

Financial Summary
FY2008 Second Quarter (First Six Months)
Ended September 30, 2008

Tokyu Land Corporation

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

1. Overview of the FY2008 Second Quarter (First Six Months) Ended September 30, 2008

*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	
First six months	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2008	297,546	—	21,521	—	18,092	—	8,826	—
FY2007	268,321	7.4	25,670	12.0	22,737	14.3	6,322	(22.5)

	Net income per share	Fully diluted net income per share
First six months	(Yen)	(Yen)
FY2008	16.61	—
FY2007	11.90	—

(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 September 30, 2008	1,045,298	224,196	19.0	374.00
As of March 31, 2008	1,013,916	218,178	19.0	362.88

Reference: Equity: As of September 30, 2008 ¥198,685 million; As of March 31, 2008 ¥192,813 million

2. Dividends

(Record date)	Dividends per share				
	Q1	Q2	Q3	Year-end	Full-year
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
FY2007 ended March 31, 2008	—	3.50	—	4.50	8.00
FY2008 ending March 31, 2009	—	4.00	—	—	—
FY2008 ending March 31, 2009 (Forecast)	—	—	—	4.00	8.00

Note: Revisions to the forecasts of dividends in the current quarter: None

*Proper use of forecasts, and other special matters

1. The forecast figures in this report are based on information that was available at the time of preparation and assumption at the time of preparation pertaining to uncertain factors that may affect the future performance. Actual performance may significantly differ from these forecasts due to various factors in the future.
2. Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the “Accounting Standard for Quarterly Financial Reporting” (ASBJ [Accounting Standards Board of Japan] Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14). They are also prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”

Operating Result and Financial Position

1. Analysis of Operating Results

(1) Overview

The first six months results showed an increase in revenues with ¥297.5 billion in operating revenue (up 10.9% from the same period of previous year) as a result from increased condominium sales. However, due to poor performance by some subsidiaries and other factors, operating income decreased to ¥21.5 billion (down 16.2%) with ordinary income also down to ¥18.1 billion (down 20.4%). Contrastingly, net income rose to ¥8.8 billion (up 39.6%) from a lower extraordinary loss figure.

Operating revenue and operating income

(Unit:¥ billion)

	First six months		Comparison
	FY2007	FY2008	
Operating revenue	268.3	297.5	29.2
Operating income	25.7	21.5	(4.1)
Ordinary income	22.7	18.1	(4.6)
Net income	6.3	8.8	2.5

Initial forecast (ann.5/9/08)	Projected change
303.0	(5.5)
28.5	(7.0)
24.5	(6.4)
10.0	(1.2)

Interest-bearing debt	433.7	485.2	51.6
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480.0	5.2
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(2) Segment Performance

By segment, the Real Estate Sales segment saw an increase in revenues and profit, the three segments of Leasing of Real Estate, Property Management and Resorts saw an increase in revenues but a decrease in profit, the Retail Sales segment saw a decrease in revenues but an increase in profit and the two segments of Contracted Construction and Real-Estate Agents and Other Businesses saw a decrease in revenues and profit (compared with the same period of the previous year).

Operating revenue

(Unit:¥ billion)

	First six months		Comparison
	FY2007	FY2008	
Total	268.3	297.5	29.2
Real Estate Sales	64.2	97.0	32.9
Contracted Construction	29.7	27.4	(2.3)
Retail Sales	44.5	44.1	(0.4)
Leasing of Real Estate	50.3	51.8	1.5
Property Management	36.2	36.5	0.2
Resorts	24.3	26.7	2.4
Real-Estate Agents and Other Businesses	26.5	21.6	(4.9)
Adjustment for Inter-Company Transactions	(7.4)	(7.6)	(0.2)

Initial forecast (ann.5/9/08)	Projected change
303.0	(5.5)
85.3	11.7
34.0	(6.6)
46.7	(2.6)
51.3	0.5
37.7	(1.3)
27.9	(1.2)
27.8	(6.2)
(7.8)	0.2

Operating income

(Unit:¥ billion)

	First six months		Comparison	Initial forecast (ann.5/9/08)	Projected change
	FY2007	FY2008			
Total	25.7	21.5	(4.1)	28.5	(7.0)
Real Estate Sales	5.4	12.6	7.2	12.9	(0.3)
Contracted Construction	(1.3)	(2.3)	(1.0)	(1.6)	(0.7)
Retail Sales	(0.1)	0.1	0.3	0.1	0.1
Leasing of Real Estate	18.3	14.3	(4.0)	15.4	(1.1)
Property Management	2.3	1.8	(0.4)	2.1	(0.3)
Resorts	(0.0)	(1.4)	(1.4)	(0.5)	(0.9)
Real-Estate Agents and Other Businesses	3.3	(1.0)	(4.3)	2.8	(3.8)
Adjustment for Inter-Company Transactions	(2.2)	(2.6)	(0.4)	(2.6)	(0.0)

1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥97.0 billion in operating revenue (up 51.2% from the same period of the previous year) and ¥12.6 billion in operating income (up 132.0%). An increase in profit occurred due to higher sales of condominium and buildings for real estate sales.

