

Results in the First Half of FY2013 Presentation for Investments

November 12, 2013



Tokyu Corporation

(9005)

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

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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.

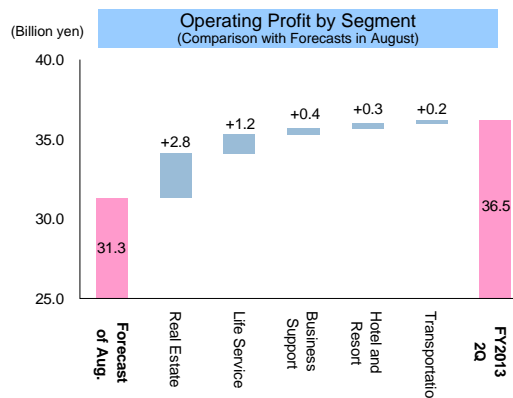
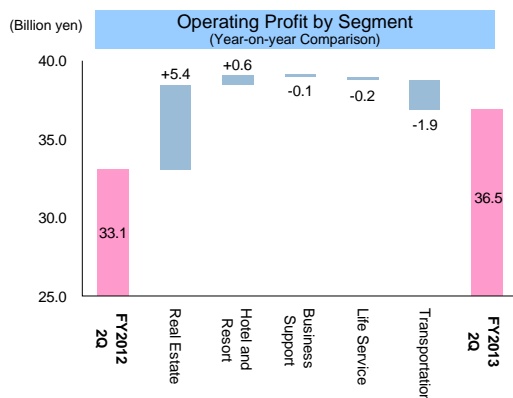
I. Executive Summary



[Year-on-year comparison] Operating profit increased mainly due to the progress of condominium sales in the real estate sales business and the contribution of the real estate leasing business. Net income for 2Q increased due to gains on the sale of fixed assets, offsetting a decrease in investment gains from the equity method accounting.

[Comparison with August] Operating profit increased, mainly due to the progress of condominium sales in the real estate sales business and cost reductions in the real estate leasing business. Both recurring profit and net income increased due to an improvement in investment gains from the equity method accounting, etc.

	First Half Results	Year-on-year comparison	Comparison with Forecasts in Aug.
Operating revenue	516.6 billion yen	-2.6 billion yen (-0.5%)	+0.2 billion yen (+0.0%)
Operating profit	36.5 billion yen	3.3 billion yen (+10.3%)	+5.2 billion yen (+16.7%)
Recurring profit	36.2 billion yen	3.5 billion yen (+10.7%)	+8.9 billion yen (+32.9%)
Net income	27.3 billion yen	8.8 billion yen (+48.0%)	+6.8 billion yen (+33.5%)



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Main Points in the Results for 2Q/FY2013

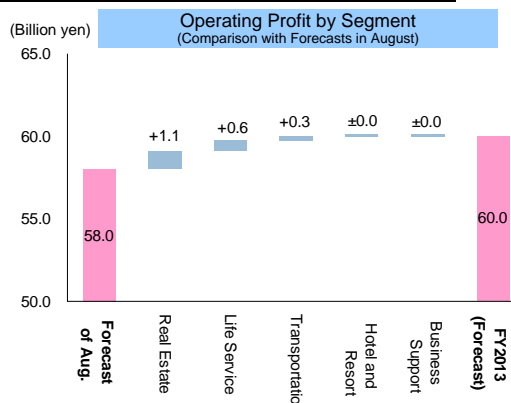
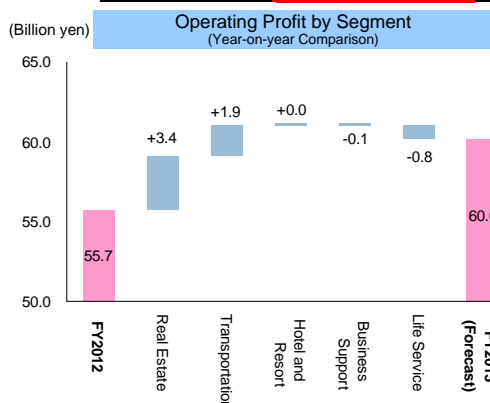
- Operating profit increased 3.3 billion yen year on year, to 36.5 billion yen, primarily reflecting the progress of condominium sales in the Company's real estate sales business and a decrease in the burden of opening Shibuya Hikarie, as well as the opening of Musashi-kosugi Tokyu Square in the Company's real estate releasing business.
- Net income rose 8.8 billion yen, to 27.3 billion yen chiefly due to gains on the sale of fixed assets associated with the sale of Tokyu Toranomon Building.
- Compared with the forecast announced in August, operating profit increased 5.2 billion yen, with rising profit in all business segments, especially in the Real Estate Business, where condominium sales progressed and costs were cut.
- Net income climbed 6.8 billion yen, chiefly due to an increase in investment gains from equity method accounting.



