TRANSLATION FOR
YOUR CONVENIENCE ONLY

Results in the First Half of FY2009
Presentation for Investments

November 17, 2009

Tokyu Corporation

(9005)

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

Contents

I-1. Executive Summary

Executive Summary

Main points in the results for the first half ended September 2009

● Income was originally expected to be lower than the year-ago level but was higher than the forecasts in May, thanks to cost cutting in railway operations and the aggressive promotion of the real estate sales business.

	H1 Results	Year on year	Comparison with forecasts in May
Operating revenue	¥619.6 bn	- ¥23.5 bn (- 3.7%)	- ¥4.9 bn (- 0.8%)
Operating profit	¥22.7 bn	- ¥10.0 bn (- 30.7%)	+ ¥2.2 bn (+ 11.0%)
Recurring profit	¥20.1 bn	- ¥9.1 bn (- 31.2%)	+ ¥5.0 bn (+ 33.5%)
Net income	¥7.6 bn	- ¥3.9 bn (- 34.1%)	+ ¥3.6 bn (+ 91.1%)

■Operating revenue: [Fell 3% year on year] Major factors were a decline in sales in the Retail, Advertising (Leisure and Services) and Hotels businesses due to the economic slump.

[0.8% below forecasts in May] Principally reflects a decline in sales in the Advertising and Hotels businesses, which were more susceptible to the economic slump than expected.

■Operating profit: [Fell 30% year on year] The major factors were a lower profit due to smaller sales in consumer-related businesses such as Retail and Hotels, as well as an increase in the cost of disposal of fixed assets due to the completion of extension works of the Oimachi Line in the railway operations.

[11% higher than forecasts in May] Decreases in profits in the Hotels and Leisure and Services businesses were offset by cost cutting in the railway operations and the aggressive promotion of the real estate sales business.

■Net income: [Fell 34% year on year] The amount of the fall was smaller than that of operating profit because of an improvement in investment gains from the equity method and extraordinary gains and losses.

[91% higher than forecasts in May] Increases in operating profit and investment gains from the equity method were the major factors.

Main points in full year forecast for the term ending March 2010

● We expect net income to be ¥15 billion, as we anticipate a decline in operating profit in the Hotels and Real Estate businesses on the premise of a continuation of the tough business environment.

	Full year forecast	Year on year	Comparison with forecasts in May
Operating revenue	¥1,246.3 bn	- ¥57.9 bn (- 4.4%)	- ¥42.9 bn (- 3.3%)
Operating profit	¥50.0 bn	- ¥15.3 bn (- 23.4%)	- ¥7.5 bn (- 13.0%)
Recurring profit	¥41.5 bn	- ¥13.3 bn (- 24.4%)	- ¥5.4 bn (- 11.5%)
Net income	¥15.0 bn	+ ¥4.2 bn (+ 39.1%)	- ¥5.0 bn (- 25.0%)

■Operating profit: [13% below forecasts in May] A further decline in profit is expected in the Hotels and Real Estate businesses assuming that the difficult economic conditions continue.

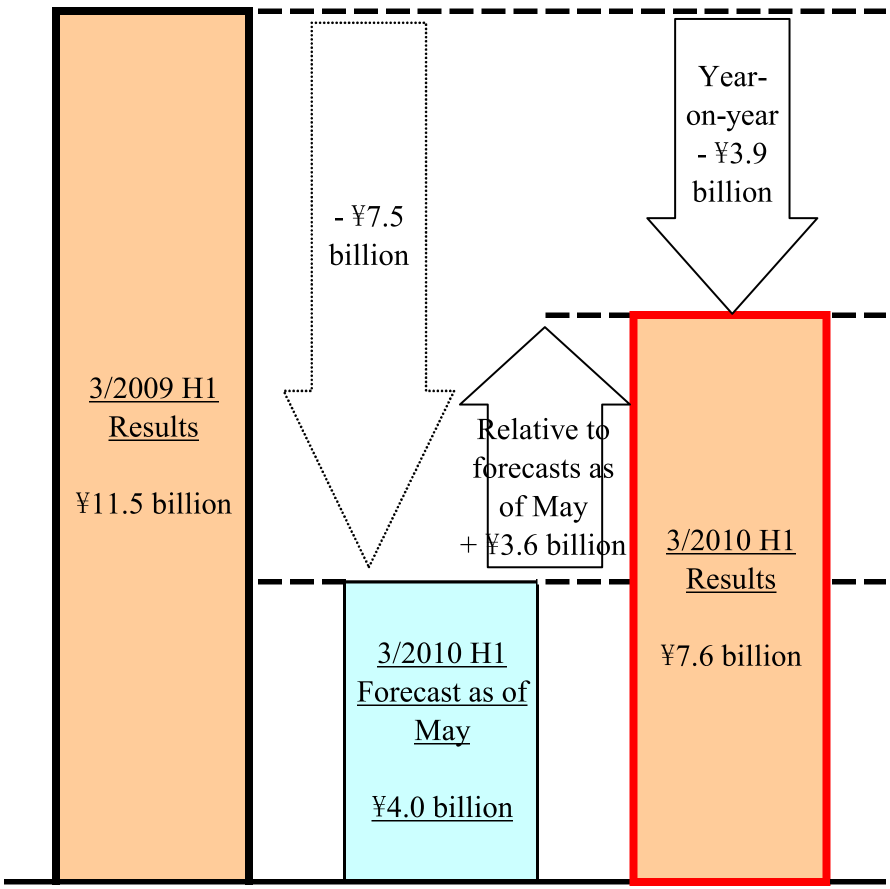
■Net income: [25% below forecasts in May] Net income is expected to fall with smaller operating profit as the major factor.

I-2. Summary of Financial Results for the First Half

FY2009_H1

Factors behind Changes in Earnings in Financial Results for the First Half

[Year-on-year] Although operating profit declined, particularly in the Retail business, the decline was smaller than expected due to an increase in non-operating profit and a fall in extraordinary losses.
[Comparison with forecasts in May] Net income increased, thanks to an increase in operating profit resulting from cost reductions in the railway operations and higher sales in the real estate sales business, as well as a rise in investment gains from equity method



Year-on-year comparison (-¥3.9 billion)

(1) Operating profit (- ¥10.0 billion)
Fell from the previous year, both because of the deterioration of consumer-related businesses such as Retail and Hotels and because of an increase in expenses resulting from the completion of extension work of the Oimachi Line.

(Retail: - ¥3.9 billion; Transportation: - ¥2.1 billion; Hotel: - ¥2.1 billion; Other: - ¥1.1 billion; Leisure and services: - ¥0.9 billion; Real estate: - ¥0.0 billion)

(2) Recurring profit (- ¥9.1 billion)
Negative goodwill increased (+¥1.5 billion), and investment gains from the equity method rose (+¥0.9 billion)

(3) Net income (- ¥3.9 billion)
The decline was reduced, reflecting smaller impairment and other extraordinary losses, compared with the previous year.

Comparison with forecasts in May (+¥3.6 billion)

(1) Operating profit (+ ¥2.2 billion)
Larger than the forecast as cost cutting in railway operations and the aggressive promotion of the real estate sales business offset further falls in profits in the Hotels and Leisure and Services segments.

(Transportation: + ¥3.5 billion; Real estate: + ¥1.4 billion; Hotel: - ¥1.4 billion; Leisure and services: - ¥0.7 billion; Retail: - ¥0.3 billion, Other: - ¥0.3 billion)

(2) Recurring profit (+ ¥5.0 billion)
Investment gains from the equity method increased (+¥2.1 billion), and interest expenses declined (+¥0.7 billion)

(3) Net income (+ ¥3.6 billion)
The amount of increase contracted slightly, net of tax effect.

FY2009_2Q

Summary of Consolidated Financial Statements (First Half)

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	643.1	619.6	- 23.5 (- 3.7%)	Retail: -24.1; Leisure and Services: -12.9; Other business: -7.4 Hotels: -5.7; Transportation: -1.1; Real Estate: +21.3	624.6	- 4.9 (- 0.8%)
Operating profit	32.8	22.7	- 10.0 (- 30.7%)	Retail: -3.9; Transportation: -2.1; Hotels: -2.1; Other business: -1.1 Leisure and Services: -0.9; Real Estate: -0.0	20.5	+ 2.2 (+ 11.0%)
Non-operating profit	6.5	7.5	+ 1.0 (+ 15.5%)	Amortization of negative goodwill: 1.9 (+1.5); [Newly consolidated CT Realty: +1.7] Investment gains from equity method : 2.1 (+0.9) Anonymous association profit: 0.1 (-0.7)	5.8	+ 1.7 (+ 30.1%)
Non-operating expenses	10.0	10.1	+ 0.1 (+ 1.0%)	Interest paid: 8.6 (-0.0)	11.2	- 1.0 (- 9.4%)
Recurring profit	29.3	20.1	- 9.1 (- 31.2%)		15.1	+ 5.0 (+ 33.5%)
Extraordinary gains	6.1	3.6	- 2.4 (- 40.4%)	Gain on subsidies for construction: 0.2 (-2.7); Gain on sale of assets: 0.1 (-0.5) Tokyu bus compensation income : 1.5 (+1.5)	3.3	+ 0.3 (+ 10.8%)
Extraordinary losses	10.9	4.3	- 6.5 (- 60.4%)	Reduction in subsidies: 0.2 (-2.7); Loss on valuation of inventories: 0.0 (-1.2) Loss on disposal of fixed assets: 0.3 (-1.0); Impairment loss: 0.4 (-0.7)	4.9	- 5.0 (- 11.6%)
Net income	11.5	7.6	- 3.9 (- 34.1%)		4.0	+ 3.6 (+ 91.1%)
Depreciation	31.6	33.5	+ 1.8 (+ 5.9%)	Real Estate: +0.8; Transportation: +0.4; Leisure and Service: +0.4	33.6	- 0.1 (- 0.5%)
Disposal cost of fixed assets	3.8	7.7	+ 3.9 (+ 101.3%)	Transportation: +3.3; Retale: +0.3; Real Estate: +0.2	9.0	- 1.2 (- 13.9%)
Amortization of goodwill	3.1	3.4	+ 0.3 (+ 9.8%)		3.5	-0.0 (- 1.9%)
Tokyu EBITDA	71.4	67.4	- 3.9 (- 5.6%)	Retale: -3.2; Hotels: -2.0; Other business: -1.1; Transportation: +1.5	66.7	+ 0.7 (+ 1.2%)
Equity at end of period	—	371.4	—	[end of FY2008] 371.2 (+0.2)	—	—
Interest-bearing debt at end of period	—	1,082.7	—	[end of FY2008] 1,072.4 (+10.3)	—	—
Equity ratio (%)	—	18.6%	—	[end of FY2008] 18.5% (+0.1P)	—	—
D/E ratio (times)	—	2.9	—	[end of FY2008] 2.9 (±0.0P)	—	—

* Tokyu EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets

FY2009_2Q

Consolidated Operating Revenue and Profit by segment (First Half)

[Year-on-year] Operating revenue declined, especially in Retail, as the economic slump outweighed higher sales in the real estate sales business. Operating profit fell, partly because of an increase in expenses associated with the completion of large-scale railway work, in addition to the factors for the decline in revenue in Retail and other operations.

