

Tokyu Corporation

Consolidated Financial Statements

First Three Quarters of the Fiscal Year Ending March 31, 2010

(April 1, 2009 – December 31, 2009)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product and service launches, and pricing and product initiatives of competitors.

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)
For the First Three Quarters of the Fiscal Year Ending March 31, 2010

Tokyu Corporation

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* Amounts less than ¥1 million have been ignored.

**1. Consolidated Financial Results for the First Three Quarters of the Fiscal Year
 Ending March 31, 2010 (April 1, 2009 to December 31, 2009)**

1) Consolidated Operating Results (cumulative totals) (Figures in percentages denote the year-on-year change.)
Million yen

	Nine months ended December 31, 2009		Nine months ended December 31, 2008	
		Change (%)		Change (%)
Operating revenue	905,634	(6.5)	968,284	—
Operating profit	35,265	(34.6)	53,891	—
Recurring profit	30,173	(34.3)	45,893	—
Net income	9,735	(49.0)	19,101	—
Net income per share (¥)	¥7.75		¥15.37	
Net income per share (diluted) (¥)	—		¥14.87	

2) Consolidated Financial Position

Million yen

	Nine months ended December 31, 2009	FY ended March 31, 2009
Total assets	1,961,523	2,010,746
Net assets	381,940	384,654
Equity ratio (%)	18.8%	18.5%
Net assets per share (¥)	¥295.25	¥294.62

Reference: Shareholders' equity: Nine months ended December 31, 2009: ¥368,580 million; FY ended March 31, 2009: ¥371,204 million

2. Dividends

	FY ending March 31, 2010 (forecast)	FY ending March 31, 2010	FY ended March 31, 2009
Dividend per share – As of Jun. 30 (¥)		—	—
Dividend per share – As of Sep. 30 (¥)		3.00	3.00
Dividend per share – As of Dec. 31 (¥)		—	—
Dividend per share – End of term (¥)	3.00		3.00
Dividend per share – Annual (¥)	6.00		6.00

Note: Revision in dividend forecasts for the first three quarters under review: No

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

(Figures in percentages denote year-on-year changes.)

Million yen

	Full year	
		Change (%)
Operating revenue	1,229,800	(5.7)
Operating profit	48,500	(25.7)
Recurring profit	41,800	(23.8)
Net income	10,000	(7.3)
Net income per share (¥)	7.97	

Note: Revision in consolidated business performance forecasts for the first three quarters under review: Yes

4. Others

- (1) Important changes of subsidiaries during the term
(change of specified subsidiaries that lead to a change in the scope of consolidation): No
- (2) Application of simplified accounting treatment and accounting treatment peculiar to the production of quarterly consolidated financial statements: Yes
(Note) For details, see paragraph 4 "Others" of [Qualitative Information, Financial Statements, Etc.], on page 6
- (3) Changes in accounting principles, procedures, presentation method, etc. of quarterly consolidated financial statements (those which are included in change in significant accounting policies that will be the bases for preparing quarterly consolidated financial statements)
1) Changes associated with the revision of accounting principles, etc.: No
2) Change other than 1): No
(Note) There are changes that do not fall under the above. For details, see paragraph 4 "Others" of [Qualitative Information, Financial Statements, Etc.], on page 6.
- (4) Number of shares issued (common stock)
- 1) Number of shares issued at the end of the term (including treasury stock) (shares)
- | | |
|--------------------------------------|---------------|
| Nine months ended December 31, 2009: | 1,263,525,752 |
| FY ended March 31, 2009: | 1,263,525,752 |
- 2) Number of treasury stock at the end of the term (shares)
- | | |
|--------------------------------------|------------|
| Nine months ended December 31, 2009: | 15,159,721 |
| FY ended March 31, 2009: | 3,577,008 |
- 3) Average numbers of shares issued during the terms (quarterly consolidated accumulation periods)
- | | |
|--------------------------------------|---------------|
| Nine months ended December 31, 2009: | 1,255,785,051 |
| Nine months ended December 31, 2008: | 1,242,729,171 |
- (Note) The treasury stock includes 11,662,000 shares in the Company that were held at the trust account of the employee stock ownership plan at the end of the first three quarters under review.

* Explanations about the proper use of financial forecasts and other important notes

The forecast results presented above are based on information available on the date of this announcement. Actual results may differ materially from forecasts depending on a number of factors. Please refer to [3. Qualitative Information on Forecast Consolidated Earnings] on page 5 for more details on these forecasts.

(Reference) Non-Consolidated Forecast

Non-Consolidated Forecast for the Fiscal Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

(Figures in percentages denote year-on-year changes.)

Million yen

	Full year	
		Change (%)
Operating revenue.....	284,900	8.6
Operating profit.....	44,500	(16.1)
Recurring profit.....	35,200	(21.5)
Net income	13,000	(39.8)
Net income per share (¥).....	10.31	

Note: Revision in consolidated business performance forecasts for the first three quarters under review: Yes

[Qualitative Information, Financial Statements, Etc.]**1. Qualitative Information on Consolidated Financial Results**

The Japanese economy continued to struggle during the first three quarters under review, reflecting lackluster personal spending, difficult employment conditions and moderate deflation, despite positive signs such as a rebound in exports to Asia.

In this environment, the Company (including its consolidated subsidiaries) promoted aggressive sales operations and cost cutting under the basic strategy of the three-year medium-term management plan.

Operating revenues for the first three quarters under review stood at ¥905.634 billion (down 6.5% year on year), with a rise in the Real Estate business offset by declines in the Retail and Hotels businesses in association with anemic personal spending. Operating profit was ¥35.265 billion (falling 34.6%). Recurring profit slipped to ¥30.173 billion (declining 34.3%), and net income amounted to ¥9.735 billion (dropping 49.0%) partly attributable to the posting of a loss on sales of investment securities under extraordinary losses.

