

August 27, 2004

TOKYU CORPORATION
Representative: Kiyofumi Kamijo,
President & Representative Director
(Code No.9005, Tokyo Stock Exchange First Section)
Contact: Kazuyoshi Kashiwazaki
IR Manager, Accounting, Group Strategy & IR Division,
Finance, Accounting & Group Strategy Headquarters
Telephone: +81-3-3477-6168

Notice Regarding Entrusting the Fixed Assets and Transferring its Trust Beneficiary Rights of a Consolidated Subsidiary

The Board of Directors of T.H. Properties, which is a subsidiary of Tokyu Corporation, at the board meeting on August 27, 2004, resolved its entrusting the fixed assets and transferring the trust beneficiary rights as follows:

1. Name of the Subsidiary, etc.

Trade name	T.H. Properties
Location of head office	5-6, Nampeidai-cho, Shibuya-ku, Tokyo, Japan
Representative	Katsuhisa Suzuki, President and Director

2. Reasons for the Transfer

We and our group have raised funds proactively through re-examining our own assets and the above transfer is in the process of being expedited. Tokyu Hotel Chain Co., Ltd. has rented the assets below from T.H. Properties and has operated them as Nagoya Tokyu Hotel and Kyoto Tokyu Hotel. After the transfer, we will rent the assets from The Mitsubishi Trust and Banking Corporation and continue to operate the hotels.

3. Details of the Property Transferred

Nagoya Tokyu Hotel		(Millions of yen)		
The property and its location		Book value	Transfer price	Current Status
611-1, Sakae 4-chome, Naka-ku, Nagoya-shi, Aichi, Japan				
Land	9,172.96 square-meter			
Building	16 stories above the ground and 2 underground stories			
	Steel framed reinforced concrete structure			
	Total Floor Space: 59,953.88 square-meter			
Total		12,686	10,579	Hotel

Kyoto Tokyu Hotel

(Millions of yen)

The property and its location	Book value	Transfer price	Current Status
600-2, Kakimotocho, Gojosagaru, Inokuma-dori, Shimogyo-ku, Kyoto, Japan			Hotel
Land 7,842.74 square-meter Building 7 stories above the ground and 2 underground stories Steel framed reinforced concrete structure Total Floor Space: 30,489.96 square-meter			
Total	3,219	3,221	

4. Outline of Transferee Company

i) Outline of Trustee

Trade name	The Mitsubishi Trust and Banking Corporation			
Location of head office	4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan			
Representative	Haruya Ueda, President & CEO			
Capital (As of March 31, 2004)	324,279 million yen			
Major shareholder (As of March 31, 2004)	Name	Address	Number of shares owned	Ratio to the outstanding stocks
	Mitsubishi Tokyo Financial Group, Inc.	Chiyoda-ku, Tokyo, Japan	(thousand) 2,014,112	100%
Main businesses	Trust banking, finance businesses, etc.			
Relationship with TOKYU (As of March 31, 2004)	(Capital) Number of Trustee's shares owned by TOKYU --- Number of TOKYU's shares owned by Trustee 25,046 thousand (Management) None (Business) Loan balance to Trustee 43,277 million yen			

ii) Outline of Transferee of the Trust Beneficiary Rights

Trade name	NK Realty Y.K.
Location of head office	4-3, Nihonbashi-muromachi 2-chome, Chuo-ku, Tokyo, Japan
Representative	Shuji Kawai, Director
Date of incorporation	August 6, 2004
Main businesses	Trade, possession and management of trust beneficiary rights of entrusted fixed assets with regard to real estate trust
Relationship with TOKYU	Not applicable

5. Schedule for the Transfer

August 27, 2004	Resolve the transfer at the Board Meeting of T.H.Properties
August 31, 2004	Execute the sales agreement
(Planned)	Handover the subject property
	Settle the purchase price in funds

6. Future Prospects

In our consolidated interim account settlement for the fiscal half year ending September 2004, we intend to post a fixed assets sale loss of 2,107 million yen from the transfer of the Nagoya Tokyu Hotel as an extraordinary loss and a profit of 1 million yen from the transfer of the Kyoto Tokyu Hotel as an extraordinary gain. There will be no change in the consolidated performance forecast for the fiscal year ending March 2005 released on August 24, 2004.