

2004

Tokyu Corporation Social Environmental Report



November 2004



About this Report

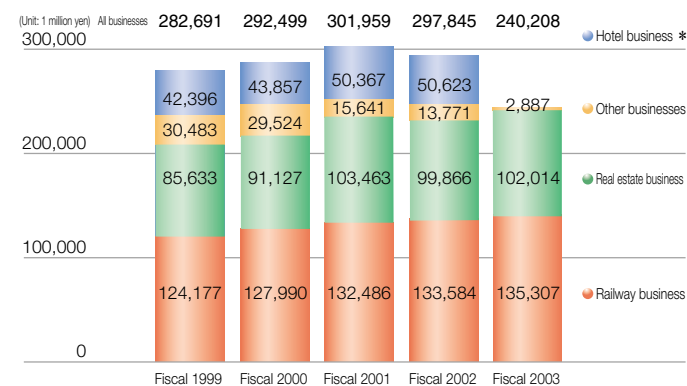
Tokyu Corporation has published the "Tokyu Corporation Environmental Report" since 2000, offering an annual description of our involvement with environmental issues as part of our business activities.

The title of the report for 2004 has been renamed as Social Environmental Report. This reflects a change of emphasis, and the information has been edited and presented accordingly to show our involvement in society.

Company Overview (As of March 31, 2004)

Company Name:	Tokyu Corporation
Headquarters:	5-6, Nampo-dai-cho, Shibuya-ku, Tokyo, 150-8511, Japan
Established:	September 2, 1922
Capitalization:	¥108,820 million
Operating Revenue in Fiscal 2003:	¥240,208 million
Railway Business	¥135,307 million
Real Estate Business	¥102,014 million
Other Businesses	¥2,887 million
Employees:	3,477
Stock Listing:	Tokyo Stock Exchange Section 1
Business Description:	Railway, real estate, other businesses (leisure, services)

Sales Revenue (Non-consolidated)



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About the Scope of this Environmental Report

Although this report covers mainly the activities of Tokyu Corporation, it also provides information on the Tokyu Group in separate group columns.

Corporate social responsibility issues of the Tokyu Corporation are mainly described in the article titled Communication.

Tokyu Corporation's environmental activities focus on the environmental impact of business activities in Japan. However, this report also contains material concerning work to construct rail overpasses and underpasses contracted out by local authorities, and work commissioned by land readjustment associations, where this relates to environmental activities that fall within the scope of the company's decision-making processes.

Highlight

Seamless Train Route Service between Toyoko Line and Minatomirai Line Provides Better Access to Yokohama's City Center

World's First Construction of Urban Tunnel by NATM (New Austrian Tunneling Method)

A two kilometer stretch between Higashi-hakuraku Station and Yokohama Station had to be tunneled to enable the start of the seamless train route service between the Toyoko Line and Minatomirai Line in February 2004.

NATM, a method normally used for mountain tunnels, was selected for this project due to its energy saving and environmental aspects. It differs from cut and cover construction, an above ground method that requires piles and supports for retaining earth. Instead, NATM bores in a similar fashion to an unlined tunnel into the ground, which minimizes the influence on the surrounding environment and ensures the economic viability of a project. The lining of the tunnel was wrapped in a waterproof sheet to prevent water leaks and extend the life of the tunnel.

The construction work carried out below the existing train lines had to meet a safety standard unprecedented in international engineering history of less than 7 mm per 10 m of tunnel deflection.

The use of NATM for tunneling under an operating train line was hailed as a new method for using underground space in urban areas and received the Outstanding Civil Engineering Achievement Award in May 2003.

LED Signs Introduced at Yokohama Station

Signs at Yokohama Station are now illuminated by white LEDs. They produce a more even and brighter light than fluorescent signs, enabling the colorful statement of product information and corporate messages.

LEDs have lower environmental impact; compared to fluorescent lighting they reduce energy consumption by 60%, heat generation by 50% and CO₂ emissions by 60%. Their 10-year service life is also six times that of a fluorescent tube, which contributes to a reduction in waste.

This is the first time that white LEDs have been used in station signs. However, all new signs installed in future station renovation work will be LED signs to further reduce environmental impact.

Environmental Considerations Made for New Yokohama Station

Since the new Yokohama Station is quite large, consisting of five underground floors, air conditioning is limited to the platform level (fifth basement level) and the concourse area (third basement level) while access passages on the second basement level are only ventilated. To reduce power consumption, heat sources used for air conditioners are split in two time shifts.

The escalators are programmed to operate at slow speed when they go unused for a certain amount of time. The motor is equipped with an inverter to reduce power at startup and save energy.

High frequency inverters are used in 95% of station lighting to conserve energy and turn small daily savings into impressive results.

Eliminating Use of CFCs at Transformer and Distributing Stations

Efforts are underway to eliminate use of CFCs as an insulating material in power generating equipment, to prevent even the slightest possibility of a leak of what is believed to be a greenhouse gas causing global warming. Breakers at the Kamitanmachi and Shimo-tanmachi transformer substations and the Yokohama Power Distribution Station, newly built to accommodate the reconstruction of the Toyoko Line underground, use dry air instead of CFCs. The environmentally friendly design of the new facilities includes installation of rectifiers and transformers not dependent on CFCs, as well as the use of ecological cables.



Wrapping the lining of the tunnel in a waterproof sheet



Completed tunnel

Our company's two main business fields are the railway business, which is highly public in nature, and the urban-development business, which depends on a partnership with local communities, and thus an important management task for us has been to develop our businesses while gaining the trust of society. It is our mission to maintain a safe and easy-to-use transportation system, build an affluent and agreeable social environment and furthermore to implement aggressive environmental initiatives to develop a sustainable society that guarantees a livable world for the next generation.

As a corporation that makes use of vast resources that are the common property of society, we recognize it as our responsibility to minimize the environmental impact of our business activities.

To date, we have introduced energy-saving railcars, improved operation technology to save energy, improved recycling rates, and developed and provided environmentally sustainable housing. The Administration Department of our headquarters has received ISO 14001 certification and we have resolved to further strengthen our environmental management system and to mobilize the company around activities that further reduce environmental impact.

Railways are a form of public transportation with very low environmental impact, and we believe that promoting their use contributes to reducing the environmental impact of society as a whole. We will further devote ourselves to

improving the environmental advantages of our railways by introducing seamless train route service, barrier-free services, and enhancing the comfort of our trains.

In urban development business area, the long lasting value is the key to build a sustainable society, furthermore, our design principle is to maximize the energy and resource efficiency of buildings and towns to enable users to live with less environmental impacts.

To develop our businesses while retaining the trust of society, all members of the Tokyu Group must share the same sense of values with regard to environmental initiatives and relationships with society. As the core member of the Tokyu Group, Tokyu Corporation will establish a system for supporting and guiding member companies to ensure that the group is moving in step in our development activities and responding to the trust that society has placed in us.

The purpose of this report is to describe our company's environmental initiatives and our relationship with society, and to invite feedback. We will continue to make more information available and establish a system for the efficient handling of opinions regarding our efforts toward building a sustainable society. We invite you to respond with your suggestions and opinions.

October 2004



Kiyofumi Kamijo
Kiyofumi Kamijo
 President & Representative Director

The Tokyu Group's history dates back to its establishment as the Meguro-Kamata Railway Company in September 1922. Expanding its transport network, the company also became involved in the real estate business and department stores and other distribution operations, with the aim of developing the area around its railway lines. Later as the economy grew, Tokyu branched out into such areas as hotels, resorts, and culture and information related operations, becoming a corporate group involved in a wide variety of businesses.

As of the end of March 2004, the Tokyu Group consisted of 324 companies, including 13 publicly traded companies, and nine corporations. Our areas of business involve transport, real estate, distribution, leisure and services, hotels, and

construction. We employ a total of approximately 50,000 people and have total sales of about ¥2.5 trillion. *

The Tokyu Group has set out a group philosophy based on the fundamental element 'beauty' as a guide to our business activities. Our management policy "to fulfill our corporate social responsibility" is part of this philosophy.

As the core business of the Tokyu Group, we are committed to implementing the group slogan "toward a beautiful age – the Tokyu Group" and to becoming a company that people love and trust even more than they do today.

*The total number of employees and total sales figures represent the total figures for consolidated financial settlements in the Tokyu Group.

Group Philosophy

We, as we work together to create and support the Tokyu Group.

Group Slogan

Toward a beautiful age — The Tokyu Group

Mission Statement

We will create a beautiful living environment, where each person can pursue individual happiness in a harmonious society.

Guidelines for Action

Fulfill your responsibilities, collaborate to enhance each other's ability, and reinvent yourself with a global awareness.

Management Policy

Work independently and in collaboration to raise Group synergy and establish a trusted and beloved brand.

- Meet current market expectations and develop new ones.
- Manage in harmony with the natural environment.
- Pursue innovative management from a global perspective.
- Value individuality and make the most of each person.

Through these means, we will fulfill our corporate social responsibilities.