[Year-on-year comparison] Revenue increased due to increased sales of condominiums, offsetting the effects of the partial closing of Tokyu Department Store's Toyoko store. Operating profit increased, partly due to the contribution of the real estate leasing business. Extraordinary gains increased, despite the effects in reaction to a decrease in corporate income tax, etc., and net income increased.

[Comparison with August] Profit rose due to the progress of condominium sales, the strong performance of Tokyu Dept. existing stores, an increase in the number of passengers carried, etc. Net income increased, partly due to gains on the change in shareholders' equity upon a reorganization under which Tokyu Land Corporation became the holding company.

	Full year forecast	Year-on-year comparison	Comparison with forecasts in Aug.
Operating revenue	1,085.2 billion yen	+ 17.1 billion yen (+ 1.6%)	+ 0.0 billion yen (+ 0.0%)
Operating profit	60.0 billion yen	+ 4.2 billion yen (+ 7.6%)	+ 2.0 billion yen (+ 3.4%)
Recurring profit	57.0 billion yen	+ 0.7 billion yen (+ 1.3%)	+ 3.0 billion yen (+ 5.6%)
Net income	50.0 billion yen	+ 6.9 billion yen (+ 16.1%)	+ 7.5 billion yen (+ 17.6%)



Effect of Establishment of Tokyu Fudosan Holdings Corporation on the Company's Results

- The Company's equity-method affiliates Tokyu Land Corporation, Tokyu Community Corp. and Tokyu Livable, Inc. established Tokyu Fudosan Holdings Corporation, which became the pure holding company of the three companies, and shifted to a holding company system through a joint share transfer on October 1. With the establishment of the holding company, the Company plans to post a gain on change in equity of 7.4 billion yen as an extraordinary gain in the third quarter.

Main Points in Forecasts for FY2013

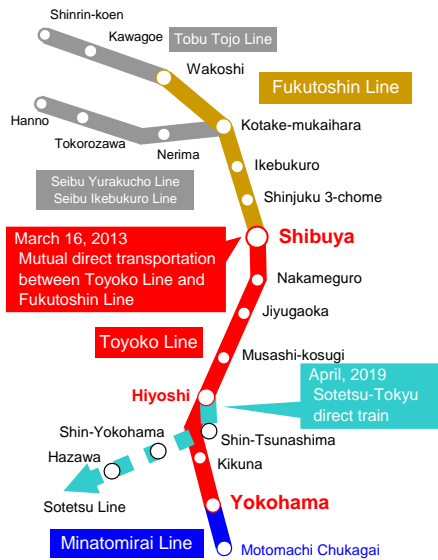
- Operating profit is expected to increase 4.2 billion yen year on year, to 60.0 billion yen, thanks to the Real Estate Business, where Shibuya Hikarie and Musashi-kosugi Tokyu Square are performing well, and the Company's railway operations, where the number of passengers carried is increasing due to the effect of the launch of a mutual direct train service between the Toyoko Line and the Tokyo Metro Fukutoshin Line.
- Despite a decline in non-operating income, net income is expected to rise 6.9 billion yen, to 50.0 billion yen, chiefly due to the posting of a gain on change in equity and gains on the sale of fixed assets.
- Compared with the forecast announced in August, operating profit climbed 2.0 billion yen, mainly because of the progress of condominium sales and the strong performance at Tokyu Department Stores.
- Net income rose 7.5 billion yen chiefly due to the posting of a gain on change in equity.

