

# **Presentation for Consolidated Financial Results and Forecast**

**July 3, 2000**

**Explanatory Meeting for Investors**



**Tokyu Corporation**

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# Explanatory Meeting for Investors

Opening Address

Keynote Statement

Explanation of Financial Results and Forecast

Media Strategies

Q&A

Closing Address



**Tokyu Corporation**

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# 【Group Administrative System】 Tokyu Group Corporate Council



## Members of Corporate Council

**Chairman** : Shinobu Shimizu, President & Representative Director  
**Council Members** : Hisashi Nagatoshi & Kiyofumi Kamijo,  
Executive Vice President and Representative Director  
**Secretary to Council** : Yasuhiro Yamaguchi, Senior Managing Director

## Organizational Structure

Shareholders

Board of Directors

Statutory Auditors

### Tokyu Group Corporate Council

- Decisions upon key policies related to Tokyu Group business promotion
- Decisions upon key policies that seriously effect the management of each company
- Decisions upon the capital plans of each company
- Performance evaluation of each company
- Brand management
- Other items instructed by the council chairman

## Main Points

Establishment of “Tokyu Group Corporate Council” as the top decision making system of Tokyu Group management

President of Tokyu Corporation shall be council chairman

Tokyu Corporation shall make decisions on policy as the biggest shareholder of each company

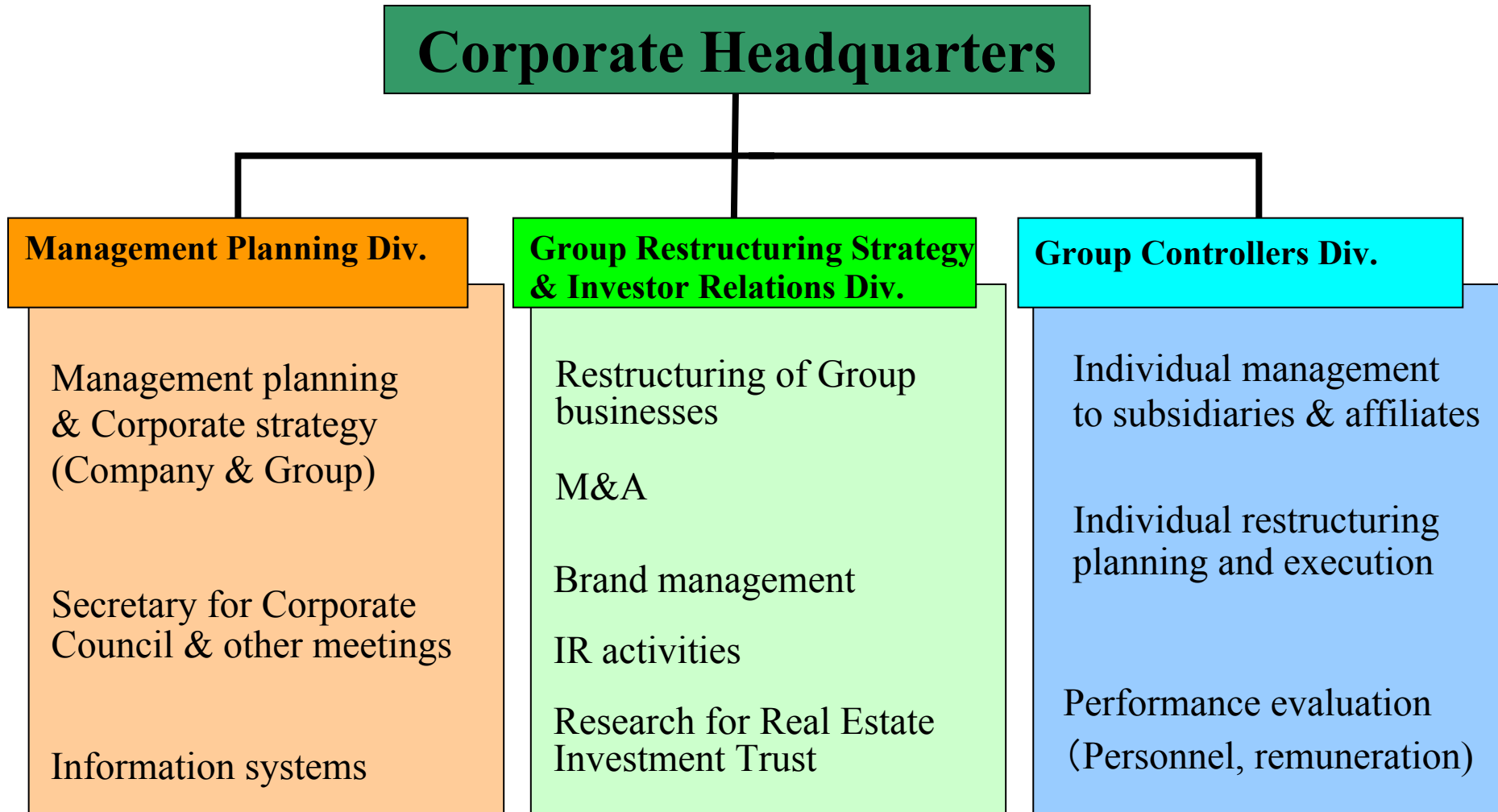
In substance, Tokyu Corporation shall be a business holding company

Strategy decision-making and business operation shall be dealt with separately

# 【Group Administrative System】 Structural Reform



## •Group Management



\*English translation is preliminary, subject to change.

# 【Group Administrative System】 Structural Reform



## •Promotion of Growth Strategies

### New Business Strategy Promotion Headquarters

#### Business Development Div.

Strengthening of customer based strategies

Reassessment of Station Functions

In-house business venture systems

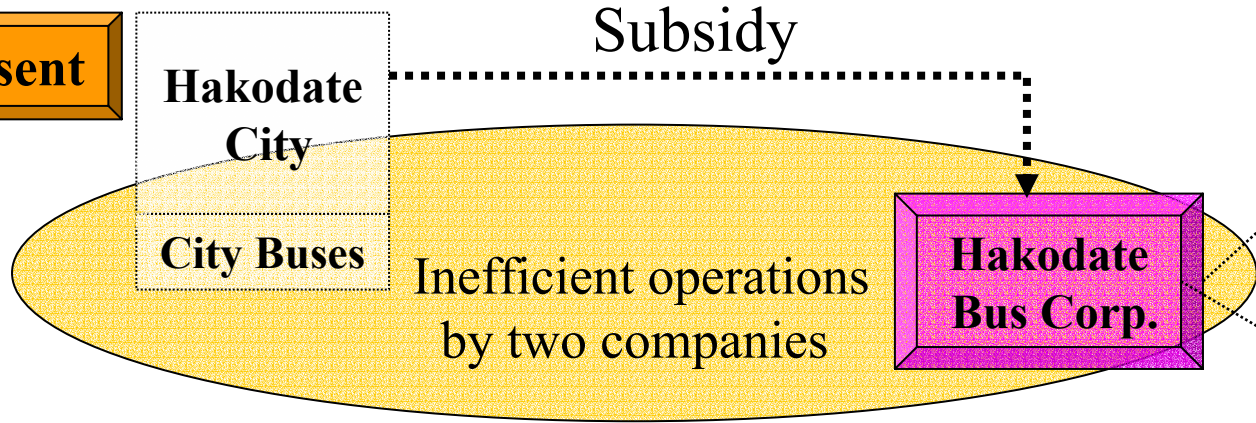
#### Media Business Div.

Media Strategies

# Privatization and Unification of Hakodate Bus Corp. and Hakodate Municipal Bus Co.



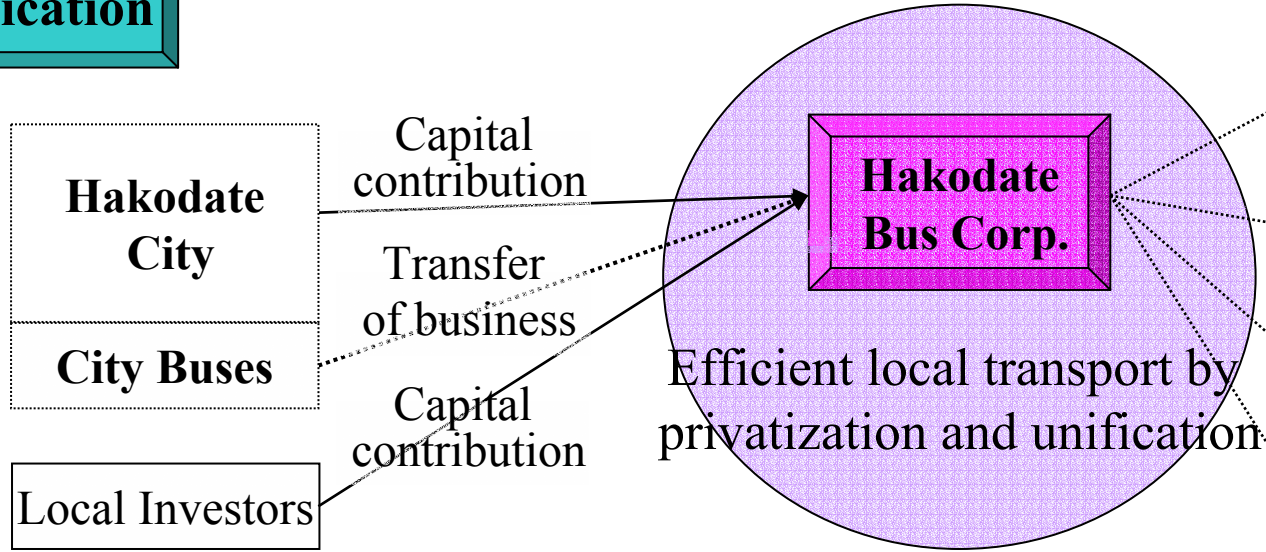
**Present**



[ Shareholders ]

