

Information Material regarding Bond-Type Class Shares

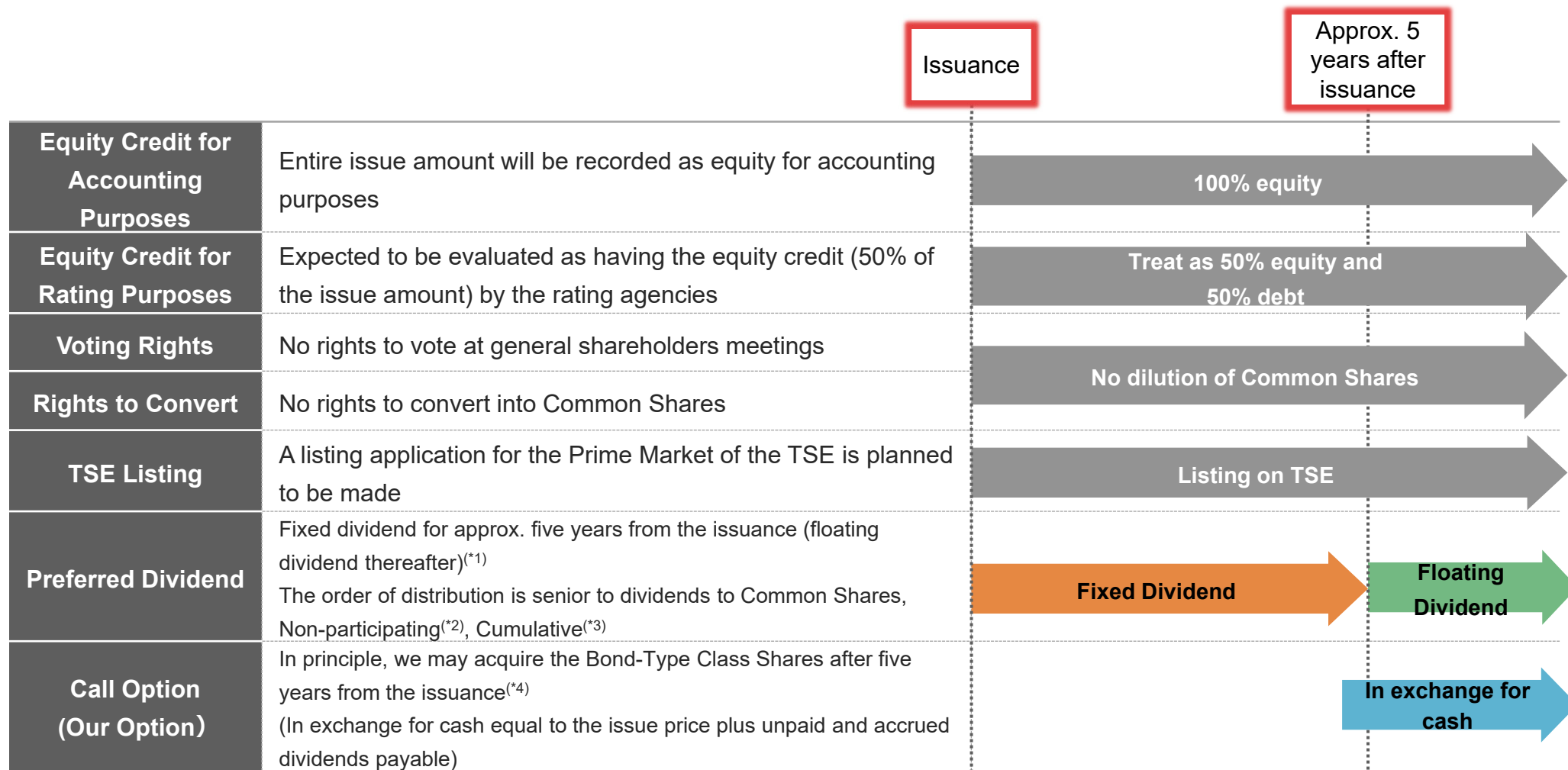


TOKYU CORPORATION

東急株式会社

This document has been prepared solely for the benefit of the holders of Common Shares of TOKYU CORPORATION in evaluating the proposal made by us for a partial amendment to the Articles of Incorporation scheduled to be submitted to our 157th Ordinary General Meeting of Shareholders planned to be held on June 26, 2026 and not for the purpose of soliciting investment or engaging in any other similar activities in Japan or any foreign country. This document does not constitute an offer of securities in the United States. The securities referred to herein have not been, and will not be, registered under the U.S. Securities Act of 1933, and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. In this case, no offering of securities will be made in the United States.

- Bond-Type Class Shares are treated as shares under the Companies Act and lead to **an increase in capital for accounting and rating purposes through the issuance.**
- Meanwhile, as the Bond-Type Class Shares do not have voting rights and are not convertible into Common Shares, **this financing method is expected to take into account the interests of Common Shareholders.**



*1 The annual dividend rate will be the sum of the fixed base rate plus the initial spread for approximately five years from the issuance, and thereafter, the sum of the floating base rate plus the initial spread+1%.

*2 Bond-Type Class Shares are “non-participating”, meaning that no dividend will be paid in an amount exceeding the preferred dividend to be determined at the time of issuance.

*3 Bond-Type Class Shares are “cumulative”, meaning that any unpaid dividends shall be carried over to subsequent fiscal years.

*4 The specific events triggering the call option will be determined at the time of issuance.

- Bond-Type Class Shares are treated as shares, but **the impact on ROE and EPS for Common Shares is limited.**
- A fixed amount will be paid for the preferred dividend for a certain period of time, and dividends and distribution of residual assets are senior to those for Common Shares. In addition, **no dividend is paid beyond the preferred dividend stipulated at the time of issuance.**
- Bond-Type Class Shares **contribute to the improvement of financial soundness indicators, including the D/E Ratio, etc.**

Impact on Key Financial Indicators	ROE for Common Shares	$\frac{\text{Net Income} - \text{Preferred Dividend}}{\text{Equity capital for Common Shares}^{(*1)}}$	Impact is mostly limited to the preferred dividend amount
	EPS for Common Shares	$\frac{\text{Net Income} - \text{Preferred Dividend}}{\text{Number of issued Common Shares}}$	
	PBR for Common Shares	$\frac{\text{Market Capitalization (Common Shares)}}{\text{Equity capital for Common Shares}^{(*1)}}$	
	D/E Ratio	$\frac{\text{Interest-Bearing Debt}}{\text{Equity capital (including Bond-Type Class Shares)}}$	Improves financial soundness
Distribution to Bond-Type Class Shareholders	Preferred Dividend	Senior to Common Shares, limited to the annual dividend rate determined at the time of issuance (fixed dividend for approx. 5 years from the issuance)	Non-participation
	Distribution of Residual Assets	Senior to Common Shares, limited to the amount equivalent to the issue price and the amount of preferred dividend	

*1 In calculating equity capital for Common Shares, we have deducted the equity capital for the Bond-Type Class Shares and preferred dividend from equity capital.