

# Tokyu Corporation

## Consolidated Financial Statements

### Fiscal 2021

(April 1, 2021 – March 31, 2022)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product and service launches, and pricing and product initiatives of competitors.

## SUMMARY OF FINANCIAL STATEMENTS [Japanese Accounting Standards] (Consolidated) For the Fiscal Year Ended March 31, 2022

### Tokyu Corporation

May 13, 2022

Stock Code:	9005	Listed exchanges:	Tokyo Stock Exchange
URL:	https://www.tokyu.co.jp/	Inquiries:	Hiroaki Nishimura, General Manager and Senior Manager, Accounting and IR Group
President	Kazuo Takahashi		Telephone: 81-3-3477-6168
Planned date of general meeting of shareholders:	June 29, 2022		
Scheduled date of commencement of dividend payment:	June 30, 2022		
Planned date for submission of financial reports:	June 29, 2022		
Supplementary documents:	YES		
Results briefing (institutional investors and analysts):	YES		

Amounts of less than ¥1 million have been rounded down.

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

*(Figures in percentages denote the year-on-year change)  
Million yen*

#### 1) Consolidated Operating Results

	FY ended March 31, 2022		FY ended March 31, 2021	
		Change (%)		Change (%)
Operating revenue.....	879,112	-6.1	935,927	-19.6
Operating profit.....	31,544	-	-31,658	-
Recurring profit.....	34,998	-	-26,824	-
Profit attributable to owners of parent .....	8,782	-	-56,229	-
Net income per share (¥).....	14.58		-93.08	
Net income per share (diluted) (¥).....	-		-	
Return on equity (%) .....	1.2		-7.7	
Return on assets (%).....	1.4		-1.1	
Operating profit ratio (%).....	3.6		-3.4	

Notes: (1) Comprehensive Income: FY ended March 31, 2022: ¥19,955 million [-%]; FY ended March 31, 2021: ¥-45,072 million [-%]

(2) As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ended March 31, 2022, the figures for the fiscal year ended March 2022 are the figures after the relevant accounting standards have been adopted.

Reference: Equity in income (losses) of equity-method affiliates: FY ended March 31, 2022: ¥5,091 million; FY ended March 31, 2021: ¥4,622 million

#### 2) Consolidated Financial Position

	As of March 31, 2022		As of March 31, 2021	
Total assets .....	2,479,182		2,476,061	
Net assets .....	752,942		752,538	
Equity ratio (%).....	28.4		28.4	
Net assets per share (¥).....	1,167.07		1,162.66	

Reference: Shareholders' equity: FY ended March 31, 2022: ¥702,967 million; FY ended March 31, 2021: ¥702,355 million

Note: As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ended March 31, 2022, the figures for the fiscal year ended March 2022 are the figures after the relevant accounting standards have been adopted.

#### 3) Consolidated Cash Flows

	FY ended March 31, 2022		FY ended March 31, 2021	
Operating activities .....	85,577		85,890	
Investing activities .....	-78,810		-115,195	
Financing activities .....	-1,374		17,184	
Cash and cash equivalents at end of year .....	51,635		45,297	

## 2. Dividends

	FY ending March 31, 2023 (forecast)	FY ended March 31, 2022	FY ended March 31, 2021
Dividend per share – end of first quarter (¥).....	-	-	-
Dividend per share – end of first half (¥) .....	7.50	7.50	10.00
Dividend per share – end of third quarter (¥) ....	-	-	-
Dividend per share – end of term (¥).....	7.50	7.50	5.00
Dividend per share – annual (¥) .....	15.00	15.00	15.00
Total cash dividends (annual) .....		9,076	9,069
Dividend payout ratio (consolidated) (%) .....	-	102.9	-
Net assets dividend ratio (consolidated) (%) .....		1.3	1.2

Note: Dividends for shares held by a group of shareholding employees in trust and compensation for Directors in trust that are included in total dividends are as follows:

FY ended March 31, 2022: ¥41 million; FY ended March 31, 2021: ¥4 million

### 3. Consolidated Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(Figures in percentages denote year-on-year change)  
Million yen

	Full year	
		Change (%)
Operating revenue.....	937,000	6.6
Operating profit.....	40,000	26.8
Recurring profit.....	35,500	1.4
Profit attributable to owners of parent .....	22,000	150.5
Net income per share (¥).....	36.52	

#### \* Notes

(1) Changes in important subsidiaries during the term

(Changes in specified subsidiaries resulting in changes in the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and restatements of revisions

1) Changes in accounting policies with revision of accounting standards: Yes

2) Changes in accounting policies other than 1): No

3) Changes in accounting estimates: No

4) Restatements of revisions: No

(Note) For details, please see the statement under the heading "3. Consolidated Financial Statements and Primary Notes, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)" in the accompanying materials.

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the term (including treasury stock) (shares)

FY ended March 31, 2022: 624,869,876 FY ended March 31, 2021: 624,869,876

2) Number of treasury stock at the end of the term (shares)

FY ended March 31, 2022: 22,532,735 FY ended March 31, 2021: 20,776,928

3) Average numbers of shares issued during the term (shares)

FY ended March 31, 2022: 602,244,604 FY ended March 31, 2021: 604,087,222

(Note) Treasury stock numbers includes shares of the Company held by a group of shareholding employees in trust and compensation for Directors in trust, as follows.

