

**Financial Summary**  
**FY2012**  
**Ended March 31, 2013**

**Tokyu Land Corporation**

This report provides information excerpts from Tokyu Land's original disclosure in Japanese,  
"Kessan Tanshin," which was released on May 10, 2013 at 16:00 (GMT+9).  
The audit has not been completed.

## 1. Overview of the FY2012 Ended March 31, 2013

\*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)	(%)
FY2012	595,856	7.0	51,975	3.8	39,906	14.5	22,146	(35.2)
FY2011	556,841	(2.6)	50,086	(19.9)	34,866	(36.5)	34,200	194.9

Note: Comprehensive income: FY2012 ¥36,389 million [(8.6)%]; FY2011 ¥39,794 million [207.3%]

	Net income per share	Fully diluted net income per share	Net income/ shareholders' equity	Ordinary income/ total assets	Operating income/ operating revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2012	41.71	—	8.7	2.3	8.7
FY2011	64.40	—	15.2	2.4	9.0

Reference: Equity in earnings (losses) of affiliates: FY2012 ¥512 million; FY2011 ¥509 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, 2013	1,718,403	306,982	15.6	505.99
As of March 31, 2012	1,744,774	275,347	13.8	453.46

Reference: Equity: As of March 31, 2013 ¥268,675 million; As of March 31, 2012 ¥240,804 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)
FY2012	70,221	42,470	(90,530)	84,070
FY2011	44,885	(28,780)	(16,421)	64,220

## 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)	(%)	(%)
FY2011 ended March 31, 2012	—	3.50	—	3.50	7.00	3,717	10.9	1.7
FY2012 ended March 31, 2013	—	3.50	—	3.50	7.00	3,717	16.8	1.5
FY2013 ending March 31, 2014 (Forecast)	—	3.50	—	3.50	7.00		18.6	

Note: The Company plans to establish a holding company through joint share transfers with Tokyu Community Corporation and Tokyu Livable, Inc., as of October 1, 2013 (scheduled date). The above dividend forecasts are calculated based on the Company's present organization. The dividend forecasts of the holding company are to be disclosed at a later date.

### 3. Forecast for Fiscal Year 2013 Ending March 31, 2014

(% 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	690,000	15.8	60,000	15.4	47,000	17.8	20,000	(9.7)	37.67

Note: The Company plans to establish a holding company through joint share transfers with Tokyu Community Corporation and Tokyu Livable, Inc., as of October 1, 2013 (scheduled date). The above forecasts are calculated based on the Company's present organization. The forecasts of the holding company are to be disclosed at a later date.

\* 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, 2013, 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.

# Analysis of Operating Results and Financial Position

## 1. Analysis of Operating Results

### Current Operating Performance

Results for this fiscal year ended March 31, 2013 showed an increase in revenues and profit with ¥595.9 billion in operating revenue (up 7.0% from the previous year), ¥52.0 billion in operating income (up 3.8%) and ¥39.9 billion in ordinary income (up 14.5%). This was the result of an increase in sales in the Real Estate Sales segment and strong sales in the real-estate sales agent business in the Real-Estate Agents segment.

Following the listing of Activia Properties Inc. in June 2012, which entrusts the Company's wholly-owned subsidiary, TLC Activia Investment Management Inc., with its asset management, part of the commercial facilities and office buildings owned by the Company and its consolidated subsidiaries were transferred to Activia Properties. As a result, gain on sales of noncurrent assets of ¥8.4 billion was recorded as extraordinary income.

Net income decreased to ¥22.1 billion (down 35.2%). This was mainly the result of a decrease in extraordinary income and loss and an increase in tax expenses.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	556.8	595.9	39.0	600.0	(4.1)
Operating income	50.1	52.0	1.9	51.0	1.0
Ordinary income	34.9	39.9	5.0	38.0	1.9
Net income	34.2	22.1	(12.1)	20.0	2.1
Interest-bearing debt	1,064.0	974.1	(89.8)	975.0	(0.9)

