

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)
Fiscal Results For The First Quarter of the Fiscal Year Ended March 31, 2008

Tokyu Corporation

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Amounts less than 1 million yen have been rounded down

1. Consolidated Financial Results For The First Quarter of the Fiscal Year Ended March 31, 2008
(April 1, 2007 to June 30, 2007)

1) Consolidated Financial Results

	Three months ended June 30, 2007	Three months ended June 30, 2006	Fiscal Year ended March 31, 2007
	Millions of yen, %	Millions of yen, %	Millions of yen, %
Operating revenue	323,217 (0.9)	326,139 (0.5)	1,381,975
Operating profit.....	23,010 (3.0)	23,722 16.3	80,088
Recurring profit.....	22,362 (0.9)	22,575 61.9	81,227
Net income.....	12,949 (9.4)	14,288 442.6	58,722
Net income per share (Yen)	10.63	12.07	49.43
Net income per share (diluted) (Yen).....	10.27	11.33	46.58

Notes: Percentages for operating revenue, operating profit, recurring profit and net income represent the amount of change over the previous comparable period.

2) Consolidated Financial Position

	As of June 30, 2007	As of June 30, 2006	Fiscal Year ended March 31, 2007
	Millions of yen		
Total assets	1,942,698	1,968,493	1,949,350
Net assets	371,237	293,897	363,282
Equity ratio (%)	17.3%	13.5%	16.9 %
Shareholders' equity per share (Yen).....	276.27 yen	224.07 yen	269.77 yen

3) Consolidated Cash Flows

	Three months ended June 30, 2007	Three months ended June 30, 2006	Fiscal Year ended March 31, 2007
	Millions of yen		
Cash flows from operating activities	(2,243)	35,089	156,130
Cash flows from investing activities	(10,463)	(9,345)	(88,744)
Cash flows from financing activities	10,507	(15,890)	(75,195)
Cash and cash equivalent at end of period	27,722	47,105	29,959

2. Consolidated Forecast for the Fiscal Year Ending March 31, 2008 (April 1, 2007 to March 31, 2008)

(Percentage figures for the full year denote the year-on-year increase or decrease.
Percentage figures for the interim period denote the increase or decrease from the previous interim period.)

Millions of yen

	Interim		Full year	
		Change (%)		Change (%)
Operating revenue	668,000	(0.9)	1,382,000	0.0
Operating profit	41,500	9.5	78,500	(2.0)
Recurring profit.....	37,000	0.4	72,000	(11.4)
Net income.....	21,000	(27.3)	45,000	(23.4)
Net income per share (¥).....	17.25		36.95	

There is no change in the consolidated performance forecast from the previous one announced on May 15, 2007.

3. Others

- (1) Important changes of subsidiaries during the term(change of specified subsidiaries that lead to a change in the scope of consolidation) : None
- (2) Adoption of simplified accounting principles: Yes
- (3) Changes in accounting principles from the recent consolidated fiscal years: None

(Note) For more details, please see Page 4, "Qualitative information and Financial Statements etc. 4. Others"

(Note) The above forecast was made based on information obtainable on the day of release. Actual results may differ from the forecast depending upon an assortment of factors.

[Qualitative information and Financial Statements etc.]

1. Qualitative information regarding Consolidated operating results

Result of the Railway Business (Non-consolidated)

	June 30, 2006	June 30, 2007	Change	
Number of passengers carried	Thousand	Thousand	Thousand,	%
Non-commuter.....	104,191	111,702	7,510	7.2
Commuter.....	156,953	163,423	6,471	4.1
Total	261,144	275,125	13,981	5.4
Revenue from Railway service	Millions of yen	Millions of yen	Millions of yen,	%
Non-commuter.....	17,536	18,322	786	4.5
Commuter.....	14,116	14,681	565	4.0
Total.....	31,652	33,004	1,351	4.3

In the railway operations of the Transportation segment, the number of passengers carried in the first quarter rose 5.4% year on year, with the number of commuters and non-commuters carried rising 7.2% and 4.1% respectively, reflecting an increase in population in areas along the railway lines and the effect of a change in the method of recording following the introduction of the IC card (PASMO). Revenue from fares rose 4.3%. Operating revenue of the Transportation segment was ¥49,604 million (up 3.4% year on year). Operating profit was ¥12,782 million (down 10.5%), reflecting increases in repair costs, depreciation expenses and other factors.