<b>Tokyu Corp.</b>	52.6%
Other Shareholders	47.4%

**Unification**



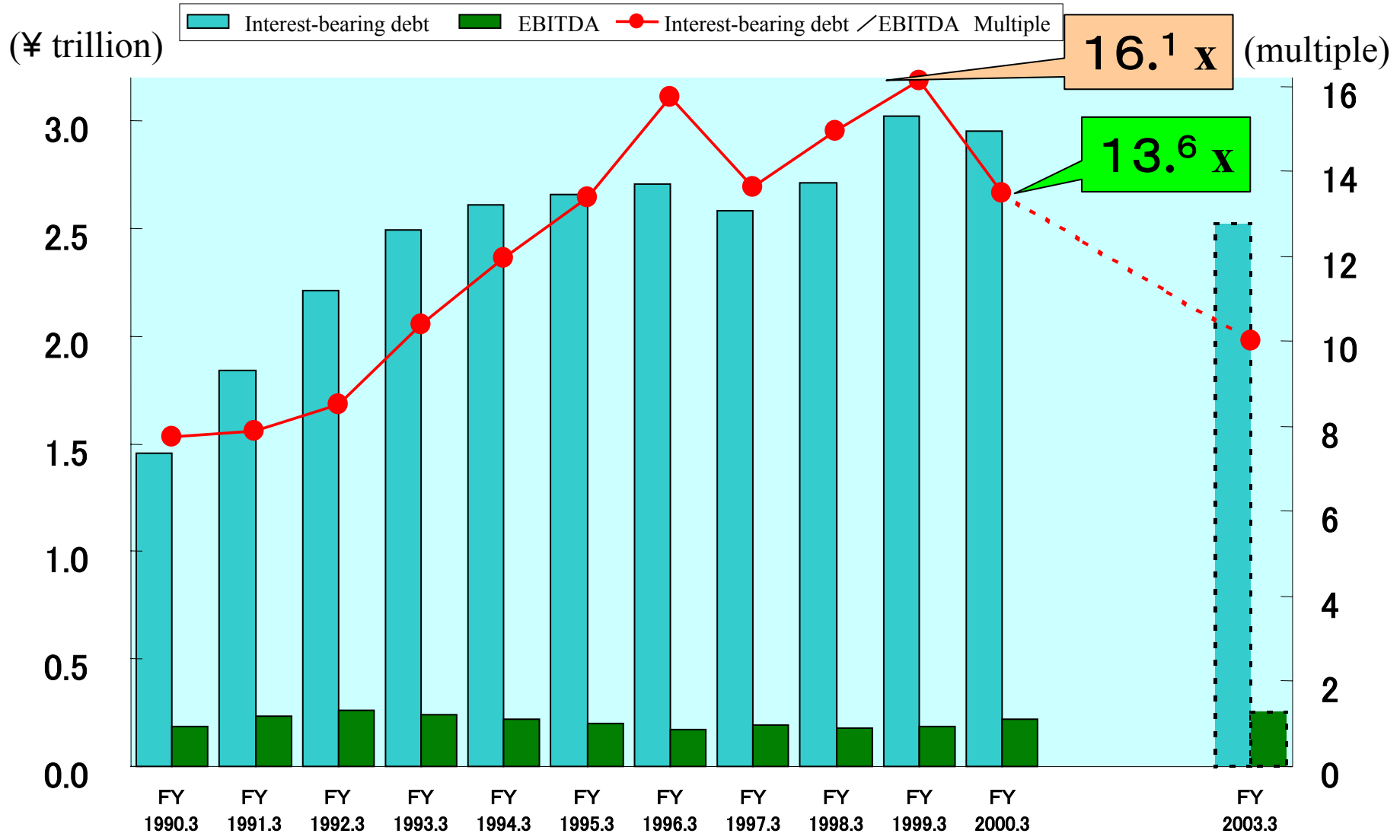
[ Shareholders ]

Local Investors
<b>Hakodate City</b>
<b>Tokyu Corp.</b>
Other Shareholders



# Balance of the Group's Interest-Bearing Debt

(For Combined Publicly Traded Companies' Consolidated Financial Statements)



**EBITDA=Operating Income+Depreciation & Amortization**

# Factors for the Improvement of Interest-Bearing Debt / EBITDA Multiple



■ Reduction of interest-bearing debt  
▲ ¥ 65.8 bil.  
[ ¥ 3,019.7 bil. → ¥ 2,953.8 bil.]

▪ Tokyu Construction ▲ ¥ 52.8 bil.

▪ Tokyu Department Store ▲ ¥ 42.2 bil.

▪ Tokyu Land Corp. ▲ ¥ 40.7 bil.

⋮

▪ Tokyu Store Chain ¥ 10.6 bil.

▪ Tokyu Corp. ¥ 79.1 bil.  
(Non-Consolidated)

■ Increased EBITDA ¥ 30.1 bil.

[ ¥ 188.3 bil. → ¥ 218.4 bil.]

▪ Japan Air System ¥ 10.7 bil.

▪ Tokyu Construction ¥ 9.5 bil.

▪ Tokyu Land Corp. ¥ 3.6 bil.

⋮

▪ Tokyu Car Corp. ▲ ¥ 0.5 bil.

▪ Tokyu Store Chain ▲ ¥ 2 bil.



# Explanation of Financial Results

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**Outline of Consolidated Financial Results for FY ended March 31, 2000**

**Details of Consolidated Financial Results for FY ended March 31, 2000**

# Scope of Consolidated Accounting

( As of March 31, 2000 )



**Scope : 278 companies out of 426 Tokyu Companies reflected in consolidated financial statements**

**Tokyu Corporation**

**Subsidiaries :  
234**

**Consolidated  
subsidiaries : 232**

**Companies subject  
to equity-method : 2**

**Affiliated  
Companies :  
46**

**Companies subject to equity-method : 44**

**Companies not subject to equity-method :  
2**

Companies reflected in consolidated financial statements of the companies which are subject to Tokyu Corp.'s equity-method : 147

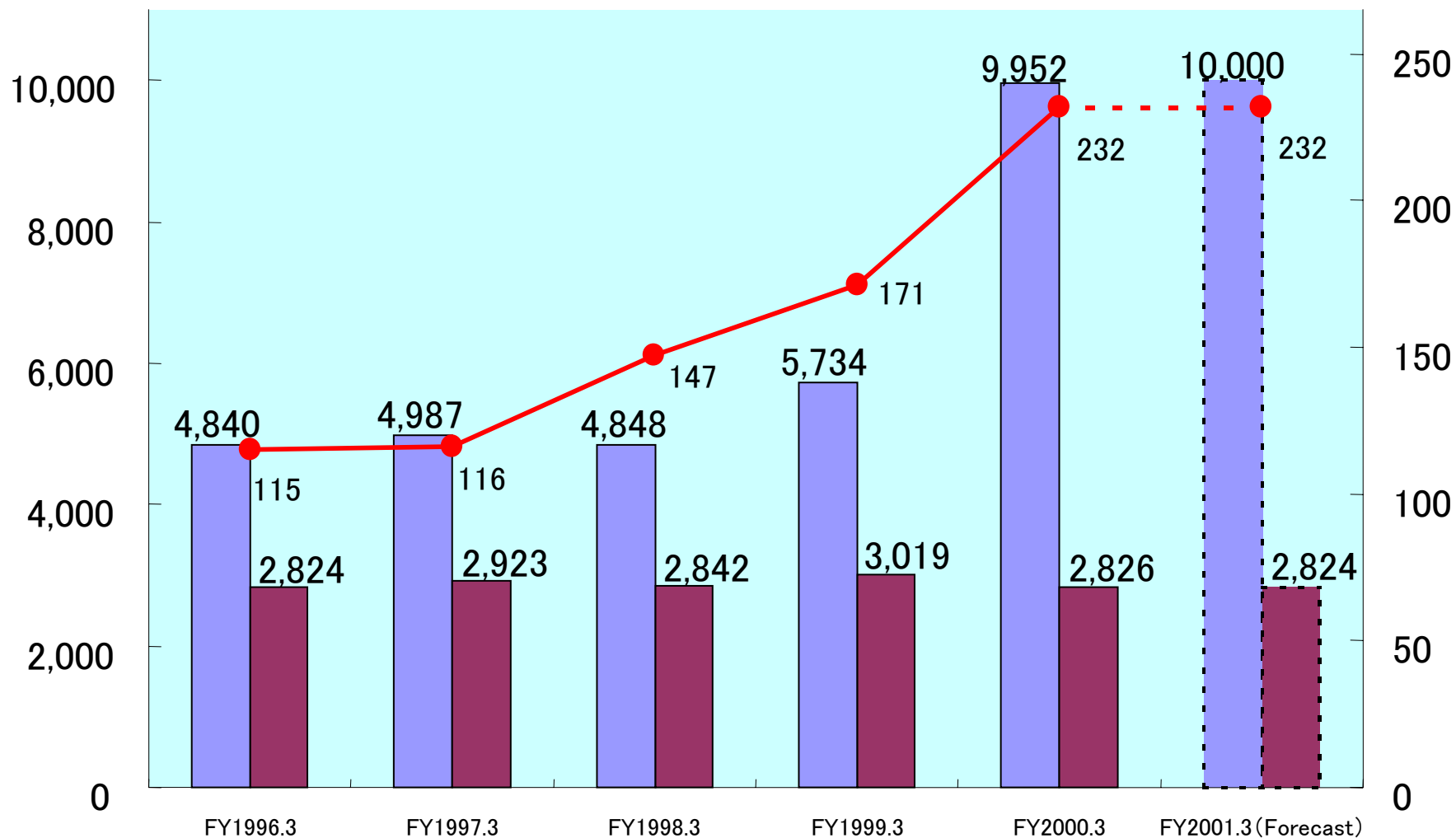
**Tokyu Group: 479 companies and 10 public entities**

# Operating Revenues

(¥ 100 millions)



(Companies)

