

Summary of Results for FY2018 Forecasts for FY2019

May 13, 2019

Tokyu Corporation

(9005)

S H I B U Y A

<https://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

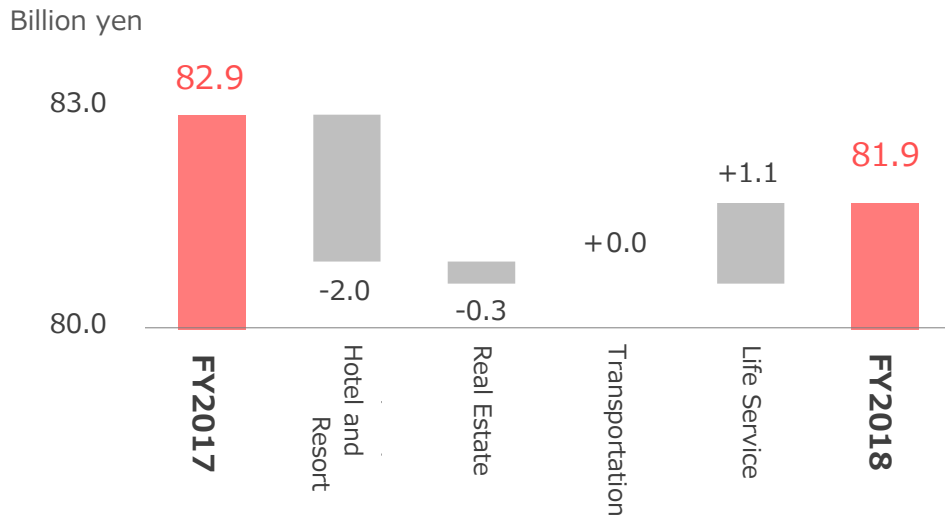
Main Points in the Results for FY2018

[Year-on-year comparison] Operating profit declined due in part to the impact of highly profitable sales in the Real Estate Business in the previous year, natural disasters in the hotel business and large renovation work for some of the stores.

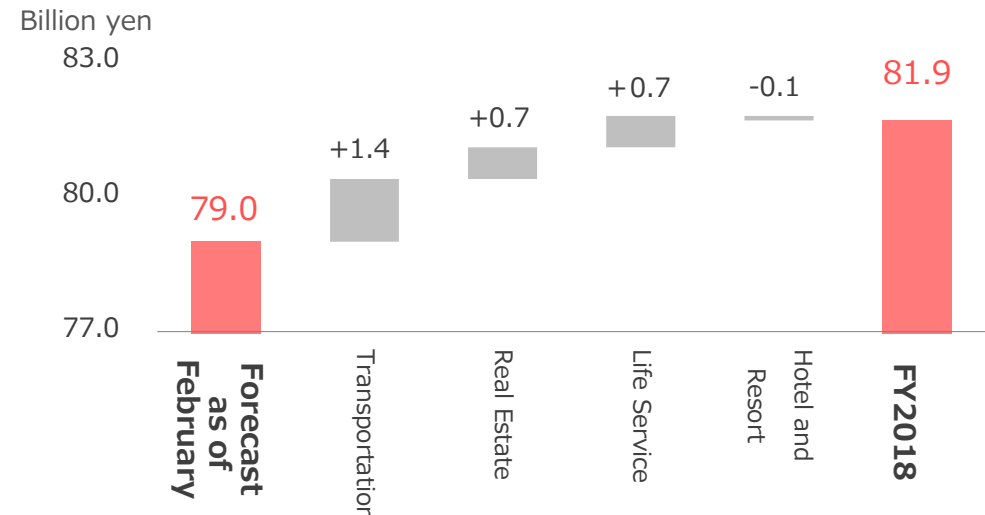
[Comparison to February] Operating profit increased due in part to decreased cost in the Company's Railway Operations and Real Estate Leasing.

| (Unit:Billion yen) | Results | YoY Comparison | | Comparison with Forecasts as of Feb. | |
|---|---------|----------------|-----------|--------------------------------------|----------|
| Operating Revenue | 1,157.4 | + 18.8 | (+ 1.7%) | - 2.5 | (- 0.2%) |
| Operating Profit | 81.9 | - 0.9 | (- 1.1%) | + 2.9 | (+ 3.8%) |
| Recurring Profit | 81.9 | - 1.8 | (- 2.2%) | + 4.4 | (+ 5.7%) |
| Profit attributable to owners of parent | 57.8 | - 12.2 | (- 17.5%) | + 2.8 | (+ 5.1%) |

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



Operating Profit by Segment
(Comparison with the Feb. Forecast.)



Main Points in Forecasts for FY2019

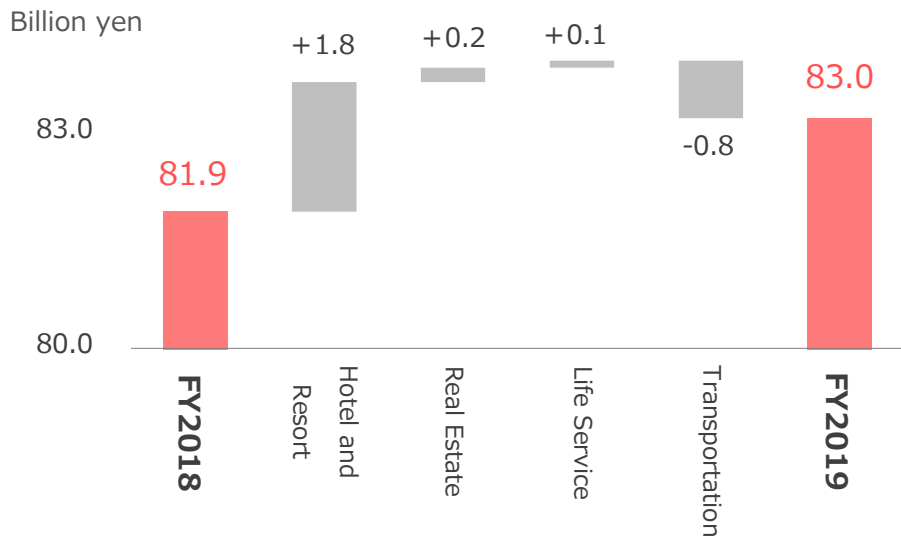
[Year-on-year comparison] Operating profit rose, mainly reflecting renovations and new openings in the hotel business, despite such factors as increased depreciation in the Railway Operations due to the introduction of a new model train.

[Comparison to Medium-term Management Plan]

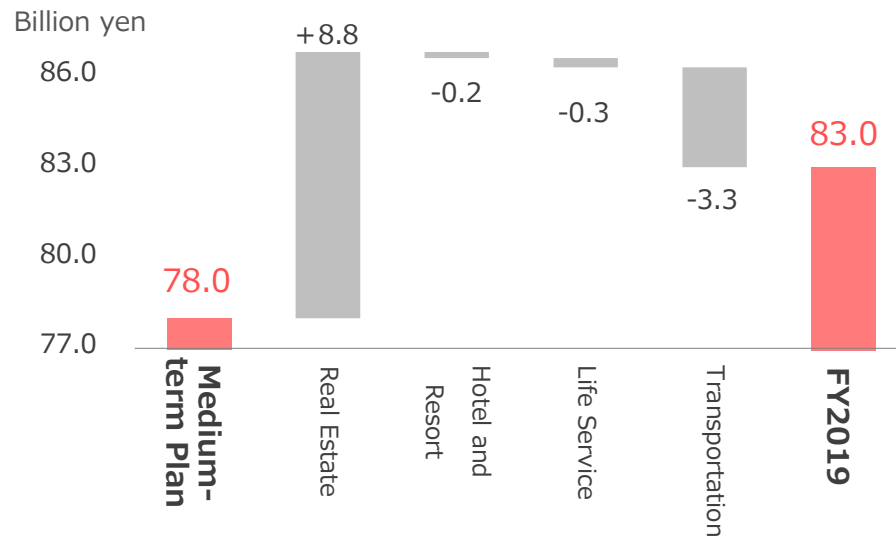
Operating profit increased due in part to the steady performance from properties in the Real Estate Business, despite increased cost in the Company's Railway Operations.

