

**NOTICE TO SHAREHOLDERS RESIDENT IN THE UNITED STATES:**

**This press release relates to a proposed business combination which involves the securities of a foreign company. It is subject to disclosure requirements of a foreign country that are different from those in the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.**

**It may be difficult for any U.S. shareholder to enforce his rights and any claim he may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. Such U.S. shareholder may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.**

May 27, 2002

To Whom It May Concern:

Company Name: TOKYU CORPORATION  
Name of Representative Director: Kiyofumi Kamijo, President & Representative Director  
(Code No.9005, Tokyo Stock Exchange, First Section)

Company Name: TOKYU CAR CORPORATION  
Name of Representative Director: Takeo Momose, President  
(Code No.7123, Tokyo Stock Exchange, First Section,  
Osaka Stock Exchange, First Section)

Notice of Execution of Share Exchange Agreement

We hereby notify that Tokyu Corporation (hereinafter "Tokyu") and Tokyu Car Corporation (hereinafter "TCC") have entered into a Share Exchange Agreement on May 27, 2002 in accordance with the resolutions of the boards of directors of both companies dated the same date and the Memorandum of Understanding executed on April 25, 2002.

Description

1. Summary of the Share Exchange Agreement

(1) Method

Share exchange pursuant to Articles 352 through 363 of the Commercial Code of Japan to make Tokyu the wholly-owning parent company of TCC and TCC the wholly-owned subsidiary of Tokyu.

(2) Conversion rate of shares

Tokyu will issue 17,085,175 shares of common stock upon the execution of share exchange and will distribute 0.167 shares of Tokyu stock in exchange for each one (1) share of TCC stock (excluding those held by Tokyu) to the shareholders of TCC based upon the Record of Shareholders and the Record of Beneficial Shareholders (jisshitsu kabunushi meibo).

(3) Record date for distribution

The record date of issuance for purposes of determining payment of dividends with respect to the new Tokyu shares issued upon the share exchange will be October 1, 2002.

(4) Share capital and capital surplus

Tokyu's share capital and capital surplus will increase as follows:

|                  |   |
|------------------|---|
| Share capital:   | No increase   |
| Capital surplus: | To be increased by the amount of TCC's net assets on the day of the share exchange multiplied by the ratio of the TCC shares to be transferred to Tokyu through the share exchange to the total number of issued shares of TCC. |

(5) Payment of dividends

Tokyu will pay dividends of 2.5 Japanese Yen per each Tokyu share to its shareholders or recorded pledgees based on the Record of Shareholders and the Record of Beneficial Shareholders on March 31, 2002 for an aggregate total of not more than 2,808,877,303 Japanese Yen.

2. Schedule for Share Exchange

|                 |  |
|-----------------|--|
| May 27, 2002    | Approval of the Share Exchange Agreement by the boards of directors of both companies          |
| May 27, 2002    | Execution of the Share Exchange Agreement  |
| June 27, 2002   | Annual general shareholders' meeting of both companies to approve the Share Exchange Agreement |
| October 1, 2002 | Date of execution of the Share Exchange  |

Inquiries may be directed to:

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