

Financial Summary
FY2012 Third Quarter (First Nine Months)
Ended December 31, 2012

Tokyu Land Corporation

This report provides information excerpts from Tokyu Land's original disclosure in Japanese,
"Kessan Tanshin," which was released on January 31, 2013 at 15:00 (GMT+9).
The audit has not been completed.

1. Overview of the FY2012 Third Quarter (First Nine Months) Ended December 31, 2012

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

(1) Summary of consolidated statements of income

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income	
First nine months	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2012	404,689	11.1	31,211	14.0	22,050	39.3	16,328	(48.6)
FY2011	364,227	(4.7)	27,376	(38.8)	15,829	(59.5)	31,774	883.7

Note: Comprehensive income: First nine months of FY2012 ¥20,272 million [(42.7)%]

First nine months of FY2011 ¥35,400 million [542.1%]

	Net income per share	Fully diluted net income per share
First nine months	(Yen)	(Yen)
FY2012	30.75	—
FY2011	59.83	—

(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 December 31, 2012	1,655,747	290,875	15.4	479.56
As of March 31, 2012	1,744,774	275,347	13.8	453.46

Reference: Equity: As of December 31, 2012 ¥254,648 million; As of March 31, 2012 ¥240,804 million

2. Dividends

	Annual dividends				
	Q1 (Yen)	Q2 (Yen)	Q3 (Yen)	Year-end (Yen)	Total (Yen)
FY2011 ended March 31, 2012	—	3.50	—	3.50	7.00
FY2012 ending March 31, 2013	—	3.50	—		
FY2012 ending March 31, 2013 (Forecast)				3.50	7.00

Note: Revisions to the forecasts of dividends most recently announced: None

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

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full-year forecast	600,000	7.8	51,000	1.8	38,000	9.0	20,000	(41.5)	37.66

Note: Revisions to the forecasts most recently announced: None

* Indication regarding execution of quarterly review procedures

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

Operating Results and Financial Position

1. Analysis of Operating Results

(1) Overview

Results for the first nine months ended December 31, 2012 showed an increase in revenues and profit with ¥404.7 billion in operating revenue (up 11.1% from the same period of the previous year), ¥31.2 billion in operating income (up 14.0%) and ¥22.1 billion in ordinary income (up 39.3%).

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, the Real Estate Sales segment recorded an increase in both revenues and profit. In addition, gain on sales of noncurrent assets of ¥8.4 billion was recorded as extraordinary income.

Meanwhile, net income decreased to ¥16.3 billion (down 48.6%). This was mainly the result of the recording of gain on negative goodwill as extraordinary income associated with the consolidation of silent partnerships, etc. in the previous year.

Operating revenue and operating income

(Unit:¥ billion)

	First three months	First six months	First nine months	Full-year
Operating revenue for FY2012	144.4	286.5	404.7	—
Operating revenue for FY2011	108.2	241.0	364.2	556.8
Operating income for FY2012	8.8	23.0	31.2	—
Operating income for FY2011	5.7	16.6	27.4	50.1

By segment, the six segments other than Retail Sales, which are Real Estate Sales, Contracted Construction, Leasing of Real Estate, Property Management, Facility Operations and Real-Estate Agents, saw an increase in revenues and profit (compared with the same period of the previous year).

Operating revenue

(Unit:¥ billion)

	First nine months		Comparison	Full-year forecast	Progress
	FY2011	FY2012			
Total	364.2	404.7	40.5	600.0	67.4%
Real Estate Sales	48.5	78.3	29.7	146.3	53.5%
Contracted Construction	43.8	46.1	2.4	71.0	65.0%
Retail Sales	64.9	62.9	(2.1)	87.1	72.2%
Leasing of Real Estate	91.5	96.4	4.9	126.1	76.4%
Property Management	55.7	57.1	1.4	76.1	75.1%
Facility Operations	40.6	41.1	0.5	59.9	68.6%
Real-Estate Agents	25.7	28.5	2.9	41.7	68.4%
Other	5.4	6.1	0.7	8.7	70.2%
Adjustment for Inter-Company Transactions	(11.9)	(11.8)	0.1	(16.8)	—

