

# Presentation Handout

November 21, 2007

Investors meeting



Tokyu Corporation

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(9005)

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

# Contents



I.	Summary of Results for Interim Period Ended September 30, 2007 .....	1
1.	Summary of Interim Financial Results (Consolidated) .....	2
2.	Key Points in Results for Interim Period Ended September 30, 2007 .....	3
II.	Forecast for Fiscal Year Ending March 31, 2008 / Three-Year Medium-term Management Plan.....	4
1.	Forecast / Three-Year Medium-Term Management Plan (Consolidated Financial Summary).....	5
III.	Highlights of Each Business Line.....	6
1.	Railway and Tramway Business .....	7
2.	Population Trends in Areas along the Tokyu Lines and Passenger Volume.....	8
3.	Development of Key Areas along the Tokyu Lines .....	9
4.	Development Plan for Shibuya Station Environs.....	10
5.	Area Development around Tama-Plaza Station (Tama-Plaza TERRACE).....	11
6.	Retail-related Business.....	12

# I. Summary of Results for Interim Period Ended September 30, 2007



New Type-5000 car (Toyoko Line)



NeUE Matsukazedai  
(Detached house on subdivision /  
Matsukazedai Aoba-ku Yokohama)



Urban Area Redevelopment of  
Futako-tamagawa East District  
(Conceptual drawing)

# Summary of Financial Results for FY03/2008 Interim (Consolidated)



## Statement of Income (Consolidated)

(Billions of yen)

	FY03/2008 Interim	FY03/2007 Interim	Change
Operating Revenue	669.3	673.8	-4.5
Operating Profit	46.2	37.9	+8.3
Recurring Profit	45.9	36.8	+9.0
Net Income	25.8	28.8	-3.0

## Non-consolidated Railways Performance

FY03/2008 Interim year on year change

	Volume of passengers Thousand	(Ratio)	Revenue from fares Millions of Yen	(Ratio)
Commuter	+10,895	(+3.6%)	+966	(+3.5%)
Non-commuter	+11,263	(+5.4%)	+1,040	(+3.0%)
Total	+22,158	(+4.3%)	+2,007	(+3.2%)

## Statement of Cash Flow (Consolidated)

(Billions of yen)

	FY03/2008 Interim	FY03/2007 Interim	Change
From Operating Activities	34.2	72.3	-38.0
From Investing Activities	-32.9	-15.5	-17.4
From Financing Activities	1.8	-68.1	+69.9
Cash and Cash Equivalents at End of Period	33.3	26.0	+7.3

## Dividend

	Interim	End of period	Total
FY03/2007	3.0 yen	3.0 yen	6.0 yen
FY03/2008	3.0 yen	3.0 yen (forecast)	6.0 yen (forecast)

## Balance Sheet (Consolidated)

(Billions of yen)

	FY03/2008 Interim	Change from FY03/2007		FY03/2008 Interim	Change from FY03/2007
Current Assets	356.4	-2.9	Interest-Bearing Debt	1,009.7	+0.9
Fixed Assets	1,589.8	-0.0	Total Liabilities	1,564.6	-21.4
Total Assets	1,946.3	-2.9	Total Net Assets	381.7	+18.4
			Total Liabilities and Net Assets	1,946.3	-2.9

Existing  
+1.0  
Excluded  
-0.1

Equity ratio

17.9 %

+1.0 P

# Key Points in Results

for Interim Period Ended September 30, 2008



- **Number of passengers carried (up 4.3% year on year)**
- **In the real estate sales business, revenue and profit were down (Reflecting a fall in the sale of properties for companies in the Tama Den-en toshi area from the year-ago level)**
- **Decrease in disposal cost of fixed assets (Previous term : Completion of construction to switch the Meguro Line to underground operation)**
- **Operating profit was ¥46.2 billion (up ¥8.3 billion from the previous interim period)**
- **Recurring profit was ¥45.9 billion (increasing of ¥9.0 billion : a record)**
- **Net income was ¥25.8 billion (down ¥3.0 billion)**
- **Interest-bearing debt was ¥1,009.7 billion (rising ¥0.9 billion)**

## II. Forecast for Fiscal Year Ending March 31, 2008 / Three-Year Medium-term Management Plan



Tokyu Hospital (Ookayama Station)



New Shibuya Station (under construction)



