

Summary of Results for the First Three Quarters of FY2016

February 10, 2017



F U T A K O
T A M A G A W A

Tokyu Corporation

(9005)

<http://www.tokyu.co.jp/>

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Forward-looking statements

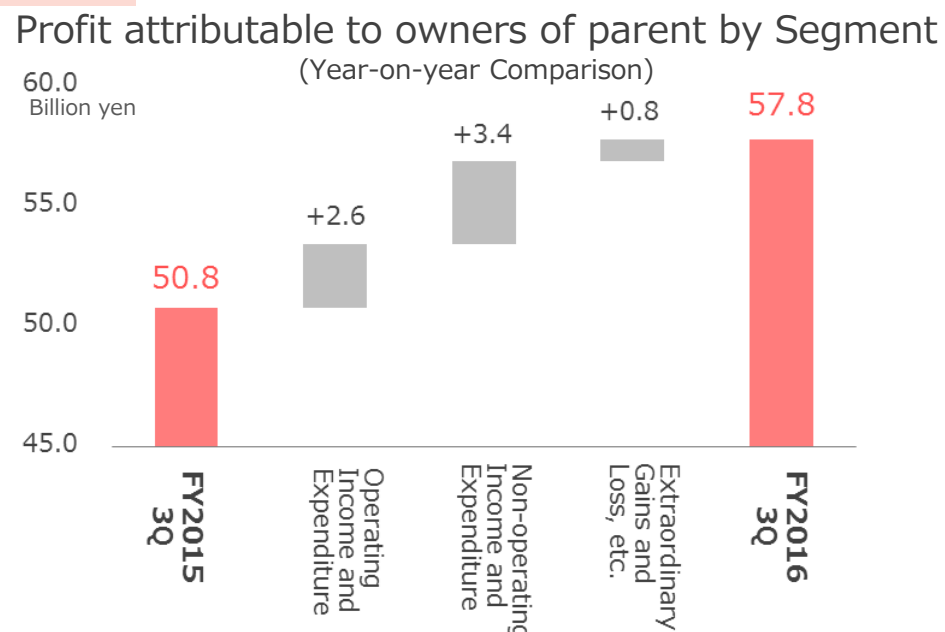
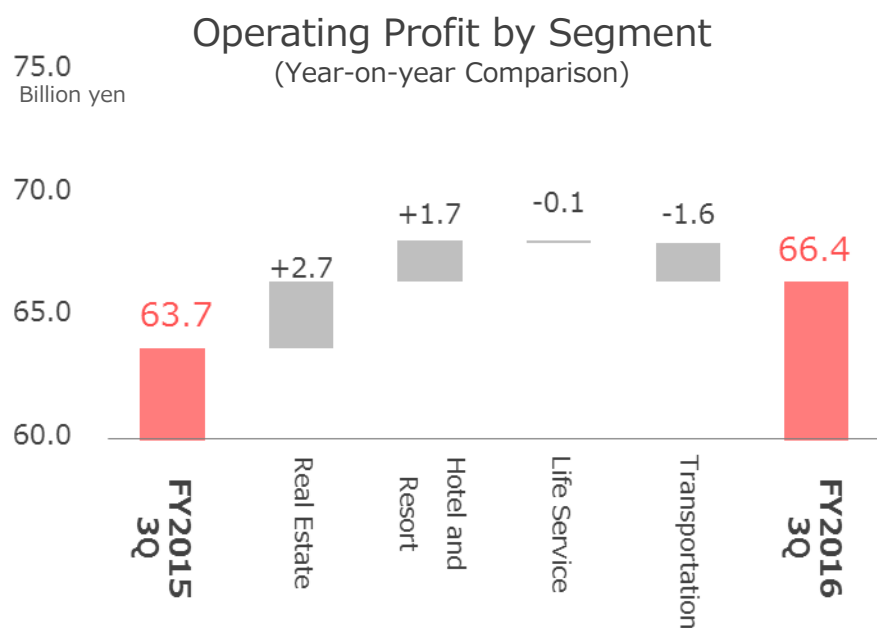
All statements contained in this document other than historical facts are forward-looking statements that reflect the judgments of the management of Tokyu Corporation based on information currently available. Actual results may differ materially from the statements.

I . Overview of Financial Results for
the First Three Quarters of FY2016 •
Financial Forecasts for FY2016

Main Points in the Results for 3Q of FY2016

Both revenue and profits increased, thanks to a rise in revenue in the Company's real estate leasing/railway operations due to the full-year operation of the Futako-Tamagawa Rise Phase II, etc., in addition to the strong performance of Tokyu Hotels and the acquisition of Tokyu Recreation as a subsidiary, despite an increase in the depreciation of the Company's railway operations. Profit attributable to owners of parent increased, due in part to a fall in income taxes, etc.

	1-3Q Results	YoY Comparison	(Unit: billion yen, %)
Operating Revenue	825.4	+ 30.0 (+ 3.8%)	
Operating Profit	66.4	+ 2.6 (+ 4.2%)	
Recurring Profit	65.9	+ 6.1 (+ 10.3%)	
Profit attributable to owners of parent	57.8	+ 7.0 (+ 13.8%)	

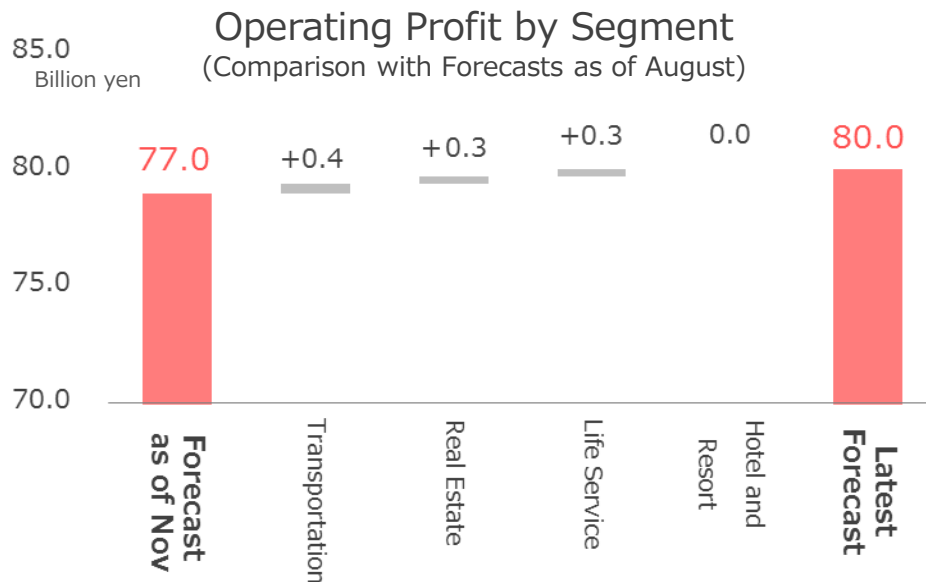
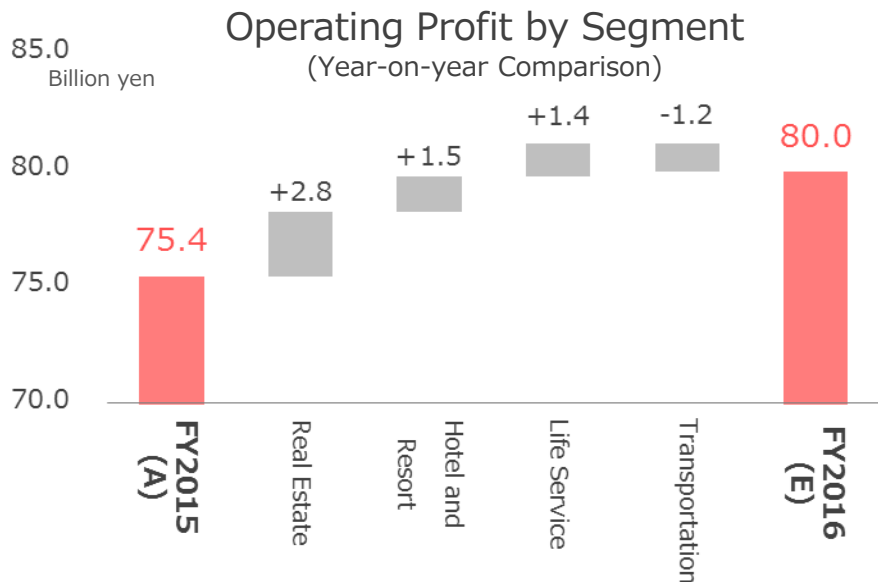


