

Summary of Results for the First Half of FY2016

November 10, 2016

Tokyu Corporation

(9005)

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

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



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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.

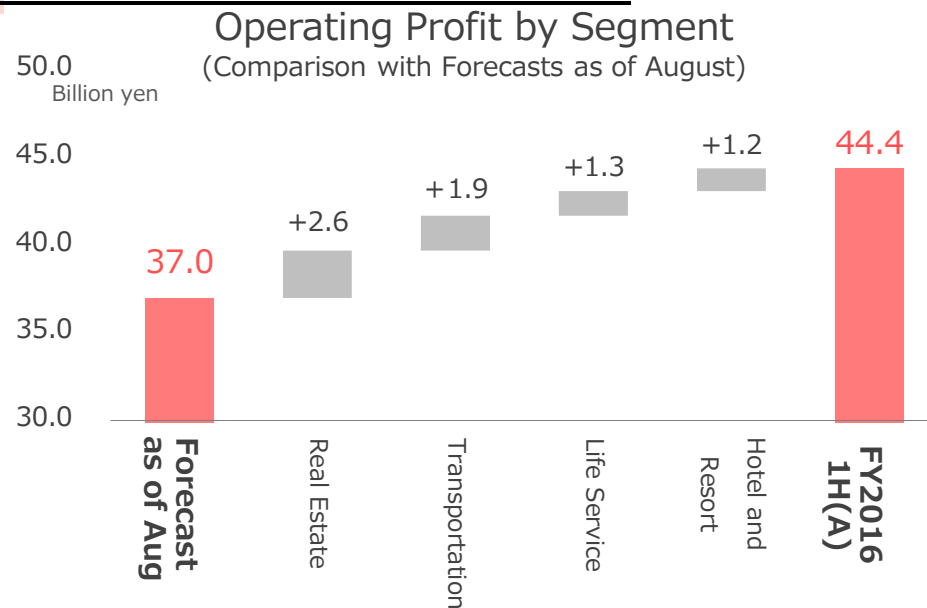
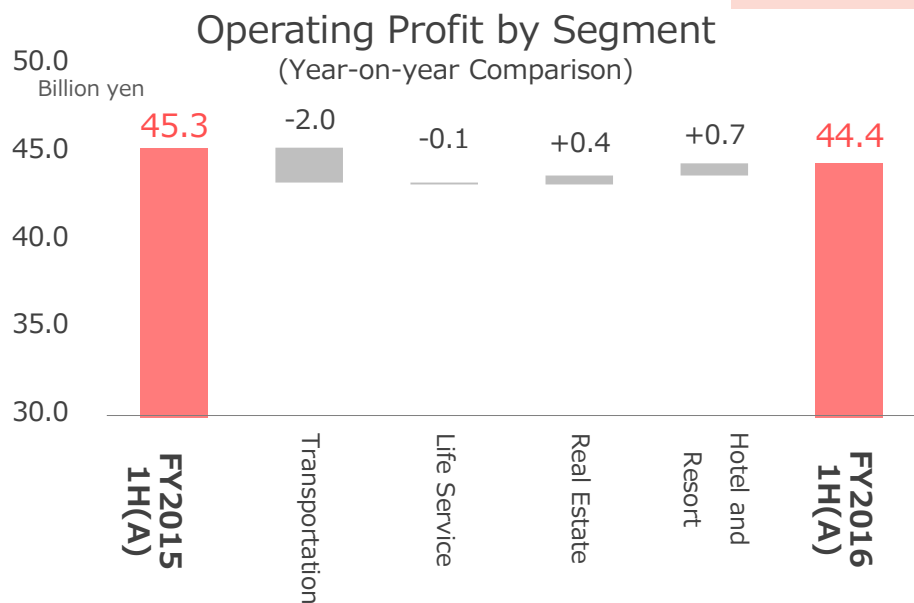
I . Overview of Financial Results for the First Half of FY2016 • Financial Forecasts for FY2016

Main Points in the Results for 1H of FY2016

[Year-on-year comparison] In addition to the strong performance of the Company's real estate leasing/railway operations due to full-year operation of the Futako-Tamagawa Rise phase II, etc., the acquisition of Tokyu Recreation as a subsidiary, among other factors, contributed to an increase in revenue. However, profits decreased partly because of an increase in depreciation of the Company's railway operations.

[Comparison with the August forecast] Despite a decrease in revenue in the Life Service Business and the Hotel and Resort Business, among other businesses, profits increased mainly owing to cost reduction of the Company's real estate leasing business and a decrease in power costs of the Company's transportation business.

	1H Results	YoY Comparison		Comparison with Forecasts as of Aug.	
Operating Revenue	548.1	+ 15.1	(+ 2.8%)	- 5.3	(- 1.0%)
Operating Profit	44.4	- 0.9	(- 2.0%)	+ 7.4	(+ 20.1%)
Recurring Profit	43.8	+ 2.1	(+ 5.3%)	+ 9.7	(+ 28.6%)
Profit attributable to owners of parent	34.2	- 3.2	(- 8.8%)	+ 8.6	(+ 33.9%)



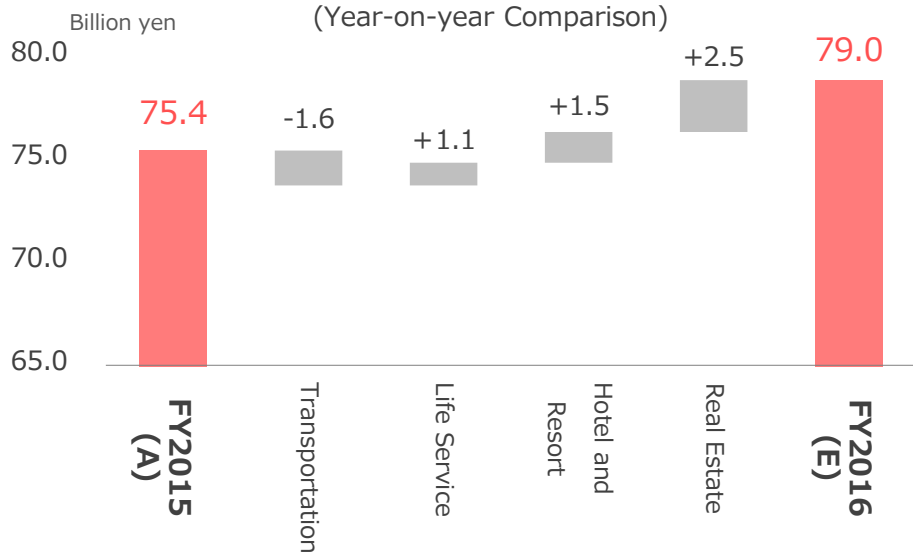
Main Points in Forecasts for FY2016

[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.

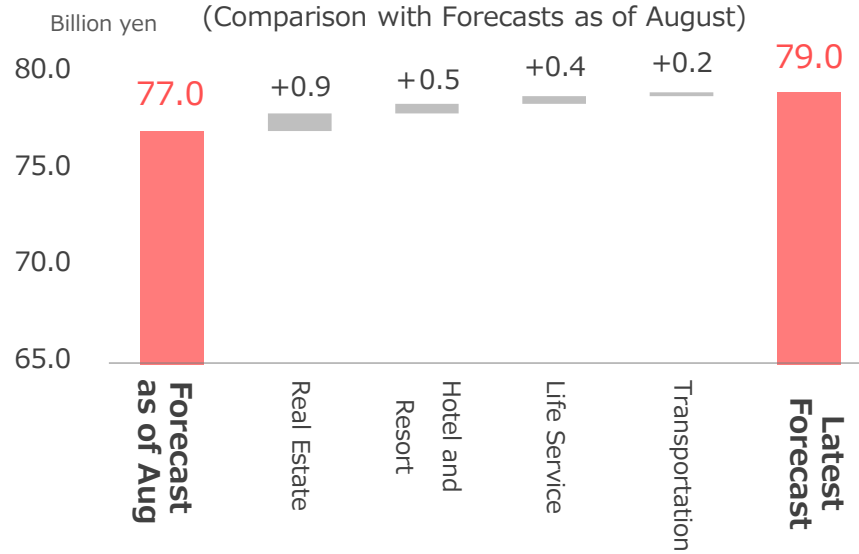
[Comparison with the August forecast] Profits increased in all segments partly owing to the decrease in heat, light and water expenses and other costs.