IDEARENA  
(Detached house on subdivision /  
Azamino Aoba-ku Yokohama)

# Forecast for Fiscal Year Ending March 31, 2008 / Three-Year Medium-Term Management Plan



(Billions of yen)

	<u>FY03/2006</u>	<u>FY03/2007</u>	<u>FY03/2008</u>			<u>FY03/2008</u>	<u>FY03/2008</u>
	Actual	Actual	Forecast as of Nov 15	YoY	Change from forecast as of May 15	Forecast as of Nov 15, 2007	Medium term management plan as of Mar. 2005
Operating Revenue	1,388.5	1,381.9	1,377.0	-4.9	-5.0	1,382.0	1,520.0
Operating Profit	85.6	80.0	81.0	0.9	2.5	78.5	76.0
Recurring Profit	74.0	81.2	77.2	-4.0	5.2	72.0	63.0
Net Income	41.9	58.7	45.0	-13.7	0.0	45.0	39.0
Shareholders' Equity	258.7	328.5	366.2	37.6	0.0	366.2	285.0
Interest-Bearing Debt	1,106.9	1,008.8	1,010.0	1.1	0.0	1,010.0	1,120.0
Tokyu EBITDA <sup>*1</sup>	157.3	163.8	155.2	-8.6	1.5	153.7	153.0
Equity Ratio	12.8%	16.9%	18.2%	1.3P	-0.2P	18.4%	13.2%
D/E Ratio	4.3x	3.1x	2.8x	-0.3	0.0	2.8x	3.9x
Interest-Bearing Debt/Tokyu EBITDA Multiple	7.0x	6.2x	6.5x	0.3	-0.1	6.6x	7.3x

\*1: Tokyu EBITDA= Operating Profit + Depreciation and Amortization Cost + Amortization of Goodwill (Amortization of Consolidation Adjustment Account) + Disposal Cost of Fixed Assets\*



### III. Highlights of Each Business Line



DRESSER Aobadai  
(Condominium /  
Azamino Aoba-ku Yokohama)



New Express Train of Oimachi Line  
(Conceptual drawing)



Tama-Plaza TERRACE (Conceptual drawing)



# Railway and Tramway Business



Sep.2000 Mutual direct train service on the Meguro Line inaugurated

Mar.2001 Limited express on the Toyoko Line inaugurated

Jan. 2004 Yokohama to Sakuragi-cho on the Toyoko Line discontinued  
Feb. 2004 Minatomirai Line of Yokohama Minatomirai Railway Company opened

Mar.2005 Fare revised.

Sep. 2006 Rapid train starts in Meguro Line.

MONTH/YEAR	03/2002		03/2003		03/2004		03/2005		03/2006		03/2007		2007/09(interim)		03/2008(Forecast)	
	Actual	change(%)	Actual	change(%)	Actual	change(%)	Actual	change(%)	Actual	change(%)	Actual	change(%)	Actual	change(%)	Forecast	change(%)
<b>Revenue from fare</b> (millions of yen)																
Total	117,181	3.1	118,503	1.1	120,806	1.9	119,960	-0.7	122,076	1.8	125,083	2.5	64,713	3.2	128,294	2.6
Commuter	50,867	0.3	50,987	0.2	51,414	0.8	52,153	1.4	53,607	2.8	55,096	2.8	28,824	3.5	56,613	2.8
Non-commuter	66,313	5.4	67,515	1.8	69,392	2.8	67,807	-2.3	68,469	1.0	69,987	2.2	35,889	3.0	71,681	2.4
<b>Passenger volume</b> (thousand of people)																
Total	963,447	1.8	968,745	0.5	984,750	1.7	984,719	0.0	995,657	1.1	1,018,489	2.3	535,502	4.3	1,054,443	3.5
Commuter	570,294	-0.2	569,089	-0.2	573,380	0.8	582,561	1.6	588,800	1.1	602,270	2.3	316,960	3.6	618,626	2.7
Non-commuter	393,153	4.8	399,656	1.7	411,370	2.9	402,158	-2.2	406,857	1.2	416,219	2.3	218,542	5.4	435,817	4.7
Passenger volume Toyoko	387,797	1.7	392,036	1.1	395,552	0.9	390,497	-1.3	392,163	0.4	399,737	1.9	209,295	4.0		
Meguro	84,642	17.9	84,929	0.3	87,769	3.3	90,035	2.6	92,017	2.2	95,573	3.9	51,986	8.9		
Den-en toshi	387,149	1.7	390,023	0.7	399,272	2.4	404,263	1.3	412,223	2.0	424,050	2.9	224,291	4.7		
Oimachi	118,007	1.4	119,383	1.2	125,402	5.0	128,963	2.8	131,396	1.9	136,487	3.9	72,441	5.7		
Ikegami	75,734	0.0	75,654	-0.1	75,744	0.1	75,031	-0.9	75,266	0.3	76,938	2.2	39,582	2.2		
Tamagawa	48,403	-2.2	48,221	-0.4	48,735	1.1	49,601	1.8	50,281	1.4	50,930	1.3	25,936	0.7		
<b>Population in Tokyu area</b> (thousand of people)																
Total	4,670	1.2	4,724	1.2	4,771	1.0	4,814	0.9	4,867	1.1	4,914	1.0				
Shibuya/Yamanote area	1,224	0.7	1,232	0.7	1,240	0.6	1,246	0.5	1,260	1.2	1,270	0.8				
Den-en toshi area	1,582	1.9	1,609	1.7	1,630	1.3	1,648	1.1	1,667	1.2	1,685	1.1				
Toyoko area	899	1.5	910	1.2	922	1.3	932	1.1	942	1.1	955	1.4				
Ikegami/Tamagawa area	965	0.5	973	0.8	979	0.6	989	1.0	998	1.0	1,005	0.7				

