

**Additional Documentation for
“Notice Concerning Revision to Expected Operating
Condition and Distribution Forecast for the Fiscal Period
Ending July 2023 (40th Fiscal Period) and the Fiscal Period
Ending January 2024 (41st Fiscal Period) ”**

Announced on July 14, 2023

TOKYU REIT

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List of Abbreviations of Properties

Name of Property	Abbreviation
Tokyu Ginza 2-chome Building	Tokyu Ginza 2-chome
Tokyu Toranomom Building	Tokyu Toranomom
Tokyo Nissan Taito Building	Tokyo Nissan Taito

Main Notes

Tokyu Toranomom Building	Additional acquisition of extended portion was conducted on June 30, 2022.
Tokyu Ginza 2-chome Building	Disposed on November 30, 2022.
Futako Tamagawa Rise	Acquired on January 31, 2023.
Tokyo Nissan Taito Building	30% of quasi-co-ownership interest is scheduled to be disposed on July 31, 2023, 30% of quasi-co-ownership interest is scheduled to be disposed on January 31, 2024, and 40% of quasi-co-ownership interest is scheduled to be disposed on February 29, 2024.

Executive Summary (Updated : July 14, 2023)

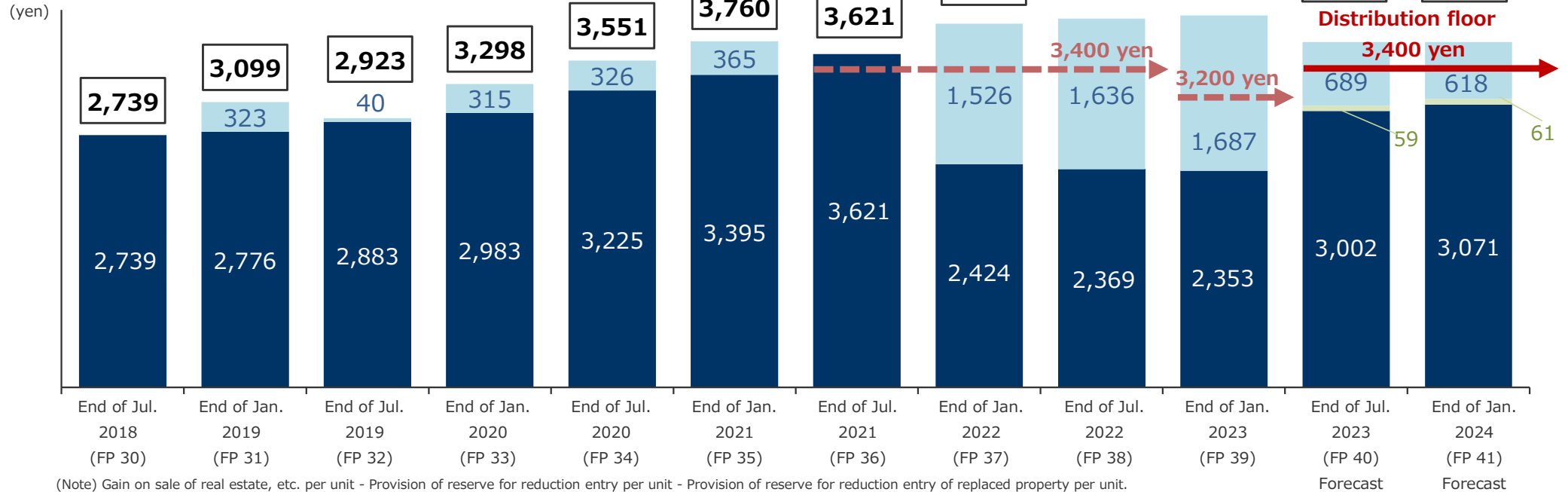
	Period Ended Jan. 2023 (FP 39) Actual	Period Ending Jul. 2023 (FP 40) Forecast	Period Ending Jan. 2024 (FP 41) Forecast
External Growth	<ul style="list-style-type: none"> • Property Acquisition Futako Tamagawa Rise • Property Disposition Tokyu Ginza 2-chome 	<ul style="list-style-type: none"> • Property Disposition Tokyo Nissan Taito (30%) 	<ul style="list-style-type: none"> • Property Disposition Tokyo Nissan Taito (30%)
Gain on sale of real estate, etc.	4,585 million yen (+2,562 million yen)	1,283 million yen (-3,301 million yen)	1,297 million yen (+14 million yen)
Internal Growth	<ul style="list-style-type: none"> • Period-end occupancy rate: 96.6% (+5.4pts) • Tokyu Toranomom NOI: +290 million yen • (Disposed in FP 39) Tokyu Ginza 2-chome NOI: -90 million yen 	<ul style="list-style-type: none"> • Period-end occupancy rate: 98.5% (+1.9pts) • Tokyu Toranomom NOI: +124 million yen • (Acquired in FP 39) Futako Tamagawa Rise NOI: +459 million yen • (Disposed in FP 39) Tokyu Ginza 2-chome NOI: -37 million yen 	<ul style="list-style-type: none"> • Period-end occupancy rate: 99.9% (+1.4pts) • Tokyu Toranomom NOI: +68 million yen • (Disposed in FP 40 and FP 41) Tokyo Nissan Taito NOI: -43 million yen
NOI	4,591 million yen (+196 million yen)	5,194 million yen (+602 million yen)	5,269 million yen (+74 million yen)
Operating income	7,331 million yen (+2,599 million yen)	4,649 million yen (-2,682 million yen)	4,734 million yen (+85 million yen)
Finance (Note)	<ul style="list-style-type: none"> • Interest expenses: -2 million yen (Average interest rate: 0.77%(-0.03pts)) 	<ul style="list-style-type: none"> • Interest expenses: +36 million yen (Average interest rate: 0.77%(-)) 	<ul style="list-style-type: none"> • Interest expenses: +3 million yen (Average interest rate: 0.77%(-))
Net income [per unit]	6,885 million yen (+2,545 million yen) 7,042 yen (+2,604 yen)	4,217 million yen (-2,667 million yen) 4,314 yen (-2,728 yen)	4,298 million yen (+80 million yen) 4,396 yen (+82 yen)
Provision of reserve for reduction entry [per unit]	- (-423 million yen) (-433 yen)	-	-
Provision of reserve for reduction entry of replaced property [per unit]	2,935 million yen (+2,935 million yen) 3,003 yen (+3,003 yen)	610 million yen (-2,325 million yen) 623 yen (-2,380 yen)	692 million yen (+82 million yen) 708 yen (+85 yen)
Reversal of reserve for reduction entry of replaced property [per unit]	-	58 million yen (+58 million yen) 59 yen (+59 yen)	60 million yen (+1 million yen) 61 yen (+2 yen)
Distribution per unit	4,040 yen (+35 yen)	3,750 yen (-290 yen)	3,750 yen (-)