Although revaluation losses on inventories of ¥2.2 billion was recorded for the first six months under review, a figure mainly reflecting condominiums currently on sale whose selling period has been extended, the gross margin ratio improved thanks to an increase in the number of units sold resulting in an increase in revenues and profit.

Sales conditions are toughening, as witnessed by the increase in the inventory of completed units due to a slowdown in the condominium market. However, the ratio of contracted amount for sale to the planned sales amount for the current fiscal year became 77% (down 1.0% from the same period of the previous year) from 53% at the beginning of the fiscal year (parent company basis).

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	64.2	97.0	32.9	177.0	182.2
Operating income	5.4	12.6	7.2	20.9	9.1

Breakdown of operating revenue

(Before adjustments in ¥ billion)

Breakdown of operating revenue					(Before adjustments in P. 6 million)
	First six months				Comparison
	FY2007		FY2008		
Condominium	1,106 units	39.4	1,490 units	61.6	22.1
Detached housing	234 units	6.1	137 units	3.4	(2.7)
Country houses	153 units	3.5	118 units	5.5	2.0
Other sales	—	15.2	—	26.6	11.4

Number of units supplied and sold (Parent company)

(Units)

	First six months				Inventory of completed units	
	FY2007		FY2008			
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2008	As of September 30, 2008
	Condominium	1,116	893	881	908	534
Detached housing	60	102	112	88	81	51
Country houses	201	174	48	110	—	—

2) Contracted Construction

In our Contracted Construction business, we posted ¥27.4 billion in operating revenue (down 7.7 % from the same period of the previous year) and ¥2.3 billion in operating loss. Even though custom-built houses represented a decrease in revenues and profit, renovations linked to the sale of the fixed-price total renovation plan *Kurashi-Up* that commenced in the previous fiscal year, resulted in an increase in revenues.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	29.7	27.4	(2.3)	77.7	76.5
Operating income	(1.3)	(2.3)	(1.0)	0.1	0.0

Breakdown of operating revenue

(Unit:¥ billion)

	First six months		Comparison	FY 2007
	FY2007	FY2008		
Custom-built houses	9.8	6.7	(3.0)	25.7
Renovation	6.9	8.1	1.2	16.5
Landscape gardening etc.	13.0	12.6	(0.4)	35.5

Orders received (sales from orders)

(Before adjustments in ¥ billion)

	First six months		Comparison	FY 2007
	FY2007	FY2008		
Total sales from orders	32.2	31.9	(0.3)	63.7
Custom-built houses	13.0	12.7	(0.2)	25.2
Renovation	8.1	8.2	0.1	16.7
Landscape gardening etc.	11.1	10.9	(0.2)	21.8

3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥44.1 billion (down 0.9% from the same period of the previous year), and we recorded operating income of ¥0.1 billion. While consumer sentiment deteriorates and the retail business environment is becoming increasingly difficult, sales at existing Tokyu Hands Inc. outlets continue to follow a downward trend (down 5.1%), however, an increase in profit resulted from a retrenchment of expenses.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	44.5	44.1	(0.4)	90.8	91.1
Operating income	(0.1)	0.1	0.3	0.7	0.8

Breakdown of operating revenue

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

(Unit:¥ billion)

	First six months		Comparison	FY2007	
	FY2007	FY2008			
Tokyo metropolitan area	32.1 [12]	32.5 [12]	0.4	66.1 [12]	
Kansai region	7.5 [3]	6.8 [3]	(0.7)	14.6 [3]	
Local regions	3.2 [2]	2.9 [2]	(0.2)	6.4 [2]	
Small-scale outlets	1.7 [6]	1.8 [7]	0.1	3.5 [6]	

4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue were ¥51.8 billion (up 3.0% from the same period of the previous year) and operating income amounted to ¥14.3 billion (down 22.0%). This increase in revenues is attributable to full-year contributions from buildings which opened during the previous fiscal year and the progress of rent revisions for existing buildings. However, there was a decrease in profit due to lower dividends from the sales of buildings held by SPCs and higher expenses generated as a result of an increase in the number of properties in the planning stage, among others. Of breakdown, the decrease in revenues from owned buildings is due to disposals of owned building and the decrease in revenues of leased buildings is due to cancellations of unprofitable buildings.

