

**Financial Summary**  
**FY2009**  
**Ended March 31, 2010**

Tokyu Land Corporation

This report provides information excerpts from Tokyu Land's "*Kessan Tanshin*".  
Audit has not been completed.

## 1. Overview of the FY2009 Ended March 31, 2010

\*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)	(%)
FY2009	552,067	(3.9)	35,469	1.4	28,174	1.8	11,058	8.5
FY2008	574,361	(9.3)	34,990	(57.4)	27,674	(63.3)	10,192	(64.5)

	Net income per share	Fully diluted net income per share	Net income/ shareholders' equity	Ordinary income/ total assets	Operating income/ operating revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2009	20.82	—	5.5	2.7	6.4
FY2008	19.18	—	5.2	2.7	6.1

Reference: Equity in gains (losses) of affiliates: FY2009 ¥190 million; FY2008 ¥191 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, 2010	1,055,364	230,986	19.2	382.43
As of March 31, 2009	1,035,731	222,480	18.9	368.39

Reference: Equity: As of March 31, 2010 ¥203,136 million; As of March 31, 2009 ¥195,715 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)
FY2009	72,476	(26,697)	(30,859)	46,609
FY2008	13,354	(82,971)	68,029	30,337

## 2. Dividends

	Dividends per share					Total annual cash dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	Q1	Q2	Q3	Year-end	Full-year			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
FY2008 ended March 31, 2009	—	4.00	—	4.00	8.00	4,250	41.7	2.2
FY2009 ended March 31, 2010	—	3.50	—	3.50	7.00	3,718	33.6	1.9
FY2010 ending March 31, 2011 (Forecast)	—	3.50	—	3.50	7.00		32.3	

## 3. Forecast for Fiscal Year 2010 Ending March 31, 2011

(% 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)
First six months forecast	255,000	(2.3)	12,000	(59.1)	8,500	(66.9)	2,000	(84.0)	3.77
Full-year forecast	550,000	(0.4)	36,000	1.5	28,500	1.2	11,500	4.0	21.65

\*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. Actual performance may significantly differ from these forecasts due to various factors in the future.

# Operating Results and Financial Position

## 1. Analysis of Operating Results

### Current Operating Performance

We ended this year with a decrease in revenues and increase in profit; ¥552.1 billion in operating revenue (down 3.9% from the previous year), ¥35.5 billion in operating income (up 1.4%), ¥28.2 billion in ordinary income (up 1.8%) and ¥11.1 billion in net income (up 8.5%). Operating revenue decreased by ¥22.3 billion due to a decline in the number of condominium units sold, among others, while operating income increased by ¥0.5 billion as a result of the increase in dividends from the sale of buildings through SPCs, among others, offsetting a loss disposition on inventories and some assets held through SPCs. Ordinary income also increased by ¥0.5 billion.

Regarding extraordinary income/loss, although we recorded extraordinary income of ¥3.6 billion consisting of a gain on sales of noncurrent assets, among others, however, we also had an extraordinary loss of ¥3.8 billion, with a ¥3.6 billion impairment loss. Compared to the previous year, extraordinary income/loss improved by ¥3.8 billion, while increasing tax expenses affected on net income that profit increased by ¥0.9 billion.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	574.4	552.1	(22.3)	550.0	2.1
Operating income	35.0	35.5	0.5	37.0	(1.5)
Ordinary income	27.7	28.2	0.5	28.5	(0.3)
Net income	10.2	11.1	0.9	10.5	0.6
Interest-bearing debt	477.0	478.9	1.9	480.0	(1.1)

### Segment Performance

#### Operating revenue

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Total	574.4	552.1	(22.3)	550.0	2.1
Real Estate Sales	157.0	118.8	(38.2)	118.0	0.8
Contracted Construction	62.2	59.4	(2.8)	62.6	(3.2)
Retail Sales	87.0	78.0	(9.0)	82.3	(4.3)
Leasing of Real Estate	111.8	134.9	23.1	128.1	6.7
Property Management	73.4	74.7	1.3	75.5	(0.7)
Resorts	59.9	58.4	(1.5)	60.4	(1.9)
Real-Estate Agents and Other Businesses	42.0	41.0	(1.0)	41.1	(0.2)
Adjustment for Inter-Company Transactions	(18.9)	(13.1)	5.7	(18.1)	4.9