### Segment Performance

#### Operating revenue

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Total	556.8	595.9	39.0	600.0	(4.1)
Real Estate Sales	116.3	145.1	28.8	146.3	(1.1)
Contracted Construction	66.7	70.1	3.4	71.0	(0.9)
Retail Sales	85.3	82.8	(2.5)	87.1	(4.2)
Leasing of Real Estate	125.3	128.3	3.0	126.1	2.2
Property Management	74.7	76.5	1.8	76.1	0.4
Facility Operations	59.6	59.7	0.1	59.9	(0.2)
Real-Estate Agents	37.7	42.3	4.6	41.7	0.6
Other	7.7	8.8	1.1	8.7	0.1
Adjustment for Inter-Company Transactions	(16.5)	(17.8)	(1.3)	(16.8)	(1.0)

## Operating income

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Total	50.1	52.0	1.9	51.0	1.0
Real Estate Sales	6.7	6.6	(0.1)	9.6	(3.0)
Contracted Construction	0.9	1.6	0.7	1.7	(0.1)
Retail Sales	1.8	0.9	(1.0)	1.8	(0.9)
Leasing of Real Estate	35.3	35.0	(0.3)	33.2	1.8
Property Management	4.9	5.1	0.2	5.1	(0.0)
Facility Operations	3.0	3.8	0.8	2.4	1.4
Real-Estate Agents	2.9	4.8	1.9	3.9	0.9
Other	0.2	0.0	(0.2)	(0.3)	0.3
Adjustment for Inter-Company Transactions	(5.7)	(5.8)	(0.1)	(6.3)	0.5

## 1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥145.1 billion in operating revenue (up 24.8% from the previous year) and ¥6.6 billion in operating income (down 1.6%).

Revenues increased due mainly to the transferring of inventories, including the commercial facilities and office buildings, to Activia Properties Inc. Although the profit margin of condominiums was improved, profit slightly decreased due mainly to a recording of loss on valuation of inventories of ¥4.1 billion.

Sales of condominium units in “Cross Air Tower” (Meguro-ku, Tokyo), “Exlus Tower Musashi-Kosugi” (Kawasaki-shi, Kanagawa), “Waterras Tower Residence” (Chiyoda-ku, Tokyo), “Branz Nishinomiya-Kitaguchi” (Nishinomiya-shi, Hyogo) and others were recorded. Sales continued to perform firmly 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 38% (down 5 percentage points from the previous year, parent company basis).

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	116.3	145.1	28.8	146.3	(1.1)
Operating income	6.7	6.6	(0.1)	9.6	(3.0)

## Breakdown of operating revenue

(Before adjustments in ¥ billion)

	FY2011		FY2012		Comparison
Condominium	2,741 units	98.8	2,571 units	100.9	2.2
Detached housing	220 units	5.0	206 units	4.0	(1.0)
Country houses	65 units	1.9	13 units	0.5	(1.4)
Other sales	—	10.7	—	39.8	29.1

## Number of units supplied and sold (Parent company)

(Units)

	FY2011		FY2012		Inventory of completed units	
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2012	As of March 31, 2013
Condominium	2,728	2,683	2,381	2,417	291	252
Detached housing	112	116	99	131	39	28
Country houses	81	108	57	61	—	—

## 2) Contracted Construction

In our Contracted Construction business, we posted ¥70.1 billion in operating revenue (up 5.1% from the previous year) and ¥1.6 billion in operating income (up 78.4%).

There was an increase in revenues and profit due to an increase in “Kurashi-Up” reconstruction alternative products in our renovation businesses as well as completions of constructions to custom-built houses, etc. Orders received also expanded steadily, mainly for reconstruction alternative products in our renovation businesses and custom-built houses.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	66.7	70.1	3.4	71.0	(0.9)
Operating income	0.9	1.6	0.7	1.7	(0.1)

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2011	FY2012	Comparison
Custom-built houses	18.1	18.7	0.6
Renovation	17.1	20.1	3.0
Landscape gardening etc.	31.5	31.3	(0.2)

### Orders received (sales from orders)

(Before adjustments in ¥ billion)

	FY2011	FY2012	Comparison
Total sales from orders	66.7	72.3	5.6
Custom-built houses	19.0	19.5	0.5
Renovation	18.5	20.0	1.6
Landscape gardening etc.	29.3	32.8	3.4

## 3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥82.8 billion (down 2.9% from the previous year), and we recorded operating income of ¥0.9 billion (down 53.0%).

