

2005

Tokyu Corporation Social Environmental Report

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 the section titled "The Tokyu Group's Social Contributions & Environmental Activities."

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.

Period covered

- Results: FY 2004 (April 1, 2004-March 31, 2005)
- Objectives/Targets: FY 2005 (April 1, 2005-March 31, 2006)
- Environmental Objectives
 - Three-year long-term objectives starting from FY 2005
- Environmental Targets
 - Single-year targets for achieving the environmental objectives
 - * Some sections feature the latest information available.

Business category

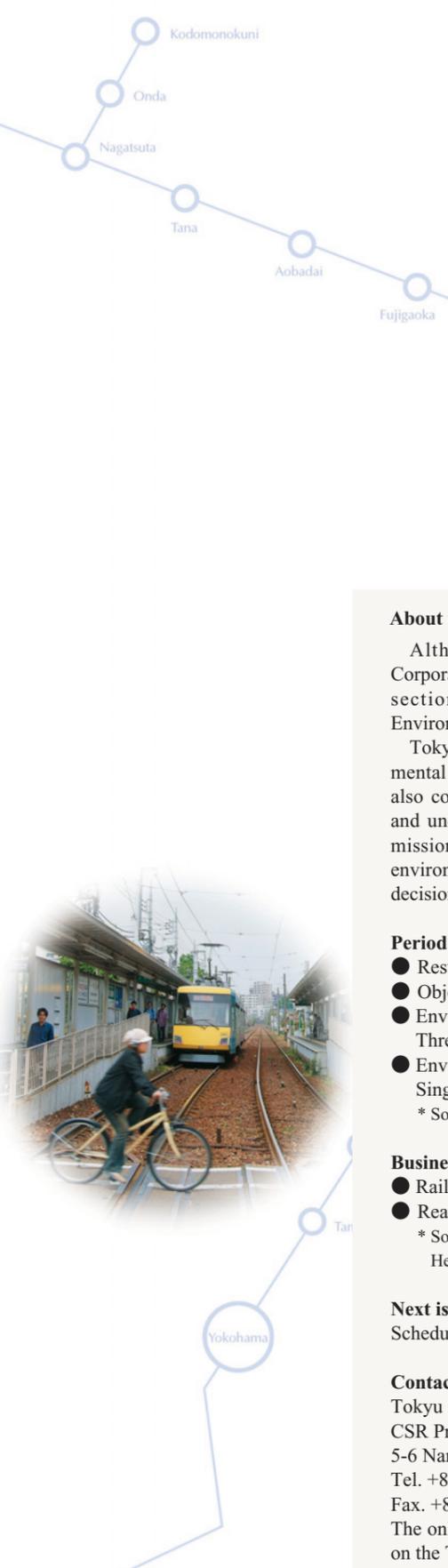
- Railway business
- Real estate business
 - * Some FY 2004 activities may be attributed to the "Urban Development Headquarters," an organization that no longer exists.

Next issue

Scheduled in September 2006

Contact

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



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.

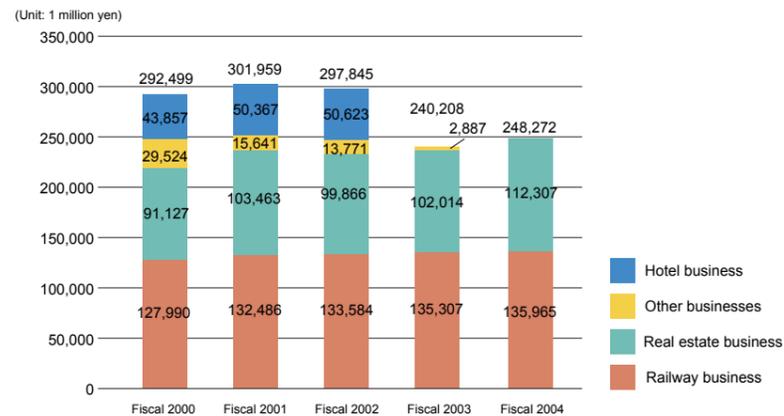
We have also changed the title of the report from the original “Environmental Report” to “Social Environ-

mental Report” beginning with the 2004 edition in order to better emphasize our dedication to meeting social responsibilities. The 2005 edition of the report will feature more in-depth information concerning ways in which Tokyu is working to fulfill its social responsibilities.

Company Overview (As of March 31, 2005)

Company Name:	Tokyu Corporation
Headquarters:	5-6, Nampeidai-cho, Shibuya-ku, Tokyo, 150-8511, Japan
Established:	September 2, 1922
Capitalization:	¥108,820 million
Operating Revenue in Fiscal 2004:	¥248,272 million
Railway Business	¥135,965 million
Real Estate Business	¥112,307 million
Employees:	3,495
Stock Listing:	Tokyo Stock Exchange Section 1

Sales Revenue (Non-consolidated)



* As of April 2003, our hotel business was transferred to a subsidiary company.

* Starting in FY 2004, all other businesses not specified here are included in the real estate business division.

Setagaya Line — Symbol of Community Revitalization Celebrating its 80th birthday

The Setagaya Line is serviced by streetcars that run along a five-kilometer route between Sangen-jaya Station (Tokyu Den-en-toshi Line) and Shimo-takaido Station. Tokyu Corporation is working closely with the surrounding community to promote area revitalization and increased rail traffic.

Working Together with the Community

The Setagaya Line first began operating in 1925. At the time, it was a branch line of the Tamagawa Denki Tetsudo Railway's Tamagawa Line that connected Shibuya to Tamagawa (now called Futako-tamagawa). Eventually, the Tamagawa Line closed down, leaving only the stretch of track that connected Shimo-takaido to Sangen-jaya; this became the Setagaya Line.

The popular retro design of the old-model streetcars on the Setagaya Line added a nostalgic flavor to the adjacent neighborhoods. Still, passengers had to tolerate the absence of air conditioning and other small inconveniences. This all changed in 1999, when Tokyu introduced new, air-conditioned streetcars, barrier-free platforms to better accommodate passengers with disabilities, and train attendants as part of its plan to lure more visitors back to the area. Other efforts include offering special service at local businesses to Setagaya Line passengers with IC card train tickets, and a contest designed to solicit ideas for making the streetcar route more aesthetically appealing to both residents and passengers.

As a result of these efforts, the declining passenger trend has reversed. The 80-year-old Setagaya Line is now a symbol of the community's rebirth and continuing growth.

Community Beautification

Since May 2001, Tokyu Corporation and residents along the Setagaya Line have worked together to plant flowers along the streetcar route under a program called “Setagaya Line Flowering.” Tokyu employees join local residents once or twice each year to plant flowers along the tracks from Sangen-jaya to Shimo-takaido; total participants amounting to 200 and 100 respectively. In 2004, volunteers concentrated on the Sangen-jaya Station area and the Miyanosaka-Matsubara section of the route. Now passengers can enjoy the beautiful colors of the four seasons as they move leisurely toward their respective destinations.

Introduction of “Setamaru” IC Card Tickets

In July 2002, Tokyu introduced “Setamaru” IC card tickets on the Setagaya line. There are two versions of the Setamaru IC card, one that can be used as a commuter pass, and one that can



be used for a limited number of trips. Passengers who use the latter can collect points if they travel during certain hours; these points may be applied toward fare costs later on.

Setamaru Point Vouchers

Tokyu began distributing “Setamaru Point Vouchers” on a trial basis in October 2003 in shopping areas close to the streetcar line; the purpose of the program was to promote sales for local businesses. Points gathered when shopping at these businesses are converted into Setamaru Points that can be applied toward Setagaya Line fares. When residents who live close to the Setagaya Line responded to a Tokyu questionnaire, the



Setamaru Point

majority said that “shopping” was the main reason why they used the Setagaya Line streetcar. As can be seen from these responses, we believe that this program has been effective in boosting local business.

“Beautify the Setagaya Line” Contest

In October 2003, Tokyu teamed up with the Setagaya Community Design Center to sponsor the “Beautify the Setagaya Line” Contest, a competition designed to solicit ideas for making the line more aesthetically appealing to passengers and local residents; the ideas could involve the use of railway land and fencing between Kamimachi and Yamashita Stations, and billboard space at each station on the line. The contest attracted a total of 110 entries, several of which were implemented (such as the flower-planting program). In October 2004, Tokyu printed a book that featured interviews and all of the entries; the book is now on sale at Sangen-jaya Station and bookstores in Setagaya Line areas.

To Secure the Trust of the Customer and Fulfill Our Social Responsibilities

Tokyu Corporation operates two core businesses: 1) the railway business, which is highly public in nature, and 2) the real estate business, which, as typified by Tokyu Tama Den-en-toshi development project, is focused on urban development. The purpose of these two businesses is to improve and enhance the lives of people in every community.

As a corporation whose businesses utilize a broad range of public resources to provide customers with the products and services they require, we acknowledge our obligation to minimize the environmental impact of our business operations and contribute to the development of a sustainable society.

