

Summary of Results for FY2017 Forecasts for FY2018

May 11, 2018

Tokyu Corporation

(9005)

S H I B U Y A

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

Contents

I . Overview of Financial Results for FY2017 • Financial Forecasts for FY2018	2
II . Conditions in Each Business	5
III . Details of Financial Results for FY2017	9
IV . Details of Financial Forecasts for FY2018	21

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.

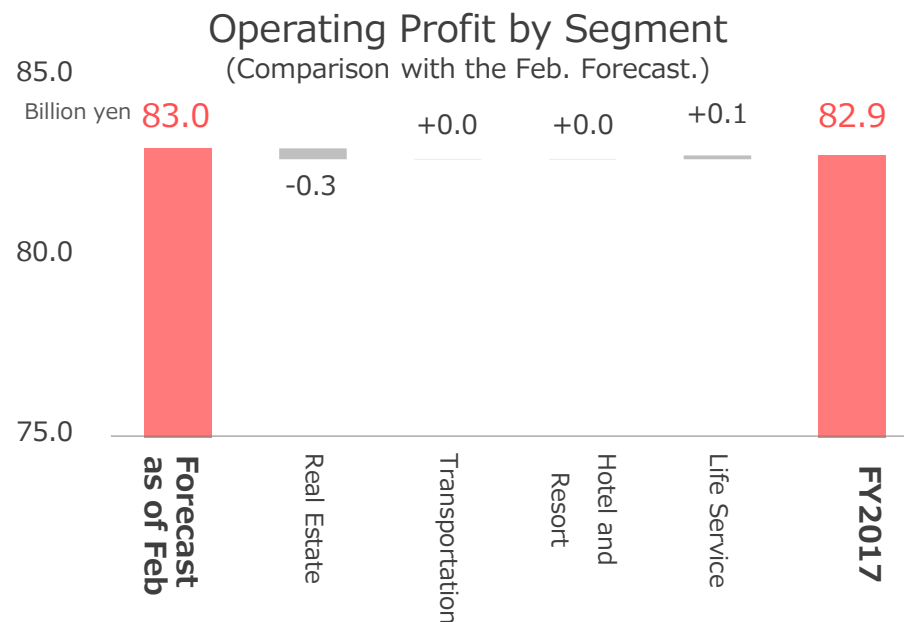
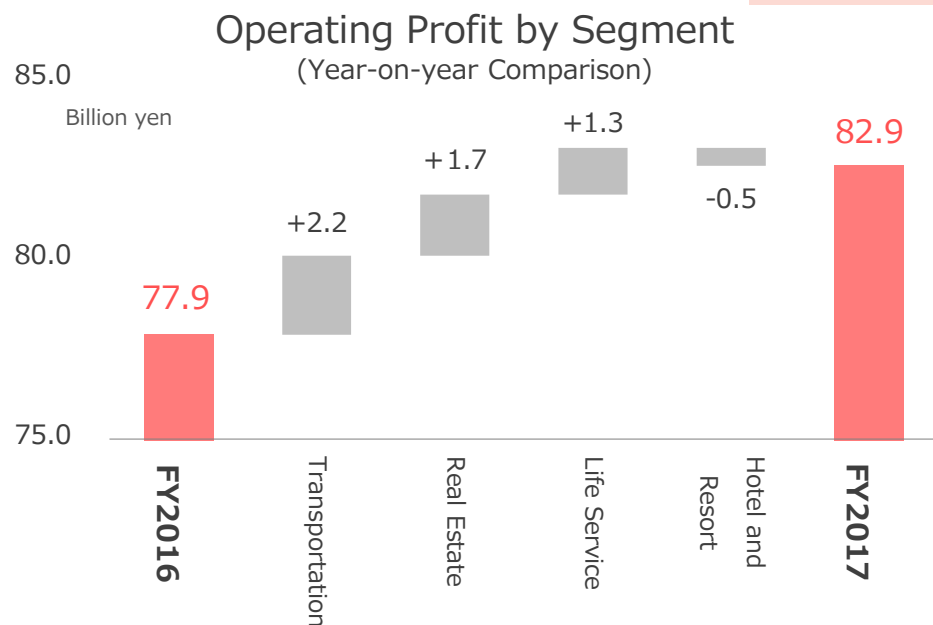
I . Overview of Financial Results for FY2017 • Financial Forecasts for FY2018

Main Points in the Results for FY2017

[Year-on-year comparison] Operating profit increased mainly due to increased revenue from the Company's Railway Operations Business as a result of population growth in areas served by the Company's railway lines. Profit attributable to owners of parent increased, mainly reflecting gain on the sale of fixed assets.

[Comparison to February] Progress was made generally as forecast in February.

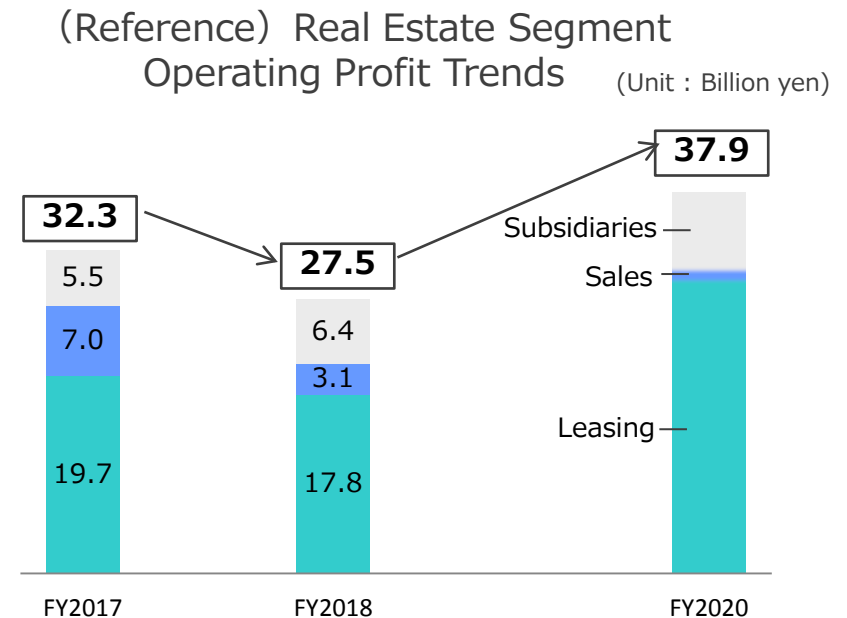
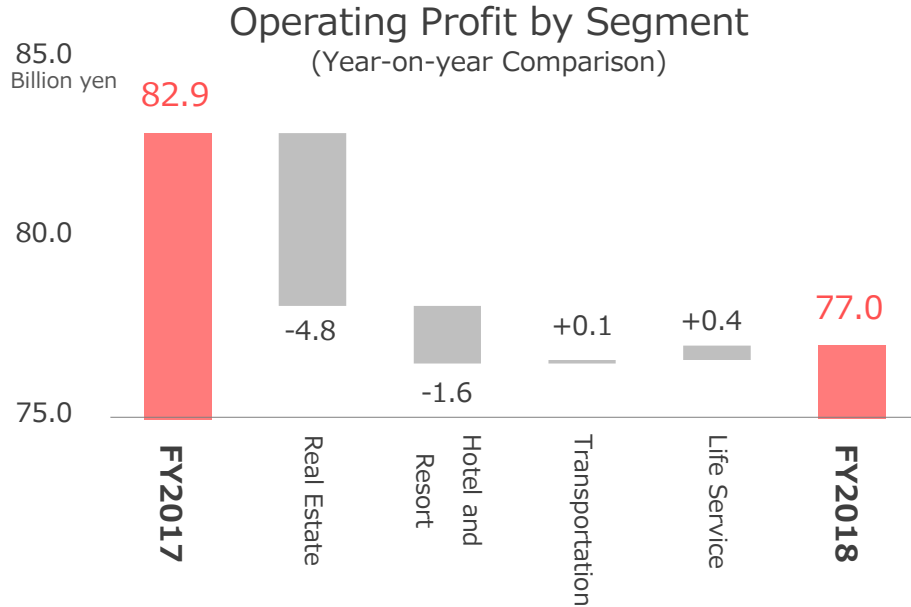
	Results	YoY Comparison	Comparison with Forecasts as of Feb.	
Operating Revenue	1,138.6	+ 21.2 (+ 1.9%)	- 0.7	(- 0.1%)
Operating Profit	82.9	+ 4.9 (+ 6.3%)	- 0.0	(- 0.1%)
Recurring Profit	83.7	+ 7.2 (+ 9.5%)	+ 1.0	(+ 1.3%)
Profit attributable to owners of parent	70.0	+ 2.8 (+ 4.2%)	+ 0.0	(+ 0.1%)



