

# Results in FY2021 Presentation

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May 17, 2022

Tokyu Corporation

(9005)

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



東急

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# Introduction

FY2021 was the first year of the Three-year Medium-term Management Plan, which aims to respond to changes in the business environment and restore earnings through structural reforms.

Looking back over the past year, although the situation was more challenging than expected—with factors such as the spread of the COVID-19 pandemic—we still achieved our profit target mainly as a result of contributions from real estate sales, working with a strong intention to avoid continued losses. At the same time, considering the group as a whole, there are still businesses facing challenging conditions, and we recognize the urgent need for drastic measures, particularly in the hotel business.

In terms of specific measures, the path to enhancing Tokyu Railways' business structure is being established, through measures such as fare revisions and operational reforms. In urban and community development, priority strategies for each business are progressing, including efforts based on autonomous and decentralized city structure.

FY2022 marks the 100th anniversary of the company's founding, and several large-scale projects—such as the completion of the Tokyu Kabukicho Tower and the opening of the Tokyu Shin-Yokohama Line—are on the agenda. At the same time, we believe that the business environment remains uncertain.

The slogan for our medium-term management plan—"変革(Henkaku)"—includes not only responding to changes, but also the desire to create new markets for ourselves. Our business domains are wide-ranging. The source of our competitiveness lies in maintaining the stability of our base businesses—the Transportation Business and Real Estate Business—and creating synergies between businesses, with the independent Life Service Business and Hotel and Resort Business based on this foundation. In addition, maximizing area value centered around areas served by Tokyu's railway lines through unique and attractive urban and community development by connecting these businesses will lead to increases in corporate value.

We regard this time when we are exposed to social change as a new growth opportunity, rather than a difficulty, and will continue to work to create beautiful living environments through the resolution of social issues.

Kazuo Takahashi, President & Representative Director May 2022

# I . Executive Summary

# Main Points in the Results for FY2021

(Unit: Billion yen)	Results	YoY Comparison		Comparison with Forecasts as of Feb.	
Operating Revenue	879.1	- 56.8	(- 6.1%)	+ 18.3	(+ 2.1%)
Operating Profit	31.5	+ 63.2	-	+ 3.5	(+ 12.7%)
Recurring Profit	34.9	+ 61.8	-	+ 4.1	(+ 13.6%)
Profit attributable to owners of parent	8.7	+ 65.0	-	- 1.2	(- 12.2%)

\* A year-on-year increase of 97.5 billion yen in revenue before the application of the Standard for Revenue Recognition

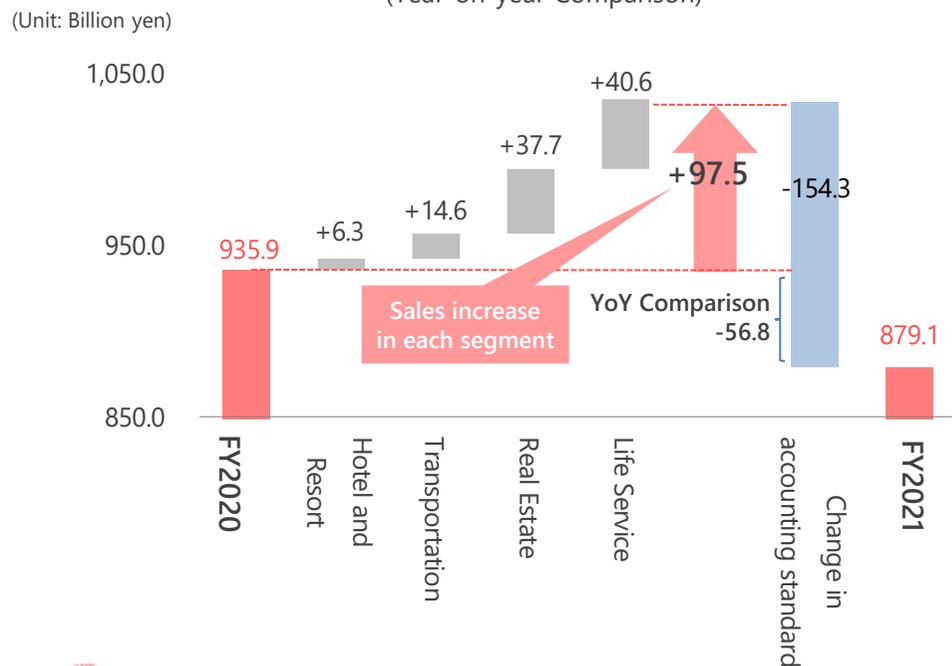
[Year-on-year comparison]

- Profit attributable to owners of parent increased 65.0 billion yen year on year, due to the posting of a gain on sale of fixed assets as well as Increase in operating income and improvements in losses in all segments including the Real Estate Business segment in which the sale of a large-scale property contributed.

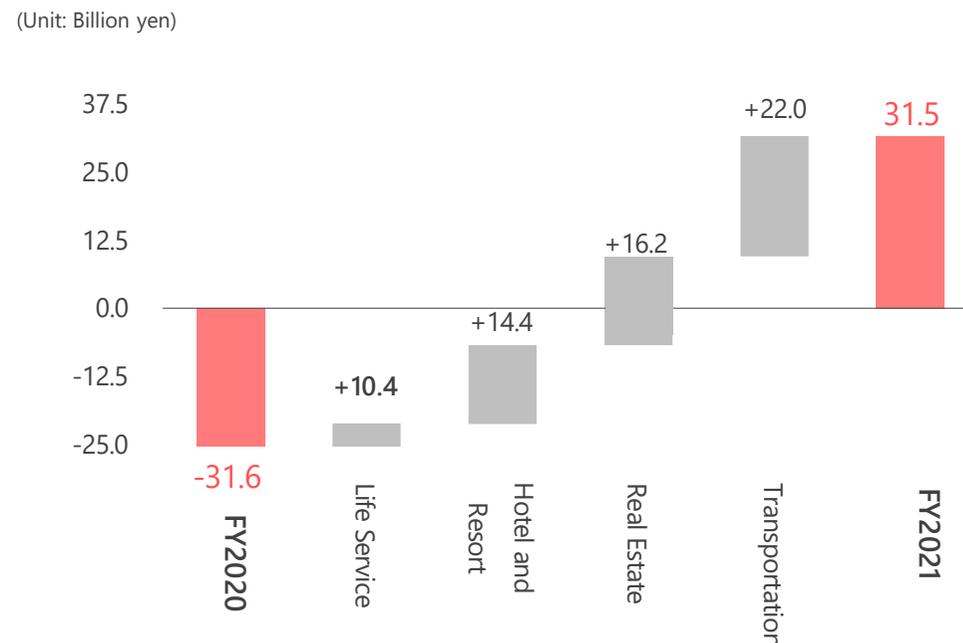
[Compared with forecast as of February]

- Operating profit exceeded the forecast mainly in the Transportation Business and Hotel and Resort Business, reflecting the weaker-than-expected impact of the COVID-19 pandemic.
- Profit attributable to owners of parent decreased 1.2 billion yen from the February forecast primarily due to the posting of impairment loss.

## Operating Revenue by Segment (Year-on-year Comparison)



## Operating Profit by Segment (Year-on-year Comparison)



# (Reference) Impact of the "Accounting Standard for Revenue Recognition"

(Unit : Billion yen)		①	②	① - ②	Impact of accounting standard revision	③	② - ③
		FY2021 Results	FY2021 Prior to accounting standard revision	Change		FY2020 Results	Change
Total Operating Revenue		879.1	1,033.4	- 154.3 (- 14.9%)		935.9	+ 97.5 (+ 10.4%)
Transportation	Operating Revenue	166.5	166.6	- 0.0		151.9	+ 14.6
Real Estate	Operating Revenue	223.2	235.4	- 12.1	Tokyu GEOX -11.9	197.6	+ 37.7
Life Service	Operating Revenue	502.7	644.2	- 141.4		603.5	+ 40.6
	Total Life Service	502.7	644.2	- 141.4		603.5	+ 40.6
	Retail	330.8	425.1	- 94.3	Tokyu Department Store -75.7 Tokyu Store Chain -11.2	413.2	+ 11.9
	ICT and Media	171.9	219.0	- 47.1	Tokyu Agency -42.2 Tokyu power supply -3.5	190.3	+ 28.6
Hotel and Resort	Operating Revenue	43.5	44.1	- 0.6		37.8	+ 6.3
Elimination etc.	Operating Revenue	- 56.9	- 56.9	-		- 55.1	- 1.8

# Assumptions for FY2022 Forecasts

## Assumptions for forecasts

- The direct impact of the COVID-19 pandemic will continue up until the end of the first half of the fiscal year, after which no new spread is expected.
- With regard to inbound tourism, demand is not expected
- Changes in the external environment, such as soaring energy prices, have been reflected in individual businesses. If there is additional impact, measures including cost control will be taken within the expected scope.
- With regard to cost reductions, we will continue to make reductions for businesses that carry out structural reforms, and increase the ratio of constant necessary reductions.

## Assumptions in the financial forecasts for each segment

Segment	Assumptions for forecasts
Transportation	• Tokyu Railways: Number of passengers carried by Tokyu Railways will decrease by approx. -21.0% from FY2019 (+4.5% year on year comparison)
Real Estate	• Real estate leasing: Vacancy rates and rent levels are the same as at the end of the previous fiscal year, and there is no expected vacancy risk • Real estate sales : Although a certain amount of sales are expected in the current fiscal year, this is a reactionary decline from the previous fiscal year, when there were sales of large properties.
Life Service	• Sales at Tokyu Department Store will increase approx. +3.5% year on year and sales at Tokyu Store Chain will increase approx. +2.2% year on year.
Hotel and Resort	• The full-year occupancy rate for Tokyu Hotels is expected to be around the 69% range (1Q: 54%, 2Q: 73%, 3Q :77%, 4Q:74%)..

# Main Points in Forecasts for FY2022

(Unit: Billion yen)	Full Year Forecast	YoY Comparison	
Operating Revenue	937.0	+ 57.8	(+ 6.6%)
Operating Profit	40.0	+ 8.4	(+ 26.8%)
Recurring Profit	35.5	+ 0.5	(+ 1.4%)
Profit attributable to owners of parent	22.0	+ 13.2	(+ 150.5%)

## [Operating revenue]

- Increased 57.8 billion yen year on year due to rises in sales in all segments.

## [Operating profit]

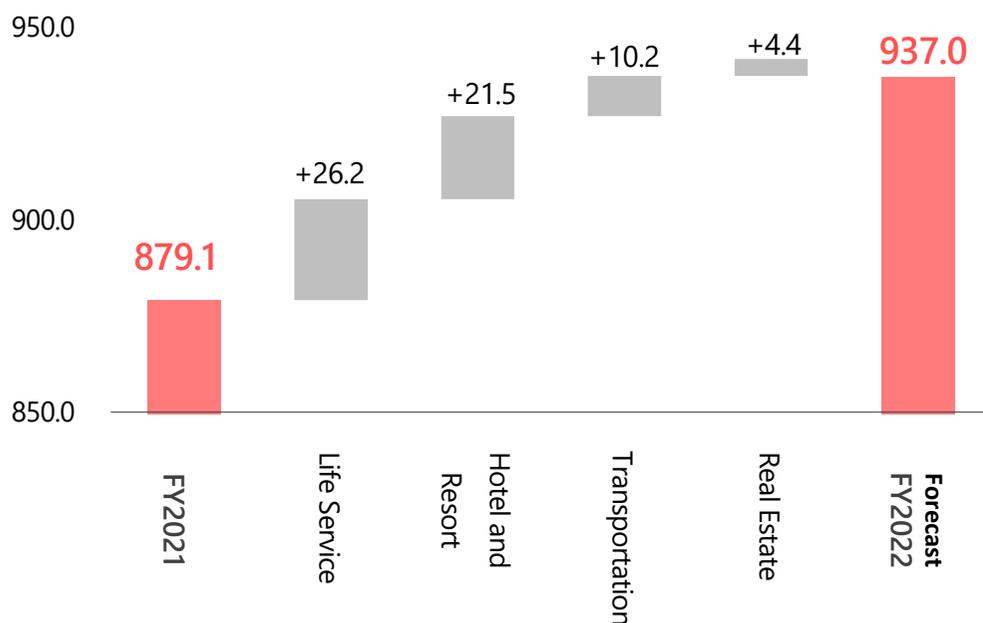
- Increased 8.4 billion yen because a decline in profitability in the Real Estate Business due to the absence of the sale of a large-scale property recorded in the previous year was more than offset by increases in profit and improvement in losses in the other segments.

## [Profit attributable to owners of parent]

- Increased mainly due to decreased impairment loss and increased operating profit, more than offsetting a reactionary decline in profitability due to the absence of a gain on sale of fixed assets recorded in the previous year

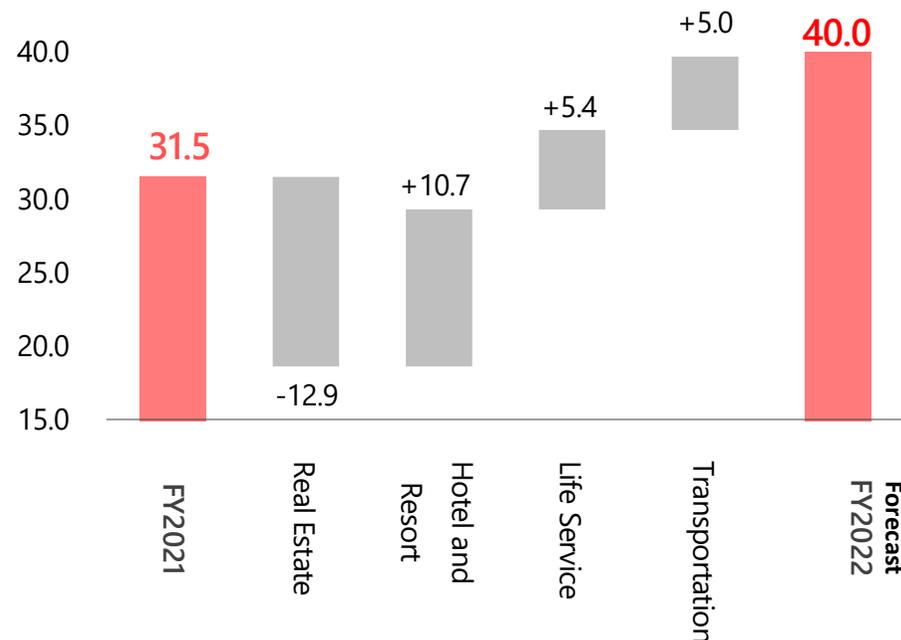
### Operating Revenue by Segment (Year-on-year Comparison)

(Unit: Billion yen)



### Operating Profit by Segment (Year-on-year Comparison)

(Unit: Billion yen)



# Concept of Funds and Shareholder Returns for FY2022

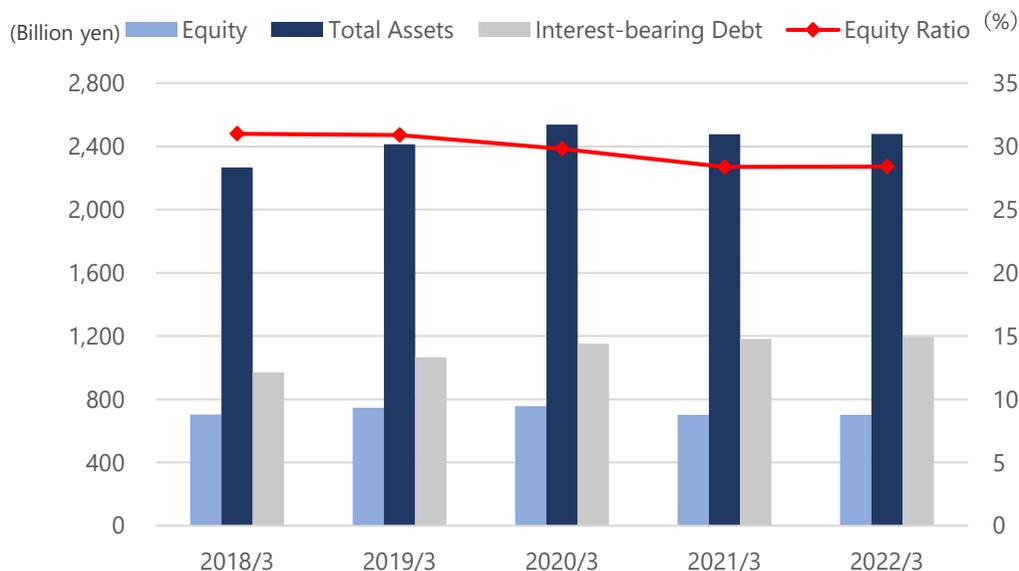
## Funds

- Based on the medium-term three-year management plan, we will steadily implement safety and maintenance/renewal investment, large projects in progress, and investments related to structural reforms for each business.
- With regard to the acquisition of real estate for sale, we will continue to purchase good properties while assessing real estate market conditions with a view to generating stable profits.
- In FY2022, capital expenditures will temporarily increase to 158.8 billion yen due to the completion of the Tokyu Kabukicho Tower and other factors, and the level of interest-bearing debt will temporarily increase, but through FY2023, the Interest-bearing debt / Tokyu EBITDA multiple will remain at 7 times range due to a recovery in profitability and other factors.

