

Summary of Results for the Third Quarter of FY2023



TOKYU CORPORATION

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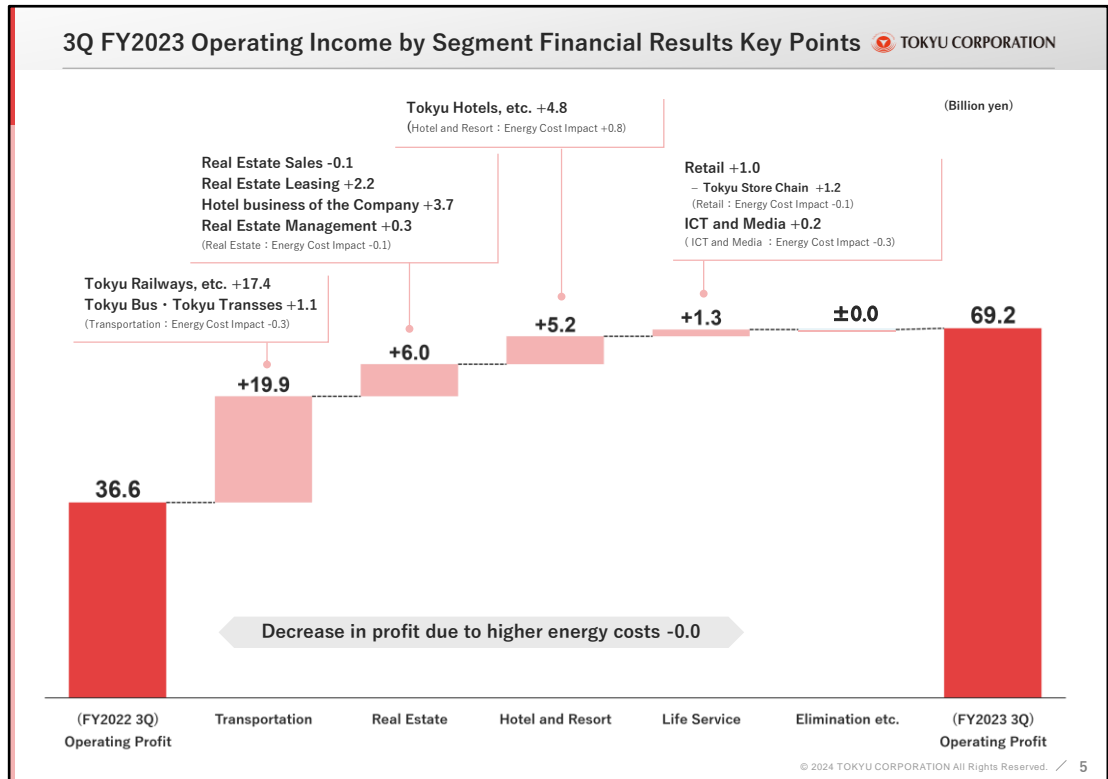
I Comparison with the previous fiscal year

- Operating revenue and operating profit both increased mainly due to fare revisions in Tokyu Railways, in addition to recovery of demand in Railway and Hotel business.
- Profit attributable to owners of parent rose chiefly due to an increase in share of profit of entities accounted for using equity method in addition to increased operating profit.

(Unit: Billion yen)	FY2022 3Q Results	FY2023 3Q Results	YoY Comparison
Operating Revenue	670.5	728.9	+58.3 (+8.7%)
Operating Profit	36.6	69.2	+32.6 (+89.1%)
Recurring Profit	37.9	72.6	+34.7 (+91.8%)
Profit attributable to owners of parent	24.2	50.0	+25.7 (+106.4%)
EPS (Earnings Per Share)	Yen Sen 40.23	Yen Sen 82.93	Yen Sen +42.70

- Operating revenue was 728.9 billion yen, with operating profit of 69.2 billion yen in the third quarter of FY2023.
Operating revenue and operating profit both increased by 58.3 billion yen and 32.6 billion yen year on year, respectively, due to recovery of demand in the Transportation Business, Hotel and Resort Business, and others as well as the fare revisions in Railway Business.
- Profit attributable to owners of parent stood at 50.0 billion yen, increasing 25.7 billion yen, chiefly reflecting an increase in operating profit and a rise in share of profit of entities accounted for using equity method.
- In comparison to the forecasts made in November, operating profit also increased largely due to the steady demand for hotel business, which is recorded separately in the Real Estate Business and Hotel and Resort Business.