[Comparison with forecasts in May] Operating profit increased ¥2.2 billion, due to cost cutting in railway operations and the aggressive promotion of the real estate sales business.

(Billion yen)

		3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Total operating revenue		643.1	619.6	- 23.5 (- 3.7%)		624.6	- 4.9 (- 0.8%)
Total operating profit		32.8	22.7	- 10.0 (- 30.7%)		20.5	+ 2.2 (+ 11.0%)
Transportation	Operating revenue	100.0	98.8	- 1.1 (- 1.2%)	Tokyu Corp. railway operations: -0.2; Tokyu Bus: -0.4 Izukyu: -0.1	99.8	- 0.9 (- 0.9%)
	Operating profit	14.6	12.4	- 2.1 (- 15.0%)	Tokyu Corp. railway operations: -2.4; Tokyu Bus: -0.0 Izukyu: -0.1	8.9	+ 3.5 (+ 39.9%)
Real Estate	Operating revenue	56.9	78.2	+ 21.3 (+ 37.5%)	Tokyu Corp. sales: +19.4; Tokyu Corp. leasing: +0.2 CT Realty: +2.6	72.4	+ 5.8 (+ 8.1%)
	Operating profit	8.5	8.4	- 0.0 (- 1.0%)	Tokyu Corp. sales: +1.6; Tokyu Corp. leasing: -1.6 CT Realty: +1.0; Izukyu Land Corp.: -0.9	7.0	+ 1.4 (+ 20.9%)
Retail	Operating revenue	310.5	286.4	- 24.1 (- 7.8%)	Tokyu Department Store: -17.2; Tokyu Store Chain: -7.1 Shopping center operations: -0.3	285.6	+ 0.8 (+ 0.3%)
	Operating profit	6.1	2.2	- 3.9 (- 63.8%)	Tokyu Department Store: -1.7; Tokyu Store Chain: -1.5 Shopping center operations: -0.1; Amotization of goodwill: -0.2	2.6	- 0.3 (- 14.7%)
Leisure and Services	Operating revenue	92.4	79.4	- 12.9 (- 14.1%)	Tokyu Agency: -10.1; its communications: +0.3 Rental cars: -1.3; Golf courses: -0.4	87.8	- 8.3 (- 9.5%)
	Operating profit	1.5	0.6	- 0.9 (- 59.4%)	Tokyu Agency: -0.6; its communications: +0.3	1.4	- 0.7 (- 55.3%)
Hotels	Operating revenue	49.3	43.5	- 5.7 (- 11.7%)	Tokyu Hotels, etc.: -4.1; Hawaii Mauna Lani: -1.1	48.1	- 4.5 (- 9.5%)
	Operating profit	0.9	- 1.1	- 2.1 (-)	Tokyu Hotels, etc.: -1.7; Hawaii Mauna Lani: -0.2	0.3	- 1.4 (-)
Other	Operating revenue	78.6	71.2	- 7.4 (- 9.5%)	Tokyu Car Corp.: +1.0; Tokyu Geox: -4.8 Tokyu Techno System: -1.7	76.1	- 4.8 (- 6.4%)
	Operating profit	1.1	-0.0	- 1.1 (-)	Tokyu Car Corp.: -0.6; Tokyu Techno System: -0.1 Tokyu Architects & Engineers: -0.1	0.3	- 0.3 (-)
Elimination, etc.	Operating revenue	- 44.7	- 38.1	+ 6.6		- 45.2	+ 7.0
	Operating profit	- 0.1	0.1	+ 0.3		0.0	+ 0.1

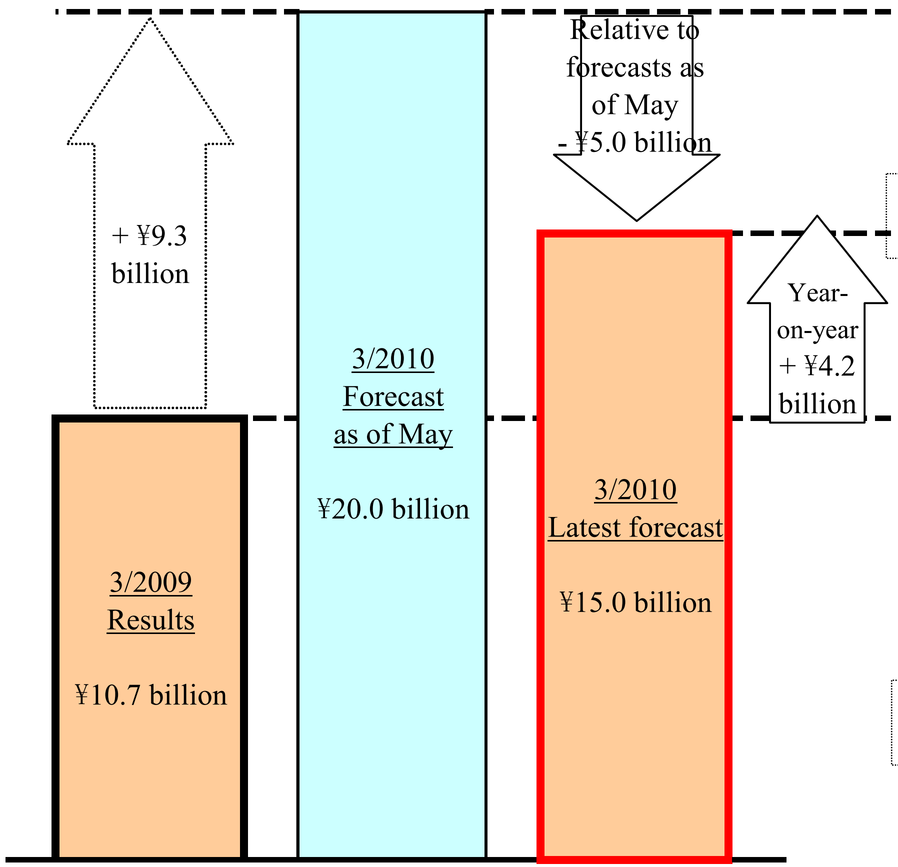
I-3. Summary of the Full-Year Results Forecast

FY2009

Factors Behind Changes in Earnings in the Full-Year Forecast

[Year-on-year] Although operating profit is expected to fall in the Retail business and others, net income is forecast to reach ¥15 billion due to a decline in extraordinary losses, among other factors.

[Comparison with forecasts in May] A further decline in profit is anticipated, particularly in the Hotels, Real Estate and Retail segments, assuming that the difficult economic conditions continue.



Year-on-year comparison (+¥4.2 billion)

(1) Operating profit (- ¥15.3 billion)
Expected to fall more steeply from the previous year than anticipated in the plan, as we foresee an increase in expenses in the railway operations as initially planned and a further deterioration in consumer-related businesses such as Retail and Hotels.

(Retail: - ¥7.4 billion; Transportation: - ¥3.9 billion; Hotel: - ¥2.3 billion; Real estate: - ¥1.8 billion; Leisure and services: - ¥0.6 billion; Other: + ¥1.1 billion)

(2) Recurring profit (- ¥13.3 billion)
Factors include an increase in negative goodwill (+¥3.2 billion), a rise in investment gains from Equity method (+¥1.7 billion), a fall in dividends from anonymous associations (-¥1.8 billion), and an increase in interest expenses (-¥0.4 billion)

(3) Net income (+ ¥4.2 billion)
Net income should increase, as extraordinary losses such as the heavy impairment loss in the previous year should decline.

Comparison with forecasts in May (-¥5.0 billion)

(1) Operating profit (- ¥7.5 billion)
Likely to fall below forecast as we factor in further decreases in profit in the Hotels and Real Estate businesses, assuming the economy remains challenging.

(Hotel: - ¥2.3 billion; Real estate: - ¥2.0 billion; Retail: - ¥1.8 billion; Leisure and services: - ¥1.0 billion; Other: - ¥0.5 billion; Transportation: + ¥0.2 billion)

(2) Recurring profit (- ¥5.4 billion)
Factors include a fall in interest expenses (+¥1.0 billion) and an increase in investment gains From the equity method (+¥0.7 billion)

(3) Net income (- ¥5.0 billion)
The amount of decline should be almost in step with recurring profit.

