

Summary of Results for FY2016 Forecasts for FY2017

May 12, 2017

Tokyu Corporation

(9005)

<http://www.tokyu.co.jp/>

F U T A K O
T A M A G A W A



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Forward-looking statements

All statements contained in this document other than historical facts are forward-looking statements that reflect the judgments of the management of Tokyu Corporation based on information currently available. Actual results may differ materially from the statements.



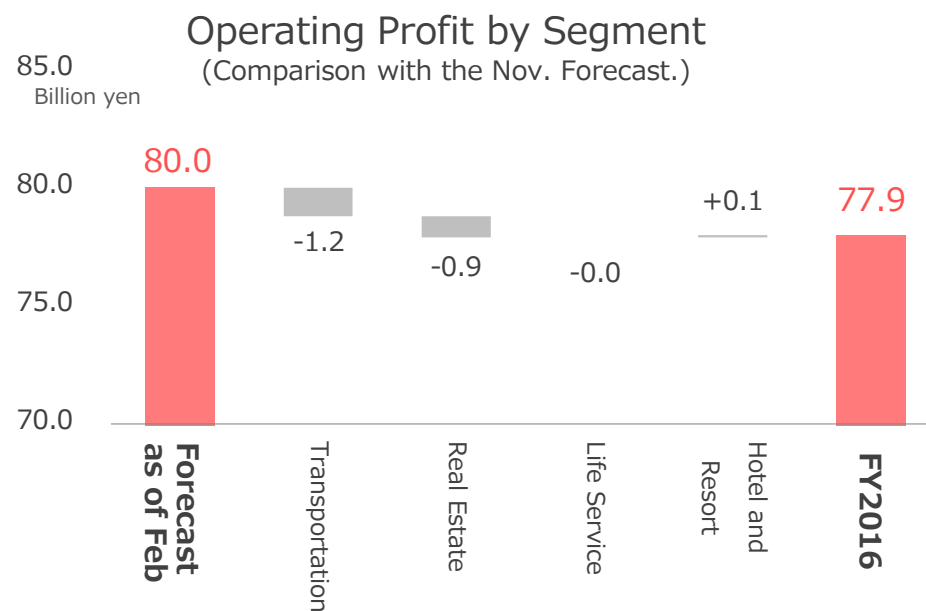
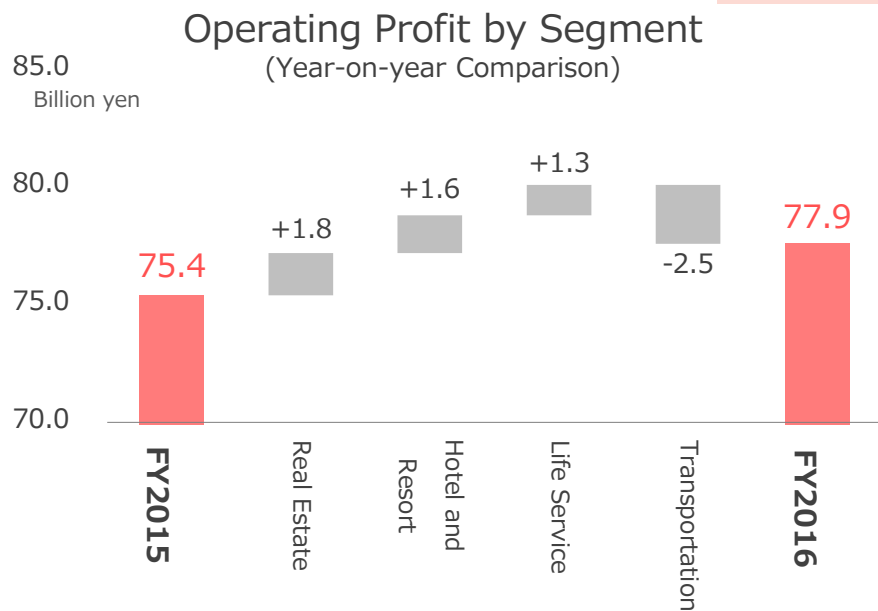
I . Overview of Financial Results for FY2016 • Financial Forecasts for FY2017

Main Points in the Results for FY2016

[Year-on-year comparison] Despite negative factors such as increased expenses in the railway operations of the Company, both revenue and profit increased, thanks primarily to revenue growth in the real estate leasing and railway operations of the Company based on the full-year operation of Futako Tamagawa Rise (Phase II), the strong business of Tokyu Hotels, and the change of Tokyu Recreation Co., Ltd. into a subsidiary. Profit attributable to owners of parent also increased, due partly to reduced income taxes.

[Comparison to February] While operating profit decreased, due largely to an increase in expenses for the progress of construction in the railway operations and real estate leasing of the Company, profit attributable to owners of parent was generally in line with the forecast.

	Results	YoY Comparison		Comparison with Forecasts as of Feb.	
Operating Revenue	1,117.3	+ 25.8	(+ 2.4%)	- 0.7	(- 0.1%)
Operating Profit	77.9	+ 2.4	(+ 3.3%)	- 2.0	(- 2.5%)
Recurring Profit	76.4	+ 6.4	(+ 9.2%)	- 2.1	(- 2.7%)
Profit attributable to owners of parent	67.2	+ 12.0	(+ 21.8%)	+ 0.2	(+ 0.4%)



Consolidated Operating Profit of FY2016 (vs Forecast as of Feb.)

Billion yen

	Forecast as of Feb.	2017/3 Results	Change	Remarks
Total Operating Profit	80.0	77.9	- 2.1 (- 2.6%)	
Transportation	28.0	26.7	- 1.2 (- 4.6%)	Increase in expenses related to capital investment due to the progress of construction such as platform door installations in the railway operations of the Company
Real Estate	30.9	29.9	- 0.9 (- 3.2%)	Increase in expenses for the progress of construction, etc. in the real estate leasing of the Company
Total Life Service	14.9	14.8	- 0.0 (- 0.7%)	
Retail	5.4	5.6	+ 0.2 (+ 3.7%)	
ICT and Media	9.5	9.1	- 0.3 (- 4.2%)	
Hotel and Resort	6.0	6.1	+ 0.1 (+ 1.7%)	
Elimination	0.2	0.3	+ 1.0	

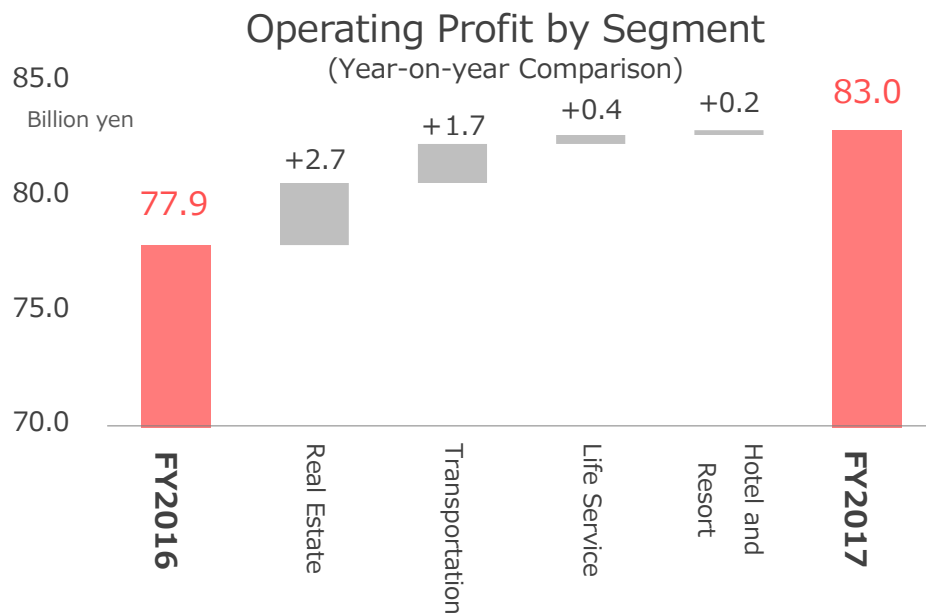


Main Points in Forecasts for FY2017

[Year-on-year comparison]

Both revenue and profit increased in all segments, including the Real Estate Business and the Transportation Business. Profit attributable to owners of parent increased, mainly reflecting gain on the sale of fixed assets.