Main Points in Forecasts for FY2016

[Year-on-year comparison] Despite an increase in depreciation and other costs of the Company's railway operations and a decrease in the Company's real estate sales, profits increased mainly owing to the full-year operation of the Futako-Tamagawa Rise phase II.

[Comparison with the November forecast] Profit attributable to owners of parent increased, due chiefly to a fall in non-operating expenses and a rise in equity method investment gains, in addition to higher operating profit mainly in the transportation and real estate businesses.

	Full Year Forecast	YoY Comparison		Comparison with Forecasts as of Nov.		(Unit: billion yen, %)
Operating Revenue	1,118.1	+ 26.6	(+ 2.4%)	- 4.1	(- 0.4%)	
Operating Profit	80.0	+ 4.5	(+ 6.0%)	+ 1.0	(+ 1.3%)	
Recurring Profit	78.6	+ 8.5	(+ 12.2%)	+ 2.1	(+ 2.7%)	
Profit attributable to owners of parent	67.0	+ 11.7	(+ 21.3%)	+ 3.0	(+ 4.7%)	



II . Conditions in Each Business

Railway Operations Business

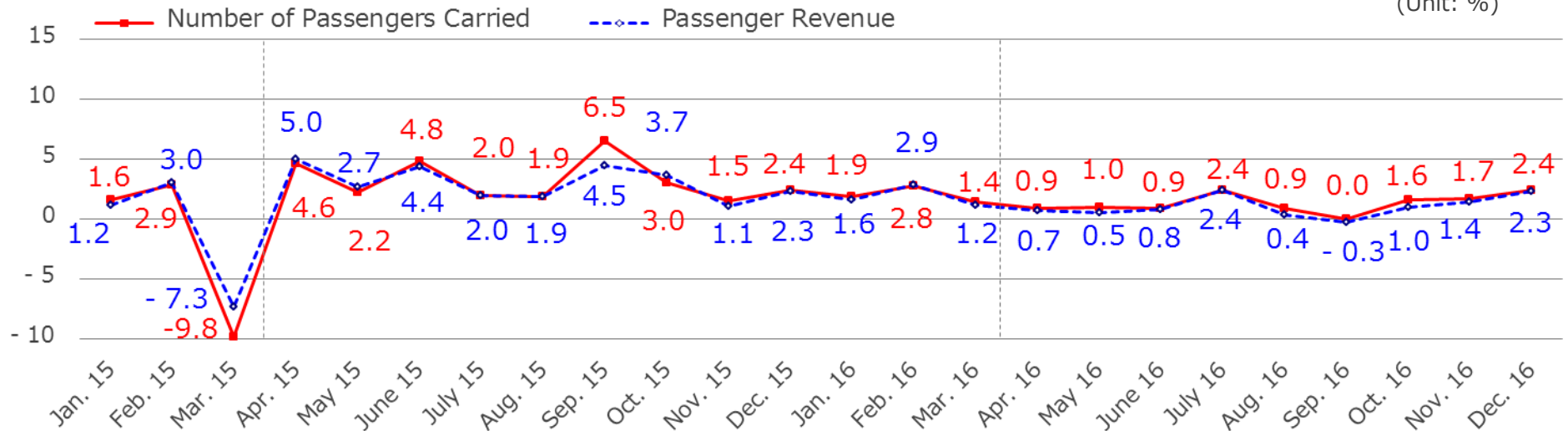
Passengers Carried and Passenger Revenue (Results and Forecast)

(Thousand people, Million yen)

		2016/3 1-3Q Results	2017/3 1-3Q Results	Change	2016/3 Results	2017/3 Forecast	Change
Number of Passengers Carried	Total	867,733	879,074	+ 1.3%	1,148,569	1,159,128	+ 0.9%
	Non-commuter	348,199	349,786	+ 0.5%	461,956	464,179	+ 0.5%
	Commuter	519,534	529,288	+ 1.9%	686,613	694,949	+ 1.2%
Passenger Revenue	Total	103,333	104,396	+ 1.0%	137,235	138,403	+ 0.9%
	Non-commuter	56,940	57,140	+ 0.4%	75,499	75,913	+ 0.5%
	Commuter	46,393	47,256	+ 1.9%	61,736	62,490	+ 1.2%

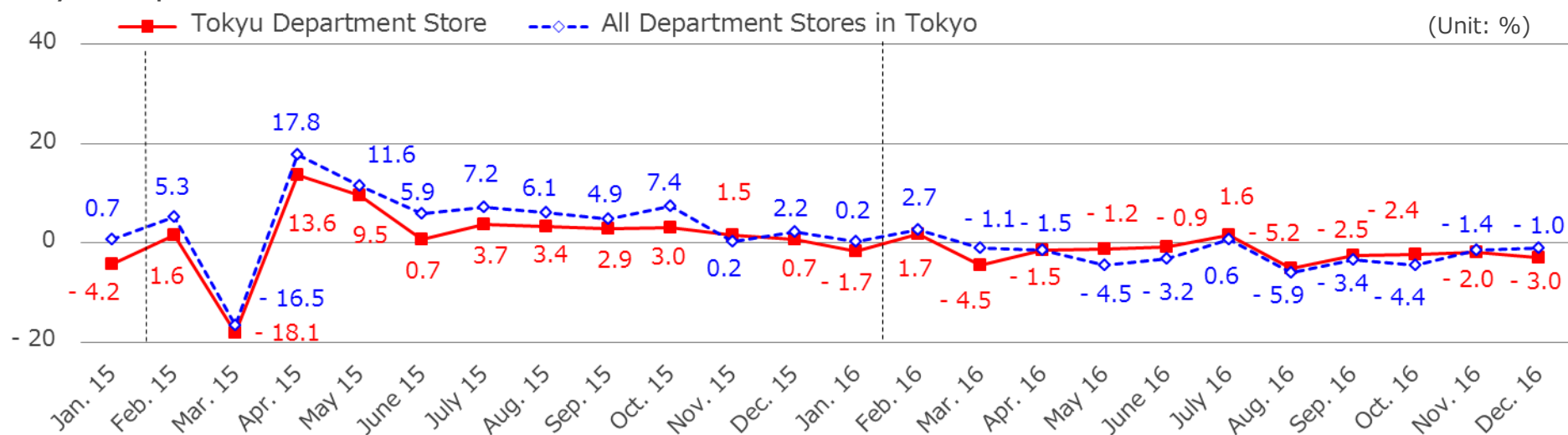
Passengers Carried and Passenger Revenue (Year-on-year Comparison)