Our railway business continues to seek ways in which to further enhance the comfort and convenience of our passengers, and to improve the environmental performance of its operations. We will continue to introduce more environment-friendly railcars and policies that promote energy conservation.

Our real estate business continues to develop safe and convenient residential communities while implementing measures for resource conservation and improved energy efficiency. We have also established a new resale home business — “a-la-ie”

— whose mission is to help recycle resources and maintain community aesthetics by promoting the purchase of existing homes.

Developing our businesses while maintaining public trust requires that all Tokyo Group companies approach environmental activities and community relations with a common set of values. As the group’s core member, Tokyu Corporation will continue to take aggressive steps to ensure that all group companies are united by a shared mission: to pursue the creation of beautiful living environments, social harmony, and individual happiness. We ask for your continued understanding and support as we strive to meet these goals.

The purpose of this report is to describe the Tokyu Group’s environmental activities and social relations. We have worked actively to make a broader range of information available, and have incorporated your past feedback in our daily operations.

We are looking forward to receiving your honest opinions and recommendations in the coming year as well.

September 2005



越村敏昭

Toshiaki Koshimura
President & Representative Director
Tokyu Corporation

The Tokyu Group Slogan & Philosophy

Group Operations and Social Relations

Since its establishment in September 1922, Tokyu has expanded its business operations into a broad range of fields. After developing a transportation network in the southwest sector of the Greater Tokyo Area, the company next moved into the real estate markets and department stores and other distribution-related businesses. As Japan’s economy began to thrive, Tokyu subsequently developed hotel, resort, and culture and information businesses both at home and overseas, and eventually emerged as the multifaceted Tokyu Group that exists today.

Because Tokyu’s railway business is highly public in nature, and because maintaining a long-term, cooperative relationship with the residents who live adjacent to Tokyu railway lines is vital to its real estate business, Tokyu Group has always placed a priority on growing together with the communities in which it operates.

As of March 31, 2005, the Tokyu Group comprised 297 companies and 9 corporations. Our fields of business include transportation, real estate, logistics, leisure and services, and construction. Annual group sales is approximately ¥2.4 trillion.

Tokyu’s corporate philosophy is based on the fundamental element of “beauty,” a standard to which all group companies and employees must aspire. The Tokyu Group philosophy also specifies the missions and roles of each group company, action guidelines, and fundamental business policies. The Tokyu Group places a high priority on fulfilling social responsibilities.

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.

Group Slogan

Toward a beautiful age — The Tokyu Group

Group Philosophy

We hold this philosophy in common as we work together to create and support the Tokyu Group.

Mission Statement

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

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.

Guidelines for Action

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

“Sustainability” “Visibility and Transparency” “Accountability”

Basic Corporate Governance Philosophy

In order to increase value for our stakeholders, Tokyu Corporation is committed to 1) establishing sustainability by selecting business domains that offer sustainable growth potential and by implementing effective management systems, 2) ensuring transparency by developing organizational structures and implementing policies and programs that are easily understood by outside parties, and 3) maintaining accountability by keeping shareholders informed about the status of our operations and performance.

Tokyu Corporation's Board of Directors is comprised of 21 members, including three outside directors, and the Board of Corporate Auditors is comprised of four members, including three outside auditors (as of March 31, 2005). Outside directors and auditors have no vested interests in our operations.

Tokyu holds regular monthly meetings with its accounting and statutory corporate auditors for the purpose of exchanging information related to Tokyu Corporation and affiliate accounting and audits.

Our Board of Directors met 13 times in fiscal

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, Tokyu Corporation 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 full-time body 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

2004 to discuss and make decisions on vital business matters.

In order to further separate the executive and management levels of the organization and improve corporate governance, Tokyu in April 2005 implemented a new executive officer program designed to strengthen the group's operational framework and clarify authority and responsibilities. The new program specifies that executive officers are to be appointed at board of director meetings, and that business operations are to be conducted in accordance with policies adopted by the board of directors and the directives of the President & Representative Director.

Tokyu has also put measures in place to ensure that auditors attend meetings of the board of directors and other important meetings in order to obtain information concerning decision-making processes, the status of business operations, and directors' duties. It has also appointed four dedicated staff to handle corporate auditor affairs, and has taken other measures designed to assist auditors in the execution of their duties.

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 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. In October 2002, the program was expanded to accommodate contract and part-time employees from group companies, and special telephone numbers and e-mail addresses were established.

Risk Management

Tokyu established a dedicated Risk Management Department within CSR Promotion Division of the Corporate Affairs Headquarters. This new department handles both risk management and promotion of corporate compliance for Tokyu Corporation. It assists with determining and assessing the risks associated with each field of business, implementing risk control policies, publishing reports on the implementation status of risk control measures, and

executing risk control measures. The risk management department also monitors progress and improvements, and revises risk control policies when necessary.

Tokyu has assigned compliance supervisors to all company departments, and regularly holds lectures and workshops on managing risks through compliance management that are designed to promote management technology improvements.

Personal Information

In October 2004, we established a set of regulations governing the handling and protection of personal information. As provided for by these regulations, Tokyu also appointed a Personal Information Management Director, who is responsible for and has authority over issues related to the protection of personal information, and assigned personal infor-

mation management supervisors with similar authority and responsibilities to all company departments.

Tokyu posted its new privacy policy on its Web site on March 1, 2005, and also appointed special staff to customer inquiries concerning the protection of personal information.

Internal Auditing

In an effort to meet its business objectives in an effective manner, streamline its operations, earn public trust, maintain discipline within the organization, and boost employee morale, Tokyu appointed four dedicated staff to CSR Promotion Division of the Corporate Affairs Headquarters to handle internal auditing matters.

Tokyu Corporation conducts company-wide and subsidiary audits in order to assess the effectiveness of internal frameworks and systems, and provides guidance and recommendations concerning the most effective means by which to further develop the organization; it also assists group companies in taking the steps necessary to improve their effec-

tiveness. Ten divisions were audited in fiscal 2004, and auditees were given reports of the audit results and guidance on how to make improvements. This year Tokyu plans to conduct follow-up audits of the ten divisions audited last year, and new audits of five additional divisions.

The internal auditing department is responsible for submitting reports on the status of internal frameworks and systems and on the results of internal audits to Tokyu's corporate auditors, who work closely with the department. Corporate auditors also meet regularly with Ernst & Young ShinNihon, Tokyu's accounting auditor, to exchange information.

Input/Output

INPUT

Energy consumption

Electricity	1,417,345 GJ
Gas	50,528 GJ
Heavy oil	34,346 GJ
Kerosene	16,476 GJ
Gasoline	9,986 GJ
Light oil	2,982 GJ
	1,531,663 GJ

Resources consumption

Water	885,000 m ³
Contiguous forms	29,000 sheets
Photocopy paper (A4 sheet equivalent)	26,436,000 sheets
Company vehicles	
Railcars	1,042
Gasoline-fueled vehicles	138
Diesel-powered vehicles	39
Hybrid vehicles	7
Traction vehicles/ Forklift trucks	12

Handling of hazardous or harmful materials

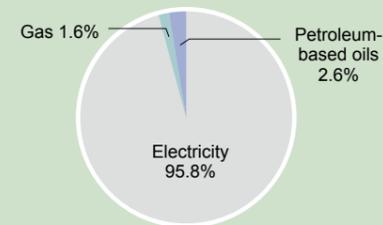
- Storage of electrical equipment containing PCBs
- Installation of (fire extinguishers containing) halon
- CFCs (installation of transformers, VVVF equipment, air conditioning equipment, professional-use refrigerators/freezers)
- Use and storage of agricultural chemicals, fuels, cleaning fluids for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

OUTPUT

Total CO₂ emissions 177,379 t-CO₂

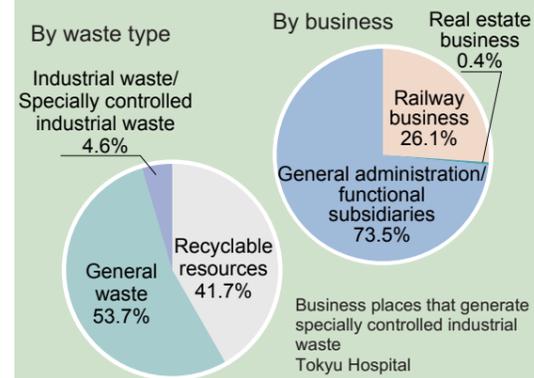
Business specific	
Railway business	148,925 t-CO ₂
Real estate business	620 t-CO ₂
General administration/ functional subsidiaries	27,834 t-CO ₂
Breakdown:	
CO ₂ emission through energy consumption	Total 166,450 t-CO ₂
CO ₂ emission by waste incineration	Total 10,929 t-CO ₂

CO₂ emission from energy consumption



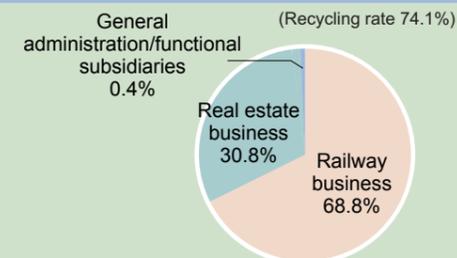
Waste generated from business operations

8,170 t



Waste generated from building construction

53,299 t



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

Activities Related to Environmental Management

Tokyu Corporation 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.

