

Financial Summary
FY2011
Ended March 31, 2012

Tokyu Land Corporation

This report provides information excerpts from Tokyu Land's original disclosure in Japanese,
"Kessan Tanshin," which was released on May 10, 2012 at 16:00 (GMT+9).
The audit has not been completed.

1. Overview of the FY2011 Ended March 31, 2012

*All the figures in millions are rounded down and all the figures in billions are rounded off to one decimal place.

(1) Summary of consolidated statements of income

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2011	556,841	(2.6)	50,086	(19.9)	34,866	(36.5)	34,200	194.9
FY2010	571,443	3.5	62,502	76.2	54,916	94.9	11,597	4.9

Note: Comprehensive income: FY2011 ¥39,794 million [207.3%]; FY2010 ¥12,951 million [(3.4)%]

	Net income per share	Fully diluted net income per share	Net income/ shareholders' equity	Ordinary income/ total assets	Operating income/ operating revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2011	64.40	—	15.2	2.4	9.0
FY2010	21.84	—	5.6	5.0	10.9

Reference: Equity in gains (losses) of affiliates: FY2011 ¥509 million; FY2010 ¥37 million

(2) Summary of consolidated balance sheets

	Total assets	Total net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2012	1,744,774	275,347	13.8	453.46
As of March 31, 2011	1,161,419	239,828	18.0	392.87

Reference: Equity: As of March 31, 2012 ¥240,804 million; As of March 31, 2011 ¥208,638 million

(3) Summary of consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
FY2011	44,885	(28,780)	(16,421)	64,220
FY2010	66,178	(146,178)	78,990	43,963

2. Dividends

	Annual dividends					Total annual cash dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	Q1	Q2	Q3	Year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
FY2010 ended March 31, 2011	—	3.50	—	3.50	7.00	3,717	32.1	1.8
FY2011 ended March 31, 2012	—	3.50	—	3.50	7.00	3,717	10.9	1.7
FY2012 ending March 31, 2013 (Forecast)	—	3.50	—	3.50	7.00		23.2	

3. Forecast for Fiscal Year 2012 Ending March 31, 2013

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full-year forecast	600,000	7.8	51,000	1.8	38,000	9.0	16,000	(53.2)	30.13

* Indication regarding execution of audit procedures

This financial summary report is not subject to the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial summary report, the audit procedures in accordance with the Financial Instruments and Exchange Act are in progress.

*Proper use of forecasts, and other special matters

(Disclaimer)

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

(Method of accessing financial summary presentation material)

On May 16, 2012, the Company plans to hold a financial summary presentation meeting for institutional investors and securities analysts. The Company plans to post the materials used in this presentation on its website after the meeting is held.

Operating Results and Financial Position

1. Analysis of Operating Results

Current Operating Performance

Results for this fiscal year ended March 31, 2012 showed a decrease in revenues and profit with ¥556.8 billion in operating revenue (down 2.6% from the previous year), ¥50.1 billion in operating income (down 19.9%) and ¥34.9 billion in ordinary income (down 36.5%). The main factors of this result were the existence of distributions from the sale of a building through SPCs in the previous year and a decline in sales from condominium development.

Meanwhile, net income substantially increased to ¥34.2 billion (up 194.9%). This was the result of the recording of gain on negative goodwill, etc. of ¥49.0 billion as extraordinary income associated with the consolidation of silent partnerships, etc. and impairment loss, etc. of ¥41.7 billion as extraordinary loss associated with the consolidation of silent partnerships, etc. and with the decision to transfer commercial facilities and office buildings, as well as a decrease in tax expenses due to the change in corporate tax rate by amendment of the Corporation Tax Act, etc.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	571.4	556.8	(14.6)	555.0	1.8
Operating income	62.5	50.1	(12.4)	43.0	7.1
Ordinary income	54.9	34.9	(20.1)	27.0	7.9
Net income	11.6	34.2	22.6	31.0	3.2
Interest-bearing debt	559.8	1,064.0	504.2	1,075.0	(11.0)