(Unit: %)

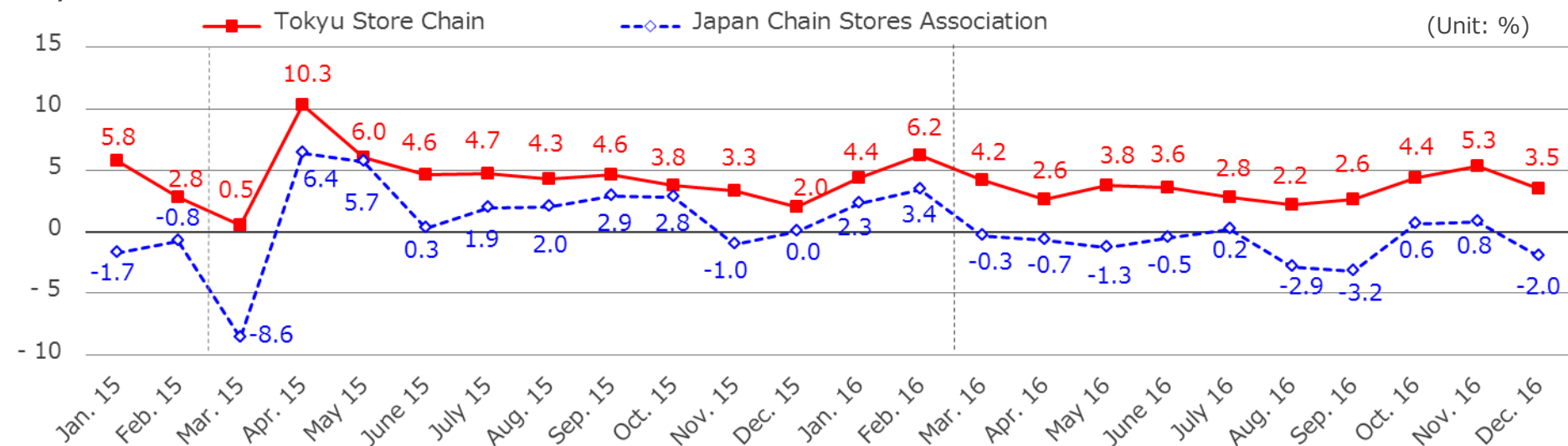


Retail Business

Tokyu Department Store: Sales (Year-on-year Comparison)

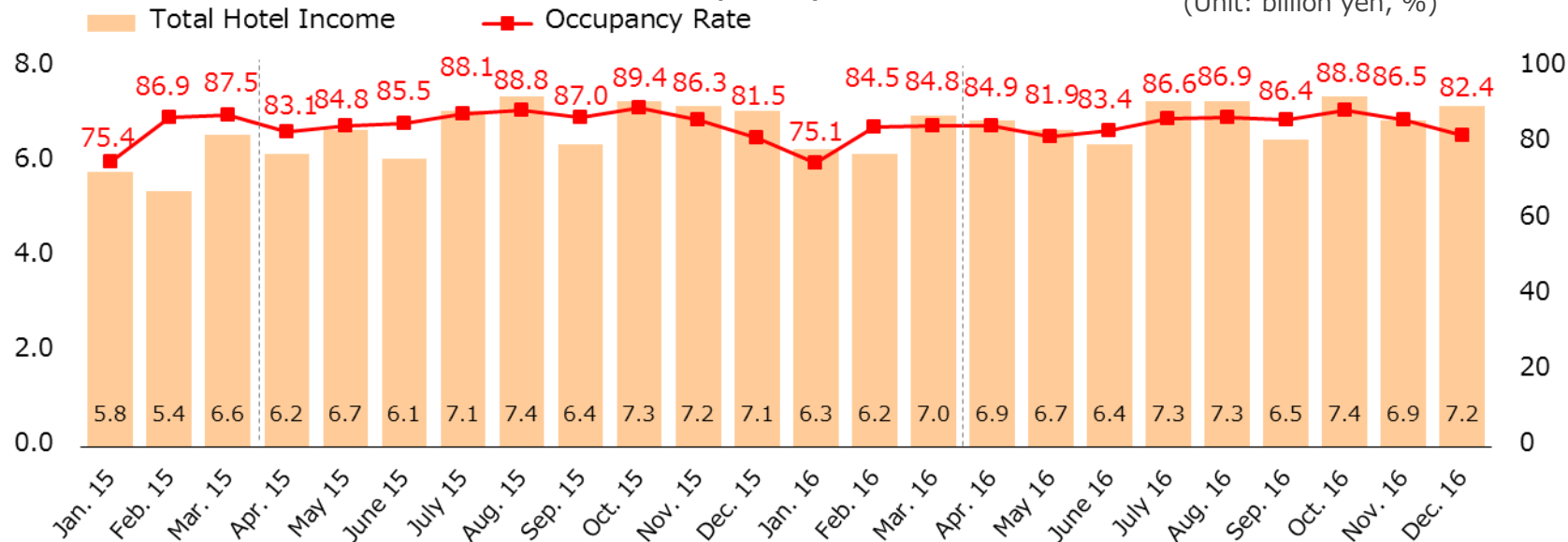


Tokyu Store Chain: Sales (Year-on-year Comparison)

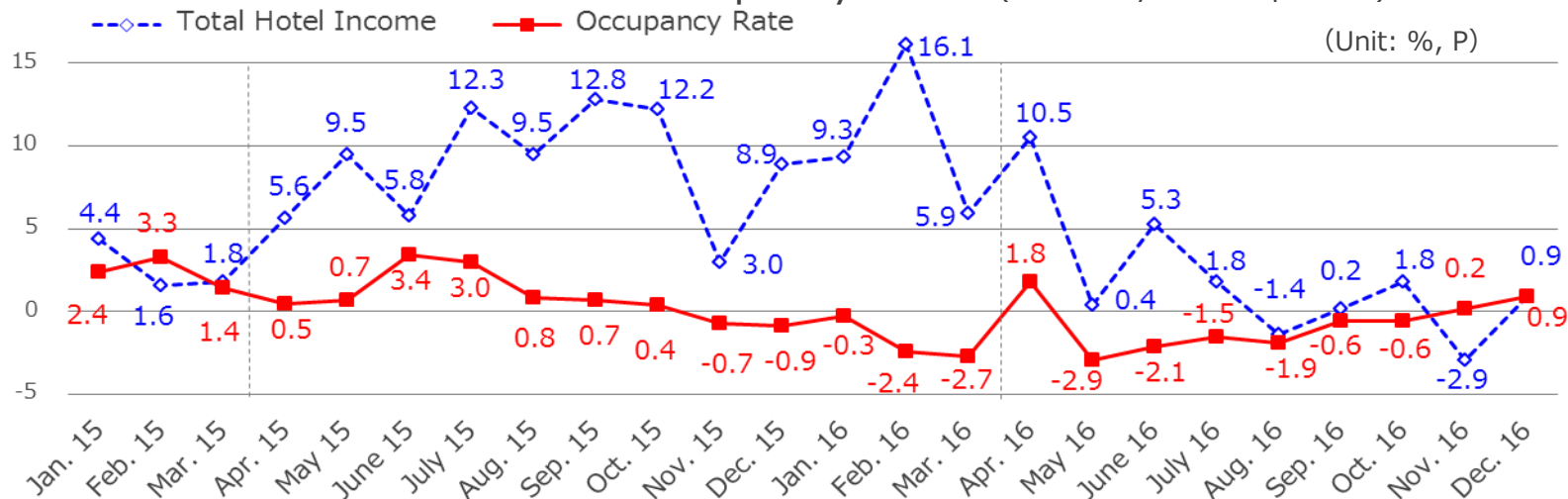


Hotel Business

Tokyu Hotels: Total Hotel Income and Occupancy Rates (Results)