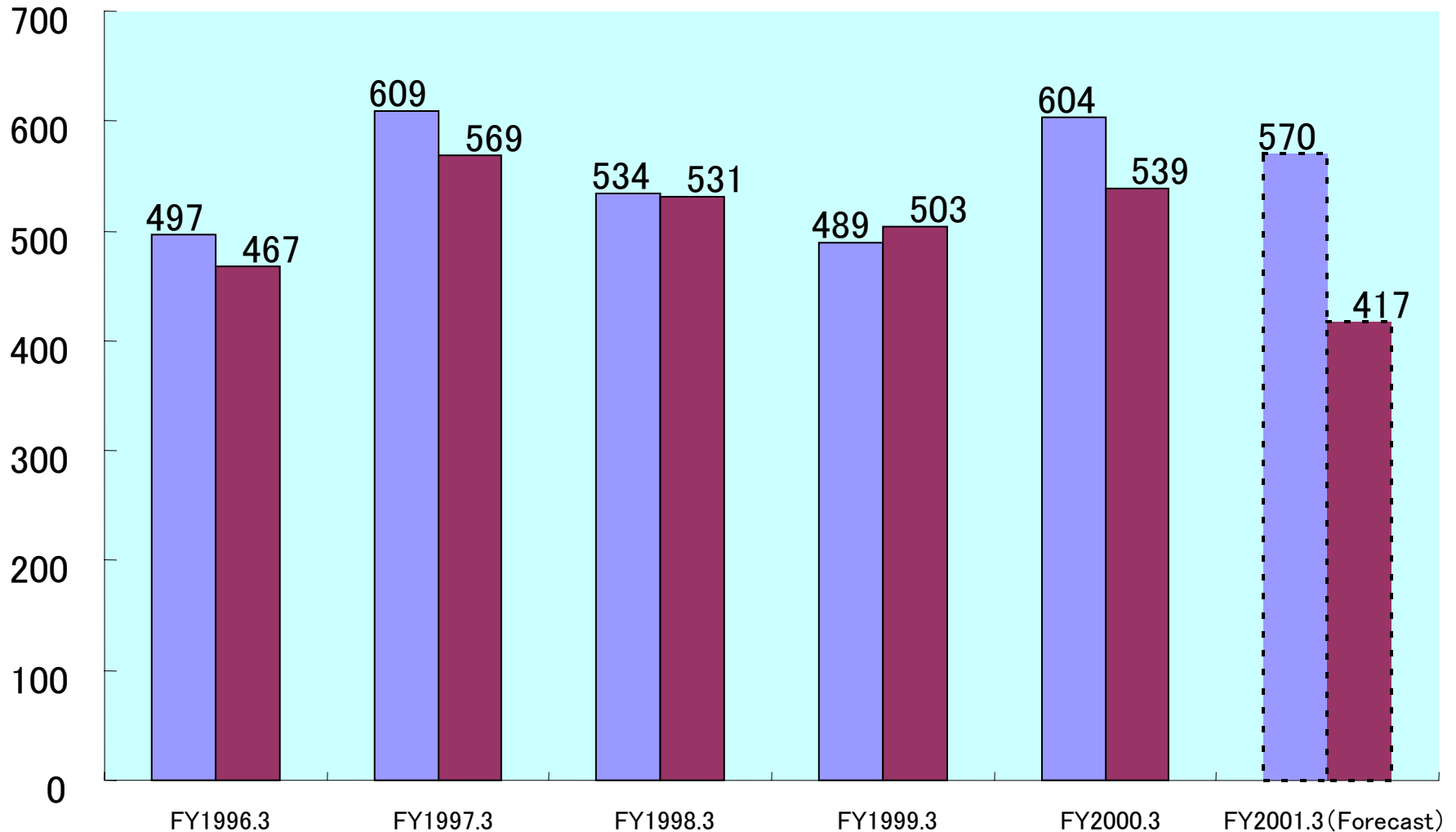


# Operating Income



(¥ 100 millions)

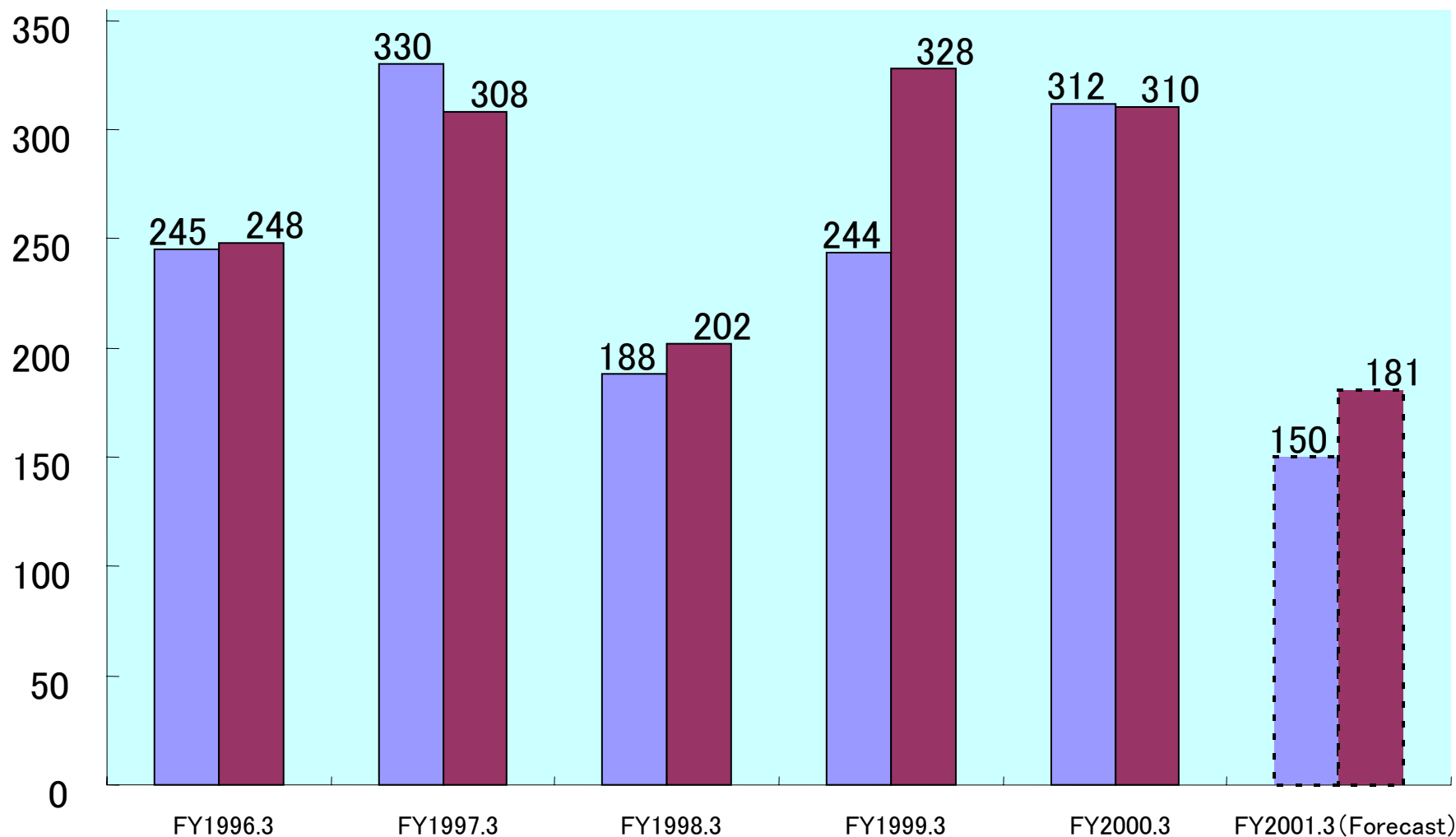
Consolidated Non-Consolidated



# Recurring Income

(¥ 100 millions)

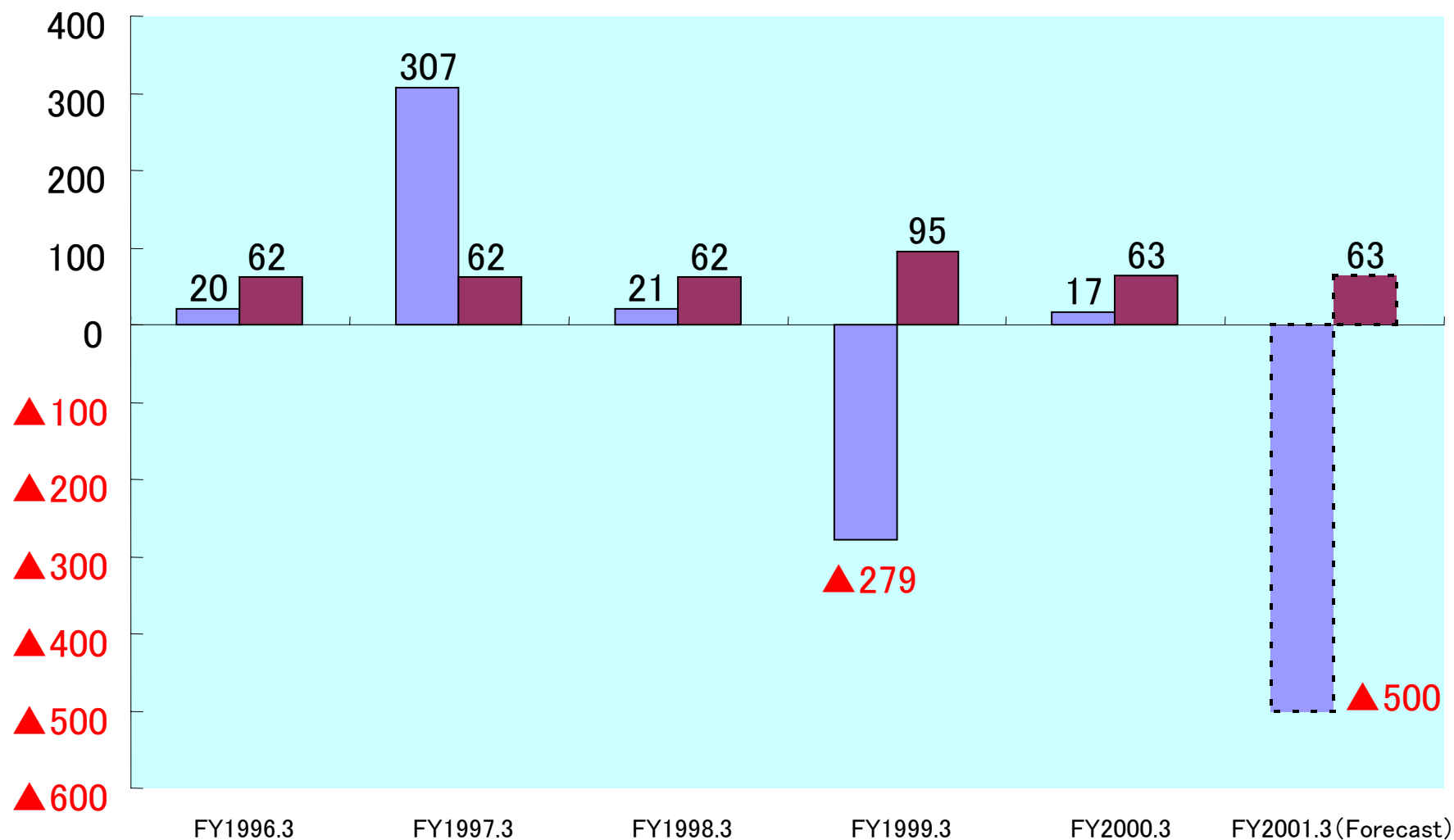
Consolidated Non-Consolidated



# Net Income

(¥ 100 millions)

