Tokyu Agency Inc.



Address: 4-8-18, Akasaka, Minato-ku, Tokyo
 Nearest Station: Approximately a four-minute walk from Akasaka-mitsuke Station—Tokyo Metro Ginza Line, etc.
 Total Land Space: 712.49m²
 Total Floor Space: 5,002.36m²
 Structure/Floors: S/SRC, B1/9F
 Completed: February 2003
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

PORTFOLIO (properties owned at the end of July 2021 (FP 36))

Tokyu Ikejiri-ohashi Building

Properties contributed by sponsors



A seven-story office building, expected to accommodate stable demand in the Shibuya area.



Address: 3-8-1, Higashiyama, Meguro-ku, Tokyo
 Nearest Station: Approximately a five-minute walk from Ikejiri-ohashi Station—Tokyu Den-en-toshi Line
 Total Land Space: 2,382.67m²
 Total Floor Space: 7,619.56m²
 Structure/Floors: SRC, 7F
 Completed: October 1989
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Kojimachi Square

Properties contributed by sponsors



An office building where demand from tenants pursuing an image of an academic area, proximity to central Tokyo, and a quiet environment is expected.

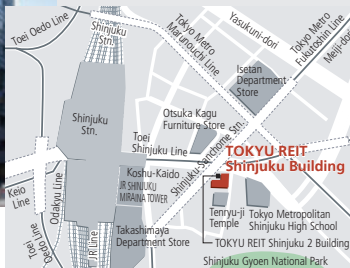


Address: 3, Nibancho, Chiyoda-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Kojimachi Station—Tokyo Metro Yurakucho Line, etc.
 Total Land Space: 1,269.24m²
 Total Floor Space: 6,803.47m²
 Structure/Floors: S/RC, B1/7F
 Completed: January 2003
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Shinjuku Building



An office building where demand from IT and service-related companies is expected against the backdrop of the vibrant commercial areas.



Address: 4-3-25, Shinjuku, Shinjuku-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Shinjuku-Sanchome Station—Tokyo Metro Marunouchi Line, etc.
 Approximately a four-minute walk from Shinjuku Station—JR Yamanote Line, etc.
 Total Land Space: 1,113.87m²
 Total Floor Space: 8,720.09m²
 Structure/Floors: SRC, 10F
 Completed: May 2003
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Akihabara Sanwa Toyo Building



Located at a corner lot at the intersection of Chuo-dori and Kuramaebashi-dori. An office building with high transportation convenience in being directly connected to Suehirocho Station.

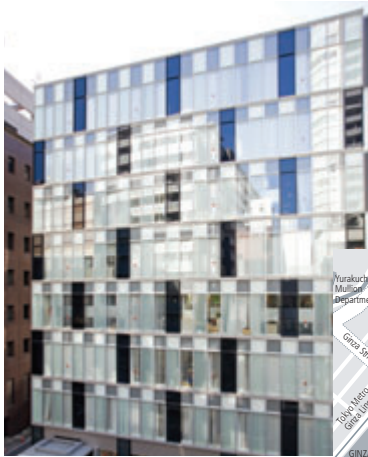


Address: 3-16-8, Sotokanda, Chiyoda-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Suehirocho Station—Tokyo Metro Ginza Line
 Total Land Space: 795.33m²
 Total Floor Space: 5,704.69m²
 Structure/Floors: SRC, B1/8F
 Completed: September 1985
 Type of Ownership: Land—Proprietary ownership
 Building—Compartmentalized ownership (Note)

(Note) All of compartmentalized ownership with whole building are entrusted.

Tokyu Ginza 2-chome Building

Properties contributed by sponsors



Located in one of Japan's busiest commercial areas with high brand strength. An office building where demand from companies that prefer an address in Ginza is expected.



Address: 2-15-2, Ginza, Chuo-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Shintomicho Station—Tokyo Metro Yurakucho Line
 Approximately an eight-minute walk from Ginza Station—Tokyo Metro Ginza Line, etc.
 Total Land Space: 805.42m²
 Total Floor Space: 5,098.61m²
 Structure/Floors: S/RC, B1/8F
 Completed: August 2008
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Tokyu Toranomon Building

Properties contributed by sponsors



An office building located in an area expected to be further developed and the establishment of Toranomon-hills Station and large-scale developments in the surrounding areas are scheduled. Extension work is scheduled for completion in summer 2022.

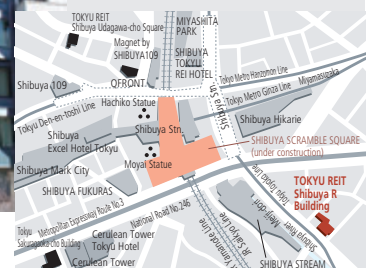


Address: 1-21-19, Toranomon, Minato-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Toranomon-hills Station—Tokyo Metro Hibiya Line
 Approximately a three-minute walk from Toranomon Station—Tokyo Metro Ginza Line, etc.
 Total Land Space: 2,016.83m²
 Total Floor Space: 11,983.09m²
 Structure/Floors: S, 10F
 Completed: April 2010
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

TOKYU REIT Shibuya R Building



A large office building with high scarcity along Meiji-dori. Access from Shibuya Station is expected to further improve with the development around the station.

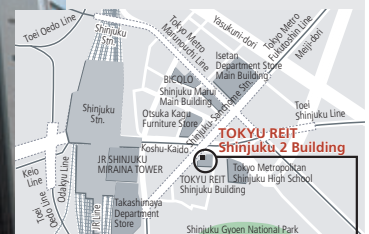


Address: 3-10-13, Shibuya, Shibuya-ku, Tokyo
 Nearest Station: Approximately a two-minute walk from Shibuya Station—JR Lines, etc.
 Total Land Space: 1,077.45m² (Area owned by TOKYU REIT: 819.41m²)
 Total Floor Space: 7,289.38m² (Including parking space 41.18m²)
 (Area owned by TOKYU REIT: 4,403.69m²)
 Structure/Floors: SRC (Parking: S), B1/9F
 Completed: March 1990
 Type of Ownership: Land—Proprietary ownership
 Building—Compartmentalized ownership, and co-ownership of compartmentalized ownership

TOKYU REIT Shinjuku 2 Building



Located on a corner lot at the intersection of Meiji-dori and Koshu-Kaido. An office building adjacent to TOKYU REIT Shinjuku Building.



Address: 4-3-23, Shinjuku, Shinjuku-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Shinjuku-Sanchome Station—Tokyo Metro Marunouchi Line, etc.
 Approximately a four-minute walk from Shinjuku Station—JR Yamanote Line, etc.
 Total Land Space: 270.05m²
 Total Floor Space: 2,006.13m²
 Structure/Floors: S, 10F
 Completed: December 1991
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

PORTFOLIO (properties owned at the end of July 2021 (FP 36))

Tokyu Bancho Building

Properties contributed by sponsors



A large office building with high visibility and office specifications located in the Ichigaya and Yotsuya area.



Address: 6, Yonbancho, Chiyoda-ku, Tokyo
 Nearest Station: Approximately a three-minute walk from Ichigaya Station—JR Chuo Main Line, etc.
 Total Land Space: 2,754.18m² (Land included in the property trust totals: 2,573.80m²)
 Total Floor Space: 15,834.55m²
 (Exclusive ownership area of compartments under compartmentalized ownership pertaining to property trust: 11,431.09m²)
 Structure /Floors: S, 11F
 Completed: September 2011
 Type of Ownership: Land—Proprietary ownership
 (Quasi-co-ownership interest of trust beneficiary interest: 52.6%)
 Building—Compartmentalized ownership
 (Quasi-co-ownership interest of the 95.1% compartmentalized ownership interest of the trust beneficiary interest: 52.6%)

TOKYU REIT Ebisu Building



An office building located near Ebisu Station. The vicinity is concentrated with medium to small office buildings and restaurants.



Address: 3-25-11, Higashi, Shibuya-ku, Tokyo
 Nearest Station: Approximately a three-minute walk from Ebisu Station—JR Yamanote Line and Tokyo Metro Hibiya Line
 Total Land Space: 478.40m²
 Total Floor Space: 2,603.30m²
 Structure/Floors: S/SRC, B1F/7F
 Completion: April 1992
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Shibuya Dogenzaka Sky Building

Properties contributed by sponsors



Highly visible office building sitting at the intersection of Tamagawa-dori Street (National Route No.246) and Dogenzaka Street. Surrounding the area, the redevelopment around Shibuya Station is in progress.



Address: 28-1, Maruyamacho, Shibuya-ku, Tokyo
 Nearest Station: Approximately a five-minute walk from Shibuya Station—Keio Inokashira Line
 Approximately a three-minute walk from Shinsen Station,—Keio Inokashira Line
 Total Land Space: 721.34m²
 Total Floor Space: 5,644.91m²
 Structure/Floors: SRC, B1/11F
 Completed: March 1988
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

OKI Business Center No.5



An office building located in the Shibaura area, an area expected to develop further with a large-scale mixed-use development in front of Tamachi Station and the opening of a new station. Occupied by Oki Electric Industry Co., Ltd.

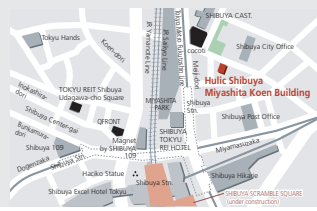


Address: 4-10-16, Shibaura, Minato-ku, Tokyo
 Nearest Station: Approximately an eight-minute walk from Tamachi Station—JR Yamanote Line
 Total Land Space: 4,646.65m²
 Total Floor Space: 18,102.32m²
 Structure/Floors: SRC, B2/12F
 Completed: June 1982
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Hulic Shibuya Miyashita Koen Building (Note)



An office building located in the Shibuya area, which has ongoing large-scale redevelopment and is an area with high brand strength for both the office and the retail markets.



Address: 1-17-2 Shibuya, Shibuya-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Shibuya Station—JR Yamanote Line, Tokyu Toyoko Line and Tokyo Metro Fukutoshin Line, etc.
 Total Land Space: 364.74m²
 Total Floor Space: 2,568.30m²
 Structure/Floors: S, 12F
 Completed: April 2008
 Type of Ownership: Land—Proprietary ownership
 Building—Compartmentalized ownership

(Note) The name of Hulic Shibuya Miyashita Koen Building was changed to TOKYU REIT Shibuya Miyashita Koen Building on October 1, 2021.

Maison Peony Toritsudaigaku



The property is a residence building located approximately a one-minute walk from Toritsu-daigaku Station on the Tokyu Toyoko line.



Address: 1-2-5, Nakane, Meguro-ku, Tokyo
 Nearest Station: Approximately a one-minute walk from Toritsu-daigaku Station—Tokyu Toyoko Line
 Total Land Space: 245.61m²
 Total Floor Space: 950.36m²
 Structure/Floors: RC, 10F
 Completed: August 2014
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

STYLIO FIT Musashikosugi Properties contributed by sponsors



The property is a residence building located in the Musashikosugi area where development is rapidly progressing in recent years as result of redevelopment.

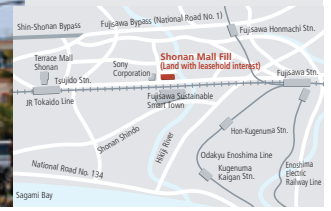


Address: 2-chome, Kamimaru-ko-sannocho, Nakahara-ku, Kawasaki-shi, Kanagawa
 Nearest Station: Approximately a five-minute walk from Mukaigawara Station—JR Nambu Line
 Approximately a nine-minute walk from Musashi-kosugi Station—JR Yokosuka Line, Shonan-Shinjuku Line and Sotetsu Line through service
 Approximately a twelve-minute walk from Musashi-kosugi Station—Tokyu Toyoko Line and Meguro Line
 Total Land Space: 676.26m²
 Total Floor Space: 2,320.12m²
 Structure/Floors: RC, 7F
 Completed: April 2020
 Type of Ownership: Land—Proprietary ownership
 Building—Proprietary ownership

Shonan Mall Fill (Land with leasehold interest)



Land with leasehold interest of a large retail property located between Fujisawa Station and Tsujido Station.



Address: 4-1-1, Tsujido Shinmachi, Fujisawa-shi, Kanagawa
 Nearest Station: Approximately a three-minute by bus or a twenty-minute walk from Tsujido Station—JR Tokaido Line
 Total Land Space: 44,078.12m²
 Type of Ownership: Land—Proprietary ownership

OKI System Center (Land with leasehold interest)



Land with leasehold interest of OKI System Center occupied by tenants such as Oki Electric Industry Co., Ltd.



Address: 1-16-8, Chuo, Warabi-shi, Saitama
 Nearest Station: Approximately a four-minute walk from Warabi Station—JR Keihin Tohoku Line
 Total Land Space: 17,019.18m²
 Type of Ownership: Land—Proprietary ownership

*40% of co-ownership interest was disposed on September 28, 2020, 30% co-ownership interest is scheduled to be disposed on December 24, 2021, and 30% of co-ownership interest is scheduled to be disposed on February 25, 2022.

REVE Nakameguro (Land with leasehold interest)



Land with leasehold interest of a complex comprised of retail facilities and residences located approximately a four-minute walk from Naka-meguro Station on the Tokyu Toyoko Line.



Address: 1-13-14, Kamimeguro, Meguro-ku, Tokyo
 Nearest Station: Approximately a four-minute walk from Naka-meguro Station—Tokyu Toyoko Line and Tokyo Metro Hibiya Line
 Total Land Space: 497.02m²
 Type of Ownership: Land—Proprietary ownership

I. Asset Management Report

1. Financial Highlights

(1) Result of Operation and Financial Position

		36th fiscal period From February 1, 2021 to July 31, 2021 (181 days)	35th fiscal period From August 1, 2020 to January 31, 2021 (184 days)	34th fiscal period From February 1, 2020 to July 31, 2020 (182 days)	33rd fiscal period From August 1, 2019 to January 31, 2020 (184 days)	32nd fiscal period From February 1, 2019 to July 31, 2019 (181 days)	
		Millions of yen, except per unit data or where otherwise indicated					
Result of operation	Statement of income	Operating revenues	¥ 8,066	¥ 8,611	¥ 8,203	¥ 8,123	¥ 7,366
		Operating income	¥ 3,981	¥ 4,538	¥ 4,325	¥ 4,049	¥ 3,349
		Net income	¥ 3,540	¥ 4,083	¥ 3,855	¥ 3,580	¥ 2,857
	Operating income	Revenue from property leasing (a) (Note 2)	¥ 8,059	¥ 7,845	¥ 7,499	¥ 7,459	¥ 7,327
		Rental service expenses (b)	¥ 3,241	¥ 3,221	¥ 3,067	¥ 3,284	¥ 3,251
		[Depreciation and amortization] (included in (b)) (c) (Note 3)	[¥ 1,030]	[¥ 1,001]	[¥ 975]	[¥ 991]	[¥ 994]
		NOI (Net Operating Income) (a) – (b) + (c)	¥ 5,848	¥ 5,626	¥ 5,407	¥ 5,165	¥ 5,070
	Cash flow	FFO (Funds from Operation) (d) (Note 4)	¥ 4,570	¥ 4,319	¥ 4,127	¥ 3,906	¥ 3,812
		Capital expenditures (e)	¥ 513	¥ 607	¥ 469	¥ 635	¥ 583
		AFFO (Adjusted Funds from Operation) (d) – (e)	¥ 4,057	¥ 3,712	¥ 3,658	¥ 3,271	¥ 3,229
Financial position	Balance sheet	Total assets (f)	¥ 235,035	¥ 231,090	¥ 220,068	¥ 219,504	¥ 218,587
		[Change from the preceding period]	[1.7%]	[5.0%]	[0.3%]	[0.4%]	[–0.6%]
		Interest-bearing liabilities (g) (Note 5)	¥ 105,600	¥ 101,600	¥ 92,000	¥ 92,000	¥ 92,300
		Total unitholders' equity (Net assets) (h)	¥ 115,527	¥ 115,663	¥ 115,051	¥ 114,420	¥ 113,697
		[Change from the preceding period]	[–0.1%]	[0.5%]	[0.6%]	[0.6%]	[–0.2%]
	Unitholders' capital	¥ 110,479	¥ 110,479	¥ 110,479	¥ 110,479	¥ 110,479	
	Portfolio	Acquisition costs of properties (Note 6)	¥ 248,614	¥ 242,614	¥ 231,026	¥ 231,235	¥ 231,436
		Book value of properties (Note 6)	¥ 230,620	¥ 225,085	¥ 213,613	¥ 214,240	¥ 214,720
		Appraisal value of properties at end of period (i) (Note 6)	¥ 313,250	¥ 306,780	¥ 293,200	¥ 291,721	¥ 280,340
		Number of properties at end of period	34 properties	33 properties	31 properties	32 properties	31 properties
		Total leasable area (Note 7)	223,691.34 m ²	221,411.04 m ²	208,279.76 m ²	209,337.25 m ²	210,274.91 m ²
		Occupancy rate at end of period (Note 7)	97.2%	98.4%	99.6%	99.2%	99.5%
	Other	Distri- bution	Cash distribution	¥ 3,539	¥ 3,675	¥ 3,471	¥ 3,224
Dividend payout ratio			100.0%	90.0%	90.0%	90.0%	100.0%
Per unit data		Total number of units issued and outstanding	977,600 units	977,600 units	977,600 units	977,600 units	977,600 units
		Total unitholders' equity per unit (base value)	¥ 118,174	¥ 118,313	¥ 117,688	¥ 117,041	¥ 116,302
		Cash distribution per unit	¥ 3,621	¥ 3,760	¥ 3,551	¥ 3,298	¥ 2,923
Management index		Return on total unitholders' equity (annualized) (Note 8)	6.2%	7.0%	6.7%	6.2%	5.1%
		Equity ratio (h)÷(f)	49.2%	50.1%	52.3%	52.1%	52.0%
		[Change from the preceding period]	[–0.9%]	[–2.2%]	[0.2%]	[0.1%]	[0.2%]
		Proportion of interest-bearing liabilities to total assets at end of period (g)÷(f)	44.9%	44.0%	41.8%	41.9%	42.2%
		Proportion of interest-bearing liabilities to appraisal value at end of period (g)÷(i)	33.7%	33.1%	31.4%	31.5%	32.9%
Average market price per unit during period (Note 9)	¥ 189,045	¥ 147,909	¥ 153,097	¥ 204,476	¥ 179,134		

- Note 1. Consumption tax is not included in result of operation.
- Note 2. 'Revenue from property leasing' does not include revenues from facility acceptance (35th fiscal period: ¥1 million) or contributions for construction (36th fiscal period: ¥6 million).
- Note 3. 'Depreciation and amortization' includes loss on disposal of property and equipment (32nd fiscal period: ¥7 million; 33rd fiscal period: ¥3 million; 34th fiscal period: ¥0 million; 35th fiscal period: ¥5 million; 36th fiscal period: ¥2 million).
- Note 4. Net income + Depreciation and amortization + Other property related depreciation and amortization + Loss on sales of real estate properties – Gain on sales of real estate properties – Gain on exchange of real estate properties – Revenues from facility acceptance.
Other property related depreciation and amortization was not incurred.
- Note 5. Short-term debt + Long-term debt due within one year + Long-term debt + Investment corporation bonds due within one year + Investment corporation bonds.
- Note 6. For 'Trust beneficiary interest in real estate,' the portion equivalent to the properties held in substance, which is total assets less the money that is part of the assets of the concerned trust beneficiary interest in real estate, is shown.
- Note 7. Regarding 'Total leasable area' and 'Occupancy rate at end of period,' please refer to notes 2, 4 and 5 of '3. Portfolio Profile (2) Major Portfolio.'
- Note 8. $\text{Net income} \div \{(\text{Net assets at beginning of period} + \text{Net assets at end of period}) \div 2\} \times 365 \div \text{Number of days of investment management}$.
- Note 9. Average price during period (closing price) on the Real Estate Investment Trust Section of the Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange") on which the investment certificates of TOKYU REIT, Inc. ("TOKYU REIT") are listed.