Operating results in each business segment are as follows and include inter-segment internal revenue or transfers where applicable.

Transportation

In our railway operations, the number of non-commuters carried fell 0.5% year on year in the first three quarters due to the effects of the new H1N1 influenza and other factors. However, the number of commuters carried rose 0.3%, attributable to the strengthening of the network and the growing population in areas along the lines. Overall, the number of passengers carried was almost in line with the year-ago level.

Operating revenue stood at ¥146.275 billion (down 2.3%), partly because of a decrease in advertising revenue in the railway operations. Operating profit was ¥19.454 billion (down 14.8%), reflecting the generation of the loss on disposal of fixed assets associated with the extension of the Oimachi Line to the Mizonokuchi Station.

Real Estate

Operating revenue was ¥110.412 billion (up 13.3%) associated with a rise in sales of detached houses in the real estate sales business of the Company. However, operating profit declined to ¥12.8 billion (down 31.4%) partly because of a fall in the sales margin..

Retail

Operating revenue fell 8.5%, to ¥418.263 billion, and operating profit declined 75.2%, to ¥1.858 billion. This result was attributable to a decrease in sales of clothing, the core merchandize, among other items in department store operations by Tokyu Department Store in association with weak personal spending, as well as falls in the number of customers and unit sales prices in chain store operations by Tokyu Store Corporation, partly because of intensifying completion.

Leisure and Services

Revenue from subscription fees increased in our CATV operation (its communications Inc.). In contrast, orders—especially for advertisements relating to sales promotions by Tokyu Agency Inc.—plummeted in the advertising business, because of cuts in corporate spending on advertising. Consequently, operating revenue totaled ¥117.622 billion (down 13.9%), and operating profit fell 29.0%, to ¥1.524 million.

Hotels

The Hotels business was strongly influenced by the economic recession and the spread of the new H1N1 influenza. Tokyu Hotels reported weak demand, while overseas hotels suffered a decline in the number of travelers staying and the closure of a whole building for renovations. As a result, operating revenue stood at

¥66.241 billion (down 11.4%), and an operating loss of ¥0.712 billion was posted.

Other businesses

Tokyu Car Corp., which manufactures rolling stock for railway operations, posted an increase in sales of rolling stock, while orders and the cost rate for special purpose vehicles worsened. As a result of this and other factors, operating revenue totaled ¥100.985 billion (down 12.9%), and operating profit fell 89.8%, to ¥100 million.

2. Qualitative Information on Consolidated Financial Position

Total assets, Total liabilities and Net assets under review are as follows

Total assets at the end of the first three quarters under review declined ¥49.223 billion from the end of the previous fiscal year, to ¥1,961.523 billion, notwithstanding an increase in tangible fixed assets through capital expenditure. The decline mainly reflected falls in land and buildings for sale and investment securities.

Total liabilities fell ¥46.508 billion, to ¥1,579.583 billion, principally because of decreases in notes and accounts payable, despite a rise in interest-bearing debt* of ¥0.241 billion, to ¥1,072.717 billion.

Net assets decreased ¥2.714 billion, to ¥381.94 billion, attributable mainly to an increase in treasury stock as a result of acquiring the Company's own shares due to the introduction of the Trust-type Employees' Shareholding Incentive Plan and dividend payments of retained earnings, despite the posting of net income.

*Interest-bearing debt: the sum of debt, bonds, and commercial papers

Cash flows in the first three quarters under review are as follows

Net cash provided by operating activities was ¥81.036 billion, reflecting income before income taxes of ¥24.154 billion, depreciation and amortization of ¥51.343 billion, loss on disposal of fixed assets of ¥10.885 billion, and a decrease in inventories of ¥15.954 billion, among other factors. Compared with a year ago, cash provided rose ¥17.171 billion, attributable to a fall in inventories and an increase in accounts receivable collected, among other factors.

Net cash used in investing activities was ¥93.460 billion, mainly attributable to expenditures of ¥99.842 billion for the payment for the purchase of fixed assets. Cash used decreased ¥22.772 billion from a year ago, attributable to factors such as reduced payments for fixed asset purchases.

Net cash used in financing activities was ¥6.001 billion, primarily reflecting expenditures for the repayment of borrowings and redemption of commercial paper, despite proceeds from long-term debt and a bond issue.

3. Qualitative Information on Forecast Consolidated Earnings

With economic conditions likely to remain difficult, the Company has decided to change the forecast consolidated earnings for the full year to operating revenues of ¥1,229.8 billion (down 1.3% from the previous forecast), operating profit of ¥48.5 billion (falling 3.0%) and recurring profit of ¥41.8 billion (up 0.7%), although net income did not change from the figure announced on January 14, 2010.

For more detailed segment information, please see the "Full-Year Results Forecast for the Fiscal Year Ending March 2010 (Compared with the Previous Year and Forecast in November)" attached as reference material.

* The forecasts above are prepared based on information available as of the date of the announcement.

Actual results may differ materially from the forecast values due to various factors.

4. Others

(1) Important changes of subsidiaries during the term (change of specified subsidiaries that led to a change in the scope of consolidation):

Not applicable.

(2) Application of simplified accounting treatment and accounting treatment specific to the production of quarterly consolidated financial statements:

1) Application of simplified accounting treatment

(Basis for calculating income taxes, deferred tax assets, and deferred tax liabilities)

In calculating the payment of income taxes for certain consolidated subsidiaries, taxable addition or subtraction and tax deduction items are limited to significant items.

