



December 27, 2010

For Immediate Release

TOKYU CORPORATION
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Notice of Demerger (Simple Absorption-Type Demerger)

Tokyu Corporation (the “Company”) and its wholly owned subsidiary, Tokyu Card, Inc. (“Tokyu Card”), announce that board meetings held on December 27, 2010 resolved that Tokyu Card would transfer its Tokyu group loyalty program “TOKYU POINTS” (the “Point Business”) to the Company through a demerger, and that the two companies would conclude a demerger agreement. Details are as follows.

This procedure is an absorption-type demerger, in which the Company becomes the successor of the business of its wholly owned subsidiary. Consequently, certain disclosures in this notice have been omitted.

1. Purpose of restructure

Based on the initiatives to promote the retail related business, one of the Group’s growth strategies, the Company and Tokyu Card concluded an anonymous association agreement in April 2006 to strengthen the Group’s customer foundation. Since then, the Company has been promoting the Point Business through the Group Point Card Anonymous Association (the “Anonymous Association”).

To harness the synergies of the Point Business and the business managed directly by the Company, the Company has now decided to absorb the Point Business to develop a system and a governance structure that will enable the Company to make decisions promptly, and to maximize opportunities for the Group to contact with customers.

2. Key aspects of restructuring

(1) Schedule (plan)

December 27, 2010	- Board Meetings of the Company and Tokyu Card (Approval of the conclusion of a demerger agreement) - The conclusion of the demerger agreement
April 1, 2011	- Effective date (absorption-type demerger)

(Note)The procedures as described above are carried out without the approval of the General Meetings of Shareholders of the Company and Tokyu Card, because the Company, the successor company, meets the requirements for simplified demerger as stipulated in Paragraph 3 of Article 796 of Companies Act, and Tokyu Card, the demerging entity, meets the requirements for short-form demerger stipulated in Paragraph 1 of Article 784 of Companies Act.

(2) Demerger method

Absorption-type demerger (simplified demerger), in which the Company becomes a successor company that will take over and absorb the demerged division.

(3) Details of allotment associated with the demerger

As this is an absorption-type demerger for a wholly owned subsidiary, the Company will not issue new shares as a result of the demerger.

(4) Handling of equity warrants and bonds with equity warrant associated with the demerger

No relevant items

(5) Increase or decrease in capital stock as a result of the demerger

There are no changes in the capital stock.

(6) Rights and obligations to be taken over by the successor company

The Company will take over the assets and liabilities associated with the Point Business on April 1, 2011, the date of the demerger.

(7) Prospect for fulfillment of obligations

The Company considers that there will be no issues regarding the prospects for the fulfillment of the obligations of the Company after this demerger.

3. Profile of the entities involved

(Unit: million yen)

	(Successor entity) As of March 31, 2010	(Demerging entity) As of March 31, 2010
(1) Name	Tokyu Corporation	Tokyu Card, Inc.
(2) Address	5-6, Nanpeidaicho, Shibuya-ku, Tokyo	1-21-2 Dogenzaka, Shibuya-ku, Tokyo
(3) Title and name of representative	Toshiaki Koshimura, President and Director	Satoshi Wada President and Director
(4) Business	Railway and real estate businesses	Credit card business
(5) Paid-in capital	121,724 million yen	300 million yen
(6) Date of establishment	September 2, 1922	November 30, 1983
(7) Issued shares	1,263,525,752 shares	6,000 shares
(8) Closing month	March	March
(9) Major shareholders and their shareholding ratio (As of September 30, 2010)	The Dai-ichi Life Insurance Co. 6.13% Nippon Life Insurance Co. 5.85% Japan Trustee Services Bank, Ltd. (trust account) 3.74%	Tokyu Corporation 100%
(10) Net worth	386,341 (consolidated basis)	1,660
(11) Total assets	1,965,794 (consolidated basis)	37,988
(12) Net worth per share (yen)	298.77 (consolidated basis)	276,757.98
(13) Sales	1,230,132 (consolidated basis)	7,442
(14) Operating profit	52,741 (consolidated basis)	260
(15) Ordinary profit	46,138 (consolidated basis)	579
(16) Net profit	14,898 (consolidated basis)	324
(17) Net profit per share (yen)	11.88 (consolidated basis)	54,012.71

4. Profile of the demerged entity

(1) Business of the demerged entity

Tokyu group loyalty program “TOKYU POINTS”

(2) Results of the demerged entity

Sales: 681 million yen (for the term ended March 2010)

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

(As of September 30, 2010)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	7,293 million yen	Current liabilities	7,383 million yen
Fixed assets	258 million yen	Long-term liabilities	168 million yen
Total	7,552 million yen	Total	7,552 million yen

5. Status of the Company after restructuring

(1) This demerger and subsequent absorption will have no effect on the name, address, title and name of representatives, business, capital stock, or accounting term of the Company.

(2) Future outlook

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