Segment Performance

Operating revenue

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Total	571.4	556.8	(14.6)	555.0	1.8
Real Estate Sales	142.7	116.3	(26.4)	119.8	(3.6)
Contracted Construction	61.6	66.7	5.1	66.5	0.2
Retail Sales	75.6	85.3	9.7	87.4	(2.0)
Leasing of Real Estate	140.1	125.3	(14.8)	123.6	1.7
Property Management	72.9	74.7	1.8	74.0	0.7
Facility Operations	57.9	59.6	1.7	59.8	(0.2)
Real-Estate Agents	37.9	37.7	(0.2)	37.9	(0.2)
Other	7.5	7.7	0.2	8.0	(0.3)
Adjustment for Inter-Company Transactions	(24.7)	(16.5)	8.2	(22.1)	5.5

Operating income

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Total	62.5	50.1	(12.4)	43.0	7.1
Real Estate Sales	(1.6)	6.7	8.4	5.9	0.8
Contracted Construction	0.0	0.9	0.9	0.5	0.4
Retail Sales	0.8	1.8	1.0	1.6	0.2
Leasing of Real Estate	59.7	35.3	(24.3)	33.0	2.3
Property Management	5.1	4.9	(0.2)	4.9	0.0
Facility Operations	0.9	3.0	2.1	0.7	2.3
Real-Estate Agents	3.0	2.9	(0.1)	2.5	0.3
Other	0.2	0.2	0.0	0.0	0.2
Adjustment for Inter-Company Transactions	(5.6)	(5.7)	(0.1)	(6.2)	0.4

1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥116.3 billion in operating revenue (down 18.5% from the previous year) and ¥6.7 billion in operating income, which was a significant increase from the previous year.

During this period, sales of condominium units in “Branz Minami Yukigaya” (Ota-ku, Tokyo), “Branz Aobadai 2-chome” (Yokohama-shi, Kanagawa), “Branz City Miyakojima Tomobuchi-cho” (Osaka-shi, Osaka) and others were recorded. However, as sales of condominium units in the large tower condominium “Futako Tamagawa Rise Tower & Residence” (Setagaya-ku, Tokyo) etc. were recorded in the previous fiscal year, there was a decrease in revenues due to a decline in the number of condominium units sold and the like. Meanwhile, profit increased thanks mainly to an improvement in the profit margin and a reduction in loss on valuation of inventories.

Sales continued to perform steadily and the inventory of completed units remained at a low level. The ratio of contracted amount for sale to the planned sales amount for the next fiscal year for condominium excluding sales of rental residence building blocks amounted to 43% (up 10% from the previous year, parent company basis).

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	142.7	116.3	(26.4)	119.8	(3.6)
Operating income	(1.6)	6.7	8.4	5.9	0.8

Breakdown of operating revenue

(Before adjustments in ¥ billion)

	FY2010		FY2011		Comparison
Condominium	2,881 units	109.4	2,741 units	98.8	(10.6)
Detached housing	286 units	9.8	220 units	5.0	(4.8)
Country houses	176 units	4.7	65 units	1.9	(2.9)
Other sales	—	18.8	—	10.7	(8.1)

Number of units supplied and sold (Parent company)

(Units)

	FY2010		FY2011		Inventory of completed units	
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2011	As of March 31, 2012
Condominium	2,491	2,576	2,728	2,683	220	291
Detached housing	186	226	112	116	19	39
Country houses	228	194	81	108	—	—

2) Contracted Construction

In our Contracted Construction business, we posted ¥66.7 billion in operating revenue (up 8.3% from the previous year) and ¥0.9 billion in operating income.

There was an increase in revenues and profit due to an increase in completions of constructions to custom-built houses and common areas of condominiums as well as expense retrenchment.

Orders received expanded steadily, with orders received for reconstruction alternative products etc. in our custom-built houses and renovation businesses, for constructions to common areas of condominiums, etc. performing well overall.

