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FOR IMMEDIATE RELEASE

Company Name: Tokyu Corporation
Representative: Kazuo Takahashi, President & Representative Director
(Securities code: 9005 TSE First Section)
Contact: Hiroaki Nishimura, General Manager and Senior Manager, Accounting and IR Group
(Telephone: +81-3-3477-6168)

Notice Regarding the Introduction of Employee Stock Ownership ESOP Trust

Tokyu Corporation (the "Company") announces that at a meeting held on May 13, 2021, the Board of Directors passed a resolution to introduce an Employee Stock Ownership ESOP Trust ("ESOP Trust") as an employee incentive plan aiming to raise the Company's medium- to long-term corporate value and improve its welfare program.

1. Purpose of introducing the ESOP Trust

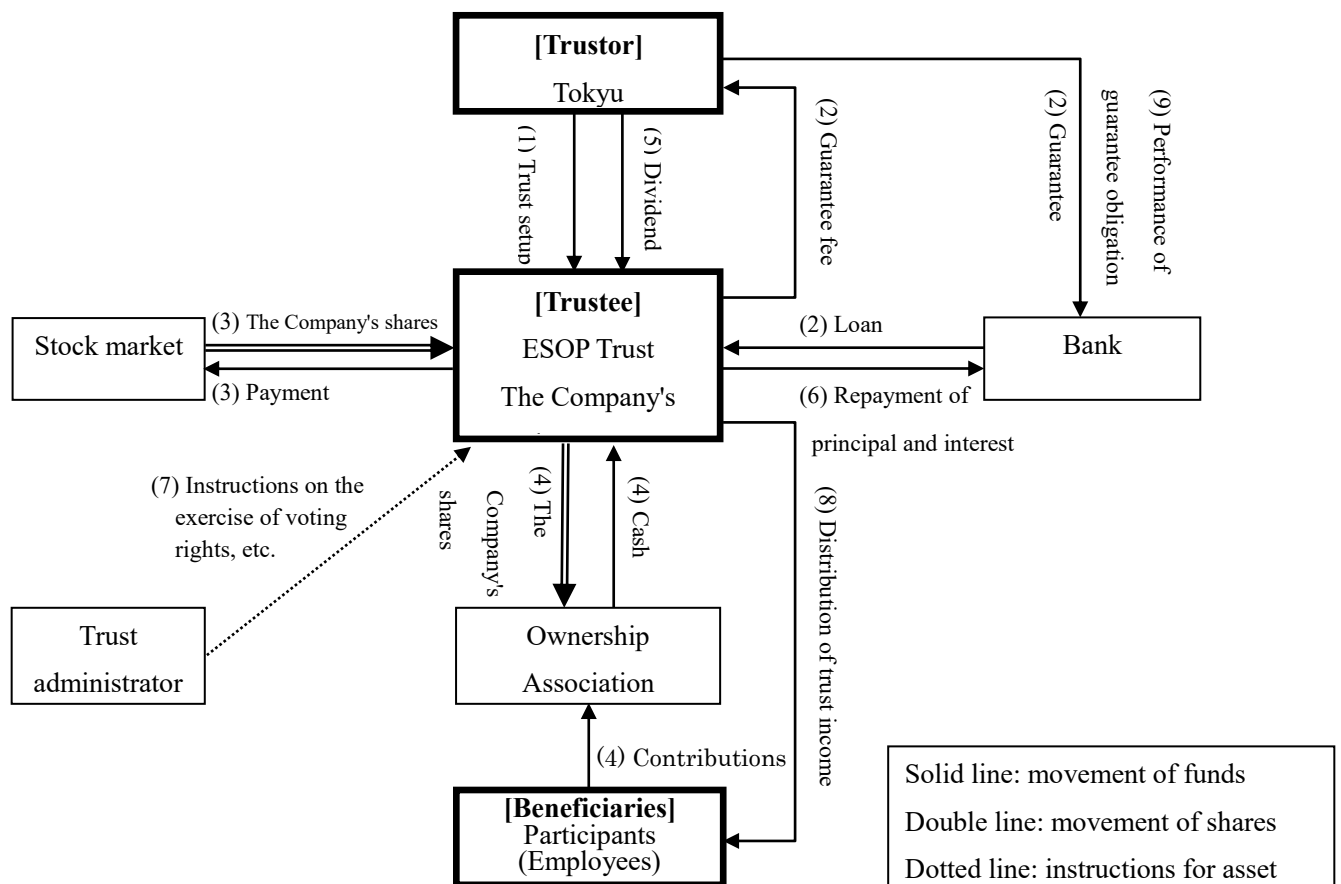
The Company plans to introduce the ESOP Trust for the purpose of raising the Company's medium- to long-term corporate value and enhance its employee welfare benefits by providing the employees of the Company and its consolidated subsidiaries with an incentive to help raise the Company's stock price, while incentivizing them in their duty to strive to improve the Company's financial results and share value.