The earnings forecast and tax planning used in the previous fiscal year are used to judge the collectability of deferred tax assets if the Company considers that there have been no remarkable changes in the business environment or temporary differences since the end of the previous fiscal year. If the Company considers that there have been remarkable changes in the business environment or temporary differences since the end of the previous fiscal year, the effects of the changes will be taken into consideration along with the earnings forecast and tax planning used in the previous fiscal year.

2) Application of accounting treatment specific to the production of quarterly consolidated financial statements:

Not applicable

(3) Changes in accounting principles, procedures, presentation, etc. in relation to the preparation of quarterly consolidated financial statements

(Changes in presentation)

(i) Quarterly consolidated balance sheets

Since the importance of "Securities," which was posted as an independent item in the previous first three quarters, is small in terms of the amount, it is included in "Others" in current assets from the first three quarters under review. The amount of securities included in "Others" in the first three quarters under review is ¥22 million.

With the application of the Cabinet Office Ordinance for Partial Revisions to the Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements and Other Matters (Cabinet Office Ordinance No. 50, August 7, 2008), items that were posted as "Merchandise," "Finished goods," and "Unfinished goods" in the previous first three quarters are posted collectively as "Merchandise and products" in the first three quarters under review. The amounts of merchandise, finished goods, and unfinished goods in the first three quarters under review were ¥21,134 million, ¥1,670 million, and ¥441 million, respectively.

Items posted as "Raw materials" and "Other inventories" in the previous first three quarters are posted collectively as Raw materials and supplies in the first three quarters under review. The amounts of raw materials and other inventories in the first three quarters under review were ¥2,949 million and ¥5,545 million, respectively.

(ii) Quarterly consolidated statements of income

Although “Amortization of negative goodwill,” which was included in non-operating profit, “Gain on sales of fixed assets” and “Gain on sales of shares in subsidiaries,” which were included in extraordinary gains, and “Loss on sales of investment securities,” which was included in extraordinary losses, were included in “Others” for each relevant item in the first three quarters of the previous fiscal years, they are posted as independent items in the first three quarters under review as they exceeded 20% of the total amount of each item. The amounts of “Amortization of negative goodwill,” “Gain on sales of fixed assets,” “Gain on sales of shares in subsidiaries” and “Loss on sales of investment securities” in the first three quarters of the previous fiscal years were ¥440 million, ¥717 million, ¥0 million, and ¥5 million, respectively.

(iii) Quarterly consolidated statements of cash flow

Although the “Loss (gain) on sales of investment securities,” “Loss (gain) on sales of shares in subsidiaries,” “Loss (gain) on sales of fixed assets” and “Increase (decrease) in advances received” included in cash flows from operating activities, “Payments for acquisition of investment securities” and “Proceeds from sales of investment securities” included in cash flows from investing activities, and “Payments for acquisition of the Company’s own shares” included in cash flows from financing activities were included in “Others” in the relevant activities in the first three quarters of the previous fiscal year, they are posted as independent items in the first three quarters under review as the importance of these items increased in terms of amount. The amounts of these items in the first three quarters of the previous fiscal year were as follows: “Loss (gain) on sales of investment securities” (¥167 million), “Loss (gain) on sales of shares in subsidiaries” (¥0 million), “Loss (gain) on sales of fixed assets” (¥658 million), and “Increase (decrease) in advances received” ¥1,548 million, “Payments for acquisition of investment securities” (¥425 million), and “Proceeds from sales of investment securities” ¥363 million, and “Payments for acquisition of the Company’s own shares” (¥213 million).

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Million yen

Item	As of December 31, 2009	As of March 31, 2009
Assets		
Current Assets		
Cash and deposits	24,669	42,419
Trade notes & accounts receivable	116,034	125,320
Merchandise and products	23,246	23,274
Land and buildings for sale	62,235	82,194
Work in progress	31,737	27,166
Raw materials and supplies	8,494	8,879
Deferred tax assets	8,727	13,115
Others	32,902	31,830
Allowance for doubtful accounts.....	(1,897)	(1,089)
Total current assets	306,149	353,111
Fixed Assets		
Tangible fixed assets		
Buildings & structures (net)	600,608	575,668
Rolling stock & machinery (net)	61,613	60,718
Land	580,217	560,191
Construction in progress.....	129,078	148,955
Others (net)	18,517	19,297
Total tangible fixed assets	1,390,034	1,364,832
Intangible fixed assets	27,819	33,448
Investments & others		
Investment securities	111,404	123,048
Deferred tax assets	8,566	8,701
Others.....	119,080	129,150
Allowance for doubtful accounts.....	(1,532)	(1,545)
Total investments and others.....	237,520	259,355
Total fixed assets	1,655,374	1,657,635
Total Assets	1,961,523	2,010,746

Million yen

Item	As of December 31, 2009	As of March 31, 2009
Liabilities		
Current Liabilities		
Trade notes & accounts payable	102,329	132,920
Short-term debt	310,856	306,057
Commercial paper	–	20,000
Current portion of corporate bonds	17,000	37,000
Accrued income taxes	1,911	12,737
Provision	11,776	16,215
Advances received	40,944	30,450
Others	94,904	99,284
Total current liabilities	579,723	654,667
Long-Term Liabilities		
Corporate bonds	209,800	154,800
Long-term debt	535,060	554,618
Reserve for employees' retirement benefits	36,107	37,612
Other provisions	1,520	1,788
Long-term deposits from tenants and club members	111,949	115,703
Deferred tax liabilities	39,268	38,996
Deferred tax liabilities from revaluation	11,259	11,313
Negative goodwill	8,351	6,647
Others	24,663	28,561
Total long-term liabilities	977,980	950,041
Special Legal Reserves		
Urban railways improvement reserve	21,879	21,383
Total special legal reserves	21,879	21,383
Total Liabilities	1,579,583	1,626,092
Net Assets		
Shareholders' Equity		
Common stock	121,724	121,724
Capital surplus	140,818	140,842
Retained income	107,511	105,222
Treasury stock	(6,804)	(2,039)
Total shareholders' equity	363,251	365,750
Valuation, Translation and Other		
Net unrealized gains (losses) on investment securities, net of taxes	1,057	1,960
Net unrealized gains (losses) on hedging instruments, net of taxes	(59)	(58)
Land revaluation reserve	8,823	8,948
Foreign currency translation adjustment account	(4,492)	(5,396)
Total valuation, translation and others	5,329	5,454
Minority Interests	13,359	13,450
Total Net Assets	381,940	384,654
Total Liabilities and Net Assets	1,961,523	2,010,746