II. Recent Progress and Future Initiatives

Update Status of Development of Railway Networks



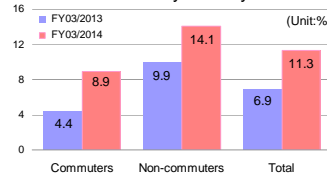
On March 16, 2013, Mutual Direct Train Service Operation Started Between Toyoko Line and Fukutoshin Line



■ In the first half, the number of passengers carried rose 1.7% year on year.

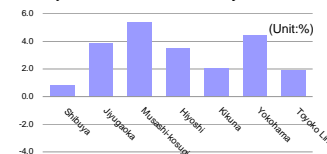
* The number of passengers for the Toyoko Line increased 1.9% year on year. Passenger revenue climbed 2.6% year on year.

■ The number of passengers carried along the entire Toyoko Line train service rose 11.3% year on year.



* Between Shibuya and Yokohama
* The number of commuters carried increased 8.9% year on year. The number of non-commuters carried climbed a substantial 14.1%.

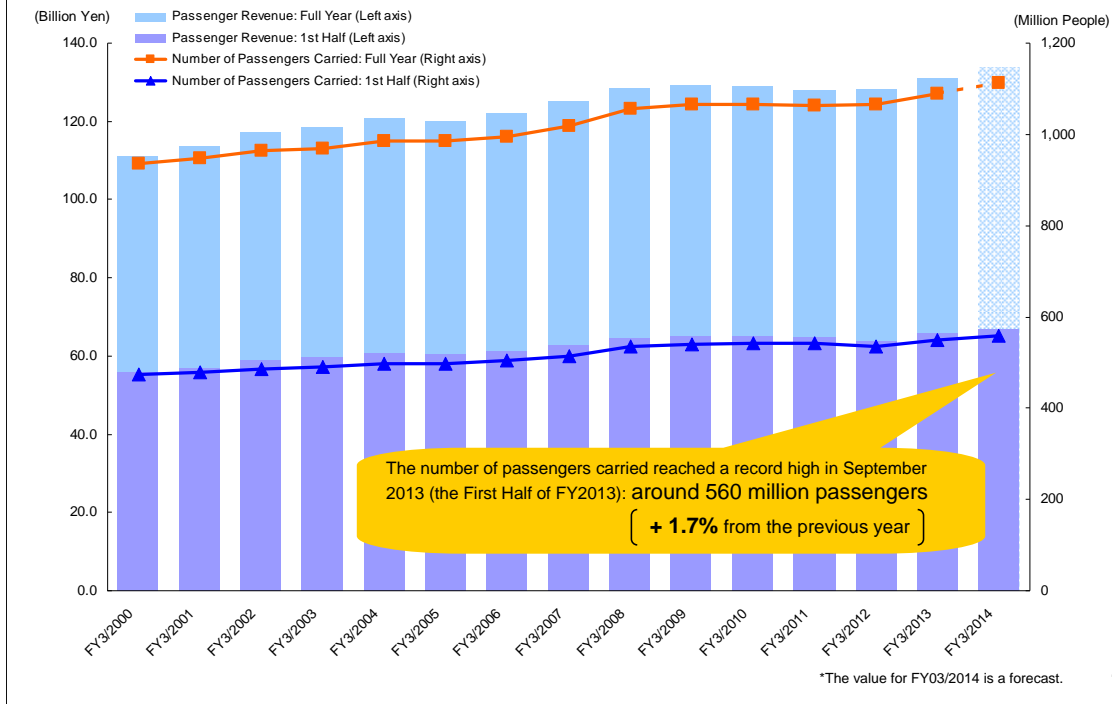
■ Changes in the average daily number of passengers getting on and off at major stations on the Toyoko Line



The number increased from a year ago for Shibuya, Jiyugaoka, Musashi-kosugi, Yokohama, among other stations.

