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FOR IMMEDIATE RELEASE

TOKYU CORPORATION
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**Notice Regarding Change of Share Unit Number, Reverse Stock Split
and Partial Amendment to Articles of Incorporation**

Tokyu Corporation (hereinafter, “the Company”) announces that a meeting of its Board of Directors held on May 26, 2017 decided to partially amend the Articles of Incorporation to change the share unit number and to submit the agenda item “Reverse stock split” to the 148th annual general meeting of shareholders to be held on June 29, 2017 (hereinafter, “the Shareholders’ Meeting”), as described below.

1. Change of Share Unit Number

(1) Reasons for Change

The Japanese Stock Exchange Conference announced the “Action Plan for Consolidating Trading Units” and aims to unify the trading unit of common shares (share unit number) for all listed companies in Japan to the number of one hundred (100) shares by October 1, 2018.

As the reduction of the investment unit will increase the liquidity of shares, being one of the effective measures for ensuring an environment where more investors can make investments, the Company decided to change the share unit number of its shares from the current one thousand (1,000) shares to one hundred (100) shares.

(2) Specifics of Change

The share unit number of common shares shall be changed from one thousand (1,000) shares to one hundred (100) shares.

(3) Scheduled Date of Change

August 1, 2017

(4) Conditions for Change

The approval of the agenda item “2. Reverse Stock Split” described below at the Shareholders’ Meeting shall be the condition for the change of the share unit number.

2. Reverse Stock Split

(1) Purpose of Reverse Stock Split

The Company decided to consolidate its shares (consolidation of two (2) shares into one (1) share) to adjust the investment unit to a level that the securities exchange considers desirable (not less than fifty thousand (50,000) yen and less than five hundred thousand (500,000) yen), considering stock price changes in the medium to long term, upon the change of the share unit number of its shares as stated in “1. Change of Share Unit Number” above.

(2) Specifics of Reverse Stock Split

(i) Class of shares to be consolidated

Common shares

(ii) Method and ratio of consolidation

The shares held by the shareholders recorded in the final register of shareholders as of July 31, 2017 shall be consolidated at the ratio of two (2) to one (1) on August 1, 2017.

(iii) Number of shares to be reduced upon consolidation

Total number of issued shares before consolidation (as of March 31, 2017)	1,249,739,752 shares
Number of shares to be reduced upon consolidation	624,869,876 shares
Total number of issued shares after consolidation	624,869,876 shares

(Note) “Number of shares to be reduced upon consolidation” and “Total number of issued shares after consolidation” are theoretical values calculated based on the total number of issued shares before consolidation and the ratio of stock consolidation.

(3) Impact, etc. of Reverse Stock Split

The total number of issued shares will decrease to one half (1/2) as a result of the reverse stock split; however, the net assets, etc. will not change and thus the net assets per share will double. Accordingly, the asset values of the shares of the Company will not change other than due to stock price changes and other factors.

In addition, upon the reverse stock split described above, the dividend forecasts for the fiscal year ending March 31, 2018 that were announced on May 12, 2017 will be revised; however, the said revision is only a revision to the forecasts of dividends per share due to the reverse stock split without a substantial change to the dividend forecasts.

For details, please refer to the “Notice Regarding Revision to Dividend Forecasts upon Reverse Stock Split” announced separately today.

(4) Number of Shareholders to Be Reduced upon Consolidation

The shareholder composition based on the register of shareholders as of March 31, 2017 is as follows:

Number of shares held	Number of shareholders (ratio)	Number of shares held (ratio)
All shareholders	82,191 persons (100.0%)	1,249,739,752 shares (100.0%)
Less than 2 shares	856 persons (1.0%)	856 shares (0.0%)
2 shares or more	81,335 persons (99.0%)	1,249,738,896 shares (100.0%)

*Based on the shareholder composition described above, as a result of the reverse stock split, 856 shareholders with less than two (2) shares (total number of shares held: 856 shares) will lose the status of shareholder. However, before the reverse stock split becomes effective, the procedures for requests for additional purchase by shareholders of shares of less than one unit and requests for purchase by the Company of shares of less than one unit may be taken. For the specific procedures, please contact the securities company with which the shareholders have their accounts, or if the shareholders do not have an account with any securities company, the shareholder registry administrator of the Company described in the Attachment hereto, “(Reference) Questions and Answers about Change of Share Unit Number and Reverse Stock Split.”

(5) Actions for any fractions of less than one (1) share

Any fractions of less than one (1) share arising from the reverse stock split shall all be disposed of by the Company collectively, and the proceeds of the disposal shall be paid to the shareholders of those fractions in proportion to the ratio of their fractions according to the provisions of the Companies Act.