Please note that a change in the execution system for constructions by local branches of Tokyu Community Corporation led to the partial reclassification of sales from the Property Management Segment to the Contracted Construction Segment.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	61.6	66.7	5.1	66.5	0.2
Operating income	0.0	0.9	0.9	0.5	0.4

Breakdown of operating revenue

(Unit:¥ billion)

	FY2010	FY2011	Comparison
Custom-built houses	16.6	18.1	1.6
Renovation	16.4	17.1	0.7
Landscape gardening etc.	28.6	31.5	2.8

Orders received (sales from orders)

(Before adjustments in ¥ billion)

	FY2010	FY2011	Comparison
Total sales from orders	59.6	66.7	7.1
Custom-built houses	18.4	19.0	0.6
Renovation	17.1	18.5	1.4
Landscape gardening etc.	24.2	29.3	5.2

3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥85.3 billion (up 12.8% from the previous year), and we recorded operating income of ¥1.8 billion (up 118.1%).

At Tokyu Hands, Inc., the opening of new stores led to an increase in both revenues and profit. Sales of products such as emergency supplies, which performed well this fiscal year, started to slow in the autumn, resulting in a decrease in revenues for the 18 existing outlets (down 1.7%).

The new stores that opened were “hands be Tokyu Plaza Omotesando Harajuku” and “Tokyu Hands Shanghai,” the first overseas store of Tokyu Hands, in April 2012. Moreover, “Tokyu Hands Tokyo” (Chiyoda-ku, Tokyo) is planned to be opened in September 2012. Through such store openings and other factors, Tokyu Hands is steadily expanding its business.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	75.6	85.3	9.7	87.4	(2.0)
Operating income	0.8	1.8	1.0	1.6	0.2

Breakdown of operating revenue

*The figures in brackets indicate the number of outlets at end of fiscal year.

(Unit:¥ billion)

	FY2010		FY2011		Comparison
Tokyo metropolitan area	55.8	[13]	55.9	[13]	0.1
Kansai region	11.1	[3]	15.9	[5]	4.8
Local regions	5.7	[3]	10.0	[3]	4.3
Small-scale outlets	3.0	[12]	3.6	[15]	0.6

4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue amounted to ¥125.3 billion (down 10.5% from the previous year) with operating income at ¥35.3 billion (down 40.8%).

In this fiscal year, we made 29 silent partnerships, etc. into consolidated subsidiaries. Previously, distributions from silent partnerships, etc. were recorded in operating revenue. However, as we recorded revenue from leasing of real estate, operating cost and interest expenses on loans payable because of their consolidation, there was an increase in revenues and profit. On the other hand, due to the recording of ¥34.0 billion for gain on the sale of a building through SPCs in the previous year, etc., the Leasing of Real Estate business experienced declines in both revenues and profit.

The vacancy rate (office buildings and commercial facilities) remained at its low level of 2.0% (parent company basis), thanks mainly to “Abeno Market Park Q’s MALL” (Osaka-shi, Osaka), which started its operations at 100% capacity and to the improved occupancy at existing office buildings.

In addition, we newly acquired “COCOE Amagasaki Ryokuyu Shintoshin” (Amagasaki-shi, Hyogo) and “Shibuya Nomura Building” (Shibuya-ku, Tokyo).

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	140.1	125.3	(14.8)	123.6	1.7
Operating income	59.7	35.3	(24.3)	33.0	2.3

Breakdown of operating revenue *1

(Unit:¥ billion)

	FY2010	FY2011	Comparison
Owned *2	—	65.2	—
Leased etc. *3	—	12.1	—
Subsidiaries and others *4	—	48.0	—

*1: Due to the consolidation of silent partnerships, etc., we have changed the presentation method for breakdown of operating revenue.

*2: Owned refers to office buildings and commercial facilities, etc. owned by the parent company and those owned by consolidated silent partnerships, etc.

*3: Leased etc. refers to leases by the parent company, and businesses of non-consolidated silent partnerships, etc.

*4: Subsidiaries and others refers to subsidiaries etc. other than consolidated silent partnerships, etc.

Office buildings and commercial facilities leasing floor space, and vacancy rate

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012
Leasing floor space (m ²)	772,364	832,573	1,072,228
Vacancy rate (consolidated basis)	3.9%	4.1%	2.3%
Vacancy rate (parent company basis)	3.0%	3.7%	2.0%

Major new opening

	Use	Open	Floor space (thousand m ²)
Abeno Market Park Q's MALL	Commercial	April 2011	123
Luogo Shiodome	Office	August 2011	9
A-PLACE Ikebukuro	Office	November 2011	5
COCOE Amagasaki Ryokuyu Shintoshin	Commercial	February 2012	164
Shibuya Nomura Building	Office	March 2012	13

Number of leased houses

(Units)

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012
House for lease	14,082	14,635	15,674
Lease management service	54,119	55,444	57,823
Company house management service	67,483	74,622	88,181

5) Property Management

Operating revenue and operating income from our Property Management business were ¥74.7 billion (up 2.5% from the previous year) and ¥4.9 billion (down 3.1%), respectively.