(2) Consolidated Statements of Income

Million yen

Item	April 1, 2009 to December 31, 2009	April 1, 2008 to December 31, 2008
Operating revenue	905,634	968,284
Cost of operating revenue		
Operating expenses & cost of sales (transportation etc.)	700,922	736,306
SG&A expenses	169,446	178,086
Total cost of operating revenue	870,369	914,392
Operating profit	35,265	53,891
Non-operating profit		
Interest income	359	353
Dividend income	956	856
Amortization of negative goodwill	2,871	–
Investment gains from equity method	2,808	280
Others	3,180	5,872
Total non-operating profit	10,177	7,363
Non-operating expenses		
Interest expenses	13,047	13,180
Others	2,221	2,180
Total non-operating expenses	15,269	15,360
Recurring profit	30,173	45,893
Extraordinary gains		
Gain on sales of fixed assets	3,092	–
Subsidies received for construction	356	3,041
Gain on reversal of urban railways improvement reserve ...	1,420	1,420
Gain on sales of shares in subsidiaries	2,790	–
Others	2,711	2,401
Total extraordinary gains	10,372	6,863
Extraordinary losses		
Loss on reduction of subsidies received for construction ...	341	2,995
Transfer to urban railways improvement reserve	1,916	1,920
Loss on sales of investment securities	8,656	–
Others	5,477	7,462
Total extraordinary losses	16,391	12,378
Income before income taxes and minority interests	24,154	40,378
Corporate income taxes	13,239	20,275
Minority interest in earnings of consolidated subsidiaries	1,180	1,001
Net income	9,735	19,101

(3) Consolidated Statements of Cash Flow

Million yen

Item	April 1, 2009 to December 31, 2009	April 1, 2008 to December 31, 2008
Cash flows from operating activities		
Income before income taxes	24,154	40,378
Depreciation and amortization	51,343	48,602
Amortization of goodwill	2,265	4,462
Increase (decrease) in urban railways improvement reserve	496	499
Subsidies received for construction	(356)	(3,041)
Reduction in subsidies received for construction	341	2,995
Loss (gain) on sales of investment securities	8,654	–
Loss (gain) on sales of shares in subsidiaries	(2,484)	–
Loss (gain) on sales of fixed assets	(3,061)	–
Loss on disposal of fixed assets	10,885	7,074
Investment loss (gain) from equity method	(2,808)	(280)
Decrease (increase) in accounts receivable	8,875	(1,014)
Decrease (increase) in inventories	15,954	(13,148)
Increase (decrease) in trade payables	(27,019)	(6,715)
Increase (decrease) in advances received	9,701	–
Interest and dividend income	(1,316)	(1,210)
Interest payable	13,047	13,180
Others	2,891	(1,671)
Subtotal	111,564	90,111
Interest and dividends received	2,094	2,329
Interest paid	(12,794)	(13,079)
Income taxes paid	(19,827)	(15,496)
Net cash provided by operating activities	81,036	63,865
Cash flows from investing activities		
Payments for purchases of fixed assets	(99,842)	(127,485)
Proceeds from sale of fixed assets	1,214	1,711
Payments for acquisition of investment securities	(13,595)	–
Proceeds from sales of investment securities	2,223	–
Proceeds from redemption of investment securities	8,000	–
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(1,337)	–
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	4,080	–
Proceeds from subsidies received for construction	5,384	7,450
Others	410	2,089
Net cash used in investing activities	(93,460)	(116,233)

Million yen

Item	April 1, 2009 to December 31, 2009	April 1, 2008 to December 31, 2008
Cash flows from financing activities		
Increase (decrease) in short-term debt, net	(33,172)	17,601
Proceeds from long-term debt.....	81,263	79,587
Repayment of long-term debt.....	(54,434)	(45,496)
Increase (decrease) in commercial paper	(20,000)	–
Proceeds from bond issue	70,677	29,805
Payments for redemption of bonds	(36,000)	(33,500)
Payments for acquisition of the Company's own shares.....	(5,132)	–
Dividends paid	(7,570)	(7,440)
Others	(1,632)	1,198
Net cash provided by financing activities.....	(6,001)	41,755
Effect of exchange rate changes on cash and cash equivalents	178	(351)
Increase (decrease) in cash and cash equivalents	(18,246)	(10,963)
Cash and cash equivalents at beginning of period.....	41,988	37,234
Cash and cash equivalents at end of period	23,742	26,271

(4) Notes regarding the premise of a going concern

Not applicable.