At Tokyu Hands, Inc., the new stores that opened were “Tokyu Hands Shanghai,” the first overseas store of Tokyu Hands (in April), “Tokyu Hands Tokyo” (in September), and “Tokyu Hands Kumamoto,” the second store in Kyushu Island (in March), as well as six “hands be” small-scale outlets including “hands be Tokyu Plaza Omotesando Harajuku.” Despite those store openings, both revenues and profit decreased mainly due to a decrease in revenues for the existing outlets.

For the fiscal year ending March 31, 2014, “Tokyu Hands Himeji” was opened in April 2013. Tokyu Hands is expanding its business through such store openings and other means.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	85.3	82.8	(2.5)	87.1	(4.2)
Operating income	1.8	0.9	(1.0)	1.8	(0.9)

## Breakdown of operating revenue

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

(Unit:¥ billion)

	FY2011	FY2012	Comparison
Tokyo metropolitan area	55.9 [13]	52.4 [14]	(3.4)
Kansai region	15.9 [5]	16.1 [5]	0.1
Local regions and other	10.0 [3]	9.8 [5]	(0.2)
Small-scale outlets	3.6 [15]	4.5 [21]	1.0

## 4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue amounted to ¥128.3 billion (up 2.4% from the previous year) with operating income at ¥35.0 billion (down 0.9%).

During this fiscal year, “Tokyu Plaza Omotesando Harajuku” (Shibuya-ku, Tokyo), “Spline Aoyama Tokyu Building” (Minato-ku, Tokyo) and “Shin-Meguro Tokyu Building” (Shinagawa-ku, Tokyo) newly opened in April, July and December, respectively; while three in-operation facilities including “Osaka Nakanoshima Building” (Osaka-shi, Osaka) were acquired. The start of operations of these facilities, as well as other factors such as an increase in sales resulting from the full-year operations of facilities opened in the previous year and the beginning of TLC Activia Investment Management Inc.’s asset management operations entrusted by Activia Properties Inc., resulted in an increase in revenues. However, profit decreased due to the impact from transferring of noncurrent assets, including the commercial facilities and office buildings, to Activia Properties Inc.

The vacancy rate (office buildings and commercial facilities) remained at a low level of 2.1% (parent company basis) due to the improved occupancy at existing office buildings, while there were new openings of buildings.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	125.3	128.3	3.0	126.1	2.2
Operating income	35.3	35.0	(0.3)	33.2	1.8

## Breakdown of operating revenue

(Unit:¥ billion)

	FY2011	FY2012	Comparison
Owned *1	65.2	63.9	(1.3)
Leased etc.*2	12.1	11.9	(0.2)
Subsidiaries and others *3	48.0	52.5	4.5

\*1: Owned refers to office buildings and commercial facilities, etc. owned by the parent company and those owned by consolidated silent partnerships, etc.

\*2: Leased etc. refers to leases by the parent company, and businesses etc. of non-consolidated silent partnerships, etc.

\*3: 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, 2011	As of March 31, 2012	As of March 31, 2013
Leasing floor space (m <sup>2</sup> )	832,573	1,072,228	994,773
Vacancy rate (consolidated basis)	4.1%	2.3%	2.7%
Vacancy rate (parent company basis)*	3.7%	2.0%	2.1%

\* Including office buildings and commercial facilities owned by consolidated silent partnerships, etc.

**Major new openings**

	Use	Open	Floor space (thousand m <sup>2</sup> )
Tokyu Plaza Omotesando Harajuku	Commercial	April 2012	12
Spline Aoyama Tokyu Building	Office	July 2012	8
Shin-Meguro Tokyu Building	Office	December 2012	22
J-CORE Omori (completed in 2007)	Commercial	December 2012	8
Osaka Nakanoshima Building (completed in 1984)	Office	January 2013	34
Kamata Kosan Building (completed in 1988)	Commercial	February 2013	3

**Number of leased houses**

(Units)

	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013
House for lease	14,635	15,674	16,819
Lease management service	55,444	57,823	59,993
Company house management service	74,622	88,181	87,005

**5) Property Management**

Operating revenue and operating income from our Property Management business were ¥76.5 billion (up 2.4% from the previous year) and ¥5.1 billion (up 3.7%), respectively.