Revised June 29, 2005
Established December 1, 2003

越村敏昭

Toshiaki Koshimura
President & Representative Director
Tokyu Corporation

In July 1998, our company set up the Environmental Activities Committee (now CSR Promotion Division of the Corporate Affairs Headquarters), 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 2000 (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 environmental-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.

<FY 2004 Internal Audit>

Forty-six internal auditors conducted a three-day audit of 36 divisions from August 24 to 26. The audit revealed 15 minor noncompliances and areas of caution, and two areas of excellence. No serious compliance issues were discovered.

<FY 2004 Surveillance Audit>

Tokyu Corporation underwent a first annual two-day surveillance audit that was conducted by a registered third-party auditing organization from September 16 to 17. The audit revealed two areas of caution and three areas of excellence. Tokyu's environmental management system received the highest overall rating possible.

Promotion Structure



By means of a simple environmental management system based on the ISO 14001 standard, we are undertaking environmental activities that are close to home.

- Conducting surveys on environmental impact
- Organizing environmental activities with numerical targets for all our workplaces
- Launching environmental activities by means of a model workplace system
- Improving awareness through environmental education

Environmental Objectives, Targets and Results

Targets and Results for FY 2004

Rating : High : Moderate : Low

		Targets for FY 2004		FY 2004 results	
All of the Headquarters	Waste	Thoroughly promote waste separation/collec-tion and improve recycling rate (Target 82.1%)	Recycling rate 91.1%		
	Green pro-curement	Increase procurement ratio (Result for FY 2003: 59.2%→63%)	Procurement rate 71.7%		
	Electric power	Monitored item	FY 2003: 2,562,526 kWh FY 2004: 2,701,795 kWh		
	Copy paper	Monitored item	FY 2003: 10,133,125 sheets FY 2004: 10,727,875 sheets		
Railway Headquarters	Railway Operation Division/ Electrical Engineering Division	Raise efficiency of electricity consumption (Results for FY 2000: 2.506kWh/car*km→2.343kWh/car*km; 6.5% decrease)*	2,298kWh/car*km; 8.4% decrease*		
	Railway Operation Division	Raise efficiency of electricity consumption 5% decrease from FY 2000 results*	6.3% decrease over FY 2000 results*		
	Electrical Engineering Division	Raise efficiency of electricity consumption 1.5% decrease from FY 2000 results*	2.1% decrease over FY 2000 results*		
	Facility Engineering & Construction Division	Implement tangible noise and vibration countermeasures	Construction measures conducted		
Urban Development Headquarters	Residential Real Estate Division	Residential Land Development	Improve separation rate of waste (FY 2002 results 53.8%→58.8%)	60.5%	
		Land Readjustment	Improve separation rate of waste (FY 2003 results 49.3%→54.3%)	71.8%	
		Building Construction	Improve separation rate of waste (maintained the 99.3% FY 2003 results)	98.6%	
	Residential Condominium Division	Improve separation rate of waste material from construction sites (FY 2003 results 77.3%→82.3%)	72.8%		
	Office Building Management Division	Determined a space for general waste separation at target properties	Determined at one tenant building		
Tokyu Hotel Management		Promotion of the "Green Coin Project" (Exceed the FY 2003 result of 156,442 COINS**)	146,467 COINS**		

* The figures represent the efficiency of electricity consumption only by train operation.

** Hotel guests who left complimentary items in the bathroom unused can contribute one GREEN COIN to the Children's Forest scheme. One coin is equivalent to the value of one tree sapling.

Objectives for FY 2007 & Targets for FY 2005

		Environmental Objectives for FY 2007		Environmental Objectives for FY 2005	
All of the Headquarters	Waste	FY 2004 results 91.1%→94.1%	FY 2004 results 91.1%→92.1%		
	Green pro-curement	FY 2004 results 71.7%→over 80%	FY 2004 results 71.7%→75.7%		
	Electric power	Monitored item	Monitored item		
	Copy paper	Monitored item	Monitored item		
Railway Headquarters	Railway Operation Division	Raise efficiency of electricity consumption (2.302kWh/car*km→2.23kWh/car* km; 3% decrease over FY 2003 efficiency of electricity consumption*)	Raise efficiency of electricity consumption (2.302kWh/car*km→2.28kWh/car*km; 0.9% decrease over FY 2003 efficiency of electricity consumption*)		
	Electrical Engineering Division	Improve efficiency of total electricity consumption**** (FY 2004 efficiency of total electricity consumption 2.939kWh/car*km)	Promote introduction of energy-saving lighting fixtures		
	Facility Engineering & Construction Division	Improve efficiency of total electricity consumption**** (FY 2004 efficiency of total electricity consumption 2.939kWh/car*km) Implement tangible noise and vibration countermeasures	Decrease electricity consumed in station facilities by way of optimum ventilation/air-conditioning Implement tangible noise and vibration countermeasures		
Residential (Development) Headquarters	Residential Real Estate Division	Improve separation rate of waste (FY 2004 results 60.5%→67%)	FY 2004 results 60.5%→62.5%		
	Residential Condominium Division	Construction of environment-friendly condominiums (6 properties)	Construction of environment-friendly condominiums (2 properties)		
Information & Communication Headquarters	Communication Division	Install new reflector signboards (41 units) and LED signboards (8 units)	Decrease electric consumption by installing 24 new reflector signboards		
Tokyu Hotels***		Promote green procurement (FY 2004 results 59.4%→62.4%)	Promote green procurement (FY 2004 results 59.4%→60.4%)		

Monitored item: items to be monitored/measured without setting objectives or targets

* The figures represent the efficiency of electricity consumption only by train operation.

*** Tokyu Hotel Management changed the company name to Tokyu Hotels in April 2005.

**** The figures represent the total efficiency of electricity consumption by train and related facilities operation.

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 Jiyugaoka branches of ranKing ranQueen assumed sole responsibility for recycling.

The Construction Waste Recycling Law

The Construction Waste Recycling Law enacted on May 2002 requires us to sort, dismantle and recycle waste generated by con-

struction work we commission or undertake. Now we promote recycling resources in accordance with this law.

Storage of PCBs (polychlorinated biphenyl)

Tokyu Corporation properly stores used electrical equipment that contains PCB according to the Waste Management and Public

Cleansing 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 these provisions and 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. We reported the FY 2004 results.

Contents of the submitted plan and results

Facilities related to railway operation

Keep the target year (FY 2004) emission to the level of benchmark year (FY 2001)

Achievement

FY 2001 emission 62,388t-CO₂
FY 2004 emission 60,110t-CO₂ (3.7% decrease over FY 2001 results)

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.

stances used did not reach the volume (1ton) that requires us to report.

During FY 2004, the amount of PRTR sub-

Environment-related Litigation

Tokyu Corporation was not involved in any environment related litigation in FY 2004.

Railway Business



Rail Transportation that Is Safe, Reliable, Comfortable and Environment-friendly

Tokyu actively listens to customer feedback in an effort to ensure that the rail transportation we provide is safe, reliable, comfortable, and environment-friendly. We are constantly working to expand the carrying capacity of our railway lines

in order to ease rush hour traffic, implement new safety features, improve service, and reduce environmental impact. We understand that we should continue our efforts to be the railway of choice.

Expanding the Carrying Capacity



Alleviating Congestion by Quadruplicating Lines*

Tokyu has implemented a number of measures intended to alleviate rush hour congestion, such as extending the length of railcars to accommodate more passengers and shortening the amount of time between trains. It is also making efforts to improve and augment existing lines. For example, Tokyu has been working to expand the carrying capacity of the Toyoko Line; when the upgraded Meguro-Musashi-kosugi section was temporarily opened in 2000, thereby providing seamless service between the Toyoko and Meguro Lines, the per-hour congestion rate between the stations of Naka-

meguro and Yutenji dropped from 187% (1999) to 178% (2000) during the busiest hours.

Tokyu understands that alleviating congestion is the responsibility of the railway company, and it will continue to make progress toward this goal by multiplying the number of tracks on certain lines to accommodate more trains, and by offering more routes to various destinations.

* Quadruplicating: addition of a double line of tracks to the existing double track railway

● Track Quadruplication on the Toyoko Line: Meguro Line Extended to Hiyoshi Station (Section 1 in Network Diagram)

Track quadruplication on the Toyoko Line has been extended to the section between Tamagawa and Hiyoshi Stations. This will be accomplished by running the Meguro Line, which will be able to accommodate eight-car trains, alongside the Toyoko Line. Once construction is completed, passengers will be able to take advantage of seamless service between the Toyoko and

Meguro Lines from Hiyoshi Station to Meguro Station.

Furthermore, Tokyu is also working with local agencies to construct overpass crossings on the Meguro Line between Meguro and Senzoku Stations, thereby eliminating 18 railroad crossings and improving traffic safety and convenience.