Main Points in Forecasts for FY2018

[Year-on-year comparison] While revenue increased mainly in the Real Estate Business, operating profit declined mainly due to the posting of sales of highly profitable properties in the previous fiscal year in Real Estate Sales of the Company. Profit attributable to owners of parent declined primarily due to the absence of the gain on sales of fixed assets posted in the previous fiscal year, in addition to the factor above.

	Full Year Forecast	YoY Comparison (Billion yen)
Operating Revenue	1,152.3	+ 13.6 (+ 1.2%)
Operating Profit	77.0	- 5.9 (- 7.1%)
Recurring Profit	75.5	- 8.2 (- 9.8%)
Profit attributable to owners of parent	51.0	- 19.0 (- 27.2%)



II . Conditions in Each Business

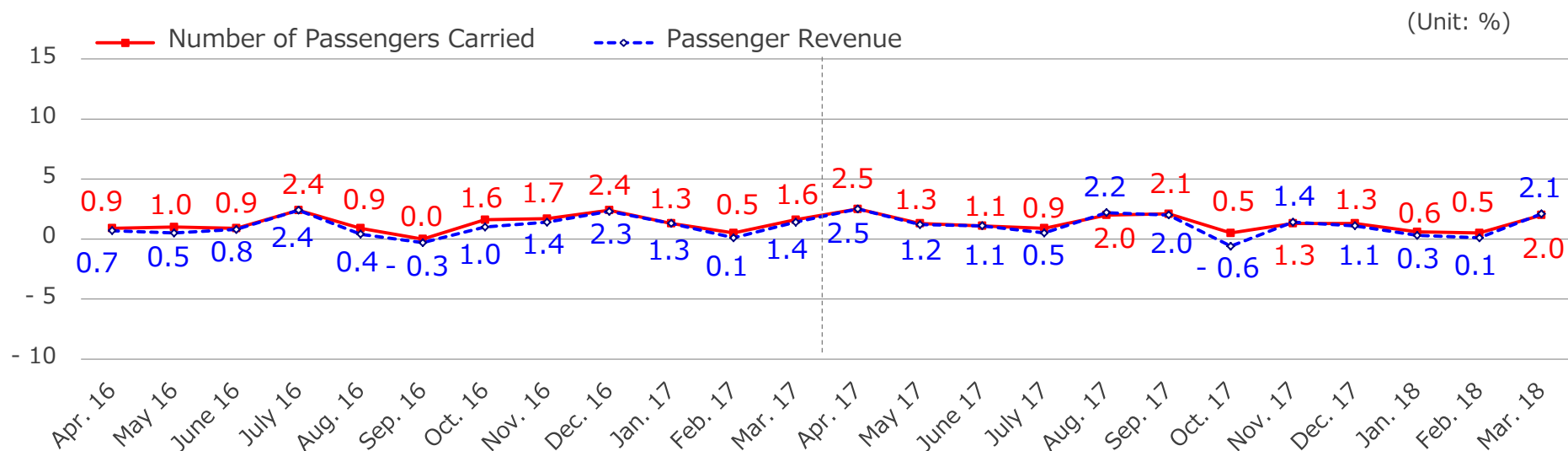
Railway Operations Business

Passengers Carried and Passenger Revenue (Results and Forecast)

(Thousand people, Million yen)

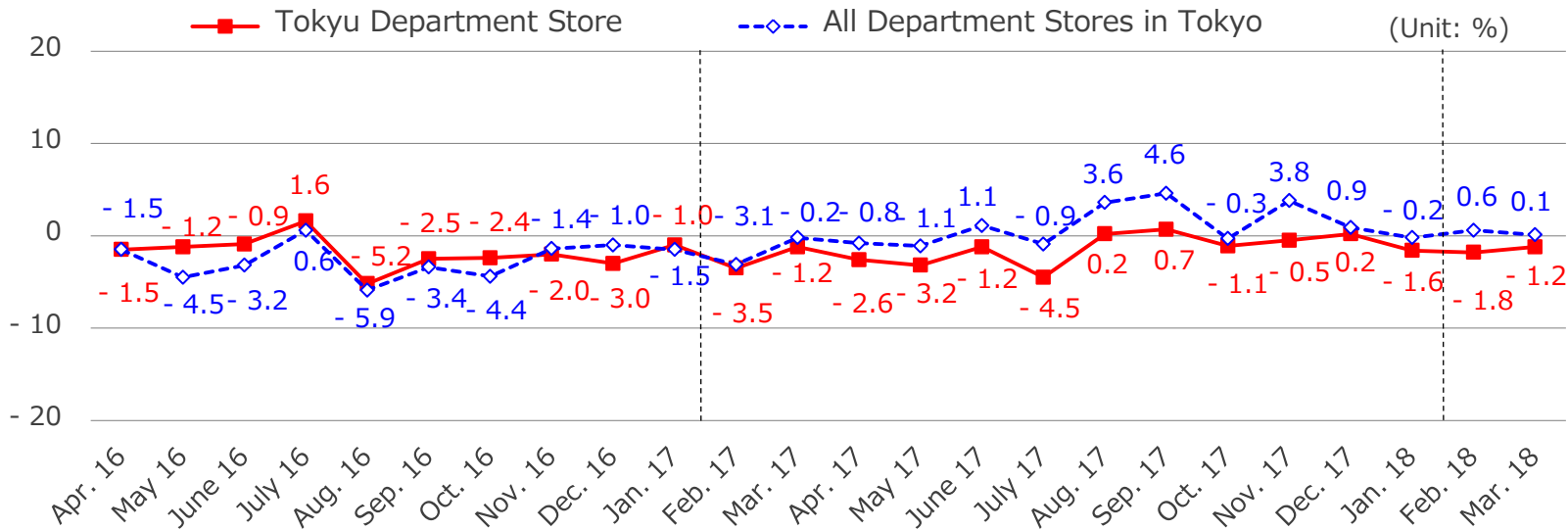
		FY2017 Results	FY2016 Results	Change	FY2018 Forecast	Change
Number of Passengers Carried	Total	1,178,659	1,163,023	+ 1.3%	1,194,816	+ 1.4%
	Non-commuter	468,163	464,259	+ 0.8%	473,531	+ 1.1%
	Commuter	710,496	698,764	+ 1.7%	721,285	+ 1.5%
Passenger Revenue	Total	140,239	138,621	+ 1.2%	142,104	+ 1.3%
	Non-commuter	76,383	75,834	+ 0.7%	77,232	+ 1.1%
	Commuter	63,856	62,787	+ 1.7%	64,872	+ 1.6%

