

# Summary of Results for FY 2012 Forecasts for FY2013

May 15, 2013



Tokyu Corporation

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(9005)

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

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## 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.

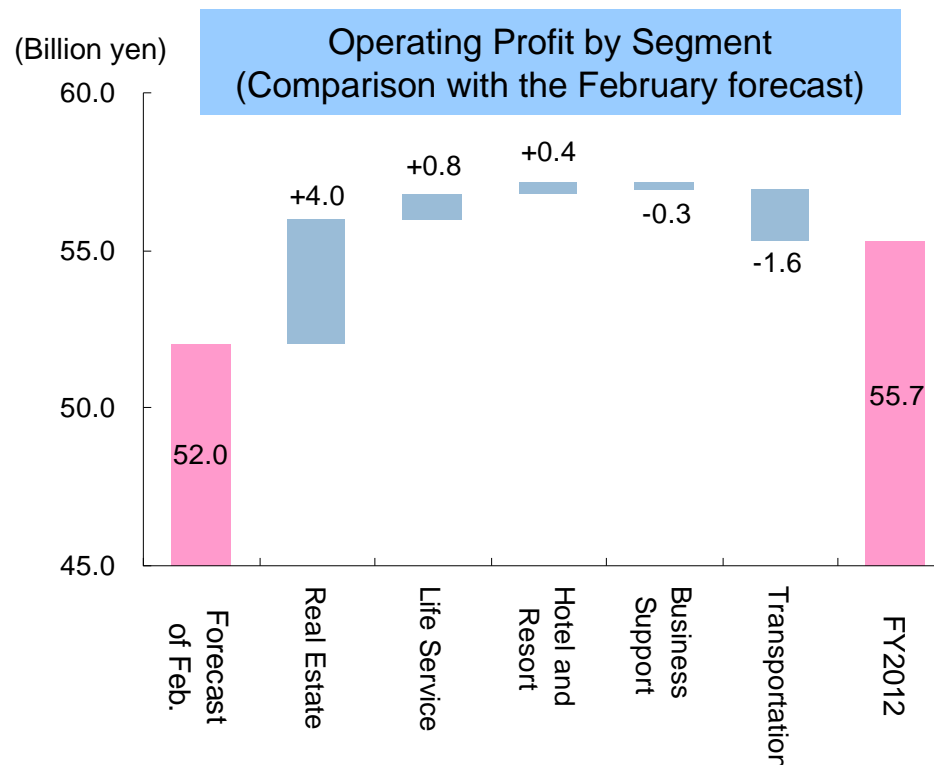
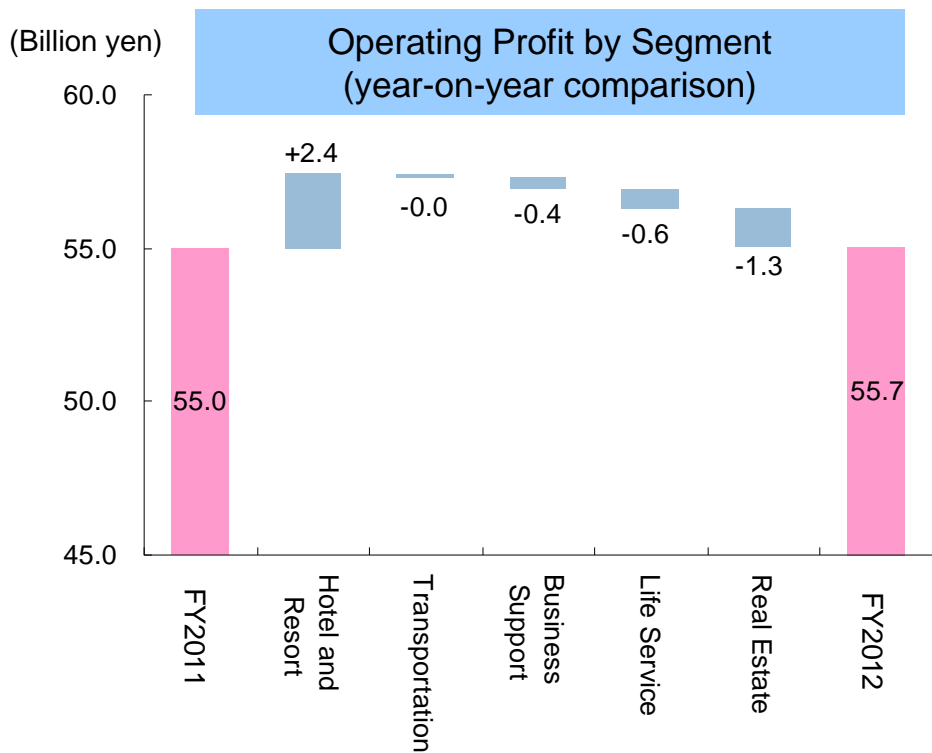
# I. Executive Summary



**[Year-on-year comparison]** Net income increased 7.1 billion yen due in part to the hotel/resort business posting an operating profit as it recovered from the impact of the earthquake, as well as a reduction in corporate income taxes, etc., despite a decline in operating revenue caused mainly by the transfer of Tokyu Car Corporation.

**[Comparison with February, comparison with plan]** Net income increased significantly as a result of a rise in operating profit centered on the Company's real estate business, an improvement in investment gains from equity method accounting, a reduction in interest payments, in addition to a decline in corporate income taxes, etc.

	Annual results	Year-on-year comparison	Comparison with forecasts in Feb.	Comparison with management plan
Operating revenue	1,068.0 billion	- 26.1 billion (- 2.4%)	+ 5.5 billion (+ 0.5%)	+ 3.2 billion (+ 0.3%)
Operating profit	55.7 billion	+ 0.7 billion (+ 1.3%)	+ 3.7 billion (+ 7.2%)	+ 5.7 billion (+ 11.5%)
Recurring profit	56.2 billion	+ 2.2 billion (+ 4.1%)	+ 8.4 billion (+ 17.7%)	+ 14.2 billion (+ 34.0%)
Net income	43.0 billion	+ 7.1 billion (+ 19.9%)	+ 10.0 billion (+ 30.5%)	+ 17.0 billion (+ 65.7%)



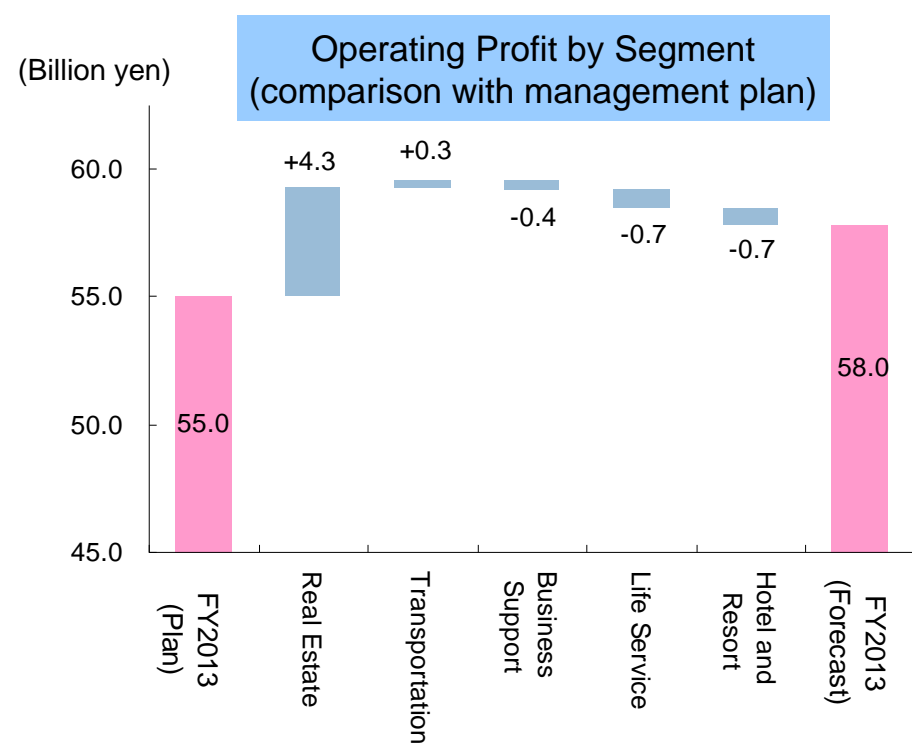
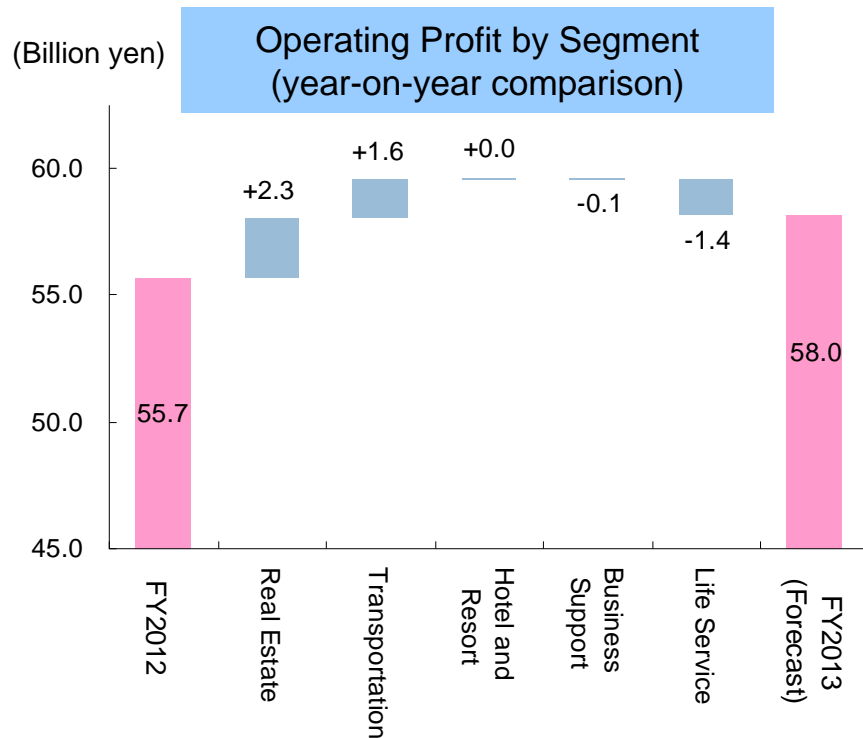
# Main Points in Forecasts for FY2013



**[Year-on-year comparison]** Operating profit increased to 58.0 billion yen, up 2.2 billion yen, centered on the Company's railway operations and real estate leasing. Net income declined 3.0 billion yen to 40.0 billion yen due to a deterioration in non-operating revenue and a reaction to the decline in corporate income taxes, etc. last fiscal year.

**[Comparison with plan]** Operating profit increased by 3.0 billion yen as the Company's real estate business was steady. An increase of 7.0 billion yen in net income was secured due in part to a reduction in interest payments and an improvement in investment gains from equity method accounting.