3Q FY2023 Operating Income by Segment Financial Results Key Points TOKYU CORPORATION

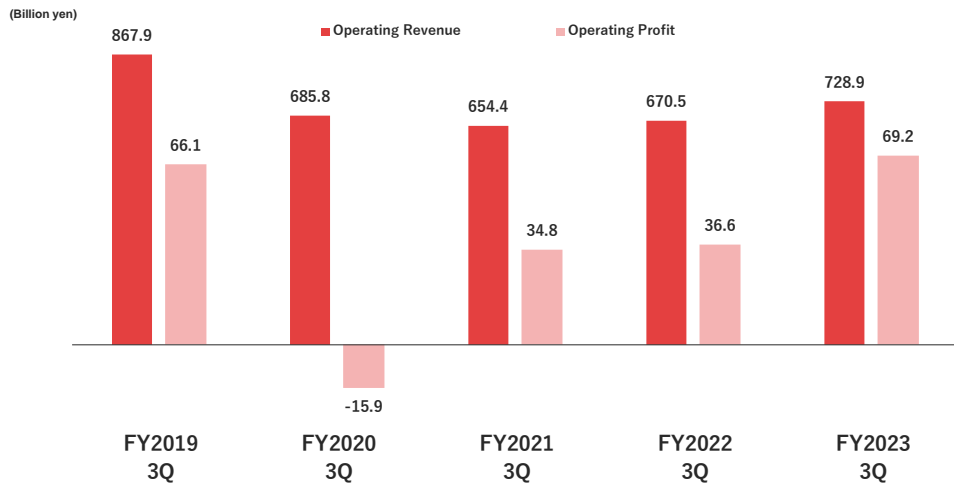


- A year-on-year comparison of operating profit by segment reveals a substantial increase in Transportation Business, reflecting the recovery of human mobility. The Real Estate Business and Hotel and Resort Business also generated profit growth through high hotel occupancy. As a result, all businesses achieved an increase in operating profit.
- The impact of the increase in energy costs, including electricity rates, was about the same level as the previous year.

Consolidated Financial Results for 3Q FY2023

- Operating profit continued to exceed pre-COVID levels as a result of the progress of structural reforms in each business in addition to the gradual recovery of the business environment from the COVID crisis.

Consolidated Operating Revenue and Operating Profit Trends



- The graph shows trends in operating revenue and operating profit from FY2019.
- The operating profit of 69.2 billion yen for the third quarter of FY2023 exceeds the pre-COVID 19 level in FY2019.

	(Unit: Billion yen)		Change	Remarks
	FY2022 1-3Q Results	FY2023 1-3Q Results		
Operating Revenue	135.9	159.4	+ 23.5 (+ 17.4%)	Passengers Carried: +6.7% (Non-commuter: +7.3%; Commuter: +6.2%) Passenger Revenue: +21.4% (Non-commuter: +23.9%; Commuter: +17.6%)
Tokyu Railways	100.1	119.8	+ 19.7 (+ 19.7%)	Passenger Revenue: 109.0 (+19.2)
Tokyu Bus · Tokyu Transses	19.0	20.3	+ 1.3 (+ 6.9%)	Passenger Revenue: +6.8%
Others	16.7	19.2	+ 2.5 (+ 15.2%)	
Operating Profit	9.9	29.9	+ 19.9 (+ 199.7%)	
Tokyu Railways	9.5	27.0	+ 17.4 (+ 183.8%)	
Tokyu Bus · Tokyu Transses	0.8	1.9	+ 1.1 (+ 129.5%)	
Others	- 0.3	0.9	+ 1.3 (-)	

Tokyu Railways: Breakdown of operating expense

	(Unit: Billion yen)		
	FY2022 3Q Results	FY2023 3Q Results	2023-2022 Change
Total operating expense	90.9	93.0	+2.0
Labor cost	24.1	24.8	+0.6
Power Costs	6.3	6.5	+0.2
Repair Costs	5.5	5.7	+0.1
Expenses	24.2	24.7	+0.5
Various taxes	5.1	5.2	+0.1
Depreciation and amortization	25.4	25.8	+0.4