Regarding our Property Management business, both revenues and profit increased thanks to an increase in orders received for condominium management services and building management services, at Tokyu Community Corporation. In February 2013, Tokyu Community Corporation acquired shares in United Communities Co., Ltd., and made it a consolidated subsidiary. As a result, the number of condominiums managed as of March 31, 2013 significantly increased to 617 thousand units.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann.11/7/12)	Projected change
Operating revenue	74.7	76.5	1.8	76.1	0.4
Operating income	4.9	5.1	0.2	5.1	(0.0)

**Number of sites managed as of year end**

	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013
Condominiums (units)	400,876	405,911	617,687
Buildings (no. of contracts)	1,303	1,356	1,330



## 6) Facility Operations

Our Facility Operations business generated ¥59.7 billion in operating revenue (up 0.2% from the previous year) and ¥3.8 billion of operating income (up 25.6%).

Although there was a decrease in revenues in golf course due to progress in sales of facilities and outsourcing of food and drink services, both revenues and profit increased mainly due to the improved operations of senior housing and Tokyu Sports Oasis fitness clubs.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	59.6	59.7	0.1	59.9	(0.2)
Operating income	3.0	3.8	0.8	2.4	1.4

### Breakdown of operating revenue

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

(Unit:¥ billion)

	FY2011		FY2012		Comparison	
Golf course	9.5	[20]	8.6	[20]	(0.9)	
Harvest Club	12.1	[24]	12.2	[24]	0.1	(Membership resort hotel)
Oasis	14.1	[31]	14.5	[33]	0.3	(Fitness club, etc.)
Ski resort	10.7	[8]	10.7	[8]	0.0	
Senior housing	5.1	[10]	5.7	[10]	0.5	
Other	8.1		8.1		(0.0)	

## 7) Real-Estate Agents

In our Real-Estate Agents businesses, operating revenue was ¥42.3 billion (up 12.2% from the previous year) and operating income amounted to ¥4.8 billion (up 67.9%).

Regarding our real-estate sales agent business, in wholesale sales, we made stronger efforts towards large contracts. Also in retail sales, while promoting the opening of new stores and reinforcement of workers at existing stores, we worked to expand actual demand transactions targeting individual customers by such means as launching a new service of “Livable Anshin Agent Guarantee” in October 2012. As a result, there were a rise in contracted prices in wholesale sales and an increase in the number of completed contracts both in retail sales and wholesale sales, which lead to an increase in both revenues and profit.

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	37.7	42.3	4.6	41.7	0.6
Operating income	2.9	4.8	1.9	3.9	0.9

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2011	FY2012	Comparison
Real-estate sales agent	31.4	35.1	3.7
Consignment sales	3.5	4.4	0.9
Other	2.8	2.8	(0.0)

## 8) Other

(Unit:¥ billion)

	FY2011	FY2012	Comparison	Full-year forecast (ann. 11/7/12)	Projected change
Operating revenue	7.7	8.8	1.1	8.7	0.1
Operating income	0.2	0.0	(0.2)	(0.3)	0.3

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2011	FY2012	Comparison
Consignment welfare	5.0	5.8	0.8
Other	2.7	3.0	0.4

## Forecast for Fiscal Year 2013 Ending March 31, 2014

We expect an increase in operating revenue, operating income and ordinary income, taking into consideration of factors such as an increase in sales of condominiums in Real Estate Sales segment and the consolidation of United Communities Co., Ltd. as a subsidiary. However, we expect a decrease in net income, as there was gain on sales of noncurrent assets of ¥8.4 billion recorded as extraordinary income in FY2012, associated with the transferring of part of the commercial facilities and office buildings owned by the Company and its consolidated subsidiaries to Activia Properties Inc.

The forecasts are calculated based on the Company's present organization.

