



For Immediate Release

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TOKYU CORPORATION

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### **Notice of Extraordinary Loss and Deferred Tax Assets and Revised Performance Forecasts**

Tokyu Corporation (the “Company”) announces that it has posted an extraordinary loss and deferred tax assets in the fiscal year ended March 31, 2011. The Company also announces that as a result of the above, it has revised its consolidated and non-consolidated performance forecasts for the fiscal year ended March, 2011 (from April 1, 2010 to March 31, 2011), which were announced on February 10, 2011. Details are as follows:

#### **1. Extraordinary loss**

The Company expects to post an extraordinary loss of approximately 15 billion yen, reflecting impairment losses at stores and factories of Tokyu Store Chain and Tokyu Car Corporation due to intensifying competition and the poor economic conditions and losses from store closings based on the adoption of a store closing policy. As a result of a review of results at the Company’s leisure facilities, the Company also expects to record an impairment loss of approximately 12 billion yen, taking into account the potential impact of weaker demand in the future.

With respect to individual business results, the Company expects to record equity write-offs of Tokyu Store Chain amounting to approximately 21.5 billion yen for the fiscal year ended March 2011..

#### **2. Deferred tax assets**

With the completion of liquidation of TC Properties, a wholly owned subsidiary of the Company, in March 2011, unappropriated deficits of TC Properties were substituted by the Company in the fiscal year ended March 2011 in accordance with the Corporation Tax Act. As a result of a careful examination based on the future earnings outlook, the Company has decided to recognize deferred tax assets, related to the above, of approximately 40 billion yen.

### 3. Revised performance forecasts for the fiscal year ended March 2011

(from April 1, 2010 to March 31, 2011)

#### (1) Consolidated

(Million yen)

	Operating Revenue	Operating Profit	Recurring Profit	Net Income	Net Income per share (Yen)
Original forecast (A)	1,159,400	55,000	50,000	17,000	13.60
Revised forecast (B)	1,154,600	54,200	49,700	37,000	29.61
Changes in amounts (B-A)	-4,800	-800	-300	20,000	—
Rate of changes (%)	-0.4	-1.5	-0.6	126.5	—
(Reference) Results for the previous fiscal year (fiscal year ended March 2010)	1,230,132	52,741	46,138	14,898	11.88

#### (2) Non-consolidated

(Million yen)

	Operating Revenue	Operating Profit	Recurring Profit	Net Income	Net Income per share (Yen)
Original forecast (A)	276,700	44,000	36,000	27,000	21.58
Revised forecast (B)	275,100	45,100	37,400	43,100	34.44
Changes in amounts (B-A)	-1,600	1,100	1,400	16,100	—
Rate of changes (%)	-0.6	2.5	3.9	59.6	—
(Reference) Results for the previous fiscal year (fiscal year ended March 2010)	282,797	46,023	36,495	5,668	4.51

#### 4. Reasons for the revision

As described in 3 in the above, the Company has revised its consolidated and non-consolidated performance forecasts for the fiscal year ended March 2011, which were announced on February 10, 2011, to reflect the posting of an extraordinary loss and deferred tax assets in the fiscal year ended March 31, 2011 as described in 1 and 2 above.

\*The above forecasts are prepared on the basis of information that was available on the date of this release. Actual results may differ materially from these forecasts for a variety of reasons.