- The Transportation Business posted operating revenue of 159.4 billion yen and operating profit of 29.9 billion, up 23.5 billion yen and 19.9 billion yen, respectively, from the previous year.
- In the Railway Business, Tokyu Railways generated 119.8 billion in operating revenue and 27.0 billion yen in operating profit, recording year-on-year increases of 19.7 billion and 17.4 billion, respectively. The number of passengers carried increased 6.7%, the passenger revenue rose 21.4%, partly due to the fare revision, driving a 19.2 billion yen increase in operating revenue.
- Although the number of passengers carried was down 13.0% compared with FY2019 levels, the passenger revenue increased by 0.6%.
- Expenses rose 2.0 billion yen in total due to higher labor expenses, etc.
- Tokyu Bus Corporation posted operating revenue of 20.3 billion yen and operating profit of 1.9 billion yen, recording year-on-year increases of 1.3 billion and 1.1 billion yen, respectively.
- As for Others, the airport operation, regional transportation, and other businesses generated an operating profit of 0.9 billion yen in total, resulting in year-on-year profit growth of 1.3 billion yen.
- Operating profit slightly exceeded the forecast as of November mainly due to strong passenger revenue.

Railway Operations Business (1)

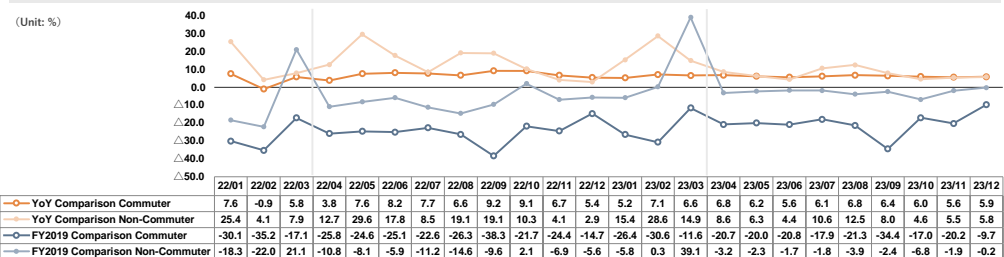
Conditions in 3Q (Oct. - Dec.) The number of passengers carried gradually recovered with an increase in opportunities to go out as a result of the downgrading of COVID-19 to a Class 5 infectious disease.

Conditions in Jan. The number of passengers carried is about -11% in comparison with FY2019 levels.

▶ Tokyu Railways: Passengers Carried and Passenger Revenue

	(Thousand people, Million yen)	FY2022 3Q	FY2023 3Q	VS		FY2023	VS	
		Results	Results	FY2022	FY2019	Full Year Forecast.	FY2022	FY2019
Number of Passengers Carried	Total	747,829	797,561	+ 6.7%	-13.0%	1,052,399	+ 6.4%	-11.4%
	Non-commuter	332,100	356,263	+ 7.3%	-1.2%	472,968	+ 6.1%	+ 1.7%
	Commuter	415,729	441,298	+ 6.2%	-20.6%	579,431	+ 6.7%	-19.8%
Passenger Revenue	Total	89,825	109,078	+ 21.4%	+ 0.6%	144,835	+ 20.4%	+ 2.9%
	Non-commuter	54,266	67,256	+ 23.9%	+ 14.1%	89,484	+ 21.9%	+ 18.0%
	Commuter	35,559	41,822	+ 17.6%	-15.5%	55,351	+ 18.0%	-14.7%

▶ Tokyu Railways: Passengers Carried (Year-on-year Comparison / FY2019 Comparison)



	(Unit: Billion yen)		Change	Remarks
	FY2022 1-3Q Results	FY2023 1-3Q Results		
Operating Revenue	148.9	168.5	+ 19.5 (+ 13.2%)	
Real Estate Sales	20.1	22.3	+ 2.2 (+ 11.0%)	
Real Estate Sales of the Company	14.8	18.0	+ 3.2 (+ 21.7%)	Increase in number of properties sold
Real Estate Leasing	84.4	93.8	+ 9.3 (+ 11.1%)	
Real Estate Leasing of the Company	74.2	81.7	+ 7.5 (+ 10.1%)	
Real estate Management	21.7	22.6	+ 0.9 (+ 4.4%)	
Others	22.6	29.6	+ 7.0 (+ 31.0%)	Hotel business of the Company: 17.5 (+8.3)
Operating Profit	21.6	27.7	+ 6.0 (+ 28.0%)	
Real Estate Sales	3.7	3.5	- 0.1 (- 4.6%)	
Real Estate Sales of the Company	2.5	3.5	+ 1.0 (+ 38.9%)	Increase in number of properties sold
Real Estate Leasing	16.3	18.5	+ 2.2 (+ 13.6%)	
Real Estate Leasing of the Company	13.5	15.5	+ 2.0 (+ 15.3%)	
Real Estate Management	2.3	2.7	+ 0.3 (+ 15.3%)	
Others	- 0.7	2.9	+ 3.6 (-)	Hotel business of the Company: 3.5 (+3.7)

