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History of Value Creation

Since its establishment, we have been promoting urban and community development, while balancing the public and private aspects of our business with the development of public transportation and residential areas. In response to the social concerns that arise as times change, we have been working to continuously enhance the value of areas by recommending life services and lifestyles from a new perspective.

[Origin / DNA] Solving social issues through urban and community development

Offering Solutions from a Creative Perspective

1922 to 1950s

Pursuit of convenience

Reconstruction from earthquakes and war, and the concentration of population in large cities

Values offered

- Living and mobility services for suburban residential areas
- Reconstruction of Shibuya and putting in place functions for convenience of everyday lives

1960 to 1980s Pursuit of abundance

From rapid economic growth to a mature society

- Improve transportation convenience by expanding the railway network
- Provision of services deepening people's enrichment (from quantity to quality)
- Development of Tama Den-en-toshi with an excellent living

1990 to early 2000s

Selection and concentration

Collapse of the bubble economy, declining birthrates and an aging population

- Expanding railway networks and increasing comfort
- Increasing area value by focusing investment along our railway lines
- Revitalizing Shibuya through redevelopment

Late 2000s and beyond **Pursuit of diversity**

Declining birth rates and an aging population, inbound visitor demand, and the COVID-19 pandemic

- Solving issues and improving community attractiveness through integrated development of communities and stations
- Bringing closer work, living, and play, and services that encourage relocation
- Supporting the lives of diverse generations / Safe and secure urban and community development

Action

- Extension of railway lines
- ✓ Business development keeping national policies in perspective (obtaining foreign currency through housing, railway, and expressway development. and through tourism)
- ✓ Diversification of the Group



1932 Tamagawa-dai (Den-en-chofu) residential district

Change in Operating Revenue

- ✓ Building of a broader, more tightly connected railway network
- Expansion of quality and service areas in life services



1989 Bunkamura cultural multipurpose facility opens

- Changing of Group slogan to "Toward a Beautiful Age"
- ✓ Shift to four-track lines and networks
- Selection and concentration, and strengthening of financial position



2006 The Toyoko Line and Meguro Line run side by side in a four-track section



Shibuya Hikarie opens

- ✓ The "Three No.1s in
- Japan" long-term vision ✓ Strengthening of governance systems and "one Tokvu"
- Re-expansion of expertise in urban development to overseas markets

Operating revenue

(Billion yen)

1,500

1,200

Image of earnings comparison between the railway business and the real estate (sales and leasing) business

Stable railway earnings through expansion of



Real Estate

Expansion of real estate sales following progress of the land readjustment proje Lease Railway Real Estate

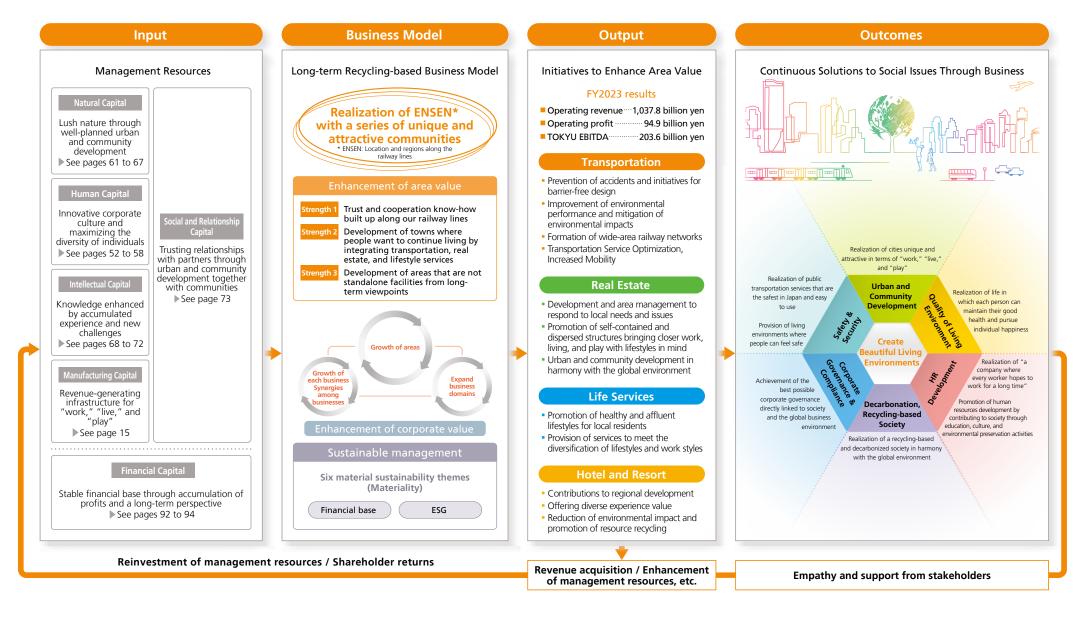
Fortify earnings power of railway usiness and expand real estate leas Lease Railway Real Estate

Expansion of real estate leasing 900 Lease 600 Railway Real Estate 300 2010 2020

* Consolidated accounts have been applied since FY1977, the new consolidated accounts system and annual securities reports amendment have been applied since FY1999, and the Accounting Standard for Revenue Recognition has been applied since FY2021.