- A mutual direct train service between the Toyoko Line and the Tokyo Metro Fukutoshin Line was launched on March 16 this year. As a result, the Toyoko Line and Minatomirai Line have been connected with the Seibu Ikebukuro Line and Tobu Tojo Line through the Fukutoshin Line, and a wide area network of railway lines has been established.
- In the first half, the number of passengers carried increased 1.7% year on year for all Tokyu lines. For the Toyoko Line alone, the increase was 1.9% year on year.
- The number of passengers carried has definitely increased. The number of passengers carried along the entire Toyoko Line train service between Shibuya Station and Yokohama Station rose 11.3% year on year. The number of passengers getting on and off at major stations on the Toyoko Line climbed.
- The construction of a through track between the Sotetsu's railway lines and Tokyu's railway lines, which is scheduled to commence operation in April 2019, was approved by the Ministry of Land, Infrastructure, Transport and Tourism on October 5 last year and has started.
- We believe that these initiatives will strengthen our railway network and will enhance the value of areas served by Tokyu's railway lines. We expect that the number of passengers carried and passenger revenue will increase.

Trends in Number of Passengers Carried



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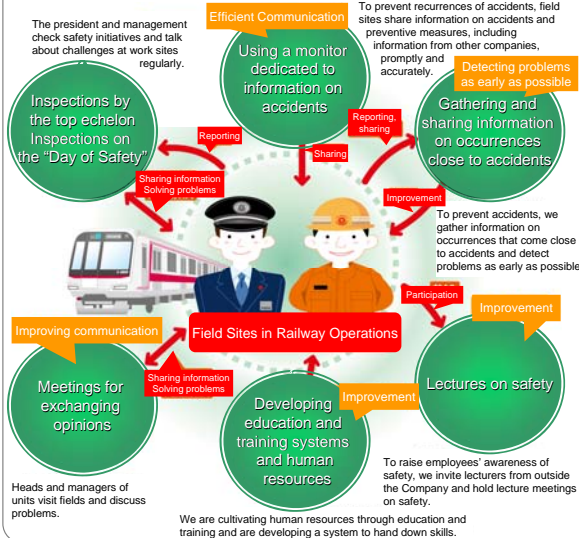
- Partly due to the launch of the mutual direct train service between the Tokyu Line and the Fukutoshin Line, the number of passengers carried in the first half under review rose 1.7% year on year, to 560 million yen, a record high.
- If this trend continues in the second half, the number of passengers carried will exceed 1.1 billion in the full fiscal year and will reach a record high.
- Since the population of areas served by Tokyu's railway lines is expected to increase, we expect that the trend will continue for some time to come.

Safety Initiatives in Railway Operations



Tokyu Corporation regards “safety” as its largest and most important responsibility to customers in its railway operations. (Cited from safety policy)

We have established a corporate culture that prioritizes safety with the management and front-line employees working together to carry out initiatives steadily.



Examples of Safety Initiatives



Facilities

- Installing doors and safety fences on the platform
- Installing emergency buttons at railway crossings
- Seismic strengthening work

Activities

- The head office and job sites cooperating in detecting problems as early as possible to prevent accidents
- Communicating information on accidents without fail and preventing recurrences by taking countermeasures
- Developing education and training systems to pass on skills without fail

Capital Expenditure Related to Safety

FY03/2013 (results):	¥18.6 billion
FY03/2014 (plan):	¥19.1 billion

- As a public transportation operator, the Company regards “safety” as its largest and most important responsibility to customers. We believe that safety is a prerequisite not only for railway operations but also for all other operations.
- The management and front-line employees work together to promote initiatives. As well as installing doors on the platform and emergency buttons at railway crossings and carrying out seismic strengthening work, we promote activities such as detecting safety problems as early as possible, communicating efficiently, and passing on skills without fail.
- We will continue to promote safety initiatives so that we will become a public transportation operator whose services customers can use comfortably and will thereby enhance the value of areas served by Tokyu railway lines and will differentiate those areas from others.

Redevelopment of the Area Around Shibuya Station



On June 17, 2013, the Tokyo metropolitan government decided on urban plans for the Shibuya Station area and the Shibuya Station South area.