Corporate Governance and Compliance

Governance

Our Board of Directors consists of 21 members including three outside directors. The Board of Corporate Auditors is made up of five members (four are outside auditors), including two statutory auditors and three non-statutory auditors, and monitors the performance of duties. To strengthen internal audits, staffing at the Compliance Division of Management Headquarters was increased in April 2004.

Compliance

More than a mere passive prevention of corporate misconduct, compliance management is about increasing business worth, an effort indispensable to our continued existence as a brand selected by customers.

In April 2000, our company and the Tokyu Group in general determined that compliance should be under group management. Compliance was then defined as “not limited to conforming to the law, but a concept that requires corporate officers and each individual employee to pay attention to ethics and environmental

issues in order for the company to fulfill its social responsibility as a corporation”.

A fully-fledged division was established in July 2001 to promote compliance management in the company. In January 2002, basic compliance rules for all corporate officers and employees in the Tokyu Group were formulated as the Tokyu Group Compliance Policy. Compliance administrators were appointed in all departments and divisions in the company and all major group companies.

In April the same year, the Tokyu Corporation Code of Conduct was enacted to regulate the conduct of corporate officers and employees in the company. This code of conduct was printed in employee pocket notebooks, posted on electronic bulletin boards and became a subject of seminar study to ensure awareness by all employees.

A Compliance Consultation Desk was set up in April 2002 to directly deal with in-house compliance and Code of Conduct infringements as well as submitting problems that could not be brought to the attention of a superior.

Measures for Complying with Environmental Laws and Regulations

■ Law for Promotion of Sorted Collection and Recycling of Containers and Packaging

The Containers and Packaging Recycling Law was fully implemented in April 2000, making us responsible for recycling the containers and packaging of the products we sell. To comply with this law, we outsourced recycling operations to the Japan Containers and Packaging Recycling Association until FY 2002. With the transfer of some business operations to subsidiaries in FY 2003, the Shibuya and Jiyūgaoka branches of ranKing ranQueen assumed sole responsibility for recycling.

■ The Construction Waste Recycling Law

The Construction Waste Recycling Law was enacted on May 30, 2002. This law requires us to sort, dismantle and recycle waste generated by construction work we commission or undertake. Before the enactment of this law, we recycled materials at construction sites according to our own standards, but now this work is performed according to the recycling law.

■ Storage of PCBs (polychlorinated biphenyl)

Tokyu Corporation stores used electrical equipment that contains PCB according to the Waste Management Law and the Law Concerning Special Measures Against PCB Waste.

■ Complying with Provisions of the National Motor Vehicle NOx & PM Emissions Act and Nitrogen Oxide Emissions from Automobiles

We are working on measures to prohibit in principle commuting by private car and enforcing cessation of idling of vehicles, including private cars, as stipulated in the Tokyo Metropolitan Government's Environmental Ordinance to Protect the Health

and Safety of Citizens and the Kanagawa Prefectural Government's Ordinance on Protecting the Living Environment, both of which businesses are required to observe.

■ Complying with the Global Warming Prevention Countermeasures Program for Businesses

As stipulated in the Tokyo Metropolitan Government's Environmental Ordinance to Protect the Health and Safety of Citizens, businesses that are classified as being subject to the Global Warming Prevention Countermeasures Program for Businesses are required to submit a plan as per the ordinance and to implement measures to control emissions of greenhouse gases.

Plan content

Facilities for railway businesses

We are aiming to maintain the emission volumes of the base year (FY 2001) for FY 2004.

■ Complying with the PRTR (Pollutant Release and Transfer Register) Law

Offices which have responsibility for the use of fuel, paint, lubrication oil and other substances, which include some hazardous materials, used in maintaining and repairing railway cars must carefully manage the volume of emissions and transfer of these substances.

During FY 2003, the amount of PRTR substances used did not reach the volume (1ton) that requires us to report.

Environment-related Litigation

Tokyu Corporation was not involved in any environment-related litigation in FY 2003.

Environmental Policy

Environmental Policy

Aware that our business activities have the potential to cause significant impacts on the global environment, we work in the following ways to create systems that support sustainable society, in order to avoid causing environmental deterioration and to ensure that we bequeath a safe and comfortable living environment to future generations;

1. We assess the environmental impacts of all our business activities, and work to reduce our environmental burden and prevent pollution by

- (1) establishing environmental objectives and targets under our environmental management systems, and seeking continuous improvements by monitoring progress and revising the objectives;
- (2) reducing waste, and using resources and energy efficiently;
- (3) complying with environmental laws and regulations, and the commitments made by this company; and
- (4) promoting green procurement, in cooperation with the relevant organizations.

2. We promote environmental management throughout the Tokyu Group, while working to provide products and services in ways that reduce society's overall environmental burden.

3. We value our relationships with all our stakeholders and strive for constructive dialogue with them.

By working to ensure that all employees share these policies, we will promote the creation of a sustainable society.

December 1, 2003



Kiyofumi Kamijo
President & Representative Director
Tokyu Corporation

*The Tokyu Corporation Environmental Policy has been promulgated to merge the Tokyu Corporation Eco Policy (established in 1999) and The Tokyu Corporation Headquarters Environmental Policy (established in 2000).

Promoting Environmental Management

Our Environment Policy was established on December 1, 2003. This policy integrated two earlier policies to simplify and unify our environmental policies.

The earlier policies were the Tokyu Corporation Eco Policy, established to reflect Tokyu Group management policies formulated when environmental activities were first organized in 1998, and the Tokyu Corporation Headquarters Environment Policy, established with the objective of meeting the standards required to achieve ISO 14001 certification by our headquarters in 2000.

The new policy was designed to put in place an effective environmental program by raising the level of our involvement, further reducing environmental impact and establishing a system for the entire Tokyu Group that can answer vital social needs and thoroughly review our involvement in environmental issues. We also intend to broaden the scope of our involvement by cooperating with society to tackle environmental issues that we cannot handle alone.

This year's report entitled Social Environmental Report details the greater involvement of our business activities in society. The relationship between business and society is of increasing importance and our involvement in environmental issues must be considered in the framework of society.

Global environmental problems are a major threat to the safe development of society and we intend to work with society to overcome these problems.



Tadashi Igarashi
Managing Director
General Manager
General Affairs and
Environmental Division

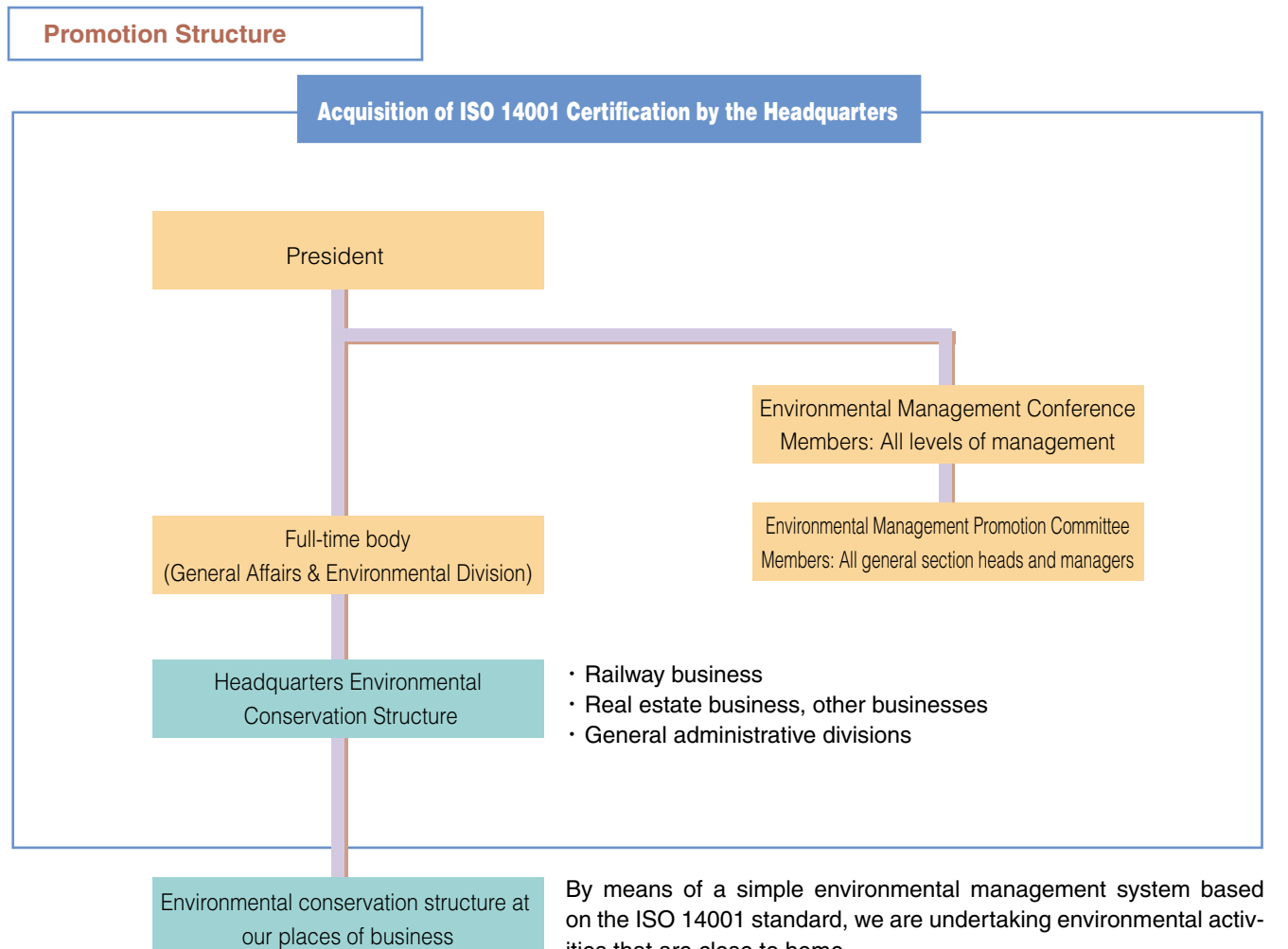
Tokyu Corporation Eco Up Program

In July 1998, our company set up the Environmental Activities Committee (now the General Affairs & Environmental Division), a full-time body that promotes unified environmental activities throughout the company. This committee developed the "Tokyu Corporation Eco Up Program" to institute numerical targets for each workplace and to undertake activities to protect the environment.

