

INTEGRATED REPORT 2022



Toward a Beautiful Age — Tokyu Group



Toward a Beautiful Age — Tokyu Group

Publication of Integrated Report 2022

We are now in the fourth year of publishing our integrated report. In past editions, we have consistently communicated the Group's vision of sustainable growth from a medium- to long-term perspective including the announcement of our long-term management initiative, the split of our railway business, and our direction in light of the social changes caused by the COVID-19 pandemic. In dialogue with our stakeholders, we have many opportunities to hear feedback regarding urban and community development along Tokyu's railway lines. This includes requests to share the Group's strengths in creating attractive communities in our integrated report. To meet such requests, we have summarized our non-financial capital accumulated to date on the occasion of the Group's 100th anniversary. In addition, we also compiled a special feature section on the progress of initiatives fusing real and digital technologies, which was highly requested for disclosure.

With regard to the environment, we published Environmental Vision 2030 in March 2022, and are moving ahead

with initiatives aimed at achieving urban development in harmony with the environment such as through switching to mostly renewable energy for the operations of all Tokyu's railway lines starting in April 2022.

Throughout this integrated report, we hope to convey our vision and practical approach to improving the attractiveness of our communities over the long term and designing communities where people can continue to live.

We will use this report as a tool for dialogue with our stakeholders, and with the various opinions and advice we receive, we will work on further collaborative value creation, leading to sustainable enhancement of our corporate value.

September 2022

Setsu Hamana

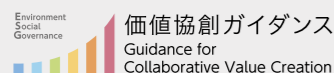
TOKYU CORPORATION
Director & Managing Executive Officer,
Responsible for Corporate Planning Headquarters
Responsible Person for Publication of Integrated Report 2022

Editorial Policy

The purpose of this report is to deepen the understanding of our shareholders, investors and other stakeholders of how we will create value over the medium to long term by presenting our past, present and future, as well as our sustainable management framework. Through the publication of this report, we will deepen our communication with stakeholders, utilize the opinions we have received for improvement, and promote initiatives to further enhance our corporate value.

Guidelines Referred to

"International <IR> Framework" of the former International Integrated Reporting Council (presently International Financial Reporting Standards, IFRS), and the "Guidance for Collaborative Value Creation" of Japan's Ministry of Economy, Trade and Industry were referenced in the compilation of this report.



Scope of Report

Scope of Report: Tokyu Corporation and its consolidated subsidiaries (The Group)

Period Covered: In principle, this report covers the period from April 2021 to March 2022 (FY2021), but also includes some information related to activities before and after this period.

Publication Date: September 2022

Disclaimer on Forward-looking Statements

The opinions and forecasts contained in this report are those of the Company as of the date of preparation of this report. The Company does not guarantee or promise the accuracy or completeness of this information. Therefore, future performance may differ from our forecasts.

For the latest information, please see the following website.
<https://ir.tokyu.co.jp/en/ir.html>

Types of Publication

Publication	Details	Booklet	PDF
Integrated Report (this booklet)	Please see "Contents" on page 2 for details.		
Corporate Guide	This guide provides stakeholders with an easy-to-understand overview of Tokyu Corporation and an explanation of our initiatives.		
Annual Securities Report	This report is compiled in accordance with Article 24 (1) of Japan's Financial Instruments and Exchange Act and submitted to Kanto Local Finance Bureau. Please see this report for details related to Tokyu's financial situation. It is published annually in late June.		
Corporate Governance Report	This report is compiled following Japan's Corporate Governance Code and submitted to Tokyo Stock Exchange. The report states aspects such as Tokyu Corporation's concept and system for corporate governance. Please also see this report with regard to aspects such as organization design, state of operations, and effectiveness evaluation of the Board of Directors.		
Safety Report	As part of the 2006 revisions to Japan's Railway Business Act whereby railway business operators are obliged to publicly release safety reports, information related to the safety of Tokyu Railways' railway operations is stated systematically in the Safety Report.		

* Please see the link below for details on our sustainability initiatives and environmental data. <https://tokyu.disclosure.site/en>
* Some documents are only available in Japanese.

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Toward a Beautiful Age — Tokyu Group

This logo consisting of Tokyu Group's slogan and 100th anniversary design represents the initiative of "Create Beautiful Living Environments" embodied in our group slogan, "Toward a Beautiful Age." The two lines (rail) and number one (trees and building) represent the Group's starting point of urban development including railways and development, while the color green symbolizes safety, security and the environment. The two overlapping zeros symbolize the Tokyu Group and its customers, which are shown in red for Tokyu Group and yellow for abundance. The design of the two zeros that share a connection with the right zero positioned slightly above the other zero embodies the Tokyu Group's determination to continue achieving growth by valuing and catering to its customers, and that there are infinite possibilities in the future.

What We Aim For - Create beautiful living environments

We have adopted the Group slogan, "Toward a Beautiful Age - Tokyu Group," as our universal value standard, and by developing a variety of businesses closely linked to the lives of our customers, including the transportation, real estate, life service and hotel and resort businesses, we are constantly proposing new ways of living to our customers in order to contribute to solving social issues through urban and community development from a long-term perspective.

Origin / DNA

Solving social issues through urban and community development



Standard Values

Group Slogan

Toward a Beautiful Age —Tokyu Group

Beauty is the guiding principle and standard of value for Tokyu Group as it meets the challenges of the future.
 For all of us in Tokyu Group, the beauty we aspire to is a universal beauty deeply impressing anyone who encounters it, regardless of their generation or culture.
 We aim to create a beauty in harmony with people, their communities, and the natural environment.
 With beauty as our touchstone, Tokyu Group's goal is to create beautiful living environments, which reflect our desire to serve our customers by refining our products and services, raising quality, and promoting good health.
 We are making every effort to realize this vision, and moreover, we aspire to play an active role in creating a more harmonious society, overflowing with kindness and consideration, so that all people may find genuine happiness and express an individual lifestyle.
 Our slogan, "Toward a beautiful age," expresses the commitment of all of us in Tokyu Group to continually pursue beauty, and proclaims our determination to lead the way in creating beautiful living environments.

Mission and Roles in Society

Mission Statement

We shall strive to create beautiful living environments, in which each person can pursue individual happiness in a harmonious society.



Based on a foundation of security nurtured through trust with our stakeholders, we value the comfort created by harmony, attentiveness responds to the particular needs of each individual, propose high-quality, and sophisticated daily living.

From "Toward a Beautiful Age" Gallery



The first station and train in Japan to be powered by 100% renewable energy.
 - Creating decarbonized and recycling-oriented communities -



Customers from the community are the source of this store's greatest pride.
 - Working alongside communities and local residents -



What will the community look like when you grow up?
 - Dreaming big together with children -



I'm content just watching my grandchildren. And my grandchildren enjoy spending time with me.
 - Urban and community development for multiple generations -



Working behind the scenes to ensure safe operations.
 - Conveying job satisfaction to children -



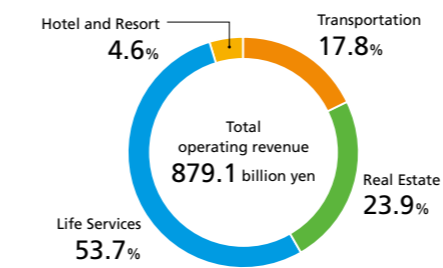
Making today, tomorrow and the future possible.
 - Urban and community development for people's happiness -

WEB "Toward a Beautiful Age" Gallery (Japanese only) <https://tokyugroup.jp/sdgs/gallery/>

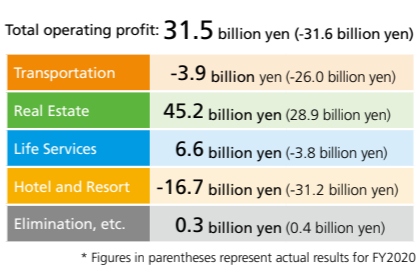
Business Overview

The Group consists of 132 subsidiaries and 34 affiliates (as of March 31, 2022) in the following areas of business: transportation, real estate, life service, and hotel and resort. Focusing on the areas along Tokyu's railway lines, we are engaged in urban and community development from a long-term perspective and developing businesses that are closely linked to the lives of our customers.

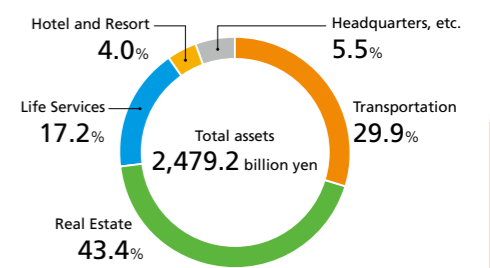
Operating Revenue Distribution Ratio



Breakdown of Operating Profit



Total Assets Distribution Ratio



Transportation



Characteristics, Strengths and Business Domains

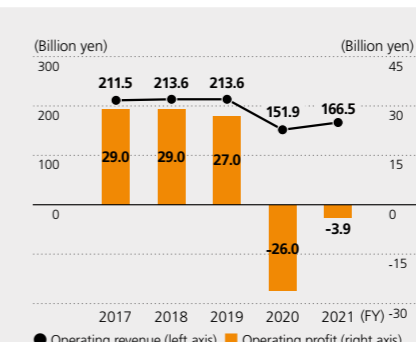
- Safe, secure, universal, and comfortable services
- A highly convenient network with mutual direct train service operations offering a mode of transport with low environmental impacts

Railway Business
Bus Business
Airport Management Business, etc.

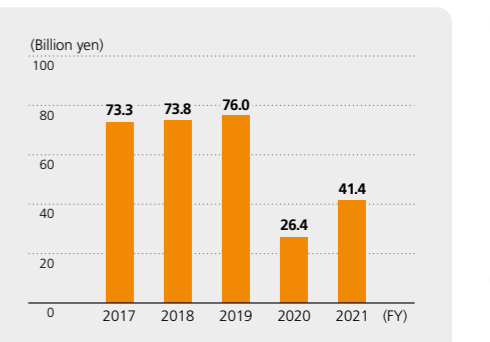
Total annual passengers	Tokyu Railways approx. 890 million Tokyu Bus Corporation approx. 120 million
Installation of platform screen doors (including fixed platform barriers equipped with sensors)	All stations served by Tokyu's railway lines (excluding Setagaya Line and Kodomonokuni Line)
Passengers per year at airports under management (7 airports in Hokkaido, Sendai Airport, Mt. Fuji Shizuoka Airport and Hiroshima Airport*)	14.56 million

*Started operations at Hiroshima Airport from July 2021

Operating revenue* and operating profit



TOKYU EBITDA*



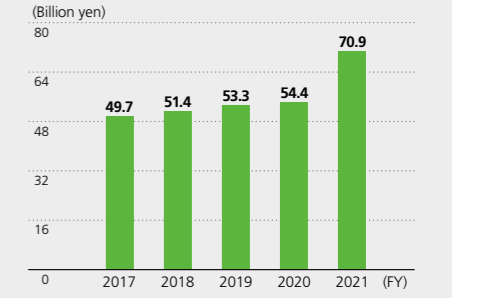
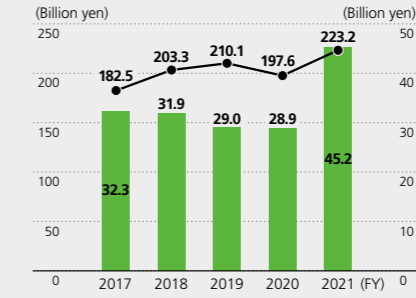
Real Estate



- Real estate development balancing solutions to social issues with business viability
- Urban and community development where work, live and play are functionally developed through partnerships with communities and local government

Real Estate Sales, Leasing, Management Business
Overseas Business, etc.

Office building space for lease (The Company's ownership)	Approx. 358,000 m ²
Satellite shared office facilities (directly managed)	103 facilities
Rental housing	38 facilities 1,299 units



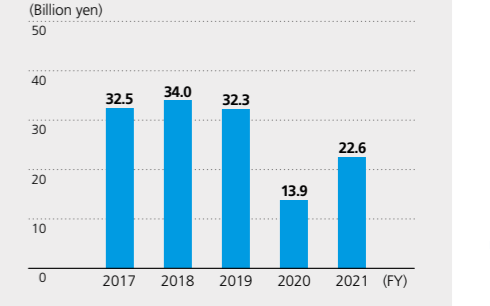
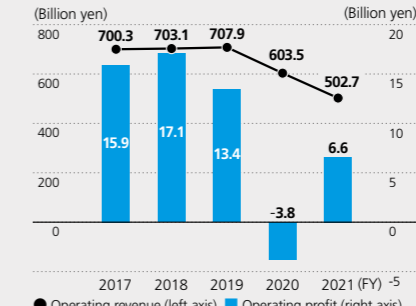
Life Services



- Build a wealth of customer contacts and trust through IENAKA (in-home) and MACHINAKA (downtown) business, supporting the lives of various generations of customers with diverse needs

Cable Television Business	Department Store Business
Electricity Retailing, Gas Agent Business	Shopping Center Business
Schoolchild, Preschool Nursery Business	Chain Store Business, etc.

Households connected to CATV (its communications Inc., Cable Television Shinagawa)	Approx. 1.17 million households
Nursery school and school children's facilities (including leased, direct management, and publicly commissioned)	103 facilities
Supermarkets	91 stores



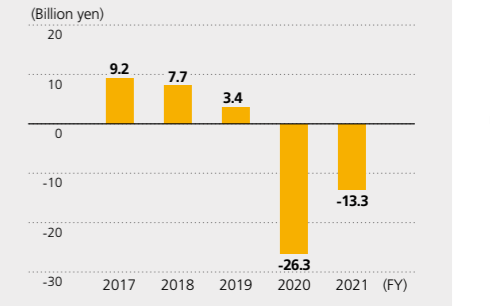
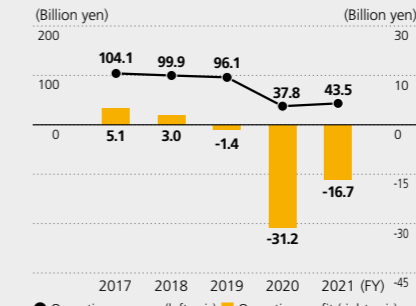
Hotel and Resort



- Providing hospitality services that enhance the quality of life and responding to the diversification of values and lifestyles with trusted brands nationwide

Hotel Business
Resort Business
Golf Business, etc.

Hotels	3 brands, 43 facilities 11,821 rooms
Time-share resorts	17 facilities
Golf courses	6 locations



*Applied Accounting Standard for Revenue Recognition from FY2021

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

Fields of Business Expansion

We operate in one of the most populous and consumer-intensive areas in Japan. Drawing on the business expertise cultivated in areas served by Tokyu's railway lines, we are also expanding business into locations outside these areas.

Creation of Unique and Attractive Area Value

The areas served by Tokyu's Railway Lines are located in the southwest of Tokyo and is home to 15% of the Tokyo metropolitan area's population. The Group is developing each area based on the unique social issues and demographics and while leveraging the characteristics of each. In a ranking of attractive towns to live, each station along the Tokyu Line ranks highly.

Previously, it was predicted that the population living in areas

along Tokyu's railway lines would peak in 2020, but the latest data indicates that the population is forecasted to continue growing until 2035. The data also shows the increase exceeded the predicted value up to 2020. This is thought to be due in part to the urban development by the Company along the railway lines, such as in Shibuya, Futako-tamagawa and Tama-plaza.

Urban Development from a Long-term Viewpoint



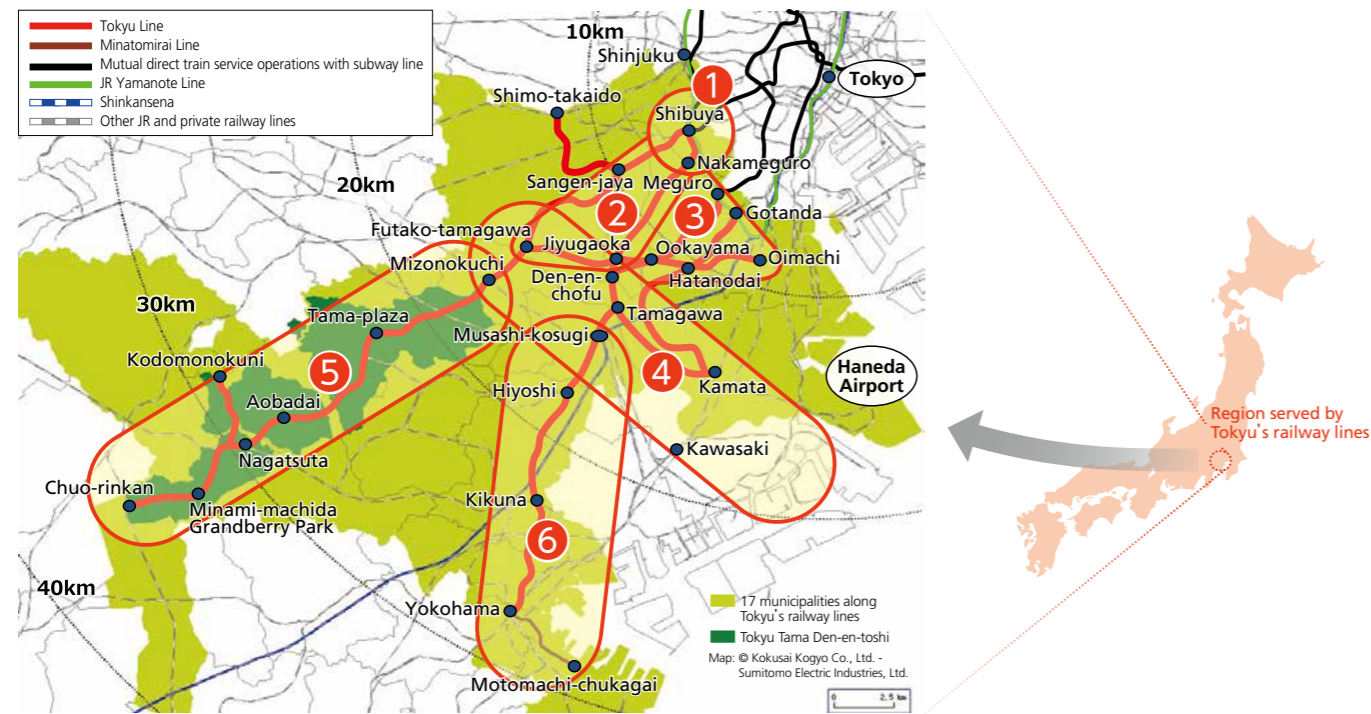
1 The most important center of the Group as we promote urban and community development based on the overall strategy of Greater SHIBUYA 2.0.



2 An area of high population growth where the creative population gathers.



3 Gotanda, Meguro, and Oimachi with anticipated potential from development in Shinagawa



4 Area with anticipated opportunities for business participation, such as the New Airport Line project, and extension of the Gaikan Expressway



5 A lush green area spanning Kawasaki, Yokohama and Yamanashi in Kanagawa prefecture and Machida in Tokyo prefecture.



6 Area with anticipated improvement in access and increase in visitors from the opening of the Tokyu Shin-Yokohama Line.

The Characteristics of the Urban Development that Tokyu Has Created

- From Shibuya to Tama Den-en-toshi, a railway line-type TOD* -



The area along the Den-en-toshi Line from Shibuya to Tama Den-en-toshi is a prime example of sustainable urban and community development and a pioneer prior to the adoption of Sustainable Development Goals (SDGs).

Characteristic 1. Transit-Oriented Development (TOD)

Tama Den-en-toshi area was developed as an urban environment and landscape rich in nature, incorporating the "Garden City" concept proposed by Ebenezer Howard of the U.K. Moreover, from the beginning of the area's development, we have focused on stations as the core, which brought the concept of Transit-Oriented Development (TOD) to life balancing development of both public transportation and urban environment. Collaboration with railways made it possible to have both the convenience of accessing the city center while living in a suburb with abundant nature. The area is attracting attention from government officials of other countries and financial institutions engaged in international development, such as the World Bank, as an urban and community development centering on public transportation that does not depend on automobiles.

Characteristic 2. Regional development based on a long-term concept

The land readjustment project area alone covers 3,213 hectares, which was developed through total coordination. Starting from the announcement of the purpose and concept of the development of Joseinan Area (the south-western suburbs of Tokyo) in 1953, the urban area was developed based on a comprehensive and strategic master plan covering the entire area of 5,000 hectares. The master plan has been reviewed every 10 years to assess the urban area's maturity and grasp any issues faced by the community in an effort to enhance the area's value from a long-term perspective.

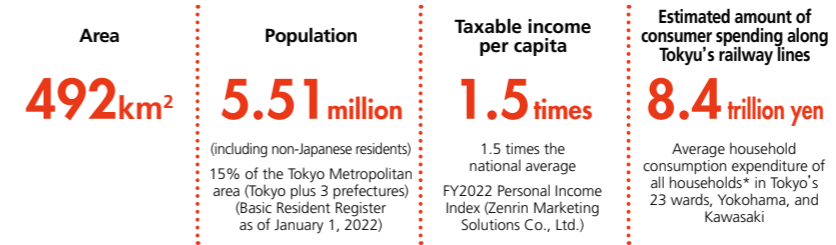
Characteristic 3. Enhance area value through continuous development and collaboration

We have not finished building and selling housing lots, but have continued to carry out various projects and investments in response to the changing times. Following land readjustment, we have created TOD for a series of attractive communities along railway lines through comprehensive development, including continuous development of commercial facilities in the vicinity of the main stations and the introduction of a variety of functions as the community matures. Recently, as the redevelopment of the area in front of stations has been promoted, we are conducting urban and community development using existing resources of each location. Examples include Tama Plaza, which is undergoing next-generation suburban development, Futako-Tamagawa Rise, which is being developed as an area that is in harmony with nature where people work, live and play, and Minami-machida Grandberry Park, where the station, commercial facilities and park are connected seamlessly.

In addition, we are working to create sustainable communities through the promotion of urban and community development activities that take advantage of collaborative relationships among industry, government, academia, and the local communities, as well as the formation of hubs where various entities can interact and create together.

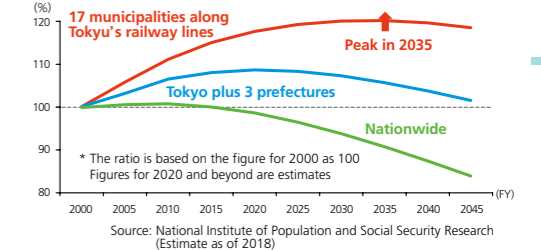
*Transit-Oriented Development (TOD): The concept of TOD was popularized in 1993 when the American architect Peter Calthorpe advocated urban development by experimenting with public transportation in order to break free from the automobile. Even before TOD became the focus of global attention, the railway line-type TOD was a uniquely developed model in Japan that integrates transportation with suburban residential and urban development, as well as development of terminal stations and surrounding vicinities, based on the premise of using public transportation in order to lead to healthy urban growth in response to the concentration of population in urban centers.

Data on the 17 municipalities along Tokyu's railway lines



*Calculated based on Annual Report on Family Income and Expenditure Survey 2021 (Ministry of Internal Affairs and Communications)

Dynamics of population demographics in the areas served by Tokyu's railway lines (total population)



Business Expansion Outside the Areas Served by Tokyu's Railway Lines and Overseas

We will contribute to the revitalization of cities and the creation of beautiful living environments by expanding business into areas and regions where we can take advantage of our strengths gained through our operations along Tokyu's railway lines.

Making inroads into the airport management business by utilizing expertise cultivated in the transportation business

Built on a basis of safety, the airport management business has a high degree of affinity with the transportation business. Thus, we have begun accepting contracts for the management of airports in various regions as a new business that allows us to maximize the Group's expertise. Using airport management as a foothold, our aim is for mutual growth in cooperation with existing Group businesses in areas such as Tohoku, Shizuoka/Izu, Hokkaido, and Hiroshima.



Sendai Airport Passenger Terminal



Hiroshima Airport Passenger Terminal



Hokkaido area including New Chitose Airport, etc. 7 airports

Sendai Airport
Mt. Fuji Shizuoka Airport
Hiroshima Airport (Operations started from July 2021)

Overseas urban development

In rapidly growing Vietnam, we are expanding urban development integrated with public transportation through the development of environments for work, living, and play, combined with the bus business. In addition, in Thailand we are promoting residential properties and residential leasing services, and in Australia, we are engaged in urban development and housing land development.



Extended Area of Commercial Facility "Hikari" in Binh Duong New City, Vietnam (Operations scheduled to start in fall 2022)



New common building of HarmoniQ Residence Sriracha, rental housing in Sriracha, Thailand



Residential land development in Yanchep and Two Rocks area in Western Australia

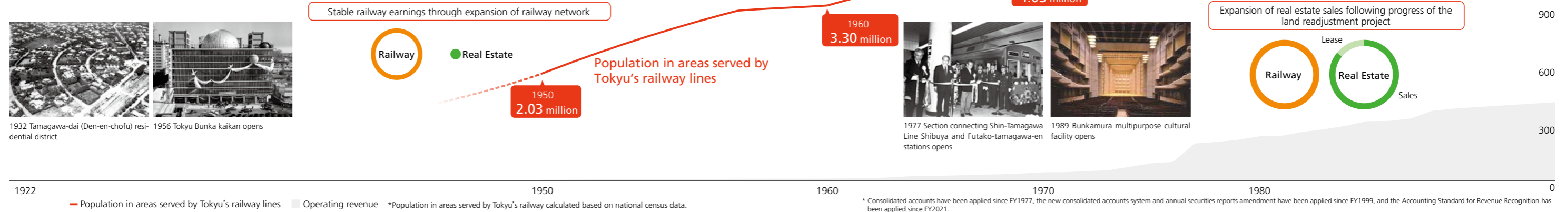
A History of Creating New Value and Accumulation of Non-financial Capital 1

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.

Pursuit of convenience (1922 to 1950s) Development of suburban residential areas and beginning of the railway business

In addition to enhancing convenience through development of suburban residential areas as well as establishing railways for transportation, we also improved functions for convenience of everyday lives by opening department stores and commercial facilities as well as cultural facilities, including a planetarium at the terminal station of Shibuya.

Comparison between the railway business and the real estate (sales and leasing) business - Image of changes in the proportion of operating revenue -



History of Urban and Community Development

Values offered	Living and mobility services for suburban residential areas	Reconstruction of Shibuya and putting in place functions for convenience of everyday lives	Improve transportation convenience by expanding the railway network	Development of Tama Den-en-toshi with an excellent living Environment
Urban and community development combining each type of capital with manufacturing capital	Transportation	Formation of the early railway network (establishment to 1940s)	Den-en-toshi Line extends to Nagatsuta (1966) Shin-Tamagawa Line opens (1977)	Mutual direct train service operations with Hanzomon Line starts (1978)
	Development	Den-en-chofu subdivision starts (1923) Toyoko Department Store opens (1934) Announcement of the development concept of Tama Den-en-toshi area (1953) Tokyu Bunka Kaikan opens (1956)	Completion of the first land readjustment project in Tama Den-en-toshi (Nogawa No. 1 section, 1961) Fashion Community 109 opens (1979) Tama Plaza Tokyu Shopping Center opens (1982) Bunkamura multipurpose cultural facility opens (1989)	Inroads into Cable Television Business (Tokyu Cable Television opens)
	Life Services Lifestyles	Chain Store Business (1956) Tourism Business (1956)	Cable television business, credit card business (1983)	

Origin / DNA

Tokyu Corporation traces its roots back to Den-en-toshi Company, which was started in 1918 under the leadership of Eiichi Shibusawa. As the residential environment in the urban center of Tokyo deteriorated and an undercurrent of migration towards the suburb was set to emerge, the company interpreted Ebenezer Howard's theory of the rural city, which was being propagated in the U.K. at the time, in a Japanese way, and presented to the world the lifestyle of commuting by train from the lush greenery of suburban residential areas to the city center. This Den-en-toshi Corporation spun off its railway division as a separate company, Meguro-Kamata Electric Railway Company, which was established on September 2, 1922, leading to the company we know today.

In response to the social issues of housing shortage and improvement of living environment in the heart of Tokyo after World War II, Keita Goto, the chairman at that time, announced the Josai-nan Area Development Prospectus in 1953 to construct a new rural city as well as transportation routes in Kawasaki and the northern area of Yokohama. This plan led to the development of the Tama Den-en-toshi area, which was later developed together with the local community. The Company's roots are in public transportation and land development, and we have developed by serving as an engine of growth for each other. Facing social issues head-on and providing new value through urban and community development is in our Tokyu DNA.



- Urban and Community Development Den-en-toshi Company Strives for
- <Plan 1> Develop residential areas in the suburbs and establish railways and various lifestyle infrastructure
 - <Plan 2> A community with a healthy living environment
 - <Plan 3> A safe and secure community
 - <Plan 4> Forward-looking city planning
 - <Plan 5> Desire to achieve an ideal residential community

We help customers achieve an affluent lifestyle by offering value in everyday living

Urban and Community Development that Integrates Transportation, Development and Distribution

Intellectual Capital	<ul style="list-style-type: none"> Development based on progressive urban and community development plan (pair city plan, amity plan Tama Den-en-toshi) Business expansion that connects our four business domains, including transportation, development, tourism services and distribution, with transportation being the pillar New business based on our 3C strategy in anticipation of the coming age of information society 	
Human Capital	<ul style="list-style-type: none"> Leadership and drive to expand into various business types and grow business A corporate culture that promotes development with the Group's comprehensive capabilities through linking four business domains 	
Social and Relationship Capital	<ul style="list-style-type: none"> Relationships formed with governments and community residents through integrated development with the community (collective agency = land readjustment project implemented following the Tokyu method) Social recognition including quality urban and community development (recipient of the Architectural Institute of Japan Prize and the Green City Award from the Prime Minister), and recognition as a business group that provides cultural promotion bases (Bunkamura, etc.) 	
Natural Capital	<ul style="list-style-type: none"> Beautiful streetscape lined with abundant greenery of street trees (Tama Den-en-toshi) Our business approach to promptly undertake environmental improvement in the community, including clean up of the Tama River (support for the Tokyu Foundation for Better Environment, and seedling donation at the Tokyu Greening Campaign, etc.) 	

A History of Creating New Value and Accumulation of Non-financial Capital 2

In response to the social issues that arise in each area as times change, we have been working to continuously enhance the value of areas by providing life services and lifestyles from a new perspective.

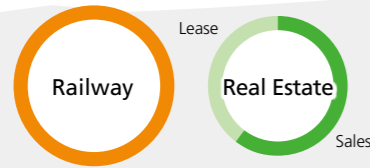


Selection and concentration (1990 to early 2000s) Collapse of the bubble economy, declining birthrates and an aging population

We worked to strengthen our financial position by using selection and concentration to restructure the Group*, and then we expanded our railway network through mutual direct train services with other railways, and started development in Shibuya, Futako-tamagawa, Tama-plaza, all in an effort to enhance value in areas along our railway lines. In 1997, we formulated the Tokyu Group Philosophy for a new era and adopted a new slogan, "Toward a Beautiful Age."

*Group companies reduced from 286 to 235 over three-year period beginning in 2002.

Fortify earnings power of railway business and expand real estate leasing



The Meguro Line begins mutual direct train service operations with the Namboku and Mita lines



Shibuya Mark City

Pursuit of diversity (late 2000s to present) Progression of declining birth rates and an aging population and revitalization of suburban residential communities

In response to changes in people's values and lifestyles, we are working on urban and community development aimed at creating a safe, secure, and comfortable living environment from the perspectives of both infrastructure and services. This includes the redevelopment of Shibuya, next-generation suburban development, the sharing of know-how for urban and community development overseas, and the installation of platform screen doors at all of our railway lines (excluding the Kodomonokuni Line).

Further expansion of real estate leasing through large-scale redevelopment



Shibuya Hikarie



Converted from above-ground to subway line in one night, beginning interaction of the Toyoko and Fukutoshin Lines

History of Urban and Community Development

Values offered	Values offered	Values offered	Values offered
<ul style="list-style-type: none"> Further expanding railway networks and increasing comfort Start of Shibuya redevelopment for local revitalization Focusing investment for increase value of areas along our railway lines 	<ul style="list-style-type: none"> Mekama Line system is changed, and mutual direct train service operations with the Namboku and Mita Lines begins (2000) Mutual direct train service operations with the Toyoko and Minatomirai Lines begins (2004) 	<ul style="list-style-type: none"> Meguro Line extends to Hiyoshi (2008) / Oimachi Line extends to Mizonokuchi (2009) The Toyoko Line's Shibuya Station goes underground, and interconnection with the Fukutoshin Line begins (2013) 	<ul style="list-style-type: none"> Supporting the lives of diverse generations / Safe and secure urban and community development Tokyu Shin Yokohama Line starts service and interconnection with Sotetsu Line begins (scheduled for March 2023)
<ul style="list-style-type: none"> Urban and community development combining each type of capital with manufacturing capital 	<ul style="list-style-type: none"> Grandberry Mall (open-mall outlet mall) opens (2000) Shibuya Mark City opens (2000) Cerulean Tower opens (2001) 	<ul style="list-style-type: none"> Tama Plaza Terrace fully opens (2010) Shibuya Hikarie opens (2012) Conclusion of Next-generation Suburban Development Agreement with Yokohama City (2012) Futako-Tamagawa Rise fully opens (2015) Minami-machida Grandberry Park opens (2019) 	<ul style="list-style-type: none"> Shibuya Stream opens (2018) Shibuya Scramble Square Phase I (East Building) opens (2019)
<ul style="list-style-type: none"> Selun business (1991) Time-share resort business (1999) Security Business (2004) 	<p>Cerulean Tower</p>	<ul style="list-style-type: none"> After-school day-care business (2008) Senior Housing with services business (2010) Satellite shared office for members business (2016) 	<p>Schoolchildren's after-school program business "Kids Base Camp"</p>

Business Portfolio Restructuring in Line with Changes in Business Environment

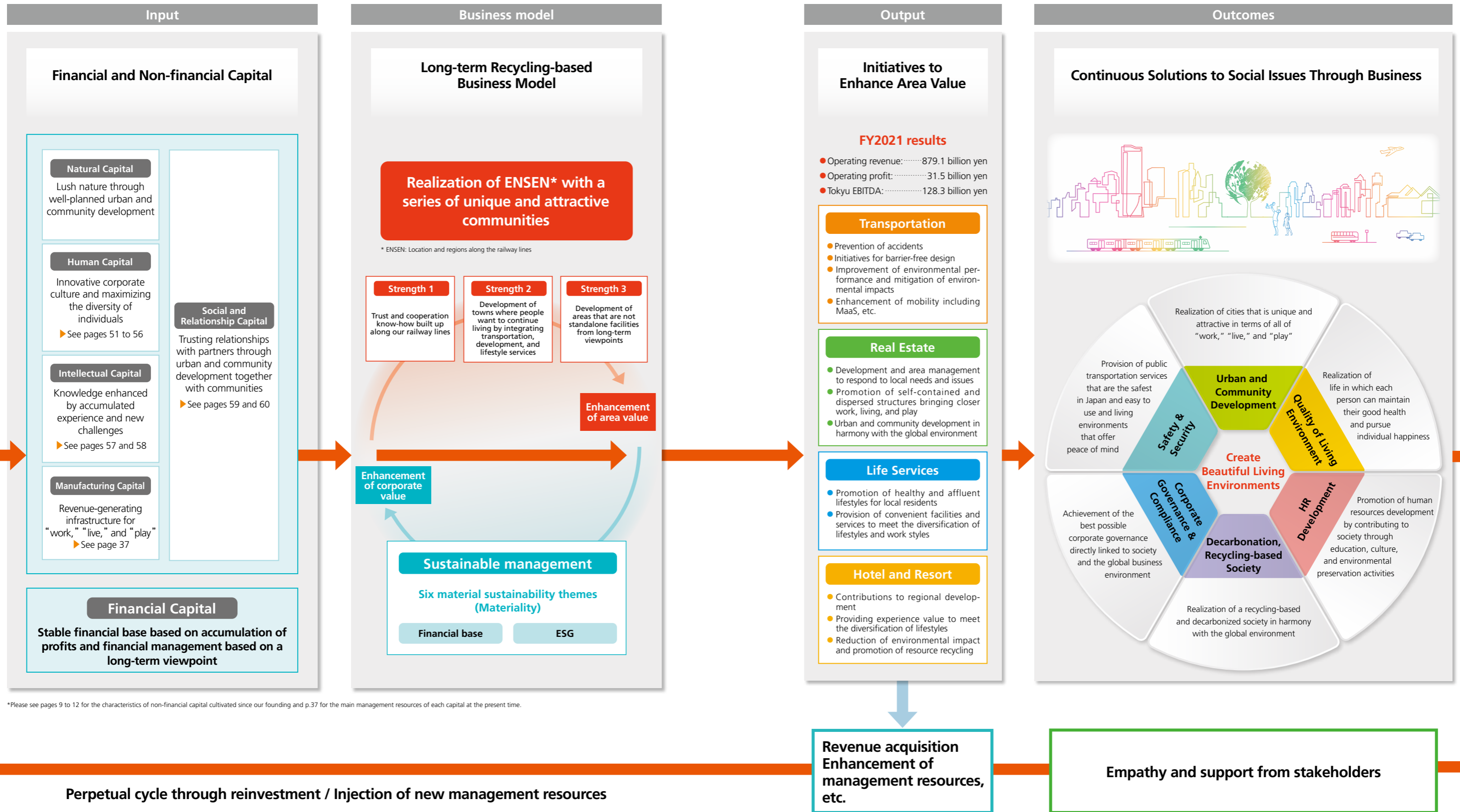
<p>Intellectual Capital</p> <ul style="list-style-type: none"> Experience restructuring business portfolio to address changes in the times Expertise in operating tenanted commercial facilities (Shibuya Mark City) Enhancing lifestyle and living domains, including high speed Internet connection service using cable TV network and jobs performed at home targeting homemakers 	<p>Selun Secretariat</p>
<p>Human Capital</p> <ul style="list-style-type: none"> Powerful leadership promoting business portfolio restructuring Sense of Group unity through establishment of new group slogan "Toward a Beautiful Age" and philosophy Rising awareness to strengthen financial health and governance through selection and concentration 	<p>Customer service competition</p>
<p>Social and Relationship Capital</p> <ul style="list-style-type: none"> External recognition as a urban and community development company (Ishikawa Prize from the City Planning Institute of Japan) Social trust as a corporate group that pursues safety and convenience (completed station barrier free upgrades at 90% of stations by the end of FY2004 and initiated new ATC, station service level improvement campaign) Relationship with local communities and society through support for the Gotoh Memorial Cultural Foundation and social contribution activities by Tokyu Associations 	<p>Present of seedlings</p>
<p>Natural Capital</p> <ul style="list-style-type: none"> Received an urban greenery merit award from the Minister of Land, Infrastructure, Transport and Tourism in recognition of our roughly three decades (at the time) of seedling giving Established the Environmental Activity Committee and obtained ISO 14001 certification (Tokyu Corporation under the former Japanese trade name) 	

Urban and Community Development Compatible with a Changing Social Environment

<ul style="list-style-type: none"> Urban and community development capturing the diverse needs of the next generation Knowledge of new business creation (businesses mindful of consumers, such as next-generation suburban development, services for seniors, after-school day-care, satellite offices) 	<p>Next-generation suburban development Workshop for local residents</p>
<ul style="list-style-type: none"> Corporate culture that embraces new challenges (definition of Tokyu value and HR development programs) Corporate culture looking toward next-generation urban and community development with diversity and inclusion in mind Support for maximizing the diversity of individuals as a driving force behind reforms 	<p>Platform screen doors</p>
<ul style="list-style-type: none"> Initiatives to solve community issues and revitalize local communities through collaboration with local communities and governments (Yokohama City, Ota Ward, Shibuya Ward, etc.) Recognition by society as a corporate group that provides safe and secure services (installation of platform screen doors at all our railway stations except Kodomonokuni Line, etc.) 	<p>Futako-Tamagawa Rise</p>
<ul style="list-style-type: none"> Recognized for development of natural environment in lockstep with communities (LEED Gold certification for Neighborhood Development) Station design using domestically sourced timber in harmony with the natural environment 	

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.



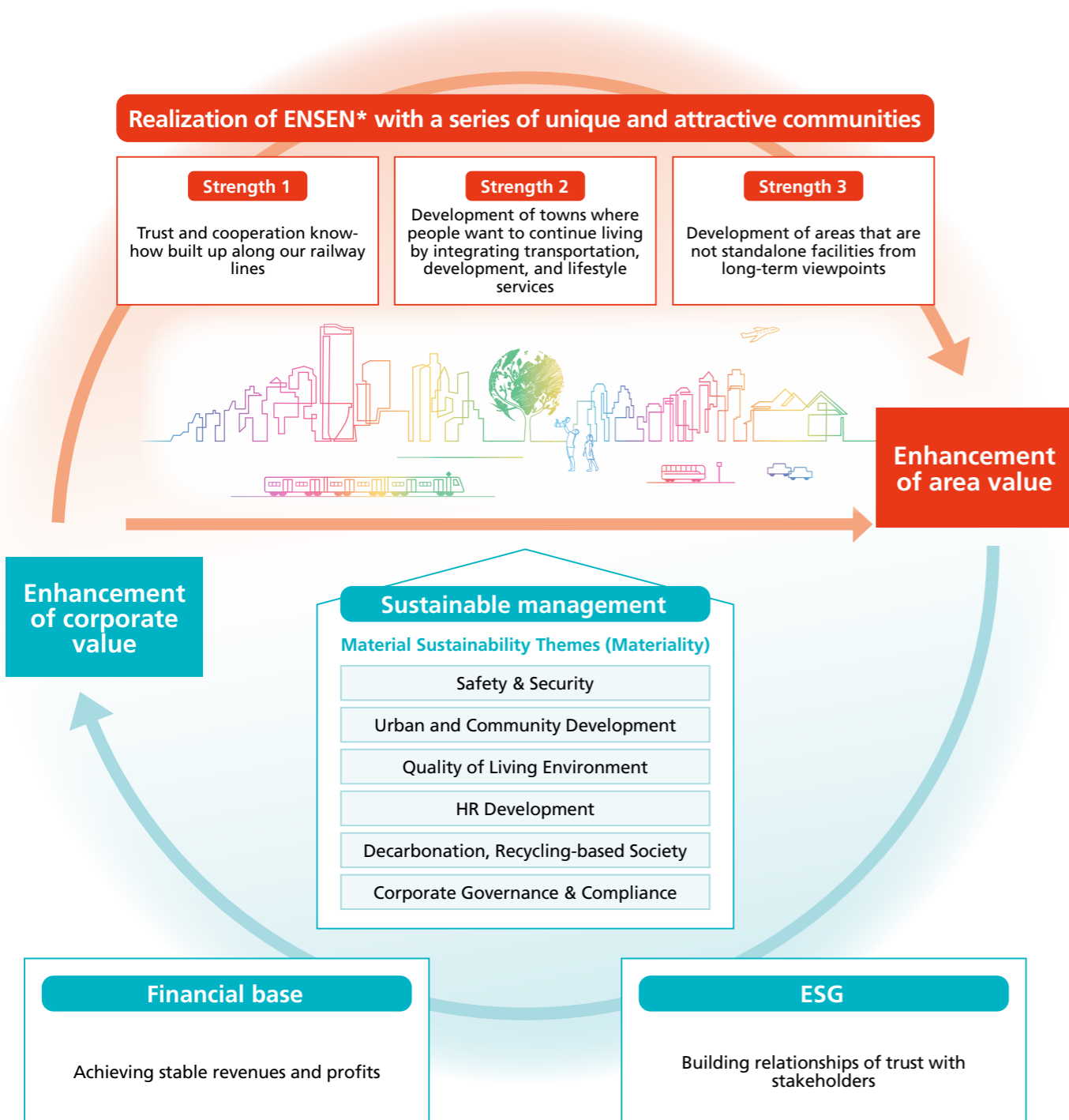
*Please see pages 9 to 12 for the characteristics of non-financial capital cultivated since our founding and p.37 for the main management resources of each capital at the present time.