	Full Year Forecast	YoY Comparison		Comparison with Forecasts as of Aug.	
Operating Revenue	1,122.2	+ 30.7	(+ 2.8%)	- 17.0	(- 1.5%)
Operating Profit	79.0	+ 3.5	(+ 4.7%)	+ 2.0	(+ 2.6%)
Recurring Profit	76.5	+ 6.4	(+ 9.2%)	+ 3.2	(+ 4.4%)
Profit attributable to owners of parent	64.0	+ 8.7	(+ 15.8%)	+ 3.0	(+ 4.9%)

Operating Profit by Segment
(Year-on-year Comparison)



Operating Profit by Segment
(Comparison with Forecasts as of August)



II . Conditions in Each Business

Railway Operations Business

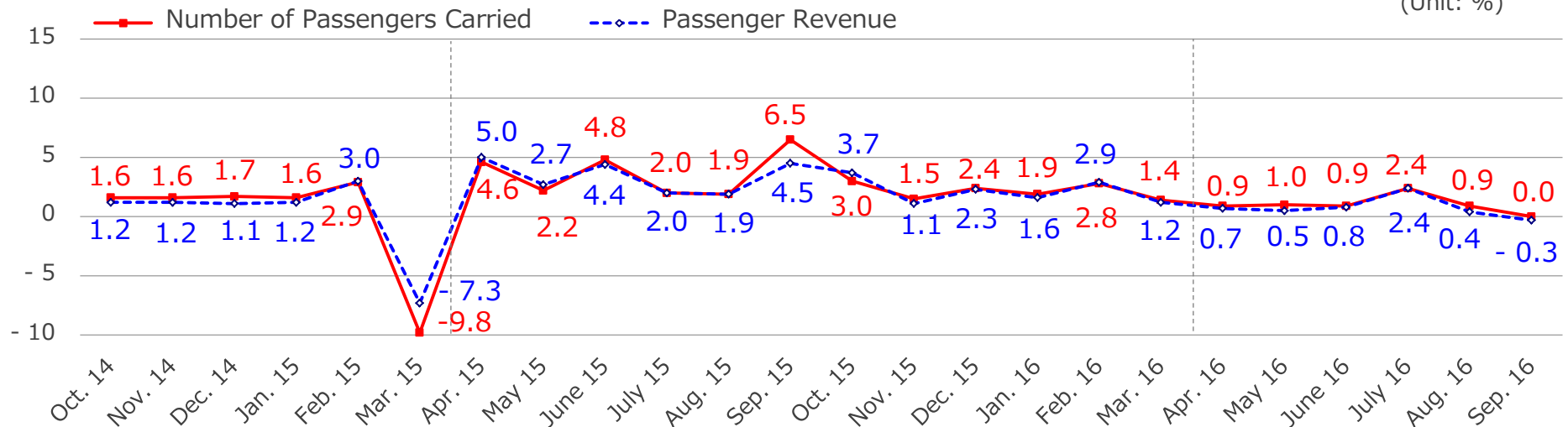
Passengers Carried and Passenger Revenue (Results and Forecast)

(Thousand people, Million yen)

		2016/3 1H Results	2017/3 1H Results	Change	2016/3 Results	2017/3 Forecast	Change
Number of Passengers Carried	Total	581,203	587,097	+ 1.0%	1,148,569	1,159,128	+ 0.9%
	Non-commuter	231,222	231,644	+ 0.2%	461,956	464,179	+ 0.5%
	Commuter	349,981	355,453	+ 1.6%	686,613	694,949	+ 1.2%
Passenger Revenue	Total	69,075	69,595	+ 0.8%	137,235	138,403	+ 0.9%
	Non-commuter	37,809	37,847	+ 0.1%	75,499	75,913	+ 0.5%
	Commuter	31,266	31,748	+ 1.5%	61,736	62,490	+ 1.2%

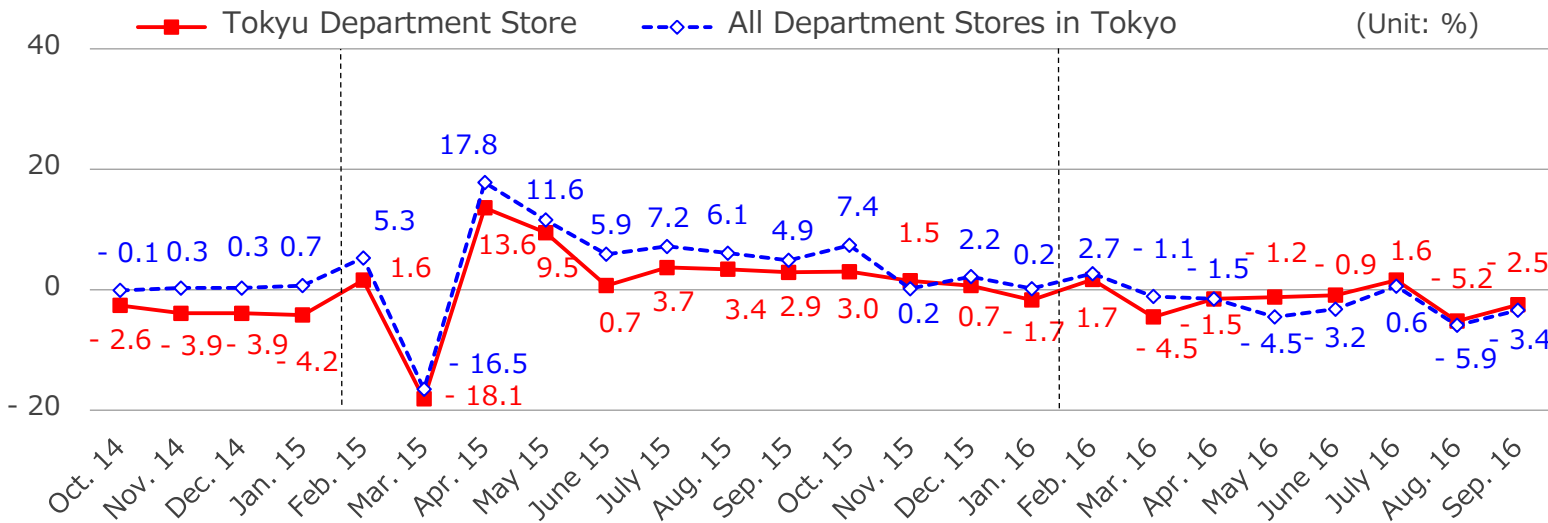
Passengers Carried and Passenger Revenue (Year-on-year Comparison)

(Unit: %)