From within the company structure, our headquarters obtained ISO 14001 certification in November 2001 (general administrative departments and administrative departments of all divisions). Not only are initiatives being advanced at the headquarters level, but the managerial functions of the Headquarters Divisions are being used to promote environmentally-friendly activities throughout the workplace. We also plan to implement an environmental management system based on ISO 14001 standards, and aim to improve the overall quality of the "Tokyu Corporation Eco Up Program."

Every year, the "Tokyu Corporation Eco Up Program" selects 10 model workplaces to promote involvement in environmental issues in cooperation with the Environmental Office, and the results are distributed to related workplaces.

The Environmental Management Conference and the Environmental Management Promotion Committee convene twice annually to deliberate and reach decisions on environmental management issues as well as exchange and share information with all levels of the company.



Environmental Objectives, Targets and Results



Targets for FY 2003 and 2004

☹️ : Targets substantially exceeded ☺️ : Achieved

		Targets for FY 2003	Achievements	Targets for FY 2004	
Waste	All of head office	Thoroughly promote waste separation/collection and improve recycling rate 1% improvement over FY 2002 results (77.8%)	Target 78.8% → FY 2003 82.1% ☺️	Maintain FY 2003 result of 82.1%	
Green procurement	All of head office	Determine procurement ratio	FY 2003 results: 59.2% ☺️	3.8% improvement over FY 2003 results (59.2%)	
Electric power	All of head office	Monitored item	FY 2002 2,737,590kWh → FY 2003 2,562,526kWh (-6.4%) ☺️	Monitored item	
Copy paper	All of head office	Monitored item	FY 2002 10,867,750 sheets → FY 2003 10,133,125 sheets (-6.8%) ☺️	Monitored item	
Railway Headquarters	Railway Operation Division / Electrical Engineering Division	Raise efficiency of electricity consumption (Results for FY 2000: 2.506kWh/car·km)	FY 2003 results 2.302kWh/car·km (-8.1%) ☺️	6.5% reduction compared to FY 2000 results	
	Railway Operation Division	Raise efficiency of electricity consumption (4% reduction compared to FY 2000 results)	FY 2003: 6.0% improvement over FY 2000 ☺️	5% reduction compared to FY 2000 results	
	Electrical Engineering Division	Raise efficiency of electricity consumption (0.7% reduction compared to FY 2000 results)	FY 2003: 2.1% improvement over FY 2000 ☺️	1.5% reduction compared to FY 2000 results	
	Local environmental problems	Facility Engineering & Construction Division	Implement tangible noise and vibration countermeasures	Work performed must be environment-friendly ☺️	Implement tangible noise and vibration countermeasures
Urban Development Headquarters	Waste	Residential land development	Improve separation rate of waste 3% improvement over FY 2002 results (53.8%)	Target 56.8% → FY 2003 58% ☺️	5% improvement over FY 2002 results (53.8%)
		Land readjustment	Determine separation rate of waste	FY 2003 results: 49.3% ☺️	5% improvement over FY 2003 results (49.3%)
		Building management operations	Determine separation rate of waste	FY 2003 results: 99.3% ☺️	Maintain FY 2003 result of 99.3%
		Residential Condominium Division	Determine separation rate of waste material from construction sites	FY 2003 results: 77.3% ☺️	5% improvement over FY 2003 results (77.3%)
	Office Building Management Division	Achieve a 100% tenant compliance rate for the three buildings (Tokyu Ginza Building, Tokyu Minami Oi Building, Tokyu Utsukushigaoka Building)	Achieve a tenant compliance rate of 100% with respect to waste reduction	☺️	Provide space for separating general waste at the building in question
Tokyu Hotel Management	Recycling and countermeasures to prevent global warming	Increase the number of paper combs produced	Target 400,000 combs → FY 2003: 501,000 combs ☺️	Promote "Green Coin" (Results for FY 2003: 156,442 or more)	

* Tokyu Hotel Management is within the scope of Tokyu Corporation EMS (Environmental Management System).
* Monitored item: Monitored and measured item for which no targets or goals are set.

Model Worksites in FY 2003 Eco Up Program

Environmental objective: to be achieved by fiscal 2005
Environmental targets: targets to be met in a single year to achieve the environmental objective

Affiliation	Business worksites	Environmental objectives	Environmental targets	Achievements	
Railway Headquarters	Railway Management Division	Oimachi Station	Raise environmental awareness	Reduce waste (railway station offices) <Determine results for FY 2003> · Determine how waste is generated by railway station offices (Waste, cans, bottles, and PET bottles) · Leaders are to check waste separation · Teach waste separation	Results for FY 2003: 57,120g ☺️
	Railway Operation Division	Setagaya Line Office	Raise environmental awareness	Improve environment along our railway lines (12 cleaning sessions) Provide environmental education for all to explain significance of making improvements along our railway lines Clean station platforms and areas along railway lines to facilitate a clean environment. Raise environmental awareness by emphasizing waste separation	13 cleaning sessions involving a total of 122 people ☺️
	Facility Engineering & Construction Division	Construction Office1 Hiyoshi Construction Office	Raise environmental awareness	Reduce electricity consumption by 1% compared to FY 2002 results FY 2002 result: 35,914kWh → target: 35,555kWh	32.2% reduction compared to results for FY 2002 ☺️
	Electrical Engineering Division	Electric Power Operation Center	Raise environmental awareness	Reduce use of electricity for lighting in worksites (maintain consumption at 7,000kWh) · Turn off lights in worksites when facilities are not used · Consider installing more energy-efficient lighting	Maintain FY 2003 level of 7,000 kWh ☺️
Urban Development Headquarters	Residential Real Estate Division	Inukura Development Office	Reduce environmental impact by launching 3R campaigns	Reduce environmental impact through 3R campaign initiatives (reduce CO ₂ emissions by 30%) Take environmental countermeasures for construction waste (3R campaign)	30.3% reduction ☺️
	Communication Division	ranKing ranQueen Shibuya branch	Reduce electricity used for lighting in offices (Reduce by 2% compared to FY 2003 results)	Determine how much electric power offices consume	Results for FY 2003: 175,661kWh ☺️
Tokyu Hotel Management	Shibuya Tokyu Inn	Reduction of waste generated by hotel operations	Reduce volume of copy paper consumption by 3% compared to FY 2002 FY 2002 results: 165,100 sheets → target: 160,147 sheets	Reduction of 3.4% compared to FY 2002 ☺️	

Model Worksites in FY 2004 Eco Up Program

Affiliation	Business worksites	Environmental objective	Environmental target	
Railway Headquarters	Railway Management Division	Futako-tamagawa Station	Raise environmental awareness	Reduce waste (1% reduction of rail office waste compared to FY 2003) FY 2003 result: 43,910g → target: 43,470g
		Nagatsuta Station	Raise environmental awareness	Reduce waste (1% reduction of rail office waste compared to FY 2003) FY 2003 results: 63,630g → target: 62,993g
	Railway Operation Division	Railway Operation Center	Raise environmental awareness	Promote environmental education (implemented 3 times/year)
	Facility Engineering & Construction Division	Den-en-chofu Track Maintenance Office	Raise environmental awareness	Reduce electricity consumption (2% reduction compared to FY 2003 results) FY 2003 results: 84,737kWh → target: 83,042kWh
	Electrical Engineering Division	Electric Engineering Office	Raise environmental awareness	Reduce electricity consumption (2% reduction compared to FY 2003 results) FY 2003 results: 36,762kWh → target: 36,027kWh
Urban Development Headquarters	Communication Division	Tokyu Seminar BE Shibuya	Hold lectures on environmental issues (twice yearly)	Hold lectures on environmental problems (once yearly)
		ranKing ranQueen Jiyugaoka Branch	Reduce electricity consumption (2% reduction compared to FY 2003 results)	Reduce electricity consumption (1% reduction compared to FY 2003 results) FY 2003 results: 67,843kWh → target: 67,164kWh
Tokyu Gourmet Front	Doutor Coffee Shop Saginuma shop	Reduce electricity consumption (5% reduction compared to FY 2002 results)	Reduce electricity consumption (4% reduction compared to FY 2002 results) FY 2002 results: 145,800kWh → target: 139,968kWh	
Tokyu Hotel Management	Yokohama Excel Hotel Tokyu	Promote green procurement	Determine ratio of stationary purchases	
Tokyu Sports System	Yokohama Office	Promote green procurement	Determine ratio of stationary purchases	

Environmental Impact Data

Our business activities, of which the railway business forms a major part, are intimately related to society and the environment. Consequently, initiatives that contribute to building a sustainable society are determined by the characteristics of each individual business. The following is an overview of our activities aimed at reducing our environmental impact to ensure the trust of our customers and all members of the local communities we serve.