	Full year forecast	Year-on-year comparison	Comparison with management plan
Operating revenue	1,085.2 billion	+ 17.1 billion (+ 1.6%)	- 2.2 billion (- 0.2%)
Operating profit	58.0 billion	+ 2.2 billion (+ 4.0%)	+ 3.0 billion (+ 5.5%)
Recurring profit	54.0 billion	- 2.2 billion (- 4.1%)	+ 7.0 billion (+ 14.9%)
Net income	40.0 billion	- 3.0 billion (- 7.1%)	+ 7.0 billion (+ 21.2%)



## II. Conditions in Each Business

# Railway Operations Business



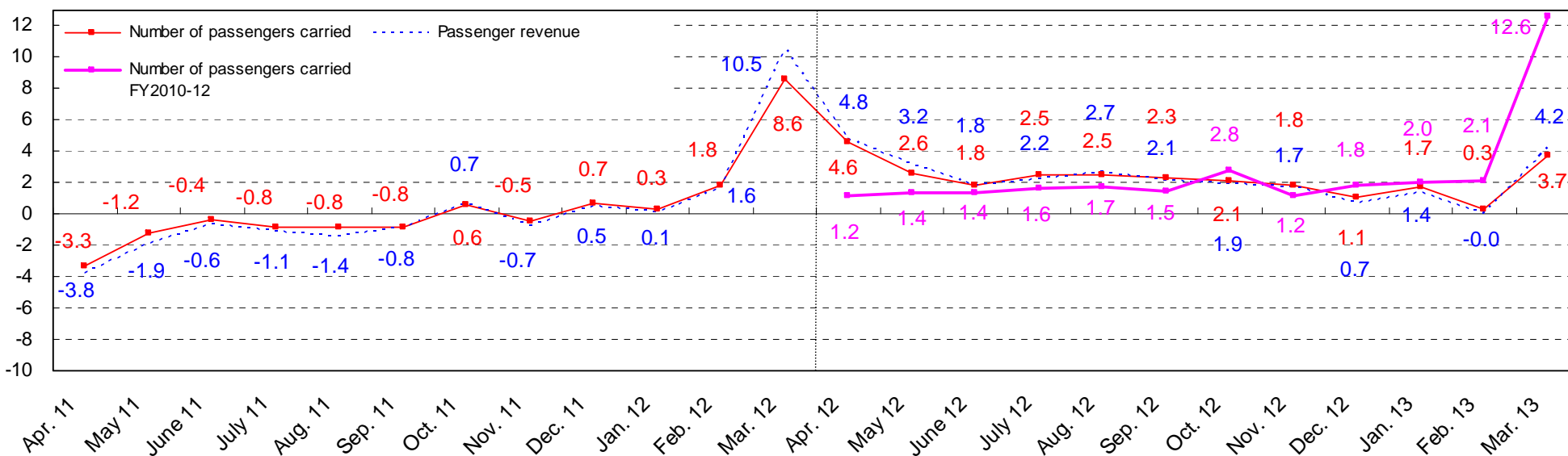
The Company's Railway operation business: Results and forecasts for passengers carried and passenger revenue

(Thousand people, Million yen)

		FY2010	FY2011	FY2012	FY2013 (Forecast)	Year-on-year comparison		FY2010-12 Change
						FY2011-12	FY2012-13	
Number of passengers carried	Total	1,062,590	1,065,364	1,089,488	1,110,949	+ 2.3%	+ 2.0%	+ 2.5%
	Non-commuter	433,891	435,972	447,003	455,553	+ 2.5%	+ 1.9%	+ 3.0%
	Commuter	628,699	629,392	642,485	655,396	+ 2.1%	+ 2.0%	+ 2.2%
Passenger revenue	Total	127,875	128,118	130,973	133,403	+ 2.2%	+ 1.9%	+ 2.4%
	Non-commuter	70,736	70,990	72,789	74,132	+ 2.5%	+ 1.8%	+ 2.9%
	Commuter	57,139	57,128	58,184	59,270	+ 1.9%	+ 1.9%	+ 1.8%

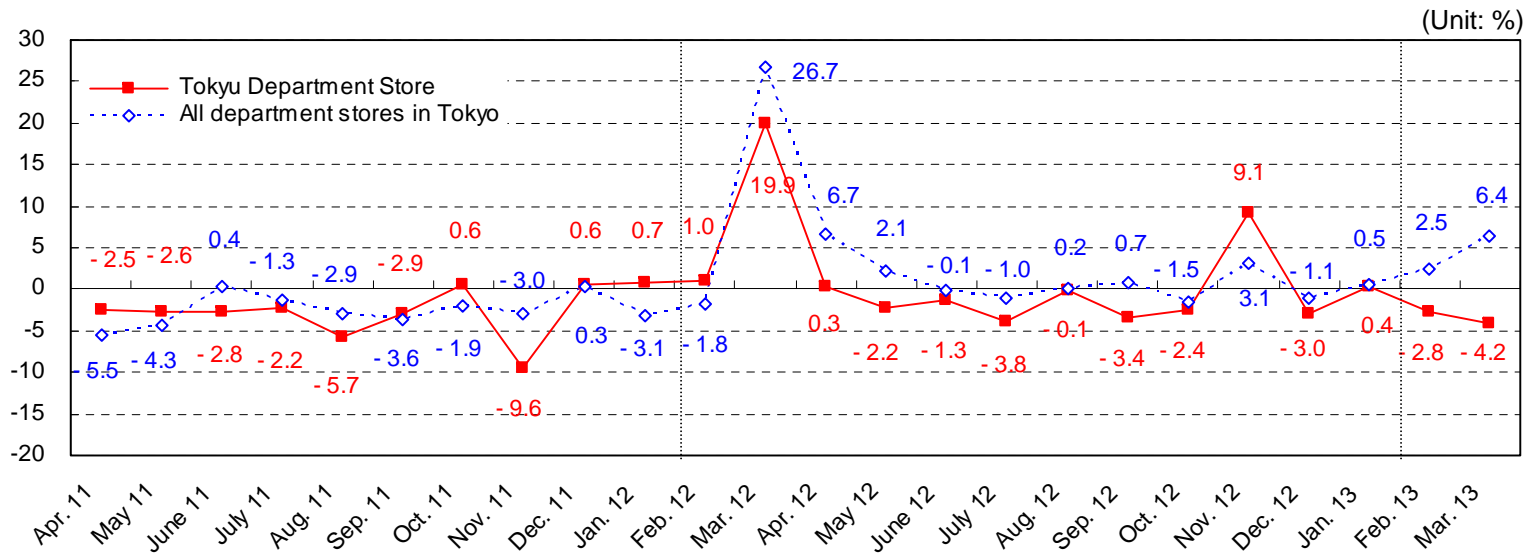
Railway operation business: Passengers carried and passenger revenue (year-on-year comparison)

(Unit: %)





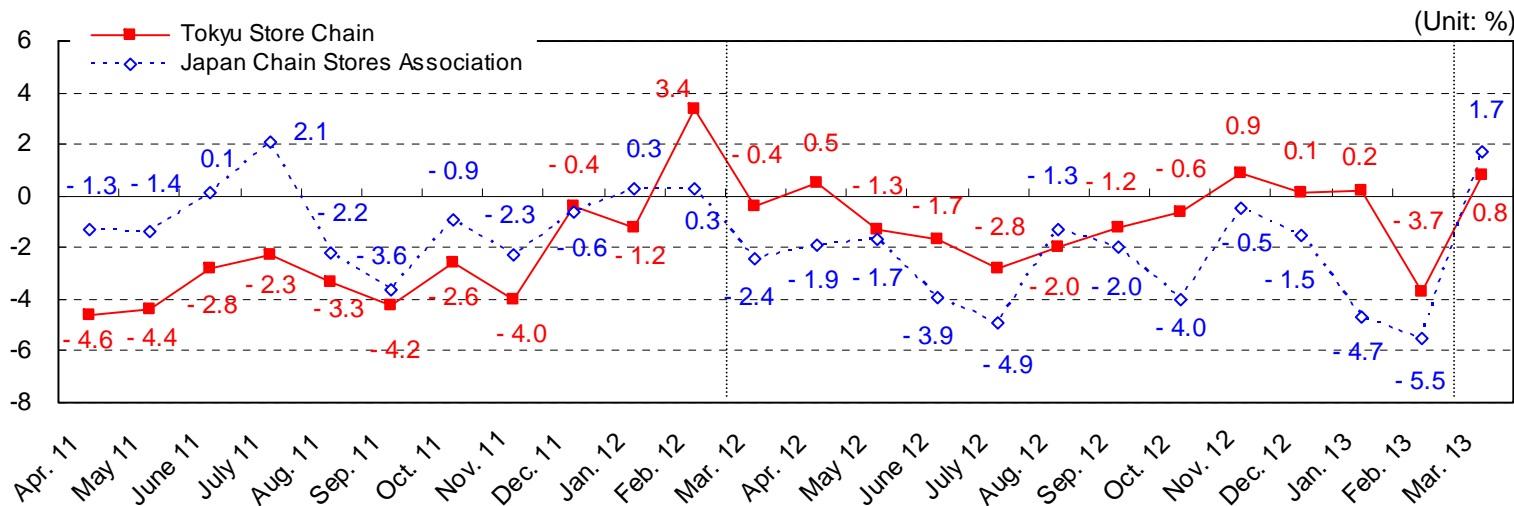
Tokyu Department Store sales (compared with same month of previous year) [ Leasing revision, Store Total ]



Sales by category at Tokyu Department Stores

	FY2012	
	Rate of YoY change	Share
Menswear/furnishings	2.0	4.3%
Womenswear/furnishings	4.5	20.7%
Other clothing items	0.2	5.1%
Personal items	15.3	8.5%
Miscellaneous goods	8.4	12.9%
Household articles	-4.1	3.8%
Food	5.5	41.4%
Others	0.6	3.3%
Total	5.4	100.0%
Leasing revision	0.9	

Tokyu Store Chain: Sales of existing stores (compared with same month of previous year)