In the Real Estate segment, operating revenue was ¥26,822 million (down 8.6%), and operating profit ¥4,272 million (falling 9.4%), the result of a decline in sales of properties for corporate clients in Tama Den-en Toshi areas from the year-ago level.

In the Retail business, revenue of Tokyu Department Store fell after sales floors were partially leased. In contrast, in the previous fiscal year, figures for only two months of Sapporo Tokyu Store operations were included, following a change in the accounting period. As a consequence, operating revenue was ¥158,437 million (up 0.3%), and operating profit ¥3,261 million (rising 2.0%).

In the Leisure and Services segment, operating revenue was ¥45,593 million (up 4.3%) and operating profit ¥1,155 million (rising 81.1%), thanks to strong orders received by Tokyu Agency, an advertising agency.

In the Hotels segment, the occupancy rate at hotels under the direct control of the Tokyu Hotel Chain at the end of the first quarter was 78.2%, a fall of 0.9 percentage point from the year-earlier level. In addition, some overseas hotels were sold, and Capitol Tokyu Hotel, Maebashi Tokyu Inn, and Hakata Tokyu Inn were closed. As a result, operating revenue was ¥23,624 million (declining 5.4%), and operating profit ¥933 million (down 1.8%).

In Other Businesses, rolling stock operations showed operating revenue of ¥36,208 million (falling 3.7%) on a decline in the delivery of new cars from the year-ago level. However, profit increased in the maintenance of rolling stock. Consequently, operating profit reached ¥680 million (rising 1162.2%).

After internal operating revenue and transfers among segments are eliminated, operating revenue for the first quarter was ¥323,217 million (down 0.9%), and operating profit was ¥23,010 million (down 3.0%). Recurring profit stood at ¥22,362 million (declining 0.9%), reflecting an increase in the investment return calculated by the equity method. Net income for the quarter was ¥12,949 million (down 9.4%).

2. Qualitative information regarding Consolidated Financial Position

Looking at our financial position at the end of the first quarter, total assets amounted to ¥1,942,698 million (a fall of ¥6,652 million from the end of the previous fiscal year), total liabilities ¥1,571,461 million (a decrease of ¥14,607 million), and total net assets ¥371,237 million. Interest-bearing debt increased ¥14,564 million from the end of the previous term, to ¥1,023,460 million. The equity ratio was 17.3%.

(Cash flows)

Net cash used in operating activities in the first quarter was ¥2,243 million, resulting from an increase in inventories in association with the expansion of orders received, income taxes paid, and other factors.

Net cash used in investing activities was ¥10,463 million. The principal factors were payments for purchases of fixed assets of ¥30,950 million and proceeds from the sale of securities of ¥11,216 million.

Net cash generated by financing activities was ¥10,507 million, the result of short-term debt and proceeds from the issuing of commercial paper.

As a result, cash and cash equivalents at the end of the first quarter fell by ¥2,237 million from the end of the previous fiscal year, to ¥27,722 million.

3. Qualitative information regarding Consolidated Forecast

Since the results for the first quarter were almost on a par with planned performance, there is no change in the consolidated business forecasts announced on May 15, 2007.

4. Others

(1) Important changes of subsidiaries during the term(change of specified subsidiaries) : None

(2) Adoption of simplified accounting principles:

Partially adopted for which having little effect on financial statements.