(5) Segment information

Segment information by business

April 1, 2008 – December 31, 2008

Million yen

	Transportation	Real Estate	Retail	Leisure and Services	Hotel	Other	Total	Elimination/Headquarters	Consolidated
Operating revenue/ Operating profit									
Operating revenue									
(1) Outside customers	149,030	79,907	453,535	121,576	73,661	90,573	968,284	–	968,284
(2) Inter-segment internal revenues or transfers	753	17,558	3,543	14,967	1,078	25,340	63,241	(63,241)	–
Total	149,783	97,465	457,078	136,543	74,740	115,914	1,031,525	(63,241)	968,284
Operating profit	22,844	18,647	7,487	2,147	1,762	980	53,869	21	53,891

April 1, 2009 – December 31, 2009

Million yen

	Transportation	Real Estate	Retail	Leisure and Services	Hotel	Other	Total	Elimination/Headquarters	Consolidated
Operating revenue/ Operating profit									
Operating revenue									
(1) Outside customers	145,707	91,335	416,382	105,236	65,780	81,192	905,634	–	905,634
(2) Inter-segment internal revenues or transfers	567	19,077	1,881	12,386	460	19,792	54,166	(54,166)	–
Total	146,275	110,412	418,263	117,622	66,241	100,985	959,801	(54,166)	905,634
Operating profit/loss	19,454	12,800	1,858	1,524	(712)	100	35,025	240	35,265

Notes

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 and in detail.

2. Description of operating segments

- Transportation: railway operations and bus operations
- Real Estate: real estate sales, real estate leasing and real estate management
- Retail: department store operations, chain store operations and shopping center operations
- Leisure and Services: advertising operations, golf course operations and CATV operations
- Hotel: hotel operations
- Other: maintenance of rolling stock for railway operations and general trading operations

3. Changes in accounting standards

April 1, 2008 – December 31, 2008

(Accounting Standard for Measurement of Inventories)

As described in 4. (3) of Qualitative Information, Financial Statements, Etc., the Accounting Standard for Measurement of Inventories (Accounting Standards Board of Japan Statement No. 9; July 5, 2006) is applied from the first quarter of this fiscal year. With this application, operating profit for the first three quarters declined in the Real Estate, Retail, Leisure and Services, and Other businesses by ¥1,164 million, ¥3 million, ¥4 million, and ¥208 million, respectively.

Geographical Segment Information

Previous first three quarters (April 1, 2008 to December 31, 2008) and first three quarters under review (April 1, 2009 to December 31, 2009)

Geographical segment information is not disclosed since the amount of domestic operating revenue of domestic operations each represents more than 90% of the respective total amounts for all segments.

Overseas Sales

Previous first three quarters (April 1, 2008 to December 31, 2008) and first three quarters under review (April 1, 2009 to December 31, 2009)

Overseas revenue is not disclosed since it represents less than 10% of total consolidated revenue from operations.

(6) Notes if there is a considerable change to shareholders' equity

Tokyu Corporation has introduced a Trust-Type Employees' Shareholding Incentive Plan and is undertaking accounting procedures that deem the Company and the trust account of the employees' shareholding association to be a single entity. Accompanying this, the Company reflects its own shares acquired by the trust account of the employees' shareholding association during the first three quarters under review in its financial statements as an increase in treasury stock of ¥5,090 million and a decrease in treasury stock of ¥241 million. Including a decrease of ¥82 million in treasury stock associated with regular disposition and other factor, treasury stock at the end of the first three quarters under review stood at ¥6,804 million.

[Appendix]

1. Overview of Consolidated Results

(1) Operating results

a. Consolidated financial results for the first three quarters of the fiscal year ending March 2010

	April 1, 2009 to December 31, 2009 (First three quarters) Billion yen	April 1, 2008 to December 31, 2008 (First three quarters) Billion yen	Year on year	
			Amount Billion yen	Rate (%)
Operating revenue	905.6	968.2	(62.6)	(6.5)
Operating profit	35.2	53.8	(18.6)	(34.6)
Recurring profit	30.1	45.8	(15.7)	(34.3)
Net income	9.7	19.1	(9.3)	(49.0)

■ Year-on-year comparison

(A) Operating revenue **905.6** billion yen (year-on-year comparison **-62.6** billion yen)

- With consumer demand continuing to weaken, operating revenue declined in the Retail, advertising (Leisure and Services), and Hotels businesses, as well as in the Transportation business, where local bus operations were transferred, and in other businesses.

(B) Operating profit **35.2** billion yen (year-on-year comparison **-18.6** billion yen)

- Operating profit fell on a decline in sales in consumer-related businesses such as the Retail and the Hotels businesses. Another factor was the increase in the loss on the disposal of fixed assets due to the completion of extension works of the Oimachi Line to the Mizonokuchi Station.

(C) Recurring profit **30.1** billion yen (year-on-year comparison **-15.7** billion yen)

- Non-operating profit increased ¥2.8 billion, given increases in investment gains from the equity method and the amortization of negative goodwill.
- Non-operating expenses were almost in line with the year-ago level.
- Recurring profit did not fall as sharply as operating profit, helped by an increase in non-operating profit.

(D) Net Income **9.7** billion yen (year-on-year comparison **-9.3** billion yen)

- The decline in net income was smaller than that of recurring profit, as positives such as an increase in the gain on sales of assets and a decrease in income taxes more than offset negative factors such as the posting of a loss on the sale of investment securities (announced on January 14, 2010) in addition to a fall in recurring profit.

b. Full-year results forecast for the fiscal year ending March 31, 2010

	FY10/3 (Forecast) Billion yen	FY09/3 (Actual results) Billion yen	Year on year		Forecast as of November Billion yen	Comparison with the forecast in November	
			Amount Billion yen	Rate (%)		Amount Billion yen	Rate (%)
Operating revenue	1,229.8	1,304.2	(74.4)	(5.7)	1,246.3	(16.5)	(1.3)
Operating profit	48.5	65.3	(16.8)	(25.7)	50.0	(1.5)	(3.0)
Recurring profit	41.8	54.8	(13.0)	(23.8)	41.5	0.3	0.7
Net income	10.0	10.7	(0.7)	(7.3)	15.0	(5)	(33.3)

■ Comparison with the forecast in November

- Operating revenue is down ¥16.5 billion in total from the forecast value in November, reflecting a decline in revenue anticipated for the Retail business given the ongoing challenges in the business environment and a fall in advertising and other revenues factored into the Transportation business.
- Operating profit is down ¥1.5 billion, reflecting the effect of a fall in revenue in the Retail business and a drop in profit in the Transportation business on reduced advertising revenue.