While revenues grew because of an increase in orders received for condominium management services and for building management services at Tokyu Community Corporation, profit decreased due to such factors as an increased cost for improving operational service quality.

Although the new condominium market is contracting, we are making efforts to expand the stock of condominium management services, including having been named as a designated manager of public housing complex.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	72.9	74.7	1.8	74.0	0.7
Operating income	5.1	4.9	(0.2)	4.9	0.0

Number of sites managed as of year end

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012
Condominiums (units)	373,250	400,876	405,911
Buildings (no. of contracts)	1,181	1,303	1,356

6) Facility Operations

Our Facility Operations business generated ¥59.6 billion in operating revenue (up 2.9% from the previous year) and posted an operating income of ¥3.0 billion (up 223.8%).

Both revenues and profit increased as a result of such factors as an increase in revenues in senior housing due to the start of operations of “Grancree Seijo” (Setagaya-ku, Tokyo) and “Grancree Bajikouen” (Setagaya-ku, Tokyo), which opened in the previous fiscal year; the recording of compensation income in association with the accident at the Tokyo Electric Power Company, Incorporated’s Fukushima Daiichi and Daini nuclear power plants; and cost cutting measures undertaken to mitigate the impact of the Great East Japan Earthquake.

In addition, sales of membership for the “Tokyu Harvest Club Atami Izusan & VIALA” membership resort hotel, which is scheduled to open in August 2013, are steadily progressing.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	57.9	59.6	1.7	59.8	(0.2)
Operating income	0.9	3.0	2.1	0.7	2.3

Breakdown of operating revenue

*The figures in brackets indicate the number of facilities at end of fiscal year.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	
Golf course	9.7 [21]	9.5 [20]	(0.3)	
Harvest Club	12.0 [24]	12.1 [24]	0.1	(Membership resort hotel)
Oasis	14.1 [31]	14.1 [31]	0.1	(Fitness club)
Ski resort	10.3 [8]	10.7 [8]	0.3	
Senior housing	4.7 [10]	5.9 [10]	1.2	
Other	7.0	7.3	0.3	

7) Real-Estate Agents

In our Real-Estate Agents businesses, operating revenue was ¥37.7 billion (down 0.6% from the previous year) and operating income amounted to ¥2.9 billion (down 3.3%).

Regarding our real-estate sales agent business, there was an increase in revenues as a result of efforts undertaken in the retail sales, including opening of new stores, aiming at expanding actual demand transactions targeting individual customers and stronger efforts made in the wholesale sales towards large contracts in real-estate investment markets. However, there was a decrease in revenues and profit in consignment sales because of a contribution from large condominiums such as “Futako Tamagawa Rise Tower & Residence” (Setagaya-ku, Tokyo) recorded in the previous year.

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	37.9	37.7	(0.2)	37.9	(0.2)
Operating income	3.0	2.9	(0.1)	2.5	0.3

Breakdown of operating revenue

(Unit:¥ billion)

	FY2010	FY2011	Comparison
Real-estate sales agent	30.4	31.4	1.0
Consignment sales	5.0	3.5	(1.5)
Other	2.5	2.8	0.3

8) Other

(Unit:¥ billion)

	FY2010	FY2011	Comparison	Full-year forecast (ann.11/4/11)	Projected change
Operating revenue	7.5	7.7	0.2	8.0	(0.3)
Operating income	0.2	0.2	0.0	0.0	0.2

Breakdown of operating revenue

(Unit:¥ billion)

	FY2010	FY2011	Comparison
Consignment welfare	4.6	5.0	0.4
Other	2.8	2.7	(0.2)

Forecast for Fiscal Year 2012 Ending March 31, 2013

We expect an increase in operating revenue, operating income and ordinary income, taking into consideration of factors such as planned sales of commercial facilities and office buildings, an increase in sales of condominiums and an improvement of profit margins in the Real Estate Sales segment; and lower interest expenses resulting from the reduction of interest-bearing debt.