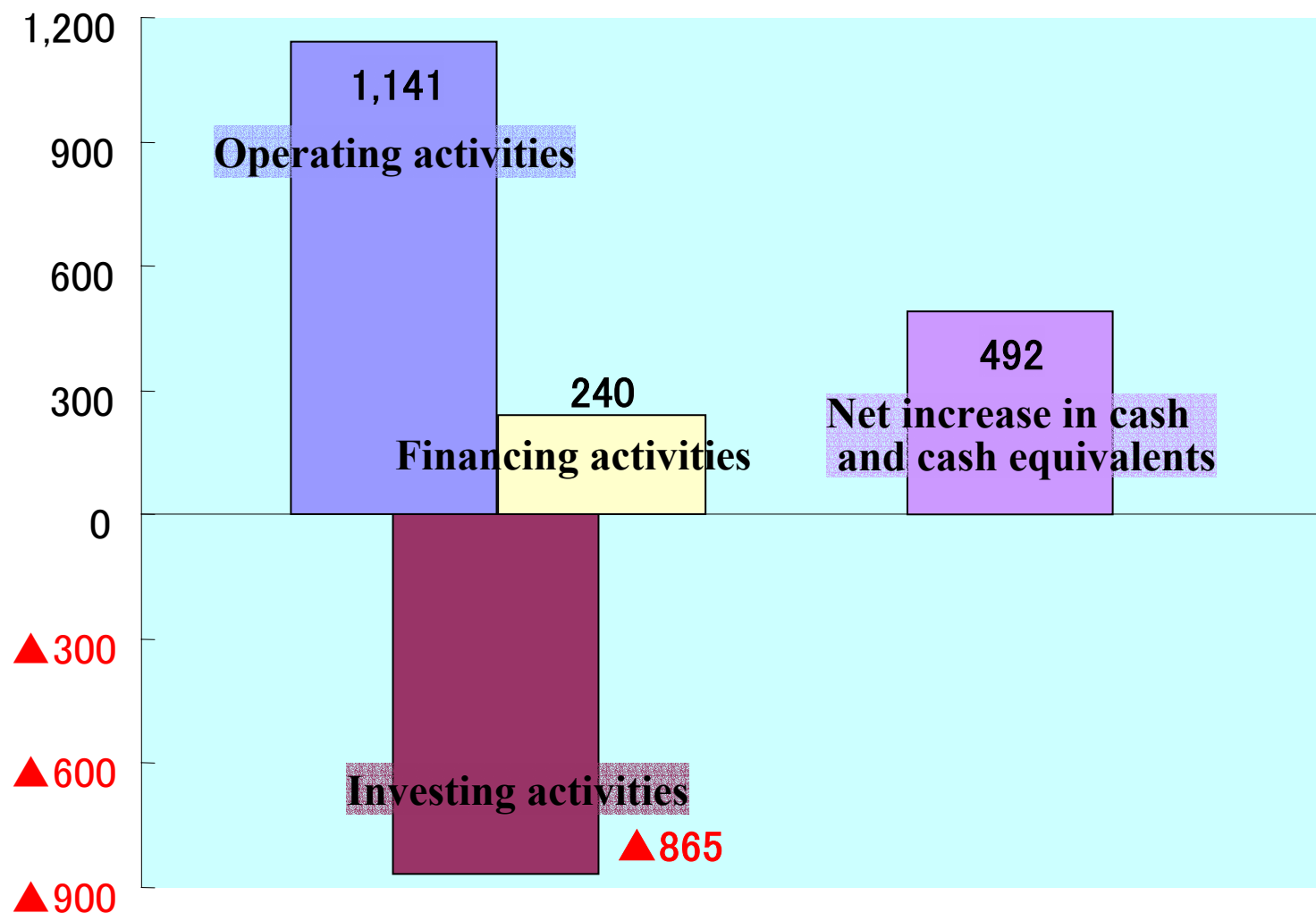
Consolidated Non-Consolidated



# FY2000.3 Consolidated Statements of Cash Flows



(¥ 100 millions)



# Explanation of Financial Results

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**Outline of Consolidated Financial Results for FY ended March 31, 2000**

**Details of Consolidated Financial Results for FY ended March 31, 2000**



# Consolidated Companies by Segment



**Tokyu Corporation**

**FY 2000.3**

**Scope of Consolidated Accounting : 278 companies**

## Transportation

54 Subsidiaries  
3 Affiliates

## Real Estate

31 Subsidiaries  
11 Affiliates

## Retail

24 Subsidiaries  
7 Affiliates

## Leisure & Services

99 Subsidiaries  
18 Affiliates

## Construction

15 Subsidiaries  
3 Affiliates

## Others

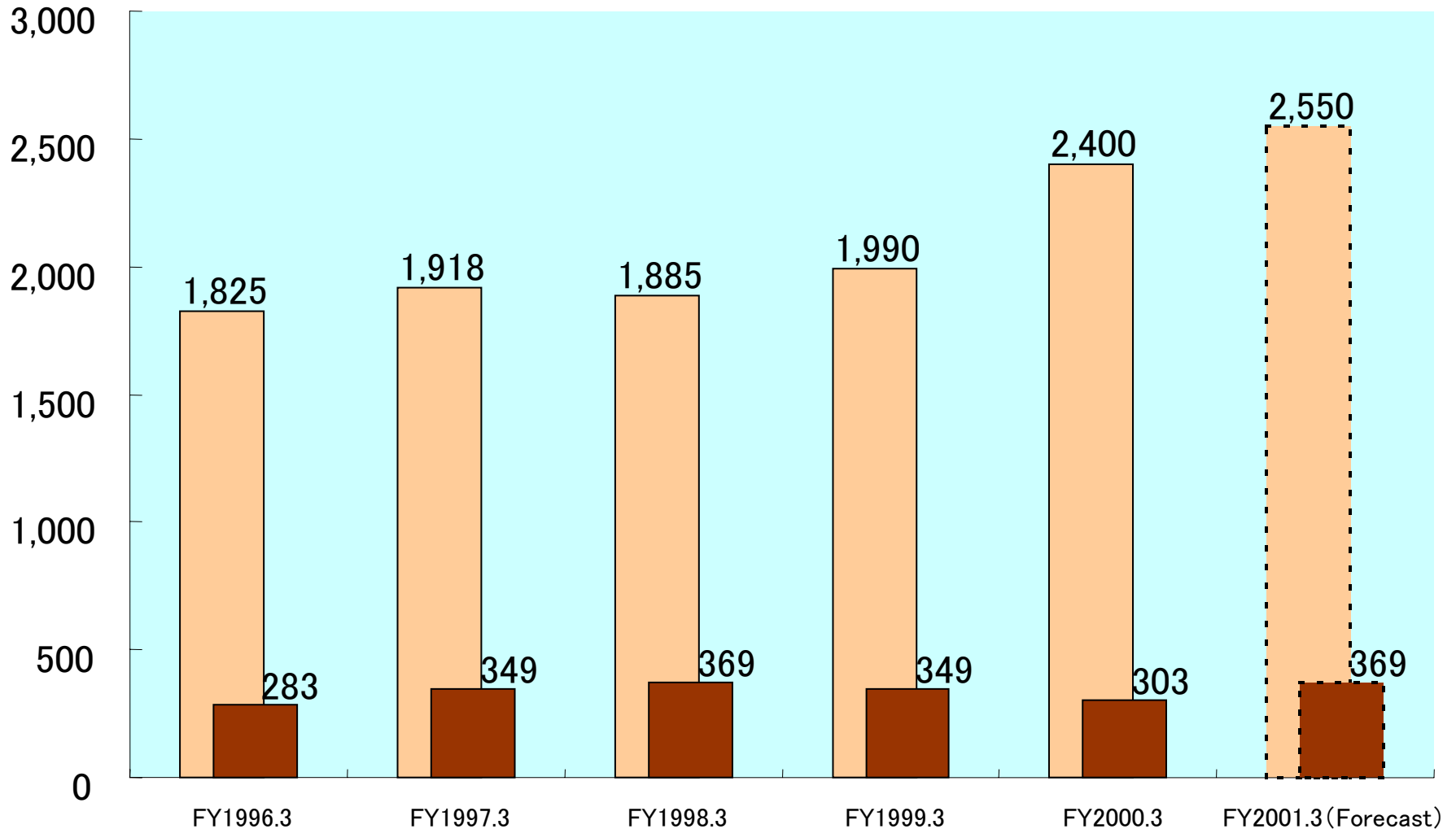
26 Subsidiaries  
4 Affiliates

# 【 Transportation 】



(¥ 100 millions)