FY ended March 31, 2022: 2,529,200 shares FY ended March 31, 2021: 310,500 shares

(Reference) Summary of Non-Consolidated Results

#### 1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2022

(April 1, 2021 to March 31, 2022)

1) Non-Consolidated Operating Results

(Figures in percentages denote year-on-year changes)

Million yen

	FY ended March 31, 2022		FY ended March 31, 2021	
		Change (%)		Change (%)
Operating revenue.....	170,570	22.5	139,271	-36.0
Operating profit.....	30,489	96.9	15,483	-58.6
Recurring profit.....	34,253	32.5	25,858	-31.9
Net income .....	20,471	—	-26,989	—
Net income per share (¥).....	33.98		-44.66	
Net income per share (diluted) (¥).....	—		—	

## 2) Non-Consolidated Financial Position

Million yen

	As of March 31, 2022	As of March 31, 2021
Total assets .....	1,916,245	1,932,158
Net assets .....	528,530	522,912
Equity ratio (%) .....	27.6	27.1
Net assets per share (¥) .....	877.10	865.25

Reference: Shareholders' equity: FY ended March 31, 2022: ¥528,530 million; FY ended March 31, 2021: ¥522,912 million

< Reason for differences from the non-consolidated financial results in the previous fiscal year >

Factors such as growth in revenue from the self-restraint of consumers following a state of emergency declared in April 2020, an increase in operating revenue due to the sale of large properties, the posting of a gain on sales of non-current assets, and a decrease in the loss on valuation of shares of subsidiaries and associates resulted in the differences in financial results between the previous fiscal year and the fiscal year under review.

\* The summary of financial statements is not subject to audit.

\* Explanations about the proper use of financial forecasts and other important notes

(Notes on forecast results)

The forecast results presented above are based on the information available on the date of this announcement and assumptions that are considered reasonable.

Actual results may differ materially from the forecasts depending on a number of factors.

For more information on forecast results, please see the statement under the heading, "1. Overview of Financial Results, etc., (4) Outlook" in the accompanying materials.

(Method for acquiring supplementary results documents)

The "Summary of Results for FY2021 Forecasts for FY2022" will be disclosed on TDnet (Timely Disclosure network) and our IR website today (May 13, 2022).

(Method for acquiring closing of accounts briefing materials)

Tokyu Corporation will hold a results briefing for institutional investors and analysts on May 17, 2022.

The material used in that briefing will be promptly published on the Timely Disclosure network (TDnet) and the Company's own IR website on the same day.

## ○ Accompanying Materials – Contents

1. Overview of Financial Results, etc.....	Page 2
(1) Overview of Financial Results for the Fiscal Year under Review .....	Page 2
(2) Overview of Financial Position. ....	Page 4
(3) Overview of Cash Flows.....	Page 4
(4) Outlook .....	Page 4
2. Basic Concept Concerning the Selection of Accounting Standards .....	Page 4
3. Consolidated Financial Statements and Primary Notes .....	Page 5
(1) Consolidated Balance Sheets .....	Page 5
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	Page 7
Consolidated Statements of Income .....	Page 7
Consolidated Statements of Comprehensive Income .....	Page 8
(3) Consolidated Statements of Changes in Net Assets .....	Page 9
(4) Consolidated Statements of Cash Flow .....	Page 11
(5) Notes to Consolidated Financial Statements .....	Page 13
(Notes Regarding the Premise of a Going Concern) .....	Page 13
(Changes in Accounting Policies) .....	Page 13
(Matters Related to Consolidated Statements of Income) .....	Page 14
(Additional Information) .....	Page 14
(Segment Information).....	Page 15
(Per Share Information).....	Page 18
(Subsequent Events).....	Page 18

## 1. Overview of Financial Results, etc.

### (1) Overview of Financial Results for the Fiscal Year under Review

During the fiscal year under review, the business environment in Japan remained difficult, despite signs of a recovery in corporate profits, because of the persistent effects of COVID-19. Japan sought to control the infection—vaccinations increased—and at the same time, promote business activities. However, uncertainty about the economic outlook remained.

At the Group, the number of users of services recovered in each business. However, the businesses, particularly the Transportation Business and Hotel and Resort Business, remained significantly affected by the avoidance of going out caused by the declaration of a state of emergency and quasi-emergency measures.

In this situation, the Company formulated a Three-Year Medium-Term Management Plan last year on the assumption that the business environment will not return to that which prevailed before the COVID-19 pandemic. The basic policy is *henkaku* (transformation). Under the plan, the Company strove to achieve a recovery in earnings by responding to changes in the business environment and promoting structural reform. Operating revenue for the fiscal year under review decreased 6.1% year on year, to ¥879,112 million, due to the application of “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020, hereinafter the “Revenue Recognition Accounting Standard”), etc. Operating profit came to ¥31,544 million (compared to the operating loss of ¥31,658 million in the previous fiscal year) because the number of customers began to recover mainly in the Transportation Business and the Hotel and Resort Business following the people refraining from leaving home and the temporary closure of sales floors which impacted the Company’s businesses during the state of emergency declared in April 2020 and because of the sale of large properties in the Real Estate Business. Recurring profit stood at ¥34,998 million (compared to the recurring loss of ¥26,824 million in the previous fiscal year). Profit attributable to owners of parent was ¥8,782 million (compared to loss attributable to owners of parent of ¥56,229 million in the previous fiscal year) due to the posting of gain on sale of fixed assets, although extraordinary losses of ¥31,455 million, including impairment losses of ¥18,284 million, were posted at Izukyu Corporation, a consolidated subsidiary.