## Operating income

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Total	35.0	35.5	0.5	37.0	(1.5)
Real Estate Sales	4.1	(14.6)	(18.6)	(11.0)	(3.6)
Contracted Construction	(2.9)	(1.6)	1.3	(1.6)	0.0
Retail Sales	0.6	0.2	(0.4)	0.3	(0.1)
Leasing of Real Estate	34.3	50.0	15.7	48.9	1.1
Property Management	3.9	4.4	0.5	4.0	0.5
Resorts	1.3	1.4	0.2	1.6	(0.1)
Real-Estate Agents and Other Businesses	(1.2)	0.4	1.7	(0.3)	0.7
Adjustment for Inter-Company Transactions	(5.1)	(5.0)	0.1	(5.0)	0.0

### 1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥118.8 billion in operating revenue (down 24.3% from the previous year) and ¥14.6 billion in operating loss. A decrease in the number of condominium units sold, decrease in the sales and the gross profit margin ratio, as well as recording of ¥12.4 billion in valuation losses of inventories after revising sales price resulted in a decrease in both revenues and profit.

Regarding condominium sales, the number of contracts exceeded the forecast greatly driving down the inventory of completed units by 372 units. The ratio of contracted amount for sale to the planned sales amount for the next fiscal year excluding the sale of rental residence buildings amounted to 44% (up 4% from the previous year; parent company basis).

During this fiscal year, we recorded sales of condominium units at “Branz Tower Minamisenju” (Arakawa-ku, Tokyo), “Osaki West City Towers” (Shinagawa-ku, Tokyo), “East Gate Tower Kawaguchi” (Kawaguchi, Saitama) and “Branz Ibaraki” (Ibaraki, Osaka), etc., as well as sales of detached housing at “Branz Garden Asumigaoka higashi” (Chiba, Chiba), etc. and country houses at “Tokyu Harvest Club Arima Rokusai” (Kobe, Hyogo), etc.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	157.0	118.8	(38.2)	118.0	0.8
Operating income	4.1	(14.6)	(18.6)	(11.0)	(3.6)

### Breakdown of operating revenue

(Before adjustments in ¥ billion)

	FY2008		FY2009		Comparison
Condominium	2,693 units	99.6	2,362 units	87.5	(12.1)
Detached housing	283 units	7.2	251 units	7.3	0.2
Country houses	165 units	6.8	106 units	3.5	(3.4)
Other sales	—	43.4	—	20.5	(23.0)

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

(Units)

	FY2008		FY2009		Inventory of completed units	
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2009	As of March 31, 2010
Condominium	1,726	1,972	1,810	1,942	816	372
Detached housing	163	174	169	164	43	31
Country houses	63	158	48	87	—	—

## 2) Contracted Construction

In our Contracted Construction business, we posted ¥59.4 billion in operating revenue (down 4.5% from the previous year) and ¥1.6 billion in operating loss. Despite a decrease in revenues, expense retrenchment efforts under continuing market sluggishness succeeded in contracting the margin of loss.

Orders received also showed a recovery trend as low-end products in our custom-built houses business and reconstruction alternative products in our renovation business expanded steadily since the fall.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	62.2	59.4	(2.8)	62.6	(3.2)
Operating income	(2.9)	(1.6)	1.3	(1.6)	0.0

### Breakdown of operating revenue

(Unit: ¥ billion)

	FY2008	FY2009	Comparison
Custom-built houses	19.1	15.9	(3.3)
Renovation	15.6	15.8	0.3
Landscape gardening etc.	27.5	27.7	0.2

### Orders received (sales from orders)

(Before adjustments in ¥ billion)

	FY2008	FY2009	Comparison
Total sales from orders	57.4	56.1	(1.4)
Custom-built houses	21.8	18.8	(2.9)
Renovation	15.6	16.1	0.5
Landscape gardening etc.	20.0	21.1	1.1

## 3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥78.0 billion (down 10.3% from the previous year), and we recorded operating income of ¥0.2 billion (down 59.6%). Although revenues at existing Tokyu Hands Inc. outlets continue to follow a downward trend as consumers are more oriented towards low prices and savings, we secured a profit by restructuring business and cost cutting.

