

October 17, 2019

Real Estate Investment Trust Unit Issuer:
 TOKYU REIT, Inc.
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 Shibuya-ku, Tokyo, 150-0043, Japan
 Kazuyoshi Kashiwazaki
 Executive Director
 (Securities Code: 8957)

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 Tokyu Real Estate Investment Management Inc.

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Notice Concerning Issuance of Investment Corporation Bonds

TOKYU REIT, Inc. (“TOKYU REIT”) today announced its decision to issue investment corporation bonds. Brief details are as follows.

1. Outline of the Investment Corporation Bonds

(1) 6th Series Unsecured Investment Corporation Bonds

Name	TOKYU REIT, Inc. 6th Series Unsecured Investment Corporation Bonds (Ranks <i>pari passu</i> in right of payment with certain investment corporation bonds) (hereafter, “The 6th Series Investment Corporation Bonds”)
Total issue amount	¥1,000 million
Form of bonds Certificate	The 6th Series Investment Corporation Bonds in whole will be subject to application of the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. Accordingly, investment corporation bond certificates will not be issued for The 6th Series Investment Corporation Bonds.
Issue price	Nominal par value of each bond: ¥100 per ¥100
Redemption value	Nominal par value of each bond: ¥100 per ¥100
Annual interest rates	0.540%
Denomination price	100 million yen
Offering method	Public placement
Subscription term	October 17, 2019
Payment date	October 24, 2019
Collateral	The 6th Series Investment Corporation Bonds are unsecured, unguaranteed, and not backed by specific assets.
Redemption method and maturity date	The entire amount of the principal of The 6th Series Investment Corporation Bonds will be redeemed on October 24, 2029. The 6th Series Investment Corporation Bonds may be redeemed at any time from the day following the payment date, unless determined otherwise by the book-entry transfer agent.
Interest payment dates	April 24 and October 24 every year (If the interest payment date is not a bank business day, then the business day preceding it shall be deemed to be the interest payment date.)
Bond ratings	AA - (Japan Credit Rating Agency, Ltd.)

Special financial agreements	Restrictions on collateral provision have been included.
Fiscal, issuing and payment agent	Sumitomo Mitsui Trust Bank, Limited
Underwriters	SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mizuho Securities Co., Ltd.

(2) 7th Series Unsecured Investment Corporation Bonds

Name	TOKYU REIT, Inc. 7th Series Unsecured Investment Corporation Bonds (Ranks <i>pari passu</i> in right of payment with certain investment corporation bonds) (hereafter, “The 7th Series Investment Corporation Bonds”)
Total issue amount	¥1,000 million
Form of bonds Certificate	The 7th Series Investment Corporation Bonds in whole will be subject to application of the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. Accordingly, investment corporation bond certificates will not be issued for The 7th Series Investment Corporation Bonds.
Issue price	Nominal par value of each bond: ¥100 per ¥100
Redemption value	Nominal par value of each bond: ¥100 per ¥100
Annual interest rates	1.000%
Denomination price	100 million yen
Offering method	Public placement
Subscription term	October 17, 2019
Payment date	October 24, 2019
Collateral	The 7th Series Investment Corporation Bonds are unsecured, unguaranteed, and not backed by specific assets.
Redemption method and maturity date	The entire amount of the principal of The 7th Series Investment Corporation Bonds will be redeemed on October 24, 2039. The 7th Series Investment Corporation Bonds may be redeemed at any time from the day following the payment date, unless determined otherwise by the book-entry transfer agent.
Interest payment dates	April 24, October 24 every year (If the interest payment date is not a bank business day, then the business day preceding it shall be deemed to be the interest payment date.)
Bond ratings	AA - (Japan Credit Rating Agency, Ltd.)
Special financial agreements	Restrictions on collateral provision have been included.
Fiscal, issuing and payment agent	Sumitomo Mitsui Trust Bank, Limited
Underwriters	SMBC Nikko Securities Inc.

2. Reason for Bond Issuance

The 6th Series Investment Corporation Bonds and 7th Series Investment Corporation Bonds (collectively, “the investment corporation bonds”) were issued to extend maturities and diversify the repayment dates of interest-bearing debt.

3. Total Amount to be Procured, Use of Funds and Scheduled Outlay Period

(1) Total amount to be procured (approximate net balance)

¥1,980 million

(2) Specific use of funds and scheduled outlay period

The funds are scheduled to be allocated as part of funds for repayment of short-term debt (commitment line) borrowed on April 26, 2019, and due for repayment on October 28, 2019 (¥2,300 million).

4. Total Debt After Issuance of the Investment Corporation Bonds and Repayment of Short-Term Debt (commitment line)

(¥ millions)

	Debt Balance Prior to the Financings	Debt Balance After Financings	Change
Short-Term Debt Financing	2,900	600	-2,300
Long-Term Debt Financing	84,000	84,000	0
Total Debt Financing	86,900	84,600	-2,300
Investment Corporation Bonds	6,000	8,000	2,000
Interest-Bearing Debt	92,900	92,600	-300

5. Others

Regarding issuance risks of the investment corporation bonds, there are no changes from “Investment risks” stated in the latest securities report submitted on April 24, 2019, and the content stated in the shelf registration supplements submitted today.

[Reference]

- Timely Disclosure Relating to the Aforementioned Investment Corporation Bonds
 - December 4, 2017 “Notice Concerning the Submission of Shelf Registration Statement for Investment Corporation Bonds”
- Timely Disclosure Relating to Debt Financing to be Repaid Using Funds Procured from Issuance of the Investment Corporation Bonds (Except concerning decision of Interest Rate)
 - April 25, 2019 “Notice Concerning Debt Financing”

This notice may contain forward-looking statements, such as current plans, strategies, and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, fluctuations of the real estate market in Japan, general conditions of the Japanese economy, competitive pressures and relevant regulations. This notice is a translation of the original document in Japanese and is prepared solely for the convenience of non-Japanese speakers. There is no assurance as to the accuracy of the English translation. The original Japanese notice shall prevail in the event of any discrepancies between the translation and the Japanese original.