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

▶ Related pages

- Social and Relationship Capital (see pages 59 and 60)
- Intellectual Capital (see pages 57 and 58)
- A History of Creating New Value and Accumulation of Non-financial Capital (see pages 9 to 12)

Strength 2

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

▶ Related pages

- Business Overview (see pages 5 and 6)
- Intellectual Capital (see pages 57 and 58)
- A History of Creating New Value and Accumulation of Non-financial Capital (see pages 9 to 12)

Strength 3

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

▶ Related pages

- Fields of Business Expansion (see pages 7 and 8)
- Future Vision (see pages 19 and 20)
- A History of Creating New Value and Accumulation of Non-financial Capital (see pages 9 to 12)

Nexus concept of new resident-centric form of suburban community development in the Tama Den-en-toshi area

For the Tama Den-en-toshi area, we have established the "nexus concept," a new form of resident-centric urban and community development. "Nexus" means connection and linkage. Through partnerships with business and government, we will build recycling-oriented communities and local networks, and engage in activities to realize a liberating and affluent life for each and every resident. We aim for the next generation of self-contained and dispersed urban and community development by developing "walkable neighborhoods" where lifestyles of living, learning, working, and playing combine with nature and agriculture, and by creating togetherness (communities and commons) that connects people (individuals) and the public (society and environment).

As the first step of this concept, we opened nexus Challenge Park Hayano, which serves as a focal point for various real life testing in April 2022, and as the second phase, we plan to launch a subdivision project called MINANOBA VIL-LAGE in autumn 2022.

Going forward, we will establish sustainability themes such as energy, resource recycling, mobility, wellness, education, agriculture and food, and conduct real life testing and commercialization in stages.

Community commons (Empathy and cooperation)

Maximize people's wellbeing
Accessible to residents
(enjoyable and psychological safety)

Minimize at solutions to social and environmental issues at the community level
Easily accessible to partner companies and governments (testing venues and sustainability)

Developing togetherness (community and commons) that connect people (individuals) and public (society and environment)

Aim of the nexus concept—walkable neighborhoods

Using Our Strengths to Enhance Area Value

—Realization of ENSEN* with a series of unique and attractive communities

Urban and community development is a business requiring a long-term and social perspective. With our DNA of resolving social issues through our business and our strengths, including the trust and collaboration know-how we have built up over a century, we will maximize the unique resources of cities and communities while responding to changes in values and lifestyles to create unique and appealing communities that attract people. By doing so, we aim to enhance the value of areas along our railway lines, including Tokyu lines, and for the realization of ENSEN* with a series of unique and attractive communities.

* ENSEN: Location and regions along the railway lines



Futako-Tamagawa Rise

Community in harmony with the natural environment where work, live and play are nearby

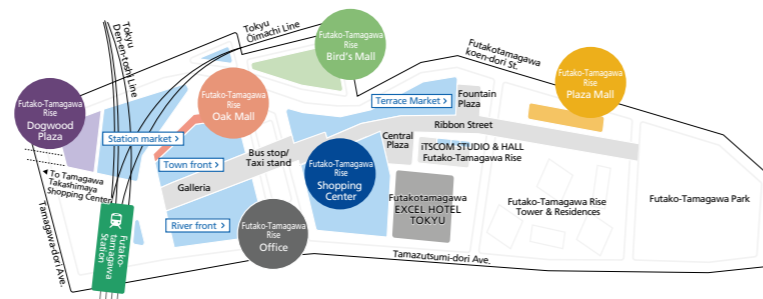
Futako-Tamagawa Rise began in 1982 as one of the largest private redevelopments in Tokyo encompassing area of 11.2 hectares. Since then, it has been completed and opened in stages in 2011 (first phase) and 2015 (second phase). Beautifully harmonized with one of Tokyo's best natural backdrops, the combination of offices, hotels, cinema, commercial and residential functions, and the creation of a town in close proximity to work, living and play has attracted attention and the area remains popular even today.

Certifications

- Futako-Tamagawa Rise Tower Office: LEED Gold certification for New Construction
- Futako-Tamagawa Rise: LEED Gold certification for Neighborhood Development (first in world)

Recognitions

- 2014 Highest ranking (AAA) JHEP certification for biodiversity
- 2016 Grand Prize at the 25th Global Environment Award
- 2018 Minister of Land, Infrastructure, Transport and Tourism Award at the 2nd Japan Innovative Cities Awards



Positive effects on the community

Population (Within a 1 km radius of Futako-tamagawa Station) 13.8% increase (2011 to April 2022)	Annual ridership (Futako-tamagawa Station) 30.3% increase (FY2011 to FY2019)	Land value (Commercial land near Futako-tamagawa Station) 60.5% increase (2011 to January 2022)
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* LEED®, provided by the U.S. Green Building Council (USGBC), is an evaluation and certification program that contributes to the design, construction, and maintenance of high-performance green buildings. LEED® and its logos are registered trademarks of USGBC. Trademark permission is required to use them.



Minami-machida Grandberry Park

New communities where stations, commercial facilities, and parks form a single entity through public-private partnerships



We achieved a park-like community where station, commercial facilities and nearby parks are connected seamlessly. Through land readjustment projects, we reorganize areas into one large community block, which is connected from the station to commercial facilities, parks, and surrounding residential areas by a barrier-free pedestrian network separating pedestrians and vehicles. From the moment a person disembarks the train, they can see a lush green townscape combining nature and the hustle and bustle of the city.

Certifications

- Station building: LEED Gold certification for new construction
- Development area including station building: LEED Gold certification for neighborhood development (This is the first time in Japan that a station building or a development area including a station building has obtained Gold certification)

Recognitions

- 2020 Minister of Land, Infrastructure, Transport and Tourism Award at the 20th Urban Landscape Awards (Urban Space Category)
- 2020 Minister of Land, Infrastructure, Transport and Tourism Award at the 40th Green City Awards
- 2020 8th Platinum Vision Award for Excellence - New Era Town Development Award
- 2020 Excellence Award at the 1st Green Infrastructure Awards (Urban Space Category)
- 2021 Excellence Award at the Japan Society of Civil Engineers Design Awards 2021



Redevelopment Around Shibuya Station

See page 32

Shibuya-type urban life fusing work, play and live

The Tokyu Group has pursued redevelopment around Shibuya Station centered around the two concepts of Entertainment City SHIBUYA and Greater SHIBUYA, which aim to create new businesses, attract various forms of entertainment, and draw in people from around the world. Starting with the opening of Shibuya Hikarie in 2012, we are now moving ahead with once-a-century large-scale development, including Shibuya Cast, Shibuya Stream, Shibuya Bridge, and Shibuya Scramble Square, which is scheduled to fully open in FY2027. In July 2021, we formulated and announced Greater SHIBUYA 2.0. Our goal is to create a Shibuya-style urban life that makes Shibuya both fun and comfortable.

Recognitions

- 2021 MIPIM Asia Awards 2020* Bronze in the Best Multipurpose Development Category

* This is one of the most prestigious awards in the real estate industry in Asia. Received the Bronze Award in the Best Mixed-Use Development category.

Public Transportation and Mobility

Safe, secure and comfortable transportation services underpinning area value

Railways and buses are modes of transportation that are indispensable to our lives. For a century, Tokyu Railways has been engaged in the transportation business with a commitment to safety, security, and hospitality, and has become an undisputed industry leader in accident prevention and barrier-free investments. We will continue to fulfill our role as public transportation provider in line with the times through the provision of transportation services accessible to all and through diverse collaborations with other services and regions.

Recognitions

- 2020 FY2020 Prime Minister's Commendation for Promotion of Barrier Free Universal Design Prize
- 2020 Minister of the Environment Award at the 11th EST Transportation Environment Awards*
- 2021 Selected by Tokyo Metropolitan Government as Company with Good Practices in "Barrier-Free Minds" (first in the railway industry)

* Commendation system for the dissemination of EST (Environmentally Sustainable Transport) organized by the EST Promotion Committee and the Foundation for Promoting Personal Mobility and Ecological Transportation



Future Vision – Future envisioned from a long-term viewpoint

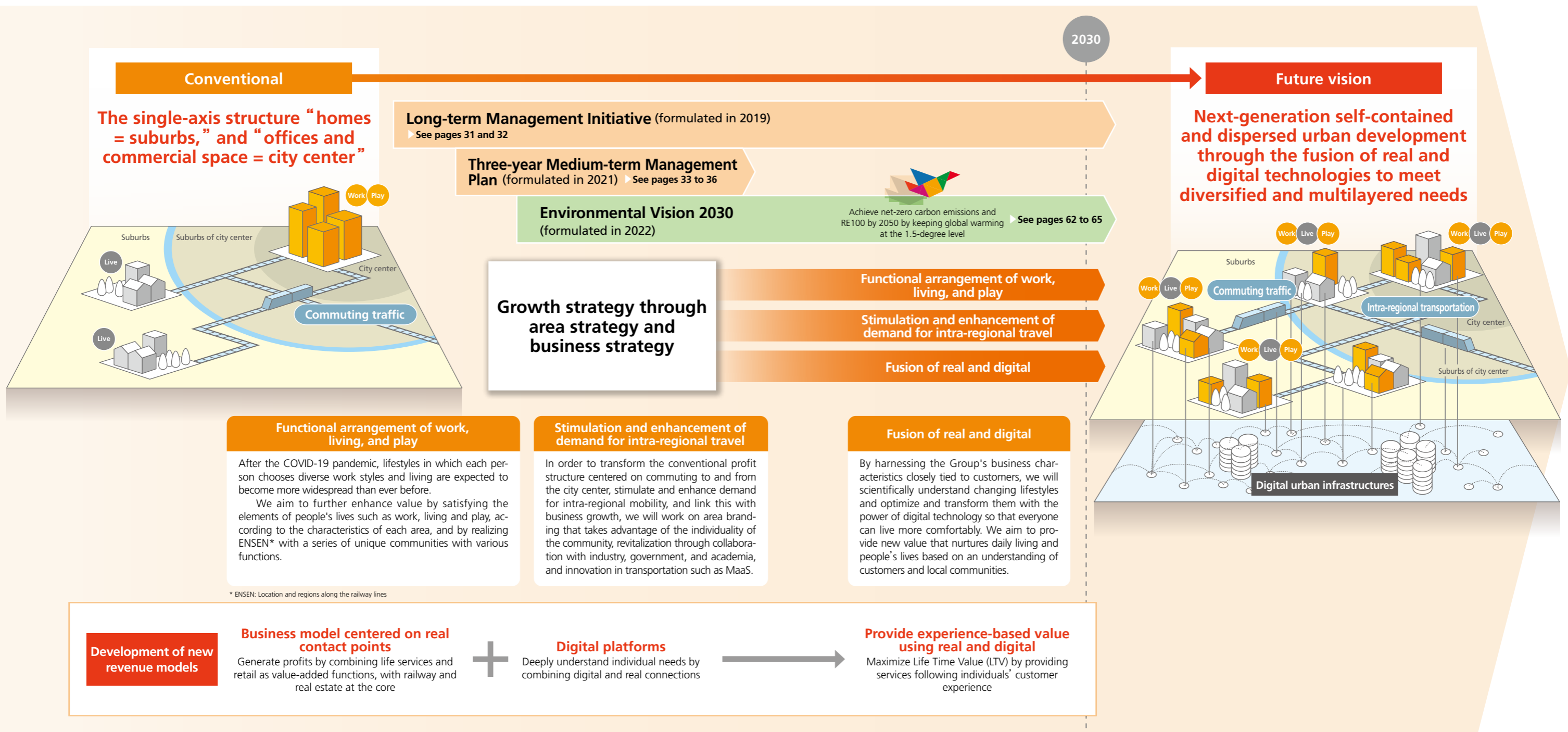
We believe that it is necessary to change from the conventional function-sharing urban structures where people live in the suburbs and work in the city center using railway, to self-contained and dispersed urban structures, where the functions of work, living, and play are strategically placed in the 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. Our vision for the future is to develop urban and communities that combine self-contained and dispersed urban structures with digital platforms that support people’s lifestyles, while at the same time realizing a decarbonized, recycling-based society.

Efforts to Realize the Future Vision

Concept of “City as a Service” looking toward the future

While the population in areas along Tokyu’s railway lines is forecast to increase until 2035, it is expected to enter an era of population stagnation after that. In the future, we will continue to evolve our business model, incorporating the concepts of well-being (creating communities where people can live their own lives with peace of mind and safety in an era of 100 years of life) and social harmony (protecting nature and culture, and creating a town where people, nature, and society are in harmony and can feel the richness of life), while continuing to be an attractive railway line in the future.

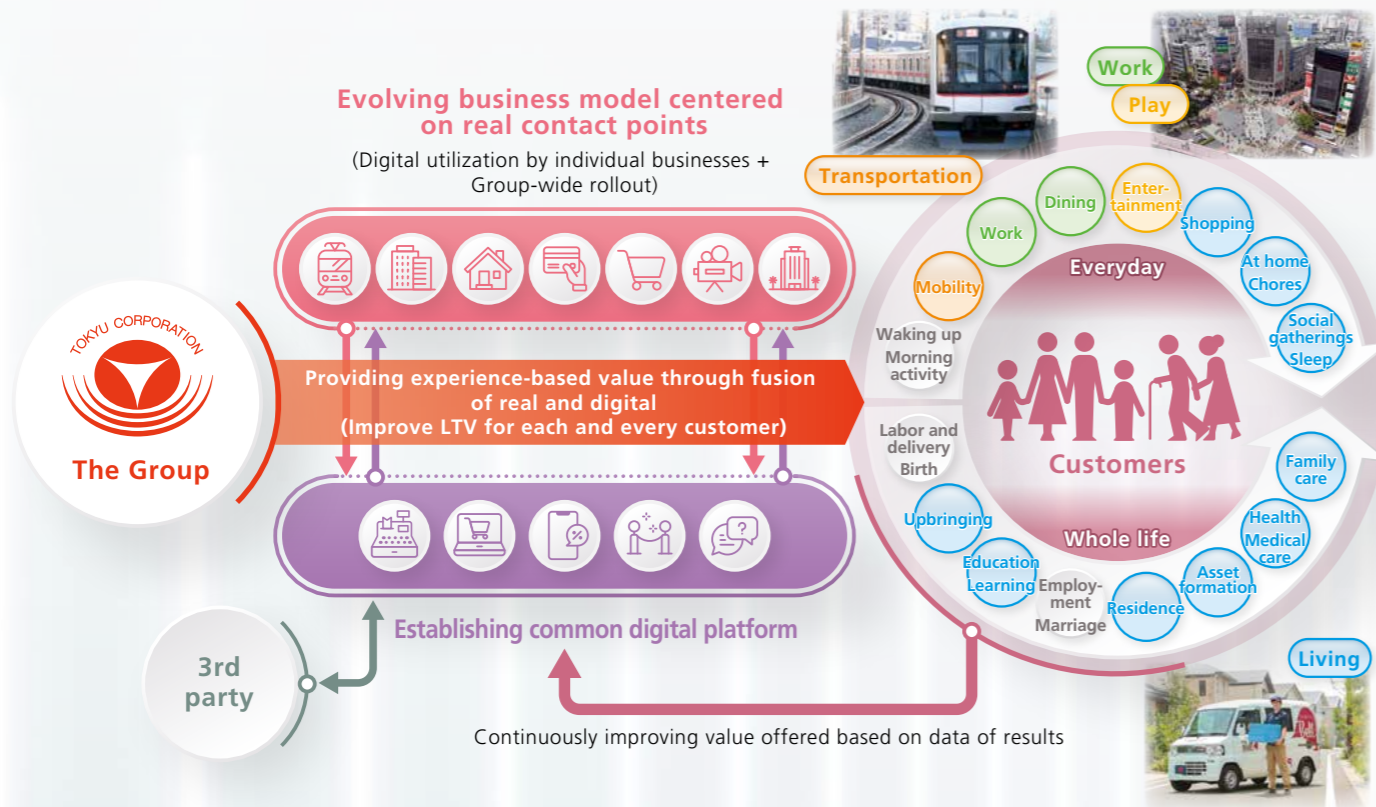
<p>Well-being</p> <p>Providing services customized for the lifestyle of each person</p> <ul style="list-style-type: none"> Freedom to work, live, and move Enhancing the environment for childcare and education Food, wellness, and healthy life expectancy <p>Development of digital urban infrastructures</p> <ul style="list-style-type: none"> Unified ID, cashless transactions, infrastructures for large-capacity communication, sensing, digital space mapping, etc. 	<p>Social-harmony</p> <p>Structuring a system for supporting autonomous local economies and communities</p> <ul style="list-style-type: none"> Urban spaces where people can enjoy better safety and comfort Recycling-based society (local currency, local production and consumption, sharing economy, and resources reproduction, etc.) <p>Feedback to real urban infrastructures</p> <ul style="list-style-type: none"> Easily accessible urban data, optimization of urban operations (mobility; energy; logistics), deliberately developed urban planning projects, etc.
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Understanding Tokyu
 Value Creation Story
 Management Strategy
 Strategies and Achievements by Business
 Source of Value Creation
 Foundations for Sustainability
 Company Information

Special Feature Initiatives aimed at Fusion of Real and Digital

While harnessing our DNA of resolving social issues, real assets, and strength of abundant customer contact points gained through transportation, work, play and living, we are carrying out unique initiatives under our digital strategy that seeks to fuse real and digital.



Provide CX Value through Fusion of Real and Digital

If we look at the Group's current services from a customer perspective, each business offers its own unique experience in real life. By understanding customers using digital technology and providing experience-based value through platforms that include third party services outside of the Group, we will be able to increase customer satisfaction and further promote patronage of our real services.

We strive to provide experiences in everyday life, from transportation, work and play to services with a longer time horizon including education, homes, asset formation and nursing care. Our goal is to enhance the life time value (LTV) of each and every customer to enhance customer value and value in everyday living, as well as contribute to the Group's business growth.

Digital Strategy

Framework of Digital Strategy

The Group's digital strategy features a four-part framework of "Customer Experience (CX) Initiatives," "Employee Experience (EX) Initiatives," along with "IT Environment Development and Governance" and "Organizational Structure and Human Resource Development" which underpin the first two.

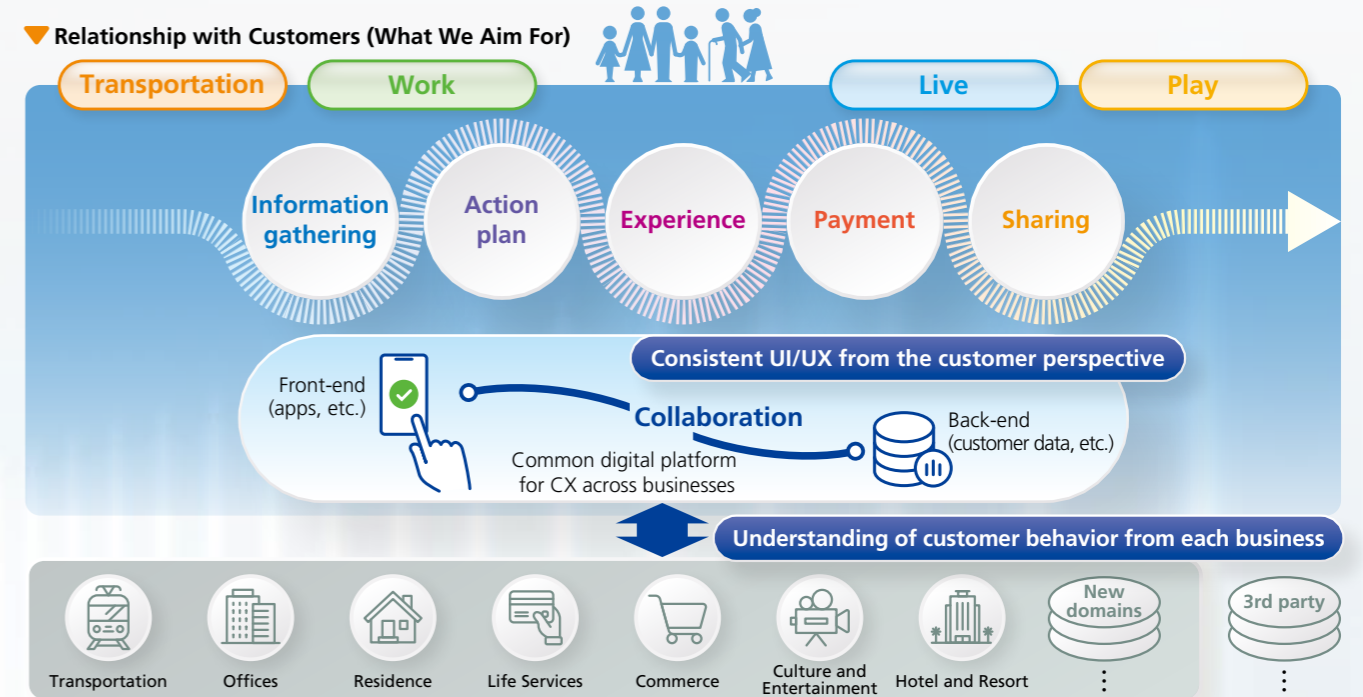
This strategy applies to digital transformation in a broad sense, from digitization and digitalization to digital transformation in terms of services, business model, and corporate culture to achieve competitive advantages by utilizing digital technology.



1 Customer Experience (CX) Initiatives (Indicator) Number of online contact

The relationship with customers we aim for is one that is not based on each business transaction but rather a behavioral basis. We hope to achieve this by developing a uniform UI and UX from the customers' perspective and a common digital platform that

links customer data with their transaction data from each business. In this manner, we will be able to provide a seamless services that are consistent with the consumers' everyday activities in real life and improve CX value.



Our CX Initiatives co-create essential value for customers in the two areas of real and digital based on the three perspectives at right. We believe it is important to bring products and services to customers based on the co-created value, and continue to feed this back to real services each business provides with the data obtained from users of these products and services.

We envision a phased roll out of the City as a Service concept (see page 20), which is currently divided into five phases.

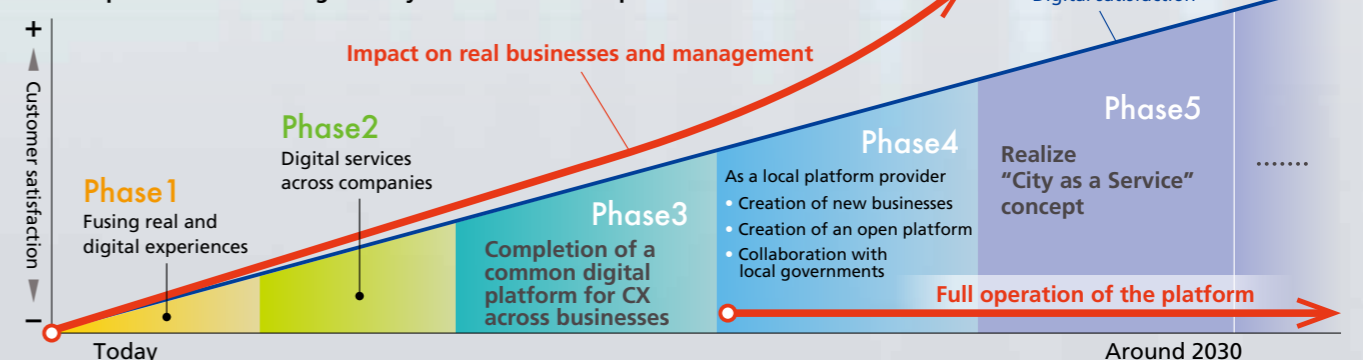
In Phase 1, we will develop CX that integrates with the real world from the refined digital point of contact for each business. In Phase 2, we will provide these experiences to customers in the form of multiple linked services. In Phase 3, we will complete a common digital platform for CX across businesses, which will enable us to provide greater experience-based value based on a deeper understanding of customers. From Phase 4 onward, the

Framework of Initiatives

- Expansion and upgrading of digital customer contact points**
 - Increase "quantity (points of contact)" and enhance "quality" to improve customer numbers and LTV
- Establishing a common digital platform for CX across businesses**
 - Constructing a platform for centralized management and cross-functional utilization of data
- Utilization of data**
 - Cultivate the mindset and culture of utilizing data
 - Enhance data utilization structure

platform will be in full operation, bringing stronger positive impacts to real businesses, and taking us a step closer to achieving the City as a Service concept.

5-step Phase to Achieving the City as a Service Concept



2 Employee Experience (EX) Initiatives

We will thoroughly promote efficiency and sophistication of operations in each company and business using digital technology to devote the time instead toward implementing customer oriented initiatives. This not only applies to the digitalization of general administrative work, but also proactively initiating operational reforms of core business through the use of technology (see page 70 "Introduction of Infrastructure Doctor for Railways" for a case study).

In addition, we support the digital aspects of various work styles, including infrastructure for telecommuting or working in a satellite office and tools for communication. By enhancing the level of satisfaction and experience-based value among employees, we will also improve CX initiatives.

Framework of Initiatives

Sophistication and streamlining of operations

- Organizing emerging business issues and identifying underlying business issues
- Thorough and active utilization of IT to improve business processes

Improvement and diversification of work styles

- Development of IT tools in anticipation of changing work styles

Transformation in each business domain

- Continuous efforts towards business transformation utilizing digital technology

3 IT Environment Development & Governance

(Indicator) Adoption rate of the zero trust model

We have developed decision-making criteria and a verification system for new development projects and maintenance and modification of existing IT systems to ensure we optimize investments from a company-wide perspective. Another aim is to build competitive advantages and reduce future costs by identifying the right IT and development approach. In addition, along with the utilization of cloud data storage and changing work styles, we will begin to shift our internal system environment and firewall-based security measures towards the zero trust model that verifies the safety of each transaction based on zero trust regardless of internal or external environment.

Framework of Initiatives

Optimizing investment

- Reduction of maintenance investment and strategic investment shift (increase value)

Selection of the optimal IT and development approach suited to the goal

- Adoption of new technologies and development methods suitable for each purpose, such as cloud computing, through separation into domains that lead to our competitive advantage and set us apart from other companies, and domains that do not

Adoption of a security model required in a DX age (Zero Trust)

- Development of a secure environment independent of user terminal or location in accordance with the progress of cloud computing and the diversification of work styles

4 Organizational Structure and Personnel Training (Indicator) Ratio of human resources with basic digital skills

DX Promotion Structure

Starting in October 2021, the Group has established the Digital Platform Headquarters as an internal organization aimed at promoting the uniform and full-fledged digitization. We will move forward with IT solutions, marketing, and digital strategies while launching the digital project development team of URBAN HACKS (see page 24).

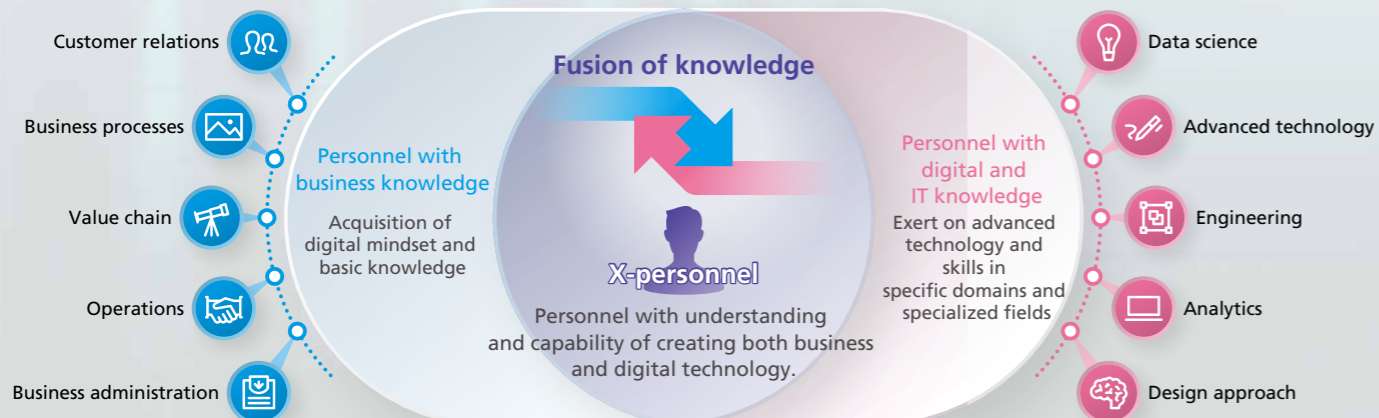
Progress of DX is reported to the Management Meeting and the Board of Directors.

Personnel Training

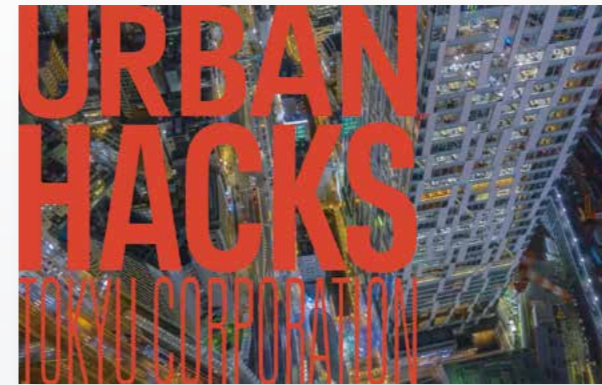
To create a business that fusion of real and digital technologies, it is essential to not only have personnel with business knowledge and those with digital and IT knowledge in each business, but also to have the personnel who can bridge and integrate the two

streams of knowledge (X-personnel). To this end, we have established the Digital Code of Conduct to stipulate the actions, thinking and stance/position (guidelines) when working digitally.

In addition, we are conducting company-wide training to improve the basic digital skills of employees and fostering x-personnel through selection and open recruitment. While we step up our ongoing external recruitment of personnel with digital and IT knowledge, we are also fostering internal personnel with the same skillsets. We will nimbly move the cycle of digital product development and improvement forward by creating an in-house organization of specialists involved development. Through integrating various personnel and optimizing the value chain using digital technology, we strive to improve CX value.



URBAN HACKS – A special digital organization aimed at DX of urban and community development



URBAN HACKS was launched in July 2021 as an in-house development team to explore DX of urban and community development. The name was coined with the intent to resolve business issues in urban settings using the in-depth knowledge of software and systems that we possess. We recruited experts with development experience in the IT and web service industries. As of September 30, 2022, the team has around 30 members.

Message from the Vice President of Engineering (VPoE)

In today's world, life has become much more convenient with the multitude of digital services. The trend of digitalization is a one-way stream that is irreversible. Until something new emerges, we will have to continue working on it. As such, the key point of DX that Group should seek out, as a company that has provided services catering to the lifestyles of customers along the Tokyu Line, is to continuously provide sustainable services through co-creation with its customers. A digital service is never complete. Once it nears completion, it will have become obsolete since the next new service will have emerged. In other words, for a service to carry value and be used repeatedly, it will need to be continuously improved upon according to changes in society and the times.

To that end, we launched URBAN HACKS with the intention of contributing to people and society with our own technology. We recruited digital personnel and developed a structure for streamlined internal development of applications and websites as well as their host systems.

Team members collaborated with personnel of each business to engage in development from a customer perspective and launched the following services this year. By continuing with this effort, we aim to create services that will win customer support across the Group and create new value for the next century.



Vice President of Engineering (VPoE)
Digital Platform Headquarter
Shusuke Miyazawa

Implementation of CX Initiatives

Example 1 ▶ Updated Tokyu Card App

Striving to be an indispensable presence in life

The update includes fixing issues within the existing app and switching to a UI design enabling user operation that is more intelligent and intuitive. In addition to the existing function of looking a credit card statement, we plan to update the app continuously to offer more daily savings by adding media and coupons that are useful to customers.

Image



*The screen is under development

Example 2 ▶ Updated Tokyu Line App

Bringing more convenience and affluence to living along the Tokyu Line

In addition to revising the UI design for train operation information and dark mode compatibility on the top page, we have added a feature to view train operation information in the notification screen without launching the app. Moreover, the app also allows users to choose a bus route by selecting the origin/destination bus stop, as well as view the estimated arrival time at the bus stop, congestion, route, and list of stops until the destination. In the future, we will add more functions to the app that actually benefit users' everyday lives besides checking train operation information.

Image



Example 3 ▶ Release of Tokyu Hotels App

Support for customer comfort

The app features a digital room key that can be used when staying at THE HOTEL HIGASHIYAMA by Kyoto Tokyu Hotel, which newly opened in July 2022. Going forward, we will add more features to improve CX value such as prepayment for hotel accommodations and contactless check-in/out.

Image



Top Commitment

Not Simply Defending
Our Reliability,
but Creating Ever Higher
Levels of Value for 100 Years

高橋 和夫

Kazuo Takahashi

President & Representative Director
TOKYU CORPORATION

The Tokyu Group Centenary

The Tokyu Group marked its centenary on September 2, 2022. We express our thanks to the many stakeholders who have supported us this far.

Over the past 100 years, it has been in our DNA to confront societal concerns and offer new value through urban and community development. With this in mind, we have conducted business on the basis of both development along Tokyu railway lines and in Tokyu operating

areas on the one hand and the expansion of the Tokyu transportation network on the other. Going forward, with the incessant efforts of our predecessors uppermost in our minds, we will respond to changing societal conditions, and undertake to fulfill our mission: to create a beautiful living environments, in which each person can pursue individual happiness in a harmonious society.

Progress of Three-year Medium-term Management Plan (FY2021–FY2023)

Forging Ahead with Structural Reform, in the Black for the First Time in Two Reporting Periods

The Tokyu Group inaugurated its new Three-year Medium-term Management Plan (Medium Plan) in FY2021. To respond to such environmental changes resulting from COVID-19 as declining mobile and transient populations, as well as changes in work styles and lifestyles and diversifications, we are taking transformation as our fundamental policy and treating as our key strategies the strengthening of our business structure in our transportation infrastructure business, responding to new values in our real estate business, changing businesses and services that are corresponding to new lifestyles, and implementing structural reform in each businesses. We strive to restore the scale of our revenues and plan to change over to new growth by means of these strategies.

FY2021 Results and Assessments [▶ See page 35](#)

Trending Toward Recovery While Continually Monitoring External Environment

In FY2021, the first year of the Medium-term Plan, we exceeded planned profits, putting us in the black for the first time in two reporting periods. We attribute this to the fruit of having executed our structural reforms in response to the changing external environment across all of our businesses with a strong determination to return to profitability, in addition to our real estate business performing well. While some unstable elements remained in our hotel and department store-shopping center businesses, all of our businesses are trending toward recovery. FY2021 represented what might be termed our first steps toward restoration of revenues. At this stage, we are at last halfway back to the operating profit that we planned for prior to COVID-19. Additionally, it is incumbent upon us to keep a close eye going forward on the impact that spikes in prices of raw materials, etc. may have on our railway and other retail businesses.

Closer to home, while we are being affected by such situations as telework taking root, I do not interpret this as a negative factor. While commuter pass customers, which are a distinctive feature of Tokyu Railways, have not

recovered to previous levels, we are seeing recovery in customers who do not use commuter passes. We are aware that one factor in this situation is that various working situations have caught on with people as a consequence of COVID-19, and that more and more of our customers are riding our trains without buying commuter passes, deciding in some cases on a weekly or a daily basis where they will be working. In other words, we are seeing a shift away from commuting to given workplaces and toward not necessarily commuting always to the same workplace.

Going forward, we will focus on social conditions and proactively investigate such possibilities as replacing our system of fixed fares with dynamic pricing as one potential option. Additionally, allowing discount returns on books of tickets according to the number of uses of same may also eliminate the need for these tickets. We are considering designs for new product offerings in response to changing work- and lifestyles, such as flexible pricing in response to customer usage conditions.

Structural Reform in Each Business

[▶ See pages 43-50](#)

Speedy Responses Aimed at Securing Corporate Innovativeness

In all of our businesses, we have taken a hard look at the business environment and executed a variety of changes, predicated on living with COVID-19.

Our railway business is undertaking to reduce fixed costs by some ¥10 billion through such measures as utilization of technology, and definite results are emerging. Going forward, we are entering a phase in which we will optimize our personnel assignments, focusing chiefly on one-man driving, in which we have only a driver on our trains, instead of both a driver and a conductor.

In retail business, while what our customers demand of our department stores is ever-changing, further falls in revenues owing to COVID-19 have made it an urgent matter of concern for us to speedily work out a comprehen-

sive plan of response that encompasses both our trading facilities and our retail business.

In hotel business, we are enhancing our revenue structure and also breaking away from the traditional hotel company style of business of having both management and operations under one roof. But thus specializing in hotel operations, we strive for growth in the form of a single-purpose company. We anticipate that the enticement of Swire Hotels, in which we have redeveloped Tokyu Department Store flagship store land to target the wealthy classes, will contribute to transformation in our hotel business in terms of personnel interchange and accumulation of experience as well. Furthermore, we will pursue maximized resource utilization by treating hotel asset management as real estate business.

We also executed numerous organizational revisions in FY2021 so as to carry out these structural reforms. Unlike normal times, we consider it vital that we react promptly and flexibly as appropriate to changing conditions. Our aim going forward as well is to respond speedily to concerns that arise in our processes, with the aim of acquiring the corporate innovativeness that creates new markets while effecting internal reform.

Toward Achieving Our Long-term Management Initiative

Carrying Out Development Suited to the Next Generation, in Response to Changes in Our Times and Our Society

Since its founding, Tokyu Corporation has undertaken to solve societal concerns through urban and community development. For example, when confronted with societal concerns about lack of housing and improvement in living environments in the Tokyo area during Japan's post-World War II period of rapid economic growth, Tokyo Corporation devised a plan for urban and community development that combined the construction of residential districts and transportation corridors that would connect to the present-day Tama Den-en toshi area, and pursued this development in association with the region's residents. The corporate attitude typified by these actions remains the same to this day. We are making steady progress on the Long-term Management Initiative announced in 2019, as well as interacting with ever more diverse and multilayered demand as we envision them in the future beyond said Initiative, toward next-generation self-contained and dispersed urban and community development resulting from a fusion of the real and the digital.

Urban and Community Development that Is Responsive to Environmental Change

▶ See the nexus concept on page 16 and Shibuya on page 32.

Maintaining and Maximizing Community Value

In response to changing lifestyles and evolutions in

Medium Plan Final Fiscal Year Target Disclosures

▶ See page 36

Raising Accuracy of Achievements from Backcast Standpoint

In September 2022, we disclosed our target values for FY2023, the final year of our Medium Plan. While we did not present specific targets when formulating the plan, the environment was established a year after the plan went into effect such that we are at last able to show these targets to you all. Operating profit of ¥70 billion is a challenging number for Tokyu Corporation at present. We are determined, however, to compile anew such matters as where we are deficient and what we must do from a backcast standpoint in order that we may definitely achieve this target, and to increase our accuracy in the remaining reporting periods.

I believe that there is no end to transformation. First of all, while implementing the best-case scenario over this three-year period, we will continue to take on further new challenges thereafter. The current Medium Plan is the starting point for the transformation of Tokyu Corporation.



digital technologies, we are entering a new phase in urban and community development. There are forecasts indicating that places occupying real spaces, such as banks, post offices, and public facilities will be reduced in size through digitization, leading to vacancies opening up in top residential districts near train stations and other locations in time to come. The question that arises is how to use such lands and buildings, and how to convert them into places that people find essential. It is incumbent upon us to collaborate with local peoples and governments. One

instance of such collaboration is making the Yokohama Aobadai Post Office into a site for social interaction. Given the increasing aging of Japanese society, another urgent concern is that of ensuring mobility, such that the elderly may travel freely, and go shopping with ease. It is incumbent upon Tokyu Corporation to shift its thinking about urban and community development.

In January 2022, we inaugurated the nexus concept, which facilitates free and bountiful resident-oriented suburban living. This initiative is an exercise in remaking communities. With COVID-19 as a motivation, more and more people have begun working from home. And the advantages of suburban living are being reconsidered in the light of going out as one pleases becoming more difficult than it used to be. In fact, apartments built in such suburbs as Minami Machida and Chuo-rinkan are selling briskly. The way people think about residences, which had long been a fixed concept, is beginning to change, and to help the gradual spread of such diverse systems of values, in April 2022 Tokyu Corporation opened nexus challenge park HAYANO on a lot some 8000 m² in a luxurious green area along the Tokyu Den-en toshi line. The site is a test bed for new resident-centered urban and community development, and in the five months since commencement, it has achieved some measure of success in terms of community revitalization, as people of all ages have visited, both locals and those from outside the area. Going forward, we will also undertake not only to build community in this town, rediscovering the attractions of the Tama Den-en toshi area, but also making the town more sustainable, by involving people living in the region in carrying out regional development in the traditional meaning of the term.