	Full Year Forecast	YoY Comparison
Operating Revenue	1,145.4	+ 28.0 (+ 2.5%)
Operating Profit	83.0	+ 5.0 (+ 6.4%)
Recurring Profit	82.7	+ 6.2 (+ 8.2%)
Profit attributable to owners of parent	70.0	+ 2.7 (+ 4.0%)



II . Conditions in Each Business

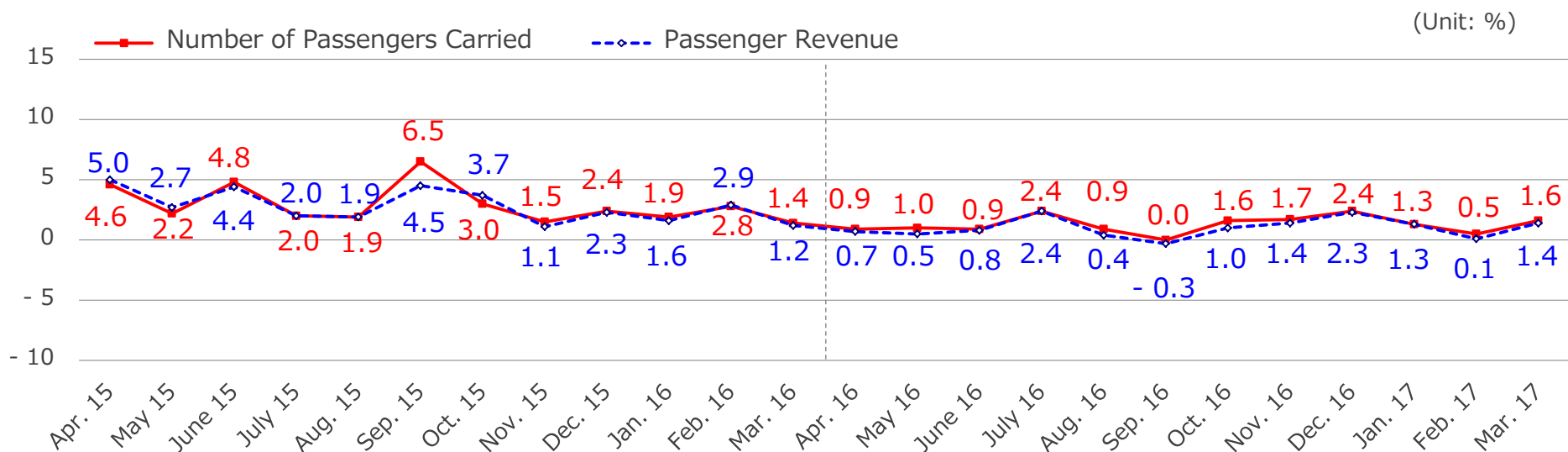
Railway Operations Business

Passengers Carried and Passenger Revenue (Results and Forecast)

(Thousand people, Million yen)

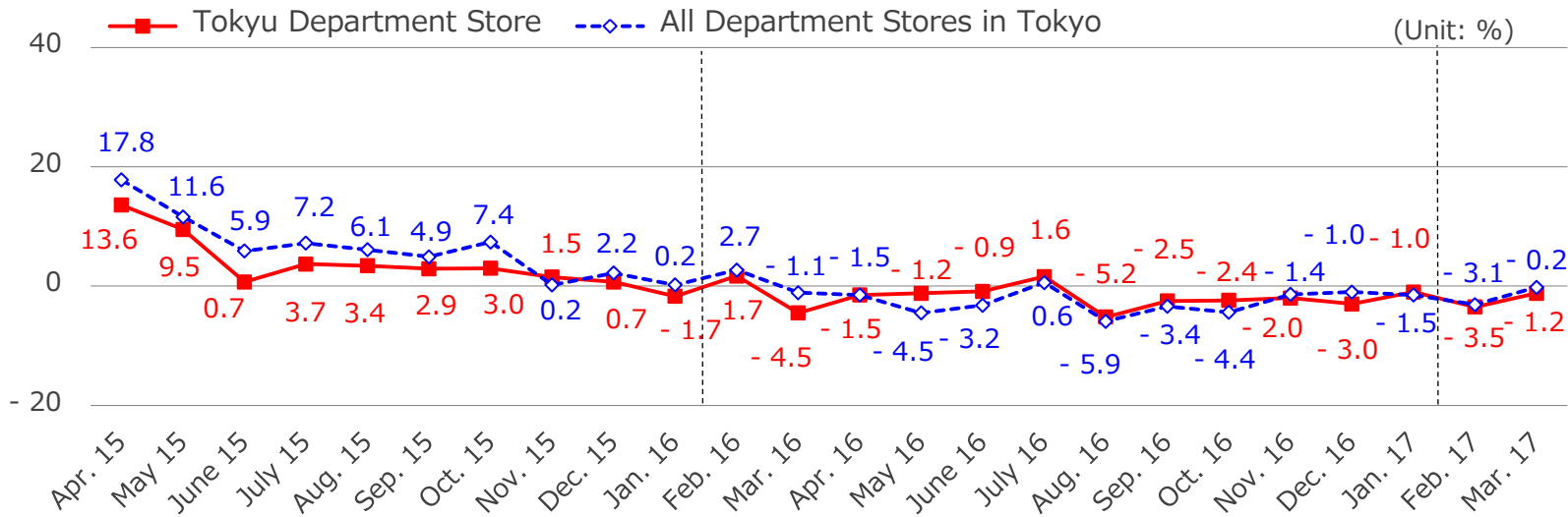
		2016/3 Results	2017/3 Results	Change	2018/3 Forecast	Change
Number of Passengers Carried	Total	1,148,569	1,163,023	+ 1.3%	1,172,628	+ 0.8%
	Non-commuter	461,956	464,259	+ 0.5%	465,168	+ 0.2%
	Commuter	686,613	698,764	+ 1.8%	707,460	+ 1.2%
Passenger Revenue	Total	137,235	138,621	+ 1.0%	139,635	+ 0.7%
	Non-commuter	75,499	75,834	+ 0.4%	76,006	+ 0.2%
	Commuter	61,736	62,787	+ 1.7%	63,629	+ 1.3%

Passengers Carried and Passenger Revenue (Year-on-year Comparison)