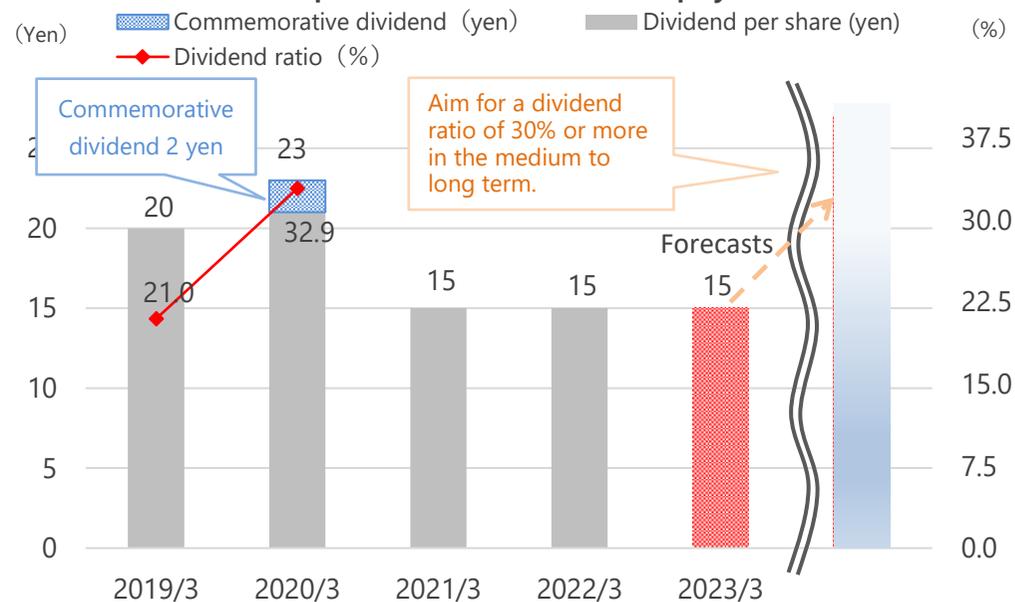
## Shareholder returns

- Annual dividend is expected to be 15 yen per share.
- We will continue to flexibly consider the acquisition of treasury shares, etc., taking into account trends in funds and profit levels.

### Equity Ratio and Interest-bearing Debt



### Dividend per share and Dividend payout ratio





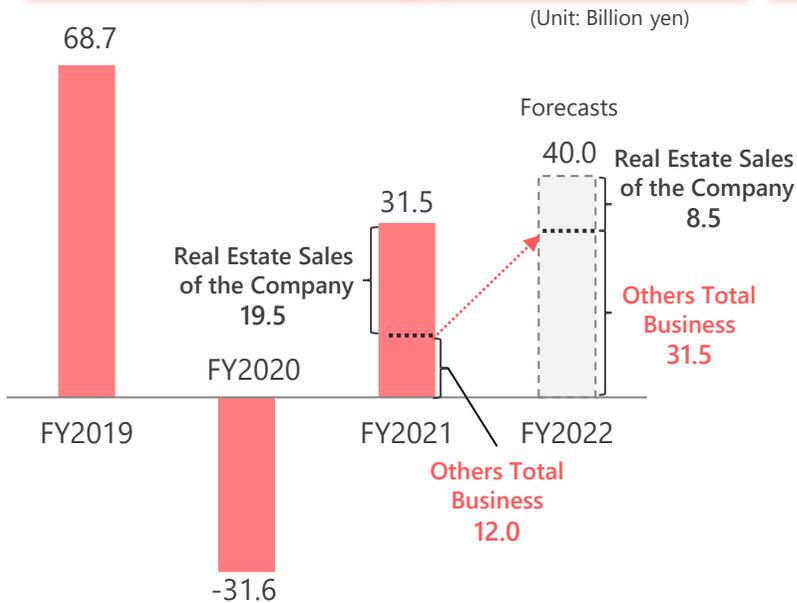
# Memo

## II . Performance Indicators and Segment Results

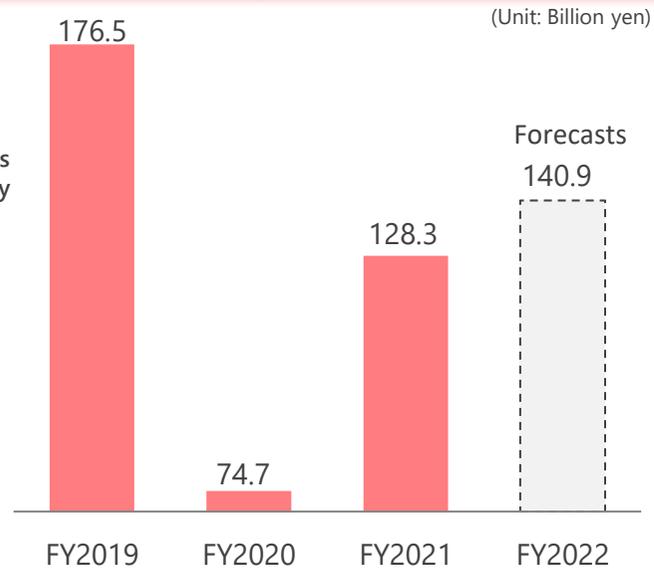
# Performance Indicators

We will facilitate the recoveries of the individual segments to achieve operating profit of 40 billion in FY2022, the second year of the Medium-Term Management Plan.

