

Summary of Results for the First Quarters of FY2020



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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

Impact from the split of the railway business

- The Company is splitted the railway business in October 2019. As a result, figures by segment changed. A new classification was adopted from the beginning of FY2019. In addition, the comparable "previous year results" was also reclassified for disclosure.
- Because the split of the railway business was a reorganization within a consolidation, the effect on the consolidated results of this term will be nothing.
- Please refer to page 24 for details of the impact from the split of the railway business.

Main Points in the Results for 1Q FY2020

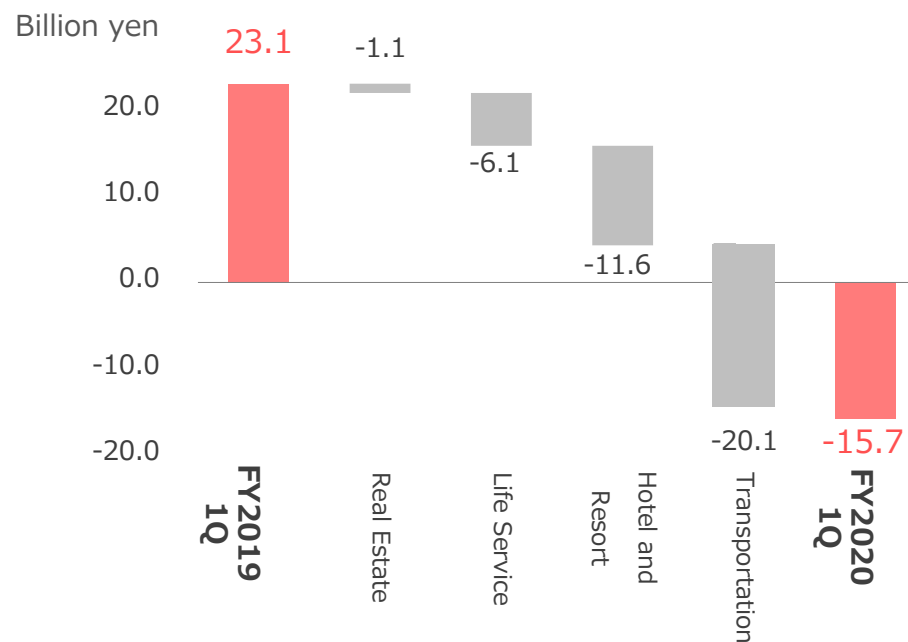
[Year-on-year comparison]

- Resulting from a decline in demand and restrictions on moving due to the spread of COVID-19, revenue and profit decreased in all businesses, mainly the Railway/Hotel businesses.
(Note: Operating loss was recorded excluding the Real Estate business.)
- In the Real Estate business, despite higher revenue associated with the full-year operation of Shibuya Scramble Square and Minami-Machida Grandberry Park, which opened in the previous year, but revenue and profit declined largely impacted by the temporarily closed facilities following the declaration of the state of emergency.
- Fixed costs of 2.7 billion yen during the temporarily closed were recorded under extraordinary losses.

Summary

(Unit: Billion yen)	1Q Results	YoY Comparison
Operating Revenue	209.7	- 70.3 (- 25.1%)
Operating Profit	-15.7	- 38.8 -
Recurring Profit	-18.1	- 41.6 -
Profit attributable to owners of parent	-20.1	- 36.5 -

Operating Profit by Segment (Year-on-year Comparison)



Financial Forecasts for FY2020

- The consolidated forecast for the fiscal year ending March 2021 is **undecided** because it is difficult to reasonably calculate earnings trends going forward, as it remains unclear when the COVID-19 pandemic will peak and a recovery can be foreseen.
- We will promptly announce the forecast when it becomes possible to disclose it.

Business environment

Railway/Retail/Hotel

- Although demand shows signs of recovering, caution is warranted given the potential further spread of the COVID-19 pandemic.

Real Estate

- With regard to commercial property, the number of visitors is recovering, mainly at suburban shopping centers.

Response policy

- Continue to take steps to reduce expenses, centering on SG&A expenses.
- As for capital investment, closely observe changes in the business environment and make selective investments in growth.

