



For Immediate Release

December 25, 2009

TOKYU CORPORATION

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**Notice of Restructuring of the Group's Security Business
(Establishment of New Company, Simplified Spin-Off and Simplified Merger)**

Tokyu Corporation announces that a meeting of its Board of Directors held today resolved that the organizations of Tokyu Facility Service Co., Ltd. (hereinafter referred to as "Tokyu Facility Service") and Tokyu Security Co., Ltd. (hereinafter referred to as "Tokyu Security"), which are the wholly-owned subsidiaries of the Company, will be restructured as a business management system providing comprehensive security services as follows. This procedure is a simplified spin-off by absorption and simplified merger by absorption, which will be applied to the consolidated subsidiaries. Consequently, the disclosure is made by omitting some of the matters and details to be disclosed.

NOTE

1. Purpose of restructure

In the three-year medium-term management plan that commenced in 2008, the Company identified the "constant pursuit of the group's optimum business portfolio" as a key theme, and clearly specified the business area and regional domain in which the Tokyu Group would be engaged. The Company has worked continuously on optimizing the group's companies and business to establish the appropriate business structure.

As to the security business, for which markets were initially segregated according to the services to be provided, we have been examining a business management system that contributes to the enhancement of the value of areas adjacent to our railways, which is the growth strategy of the Tokyu Group to meet customers' diverse needs and provide higher quality services. This restructure and business integration will be implemented as part of bolstering the business management system. Through this restructure and business integration, the business promotion system will be unified and its efficiency will be improved. Permanent stationing security services of Tokyu Facility Service will be added to Tokyu Security's original services such as PASMO security and senior security, thereby making it possible to provide comprehensive services. We consider that this will increase our chances of winning orders.

The process of the restructure is as shown below.

- (i) Establishment of a new company (TS Service) as a wholly-owned subsidiary of Tokyu Security.
- (ii) Integration of the security business of Tokyu Facility Service in the Greater Tokyo Metropolitan area (the security business belonging to the Security Business Division) and the business of Tokyu Security after its takeover by TS Service through the company spin-off.
- (iii) In terms of assets, the Company will take over the fixed assets from Tokyu Facility Service through the company spin-off, including the stocks of TS Service (which are held by the Security Business Division), and will hold and manage the assets relating to the security business on a centralized basis by merging with Tokyu Security.

- (iv) The trading name of TS Service will be changed to Tokyu Security upon the takeover of the business, and the continuation of business management using the Tokyu Security brand will be secured.

* Refer to “2. Key aspects of restructure (3) Outline of spin-off and merger” and “Reference material” for details.

2. Key aspects of restructure

(1) Schedule (plan)

December 25, 2009	(i) Meeting of the board of directors of the Company (approval of restructure and conclusion of spin-off and merger agreements) (ii) Meeting of the board of directors of Tokyu Facility Service (approval of conclusion of a spin-off agreement) (iii) Meeting of the board of directors of Tokyu Security (approval of establishment of a subsidiary and conclusion of spin-off and merger agreements)
January 12, 2010	(i) Establishment of TS Service Co., Ltd. (hereinafter referred to as “TS Service”) (ii) Conclusion of spin-off agreement - Tokyu Facility Service — TS Service - Tokyu Security — TS Service - Tokyu Facility Service — the Company (iii) Conclusion of a merger agreement - Tokyu Security — the Company
January 25, 2010	(i) General meeting of shareholders of Tokyu Security (approval of spin-off agreement) (ii) General meeting of shareholders of TS Service (approval of spin-off agreement)
March 31, 2010	(i) Spin-off by absorption - Tokyu Facility Service — TS Service - Tokyu Security — TS Service (ii) Change of trading name (from TS Service to Tokyu Security)
April 1, 2010	(i) Spin-off by absorption - Tokyu Facility Service — the Company (ii) Merger by absorption - Tokyu Security — the Company

(2) Profile of newly established subsidiary

- (i) Name: TS Service Co., Ltd.
- (ii) Address: 5-6, Nanpeidaicho, Shibuya-ku Tokyo
- (iii) Representative: Satoru Hato
- (iv) Business: Security business
- (v) Capital stock: 5 million yen
- (vi) Major shareholder: Tokyu Security Co., Ltd. 100%

(3) Outline of spin-off and merger

(Tokyu Facility Service — TS Service)

(i) Spin-off method

Method of spin-off by absorption according to which a division will be detached from Tokyu Facility Service, and TS Service as the successor company will take it over and absorb it.