Sales by category at Tokyu Store Chain

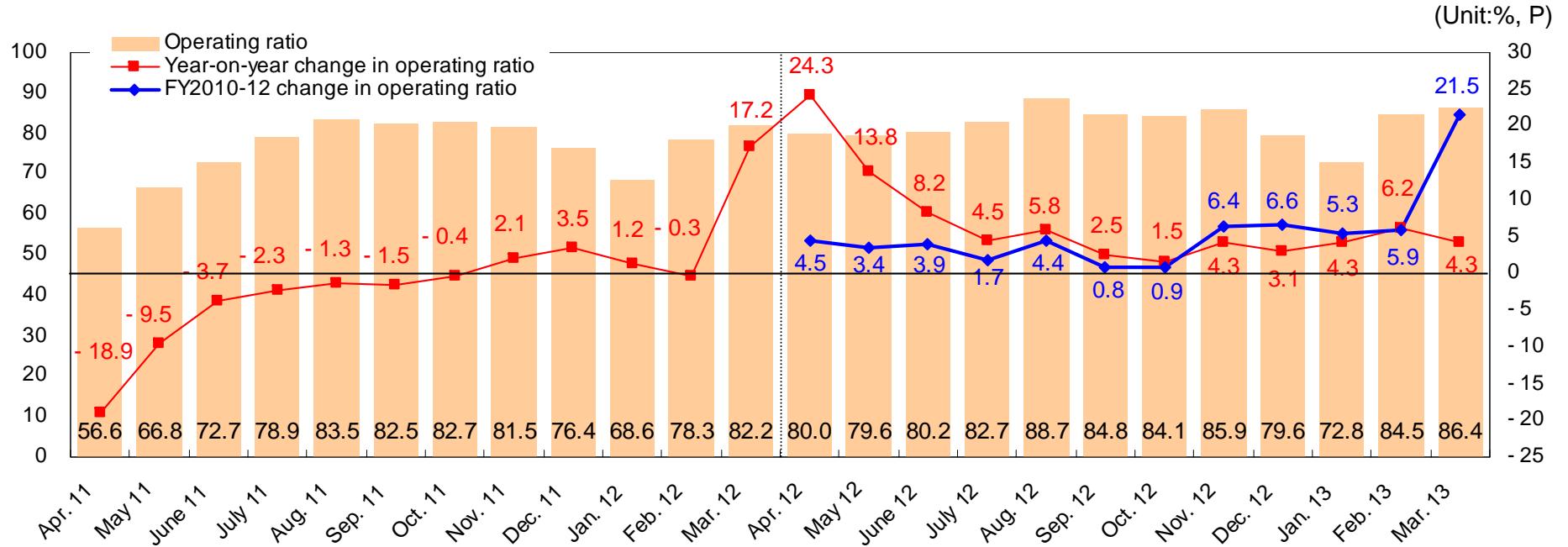
	FY2012	
	Rate of YoY change	Share
Food	-0.8	82.0%
Clothing	0.0	2.7%
Livingware	-2.6	6.4%
Others	-4.2	8.8%
Total	-1.0	100.0%



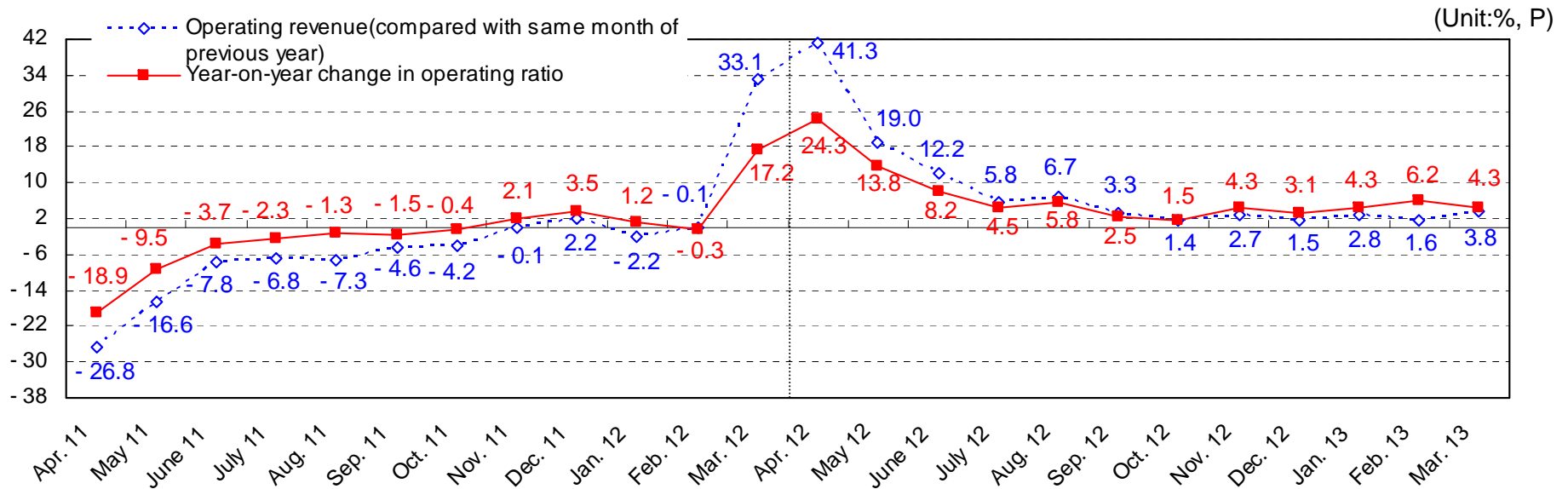
# Hotel Business



Tokyu Hotels: The actual operating ratio of existing hotels and the operating ratio (year on year)



Tokyu Hotels: The total hotel income of existing hotels and the operating ratio (year on year)



## III. Details of Financial Results for FY2012

(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Operating revenue	1,094.2	1,068.0	- 26.1 (- 2.4%)	Business Support: -52.2; Real Estate: +9.2; Life Service: +8.3; Hotel and Resort: +3.2; Transportation: +1.5	1,062.5	+ 5.5 (+ 0.5%)
Operating profit	55.0	55.7	+ 0.7 (+ 1.3%)	Hotel and Resort: +2.4; Real Estate: -1.3; Life Service: -0.6; Business Support: -0.4; Transportation: -0.0	52.0	+ 3.7 (+ 7.2%)
Non-operating revenue	17.0	17.6	+ 0.5 (+ 3.3%)	Investment gains from equity method: 5.2 (-0.9); Amortization of negative goodwill: 3.4 (-0.0)	14.1	+ 3.5 (+ 24.9%)
Non-operating expenses	18.0	17.0	- 0.9 (- 5.2%)	Interest paid: 13.9 (-0.9)	18.3	- 1.2 (- 6.7%)
Recurring profit	54.0	56.2	+ 2.2 (+ 4.1%)		47.8	+ 8.4 (+ 17.7%)
Extraordinary gains	15.6	13.2	- 2.3 (- 14.9%)	Gain on sale of fixed assets: 0.8 (-1.8); Gain on subsidies for construction: 8.6 (-0.2)	13.3	- 0.0 (- 0.2%)
Extraordinary losses	21.3	20.3	- 1.0 (- 4.7%)	Loss on reduction of subsidies received for construction: 7.4 (+3.8); Impairment loss: 5.6 (+2.7); Provision for allowance for loss on transfer of business: 0.0 (-4.8)	15.1	+ 5.2 (+ 34.9%)
Income before Income Taxes and Minority Interests	48.2	49.1	+ 0.8 (+ 1.8%)		46.0	+ 3.1 (+ 6.9%)
Corporate income taxes	11.1	4.8	- 6.3 (- 56.7%)	Income taxes: 5.1 (-1.1); Tax adjustment: -0.2 (-5.1)	12.2	- 7.3 (- 60.3%)
Income before minority interests	37.0	44.3	+ 7.2 (+ 19.5%)		33.8	+ 10.5 (+ 31.2%)
Minority interest in earnings of consolidated subsidiaries	1.1	1.2	+ 0.0 (+ 7.3%)		0.8	+ 0.4 (+ 57.8%)
Net income	35.9	43.0	+ 7.1 (+ 19.9%)		33.0	+ 10.0 (+ 30.5%)
Other comprehensive income	2.0	10.3	+ 8.3 (+ 411.6%)		-	-
Total comprehensive income	39.1	54.6	+ 15.5 (+ 39.8%)		-	-
Depreciation	72.7	74.9	+ 2.1 (+ 2.9%)	Real Estate: +2.8; Transportation: +0.7; Life Service: +0.7; Business Support: -1.7; Hotel and Resort: -0.4	75.1	- 0.1 (- 0.2%)
Disposal cost of fixed assets	19.3	18.2	- 1.0 (- 5.7%)	Transportation: -0.9	16.1	+ 2.1 (+ 13.3%)
Amortization of goodwill	0.4	0.7	+ 0.2 (+ 64.7%)		0.7	+ 0.0 (+ 2.4%)
Tokyu EBITDA	147.6	149.6	+ 2.0 (+ 1.4%)	Hotel and Resort: +2.0; Real Estate: +1.3; Life Service: +0.3; Business Support: -2.2; Transportation: -0.2	143.9	+ 5.7 (+ 4.0%)

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

# Consolidated Operating Revenue and Profit by Segment



**[Year-on-year comparison]** Operating profit increased by 0.7 billion yen as the hotel business recovered from the impact of the earthquake and large-scale property in the leasing business contributed to profit, despite a decline in operating revenue caused mainly by the transfer of Tokyu Car Corporation.

**[Comparison with February]** Operating profit increased due in part to reduced costs in the Company's real estate leasing, offsetting a rise in disposal cost of fixed assets in railway operations.

(Billion yen)						
	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Total operating revenue	1,094.2	1,068.0	- 26.1 (- 2.4%)		1,062.5	+ 5.5 (+ 0.5%)
Total operating profit	55.0	55.7	+ 0.7 (+ 1.3%)		52.0	+ 3.7 (+ 7.2%)
Transportation	Operating revenue	185.7	+ 1.5 (+ 0.8%)	Tokyu Corp. railway operations: +1.1; Izukyu: +0.3	186.7	+ 0.5 (+ 0.3%)
	Operating profit	18.1	- 0.0 (- 0.5%)	Tokyu Corp. railway operations: -0.6; Izukyu: +0.2	19.7	- 1.6 (- 8.4%)
Real Estate	Operating revenue	154.4	+ 9.2 (+ 6.0%)	Tokyu Corp. sales: -0.2; Tokyu Corp. leasing: +10.4; Western Australian land sales: -3.3	163.8	- 0.1 (- 0.1%)
	Operating profit	28.1	- 1.3 (- 4.9%)	Tokyu Corp. sales: -1.4; Tokyu Corp. leasing: +1.8; Western Australian land sales: -2.8	22.8	+ 4.0 (+ 17.6%)
Life Service	Operating revenue	519.3	+ 8.3 (+ 1.6%)	Tokyu Department Store: +10.6; Tokyu Store Chain: -5.9; its communications: +1.3	524.2	+ 3.4 (+ 0.7%)
	Operating profit	6.6	- 0.6 (- 9.7%)	Tokyu Department Store: -0.1; Tokyu Store Chain: -1.4; its communications: +0.5	5.1	+ 0.8 (+ 17.0%)
Hotel and Resort	Operating revenue	86.3	+ 3.2 (+ 3.7%)	Tokyu Hotels, etc.: +4.0	88.5	+ 1.1 (+ 1.3%)
	Operating profit	- 1.0	1.4 (-)	Tokyu Hotels, etc.: +1.9	1.0	+ 0.4 (+ 44.1%)
Business Support	Operating revenue	227.9	- 52.2 (- 22.9%)	Tokyu Car Corp.: -55.5	176.8	- 1.1 (- 0.6%)
	Operating profit	3.5	- 0.4 (- 13.5%)	Tokyu Agency: -0.3	3.4	- 0.3 (- 10.2%)
Elimination etc.	Operating revenue	- 79.5	+ 3.6		- 77.5	+ 1.6
	Operating profit	- 0.3	0.4		0.0	+ 0.4

# Non-Operating and Extraordinary Gain/Loss



**[Non-operating profit/expenses]** Improved from the previous year mainly because of a reduction in interest payments, despite a decline in investment gains from equity method accounting.