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



Retail Business

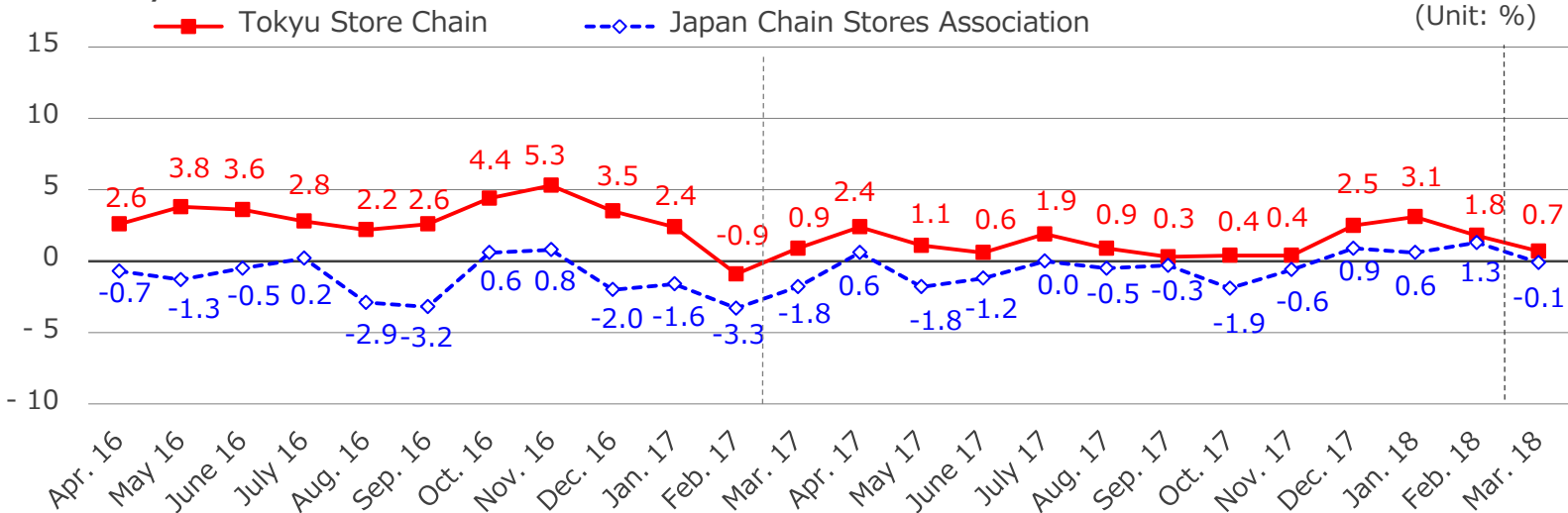
Tokyu Department Store: Sales (Year-on-year Comparison)



Sales by category

	2018/1	
	Rate of YoY change	Share
Menswear/furnishings	-3.2	3.7%
Womenswear/furnishings	-3.7	16.9%
Other clothing items	-8.4	4.1%
Personal items	-0.2	9.0%
Miscellaneous goods	9.2	16.9%
Household articles	-8.1	3.4%
Food	-1.1	44.1%
Others	-35.3	1.9%
Total	-1.5	100.0%

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



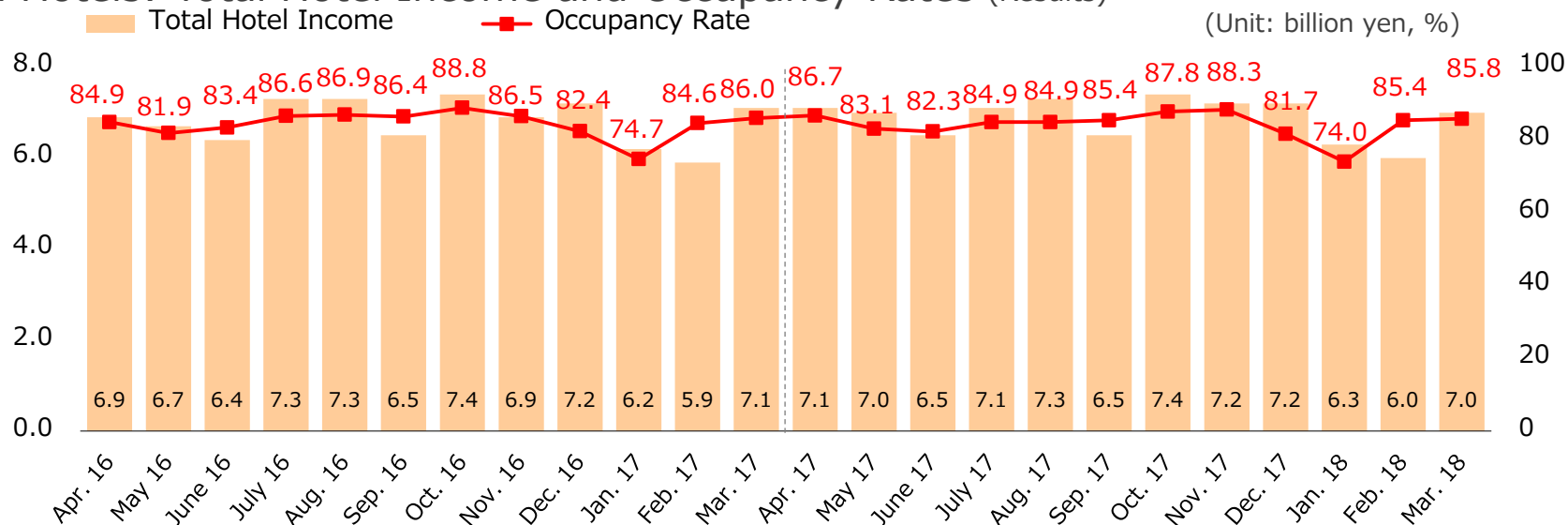
Sales by category

	2018/2	
	Rate of YoY change	Share
Food	1.8	87.3%
Clothing	-0.2	1.6%
Livingware	1.5	5.1%
Others	-3.7	6.0%
Total	1.4	100.0%