- Recurring profit is almost in line with the forecast figure in November, given an increase in investment gains from equity method among other factors.
- Net income is down ¥5.0 billion from the forecast value in November, reflecting the posting of a loss on the sale of investment securities (announced on January 14, 2010), although recurring profit will be almost in line with the forecast figure in November.

(2) Passengers carried and revenue from fares in the Railways operations of the Company

a. Results for the first three quarters of the fiscal year ending March 31, 2010

	Passengers carried				Revenue from fares			
	April 1, 2009 to December 31, 2009 (First three quarters) Thousand persons	April 1, 2008 to December 31, 2008 (First three quarters) Thousand persons	Year on year		April 1, 2009 to December 31, 2009 (First three quarters) Million yen	April 1, 2008 to December 31, 2008 (First three quarters) Million yen	Year on year	
			Amount	Rate (%)			Amount	Rate (%)
Total	806,878	807,037	(159)	(0.0)	97,279	97,481	(202)	(0.2)
Passengers without commutation tickets	331,570	333,247	(1,677)	(0.5)	54,198	54,472	(274)	(0.5)
Passengers with tickets	475,308	473,790	1,518	0.3	43,081	43,009	72	0.2

b. Full-year results forecast for the fiscal year ending March 31, 2010

	Passengers carried				Revenue from fares			
	FY10/3 (Forecast) Thousand persons	FY09/3 (Actual results) Thousand persons	Year on year		FY10/3 (Forecast) Million yen	FY09/3 (Actual results) Million yen	Year on year	
			Amount	Rate (%)			Amount	Rate (%)
Total	1,065,600	1,065,439	161	0.0	128,979	129,166	(187)	(0.1)
Passengers without commutation tickets	439,246	441,168	(1,922)	(0.4)	71,813	72,077	(264)	(0.4)
Passengers with tickets	626,354	624,271	2,083	0.3	57,166	57,089	77	0.1

2. Consolidated Statements of Income

(1) Consolidated financial results for the first three quarters of the fiscal year ending March 2010 (year-on-year comparison)

Item	Apr. 1, 2009 to Dec. 31, 2009 (First three quarters)	Apr. 1, 2008 to Dec. 31, 2008 (First three quarters)	Change		Major reasons
	Billion yen	Billion yen	Billion yen	%	
Operating profit and loss					(Passengers carried (total): -0.0%)
Transportation Operating					/
Operating revenue	146.2	149.7	(3.5)	(2.3)	Railway operations of the Company: -0.7; Tokyu Bus: -0.5; Restructuring of local bus operations: -1.4
Operating expenses	126.8	126.9	(0.1)	(0.1)	(Cost of disposal of fixed assets: +4.3)
Operating profit	19.4	22.8	(3.3)	(14.8)	/ Railway operations of the Company: -4.1; Tokyu Bus: +0.2; Restructuring of local bus operations: +0.1
Real estate					
Operating revenue	110.4	97.4	12.9	13.3	— Real estate sales: +9.7; CT Realty: +3.9
Operating expenses	97.6	78.8	18.7	23.8	
Operating profit	12.8	18.6	(5.8)	(31.4)	— Real estate sales: -4.7; CT Realty: +1.5
Retail					
Operating revenue	418.2	457.0	(38.8)	(8.5)	— Tokyu Department Store: -23.3; Tokyu Store Chain: -15.7
Operating expenses	416.4	449.5	(33.1)	(7.4)	
Operating profit	1.8	7.4	(5.6)	(75.2)	— Tokyu Department Store: -1.8; Tokyu Store Chain: -2.9
Leisure and Services					
Operating revenue	117.6	136.5	(18.9)	(13.9)	— Tokyu Agency: -14.9; its communications: +0.5;
Operating expenses	116.0	134.3	(18.2)	(13.6)	
Operating profit	1.5	2.1	(0.6)	(29.0)	— Tokyu Agency: -0.4; its communications: +0.4
Hotel					
Operating revenue	66.2	74.7	(8.4)	(11.4)	— Tokyu Hotels: -6.0; Mauna Lani Resort: -1.7
Operating expenses	66.9	72.9	(6.0)	(8.3)	
Operating profit	(0.7)	1.7	(2.4)	—	— Tokyu Hotels: -2.1; Mauna Lani Resort: -0.3
Other					
Operating revenue	100.9	115.9	(14.9)	(12.9)	— Tokyu Car Corporation: -3.4; Tokyu Geox: -5.9
Operating expenses	100.8	114.9	(14.0)	(12.2)	
Operating profit	0.1	0.9	(0.8)	(89.8)	— Tokyu Car Corporation: -0.7
Elimination/Headquarters					
Operating revenue	(54.1)	(63.2)	9.0	—	
Operating expenses	(54.4)	(63.2)	8.8	—	
Operating profit	0.2	0.0	0.2	—	
Consolidated					
Operating revenue	905.6	968.2	(62.6)	(6.5)	
Operating expenses	870.3	914.3	(44.0)	(4.8)	
Operating profit	35.2	53.8	(18.6)	(34.6)	
Non-operating profit and expenses					
Non-operating profit	10.1	7.3	2.8	38.2	
Interest and dividends	1.3	1.2	0.1	8.8	
Investment gains from equity	2.8	0.2	2.5	900.1	— Tokyu Construction: +1.5; Tokyu Land Corp.: +0.5
Amortization of negative goodwill	2.8	0.4	2.4	551.6	
Other non-operating profit	3.1	5.4	(2.2)	(41.4)	— Gain on investment in silent partnerships: -1.2
Non-operating expenses	15.2	15.3	(0.0)	(0.6)	
Interest	13.0	13.1	(0.1)	(1.0)	
Other non-operating expenses	2.2	2.1	0.0	1.9	
Recurring profit	30.1	45.8	(15.7)	(34.3)	

