

September 16, 2005

FINANCIAL REPORT FOR THE FOURTH FISCAL PERIOD ENDED JULY 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>

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Board of directors meeting for approving financial results: September 16, 2005

Planned start of dividend payments: October 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 FOURTH FISCAL PERIOD (FEBRUARY 1, 2005-JULY 31, 2005)

(1) Business Results

(Millions of yen)

	Operating Revenues	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change	Net Income	Percentage Change
Fourth Fiscal Period	¥5,684	12.7%	¥2,325	5.2%	¥1,960	5.8%	¥1,959	5.8%
Third Fiscal Period	¥5,044	16.2%	¥2,210	24.8%	¥1,853	32.8%	¥1,852	32.8%

(Yen)

	Net Income per Unit	Return on Unitholders' Equity (ROE)	(Reference) Annualized	Ordinary Income to Total Assets	(Reference) Annualized	Ordinary Income to Operating Revenues
Fourth Fiscal Period	¥13,798	2.5%	5.0%	1.3%	2.6%	34.5%
Third Fiscal Period	¥13,111	2.8%	5.6%	1.4%	2.7%	36.7%

Notes:

- Net income per unit is calculated by dividing net income by the weighted average number of investment units (fourth fiscal period; 142,000 units, third fiscal period; 141,283 units) for each period.
- Changes in accounting policies: No
- Percentage changes show the increase and decrease ratio to the previous period. They are rounded off the second decimal place.
- 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.
- Annualized percentage figures for the fourth fiscal period
 = Percentage figures for the fourth fiscal period / Number of days in the fourth fiscal period of asset management (181days) × 365 days (days during year)
 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)

(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
Fourth Fiscal Period	¥13,798	¥1,959	¥0	—	99.9%	2.5%
Third Fiscal Period	¥13,045	¥1,852	¥0	—	99.9%	2.3%

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)
Fourth Fiscal Period	¥162,180	¥79,819	49.2%	¥562,109
Third Fiscal Period	¥147,230	¥79,712	54.1%	¥561,356

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

FORECAST OF RESULTS FOR FIFTH FISCAL PERIOD (AUGUST 1, 2005-JANUARY 31, 2006)

(Millions of yen)

	Operating Revenues	Ordinary Income	Net Income	Distribution per Unit (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Fourth Fiscal Period	¥6,234	¥2,270	¥2,269	¥13,400	¥0

Reference: Estimated net income per unit for the fifth fiscal period: ¥13,400

Note: Forecasts presented in this document are based on "Assumptions for Forecasts for the Fourth Fiscal Period (from August 1, 2005 to January 31, 2006)" 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 August 1, 2005 to January 31, 2006)" 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.