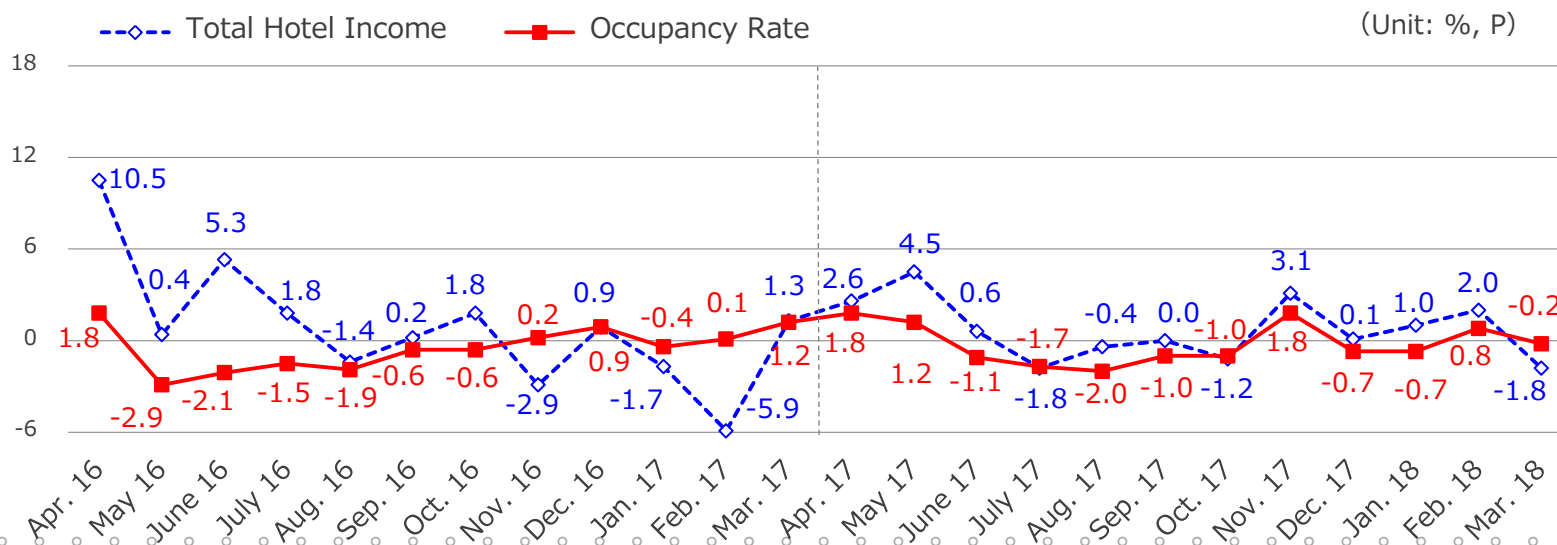


Hotel Business

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



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



III. Details of Financial Results for FY2017

Summary of Consolidated Financial Statements

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	1,138.6	1,117.3	+ 21.2 (+ 1.9%)	Real Estate: +12.4; Life Service: +10.1; Transportation: +4.0; Hotel and Resort: -1.3	1,139.4	- 0.7 (- 0.1%)
Operating Profit	82.9	77.9	+ 4.9 (+ 6.3%)	Transportation: +2.2; Real Estate: +1.7; Life Service: +1.3; Hotel and Resort: -0.5	83.0	- 0.0 (- 0.1%)
Non-operating Revenue	14.9	14.0	+ 0.9 (+ 6.5%)	Interest and Dividend Income 1.2 (+0.1); Investment Gains from Equity Method 8.3 (+0.0)	14.2	+ 0.7 (+ 5.5%)
Non-operating Expenses	14.1	15.5	- 1.4 (- 9.2%)	Interest Paid 9.4 (-0.6)□	14.5	- 0.3 (- 2.4%)
Recurring Profit	83.7	76.4	+ 7.2 (+ 9.5%)		82.7	+ 1.0 (+ 1.3%)
Extraordinary Gains	23.7	12.1	+ 11.6 (+ 96.0%)	Gain on Sale of Fixed Assets 14.3 (+13.6)	24.8	- 1.0 (- 4.1%)
Extraordinary Losses	11.4	10.7	+ 0.6 (+ 6.4%)		9.2	+ 2.2 (+ 24.6%)
Income before Income Taxes and Minority Interests	96.0	77.8	+ 18.2 (+ 23.5%)		98.3	- 2.2 (- 2.3%)
Corporate Income Taxes	24.3	9.0	+ 15.3 (+ 170.5%)	Income Taxes: 26.4 (+9.3); Tax Adjustment: -2.0 (+5.9)	26.4	- 2.0 (- 7.6%)
Net Income	71.6	68.7	+ 2.8 (+ 4.2%)		71.9	- 0.2 (- 0.3%)
Profit attributable to non-controlling intereests	1.5	1.5	+ 0.0 (+ 5.5%)		1.9	- 0.3 (- 16.5%)
Profit attributable to owners of parent	70.0	67.2	+ 2.8 (+ 4.2%)		70.0	+ 0.0 (+ 0.1%)
Other Comprehensive Income	6.9	4.8	+ 2.0 (+ 41.6%)		-	-
Total Comprehensive Income	78.5	73.6	+ 4.9 (+ 6.7%)		-	-
TOKYU EBITDA	174.9	174.3	+ 0.6 (+ 0.4%)	Life Service +1.6; Real Estate +0.5; Headquarters +0.3; Hotel and Resort -0.6; Transportation -1.3	174.3	+ 0.6 (+ 0.4%)

*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)

		FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change		
Total Operating Revenue		1,138.6	1,117.3	+ 21.2 (+ 1.9%)		1,139.4	- 0.7 (- 0.1%)		
Total Operating Profit		82.9	77.9	+ 4.9 (+ 6.3%)		83.0	- 0.0 (- 0.1%)		
Transportation	Operating Revenue	211.5	207.4	+ 4.0 (+ 2.0%)	Tokyu Corp. Railway Operations: +2.0	211.2	+ 0.3 (+ 0.2%)		
	Operating Profit	29.0	26.7	+ 2.2 (+ 8.6%)	Tokyu Corp. Railway Operations: +2.3	29.0	+ 0.0 (+ 0.0%)		
Real Estate	Operating Revenue	182.5	170.1	+ 12.4 (+ 7.3%)	Tokyu Corp. Sales: +6.3; Tokyu Corp. Leasing: -4.1	182.7	- 0.1 (- 0.1%)		
	Operating Profit	32.3	30.5	+ 1.7 (+ 5.8%)	Tokyu Corp. Sales: +2.9; Tokyu Corp. Leasing: -0.8	32.7	- 0.3 (- 1.0%)		
Life Service	Total Life Service		700.3	690.2	+ 10.1 (+ 1.5%)		699.5	+ 0.8 (+ 0.1%)	
	Operating Revenue	Retail	484.4	484.3	+ 0.0 (+ 0.0%)	Tokyu Department Store: -3.8; Tokyu Store Chain: -1.9	484.1	+ 0.3 (+ 0.1%)	
		ICT and Media	215.9	205.8	+ 10.0 (+ 4.9%)	Tokyu Recreation: -0.8; its communications: +0.4; Tokyu Agency: +1.7	215.4	+ 0.5 (+ 0.2%)	
	Operating Profit	Total Life Service		15.9	14.6	+ 1.3 (+ 9.2%)		15.8	+ 0.1 (+ 1.3%)
		Retail	6.1	5.6	+ 0.5 (+ 9.3%)	Tokyu Department Store: +0.5; Tokyu Store Chain: +0.3	5.8	+ 0.3 (+ 6.2%)	
ICT and Media		9.8	9.0	+ 0.8 (+ 9.2%)	Tokyu Recreation: +0.1; its communications: -0.9; Tokyu Agency: +0.2	10.0	- 0.1 (- 1.6%)		
Hotel and Resort	Operating Revenue	104.1	105.5	- 1.3 (- 1.3%)	Tokyu Hotels, etc: +0.1	104.2	- 0.0 (- 0.1%)		
	Operating Profit	5.1	5.6	- 0.5 (- 10.0%)	Tokyu Hotels, etc: -0.9	5.1	+ 0.0 (+ 0.1%)		
Elimination etc.	Operating Revenue	- 59.9	- 55.9	- 3.9		- 58.2	- 1.7		
	Operating Profit	0.4	0.3	+ 0.1		0.4	+ 0.0		