The office building market in Tokyo continues to be steady. In the first six months under review, 6 new buildings opened including the Nihonbashi Front (Chuo-ku), Minami Aoyama Tokyu Building (Minato-ku), among others, and tenant leasing performed steadily. The vacancy rate at the end of September (on a parent company basis) became 2.2%, however, progress is generally to plan.

The business of house leasing deployed by our subsidiaries and Tokyu Stay, a chain of hotels designed for long stays, remains brisk.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	50.3	51.8	1.5	120.1	110.0
Operating income	18.3	14.3	(4.0)	53.6	31.3

Breakdown of operating revenue

(Unit:¥ billion)

	First six months		Comparison	FY2007	
	FY2007	FY2008			
Owned	10.2	9.3	(0.9)	20.2	
Leased	6.3	6.2	(0.1)	12.6	
SPC	13.5	14.3	0.8	45.0	
Subsidiaries and others	20.3	22.0	1.7	42.2	

Investments in SPC (parent company)

	As of September 30, 2007	As of March 31, 2008	As of September 30, 2008
Number of SPC	64	71	73
Investment balance (¥ billion)	151.9	200.7	250.3

Office and commercial leasing floor space, and vacancy rate

	As of September 30, 2007	As of March 31, 2008	As of September 30, 2008
Leasing floor space (m ²)	780,936	814,146	831,330
Office/Commercial	490,043	496,433	474,840
SPC	290,893	317,713	356,490
Vacancy rate (consolidated basis)	1.8%	2.0%	2.9%
Vacancy rate (parent company basis)	1.2%	1.4%	2.2%

Number of leased houses

(Units)

	As of September 30, 2007	As of March 31, 2008	As of September 30, 2008
House for lease	11,751	12,223	12,761
Lease management service	44,153	46,911	47,858
Company house management service	47,257	54,342	59,143

5) Property Management

Operating revenue and operating income from our Property Management business were ¥36.5 billion (up 0.6% from the same period of the previous year) and ¥1.8 billion (down 18.6%), respectively. Tokyu Community Corporation witnessed a hike in revenues thanks in stock of condominium management service as a result of new orders in the previous and current fiscal years. We secured additional orders for condominium management service for approximately 8,000 units during the first six months under review.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	36.2	36.5	0.2	73.4	75.1
Operating income	2.3	1.8	(0.4)	4.3	4.3

Number of sites managed as of period end

	As of September 30, 2007	As of March 31, 2008	As of September 30, 2008
Condominiums (units)	341,525	346,305	349,025
Buildings (no. of contracts)	1,106	1,134	1,108

6) Resorts

Our Resorts business generated ¥26.7 billion in operating revenue (up 9.9% from the same period of the previous year) and posted a ¥1.4 billion in operating loss. The golf course the Company newly acquired in the previous fiscal year as well as the newly opened Tokyu Harvest Club membership resort hotel at VIALA Hakone Hisui and other new facilities led to an increase in revenue, however, delays in membership sales and opening costs caused a decrease in profit.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	24.3	26.7	2.4	55.4	62.6
Operating income	(0.0)	(1.4)	(1.4)	1.9	2.6

Breakdown of operating revenue

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

(Unit:¥ billion)

	First six months		Comparison	FY2007		
	FY2007	FY2008				
Golf course	5.3 [20]	5.6 [21]	0.3	9.7 [21]		
Harvest Club	5.4 [22]	5.6 [23]	0.2	10.2 [22]		(Membership resort hotel)
Oasis	5.4 [27]	6.2 [30]	0.8	11.1 [29]		(Fitness club)
Ski resort	2.4 [8]	2.6 [8]	0.2	12.1 [8]		
Senior housing	1.3 [4]	1.6 [6]	0.3	3.0 [6]		
Other	4.5	5.1	0.5	9.2		

7) Real-Estate Agents and Other Businesses

In our Real-Estate Agents and Other Businesses, operating revenue was ¥21.6 billion (down 18.4% from the same period of the previous year) with an operating loss of ¥1.0 billion. On the real estate secondary market, the real estate investment market suffered from an increasingly worsening trend due to tightened global credit conditions. Real estate transactions targeting end users also saw a detrimental business environment with a waning consumer intent to purchase caused by heightening supply prices and uncertainty about the future of the economy. Tokyu Livable's brokerage business suffered great decline of revenues and profit due to a decrease in the number of retailing and wholesaling contracts and lower contracted prices, etc.