| (Unit:Billion yen) | Full Year Forecast | YoY Comparison | Comparison with Management Plan |
|---|--------------------|-----------------|---------------------------------|
| Operating Revenue | 1,198.9 | + 41.4 (+ 3.6%) | + 5.4 (+ 0.5%) |
| Operating Profit | 83.0 | + 1.0 (+ 1.3%) | + 5.0 (+ 6.4%) |
| Recurring Profit | 82.8 | + 0.8 (+ 1.1%) | + 5.7 (+ 7.4%) |
| Profit attributable to owners of parent | 58.0 | + 0.1 (+ 0.3%) | + 4.0 (+ 7.4%) |

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



Operating Profit by Segment
(Comparison to Medium-term Management Plan)



II . Conditions in Each Business

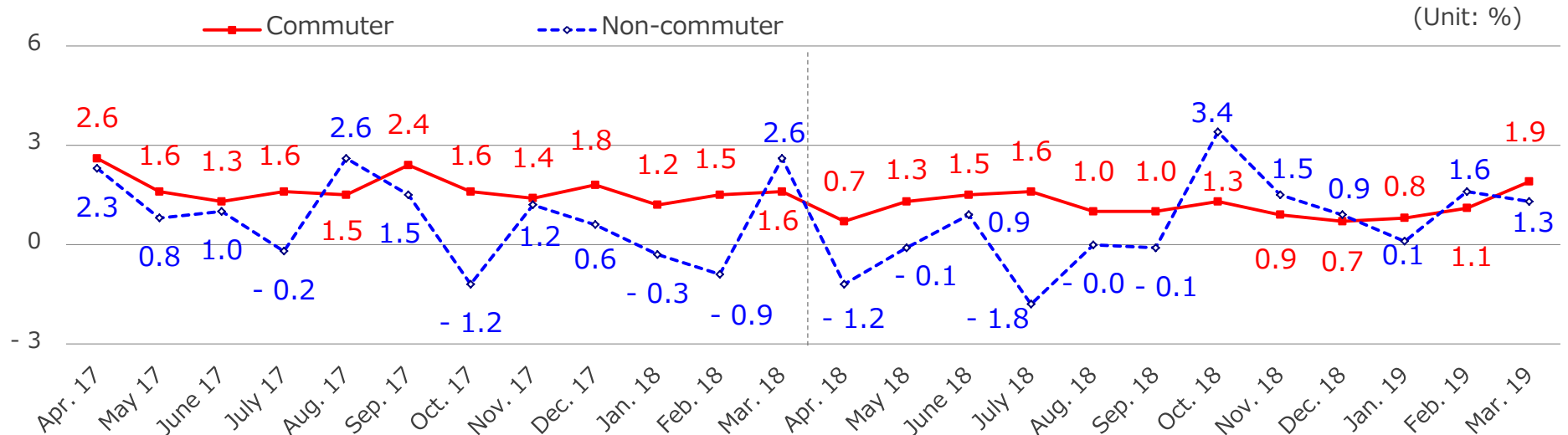
Railway Operations Business

Passengers Carried and Passenger Revenue (Results and Forecast)

(Thousand people, Million yen)

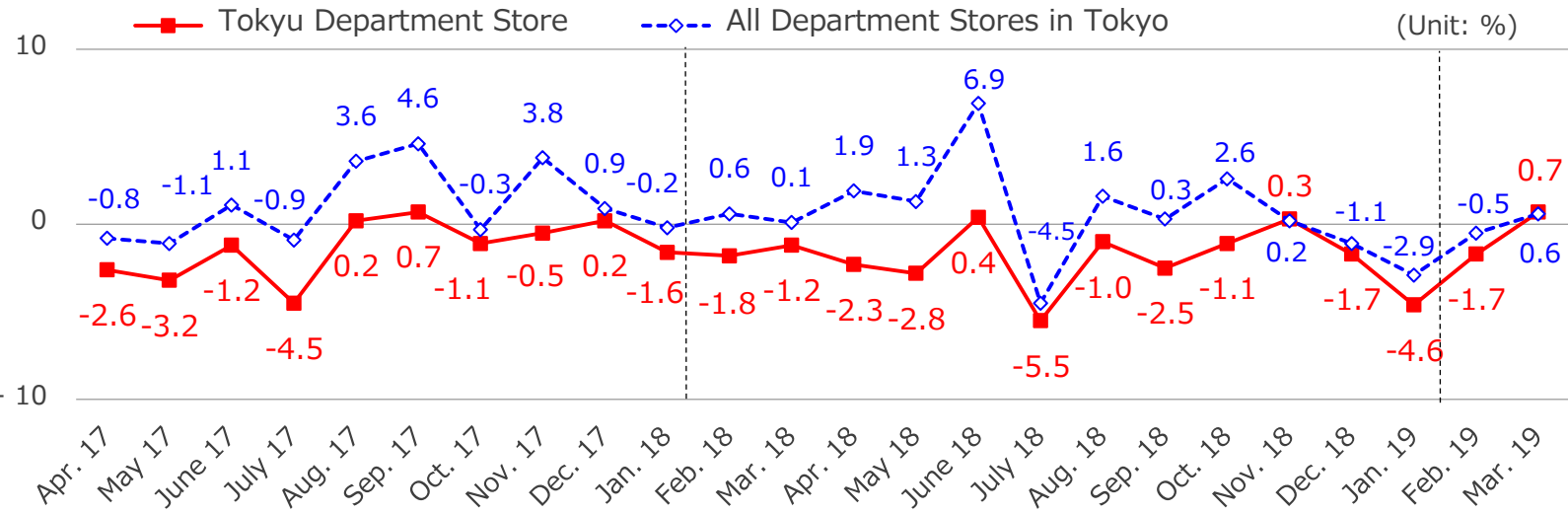
| | | FY2018 Results | FY2017 Results | Change | FY2019 Forecast | Change |
|---------------------------------|--------------|-------------------|-------------------|--------|--------------------|--------|
| Number of Passengers Carried | Total | 1,189,316 | 1,178,659 | + 0.9% | 1,205,711 | + 1.4% |
| | Non-commuter | 470,648 | 468,163 | + 0.5% | 478,386 | + 1.6% |
| | Commuter | 718,668 | 710,496 | + 1.2% | 727,325 | + 1.2% |
| Passenger Revenue | Total | 141,385 | 140,239 | + 0.8% | 143,324 | + 1.4% |
| | Non-commuter | 76,827 | 76,383 | + 0.6% | 78,065 | + 1.6% |
| | Commuter | 64,558 | 63,856 | + 1.1% | 65,259 | + 1.1% |

Passengers Carried and Passenger Revenue (Year-on-year Comparison)