(3)Changes in accounting principles from the recent consolidated fiscal years: None

5. (Summary) Quarter Consolidated Financial Statements

(1) (Summary) Quarter Consolidated Balance Sheets

(Millions of yen)

Assets					
Item	Fiscal 2006	1st quarter Fiscal 2007	Change		(Reference) 1st quarter Fiscal 2006
	As of March 31, 2007	As of June 30, 2007		%	As of June 30, 2006
(Assets)					
Current Assets	359,389	353,814	(5,575)	(1.6)	344,472
Cash and deposits	31,828	29,082	(2,745)		48,342
Trade notes & accounts receivable	134,405	130,721	(3,683)		116,071
Securities	63	63	0		22
Inventories	134,582	145,413	10,831		134,966
Deferred tax assets	19,405	16,096	(3,309)		16,026
Other current assets	40,486	33,919	(6,566)		30,370
Allowance for doubtful accounts	(1,380)	(1,482)	(101)		(1,327)
Fixed Assets	1,589,961	1,588,884	(1,076)	(0.1)	1,624,021
Tangible fixed assets	1,235,454	1,242,727	7,273	0.6	1,261,463
Buildings & structures	537,016	531,895	(5,120)		518,825
Rolling stock & machinery	49,632	51,856	2,224		50,879
Land	490,057	493,111	3,054		498,455
Construction in progress	139,541	148,042	8,501		172,547
Others	19,207	17,821	(1,385)		20,756
Intangible fixed assets	49,388	49,451	62	0.1	49,241
Consolidation adjustment account	14,251	13,831	(420)		14,945
Others	35,137	35,619	482		34,296
Investments & others	305,118	296,705	(8,412)	(2.8)	313,315
Investment securities	152,538	150,053	(2,485)		162,069
Long-term loans receivable	524	517	(6)		851
Deferred tax assets	13,317	13,022	(294)		14,288
Others	140,847	135,404	(5,442)		138,657
Allowance for doubtful accounts	(2,108)	(2,292)	(183)		(2,552)
Total Assets	1,949,350	1,942,698	(6,652)	(0.3)	1,968,493

(Millions of yen)

Liabilities & Total Net Assets					
Item	Fiscal 2006	1st quarter Fiscal 2007	Change		(Reference) 1st quarter Fiscal 2006
	As of March 31, 2007	As of June 30, 2007		%	As of June 30, 2006
(Liabilities)					
Current Liabilities	649,311	660,473	11,162	1.7	670,271
Trade notes & accounts payable	147,767	136,971	(10,795)		124,083
Short-term debt	259,378	286,923	27,545		275,384
Commercial Paper	0	21,500	21,500		0
Current portion of corporate bonds	52,000	40,500	(11,500)		62,500
Accrued income taxes	20,039	6,797	(13,241)		3,555
Reserve for employees' bonuses	13,089	8,541	(4,548)		8,420
Advance received & amount received for uncompleted construction	50,834	61,497	10,662		93,010
Others	106,202	97,742	(8,459)		103,317
Fixed Liabilities	911,355	886,736	(24,619)	(2.7)	975,363
Corporate bonds	210,499	196,999	(13,500)		229,729
Long-term debt	487,018	477,537	(9,480)		524,860
Reserve for employees' retirement benefits	40,468	38,375	(2,092)		43,331
Reserve for directors' retirement benefits	1,885	1,489	(395)		1,923
Guarantee deposits	118,941	118,319	(622)		120,659
Deferred tax liabilities	25,475	24,813	(662)		26,198
Deferred tax liabilities from land revaluation	11,439	11,439	0		11,497
Others	15,627	17,761	2,133		17,163
Special legal reserves	25,401	24,251	(1,149)	(4.5)	28,961
Urban Railways Improvement Reserve	25,401	24,251	(1,149)		28,961
Total Liabilities	1,586,068	1,571,461	(14,607)	(0.9)	1,674,596
(Net Assets)					
Total shareholders' equity	299,869	309,095	9,226	3.1	237,239
Common stock	121,723	121,723	0		110,608
Capital surplus reserve	117,166	117,169	3		106,016
Profit reserve	63,184	72,474	9,290		22,587
Treasury stock	(2,205)	(2,272)	(67)		(1,972)
Valuation and Translation Adjustments	28,637	27,311	(1,326)	(4.6)	27,967
Unrealized holding gains (losses) on securities	20,119	18,805	(1,314)		22,890
Deferred gain(loss) on hedges	(7)	2	10		(10)
Land revaluation reserve	9,086	9,086	0		8,810
Foreign currency translation adjustment account	(561)	(583)	(22)		(3,723)
Minority Interests	34,775	34,830	55	0.2	28,690
Total Net Assets	363,282	371,237	7,954	2.2	293,897
Total Liabilities & Total Net Assets	1,949,350	1,942,698	(6,652)	(0.3)	1,968,493