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Profit	82.9	77.9	+ 4.9 (+ 6.3%)		83.0	- 0.0 (- 0.1%)
Non-operating Revenue	14.9	14.0	+ 0.9 (+ 6.5%)		14.2	+ 0.7 (+ 5.5%)
Interest and Dividend Income	1.2	1.0	+ 0.1		1.3	- 0.0
Investment Gain from Equity Method	8.3	8.3	+ 0.0	Tokyu Fudosan Holdings : 5.6 (+0.5) ;Tokyu Construction: 2.4 (+0.3)	8.3	+ 0.0
Others	5.3	4.6	+ 0.6		4.6	+ 0.7
Non-operating Expenses	14.1	15.5	- 1.4 (- 9.2%)		14.5	- 0.3 (- 2.4%)
Interest	9.4	10.0	- 0.6		9.5	- 0.0
Others	4.7	5.5	- 0.8		5.0	- 0.2
Recurring Profit	83.7	76.4	+ 7.2 (+ 9.5%)		82.7	+ 1.0 (+ 1.3%)
Extraordinary Gains	23.7	12.1	+ 11.6 (+ 96.0%)		24.8	- 1.0 (- 4.1%)
Gain on Sale of Fixed Assets	14.3	0.7	+ 13.6		14.4	- 0.0
Gain on Subsidies Received for Construction	3.1	8.6	- 5.4		4.1	- 0.9
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	-		2.5	+ 0.0
Others	3.7	0.2	+ 3.4		3.8	- 0.0
Extraordinary Losses	11.4	10.7	+ 0.6 (+ 6.4%)		9.2	+ 2.2 (+ 24.6%)
Loss on Reduction of Subsidies Received for Construction	2.7	6.6	- 3.8		3.6	- 0.8
Others	8.7	4.1	+ 4.5		5.6	+ 3.1
Income before Income Taxes and Minority Interests	96.0	77.8	+ 18.2 (+ 23.5%)		98.3	- 2.2 (- 2.3%)

Consolidated TOKYU EBITDA

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Transportation	73.3	74.6	- 1.3 (- 1.8%)		73.2	+ 0.1 (+ 0.2%)
Railway Operations of the Company	64.1	65.4	- 1.3		63.7	+ 0.3
Tokyu Bus	4.0	3.9	+ 0.0		3.9	+ 0.0
Others	5.2	5.2	- 0.0		5.5	- 0.3
Real Estate	49.7	49.1	+ 0.5 (+ 1.2%)		50.1	- 0.3 (- 0.7%)
Real Estate Sales of the Company	7.2	4.2	+ 3.0		7.0	+ 0.2
Real Estate Leasing of the Company	33.9	36.6	- 2.6		34.7	- 0.7
Others	8.5	8.3	+ 0.2		8.3	+ 0.2
Life Service	32.5	30.9	+ 1.6 (+ 5.4%)		31.7	+ 0.8 (+ 2.8%)
Retail	14.8	14.4	+ 0.3		14.6	+ 0.2
Tokyu Department Store	6.1	6.0	+ 0.1		6.2	- 0.0
Tokyu Store Chain	5.1	4.7	+ 0.3		5.0	+ 0.0
Others	3.5	3.6	- 0.0		3.3	+ 0.2
ICT and Media	17.7	16.4	+ 1.2		17.1	+ 0.6
Tokyu Recreation	3.3	3.2	+ 0.0		3.3	+ 0.0
its communications	6.1	7.0	- 0.8		5.3	+ 0.8
Tokyu Agency	1.3	0.6	+ 0.6		1.0	+ 0.3
Others	6.8	5.4	+ 1.3		7.3	- 0.5
Hotel and Resort	9.2	9.8	- 0.6 (- 6.2%)		9.3	- 0.0 (- 0.3%)
Tokyu Hotels, etc.	7.3	8.0	- 0.7		7.3	- 0.0
Others	1.9	1.7	+ 0.1		1.9	- 0.0
Headquarters	9.6	9.4	+ 0.2 (+ 2.6%)		9.6	+ 0.0 (+ 0.5%)
Interest and dividend income	1.2	1.0	+ 0.1		1.3	- 0.0
Investment (gain) loss from the equity method	8.3	8.3	+ 0.0		8.3	+ 0.0
Elimination, etc.	0.3	0.2	+ 0.1		0.4	- 0.0
Total	174.9	174.3	+ 0.6 (+ 0.4%)		174.3	+ 0.6 (+ 0.4%)

*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)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	211.5	207.4	+ 4.0 (+ 2.0%)	Passengers Carried: +1.3% (Non-commuter: +0.8%; Commuter: +1.7%) Passenger Revenue: +1.2% (Non-commuter: +0.7%; Commuter: +1.7%)	211.2	+ 0.3 (+ 0.2%)
Railway Operations of the Company	154.5	152.5	+ 2.0 (+ 1.3%)	Passenger Revenue: 140.2 (+1.6)	154.7	- 0.1 (- 0.1%)
Tokyu Bus	28.1	28.1	+ 0.0 (+ 0.2%)	Passenger Revenue: +0.3%	28.1	+ 0.0 (+ 0.2%)
Others	28.8	26.8	+ 1.9 (+ 7.4%)		28.3	+ 0.4 (+ 1.5%)
Operating Profit	29.0	26.7	+ 2.2 (+ 8.6%)		29.0	+ 0.0 (+ 0.0%)
Railway Operations of the Company	24.7	22.4	+ 2.3 (+ 10.6%)	[Operating Expense] Depreciation and amortization: 33.0 (-1.3) ; Expenses: 26.8 (-1.4) ; Repair Costs: 10.4 (+1.4) ; Power Costs: 5.9 (+0.5)	24.5	+ 0.2 (+ 1.0%)
Tokyu Bus	1.7	1.7	+ 0.0 (+ 1.4%)		1.6	+ 0.1 (+ 6.6%)
Others	2.4	2.5	- 0.1 (- 4.4%)		2.8	- 0.3 (- 12.4%)

Segment Information (2) Real Estate

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	182.5	170.1	+ 12.4 (+ 7.3%)		182.7	- 0.1 (- 0.1%)
Real Estate Sales of the Company	20.2	13.9	+ 6.3 (+ 45.6%)	[Sales] Company-owned Land: 3.8 (-4.7) ; Funds Turnover-type: 14.2 (+8.9)	21.2	- 1.0 (- 4.7%)
Real Estate Leasing of the Company	72.0	76.1	- 4.1 (- 5.4%)		72.0	- 0.0 (- 0.0%)
Others	90.2	80.0	+ 10.2 (+ 12.8%)		89.3	+ 0.8 (+ 1.0%)
Operating Profit	32.3	30.5	+ 1.7 (+ 5.8%)	[Sales Margin] Company-owned Land: 2.8 (-2.9) ; Funds Turnover-type: 5.8 (+4.7)	32.7	- 0.3 (- 1.0%)
Real Estate Sales of the Company	7.0	4.1	+ 2.9 (+ 70.8%)		6.8	+ 0.2 (+ 3.3%)
Real Estate Leasing of the Company	19.7	20.6	- 0.8 (- 4.3%)		20.6	- 0.8 (- 4.1%)
Others	5.5	5.8	- 0.2 (- 4.7%)		5.2	+ 0.2 (+ 5.5%)