Operating income

(Unit:¥ billion)

	First nine months		Comparison	Full-year forecast	Progress
	FY2011	FY2012			
Total	27.4	31.2	3.8	51.0	61.2%
Real Estate Sales	0.5	1.4	0.9	9.6	14.2%
Contracted Construction	(0.5)	(0.3)	0.2	1.7	—
Retail Sales	1.8	1.0	(0.8)	1.8	57.7%
Leasing of Real Estate	26.8	27.9	1.1	33.2	84.2%
Property Management	3.8	4.0	0.2	5.1	77.5%
Facility Operations	(0.5)	0.5	1.0	2.4	19.5%
Real-Estate Agents	(0.4)	1.0	1.4	3.9	27.1%
Other	(0.1)	(0.1)	(0.0)	(0.3)	—
Adjustment for Inter-Company Transactions	(3.9)	(4.1)	(0.2)	(6.3)	—

1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥78.3 billion in operating revenue (up 61.2% from the same period of the previous year) and ¥1.4 billion in operating income (up 176.2%).

Both revenues and profit increased due to an increase in the sales of condominiums and a reduction in loss on valuation of inventories, etc., in addition to the transferring of inventories, including the commercial facilities and office buildings, to Activia Properties Inc., as mentioned above.

Sales of condominium units in “Branz Motoyawata” (Ichikawa-shi, Chiba), “Branz Kanazawa Hakkei” (Yokohama-shi, Kanagawa), “Branz Nishinomiya-Kitaguchi” (Nishinomiya-shi, Hyogo) and others were recorded.

Sales of condominiums etc. continued to perform firmly and the ratio of contracted amount for sale to the planned sales amount for the full year for condominium excluding sales of rental residence building blocks became 88 % (down 1%) from 43% at the beginning of the fiscal year. The inventory of completed units decreased from the end of the previous fiscal year, remaining at a low level (parent company basis).

(Unit:¥ billion)

	First nine months		Comparison	FY2011	FY2012 forecast
	FY2011	FY2012			
Operating revenue	48.5	78.3	29.7	116.3	146.3
Operating income	0.5	1.4	0.9	6.7	9.6

Breakdown of operating revenue

(Before adjustments in ¥ billion)

	First nine months		Comparison	FY2011
	FY2011	FY2012		
Condominium	37.1	39.2	2.1	98.8
Detached housing	3.3	2.2	(1.1)	5.0
Country houses	1.7	0.3	(1.4)	1.9
Other sales	6.5	36.5	30.1	10.7

Number of units supplied and sold (Parent company)

(Units)

Number of units supplied and sold (Parent company)					(Units)	
	First nine months				Inventory of completed units	
	FY2011		FY2012			
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2012	As of December 31, 2012
Condominium	2,117	1,946	1,586	1,573	291	171
Detached housing	96	84	39	76	39	15
Country houses	66	94	28	32	—	—

2) Contracted Construction

In our Contracted Construction business, we posted ¥46.1 billion in operating revenue (up 5.4 % from the same period of the previous year) and ¥0.3 billion in operating loss.

There was an increase in revenues due to an increase in reconstruction alternative products in our renovation businesses as well as completions of constructions to common areas of condominiums, etc. Orders received also expanded steadily, mainly for renovations.