Energy consumption

1,586,968 GJ

Electricity	1,453,428 GJ
Gas	49,940 GJ
Heavy oil	50,370 GJ
Kerosene	18,798 GJ
Gasoline	10,075 GJ
Light oil	4,357 GJ

GJ: giga joule (A joule is a thermal unit, and a giga equals one billion. 1 giga joule equals 238 mega calories)

Resources consumption

Water
903,000 m³

Contiguous forms
138,000 sheets

Photocopy paper (A4 sheet equivalent)
26.90 million sheets

Company vehicles

Railcars	1,086
Gasoline-fueled vehicles	127
Diesel-powered vehicles	41
Hybrid vehicles	7
Electric vehicles	1
Traction vehicles	2
Forklift trucks	11

Handling of hazardous or harmful materials

- Storage of electrical equipment containing PCBs
- Installation of (fire extinguishers containing) halon
- CFCs (installation of transformers, VVF equipment, air conditioning equipment)
- Use and storage of agricultural chemicals, fuels, cleaning fluids for train cars, acetylene gas, and organic solvents
- Use and storage of pharmaceutical products and gases for medical care at Tokyu Hospital

INPUT

OUTPUT

Total CO₂ emissions: 175,362 t-CO₂

Business specific CO₂ emissions

Railway business	145,489 t-CO ₂
Real estate business	2,396 t-CO ₂
Other businesses	27,476 t-CO ₂

Breakdown:
CO₂ emission through energy consumption
Total 161,088 t-CO₂

CO₂ emission disposal by incineration
Total 14,274 t-CO₂

CO₂ emission from energy consumption

Waste generated from business operations 10,334 t

By business

By waste type

Business places that generate specially controlled industrial waste

Nagatsuta Rolling Stock Maintenance Center, Tokyu Hospital

Waste generated from building construction 39,847 t (Recycling rate 76.8%)

Noise, vibrations, interruptions to radio signals, wind hazards, etc.

Data Relating to Tokyu Corp.'s Environmental Impact

To determine the environmental impact of our business, we undertake an investigation each fiscal year into the size of the impact generated by each place of business. The following are the investigation results for FY 2003 and the previous three fiscal years.

Investigation period:

Fiscal year April 1 to March 31

Offices targeted:

The investigation targets all worksites and other places of business directly operated by the company, but does not include buildings it leases to tenants.

(FY 2003: 88 worksites; FY 2002: 159 worksites; FY 2001: 150 worksites, FY 2000: 188 worksites)

Notes:

- The coefficient published in the Report on Calculating the Volume of Greenhouse Gas Emissions (August 2002) by the Ministry of the Environment's Committee for the Calculation of Volumes of Greenhouse Gas Emissions is used to convert values for carbon dioxide emissions.
- Some data for waste volumes has not been ascertained; this has not been corrected by means of estimated values.

Energy and Resources Used and Wasted (waste generated) in FY 2003

Company total	Amount used/generated	CO ₂ emission (Unit: t-CO ₂)
Electricity	403,730,005 kWh	152,610
City gas	1,096,682 m ³	2,358
Propane	51,147 m ³	293
Gasoline	291,193 ℓ	673
Light oil	114,065 ℓ	301
Heavy oil	1,288,247 ℓ	3,568
Kerosene	512,212 ℓ	1,286
Generation of waste	10,334,994 kg	14,274
Total		175,363

By business	2000	2001	2002	2003	
Electricity used (Unit: kWh)	Railway business	353,886,097	354,363,453	362,871,828	366,930,410
	Real estate business	964,545	922,628	1,103,966	1,283,964
	Other businesses	101,935,081	94,735,050	92,377,277	35,515,631
	Total	456,785,723	450,021,131	456,353,071	403,730,005

Amount of industrial waste generated through business operations (Unit: kg)	2000	2001	2002	2003
Railway business	4,803,661	5,009,028	4,831,679	4,796,282
Real estate business	1,292,975	1,254,188	1,141,837	1,143,980
Other businesses	4,854,607	4,793,431	4,824,141	4,394,733
Total	10,951,243	11,056,647	10,797,657	10,334,995

Amount of industrial waste generated through business operations in FY 2003 (Unit: kg)	Recyclable resources			General waste		Industrial waste	Specially controlled industrial waste
	Used paper	Cardboard	Cans/Bottles/PET bottles	Combustible waste	Non-combustible waste		
Railway business	1,296,791	4,006	1,221,203	2,191,931	2,542	78,759	1,050
Real estate business	386,841	80	4	677,368	20,458	59,229	0
Other businesses	199,535	1,372,852	204,691	2,346,977	147,394	92,330	30,954
Total	1,883,167	1,376,938	1,425,898	5,216,276	170,394	230,318	32,004

Amount of industrial waste generated through contract construction work (by waste type)	Construction waste generated (t)	Composition (%)	Amount recycled (t)	Recycling rate (%)
Railway business	15,191.1	38.1%	7,835.5	51.6%
Real estate business	24,210.6	60.8%	22,707.3	93.8%
Other businesses	445.3	1.1%	77.1	17.3%
Total	39,847		30,619.9	76.8%

Railway Business

Overview

The company runs a railway business that operates a total of eight lines – seven railway lines and one streetcar line – between south-western Tokyo and eastern Kanagawa Prefecture, which are used by many customers each day, mainly for commuting to work and school in the south-western part of the metropolitan area.

- **Lines** Railway: Toyoko Line*, Meguro Line, Den-en-toshi Line, Oimachi Line, Ikegami Line, Tokyu Tamagawa Line, Kodomonokuni Line (facility owned by Yokohama Mirai21 Railway and operated by Tokyu)
Streetcar: Setagaya Line
- **Number of stations** 98 (88 railway stations and 10 streetcar stations)
- **Distance covered by our services** 100.1km (railway: 95.1km, streetcar: 5.0km)
- **Number of passengers** 984.75 million annually (figure for FY 2003)

In terms of the number of passengers carried, Tokyu is number one out of the 15 major private rail companies. About 2.69 million passengers use our services every day. Moreover, our operating profit arising from this is ¥135.3 billion, which accounts for 56.3% of the company's income from all its businesses, making it the linchpin of our operations.

*The Yokohama – Sakuragi-cho section was closed after the last scheduled train on January 30, 2004.

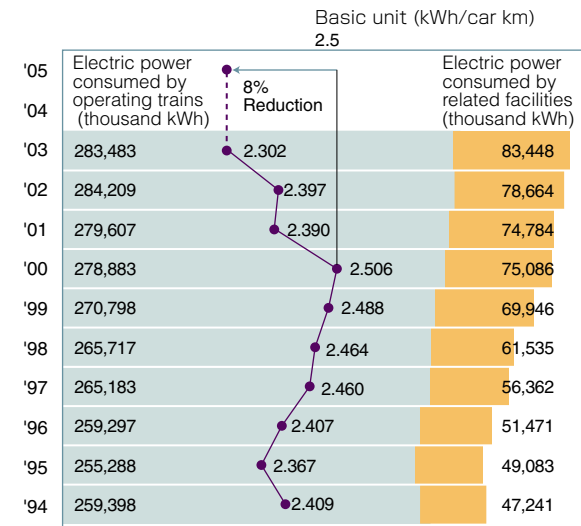
Railway Business

Public rail transportation is highly energy efficient, and we believe that its promotion is an effective way to curb global warming. To encourage more people to use public rail transportation, we must make rail transportation more convenient and comfortable for passengers, to convert them from other modes of transportation. At the same time, we must improve energy conservation to boost energy efficiency.

In FY 2003, electricity consumption by our railway business accounted for 86% of our company's CO₂ emissions generated by energy consumption. We predict that this percentage will increase as a result of our efforts to improve the carrying capacity of our trains, and upgrade services by making station facilities barrier-free. In anticipation of this increase, we will also step up efforts to improve energy efficiency.

In addition to the above, we are working to promote the reduction of noise and vibration pollution generated by railway operations, and are taking measures to recycle more of the waste materials generated by construction projects. We established the Environmental Committee in the Railway Division in 2000 and various subcommittees in order to deal with these issues in the most effective manner. We are firmly dedicated to improving the living environments of communities that lie along Tokyu-operated railways.