**[Extraordinary gains/loss]** Deteriorated primarily as a result of impairment loss, even though there was a reactionary reduction in losses related to the transfer of Tokyu Car Corporation the previous year.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
(Billion yen)						
Operating profit	55.0	55.7	+ 0.7 (+ 1.3%)		52.0	+ 3.7 (+ 7.2%)
Non-operating revenue	17.0	17.6	+ 0.5 (+ 3.3%)		14.1	+ 3.5 (+ 24.9%)
Interest and dividend income	1.7	2.1	+ 0.3		1.7	+ 0.4
Investment gain from equity method	6.1	5.2	- 0.9	Tokyu Land Corporation: 3.7 (-2.0)	4.2	+ 1.0
Amortization of negative goodwill	3.4	3.4	+ 0.0		3.4	+ 0.0
Others	5.6	6.8	+ 1.1		4.8	+ 2.0
Non-operating expenses	18.0	17.0	- 0.9 (- 5.2%)		18.3	- 1.2 (- 6.7%)
Interest	14.9	13.9	- 0.9		14.1	- 0.1
Others	3.0	3.1	+ 0.0		4.2	- 1.0
Recurring profit	54.0	56.2	+ 2.2 (+ 4.1%)		47.8	+ 8.4 (+ 17.7%)
Extraordinary Gains	15.6	13.2	- 2.3 (- 14.9%)		13.3	- 0.0 (- 0.2%)
Gain on sale of fixed assets	2.7	0.8	- 1.8		1.1	- 0.2
Gain on sale of investment securities	0.2	0.1	- 0.1		0.0	+ 0.1
Gain on Subsidies received for construction	8.8	8.6	- 0.2		8.3	+ 0.3
Gain on reversal of Urban Railways Improvement Reserve	1.8	1.8	+ 0.0		1.9	+ 0.0
Others	1.7	1.7	+ 0.0		1.9	- 0.2
Extraordinary Losses	21.3	20.3	- 1.0 (- 4.7%)		15.1	+ 5.2 (+ 34.9%)
Loss on sale of fixed assets	0.0	0.1	+ 0.0		0.1	+ 0.0
Loss on disposal of fixed assets	0.8	1.1	+ 0.3		0.5	+ 0.5
Impairment loss	2.8	5.6	+ 2.7	[FY2012] Golf course: +3.5	0.2	+ 5.4
Loss on reduction of subsidies received for construction	3.6	7.4	+ 3.8		7.9	- 0.4
Transfer to Urban Railways improvement reserve	2.5	2.5	+ 0.0		2.6	+ 0.0
Others	11.4	3.4	- 8.0	[FY2012] Loss on sale of securities: +1.9 (Tokyu Hakuba Corporation: +1.8) [FY2011] Provision for allowance for loss on transfer of business: (-4.8) (Tokyu Car Corporation)	3.7	- 0.3
Income before Income Taxes and Minority Interests	48.2	49.1	+ 0.8 (+ 1.8%)		46.0	+ 3.1 (+ 6.9%)

# Consolidated Tokyu EBITDA by Segment



**[Year-on-year comparison]** An overall increase due mainly to profit contribution from the hotel business, which recovered from the impact of the earthquake, and large-scale property in real estate leasing, despite the transfer of Tokyu Car Corporation and a reactionary fall to land sales in Western Australia.

**[Comparison with February]** Increase of 5.7 billion yen due in part to a cost reduction in the Company's real estate leasing and an overall increase in earnings.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
						(Billion yen)
Transportation	72.0	71.7	- 0.2 (- 0.4%)		71.1	+ 0.6 (+ 0.9%)
Railway operations of the Company	66.5	65.8	- 0.6		65.8	+ 0.0
Tokyu Bus	3.3	3.1	- 0.1		2.9	+ 0.1
Others	2.2	2.6	+ 0.4		2.3	+ 0.3
Real Estate	46.5	47.9	+ 1.3 (+ 2.8%)		44.2	+ 3.7 (+ 8.4%)
Real estate sales of the Company	11.8	10.4	- 1.3	A decrease in Company-owned land sales	9.7	+ 0.6
Real estate leasing of the Company	24.6	29.3	+ 4.7		26.8	+ 2.4
Others	10.1	8.0	- 2.0	A reactionary fall from land sales in Western Australia	7.4	+ 0.6
Life Service	20.2	20.6	+ 0.3 (+ 1.8%)		19.5	+ 1.1 (+ 6.0%)
Tokyu Department Store	7.7	8.2	+ 0.5		7.9	+ 0.2
Tokyu Store Chain	4.3	3.3	- 1.0		3.0	+ 0.3
its communications	5.3	5.6	+ 0.3		5.5	+ 0.0
Others	2.8	3.3	+ 0.5		2.8	+ 0.5
Hotel and Resort	3.1	5.1	+ 2.0 (+ 67.4%)		4.8	+ 0.3 (+ 8.1%)
Tokyu Hotels, etc.	2.6	4.6	+ 1.9	A recovery from the impact of the earthquake	4.2	+ 0.3
Others	0.4	0.5	+ 0.1		0.6	+ 0.0
Business Support	6.0	3.8	- 2.2 (- 36.2%)		4.3	- 0.4 (- 9.7%)
Tokyu Agency	0.8	0.4	- 0.3		0.8	- 0.4
Others	5.2	3.4	- 1.8	Transfer of Tokyu Car Corporation	3.3	+ 0.0
Elimination, etc.	- 0.5	0.2	+ 0.7		0.0	+ 0.2
<b>Total</b>	<b>147.6</b>	<b>149.6</b>	<b>+ 2.0</b> <b>(+ 1.4%)</b>		<b>143.9</b>	<b>+ 5.7</b> <b>(+ 4.0%)</b>

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

# Segment Information (1) Transportation



**[Year-on-year comparison]** Operating profit remained largely steady from the previous fiscal year as revenue increased due to a reactionary increase from the impact of the earthquake and the effect of the opening of Shibuya Hikarie, but power costs and depreciation expenses increased in the Company's railway operations.

**[Comparison with February]** Operating profit declined mainly due to an increase in disposal costs of fixed assets, despite passenger revenue from the Company's railway operations rising more than expected.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
(Billion yen)						
Operating revenue	185.7	187.2	+ 1.5 (+ 0.8%)	Passengers carried: +2.3% (Non-commuter: +2.5%; Commuter: +2.1%) □ Passenger revenue: +2.2% (Non-commuter: +2.5%; Commuter: +1.9%)	186.7	+ 0.5 (+ 0.3%)
Railway operations of the Company	147.0	148.1	+ 1.1 (+ 0.8%)	Passenger revenue: 130.9 (+2.8)	147.5	+ 0.5 (+ 0.4%)
Tokyu Bus	26.4	26.7	+ 0.2 (+ 1.0%)	Passengers carried: +1.2% Passenger revenue: +1.1%	26.5	+ 0.1 (+ 0.7%)
Others	12.2	12.3	+ 0.1 (+ 1.2%)	Izukyu: +0.3	12.5	- 0.1 (- 1.5%)
Operating profit	18.1	18.0	- 0.0 (- 0.5%)		19.7	- 1.6 (- 8.4%)
Railway operations of the Company	16.0	15.4	- 0.6 (- 3.9%)	[Operating expense] Depreciation and amortization: 32.9 (+10.0); Power costs: 6.1 (+1.2)	17.6	- 2.2 (- 12.5%)
Tokyu Bus	1.3	1.4	+ 0.0 (+ 3.8%)		1.2	+ 0.2 (+ 19.2%)
Others	0.6	1.1	+ 0.4 (+ 73.1%)	Izukyu: +0.2	0.8	+ 0.3 (+ 39.4%)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	35.4	36.1	+ 0.7 (+ 2.2%)		36.2	- 0.0 (- 0.0%)
Disposal cost of fixed assets	18.4	17.4	- 0.9 (- 5.2%)		15.2	+ 2.2 (+ 15.1%)
Tokyu EBITDA	72.0	71.7	- 0.2 (- 0.4%)		71.1	+ 0.6 (+ 0.9%)
Capital expenditures	49.8	51.8	+ 1.9 (+ 4.0%)		49.0	+ 2.8 (+ 5.8%)

# Segment Information (2) Real Estate



**[Year-on-year comparison]** Operating profit decreased overall due to a decline in Company-owned land sales in the Company's real estate sales and a reactionary fall to land sales in Western Australia, despite an increase in revenue from the opening of Shibuya Hikarie and a profit contribution from large-scale property.

**[Comparison with February]** Operating profit increased mainly due to a significant impact of cost cuts in the Company's real estate leasing.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Operating revenue	154.4	163.6	+ 9.2 (+ 6.0%)		163.8	- 0.1 (- 0.1%)
Real estate sales of the Company	39.6	39.4	- 0.2 (- 0.6%)	[Sales] Company-owned land: 20.6 (-7.8); Funds turnover-type: 18.5 (+7.6)	39.3	+ 0.0 (+ 0.1%)
Real estate leasing of the Company	50.3	60.7	+ 10.4 (+ 20.8%)	An increase in revenue due to opening Shibuya Hikarie, etc.	62.3	- 1.5 (- 2.5%)
Others	64.4	63.5	- 0.9 (- 1.5%)	Western Australian land sales: -3.3	62.0	+ 1.4 (+ 2.3%)
Operating profit	28.1	26.8	- 1.3 (- 4.9%)		22.8	+ 4.0 (+ 17.6%)
Real estate sales of the Company	11.3	9.9	- 1.4 (- 12.7%)	[Sales margin] Company-owned land: 11.2 (-3.2); Funds turnover-type: 4.9 (+1.7)	9.1	+ 0.8 (+ 8.8%)
Real estate leasing of the Company	9.9	11.7	+ 1.8 (+ 18.2%)	Profit contribution of large-scale projects	9.1	+ 2.6 (+ 28.4%)
Others	6.8	5.0	- 1.7 (- 25.5%)	Western Australian land sales: -2.8	4.5	+ 0.5 (+ 13.2%)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	17.6	20.4	+ 2.8 (+ 15.9%)		20.5	- 0.0 (- 0.4%)
Disposal cost of fixed assets	0.7	0.6	- 0.1 (- 14.8%)		0.9	- 0.2 (- 24.4%)
Tokyu EBITDA	46.5	47.9	+ 1.3 (+ 2.8%)		44.2	+ 3.7 (+ 8.4%)
Capital expenditures	53.7	52.0	- 1.6 (- 3.0%)		57.4	- 5.3 (- 9.3%)



# Segment Information (3) Life service



**[Year-on-year comparison]** Operating profit declined due to lower revenue from the closing of stores and the burden of opening ShinQs, although revenue increased because of a recovery from the impact of the earthquake and the opening of ShinQs.

**[Comparison with February]** Both revenue and profit increased as a result of Toyoko Store's closing down sales and cost cutting for *its communications*.