FY2009

Summary of Consolidated Financial Statements (plan)

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	1,304.2	1,246.3	- 57.9 (- 4.4%)	Retail: -55.6; Leisure and Services: -16.0; Hotels: -7.7 Transportation: -4.6; Other businesses: -3.3; Real Estate: +27.7	1,289.2	- 42.9 (- 3.3%)
Operating profit	65.3	50.0	- 15.3 (- 23.4%)	Retail: -7.4; Transportation: -3.9; Hotels: -2.3; Real Estate: -1.8; Leisure and Services: -0.6; Other businesses: +1.1	57.5	- 7.5 (- 13.0%)
Non-operating profit	10.5	14.3	+ 3.7 (+ 35.5%)	Amortization of negative goodwill: 3.8 (+3.2); [Newly consolidated CT Realty: +3.4] Investment gains from equity method : 2.6 (+1.7); Anonymous association profit: 0.2 (-1.8)	12.7	+ 1.6 (+ 12.6%)
Non-operating expenses	20.9	22.8	+ 1.8 (+ 8.7%)	Interest paid: 18.0 (+0.4)	23.3	- 0.5 (- 2.1%)
Recurring profit	54.8	41.5	- 13.3 (- 24.4%)		46.9	- 5.4 (- 11.5%)
Extraordinary gains	18.2	12.1	- 6.1 (- 33.8%)	Gain on subsidies for construction: 3.6 (-9.3); Gain on sale of assets: 0.4 (-0.5) Gain on sale of investment securities: 3.5 (+3.1)	6.4	+ 5.7 (+ 89.1%)
Extraordinary losses	32.9	16.0	- 16.9 (- 51.5%)	Reduction in subsidies: 3.7 (-8.0); Impairment loss: 0.5 (-6.0) Loss on valuation of securities: 0.0 (-1.5); Loss on disposal of fixed assets: 1.1 (-1.4)	11.8	+ 4.2 (+ 35.6%)
Net income	10.7	15.0	+ 4.2 (+ 39.1%)		20.0	- 5.0 (- 25.0%)
Depreciation	66.7	69.7	+ 2.9 (+ 4.4%)	Real Estate: +1.3; Transportation: +1.2; Retale: +0.3; Hotels: +0.2 Leisure and Service: -0.5	69.7	+ 0.0 (+ 0.0%)
Disposal cost of fixed assets	9.3	12.6	+ 3.2 (+ 35.2%)	Transportation: +2.8; Real Estate: +0.0; Retale: +0.2	12.8	- 0.2 (- 1.6%)
Amortization of goodwill	6.8	6.6	- 0.2 (- 3.2%)		6.8	- 0.2 (- 2.9%)
Tokyu EBITDA	148.2	138.9	- 9.3 (- 6.3%)	Retale: -6.7; Hotels: -2.1; Leisure and Service: -0.9; Other business: +1.3	146.8	- 7.9 (- 5.4%)
EPS (yen) Earnings per share	8.65	11.96	+ 3.31		15.87	- 3.91
ROE (%) Return of equity	3.0%	4.0%	+ 1.0P		5.3%	- 1.3P
Asset efficiency (%) (Tokyu EBITDA/total assets)	7.5%	6.9%	- 0.6P		7.2%	- 0.3P
Equity at end of period	371.2	375.0	+ 3.7 (+ 1.0%)		383.5	- 8.5 (- 2.2%)
Interest-bearing debt at end of period	1,072.4	1,097.4	+ 24.9 (+ 2.3%)		1,110.0	- 12.6 (- 1.1%)
Equity ratio (%)	18.5%	18.6%	+ 0.1P		18.8%	- 0.2P
D/E ratio (times)	2.9	2.9	+ 0.0		2.9	+ 0.0

* Tokyu EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets

FY2009

Consolidated Operating Profit (Plan) by Segment

[Year-on-year] Operating revenue is expected to decline in each business, especially in Retail, although operating revenue should increase in the real estate sales business.

For operating profit, the rise in expenses in the railway operations should be in line with initial expectations, and the decline in profit is forecast to expand, especially in Retail.

[Comparison with forecasts in May] Operating profit is forecast to fall ¥7.5 billion, as profit is expected to decline in each business, including Hotels and Real Estate, assuming the difficult economic conditions continue.

(Billion yen)

		3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Total operating revenue		1,304.2	1,246.3	- 57.9 (- 4.4%)		1,289.2	- 42.9 (- 3.3%)
Total operating profit		65.3	50.0	- 15.3 (- 23.4%)		57.5	- 7.5 (- 13.0%)
Transportation	Operating revenue	199.3	194.7	- 4.6 (- 2.3%)	Tokyu Corp. railway operations: -0.1; Tokyu Bus: -0.7 Transfer of local bus operations: -3.7	196.1	- 1.4 (- 0.7%)
	Operating profit	25.8	21.9	- 3.9 (- 15.1%)	Tokyu Corp. railway operations: -4.5; Tokyu Bus: -0.2 Transfer of local bus operations: +0.4; Amotization of goodwill: +0.4	21.7	+ 2.0 (+ 0.9%)
Real Estate	Operating revenue	138.6	166.4	+ 27.7 (+ 20.0%)	Tokyu Corp. sales: +23.5; Tokyu Corp. leasing: -0.2 CT Realty: +4.7; Western Australia real estate sales: +0.5	170.4	- 4.0 (- 2.3%)
	Operating profit	23.5	21.7	- 1.8 (- 8.0%)	Tokyu Corp. sales: -1.1; Tokyu Corp. leasing: -2.4 CT Realty: +1.4; Western Australia real estate sales: +0.5	23.7	- 2.0 (- 8.4%)
Retail	Operating revenue	621.2	565.6	- 55.6 (- 9.0%)	Tokyu Department Store: -28.2; Tokyu Store Chain: -28.2 Shopping center operations: +0.3	573.9	- 8.3 (- 1.4%)
	Operating profit	10.8	3.4	- 7.4 (- 68.8%)	Tokyu Department Store: -2.9; Tokyu Store Chain: -3.5 Shopping center operations: -0.7; Amotization of goodwill: -0.0	5.2	- 1.8 (- 34.6%)
Leisure and Services	Operating revenue	176.0	160.0	- 16.0 (- 9.1%)	Tokyu Agency: -13.3; its communications: +0.6 Other advertising business: -0.7; Tokyu Bunkamura: -0.5 Golf courses: -0.5	175.7	- 15.7 (- 8.9%)
	Operating profit	2.2	1.6	- 0.6 (- 27.8%)	Tokyu Agency: -0.1; its communications: -0.1	2.6	- 1.0 (- 38.5%)
Hotels	Operating revenue	96.2	88.5	- 7.7 (- 8.0%)	Tokyu Hotels, etc.: -5.4; Hawaii Mauna Lani: -1.5	96.9	- 8.4 (- 8.7%)
	Operating profit	0.6	- 1.7	- 2.3 (-)	Tokyu Hotels, etc.: -2.0; Hawaii Mauna Lani: -0.2	0.6	- 2.3 (-)
Other	Operating revenue	155.9	152.6	- 3.3 (- 2.2%)	Tokyu Car Corp.: +4.2; Tokyu Geox: -4.4 Tokyu Architects & Engineers: -0.8; Tokyu Techno System: -0.5	162.7	- 10.1 (- 6.2%)
	Operating profit	2.0	3.2	+ 1.1 (+ 58.5%)	Tokyu Car Corp.: +0.5; Tokyu Geox: +0.3 Tokyu Railway Service: +0.1	3.7	- 0.5 (- 13.5%)
Elimination, etc.	Operating revenue	- 83.3	- 81.5	+ 1.8		- 86.5	+ 5.0
	Operating profit	0.0	- 0.1	- 0.1		0.0	- 0.1

I-4. Pursuit of Priority Initiatives

From the May document

Position of Term Ending March 2010

Position

We will accelerate structural reform in operations and establish a base for sustainable growth.

Basic stance

Distinction and clarification

Distinction and clarification	**Action to continue**	Four largest development projects (redevelopment of Tama Plaza, Futako-tamagawa, Nagatacho, and Shibuya) Large-scale railway improvement work (Improvement of the stretch between Shibuya and Yokohama, investment for safety, among others)
	Action to respond to changes	We will substantially review the business strategies for the businesses and initiatives with altered profit outlooks given changes in external circumstances (companies in the Retail, Hotels, and Leisure and Services segments).

From the May document

Continuing and Accelerating Prioritized Initiatives

We will develop a revenue base that will allow us to endure difficult business circumstances with the consolidated subsidiaries, and will ensure future growth.

	Key challenges in the current medium-term management plan	Accelerating action
(1)	Changing the structure of the Real Estate business	Using funds generated by the real estate sales business, we will accelerate the shift to the real-estate leasing business, which is more stable, and the building of a system that enables us to focus our management resources on our strengths.
(2)	Using assets most efficiently through asset portfolio management	We will drastically review underperforming operations and stores and will accelerate strategies for taking advantage of the competitive edge we enjoy from good locations like Shibuya and areas served by railways.
(3)	Constantly pursuing an optimized Group business portfolio	We will set out a Group Companies Business Unit and will review our business strategies and raison d'être to bolster consolidated management and carry out structural reform.

Undertaking Key Challenges in the First Half

(1)

Changing the structure of the Real Estate business

We have been active in generating funds in the real estate sales business and reducing costs since the first half and we are steadily proceeding with development projects (Tama-plaza, Futakotamagawa, Nagatacho, Shibuya) and large-scale improvement works and safety investments in railways as planned.

(2)

Using assets most efficiently through asset portfolio management

We are promoting a shift and consolidation into premises that can benefit from the competitive edge they enjoy with their good location, while accelerating strategies to review underperforming premises in the chain store and Hotels operations, where business potential is declining.

(3)

Constantly pursuing an optimized business portfolio for the Group

To enable each business and company to achieve continued development and growth in their respective industries, we will redistribute resources, such as transferring funds raised and human resources to key operations. This will be based on the judgment of whether it is more effective to utilize the regional base and expertise in management improvements outside the Group or whether it is possible to determine that they could be more efficiently used within the Group. (Cases in the current fiscal year) Transfer of shares in Sapporo Tokyu Store Chain Co., Ltd. and local bus companies.

Promotion of Structural Reform (1) Retail Business

We are proceeding with structural reforms by theme, dispensing with adverse legacies and past practices in this challenging environment.

	Structural reform theme	Items implemented
(1)	**Structural reform in sales floors**	-Reviewing underperforming sales floors (department store and chain store) - Reviewing sales promotion methods (department store and chain store) - Transferring the management of commercial facilities (from Tokyu Corporation to Tokyu Malls Development)
(2)	**Structural reform in merchandise**	-Comprehensively managing operating profit by item number and identifying underperforming categories (department store and chain store) - Refining the merchandise selection; identifying and disposing of dead stock; realigning the price policy (chain store)
(3)	**Promotion of consolidated management** (Bolstering Group governance)	- Transferring shares in Sapporo Tokyu Store (chain store) - Withdrawing from the catalogue mail order business (department store) - Dispatching officers (department store and chain store)

(Future initiatives)
- Continue to change the business structure in response to changes in the consumption structure
- Review the system for the management of shopping center operations
- Continue to review underperforming sales floors and stores

Promotion of Structural Reform (2) Hotel Business

We will accelerate consideration of reforms to our cost structure and the repositioning of businesses, based on the assumption that the operating environment will remain difficult for the foreseeable future.