[Reference] Segment Results for 2020

	Jan.	Feb.	Mar.	Apr.	May	June	Business status of July and onwards	
TOKYU RAILWAYS Number of Passengers Carried *year-on-year								
Grand Total	+2.3%	+0.8%	-22.4%	-51.7%	-51.4%	-33.0%	<ul style="list-style-type: none"> • Since the lifting of the state of emergency, the number of passengers carried has been recovering and is at negative 30% year on year. 	
Non-Commuter	+3.9%	-0.7%	-30.5%	-69.4%	-64.7%	-32.3%		
Commuter	+1.3%	+1.8%	-16.3%	-39.3%	-42.9%	-33.4%		
Retail Operating Revenue *Same-Store Revenue, year-on-year								
Tokyu Department Store	+3.1%	-7.6%	-26.0%	-68.1%	-74.3%	-14.3%	<ul style="list-style-type: none"> • With the resumption of operations after the lifting of the state of emergency, the number of visiting customers is increasing. 	
Tokyu Store	-0.4%	+5.6%	+8.5%	+4.9%	+3.3%	-0.6%		
Tokyu Hotels occupancy rate (year-on-year)								
	73.2% (+0.3P)	66.8% (-17.5P)	28.2% (-57.4P)	10.4% (-75.4P)	11.1% (-71.7P)	16.3% (-66.7P)	<ul style="list-style-type: none"> • Hotels that had been temporarily closed resumed operations on June 1. • After the lifting of restrictions on movement nationwide on June 19, the number of reservations is increasing, mainly at resorts. 	

II . Conditions in Each Business

Railway Operations Business

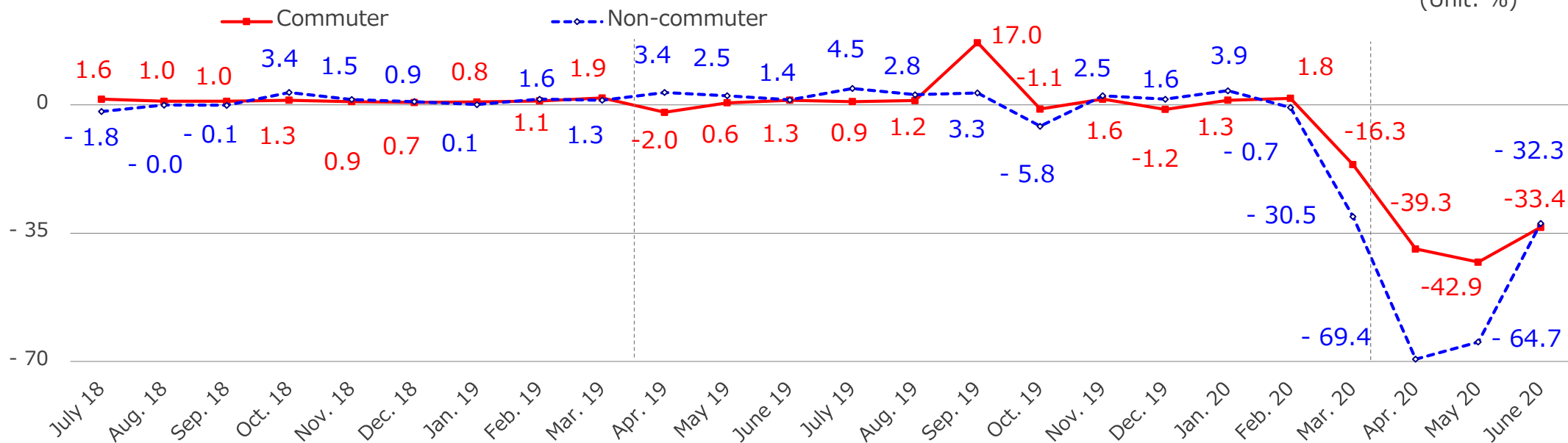
Passengers Carried and Passenger Revenue

(Thousand people, Million yen)

		FY2020 1Q Results	FY2019 1Q Results	Change
Number of Passengers Carried	Total	167,570	306,669	- 45.4%
	Non-commuter	53,354	120,762	- 55.8%
	Commuter	114,216	185,907	- 38.6%
Passenger Revenue	Total	19,601	36,247	- 45.9%
	Non-commuter	8,558	19,758	- 56.7%
	Commuter	11,043	16,489	- 33.0%

Passengers Carried (Year-on-year Comparison)