(Unit:¥ billion)

	FY2012	FY2013 forecast	Comparison
Operating revenue	595.9	690.0	94.1
EBITDA	72.2	80.1	7.9
Operating income	52.0	60.0	8.0
Ordinary income	39.9	47.0	7.1
Net income	22.1	20.0	(2.1)

EBITDA: operating income before depreciation

## Segment Performance Forecast

### Operating revenue

(Unit:¥ billion)

	FY2012	FY2013 forecast	Comparison
Real Estate Sales	145.1	197.8	52.6
Contracted Construction	70.1	82.8	12.7
Retail Sales	82.8	86.9	4.1
Leasing of Real Estate	128.3	126.3	(1.9)
Property Management	76.5	95.3	18.8
Facility Operations	59.7	62.9	3.2
Real-Estate Agents	42.3	46.3	4.0
Other	8.8	9.8	0.9
Adjustment for Inter-Company Transactions	(17.8)	(18.1)	(0.3)

### Operating income

(Unit:¥ billion)

	FY2012	FY2013 forecast	Comparison
Real Estate Sales	6.6	14.7	8.1
Contracted Construction	1.6	2.9	1.3
Retail Sales	0.9	1.5	0.6
Leasing of Real Estate	35.0	33.1	(1.9)
Property Management	5.1	6.3	1.2
Facility Operations	3.8	3.2	(0.6)
Real-Estate Agents	4.8	5.6	0.8
Other	0.0	(0.4)	(0.4)
Adjustment for Inter-Company Transactions	(5.8)	(7.0)	(1.2)

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 Position

### 1) Assets, Liabilities, and Net Assets

Total assets decreased by ¥26.4 billion compared to the end of the previous fiscal year in spite of increases including goodwill following the acquisition of shares in United Communities Co., Ltd. by Tokyu Community Corporation due primarily to the transferring of part of the commercial facilities and office buildings owned by the Company and its consolidated subsidiaries to Activia Properties Inc. in June 2012. Total liabilities also decreased by ¥58.0 billion due mainly to a decrease in interest-bearing debt following the transfer of the said assets, etc. Of interest-bearing debt, ¥496.0 billion is loans payable of silent partnerships, etc.

The interest-bearing debt is expected to be ¥1,015.0 billion and DE ratio 3.6 times as of the end of the fiscal year ending March 31, 2014. The forecasts are calculated based on the Company's present organization.

(Unit:¥ billion)

	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	
Total assets	1,161.4	1,744.8	1,718.4	
Total liabilities	921.6	1,469.4	1,411.4	
Net assets	239.8	275.3	307.0	
Equity	208.6	240.8	268.7	
Equity ratio	18.0%	13.8%	15.6%	As of March 31, 2014 (Forecast)
Interest-bearing debt	559.8	1,064.0	974.1	1,015.0
EBITDA multiple	7.2×	15.0×	13.5×	12.7×
DE ratio	2.7×	4.4×	3.6×	3.6×
ROA	5.7%	3.5%	3.0%	3.5%

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 2012, cash and cash equivalents were ¥84.1 billion, representing a ¥19.8 billion increase from the previous fiscal year end.

#### (Cash flows from operating activities)

Net cash provided by operating activities was ¥70.2 billion thanks to ¥42.0 billion in income before income taxes and minority interests, an increase of ¥29.8 billion in deposits received for consignment sales, ¥20.2 billion in depreciation and amortization and ¥11.6 billion in interest expenses, among others, notwithstanding ¥15.3 billion in income taxes paid and ¥11.8 billion in interest expenses paid, among others.

#### (Cash flows from investing activities)

Net cash provided by investing activities was ¥42.5 billion mainly due to ¥142.6 billion in sales of noncurrent assets, notwithstanding ¥45.0 billion used in purchase of noncurrent assets, ¥35.8 billion in purchase of investments in subsidiaries resulting in change in scope of consolidation, ¥20.0 billion in purchase of short-term and long term investment securities and ¥11.7 billion in payments for lease and guarantee deposits, among others.

#### (Cash flows from financing activities)

Net cash used in financing activities was ¥90.5 billion due to ¥372.4 billion in repayment of long-term loans payable and ¥22.8 billion in redemption of bonds, among others, notwithstanding net cash provided by ¥294.9 billion in proceeds from long-term loans payable, ¥25.2 billion in proceeds from long-term lease and guarantee deposited and ¥20.0 billion in issuance of bonds, among others.

**Trend of indices**

	FY2010	FY2011	FY2012
Equity ratio	18.0%	13.8%	15.6%
Equity ratio on market value basis	18.2%	12.3%	25.8%
Ratio of interest-bearing debt to cash flows	8.5 years	23.7 years	13.9 years
Interest coverage ratio	8.6	3.0	6.1

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 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 16.8%.