Operating results on a segmental basis are as follows. The results for individual segments include inter-segment internal revenues or transfers where applicable. The Company presents operating profit for each reported segment as segment profit in this document.

The Group began applying the Revenue Recognition Accounting Standard and related measures at the beginning of the consolidated fiscal year under review. For details, refer to (Changes in Accounting Policies) in (5) Notes to Consolidated Financial Statements of 3. Consolidated Financial Statements and Primary Notes.

#### Transportation

Tokyu Railways provides social value that meets the needs of the times under its Medium-Term Business Strategy (Three Transformations and Four Values) announced in May 2021. The company is undertaking business structural reforms to reduce fixed expenses and increase productivity, pursues safety and security, delivers environmental friendliness, and improves comfort in urban transportation. While continuing to make every effort to appropriately maintain and improve high level railway infrastructure, the company applied for approval of changes in fares to the Minister of Land, Infrastructure, Transport and Tourism in January 2022 to maintain the sound management of the railway business, while limiting the costs borne by customers as far as possible. The fare revision was approved in April 2022.

The number of passengers carried in the railway operations business of Tokyu Railways climbed 11.3% year on year, reflecting a 6.1% increase in the number of commuters carried and a 19.0% rise in the number of non-commuters carried thanks to a recovery from a decline in the number of users of both services attributable to the state of emergency declared in the previous year, among other factors.

Looking at the number of passengers carried by consolidated subsidiaries, the number carried by Izukyu Corp. increased 5.3%.

In bus operations, the number of passengers carried by Tokyu Bus Corp. increased 10.5%.

As a result, operating revenue for the segment increased 9.6% year on year, to ¥166,557 million, with an operating loss of ¥3,937 million for the segment (compared with operating loss of ¥26,014 million in the same period of the previous fiscal year).

(Operation results of Tokyu Railway's railway operations)

Categories		Units	152nd term	153rd term
			April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
Number of operating days		Days	365	365
Operating distance		Kilometers	104.9	104.9
Operating distance of passenger trains		Thousand kilometers	152,926	148,044
Number of passengers carried	Non-commuter	Thousand passengers	327,165	389,396
	Commuter	Thousand passengers	478,618	507,606
	Total	Thousand passengers	805,783	897,002
Passenger revenue	Non-commuter	Million yen	52,781	63,266
	Commuter	Million yen	44,497	44,477
	Total	Million yen	97,278	107,743
Miscellaneous income from railway operations		Million yen	15,141	14,565
Total revenues		Million yen	112,419	122,308
Average passenger revenue per day		Million yen	308	335
Operating efficiency		%	33.1	38.1

(Note) Calculation method of the operating efficiency

$$\text{Operating efficiency} = \frac{\text{Number of passengers carried}}{\text{Operating distance of passenger trains}} \times \frac{\text{Average service distance}}{\text{Average transportation capacity}} \times 100$$

#### Real Estate

In the Real Estate Business, operating revenue and operating profit increased 13.0% and 56.1% year on year, respectively, to ¥223,263 million and ¥45,230 million, respectively, chiefly reflecting an increase in the Company's real estate leasing business in reaction to the suspension of certain facility operations due to the state of emergency declared in April 2020, coupled with the sale of a large-scale property.

#### Life Service

In the Life Service Business segment, operating revenue decreased 16.7% year on year, to ¥502,747 million, given the negative impact of the application of the Revenue Recognition Accounting Standard and related measures, although there was a recovery in the number of customers compared to the previous year, chiefly reflecting a reactionary rise in demand following the lifting of the state of emergency declared in the previous year. Operating profit came to ¥6,600 million (as opposed to the operating loss of ¥3,867 million in the same period of the previous fiscal year).

#### Hotel and Resort

In the Hotel and Resort Business segment, the occupancy rate rose to 44.1% (up 13.1 points from the same period of the previous fiscal year), mainly reflecting the continuing impact of the COVID-19 pandemic on Tokyu Hotels Co., Ltd.'s hotel operations, despite a reactionary increase following their temporary closure during the state of emergency declared in April 2020. As a result, operating revenue for the segment increased 14.9% year on year, to ¥43,523 million, with an operating loss of ¥16,736 million for the segment (compared with operating loss of ¥31,224 million in the same period of the previous fiscal year).

**(2) Overview of Financial Position**

Total assets increased ¥3,121 million from the end of the previous fiscal year, to ¥2,479,182 million at the end of the fiscal year under review, primarily due to an increase in notes and accounts receivable - trade.

Liabilities increased ¥2,718 million year on year, to ¥1,726,240 million, largely because of an increase in corporate bonds.

Net assets rose ¥403 million from the end of the previous fiscal year, to ¥752,942 million. This was primarily attributable to the posting of profit attributable to owners of parent.

**(3) Overview of Cash Flows**

Net cash provided by operating activities reached ¥85,577 million after adjustments of depreciation of ¥84,191 million and impairment loss of ¥25,129 million for profit before income taxes of ¥27,032 million. Net cash provided by operating activities decreased ¥312 million from the previous fiscal year, mainly due to a decline in the decrease (increase) in accounts receivable, despite the posting of income before income taxes.

Net cash used in investing activities totaled ¥78,810 million, which was mainly attributable to payments for purchases of fixed assets of ¥110,397 million. Net cash used in investing activities declined ¥36,384 million from the previous fiscal year owing to factors including an increase in proceeds from sale of fixed assets.

