

Presentation Handout

December 1, 2003
Investors Meeting



Tokyu Corporation

(9005)

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



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Summary of Interim Financial Results - Consolidated - (FY03/2004)



< Interim Consolidated Statement of Income > (Billions of yen)

	Interim FY2003 Actual	Interim FY2002 Actual	Change
Operating Revenue	686.2	599.7	86.5
Operating Profit	32.3	35.0	-2.6
Recurring Profit	22.9	20.2	2.7
Interim Net Income	27.2	-12.0	39.2

Non-Consolidated Railways Performance (6 Months)

<Interim FY3/04 Year On Year>

- Passenger Volume +7,763 thousand (+1.6%)
- Revenue from Fare +1,062 millions yen (+1.8%)

Effect of Inclusion and Exclusion in Consolidation

(Billions of yen)	Operating Revenue	Operating Income
Tokyu Car Corp. (inclusion)	21.8	-0.5
T.M.D (inclusion)	4.6	0.6
Gold Pak (exclusion)	-24.3	-1.4

< Interim Consolidated Balance Sheet >

(Billions of yen)

	Actual	Change from prior FY end		Actual	Change from prior FY end
Current assets	553.7	-36.5	Interest-bearing Debt	1,437.3	-28.8
			Total Liabilities	2,222.5	-95.4
Fixed assets	1,937.9	17.1	Minority interests	78.5	37.1
			Total Shareholders' Equity	190.6	38.8
Total Assets	2,491.7	-19.4	Liabilities, Minority interests and Shareholders' equity	2,491.7	-19.4

Equity Ratio

7.6%

+1.6P 1

Progress in REIT Business

IPO of TOKYU REIT on September 10, 2003

SIZE 80.3 billion yen

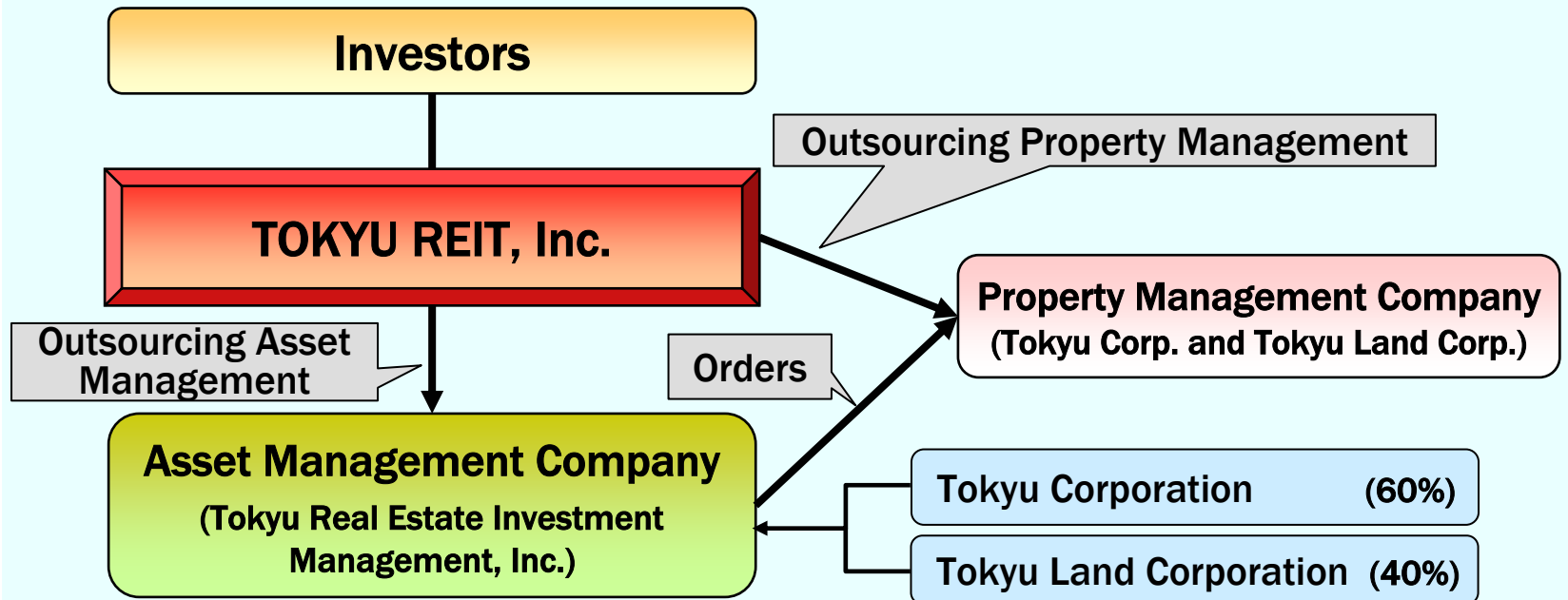
IPO Price 530,000 yen

The 7th Newest REIT in Japan

< Portfolio > Commercial build. : Office build. = 42 : 58
 *Invest in properties only in downtown Tokyo and Tokyo Area.

