

March 16, 2009

**FINANCIAL REPORT
FOR THE ELEVENTH FISCAL PERIOD ENDED January 31, 2009**

TOKYU REIT, Inc. is listed on the Tokyo Stock Exchange with the securities code number 8957.

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

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Planned start of dividend payments: April 10, 2009

This financial report has been prepared in accordance with Japanese accounting standards and Japanese law.

Figures have been rounded down to eliminate amounts of less than one million yen.

PERFORMANCE FOR THE ELEVENTH FISCAL PERIOD (AUGUST 1, 2008 – JANUARY 31, 2009)**(1) Business Results**

Percentage change shows the increase and decrease ratio to the previous period.

	Operating Revenues		Operating Income		Ordinary Income	
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Eleventh Fiscal Period	7,643	4.2	3,594	3.0	2,759	-1.7
Tenth Fiscal Period	7,336	7.4	3,489	10.7	2,805	7.8

	Net Income		Net Income per Unit	Return on Unitholders' Equity (ROE)	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	(Millions of Yen)	(%)	(Yen)	(%)	(%)	(%)
Eleventh Fiscal Period	2,758	-1.7	16,284	2.7	1.3	36.1
Tenth Fiscal Period	2,804	7.8	16,559	2.8	1.4	38.2

(2) Distributions

	Distribution per Unit	Total Distributions	Distribution in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	(Yen)	(Millions of Yen)	(Yen)	(Millions of Yen)	(%)	(%)
Eleventh Fiscal Period	16,284	2,758	0	—	100.0	2.7
Tenth Fiscal Period	16,560	2,804	0	—	100.0	2.8

Note: The payout ratio is rounded down to the nearest first decimal place.

(3) Financial Position

	Total Assets	Unitholders' Equity	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Eleventh Fiscal Period	217,727	100,777	46.3%	594,981
Tenth Fiscal Period	218,205	100,824	46.2%	595,257

Reference: Unitholders' Equity for the eleventh fiscal period: 100,777 million yen and for the tenth fiscal period: 100,824 million yen

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of Period
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Eleventh Fiscal Period	4,215	-1,597	-2,803	3,902
Tenth Fiscal Period	3,611	-23,986	20,899	4,088

**FORECAST OF RESULTS FOR TWELFTH FISCAL PERIOD (FEBRUARY 1, 2009 – JULY 31, 2009)
AND THIRTEENTH FISCAL PERIOD (AUGUST 1, 2009 – JANUARY 31, 2010)**

Percentage change shows the increase and decrease ratio to the previous period.

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distribution Per Unit	Distribution in Excess of Earnings per Unit
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Yen)	(Yen)
Twelfth Fiscal Period	7,483	-2.1	3,377	-6.0	2,490	-9.7	2,489	-9.7	14,700	0
Thirteenth Fiscal Period	7,379	-1.4	3,357	-0.6	2,423	-2.7	2,422	-2.7	14,300	0

Reference: Estimated net income per unit for the twelfth fiscal period: ¥14,700
Estimated net income per unit for the thirteenth fiscal period: ¥14,300

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(1) Changes in Account Policies

Changes according to revision of account standard: Yes

Changes according to another reason: No

(2) The number of investment units outstanding

The number of investment units outstanding totaled 169,380 units as of July 31, 2008 and January 31, 2009.

No investment unit is held by TOKYU REIT itself as of July 31, 2008 and January 31, 2009.

Notes:

Forecasts presented in this document are based on “Assumptions for Forecasts for the Twelfth Fiscal Period (from February 1, 2009 to July 31, 2009) and the Thirteenth Fiscal Period (from August 1, 2009 to January 31, 2010)” identified in the separate reference attached. Forecasts for operating revenues, operating income, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may differ significantly from actual results due to changes in operating conditions and a variety of factors. Accordingly, TOKYU REIT does not guarantee any distribution amount.

This is an English translation of the captioned report. This translation is prepared and provided for readers' convenience. All readers are recommended to refer to the original version in Japanese of the report for complete and accurate information.

Assumptions for Forecasts for the Twelfth Fiscal Period (from February 1, 2009 to July 31, 2009) and the Thirteenth Fiscal Period (from August 1, 2009 to January 31, 2010)

Forecasts for operating revenues, operating income, ordinary income, net income, distribution per unit and distributions in excess of earnings per unit for the twelfth fiscal period (from February 1, 2009 to July 31, 2009) and the thirteenth fiscal period (from August 1, 2009 to January 31, 2010) are based on the following preconditions and assumptions. If major discrepancies between the following assumptions and initial forecast are found, and if they may cause a certain level of change in forecast figures displayed above, a revised forecast shall be drafted and announced immediately.

	Preconditions and Assumptions
Property portfolio	<ul style="list-style-type: none"> Forecasts are based on the assumption that there will be no change in the property portfolio as of January 31, 2009 (including the addition of new properties and removal of existing properties from the initial portfolio) of 23 properties by the end of the thirteenth fiscal period.
Operating revenues	<ul style="list-style-type: none"> Rental revenues are calculated based on lease agreements effective as of the issuance date of this document. For tenants, announced lease cancellation by the issuance date of this document is considered as vacant during the period from the cancellation date to the end of the thirteenth fiscal period. Average leasing rates are calculated based on those for competitive properties located in the same areas and exhibiting the same market trends. Forecasts are based on the assumption that there is no payment delay or nonpayment of tenants.
Operating expenses	<ul style="list-style-type: none"> Repair, maintenance and renovation expenses for buildings are calculated based on amounts considered essential for the twelfth and thirteenth fiscal periods. Actual repair, maintenance and renovation expenses for each fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. Depreciation and amortization expenses, including associated costs and additional capital expenditure in the future, are calculated based on the straight-line method (twelfth fiscal period: approximately 1,034 million / thirteenth fiscal period approximately 1,025 million). The reduction of investment management fees shall take effect on the condition that the proposed amendments are approved at the General Meeting of Unitholders, to be held on April 15, 2009. The use of funds is to be determined and the amount of the fee reduction is recorded under non-operating expense. The detailed information about the reduction of investment management fees is referred to the press release "Notice Concerning Partial Amendments to the Investment Management Agreement" released on March 4, 2009.
Debt financing	<ul style="list-style-type: none"> Forecasts are based on the assumption that the debt maturing during the twelfth fiscal period (Short-term 15,000 million, Long-term 10,000 million) will be refinanced. There is no debt maturing during the thirteenth fiscal period and there is no investment corporation bonds maturing during the twelfth fiscal period and the thirteenth fiscal period LTVs as of the end of the twelfth fiscal period and the end of the thirteenth fiscal period are projected to be 44.7% and 44.8%, respectively. LTV: Interest-bearing debt (forecast) / total assets (forecast)
Investment units	<ul style="list-style-type: none"> TOKYU REIT has 169,380 investment units issued and outstanding as of January 31, 2009.
Distribution per unit	<ul style="list-style-type: none"> Distribution per unit is calculated based on the distribution policy stipulated in the Articles of Incorporation. Calculations are based on a 100% distribution of retained earnings.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> TOKYU REIT does not currently anticipate distributions in excess of earnings per unit.
Other	<ul style="list-style-type: none"> Forecasts are based on the assumption that any major revisions to regulatory requirements, accounting standards and taxation will not impact forecast figures. Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.