(6) Total Number of Authorized Shares on the Effective Date

Upon the decrease of the total number of issued shares upon the reverse stock split described above, to ensure the appropriate total number of authorized shares, the total number of authorized shares shall be reduced at the same ratio as that for the reverse stock split (one half (1/2)) on the Effective Date (August 1, 2017).

Total number of authorized shares before change	Total number of authorized shares after change (on August 1, 2017)
1,800,000,000 shares	900,000,000 shares

(7) Conditions for Reverse Stock Split

The approval of the agenda for the reverse stock split described above at the Shareholders' Meeting shall be the condition for the reverse stock split.

3. Partial Amendment to Articles of Incorporation

(1) Purpose of Amendment

To change the share unit number from one thousand (1,000) shares to one hundred (100) shares as stated in “1. (1) Reasons for Change” above, the current provisions of Article 7 (Share Unit Number) of the Articles of Incorporation shall be amended. To consolidate the shares and decrease the total number of authorized shares in accordance with the ratio of the reverse stock split as stated in “2. (1) Purpose of Reverse Stock Split,” the current provisions of Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation shall be amended.

(2) Specifics of Amendment

The specifics of the amendment are as follows:

(The underlined parts indicate the changes.)

Current Provisions	Amended Provisions (Draft)
Article 6: Total Number of Authorized Shares The total number of authorized shares of the Company shall be <u>one billion and eight hundred million (1,800,000,000) shares.</u>	Article 6: Total Number of Authorized Shares The total number of authorized shares of the Company shall be <u>nine hundred million (900,000,000) shares.</u>
Article 7: Share Unit Number The share unit number of the Company shall be <u>one thousand (1,000) shares.</u>	Article 7: Share Unit Number The share unit number of the Company shall be <u>one hundred (100) shares.</u>

(3) Conditions for Amendment

Approval of the agenda for “2. Reverse Stock Split” described above at the Shareholders’ Meeting shall be the condition for the amendment to the Articles of Incorporation.

4. Schedule for Change of Share Unit Number, Reverse Stock Split and Partial Amendment to Articles of Incorporation

Date of resolution by board of directors	May 26, 2017
Date of annual general meeting of shareholders	June 29, 2017 (scheduled)
Effective date for change of share unit number	August 1, 2017 (scheduled)
Effective date for reverse stock split	August 1, 2017 (scheduled)
Effective date for amendment to Articles of Incorporation	August 1, 2017 (scheduled)

*As shown above, the effective date for the change of the share unit number, the reverse stock split and the partial amendment to the Articles of Incorporation is scheduled to be August 1, 2017; however, because of the procedures for book-entry after the trading of shares, the trading unit for the Tokyo Stock Exchange, Inc. will be changed from one thousand (1,000) shares to one hundred (100) shares on July 27, 2017.

[Attachment]

(Reference) Questions and Answers about Change of Share Unit Number and Reverse Stock Split

(Reference)

Questions and Answers about Change of Share Unit Number and Reverse Stock Split

Q1 What is the change of the share unit number?

A1 The change of the share unit number is the change of the number of shares that constitute the unit of voting rights exercisable at the shareholders' meeting and the trading unit applicable at a securities exchange. In the scheduled change of the share unit number, the Company will change the share unit number from one thousand (1,000) shares to one hundred (100) shares.

Q2 What is the reverse stock split?

A2 The reverse stock split is the combination of multiple shares to reduce the number of shares. In the scheduled reverse stock split, the Company will consolidate two (2) shares into one (1) share.

Q3 What are the purposes of the change of the share unit number and the stock reverse stock split?

A3 The Japanese Stock Exchange Conference announced the "Action Plan for Consolidating Trading Units," and aims to unify the trading unit of common shares (share unit number) for all listed companies in Japan to the number of one hundred (100) shares by October 1, 2018. As the reduction of the investment unit will increase the liquidity of shares, being one of the effective measures for ensuring an environment where more investors can make investments, the Company decided to change the share unit number of its shares from the current one thousand (1,000) shares to one hundred (100) shares. At the same time, the Company will consolidate its shares (consolidation of two (2) shares into one (1) share) to adjust the investment unit (purchase price for one (1) share unit) to a level that the securities exchange considers desirable (not less than fifty thousand (50,000) yen and less than five hundred thousand (500,000) yen), considering stock price changes in the medium to long term.

Q4 Will there be any impact on the asset values of the decrease in the number of shares held due to the reverse stock split?

A4 The equity and assets of the Company will not change after the reverse stock split, and thus the asset values of the shares of the Company held by shareholders will not change except for stock price changes and other factors. After the reverse stock split, the number of shares of the Company held by shareholders will be one half (1/2) of that before the reverse stock split; however, in contrast, the net assets per share will double. In addition, the stock price will become double what it was before the reverse stock split, in theory.