(Unit:¥ billion)

	First six months		Comparison	FY2007	FY2008 forecast
	FY2007	FY2008			
Operating revenue	26.5	21.6	(4.9)	54.3	45.2
Operating income	3.3	(1.0)	(4.3)	6.7	(0.7)

Breakdown of operating revenue

(Unit:¥ billion)

	First six months		Comparison	FY2007	
	FY2007	FY2008			
Real-estate sales agent	20.2	13.7	(6.5)	38.2	
Consignment sales	2.1	3.2	1.1	6.3	
Consignment welfare	1.2	1.7	0.5	2.6	
Other	3.1	3.0	(0.0)	7.2	

2. Analysis of Financial Conditions

Total assets increased by ¥31.4 billion compared to the end of the previous fiscal year due to an increase of investments in silent partnership, among others, and total liabilities also increased by ¥25.4 billion due to an increase of loans, etc.

(Unit:¥ billion)

	As of September 30, 2007	As of September 30, 2008	(Reference) As of March 31, 2008
Total assets	966.3	1,045.3	1,013.9
Total liabilities	768.1	821.1	795.7
Net assets	198.2	224.2	218.2
Equity	174.8	198.7	192.8
Equity ratio	18.1%	19.0%	19.0%
Interest-bearing debt	433.7	485.2	411.5

(Cash flow position)

As of the end of the first six months under review, cash and cash equivalents were ¥25.3 billion, representing a ¥8.2 billion decrease from the previous fiscal year end.

(Cash flows from operating activities)

Net cash used in operating activities was ¥11.0 billion due to a decrease in notes and accounts payable-trade of ¥19.2 billion, a ¥5.7 billion payment of income taxes, and a ¥3.6 billion payment of interest expenses, notwithstanding a net cash provided by ¥18.4 billion of income before income taxes and minority interests, ¥6.9 billion of decrease in notes and accounts receivable-trade and ¥6.4 billion of depreciation and amortization.

(Cash flows from investment activities)

Net cash used in investment activities was ¥81.0 billion due to a ¥53.3 billion equity investment and a ¥35.4 billion purchase of property, plant and equipment and intangible assets.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥84.8 billion thanks to a capital procurement of ¥52.7 billion in proceeds from long-term loans payable as well as ¥48.1 billion in proceeds from short-term bank loans and commercial papers despite a ¥16.4 billion repayment of long-term loans payable and a ¥8.1 billion repayments of long-term lease and guarantee deposited.

3. Forecast for Fiscal Year 2008 Ending March 31, 2009

In light of recent business trends, we have revised the initial forecasts for the fiscal year ending March 31, 2009 announced on May 9, 2008.

We lowered the initial forecasts due to the following:

In the Real Estate Sales segment, we expect a loss on revaluation of inventories in addition to sluggish sales mostly in condominiums. In the Contracted Construction segment, we expect a decrease in the inventory of completed units mostly in custom-built houses. In the Leasing of Real Estate segment, we expect the occurrence of losses for some suburban properties held temporarily by SPC prior to their disposal. In the Resorts segment, we revised the sales plan for new memberships. In the Real-Estate Agents and Other Businesses segment, we expect the business environment in the real estate secondary market to worsen.

(Unit:¥ billion)					
	FY 2007	FY 2008 forecast	Comparison	Initial forecast (ann.5/9/08)	Projected change
Operating revenue	633.4	620.0	(13.4)	640.0	(20.0)
Operating income	82.1	41.0	(41.1)	72.0	(31.0)
Ordinary income	75.4	33.5	(41.9)	64.0	(30.5)
Net income	28.7	11.0	(17.7)	30.0	(19.0)

Segment Performance Forecast

Operating revenue

(Unit:¥ billion)

	FY 2007	FY 2008 forecast	Comparison	Initial forecast (ann.5/9/08)	Projected change
Real Estate Sales	177.0	182.2	5.2	173.1	9.1
Contracted Construction	77.7	76.5	(1.3)	89.0	(12.5)
Retail Sales	90.8	91.1	0.3	94.9	(3.8)
Leasing of Real Estate	120.1	110.0	(10.1)	105.2	4.8
Property Management	73.4	75.1	1.8	76.9	(1.8)
Resorts	55.4	62.6	7.2	64.6	(1.9)
Real-Estate Agents and Other Businesses	54.3	45.2	(9.1)	58.8	(13.6)
Adjustment for Inter- Company Transactions	(15.3)	(22.7)	(7.4)	(22.4)	(0.3)