(2) (Summary) Quarter Consolidated Statement of Income

(Millions of yen)

Item	1st quarter	1st quarter	Change		(Reference)
	Fiscal 2006 From April 1, 2006 to June 30, 2006	Fiscal 2007 From April 1, 2007 to June 30, 2007		%	Fiscal 2006 From April 1, 2006 to March 31, 2007
Operating revenue	326,139	323,217	(2,922)	(0.9)	1,381,975
Cost of revenue from operations	302,417	300,206	(2,210)	(0.7)	1,301,886
Operating expenses and cost of sales (transportation etc)	244,231	241,303	(2,928)		1,056,502
Selling, general and administrative expenses	58,186	58,903	717		245,384
Operating profit	23,722	23,010	(712)	(3.0)	80,088
Non-operating revenue	4,180	4,618	438	10.5	24,026
Interest & dividends received	738	612	(126)		2,534
Equity in profits of affiliates	645	1,111	466		7,652
Other revenue	2,795	2,894	98		13,838
Non-operating expenses	5,327	5,266	(61)	(1.1)	22,887
Interest paid	4,627	4,459	(167)		18,570
Other expenses	699	806	106		4,317
Recurring profit	22,575	22,362	(212)	(0.9)	81,227
Extraordinary gains	4,492	3,040	(1,452)	(32.3)	79,302
Extraordinary losses	1,386	1,504	118	8.5	75,450
Net income before income taxes	25,681	23,898	(1,783)	(6.9)	85,079
Income taxes	3,102	6,394	3,291	106.1	20,970
Income tax adjustment	7,896	3,861	(4,035)	(51.1)	4,469
Minority interests	394	693	299	76.0	916
Net income	14,288	12,949	(1,339)	(9.4)	58,722

(Millions of yen)

Note: Breakdown of extraordinary gains	1st quarter	1st quarter	Changes	Fiscal 2005
	Fiscal 2006	Fiscal 2007		
Gain on reversal of urban railways improvement reserve	1,800	1,800	---	7,200
Gain on sale of fixed assets	1,202	215	(987)	9,992
Subsidies received for construction	106	143	37	51,079
Breakdown of extraordinary losses				
Addition to urban railways improvement reserve	623	650	26	2,464
Loss on reduction of subsidies received for construction	99	138	38	39,335

(3) (Summary) Quarter Consolidated Statements of Cash Flow

(Millions of yen)