Item	Apr. 1, 2009 to Dec. 31, 2009 (First three quarters)	Apr. 1, 2008 to Dec. 31, 2008 (First three quarters)	Change		Major reasons
	<i>Billion yen</i>	<i>Billion yen</i>	<i>Billion yen</i>	%	
Extraordinary gains and losses					
Extraordinary gains	10.3	6.8	3.5	51.1	
Subsidies received for construction	0.3	3.0	(2.6)	(88.3)	
Gain on reversal of urban railways improvement reserve	1.4	1.4	—	—	
Gain on sale of fixed assets	3.0	0.7	2.3	331.0	
Gain on sale of securities	2.7	0.1	2.6	—	
Other extraordinary gains	2.7	1.5	1.1	79.4	— Tokyo Bus compensation income: +1.5
Extraordinary losses	16.3	12.3	4.0	32.4	
Reduction in subsidies received for construction	0.3	2.9	(2.6)	(88.6)	
Gain on reversal of urban railways improvement reserve	1.9	1.9	(0.0)	(0.2)	
Loss on sale of fixed assets	0.0	0.0	(0.0)	(47.8)	
Loss on disposal of fixed assets	0.5	1.6	(1.0)	(67.4)	
Impairment loss	0.6	1.2	(0.5)	(46.9)	
Loss on valuation of securities	0.4	0.2	0.1	90.8	
Loss on sale of securities	8.9	0.0	8.9	—	
Loss on valuation of inventories	—	1.2	(1.2)	—	
Other extraordinary losses	3.5	3.0	0.4	15.6	
Net income before taxes and minority interests	24.1	40.3	(16.2)	(40.2)	
Corporate income taxes	13.2	20.2	(7.0)	(34.7)	
Minority interests	1.1	1.0	0.1	17.8	
Net income	9.7	19.1	(9.3)	(49.0)	

(2) Consolidated financial results for the fiscal year ending March 2010
(year-on-year comparison / compared with forecast as of November)

Item	FY10/3	FY09/3	Change		Forecast	Comparison with the	
	(Forecast)	(Actual results)	Billion yen	%	as of November	forecast in November	
Operating profit and loss	<i>Billion yen</i>	<i>Billion yen</i>	<i>Billion yen</i>	<i>%</i>	<i>Billion yen</i>	<i>Billion yen</i>	<i>%</i>
Transportation Operating							
Operating revenue	193.6	199.3	(5.7)	(2.9)	194.7	(1.1)	(0.6)
Operating expenses	172.5	173.5	(1.0)	(0.6)	172.8	(0.3)	(0.2)
Operating profit	21.1	25.8	(4.7)	(18.2)	21.9	(0.8)	(3.7)
Real estate							
Operating revenue	167.7	138.6	29.0	20.9	166.4	1.3	0.8
Operating expenses	144.9	115.0	29.8	25.9	144.7	0.2	0.1
Operating profit	22.8	23.5	(0.7)	(3.3)	21.7	1.1	5.1
Retail							
Operating revenue	557.7	621.2	(63.5)	(10.2)	565.6	(7.9)	(1.4)
Operating expenses	555.6	610.3	(54.7)	(9.0)	562.2	(6.6)	(1.2)
Operating profit	2.1	10.8	(8.7)	(80.7)	3.4	(1.3)	(38.2)
Leisure and Services							
Operating revenue	158.7	176.0	(17.3)	(9.9)	160.0	(1.3)	(0.8)
Operating expenses	157.3	173.8	(16.5)	(9.5)	158.4	(1.1)	(0.7)
Operating profit	1.4	2.2	(0.8)	(36.8)	1.6	(0.2)	(12.5)
Hotel							
Operating revenue	86.8	96.2	(9.4)	(9.8)	88.5	(1.7)	(1.9)
Operating expenses	88.6	95.5	(6.9)	(7.3)	90.2	(1.6)	(1.8)
Operating profit	(1.8)	0.6	(2.4)	—	(1.7)	(0.1)	—
Other							
Operating revenue	146.0	155.9	(9.9)	(6.4)	152.6	(6.6)	(4.3)
Operating expenses	143.3	153.9	(10.6)	(6.9)	149.4	(6.1)	(4.1)
Operating profit	2.7	2.0	0.6	33.8	3.2	(0.5)	(15.6)
Elimination/Headquarters							
Operating revenue	(80.7)	(83.3)	2.6	—	(81.5)	0.8	—
Operating expenses	(80.9)	(83.4)	2.5	—	(81.4)	0.5	—
Operating profit	0.2	0.0	0.1	—	(0.1)	0.3	—
Consolidated							
Operating revenue	1,229.8	1,304.2	(74.4)	(5.7)	1,246.3	(16.5)	(1.3)
Operating expenses	1,181.3	1,238.9	(57.6)	(4.7)	1,196.3	(15.0)	(1.3)
Operating profit	48.5	65.3	(16.8)	(25.7)	50.0	(1.5)	(3.0)
Non-operating profit and expenses							
Non-operating profit	15.1	10.5	4.5	43.1	14.3	0.8	5.6
Interest and dividends	2.0	1.4	0.5	42.3	1.6	0.4	25.0
Investment gains from equity	3.3	0.8	2.4	278.7	2.6	0.7	26.9
Amortization of negative goodwill	3.8	0.5	3.2	611.9	3.8	—	—
Other non-operating profit	6.0	7.7	(1.7)	(22.5)	6.3	(0.3)	(4.8)
Non-operating expenses	21.8	20.9	0.8	3.9	22.8	(1.0)	(4.4)
Interest	17.6	17.5	0.0	0.2	18.0	(0.4)	(2.2)
Other non-operating expenses	4.2	3.4	0.7	23.1	4.8	(0.6)	(12.5)
Recurring profit	41.8	54.8	(13.0)	(23.8)	41.5	0.3	0.7

