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**Notice Concerning Revision to Expected Operating Condition and Distribution Forecast
 for the Fiscal Period Ending July 2025 (44th Fiscal Period) and the Expected Operating
 Condition and Distribution Forecast for the Fiscal Period Ending January 2026 (45th Fiscal
 Period)**

TOKYU REIT, Inc. (“TOKYU REIT”) today announces a decision to revise its expected operating condition and its distribution forecast for its fiscal period ending July 2025 (FP 44) (from February 1, 2025 to July 31, 2025) which were announced on September 13, 2024.

In addition, TOKYU REIT also announces its expected operating condition and distribution forecast for the fiscal period ending January 2026 (FP 45) (from August 1, 2025 to January 31, 2026) as follows.

1. Revision to Expected Operating Condition and Distribution Forecast
 (Fiscal Period Ending July 2025 (FP 44))

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Unit (Yen)	Distribution per Unit (not including distribution in excess of earnings) (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Previous Forecast (A)	7,772	3,379	2,915	2,914	2,980	3,500	—
Revised Forecast (B)	9,649	5,151	4,690	4,689	4,796	4,000	—
Change (B) -(A)	1,877	1,772	1,775	1,775	1,815	500	—
Change	24.2%	52.4%	60.9%	60.9%	60.9%	14.3%	—
<Reference> Actual Distribution per Unit for the Previous Period (Fiscal Period ended January 2025 (FP 43))	9,742	5,171	4,706	4,705	4,812	4,002	—

2. Details of Expected Operating Condition and Distribution Forecast

(Fiscal Period Ending January 2026 (FP 45))

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Unit (Yen)	Distribution per Unit (not including distribution in excess of earnings) (Yen)	Distribution in Excess of Earnings per Unit (Yen)
Current forecast	9,834	5,078	4,582	4,581	4,686	4,000	—

(Note 1) The forecasts presented in this document have been calculated in accordance with the assumptions set out under certain condition. Forecasts for Operating Revenues, Operating Income, Ordinary Income, Net Income, Net Income per Unit, Distribution per Unit, and Distribution in Excess of Earnings per Unit may differ from actual figures and TOKYU REIT does not guarantee any figures. In the future, in the event that a discrepancy between the assumptions and the initial forecast exceeding a certain amount is expected, and the numerical values of the forecast are expected to change beyond a certain amount, we will amend the forecast and announce them accordingly.

(Note 2) Figures have been rounded down and percentages have been rounded to the nearest first decimal place.

3. Rationale

The expected operating condition and distribution forecast are revised as differences of 10% or more from the forecast operating revenues, of 30% or more from the forecast ordinary income, of 10% or more from the forecast net income, and of 5% or more from the forecast distribution per unit for the fiscal period ending July 2025 (44th fiscal period) announced on September 13, 2024 are expected to occur with the recording of 1,906 million yen of gain on sale of real estate, etc. in the fiscal period ending July 2025 (44th fiscal period) due to the disposition of property as described in “Notice Concerning Disposition (TOKYU REIT Toranomom Building) of Domestic Real Estate” announced today.

The expected operating condition and distribution forecast for the fiscal period ending January 2026 (45th fiscal period) are disclosed together with the expected operating condition and distribution forecast for the fiscal period ending July 2025 (44th fiscal period) based on the new announcement of “FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED JANUARY 2025” announced today.

[Reference]

Timely Disclosure Relating to the Disposition of the Property

March 17, 2025

“Notice Concerning Disposition (TOKYU REIT Toranomom Building) of Domestic Real Estate”