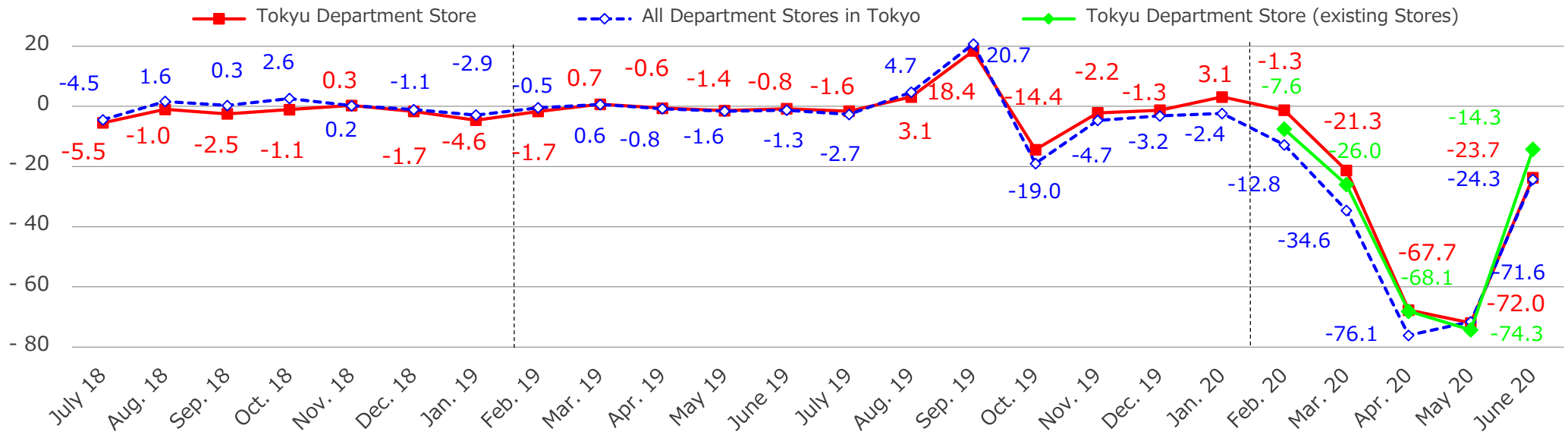
(Unit: %)



Retail Business

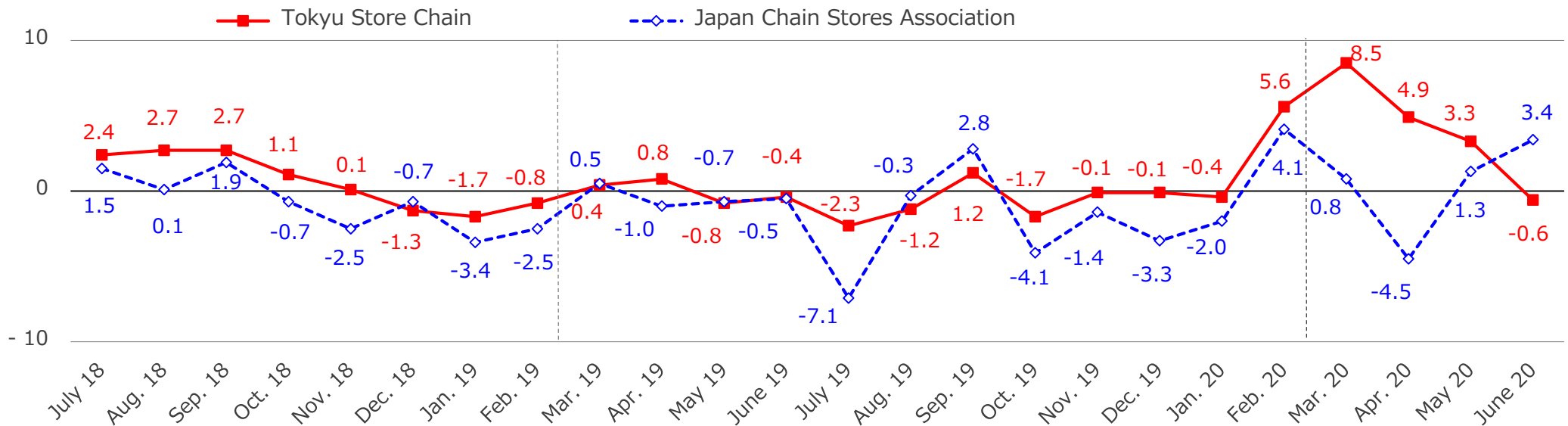
Tokyu Department Store: Sales (Year-on-year Comparison)

(Unit: %)