Item	FY10/3 (Forecast)	FY09/3 (Actual results)	Change		Forecast as of November	Comparison with the forecast in November	
	<i>Billion yen</i>	<i>Billion yen</i>	<i>Billion yen</i>	%	<i>Billion yen</i>	<i>Billion yen</i>	%
Extraordinary gains and losses							
Extraordinary gains	16.7	18.2	(1.5)	(8.7)	12.1	4.6	38.0
Subsidies received for construction	0.6	12.9	(12.3)	(95.4)	3.6	(3.0)	(83.3)
Gain on reversal of urban railways improvement reserve	1.8	1.8	(0.0)	(0.0)	1.8	(0.0)	(0.0)
Gain on sale of fixed assets	5.5	0.9	4.5	472.8	0.4	5.1	—
Gain on sale of securities	3.5	0.3	3.1	—	3.5	—	—
Other extraordinary gains	5.2	2.1	3.0	142.8	2.7	2.5	92.4
Extraordinary losses	28.2	32.9	(4.7)	(14.4)	16.0	12.2	76.3
Reduction in subsidies received for construction	0.8	11.7	(10.9)	(93.2)	3.7	(2.9)	(78.4)
Gain on reversal of urban railways improvement reserve	2.5	2.5	(0.0)	(1.7)	2.6	(0.1)	(3.8)
Loss on sale of fixed assets	0.2	0.5	(0.3)	(64.7)	0.0	0.1	—
Loss on disposal of fixed assets	1.2	2.5	(1.3)	(53.7)	1.1	0.1	9.1
Impairment loss	1.5	6.5	(5.0)	(77.0)	0.5	1.0	200.0
Loss on valuation of securities	—	1.6	(1.6)	—	0.0	(0.0)	—
Loss on sale of securities	9.1	0.0	9.0	—	0.0	9.0	—
Loss on valuation of inventories	—	1.3	(1.3)	—	—	—	—
Other extraordinary losses	12.9	6.0	6.8	113.4	8.0	4.8	60.2
Net income before taxes and minority interests	30.3	40.2	(9.9)	(24.6)	37.6	(7.3)	(19.4)
Corporate income taxes	18.6	28.2	(9.6)	(34.1)	20.8	(2.2)	(10.6)
Minority interests	1.7	1.1	0.5	44.8	1.8	(0.1)	(5.6)
Net income	10.0	10.7	(0.7)	(7.3)	15.0	(5.0)	(33.3)

3. Summary of Non-Consolidated Financial Results

(1) Operating results

a. Financial results for the first three quarters of the fiscal year ending March 2010

	April 1, 2009 to December 31, 2009 (First three quarters) Billion yen	April 1, 2008 to December 31, 2008 (First three quarters) Billion yen	Year on year	
			Amount Billion yen	Rate (%)
Operating revenue				
Railway operations	110.3	111.1	(0.7)	(0.7)
Real estate business	89.3	80.3	9.0	11.3
Real estate sales	49.5	39.7	9.7	24.6
Real estate leasing	39.8	40.5	(0.7)	(1.7)
Total operating revenue	199.7	191.4	8.3	4.4
Operating profit				
Railway operations	17.8	21.9	(4.1)	(18.8)
Real estate business	15.4	22.0	(6.5)	(29.9)
Real estate sales	6.3	11.0	(4.7)	(43.2)
Real estate leasing	9.1	10.9	(1.8)	(16.4)
Total operating profit	33.3	44.0	(10.7)	(24.3)
Recurring profit	25.6	39.3	(13.7)	(34.9)
Net income	10.0	21.3	(11.3)	(53.0)

b. Full-year results forecast for the fiscal year ending March 31, 2010

	FY10/3 (Forecast) Billion yen	FY09/3 (Actual results) Billion yen	Year on year		Forecast as of November Billion yen	Comparison with the forecast in November	
			Amount Billion yen	Rate (%)		Amount Billion yen	Rate (%)
Operating revenue							
Railway operations	146.7	147.8	(1.1)	(0.7)	147.6	(0.9)	(0.6)
Real estate business	138.2	114.4	23.7	20.8	137.4	0.8	0.6
Real estate sales	84.9	60.0	24.9	41.5	83.6	1.3	1.6
Real estate leasing	53.3	54.4	(1.1)	(2.1)	53.8	(0.5)	(0.9)
Total operating revenue	284.9	262.2	22.6	8.6	285.0	(0.1)	(0.0)
Operating profit							
Railway operations	19.7	24.7	(5.0)	(20.5)	20.2	(0.5)	(2.5)
Real estate business	24.8	28.2	(3.4)	(12.3)	24.3	0.5	2.1
Real estate sales	14.5	15.4	(0.9)	(6.2)	14.3	0.2	1.4
Real estate leasing	10.3	12.8	(2.5)	(19.6)	10.0	0.3	3.0
Total operating profit	44.5	53.0	(8.5)	(16.1)	44.5	-	-
Recurring profit	35.2	44.8	(9.6)	(21.5)	34.8	0.4	1.1
Net income	13.0	21.5	(8.5)	(39.8)	18.0	(5.0)	(27.8)