Shibuya Station District Development

Site area: around 15,300 m²
Floor area: around 270,000 m²
Use: Offices, stores, parking garages, etc.
Number of stories: 46 stories above ground, 7 stories below ground (eastern tower), etc.
Height: around 230m (eastern tower), etc.
Planned construction period: FY2013-FY2027
Scheduled opening: eastern tower: 2020; central/western towers: 2027



Shibuya Station South District Development

Site area: around 7,100 m²
Floor area: around 117,500 m²
Use: Offices, stores, hotel, parking garages, etc.
Number of stories: 32 stories above ground, 5 stories below ground
Height: around 170m
Planned construction period: FY2013-FY2017
Scheduled opening: FY2017

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- The Company will demolish the Tokyu Department Store's Toyoko Store and the platforms of Shibuya Station on the Toyoko Line and will reallocate the sites. After that, the Company will execute the Shibuya Station district development plan with East Japan Railway Company and Tokyo Metro.
- The building will consist mainly of commercial facilities and offices. We plan to make the building a landmark in Entertainment City Shibuya.
- The Company will proceed with the Shibuya Station South district project on the south side of Route 246 and the site formally used for the Toyoko Line.
- The building is planned to have offices, a hotel, commercial facilities, halls, etc. and to make contributions to the cultural and industrial aspects of Entertainment City Shibuya.
- On June 17 this year, the Tokyo metropolitan government designated the two redevelopment plans as urban plans. Our plan to make Shibuya the area the most popular town in Japan for visiting is making steady progress.

Futako-Tamagawa Redevelopment (Phase II)



It has been decided that Culture Convenience Club (CCC) will open a “lifestyle store,” a new type of store, as a core tenant in a large commercial section.



▲ View from Traffic Place Side



▲ Image of commercial plot



▲ Image of guest room



▲ Image of cinema complex

Futako-Tamagawa Redevelopment Phase II

Site area: 28,083m²
Floor area: around 156,400m²
Height: around 137m
(30 floors above the ground and 2 basement floors)
Planned construction period: Jan. 2012 to Apr. 2015 (plan)

Office: 26 floors, 63,000m²
(number of employees estimated at around 8,000-10,000)
Commercial facilities: 11,000m², around 30 sections
(including a large CCC commercial section 7,160m²)
Fitness club: ATRIO DUE Futako-tamagawa
Cinema complex: 109 CINEMAS (10 screens, 1,700 seat)
Hotel: TOKYU HOTELS (around 110 rooms)

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- The construction started in January last year, and the building is expected to be completed in April 2015.
- It has been decided that Culture Convenience Club Co., Ltd. will open a “lifestyle store,” a new type of store, as a core tenant in a large commercial section.
- With this decision, tenants have been determined for all uses of the commercial facilities: offices, a workout gym, a cinema complex, and a hotel. The project is making very rapid progress.
- When Phase II of the project is completed and starts to operate, Futako-Tamagawa is expected to have an additional 10,000 employees or more, and they will boost the number of passengers carried significantly.

Latest Acquisitions and Sales of Properties



Sale of Tokyu Tranomon Building

Address: 1-21-19 Toranomon, Minato-ku, Tokyo
Site area: 1,765 m²
Total floor area: 11,983 m²
Number of floors: 10 floors above ground
Completion: April 2010
Transferee: TOKYU REIT, Inc.
Timing of transfer: August 2013

* The Company decided to transfer this property in cooperation with TOKYU REIT, of which the Company is the sponsor.



Acquisition of an equity interest in Setagaya Business Square

Address: 4-10-1 Yoga, Setagaya-ku, Tokyo
Site area: 21,334 m²
Total floor area: 94,374m²
Number of floors: 28 floors above ground and two below (tower)
Completion: September 1993
Acquirer: Subsidiaries of the Company
(CT Realty Limited and two other companies)