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. The dividend forecasts are calculated based on the Company's present organization.

## Consolidated Balance Sheets

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	60,570	84,535
Notes and accounts receivable-trade	17,486	19,288
Securities	4,110	1,432
Merchandise	8,311	8,776
Real estate for sale	89,986	72,980
Real estate for sale in process	79,085	97,916
Costs on uncompleted construction contracts	3,602	4,372
Supplies	741	639
Short-term loans receivable	27	24
Deferred tax assets	6,838	6,149
Other	30,199	28,129
Allowance for doubtful accounts	(277)	(258)
Total current assets	300,683	323,986
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	423,894	406,628
Accumulated depreciation	(164,176)	(165,754)
Buildings and structures, net	259,718	240,874
Land	1,016,728	932,965
Construction in progress	13,073	9,133
Other	47,127	48,605
Accumulated depreciation	(29,750)	(32,055)
Other, net	17,377	16,549
Total property, plant and equipment	1,306,897	1,199,523
Intangible assets		
Leasehold right	14,432	13,175
Goodwill	656	37,731
Other	12,185	11,652
Total intangible assets	27,274	62,559
Investments and other assets		
Investment securities	29,538	52,991
Long-term loans receivable	1,244	1,458
Lease and guarantee deposits	51,505	57,494
Deferred tax assets	19,616	10,561
Other	8,908	10,889
Allowance for doubtful accounts	(894)	(1,062)
Total investments and other assets	109,918	132,333
Total noncurrent assets	1,444,090	1,394,416
Total assets	1,744,774	1,718,403

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, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	46,125	39,138
Short-term loans payable	337,805	142,026
Current portion of bonds	20,000	—
Accounts payable-other	18,687	18,575
Income taxes payable	9,537	6,795
Deferred tax liabilities	21	10
Advances received	27,209	29,418
Deposits received from consignment sales	7,205	37,045
Deposits received	21,003	20,792
Deposits received for special joint ventures	12,000	4,750
Provision for bonuses	6,521	7,608
Provision for directors' bonuses	142	167
Provision for warranties for completed construction	309	330
Other provision	562	723
Other	10,579	12,041
Total current liabilities	517,713	319,425
Noncurrent liabilities		
Bonds payable	33,000	50,200
Long-term loans payable	673,173	781,915
Deferred tax liabilities	33,735	34,595
Deferred tax liabilities for land revaluation	11,088	9,777
Long-term lease and guarantee deposited	164,832	176,628
Deposits received for special joint ventures	4,750	5,300
Provision for retirement benefits	17,761	19,698
Provision for loss on guarantees	493	394
Provision for directors' retirement benefits	38	45
Other provision	140	529
Other	12,700	12,911
Total noncurrent liabilities	951,713	1,091,995
Total liabilities	1,469,427	1,411,421

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, 2012	As of March 31, 2013
Net assets		
Shareholders' equity		
Capital stock	57,551	57,551
Capital surplus	39,288	39,288
Retained earnings	133,243	153,888
Treasury stock	(1,189)	(1,217)
Total shareholders' equity	228,894	249,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(221)	9,067
Deferred gains or losses on hedges	116	(25)
Revaluation reserve for land	13,984	11,702
Foreign currency translation adjustment	(1,968)	(1,579)
Total accumulated other comprehensive income	11,910	19,164
Minority interests	34,542	38,306
Total net assets	275,347	306,982
Total liabilities and net assets	1,744,774	1,718,403