Also during this fiscal year, we worked to strengthen our data transmissions under our “Hint Market” concept to support an abundant lifestyle for our customers.

Tokyu Hands has begun operations of a small-scale lifestyle shop “hands be” at Totsuka Tokyu Plaza (April 2010) and will also soon open Tokyu Hands Hakata (tentative store name; spring 2011) as the first Kyushu store of Tokyu Hands.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	87.0	78.0	(9.0)	82.3	(4.3)
Operating income	0.6	0.2	(0.4)	0.3	(0.1)

### Breakdown of operating revenue

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

(Unit: ¥ billion)

	FY2008	FY2009	Comparison
Tokyo metropolitan area	65.5 [13]	58.8 [13]	(6.7)
Kansai region	13.4 [3]	11.7 [3]	(1.7)
Local regions	5.8 [2]	5.3 [2]	(0.5)
Small-scale outlets	2.3 [6]	2.2 [8]	(0.0)

#### 4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue amounted to ¥134.9 billion (up 20.7% from the previous year) with operating income at ¥50.0 billion (up 45.6%). We recorded revaluation losses on some assets, especially those of offices and commercial facilities in local regions held through SPCs, of ¥8.7 billion and loss on sales of ¥3.6 billion, however, distributions from the sale of a building through SPCs of ¥31.4 billion resulted in an increase in both revenues and profit.

For the fiscal year under review, regarding the office building market, the heightening of cost consciousness among tenants kept the market stagnant, however a focus on sales resulted in an improvement of vacancy rate at 3.0% (parent company basis) at the end of March and a steady decrease in space for rent in existing buildings.

In the next fiscal year, Totsuka Tokyu Plaza is to fully start its operations at Totsuka West Exit Kyodo Building in April 2010, with Kasumigaseki Tokyu Building and Futako Tamagawa Redevelopment Project to follow.

The business of house leasing deployed by our subsidiaries is well underway in the area of property development such as management services. Also, after the inauguration of Tokyu Stay Ikebukuro in April 2010, our Tokyu Stay chain of hotels designed for long stays has now 14 hotels with 1,899 rooms in the Tokyo metropolitan area maintaining a high occupancy rate.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	111.8	134.9	23.1	128.1	6.7
Operating income	34.3	50.0	15.7	48.9	1.1

#### Breakdown of operating revenue

(Unit: ¥ billion)

	FY2008	FY2009	Comparison
Owned	18.8	18.9	0.1
Leased	12.3	11.7	(0.6)
SPC	35.1	56.2	21.1
Subsidiaries and others	45.5	48.0	2.5

#### Investments in SPC (Parent company)

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
Number of SPC	71	64	62
Investment balance (¥ billion)	200.7	233.1	216.2

#### Office and commercial leasing floor space, and vacancy rate

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
Leasing floor space (m <sup>2</sup> )	814,146	828,719	772,364
Office/Commercial	496,433	470,684	458,285
SPC	317,713	358,035	314,079
Vacancy rate (consolidated basis)	2.0%	5.1%	3.9%
Vacancy rate (parent company basis)	1.4%	4.6%	3.0%

**Major new opening**

	Use	Open	Floor space
Shibuya Place	Office	July 2009	4,000m <sup>2</sup>

**Number of leased houses**

(Units)

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
House for lease	12,223	12,909	14,082
Lease management service	46,911	48,811	54,119
Company house management service	54,342	61,974	67,483

**5) Property Management**

Operating revenue and operating income from our Property Management business were ¥74.7 billion (up 1.8% from the previous year) and ¥4.4 billion (up 12.4%) respectively. Tokyu Community Corporation aggressively promoted activities to increase orders to designated managers of public housing, which resulted in an increase in both revenues and profit along with expansion of their stock of condominium management services and cost cutting effect.

Also, we secured additional orders for condominium management services for 28,000 units bringing the total number as of the end of this fiscal year to 373,000 units.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	73.4	74.7	1.3	75.5	(0.7)
Operating income	3.9	4.4	0.5	4.0	0.5

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

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
Condominiums (units)	346,305	353,368	373,250
Buildings (no. of contracts)	1,134	1,107	1,181



## 6) Resorts

Our Resorts business generated ¥58.4 billion in operating revenue (down 2.4% from the previous year) and posted a ¥1.4 billion operating income (up 14.4%). Operating revenue decreased resulting from lower membership sales and disposition of bathing facilities despite some contributions from new facilities at Tokyu Sports Oasis fitness club. However, operating income increased due to factors such as favorable sales of our “Grancreeper Center Minami” senior housing along with lower opening costs for facilities inaugurated in the previous fiscal year.

