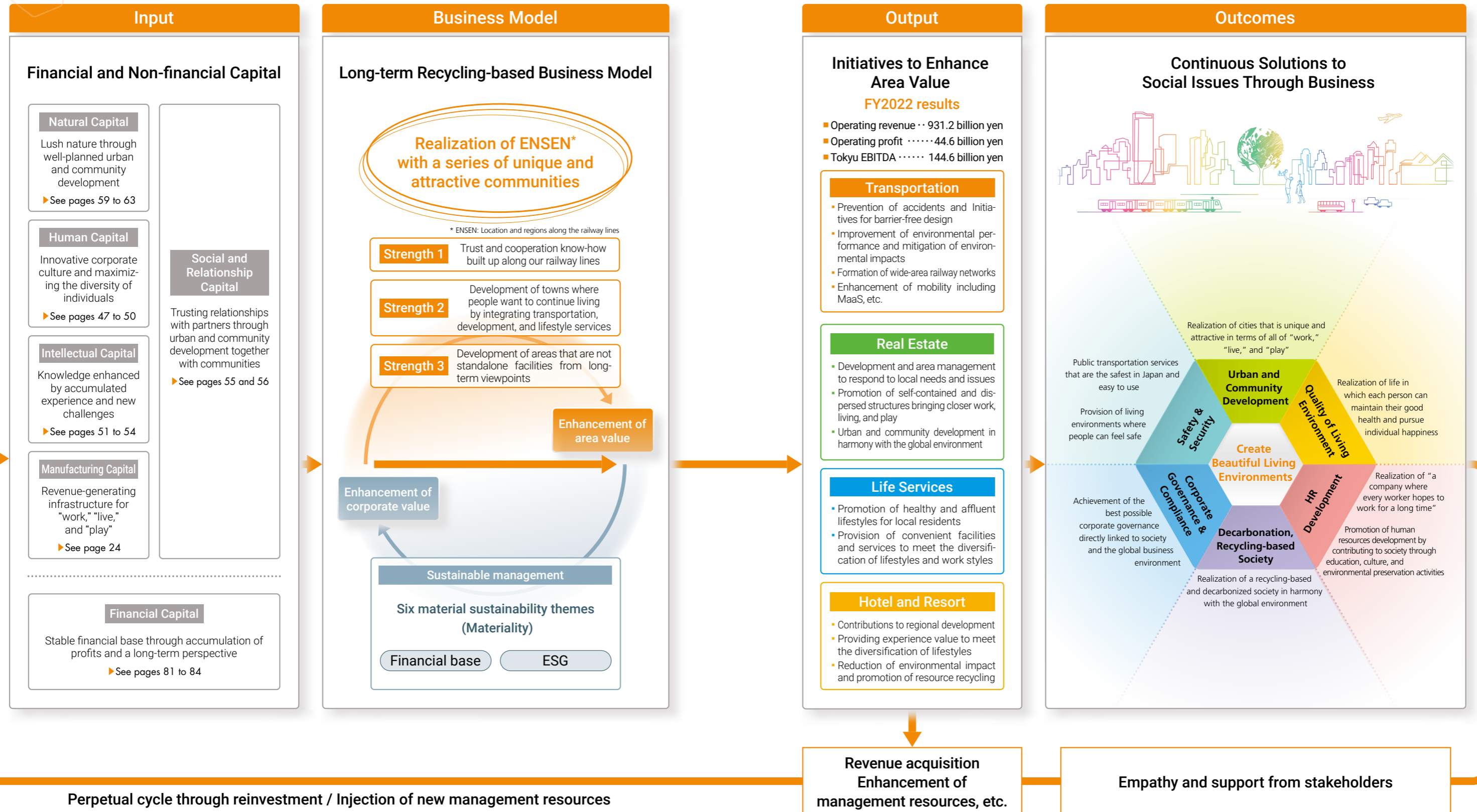


Value Creation Process — Creating beautiful living environments

We will realize our Mission Statement of “Create beautiful living environments” by addressing the social issues surrounding us and utilizing our management resources to increase the value of the area and the company.



