

November 27, 2003

TOKYU CORPORATION

Representative: Kiyofumi Kamijo,

President & Representative Director

(Code No.9005, Tokyo Stock Exchange First Section)

Contact: Kazuyoshi Kashiwazaki

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Notice Regarding the Partial Transfer of the Operation of Hakone Turnpike and the Dissolution of the Subsidiary

The Board of Directors of Tokyu Corporation (hereinafter referred to as "TOKYU") at a meeting held on November 27, 2003 resolved to transfer the operation of our motor road business (Hakone Turnpike), as well as to dissolve Tokyu Turnpike Inc., our subsidiary, as follows;

1. The Partial Transfer of the Operation of the Business

(1) Reasons for the Transfer

Hakone Turnpike has been operated as the scenic toll road connecting the areas of Odawara and Hakone, Izu since it was opened in 1965. However, the number of vehicles using the road has been decreasing partly because of a decline in the number of tourists visiting the Izu area. Therefore, we decided to transfer the operation of the Turnpike to pursue the policy of selection and concentration of businesses based on our Group Management Policy formulated in April 2000.

(2) Details of the Transfer of the Business

a. Description of the transferred department

Hakone Turnpike

Operating areas: Yugawaramachi, Ashigarashimo-gun, Kanagawa prefecture, and others

Inauguration: The Daikanazn Section (1965)

The Jikkoku Section (1967)

Outline of the Turnpike: The Daikanzan Section 14.1 km

The Jikkoku Section 1.7 km

b. Sales, operating profit and loss for the year ended March 2003

	Department (a)	Actual for the year ended March 2003 (b)	Ratio (a/b)
Sales	492 million yen	297,845 million yen	0.2%
Operating profit	45 million yen	49,749 million yen	0.1%

c. Transferred properties and their prices (millions of yen)

Transferred properties	Book value	Transferred price	Loss by transfer
Land	5,982		
Building	14		
Structures and others	1,690		
Total	7,687	1,157	6,530

*The book value is the assumed price at the time of sale.

(3) Outline of the Transferee Companies

Corporate Name	Hakone Turnpike K.K.
Head office address	Taisho Seimei Hibiya Building 10F, 1-9-1 Yurakucho, Chiyoda-ku, Tokyo
Representative	Kaoru Gunji, President and Director
Capital	10 million yen
Major shareholder and ownership rate	Macquarie Japan Infrastructure No 2 Pty Ltd. 100%
Main businesses	Operation of motor road business
Relationship with TOKYU	None

Corporate Name	Macquarie Japan Infrastructure No 2 Pty Ltd.
Head office address	Taisho Seimei Hibiya Building 10F, 1-9-1 Yurakucho, Chiyoda-ku, Tokyo
Representative	Hiroo Shibata, Representative and Director
Capital	248 million yen
Major shareholder and ownership rate	Macquarie Corporate Finance Limited 100%
Main businesses	Consultation and mediation of lease and finance
Relationship with TOKYU	None

(4) Schedule for the Transfer

November 27, 2003

Approval of the transfer agreement by the Board of Directors

Execution of the transfer agreement

March 1, 2004 (tentative)

The transfer of the operation of the business

*Approval of the national park business transfer/succession by the Ministry of the Environment and approval of the motor road business transfer/takeover by the Ministry of Land, Infrastructure and Transport are required to transfer the operation of the business, therefore, the date of the transfer will come after the approvals.

2. The Dissolution of the Subsidiary Company

(1) Background of the Dissolution

Tokyu Turnpike, Inc. was established in February 1955 and has operated the above mentioned motor road, but it is to be dissolved due to the transfer of the operation of the business.

(2) Outline of the Subsidiary Company

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|---|---|
| a. Corporate Name | Tokyu Turnpike, Inc. |
| b. Head office address | 2-22-1 Hayakawa, Odawara-shi, Kanagawa prefecture |
| c. Representative | Masakatsu Ogura, President and Director |
| d. Main businesses | Management and operation of the motor road business |
| e. Capital | 200 million yen |
| f. Number of outstanding shares | 400,000 |
| g. Major shareholder and ownership rate | TOKYU 100% |

(3) Schedule of the Dissolution

September 2004 (tentative) Extraordinary general meeting, Tokyu Turnpike, Inc.

3. Future Prospects

Regarding the loss of 6,530 million yen that resulted from the transfer, we posted it as a business investment loss reserve in our interim account settlement for the fiscal half year ended September 2003 and intend to post an extraordinary loss as a fixed property transfer loss in our account settlement for the fiscal year ending March 2004. The effects of the dissolution of the subsidiary on the consolidated and non-consolidated business performance for the fiscal year ending March 2004 are expected to be minor.