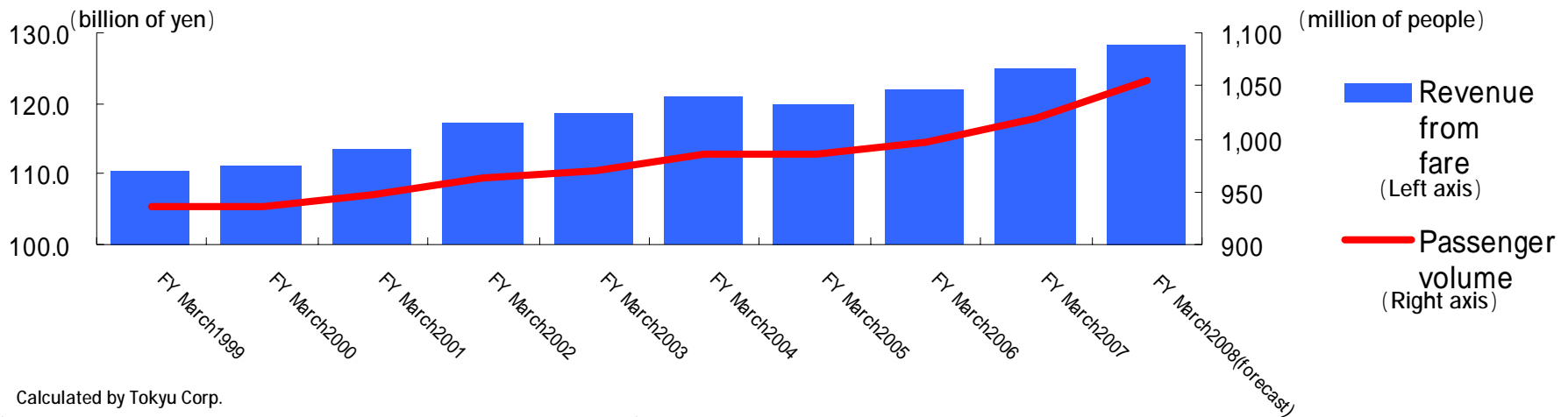
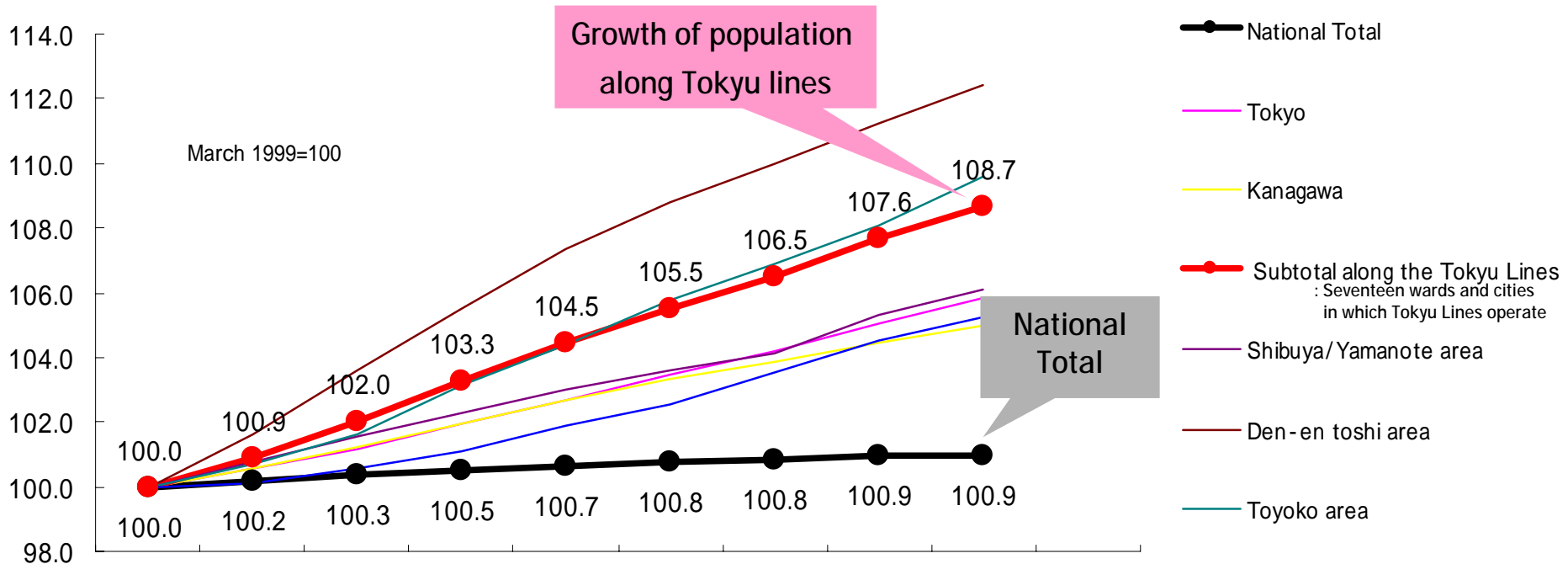
Calculated by Tokyu Corp.  
(based on "Basic Resident Register directory" of Japan Geographic Data Center.)