(Note) Borrowings and investment corporation bonds

* Figures in parentheses are comparison with previous fiscal period

Trend and Guidance for Distribution per Unit (Updated : July 14, 2023)

- Distribution per unit
- Reversal of reserve for reduction entry of replaced property per unit
- Gain on sale, etc. per unit (Note)
- Distribution per unit (exclusive of gain on sale, etc. (Note))



(Note) Gain on sale of real estate, etc. per unit - Provision of reserve for reduction entry per unit - Provision of reserve for reduction entry of replaced property per unit.

(Reference) Change in/Forecast of Balance of Reserve for Reduction Entry Per Unit and Balance of Reserve for Reduction Entry of Replaced Property Per Unit

Reversed due to the depreciation for the building of Futako Tamagawa Rise (Unit: yen)

		End of Jul. 2019 (FP 32)	End of Jan. 2020 (FP 33)	End of Jul. 2020 (FP 34)	End of Jan. 2021 (FP 35)	End of Jul. 2021 (FP 36)	End of Jan. 2022 (FP 37)	End of Jul. 2022 (FP 38)	End of Jan. 2023 (FP 39)	End of Jul. 2023 (FP 40) Forecast	End of Jan. 2024 (FP 41) Forecast
Reserve for reduction entry per unit	Provision	-	364	393	416	-	-	433	-	-	-
	Reversal	-	-	-	-	-	-	-	-	-	-
	Balance	368	733	1,126	1,542	1,542	1,542	1,976	1,976	1,976	1,976
Reserve for reduction entry of replaced property per unit	Provision	-	-	-	-	-	3,283	-	3,003	623	708
	Reversal	-	-	-	-	-	-	-	-	59	61
	Balance	-	-	-	-	-	3,283	3,283	6,286	6,850	7,497