However, we expect a decrease in net income, as there was gain on negative goodwill, etc. associated with the consolidation of silent partnerships, etc. recorded as extraordinary income in FY2011.

(Unit: ¥ billion)

	FY2011	FY2012 forecast	Comparison
Operating revenue	556.8	600.0	43.2
EBITDA	70.9	71.7	0.8
Operating income	50.1	51.0	0.9
Ordinary income	34.9	38.0	3.1
Net income	34.2	16.0	(18.2)

EBITDA: operating income before depreciation

Segment Performance Forecast

Operating revenue

(Unit: ¥ billion)

	FY2011	FY2012 forecast	Comparison
Real Estate Sales	116.3	150.6	34.3
Contracted Construction	66.7	70.3	3.6
Retail Sales	85.3	88.4	3.1
Leasing of Real Estate	125.3	125.4	0.1
Property Management	74.7	76.1	1.4
Facility Operations	59.6	59.7	0.1
Real-Estate Agents	37.7	40.8	3.1
Other	7.7	8.7	1.0
Adjustment for Inter-Company Transactions	(16.5)	(20.0)	(3.5)

Operating income

(Unit: ¥ billion)

	FY2011	FY2012 forecast	Comparison
Real Estate Sales	6.7	9.6	2.9
Contracted Construction	0.9	1.7	0.8
Retail Sales	1.8	2.0	0.1
Leasing of Real Estate	35.3	33.0	(2.4)
Property Management	4.9	5.1	0.2
Facility Operations	3.0	2.0	(1.0)
Real-Estate Agents	2.9	3.7	0.9
Other	0.2	0.0	(0.2)
Adjustment for Inter-Company Transactions	(5.7)	(6.0)	(0.3)

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

2. Analysis of Financial Conditions

1) Assets, Liabilities, and Net Assets

Total assets increased by ¥583.4 billion compared to the end of the previous fiscal year due to an increase in noncurrent assets, etc. from the consolidation of silent partnerships, etc., and total liabilities also increased by ¥547.8 billion due to an increase in interest-bearing debt, etc. from the consolidation of silent partnerships, etc. Of interest-bearing debt, ¥590.3 billion is loans payable of silent partnerships, etc.

Since sales of some commercial facilities and office buildings are planned in the fiscal year ending March 31, 2013, the interest-bearing debt is expected to be ¥975.0 billion and DE ratio 3.9 times as of the end of that fiscal year.

(Unit: ¥ billion)

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	
Total assets	1,055.4	1,161.4	1,744.8	
Total liabilities	824.4	921.6	1,469.4	
Net assets	231.0	239.8	275.3	
Equity	203.1	208.6	240.8	
Equity ratio	19.2%	18.0%	13.8%	As of March 31, 2013 (Forecast)
Interest-bearing debt	478.9	559.8	1,064.0	975.0
EBITDA multiple	9.8×	7.2×	15.0×	13.6×
DE ratio	2.4×	2.7×	4.4×	3.9×
ROA	3.4%	5.7%	3.5%	3.0%

EBITDA Multiple: Interest-Bearing Debt/EBITDA (Operating Income Before Depreciation)

DE Ratio: Interest-Bearing Debt/Equity

ROA: (Operating Income + Interest Income + Dividends Income)/Total Assets (Yearly Average)

2) Cash flow position

As of the end of fiscal 2011, cash and cash equivalents were ¥64.2 billion, representing a ¥20.3 billion increase from the previous fiscal year end.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥44.9 billion thanks to ¥42.2 billion in income before income taxes and minority interests, ¥39.4 billion in impairment loss, ¥20.8 billion in depreciation and amortization, among others, notwithstanding net cash used in ¥48.4 billion of gain on negative goodwill, an increase of ¥20.5 billion in inventories and a decrease of ¥15.9 billion in interest expenses paid, among others.

(Cash flows from investing activities)

Net cash used in investing activities was ¥28.8 billion due to ¥46.7 billion for purchase of noncurrent assets, among others, notwithstanding ¥8.7 billion in sales of noncurrent assets, among others.