In the City Center, we are embarking on the ongoing redevelopment of the Shibuya area. In the midst of this long project, by which we mean decades, we achieve changes every decade or so. Shibuya Hikarie was completed in 2012, and we opened Shibuya Scramble Square in 2019. Our focus over the next decade will be walkable urban and community development, as well as urban and community development that offers value. At present, there are few inbound tourists. We believe however, that in terms of focusing on post COVID-19 times to come and offer value to the region and the world, there are limits to simply building buildings and commercial facilities and waiting for tenants to arrive. This approach is becoming increasingly untenable. Ideally, we should collaborate with partners who bring a variety of kinds of knowledge and experience, and carry out projects together with these. In this regard, we anticipate great things of L Catterton Real Estate (LCRE), with whom we are conducting our Tokyu Department Store Flagship Store Land Development: Shibuya Upper West Project.

LCRE was founded by LVMH, owner of numerous luxury brands, and there is much that we can learn from them about deploying global business. Many of their insights about the area including the vicinity of the place in consideration, being a node of Shibuya and Shoto, have given

us pause for thought as well. This outside assessment of Shibuya, a place which we were well used to, has renewed our awareness of the area's value, and given us a strong sense of responsibility for its future. We are undertaking to make both people living nearby and those who are visiting the area feel glad either way.

In recent times, other developers have come to participate in the development of the Shibuya area, a trend that we consider positive, as we anticipate more dynamic progress as a result. At the same time, we also perceive the importance of the rigorous area management that we have long cherished. If the area's orientation should be blurred due to each participant conducting development according to their individual notions, the community's attractiveness would decline. To fulfill our responsibility for the urban and community development of Shibuya, the most critical site for the Group, we will further strengthen our functional collaborations with concerned parties, including government, going forward.

Spiritual enrichment and Promotion of Culture

With regard to Tokyu urban and community development, we set great store by achieving spiritual enrichment, and also continually undertake expanded entertainment and promotion of culture and the arts.

Continuing our discussion of Shibuya, we are planning a redevelopment in union with the culture and arts of our Bunkamura combined cultural facility. In addition, we plan to open Tokyu Kabukicho Tower, a combination of live theater, movie theaters, live music halls, and hotel, in April 2023, on the site where the Shinjuku TOKYU MILANO once stood. We believe that by preserving and fostering Japanese culture and arts, this area will evolve into a community that will attract interest the world over.

Putting Sustainable Management Policy into Practice

▶ See pages 62-65

Tokyu Corporation Sustainability, Carried Out Together with Our Customers

In March 2022, Tokyu Corporation unveiled its Environment Vision 2030. Urban and community development has no small impact on the natural environment. We believe, however, that developing communities that reduce such impact and harmonize with the environment puts livable urban and community development into practice.

The future is born of the accumulation of present-day lives. That is to say, we are joined to the future by the presence of our actions and our communities. We are accelerating our initiatives toward achieving a decarbonized recycling-based society where anyone can opt for activities in their daily lives that are good for the environment, without incurring extraordinary burdens in the process. As part of these efforts, in April 2022 we commenced operations in which 100% of the electricity used on the entire Tokyu Line will be derived from renewable energy sources. This is the first initiative in Japan for converting the electricity

consumed in the operations of an entire rail line to be effectively carbon-neutral. We began 100% renewable energy operations with the Setagaya Line in 2019, and have since expanded this initiative to our entire rail network. We are aiming to reduce CO₂ emissions on a consolidated basis by 46.2% from 2019 levels by 2030, and to become carbon-neutral by 2050. We will accomplish these goals by further proceeding with other energy conservation measures across all our business sectors, such as modernizing our train carriages, driving our trains in an ecologically sound manner, switching to LED lighting fixtures, and increasing the efficiency of our operating infrastructure.

Driving the Digital Transformation

▶ See pages 21-24

Urban and Community Development Digital Transformation: Leveraging an Abundant Business Foundation

Digitization will be essential to driving urban and community development and sustainability going forward. In order to efficiently and efficaciously drive the digital transformation across our entire Group, we at Tokyu Corporation established a new dedicated Digital Platform Headquarters in October 2021, with URBAN HACKS, a team that promotes in-house development of digital projects, acting

Strengthening Our Business Foundation

Maximizing Individuality, Making Employee Safety and Security the Foundation for Growth

We are undertaking to enhance our Human Capital, as the motive power for our transformation. The point of this effort is to maximize individual diversity. We believe that increasing individual ability and drawing on that ability to drive company growth is the foundation for achieving sustainable growth in ever-changing societal conditions. Beginning in FY2021, we have structured quarterly one-on-one meetings between managers and subordinates, making it a point of policy to organizationally support ideas and opinions of each and every employee. We are also taking on the reformation of our human resources policies and job rotations. One distinguishing characteristic of Tokyu Corporation is the degree to which our male employees take childcare leave, which stood at 88.9% in FY2021. When I was head of our Corporate Planning Headquarters some six to seven years ago, it was noteworthy among Japanese corporations that childcare leave had already been generally accepted among our male employees. We are further extending these policies, such as by establishing a come-back program whereby employees who have left the company whether for maternity, childcare, or caregiving to family members, as well as for schooling with self-improvement as a goal.

under the direct control thereof. This dedicated team is assembling highly IT-literate personnel, with recruitment of outside digital transformation personnel at the core of this hiring effort. By fostering interaction with personnel who are knowledgeable about Tokyu Group business, we will also add to our X-personnel, who are capable of comprehending and co-creating both our businesses and digitization. Going forward, we will leverage the approximately 5.5 million residents in areas served by Tokyu railway lines and the approximately one billion Tokyu Line passengers to optimally unify the Group's wide-ranging real-world services with digital experiences. In this way, we will drive our Urban and Community Development Digital Transformation by offering services and applications that cut across all of our business sectors for such areas as living, work, and entertainment.

This is only the beginning of Tokyu Corporation's engagement with the digital transformation. For this reason, we cannot anticipate significant effects on improvement in our results in the near term. However, our plans call for carrying out agile development on the basis of customer feedback looking forward to today rather than yesterday, and tomorrow rather than today, while also concentrating on rigorous customer-centric design and speedy commercialization. It should also benefit the Group as a whole to study such new ways of carrying out projects.

Corporate Responsibility for Safety and Security Safety in the Workplace Environment

Conversely, further improvements are needed in the workplace environment. In FY2021, I made an inspection tour of many of our workplaces. I came away with a sense of the importance of ensuring employee safety and security. The work of the Group involves many instances of real-world contact with customers, whether in transportation, retail, or hotels. I am especially grateful to our employees for dependably fulfilling their tasks during the COVID-19 epidemic. The foundation of the Group is safety, and the security that arises therefrom. I consider this to be a responsibility that we have to our employees as well as our customers. A decade or so ago, areas for employees to take naps at Tokyu train stations amounted to small slots where futons were laid down. Feeling that this would not do, I have had the experience of renting apartments off station property and turning them into rest areas for station staff. Bearing in mind adaptation to changing times, I feel that there is yet room for improvement in all workplaces, not just on our railways. This is just one exam-

ple. The safety and security of our customers arises from our employees being in environments where they are able to work safely and securely. It is also important to mentor personnel who are able to act in a safety-first manner. Tokyu Railways opened a Safety Co-creation Hall in 2021 for education on this subject. I feel that this facility has great added significance in that we should not let the accident that happened on the Tokyu Line in 2014 fade from memory. There are more and more employees nowadays of ages who do not know of the collision that happened then. That proportion will only increase with the passage of time. Each and every one of our employees, as a Group with responsibility for the lives of others, continues to study and consider how best to impart facts and memories of the accident to future generations, and ensure that it does not happen again.

Fomenting a Corporate Culture of Incessant Challenge

▶ See page 54

Exchange of Diverse Value Systems Through Dialogue

Moreover, as Tokyu Corporation approaches its centenary,

Toward the Next 100 Years

Fulfilling Tokyu Group's Responsibility for Operating Reliably Together with Local Regions

Having received the hand-off of the baton of our centennial, I strongly feel anew the presence of all of the "fans" of Tokyu. Additionally, Tokyu Corporation has been the recipient of much confidence from our customers and many other stakeholders. I have a renewed sense of our obligation to definitely meet these expectations.

In order not simply to defend the relationship of trust that Tokyu Corporation has built up thus far with our customers, but to sublimate same, we will offer ever higher levels of value. To this end, it is incumbent upon each and every employee to examine anew the value of the confidence placed in Tokyu, to render the future from a global viewpoint, and take actions oriented toward further value-added. In this manner, as a strong collective in which individuals are gathered who think seriously about the societal value that Tokyu offers, we will undertake urban and community development that will be adored by people around the world. Moreover, in order to continue being a presence of which people in local regions will say, "If you have a problem, take it up with Tokyu," and to live up to our group slogan of "Toward a Beautiful Age," we will

we are also undertaking to foment a corporate culture oriented toward the next generation. In FY2021, we inaugurated a dialogue project which took as its theme the building of an ever-inquiring organization. In the course of this project, at training camps by top management, a fair amount of time was taken to have frank discussions. I feel that this time was highly significant, in the sense of, in addition to having typical workplace conversation, we came to know one another's individual thoughts and obtain awareness, and were thereupon able to disseminate our own ideas. At the fourth and final such event, we took inquiries on what is required of us now for the sake of the company going forward. And we heard not only from top management, but also from employees of manager and assistant manager rank. These generations, who will carry the company in times to come, made bold recommendations, and the company officers who heard them expressed various opinions of their own, resulting in profound dialogue. At present, we are handing off the particulars of this series of debates to subcommittees, which are examining them with the intent of applying them to specific strategies.

strive for urban and community development capable of making people feel the comfort that is born of harmony as well as personal happiness, fulfilling our responsibilities to the regions we serve and all of our stakeholders. Please join us in looking forward to the future, to the next 100 years, of the Tokyu Group.



Tokyu Group 100th anniversary celebrations

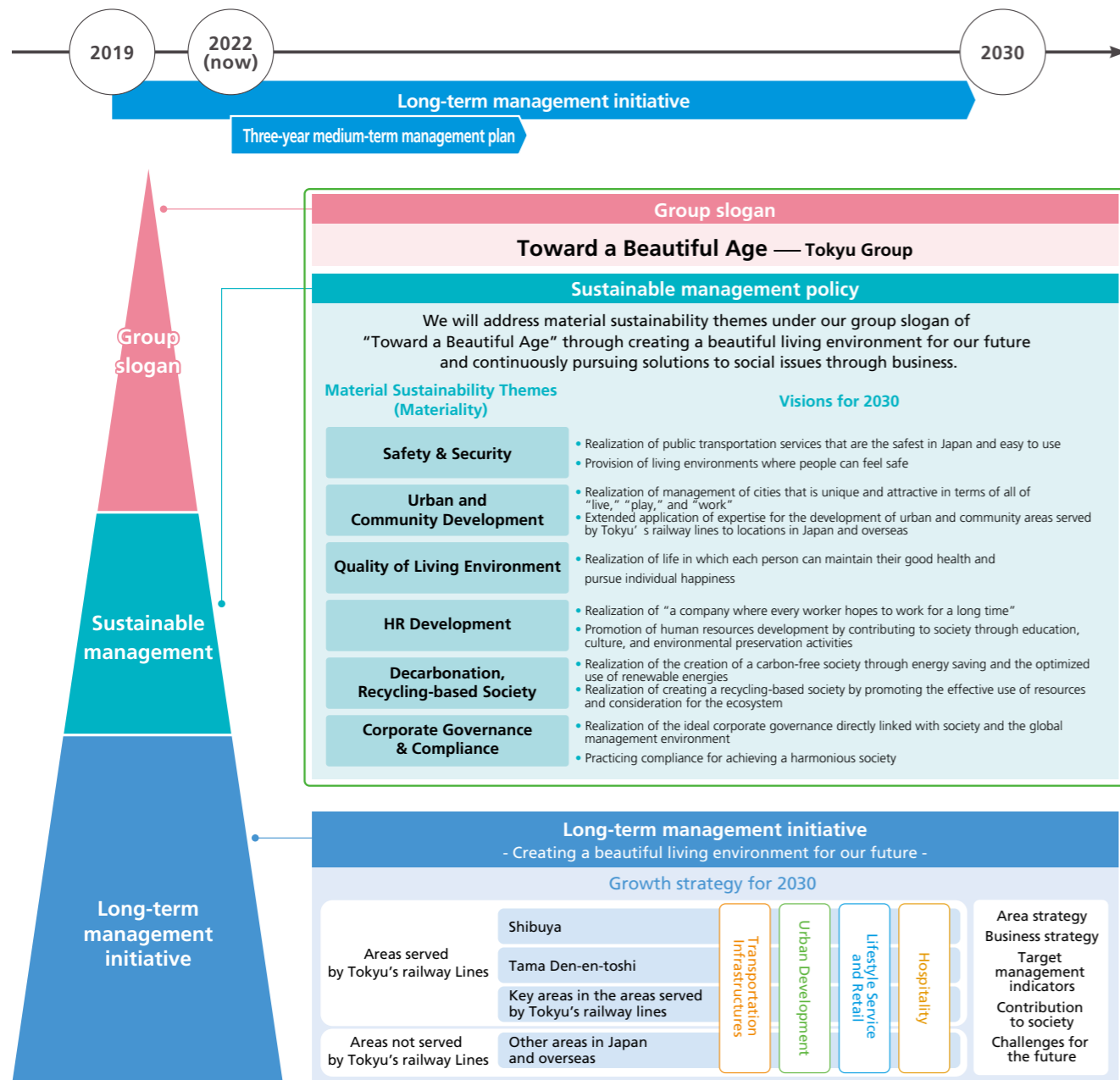
Management Strategy and Achievements

In September 2019, the Company announced its long-term management initiative for 2030. In May 2021, even in face of the COVID-19 pandemic, we formulated a three-year medium-term management plan (FY2021-FY2023) in light of changes in the business environment, while promoting initiatives for the long-term management initiative.

Long-term Management Initiative

Digitalization, demographic changes and other social changes are accelerating, and our business environment is undergoing significant changes like never before, including the actualization of climate change risks. In this environment, we formulated a long-term management initiative in September 2019 to speed up efforts to optimize group management and clearly indicate Tokyu's visions for the future and the direction in which Tokyu will go.

In addition, in FY2020, society underwent dramatic changes due to the COVID-19 pandemic. Despite these circumstances, our vision for the future remains unchanged, and under the Group slogan "Toward a Beautiful Age," we will continue to tackle important sustainability themes and implement a Long-term Recycling-based Business Model.



Growth Strategy for 2030

- Transportation Infrastructure (Transportation Segment)**
 - Pursuing safety in our railway business, achieving both high-order public-spiritedness and profitability
 - Creating next-generation transportation infrastructure businesses including the airport operation business and the MaaS business
- Urban Development (Real Estate Segment)**
 - Promoting urban and community development that is unique to the Tokyu Group
 - Evolving from the real estate business to urban management
- Lifestyle Service and Retail (Life Services Segment)**
 - Enhancing the competitiveness of each individual business; pursuing synergy with the real estate business
 - Providing functions for improving the values of the areas served by Tokyu's railway lines and the lives of people in the areas
 - Conversion of the business structure and improvement of profitability through cooperation among the Tokyu Group and alliances with companies outside the Group
 - Provision of new experiences to customers and improving productivity by introducing new technologies
- Hospitality (Hotel and Resort Segment)**
 - Hotel business brand improvement appealing to the global market and the next generation
 - Cultivating new business domains
 - Value chain and supply chain rebuilding in response to a changing environment

Toward the Future of Shibuya

Greater SHIBUYA 2.0
Offering a Shibuya-style urban life
Work Flexible, Play Touchable, Live Switchable, Digital, Sustainable

Development Plan
Expansion of development area to the area surrounding the station
Creation of an axis of liveliness that will become a symbol of Entertainment City SHIBUYA

Shibuya Upper West Project

- L Catterton Real Estate proceeding together with Tokyu Department Store
- Termination of Tokyu Department Store flagship store operation planned for January 31, 2023
- Uses to include retail, hotels, residences
- Construction scheduled for FY2027 completion

Shibuya 2-chome 17 district Urban redevelopment project type1

- Use: Offices, stores, parking, etc.
- Opening: First half of FY2024 (scheduled)

Shibuya Scramble Square

- Use: Offices, stores, observation facility, etc.
- Opens: Phase I November 2019 Phase II FY2027 (scheduled)

Development in five blocks in the central station area
Steady implementation of the ongoing redevelopment plan

Basic Policies of Three-year Medium-term Management Plan

The basic policy of this management plan is transformation, and by responding to the changes in the business environment accelerated by COVID-19 and promoting structural reforms, we aim to restore the scale of our earnings and position the next three years as a turning point for new growth.

To achieve this transformation, we have set four key strategies: strengthening the business structure of the transportation infrastructure business, supporting new values in the real estate business, evolving into businesses and services that respond to new lifestyles, and promoting structural reforms in each business.

Basic policies “変革 (Henkaku)”: Revenue recovery and growth by responding to changes in the operating environment

Aim to restore the revenue level by responding to current changes in the operating environment and implementing structural reforms and other measures, and positioning the current period as “the turning point to new growth”

Revenue recovery

- FY2021: Secure operating profit of 20 billion yen
- Achieve a steady profit recovery in each business

Maintenance of financial health

Interest-bearing debt / TOKYU EBITDA* multiple
Aim for 7x level

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

Changes in Value Demanded

We will capture signs of medium to long-term paradigm changes based on changes in society, including behavior and needs, and build strategies for each business to achieve sustainable growth.

In response to changes in lifestyles and society, such as an increase in the number of hours spent at home and a decrease in commuting to work in the city, we believe that we need to shift from a business structure based on the traditional concept of “suburbs as the center for housing and urban centers as the

center for office and commercial activities” to a business development based on the concept of self-contained and dispersed urban structures that capture diversifying and multilayered needs, which will lead to growth in each of our businesses.

In addition, we will stimulate demand for intra-regional travel by arranging functions for work, living, and play at the stations along Tokyu’s railway lines that serve as transportation nodes.

Increase in time at home

Changes in lifestyles

Decrease in urban commuters

Diversification of values

Home to nearest station (Small areas)

Tokyu areas (around traffic hub stations)

Urban areas (Wide areas incl. Shibuya, Yokohama, etc.)

Improve quality of time/space at home

Highest level in Japan
Providing houses and communication facilities meeting new demands, IENAKA (in-home) solutions, and convenience of proximity to train stations

Stimulate demand for intraregional travel

As a symbol of areas served by Tokyu’s railway lines
Area branding and building complexes
Revitalization through the functional placement of work, living, and play and invitation of industry-government-academia collaboration

Create charm that can only be experienced physically

Admired by people around the world
Development of foreign based cities
Proposal for urban lifestyles (improved residence functions) Entertainment, communication, and emergence

Shift to business development based on the concept of self-contained and dispersed urban structures

We will no longer have the conventional single-axis structure of “homes = suburbs,” and “offices and commercial space = city center,” but will instead steadily capture the diversifying and multilayered needs of our customers and link them to the growth of each business.

Key Strategies of Three-year Medium-term Management Plan

Strengthen business structure in the transportation infrastructure business

We will pursue safety and security, aim to achieve both public benefit and profitability at high levels, reform operations using technology, and strengthen the business structure.

Reforming operations
(Expanded one-man driving, etc.)



Increasing convenience
(Tokyu Shin-Yokohama Line scheduled to open in March 2023)



Respond to new values in the real estate business

Implement Tokyu’s unique urban development that will create social values, which will play a central role in consolidated business profit, and raise profitability to drive profit growth.

Implementation of the Shinjuku redevelopment project
Evolving to urban management (Efforts for self-contained and dispersed urban structures (Project advancement in Vietnam, Thailand, etc.)
Promotion of overseas urban community development (Project advancement in Vietnam, Thailand, etc.)



Upgrading business and services to accommodate new lifestyles

Raise the competitiveness of each business by providing services corresponding to environmental changes and contribute to consolidated profit.

Selective implementation of strategic investments (Participation in the 5G base station sharing business, etc.)

Individual 5G measures by telecom carriers

5G measures through base station sharing



Secure shares in new markets where rapid changes in working styles are perceived (Shared office business for corporate members, etc.)

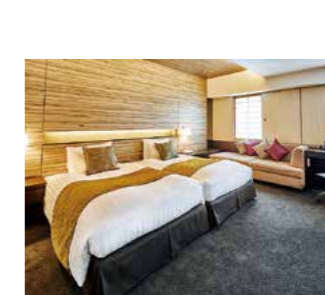


In the face of a super-aging society, we provide one-stop services that accompany the future lives of customers (Tokyu Lavie)

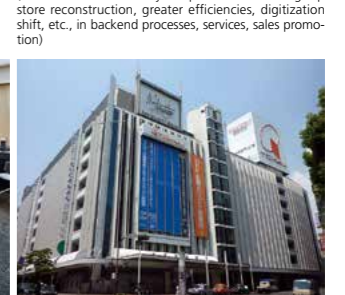


NW NewWork

Structural reform of the hotel business
(Increase profitability, change channels according to environmental changes, etc.)



Structural reform of department store business
(Commencement of Tokyu Department Store flagship store reconstruction, greater efficiencies, digitization shift, etc., in backend processes, services, sales promotion)



Improve consolidated management

- Optimization of management system of provision of one-stop real estate management and administrative functions
- Strengthened consolidated human resources management
- Rebuilding consolidated business portfolio

Investment Plan and Shareholder Returns Policies

We will review and re-examine our investment plans according to our business performance, with an awareness of financial health. We will steadily implement investments in safety, maintenance and renewal, ongoing large-scale projects in Shinjuku and Shibuya, and investments related to structural reform.

Our approach to shareholder return is to aim for a dividend payout ratio of 30% or more in the medium to long-term, and we plan to pay an annual dividend of 15 yen for the current fiscal year.

Investment plans

Steadily implement safety and maintenance/renewal investment, large projects in progress, and investments related to structural reforms

Concept of shareholder returns

Continue stable dividend payments and aim for a dividend ratio of 30% or more in the medium to long term, with an awareness of the total return ratio

Medium-term Management Plan First Fiscal Year (FY2021) Results

FY2021 was the first year of the Three year Medium term Management Plan, which aims to respond to changes in the business environment and restore earnings through structural reforms.

FY2021 results and concerns

Results

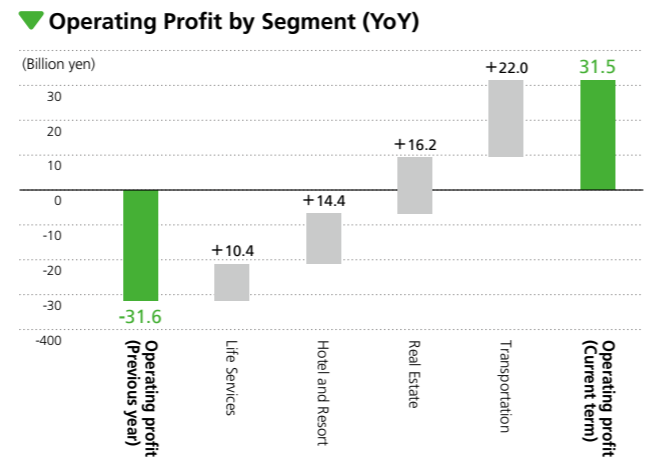
- Despite difficult circumstances, including the COVID-19 pandemic, we engaged with our business determined to avoid sustained losses, and achieved profit targets chiefly through contributions of real estate sales
- Turning to policy, there was progress in key strategies for all businesses. Examples include the following. A path to a strengthened business structure for Tokyu Railways began to emerge, including fare revisions and operating reforms. In terms of urban and community development, there was progress in initiatives based on self-contained and dispersed urban structures

Concerns

- In our hotel business, it is incumbent upon us to fundamentally restructure our business functions and enhance competitiveness with renewed growth as our goal, in order to respond to market volatility risks that are expected to continue growing in times to come, as well as a recovery in demand from inbound as well as outbound customers that is anticipated in the post COVID-19 era

FY2021 Financial Results

	Result	YOY change
Operating revenue	879.1 billion yen	-56.8 billion yen (-6.1%)
Operating profit	31.5 billion yen	63.2 billion yen (—)
Recurring profit	34.9 billion yen	61.8 billion yen (—)
Profit attributable to owners of parent	8.7 billion yen	65.0 billion yen (—)



*A year-on-year increase of 97.5 billion yen in revenue before the application of the Standard for Revenue Recognition

<Primary YoY change factors>
 Profit attributable to owners of parent increased 65.0 billion yen year-on-year, due to the posting of a gain on sale of fixed assets as well as Increase in operating income and improvements in losses in all segments including the Real Estate Business segment in which the sale of a large-scale property contributed.

Medium-term Management Plan Year Two (Published May 13, 2022)

Our guidance is for operating revenue of ¥937.0 billion (up ¥57.8 billion YoY) with increases across all segments. Our guidance is for operating profit of ¥40.0 billion (up ¥8.4 billion YoY). Increased 8.4 billion yen because a decline in profitability in the Real Estate

Business due to the absence of the sale of a large-scale property recorded in the previous year was more than offset by increases in profit and improvement in losses in the other segments.

Assumptions for forecasts

- The direct impact of the COVID-19 pandemic will continue up until the end of the first half of the fiscal year, after which no restrictions owing to new spread, etc. are expected
- With regard to inbound tourism, demand is not expected
- Changes in the external environment, such as soaring energy prices, have been reflected in individual businesses. If there is additional impact, measures including cost control will be taken within the expected scope
- With regard to cost reductions, we will continue to make reductions for businesses that carry out structural reforms, and increase the ratio of constant necessary reductions

Fund

- Based on the three-year medium-term management plan, we will steadily implement safety and maintenance/renewal investment, large projects in progress, and investments related to structural reforms for each business
- With regard to the acquisition of real estate for sale, we will continue to purchase good properties while assessing real estate market conditions with a view to generating stable profits
- Capital expenditures will temporarily increase to 158.8 billion yen due to the completion of the Tokyu Kabukicho Tower and other factors, and the level of interest bearing debt will temporarily increase, but through FY2023, the Interest bearing debt / Tokyu EBITDA multiple will remain at 7 times range due to a recovery in profitability and other factors

Shareholder returns

- Annual dividend is expected to be 15 yen per share
- We will continue to flexibly consider the acquisition of treasury shares, etc., taking into account trends in funds and profit levels

Primary Management Indices

	FY2019 results	FY2020 results	FY2021 results	FY2022 forecast	FY2023 target
TOKYU EBITDA*	176.5 billion yen	74.7 billion yen	128.3 billion yen	140.9 billion yen	170.0 billion yen
Operating profit	68.7 billion yen	(-31.6 billion yen)	31.5 billion yen	40.0 billion yen	70.0 billion yen
Interest-bearing Debt/TOKYU EBITDA* multiple	6.5 times	15.8 times	9.3 times	9.0 times	7 times level
Reference: Interest-bearing debt	1,151.0 billion yen	1,182.1 billion yen	1,195.7 billion yen	1,275.0 billion yen	—
Reference: Capital expenditures	205.2 billion yen	106.3 billion yen	117.4 billion yen	158.8 billion yen	—

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

Report on Progress Toward Grand Opening of Tokyu Kabukicho Tower (Scheduled for April 2023)



Tokyu Kabukicho Tower, the development whereof we have been carrying out together with Tokyu Recreation Co., Ltd. in the Kabukicho area of Shinjuku, will have its grand opening in April 2023.

The concept of the Tower is the creation of a venue to master one's "likes." This facility will be a multi-purpose skyscraper, some 225m in height, with 48 stories aboveground, five stories belowground, and one penthouse story. It will consist of such entertainment facilities as hotel, movie theaters, live theaters, and live music halls, under the concept of "creating a place where what you like is the rule."

This facility, utilizing its characteristics as a composite hotel and entertainment facility, seeks to produce new stories and lifestyles for guests by creating new interests under the concept of "discover-grow-flutter."

This creates a venue that gives guests opportunities to find new interests and emotionally connect with passions and thoughts about these interests, achieving Entertainment City Kabukicho as a new globally-oriented site for urban tourism.

KABUKICHO TOWER TOKYU

[39th-47th Floors] "BELLUSTAR TOKYO"
 • 97 Suites
 *Restaurant and Bar on the 45th Floor

[18th-38th Floors] "HOTEL GROOVE SHINJUKU"
 • 538 Suites
 *Restaurant and bar on the 17th floor

1st-5th Floors: Entertainment and Restaurants

- 5th Floor: Wellness entertainment factory, SHINJUKU MILANO 05 LLC.
- 4th Floor: Next generation attraction factory, Sony Music Entertainment (Japan) Inc.
- 3rd Floor: Amusement Complex, Bandai Namco Amusement Inc.
- 2nd Floor: Entertainment Food Court, HAMAKURA PRODUCE INC.

*Principal tenants as of August 2022

17th-47th Floors: Hotels and Restaurants

- 39th-47th Floors: "BELLUSTAR TOKYO"
- 18th-38th Floors: "HOTEL GROOVE SHINJUKU"

9th-10th Floors: Movie Theaters

- "109 Cinemas Premium Shinjuku"

6th-8th Floors: Stage Theaters

- "THEATER MILANO-Za"

B1-B4 Floors: Live Music Halls

- "Zepp Shinjuku (TOKYO)"

Note that perspectives, paths, etc., shown are all conceptual. All may be subject to change going forward.

Environmental Changes, Risks and Opportunities

To achieve a Long-term Recycling-based Business Model that creates new value through taking on social issues, the Group utilizes the wide range of management resources in our possession while being aware of the external environment, and responds appropriately to the important risks and opportunities.

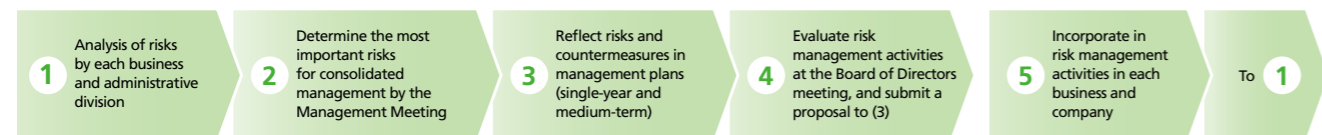
External Environment	Internal Environment/Major Management Resources (as of March 31, 2022)	
Decrease in people traveling and meeting due to COVID-19	(Natural Capital) Lush nature through well-planned urban and community development	Urban landscape that systematically incorporates lush greenery and nature Promotion of decarbonization and energy creation along Tokyu's railway lines ▶ See pages 62 to 68
Accelerated transition and diversification of work and life styles	(Human Capital) Innovative corporate culture and maximizing the diversity of individuals	Number of employees (consolidated) 24,364 Percentage of female managers (Tokyu Corporation) 8.9% ▶ See pages 51 to 56
Shrinking population, declining birthrates and an aging population, and their regional disparities	(Intellectual Capital) Knowledge enhanced by accumulated experience and new challenges	Accumulation and utilization of knowledge, acquisition of new knowledge Effective use of DX ▶ See pages 21 to 24, 57 to 58
Rapid shift to a decarbonized society at the global level	(Manufacturing Capital) Revenue-generating infrastructure for "work," "live," and "play"	Number of Tokyu Railways stations and passenger carriages 97 stations, 1,211 passenger carriages Office building space for lease Approx. 358,000 m ² Number of (directly managed) satellite shared office facilities 103 Department stores 6 Shopping centers 34 Supermarkets 91 Tokyu Hotels 43
Rapid development of digital technology	(Financial Capital) Stable financial base through accumulation of profits and a long-term perspective	Operating cash flow ¥85.5 billion Equity ratio 28.4% Interest-bearing debt / TOKYU EBITDA multiple* 9.3 times Long-term senior debt rating AA- (JCR) A+ (R&I)
	(Social and Relationship Capital) Trusting relationships with partners through urban and community development together with communities	Number of TOKYU POINT members 2.86 million Number of Tokyu Lines Application downloads 830,000 Number of households connected to cable television 1.17 million Number of Tokyu Hotels Comfort Members 740,000 ▶ See pages 59 to 60

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

Risk Management Process

The Group periodically reassesses its awareness of risks and the status of risk mitigation efforts through the following processes, and strives to avoid the occurrence of risks and minimize their impact if they do occur.

Annual Management Cycle



Risks and Opportunities







Most important risks	Major risk scenarios	Opportunities	Response
Urgent Risks associated with responding to changes in the business environment	Risk of difficulty in securing profits and continuing business due to delays in responding to the new normal and accelerated digital transformation triggered by the COVID-19 pandemic, and misjudgment of demand and business potential forecasts	<ul style="list-style-type: none"> Expansion in demand for suburban offices and satellite shared offices Expansion in demand for urban infrastructure and services utilizing AI and IoT technologies 	<ul style="list-style-type: none"> Early identification of trends in business performance and signs of changes in business performance, and prompt decision-making and monitoring Structural reforms in each business, reducing the break-even point Appropriate portfolio management in line with the business environment
	Risk of deterioration in financial conditions due to turmoil in financial markets, deterioration in the interest rate environment, downgrades, etc.	<ul style="list-style-type: none"> Creation of demand for intra-regional travel and expansion of MaaS and other services Expansion in demand for experiential value and IENAKA (in-home) services through changes in consumer behavior 	<ul style="list-style-type: none"> Flexible control of funds on a consolidated basis and control of procurement risk by fixing interest-bearing debt for a long period Improvement in the ability to raise funds flexibly through the use of short-term financial markets, including the use of commercial paper Promoting ESG initiatives to capital markets and issuing ESG Bonds
	Risk of a decline in profitability due to a sharp rise in procurement costs caused by fluctuations in various market conditions and an increase in the burden of CO ₂ emission-related expenses	<ul style="list-style-type: none"> Urban and community development with an eye on demographic changes in each area Expansion in demand for decarbonization and circular transportation, urban infrastructure, and life services Expansion in opportunities for ESG investment and green recovery investment 	<ul style="list-style-type: none"> Promoting decarbonization in business Value engineering and cost management taking into account possible increased energy costs, etc., caused by geopolitical problems including the Ukraine problem, etc.
	Risk of dramatic changes in market conditions due to changes in taxation and other administrative policies in the areas we do business in		<ul style="list-style-type: none"> Formulation of medium- to long-term business operation policies in light of market conditions and changes in political, economic, and legal systems Maintaining and improving the ability to attract customers to facilities by improving convenience, providing an attractive tenant mix, and creating buzz
Urgent Risks associated with the spread of new infectious diseases	Risk of significant contraction of economic activities due to voluntary restraint of movement following the reemergence of COVID-19 and the spread of new infectious diseases	<ul style="list-style-type: none"> Increase in demand for new services and products to prevent infection and meet new lifestyles 	<ul style="list-style-type: none"> Development of new concepts and reforms in each business, and review of business strategies Lowering the break-even point by reducing fixed costs Gaining an understanding on market trends in each business and bankruptcy risks of business partners and taking measures to protect them
	Risk of temporary difficulty in continuing operations due to factors including outbreaks of infectious disease clusters at business sites in which we operate and restrictions on attendance		<ul style="list-style-type: none"> Promotion of diversification of work styles, including telework and telecommuting, and maintenance and improvement of infrastructure in preparation for remote work Thorough measures to prevent infection in the office
Risks regarding response to safety management	Risk of being unable to provide services due to damage to facilities and interruption of business and services due to climate change, earthquakes, and other natural disasters	<ul style="list-style-type: none"> Improvement of social and area value through safer and more resilient transportation and urban infrastructure 	<ul style="list-style-type: none"> Strengthening of response capabilities, including the establishment of cooperative systems among consolidated companies in the event of natural disasters or the spread of infectious diseases Assessment of loss and social impact of climate change and countermeasures (prevention and damage minimization) Improving the effectiveness of risk financing such as earthquake insurance and commitment lines
	Risk of loss of trust in services and facilities as well as compensation for damages due to accidents caused by human error		<ul style="list-style-type: none"> Collection of information on the occurrence of accidents, and thorough and accurate dissemination of information to related parties to prevent the recurrence of similar incidents
	Risk of being unable to provide services due to damage to facilities, death or injury of customers, etc. caused by external factors such as terrorism, etc., as well as the risk of loss of public trust in the services		<ul style="list-style-type: none"> Implementation of various measures in anticipation of disasters caused by terrorism and other illegal acts, as well as problems due to other reasons
Risks regarding compliance	Risk of loss and damage to public trust in the company due to the discovery of compliance violations, serious errors or irregularities in accounting or other processing, or deficiencies in information management, including IT security	—	<ul style="list-style-type: none"> Efforts to improve compliance awareness Optimization of consolidated accounting system, standardization of operations through common accounting system for domestic consolidated companies Implementation and improvement of external security assessments, response training for cyber-attacks, and subscription to cyber insurance
Long term Risks regarding working styles and securing of human resources	On the back of a decrease in the working-age population, risk of not being able to secure adequate human resources, which could lead to deterioration in service quality, business contraction, and illegal employment	<ul style="list-style-type: none"> Securing human resources by realizing a company where every worker hopes to work for a long time through the promotion of job satisfaction, ease of working, and health management 	<ul style="list-style-type: none"> Strengthening recruitment and training of human resources on a consolidated basis and promote utilization of human resources within the Group Providing diverse and flexible working styles that do not depend on regular, full-time workers Three-year Medium-term Management Plan Personnel Strategy Concept (See page 51)

Please see "Climate change risks and opportunities" on pages 66 to 68 for details.

Material Sustainability Themes (Materiality)

As the Group's business areas span a wide range, we see social issues to be addressed as a priority by us from a macro perspective. We formulate our six material sustainability themes as a framework for disclosing the state of our initiatives to the public.

* If the scope is not stated, Tokyu Corporation is the target

Material sustainability themes	Social issues to face	Visions for 2030	Initiatives to achieve visions	Approach to setting indicators	Key indicators	FY2021 results	FY2023 target
Safety & Security 	<ul style="list-style-type: none"> Concentration of population in urban areas, aging population, people without public transport access Terrorism and cybercrime; natural disasters and climate change Spread of new infectious diseases Labor shortages 	<ul style="list-style-type: none"> Realization of public transportation services that are the safest in Japan and easy to use Provision of living environments where people can feel safe 	<ul style="list-style-type: none"> Prevention of accidents Alleviation of congestion rate during peak hours Realization of transportation services which people can feel safe using Minimization of disaster risks Ensuring food safety Personal information protection and management 	<ul style="list-style-type: none"> Safety is the most important mission in the transportation business. Each company in the transportation business sets and monitors indices for accident prevention. We will continue to monitor the peak hour congestion rate under the new normal. 	<ul style="list-style-type: none"> Number of operating accidents and transport disruptions attributable to the company (Tokyu Railways) <ul style="list-style-type: none"> Railway accidents Incidents Transportation disruptions Peak-hour congestion rate (Ikejiri-Ohashi to Shibuya) [Tokyu Railways] 	<ul style="list-style-type: none"> 0 cases 0 cases 8 cases 112% 	<ul style="list-style-type: none"> 0 cases 0 cases — Monitoring Indicators
Urban and Community Development 	<ul style="list-style-type: none"> Decrease in working-age population, declining birthrates, and an aging population Response to diversification of lifestyles and working styles Response to new technologies such as AI and IoT Climate change, natural disasters, and a recycling-based society Inbound visitors Response to rapid growth of emerging nations (medical, transportation, living environment) 	<ul style="list-style-type: none"> Realization of management of cities that is unique and attractive in terms of all of "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 	<ul style="list-style-type: none"> Shibuya redevelopment Next-generation suburban development, nexus concept Development of domestic locations outside the areas served by Tokyu's railway lines Airport management business (regional invigoration) Overseas urban and community development (improvement of environment for housing, transportation, education, medical care, etc.) 	<ul style="list-style-type: none"> In order to realize self-contained and dispersed urban structures, we will promote the functional arrangement of work, live, and play. We are monitoring the demographic trends (population increase/decrease, age structure, etc.) along Tokyu's railway lines as one of the result indicators for creating attractive communities. 	<ul style="list-style-type: none"> Number of users of NewWork shared satellite offices per month Annual number of consultations with the residence and living concierge (including consultations on measures to deal with vacant houses, etc.) Population growth rate in 17 municipalities along Tokyu's railway lines*1 	<ul style="list-style-type: none"> 13,896 people 1,380 cases +0.226% 	<ul style="list-style-type: none"> 25,000 people 2,500 cases Monitoring Indicators
Quality of Living Environment 	<ul style="list-style-type: none"> Decrease in working-age population, declining birthrates, and an aging population Response to diversification of lifestyles and working styles Response to new technologies such as AI and IoT 	<ul style="list-style-type: none"> Realization of life in which each person can maintain their good health and pursue individual happiness 	<ul style="list-style-type: none"> Provision of life facilities and services fitting diverse generations Support for persons—such as the elderly—with difficulties in buying things Provision of products and services utilizing data for stores, e-commerce, IENAKA (in-home), etc. Promotion of enriching and healthy lifestyles through utilization of technology and other means 	<ul style="list-style-type: none"> In order to support a variety of work styles, we are working to improve our nursery school and school children's facilities. We will also strengthen e-commerce for daily necessities and retail products, for which needs are increasing under the new normal. In order to develop digital urban infrastructures along Tokyu's railway lines, we aim to create a comfortable and connected communications environment. 	<ul style="list-style-type: none"> Number of nursery school and school children's facilities (including leased, direct management, and publicly commissioned) [Tokyu Kids Base Camp / Tokyu Corporation] Number of stores shipping through online supermarkets [Tokyu Store Chain] Installation rate of 5G sharing antennas at Tokyu Line stations 	<ul style="list-style-type: none"> 103 facilities 24 stores 0%*2 	<ul style="list-style-type: none"> 100 facilities — 75%
HR Development 	<ul style="list-style-type: none"> Decrease in working-age population, declining birthrates, and an aging population Achievement of human rights Securing of occupational fields for diverse human resources (women, senior citizens, foreigners, etc.) Provision of opportunities for lifelong learning to diverse generations Creation of local communities 	<ul style="list-style-type: none"> Realization of "a company where every worker hopes to work for a long time" Promotion of human resources development in society through education, culture, environmental preservation activities, etc. 	<ul style="list-style-type: none"> Provision of working environments where people can continue to work Provision of working environments where anyone can fully apply their abilities Cultural business and activities, and provision of opportunities for learning and enlightenment Social contribution activities through support for Tokyu Associations activities, schools, foundations, etc. 	<ul style="list-style-type: none"> We are committed to maintaining the mental and physical health of our employees and promoting their personal growth. We will encourage diversity management including the active participation of women and the use of childcare leave by men in order to create a corporate culture where diversity can be turned into strength. 	<ul style="list-style-type: none"> Employee engagement Female manager ratio Male childcare leave acquisition rate Education system utilization rate Health management indices <ul style="list-style-type: none"> Obesity rate Smoking rate Exercise habit rate 	<ul style="list-style-type: none"> B* 8.9% 88.9% 25.8% 32.5% 23.0% 46.2% 	<ul style="list-style-type: none"> A At least 10% 100% 30% or above 35% or below 22% or below 50% or above
Decarbonation, Recycling-based Society 	<ul style="list-style-type: none"> Climate change / Natural disasters Maintaining of ecosystems Responsibility in the supply chain Resource depletion / Recycling-based society 	<ul style="list-style-type: none"> Realization of the creation of a carbon-free society through energy saving and the optimized use of renewable energies Realization of creating a recycling-based society by promoting effective use of resources and consideration for the ecosystem 	<ul style="list-style-type: none"> Reduction of CO₂ emissions Effective utilization of resources (recycling-based society) Encouraging behavior that give consideration to ecosystems Sustainability procurement 	<ul style="list-style-type: none"> We are working on themes tailored to each industry in order to reduce the burden on the global environment and curb global warming. Please see particulars of targets and results on pages 62 to 65. 	<ul style="list-style-type: none"> CO₂ emissions (Scope 1, Scope 2)*1 Ratio of renewable energy Provision of menu of services that reduce environmental burden People taking action on the SDGs Acquisition of environmental certification for facilities (cumulative total) 	<ul style="list-style-type: none"> -13.5% 1.4% Measurements commenced as of FY2022 54.8% 7 facilities 	<ul style="list-style-type: none"> -46.2% (2030 target) 50% (2030 target) 100 (2030 target) 65% (2030 target) 9
Corporate Governance & Compliance 	<ul style="list-style-type: none"> Corporate scandals and fraud, disclosure of non-financial information Sustainable corporate management Achievement of human rights 	<ul style="list-style-type: none"> Realization of ideal corporate governance directly linked with society and the global management environment Implementation of compliance to realize a harmonious society 	<ul style="list-style-type: none"> Ensuring fairness and transparency of management through highly effective corporate governance All-inclusive and continuous compliance education and establishment of an effective and efficient management system 	<ul style="list-style-type: none"> We are working to ensure the independence and diversity of the Board of Directors. We are working to prevent the occurrence of accidents and scandals and to prevent their recurrence throughout the company by providing thorough compliance education, etc. 	<ul style="list-style-type: none"> Ratio of independent outside directors Number of female directors Number of incidents of serious violations of laws and regulations [Consolidated] Rate of participation in compliance-related training 	<ul style="list-style-type: none"> 4/12 2 people 0 cases 100% 	<ul style="list-style-type: none"> 1/3 or above 2 people or more 0 cases 100%

*1 Compared with FY2019 *2 Installation conditions currently being examined *3 Survey in August 2022

Process for Identifying Material Sustainability Themes

We derived social issues that should be resolved utilizing Tokyu's strengths after taking into consideration the history, philosophy, and business direction of the Group. In addition, we obtained objective opinions about the social issues the Group should address from external experts, and reflected these opinions in our considerations.