Tokyu Store Chain: Sales (Year-on-year Comparison) *existing stores

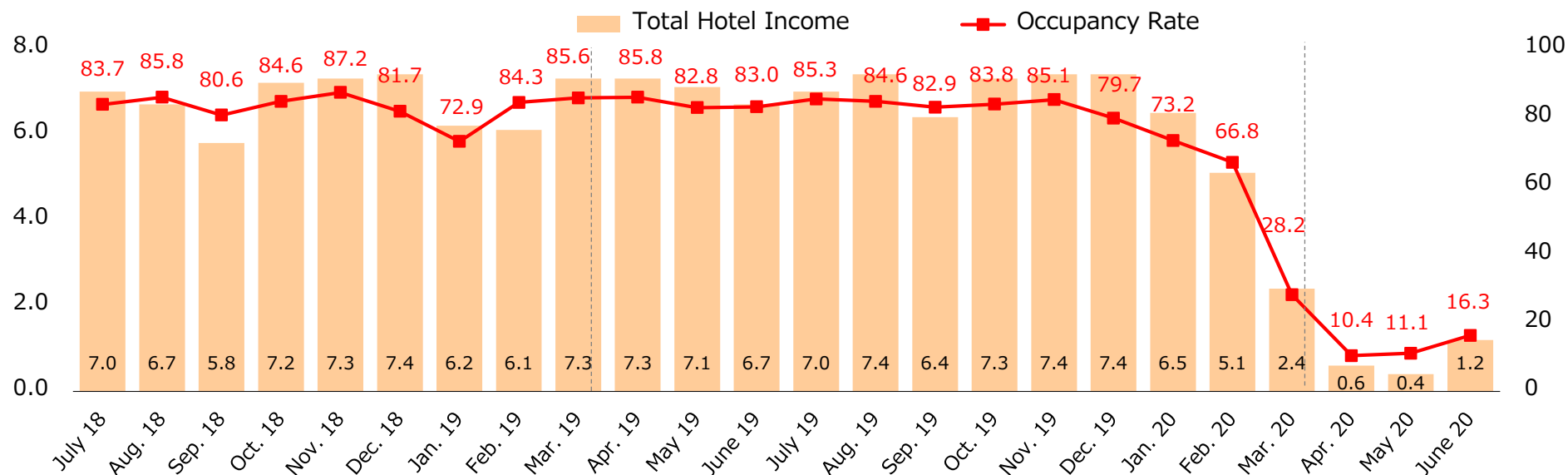
(Unit: %)



Hotel Business

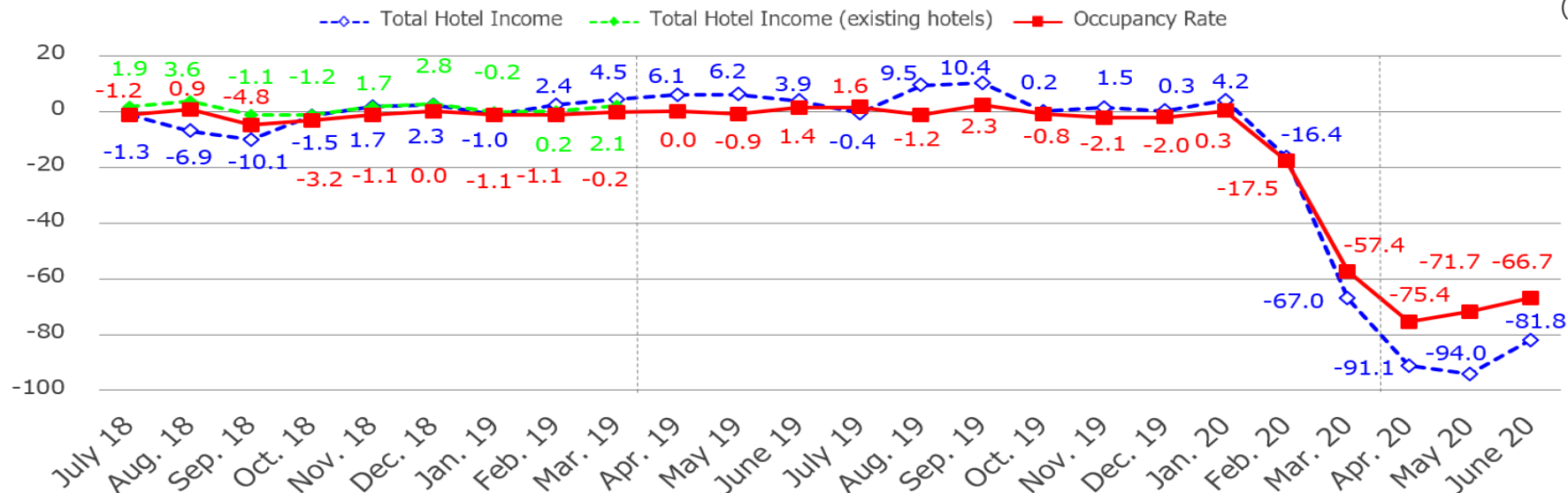
Tokyu Hotels: Total Hotel Income and Occupancy Rates (Results)

(Unit: billion yen, %)



Tokyu Hotels: Total Hotel Income and Occupancy Rates (Year-on-year Comparison)

(Unit: %, P)





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III. Details of Financial Results for the First Quarters of FY2020