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Operating revenue	556,841	595,856
Operating cost	433,510	469,043
Operating gross profit	123,331	126,812
Selling, general and administrative expenses	73,245	74,836
Operating income	50,086	51,975
Non-operating income		
Interest income	203	128
Dividends income	221	157
Equity in earnings of affiliates	509	512
Other	417	387
Total non-operating income	1,351	1,186
Non-operating expenses		
Interest expenses	15,021	11,562
Other	1,549	1,693
Total non-operating expenses	16,571	13,256
Ordinary income	34,866	39,906
Extraordinary income		
Gain on sales of noncurrent assets	350	8,382
Gain on bargain purchase	48,400	2,389
Other	293	767
Total extraordinary income	49,045	11,539
Extraordinary loss		
Loss on sales of noncurrent assets	26	3,447
Loss on valuation of investment securities	251	1,994
Impairment loss	39,361	3,117
Other	2,099	931
Total extraordinary losses	41,739	9,491
Income before income taxes and minority interests	42,172	41,954
Income taxes-current	15,394	11,796
Income taxes-deferred	(11,332)	3,416
Total income taxes	4,061	15,213
Income before minority interests	38,110	26,741
Minority interests in income	3,910	4,594
Net income	34,200	22,146

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Income before minority interests	38,110	26,741
Other comprehensive income		
Valuation difference on available-for-sale securities	192	9,464
Deferred gains or losses on hedges	116	(142)
Foreign currency translation adjustment	(170)	232
Share of other comprehensive income of associates accounted for using equity method	—	159
Revaluation reserve for land	1,545	(66)
Total other comprehensive income	1,683	9,648
Comprehensive income	39,794	36,389
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	35,868	31,615
Comprehensive income attributable to minority interests	3,926	4,773

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

## Consolidated Statements of Changes in Net Assets

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

(Millions of yen)

Account title	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	57,551	57,551
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	57,551	57,551
Capital surplus		
Balance at the beginning of current period	39,292	39,288
Changes of items during the period		
Disposal of treasury stock	(4)	(0)
Total changes of items during the period	(4)	(0)
Balance at the end of current period	39,288	39,288
Retained earnings		
Balance at the beginning of current period	101,455	133,243
Changes of items during the period		
Dividends from surplus	(3,717)	(3,717)
Net income	34,200	22,146
Change of scope of consolidation	23	—
Reversal of revaluation reserve for land	1,281	2,215
Total changes of items during the period	31,788	20,645
Balance at the end of current period	133,243	153,888
Treasury stock		
Balance at the beginning of current period	(1,186)	(1,189)
Changes of items during the period		
Purchase of treasury stock	(16)	(32)
Disposal of treasury stock	13	4
Total changes of items during the period	(3)	(27)
Balance at the end of current period	(1,189)	(1,217)
Total shareholders' equity		
Balance at the beginning of current period	197,113	228,894
Changes of items during the period		
Dividends from surplus	(3,717)	(3,717)
Net income	34,200	22,146
Purchase of treasury stock	(16)	(32)
Disposal of treasury stock	8	4
Change of scope of consolidation	23	—
Reversal of revaluation reserve for land	1,281	2,215
Total changes of items during the period	31,780	20,617
Balance at the end of current period	228,894	249,511

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	(396)	(221)
Changes of items during the period		
Net changes of items other than shareholders' equity	174	9,289
Total changes of items during the period	174	9,289
Balance at the end of current period	(221)	9,067
Deferred gains or losses on hedges		
Balance at the beginning of current period	–	116
Changes of items during the period		
Net changes of items other than shareholders' equity	116	(142)
Total changes of items during the period	116	(142)
Balance at the end of current period	116	(25)
Revaluation reserve for land		
Balance at the beginning of current period	13,720	13,984
Changes of items during the period		
Net changes of items other than shareholders' equity	263	(2,282)
Total changes of items during the period	263	(2,282)
Balance at the end of current period	13,984	11,702
Foreign currency translation adjustment		
Balance at the beginning of current period	(1,799)	(1,968)
Changes of items during the period		
Net changes of items other than shareholders' equity	(168)	388
Total changes of items during the period	(168)	388
Balance at the end of current period	(1,968)	(1,579)
Total accumulated other comprehensive income		
Balance at the beginning of current period	11,525	11,910
Changes of items during the period		
Net changes of items other than shareholders' equity	385	7,253
Total changes of items during the period	385	7,253
Balance at the end of current period	11,910	19,164
Minority interests		
Balance at the beginning of current period	31,189	34,542
Changes of items during the period		
Net changes of items other than shareholders' equity	3,352	3,764
Total changes of items during the period	3,352	3,764
Balance at the end of current period	34,542	38,306