Please see the following for details on the identification process.
<https://tokyu.disclosure.site/en/93/>



Please see management processes of each of the indices on page 61.

SDGs Declaration

We will strive to "Create Beautiful Living Environments," undertake sustainable urban and community development that integrates transportation and other lifestyle infrastructure and services, balance business growth with solutions to societal concerns, and contribute to SDGs.

Please see below for the relationship of each of the material sustainable themes to the 17 goals of the SDGs and the Group's actions toward the targets.
<https://tokyu.disclosure.site/en/93/>

Please see below for the SDGs report. (Japanese only)
<https://tokyu.disclosure.site/ja/194/>

SUSTAINABLE DEVELOPMENT GOALS



Message from the CFO



Providing safety and trust across generations through continuity of financial management responsive to environmental changes

Hirohisa Fujiwara
Director
Senior Managing Executive Officer

Our Fundamental Way of Thinking about Our Business Portfolio

The business of the Group is constituted of two business sectors: transportation and real estate, which are the foundation of means of mobility and urban and community development and may be said to be societal infrastructure itself, and lifestyle services and hotels and resorts, which offer diverse services for enriching our lives. As societal infrastructure, transportation and facilities management must be solid even if the environment changes significantly. At the same time, it is necessary to continuously reexamine the business domains that pursue lives worth living in order to continually respond to changing times and variations in customer demand.

Toward Restoration of Revenues

We have seen in a new light over the past two years that the business in which revenue is generated by customers visiting and using facilities would be noticeably damaged when customer flows stop. In terms of the business structure that engages with societal infrastructure, increased fixed costs are unavoidable as that structure prioritizes investment. It is necessary, however, to ascertain supply and demand corresponding to those fixed costs and rebuild that business structure appropriately. In our railway operations, we have opted for early implementation of one-man driving on the Toyoko Line, and having rigorously reduced fixed costs, we have acquired approval for fare revisions. Responding to reduced customer flows through these initiatives is a symbolic model of business structure re-

form. Conversely, even in businesses which have been affected by the COVID-19 pandemic, there are business conditions such as commercial establishments which have been confronting changing customer demand since before the pandemic, and business conditions such as in the accommodations industry in which demand for such events as the Tokyo Olympics and the Rugby World Cup were anticipated, resulting in excess supply. We believe that our efforts are certain to be rewarded going forward, because such structural reforms as reviewing personnel assignments and management efficiency which have been carried out while reading the future of changing environments in all businesses are bearing fruit at this time.

Toward Growth

In terms of the character of the Group's businesses, sustained investment for maintenance and management of infrastructure and facilities are directly linked to ensuring safety, and thus, such investments are essential. Therefore, we are making concentrated investments in growth in the Shibuya area and in the areas served by Tokyu's railway lines, which have significant growth potential. With regard to the redevelopment of the Shibuya area in particular, projects and events are being planned in forms in which tangible images can be visualized up to a decade hence. For the areas served by Tokyu's railway lines, we are carrying out development as self-contained and dispersed urban areas, and we believe that growth can be achieved by engaging with this development in both analog and digital terms.

TOKYU EBITDA, the Group's fundamental cashflow creation power, averaged ¥170.0 billion in the five fiscal years before the COVID-19 pandemic. This index fell to ¥74.7 billion in FY2020. It recovered to ¥128.3 billion in FY2021, and we are guiding toward ¥140.9 billion in FY2022. As we are planning various major projects for growth, significant capital will be required going forward to execute these. Investment allocations will also be necessary for responding to constantly changing demands and lifestyle changes on the part of consumers in life services, hotels, etc. As we ascertain investment priorities and form agreements with concerned parties on the basis of these priorities, we will reliably achieve growth thereby.

Material Indices and Shareholder Returns Measures

Given that the Group requires sustained investment to provide societal infrastructure as per the foregoing, we are focusing on interest-bearing debt/TOKYU EBITDA Multiple from a standpoint of fiscal health. We believe that the five times level, which was our result from FY2015 to FY2017, is desirable. We are striving to recover from the 9.3 times in our FY2021 account settlement to the seven times level in the current medium plan period. Additionally, the D/E ratio in our FY2021 account settlement was 1.7 times. Over the long term, we plan to investigate fiscal management with near to one times as a long-term target. In terms of financing, we are thinking that large amounts of shares of stock have been issued in past circumstances. Hence, our main approach will be financing through debt. Based on interest rate trends and market demand, we believe that it will be necessary to strike a balance between direct and indirect financing. As CFO, I focus particularly on appropriate balance sheet management, and am thus carrying out sustained reductions of cross-shareholdings as well.

In terms of shareholder returns, we treat shareholder returns with sustained stable dividends and total payout ratio, with a target dividend payout ratio of at least 30%, in mind as a fundamental belief. Given our recognition of how many shares

Financial Management Attitude as Seen in the Balance Sheet

Assets	Liabilities
<ul style="list-style-type: none"> ● Capital Ensuring stable funds ● Portfolio Attitude <ul style="list-style-type: none"> - Transportation, Real Estate: Investigation in medium and long term viewpoints as societal infrastructure - Life Services, Hotels and Resorts: Conducting ongoing reviews in line with business environment changes - Investment in Growth: Carried out in concentrated manner in areas with significant growth potential ● Cross-shareholding —Sustained reduction 	<ul style="list-style-type: none"> ● Interest-bearing Debt/TOKYU EBITDA* multiple: 7 times level in current medium plan period (FY 2021 result: 9.3 times) ● Financing <ul style="list-style-type: none"> - Mainly debt - Focus on balance of direct and indirect finance
	<ul style="list-style-type: none"> ● Net assets/Capitalization ● Minimum 30% dividend payout ratio (medium- to long-term guideline) <ul style="list-style-type: none"> - Flexible stock buybacks - Improved capital efficiency with awareness of total payout ratio

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

of stock have been issued, we are carrying out flexible stock buybacks and making efforts to improve capitalization efficiency while keeping in mind capitalization trends and profit levels.

ESG Initiatives

In consultation with investors, we have established a common recognition that ESG is being embedded in our business strategy. Through dialogue with foreign investors, we have the feeling that the ESG domain that investors are interested in is growing. For example, while Japanese corporations have received some acclaim for their COVID-19 and TCFD responses, we are being confronted with aspects such as awareness of human rights issues and of safety based on geopolitical risks to a greater degree than before. Corporate attitudes are being particularly severely confronted with regard to human rights issues, regarding such matters as work environments for foreign laborers, making this a concern that cannot be overlooked in terms of securing personnel as well.

The Group supports the workplaces where many of our employees work even during the COVID-19 pandemic to offer services that are tightly bound up with our lives. Working hours and other aspects of working patterns also vary by business sector. We give the maximum consideration at the management level to aspects of industrial safety and health as well as compensation for workers, including business associates, for such matters as ensuring break areas and environments allowing flexible forms of work, and we see the necessity for review of resource allocation.

Toward the Next 100 Years, with a Long View and Strategy Building

Given that investment in Japanese stocks is not generally considered a good idea, with the weakness of Japan's economic fundamentals as context, we have come to feel, through dialogue with investors both domestic and foreign that Tokyu Corporation's improved results and business structure reforms are positively evaluated, and that there are high hopes for growth. We have a renewed sense of the importance of building a strategy on the basis of a long-term perspective based on observations of macroeconomic trends, including prices, interest rates, and currency exchange rates, as well as of capital markets, ensuring management resources required to execute the strategy, and the fiscal management that appropriately allocates the management resources. We recognize that to do so, there is an important role for support of management by responding to fiscal management with appropriate balance sheet awareness, giving feedback to management of the perceptions of market participants and the logic of capital markets, and take on adjustments toward concerned parties' agreement formation from a finance viewpoint with regard to medium- to long-term planning.

Lastly, the Group marked its centenary. As a corporation, the most important things are continuity across generations and accumulated security and trust in that continuity. We feel certain that, by continuing to commit to valuing dialogue with our many stakeholders and accumulate security and trust even more than before, the Group will carry on into the next 100 years.

Strategies and Achievements by Business

▶ See "Business Overview" on pages 5 and 6

Transportation



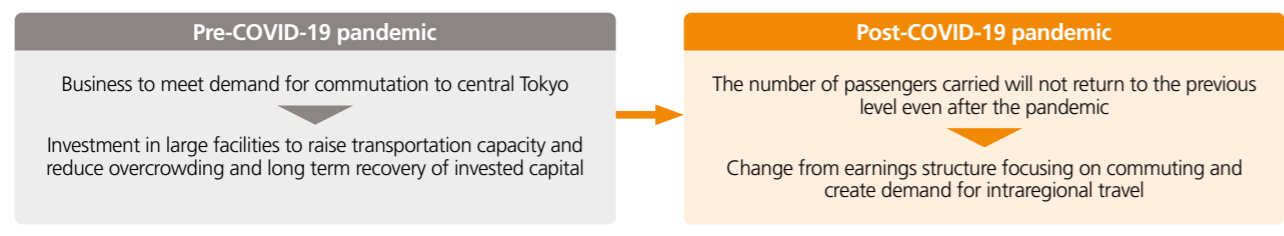
Characteristics and strengths

- Safe, secure, universal, and comfortable services
- A highly convenient network with mutual direct train service operations offering a mode of transport with low environmental impacts

Initiatives to address key social issues

- Prevention of accidents
- Initiatives for barrier-free design
- Improvement of environmental performance and mitigation of environmental impacts
- Enhancement of mobility including MaaS, etc.

Changes in the business environment and a shift in business strategy



Business Conditions

In the transportation segment in FY2021, we experienced a degree of recovery from declines, due chiefly to the COVID-19 state of emergency declaration, in the number of passengers carried in our railway operations and bus operations, as well as the number of customers using airports. Owing chiefly to recovered profitability and cost reductions, while operating income or loss improved

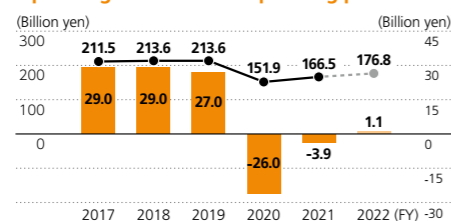
¥22.0 billion YoY, there was an operating loss of ¥3.9 billion. For Tokyu Railways, we have decided to implement fare revisions in March 2023 in order to appropriately maintain and update railway infrastructure and sustain a safe-and-secure railway business. We will proceed with our business structure reform and provide societal value that is in line with the times in which we live.

▼ Results for FY2021 (Transportation Segment)

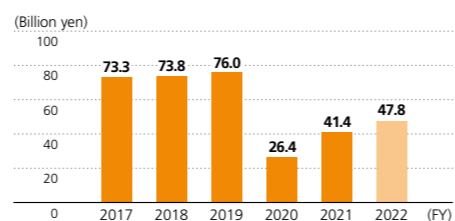
Operating revenue
166.5 billion yen
9.6% increase YoY

Operating profit
-3.9 billion yen
- YoY

Operating revenue* and operating profit

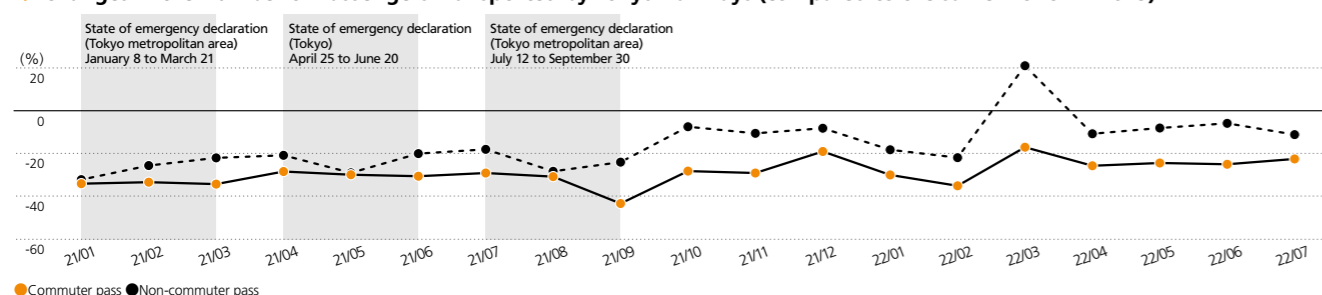


TOKYU EBITDA*



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

▼ Changes in the Number of Passengers Transported by Tokyu Railways (compared to the same month in 2019)



Due to the impact of COVID-19, compared with FY2019, in FY2021 ridership was approximately -24%. Commuter ridership was approximately -30%, and non-commuter ridership was approximately -16%.

Strategies in the Three-year Medium-term Management Plan

Pursue safety and security, aim to achieve both public benefit and profitability at high levels, and reform operations using technology to strengthen the business structure.

Pursuing safety and security

- Maintenance of good facility condition and accident prevention**
 - Ensure thorough facility renewal and inspections required
 - Implement disaster control measures
- Improvement of recovery capacity after accidents**
 - Renew and improve control center facilities
 - Increase educational functions (improve HR and technical skills)
- Universal services**
 - Reduce gaps between platforms and train floors
 - Place more barrier free facilities (use of apps, etc.)

Reforming operations

- Expand one-man driving
- Rationalization of service schedule according to demand
- Optimization of maintenance operation using data, etc.

Increase resistance to changes in demand

- Improving earnings structures of Tokyu bus, airport management business, regional transportation business, etc. and thoroughly meeting demand for recovery

Increasing convenience

Tokyu Shin-Yokohama Line starts service (Scheduled for March 2023)

Increase services such as paid seating



Tokyu Shin-Yokohama Line "rail linking ceremony"

Initiatives for Restoration of Profitability

Initiatives to streamline operations, fare revision

At Tokyu Railways, we are undertaking reformations in train driving and station service systems for adoption to changes in demand, in operations utilizing technology, in various in-house policies and rules that have not been treated as customs in times past, and in

business structures for reducing fixed costs and increasing productivity such as cost reduction through taking production in-house. In addition, we will carry out fare revisions in March 2023 in order to appropriately maintain and update railway infrastructure and offer value that fulfills more diverse and complex societal demands.

Transformation of operations utilizing technology

- Early introduction of Toyoko Line one-man driving
- Applying digital transformation to station services and infrastructure maintenance
- Early outfitting of 5G communications environment



Details of fare revision authorization

- Implementation period: scheduled for March 2023
- Revision rate: 12.9%, rate of revenue increase: 11.7%
- Minimum fares and Setagaya Line fares will be raised by approximately 10 yen, while commuter passes and Kodomonokuni Line fares will be unchanged

▼ Revision Rate (Fare Increase Rate) by Type of Ticket

Regular passenger fares (%)			
	¥1 units	¥10 units	Non-commuter pass totals
Revision rate	13.6	11.5	13.5

Regular passenger fares (%)			
	Work commuters	School commuters	Commuter pass totals
Revision rate	13.8	—	12.1

Initiatives for Offering Societal Value

Pursuing further safety and security, and improved convenience and comfort

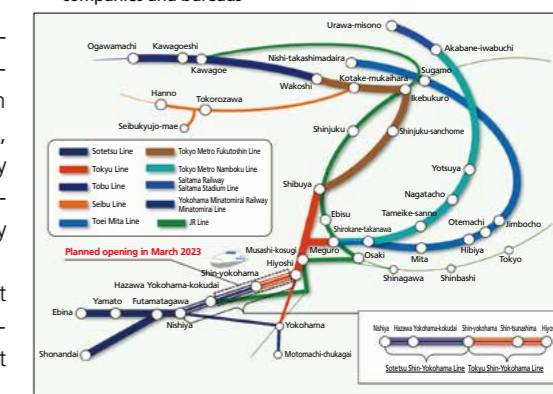
Up to now, we have made sustained capital expenditures on a scale far exceeding the industry standard as our "three 100%" initiative, with the objective of ensuring safety and security, chiefly in fully furnishing fixed platform barriers with screen doors and sensors, security cameras on all train carriages, and train crossing obstacle sensing devices. To equip environments that may be used with even greater security, we are also carrying out such steps as increasing the functionality of these onboard security cameras and the sensitivity of our train crossing obstacle sensing devices.

In terms of countermeasures against natural disasters, we are carrying out such steps as countermeasures for reinforcement of railway shoulders, prevention of rainwater inflow into ventilation ducts, and seismic reinforcement work, thereby enhancing the continuity of the railway business.

We are carrying out definite improvements in convenience and comfort, chiefly by forming a wide-area railway network with the grand opening of the Tokyu Shin-Yokohama Line in March 2023, and with the eight-carriage trains that have begun running on the Meguro Line since April 2022.

▼ Tokyu Shin-Yokohama Line Starts Service

Wide-area railway network connecting 14 railway lines across seven companies and bureaus



With the grand opening of the Tokyu Shin-Yokohama Line, a wide-area railway network will be formed spanning from the central Kanagawa prefectural region and western Yokohama to Tokyo and the Saitama region, effecting regional collaboration and invigoration

▶ See "Business Overview" on pages 5 and 6

Real Estate



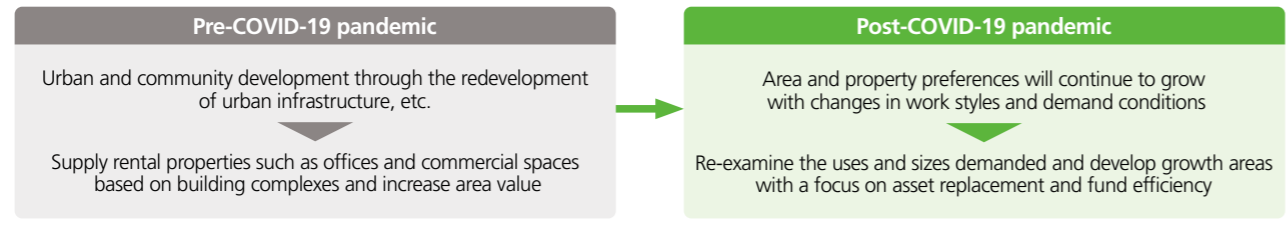
Characteristics and strengths

- Real estate development balancing solutions to social issues with business viability
- Urban and community development where work, live and play are functionally developed through partnerships with communities and local government

Initiatives to address key social issues

- Development and area management to respond to local needs and issues
- Promotion of self-contained and dispersed structures bringing closer work, living, and play
- Urban and community development in harmony with the global environment

Changes in the business environment and a shift in business strategy



Business Conditions

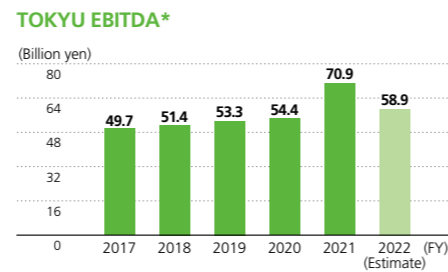
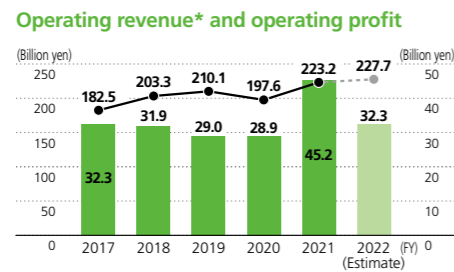
In our real estate segment in FY2021, in addition to a YoY increase in users of commercial facilities, real estate sales business such as selling off of office buildings contributed to operating profit increasing ¥16.2 billion YoY to ¥45.2 billion.

In the office leasing business, vacancy rates have been on the rise due to the effects of COVID-19, but such rates in the properties we own have remained low compared to the respective district averages.

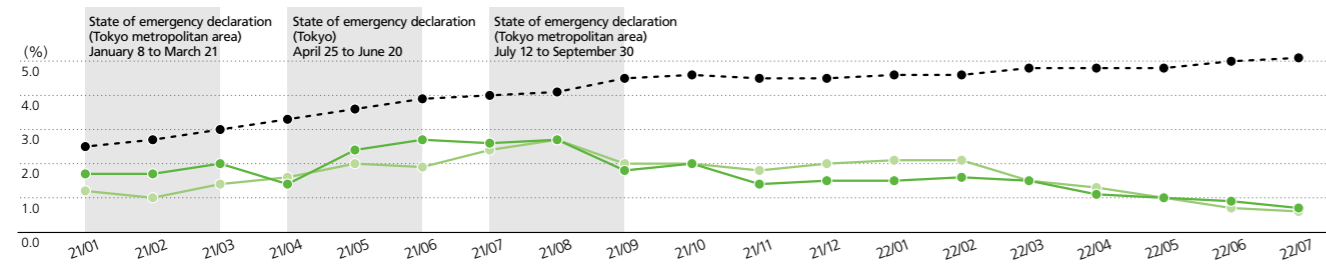
Results for FY2021 (Real Estate Segment)

Operating revenue
223.2 billion yen
13.0% increase YoY

Operating profit
45.2 billion yen
56.1% increase YoY



Office Vacancy Rate (Result)



* Source for vacancy rates in five Tokyo City Center wards: Sanko Estate Co., Ltd. "Office Market Report"

Vacancy rates in the five Tokyo city center wards have been on the rise due to the effects of COVID-19, but such rates in the properties we own have remained low compared to the respective district averages, as many of these properties are directly connected to key stations.

Strategies in the Three-year Medium-term Management Plan

Implement Tokyu's unique urban and community development that will enhance area value, and play a central role in consolidated business profit, and raise profitability to drive profit growth.

Shinjuku redevelopment progress

- Tokyu Kabukicho Tower**
- Bringing an unparalleled hotel and entertainment complex from Japan to the world
 - Promoting an entertainment plan in which local region and building combine organically, chiefly through integrated utilization of Cinema City Plaza and Stage adjacent to outdoor jumbo vision
- ▶ Report on Progress Toward Grand Opening of Tokyu Kabukicho Tower; see page 36

Evolving to urban management

- Efforts for self-contained and dispersed urban structures, Tokyu area city**
- Promote the development of facilities that become the center of the regional economic sphere
 - Solve issues through public- and private-sector partnerships and develop unique communities
 - Enhancement of shared offices, small offices, etc.
- Strengthening of housing-related businesses and revitalize Tokyu areas**
- Plan products with a focus on proximity between work and home and telecommuting and promote the appeal of Tokyu areas

Improvement of asset recycling building business

- Early contribution to consolidated profit (reduce timeframe)**
- Establish a business with a focus on fund efficiency
 - Use pipeline with TOKYU REIT, etc.
- Promotion of overseas urban and community development**

- PJ promotion utilizing distinctive characteristics of individual regions**
- Build real estate business value chain in Vietnam
 - Residential rental and condominium businesses in Thailand
 - Residential land and urban development business in Australia

Initiatives for Area Development

In Shibuya, the most important center for the Group, we are promoting development plans, including public-private partnerships, and initiatives that contribute to improving the attractiveness of the city. Going forward, we will undertake new projects while ascertaining increasing redevelopment opportunities.

In areas served by Tokyu's railway lines, we will strive for invigoration of economic activity including creation of intraregional movement demand and increases in residential and transient populations, etc., by such as functional positioning of work, live, and play based on the idea of self-contained and dispersed urban structures, and collaboration and cooperation with local residents, government, academia, and commercial businesses. In addition, in the Tama Den-en-toshi area, we are promoting our nexus concept as resident-centered suburban and community development, and we are driving further area value improvement along our railway lines through this new initiative.

▶ See Toward the Future of Shibuya on page 32 ▶ See nexus concept on page 16

Self-contained and dispersed urban structures

- We strategically position "work," "live" and "play" functions respectively in suburbs of city center and suburbs, maximally leverage local resources, increase community attractiveness, and strive to create intraregional travel demand and invigoration of economic activity

- Functional arrangement of work, live, and play
- Enrichment of intermediate base stations
- Promotion of distinctive urban and community development



Achieving diverse values and lifestyles

- Development of intermediate base stations toward promotion of distinctive urban and community development
- **Fujigaoka (Collaborators: City of Yokohama, Showa University)**
"Station-front Facilities, Hospitals, Parks": Undertaking integrated urban and community development
- **Saginuma (Collaborator: City of Kawasaki)**
Effecting complex infrastructure, etc., of diverse urban functions as business co-operator

Real Estate Sales Business Progress

Through our residential sales business, which enhances the value of areas along our railway lines, and our asset turnover building business, which is concerned with portfolio and capital efficiency, we are effecting stable and sustained contributions to profit and further invigoration of areas served by Tokyu's railway lines in our real estate sales business. We are also proactively promoting urban and community development globally.

Engagement with asset turnover building business

- Rental apartment development and selling of apartment buildings
- Mid-sized office, etc., development and selling
- Renovation, increased value



Properties developed in response to investor demand (Rental apartments: STYUO Kamata II)

Key future business plan in residential sales

- DRESSER Tower Shin Tsunashima
- The YOKOHAMA FRONT TOWER
- DRESSER Tower Minami-Machida Grandberry Park
- DRESSER Tower Musashikosugi, etc.



*Note that units scheduled for delivery includes apartments, single-family dwellings, and land parcels

Expansion of global real estate sales business

- SORA gardens II (completed in FY2021, Binh Duong New City, Vietnam, total 557 apartments)
- The GLORY (scheduled for completion in FY2024, Binh Duong New City, Vietnam, total 992 apartments), etc.

▶ See "Business Overview" on pages 5 and 6



Life Services

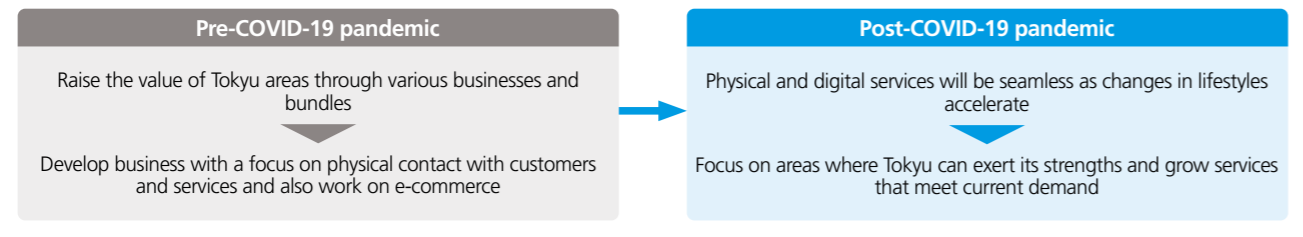
Characteristics and strengths

- Build a wealth of customer contacts and trust through IENAKA (in-home) and MACHINAKA (downtown) business, supporting the lives of various generations of customers with diverse needs

Initiatives to address key social issues

- Promotion of healthy and affluent lifestyles for local residents
- Provision of convenient facilities and services to meet the diversification of lifestyles and work styles

Changes in the business environment and a shift in business strategy



Business Conditions

In the life service segment for FY2021, operating profit and loss recovered ¥10.4 billion YoY, resulting in an operating profit of ¥6.6 billion, owing chiefly to strong performance by such as Tokyu Store Chain and its communications Inc. in context of such

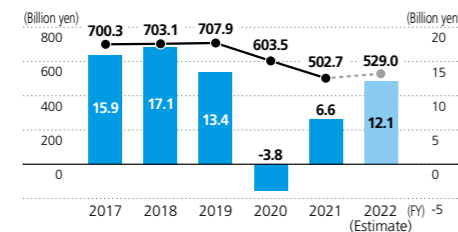
factors as at-home demand, in addition to the recovery we experienced from the decline in customer traffic to Tokyu Department Store, owing chiefly to the state of emergency declaration in the previous fiscal year.

Results for FY2021 (Life Services Segment)

Operating revenue
502.7 billion yen
16.7% decrease YoY

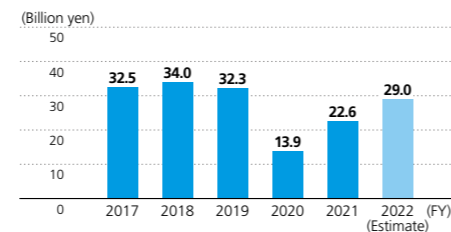
Operating profit
6.6 billion yen
- YoY

Operating revenue* and operating profit



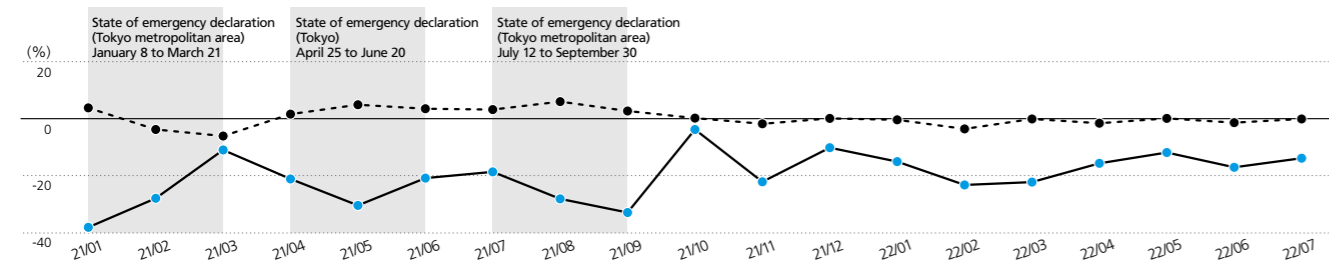
● Operating revenue (left axis) ■ Operating profit (right axis)
*Applied accounting standard for revenue recognition from FY2021

TOKYU EBITDA*



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

Tokyu Department Store and Tokyu Store Sales (YoY)



● Tokyu Department Store YoY ● Tokyu Store Chain YoY
* Although the Accounting Standard for Revenue Recognition has been applied from April 2021, the above figures are based on the previous accounting standard and are comparisons with the same month in 2019 (to compare the impact of the spread of COVID-19).

[Tokyu Department Store] Customer traffic is on a recovering trend due to declining numbers of COVID-19 cases.

[Tokyu Store Chain] At-home dining demand is showing signs of decline due to lifting of restrictions on restaurant business and other factors.

Strategies in the Three-year Medium-term Management Plan

By evolving into businesses and services that respond to new lifestyles, we will strengthen the competitiveness of each business and contribute to consolidated profits.

Providing value through the lifestyle infrastructure business/ Upgrading services to meet customer needs and current demand

Profit growth by responding to IENAKA (in-home) demand

- Promote opening of Tokyu Stores, Improve e-commerce
- Increase operating efficiency using digital technologies

Selective implementation of strategic Investments

- Strengthen the ICT business, Strengthen competitiveness by [Participate in the business of 5G base station sharing, Mesh Wi-Fi, FTTH (fiber-optic)] and promotional of regional BWA

In the face of a super-aging society, we provide one-stop services that accompany the future lives of customers

Develop a "concierge" system by establishing profound relationships with Tokyu area customers and improving proposal skills

- Aim to increase services and expand business as the comprehensive provider of "IENAKA" (in-home) solutions

Grow shares in new markets by responding to rapid changes in working styles

- Corporate membership office-sharing business* Focus on increasing the rate of use and number of Customers

* The corporate membership shared office business is included in the real estate segment

Increase the profitability of individual businesses

- Examine value provided and income/expenditure structure
- Redefine the meaning and role of the company and restructure its business and services for the next generation

Structural reform of department store business

Storefront structure reform and increased back office business process efficiency

Services and sales promotion shift to digital operations

Structural Reform, Business Reorganization

At Tokyu Department Store, we are carrying out responses based on a changing environment, including structural reform based on terminating flagship store operations on the one hand and reorganizing our daily necessities retail business with a focus on Tokyu Store Chain on the other.

Tokyu Department Store: Structural reform based on terminating flagship store operations

- Making Shibuya storefront as base for evolution of food, beauty & wellness
- Large storefront business model conversion and storefront renovation
- Strengthen e-commerce, out-of-store sales businesses



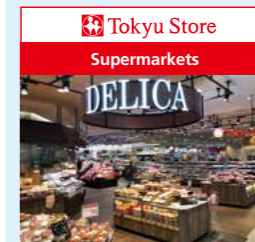
Shibuya TOKYU Foodshow



Tama Plaza Store Grand Reopening

Tokyu Store Chain: Daily necessities retail business reorganization in retail business

- Engage with daily consumption and strengthen dominance by merging and integrated management with Tokyu Station Retail Service



New Value Creation

With the grand opening of Tokyu Kabukicho Tower approaching, we will strive for further strengthening of our provision of services aligned with current demand in such sectors as the entertainment business that we have long promoted and the digital sector that holds promise for future growth as well.

Strengthening entertainment business (future plans for Tokyu Kabukicho Tower)

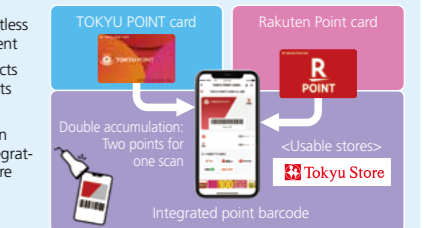
- Providing diverse content besides film and introducing first three-screen wide theater in Shinjuku area
- Presenting varied entertainment content such as plays, music, film, in stage theaters and live music halls
- Unified utilization of Cinema City Plaza and stage adjacent to exterior vision



ScreenX, three-screen wide theater

Provision of services aligned with current demand

- Promoting enrichment of contactless services and structure development
- Creation of new customer contacts through expanded digital contacts
- Initiatives for new value creation through association with Rakuten Group, Inc. (development of integrated point barcode with Tokyu Store Chain)



▶ See "Business Overview" on pages 5 and 6

Hotels and Resorts



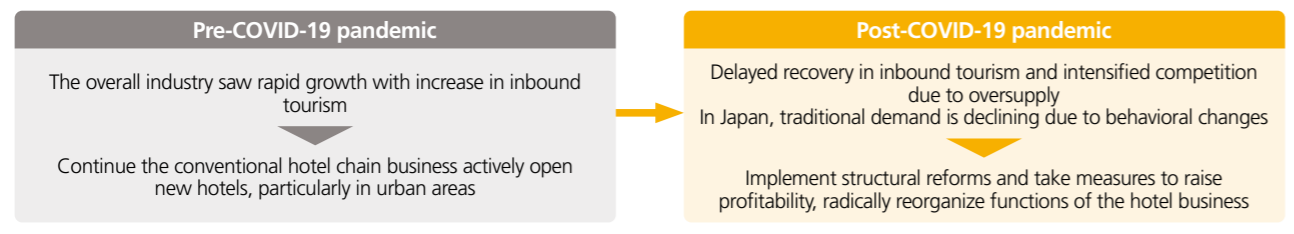
Characteristics and strengths

- Providing hospitality services that enhance the quality of life and responding to the diversification of values and lifestyles with trusted brands nationwide

Initiatives to address key social issues

- Contributions to regional development
- Providing experience value to meet the diversification of lifestyles
- Reduction of environmental impact and promotion of resource recycling

Changes in the business environment and a shift in business strategy



Business Conditions

The hotel and resort segment in FY2021 recovered ¥14.4 billion YoY in operating profit and loss, resulting in an operating loss of ¥16.7 billion. Tokyu Hotels occupancy rate gradually increased due to temporary declines in demand acquisition relating the Tokyo Olympics and Paralympics and COVID-19 case counts, re-

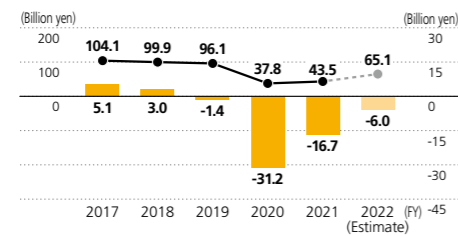
covering to 64.9% in December 2021. Thereafter, the impact of new COVID-19 variants resulted in a year-round rate of 44.1%. We will continue to proceed with cost structure conversion and function reorganization, and carry out business development in response to market environment change.

Results for FY2021 (Hotel and Resort Segment)

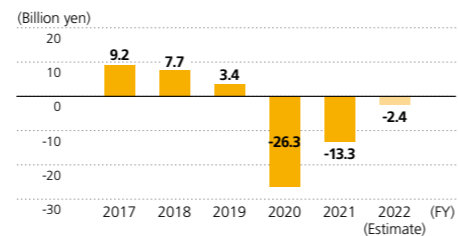
Operating revenue
¥43.5 billion
14.9% increase YoY

Operating profit
-¥16.7 billion
- YoY

Operating revenue* and operating profit



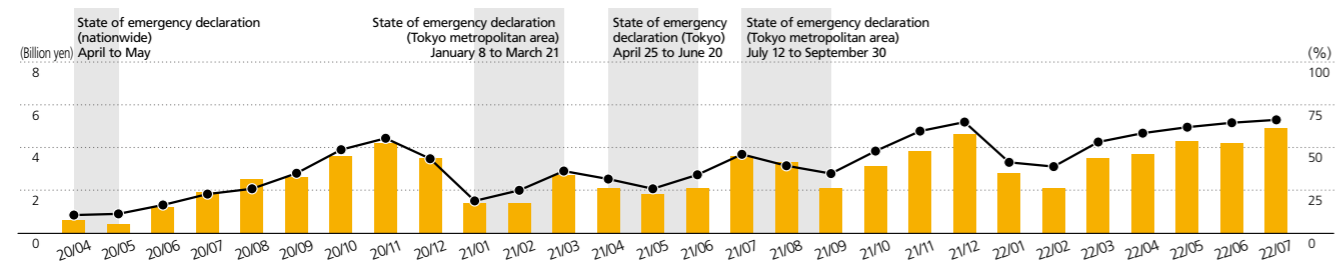
TOKYU EBITDA*



● Operating revenue (left axis) ■ Operating profit (right axis)
*Applied accounting standard for revenue recognition from FY2021

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

Operating Revenue and Occupancy Rate for Tokyu Hotels (actual)



■ Operating revenue (left axis) ● Occupancy rate (right axis)
*Note: The above figures includes directly operated hotels and managed hotels for other companies (Cerulean Tower Tokyu Hotel and The Capital Hotel Tokyu)

A harsh business environment continues due to the impact of the COVID-19 pandemic. However, we have been in a gradual recovery trend since April 2022.

Strategies in the Three-year Medium-term Management Plan

We will promote structural reforms in each of our businesses to achieve a quick recovery from the COVID-19 pandemic and develop measures to respond to behavioral changes and changes in the market environment for future growth.

