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TOKYU CORPORATION
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**Notice Regarding Appraisal Loss of Affiliated Company Shares
(Non-consolidated)**

1. Appraisal Loss of Affiliated Company Shares (Non-consolidated)

We will post an appraisal loss on the shares of Tokyu Construction Co., LTD, which is our affiliate accounted for by the equity method, on our non-consolidated statements for the third quarter period of the fiscal year ending March 2007.

(A) Appraisal loss of affiliated company shares	15,841 million yen
(B) Net asset for the fiscal year ended March 2006 (A/B x 100)	287,663 million yen (5.5%)
(C) Recurring profit for the fiscal year ended March 2006 (A/C x 100)	54,222 million yen (29.2%)
(D) Net income for the fiscal year ended March 2006 (A/D x 100)	37,656 million yen (42.1%)

2. Future Prospect

Considering the stock price of Tokyu Construction as of the third quarter period-end, we post above-mentioned appraisal loss for the third quarter period of the fiscal year ending March 2007. We will decide to recognize the appraisal loss or not by calculation considering the stock price as of the end of March 2007(fiscal year-end), so we don't revise non-consolidated performance forecast for the fiscal year ending March 2007 at the present moment. Above-mentioned appraisal loss doesn't affect the consolidated financial results because Tokyu construction is accounted for by the equity method.