- The Real Estate Business posted operating revenue of 168.5 billion yen and operating profit of 27.7 billion yen, representing increases of 19.5 billion yen and 6.0 billion yen, respectively, from the previous year.
- In the Real Estate Sales Business, there were deliveries of income-earning properties in the first quarter but fewer deliveries in the second and third quarters; therefore, operating profit came to 3.5 billion yen, down 0.1 billion yen year on year. Since the property deliveries for the current fiscal year are scheduled mainly in the fourth quarter, a large amount of profit is expected to be recorded in the fourth quarter.
- In the Real Estate Leasing Business, operating revenue was 93.8 billion yen and operating profit was 18.5 billion yen with increases of 9.3 billion yen and 2.2 billion yen respectively due to the opening of Tokyu Kabukicho Tower and a recovery mainly in commercial facilities.
- Others in the Real Estate Business posted operating revenue up 7.0 billion yen and operating profit up 3.6 billion yen year on year. In Hotel business of the Company, where earnings from the hotels in the complexes owned by the Company are posted, operating revenue was 17.5 billion yen and operating profit was 3.5 billion yen, up 8.3 billion yen and 3.7 billion yen year on year, respectively, due to a significant rise in average daily rate (ADR) which reflects inbound tourism demand.
- The results exceeded the forecasts made in November, due to Hotel business of the Company being strong.

	FY2022	FY2023	Change	Remarks
	(Unit: Billion yen) 1-3Q Results	1-3Q Results		
Operating Revenue	243.6	244.6	+ 0.9 (+ 0.4%)	
Tokyu Department Store	45.8	41.2	- 4.6 (- 10.1%)	Rate of Change in Sales: All Stores: -20.7% Existing Stores -6.4% Rate of Change in Total sales (including leasing) : Existing Stores: +7.9%
Tokyu Store Chain	156.1	159.9	+ 3.8 (+ 2.5%)	Rate of Change in Sales: All Stores: +2.0% Existing Stores: +2.1%
Others	41.5	43.3	+ 1.7 (+ 4.3%)	
Operating Profit	1.5	2.6	+ 1.0 (+ 68.1%)	
Tokyu Department Store	- 1.0	- 1.0	+ 0.0 (-)	
Tokyu Store Chain	2.0	3.2	+ 1.2 (+ 60.7%)	
Others	0.6	0.4	- 0.1 (- 31.3%)	

- The Life Service Business overall generated operating revenue of 384.6 billion yen, with operating profit of 8.5 billion yen. This represents a 5.9 billion yen increase in operating revenue and 1.3 billion yen rise in operating profit year on year.
- In the Retail Business, operating revenue and operating profit stood at 244.6 billion yen and 2.6 billion yen, respectively. Operating revenue rose 0.9 billion yen and operating profit rose 1.0 billion yen year on year.
- Tokyu Department Store posted operating revenue of 41.2 billion yen and operating loss of 1.0 billion yen. Due to the closure of the flagship store in Shibuya as well as the remodeling floors from own sales to rental sales in Tama Plaza store, Kichijoji store, etc., operating revenue decreased. Operating profit, however, was at the same level as the previous year as a result of an improvement in operational efficiency. Sales at all existing stores including tenants, excluding the effect of the closure of the flagship store, increased from a year ago.
- Tokyu Store Chain operating revenue was 159.9 billion yen and operating profit was 3.2 billion yen. They show increases of 3.8 billion yen and 1.2 billion yen, respectively, due to the rise of product prices.