Timing of acquisition: September 2013

* Holding after the acquisition

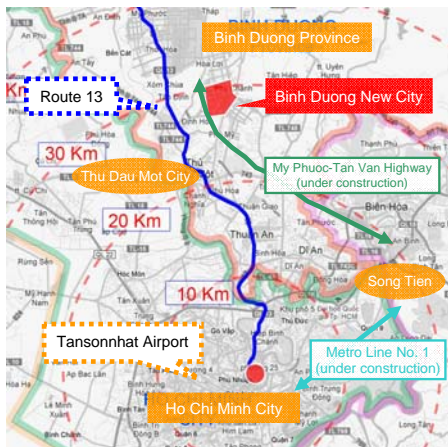
TOKYU REIT, Inc.	55%
CT Realty and two other Subsidiaries	45%



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- In August this year, the Company sold Tokyu Toranomon Building to TOKYU REIT in cooperation with TOKYU REIT.
- Meanwhile, the Company acted as an intermediary in the acquisition of R Sankei Building by TOKYU REIT and referred TOKYU REIT to the owner of Kaleido Shibuya Miyamasuzaka to help TOKYU REIT acquire it.
- In September this year, three consolidated subsidiaries of the Company jointly purchased Setagaya Business Square, in which TOKYU REIT has a 55% equity interest.
- The Company carried out these transactions in cooperation with TOKYU REIT, the Company's strategic partner in the real estate leasing business. The Group and TOKYU REIT have become co-owners of Setagaya Business Square.
- We will seek to increase the value of the property in close cooperation with Futako Tamagawa Rise in the neighborhood.

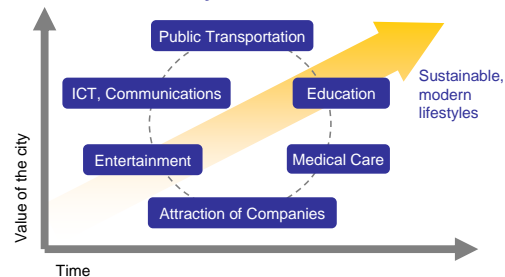
Urban development in Vietnam, Binh Duong Province



Schedule

- 2012 BECAMEX TOKYU CO., LTD. established
- 2013 Construction of SORA gardens I begins.
- 2014 People's Committee to move to the city
(The city will become capital of Binh Duong Province.)
SORA gardens I to be completed
- 2020 Binh Duong Province scheduled to become a city directly under central government

Future initiatives to increase the value of the city



We will take steps to increase the attractiveness of the new city and will promote urban development from a medium- to long-term perspective. We will create an environment that makes people feel like living in Binh Duong New City.

- Binh Duong New City is scheduled to become capital of Binh Duong Province in 2014 as the People's Committee moves to the city. In 2020, Binh Duong Province is scheduled to become a city directly under the central government.
- We believe that in the development of Binh Duong New City, it is important to promote initiatives to improve the value-added aspects of the city while developing housing, and to make the most of medium- to long-term economic growth in Vietnam.
- There is a group of industrial parks, the largest in Vietnam, near Binh Duong New City, and many Japanese companies are among the companies in the industrial parks. Binh Duong New City is home to universities, international schools, and famous local private schools.
- Binh Duong New City, however, does not have sufficient facilities to serve as the foundations for new lifestyles.
- As the People's Committee is going to move to the city, the Company plans to provide commercial facilities for the convenience of citizens of the city and people working in the city.
- Meanwhile, the Company will focus on six themes to provide functions that the city lacks: public transportation, ICT, communications, education, medical care, entertainment, and attraction of companies
- Through these initiatives to enhance added value, the Company will develop an environment that will make people feel like living in Binh Duong New City.
- Considering the above, the Company has changed its policy for the project. The new policy is to aim to achieve economic growth and to increase added value to the city in stages, in the medium to long term. The project's contribution to profits, which was expected from the next fiscal year, will be postponed for a few years.
- As the initiatives described above make progress, we believe that the value of the new city will definitely be enhanced and that the Company will maximize its benefits.

Latest Situation of Binh Duong New City



In Binh Duong New City, administrative facilities, infrastructure, and community facilities are steadily being developed.



A panoramic view of Binh Duong New City
(The Administration Center under construction)



SORA Gardens I
under construction



Town house (Becamex IDC)



The campus of Eastern
International University