Structural reform of each business

Hotel business

- Build a structure that is resilient to changes in the business environment by changing the cost structure and improving profitability

Time-share resort business

- Convert product configuration and business system in TOKYU VACATIONS

Linen supply business

- Reorganize system of linen supply factory

Golf business

- Improvement of profitability and brand power by responding to diversification of usage styles

Responding to behavior change and market environment change

Acquisition of long-term demand

- Providing suites (hotel business) to TsugiTsugi, and developing new "vacation style" membership service plan (TOKYU VACATIONS), etc.



Using guest rooms as offices

- Collaboration with NewWork shared satellite offices

Opening of new hotels to meet future growth

Open new hotels in response to change

- Engage with strengthening competition and improving brand power through opening new hotels responding to diversifying lifestyles and changing customer demand



BELLUSTAR TOKYO (Tokyu Kabukicho Tower)

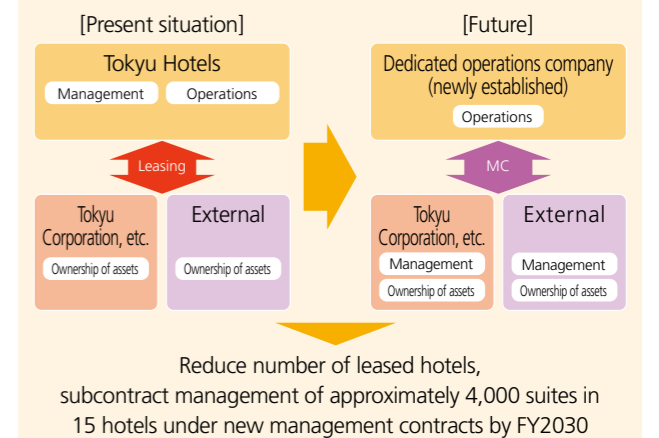
Hotel Condominium "STORYLINE Senagajima"

Radical Function Reorganization of Hotel Business

The hotel business strives to respond to expanding market volatility risk, as well as recovering demand and renewed growth post-COVID-19, and will reorganize operation and management functions in FY2022. We will establish a new company dedicated to operations for strengthened competitiveness in operation functions, and focus on acquiring new operating hotels with management contract at the core. Tokyu Corporation will treat hotels management and assets management as integrated management functions, and will carry out building of hotels together with the qualities of urban and community development. By choosing optimal operators in-house and outside the Group alike, we will create value added.

We will strive for subcontracted management of approximately 4,000 suites in 15 hotels through new management consultant contracts, as well as reducing leased hotels, including reorganization of pre-existing hotels.

Function reorganization conceptual image



For the Regrowth of the Hotel Business

At Tokyu Hotels, we have undertaken improvement of income and expenditure structure through structural reform. Going forward as well, we will ascertain an optimal portfolio and conduct opening new hotels through various forms in line with our policy of function reorganization of the hotel business while continuing our initiatives toward profitability and increased productivity.

Initiatives to improve profitability and productivity

- Increase profitability through product development appropriate to societal trends
Expand customer contacts through strengthening customer base (Comfort Members), strengthen brand power through group collaboration, fixed-rate round-trip residence changing service TsugiTsugi
- Further increased productivity and strengthened operating power through progress with digital transformation, etc.



WEB check-in/check-out system utilizing smartphones

New hotel openings to respond to new market environments

- Opening hotels utilizing management contracts, franchises, etc.
- Engaging with Inbound visitors demand anticipated Post-COVID-19 pandemic
- Creating value-added to urban development



Kichijoji Excel Hotel Tokyu

THE HOTEL HIGASHIYAMA by Kyoto Tokyu Hotel

Human Capital (Business Leaders)

—Innovative corporate culture and maximizing the diversity of individuals

Characteristics and Strengths of Human Capital

In order to become a company where every worker hopes to work for a long time, we are promoting an environment where diverse human resources can play an active role and where it is easy for everyone to work, through diversity management and work style innovation, as well as providing various training programs to im-

prove individual skills.

In the midst of dramatic changes in the world, as a driving force for change, we will achieve sustainable growth by supporting the maximization of diversified individuals and returning their individual growth to the company.

(Human resources supporting business operations)

- Number of employees (consolidated) **24,364**
- Number of employees (non-consolidated) **1,414**
- Average term of consecutive service **15 years 6 months**
- Turnover rate **2.3%^{*1}**
- Paid leave utilization rate **77.0%**
- Childcare leave utilization rate **88.9% for men and 100% for women**

^{*1} Scope is the Company and Tokyu Railways
^{*2} Scope is the Company, Tokyu Railways, and Tokyu Architects & Engineers
^{*3} Includes participants from some Group companies
^{*4} Excludes workplace training

(Diverse human resources in charge of urban and community development)

- Station attendants who are certified service care assistants **100%**
(Tokyu Railways station attendants and crew)
- Licensed real estate agents **562^{*1}**
- First-class architects **218^{*2}**
- Management development training participants **31^{*3}**
- Self-directed career support training participants **483^{*3}**
- Support for self-development (running total number of subsidized cases) **143^{*3}**
- Training for newly hired employees **200 hours per person^{*4}**
- Rank-based training (for new assignments) **15 hours per person**

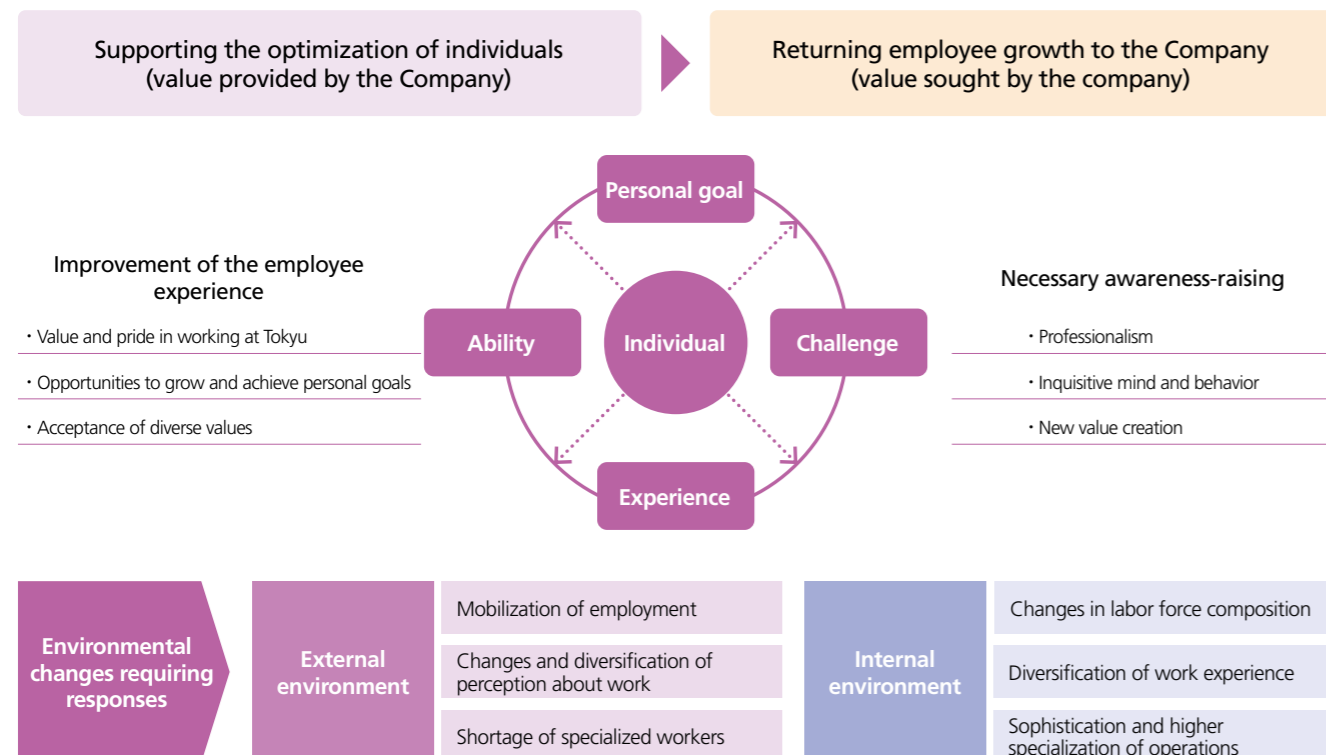
^{*As of FY2021 or March 31, 2022, scope is the Company}

Three-year Medium-term Management Plan Human Resources Concept

As the driving force behind our company's transformation, we will support our employees in maximizing their individuality. In order for all employees to feel value and pride in working for Tokyu Corporation, and to have opportunities for growth and to lead

a life that is uniquely their own, we will implement initiatives to enhance the value of the employee experience, and promote a change in mindset that returns employee growth to the company.

▼ Increase Employee Engagement



Initiatives to Maximize the Individuality of Employees

We are working strategically to enhance our human capital.

As part of this, we are implementing smart choice, an innovative new initiative where employees have the autonomy to select their style of work throughout the year based on their duties and personal situation with the aim of spurring creativity and streamlining operations.

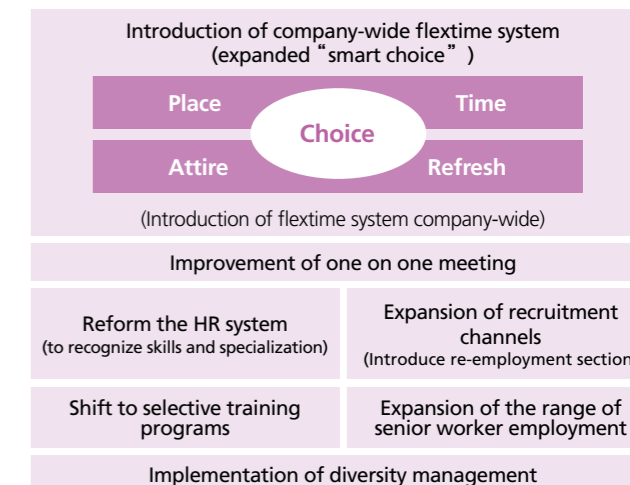
In addition to working from home and the introduction of a flex time system, we are enhancing one on one meetings where supervisors meet individually with their team members to support their career development and find ways to facilitate business execution. These meetings are designed for supervisors to continuously support the growth of their team members with operational experience and learning and by eliminating career interruptions due to transfers. These meetings also effectively prevent the dilution of communication between supervisor and team members by promoting flexible work styles.

We have also built a foundation for employees to utilize their time both at work and outside work to advance their own careers. These efforts include permitting a side job internally and adding new guidelines dual work outside the company as well as the shift to elective training where employees can choose what they want to learn.

In addition, we are working to become a company where every

worker hopes to work for a long time by launching a re-employment section with the aim of creating an organization where people with diverse experiences can gather, by expanding the scope of work for senior citizens, and by reviewing our HR system to encourage more diverse individuals to play an active role at the company.

▼ Examples of Our Main Initiatives



▼ Current State of Each Item of Human Capital (Existing Systems) and Response (Areas to Fortify)

Human capital items*		Currently (existing systems)	Response (areas to fortify)
Acquire people with excellent and diverse skills	Recruitment	Personnel training	Expansion of personnel appointment system (Re-employment section)
	Maintain		
	Succession		
Personnel training	Leadership	Tokyu Academy	Management personnel training covering the entire Group
	Development		
	Skills/Experience		
Engagement	Employee engagement survey	Improvement of one on one meeting	
Diversity	Diversity	Develop systems and foster culture/mindsets conducive to a diverse workforce	Build the organization to utilize diversity including differences invisible to the naked eye (expanded "smart choice," etc.)
	Childcare leave		
	No discrimination		
Health and safety	Safety	Health and productivity management	Safety education
	Physical health		
	Mental health		
Labor practices	Labor practices	Appropriate labor agreements and labor management	Promotion of personnel measures and HR system supporting diverse individuals (Response to external environment and employee diversity)
	Wage fairness		
	Relationship with labor union		
	Benefits		
Compliance	Child labor/Forced labor	Human rights management	Initiatives based on the Guiding Principles on Business and Human Rights

^{* Source: Prepared based on the "3rd Study Group on Disclosure Policies for Non-financial Information Secretariat Documents" of the Ministry of Economy, Trade and Industry}

Personnel Training Encouraging Individual Growth

Training of management personnel

Tokyu Academy, which seeks to elevate the entire Tokyu Group's organizational and human resources, was opened at 12 Tokyu Group companies in 2006 and since then a total of 790 employees have completed coursework there, as of March 31, 2022.

Through a three-step learning process of experience, self-reflect, and learn, participants foster their skills and abilities as management personnel, and through interactions with management candidates of Group companies, participants are given the opportunity to grow as management that can continuously implement the Tokyu Group's corporate philosophy.

Management personnel Tokyu Academy seeks to develop	
1. Articulate vision	4. Grow and continue learning independently
2. Make decision	5. Encourage others to take action
3. Transform	
Level	Purpose of training
Directors and Executive Officers	Development of transformative leaders
General Managers	Development of creative leaders
Managerial staff and managers	Development of proactive leaders

Developing an environment for utilizing diverse skills

To support efforts to maximize the diversity of individuals and return these outcomes to company growth, we are shifting from rank-based training and selective training to elective training where employees autonomously choose what to learn based on their own career aspirations.

We are now working to expand training options to foster great-

er self understanding and expand people's horizons. This includes open and selective training, where employees learn together with people from other companies while sharing each other's knowledge, and support accessing subscription services, where employees can learn efficiently from videos and web contents in their free time.

▼ FY2022 Management Human Resources Development Program

Support for autonomous career development	New employee training	Rank-based training
	Open and selective training	
	Support accessing subscription services	
	Challenge! 50 System (including graduate school coursework and correspondence courses)	
	Career support (seminars, career counseling, etc.)	
Group management personnel training	Assessment (CASEC)	
	Tokyu Leaders Program	Tokyu Academy
	External dispatching	
Specialized personnel training	Dispatch to graduate school	Elective training
	Dispatch to professional program (tech, etc.)	
	Individual support (division and seconded employees, etc.)	Nomination
		Open recruitment
		Uniformity
	General positions	Core positions

Development of innovative human resources

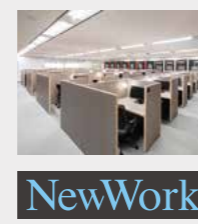
Tokyu Corporation has implemented a number of initiatives aimed at creating opportunities for growth and fostering human resources that will carry out innovation. The System for Fostering Entrepreneurial Employees (SK System) was founded in April 2015 to support and develop employees with the ambition and ability to create businesses, and to cultivate a challenge-friendly corporate culture

through the founding of new businesses. The system enables all employees, regardless of age, seniority, or department, to propose new businesses and get involved in bringing their ideas to fruition as project leaders. Since the system was launched, six projects have commercialized.



TsugiTsugi

This is the sixth project of this system, a fixed-rate traveling residence service that enables people to live as if they were traveling. This project also involves collaboration with external hotels, and has grown to offer over 180 facilities throughout Japan, while it is continuing to expand. We aim to establish a next-generation lifestyle with this subscription service platform for hotel hopping.



NewWork

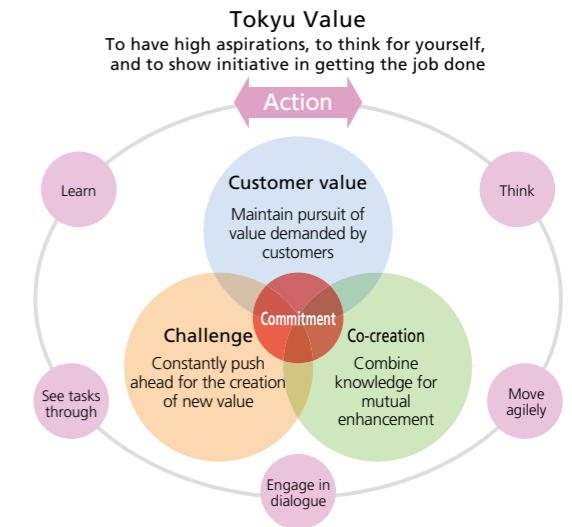
The first initiative under the SK System is a membership-based satellite shared office business for corporate clients. In addition to the launch of relax, a relaxing work lounge service for individual users, in February 2021, we provide a flexible operating environment to meet diversifying work styles through collaboration with external partners.

Fostering Tokyu Value and a Corporate Culture that Embraces New Challenges

Recruitment and training based on Tokyu Value

Tokyu Value defines the values that employees should share and the required actions. It comprises the three aspirations and five actions. By putting Tokyu Value into practice, we aim to foster a culture in which each and every employee has high aspirations, thinks for themselves, and shows initiative in getting the job done.

Our personnel training system has been established under the themes of training, utilization, and support of highly effective human resources based on the social situation and business environment 10 years ahead. We will actively invest in our people as we strive to foster an innovative corporate culture.



“Think”

Effectively utilize existing knowledge and skills to think through challenges with the aim of creating high added value.

“Move agilely”

Keep abreast of changes in the market environment and situation, and quickly take action.

“Engage in dialogue”

In order to produce greater results, engage in thorough discussions while respecting each other, and actively lead to consensus.

“See tasks through”

Never give up no matter the difficulty or obstacle, work tenaciously to achieve goals, and follow through to the end.

“Learn”

In addition to actively absorbing and utilizing knowledge and skills, always learn something from success and failure and utilize this in the next job.

Development of dialogue-type organizations: “Building an ever-inquiring organization”

To continue tackling the challenge of creating new value over the next 100 years, we must have a corporate culture that constantly questions “what we want to be” through dialogue and updates this vision. For this reason, we are implementing various programs centered on keyword “dialogue.”

Starting with a “management training camp” for executive management, we also offer “management dialogue” for middle

management and “TAKIBI Talk” for all employees. In addition to compiling the results as a statement for our 100th anniversary, we will continue to tackle the challenge of value creation by harnessing the broader perspectives and experiences gained from the exchange of diverse values born in this process and the aspirations of all employees and management toward the future to power our “transformation.”

Running total of participants

1,087 (as of July 31, 2022)

Running total of sessions

120 sessions spanning 209 hours (as of July 31, 2022)



Internal dialogue program



Management training camp



Opinions from employees on “who we strive to be”

Diversity Management

We recognize diversity management (creating an organization that utilizes diversity), which is one of the elements in human resources strategy, as an essential task amidst the dramatically changing social environment and management situation, as well as diversification of employees. We are implementing a variety of initiatives from the three perspectives of system, culture and mindset.

Specifically, for systems, we are making nimble adjustment to systems including work hours and location (flex time system, working from home, etc.). For culture, we are conducting seminars on diversity and inclusion and regularly disseminating information on diversity related topics via internal media. For mindset, we are conducting a mentorship program and career seminars for

female employees including at consolidated subsidiaries.

Executive management has a clear commitment to promote diversity management through the announcement of the Tokyu Corporation (Consolidated) Declaration of Diversity Management as a statement to all stakeholders. The progress of our efforts is being regularly reported to the Board of Directors and the Advisory Board on Human Resources Strategy for direction.

We are also building an environment where personnel with diverse backgrounds can play an active role*, listing numerical targets for the ratio of female managers and the percentage of male workers taking childcare leave as indicators of our diversity management.

* Actual percentage of employees with a disability: 2.79% (as of June 2022, calculation of seven consolidated companies)

Numerical Targets Based on the Act on Promotion of Women's Participation and Advancement in the Workplace (the Company)

Percentage of female managers



Male childcare leave acquisition rate



▶ See "Financial and Non-financial Highlights" on pages 87 and 88 for trends over the previous five-year period.

Tokyu Corporation (Consolidated) Declaration of Diversity Management

1. We will respect the individuality of all employees and promote their active involvement from perspectives of systems, culture, and mindset.
2. We will realize the creation of new value (innovation) to meet the expectations of various customers.
3. Positioning diversity as a management strategy, we will aim for sustained improvements of corporate value.



FY2021 Tokyu Group women in management forum Talk session involving female Executive Officers of the Group



D Magazine (a media for receiving and disseminating diversity information for internal use)

External Evaluation

Awarded the Nadeshiko Brand for 10th year in a row First in transportation industry to win Diversity Management Selection Prime 100

Tokyu Corporation has been awarded the Nadeshiko Brand (10 consecutive years achieved only by the company) for its outstanding efforts for the advancement of women in the workplace, as well as Diversity Management Selection Prime 100 (first in transportation industry) for its ongoing efforts to create corporate value through diversity management. We will continue to strive to create workplaces where women and other diverse personnel can be actively involved.



Certified as a "White 500" Health and Productivity Management Organization

In FY2021, Tokyu Corporation was selected as a leading company for the seventh consecutive year under Health & Productivity Stock Selection, a joint program between the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) which selects exceptional enterprises engaged in health and productivity management.

In FY2022, we were chosen as one of the White 500 companies in the Certified Health & Productivity Management Organizations Recognition Program that recognizes enterprises with particularly outstanding health management practices. Going forward, we will strive to continuously implement various health promotion measures.



Winner of PRIDE Index "Gold" for 5th consecutive year

Tokyu Corporation has received a "Gold" rating on the PRIDE Index following an assessment of its LGBT measures by work with Pride (wwP), a voluntary organization that supports the promotion and establishment of diversity management for LGBT and other sexual minorities. This is the fifth year in a row that we have received the "Gold" rating, and going forward, we plan to continue expanding the scope of our activities.



Promotion of Health and Productivity Management

In February 2016, Tokyu Corporation established the position of Chief Health Officer (CHO) and issued the Health Declaration. Consistent with the declarations – namely, (1) the health of employees and their families, (2) promoting the health of residents who live along Tokyu's railway lines, and (3) social contribution – we are actively engaged in the physical and mental health management of our employees, and in promoting the health of people who live along our railway lines.

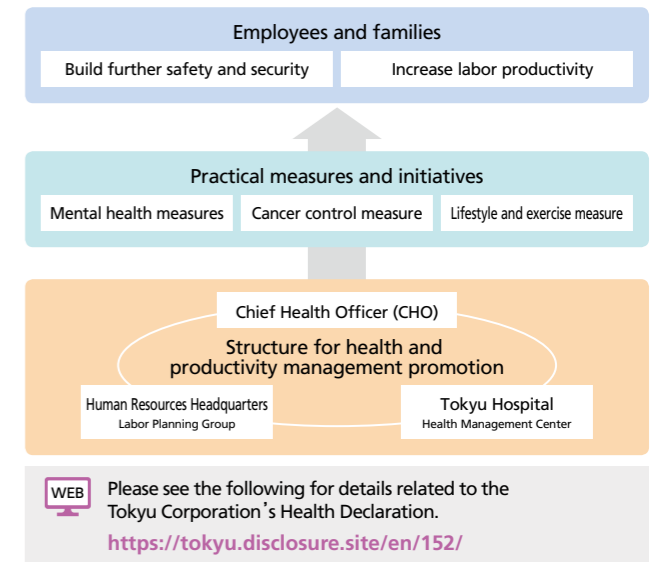
Under the leadership of the CHO, health management promotion is structured around the Human Resources Headquarters, which plays a central role in promoting initiatives, collaborating with the Tokyu Hospital, which provides medical support. By implementing mental health measures, cancer control measures, and lifestyle and exercise measures for employees and their families, our aim is to maintain and improve their health, thereby building further safety and security and increasing labor productivity.

Numerical targets for health and productivity management as well as initiatives for improvement

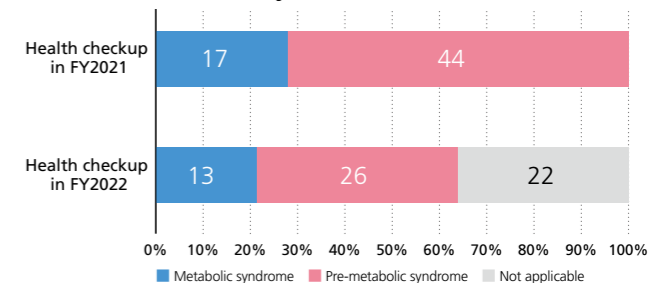
With the enforcement of the revised Health Promotion Act in April 2020, we implemented a limited-time initiative in which the company subsidized the out-of-pocket costs of smoking cessation outpatient clinics for employees with smoking habits. 83% of the participants successfully quit smoking thanks to the continuous support of industrial physicians and public health nurses, support from the workplace and colleagues, and other involvement measures.

In addition, as a measure to combat obesity and lifestyle-related diseases targeting young people, we encouraged employees with a tendency toward metabolic syndrome as a result of medical checkups to participate in an improvement plan for the generation before the specified health guidance, of which 61 employees participated in the

plan. After about six months of support from nutritionists and public health nurses, focusing on diet and exercise, more than half of the 32 participants improved their metabolic syndrome categories.



Status of Metabolic Syndrome Criteria



Employee Engagement

We believe that mutual understanding and mutual commitment with employees is even more necessary in order to achieve the development of "A City Adored by People around the World," which is part of our long-term management initiative. Based on this idea, in July 2019, we introduced an employee engagement survey as a mechanism for making work more rewarding for employees and improving their job satisfaction by evaluating the effectiveness of personnel measures using objective indicators. We believe that it is important to confirm whether the optimized abilities of individuals are being returned to the company as we work to realize the optimization of diverse individuals.

The results of the survey will not only be reflected in company-wide measures, but we will also set up a forum (1-on-1 meeting among managers) to discuss organizational management and work on improvements that match the characteristics of the organization. In order for us to better respond to the growth of employees with a sense of urgency, we will immediately disseminate the results of the survey to managers and hold workshops on the analysis of the results to help create an environment where employees can more strongly utilize their abilities.

Rating Results and Targets Based on the Survey



Strengths and weaknesses identified in the survey

- | | |
|-------------------|---|
| Strengths | <ul style="list-style-type: none"> ● There is a sense that the Company's business is making a positive contribution to the world ● There is a sense of unity where supervisors understand the situation of their subordinates, and where both successes and failures are shared |
| Weaknesses | <ul style="list-style-type: none"> ● There is a lack of cohesion and solidarity in the Company as a whole as well as communication between ranks ● Satisfaction lacking in terms of recruitment, assignment, evaluation, and pay level |

▶ For details about the dialogue program for employees to foster cohesion and solidarity and promote better communication between ranks, see page 54 Development of Dialogue-type Organizations: "Building an Ever-inquiring Organization."

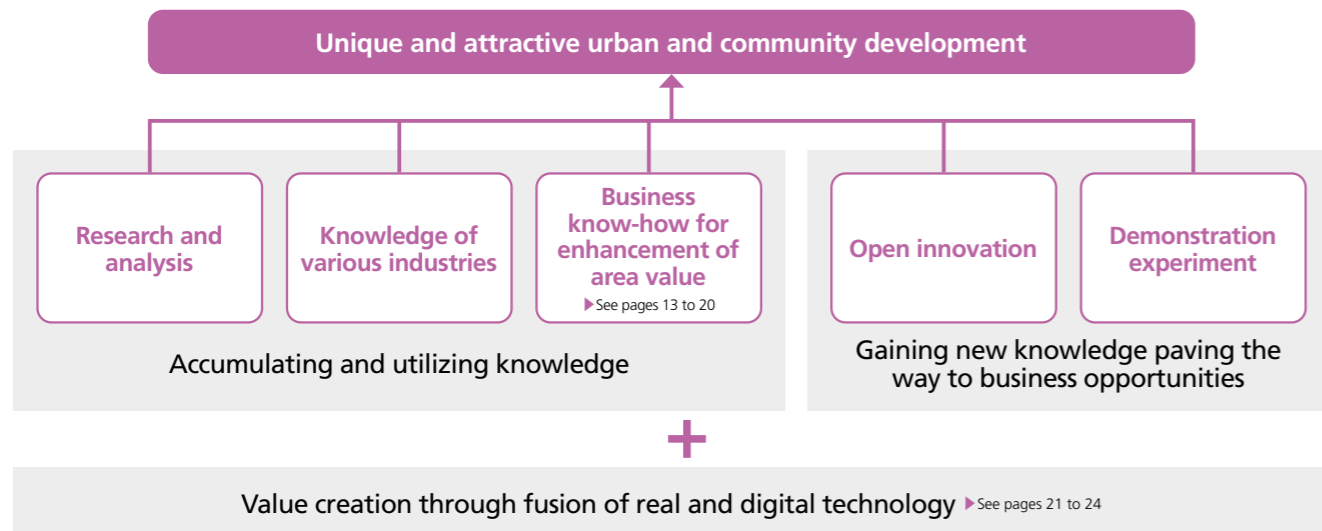
Intellectual Capital (Technical Expertise)

—Knowledge enhanced by accumulated experience and new challenges

Characteristics and Strengths of Intellectual Capital

We are constantly proposing quality of life from a new perspective by discovering and effectively utilizing the knowledge that exists in the Group across the four business fields, and by acquiring new knowledge through various demonstration experiments and experimental service development.

We also support the development of unique and attractive urban and community by getting to know customers and providing new value through our initiatives (see pages 21 to 24) for the fusion of real and digital technologies based on our digital strategy.



Accumulating and Utilizing Knowledge

Tokyu Research Institute, Inc. as a compass

Established in 1986 as an in-house strategic research institute, Tokyu Research Institute, Inc. supports the formulation of management and business strategies along with the business activities of Tokyu Corporation and its Group companies. The institute conducts basic research on changes in the business environment, such as economy, industry, regions, consumption structure, consumer awareness and behavior. It also collects and analyzes various information with a focus on areas along Tokyu's railway lines, and conducts investigative research that encompasses the Group's wide range of business activities. The accumulation and sharing of its work helps resolve issues faced by each Group company as well as their stakeholders.

In addition, it also serves as the secretariat for Group training, including lectures for management personnel, Tokyu Group morning seminars for general employees prior to the start of the work day, and study sessions for young employees. These initiatives are also aimed at building human networks.

It is also involved in the planning and operations of the Tokyu Group Endowed Course hosted by Tokyo City University and Asia University. The course serves to connect Tokyu's educational corporations (Gotoh Educational Corporation and Asia Gakuen) with the Group. The course is led by employees from Tokyu Group companies. This provides students with opportunities to learn about the Group's business and strategies in supporting students on their research of industries and businesses.



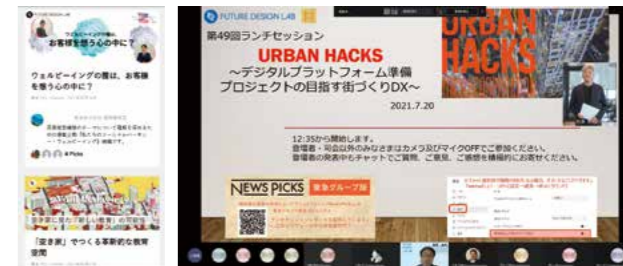
Research presentation at the general management meeting | Sharing research results on the intranet

Research themes in 2021 (in part)

- ◆ Sustainability management**
 Propose a long-term approach to sustainable management for the Tokyu Group based on world trends
 - Look into main issues that businesses should consider and identify worldwide trends
 - Empirical ideas, etc to improve value through place making
- ◆ Data science approach**
 Identify the direction for improving business continuity (BC) from the perspective of DX in proposing future policy
 - Impact of digital technology on information sharing in an emergency
 - Propose measures for highly effective use of digital technology
- ◆ Shift in lifestyles**
 Gauge the shift in consumer lifestyles and work styles to provide appropriate products and services in the future
 - Impact on the psychological state, behavior and awareness of consumers
 - Changes to work styles and behaviors as a result of the COVID-19 pandemic

Information and aspirations sharing through NewsPicks Tokyu Group Edition and lunch sessions

These include online lunch sessions, which allow employees to share the latest information within the Group to develop business ideas. They also involve the NewsPicks Tokyu Group Edition, a tool that aims to create new connections and businesses through the sharing, collection, and exchange of information and opinions among Group employees across departmental and company lines in order to promote the utilization of knowledge and the creation of a culture of innovation.



NewsPicks Tokyu Group Edition

Lunch session

NewsPicks Tokyu Group Edition
 Approximately **70** Group companies
 and **1,800** people attended
 (as of September 1, 2022)

FY2021 Lunch sessions
 Number of times held **13** Running total of
 participants **2,266**

Gaining New Knowledge Paving the Way to Business Opportunities

Searching for knowledge through open innovation

Starting in July 2015, we have been conducting the Tokyu Accelerator Program to promote business co-creation with other start-up companies. To date, the program has led to 93 demonstration experiments, commercialization of 31 businesses, and seven business and capital alliances. In FY2021, the program was rebranded and renamed as the Tokyu Alliance Platform. This enables everyone within the Tokyu Group to take on open innovation as a matter of course as we aim to become the platform of choice by partners of business co-creation, including start-up companies.

Results since 2015
942 applications / **93** demonstration experiments /
31 cases of commercialization / **7** business and capital alliances
 (as of July 31, 2022)

Participation by 21 Tokyu Group companies covering themes in 18 domains

Transportation / Logistics & Warehouse / Real Estate / Construction / Department Stores & Supermarkets / Shopping Center / Advertising & Promotion / Digital Marketing / Credit Card Points & Payment / Smart Homes & Smart Life / Tourism / Entertainment & Contents / Education & Culture / Sports / Healthcare / Security / Electricity & Gas / Others
 (Focus domains for the entire Group)
 Digital Platforms / Decarbonization & Circular Economy

Demonstration experiments and service development to achieve our future vision

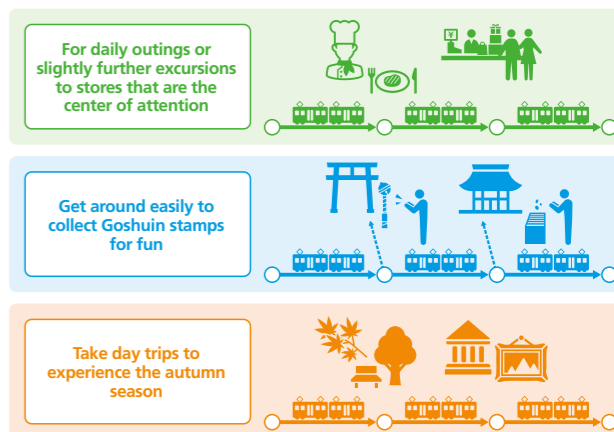
We are analyzing the data collected through demonstration experiments on the environmentally friendly subscription-based service of Tuy Tuy and Tokyu Line's area MaaS "DENTO" conducted in FY2021 in developing new services within the area. As we confirmed these projects' effect on promoting transportation with a one-day pass on Tokyu Lines at an affordable price, we launched a new train ticket service aimed at developing demand for intra-regional transportation to achieve our future vision (see pages 19 and 20). In November 2021, we launched the limited release of the Tokyu Line Unlimited Pass (over 60) as an electronic ticket that allows passengers unlimited rides along the Tokyu Line within one month. We also released the Tokyu Line Kids 100 Yen Pass for children to take unlimited rides on the Tokyu Line on weekends and holidays between June and August in 2022. We will also analyze the results of transportation needs based on these fixed price tickets in moving forward with developing train ticket services that will create new ways of mobility that suit the diversifying needs of passengers.

Going forward, we will continue to create various services for residents of all ages along Tokyu's railway lines, in order to provide railway services that cater to all people and purposes and lead to urban and community development of self-contained and dispersed cities.



Measures to create new regional demand based on the results of demonstration experiments

Envision Use of the Tokyu Line Unlimited Pass (over 60)



Social and Relationship Capital (Relationships with Stakeholders)

—Trusting relationships with partners through urban and community development together with communities

Characteristics and Strengths of Social and Relationship Capital

Since our founding, we have engaged our customers, employees, local communities, business partners, shareholders, and investors to build relationships of trust while promoting urban and community development. In addition, we promptly share opinions obtained through various means of communication with management in order to capture changes and apply them to management. Urban and community development is a Long-term Recy-

cling-based Business Model where the value created is reinvested to further increase value, and our growth (corporate value) is in tandem with the growth of the community (area value). In order to maintain a permanent cycle of improvement in both of these areas, it is essential to have a relationship of trust with everyone involved, and our greatest strength is our strong relationships with our partners in community-based urban development.

Co-creation with the Local Community and Customers

Coexisting with local communities and cooperating with local governments

We exist in harmony with the local community including shopping malls, local residents, and NPOs while collaborating with local governments to solve problems and revitalize communities along Tokyu's railway lines based on the trust we have established.

Tokyu Corporation and the City of Yokohama signed a comprehensive agreement on next generation suburban development in April 2012. We are now working together with the public and private sectors on projects. This is a collaborative effort between industry, government, academia, and the private sector (local communities) to pursue urban and community development that will lead to the maintenance and development of suburban residential areas.

We have carried out a variety of activities so far. This includes finding human resources who will be responsible for urban and community development through a project called the Resident Emergence Project, and developing WISE Living Lab and CO-NIWA

Tama Plaza as well as community interaction at SPRAS AOBADAI in an aim to create sustainable suburban residential areas by solving local social issues. In April 2022, we renewed the comprehensive agreement to update the theme from "residential areas for living and work" to "residential areas for living, work and play" in expanding the next-generation suburban development initiative to cover the entire Den-en-toshi line (northern part of Yokohama).

As the leader of a consortium of companies, Tokyu Corporation was chosen as the private-sector manager of Kitaya Park in Shibuya Ward for the first time under the scheme of Park-PFI* for parks within the ward. In April 2021, the park was renovated and reopened to the public. Until now, the park was mainly utilized for short stays and parking of bicycles and motorcycles. The project aims to redevelop the park as a place that is effectively utilized by more people for bringing greater prosperity to and revitalizing the local community.

*Park-PFI is a system of funding public projects through open recruitment of private sector businesses to finance and maintain parks aimed at improving the value and convenience of parks in the urban area.

Number of urban and community development agreements with governments
8
(as of March 31, 2022)



SPRAS AOBADAI, a place for community events developed from the vacant lot of Aobadai Post Office



Kitaya Park

次世代郊外まちづくり
WISE CITY

Building Relationships with Local Residents

Common, a community mutual aid platform service app

By establishing a local digital community infrastructure centered around stations, we aim to enhance local communication and foster autonomous local economies and communities.

Supporting the growth of children who will lead the next generation

We support the healthy growth of children through the Tokyu Kids Program, which provides parents and children with work experience, and the Tokyu Children's Support Program, which supports the activities of community-based NPOs and other organizations.



Community communication activities of Tokyu Associations

Tokyu Associations are located in 23 areas in Japan and four areas overseas, and Tokyu Group companies collaborate to carry out community-based social contribution activities through cleanup activities and cultural and sports events through these associations.



Dialogue with Shareholders and Investors

Improving corporate value through dialogue with shareholders and investors

In addition to the General Meeting of Shareholders, we actively provide information on our business and strategies to our shareholders and investors through investor meetings and dialogue with institutional investors in Japan and overseas. We also share the opinions we receive with the Board of Directors and the Management Meeting on a regular basis, as well as at meetings where the heads of related departments and divisions convene.

Dialogue with institutional investors (including ESG dialogue)
232 times
(15 times) (FY2021)



Briefings for investors

Co-creation with Universities and Educational Research Institutions

Intellectual collaboration to solve social issues

We are also actively involved in industry-academia collaboration that combines the knowledge storehouse of universities with the know-how of private companies. From January to March 2019, the first suburban MaaS* demonstration experiment in Japan combining various mobility services was conducted with the cooperation of Tokyo City University and Mirai Share Co., Ltd. The experiment aimed to form a new community by ensuring the convenience and comfort of transportation in suburban residential areas. Furthermore, in March 2022, we offered an opportunity to experience a new transportation service to residents of suburban housing complex with the help of the Urban Renaissance Agency, and deepened understanding of issues and worries they face by conducting surveys and interviews. We are also carrying out joint research with the University of Tokyo since April 2020 on indicators to evaluate the sustainability of cities in suburban areas, where such issues as uneven aging and demographics of residents, increasing number of vacant houses, and aging urban infrastructure are becoming apparent. We will continue to aim for the fusion of knowledge with new ideas, the creation of new

Number of industry-academia collaboration agreements concluded
8
(as of March 31, 2022)



A group interview with monitors conducted in collaboration with Tokyo City University



Panel discussion on Urban Science Opening Up Sustainable Urban and Community Development

business models, and the resolution of social issues through interactions with society.

* MaaS (mobility as a service): A service that presents the most suitable means of transportation according to the user's objectives and preferences.

Creating More Social Value

Social contribution activities inseparable from business activities

For areas that cannot be covered by our business activities, we are continuing efforts as social contribution activities for the realization of a sustainable local society. By taking on the challenge of solving social issues through a combination of our businesses activities and social contribution activities, we will realize the Group Mission Statement of "striving to create beautiful living environments, in which each person can pursue individual happiness in a harmonious society."

Social contribution activities through support provided to school corporations and foundations

The Tokyu Group includes school corporations such as Goto Ikueikai (which owns Tokyo City University Group), and Asia Gakuen (which owns Asia University), as well as public interest founda-



tions such as the Tokyu Foundation and the Gotoh Museum, and is committed to social activities in a variety of fields, including contributing to local communities, education, the environment, international exchange, and culture. We continue to provide support to these corporations, working to solve social issues and create value in order to create beautiful living environments.

Sustainability Management

Concept of Sustainability Management

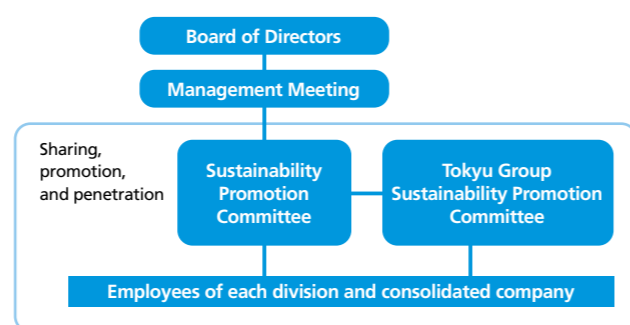
From a long-term perspective, Tokyu Corporation and its consolidated subsidiaries (the Group) believe that it is important to accurately gain an understanding on the changing needs of customers in each era, provide new businesses and services, and resolve social issues. Each and every one of our employees shares this mission, and by creating new value, we hope to achieve sustainable growth together with society.

Under the Group slogan of “Toward a Beautiful Age,” we are committed to creating a beautiful living environment for our future and continuous solution of social issues through business by addressing the 17 goals and 169 targets of the SDGs and material sustainability themes (materiality) identified based on issues specific to each area and industry, with sustainable management (see page 31) as our basic management stance.