Tokyu Hotels: Total Hotel Income and Occupancy Rates (Year-on-year Comparison)



III. Details of Financial Results for the First Three Quarters of FY2016

Summary of Consolidated Financial Statements

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Operating Revenue	795.4	825.4	+ 30.0 (+ 3.8%)	Life Service: +32.8; Transportation: +4.0; Hotel and Resort: +1.4; Real Estate: -7.6
Operating Profit	63.7	66.4	+ 2.6 (+ 4.2%)	Real Estate: +2.7; Hotel and Resort: +1.7; Life Service: -0.1; Transportation: -1.6
Non-operating Revenue	9.4	9.8	+ 0.3 (+ 4.1%)	Interest and Dividend Income 0.8 (+0.0); Investment Gains from Equity Method 5.7 (-0.1)
Non-operating Expenses	13.4	10.3	- 3.0 (- 22.8%)	Expenses for demolishing fixed assets - (-2.0); Interest Paid 7.5 (-0.6)
Recurring Profit	59.7	65.9	+ 6.1 (+ 10.3%)	
Extraordinary Gains	20.7	2.9	- 17.7 (- 85.8%)	Sale of land in front of the west exit of Yokohama Station - (-15.9)
Extraordinary Losses	11.9	1.5	- 10.4 (- 87.2%)	Expenses for demolishing fixed assets - (-9.9)
Income before Income Taxes and Minority Interests	68.5	67.3	- 1.2 (- 1.8%)	
Corporate Income Taxes	17.3	8.2	- 9.1 (- 52.7%)	Income Taxes: 11.1 (-8.5); Tax Adjustment: -2.8 (-0.6)
Net Income	51.1	59.0	+ 7.9 (+ 15.5%)	
Profit attributable to non-controlling interests	0.3	1.2	+ 0.9 (+ 258.8%)	
Profit attributable to owners of parent	50.8	57.8	+ 7.0 (+ 13.8%)	
Other Comprehensive Income	1.9	- 5.0	- 7.0 (-)	
Total Comprehensive Income	53.0	54.0	+ 0.9 (+ 1.7%)	
TOKYU EBITDA	127.2	133.8	+ 6.6 (+ 5.2%)	Real Estate +2.8; Hotel and Resort +1.5; Life Service +1.3; Transportation +0.9; Headquarters -0.0

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

Consolidated Operating Revenue and Profit

(Billion yen)

		2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks	
Total Operating Revenue		795.4	825.4	+ 30.0 (+ 3.8%)		
Total Operating Profit		63.7	66.4	+ 2.6 (+ 4.2%)		
Transportation	Operating Revenue	149.2	153.3	+ 4.0 (+ 2.7%)	Tokyu Corp. Railway Operations: +0.8	
	Operating Profit	26.8	25.2	- 1.6 (- 6.0%)	Tokyu Corp. Railway Operations: -1.9	
Real Estate	Operating Revenue	134.3	126.7	- 7.6 (- 5.7%)	Tokyu Corp. Sales: -9.4; Tokyu Corp. Leasing: +3.7	
	Operating Profit	21.0	23.8	+ 2.7 (+ 12.9%)	Tokyu Corp. Sales: -0.2; Tokyu Corp. Leasing: +3.6	
		Total Life Service	473.5	506.3	+ 32.8 (+ 6.9%)	
Life Service	Operating Revenue	Retail	354.4	354.9	+ 0.5 (+ 0.1%)	Tokyu Department Store: -2.9; Tokyu Store Chain: +3.4
		ICT and Media	119.0	151.4	+ 32.3 (+ 27.1%)	Tokyu Recreation: +25.4; its communications: +0.7; Tokyu Agency: +2.7
	Total Life Service		10.4	10.2	- 0.1 (- 1.4%)	
	Operating Profit	Retail	3.3	2.8	- 0.5 (- 14.9%)	Tokyu Department Store: -0.9; Tokyu Store Chain: +0.3
ICT and Media		7.0	7.3	+ 0.3 (+ 5.1%)	Tokyu Recreation: +1.3; its communications: +0.7; Tokyu Agency: -0.2	
Hotel and Resort	Operating Revenue	78.6	80.1	+ 1.4 (+ 1.9%)	Tokyu Hotels, etc: +1.3	
	Operating Profit	5.2	6.9	+ 1.7 (+ 32.7%)	Tokyu Hotels, etc: +1.1	
Elimination etc.	Operating Revenue	- 40.4	- 41.1	- 0.7		
	Operating Profit	0.1	0.1	+ 0.0		

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

 Forecast
as of Nov. Change

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks	Forecast as of Nov.	Change
Operating Profit	63.7	66.4	+ 2.6 (+ 4.2%)		63.0	+ 3.4 (+ 5.5%)
Non-operating Revenue	9.4	9.8	+ 0.3 (+ 4.1%)		8.9	+ 0.9 (+ 10.5%)
Interest and Dividend Income	0.8	0.8	+ 0.0		1.0	- 0.1
Investment Gain from Equity Method	5.8	5.7	- 0.1	Tokyu Fudosan Holdings : 3.4 (-0.3) ;Tokyu Construction: 1.4 (+0.0)	4.7	+ 1.0
Others	2.7	3.2	+ 0.5		3.2	+ 0.0
Non-operating Expenses	13.4	10.3	- 3.0 (- 22.8%)		10.9	- 0.5 (- 4.8%)
Interest	8.2	7.5	- 0.6		7.6	- 0.0
Others	5.2	2.7	- 2.4	Expenses for demolishing fixed assets - (-2.0)	3.3	- 0.5
Recurring Profit	59.7	65.9	+ 6.1 (+ 10.3%)		61.0	+ 4.9 (+ 8.0%)
Extraordinary Gains	20.7	2.9	- 17.7 (- 85.8%)		2.6	+ 0.3 (+ 12.7%)
Gain on Sale of Fixed Assets	16.2	0.5	- 15.6	Sale of land in front of the west exit of Yokohama Station - (-15.9)	0.6	- 0.0
Gain on Subsidies Received for Construction	0.6	0.4	- 0.2		-	+ 0.4
Gain on Reversal of Urban Railways Improvement Reserve	1.8	1.8	-		1.9	- 0.0
Others	1.9	0.0	- 1.8		0.1	- 0.0
Extraordinary Losses	11.9	1.5	- 10.4 (- 87.2%)		1.1	+ 0.4 (+ 39.4%)
Loss on Reduction of Subsidies Received for Construction	0.5	0.3	- 0.1		0.1	+ 0.2
Others	11.4	1.2	- 10.2	Expenses for demolishing fixed assets - (-9.9)	1.0	+ 0.2
Income before Income Taxes and Minority Interests	68.5	67.3	- 1.2 (- 1.8%)		62.5	+ 4.8 (+ 7.7%)