## Future large improvement works

- (1) Improvement of Hatanodai station (Fiscal year ending March 2008)
- (2) Express service on the Oimachi Line (Oimachi to Futagotamagawa) (Fiscal year ending March 2008)
- (3) Extension of the Meguro Line (Musashikosugi to Hiyoshi) (Planned to inaugurate in June 2008)
- (4) Extension of the Oimachi Line (Futagotamagawa to Mizonoguchi) (Fiscal year ending March 2009)
- (5) Line linking the area around JR Yokohamahazawa station, the area around Shinyokohama station and Toyoko Line Hiyoshi station (Fiscal year ending March 2020)

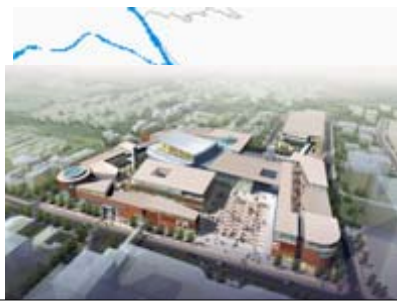
SHIBUYA/ Yamanote area	Shibuya-ku, Setagaya-ku and Meguro-ku
Den-en toshi area	Kawasaki-shi Takatsu-ku/Miyamae-ku, Yokohama-shi Aoba-ku/Tsuzuki-ku/Midori-ku, Machida-shi and Yamato-shi
Toyoko area	Kawasaki-shi Nakahara-ku, Yokohama-shi Kohoku-ku, Kanagawa-ku, Nishi-ku and Naka-ku
Ikegami/ Tamagawa area	Shinagawa-ku and Oota-ku

# Population Trends in Areas along the Tokyu Lines and Passenger Volume



Calculated by Tokyu Corp.  
(based on "Basic Resident Register directory" of Japan Geographic Data Center.)