● Oimachi Line Upgrade Construction & Track Quadruplication on the Den-en-toshi Line (Section 2 in Network Diagram)

In order to alleviate congestion on the Den-en-toshi Line, Tokyu is now working to upgrade the Oimachi Line so that it can accommodate express trains between Oimachi and Futako-tamagawa Stations, and quadruple the number of tracks on the Den-en-toshi Line between Futako-tamagawa and Mizonokuchi Stations so that it can accommodate seamless express service from Mizonokuchi Station to Oimachi Station.

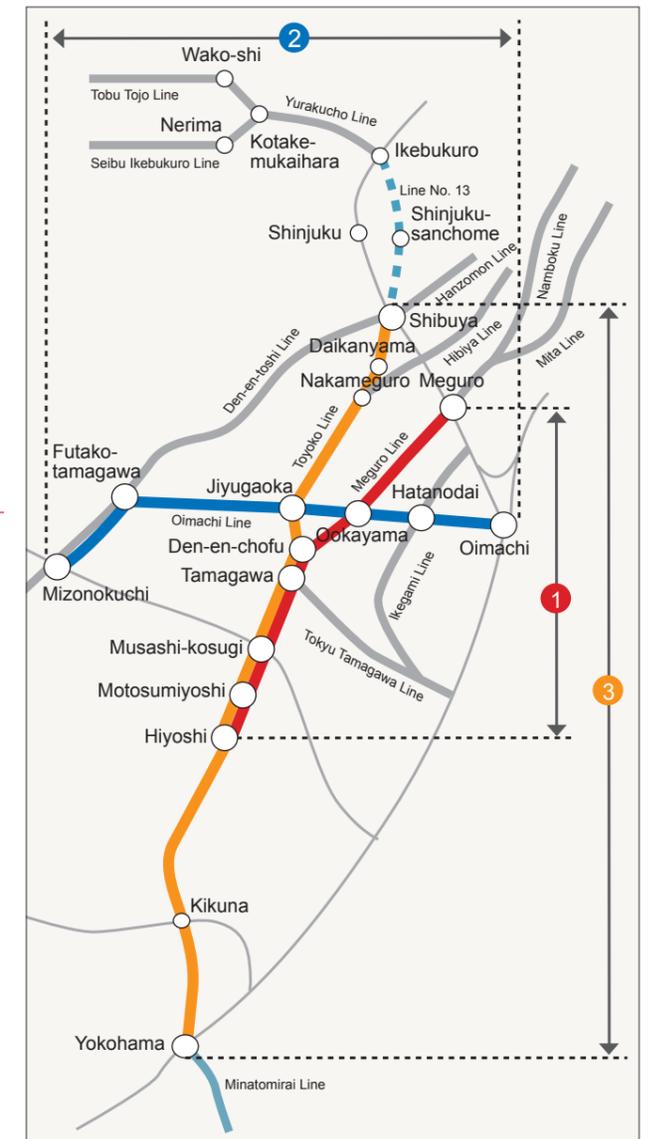
This construction project will improve the speed of service on the Oimachi Line, alleviate congestion on the Den-en-toshi Line by creating more route options to reach the metropolitan area via Ookayama and Oimachi Stations. This is expected to improve convenience, and strengthen Tokyu's railway network.



Railway Network Enhancements Reduce Travel Time

Our efforts to provide seamless service on a number of Tokyu's railway lines will enhance the functionality of our railway network and shorten the time required to reach downtown Tokyo from the suburbs.

Network Diagram



Major Construction Projects

	Line & Section	Type	Completion	Description
1	Meguro Line (Meguro-Tamagawa)	Upgrade	FY 2007	Construction of overpass crossings between Meguro and Senzoku Stations
	Toyoko Line (Tamagawa-Hiyoshi)	Track Quadruplication		Track quadruplication between Musashi-kosugi and Hiyoshi Stations
2	Oimachi Line (Oimachi-Futako-tamagawa)	Upgrade	FY 2007 (Express Service)	Upgrade construction between Oimachi and Futako-tamagawa Stations
	Den-en-toshi Line (Futako-tamagawa-Mizonokuchi)	Track Quadruplication		Track quadruplication between Futako-tamagawa and Mizonokuchi Stations
3	Toyoko Line (Shibuya-Yokohama)	Upgrade	FY 2014	Upgrade construction between Shibuya and Yokohama Stations Subway construction between Shibuya and Daikanyama Stations Seamless service between Toyoko and Tokyo Metro No. 13 Lines from FY 2012 (scheduled)

In Pursuit of Safety



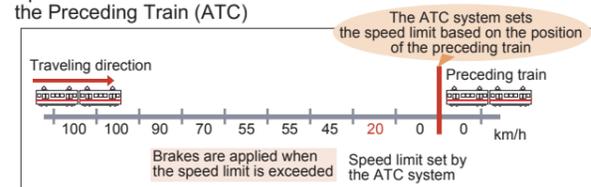
Implementation of ATC & ATS Systems

● ATC (Automatic Train Control) System

Installed on Toyoko, Meguro, Den-en-toshi, and Kodomo-no-kuni Lines

The ATC system constantly monitors and controls train speed in order to maintain a certain distance between any train on the line and the train running ahead of it. It also controls the speed of a train on a curve. If a train exceeds the allowed speed limit on a straight section of track, the ATS system automatically applies the brakes.

Speed Control Based on the Position of the Preceding Train (ATC)



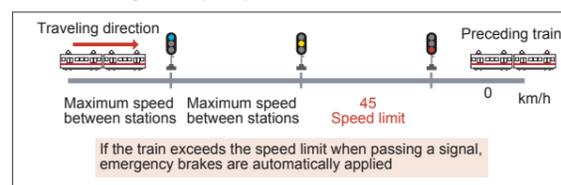
● ATS (Automatic Train Stop) System

Installed on Oimachi, Ikegami, and Tokyu Tamagawa Lines

This system automatically applies a train's emergency brakes if the train has exceeded the maximum speed specified by the railroad signal (based on the distance between it and the preceding train). However, in cases where the distance between the two trains is considerable, and in sections of the line that are not equipped with railroad signals, it is possible for trains to exceed the maximum speed limit. Consequently, ATS systems have been installed on lines where trains run relatively slow and make stops at every station. Because trains on the Meguro, Ikegami, and Tokyu Tamagawa Lines are operated by a single person, Tokyu also installed fixed-position stopping devices to help prevent overruns.

The Oimachi Line will also employ an ATC system to maximize safety when express trains start operation.

Speed Control Based on the Position of the Preceding Train (ATS)



Topics Elimination of Railroad Crossings

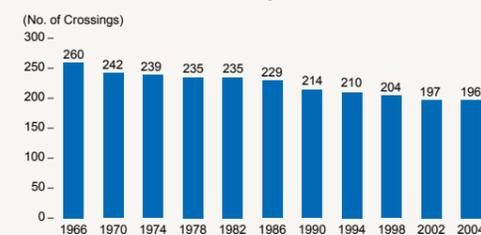
Because the likelihood of accidents occurring at railroad crossings is comparatively high, Tokyu has been working with local government agencies for years to improve public safety by constructing overpass crossings that replace traditional, street-level crossings. Tokyu's efforts began in 1954 with the construction of an overhead crossing near Nakanobu Station on the Oimachi Line; as of now, a total of 91 traditional crossings have been replaced. Current construction on the Meguro Line between Meguro and Senzoku Stations will eliminate a total of 18 crossings, including the two crossings near Fudomae Station that have already been elevated.

In addition to improving public safety, the elimination of street-level crossings offers a number of other benefits, such as reduced traffic congestion and noise levels, and the availability of previously occupied space. Tokyu will continue to remove traditional crossings in the future as conditions require.

Construction to remove a street-level crossing (Fudomae Station)

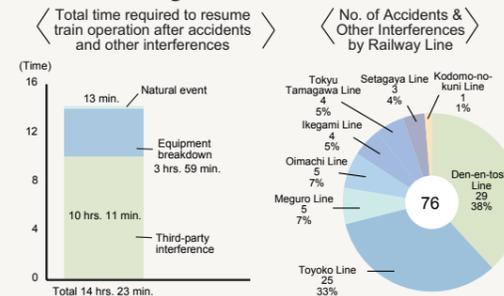


Number of Railroad Crossings



FY 2004 Accidents/Failures

The total number of accidents and failures on Tokyu railway lines in FY 2004, in addition to the time required for service to resume in each instance, is shown in the diagrams below.



Service Improvements

Soliciting Customer Feedback: Customer Survey Program

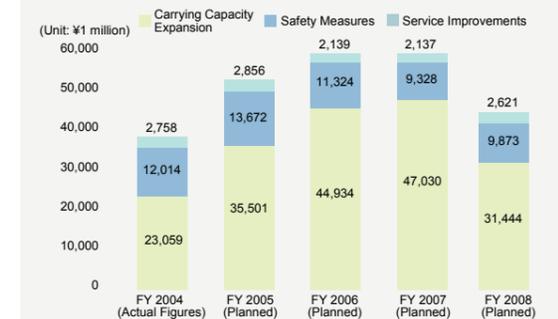
Tokyu launched a customer survey program designed to quantitatively measure satisfaction levels among Tokyu railway users in 1982. This feedback, which the company solicits from roughly 400 customer several times a year in the form of a questionnaire, is used to make service-related improvements.