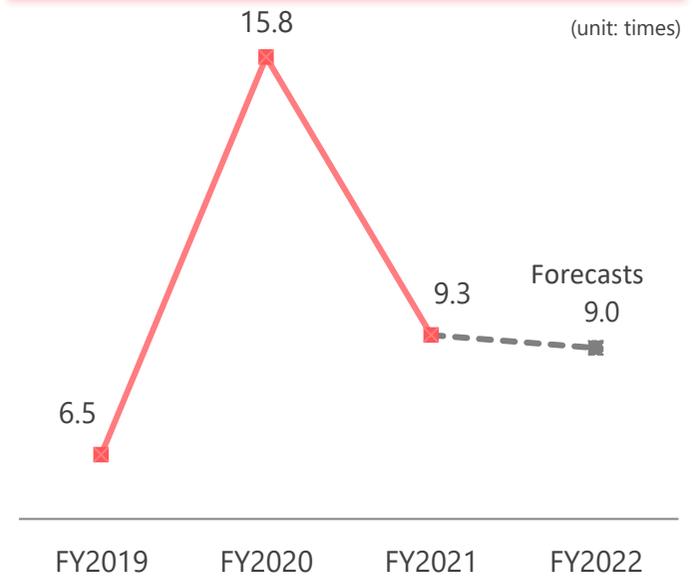
## Operating profit



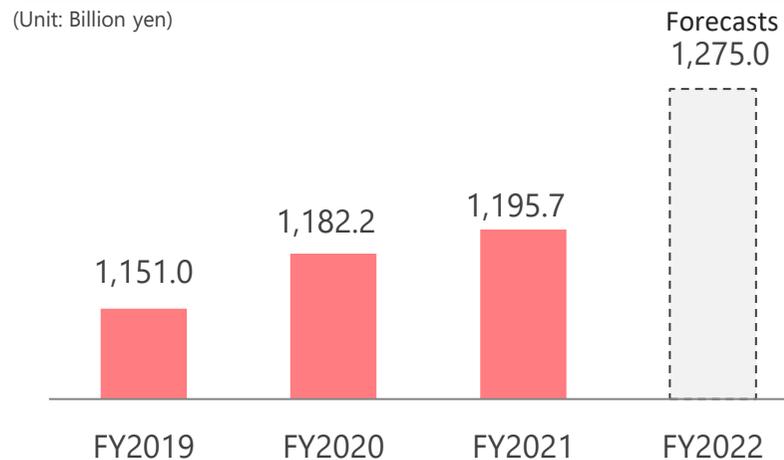
## Tokyu EBITDA



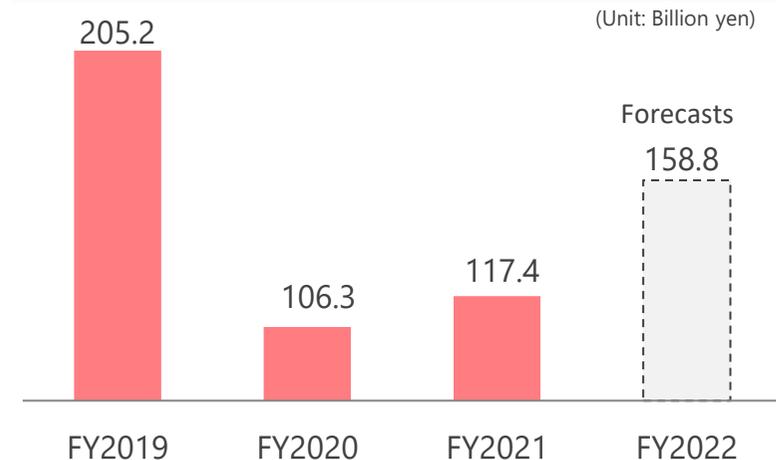
## Interest-bearing debt / Tokyu EBITDA



## (Reference) Interest-bearing debt



## (Reference) Capital expenditure

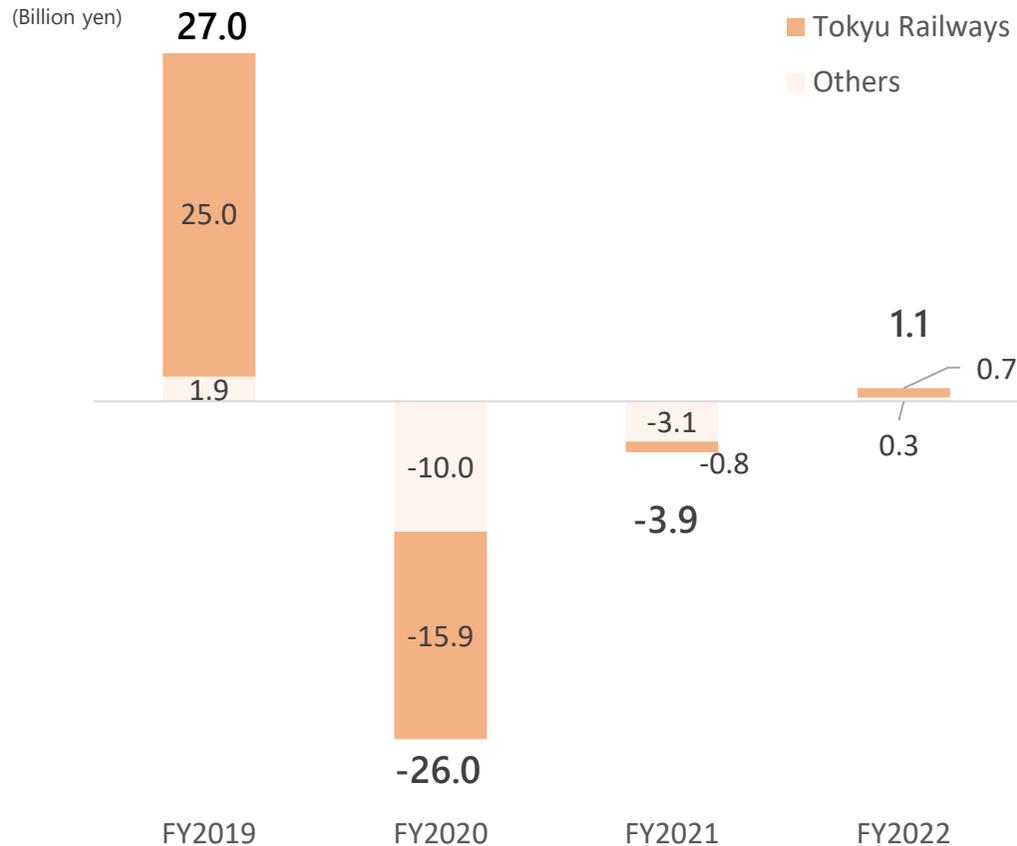


# Operating Profit by Segment(1)

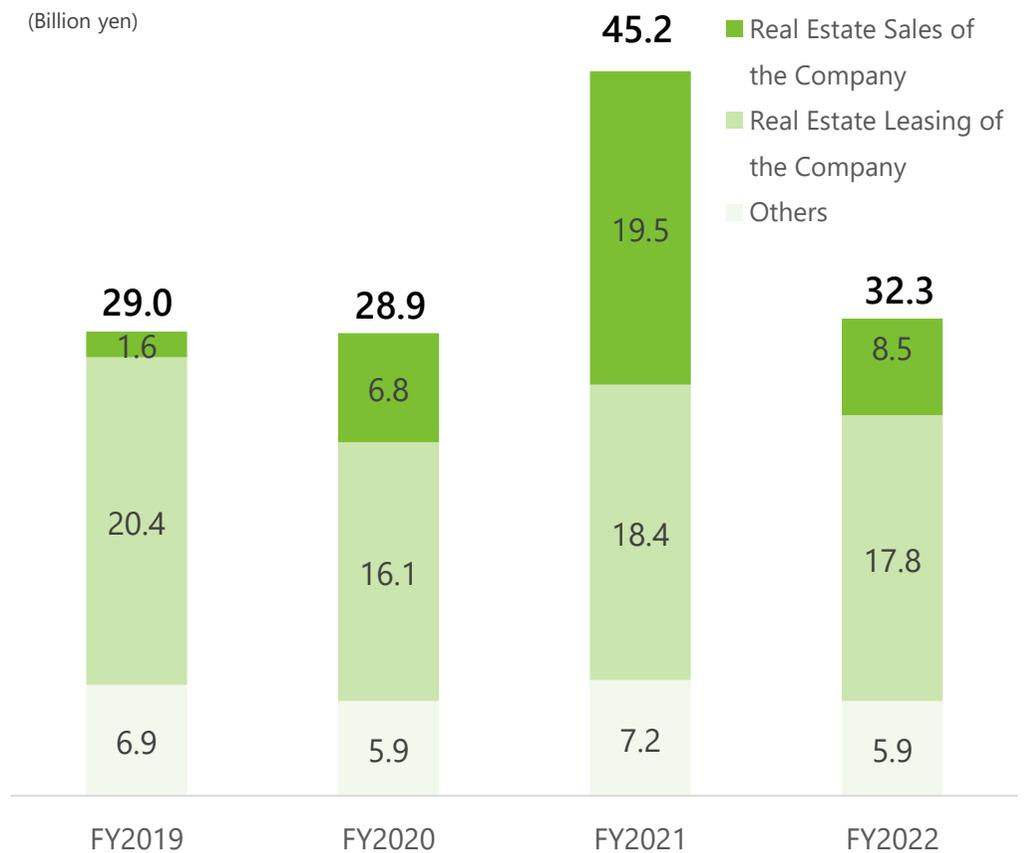
Forecast for FY2022

<b>Transportation</b>	<ul style="list-style-type: none"> <li>Tokyu Railways has been making a steady progress in its profitability improvement initiatives such as fare revisions and Permanent fixed cost reductions.</li> <li>It expects to enter profitability due to a recovery in demand in FY2022. Nevertheless, the effect of fare revisions will start to contribute in FY2023</li> </ul>
<b>Real Estate</b>	<ul style="list-style-type: none"> <li>Overall segment income is expected to decrease due to the great contribution from the real estate sales business on the scale of FY2021, but we expect continuous and stable profit contribution mainly from the real estate leasing business. Tokyu Kabukicho Tower completion costs, etc. are factored in.</li> </ul>

## Transportation



## Real Estate



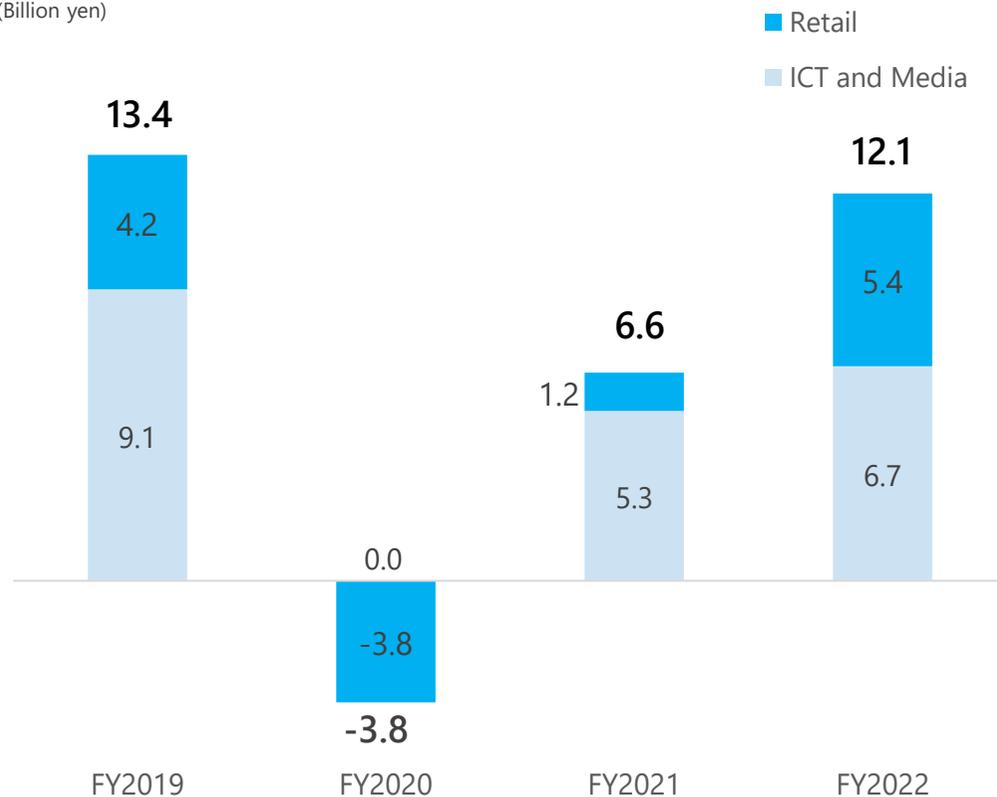
# Operating Profit by Segment(2)

## Forecast for FY2022

Life Service	Retail	<ul style="list-style-type: none"> <li>• Tokyu Store Chain. has been continuously earning solid profits , although in stay-at-home demand is beginning to subside.</li> <li>• Tokyu Department Store. has been securing operating profit through the full-scale implementation of structural reform programs including the remodeling of stores and cost reductions.</li> </ul>
	ICT / Media	<ul style="list-style-type: none"> <li>• The segment expects the recovery of businesses affected by the COVID-19 pandemic and that its communications Inc. and other companies will continue to contribute to profitability.</li> </ul>
Hotel and Resort		<ul style="list-style-type: none"> <li>• The segment expects that it will again post an operating loss because the impact of the COVID-19 pandemic will continue up to the first half. Even so, the loss is expected to improvement significantly year on year.</li> <li>• It will implement drastic reorganize restructuring programs to take advantage of the post-COVID-19 recovery of demand while also working to achieve an income and expenditure balance as soon as possible.</li> </ul>

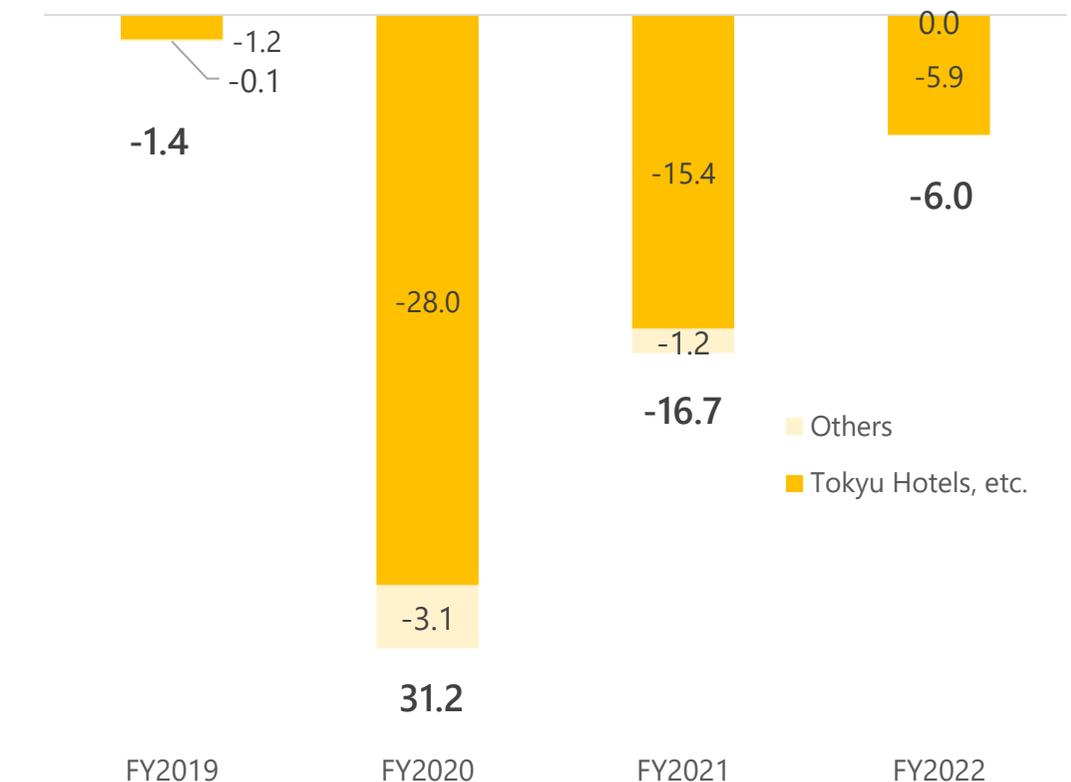
### Life Service

(Billion yen)



### Hotel and Resort

(Billion yen)



## III. Status of Each Business

# Railway Business Initiatives (1)

We will be implemented around March 2023 in revise fares in a manner that minimizes the increase of the burdens on customers preconditioned on further efforts to streamline operations such as the transformation of the business structure.

## Initiatives to recover profitability

### Initiatives to streamline operations and cut costs

- Change in the structure of businesses to reduce fixed expenses and improve productivity
  - Transformation of railway operations and station services to adapt to changes in demand
  - Transformation of operations utilizing technology
    - Achieve single-person operation of Toyoko Line services at an early stage



- Digital transformation of station services and equipment / facilities maintenance
- Early-stage development of 5G communications infrastructure



- Transformation of internal systems and rules, unconstrained by past conventions and customs
- Cost reduction through in-house production (advertising expenses, etc.)

### Fare revision

#### Details of approval

- Date of approval: April 8, 2022
- Effective date: March 2023 (plan)
- Revision rate and revenue increase rate:  
12.9% (revision rate) and 11.7% (revenue increase rate)
- Revision rates by ticket type (fare increase rates)

#### Ordinary passenger fare

Minimum fares and fares for the Setagaya Line will be raised approximately 10 yen.

Increases in fares for other sections will be largely equivalent to the revision rate.

Fares for the Kodomonokuni Line remain unchanged.

(Unit: %)

	1 yen units	10 yen units	Non-commuters - total
Revision rate	13.6	11.5	13.5

#### Fares for commuter passengers

Student commuter fares remain fixed at current rate

Increases in commuter pass fares will be equivalent to the revision rate

(Unit: %)

	Commuter pass	Student commuter pass	Commuters - total
Revision rate	13.8	—	12.1

# Railway Business initiatives (2)

We will continue to sustainably provide social value in line with contemporary needs, with a view to the post-COVID era.

Initiatives to provide social value, such as safety & security, improving the comfort of urban transportation, and solving problems

## Further pursuit of safety and security

### Maintaining facilities in sound condition

We are ensuring safety and stability by ensuring proper maintenance and replacement of equipment necessary for railway operation, such as updating driving safety devices.



### Additional security measures aboard trains, etc.

We are enhancing the functionality of in-train security cameras already installed in all cars.



All directions along train cars are covered

### Measures against natural disasters, adapting to climate change

We have completed basic seismic reinforcement work, and will be performing additional work to minimize damage and improve recovery capabilities in the future. In order to improve resilience to climate change, we will continue to implement various risk countermeasures.



Seismic reinforcement of bridge supports



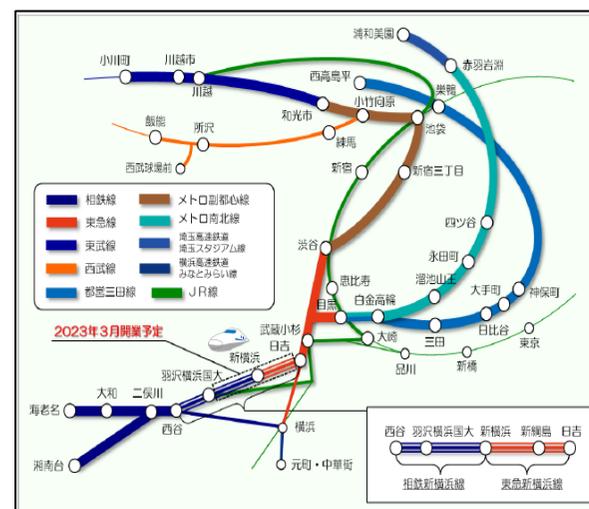
Measures to strengthen track-side embankments against heavy rain

## Improving comfort and convenience

### Efforts to open the Tokyu Shin-Yokohama Line

- Scheduled to open: March 2023
- Formation of a wide-area railway network

With the opening of the Tokyu Shin-Yokohama Line, a wide-area railway network will be formed, extending from the central Kanagawa and western Yokohama area to the Tokyo and Saitama areas, facilitating revitalization and cooperation between regions.



### Boosting transportation capacity by conversion of Meguro Line to 8-car configuration

- Starting sequentially from early April 2022
- Conversion to 8-car configuration scheduled to be completed in March 2023



Meguro Line cars (new Model 3020 series)

# State of Progress Toward Opening Tokyu Kabukicho Tower

We are constructing a high-rise complex consisting of entertainment facilities and hotels, etc., scheduled to open in April 2023.

## Plan overview

Name of facility: Tokyu Kabukicho Tower  
 Site area: Approx. 4,600 m<sup>2</sup>  
 Total floor area: Approx. 87,400 m<sup>2</sup>  
 No. of floors: 48 above ground floors, 5 basement levels, 1 penthouse  
 Height: Approx. 225 meters  
 Use: Hotel, theater, cinema, stores, parking, etc.  
 Completion: January 2023 (scheduled)  
 Opening: April 2023 (scheduled)



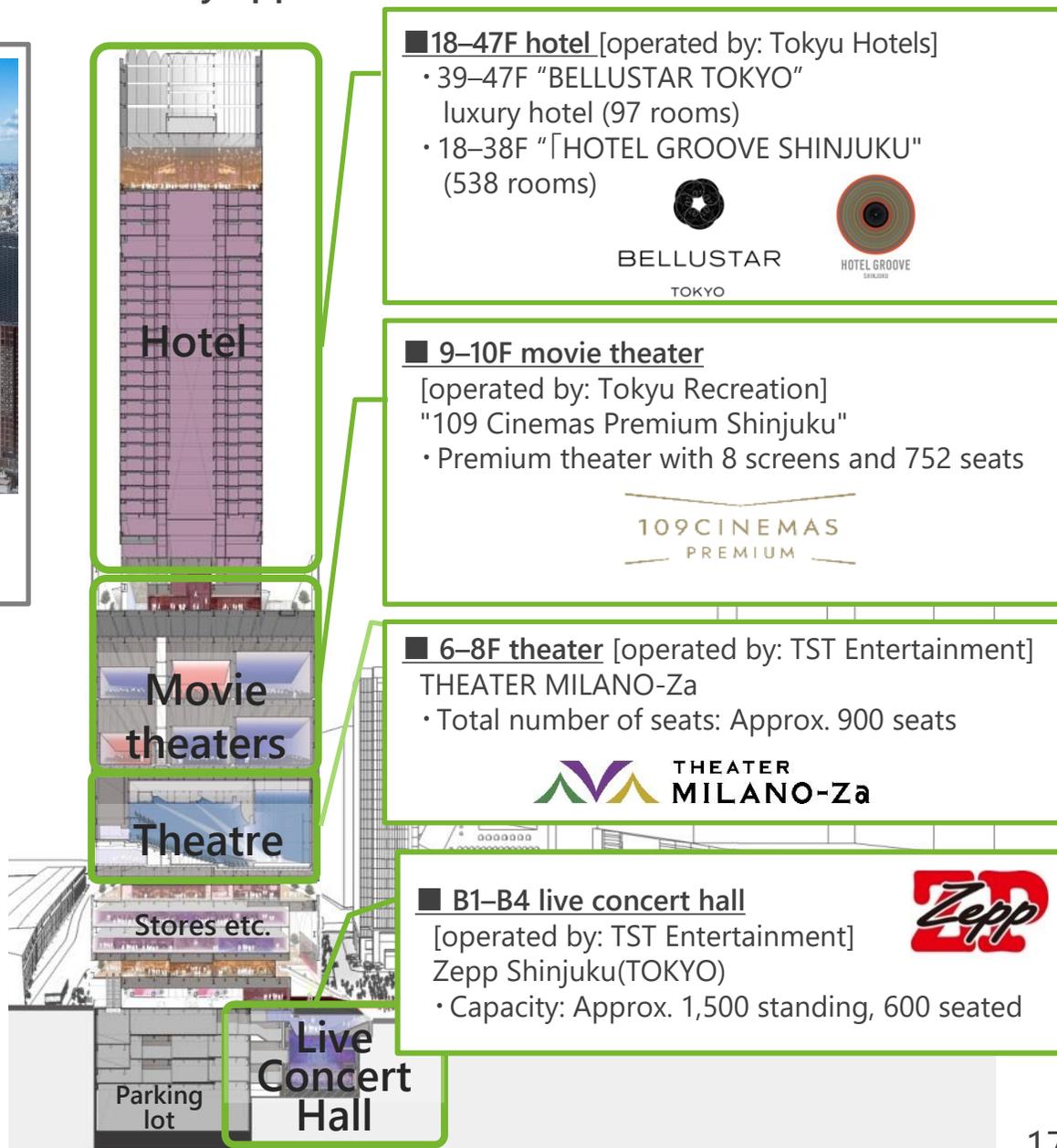
Exterior of Tokyu Kabukicho Tower (as of March 2022)

## Concept

- **Creating "a place for refining one's tastes"**  
 We are taking advantage of the characteristics of this hotel x entertainment complex model, working on plans to help consumers find new things they like, such as by discovering nurturing and making their new-found "likes" take flight.