Segment Information (3) Life Service

	FY2017 Results	FY2016 Results	Change	Remarks	(Billion yen) Forecast as of Feb.	Change
Operating Revenue	700.3	690.2	+ 10.1 (+ 1.5%)		699.5	+ 0.8 (+ 0.1%)
Total Retail	484.4	484.3	+ 0.0 (+ 0.0%)		484.1	+ 0.3 (+ 0.1%)
Tokyu Department Store	218.0	221.9	- 3.8 (- 1.7%)	Rate of Change in Sales: -1.5%	217.7	+ 0.2 (+ 0.1%)
Tokyu Store Chain	214.6	216.5	- 1.9 (- 0.9%)	Rate of Change in Sales: All Stores: -0.7%; Existing Stores: +1.4%	214.3	+ 0.3 (+ 0.2%)
Others	51.7	45.9	+ 5.8 (+ 12.6%)		51.9	- 0.2 (- 0.6%)
Total ICT and Media	215.9	205.8	+ 10.0 (+ 4.9%)		215.4	+ 0.5 (+ 0.2%)
Tokyu Recreation	32.8	33.6	- 0.8 (- 2.6%)		34.0	- 1.2 (- 3.6%)
its communications	27.2	26.7	+ 0.4 (+ 1.7%)		27.3	- 0.0 (- 0.3%)
Tokyu Agency	92.3	90.5	+ 1.7 (+ 1.9%)		92.3	- 0.0 (- 0.1%)
Others	63.5	54.7	+ 8.7 (+ 16.0%)		61.6	+ 1.8 (+ 3.1%)
Operating Profit	15.9	14.6	+ 1.3 (+ 9.2%)		15.8	+ 0.1 (+ 1.3%)
Total Retail	6.1	5.6	+ 0.5 (+ 9.3%)		5.8	+ 0.3 (+ 6.2%)
Tokyu Department Store	0.7	0.2	+ 0.5 (+ 217.4%)		0.6	+ 0.0 (+ 11.4%)
Tokyu Store Chain	3.2	2.8	+ 0.3 (+ 11.3%)		3.1	+ 0.0 (+ 2.9%)
Others	2.1	2.5	- 0.3 (- 12.9%)		1.9	+ 0.1 (+ 9.7%)
Total ICT and Media	9.8	9.0	+ 0.8 (+ 9.2%)		10.0	- 0.1 (- 1.6%)
Tokyu Recreation	1.6	1.5	+ 0.1 (+ 7.6%)		1.4	+ 0.2 (+ 20.0%)
its communications	2.6	3.6	- 0.9 (- 27.0%)		2.6	+ 0.0 (+ 0.4%)
Tokyu Agency	0.7	0.5	+ 0.2 (+ 43.4%)		0.7	+ 0.0 (+ 12.7%)
Others	4.7	3.2	+ 1.4 (+ 44.7%)		5.2	- 0.5 (- 10.3%)

Segment Information (4) Hotel and Resort

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	104.1	105.5	- 1.3 (- 1.3%)		104.2	- 0.0 (- 0.1%)
Tokyu Hotels, etc. (※)	85.7	85.5	+ 0.1 (+ 0.1%)	Occupancy Rates: 84.1% (year on year -0.3 points)	85.9	- 0.2 (- 0.3%)
Others	18.3	19.9	- 1.5 (- 7.6%)		18.2	+ 0.1 (+ 0.8%)
Operating Profit	5.1	5.6	- 0.5 (- 10.0%)		5.1	+ 0.0 (+ 0.1%)
Tokyu Hotels, etc. (※)	4.1	5.0	- 0.9 (- 18.0%)		4.1	- 0.0 (- 0.0%)
Others	0.9	0.6	+ 0.3 (+ 54.8%)		0.9	+ 0.0 (+ 0.6%)

(※) "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)

	FY2017 Results	FY2016 Results	Change	Remarks
Total Assets	2,264.6	2,148.6	+ 116.0 (+ 5.4%)	
Current Assets	320.0	290.5	+ 29.5 (+ 10.2%)	
Fixed Assets	1,944.5	1,858.0	+ 86.4 (+ 4.7%)	
Total Liabilities	1,517.5	1,470.2	+ 47.3 (+ 3.2%)	
Current Liabilities	618.0	569.7	+ 48.2 (+ 8.5%)	Interest-bearing Debt: +13.8
Fixed Liabilities	881.9	880.3	+ 1.5 (+ 0.2%)	Interest-bearing Debt: -8.4
Reserves under Special Law	17.5	20.0	- 2.5 (- 12.5%)	
Total Net Assets	747.0	678.3	+ 68.6 (+ 10.1%)	Equity Capital: +61.0; Other Cumulative Comprehensive Income: +7.1; non-controlling shareholders Interest: +0.4
Equity	696.5	628.3	+ 68.2 (+ 10.9%)	Profit attributable to owners of parent: +70.0; Dividends: -10.9
Interest-bearing Debt at End of Period	969.7	964.3	+ 5.3 (+ 0.6%)	
Equity Ratio	30.8%	29.2%	+ 1.6P	
D/E Ratio (Times)	1.4	1.5	- 0.1	

Statements of Cash Flow

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Mar.	Change
CF from Operating Activities	152.5	126.3	+ 26.2		150.1	+ 2.4
CF from Investing Activities	- 145.3	- 132.3	- 13.0		- 138.7	- 6.6
Capital Expenditure	- 176.9	- 140.1	- 36.8		- 170.3	- 6.6
Subsidies Received for Construction	12.7	8.4	+ 4.2		8.2	+ 4.5
Gain on Sale of Assets	26.0	2.4	+ 23.5		28.0	- 1.9
CF from Financing Activities	- 7.8	3.0	- 10.9		- 11.4	+ 3.5
Interest-bearing Debt Net Increase/Decrease	5.4	26.8	- 21.4		5.4	+ 0.0
Dividend Payment, etc.	- 11.5	- 21.1	+ 9.6	Dividend Payment: -10.9 (+0.1)	- 11.2	- 0.3
Free Cash Flow	7.1	- 5.9	+ 13.1		11.4	- 4.2
Interest-bearing Debt at End of Period	969.7	964.3	5.3	Interest-bearing Debt / TOKYU EBITDA Multiple: 5.5times (—)	969.8	- 0.0

Capital Expenditure / Depreciation

(Billion yen)