Additionally, the company also established the "Tokyu Customer Center" in 1995 to handle a broad variety of customer inquiries and feedback concerning all areas of the Tokyu Group's operations. This feedback, too, is used to make service-related improvements.

Expanding the Carrying Capacity of Tokyu Railway Lines: Our Top Priority

Of the ¥212.8 billion in railway capital investments planned for the FY 2005-2008 period, ¥158.9 billion will be allocated to carrying capacity expansion efforts. Tokyu believes that the expansion of carrying capacity will provide two primary benefits: reduced congestion and improved safety.

Capital Investment Breakdown



Reduced Energy Consumption

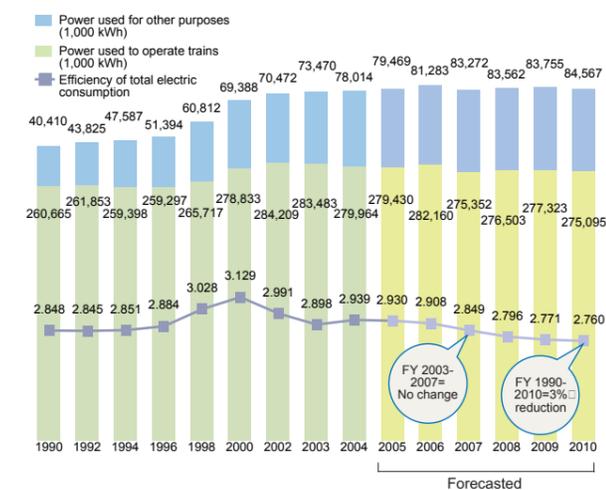
Roughly 90% of Tokyu's CO₂ emissions can be attributed to electric power consumption in its railway business. Furthermore, efforts to expand carrying capacity will increase the total travel distance of Tokyu trains in the future; therefore, keeping the volume of

consumption in check is a top priority. In order to do so, we have set the following targets that will enable the company to make more efficient use of total electric power. This efficiency is expressed by the unit: kWh/car•km.

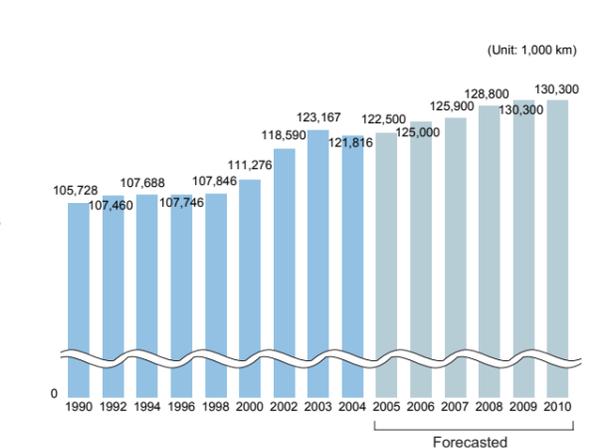
Targets

Mid-term: FY 2003-2007=No change
Long-term: FY 1990-2010=3% reduction in total electricity consumption

Trends in Electric Power Consumption & Efficiency of Total Electricity Consumption



Total Railcar Travel Distance





Reduced Electricity Consumption in Railway Operation

- Introduction of environment-friendly 5000-series railcars continues

The new 5000-series railcars introduced in 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.

Features of 5000-series railcars

- low-noise master control units that employ IGBT elements
- electromagnetic direct-braking system combined with regenerative braking
- lighter bolsterless trucks
- single-arm pantographs

Due to these features, it consumes less electric power to operate one railcar per kilometer, a 40% reduction over the conventional 8000-series of railcars.

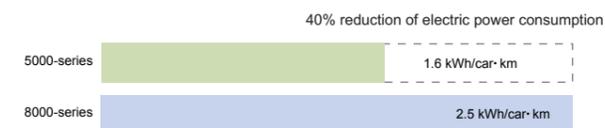
As of March 31, 2005, Tokyu has introduced 120 5000-series railcars, which amounts to roughly 10% of the company's entire fleet. Tokyu will continue to introduce the new railcars, and estimates that they will account for approximately 40% of the fleet by 2010.

*VVVF: Variable Voltage Variable Frequency

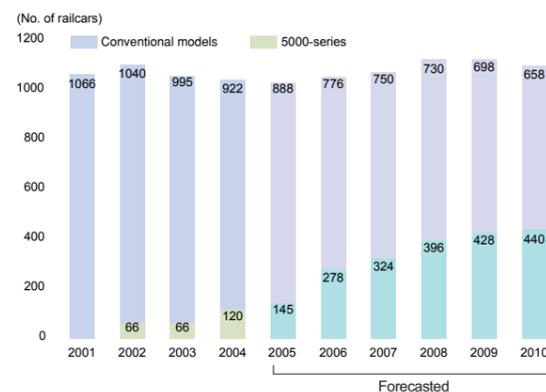


5000-series railcar

Efficiency of Electricity Consumption by Train Operation by Railcar Type



Railcar Fleet Composition



- VVVF Inverter-controlled Railcars (DC-to-AC Conversion)

- Tokyu leads the industry by installing VVVF technology in 49.4% of its fleet

While typical electric train motors run on DC power, trains equipped with VVVF inverters are able to convert direct current running through overhead power lines into AC power with optimum voltage and frequency; this helps to prevent electric power losses. AC motors are also preferable because they are compact, lightweight, and rarely break down.

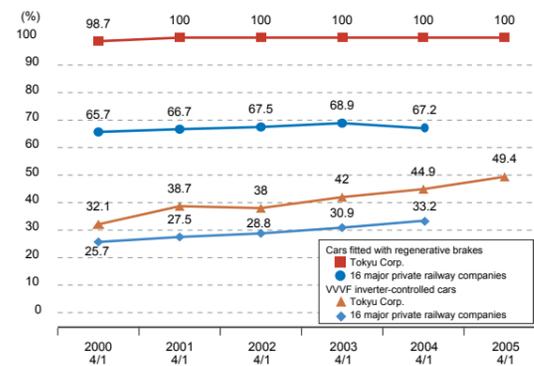
Tokyu became the first company in Japan's railway industry to install VVVF technology in its railcars in 1986. As of March 31, 2005, approximately 49.4% of its entire fleet was equipped with VVVF inverters, making it the leader in VVVF implementation among the nation's private railway companies.

Tokyu will further introduce VVVF inverter-controlled railcars when upgrading railcar fleet.

- Regenerative brakes installed in entire fleet

By 2001, Tokyu Corporation had fitted all its trains with regenerative brakes that are designed in a way that kinetic energy is converted into electricity when the brakes are applied. Other trains then use this electricity in to accelerate. This makes it possible to improve energy efficiency and reduce consumption.

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



Waste Reduction and Recycling Resources



Selling off Surplus Railcars to Other Railway Companies

Tokyu has for years sold off its surplus railcars to other railway companies after introducing new models. Compared to disposing of or recycling railcars, this method costs less and is more environment-friendly. In 2004, Tokyu began to remodel surplus railcar interiors to make them more attractive to prospective buyers. In order to make these efforts widely known the company in November 2004 held its first surplus railcar exhibition at its Nagatsuta plant. The exhibition, which featured remodeled 8000-series railcars, attracted 28 representatives from 11 companies. The effort paid off: Tokyu sold ten 8000-series railcars to Izukyu Corporation in fiscal 2004.

Sales of Surplus Railcars

FY	Buyer	Units Sold
1988	Konan Railway	8 cars
1989	Konan Railway	5 cars
1990	Konan Railway	9 cars
1990	Mizuma Railway	10 cars
1991	Fukushima Kotsu	14 cars
1993	Ueda Kotsu	10 cars
2000	Toyohashi Rail Road	30 cars
2002	Towada Kankou Dentetsu	8 cars
2004	Izukyu	10 cars



Railcars sold to Izukyu Corporation

Improving Residential Environments



Improving Residential Environments by Reducing Nighttime Construction Hours <Track Quadruplication Construction along the Toyoko Line>

Tokyu introduced a "half precast" construction method, which involves the use of partly precast concrete slabs to create elevated beams and track beds, for use along a 520-meter section (from Musashi-kosugi to Motsumiyoshi Stations) of its Toyoko Line track quadruplication construction site. Because these precast slabs can also be used as molds and scaffolding, they make on-site construction much simpler.

When constructing elevated tracks on site (as opposed to using precast materials), most of the work must be done at night – after trains have stopped running – for safety reasons. By introducing the "half precast" construction method, however, Tokyu was able to reduce nighttime construction time by roughly 80 days. This method also enabled the company to greatly reduce nighttime noise and vibration, provide a better work environment, and reduce electric power consumption and waste materials.