Electric power consumption and energy consumption unit

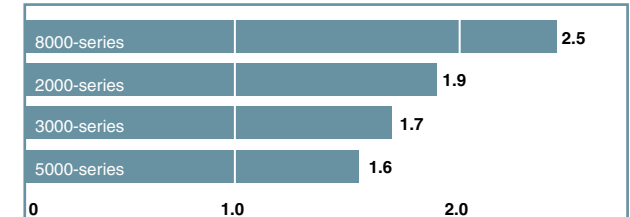


* Electric power consumed by operating trains was revised due to a thorough check of measuring methods used.

New 5000-series Railcars

The new 5000-series railcars introduced in April 2002 are designed to be both environment-friendly and user-friendly, featuring regenerative brakes, VVVF control, and other energy-saving functions in addition to reducing noise and providing barrier free convenience. To reduce weight, the new railcar features lighter rigid axles, bolsterless bogies, single-arm pantographs, low-noise master control units that employ IGBT elements, and an electromagnetic direct-braking system combined with regenerative braking. Due to these features, it consumes only 1.6 kWh of electric power to operate one railcar per kilometer, a 40% reduction over the 8000-series of railcars. This new environment-friendly railcar is gradually becoming our standard railcar, and 66 were in operation by the end of March 2004.

Energy Consumption Unit by Railcar Type (Unit: kWh/car·km)



The amount of electricity consumed by conventional models (8000- and 2000-series) and energy efficient models (3000- and 5000-series) was measured during a three-day period between July 12 to 14, 2000 and another three-day period from April 24 to 26, 2002, between Yuga and Nagatsuta Stations on the Den-en-toshi Line. The measurements were converted into the amount of electricity used per car per kilometer (energy consumption unit).

Initiatives to Prevent Global Warming

Electric power consumed by the railway business accounts for 86% of CO₂ emissions generated by energy consumption. We are implementing a number of measures to reduce electric power consumption to help prevent global warming.

Target: 8% Reduction of Energy Consumption Unit* on the Figure for FY 2000 by FY 2005

*Energy consumption unit: electric power consumed by operating trains divided by railcars per km
(Breakdown: 4% by introduction of new type railcar, 2% by unified feed to both inbound and outbound lanes, 2% by other measures)

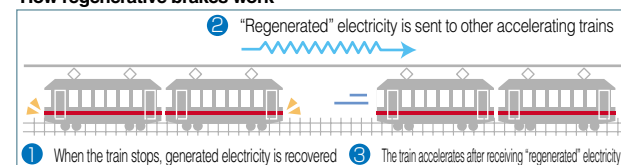
Measures to Reduce Electricity Consumption in the Railway Business Sector

We are introducing energy-efficient railcars and energy-saving lighting and air conditioning systems at railway stations to reduce electricity consumption by the railway business sector.

Regenerative Brakes

Regenerative brakes were designed to enable railcars to utilize electric power more efficiently. By adding power generator functionality to train motors, it is possible to generate electricity when brakes are applied. This electricity can then be used by other trains, thereby helping to reduce electric power consumption. By 2001, Tokyu Corporation had fitted all its trains with regenerative brakes.

How regenerative brakes work



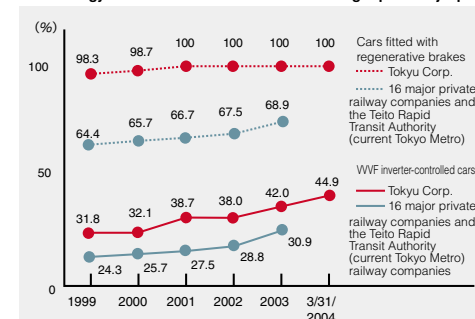
VVVF Inverter-controlled Cars

VVVF* inverter-controlled cars use inverters to convert direct-current electricity running through overhead lines. The converted electricity powers an AC motor (conventional cars use DC motors) that runs the train. Not only does this type of railcar conserve electricity, the AC motor is desirable because of its low-maintenance, lightweight, and compact design.

Tokyu Corporation began introducing VVVF inverter-controlled cars in 1986, and by the end of March 2004, they accounted for nearly 44.9% (471 cars) of all Tokyu railcars; no other major private railway company in Japan is able to claim such a high introduction rate. We will continue to implement this new technology in the future.

* VVVF: Variable Voltage Variable Frequency

The energy-efficient railcar introduction rate among Japan's major private railway companies



Initiatives Toward a Recycling-oriented Society

A number of measures have been implemented to reduce waste generated by business activities in the railway business.

Recycling Stainless Steel Railcars

Currently all railcars in operation on our lines are made from stainless steel. Unlike steel railcars, stainless steel railcars do not need to be painted due to their excellent corrosion resistance. Therefore, they have less of an impact on the environment.

In August 2000, the Mekama Line was divided into two lines, the Meguro Line and Tokyu Tamagawa Line. This created a redundancy of 52 railcars, 30 of which were transferred to Toyohashi Railroad Co., Ltd., and 8 railcars were transferred to Towada-kanko Electric Railway. The remaining 14 railcars were dismantled in FY 2001. Later in FY 2002, 18 railcars and in FY 2003, 45 railcars were dismantled. In FY 2004, 14 railcars are scheduled to be dismantled.

To minimize the environmental impact during dismantling, the air conditioning equipment is removed first to prevent emissions of chlorofluorocarbon into the atmosphere. Then the glass in the



The recycle rate in dismantling 8000-series railcars was 87.8% (FY 2003)

windows is removed and is followed by the removal of the seat material. Measures are also taken to reduce waste, for example, by selling some articles to railway fans.

Recycling Train Tickets

Paper tickets, plastic train passes, and Passnet cards purchased by our customers are collected by the automatic ticket gates or by train pass sales counters.

Since they are coated with a magnetic material to enable use in the automatic ticket gates, tickets could not be recycled as paper until recently. Since FY 2001, Tokyu has used special technology to separate the magnetic material from the pulp, which is recycled as toilet paper for use in station toilets.

Train passes and Passnet cards can be used as raw materials (reducing agents) in steel mill blast furnaces or recycled as station benches.



A bench seating four people made from recycled tickets (each seat is made from 1,500 used tickets)

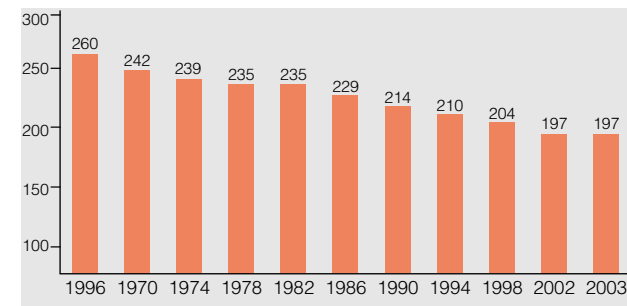
Initiatives to Improve the Environment Along Our Railway Lines

Since the train lines are located in densely populated areas, coexistence with communities along railway lines and preservation of the environment in those areas are important issues. A number of initiatives in this regard are being undertaken.

Eliminating Railroad Crossings

Our efforts to eliminate railroad crossings started with the overhead crossing near Nakanobu Station on the Oimachi Line in 1954. The overhaul of the transportation network that took place to prepare for the Tokyo Olympics speeded up the elimination of railroad crossings from the early 1960's. As a result, all railroad crossings on the Den-en-toshi Line disappeared. The construction of quadruple track lines on the Toyoko Line between Musashi-kosugi and Hiyoshi, and overpass crossings between Meguro and Senzoku on the Meguro Line are heading towards completion as we make continued efforts to eliminate railroad crossings.

Changes in the Number of Railroad Crossings



Measures to Reduce Noise and Vibrations

Soundproofing Measures

Elevated bridges are provided with a 1.5m high sound-insulating wall to prevent noise from reaching the surrounding area.

In FY 2003, recycled board was used as a sound insulating material to cover the side and bottom areas of the steel bridge between Gakugei-daigaku and Toritsu-daigaku Stations to lower noise levels.



Steel bridge between Gakugei-daigaku and Toritsu-daigaku Stations

Making our Stations Barrier-free

We are creating more barrier-free stations to make our trains more user-friendly. Greater ease of access to our trains will make more people rely on trains for transportation (generate a modal shift*) and help reduce the environmental impact of the whole of society.

*In transportation of people or goods, a modal shift refers to changing to a form of transportation that has a lower environmental impact, such as switching from use of a passenger car to railroad use.

Installation of Elevators and Escalators

We are doing our best to increase the number of barrier free stations by installing more elevators and escalators. Now 57 stations out of a total of 68 stations that need them have been provided with elevators and escalators.

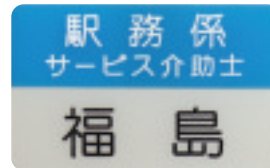


Elevator at Sakura-shinmachi Station

Certified Care-fitters

Since April 2003, our station staff have been acquiring qualification as Certified Care-fitters to assist elderly and handicapped passengers and making it easier and safer for them to use our stations. As of the end of April 2004, 270 of our staff had acquired the Certified Helper of the Handicapped qualification of the Nippon Care-Fit Service Association (a non-profit organization).

Certified Care-fitter diploma (pin) obtained by one of our staff. Another step forward in making our stations friendlier.