(Unit:¥ billion)

	First nine months		Comparison	FY2011	FY2012 forecast
	FY2011	FY2012			
Operating revenue	43.8	46.1	2.4	66.7	71.0
Operating income	(0.5)	(0.3)	0.2	0.9	1.7

Breakdown of operating revenue

(Unit:¥ billion)

	First nine months		Comparison	FY2011
	FY2011	FY2012		
Custom-built houses	11.7	11.6	(0.1)	18.1
Renovation	11.8	13.2	1.4	17.1
Landscape gardening etc.	20.2	21.3	1.1	31.5

Orders received (sales from orders)

(Before adjustments in ¥ billion)

	First nine months		Comparison	FY2011
	FY2011	FY2012		
Total sales from orders	48.6	49.0	0.4	66.7
Custom-built houses	14.0	12.5	(1.5)	19.0
Renovation	13.4	14.5	1.1	18.5
Landscape gardening etc.	21.2	22.0	0.8	29.3

3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥62.9 billion (down 3.2 % from the same period of the previous year), and we recorded operating income of ¥1.0 billion (down 42.9 %).

At Tokyu Hands, Inc., both revenues and profit decreased mainly due to a decrease in revenues for the existing outlets.

The new stores that opened were “Tokyu Hands Shanghai,” the first overseas store of Tokyu Hands (in April), and “Tokyu Hands Tokyo” (in September; Chiyoda-ku, Tokyo). Also, five “hands be” small-scale outlets including “hands be Tokyu Plaza Omotesando Harajuku” (Shibuya-ku, Tokyo) opened. Moreover, “Tokyu Hands Kumamoto (tentative name),” the second store in Kyushu Island is planned to be opened in the spring of 2013. Through such store openings and other factors, Tokyu Hands is expanding its business.

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Operating revenue	64.9	62.9	(2.1)
Operating income	1.8	1.0	(0.8)

FY2011	FY2012 forecast
85.3	87.1
1.8	1.8

4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue amounted to ¥96.4 billion (up 5.4% from the same period of the previous year) with operating income at ¥27.9 billion (up 4.3%).

“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. The start of operations of these facilities and other factors such as the full-year operations of “COCOE Amagasaki Ryokuyu Shintoshin” (Amagasaki-shi, Hyogo) and “Shibuya Dogenzaka Tokyu Building” (Shibuya-ku, Tokyo), which we acquired in the previous year, contributed to offsetting a decrease in revenues and profit due to the transferring of noncurrent assets, including the commercial facilities and office buildings, to Activia Properties Inc. This resulted in an increase in both revenues and profit.

The vacancy rate (office buildings and commercial facilities) remained at a low level of 2.1% (parent company basis), due to the opening of “Shin-Meguro Tokyu Building” in December, in spite of the improved occupancy at existing office buildings.

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Operating revenue	91.5	96.4	4.9
Operating income	26.8	27.9	1.1

FY2011	FY2012 forecast
125.3	126.1
35.3	33.2

Breakdown of operating revenue

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Owned *1	47.7	48.4	0.7
Leased etc. *2	9.0	8.8	(0.1)
Subsidiaries and others *3	34.8	39.2	4.4

FY2011
65.2
12.1
48.0

*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 of non-consolidated silent partnerships, etc.

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

Vacancy rate of office buildings and commercial facilities

	As of March 31, 2009	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	As of December 31, 2012
Consolidated basis	5.1%	3.9%	4.1%	2.3%	2.5%
Parent company basis *	4.6%	3.0%	3.7%	2.0%	2.1%

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

5) Property Management

Operating revenue and operating income from our Property Management business were ¥57.1 billion (up 2.5% from the same period of the previous year) and ¥4.0 billion (up 4.9%), respectively.

Regarding our Property Management business, both revenues and profit increased because of an expansion in the stock of condominium management service sites thanks partially to orders received for large contracts as a designated manager and the start of management operations for large properties in building management services, at Tokyu Community Corporation.

(Unit:¥ billion)

	First nine months		Comparison	FY2011	FY2012 forecast
	FY2011	FY2012			
Operating revenue	55.7	57.1	1.4	74.7	76.1
Operating income	3.8	4.0	0.2	4.9	5.1

6) Facility Operations

Our Facility Operations business generated ¥41.1 billion in operating revenue (up 1.1 % from the same period of the previous year) and ¥0.5 billion of operating income.