During this fiscal year, several facilities commenced their operations; Arima Rokusai and VIALAannex Arima Rokusai at Tokyu Harvest Club, Totsuka of Tokyu Sports Oasis fitness club, and Creer Residence Sakuradai and Grancreeper Center Minami as senior housing. Also, in the next fiscal year, we plan to open Grancreeper Seijo in the summer of 2010 also as senior housing.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	59.9	58.4	(1.5)	60.4	(1.9)
Operating income	1.3	1.4	0.2	1.6	(0.1)

### Breakdown of operating revenue

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

(Unit: ¥ billion)

	FY2008	FY2009	Comparison
Golf course	10.3 [22]	10.4 [22]	0.1
Harvest Club	11.1 [23]	11.3 [24]	0.2
Oasis	12.7 [32]	13.7 [32]	1.0
Ski resort	11.4 [8]	11.4 [8]	(0.0)
Senior housing	3.3 [6]	3.7 [8]	0.4
Other	11.1	8.0	(3.1)

(Membership resort hotel)

(Fitness club)

## 7) Real-Estate Agents and Other Businesses

In our Real-Estate Agents and Other Businesses, operating revenue was ¥41.0 billion (down 2.4% from the previous year) with operating income of ¥0.4 billion. Regarding our real-estate sales agent business, retail sales were firm as the number of contracts increased backed by lower prices and a drop in the supply number of new condominiums, with contracted prices on a bottoming out trend. Regarding wholesale sales, the real-estate investment market has yet to fully recover as no financial institutions changed their lending practices and large transactions are left incomplete. Consignment sales also decreased as large transactions dropped year on year, despite sales and deliveries at levels exceeding initial forecasts. On the other hand, profit increased due to cost cutting efforts mostly at Tokyu Livable, Inc.

(Unit: ¥ billion)

	FY2008	FY2009	Comparison	Full-year forecast (ann.11/6/09)	Projected change
Operating revenue	42.0	41.0	(1.0)	41.1	(0.2)
Operating income	(1.2)	0.4	1.7	(0.3)	0.7

### Breakdown of operating revenue

(Unit: ¥ billion)

	FY2008	FY2009	Comparison
Real-estate sales agent	26.5	26.9	0.4
Consignment sales	5.9	4.1	(1.8)
Consignment welfare	3.3	3.6	0.3
Other	6.3	6.4	0.0

## Forecast for Fiscal Year 2010 Ending March 31, 2011

In the Leasing of Real Estate segment, despite a decrease in dividends from the sale of a building through SPCs, operating revenue is expected to stay roughly the same thanks to factors such as a significant increase in the sale of condominium units, among others, in the Real Estate sales segment, with operating income also likely to increase due to large decreases in loss disposition etc.

(Unit: ¥ billion)

	FY2009	FY2010 forecast	Comparison
Operating revenue	552.1	550.0	(2.1)
EBITDA	48.7	50.0	1.3
Operating income	35.5	36.0	0.5
Ordinary income	28.2	28.5	0.3
Net income	11.1	11.5	0.4

EBITDA: operating income before depreciation

## Segment Performance Forecast

### Operating revenue

(Unit: ¥ billion)

	FY2009	FY2010 forecast	Comparison
Real Estate Sales	118.8	136.8	18.0
Contracted Construction	59.4	64.1	4.7
Retail Sales	78.0	77.3	(0.7)
Leasing of Real Estate	134.9	108.3	(26.6)
Property Management	74.7	72.1	(2.6)
Facility Operations * <sup>1</sup>	58.4	62.3	3.8
Real-Estate Agents and Other Businesses * <sup>2</sup>	41.0	—	(41.0)
Real-Estate Agents * <sup>2</sup>	—	36.1	36.1
Other * <sup>2</sup>	—	9.2	9.2
Adjustment for Inter-Company Transactions	(13.1)	(16.2)	(3.1)

### Operating income

(Unit: ¥ billion)