(Unit: Billion yen)	FY2022	FY2023	Change	Remarks
	1-3Q Results	1-3Q Results		
Operating Revenue	135.0	140.0	+ 4.9 (+ 3.7%)	
Tokyu Recreation	21.0	24.1	+ 3.1 (+ 15.0%)	
its communications	19.7	19.6	- 0.1 (- 0.8%)	
Tokyu Agency	32.4	33.9	+ 1.4 (+ 4.6%)	
Others	61.8	62.2	+ 0.4 (+ 0.7%)	
Operating Profit	5.5	5.8	+ 0.2 (+ 5.2%)	
Tokyu Recreation	0.6	0.7	+ 0.0 (+ 11.0%)	
its communications	2.5	2.4	- 0.1 (- 5.6%)	
Tokyu Agency	1.4	1.8	+ 0.3 (+ 25.1%)	
Others	0.8	0.8	- 0.0 (- 1.6%)	

- In the ICT and Media business, operating revenue was 140.0 billion yen with operating profit of 5.8 billion yen, year-on-year increase of 4.9 billion yen and 0.2 billion yen respectively.
- Tokyu Recreation Co., Ltd., reflecting a rebound from the previous year, recorded a 3.1 billion yen increase in operating revenue year on year to 24.1 billion yen, and operating profit was 0.7 billion yen. its communications Inc. posted operating profit roughly equal to the previous year at 2.4 billion yen, while Tokyu Agency Inc. posted operating profit of 1.8 billion yen with an increase of 0.3 billion yen.
- In Others, operating revenue increased 0.4 billion yen, and operating profit was at the same level as the previous year.
- The overall results for the Life Service Business were generally in line with the forecasts made in November.

(Unit: Billion yen)	FY2022	FY2023	Change	Remarks		
	1-3Q Results	1-3Q Results			FY2023	Change
Operating Revenue	51.3	67.5	+ 16.2 (+ 31.6%)	(reference) Total hotel business Income and expenditures		
Tokyu Hotels, etc. (※)	41.0	56.4	+ 15.3 (+ 37.4%)	Hotel and Resort (Tokyu Hotels, etc.)	Operating Revenue	56.4 + 15.3
Others	10.2	11.0	+ 0.8 (+ 8.2%)	Excluding impact of hotel openings, hotel closings, etc.	Operating Profit	2.5 + 4.8
Operating Profit	- 2.4	2.8	+ 5.2 (-)	Real Estate (Hotel business of the Company)	Operating Revenue	51.2 + 10.1
Tokyu Hotels, etc. (※)	- 2.3	2.5	+ 4.8 (-)	Operating Profit	Operating Profit	4.0 + 6.3
Others	- 0.1	0.2	+ 0.3 (-)	Total Hotel Business	Operating Revenue	17.5 + 8.3
					Operating Profit	3.5 + 3.7
					Operating Revenue	73.9 + 23.7
					Operating Profit	6.0 + 8.6

(※) "Tokyu Hotels, etc." includes Tokyu Hotels co., Ltd. but also Tokyu Hotels & Resorts co., Ltd. and THM Corporation, as well as the Company, New Perspective One, LLC and T.H. Properties, Inc.

Key Indicators

	● Occupancy Rates (%)			● ADR (including service charge) (Yen)			● RevPAR (Yen)		
	FY2023 3Q Results	VS FY2022	VS FY2019	FY2023 3Q Results	VS FY2022	VS FY2019	FY2023 3Q Results	VS FY2022	VS FY2019
Overall hotel business	76.4	+ 7.1p	- 7.2p	21,078	+6,287	+3,924	16,106	+5,856	+1,756
Shibuya Area Hotels(※) + The Capitol Hotel Tokyu	80.0	+ 9.6p	- 6.9p	43,390	+18,189	+11,062	34,716	+16,966	+6,606

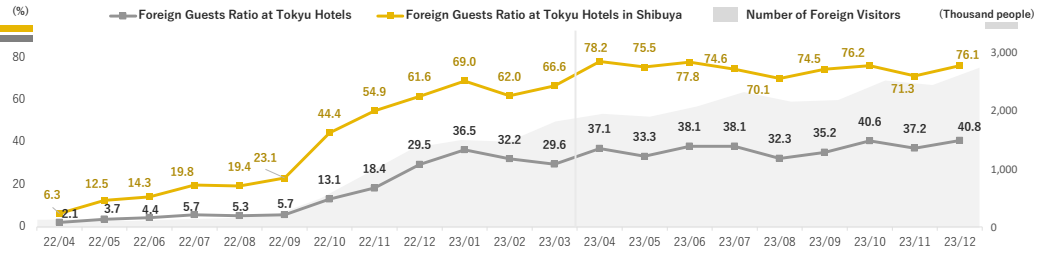
(※) Shibuya Area Hotels : Cerulean Tower Tokyu Hotel, SHIBUYA STREAM HOTEL, Shibuya EXCEL HOTEL TOKYU, Shibuya Tokyu REI Hotel

