

December 28, 2011

**Notice of Reorganization of Structure of Business in the Izu Area**  
Furthering Management Efficiency by Establishing a Holding Company by Means of Share Transfer and  
Aggregation of Group Businesses by Means of Company Spin-Off

TOKYU CORPORATION  
IZUKYU CORPORATION  
IZUKYU LAND CORPORATION

The Board of Directors of Tokyu Corporation at a meeting convened yesterday and the Boards of Directors of Izukyu Corporation and Izukyu Land Corporation at meetings convened today announce their decision to reorganize the structure of business in the Izu area and to consolidate the management of the Izukyu Group by establishing a new company, Izukyu Holdings (hereafter "Holding Company"). The consolidated will be conducted through the transfer of Izukyu Corporation shares as well as the spin-off of the Real Estate business, the Subdivision Management business, etc. of Izukyu Land Corporation into Izukyu Community Corporation, and the acquisition of the shares of subsidiaries owned by Izukyu Land Corporation by Holding Company, to bring all of the companies of the Izukyu Group under the jurisdiction of Holding Company.

Izukyu Corporation and Izukyu Land Corporation, as the core companies of the Izukyu Group, have operated their mainstay railroad business as well as real estate and subdivision management businesses. Together with Group companies operating leisure and lifestyle businesses, they have worked diligently to develop and revitalize the region.

However, the business environment surrounding the Izukyu Group is likely to become difficult going forward, given the declining number of tourists visiting the Izu region and the impact of the Great East Japan Earthquake, among other factors. To ensure the profitability of the Izukyu Group businesses and construct a decision-making system with a total optimization perspective that understands each business' income and expenses, enterprise value will be enhanced with the transition to a unified management structure through a pure holding company along with the aggregation of Group businesses.

Announcements about the directors of Izukyu Holdings and other matters will be made at another time.

1. Summary of the reorganization \* Refer to Appendix 1

2. Reorganization schedule (estimated)

(1) Share transfer

December 28, 2011 Izukyu Corporation Board meeting (approval of share transfer plan)

February 8, 2012 Izukyu Corporation Extraordinary General Meeting of Shareholders (approval of share transfer plan)

March 1, 2012 Establishment of wholly owning parent company incorporated through share transfer (Izukyu Holdings)

(2) Company Spin-Off

December 28, 2011 Izukyu Land Corporation Board meeting (approval of spin-off contract)

January 24, 2012 Izukyu Land Corporation Extraordinary General Meeting of Shareholders (approval of spin-off contract)

April 1, 2012 Date of spin-off (successor company Izukyu Community Corporation)

(3) Assignment of shares

March 14, 2012 Izukyu Land Corporation Board meeting (approval of the assignment of shares of related companies)