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 a recovery in the number of visitors to ski resorts, etc., which was at low level in the previous year resulting from the impact of the Great East Japan Earthquake, and to the improved operations of senior housing and Tokyu Sports Oasis fitness clubs.

(Unit:¥ billion)

	First nine months		Comparison	FY2011	FY2012 forecast
	FY2011	FY2012			
Operating revenue	40.6	41.1	0.5	59.6	59.9
Operating income	(0.5)	0.5	1.0	3.0	2.4

Breakdown of operating revenue

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

(Unit:¥ billion)

	First nine months		Comparison	FY2011	
	FY2011	FY2012			
Golf course	7.9 [21]	7.2 [20]	(0.7)	9.5 [20]	
Harvest Club	9.2 [24]	9.4 [24]	0.2	12.1 [24]	(Membership resort hotel)
Oasis	10.6 [31]	10.8 [33]	0.3	14.1 [31]	(Fitness club, etc.)
Ski resort	3.7 [8]	4.3 [8]	0.6	10.7 [8]	
Senior housing	3.4 [10]	3.8 [10]	0.4	5.1 [10]	
Other	5.9	5.7	(0.3)	8.1	

7) Real-Estate Agents

In our Real-Estate Agents businesses, operating revenue was ¥28.5 billion (up 11.1% from the same period of the previous year) and operating income amounted to ¥1.0 billion.

Regarding our real-estate sales agent business, in retail sales, we promoted the opening of new stores as well as strived to expand actual demand transactions targeting individual customers including the launch of a new service of “Livable Anshin Agent Guarantee” in October 2012. Also in wholesale sales, we made stronger efforts towards large contracts. As a result, both in retail sales and wholesale sales, there were improvements in contracted prices and the number of completed contracts, which lead to an increase in both revenues and profit.

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Operating revenue	25.7	28.5	2.9
Operating income	(0.4)	1.0	1.4

FY2011	FY2012 forecast
37.7	41.7
2.9	3.9

Breakdown of operating revenue

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Real-estate sales agent	21.8	24.8	3.0
Consignment sales	1.9	1.6	(0.3)
Other	1.9	2.1	0.2

FY2011
31.4
3.5
2.8

8) Other

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Operating revenue	5.4	6.1	0.7
Operating income	(0.1)	(0.1)	(0.0)

FY2011	FY2012 forecast
7.7	8.7
0.2	(0.3)

Breakdown of operating revenue

(Unit:¥ billion)

	First nine months		Comparison
	FY2011	FY2012	
Consignment welfare	3.5	4.1	0.6
Other	1.9	2.0	0.1

FY2011
5.0
2.7

(2) Analysis of Financial Conditions

During the first nine months, total assets decreased by ¥89.0 billion compared to the end of the previous fiscal year, due to such factors as the transferring of part of the commercial facilities and office buildings owned by the Company and its consolidated subsidiaries to Activia Properties Inc. Total liabilities also decreased by ¥104.6 billion due mainly to a decrease in interest-bearing debt from the transfer of the said assets, etc. Of interest-bearing debt, ¥497.1 billion is loans payable of silent partnerships, etc.

Regarding net assets, equity increased by ¥13.8 billion compared to the end of the previous fiscal year, and equity ratio improved to 15.4%.

(Unit:¥ billion)

	As of December 31, 2011	As of December 31, 2012	(Reference) As of March 31, 2012
Total assets	1,734.2	1,655.7	1,744.8
Total liabilities	1,462.8	1,364.9	1,469.4
Net assets	271.4	290.9	275.3
Equity	238.2	254.6	240.8
Equity ratio	13.7%	15.4%	13.8%
Interest-bearing debt	1,085.4	984.5	1,064.0

(3) Forecast for Fiscal Year 2012 Ending March 31, 2013

	Operating revenue (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)
Full-year forecast	600,000	51,000	38,000	20,000

Reference: Projected net income per share (full-year): ¥37.66

There is no change from the forecast announced on November 7, 2012.