Net cash used in financing activities was ¥1,374 million, mainly due to dividends paid and purchase of treasury stock, which more than offset an increase in interest-bearing debt\*.

As a result, cash and cash equivalents stood at ¥51,635 million at the end of the fiscal year under review, up ¥6,338 million from the end of the previous fiscal year.

\* Interest-bearing debt: the sum of debt, corporate bonds, and commercial papers

**(4) Outlook**

Consolidated financial forecasts for the fiscal year ending March 31, 2023 include operating revenue of ¥937,000 million (up 6.6% year on year) and operating profit of ¥40,000 million (up 26.8% year on year) in anticipation of the end of the direct impact of COVID-19 in the first half of the fiscal year and the normalization of domestic economic activities, although uncertainty over the economy due to rising raw materials prices, among other factors, will continue. Recurring profit is expected to be ¥35,500 million (up 1.4% year on year) and profit attributable to owners of parent is projected to be ¥22,000 million (up 150.5% year on year).

For details of the financial forecasts, please refer to the separate Summary of Results for FY2021 Forecasts for FY2022 released today.

\* The forecast results presented above are based on information available as of the date of this announcement and assumptions considered reasonable. Actual results may differ materially from forecasts depending on a number of factors.

**2. Basic Concept Concerning the Selection of Accounting Standards**

The Tokyu Group applies Japanese accounting standards, taking into consideration the period comparability of its consolidated financial statements and comparability with other companies.

We will appropriately respond to the application of the International Financial Reporting Standards (IFRS), considering various circumstances in Japan and overseas.

## 3. Consolidated Financial Statements and Primary Notes

## (1) Consolidated Balance Sheets

Million yen

Item	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	45,964	52,275
Trade notes & accounts receivable	121,756	146,286
Contract assets	–	7,316
Merchandise and products	11,864	10,548
Land and buildings for sale	70,108	77,352
Work in progress	7,092	3,223
Raw materials and supplies	8,460	8,580
Others	62,224	48,825
Allowance for doubtful accounts	-1,247	-1,388
Total current assets	326,225	353,019
<b>Fixed Assets</b>		
Tangible fixed assets		
Buildings & structures (net)	843,871	830,275
Rolling stock & machinery (net)	74,735	82,300
Land	727,884	700,592
Construction in progress	135,638	150,684
Others (net)	27,360	23,711
Total tangible fixed assets	1,809,491	1,787,563
Intangible fixed assets	36,941	35,617
Investments & others		
Investment securities	203,685	204,855
Net defined benefit asset	6,806	9,327
Deferred tax assets	24,454	22,538
Others	68,991	66,561
Allowance for doubtful accounts	-533	-300
Total investments and others	303,403	302,982
Total fixed assets	2,149,836	2,126,163
<b>Total Assets</b>	<b>2,476,061</b>	<b>2,479,182</b>

Million yen

Item	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade notes & accounts payable	96,900	88,029
Short-term debt	405,932	384,876
Commercial papers	10,000	–
Current portion of corporate bonds	–	10,000
Accrued income taxes	6,949	13,497
Contract liabilities	–	39,401
Reserve for employees' bonuses	10,720	10,875
Advances received	28,356	18,979
Others	129,606	102,662
Total current liabilities	688,466	668,321
<b>Long-Term Liabilities</b>		
Corporate bonds	270,000	300,000
Long-term debt	496,262	500,880
Deferred tax liabilities	13,761	14,734
Deferred tax liabilities from revaluation	9,168	4,881
Allowance for loss on redemption of merchandise coupons	2,561	1,865
Net defined benefit liability	44,492	43,122
Long-term deposits from tenants and club members	136,226	134,918
Others	52,543	49,986
Total long-term liabilities	1,025,016	1,050,388
<b>Special Legal Reserves</b>		
Urban railways improvement reserve	10,040	7,530
<b>Total Liabilities</b>	1,723,522	1,726,240
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	121,724	121,724
Capital surplus	134,095	133,683
Retained income	455,201	454,484
Treasury stock	-37,153	-39,614
Total shareholders' equity	673,868	670,278
<b>Accumulated Other Comprehensive Income</b>		
Net unrealized gains (losses) on investment securities	20,509	16,762
Net unrealized gains (losses) on hedging instruments	-75	89
Land revaluation reserve	8,700	5,229
Foreign currency translation adjustment account	895	7,017
Remeasurements of defined benefit plans	-1,542	3,589
Total accumulated other comprehensive income	28,486	32,689
<b>Non-Controlling Interests</b>	50,183	49,974
<b>Total Net Assets</b>	752,538	752,942
<b>Total Liabilities and Net Assets</b>	2,476,061	2,479,182

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**(Consolidated Statements of Income)**