2. Overview of the ESOP Trust

The ESOP Trust is a trust-type employee incentive plan that adopts the scheme of employee ownership associations, using employee stock ownership plans in the United States as a reference, for the purpose of improving employees' savings plan (welfare program) to promote their asset accumulation using the Company's shares.

The Company has set up a trust with the employees participating in the Tokyu Group Employees' Ownership Association ("Ownership Association") who have satisfied certain requirements as beneficiaries. During a predetermined acquisition period, the trust acquires the number of the Company's shares that are expected to be acquired by the Ownership Association for a certain period in the future. Subsequently, the trust will sell the Company's shares on a certain date every month to the Ownership Association. If there is trust income from a rise in the share price at the time of trust termination, cash will be distributed to employees who are beneficiaries according to their contribution ratio and other conditions. If the assets in trust remain in debt as a result of a loss on sale due to a fall in the share price, the Company will make good the debt in a lump sum to the bank based on the guarantee clause in the loan agreement. Therefore, employees will not bear any additional burden.

3. Scheme of the ESOP Trust



- ① The Company sets up the ESOP Trust for employees who have satisfied the beneficiary requirements as beneficiaries.
- ② The ESOP Trust borrows the funds necessary to acquire the Company's shares from a bank. Upon borrowing the funds, the Company guarantees the borrowings of the ESOP Trust, and the ESOP Trust pays a guarantee fee to the Company.
- ③ Using the loan in (2) above, the ESOP Trust acquires the Company's shares in the number expected to be acquired by the Ownership Association during the trust period from the stock market during a predetermined period.
- ④ The ESOP Trust sells the Company's shares at market price in the number that can be sold to the Ownership Association for the cash contributed to the Ownership Association by a certain date every month throughout the trust period.
- ⑤ The ESOP Trust receives dividends distributed as a shareholder of the Company.
- ⑥ The ESOP Trust repays the principal and interest of the loan from the bank, using proceeds from the sales of the Company's shares to the Ownership Association and the dividends from the Company's shares it owns.
- ⑦ Throughout the trust period, the trust administrator gives instructions on the exercise of rights as a shareholder such as the exercise of voting rights, and the ESOP Trust exercises its rights as a shareholder by following the instructions.
- ⑧ At the time of trust termination, if shares of the Company remain in the trust due to a rise in the share

price, the trust income will be distributed to the beneficiaries in cash according to their contribution ratio during the trust period after converting the shares into cash.

- ⑨ At the time of trust termination, if a loan remains in the trust due to a fall in the share price, the Company will repay the loan in a lump sum to the bank based on the guarantee in (2) above.

※ If the Company's shares are no longer in the trust due to their sale to the Ownership Association, the trust will terminate before the maturity of the trust period.

4. Details of the trust agreement

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| ① Type of trust | Individually operated specified money trust (third-party-benefit trust) |
| ② Purpose of the trust | Stable and continuous supply of the Company's shares to the Ownership Association and enhancement of the welfare program for employees who satisfy beneficiary requirements |
| ③ Trustor | Tokyu Corporation |
| ④ Trustee | Mizuho Trust & Banking Co., Ltd.
(Co-trustee: Custody Bank of Japan, Ltd.) |
| ⑤ Beneficiaries | Participants in the Ownership Association who have satisfied the requirements for beneficiaries |
| ⑥ Trust administrator | Masatsuna Obata, Director, Tokyu Group Employees' Ownership Association |
| ⑦ Date of trust agreement | May 26, 2021 (tentative) |
| ⑧ Trust period | May 28, 2021 through June 30, 2024 (tentative) |
| ⑨ Exercise of voting rights | The trustee will exercise the voting rights of the Company's shares by following the instructions of the trust administrator that reflect the exercise of voting rights of the Ownership Association of the Company. |
| ⑩ Type of shares to be acquired | Common stock of the Company |
| ⑪ Total amount of shares to be acquired | 4,520 million yen |
| ⑫ Share acquisition period | May 31, 2021 through June 30, 2021 (tentative) |
| ⑬ Share acquisition method | Acquired from the exchange market |