	FY2009	FY2010 forecast	Comparison
Real Estate Sales	(14.6)	2.6	17.2
Contracted Construction	(1.6)	0.5	2.1
Retail Sales	0.2	0.3	0.1
Leasing of Real Estate	50.0	29.8	(20.2)
Property Management	4.4	4.3	(0.1)
Facility Operations * <sup>1</sup>	1.4	1.6	0.2
Real-Estate Agents and Other Businesses * <sup>2</sup>	0.4	—	(0.4)
Real-Estate Agents * <sup>2</sup>	—	1.8	1.8
Other * <sup>2</sup>	—	0.1	0.1
Adjustment for Inter-Company Transactions	(5.0)	(5.1)	(0.1)

In accordance with the application of the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17, May 26, 1988, Corporate Accounting Council, Revised March 27, 2009) and the Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008), a portion of the segment information is to be changed as in \*1 and \*2 below from the fiscal year ending March 31, 2011.

\*1 The item previously presented as “Resorts” will be changed to “Facility Operations.”

\*2 The item previously presented as “Real-Estate Agents and Other Businesses” will be presented separately as “Real-Estate Agents” and “Other.”

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. 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

(Unit: ¥ billion)

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010	
Total assets	1,013.9	1,035.7	1,055.4	
Total liabilities	795.7	813.3	824.4	
Net assets	218.2	222.5	231.0	
Equity	192.8	195.7	203.1	As of March 31, 2011 (Forecast)
Equity ratio	19.0%	18.9%	19.2%	
Interest-bearing debt	411.5	477.0	478.9	495.0
EBITDA multiple	4.4×	9.9×	9.8×	9.9×
DE ratio	2.1×	2.4×	2.4×	2.4×
ROA	8.4%	3.5%	3.4%	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 2009, cash and cash equivalents were ¥46.6 billion, representing a ¥16.3 billion increase from the previous fiscal year end. Cash flow position during this fiscal year is as follows.

#### (Cash flows from operating activities)

Net cash provided by operating activities was ¥72.5 billion thanks to ¥28.1 billion of income before income taxes and minority interests, a ¥16.0 billion of increase in income from silent partnership before settlement, a ¥13.5 billion of loss on valuation of inventories and ¥13.2 billion of depreciation and amortization, notwithstanding ¥11.3 billion in income taxes paid and ¥7.3 billion in interest expenses paid, among others.

#### (Cash flows from investment activities)

Net cash used in investment activities was ¥26.7 billion due to a ¥37.0 billion investment in noncurrent assets, a ¥14.4 billion equity investment, and ¥11.9 billion in purchase of short-term and long term investment securities, notwithstanding a ¥15.1 billion collection of equity investment and a ¥15.0 billion proceeds from sales of noncurrent assets, among others.

#### (Cash flows from financing activities)

Net cash used in financing activities was ¥30.9 billion due to ¥61.1 billion in repayment of long-term loans payable and ¥53.4 billion in decrease in short-term loans payable and ¥23.2 billion in repayments of long-term lease and guarantee deposited, notwithstanding capital procurement of ¥97.1 billion in proceeds from long-term loans payable, among others.

**Trend of indices**

	FY2007	FY2008	FY2009
Equity ratio	19.0%	18.9%	19.2%
Equity ratio on market value basis	32.4%	12.9%	17.2%
Ratio of interest-bearing debt to cash flows	16.5 years	35.7 years	6.6 years
Interest coverage ratio	3.5	1.7	9.7

Equity Ratio:

Equity/Total Assets

Equity Ratio on Market Value Basis:

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

3. Operating 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 33.6%.

For the next fiscal year, net income is expected to be almost at the same level as this 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 as well as the fiscal year under review.