	Structural reform theme	Items implemented
(1)	**Elimination of underperforming stores**	- Decided to close three premises of Tokyu Inn (Iwaki, Wakayama, Kitami) - Will determine our future policy including closure and sale for other premises with deteriorating profitability, while simultaneously proceeding with cost cutting
(2)	**Streamlining of surviving stores**	- Reform of the earnings structure (lowering breakeven sales) through the reduction of premise costs (review of the business scope and outsourcing unit prices and self-manufacturing) and a review of the headquarters function, etc.
(3)	**Reconstruction of business strategies**	- Reorganize and articulate the business concept including the reconstruction of brand and the bolstering of the product power, etc.

I-5. Initiatives for the Future

Positioning of the Second Half

■ **Current management plan (announced in March 2008)**

Significant changes have taken place in the operating environment

- A major review is necessary for multiple businesses due to a rapid decline in economic conditions.
- Meanwhile, for key businesses going forward such as the real estate leasing business, there is a growing need to set strategies more clearly for a further redistribution of management resources and growth investments, in addition to the promotion and completion of existing large-scale development projects.

For the above reasons, a revision of the management plan including numerical plans is required.

■ **Adopting a new management plan (over the subsequent few years from the fiscal 2010)**

- We are at present advancing preparations for the revision and renewal of the current management plan, which will terminate in the current fiscal year.

Positioning of the second half

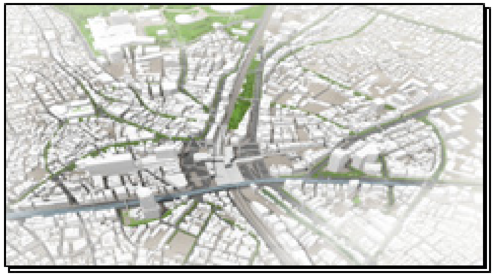
(1) Pursuing structural reforms in businesses with weaker performance

(2) Reconstructing the business model in anticipation of a new era, including changes in the social and management environments (= Revision and renewal of the management plan)

Reconstruction of the Business Model

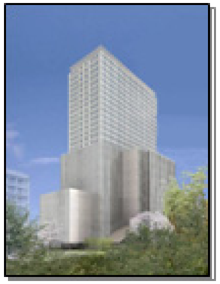
(1) A future vision for the development of Shibuya

Identifying the overall direction of the development of Shibuya, where the Company has its largest business facility, and revealing strategic initiatives in this area and the potential for business growth



(2) A future vision for the real estate leasing business

Identifying the future scale of the leasing business, which we position as a growth business, and revealing policies for the use of internal funds from the real estate sales business and operating assets, as well as initiatives for business growth

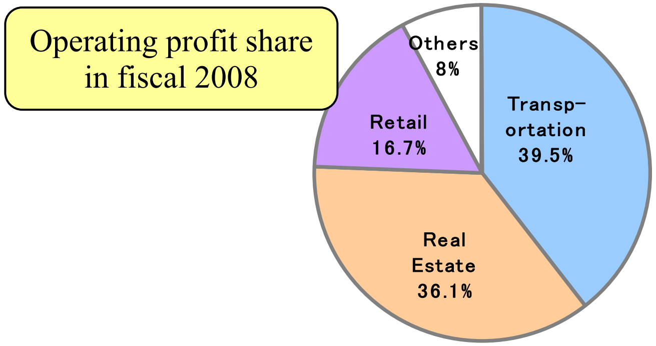


(3) A future vision for railway operations

Identifying a vision for the railway operations after the mutual direct link of the Toyoko Line and revealing its overall direction as a business, including policies for capital investment, such as safety investment, cash flow movements and relevance to future community development in areas served by Tokyu's railway lines

(4) A future vision for a consolidated operating structure

Identifying a future direction for our operations based on the current business architecture, including the scale of businesses other than Transportation and Real Estate, and revealing a direction for the consolidated businesses of the Company and the approach that will be needed



Business Perspectives in the New Era

Changes in social and management environments

- **Increased efforts to reduce the environmental footprint**
- **Increased response to social trends, such as aging**
- **A possible shift from growth to a recycling society**

(1) Quality, eco-friendly housing
(From new houses to used houses, renovation and rental houses)
(2) Facility and community development with consideration given to aging, etc.
(3) Review of eco-friendly railways and buses, etc.

Creating new businesses and innovations with fresh ideas, while harnessing the framework and expertise in existing businesses, with an awareness of population trends in areas served by Tokyu's railway lines

Keywords

- Circulation and long-term use of real estate
- Human-friendly community development
- Response to the aging society
- Review of railway and bus functions

Relationship with the Company's businesses

In unison

[Key challenge]
Structural change from the real estate sales business to the real estate leasing business
[Basic strategy]
Business operations preempting qualitative and quantitative changes in population
[Individual businesses]
- Bolstering the rental housing and consulting functions and housing recycling expertise
- Community development expertise combined with transportation systems and facilities
- Emphasizing safety and barrier-free access and moving into the senior housing segment
- Responding with precision to growing demand, taking into account the increasing population in areas served by Tokyu's railway lines

II. Reference for Financial Results for the First Half of the Term Ending March 2010

FY2009_2Q

Segment Information (1) Transportation

[Compared with 3/2009 H1] Operating revenue fell 1.2% year on year, to ¥98.8 billion. Operating profit declined 15.0% year on year, to ¥12.4 billion. Operating profit decreased for the Company's railway operations, owing to a higher cost of disposal of fixed assets and an increase in depreciation resulting from completion of the construction work to extend the Oimachi line.

[Compared with May forecasts] Consolidated operating income totaled ¥3.5 billion higher, due to lower expenses for the Company's railway operations.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	100.0	98.8	- 1.1 (- 1.2%)	Passenger carried: +0.2% (Commuter: +0.3%; Non-commuter: -0.1%) ┌Revenue from fares: +0.0% (Commuter: +0.1%; Non-commuter: -0.1%)	99.8	- 0.9 (- 0.9%)
Railway operations of the Company	74.2	73.9	- 0.2 (- 0.4%)	Revenue from fares: 65.2 (+0.0); Advertising Revenue: +3.0 (-0.6)	73.9	+ 0.0 (+ 0.0%)
Tokyu Bus	14.0	13.5	- 0.4 (- 3.2%)	Passenger carried: -3.2% Revenue from fares: -3.4%	13.9	- 0.4 (- 3.0%)
Others	11.8	11.3	- 0.4 (- 3.8%)	Izukyu: -0.1	11.8	- 0.5 (- 4.2%)
Operating profit	14.6	12.4	- 2.1 (- 15.0%)		8.9	+ 3.5 (+ 39.9%)
Railway operations of the Company	13.6	11.1	- 2.4 (- 18.0%)	[Expenses] Disposal cost of fixed assets: 6.5 (+3.1); Depreciation: 16.4 (+0.8) Outsourcing fees: 3.5 (-0.5); Clothing costs: 0.0 (-0.7)	7.9	+ 3.2 (+ 40.5%)
Tokyu Bus	0.7	0.7	-0.0 (- 0.1%)	[Expenses] Fuel costs: 0.6 (-0.4)	0.6	+ 0.0 (+ 4.6%)
Others	0.6	0.8	+ 0.2 (+ 30.1%)	Izukyu: -0.1	0.5	+ 0.3 (+ 57.8%)
Amortization of goodwill	- 0.3	- 0.2	+ 0.0		- 0.2	+ 0.0
Depreciation	18.2	18.6	+ 0.4 (+ 2.6%)		19.1	- 0.4 (- 2.2%)
Disposal cost of fixed assets	3.3	6.6	+ 3.3 (+ 98.5%)		8.2	- 1.5 (- 19.0%)
Tokyu EBITDA	36.5	38.0	+ 1.5 (+ 4.2%)		36.5	+ 1.5 (+ 4.3%)
Capital expenditures	39.0	28.0	- 11.0 (- 28.2%)		—	—

(Non-Consolidated) Railway Operations Passenger Revenue and Number of Passengers Carried

[H1 results] Passenger revenue was on a par with the level for the first half of the previous fiscal year, in spite of a sustained increase in the number of passengers carried. The number of non-commuter passengers carried decreased 0.1% year on year, effected by the business slump and influenza.

[Full-year forecasts] Passenger revenue is anticipated to fall 0.2 percentage points from the initial forecast, and rise 0.4% year on year, reflecting the effects of influenza that are likely to continue into the second half.

H1 of the term ending March 2010: Passenger revenue and the number of passengers carried

(Million yen, million people)

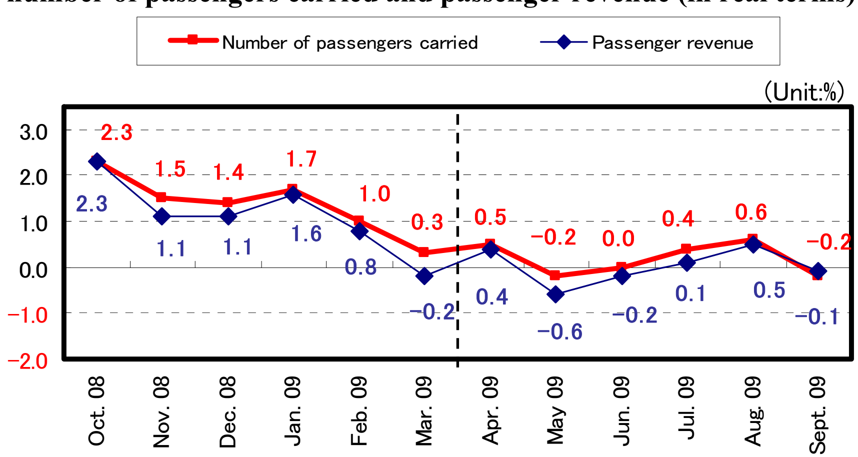
		3/2009 1st Half	3/2010 1st Half	Change
Passenger revenue	Total	65,228	65,238	0.0%
	Commuter	29,070	29,110	0.1%
	Non-commuter	36,158	36,128	-0.1%
Number of passengers carried	Total	541	542	0.2%
	Commuter	320	321	0.3%
	Non-commuter	221	221	-0.1%

Term ending March 2010: Planned passenger revenue and the number of passengers to be carried

(Million yen, million people)

		3/2009 Result	3/2010 Forecast	Change
Passenger revenue	Total	129,166	129,458	0.2%
	Commuter	57,089	57,215	0.2%
	Non-commuter	72,077	72,243	0.2%
Number of passengers carried	Total	1,065	1,069	0.4%
	Commuter	624	626	0.4%
	Non-commuter	441	443	0.4%

H1 of the term ending March 2010: Year-on-year changes in the number of passengers carried and passenger revenue (in real terms)



* Year-on-year changes stated for the previous term are figures in "real terms," in which a correction is made for special factors that resulted from events including the introduction of PASMO two fiscal years ago.