Retail Business

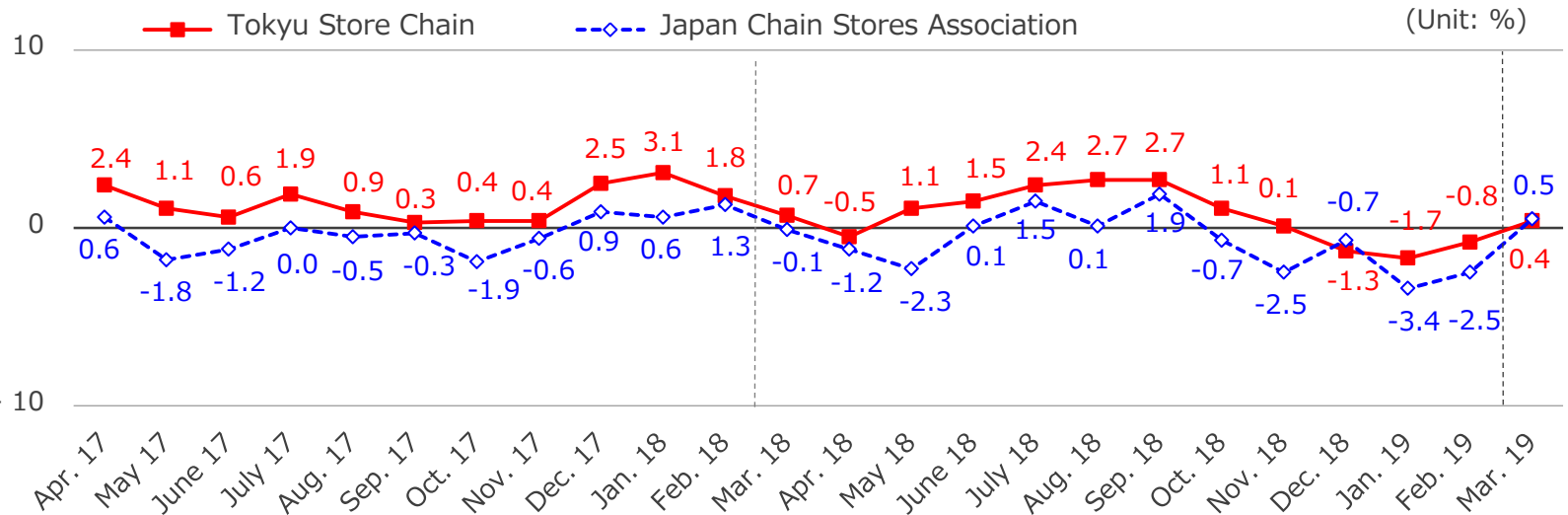
Tokyu Department Store: Sales (Year-on-year Comparison)



Sales by category

| | 2019/1 | |
|------------------------|--------------------|---------------|
| | Rate of YoY change | Share |
| Menswear/furnishings | -8.1 | 3.5% |
| Womenswear/furnishings | -7.3 | 16.0% |
| Other clothing items | -9.4 | 3.8% |
| Personal items | -1.0 | 9.0% |
| Miscellaneous goods | 0.5 | 17.3% |
| Household articles | -9.9 | 3.1% |
| Food | 1.1 | 45.5% |
| Others | -11.5 | 1.8% |
| Total | -2.0 | 100.0% |

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



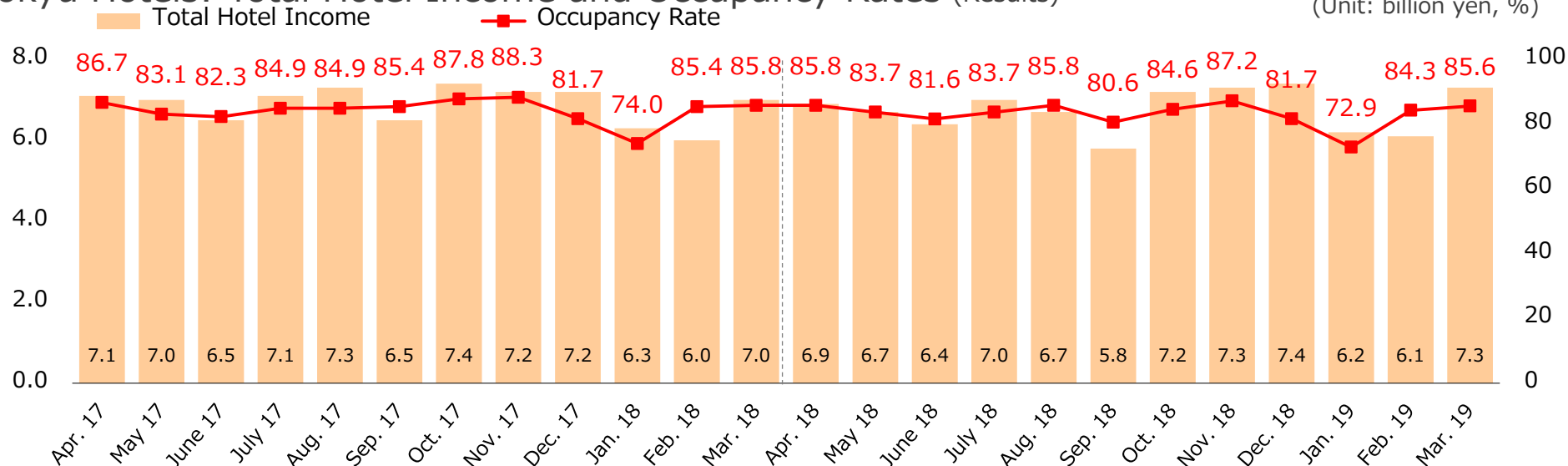
Sales by category

| | 2019/2 | |
|--------------|--------------------|---------------|
| | Rate of YoY change | Share |
| Food | 0.9 | 87.9% |
| Clothing | -1.6 | 1.6% |
| Livingware | 0.8 | 5.0% |
| Others | -2.5 | 5.5% |
| Total | 0.6 | 100.0% |