Q5 Is there any impact on the dividends received by shareholders?

A5 Although the number of shares of the Company held by shareholders will be one half (1/2) upon the reverse stock split, the amount of dividends per share will be set based on the ratio of consolidation (of two (2) shares into one (1) share) after the reverse stock split becomes effective. Accordingly, the sum of the dividends that shareholders receive will not change because of the reverse stock split, other than due to business results and other factors. However, dividends will not be paid for any fractional shares (shares of less than one (1) share) arising from the reverse stock split.

Q6 What will become of the number of shares held and the number of voting rights?

A6 The number of shares held by shareholders after the reverse stock split becomes effective will be the number of shares obtained by multiplying the number of shares recorded in the final register of shareholders as of September 30, 2017 by one half (1/2), with any fractions of less than one (1) share being discarded. The number of voting rights will be one (1) unit for one hundred (100) shares held after the reverse stock split becomes effective.

Specifically, the number of shares and the number of voting rights held by shareholders before and after the change of the share unit number and the reverse stock split become effective are as follows:

	Before the reverse stock split becomes effective		After the reverse stock split becomes effective		
	Number of shares held	Number of voting rights	Number of shares held	Number of voting rights	Fractional shares
Case 1	2,000 shares	2 units	1,000 shares	10 units	None
Case 2	1,505 shares	1 unit	752 shares	7 units	0.5 shares
Case 3	1,000 shares	1 unit	500 shares	5 units	None
Case 4	700 shares	None	350 shares	3 units	None
Case 5	109 shares	None	54 shares	None	0.5 shares
Case 6	1 share	None	None	None	0.5 shares

*Any fractional shares arising from the reverse stock split (as in Cases 2, 5 and 6 above) shall all be disposed of by the Company collectively, and the proceeds of the disposal shall be paid to the shareholders of those fractional shares in proportion to the ratio of their fractional shares. The Company will issue a notice of the proceeds to be paid in around late October 2017.

In this regard, to avoid the disposal of fractional shares, the systems for requests for purchase by the Company and requests for additional purchase by shareholders of shares of less than one unit may be used before the reverse stock split becomes effective. For the specific procedures, please contact the securities company with which the shareholders have their accounts, or if the shareholders do not have an account with any securities company, the shareholder registry administrator of the Company described below.

In the case of a shareholding of only one (1) share before the reverse stock split becomes effective (Case 6 above), all the shares held will be fractional shares upon the reverse stock split, resulting in the loss of the status of shareholder. We respectfully request your understanding in this case.

Q7 Will the Company accept requests for additional purchase by shareholders or requests for purchase by the Company of shares of less than one unit after the reverse stock split?

A7 Even after the reverse stock split, the Company will provide systems for requests for purchase by the Company and requests for additional purchase by shareholders of shares of less than one unit. For the specific procedures, please contact the securities company with which the shareholders have their accounts, or if the shareholders do not have an account with any securities company, the shareholder registry administrator of the Company described below.

Q8 Are there any procedures that shareholders are required to take?

A8 There are no particular procedures that shareholders are required to take.

Q9 Please provide the schedule.

A9 The specific schedule is as follows:

June 29, 2017: Annual general meeting of shareholders

July 26, 2017: Last day of trading in the unit of one thousand (1,000) shares

July 27, 2017: First day of trading in the unit of one hundred (100) shares

August 1, 2017: Effective date for change of the share unit number and reverse stock split

Around late October 2017: Start of payments of the price for the disposal (purchase) of fractional shares

Q10 What will become of the shareholder special benefits?

A10 With respect to the shareholder special benefits, the number of shares serving as the standards for special benefits shall be changed according to the ratio of the reverse stock split, and shareholdings of two hundred (200) shares or more and less than five hundred (500) shares (after the reverse stock split) shall be specified as one of the new standards for special benefits. In addition, the Company will establish a new program under which shareholders holding 12,000 shares or more (after the reverse stock split) may choose a complimentary pass for shareholders (which can be used for all train lines or for all train/bus lines) or an accommodation voucher for a twin bedroom at Tokyu Hotels. For details, please refer to the “Notice Regarding Partial Revision to Shareholder Special Benefit Plan” announced separately today.

[Contact]

For any inquiries about the change of the share unit number and the reverse stock split, the systems for requests for purchase by the Company and requests for additional purchase by shareholders of shares of less than one unit and the procedures for stocks, among others, please contact the securities company with which the shareholders have their accounts, or if the shareholders do not have an account with any securities company, the shareholder registry administrator of the Company (account management institution of special accounts) detailed below.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Business
Planning Dept.

Telephone: 0120-782-031 (toll-free)

Hours for acceptance of inquiries: 9:00 a.m. to 5:00 p.m. on weekdays