(ii) Details of allotment

271 common shares will be issued and delivered to Tokyu Facility Service.

(iii) Handling of equity warrants and bonds with equity warrant

No relevant items.

- (iv) Increase or decrease in capital stock due to spin-off
There is no increase in the capital stock of TS Service due to the spin-off (increase in capital reserve by 271 million yen).
- (v) Rights and obligations to be taken over by the successor company
TS Service will take over part of the assets owned by Tokyu Facility Service (vehicles and transport equipment for business and security service) on the date of the spin-off.
- (vi) Prospect for fulfillment of obligations
We consider there to be no issues regarding the prospects for the fulfillment of the obligations by TS Service after this spin-off.

(Tokyu Security — TS Service)

- (i) Spin-off method
Method of spin-off by absorption according to which a division will be detached from Tokyu Security, and TS Service as the successor company will take it over and absorb it.
- (ii) Details of allotment
99 common shares will be issued and delivered to Tokyu Security.
- (iii) Handling of equity warrants and bonds with equity warrant
No relevant items.
- (iv) Increase or decrease in capital stock due to spin-off
There is no increase in the capital stock of TS Service due to the spin-off (increase in capital reserve by 99 million yen).
- (v) Rights and obligations to be taken over by the successor company
TS Service will take over the assets owned by Tokyu Security related to the business in question (assets directly related to business and security services, trademark rights, and deferred assets. Bank accounts and cash to be taken over will be limited to bank accounts in the name of Tokyu Security and cash deposited in the bank accounts existing on a date preceding the effective date of this matter), the obligations to be taken over (all obligations related to the business in question) and all associated rights and obligations on the date of the spin-off
- (vi) Prospect for fulfillment of obligations
We consider there to be no issues regarding the prospects for the fulfillment of the obligations by TS Service after this spin-off.

(Tokyu Facility Service — the Company)

- (i) Spin-off method
Method of spin-off by absorption according to which a division will be detached from Tokyu Facility Service, and the Company as successor company will take it over and absorb it.
- (ii) Details of allotment
This is a spin-off by absorption for a wholly-owned subsidiary, so new shares in the Company will not be issued as a result.
- (iii) Handling of equity warrants and bonds with equity warrant
No relevant items.
- (iv) Increase or decrease in capital stock due to spin-off
There is no increase in the capital stock of the Company due to the spin-off.
- (v) Rights and obligations to be taken over by the successor company
The Company will take over part of the assets owned by Tokyu Facility Service (excluding vehicles and transport equipment for business and security services) on the date of the spin-off.
- (vi) Prospect for fulfillment of obligations
We consider there to be no issues regarding the prospects for the fulfillment of the obligations of the Company after this spin-off.

(Tokyu Security — the Company)

(i) Merger method

Merger by absorption according to which the Company will become the surviving company

(ii) Details of allotment

This is a merger by absorption for a wholly-owned subsidiary, so new shares in the Company will not be issued as a result.

3. Profile of the companies concerned

(Unit: million yen)

	(Successor company) (Surviving company) As of March 31, 2009	(Detaching company) As of March 31, 2009
(1) Name	Tokyu Corporation	Tokyu Facility Service Co., Ltd.
(2) Address	5-6, Nanpeidaicho, Shibuya-ku Tokyo	3-7-1, Higashiyama, Meguro-ku Tokyo
(3) Position title and name of representative	Toshiaki Koshimura, President and Director	Hirosuke Isozaki, President and Director
(4) Business	Railway and real estate businesses	General management of buildings, structures and attached equipment
(5) Capital stock	121,724 million yen	198 million yen
(6) Date of establishment	September 2, 1922	October 11, 1961
(7) Number of outstanding shares	1,263,525,752 shares	198,000 shares
(8) Closing month	March	March
(9) Major shareholders and their shareholding ratio	The Dai-ichi Mutual Life Insurance Co. 6.13% Nippon Life Insurance Co. 5.85% Japan Trustee Services Bank, Ltd. (trust account) 4.81%	Tokyu Corporation 100%
(10) Net worth	384,654 (consolidated basis)	5,965
(11) Total assets	2,010,746 (consolidated basis)	11,694
(12) Net worth per share (yen)	294.62(consolidated basis)	30,130.02
(13) Sales	1,304,231 (consolidated basis)	31,681
(14) Operating profit	65,301 (consolidated basis)	268
(15) Ordinary profit	54,872 (consolidated basis)	295
(16) Net profit	10,783 (consolidated basis)	21
(17) Net profit per share (yen)	8.65	108.60

