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For Immediate Release

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Announcement Regarding Issuance of Zero Coupon Convertible Bonds due 2028 and Zero Coupon Convertible Bonds due 2030

Tokyu Corporation (the “Company”) hereby announces the proposed issuance of Zero Coupon Convertible Bonds due 2028 (the “2028 Bonds”) and Zero Coupon Convertible Bonds due 2030 (the “2030 Bonds”, together with the 2028 Bonds, the “Bonds”) (each being bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakukentuki shasai*) pursuant to a resolution of the Board of Directors as of 12 June 2023.

Background and purpose of the Issuance of the Bonds

The Company believes that its group’s management issue is to secure funds for investment strategically, including through external procurement, based on the premise of a management with a focus on the balance sheet. Going forward, the Company aims both to improve capital efficiency and to maintain and improve a solid financial foundation that can withstand changes in the market environment. At the same time, since it is expected that a certain amount of time will be required from the start of construction of development projects in Shibuya and other areas along the Company’s railway lines to their opening and contribution to profits, the Company believes that raising funds for capital expenditure while improving capital efficiency during that period will lead to sustainable growth of corporate value. In consideration of these management issues, the Company resolved to implement capital restructuring and issue the Bonds, which can reduce funding costs with zero coupon, as a means of strategic funding to secure funds for growth.

The Company believes that the repurchase of shares, separately announced today, will facilitate a reduction of cross-shareholdings with shareholders, including financial institutions, while reducing equity capital and contributing to improve capital efficiency. This repurchase of shares also intends to return of a portion of the capital paid by shareholders through share exchanges in the past and increase the value per share through a reduction in the number of outstanding shares.

Note: This press release is intended as general information regarding Tokyu Corporation’s issuance of the Bonds. This press release does not constitute an offer of, or the solicitation of an offer to buy or subscribe for the Bonds or the shares of common stock of the Company in the United States or in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Bonds and the shares of common stock of the Company issuable upon exercise of, or upon acquisition by the Company of, the stock acquisition rights (together, the “Securities”) have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any relevant securities laws of any state, and may not be offered or sold within the United States, absent registration or an applicable exemption from registration requirements. No public offering of the Securities will be made in the United States.

Use of Proceeds

The net proceeds from the issue of the Bonds are estimated to be approximately ¥60 billion after deducting expenses. The Company intends to apply the net proceeds as follows:

(a) Approximately ¥30 billion towards capital expenditure for various redevelopment projects, including the realisation of “Greater SHIBUYA 2.0” in Shibuya; and

(b) Approximately ¥30 billion towards the repurchase of shares to reduce cross-shareholdings as well as to improve capital efficiency and to increase the value per share through a reduction in the number of outstanding shares.

Issuance of the 2028 Bonds

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|---------------------------|---|
| 1. Securities Offered | ¥30,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2028 (bonds with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>) |
| 2. Issue Price | 100.0% |
| 3. Closing Date | 28 June 2023 |
| 4. Coupon | 0% |
| 5. Redemption at Maturity | 100.0% |

Issuance of the 2030 Bonds

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|---------------------------|---|
| 1. Securities Offered | ¥30,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2030 (bonds with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>) |
| 2. Issue Price | 100.0% |
| 3. Closing Date | 28 June 2023 |
| 4. Coupon | 0% |
| 5. Redemption at Maturity | 100.0% |

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