(2) Development of Asset Investment Management during the Current Period

① Investment Environment

During the fiscal period under review (36th fiscal period: six-month period ended July 31, 2021), the Japanese economy was still in a severe situation due to the impact of COVID-19, but continued to show signs of picking up, although increasingly weak in some components.

Specifically, in the Tokyo metropolitan area's economy, department store sales turnover, convenience store sales turnover and drugstore sales turnover exceeded that of the previous year, while accommodation and restaurant services did poorly. These, among other factors, showed that consumer spending continued to show signs of picking up moderately, although still remaining weak in some components due to the impact of COVID-19. The employment situation showed signs of bottoming out, but developments were mild due to the impact of COVID-19.

Population movements saw a net immigration of over 80,000 people into the Tokyo metropolitan area from other regions of the country during the period from January 2021 to June 2021 (Source: "Report on Internal Migration in Japan Derived from the Basic Resident Registration" (Statistics Bureau, Ministry of Internal Affairs and Communications)). This has further exacerbated the disparity between the Tokyo metropolitan area and other regions of the country.

Under these circumstances, in Tokyo's office market, the vacancy rate continued to increase. In addition to vacancies in existing premises arising from relocations to newly-built buildings, large office space for which contracts were cancelled due to the introduction of remote working or cost-cutting turned into vacancies. The five central Tokyo wards' vacancy rate continued to increase. With there being a large volume of supply slated for 2023 and other factors, there was progress in rent adjustments for early securing of tenants and advertised rent also continued to trend downward.

Meanwhile, in the retail property leasing market, demand remained weak with the exception of a few rare prime locations in central Tokyo. Department store sales were sales increased for luxury brands and high-end watches, art and jewelry through direct sales to customers, as well as home appliances, high-end furniture and other products relating to stay-at-home demand. However, regional shopping centers continued to struggle while the restrictions to limit the movement of people across municipal borders were in place. The retail

sales trend was flat overall, but continued to show signs of picking up moderately despite the still severe consumer sentiment.

In the real estate trading market, the investment amount decreased following the previous year's large transactions, mainly from overseas investors. However, the impact of the Japanese government's declaration of a state of emergency was relatively light.

The expected cap rate was flat for offices, central urban retail properties and hotels, and decreased for logistics facilities, demand for which is growing.

② Investment Performance Results

a. Acquisition and Sale of Properties and Investment Management Control

TOKYU REIT engaged in investment activities by adopting a basic policy based on the stance of "investment in highly competitive properties in areas with strong growth potential" as it has to date, and additionally pursuant to its "Long-Term Investment Management Strategy (Surf Plan)" (see Note 1 below) that was formed by applying the investment management experience that it has gained since its listing.

During the 36th fiscal period, TOKYU REIT acquired Hulic Shibuya Miyashita Koen Building (see Note 2 below) on March 29, 2021. In addition, the disposition of Shonan Mall Fill (land with leasehold interest) was decided on March 26, 2021, the disposition of which took place on August 2, 2021, and the disposition of Daikanyama Forum was decided on July 30, 2021, the disposition of which took place on August 31, 2021.

TOKYU REIT decided to switch over to electricity supplies powered 100% by renewable energy for 23 of its properties under management. The initiative resulted in electricity powered 100% by renewable energy being used at 25 of the properties under management of TOKYU REIT (the 23 properties where the initiative was introduced this time, and Tokyu Nampeidai-cho Building and Shibuya Dogenzaka Sky Building where CO₂-free electricity was already being used by utilizing non-fossil fuel certificates derived from renewable energy), totaling total floor space of 198,141.57 m², which is equivalent to 87.9% of the entire total floor space of all 31 properties under management of TOKYU REIT, excluding land with leasehold interest (see Note 3 below).

As of July 31, 2021, TOKYU REIT held an investment portfolio totaling 34 properties with a total acquisition price of ¥248,614 million and total leasable area of 223,691.34 m². The period-end appraisal value for TOKYU REIT's entire portfolio amounted to ¥313,250 million.

As in the previous fiscal period, the total period-end appraisal value exceeded the total book value, resulting in an amount of difference of ¥82,629 million. Based on accounting principles generally accepted in Japan, such unrealized gains are not reflected in TOKYU REIT's financial statements.

The average per-tsubo rental rate for the existing property portfolio at the end of the 36th fiscal period decreased by 0.1% compared with the end of the 35th fiscal period. In addition, the vacancy rate at the end of the 36th fiscal period increased from the 1.6% at the end of the 35th fiscal period by 1.2 percentage points to 2.8%.

Note 1. The "Long-Term Investment Management Strategy (Surf Plan)" is a strategy of TOKYU REIT formed by its investment management company Tokyu Real Estate Investment Management Inc. ("Tokyu REIM"). Under this strategy, while replacing properties through value investment and contrarian investment by focusing on the cyclicity of real estate prices, TOKYU REIT aims to build a portfolio that boasts lasting competitiveness and balance sheets that are strong against even difficult economic times.

Note 2. The name of Hulic Shibuya Miyashita Koen Building was changed to TOKYU REIT Shibuya Miyashita Koen Building on October 1, 2021 (the same hereafter).

Note 3. These figures are as of July 30, 2021.

b. Countering Conflicts of Interest

The fairness and transparency of transactions were ensured by strictly adhering to the Rules on Related-Party Transactions that are Tokyu REIM's self-imposed rules, and accordingly following prescribed procedures.

Moreover, TOKYU REIT has received an opinion report from Urban Research Institute Corporation stating that fees paid to related parties (see Note below) for property management services pertaining to its portfolio properties were within the range set by other J-REITs listed on the Tokyo Stock Exchange.

Note. "Related parties" refers to any entity that falls under the following (i) to (vii):

- (i) Tokyu Corporation
- (ii) A consolidated subsidiary of Tokyu Corporation
- (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 silent partnerships or other investment shares in that entity by the respective company exceeds 50%
- (iv) Affiliates within the scope of consolidation of Tokyu Corporation
- (v) Tokyu Fudosan Holdings Corporation ("Tokyu Fudosan Holdings")
- (vi) A consolidated subsidiary of Tokyu Fudosan Holdings
- (vii) A tokutei mokuteki kaisha (TMK) or special purpose company (SPC) that was established based on the intention of Tokyu Fudosan Holdings or a consolidated subsidiary of Tokyu Fudosan Holdings and where the share of investment by silent partnerships or other investment shares in that entity by the respective company exceeds 50%

③ Financing

TOKYU REIT undertakes financing activities under a financial policy that emphasizes stability, flexibility and efficiency.

During the 36th fiscal period, to secure interest-bearing liabilities with fixed long-term interest rates and diversified repayment dates, long-term debt of ¥5,000 million due for repayment in the 36th fiscal period was refinanced. TOKYU REIT has established commitment lines with four financial institutions, which provide credit facilities up to a total of ¥18,000 million, in order to secure financial credibility through the enhancement of liquidity on hand. Funds were procured through these credit facilities in the form of short-term debt in the amounts of ¥3,000 million to fund the redemption of the investment corporation bonds due for redemption in the 36th fiscal period, ¥1,000 million to partially fund cash distributions, and ¥5,000 million to partially fund the acquisition of the Hulic Shibuya Miyashita Koen Building, as well as the expenditures pertaining to the acquisition. Of the short-term debt procured through these credit facilities due for repayment in the 36th fiscal period, ¥3,200 million was refinanced and ¥2,000 million was repaid. The balance of interest-bearing liabilities as of the end of the 36th fiscal period was ¥105,600 million, consisting of ¥8,000 million in investment corporation bonds, ¥86,400 million in long-term debt (of which, ¥18,400 million is the current portion of long-term debt) and ¥11,200 million in short-term debt. The weighted-average interest rate for the 36th fiscal period was 0.81% (calculated based on the annualized amount of interest payable for the 36th fiscal period divided by the total average balance of each interest-bearing liability).

TOKYU REIT's credit ratings as of the end of the 36th fiscal period were as follows:

Rating Agency	Credit Rating	
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA-	Outlook: Stable
Rating and Investment Information, Inc. (R&I)	Issuer rating: A+	Outlook: Stable

(3) Issuance of New Investment Units

There were no new investment units issued during the fiscal period under review, and there was no increase or decrease in the total number of units issued and outstanding or unitholders' capital. Issuance of new investment units until the end of the previous fiscal period is as follows:

Date	Remark	Total number of units issued and outstanding		Unitholders' capital		Note
		Units		Millions of yen		
		Change	Total	Change	Total	
June 20, 2003	Incorporation through private offering	400	400	¥ 200	¥ 200	(Note 1)
September 10, 2003	Issuance of units through public offering	97,600	98,000	¥ 49,917	¥ 50,117	(Note 2)
August 3, 2004	Issuance of units through public offering	42,000	140,000	¥ 26,481	¥ 76,599	(Note 3)
August 25, 2004	Issuance of units through third-party allotment	2,000	142,000	¥ 1,261	¥ 77,860	(Note 4)
August 1, 2005	Issuance of units through public offering	26,700	168,700	¥ 19,658	¥ 97,519	(Note 5)
August 26, 2005	Issuance of units through third-party allotment	680	169,380	¥ 500	¥ 98,019	(Note 6)
August 12, 2013	Issuance of units through public offering	23,764	193,144	¥ 11,327	¥ 109,346	(Note 7)
September 10, 2013	Issuance of units through third-party allotment	2,376	195,520	¥ 1,132	¥ 110,479	(Note 8)
February 1, 2014	Split of units	782,080	977,600	—	¥ 110,479	(Note 9)

Note 1. TOKYU REIT was incorporated at an offer price of ¥500,000 per unit.

Note 2. Issued new investment units through public offering at an offer price of ¥530,000 (issue price: ¥511,450) per unit for the purpose of acquiring new properties.

Note 3. Issued new investment units through a public offering at an offer price of ¥652,484 (issue price: ¥630,512) per unit for the purpose of acquiring new properties and repayments of short-term loans.

Note 4. Issued new investment units through a third-party allotment at an issue price of ¥630,512 per unit for the purpose of acquiring new properties and repayments of short-term loans.

Note 5. Issued new investment units through a public offering at an offer price of ¥761,950 (issue price: ¥736,292) per unit for the purpose of acquiring new properties and the repayment of short-term loans.

Note 6. Issued new investment units through third-party allotment at an issue price of ¥736,292 per unit for the purpose of acquiring new properties and repayments of short-term loans.

Note 7. Issued new investment units through a public offering at an offer price of ¥493,350 (issue price: ¥476,652) per unit for the purpose of acquiring new properties.

Note 8. Issued new investment units through a third-party allotment at an issue price of ¥476,652 per unit for the purpose of acquiring new properties.

Note 9. TOKYU REIT conducted a five-for-one split of investment units with January 31, 2014 as the reference date and February 1, 2014 as the effective date.

【Movements of Market Price】

The highest and lowest (closing price) market prices on the Tokyo Stock Exchange, on which the investment certificates of TOKYU REIT are listed, are as follows:

	36th fiscal period From February 1, 2021 to July 31, 2021	35th fiscal period From August 1, 2020 to January 31, 2021	34th fiscal period From February 1, 2020 to July 31, 2020	33rd fiscal period From August 1, 2019 to January 31, 2020	32nd fiscal period From February 1, 2019 to July 31, 2019
	Yen				
Highest	¥ 209,700	¥ 168,000	¥ 211,600	¥ 213,900	¥ 202,000
Lowest	¥ 163,700	¥ 128,600	¥ 91,200	¥ 194,500	¥ 161,500

(4) Distribution Information

With respect to the distribution for the 36th fiscal period, TOKYU REIT decided to distribute the entire amount of unappropriated retained earnings (except for the rounding amount, which is the distribution per unit of less than ¥1) for application of Article 67-15 of the Special Taxation Measures Law that allows TOKYU REIT to deduct the maximum amount of profit distribution from its taxable income. Accordingly, the distribution per unit for the 36th fiscal period was ¥3,621.

	36th fiscal period From February 1, 2021 to July 31, 2021	35th fiscal period From August 1, 2020 to January 31, 2021	34th fiscal period From February 1, 2020 to July 31, 2020	33rd fiscal period From August 1, 2019 to January 31, 2020	32nd fiscal period From February 1, 2019 to July 31, 2019
	Millions of yen, except per unit data				
Unappropriated retained earnings	¥ 3,540	¥ 4,083	¥ 3,855	¥ 3,580	¥ 2,857
Undistributed earnings	¥ 0	¥ 407	¥ 384	¥ 356	¥ 0
Cash distribution	¥ 3,539	¥ 3,675	¥ 3,471	¥ 3,224	¥ 2,857
[Cash distribution per unit]	[¥ 3,621]	[¥ 3,760]	[¥ 3,551]	[¥ 3,298]	[¥ 2,923]
Cash distribution of accumulated earnings	¥ 3,539	¥ 3,675	¥ 3,471	¥ 3,224	¥ 2,857
[Cash distribution of accumulated earnings per unit]	[¥ 3,621]	[¥ 3,760]	[¥ 3,551]	[¥ 3,298]	[¥ 2,923]
Cash distribution in excess of accumulated earnings	—	—	—	—	—
[Cash distribution in excess of accumulated earnings per unit]	[—]	[—]	[—]	[—]	[—]
Cash distribution from allowance for temporary difference adjustment	—	—	—	—	—
[Cash distribution from allowance for temporary difference adjustment per unit]	[—]	[—]	[—]	[—]	[—]
Cash distribution from distribution accompanying decrease in capital, etc. under tax law	—	—	—	—	—
[Cash distribution from distribution accompanying decrease in capital, etc. under tax law per unit]	[—]	[—]	[—]	[—]	[—]

(5) Future Policies of Investment Management

① Forecast of Future Movement

The economic outlook is that the economy is expected to continue to show signs of picking up due in part to the effects of various measures and policies and improvement in overseas economies, as steps are taken to prevent the spread of COVID-19 and vaccinations progress. However, the impact of COVID-19 developments on the Japanese and overseas economies requires due attention. In addition, there is the need to closely monitor financial and capital market volatility and other impacts.

In light of such an outlook, in the real estate leasing market, the impact of office strategies in anticipation of the post-COVID-19 era and there being no sight yet of when inbound tourism demand will recover lead to the forecast that the vacancy rate will trend upward and rent will trend downward. In the real estate trading market, investors maintain an aggressive investment stance on the back of monetary easing across the globe, among other factors. While there are concerns of office demand waning over the medium to long term, properties located in central Tokyo with stable earnings potential are attracting attention as promising investment targets.

② Future Policies of Investment Management and Issues to be Countered

Adopting a basic policy of “investment in highly competitive properties in areas with strong growth potential,” TOKYU REIT engages in investment by placing Central Tokyo and Tokyu Areas (see Note 1 below) as focused investment target areas and setting certain criteria for location, use, investment size, etc. In addition, in the selection of individual properties, TOKYU REIT conducts a comprehensive consideration of the expected earnings of the property, future potential of the area it is located in, etc. In this manner, TOKYU REIT will keep obtaining a balanced mix of competitive, high-quality properties from the real estate investment market as well as Tokyu Corporation and its subsidiaries (see Note 2 below).

Note 1. “Central Tokyo” is the five central Tokyo wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) and other major commercial and retail districts of Tokyo (the areas surrounding Ikebukuro, Koraku, Ueno and other areas).

“Tokyu Areas” is the Tokyu rail network hub (Shibuya ward) and other Tokyu rail network areas (Tokyo (Shinagawa, Meguro, Setagaya and Ota wards, and Machida city); Yokohama city, Kanagawa prefecture (Kohoku, Kanagawa, Naka, Nishi, Midori, Aoba and Tsuzuki wards); Kawasaki city, Kanagawa prefecture (Nakahara, Takatsu and Miyamae wards); and Yamato city, Kanagawa prefecture).

Shibuya ward is included in both Central Tokyo and Tokyu Areas.

“Other” is other districts in the Tokyo Metropolitan Area, including Kanagawa, Saitama and Chiba prefectures (excluding the separately mentioned areas above).

The same applies hereafter.

Note 2. Tokyu Corporation and its subsidiaries refer to any of (i) to (iii) below:

(i) Tokyu Corporation

(ii) A consolidated subsidiary of Tokyu Corporation

(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 silent partnerships or other investment shares in that entity by the respective company exceeds 50%

TOKYU REIT will endeavor to achieve internal growth by enhancing earnings stability and growth potential through collaboration with Tokyu Corporation and its subsidiaries in property maintenance and management aspects. To that end, by maintaining a careful watch on corporate earnings and consumption trends, TOKYU REIT will make every effort to manage facilities in a way that makes each property the choice of corporate tenants and visitors over the medium to long term. Specifically, with the objective of maintaining and raising rent levels, TOKYU REIT will make strategic and appropriate renovations commensurate with the grade of the properties being improved and implement leasing activities from a medium to long term perspective. TOKYU REIT will also implement appropriate cost control measures with regard to maintenance fees and additional capital expenditures.

The investment environment assessment at the end of the 36th fiscal period was that the price of real estate in the Tokyo Metropolitan Area continues to hover at a high level despite the uncertain state of the real estate trading market, and thus in the “sales and replacement phase” of the “Long-Term Investment Management Strategy (Surf Plan).” Within the Tokyo Metropolitan Area, expectations are for the price of real estate in Shibuya and Tokyu Areas to rise as development of the Greater Shibuya Area (within a 2.5 km radius of Shibuya Station) and Tokyu Areas will continue following the development of the area surrounding Shibuya Station by Tokyu Corporation, the sponsor. These lead to increase in unrealized gains of the portfolio properties of TOKYU REIT, which places Central Tokyo and Tokyu Areas as focused investment target areas.

Based on the environment described above, TOKYU REIT will conduct property replacement after taking into consideration the portfolio properties’ total return (see Note 3 below), property age, location, etc., as well as consider the acquisition and retirement of treasury investment units by using surplus funds that accrue from property replacement, in line with the “Long-Term Investment Management Strategy (Surf Plan)” and “Capital Re-investment Model.”

Note 3. Portfolio properties’ total return is composed of income return (rental revenues, etc.) of each fiscal period and future capital return (gains on sales).