## Facility application overview





# Tokyu Area Development Project Initiatives

Based on our autonomous decentralized urban structure concept, we are actively promoting the functional arrangement of work, housing and entertainment, and revitalizing communities through collaboration and cooperation with local residents, government, academia and private sector business operators.

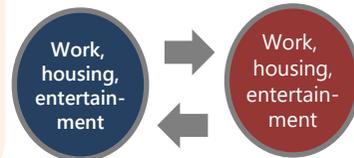
## Creating an autonomous decentralized urban structure

### Concept

We aim to create a self-contained and dispersed city area served in light of the rapid spread of new lifestyles such as living in close proximity to work, and teleworking.

- Functional placement of work, housing and entertainment
- Improvement and enhancement of midpoint stations
- Uniquely distinctive urban development

Actualizing diverse values and lifestyles



### Development of midpoint stations to drive urban development

#### • Fujigaoka

Partners: Yokohama City, Showa University  
An integrated urban development combining station area facilities, hospitals and parks



Conceptual image of redevelopment

#### • Saginuma

Partners: Kawasaki City  
As a project partner, we will work to develop a variety of urban functions in a complex manner.



Conceptual image of redevelopment

## New Suburban Urban and Community Development: The nexus Concept

### Concept

In the Tama Den-en toshi area the aim is to create a "walkable neighborhood" where elements of daily life such as living, studying, working and playing are fused with nature and agriculture, in order to realize a free and affluent suburban life for consumers.

### Features of the nexus concept

The nexus concept seeks to pull away from the conventional concept of "dwelling = primarily suburbs" and "offices and commerce = primarily city center," and create new value by increasing mutual assistance in daily life in various regions.



nexus concept (conceptual image)



In April 2022, nexus Challenge Park Hayano opened in the Nijigaoka Danchi and Susukino Danchi area.

# Promotion of Real Estate Sales Business

We aim to contribute to stable and continuous profits in the Real Estate Sales Business by improving the value of the areas served by Tokyu's railway lines through the Residential Sales Business and the Asset Recycling Building Business, with a focus on portfolio and financial efficiency.

## Main future business plans for the Residential Sales Business

### DRESSER Aoba-Edakita Front

Total units: 50

### DRESSER Yokohama Tokaichiba Residence

Total units: 61

### DRESSER Kohoku New Town Nakagawa

Total units: 62

All to be completed in FY2022 (scheduled)

### DRESSER Tower Minami-Machida Grandberry Park



- Completion: March 2024 (scheduled)
- Total units: 375
- Tower condominium using effectively 100% renewable energy

### DRESSER Tower Shin Tsunashima



- Completion: October 2023 (scheduled)
- Total units: 252

### The YOKOHAMA FRONT TOWER



- Completion: Spring 2024 (scheduled)
- Total units: 459

### DRESSER Tower Musashikosugi



- Completion: May 2024 (scheduled)
- Total units: 160



\* The number of units scheduled to be delivered includes condominiums, detached houses and land.

## Asset Recycling Building Business initiatives

### Development and sale of rental condominium buildings

- Development and sale of properties in line with investor demand

Rental condominium Stylio Kamata II  
Opened in February 2022



### Development and sale of medium-sized office buildings, etc.

- Identify office demand and develop and sell properties suitable for the market

### Renovation and value improvement

- Changing the application of use for properties corresponding to changing work styles, etc., and selling them

- Office building renovation project "The Folks BY IOQ" opened in February 2022
- Consists of 26 office plots, a membership based co-working space that can be used casually from one person upward, and a lounge dedicated to office contractors



**the Folks**  
BY IOQ

We will continue to purchase good properties while assessing real estate market conditions with a view to generating stable profits.

# Development of Real Estate Business Overseas (Binh Duong New City, Vietnam)

Utilizing our extensive experience and know-how in Japan, we will actively engage in Urban and Community Development, including residential sales overseas.

## Development Project in Binh Duong New City, Vietnam

### The GLORY

Site area: Approx. 19,000 m<sup>2</sup>  
 Building use: For-sale condominiums  
 (some commercial facilities)  
 Total units: 992  
 Completion: Spring 2024 (scheduled)

\* Joint venture with NTT Urban Development Corporation.



### Hikari area expansion

Site area: Approx. 33,000 m<sup>2</sup>  
 (including existing parts)  
 Building use: Commercial facilities  
 Opening: Summer 2022 (scheduled)



### Residential zone MIDORI PARK

### Commercial zone Hikari Area

### SORA gardens II

Site area: 7,948 m<sup>2</sup>  
 Building use: For-sale condominiums  
 (some commercial facilities)  
 Total units: 557  
 Average price: Approx. 150 million yen  
 Completion: May 2021



### SORA Gardens SC (Phase I)

Site area: Approx. 20,000 m<sup>2</sup>  
 Building use: General supermarket (AEON), fashion retail, movie theater, cafés, restaurants, etc.  
 Opening: Spring FY2023 (scheduled)



### Residential / commercial zone SORA gardens Area



\* Joint venture between Becamex Tokyu Co., Ltd. and Mitsubishi Estate Residence Co., Ltd.

Fiscal year

2021  
SORA gardens II

2022  
Hikari area expansion

2023  
SORA Gardens SC (Phase I)

2024  
The GLORY

# Initiatives in the Retail Business

Raise the competitiveness of each business by providing services corresponding to environmental changes and contribute to consolidated profit.

## Tokyu Department Store: Structural reform based on redevelopment of flagship store (Honten)

- Establishment of Tokyu food show locations in Shibuya and areas served by Tokyu area

東横のれん街

Approx. 100 shops /  
2,000 m<sup>2</sup>

TOKYU  
**Foodshow**  
SHIBUYA  
Approx. 100 shops /  
6,070 m<sup>2</sup>

Foodshow **EDGE**

Approx. 40 shops /  
1,640 m<sup>2</sup>



- Driving store structural reform and remodeling

- Promote store renewals / renovations in response to customers' new values



Conceptual image of babies and kids' section on the first floor of Tokyu Department Store Tama Plaza

- Enhancing out-of-store sales and cosmetics businesses

- Secure customer contact points through new out-of-store sales solutions, etc.

## Tokyu Store Chain Co: Reorganization of daily necessities retail business in the retail business

- Merger with Tokyu Station Retail Service

- Enhance dominance by incorporating daily consumption through integrated operation

Tokyu Store

Supermarkets



Tokyu Station Retail Service

Station stores / kiosks    Convenience stores    Drug stores



## Initiatives to create new value in collaboration with Rakuten Group, Inc.

- Development of integrated point barcodes at Tokyu Store Chain

- Enhance customer convenience by expanding point integration and advancing OMO, etc.  
- The first group-wide shared point initiative in the railway industry

Tokyu Point



Integrated point

Tokyu Store



Rakuten Point



Integrated point barcode image

# ICT and Media Business Initiatives

Further strengthen the entertainment business that has been active until now, and the digital field that is expected to grow in the future.

## Strengthening the entertainment business

(future plans at Tokyu Kabukicho Tower)

### Tokyu Recreation

#### ■ Operation of 109 Cinemas Premium Shinjuku cinema complex

- Beyond movies, it provides a wide variety of entertaining content.
- Introduced ScreenX, the first three-screen wide-view movie theater in the Shinjuku area



ScreenX, a three-screen theater

### TST Entertainment

#### ■ Planning and operation of entertainment facilities such as theaters and live performance / concert halls

- The theater space with nearly 900 seats enables more people to experience diverse forms of entertainment including plays, music and movies / video



THEATER MILANO-Za

### Tokyu Agency

#### ■ Considering using outdoor electric signage

- We are considering integrated use of the adjacent Cinecity Square, outdoor digital signage and outdoor stage



Outdoor digital signage

## Further strengthening our digital shift

### its communications

#### ■ Number of subscribed households remains stable (around 350,000 households)

- Drive expansion of contactless services and mechanisms
- Create new customer contacts by expanding digital contact points



## Providing new forms of entertainment

### BS Shochiku Tokyu

#### ■ BS broadcasting channel BS Shochiku Tokyu opened in March this year

- The channel aims to create high-quality entertainment and new value through collaboration between the Shochiku Group and the Tokyu Group

# BS 松竹東急



# Direction of the Hotel Business

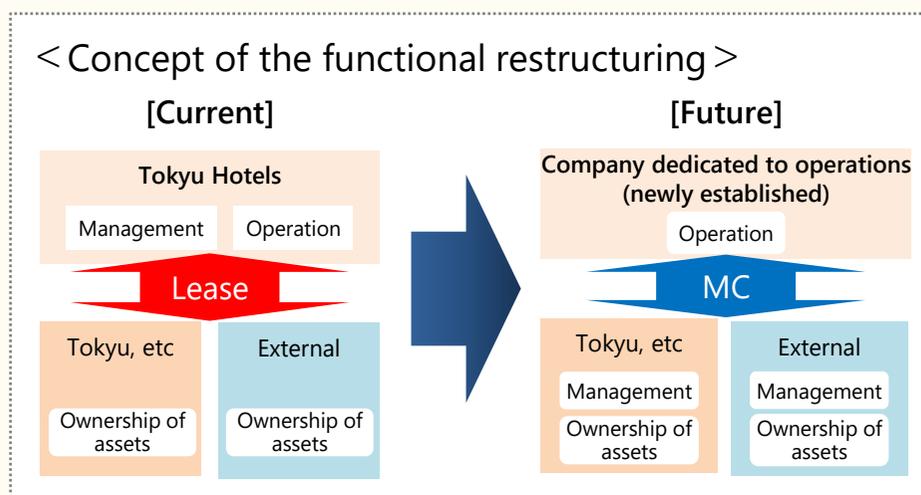
We will take steps to respond to market fluctuation risks that will continue to grow going forward and the recovery of demand, including demand generated by inbound tourists, which is expected to occur following the end of the COVID-19 pandemic. To this end, we will increase competitiveness by implementing drastic regrowth-oriented business structural reforms.

## Overview of the restructuring of business functions

- The restructuring of the operation and management functions will be carried out in FY2022.
- A new company dedicated to operations will be established separately to strengthen competitiveness.
- The operation of hotels and the management of relevant assets will be implemented mainly by the Company.

## Roles of each function

- **Operation function (Company dedicated to operations)**
  - Strengthen competitiveness through the implementation of full-scale structural reform programs with a view toward increasing productivity and product power
  - For reducing risks, focus efforts on the acquisition of new stores including FCs with MCs functioning as the main players



- **Management function (the Company)**
  - Improve the appeal of towns and their ability to attract customers through the selection of hotel operators (including those backed by foreign capital) in line with the characteristics of town planning and urban development
  - Reduce business risks through the reduction of rents for existing stores and metabolic changes in rents for existing hotels (redevelopment, withdrawal, etc.)

By approximately FY2030, we will decrease the number of leased hotels and launch the entrusted operation of 15 new MC hotels covering approximately 4,000 rooms.

# For the regrowth of the Hotel Business

We will improve the structure of income and expenditures through the facilitation of structural reforms toward the achievement of the regrowth of the Hotel Business. We will also develop new hotels in a variety of styles while keeping in mind the optimal portfolio.

## Initiatives to improve profitability and productivity

### ■ Improve profitability by developing products in response to social trends

#### Strengthen customer base (Comfort Members)

- Acquisition of demand from frequent travelers and wealthy members by enhancing the appeal of programs



#### Enhance product power and expand customer contact points through collaboration with Group companies

- Creation of accommodation programs and beverage products in collaboration with cultural and commercial facilities and collaboration with the Tokyu Royal Club

#### TsugiTsugi flat-rate flexible housing / accommodation service

- In addition to Tokyu Group hotels, we have also partnered with external hotels and evolved into a platform for touring hotel subscriptions.



### ■ Further improve productivity and enhance operational capabilities through the facilitation of DX and other means.

- Introduce web check-in and check-out systems utilizing smartphones
- Implementation of effective operations through the introduction of multi-functionalization
- Enhancement of operational capabilities and provision of high added value through DX and human resource development



## New hotel openings to respond to new market environments

### ■ Scheme that considers risk reduction



Yonezawa EXCEL HOTEL TOKYU  
Scheduled for completion in April 2022, 62 rooms



Kichijoji EXCEL HOTEL TOKYU  
(tentative)  
Scheduled for completion in October 2022, 99 rooms

### ■ Tap into inbound demand that is expected to rise following the end of the COVID-19 pandemic.

THE HOTEL HIGASHIYAMA  
by Kyoto Tokyu Hotel  
Scheduled for completion in July 2022, 168 rooms



### ■ Create added value in town planning and urban development

Tokyu Kabukicho Tower  
BELLUSTAR TOKYO, 97 rooms  
HOTEL GROOVE SHINJUKU, 538 rooms  
Scheduled for completion in April 2023



Sapporo Susukino Station Area Complex  
Development plan (provisional name)  
Scheduled for completion in December 2023, approx. 440 rooms

# Environmental Initiatives

We formulated the Environmental Vision 2030 to help achieve decarbonation and a recycling-based society and updated our consolidated environmental targets.