Retail Business

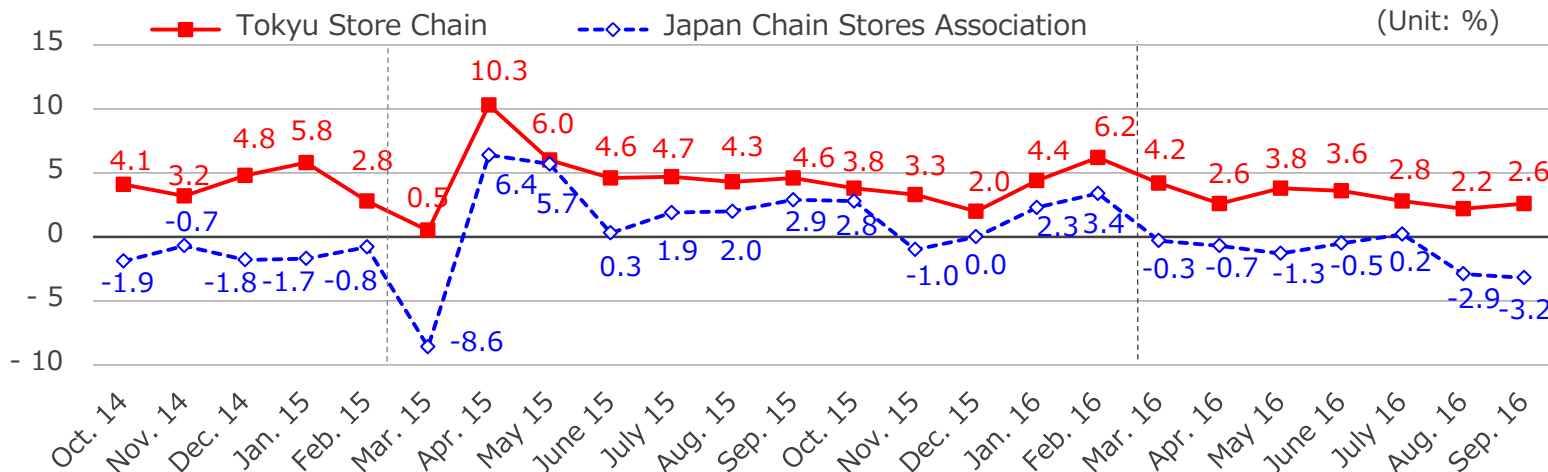
Tokyu Department Store: Sales (Year-on-year Comparison)



Sales by category

	2017/1 1H	
	Rate of YoY change	Share
Menswear/furnishings	-6.9	3.7%
Womenswear/furnishings	-6.4	17.4%
Other clothing items	-5.7	4.7%
Personal items	1.3	9.0%
Miscellaneous goods	0.4	15.5%
Household articles	-7.8	3.7%
Food	2.7	43.1%
Others	-4.2	2.9%
Total	-0.9	100.0%

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



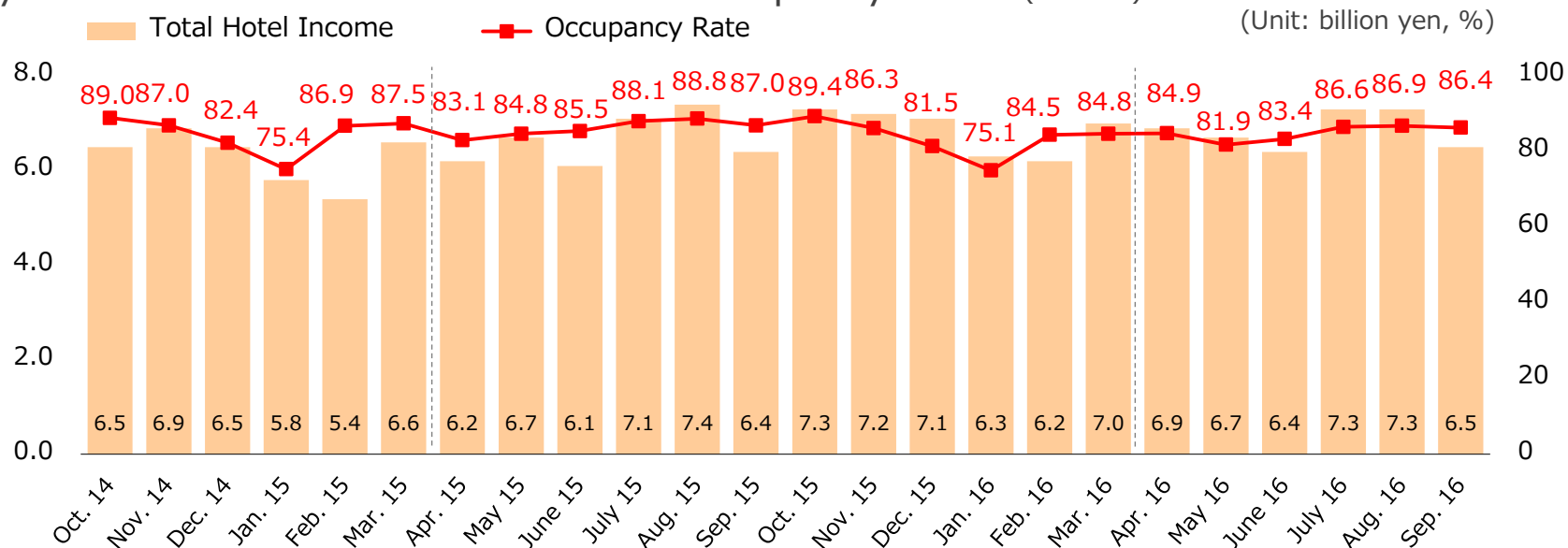
Sales by category

	2017/2 1H	
	Rate of YoY change	Share
Food	3.7	85.3%
Clothing	1.9	2.0%
Livingware	2.9	5.4%
Others	-2.3	7.3%
Total	3.2	100.0%