Operating revenues    Operating income



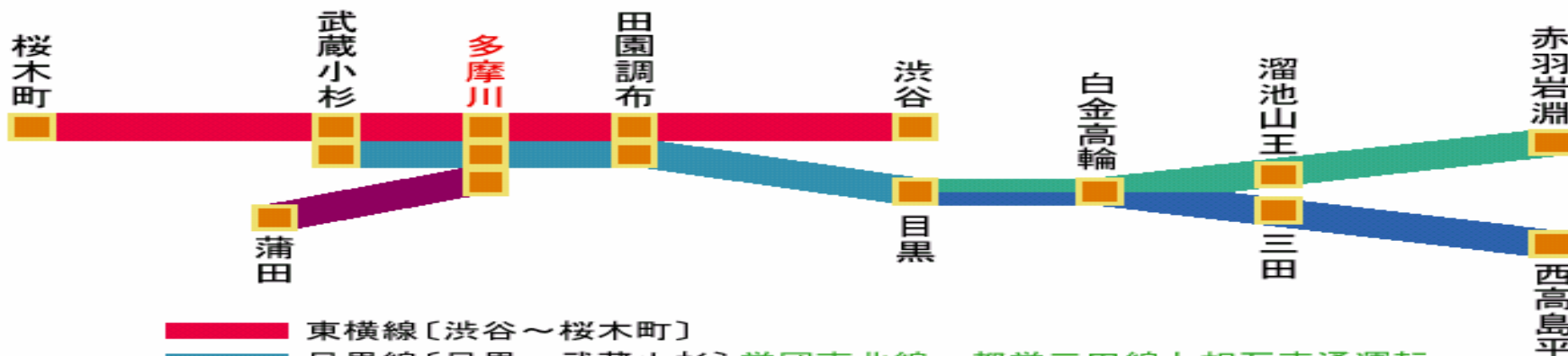
# Directly Shared Tracks



9/26~ Direct train change between Namboku and Meguro Lines commences

9/26~ Direct train change between Mita and Meguro Lines commences

8/6~ Meguro Line to include stations Meguro—Musashi-Kosugi



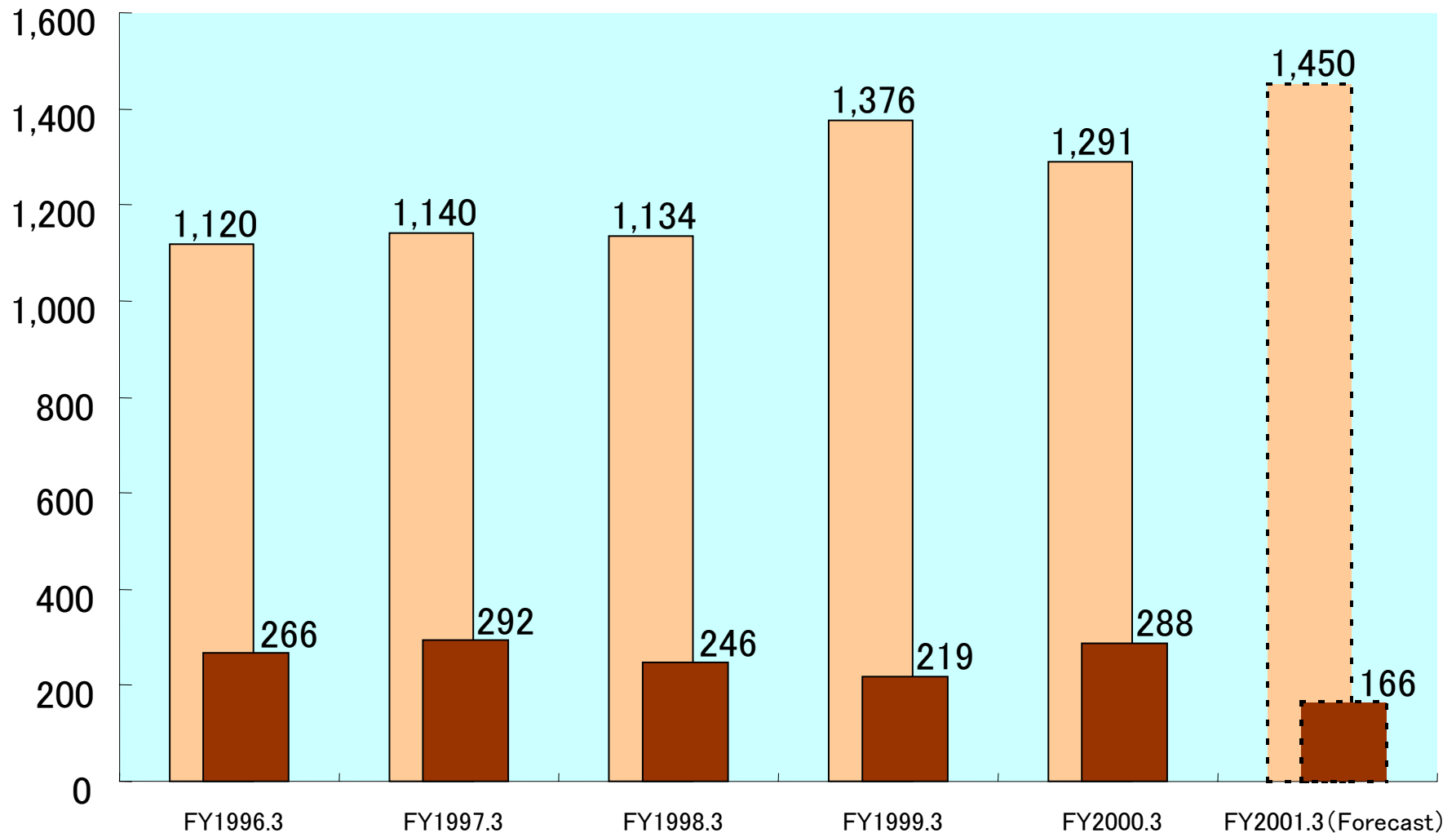
- 東横線〔渋谷～桜木町〕
- 目黒線〔目黒～武蔵小杉〕 営団南北線、都営三田線と相互直通運転
- 東急多摩川線〔多摩川(現多摩川園)～蒲田〕
- 営団南北線〔目黒～赤羽岩淵〕 目黒線と相互直通運転
- 都営三田線〔目黒～西高島平〕 目黒線と相互直通運転

# 【 Real Estate 】



(¥ 100 millions)

Operating revenues Operating income



# Grandberry Mall



■ Grand Open : April 21, 2000

■ Site : 87,000m<sup>2</sup>

(Largest in the Tokyo Metropolitan Area)

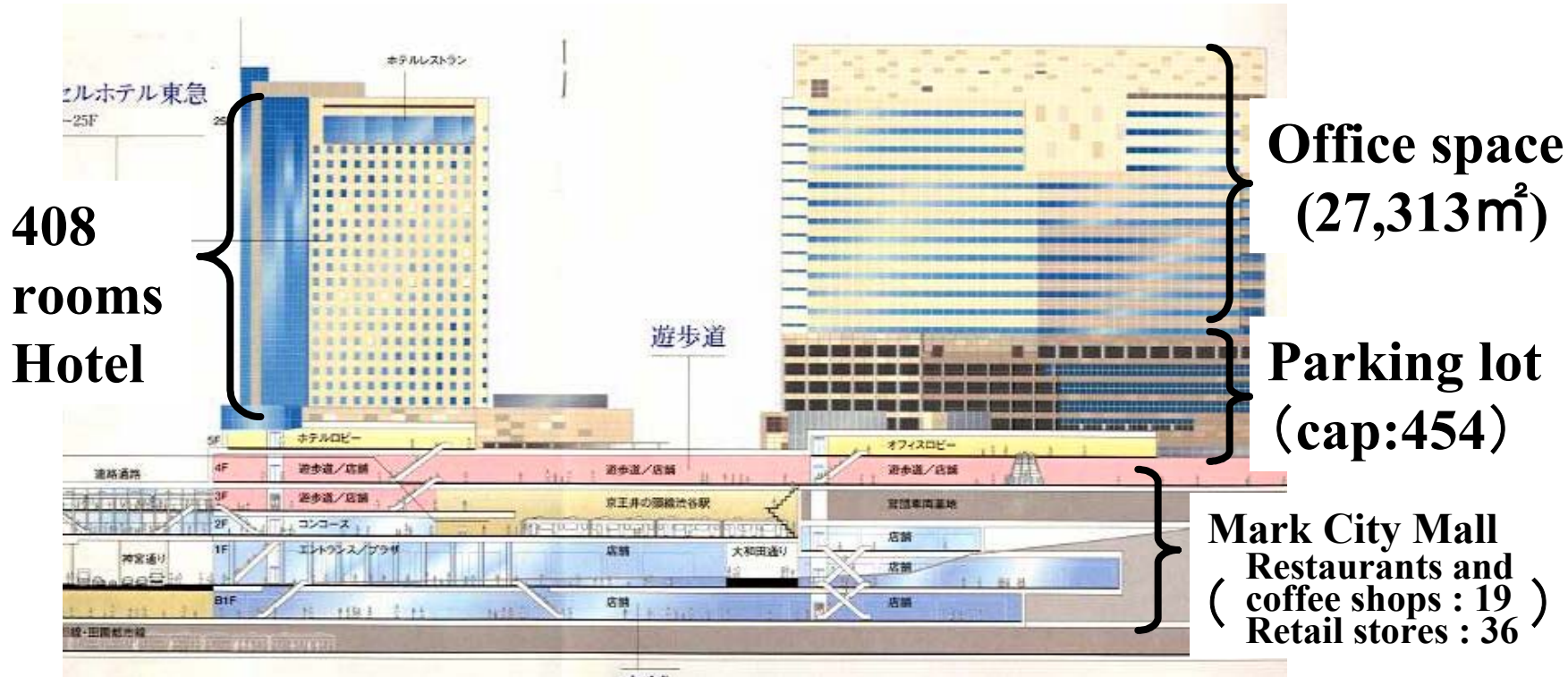
■ Style : Open-mall shopping center filled with American taste



■ Estimated Sales : ¥ 17 bil.

■ Total project cost : ¥ 5 bil.

# Shibuya Mark City



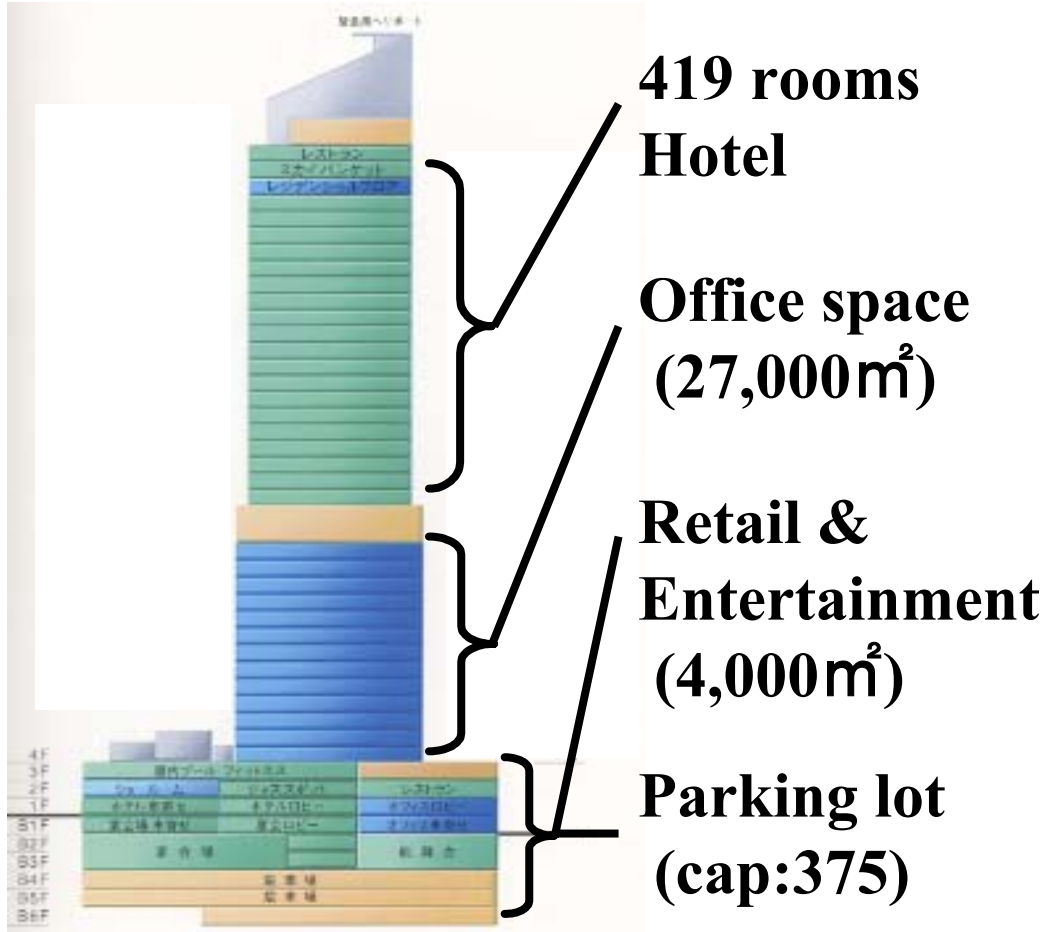
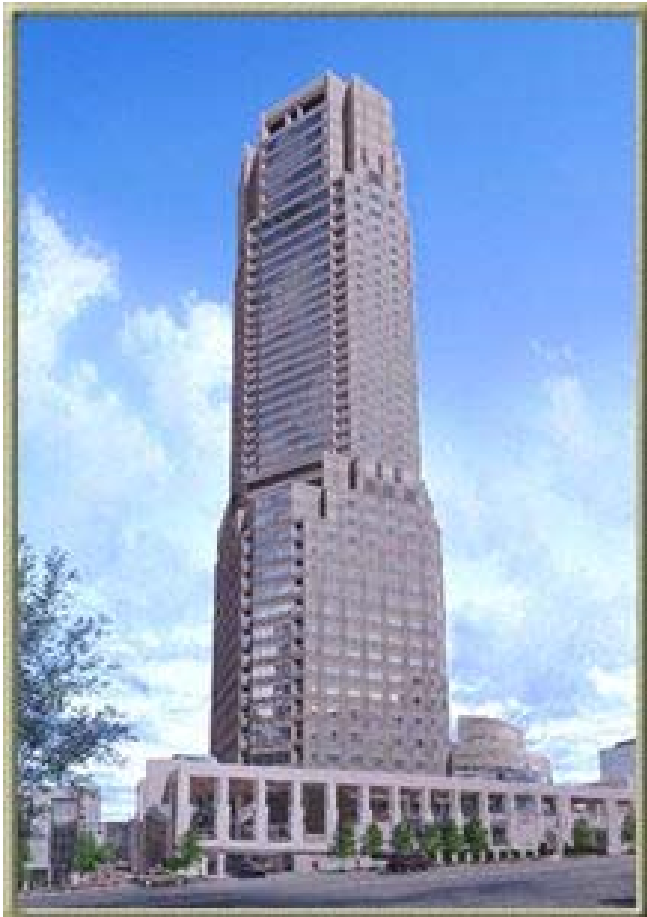
**Construction cost : ¥ 58.6 billion**  
**(Share of Tokyu Corporation : ¥ 15.6 billion)**