	FY2017 Results	FY2016 Results	Change	Remarks	Forecast as of Feb.	Change
Total Capital Expenditure	181.2	145.3	+ 35.8 (+ 24.7%)		182.2	- 0.9 (- 0.5%)
Transportation	71.4	62.1	+ 9.2 (+ 14.9%)	Tokyu Corp. Railway Operations: +11.2	74.3	- 2.8 (- 3.9%)
Real Estate	77.2	52.8	+ 24.3 (+ 46.0%)	Tokyu Corp. Leasing: +24.6	76.6	+ 0.6 (+ 0.8%)
Total Life Service	20.1	22.8	- 2.6 (- 11.5%)		20.9	- 0.7 (- 3.5%)
Retail	8.1	9.2	- 1.1 (- 12.0%)		7.6	+ 0.5 (+ 7.5%)
ICT and Media	12.0	13.5	- 1.5 (- 11.3%)	Tokyu Recreation: -6.8; its communications: +5.6	13.3	- 1.2 (- 9.8%)
Hotel and Resort	9.3	7.6	+ 1.7 (+ 23.2%)	Tokyu Hotels, etc.: +1.7	7.9	+ 1.4 (+ 18.7%)
Headquarters	3.3	2.0	+ 1.2		4.0	- 0.6
Elimination	- 0.3	- 2.1	+ 1.8		- 1.5	+ 1.1
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	11.0	11.3	- 0.2 (- 2.2%)	Company-owned Land: -0.3; Funds Turnover-type: +0.0	14.8	- 3.7 (-)
Total Depreciation and Amortization	74.9	76.9	- 2.0 (- 2.7%)	Real Estate: 16.4 (-1.4); Transportation: 37.9 (-1.2); Hotel and Resort: 4.0 (+0.0); Life Service: 16.5 (+0.6)	74.5	+ 0.4 (+ 0.5%)

* 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.

IV. Details of Financial Forecasts for FY2018

Summary of Consolidated Financial Statements

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Revenue	1,152.3	1,138.6	+ 13.6 (+ 1.2%)	Real Estate: +14.9、 Life Service: +2.1、 Transportation: +1.7、 Hotel and Resort: -2.4
Operating Profit	77.0	82.9	- 5.9 (- 7.1%)	Real Estate: -4.8、 Hotel and Resort: -1.6、 Transportation: +0.1、 Life Service: +0.4
Non-operating Revenue	12.8	14.9	- 2.1 (- 14.5%)	Investment Gains from Equity Method 7.7 (-0.6)
Non-operating Expenses	14.3	14.1	+ 0.1 (+ 1.1%)	
Recurring Profit	75.5	83.7	- 8.2 (- 9.8%)	
Extraordinary Gains	8.8	23.7	- 14.9 (- 63.0%)	Gain on Sale of Fixed Assets 0.1 (-14.2)
Extraordinary Losses	9.3	11.4	- 2.1 (- 18.9%)	
Income before Income Taxes and Minority Interests	75.0	96.0	- 21.0 (- 21.9%)	
Corporate Income Taxes	22.9	24.3	- 1.4 (- 6.1%)	Income Taxes: 24.0 (-2.4); Tax Adjustment: -1.1 (+0.9)
Net Income	52.1	71.6	- 19.5 (- 27.3%)	
Profit attributable to non-controlling interests	1.1	1.5	- 0.4 (- 30.7%)	
Profit attributable to owners of parent	51.0	70.0	- 19.0 (- 27.2%)	
Tokyu EBITDA	175.0	174.9	+ 0.0 (+ 0.0%)	Transportation +1.8; Life Service +1.7; Headquarters -0.7; Hotel and Resort -1.0; Real Estate -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)

		FY2018 Forecast	FY2017 Results	Change	Remarks	
Total Operating Revenue		1,152.3	1,138.6	+ 13.6 (+ 1.2%)		
Total Operating Profit		77.0	82.9	- 5.9 (- 7.1%)		
Transportation	Operating Revenue	213.3	211.5	+ 1.7 (+ 0.8%)	Tokyu Corp. Railway Operations: +2.2; Tokyu Bus: +0.1	
	Operating Profit	29.2	29.0	+ 0.1 (+ 0.7%)	Tokyu Corp. Railway Operations: +0.4; Tokyu Bus: -0.3	
Real Estate	Operating Revenue	197.5	182.5	+ 14.9 (+ 8.2%)	Tokyu Corp. Sales: +5.3; Tokyu Corp. Leasing: +6.2	
	Operating Profit	27.5	32.3	- 4.8 (- 15.0%)	Tokyu Corp. Sales: -3.9; Tokyu Corp. Leasing: -1.9	
Life Service	Total Life Service		702.5	700.3	+ 2.1 (+ 0.3%)	
	Operating Revenue	Retail	483.9	484.4	- 0.5 (- 0.1%)	Tokyu Department Store: -4.8; Tokyu Store Chain: +2.6
		ICT and Media	218.6	215.9	+ 2.6 (+ 1.2%)	Tokyu Recreation: +0.6; its communications: +1.5; Tokyu Agency: +0.1
	Total Life Service		16.4	15.9	+ 0.4 (+ 2.5%)	
	Operating Profit	Retail	6.2	6.1	+ 0.0 (+ 0.7%)	Tokyu Department Store: +0.1; Tokyu Store Chain: +0.0
		ICT and Media	10.2	9.8	+ 0.3 (+ 3.7%)	Tokyu Recreation: -0.2; its communications: +0.0; Tokyu Agency: +0.2
Hotel and Resort	Operating Revenue	101.7	104.1	- 2.4 (- 2.3%)	Tokyu Hotels, etc: +1.1	
	Operating Profit	3.5	5.1	- 1.6 (- 31.4%)	Tokyu Hotels, etc: -0.6	
Elimination etc.	Operating Revenue	- 62.7	- 59.9	- 2.7		
	Operating Profit	0.4	0.4	- 0.0		

Non-Operating and Extraordinary Gain/Loss

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Profit	77.0	82.9	- 5.9 (- 7.1%)	
Non-operating Revenue	12.8	14.9	- 2.1 (- 14.5%)	
Interest and Dividend Income	1.2	1.2	- 0.0	
Investment Gain from Equity Method	7.7	8.3	- 0.6	
Others	3.9	5.3	- 1.4	
Non-operating Expenses	14.3	14.1	+ 0.1 (+ 1.1%)	
Interest	9.5	9.4	+ 0.0	
Others	4.8	4.7	+ 0.0	
Recurring Profit	75.5	83.7	- 8.2 (- 9.8%)	
Extraordinary Gains	8.8	23.7	- 14.9 (- 63.0%)	
Gain on Sale of Fixed Assets	0.1	14.3	- 14.2	
Gain on Subsidies Received for Construction	3.4	3.1	+ 0.2	
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	- 0.0	
Others	2.8	3.7	- 0.9	
Extraordinary Losses	9.3	11.4	- 2.1 (- 18.9%)	
Loss on Reduction of Subsidies Received for Construction	2.9	2.7	+ 0.1	
Others	6.4	8.7	- 2.3	
Income before Income Taxes and Minority Interests	75.0	96.0	- 21.0 (- 21.9%)	

Consolidated TOKYU EBITDA

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Transportation	75.2	73.3	+ 1.8 (+ 2.6%)	
Railway Operations of the Company	66.0	64.1	+ 1.8	
Tokyu Bus	3.6	4.0	- 0.3	
Others	5.5	5.2	+ 0.3	
Real Estate	48.0	49.7	- 1.7 (- 3.5%)	
Real Estate Sales of the Company	3.4	7.2	- 3.8	
Real Estate Leasing of the Company	34.7	33.9	+ 0.7	
Others	9.8	8.5	+ 1.3	
Life Service	34.3	32.5	+ 1.7 (+ 5.3%)	
Retail	15.1	14.8	+ 0.2	
Tokyu Department Store	6.3	6.1	+ 0.1	
Tokyu Store Chain	5.0	5.1	- 0.0	
Others	3.6	3.5	+ 0.0	
ICT and Media	19.2	17.7	+ 1.4	
Tokyu Recreation	3.1	3.3	- 0.1	
its communications	7.0	6.1	+ 0.9	
Tokyu Agency	1.7	1.3	+ 0.3	
Others	7.1	6.8	+ 0.3	
Hotel and Resort	8.2	9.2	- 1.0 (- 11.5%)	
Tokyu Hotels, etc.	7.2	7.3	- 0.0	
Others	0.9	1.9	- 1.0	
Headquarters	8.9	9.6	- 0.7 (- 7.7%)	
Interest and dividend income	1.2	1.2	- 0.0	
Investment (gain) loss from the equity method	7.7	8.3	- 0.6	
Elimination, etc.	0.4	0.3	+ 0.0	
Total	175.0	174.9	+ 0.0 (+ 0.0%)	