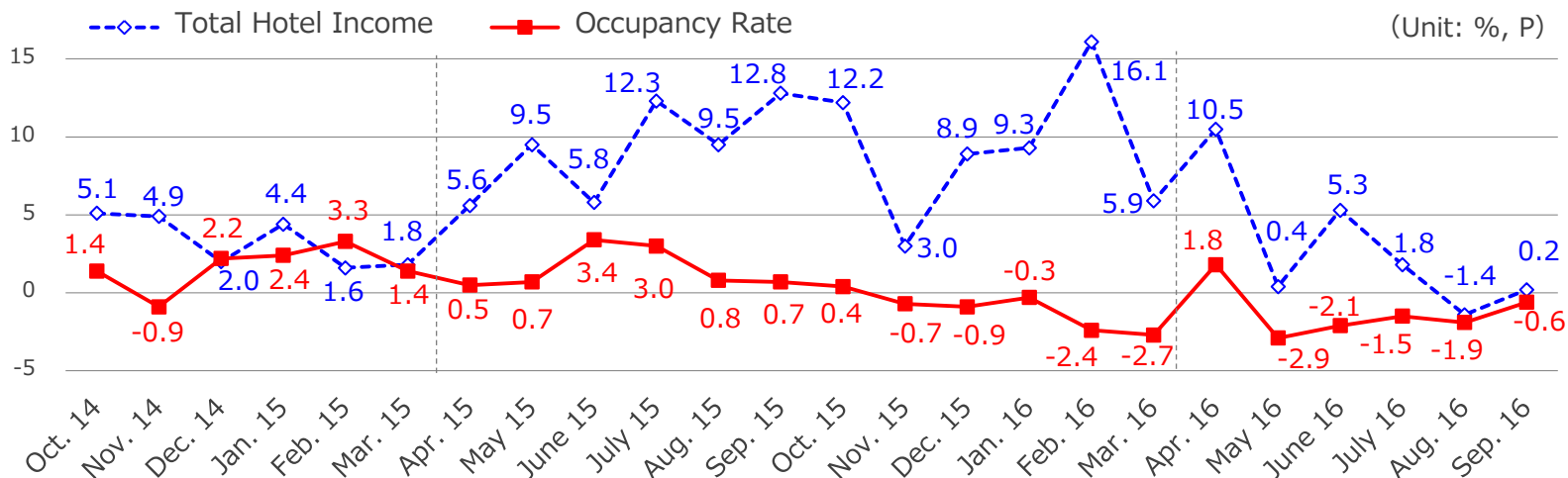


Hotel Business

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 Half of FY2016

Summary of Consolidated Financial Statements

	(Billion yen)					
	2016/3 1H Results	2017/3 1H Results	Change	Remarks	Forecast as of Aug.	Change
Operating Revenue	533.0	548.1	+ 15.1 (+ 2.8%)	Life Service: +19.4; Transportation: +2.2; Hotel and Resort: +1.2; Real Estate: -8.1	553.5	- 5.3 (- 1.0%)
Operating Profit	45.3	44.4	- 0.9 (- 2.0%)	Transportation: -2.0; Life Service: -0.1; Real Estate: +0.4; Hotel and Resort: +0.7	37.0	+ 7.4 (+ 20.1%)
Non-operating Revenue	6.1	6.7	+ 0.5 (+ 9.5%)	Interest and Dividend Income 0.6 (+0.0); Investment Gains from Equity Method 3.2 (-0.0)	4.8	+ 1.9 (+ 40.9%)
Non-operating Expenses	9.8	7.3	- 2.5 (- 25.6%)	Expenses for demolishing fixed assets - (-2.0); Interest Paid 5.0 (-0.4)	7.7	- 0.3 (- 4.4%)
Recurring Profit	41.6	43.8	+ 2.1 (+ 5.3%)		34.1	+ 9.7 (+ 28.6%)
Extraordinary Gains	19.4	1.8	- 17.5 (- 90.6%)	Sale of land in front of the west exit of Yokohama Station - (-15.9)	1.7	+ 0.1 (+ 8.0%)
Extraordinary Losses	10.8	0.7	- 10.0 (- 92.8%)	Expenses for demolishing fixed assets - (-9.9)	0.7	+ 0.0 (+ 12.3%)
Income before Income Taxes and Minority Interests	50.2	44.8	- 5.3 (- 10.6%)		35.1	+ 9.7 (+ 27.9%)
Corporate Income Taxes	12.3	10.0	- 2.2 (- 18.6%)	Income Taxes: 12.2 (-3.5); Tax Adjustment: -2.1 (+1.2)	9.2	+ 0.8 (+ 9.1%)
Net Income	37.8	34.8	- 3.0 (- 8.0%)		25.9	+ 8.9 (+ 34.6%)
Profit attributable to non-controlling intereests	0.3	0.5	+ 0.2 (+ 86.4%)		0.3	+ 0.2 (+ 94.2%)
Profit attributable to owners of parent	37.5	34.2	- 3.2 (- 8.8%)		25.6	+ 8.6 (+ 33.9%)
Other Comprehensive Income	1.5	- 10.1	- 11.6 (-)		-	-
Total Comprehensive Income	39.3	24.7	- 14.6 (- 37.2%)		-	-
TOKYU EBITDA	86.0	88.4	+ 2.3 (+ 2.7%)	Life Service +0.9; Real Estate +0.6; Hotel and Resort +0.6; Transportation +0.1; Headquarters +0.0	78.8	+ 9.6 (+ 12.2%)

*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 1H Results	2017/3 1H Results	Change	Remarks	Forecast as of Aug.	Change
Total Operating Revenue		533.0	548.1	+ 15.1 (+ 2.8%)		553.5	- 5.3 (- 1.0%)
Total Operating Profit		45.3	44.4	- 0.9 (- 2.0%)		37.0	+ 7.4 (+ 20.1%)
Transportation	Operating Revenue	99.2	101.4	+ 2.2 (+ 2.3%)	Tokyu Corp. Railway Operations: +0.5	101.1	+ 0.3 (+ 0.4%)
	Operating Profit	19.4	17.4	- 2.0 (- 10.3%)	Tokyu Corp. Railway Operations: -2.0	15.5	+ 1.9 (+ 12.8%)
Real Estate	Operating Revenue	91.6	83.5	- 8.1 (- 8.9%)	Tokyu Corp. Sales: -10.2; Tokyu Corp. Leasing: +2.5	83.9	- 0.3 (- 0.5%)
	Operating Profit	15.0	15.4	+ 0.4 (+ 3.1%)	Tokyu Corp. Sales: -1.7; Tokyu Corp. Leasing: +3.1	12.8	+ 2.6 (+ 21.0%)
Total Life Service		317.6	337.0	+ 19.4 (+ 6.1%)		342.1	- 5.0 (- 1.5%)
Life Service	Operating Revenue						
	Retail	238.9	239.4	+ 0.5 (+ 0.2%)	Tokyu Department Store: -1.0; Tokyu Store Chain: +2.0	241.4	- 1.9 (- 0.8%)
	ICT and Media	78.6	97.6	+ 18.9 (+ 24.1%)	Tokyu Recreation: +15.7; its communications: +0.6; Tokyu Agency: +0.8	100.7	- 3.0 (- 3.1%)
	Total Life Service	7.1	7.0	- 0.1 (- 2.2%)		5.7	+ 1.3 (+ 23.2%)
Operating Profit	Retail	2.5	2.4	- 0.1 (- 4.9%)	Tokyu Department Store: -0.5; Tokyu Store Chain: +0.1	2.2	+ 0.2 (+ 9.6%)
	ICT and Media	4.6	4.6	- 0.0 (- 0.8%)	Tokyu Recreation: +0.5; its communications: +0.6; Tokyu Agency: -0.0	3.5	+ 1.1 (+ 31.7%)
Hotel and Resort	Operating Revenue	51.6	52.8	+ 1.2 (+ 2.4%)	Tokyu Hotels, etc: +1.2	54.5	- 1.6 (- 3.0%)
	Operating Profit	3.5	4.2	+ 0.7 (+ 21.4%)	Tokyu Hotels, etc: +0.4	3.0	+ 1.2 (+ 42.1%)
Elimination etc.	Operating Revenue	- 27.0	- 26.7	+ 0.2		- 28.1	+ 1.3
	Operating Profit	0.1	0.1	+ 0.0		-	+ 0.1

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

	2016/3 1H Results	2017/3 1H Results	Change	Remarks	Forecast as of Aug.	Change
Operating Profit	45.3	44.4	- 0.9 (- 2.0%)		37.0	+ 7.4 (+ 20.1%)
Non-operating Revenue	6.1	6.7	+ 0.5 (+ 9.5%)		4.8	+ 1.9 (+ 40.9%)
Interest and Dividend Income	0.6	0.6	+ 0.0		0.7	- 0.0
Investment Gain from Equity Method	3.3	3.2	- 0.0	Tokyu Fudosan Holdings : 1.6 (-0.7) ;Tokyu Construction: 1.0 (+0.5)	2.1	+ 1.1
Others	2.2	2.7	+ 0.5		2.0	+ 0.7
Non-operating Expenses	9.8	7.3	- 2.5 (- 25.6%)		7.7	- 0.3 (- 4.4%)
Interest	5.5	5.0	- 0.4		5.4	- 0.3
Others	4.3	2.2	- 2.0	Expenses for demolishing fixed assets - (-2.0)	2.3	- 0.0
Recurring Profit	41.6	43.8	+ 2.1 (+ 5.3%)		34.1	+ 9.7 (+ 28.6%)
Extraordinary Gains	19.4	1.8	- 17.5 (- 90.6%)		1.7	+ 0.1 (+ 8.0%)
Gain on Sale of Fixed Assets	16.1	0.4	- 15.7	Sale of land in front of the west exit of Yokohama Station - (-15.9)	0.3	+ 0.1
Gain on Subsidies Received for Construction	0.1	0.1	- 0.0		0.1	+ 0.0
Gain on Reversal of Urban Railways Improvement Reserve	1.2	1.2	-		1.3	- 0.0
Others	1.8	0.0	- 1.8		-	+ 0.0
Extraordinary Losses	10.8	0.7	- 10.0 (- 92.8%)		0.7	+ 0.0 (+ 12.3%)
Loss on Reduction of Subsidies Received for Construction	0.1	0.0	- 0.0		0.1	- 0.0
Others	10.7	0.6	- 10.0	Expenses for demolishing fixed assets - (-9.9)	0.6	+ 0.0
Income before Income Taxes and Minority Interests	50.2	44.8	- 5.3 (- 10.6%)		35.1	+ 9.7 (+ 27.9%)