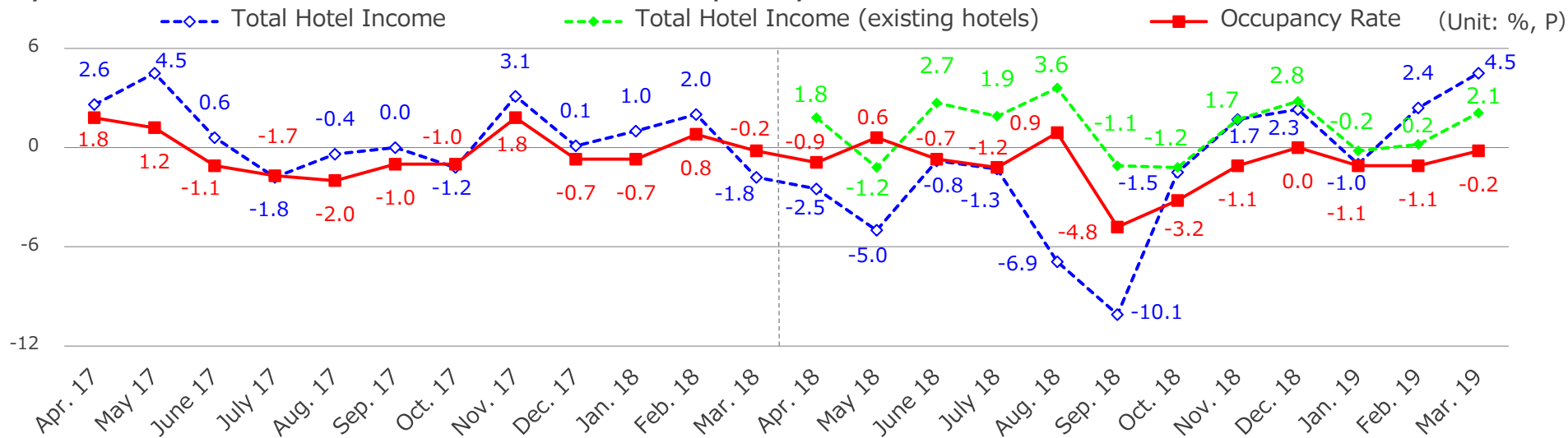


Hotel Business

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



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



III. Details of Financial Results for FY2018

Summary of Consolidated Financial Statements

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|--|-------------------|-------------------|---------------------|---|------------------------|--------------------|
| Operating Revenue | 1,157.4 | 1,138.6 | + 18.8 (+ 1.7%) | Real Estate: +20.7; Life Service: +2.8; Transportation: +2.0; Hotel and Resort: -4.1 | 1,160.0 | - 2.5 (- 0.2%) |
| Operating Profit | 81.9 | 82.9 | - 0.9 (- 1.1%) | Hotel and Resort: -2.0; Real Estate: -0.3; Life Service: +1.1 ; Transportation: +0.0 | 79.0 | + 2.9 (+ 3.8%) |
| Non-operating Revenue | 14.3 | 14.9 | - 0.6 (- 4.2%) | Investment Gains from Equity Method 7.6 (-0.6); Interest and Dividend Income 1.4 (+0.1) | 13.0 | + 1.3 (+ 10.3%) |
| Non-operating Expenses | 14.4 | 14.1 | + 0.2 (+ 1.8%) | Interest Paid 9.2 (-0.1) | 14.5 | - 0.0 (- 0.6%) |
| Recurring Profit | 81.9 | 83.7 | - 1.8 (- 2.2%) | | 77.5 | + 4.4 (+ 5.7%) |
| Extraordinary Gains | 10.1 | 23.7 | - 13.6 (- 57.3%) | Gain on Sale of Fixed Assets 0.2 (-14.1) | 8.0 | + 2.1 (+ 26.9%) |
| Extraordinary Losses | 8.8 | 11.4 | - 2.5 (- 22.4%) | | 5.9 | + 2.9 (+ 50.8%) |
| Income before Income Taxes and Minority Interests | 83.1 | 96.0 | - 12.9 (- 13.4%) | | 79.6 | + 3.5 (+ 4.5%) |
| Corporate Income Taxes | 23.7 | 24.3 | - 0.6 (- 2.6%) | Income Taxes: 25.3 (-1.0); Tax Adjustment: -1.5 (+0.4) | 23.5 | + 0.2 (+ 1.1%) |
| Net Income | 59.4 | 71.6 | - 12.2 (- 17.1%) | | 56.1 | + 3.3 (+ 5.9%) |
| Profit attributable to non-controlling intereests | 1.5 | 1.5 | + 0.0 (+ 0.2%) | | 1.1 | + 0.4 (+ 44.6%) |
| Profit attributable to owners of parent | 57.8 | 70.0 | - 12.2 (- 17.5%) | | 55.0 | + 2.8 (+ 5.1%) |
| Other Comprehensive Income | - 5.7 | 6.9 | - 12.7 (-) | | - | - |
| Total Comprehensive Income | 53.6 | 78.5 | - 24.9 (- 31.8%) | | - | - |
| TOKYU EBITDA | 176.6 | 174.9 | + 1.7 (+ 1.0%) | Real Estate +1.6; Life Service +1.4; Transportation +0.4; Hotel and Resort -1.5; Headquarters -0.3 | 175.6 | + 1.0 (+ 0.6%) |

*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) | | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change | |
|-------------------------|-------------------|--------------------|-------------------|---------------------|--|---|-------------------|-------------------|
| Total Operating Revenue | | 1,157.4 | 1,138.6 | + 18.8 (+ 1.7%) | | 1,160.0 | - 2.5 (- 0.2%) | |
| Total Operating Profit | | 81.9 | 82.9 | - 0.9 (- 1.1%) | | 79.0 | + 2.9 (+ 3.8%) | |
| Transportation | Operating Revenue | 213.6 | 211.5 | + 2.0 (+ 1.0%) | Tokyu Corp. Railway Operations: +1.5 | 212.8 | + 0.8 (+ 0.4%) | |
| | Operating Profit | 29.0 | 29.0 | + 0.0 (+ 0.3%) | Tokyu Corp. Railway Operations: +0.1 | 27.6 | + 1.4 (+ 5.4%) | |
| Real Estate | Operating Revenue | 203.3 | 182.5 | + 20.7 (+ 11.4%) | Tokyu Corp. Leasing: +8.2; Tokyu Corp. Sales: +4.6 | 205.0 | - 1.6 (- 0.8%) | |
| | Operating Profit | 31.9 | 32.3 | - 0.3 (- 1.2%) | Tokyu Corp. Sales: -2.8; Tokyu Corp. Leasing: +1.2 | 31.2 | + 0.7 (+ 2.5%) | |
| Total Life Service | | 703.1 | 700.3 | + 2.8 (+ 0.4%) | | 702.5 | + 0.6 (+ 0.1%) | |
| Life Service | Operating Revenue | Retail | 482.1 | 484.4 | - 2.3 (- 0.5%) | Tokyu Department Store: -3.8; Tokyu Store Chain: +0.4 | 483.9 | - 1.7 (- 0.4%) |
| | | ICT and Media | 221.0 | 215.9 | + 5.1 (+ 2.4%) | Tokyu Agency: +3.3; its communications: +0.6; Tokyu Recreation: -1.2 | 218.6 | + 2.4 (+ 1.1%) |
| | | Total Life Service | 17.1 | 15.9 | + 1.1 (+ 7.1%) | | 16.4 | + 0.7 (+ 4.5%) |
| | Operating Profit | Retail | 6.2 | 6.1 | + 0.1 (+ 1.9%) | Tokyu Store Chain: +0.0; Tokyu Department Store: -0.1 | 6.2 | + 0.0 (+ 1.2%) |
| | | ICT and Media | 10.8 | 9.8 | + 1.0 (+ 10.4%) | Tokyu Agency: +0.4; Tokyu Recreation: -0.1; its communications: -0.5 | 10.2 | + 0.6 (+ 6.5%) |
| Hotel and Resort | Operating Revenue | 99.9 | 104.1 | - 4.1 (- 4.0%) | Tokyu Hotels, etc: -1.5 | 100.5 | - 0.5 (- 0.6%) | |
| | Operating Profit | 3.0 | 5.1 | - 2.0 (- 39.6%) | Tokyu Hotels, etc: -1.0 | 3.2 | - 0.1 (- 3.7%) | |
| Elimination etc. | Operating Revenue | - 62.6 | - 59.9 | - 2.6 | | - 60.8 | - 1.8 | |
| | Operating Profit | 0.6 | 0.4 | + 0.2 | | 0.6 | + 0.0 | |

Non-Operating and Extraordinary Gain/Loss

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|--|-------------------|-------------------|---------------------|---|------------------------|--------------------|
| Operating Profit | 81.9 | 82.9 | - 0.9 (- 1.1%) | | 79.0 | + 2.9 (+ 3.8%) |
| Non-operating Revenue | 14.3 | 14.9 | - 0.6 (- 4.2%) | | 13.0 | + 1.3 (+ 10.3%) |
| Interest and Dividend Income | 1.4 | 1.2 | + 0.1 | | 1.2 | + 0.2 |
| Investment Gain from Equity Method | 7.6 | 8.3 | - 0.6 | Tokyu Fudosan Holdings : 5.5 (-0.1) ;Tokyu Construction: 2.3 (-0.0) | 7.7 | - 0.0 |
| Others | 5.2 | 5.3 | - 0.1 | | 4.1 | + 1.1 |
| Non-operating Expenses | 14.4 | 14.1 | + 0.2 (+ 1.8%) | | 14.5 | - 0.0 (- 0.6%) |
| Interest | 9.2 | 9.4 | - 0.1 | | 9.3 | - 0.0 |
| Others | 5.1 | 4.7 | + 0.3 | | 5.2 | - 0.0 |
| Recurring Profit | 81.9 | 83.7 | - 1.8 (- 2.2%) | | 77.5 | + 4.4 (+ 5.7%) |
| Extraordinary Gains | 10.1 | 23.7 | - 13.6 (- 57.3%) | | 8.0 | + 2.1 (+ 26.9%) |
| Gain on Sale of Fixed Assets | 0.2 | 14.3 | - 14.1 | | 0.2 | + 0.0 |
| Gain on Subsidies Received for Construction | 2.9 | 3.1 | - 0.2 | | 1.3 | + 1.6 |
| Gain on Reversal of Urban Railways Improvement Reserve | 2.5 | 2.5 | - | | 2.5 | + 0.0 |
| Others | 4.4 | 3.7 | + 0.7 | | 4.0 | + 0.4 |
| Extraordinary Losses | 8.8 | 11.4 | - 2.5 (- 22.4%) | | 5.9 | + 2.9 (+ 50.8%) |
| Loss on Reduction of Subsidies Received for Construction | 2.5 | 2.7 | - 0.1 | | 0.9 | + 1.6 |
| Others | 6.3 | 8.7 | - 2.4 | | 5.0 | + 1.3 |
| Income before Income Taxes and Minority Interests | 83.1 | 96.0 | - 12.9 (- 13.4%) | | 79.6 | + 3.5 (+ 4.5%) |