*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)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Revenue	213.3	211.5	+ 1.7 (+ 0.8%)	Passengers Carried: +1.4% (Non-commuter: +1.1%; Commuter: +1.5%) □ Passenger Revenue: +1.3% (Non-commuter: +1.1%; Commuter: +1.6%)
Railway Operations of the Company	156.8	154.5	+ 2.2 (+ 1.5%)	Passenger Revenue: 142.1 (+1.8)
Tokyu Bus	28.3	28.1	+ 0.1 (+ 0.5%)	
Others	28.1	28.8	- 0.7 (- 2.4%)	
Operating Profit	29.2	29.0	+ 0.1 (+ 0.7%)	
Railway Operations of the Company	25.2	24.7	+ 0.4 (+ 1.9%)	[Operating Expense] Depreciation and amortization: 34.4 (+1.4)
Tokyu Bus	1.3	1.7	- 0.3 (- 20.8%)	
Others	2.5	2.4	+ 0.0 (+ 3.2%)	

Segment Information (2) Real Estate

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Revenue	197.5	182.5	+ 14.9 (+ 8.2%)	
Real Estate Sales of the Company	25.6	20.2	+ 5.3 (+ 26.3%)	[Sales] Company-owned Land: 2.2 (-1.5); Funds Turnover-type: 23.2 (+8.9)
Real Estate Leasing of the Company	78.3	72.0	+ 6.2 (+ 8.7%)	
Others	93.5	90.2	+ 3.3 (+ 3.7%)	
Operating Profit	27.5	32.3	- 4.8 (- 15.0%)	[Sales Margin] Company-owned Land: 1.5 (-1.2); Funds Turnover-type: 5.8 (-0.0)
Real Estate Sales of the Company	3.1	7.0	- 3.9 (- 55.5%)	
Real Estate Leasing of the Company	17.8	19.7	- 1.9 (- 9.7%)	
Others	6.4	5.5	+ 0.9 (+ 17.4%)	

Segment Information (3) Life Service

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Revenue	702.5	700.3	+ 2.1 (+ 0.3%)	
Total Retail	483.9	484.4	- 0.5 (- 0.1%)	
Tokyu Department Store	213.1	218.0	- 4.8 (- 2.2%)	Rate of Change in Sales: -2.2%
Tokyu Store Chain	217.3	214.6	+ 2.6 (+ 1.2%)	Rate of Change in Sales All Stores: +1.1%; Existing Stores: +1.7%
Others	53.3	51.7	+ 1.6 (+ 3.3%)	
Total ICT and Media	218.6	215.9	+ 2.6 (+ 1.2%)	
Tokyu Recreation	33.4	32.8	+ 0.6 (+ 2.0%)	
its communications	28.7	27.2	+ 1.5 (+ 5.5%)	
Tokyu Agency	92.4	92.3	+ 0.1 (+ 0.2%)	
Others	63.9	63.5	+ 0.3 (+ 0.6%)	
Operating Profit	16.4	15.9	+ 0.4 (+ 2.5%)	
Total Retail	6.2	6.1	+ 0.0 (+ 0.7%)	
Tokyu Department Store	0.8	0.7	+ 0.1 (+ 15.9%)	
Tokyu Store Chain	3.2	3.2	+ 0.0 (+ 0.2%)	
Others	2.1	2.1	- 0.0 (- 3.9%)	
Total ICT and Media	10.2	9.8	+ 0.3 (+ 3.7%)	
Tokyu Recreation	1.4	1.6	- 0.2 (- 13.1%)	
its communications	2.7	2.6	+ 0.0 (+ 3.7%)	
Tokyu Agency	1.0	0.7	+ 0.2 (+ 26.8%)	
Others	4.9	4.7	+ 0.2 (+ 5.8%)	

Segment Information (4) Hotel and Resort

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Operating Revenue	101.7	104.1	- 2.4 (- 2.3%)	
Tokyu Hotels, etc. (※)	86.8	85.7	+ 1.1 (+ 1.3%)	Occupancy Rates: 86.0% (year on year +1.9 points)
Others	14.8	18.3	- 3.5 (- 19.1%)	
Operating Profit	3.5	5.1	- 1.6 (- 31.4%)	
Tokyu Hotels, etc. (※)	3.5	4.1	- 0.6 (- 15.0%)	
Others	- 0.0	0.9	- 0.9 (-)	

(※) "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)

	FY2018 Forecast	FY2017 Results	Change	Remarks
CF from Operating Activities	122.8	152.5	- 29.7	
CF from Investing Activities	- 228.3	- 145.3	- 82.9	
Capital Expenditure	- 235.8	- 176.9	- 58.8	
Subsidies Received for Construction	9.5	12.7	- 3.2	
CF from Financing Activities	105.4	- 7.8	+ 113.3	
Interest-bearing Debt Net Increase/Decrease	121.8	5.4	+ 116.4	
Dividend Payment, etc.	- 12.5	- 11.5	- 0.9	
Free Cash Flow	- 105.4	7.1	- 112.6	
Interest-bearing Debt at End of Period	1,091.7	969.7	+ 121.9	Interest-bearing Debt / TOKYU EBITDA Multiple: 6.2times (+0.7 points)

Capital Expenditure / Depreciation

(Billion yen)

	FY2018 Forecast	FY2017 Results	Change	Remarks
Total Capital Expenditure	241.9	181.2	+ 60.6 (+ 33.5%)	
Transportation	76.3	71.4	+ 4.8 (+ 6.8%)	Railway Operations of the Company: +2.6
Real Estate	121.2	77.2	+ 43.9 (+ 56.9%)	Tokyu Corp. Leasing: +51.0
Total Life Service	18.4	20.1	- 1.7 (- 8.8%)	
Retail	8.7	8.1	+ 0.5 (+ 6.5%)	
ICT and Media	9.7	12.0	- 2.3 (- 19.2%)	
Hotel and Resort	21.7	9.3	+ 12.3 (+ 131.3%)	Tokyu Hotels, etc: +10.9
Headquarters	5.8	3.3	+ 2.4	
Elimination	- 1.5	- 0.3	- 1.1	
Tokyu Corp. and Becamex Tokyu Expenses on Sale of Houses and Lots	26.0	11.0	+ 14.9 (+ 134.3%)	
Total Depreciation and Amortization	81.5	74.9	+ 6.5 (+ 8.8%)	Real Estate: 19.5 (+3.0)、Transportation: 39.7 (+1.7)、 Life Service: 17.8 (+1.2)、Hotel and Resort: 4.5 (+0.4)

* 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.