

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

For The First Quarter Ended March 31, 2005

Tokyu Corporation

August 24, 2004

Stock Code:	9005	Listed exchanges:	Tokyo
URL:	http://www.tokyu.co.jp	Headquarters:	Tokyo
Representative:	Kiyofumi Kamijo President and Representative Director	Inquiries:	Kazuyoshi Kashiwazaki, Senior Manager, Group Strategy & IR Division, Finance and Accounting Department
U.S. GAAP Accounting Principles:	Not adopted	Telephone:	81-3-3477-6168

1. Consideration Regarding Preparation for Overall condition of Quarterly Performance

- 1) Adoption of simplified accounting principles: Partially adopted for which having little effect on financial statements.
- 2) Changes in accounting principles from the recent consolidated fiscal years: None
- 3) Changes in extent of consolidation and adoption of equity method:
Consolidated subsidiaries: included 2, excluded 3, Equity method affiliates: excluded 1

2. The First Quarter Consolidated Financial Results (April 1, 2004 to June 30, 2004) for the Fiscal Year Ended March 31, 2005

Amounts less than 1 million yen have been rounded down

1) Consolidated Operating Results

	Three months ended June 30, 2004	Three months ended June 30, 2003	Fiscal Year ended March 31, 2004
	Millions of yen, %	Millions of yen, %	Millions of yen, %
Revenue from operations	248,252 (26.9)	339,403 ---	1,223,403 ---
Operating profit.....	22,198 101.2	11,031 ---	58,120 ---
Recurring profit.....	19,600 252.9	5,554 ---	52,949 ---
Net income.....	13,137 402.9	2,612 ---	(12,345) ---
Net income per share (Yen)	11.58	2.31	(11.06)
Net income per share (diluted) (Yen)	10.79	2.16	---

Notes: 1) Percentages for revenue from operations, operating profit, recurring profit and net income represent the amount of change over the previous comparable period.

2) The figures of operating profit, recurring profit and net income for the first quarter of the fiscal year ended March 2004 were shown as a reference.

Railway

Regarding our railway business, the number of passengers carried decreased due to disconnection of the line between Yokohama and Sakuragi-cho in February of 2004, however there was an increase due to the newly started mutual direct operation with the Minatomirai line which created new demand, and improvement of convenience with the revision of the train schedule introduced in March 2003 was understood by passengers. The number of passengers carried decreased by 1.0% in non-commuter, while it increased by 0.7% in commuter. As a result, the total number of passengers for this first quarter was level with that of 2003.

Results of the railway business (non-consolidated)

	As of June 30, 2004	As of June 30, 2003	Change	
	Thousand	Thousand	Thousand,	%
Number of passengers carried				
Non-commuter.....	102,467	103,533	(1,066)	(1.0)
Commuter.....	152,606	151,496	1,109	0.7
Total.....	255,073	255,029	43	0.0
Revenue from Railway service	Millions of yen	Millions of yen	Millions of yen, %	
Non-commuter	17,314	17,472	(157)	(0.9)
Commuter.....	13,419	13,353	65	0.5
Total.....	30,734	30,825	(91)	(0.3)

Real Estate

As our real estate segment, sale of detached housing and condominiums continued to be steady.

Retail

The business climate in general remained at low levels partly because of the introduction of the total consumption tax displayed as from April 2004. Tokyu Store Co., Ltd. opened 3 new stores, and strove to expand sales opportunities by the extension of operating hours based on demand in the market, and worked on the activation of large-scale in order to increase their profitability.

Leisure and services

In our CATV business of the leisure and service, 'its communications inc.' successfully increased the number of subscribers for both broadcasting and communications services. A total of 439,586 households subscribed for the CATV company as of the end of this first quarter. Tokyu Tourist Corporation was excluded from our consolidated subsidiaries when its shares were sold in March 2004.

Hotel

Our business was badly affected by SARS last year, but it remained steady in this first quarter. Compared with the same quarter 2003, the occupancy ratio of the 48 hotels under the direct management of Tokyu Hotel Chain Co., Ltd. increased by 3.0 points to 77.4%.