Consolidated TOKYU EBITDA

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|---|-------------------|-------------------|---------------------------------|---------|------------------------|---------------------------------|
| Transportation | 73.8 | 73.3 | + 0.4 (+ 0.7%) | | 72.6 | + 1.2 (+ 1.7%) |
| Railway Operations of the Company | 64.6 | 64.1 | + 0.4 | | 63.5 | + 1.0 |
| Tokyu Bus - Tokyu Transses | 4.0 | 4.2 | - 0.2 | | 3.9 | + 0.0 |
| Others | 5.1 | 4.9 | + 0.2 | | 5.1 | + 0.0 |
| Real Estate | 51.4 | 49.7 | + 1.6 (+ 3.3%) | | 51.8 | - 0.3 (- 0.7%) |
| Real Estate Sales of the Company | 4.3 | 7.2 | - 2.8 | | 4.0 | + 0.2 |
| Real Estate Leasing of the Company | 37.0 | 33.9 | + 3.0 | | 37.7 | - 0.6 |
| Others | 10.0 | 8.5 | + 1.5 | | 10.0 | + 0.0 |
| Life Service | 34.0 | 32.5 | + 1.4 (+ 4.5%) | | 33.8 | + 0.2 (+ 0.7%) |
| Retail | 14.4 | 14.8 | - 0.3 | | 14.9 | - 0.4 |
| Tokyu Department Store | 5.8 | 6.1 | - 0.2 | | 6.2 | - 0.3 |
| Tokyu Store Chain | 4.8 | 5.1 | - 0.2 | | 5.1 | - 0.3 |
| Others | 3.7 | 3.5 | + 0.1 | | 3.5 | + 0.2 |
| ICT and Media | 19.5 | 17.7 | + 1.8 | | 18.9 | + 0.6 |
| Tokyu Recreation | 3.1 | 3.3 | - 0.1 | | 3.1 | + 0.0 |
| its communications | 6.3 | 6.1 | + 0.2 | | 6.6 | - 0.2 |
| Tokyu Agency | 1.8 | 1.3 | + 0.4 | | 1.4 | + 0.4 |
| Others | 8.1 | 6.8 | + 1.3 | | 7.6 | + 0.4 |
| Hotel and Resort | 7.7 | 9.2 | - 1.5 (- 16.7%) | | 7.9 | - 0.1 (- 2.3%) |
| Tokyu Hotels, etc. | 6.8 | 7.3 | - 0.5 | | 6.9 | - 0.1 |
| Others | 0.8 | 1.9 | - 1.0 | | 0.9 | - 0.0 |
| Headquarters | 9.1 | 9.6 | - 0.5 (- 5.4%) | | 8.9 | + 0.2 (+ 2.5%) |
| Interest and dividend income | 1.4 | 1.2 | + 0.1 | | 1.2 | + 0.2 |
| Investment (gain) loss from the equity method | 7.6 | 8.3 | - 0.6 | | 7.7 | - 0.0 |
| Elimination, etc. | 0.5 | 0.3 | + 0.2 | | 0.6 | - 0.0 |
| Total | 176.6 | 174.9 | + 1.7 (+ 1.0%) | | 175.6 | + 1.0 (+ 0.6%) |

*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) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|-----------------------------------|-------------------|-------------------|-------------------|---|------------------------|--------------------|
| Operating Revenue | 213.6 | 211.5 | + 2.0 (+ 1.0%) | Passengers Carried: +0.9% (Non-commuter: +0.5%; Commuter: +1.2%) □ Passenger Revenue: +0.8% (Non-commuter: +0.6%; Commuter: +1.1%) | 212.8 | + 0.8 (+ 0.4%) |
| Railway Operations of the Company | 156.1 | 154.5 | + 1.5 (+ 1.0%) | Passenger Revenue: 141.3 (+1.1) | 156.0 | + 0.0 (+ 0.1%) |
| Tokyu Bus · Tokyu Transses | 29.5 | 29.1 | + 0.3 (+ 1.3%) | Passenger Revenue: +1.3% | 29.5 | - 0.0 (- 0.1%) |
| Others | 27.9 | 27.8 | + 0.1 (+ 0.5%) | | 27.2 | + 0.7 (+ 2.7%) |
| Operating Profit | 29.0 | 29.0 | + 0.0 (+ 0.3%) | | 27.6 | + 1.4 (+ 5.4%) |
| Railway Operations of the Company | 24.8 | 24.7 | + 0.1 (+ 0.4%) | [Operating Expense] Depreciation and amortization; 33.9 (+0.9) ; Power Costs: 6.6 (+0.6); Expenses: 25.5 (-1.2); Repair Costs: 10.2 (-0.1) | 23.7 | + 1.1 (+ 5.0%) |
| Tokyu Bus · Tokyu Transses | 1.6 | 1.8 | - 0.1 (- 8.2%) | | 1.4 | + 0.1 (+ 11.9%) |
| Others | 2.5 | 2.3 | + 0.1 (+ 5.3%) | | 2.3 | + 0.1 (+ 5.6%) |

Segment Information (2) Real Estate

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|------------------------------------|-------------------|-------------------|---------------------|---|------------------------|-------------------|
| Operating Revenue | 203.3 | 182.5 | + 20.7 (+ 11.4%) | | 205.0 | - 1.6 (- 0.8%) |
| Real Estate Sales of the Company | 24.9 | 20.2 | + 4.6 (+ 23.0%) | [Sales] Company-owned Land: 2.9 (-0.9) ; Funds Turnover-type: 21.9 (+7.6) ; Overseas Land - (-2.1) | 25.4 | - 0.5 (- 2.1%) |
| Real Estate Leasing of the Company | 80.2 | 72.0 | + 8.2 (+ 11.4%) | | 80.1 | + 0.1 (+ 0.2%) |
| Others | 98.1 | 90.2 | + 7.9 (+ 8.8%) | | 99.3 | - 1.2 (- 1.2%) |
| Operating Profit | 31.9 | 32.3 | - 0.3 (- 1.2%) | | 31.2 | + 0.7 (+ 2.5%) |
| Real Estate Sales of the Company | 4.1 | 7.0 | - 2.8 (- 40.5%) | [Sales Margin] Company-owned Land: 2.2 (-0.5) ; Funds Turnover-type: 5.4 (-0.4) ; Overseas Land - (-1.2) | 3.8 | + 0.3 (+ 8.1%) |
| Real Estate Leasing of the Company | 21.0 | 19.7 | + 1.2 (+ 6.3%) | | 20.7 | + 0.3 (+ 1.6%) |
| Others | 6.7 | 5.5 | + 1.2 (+ 22.1%) | | 6.6 | + 0.1 (+ 2.1%) |