Consolidated TOKYU EBITDA

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Transportation	56.3	57.2	+ 0.9 (+ 1.7%)	
Railway Operations of the Company	51.1	50.9	- 0.2	
Tokyu Bus	3.1	3.2	+ 0.0	
Others	2.0	3.1	+ 1.0	
Real Estate	34.8	37.7	+ 2.8 (+ 8.2%)	
Real Estate Sales of the Company	4.2	3.8	- 0.3	
Real Estate Leasing of the Company	23.8	27.7	+ 3.9	
Others	6.8	6.1	- 0.6	
Life Service	20.8	22.2	+ 1.3 (+ 6.7%)	
Retail	9.6	9.4	- 0.1	
Tokyu Department Store	3.9	3.3	- 0.5	
Tokyu Store Chain	2.8	3.1	+ 0.3	
Others	2.8	2.9	+ 0.0	
ICT and Media	11.1	12.7	+ 1.5	
Tokyu Recreation	-	2.6	+ 2.6	
its communications	5.0	5.6	+ 0.6	
Tokyu Agency	0.5	0.3	- 0.1	
Others	5.6	4.0	- 1.5	
Hotel and Resort	8.3	9.9	+ 1.5 (+ 18.5%)	
Tokyu Hotels, etc.	7.6	8.4	+ 0.8	
Others	0.7	1.4	+ 0.6	
Headquarters	6.7	6.5	- 0.1 (- 2.1%)	
Interest and dividend income	0.8	0.8	+ 0.0	
Investment (gain) loss from the equity method	5.8	5.7	- 0.1	
Elimination, etc.	0.0	0.1	+ 0.0	
Total	127.2	133.8	+ 6.6 (+ 5.2%)	

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

Segment Information (1) Transportation

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Operating Revenue	149.2	153.3	+ 4.0 (+ 2.7%)	Passengers Carried: +1.3% (Non-commuter: +0.5%; Commuter: +1.9%) Passenger Revenue: +1.0% (Non-commuter: +0.4%; Commuter: +1.9%)
Railway Operations of the Company	113.4	114.3	+ 0.8 (+ 0.7%)	Passenger Revenue: 104.3 (+1.0)
Tokyu Bus	21.2	21.3	+ 0.0 (+ 0.1%)	Passenger Revenue: -0.1%
Others	14.4	17.7	+ 3.2 (+ 22.5%)	
Operating Profit	26.8	25.2	- 1.6 (- 6.0%)	
Railway Operations of the Company	24.3	22.3	- 1.9 (- 8.1%)	[Operating Expense] Depreciation and amortization: 25.4 (+1.4);Expenses 17.4 (+0.7); Repair Costs: 5.1 (+0.4);Power Costs: 4.1 (-1.0)
Tokyu Bus	1.7	1.6	- 0.0 (- 3.6%)	
Others	0.8	1.2	+ 0.4 (+ 49.4%)	

Segment Information (2) Real Estate

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Operating Revenue	134.3	126.7	- 7.6 (- 5.7%)	
Real Estate Sales of the Company	20.9	11.5	- 9.4 (- 44.9%)	[Sales] Company-owned Land: 8.1 (-1.4); Funds Turnover-type: 3.3 (-7.9)
Real Estate Leasing of the Company	54.2	57.9	+ 3.7 (+ 7.0%)	
Others	59.2	57.2	- 1.9 (- 3.4%)	
Operating Profit	21.0	23.8	+ 2.7 (+ 12.9%)	□ [Sales Margin] Company-owned Land: 5.5 (+0.7); Funds Turnover-type: 0.6 (-1.9)
Real Estate Sales of the Company	4.0	3.7	- 0.2 (- 6.6%)	
Real Estate Leasing of the Company	12.1	15.8	+ 3.6 (+ 30.1%)	
Others	4.9	4.2	- 0.6 (- 13.8%)	

Segment Information (3) Life Service

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Operating Revenue	473.5	506.3	+ 32.8 (+ 6.9%)	
Total Retail	354.4	354.9	+ 0.5 (+ 0.1%)	
Tokyu Department Store	162.8	159.9	- 2.9 (- 1.8%)	Rate of Change in Sales: -1.6%
Tokyu Store Chain	157.4	160.9	+ 3.4 (+ 2.2%)	Rate of Change in Sales: All Stores: +2.3%; Existing Stores: +3.5%
Others	34.1	34.0	- 0.0 (- 0.1%)	
Total ICT and Media	119.0	151.4	+ 32.3 (+ 27.1%)	
Tokyu Recreation	-	25.4	+ 25.4 (-)	
its communications	19.4	20.1	+ 0.7 (+ 4.1%)	
Tokyu Agency	64.1	66.9	+ 2.7 (+ 4.2%)	Mass Media: +1.4
Others	35.4	38.8	+ 3.3 (+ 9.4%)	
Operating Profit	10.4	10.2	- 0.1 (- 1.4%)	
Total Retail	3.3	2.8	- 0.5 (- 14.9%)	
Tokyu Department Store	- 0.0	- 1.0	- 0.9 (-)	
Tokyu Store Chain	1.4	1.8	+ 0.3 (+ 24.0%)	
Others	2.0	2.0	+ 0.0 (+ 3.8%)	
Total ICT and Media	7.0	7.3	+ 0.3 (+ 5.1%)	
Tokyu Recreation	-	1.3	+ 1.3 (-)	
its communications	2.4	3.1	+ 0.7 (+ 28.7%)	
Tokyu Agency	0.5	0.3	- 0.2 (- 40.2%)	
Others	3.9	2.5	- 1.4 (- 37.2%)	

Segment Information (4) Hotel and Resort

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Operating Revenue	78.6	80.1	+ 1.4 (+ 1.9%)	
Tokyu Hotels, etc. (※)	64.2	65.5	+ 1.3 (+ 2.1%)	Occupancy Rates: 85.3% (year on year -0.8 points)
Others	14.4	14.5	+ 0.1 (+ 1.3%)	
Operating Profit	5.2	6.9	+ 1.7 (+ 32.7%)	
Tokyu Hotels, etc. (※)	5.1	6.3	+ 1.1 (+ 21.4%)	
Others	0.0	0.6	+ 0.5 (-)	

(※) "Tokyu Hotels, etc." includes not only Tokyu Hotels Co., Ltd. but also Tokyu Corp., GK New Perspective One and T.H. Properties, Inc. that have held assets.