Retail Business

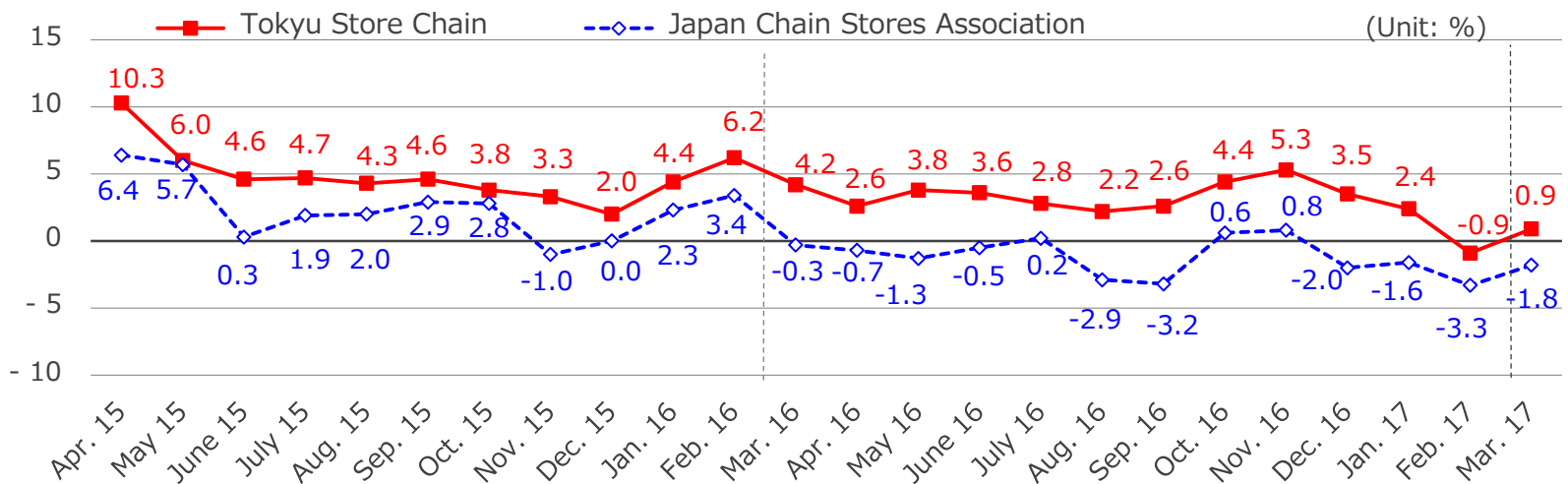
Tokyu Department Store: Sales (Year-on-year Comparison)



Sales by category

	FY2017/1	
	Rate of YoY change	Share
Menswear/furnishings	-5.9	3.5%
Womenswear/furnishings	-6.0	16.3%
Other clothing items	-6.5	4.2%
Personal items	0.8	8.3%
Miscellaneous goods	-2.1	14.4%
Household articles	-10.3	3.4%
Food	1.1	47.0%
Others	-3.8	2.9%
Total	-1.8	100.0%

Tokyu Store Chain: Sales (Year-on-year Comparison)



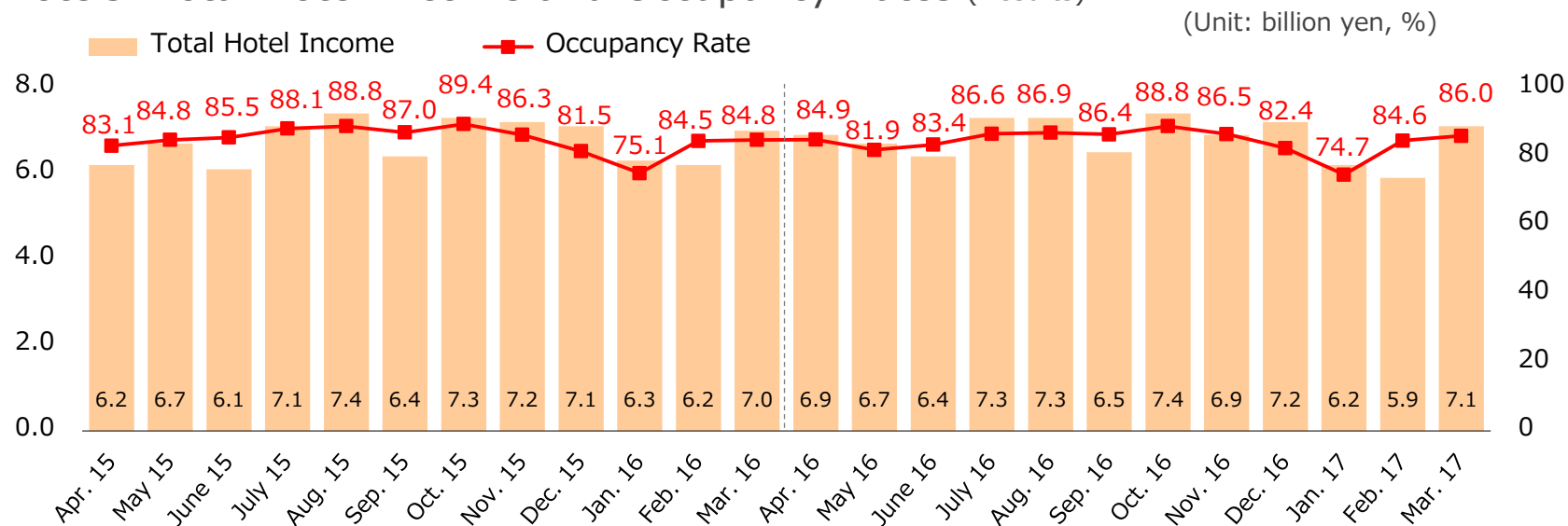
Sales by category

	2017/2	
	Rate of YoY change	Share
Food	3.6	85.4%
Clothing	2.1	1.9%
Livingware	2.9	5.4%
Others	-2.5	7.3%
Total	3.1	100.0%

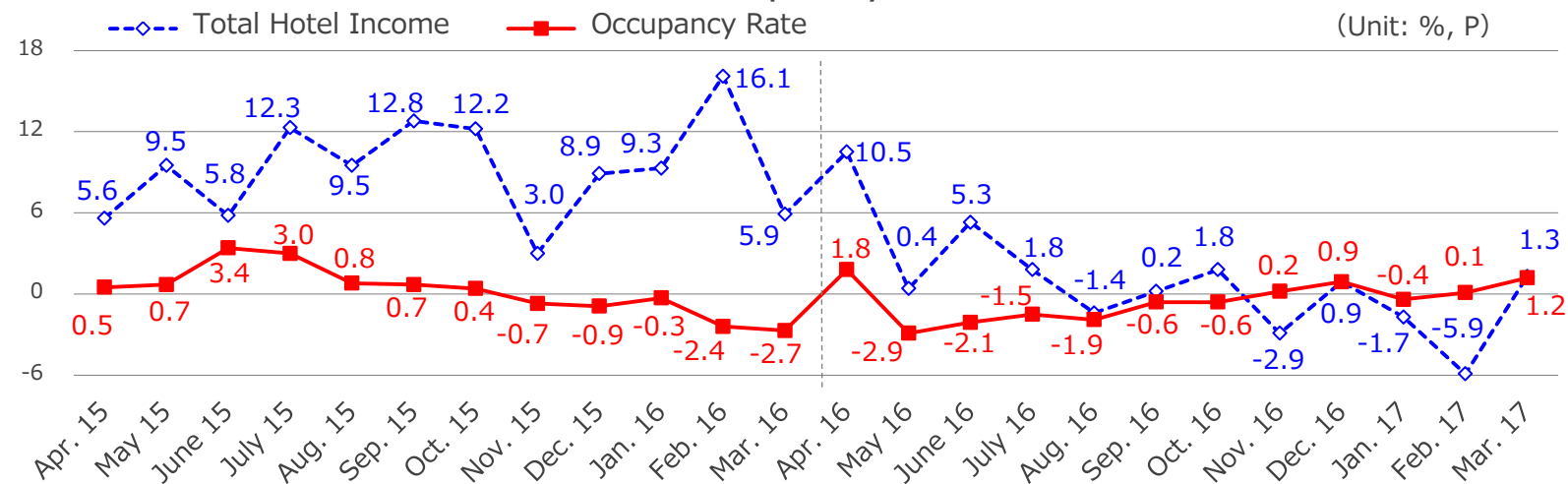


Hotel Business

Tokyu Hotels: Total Hotel Income and Occupancy Rates (Results)