Segment Information (3) Life Service

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|------------------------|-------------------|-------------------|--------------------|--|------------------------|--------------------|
| Operating Revenue | 703.1 | 700.3 | + 2.8 (+ 0.4%) | | 702.5 | + 0.6 (+ 0.1%) |
| Total Retail | 482.1 | 484.4 | - 2.3 (- 0.5%) | | 483.9 | - 1.7 (- 0.4%) |
| Tokyu Department Store | 214.2 | 218.0 | - 3.8 (- 1.8%) | Rate of Change in Sales: -2.0% | 213.2 | + 1.0 (+ 0.5%) |
| Tokyu Store Chain | 215.1 | 214.6 | + 0.4 (+ 0.2%) | Rate of Change in Sales: All Stores: +0.1%; Existing Stores: +0.6% | 217.3 | - 2.2 (- 1.0%) |
| Others | 52.7 | 51.7 | + 1.0 (+ 2.0%) | | 53.3 | - 0.5 (- 1.1%) |
| Total ICT and Media | 221.0 | 215.9 | + 5.1 (+ 2.4%) | | 218.6 | + 2.4 (+ 1.1%) |
| Tokyu Recreation | 31.5 | 32.8 | - 1.2 (- 3.8%) | | 33.4 | - 1.9 (- 5.7%) |
| its communications | 27.8 | 27.2 | + 0.6 (+ 2.3%) | | 27.6 | + 0.2 (+ 0.8%) |
| Tokyu Agency | 95.6 | 92.3 | + 3.3 (+ 3.6%) | | 92.4 | + 3.2 (+ 3.5%) |
| Others | 65.9 | 63.5 | + 2.4 (+ 3.9%) | | 65.0 | + 0.9 (+ 1.4%) |
| Operating Profit | 17.1 | 15.9 | + 1.1 (+ 7.1%) | | 16.4 | + 0.7 (+ 4.5%) |
| Total Retail | 6.2 | 6.1 | + 0.1 (+ 1.9%) | | 6.2 | + 0.0 (+ 1.2%) |
| Tokyu Department Store | 0.6 | 0.7 | - 0.1 (- 17.9%) | | 0.8 | - 0.2 (- 27.7%) |
| Tokyu Store Chain | 3.2 | 3.2 | + 0.0 (+ 1.6%) | | 3.2 | + 0.0 (+ 1.4%) |
| Others | 2.3 | 2.1 | + 0.1 (+ 9.1%) | | 2.1 | + 0.2 (+ 12.6%) |
| Total ICT and Media | 10.8 | 9.8 | + 1.0 (+ 10.4%) | | 10.2 | + 0.6 (+ 6.5%) |
| Tokyu Recreation | 1.5 | 1.6 | - 0.1 (- 9.7%) | | 1.4 | + 0.0 (+ 3.9%) |
| its communications | 2.1 | 2.6 | - 0.5 (- 19.3%) | | 2.3 | - 0.1 (- 6.6%) |
| Tokyu Agency | 1.2 | 0.7 | + 0.4 (+ 52.2%) | | 1.0 | + 0.2 (+ 20.0%) |
| Others | 5.9 | 4.7 | + 1.2 (+ 27.4%) | | 5.4 | + 0.5 (+ 10.3%) |

Segment Information (4) Hotel and Resort

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|------------------------|-------------------|-------------------|--------------------|---|------------------------|-------------------|
| Operating Revenue | 99.9 | 104.1 | - 4.1 (- 4.0%) | | 100.5 | - 0.5 (- 0.6%) |
| Tokyu Hotels, etc. (※) | 84.1 | 85.7 | - 1.5 (- 1.8%) | Occupancy Rates: 83.1% (year on year -1.0 points) | 85.1 | - 1.0 (- 1.2%) |
| Others | 15.7 | 18.3 | - 2.6 (- 14.2%) | | 15.3 | + 0.4 (+ 3.1%) |
| Operating Profit | 3.0 | 5.1 | - 2.0 (- 39.6%) | | 3.2 | - 0.1 (- 3.7%) |
| Tokyu Hotels, etc. (※) | 3.0 | 4.1 | - 1.0 (- 25.6%) | | 3.2 | - 0.1 (- 3.6%) |
| Others | - 0.0 | 0.9 | - 0.9 (-) | | - 0.0 | - 0.0 (-) |

(※) "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) | FY2018 Results | FY2017 Results | Change | Remarks |
|--|-------------------|-------------------|---------------------|--|
| Total Assets | 2,412.8 | 2,266.9 | + 145.8 (+ 6.4%) | |
| Current Assets | 314.2 | 312.3 | + 1.8 (+ 0.6%) | |
| Fixed Assets | 2,098.6 | 1,954.6 | + 144.0 (+ 7.4%) | |
| Total Liabilities | 1,616.7 | 1,512.8 | + 103.8 (+ 6.9%) | |
| Current Liabilities | 647.7 | 617.8 | + 29.9 (+ 4.8%) | Interest-bearing Debt: +27.5 |
| Fixed Liabilities | 953.8 | 877.4 | + 76.4 (+ 8.7%) | Interest-bearing Debt: +69.0 |
| Reserves under Special Law | 15.0 | 17.5 | - 2.5 (- 14.3%) | |
| Total Net Assets | 796.1 | 754.1 | + 42.0 (+ 5.6%) | Equity Capital: +46.7; non-controlling shareholders Interest: +0.4; Other Cumulative Comprehensive Income: -5.1 |
| Equity | 745.2 | 703.6 | + 41.6 (+ 5.9%) | Profit attributable to owners of parent: +57.8; Dividends: -12.1 |
| Interest-bearing Debt at End of Period | 1,066.4 | 969.7 | + 96.6 (+ 10.0%) | |
| Equity Ratio | 30.9% | 31.0% | - 0.1P | |
| D/E Ratio (Times) | 1.4 | 1.4 | - | |

Statements of Cash Flow

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|---|-------------------|-------------------|--------|--|------------------------|--------|
| CF from Operating Activities | 138.4 | 152.5 | - 14.1 | | 123.2 | + 15.2 |
| CF from Investing Activities | - 225.0 | - 145.3 | - 79.7 | | - 240.8 | + 15.7 |
| Capital Expenditure | - 227.6 | - 176.9 | - 50.6 | | - 240.7 | + 13.0 |
| Subsidies Received for Construction | 10.4 | 12.7 | - 2.3 | | 9.6 | + 0.8 |
| Gain on Sale of Assets | 6.5 | 25.5 | - 19.0 | | 6.4 | + 0.1 |
| CF from Financing Activities | 82.1 | - 7.8 | + 90.0 | | 117.5 | - 35.4 |
| Interest-bearing Debt Net Increase/Decrease | 96.5 | 5.4 | + 91.0 | | 133.9 | - 37.4 |
| Dividend Payment, etc. | - 12.3 | - 11.5 | - 0.7 | Dividend Payment: -12.1 (-1.2) | - 12.5 | + 0.1 |
| Free Cash Flow | - 86.6 | 7.1 | - 93.8 | | - 117.5 | + 30.9 |
| Interest-bearing Debt at End of Period | 1,066.4 | 969.7 | + 96.6 | Interest-bearing Debt / TOKYU EBITDA Multiple: 6.0times (+0.5) | 1,103.8 | - 37.3 |

Capital Expenditure / Depreciation

| (Unit: Billion yen) | FY2018 Results | FY2017 Results | Change | Remarks | Forecast as of Feb. | Change |
|--|-------------------|-------------------|----------------------|--|------------------------|--------------------|
| Total Capital Expenditure | 239.9 | 181.2 | + 58.6 (+ 32.4%) | | 244.1 | - 4.1 (- 1.7%) |
| Transportation | 72.8 | 71.4 | + 1.4 (+ 2.0%) | Tokyu Corp. Railway Operations: -0.6 | 75.7 | - 2.8 (- 3.7%) |
| Real Estate | 116.0 | 77.2 | + 38.7 (+ 50.2%) | Tokyu Corp. Leasing: +45.6 | 123.4 | - 7.3 (- 6.0%) |
| Total Life Service | 23.9 | 20.1 | + 3.7 (+ 18.6%) | | 19.7 | + 4.2 (+ 21.5%) |
| Retail | 9.1 | 8.1 | + 0.9 (+ 11.8%) | | 7.5 | + 1.6 (+ 21.8%) |
| ICT and Media | 14.7 | 12.0 | + 2.7 (+ 23.3%) | | 12.2 | + 2.5 (+ 21.3%) |
| Hotel and Resort | 22.7 | 9.3 | + 13.3 (+ 142.1%) | Tokyu Hotels, etc: +10.7 | 21.0 | + 1.7 (+ 8.1%) |
| Headquarters | 4.9 | 3.3 | + 1.5 | | 5.8 | - 0.8 |
| Elimination | - 0.5 | - 0.3 | - 0.1 | | - 1.5 | + 0.9 |
| Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots | 19.3 | 11.0 | + 8.2 (+ 74.3%) | | 26.9 | - 7.5 (- 28.1%) |
| Total Depreciation and Amortization | 78.6 | 74.9 | + 3.7 (+ 5.0%) | Real Estate: 18.4 (+2.0) ; Transportation: 38.9 (+0.9) ; Hotel and Resort: 4.4 (+0.3) ; Life Service: 16.8 (+0.2) | 80.6 | - 1.9 (- 2.5%) |

* 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. Details of Financial Forecasts for FY2019