Furthermore, to assure transparency, Tokyu REIM will improve external audit functions and disclosure activities so as to fulfill its responsibilities as a REIT fund manager operating according to global standards.

(6) Subsequent Events

The following events occurred after the end of the 36th fiscal period of TOKYU REIT.

Disposition of Assets

a. Asset Sold on August 2, 2021

- (i) Type of asset: Trust beneficiary interest in domestic real estate
- (ii) Property name: Shonan Mall Fill (land with leasehold interest)
- (iii) Disposition price (Note 1): ¥7,700 million
- (iv) Contract date: March 26, 2021
- (v) Disposition date: August 2, 2021
- (vi) Purchaser: Domestic company (Note 2)
- (vii) Posting of gain on sale of real estate and reserve for reduction entry:
Gain on sale of real estate of ¥662 million and provision of reserve for reduction entry of ¥355 million are expected to be posted in the six months ending January 31, 2022 (37th fiscal period).

Note 1. 'Disposition price' is the amount exclusive of the expenses required for disposition of the asset (property-related taxes, etc.).

Note 2. The name, etc. have not been disclosed as the purchaser has not provided consent. There is no capital relationship, personnel relationship or business relationship to state between TOKYU REIT or Tokyu REIM and the purchaser, and the purchaser does not fall under the category of a related party of TOKYU REIT or Tokyu REIM.

b. Asset Sold on August 31, 2021

- (i) Type of asset: Trust beneficiary interest in domestic real estate
- (ii) Property name: Daikanyama Forum
- (iii) Disposition price (Note 1): ¥4,250 million
- (iv) Contract date: July 30, 2021
- (v) Disposition date: August 31, 2021
- (vi) Purchaser: Domestic company (Note 2)
- (vii) Impact on income (loss):
Gain on sale of real estate of ¥90 million is expected to be posted in the six months ending January 31, 2022 (37th fiscal period).

Note 1. 'Disposition price' is the amount exclusive of the expenses required for disposition of the asset (property-related taxes, etc.).

Note 2. The name, etc. have not been disclosed as the purchaser has not provided consent. There is no capital relationship, personnel relationship or business relationship to state between TOKYU REIT or Tokyu REIM and the purchaser, and the purchaser does not fall under the category of a related party of TOKYU REIT or Tokyu REIM.

c. Sale and purchase agreement for disposition of the following asset was executed on October 29, 2021.

- (i) Type of asset: Trust beneficiary interest in domestic real estate
- (ii) Property name: Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)
- (iii) Disposition price (Note 1): ¥9,820 million
- (iv) Contract date: October 29, 2021
- (v) Disposition date: March 31, 2022
- (vi) Purchaser: Domestic company (Note 2)
- (vii) Posting of gain on sale of real estate and reserve for reduction entry:

Gain on sale of real estate of ¥1,417 million and provision of reserve for reduction entry of ¥410 million are expected to be posted in the six months ending July 31, 2022 (38th fiscal period).

Note 1. 'Disposition price' is the amount exclusive of the expenses required for disposition of the asset (property-related taxes, etc.).

Note 2 The name, etc. have not been disclosed as the purchaser has not provided consent.

There is no capital relationship, personnel relationship or business relationship to state between TOKYU REIT or Tokyu REIM and the purchaser, and the purchaser does not fall under the category of a related party of TOKYU REIT or Tokyu REIM.

2. Company Profiles

(1) Summary of Unitholders' Contributions

	36th fiscal period As of July 31, 2021	35th fiscal period As of January 31, 2021	34th fiscal period As of July 31, 2020	33rd fiscal period As of January 31, 2020	32nd fiscal period As of July 31, 2019
Total number of units authorized (units)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total number of units issued and outstanding (units)	977,600	977,600	977,600	977,600	977,600
Unitholders' capital (millions of yen)	¥ 110,479	¥ 110,479	¥ 110,479	¥ 110,479	¥ 110,479
Number of unitholders (persons)	10,162	10,585	10,789	9,737	10,209

(2) Details Regarding TOKYU REIT's Investment Units

The following table sets forth the major unitholders of TOKYU REIT as of July 31, 2021.

Name	Address	Number of units owned	As a percentage of total number of units issued and outstanding
		Units	%
Custody Bank of Japan, Ltd. (trust account)	1-8-12, Harumi, Chuo-ku, Tokyo	248,469	25.42
The Master Trust Bank of Japan, Ltd. (trust account)	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	160,341	16.40
Tokyu Corporation	5-6, Nampeidai-cho, Shibuya-ku, Tokyo	49,000	5.01
The Nomura Trust and Banking Co., Ltd. (investment trust account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	39,758	4.07
Custody Bank of Japan, Ltd. (securities investment trust account)	1-8-12, Harumi, Chuo-ku, Tokyo	36,617	3.75
State Street Bank West Client - Treaty 505234 (Standing Proxy: Mizuho Bank, Ltd.)	Shinagawa Intercity Tower A, 2-15-1, Konan, Minato-ku, Tokyo	14,375	1.47
Japan Securities Finance Co., Ltd.	1-2-10, Nihonbashi-Kayabacho, Chuo-ku, Tokyo	13,251	1.36
Legal + General Assurance Pensions Management Limited (Standing Proxy: Citibank, N.A., Tokyo Branch)	6-27-30, Shinjuku, Shinjuku-ku, Tokyo	12,101	1.24
SSBTC Client Omnibus Account (Standing Proxy: The Hongkong and Shanghai Banking Corporation Limited Tokyo Branch)	3-11-1, Nihonbashi, Chuo-ku, Tokyo	10,823	1.11
Mizuho Securities Co., Ltd.	1-5-1, Otemachi, Chiyoda-ku, Tokyo	10,422	1.07
Total		595,157	60.88

Note. '(Number of units owned) As a percentage of total number of units issued and outstanding' is rounded to two decimal places. Therefore, the sum total of the items may not necessarily correspond to the 'Total' figure.

(3) Details of TOKYU REIT's Directors and Auditor

① Name of Directors and Auditor (as of July 31, 2021)

Title	Name	Title at other companies	Total fee for each title (Note 2) (Thousands of yen)
Executive Director	Kazuyoshi Kashiwazaki	Representative Director & President, and Chief Executive Officer of Tokyu Real Estate Investment Management Inc.	¥— (Note 3)
Supervisory Director	Maruhito Kondo	Head of Maruhito Kondo Law Office Lawyer	¥ 3,000
Supervisory Director	Takashi Aikawa (Note 4)	Representative Partner of Shinsoh Audit Corporation Certified public accountant	¥ 1,500
Supervisory Director	Giichi Yanagisawa (Note 4)	Chief Representative Partner of Shinsoh Audit Corporation Certified public accountant Certified public tax accountant	¥ 1,500
Independent Auditor	PricewaterhouseCoopers Aarata LLC		¥ 10,000

Note 1. The executive director, supervisory directors and independent auditor do not possess investment units of TOKYU REIT under their own name nor under another person's name. Although there are cases in which supervisory directors could be directors of companies other than those stated above, none of the companies or those stated above have vested interest in TOKYU REIT.

Note 2. The amount paid to the executive director and supervisory directors in the fiscal period under review and the amount payable to the independent auditor for audits pertaining to the fiscal period under review are shown.

Note 3. The executive director serves without compensation from TOKYU REIT.

Note 4. Giichi Yanagisawa resigned as the supervisory director upon the end of his term of office on April 30, 2021. Takashi Aikawa was appointed as the new supervisory director and assumed the office on May 1, 2021.

② Policies Regarding Decision of Dismissing and Not Reappointing Independent Auditors

TOKYU REIT shall observe the stipulations in the Law Concerning Investment Trust and Investment Corporation (Law No. 198 of 1951, including amendments thereto) ("Investment Trust Law") in making decisions for the dismissal of an independent auditor. With regard to the abrogation of an independent auditor's reappointment, appropriate decisions shall be made at TOKYU REIT's Board of Directors meetings with due consideration given to audit quality, compensation and various other factors.

(4) Details Regarding Directors and Officers Liability Insurance Contract

Insured parties	Contract details
Executive directors and supervisory directors	<p><Insured events> Insurance coverage is provided for the compensation for damages, litigation expenses, etc. incurred by the insured parties should claims be made against the insured parties for damages arising from acts in their capacity as directors of TOKYU REIT.</p> <p><Share of burden of insurance expenses> The insurance expenses are fully borne by TOKYU REIT.</p> <p><Measures to ensure the proper execution of duties is not impaired > No insurance coverage is provided for cases such as damages incurred by the insured parties from criminal acts, acts conducted while aware that doing so would be in violation of laws and regulations, etc.</p>

(5) Investment Management Company, Asset Custodian and General Administrators

The following table sets forth information about TOKYU REIT's investment management company, asset custodian and general administrators as of July 31, 2021.

Business to be entrusted	Name
Investment Management Company	Tokyu Real Estate Investment Management Inc.
Asset Custodian	Mitsubishi UFJ Trust and Banking Corporation
General Administrator (accounting matters, running of the organization, transfer agent for investment units, etc.)	Mitsubishi UFJ Trust and Banking Corporation
General Administrator (administration of investment corporation bonds)	MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited

3. Portfolio Profile

(1) Asset Composition

Asset type	Use	Area	36th fiscal period As of July 31, 2021		35th fiscal period As of January 31, 2021		
			Total amount held	As a percentage of total assets	Total amount held	As a percentage of total assets	
			Millions of yen	%	Millions of yen	%	
Real estate	Retail	Shibuya Ward	¥ 15,320	6.5	¥ 15,348	6.6	
		Tokyu Areas (excluding Shibuya Ward)	2,249	1.0	2,260	1.0	
		Sub total	17,569	7.5	17,609	7.6	
	Office	Shibuya Ward	11,362	4.8	5,340	2.3	
		Central Tokyo (excluding Shibuya Ward)	41,694	17.7	41,867	18.1	
		Sub total	53,057	22.6	47,207	20.4	
	Residence	Tokyu Areas (excluding Shibuya Ward)	2,709	1.2	2,722	1.2	
		Sub total	2,709	1.2	2,722	1.2	
	Land with leasehold interest	Tokyu Areas (excluding Shibuya Ward)	1,162	0.5	1,162	0.5	
		Other	2,864	1.2	2,864	1.2	
		Sub total	4,026	1.7	4,026	1.7	
	Total		77,363	32.9	71,566	31.0	
	Trust beneficiary interest in real estate	Retail	Shibuya Ward	40,171	17.1	40,284	17.4
			Central Tokyo (excluding Shibuya Ward)	4,686	2.0	4,690	2.0
Tokyu Areas (excluding Shibuya Ward)			3,177	1.4	3,174	1.4	
Sub total			48,036	20.4	48,149	20.8	
Office		Shibuya Ward	20,765	8.8	20,829	9.0	
		Central Tokyo (excluding Shibuya Ward)	49,498	21.1	49,449	21.4	
		Tokyu Areas (excluding Shibuya Ward)	27,930	11.9	28,064	12.1	
		Sub total	98,194	41.8	98,343	42.6	
Land with leasehold interest		Other	7,026	3.0	7,026	3.0	
		Sub total	7,026	3.0	7,026	3.0	
Total		153,257	65.2	153,519	66.4		
Other assets		4,415	1.9	6,004	2.6		
Total assets		¥ 235,035 [¥ 230,620]	100.0 [98.1]	¥ 231,090 [¥ 225,085]	100.0 [97.4]		

Note 1. Regarding 'Area,' please refer to note 1 of '1. Financial Highlights (5) Future Policies of Investment Management ② Future Policies of Investment Management and Issues to be Countered.'

Note 2. 'Total amount held' is the amount allocated in the balance sheet at the end of the period (as to properties, figures are net book value after deducting depreciation).

Note 3. Figures in brackets of 'Total assets' represent the portion of actually held properties in the target assets above.

Note 4. '(Total amount held) As a percentage of total assets' is rounded to one decimal place. Therefore, the sum total of the items may not necessarily correspond to the 'Total' figure.

(2) Major Portfolio

Major portfolio held by TOKYU REIT as of July 31, 2021 is as follows:

Name of property	Book value	Total leasable area	Leased area	Occupancy rate	As a percentage of revenue from property leasing	Main use
	Millions of yen	m ²	m ²	%	%	
QFRONT	¥ 13,486	4,502.93	4,502.93	100.0	9.5	Retail
Lexington Aoyama	4,686	2,094.96	2,094.96	100.0	1.7	Retail
TOKYU REIT Omotesando Square	5,653	2,669.10	2,669.10	100.0	2.2	Retail
TOKYU REIT Shibuya Udagawa-cho Square	6,553	1,543.05	1,543.05	100.0	3.1	Retail
cocoti	21,031	8,295.62	7,981.41	96.2	7.8	Retail
CONZE Ebisu	4,731	2,327.00	1,995.89	85.8	1.3	Retail
Daikanyama Forum	4,034	2,477.37	2,477.37	100.0	1.3	Retail
TOKYU REIT Shimokitazawa Square	2,249	1,246.98	1,117.05	89.6	0.6	Retail
TOKYU REIT Jiyugaoka Square	3,177	1,231.80	1,231.80	100.0	0.9	Retail
Setagaya Business Square	18,738	24,920.26	23,272.93	93.4	12.1	Office
Tokyu Nampeidai-cho Building	4,063	7,148.18	7,148.18	100.0	2.2	Office
Tokyu Sakuragaoka-cho Building	6,362	4,737.19	4,737.19	100.0	3.1	Office
Tokyo Nissan Taito Building	3,824	7,877.43	7,877.43	100.0	2.5	Office
TOKYU REIT Kamata Building	3,689	7,337.82	7,337.82	100.0	2.7	Office
TOKYU REIT Toranomom Building	9,822	10,247.06	9,883.42	96.5	4.5	Office
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	8,007	3,533.03	3,533.03	100.0	2.2	Office
Tokyu Ikejiri-ohashi Building	5,501	5,733.23	5,733.23	100.0	2.2	Office
Kojimachi Square	8,166	5,409.11	3,762.33	69.6	2.6	Office
TOKYU REIT Shinjuku Building	8,715	6,270.68	6,270.68	100.0	3.7	Office
Akihabara Sanwa Toyo Building	4,475	4,538.02	4,538.02	100.0	2.2	Office
Tokyu Ginza 2-chome Building	4,358	3,473.16	3,473.16	100.0	2.0	Office
TOKYU REIT Shibuya R Building	5,330	5,246.68	5,246.68	100.0	3.2	Office
Tokyu Toranomom Building	15,996	9,016.59	8,368.76	92.8	7.9	Office
TOKYU REIT Shinjuku 2 Building	2,801	1,790.46	1,790.46	100.0	1.0	Office
Tokyu Bancho Building	12,836	6,137.50	6,137.50	100.0	3.8	Office
TOKYU REIT Ebisu Building	4,586	1,879.17	1,879.17	100.0	1.4	Office
Shibuya Dogenzaka Sky Building	5,753	4,136.05	2,905.04	70.2	2.2	Office
OKI Business Center No.5	12,187	18,102.32	18,102.32	100.0	4.8	Office
Hulic Shibuya Miyashita Koen Building	6,032	2,299.77	2,299.77	100.0	0.9	Office
Maison Peony Toritsudaigaku	1,205	852.16	825.50	96.9	0.3	Residence
STYLIO FIT Musashikosugi	1,503	1,830.00	1,830.00	100.0	0.4	Residence
Shonan Mall Fill (land with leasehold interest)	7,026	44,078.12	44,078.12	100.0	2.3	Land with leasehold interest
OKI System Center (land with leasehold interest)	2,864	10,211.51	10,211.51	100.0	1.1	Land with leasehold interest
REVE Nakameguro (land with leasehold interest)	1,162	497.02	497.02	100.0	0.3	Land with leasehold interest
Total	¥ 230,620	223,691.34	217,352.84	97.2	100.0	

- Note 1. The properties listed above except for TOKYU REIT Shibuya Udagawa-cho Square, CONZE Ebisu, Daikanyama Forum, TOKYU REIT Shimokitazawa Square, TOKYU REIT Toranomom Building, TOKYU REIT Shinjuku Building, Tokyu Ginza 2-chome Building, TOKYU REIT Shibuya R Building, Tokyu Toranomom Building, TOKYU REIT Shinjuku 2 Building, Hulic Shibuya Miyashita Koen Building, Maison Peony Toritsudaigaku, STYLIO FIT Musashikosugi, OKI System Center (land with leasehold interest) and REVE Nakameguro (land with leasehold interest) (total of 19 properties) are all owned in the form of trust beneficiary interest in real estate.
- Note 2. 'Total leasable area' is the total area of the building's, facility's and land's leasable office, retail, warehouse, residential and land space as indicated in the agreements and drawings (common-use portion is included when leased). For Tokyu Nampaidai-cho Building, the area of parking lots is included. For QFRONT, the area of other compartmentalized owners' exclusive ownership portions is included since the fiduciary rents that area and leases it out as a block together with the entrusted property. For Setagaya Business Square, which is co-owned with another owner, the stated figure is calculated by multiplying the total leasable area of the whole building by the ratio of co-ownership (55%). For TOKYU REIT Toranomom Building, the area of the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. For TOKYU REIT Shibuya R Building, the area of part of the exclusive ownership portions under the proprietary ownership of and the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. The figure of Shonan Mall Fill (land with leasehold interest), OKI System Center (land with leasehold interest) and REVE Nakameguro (land with leasehold interest) indicates the leased area of land. For OKI System Center (land with leasehold interest), the stated figure is calculated by multiplying by the ratio of co-ownership (60%). For Tokyu Bancho Building, the stated figure is calculated by multiplying the total leasable area of the whole building by the 52.6% quasi-co-ownership interest of the 95.1% compartmentalized ownership interest of the trust beneficiary interest.
- Note 3. 'Leased area' is the area out of the total leasable area that is actually under lease agreements and leased (the area as indicated in the agreements; does not include lease agreements for parking lots, side signboards, etc.). For Tokyu Nampaidai-cho Building, the area of parking lots is included. For QFRONT, the area of other compartmentalized owners' exclusive ownership portions is included since the fiduciary rents that area and leases it out as a block together with the entrusted property. For Setagaya Business Square, which is co-owned with another owner, the stated figure is calculated by multiplying the total leased area of the whole building by the ratio of co-ownership (55%). For TOKYU REIT Toranomom Building, the area of the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. For TOKYU REIT Shibuya R Building, the part of the exclusive ownership portions under the proprietary ownership of and the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. The figure of Shonan Mall Fill (land with leasehold interest), OKI System Center (land with leasehold interest) and REVE Nakameguro (land with leasehold interest) indicates the leased area of land. For OKI System Center (land with leasehold interest), the stated figure is calculated by multiplying by the ratio of co-ownership (60%). For Tokyu Bancho Building, the stated figure is calculated by multiplying the total leased area of the whole building by the 52.6% quasi-co-ownership interest of the 95.1% compartmentalized ownership interest of the trust beneficiary interest.
- Note 4. 'Occupancy rate' is the leased area expressed as a percentage of total leasable area at the end of the period.
- Note 5. 'Occupancy rate' and '(Book value) As a percentage of revenue from property leasing' are rounded to one decimal place. Therefore, the sum total of the items may not necessarily correspond to the 'Total' figure.