Balance Sheets

(Billion yen)

	2016/3 Results	2016/12 Results	Change	Remarks
Total Assets	2,092.5	2,123.6	+ 31.1 (+ 1.5%)	
Current Assets	276.4	298.4	+ 21.9 (+ 7.9%)	
Fixed Assets	1,816.0	1,825.2	+ 9.2 (+ 0.5%)	
Total Liabilities	1,469.2	1,460.8	- 8.4 (- 0.6%)	
Current Liabilities	608.1	591.9	- 16.2 (- 2.7%)	Interest-bearing Debt: +3.8
Fixed Liabilities	838.4	848.1	+ 9.7 (+ 1.2%)	Interest-bearing Debt: +17.5
Reserves under Special Law	22.5	20.7	- 1.8 (- 8.3%)	
Total Net Assets	623.2	662.8	+ 39.5 (+ 6.3%)	Equity Capital: +40.3; non-controlling shareholders Interest: +1.7; Other Cumulative Comprehensive Income: -2.5
Equity	576.8	614.7	+ 37.8 (+ 6.6%)	Profit attributable to owners of parent: +57.8; Own shares: -6.5; Dividends: -11.0
Interest-bearing Debt at End of Period	937.4	958.8	+ 21.3 (+ 2.3%)	
Equity Ratio	27.6%	28.9%	+ 1.3P	
D/E Ratio (Times)	1.6	1.6	-	

Statements of Cash Flow

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
CF from Operating Activities	96.2	89.6	- 6.6	
CF from Investing Activities	- 87.7	- 86.6	+ 1.1	
Capital Expenditure	- 109.2	- 93.4	+ 15.7	【FY2015】 Opening of Futako-Tamagawa Redevelopment Phase II
Subsidies Received for Construction	4.9	5.8	+ 0.8	
Gain on Sale of Assets	16.4	2.2	- 14.1	【FY2015】 Sale of land in front of the west exit of Yokohama Station
CF from Financing Activities	- 26.4	4.7	+ 31.1	
Interest-bearing Debt Net Increase/Decrease	- 0.3	22.1	+ 22.4	
Dividend Payment, etc.	- 25.0	- 15.9	+ 9.0	Dividend Payment: -11.0 (-1.1); Acquisition of own shares: -5.7 (+9.3)
Free Cash Flow	8.5	3.0	- 5.5	
Interest-bearing Debt at End of Period	-	958.8	-	【FY2015】 937.4 (+21.3)

Capital Expenditure / Depreciation

(Billion yen)

	2016/3 1-3Q Results	2017/3 1-3Q Results	Change	Remarks
Total Capital Expenditure	95.5	84.9	- 10.5 (- 11.0%)	
Transportation	21.7	26.7	+ 4.9 (+ 22.8%)	Tokyu Corp. Railway Operations: +1.9
Real Estate	59.2	37.5	- 21.6 (- 36.6%)	Tokyu Corp. Leasing: -25.5
Total Life Service	10.6	17.9	+ 7.2 (+ 68.5%)	
Retail	5.0	6.7	+ 1.7 (+ 34.5%)	Tokyu Department Store: +2.1
ICT and Media	5.6	11.1	+ 5.5 (+ 99.1%)	Tokyu Recreation: +7.0; its communications: -1.8
Hotel and Resort	3.6	3.5	- 0.1 (- 4.4%)	Tokyu Hotels, etc.: -0.4
Headquarters	0.9	1.2	+ 0.3	
Elimination	- 0.7	- 2.0	- 1.2	
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	11.3	7.6	- 3.7 (- 32.6%)	Company-owned Land:-3.4; Funds Turnover-type: +1.0
Total Depreciation and Amortization	53.1	57.0	+ 3.9 (+ 7.4%)	Transportation: 28.9 (+2.3); Life Service: 11.6 (+1.6); Real Estate: 13.5 (+0.0); Hotel and Resort: 2.9 (-0.0)

* Capital expenditures are amounts stated in capital expenditures made and might be different from figures in the statements of cash flow, which consider accounts payable at the end of the fiscal year.

IV. Details of Financial Forecasts for FY2016

Summary of Consolidated Financial Statements

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Revenue	1,091.4	1,118.1	+ 26.6 (+ 2.4%)	Life Service: +44.2、Transportation: +6.0、 Hotel and Resort: +0.7、Real Estate: -24.3	1,122.2	- 4.1 (- 0.4%)
Operating Profit	75.4	80.0	+ 4.5 (+ 6.0%)	Real Estate: +2.8、Hotel and Resort: +1.5、 Life Service: +1.4、Transportation: -1.2	79.0	+ 1.0 (+ 1.3%)
Non-operating Revenue	12.7	13.3	+ 0.5 (+ 4.2%)	Investment Gains from Equity Method 7.6 (+0.1)	12.9	+ 0.4 (+ 3.1%)
Non-operating Expenses	18.2	14.7	- 3.5 (- 19.3%)	Expenses for demolishing fixed assets - (-2.0)	15.4	- 0.7 (- 4.5%)
Recurring Profit	70.0	78.6	+ 8.5 (+ 12.2%)		76.5	+ 2.1 (+ 2.7%)
Extraordinary Gains	26.5	10.9	- 15.6 (- 59.0%)	Sale of land in front of the west exit of Yokohama Station - (-15.9)	7.9	+ 3.0 (+ 38.0%)
Extraordinary Losses	22.1	9.8	- 12.3 (- 55.8%)	Expenses for demolishing fixed assets - (-10.6)□	7.0	+ 2.8 (+ 40.0%)
Income before Income Taxes and Minority Interests	74.4	79.7	+ 5.2 (+ 7.0%)		77.4	+ 2.3 (+ 3.0%)
Corporate Income Taxes	18.9	11.7	- 7.2 (- 38.3%)	Income Taxes: 18.3 (-4.9); Tax Adjustment: -6.6 (-2.3)	12.6	- 0.9 (- 7.1%)
Net Income	55.4	68.0	+ 12.5 (+ 22.5%)		64.8	+ 3.2 (+ 4.9%)
Profit attributable to non-controlling intereests	0.2	1.0	+ 0.7 (+ 318.0%)		0.8	+ 0.2 (+ 25.0%)
Profit attributable to owners of parent	55.2	67.0	+ 11.7 (+ 21.3%)		64.0	+ 3.0 (+ 4.7%)
Tokyu EBITDA	163.6	174.7	+ 11.0 (+ 6.7%)	Transportation +3.9;Life Service +2.8; Real Estate +2.2;Hotel and Resort +1.5;Headquarters +0.4	172.5	+ 2.2 (+ 1.3%)

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

Consolidated Operating Revenue and Profit

(Billion yen)

		2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change	
Total Operating Revenue		1,091.4	1,118.1	+ 26.6 (+ 2.4%)		1,122.2	- 4.1 (- 0.4%)	
Total Operating Profit		75.4	80.0	+ 4.5 (+ 6.0%)		79.0	+ 1.0 (+ 1.3%)	
Transportation	Operating Revenue	200.5	206.6	+ 6.0 (+ 3.0%)	Tokyu Corp. Railway Operations: +0.6; Tokyu Bus: -0.0	206.5	+ 0.1 (+ 0.0%)	
	Operating Profit	29.2	28.0	- 1.2 (- 4.4%)	Tokyu Corp. Railway Operations: -2.1; Tokyu Bus: +0.0	27.6	+ 0.4 (+ 1.4%)	
Real Estate	Operating Revenue	199.0	174.7	- 24.3 (- 12.2%)	Tokyu Corp. Sales: -25.5; Tokyu Corp. Leasing: +4.6	176.0	- 1.3 (- 0.7%)	
	Operating Profit	28.0	30.9	+ 2.8 (+ 10.0%)	Tokyu Corp. Sales: -2.6; Tokyu Corp. Leasing: +5.6	30.6	+ 0.3 (+ 1.0%)	
Total Life Service		644.1	688.4	+ 44.2 (+ 6.9%)		689.8	- 1.4 (- 0.2%)	
Life Service	Operating Revenue	Retail	485.1	486.5	+ 1.3 (+ 0.3%)	Tokyu Department Store: -4.0; Tokyu Store Chain: +3.9	486.7	- 0.2 (- 0.0%)
		ICT and Media	159.0	201.9	+ 42.8 (+ 27.0%)	Tokyu Recreation: +33.5; its communications: +1.2; Tokyu Agency: +2.6	203.1	- 1.2 (- 0.6%)
	Total Life Service		13.4	14.9	+ 1.4 (+ 10.9%)		14.6	+ 0.3 (+ 2.1%)
	Operating Profit	Retail	5.2	5.4	+ 0.1 (+ 2.9%)	Tokyu Department Store: -0.8; Tokyu Store Chain: +0.2	5.4	- (-)
ICT and Media		8.1	9.5	+ 1.3 (+ 16.0%)	Tokyu Recreation: +1.5; its communications: +0.3; Tokyu Agency: +0.0	9.2	+ 0.3 (+ 3.3%)	
Hotel and Resort	Operating Revenue	103.8	104.6	+ 0.7 (+ 0.7%)	Tokyu Hotels, etc: +0.6	105.4	- 0.8 (- 0.8%)	
	Operating Profit	4.4	6.0	+ 1.5 (+ 33.7%)	Tokyu Hotels, etc: +0.6	6.0	- (-)	
Elimination etc.	Operating Revenue	- 56.1	- 56.2	- 0.0		- 55.5	- 0.7	
	Operating Profit	0.1	0.2	+ 0.0		0.2	-	