Consolidated TOKYU EBITDA

	2016/3 1H Results	2017/3 1H Results	Change	Remarks	(Billion yen)	Forecast as of Aug.	Change
Transportation	38.2	38.3	+ 0.1 (+ 0.3%)			35.5	+ 2.8 (+ 8.0%)
Railway Operations of the Company	34.8	34.3	- 0.4			32.1	+ 2.2
Tokyu Bus	2.2	2.2	+ 0.0			2.0	+ 0.1
Others	1.1	1.7	+ 0.5			1.2	+ 0.4
Real Estate	24.1	24.8	+ 0.6 (+ 2.8%)			22.0	+ 2.8 (+ 12.8%)
Real Estate Sales of the Company	4.2	2.4	- 1.8			2.1	+ 0.2
Real Estate Leasing of the Company	14.8	18.2	+ 3.4			16.0	+ 2.1
Others	5.0	4.1	- 0.8			3.7	+ 0.3
Life Service	13.9	14.8	+ 0.9 (+ 6.5%)			13.4	+ 1.4 (+ 11.1%)
Retail	6.6	6.7	+ 0.1			6.6	+ 0.1
Tokyu Department Store	3.1	2.8	- 0.2			3.1	- 0.2
Tokyu Store Chain	1.9	2.1	+ 0.1			1.7	+ 0.3
Others	1.4	1.7	+ 0.2			1.6	+ 0.0
ICT and Media	7.3	8.1	+ 0.7			6.8	+ 1.3
Tokyu Recreation	-	1.3	+ 1.3			1.2	+ 0.1
its communications	3.2	3.8	+ 0.6			2.9	+ 0.8
Tokyu Agency	0.3	0.2	- 0.0			0.1	+ 0.1
Others	3.7	2.6	- 1.1			2.4	+ 0.2
Hotel and Resort	5.6	6.2	+ 0.6 (+ 10.7%)			5.1	+ 1.1 (+ 22.7%)
Tokyu Hotels, etc.	4.8	5.1	+ 0.2			4.1	+ 1.0
Others	0.7	1.0	+ 0.3			1.0	+ 0.0
Headquarters	3.9	3.9	+ 0.0 (+ 0.3%)			2.8	+ 1.1 (+ 41.9%)
Interest and dividend income	0.6	0.6	+ 0.0			0.7	- 0.0
Investment (gain) loss from the equity method	3.3	3.2	- 0.0			2.1	+ 1.1
Elimination, etc.	0.1	0.1	+ 0.0			-	+ 0.1
Total	86.0	88.4	+ 2.3 (+ 2.7%)			78.8	+ 9.6 (+ 12.2%)

*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 1H Results	2017/3 1H Results	Change	Remarks	Forecast as of Aug.	Change
Operating Revenue	99.2	101.4	+ 2.2 (+ 2.3%)	Passengers Carried: +1.0% (Non-commuter: +0.2%; Commuter: +1.6%) □ Passenger Revenue: +0.8% (Non-commuter: +0.1%; Commuter: +1.5%)	101.1	+ 0.3 (+ 0.4%)
Railway Operations of the Company	75.7	76.2	+ 0.5 (+ 0.7%)	Passenger Revenue: 69.5 (+0.5)	75.7	+ 0.5 (+ 0.7%)
Tokyu Bus	14.3	14.3	- 0.0 (- 0.1%)	Passenger Revenue: -0.3%	14.2	+ 0.0 (+ 0.4%)
Others	9.1	10.8	+ 1.7 (+ 19.0%)		11.0	- 0.1 (- 1.8%)
Operating Profit	19.4	17.4	- 2.0 (- 10.3%)		15.5	+ 1.9 (+ 12.8%)
Railway Operations of the Company	17.7	15.7	- 2.0 (- 11.6%)	[Operating Expense] Depreciation and amortization: 16.8 (+1.0); Repair Costs: 3.3 (+0.3); Power Costs: 2.9 (-0.7)	14.3	+ 1.4 (+ 9.8%)
Tokyu Bus	1.3	1.2	- 0.0 (- 5.7%)		1.0	+ 0.2 (+ 19.2%)
Others	0.3	0.5	+ 0.1 (+ 33.4%)		0.1	+ 0.3 (+ 276.3%)

Segment Information (2) Real Estate

(Billion yen)

	2016/3 1H Results	2017/3 1H Results	Change	Remarks	Forecast as of Aug.	Change
Operating Revenue	91.6	83.5	- 8.1 (- 8.9%)		83.9	- 0.3 (- 0.5%)
Real Estate Sales of the Company	16.9	6.7	- 10.2 (- 60.2%)	[Sales] Company-owned Land: 3.8 (-5.4); Funds Turnover-type: 2.8 (-4.7)	6.9	- 0.2 (- 3.0%)
Real Estate Leasing of the Company	35.8	38.4	+ 2.5 (+ 7.1%)		38.1	+ 0.2 (+ 0.6%)
Others	38.7	38.3	- 0.4 (- 1.1%)		38.7	- 0.4 (- 1.1%)
Operating Profit	15.0	15.4	+ 0.4 (+ 3.1%)	[Sales Margin] Company-owned Land: 3.1 (-1.5); Funds Turnover-type: 0.5 (-1.1)	12.8	+ 2.6 (+ 21.0%)
Real Estate Sales of the Company	4.1	2.3	- 1.7 (- 42.2%)		2.0	+ 0.2 (+ 13.9%)
Real Estate Leasing of the Company	7.1	10.2	+ 3.1 (+ 43.5%)		8.3	+ 1.8 (+ 22.1%)
Others	3.7	2.8	- 0.8 (- 23.8%)		2.3	+ 0.5 (+ 23.3%)

Segment Information (3) Life Service

	2016/3 1H Results	2017/3 1H Results	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Operating Revenue	317.6	337.0	+ 19.4 (+ 6.1%)		342.1	- 5.0 (- 1.5%)
Total Retail	238.9	239.4	+ 0.5 (+ 0.2%)		241.4	- 1.9 (- 0.8%)
Tokyu Department Store	111.2	110.1	- 1.0 (- 1.0%)	Rate of Change in Sales: -0.9%	112.0	- 1.9 (- 1.7%)
Tokyu Store Chain	105.1	107.1	+ 2.0 (+ 1.9%)	Rate of Change in Sales: All Stores: +2.0%; Existing Stores: +3.2%	106.4	+ 0.7 (+ 0.7%)
Others	22.5	22.1	- 0.3 (- 1.7%)		22.9	- 0.8 (- 3.5%)
Total ICT and Media	78.6	97.6	+ 18.9 (+ 24.1%)		100.7	- 3.0 (- 3.1%)
Tokyu Recreation	-	15.7	+ 15.7 (-)		15.7	+ 0.0 (+ 0.4%)
its communications	12.7	13.3	+ 0.6 (+ 5.4%)		13.7	- 0.3 (- 2.7%)
Tokyu Agency	42.2	43.0	+ 0.8 (+ 2.1%)	Mass Media: +1.2	42.3	+ 0.7 (+ 1.8%)
Others	23.7	25.3	+ 1.6 (+ 6.7%)		28.8	- 3.5 (- 12.2%)
Operating Profit	7.1	7.0	- 0.1 (- 2.2%)		5.7	+ 1.3 (+ 23.2%)
Total Retail	2.5	2.4	- 0.1 (- 4.9%)		2.2	+ 0.2 (+ 9.6%)
Tokyu Department Store	0.5	- 0.0	- 0.5 (-)		0.2	- 0.2 (-)
Tokyu Store Chain	1.0	1.2	+ 0.1 (+ 11.2%)		0.9	+ 0.2 (+ 32.3%)
Others	0.9	1.2	+ 0.2 (+ 28.3%)		1.0	+ 0.1 (+ 12.3%)
Total ICT and Media	4.6	4.6	- 0.0 (- 0.8%)		3.5	+ 1.1 (+ 31.7%)
Tokyu Recreation	-	0.5	+ 0.5 (-)		0.2	+ 0.2 (+ 91.0%)
its communications	1.5	2.1	+ 0.6 (+ 40.1%)		1.6	+ 0.4 (+ 30.0%)
Tokyu Agency	0.3	0.2	- 0.0 (- 18.2%)		0.1	+ 0.1 (+ 103.1%)
Others	2.7	1.6	- 1.1 (- 40.1%)		1.4	+ 0.2 (+ 15.7%)