Construction

Because of a corporate split of the former Tokyu Construction in October 2003, the revenue and expenditure of the company were excluded from consolidation and became of no importance. Therefore, the rest companies were included in 'the other segment' from this first quarter.

In conclusion, the results of this first quarter compared with the same period 2003 were: Revenue from operations decreased 91,150 million yen to 248,252 million yen, operating profit increased 11,167 million yen to 22,198 million yen, recurring profit increased 14,045 million yen to 19,600 million yen and net income increased 10,525 million yen to 13,137 million yen. Those changes were almost as planned.

2) Financial Position

	Millions of yen		
	As of June 30, 2004	As of June 30, 2003	Fiscal Year ended March 31, 2004
Total assets	2,011,668	2,453,559	2,010,141
Shareholders' equity	169,119	156,193	160,962
Equity ratio (%).....	8.4%	6.4%	8.0%
Shareholders' equity per share (Yen).....	149.10 yen	138.23 yen	141.75 yen

Notes: Overall condition of quarterly performance started to be released from this first quarter.

The figures for the first quarter of the fiscal year ended March 2004 were shown as a reference.

At the end of this first quarter, total assets were 2,011,668 million yen (1,527 million yen increased from the last fiscal year end), total debts were 1,771,623 million yen (7,200 million yen decreased from the last year end), and total capital increased 8,156 million yen to 169,119 million yen over the last fiscal year end due to achievement of net income and payment of dividends.

3. Consolidated Forecast for the Fiscal 2004 (April 1, 2004 – March 31, 2005)

	Millions of yen	
	Interim	Full year
Revenue from Operations	510,000	1,040,000
Recurring profit	31,200	59,200
Net Income	14,000	27,000

Notes: Forecasted net income per share for the full year: 23.80 yen

The performance for this first quarter made steadily progress as planned, and there will be no change in the consolidated performance forecast released on May 17, 2004. Actual results may differ from forecast depending upon an assortment factors.

Fiscal Results for the first quarter ended March 31, 2005: appendix

1. Consolidated Balance Sheets

Assets				
	Millions of yen			
Item	Fiscal 2004	Fiscal 2003	Change	Fiscal 2003
	As of June 30, 2004	As of March 31, 2004		As of June 30, 2003
(Assets)				
Current Assets	402,185	391,461	10,724	542,351
Cash and deposits	51,133	35,142	15,991	59,112
Trade notes & accounts receivable.....	108,223	106,316	1,907	177,969
Securities.....	204	266	(62)	374
Inventories.....	202,085	201,883	202	247,080
Deferred tax assets.....	9,851	16,346	(6,495)	11,594
Other current assets.....	34,829	35,704	(875)	51,215
Allowance for doubtful accounts.....	(4,141)	(4,198)	57	(4,995)
Fixed Assets	1,609,483	1,618,680	(9,197)	1,911,207
Tangible fixed assets.....	1,230,169	1,238,795	(8,626)	1,555,679
Buildings & Structures.....	535,413	540,285	(4,872)	603,502
Rolling stock & machinery	55,873	65,165	(9,292)	70,818
Land	490,739	488,263	2,475	543,860
Construction in progress	129,090	125,081	4,009	315,874
Others	19,053	20,000	(946)	21,623
Intangible fixed assets.....	33,554	33,917	(363)	38,295
Investments & Others.....	345,758	345,966	(207)	317,233
Investment securities.....	181,024	179,854	1,170	162,785
Long-term loans receivable.....	728	1,512	(783)	3,115
Deferred tax assets.....	50,582	51,031	(449)	41,426
Others	132,563	134,537	(1,973)	126,132
Allowance for doubtful accounts.....	(19,140)	(20,969)	1,828	(16,225)
Total Assets	2,011,668	2,010,141	1,527	2,453,559