(Cash flows from financing activities)

Net cash used in financing activities was ¥16.4 billion due to ¥320.0 billion in repayment of long-term loans payable and ¥22.0 billion in redemption of bonds, among others, notwithstanding net cash provided by a capital procurement of ¥291.8 billion as proceeds from long-term loans payable and ¥20.0 billion of issuance of bonds, among others.

Trend of indices

	FY2009	FY2010	FY2011
Equity ratio	19.2%	18.0%	13.8%
Equity ratio on market value basis	17.2%	18.2%	12.3%
Ratio of interest-bearing debt to cash flows	6.6 years	8.5 years	23.7 years
Interest coverage ratio	9.7	8.6	3.0

Equity Ratio:

Equity/Total Assets

Equity Ratio on Market Value Basis:

Market Capitalization/Total Assets

Ratio of Interest-Bearing Debt to Cash Flows:

Interest-Bearing Debt/Operating Cash Flow

Interest Coverage Ratio:

Operating Cash Flow/Interest Payments

Notes:

1. All figures are calculated based on the Consolidated Financial Statements.

2. Market Capitalization: Monthly average stock price during the last month of the fiscal year × number of shares issued (after deducting treasury stock)

3. Cash Flow: Cash Flow from Operating Activities stated in the Consolidated Statements of Cash Flows

4. Interest bearing-debt contains all liabilities to pay interest.

3. Basic policy on allocation of profits and dividends for this fiscal year and next fiscal year

The Company regards the return of profits to shareholders to be one of its most important policies. Our basic policy is the distribution of profits while balancing the retention of earnings and taking into consideration on our results as well as the future business environment, business development plans and others.

The Company plans to pay year-end dividends of ¥3.5 per share (annual dividends of ¥7.0) as initially planned. As a result, the dividend payout ratio for this fiscal year is 10.9%.

For the next fiscal year, the Company plans to pay interim dividends of ¥3.5 per share and year-end dividends of ¥3.5 per share for total annual dividends of ¥7.0 per share, which is the same as this fiscal year.

Consolidated Balance Sheets

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2011	As of March 31, 2012
Assets		
Current assets		
Cash and deposits	42,376	60,570
Notes and accounts receivable-trade	15,340	17,486
Short-term investment securities	2,080	4,110
Merchandise	7,912	8,311
Real estate for sale	80,477	89,986
Real estate for sale in process	71,495	79,085
Costs on uncompleted construction contracts	3,682	3,602
Supplies	779	741
Short-term loans receivable	325	27
Deferred tax assets	5,351	6,838
Other	45,605	30,199
Allowance for doubtful accounts	(534)	(277)
Total current assets	274,892	300,683
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	301,109	423,894
Accumulated depreciation	(137,284)	(164,176)
Buildings and structures, net	163,824	259,718
Land	373,074	1,016,728
Construction in progress	20,334	13,073
Other	40,964	47,127
Accumulated depreciation	(27,529)	(29,750)
Other, net	13,435	17,377
Total property, plant and equipment	570,669	1,306,897
Intangible assets		
Leasehold right	13,074	14,432
Goodwill	889	656
Other	12,914	12,185
Total intangible assets	26,878	27,274
Investments and other assets		
Investment securities	48,843	21,124
Investments in silent partnership	166,167	8,414
Long-term loans receivable	848	1,244
Lease and guarantee deposits	53,159	51,505
Deferred tax assets	13,937	19,616
Other	6,924	8,908
Allowance for doubtful accounts	(901)	(894)
Total investments and other assets	288,979	109,918
Total noncurrent assets	886,526	1,444,090
Total assets	1,161,419	1,744,774

Note: Amounts are in units of millions of yen with fractional units discarded.