Decision Making and Permeation Relating to Sustainability

Tokyu Corporation positions its Board of Directors as the supreme organ of management and supervision, and important areas relating to sustainability are decided and supervised by the Board of Directors. (See page 75 for primary key deliberations.)

In addition, to proactively promote sustainability initiatives, we are undertaking a wide range of activities, including meetings of a Sustainability Promotion Committee (chaired by the President), promoting sustainability at all consolidated companies, a variety of educational activities, and an award system for the entire Tokyu Group.



Meeting committee structure, training, system		Frequency and outline	Themes handled
Meeting committee structure*	Sustainability Promotion Committee	2 times a year. For the purpose of promoting sustainable management, the President chairs the meeting, and information is shared and instructions are given by the Executive Officers, full-time Audit & Supervisory Board Members, and division heads, etc.	ESG promotion, environmental issues, TCFD initiatives, safety, compliance, etc.
	Tokyu Group Sustainability Promotion Committee	2 times a year. Communicate and share information with the Sustainability Promotion Managers of the Group, with the aim of strengthening the consolidated sustainability promotion system.	Same as above
Training and seminars	Sustainability seminars for Tokyu Group managers	2 times a year (once for environmental themes and once for each of the individual themes). Raise awareness of the Group's management to take the initiative in promoting sustainable management.	Global social issues, SDGs management, human rights, environmental issues, etc.
	Various educational seminars, e-learning training, rank-based training	Held as needed	Environment issues, material sustainability themes, SDGs education, etc.
Awards program	Tokyu Group Environmental and Social Contribution Award System	Once a year. Awards are presented after a screening committee collects applications for initiatives that make outstanding environmental and social contributions in the Tokyu Group's business activities during the year. (Award Applications in 2022: 77 https://tokyu.disclosure.site/en/158/)	Overall environmental and social contributions

* Please see page 75 for key deliberations by the Board of Directors.

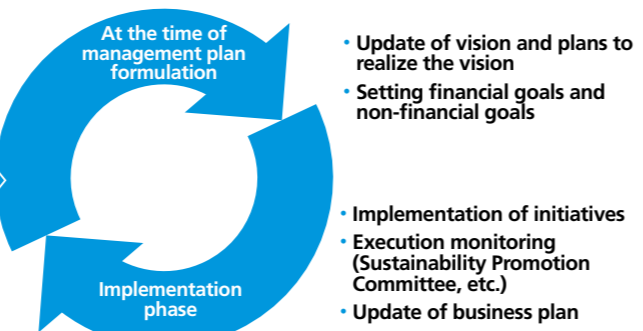
Integrating material sustainability themes into management plans / initiatives and monitoring implementation

In March 2018, the Group identified material sustainability themes, and in conjunction with the formulation of its long-term management initiative, set out cross-business social issues to be addressed and a vision for 2030, positioning them as the basic concept of the long-term management initiative.

In addition, when formulating medium-term management plans and single-year business plans, non-financial targets are set

to monitor the performance of each measure along with financial targets, and resolutions are made at target-setting meetings and Group management meetings.

The progress of the initiatives is confirmed by each responsible department and the Sustainability Promotion Committee.



* Please see pages 39 to 40 for process for identifying material sustainability themes, the vision for 2030, and the approach to setting indicators.

Decarbonation, Recycling-based Society

Environmental Vision 2030

The Group will promote decarbonation, recycling-based society as one of material sustainability themes (materiality) and promote sustainable urban and community development. To confront

environmental concerns facing Earth, engage integrally with customers and other stakeholders, and change communities and lifestyles, in March 2022 we drafted Environmental Vision 2030.

Image of Community Harmonizing with Environment

As a concept of a community harmonizing with the environment, we propose “connecting everyday life to a sustainable tomorrow,” in which environmentally friendly actions can be chosen without particular burden. We strive for urban and community development in which anyone can contribute to sustainable society and recycling Earth's environment.

Scenes of daily life

<Move>

- CO₂-free mobility
- Efficient and seamless mobility
- Resource recycling centered around eco-friendly train stations

<Live, Play>

- Easy eco-friendly and ethical lifestyles
- Energy-creating, low environmental impact homes
- Eco-friendly and smart communities
- Conservation of the natural environment-education

<Work>

- Environmentally-friendly offices
- Open innovation

Support for daily life

- Digital technologies
- Preparing for and responding to natural disasters
- Energy resilience

Connecting everyday life to a sustainable tomorrow

Key points of realization

- Set challenge targets
- Tackle the targets in partnership with all stakeholders
- Provide services that support environmentally-friendly behavioral changes

What We Aspire to with Our Environmental Initiatives

By working to shape towns that are in harmony with the environment as the embodiment of sustainable urban and community development, we promote sustainable growth together with towns and communities. We will also contribute to solving global issues by disseminating our good practices established in existing cities.

Realizing towns in harmony with the environment

To create sustainable cities and communities, we will work to realize towns in harmony with the environment toward decarbonation and recycling-based society, and grow sustainably together with the towns.

Long-term Recycling-based Business Model

Helping to solve global issues

We will contribute to solving global issues by disseminating good practices in existing urban areas to reduce environmental impact and harmonize with the environment.

Developing examples of good practices

Please see the following for Environmental Vision 2030. <https://tokyu.disclosure.site/en/135/>

Targets and Results Toward Implementation of Decarbonation, Recycling-based Society

With Environmental Vision 2030, we set new targets relating to references for keeping global warming to 1.5°C and reducing waste and water usage, with a hard look toward a carbon-neutral zero-waste society in 2050, and we have defined Action 11 for achieving these initiative targets. In addition, in order to proceed

with partnerships with all stakeholders and the offering of services that drive environmentally-friendly actions, which we hold up as keys to achievement (see page 62), we have also set new targets to work toward in daily living as community initiatives.

Targets toward a decarbonized, recycling-based society



	Decarbonized society Engage in activities aimed at a level that will restrict global warming to 1.5°C while contributing to the decarbonization of towns	Recycling-based society Towards realizing a zero-waste society, leverage the many customer contact points characteristic of our business to joint and expand the circle of resource recycling and the circular economy
Company (Consolidated)	<ul style="list-style-type: none"> Company (consolidated) business activities Scope 1, 2 2030 46.2% reduction in CO₂ emissions (compared with FY2019 levels) Renewable energy ratio of 50% 2050 Reduce CO₂ emissions to effectively zero Renewable energy ratio of 100% (RE100) 	<ul style="list-style-type: none"> 2030 10% reduction in waste volume (revenue standard unit compared with FY2019 levels on a revenue unit basis) 2030 10% reduction in water usage (compared with FY2019 levels on a revenue unit basis)
Initiatives aimed at towns	<ul style="list-style-type: none"> Supply chain of business activities Scope 3 Ascertain CO₂ emissions and promote their reduction *Set target values hereafter Decarbonization of towns Going beyond Scope 3 Achieve advances in urban decarbonization with service offerings that help customers decarbonize, energy infrastructure management, coordination with local governments, and other activities. 	<p>Decarbonization, Recycling-based Society</p> <ul style="list-style-type: none"> Provision of a menu of services to reduce environmental impact At least 100 by 2030 People taking action on the SDGs: increase at least 30% by 2030* (FY2021 50.6% - 65%) <p><small>* In an internet-based awareness SDGs awareness survey conducted by Tokyu Corporation in the 17 cities and wards along Tokyu railway lines, this is the percentage of people who responded that they intended to choose a company or intended to take action with regard to at least one of the 17 goals of the SDGs. In FY2021, this figure was 50.6%. The 30% improvement is equivalent to the number of people taking action increasing by about 820,000.</small></p>

Action 11 for achieving targets

Energy conservation and energy management	We will reduce our energy usage through the introduction of development and equipment with a low environmental impact, the utilization of new technologies and energy management.
Use renewable energy	With the aim of daily lives in which people can choose environmentally-friendly activities without a particular sense of burden, we will promote renewable energy operation on Tokyu train lines and the use of renewable energy in the properties we own.
Create renewable energy	We will contribute to the stabilization of renewable energy procurement and the realization of a decarbonized society through energy creation initiatives.
Decarbonization of towns	We will strive to ascertain and reduce CO ₂ emissions through the supply chains of our businesses, and promote the decarbonization of towns by contributing to building distributed energy systems.
Resource utilization	We will make effective use of limited resources, make cyclic use of water, and promote a shift away from the use of plastics.
Zero waste	We will leverage the many customer contact points characteristic of our business to aim for a zero-waste society.
Coexisting with nature	We will take into account nature and biodiversity, and provide a living environment that enables interaction with the natural environment.
Support and encouragement	We will become a member of a circle for resource recycling and expand that circle of recycling together with customers and partners.

Collaboration with local governments and communities	We will collaborate with local governments and regions to form communities that contribute to the environment.
Collaboration between businesses, academia and shareholders	We will solve issues and promote open innovation through collaboration with companies, academic institutions and other entities.
Internal systems	We will establish solid management and governance systems continually educate the employees responsible for urban and community development.

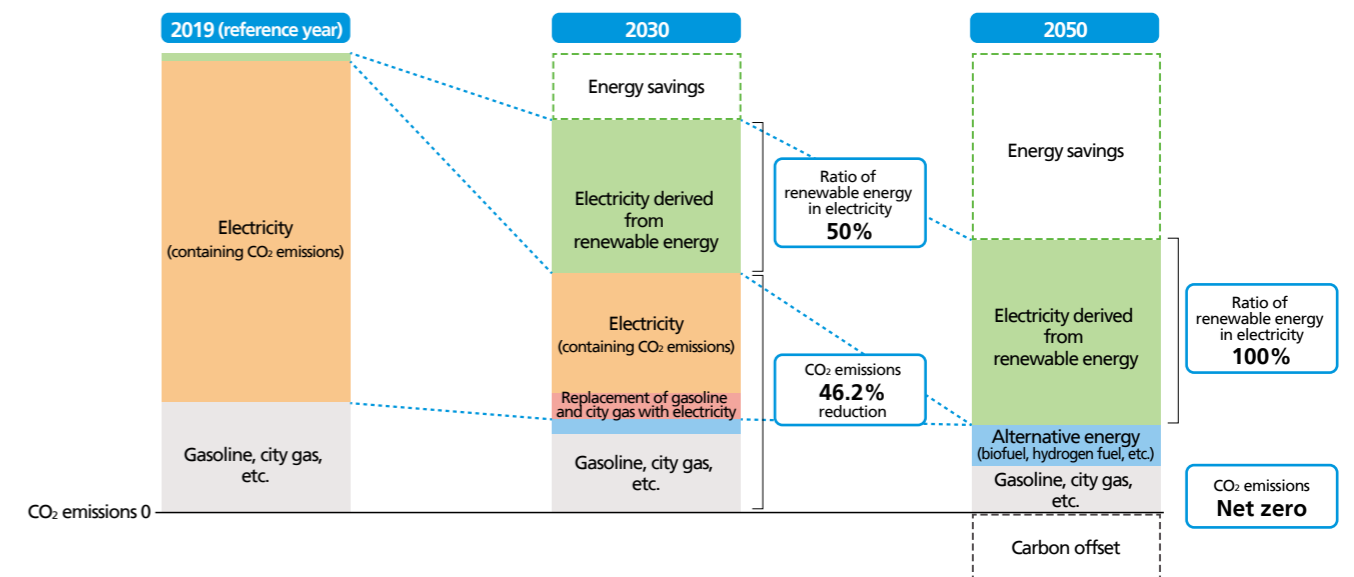


Steps toward achieving decarbonation targets

Steps toward two-stage targets of 2030 and 2050 are as per the following diagram. We are undertaking business management in which business activities and environmental value improvement are unified, including proactively proceeding with energy savings as well as drawing on renewable energy for electricity, replacing railway carriages in the railway business with new high energy savings carriages, and acquiring environmental real estate certi-

fication and organizing environmental investment standards in the real estate business. Also, in terms of using energy other than electricity, we are striving to reduce our overall CO₂ emissions by accurately ascertaining alternative energy technology trends such as converting to electricity, and furthermore biofuels, hydrogen fuel, and fuel cells, and proactively investigating the adoption of these.

CO₂ Conversion Energy Configuration



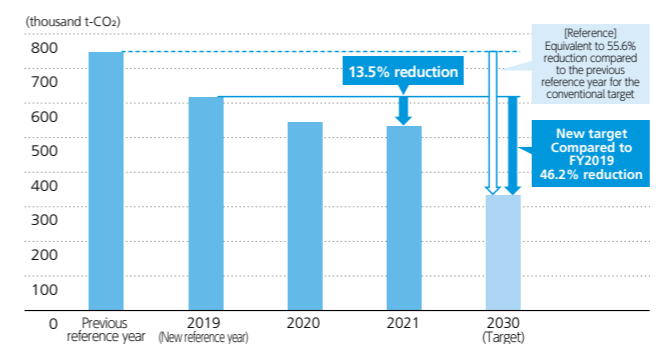
Progress toward CO₂ reduction targets (Scope 1, 2)

The Group's FY2021 consolidated CO₂ emissions (Scope 1, 2) were 535ktons of CO₂, a 13.5% reduction from FY2019 (a 28.5% reduction compared with former reference fiscal year) (Table 1). We will continue to undertake energy management with a hard look at the new situation given that these also reflect declines in energy consumption in business activities, including reduced business hours at commercial facilities due to the COVID-19 pandemic.

In addition, in our railway business (Tokyu Lines), which accounts for approximately 30% of the Group's CO₂ emissions, we have been working hard for energy savings while promoting the

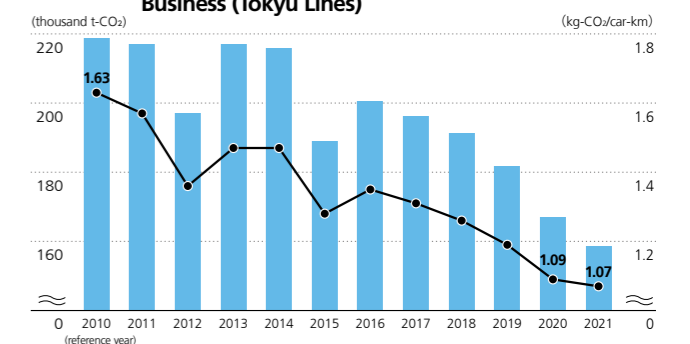
adoption of technology, such as the installation of platform screen doors and security cameras (introduction of energy-saving vehicles, LED station lighting, facility improvements with ZEB in mind, etc.). Carbon intensity (CO₂ emissions per vehicle per kilometer traveled) (Table 2), including ancillary facilities, has been reduced by 34% compared to the reference year. Note also that as of April 1, 2022, we have commenced (see page 68) operations on all lines with electricity derived from renewable sources having effective zero CO₂ emissions. Going forward, we continue to carry out energy savings initiatives.

Table 1: Progress in Reducing CO₂ Emissions



*Previous reference years: 2010 for the railway business (Tokyu Lines); 2015 for the real estate and other businesses
*Third-party auditing of CO₂ emissions in FY2021 are being conducted as of this writing

Table 2: CO₂ Emissions and Carbon Intensity of the Railway Business (Tokyu Lines)



■ CO₂ emissions in the railway business (Tokyu Lines) (left axis)
● Carbon intensity (CO₂ emissions per carriage per 1 km traveled) (right axis)
*CO₂ emissions are values per the Act on Rationalizing Energy Use notification standards

CO₂ emissions (Scope 3)

The Group's FY2021 consolidated CO₂ emissions (Scope 3) were 2,297ktons of CO₂ (81.1% of Scope 1, 2, 3 total). We will carry out reductions through selection of reduction targets and cooperation with business partners.

Scope 3 Primary Category Emissions (FY2021) (in ktons of CO₂)

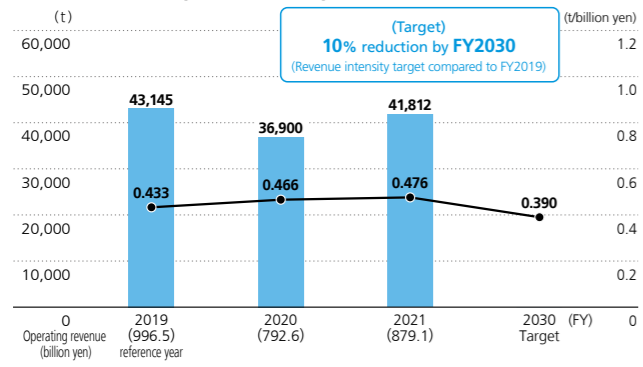
Category	Relevant activity	CO ₂ emissions
1	Purchased products and services	773
3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	752
2	Capital goods	441

*The three categories with the most CO₂ emissions at the Group from among the 15 categories of Scope 3
*Third-party auditing of CO₂ emissions are being conducted as of this writing

Progress on targets toward a recycling-based society

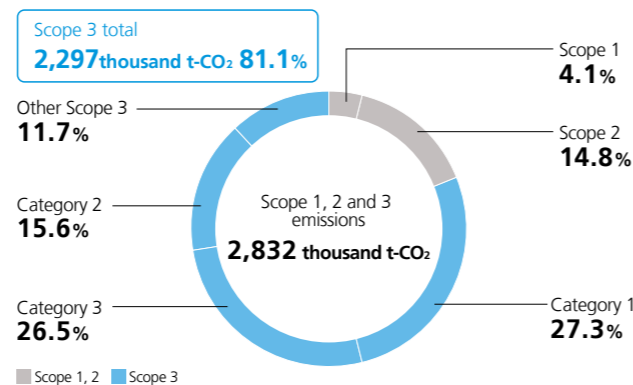
We are proceeding with initiatives while leveraging the distinctive characteristics of each business, such as reducing resource consumption and waste and efficaciously using resources, toward realization of a recycling-based society that coexists with nature. In addition, to carry out reduction of such societal concerns as waste

Waste Result (Consolidated)



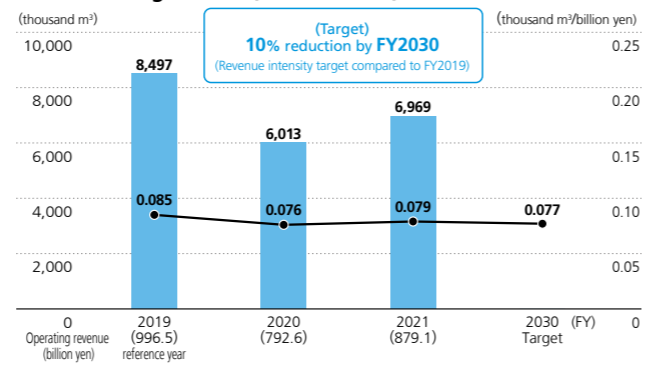
● Waste per ¥1 billion operating revenue (t/billion yen) (right axis)
*For estimated operating revenues for FY2019 and FY2020, impact amounts are calculated for applying accounting standards relating to revenue recognition

Breakdown of Scope 1, 2, 3 CO₂ Emissions



and water usage, we are effecting reduced environmental footprint by business through defining intensity unit-based consolidated reduction targets and running the PDCA cycle. We will contribute proactively to building a sustainable society and living foundation jointly, including each of our businesses and their supply chains.

Water Usage Result (Consolidated)



● Water usage per ¥1 billion operating revenue (thousand m³/billion yen) (right axis)
*For estimated operating revenues for FY2019 and FY2020, impact amounts are calculated for applying accounting standards relating to revenue recognition

Addressing Climate Change/TCFD Recommendations

In anticipation of the impact of climate change on its business, the Group has strengthened its risk management, and has begun to integrate measures into its business strategies in response to risks and opportunities. In addition, we announced our endorsement of the TCFD* in September 2020, and will proceed to disclose information based on the TCFD recommendations.



*TCFD (Task Force on Climate-related Financial Disclosures)
A task force established by the Financial Stability Board (FSB) in 2015 to identify and disclose the financial implications of the risks and opportunities posed by climate change with a view to global economic stability.

TCFD Disclosure Recommendations

Governance	Disclosure of the organization's governance of climate-related risks and opportunities	Risk management	How the organization identifies, assesses, and manages climate-related risks
Strategy	Actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Metrics and targets	Metrics and targets used to assess and manage relevant climate-related risks and opportunities

Governance

Taking climate change as a matter of serious concern, we are deliberating and determining risk identification and evaluation, as well as strategy and targets, in the Management Meeting which is the management decision making organ, with President & Representative Director as Chairman. In addition, regarding environmental concerns including climate-related and the state of our engagement therewith, we have a system in place in which the Management Meeting makes annual reports to the Board of Directors (see page 75) and receives appropriate supervision therefrom.

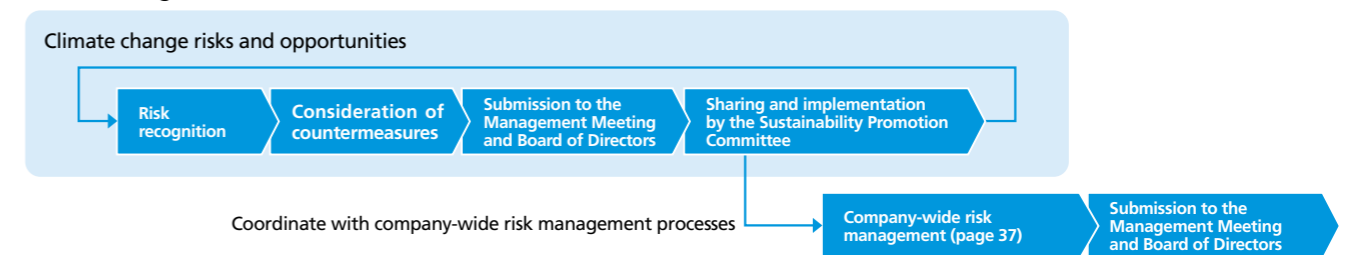
In addition, we are carrying out sharing, promotion, and penetration of environmental concerns and monitoring of the state of our engagement therewith through the Sustainability Promotion Committee that meets twice annually, and the Tokyu Group Sustainability Promotion Committee (see page 61).

Risk management

With the Corporate Affairs Headquarters ESG promotion group as project leader, we are carrying out studies of risk analysis and countermeasures in cooperation with the Corporate Planning Headquarters and each business division on climate-related risks and Opportunities, and making annual submissions thereof to the Management Meeting and the Board of Directors.

In addition, regarding company-wide risk including climate-related, when conducting annual risk analyses in each business and each company, we are studying, evaluating, and managing, including climate-related risk (please see page 37 for company-wide risk management).

Risk Management Process



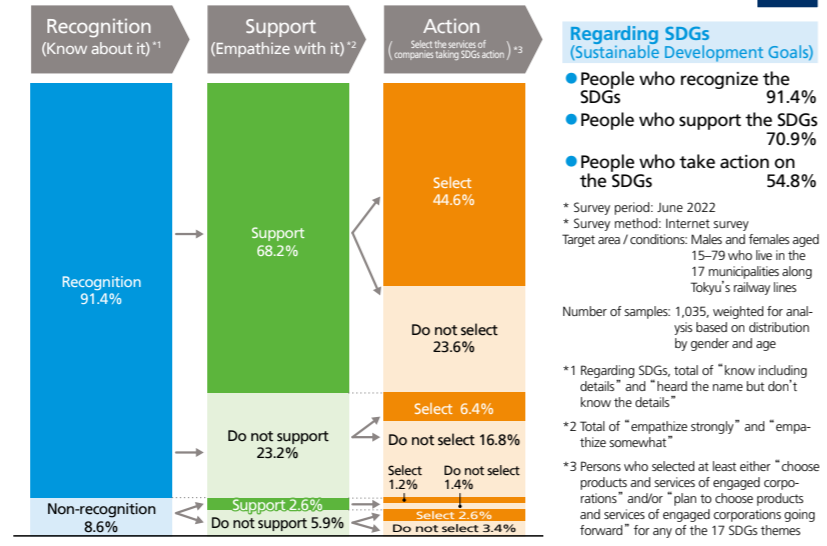
Strategy [Setting the general framework (worldview) for scenario analysis]

- ◆ **Businesses subject to analysis (conducted on per-business basis):** Transportation Business, Real Estate Business, Life Service Business, Hotel and Resort Business
- ◆ **Selection scenario:** Select "1.5°C Scenario" keeping climatic warming at the end of the 21st Century to 1.5°C compared with pre-industrial revolution (1760s–1830s) levels and "4°C Scenario"

Scenario	Impact on the Group		
1.5°C	Transition risk	Technology	• Cost increases with regard to electricity costs and energy-saving technologies
		Policy measures, legal restrictions	• Carbon tax and other strengthened policy measures and restrictions toward suppression of global warming
4°C	Physical risk	Resource efficiency	• Cost reduction through development of energy-saving technologies
		Products and services	• Increased public transportation ridership through increased environmental consciousness • Improvement of tenant orientation toward environmentally friendly properties
4°C	Physical risk	Acute	• Increased repair costs and outflow of customers due to facility flooding through intensified natural disasters, etc.
		Chronic	• Fewer users due to new infectious disease

SDGs Awareness Survey and Tokyu Corporation's Activities in 17 Municipalities along Tokyu's Railway Lines

With regard to the Group, as part of our dialogue with our stakeholders, we have been carrying out an SDGs awareness survey of our customers who reside in areas served by Tokyu's railway lines since FY2019. With regard to Environmental Vision 2030 that we formulated in March 2022, in order to offer services that encourage action changes on the part of customers and implement decarbonize cities together with all our stakeholders, we have set a target of raising the proportion of "people taking SDGs Action" in this survey to 65% by 2030. The proportion of "people taking SDGs Action" in the 2022 survey was 54.8%, a 4.2-point YoY increase. We are providing services that contribute to solving societal concerns such as reducing environmental footprint, such that SDGs Action can be encouraged in the everyday lives of all living in areas served by Tokyu's railway lines, such as operation of all Tokyu Lines operating 100% on electricity derived from renewable energy.



Regarding SDGs (Sustainable Development Goals)

- People who recognize the SDGs 91.4%
- People who support the SDGs 70.9%
- People who take action on the SDGs 54.8%

* Survey period: June 2022
* Survey method: Internet survey
Target area / conditions: Males and females aged 15–79 who live in the 17 municipalities along Tokyu's railway lines

Number of samples: 1,035, weighted for analysis based on distribution by gender and age

*1 Regarding SDGs, total of "know including details" and "heard the name but don't know the details"

*2 Total of "empathize strongly" and "empathize somewhat"

*3 Persons who selected at least either "choose products and services of engaged corporations" and/or "plan to choose products and services of engaged corporations going forward" for any of the 17 SDGs themes

Serious risks and opportunities

We will continue studies in each business toward further creation and acquisition of opportunities, and proceed with incorporating climate change adaptation in strategy.

Significant Transition and Physical Risks and Responses

Category	Description of risks	Applicable period	Business category				Impact (2030 time point) ^{*1}	Risk management / Future response
			Transportation	Real Estate	Life Services	Hotel and Resort		
Transition risk (1.5°C Scenario)	• Increase in electricity costs and carbon tax	Medium to long term	●	●	●	●	Medium to high	<ul style="list-style-type: none"> Promote studies for the introduction of self-generation (solar power and storage batteries) Promote consideration of procurement and adoption of renewable energy <ul style="list-style-type: none"> ⇒ All Tokyu Line renewable energy operation (beginning April 2022) ⇒ We have started to use renewable energies as the basic specifications for newly constructed properties owned by the Company, and in principle will introduce renewable energies for the common areas and areas used by the Company at existing properties by 2030.
	• Double investment due to development of energy-saving technologies	Medium to long term	●	●	/	/	Low	
	• Increased costs due to shift to ZEB	Short, medium to long term	/	●	/	/	Low	
Physical risk (4°C Scenario)	• Outflow of customers from flood-prone areas, a decline in ownership opportunities	Short, medium to long term	/	●	/	/	Low to high	<p>[Existing countermeasures]</p> <ul style="list-style-type: none"> Measures to prevent flooding of facilities Measures against slope collapse Vehicle evacuation drills Fortifying power source infrastructure <p>[Future initiatives]</p> <ul style="list-style-type: none"> Sophistication of flood prevention countermeasures, cooperation with asset owners Review use and ownership of high-risk properties Continued promotion of measures to prevent slope collapse Promote measures to avoid and mitigate flooding through cooperation among businesses Conducting drills and cooperation with the Crisis Management Headquarters in the event of a disaster Lowering break-even point through implementation of structural reform
	• Service interruptions due to damage to facilities caused by severe disasters, increased renovation costs, customer outflow and loss	Short, medium to long term	●	●	●	●	Low to high	
	• Increase in air conditioning costs due to rising temperatures	Medium to long term	●	●	●	●	Low	
Physical risk (4°C Scenario)	• Decrease in the number of people transported and passengers due to the outbreak of new infectious diseases	Short, medium to long term	●	/	●	●	Low to high	

*1. Exclusive of not yet calculated business segment impact

Premises of analysis of important risks

The importance of risks was evaluated based on the impact on each business and the degree of occurrence of the event. The impact on each business is analyzed based on the scale of the impact of the business that is expected to be affected by the climate-related event, and the incidence is evaluated based on the Fifth Assessment Report (AR5) of the IPCC (United Nations Intergovernmental Panel on Climate Change) for physical risks such as natural disasters. The transition risks are estimated and analyzed based on trends in future

policy goals and plans, such as the introduction of environmental laws and regulations and carbon taxes, as well as the introduction of current policies.

In terms of financial impact, transition risk in the 1.5°C Scenario is computed primarily on the basis of such factors as electricity usage and plans for partial adoption of solar power, while physical risk in the 4°C Scenario is estimated based primarily on impact resulting from maximal inundation such as rivers overflowing their banks or the COVID-19 pandemic.

Key Opportunities

Category	Contents of opportunities	Applicable period	Business category				Impact (2030 time point)
			Transportation	Real Estate	Life Services ^{*1}	Hotel and Resort ^{*1}	
Opportunities (1.5°C Scenario)	<ul style="list-style-type: none"> Increased ridership through transport efficiency advantages^{*2} Customer flows toward low disaster risk areas Changing demand due to rising average temperatures Rising environmental consciousness on part of stakeholders 	Medium to long term	●	●	●	●	Low
	<ul style="list-style-type: none"> Cost reduction through promotion of self-generation, energy saving, technology development (Increase in storage batteries, use of fuel cells) Renewable energy power plant development investment through infrastructure fund 	Medium to long term	●	●	●	●	Low
	<ul style="list-style-type: none"> Diversification of fare receipt measures with focus on new living arrangements 	Short, medium to long term	●	/	/	/	High
	<ul style="list-style-type: none"> Improve business profitability and property value by introducing a system for trading CO2 emission credits, etc. 	Medium to long term	/	●	/	/	Not yet calculated
	<ul style="list-style-type: none"> Increase demand for ZEB and ZEH environmentally friendly properties 	Medium to long term	/	●	/	/	Low
	<ul style="list-style-type: none"> Increase customers and Life Time Value (LTV) through implementation of communities in harmony with the environment and globally admired urban and community development 	Short, medium to long term	●	●	●	●	Medium to high

*1. Impact to be computed at a later date. *2. Operation of all Tokyu lines with 100% electricity derived from renewable energy sources, etc.

Premises of analysis of key opportunities

Key opportunities are treated as new opportunities to decarbonize cities according to Environmental Vision 2030, in addition to having studied the 1.5°C Scenario and envisioned and conducted analyses of changes in environmental consciousness and demand, energy-saving technology development, and adoption of new systems, in line with rising temperatures.

Metrics and targets

As preparation for climate change mitigation and transition risk, we are carrying out studies and promotion toward decarbonation of business activities. As an initiative regarding immediate global environment concerns, in March 2022 we formulated Environmental Vision 2030 (see page 62), and we strive for a standard of keeping global warming to 1.5 °C to achieve a decarbonized society. By engaging with all stakeholders and partnerships and providing services that encourage environmentally friendly action changes, we promote sustainable urban and community development in which many people feel environmental contributions close at hand and, together, harmonize with the environment. Note that, as per "Targets and Results Toward Implementation of Decarbonation, Recycling-based Society" on page 63, with regard

to setting and progress toward targets relating to decarbonation, we are both proposing a target of implementation of decarbonized society by 2050 and carrying out review and debate based on the scenario analysis results.

In addition, with regard to response to physical risks, we are defining investment priorities among overall safety management including such as earthquakes and other natural disasters as well as terrorism countermeasures as well as climate change risk, and as an obligation of a corporation that is responsible for urban infrastructure, we are defining indices regarding safety (see page 69), and carrying out through our day-to-day business processes initiatives toward safe railway operation and disaster-resilient urban and community development.

Please see below for details of TCFD recommendations initiatives. <https://tokyu.disclosure.site/en/183/>

First in Japan all rail lines operating with electricity derived 100% from renewable energy sources

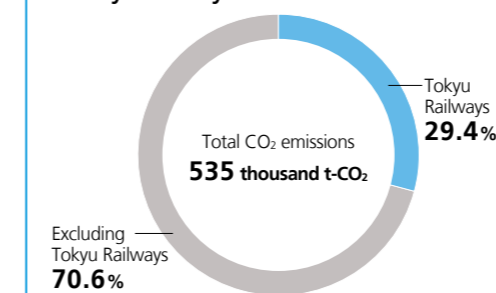


Since April 2022, we have converted the electricity which the operation of all Tokyu Line railways depends on to effectively net zero CO2 emissions electricity derived from renewable energy sources. This is the first such initiative in Japan to operate all rail lines with electricity derived 100% from renewable sources. Through this initiative, we estimate that CO2 emissions will effectively reach zero, and we will be able to reduce annual CO2 emissions approximately 165,000t of CO2, which, if converted to annual household CO2 emissions, is the equivalent of approximately 56,000 households*. This initiative is a crucial measure toward implementing "the everyday in which people can choose environmentally-friendly actions without particular burden" that Environmental Vision

2030 (see page 62) strives for, and contributes to decarbonize cities, while significantly advancing each type of initiative toward net zero CO2 emissions for the businesses of the Group by 2050 which is the target of the Vision. Aside from this initiative, Tokyu Corporation will further proceed with energy-saving countermeasures of carriage updates, converting station lighting to LED, and increasing the efficiency of infrastructure devices, taking steps toward the implementation of a decarbonation, recycling-based society.

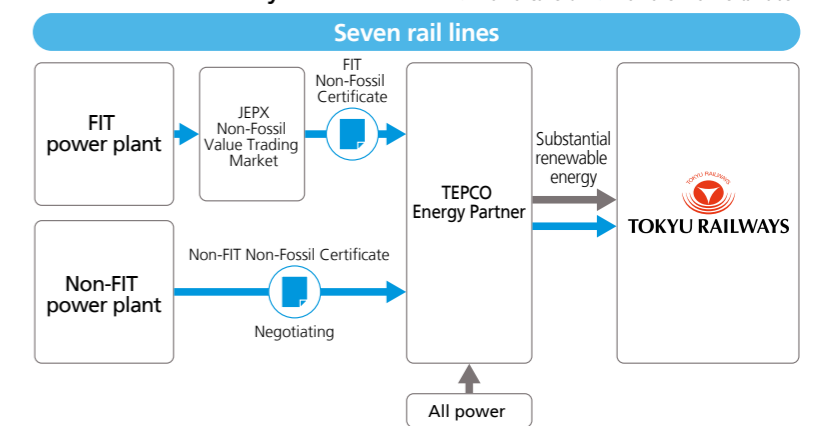
*Computed from "FY2020 Household Division CO2 Emissions Actual Conditions Statistical Investigation (Preliminary Figures)," Japanese Ministry of the Environment
*Annual CO2 emissions by Tokyu Railways accounts for approximately 30% of emissions by the Group overall.

Proportion of FY2021 Consolidated CO2 Emissions (Scope 1, 2) Accounted for by Tokyu Railways

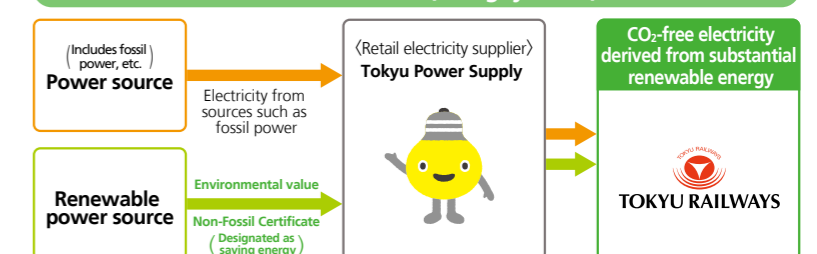


New railway carriages with improved environmental performance (operating with approximately 50% of the power consumption of previous railway carriage models)

Renewable Electricity Scheme



Rail track 1 route (Setagaya Line)



Safety & Security

Safety Management in the Group

The basis for all businesses of the Group, including the transportation business, is safety and the security that comes from it. In order to promote safety initiatives in an integrated and effective manner, the various our divisions and consolidated companies work together to ensure safety and improve security. For the Group, in the Sustainability Promotion Committee (see page 61) that has the President as its Chairman, we chiefly share key information relating to safety

Safety Management at Tokyu Railways

At Tokyu Railways, which is responsible for railway operations, on the basis of safety management regulations which define safety management systems and methods, safety management systems are being built in which all are integrated from top management to front-line employees. We focus on preventing reoccurrences of accidents, as well as preventing accidents happening in the first place, reliably carry out necessary countermeasures, and have each and every one of our employees exercise versatile imaginations, thereby undertaking to anticipate and eliminate risk.

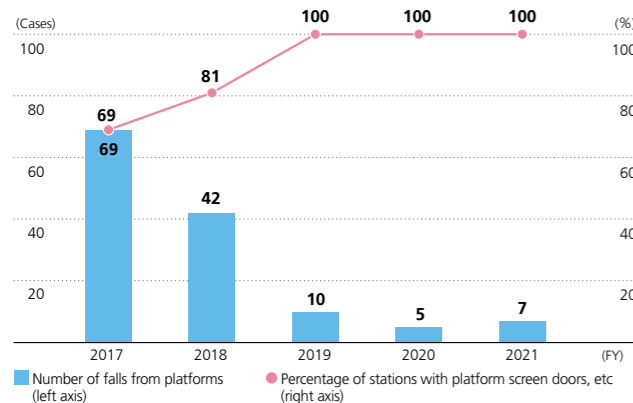
In December 2021, we opened the Safety Co-creation Hall, with the objective of carrying out cross-divisional education relating to safety revolving around the two aspects of education in preventing reoccurrence and fading memories of accidents experienced in the past, and education in preventing accidents before they happen. Going forward as well, we will pursue safety with all our might so that customers may use our facilities in security.

Result of investment in safety

In FY2019, Tokyu Railways became the first major private railway company to install platform screen doors and fixed platform barriers equipped with sensors at 100% of stations (Table 1) (excluding the Setagaya Line and the Kodomonokuni Line).

These measures have reduced falls from platforms by about 90% over the past five years. In addition to ensuring passenger safety, they have also had a significant effect on the stability of

Table 1: Number of Falls from Platforms and Percentage of Stations with Platform Screen Doors, etc., Installed



and carry out instruction on appropriate responses as a company. In addition, with an objective of promoting safety integrally as a consolidated system with a common viewpoint and philosophy, we treat the promotion of safety as a regular agenda item at the Tokyu Group Sustainability Promotion Committee (see page 61) in which persons with overall responsibility for sustainability promotion at Tokyu Corporation and all consolidated companies, etc., take part.

services, such as reducing transportation disruptions (number of incidents such as accidents, faults, etc., by cause (Table 2)) caused by people falling onto the tracks and other incidents.

Pre-COVID-19 Pandemic, we carried out continuous capital expenditure (Table 3) with the objective of ensuring safety and stability on a scale significantly exceeding the industry standard. Going forward as well, we will proceed with initiatives necessary to continue to fulfill our mission as public transportation into the future, while being rigorous in management efforts including business structure transformation.

Table 2: Numbers of Railway Accidents, Incidents, and Transportation Disruptions

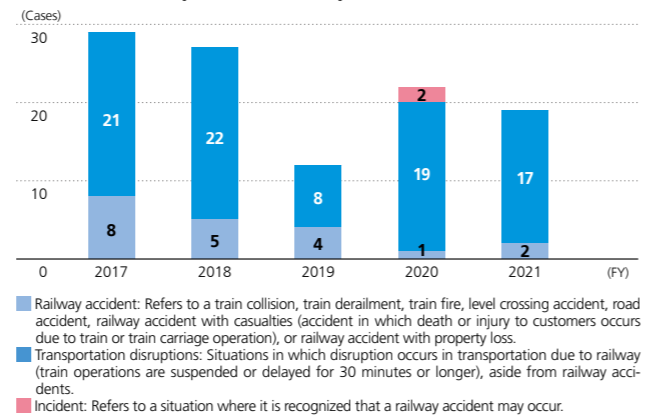
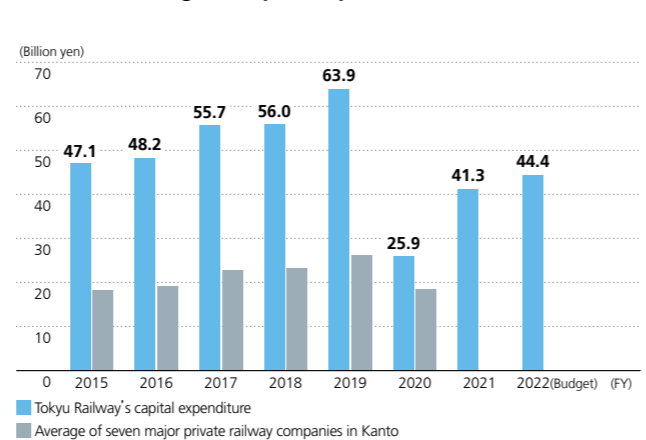


Table 3: Change in Capital Expenditure



First Major Private Railway Company

Promoting railway maintenance business process digital transformation and sophistication by InfraDoctor railway edition adoption utilizing geographic information and point group technology

Beginning in FY2021, Tokyu Railways became the first major private railway company to adopt InfraDoctor railway edition*, which carries out track clearance inspections and special overall inspections of tunnels by acquiring and analyzing 3-D point group data with laser scanners and high-resolution camera image-data.