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Total net assets		
Balance at the beginning of current period	239,828	275,347
Changes of items during the period		
Dividends from surplus	(3,717)	(3,717)
Net income	34,200	22,146
Purchase of treasury stock	(16)	(32)
Disposal of treasury stock	8	4
Change of scope of consolidation	23	—
Reversal of revaluation reserve for land	1,281	2,215
Net changes of items other than shareholders' equity	3,738	11,017
Total changes of items during the period	35,518	31,635
Balance at the end of current period	275,347	306,982

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	42,172	41,954
Depreciation and amortization	20,771	20,246
Amortization of goodwill	176	162
Gain on bargain purchase	(48,400)	(2,389)
Equity in (earnings) losses of affiliates	(509)	(512)
Loss (gain) on valuation of short-term and long term investment securities	251	1,994
Increase (decrease) in allowance for doubtful accounts	(244)	39
Increase (decrease) in provision for directors' retirement benefits	(24)	7
Increase (decrease) in provision for retirement benefits	1,047	1,295
Increase (decrease) in provision for bonuses	542	707
Impairment loss	39,361	3,117
Loss on valuation of inventories	3,448	4,751
Loss (gain) on sales of short-term and long term investment securities	24	(767)
Loss (gain) on sales of noncurrent assets	(323)	(4,934)
Loss on retirement of noncurrent assets	557	795
Interest and dividends income	(425)	(285)
Interest expenses	15,021	11,562
Decrease (increase) in notes and accounts receivable-trade	(2,050)	(155)
Decrease (increase) in inventories	(20,724)	(3,371)
Increase (decrease) in notes and accounts payable-trade	8,638	(6,552)
Increase (decrease) in accounts payable-other	(36)	968
Increase (decrease) in advances received	5,002	4
Increase (decrease) in deposits received for consignment sales	(799)	29,839
Increase (decrease) in deposits received for special joint ventures	(3,100)	(6,700)
Decrease (increase) in undistributed earnings from silent partnership	909	2,266
Other, net	784	2,965
Subtotal	62,073	97,007
Interest and dividends income received	430	283
Interest expenses paid	(15,875)	(11,812)
Income taxes paid	(1,743)	(15,257)
Net cash provided by (used in) operating activities	44,885	70,221

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Net cash provided by (used in) investing activities		
Payments into time deposits	(75)	(279)
Proceeds from withdrawal of time deposits	218	19
Payments of loans receivable	(7,417)	(270)
Collection of loans receivable	7,306	86
Purchase of short-term and long term investment securities	(2,230)	(19,970)
Proceeds from sales and redemption of short-term and long term investment securities	3,318	8,222
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(35,827)
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	(2,750)	—
Payments for lease and guarantee deposits	(4,416)	(11,741)
Proceeds from collection of lease and guarantee deposits	6,435	4,942
Purchase of noncurrent assets	(46,674)	(45,010)
Proceeds from sales of noncurrent assets	8,738	142,638
Proceeds from contribution received for construction	1,973	—
Other, net	(275)	(338)
Net cash provided by (used in) investing activities	(28,780)	42,470

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	FY2011 (from April 1, 2011 to March 31, 2012)	FY2012 (from April 1, 2012 to March 31, 2013)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	13,004	(15,605)
Proceeds from long-term loans payable	291,786	294,906
Repayment of long-term loans payable	(320,041)	(372,416)
Proceeds from long-term lease and guarantee deposited	18,716	25,164
Repayments of long-term lease and guarantee deposited	(12,209)	(13,807)
Proceeds from issuance of bonds	20,000	20,000
Redemption of bonds	(22,000)	(22,800)
Cash dividends paid	(3,717)	(3,717)
Cash dividends paid to minority shareholders	(990)	(1,003)
Repayments of finance lease obligations	(963)	(1,223)
Net decrease (increase) in treasury stock	(7)	(27)
Other, net	0	—
Net cash provided by (used in) financing activities	(16,421)	(90,530)
Effect of exchange rate change on cash and cash equivalents	(36)	11
Net increase (decrease) in cash and cash equivalents	(352)	22,173
Cash and cash equivalents at beginning of period	43,963	64,220
Increase in cash and cash equivalents from newly consolidated subsidiary and other	20,609	1,032
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	—	(3,356)
Cash and cash equivalents at end of period	64,220	84,070

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