Tokyu Land Corporation and Consolidated Subsidiaries
(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2011	As of March 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	37,491	46,125
Short-term loans payable	158,567	337,805
Current portion of bonds	20,000	20,000
Accounts payable-other	34,773	18,687
Income taxes payable	4,093	9,537
Deferred tax liabilities	7	21
Advances received	22,150	27,209
Deposits received from consignment sales	8,005	7,205
Deposits received	19,750	21,003
Deposits received for special joint ventures	9,700	12,000
Provision for bonuses	5,979	6,521
Provision for directors' bonuses	112	142
Provision for warranties for completed construction	317	309
Other provision	774	562
Other	11,529	10,579
Total current liabilities	333,253	517,713
Noncurrent liabilities		
Bonds payable	30,000	33,000
Long-term loans payable	351,223	673,173
Deferred tax liabilities	3,788	33,735
Deferred tax liabilities for land revaluation	13,584	11,088
Long-term lease and guarantee deposited	151,768	164,832
Deposits received for special joint ventures	10,150	4,750
Provision for retirement benefits	16,809	17,761
Provision for loss on guarantees	610	493
Provision for directors' retirement benefits	57	38
Other provision	146	140
Other	10,197	12,700
Total noncurrent liabilities	588,337	951,713
Total liabilities	921,590	1,469,427

Note: Amounts are in units of millions of yen with fractional units discarded.

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2011	As of March 31, 2012
Net assets		
Shareholders' equity		
Capital stock	57,551	57,551
Capital surplus	39,292	39,288
Retained earnings	101,455	133,243
Treasury stock	(1,186)	(1,189)
Total shareholders' equity	197,113	228,894
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(396)	(221)
Deferred gains or losses on hedges	—	116
Revaluation reserve for land	13,720	13,984
Foreign currency translation adjustment	(1,799)	(1,968)
Total accumulated other comprehensive income	11,525	11,910
Minority interests	31,189	34,542
Total net assets	239,828	275,347
Total liabilities and net assets	1,161,419	1,744,774

Note: Amounts are in units of millions of yen with fractional units discarded.

Consolidated Statements of (Comprehensive) Income

(Consolidated Statements of Income)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2010 (from April 1, 2010 to March 31, 2011)	FY2011 (from April 1, 2011 to March 31, 2012)
Operating revenue	571,443	556,841
Operating cost	439,706	433,510
Operating gross profit	131,736	123,331
Selling, general and administrative expenses	69,234	73,245
Operating income	62,502	50,086
Non-operating income		
Interest income	133	203
Dividends income	312	221
Equity in earnings of affiliates	37	509
Other	549	417
Total non-operating income	1,034	1,351
Non-operating expenses		
Interest expenses	7,729	15,021
Provision of allowance for doubtful accounts	23	—
Other	866	1,549
Total non-operating expenses	8,619	16,571
Ordinary income	54,916	34,866
Extraordinary income		
Reversal of allowance for doubtful accounts	36	—
Gain on negative goodwill	887	48,400
Other	1,301	644
Total extraordinary income	2,225	49,045
Extraordinary loss		
Impairment loss	33,943	39,361
Loss on adjustment for changes of accounting standard for asset retirement obligations	671	—
Other	968	2,377
Total extraordinary losses	35,582	41,739
Income before income taxes and minority interests	21,559	42,172
Income taxes-current	8,651	15,394
Income taxes-deferred	(2,401)	(11,332)
Total income taxes	6,250	4,061
Income before minority interests	15,308	38,110
Minority interests in income	3,711	3,910
Net income	11,597	34,200

Note: Amounts are in units of millions of yen with fractional units discarded.

(Consolidated Statements of Comprehensive Income)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2010 (from April 1, 2010 to March 31, 2011)	FY2011 (from April 1, 2011 to March 31, 2012)
Income before minority interests	15,308	38,110
Other comprehensive income		
Valuation difference on available-for-sale securities	(460)	192
Deferred gains or losses on hedges	—	116
Foreign currency translation adjustment	(167)	(170)
Revaluation reserve for land	(1,729)	1,545
Total other comprehensive income	(2,357)	1,683
Comprehensive income	12,951	39,794
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	9,263	35,868
Comprehensive income attributable to minority interests	3,688	3,926

Note: Amounts are in units of millions of yen with fractional units discarded.