Segment Information (4) Hotel and Resort

	2016/3 1H Results	2017/3 1H Results	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Operating Revenue	51.6	52.8	+ 1.2 (+ 2.4%)		54.5	- 1.6 (- 3.0%)
Tokyu Hotels, etc. (※)	41.7	43.0	+ 1.2 (+ 3.1%)	Occupancy Rates: 85.0% (year on year -1.2 points)	43.9	- 0.9 (- 2.2%)
Others	9.9	9.8	- 0.0 (- 0.8%)		10.5	- 0.6 (- 6.5%)
Operating Profit	3.5	4.2	+ 0.7 (+ 21.4%)		3.0	+ 1.2 (+ 42.1%)
Tokyu Hotels, etc. (※)	3.2	3.7	+ 0.4 (+ 15.1%)		2.6	+ 1.0 (+ 38.6%)
Others	0.2	0.5	+ 0.2 (+ 97.5%)		0.3	+ 0.2 (+ 72.5%)

(※) "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	2016/9 Results	Change	Remarks
Total Assets	2,092.5	2,098.7	+ 6.2 (+ 0.3%)	
Current Assets	276.4	285.5	+ 9.0 (+ 3.3%)	
Fixed Assets	1,816.0	1,813.2	- 2.8 (- 0.2%)	
Total Liabilities	1,469.2	1,454.2	- 15.0 (- 1.0%)	
Current Liabilities	608.1	560.0	- 48.0 (- 7.9%)	Interest-bearing Debt: -28.9
Fixed Liabilities	838.4	872.8	+ 34.3 (+ 4.1%)	Interest-bearing Debt: +35.4
Reserves under Special Law	22.5	21.3	- 1.2 (- 5.6%)	
Total Net Assets	623.2	644.5	+ 21.2 (+ 3.4%)	Equity Capital: +29.2; non-controlling shareholders Interest: -0.2; Other Cumulative Comprehensive Income: -7.7
Equity	576.8	598.3	+ 21.4 (+ 3.7%)	Profit attributable to owners of parent: +34.2; Dividends: -5.5
Interest-bearing Debt at End of Period	937.4	943.9	+ 6.5 (+ 0.7%)	
Equity Ratio	27.6%	28.5%	+ 0.9P	
D/E Ratio (Times)	1.6	1.6	-	

Statements of Cash Flow

(Billion yen)

	2016/3 1H Results	2017/3 1H Results	Change	Remarks
CF from Operating Activities	55.8	60.2	+ 4.3	
CF from Investing Activities	- 65.2	- 56.3	+ 8.9	
Capital Expenditure	- 84.6	- 61.7	+ 22.9	【FY2015】 Opening of Futako-Tamagawa Redevelopment Phase II
Subsidies Received for Construction	2.5	4.4	+ 1.9	
Gain on Sale of Assets	16.2	1.5	- 14.7	【FY2015】 Sale of land in front of the west exit of Yokohama Station
CF from Financing Activities	0.5	1.7	+ 1.1	
Interest-bearing Debt Net Increase/Decrease	21.0	7.3	- 13.7	
Dividend Payment, etc.	- 19.9	- 5.5	+ 14.4	Acquisition of own shares: -0.0 (+14.9); Dividend Payment: -5.5 (-0.5)
Free Cash Flow	- 9.4	3.8	+ 13.3	
Interest-bearing Debt at End of Period	-	943.9	-	【FY2015】 937.4 (+6.5)

Capital Expenditure / Depreciation

(Billion yen)

	2016/3 1H Results	2017/3 1H Results	Change	Remarks
Total Capital Expenditure	72.4	53.9	- 18.5 (- 25.6%)	
Transportation	12.5	16.9	+ 4.4 (+ 35.4%)	Tokyu Corp. Railway Operations: +1.0
Real Estate	49.5	23.4	- 26.1 (- 52.8%)	Tokyu Corp. Leasing: △29.2
Total Life Service	6.9	12.1	+ 5.1 (+ 74.3%)	
Retail	3.1	5.2	+ 2.1 (+ 66.5%)	Tokyu Department Store: +2.2
ICT and Media	3.8	6.8	+ 3.0 (+ 80.8%)	Tokyu Recreation: +4.0; its communications: -1.2
Hotel and Resort	2.9	2.7	- 0.2 (- 7.7%)	Tokyu Hotels, etc.: -0.4
Headquarters	0.5	0.6	+ 0.0	
Elimination	- 0.0	- 1.9	- 1.8	
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	7.6	4.6	- 2.9 (- 39.2%)	Company-owned Land: -6.4; Funds Turnover-type: +4.0
Total Depreciation and Amortization	35.0	37.6	+ 2.6 (+ 7.6%)	Transportation: 19.0 (+1.5); Life Service: 7.6 (+1.0); Real Estate: 9.0 (+0.0); Hotel and Resort: 1.9 (-0.0)

* Capital expenditures are amounts stated in segment information (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 Aug.	Change
Operating Revenue	1,091.4	1,122.2	+ 30.7 (+ 2.8%)	Life Service: +45.6、Transportation: +5.9、 Hotel and Resort: +1.5、Real Estate: -23.0	1,139.2	- 17.0 (- 1.5%)
Operating Profit	75.4	79.0	+ 3.5 (+ 4.7%)	Real Estate: +2.5、Hotel and Resort: +1.5、 Life Service: +1.1、Transportation: -1.6	77.0	+ 2.0 (+ 2.6%)
Non-operating Revenue	12.7	12.9	+ 0.1 (+ 1.1%)	Investment Gains from Equity Method 7.3 (-0.1)	12.3	+ 0.6 (+ 4.9%)
Non-operating Expenses	18.2	15.4	- 2.8 (- 15.4%)	Expenses for demolishing fixed assets - (-2.0)	16.0	- 0.6 (- 3.8%)
Recurring Profit	70.0	76.5	+ 6.4 (+ 9.2%)		73.3	+ 3.2 (+ 4.4%)
Extraordinary Gains	26.5	7.9	- 18.6 (- 70.3%)	Sale of land in front of the west exit of Yokohama Station - (-15.9)	7.4	+ 0.5 (+ 6.8%)
Extraordinary Losses	22.1	7.0	- 15.1 (- 68.4%)	Expenses for demolishing fixed assets - (-10.6)□	4.5	+ 2.5 (+ 55.6%)
Income before Income Taxes and Minority Interests	74.4	77.4	+ 2.9 (+ 4.0%)		76.2	+ 1.2 (+ 1.6%)
Corporate Income Taxes	18.9	12.6	- 6.3 (- 33.6%)	Income Taxes: 17.3 (-5.9); Tax Adjustment: -4.7 (-0.4)	14.6	- 2.0 (- 13.7%)
Net Income	55.4	64.8	+ 9.3 (+ 16.8%)		61.6	+ 3.2 (+ 5.2%)
Profit attributable to non-controlling intereests	0.2	0.8	+ 0.5 (+ 234.4%)		0.6	+ 0.2 (+ 33.3%)
Profit attributable to owners of parent	55.2	64.0	+ 8.7 (+ 15.8%)		61.0	+ 3.0 (+ 4.9%)
Tokyu EBITDA	163.6	172.5	+ 8.8 (+ 5.4%)	Life Service +3.0;Real Estate +2.1; Transportation +1.9;Hotel and Resort +1.5;Headquarters +0.1	168.7	+ 3.8 (+ 2.3%)