(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Operating revenue	519.3	527.6	+ 8.3 (+ 1.6%)		524.2	+ 3.4 (+ 0.7%)
Tokyu Department Store	235.1	245.7	+ 10.6 (+ 4.5%)	An increase in revenue due to opening ShinQs Rate of change in revenue: +0.9% (existing stores)	245.4	+ 0.3 (+ 0.1%)
Tokyu Store Chain	212.6	206.6	- 5.9 (- 2.8%)	Rate of change in revenue: All stores: -2.8%; Existing stores: -1.0%	206.5	+ 0.0 (+ 0.0%)
its communications	19.6	20.9	+ 1.3 (+ 6.7%)		20.8	+ 0.0 (+ 0.4%)
Others	51.9	54.2	+ 2.3 (+ 4.6%)		51.3	+ 2.9 (+ 5.8%)
Operating profit	6.6	5.9	- 0.6 (- 9.7%)		5.1	+ 0.8 (+ 17.0%)
Tokyu Department Store	1.9	1.7	- 0.1 (- 7.2%)	An increase in burden of opening ShinQs	1.6	+ 0.1 (+ 9.8%)
Tokyu Store Chain	1.9	0.5	- 1.4 (- 74.5%)	A decrease in gross profit due to decline in revenue	0.4	+ 0.0 (+ 22.0%)
its communications	1.4	2.0	+ 0.5 (+ 37.5%)		1.9	+ 0.1 (+ 7.3%)
Others	1.5	2.2	+ 0.7 (+ 44.3%)		1.7	+ 0.5 (+ 28.8%)
Amortization of goodwill	- 0.3	- 0.6	- 0.2		- 0.5	- 0.0
Depreciation	13.2	14.0	+ 0.7 (+ 5.7%)		13.8	+ 0.2 (+ 1.7%)
Disposal cost of fixed assets	0.0	0.0	- 0.0 (- 57.9%)		0.0	+ 0.0 (-)
Tokyu EBITDA	20.2	20.6	+ 0.3 (+ 1.8%)		19.5	+ 1.1 (+ 6.0%)
Capital expenditures	18.3	16.5	- 1.8 (- 10.0%)		17.6	- 1.0 (- 6.0%)

**[Year-on-year comparison]** Both profits and revenue increased mainly because of a reactionary rise from the impact of the earthquake, in addition to a higher number of overseas travelers.

**[Comparison with February]** Operating profit increased partly due to an improvement in the Occupancy ratio as well as progress made in cost control.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Operating revenue	86.3	89.6	+ 3.2 (+ 3.7%)		88.5	+ 1.1 (+ 1.3%)
Tokyu Hotels, etc. (*)	68.3	72.3	+ 4.0 (+ 5.9%)	Occupancy ratio: 82.4% (year on year: +6.9 points)	72.1	+ 0.1 (+ 0.3%)
Others	18.0	17.2	- 0.8 (- 4.5%)	Tokyu Hakuba Corporation: -1.5	16.3	+ 0.9 (+ 5.6%)
Operating profit	- 1.0	1.4	+ 2.4 (-)		1.0	+ 0.4 (+ 44.1%)
Tokyu Hotels, etc. (*)	0.0	1.8	+ 1.9 (-)	A recovery from the impact of the earthquake	1.4	+ 0.4 (+ 29.3%)
Others	- 1.0	- 0.4	+ 0.5 (-)		- 0.4	+ 0.0 (-)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	4.1	3.7	- 0.4 (- 10.2%)		3.8	- 0.0 (- 2.6%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (+ 170.5%)		0.0	+ 0.0 (-)
Tokyu EBITDA	3.1	5.1	+ 2.0 (+ 67.4%)		4.8	+ 0.3 (+ 8.1%)
Capital expenditures	2.2	4.0	+ 1.7 (+ 78.6%)		3.5	+ 0.5 (+ 16.2%)

(Billion yen)

\* "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.

**[Year-on-year comparison]** Operating revenue declined as a result of the transfer of Tokyu Car Corporation. For Tokyu Agency, operating profit declined due to a fall in orders despite the impact of a merger with a subsidiary.

**[Comparison with February]** Both profit and revenue decreased mainly due to a decline in orders from advertisers for Tokyu Agency.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Operating revenue	227.9	175.6	- 52.2 (- 22.9%)		176.8	- 1.1 (- 0.6%)
Tokyu Agency	93.4	93.5	+ 0.1 (+ 0.2%)	Traffic advertisement: +1.3; Sales promotion: +0.2; Mass media: -0.5; Others: -0.5	96.7	- 3.1 (- 3.3%)
Others	134.5	82.0	- 52.4 (- 39.0%)	Tokyu Car Corporation: -55.5	80.0	+ 2.0 (+ 2.5%)
Operating profit	3.5	3.0	- 0.4 (- 13.5%)		3.4	- 0.3 (- 10.2%)
Tokyu Agency	0.7	0.4	- 0.3 (- 43.9%)		0.8	- 0.3 (- 49.2%)
Others	2.8	2.7	- 0.1 (- 5.4%)		2.6	+ 0.0 (+ 1.2%)
Amortization of goodwill	0.0	0.0	+ 0.0		0.0	+ 0.0
Depreciation	2.4	0.7	- 1.7 (- 69.7%)		0.8	- 0.0 (- 6.1%)
Disposal cost of fixed assets	0.0	0.0	+ 0.0 (-)		0.0	+ 0.0 (-)
Tokyu EBITDA	6.0	3.8	- 2.2 (- 36.2%)		4.3	- 0.4 (- 9.7%)
Capital expenditures	4.9	1.4	- 3.4 (- 69.9%)		1.4	+ 0.0 (+ 6.1%)

# Consolidated Balance Sheets



**[Total assets]** Total assets decreased as a result of the transfer of Tokyu Car Corporation, despite an increase due to acquisition of land in Vietnam and completion of Shibuya Hikarie.

**[Net assets]** Net assets increase 13.0%, to 499.5 billion yen, due to a steady rise in retained earnings.

**[Financial soundness]** The equity ratio was 24.2% and the D/E ratio was 2.1, improving financial conditions steadily.

(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks
Total assets	1,984.5	1,964.4	- 20.1 (- 1.0%)	
Current assets	292.8	253.4	- 39.3 (- 13.4%)	Trade notes & accounts receivable: -17.2
Fixed assets	1,691.7	1,711.0	+ 19.2 (+ 1.1%)	Tangible fixed assets: +16.9
Total liabilities	1,542.6	1,464.9	- 77.7 (- 5.0%)	
Current liabilities	559.5	485.9	- 73.5 (- 13.2%)	Interest-bearing debt: -33.8; Trade notes & accounts payable: -9.8
Fixed liabilities	959.8	954.9	- 4.8 (- 0.5%)	Interest-bearing debt: -2.5
Reserves under special law	23.2	23.9	+ 0.6 (+ 3.0%)	
Total net assets	441.9	499.5	+ 57.6 (+ 13.0%)	Equity capital: +35.6; Other cumulative comprehensive income: +9.4; Minority interest: +12.4
Equity	431.0	476.1	+ 45.1 (+ 10.5%)	Net income: +43.0; Dividends: -8.7
Interest-bearing debt at end of period	1,036.0	999.5	- 36.4 (- 3.5%)	
Equity ratio	21.7%	24.2%	+ 2.5P	
D/E ratio (times)	2.4	2.1	- 0.3	

**[Year-on-year comparison]** In terms of operating activities, overall expenses rose and gains fell due to expenses on sale of houses and lots in Vietnam. In terms of investing activities, the amount of expenses fell, but income rose due to a decline in capital expenditure and a recovery of funds associated with the transfer of Tokyu Car Corporation. As a result, free cash flow stood at 31.8 billion yen, and interest-bearing debt declined 36.4 billion yen.

**[Comparison with February]** Free cash flow increased 16.7 billion yen, while interest-bearing debt declined 8.7 billion yen partly due to an improvement in EBITDA and a fall in capital expenditure in the Company's real estate leasing business.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
CF from operating activities	144.5	122.5	- 21.9	An increase in expenses on sale of houses and lots in Vietnam	110.8	+ 11.7
CF from investing activities	- 125.9	- 90.7	+ 35.2		- 95.8	+ 5.0
Capital expenditure	- 133.3	- 121.8	+ 11.5		- 129.8	+ 7.9
Acquisition of securities	- 11.4	- 1.7	+ 9.7	[FY2011] Acquisition of Yokohama Cable Vision, etc	- 1.5	- 0.2
Subsidies received for construction	7.1	7.8	+ 0.7		9.5	- 1.6
Gain on sale of assets	11.1	25.4	+ 14.2	Transfer of Tokyu Car Corporation	26.0	- 0.5
CF from financial activities	- 16.4	- 37.9	- 21.5		- 27.0	- 10.9
Interest-bearing debt Net increase/decrease	- 5.3	- 36.6	- 31.2		- 27.7	- 8.9
Dividend payment	- 8.1	- 8.7	- 0.6		- 8.8	+ 0.0
Free cash flow	18.5	31.8	+ 13.2		15.0	+ 16.7
Interest-bearing debt at end of period	1,036.0	999.5	- 36.4		1,008.3	- 8.7

# Capital Expenditure by Segment



**[Year-on-year comparison]** Declined overall as a result of a reaction to a completion of a large-scale development in the Company's real estate leasing business, despite an increase in land acquisition in Vietnam.

**[Comparison with February]** Declined 1.0 billion yen overall due in part to a detailed investigation of new property acquisitions by the Company's real estate leasing business.

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
(Billion yen)						
Total capital expenditure	132.0	128.7	- 3.2 (- 2.5%)		129.8	- 1.0 (- 0.8%)
Transportation	49.8	51.8	+ 1.9 (+ 4.0%)	Tokyu Corp. railway operations: +1.5	49.0	+ 2.8 (+ 5.8%)
Real Estate	53.7	52.0	- 1.6 (- 3.0%)	Tokyu Corp. leasing: -12.4; Becamex Tokyu: +12.6	57.4	- 5.3 (- 9.3%)
Life Service	18.3	16.5	- 1.8 (- 10.0%)	Tokyu Department Store: +2.6; Tokyu Store Chain: -1.6; its communications: -2.1	17.6	- 1.0 (- 6.0%)
Hotel and Resort	2.2	4.0	+ 1.7 (+ 78.6%)	Tokyu Hotels, etc.: +1.3	3.5	+ 0.5 (+ 16.2%)
Business Support	4.9	1.4	- 3.4 (- 69.9%)	Tokyu Car Corporation: -1.7; Tokyu Techno System: -2.2	1.4	+ 0.0 (+ 6.1%)
Headquarters	4.6	3.3	- 1.2		2.4	+ 0.9
Elimination	- 1.7	- 0.6	+ 1.1		- 1.5	+ 0.8
Tokyu Corp. and Becamex Tokyu Expenses on sale of houses and lots	15.8	41.8	+ 25.9 (+ 163.7%)	Becamex Tokyu: +19.1	47.0	- 5.1 (- 11.2%)

Capital expenditures are amounts stated in segment information (capital expenditures made) and might be different from figures in the statements of cash flow, which consider accounts payable at the end of the fiscal year.