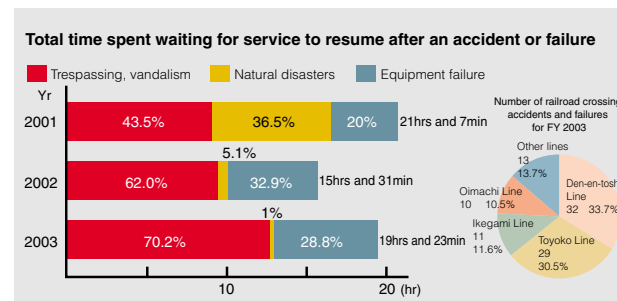


Effective Communication with Communities Along Our Train Lines

Accidents and Failures in the Railway Business

To make our railways safer, we are eliminating railway crossings, installing safety equipment and improving the quality of maintenance and inspection work. However, despite our best efforts accidents and failures cannot be entirely eliminated.

The number of accidents and failures that have occurred on our train lines and the time spent waiting for resumption of service are shown below.



Real Estate Business

Outline of Operations (as of March 31, 2004)

Area under development: 3,574ha

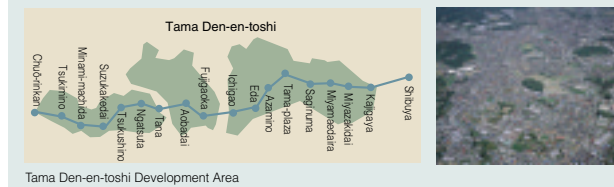
- Land readjustment projects
- Sales of houses and land for house building
- Sales of land for use by businesses
- Sales of housing complexes

Real estate utilization business: land utilization consultancy, leaseings of land and buildings for business

Shopping center development and operation: approx. 28,000 m²

Total area of buildings leased: approx. 377,000 m²

Other: Operating Tama Den-en-toshi Machi Zukurikan (a community museum for the Den-en-toshi area)



Tama Den-en-toshi Development Area



Real Estate Business

Famous for Tokyu Tama Den-en-toshi, our real estate business has been structurally reorganized by merging the urban development, building, and distribution businesses into the Urban Development Headquarters to create a business based on a new concept.

While we are continuing to provide comfortable apartments and houses in the Tama Den-en-toshi, we also face the need for increased recycling due to the environmental impact of the construction waste that all residential land development generates. We recognize that it is our responsibility to develop homes that are, throughout their life, environment-friendly from energy-conservation and waste-reduction perspectives.

Our building leasing business has in the past left recycling and energy conservation activities up to individual tenants. In the future, however, we plan to take a more aggressive stance toward encouraging tenants to participate in environmental activities.

Initiatives for a Harmonious Coexistence with the Environment

Our Dresser series of apartments are built with environment consciousness being a key consideration from the planning stage and each project starts with determination of the best way to integrate it with the environment. An example is described below. (Project features depend on the specific property.)

Features of Environment Consciousness in the Design of the Dresser Series

Energy Saving	<ul style="list-style-type: none"> ● Double glazing (heat insulation) ● Installation of solar panels
Efficient Use of Resources	<ul style="list-style-type: none"> ● Use of discarded concrete as recycled aggregate ● Use of old wood recycled as building materials and particle boards ● Use of recycled tiles ● Recycling of carefully sorted wood, corrugated fiber board, metal scrap, etc.
Attention to Local Environment	<ul style="list-style-type: none"> ● Rooftop gardens ● Use of permeable interlocking pavement blocks
Comfortable Living Conditions	<ul style="list-style-type: none"> ● Universal design specifications (a minimum of indoor level differences, low prefabricated baths, and hand rails provided in the lavatory) ● Countermeasures to prevent sick house syndrome ● Noise reducing windows ● Disposers ● Dirt-resistant tiles for exterior walls

Environment Conscious Houses (NeUE Series)

A series of ready-built houses, NeUE is designed around three "E" concepts: Ecology, Enjoy, and Elegant.

Harmony with the environment was the main concept in the design of NeUE Wakakusadai, a development consisting of 10 houses built in FY 2003. It features a high-level of "air tightness" and "thermal insulation," "anti-sick house syndrome measures" to ensure the health of its occupants and housing with a long life span to save resources. The Exterior Insulation and Finish Systems is a characteristic of NeUE Wakakusadai. Whereas the internal insulation fills the walls with insulation material and construction material, the exterior insulation is sandwiched between each layer of construction material. Since the construction material is not directly exposed to air, the building lasts longer. In the internal insulation, electric cables, gas pipes, and water pipes in walls and construction material break up the insulation material in a way the exterior insulation, which achieves uniform insulation for the entire wall surface, does not. The internal insulation relies on glass wool and similar fibrous substances while the exterior insulation employs plastic insulation with independent air bubbles that facilitate insulation, making it suitable for houses with central air conditioning.

A house with a longer life translates into a reduction in the use of construction materials, an essential advantage in reducing the environmental impact of housing. At NeUE Wakakusadai, some of the western-style rooms in each house have flexible partitions to enable changes to the layout to suit different life styles. A change in the location of the partitions makes it possible to accommodate different needs, thereby eliminating the need for additional reconstruction work. While the houses we build are environmentally-conscious in saving energy and resources, we are also aware that the comfort of the occupants is an essential factor.

Toward Sharing Use of Nature Park

Creating Environmentally-Sustainable Housing in the Inukura Land Readjustment Project

In 1998, the Environment Agency (the present Ministry of the Environment) designated the Inukura Land Readjustment Project situated on the Tsurumi River and at the headwaters of the Yagami River in Miyamae-ku, Kawasaki City as the Tsurumi River Biological Diversity Conservation Area (Tsurumi River Basin). The priority of this project was to build a park that allows visitors to experience firsthand the beauty of the natural landscape and the living things that reside there. The project went ahead under the control of a liaison council formed with the cooperation of local civic groups, Kawasaki City, and the Inukura Land Readjustment Association (we participate as the readjustment association's secretariat).

We hope this area will become a symbol of the Yagami River headwaters as a park providing firsthand experience of nature.



Rare Creatures Protected and Returned to Water Courses and Marshes

Fireflies, "hotoke" loaches, quillwort, and other rare organisms in the care of local residents, elementary schools, and research centers were returned to water courses and marshes specially constructed for them, and their living conditions will be monitored. In November 2003, an excursion was arranged for local elementary school children to witness the fireflies feeding on released semisulcospira.



Abundant Plant Life Adorning the Forest Floor

This spring more species of protected trees such as Lycoris sanguinea, Ajuga nipponensis and Disporum sessile were discovered adorning the forest floor than during the initial environmental assessment.

Before the start of the project, rare plants like Liliun auratum, Cymbidium goeringii, and Helwingia japonica were moved out of the project area and into the care of universities and local research groups.

Acorns from sawtooth oak or quercus serrata are often seen sprouting on the forest floor. These seedlings will be replanted in conjunction with a local event to recreate the sloping areas of Satoyama, where there are few trees.

Joint Management by Local Residents and the Local Government

Planned for opening in October 2005, the park will be jointly maintained by Kawasaki City and local residents. Until then rare plants will be replanted and monitored while maintenance will be performed on an experimental basis to work out an ideal arrangement under realistic circumstances.



Growing wild in the Inukura area, these two trees, a double cherry tree and nettle tree, have been replanted as "symbol trees" of the park.

50th Anniversary of Tokyu Tama Den-en-toshi

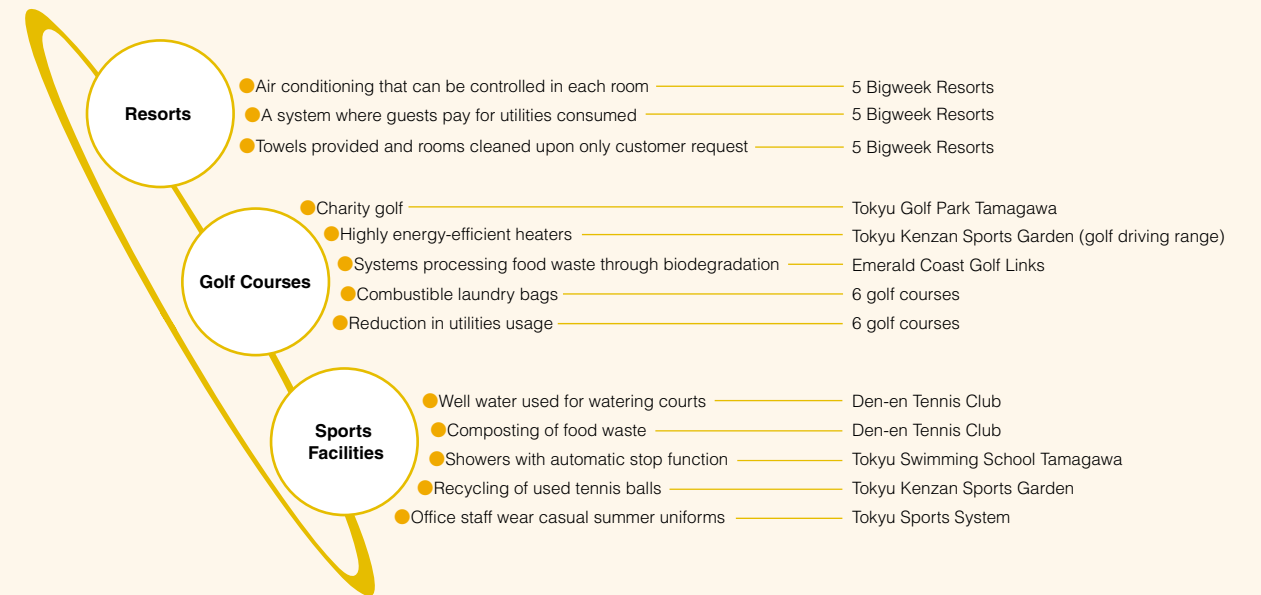
More than half a century has now passed since the company issued the Statement of Intent Regarding Jonan Area Development in 1953, that marked the start of the Tokyu Tama Den-en-toshi Project. Realizing at an early stage that Tokyo would continue to grow, the company planned the Tokyu Tama Den-en-toshi project as an ideal new city construction initiative to provide superior residential housing. To reflect the opinions of local residents and to ensure that land use benefited the entire area, Tama Den-en-toshi was developed under the management of a land readjustment project. This project currently covers an area of 3,574 hectares with a population of more than 560,000 inhabitants and ranks as one of the most popular residential areas. We will continue to create attractive living conditions that bring people close to nature in environmentally-sustainable residential areas where saving energy and resources are a natural part of daily life.