Summary of Consolidated Financial Statements

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Revenue	209.7	280.1	- 70.3 (- 25.1%)	Transportation: -22.3; Real Estate: -0.6; Life Service: -27.4; Hotel and Resort: -20.4
Operating Profit	- 15.7	23.1	- 38.8 (-)	Transportation: -20.1; Real Estate: -1.1; Life Service: -6.1; Hotel and Resort: -11.6
Non-operating Revenue	3.3	3.7	- 0.4 (- 11.0%)	Interest and Dividend Income: 0.5 (-0.0)
Non-operating Expenses	5.7	3.4	+ 2.3 (+ 67.4%)	Investment Loss from Equity Method: 2.1(+2.1) ; Interest Paid: 2.1 (-0.1)
Recurring Profit	- 18.1	23.4	- 41.6 (-)	
Extraordinary Gains	1.0	0.9	+ 0.0 (+ 9.5%)	
Extraordinary Losses	3.1	0.4	+ 2.6 (+ 562.0%)	Loss on COVID19: 2.7 (+2.7)
Income before Income Taxes and Minority Interests	- 20.2	23.9	- 44.2 (-)	
Corporate Income Taxes	0.0	7.1	- 7.1 (- 99.1%)	Income Taxes: 2.2 (-3.0) ; Tax Adjustment: -2.1 (-4.0)
Net Income	- 20.3	16.7	- 37.0 (-)	
Profit attributable to non-controlling intereests	- 0.1	0.3	- 0.5 (-)	
Profit attributable to owners of parent	- 20.1	16.3	- 36.5 (-)	
Other Comprehensive Income	- 1.4	0.4	- 1.8 (-)	
Total Comprehensive Income	- 21.7	17.2	- 38.9 (-)	
TOKYU EBITDA	4.0	45.7	- 41.7 (- 91.2%)	Transportation: -19.7; Real Estate: -0.3; Life Service: -6.2; Hotel and Resort: -11.7; Headquarters: -3.6

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Consolidated Operating Revenue and Profit

(Unit:Billion yen)		FY2020 1Q Results	FY2019 1Q Results	Change	Remarks	
Total Operating Revenue		209.7	280.1	- 70.3 (- 25.1%)		
Total Operating Profit		- 15.7	23.1	- 38.8 (-)		
Transportation	Operating Revenue	30.0	52.3	- 22.3 (- 42.6%)	Tokyu Railways: -16.7	
	Operating Profit	- 9.8	10.3	- 20.1 (-)	Tokyu Railways: -15.7	
Real Estate	Operating Revenue	44.6	45.2	- 0.6 (- 1.4%)	Tokyu Corp. Sales: -1.7; Tokyu Corp. Leasing: +1.4	
	Operating Profit	7.5	8.6	- 1.1 (- 12.8%)	Tokyu Corp. Sales: +0.2; Tokyu Corp. Leasing: -0.9	
Life Service	Total Life Service		144.2	171.7	- 27.4 (- 16.0%)	
	Operating Revenue	Retail	100.2	117.6	- 17.4 (- 14.8%)	Tokyu Department Store: -14.2; Tokyu Store Chain: +1.8
		ICT and Media	44.0	54.0	- 10.0 (- 18.5%)	Tokyu Recreation: -2.2 its communications: -0.0; Tokyu Agency: -5.1
	Total Life Service		- 2.7	3.3	- 6.1 (-)	
	Operating Profit	Retail	- 2.6	0.9	- 3.5 (-)	Tokyu Department Store: -2.5; Tokyu Store Chain: +1.6
		ICT and Media	- 0.1	2.4	- 2.5 (-)	Tokyu Recreation: -0.7 its communications: +0.5; Tokyu Agency: -0.7
Hotel and Resort	Operating Revenue	5.2	25.7	- 20.4 (- 79.7%)	Tokyu Hotels, etc: -19.0	
	Operating Profit	- 10.7	0.8	- 11.6 (-)	Tokyu Hotels, etc: -10.6	
Elimination etc.	Operating Revenue	- 14.4	- 14.9	+ 0.5		
	Operating Profit	0.1	0.0	+ 0.1		

Non-Operating and Extraordinary Gain/Loss

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Profit	- 15.7	23.1	- 38.8 (-)	
Non-operating Revenue	3.3	3.7	- 0.4 (- 11.0%)	
Interest and Dividend Income	0.5	0.5	- 0.0	
Investment Gain from Equity Method	-	1.5	- 1.5	○Tokyu Fudosan Holdings: -2.2 (-2.8) ; Tokyu Construction: 0.0 (-0.7)
Others	2.8	1.5	+ 1.2	
Non-operating Expenses	5.7	3.4	+ 2.3 (+ 67.4%)	
Interest	2.1	2.2	- 0.1	
Investment Loss from Equity Method	2.1	-	+ 2.1	○
Others	1.5	1.1	+ 0.3	
Recurring Profit	- 18.1	23.4	- 41.6 (-)	
Extraordinary Gains	1.0	0.9	+ 0.0 (+ 9.5%)	
Gain on Sale of Fixed Assets	0.0	0.0	+ 0.0	
Gain on Subsidies Received for Construction	0.1	0.2	- 0.0	
Gain on Reversal of Urban Railways Improvement Reserve	0.6	0.6	-	
Others	0.2	0.1	+ 0.1	
Extraordinary Losses	3.1	0.4	+ 2.6 (+ 562.0%)	
Loss on Reduction of Subsidies Received for Construction	0.1	0.1	- 0.0	
Others	3.0	0.3	+ 2.7	Loss on COVID19: 2.7 (+2.7)
Income before Income Taxes and Minority Interests	- 20.2	23.9	- 44.2 (-)	

