

NOTICE TO SHAREHOLDERS RESIDENT IN THE UNITED STATES

This press release relates to a proposed business combination that involves the securities of a foreign company. It is subject to disclosure requirements of a foreign country that are different from those in the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies. It may be difficult for any U.S. shareholder to enforce his rights and any claim he may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. Such U.S. shareholder may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

November 15, 2004

To Whom It May Concern:

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

Company Name: TOKYU DEPARTMENT STORE CO., LTD
Name of Representative Director: Hirokazu Mizuta,
President & Representative Director
(Code No.8232, Tokyo Stock Exchange, First Section)

Notice of Execution of Share Exchange Agreement

Tokyu Corporation (hereinafter "Tokyu") and Tokyu Department Store Co., Ltd (hereinafter "TDS") have entered into a Share Exchange Agreement on November 15, 2004 in accordance with the resolutions of the boards of directors of both companies dated the same date and the Memorandum of Understanding executed on September 27, 2004.

Description

1. Summary of the Share Exchange Agreement

(1) Method

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

(2) Conversion rate of shares

Tokyu will issue 36,164,728 shares of common stock upon the execution of the share exchange and will distribute 0.32 shares of Tokyu stock in exchange for each one (1) share of TDS stock (excluding those held by Tokyu) to the shareholders of TDS based upon the Record of Shareholders and the Record of Beneficial Shareholders (*jisshitsu kabunushi meibo*), as of the close of the day immediately preceding the date of the Share Exchange.

(3) Increases in Capital and Capital Reserve

The increase to Tokyu's capital and capital reserve as a result of the Share Exchange is as follows:

Capital: No increase

Capital Reserve: The amount calculated by multiplying the shareholders' equity of TDS as of the date of the Share Exchange by a ratio of the number of TDS shares to be transferred to Tokyu upon the Share Exchange to the total number of TDS shares outstanding.

(4) Cash Distribution upon Share Exchange

No cash distribution by Tokyu to TDS's shareholders will be made upon the Share Exchange.

- (5) Term of Office of Directors and Corporate Auditors held prior to the Share Exchange

The Share Exchange shall not affect the term of office of Tokyu's directors and Corporate auditors who held his/her office before the date of the Share Exchange.

2. Schedule for Share Exchange

November 15, 2004	Approval of the Share Exchange Agreement by the Board of Directors of both companies and Execution of the Share Exchange Agreement
January 25, 2005(plan)	Extraordinary shareholders' meetings of TDS to approve the Share Exchange Agreement
April 1, 2005(plan)	Date of Execution of the Share Exchange

* Tokyu will carry out the Share Exchange without obtaining an approval at the shareholders' meeting in accordance with the provisions of Article 358(1) of the Commercial Code of Japan.

Inquiries may be directed to: Tokyu Corporation, Attn: Hisashi Takai, 5-6,
Nampeidai-cho, Shibuya-ku, Tokyo 150-8511, Japan.