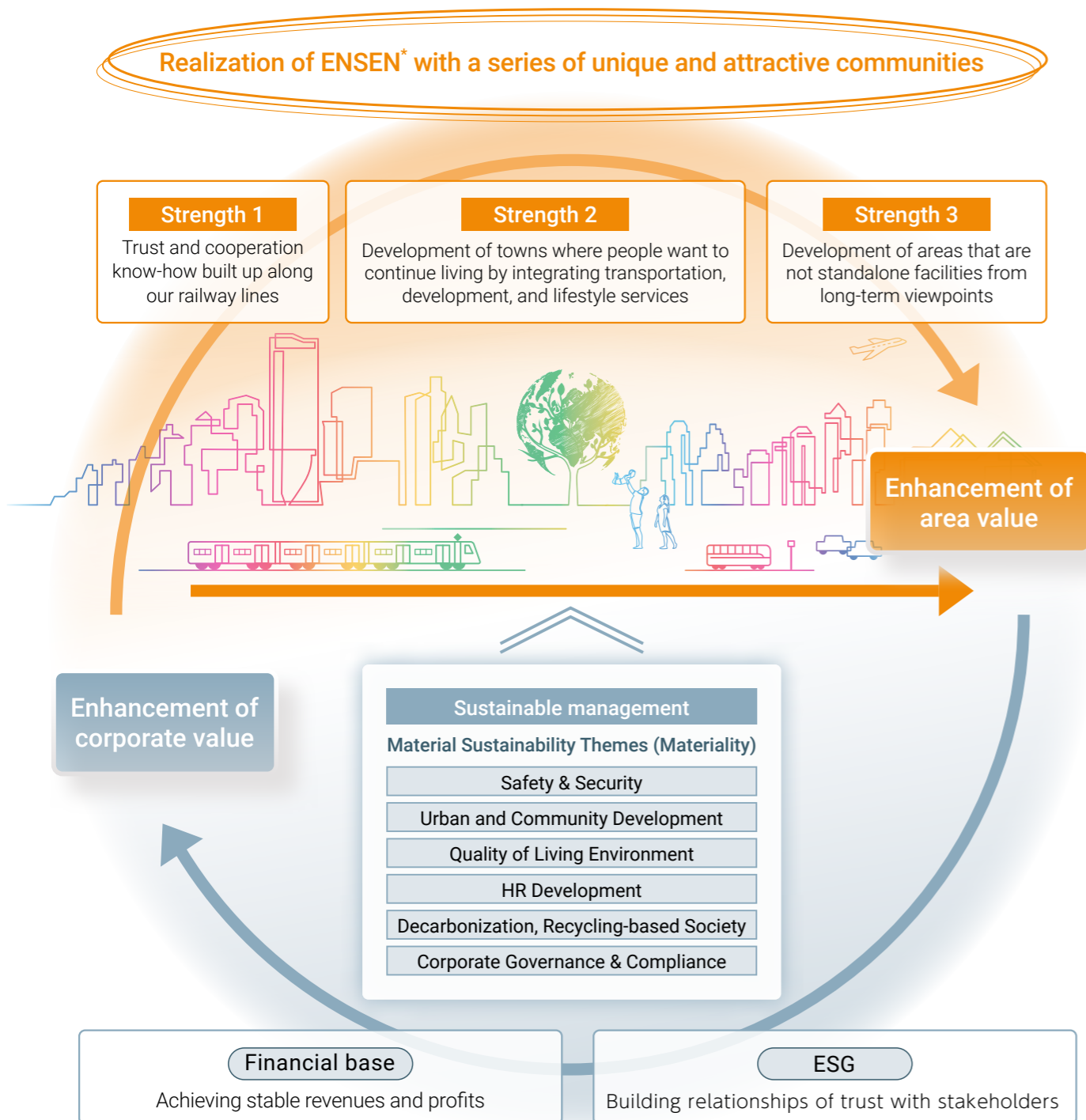
Business Model and Competitive Advantages

— Long-term Recycling-based Business Model

Our growth is in tandem with the growth of the city, and the enhancement of area value leads to the enhancement of corporate value. This is a Long-term Recycling-based Business Model that aims to create a perpetual cycle by reinvesting the value gained through urban and community development. In order to develop the city in a sustainable manner, we are working to enhance the value of the area by using our strengths to create ENSEN* with a series of unique and attractive communities. We are also using this know-how to enhance the area value of each region. Sustainable management supports this cycle of increasing area value and corporate value.

* ENSEN: Location and regions along the railway lines

● Long-term Recycling-based Business Model



Linking Strengths to Enhance Area Value

Strength 1

Trust and cooperation know-how built up along our railway lines

Through Den-en-toshi Company and community-based urban development that began with Den-en-toshi Company and continued thereafter in the Tama Den-en-toshi area following World War II, we are building strong relationships of trust through partnerships with local residents, visitors, governments, companies, and academic and research institutions. This relationship of trust and collaborative know-how is the source of our recycling-based business model.

<Related pages>

▶ Intellectual Capital (see page 54) ▶ Social and Relationship Capital (see pages 55 and 56)

Strength 2

Development of towns where people want to continue living by integrating transportation, development, and lifestyle services

In addition to improving transportation convenience, we are developing properties to take advantage of needs and opportunities in the area. At the same time, we will design a community that retains residents by providing services in tune with various life stages, resolving social issues and enhancing area value. We continue to refine and actualize our vision, leadership, and various practical experience in urban and community development.