FY2009_2Q

Segment Information (2) Real Estate

[Compared with 3/2009 H1] Operating revenue rose 37.5%, to ¥78.2 billion. Operating profit fell 1.0%, to ¥8.4 billion. Both operating revenue and operating profit rose for the Company's real estate sales operations, the result of increased sales of detached houses, but results stayed almost at the level achieved in the first half of the previous fiscal year, due to increased development expenses for the Company's real estate leasing operations.

[Compared with May forecasts] Operating income was ¥1.4 billion higher, thanks to steady land sales to individual and corporate customers achieved in the Company's real estate sales operations.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	56.9	78.2	+ 21.3 (+ 37.5%)		72.4	+ 5.8 (+ 8.1%)
Real estate sales of the Company	18.0	37.5	+ 19.4 (+ 107.6%)	[Sales] Company-owned land: 18.6 (+8.3); Funds turnover-type: 18.2 (+10.9)	30.4	+ 7.0 (+ 23.2%)
Real estate leasing of the Company	17.9	18.2	+ 0.2 (+ 1.3%)		18.9	- 0.7 (- 3.9%)
Others	20.8	22.5	+ 1.6 (+ 7.9%)	CT Realty: +2.6	23.0	- 0.5 (- 2.1%)
Operating profit	8.5	8.4	-0.0 (- 0.1%)		7.0	+ 1.4 (+ 20.9%)
Real estate sales of the Company	3.3	4.9	+ 1.6 (+ 48.6%)	[Sales margin] Company-owned land: 8.1 (+1.9); Funds turnover-type: +1.8 (+0.5)	2.3	+ 2.6 (+ 110.5%)
Real estate leasing of the Company	4.9	3.2	- 1.6 (- 33.6%)	[Expenses] Expenses related to development project in Shibuya: +0.6	3.9	- 0.6 (- 17.6%)
Others	0.3	0.3	- 0.1 (- 19.1%)	CT Realty: +1.0; Izukyu Land Corp.: -0.9	0.7	- 0.4 (- 63.7%)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	3.1	3.9	+ 0.8 (+ 26.1%)		3.6	+ 0.2 (+ 7.2%)
Disposal cost of fixed assets	0.3	0.6	+ 0.2 (+ 64.3%)		0.7	-0.0 (- 12.9%)
Tokyu EBITDA	12.0	13.0	+ 0.9 (+ 8.1%)		11.3	+ 1.6 (+ 14.4%)
Capital expenditures	26.4	17.3	- 9.1 (- 34.5%)		—	—

FY2009_2Q

Segment Information (3) Retail

[Compared with 3/2009 H1] Operating revenue fell 7.8%, to ¥286.4 billion. Operating profit dropped 63.8%, to ¥2.2 billion. Both department store and chain store operations posted substantial declines in revenue and profit under the sustained and significant effects of a consumption slump for apparel and other products.

[Compared with May forecasts] Consolidated operating profit totaled ¥0.3 billion lower, in spite of efforts to maintain operating revenue and reduce expenses at the same time.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	310.5	286.4	- 24.1 (- 7.8%)		285.6	+ 0.8 (+ 0.3%)
Tokyu Department Store	136.6	119.4	- 17.2 (- 12.6%)	Rate of change in revenue: -13.0%	118.3	+ 1.1 (+ 1.0%)
Tokyu Store Chain	152.6	145.5	- 7.1 (- 4.7%)	Rate of change in revenue: All stores: -4.0%; Existing stores: -3.1%	145.5	-0.0 (-0.0%)
Shopping center operations	11.4	11.1	- 0.3 (- 2.9%)		11.4	- 0.2 (- 2.6%)
Others	9.7	10.3	+ 0.6 (+ 5.8%)		10.3	+ 0.0 (- 0.1%)
Operating profit	6.1	2.2	- 3.9 (- 63.8%)		2.6	- 0.3 (- 14.7%)
Tokyu Department Store	2.9	1.1	- 1.7 (- 59.6%)		1.1	+ 0.0 (+ 2.6%)
Tokyu Store Chain	2.7	1.1	- 1.5 (- 56.8%)		2.0	- 0.8 (- 40.4%)
Shopping center operations	2.7	2.6	- 0.1 (- 4.2%)		2.3	+ 0.2 (+ 9.4%)
Others	0.5	0.2	- 0.2 (- 50.5%)		0.1	+ 0.1 (+ 77.7%)
Amortization of goodwill	- 2.7	- 3.0	- 0.2		- 3.0	+ 0.0

Depreciation	5.7	5.8	+ 0.1 (+ 2.0%)		5.8	+ 0.0 (+ 0.3%)
Disposal cost of fixed assets	0.0	0.4	+ 0.3 (+ 347.4%)		0.0	+ 0.4 (+ 2,136.8%)
Tokyu EBITDA	14.7	11.5	- 3.2 (- 21.9%)		11.5	-0.0 (- 0.2%)
Capital expenditures	9.1	7.0	- 2.0 (- 22.4%)		—	—

FY2009_2Q

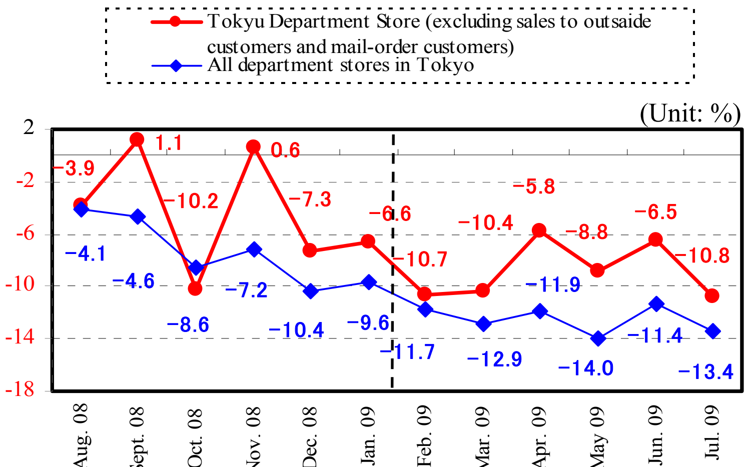
Situation of Retail Segment

Both department stores and chain stores continued to struggle with sales of apparel and other products, largely as they had done in the previous fiscal year.

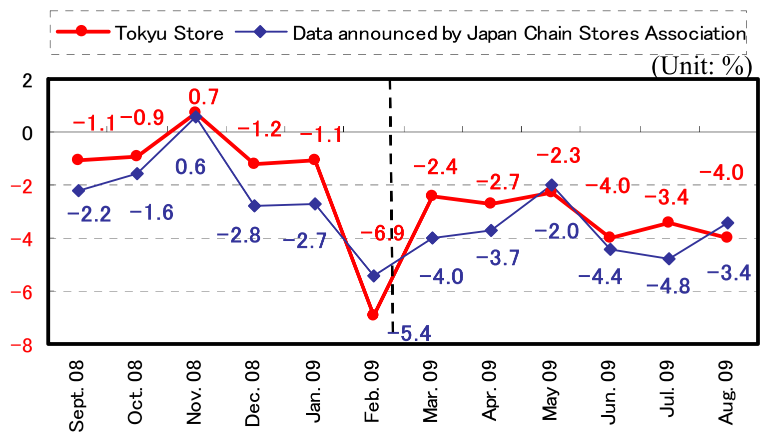
Chain stores recorded lower sales, as their efforts to stimulate demand with product price cuts failed to achieve customer growth large enough to cover the fall in unit prices.

Rate of change in sales at Tokyu Department Stores

(Total for stores in each category, excluding sales to outside customers and mail-order customers)



Rate of change in comp-store sales at Tokyu Stores



Sales by category at Tokyu Department Stores

(Total for stores in each category, excluding sales to outside customers and mail-order customers)

(Unit: %)

	Tokyu Department Store		Departments in the Tokyo region	
	Rate of year-on-year change	Share	Rate of year-on-year change	Share
Menswear/furnishings	- 15.9	4.1%	- 18.9	7.6%
Womenswear/furnishings	- 13.3	19.9%	- 16.5	21.6%
Other clothing items	- 9.2	5.2%	- 14.5	4.7%
Personal items	- 15.6	7.5%	- 13.2	13.7%
Miscellaneous goods	- 12.4	12.0%	- 16.8	15.6%
Household articles	- 14.3	4.1%	- 17.9	5.6%
Food	- 3.2	42.5%	- 6.8	24.4%
Others	- 4.3	4.6%	10.3	6.9%
Total	- 8.9	100.0%	- 12.6	100.0%

Sales at Tokyu Stores (open for a year or more) by store type

(Unit: %)

	Rate of year-on-year change	Share
GMS	- 4.9	37.2%
Supermarket	- 2.1	58.9%
Precce	- 0.4	4.0%
Entire Company	- 3.1	100.0%

Segment Information (4) Leisure and Services

[Compared with 3/2009 H1] Operating revenue fell 14.1%, to ¥79.4 billion. Operating profit plunged 59.4%, to ¥0.6 billion. Consolidated operating profit decreased on factors such as an across-the-board fall in advertising revenue and declines in rent-a-car and golf course operation revenues associated with weak personal consumption.