**Assumptions for Forecasts for the Fiscal Period Ending July 2025
and the Fiscal Period Ending January 2026**

	Preconditions and Assumptions
Property portfolio	<ul style="list-style-type: none"> Regarding the 29 properties owned by TOKYU REIT as of January 31, 2025, it is assumed that 30% co-ownership interest in TOKYU REIT Toranomom Building will be disposed on April 9, 2025, 30% co-ownership interest on January 30, 2026 and 40% co-ownership interest on February 27, 2026, respectively.
Operating revenues	<ul style="list-style-type: none"> Rental revenue is calculated in consideration of rent level, occupancy rate, etc. fluctuation factors in light of recent real estate market conditions, state of negotiations with tenants, presence of competitive properties in the area, etc. In addition, there is assumed to be no payment delay or nonpayment by tenants. Gain on sale of real estate, etc. of ¥1,906 million in the fiscal period ending July 2025, and gain on sale of estate, etc. of ¥1,930 million in the fiscal period ending January 2026 resulting from the disposition of TOKYU REIT Toranomom Building are projected. Occupancy Rates as of the end of the fiscal period ending July 2025 and the fiscal period ending January 2026 are projected to be 98.7% and 99.6%, respectively.
Operating expenses	<ul style="list-style-type: none"> Outsourcing expenses for the fiscal period ending July 2025 and the fiscal period ending January 2026 are projected to be ¥563 million and ¥594 million, respectively. Repair, maintenance and renovation expenses for buildings for the fiscal period ending July 2025 and the fiscal period ending January 2026 are projected to be ¥219 million and ¥376 million, respectively. In an aim to improve the competitiveness of properties and the satisfaction of tenants under management, etc., constructions scheduled in the future will be implemented with priority. Actual repair, maintenance and renovation expenses for each fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies and the others. Property and other taxes, such as fixed property tax and city planning tax, on real estate TOKYU REIT possesses are calculated based on the amount expected to be imposed in each fiscal period (Period Ending July 2025: ¥800 million / Period Ending January 2026: ¥794 million). Fixed property tax and other taxes paid as part of the purchase prices to the seller upon the property acquisition were not recorded as expenses but included in the relevant property acquisition costs. Depreciation and amortization expenses, including associated costs related to the acquisition of real estate and additional capital expenditure in the future, are calculated based on the straight-line method (Period Ending July 2025: ¥991 million / Period Ending January 2026: ¥1,005 million). Rental expenses other than those listed above are calculated in consideration of fluctuation factors based on results in past fiscal periods. Operating expenses other than expenses from real estate operation (investment management fees and asset custodian fees, etc.) for the fiscal period ending July 2025 and the fiscal period ending January 2026 are expected to be ¥926 million and ¥927 million, respectively.
Non-operating expenses	<ul style="list-style-type: none"> Interest expenses for the fiscal period ending July 2025 and the fiscal period ending January 2026 are expected to be ¥433 million and ¥466 million, respectively. Interest expenses include interest expense and interest expense on investment corporation bonds.
Interest-Bearing Debt	<ul style="list-style-type: none"> The balance of interest-bearing debt as of January 31, 2025, is ¥106,500 million (long-term debt of ¥95,500 million and investment corporation bonds of ¥11,000 million). As for long-term debt of ¥7,500 million due for repayment in the fiscal period ending July 2025, it is assumed that it will be entirely refinanced. As for long-term debt of ¥5,500 million due for repayment in the fiscal period ending January 2026, it is assumed that it will be entirely refinanced. Balance of interest-bearing debt as of the end of the fiscal period ending July 2025 and the fiscal period ending January 2026 are projected to be ¥106,500 million (long-term debt of ¥95,500 million and investment corporation bonds of ¥11,000 million). LTVs as of the end of the fiscal period ending July 2025 and the fiscal period ending January 2026 are projected to be 43.1% and 43.0%, respectively. (LTV: Interest-bearing debt (forecast) / total assets (forecast))
Total number of investment units issued and outstanding	<ul style="list-style-type: none"> It is assumed that there will be no additional issuance of investment units to the 977,600 units issued and outstanding as of today, through the end of the fiscal period ending January 2026. The impact of the acquisition and cancellation of own investment units is not considered in the forecasts as it has not been finalized as of this document's publication.

<p>Distribution per unit</p>	<ul style="list-style-type: none"> • Distribution per unit is calculated based on the distribution policy stipulated in the Articles of Incorporation. Calculations are based on a 100% distribution of retained earnings. • Forecasts are based on the assumption that, as for the capital gain projected from the disposition of TOKYU REIT Toranomon Building, ¥867 million of the ¥1,906 million in capital gains projected, which is to be posted in the fiscal period ending July 2025, and ¥762 million of the ¥1,930 million in capital gains projected, which is to be posted in the fiscal period ending January 2026, are retained through application of the “Special Provisions for Taxation in Cases of Repurchase of Specified Assets” (Article 65-7 of the Act on Special Measures Concerning Taxation) for provision as reserve for reduction entry of replaced property as stipulated in the “Ordinance on Accountings of Investment Corporations.” • Distribution for the fiscal period ending July 2025 is assumed to be distributed through reversal of part of the reserve for reduction entry of replaced property (¥88 million). • Distribution for the fiscal period ending January 2026 is assumed to be distributed through reversal of part of the reserve for reduction entry of replaced property (¥91 million). • It is possible that the distribution per unit could change due to various factors, including changes in assets under management, changes in rental revenue accompanying changes in tenants, etc., and unexpected maintenance and repairs.
<p>Distribution in excess of earnings per unit</p>	<ul style="list-style-type: none"> • TOKYU REIT does not currently anticipate distribution in excess of earnings per unit.
<p>Other</p>	<ul style="list-style-type: none"> • Forecasts are based on the assumption that any major revisions to regulatory requirements, accounting standards and taxation will not impact forecast figures. • Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

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.