## Environmental Vision 2030 concept

### ■ Everyday life influences the future

- Taking advantage of the Company's business characteristics relating to public transportation, urban and living infrastructure, we aim to enable the choice of environmentally friendly actions without any special burden, where everyone can contribute to the regeneration of a sustainable society and the local environment.

## Goals of Environmental Vision 2030

### Realizing Towns in Harmony With the Environment

To create sustainable cities and communities, we will work to realize towns in harmony with the environment toward a decarbonation and recycling-based society, and grow sustainably together with the towns.

Improving the sustainability of the cities/Enhancement of area value



Reinvestment

Increase in corporate value

Long-Term Recycling-based Business Model

### Helping to Solve Global Issues

We will contribute to solving global issues by disseminating good practices in existing urban areas to reduce environmental impact and harmonize with the environment.

TOD : Transit-Oriented Development (Transit oriented development)

Area-wide initiatives



Forming communities  
Collaboration with partners

Developing Examples of Good Practices

## Symbolic initiatives

### ■ Japan's first railway route operated using power that is 100% derived from renewable energy

- As of FY2022, we switched to electricity derived from renewable energy with zero effective CO<sub>2</sub> emissions for all Tokyu railway lines.
- This represents Japan's first initiatives to operate railway routes using power that is 100% derived from renewable energy.



2020 Series with improved environmental performance



Kamata Station platform lighting replaced with LEDs

# Environmental Vision 2030 Targets (reference)

## Decarbonized society

Engage in activities aimed at a level that will restrict global warming to 1.5°C while contributing to the decarbonization of towns.

## Recycling-based society

Towards realizing a zero waste society, leverage the many customer contact points characteristic of our business to joint and expand the circle of resource recycling and the circular economy

1

### Set challenge targets

Company  
(Consolidated)

- Company (Consolidated) Business Activities **Scope 1,2**  
2030: 46.2% reduction in CO<sub>2</sub> emissions (compared with FY2019 levels)  
Renewable energy ratio of 50%  
  
2050: Reduce CO<sub>2</sub> emissions to effectively zero  
Renewable energy ratio of 100% (RE100)

- 2030: 10% reduction in waste volume (compared with FY2019 levels on a revenue unit basis)
- 2030: 10% reduction in water usage (compared with FY2019 levels on a revenue unit basis)

2

### Tackle the targets in **partnership** with all stakeholders

3

### Provide **services that support** environmentally friendly **behavioral changes**

Initiatives Aimed  
at Towns

- Supply Chain of Business Activities **Scope 3**  
Ascertain CO<sub>2</sub> emissions and promote their reduction  
\* Target values to be set at a later date
- Decarbonization of Towns **Going Beyond Scope 3**  
Achieve advances in urban decarbonization with services that help customers decarbonize, energy infrastructure management, coordination with local governments, and other activities.

- Provision of a menu of services to reduce environmental impact  
At least 100 by 2030

- People taking action on the SDGs: increase at least 30% by 2030\*  
(FY2021 50.6% → 65%)

\* In an internet-based SDGs awareness survey conducted by Tokyu Corporation in the 17 cities and wards along Tokyu railway lines, this is the percentage of people who responded that they intended to choose a company or intended to take action with regard to at least one of the 17 goals of the SDGs. In 2021 this figure was 50.6%.  
The 30% improvement is equivalent to the number of people taking action increasing by about 820,000.

Decarbonization,  
Recycling-based  
Society

\* For details of Environmental Vision 2030, including the status of major initiatives in urban development, please refer to the following release.

## IV. Key Performance Indicators for Each Business

# Railway Operations Business (1)

[Conditions in 4Q (January - March)] The number of users, which dropped due to the implementation of COVID-19 quasi-emergency measures, started to rise gradually after the lifting of the measures.

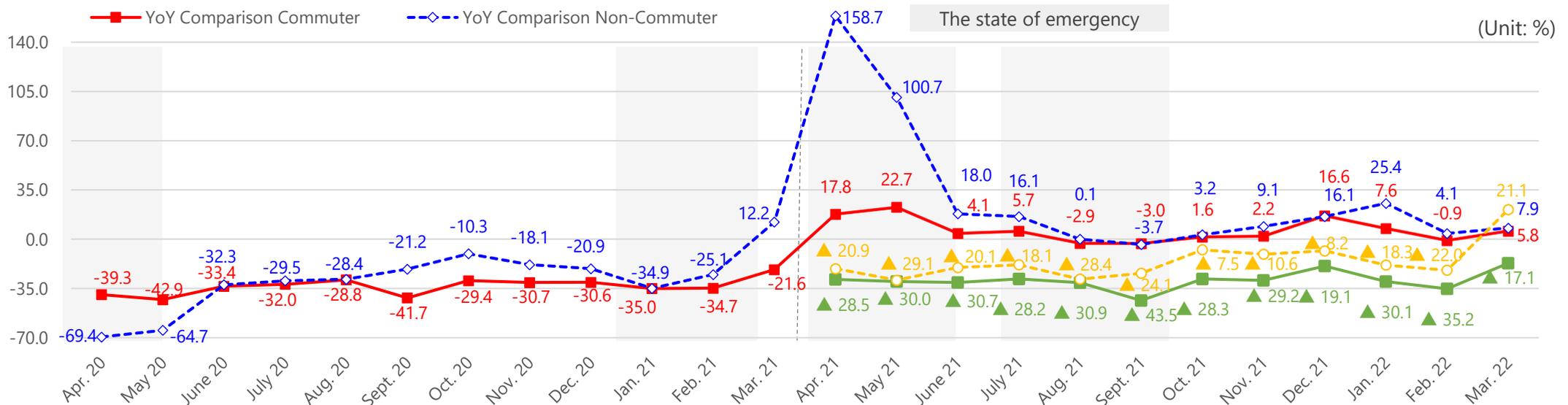
[Conditions in April] The number of uses remained approximately 21% lower than in 2019.

## Tokyu Railways: Passengers Carried and Passenger Revenue

(Thousand people, Million yen)

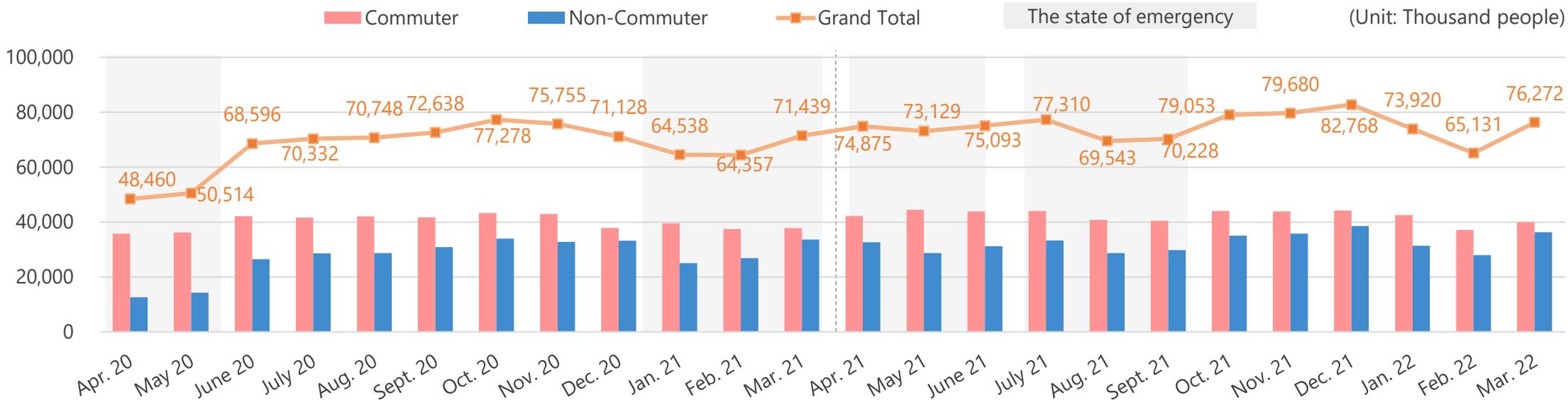
		FY2021 Results	FY2020 Results	Change	FY2022 Full Year Forecast.	Change
Number of Passengers Carried	Total	897,002	805,783	+ 11.3%	937,463	+ 4.5%
	Non-commuter	389,396	327,165	+ 19.0%	423,013	+ 8.6%
	Commuter	507,606	478,618	+ 6.1%	514,450	+ 1.3%
Passenger Revenue	Total	107,743	97,278	+ 10.8%	113,719	+ 5.5%
	Non-commuter	63,266	52,781	+ 19.9%	68,728	+ 8.6%
	Commuter	44,477	44,497	- 0.0%	44,991	+ 1.2%

## Tokyu Railways: Passengers Carried (Year-on-year Comparison / FY2019 Comparison)

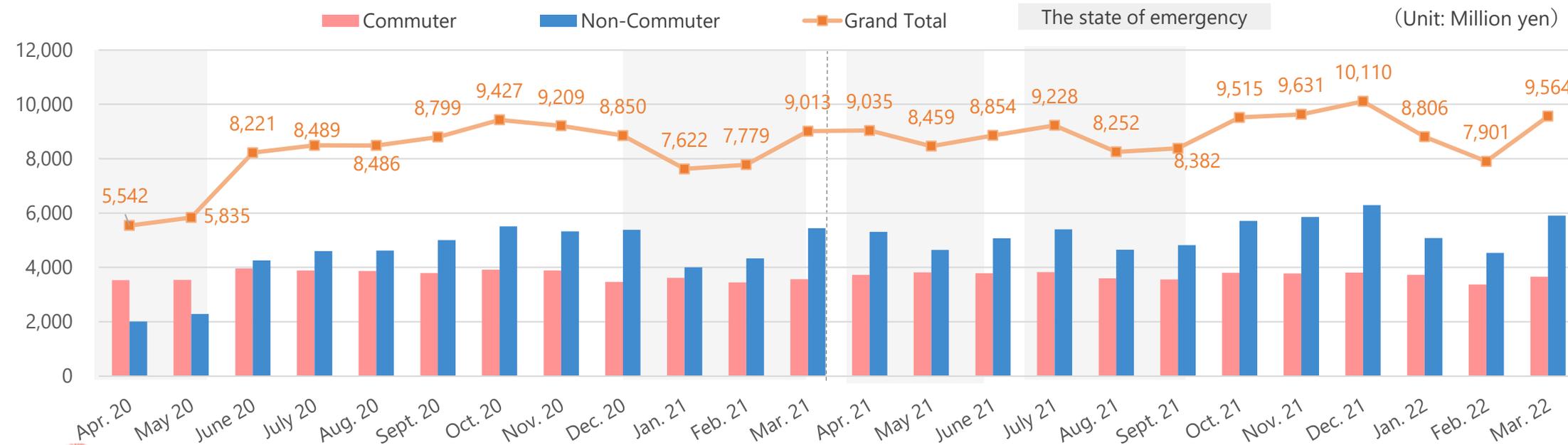


# Railway Operations Business (2)

## Tokyu Railways: Number of Passengers Carried



## Tokyu Railways: Passenger Revenue



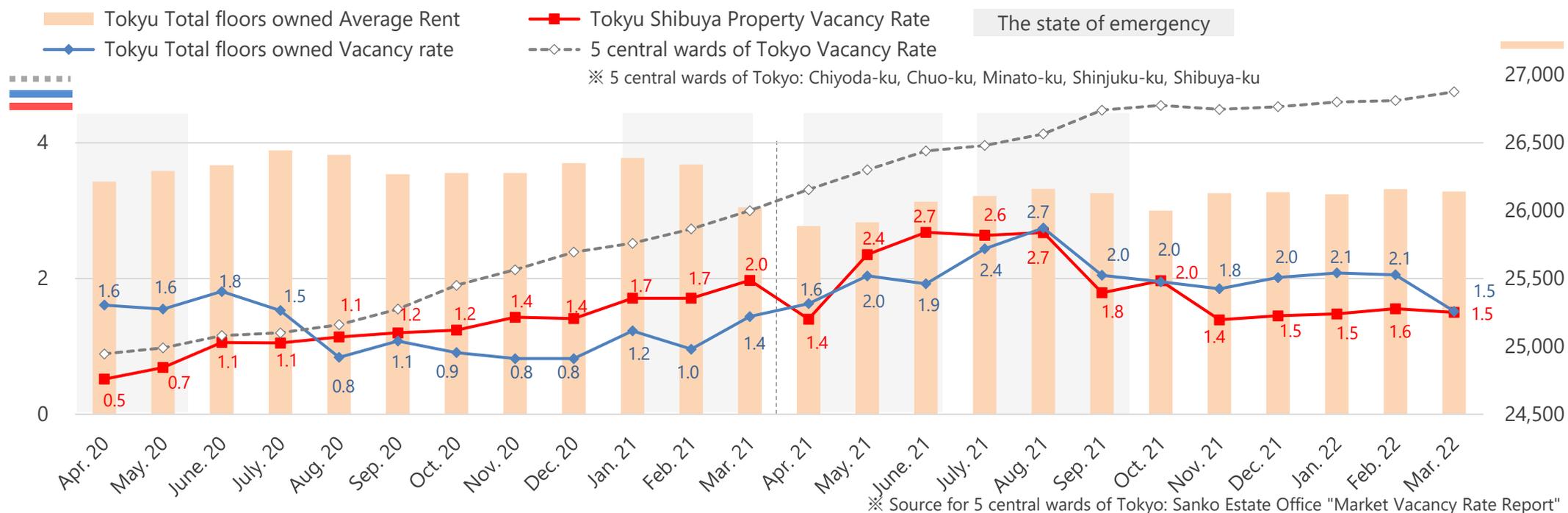
# Real Estate Business

[Vacancy rate] The vacancy rate remained low, reflecting the Company's advantage of owning many properties connected directly to stations in hub station areas.

[Rents] Rent decreases are slowing, mainly reflecting strong demand from IT companies located in Shibuya.