[Compared with May forecasts] Operating profit totaled ¥0.7 billion lower than forecast, as efforts to reduce expenses were outweighed by a decline in advertising revenue, which exceeded expectations.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	92.4	79.4	- 12.9 (- 14.1%)		87.8	- 8.3 (- 9.5%)
Tokyu Agency	57.5	47.4	- 10.1 (- 17.6%)	Mass media: -3.7; Sales promotion: -3.3 Traffic advertisement: -1.3; Others: -1.7	54.0	- 6.6 (- 12.3%)
its communications	7.7	8.1	+ 0.3 (+ 5.0%)		8.2	- 0.1 (- 2.2%)
Others	27.1	23.9	- 3.2 (- 11.8%)	Rental cars: -1.3; Golf courses: -0.4	25.5	- 1.5 (- 6.0%)
Operating profit	1.5	0.6	- 0.9 (- 59.4%)		1.4	- 0.7 (- 55.3%)
Tokyu Agency	0.2	- 0.4	- 0.6 (–)		0.0	- 0.5 (–)
its communications	0.2	0.6	+ 0.3 (+ 121.4%)		0.2	+ 0.3 (+ 148.1%)
Others	1.0	0.6	- 0.4 (- 42.4%)		1.2	- 0.6 (- 50.5%)
Amortization of goodwill	0.0	- 0.1	- 0.1		- 0.1	+ 0.0

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Depreciation	1.7	2.2	+ 0.4 (+ 23.0%)		2.0	+ 0.1 (+ 9.7%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (+ 87.5%)		0.0	+ 0.0 + 22.8
Tokyu EBITDA	3.3	3.0	- 0.3 (- 10.2%)		3.5	- 0.5 (- 16.0%)
Capital expenditures	2.1	2.1	-0.0 (- 1.9%)		—	—

FY2009_2Q

Segment Information (5) Hotels

[Compared with 3/2009 H1] Operating revenue decreased 11.7%, to ¥43.5 billion. Operating profit fell ¥2.1 billion, to negative ¥1.1 billion. Both revenue and profit dropped as a result of lower operating ratios and unit prices at in Japan and overseas. Expenses rose due to costs associated with the commencement of operations at new stores.

[Compared with May forecasts] Operating income was ¥1.4 billion lower, attributable to a revenue decline that exceeded forecasts because of factors such as influenza, in addition to the business downturn.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	49.3	43.5	- 5.7 (- 11.7%)		48.1	- 4.5 (- 9.5%)
Tokyu Hotels, etc. (*)	41.6	37.5	- 4.1 (- 10.0%)	Occupancy ratio: 74.7% (-4.6 points)	40.7	- 3.2 (- 7.9%)
Others	7.6	6.0	- 1.6 (- 21.0%)	Hawaii Mauna Lani Resort: -1.1	7.3	- 1.3 (- 18.0%)
Operating profit	0.9	- 1.1	- 2.1 (-)		0.3	- 1.4 (-)
Tokyu Hotels, etc. (*)	1.1	- 0.6	- 1.7 (-)		0.4	- 1.0 (-)
Others	- 0.1	- 0.5	- 0.4 (-)	Hawaii Mauna Lani Resort: -0.2	- 0.1	- 0.4 (-)
Amortization of goodwill	-0.0	-0.0	-0.0		-0.0	-0.0
Depreciation	1.5	1.6	+ 0.0 (+ 4.2%)		1.7	-0.0 (- 5.1%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (-)		0.0	-0.0 (- 59.9%)
Tokyu EBITDA	2.5	0.4	- 2.0 (- 80.5%)		2.0	- 1.5 (- 75.4%)
Capital expenditures	1.9	3.5	+ 1.6 (+ 83.8%)		—	—

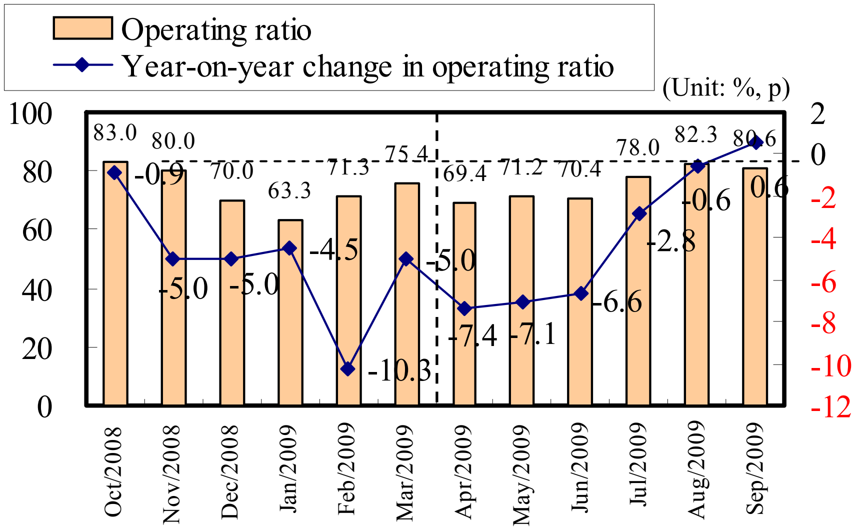
* "Tokyu Hotels, etc." includes not only Tokyu Hotels Co., Ltd. but also Tokyu Corp., GK New Perspective One and T.H. Properties, Inc. that have held assets.

Situation of Hotel Segment

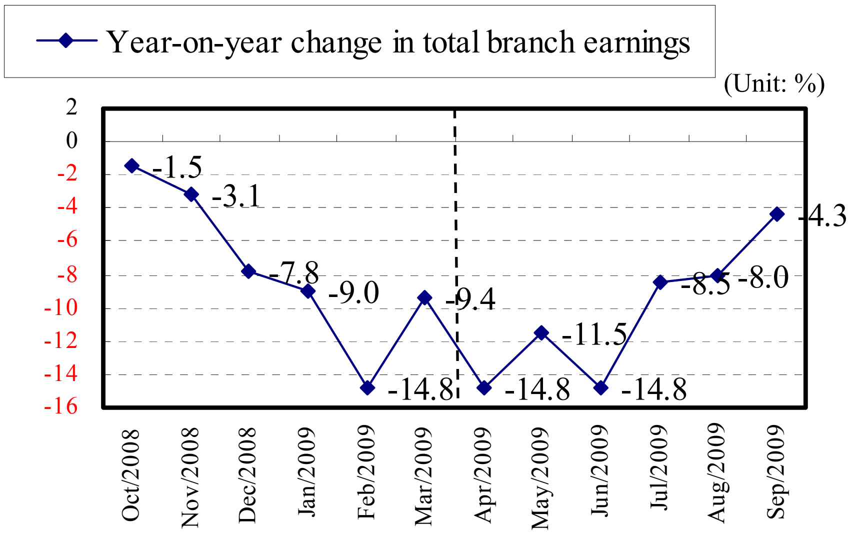
[Operating ratio] The year-on-year fall in the monthly operating ratio gradually became smaller in size. The ratio switched back to an increase in September, partly due to the public holidays.

[Branch earnings] Branch earnings continued to recover with the operating ratio. However, earnings remained lower than their level in the previous fiscal year, reflecting sustained declines in unit prices.

Operating ratio for Tokyu Hotels



Total branch earnings for Tokyu Hotels



* The figures presented above exclude the effects of branches opened or closed during the period in question. (The Company opened three Hotel Tokyu Bizfort branches during the period.)

FY2009_2Q

Segment Information (6)   Other

[Compared with 3/2009 H1] Operating revenue sank 9.5%, to ¥71.2 billion. Operating profit fell ¥1.1 billion, to negative ¥30 million. Results for operations, including the manufacture of specialty vehicles at Tokyu Car Corp., declined at Group companies, in spite of revenue growth for the rolling stock division of Tokyu Car Corp.

[Compared with May forecasts] Operating profit were ¥0.3 billion below the forecast, owing to revenue falls, including a decline posted for the specialty vehicle division of Tokyu Car Corp.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	78.6	71.2	- 7.4 (- 9.5%)		76.1	- 4.8 (- 6.4%)
Tokyu Car Corporation	30.6	31.6	+ 1.0 (+ 3.3%)	Railway cars: +8.6; Specialty vehicles: -6.0 Parking equipment: -1.9	33.8	- 2.1 (- 6.4%)
Others	48.0	39.6	- 8.5 (- 17.6%)	Tokyu Geox: -4.8; Tokyu Techno System: -1.7	42.3	- 2.7 (- 6.4%)
Operating profit	1.1	-0.0	- 1.1 (-)		0.3	- 0.3 (-)
Tokyu Car Corporation	0.3	- 0.2	- 0.6 (-)	Railway cars: +0.4; Specialty vehicles: -0.9 Parking equipment: -0.3	-0.0	- 0.2 (-)
Others	0.8	0.3	- 0.5 (- 63.6%)	Tokyu Techno System: -0.1 Tokyu Architects & Engineers: -0.1	0.4	- 0.1 (- 28.6%)
Amortization of goodwill	-0.0	-0.0	+ 0.0		-0.0	-0.0
Depreciation	1.2	1.2	-0.0 (- 1.1%)		1.3	-0.0 (- 7.0%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (-)		0.0	+ 0.0 (-)
Tokyu EBITDA	2.4	1.2	- 1.1 (- 48.3%)		1.6	- 0.4 (- 25.5%)
Capital expenditures	1.8	1.4	- 0.3 (- 21.9%)		—	—

FY2009_2Q

Consolidated Statements of Cash Flow

[Compared with 3/2009 H1] Free cash flow moved into the negative range, as capital expenditure was made in accordance with the full-year plan. However, with the peaking of large-scale railway work, the scale of the negative cash flow was down compared with a year earlier.

[Interest-bearing debt] Interest-bearing debt increased ¥10.3 billion from the end of the previous fiscal year, the result of free cash flow and dividend payments.

(Billion yen)

	3/2009 1st Half	3/2010 1st Half	Change (Rate of change)	Remarks
CF from operating activities	41.8	60.8	+ 18.9	Tokyu corp.: an increase in revenue in the real estate sales,etc.
CF from investing activities	- 80.8	- 67.8	+ 13.0	
Capital expenditure	- 89.2	- 67.3	+ 21.8	Tokyu corp.: a fall in large-scale railway construction projects, etc.
Subsidies received for construction	6.2	3.7	- 2.4	
CF from financial activities	39.3	4.8	- 34.5	
Interest-bearing debt Net increase/decrease	41.8	9.9	- 31.8	
Dividend payment	- 3.6	- 3.7	- 0.1	
Cash and cash equivalents Net increase/decrease	0.0	- 2.0	- 2.1	
Cash and cash equivalents at end of period	—	39.9	—	[end of FY2008] 41.9 (-2.0)
Free cash flow	- 39.0	- 7.0	+ 32.0	
Interest-bearing debt at end of period	—	1,082.7	—	[end of FY2008] 1,072.4 (+10.3)

FY2009_2Q

Consolidated Balance Sheets

[Total assets] Total assets fell 0.9%, due to factors such as progress in real estate sales and the recovery of accounts receivable at the end of the period.