Consolidated TOKYU EBITDA

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Transportation	0.4	20.1	- 19.7 (- 97.9%)	
Tokyu Railways	3.3	18.8	- 15.4	
Tokyu Bus - Tokyu Transses	- 1.6	1.0	- 2.7	
Others	- 1.3	0.2	- 1.5	
Real Estate	13.2	13.6	- 0.3 (- 2.4%)	
Real Estate Sales of the Company	1.3	1.1	+ 0.2	
Real Estate Leasing of the Company	9.3	9.5	- 0.2	
Others	2.5	2.9	- 0.3	
Life Service	1.4	7.7	- 6.2 (- 81.2%)	
Retail	- 0.6	3.0	- 3.6	
Tokyu Department Store	- 1.3	1.2	- 2.6	
Tokyu Store Chain	2.5	0.8	+ 1.7	
Others	- 1.8	0.9	- 2.7	
ICT and Media	2.0	4.7	- 2.6	
Tokyu Recreation	0.1	0.8	- 0.7	
its communications	2.3	1.8	+ 0.4	
Tokyu Agency	- 0.5	0.1	- 0.7	
Others	0.1	1.8	- 1.6	
Hotel and Resort	- 9.6	2.0	- 11.7 (-)	
Tokyu Hotels, etc.	- 8.8	1.7	- 10.6	
Others	- 0.8	0.2	- 1.0	
Headquarters	- 1.5	2.1	- 3.7 (-)	
Interest and dividend income	0.5	0.5	- 0.0	
Investment (gain) loss from the equity method	- 2.1	1.5	- 3.6	
Elimination, etc.	0.1	0.0	+ 0.1	
Total	4.0	45.7	- 41.7 (- 91.2%)	

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Segment Information (1) Transportation

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Revenue	30.0	52.3	- 22.3 (- 42.6%)	Passengers Carried: -45.4% (Non-commuter: -55.8%; Commuter: -38.6%) □ Passenger Revenue: -45.9% (Non-commuter: -56.7%; Commuter: -33.0%)
Tokyu Railways	22.9	39.7	- 16.7 (- 42.2%)	Passenger Revenue: 19.6 (-16.6)
Tokyu Bus · Tokyu Transses	4.1	7.4	- 3.2 (- 44.0%)	Passenger Revenue: -44.5%
Others	2.9	5.2	- 2.3 (- 44.3%)	
Operating Profit	- 9.8	10.3	- 20.1 (-)	
Tokyu Railways	- 5.6	10.1	- 15.7 (-)	[Operating Expense] Expenses 4.5 (-1.0)
Tokyu Bus · Tokyu Transses	- 2.2	0.5	- 2.7 (-)	
Others	- 1.9	- 0.4	- 1.5 (-)	

Segment Information (2) Real Estate

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Revenue	44.6	45.2	- 0.6 (- 1.4%)	
Real Estate Sales of the Company	2.7	4.5	- 1.7 (- 39.4%)	
Real Estate Leasing of the Company	22.2	20.8	+ 1.4 (+ 6.7%)	
Others	19.6	19.9	- 0.2 (- 1.2%)	
Operating Profit	7.5	8.6	- 1.1 (- 12.8%)	Fixed cost recorded as extraordinary loss 0.6
Real Estate Sales of the Company	1.2	1.0	+ 0.2 (+ 22.3%)	
Real Estate Leasing of the Company	4.5	5.4	- 0.9 (- 16.7%)	
Others	1.6	2.1	- 0.4 (- 20.2%)	