<Related pages>

▶ Creation of New Area Value (see pages 17 to 20) ▶ Intellectual Capital (see pages 51 to 54)

Strength 3

Development of areas that are not standalone facilities from long-term viewpoints

The many distinctive communities along our railway lines are not developed in isolation, but are fully interconnected with other transportation networks. By combining the elements of each community, we are pursuing long-term, continuous enhancement of area value over a wide area that spans multiple municipalities along the railway lines.

By supporting urban infrastructure with more than just standalone facilities, we will expand urban and community development where people can feel the "richness" of people, nature, and society safeguarded by nature and culture in a safe and secure setting.

<Related pages>

▶ Fields of Business Expansion (see pages 15 and 16) ▶ Future Vision (see pages 25 and 26)

Major Management Resources (Inputs)

(as of March 31, 2023)

<p>Manufacturing Capital</p> <ul style="list-style-type: none"> Number of Tokyu Railways stations and passenger carriages 99 stations, 1,308 passenger carriages Office building space for lease Approx. 375,000m² Number of (directly managed) satellite shared office facilities 115 Department stores and Shopping centers 52 Supermarkets 90 Hotels/Members-only Resorts 66 	<p>Social and Relationship Capital ▶ See pages 55 to 56</p> <ul style="list-style-type: none"> Number of TOKYU POINT members 2.85 million Number of Tokyu Lines Application downloads Approx. 1,380,000 Number of households connected to cable television 1.18 million Number of Tokyu Hotels Comfort Members 740,000
<p>Intellectual Capital ▶ See pages 51 to 54</p> <ul style="list-style-type: none"> Accumulation and utilization of knowledge, acquisition of new knowledge Realization of DX 	<p>Natural Capital ▶ See pages 59 to 63</p> <ul style="list-style-type: none"> Urban landscape that systematically incorporates lush greenery and nature Promotion of decarbonization and energy creation along Tokyu's railway lines
<p>Human Capital ▶ See pages 47 to 50</p> <ul style="list-style-type: none"> Number of employees (consolidated) 23,763 Percentage of female managers (Tokyu Corporation) 12.9% 	<p>Financial Capital ▶ See pages 81 to 84</p> <ul style="list-style-type: none"> Cash flows from operating activities 95.4 billion yen Equity ratio 28.3% Interest-bearing Debt/TOKYU EBITDA* multiple 8.9 times Long-term senior debt rating AA- (JCR) A+ (R&I)

* TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Future Vision — Future envisioned from a long-term viewpoint

We believe that it is necessary to change from the conventional function-sharing urban structures where people live in the suburbs and work in the city center using railway, to self-contained and dispersed urban structures, where the functions of work, living, and play are strategically placed in the city center, the suburbs of the city center, and the outer suburbs, demand is created for inter-community movement maximizing the local resources of the community, and economic activities are revitalized including increasing the resident and nonresident populations.

● Efforts to Realize the Future Vision

We will strive to maximize Life Time Value (LTV) by combining self-contained and dispersed urban structures with digital platforms that support people's lifestyles and providing services following individuals' customer experience. The Future Vision that we aspire to is to continue being a desirable railway line and realize beautiful living environments by adopting urban and community development capable of realizing creating communities where people can live their own lives with peace of mind and safety in an era of 100 years of life, and protecting nature and culture, and creating a town where people nature, and society are in harmony and can feel the richness of life.



Functional arrangement of work, live, and play	Stimulation and enhancement of demand for intra-regional travel	Fusion of real and digital
<p>We are proceeding to spread lifestyles in which people choose diverse styles of work and home life.</p> <p>We aim for ENSEN* with a series of unique communities with various functions that further enhances value by satisfying the elements of people's lives such as work, live and play, according to the characteristics of each area.</p>	<p>In order to transform the conventional profit structure centered on commuting to and from the city center, stimulate and enhance demand for intra-regional mobility, and link this with business growth, we will work on area branding that takes advantage of the individuality of the community, revitalization through collaboration with industry, government, and academia, and innovation in transportation such as MaaS.</p>	<p>By harnessing the Group's business characteristics closely tied to customers, we will scientifically understand changing lifestyles and optimize and transform them with the power of digital technology so that everyone can live more comfortably. We are engaging with provide new value that nurtures daily living and people's lives based on an understanding of customers and local communities.</p>

* ENSEN: Location and regions along the railway lines

Societal Impact

"Beautiful Living Environments"
"Harmonious Society" and "Individual Happiness"

People and communities			
Degree of regional activity and populations	Attachment to and pride in regions	Sense of abundance, enjoyment, happiness	People taking action on the SDGs
Infrastructure for living			
Use of public transportation	Points of contact among culture, education, and entertainment	Use of digital services	Urban diversity and inclusion
Safety and resilience	Fulfillment of self-contained and dispersed work, live, and play structures	Decarbonization of businesses and towns	Resource circulation / Coexisting with nature