Million yen

Item	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
<b>Operating Revenue</b>	935,927	879,112
Cost of operating revenue		
Operating expenses & cost of sales (Transportation, etc.)	747,433	639,344
SG&A expenses	220,152	208,223
Total cost of operating revenue	967,585	847,568
<b>Operating Profit (Loss)</b>	-31,658	31,544
Non-operating profit		
Interest income	283	313
Dividend income	1,046	948
Investment gains from equity method	4,622	5,091
Subsidies for employment adjustment	*	*
Others	6,263	7,674
Total non-operating profit	18,242	17,294
Non-operating expenses		
Interest expenses	8,607	8,361
Others	4,801	5,478
Total non-operating expenses	13,408	13,840
<b>Recurring Profit (Loss)</b>	-26,824	34,998
Extraordinary gains		
Gains on sale of fixed assets	303	14,473
Subsidies received for construction	13,350	1,374
Gain on reversal of Urban Railways Improvement Reserve	2,510	2,510
Gain on sale of air rights	-	2,800
Others	3,302	2,331
Total extraordinary gains	19,466	23,489
Extraordinary losses		
Reduction entry of land contribution for construction	7,422	1,193
Loss on retirement of fixed assets	5,905	2,268
Impairment loss	26,806	25,129
Others	8,222	2,864
Total extraordinary losses	48,356	31,455
<b>Income (Loss) before Income Taxes</b>	-55,715	27,032
Corporate income taxes	9,526	16,600
Corporate income taxes adjustment	-6,965	228
Total corporate income taxes	2,560	16,829
<b>Net Income (Loss)</b>	-58,276	10,203
Profit (loss) attributable to non-controlling interests	-2,046	1,420
Profit (loss) attributable to owners of parent	-56,229	8,782

**(Consolidated Statements of Comprehensive Income)***Million yen*

Item	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
<b>Net Income (Loss)</b>	-58,276	10,203
Other comprehensive income		
Net unrealized gains (losses) on investment securities	8,808	-3,005
Net unrealized gains (losses) on hedging instruments	0	-
Foreign currency translation adjustment account	-2,133	5,704
Remeasurements of defined benefit plans, net of tax	5,707	4,930
Share of other comprehensive income of associates accounted for using equity method	822	2,121
Total other comprehensive income	13,204	9,751
<b>Comprehensive Income</b>	-45,072	19,955
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-42,159	16,456
Comprehensive income attributable to non-controlling interests	-2,912	3,499

**(3) Consolidated Statements of Changes in Net Assets**

April 1, 2020 to March 31, 2021

Million yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained income	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	121,724	134,023	524,423	-37,291	742,880
Cumulative effects of changes in accounting policies					-
Restated balance	121,724	134,023	524,423	-37,291	742,880
Changes during the period					
Dividends			-12,697		-12,697
Loss attributable to owners of parent			-56,229		-56,229
Liquidation of land revaluation reserve			-293		-293
Purchases of treasury stock				-7	-7
Sale of treasury stock		-0		145	144
Changes in equity of subsidiaries owned continuously		71			71
Changes other than those to shareholders' equity (net)					
Total changes during the period	-	71	-69,221	138	-69,012
Balance at the period end	121,724	134,095	455,201	-37,153	673,868

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on investment securities	Net unrealized gains (losses) on hedging instruments	Land revaluation reserve	Foreign currency translation adjustment account	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	9,983	-41	8,406	3,371	-7,598	14,122	52,611	809,614
Cumulative effects of changes in accounting policies								-
Restated balance	9,983	-41	8,406	3,371	-7,598	14,122	52,611	809,614
Changes during the period								
Dividends								-12,697
Loss attributable to owners of parent								-56,229
Liquidation of land revaluation reserve								-293
Purchases of treasury stock								-7
Sale of treasury stock								144
Changes in equity of subsidiaries owned continuously								71
Changes other than those to shareholders' equity (net)	10,526	-34	293	-2,476	6,055	14,364	-2,427	11,936
Total changes during the period	10,526	-34	293	-2,476	6,055	14,364	-2,427	-57,075
Balance at the period end	20,509	-75	8,700	895	-1,542	28,486	50,183	752,538

April 1, 2021 to March 31, 2022

Million yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained income	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	121,724	134,095	455,201	-37,153	673,868
Cumulative effects of changes in accounting policies			-5,409		-5,409
Restated balance	121,724	134,095	449,792	-37,153	668,458
Changes during the period					
Dividends			-7,561		-7,561
Profit attributable to owners of parent			8,782		8,782
Liquidation of land revaluation reserve			3,470		3,470
Purchases of treasury stock				-4,521	-4,521
Sale of treasury stock		-170		2,059	1,889
Changes in equity of subsidiaries owned continuously		-240			-240
Changes other than those to shareholders' equity (net)					
Total changes during the period	-	-411	4,691	-2,461	1,819
Balance at the period end	121,724	133,683	454,484	-39,614	670,278

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on investment securities	Net unrealized gains (losses) on hedging instruments	Land revaluation reserve	Foreign currency translation adjustment account	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	20,509	-75	8,700	895	-1,542	28,486	50,183	752,538
Cumulative effects of changes in accounting policies								-5,409
Restated balance	20,509	-75	8,700	895	-1,542	28,486	50,183	747,129
Changes during the period								
Dividends								-7,561
Profit attributable to owners of parent								8,782
Liquidation of land revaluation reserve								3,470
Purchases of treasury stock								-4,521
Sale of treasury stock								1,889
Changes in equity of subsidiaries owned continuously								-240
Changes other than those to shareholders' equity (net)	-3,747	165	-3,470	6,122	5,132	4,202	-209	3,993
Total changes during the period	-3,747	165	-3,470	6,122	5,132	4,202	-209	5,812
Balance at the period end	16,762	89	5,229	7,017	3,589	32,689	49,974	752,942