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.

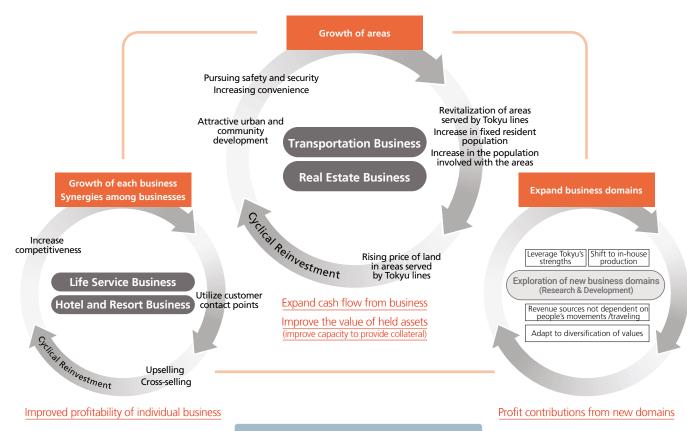


Business Model - Long-term Recycling-based Business Model

Top Commitment

Our growth is intertwined with community growth, and enhancement of area value drives enhancement of corporate value. Our Long-term Recycling-based Business Model aims to achieve sustained enhancement of corporate value by area growth and synergies among businesses.

Leveraging strengths (**see pp.15-17) to realize Tokyu service areas with a series of unique and attractive communities



Enhancement of corporate value

Attainment of a conglomerate premium

Achieving Conglomerate Premium by Maximizing Three-cycle Synergy

Area Growth Cycle

In addition to forming a highly convenient transportation network with our Transportation Business, we also plan for area growth by conducting wide-area real estate development centered around areas served by our railway lines. We then cyclically and cumulatively reinvest the revenues earned from each area back into the same area, continuously making the community and area more valuable. This cyclical reinvestment strategy serves to increase our revenue base.

Growth of Each Business and Synergies among Businesses Cycle

Through our Life Services Business and Hotel and Resort Business, we offer services attuned to the various life stages of each and every resident, thereby making communities more livable and thus more desirable. We utilize each businesses' customer contacts to achieve cross-selling and upselling, thereby maximizing synergies among businesses.

Expand Business Domains Cycle

By continuously responding to changing and diversifying values, we strive incessantly for services necessary to "globally admired communities." By entering into new domains where we can leverage the Group's strengths, we express our strategy of reconciling further area value enhancements with higher profits.

Competitive Advantages

Linking Strengths to Enhance Area Value

Strength1 Trust and cooperation know-how built up along our railway lines

Through Den-en-toshi Company and community-based urban development that began with Denen-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 long-term recycling-based business model.

<Related pages>

Case History (page 16) Intellectual Capital (pages 68 to 72)
Co-creation with Stakeholders (page 73)

Strength2 Development of towns where people want to continue living by integrating transportation, real estate, 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:

<Related pages>

Case History (page 17) Strategies and Achievements by Business (pages 36 to 44)

Strength3 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.

Case History (page 16) Fields of Business Expansion (pages 9 and 10) The Future of Railway Service Areas (page 18)

Major Management Resources (Inputs)

(As of March 31, 2024)

Manufacturing Capital	
Number of Tokyu Railways stations and passenger carriages	99 stations 1,307 passenger carriages
Office building space for lease	Approx. 361,000m ²
Number of (directly managed) satellite shared office storefronts	126
Department stores and Shopping centers	51
Supermarkets	91
Hotels/ Members-only resorts	65

Human Capital	See pages 52 to 58
Number of employees (consolidated)	23,583
Percentage of female managers (Tokyu Corporation)	13.9%

	Intellectual Capital	See pages 68 to 72
Accumulation and utilization of knowled acquisition of new knowledge		of knowledge,

Realization of DX

Social and Relationship Capital	See page 73
Number of TOKYU POINT members	2.44 million
Number of Tokyu Lines Application downloads (excluding discontinued versions)	Approx. 430,000
Number of households connected to cable television	1.16 million
Number of Tokyu Hotels Comfort Members	850,000

Natural Capital	See pages 61 to 67
Urban landscape that systemat incorporates lush greenery and	ically I nature
Promotion of decarbonization creation along Tokyu's railway	and energy lines

Financial Capital	See pages 92 to 94
Cash flows from operating activities	145.3 billion yen
Equity ratio	29.8%
Interest-bearing Debt/TOKYU EBITDA* multiple	6.2 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

Competitive Advantages

Strength1

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



Strength3

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

Urban and Community Development Promoted from Long-term Viewpoints in Unison with Communities

Tokyu Corporation continues to engage in community development with residents, visitors, government entities, businesses, academic institutions, and R&D organizations.