Segment Information (3) Life Service

(Unit:Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Revenue	144.2	171.7	- 27.4 (- 16.0%)	
Total Retail	100.2	117.6	- 17.4 (- 14.8%)	
Tokyu Department Store	36.6	50.9	- 14.2 (- 28.0%)	Rate of Change in Sales: All Stores: -30.4% Existing Stores: -30.5%
Tokyu Store Chain	54.9	53.0	+ 1.8 (+ 3.6%)	Rate of Change in Sales: All Stores: +4.5% Existing Stores: +5.6%
Others	8.6	13.7	- 5.0 (- 37.0%)	
Total ICT and Media	44.0	54.0	- 10.0 (- 18.5%)	
Tokyu Recreation	6.1	8.3	- 2.2 (- 26.7%)	
its communications	6.7	6.8	- 0.0 (- 1.4%)	
Tokyu Agency	16.4	21.6	- 5.1 (- 24.0%)	
Others	14.7	17.2	- 2.5 (- 14.6%)	
Operating Profit	- 2.7	3.3	- 6.1 (-)	
Total Retail	- 2.6	0.9	- 3.5 (-)	Fixed cost recorded as extraordinary loss 0.9
Tokyu Department Store	- 2.6	- 0.0	- 2.5 (-)	
Tokyu Store Chain	2.0	0.4	+ 1.6 (+ 415.5%)	
Others	- 2.1	0.5	- 2.6 (-)	
Total ICT and Media	- 0.1	2.4	- 2.5 (-)	
Tokyu Recreation	- 0.2	0.4	- 0.7 (-)	
its communications	1.2	0.7	+ 0.5 (+ 78.1%)	
Tokyu Agency	- 0.6	0.0	- 0.7 (-)	
Others	- 0.4	1.1	- 1.5 (-)	

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Operating Revenue	5.2	25.7	- 20.4 (- 79.7%)	
Tokyu Hotels, etc. (※)	2.5	21.6	- 19.0 (- 88.1%)	Occupancy Rates: 13.3% (year on year -70.6 points)
Others	2.6	4.0	- 1.4 (- 35.0%)	
Operating Profit	- 10.7	0.8	- 11.6 (-)	Fixed cost recorded as extraordinary loss 1.1
Tokyu Hotels, etc. (※)	- 9.7	0.8	- 10.6 (-)	
Others	- 0.9	0.0	- 1.0 (-)	

(※) "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.

Balance Sheets

(Unit: Billion yen)	FY2020_1Q Results	FY2019 Results	Change	Remarks
Total Assets	2,506.5	2,537.1	- 30.6 (- 1.2%)	
Current Assets	313.3	345.9	- 32.5 (- 9.4%)	
Fixed Assets	2,193.1	2,191.2	+ 1.8 (+ 0.1%)	
Total Liabilities	1,725.4	1,727.5	- 2.1 (- 0.1%)	
Current Liabilities	688.0	725.1	- 37.0 (- 5.1%)	Interest-bearing Debt: +31.0
Fixed Liabilities	1,025.4	989.9	+ 35.5 (+ 3.6%)	Interest-bearing Debt: +35.7
Reserves under Special Law	11.9	12.5	- 0.6 (- 5.0%)	
Total Net Assets	781.0	809.6	- 28.5 (- 3.5%)	Equity Capital: -26.6; Other Cumulative Comprehensive Income: -0.8; non-controlling shareholders equity: -1.0
Equity	729.4	757.0	- 27.5 (- 3.6%)	Profit attributable to owners of parent: -20.1; Dividends: -6.6
Interest-bearing Debt at End of Period	1,217.8	1,151.0	+ 66.7 (+ 5.8%)	
Equity Ratio	29.1%	29.8%	- 0.7P	
D/E Ratio (Times)	1.7	1.5	+ 0.2P	

Capital Expenditure / Depreciation

(Unit: Billion yen)	FY2020 1Q Results	FY2019 1Q Results	Change	Remarks
Total Capital Expenditure	22.3	33.7	- 11.3 (- 33.8%)	
Transportation	3.2	4.4	- 1.1 (- 25.5%)	Tokyu Railways: -0.3
Real Estate	6.6	21.5	- 14.8 (- 69.0%)	Tokyu Corp. Leasing: -14.8
Total Life Service	8.1	5.0	+ 3.0 (+ 59.2%)	
Retail	6.2	3.4	+ 2.8 (+ 81.2%)	
ICT and Media	1.8	1.6	+ 0.2 (+ 12.9%)	its communications: -0.3
Hotel and Resort	4.0	1.6	+ 2.3 (+ 138.1%)	Tokyu Hotels, etc: +2.6
Headquarters	0.2	1.0	- 0.7	
Elimination	- 0.0	- 0.0	- 0.0	
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	2.4	2.3	+ 0.0 (+ 0.2%)	
Total Depreciation and Amortization	21.7	19.6	+ 2.1 (+ 10.9%)	Transportation: 9.8 (+0.5) ; Real Estate: 6.1 (+1.3) ; Life Service: 4.5 (+0.1) ; Hotel and Resort: 1.2 (+0.0)

* 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.