[Net assets] Net assets stayed practically at the level seen at the end of the previous fiscal year, because of factors such as treasury stock acquisition through the "Trust-Type Employee Shareholding Incentive Plan."

[Soundness] The equity ratio and D/E ratio remained practically unchanged from the end of the previous fiscal year, at 18.6% and 2.9 times, respectively.

(Billion yen)

	3/2009 Result	3/2010 1st Half	Change (Rate of change)	Remarks
Total assets	2,010.7	1,992.6	- 18.0 (- 0.9%)	
Current assets	353.1	318.6	- 34.4 (- 9.7%)	Notes receivable & accounts receivable: -12.7; Tokyu Corp. sale of houses and lots: -11.9
Fixed assets	1,657.6	1,674.0	+ 16.3 (+ 1.0%)	Tangible fixed assets: +23.0; Intangible fixed assets: -5.2
Total liabilities	1,626.0	1,607.8	- 18.1 (- 1.1%)	
Current liabilities	654.6	626.2	- 28.3 (- 4.3%)	Interest-bearing debt: -2.6; Note payable & accounts payable: -27.7 Advance payment: +8.3
Fixed liabilities	950.0	959.8	+ 9.8 (+ 1.0%)	Interest-bearing debt: +12.9; Deferred tax liabilities: -2.3
Reserves under special law	21.3	21.7	+ 0.3 (+ 1.6%)	
Total net assets	384.6	384.7	+ 0.1 (+ 0.0%)	Equity capital: +1.5; Valuation/exchange difference: -1.2; Minority equity: -0.1
Equity	371.2	371.4	+ 0.2 (+ 0.1%)	Net income: +7.6; Dividends: -3.7; Treasury stock: -2.4 Securities valuation difference: -2.7; Equity adjustment from foreign currency translation: +1.5
Interest-bearing debt at end of period	1,072.4	1,082.7	+ 10.3 (+ 1.0%)	
Equity ratio (%)	18.5%	18.6%	+ 0.1P	
D/E ratio (times)	2.9	2.9	+ 0.0	

III. Reference for the Full-Year Results Forecasts for the Term Ending March 2010

FY2009

Segment Information (1) (Plan) Transportation

[Compared with 3/2009] Operating revenue is set to decline 2.3%, to ¥194.7 billion. Operating profit is likely to fall 15.1%, to ¥21.9 billion. Operating profit will fall given higher depreciation and the cost of disposal of fixed assets, which will result from completion of the construction work for extending the Oimachi line in the Company's railway operations.

[Compared with May forecasts] Operating profit is expected to be ¥0.2 billion higher than forecast, as lower expenses offset anticipated factors, including a decline in advertising revenue for railway operations.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	199.3	194.7	- 4.6 (- 2.3%)	Passenger carried: +0.4% (Commuter: +0.4%; Non-commuter: +0.4%) Revenue from fares: +0.2% (Commuter: +0.2%; Non-commuter: +0.2%)	196.1	- 1.4 (- 0.7%)
Railway operations of the Company	147.6	147.4	- 0.1 (- 0.1%)	Revenue from fares: 129.4 (+0.2)	148.2	- 0.7 (- 0.5%)
Tokyu Bus	27.3	26.6	- 0.7 (- 2.6%)	Revenue from fares: -2.6%	27.4	- 0.7 (- 2.7%)
Others	24.3	20.5	- 3.7 (- 15.4%)	Transfer of local bus operations: −3.7	20.4	+ 0.1 (+ 0.5%)
Operating profit	25.8	21.9	- 3.9 (- 15.1%)		21.7	+ 0.2 (+ 0.9%)
Railway operations of the Company	24.7	20.2	- 4.5 (- 18.4%)	[Expenses] Disposal cost of fixed assets: 10.9 (+3.2); Depreciation: 34.3 (+1.7) Power costs: 4.8 (-0.7); Clothing costs: 0.1 (-0.7)	20.2	+ 0.0 (+ 0.1%)
Tokyu Bus	0.8	0.5	- 0.2 (- 28.0%)	[Expenses] Fuel costs: 1.3 (-0.4)	0.5	+ 0.0 (+ 14.8%)
Others	0.9	1.3	+ 0.5 (+ 56.7%)	Transfer of local bus operations: +0.4	1.2	+ 0.1 (+ 8.4%)
Amortization of goodwill	- 0.6	- 0.2	+ 0.4		- 0.2	+ 0.0
Depreciation	38.1	39.4	+ 1.2 (+ 3.2%)		39.5	- 0.1 (- 0.3%)
Disposal cost of fixed assets	8.1	11.0	+ 2.8 (+ 35.6%)		11.2	- 0.2 (- 1.8%)
Tokyu EBITDA	72.7	72.5	- 0.2 (- 0.3%)		72.6	- 0.1 (- 0.1%)
Capital expenditures	76.8	68.6	- 8.2 (- 10.8%)		68.7	- 0.1 (- 0.1%)

FY2009

Segment Information (2) (Plan) Real Estate

[Compared with 3/2009] Operating revenue is forecast to rise 20.0%, to ¥166.4 billion. Operating profit is expected to drop 8.0%, to ¥21.7 billion. The decline in operating profit is anticipated to be narrowed by initiatives such as the consolidation of CT Realty, helping to offset a fall in advertising revenue predicted for the Company's real estate leasing operations and a profit decline forecast for the Company's real estate sales operations.

[Compared with May forecasts] Operating profit is anticipated to total ¥2 billion lower, the result of factors such as a loss on real estate valuation expected in the Izu area and a fall in revenue forecast for the Company's real estate leasing operations.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	138.6	166.4	+ 27.7 (+ 20.0%)		170.4	- 4.0 (- 2.3%)
Real estate sales of the Company	60.0	83.5	+ 23.5 (+ 39.3%)	[Sales] Company-owned land: 39.4 (-3.8); Funds turnover-type: 38.5 (+23.1) Western Australia: 4.3 (+4.3); Sale of building with land leasehold: 3.0 (+2.7)	83.3	+ 0.1 (+ 0.2%)
Real estate leasing of the Company	36.7	36.4	- 0.2 (- 0.7%)	Decrease in revenues from railway-related facilities and advertisements: -0.7 Rental housing: +0.2	38.0	- 1.5 (- 4.1%)
Others	41.9	46.4	+ 4.4 (+ 10.6%)	CT Realty: +4.7; Western Australian real estate sales: +0.5	49.0	- 2.6 (- 5.3%)
Operating profit	23.5	21.7	- 1.8 (- 8.0%)		23.7	- 2.0 (- 8.4%)
Real estate sales of the Company	15.4	14.2	- 1.1 (- 7.7%)	[Sales margin] Company-owned land: 16.9 (-7.6); Funds turnover-type: 4.3 (+3.8) Western Australia: 3.8 (+3.8) Sale of building with land leasehold: 0.1 (+0.1)	12.9	+ 1.3 (+ 10.3%)
Real estate leasing of the Company	8.5	6.1	- 2.4 (- 28.3%)	Decrease in revenues from railway-related facilities and advertisements: -0.7 Expenses related to development project in Shibuya: -0.5	7.6	- 1.5 (- 20.3%)
Others	- 0.4	1.3	+ 1.7 (-)	CT Realty:+1.4; Western Australian real estate sales: +0.5 Izukyu Land Corp.: -0.4	3.1	- 1.8 (- 57.5%)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	6.5	7.9	+ 1.3 (+ 20.9%)		7.5	+ 0.4 (+ 5.3%)
Disposal cost of fixed assets	0.9	1.0	+ 0.0 (+ 9.7%)		1.4	- 0.4 (- 28.6%)
Tokyu EBITDA	31.0	30.6	- 0.4 (- 1.4%)		32.6	- 2.0 (- 6.1%)
Capital expenditures	44.2	52.1	- 7.8 (+ 17.7%)		63.8	- 11.7 (- 18.3%)

FY2009

Segment Information (3) (Plan) Retail

[Compared with 3/2009] Operating revenue is predicted to fall 9.0%, to ¥565.6 billion. Operating profit is likely to plunge 68.8%, to ¥3.4 billion. Both operating revenue and operating profit are expected to drop in department store and chain store operations on the assumption that consumption will remain weak. Operating profit is also likely to fall for shopping center operations due to rising renovation costs.

[Compared with May forecasts] Operating profit is forecast to be ¥1.8 billion lower, owing to the transfer of the Sapporo Tokyu Store chain, in addition to a fall in revenue for chain store operations, which could exceed the forecast.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	621.2	565.5	- 55.6 (- 9.0%)		573.9	- 8.3 (- 1.4%)
Tokyu Department Store	274.6	246.4	- 28.2 (- 10.3%)	Rate of change in revenue: -10.6%	239.2	+ 7.1 (+ 3.0%)
Tokyu Store Chain	303.6	275.4	- 28.2 (- 9.3%)	Rate of change in revenue: All stores: -3.4%; Existing stores: -2.3% Sapporo Tokyu Store: -19.4	290.4	- 15.0 (- 5.2%)
Shopping center operations	23.2	23.5	+ 0.3 (+ 1.3%)		23.2	+ 0.2 (+ 1.3%)
Others	19.7	20.1	+ 0.5 (+ 2.3%)	Tokyu Convenience System: +0.5	20.9	- 0.7 (- 3.6%)
Operating profit	10.8	3.4	- 7.4 (- 68.8%)		5.2	- 1.8 (- 34.6%)
Tokyu Department Store	5.4	2.5	- 2.9 (- 53.8%)		2.8	- 0.3 (- 10.7%)
Tokyu Store Chain	5.8	2.2	- 3.5 (- 61.2%)	Sapporo Tokyu Store: -0.6	4.6	- 2.3 (- 51.2%)
Shopping center operations	5.1	4.3	- 0.7 (- 14.7%)	Opening expenses of Tamaplaza Terrace and increase in remodeling costs	3.6	+ 0.7 (+ 21.8%)
Others	0.4	0.3	- 0.1 (- 33.7%)		0.3	-0.0 (- 12.1%)
Amortization of goodwill	- 5.9	- 6.0	-0.0		- 6.2	+ 0.2

Depreciation	11.9	12.3	+ 0.3 (+ 2.9%)		12.3	+ 0.0 (+ 0.0%)
Disposal cost of fixed assets	0.2	0.5	+ 0.2 (+ 145.4%)		0.1	+ 0.4 (+ 400.0%)
Tokyu EBITDA	28.9	22.2	- 6.7 (- 23.4%)		23.8	- 1.6 (- 6.7%)
Capital expenditures	26.9	19.3	- 7.6 (- 28.4%)		20.7	- 1.4 (- 6.8%)

FY2009

Segment Information (4) (Plan) Leisure and Services

[Compared with 3/2009] Operating revenue is anticipated to drop 9.1%, to ¥160 billion. Operating profit is predicted to fall 27.8%, to ¥1.6 billion. The decline in operating profit is expected to narrow, thanks to initiatives, such as further cuts in expenses, in spite of revenue falls forecast for advertising and other operations.