One of our techniques in doing so is area management, in which the various parties collaborate to make desirable communities by problem-solving and deregulation. This brings sustained growth and overall post-development community added value.

▼ How Tokyu Corporation Participates in Urban and Community Development (Reference Image)



Comprehensively produce overall community desirability by hybridizing diverse businesses

Hard infrastructure: development of railway networks and station area facilities

Value

- Renewal of municipal systems in response to such societal concerns as population decline, societal aging, and facility deterioration
- Establishing disaster-resilient infrastructure, etc.
- Creation of sustainable commerce in communities
- Utilization of public spaces
- Bringing people and organizations together in communities, etc.

Area Management Overview

What is area management?

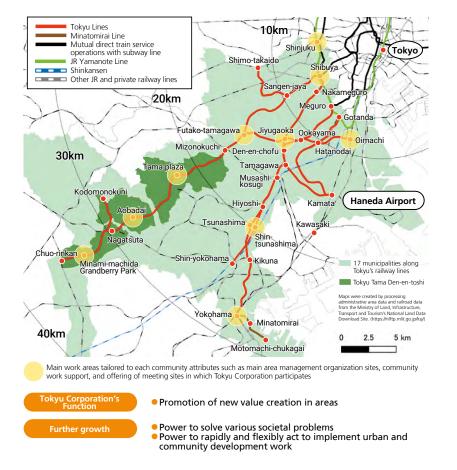
A proactive initiative on the part of such parties as residents, business persons, and property owners, for maintaining and enhancing desirable relations and community value in a region



Source: Based on Ministry of Land, Infrastructure, Transport and Tourism Land and Water Bureau Area Management Promotion 2010

Area Management Work Expanding in Areas Served by Tokyu's Railway Lines

Tokyu Corporation supports participation in the establishment and operation of Area management promotion organizations in all areas centered on areas served by Tokyu's railway lines, as well as community and organizational works. By putting down roots and taking a long-term viewpoint, we achieve service areas contiguous with unique and attractive communities.



Competitive Advantages

Strength2

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

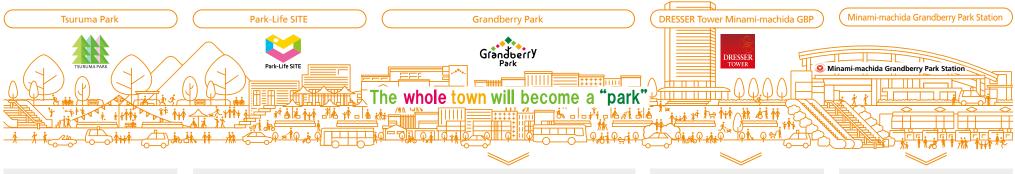
Minami-machida Grandberry Park

Minami-machida Grandberry Park, opened November 2019, is a project in which Machida City and Tokyu Corporation collaborate to create a "new center for living" by comprehensively redeveloping and reconstructing urban infrastructure, urban parks, commercial facilities, and urban housing. Our objective is a community in which nature and commerce come together, making entire communities into parks by seamlessly integrating train stations, commercial facilities, and parks, as part of a concept of the whole town will become a "park." In March 2024, in addition to the initially established stations and commerce facilities, we completed the DRESSER Tower Minami-machida Grandberry Park condominiums with direct station connections, thereby expanding the community's residence functions.

▼ Urban and Community Development Benefits

	April 2017	April 2024	Change
Area population (people in 1km radius)	18,907	21,723	+14.9%
Machida overall	429,114	430,558	+0.3%
Area land value	With January 2017 being 100	119.6	+19.6%
Machida overall	With January 2017 being 100	103.4	+3.4%
	FY2016	FY2023	Change
Annual ridership (thousands)	12,522	16,504	+31.8%

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





Tokyu Corporation and Machida City (establish the General Foundation Minami-machida wo Minna no Machi e, an organization supporting work in area invigoration and branding)















- Tokyu Corporation (facilities development and operation)
- Tokyu Malls Development Corporation (commercial facilities operation)
- Tokyu Corporation, Tokyu Store Chain Co., Ltd., Tokyu Department Store Co., Ltd., Tokyu Gourmet Front Co., Ltd., Tokyu Recreation Co., Ltd., its communications Inc. (opening stores in commercial • Tokyu Card, Inc. (billing and payment service), etc. facilities, etc.)