Summary of Consolidated Financial Statements

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|--|--------------------|-------------------|--------------------|---|
| Operating Revenue | 1,198.9 | 1,157.4 | + 41.4 (+ 3.6%) | Life Service: +22.9; Real Estate: +11.9; Hotel and Resort: +8.1; Transportation: +2.9 |
| Operating Profit | 83.0 | 81.9 | + 1.0 (+ 1.3%) | Hotel and Resort: +1.8; Real Estate: +0.2; Life Service: +0.1; Transportation: -0.8 |
| Non-operating Revenue | 14.1 | 14.3 | - 0.2 (- 1.7%) | Investment Gains from Equity Method 8.6 (+0.9) |
| Non-operating Expenses | 14.3 | 14.4 | - 0.1 (- 0.7%) | Interest Paid 9.3 (+0.0) |
| Recurring Profit | 82.8 | 81.9 | + 0.8 (+ 1.1%) | |
| Extraordinary Gains | 8.8 | 10.1 | - 1.3 (- 13.3%) | |
| Extraordinary Losses | 9.5 | 8.8 | + 0.6 (+ 6.8%) | |
| Income before Income Taxes and Minority Interests | 82.1 | 83.1 | - 1.0 (- 1.3%) | |
| Corporate Income Taxes | 22.9 | 23.7 | - 0.8 (- 3.6%) | Income Taxes: 25.6 (+0.2); Tax Adjustment: -2.7 (-1.1) |
| Net Income | 59.2 | 59.4 | - 0.2 (- 0.4%) | |
| Profit attributable to non-controlling intereests | 1.2 | 1.5 | - 0.3 (- 24.6%) | |
| Profit attributable to owners of parent | 58.0 | 57.8 | + 0.1 (+ 0.3%) | |
| TOKYU EBITDA | 189.8 | 176.6 | + 13.1 (+ 7.4%) | Real Estate +4.3; Life Service +2.8; Transportation +2.4; Hotel and Resort +2.3; Headquarters +0.9 |

*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) | | FY2019 Forecast | FY2018 Results | Change | Remarks | |
|-------------------------|-------------------|--------------------|-------------------|--------------------|---|---|
| Total Operating Revenue | | 1,198.9 | 1,157.4 | + 41.4 (+ 3.6%) | | |
| Total Operating Profit | | 83.0 | 81.9 | + 1.0 (+ 1.3%) | | |
| Transportation | Operating Revenue | 216.6 | 213.6 | + 2.9 (+ 1.4%) | Tokyu Corp. Railway Operations: +2.5 | |
| | Operating Profit | 28.2 | 29.0 | - 0.8 (- 3.0%) | Tokyu Corp. Railway Operations: -1.0 | |
| Real Estate | Operating Revenue | 215.3 | 203.3 | + 11.9 (+ 5.9%) | Tokyu Corp. Leasing: +13.6; Tokyu Corp. Sales: -5.9 | |
| | Operating Profit | 32.2 | 31.9 | + 0.2 (+ 0.7%) | Tokyu Corp. Leasing: +2.1; Tokyu Corp. Sales: -3.5 | |
| | | Total Life Service | 726.1 | 703.1 | + 22.9 (+ 3.3%) | |
| Life Service | Operating Revenue | Retail | 497.3 | 482.1 | + 15.1 (+ 3.1%) | Tokyu Department Store: +6.5; Tokyu Store Chain: +5.5 |
| | | ICT and Media | 228.8 | 221.0 | + 7.7 (+ 3.5%) | Tokyu Recreation: +0.7; its communications: -0.2; Tokyu Agency: -1.9 |
| | Operating Profit | Total Life Service | 17.3 | 17.1 | + 0.1 (+ 0.9%) | |
| | | Retail | 6.4 | 6.2 | + 0.1 (+ 2.0%) | Tokyu Department Store: +0.3; Tokyu Store Chain: +0.0 |
| | | ICT and Media | 10.9 | 10.8 | + 0.0 (+ 0.3%) | Tokyu Agency: +0.2; Tokyu Recreation: +0.0; its communications: +0.0 |
| Hotel and Resort | Operating Revenue | 108.1 | 99.9 | + 8.1 (+ 8.2%) | Tokyu Hotels, etc: +7.4 | |
| | Operating Profit | 4.9 | 3.0 | + 1.8 (+ 59.1%) | Tokyu Hotels, etc: +1.5 | |
| Elimination etc. | Operating Revenue | - 67.2 | - 62.6 | - 4.5 | | |
| | Operating Profit | 0.4 | 0.6 | - 0.2 | | |

Non-Operating and Extraordinary Gain/Loss

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|--|--------------------|-------------------|--------------------|---------|
| Operating Profit | 83.0 | 81.9 | + 1.0 (+ 1.3%) | |
| Non-operating Revenue | 14.1 | 14.3 | - 0.2 (- 1.7%) | |
| Interest and Dividend Income | 1.7 | 1.4 | + 0.2 | |
| Investment Gain from Equity Method | 8.6 | 7.6 | + 0.9 | |
| Others | 3.8 | 5.2 | - 1.4 | |
| Non-operating Expenses | 14.3 | 14.4 | - 0.1 (- 0.7%) | |
| Interest | 9.3 | 9.2 | + 0.0 | |
| Others | 5.0 | 5.1 | - 0.1 | |
| Recurring Profit | 82.8 | 81.9 | + 0.8 (+ 1.1%) | |
| Extraordinary Gains | 8.8 | 10.1 | - 1.3 (- 13.3%) | |
| Gain on Sale of Fixed Assets | 0.1 | 0.2 | - 0.1 | |
| Gain on Subsidies Received for Construction | 5.8 | 2.9 | + 2.8 | |
| Gain on Reversal of Urban Railways Improvement Reserve | 2.5 | 2.5 | - 0.0 | |
| Others | 0.4 | 4.4 | - 4.0 | |
| Extraordinary Losses | 9.5 | 8.8 | + 0.6 (+ 6.8%) | |
| Loss on Reduction of Subsidies Received for Construction | 4.0 | 2.5 | + 1.4 | |
| Others | 5.5 | 6.3 | - 0.8 | |
| Income before Income Taxes and Minority Interests | 82.1 | 83.1 | - 1.0 (- 1.3%) | |

Consolidated TOKYU EBITDA

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|---|--------------------|-------------------|---------------------------|---------|
| Transportation | 76.3 | 73.8 | + 2.4 (+ 3.4%) | |
| Railway Operations of the Company | 66.6 | 64.6 | + 1.9 | |
| Tokyu Bus - Tokyu Transses | 3.9 | 4.0 | - 0.0 | |
| Others | 5.7 | 5.1 | + 0.5 | |
| Real Estate | 55.8 | 51.4 | + 4.3 (+ 8.5%) | |
| Real Estate Sales of the Company | 0.9 | 4.3 | - 3.3 | |
| Real Estate Leasing of the Company | 42.7 | 37.0 | + 5.7 | |
| Others | 12.0 | 10.0 | + 1.9 | |
| Life Service | 36.9 | 34.0 | + 2.8 (+ 8.4%) | |
| Retail | 15.8 | 14.4 | + 1.3 | |
| Tokyu Department Store | 6.7 | 5.8 | + 0.8 | |
| Tokyu Store Chain | 5.3 | 4.8 | + 0.5 | |
| Others | 3.6 | 3.7 | - 0.1 | |
| ICT and Media | 21.1 | 19.5 | + 1.5 | |
| Tokyu Recreation | 3.5 | 3.1 | + 0.3 | |
| its communications | 7.3 | 6.3 | + 0.9 | |
| Tokyu Agency | 1.8 | 1.8 | + 0.0 | |
| Others | 8.4 | 8.1 | + 0.2 | |
| Hotel and Resort | 10.1 | 7.7 | + 2.3 (+ 30.9%) | |
| Tokyu Hotels, etc. | 8.6 | 6.8 | + 1.8 | |
| Others | 1.4 | 0.8 | + 0.5 | |
| Headquarters | 10.3 | 9.1 | + 1.1 (+ 12.9%) | |
| Interest and dividend income | 1.7 | 1.4 | + 0.2 | |
| Investment (gain) loss from the equity method | 8.6 | 7.6 | + 0.9 | |
| Elimination, etc. | 0.4 | 0.5 | - 0.1 | |
| Total | 189.8 | 176.6 | + 13.1 (+ 7.4%) | |