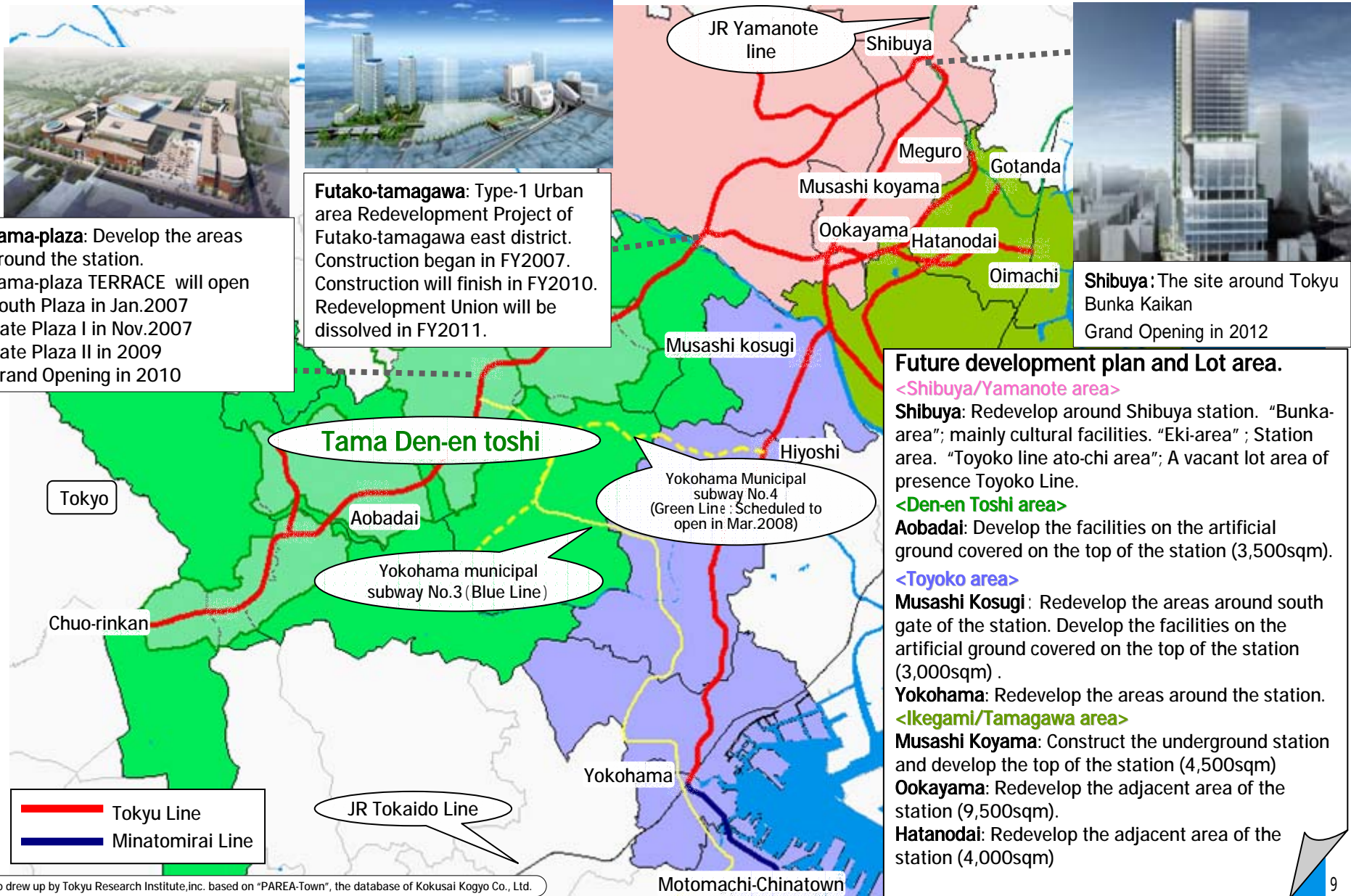
# Development of Key Areas along the Tokyu Lines



**Futako-tamagawa:** Type-1 Urban area Redevelopment Project of Futako-tamagawa east district. Construction began in FY2007. Construction will finish in FY2010. Redevelopment Union will be dissolved in FY2011.