Tokyu Hotels: Total Hotel Income and Occupancy Rates (Year-on-year Comparison)



IV. Details of Financial Results for FY2016

Summary of Consolidated Financial Statements

(Billion yen)

	2016/3 Results	2017/3 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	1,091.4	1,117.3	+ 25.8 (+ 2.4%)	Life Service: +45.0; Transportation: +6.9; Hotel and Resort: +1.6; Real Estate: -26.7	1,118.1	- 0.7 (- 0.1%)
Operating Profit	75.4	77.9	+ 2.4 (+ 3.3%)	Real Estate: +1.8; Hotel and Resort: +1.6; Life Service: +1.3; Transportation: -2.5	80.0	- 2.0 (- 2.5%)
Non-operating Revenue	12.7	14.0	+ 1.2 (+ 10.2%)	Investment Gains from Equity Method 8.3 (+0.8); Interest and Dividend Income 1.0 (+0.0)	13.3	+ 0.7 (+ 5.7%)
Non-operating Expenses	18.2	15.5	- 2.6 (- 14.4%)	[FY2015] Expenses for demolishing fixed assets 2.0□	14.7	+ 0.8 (+ 6.0%)
Recurring Profit	70.0	76.4	+ 6.4 (+ 9.2%)		78.6	- 2.1 (- 2.7%)
Extraordinary Gains	26.5	12.1	- 14.4 (- 54.3%)	[FY2015] Sale of land in front of the west exit of Yokohama Station 15.9	10.9	+ 1.2 (+ 11.3%)
Extraordinary Losses	22.1	10.7	- 11.3 (- 51.3%)	[FY2015] Expenses for demolishing fixed assets 10.6□	9.8	+ 0.9 (+ 10.0%)
Income before Income Taxes and Minority Interests	74.4	77.8	+ 3.3 (+ 4.5%)		79.7	- 1.8 (- 2.4%)
Corporate Income Taxes	18.9	9.0	- 9.9 (- 52.5%)	Income Taxes: 17 (-6.2); Tax Adjustment: -8 (-3.7)	11.7	- 2.6 (- 23.0%)
Net Income	55.4	68.7	+ 13.3 (+ 24.0%)		68.0	+ 0.7 (+ 1.2%)
Profit attributable to non-controlling intereests	0.2	1.5	+ 1.2 (+ 528.5%)		1.0	+ 0.5 (+ 50.4%)
Profit attributable to owners of parent	55.2	67.2	+ 12.0 (+ 21.8%)		67.0	+ 0.2 (+ 0.4%)
Other Comprehensive Income	- 4.8	4.8	+ 9.7 (-)		-	-
Total Comprehensive Income	50.6	73.6	+ 23.0 (+ 45.5%)		-	-
TOKYU EBITDA	163.6	174.3	+ 10.6 (+ 6.5%)	Life Service +3.3;Transportation +3.1;Hotel and Resort +1.6; Real Estate +1.4;Headquarters +1.0	174.7	- 0.3 (- 0.2%)

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method



Consolidated Operating Revenue and Profit

(Billion yen)

		2016/3 Results	2017/3 Results	Change	Remarks	Forecast as of Feb.	Change	
Total Operating Revenue		1,091.4	1,117.3	+ 25.8 (+ 2.4%)		1,118.1	- 0.7 (- 0.1%)	
Total Operating Profit		75.4	77.9	+ 2.4 (+ 3.3%)		80.0	- 2.0 (- 2.5%)	
Transportation	Operating Revenue	200.5	207.4	+ 6.9 (+ 3.4%)	Tokyu Corp. Railway Operations: +1.2	206.6	+ 0.8 (+ 0.4%)	
	Operating Profit	29.2	26.7	- 2.5 (- 8.8%)	Tokyu Corp. Railway Operations: -3.5	28.0	- 1.2 (- 4.6%)	
Real Estate	Operating Revenue	199.0	172.2	- 26.7 (- 13.4%)	Tokyu Corp. Sales: -26.5; Tokyu Corp. Leasing: +4.9	174.7	- 2.4 (- 1.4%)	
	Operating Profit	28.0	29.9	+ 1.8 (+ 6.7%)	Tokyu Corp. Sales: -2.6; Tokyu Corp. Leasing: +4.6	30.9	- 0.9 (- 3.0%)	
Life Service	Total Life Service	644.1	689.1	+ 45.0 (+ 7.0%)		688.4	+ 0.7 (+ 0.1%)	
	Operating Revenue	Retail	485.1	484.4	- 0.6 (- 0.1%)	Tokyu Department Store: -4.8; Tokyu Store Chain: +3.5	486.5	- 2.0 (- 0.4%)
		ICT and Media	159.0	204.7	+ 45.7 (+ 28.7%)	Tokyu Recreation: +33.6; its communications: +1.2; Tokyu Agency: +4.4	201.9	+ 2.8 (+ 1.4%)
	Operating Profit	Total Life Service	13.4	14.8	+ 1.3 (+ 10.3%)		14.9	- 0.0 (- 0.6%)
Retail		5.2	5.6	+ 0.3 (+ 7.4%)	Tokyu Department Store: -0.6; Tokyu Store Chain: +0.5	5.4	+ 0.2 (+ 4.4%)	
	ICT and Media	8.1	9.1	+ 0.9 (+ 12.1%)	Tokyu Recreation: +1.5; its communications: +0.3; Tokyu Agency: -0.1	9.5	- 0.3 (- 3.4%)	
Hotel and Resort	Operating Revenue	103.8	105.5	+ 1.6 (+ 1.6%)	Tokyu Hotels, etc: +0.8	104.6	+ 0.9 (+ 0.9%)	
	Operating Profit	4.4	6.1	+ 1.6 (+ 36.2%)	Tokyu Hotels, etc: +0.9	6.0	+ 0.1 (+ 1.9%)	
Elimination etc.	Operating Revenue	- 56.1	- 57.1	- 0.9		- 56.2	- 0.9	
	Operating Profit	0.1	0.3	+ 0.1		0	+ 0.1	

Non-Operating and Extraordinary Gain/Loss

	2016/3 Results	2017/3 Results	Change	Remarks	(Billion yen)	
					Forecast as of Feb.	Change
Operating Profit	75.4	77.9	+ 2.4 (+ 3.3%)		80.0	- 2.0 (- 2.5%)
Non-operating Revenue	12.7	14.0	+ 1.2 (+ 10.2%)		13.3	+ 0.7 (+ 5.7%)
Interest and Dividend Income	1.0	1.0	+ 0.0		1.2	- 0.1
Investment Gain from Equity Method	7.4	8.3	+ 0.8	Tokyu Fudosan Holdings : 5.0 (-0.4)	7.6	+ 0.7
Others	4.2	4.6	+ 0.3		4.5	+ 0.1
Non-operating Expenses	18.2	15.5	- 2.6 (- 14.4%)		14.7	+ 0.8 (+ 6.0%)
Interest	10.8	10.0	- 0.7		10.0	+ 0.0
Others	7.4	5.5	- 1.8	[FY2015] Expenses for demolishing fixed assets 2.0	4.7	+ 0.8
Recurring Profit	70.0	76.4	+ 6.4 (+ 9.2%)		78.6	- 2.1 (- 2.7%)
Extraordinary Gains	26.5	12.1	- 14.4 (- 54.3%)		10.9	+ 1.2 (+ 11.3%)
Gain on Sale of Fixed Assets	16.6	0.7	- 15.9	[FY2015] Sale of land in front of the west exit of Yokohama Station 15.9	0.7	+ 0.0
Gain on Subsidies Received for Construction	1.6	8.6	+ 6.9		7.6	+ 1.0
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	-		2.5	+ 0.0
Others	5.6	0.2	- 5.4		0.1	+ 0.1
Extraordinary Losses	22.1	10.7	- 11.3 (- 51.3%)		9.8	+ 0.9 (+ 10.0%)
Loss on Reduction of Subsidies Received for Construction	1.4	6.6	+ 5.1		5.6	+ 1.0
Others	20.6	4.1	- 16.5	[FY2015] Expenses for demolishing fixed assets 9.9	4.2	- 0.0
Income before Income Taxes and Minority Interests	74.4	77.8	+ 3.3 (+ 4.5%)		79.7	- 1.8 (- 2.4%)