Operating income

(Unit:¥ billion)

	FY 2007	FY 2008 forecast	Comparison	Initial forecast (ann.5/9/08)	Projected change
Real Estate Sales	20.9	9.1	(11.9)	22.0	(12.9)
Contracted Construction	0.1	0.0	(0.1)	1.6	(1.5)
Retail Sales	0.7	0.8	0.1	0.8	—
Leasing of Real Estate	53.6	31.3	(22.3)	37.1	(5.8)
Property Management	4.3	4.3	0.1	4.6	(0.3)
Resorts	1.9	2.6	0.7	4.4	(1.8)
Real-Estate Agents and Other Businesses	6.7	(0.7)	(7.4)	7.7	(8.5)
Adjustment for Inter- Company Transactions	(6.2)	(6.4)	(0.2)	(6.1)	(0.3)

Please note that the forecast figures in this report are based on information that was available at the time of preparation and assumptions at the time of preparation pertaining to uncertain factors that may affect the future performance. Actual performance may significantly differ from these forecasts due to various factors in the future.

Second Quarter Consolidated Balance Sheets (Summary)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	As of September 30, 2008	(Summary) As of March 31, 2008
Assets		
Current assets		
Cash and deposits	24,113	30,931
Notes and accounts receivable-trade	13,576	16,240
Short-term investment securities	1,600	3,000
Merchandise	9,015	8,674
Real estate for sale	99,715	100,365
Real estate for sale in process	88,895	98,471
Costs on uncompleted construction contracts	4,604	3,573
Supplies	892	915
Other	42,602	40,245
Allowance for doubtful accounts	(364)	(333)
Total current assets	284,652	302,084
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	264,132	259,657
Accumulated depreciation	(137,082)	(133,741)
Buildings and structures, net	127,049	125,916
Land	258,568	251,431
Construction in progress	13,017	11,744
Other	34,728	33,526
Accumulated depreciation	(25,882)	(25,287)
Other, net	8,846	8,238
Total property, plant and equipment	407,481	397,330
Intangible assets		
Goodwill	1,765	2,086
Other	24,840	23,857
Total intangible assets	26,606	25,943
Investments and other assets		
Investment securities	40,274	40,665
Investments in silent partnership	208,206	167,416
Lease and guarantee deposits	57,055	59,709
Other	22,068	21,757
Allowance for doubtful accounts	(1,045)	(991)
Total investments and other assets	326,558	288,558
Total noncurrent assets	760,646	711,832
Total assets	1,045,298	1,013,916

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 September 30, 2008	(Summary) As of March 31, 2008
Liabilities		
Current liabilities		
Notes and accounts payable-trade	30,566	49,975
Short-term loans payable	123,591	104,648
Commercial papers	50,000	16,000
Income taxes payable	11,480	5,614
Provision	6,709	7,795
Other	81,141	112,092
Total current liabilities	303,489	296,127
Noncurrent liabilities		
Bonds payable	40,000	40,000
Long-term loans payable	271,641	250,842
Long-term lease and guarantee deposited	162,874	161,564
Provision for retirement benefits	18,325	19,102
Other provision	1,438	2,121
Other	23,333	25,980
Total noncurrent liabilities	517,613	499,611
Total liabilities	821,102	795,738
Net assets		
Shareholders' equity		
Capital stock	57,551	57,551
Capital surplus	39,341	39,341
Retained earnings	87,937	81,499
Treasury stock	(1,161)	(1,108)
Total shareholders' equity	183,668	177,284
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	701	1,091
Deferred gains or losses on hedges	(12)	5
Revaluation reserve for land	15,582	15,582
Foreign currency translation adjustment	(1,254)	(1,151)
Total valuation and translation adjustments	15,016	15,529
Minority interests	25,510	25,364
Total net assets	224,196	218,178
Total liabilities and net assets	1,045,298	1,013,916