## Office Building Market Data: Average Rents / Vacancy Rates (Results)

(Unit: %, yen)



### Our real estate Leasable area

(Unit: m<sup>2</sup>)

	FY2021	FY2020	Change
Office	358,050	362,979	- 4,929
Retail Properties	809,661	813,279	- 3,618
Hotels・Others	277,388	277,388	-
<b>Total</b>	<b>1,445,099</b>	<b>1,453,646</b>	<b>- 8,547</b>

### Number of units sold

(Unit: Residences / sections)

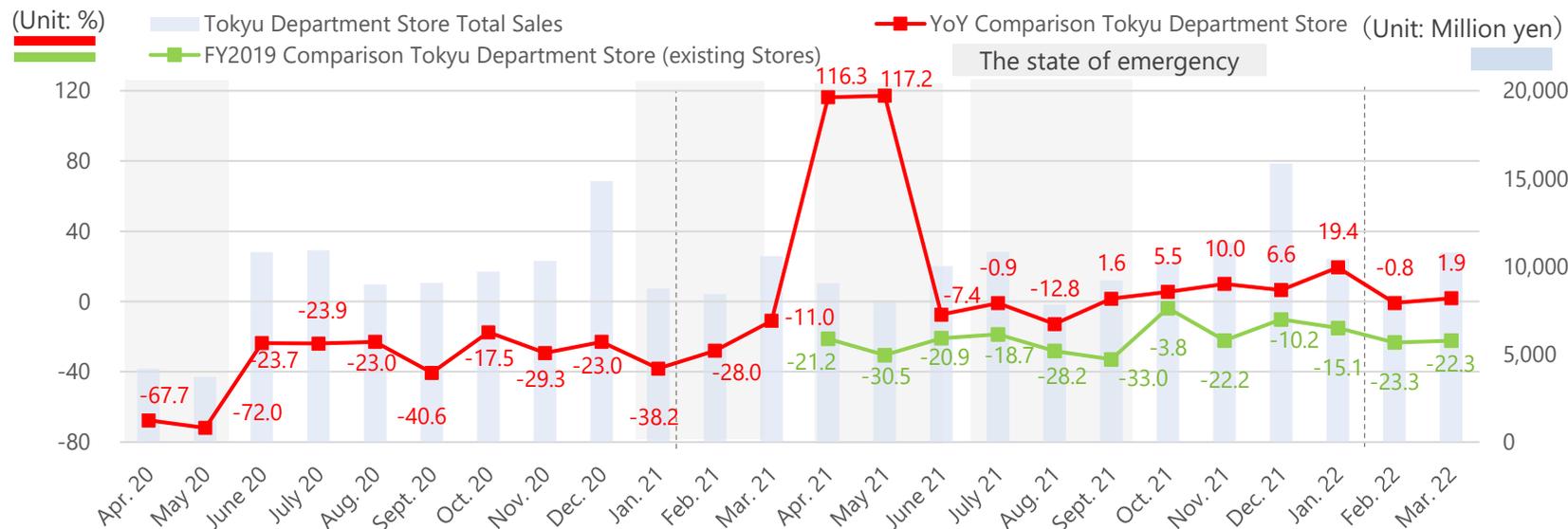
	FY2021	FY2020	Change
Condominium	294	218	+76
Detached house・Land	10	31	-21
<b>Total</b>	<b>304</b>	<b>249</b>	<b>+55</b>

# Retail Business

[Tokyu Department Store Co., Ltd.] The number of customers has recently been trending toward recovery due to a decrease in new COVID-19 infections.

[Tokyu Store Chain Co., Ltd.] Stay-at-home demand appears to be subsiding recently partly due to the lifting of restrictions on restaurant operations.

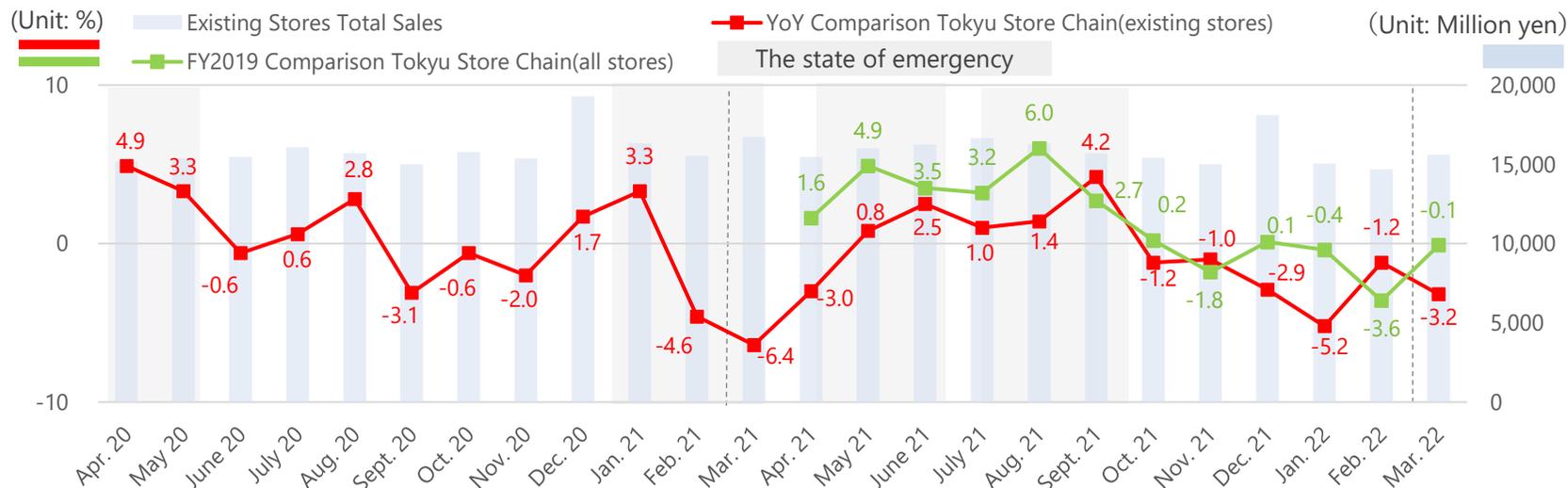
## Tokyu Department Store: Sales (Results / Year-on-year Comparison / FY2019 Comparison)



### Sales by category

	2022/1	
	Rate of YoY change	Share
Menswear/furnishings	-0.4	2.5%
Womenswear/furnishings	2.9	10.1%
Other clothing items	0.2	3.8%
Personal items	11.2	9.1%
Miscellaneous goods	4.7	15.7%
Household articles	-0.6	3.0%
Food	6.5	54.0%
Others	40.4	1.8%
<b>Total</b>	<b>6.1</b>	<b>100.0%</b>

## Tokyu Store Chain: Sales (Results / Year-on-year Comparison / FY2019 Comparison)



### Sales by category

	2022/2	
	Rate of YoY change	Share
Food	-0.8	90.7%
Clothing	0.4	1.0%
Livingware	-7.5	4.5%
Others	-0.6	3.8%
<b>Total</b>	<b>-1.1</b>	<b>100.0%</b>

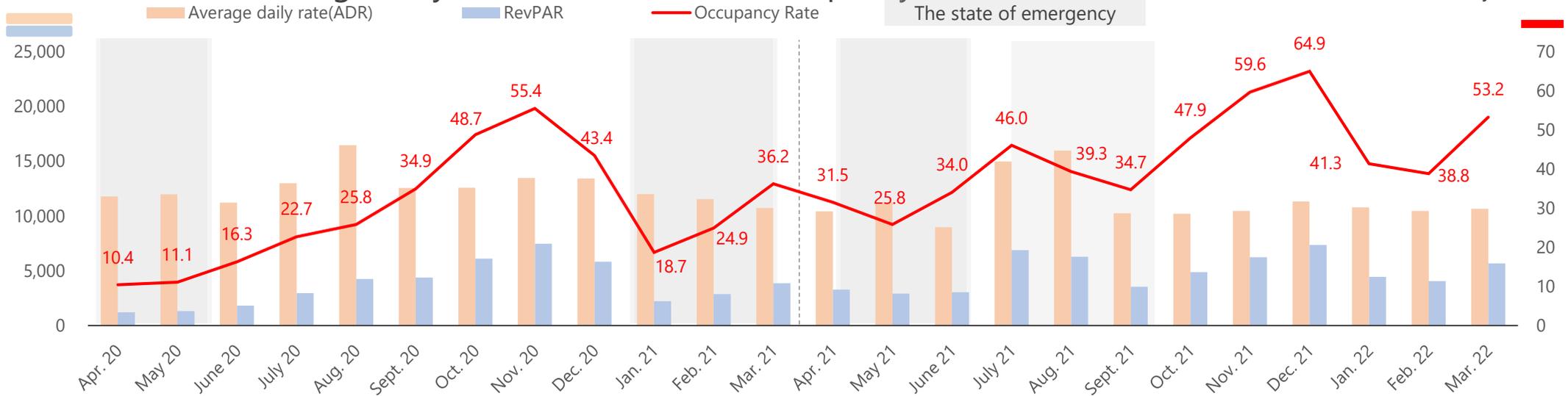
# Hotel Business

[Conditions in 4Q (January - March)] The challenging business environment continued due to the spread of the Omicron variant of the COVID-19 coronavirus.

[Conditions in April] A moderate recovery continued following the lifting of COVID-19 quasi-emergency measures and the operating rate remained in the 60% approx.

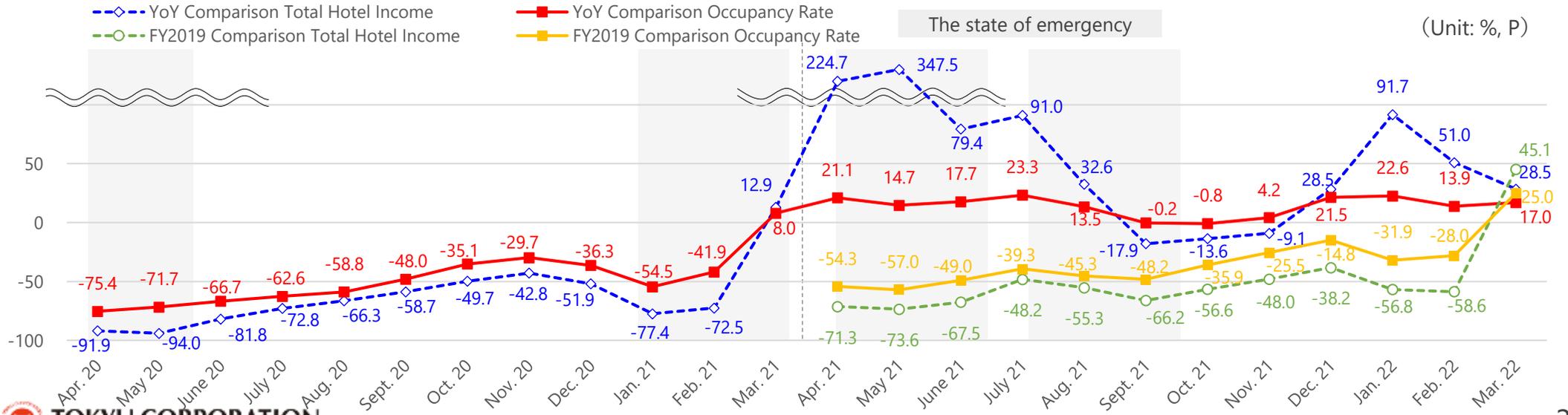
## Hotel Business: Average daily rate(ADR)・RevPAR・Occupancy Rates (Results)

(Unit: yen , %)



## Hotel Business: Total Hotel Income and Occupancy Rates (Year-on-year Comparison / FY2019 Comparison)

(Unit: %, P)



# V. Details of Financial Results for FY2021

# Summary of Consolidated Financial Statements

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	879.1	935.9	- 56.8 (- 6.1%)	Transportation: +14.5; Real Estate: +25.6; Life Service: -100.8; Hotel and Resort: +5.6	860.8	+ 18.3 (+ 2.1%)
Operating Profit	31.5	- 31.6	+ 63.2 (-)	Transportation: +22.0; Real Estate: +16.2; Life Service: +10.4; Hotel and Resort: +14.4	28.0	+ 3.5 (+ 12.7%)
Non-operating Revenue	17.2	18.2	- 0.9 (- 5.2%)	Investment Gains from Equity Method: 5.0 (+0.4); Interest and Dividend Income: 1.2 (-0.0)	16.5	+ 0.7 (+ 4.8%)
Non-operating Expenses	13.8	13.4	+ 0.4 (+ 3.2%)	Interest Paid: 8.3 (-0.2)	13.7	+ 0.1 (+ 1.0%)
Recurring Profit	34.9	- 26.8	+ 61.8 (-)		30.8	+ 4.1 (+ 13.6%)
Extraordinary Gains	23.4	19.4	+ 4.0 (+ 20.7%)	Gain on Sale of Fixed Assets: 14.4 (+14.1)	23.9	- 0.4 (- 1.7%)
Extraordinary Losses	31.4	48.3	- 16.9 (- 35.0%)	Impairment Loss: 25.1 (-1.6); Loss on COVID19: 0.4 (-3.2)	27.5	+ 3.9 (+ 14.4%)
Income before Income Taxes and Minority Interests	27.0	- 55.7	+ 82.7 (-)		27.2	- 0.1 (- 0.6%)
Corporate Income Taxes	16.8	2.5	+ 14.2 (+ 557.2%)	Income Taxes: 16.6 (+7.0); Tax Adjustment: 0.2 (+7.1)	16.6	+ 0.2 (+ 1.4%)
Net Income	10.2	- 58.2	+ 68.4 (-)		10.6	- 0.3 (- 3.7%)
Profit attributable to non-controlling interests	1.4	- 2.0	+ 3.4 (-)		0.6	+ 0.8 (+ 136.8%)
Profit attributable to owners of parent	8.7	- 56.2	+ 65.0 (-)		10.0	- 1.2 (- 12.2%)
Other Comprehensive Income	9.7	13.2	- 3.4 (- 26.1%)		-	-
Total Comprehensive Income	19.9	- 45.0	+ 65.0 (-)		-	-
TOKYU EBITDA	128.3	74.7	+ 53.6 (+ 71.8%)	Transportation: +15.0; Real Estate: +16.5; Life Service: +8.7; Hotel and Resort: +12.9; Headquarters: +0.3	126.6	+ 1.7 (+ 1.4%)

\*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

(Unit: Billion yen)		FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change	
Total Operating Revenue		879.1	935.9	- 56.8 (- 6.1%)		860.8	+ 18.3 (+ 2.1%)	
Total Operating Profit		31.5	- 31.6	+ 63.2 (-)		28.0	+ 3.5 (+ 12.7%)	
Transportation	Operating Revenue	166.5	151.9	+ 14.5 (+ 9.6%)	Tokyu Railways: +9.9	164.9	+ 1.6 (+ 1.0%)	
	Operating Profit	- 3.9	- 26.0	+ 22.0 (-)	Tokyu Railways: +15.1	- 6.3	+ 2.3 (-)	
Real Estate	Operating Revenue	223.2	197.6	+ 25.6 (+ 13.0%)	Tokyu Corp. Sales: +20.4; Tokyu Corp. Leasing: +3.4	227.1	- 3.8 (- 1.7%)	
	Operating Profit	45.2	28.9	+ 16.2 (+ 56.1%)	Tokyu Corp. Sales: +12.6; Tokyu Corp. Leasing: +2.2	46.0	- 0.7 (- 1.7%)	
Life Service	Total Life Service		502.7	603.5	- 100.8 (- 16.7%)		484.2	+ 18.5 (+ 3.8%)
	Operating Revenue	Retail	330.8	413.2	- 82.4 (- 19.9%)	Tokyu Department Store, etc.: -73.4; Tokyu Store Chain: -11.4	321.8	+ 9.0 (+ 2.8%)
		ICT and Media	171.9	190.3	- 18.4 (- 9.7%)	Tokyu Recreation: +0.7 its communications: -0.6; Tokyu Agency: -22.6	162.4	+ 9.5 (+ 5.9%)
	Total Life Service		6.6	- 3.8	+ 10.4 (-)		6.1	+ 0.5 (+ 8.2%)
	Operating Profit	Retail	1.2	- 3.8	+ 5.0 (-)	Tokyu Department Store, etc.: +3.4; Tokyu Store Chain: -0.6	0.7	+ 0.5 (+ 75.7%)
		ICT and Media	5.3	- 0.0	+ 5.4 (-)	Tokyu Recreation: +0.5 its communications: -0.0; Tokyu Agency: +1.7	5.4	- 0.0 (- 0.5%)
Hotel and Resort	Operating Revenue	43.5	37.8	+ 5.6 (+ 14.9%)	Tokyu Hotels, etc.: +4.7	42.1	+ 1.4 (+ 3.4%)	
	Operating Profit	- 16.7	- 31.2	+ 14.4 (-)	Tokyu Hotels, etc.: +12.5	- 18.5	+ 1.7 (-)	
Elimination etc.	Operating Revenue	- 56.9	- 55.1	- 1.8		- 57.5	+ 0.5	
	Operating Profit	0.3	0.4	- 0.0		0.7	- 0.3	