(3) Details of Properties in Portfolio

The properties held by TOKYU REIT as of July 31, 2021 are as follows:

Use	Area	Name of property	Location (lot number)	Investment type	Total leasable area	Appraisal value at end of period	Book value	
					m ²	Millions of yen	Millions of yen	
Retail	Shibuya Ward	QFRONT	75-8, etc., Udagawa-cho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,502.93	¥ 36,800	¥ 13,486	
		TOKYU REIT Omotesando Square	4-3-18, Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,669.10	8,430	5,653	
		TOKYU REIT Shibuya Udagawa-cho Square	86-2, Udagawa-cho, Shibuya-ku, Tokyo	Real estate	1,543.05	12,800	6,553	
		cocoti	1-23-1, Shibuya, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	8,295.62	24,200	21,031	
		CONZE Ebisu	2-3-5, etc., Ebisu Minami, Shibuya-ku, Tokyo	Real estate	2,327.00	5,320	4,731	
		Daikanyama Forum	Building 1 (East) 33-18, etc., Sarugaku-cho, Shibuya-ku, Tokyo Building 2 (West) 33-1, Sarugaku-cho, Shibuya-ku, Tokyo	Real estate	2,477.37	3,520	4,034	
		Sub total			21,815.07	91,070	55,492	
	Central Tokyo (excluding Shibuya Ward)	Lexington Aoyama	5-235-7, etc., Minami-Aoyama, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,094.96	6,280	4,686	
		Sub total			2,094.96	6,280	4,686	
	Tokyu Areas (excluding Shibuya Ward)	TOKYU REIT Shimokitazawa Square	6-1058-114, etc., Daita, Setagaya-ku, Tokyo	Real estate	1,246.98	2,280	2,249	
		TOKYU REIT Jiyugaoka Square	2-20-10 and 2-20-11, Jiyugaoka, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,231.80	3,500	3,177	
		Sub total			2,478.78	5,780	5,427	
		Total			26,388.81	103,130	65,606	
	Office	Shibuya Ward	Tokyu Nampeidai-cho Building	12-3, Nampeidai-cho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	7,148.18	7,270	4,063
			Tokyu Sakuragaoka-cho Building	109-9, Sakuragaoka-cho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,737.19	11,300	6,362
TOKYU REIT Shibuya R Building			3-10-2, etc., Shibuya, Shibuya-ku, Tokyo	Real estate	5,246.68	9,750	5,330	
TOKYU REIT Ebisu Building			3-2-11, Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,879.17	5,000	4,586	
Shibuya Dogenzaka Sky Building			22-1, etc., Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,136.05	8,640	5,753	
Hulic Shibuya Miyashita Koen Building			1-17-5, etc., Shibuya, Shibuya-ku, Tokyo	Real estate	2,299.77	6,070	6,032	
Sub total					25,447.04	48,030	32,128	

Use	Area	Name of property	Location (lot number)	Investment type	Total leasable area	Appraisal value at end of period	Book value
					m ²	Millions of yen	Millions of yen
Office	Central Tokyo (excluding Shibuya Ward)	Tokyo Nissan Taito Building	2-120-2, etc., Moto-Asakusa, Taito-ku, Tokyo	Trust beneficiary interest in real estate	7,877.43	6,070	3,824
		TOKYU REIT Toranomon Building	3-45-6, Toranomon, Minato-ku, Tokyo	Real estate	10,247.06	13,700	9,822
		Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	4-806 and 4-819, Akasaka, Minato-ku, Tokyo	Trust beneficiary interest in real estate	3,533.03	7,290	8,007
		Kojimachi Square	3-9 and 3-3, Niban-cho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	5,409.11	10,200	8,166
		TOKYU REIT Shinjuku Building	4-2-3, etc., Shinjuku, Shinjuku-ku, Tokyo	Real estate	6,270.68	13,400	8,715
		Akihabara Sanwa Toyo Building	3-50-5, etc., Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	4,538.02	6,470	4,475
		Tokyu Ginza 2-chome Building	2-215-1, Ginza, Chuo-ku, Tokyo	Real estate	3,473.16	6,030	4,358
		Tokyu Toranomon Building	1-216-2, etc., Toranomon, Minato-ku, Tokyo	Real estate	9,016.59	22,100	15,996
		TOKYU REIT Shinjuku 2 Building	4-3-4, Shinjuku, Shinjuku-ku, Tokyo	Real estate	1,790.46	3,240	2,801
		Tokyu Bancho Building	6-2, etc., Yonban-cho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,137.50	15,700	12,836
		OKI Business Center No.5	4-1-6, Shibaura, Minato-ku, Tokyo	Trust beneficiary interest in real estate	18,102.32	12,700	12,187
	Sub total				76,395.36	116,900	91,193
	Tokyu Areas (excluding Shibuya Ward)	Setagaya Business Square	4-260-2, etc., Yoga, Setagaya-ku, Tokyo	Trust beneficiary interest in real estate	24,920.26	18,600	18,738
		TOKYU REIT Kamata Building	5-13-7, Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	7,337.82	5,500	3,689
Tokyu Ikejiri-ohashi Building		3-1050, etc., Higashiyama, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	5,733.23	6,390	5,501	
Sub total				37,991.31	30,490	27,930	
Total				139,833.71	195,420	151,252	
Residence	Tokyu Areas (excluding Shibuya Ward)	Maison Peony Toritsudaigaku	1-8-1 and 1-8-8, Nakane, Meguro-ku, Tokyo	Real estate	852.16	1,300	1,205
		STYLIO FIT Musashikosugi	2-1324-1, etc., Kamimaru-ku-sannocho, Nakahara-ku, Kawasaki-shi, Kanagawa	Real estate	1,830.00	1,570	1,503
	Sub total				2,682.16	2,870	2,709
Total				2,682.16	2,870	2,709	

Use	Area	Name of property	Location (lot number)	Investment type	Total leasable area	Appraisal value at end of period	Book value
					m ²	Millions of yen	Millions of yen
Land with leasehold interest	Tokyu Areas (excluding Shibuya Ward)	REVE Nakameguro (land with leasehold interest)	1-202-1, Kamimeguro, Meguro-ku, Tokyo	Real estate	497.02	1,150	1,162
	Sub total				497.02	1,150	1,162
	Other	Shonan Mall Fill (land with leasehold interest)	4-4300-1, Tsujido Shinmachi, Fujisawa-shi, Kanagawa	Trust beneficiary interest in real estate	44,078.12	6,920	7,026
		OKI System Center (land with leasehold interest)	1-16-20, etc., Chuo, Warabi-shi, Saitama	Real estate	10,211.51	3,760	2,864
	Sub total				54,289.63	10,680	9,890
Total				54,786.65	11,830	11,053	
Grand total				223,691.34	¥ 313,250	¥ 230,620	

Note 1. 'Location (lot number)' is stated as based on the description shown in the registry book. The present status of the property might not correspond to the descriptions in the registry book.

Note 2. 'Total leasable area' is the total area of the building's, facility's and land's leasable office, retail, warehouse, residential and land space as indicated in the agreements and drawing (common-use portion is included when leased). For Tokyu Nampo-dai-cho Building, the area of parking lots is included. For QFRONT, the area of other compartmentalized owners' exclusive ownership portions is included since the fiduciary rents that area and leases it out as a block together with the entrusted property. For Setagaya Business Square, which is co-owned with another owner, the stated figure is calculated by multiplying the total leasable area of the whole building by the ratio of co-ownership (55%). For TOKYU REIT Toranomom Building, the area of the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. For TOKYU REIT Shibuya R Building, the area of part of the exclusive ownership portions under the proprietary ownership of and the exclusive ownership portions co-owned with other compartmentalized owners is included since TOKYU REIT rents that area and leases it out together with the exclusive ownership portion under TOKYU REIT's proprietary ownership. The figure of Shonan Mall Fill (land with leasehold interest), OKI System Center (land with leasehold interest) and REVE Nakameguro (land with leasehold interest) indicates the leased area of land. For OKI System Center (land with leasehold interest), the stated figure is calculated by multiplying by the ratio of co-ownership (60%). For Tokyu Bancho Building, the stated figure is calculated by multiplying the total leasable area of the whole building by the 52.6% quasi-co-ownership interest of the 95.1% compartmentalized ownership interest of the trust beneficiary interest.

Note 3. For 'Appraisal value at end of period,' TOKYU REIT indicates the assessed value based on the appraisal by real estate appraisers following the asset evaluation method, standards and reporting date laid down in TOKYU REIT's Articles of Incorporation and rules of The Investment Trusts Association, Japan (based on real estate appraisal reports prepared by Japan Real Estate Institute, Japan Valuers Co., Ltd., and Daiwa Real Estate Appraisal Co., Ltd., which adopt the period end date as the date of value estimate).

The developments of the leasing business of the properties held by TOKYU REIT are as follows:

Use	Area	Name of property	36th fiscal period From February 1, 2021 to July 31, 2021				35th fiscal period From August 1, 2020 to January 31, 2021				
			Number of tenants	Occupancy rate	Revenue from property leasing	As a percentage of revenue from property leasing	Number of tenants	Occupancy rate	Revenue from property leasing	As a percentage of revenue from property leasing	
				%	Millions of yen	%		%	Millions of yen	%	
Retail	Shibuya Ward	QFRONT	2	100.0	¥ 764	9.5	2	100.0	¥ 765	9.8	
		TOKYU REIT Omotesando Square	4	100.0	179	2.2	4	100.0	179	2.3	
		TOKYU REIT Shibuya Udagawa-cho Square	2	100.0	251	3.1	2	100.0	251	3.2	
		cocoti	14	96.2	632	7.8	15	100.0	585	7.5	
		CONZE Ebisu	7	85.8	103	1.3	7	100.0	115	1.5	
		Daikanyama Forum	5	100.0	104	1.3	5	100.0	108	1.4	
		Sub total	34	97.0	2,035	25.3	35	100.0	2,006	25.6	
	Central Tokyo (excl. Shibuya Ward)	Lexington Aoyama	8	100.0	137	1.7	8	100.0	146	1.9	
	Sub total	8	100.0	137	1.7	8	100.0	146	1.9		
	Tokyu Areas (excl. Shibuya Ward)	TOKYU REIT Shimokitazawa Square	8	89.6	50	0.6	9	100.0	50	0.6	
	TOKYU REIT Jiyugaoka Square	5	100.0	75	0.9	5	100.0	79	1.0		
	Sub total	13	94.8	126	1.6	14	100.0	130	1.7		
	Total	55	97.1	2,300	28.5	57	100.0	2,283	29.1		
	Office	Shibuya Ward	Tokyu Nampeidai-cho Building	1	100.0	179	2.2	1	100.0	173	2.2
			Tokyu Sakuragaoka-cho Building	2	100.0	247	3.1	2	100.0	241	3.1
TOKYU REIT Shibuya R Building			12	100.0	254	3.2	11	90.7	270	3.4	
TOKYU REIT Ebisu Building			7	100.0	110	1.4	7	100.0	108	1.4	
Shibuya Dogenzaka Sky Building			6	70.2	178	2.2	6	80.2	247	3.2	
Hulic Shibuya Miyashita Koen Building			10	100.0	75	0.9	—	—	—	—	
Sub total			38	95.2	1,046	13.0	27	94.4	1,041	13.3	
Central Tokyo (excl. Shibuya Ward)		Tokyo Nissan Taito Building	17	100.0	199	2.5	16	100.0	199	2.5	
		TOKYU REIT Toranomon Building	10	96.5	359	4.5	11	100.0	380	4.9	
		Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	1	100.0	174	2.2	1	100.0	176	2.3	
		Kojimachi Square	5	69.6	210	2.6	6	100.0	226	2.9	
		TOKYU REIT Shinjuku Building	9	100.0	297	3.7	9	100.0	297	3.8	
		Akihabara Sanwa Toyo Building	6	100.0	178	2.2	6	100.0	179	2.3	
		Tokyu Ginza 2-chome Building	2	100.0	160	2.0	2	100.0	161	2.1	
		Tokyu Toranomon Building	2	92.8	638	7.9	2	92.8	520	6.6	
		TOKYU REIT Shinjuku 2 Building	2	100.0	81	1.0	2	100.0	81	1.0	
		Tokyu Bancho Building	8	100.0	305	3.8	7	80.2	284	3.6	
		OKI Business Center No.5	1	100.0	388	4.8	1	100.0	265	3.4	
		Sub total	63	96.5	2,994	37.2	63	97.6	2,774	35.4	

Use	Area	Name of property	36th fiscal period From February 1, 2021 to July 31, 2021				35th fiscal period From August 1, 2020 to January 31, 2021			
			Number of tenants	Occupancy rate	Revenue from property leasing	As a percentage of revenue from property leasing	Number of tenants	Occupancy rate	Revenue from property leasing	As a percentage of revenue from property leasing
				%	Millions of yen	%		%	Millions of yen	%
Office	Tokyu Areas (excl. Shibuya Ward)	Setagaya Business Square	60	93.4	973	12.1	63	99.1	986	12.6
		TOKYU REIT Kamata Building	5	100.0	217	2.7	5	100.0	217	2.8
		Tokyu Ikejiri-ohashi Building	5	100.0	173	2.2	5	100.0	198	2.5
		Sub total	70	95.7	1,364	16.9	73	99.4	1,403	17.9
Total			171	96.0	5,405	67.1	163	97.5	5,219	66.5
Residence	Tokyu Areas (excl. Shibuya Ward)	Maison Peony Toritsudaigaku	25	96.9	23	0.3	23	80.3	26	0.3
		STYLIO FIT Musashikosugi	1	100.0	34	0.4	1	100.0	1	0.0
		Sub total	26	99.0	58	0.7	24	93.7	27	0.4
Total			26	99.0	58	0.7	24	93.7	27	0.4
Land with leasehold interest	Tokyu Areas (excl. Shibuya Ward)	REVE Nakameguro (land with leasehold interest)	1	100.0	21	0.3	1	100.0	21	0.3
		Sub total	1	100.0	21	0.3	1	100.0	21	0.3
	Other	Shonan Mall Fill (land with leasehold interest)	1	100.0	188	2.3	1	100.0	188	2.4
		OKI System Center (land with leasehold interest)	1	100.0	87	1.1	1	100.0	105	1.3
Sub total			2	100.0	275	3.4	2	100.0	293	3.7
Total			3	100.0	296	3.7	3	100.0	314	4.0
Grand total			255	97.2	¥ 8,059	100.0	247	98.4	¥ 7,845	100.0

Note 1. 'Number of tenants' is counted cumulatively, i.e., when one tenant leases plural rooms for rent in the same property, it is regarded as one tenant, and when in plural properties, it is regarded as plural tenants. For QFRONT, the number of tenants includes one tenant (Tokyu Corporation) leasing space on the facade of the building for installing a large LED display screen, etc. and posting signboards, among other purposes. For Tokyo Nissan Taito Building and Maison Peony Toritsudaigaku, the number of tenants includes residential tenants. For STYLIO FIT Musashikosugi, the number of tenants is the number of lessees under the master lease agreement.

Note 2. 'Occupancy rate' is the leased area expressed as a percentage of total leasable area at the end of the period.

Note 3. 'Occupancy rate' and '(Revenue from property leasing) As a percentage of revenue from property leasing' are rounded to one decimal place. Therefore, the sum total of the items may not necessarily correspond to the 'Total' figure.

(4) Other Assets

As of July 31, 2021, there are no assets targeted for investment other than those described above.

(5) Assets Held in Each Country and Region

TOKYU REIT does not invest in overseas properties.

4. Capital Expenditures for Properties Held

(1) Plan of Capital Expenditures

The following lists the estimated amounts of major capital expenditures for repair and maintenance work of properties held, as scheduled as of July 31, 2021. The estimated construction costs shown below include those recorded in expenses for accounting purposes.

Repairs and maintenance and capital expenditures will be conducted based on efficient repair and maintenance plans prepared for each property to maintain and improve their competitiveness from a medium to long term perspective.

Name of property	Location	Objective	Estimated period	Estimated construction cost		
				Millions of yen		
				Total	Amount paid during period	Amount paid by end of period
Kojimachi Square	Chiyoda-ku, Tokyo	Replacement of air-conditioning equipment	From February 2021 to June 2022	¥ 95	—	—
TOKYU REIT Toranomom Building	Minato-ku, Tokyo	Replacement of mechanical parking equipment	From October 2021 to December 2021	¥ 86	—	—
Tokyu Sakuragaoka-cho Building	Shibuya-ku, Tokyo	Replacement of emergency power generator	From February 2021 to December 2021	¥ 69	¥ 1	¥ 1
Tokyu Sakuragaoka-cho Building	Shibuya-ku, Tokyo	Renovation of external walls	From October 2021 to December 2021	¥ 50	—	—
Akihabara Sanwa Toyo Building	Chiyoda-ku, Tokyo	Large-scale renovation (external walls and rooftop)	From June 2021 to November 2021	¥ 46	—	—

(2) Capital Expenditures Made during Period

The following is an overview of construction work conducted during the fiscal period under review that fall under the category of capital expenditures for properties held.

Capital expenditures during the 36th fiscal period amounted to ¥513 million and ¥221 million in repairs and maintenance expenses were charged to expenses for a combined total of ¥734 million spent for such work.

Name of property	Location	Objective	Period	Construction cost
				Millions of yen
Kojimachi Square	Chiyoda-ku, Tokyo	Replacement of air-conditioning equipment	From March 2021 to May 2021	¥ 64
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Minato-ku, Tokyo	Renewal of restroom and kitchen	From April 2021 to July 2021	62
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Minato-ku, Tokyo	Replacement of air-conditioning equipment	From March 2021 to May 2021	59
Setagaya Business Square	Setagaya-ku, Tokyo	Renewal of restroom	From February 2021 to April 2021	23
cocoti	Shibuya-ku, Tokyo	Replacement of air-conditioning monitoring panel	From January 2021 to February 2021	22
Other				281
Total				¥ 513

(3) Reserve for Long-Term Repair and Maintenance Plan (Reserve for Repairs and Maintenance)

Based on long-term repair and maintenance plans decided for each property, TOKYU REIT accounted for reserves for repairs and maintenance from cash flows made during the period in order to pay for significant repairs and maintenance scheduled in the medium to long term future as follows:

	36th fiscal period From February 1, 2021 to July 31, 2021	35th fiscal period From August 1, 2020 to January 31, 2021	34th fiscal period From February 1, 2020 to July 31, 2020	33rd fiscal period From August 1, 2019 to January 31, 2020	32nd fiscal period From February 1, 2019 to July 31, 2019
Millions of yen					
Reserve at beginning of period	¥ 88	¥ 99	¥ 63	¥ 87	¥ 198
Amount transferred to reserve during period	824	608	842	543	656
Reversal from reserve during period	807	618	807	566	767
Reserve at end of period	¥ 105	¥ 88	¥ 99	¥ 63	¥ 87

Note. TOKYU REIT took over reserves made in the trust assets that the prior owner accounted for at the time of trade of beneficiary interests in trust accounts and such reserves are included in the 'Amount transferred to reserve during period.'