Consolidated TOKYU EBITDA

	2016/3 Results	2017/3 Results	Change	Remarks	(Billion yen)	
					Forecast as of Feb.	Change
Transportation	71.5	74.6	+ 3.1 (+ 4.4%)		75.5	- 0.8 (- 1.1%)
Railway Operations of the Company	64.4	65.4	+ 1.0		66.4	- 0.9
Tokyu Bus	3.6	3.9	+ 0.3		3.8	+ 0.0
Others	3.4	5.2	+ 1.7		5.1	+ 0.0
Real Estate	47.2	48.7	+ 1.4 (+ 3.2%)		49.5	- 0.7 (- 1.5%)
Real Estate Sales of the Company	6.8	4.0	- 2.8		3.9	+ 0.1
Real Estate Leasing of the Company	31.9	36.4	+ 4.4		37.1	- 0.7
Others	8.4	8.3	- 0.1		8.4	- 0.1
Life Service	27.6	30.9	+ 3.3 (+ 12.0%)		30.5	+ 0.4 (+ 1.4%)
Retail	13.7	14.4	+ 0.7		14.4	+ 0.0
Tokyu Department Store	6.3	6.0	- 0.2		5.9	+ 0.1
Tokyu Store Chain	4.2	4.7	+ 0.4		4.4	+ 0.2
Others	3.1	3.6	+ 0.5		3.9	- 0.3
ICT and Media	13.8	16.4	+ 2.5		16.1	+ 0.3
Tokyu Recreation	-	3.2	+ 3.2		3.3	- 0.0
its communications	6.8	7.0	+ 0.2		6.2	+ 0.7
Tokyu Agency	0.7	0.6	- 0.0		0.9	- 0.2
Others	6.3	5.4	- 0.9		5.6	- 0.1
Hotel and Resort	8.6	10.3	+ 1.6 (+ 18.9%)		10.2	+ 0.1 (+ 1.2%)
Tokyu Hotels, etc.	7.7	8.5	+ 0.8		8.0	+ 0.4
Others	0.9	1.7	+ 0.8		2.0	- 0.2
Headquarters	8.4	9.4	+ 0.9 (+ 10.8%)		8.8	+ 0.6 (+ 6.9%)
Interest and dividend income	1.0	1.0	+ 0.0		1.2	- 0.1
Investment (gain) loss from the equity method	7.4	8.3	+ 0.8		7.6	+ 0.7
Elimination, etc.	0.0	0.2	+ 0.1		0.2	+ 0.0
Total	163.6	174.3	+ 10.6 (+ 6.5%)		174.7	- 0.3 (- 0.2%)

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Segment Information (1) Transportation

	2016/3 Results	2017/3 Results	Change	Remarks	(Billion yen)	
					Forecast as of Feb.	Change
Operating Revenue	200.5	207.4	+ 6.9 (+ 3.4%)	Passengers Carried: +1.3% (Non-commuter: +0.5%; Commuter: +1.8%) □ Passenger Revenue: +1.0% (Non-commuter: +0.4%; Commuter: +1.7%)	206.6	+ 0.8 (+ 0.4%)
Railway Operations of the Company	151.3	152.5	+ 1.2 (+ 0.8%)	Passenger Revenue: 138.6 (+1.3)	152.0	+ 0.5 (+ 0.4%)
Tokyu Bus	28.1	28.1	- 0.0 (- 0.1%)	Passenger Revenue: -0.3%	28.1	+ 0.0 (+ 0.0%)
Others	21.1	26.8	+ 5.7 (+ 27.1%)		26.4	+ 0.3 (+ 1.3%)
Operating Profit	29.2	26.7	- 2.5 (- 8.8%)		28.0	- 1.2 (- 4.6%)
Railway Operations of the Company	25.9	22.4	- 3.5 (- 13.7%)	[Operating Expense] Depreciation and amortization: 34.3 (+1.6); Expenses 28.2 (+3.1); Power Costs: 5.4 (-1.3)	23.8	- 1.3 (- 5.9%)
Tokyu Bus	1.5	1.7	+ 0.1 (+ 7.2%)		1.6	+ 0.0 (+ 2.9%)
Others	1.7	2.5	+ 0.8 (+ 50.0%)		2.5	+ 0.0 (+ 2.3%)

Segment Information (2) Real Estate

(Billion yen)

	2016/3 Results	2017/3 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	199.0	172.2	- 26.7 (- 13.4%)		174.7	- 2.4 (- 1.4%)
Real Estate Sales of the Company	40.4	13.9	- 26.5 (- 65.6%)	[Sales] Company-owned Land: 8.5 (-6.1); Funds Turnover-type: 5.2 (-20.3)	14.8	- 0.9 (- 6.4%)
Real Estate Leasing of the Company	73.3	78.3	+ 4.9 (+ 6.8%)		77.9	+ 0.3 (+ 0.5%)
Others	85.2	80.0	- 5.2 (- 6.1%)		81.8	- 1.8 (- 2.2%)
Operating Profit	28.0	29.9	+ 1.8 (+ 6.7%)	[Sales Margin] Company-owned Land: 5.7 (-0.0); Funds Turnover-type: 1.1 (-4.5)	30.9	- 0.9 (- 3.0%)
Real Estate Sales of the Company	6.5	3.9	- 2.6 (- 39.9%)		3.8	+ 0.0 (+ 2.2%)
Real Estate Leasing of the Company	15.6	20.2	+ 4.6 (+ 29.6%)		21.2	- 0.9 (- 4.6%)
Others	5.9	5.8	- 0.1 (- 2.2%)		5.8	- 0.0 (- 0.3%)