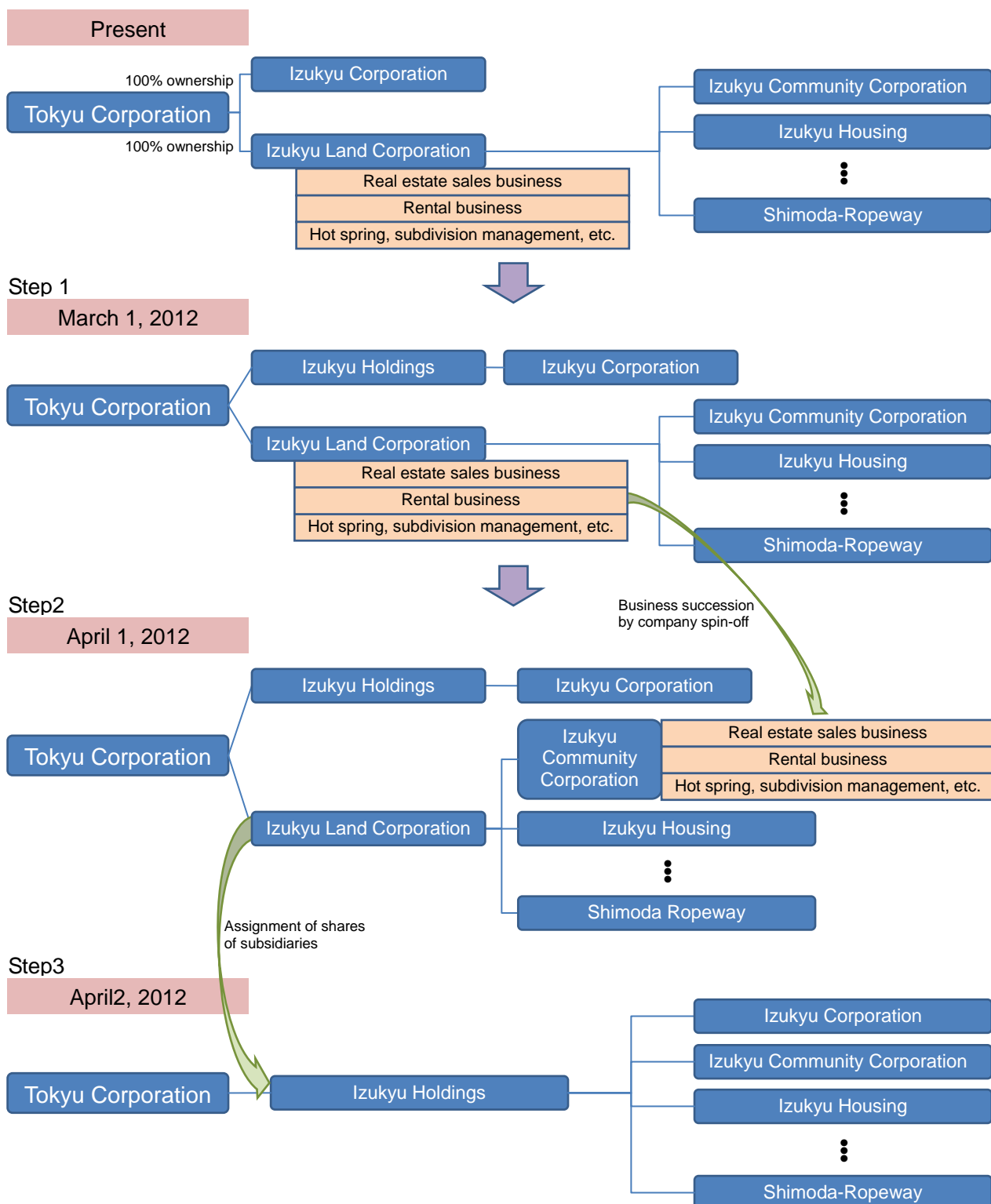
April 2, 2012 Assignment of shares of related companies to Izukyu Holdings

End

\*Refer to Appendix 2 for an outline of companies affected by this notice

Appendix 1: Summary of Izukyu Group Business Reorganization

- Step 1: Izukyu Corporation establishes an interim holding company, Izukyu Holdings, incorporated through share transfer
- Step 2: Izukyu Land Corporation transfers all of its businesses (except general administration) to successor company Izukyu Community Corporation through company spin-off
- Step 3: Izukyu Holdings acquires all of the shares of the subsidiaries owned by Izukyu Land Corporation bringing all companies under the jurisdiction of Izukyu Holdings



## Appendix 2

### (Reference) Outline of Companies Affected by the Notice

#### 1. Outline of Izukyu Corporation

(1) Head office address	1151 Yawatano, Ito City, Shizuoka Prefecture
(2) Paid-in capital	90 million yen
(3) Date of establishment	April 10, 1959
(4) Line of business	Railroad, others
(5) Shareholder composition	Tokyu Corporation 100%

#### 2. Outline of Izukyu Land Corporation

(1) Head office address	1151 Yawatano, Ito City, Shizuoka Prefecture
(2) Paid-in capital	90 million yen
(3) Date of establishment	December 12, 1997 (spun-off from Izukyu Corporation on April 1, 2005)
(4) Line of business	Purchase and sale, rent of land and buildings, hot spring water supply, subdivision management, others
(5) Shareholder composition	Tokyu Corporation 100%

#### 3. Outline of Izukyu Community Corporation

(1) Head office address	1103-266 Yawatano, Ito City, Shizuoka Prefecture
(2) Paid-in capital	10 million yen
(3) Date of establishment	December 18, 1991
(4) Line of business	Management and contract management of hotels, lodges, dormitories, recreational facilities, others
(5) Shareholder composition	Izukyu Land Corporation 100%