5. Expenses and Debt

(1) Investment Management Expenses

	36th fiscal period From February 1, 2021 to July 31, 2021		35th fiscal period From August 1, 2020 to January 31, 2021	
	Millions of yen			
Asset management fees				
Asset-based fees	¥ 377		¥ 361	
Cash-based fees	315		321	
Unit price-based fees	—	¥ 692	—	¥ 683
Asset custodian fees		16		16
General administration fees		41		39
Directors' fees		6		6
Other operating expenses		85		105
Total		¥ 842		¥ 851

(2) Short-term Debt and Long-term Debt

Short-term debt and long-term debt from each financial institution as of July 31, 2021 are as follows:

Category	Draw-down date	Balance as of July 31, 2021	Balance as of January 31, 2021	Average interest rate (Note 1)	Maturity date	Re-payment method	Use of funds	Remark
		Millions of yen	Millions of yen	%				
Mizuho Bank, Ltd.	December 28, 2020	¥ —	¥ 640	0.67909	March 28, 2021	Bullet payment	Refinance fund	Unsecured and Unguaranteed (Note 2)
MUFG Bank, Ltd.		—	1,280					
Sumitomo Mitsui Trust Bank, Limited		—	1,280					
Mizuho Bank, Ltd.	January 20, 2021	—	200	0.56136	July 20, 2021	Bullet payment	(Note 4)	
MUFG Bank, Ltd.		—	400					
Sumitomo Mitsui Trust Bank, Limited		—	400					
Mizuho Bank, Ltd.	March 10, 2021	600	—	0.71706	August 10, 2021	Bullet payment	(Note 5)	
MUFG Bank, Ltd.		1,200	—					
Sumitomo Mitsui Trust Bank, Limited		1,200	—					
Mizuho Bank, Ltd.	March 29, 2021	1,000	—	0.40026	August 2, 2021	Bullet payment	(Note 4)	
MUFG Bank, Ltd.		2,000	—					
Sumitomo Mitsui Trust Bank, Limited		2,000	—					
Mizuho Bank, Ltd.	September 29, 2021	640	—	0.73636	September 29, 2021	Bullet payment	Refinance fund	
MUFG Bank, Ltd.		1,280	—					
Sumitomo Mitsui Trust Bank, Limited		1,280	—					
Sumitomo Mitsui Trust Bank, Limited	April 8, 2021	—	—	0.47345	July 15, 2021	Bullet payment	(Note 6)	
Sub total		11,200	4,200					

Category	Draw-down date	Balance as of July 31, 2021	Balance as of January 31, 2021	Average interest rate (Note 1)	Maturity date	Re-payment method	Use of funds	Remark	
		Millions of yen	Millions of yen	%					
Mizuho Trust & Banking Co., Ltd.	June 27, 2013	1,500	1,500	1.91375	June 27, 2023	Bullet payment	Refinance fund	Unsecured and Unguaranteed (Note 2)	
		Development Bank of Japan Inc.	1,000						1,000
The Dai-ichi Life Insurance Company, Limited	July 31, 2013	—	2,500	1.51375	July 31, 2021				
Nippon Life Insurance Company		—	500						
Development Bank of Japan Inc.	February 25, 2014	5,000	5,000	1.57750	February 25, 2024				
Mizuho Bank, Ltd.	June 25, 2014	—	1,000	1.05250	June 25, 2021				
Mitsui Sumitomo Insurance Co., Ltd.		—	1,000						
MUFG Bank, Ltd.	October 22, 2014	800	800	0.96875	October 22, 2021				Unsecured and Unguaranteed (Notes 2 and 3)
Mizuho Bank, Ltd.		800	800						
MUFG Bank, Ltd.		800	800						
Sumitomo Mitsui Trust Bank, Limited		1,600	1,600						
Development Bank of Japan Inc.	June 25, 2015	5,000	5,000	1.26125	June 25, 2025			Unsecured and Unguaranteed (Note 2)	
Shinkin Central Bank	July 27, 2015	2,000	2,000	0.99000	July 27, 2022			Unsecured and Unguaranteed (Notes 2 and 3)	
Sumitomo Mitsui Trust Bank, Limited		2,000	2,000						
Mizuho Bank, Ltd.	November 11, 2015	1,700	1,700	0.89250	November 11, 2022			Unsecured and Unguaranteed (Note 2)	
Daido Life Insurance Company	December 25, 2015	500	500	0.85875	December 25, 2022				
Daido Life Insurance Company	March 10, 2016	1,500	1,500	0.57130	March 10, 2023				
MUFG Bank, Ltd.	June 27, 2016	500	500	0.45630	June 27, 2023				
Sumitomo Mitsui Trust Bank, Limited	December 27, 2016	3,500	3,500	0.56000	December 27, 2021			Unsecured and Unguaranteed (Notes 2 and 3)	
Nippon Life Insurance Company	January 31, 2017	1,500	1,500	0.50000	January 31, 2022				
Sumitomo Mitsui Trust Bank, Limited	May 18, 2017	2,000	2,000	0.56093	May 25, 2022				
Sumitomo Mitsui Trust Bank, Limited	May 25, 2017	1,000	1,000	0.55529					
Sumitomo Mitsui Trust Bank, Limited		1,000	1,000	0.62116	November 25, 2023				
Mizuho Bank, Ltd.	June 27, 2017	2,000	2,000	0.61773	December 27, 2023			Unsecured and Unguaranteed (Note 2)	
The Norinchukin Bank	July 25, 2017	1,000	1,000	0.63573	January 25, 2024				
Development Bank of Japan Inc.	January 25, 2018	5,000	5,000	0.90880	January 25, 2028				
Nippon Life Insurance Company	January 31, 2018	500	500	0.58000	July 31, 2023				
MUFG Bank, Ltd.	March 26, 2018	2,500	2,500	0.62827	September 26, 2024				
MUFG Bank, Ltd.	March 26, 2018	2,500	2,500	0.65250	March 26, 2025				
Nippon Life Insurance Company	April 10, 2018	1,500	1,500	0.60000	October 10, 2023				

Long-term debt

Category	Draw-down date	Balance as of July 31, 2021	Balance as of January 31, 2021	Average interest rate (Note 1)	Maturity date	Re-payment method	Use of funds	Remark
		Millions of yen	Millions of yen	%				
MUFG Bank, Ltd.	June 25, 2018	500	500	0.68569	December 25, 2025	Refinance fund	Unsecured and Unguaranteed (Note 2)	
The Dai-ichi Life Insurance Company, Limited	July 31, 2018	2,000	2,000	0.90260	July 31, 2028			
Mizuho Bank, Ltd.	November 12, 2018	1,700	1,700	0.72652	May 12, 2026			
The Norinchukin Bank	January 28, 2019	3,000	3,000	0.60380	January 28, 2027			
MUFG Bank, Ltd.	May 27, 2019	2,000	2,000	0.56116	May 27, 2027			
MUFG Bank, Ltd.	June 25, 2019	1,500	1,500	0.46789	June 28, 2027			
MUFG Bank, Ltd.	June 28, 2019	400	400	0.48124				
Sumitomo Mitsui Trust Bank, Limited	June 28, 2019	400	400	0.50641				
MUFG Bank, Ltd.	August 29, 2019	1,400	1,400	0.46876	February 29, 2028			
MUFG Bank, Ltd.	November 19, 2019	2,000	2,000	0.55395				
Mizuho Bank, Ltd.	December 25, 2019	500	500	0.64089	December 25, 2028			
The Dai-ichi Life Insurance Company, Limited	January 27, 2020	1,000	1,000	0.82000	January 27, 2032			
MUFG Bank, Ltd.	June 25, 2020	1,500	1,500	0.60137	December 25, 2028			
Development Bank of Japan Inc.		4,000	4,000	0.67380	June 25, 2030			
Mitsui Sumitomo Insurance Co., Ltd.	June 29, 2020	500	500	0.49250	June 29, 2027			
The Norinchukin Bank		500	500	0.55000	June 29, 2028			
Mizuho Trust & Banking Co., Ltd.	September 28, 2020	2,400	2,400	0.29909	February 25, 2022	(Note 4)	Unsecured and Unguaranteed (Notes 2 and 3)	
Sumitomo Mitsui Trust Bank, Limited	December 25, 2020	2,700	2,700	0.53896	December 25, 2028			
MUFG Bank, Ltd.		2,000	2,000	0.57127	June 25, 2029			
Sumitomo Mitsui Trust Bank, Limited		2,700	2,700	0.59776	December 25, 2029			
Mitsui Sumitomo Insurance Co., Ltd.	June 25, 2021	1,000	—	0.48880	June 25, 2028			
Mizuho Bank, Ltd.		1,000	—	0.66140	June 25, 2030			
The Dai-ichi Life Insurance Company, Limited	July 30, 2021	1,000	—	0.47000	July 31, 2028			
Nippon Life Insurance Company		500	—	0.61130	July 30, 2030			
The Dai-ichi Life Insurance Company, Limited		1,500	—	0.78000	July 29, 2033			
Sub total		86,400	86,400					
Total		¥ 97,600	¥ 90,600					

- Note 1. 'Average interest rate' is the weighted average interest rate during the period.
- Note 2. Depending on the financial position of TOKYU REIT, additional interest rates, additional cash reserves, asset acquisition and disposition restrictions, debt burden and payment restrictions, dividend restrictions, offering of additional pledge and other financial covenants may apply.
- Note 3. As of the end of the fiscal period, the amounts are recorded in the balance sheets as 'Long-term debt due within one year' under 'Current liabilities.'
- Note 4. The funds are for acquisition of property and for expenditures pertaining to the acquisition.
- Note 5. The funds are for redemption of investment corporation bonds.
- Note 6. The funds are for payment of cash distributions.

(3) Investment Corporation Bonds

The status of investment corporation bonds issued and outstanding as of July 31, 2021 is as follows:

Name	Issue date	Balance as of July 31, 2021	Balance as of January 31, 2021	Annual interest rate	Maturity date	Redemption method	Use of proceeds	Remark
		Millions of yen		(%)				
3rd Series Unsecured Investment Corporation Bond	October 22, 2012	¥ 3,000	¥ 3,000	1.47000	October 21, 2022	Full amount on maturity	Repayment of debt financing	Unsecured/Unguaranteed (Note)
5th Series Unsecured Investment Corporation Bond	March 11, 2014	—	3,000	0.68200	March 11, 2021			
6th Series Unsecured Investment Corporation Bond	October 24, 2019	1,000	1,000	0.54000	October 24, 2029			
7th Series Unsecured Investment Corporation Bond		1,000	1,000	1.00000	October 24, 2039			
8th Series Unsecured Investment Corporation Bond	October 29, 2020	3,000	3,000	0.51000	October 29, 2030			
Total		¥ 8,000	¥ 11,000					

Note. These bonds rank pari passu in right of payment with certain investment corporation bonds.

(4) Short-term Investment Corporation Bonds

There is no item that falls under this category.

(5) Investment Unit Options

There is no item that falls under this category.

6. Acquisitions and Dispositions during the 36th Fiscal Period

(1) Sales and Purchases of Properties and Asset Backed Securities or Infrastructure Assets and Infrastructure-related Assets

Asset type	Name of property	Acquisition		Disposition			
		Acquisition date	Acquisition price (Note)	Disposition date	Disposition price	Book value	Gain (Loss) on sale
			Millions of yen				
Real estate	Hulic Shibuya Miyashita Koen Building	March 29, 2021	¥ 6,000	—	—	—	—

Note. 'Acquisition price' or 'Disposition price' is the amount exclusive of the expenses required for acquisition or disposition of the property (brokerage charges, property-related taxes, etc.) and is identical to the acquisition or disposition costs stated in the sale and purchase agreement, etc.

(2) Sales and Purchases of Other Assets

Major assets other than the aforementioned properties and asset backed securities are either bank deposits or bank deposits held as trust assets.

(3) Research on Prices of Specified Assets

① Property

Acquisition or disposition	Asset type	Name of property	Acquisition or disposition date	Acquisition or disposition price (Note 1)	Appraisal value	Appraiser	Date of value
				Millions of yen			
Acquisition	Real estate	Hulic Shibuya Miyashita Koen Building	March 29, 2021	¥ 6,000	¥ 6,060	Daiwa Real Estate Appraisal Co., Ltd.	March 1, 2021

Note 1. 'Acquisition or disposition price' is the amount exclusive of the expenses required for acquisition or disposition of the property (brokerage charges, property-related taxes, etc.) and is identical to the acquisition or disposition costs stated in the sale and purchase agreement, etc.

Note 2. The appraisal value above is based on "Real Estate Appraisal Standards; Practical Theory; Chapter 3: Appraisal in respect with Securitizable Subject Property."

② Other

There is no item that falls under this category.

(4) Trading with Interested Persons, Etc.

① Status of Trading

TOKYU REIT carried out no transactions, including the trading of specified assets, with interested persons, etc.

② Amounts of Commissions Paid

Item	Total amounts of commissions paid (A) Thousands of yen	Paid to interested persons, etc.		B/A (%)
		Payee	Amount of payment (B)	
			Thousands of yen	
Subcontract expenses	¥ 467,969	Tokyu Community Corporation	¥ 265,958	56.8
		Tokyu Property Management Co., Ltd. (Note 1)	¥ 74,030	15.8
		Community One Co., Ltd.	¥ 2,754	0.6
		Tokyu Corporation	¥ 116	0.0
		Tokyu Livable, Inc.	¥ 105	0.0
Utilities expenses	¥ 370,921	Yoga District Heating and Cooling Co., Ltd.	¥ 104,774	28.2
		Tokyu Power Supply Co., Ltd.	¥ 2,340	0.6
		Shibuya Underground Shopping Center, Inc.	¥ 47	0.0
Other rental service expenses	¥ 231,051	Tokyu Corporation	¥ 14,097	6.1
		Tokyu Agency Inc.	¥ 2,730	1.2
		Tokyu Community Corporation	¥ 1,468	0.6
		its communications Inc.	¥ 1,026	0.4
		Shibuya Underground Shopping Center, Inc.	¥ 697	0.3
		Tokyu Property Management Co., Ltd.	¥ 150	0.1
Property management fees	¥ 189,294	Tokyu Corporation	¥ 123,272	65.1
		Tokyu Community Corporation	¥ 63,404	33.5
		Tokyu Housing Lease Corporation	¥ 2,617	1.4
Other operating expenses	¥ 85,534	Tokyu Hotels Co., Ltd.	¥ 1,610	1.9
Insurance premium	¥ 8,811	Tokyu Insurance Consulting Co., Ltd.	¥ 8,614	97.8

Note 1. The trade name of Tokyu Facility Service Co., Ltd. was changed to Tokyu Property Management Co., Ltd. in April 2021 (the same hereafter).

Note 2. Pursuant to Article 123 of the Investment Trust Law Enforcement Order, interested persons, etc. are defined as having interests in Tokyu REIM based on the investment management agreement concluded with TOKYU REIT. However, information provided in this section, '(4) Trading with Interested Persons, Etc.' includes trading with related parties, which are subject to the Rules on Related-Party Transactions that are Tokyu REIM's self-imposed rules.

Note 3. In addition to the commissions paid as described above, TOKYU REIT paid commissions to third parties through interested persons, etc., Tokyu Corporation and Tokyu Community Corporation in the amount of ¥71,565 thousand and ¥26,814 thousand, respectively.

In addition to the commissions paid as described above, the amount paid for repair and maintenance work placed to interested persons, etc. during the 36th fiscal period are as follows:

Tokyu Community Corporation	¥ 33,348 thousand
Tokyu Architects & Engineers Inc.	¥ 22,900 thousand
Tokyu Property Management Co., Ltd.	¥ 21,781 thousand
Tokyu Renewal Co., Ltd.	¥ 14,645 thousand
Ishikatsu Exterior Inc.	¥ 4,999 thousand
Tokyu Corporation	¥ 4,575 thousand
its communications Inc.	¥ 400 thousand
Tokyu Re · design Corporation	¥ 372 thousand
Tokyu Security Co., Ltd.	¥ 240 thousand
Tokyu Bldg Maintenance Co., Ltd.	¥ 5 thousand

(5) Trading between the Investment Management Company and TOKYU REIT Pertaining to Business Concurrently Operated by the Investment Management Company
There is no item that falls under this category.

7. Accounting

(1) Assets, Liabilities, Unitholders' Capital and Profit/Loss

See accompanying Balance Sheets, Statements of Income, Statements of Changes in Unitholders' Equity, Statements of Cash Flows and Notes to Financial Statements.

(2) Change in Depreciation Method

There is no item that falls under this category.

(3) Change in Property and Infrastructure Asset Valuation Methods

There is no item that falls under this category.

8. Other

(1) News

During the fiscal period under review, TOKYU REIT's Board of Directors approved the following matters stipulated under Article 109, Paragraph 2, Items 2, 3, 5, 6 and 8 of the Investment Trust Law.

Date of meeting	Agenda item	Summary
March 5, 2021	Signing of memorandum on amendment of investment management agreement	Regarding the investment management agreement executed with the investment management company Tokyu REIM, the meeting approved the signing of a memorandum that is for the purpose of an amendment to change the trade name of Tokyu Corporation, with a resolution on the amendment of TOKYU REIT's Articles of Incorporation for the abovementioned amendment being passed at a General Meeting of Unitholders as a conditional precedent.

(2) Status, etc. of Beneficiary Certificates of Investment Trust Issuing Beneficiary Certificates

There is no item that falls under this category.

(3) Disclosure Pertaining to Corporation Holding Overseas Properties

There is no item that falls under this category.

(4) Disclosure Pertaining to Properties of Corporation Holding Overseas Properties

There is no item that falls under this category.

(5) Other

Unless otherwise specifically mentioned, the figures in this report have been rounded down for amounts and rounded for ratios to the nearest specified unit.



Independent Auditor's Report

To the Board of TOKYU REIT, Inc.

Opinion

We have audited the financial statements of TOKYU REIT, Inc. (the Company), which comprise the balance sheets as at July 31, 2021, and the statements of income, statements of changes in unitholders' equity and statements of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2021, and its financial performance and its cash flows for the six months then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Supervisory Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern.

Supervisory Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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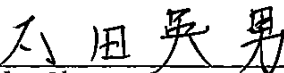
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Executive Director with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.