*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) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|-----------------------------------|--------------------|-------------------|--------------------|---|
| Operating Revenue | 216.6 | 213.6 | + 2.9 (+ 1.4%) | Passengers Carried: +1.4% (Non-commuter: +1.6%; Commuter: +1.2%) □ Passenger Revenue: +1.4% (Non-commuter: +1.6%; Commuter: +1.1%) |
| Railway Operations of the Company | 158.6 | 156.1 | + 2.5 (+ 1.7%) | Passenger Revenue: 143.3 (+1.9) |
| Tokyu Bus · Tokyu Transses | 29.6 | 29.5 | + 0.1 (+ 0.4%) | |
| Others | 28.2 | 27.9 | + 0.3 (+ 1.1%) | |
| Operating Profit | 28.2 | 29.0 | - 0.8 (- 3.0%) | |
| Railway Operations of the Company | 23.8 | 24.8 | - 1.0 (- 4.1%) | [Operating Expense] Depreciation and amortization: 35.7 (+1.7) |
| Tokyu Bus · Tokyu Transses | 1.3 | 1.6 | - 0.2 (- 15.9%) | |
| Others | 2.9 | 2.5 | + 0.3 (+ 15.8%) | |

Segment Information (2) Real Estate

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|------------------------------------|--------------------|-------------------|---------------------|--|
| Operating Revenue | 215.3 | 203.3 | + 11.9 (+ 5.9%) | |
| Real Estate Sales of the Company | 19.0 | 24.9 | - 5.9 (- 23.6%) | [Sales] Company-owned Land: 1.0 (-1.8) ; Funds Turnover-type: 17.7 (-4.1) |
| Real Estate Leasing of the Company | 93.9 | 80.2 | + 13.6 (+ 17.1%) | |
| Others | 102.2 | 98.1 | + 4.1 (+ 4.2%) | |
| Operating Profit | 32.2 | 31.9 | + 0.2 (+ 0.7%) | |
| Real Estate Sales of the Company | 0.6 | 4.1 | - 3.5 (- 84.0%) | [Sales Margin] Company-owned Land: 0.4 (-1.7) ; Funds Turnover-type: 3.9 (-1.4) |
| Real Estate Leasing of the Company | 23.2 | 21.0 | + 2.1 (+ 10.3%) | |
| Others | 8.3 | 6.7 | + 1.5 (+ 23.2%) | |

Segment Information (3) Life Service

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|------------------------|--------------------|-------------------|--------------------|--|
| Operating Revenue | 726.1 | 703.1 | + 22.9 (+ 3.3%) | |
| Total Retail | 497.3 | 482.1 | + 15.1 (+ 3.1%) | |
| Tokyu Department Store | 220.7 | 214.2 | + 6.5 (+ 3.1%) | Rate of Change in Sales: +2.9% |
| Tokyu Store Chain | 220.7 | 215.1 | + 5.5 (+ 2.6%) | Rate of Change in Sales: All Stores: +2.3%; Existing Stores: +1.9% |
| Others | 55.7 | 52.7 | + 3.0 (+ 5.8%) | |
| Total ICT and Media | 228.8 | 221.0 | + 7.7 (+ 3.5%) | |
| Tokyu Recreation | 32.2 | 31.5 | + 0.6 (+ 2.2%) | |
| its communications | 27.6 | 27.8 | - 0.2 (- 0.8%) | |
| Tokyu Agency | 93.7 | 95.6 | - 1.9 (- 2.1%) | |
| Others | 75.1 | 65.9 | + 9.2 (+ 14.0%) | |
| Operating Profit | 17.3 | 17.1 | + 0.1 (+ 0.9%) | |
| Total Retail | 6.4 | 6.2 | + 0.1 (+ 2.0%) | |
| Tokyu Department Store | 0.9 | 0.6 | + 0.3 (+ 59.1%) | |
| Tokyu Store Chain | 3.3 | 3.2 | + 0.0 (+ 1.9%) | |
| Others | 2.0 | 2.3 | - 0.3 (- 12.8%) | |
| Total ICT and Media | 10.9 | 10.8 | + 0.0 (+ 0.3%) | |
| Tokyu Recreation | 1.6 | 1.5 | + 0.0 (+ 5.6%) | |
| its communications | 2.2 | 2.1 | + 0.0 (+ 2.9%) | |
| Tokyu Agency | 1.4 | 1.2 | + 0.1 (+ 16.6%) | |
| Others | 5.6 | 5.9 | - 0.3 (- 5.2%) | |

Segment Information (4) Hotel and Resort

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|------------------------|--------------------|-------------------|--------------------|---|
| Operating Revenue | 108.1 | 99.9 | + 8.1 (+ 8.2%) | |
| Tokyu Hotels, etc. (※) | 91.5 | 84.1 | + 7.4 (+ 8.8%) | Occupancy Rates: 86.5% (year on year +3.4 points) |
| Others | 16.5 | 15.7 | + 0.7 (+ 4.9%) | |
| Operating Profit | 4.9 | 3.0 | + 1.8 (+ 59.1%) | |
| Tokyu Hotels, etc. (※) | 4.6 | 3.0 | + 1.5 (+ 49.1%) | |
| Others | 0.2 | - 0.0 | + 0.3 (-) | |

(※) "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.

Statements of Cash Flow

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|---|--------------------|-------------------|--------|---|
| CF from Operating Activities | 145.4 | 138.4 | + 7.0 | |
| CF from Investing Activities | - 160.9 | - 225.0 | + 64.1 | |
| Capital Expenditure | - 167.4 | - 227.6 | + 60.2 | |
| Subsidies Received for Construction | 10.1 | 10.4 | - 0.3 | |
| CF from Financing Activities | - 3.8 | 82.1 | - 85.9 | |
| Interest-bearing Debt Net Increase/Decrease | 12.6 | 96.5 | - 83.8 | |
| Dividend Payment, etc. | - 12.5 | - 12.3 | - 0.1 | |
| Free Cash Flow | - 15.4 | - 86.6 | + 71.2 | |
| Interest-bearing Debt at End of Period | 1,079.1 | 1,066.4 | + 12.6 | Interest-bearing Debt / TOKYU EBITDA Multiple: 5.7times (-0.3 Points) |

Capital Expenditure / Depreciation

| (Unit: Billion yen) | FY2019 Forecast | FY2018 Results | Change | Remarks |
|--|--------------------|-------------------|---------------------|--|
| Total Capital Expenditure | 181.8 | 239.9 | - 58.1 (- 24.2%) | |
| Transportation | 74.1 | 72.8 | + 1.2 (+ 1.7%) | Tokyu Corp. Railway Operations: +6.8 |
| Real Estate | 74.6 | 116.0 | - 41.4 (- 35.7%) | Tokyu Corp. Leasing: -37.3 |
| Total Life Service | 19.4 | 23.9 | - 4.5 (- 18.9%) | |
| Retail | 8.2 | 9.1 | - 0.9 (- 10.3%) | |
| ICT and Media | 11.2 | 14.7 | - 3.5 (- 24.3%) | its communications: -3.9 |
| Hotel and Resort | 11.3 | 22.7 | - 11.4 (- 50.2%) | Tokyu Hotels, etc: -5.8 |
| Headquarters | 3.9 | 4.9 | - 1.0 | |
| Elimination | - 1.5 | - 0.5 | - 0.9 | |
| Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots | 24.0 | 19.3 | + 4.6 (+ 24.1%) | |
| Total Depreciation and Amortization | 88.0 | 78.6 | + 9.3 (+ 11.9%) | Real Estate: 22.3 (+3.8) ; Life Service: 19.5 (+2.6) ; Transportation: 41.2 (+2.2) ; Hotel and Resort: 5.0 (+0.5) |

* 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.