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Profit	75.4	80.0	+ 4.5 (+ 6.0%)		79.0	+ 1.0 (+ 1.3%)
Non-operating Revenue	12.7	13.3	+ 0.5 (+ 4.2%)		12.9	+ 0.4 (+ 3.1%)
Interest and Dividend Income	1.0	1.2	+ 0.1		1.2	-
Investment Gain from Equity Method	7.4	7.6	+ 0.1		7.3	+ 0.3
Others	4.2	4.5	+ 0.2		4.4	+ 0.1
Non-operating Expenses	18.2	14.7	- 3.5 (- 19.3%)		15.4	- 0.7 (- 4.5%)
Interest	10.8	10.0	- 0.8		10.0	-
Others	7.4	4.7	- 2.7	Expenses for demolishing fixed assets - (-2.0)	5.4	- 0.7
Recurring Profit	70.0	78.6	+ 8.5 (+ 12.2%)		76.5	+ 2.1 (+ 2.7%)
Extraordinary Gains	26.5	10.9	- 15.6 (- 59.0%)		7.9	+ 3.0 (+ 38.0%)
Gain on Sale of Fixed Assets	16.6	0.7	- 15.9	Sale of land in front of the west exit of Yokohama Station - (-15.9)	0.7	-
Gain on Subsidies Received for Construction	1.6	7.6	+ 5.9		4.6	+ 3.0
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	- 0.0		2.5	-
Others	5.6	0.1	- 5.5		0.1	-
Extraordinary Losses	22.1	9.8	- 12.3 (- 55.8%)		7.0	+ 2.8 (+ 40.0%)
Loss on Reduction of Subsidies Received for Construction	1.4	5.6	+ 4.1		2.7	+ 2.9
Others	20.6	4.2	- 16.4	Expenses for demolishing fixed assets - (-10.6)	4.3	- 0.1
Income before Income Taxes and Minority Interests	74.4	79.7	+ 5.2 (+ 7.0%)		77.4	+ 2.3 (+ 3.0%)

Consolidated TOKYU EBITDA

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Transportation	71.5	75.5	+ 3.9 (+ 5.6%)		73.5	+ 2.0 (+ 2.7%)
Railway Operations of the Company	64.4	66.4	+ 1.9		64.4	+ 1.9
Tokyu Bus	3.6	3.8	+ 0.2		3.7	+ 0.1
Others	3.4	5.1	+ 1.7		5.3	- 0.1
Real Estate	47.2	49.5	+ 2.2 (+ 4.8%)		49.4	+ 0.1 (+ 0.2%)
Real Estate Sales of the Company	6.8	3.9	- 2.9		3.9	-
Real Estate Leasing of the Company	31.9	37.1	+ 5.2		37.1	- 0.0
Others	8.4	8.4	- 0.0		8.3	+ 0.1
Life Service	27.6	30.5	+ 2.8 (+ 10.4%)		30.7	- 0.2 (- 0.7%)
Retail	13.7	14.4	+ 0.6		14.2	+ 0.2
Tokyu Department Store	6.3	5.9	- 0.3		6.0	- 0.1
Tokyu Store Chain	4.2	4.4	+ 0.2		4.2	+ 0.1
Others	3.1	3.9	+ 0.8		3.8	+ 0.1
ICT and Media	13.8	16.1	+ 2.2		16.5	- 0.4
Tokyu Recreation	-	3.3	+ 3.3		3.5	- 0.2
its communications	6.8	6.2	- 0.5		6.6	- 0.4
Tokyu Agency	0.7	0.9	+ 0.2		0.9	-
Others	6.3	5.6	- 0.7		5.3	+ 0.2
Hotel and Resort	8.6	10.2	+ 1.5 (+ 17.5%)		10.2	- (-)
Tokyu Hotels, etc.	7.7	8.0	+ 0.3		8.2	- 0.1
Others	0.9	2.0	+ 1.0		1.9	+ 0.0
Headquarters	8.4	8.8	+ 0.3 (+ 3.7%)		8.5	+ 0.3 (+ 3.5%)
Interest and dividend income	1.0	1.2	+ 0.1		1.2	-
Investment (gain) loss from the equity method	7.4	7.6	+ 0.1		7.3	+ 0.3
Elimination, etc.	0.0	0.2	+ 0.1		0.2	-
Total	163.6	174.7	+ 11.0 (+ 6.7%)		172.5	+ 2.2 (+ 1.3%)

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

Segment Information (1) Transportation

(Billion yen)

Forecast
as of Nov. Change

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Revenue	200.5	206.6	+ 6.0 (+ 3.0%)	Passengers Carried: +0.9% (Non-commuter: +0.5%; Commuter: +1.2%) Passenger Revenue: +0.9% (Non-commuter: +0.5%; Commuter: +1.2%)	206.5	+ 0.1 (+ 0.0%)
Railway Operations of the Company	151.3	152.0	+ 0.6 (+ 0.4%)	Passenger Revenue: 138.4 (+1.1)	152.0	- 0.0 (- 0.0%)
Tokyu Bus	28.1	28.1	- 0.0 (- 0.1%)		28.0	+ 0.0 (+ 0.3%)
Others	21.1	26.4	+ 5.3 (+ 25.4%)		26.3	+ 0.0 (+ 0.3%)
Operating Profit	29.2	28.0	- 1.2 (- 4.4%)		27.6	+ 0.4 (+ 1.4%)
Railway Operations of the Company	25.9	23.8	- 2.1 (- 8.3%)	[Operating Expense] Depreciation and amortization: 34.4 (+1.6); Power Costs: 5.4 (-1.3)	23.5	+ 0.2 (+ 1.1%)
Tokyu Bus	1.5	1.6	+ 0.0 (+ 4.2%)		1.4	+ 0.2 (+ 14.6%)
Others	1.7	2.5	+ 0.8 (+ 46.7%)		2.6	- 0.0 (- 3.0%)