Hideo Ohta
Designated Engagement Partner
Certified Public Accountant



Takashi Sato
Designated Engagement Partner
Certified Public Accountant

PricewaterhouseCoopers Aarata LLC

October 28, 2021

TOKYU REIT, Inc.
Balance Sheets
As of July 31, 2021 and January 31, 2021

	July 31, 2021	January 31, 2021
	(Millions of yen)	
<u>ASSETS</u>		
Current assets:		
Cash and deposits with banks	¥ 987	¥ 2,174
Cash and deposits with banks held in trust	1,991	2,489
Tenant receivables	158	87
Lease deposits held in trust due within one year	18	18
Other current assets	73	74
Total current assets	3,230	4,844
Fixed assets:		
Property and equipment		
Buildings and structures	15,629	15,062
Land	67,060	61,568
Other tangible assets	206	205
Construction in progress	128	114
Buildings and structures held in trust	48,034	47,564
Land held in trust	126,809	126,809
Other tangible assets held in trust	1,612	1,608
Construction in progress held in trust	18	15
Less accumulated depreciation	(28,881)	(27,866)
Total property and equipment	230,618	225,082
Intangible assets		
Intangible assets	2	3
Intangible assets held in trust	2	2
Total intangible assets	4	5
Investments and other assets		
Lease deposits	208	208
Lease deposits held in trust	650	650
Deferred tax assets	0	0
Other assets	289	260
Total investments and other assets	1,148	1,120
Total fixed assets	231,771	226,209
Deferred assets:		
Investment corporation bond issuance expenses	33	36
Total deferred assets	33	36
Total assets	¥ 235,035	¥ 231,090

The accompanying notes are an integral part of these financial statements.

TOKYU REIT, Inc.
Balance Sheets, continued
As of July 31, 2021 and January 31, 2021

	July 31, 2021	January 31, 2021
	(Millions of yen)	
<u>LIABILITIES</u>		
Current liabilities:		
Short-term debt	¥ 11,200	¥ 4,200
Investment corporation bonds due within one year	-	3,000
Long-term debt due within one year	18,400	14,000
Accounts payable	1,076	1,246
Consumption tax payable	173	55
Rent received in advance	1,434	1,299
Accrued expenses and other current liabilities	158	151
Total current liabilities	32,443	23,953
Long-term liabilities:		
Investment corporation bonds	8,000	8,000
Long-term debt	68,000	72,400
Tenant leasehold and security deposits	3,873	3,749
Tenant leasehold and security deposits held in trust	7,159	7,293
Other long-term liabilities	32	30
Total long-term liabilities	87,065	91,473
Total liabilities	¥ 119,508	¥ 115,426
 <u>NET ASSETS</u>		
Unitholders' capital:		
Units authorized - 10,000,000 units as of July 31, 2021 and 10,000,000 units as of January 31, 2021		
Units issued and outstanding - 977,600 units as of July 31, 2021 and 977,600 units as of January 31, 2021	¥ 110,479	¥ 110,479
Reserve for reduction entry	1,508	1,101
Retained earnings	3,540	4,083
Total net assets	115,527	115,663
Total liabilities and net assets	¥ 235,035	¥ 231,090

The accompanying notes are an integral part of these financial statements.

TOKYU REIT, Inc.
Statements of Income

For the six months ended July 31, 2021 and January 31, 2021

	For the six months ended	
	July 31, 2021	January 31, 2021
	(Millions of yen)	
Operating revenues:		
Rental revenue	¥ 7,528	¥ 7,454
Other rental revenue	530	391
Gain on sales of real estate properties	-	764
Revenues from facility acceptance	-	1
Contribution for construction	6	-
Operating expenses:		
Rental service expenses	(3,241)	(3,221)
Asset management fees	(692)	(683)
Other	(149)	(167)
Operating income	3,981	4,538
Non-operating income:		
Interest income	0	0
Other	2	5
Non-operating expenses:		
Interest expense	(385)	(394)
Interest expense on investment corporation bonds	(39)	(44)
Amortization of investment corporation bond issuance expenses	(2)	(3)
Other	(15)	(18)
Income before income taxes	3,540	4,084
Income taxes:		
Current	(0)	(0)
Deferred	0	(0)
Net income	3,540	4,083
Retained earnings at beginning of period	0	0
Retained earnings at end of period	¥ 3,540	¥ 4,083

The accompanying notes are an integral part of these financial statements.

TOKYU REIT, Inc.
Statements of Changes in Unitholders' Equity
For the six months ended July 31, 2021 and January 31, 2021

For the six months ended July 31, 2021

	Unitholders' capital	Reserve for reduction entry	Retained earnings	Total
	(Millions of yen)			
Balance at beginning of period	¥ 110,479	¥ 1,101	¥ 4,083	¥ 115,663
Changes during the period				
Provision of reserve for reduction entry	-	407	(407)	-
Cash distributions declared	-	-	(3,675)	(3,675)
Net income	-	-	3,540	3,540
Total changes during the period	-	407	(543)	(135)
Balance at end of period	¥ 110,479	¥ 1,508	¥ 3,540	¥ 115,527

For the six months ended January 31, 2021

	Unitholders' capital	Reserve for reduction entry	Retained earnings	Total
	(Millions of yen)			
Balance at beginning of period	¥ 110,479	¥ 716	¥ 3,855	¥ 115,051
Changes during the period				
Provision of reserve for reduction entry	-	384	(384)	-
Cash distributions declared	-	-	(3,471)	(3,471)
Net income	-	-	4,083	4,083
Total changes during the period	-	384	227	611
Balance at end of period	¥ 110,479	¥ 1,101	¥ 4,083	¥ 115,663

The accompanying notes are an integral part of these financial statements.

TOKYU REIT, Inc.
Statements of Cash Flows

For the six months ended July 31, 2021 and January 31, 2021

	For the six months ended	
	July 31, 2021	January 31, 2021
	(Millions of yen)	
Cash flows from operating activities:		
Income before income taxes	¥ 3,540	¥ 4,084
Depreciation and amortization	1,027	996
Amortization of investment corporation bond issuance expenses	2	3
Loss on disposal of property and equipment	2	5
Interest income	(0)	(0)
Interest expense	424	438
(Increase) Decrease in tenant receivables	(71)	147
Increase (Decrease) in consumption tax payable	117	(153)
Increase (Decrease) in accounts payable	(43)	96
Increase (Decrease) in rent received in advance	135	27
Decrease in property and equipment held in trust due to sale	-	1,909
Other, net	(15)	(53)
Total	5,121	7,501
Interest received	0	0
Interest paid	(418)	(434)
Income taxes paid	(0)	(0)
Net cash provided by (used in) operating activities	4,701	7,065
Cash flows from investing activities:		
Payments for purchases of property and equipment	(6,083)	(1,578)
Payments for purchases of property and equipment held in trust	(616)	(12,712)
Payments for purchases of intangible assets held in trust	(0)	-
Proceeds from lease deposits held in trust	-	18
Proceeds from tenant leasehold and security deposits	222	40
Payments for tenant leasehold and security deposits	(99)	(212)
Proceeds from tenant leasehold and security deposits held in trust	257	1,100
Payments for tenant leasehold and security deposits held in trust	(390)	(232)
Net cash provided by (used in) investing activities	(6,709)	(13,576)
Cash flows from financing activities:		
Proceeds from short-term debt	12,200	11,400
Repayment of short-term debt	(5,200)	(7,200)
Proceeds from long-term debt	5,000	9,800
Repayment of long-term debt	(5,000)	(7,400)
Proceeds from investment corporation bonds	-	2,981
Repayment of investment corporation bonds	(3,000)	-
Payment of dividends	(3,675)	(3,470)
Net cash provided by (used in) financing activities	324	6,111
Net change in cash and cash equivalents	(1,684)	(400)
Cash and cash equivalents at beginning of period	4,663	5,064
Cash and cash equivalents at end of period	¥ 2,979	¥ 4,663

The accompanying notes are an integral part of these financial statements.

TOKYU REIT, Inc.
Notes to Financial Statements

For the six months ended July 31, 2021 and January 31, 2021

1. Organization and basis of presentation

(a) Organization

TOKYU REIT, Inc. (“TOKYU REIT”), a real estate investment corporation with initial capital of ¥200 million, was formed on June 20, 2003 under the Investment Trust and Investment Corporation Law of Japan (“Investment Trust Law”). Registration with the Kanto Local Finance Bureau of the Ministry of Finance was completed on July 18, 2003 in accordance with the Investment Trust Law.

On September 10, 2003, TOKYU REIT was listed on the Tokyo Stock Exchange and issued 97,600 investment units for proceeds totaling ¥49,917 million through initial public offering. TOKYU REIT acquired 11 properties with those proceeds and started its substantial operation.

In August 2004, TOKYU REIT completed its second public offering of 42,000 units and third party allotment of 2,000 units. Net proceeds totaling ¥27,742 million were utilized in the partial repayments of short-term debt and the acquisition of an additional two properties.

In August 2005, TOKYU REIT completed its third public offering of 26,700 units and third party allotment of 680 units. With net proceeds totaling ¥20,159 million, TOKYU REIT repaid short-term debt and acquired 40% of trust beneficiary interest of cocoti.

TOKYU REIT completed its fourth public offering of 23,764 units in August 2013 and third party allotment of 2,376 units in September 2013. Net proceeds totaling ¥12,459 million were utilized in the partial repayments of short-term debt and the acquisition of an additional three properties.

TOKYU REIT conducted a five-for-one split of investment units with January 31, 2014 as the reference date and February 1, 2014 as the effective date.

As of July 31, 2021, TOKYU REIT’s total capital is ¥110,479 million with 977,600 units issued and outstanding. TOKYU REIT has been operating 34 properties at an occupancy rate of approximately 97.2%. Total acquisition cost of the 34 properties is ¥248,614 million and total rentable area is 223,691.34 m².

(b) Basis of presentation

The financial statements of TOKYU REIT, which is incorporated in Japan, have been prepared in accordance with the provisions set forth in the Financial Instruments and Exchange Law and related regulations and accounting principles generally accepted in Japan, which are different in certain respects to the application and disclosure requirements of International Financial Reporting Standards (“IFRS Standards”).

Certain items presented in the financial statements for domestic purposes, which were submitted to the Director-General of the Kanto Local Finance Bureau of the Ministry of Finance, have been reclassified in the accompanying financial statements for the convenience of readers outside Japan.

The accompanying financial statements have been reclassified and translated into English from the audited financial statements that were prepared for Japanese domestic purposes from the accounts and records maintained by TOKYU REIT and were filed with the Kanto Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Law (in place of the Securities and Exchange Law effective from September 30, 2007). TOKYU REIT does not prepare consolidated financial statements, as TOKYU REIT has no subsidiaries.

TOKYU REIT’s first fiscal period began on June 20, 2003, the date of incorporation, and ended on January 31, 2004. TOKYU REIT’s fiscal period is a six-month period, which ends at the end of January and July of each year.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

2. Significant accounting policies

- (a) **Cash and cash equivalents** - Cash and cash equivalents consist of cash, demand deposits, cash and deposits held in trust and short-term investments that are highly liquid, readily convertible to cash, have insignificant risk of price fluctuation and expire within three months from the date of acquisition.
- (b) **Property and equipment** - Property and equipment are carried at cost, less accumulated depreciation. Depreciation of property and equipment, except for land and construction in progress, is computed by using the straight-line method at rates based on the estimated useful lives of the respective assets.

The ranges of useful lives used in the computation of depreciation are generally as follows (including those held in trust):

	July 31, 2021	January 31, 2021
	(years)	
Buildings and structures		
Buildings	2-50	2-50
Structures	2-52	2-52
Other tangible assets		
Machinery and equipment	2-17	2-17
Tools, furniture and fixtures	2-15	2-15

- (c) **Intangible assets** - Amortization is computed by using the straight-line method.
- (d) **Accounting treatment of beneficiary interest in trust accounts, including real estate** - For trust beneficiary interests in real estate, which are commonly utilized in the ownership of commercial properties in Japan and through which TOKYU REIT holds most of its property, all accounts of assets and liabilities within the trust, as well as all income generated and expenses incurred from assets and liabilities in the trust, are recognized in the balance sheet and income statement accounts.
- (e) **Accounting standard for impairment of fixed assets** - Effective August 1, 2005, TOKYU REIT adopted the "Accounting Standard for Impairment of Fixed Assets" ("Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed Assets" issued by the Business Accounting Deliberation Council in Japan on August 9, 2002) and "Implementation Guidance for the Accounting Standard for Impairment of Fixed Assets" ("Financial Accounting Standard Implementation Guidance No. 6" issued by the Accounting Standards Board of Japan (ASBJ) on October 31, 2003). The standard requires the recognition of an impairment loss on fixed assets whenever events or changes in circumstances indicate that the carrying amounts of fixed assets may not be recoverable.
- (f) **Accounting method for deferred assets** - Amortization of investment corporation bond issuance expenses is computed by using the straight-line method at rates based on the redemption period of the respective bonds.
- (g) **Accounting standard for asset retirement obligations** - Effective April 1, 2010, TOKYU REIT adopted the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18 issued on March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21 issued on March 31, 2008).
- (h) **Revenue recognition** - TOKYU REIT operates rental office properties, rental retail properties, rental residential properties and complexes that include any one of these. Revenue from leasing is recognized on an accrual basis over the term of each lease. Rental revenue includes fixed rental revenues, recoveries of utility charges and other income.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

- (i) **Property-related taxes** – Property-related taxes (property tax, city planning tax and depreciable property tax) are imposed on property on a calendar year basis. The amount of such taxes assessed in the period is charged to income as rental service expenses. In accordance with Japanese business practice, at the time of disposal, the seller of the property is generally liable for property-related taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser of the property for the accrued property-related tax liabilities up to the time of disposal, and the amount of the settlement reflects this adjustment when acquiring a property. TOKYU REIT is allocating the portion of the property-related taxes related to the period following the purchase date of each property through the end of the calendar year. The amount of those allocated portions of the property-related taxes is capitalized as part of the acquisition costs of the related properties. Capitalized property-related taxes are ¥15,618 thousand for the six months ended July 31, 2021. Capitalized property-related taxes are ¥17,817 thousand for the six months ended January 31, 2021.
- (j) **Income taxes** – Income taxes are accounted for financial reporting purposes. The tax effect of temporary differences between the amount of assets and liabilities for financial statements and for income tax reporting is recognized as deferred taxes. Deferred tax assets are ¥15 thousand as of July 31, 2021. Deferred tax assets are ¥13 thousand as of January 31, 2021.
- (k) **Net income per unit** – Net income per unit is computed by dividing net income by the weighted-average number of units outstanding during each period.

3. Unapplied accounting standards, etc.

- “Accounting Standard for Revenue Recognition”
(ASBJ Statement No. 29 issued on March 31, 2020)
- “Implementation Guidance on Accounting Standard for Revenue Recognition”
(ASBJ Guidance No. 30 issued on March 26, 2021)
- “Implementation Guidance on Disclosures about Fair Value of Financial Instruments”
(ASBJ Guidance No. 19 issued on March 31, 2020)

(a) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) have jointly developed a comprehensive accounting standard for revenue recognition, issuing “Revenue from Contracts with Customers” (IFRS 15 issued by IASB, and Topic 606 issued by FASB) in May 2014. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, and Topic 606 is effective for annual reporting periods beginning after December 15, 2017. In light of such circumstances, ASBJ has developed a comprehensive accounting standard for revenue recognition, and issued it along with implementation guidance.

The basic policies in developing the accounting standard for revenue recognition of ASBJ were (1) To set an accounting standard by starting off with incorporating the basic principles of IFRS 15 in order to ensure the comparability of financial statements, whether they adopt IFRS Standards, U.S. GAAP or Japanese GAAP, as the comparability of financial statements is one of the benefits of ensuring consistency with IFRS 15, and (2) To add alternative accounting treatments, but to the extent not impairing comparability, in case there is an item where consideration should be given to other factors, such as the practices in Japan to date.

(b) Scheduled date of the application

TOKYU REIT will adopt the accounting standard, etc. from the beginning of the six months ending January 31, 2022.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

(c) Impact of the application

TOKYU REIT is currently evaluating the amount of impact that the application of the accounting standard, etc. will have on its financial statements.

- **“Accounting Standard for Fair Value Measurement”**
(ASBJ Statement No. 30 issued on July 4, 2019)
- **“Accounting Standard for Financial Instruments”**
(ASBJ Statement No. 10 issued on July 4, 2019)
- **“Implementation Guidance on Accounting Standard for Fair Value Measurement”**
(ASBJ Guidance No. 31 issued on June 17, 2021)
- **“Implementation Guidance on Disclosures about Fair Value of Financial Instruments”**
(ASBJ Guidance No. 19 issued on March 31, 2020)

(a) Overview

IASB and FASB have provided detailed guidance on fair value measurement of substantially identical content (IFRS 13 “Fair Value Measurement” in the case of IFRS Standards, and Topic 820 “Fair Value Measurement” of the FASB Accounting Standards Codification in the case of U.S. GAAP). In light of such circumstances, ASBJ has issued the accounting standards, etc. in efforts to ensure the consistency of Japanese GAAP with IFRS Standards and U.S. GAAP for guidance and disclosure concerning the fair value of financial instruments in particular.

The basic policies in developing the accounting standard for fair value measurement of ASBJ were (1) To incorporate basically all of the provisions of IFRS 13 in order to enhance the comparability of financial statements across entities, whether they adopt IFRS Standards, U.S. GAAP or Japanese GAAP, by taking a uniform approach to measurement, and (2) To provide other accounting treatments for specific items in consideration of other factors, such as the practices in Japan to date, but to the extent not significantly impairing comparability of financial statements.

(b) Scheduled date of the application

TOKYU REIT will adopt the accounting standards, etc. from the beginning of the six months ending January 31, 2022.