[Compared with May forecasts] Operating profit is expected to total ¥1 billion lower than forecast, as sluggish consumption will lower revenues for advertising and other operations.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	176.0	160.0	- 16.0 (- 9.1%)		175.7	- 15.7 (- 8.9%)
Tokyu Agency	110.1	96.7	- 13.3 (- 12.1%)		109.3	- 12.5 (- 11.5%)
its communications	15.8	16.5	+ 0.6 (+ 4.3%)		16.9	- 0.3 (- 2.1%)
Others	50.0	46.7	- 3.4 (- 6.8%)	Other advertising business: -0.7; Tokyu Bunkamura: -0.5 Golf courses: -0.5; Rental cars: -0.2	49.4	- 2.8 (- 5.6%)
Operating profit	2.2	1.6	- 0.6 (- 27.8%)		2.6	- 1.0 (- 38.5%)
Tokyu Agency	0.1	0.0	- 0.1 (−)		0.3	- 0.3 (−)
its communications	1.1	1.0	- 0.1 (- 12.3%)		1.0	+ 0.0 (+ 0.0%)
Others	1.1	0.9	- 0.3 (- 22.7%)		1.6	- 0.7 (- 45.0%)
Amortization of goodwill	- 0.1	- 0.3	- 0.1		- 0.3	+ 0.0

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Depreciation	4.4	3.9	- 0.5 (- 11.9%)		4.3	- 0.4 (- 9.3%)
Disposal cost of fixed assets	0.0	0.1	+ 0.0 + 121.7		0.1	+ 0.0 (+ 0.0%)
Tokyu EBITDA	6.8	5.9	- 0.9 (- 14.1%)		7.3	- 1.4 (- 19.2%)
Capital expenditures	5.7	5.4	- 0.3 (- 6.6%)		6.3	- 0.9 (- 14.3%)

FY2009

Segment Information (5) (Plan) Hotels

[Compared with 3/2009] Operating revenue is likely to plunge 8.0%, to ¥88.5 billion. Operating profit is expected to drop ¥2.3 billion, to negative ¥1.7 billion. Both operating revenue and operating profit are predicted to decline on the assumption that operating conditions will remain severe in the second half.

[Compared with May forecasts] Operating profit is forecast to be ¥2.3 billion below the forecast, as operating conditions appear likely to be more severe than forecast and the business downturn appears set to continue.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	96.2	88.5	- 7.7 (- 8.0%)		96.9	- 8.4 (- 8.7%)
Tokyu Hotels, etc. (*)	82.1	76.7	- 5.4 (- 6.7%)		83.1	- 6.4 (- 7.7%)
Others	14.0	11.8	- 2.2 (- 15.9%)	Hawaii Mauna Lani Resort: -1.5	13.8	- 2.0 (- 14.3%)
Operating profit	0.6	- 1.7	- 2.3 (-)		0.6	- 2.3 (-)
Tokyu Hotels, etc. (*)	1.1	- 0.8	- 2.0 (-)		1.1	- 2.0 (-)
Others	- 0.5	- 0.8	- 0.4 (-)	Hawaii Mauna Lani Resort: -0.2	- 0.6	- 0.3 (-)
Amortization of goodwill	-0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	3.2	3.5	+ 0.2 (+ 9.3%)		3.4	+ 0.1 (+ 2.9%)
Disposal cost of fixed assets	0.0	0.0	-0.0 (-)		0.0	+ 0.0 (-)
Tokyu EBITDA	3.9	1.8	- 2.1 (- 54.4%)		4.0	- 2.2 (- 55.0%)
Capital expenditures	4.2	5.1	+ 0.8 (+ 20.4%)		7.6	- 2.5 (- 32.9%)

* "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.

FY2009

Segment Information (6) (Plan) Other

[Compared with 3/2009] Operating revenue is predicted to fall 2.2%, to ¥152.6 billion. Operating profit is set to rise 58.5%, to ¥3.2 billion. Operating profit is forecasted to grow, reflecting rising orders for railway cars at Tokyu Car Corp. and the improvements each Group company is expected to make with their operating profit margins.

[Compared with May forecasts] Consolidated operating profit is likely to be ¥0.5 billion lower, reflecting the moderate effects of the continued business slump likely to confront Group companies.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	Remarks	3/2010 Forecast as of May	Change (Rate of change)
Operating revenue	155.9	152.6	- 3.3 (- 2.2%)		162.7	- 10.1 (- 6.2%)
Tokyu Car Corporation	62.0	66.3	+ 4.2 (+ 6.9%)	Railway cars: +12.3; Specialty vehicles: -7.3 Parking equipment: -0.6	69.7	- 3.3 (- 4.8%)
Others	93.9	86.2	- 7.7 (- 8.2%)	Tokyu Geox: -4.4; Tokyu Architects & Engineers: -0.8 Tokyu Techno System: -0.5; Tokyu Green System: -0.5	92.9	- 6.7 (- 7.2%)
Operating profit	2.0	3.2	+ 1.1 (+ 58.5%)		3.7	- 0.5 (- 13.5%)
Tokyu Car Corporation	0.2	0.8	+ 0.5 (+ 211.2%)	Railway cars: +0.9; Specialty vehicles: -0.5 Parking equipment: -0.0	1.0	- 0.2 (- 18.9%)
Others	1.8	2.4	+ 0.6 (+ 33.0%)	Tokyu Geox: +0.3; Tokyu Railway Service: +0.1	2.7	- 0.3 (- 11.0%)
Amortization of goodwill	-0.0	- 0.1	-0.0		- 0.1	+ 0.0
Depreciation	2.5	2.7	+ 0.1 (+ 4.6%)		2.7	+ 0.0 (+ 0.0%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (-)		0.0	+ 0.0 (-)
Tokyu EBITDA	4.6	6.0	+ 1.3 (+ 28.2%)		6.5	- 0.5 (- 7.7%)
Capital expenditures	3.0	2.8	- 0.2 (- 8.7%)		2.8	+ 0.0 (+ 0.0%)

FY2009

Capital Expenditure (Plan) by Segment

[Compared with 3/2009] Capital expenditure on real estate operations is set to rise in step with the progress of development projects. However, efforts are underway to reduce spending on other operations.

[Compared with May forecasts] Expenditure cuts are expected to be greater than set out in the May forecasts, with efforts made to lower expenditure substantially compared with the initial plan.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	3/2010 Forecast as of May	Change (Rate of change)
Total capital expenditure	161.6	157.6	- 4.0 (- 2.5%)	174.5	- 16.9 (- 9.7%)
Transportation	76.8	68.6	- 8.2 (- 10.8%)	68.7	- 0.1 (- 0.1%)
Of which, contract construction	9.2	10.6	+ 1.4 (+ 15.5%)	10.6	+ 0.0 (+ 0.0%)
Real Estate	44.2	52.1	+ 7.8 (+ 17.7%)	63.8	- 11.7 (- 18.3%)
Retail	26.9	19.3	- 7.6 (- 28.4%)	20.7	- 1.4 (- 6.8%)
Leisure and Services	5.7	5.4	- 0.3 (- 6.6%)	6.3	- 0.9 (- 14.3%)
Hotels	4.2	5.1	+ 0.8 (+ 20.4%)	7.6	- 2.5 (- 32.9%)
Other	3.0	2.8	- 0.2 (- 8.7%)	2.8	+ 0.0 (+ 0.0%)
Headquarters	2.2	5.7	+ 3.4 (+ 148.9%)	6.0	- 0.3 (- 5.0%)
Elimination	- 1.8	- 1.4	+ 0.4 (-)	- 1.4	+ 0.0 (-)
Tokyu Corp.expenses on sale of houses and lots	24.6	28.5	+ 3.8 (+ 15.7%)	25.9	+ 2.6 (+ 10.0%)

Depreciation (Plan) by Segment

[Compared with 3/2009] Depreciation is set to rise as a result of the completion of construction projects, including major projects for improving railway operations and other projects for renewing properties in real estate leasing operations.
[Compared with May forecasts] Depreciation is projected to advance mostly in line with the plan.

(Billion yen)

	3/2009 Results	3/2010 Forecast	Change (Rate of change)	3/2010 Forecast as of May	Change (Rate of change)
Total depreciation and amortization	66.7	69.7	+ 2.9 (+ 4.4%)	69.7	+ 0.0 (+ 0.0%)
Transportation	38.1	39.4	+ 1.2 (+ 3.2%)	39.5	- 0.1 (- 0.3%)
Real Estate	6.5	7.9	+ 1.3 (+ 20.9%)	7.5	+ 0.4 (+ 5.3%)
Retail	11.9	12.3	+ 0.3 (+ 2.9%)	12.3	+ 0.0 (+ 0.0%)
Leisure and Services	4.4	3.9	- 0.5 (- 11.9%)	4.3	- 0.4 (- 9.3%)
Hotels	3.2	3.5	+ 0.2 (+ 9.3%)	3.4	+ 0.1 (+ 2.9%)
Other	2.5	2.7	+ 0.1 (+ 4.6%)	2.7	+ 0.0 (+ 0.0%)
Elimination	-0.0	0.0	+ 0.0 (-)	0.0	+ 0.0 (-)

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.