

March 18, 2005

FINANCIAL REPORT FOR THE THIRD FISCAL PERIOD ENDED JANUARY 31, 2005

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

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

Contact: Tokyu Real Estate Investment Management Inc. (Asset manager)
 Yosuke Koi, Chief Financial Officer and General Manager
 Tel: +81-3-5428-5828

Board of directors meeting for approving financial results: March 18, 2005

Planned start of dividend payments: April 13, 2005

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 THIRD FISCAL PERIOD (AUGUST 1, 2004-JANUARY 31, 2005)

(1) Business Results

(Millions of yen)

	Operating Revenues	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change	Net Income	Percentage Change
Third Fiscal Period	¥5,044	16.2%	¥2,210	24.8%	¥1,853	32.8%	¥1,852	32.8%
Second Fiscal Period	¥4,341	49.9%	¥1,771	19.2%	¥1,395	49.9%	¥1,394	50.0%

(Yen)

	Net Income per Unit	Return on Unitholders' Equity (ROE)	(Reference) Annualized	Ordinary Income to Total Assets	(Reference) Annualized	Ordinary Income to Operating Revenues
Third Fiscal Period	¥13,111	2.8%	5.6%	1.4%	2.7%	36.7%
Second Fiscal Period	¥14,231	2.7%	5.5%	1.2%	2.3%	32.1%

Notes:

1. Net income per unit is calculated by dividing net income by the weighted average number of investment units (third fiscal period; 141,283 units, second fiscal period; 98,000 units) for each period.
2. Changes in accounting policies: No
3. Percentage changes show the increase and decrease ratio to the previous period. They are rounded off the second decimal place.
4. Return on unitholders' equity and ordinary income to total assets are calculated using the average of unitholders' equity and total assets as of beginning of each fiscal period and term end.
5. Annualized percentage figures for the third fiscal period
 = Percentage figures for the third fiscal period / Number of days in the third fiscal period of asset management (184days) × 365 days (days during year)
 Annualized percentage figures for the second fiscal period
 = Percentage figures for the second fiscal period / Number of days in the second fiscal period of asset management (182days) × 365 days (days during year)

(2) Distributions

(Millions of yen)

	Distribution per Unit (Yen)	Total Distributions	Distribution in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
Third Fiscal Period	¥13,045	¥1,852	¥0	—	99.9%	2.3%
Second Fiscal Period	¥14,230	¥1,394	¥0	—	99.9%	2.7%

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

(3) Financial Position

(Millions of yen)

	Total Assets	Unitholders' Equity	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
Third Fiscal Period	¥147,230	¥79,712	54.1%	¥561,356
Second Fiscal Period	¥122,583	¥51,512	42.0%	¥525,634

Note: The number of investment units outstanding as of January 31, 2005 totaled 142,000 units, and as of July 31, 2004 totaled 98,000 units.

FORECAST OF RESULTS FOR FOURTH FISCAL PERIOD (FEBRUARY 1, 2005-JULY 31, 2005)

(Millions of yen)

	Operating Revenues	Ordinary Income	Net Income	Distribution per Unit (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Fourth Fiscal Period	¥5,637	¥1,889	¥1,888	¥13,300	¥0

Reference: Estimated net income per unit for the fourth fiscal period: ¥13,300

Note: Forecasts presented in this document are based on "Assumptions for Forecasts for the Fourth Fiscal Period (from February 1, 2005 to July 31, 2005)" identified in the separate reference attached. Forecasts for operating revenues, 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. An English translation of "Assumptions for Forecasts for the Fourth Fiscal Period (from February 1, 2005 to July 31, 2005)" is currently being prepared and will be provided on the Company's homepage on completion.

This is an English translation of the captioned report. 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.