# Cerulean Tower



Grand opening 2001 spring

Construction cost : ¥ 45.1 billion

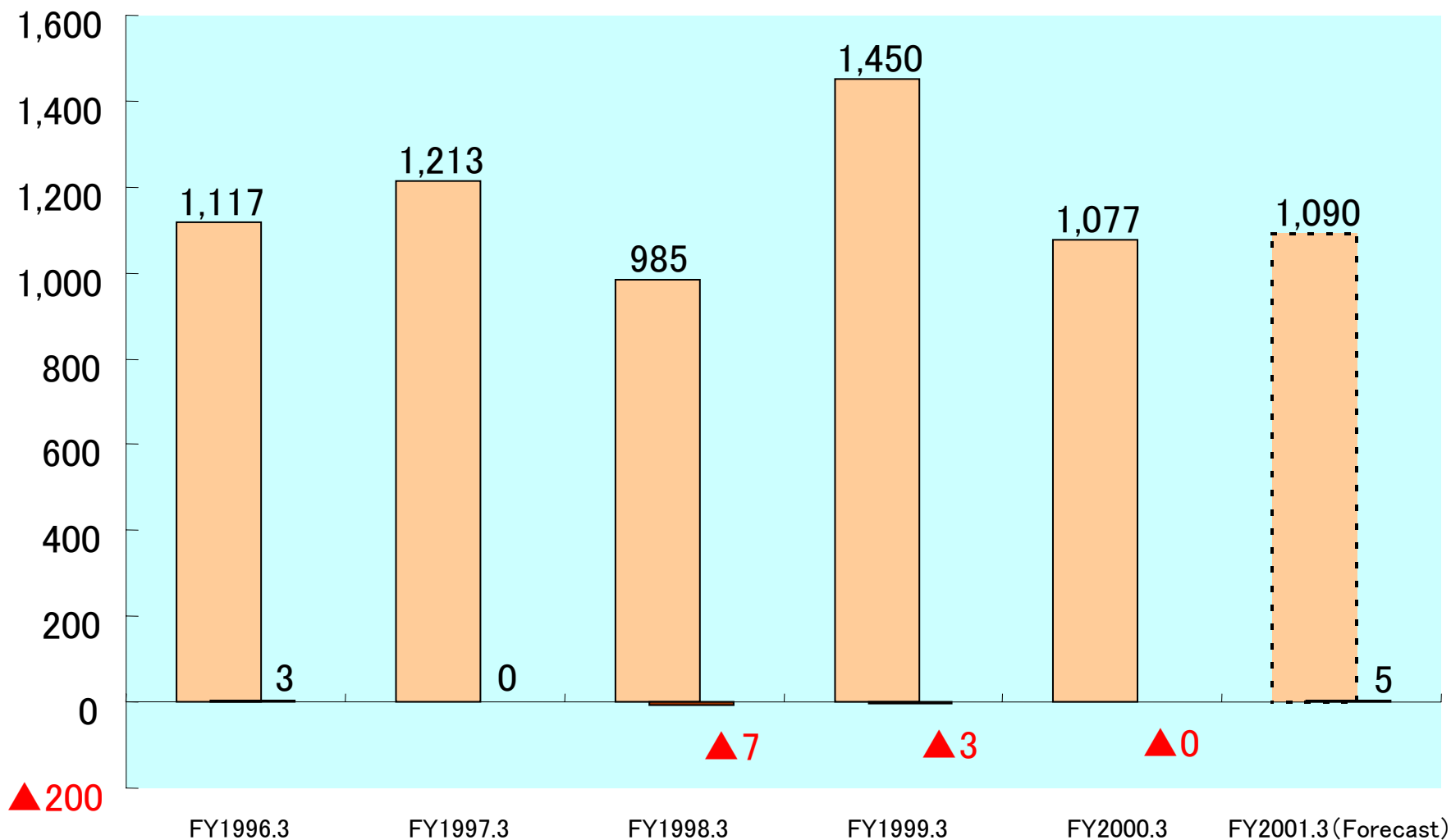


# 【 Retail 】



(¥ 100 millions)

Operating revenues    Operating income



▲ 200

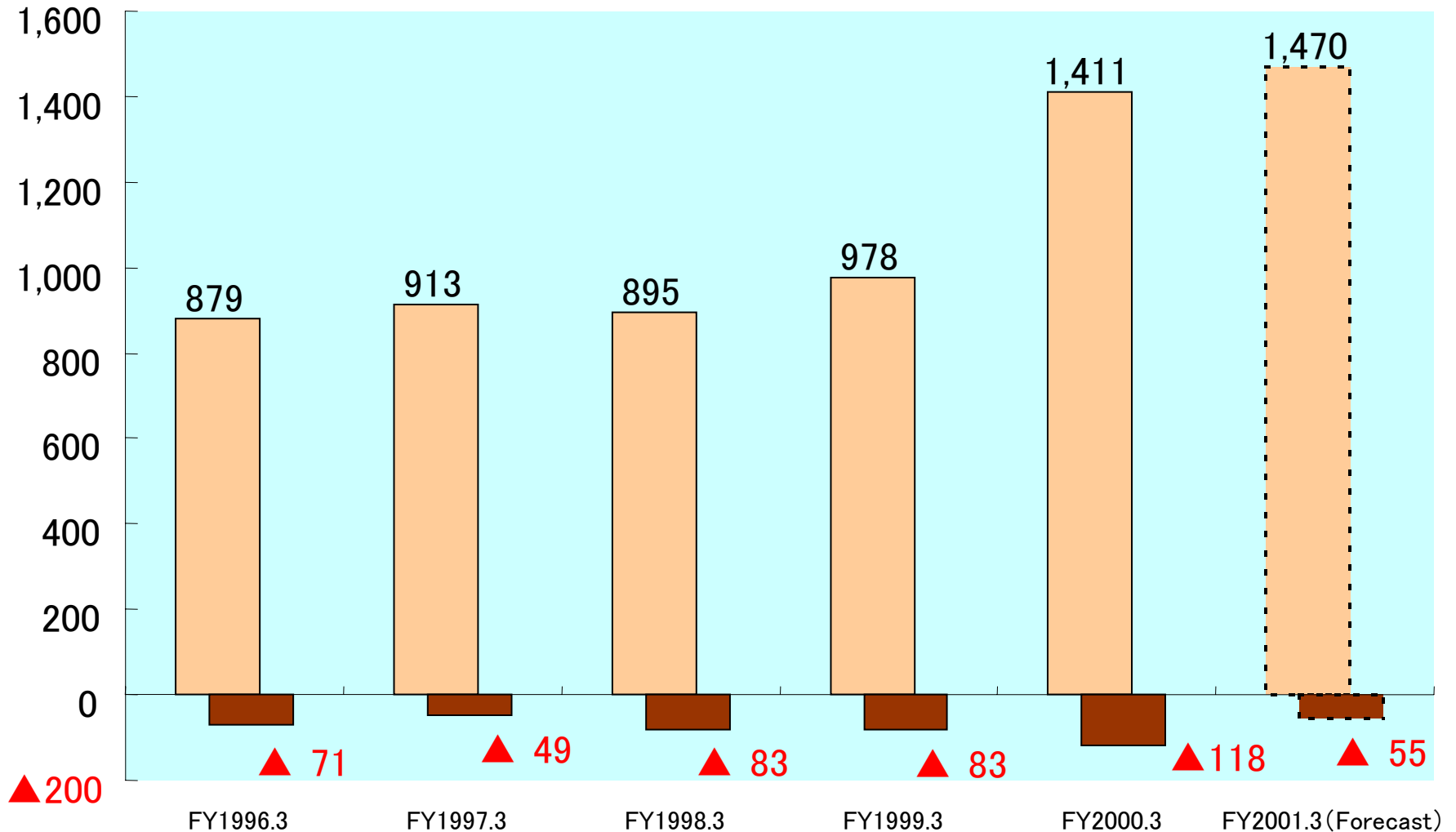


# 【 Leisure and Services 】



(¥ 100 millions)