# Non-Operating and Extraordinary Gain/Loss

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Profit	31.5	- 31.6	+ 63.2 (-)		28.0	+ 3.5 (+ 12.7%)
Non-operating Revenue	17.2	18.2	- 0.9 (- 5.2%)		16.5	+ 0.7 (+ 4.8%)
Interest and Dividend Income	1.2	1.3	- 0.0		1.9	- 0.6
Investment Gain from Equity Method	5.0	4.6	+ 0.4	Tokyu Fudosan Holdings: 5.6 (+2.1) ; Tokyu Construction: -0.9 (-1.3)	4.5	+ 0.5
Others	10.9	12.2	- 1.3		10.1	+ 0.8
Non-operating Expenses	13.8	13.4	+ 0.4 (+ 3.2%)		13.7	+ 0.1 (+ 1.0%)
Interest	8.3	8.6	- 0.2		8.4	- 0.0
Others	5.4	4.8	+ 0.6		5.3	+ 0.1
Recurring Profit	34.9	- 26.8	+ 61.8 (-)		30.8	+ 4.1 (+ 13.6%)
Extraordinary Gains	23.4	19.4	+ 4.0 (+ 20.7%)		23.9	- 0.4 (- 1.7%)
Gain on Sale of Fixed Assets	14.4	0.3	+ 14.1		14.6	- 0.1
Gain on Subsidies Received for Construction	1.3	13.3	- 11.9		1.4	- 0.0
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	-		2.5	+ 0.0
Others	5.1	3.3	+ 1.8		5.4	- 0.2
Extraordinary Losses	31.4	48.3	- 16.9 (- 35.0%)		27.5	+ 3.9 (+ 14.4%)
Loss on Reduction of Subsidies Received for Construction	1.1	7.4	- 6.2		1.2	- 0.0
Others	30.2	40.9	- 10.6	Impairment Loss: 25.1 (-1.6); Loss on COVID19: 0.4 (-3.2)	26.3	+ 3.9
Income before Income Taxes and Minority Interests	27.0	- 55.7	+ 82.7 (-)		27.2	- 0.1 (- 0.6%)

# Consolidated TOKYU EBITDA

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Transportation	41.4	26.4	+ 15.0 (+ 57.1%)		39.4	+ 2.0 (+ 5.3%)
Tokyu Railways	40.2	31.3	+ 8.9		39.3	+ 0.9
Tokyu Bus - Tokyu Transses	0.6	- 2.8	+ 3.5		0.6	- 0.0
Others	0.5	- 2.0	+ 2.6		- 0.6	+ 1.1
Real Estate	70.9	54.4	+ 16.5 (+ 30.3%)		72.1	- 1.1 (- 1.6%)
Real Estate Sales of the Company	20.2	7.2	+ 13.0		20.2	- 0.0
Real Estate Leasing of the Company	39.1	37.6	+ 1.5		39.8	- 0.6
Others	11.4	9.5	+ 1.8		11.9	- 0.4
Life Service	22.6	13.9	+ 8.7 (+ 62.6%)		22.5	+ 0.1 (+ 0.7%)
Retail	8.4	4.5	+ 3.8		8.0	+ 0.4
Tokyu Department Store, etc.	0.7	- 1.5	+ 2.3		0.7	- 0.0
Tokyu Store Chain	6.4	7.0	- 0.5		6.0	+ 0.3
Others	1.2	- 0.8	+ 2.1		1.1	+ 0.0
ICT and Media	14.2	9.3	+ 4.8		14.5	- 0.2
Tokyu Recreation	0.8	0.3	+ 0.5		0.8	+ 0.0
its communications	7.8	7.8	+ 0.0		8.0	- 0.1
Tokyu Agency	1.6	0.0	+ 1.5		1.3	+ 0.3
Others	3.8	1.0	+ 2.7		4.3	- 0.4
Hotel and Resort	- 13.3	- 26.3	+ 12.9 (-)		- 14.5	+ 1.1 -
Tokyu Hotels, etc.	- 12.5	- 24.1	+ 11.5		- 14.1	+ 1.5
Others	- 0.7	- 2.1	+ 1.3		- 0.3	- 0.4
Headquarters	6.3	5.9	+ 0.4 (+ 6.7%)		6.4	- 0.0 (- 0.7%)
Interest and dividend income	1.2	1.3	- 0.0		1.9	- 0.6
Investment (gain) loss from the equity method	5.0	4.6	+ 0.4		4.5	+ 0.5
Elimination, etc.	0.2	0.3	- 0.0		0.7	- 0.4
<b>Total</b>	<b>128.3</b>	<b>74.7</b>	<b>+ 53.6</b> <b>(+ 71.8%)</b>		<b>126.6</b>	<b>+ 1.7</b> <b>(+ 1.4%)</b>

\*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

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	166.5	151.9	+ 14.5 (+ 9.6%)	Passengers Carried: +11.3% (Non-commuter: +19.0%; Commuter: +6.1%) □ Passenger Revenue: +10.8% (Non-commuter: +19.9%; Commuter: -0.0%)	164.9	+ 1.6 (+ 1.0%)
Tokyu Railways	121.7	111.8	+ 9.9 (+ 8.9%)	Passenger Revenue: 107.7 (+10.4)	121.1	+ 0.5 (+ 0.5%)
Tokyu Bus・Tokyu Transses	23.2	20.3	+ 2.8 (+ 14.1%)	Passenger Revenue: +14.4%	23.1	+ 0.0 (+ 0.3%)
Others	21.5	19.7	+ 1.7 (+ 8.9%)		20.5	+ 1.0 (+ 5.0%)
Operating Profit	- 3.9	- 26.0	+ 22.0 (-)		- 6.3	+ 2.3 (-)
Tokyu Railways	- 0.8	- 15.9	+ 15.1 (-)	[Operating Expense] Depreciation and amortization: 34.3 (+0.0) ; Repair Costs: 10.0 (+0.7) ; Power Costs: 5.4 (+0.0) ; Expenses: 21.1 (-6.5)	- 2.0	+ 1.1 (-)
Tokyu Bus・Tokyu Transses	- 1.1	- 5.3	+ 4.2 (-)		- 1.1	- 0.0 (-)
Others	- 2.0	- 4.7	+ 2.7 (-)		- 3.1	+ 1.2 (-)

## Segment Information (2) Real Estate

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	223.2	197.6	+ 25.6 (+ 13.0%)		227.1	- 3.8 (- 1.7%)
Real Estate Sales of the Company	49.2	28.7	+ 20.4 (+ 71.3%)	Increase due to Asset recycling building business	49.4	- 0.1 (- 0.4%)
Real Estate Leasing of the Company	96.7	93.2	+ 3.4 (+ 3.7%)		96.0	+ 0.7 (+ 0.7%)
Others	77.2	75.6	+ 1.6 (+ 2.2%)	Impact of the "Accounting Standard for Revenue Recognition"(Tokyu GEOX): -11.9 Hotel business of the Company: +7.2 , Housing sales business in Vietnam: +2.4	81.6	- 4.3 (- 5.4%)
Operating Profit	45.2	28.9	+ 16.2 (+ 56.1%)		46.0	- 0.7 (- 1.7%)
Real Estate Sales of the Company	19.5	6.8	+ 12.6 (+ 184.4%)	Increase due to Asset recycling building business	19.5	- 0.0 (- 0.1%)
Real Estate Leasing of the Company	18.4	16.1	+ 2.2 (+ 14.2%)		19.0	- 0.6 (- 3.2%)
Others	7.2	5.9	+ 1.2 (+ 21.5%)	Hotel business of the Company: -2.7 , Housing sales business in Vietnam: +1.3 Tokyu Asset Management: +1.7	7.4	- 0.1 (- 1.8%)

## Segment Information (3) Retail

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	330.8	413.2	- 82.4 (- 19.9%)		321.8	+ 9.0 (+ 2.8%)
Tokyu Department Store, etc. (※)	79.2	152.7	- 73.4 (- 48.1%)	Rate of Change in Sales: All Stores: +6.1% Impact of the "Accounting Standard for Revenue Recognition": -82.6	76.2	+ 2.9 (+ 3.9%)
Tokyu Store Chain	204.1	215.6	- 11.4 (- 5.3%)	Rate of Change in Sales: All Stores: +0.2% Existing Stores: -1.0% Impact of the "Accounting Standard for Revenue Recognition": -11.2	198.5	+ 5.5 (+ 2.8%)
Others	47.3	44.8	+ 2.4 (+ 5.6%)		46.9	+ 0.4 (+ 0.9%)
Operating Profit	1.2	- 3.8	+ 5.0 (-)		0.7	+ 0.5 (+ 75.7%)
Tokyu Department Store, etc. (※)	- 2.9	- 6.3	+ 3.4 (-)		- 2.8	- 0.0 (-)
Tokyu Store Chain	4.2	4.8	- 0.6 (- 13.3%)		3.8	+ 0.3 (+ 9.7%)
Others	- 0.0	- 2.3	+ 2.2 (-)		- 0.2	+ 0.2 (-)

(※) "Tokyu Department Store, etc." includes not only Tokyu Department Store Co., Ltd. but also Tokyu Corp., NAGANO Tokyu Department Store Co., Ltd. And KITANAGANO Shopping Center Co., Ltd.

## Segment Information (4) ICT and Media

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	171.9	190.3	- 18.4 (- 9.7%)		162.4	+ 9.5 (+ 5.9%)
Tokyu Recreation	22.3	21.6	+ 0.7 (+ 3.2%)		22.3	- 0.0 (- 0.0%)
its communications	26.7	27.4	- 0.6 (- 2.5%)		26.7	+ 0.0 (+ 0.2%)
Tokyu Agency	52.9	75.6	- 22.6 (- 30.0%)	Impact of the "Accounting Standard for Revenue Recognition": -42.2	44.2	+ 8.7 (+ 19.8%)
Others	69.8	65.6	+ 4.2 (+ 6.4%)		69.1	+ 0.7 (+ 1.1%)
Operating Profit	5.3	- 0.0	+ 5.4 (-)		5.4	- 0.0 (- 0.5%)
Tokyu Recreation	- 0.6	- 1.2	+ 0.5 (-)		- 0.6	+ 0.0 (-)
its communications	3.2	3.2	- 0.0 (- 1.4%)		3.2	+ 0.0 (+ 1.1%)
Tokyu Agency	1.3	- 0.3	+ 1.7 (-)		1.0	+ 0.3 (+ 35.6%)
Others	1.4	- 1.7	+ 3.1 (-)		1.8	- 0.4 (- 24.3%)

## Segment Information (5) Hotel and Resort

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Operating Revenue	43.5	37.8	+ 5.6 (+ 14.9%)		42.1	+ 1.4 (+ 3.4%)
Tokyu Hotels, etc. (※)	32.3	27.6	+ 4.7 (+ 17.1%)		31.1	+ 1.2 (+ 3.9%)
Others	11.1	10.2	+ 0.9 (+ 9.1%)		10.9	+ 0.2 (+ 2.0%)
Operating Profit	- 16.7	- 31.2	+ 14.4 (-)		- 18.5	+ 1.7 (-)
Tokyu Hotels, etc. (※)	- 15.4	- 28.0	+ 12.5 (-)		- 17.6	+ 2.1 (-)
Others	- 1.2	- 3.1	+ 1.9 (-)		- 0.8	- 0.3 (-)

(※) "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.

## Key Indicators

	FY2021 Results	FY2020 Results	Change
Occupancy Rates (%)	44.1%	31.0%	+13.1P
ADR (Yen)	10,441	12,794	-2,353
RevPAR (Yen)	4,606	3,968	+638

## Balance Sheets

(Unit: Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks
Total Assets	2,479.1	2,476.0	+ 3.1 (+ 0.1%)	
Current Assets	353.0	326.2	+ 26.7 (+ 8.2%)	
Fixed Assets	2,126.1	2,149.8	- 23.6 (- 1.1%)	
Total Liabilities	1,726.2	1,723.5	+ 2.7 (+ 0.2%)	
Current Liabilities	668.3	688.4	- 20.1 (- 2.9%)	Interest-bearing Debt: -21.0
Fixed Liabilities	1,050.3	1,025.0	+ 25.3 (+ 2.5%)	Interest-bearing Debt: +34.6
Reserves under Special Law	7.5	10.0	- 2.5 (- 25.0%)	
Total Net Assets	752.9	752.5	+ 0.4 (+ 0.1%)	Equity Capital: -3.5; Other Cumulative Comprehensive Income: +4.2; non-controlling shareholders equity: -0.2
Equity	702.9	702.3	+ 0.6 (+ 0.1%)	Profit attributable to owners of parent: +8.7; Dividends: -7.5; Cumulative effects of changes in accounting policies: -5.4
Interest-bearing Debt at End of Period	1,195.7	1,182.1	+ 13.5 (+ 1.1%)	
Equity Ratio	28.4%	28.4%	-	
D/E Ratio (Times)	1.7	1.7	-	

# Statements of Cash Flow

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
CF from Operating Activities	85.5	85.8	- 0.3		101.1	- 15.5
CF from Investing Activities	- 78.8	- 115.1	+ 36.3		- 92.6	+ 13.7
Capital Expenditure	- 110.3	- 113.2	+ 2.8		- 123.0	+ 12.6
Subsidies Received for Construction	5.4	8.3	- 2.9		5.0	+ 0.4
Gain on Sale of Assets	34.0	2.5	+ 31.5		34.7	- 0.6
CF from Financing Activities	- 1.3	17.1	- 18.5		- 8.5	+ 7.1
Interest-bearing Debt Net Increase/Decrease	12.6	31.1	- 18.5		7.1	+ 5.5
Dividend Payment, etc.	- 12.0	- 12.7	+ 0.6	Dividend Payment: -7.5 (+5.1)、Introduce of ESOP Trust: -4.5 (-4.5)	- 12.6	+ 0.5
Free Cash Flow	6.7	- 29.3	+ 36.0		8.5	- 1.7
Interest-bearing Debt at End of Period	1,195.7	1,182.1	+ 13.5	Interest-bearing Debt / TOKYU EBITDA Multiple: 9.3times (-6.5)	1,189.3	+ 6.4

## Capital Expenditure / Depreciation

(Unit:Billion yen)	FY2021 Results	FY2020 Results	Change	Remarks	Forecast as of Feb.	Change
Total Capital Expenditure	117.4	106.3	+ 11.0 (+ 10.4%)		128.6	- 11.1 (- 8.7%)
Transportation	49.2	35.4	+ 13.7 (+ 38.8%)	Tokyu Railways, etc. +13.6	45.7	+ 3.5 (+ 7.8%)
Real Estate	35.0	50.0	- 14.9 (- 29.9%)	Tokyu Corp. Leasing: -18.5	48.4	- 13.3 (- 27.6%)
Total Life Service	32.5	24.5	+ 7.9 (+ 32.4%)		30.3	+ 2.2 (+ 7.5%)
Retail	17.1	13.9	+ 3.1 (+ 22.8%)		16.4	+ 0.7 (+ 4.5%)
ICT and Media	15.4	10.6	+ 4.7 (+ 45.1%)		13.9	+ 1.5 (+ 11.0%)
Hotel and Resort	2.0	6.2	- 4.2 (- 67.5%)		2.7	- 0.6 (- 24.8%)
Headquarters	2.3	1.5	+ 0.7		3.0	- 0.6
Elimination	- 3.7	- 11.4	+ 7.7		- 1.5	- 2.2
Expenses on Sale of Houses and Lots	27.2	12.5	+ 14.7 (+ 118.0%)		37.6	- 10.3 (- 27.4%)
Total Depreciation and Amortization	83.9	86.9	- 3.0 (- 3.5%)	Transportation: 40.0 (-0.6)、 Real Estate: 24.8 (+0.5)、 Life Service: 15.8 (-1.6)、 Hotel and Resort: 3.3 (-1.2)	85.2	- 1.2 (- 1.4%)

\* 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.