- In the Hotel and Resort Business, operating revenue was 67.5 billion yen with operating profit of 2.8 billion yen, corresponding to year-on-year increases of 16.2 billion yen and 5.2 billion yen, respectively.
- Tokyu Hotels operating revenue was 56.4 billion yen and operating profit was 2.5 billion yen, up 15.3 billion yen and 4.8 billion yen year on year, respectively, mainly due to the downgrading of COVID-19 to a class 5 infectious disease.
- Operating profit excluding special factors like business commencement expenses, etc. with hotel openings and closings was 4.0 billion yen. Combined with the income and expenditure of Hotel business of the Company posted in the Real Estate Business, it becomes 6.0 billion yen.
- The average occupancy rate at all hotels was 76.4%, and the average daily rate (ADR) was 21,078 yen. The occupancy rate at four hotels in Shibuya and The Capitol Hotel Tokyu in Nagatacho stood at 80.0%, and ADR was 43,390 yen. RevPAR also exceeded the pre-COVID levels.
- As for the impact of inbound demand, the foreign guests ratio for all the Tokyu hotels was around 40% and the ratio for the Tokyu hotels in the Shibuya area was in the mid-70% range.
- Compared to November forecast, the average occupancy rate was generally in line and ADR exceeded the expectation, as an indication of strong performance, resulting in a rise in operating profit.

Inbound business updates

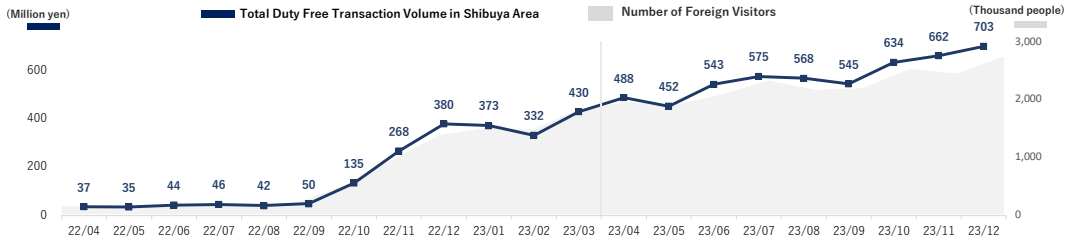
- Steadily capturing inbound demand at commercial facilities and hotels in Shibuya and other central Tokyo areas.

Foreign Guests Ratio in Hotel Business



*Tokyu Hotels in Shibuya: Cerulean Tower Tokyu Hotel, SHIBUYA STREAM HOTEL, Shibuya EXCEL HOTEL TOKYU, Shibuya Tokyu REI Hotel
 *The number of foreign visitors to Japan is based on statistical data from the Japan National Tourism Organization (JNTO)

Total Duty Free Transaction Volume in Shibuya Area



*Facilities to be included: Shibuya Scramble Square, ShinQs, SHIBUYA109, MAGNET by SHIBUYA109, Shibuya Tokyu Foodshow, and THE WINE by TOKYU DEPARTMENT STORE
 * The above figures are for duty-free transactions at commercial facilities in the Shibuya area and differ from the sales figures in the financial statements.

	FY2022		FY2023		Change	Remarks
	(Unit: Billion yen)		1-3Q Results	1-3Q Results		
Operating Profit	36.6	69.2	+ 32.6	(+ 89.1%)		
Non-operating Revenue	11.3	12.9	+ 1.6	(+ 14.3%)		
Interest and Dividend Income	1.1	1.3	+ 0.2			
Investment Gain from Equity Method	5.5	8.2	+ 2.7		Tokyu Fudosan Holdings: 7.3 (+2.3) ; Tokyu Construction: 0.3 (-0.0)	
Others	4.6	3.3	- 1.3		Subsidies for employment adjustment, COVID19 subsidies except employment adjustment -1.2	
Non-operating Expenses	10.0	9.5	- 0.5	(- 5.5%)		
Interest	6.4	6.3	- 0.0			
Others	3.6	3.1	- 0.5			
Recurring Profit	37.9	72.6	+ 34.7	(+ 91.8%)		
Extraordinary Gains	5.4	3.8	- 1.6	(- 29.6%)		
Gain on Sale of Fixed Assets	0.3	0.1	- 0.2			
Gain on Subsidies Received for Construction	1.7	0.4	- 1.3			
Gain on Reversal of Urban Railways Improvement Reserve	1.8	1.8	-			
Others	1.4	1.4	- 0.0			
Extraordinary Losses	6.1	3.9	- 2.2	(- 36.4%)		
Loss on Reduction of Subsidies Received for Construction	1.3	0.3	- 0.9			
Others	4.8	3.5	- 1.2			
Income before Income Taxes and Minority Interests	37.2	72.6	+ 35.4	(+ 95.2%)		