Liabilities, Minority Interests and Shareholders' Equity				
	Millions of yen			
Item	Fiscal 2004	Fiscal 2003	Change	Fiscal 2003
	As of June 30, 2004	As of March 31, 2004		As of June 30, 2003
(Liabilities)				
Current Liabilities.....	638,796	646,169	(7,372)	1,055,094
Trade notes & accounts payable.....	80,236	92,992	(12,755)	184,330
Short-term debt.....	338,858	354,557	(15,699)	547,139
Current portion of long-term debt	59,201	45,201	14,000	66,000
Accrued income taxes.....	2,324	3,575	(1,251)	2,752
Reserve for employees' bonuses.....	9,672	12,407	(2,734)	12,403
Advances received.....	66,082	58,647	7,435	147,647
Others	82,421	78,788	3,633	94,821
Long-term Liabilities.....	1,095,672	1,094,780	891	1,165,606
Corporate bonds.....	355,698	339,698	16,000	364,101
Long-term debt	493,061	505,387	(12,326)	510,873
Reserve for employees' retirement benefits.....	47,302	47,773	(470)	88,882
Reserve for directors' retirement benefits.....	2,794	3,547	(753)	3,522
Guarantee deposits.....	134,486	134,311	175	147,287
Deferred tax liabilities.....	23,060	23,399	(338)	20,927
Deferred tax liabilities from land revaluation	7,421	7,424	(3)	7,392
Consolidation adjustment account.....	12,702	13,680	(978)	10,112
Others	19,146	19,557	(411)	12,508
Special legal reserves	37,154	37,875	(720)	40,081
Urban Railways Improvement Reserve...	37,154	37,875	(720)	40,081
Total Liabilities	1,771,623	1,778,824	(7,200)	2,260,782
(Minority Interests)				
Minority interests.....	70,925	70,354	571	36,582
(Shareholders' Equity)				
Common stock.....	108,820	108,820	---	108,819
Capital surplus reserve	82,916	128,066	(45,149)	128,109
Profit reserve	(42,784)	(95,287)	52,502	(80,748)
Land revaluation reserve	11,095	11,093	1	11,127
Unrealized holding gains (losses) on securities.....	21,537	20,379	1,157	3,604
Foreign currency translation adjustment account	(9,256)	(8,998)	(258)	(9,708)
Treasury stock	(3,210)	(3,112)	(97)	(5,009)
Total Shareholder's Equity.....	169,119	160,962	8,156	156,193
Total Liabilities, Minority Interests & Shareholders' Equity.....	2,011,668	2,010,141	1,527	2,453,559

2. Consolidated Statement of Income

Item	Millions of yen			
	Fiscal 2004	Fiscal 2003	Change	Fiscal 2003
	From April 1, 2004 to June 30, 2004	From April 1, 2003 to June 30, 2003		From April 1, 2003 to March 31, 2004
Revenue from Operations	248,252	339,403	(91,150)	1,223,403
Cost of revenue from operations	226,054	328,372	(102,318)	1,165,283
Operating Profit	22,198	11,031	11,167	58,120
Non-operating income	3,840	3,883	(42)	27,310
Interest & dividends	859	1,226	(367)	1,969
Equity in profits of affiliates	169	---	169	7,340
Other income	2,812	2,656	155	17,999
Non-operating expenses	6,439	9,360	(2,921)	32,481
Interest	5,577	7,315	(1,738)	26,655
Equity in losses of affiliates	---	373	(373)	---
Other expenses	862	1,671	(808)	5,826
Recurring Profit	19,600	5,554	14,045	52,949
Extraordinary gains	3,689	8,327	(4,637)	146,116
Extraordinary losses	1,917	2,096	(179)	226,672
Profit before income taxes	21,372	11,785	9,587	(27,606)
Income taxes	1,675	2,346	(670)	6,205
Income tax adjustment	5,763	5,765	(2)	(16,207)
Minority interests in income of consolidated subsidiaries	796	1,061	(264)	(5,259)
Net income	13,137	2,612	10,525	(12,345)