**(4) Consolidated Statements of Cash Flow***Million yen*

Item	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	-55,715	27,032
Depreciation and amortization	88,308	84,191
Amortization of goodwill	0	-
Impairment loss	26,806	25,129
Gain on sale of air rights	-	-2,800
Retirement benefit expenses	1,988	3,040
Increase (decrease) in urban railways improvement reserve	-2,510	-2,510
Subsidies received for construction	-13,350	-1,374
Reduction entry of land contribution for construction	7,422	1,193
Loss (gain) on sale of fixed assets	-124	-14,270
Loss on retirement of fixed assets	19,386	8,804
Investment (gain) loss from the equity method	-4,622	-5,091
Loss (gain) on sales of investment securities	-512	-1,094
Decrease (increase) in accounts receivable	32,343	-27,560
Decrease (increase) in inventories	3,851	6,638
Decrease (increase) in contract assets	-	-1,097
Increase (decrease) in trade payables	-6,186	-8,440
Increase (decrease) in contract liabilities	-	341
Increase (decrease) in advances received	-2,333	-1,425
Increase (decrease) in guarantee deposits received	-1,279	-1,314
Increase (decrease) in accrued consumption taxes	9,296	-6,494
Increase (decrease) in other current liabilities	-2,268	-2,242
Interest and dividend income	-1,329	-1,261
Interest expenses	8,607	8,361
Others	799	10,786
Subtotal	108,577	98,543
Interest and dividends received	3,876	4,023
Interest paid	-8,662	-8,366
Income taxes (paid) refund	-17,900	-8,622
<b>Net cash provided by (used in) operating activities</b>	<b>85,890</b>	<b>85,577</b>

Million yen

Item	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
<b>Cash flows from investing activities</b>		
Payments for purchases of fixed assets	-113,229	-110,397
Proceeds from sale of fixed assets	1,002	30,379
Payments for retirement of fixed assets	-1,767	-6,313
Proceeds from sale of air rights	-	2,800
Payments for acquisition of investment securities	-14,391	-4,089
Proceeds from sale of investment securities	1,534	3,704
Proceeds from subsidies received for construction	8,369	5,432
Proceeds from liquidation of non-consolidated subsidiaries	1,350	-
Others	1,937	-327
<b>Net cash provided by (used in) investing activities</b>	-115,195	-78,810
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term debt, net	57,066	-10,744
Proceeds from long-term debt	32,389	59,594
Repayment of long-term debt	-42,830	-66,011
Proceeds from issuance of commercial papers	335,000	164,000
Redemption of commercial papers	-375,000	-174,000
Proceeds from bond issue	59,660	39,762
Payments for redemption of bonds	-35,090	-
Repayment of finance lease obligations	-3,190	-4,488
Purchase of treasury stock	-12	-4,529
Cash dividends paid	-12,697	-7,561
Proceeds from share issuance to non-controlling shareholders	1,397	1,578
Dividends paid to non-controlling interests	-786	-562
Proceeds from sale and leaseback transactions	1,609	341
Others	-330	1,246
<b>Net cash provided by (used in) financing activities</b>	17,184	-1,374
<b>Effect of exchange rate changes on cash and cash equivalents</b>	-106	945
<b>Increase (decrease) in cash and cash equivalents</b>	-12,226	6,338
<b>Cash and cash equivalents at beginning of period</b>	57,524	45,297
<b>Cash and cash equivalents at end of period</b>	45,297	51,635

**(5) Notes to Consolidated Financial Statements**

(Notes Regarding the Premise of a Going Concern)

There is no applicable item.

(Changes in Accounting Policies)

(Adoption of the Accounting Standard for Revenue Recognition, etc.)

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020, hereinafter the “Revenue Recognition Accounting Standard”) and related measures have been applied from the beginning of the fiscal year under review. Accordingly, revenue is recognized at points where control over goods or services that the Group promises to provide is transferred to customers and in amounts that it expects to receive in exchange for such goods or services.

Major changes attributable to the application of the Revenue Recognition Accounting Standard and related measures are as follows.

(1) Revenue recognition for agent transactions

Previously, the total consideration received from customers in transactions in which the goods were considered delivered at the time they are sold, advertising media transactions and transactions involving drop-shipping had been recognized as revenue. Currently, transactions in which the Company and its consolidated subsidiaries provide merchandise or services to customers as an agent, the Group recognizes the net amount calculated by subtracting the amount paid to the suppliers of the merchandise or providers of the services from amount received from customers as revenue.

(2) Revenue recognition for point programs

The Company offers a customer loyalty program in which customers are provided with points that can be used to receive discounts on purchases. It had been recognizing the face value of points as revenue when points are redeemed. Currently, the Group is separating the transaction value into the products portion and the points portion according to percentages of the item’s standalone selling price, and recognizes the points portion of the transaction value at the time of point redemption as revenue.

(3) Revenue recognition for commuter passes

The Group had previously prorated the amount of revenue that it recognized from commuter passes according to the type of commuter pass on a monthly basis, starting from the date of the pass’s sale. Now, with a commuter pass being usable unlimitedly within a specific section during the period of its validity, the Group recognizes revenue upon the termination of the validity period.