*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 Aug.	Change	
Total Operating Revenue		1,091.4	1,122.2	+ 30.7 (+ 2.8%)		1,139.2	- 17.0 (- 1.5%)	
Total Operating Profit		75.4	79.0	+ 3.5 (+ 4.7%)		77.0	+ 2.0 (+ 2.6%)	
Transportation	Operating Revenue	200.5	206.5	+ 5.9 (+ 2.9%)	Tokyu Corp. Railway Operations: +0.7; Tokyu Bus: -0.1	206.9	- 0.4 (- 0.2%)	
	Operating Profit	29.2	27.6	- 1.6 (- 5.7%)	Tokyu Corp. Railway Operations: -2.4; Tokyu Bus: -0.1	27.4	+ 0.2 (+ 0.7%)	
Real Estate	Operating Revenue	199.0	176.0	- 23.0 (- 11.6%)	Tokyu Corp. Sales: -25.5; Tokyu Corp. Leasing: +4.7	178.6	- 2.6 (- 1.5%)	
	Operating Profit	28.0	30.6	+ 2.5 (+ 8.9%)	Tokyu Corp. Sales: -2.6; Tokyu Corp. Leasing: +5.4	29.7	+ 0.9 (+ 3.0%)	
Life Service	Total Life Service		644.1	689.8	+ 45.6 (+ 7.1%)		703.7	- 13.9 (- 2.0%)
	Operating Revenue	Retail	485.1	486.7	+ 1.5 (+ 0.3%)	Tokyu Department Store: -1.7; Tokyu Store Chain: +2.9	491.7	- 5.0 (- 1.0%)
		ICT and Media	159.0	203.1	+ 44.0 (+ 27.7%)	Tokyu Recreation: +33.5; its communications: +1.0; Tokyu Agency: +2.6	212.0	- 8.9 (- 4.2%)
	Total Life Service		13.4	14.6	+ 1.1 (+ 8.6%)		14.2	+ 0.4 (+ 2.8%)
	Operating Profit	Retail	5.2	5.4	+ 0.1 (+ 2.9%)	Tokyu Department Store: -0.7; Tokyu Store Chain: +0.2	5.7	- 0.3 (- 5.3%)
		ICT and Media	8.1	9.2	+ 1.0 (+ 12.3%)	Tokyu Recreation: +1.5; its communications: +0.3; Tokyu Agency: +0.0	8.5	+ 0.7 (+ 8.2%)
Hotel and Resort	Operating Revenue	103.8	105.4	+ 1.5 (+ 1.5%)	Tokyu Hotels, etc: +1.2	108.0	- 2.6 (- 2.4%)	
	Operating Profit	4.4	6.0	+ 1.5 (+ 33.7%)	Tokyu Hotels, etc: +0.7	5.5	+ 0.5 (+ 9.1%)	
Elimination etc.	Operating Revenue	- 56.1	- 55.5	+ 0.6		- 58.0	+ 2.5	
	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 Aug.	Change
Operating Profit	75.4	79.0	+ 3.5 (+ 4.7%)		77.0	+ 2.0 (+ 2.6%)
Non-operating Revenue	12.7	12.9	+ 0.1 (+ 1.1%)		12.3	+ 0.6 (+ 4.9%)
Interest and Dividend Income	1.0	1.2	+ 0.1		1.1	+ 0.1
Investment Gain from Equity Method	7.4	7.3	- 0.1		7.0	+ 0.3
Others	4.2	4.4	+ 0.1		4.2	+ 0.2
Non-operating Expenses	18.2	15.4	- 2.8 (- 15.4%)		16.0	- 0.6 (- 3.8%)
Interest	10.8	10.0	- 0.8		10.7	- 0.7
Others	7.4	5.4	- 2.0	Expenses for demolishing fixed assets - (-2.0)	5.3	+ 0.1
Recurring Profit	70.0	76.5	+ 6.4 (+ 9.2%)		73.3	+ 3.2 (+ 4.4%)
Extraordinary Gains	26.5	7.9	- 18.6 (- 70.3%)		7.4	+ 0.5 (+ 6.8%)
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)	0.4	+ 0.3
Gain on Subsidies Received for Construction	1.6	4.6	+ 2.9		4.4	+ 0.2
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	7.0	- 15.1 (- 68.4%)		4.5	+ 2.5 (+ 55.6%)
Loss on Reduction of Subsidies Received for Construction	1.4	2.7	+ 1.2		2.6	+ 0.1
Others	20.6	4.3	- 16.3	Expenses for demolishing fixed assets - (-10.6)	1.9	+ 2.4
Income before Income Taxes and Minority Interests	74.4	77.4	+ 2.9 (+ 4.0%)		76.2	+ 1.2 (+ 1.6%)

Consolidated TOKYU EBITDA

	2016/3 Results	2017/3 Forecast	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Transportation	71.5	73.5	+ 1.9 (+ 2.8%)		72.0	+ 1.5 (+ 2.1%)
Railway Operations of the Company	64.4	64.4	+ 0.0		63.1	+ 1.3
Tokyu Bus	3.6	3.7	+ 0.1		3.7	+ 0.0
Others	3.4	5.3	+ 1.8		5.1	+ 0.1
Real Estate	47.2	49.4	+ 2.1 (+ 4.6%)		48.0	+ 1.4 (+ 2.9%)
Real Estate Sales of the Company	6.8	3.9	- 2.9		3.7	+ 0.1
Real Estate Leasing of the Company	31.9	37.1	+ 5.2		35.6	+ 1.5
Others	8.4	8.3	- 0.1		8.6	- 0.2
Life Service	27.6	30.7	+ 3.0 (+ 11.2%)		30.5	+ 0.2 (+ 0.7%)
Retail	13.7	14.2	+ 0.4		14.7	- 0.5
Tokyu Department Store	6.3	6.0	- 0.2		6.4	- 0.3
Tokyu Store Chain	4.2	4.2	+ 0.0		4.2	+ 0.0
Others	3.1	3.8	+ 0.6		4.0	- 0.2
ICT and Media	13.8	16.5	+ 2.6		15.8	+ 0.7
Tokyu Recreation	-	3.5	+ 3.5		2.9	+ 0.5
its communications	6.8	6.6	- 0.1		6.3	+ 0.3
Tokyu Agency	0.7	0.9	+ 0.2		0.9	-
Others	6.3	5.3	- 1.0		5.4	- 0.1
Hotel and Resort	8.6	10.2	+ 1.5 (+ 17.5%)		9.9	+ 0.3 (+ 3.0%)
Tokyu Hotels, etc.	7.7	8.2	+ 0.4		8.0	+ 0.1
Others	0.9	1.9	+ 1.0		1.9	+ 0.0
Headquarters	8.4	8.5	+ 0.0 (+ 0.2%)		8.1	+ 0.4 (+ 4.9%)
Interest and dividend income	1.0	1.2	+ 0.1		1.1	+ 0.1
Investment (gain) loss from the equity method	7.4	7.3	- 0.1		7.0	+ 0.3
Elimination, etc.	0.0	0.2	+ 0.1		0.2	-
Total	163.6	172.5	+ 8.8 (+ 5.4%)		168.7	+ 3.8 (+ 2.3%)

*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

	2016/3 Results	2017/3 Forecast	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Operating Revenue	200.5	206.5	+ 5.9 (+ 2.9%)	Passengers Carried: +0.9% (Non-commuter: +0.5%; Commuter: +1.2%) □ Passenger Revenue: +0.9% (Non-commuter: +0.5%; Commuter: +1.2%)	206.9	- 0.4 (- 0.2%)
Railway Operations of the Company	151.3	152.0	+ 0.7 (+ 0.5%)	Passenger Revenue: 138.4 (+1.1)	152.0	+ 0.0 (+ 0.0%)
Tokyu Bus	28.1	28.0	- 0.1 (- 0.4%)		28.0	+ 0.0 (+ 0.1%)
Others	21.1	26.3	+ 5.2 (+ 25.0%)		26.8	- 0.4 (- 1.8%)
Operating Profit	29.2	27.6	- 1.6 (- 5.7%)		27.4	+ 0.2 (+ 0.7%)
Railway Operations of the Company	25.9	23.5	- 2.4 (- 9.3%)	[Operating Expense] Depreciation and amortization: 34.0 (+1.2); Power Costs: 5.8 (-0.9)	23.5	+ 0.0 (+ 0.2%)
Tokyu Bus	1.5	1.4	- 0.1 (- 9.1%)		1.3	+ 0.0 (+ 3.9%)
Others	1.7	2.6	+ 0.8 (+ 51.1%)		2.4	+ 0.1 (+ 4.4%)