Note	Millions of yen			
	Fiscal 2004	Fiscal 2003	Change	Fiscal 2003
	As of June 30, 2004	As of June 30, 2003		As of March 31, 2004
Breakdown of extraordinary gains				
Reversal of the Urban Railways Improvement Reserve	1,326	1,326	---	5,307
Gain on sale of property and equipment	1,032	831	200	21,651
Subsidies received for construction	0	---	0	59,266
Transfer of the substitutional portion of employee pension fund liabilities	---	5,271	(5,271)	5,271
Gain on establishment of trust for retirement benefits	---	---	---	34,531
Breakdown of extraordinary losses				
Loss on sale of property and equipment	946	656	289	31,553
Provision for the Urban Railways Improvement Reserve	606	607	(1)	2,382
Deferred loss on reduction in subsidies for construction received	0	---	0	46,272
Asset impairment loss	---	---	---	87,613

3. Segment Information

The first quarter results for the fiscal year 2004 (April 1, 2004 – June 30, 2004)

	Millions of yen									
	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Construction	Other	Total	Elimination/ Headquarters	Consolidated
Revenues / Operating income Revenue from operations										
(1) Outside customers	63,990	31,205	96,129	14,491	25,395	---	17,040	248,252	---	248,252
(2) Inter-segment Internal revenues / transfers	1,246	4,614	257	317	84	---	6,322	12,843	(12,843)	-
Total	65,237	35,820	96,387	14,809	25,479	---	23,362	261,096	(12,843)	248,252
Operating expenses	52,133	29,444	94,791	14,387	24,929	---	23,354	239,040	(12,986)	226,054
Operating profit	13,103	6,376	1,595	421	550	---	8	22,055	142	22,198

The first quarter results for the fiscal year 2003 (April 1, 2003 – June 30, 2003)

	Millions of yen									
	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Construction	Other	Total	Elimination/ Headquarters	Consolidated
Revenues / Operating income Revenue from operations										
(1) Outside customers	63,226	26,979	89,792	19,464	26,802	103,409	9,729	339,403	---	339,403
(2) Inter-segment Internal revenues / transfers	1,337	6,098	5,970	395	80	6,707	3,743	24,334	(24,334)	---
Total	64,563	33,078	95,763	19,859	26,882	110,116	13,473	363,737	(24,334)	339,403
Operating expenses	52,760	29,347	94,494	21,111	27,424	113,039	14,344	352,523	(24,151)	328,372
Operating profit	11,803	3,730	1,268	(1,251)	(542)	(2,922)	(870)	11,214	(182)	11,031

Results for the fiscal year 2003 (April 1, 2003 – March 31, 2004)

	Millions of yen									
	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Construction	Other	Total	Elimination/ Headquarters	Consolidated
Revenues / Operating income Revenue from operations										
(1) Outside customers	256,490	148,520	366,748	84,825	108,721	188,278	69,818	1,223,403	---	1,223,403
(2) Inter-segment Internal revenues / transfers	5,642	19,875	17,895	1,378	356	22,862	20,981	88,991	(88,991)	---
Total	262,132	168,396	384,643	86,203	109,078	211,140	90,800	1,312,395	(88,991)	1,223,403
Operating expenses	241,773	147,819	377,732	84,852	105,514	208,575	88,075	1,254,342	(89,059)	1,165,283
Operating profit	20,358	20,577	6,911	1,351	3,563	2,565	2,725	58,052	67	58,120

Notes:

- .. Because of having little importance or effect on financial statement, the results of the member of the former 'construction segment' were included in 'the other segment' from this first quarter.
1. Operating segments

Operating segments are based on Standard Industrial Classifications in Japan and are designed to reflect the diversified nature of the Company's business accurately.
1. Description of operating segments
 - Transportation: railway operations, bus operations and cargo transportation
 - Real Estate: real estate sales, real estate leasing and real estate management
 - Retail: retail operations and general trading operations
 - Leisure and Services: golf course operations and CATV operations
 - Hotels: hotel operations
 - Other: maintenance of rolling stock for railway operations
1. No unallocated operating expenses were included in "Elimination/Headquarters."