Item	1st quarter Fiscal 2006 From April 1,2006 to June 30,2006	1st quarter Fiscal 2007 From April 1,2007 to June 30,2007	Fiscal 2006 From April 1,2006 to March 31,2007
I. Cash flows from operating activities			
Net income before income taxes.....	25,681	23,898	85,079
Depreciation and amortization	13,130	13,815	54,587
Amortization of goodwill	244	382	1,351
(Decrease) increase in employees' retirement benefit reserve	(180)	(515)	(3,043)
(Decrease) increase in urban railways improvement reserve	(1,176)	(1,149)	(4,736)
Subsidies received for construction.....	(106)	(143)	(51,079)
Reduction in contributions received for construction	99	138	39,335
Loss (gain) on sale of fixed assets	(1,197)	(120)	(2,825)
Loss on disposal of fixed assets	647	601	26,052
Equity in losses (earnings) of equity-accounted affiliates	(645)	(1,111)	(7,652)
Loss (gain) on sale of investment stocks.....	(599)	(17)	(4,325)
Decrease (increase) in accounts receivable.....	9,075	3,247	(9,230)
Decrease (increase) in inventories.....	2,170	(10,782)	2,213
(Decrease) increase in trade payables.....	(10,395)	(10,500)	13,054
Interest and dividends receivable.....	(738)	(612)	(2,534)
Interest payable	4,627	4,459	18,570
Others	2,791	(1,023)	25,216
Subtotal	43,427	20,566	180,034
Interest and dividends received.....	1,399	1,562	2,929
Interest payable	(4,433)	(4,397)	(18,565)
Income taxes paid	(5,302)	(19,974)	(8,267)
Net cash provided by operating activities	35,089	(2,243)	156,130
II. Cash flows from investing activities			
Payment for purchases of fixed assets	(21,266)	(30,950)	(142,580)
Proceeds from sale of fixed assets	6,151	3,218	22,612
Payment for purchases of investment securities.....	(789)	(13)	(2,877)
Proceeds from sale of investment securities.....	2,284	11,216	10,180
Payment for sale of subsidiaries' share, resulting from changes in the scope of consolidation.....	—	(460)	(2)
Proceeds from sale of subsidiaries' share, resulting from changes in the scope of consolidation.....	—	—	23
Proceeds from redemption of preferred shares of affiliate compa1.....	—	—	5,350
Proceeds from subsidies received for construction.....	3,798	6,001	18,695
Others.....	474	524	(146)
Net cash used in investing activities	(9,345)	(10,463)	(88,744)
III. Cash flows from financing activities			
Increase (decrease) in short-term debt, net	2,042	29,508	(31,624)
Proceeds from long-term debt	17,278	3,450	71,590
Repayment of long-term debt	(15,635)	(14,790)	(90,128)
Proceeds from issuance of commercial paper	—	36,000	21,500
Payment for redemption of commercial paper	—	(14,500)	(21,500)
Proceeds from issuance of bonds	19,874	7,989	19,857
Payment for redemption of bonds	(36,000)	(33,000)	(43,500)
Dividends paid by parent company	(2,963)	(3,658)	(6,519)
Proceeds from minority shareholders' contributions.....	—	—	5,900
Others.....	(488)	(492)	(772)
Net cash used in financing activities	(15,890)	10,507	(75,195)
IV. Effect of exchange rate changes on cash and cash equivalents	(91)	(37)	424
V. Increase (decrease) in cash and cash equivalents	9,761	(2,237)	(7,384)
VI. Cash and cash equivalents at beginning of period	49,032	29,959	49,032
VII. Decrease due to exclusion from scope of consolidation	(11,688)	—	(11,688)
VIII. Cash and cash equivalents at end of period	47,105	27,722	29,959

(4) Segment Information

Segment information by operating segment

The first quarter results for the fiscal year 2006 (April 1, 2006 – June 30, 2006)

(Millions of yen)

	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Others	Total	Elimination/Headquarters	Consolidated
Revenues/Operating profit									
Operating revenue									
(1) Outside customers	47,644	23,447	157,388	38,808	24,823	34,028	326,139	---	326,139
(2) Inter-segment Internal revenues/transfers	337	5,897	618	4,914	138	3,564	15,471	(15,471)	---
Total	47,981	29,344	158,007	43,723	24,961	37,592	341,611	(15,471)	326,139
Operating expenses	33,693	24,628	154,811	43,085	24,010	37,538	317,767	(15,350)	302,417
Operating profit	14,288	4,715	3,196	637	951	53	23,843	(121)	23,722

