

November 15, 2004

TOKYU CORPORATION
Representative: Kiyofumi Kamijo,
President & Representative Director
(Code No.9005, Tokyo Stock Exchange First Section)
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Notice Regarding the Share Transfer of a Subsidiary

The Board of Directors of Tokyu Corporation (hereinafter referred to as “TOKYU”) at the meeting held on November 15, 2004 resolved to transfer shares of Tokyu Air Cargo Co., Ltd (hereinafter referred to as “Tokyu Air Cargo”), a consolidated subsidiary of Tokyu as follows:

1. Reasons for the Transfer

Tokyu Air Cargo has operated an international freight transportation business, mainly dealing with air cargo, since it was established in 1976. However, it has faced severe business circumstances such as the stiffer competition for customers. Recently Mizuho Capital Partners Co., Ltd. proposed to obtain the shares of Tokyu Air Cargo to enhance the international logistics division of the Vantec Group which is substantially controlled by the Mizuho Capital Partners’ fund. We concluded that it would be the best way for Tokyu Air Cargo to cooperate with another company which has a different area of strength and thereby complement each other to strive for further growth as an integrated logistics company in the future. We, therefore, resolved to transfer all shares of the company that we owned. The current management team will retain the company’s shares and continue to manage the company.

2. Outline of the Transferred Subsidiary

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|----------------------------|---|
| (1) Corporate name: | Tokyu Air Cargo Co., Ltd. |
| (2) Representative: | Toshio Ito, President & Representative Director |
| (3) Head office address: | 15-13, Nampeidai-cho, Shibuya-ku, Tokyo |
| (4) Date of establishment: | June 15, 1976 |
| (5) Main business: | International freight transportation business |
| (6) Fiscal year end: | December |

- (7) Number of employees: 412 (as of the end of June 2004)
- (8) Capital: 320 million yen
- (9) Number of outstanding shares: 640,000
- (10) Major shareholders: TOKYU 369,600 (57.75%)
 (Ownership rate) Tokyu Department Store Co.,Ltd 61,600 (9.63%)
 Tokyu Logistic Co.,Ltd 61,600 (9.63%)
 Tokyu Car Coporation 61,600 (9.63%)
 Japan Airlines Domestic Co.,Ltd. 61,600 (9.63%)

(11) Business results for the recent fiscal years

(Millions of yen)

	Fiscal year ended December 2003	Fiscal year ended December 2002
Operating revenue	21,642	21,629
Operating profit	926	956
Recurring profit	904	905
Current income	841	(137)
Total assets	13,115	12,806

3. Outline of the Transferee Company

Corporate name	Vantec holdings II Corporation
Representative	Mitsuru Ootawa
Head office address	1-2 Marunouchi 1-chome, Chiyoda-ku, Tokyo
Main businesses	Holding securities and all other related services
Relationship with TOKYU	None

4. Number of Transferred Shares and Transfer Price, and Number of Owned Shares Before and After the Transfer

- (1) Number of owned shares before the transfer: 369,600 (ownership rate 57.75%)
- (2) Number of transferred shares: 369,600 (ownership rate 57.75%)
- (3) Number of owned shares after the transfer: 0
- (4) Price of transfer: 4,124 million yen

TOKYU will obtain shares of Tokyu Air Cargo owned by Tokyu Department Store Co., Ltd, Tokyu Logistic Co., Ltd, and Tokyu Car Corporation (61,600 shares each, 184,800 shares in total) before the transfer. Finally, total number of shares owned by Tokyu will be 554,400 and the transfer price will be 6,186 million yen.

5. Schedule for Share Transfer

November 15, 2004	Approval of the share transfer agreement by the board of directors
December 15, 2004 (Planned)	Transfer of shares

6. Future Prospects

We intend to post a gain on sales of subsidiaries' shares of 3,052 million yen resulting from this transfer as an extraordinary gain in our non-consolidated account settlement for the year ending March 2005 and gain on sales of subsidiaries' shares of 2,900 million yen as an extraordinary loss in our consolidated account settlement. The non-consolidated and consolidated performance forecast released on November 15, 2004, has already included those figures.