# Depreciation and Disposal cost of fixed assets by Segment



(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Total depreciation and amortization	72.7	74.9	+ 2.1 (+ 2.9%)		75.1	- 0.1 (- 0.2%)
Transportation	35.4	36.1	+ 0.7 (+ 2.2%)	Tokyu Corp. railway operations: +1.0; Tokyu Bus: -0.1	36.2	- 0.0 (- 0.0%)
Real Estate	17.6	20.4	+ 2.8 (+ 15.9%)	Tokyu Corp. leasing: +3.1	20.5	- 0.0 (- 0.4%)
Life Service	13.2	14.0	+ 0.7 (+ 5.7%)	Tokyu Department Store: +0.6; Tokyu Store Chain: +0.4; its communications: -0.2	13.8	+ 0.2 (+ 1.7%)
Hotel and Resort	4.1	3.7	- 0.4 (- 10.2%)	Tokyu Hotels, etc.: -0.0; Tokyu Hakuba Corporation -0.2	3.8	- 0.0 (- 2.6%)
Business Support	2.4	0.7	- 1.7 (- 69.7%)	Tokyu Car Corporation: -1.6	0.8	- 0.0 (- 6.1%)

(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	Remarks	FY2012 Forecast as of Feb.	Change (Rate of change)
Total disposal cost of fixed assets	19.3	18.2	- 1.0 (- 5.7%)		16.1	+ 2.1 (+ 13.3%)
Transportation	18.4	17.4	- 0.9 (- 5.2%)	Tokyu Corp. railway operations: -0.9	15.2	+ 2.2 (+ 15.1%)
Real Estate	0.7	0.6	- 0.1 (- 14.8%)	Tokyu Corp. leasing: -0.2	0.9	- 0.2 (- 24.4%)
Life Service	0.0	0.0	- 0.0 (- 57.9%)		0.0	+ 0.0 (-)
Hotel and Resort	0.0	0.0	+ 0.0 (+ 170.5%)		0.0	+ 0.0 (-)
Business Support	0.0	0.0	+ 0.0 (-)		0.0	+ 0.0 (-)

## IV. Details of Financial Forecasts for FY2013



(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	1,068.0	1,085.2	+ 17.1 (+ 1.6%)	Real Estate: +31.4; Transportation: +2.5; Hotel and Resort: +2.2 Life Service: -12.1; Business Support: -5.9
Operating profit	55.7	58.0	+ 2.2 (+ 4.0%)	Real Estate: +2.3; Transportation: +1.6; Hotel and Resort: +0.0 Life Service: -1.4; Business Support: -0.1
Non-operating revenue	17.6	13.2	- 4.4 (- 25.1%)	Investment gains from equity method: 4.6(-0.6) Amortization of negative goodwill: 3.4(-0.0)
Non-operating expenses	17.0	17.2	+ 0.1 (+ 0.7%)	Interest paid: 14.0(+0.0)
Recurring profit	56.2	54.0	- 2.2 (- 4.1%)	
Extraordinary gains	13.2	18.7	+ 5.4 (+ 40.9%)	Gain on subsidies for construction: 12.5(+3.8); Gain on sale of fixed assets: 3.8(+2.9)
Extraordinary losses	20.3	13.8	- 6.5 (- 32.3%)	Impairment loss: -(-5.6); Loss on sale of securities: -(Tokyu Hakuba Corporation: -1.8) Loss on reduction of subsidies received for construction: 8.1(+0.6)
Income before Income Taxes and Minority Interests	49.1	58.9	+ 9.7 (+ 19.8%)	
Corporate income taxes	4.8	18.2	+ 13.3 (+ 275.6%)	
Income before minority interests	44.3	40.7	- 3.6 (- 8.2%)	
Minority interest in earnings of consolidated subsidiaries	1.2	0.7	- 0.5 (- 44.6%)	
Net income	43.0	40.0	- 3.0 (- 7.1%)	
Depreciation	74.9	74.7	- 0.2 (- 0.3%)	Real Estate: -1.3; Life Service: -1.1; Transportation: +1.8
Disposal cost of fixed assets	18.2	13.2	- 5.0 (- 27.7%)	Transportation: -5.5; Real Estate: +0.4
Amortization of goodwill	0.7	0.6	- 0.1 (- 16.3%)	
Tokyu EBITDA	149.6	146.5	- 3.1 (- 2.1%)	Life Service: -2.6; Transportation: -2.1; Real Estate: +1.4

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

# Consolidated Operating Revenue and Profit by Segment



**[Operating revenue]** Revenue increased overall due in part to sales of large-scale condominiums, even though revenue declined in association with a reorganization of Tokyu Department store's Toyoko store.

**[Operating profit]** Operating profit increased 2.2 billion yen partly in reaction to the burden of opening Shibuya Hikarie and an increase in the number of passengers carried.

(Billion yen)

		FY2012	FY2013	Change	Remarks
		Results	Forecast	(Rate of change)	
Total operating revenue		1,068.0	1,085.2	+ 17.1 (+ 1.6%)	
Total operating profit		55.7	58.0	+ 2.2 (+ 4.0%)	
Transportation	Operating revenue	187.2	189.8	+ 2.5 (+ 1.4%)	Tokyu Corp. railway operations: +2.9
	Operating profit	18.0	19.7	+ 1.6 (+ 9.1%)	Tokyu Corp. railway operations: +2.0
Real Estate	Operating revenue	163.6	195.1	+ 31.4 (+ 19.2%)	Tokyu Corp. sales: +26.6; Tokyu Corp. leasing: +5.0
	Operating profit	26.8	29.2	+ 2.3 (+ 8.9%)	Tokyu Corp. sales: -1.2; Tokyu Corp. leasing: +4.4
Life Service	Operating revenue	527.6	515.5	- 12.1 (- 2.3%)	Tokyu Department Store: -9.8; Tokyu Store Chain: -5.5 its communications: + 1.9
	Operating profit	5.9	4.5	- 1.4 (- 24.6%)	Tokyu Department Store: -1.9; Tokyu Store Chain: +0.2 its communications: +0.2
Hotel and Resort	Operating revenue	89.6	91.9	+ 2.2 (+ 2.5%)	Tokyu Hotels, etc.: +2.7; Tokyu Hakuba Corporation: -0.8
	Operating profit	1.4	1.5	+ 0.0 (+ 4.1%)	Tokyu Hotels, etc.: -0.1
Business Support	Operating revenue	175.6	169.7	- 5.9 (- 3.4%)	Tokyu Geox: -12.8; Tokyu Techno System: -1.1 Tokyu Agency: +10.4
	Operating profit	3.0	2.9	- 0.1 (- 5.0%)	Tokyu Techno System: -0.4 Tokyu Agency: +0.5
Elimination etc.	Operating revenue	- 75.8	- 76.8	- 0.9	
	Operating profit	0.4	0.2	- 0.2	

# Non-Operating and Extraordinary Gain/Loss



**[Non-operating profit/expenses]** Declined mainly because of a fall in non-operating revenue as a result of a drop in investment gains from equity method accounting.

**[Extraordinary gain/loss]** Improved as a result of an increase in gain on sale of fixed assets and a decline in impairment loss from the previous year.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating profit	55.7	58.0	+ 2.2 (+ 4.0%)	
Non-operating revenue	17.6	13.2	- 4.4 (- 25.1%)	
Interest and dividend income	2.1	1.5	- 0.6	
Investment gain from equity method	5.2	4.6	- 0.6	Tokyu Land Corporation: 3.3(-0.4)
Amortization of negative goodwill	3.4	3.4	+ 0.0	
Others	6.8	3.7	- 3.1	
Non-operating expenses	17.0	17.2	+ 0.1 (+ 0.7%)	
Interest	13.9	14.0	+ 0.0	
Others	3.1	3.2	+ 0.0	
Recurring profit	56.2	54.0	- 2.2 (- 4.1%)	
Extraordinary Gains	13.2	18.7	+ 5.4 (+ 40.9%)	
Gain on sale of fixed assets	0.8	3.8	+ 2.9	
Gain on subsidies received for construction	8.6	12.5	+ 3.8	
Gain on reversal of Urban Railways Improvement Reserve	1.8	1.9	+ 0.0	
Others	1.8	0.5	- 1.4	
Extraordinary Losses	20.3	13.8	- 6.5 (- 32.3%)	
Loss on sale of fixed assets	0.1	0.3	+ 0.1	
Loss on disposal of fixed assets	1.1	0.8	- 0.3	
Impairment loss	5.6	0.0	- 5.6	
Loss on reduction of subsidies received for construction	7.4	8.1	+ 0.6	
Transfer to Urban Railways improvement reserve	2.5	2.6	+ 0.0	
Others	3.4	2.0	- 1.4	[Previous fiscal year] Loss on sale of securities: 1.9 (Tokyu Hakuba Corporation: 1.8)
Income before Income Taxes and Minority Interests	49.1	58.9	+ 9.7 (+ 19.8%)	

# Consolidated Tokyu EBITDA by Segment



An overall decline of 3.1 billion yen due in part to a reorganization of Tokyu Department store's Toyoko store, despite profit contribution from the Company's real estate leasing business.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Transportation	71.7	69.6	- 2.1 (- 3.0%)	
Railway operations of the Company	65.8	64.1	- 1.7	
Tokyu Bus	3.1	3.2	+ 0.1	
Others	2.6	2.2	- 0.4	
Real Estate	47.9	49.4	+ 1.4 (+ 3.1%)	
Real estate sales of the Company	10.4	9.3	- 1.0	
Real estate leasing of the Company	29.3	32.4	+ 3.1	
Others	8.0	7.5	- 0.5	
Life Service	20.6	18.0	- 2.6 (- 12.9%)	
Tokyu Department Store	8.2	5.5	- 2.6	
Tokyu Store Chain	3.3	3.1	- 0.2	
its communications	5.6	6.0	+ 0.3	
Others	3.3	3.2	- 0.1	
Hotel and Resort	5.1	5.5	+ 0.3 (+ 6.0%)	
Tokyu Hotels, etc.	4.6	4.5	- 0.0	
Others	0.5	0.9	+ 0.3	
Business Support	3.8	3.8	- 0.0 (- 2.1%)	
Tokyu Agency	0.4	1.0	+ 0.5	
Others	3.4	2.7	- 0.6	
Elimination, etc.	0.2	0.2	+ 0.0	
Total	149.6	146.5	- 3.1 (- 2.1%)	

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

# Segment Information (1) Transportation



Operating revenue will rise on expectations of an increase in passengers carried as a result of the impact of the mutual direct train operation in the Company's railway operations.