Segment Information (3) Life Service

	2016/3 Results	2017/3 Results	Change	Remarks	(Billion yen)	
					Forecast as of Feb.	Change
Operating Revenue	644.1	689.1	+ 45.0 (+ 7.0%)		688.4	+ 0.7 (+ 0.1%)
Total Retail	485.1	484.4	- 0.6 (- 0.1%)		486.5	- 2.0 (- 0.4%)
Tokyu Department Store	226.8	221.9	- 4.8 (- 2.1%)	Rate of Change in Sales: -1.8%	222.7	- 0.7 (- 0.4%)
Tokyu Store Chain	213.0	216.5	+ 3.5 (+ 1.7%)	Rate of Change in Sales: All Stores: +1.8%; Existing Stores: +3.1%	217.0	- 0.4 (- 0.2%)
Others	45.2	45.9	+ 0.6 (+ 1.5%)		46.7	- 0.8 (- 1.7%)
Total ICT and Media	159.0	204.7	+ 45.7 (+ 28.7%)		201.9	+ 2.8 (+ 1.4%)
Tokyu Recreation	-	33.6	+ 33.6 (-)		33.5	+ 0.1 (+ 0.4%)
its communications	25.6	26.9	+ 1.2 (+ 5.0%)		26.8	+ 0.0 (+ 0.2%)
Tokyu Agency	86.1	90.5	+ 4.4 (+ 5.1%)	Mass Media: +1.9	88.7	+ 1.7 (+ 2.0%)
Others	47.2	53.5	+ 6.3 (+ 13.4%)		52.6	+ 0.8 (+ 1.6%)
Operating Profit	13.4	14.8	+ 1.3 (+ 10.3%)		14.9	- 0.0 (- 0.6%)
Total Retail	5.2	5.6	+ 0.3 (+ 7.4%)		5.4	+ 0.2 (+ 4.4%)
Tokyu Department Store	0.8	0.2	- 0.6 (- 73.2%)		0.0	+ 0.1 (+ 397.2%)
Tokyu Store Chain	2.3	2.8	+ 0.5 (+ 24.0%)		2.5	+ 0.3 (+ 13.3%)
Others	2.0	2.5	+ 0.4 (+ 23.7%)		2.8	- 0.2 (- 10.5%)
Total ICT and Media	8.1	9.1	+ 0.9 (+ 12.1%)		9.5	- 0.3 (- 3.4%)
Tokyu Recreation	-	1.5	+ 1.5 (-)		1.5	+ 0.0 (+ 3.7%)
its communications	3.3	3.6	+ 0.3 (+ 9.9%)		3.7	- 0.0 (- 1.5%)
Tokyu Agency	0.6	0.5	- 0.1 (- 17.7%)		0.7	- 0.1 (- 21.4%)
Others	4.2	3.4	- 0.7 (- 18.6%)		3.5	- 0.1 (- 4.8%)

Segment Information (4) Hotel and Resort

(Billion yen)

	2016/3 Results	2017/3 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	103.8	105.5	+ 1.6 (+ 1.6%)		104.6	+ 0.9 (+ 0.9%)
Tokyu Hotels, etc. (※)	84.7	85.5	+ 0.8 (+ 1.0%)	Occupancy Rates: 84.4% (year on year -0.5 points)	85.3	+ 0.2 (+ 0.3%)
Others	19.1	19.9	+ 0.7 (+ 4.0%)		19.2	+ 0.6 (+ 3.4%)
Operating Profit	4.4	6.1	+ 1.6 (+ 36.2%)		6.0	+ 0.1 (+ 1.9%)
Tokyu Hotels, etc. (※)	4.5	5.4	+ 0.9 (+ 22.0%)		5.1	+ 0.3 (+ 7.0%)
Others	- 0.0	0.6	+ 0.6 (-)		0.8	- 0.2 (- 28.6%)

(※) "Tokyu Hotels, etc." includes not only Tokyu Hotels Co., Ltd. but also Tokyu Corp., GK New Perspective One and T.H. Properties, Inc. that have held assets.

Balance Sheets

(Billion yen)

	2016/3 Results	2016/12 Results	Change	Remarks
Total Assets	2,092.5	2,148.6	+ 56.0 (+ 2.7%)	
Current Assets	276.4	290.5	+ 14.0 (+ 5.1%)	
Fixed Assets	1,816.0	1,858.0	+ 41.9 (+ 2.3%)	
Total Liabilities	1,469.2	1,470.2	+ 0.9 (+ 0.1%)	
Current Liabilities	608.1	569.7	- 38.4 (- 6.3%)	Interest-bearing Debt: -23.0
Fixed Liabilities	838.4	880.3	+ 41.9 (+ 5.0%)	Interest-bearing Debt: +49.9
Reserves under Special Law	22.5	20.0	- 2.5 (- 11.1%)	
Total Net Assets	623.2	678.3	+ 55.0 (+ 8.8%)	Equity Capital: +45.7; Other Cumulative Comprehensive Income: +5.7; non-controlling shareholders Interest: +3.6
Equity	576.8	628.3	+ 51.4 (+ 8.9%)	Profit attributable to owners of parent: +67.2; Own shares: -10.6; Dividends: -11.0
Interest-bearing Debt at End of Period	937.4	964.3	+ 26.9 (+ 2.9%)	
Equity Ratio	27.6%	29.2%	+ 1.6P	
D/E Ratio (Times)	1.6	1.5	- 0.1	

Statements of Cash Flow

(Billion yen)

	2016/3 Results	2017/3 Results	Change	Remarks	Forecast as of Mar.	Change
CF from Operating Activities	129.6	126.3	- 3.2		133.0	- 6.6
CF from Investing Activities	- 121.6	- 132.3	- 10.7		- 123.0	- 9.3
Capital Expenditure	- 158.7	- 140.1	+ 18.5	【FY2015】 Opening of Futako-Tamagawa Redevelopment Phase II	- 131.8	- 8.3
Subsidies Received for Construction	7.2	8.4	+ 1.2		7.6	+ 0.8
Gain on Sale of Assets	33.5	2.4	- 31.0	【FY2015】 Sale of land in front of the west exit of Yokohama Station	2.4	+ 0.0
CF from Financing Activities	- 5.2	3.0	+ 8.3		- 10.0	+ 13.0
Interest-bearing Debt Net Increase/Decrease	17.7	26.8	+ 9.1		16.3	+ 10.5
Dividend Payment, etc.	- 25.2	- 21.1	+ 4.0	Dividend Payment: -11.0 (-1.1); Acquisition of own shares: -10.0 (+5.2)	- 21.2	+ 0.0
Free Cash Flow	8.0	- 5.9	- 13.9		10.0	- 15.9
Interest-bearing Debt at End of Period	937.4	964.3	26.9	Interest-bearing Debt / TOKYU EBITDA Multiple: 5.5times (-0.2P)	953.8	+ 10.5

Capital Expenditure / Depreciation

	2016/3 Results	2017/3 Results	Change	Remarks	(Billion yen)	
					Forecast as of Feb.	Change
Total Capital Expenditure	157.2	145.3	- 11.8 (- 7.5%)		152.7	- 7.3 (- 4.8%)
Transportation	58.0	62.1	+ 4.1 (+ 7.1%)	Tokyu Corp. Railway Operations: +0.9	67.5	- 5.3 (- 7.9%)
Real Estate	75.9	52.9	- 23.0 (- 30.3%)	Tokyu Corp. Leasing: -27.9	52.6	+ 0.3 (+ 0.6%)
Total Life Service	17.6	22.7	+ 5.0 (+ 28.8%)		24.8	- 2.0 (- 8.2%)
Retail	7.9	9.2	+ 1.3 (+ 16.5%)	Tokyu Department Store: +2.2	9.5	- 0.2 (- 2.3%)
ICT and Media	9.7	13.4	+ 3.7 (+ 38.9%)	Tokyu Recreation: +5.6; its communications: -2.2	15.3	- 1.8 (- 11.9%)
Hotel and Resort	6.1	7.6	+ 1.4 (+ 23.5%)	Tokyu Hotels, etc.: +1.0	7.0	+ 0.6 (+ 8.8%)
Headquarters	2.0	2.0	+ 0.0		2.3	- 0.2
Elimination	- 2.5	- 2.1	+ 0.3		- 1.5	- 0.6
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	23.0	11.3	- 11.7 (- 50.8%)	Company-owned Land:-4.4; Funds Turnover-type: -5.7	11.4	- 0.0 (-)
Total Depreciation and Amortization	72.3	76.9	+ 4.5 (+ 6.3%)	Transportation: 39.1 (+2.7); Life Service: 15.7 (+2.1); Hotel and Resort: 4.0 (-0.0); Real Estate: 18.0 (-0.2)	76.8	+ 0.1 (+ 0.2%)

* Capital expenditures are amounts stated in segment information (capital expenditures made) and might be different from figures in the statements of cash flow, which consider accounts payable at the end of the fiscal year.