# VI. Details of Financial Forecasts for FY2022

## Summary of Consolidated Financial Statements

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	937.0	879.1	+ 57.8 (+ 6.6%)	Transportation: +10.2; Real Estate: +4.4; Life Service: +26.2; Hotel and Resort: +21.5
Operating Profit	40.0	31.5	+ 8.4 (+ 26.8%)	Transportation: +5.0; Real Estate: -12.9; Life Service: +5.4; Hotel and Resort: +10.7
Non-operating Revenue	9.7	17.2	- 7.5 (- 43.9%)	Investment Gains from Equity Method: 5.8 (+0.7)
Non-operating Expenses	14.2	13.8	+ 0.3 (+ 2.6%)	Interest Paid: 8.5 (+0.1)
Recurring Profit	35.5	34.9	+ 0.5 (+ 1.4%)	
Extraordinary Gains	10.3	23.4	- 13.1 (- 56.2%)	[FY2021]Gain on Sale of Fixed Assets: 14.4
Extraordinary Losses	9.9	31.4	- 21.5 (- 68.5%)	[FY2021]Impairment Loss: 25.1
Income before Income Taxes and Minority Interests	35.9	27.0	+ 8.8 (+ 32.8%)	
Corporate Income Taxes	12.9	16.8	- 3.9 (- 23.3%)	Income Taxes: 11.7 (-4.9) ; Tax Adjustment: 1.2 (+0.9)
Net Income	23.0	10.2	+ 12.7 (+ 125.4%)	
Profit attributable to non-controlling interests	1.0	1.4	- 0.4 (- 29.6%)	
Profit attributable to owners of parent	22.0	8.7	+ 13.2 (+ 150.5%)	
TOKYU EBITDA	140.9	128.3	+ 12.5 (+ 9.8%)	Transportation: +6.3; Real Estate: -12.0; Life Service: +6.3; Hotel and Resort: +10.9; Headquarters: +0.9

\*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

(Unit:Billion yen)		FY2022 Forecast	FY2021 Results	Change	Remarks	
Total Operating Revenue		937.0	879.1	+ 57.8 (+ 6.6%)		
Total Operating Profit		40.0	31.5	+ 8.4 (+ 26.8%)		
Transportation	Operating Revenue	176.8	166.5	+ 10.2 (+ 6.1%)	Tokyu Railways: +6.4	
	Operating Profit	1.1	- 3.9	+ 5.0 (-)	Tokyu Railways: +1.5	
Real Estate	Operating Revenue	227.7	223.2	+ 4.4 (+ 2.0%)	Tokyu Corp. Sales: -3.5; Tokyu Corp. Leasing: +2.1	
	Operating Profit	32.3	45.2	- 12.9 (- 28.6%)	Tokyu Corp. Sales: -10.9; Tokyu Corp. Leasing: -0.5	
Life Service	Total Life Service		529.0	502.7	+ 26.2 (+ 5.2%)	
	Operating Revenue	Retail	345.1	330.8	+ 14.2 (+ 4.3%)	Tokyu Department Store, etc.: +8.1; Tokyu Store Chain: +14.9
		ICT and Media	183.9	171.9	+ 11.9 (+ 7.0%)	its communications: -0.0; Tokyu Agency: -3.1
	Total Life Service		12.1	6.6	+ 5.4 (+ 83.3%)	
	Operating Profit	Retail	5.4	1.2	+ 4.1 (+ 339.1%)	Tokyu Department Store, etc.: +3.2; Tokyu Store Chain: +0.0
		ICT and Media	6.7	5.3	+ 1.3 (+ 24.7%)	its communications: +0.0; Tokyu Agency: -0.1
Hotel and Resort	Operating Revenue	65.1	43.5	+ 21.5 (+ 49.6%)	Tokyu Hotels, etc.: +18.4	
	Operating Profit	- 6.0	- 16.7	+ 10.7 (-)	Tokyu Hotels, etc.: +9.4	
Elimination etc.	Operating Revenue	- 61.6	- 56.9	- 4.6		
	Operating Profit	0.5	0.3	+ 0.1		

## Non-Operating and Extraordinary Gain/Loss

(Unit: Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Profit	40.0	31.5	+ 8.4 (+ 26.8%)	
Non-operating Revenue	9.7	17.2	- 7.5 (- 43.9%)	
Interest and Dividend Income	1.3	1.2	+ 0.0	
Investment Gain from Equity Method	5.8	5.0	+ 0.7	
Others	2.6	10.9	- 8.3	
Non-operating Expenses	14.2	13.8	+ 0.3 (+ 2.6%)	
Interest	8.5	8.3	+ 0.1	
Others	5.7	5.4	+ 0.2	
Recurring Profit	35.5	34.9	+ 0.5 (+ 1.4%)	
Extraordinary Gains	10.3	23.4	- 13.1 (- 56.2%)	
Gain on Subsidies Received for Construction	5.5	1.3	+ 4.1	
Gain on Reversal of Urban Railways Improvement Reserve	2.5	2.5	- 0.0	
Others	2.3	19.6	- 17.3	[FY2021]Gain on Sale of Fixed Assets: 14.4
Extraordinary Losses	9.9	31.4	- 21.5 (- 68.5%)	
Loss on Reduction of Subsidies Received for Construction	3.1	1.1	+ 1.9	
Others	6.8	30.2	- 23.4	[FY2021]Impairment Loss: 25.1; Loss on COVID19: 0.4
Income before Income Taxes and Minority Interests	35.9	27.0	+ 8.8 (+ 32.8%)	

# Consolidated TOKYU EBITDA

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Transportation	47.8	41.4	+ 6.3 (+ 15.2%)	
Tokyu Railways	43.4	40.2	+ 3.1	
Tokyu Bus - Tokyu Transses	1.0	0.6	+ 0.3	
Others	3.3	0.5	+ 2.7	
Real Estate	58.9	70.9	- 12.0 (- 17.0%)	
Real Estate Sales of the Company	9.5	20.2	- 10.7	
Real Estate Leasing of the Company	38.8	39.1	- 0.3	
Others	10.5	11.4	- 0.9	
Life Service	29.0	22.6	+ 6.3 (+ 28.0%)	
Retail	12.9	8.4	+ 4.4	
Tokyu Department Store, etc.	4.2	0.7	+ 3.4	
Tokyu Store Chain	6.4	6.4	+ 0.0	
Others	2.1	1.2	+ 0.9	
ICT and Media	16.1	14.2	+ 1.8	
its communications	8.1	7.8	+ 0.2	
Tokyu Agency	1.4	1.6	- 0.2	
Others	6.5	4.6	+ 1.9	
Hotel and Resort	- 2.4	- 13.3	+ 10.9 (-)	
Tokyu Hotels, etc.	- 2.8	- 12.5	+ 9.7	
Others	0.4	- 0.7	+ 1.2	
Headquarters	7.1	6.3	+ 0.7 (+ 11.7%)	
Interest and dividend income	1.3	1.2	+ 0.0	
Investment (gain) loss from the equity method	5.8	5.0	+ 0.7	
Elimination, etc.	0.5	0.2	+ 0.2	
<b>Total</b>	<b>140.9</b>	<b>128.3</b>	<b>+ 12.5</b> <b>(+ 9.8%)</b>	

\*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

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	176.8	166.5	+ 10.2 (+ 6.1%)	Passengers Carried: +4.5% (Non-commuter: +8.6%; Commuter: +1.3%) □ Passenger Revenue: +5.5% (Non-commuter: +8.6%; Commuter: +1.2%)
Tokyu Railways	128.2	121.7	+ 6.4 (+ 5.3%)	Passenger Revenue: 113.7 (+5.9)
Tokyu Bus・Tokyu Transses	24.0	23.2	+ 0.7 (+ 3.4%)	
Others	24.5	21.5	+ 2.9 (+ 13.8%)	
Operating Profit	1.1	- 3.9	+ 5.0 (-)	
Tokyu Railways	0.7	- 0.8	+ 1.5 (-)	[Operating Expense] Depreciation and amortization: 34.0 (-0.3) ; Repair Costs: 10.5 (+0.4) ; Power Costs: 7.0 (+1.5) ; Expenses: 23.7 (+2.5)
Tokyu Bus・Tokyu Transses	- 0.4	- 1.1	+ 0.6 (-)	
Others	0.8	- 2.0	+ 2.8 (-)	

## Segment Information (2) Real Estate

(Unit: Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	227.7	223.2	+ 4.4 (+ 2.0%)	
Real Estate Sales of the Company	45.7	49.2	- 3.5 (- 7.2%)	
Real Estate Leasing of the Company	98.8	96.7	+ 2.1 (+ 2.2%)	
Others	83.1	77.2	+ 5.8 (+ 7.6%)	Hotel business of the Company: +3.6
Operating Profit	32.3	45.2	- 12.9 (- 28.6%)	
Real Estate Sales of the Company	8.5	19.5	- 10.9 (- 56.2%)	Decrease in reaction to large scale properties sales in the previous year
Real Estate Leasing of the Company	17.8	18.4	- 0.5 (- 3.1%)	Asset recycling building business : Transferred some properties to the Real Estate Sales of the Company -0.5
Others	5.9	7.2	- 1.3 (- 18.8%)	Hotel business of the Company: +0.8 , Tokyu Asset Management: -1.6

## Segment Information (3) Retail

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	345.1	330.8	+ 14.2 (+ 4.3%)	
Tokyu Department Store, etc. (※)	87.3	79.2	+ 8.1 (+ 10.2%)	Rate of Change in Sales: All Stores: +3.5%
Tokyu Store Chain	219.1	204.1	+ 14.9 (+ 7.3%)	Rate of Change in Sales: All Stores: +2.2% Existing Stores -0.1% Effect of merger with Tokyu Station Retail Service Co., Ltd. +9.7
Others	38.5	47.3	- 8.7 (- 18.6%)	
Operating Profit	5.4	1.2	+ 4.1 (+ 339.1%)	
Tokyu Department Store, etc. (※)	0.2	- 2.9	+ 3.2 (-)	
Tokyu Store Chain	4.3	4.2	+ 0.0 (+ 2.3%)	
Others	0.8	- 0.0	+ 0.8 (-)	

(※) "Tokyu Department Store, etc." includes not only Tokyu Department Store Co., Ltd. but also Tokyu Corp., NAGANO Tokyu Department Store Co., Ltd. And KITANAGANO Shopping Center Co., Ltd.

## Segment Information (4) ICT and Media

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	183.9	171.9	+ 11.9 (+ 7.0%)	
its communications	26.7	26.7	- 0.0 (- 0.2%)	
Tokyu Agency	49.8	52.9	- 3.1 (- 5.9%)	
Others	107.3	92.2	+ 15.1 (+ 16.4%)	
Operating Profit	6.7	5.3	+ 1.3 (+ 24.7%)	
its communications	3.3	3.2	+ 0.0 (+ 2.0%)	
Tokyu Agency	1.2	1.3	- 0.1 (- 13.5%)	
Others	2.2	0.7	+ 1.4 (+ 193.8%)	

## Segment Information (5) Hotel and Resort

(Unit:Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Operating Revenue	65.1	43.5	+ 21.5 (+ 49.6%)	
Tokyu Hotels, etc. (※)	50.8	32.3	+ 18.4 (+ 57.0%)	
Others	14.2	11.1	+ 3.1 (+ 28.0%)	
Operating Profit	- 6.0	- 16.7	+ 10.7 (-)	
Tokyu Hotels, etc. (※)	- 5.9	- 15.4	+ 9.4 (-)	
Others	- 0.0	- 1.2	+ 1.2 (-)	

(※) "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.

## Key Indicators

	FY2022 Full Year Forecast	FY2021 Results	Change
Occupancy Rates (%)	69.4%	44.1%	+25.3P
ADR (Yen)	11,819	10,441	+1,378
RevPAR (Yen)	8,200	4,606	+3,594

# Statements of Cash Flow

(Unit: Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
CF from Operating Activities	89.5	85.5	+ 3.9	
CF from Investing Activities	- 156.3	- 78.8	- 77.4	
Capital Expenditure	- 156.0	- 110.3	- 45.6	
Subsidies Received for Construction	5.0	5.4	- 0.4	
Gain on Sale of Assets	2.2	34.0	- 31.8	
CF from Financing Activities	66.8	- 1.3	+ 68.1	
Interest-bearing Debt Net Increase/Decrease	79.2	12.6	+ 66.5	
Dividend Payment, etc.	- 9.4	- 12.0	+ 2.6	
Free Cash Flow	- 66.8	6.7	- 73.5	
Interest-bearing Debt at End of Period	1,275.0	1,195.7	+ 79.2	Interest-bearing Debt / TOKYU EBITDA Multiple: 9.0times (-0.3)

## Capital Expenditure / Depreciation

(Unit: Billion yen)	FY2022 Forecast	FY2021 Results	Change	Remarks
Total Capital Expenditure	158.8	117.4	+ 41.3 (+ 35.2%)	
Transportation	49.1	49.2	- 0.1 (- 0.3%)	Tokyu Railways, etc: -1.9
Real Estate	69.9	35.0	+ 34.8 (+ 99.5%)	Tokyu Corp. Leasing: +24.2
Total Life Service	29.1	32.5	- 3.4 (- 10.6%)	
Retail	10.1	17.1	- 7.0 (- 41.1%)	
ICT and Media	19.0	15.4	+ 3.5 (+ 23.2%)	
Hotel and Resort	8.6	2.0	+ 6.5 (+ 323.7%)	
Headquarters	3.6	2.3	+ 1.2	
Elimination	- 1.5	- 3.7	+ 2.2	
Expenses on Sale of Houses and Lots	45.2	27.2	+ 17.9 (+ 65.6%)	
Total Depreciation and Amortization	85.2	83.9	+ 1.2 (+ 1.5%)	Transportation: 39.4 (△0.6) ; Real Estate: 25.5 (+0.6) ; Life Service: 16.8 (+0.9) ; Hotel and Resort: 3.5 (+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.

The related documents are also available at the following URL.

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

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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.

Tokyu Corporation

Finance & Accounting Strategy Headquarters

Accounting & IR Group