Operating profit will increase due in part to a reactionary decline in disposal cost of fixed assets, although an increase in depreciation costs is expected following the completion of a large-scale construction project the previous year.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	187.2	189.8	+ 2.5 (+ 1.4%)	Passengers carried: +2.0% (Non-commuter: +1.9%; Commuter: +2.0%) └ Passenger revenue: +1.9% (Non-commuter: +1.8%; Commuter: +1.9%)
Railway operations of the Company	148.1	151.0	+ 2.9 (+ 2.0%)	Passenger revenue: 133.4(+2.4)
Tokyu Bus	26.7	26.8	+ 0.1 (+ 0.4%)	
Others	12.3	11.8	- 0.5 (- 4.2%)	
Operating profit	18.0	19.7	+ 1.6 (+ 9.1%)	
Railway operations of the Company	15.4	17.4	+ 2.0 (+ 13.2%)	[Operating expense] Expenses: 33.7(-3.0); Depreciation and amortization: 34.7(+1.7) Repair costs 8.8(+0.9)
Tokyu Bus	1.4	1.4	- 0.0 (- 0.4%)	
Others	1.1	0.7	- 0.3 (- 33.5%)	
Amortization of goodwill	0.0	0.0	+ 0.0	

## Segment Information (2) Real Estate



Operating revenue will increase mainly as a result of large-scale property sales in the Company's real estate sales and a profit contribution from large-scale properties in the Company's real estate leasing business.

Operating profit will rise in part due to a reduced burden from the opening of Shibuya Hikarie in the Company's real estate leasing business.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	163.6	195.1	+ 31.4 (+ 19.2%)	
Real estate sales of the Company	39.4	66.1	+ 26.6 (+ 67.7%)	[Sales] Company-owned land: 38.5 (+17.8); Funds turnover-type: 27.1 (+8.6)
Real estate leasing of the Company	60.7	65.8	+ 5.0 (+ 8.4%)	
Others	63.5	63.1	- 0.3 (- 0.6%)	
Operating profit	26.8	29.2	+ 2.3 (+ 8.9%)	
Real estate sales of the Company	9.9	8.6	- 1.2 (- 12.5%)	[Sales margin] Company-owned land: 12.5 (+1.2); Funds turnover-type: 4.5 (-0.4)
Real estate leasing of the Company	11.7	16.1	+ 4.4 (+ 37.4%)	
Others	5.0	4.3	- 0.7 (- 15.1%)	
Amortization of goodwill	0.0	0.0	+ 0.0	

# Segment Information (3) Life service



The decline in operating revenue will narrow due in part to sales promotions, although revenues will decline as a result of reorganization of Tokyu Department store's Toyoko store and closing stores at the Tokyu Store.

The fall in operating profit will narrow mainly because of cost-cut efforts by each company, despite a decline in profit partly as a result of the impact of the reorganization of Tokyu Department store's Toyoko store.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	527.6	515.5	- 12.1 (- 2.3%)	
Tokyu Department Store	245.7	235.9	- 9.8 (- 4.0%)	Rate of change in revenue: -4.2%
Tokyu Store Chain	206.6	201.0	- 5.5 (- 2.7%)	Rate of change in revenue: All stores: -2.8%; Existing stores: +0.7%
its communications	20.9	22.8	+ 1.9 (+ 9.1%)	
Others	54.2	55.6	+ 1.3 (+ 2.5%)	
Operating profit	5.9	4.5	- 1.4 (- 24.6%)	
Tokyu Department Store	1.7	- 0.1	- 1.9 (-)	
Tokyu Store Chain	0.5	0.7	+ 0.2 (+ 56.5%)	
its communications	2.0	2.3	+ 0.2 (+ 12.8%)	
Others	2.2	2.1	- 0.1 (- 5.1%)	
Amortization of goodwill	- 0.6	- 0.5	+ 0.0	

Operating profit will remain largely at the same level as the previous year because repair costs are expected to rise, while revenue is anticipated to increase resulting from improved competitiveness following store repairs.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	89.6	91.9	+ 2.2 (+ 2.5%)	
Tokyu Hotels, etc. (*)	72.3	75.1	+ 2.7 (+ 3.8%)	Occupancy ratio: 82.4%(+0.0 points)
Others	17.2	16.7	- 0.4 (- 2.8%)	Tokyu Hakuba Corporation: -0.8
Operating profit	1.4	1.5	+ 0.0 (+ 4.1%)	
Tokyu Hotels, etc. (*)	1.8	1.7	- 0.1 (- 6.4%)	
Others	- 0.4	- 0.2	+ 0.1 (-)	
Amortization of goodwill	0.0	0.0	+ 0.0	

\* "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.



Operating revenue is expected to decline due in part to a reaction to an increase in orders at Tokyu Geox the previous year, while operating profit is expected to remain largely unchanged.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Operating revenue	175.6	169.7	- 5.9 (- 3.4%)	
Tokyu Agency	93.5	103.9	+ 10.4 (+ 11.1%)	
Others	82.0	65.7	- 16.3 (- 19.9%)	Tokyu Geox: -12.8; Tokyu Techno System: -1.1
Operating profit	3.0	2.9	- 0.1 (- 5.0%)	
Tokyu Agency	0.4	1.0	+ 0.5 (+ 142.8%)	
Others	2.7	1.9	- 0.8 (- 30.2%)	Tokyu Techno System: 0.4
Amortization of goodwill	0.0	0.0	+ 0.0	

In terms of operating activities, the amount of gains will increase, while expenses will fall in reaction to expenses on sale of houses and lots in Vietnam.

In terms of investing activities, outlays will rise and gains will decline mainly as a reaction to the transfer of Tokyu Car Corporation and an increase in capital expenditure.

As a result, free cash flow is expected to decline 35.2 billion yen, while interest-bearing debt is expected to increase 13.9 billion yen.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
CF from operating activities	122.5	128.6	+ 6.0	A reactionary increase from expense on sales of house and lot in Vietnam
CF from investing activities	- 90.7	- 132.1	- 41.3	
Capital expenditure	- 121.8	- 140.9	- 19.0	
Gain on sale of assets	25.4	3.1	- 22.3	[Previous fiscal year] Transfer of Tokyu Car Corporation
Subsidies received for construction	7.8	5.7	- 2.1	
CF from financial activities	- 37.9	3.4	+ 41.4	
Interest-bearing debt Net increase/decrease	- 36.6	13.9	+ 50.6	
Dividend payment	- 8.7	- 8.8	- 0.0	
Free cash flow	31.8	- 3.4	- 35.2	
Interest-bearing debt at end of period	999.5	1,013.5	+ 13.9	

# Capital Expenditure by Segment



An overall increase of 12.1 billion yen is expected, largely due to an increase in capital expenditure within the Company's railway operations and the Company's real estate leasing business.

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Total capital expenditure	128.7	140.9	+ 12.1 (+ 9.4%)	
Transportation	51.8	59.8	+ 7.9 (+ 15.4%)	Tokyu Corp. railway operations: +7.4
Real Estate	52.0	54.4	+ 2.3 (+ 4.4%)	Tokyu Corp. leasing: +8.6; Becamex Tokyu: -12.6
Life Service	16.5	19.5	+ 2.9 (+ 17.9%)	Tokyu Department Store: +3.2
Hotel and Resort	4.0	4.9	+ 0.8 (+ 20.5%)	Tokyu Hotels, etc.: +0.6
Business Support	1.4	1.0	- 0.4 (- 32.7%)	
Headquarters	3.3	2.8	- 0.5	
Elimination	- 0.6	- 1.5	- 0.8	
Tokyu Corp. & Becamex Tokyu expenses on sale of houses and lots	41.8	46.8	+ 4.9 (+ 11.8%)	Funds turnover-type: +11.5; Company-owned land: +9.9; Becamex Tokyu: -15.6

# Depreciation and Disposal cost of fixed assets by Segment



(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Total depreciation and amortization	74.9	74.7	- 0.2 (- 0.3%)	
Transportation	36.1	38.0	+ 1.8 (+ 5.0%)	Tokyu Corp. railway operations: +1.7
Real Estate	20.4	19.1	- 1.3 (- 6.5%)	Tokyu Corp. leasing: -1.4
Life Service	14.0	12.9	- 1.1 (- 8.1%)	Tokyu Department Store: -0.7; Tokyu Store Chain: -0.5
Hotel and Resort	3.7	3.8	+ 0.0 (+ 2.6%)	
Business Support	0.7	0.9	+ 0.1 (+ 19.8%)	

(Billion yen)

	FY2012 Results	FY2013 Forecast	Change (Rate of change)	Remarks
Total disposal cost of fixed assets	18.2	13.2	- 5.0 (- 27.7%)	
Transportation	17.4	11.9	- 5.5 (- 32.0%)	Tokyu Corp. railway operations: -5.5
Real Estate	0.6	1.1	+ 0.4 (+ 61.6%)	
Life Service	0.0	0.0	+ 0.0 (-)	
Hotel and Resort	0.0	0.2	+ 0.1 (+ 385.7%)	
Business Support	0.0	0.0	+ 0.0 (-)	

(Reference)

# Summary of Consolidated Financial Statements (First Half)



(Billion yen)

	FY2012 1st Half Results	FY2013 1st Half Forecast	Change (Rate of change)	Remarks
Operating revenue	519.3	516.4	- 2.9 (- 0.6%)	Business Support: -9.7; Life Service: -2.9; Real Estate: +7.3; Transportation: +1.6; Hotel and Resort: +1.1
Operating profit	33.1	31.3	- 1.8 (- 5.5%)	Transportation: -2.2; Life Service: -1.5; Business Support: -0.5; Real Estate: +2.5; Hotel and Resort: +0.2
Non-operating revenue	8.2	5.0	- 3.2 (- 39.7%)	Investment gains from equity method: 0.7 (-2.0); Amortization of negative goodwill: 1.7 (-0.0)
Non-operating expenses	8.6	9.0	+ 0.3 (+ 4.3%)	Interest paid: 6.9 (-0.2)
Recurring profit	32.7	27.3	- 5.4 (- 16.7%)	
Extraordinary gains	2.9	4.8	+ 1.8 (+ 60.8%)	Gain on sale of fixed assets: 3.8 (+3.7); Gain on subsidies for construction: 0.0 (-1.1)
Extraordinary losses	5.6	3.0	- 2.6 (- 46.7%)	Loss on reduction of subsidies received for construction: 0.1 (-0.8)
Income before Income Taxes and Minority Interests	30.1	29.1	- 1.0 (- 3.4%)	
Corporate income taxes	11.1	10.8	- 0.3 (- 3.2%)	
Income before minority interests	18.9	18.3	- 0.6 (- 3.6%)	
Minority interest in earnings of consolidated subsidiaries	0.4	0.3	- 0.1 (- 39.2%)	
Net income	18.4	18.0	- 0.4 (- 2.6%)	
Depreciation	36.6	36.2	- 0.4 (- 1.2%)	Real Estate: -0.6; Life Service: -0.5; Transportation: +0.6
Disposal cost of fixed assets	1.3	1.9	+ 0.6 (+ 45.5%)	Transportation: +0.2; Real Estate: +0.2
Amortization of goodwill	0.3	0.2	- 0.0 (- 21.1%)	
Tokyu EBITDA	71.4	69.7	- 1.7 (- 2.4%)	Life Service: -2.1; Transportation: -1.3; Real Estate: +2.2;

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

# Consolidated Operating Revenue and Profit by Segment (First Half)



(Billion yen)