- Tokyu Corporation (condominium) construction)
- Tokyu Lifia Corporation (sales agents) etc.



 Tokyu Railways Co., Ltd. (station renewals/express train stops)

The Future of ENSEN

- Urban and Community Development with an Eye toward Lifestyle Change and Diversification

Turning to urban and community development in areas served by our railway lines, we promote invigorated economic activity including strategically installing Work, Live, and Play functions in city centers, areas around city centers, and suburbs; creating community mobility demand which maximizes local resources that communities possess; and growth including but not necessarily limited to resident and transient populations.



In the Den-en-toshi Line Saginuma Station redevelopment business, plans call for diverse facilities including plaza, city hall, commercial facilities, and residential facilities.



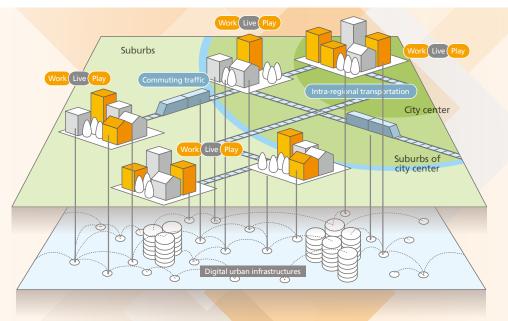
At Den-en-toshi Line Fujigaoka Station, we are planning urban and community development in which station-area facilities, hospital, and park are integrated.



nexus Challenge Park Hayano



Project for the Reorganization, Development, and Operation of Todoroki Ryokuchi



Functional arrangement of work, live, and play

We are proceeding to spread lifestyles in which people choose diverse styles of work and home life.

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.

* ENSEN: Location and regions along the railway lines

Stimulation and enhancement of demand for intra-regional travel

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.

Fusion of real and digital

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 aim to offer new value that nurtures daily living and people's lives based on an understanding of customers and local communities.



Redevelopment Around Shibuva Station

We are carrying out improvement in flow lines and laying infrastructure together with developing multi-purpose buildings in the vicinity of Shibuya Station, which serves approximately a billion passengers annually. We are laying out a safe and comfortable community by increasing pedestrian convenience and improving disaster resilience.

Shibuya Scramble Square C Shibuya Station Area Joint Building Operators



Shibuya Upper West Project

We are planning a multi-purpose facility combining retail, hotel residential, and art and culture within the concept of "Tokyo's Urban Retreat"

Image by Proloog / Copyright: Snøhetta







Riding Point began in April 2024



This is a deferred payment train riding service using credit cards, etc.

Create Beautiful Living Environments

Top Commitment

Management Strategy

Our growth is intertwined with the community growth, and we strive to create beautiful living environments by confronting material sustainability themes (materialities) and engaging with continuous solutions to societal problems through our businesses.

Material Sustainability Themes (Materiality) Social issues to face Safety & Security Declining birthrate and aging population Realization of public transportation services that are the safest in Japan Mobility-impaired persons Provision of living environments where people can feel safe Terrorism and cybercrime **Urban and Community Development** Climate change Realization of management of cities that is unique and attractive in terms of all of Maintaining of ecosystems "live," "play," and "work" Extended application of expertise for the development of urban and community areas served by Tokyu's railway lines to locations in Japan and overseas Resource depletion / Recycling-based society **Quality of Living Environment** Labor shortages Realization of life in which each person can maintain their good health and pursue individual happiness Newly emerging contagious diseases **HR** Development Diversification of lifestyles and working Realization of "a company where every worker hopes to work for a long time" styles Promotion of human resources development by contributing to society through education, culture, and environmental preservation activities Response to new technologies such as Al and loT Decarbonization, recycling-based society Working with diverse peoples Contribution to the creation of a carbon-free society through energy saving and the optimized use of renewable energies Contribution to creating a recycling-based society by promoting the Dilution of local communities effective use of resources and consideration for the ecosystem Responsibility in the supply chain Corporate Governance & Compliance Achievement of the best possible corporate governance directly linked to society Achievement of human rights and the global business environment Practicing compliance for achieving a harmonious society Corporate malfeasance and misconduct Identification Process and Relevant Indices: Material Sustainability Themes

See pages 47 and 48

Index Data: Non-financial Data ▶ See pages 95 and 96