V . Details of Financial Forecasts for FY2017

Note to the results by segment for the fiscal year ended March 31, 2017

The Company will make a partial change to its business segments presented in its non-consolidated financial statements from the fiscal year ending March 31, 2018. In conjunction with the change, the Company has recalculated the financial results by segment for the fiscal year ended March 31, 2017, which will be presented on the next and subsequent pages, for the purpose of a year-on-year comparison and they have not been audited by the corporate auditors or accounting auditor. Please note that the results are subject to change going forward.

Summary of Consolidated Financial Statements

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Revenue	1,117.3	1,145.4	+ 28.0 (+ 2.5%)	Life Service: +13.2、 Real Estate: +11.5、 Transportation: +2.7、 Hotel and Resort: +0.4
Operating Profit	77.9	83.0	+ 5.0 (+ 6.4%)	Real Estate: +2.7、 Transportation: +1.7、 Life Service: +0.4、 Hotel and Resort: +0.2
Non-operating Revenue	14.0	13.4	- 0.6 (- 4.7%)	Investment Gains from Equity Method 8.3 (-0.0)
Non-operating Expenses	15.5	13.7	- 1.8 (- 12.1%)	
Recurring Profit	76.4	82.7	+ 6.2 (+ 8.2%)	
Extraordinary Gains	12.1	21.7	+ 9.5 (+ 78.8%)	
Extraordinary Losses	10.7	7.3	- 3.4 (- 32.3%)	
Income before Income Taxes and Minority Interests	77.8	97.1	+ 19.2 (+ 24.8%)	
Corporate Income Taxes	9.0	26.0	+ 16.9 (+ 188.4%)	Income Taxes: 27.8 (+10.7); Tax Adjustment: -1.8 (+6.2)
Net Income	68.7	71.1	+ 2.3 (+ 3.4%)	
Profit attributable to non-controlling intereests	1.5	1.1	- 0.4 (- 26.9%)	
Profit attributable to owners of parent	67.2	70.0	+ 2.7 (+ 4.0%)	
Tokyu EBITDA	174.3	175.6	+ 1.2 (+ 0.7%)	Life Service +1.7; Real Estate +1.0; Hotel and Resort +0.3; Headquarters -0.0; Transportation -1.7

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Consolidated Operating Revenue and Profit

(Billion yen)

		2017/3 Results	2018/3 Forecast	Change	Remarks	
Total Operating Revenue		1,117.3	1,145.4	+ 28.0 (+ 2.5%)		
Total Operating Profit		77.9	83.0	+ 5.0 (+ 6.4%)		
Transportation	Operating Revenue	207.4	210.2	+ 2.7 (+ 1.3%)	Tokyu Corp. Railway Operations: +1.3; Tokyu Bus: +0.0	
	Operating Profit	26.7	28.5	+ 1.7 (+ 6.7%)	Tokyu Corp. Railway Operations: +1.8; Tokyu Bus: -0.0	
Real Estate	Operating Revenue	170.1	181.7	+ 11.5 (+ 6.8%)	Tokyu Corp. Sales: +5.4; Tokyu Corp. Leasing: -4.9	
	Operating Profit	30.5	33.3	+ 2.7 (+ 8.9%)	Tokyu Corp. Sales: +1.3; Tokyu Corp. Leasing: +1.9	
Life Service	Total Life Service		690.4	703.7	+ 13.2 (+ 1.9%)	
	Operating Revenue	Retail	484.4	489.4	+ 4.9 (+ 1.0%)	Tokyu Department Store: -2.8; Tokyu Store Chain: +0.3
		ICT and Media	205.9	214.3	+ 8.3 (+ 4.0%)	Tokyu Recreation: +0.3; its communications: +0.7; Tokyu Agency: -0.7
	Total Life Service		14.6	15.1	+ 0.4 (+ 3.1%)	
	Operating Profit	Retail	5.6	5.8	+ 0.1 (+ 2.9%)	Tokyu Department Store: -0.0; Tokyu Store Chain: +0.2
		ICT and Media	9.0	9.3	+ 0.2 (+ 3.2%)	Tokyu Recreation: -0.1; its communications: -0.9; Tokyu Agency: +0.1
Hotel and Resort	Operating Revenue	105.5	106.0	+ 0.4 (+ 0.5%)	Tokyu Hotels, etc: +2.5	
	Operating Profit	5.6	5.9	+ 0.2 (+ 4.0%)	Tokyu Hotels, etc: -0.0	
Elimination etc.	Operating Revenue	- 56.1	- 56.2	- 0.0		
	Operating Profit	0.3	0.2	- 0.1		

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Profit	77.9	83.0	+ 5.0 (+ 6.4%)	
Non-operating Revenue	14.0	13.4	- 0.6 (- 4.7%)	
Interest and Dividend Income	1.0	1.1	+ 0.0	
Investment Gain from Equity Method	8.3	8.3	- 0.0	
Others	4.6	4.0	- 0.6	
Non-operating Expenses	15.5	13.7	- 1.8 (- 12.1%)	
Interest	10.0	9.7	- 0.3	
Others	5.5	4.0	- 1.5	
Recurring Profit	76.4	82.7	+ 6.2 (+ 8.2%)	
Extraordinary Gains	12.1	21.7	+ 9.5 (+ 78.8%)	
Gain on Sale of Fixed Assets	0.7	15.2	+ 14.4	
Gain on Subsidies Received for Construction	8.6	3.8	- 4.8	
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	- 0.0	
Others	0.2	0.2	- 0.0	
Extraordinary Losses	10.7	7.3	- 3.4 (- 32.3%)	
Loss on Reduction of Subsidies Received for Construction	6.6	3.2	- 3.4	
Others	4.1	4.1	- 0.0	
Income before Income Taxes and Minority Interests	77.8	97.1	+ 19.2 (+ 24.8%)	

Consolidated TOKYU EBITDA

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Transportation	74.6	72.9	- 1.7 (- 2.3%)	
Railway Operations of the Company	65.4	63.5	- 1.9	
Tokyu Bus	3.9	3.9	+ 0.0	
Others	5.2	5.3	+ 0.1	
Real Estate	49.1	50.2	+ 1.0 (+ 2.1%)	
Real Estate Sales of the Company	4.2	5.6	+ 1.4	
Real Estate Leasing of the Company	36.6	36.3	- 0.3	
Others	8.3	8.2	- 0.0	
Life Service	30.9	32.7	+ 1.7 (+ 5.7%)	
Retail	14.4	15.3	+ 0.8	
Tokyu Department Store	6.0	6.1	+ 0.1	
Tokyu Store Chain	4.7	4.9	+ 0.2	
Others	3.6	4.1	+ 0.4	
ICT and Media	16.4	17.4	+ 0.9	
Tokyu Recreation	3.2	3.3	+ 0.0	
its communications	7.0	6.2	- 0.7	
Tokyu Agency	0.6	1.0	+ 0.3	
Others	5.4	6.7	+ 1.2	
Hotel and Resort	9.8	10.2	+ 0.3 (+ 3.2%)	
Tokyu Hotels, etc.	8.0	8.1	+ 0.0	
Others	1.7	2.0	+ 0.2	
Headquarters	9.4	9.4	- 0.0 (- 0.0%)	
Interest and dividend income	1.0	1.1	+ 0.0	
Investment (gain) loss from the equity method	8.3	8.3	- 0.0	
Elimination, etc.	0.2	0.2	- 0.0	
Total	174.3	175.6	+ 1.2 (+ 0.7%)	