Segment Information (2) Real Estate

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Aug.	Change
Operating Revenue	199.0	176.0	- 23.0 (- 11.6%)		178.6	- 2.6 (- 1.5%)
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)	16.5	- 1.6 (- 9.9%)
Real Estate Leasing of the Company	73.3	78.0	+ 4.7 (+ 6.5%)		77.5	+ 0.5 (+ 0.8%)
Others	85.2	83.0	- 2.2 (- 2.6%)		84.5	- 1.5 (- 1.8%)
Operating Profit	28.0	30.6	+ 2.5 (+ 8.9%)	[Sales Margin] Company-owned Land: 6.0 (+0.2); Funds Turnover-type: 1.1 (-4.5)	29.7	+ 0.9 (+ 3.0%)
Real Estate Sales of the Company	6.5	3.8	- 2.6 (- 41.2%)		3.6	+ 0.2 (+ 6.1%)
Real Estate Leasing of the Company	15.6	21.1	+ 5.4 (+ 35.0%)		20.1	+ 0.9 (+ 4.9%)
Others	5.9	5.6	- 0.2 (- 4.9%)		5.9	- 0.3 (- 5.1%)

Segment Information (3) Life Service

(Billion yen)

	2016/3 Results	2017/3 Forecast	Change	Remarks	Forecast as of Aug.	Change
Operating Revenue	644.1	689.8	+ 45.6 (+ 7.1%)		703.7	- 13.9 (- 2.0%)
Total Retail	485.1	486.7	+ 1.5 (+ 0.3%)		491.7	- 5.0 (- 1.0%)
Tokyu Department Store	226.8	225.0	- 1.7 (- 0.8%)	Rate of Change in Sales: -0.2% (Existing Stores)	227.5	- 2.4 (- 1.1%)
Tokyu Store Chain	213.0	215.9	+ 2.9 (+ 1.4%)	Rate of Change in Sales All Stores: +1.5%; Existing Stores: +2.7%	215.3	+ 0.6 (+ 0.3%)
Others	45.2	45.6	+ 0.4 (+ 1.0%)		48.8	- 3.1 (- 6.5%)
Total ICT and Media	159.0	203.1	+ 44.0 (+ 27.7%)		212.0	- 8.9 (- 4.2%)
Tokyu Recreation	-	33.5	+ 33.5 (-)		33.3	+ 0.1 (+ 0.5%)
its communications	25.6	26.7	+ 1.0 (+ 4.2%)		27.7	- 1.0 (- 3.7%)
Tokyu Agency	86.1	88.8	+ 2.6 (+ 3.1%)		88.2	+ 0.5 (+ 0.6%)
Others	47.2	53.9	+ 6.7 (+ 14.4%)		62.5	- 8.5 (- 13.7%)
Operating Profit	13.4	14.6	+ 1.1 (+ 8.6%)		14.2	+ 0.4 (+ 2.8%)
Total Retail	5.2	5.4	+ 0.1 (+ 2.9%)		5.7	- 0.3 (- 5.3%)
Tokyu Department Store	0.8	0.1	- 0.7 (- 83.4%)		0.3	- 0.2 (- 58.1%)
Tokyu Store Chain	2.3	2.5	+ 0.2 (+ 9.2%)		2.5	+ 0.0 (+ 0.8%)
Others	2.0	2.7	+ 0.6 (+ 33.5%)		2.8	- 0.1 (- 4.1%)
Total ICT and Media	8.1	9.2	+ 1.0 (+ 12.3%)		8.5	+ 0.7 (+ 8.2%)
Tokyu Recreation	-	1.5	+ 1.5 (-)		0.9	+ 0.5 (+ 62.9%)
its communications	3.3	3.7	+ 0.3 (+ 11.5%)		3.4	+ 0.3 (+ 8.8%)
Tokyu Agency	0.6	0.7	+ 0.0 (+ 4.7%)		0.7	- (-)
Others	4.2	3.2	- 0.9 (- 21.7%)		3.4	- 0.1 (- 5.3%)

Segment Information (4) Hotel and Resort

	2016/3 Results	2017/3 Forecast	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Operating Revenue	103.8	105.4	+ 1.5 (+ 1.5%)		108.0	- 2.6 (- 2.4%)
Tokyu Hotels, etc. (※)	84.7	85.9	+ 1.2 (+ 1.4%)	Occupancy Rates: 85.1% (year on year +0.2 points)	87.6	- 1.6 (- 1.9%)
Others	19.1	19.4	+ 0.3 (+ 1.7%)		20.3	- 0.9 (- 4.5%)
Operating Profit	4.4	6.0	+ 1.5 (+ 33.7%)		5.5	+ 0.5 (+ 9.1%)
Tokyu Hotels, etc. (※)	4.5	5.2	+ 0.7 (+ 16.4%)		4.9	+ 0.2 (+ 5.0%)
Others	- 0.0	0.7	+ 0.7 (-)		0.5	+ 0.2 (+ 49.7%)

(※) "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

	2016/3 Results	2017/3 Forecast	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
CF from Operating Activities	129.6	118.2	- 11.4		117.1	+ 1.1
CF from Investing Activities	- 121.6	- 141.7	- 20.0		- 140.6	- 1.1
Capital Expenditure	- 158.7	- 148.3	+ 10.4		- 143.5	- 4.8
Subsidies Received for Construction	7.2	7.4	+ 0.1		4.2	+ 3.2
Gain on Sale of Assets	33.5	1.0	- 32.5	[FY2015] Sale of land in front of the west exit of Yokohama Station	0.4	+ 0.6
CF from Financing Activities	- 5.2	13.5	+ 18.7		23.5	- 10.0
Interest-bearing Debt Net Increase/Decrease	17.7	39.8	+ 22.0		39.8	-
Dividend Payment, etc.	- 25.2	- 21.2	+ 4.0		- 11.2	- 10.0
Free Cash Flow	8.0	- 23.5	- 31.5		- 23.5	-
Interest-bearing Debt at End of Period	937.4	977.3	+ 39.8	Interest-bearing Debt / TOKYU EBITDA Multiple: 5.7times (-)	977.3	-

Capital Expenditure / Depreciation

	2016/3 Results	2017/3 Forecast	Change	Remarks	(Billion yen)	
					Forecast as of Aug.	Change
Total Capital Expenditure	157.2	164.1	+ 6.8 (+ 4.4%)		151.7	+ 12.4 (+ 8.2%)
Transportation	58.0	67.0	+ 8.9 (+ 15.5%)		62.7	+ 4.3 (+ 6.9%)
Real Estate	75.9	59.4	- 16.5 (- 21.8%)	Tokyu Corp. Leasing: -21.7	55.4	+ 4.0 (+ 7.2%)
Total Life Service	17.6	28.0	+ 10.3 (+ 58.4%)		23.4	+ 4.6 (+ 19.7%)
Retail	7.9	9.5	+ 1.5 (+ 19.2%)		10.9	- 1.4 (- 12.8%)
ICT and Media	9.7	18.5	+ 8.7 (+ 90.6%)	Tokyu Recreation: +8.8	12.5	+ 6.0 (+ 48.0%)
Hotel and Resort	6.1	7.3	+ 1.1 (+ 18.4%)		7.7	- 0.4 (- 5.2%)
Headquarters	2.0	3.9	+ 1.8		4.0	- 0.1
Elimination	- 2.5	- 1.5	+ 1.0		- 1.5	-
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	23.0	17.4	- 5.6 (- 24.5%)	Company-owned Land: -4.4; Funds Turnover-type: -0.4	19.6	- 2.2 (- 11.2%)
Total Depreciation and Amortization	72.3	77.0	+ 4.6 (+ 6.4%)	Transportation: 39.0 (+2.5), Life Service: 15.8 (+2.1), Hotel and Resort: 4.1 (+0.0), Real Estate: 18.1 (-0.2)	76.3	+ 0.7 (+ 0.9%)

* Capital expenditures are amounts stated in segment information (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.