(c) Impact of the application

TOKYU REIT is currently evaluating the amount of impact that the application of the accounting standards, etc. will have on its financial statements.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

4. Cash and cash equivalents

Cash and cash equivalents as of July 31, 2021 and January 31, 2021 consisted of the following:

	July 31, 2021	January 31, 2021
	(Millions of yen)	
Cash and deposits with banks	¥ 987	¥ 2,174
Cash and deposits with banks held in trust	1,991	2,489
Cash and cash equivalents	¥ 2,979	¥ 4,663

5. Schedule of property and equipment and intangible assets

Property and equipment and intangible assets as of July 31, 2021 and January 31, 2021 consisted of the following:

	July 31, 2021			January 31, 2021		
	Balance	Accumulated depreciation	Net balance	Balance	Accumulated depreciation	Net balance
	(Millions of yen)					
Property and equipment						
Buildings and structures						
Buildings	¥ 15,414	¥ (5,389)	¥ 10,025	¥ 14,851	¥ (5,122)	¥ 9,729
Structures	214	(90)	124	211	(85)	125
Land	67,060	-	67,060	61,568	-	61,568
Other tangible assets						
Machinery and equipment	108	(102)	6	108	(101)	6
Tools, furniture and fixtures	97	(79)	18	97	(75)	21
Construction in progress	128	-	128	114	-	114
Property and equipment held in trust						
Buildings and structures						
Buildings	47,215	(21,306)	25,909	46,764	(20,599)	26,165
Structures	818	(503)	315	799	(490)	309
Land	126,809	-	126,809	126,809	-	126,809
Other tangible assets						
Machinery and equipment	1,063	(980)	83	1,064	(977)	87
Tools, furniture and fixtures	549	(430)	118	543	(414)	129
Construction in progress	18	-	18	15	-	15
Sub total	259,500	(28,881)	230,618	252,949	(27,866)	225,082
Intangible assets						
Intangible assets	10	(8)	2	10	(7)	3
Intangible assets held in trust	30	(27)	2	30	(27)	2
Sub total	41	(36)	4	41	(35)	5
Total	¥ 259,541	¥ (28,918)	¥ 230,622	¥ 252,990	¥ (27,902)	¥ 225,088

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

6. Short-term debt and long-term debt

Short-term debt and long-term debt as of July 31, 2021 and January 31, 2021 consisted of the following:

	Balance as of July 31, 2021	Balance as of January 31, 2021	Average interest rate (Note 1)
	(Millions of yen)		(%)
Short-term debt			
Unsecured loans due on March 28, 2021 with fixed rate	¥ -	¥ 3,200	0.67909
Unsecured loans due on July 15, 2021 with fixed rate	-	-	0.47345
Unsecured loans due on July 20, 2021 with fixed rate	-	1,000	0.56136
Unsecured loans due on August 2, 2021 with fixed rate	5,000	-	0.40026
Unsecured loans due on August 10, 2021 with fixed rate	3,000	-	0.71706
Unsecured loans due on September 29, 2021 with fixed rate	3,200	-	0.73636
Sub total	<u>11,200</u>	<u>4,200</u>	
Long-term debt			
Unsecured loans due on June 25, 2021 with fixed rate	-	2,000	1.05250
Unsecured loans due on July 31, 2021 with fixed rate	-	3,000	1.51375
Unsecured loans due on October 22, 2021 with fixed rate (Note 2)	4,000	4,000	0.96875
Unsecured loans due on December 27, 2021 with fixed rate (Note 2)	3,500	3,500	0.56000
Unsecured loans due on January 31, 2022 with fixed rate (Note 2)	1,500	1,500	0.50000
Unsecured loans due on February 25, 2022 with floating rate (Note 2)	2,400	2,400	0.29909
Unsecured loans due on May 25, 2022 with fixed rate (Note 2)	2,000	2,000	0.56093
Unsecured loans due on May 25, 2022 with fixed rate (Note 2)	1,000	1,000	0.55529
Unsecured loans due on July 27, 2022 with fixed rate (Note 2)	4,000	4,000	0.99000
Unsecured loans due on November 11, 2022 with fixed rate	1,700	1,700	0.89250
Unsecured loans due on December 25, 2022 with fixed rate	500	500	0.85875
Unsecured loans due on March 10, 2023 with fixed rate	1,500	1,500	0.57130
Unsecured loans due on June 27, 2023 with fixed rate	2,500	2,500	1.91375
Unsecured loans due on June 27, 2023 with fixed rate	500	500	0.45630
Unsecured loans due on July 31, 2023 with fixed rate	500	500	0.58000
Unsecured loans due on October 10, 2023 with fixed rate	1,500	1,500	0.60000
Unsecured loans due on November 25, 2023 with fixed rate	1,000	1,000	0.62116
Unsecured loans due on December 27, 2023 with fixed rate	2,000	2,000	0.61773
Unsecured loans due on January 25, 2024 with fixed rate	1,000	1,000	0.63573
Unsecured loans due on February 25, 2024 with fixed rate	5,000	5,000	1.57750
Unsecured loans due on September 26, 2024 with fixed rate	2,500	2,500	0.62827
Unsecured loans due on March 26, 2025 with fixed rate	2,500	2,500	0.65250
Unsecured loans due on June 25, 2025 with fixed rate	5,000	5,000	1.26125
Unsecured loans due on December 25, 2025 with fixed rate	500	500	0.68569
Unsecured loans due on May 12, 2026 with fixed rate	1,700	1,700	0.72652
Unsecured loans due on January 28, 2027 with fixed rate	3,000	3,000	0.60380
Unsecured loans due on May 27, 2027 with fixed rate	2,000	2,000	0.56116
Unsecured loans due on June 28, 2027 with fixed rate	1,500	1,500	0.46789
Unsecured loans due on June 28, 2027 with fixed rate	400	400	0.48124
Unsecured loans due on June 28, 2027 with fixed rate	400	400	0.50641
Unsecured loans due on June 29, 2027 with fixed rate	500	500	0.49250
Unsecured loans due on January 25, 2028 with fixed rate	5,000	5,000	0.90880
Unsecured loans due on February 29, 2028 with fixed rate	1,400	1,400	0.46876
Unsecured loans due on February 29, 2028 with fixed rate	2,000	2,000	0.55395
Unsecured loans due on June 25, 2028 with fixed rate	1,000	-	0.48880
Unsecured loans due on June 29, 2028 with fixed rate	500	500	0.55000
Unsecured loans due on July 31, 2028 with fixed rate	2,000	2,000	0.90260
Unsecured loans due on July 31, 2028 with fixed rate	1,000	-	0.47000
Unsecured loans due on December 25, 2028 with fixed rate	500	500	0.64089
Unsecured loans due on December 25, 2028 with fixed rate	1,500	1,500	0.60137
Unsecured loans due on December 25, 2028 with fixed rate	2,700	2,700	0.53896
Unsecured loans due on June 25, 2029 with fixed rate	2,000	2,000	0.57127
Unsecured loans due on December 25, 2029 with fixed rate	2,700	2,700	0.59776
Unsecured loans due on June 25, 2030 with fixed rate	4,000	4,000	0.67380
Unsecured loans due on June 25, 2030 with fixed rate	1,000	-	0.66140
Unsecured loans due on July 30, 2030 with fixed rate	500	-	0.61130
Unsecured loans due on January 27, 2032 with fixed rate	1,000	1,000	0.82000
Unsecured loans due on July 29, 2033 with fixed rate	1,500	-	0.78000
Sub total	<u>86,400</u>	<u>86,400</u>	
Total	<u>¥ 97,600</u>	<u>¥ 90,600</u>	

TOKYU REIT, Inc.
Notes to Financial Statements, continued
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Note 1. 'Average interest rate' is the weighted average interest rate during the period.

Note 2. As of the end of the fiscal period, the amounts are recorded in the balance sheets as 'Long-term debt due within one year' under 'Current liabilities.'

TOKYU REIT has commitment line agreements which provide credit facilities totaling ¥2,000 million with one financial institution, ¥8,000 million with one financial institution and ¥8,000 million with three financial institutions. Combined, commitment lines total ¥18,000 million with four financial institutions. ¥6,200 has been drawn down as of July 31, 2021.

7. Investment corporation bonds

The status of investment corporation bonds issued and outstanding as of July 31, 2021 and January 31, 2021 were as follows:

Name	Issue date	Balance as of	Balance as of	Annual	Maturity date
		July 31, 2021	January 31, 2021	interest rate	
		(Millions of yen)		(%)	
3 rd Series Unsecured Investment Corporation Bond	October 22, 2012	¥ 3,000	¥ 3,000	1.47000	October 21, 2022
5 th Series Unsecured Investment Corporation Bond	March 11, 2014	-	3,000	0.68200	March 11, 2021
6 th Series Unsecured Investment Corporation Bond	October 24, 2019	1,000	1,000	0.54000	October 24, 2029
7 th Series Unsecured Investment Corporation Bond	October 24, 2019	1,000	1,000	1.00000	October 24, 2039
8 th Series Unsecured Investment Corporation Bond	October 29, 2020	3,000	3,000	0.51000	October 29, 2030
Total		<u>¥ 8,000</u>	<u>¥ 11,000</u>		

8. Unitholders' equity

TOKYU REIT issues investment units in accordance with the Investment Trust Law. All the proceeds from the issuance of new units are designated as share capital. TOKYU REIT maintains minimum net assets of at least ¥50 million as required by the Investment Trust Law.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

9. Rental revenue and expense

Rental revenues and expenses for the six months ended July 31, 2021 and January 31, 2021 were as follows:

		For the six months ended	
		July 31, 2021	January 31, 2021
		(Millions of yen)	
Revenue from property leasing:			
Rental revenue:			
Rent income		¥ 6,341	¥ 6,252
Common area charges		678	687
Parking lot revenue under monthly contract		167	162
Other rent income		341	351
Sub total		<u>7,528</u>	<u>7,454</u>
Other rental revenue:			
Incidental income		293	331
Other miscellaneous income		236	59
Sub total		<u>530</u>	<u>391</u>
Total revenue from property leasing	(a)	<u>8,059</u>	<u>7,845</u>
Rental service expenses:			
Utilities expenses		370	403
Subcontract expenses		467	459
Property management fees		189	197
Repairs and maintenance expenses		221	233
Property-related taxes		721	687
Insurance premium		8	8
Depreciation and amortization		1,027	996
Loss on disposal of property and equipment		2	5
Other		231	229
Total rental service expenses	(b)	<u>3,241</u>	<u>3,221</u>
Operating income from property leasing activities	(a)-(b)	<u>¥ 4,817</u>	<u>¥ 4,624</u>

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

10. The financial results of each property (Unaudited)

Details on the financial results of each property for the six months ended July 31, 2021 and January 31, 2021 were as follows: (Unaudited)

For the six months ended July 31, 2021

Name of building	Revenue from property leasing	Property leasing expenses (Note 1)	NOI (Note 2)	Depreciation and amortization (Note 3)	Operating income from property leasing activities
(Millions of yen)					
QFRONT	¥ 764	¥ 265	¥ 498	¥ 38	¥ 459
Lexington Aoyama	137	28	109	7	101
TOKYU REIT Omotesando Square	179	39	140	12	127
TOKYU REIT Shibuya Udagawa-cho Square	251	29	221	3	217
cocoti	632	167	465	110	354
CONZE Ebisu	103	22	81	15	65
Daikanyama Forum	104	39	65	11	53
TOKYU REIT Shimokitazawa Square	50	10	40	10	29
TOKYU REIT Jiyugaoka Square	75	14	61	2	58
Setagaya Business Square	973	480	493	226	266
Tokyu Nampeidai-cho Building	179	33	145	28	117
Tokyu Sakuragaoka-cho Building	247	43	204	34	169
Tokyo Nissan Taito Building	199	52	147	50	96
TOKYU REIT Kamata Building	217	71	145	36	109
TOKYU REIT Toranomom Building	359	185	174	49	125
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	174	51	123	17	106
Tokyu Ikejiri-ohashi Building	173	54	118	36	82
Kojimachi Square	210	48	161	23	138
TOKYU REIT Shinjuku Building	297	67	229	20	209
Akihabara Sanwa Toyo Building	178	38	140	14	125
Tokyu Ginza 2-chome Building	160	32	128	33	95
TOKYU REIT Shibuya R Building	254	76	178	20	157
Tokyu Toranomom Building	638	97	541	66	474
TOKYU REIT Shinjuku 2 Building	81	21	60	13	46
Tokyu Bancho Building	305	61	243	69	174
TOKYU REIT Ebisu Building	110	16	93	6	87
Shibuya Dogenzaka Sky Building	178	42	135	11	123
OKI Business Center No.5	388	63	324	24	300
Hulic Shibuya Miyashita Koen Building	75	6	68	11	57
Maison Peony Toritsudaigaku	23	7	16	5	10
STYLIO FIT Musashikosugi	34	4	30	13	16
Shonan Mall Fill (land with leasehold interest)	188	27	161	-	161
OKI System Center (land with leasehold interest)	87	9	77	-	77
REVE Nakameguro (land with leasehold interest)	21	1	19	-	19
Total	¥ 8,059	¥ 2,211	¥ 5,848	¥ 1,029	¥ 4,818

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

For the six months ended January 31, 2021

Name of building	Revenue from property leasing	Property leasing expenses (Note 1)	NOI (Note 2)	Depreciation and amortization (Note 3)	Operating income from property leasing activities
	(Millions of yen)				
QFRONT	¥ 765	¥ 269	¥ 495	¥ 38	¥ 457
Lexington Aoyama	146	34	111	7	104
TOKYU REIT Omotesando Square	179	47	131	10	121
TOKYU REIT Shibuya Udagawa-cho Square	251	29	221	3	217
cocoti	585	172	413	112	301
CONZE Ebisu	115	26	89	16	72
Daikanyama Forum	108	40	68	11	57
TOKYU REIT Shimokitazawa Square	50	13	37	10	26
TOKYU REIT Jiyugaoka Square	79	10	69	2	66
Setagaya Business Square	986	505	481	221	260
Tokyu Nampeidai-cho Building	173	31	141	27	113
Tokyu Sakuragaoka-cho Building	241	44	197	35	161
Tokyo Nissan Taito Building	199	60	139	55	84
TOKYU REIT Kamata Building	217	72	144	35	109
TOKYU REIT Toranomom Building	380	128	252	49	203
Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	176	41	135	14	121
Tokyu Ikejiri-ohashi Building	198	42	156	36	119
Kojimachi Square	226	46	180	24	156
TOKYU REIT Shinjuku Building	297	78	218	23	195
Akihabara Sanwa Toyo Building	179	38	141	14	126
Tokyu Ginza 2-chome Building	161	38	123	33	90
TOKYU REIT Shibuya R Building	270	102	167	20	147
Tokyu Toranomom Building	520	104	416	66	349
TOKYU REIT Shinjuku 2 Building	81	21	60	13	46
Tokyu Bancho Building	284	61	222	69	153
TOKYU REIT Ebisu Building	108	21	87	6	81
Shibuya Dogenzaka Sky Building	247	64	183	11	171
OKI Business Center No.5	265	20	244	20	224
Maison Peony Toritsudaigaku	26	5	20	5	14
STYLIO FIT Musashikosugi	1	2	(0)	2	(3)
Shonan Mall Fill (land with leasehold interest)	188	25	162	-	162
OKI System Center (land with leasehold interest)	105	15	89	-	89
REVE Nakameguro (land with leasehold interest)	21	1	19	-	19
Total	<u>¥ 7,845</u>	<u>¥ 2,219</u>	<u>¥ 5,626</u>	<u>¥ 1,001</u>	<u>¥ 4,625</u>

Note 1. Property leasing expenses are defined as rental service expenses adjusted for depreciation and amortization.

Note 2. NOI represents net operating income, calculated as revenue from property leasing minus property leasing expenses.

Note 3. Depreciation and amortization include loss on disposal of property and equipment.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

11. Breakdown of gain on sales of real estate properties

OKI System Center (land with leasehold interest) (40% co-ownership interest) was sold on September 28, 2020.

	For the six months ended	
	July 31, 2021	January 31, 2021
	(Millions of yen)	
Revenue from sale of property	—	¥ 2,740
Cost of property		1,909
Other sales expenses		66
Gain on sales of real estate properties		¥ 764

12. Reduction entries of fixed assets

TOKYU REIT posted reduction entries of fixed assets acquired through national subsidies, etc. as of July 31, 2021 and January 31, 2021.

	July 31, 2021	January 31, 2021
		(Millions of yen)
Buildings and structures held in trust	¥ 16	¥ 16
Total	¥ 16	¥ 16

13. Income taxes

Income taxes in Japan applicable to TOKYU REIT consist of corporate income tax, enterprise tax and inhabitant tax. The following is a reconciliation between the statutory income tax rate in Japan and the effective tax rate reflected in the accompanying financial statements for the six months ended July 31, 2021 and January 31, 2021.

	July 31, 2021	January 31, 2021
Statutory income tax rate	31.46%	31.46%
Deductible cash distributions	(31.45)	(28.32)
Other	0.02	(3.12)
Effective tax rate	0.03%	0.02%

TOKYU REIT has a policy of making cash distributions in excess of 90% of distributable income as defined in the Special Taxation Measures Law of Japan (“Special Taxation Measures Law”) for the fiscal period to qualify for conditions as set forth in the Special Taxation Measures Law to achieve a deduction of cash distributions for income tax purposes. Based on this policy, TOKYU REIT treated the cash distributions as a tax allowable distribution as defined in the Special Taxation Measures Law.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
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14. Per unit information

The following table summarizes the net income per unit for the six months ended July 31, 2021 and January 31, 2021 and the unitholders' equity per unit as of July 31, 2021 and January 31, 2021.

	For the six months ended	
	July 31, 2021	January 31, 2021
Net income per unit	¥ 3,621	¥ 4,176
Weighted-average number of units *1	977,600 units	977,600 units
*1 Average number of units weighed by days in each fiscal period.		
	As of July 31, 2021	As of January 31, 2021
Unitholders' equity per unit	¥ 118,174	¥ 118,313

Diluted net income per unit is not presented since neither warrants nor convertible bonds were issued during the six months ended July 31, 2021 and January 31, 2021.

15. Distribution information

The Board of Directors of TOKYU REIT resolved on September 10, 2021 and March 16, 2021 to effect payment of cash distributions of ¥3,621 and ¥3,760 per unit to unitholders of record on July 31, 2021 and January 31, 2021, respectively. Retained earnings carried forward after the distributions were as follows:

	July 31, 2021	January 31, 2021
	(Millions of yen)	
Retained earnings at end of period	¥ 3,540	¥ 4,083
Cash distributions declared	3,539	3,675
Provision of reserve for reduction entry	-	407
Retained earnings carried forward	¥ 0	¥ 0

16. Leases

TOKYU REIT leases its properties to tenants under non-cancelable operating leases. As of July 31, 2021 and January 31, 2021, the future lease revenues under the non-cancelable operating leases were as follows:

	July 31, 2021	January 31, 2021
	(Millions of yen)	
Due within one year	¥ 5,674	¥ 6,474
Due after one year	39,769	45,456
Total	¥ 45,443	¥ 51,931

As of July 31, 2021 and January 31, 2021, the future lease payments under the non-cancelable operating leases were as follows:

	July 31, 2021	January 31, 2021
	(Millions of yen)	
Due within one year	¥ 236	¥ 236
Due after one year	849	967
Total	¥ 1,086	¥ 1,204

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

17. Fair value of financial instruments

(a) Matters concerning status of financial instruments

(1) Policy for handling financial instruments

TOKYU REIT procures funds for asset acquisition or debt repayment, etc. through additional issuance of investment units, debt financing or issuance of investment corporation bonds. In the procurement of funds, TOKYU REIT adopts the financial policy of seeking maximization of unitholder value based on ensuring stability, flexibility and efficiency and also through reduction of funding costs, external growth and keeping expenditures at a minimum.

Concerning the investment management of surplus funds, while the scope of investment includes securities and monetary claims, considering safety, in principle, TOKYU REIT manages surplus funds in the form of deposits.

While derivative transactions may possibly be utilized for the purpose of hedging interest rate fluctuation risks, etc., TOKYU REIT adopts the policy of not engaging in speculative transactions. At present, TOKYU REIT does not engage in any derivative transactions.

(2) Description of financial instruments and associated risks, and risk management structure

At TOKYU REIT, the appropriateness and effectiveness of the risk management structure is regularly evaluated and enhanced by the investment management company. The following outlines the description of individual financial instruments and the associated risks, and the risk management structure.

Deposits are exposed to risks of failure of the financial institution holding the deposit and other credit risks, but the concerned risks are controlled by striving to diversify the financial institutions holding the deposit.