In its application of the Revenue Recognition Accounting Standard and related measures, the Group followed the provisional measures stated in paragraph 84 of the Revenue Recognition Accounting Standard. Accordingly, it adjusted retained earnings as of the beginning of the consolidated fiscal year under review to reflect the cumulative effect of the retrospective application of the new accounting policies to the time prior to the beginning of the consolidated fiscal year under review. However, the Group applied the method prescribed in paragraph 86, subparagraph (1) of the Revenue Recognition Accounting Standard in its accounting based on the terms of its contracts and all revisions regarding contracts made before the beginning of the consolidated fiscal year under review. The Group then adjusted its retained earnings as of the beginning of the consolidated fiscal year under review to reflect the cumulative effect of this adjustment. The Group decided to include trade notes and accounts receivable, which had been presented as current assets in the consolidated balance sheet for the previous consolidated fiscal year, in trade notes and accounts receivable and contract assets starting from the consolidated fiscal year under review. For the same reason, it decided to include advances received, which had been presented in current liabilities, in advances received and contract liabilities, starting from the consolidated fiscal year under review. However, according to the transitional measures prescribed in paragraph 89-2 of the Revenue Recognition

Accounting Standard, the Group did not implement a reclassification that reflects the new method for presenting the results of the previous consolidated fiscal year.

Reflecting these adjustments, operating revenue and operating expenses for the fiscal year under review decreased ¥154,366 million and ¥154,980 million, respectively, compared with operating revenue and expenses before the application of the Revenue Recognition Accounting Standard and related measures. The decreases resulted in an increase of ¥613 million in operating profit as well as rises in both recurring profit and income before income taxes of ¥587 million, respectively. Because net assets at the beginning of the fiscal year under review reflect the cumulative effect of the retrospective application of the new accounting policy, retained income at the beginning of the period in the consolidated statements of changes in net assets decreased ¥5,409 million.

The effect on per share information is described in the per share information section.

The Group does not enter any notes to revenue recognition related to the previous fiscal year according to the transitional measures prescribed in paragraph 89-3 of the Revenue Recognition Accounting Standard.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The Group decided to apply the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019, hereinafter the “Fair Value Measurement Accounting Standard”) at the beginning of the fiscal year under review. Accordingly it decided to continue to adopt the new accounting policies specified in the Fair Value Accounting Standard and other standards according to the transitional measures prescribed in the paragraph 19 of the Fair Value Measurement Accounting Standard and the paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). As a result, bonds payable, other securities and derivative transactions, which were reflected in consolidated balance sheets at their acquisition prices because they were traditionally considered financial products whose market values are extremely difficult to grasp, are and will be reflected in consolidated balances at their market prices calculated using unobservable input based on the best information available, even when it is not possible to obtain observable input.

(Matters Related to Consolidated Statements of Income)

\* Employment Adjustment Subsidy

April 1, 2020 to March 31, 2021

The Company posted the Employment Adjustment Subsidy received in connection with COVID-19 under non-operating profit.

April 1, 2021 to March 31, 2022

The Company posted the Employment Adjustment Subsidy received in connection with COVID-19 under non-operating profit.

(Additional Information)

(Approach to Incorporating the Effects of the COVID-19 Pandemic when Making Accounting Estimates)

Although the number of COVID-19 cases remain high, the Company assumes that the direct impact of COVID-19 will end in the first half of FY2022 and domestic economic activities will start to normalize. The Company estimates future cash flows in the impairment accounting of fixed assets, collectability of deferred tax assets and the like based on those assumptions.

(Segment Information)

#### 1. Overview of reported segments

Reported segments of Tokyu Group (the Company and its consolidated subsidiaries) are constituent units of the Group, for which separate financial information is available. The Board of Directors of the Company examines these units regularly to determine the allocation of management resources and to assess segment performance.

The Tokyu Group undertakes a wide range of businesses that are closely related to the daily life of customers in geographic areas focused on Tokyu Lines' service areas.

The Group's reported segments are four segments classified by type of service: Transportation, Real Estate, Life Service, and Hotel and Resort. The major lines of business in each reported segment are as follows:

Transportation:	Railway, bus, and airport operations
Real Estate:	Sales, leasing, and management of real estate
Life Service:	Department store operations, chain store operations, shopping center operations, CATV operations, advertising operations, and imaging operations
Hotel and Resort:	Hotel operations and golf course operations

#### 2. Method for calculating operating revenue, profit and loss, assets and other amounts for reported segments

The profit figures stated in the reported segments are based on operating profit (loss).

Inter-segment internal revenues or transfers are based on prevailing market prices.

As described in 3. Consolidated Financial Statements and Primary Notes, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies), the Group applies the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and related measures from the consolidated financial statements for the fiscal year under review, changing its method of accounting. To reflect the change, it changed the method it uses to calculate profit and loss on a business segment basis. As a result of the change, operation revenue decreased ¥51 million and segment loss increased ¥24 million in the Transportation Business, operation revenue declined ¥12,153 million and segment profit increased ¥96 million in the Real Estate Business, operating revenue fell ¥141,487 million and segment profit rose ¥546 million in the Life Service Business, and operating revenue decreased ¥674 million and segment loss increased ¥5 million in the Hotel and Resort Business for the fiscal year under review, compared to the levels calculated using the traditional method.