Operating revenues    Operating income

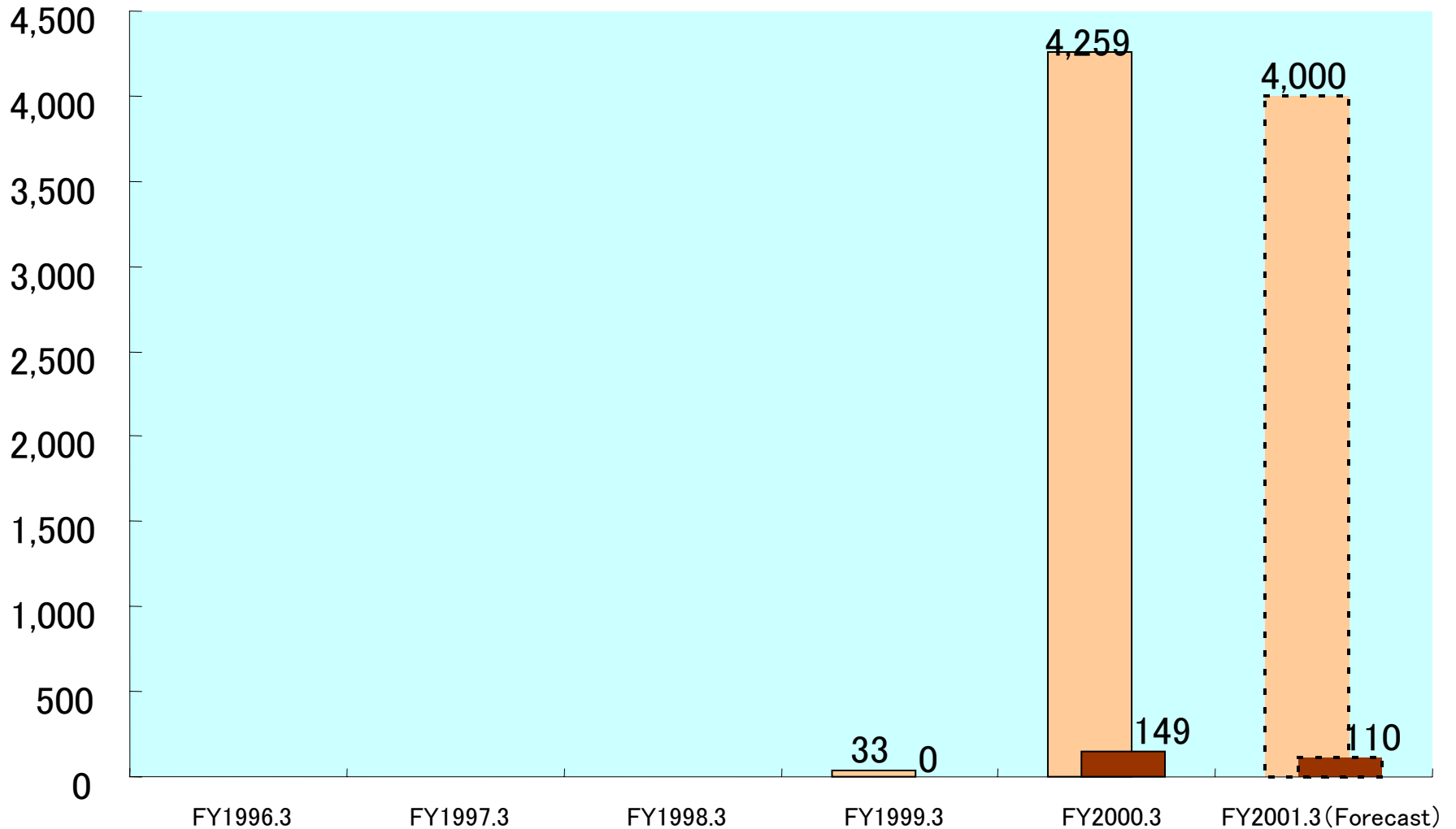


# 【 Construction 】



(¥ 100 millions)

Operating revenues Operating income

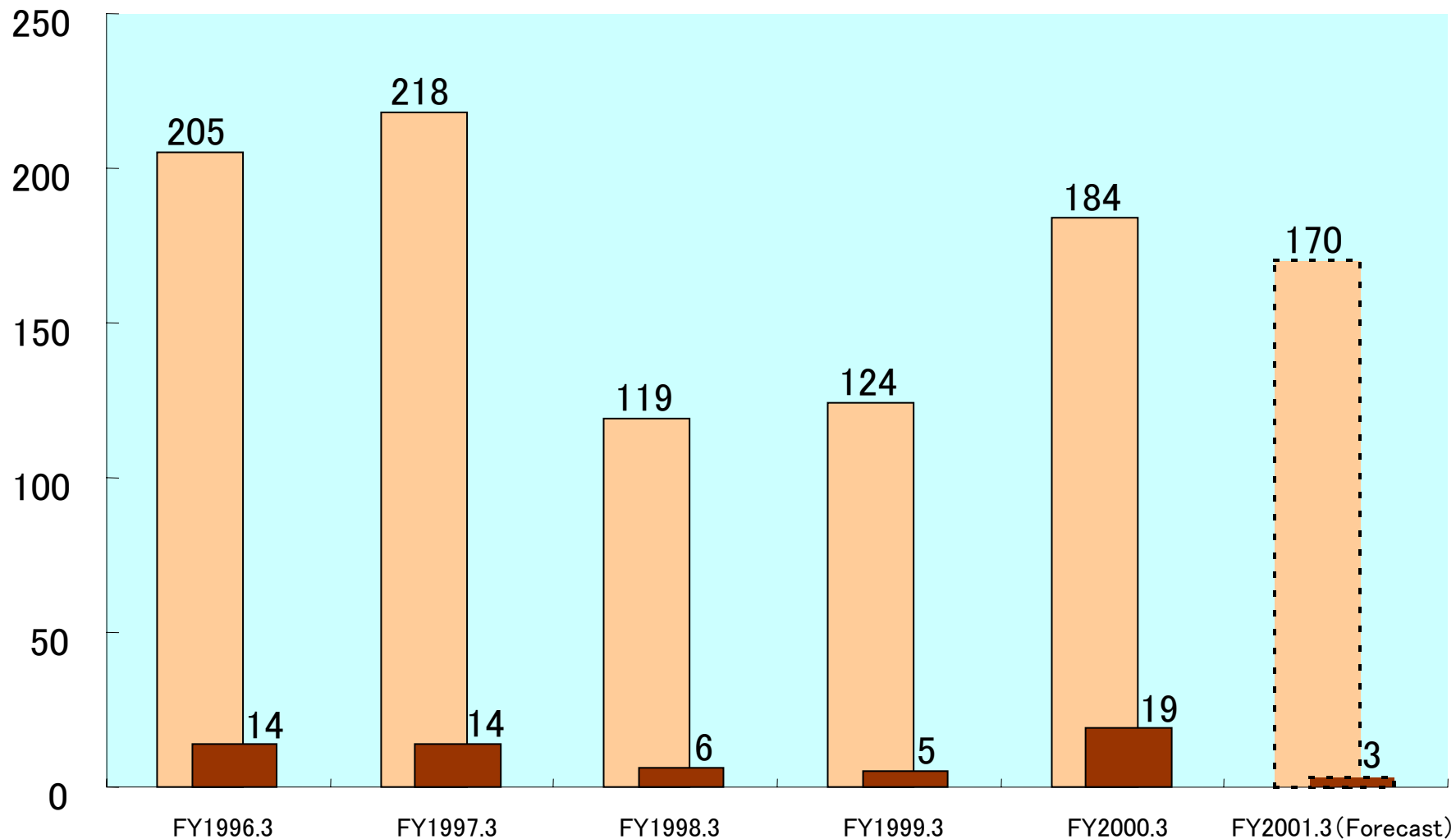


# 【 Others 】



(¥ 100 millions)

