

January 17, 2023

Real Estate Investment Trust Unit Issuer:
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(Securities Code: 8957)

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Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)

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

1. Outline of the Investment Corporation Bonds

Name	TOKYU REIT, Inc. 10th Series Unsecured Investment Corporation Bonds (Ranks <i>pari passu</i> in right of payment with certain investment corporation bonds) (Green Bonds) (hereafter, “The Investment Corporation Bonds”)
Total issue amount	¥ 3,000 million
Form of bonds Certificate	The Investment Corporation Bonds in whole will be subject to application of the provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares. Accordingly, investment corporation bond certificates will not be issued for The 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	1.074%
Denomination price	¥ 100 million
Offering method	Public placement
Subscription term	January 17, 2023
Payment date	January 23, 2023
Collateral	The 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 Investment Corporation Bonds will be redeemed on January 21, 2033. The Investment Corporation Bonds may be redeemed at any time from the day following the payment date, unless determined otherwise by Japan Securities Depository Center, Incorporated.
Interest payment dates	January 23 and July 23 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	MUFG Bank, Ltd.
Underwriters	Daiwa Securities Co. Ltd. (Note)

(Note) Daiwa Securities Co. Ltd. was appointed as a structuring agent for formulation of the green finance framework published in July 2022 and acquisition of the external evaluation.

2. Reason for Bond Issuance

The investment corporation bonds are being issued to contribute to the realization of a sustainable environment and society through financing in investments contributing to the resolution of environmental issues (green financing) and to strengthen the financing base through the expansion of the investor base interested in ESG investments.

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

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

¥ 2,981 million

(2) Specific use of funds and scheduled outlay period

TOKYU REIT will undertake debt financing for the procurement of part of funds for acquisition of Futako Tamagawa Rise (Note 1), which will be acquired on January 31, 2023. As Futako Tamagawa Rise is a specific asset fulfilling the green eligibility criteria of the green finance framework (Note 2) formulated in July 2022, the investment corporation bonds are scheduled to be financed with green bonds.

(Note 1) For details of the acquisition, please refer to the press release titled, “Notice Concerning Acquisition (Futako Tamagawa Rise) of Domestic Real Estate” dated September 14, 2022.

(Note 2) For details of Green Finance Framework, please refer to website of TOKYU REIT.
(<https://www.tokyu-reit.co.jp/eng/sustainability/greenfinance>)

4. Total Debt After Issuance of the Investment Corporation Bonds

(¥ millions)

	Debt Balance Prior to the Financings	Debt Balance After Financings	Change
Short-Term Debt Financing	-	-	-
Long-Term Debt Financing	86,500	86,500	-
Total Debt Financing	86,500	86,500	-
Investment Corporation Bonds	8,000	11,000	+3,000
Interest-Bearing Debt	94,500	97,500	+3,000

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 October 31, 2022.

[Reference]

Timely Disclosure Relating to the Aforementioned Investment Corporation Bonds

- December 3, 2021 “Notice Concerning the Submission of Shelf Registration Statement for Investment Corporation Bonds”

* Website of TOKYU REIT: <https://www.tokyu-reit.co.jp/eng/>

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.