Financial Results Forecast

(FP ending Jul. 2023 (FP 40) and FP ending Jan. 2024 (FP 41)) (Updated : July 14, 2023)

Forecast of Income Statement (P/L) and Distribution per Unit

(Unit: million yen)

Item	FP ended Jan. 2023 Actual (FP 39)	FP ending Jul. 2023 Forecast (FP 40)			Change (PoP)	FP ending Jan. 2024 Forecast (FP 41)			Change (PoP)	
		① As of Jul. 14, 2023	② As of Mar. 16, 2023	①-② Change (Change from previous forecast)		① As of Jul. 14, 2023	② As of Mar. 16, 2023	①-② Change (Change from previous forecast)		
Operating revenues (A)	11,321	8,932	7,743	1,189	-2,388	9,013	7,882	1,130	80	
Revenues from real estate lease business (B)	6,736	7,645	7,743	-98	909	7,715	7,882	-167	70	
Rental revenues	6,241	7,087	7,093	-6	846	7,194	7,251	-57	107	
Other rental revenues	494	557	649	-92	63	520	630	-109	-36	
Gain on sale of real estate, etc.	4,585	1,283	–	1,283	-3,301	1,297	–	1,297	14	
Construction fee	–	3	–	3	3	–	–	–	-3	
Operating expenses (C)	3,990	4,283	4,416	-132	293	4,278	4,396	-117	-5	
Expenses from real estate lease business	3,008	3,412	3,606	-193	404	3,403	3,574	-170	-8	
Expenses (D)	2,144	2,450	2,644	-193	306	2,445	2,599	-153	-4	
NOI (B) - (D)	4,591	5,194	5,099	95	602	5,269	5,283	-13	74	
Depreciation	861	956	957	-0	95	953	970	-17	-3	
Loss from the retirement of fixed assets	2	5	5	–	2	5	5	–	–	
Other operating expenses	982	871	810	61	-110	874	821	52	3	
Investment management fee	746	708	665	42	-38	710	675	34	1	
Operating income (A) - (C)	7,331	4,649	3,327	1,321	-2,682	4,734	3,485	1,248	85	
Non-operating revenues	2	0	0	–	-2	0	0	–	-0	
Non-operating expenses	448	431	434	-3	-17	435	449	-13	4	
Interest expenses	336	366	369	-3	29	369	382	-13	2	
Interest of investment corporation bonds	29	36	36	–	7	37	37	–	0	
Loan-related expenses	57	–	–	–	-57	–	–	–	–	
Ordinary income	6,885	4,218	2,893	1,325	-2,667	4,299	3,037	1,262	80	
Net income	6,885	4,217	2,892	1,325	-2,667	4,298	3,036	1,262	80	
Information per unit	Net income per unit (EPS) (¥)	7,042	4,314	2,958	1,356	-2,728	4,396	3,105	1,291	82
	Amount of reversal of reserve for reduction entry per unit (¥)	–	–	382	-382	–	–	234	-234	–
	Amount of provision of reserve for reduction entry of replaced property per unit (¥)	3,003	623	–	623	-2,380	708	–	708	85
	Amount of reversal of reserve for reduction entry of replaced property per unit (¥)	–	59	59	–	59	61	59	2	2
	Distribution per unit (DPU) (¥)	4,040	3,750	3,400	350	-290	3,750	3,400	350	–
Others	Occupancy rate (%)	96.6	98.5	99.3	-0.8pts	1.9pts	99.9	99.6	0.3pts	1.4pts
	NOI yield ^(Note) (%)	3.95	4.23	4.15	0.08pts	0.28pts	4.24	4.23	0.01pts	0.01pts

(Note) Based on the average balance of assets during the period (acquisition price).

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