Operating revenues    Operating income

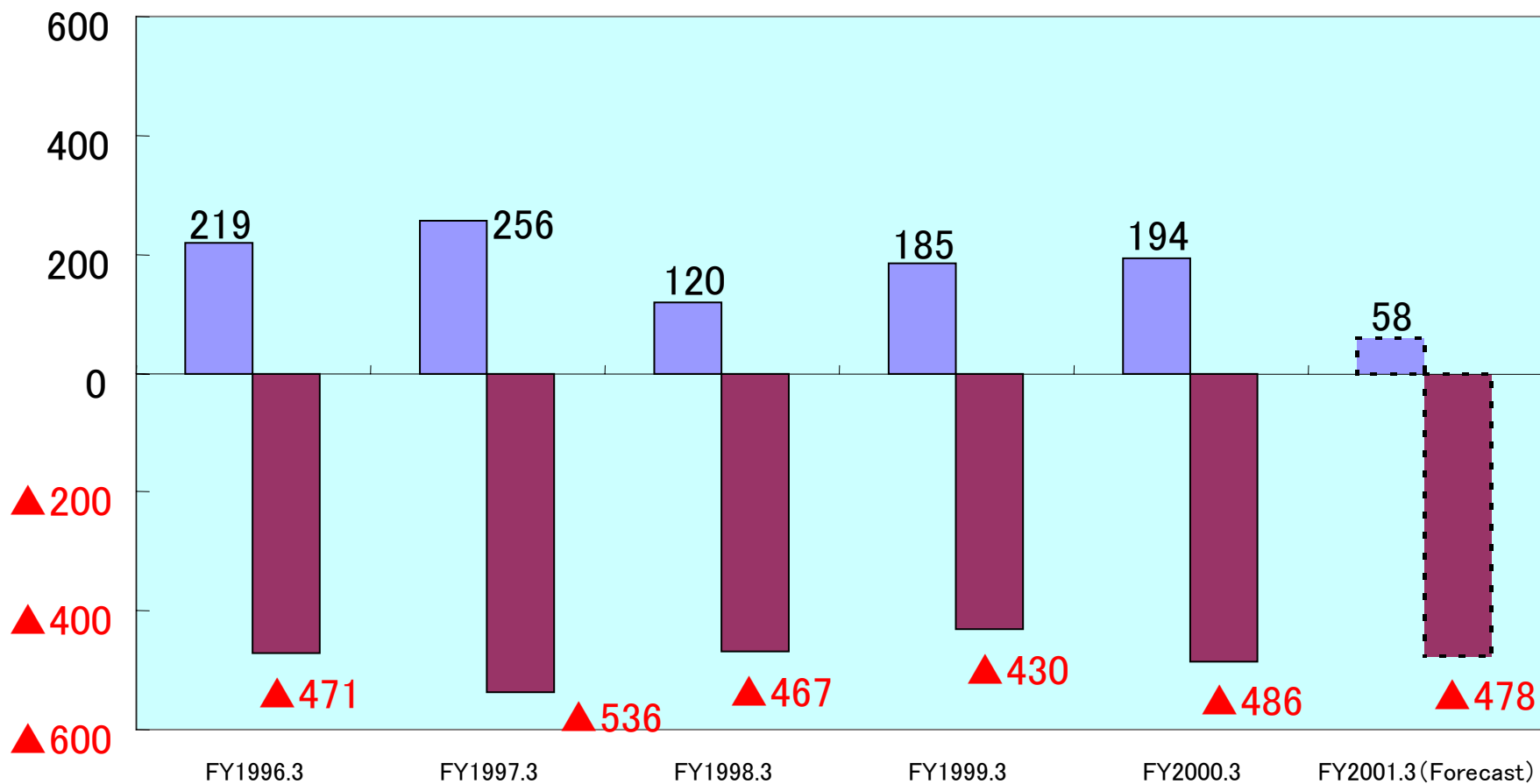


# Non-Operating Income and Expenses

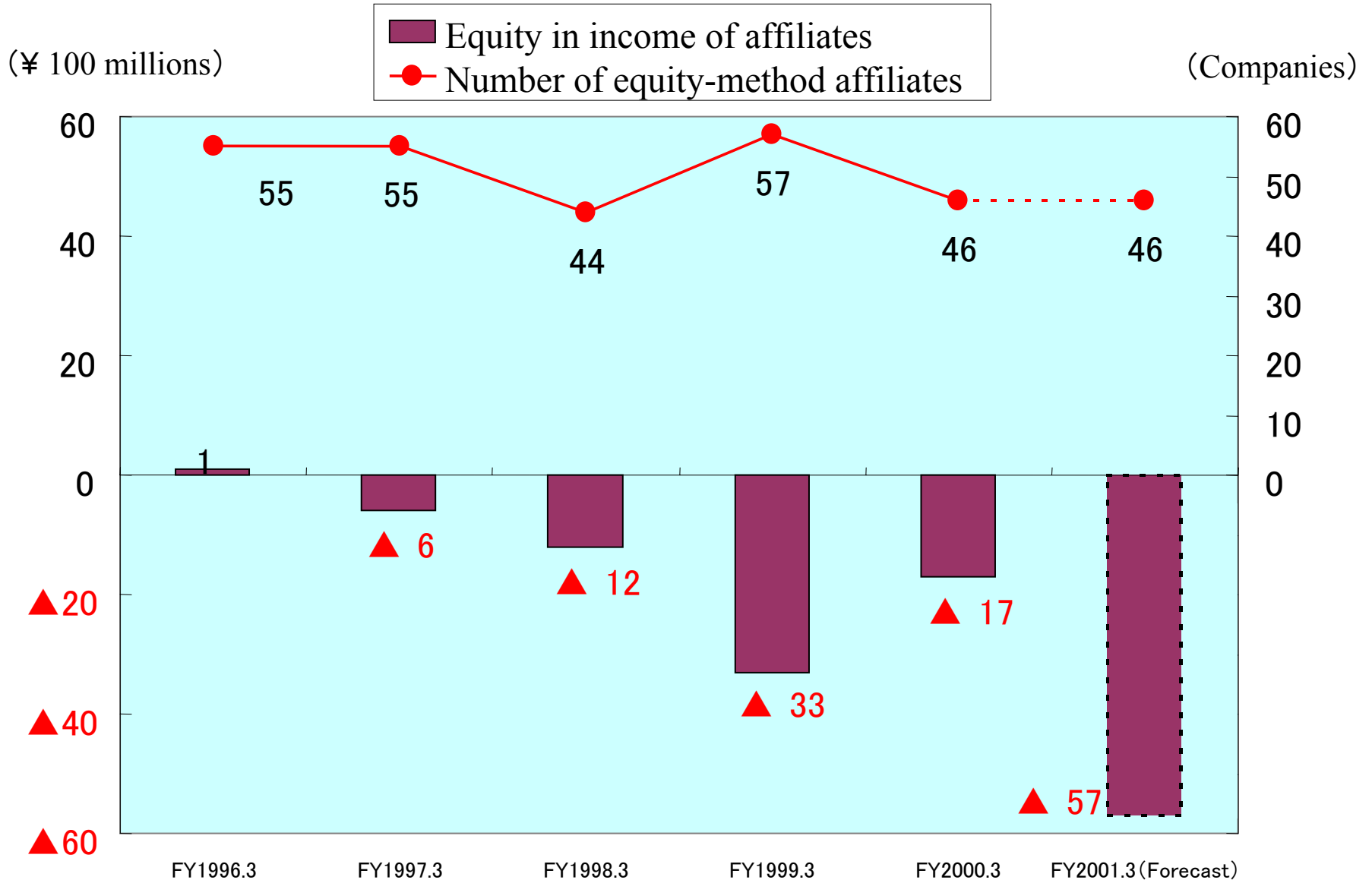


(¥ 100 millions)

■ Non-operating income ■ Non-operating expenses



# Equity in income of Affiliates

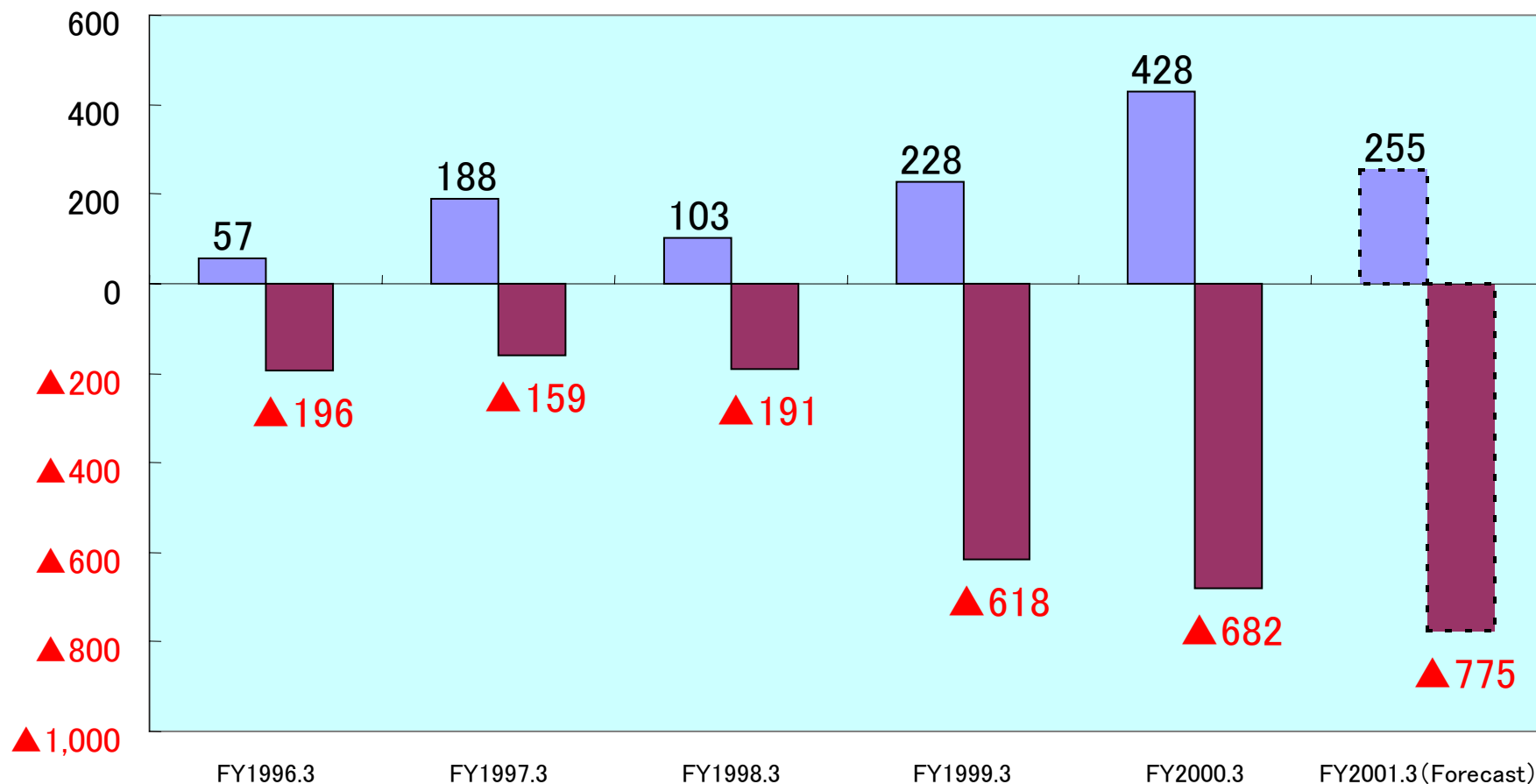


# Extraordinary Gains and Losses



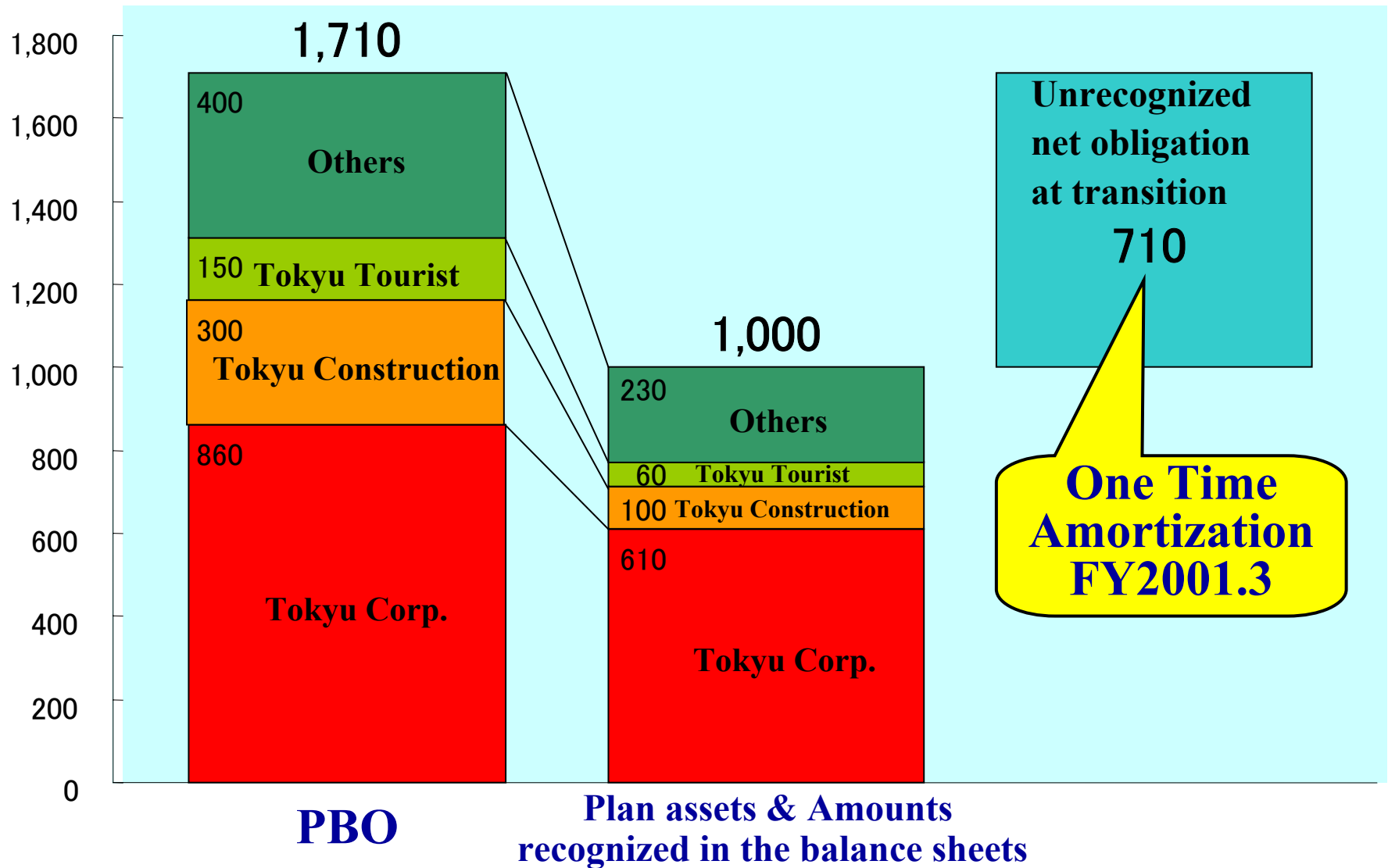
(¥ 100 millions)

Extraordinary gains    Extraordinary losses



# Benefit Obligation

(¥ 100 millions)



# Consolidated Statements of Cash Flows

## FY2001.3 (Forecast)



(¥ 100 millions)