## Consolidated Balance Sheets

### Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2009	As of March 31, 2010
Assets		
Current assets		
Cash and deposits	22,613	44,626
Notes and accounts receivable-trade	13,750	14,667
Short-term investment securities	8,299	70
Merchandise	7,985	7,556
Real estate for sale	106,152	99,001
Real estate for sale in process	90,457	70,445
Costs on uncompleted construction contracts	3,391	2,731
Supplies	885	787
Short-term loans receivable	14	2,256
Deferred tax assets	4,761	5,402
Other	31,133	36,318
Allowance for doubtful accounts	(460)	(372)
Total current assets	288,984	283,490
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	262,496	277,905
Accumulated depreciation	(137,459)	(144,116)
Buildings and structures, net	125,037	133,788
Land	255,303	281,925
Construction in progress	11,265	17,404
Other	37,093	39,402
Accumulated depreciation	(26,481)	(28,033)
Other, net	10,611	11,368
Total property, plant and equipment	402,218	444,486
Intangible assets		
Leasehold right	10,295	13,652
Goodwill	1,382	934
Other	14,714	13,846
Total intangible assets	26,391	28,433
Investments and other assets		
Investment securities	35,777	42,477
Investments in silent partnership	204,320	181,845
Long-term loans receivable	504	650
Lease and guarantee deposits	57,093	53,928
Deferred tax assets	12,760	12,902
Other	8,638	8,061
Allowance for doubtful accounts	(959)	(912)
Total investments and other assets	318,136	298,953
Total noncurrent assets	746,747	771,874
Total assets	1,035,731	1,055,364

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, 2009	As of March 31, 2010
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	36,409	43,552
Short-term loans payable	110,611	130,655
Commercial papers	48,000	—
Accounts payable-other	12,037	19,051
Income taxes payable	2,798	6,671
Deferred tax liabilities	19	12
Advances received	28,635	26,569
Deposits received from consignment sales	9,633	9,678
Deposits received	18,436	19,877
Deposits received for special joint ventures	10,100	5,150
Provision for bonuses	5,293	5,753
Provision for directors' bonuses	87	94
Provision for warranties for completed construction	316	274
Other provision	451	913
Other	10,060	10,727
<b>Total current liabilities</b>	<b>292,893</b>	<b>278,981</b>
<b>Noncurrent liabilities</b>		
Bonds payable	40,000	41,000
Long-term loans payable	278,422	307,283
Deferred tax liabilities	2,487	2,413
Deferred tax liabilities for land revaluation	12,533	14,358
Long-term lease and guarantee deposited	156,645	146,660
Deposits received for special joint ventures	5,150	6,800
Provision for retirement benefits	19,584	20,459
Provision for loss on guarantees	916	751
Provision for directors' retirement benefits	350	71
Other provision	34	79
Other	4,232	5,517
<b>Total noncurrent liabilities</b>	<b>520,357</b>	<b>545,396</b>
<b>Total liabilities</b>	<b>813,250</b>	<b>824,378</b>

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, 2009	As of March 31, 2010
Net assets		
Shareholders' equity		
Capital stock	57,551	57,551
Capital surplus	39,306	39,297
Retained earnings	85,513	89,927
Treasury stock	(1,121)	(1,147)
Total shareholders' equity	181,249	185,628
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(140)	44
Deferred gains or losses on hedges	(20)	—
Revaluation reserve for land	16,439	19,098
Foreign currency translation adjustment	(1,812)	(1,635)
Total valuation and translation adjustments	14,465	17,508
Minority interests	26,765	27,849
Total net assets	222,480	230,986
Total liabilities and net assets	1,035,731	1,055,364

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



## Consolidated Statements of Income

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	FY2008 (from April 1, 2008 to March 31, 2009)	FY2009 (from April 1, 2009 to March 31, 2010)
Operating revenue	574,361	552,067
Operating cost	460,014	445,609
Operating gross profit	114,347	106,458
Selling, general and administrative expenses	79,356	70,988
Operating income	34,990	35,469
Non-operating income		
Interest income	229	134
Dividends income	344	394
Equity in earnings of affiliates	191	190
Foreign exchange gains	69	—
Other	387	381
Total non-operating income	1,222	1,102
Non-operating expenses		
Interest expenses	7,850	7,476
Provision of allowance for doubtful accounts	57	0
Other	629	920
Total non-operating expenses	8,537	8,397
Ordinary income	27,674	28,174
Extraordinary income		
Gain on sales of noncurrent assets	2,609	3,536
Reversal of allowance for doubtful accounts	75	91
Other	292	1
Total extraordinary income	2,978	3,630
Extraordinary loss		
Loss on valuation of investment securities	1,458	—
Loss on sales of noncurrent assets	2,006	88
Impairment loss	2,984	3,576
Other	427	85
Total extraordinary losses	6,876	3,750
Income before income taxes and minority interests	23,776	28,054
Income taxes-current	8,489	14,190
Income taxes-deferred	2,748	836
Total income taxes	11,237	15,026
Minority interests in income	2,346	1,969
Net income	10,192	11,058