Consolidated Statements of Cash Flows

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2010 (from April 1, 2010 to March, 2011)	FY2011 (from April 1, 2011 to March 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	21,559	42,172
Depreciation and amortization	14,882	20,771
Amortization of goodwill	452	176
Gain on negative goodwill	(887)	(48,400)
Equity in (earnings) losses of affiliates	(37)	(509)
Loss (gain) on valuation of short-term and long term investment securities	45	251
Increase (decrease) in allowance for doubtful accounts	151	(244)
Increase (decrease) in provision for directors' retirement benefits	(11)	(24)
Increase (decrease) in provision for retirement benefits	(3,080)	1,047
Increase (decrease) in provision for bonuses	216	542
Impairment loss	33,943	39,361
Loss on valuation of inventories	8,084	3,448
Loss (gain) on sales of short-term and long term investment securities	(3)	24
Loss (gain) on sales of noncurrent assets	(61)	(323)
Loss on retirement of noncurrent assets	734	557
Interest and dividends income	(446)	(425)
Interest expenses	7,729	15,021
Decrease (increase) in notes and accounts receivable-trade	143	(2,050)
Decrease (increase) in inventories	(961)	(20,724)
Increase (decrease) in notes and accounts payable-trade	(6,158)	8,638
Increase (decrease) in accounts payable-other	1,536	(36)
Increase (decrease) in advances received	(4,413)	5,002
Increase (decrease) in deposits received for consignment sales	(1,673)	(799)
Increase (decrease) in deposits received for special joint ventures	7,900	(3,100)
Decrease (increase) in undistributed earnings from silent partnership	10,267	909
Other, net	(2,278)	784
Subtotal	87,633	62,073
Interest and dividends income received	539	430
Interest expenses paid	(7,576)	(15,875)
Income taxes paid	(14,418)	(1,743)
Net cash provided by (used in) operating activities	66,178	44,885

Note: Amounts are in units of millions of yen with fractional units discarded.

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2010 (from April 1, 2010 to March 31, 2011)	FY2011 (from April 1, 2011 to March 31, 2012)
Net cash provided by (used in) investing activities		
Payments into time deposits	(218)	(75)
Proceeds from withdrawal of time deposits	10	218
Payments of loans receivable	(1,332)	(7,417)
Collection of loans receivable	15,667	7,306
Purchase of short-term and long term investment securities	(3,549)	(1,648)
Proceeds from sales and redemption of short-term and long term investment securities	1,126	2,391
Purchase of investments in subsidiaries	(49)	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(211)	—
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	—	779
Proceeds from sales of investments in subsidiaries and affiliates	—	6,289
Purchase of other securities of subsidiaries and affiliates	(2,400)	(2,750)
Payments for lease and guarantee deposits	(5,049)	(4,416)
Proceeds from collection of lease and guarantee deposits	5,858	6,435
Purchase of noncurrent assets	(192,909)	(46,674)
Proceeds from sales of noncurrent assets	31,596	8,738
Payments for investments in silent partnership	(19,242)	(582)
Proceeds from withdrawal of investments in silent partnership	23,556	927
Proceeds from contribution received for construction	320	1,973
Other, net	647	(275)
Net cash provided by (used in) investing activities	(146,178)	(28,780)

Note: Amounts are in units of millions of yen with fractional units discarded.

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2010 (from April 1, 2010 to March 31, 2011)	FY2011 (from April 1, 2011 to March 31, 2012)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(158)	13,004
Proceeds from long-term loans payable	165,402	291,786
Repayment of long-term loans payable	(95,418)	(320,041)
Repayments of long-term lease and guarantee deposited	(12,505)	(12,209)
Proceeds from long-term lease and guarantee deposited	17,380	18,716
Proceeds from issuance of bonds	10,000	20,000
Redemption of bonds	(1,000)	(22,000)
Cash dividends paid	(3,718)	(3,717)
Cash dividends paid to minority shareholders	(717)	(990)
Net decrease (increase) in treasury stock	(43)	(7)
Other, net	(230)	(963)
Net cash provided by (used in) financing activities	78,990	(16,421)
Effect of exchange rate change on cash and cash equivalents	(46)	(36)
Net increase (decrease) in cash and cash equivalents	(1,056)	(352)
Cash and cash equivalents at beginning of period	46,609	43,963
Increase in cash and cash equivalents from newly consolidated subsidiary and other	183	20,609
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(1,774)	—
Cash and cash equivalents at end of period	43,963	64,220

Note: Amounts are in units of millions of yen with fractional units discarded.