Conventionally, track clearance inspections and special overall inspections of tunnels were performed by such as visual examination and measurements by engineers. As many persons are required, however, for such as conducting inspections carried out by close-up visual examination of all sites including high points by assembling platforms onsite and hammering investigation of sites where anomalies are suspected, concerns have arisen such as variations in inspection precision, technology succession, lack of engineers, and rising inspection costs.

With the adoption of InfraDoctor railway edition, we effect a digital transformation by the substitution of mechanical measurement for onsite human inspection and measurement, and by analyses of 3-D point group data and high-resolution camera images, we are able to

efficiently extract sites requiring attention, such as floating or peeling in all sections of tunnels, allowing constraining hammering investigation, etc., to necessary sites. In this way, we achieve more efficient inspection operations, higher inspection precision, and support for technology succession, as well as striving for approximately 30% maximum inspection cost reductions, contributing to fixed cost reductions in railway maintain management.

*Jointly developed by Tokyu Corporation, Metropolitan Expressway Company Limited, and Shutoko Engineering Company Limited



Inspection and measurement by engineers Measurement by InfraDoctor railway edition

Initiatives Increasing Community Resilience

Business continuity structure of the Group

The Group conducts business closely involved with living of many customers, and with the objective of sustaining business and promptly recovering while ensuring safety even in the event of a disaster such as a major earthquake, we are proceeding with strengthening our business continuity (BC) system in the event of a disaster such as a major earthquake. As one of these initiatives, for the purpose of strengthening BC structures at our consolidated companies, we have established the Tokyu BC Committee, led by the president of Tokyu Corporation, and we are promoting BC at our consolidated companies, working hard to ensure that BC can be carried out, from the departments at head office, to the various frontline units providing customer service. The committee carries out such as sharing of all companies' advanced case histories and objective evaluation for and improvement assistance with countermeasures by external experts, and created opportunities to learn from experts in COVID-19 pandemic response.

Furthermore, we are conducting training for ensuring safety of customers in such as key station facilities, rail lines, commerce facilities, and hotels.

Initiatives in the Shibuya area

The vicinity of Shibuya Station has a mortar-shaped topography, making it prone to accumulating rainwater when it rains. Thus, Tokyu Corporation and the Urban Renaissance Agency, as co-executors of Shibuya Station block land readjustment business, in striving for safety and security in urban and community development that is resilient against water damage, have established a rainwater harvesting facility at the east exit of Shibuya Station (managed by the Tokyo Metropolitan Government Bureau of Sewerage). Capable of temporarily storing approximately 4,000 m³ of rainwater, this facility will take in water in the event of heavy rainfall, and discharge water thus accumulated into existing sewerage trunk line when the weather improves, there-



Rainwater harvesting facility at the east exit of Shibuya Station

by avoiding flood damage.

In addition, with the objectives of improved first response ability and strengthened collaboration with related agencies in the event of the discovery of suspicious objects and/or persons, we are conducting joint anti-terrorism training, etc., at Tokyu Line Shibuya Station together with the police, Tokyu Security Co., Ltd., and Tokyu Property Management Co., Ltd.



Joint anti-terrorism training

Furthermore, Tokyu Security Co., Ltd. security guards are constantly stationed in the vicinity of Shibuya Station, with approximately 400 security guards (approximately 20 facilities) keeping watch over the everyday Shibuya community. Systems are in place such that when an emergency happens, information is rapidly shared throughout the entire area and harm is prevented from spreading.

Contributions to measures for people difficult to return home

Facilities operated by the Group in the vicinity of Shibuya Station (six facilities including Cerulean Tower Tokyu Hotel) are conducting periodic training to admit people difficult to return home in the event of a disaster as temporary shelters for stranded people, providing rest areas, restrooms, water, etc. In addition, in the Council on Countermeasures for Stranded People around Shibuya Station, in which businesses, etc. in the vicinity of Shibuya Station (approximately 100 sites) act in unison, Tokyu Corporation holds a central role as secretariat, and on the basis of a collaboration system with Shibuya Ward, promotes such activities as studies for improving the efficacy of people difficult to return home countermeasures and verifications through planning and conduct of training, such that persons visiting the community of Shibuya do not become disordered in the event of a major disaster.



Training by Council on Countermeasures for Stranded People around Shibuya Station (jointly by Shibuya Ward and council on countermeasures for stranded people around Shibuya Station)

*Conducted as online training session in FY2021

Please see the following for the Tokyu Railways Safety Report. (Japanese only)
https://www.tokyu.co.jp/railway/service/activity/safety/webcate_list.html

Corporate Governance

Officers

(as of July 1, 2022)

Directors

In the blue frame FY2021 Board of Directors meeting attendance



Hirofumi Nomoto
Chairman Of The Board & Representative Director
13 times out of 13 times

Joined Tokyu Corporation in 1971. Appointed as President & Representative Director of Tokyu Corporation in April 2011 after positions such as President & Representative Director of its communications Inc., Senior Executive General Manager of Tokyu Corporation's Real Estate Development Business Unit, and Senior Executive General Manager of Tokyu Corporation's Urban Life Produce Business Unit. Current position since April 2018.



Isao Watanabe
Director & Vice Chairman Of The Board
10 times out of 10 times

Joined Tokyu Corporation in 1979. Current position since June 2022 after positions such as Senior Executive General Manager, Urban Life Produce Business Unit of Tokyu Corporation, and President & Representative Director of Tokyu Railways Co., Ltd.



Kazuo Takahashi
President & Representative Director
13 times out of 13 times

Joined Tokyu Corporation in 1980. Current position since April 2018, after positions such as Managing Executive Director of Tokyu Bus Corporation, and Executive General Manager of Tokyu Corporation's Corporate Administration Headquarters.



Hirohisa Fujiwara
Director & Senior Managing Executive Officer
13 times out of 13 times

Joined Tokyu Corporation in 1983. Current position since July 2022 after positions such as Director and Executive Officer of Tokyu Facility Service Co., Ltd., Deputy Executive General Manager of Tokyu Corporation's International Business Headquarters, and Executive General Manager of Tokyu Corporation's Finance & Accounting Strategy Headquarters. (Responsible for Retail Business Unit and Finance & Accounting Strategy Headquarters)



Toshiyuki Takahashi
Director & Senior Managing Executive Officer
13 times out of 13 times

Joined Tokyu Corporation in 1982. Current position since July 2022 after positions such as Executive General Manager of Tokyu Corporation's International Business Headquarters, President & Representative Director of Tokyu Facility Service Co., Ltd., and Senior Executive General Manager of Tokyu Corporation's Urban Development Business Unit. (Responsible for Development Business Unit)



Setsu Hamana
Director & Managing Executive Officer
13 times out of 13 times

Joined Tokyu Corporation in 1983. Current position since April 2020 after positions such as Executive General Manager of Building Headquarters, Urban Life Produce Business Unit of Tokyu Corporation, and President & Representative Director of Tokyu Facility Service Co., Ltd. (Responsible for Corporate Planning Headquarters, Human Resources Headquarters, and Tokyu Hospital)



Masahiro Horie
Director & Managing Executive Officer
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Joined Tokyu Corporation in 1984. Current position since June 2022 after positions such as Executive Officer President & Representative Director, Tokyu Real Estate Investment Management Inc., Executive General Manager of Retail Business Headquarters, Life Produce Business Unit of Tokyu Corporation, and Executive General Manager of Building Management Headquarters of Tokyu Corporation. (Responsible for Building and Hotels Management Unit)



Kiyoshi Kanazashi
Director
13 times out of 13 times

Apr 2008 President & Representative Director, Chief Executive Officer of Tokyu Land Corporation
Jun 2012 Director of Tokyu Corporation (to the present)
Oct 2013 President & Representative Director of Tokyu Fudosan Holdings Corporation
Apr 2015 Chairman and Representative Director of Tokyu Fudosan Holdings Corporation
Apr 2020 Chairman of Tokyu Fudosan Holdings Corporation (to the present)



Kunio Shimada Independent officer
Director
Lead Independent Outside Director
10 times out of 10 times

Apr 1986 Registered with the Dai-ichi Tokyo Bar Association
Oct 1991 Admitted to the New York State Bar
Jul 2010 Representative Partner of Shimada Hamba & Oajima (to the present)
Jun 2011 Outside Director of Tsugami Corporation
Nov 2013 Supervisory Officer of Hullei Reit, Inc. (to the present)
Jun 2018 Director who are members of the audit and supervisory committee of Tsugami Corporation (to the present)
Jun 2021 Director of Tokyu Corporation (to the present)



Reiko Kanise Independent officer
Director
13 times out of 13 times

Apr 1975 Joined Hakuho Incorporated
Feb 1993 Representative Director of Kei Associates Inc. (to the present)
Jun 1999 President and Representative Director of Aeon Forest Co., Ltd. (The Body Shop)
Jan 2001 Member of the Consumer Committee of Japan Retailers Association (to the present)
May 2001 Director of the Japan Council of Shopping Centers (to the present)
Mar 2006 Chairperson of Information Committee of the Japan Council of Shopping Centers (to the present)
May 2004 Chairperson of Information Committee of the Japan Council of Shopping Centers (to the present)
Feb 2007 Representative Director of Lenajapan Institute Co., Ltd. (to the present)
Oct 2010 Visiting Professor, Showa Women's University
Jun 2015 Director of Tokyu Corporation (to the present)
Sep 2015 Member of the Consumer Commission, Cabinet Office
Dec 2020 Outside Director of FOOD&LIFE COMPANIES Inc. (to the present)
Jun 2021 Outside Director of KITAMURA HOLDINGS Co., Ltd. (to the present)



Midori Miyazaki Independent officer
Director
11 times out of 13 times

Apr 1988 Part-time Instructor of Department of Social Engineering, Tokyo Institute of Technology
Apr 2000 Professor of Faculty of Policy Informatics, Chiba University of Commerce
Apr 2001 Director of Kagoshima Amami Park and Director of Tanaka Isom Museum (to the present)
Jun 2001 Director of Sony Education Foundation
Mar 2006 Outside Audit & Supervisory Board Member of Showa Shell Sekiyu K.K.
Apr 2006 Professor of Chiba University of Commerce (to the present)
Jan 2009 Advisor of Policy Alternatives Research Institute, The University of Tokyo
Jun 2013 Member of the Tax Commission, Cabinet Office
Apr 2014 Trustee of Educational Institution Chiba Gakuen, Member of the Council on the House of Representatives Electoral Districts (to the present)
Apr 2015 Dean of Faculty of International Liberal Studies, Chiba University of Commerce
Jun 2020 Director of Tokyu Corporation (to the present)
Feb 2021 Member of the National Public Safety Commission (to the present)



Hiroshi Shimizu Independent officer
Director
10 times out of 10 times

Mar 2012 Managing Executive Officer of Nippon Life Insurance Company
Jul 2013 Director and Managing Executive Officer of Nippon Life Insurance Company
Jul 2014 Managing Executive Officer of Nippon Life Insurance Company
Mar 2016 Senior Managing Executive Officer of Nippon Life Insurance Company
Jul 2016 Director and Senior Managing Executive Officer of Nippon Life Insurance Company (to the present)
Apr 2018 President & Representative Director of Nippon Life Insurance Company (to the present)
Jun 2021 Outside Director, FUJIKYUKO CO., LTD (to the present)
Jun 2021 Director of Tokyu Corporation (to the present)

Audit & Supervisory Board Members



Takehiko Shimamoto
Full-time Audit & Supervisory Board Member
13 times out of 13 times

Apr 2008 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ Bank, Ltd. Executive Officer of Mitsubishi UFJ Financial Group, Inc.
May 2012 Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ Bank, Ltd. Managing Executive Officer of Mitsubishi UFJ Financial Group, Inc.
Jun 2012 Managing Director of The Bank of Tokyo-Mitsubishi UFJ Bank, Ltd.
Jun 2015 Corporate Auditor of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Corporate Auditor of Mitsubishi UFJ Securities Holdings Co., Ltd. Member of the Board of Directors of Mitsubishi UFJ Financial Group, Inc.
Jun 2018 Audit & Supervisory Board Member of Tokyu Corporation (to the present)



Naohisa Akimoto
Full-time Audit & Supervisory Board Member
13 times out of 13 times

Apr 1981 Joined Tokyu Corporation
Apr 2009 Executive Officer of Tokyu Car Corporation
Jun 2009 Director and Executive Officer of Tokyu Car Corporation
Apr 2012 Executive Officer of Tokyu Corporation, Senior Executive General Manager of Life Services Business Unit of the Company
Apr 2014 Executive Officer of Tokyu Agency Inc.
Jun 2014 Managing Director and Executive Officer of Tokyu Agency Inc.
Jun 2016 Audit & Supervisory Board Member of Tokyu Corporation (to the present)



Shigeo Tsuyuki Independent officer
Audit & Supervisory Board Member
13 times out of 13 times

Jul 2008 Director and Managing Executive Officer of The Dai-ichi Mutual Life Insurance Company
Apr 2010 Director and Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited
Apr 2011 Director and Senior Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited
Apr 2014 Representative Director and Vice President of The Dai-ichi Life Insurance Company, Limited
Oct 2016 Representative Director and Vice President of Dai-ichi Life Holdings, Inc.
Apr 2017 Representative Director and Vice Chairman of Dai-ichi Life Holdings, Inc.
Jun 2020 Audit & Supervisory Board Member of Tokyu Corporation (to the present)
Apr 2021 Director of Dai-ichi Life Holdings, Inc.
Jun 2021 Advisor of The Dai-ichi Life Insurance Company, Limited
Jul 2022 Honorary Company Fellow (to the present)



Shuzo Sumi Independent officer
Audit & Supervisory Board Member
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Jun 2002 Member of the Board, Managing Director of The Tokio Marine & Fire Insurance Co., Ltd.
Oct 2004 Member of the Board, Managing Director of The Tokio Marine & Nichido Fire Insurance Co., Ltd.
Jun 2005 Member of the Board, Senior Managing Director of The Tokio Marine & Nichido Fire Insurance Co., Ltd.
Jun 2007 Tokio Marine & Nichido Fire Insurance President and Director; Member of the Board, President of Milea Holdings, Inc. (current Tokio Marine Holdings, Inc.)
Jul 2008 President and Director of Tokio Marine Holdings, Inc.
Jun 2013 Chairman of the Board, Tokio Marine & Nichido Fire Insurance Co., Ltd.; Chairman of the Board, Tokio Marine Holdings, Inc.
Apr 2016 Advisor of Tokio Marine & Nichido Fire Insurance Co., Ltd. (to the present)
Jun 2022 Audit & Supervisory Board Member of Tokyu Corporation (to the present)

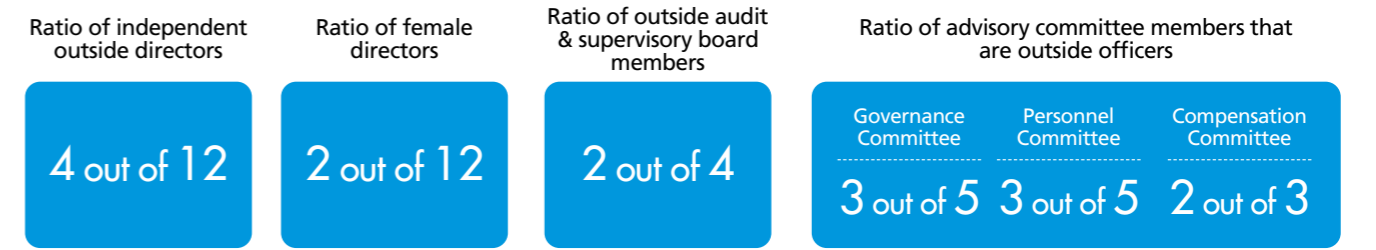
Executive Officers

(as of July 1, 2022)

In April 2005, we introduced an executive officer system to strengthen our business execution system by promoting the separation of management and execution, and clarifying authority and responsibility. Executive officers who do not concurrently serve as directors are as follows.

Senior Managing Executive Officer	Toshiyuki Hoshino	Responsible for International Business Strategy Headquarters	Executive Officer	Akinori Kanayama	Executive General Manager of Hospitality Business Headquarters
Senior Managing Executive Officer	Toshiyuki Ichiki	Responsible for Social Infrastructure Business Unit and Shinjuku Project Planning & Development Headquarters	Executive Officer	Kyosuke Toda	Executive General Manager of Finance & Accounting Strategy Headquarters
Managing Executive Officer	Hidetoshi Tajima	Responsible for Corporate Affairs Headquarters	Executive Officer	Tomoo Kimura	Executive General Manager of Shinjuku Project Planning & Development Headquarters
Managing Executive Officer	Ryosuke Toura	Responsible for Lifestyle Service Business Unit, Future Design Lab Executive General Manager of Lifestyle Service Business Headquarters	Executive Officer	Kazuhiro Hiramoto	Executive General Manager of Building Management Headquarters
Executive Officer	Toshitake Ashizawa	Executive General Manager of Human Resources Headquarters	Executive Officer	Takashi Yamakawa	Executive General Manager of Retail Business Headquarters
Executive Officer	Takuya Iwai	Executive General Manager of Social Infrastructure Headquarters	Executive Officer	Takanori Nishimura	Executive General Manager of Urban Development Headquarters

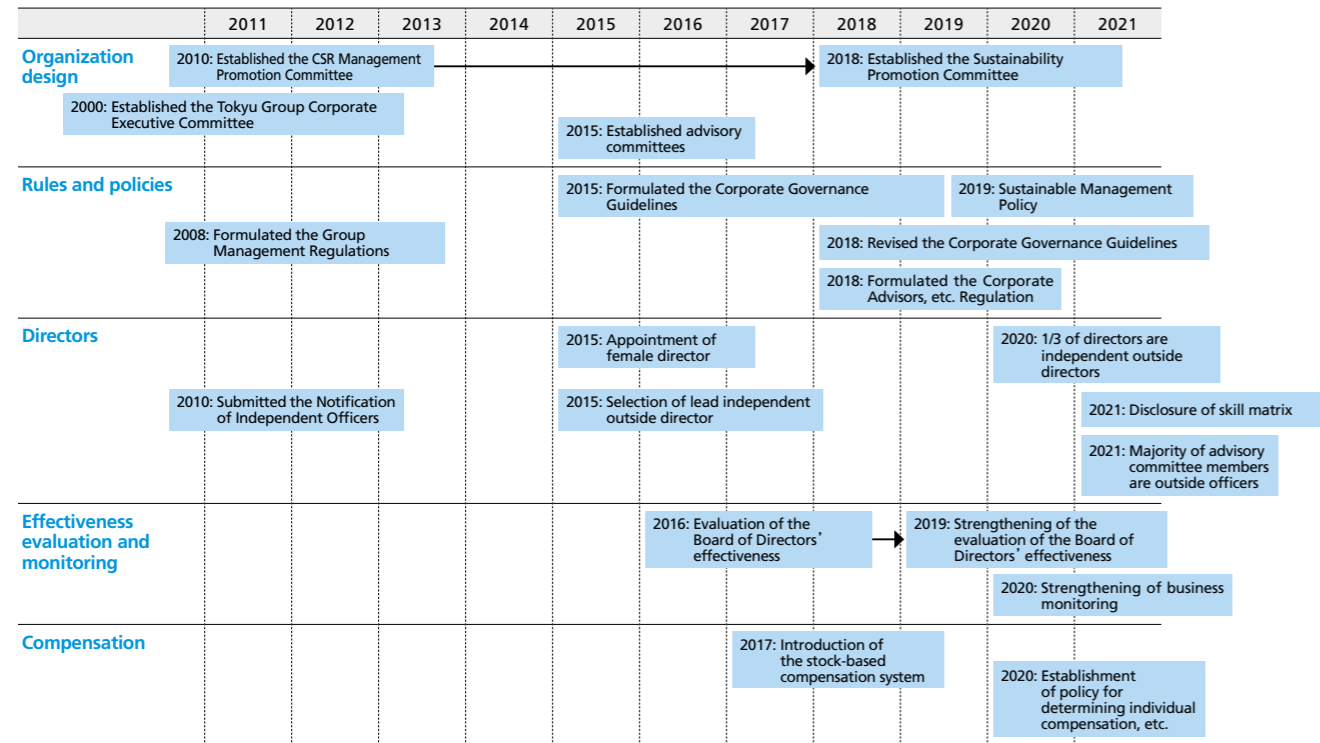
Executive Composition Highlights



(as of July 1, 2022)

Previous Initiatives to Strengthen Corporate Governance

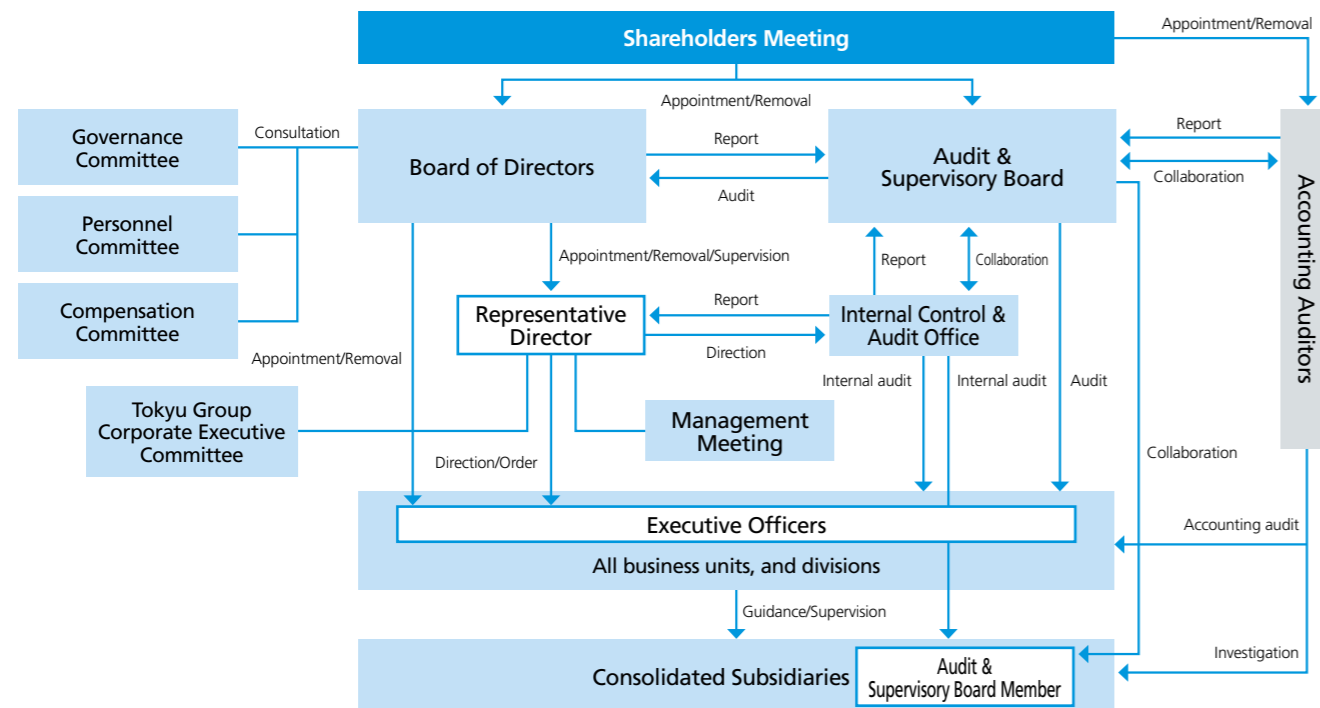
We are continually strengthening Corporate Governance in order to achieve sustained growth.



Overview of Corporate Governance System

We are strengthening an efficacious governance system by Audit & Supervisory Board Members and the Board of Corporate Auditors auditing the execution of operations by Directors and Executive Officers as a company with a Board of Corporate Auditors, as

well as by establishing Advisory Committees that effect enriched debate over governance, human resources, and compensation, and the Tokyu Group Corporate Executive Committee that supports Group management.



Expertise and Diversity of Officers

The company takes into consideration the diversity of knowledge, experience, ability, and areas of expertise of the Board of Directors as a whole, as well as the balance of its composition, and appoints candidates to the Board of Directors and Audit & Supervisory Board Members who have abundant experience as managers and excellent insight into the company's business fields.

Skill Matrix

	Primary expertise and background (knowledge and experience expected of directors and audit & supervisory board members)*1										
	Transportation	Real Estate	Life Services	Hotel and Resort	Corporate management	Finance and accounting	Legal affairs and risk management	Human resources and labor relations	Global	Sustainability (ESG)*2	IT and digital technology
Chairman Of The Board & Representative Director Hirofumi Nomoto		●	●		●						●
Director & Vice Chairman Of The Board Isao Watanabe	●	●	●		●						
President & Representative Director Kazuo Takahashi	●				●			●		●	
Director Hirohisa Fujiwara					●	●			●		●
Director Toshiyuki Takahashi		●			●				●		
Director Setsu Hamana		●	●		●			●			
Director Masahiro Horie		●		●	●				●		
Director Kiyoshi Kanazashi		●			●					●	
Director Kunio Shimada <small>Independent officer</small>							●		●		
Director Reiko Kanise <small>Independent officer</small>			●		●				●		
Director Midori Miyazaki <small>Independent officer</small>									●	●	
Director Hiroshi Shimizu <small>Independent officer</small>					●	●				●	
Full-time Audit & Supervisory Board Member Takehiko Shimamoto					●	●	●	●			
Full-time Audit & Supervisory Board Member Naohisa Akimoto			●		●	●					
Audit & Supervisory Board Member Shigeo Tsuyuki <small>Independent officer</small>					●	●	●		●		
Audit & Supervisory Board Member Shuzo Sumi <small>Independent officer</small>					●				●	●	●

*1. The top four areas of expertise and background possessed by each individual are marked with ●.
*2. Indicates possession of either supervisory experience or advanced knowledge of sustainable management.

Deliberations by the Board of Directors / Initiatives aimed at Enhancing Board Effectiveness

Key deliberations by the Board of Directors

The main deliberations by the Board of Directors in FY2021 are as follows. In addition to agenda items and reported matters, the Board of Directors discusses a wide range of topics, such as by

appropriately reporting from time to time in response to changes in society and the environment in which we operate.

	Main resolutions and reported matters, etc.	
First quarter	<ul style="list-style-type: none"> Agreement relating to development business promotion Evaluation of effectiveness of the Board of Directors Matters relating to internal control Three-year Medium-term Management Plan 	<ul style="list-style-type: none"> Business monitoring Verification of the significance of cross-shareholdings Development of systems appropriate for business operations Partial revision of policy for determining the compensation of individual directors
Second quarter	<ul style="list-style-type: none"> State of business collaboration with other companies Business monitoring Revision of business organization Additional disclosure based on TCFD Audit plan for Audit & Supervisory Board Members 	<ul style="list-style-type: none"> Purchases of subsidiary shares Progress in matters resolved and reported by the Board of Directors IR activities report Increased sophistication and efficiency of railway maintenance business process
Third quarter	<ul style="list-style-type: none"> Changes in business plans for development projects Bond offerings Selection of Prime Market Sell portion of trust beneficiary rights 	<ul style="list-style-type: none"> Reform of business structure of subsidiaries Stock situation and IR activities report Corporate Governance Report Initiatives for safe and stable transportation in the railway business
Fourth quarter	<ul style="list-style-type: none"> Responding to risk in consolidated management Bond offerings Including impairment losses recorded in subsidiaries Response to opinions of institutional investors Environmental Vision 	<ul style="list-style-type: none"> State of progress of development plans Underwriting of new shares by subsidiaries Dissolution of subsidiaries External evaluation of integrated report

Initiatives aimed at invigoration of the Board of Directors

We are proceeding with initiatives aimed at invigoration of the Board of Directors such that time may be secured and information provided for reliable attendance and sufficient debate.

Example initiatives aimed at invigoration of the Board of Directors

- Early adjustment of Board of Directors schedules
- Advance issuing of agendas
- Advance explanation of key matters to outside directors
- Submission to the Board of Directors primarily of agenda items that have significant impact on management by delegation of authority to Executive Officer
- Public hearings and dialogue sessions other than Board of Directors' meetings
- Board of Directors' members communication through luncheons and other eating and drinking after Board of Directors' meetings are over
- Onsite observation by outside directors

Evaluation of effectiveness of the Board of Directors

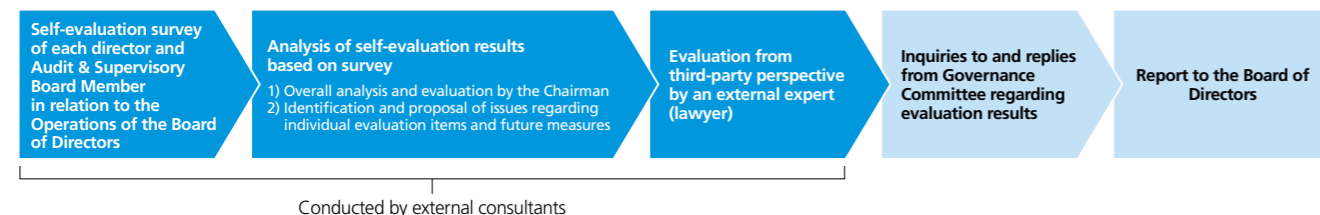
Assessment method

The company analyzes and evaluates the effectiveness and efficiency of the decision-making process of the Board of Directors by conducting a questionnaire survey of all directors and all audit & supervisory board members and interviews with representative directors and independent officers. The results of these analyses and evaluations are evaluated by external experts (lawyers) from a third-party perspective, and then deliberated by the Governance Committee and the Board of Directors. Starting in FY2019, an external consultant will implement this to objectively understand the future direction of the project in order to enhance its effectiveness.

ternal consultant will implement this to objectively understand the future direction of the project in order to enhance its effectiveness.

Main items of evaluation

- Composition and operations of Board of Directors
- Dialogue with shareholders
- Corporate strategies and business strategies
- Performance monitoring and management evaluation/compensation
- Corporate ethics and risk management
- Group governance



Identification of and initiatives toward concerns based on evaluation of effectiveness

Evaluation of effectiveness of the Board of Directors is on the whole taken positively, and it is affirmed that it is recognized that effectiveness is ensured. Conversely, regarding concerns cited in the previous period, it is recognized that these are ongoing con-

cerns, despite there being signs of some improvement, and we are effecting a further enrichment of the Board of Directors by adopting specific countermeasures including concerns newly cited in the present period.

Situation of Problems Identified in FY2020

Category	Results of the FY2020 evaluation (issues)	FY2021 initiatives for FY2020 issues (evaluations)
Enrichment of provision of information	<ul style="list-style-type: none"> Increased sophistication of risk governance from cross-group viewpoint 	<ul style="list-style-type: none"> While new initiatives are acclaimed, necessity for more depth in debate concerning risk management is cited
Strengthening of monitoring	<ul style="list-style-type: none"> Increased depth of debate relating to further digital transformation promotion Enrichment of explanation relating to submitted agenda superordinate concept and strategy execution risk 	<ul style="list-style-type: none"> Despite improvement in scores since FY2020, evaluated lower than overall average Strengthening of monitoring, etc. relating to business structure reform and crucial investments was cited
Increased depth of debate concerning personnel	<ul style="list-style-type: none"> Sharing of human matters for consultation, greater transparency, re-consideration of compensation system, by Human Resources and Compensation Committees 	<ul style="list-style-type: none"> Difficulty in obtaining process information relating to succession plans was cited by outside directors

Problems Identified in FY2021 and Response Plans

Category	Results of the FY2021 evaluation (issues)	Response plans
Enrichment of provision of information	<ul style="list-style-type: none"> Training of newly appointed officers Enrichment of materials and explanations beforehand Provision of information relating to external evaluation Sufficient provision of necessary information 	<ul style="list-style-type: none"> Disclosure of annual submission plan Enrichment of explanations beforehand contributing to greater depth in deliberations Provision of external evaluations, etc. contributing to multifaceted corporate understanding
Strengthening of monitoring	<ul style="list-style-type: none"> Optimal allocation of management resources Monitoring of management strategy and business strategy 	<ul style="list-style-type: none"> Phased deliberations relating to crucial matters Sustaining business monitoring irrespective of organizational units Monitoring as appropriate at the right time according to individual situations
Increased depth of debate concerning personnel	<ul style="list-style-type: none"> Personnel Training and in-house environment structuring aimed at ensuring diversity 	<ul style="list-style-type: none"> Sharing subjects for deliberation in Advisory Committees Greater depth in debates relating to succession plans and core personnel development

Example initiatives aimed at facilitating outside directors' business comprehension

Onsite observation

We are conducting outside directors' onsite observation aimed at further enrichment of the Board of Directors, with the objectives of facilitating multifaceted business comprehension through onsite observation and creating communication opportunities outside the Board of Directors as recommended by the Corporate Governance Code.

— FY2021 Observation Case Histories —

- Tokyu Kabukicho Tower (situation of progress of large-scale redevelopment)
- Safety Co-creation Hall (opening of safety education facility)



Tokyu Kabukicho Tower

Safety Co-creation Hall

Activities of the Advisory Committees / Appointment / Management Personnel Training / Compensation

Advisory Committees to the Board of Directors

The Governance Committee, Personnel Committee, and Compensation Committee have been established as advisory committees to the Board of Directors. These committees include outside directors among their members, and are all chaired by an outside

director. By deliberating on such matters as the personnel and compensation of directors, etc., we are working to strengthen corporate governance by ensuring objectivity and transparency in these matters.

Chair

	Governance Committee	Personnel Committee	Compensation Committee
Members (June 29, 2022 -)	<ul style="list-style-type: none"> Shuzo Sumi (Independent Outside Audit & Supervisory Board Member) Kunio Shimada (Lead Independent Outside Director) Hiroshi Shimizu (Independent Outside Director) Hirofumi Nomoto (Chairman Of The Board & Representative Director) Kazuo Takahashi (President & Representative Director) 	<ul style="list-style-type: none"> Kunio Shimada (Lead Independent Outside Director) Reiko Kanise (Independent Outside Director) Midori Miyazaki (Independent Outside Director) Hirofumi Nomoto (Chairman Of The Board & Representative Director) Kazuo Takahashi (President & Representative Director) 	<ul style="list-style-type: none"> Kunio Shimada (Lead Independent Outside Director) Reiko Kanise (Independent Outside Director) Hirofumi Nomoto (Chairman Of The Board & Representative Director)
Roles	To deliberate corporate governance matters in general	To deliberate on matters such as those relating to the selection of director candidates, the selection and dismissal of representative directors and their successors, appointment and dismissal of executive officers, etc., and the appointment of Corporate Advisors, etc.	Delegated by the Board of Directors to deliberate and resolve matters relating to the allocation of compensation of directors, and the compensation of Corporate Advisors, etc.
Number of times held (FY2021)	3 times	6 times	2 times
Attendance rate (FY2021)	100%	100%	100%
Main deliberations	Verification of the significance of cross-shareholdings, analysis and evaluation of the effectiveness of the Board of Directors, submission of reports on corporate governance, amendment of Corporate Governance Guidelines, amendment of operations execution regulations, and selection of prime markets	Selection of representative directors, election of candidates for directors, changes in the division of duties among directors and in the responsibilities of executive officers, appointment, change of position, and resignation of executive officers, etc., appointment and resignation of representative directors of consolidated subsidiaries, and selection of Chairmen for advisory organs and Compensation Committee members	Comprehensive performance evaluation and remuneration for individual directors, granting of points in accordance with the share delivery regulations

Philosophy and process of election, etc.

Tokyu Corporation effects the building of a management system in which a balance is maintained between knowledge, age, etc. by executives having high management ability with excellent personalities and judgment being elected to Director candidates, and by inviting personnel having extensive experience and wide-ranging judgment as outside directors. In addition, we elect personnel having extensive experience and wide-ranging judgment in relation to finance and accounting, law, etc. and who also have sufficient comprehension of business and financial situations of the company to Audit & Supervisory Board members, effecting the building of a system capable of appropriate and legal auditing of Tokyu Corporation management.

To objectively evaluate the aptitude of candidates and debate suitability for election, consultations are conducted by the Personnel Committee, which is an advisory organ of the Board of

Directors, regarding Director candidates, and consultation and deliberations are conducted by the Audit & Supervisory Board regarding Audit & Supervisory Board Member candidates, after which decisions are made by the Board of Directors.

If it is found that it would be difficult for a Director who is nominated for Representative Director or Executive Officer to appropriately execute the office due to violation of laws and/or regulations or for other cause, etc., then following deliberations by the Personnel Committee, the Board of Directors decides on the dismissal of said Representative Director and/or Executive Officer.

Reasons for election for all Director candidates and Audit & Supervisory Board Member candidates are disclosed in the Shareholders Meeting Reference Material.

Criteria for Determining Independence of Outside Officers

In addition to criteria for independence as established by the Tokyo Stock Exchange, Tokyu Corporation determines that persons who do not fall into any of the following categories are independent.

- Business executors of business partners accounting for 2% or more of Tokyu Corporation consolidated sales in any of the past three fiscal years
- Business executors of business partners for which Tokyu Corporation accounts for 2% or more of sales in any of the past three fiscal years
- Business executors of lenders accounting for 2% or more of Tokyu Corporation consolidated total assets in any of the past three fiscal years
- Business executors of major shareholders and investors in Tokyu Corporation with stakes of 10% or more in any of the past three fiscal years
- Consultants, accounting specialists, or legal specialists who receive annual compensation from Tokyu Corporation in excess of 10 million yen in any of the past three fiscal years
- Spouses or second-degree relatives of Directors, etc. of Tokyu Corporation and its consolidated subsidiaries

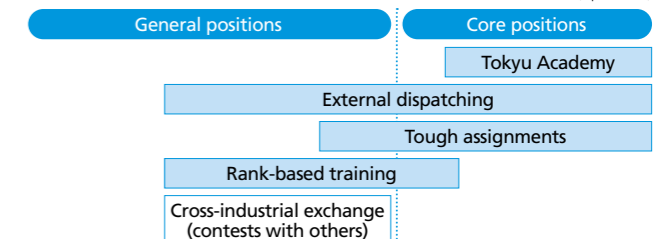
Management personnel training

The Group strives to create new value through confronting societal concerns and the challenge of resolving them. We believe that Tokyu Corporation's Representative Director must have a temperament which is able to drive management plans based on a long-term perspective and maintain and improve trust relations with those who are key stakeholders to our business, being all our shareholders, customers, residents in areas served by Tokyu railway lines, civil service, associated vendors, creditors, and our employees and their families. Regarding candidates possessing such temperament, the Representative Director personally carries out development including taking adequate time in selection and undergoing the necessary experiences, while in the Personnel Committee which is an advisory organ of the Board of Directors, the fitness of the candidate and the nature of the candidate's development are thoroughly debated, whereupon a report is submitted to the Board of Directors. Management personnel development is carried out mainly around the following three points:

- Implementing educational programs centered on the Tokyu Academy (held jointly with Group companies)

- Dispatching employees to externally sponsored training programs
- Systematically assigning officers from Group companies to work (tough) assignments

FY2021 Management Human Resources Development Program (April 2021)



Management development training attendee totals (Tokyu Academy)



Policy and decision-making process for executive compensation

Although the policy regarding the determination of compensation of directors had previously been decided by the Compensation Committee, after consulting the Compensation Committee, the decision was made by the Board of Directors on June 29, 2021.

The compensation for directors aims to further increase awareness about contributing toward increasing the medium- to long-term corporate value as well as maximizing shareholder value. It comprises fixed compensation that reflects the roles and responsibilities of directors; performance-linked compensation calculated from the overall performance evaluation of the departments the respective officers are responsible for; and stock-based compensation for shareholders and directors to share value from a more medium- to long-term perspective. For directors who concurrently serve as executive officers, the ratio of such remuneration is approximately fixed compensation: total performance evaluation compensation: stock-based compensation = 17-26%: 64-72%: 8-12% depending on the position when the total performance evaluation is in the middle range, and varies depending on each individual's evaluation and stock price. The composition and ratio of other directors shall be determined based on their responsibilities and other factors.

Fixed compensation is determined according to the position and whether or not the director has representative rights. Total performance evaluation compensation is paid only to directors who also serve as executive officers, and is calculated based on a five-step evaluation based on a comprehensive evaluation assessment that takes into account indicators for each department, such as the budget achievement rate and execution rate for the department in charge, based on the medium-term management plan, etc. With respect to stock-based compensation, the company uses a stock delivery trust for directors concurrently serving as executive officers, the Chairman Of the Board of Directors, Director & Vice Chairman Of The Board, Director & Corporate Advisor, and Director & Corporate Consultant, and delivers and provides them with Company shares and cash based on stock delivery points that are granted in stages according to their positions and other factors.

In order to ensure the objectivity and transparency of the decision-making process, the Compensation Committee is entrusted with the responsibility of deciding the overall performance evaluation and remuneration for each individual in accordance with the basic policy.

Total Amount of Compensation, etc. of Directors and Audit & Supervisory Board Members

Officer category	Total amount of compensation, etc. (million yen)	Total amount of compensation, etc., by type (million yen)			Number of applicable persons
		Monetary compensation		Stock-based compensation	
		Fixed compensation	Performance-linked compensation		
Directors (of which, outside directors)	358 (42)	166 (42)	149 (—)	42 (—)	15 (6)
Audit & supervisory board members (of which, outside audit & supervisory board members)	67 (18)	67 (18)	— (—)	— (—)	4 (2)

Notes: 1. The above figures include one director who retired after their term ended at the 152nd Annual General Meeting of Shareholders held on June 29, 2021.
 2. The total amount of monetary compensation for directors was set as up to 550 million yen annually (of which, up to 45 million yen annually for outside directors, excluding salaries for directors who are concurrently employees) through a resolution passed at the 138th Annual General Meeting of Shareholders held on June 28, 2007. (At the time of the resolution being passed, there were 18 directors, of which three were outside directors.)
 3. The total amount of compensation in the form of shares for directors (excluding outside directors) was set as up to 100 million yen annually through a resolution passed at the 148th Annual General Meeting of Shareholders held on June 29, 2017. The above total amount of stock compensation was the cost calculation amount for the fiscal year in question. (At the time of the resolution being passed, there were 18 directors, of which four were outside directors.)
 4. The total amount of monetary compensation for audit & supervisory board members was set as up to 90 million yen annually through a resolution passed at the 138th Annual General Meeting of Shareholders held on June 28, 2007. (At the time of the resolution being passed, there were five audit & supervisory board members.)
 5. Aside from the above, there is one outside officer receiving compensation as an officer from a subsidiary, whose total compensation amounts to three million yen.
 6. In consideration of the impact on business performance due to the spread of COVID-19, etc., the Chairman Of the Board of Directors and directors who concurrently serve as executive officers voluntarily returned 10 to 30% of their monthly monetary compensation. Full-time audit & supervisory board members also voluntarily returned their monthly monetary compensation. The above amounts are after the voluntary returns. The voluntary returns ended as of March 31, 2022.