3. Information relating to operating revenue, profit and loss, assets and other amounts for reported segments  
April 1, 2020 to March 31, 2021

Million yen

	Reported segment				Total	Adjustments (Note) 1	Amount posted in the consolidated financial statements (Note) 2
	Transportation	Real Estate	Life Service	Hotel and Resort			
Operating revenue							
Outside customers	148,551	160,640	589,115	37,619	935,927	–	935,927
Inter-segment internal revenues or transfers	3,420	36,993	14,483	252	55,149	-55,149	–
Total	151,972	197,634	603,598	37,871	991,076	-55,149	935,927
Segment profit (loss)	-26,014	28,978	-3,867	-31,224	-32,128	469	-31,658
Segment assets	740,518	1,073,179	402,547	140,708	2,356,954	119,107	2,476,061
Other items							
Depreciation	40,739	24,261	17,525	4,577	87,103	-134	86,969
Amortization of goodwill	–	–	0	–	0	–	0
Investments in equity method affiliates	–	–	–	–	–	134,230	134,230
Increase in tangible fixed assets and intangible fixed assets	35,477	50,002	24,587	6,239	116,306	-9,921	106,385

Notes

1. Adjustments are as follows.

- (1) An adjustment of ¥469 million in segment profit (loss) represents deduction of inter-segment transactions.
- (2) An adjustment of ¥119,107 million in segment assets consists of Company-wide assets of ¥221,664 million not allocated to reported segments and deduction of inter-segment transactions of negative ¥102,556 million.
- (3) An adjustment of negative ¥134 million in depreciation represents deduction of inter-segment transactions.
- (4) An adjustment of ¥134,230 million in investments in equity method affiliates represents Company-wide assets not allocated to reported segments.
- (5) An adjustment of negative ¥9,921 million in tangible fixed assets and intangible fixed assets consists of Company-wide assets of ¥1,518 million not allocated to reported segments and deduction of inter-segment transactions of negative ¥11,440 million.

2. The segment profit (loss) is adjusted with the operating profit (loss) stated in the consolidated financial statements.

April 1, 2021 to March 31, 2022

Million yen

	Reported segment				Total	Adjustments (Note) 1	Amount posted in the consolidated financial statements (Note) 2
	Transportation	Real Estate	Life Service	Hotel and Resort			
Operating revenue							
Outside customers	162,927	187,183	489,368	39,634	879,112	–	879,112
Inter-segment internal revenues or transfers	3,630	36,080	13,379	3,889	56,978	-56,978	–
Total	166,557	223,263	502,747	43,523	936,091	-56,978	879,112
Segment profit (loss)	-3,937	45,230	6,600	-16,736	31,157	386	31,544
Segment assets	740,413	1,076,651	425,471	100,359	2,342,895	136,286	2,479,182
Other items							
Depreciation	40,048	24,821	15,870	3,335	84,075	-109	83,965
Amortization of goodwill	–	–	–	–	–	–	–
Investments in equity method affiliates	–	–	–	–	–	139,543	139,543
Increase in tangible fixed assets and intangible fixed assets	49,246	35,038	32,559	2,029	118,873	-1,422	117,451

## Notes

1. Adjustments are as follows.

- (1) An adjustment of ¥386 million in segment profit (loss) represents deduction of inter-segment transactions.
- (2) An adjustment of ¥136,286 million in segment assets consists of Company-wide assets of ¥248,874 million not allocated to reported segments and deduction of inter-segment transactions of negative ¥112,587 million.
- (3) An adjustment of negative ¥109 million in depreciation represents deduction of inter-segment transactions.
- (4) An adjustment of ¥139,543 million in investments in equity method affiliates represents Company-wide assets not allocated to reported segments.
- (5) An adjustment of negative ¥1,422 million in tangible fixed assets and intangible fixed assets consists of Company-wide assets of ¥2,311 million not allocated to reported segments and deduction of inter-segment transactions of negative ¥3,734 million.

2. The segment profit (loss) is adjusted with the operating profit (loss) stated in the consolidated financial statements.

## 4. Information related to impairment loss on fixed assets, goodwill, etc. by reported segment

(Important impairment loss related to fixed assets)

April 1, 2020 to March 31, 2021

The Company posted an impairment loss of ¥11,001 million in the Life Service Business segment, ¥8,822 million in the Hotel and Resort Business segment, ¥6,408 million in the Real Estate Business segment, ¥521 million in the Transportation Business segment, and ¥51 million in company-wide assets not allocated to reported segments. Impairment loss that the Company posted in the consolidated fiscal year under review totaled ¥26,806 million.

April 1, 2021 to March 31, 2022

The Company posted an impairment loss of ¥18,363 million in the Transportation Business segment, ¥3,494 million in the Hotel and Resort Business segment, ¥1,810 million in the Life Service Business segment and ¥1,461 million in the Real Estate Business segment. Impairment loss that the Company posted in the consolidated fiscal year under review totaled ¥25,129 million.

## (Per Share Information)

	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
Net assets per share	¥1,162.66	¥1,167.07
Net income (loss) per share	-¥93.08	¥14.58

## Notes

- Net income per share (diluted) is not stated as there are no shares with a dilutive effect.
- As described in 3. Consolidated Financial Statements and Primary Notes, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies), the Company applies the Accounting Standard for Revenue Recognition, etc. Because of the application of the accounting standard, net assets per share decreased ¥8.58, and net income per share increased ¥0.40.
- The basis for the calculation of net income (loss) per share is as follows:  
The "average number of outstanding common shares during the period" excludes shares in the Company held by a group of shareholding employees in trust and an account in trust for executive compensation.

	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022
Net income (loss) per share:		
Profit (loss) attributable to owners of parent (million yen)	-56,229	8,782
Amount not attributable to common shareholders (million yen)	-	-
Net income (loss) attributable to common shareholders of the parent (million yen)	-56,229	8,782
Average number of outstanding common shares during the period (thousand shares)	604,087	602,244

## (Subsequent Events)

There is no applicable item.