- Non-operating revenue increased 1.6 billion yen year-on-year to 12.9 billion yen, and investment gains from equity method increased 2.7 billion yen year on year to 8.2 billion yen. However, employment adjustment subsidies and COVID-19-related subsidies declined from the previous year.
- As a result, profit attributable to owners of parent stood at 50.0 billion yen, an increase of 25.7 billion year on year.

Assumptions for FY2023 Forecasts (as of February)

Forecast of the Business Environment

- Business environment is recovering better than expected as of November mainly due to an increase in inbound demand.
- The impact of rising energy prices is expected to be less than the forecast as of November.

Forecast for Each Business	Business Category	Assumptions
	Transportation	<ul style="list-style-type: none"> ▶ Tokyu Railways Based on trends through the third quarter, passenger revenue is expected to increase for the full year. <ul style="list-style-type: none"> ● Number of passengers carried: YoY +6.4%/-11.4% from FY2019 (Nov forecast: YoY +6.4%/-11.4% from FY2019) ● Passenger Revenue: YoY +20.4%/+2.9% from FY2019 (Nov forecast: YoY +19.7%/+2.3% from FY2019) ● Power costs: 8.5 billion; YoY same level (Nov forecast: 8.6 billion)
	Real Estate	<ul style="list-style-type: none"> ▶ Real estate sales As for the number of units to be sold, no major changes since November ▶ Real estate leasing Vacancy rates and rent levels will remain at the November forecast levels.
	Life Services	<ul style="list-style-type: none"> ▶ Tokyu Department Store <ul style="list-style-type: none"> ● YoY Changes in Store Sales: All Stores -32.8%, Existing Stores -11.7% / YoY Changes in Sales (Incl. rent): Existing Stores +8.7% (Nov forecast: All Stores -33.0%, Existing Stores -11.9% / YoY Changes in Sales (Incl. rent): Existing Stores +8.9%) ▶ Tokyu Store Chain <ul style="list-style-type: none"> ● YoY Changes in Store Sales: All Stores +1.8%, Existing Stores +2.4% (Nov forecast: All Stores +3.1%, Existing Stores +1.3%)
	Hotel and Resort	<ul style="list-style-type: none"> ▶ Hotel Business Since the average daily rate (ADR) was higher than Nov forecast, largely as a result of the recovery of inbound demand, the forecast factors in a higher ADR for the full year as well. <ul style="list-style-type: none"> ● Full-year occupancy rate: 75.2% YoY +5.3P (Nov forecast: 75.6% YoY +5.7P) ● Average daily rate (ADR)*: 20,989 yen YoY +5,559 yen (Nov forecast: 20,465 yen YoY +5,035 yen) <p>* ADR figures include service charges.</p>



The Company raised its FY2023 forecasts announced in November.

On a consolidated basis, energy costs are expected to be **approximately 1.5 billion yen less than the forecast in November** (February forecast: YoY -1.2 billion, November forecast: YoY +0.3 billion).