Group Governance / Cross-shareholdings

Group governance

In this era of transformation, speedy decision-making based on appropriate transfer of authority, monitoring and information-sharing mechanisms is essential for Tokyu to realize Group management in which synergies are demonstrated through a wide range of businesses.

In a major change to the Group's management structure, we split up the railway business in October 2019. Since the railway business has a significant impact on urban development, which is the most important business objective of the Group, basic strategies do need to be considered and shared. But having the day-

to-day business operations run as a subsidiary has allowed our frontline to handle customers more quickly than ever before.

The diagram below shows the overall Group management structure for (1) transfer of authority and communication of information, (2) sharing of strategies and performance management, (3) management by business function, and (4) risk management. Drawing on our many years of experience in Group management, we will continue to constantly evolve our Group management structure while combining standards, systems and meeting committee structures.

▼ Main Initiatives in the Group Management Structure

Category	Details	Related meeting committee structures
(1) Transfer of authority and communication of information	<ul style="list-style-type: none"> Submission of proposals to meeting committee structures and approval, according to business execution standards Process of communicating information on risks, accidents, etc., according to reporting standards Determination of management policies for the Group 	<ul style="list-style-type: none"> Board of Directors Management Meeting Tokyu Group Corporate Executive Committee
(2) Sharing of strategies and performance management	<ul style="list-style-type: none"> Sharing of strategies by management (major subsidiaries and other subsidiaries) Annual monitoring process based on a system of responsible divisions for each business Company performance evaluation and manager evaluation 	<ul style="list-style-type: none"> Group company management meetings Human resource strategy meetings, etc.
(3) Management by business function	<ul style="list-style-type: none"> Sharing of sustainability goals and PDCA management of indicators Sharing of accident information, and prevention Information security, BC system and personnel measures which include consolidated companies etc. 	<ul style="list-style-type: none"> Tokyu Group Sustainability Promotion Committee Consolidated CIO Committee Tokyu BC Committee Consolidated Personnel Committee, etc.
(4) Risk management	<ul style="list-style-type: none"> Regular information collection and status checks (once a year) Collection and sharing of risk information (in a timely manner depending on the external environment) 	<ul style="list-style-type: none"> Board of Directors Management Meeting Tokyu Group Sustainability Promotion Committee

Approach to listed subsidiaries

The Group has one listed subsidiary, which holds 50.3% of the voting rights of Tokyu Recreation^{*1}.

Our Shibuya strategy calls for the further evolution and deepening of Entertainment City SHIBUYA through area management that contributes to regional development and the strategic allocation of retail, hotel, and entertainment functions. In its lifestyle service business strategy, we have identified cinema complexes, theaters, and halls as one of the business menus and services that anticipate the diversification of customer needs and changes in lifestyles. On the other hand, Tokyu Recreation has been supported by a large number of individual shareholders since before it became a consolidated subsidiary, and is involved in such projects as the Tokyu Kabukicho Tower development project together with Tokyu Corporation. In this context, as a consolidated subsidiary responsible for the Group's entertainment strategy, we believe Tokyu Recreation needs to promote various measures based on smooth and prompt cooperative relationships.

^{*1} We concluded a stock exchange agreement with Tokyu Recreation Co., Ltd. on September 14, 2022 to make it a wholly-owned subsidiary (stock exchange effective date: scheduled on January 1, 2023).

Cross-shareholding policy

Through the maintenance and strengthening of its relationships with business partners, Tokyu Corporation holds shares that are judged to contribute to the business development of Tokyu Corporation and its consolidated subsidiaries, with a view to the smooth implementation of Tokyu Corporation's long-term business and financial strategies. In addition, the Board of Directors verifies the significance of holding each listed stock every year, based on qualitative perspectives related to business and financial strategies from a long-term perspective and quantitative perspectives such as dividend income and other economic rationality.

If it is recognized that cross-shareholding is not appropriate based on the above-mentioned assessment, our basic policy is to review it, such as by reducing the number of shares held, considering the condition of the stock market, etc. In FY2021, based on the above verification, we sold one stock and proceeded with downsizing holdings.

With regard to voting rights, we exercise them appropriately after making a comprehensive judgment based on a case-by-case assessment of whether the resolution will contribute to the enhancement of shareholder value in the medium to long term and whether it will undermine the significance of us holding the shares.

Promotion of Compliance

The Group has established the Tokyu Group Compliance Guidelines as a set of basic compliance rules for the conduct of all officers and employees at the Tokyu Group. Based on these guidelines, we have established the Code of Conduct, and are familiarizing employees with it as much as possible through e-learning and other company-wide training programs, as well as through group training for new recruits and job-specific training for new appointees. Our consolidated subsidiaries have also formulated their own similar codes of conduct, and are working to raise awareness among their employees.

In addition to promptly reporting to management whenever non-compliance incidents transpire, the status of responses to any incident and the status of measures to prevent recurrence are confirmed monthly by the Management Meeting. At biannual meetings of the Sustainability Promotion Committee (see page 61), information is shared and opinions are exchanged on consolidated responses taken for compliance-related issues and for whistleblower reports, in an effort to prevent serious incidents from occurring.

For the early detection and swift rectification of compliance-related issues, including fraud and scandals, we have also

set up and are publicizing the Tokyu Corporation Helpline, a set of contact points for internal reporting. The Tokyu Corporation Helpline has contact points both within the company and at a law office, ready to respond to reports and consultations from Group employees (including suppliers). A total of 260 reports and requests for advice were received in FY2021.

We have confirmed that there was no event with significant impact on the Group's business continuity in the reports and requests made. We have clearly defined and thoroughly implemented the protection of those making notifications, seeking consultations and cooperating with investigations in the rules governing the whistleblower system in order to prevent unfavorable treatment such as retaliation for reporting, consulting, or responding to an investigation.

Number of insider notifications received and consultations (consolidated)

260
(FY2021)

Rate of participation in compliance-related training (Tokyu Corporation)

100%
(for the past three years)

Formulation of various ESG related policies

In order to realize the group slogan of "Toward a Beautiful Age", we established the Tokyu Group Compliance Guidelines, while each Group company establishes their own codes of conducts. In this manner, sustainable management represents our fundamental approach to management. We are moving forward with formulating ESG related policies to embody these policies and establish a PDCA cycle in the ESG domain. Since the Tokyu Group Compliance Guidelines were established in 2002, we have also formulated an environmental policy and sustainable procurement policy. In order to further strengthen our governance, we formulated the anti-corruption policy and tax policy in May 2022.

Going forward, we will formulate other policies, such as a human rights policy, in aiming to promote human rights due diligence and reduce human rights risks in the supply chain in response to the UN Guiding Principles on Business and Human Rights and country-specific action plans, as well as reflect the content of such policies in our sustainable procurement policy.

 See below for Tokyu Corporation's Anti-Corruption Policy and Tax Policy
 Anti-Corruption Policy: <https://tokyu.disclosure.site/en/310/>
 Tax Policy: <https://tokyu.disclosure.site/en/225/>

Raising awareness of business and human rights at sustainability seminars for management

As part of the matters related to systems to ensure the appropriateness of operations, the Group holds an annual sustainability seminar for the management of the company and its consolidated companies. On July 20, 2022, we invited a lecturer from Caux Round Table Japan to lead the seminar, during which participants learned about the essential actions the Group should take with regards to business and human rights. During the lecture, we received insight on what should remain steadfast and what must be changed based on world trends such as the UN Guiding Principles on Business and Human Rights as well as our Group philosophy and the Company's DNA.



Sustainability Seminar for Management
Caux Round Table Japan



In April 2019, we signed the United Nations Global Compact, a global initiative proposed by the United Nations. We support the ten principles in the four areas of human rights, labor, environment, and anti-corruption, and will continue to promote further sustainability initiatives.

Dialogue with Outside Directors



Chairman Of The Board & Representative Director
Hirofumi Nomoto

Director Independent officer
Reiko Kanise
Representative Director of Lenajapon Institute Co., Ltd.
Representative Director of Kei Associates Inc.

Director Independent officer
Kunio Shimada
Representative Partner of Shimada Hamba & Osajima

Director Independent officer
Midori Miyazaki
Professor of Chiba University of Commerce
Member of the National Public Safety Commission

Director Independent officer
Hiroshi Shimizu
President and Representative Director of Nippon Life Insurance Company

Toward a corporate group paving the way for the next 100 years amid a new normal

Evaluation of Initiatives aimed at Enhancing Board Effectiveness

Nomoto What are your thoughts regarding Tokyu Corporation's initiatives for its Board of Directors? How do you evaluate our results and what issues do you foresee in the future?

Shimada Japanese companies are moving to strengthen the monitoring of their boards of directors. In the case of Tokyu Corporation, the Company has a large number of subsidiaries responsible

for different business segments. In that sense, corporate functions create the Group's strategy and the Board of Directors is responsible for supervision. In addition to implementing the items found in Japan's Corporate Governance Code, Tokyu Group needs to think about what it requires and what benefits it in terms of governance in a more flexible manner. In the case of Tokyu Corporation, operations are entrusted to business divisions or subsidiaries, while the Board of Directors on the corporate side provides necessary support, checks and balances, and controls, strengthening monitoring in the process. To fully utilize discussions toward this end, the Board of Directors must seek out the required information. Nevertheless, since there is a limit to this endeavor, information needed for decision making should be made available to the Board of Directors. I feel that the amount of this information is just right at the moment; thus, efforts should be made to further refine this information so as not to be swamped in the sea of information.

Shimizu The Board of Directors is evaluated based on the extent and effectiveness of its discussions. The key is the provision of information and how board meetings are operated. I feel that the Company is making improvements daily when it comes to information provision. Preliminary briefings are detailed and explanations have been provided on the discussions held at the Man-



agement Meeting in advance of the Board of Directors' meeting. Discussions should become more invigorated as long as the statements made by outside directors are shared. Additionally, similar to the IR reports held semiannually, going forward I hope to regularly receive information on how outside stakeholders such as investors and shareholders view the Company. As for administration of agenda items, there is a very open atmosphere where outside directors are free to share their thoughts. The Group's employees are earnest, diligently go about their work, and attempt to overcome challenges without backing down.

Miyazaki The existential value of outside directors can be found in their independent stance and objective viewpoints. It is important to share information for decision making as soon as it first becomes available. In addition to pre-briefings on the Board of Directors' meetings, I would appreciate the chance to receive useful information at the right timing such as convening meetings on an ad hoc basis or being contacted about it directly. At the beginning of my appointment, I couldn't really see any follow up on progress of approved matters after the fact, but major improvements have been made over the past two years. The other day, I was briefed



very thoroughly on the progress of more than 100 projects. I feel like the organization has responded flexibly to these requests and it is steadily evolving. If I had an additional request, it would be to visualize everyone's conviction in their work and what they are attempting to achieve, including the discussion process.

Evaluation of Response to New Normal More Than Two Years After COVID-19 and Future Challenges

Nomoto The COVID-19 pandemic has greatly changed the way we live since 2020. What are your thoughts on Tokyu Corporation's response to these new ways of life in the new normal and future challenges?

Shimizu Although the term new normal is already in use, how exactly individuals' values will change and what society will look like in the future remains to be seen. As the world around us changes, many companies are taking a deep dive into their future business portfolio through trial and error. In this sense, I feel that Tokyu Corporation's Board of Directors is carefully discussing the

various matters submitted to it. Reviews are underway as to how to sustain the Group's traditional value and combine this with new forms of value. These include, for example, the hotel business and the redevelopment of Shinjuku Milano Tokyu Department Store Flagship Store. As for the railway and infrastructure businesses, the Board of Directors is discussing how the Group, which focuses on living, can provide safe and secure living in response to changes in people's mindset, behavior and needs due to the pandemic. As with the announcement of the environmental vision for contributing to a sustainable society, the ability to skillfully incorporate diversifying values into business, such as the future of society and cities, and to create culture and businesses ahead of the times is considered an extremely important theme.

Shimada I agree wholeheartedly. The Group's strength can be found in its role supporting social infrastructure indispensable to our everyday lives. It is my hope that the Group will continue to occupy a dependable presence for people living along Tokyu's railway lines. As a new normal becomes a reality, some things may return to the way they were prior to the pandemic. Recently, there have been business inquiries from outside of Japan regarding real estate as it relates to domestic hotels. There will also be a need to invest with a longer time horizon while assuming various things will happen in the future. If the execution side represents the gas pedal, then outside directors are the brake pedal. If an investment or undertaking appears too risky, we will stop it. I feel that a balance needs to be struck between both sides.



Shimizu To ensure the Group maintains resiliency no matter the situation, especially when the Group must address new themes, it will be important to strengthen the financial base further, lower the break-even point, and continue controlling interest-bearing debt levels. Now is a great time to deepen discussions on future approaches to the business portfolio in seeking to become a forward-looking corporate group where management and employees both consider the needs of the new normal. During the COVID-19 pandemic, people's values changed and they reaffirmed their appreciation for the joy of going out and socializing in groups. I hope that the Group can continue being a leader



when it comes to drawing people together.

Nomoto The new normal presents an opportunity to think about the future. This shouldn't entail only negatives, but rather be seen as a good opportunity. Tokyu Corporation is working to firm up its safe, secure and comfortable urban and community development and spatial development. A people's lives become more affluent, business opportunities for eliminating inconveniences will emerge. Looking further into the future, urban and community development requires enjoyment, affluence and beauty. We will aim to become a corporate group that fulfills these three qualities and can play a role in making Japan a country known for its cultural influence. I feel like fostering culture requires that we spend time on the pursuit and commercialization of related businesses.

Kanise Fostering culture through business is a good idea. The Group should provide a clear and concise message that it intends to create culture as a company that engages in urban and community development. Additionally, Tokyu Corporation is quickly and proactively working on initiatives with a focus on post-pandemic on the frontline of its railway, hotel and retail businesses. Although we are in the process of generating results given the unstable nature of society, the seeds we are planting now should bear prolific fruit in the future. Oddly enough, the COVID-19 pandemic has helped to rapidly change certain things that we thought would never change. New ideas created during challenging times will pave the way for the Group's new forms in the future.



Toward the Development of Human Resources Supporting the Next Era After Our 100th Anniversary

Shimada In discussions related to human resources development, evaluations of human resources who fulfill the Group's future vision will vary. A roadmap needs to be put into place to develop human resources with the ability to unify the Group and inspire employees, leadership capabilities, and a certain degree of professional experience. Looking ahead, I would like to see the Board of Directors and Nomination Committee discuss this future vision using such perspectives.

Nomoto Businesses are nothing without their human resources. The key is how we develop our human resources. The larger the business portfolio, the more difficult it is to manage the Company based on one person's perspective. The ideal format is for there to be leaders at the top and then for their supporting cast to become the next round of leaders. A major challenge is how to go about developing the executive management team.

Kanise Succession planning requires building an environment where each division can work toward generating results with a long-term outlook. In addition, I expect the Company to involve women in the workplace more actively. Tokyu Corporation has many talented women in its workforce. The Company is developing female employees who are highly capable and self starters. These female employees working with their own strong convictions should be given even greater opportunities and roles. In terms of living, women account for half the population, so incorporating their voices should help to open up new markets in the future.

Internal communication represents one challenge facing the development of human resources in the new normal. While some said that productivity increased with the early introduction of telework, there is a possibility that supervisors are unable to visualize challenges faced by team members along with difficulties gauging the progress of work, as well as they are unable to provide instructions or advice at the appropriate timing. Telework will remain in place going forward, so the Company should check whether any improvements can be made to facilitate business operations and also further refine communication methods. This may necessitate a new personnel system together with the promotion of DX and security countermeasures. I would like to see the Company create all new approaches to personnel evaluations.

Nomoto As Ms. Kanise says, telework will not be successful with traditional management approaches. It's important to provide specific instructions as to what results are expected for each theme. For this reason, building relationships of trust between supervisor and team member is vital. We have introduced one-on-one meetings and we expect to see the effects of which soon. As telework continues, the leadership capabilities of supervisors are being called into question.

Miyazaki In terms of human resources development, the fact



that young employees were deeply involved in the formulation of Environmental Vision 2030 was a very positive initiative. Listening to the explanations, I really felt a strong understanding of their commitment. Perceptions of the same theme differ across generations. Previously, there weren't opportunities to hear about the commitment and discussions of young employees, who will be the future leaders of the Company. Such a venue is a valuable opportunity for exploring Tokyu's uniqueness, so I hope such opportunities are increased in the future. It appears that Tokyu Corporation is making a great deal of efforts when it comes to ESG. The catchphrase "connecting everyday life to a sustainable tomorrow" found in the Environmental Vision is wonderful. The Environmental Vision's concept is clear--build a foundation for people to achieve environmental targets while living a normal life without being overly mindful of their actions. As for decarbonization, I think we need to think not only about accountability for using natural energy, but also consider the stage of creating infrastructure.

Shimizu As Ms. Miyazaki says, when looking to the future to create new things, it is important to achieve the strong commitment of the Group's employees. Therefore, the ability to develop human resources with a strong conviction who can ask for help from others and overcome any obstacle will be a major supporting factor of the Group's future growth. This will result in human resources who can manage the Company with a comprehensive view of the Company, with an awareness of their role in defining the existential value of the business. The Group's greatest asset is its human resources. It will be important to think about how to develop human resources who will move the business forward with a strong conviction based on long-term aspirations.

Nomoto Thank you for the lively discussion. I plan to use the feedback provided today to improve the Board of Directors and the Group as a whole. I look forward to working with all of you as we move forward.

*This dialogue session was held on July 26, 2022.

Operating Results

—Analysis of financial position, results of operations, and cash flows

Summary of Operating Results in FY2021

Financial Results

(Unit: billion yen)

	FY2021	FY2020	YOY change
Operating revenue	879.1	935.9	-56.8 (-6.1%)
Operating profit	31.5	-31.6	+63.2 (-)
Non-operating profit	17.2	18.2	-0.9 (-5.2%)
Non-operating expenses	13.8	13.4	+0.4 (+3.2%)
Recurring profit	34.9	-26.8	+61.8 (-)
Extraordinary gains	23.4	19.4	+4.0 (+20.7%)
Extraordinary losses	31.4	48.3	-16.9 (+35.0%)
Income before income taxes and minority interests	27.0	-55.7	+82.7 (-)
Net income	10.2	-58.2	+68.4 (-)
Profit attributable to owners of parent	8.7	-56.2	+65.0 (-)
Comprehensive income	19.9	-45.0	+65.0 (-)

Key indicators related to operating conditions

Transportation

● Tokyu Railways number of passengers carried:
up 11.3% YoY
(of which, up 6.1% for commuters, up 19.0% for non-commuters)
Passenger revenue: up 10.8% YoY
(of which, no change for commuters, up 19.0% for non-commuters)

● Tokyu Bus number of passengers carried:
up 10.5% YoY

Real Estate

● Leasable area of Tokyu Corporation:
Total of 1,445,099 m² (8,547 m² decrease YoY)
of which, Office: 358,050 m² (4,929 m² decrease YoY)
of which, Commercial: 809,661 m² (3,618 m² decrease YoY)
of which, Hotels and Other: 277,388 m² (no change YoY)

● Units scheduled for delivery: (*Unit: housing unit / subdivisions)
Total 304 (increase of 55 YoY)
of which, condominiums: 294 units (increase of 76 YoY)
of which, detached house / land: 10 subdivisions
(decrease of 21 subdivisions YoY)

Life Services

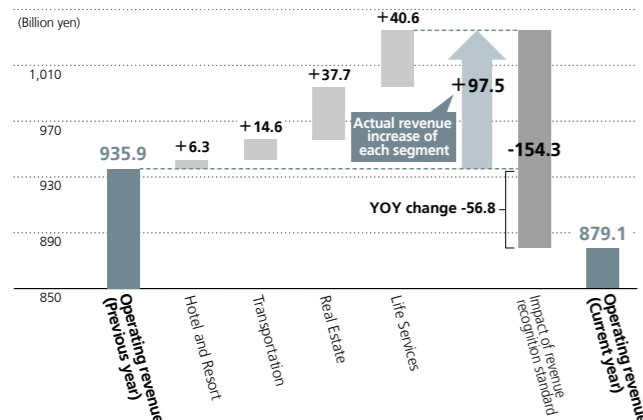
● Tokyu Department Store
Operating revenue for FY ended Jan. 2022: up 6.1% YoY

● Tokyu Store Chain
Operating revenue for FY ended Feb. 2022: down 1.1% YoY

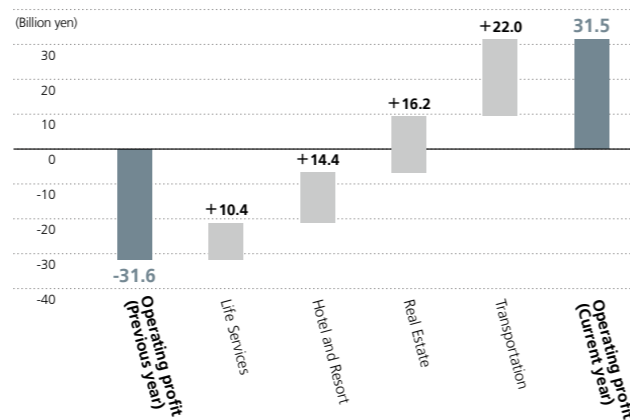
Hotel and Resort

● Tokyu Hotels occupancy rate: 44.1% (13.1 pt increase YoY)

Operating Revenue by Segment (YoY)



Operating Profit by Segment (YoY)



Financial results

In the fiscal year under review, operating revenue totaled 879.1 billion yen, down 6.1% from the previous fiscal year due to impacts from the new accounting standard that came into effect (Accounting Standard for Revenue Recognition). Operating profit was 31.5 billion yen, compared with an operating loss of 31.6 billion yen in the previous fiscal year. Both operating profit and loss improved across all segments which resulted in significant overall improvement from the previous year due to the major recovery trend of users in the transportation and hotel and resort segments, which were greatly impacted by the declaration of the state of emergency following the spread of COVID-19 last year, as well as sales of large properties in our real estate sales business in the real estate segment.

Net profit attributable to owners of parent totaled 8.7 billion yen, compared with a loss attributable to owners of parent of 56.2 billion yen in the previous fiscal year. This was despite 31.4 billion yen in extraordinary losses, of which 18.2 billion was an impairment loss recorded by consolidated subsidiary Izukyu Corporation attributed to profit from the sale of fixed assets.

Financial Position

(Unit: billion yen)

	FY2021	FY2020	YOY change
Total assets	2,479.1	2,476.0	+3.1
Interest-bearing debt	1,195.7	1,182.1	+13.5
Net assets	752.9	752.5	+0.4
Shareholders' equity	702.9	702.3	+0.6
Equity ratio	28.4%	28.4%	-
D/E ratio (times)	1.7	1.7	-

Cash Flows

(Unit: billion yen)

	FY2021	FY2020	YOY change
Cash flows from operating activities	85.5	85.8	-0.3
Cash flows from investing activities	-78.8	-115.1	+36.3
Of which, capital expenditure	-110.3	-113.2	+2.8
Of which, proceeds from contributions received for construction	5.4	8.3	-2.9
Free cash flow	6.7	-29.3	+36.0
Cash flows from financial activities	-1.3	17.1	-18.5
Of which, interest-bearing debt	12.6	31.1	-18.5
Of which, dividends paid	-12.0	-12.7	+0.6
Cash and cash equivalents at end of period	51.6	45.2	+6.3

Key Indicators

(Unit: billion yen)

	FY2021	FY2020	YOY change
TOKYU EBITDA	128.3	74.7	+53.6
Operating profit	31.5	-31.6	+63.2
Interest-bearing debt/TOKYU EBITDA* (times)	9.3	15.8	-6.5

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

Plan for New Facilities

FY2022 Tokyu Railways railway business capital expenditure plan

Planned investment amount: 44.4 billion yen

Major investments:

- Reinforcement of slopes to prevent landslides, flood prevention measures and seismic reinforcement work
- Various construction work in preparation for the opening of the Tokyu Shin-Yokohama Line (scheduled for March 2023)
- Introduction of one new Den-en-toshi Line 2020 Series train (10 cars)

Other plans

- Shinjuku Kabukicho 1-chome Development Project (Tokyu Kabukicho Tower)
Total planned investment: 75.0 billion yen
(Of which, amount already paid: 21.0 billion yen)
Scheduled completion: January 2023
- Shibuya 2-Chome 17 District Category 1 Urban Redevelopment Project
Total planned investment: 8,638 million yen
(Of which, amount already paid: 1,346 million yen)
Scheduled completion: May 2024

Financial position

Total assets at the end of the fiscal year under review amounted to 2,479.1 billion yen (up 3.1 billion yen from the end of the previous fiscal year), mainly due to an increase in notes and accounts receivable-trade. Net assets totaled 752.9 billion yen (up 400 million yen from the end of the previous fiscal year) due to the posting of profit attributable to owners of parent and other factors.

Cash flows

Cash flows from operating activities amounted to a net inflow of 85.5 billion yen, a decrease of 0.3 billion yen from the previous fiscal year. Cash flows from investing activities amounted to a net outflow of 78.8 billion yen, a decrease of 36.3 billion yen from the previous fiscal year, mainly due to an increase in income from the sales of fixed assets. Despite an increase in interest-bearing debt, cash flow from financing activities resulted in an expenditure of 1.3 billion yen due to dividend payments and the acquisition of treasury stock.

As a result of the above, the balance of cash and cash equivalents at the end of the fiscal year was 51.6 billion yen, an increase of 6.3 billion yen from the previous fiscal year.

Key indicators

The ratio of interest-bearing debt/TOKYU EBITDA multiple improved from 10.3 times as originally planned to 9.3 times due to the significant uptick in operating profit and TOKYU EBITDA following the recovery in the operating environment and continued company-wide reduction of operating expenses and capital expenditure to ensure funds are secured.

Financial and Non-financial Highlights

For detailed non-financial data, please see the following.

• Environmental data: <https://tokyu.disclosure.site/en/119/> • Data on human resources: <https://tokyu.disclosure.site/en/133/>

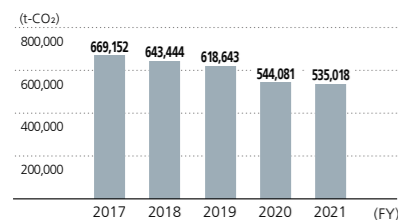
11-Year Financial Data

	143rd term FY2011	144th term FY2012	145th term FY2013	146th term FY2014	147th term FY2015	148th term FY2016	149th term FY2017	150th term FY2018	151st term FY2019	152nd term FY2020	153rd term FY2021
Results											
Operating revenue (million yen)	1,094,209	1,068,046	1,083,070	1,067,094	1,091,455	1,117,351	1,138,612	1,157,440	1,164,243	935,927	879,112
Operating profit (million yen)	55,032	55,742	62,190	71,514	75,480	77,974	82,918	81,971	68,760	-31,658	31,544
Recurring profit (million yen)	54,068	56,279	62,618	66,619	70,038	76,449	83,746	81,907	70,925	-26,824	34,998
Profit attributable to owners of parent (million yen)	35,922	43,075	56,498	41,051	55,248	67,289	70,095	57,824	42,386	-56,229	8,782
Profitability Indicators											
TOKYU EBITDA (million yen) ^{*1}	147,603	149,624	148,803	151,549	163,655	174,312	174,965	176,693	176,584	74,742	128,378
TOKYU EBITDA margin (%) ^{*2}	13.5	14.0	13.7	14.2	15.0	15.6	15.4	15.3	15.2	8.0	14.6
ROA (Return on assets) (%) ^{*3}	2.7	2.9	3.1	3.3	3.4	3.6	3.8	3.5	2.9	-1.1	1.3
ROE (Return on equity) (%) ^{*4}	8.6	9.5	11.4	7.7	9.8	11.2	10.6	8.0	5.6	-7.7	1.2
Safety Indicators											
Interest-bearing debt/TOKYU EBITDA multiple (times) ^{*5}	—	—	—	—	5.7	5.5	5.5	6.0	6.5	15.8	9.3
D/E ratio (interest-bearing debt ratio) (times) ^{*6}	2.4	2.1	1.9	1.7	1.6	1.5	1.4	1.4	1.5	1.7	1.7
Equity ratio (%)	21.7	24.2	25.3	27.5	27.6	29.2	30.8	30.9	29.8	28.4	28.4
Balance-sheet Indicators											
Net assets (million yen)	441,920	499,545	537,711	579,596	623,297	678,382	747,049	796,164	809,614	752,538	752,942
Shareholders' equity (million yen)	431,043	476,174	511,789	551,332	576,873	628,308	696,526	745,233	757,003	702,355	702,967
Total assets (million yen)	1,984,591	1,964,476	2,021,794	2,002,532	2,092,546	2,148,605	2,264,636	2,412,876	2,537,196	2,476,061	2,479,182
Cash-flow Indicators											
Interest-bearing debt at end of term (million yen)	1,036,015	999,567	990,038	911,446	937,467	964,397	969,794	1,066,422	1,151,010	1,182,195	1,195,756
Free cash flow (million yen) ^{*7}	18,542	31,804	50,573	88,729	8,009	-5,954	7,179	-86,662	-35,338	-29,305	6,766
Capital expenditure (million yen)	132,028	128,737	140,231	93,556	157,252	145,398	181,265	239,945	205,290	106,385	117,451
Depreciation (million yen)	72,788	74,916	72,762	70,041	72,391	76,986	74,901	78,613	85,448	88,308	84,191
Investment Indicators											
Dividend per share (yen) ^{*8}	6.50	7.00	7.50	8.00	8.50	9.00	19.00	20.00	23.00	15.00	15.00
EPS (Earnings per share) (yen) ^{*9}	28.68	34.33	44.96	32.88	44.81	55.01	115.42	95.14	69.88	-93.08	14.58
Dividend payout ratio (%)	22.7	20.4	16.7	24.3	19.0	16.4	16.5	21.0	32.9	—	102.90
Total return ratio (%)	22.7	20.4	16.7	48.7	37.1	31.2	16.5	21.0	56.5	—	102.90
Reference: Number of Employees at End of Term											
Total (people)	23,104	21,172	21,370	21,499	22,331	22,780	22,985	23,637	24,464	24,655	24,364

*1 TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Loss on disposal of fixed assets + Interest and dividend income + Investment gains (loss) from equity method
 Until FY2014, TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Loss on disposal of fixed assets
 *2 TOKYU EBITDA margin = TOKYU EBITDA / Operating revenue
 *3 ROA = Recurring profit / Total assets (average for term) x 100
 *4 ROE = Profit attributable to owners of parent / Shareholders' equity (average for term) x 100

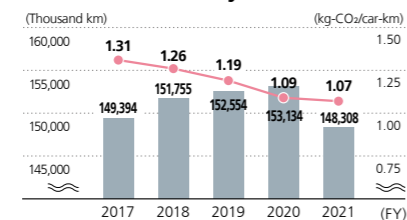
*5 Interest-bearing debt / TOKYU EBITDA multiple = interest-bearing debt (end of term) / TOKYU EBITDA
 *6 D/E ratio = interest-bearing debt (end of term) / shareholders' equity (end of term)
 *7 Free cash flow = cash flows from operating activities + cash flows from investing activities
 *8 On August 1, 2017, the Company conducted a reverse stock split (every two common shares were merged into one).
 *9 EPS = Profit attributable to owners of parent / Number of shares issued (average for term)

Trend in CO₂ Emissions (Scope 1, 2)



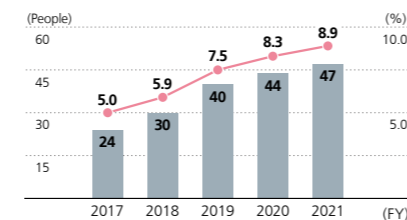
*Third-party auditing of CO₂ emissions in FY2021 are being conducted as of this writing

Distance Traveled in the Railway Business (Tokyu Lines) and CO₂ Emissions Intensity



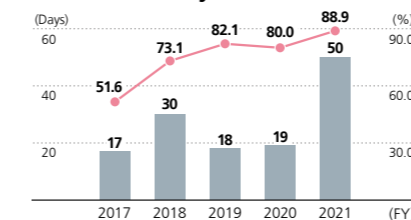
■ Total distance traveled (left axis)
 ● CO₂ emissions intensity (right axis)
 *CO₂ emissions are values per the Energy Saving Law notification standards

Number / Percentage of Female Managers



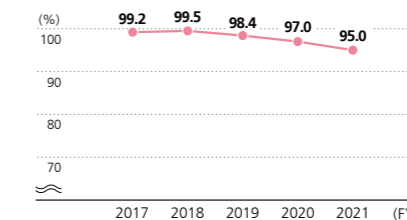
■ Number of female managers (left axis)
 ● Percentage of female managers (right axis)
 * Figures for FY2017-2018 are under the former trade name, and figures from FY2019 onward are under the current trade name (Tokyu Corporation's trade name changed in Japanese but remained the same in English)

Percentage of Male Workers Taking Childcare Leave and Average Number of Days Taken

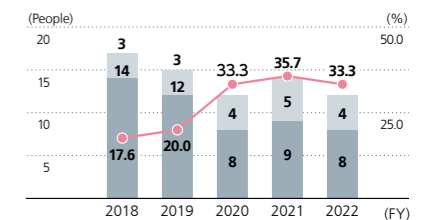


■ Average number of days of childcare leave taken by male employees (left axis)
 ● Percentage of male workers taking childcare leave (right axis)
 * Figures for FY2017-2018 are under the former trade name, and figures from FY2019 onward are under the current trade name (Tokyu Corporation's trade name changed in Japanese but remained the same in English)

Attendance of Directors at Board of Directors Meetings (average)



Composition of Board of Directors



■ Number of directors (left axis)
 ● Percentage of independent outside directors (right axis)
 ■ Number of independent outside directors (left axis)

Major Affiliates (As of March 31, 2022)

Consolidated Subsidiaries

	Location	Principal business	Ownership of voting rights (%)
Transportation Segment			
Tokyu Railways Co., Ltd.	Japan	Railway business	100.0
Izuky Corporation	Japan	Railway business	100.0
Uedadentetsu Co., Ltd.	Japan	Railway business, real estate leasing business	100.0
Tokyu Bus Corporation	Japan	Automotive transportation business	100.0
Jotetsu Corporation	Japan	Bus business, real estate business	69.6
Sendai International Airport Co., Ltd.	Japan	Airport management	43.0
Tokyu Techno System Co., Ltd.	Japan	Maintenance and remodeling of railway carriages and buses, etc.	100.0
Real Estate Segment			
Tokyu Property Management Co., Ltd.	Japan	Comprehensive management of buildings and structures	100.0
Tokyu Geox Co., Ltd.	Japan	Sale of gravel, sand, crushed stone and nonmetallic ore	89.6
Yanchep Sun City Pty Ltd	Australia	Residential land development business, land management business	100.0
St Andrews Private Estate Pty Ltd	Australia	Urban development business	100.0
Becamex Tokyu Co., Ltd.	Vietnam	Real estate development business, real estate sales business, real estate leasing business	65.0
Life Services Segment			
Tokyu Department Store Co., Ltd.	Japan	Department store operations	100.0
Nagano Tokyu Department Store Co., Ltd.	Japan	Department store operations	100.0
Tokyu Store Chain Co., Ltd.	Japan	General retailing chain store operations	100.0
Tokyu Malls Development Corporation	Japan	SC planning, development and management business	100.0
Tokyu Card, Inc.	Japan	Credit card operations	100.0
Tokyu Recreation Co., Ltd.	Japan	Video, sporting leisure, real estate leasing business	50.3
its communications Inc.	Japan	Cable television (broadcasting, communications), smart home business	100.0
Tokyu Security Co., Ltd.	Japan	Mechanical security, facilities security, and patrol security services	100.0
Tokyu Agency Inc.	Japan	Advertising agency services	99.0
Tokyu Power Supply Co., Ltd.	Japan	Electricity retailing, gas agency operations	66.7
Hotel and Resort Segment			
Tokyu Hotels Co., Ltd.	Japan	Hotel management and commissioned hotel management	100.0
Tokyu Linen Supply Co., Ltd.	Japan	Manufacture, leasing, sale and laundry of various textile goods, etc.	100.0
Three Hundred Club Co., Ltd.	Japan	Golf course operations	99.2

Equity-method Affiliates

	Location	Principal business	Ownership of voting rights (%)
Tokyu Fudosan Holdings Corporation	Japan	Group business management operations (Tokyu Fudosan Holdings Group)	16.1
Tokyu Land Corporation	Japan	Urban business, housing business, wellness business, next-generation and related businesses	—
Tokyu Community Corp.	Japan	Support services for apartment living, building management business	—
Tokyu Livable, Inc.	Japan	Property brokerage business, new construction sales agency business, real estate sales business	—
Tokyu Construction Co., Ltd.	Japan	Contracting of civil engineering and construction work	15.1
Seikitokyu Kogyo Co., Ltd.	Japan	Road construction business, manufacture and sale of road materials	4.3

Company Profile / Stock Information (As of March 31, 2022)

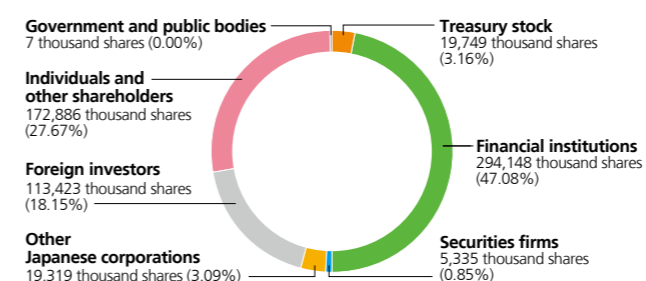
Company Profile

Trade name	TOKYU CORPORATION
Established	September 2, 1922
Head office	5-6 Nampeidai-cho, Shibuya-ku, Tokyo 150-8511
Representative	Kazuo Takahashi
Paid in capital	121,724,000,000 yen
Number of employees	1,414
Business	Transportation business, real estate business, etc.
Listed exchange	Tokyo Stock Exchange (Prime Market)
Accounting auditor	Ernst & Young ShinNihon LLC

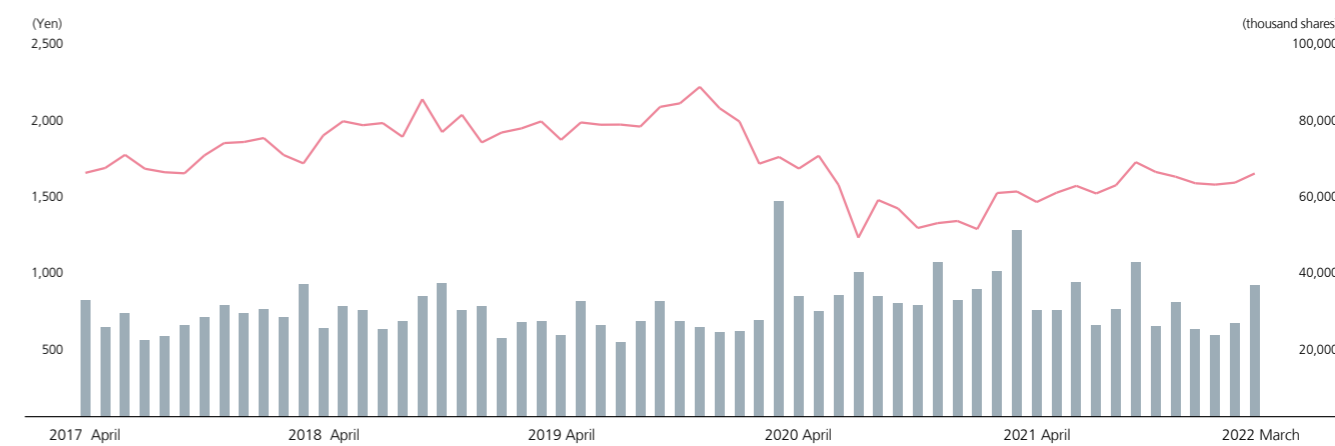
Stock and Shareholder Status

Type of stock issued	Common stock
Authorized shares	900,000,000 shares
Issued shares	624,869,876 shares
Number of shareholders	97,341

Distribution by Shareholder



Stock Price and Volume



* Figures adjusted to reflect a reverse stock split effective as of August 1, 2017

Major Shareholders

Name of shareholders	Number of shares held (thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	86,365	14.27
The Dai-ichi Life Insurance Company, Limited	30,990	5.12
Custody Bank of Japan, Ltd. (Trust Account)	26,443	4.37
Nippon Life Insurance Company	23,527	3.89
Sumitomo Mitsui Trust Bank, Limited	22,395	3.70
Mizuho Bank, Ltd.	9,906	1.64
Taiyo Life Insurance Company	9,566	1.58
Mitsubishi UFJ Trust and Banking Corporation	9,393	1.55
MUFG Bank, Ltd.	8,951	1.48
STATE STREET BANK WEST CLIENT - TREATY 505234	8,738	1.44

Notes: 1. The table shows the top 10 shareholders in terms of shareholdings. The shareholding ratio is calculated based on the total number of shares issued excluding treasury stock.
2. The Company holds 19,749 thousand shares of treasury stock, but this is excluded from the above list of major shareholders.

Inclusion in Indices, etc. (as of July 2022)

- Nikkei Stock Average (Nikkei 225)
- TOPIX 500 Index (Tokyo Stock Exchange)
- Tokyo Stock Exchange Prime Market Index
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)
- FTSE Blossom Japan Sector Relative Index
- S&P Global 1200 Index
- S&P/JPX Carbon Efficient Index
- SOMPO Sustainability Index