Other Businesses

Harmony between Service and the Environment

Businesses other than our two major businesses, railways and real estate, are referred to as "other businesses." These include management of resorts, golf courses, and sports facilities.

They are service-related operations where we provide services in attractive surroundings while ensuring that the natural environment is not adversely affected.



Recycling of Food Waste at Den-en Tennis Club

Located in Den-en-chofu, a quiet suburb of Tokyo, the Den-en Tennis Club was founded in 1934. The tennis club takes a number of measures to reduce the amount of waste generated or recycle it. The 2 to 3 kg of food waste that is produced every day is fermented, first separately and then a second time with lean soil, to finally be used as compost in flower beds, an effort that is praised by all club members.



Recycling of Old Tennis Balls

The tennis school at Tokyu Kenzan Sports Garden runs through a lot of tennis balls. Since 2002, it has donated old tennis balls to elementary schools and junior high schools. This was an idea proposed by the Global Sports Alliance (chairman: Tadashi Yamamoto), a non-profit organization.

Old tennis balls are used on the legs of chairs and tables to dampen the noise when they are moved. This is especially valuable in classes with hearing-impaired pupils as such noise is picked up by their hearing-aids and makes it difficult for them to concentrate on the lesson. This effort has reduced noise and contributed to a better learning environment.



Old tennis balls recycled as noise-reduction pads

Communication

Towards a Trustworthy Tokyu

We highly evaluate our relationships with people in areas where we do business, our customers, governmental agencies, employees, and other stakeholders. We provide information on our activities and solicit suggestions and opinions from the public through a variety of media, by publishing a Social Environment Report, via the Tokyu Customer Center, or our website.

Communication with Our Customers

Issuance of an Environmental Report

We have published an environmental report annually since October 2000. The environmental report can be accessed on our website, and we have set up a corner to respond to questions by email from customers who have read the report.



Our website was accessed 15,000 times during FY 2003.

CS Activities

We define CS (customer satisfaction) as "a complete overhaul from the customer's viewpoint of all our operating activities, conduct ceaseless improvement and reform to win customer satisfaction, employee satisfaction, and thereby ensure stable, long-term development of our firm."

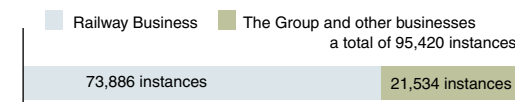
To launch our CS activity campaign, we set up a dedicated "Tokyu Customer Center" in February 1995, to handle customer inquiries, opinions, and requests regarding the Tokyu Group and Tokyu Corporation.

From March 2003, we extended the operating hours of our telephone service and from October we made it possible to place calls to Tokyu Line stations from external phones to increase the efficiency of station services and create a more user-friendly service.

Customer feedback collected in this manner is analyzed and classified to be shared by everyone from the manager level via our corporate network, to contribute to improving the facilities and services of Tokyu Corporation and Tokyu Group and to revise operations.

Customer feedback to Tokyu Customer Center amounted to 290,234 instances during the period between February 1995 and March 2004. In FY 2003, there were a total of 95,420 instances of which 94% were inquiries and 6% were opinions and requests.

Customer Feedback for FY 2003 (inquiries, opinions and requests)



Communication with Governmental Agencies

Winning the Kanto District Transport Bureau's Environmental Protection Effort Award

In recognition of its achievements in environmental protection in the area of transport, Tokyu was awarded the Environmental Protection Effort Award, given by the head of the Kanto District Transport Bureau, in June 2004. (The award recognized Tokyu's achievements, including the introduction of the 5000-series railcars, implementation of a single electrical system for both up-line and down-line trains, and the introduction of railroad track lubricators to reduce impact on the environment.)



Appointment to the Ministry of Land, Infrastructure and Transport's Central Construction Deliberation Council

The Central Construction Deliberation Council, which is under the jurisdiction of the Ministry of Land, Infrastructure and Transport, deliberates bidding for construction work, the application, improvement, and fairness of contracts, and other issues. In October 2003, Tokyu Corporation Managing Director Takakuni Happo was appointed to the Council.

Appointment to the General Policy Planning Subcommittee of the General Policy and Global Environment Joint Section (The Central Deliberation Council of the Ministry of the Environment)

In December 2003, Tokyu Corporation Managing Director Tadashi Igarashi was appointed to this subcommittee, which is responsible for countermeasures for global warming.

Acceptance of Technical Trainees from Overseas

At the request of the Japan International Association for the Exchange of Students for Technical Experience (IAESTE), Tokyu Corporation accepted an overseas technical trainee for the period between July 1 and October 15, 2003. The trainee, a 28-year-old male German national, was assigned to the Planning & Administration Division, Railway Headquarters. The trainee received wide-ranging training related to the future planning of railways, system planning, environmental planning, and other areas, giving him a firm grasp of transportation affairs in Japan.

Communication with Our Employees

Human Resources Development

As society continues to undergo major changes, the values of our customers grow more diverse.

In order for companies to develop in such an environment, it is important to emphasize company-employee collaboration that promotes self-reliance.

Tokyu Corporation has begun implementing a variety of human resource systems under its "Basic Human Resource Philosophy" to ensure that the talents and individuality of each employee are respected.

Basic Philosophy for the Personnel System

Respecting individuality and making the best use of people
Creating a climate in which our employees can work dynamically

Basic Human Resource Philosophy

- A performance- and results-oriented system that emphasizes duties, responsibilities, and achievements
- Utilizing individuality and expertise to the greatest possible degree
- Establishing cooperative labor based on individual autonomy
- Increasing the desire for challenge, self-fulfillment, and growth

Creating Equal Employment Opportunity in the Work Place

With the enactment of the Equal Employment Opportunity Law in April 1999 and the revision of the Labor Standards Law, we have started to include female station staff in our 24-hour/alternate day shifts. As of the end of March FY 2003, there are 25 employees at six stations, and since April 2004, the Setagaya Line has 34 female train attendants on duty.

Male/Female staff

FY	2000	2001	2002	2003
Male	3,873	3,558	3,449	3,169
Female	368	313	295	308
Total	4,241	3,871	3,744	3,477

Male/Female managers

FY	2000	2001	2002	2003
Male	255	230	221	208
Female	2	2	2	2
Total	257	232	223	210

As of end of March 2004
(Unit: people)



Female train attendant on Setagaya Line

Health and Safety Measures

As a participant in the service industry, we firmly adhere to the philosophy that customers come first. We believe that the first step toward providing truly thoughtful service to our customers is to create a safe, comfortable, healthy, and dynamic working environment for our employees.

Assessing Occupational Safety

In FY 2001, we instituted risk assessment at engineering workplaces of the Railway Division to strengthen our accident prevention measures. Risk assessment is the main theme of the Occupational Health and Safety Management System. This assessment made clear what and where dangers are present in the workplace. The resulting data will be used to reduce occupational accidents by eliminating the hazard or, when this is not possible, to make everyone aware of the hazard to enable appropriate countermeasures.

Number of occupational accidents

FY	Lost worktime	Without rest	Commuting accidents	Total
1999	6	5	1	12
2000	3	4	3	10
2001	4	4	0	8
2002	4	3	4	11
2003	7	5	3	15

Employee Safety and Health through Self-Management

The safety and health of our employees is based on two policies: "the company will make sure that the health of the employees is not endangered" and "each employee will take measures to stay in good health." Regular medical check-ups and physical strength-building, as exemplified by our "10,000 steps a day" campaign, are some of the things we encourage to keep the staff fit.

Mental health care, now a growing social concern, is handled through employee self-care, line care performed by our supervisors, and by our health staff that includes industrial physicians.