< Assets from Tokyu Corp. >
 Setagaya Business Square, Tokyu Saginuma Build.,
 Tokyu Sakuragaoka-cho Build., etc
 (5 of 11 properties, 41.8 billion yen)

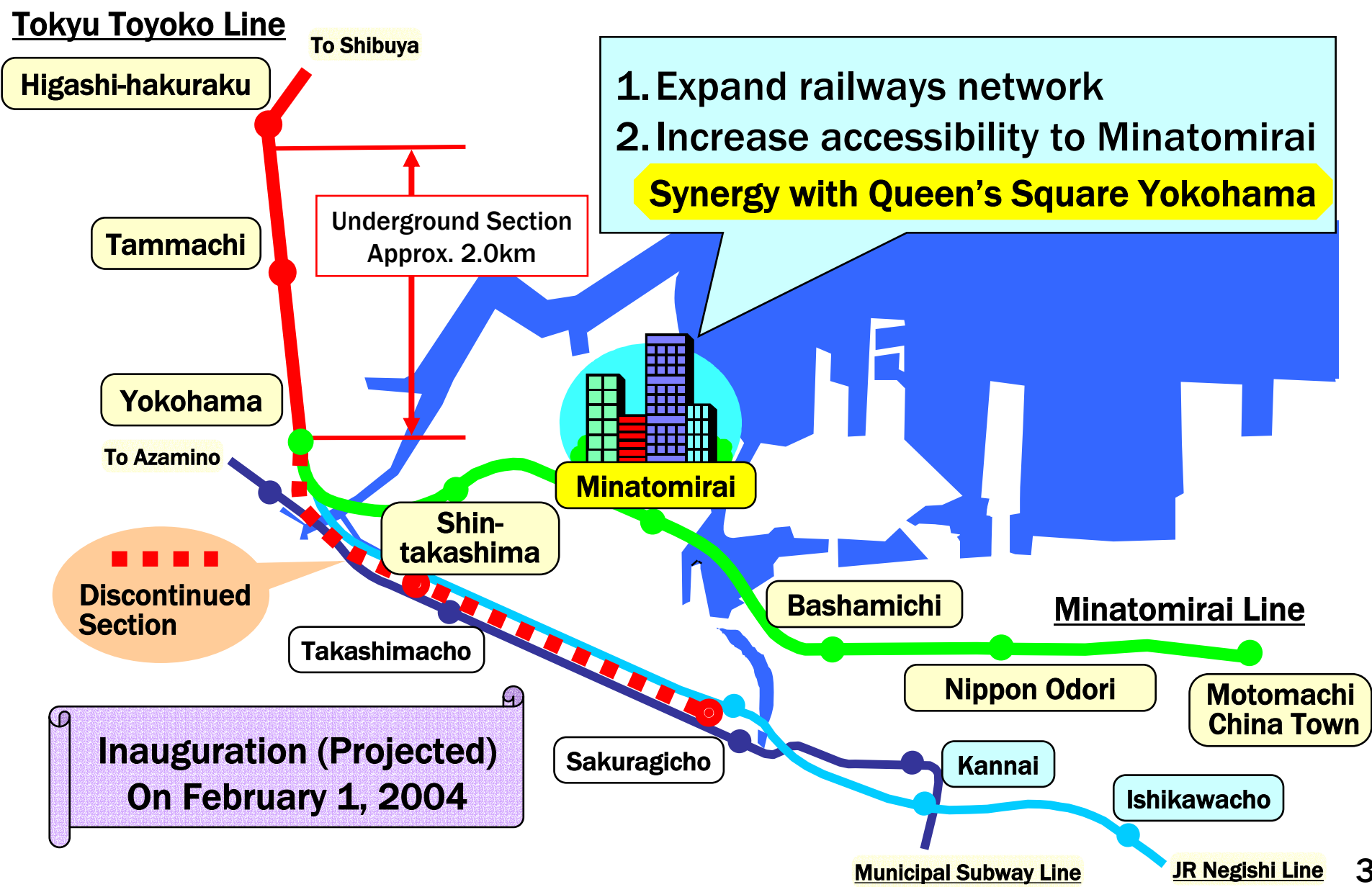
Summary Chart of Business Relation for Real Estate Management