The first quarter results for the fiscal year 2007 (April 1, 2007 – June 30, 2007)

(Millions of yen)

	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Others	Total	Elimination/Headquarters	Consolidated
Revenues/Operating profit									
Operating revenue									
(1) Outside customers	49,235	21,053	157,667	40,690	23,326	31,243	323,217	---	323,217
(2) Inter-segment Internal revenues/transfers	369	5,769	770	4,903	297	4,964	17,074	(17,074)	---
Total	49,604	26,822	158,437	45,593	23,624	36,208	340,291	(17,074)	323,217
Operating expenses	36,822	22,550	155,176	44,438	22,690	35,527	317,206	(16,999)	300,206
Operating profit	12,782	4,272	3,261	1,155	933	680	23,085	(74)	23,010

Results for the fiscal year 2006 (April 1, 2006 – March 31, 2007)

(Millions of yen)

	Transportation	Real Estate	Retail	Leisure and Services	Hotels	Others	Total	Elimination/Headquarters	Consolidated
Revenues/Operating profit									
Operating revenue									
(1) Outside customers	191,072	128,269	657,334	162,355	98,498	144,444	1,381,975	---	1,381,975
(2) Inter-segment Internal revenues/transfers	1,564	23,748	2,936	20,928	600	25,839	75,618	(75,618)	---
Total	192,636	152,017	660,271	183,284	99,099	170,284	1,457,594	(75,618)	1,381,975
Operating expenses	166,937	125,997	644,156	180,076	95,384	165,318	1,377,871	(75,984)	1,301,886
Operating profit	25,699	26,020	16,114	3,208	3,714	4,966	79,722	365	80,088

Note:

1. Operating segmentation

Operating segments are based on Standard Industrial Classification in Japan (JSIC) and are designed to reflect accurately the nature of the company's business.

2. Description of operating segments

Transportation: railway operations and bus operations

Real Estate: real estate sales, real estate leasing and real estate management

Retail: department store operations, chain store operations and shopping center operations

Leisure and Services: advertisement agency operations, golf course operations and CATV operations

Hotels: hotel operations

Others: maintenance of rolling stock for railway operations and general trading operations

3. No unallocated operation expenses were included in "Elimination/Headquarters".

(The first quarter results for the fiscal year 2007 APPENDIX)

Summary of Financial results (Consolidated)

(Millions of yen)

Item	April 1, 2006 to June 30, 2006	April 1, 2007 to June 30, 2007	Change	
				%
Operating revenue				
Transportation	47,981	49,604	1,623	3.4
Real estate	29,344	26,822	(2,521)	(8.6)
Retail	158,007	158,437	429	0.3
Leisure and Services	43,723	45,593	1,870	4.3
Hotel	24,961	23,624	(1,337)	(5.4)
Other	37,592	36,208	(1,384)	(3.7)
Total	341,611	340,291	(1,319)	(0.4)
Elimination/Headquarters	(15,471)	(17,074)	(1,603)	-
Consolidated	326,139	323,217	(2,922)	(0.9)
Operating profit				
Transportation	14,288	12,782	(1,506)	(10.5)
Real estate	4,715	4,272	(443)	(9.4)
Retail	3,196	3,261	64	2.0
Leisure and Services	637	1,155	517	81.1
Hotel	951	933	(17)	(1.8)
Other	53	680	626	1,162.2
Total	23,843	23,085	(758)	(3.2)
Elimination/Headquarters	(121)	(74)	46	-
Consolidated	23,722	23,010	(712)	(3.0)
Equity method profit (loss)	645	1,111	466	72.2
Recurring profit	22,575	22,362	(212)	(0.9)
Net income	14,288	12,949	(1,339)	(9.4)