Increased Use of IC Card Tickets on the Setagaya Line

Tokyu Corporation in July 2002 introduced "Setamaru," an IC card train ticket for use on the Setagaya Line. Passengers can pass the gate by touching the checker with Setamaru. This card helps reduce the volume of waste tickets by allowing repeated use.

After the introduction of the "Setamaru" IC card, the volume of conventional paper ticket books issued dropped from 227,920 books in 2001 to 60,444 in 2004 – a 73% decrease.



Top: Half-precast slabs used in track construction



Right: Installed slabs

Real Estate Business



Envisioning the Cities of the Future

Tokyu has been involved in the comprehensive development of urban communities adjacent to its railway lines, including construction of homes, condominiums, office buildings and other commercial facilities. The Tokyu Tama Den-en-toshi community, the symbol of Tokyu's urban development efforts, was developed over a 50-year period under the management of a land readjustment project team comprised of local landowners.

Tokyu is dedicated to developing convenient, aesthetically appealing, green communities that still retain their appeal and value even after 50 or 100 years have passed. The company is also working actively to develop environment-friendly homes and commercial facilities in response to the public's growing awareness of environmental conservation.

Developing Properties with Environment Consciousness



Features of Environment Consciousness in the Design of "Dresser" Series

Our Dresser series of condominiums 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.

● The Dresser Meguro Impress Tower

Completed in July 2004, Tokyu's Dresser Meguro Impress Tower in Shinagawa Ward is a reduced-environmental-impact housing complex that was designed with "green" specifications. At all stages of this project, from design to construction, comprehensive measures were taken to conserve resources and minimize environmental impact.

This development project is also unique in that it incorporates the Tokyo Metropolitan Government's Comprehensive Design System* in order to create a more open urban landscape. For example, this construction project plans, in accordance with the

Nishigotanda 3-chome district plan, specified that one-third of the entire lot be allocated to new construction and street-widening; by building a tower instead of a more conventional residential complex, it was possible to leave 71.67% of the lot space open for the neighborhood residents to enjoy a good breeze and sunlight.

* The Comprehensive Design System relaxes restrictions on height and building-volume-to-lot ratio of buildings involved in a larger-scale urban development when it provides for more open spaces, public facilities and housing for the community.

Initiatives for a Harmonious Coexistence with the Environment



Restoring & Preserving Indigenous Plant and Animal Life in Nature Reserves

<Environmentally-sustainable development in the Inukura Land Readjustment Project>

● Rare Plants and Animals Return to Nature Reserves

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).

In response to this, the Inukura Land Readjustment Association joined forces with the City of Kawasaki and the Tsurumi River Network to create the first in a series of nature reserves. Development of the first reserve is almost complete; in November 2003 local elementary school students released freshwater "kawanina" snails into water, and in 2004 project participants began returning rare species of plants and animals that had been preserved by local residents, schools, and research facilities to the reserve.



Before development of the first nature reserve began, NPO and local government agency representatives gathered to survey the location and to determine the effects that development would have on the natural environment.

In April 2004, participants released into First Park "genjibotaru" and "heikebotaru" firefly larvae that had been preserved in a Gunma Prefecture research facility; in June, it was confirmed that these larvae had grown into adults and had begun to fly. More larvae were released again in September in an effort to help stabilize the population.

"Hotoke" loaches that had been preserved at Keio University were released into a stream inside the nature preserve in April 2004, and a survey conducted the following October indicated that the loaches were thriving.

Quillwort and "shunran" orchids that had been preserved by Tsurumi River Basin residents and elementary school students were returned to the nature reserve by May 2005; their status is monitored on a continual basis. In the future, Tokyu plans to continue working with local residents to return other plants to the reserve, including "akikaramatsu" and "junihitoe" plants.

Tokyu Tama Den-en-toshi: A 50-year History of Successful Development Land Readjustment Project for Systematic Development of the Area



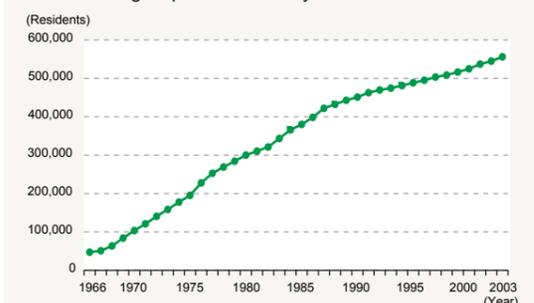
Tokyu Tama Den-en-toshi is a residential community that is located in the green Tama Hills of southwestern Tokyo. Tokyu has spent more than 50 years developing this area, starting in 1953 when Keita Gotoh, who was chairman of Tokyu Corporation at the time, revealed his "Statement of Intent to Develop the Southwestern Tokyo Area" after predicting that the increasing concentration of people in central Tokyo would lead to a housing shortage.

Soon after, Tokyu joined forces with Southwestern Tokyo area landowners to establish a "land readjustment project" cooperative that managed the systematic development of the entire area. Today, Tokyu Tama Den-en-toshi is a community in which a perfect balance between roads and parks has been achieved; this is due to the fact that Tokyu approached the project with an overall vision for the whole community instead of creating a patchwork of poorly integrated sections. To date, the scope of the project encompasses 3,206 hectares of developed land. The population has also grown to roughly 570,000 residents, due in part to the construction of the Den-en-toshi Line, which provides quick access to downtown Tokyo.

Tokyu is also working on a similar urban residential project in the Inukura area of Kawasaki City. The project involves development of "Neighborhood Parks for the Conservation of Biological Diversity" — nature reserves for the purpose of restoring indigenous plant and animal life. All facets of the Inukura project are based on a single, integrated development concept.

In the future, Tokyu will continue to develop aesthetically appealing living environments where residents are able to coexist in harmony with nature.

The Growing Population of Tokyu Tama Den-en-toshi



Communication

“Customer Satisfaction (CS)” Activities

■ Soliciting Customer Feedback

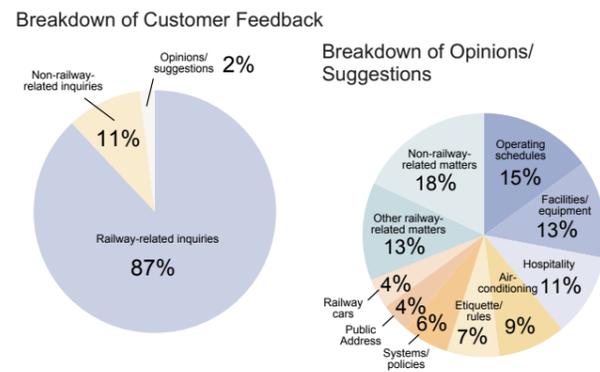
We define CS (customer satisfaction) as a complete overhaul from the customer’s viewpoint of all our operating activities, conduct ceaseless improvement and reform to win customer and employee satisfaction, and thereby ensure stable, long-term development of our firm.

In an effort to promote CS activities, we established the “Tokyu Customer Center” in February 1995 to handle comments and inquiries concerning Tokyu Corporation and the Tokyu Group. Then, in January 2001, a feedback form was added to the Tokyu Web site. Now, customers can submit their questions and feedback to the center via telephone, fax, mail, or the Internet. All questions and comments are responded to in a timely manner.

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 the Tokyu Group and to revise operations.

In fiscal 2004, the Tokyu Customer Center received a total of 261,102 messages from customers; of these, 87% were railway-related inquiries, 11% were non-railway inquiries, and 2% were opinions, suggestions, and notes of gratitude.

The graph shows a breakdown of opinions and requests. As you can see, the number of feedback messages concerning railway operations, facilities, equipment, hospitality, and railcar air-conditioning constitutes a large share.



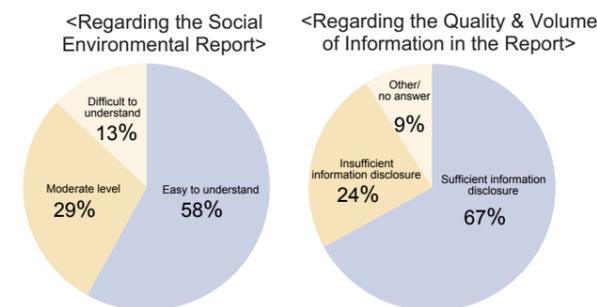
■ Issuance of a Social Environmental Report

Since releasing its first Environmental Report in October 2000, Tokyu Corporation has continued to publish environmental reports on a yearly basis. It has even made the reports available for download on its Web site, and provides contact information for those who wish to submit report-related inquiries.

<Survey Results>

The 2004 Tokyu Social Environmental Report contained a questionnaire to which many readers responded. Based on our survey findings and the feedback we received, we will work hard to make future reports easier to read and understand. We would like to express our thanks to all of you who took the time to respond to the questionnaire.