(Unit: million yen)

	(Detaching company) (Non-surviving company) As of March 31, 2009	(Successor company) As of January 12, 2010 (plan)
(1) Name	Tokyu Security Co., Ltd.	TS Service Co., Ltd.
(2) Address	18-4, Sakuragaokacho, Shibuya-ku Tokyo	5-6, Nanpeidaicho, Shibuya-ku Tokyo
(3) Position title and name of representative	Satoru Hato, President and Director	Satoru Hato, President and Director
(4) Business	Security business	Security business
(5) Capital stock	3,111 million yen	5 million yen
(6) Date of establishment	October 1, 2004	January 12, 2010
(7) Number of outstanding shares	13,983 shares	10 shares
(8) Closing month	March	March
(9) Major shareholders and their shareholding ratio	Tokyu Corporation 98.57% Tokyu Facility Service Co., Ltd. 1.43%	Tokyu Security Co., Ltd. 100%
(10) Net worth	58	—
(11) Total assets	473	—
(12) Net worth per share (yen)	4,178.03	—
(13) Sales	1,473	—
(14) Operating profit	-737	—
(15) Ordinary profit	-744	—
(16) Net profit	-908	—
(17) Net profit per share (yen)	-65,004.97	—

4. Outline of detached business division

(Tokyu Facility Service — TS Service)

(1) Business of detached division

Security business in the Greater Tokyo Metropolitan area (security business belonging to the Security Business Division)

(2) Results of detached division

Sales: 3,837 million yen (for the term ended March 2009)

(3) Items and amounts of assets and liabilities to be detached

(As of September 30, 2009)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	911 million yen	Current liabilities	414 million yen
		Retirement benefit reserve	226 million yen
Total	911 million yen	Total	640 million yen

(Tokyu Security — TS Service)

(1) Business of detached division

All businesses of Tokyu Security

(2) Results of detached division

Sales: 1,473 million yen (for the term ended March 2009)

(3) Items and amounts of assets and liabilities to be detached

(As of September 30, 2009)

Assets		Liabilities	
Item	Amount	Item	Amount
Assets	483 million yen	Liabilities	384 million yen

(Tokyu Facility Service — the Company)

(1) Business of detached division

Part of asset management business

(2) Results of detached division

There are no sales due to the nature of the asset management business.

(3) Items and amounts of assets and liabilities to be detached

(As of September 30, 2009)

Assets		Liabilities	
Item	Amount	Item	Amount
Fixed assets	290 million yen	Current liabilities	— million yen

5. Status of the Company after Restructure

(1) This spin-off and merger will have no effect on the name, address, position title and name of representative, business, capital stock and accounting term of the Company.

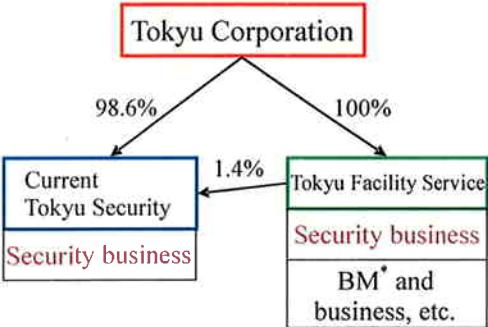
(2) Future outlook

This spin-off will have a negligible effect on the consolidated financial results and non-consolidated financial results of the Company.

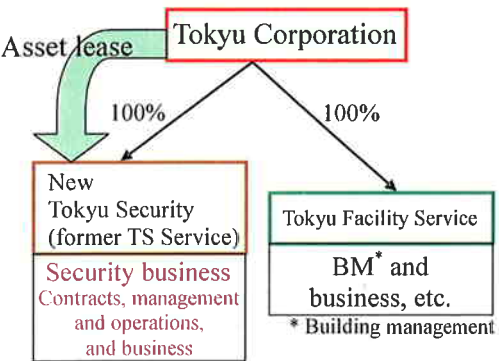


Restructure plan

○ Before restructure (present)



○ After restructure



○ Restructure within group