*TOKYU EBITDA = Operating profit + Depreciation + Amortization of goodwill + Disposal cost of fixed assets + Interest and dividend income + Investment gains (loss) from equity method

Segment Information (1) Transportation

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Revenue	207.4	210.2	+ 2.7 (+ 1.3%)	Passengers Carried: +0.8% (Non-commuter: +0.2%; Commuter: +1.2%) □ Passenger Revenue: +0.7% (Non-commuter: +0.2%; Commuter: +1.3%)
Railway Operations of the Company	152.5	153.8	+ 1.3 (+ 0.9%)	Passenger Revenue: 139.6 (+1.0)
Tokyu Bus	28.1	28.2	+ 0.0 (+ 0.3%)	
Others	26.8	28.1	+ 1.2 (+ 4.8%)	
Operating Profit	26.7	28.5	+ 1.7 (+ 6.7%)	
Railway Operations of the Company	22.4	24.2	+ 1.8 (+ 8.3%)	[Operating Expense] Depreciation and amortization: 33.7 (-0.5); Expenses: 25.4 (-0.7)
Tokyu Bus	1.7	1.6	- 0.0 (- 3.0%)	
Others	2.5	2.5	- 0.0 (- 1.0%)	

Segment Information (2) Real Estate

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Revenue	170.1	181.7	+ 11.5 (+ 6.8%)	
Real Estate Sales of the Company	13.9	19.4	+ 5.4 (+ 39.4%)	[Sales] Company-owned Land: 3.2 (-5.2); Funds Turnover-type: 16.0 (+10.7)
Real Estate Leasing of the Company	76.1	71.2	- 4.9 (- 6.5%)	
Others	80.0	91.0	+ 11.0 (+ 13.8%)	
Operating Profit	30.5	33.3	+ 2.7 (+ 8.9%)	[Sales Margin] Company-owned Land: 2.4 (-3.2); Funds Turnover-type: 6.1 (+4.9)
Real Estate Sales of the Company	4.1	5.4	+ 1.3 (+ 31.9%)	
Real Estate Leasing of the Company	20.6	22.6	+ 1.9 (+ 9.6%)	
Others	5.8	5.2	- 0.5 (- 10.3%)	

Segment Information (3) Life Service

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Revenue	690.4	703.7	+ 13.2 (+ 1.9%)	
Total Retail	484.4	489.4	+ 4.9 (+ 1.0%)	
Tokyu Department Store	221.9	219.0	- 2.8 (- 1.3%)	Rate of Change in Sales: -1.2% (Existing Stores)
Tokyu Store Chain	216.5	216.9	+ 0.3 (+ 0.2%)	Rate of Change in Sales All Stores: +0.2%; Existing Stores: +1.8%
Others	45.9	53.3	+ 7.4 (+ 16.2%)	
Total ICT and Media	205.9	214.3	+ 8.3 (+ 4.0%)	
Tokyu Recreation	33.6	34.0	+ 0.3 (+ 1.1%)	
its communications	26.9	27.7	+ 0.7 (+ 2.9%)	
Tokyu Agency	90.5	89.8	- 0.7 (- 0.8%)	
Others	54.7	62.6	+ 7.8 (+ 14.4%)	
Operating Profit	14.6	15.1	+ 0.4 (+ 3.1%)	
Total Retail	5.6	5.8	+ 0.1 (+ 2.9%)	
Tokyu Department Store	0.2	0.1	- 0.0 (- 18.7%)	
Tokyu Store Chain	2.8	3.1	+ 0.2 (+ 7.4%)	
Others	2.5	2.5	- 0.0 (- 0.2%)	
Total ICT and Media	9.0	9.3	+ 0.2 (+ 3.2%)	
Tokyu Recreation	1.5	1.4	- 0.1 (- 10.4%)	
its communications	3.6	2.6	- 0.9 (- 27.3%)	
Tokyu Agency	0.5	0.7	+ 0.1 (+ 27.2%)	
Others	3.2	4.5	+ 1.2 (+ 39.8%)	

Segment Information (4) Hotel and Resort

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
Operating Revenue	105.5	106.0	+ 0.4 (+ 0.5%)	
Tokyu Hotels, etc. (※)	85.5	88.1	+ 2.5 (+ 3.0%)	Occupancy Rates: 85.0% (year on year +0.6 points)
Others	19.9	17.8	- 2.0 (- 10.3%)	
Operating Profit	5.6	5.9	+ 0.2 (+ 4.0%)	
Tokyu Hotels, etc. (※)	5.0	4.9	- 0.0 (- 1.5%)	
Others	0.6	0.9	+ 0.3 (+ 49.0%)	

(※) "Tokyu Hotels, etc." includes not only Tokyu Hotels Co., Ltd. but also Tokyu Corp., GK New Perspective One and T.H. Properties, Inc. that have held assets.

Statements of Cash Flow

(Billion yen)

	2017/3 Results	2018/3 Forecast	Change	Remarks
CF from Operating Activities	126.3	145.6	+ 19.2	
CF from Investing Activities	- 132.3	- 145.6	- 13.2	
Capital Expenditure	- 140.1	- 175.2	- 35.0	
Subsidies Received for Construction	8.4	9.6	+ 1.1	
CF from Financing Activities	3.0	0.0	- 3.0	
Interest-bearing Debt Net Increase/Decrease	26.8	16.8	- 10.0	
Dividend Payment, etc.	- 21.1	- 11.2	+ 9.9	
Free Cash Flow	- 5.9	0.0	+ 5.9	
Interest-bearing Debt at End of Period	964.3	981.2	+ 16.8	Interest-bearing Debt / TOKYU EBITDA Multiple: 5.6times (+0.1)

Capital Expenditure / Depreciation

	2017/3 Results	2018/3 Forecast	Change	Remarks	(Billion yen)
Total Capital Expenditure	145.3	189.1	+ 43.7 (+ 30.1%)		
Transportation	62.1	68.2	+ 6.0 (+ 9.7%)	Railway Operations of the Company: +4.8	
Real Estate	52.8	81.5	+ 28.6 (+ 54.1%)	Tokyu Corp. Leasing: +28.8	
Total Life Service	22.8	25.6	+ 2.7 (+ 12.2%)		
Retail	9.2	9.6	+ 0.3 (+ 3.4%)		
ICT and Media	13.5	16.0	+ 2.4 (+ 18.3%)	its communications: +4.5; Tokyu Recreation: -2.0	
Hotel and Resort	7.6	10.7	+ 3.0 (+ 40.5%)	Tokyu Hotels, etc: +1.9	
Headquarters	2.0	4.6	+ 2.5		
Elimination	- 2.1	- 1.5	+ 0.6		
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	11.3	14.6	+ 3.2 (+ 28.7%)	Company-owned Land:-0.7; Funds Turnover-type: +3.1	
Total Depreciation and Amortization	76.9	77.0	+ 0.0 (+ 0.0%)	Life Service: 17.6 (+1.6), Hotel and Resort: 4.2 (+0.1), Transportation: 38.9 (-0.2), Real Estate: 16.3 (-1.6)	

* Capital expenditures are amounts stated in segment information (capital expenditures made) and might be different from figures in the statements of cash flow, which consider accounts payable at the end of the fiscal year.