		FY2012 1st Half Results	FY2013 1st Half Forecast	Change (Rate of change)	Remarks
Total operating revenue		519.3	516.4	- 2.9 (- 0.6%)	
Total operating profit		33.1	31.3	- 1.8 (- 5.5%)	
Transportation	Operating revenue	93.5	95.2	+ 1.6 (+ 1.8%)	Tokyu Corp. railway operations: +1.9
	Operating profit	19.3	17.1	- 2.2 (- 11.5%)	Tokyu Corp. railway operations: -2.1
Real Estate	Operating revenue	70.7	78.1	+ 7.3 (+ 10.4%)	Tokyu Corp. sales: +3.5; Tokyu Corp. leasing: +2.9
	Operating profit	8.7	11.3	+ 2.5 (+ 29.8%)	Tokyu Corp. sales: +1.1; Tokyu Corp. leasing: +1.6
Life Service	Operating revenue	258.9	256.0	- 2.9 (- 1.1%)	Tokyu Department Store: -3.7; Tokyu Store Chain: -1.5; its communications: +1.3
	Operating profit	3.3	1.8	- 1.5 (- 46.4%)	Tokyu Department Store: -0.9; Tokyu Store Chain: -0.0; its communications: -0.4
Hotel and Resort	Operating revenue	44.4	45.6	+ 1.1 (+ 2.6%)	Tokyu Hotels, etc.: +1.7
	Operating profit	0.5	0.8	+ 0.2 (+ 47.5%)	Tokyu Hotels, etc.: +0.1
Business Support	Operating revenue	86.7	77.0	- 9.7 (- 11.3%)	Tokyu Geox: -9.9; Tokyu Agency: +1.4
	Operating profit	0.8	0.3	- 0.5 (- 65.4%)	
Elimination, etc.	Operating revenue	- 35.0	- 35.5	- 0.4	
	Operating profit	0.3	0.0	- 0.3	

# Non-Operating and Extraordinary Gain/Loss (First Half)



(Billion yen)

	FY2012 1st Half Results	FY2013 1st Half Forecast	Change (Rate of change)	Remarks
Operating profit	33.1	31.3	- 1.8 (- 5.5%)	
Non-operating revenue	8.2	5.0	- 3.2 (- 39.7%)	
Interest and dividend income	0.8	0.8	+ 0.0	
Investment gain from equity method	2.7	0.7	- 2.0	Tokyu Land Corporation: 0.5 (-1.8)
Amortization of negative goodwill	1.7	1.7	+ 0.0	
Others	2.9	1.8	- 1.1	
Non-operating expenses	8.6	9.0	+ 0.3 (+ 4.3%)	
Interest	7.1	6.9	- 0.2	
Others	1.5	2.1	+ 0.5	
Recurring profit	32.7	27.3	- 5.4 (- 16.7%)	
Extraordinary Gains	2.9	4.8	+ 1.8 (+ 60.8%)	
Gain on sale of fixed assets	0.0	3.8	+ 3.7	
Gain on Subsidies received for construction	1.1	0.0	- 1.1	
Gain on reversal of Urban Railways Improvement Reserve	0.9	0.9	+ 0.0	
Others	0.8	0.1	- 0.7	
Extraordinary Losses	5.6	3.0	- 2.6 (- 46.7%)	
Loss on sale of fixed assets	0.3	0.0	- 0.3	
Loss on disposal of fixed assets	0.3	0.6	+ 0.2	
Impairment loss	0.1	0.0	- 0.1	
Loss on reduction of subsidies received for construction	0.9	0.1	- 0.8	
Transfer to Urban Railways improvement reserve	1.2	1.3	+ 0.0	
Others	2.4	1.0	- 1.4	[FY2012] Provision for allowance for loss on transfer of business: (-1.9) (Tokyu Hakuba Corporation)
Income before Income Taxes and Minority Interests	30.1	29.1	- 1.0 (- 3.4%)	



# (Non-Consolidated) Summary of Operating Results



(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	FY2012 Forecast as of Feb.	Change (Rate of change)	FY2013 Forecast	Change (Rate of change)	FY2012 1st Half Results	FY2013 1st Half Forecast	Change (Rate of change)
Operating revenue	247.3	259.2	+ 11.8 (+ 4.8%)	258.0	+ 1.2 (+ 0.5%)	294.9	+ 35.6 (+ 13.8%)	119.6	128.6	+ 8.9 (+ 7.4%)
Railway operations	147.1	148.3	+ 1.1 (+ 0.8%)	147.7	+ 0.6 (+ 0.4%)	151.3	+ 2.9 (+ 2.0%)	74.0	75.9	+ 1.8 (+ 2.5%)
Real estate business	100.1	110.8	+ 10.7 (+ 10.7%)	110.3	+ 0.5 (+ 0.5%)	143.6	+ 32.7 (+ 29.5%)	45.6	52.7	+ 7.0 (+ 15.4%)
Real estate sales	40.4	40.2	- 0.1 (- 0.5%)	40.1	+ 0.1 (+ 0.3%)	66.8	+ 26.5 (+ 66.1%)	11.4	15.0	+ 3.5 (+ 31.2%)
Real estate leasing	59.7	70.6	+ 10.9 (+ 18.3%)	70.2	+ 0.4 (+ 0.7%)	76.8	+ 6.1 (+ 8.6%)	34.2	37.7	+ 3.4 (+ 10.1%)
Operating expenses	209.2	220.6	+ 11.3 (+ 5.4%)	220.6	+ 0.0 (+ 0.0%)	251.1	+ 30.4 (+ 13.8%)	95.0	103.4	+ 8.3 (+ 8.8%)
Railway operations	131.0	132.8	+ 1.7 (+ 1.3%)	130.0	+ 2.8 (+ 2.2%)	133.8	+ 0.9 (+ 0.7%)	56.2	60.4	+ 4.1 (+ 7.3%)
Real estate business	78.1	87.7	+ 9.5 (+ 12.3%)	90.6	- 2.8 (- 3.1%)	117.3	+ 29.5 (+ 33.7%)	38.7	43.0	+ 4.2 (+ 10.9%)
Real estate sales	29.4	30.2	+ 0.7 (+ 2.6%)	31.0	- 0.7 (- 2.5%)	58.1	+ 27.8 (+ 92.1%)	10.5	12.9	+ 2.3 (+ 22.5%)
Real estate leasing	48.7	57.5	+ 8.8 (+ 18.1%)	59.6	- 2.0 (- 3.5%)	59.2	+ 1.6 (+ 2.9%)	28.2	30.1	+ 1.8 (+ 6.6%)
Operating profit	38.0	38.5	+ 0.5 (+ 1.4%)	37.4	+ 1.1 (+ 3.2%)	43.8	+ 5.2 (+ 13.5%)	24.6	25.2	+ 0.5 (+ 2.2%)
Railway operations	16.0	15.4	- 0.6 (- 3.9%)	17.7	- 2.2 (- 12.7%)	17.5	+ 2.0 (+ 13.3%)	17.7	15.5	- 2.2 (- 12.6%)
Real estate business	21.9	23.1	+ 1.1 (+ 5.2%)	19.7	+ 3.4 (+ 17.5%)	26.3	+ 3.1 (+ 13.7%)	6.9	9.7	+ 2.7 (+ 40.3%)
Real estate sales	10.9	9.9	- 0.9 (- 8.9%)	9.1	+ 0.8 (+ 9.6%)	8.7	- 1.2 (- 12.8%)	0.9	2.1	+ 1.1 (+ 132.6%)
Real estate leasing	11.0	13.1	+ 2.1 (+ 19.2%)	10.6	+ 2.5 (+ 24.2%)	17.6	+ 4.4 (+ 33.7%)	6.0	7.6	+ 1.5 (+ 26.5%)
Recurring profit	31.0	33.2	+ 2.1 (+ 7.0%)	30.9	+ 2.3 (+ 7.6%)	34.9	+ 1.6 (+ 5.0%)	22.1	21.7	- 0.4 (- 2.2%)
Net income	26.9	29.1	+ 2.1 (+ 8.1%)	25.7	+ 3.4 (+ 13.5%)	27.3	- 1.8 (- 6.4%)	14.5	13.6	- 0.9 (- 6.8%)

# (Non-Consolidated) Itemized Expenses in Railway Operations



(Billion yen)

	FY2011 Results	FY2012 Results	Change (Rate of change)	FY2012 Forecast as of Feb.	Change (Rate of change)	FY2013 Forecast	Change (Rate of change)	FY2012 1st Half Results	FY2013 1st Half Forecast	Change (Rate of change)
Operating expenses	131.0	132.8	+ 1.7 (+ 1.3%)	130.0	+ 2.8 (+ 2.2%)	133.8	+ 0.9 (+ 0.7%)	56.2	60.4	+ 4.1 (+ 7.3%)
Personnel expenses	21.5	21.8	+ 0.3 (+ 1.5%)	21.8	+ 0.0 (+ 0.1%)	22.5	+ 0.7 (+ 3.3%)	10.7	11.3	+ 0.6 (+ 5.9%)
Retirement benefit expenses	2.7	2.7	- 0.0 (- 1.2%)	2.7	+ 0.0 (+ 0.2%)	2.6	- 0.1 (- 4.4%)	1.3	1.3	- 0.0 (- 4.6%)
Power costs	4.8	6.1	+ 1.2 (+ 25.4%)	6.1	- 0.0 (- 0.3%)	6.3	+ 0.2 (+ 3.5%)	3.2	3.3	+ 0.1 (+ 3.9%)
Repair costs	7.8	7.9	+ 0.0 (+ 1.2%)	7.7	+ 0.1 (+ 2.3%)	8.8	+ 0.9 (+ 11.3%)	2.8	3.3	+ 0.4 (+ 16.5%)
Expenses	37.1	36.7	- 0.4 (- 1.2%)	34.4	+ 2.2 (+ 6.5%)	33.7	- 3.0 (- 8.2%)	10.6	11.9	+ 1.3 (+ 12.7%)
Of which, disposal cost of fixed assets	18.1	17.1	- 0.9 (- 5.3%)	15.0	+ 2.1 (+ 14.0%)	11.9	- 5.2 (- 30.6%)	1.1	1.4	+ 0.3 (+ 31.6%)
Of which, outsourcing fees	7.5	7.2	- 0.2 (- 3.9%)	7.1	+ 0.1 (+ 1.9%)	6.5	- 0.6 (- 9.6%)	3.7	3.1	- 0.5 (- 14.8%)
Taxes	5.7	5.6	- 0.0 (- 1.7%)	5.6	+ 0.0 (+ 0.5%)	5.7	+ 0.1 (+ 2.4%)	2.9	3.0	+ 0.1 (+ 4.0%)
Depreciation	31.9	32.9	+ 1.0 (+ 3.1%)	32.9	- 0.0 (- 0.0%)	34.7	+ 1.7 (+ 5.4%)	16.1	16.7	+ 0.6 (+ 3.8%)
Administrative cost	14.8	14.3	- 0.4 (- 3.1%)	14.1	+ 0.1 (+ 1.3%)	14.9	+ 0.6 (+ 4.2%)	6.4	7.3	+ 0.9 (+ 14.0%)
Others	4.2	4.4	+ 0.1 (+ 3.6%)	4.2	+ 0.2 (+ 5.4%)	4.1	- 0.2 (- 6.4%)	2.0	2.0	- 0.0 (- 1.3%)