Mutual Direct Train Service between Toyoko Line and Minatomirai Line

1. Expand railways network
2. Increase accessibility to Minatomirai

Synergy with Queen's Square Yokohama



Adopting Impairment Accounting to Fixed Assets

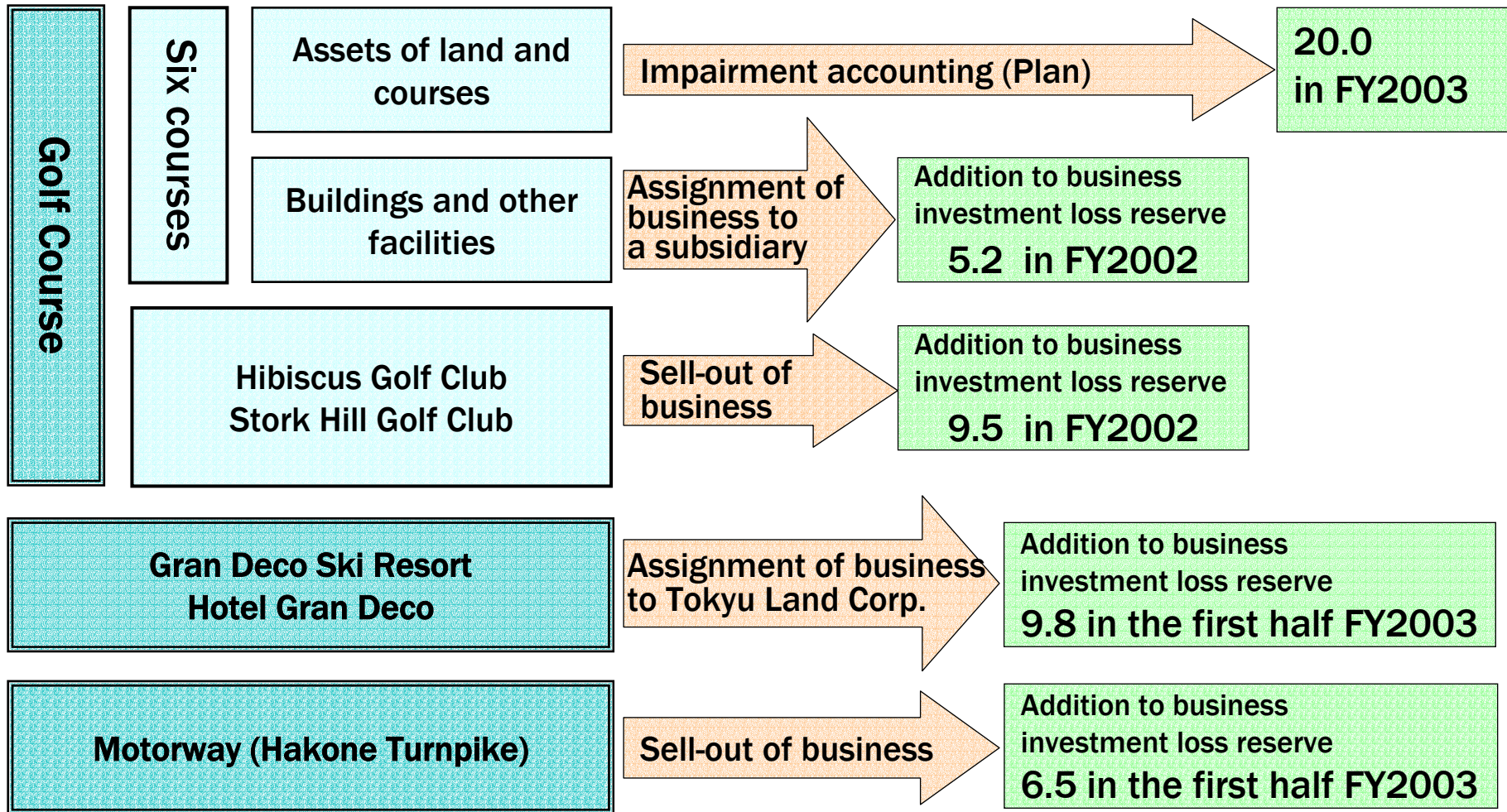


(Billions of yen)	FY 2002	FY 2003	Total
Loss on sales of fixed assets	22.2 Properties in Shibuya 11.5	26.0 Realize the loss in the second half FY through sales	63.1
Addition to business investment loss reserve	14.8 Golf Business 14.8	< 16.4 (for Interim) > Grad Deco 9.8 Motorway 6.5	
Appraisal loss on fixed assets	20.0 YMMP 17.1	150.0 Tokyu Construction 100.0 Tokyu Corp. (including Golf Business) 35.0 Other 15.0	170.0
Total	57.2	176.0	233.2