<2004 Tokyu Social Environmental Report – Questionnaire Survey Results>



To Our Shareholders Building Trust through Investor Relations (IR) Activities

Tokyu is dedicated to providing shareholders and investors with all information necessary to understand the operations of the Tokyu Group.

■ General Meeting of Shareholders

The 136th Annual General Shareholders’ Meeting was convened on June 29, 2005. The purpose of these meetings is to heighten shareholders’ understanding of all aspects of Tokyu’s operations.

136th Annual General Shareholders’ Meeting
Venue: Bunkamura Orchard Hall
Attendees: 2,576 people
Length of Meeting: 102 minutes
Shareholder Speakers: 8 people

■ Investor and Analyst Orientations

Twice each year Tokyu holds orientations for institutional investors and analysts to discuss the Tokyu Corporation’s financial performance and business environments. Each orientation attracts more than 100 attendees.

In adherence to our corporate disclosure policy, Tokyu also posts orientation materials, financial reports, and other pertinent information on its Investor Relations Web site (www.ir.tokyu.co.jp).

FY 2004 Orientation Schedule

May 2004 Investor orientation (financial report for fiscal year ending March 2004)
September Investor orientation
November Investor orientation (semiannual financial report for fiscal year ending March 2005)
March 2005 Investor orientation (Three-year midterm management plan)

To Our Employees Safe and Comfortable Work Environments

■ Employee Composition

With the revision of the Equal Employment Opportunity Law in 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 March 31, 2005, there were 36 employees at ten stations, and as of the same day, 31 female employees were stationed on Setagaya Line railcars as train attendants.



Employees by Gender (as of March 31, 2005)

	2000	2001	2002	2003	2004	2005	Average Years of Continuous Employment
Male	4,007 (262)	3,873 (268)	3,558 (243)	3,449 (246)	3,169 (217)	3,194 (207)	18 years, 4 months
Female	438 (2)	368 (2)	313 (2)	295 (2)	308 (2)	301 (1)	11 years, 9 months

Parentheses indicate managerial positions

■ More Job Opportunities for the Disabled

Tokyu Will, a company established to provide job opportunities to the disabled, began operating in April 2004 with offices in Motosumiyoshi and Nagatsuta. As of April 1, 2005, the company had hired 19 employees with disabilities who perform janitorial work in railway facilities. The ratio of employees with disabilities rose to 2.28%, thus exceeding the legal requirement of 1.8%. Tokyu will continue to actively provide employment opportunities for disabled people in the future.

Work Locations: Motosumiyoshi General Office, Nagatsuta Train Operator and Conductor Offices, Kodomo-no-kuni Line stations, and the Tokyu Train and Bus Museum

■ HR Development

Tokyu offers a broad range of training programs as part of its “Basic Human Resource Philosophy.” These include programs specially designed for employees who are self-motivated to learn new skills, and programs specially tailored to meet individual needs.

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	<ul style="list-style-type: none"> • 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

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.

Employee Safety and Health through Self-Management

In order to maintain safe and healthy work environments for our employees, Tokyu adheres to two policies: 1) the company shall not allow the health of its employees to become endangered, and 2) employees are responsible for taking measures necessary to maintain good health. All employees are required to get regular check-ups, follow the advice of industrial physicians and public health nurses, and attend health and hygiene lectures.

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.

Health and Safety Awards

- 1971 Tokyo Labor Standards Bureau Director's Prize of Excellence (Safety)
- 1979 Tokyo Labor Standards Bureau Director's Prize of Excellence (Health)
- 1990 Japan Health Promotion and Fitness Foundation Excellent Organization Award
National Commission on Health Promotion Director's Prize
- 1995 Japan Industrial Safety and Health Association Chairman's Prize

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

Work-related accidents

	Railway business	Other	Frequency rate: No. of work-related deaths & injuries/total hours worked x 1,000,000
Deaths	0	0	
Frequency rate	1.45	0.70	Severity rate: No. of work days lost due to work-related deaths & injuries/total hours worked x 1,000
Severity rate	0.01	0.02	

(As of March 31, 2005)

Total annual labor hours	2,139 hours	
Rate of annual paid leave taken	89.2% (Lower than M2)	
No. of employees who've taken maternity leave	Pre/post-birth leave	13
	Spouse maternity leave	92
	Childcare leave	16

Sexual Harassment Measures

Personnel Service Center has established the "Sexual Harassment Consultation Service" with a dedicated telephone line and female staff. All the management level employees are required to attend a training course for raising a awareness.

- Number of consultations in FY 2004: 2

Environmental Education and Activities

In order to accumulate environment-related knowledge and expertise, Tokyu is working actively to provide its employees with environmental education.

As of April 30, 2005, one Tokyu environmental management system auditor and 79 internal auditors had acquired environment-related qualification.

Household Eco-account Book

In an effort to raise awareness of the need to reduce CO₂ emissions, Tokyu has distributed what it refers to as "Household Eco-account Books" to all Tokyu employees and some affiliate staff. These handbooks contain emission consumption data supplied by a number of volunteer households; 71 households participated in 2004. Tokyu plans to gather data from a greater number of households in the future and improve data accuracy so that it can further promote energy conservation efforts.

Average Yearly Volume Consumed per Household		CO ₂ Emission Equivalent
Electricity	5419 kWh	1854 kg-CO ₂ /year
Water	283 m ³	164 kg-CO ₂ /year
City Gas	302 m ³	634 kg-CO ₂ /year
Propane	65 m ³	409 kg-CO ₂ /year
Gasoline	470 liter	1080 kg-CO ₂ /year
Kerosene	82 liter	206 kg-CO ₂ /year

- Total 71 households with an average 3.6 occupants
- Data gathered between April 2004 and March 2005
- Average yearly CO₂ emission total per household = 4,346 kg

"No Necktie" Dress Code at the Headquarters

At Tokyu Corporation's headquarters, measures have been put in place to improve work efficiency and save energy during summer months, including setting air conditioners at 28 degrees Celsius and enforcing a "No Necktie" dress code from July 26 to August 31, 2004. In 2005, the company expanded this dress code period from July 1 to September 15.



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 gen-

erated by each place of business. The following are the investigation results for FY 2004 and the previous four 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.

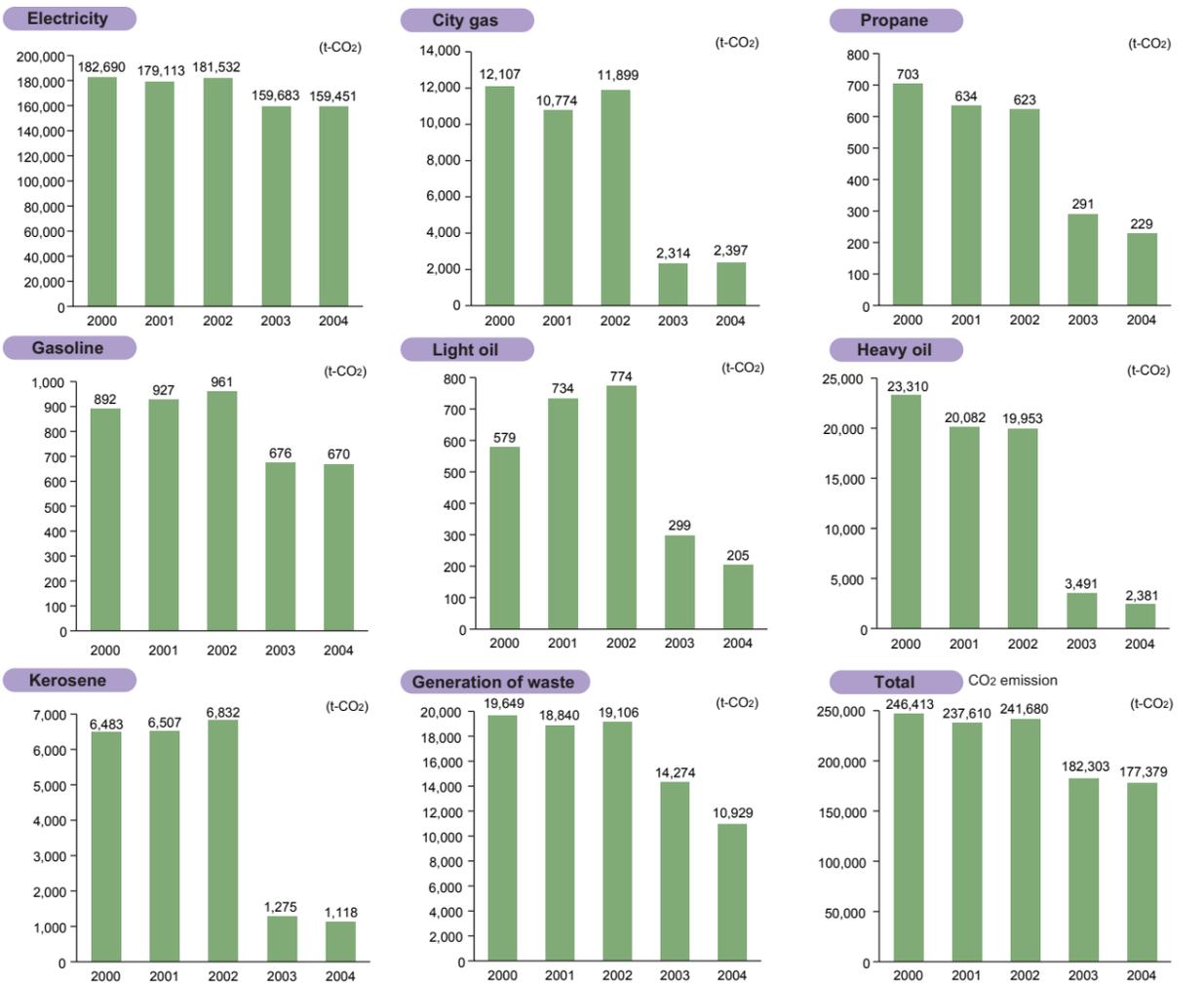
FY 2004: 91 worksites
FY 2003: 88 worksites
FY 2002: 159 worksites
FY 2001: 150 worksites
FY 2000: 188 worksites