Segment Information (2) Real Estate

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Revenue	199.0	174.7	- 24.3 (- 12.2%)		176.0	- 1.3 (- 0.7%)
Real Estate Sales of the Company	40.4	14.8	- 25.5 (- 63.2%)	[Sales] Company-owned Land: 9.3 (-5.2); Funds Turnover-type: 5.4 (-20.2)	14.8	- (-)
Real Estate Leasing of the Company	73.3	77.9	+ 4.6 (+ 6.3%)		78.0	- 0.1 (- 0.2%)
Others	85.2	81.8	- 3.3 (- 4.0%)		83.0	- 1.1 (- 1.4%)
Operating Profit	28.0	30.9	+ 2.8 (+ 10.0%)	[Sales Margin] Company-owned Land: 6.0 (+0.2); Funds Turnover-type: 1.1 (-4.5)	30.6	+ 0.3 (+ 1.0%)
Real Estate Sales of the Company	6.5	3.8	- 2.6 (- 41.2%)		3.8	- (-)
Real Estate Leasing of the Company	15.6	21.2	+ 5.6 (+ 35.8%)		21.1	+ 0.1 (+ 0.6%)
Others	5.9	5.8	- 0.1 (- 1.8%)		5.6	+ 0.1 (+ 3.2%)

Segment Information (3) Life Service

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Revenue	644.1	688.4	+ 44.2 (+ 6.9%)		689.8	- 1.4 (- 0.2%)
Total Retail	485.1	486.5	+ 1.3 (+ 0.3%)		486.7	- 0.2 (- 0.0%)
Tokyu Department Store	226.8	222.7	- 4.0 (- 1.8%)	Rate of Change in Sales: -1.8% (Existing Stores)	225.0	- 2.2 (- 1.0%)
Tokyu Store Chain	213.0	217.0	+ 3.9 (+ 1.9%)	Rate of Change in Sales All Stores: +2.0%; Existing Stores: +3.1%	215.9	+ 1.0 (+ 0.5%)
Others	45.2	46.7	+ 1.4 (+ 3.3%)		45.6	+ 1.0 (+ 2.3%)
Total ICT and Media	159.0	201.9	+ 42.8 (+ 27.0%)		203.1	- 1.2 (- 0.6%)
Tokyu Recreation	-	33.5	+ 33.5 (-)		33.5	-
its communications	25.6	26.8	+ 1.2 (+ 4.8%)		26.7	+ 0.1 (+ 0.6%)
Tokyu Agency	86.1	88.7	+ 2.6 (+ 3.0%)		88.8	- 0.0 (- 0.0%)
Others	47.2	52.6	+ 5.4 (+ 11.6%)		53.9	- 1.3 (- 2.5%)
Operating Profit	13.4	14.9	+ 1.4 (+ 10.9%)		14.6	+ 0.3 (+ 2.1%)
Total Retail	5.2	5.4	+ 0.1 (+ 2.9%)		5.4	-
Tokyu Department Store	0.8	0.0	- 0.8 (- 94.6%)		0.1	- 0.1 (- 67.6%)
Tokyu Store Chain	2.3	2.5	+ 0.2 (+ 9.4%)		2.5	+ 0.0 (+ 0.2%)
Others	2.0	2.8	+ 0.7 (+ 38.1%)		2.7	+ 0.0 (+ 3.5%)
Total ICT and Media	8.1	9.5	+ 1.3 (+ 16.0%)		9.2	+ 0.3 (+ 3.3%)
Tokyu Recreation	-	1.5	+ 1.5 (-)		1.5	-
its communications	3.3	3.7	+ 0.3 (+ 11.5%)		3.7	-
Tokyu Agency	0.6	0.7	+ 0.0 (+ 4.7%)		0.7	-
Others	4.2	3.5	- 0.6 (- 14.6%)		3.2	+ 0.3 (+ 9.1%)

Segment Information (4) Hotel and Resort

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Operating Revenue	103.8	104.6	+ 0.7 (+ 0.7%)		105.4	- 0.8 (- 0.8%)
Tokyu Hotels, etc. (※)	84.7	85.3	+ 0.6 (+ 0.7%)	Occupancy Rates: 84.4% (year on year -0.5 points)	85.9	- 0.5 (- 0.7%)
Others	19.1	19.2	+ 0.1 (+ 0.6%)		19.4	- 0.2 (- 1.1%)
Operating Profit	4.4	6.0	+ 1.5 (+ 33.7%)		6.0	- (-)
Tokyu Hotels, etc. (※)	4.5	5.1	+ 0.6 (+ 14.1%)		5.2	- 0.1 (- 2.0%)
Others	- 0.0	0.8	+ 0.8 (-)		0.7	+ 0.1 (+ 14.1%)

(※) "Tokyu Hotels, etc." includes not only Tokyu Hotels Co., Ltd. but also Tokyu Corp., GK New Perspective One and T.H. Properties, Inc. that have held assets.

Statements of Cash Flow

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
CF from Operating Activities	129.6	133.0	+ 3.3		118.2	+ 14.8
CF from Investing Activities	- 121.6	- 123.0	- 1.3		- 141.7	+ 18.7
Capital Expenditure	- 158.7	- 131.8	+ 26.9		- 148.3	+ 16.5
Subsidies Received for Construction	7.2	7.6	+ 0.3		7.4	+ 0.2
Gain on Sale of Assets	33.5	2.4	- 31.0	[FY2015] Sale of land in front of the west exit of Yokohama Station	1.0	+ 1.4
CF from Financing Activities	- 5.2	- 10.0	- 4.7		13.5	- 23.5
Interest-bearing Debt Net Increase/Decrease	17.7	16.3	- 1.4		39.8	- 23.5
Dividend Payment, etc.	- 25.2	- 21.2	+ 4.0		- 21.2	-
Free Cash Flow	8.0	10.0	+ 1.9		- 23.5	+ 33.5
Interest-bearing Debt at End of Period	937.4	953.8	+ 16.3	Interest-bearing Debt / TOKYU EBITDA Multiple: 5.5times (-0.2)	977.3	- 23.5

Capital Expenditure / Depreciation

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Nov.	Change
Total Capital Expenditure	157.2	152.7	- 4.5 (- 2.9%)		164.1	- 11.4 (- 6.9%)
Transportation	58.0	67.5	+ 9.4 (+ 16.3%)	Railway Operations of the Company: +4.4	67.0	+ 0.5 (+ 0.7%)
Real Estate	75.9	52.6	- 23.3 (- 30.7%)	Tokyu Corp. Leasing: -29.2	59.4	- 6.8 (- 11.4%)
Total Life Service	17.6	24.8	+ 7.1 (+ 40.3%)		28.0	- 3.2 (- 11.4%)
Retail	7.9	9.5	+ 1.5 (+ 19.2%)		9.5	- (-)
ICT and Media	9.7	15.3	+ 5.5 (+ 57.7%)	Tokyu Recreation: +7.8	18.5	- 3.2 (- 17.3%)
Hotel and Resort	6.1	7.0	+ 0.8 (+ 13.5%)		7.3	- 0.3 (- 4.1%)
Headquarters	2.0	2.3	+ 0.2		3.9	- 1.6
Elimination	- 2.5	- 1.5	+ 1.0		- 1.5	-
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	23.0	11.4	- 11.6 (- 50.6%)	Company-owned Land: -4.4; Funds Turnover-type: -5.6	17.4	- 6.0 (- 34.5%)
Total Depreciation and Amortization	72.3	76.8	+ 4.4 (+ 6.1%)	Transportation: 39.4 (+2.9), Life Service: 15.3 (+1.6), Hotel and Resort: 4.1 (+0.0), Real Estate: 18.0 (-0.3)	77.0	- 0.2 (- 0.3%)

* Capital expenditures are amounts stated in capital expenditures made and might be different from figures in the statements of cash flow, which consider accounts payable at the end of the fiscal year.