**Shibuya:** The site around Tokyu Bunka Kaikan  
Grand Opening in 2012

**Tama-plaza:** Develop the areas around the station.  
Tama-plaza TERRACE will open South Plaza in Jan.2007  
Gate Plaza I in Nov.2007  
Gate Plaza II in 2009  
Grand Opening in 2010



## Future development plan and Lot area.

### <Shibuya/Yamanote area>

**Shibuya:** Redevelop around Shibuya station. "Bunka-area"; mainly cultural facilities. "Eki-area"; Station area. "Toyoko line ato-chi area"; A vacant lot area of presence Toyoko Line.

### <Den-en Toshi area>

**Aobadai:** Develop the facilities on the artificial ground covered on the top of the station (3,500sqm).

### <Toyoko area>

**Musashi Kosugi:** Redevelop the areas around south gate of the station. Develop the facilities on the artificial ground covered on the top of the station (3,000sqm).

**Yokohama:** Redevelop the areas around the station.

### <Ikegami/Tamagawa area>

**Musashi Koyama:** Construct the underground station and develop the top of the station (4,500sqm)

**Ookayama:** Redevelop the adjacent area of the station (9,500sqm).

**Hatanodai:** Redevelop the adjacent area of the station (4,000sqm)

— Tokyu Line  
— Minatomirai Line

JR Tokaido Line

# Development Plan for Shibuya Station Environs

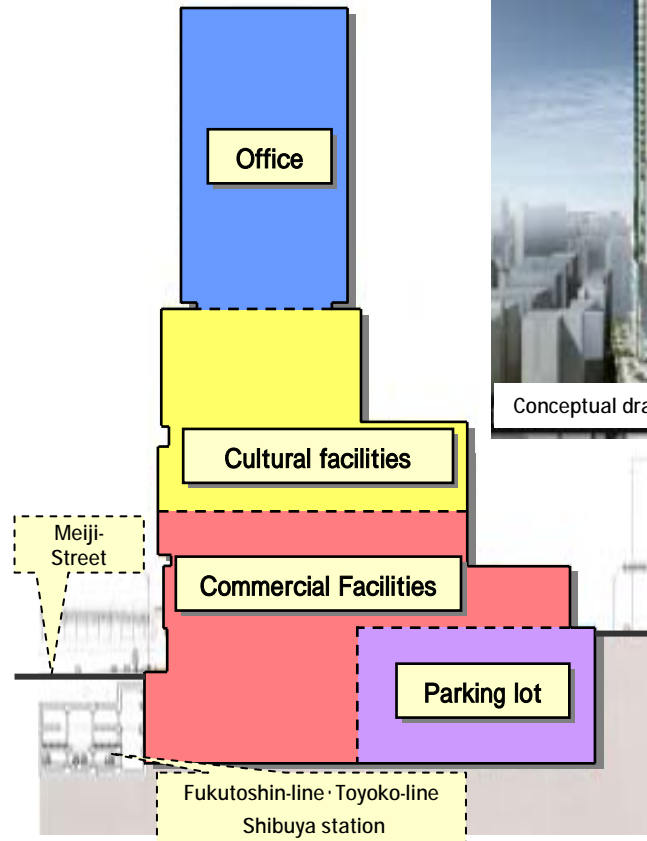


We submitted a city planning proposal for the Urban Redevelopment Special district titled the "Development Plan Around the Site of Tokyu Bunka kaikan" as a leading Project in the Development Plan for Shibuya Station Environs.

## Planned Area



## Structure Cross Section



## Outline

Address : around 2-21 Shibuya Shibuya-ku  
 Area : Approx. 9,640sqm  
 Total Building area : Approx. 143,000sqm  
 Height : Approx.188m  
 Use : Shops, cultural facilities, office, parking etc.  
 Scale : 33 floors and four basement floors  
 Period of construction:  
 (Main Area) Spring 2009 - Spring 2012  
 (Deck area) Spring 2012 Spring 2017