Funds from debts and investment corporation bonds are mainly used as funds for asset acquisition or debt repayment, etc. These funds are exposed to liquidity risk at the time of repayment, but the liquidity risk is controlled at TOKYU REIT through such measures as striving to maintain and strengthen the capacity to procure funds from the capital market via capital increases, securing several fund procurement sources and diversifying repayment deadlines, executing commitment line agreements which provide credit facilities totaling ¥18,000 million with TOKYU REIT's main financial institutions, and also preparing monthly fund management plans.

Debt with floating interest rates are exposed to interest rate fluctuation risks, but the impact of rising interest rate on TOKYU REIT operations is limited by keeping the LTV based on appraisal value (Note) at low levels, maintaining the ratio of debt that are long-term fixed-rate debt at high levels, and setting a procurement limit depending on the economic environment and financial environment, terms of lease agreements with tenants, asset holding period and other factors. Furthermore, derivative transactions (interest rate swap transactions) are available as a hedging instrument to avoid risks of rises in floating interest rates and to promote fixed interest payable.

Tenant leasehold and security deposits are deposits from tenants and are exposed to liquidity risks arising from tenants moving out of properties. The liquidity risk is controlled through such measures as preparing monthly fund management plans.

Note. [Interest-bearing liabilities + Security and guarantee deposits without reserved cash] ÷

[Total appraisal value at the end of the fiscal period or at the time of acquisition of specified assets] × 100

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

(3) Supplementary explanation on matters concerning fair value of financial instruments

The fair value of financial instruments, aside from values based on market price, include values based on reasonable calculations when there is no market price. Certain assumptions are adopted in the calculations of said values and there may be cases where said values will vary when different assumptions are adopted.

(b) Matters concerning fair value of financial instruments

The following are the carrying amount and fair value as of the end of the fiscal periods, and the difference between these amounts. Please note that the table below does not include those for which measurement of fair value is recognized to be extremely difficult (please refer to Note 2).

	July 31, 2021			January 31, 2021		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
	(Millions of yen)					
(1) Cash and deposits with banks	¥ 987	¥ 987	¥ -	¥ 2,174	¥ 2,174	¥ -
(2) Cash and deposits with banks held in trust	1,991	1,991	-	2,489	2,489	-
Assets total	2,979	2,979	-	4,663	4,663	-
(1) Short-term debt	11,200	11,200	-	4,200	4,200	-
(2) Investment corporation bonds due within one year	-	-	-	3,000	3,006	6
(3) Long-term debt due within one year	18,400	18,444	44	14,000	14,065	65
(4) Investment corporation bonds	8,000	8,060	60	8,000	8,033	33
(5) Long-term debt	68,000	68,884	884	72,400	73,307	907
Liabilities total	¥ 105,600	¥ 106,589	¥ 989	¥ 101,600	¥ 102,612	¥ 1,012

Note 1. Method of calculation of fair value of financial instruments.

Assets

(1) Cash and deposits with banks; (2) Cash and deposits with banks held in trust

As all of these are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.

Liabilities

(1) Short-term debt

As these borrowings are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.

(2) Investment corporation bonds due within one year; (4) Investment corporation bonds

The fair value of investment corporation bonds is calculated by discounting the sum total amount of principal and interest by the rate that takes into account the investment corporation bonds' remaining term and credit risks.

(3) Long-term debt due within one year; (5) Long-term debt

The fair value of long-term debt is calculated based on the method of discounting the sum total amount of principal and interest by the rate assumed as being applicable in the event of a new drawdown of a similar debt.

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For the six months ended July 31, 2021 and January 31, 2021

Note 2. Financial instruments for which measurement of fair value is recognized to be extremely difficult.

	July 31, 2021	January 31, 2021
	(Millions of yen)	
Carrying amount		
(i) Tenant leasehold and security deposits	¥ 3,873	¥ 3,749
(ii) Tenant leasehold and security deposits held in trust	7,159	7,293

These are not subject to calculation of fair value because measurement of the fair value is recognized to be extremely difficult since future cash flows cannot be reasonably estimated due to the lack of market price measurement and difficulty of calculation of the actual deposit period from when lessees move in to when they move out.

Note 3. Amount of redemption of monetary claims scheduled to be due after balance sheet date.

	July 31, 2021			January 31, 2021		
	Cash and deposits with banks	Cash and deposits with banks held in trust	Total	Cash and deposits with banks	Cash and deposits with banks held in trust	Total
	(Millions of yen)					
Within one year	¥ 987	¥ 1,991	¥ 2,979	¥ 2,174	¥ 2,489	¥ 4,663
Within two years, but over one year	-	-	-	-	-	-
Within three years, but over two years	-	-	-	-	-	-
Within four years, but over three years	-	-	-	-	-	-
Within five years, but over four years	-	-	-	-	-	-
Over five years	-	-	-	-	-	-

Note 4. Amount of repayment of short-term debt, investment corporation bonds and long-term debt scheduled to be due after balance sheet date.

	July 31, 2021				January 31, 2021			
	Short-term debt	Investment corporation bonds	Long-term debt	Total	Short-term debt	Investment corporation bonds	Long-term debt	Total
	(Millions of yen)							
Within one year	¥ 11,200	¥ -	¥ 18,400	¥ 29,600	¥ 4,200	¥ 3,000	¥ 14,000	¥ 21,200
Within two years, but over one year	-	3,000	7,200	10,200	-	3,000	11,600	14,600
Within three years, but over two years	-	-	10,500	10,500	-	-	10,500	10,500
Within four years, but over three years	-	-	10,000	10,000	-	-	7,500	7,500
Within five years, but over four years	-	-	2,200	2,200	-	-	8,000	8,000
Over five years	-	5,000	38,100	43,100	-	5,000	34,800	39,800

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

18. Related party transactions

Kazuyoshi Kashiwazaki, who holds no voting units of TOKYU REIT, is Executive Director of TOKYU REIT and Representative Director & President and Chief Executive Officer of Tokyu REIM, has entered into an asset management agreement subject to the conditions set forth in TOKYU REIT's Articles of Incorporation with TOKYU REIT. The amount of management fees incurred for the six months ended July 31, 2021 and January 31, 2021 and payable due to asset manager as of then were as follows:

	<u>July 31, 2021</u>	<u>January 31, 2021</u>
	(Millions of yen)	
Asset management fees for the period	¥ 692	¥ 683
Management fees payable due to asset manager	346	354

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

19. Fair value of investment and rental properties

TOKYU REIT owns rental office properties, rental retail properties, rental residential properties and complexes that include any one of these (including land) primarily in Central Tokyo and Tokyu Areas (Note 1). The following are the carrying amount at the end of the fiscal period, change during the fiscal period and fair value at the end of the fiscal period for these investment and rental properties.

	For the six months ended	
	July 31, 2021	January 31, 2021
	(Millions of yen)	
Carrying amount (Note 2)		
Balance at beginning of period	¥ 225,085	¥ 213,613
Change during the period (Note 3)	5,535	11,472
Balance at end of period	¥ 230,620	¥ 225,085
	As of July 31, 2021	As of January 31, 2021
	(Millions of yen)	
Fair value at end of period (Note 4)	¥ 315,110	¥ 306,780

Note 1. Area classification:

“Central Tokyo” is the five central Tokyo wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) and other major commercial and retail districts of Tokyo (the areas surrounding Ikebukuro, Koraku, Ueno and other areas).

“Tokyu Areas” is the Tokyu rail network hub (Shibuya ward) and other Tokyu rail network areas (Tokyo (Shinagawa, Meguro, Setagaya and Ota wards, and Machida city); Yokohama city, Kanagawa prefecture (Kohoku, Kanagawa, Naka, Nishi, Midori, Aoba and Tsuzuki wards); Kawasaki city, Kanagawa prefecture (Nakahara, Takatsu and Miyamae wards); and Yamato city, Kanagawa prefecture). Shibuya ward is included in both Central Tokyo and Tokyu Areas. “Other” is other districts in the Tokyo Metropolitan Area, including Kanagawa, Saitama and Chiba prefectures (excluding the separately mentioned areas above).

Note 2. The carrying amount is the acquisition price (including expenditures pertaining to the purchase) less accumulated depreciation.

Note 3. Of the change during the six months ended July 31, 2021, the amount of increase is mainly attributable to the acquisition of Hulec Shibuya Miyashita Koen Building (¥6,043 million) and the replacement of air-conditioning equipment of Kojimachi Square and other capital expenditures (¥513 million), and the amount of decrease is mainly attributable to depreciation and amortization (¥1,026 million).

Of the change during the six months ended January 31, 2021, the amount of increase is mainly attributable to the acquisition of trust beneficiary interest in OKI Business Center No.5 (¥12,231 million), acquisition of STYLIO FIT Musashikosugi (¥1,514 million) and renovation of elevators of Setagaya Business Square and other capital expenditures (¥607 million), and the amount of decrease is mainly attributable to the disposition of 40% co-ownership interest in OKI System Center (land with leasehold interest) (¥1,909 million) and depreciation and amortization (¥995 million).

Note 4. The fair value as of July 31, 2021 shows the disposition price in the case of the properties for which a disposition agreement has been concluded, and the appraisal value as appraised by an independent real estate surveyor in the case of the other properties.

The fair value as of January 31, 2021 shows the appraisal value as appraised by an independent real estate surveyor.

The income (loss) in the six months ended July 31, 2021 and January 31, 2021 for investment and rental properties are as presented in “Rental revenue and expense” of the “Notes to Financial Statements.”

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

20. Segment and related information

[Segment information]

Disclosure of segment information is omitted because TOKYU REIT has a single segment—the Property Leasing Business.

[Related information]

(a) Information about products and services

Disclosure is omitted because net sales to external customers of a single products and services category account for over 90% of the operating revenues recorded in the statements of income.

(b) Information about geographical areas

(1) Operating revenues

Disclosure is omitted because operating revenues from external customers in Japan account for over 90% of the operating revenues recorded in the statements of income.

(2) Property and equipment

Disclosure is omitted because the amount of property and equipment located in Japan account for over 90% of the amount of property and equipment recorded in the balance sheets.

(c) Information about major customers

For the six months ended July 31, 2021

<u>Party</u>	<u>Operating revenues</u> (Millions of yen)	<u>Name of related segment</u>
Related parties (Note)	¥ 1,239	Property Leasing Business

For the six months ended January 31, 2021

<u>Party</u>	<u>Operating revenues</u> (Millions of yen)	<u>Name of related segment</u>
Related parties (Note)	¥ 1,230	Property Leasing Business

Note. “Related parties” refers to any entity that falls under the following (i) to (vii):

- (i) Tokyu Corporation
- (ii) A consolidated subsidiary of Tokyu Corporation
- (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%.
- (iv) Affiliates within the scope of consolidation of Tokyu Corporation
- (v) Tokyu Fudosan Holdings Corporation (“Tokyu Fudosan Holdings”)
- (vi) A consolidated subsidiary of Tokyu Fudosan Holdings
- (vii) A tokutei mokuteki kaisha (TMK) or special purpose company (SPC) that was established based on the intention of Tokyu Fudosan Holdings or a consolidated subsidiary of Tokyu Fudosan Holdings and where the share of investment by undisclosed associations or other investment shares in that entity by the respective company exceeds 50%.

TOKYU REIT, Inc.
Notes to Financial Statements, continued
For the six months ended July 31, 2021 and January 31, 2021

21. Subsequent events

The following events occurred after the end of the 36th fiscal period of TOKYU REIT.

Disposition of assets

(a) Asset sold on August 2, 2021

- (i) Type of asset: Trust beneficiary interest in domestic real estate
- (ii) Property name: Shonan Mall Fill (land with leasehold interest)
- (iii) Disposition price (Note 1): ¥7,700 million
- (iv) Contract date: March 26, 2021
- (v) Disposition date: August 2, 2021
- (vi) Purchaser: Domestic company (Note 2)
- (vii) Posting of gain on sale of real estate and reserve for reduction entry:
Gain on sale of real estate of ¥662 million and provision of reserve for reduction entry of ¥355 million are expected to be posted in the six months ending January 31, 2022 (37th fiscal period).

Note 1. 'Disposition price' is the amount exclusive of the expenses required for disposition of the asset (property-related taxes, etc.).

Note 2. The name, etc. have not been disclosed as the purchaser has not provided consent.

There is no capital relationship, personnel relationship or business relationship to state between TOKYU REIT or Tokyu REIM and the purchaser, and the purchaser does not fall under the category of a related party of TOKYU REIT or Tokyu REIM.

(b) Asset sold on August 31, 2021

- (i) Type of asset: Trust beneficiary interest in domestic real estate
- (ii) Property name: Daikanyama Forum
- (iii) Disposition price (Note 1): ¥4,250 million
- (iv) Contract date: July 30, 2021
- (v) Disposition date: August 31, 2021
- (vi) Purchaser: Domestic company (Note 2)
- (vii) Impact on income (loss):
Gain on sale of real estate of ¥90 million is expected to be posted in the six months ending January 31, 2022 (37th fiscal period).

Note 1. 'Disposition price' is the amount exclusive of the expenses required for disposition of the asset (property-related taxes, etc.).

Note 2. The name, etc. have not been disclosed as the purchaser has not provided consent.

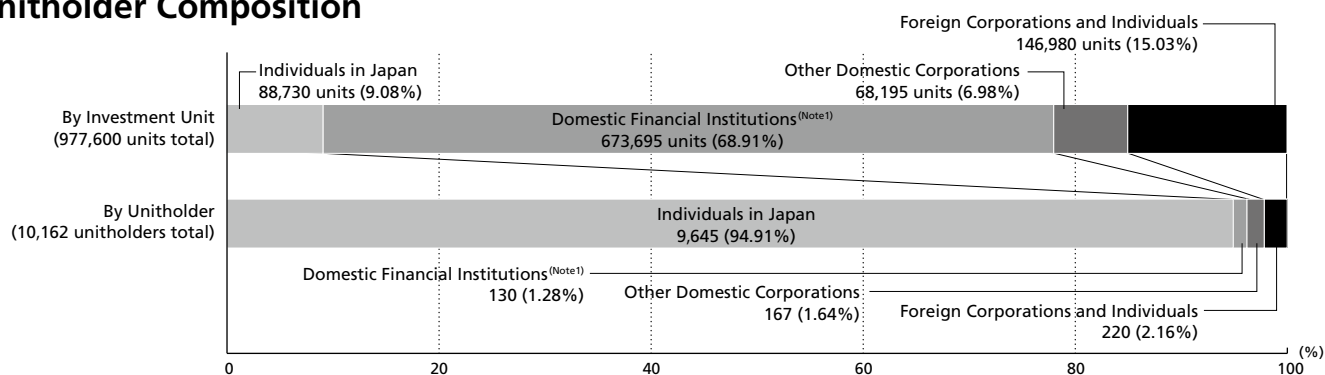
There is no capital relationship, personnel relationship or business relationship to state between TOKYU REIT or Tokyu REIM and the purchaser, and the purchaser does not fall under the category of a related party of TOKYU REIT or Tokyu REIM.

Unit Price Chart (Note)



(Note) Investment unit prices prior to February 1, 2014, on which a five-for-one split of investment units was implemented, have been changed in consideration of the split.

Unitholder Composition



(Notes) 1. Domestic Financial Institutions include financial instruments dealers.
2. The ratio is rounded to two decimal places.

Results Reporting Schedule

	Ended Jul. 2021 (FP 36)	Ending Jan. 2022 (FP 37)		Ended Jul. 2021 (FP 36)	Ending Jan. 2022 (FP 37)
Date of settlement	Jul. 31, 2021	Jan. 31, 2022	Delivery of investment management report (Japanese only)	Oct. 14, 2021	Mid. Apr. 2022
Announcement of financial results	Sep. 10, 2021	Mid. Mar. 2022	Payment of cash distributions	Oct. 15, 2021	Mid. Apr. 2022

Concerning the distribution of analyst-oriented presentation materials, etc.

Every fiscal period, **TOKYU REIT** conducts an analyst-oriented explanatory meeting which is held by the investment management company on the next business day after the announcement of results. The presentation materials, etc. used at the explanatory meetings are posted on **TOKYU REIT**'s website (www.tokyu-reit.co.jp/eng/), but for unitholders that are not able to view the website we will consider sending the presentation materials, etc. used at the explanatory meeting. Unitholders that wish to receive these materials should contact the investment management company listed below by mail or fax. When contacting the company please include your unitholder number which can be found in the enclosed "distributions statement."

Tokyu Real Estate Investment Management Inc.

Shibuya Mark City West Bldg. 11F 1-12-1, Dogenzaka, Shibuya-ku, Tokyo 150-0043 Fax: +81-3-5489-1633

* The investment management company will cover postal fees.
* If there are any questions please contact us at +81-3-5428-5828.

Address

1-12-1, Dogenzaka, Shibuya-ku, Tokyo 150-0043, Japan

Established

June 20, 2003

Executive Director

Kazuyoshi Kashiwazaki

Supervisory Directors

Maruhito Kondo

Takashi Aikawa

Independent Auditor

PricewaterhouseCoopers Aarata LLC

1-1-1, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan

Date of Settlement

Annually on January 31 and July 31

Unitholders' General Meeting

More than once every two years

Date for Finalizing General Meeting Voting Rights

As designated under Article 12 of the by-laws

Newspaper for Posting Public Announcements

The Nikkei (Nihon Keizai Shimbun)

Date for Determining Cash Distribution Payments

Annually on January 31 and July 31

(Cash distributions paid within three months of each date)

The Administrator of the Register of Unitholders

Mitsubishi UFJ Trust and Banking Corporation

1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan

Transfer Agent Head Business Office

Mitsubishi UFJ Trust and Banking Corporation

Corporate Agency Division

1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan

Contact

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Corporate Agency Division

1-1 Nikko-cho, Fuchu-shi

Tokyo 183-0044, Japan

Address

Mitsubishi UFJ Trust and Banking Corporation

Shin-Tokyo Post Office, PO box No.29,

Tokyo 137-8081, Japan

TEL: 0120-232-711 (toll free number: Japan only)

Listing

Tokyo Stock Exchange (8957)

■ Distributions

The Time Limit for Claiming Cash Distributions

The Articles of Incorporation of **TOKYU REIT** stipulates that the time limit for claiming cash distributions shall be three years from the date on which payment commenced, at which point the right of unitholders to receive cash distributions that remain unclaimed shall be annulled.

The date on which payment commenced for fiscal period ended January 2019 (FP 31) is on April 15, 2019 and for fiscal period ended July 2019 (FP 32) is on October 16, 2019.

■ Investment Management Company

Tokyu Real Estate Investment Management Inc. TEL: +81-3-5428-5828

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

■ Disclaimer

This Semiannual Report is, in principle, an English translation of the Japanese report on TOKYU REIT's investment management published every six months.

This translation is prepared and provided for the readers' convenience.

All readers are recommended to refer to the original version in Japanese of the report for complete and accurate information.

■ For further information please visit the **TOKYU REIT** website at (www.tokyu-reit.co.jp/eng/).

■ The information in this report without description of dates is as of July 31, 2021.

TOKYU REIT

TOKYU REIT, Inc.
www.tokyu-reit.co.jp/eng/