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	FY2008 (from April 1, 2008 to March 31, 2009)	FY2009 (from April 1, 2009 to March 31, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	23,776	28,054
Depreciation and amortization	13,291	13,228
Amortization of goodwill	1,415	407
Equity in (earnings) losses of affiliates	(191)	(190)
Loss (gain) on valuation of investment securities	1,458	–
Increase (decrease) in allowance for doubtful accounts	258	(135)
Increase (decrease) in provision for directors' retirement benefits	(677)	(291)
Increase (decrease) in provision for retirement benefits	498	873
Increase (decrease) in provision for bonuses	(1,910)	459
Impairment loss	2,984	3,576
Loss on valuation of inventories	10,100	13,473
Loss (gain) on sales of short-term and long term investment securities	39	24
Loss (gain) on sales of noncurrent assets	(603)	(3,448)
Loss on retirement of noncurrent assets	831	544
Interest and dividends income	(573)	(529)
Interest expenses	7,850	7,476
Decrease (increase) in notes and accounts receivable-trade	6,451	(1,787)
Decrease (increase) in inventories	(1,667)	6,529
Increase (decrease) in notes and accounts payable-trade	(14,206)	7,648
Increase (decrease) in accounts payable-other	(2,937)	97
Increase (decrease) in advances received	(805)	630
Increase (decrease) in deposits received for consignment sales	1,831	44
Increase (decrease) in deposits received for special joint ventures	(21,250)	(3,300)
Increase (decrease) in income from silent partnership before settlement	5,704	15,998
Other, net	725	1,064
Subtotal	32,396	90,423
Interest and dividends income received	742	663
Interest expenses paid	(7,550)	(7,348)
Income taxes paid	(12,235)	(11,261)
Net cash provided by (used in) operating activities	13,354	72,476

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	FY2008 (from April 1, 2008 to March 31, 2009)	FY2009 (from April 1, 2009 to March 31, 2010)
Net cash provided by (used in) investing activities		
Payments into time deposits	(3)	(12)
Proceeds from withdrawal of time deposits	103	2
Payments of loans receivable	(237)	(212)
Collection of loans receivable	358	32
Purchase of short-term and long term investment securities	(1,921)	(11,855)
Proceeds from sales and redemption of short-term and long term investment securities	770	1,511
Purchase of investments in subsidiaries	(5)	(203)
Proceeds from sales of investments in subsidiaries	15	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,547)	(88)
Payments for investments in silent partnership resulting in change in scope of consolidation	(781)	—
Payments for lease and guarantee deposits	(3,621)	(2,353)
Proceeds from collection of lease and guarantee deposits	3,290	5,384
Purchase of noncurrent assets	(47,106)	(36,950)
Proceeds from sales of noncurrent assets	9,832	15,036
Payments for investments in silent partnership	(64,428)	(14,444)
Proceeds from withdrawal of investments in silent partnership	22,923	15,106
Proceeds from contribution received for construction	—	2,190
Purchase of stocks of subsidiaries and affiliates	(1)	—
Other, net	389	158
Net cash provided by (used in) investing activities	(82,971)	(26,697)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	38,697	(53,418)
Proceeds from long-term loans payable	109,554	97,142
Repayment of long-term loans payable	(72,909)	(61,115)
Repayments of long-term lease and guarantee deposited	(21,055)	(23,196)
Proceeds from long-term lease and guarantee deposited	19,473	14,171
Proceeds from issuance of bonds	—	1,000
Cash dividends paid	(4,516)	(3,984)
Cash dividends paid to minority shareholders	(972)	(696)
Net decrease (increase) in treasury stock	(48)	(35)
Other, net	(194)	(725)
Net cash provided by (used in) financing activities	68,029	(30,859)
Effect of exchange rate change on cash and cash equivalents	(330)	87
Net increase (decrease) in cash and cash equivalents	(1,918)	15,007
Cash and cash equivalents at beginning of period	33,454	30,337
Increase in cash and cash equivalents from newly consolidated subsidiary and other	—	1,264
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(1,198)	—
Cash and cash equivalents at end of period	30,337	46,609

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