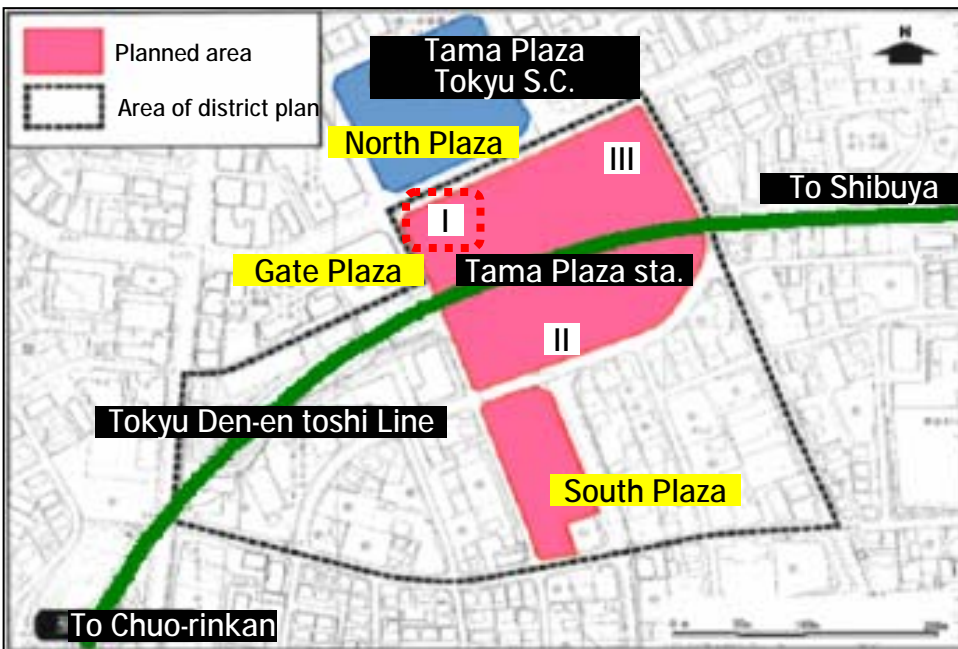


# Area Development Around Tama-Plaza Station (Tama-Plaza TERRACE)



The second stage of Area Development Plan around Tama-Plaza Station (Tokyu Den-en toshi line)  
New commercial facilities (Tama-Plaza TERRACE Gate Plaza I) opened on October 2, 2007.

## Planned Area



Tama-Plaza Station (Northern Entrance) and Gate Plaza I

## Schedule

- November 2005: Construction commences
- January 2007: South plaza opens
- October 2007: Gate plaza I opens
- 2009: Gate plaza II scheduled to open
- 2010: Grand Opening (Gate plaza III, North plaza renewal)



Gate Plaza I TERRACE Dining (3F)

### MACHIDA TOKYU TWINS

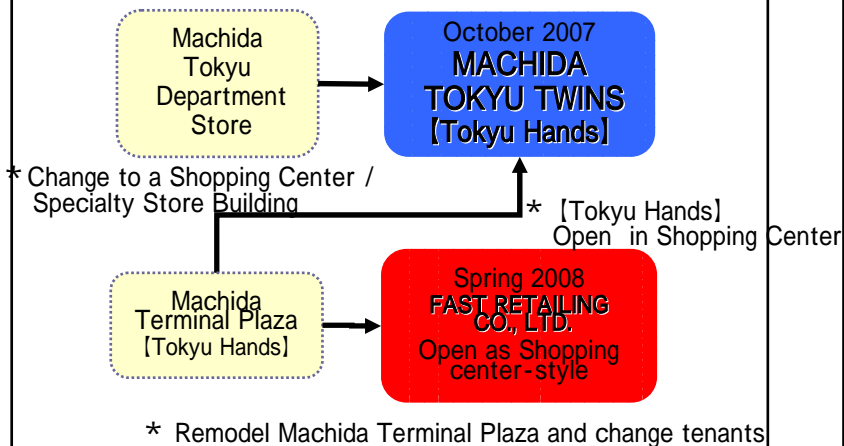


### Tokyu Gotanda Building



Conceptual drawing

Strategic rearrangement and remodeling of Group commercial facilities



Change to a new shopping center linked directly to the station terminal following strategic remodeling

November 2007  
Tokyu Store Chain  
Food floor (B1F, 1F)  
Opening

Spring 2008  
Grand Opening

\* **New Tokyu Store Chain Opens**  
B1F-3F: on four floors  
Groceries, Convenience goods

\* **Specialty Stores Floors Open**  
4F-8F: on five floors  
Shops and restaurants designed for working woman

\*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 Corporation wishes to caution readers that actual results may differ materially from expectations.