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

Second Quarter Consolidated Statements of Income (Summary)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	First six months	
	FY2008 (from April 1, 2008 to September 30, 2008)	(Reference) FY2007 (from April 1, 2007 to September 30, 2007)
Operating revenue	297,546	268,321
Operating cost	235,413	207,042
Operating gross profit	62,132	61,278
Selling, general and administrative expenses	40,611	35,608
Operating income	21,521	25,670
Non-operating income		
Interest income	159	165
Dividends income	234	256
Equity in earnings of affiliates	108	102
Other	195	260
Total non-operating income	697	784
Non-operating expenses		
Interest expenses	3,742	3,537
Other	384	180
Total non-operating expenses	4,127	3,717
Ordinary income	18,092	22,737
Extraordinary income		
Gain on sales of noncurrent assets	129	263
Gain on transfer of business	237	—
Other	28	82
Total extraordinary income	394	346
Extraordinary loss		
Loss on valuation of investment securities	19	540
Loss on sales of noncurrent assets	19	33
Loss on cancellation of leasehold contracts	8	—
Other	5	5,770
Total extraordinary losses	53	6,344
Income before income taxes and minority interests	18,433	16,738
Income taxes	8,710	8,354
Minority interests in income	896	2,061
Net income	8,826	6,322

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

Second Quarter Consolidated Statements of Cash Flows (Summary)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	First six months	
	FY2008 (from April 1, 2008 to September 30, 2008)	(Reference) FY2007 (from April 1, 2007 to September 30, 2007)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	18,433	16,738
Depreciation and amortization	6,369	5,994
Amortization of goodwill	1,031	681
Increase (decrease) in allowance for doubtful accounts	85	(52)
Increase (decrease) in provision for retirement benefits	(776)	677
Increase (decrease) in other provision	(2,200)	(9,638)
Impairment loss	—	5,769
Interest and dividends income	(393)	(338)
Interest expenses	3,742	3,537
Equity in (earnings) losses of affiliates	(108)	(102)
Loss (gain) on sales and valuation of investment securities	24	540
Loss on valuation of real estate for sale	2,239	—
Loss (gain) on sales of noncurrent assets	(109)	(229)
Loss on retirement of noncurrent assets	540	437
Decrease (increase) in notes and accounts receivable-trade	6,907	(726)
Decrease (increase) in inventories	1,948	(6,576)
Increase (decrease) in notes and accounts payable-trade	(19,241)	(20,872)
Other, net	(20,716)	(25,182)
Subtotal	(2,223)	(29,345)
Interest and dividends income received	561	526
Interest expenses paid	(3,608)	(3,513)
Income taxes paid	(5,714)	(19,691)
Net cash provided by (used in) operating activities	(10,983)	(52,024)

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	First six months	
	FY2008 (from April 1, 2008 to September 30, 2008)	(Reference) FY2007 (from April 1, 2007 to September 30, 2007)
Net cash provided by (used in) investment activities		
Payments into time deposits	(2)	(72)
Proceeds from withdrawal of time deposits	20	5
Purchase of short-term and long term investment securities	(1,185)	(624)
Proceeds from sales and redemption of short-term and long term investment securities	136	462
Purchase of investments in subsidiaries	(5)	(249)
Proceeds from sales of investments in subsidiaries	15	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(3,311)	(10,205)
Payments for lease and guarantee deposits	(1,305)	(3,377)
Proceeds from collection of lease and guarantee deposits	1,209	2,017
Purchase of noncurrent assets	(35,440)	(12,228)
Proceeds from sales of noncurrent assets	177	912
Payments for investments in silent partnership	(53,258)	(8,964)
Proceeds from withdrawal of investments in silent partnership	11,517	8,105
Payments of loans receivable	(102)	(173)
Collection of loans receivable	216	73
Other, net	330	411
Net cash provided by (used in) investment activities	(80,987)	(23,907)
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term bank loans and commercial papers	48,100	49,368
Proceeds from long-term loans payable	52,690	44,478
Repayment of long-term loans payable	(16,388)	(40,849)
Proceeds from issuance of bonds	—	10,000
Repayments of long-term lease and guarantee deposited	(8,098)	(10,874)
Proceeds from long-term lease and guarantee deposited	11,680	11,686
Purchase of treasury stock	(53)	(169)
Cash dividends paid	(2,391)	(3,720)
Cash dividends paid to minority shareholders	(737)	(1,017)
Net cash provided by (used in) financing activities	84,802	58,903
Effect of exchange rate change on cash and cash equivalents	(19)	28
Net increase (decrease) in cash and cash equivalents	(7,188)	(16,998)
Cash and cash equivalents at beginning of period	33,454	51,701
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(1,011)	—
Cash and cash equivalents at end of period	25,255	34,702

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