Notes:

- Copying paper of four sizes, A3, A4, B4 and B5, was surveyed and expressed in the volume converted into A4-size paper.
- The coefficient published in the Guideline for Measures to Calculate the Volume of Greenhouse Gas Emissions (July 2003) by the Ministry of the Environment 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.
- Because fractions have been omitted, total values may not match perfectly in some cases.

Energy and Resources Used and Wasted (waste generated) in FY 2004

Total Company-wide Impact in Terms of CO₂ Emissions (ton)



The Tokyu Group's Social Contributions and Environmental Activities

Group Company Governance

As a means of coping more effectively with changes in business environments, the Tokyu Group established the Tokyu Group Corporate Executive Committee, which functions as the group's top decision-making organization and is led by the Tokyu Corporation chairman. Specifically, the Committee discusses 1) vital policies and capital measures associated with promoting group business, 2) assessment of each group company's business performance, and 3) matters concerning the management of the Tokyu brand. It also ensures that Tokyu adheres to the commercial code and maintains a high level of transparency.

Management and Promotion of the Tokyu Brand

In order to establish Tokyu as a "trusted and loved brand" as the Tokyu Group business philosophy dictates, the "Tokyu Group Management Policy" implemented in April 2000 includes clear provisions for brand management activities. Tokyu introduced a full-fledged brand management system in April 2003 with the goal of establishing a clear Tokyu brand identity. As a part of these efforts, we are working to convey Tokyu's brand identity to customers through a variety of media in order to promote name recognition and brand value.

The Tokyu Group business philosophy also states that group companies must fulfill their responsibilities to society. To do so, Tokyu participates in many activities designed to foster closer relationships with people in each community, and has also established foundations and educational programs to benefit the public.

In order to continue to meet the expectations of our customers, provide them with high-quality service, and maintain a positive corporate image, we will continue to protect and develop the Tokyu brand. This is a mission that all Tokyu Group companies share.

Social Contribution

Opportunities for Exchange with Community Residents

Tokyu sponsors a number of events and activities each year that are designed to promote communication with the residents of each community in which Tokyu operates. Such events and activities include music concerts at Tokyu's Bunkamura concert hall, group walks intended to rediscover hidden beauty along Tokyu railway routes, and sponsorship of artistic performances.

Social Contribution by Group Companies and Corporations

Youth Career Development Program (Pan Pacific Hotels and Resorts)

Pan Pacific Hotels and Resorts, one of the Tokyu Group's overseas businesses, has teamed up with UNICEF to sponsor the "Youth Career Development Program," as a way to demonstrate its commitment to local communities.

This training initiative is designed to provide economically and socially disadvantaged children with education and training opportunities at Pan Pacific's hotels in order to enable them to acquire skills to break out of poverty. The Pan Pacific Hotel in Bangkok started the program in 1995, and was eventually joined by its counterparts in Manila, Philippines (1998), and Jakarta, Indonesia (2003). The six-month training program includes front desk, housekeeping, restaurant service, accounting, maintenance, and other hotel operation basics.

FY 2004 Program Participants

Bangkok:	10
Manila:	5
Jakarta:	8

Foundation Activities

• The Gotoh Museum (Est. 1959)

Collection includes more than 4,000 works of Oriental art, including two national treasures: "The Tale of Genji Picture Scroll" and "Murasaki Shikibu Picture Scroll." Various exhibitions are available for public viewing.

• Daitokyu Memorial Library (Est. 1949)

A rare literary collection, including ancient Japanese and Chinese manuscripts and books written by famous Edo-period authors, that is available to academic researchers.

• Gotoh Memorial Foundation (Est. 1990)

Based on the late Noboru Gotoh's philosophy that "happiness doesn't come merely from working hard; it comes when life is enjoyed and richness is deepened," this foundation seeks to discover and nurture highly skilled artists in order to enrich the artistic culture of society. The foundation throws light on new talents in various arts and local artists who are engaged in creative activities.

• Tokyu Foundation for Better Environment (Est. 1974)

Created in an effort to clean up the Tama River, which flows through Tokyo and Kanagawa Prefecture, and its river basin, and to assist with related research projects. As of March 31, 2005, the Foundation had provided 966 grants worth a total of ¥1.16 billion.

• Tokyu Foundation for Inbound Students (Est. 1975)

The Tokyu Foundation for Inbound students was established with the objective as expressed by the late founder Noboru Gotoh, "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. Up to March 31, 2005, 674 students have received scholarships from the foundation.

Natural Disaster Recovery Assistance

Advertising Campaign to Assist Victims of the Niigata Chuetsu Earthquake

Tokyu Agency, Tokyu Corporation, and QFRONT joined forces to launch a volunteer-based advertising campaign (January 21-31, 2005) to solicit donations for victims of the Niigata Chuetsu Earthquake disaster. The companies themselves donated posters, transit advertising spaces, and TV commercials that were broadcast via the gigantic outdoor TV screens that face Shibuya Station in downtown Tokyo. Additionally, a total of ¥4 million collected from Tokyu Group employees was donated to the Japan Red Cross.

Harmony Aid in Bunkamura – a benefit concert for the victims of the 2004 Asian tsunami

On March 16, 2005, Tokyu sponsored a benefit con-

cert at Bunkamura concert hall in Tokyo. The concert featured Maki Mori, winner of the 11th Gotoh Memorial Foundation Opera Newcomer Award, and other stars. Concert proceeds and Tokyu Group employee donations, which totaled ¥4 million, were given to Japan Red Cross.

Environmental Activities

Environmental Management Systems at Tokyu Group

Each member of the Tokyu Group is taking aggressive measures to develop and implement environmental management systems. Companies that are working toward ISO 14001 certification are able to take advantage of support provided by Tokyu Corporation and other group companies that have already acquired certification. Additionally, a number of group companies are seeking to acquire EcoAction21 certification; EcoAction21 is a simplified environmental management system being promoted by the Ministry of the Environment.

Tokyu ISO 14001 Certification Status

	Business Name	Certified Date
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 Railway Service/Nagatsuta Rolling Stock Maintenance Center	Mar. 19, 1999
5	Tokyu Construction/ Institute of Technology	Sep. 22, 1999
6	Tokyu Construction/Works in Japand	Mar. 22, 2000
7	Tokyu Community/Building Management Division, 1st Building Sales Department, Yoga Office	Mar. 31, 2000
8	Tokyu Corporation/Headquarters	Nov. 29, 2000
9	Nagoya Tokyu Hotel	Mar. 28, 2001
10	Tokyu Facility Service/Tokyu Higashiyama Building; Building Management Division; Engineering Management Department	Sep. 26, 2001
11	Tokyu Agency/ Headquarters	Feb. 22, 2002
12	Tokyu Architects & Engineers/Headquarters; Construction Annex; Osaka Branch	Feb. 1, 2003
13	Tokyu Station Retail Service/Headquarters; station stores	Mar. 31, 2003
14	Nagano Tokyu Department Store/Headquarters; all stores	Jun. 30, 2003
15	Tokyu Store Chain/Headquarters; six stores	Jul. 30, 2003
16	Toko Foods/ Headquarters; Rice Milling Center	Feb. 26, 2004
17	Tokyu Department Store/ Headquarters (not including the Saginuma Logistics Center); Corporate Sales Division	Feb. 27, 2004
18	Tokyo Bay Hotel Tokyu	Mar. 31, 2004
19	Seikitokuyokogyo Headquarters; Kanto Branch	Oct. 19, 2004
20	Tokyu Home/ Headquarters Staff Division; 11 Offices	May 9, 2005

EcoAction21 Certification Status

	Business Name	Certified Date
1	Tokyu Bus/ Headquarters; Kawasaki and Higashiyamada Operation Offices; Higashi-yamada Plant	Aug. 30, 2002
2	Tokyu Hakuba Corporation/Headquarters; Ski resort	Dec. 3, 2004
3	Ueda Kotsu/Headquarters; Tokyu Inn	Feb. 28, 2005