Selection and Concentration (Leisure Service Business of Tokyu Corporation)



(Billions of yen)



Achieve moving into black in FY2004

Privatize Tokyu Tourist as a wholly-owned subsidiary



**SHARE EXCHANGE on Jan. 1, 2004
to privatize Tokyu Tourist
as a wholly owned subsidiary of
Tokyu Corp.**

◇Share exchange ratio

Tokyu Corporation (100% Parent) **1** : Tokyu Tourist (100% Subsidiary) **0.16**

◇Number of issued and outstanding shares

67,190 thousand

	Issued share	Owned by Tokyu Corp.	Shares to be exchanged
Common stock	50,490	28,053	22,437
Deferred share	16,700	16,700	-
Total	67,190	44,753	22,437
		(66.61%)	

◇Allotted share

Tokyu Corp. will not issue new shares but allot 3,589,954 shares of its treasury stock for share exchange.

By Integrating Management System

Concentrate business resources on the Company's areas of strength to increase business efficiency.

Reorganize sales network to enhance alliance with internal and external businesses.

Implement prompt decision-making led by Tokyu Corp. and flexible capital policy.

Forecast of FY2003 (Consolidated) (Millions of yen)

	FY2001 Actual	FY2002 Actual	FY2003 Forecast*
Volume of business	236,719	215,140	191,850
Revenue from operations	32,707	29,455	25,600
Cost of revenue from operations	34,151	29,181	25,800
Operating income	-1,444	274	-200
Recurring income	-1,238	242	-160
Net income	-1,008	-234	-360
Net asset at prior period end	1,498	476	395
Raised capital as of June 2003			765
Net total assets at current period end	476	395	883

* Forecast as of Aug. 26, 2003

Summary of Tokyu Department Store Business



【 Operation Summary (Consolidated) 】

(Billions of yen)

	FY01/2003 Actual	FY01/2004 Forecast	FY01/2005 Projection
Operating revenue	423.2	372.0	344.4
Operating profit	9.1	8.8	10.2
Recurring profit	3.5	3.6	6.2
Net income	11.3	-10.2	2.9
Interest-bearing debt	131.1	119.2	110.9

【 Major Action Plans 】

June 2003

Implement early retirement incentive program

Improve high cost structure

- Early retirement volunteers 752
- Replace them with contract employees
- Full-time employee ratio 55%
- Extend performance-based salary system

Projected reduction of annual payroll cost 2.9 billion yen

October 2003

Remodeled "Toyoko Norengai"

Establish the image of 'Excellent Food Provider - Tokyu Department Store'

- Synergy with 'Tokyu Food Show'

○ Restructuring Cost	10.3
Early retirement	6.3
Abolition of pension etc.	4.0
○ Latent loss on assets	5.0

Projected increase of annual revenue 1.0 billion yen

February 2004

Merge with Aoba Tokyu Department Store

Integrate management resources for the core business

Tokyu Land Corporation

Status of “Mid-term Management Plan”



(Billions of yen)

<Announced in November 2000>

■ Forecast FY03/2004 (as of November 11, 2003)

■ Target by FY03/2005 in the Plan

< Consolidated >

- Operating profit	31.0
- Recurring profit	20.0
- Interest-bearing debt	455.0
- Shareholders' equity	74.6
- ROA*	3.5%
- EBITDA multiple*	10.6 times

- Operating profit	31.5
- Recurring profit	15.0
- Interest-bearing debt	422.0 or less
- Shareholders' equity	72.0 or more
- ROA*	4.0% or more
- EBITDA multiple*	10.0 times or less

< Non-Consolidated >

- Operating profit	20.5
- Recurring profit	10.5
- Interest-bearing debt	373.0
- Shareholders' equity	87.4
- ROA*	3.0%
- EBITDA multiple*	13.0 times

- Operating profit	21.2
- Recurring profit	6.0
- Interest-bearing debt	360.0 or less
- Shareholders' equity	100.0 or more
- ROA*	3.0% or more
- EBITDA multiple*	12.0 times or less

* ROA = (Operating income + Non-operating income)/Total assets

EBITDA multiple=Interest-bearing debt/Operating income before depreciation and amortization

Book Value Investment and Share Holding Ratio of Tokyu Corp. (as of Sep. 30, 2003): 8.7 B yen and 16.8%

***Forward-looking Statements**

All statements contained in this document other than historical facts are forward-looking statements representing the beliefs and assumptions of Tokyu Corporation based on information currently available. Tokyu wishes to caution that actual results may differ materially from expectations.