Seventh Zero Accident, Zero Illness Campaign April 1, 2004 to March 31, 2009

Objectives for Five-year Period

1. Observe laws and make sure they are appropriately enforced
2. Strengthen occupational safety and health management systems
3. Make sure occupational safety and health staff are aware of their responsibilities and perform their professional duties
4. Voluntary participation by staff in occupational safety and health activities

"Tokyu Will" Our Aims to Stimulate Employment of the Handicapped

The ratio of our employees who are handicapped reached 1.83% in October 2003, thus exceeding the 1.8% legal employment ratio. On April 1, 2004, we established a new company, Tokyu Will, to promote the employment of the handicapped. It currently has eight handicapped employees.

Environmental Activities of the Tokyu Group

Under the slogan "Toward a beautiful age - The Tokyu Group," the Tokyu Group is actively involved in activities related to environmental conservation and cultural support toward the goal of realizing the group ideals.

Group initiatives such as giving support for acquisition of ISO 14001 certification are being actively pursued, and we are striving to achieve significant results through environmental activities that highlight the merits of the group.

The Tokyu Group's Overall Environmental Management System

The Tokyu Group Environmental Management Promotion Committee

To ensure that our group upholds its societal responsibilities by reducing its impact on the environment and ensuring compliance with environmentally-related regulations and laws, and to manage risk related to the environment, we inaugurated the "Tokyu Group Environmental Management Promotion Board" in 2003. The environmental management directors in our consolidated and publicly traded companies will work with environmental issues at the managerial level.

Tokyu Group Environmental Information Exchange Forum

The Tokyu Group Environmental Information Exchange Forum was instituted in 1999 to improve the environmental activities of each company through the exchange of information relating to the various businesses. The Forum was held twice in 2003, and has been held a total of 12 times since its inception.

Eco Action 21 (EA21)

The Ministry of Environment is working to have its Eco Action 21 (EA21), a simple environment management system, generally adopted.

Tokyu Bus Corporation in the Tokyu Group became a registered participant in this action plan on August 30, 2002. This direct involvement in environmental activities was recognized with the reception of the Outstanding Performance Award in the Environment Action Plan Category of the 6th Environmental Report Awards in January 2003 (sponsored by the Global Environment Forum).

In FY 2004, Ueda Kotsu Corporation and Tokyu Hakuba Corporation are also expected to receive certification.

Promoting the Acquisition of ISO 14001 Certification

The Tokyu Group is actively working on the creation of an environmental management system.

The group has a system through which the environmental management officers from Tokyu Corporation and other group companies with experience in attaining this certification help companies in the group that are trying to acquire ISO 14001 certification.

Status of ISO 14001 and EA21 Certification

Status of ISO 14001 Certification (as of March 31, 2004)

Business	Date of Certification
1 Shiroki Corporation / Nagoya Plant	Feb. 9, 1998
2 Musashi Institute of Technology / Yokohama Campus	Oct. 28, 1998
3 Shiroki Corporation / Fujisawa Plant	Dec. 25, 1998
4 Tokyu Corporation, Tokyu Railway Service / Nagatsuta Rolling Stock Maintenance Center	Mar. 19, 1999
5 Tokyu Construction Co., Ltd / Institute of Technology	Sep. 22, 1999
6 Tokyu Construction Co., Ltd / Works in Japan	Mar. 22, 2000
7 Tokyu Community Corp. / Building Management Division 1st Building Sales Dept. Yoga Office	Mar. 31, 2000
8 Tokyu Corporation / Headquarters	Nov. 29, 2000
9 Nagoya Tokyu Hotel	Mar. 28, 2001
10 Tokyu Logistic Co., Ltd. / Kimitsu branch	Jun. 27, 2001
11 Tokyu Logistic Co., Ltd. / Todabashi branch	Jun. 27, 2001
12 Tokyu Facility Service Co., Ltd. / Tokyu Higashiyama Building	Sep. 26, 2001
13 Tokyu Agency Inc. / Headquarters	Feb. 22, 2002
14 Tokyu Logistics Co., Ltd / Sales Department 1 (Tokyo Area)	Jul. 24, 2002
15 Tokyu Architects & Engineers Inc. / Head Office, Osaka Office	Feb. 1, 2003
16 Tokyu Station Retail Service Co., Ltd. / Head Office	Mar. 31, 2003
17 Nagano Tokyu Department Store Co., Ltd.	Jun. 30, 2003
18 Tokyu Store Chain Co., Ltd. / Headquarters Nakameguro	Jul. 30, 2003
19 Toko Foods Inc. / Headquarters	Feb. 26, 2004
20 Tokyu Department Store Co., Ltd. / Headquarters (excluding Saginuma Distribution Center), Corporate Sales Division	Feb. 27, 2004
21 Tokyo Bay Hotel Tokyu	Mar. 31, 2004

Status of EA 21 certification (as of March 31, 2004)

Business	Date of Certification
1 Tokyu Bus Corporation / Headquarters, Kawasaki, Higashi-yamada, Operation Office, Higashi-yamada Plant	August 30, 2002
2 Ueda Kotsu Corporation	※
3 Tokyu Hakuba Corporation	※

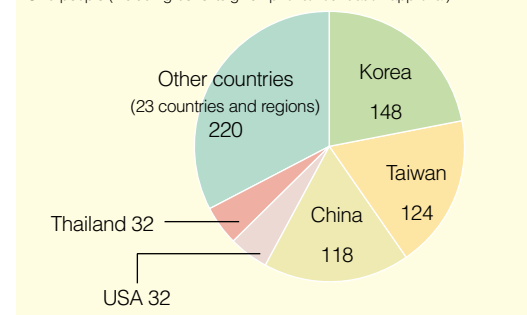
※ Although screening was passed and recommendation was made in FY 2003, registration is planned for FY 2004

Tokyu Foundation for Inbound Students

The Tokyu Foundation for Inbound students was established as a non-profit organization in October 1975 with funding contributed by Tokyu Group companies and other backers, with the objective as expressed by the late founder Noboru Goto, "to foster human resources with an international understanding that will promote cultural exchange between Japan and foreign countries and bring about true good-neighborly relations."

The scholarships are offered to foreign students from Asian and Pacific countries studying at Japanese graduate schools, to enable them to accomplish their educational goals. The objective of the foundation is not limited to financial support, but to build a human network for furthering the understanding of Japan by establishing close relationships among the students, employees from the Tokyu Group and members of the foundation, and conducting a variety of exchange activities. Up to FY 2004, 674 students from 28 countries have received scholarships from the foundation.

Figures by Country (1974 - 2004)
Unit: people (including benefits given prior to foundation approval)



Palau Pacific Resort

At Palau Pacific Resort, a resort hotel in the Republic of Palau in the western Pacific, we are engaged in a number of environmental initiatives, one of which is sea cultivation of giant clams. Four times a year we have hotel guests place 20 to 30 giant clams (about 20 cm long) in the sea off the hotel beach. On these occasions, researchers from the Marine Culture Research Center of the Palau government come to give lectures on giant clams and environmental protection. After the lectures, hotel guests are taken 60 meters offshore to place the giant clams at a

depth of 3 meters. We have conducted this activity since 1984 and some of the clams have grown as long as 1 meter.



Tokyu Hotel Management

We have started a "Green Coin" campaign at our three hotel brands; Excel Hotel Tokyu, Tokyu Inn, and Tokyu Resort throughout Japan. Guests who do not use the complimentary items in the bathroom, can put the "Green Coin" placed with the amenities into a collection box at the reception desk.

The value of one coin is roughly equivalent to that of a tree sapling and the equivalent amount is donated to the "Children's Forest" project, a global forestation program run by the OISCA (Organization for Industrial, Spiritual, and Cultural Advancement).

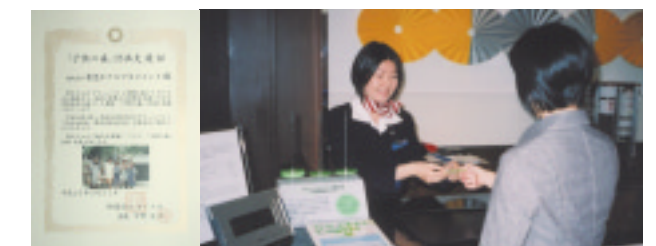
When the program was started in FY 2001, the monetary equivalent of 69,541 saplings was donated within five and a half months, the monetary equivalent of 159,564 saplings was donated in 2002, and the monetary equivalent of 156,442 saplings was donated in 2003, bringing the total contribution to an amount equivalent to 385,547 saplings.

The OISCA "Children's Forest" project teaches children of the Asian and Pacific regions the importance of forests, and instills in them a love of greenery. The saplings are planted at schools, enabling the children to raise the resulting small forests.

Guests who participated in the "Green Coin" environmental initiative are given the opportunity to realize the significance of forests and reducing environmental impact, without sacrificing their comfort.

Guests who did not initially notice the campaign and were unable to contribute a coin often expressed a wish to cooperate with the project on a future visit.

<Tokyu Hotels website: <http://www.tokyuhotels.co.jp>>



2004 Tokyu Corporation Social Environmental Report

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*The online Japanese and English versions of this report can be viewed on the
Tokyu Corporation website:
<http://www.tokyu.co.jp/kankyo/en/>



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