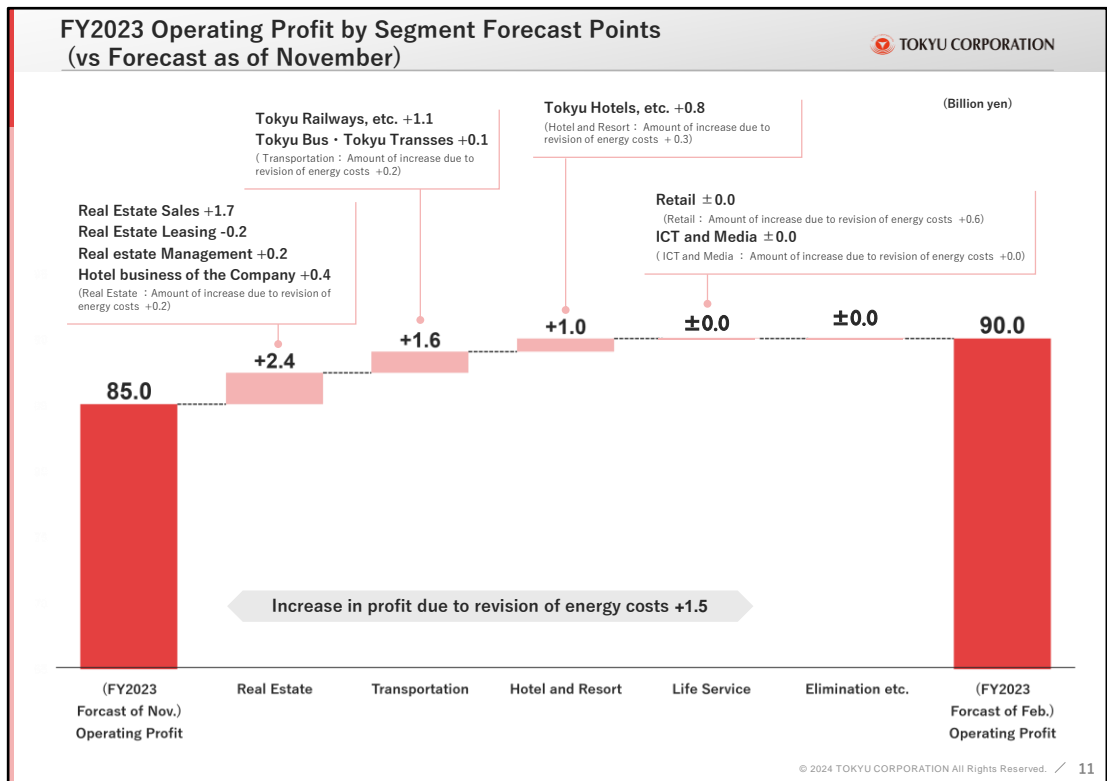
- The business environment in the assumptions for FY2023 forecasts will be more robust than the forecasts revised in November due to rising inbound demand mainly for Hotel Business.
- Concerning expenses, the impact of a surge in energy prices is expected to decrease 1.5 billion yen from the forecast as of November.
- Taking the business environment into consideration, the Company has revised upward the forecasts disclosed in November.

Comparison with Forecast as of November

- Operating revenue increased mainly as a result of an increase in the average room rate in the Hotel Business.
- Operating profit rose due to the lessening impact of surging energy costs, etc. in addition to higher revenue.

(Unit : Billion yen)	FY2023 Full Year Forecast	YoY Comparison	Comparison with Forecast as of November
Operating Revenue	1,041.4	+110.2 (+11.8%)	+1.9 (+0.2%)
Operating Profit	90.0	+45.4 (+101.8%)	+5.0 (+5.9%)
Recurring Profit	93.8	+46.4 (+98.0%)	+5.8 (+6.6%)
Profit attributable to owners of parent	60.0	+33.0 (+122.2%)	+6.0 (+11.1%)
EPS (Earnings Per Share)	Yen Sen 99.60	Yen Sen +56.66	Yen Sen +9.95

- In the revised forecast for FY2023, operating profit is expected to be 90.0 billion yen, 5.0 billion yen up from the forecast in November, and profit attributable to owners of parent is forecast to be 60.0 billion yen, a 6.0 billion yen increase, reflecting strong performance in Hotel business as well as cost reductions particularly in energy expenses and the Real Estate Sales business through the third quarter.



- Here are the key points about operating profit by segment in comparison with the forecast as of November.
- As for the Real Estate Business, we had assumed an increase in construction costs due to higher cost price, but cost control was successful, and an increase of ¥2.4 billion is expected in the Real Estate Sales Business.
- The Transportation Business is projected to achieve profit growth of 1.6 billion yen as a segment total, reflecting the demand trend through the third quarter in Tokyu Railways.
The full-year number of passengers carried is forecast to fall 11.4% from FY2019, but the passenger revenue is expected to increase 2.9%, chiefly owing to the effect of fare revisions.
- Hotel and Resort Business is expected to achieve profit growth of 1.0 billion yen in light of strong performance up to the third quarter.
- Life Service Business remains unchanged from the November forecast.