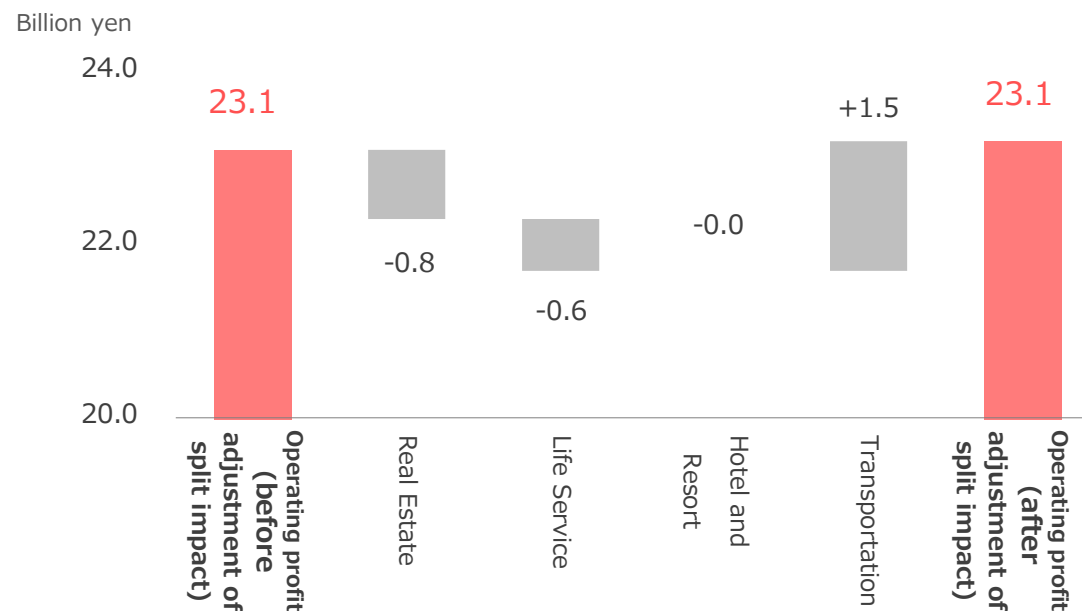
IV. (Reference) Impact by the split of Railway Business

(Reference) Impact on results by the split of railway business

- (1) No impact on the overall consolidated financial results due to reorganization within consolidation
- (2) Segment operating profit is partially changed

Main change	Details
Change of shared cost allocation	Tokyu Corporation change the rule of allocated business management/group collaboration related costs (shared cost). (This change is decreased burden by the Transportation segment)
Change asset segmentation	Some of the assets owned by the Transportation segment of Tokyu Corporation were transferred to the Real Estate segment of Tokyu Corporation

(Reference) Result in FY2019-1Q Comparison of operating profit by segment (split impact)



(split impact) Segment information FY2019-1Q Result

*"Before adjustment of split impact" is a previously disclosed segment information.

(Billion yen)

Transportation

	After adjustment of split impact	Before adjustment of split impact	Change
Operating Revenue	52.3	52.3	-
Tokyu Railways, etc.	39.7	39.7	-
Tokyu Bus · Tokyu Transses	7.4	7.4	-
Others	5.2	5.2	-
Operating Profit	10.3	8.7	+ 1.5
Tokyu Railways, etc.	10.1	8.3	+ 1.7
Tokyu Bus · Tokyu Transses	0.5	0.5	-
Others	- 0.4	- 0.1	- 0.2

Real Estate

Operating Revenue	45.2	45.2	-
Real Estate Sales of the Company	4.5	4.5	-
Real Estate Leasing of the Company	20.8	20.8	-
Others	19.9	19.9	-
Operating Profit	8.6	9.4	- 0.8
Real Estate Sales of the Company	1.0	1.0	+ 0.0
Real Estate Leasing of the Company	5.4	6.0	- 0.6
Others	2.1	2.4	- 0.2

Life Service

Retail

	After adjustment of split impact	Before adjustment of split impact	Change
Operating Revenue	117.6	117.6	-
Tokyu Department Store	50.9	50.9	-
Tokyu Store Chain	53.0	53.0	-
Others	13.7	13.7	-
Operating Profit	0.9	1.2	- 0.3
Tokyu Department Store	- 0.0	- 0.0	-
Tokyu Store Chain	0.4	0.4	-
Others	0.5	0.9	- 0.3

ICT and Media

Operating Revenue	54.0	54.0	-
Tokyu Recreation	8.3	8.3	-
its communications	6.8	6.8	-
Tokyu Agency	21.6	21.6	-
Others	17.2	17.2	-
Operating Profit	2.4	2.7	- 0.3
Tokyu Recreation	0.4	0.4	-
its communications	0.7	0.7	-
Tokyu Agency	0.0	0.0	-
Others	1.1	1.4	- 0.3

Hotel and Resort

Operating Revenue	25.7	25.7	-
Tokyu Hotels, etc.	21.6	21.6	-
Others	4.0	4.0	-
Operating Profit	0.8	0.8	- 0.0
Tokyu Hotels, etc.	0.8	0.8	- 0.0
Others	0.0	0.0	-