However, 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.

Third Quarter 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 December 31, 2012
Assets		
Current assets		
Cash and deposits	60,570	50,154
Notes and accounts receivable-trade	17,486	16,727
Short-term investment securities	4,110	4,341
Merchandise	8,311	9,391
Real estate for sale	89,986	67,285
Real estate for sale in process	79,085	91,797
Costs on uncompleted construction contracts	3,602	6,970
Supplies	741	617
Other	37,066	40,126
Allowance for doubtful accounts	(277)	(340)
Total current assets	300,683	287,073
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	423,894	413,480
Accumulated depreciation	(164,176)	(168,630)
Buildings and structures, net	259,718	244,850
Land	1,016,728	940,152
Construction in progress	13,073	8,463
Other	47,127	48,227
Accumulated depreciation	(29,750)	(31,467)
Other, net	17,377	16,760
Total property, plant and equipment	1,306,897	1,210,227
Intangible assets		
Goodwill	656	535
Other	26,617	24,985
Total intangible assets	27,274	25,520
Investments and other assets		
Investment securities	29,538	45,684
Lease and guarantee deposits	51,505	57,452
Other	29,769	30,645
Allowance for doubtful accounts	(894)	(857)
Total investments and other assets	109,918	132,925
Total noncurrent assets	1,444,090	1,368,674
Total assets	1,744,774	1,655,747

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 December 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	46,125	24,137
Short-term loans payable	337,805	164,670
Commercial papers	—	35,000
Current portion of bonds	20,000	—
Income taxes payable	9,537	9,361
Provision	7,536	3,977
Other	96,707	90,392
Total current liabilities	517,713	327,540
Noncurrent liabilities		
Bonds payable	33,000	50,200
Long-term loans payable	673,173	734,668
Long-term lease and guarantee deposited	164,832	175,141
Provision for retirement benefits	17,761	18,700
Other provision	672	637
Other	62,274	57,981
Total noncurrent liabilities	951,713	1,037,330
Total liabilities	1,469,427	1,364,871
Net assets		
Shareholders' equity		
Capital stock	57,551	57,551
Capital surplus	39,288	39,287
Retained earnings	133,243	146,207
Treasury stock	(1,189)	(1,206)
Total shareholders' equity	228,894	241,840
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(221)	1,192
Deferred gains or losses on hedges	116	(27)
Revaluation reserve for land	13,984	13,637
Foreign currency translation adjustment	(1,968)	(1,994)
Total accumulated other comprehensive income	11,910	12,808
Minority interests	34,542	36,227
Total net assets	275,347	290,875
Total liabilities and net assets	1,744,774	1,655,747

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

Third Quarter Consolidated Statements of (Comprehensive) Income

(Third Quarter Consolidated Statements of Income)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	First nine months	
	FY2011 (from April 1, 2011 to December 31, 2011)	FY2012 (from April 1, 2012 to December 31, 2012)
Operating revenue	364,227	404,689
Operating cost	285,202	320,881
Operating gross profit	79,025	83,808
Selling, general and administrative expenses	51,648	52,596
Operating income	27,376	31,211
Non-operating income		
Interest income	156	88
Dividends income	293	152
Equity in earnings of affiliates	336	472
Other	276	283
Total non-operating income	1,062	996
Non-operating expenses		
Interest expenses	11,569	8,891
Other	1,040	1,265
Total non-operating expenses	12,609	10,157
Ordinary income	15,829	22,050
Extraordinary income		
Gain on sales of noncurrent assets	89	8,380
Gain on negative goodwill	48,286	2,389
Other	167	223
Total extraordinary income	48,543	10,994
Extraordinary loss		
Loss on valuation of investment securities	267	2,681
Impairment loss	26,702	126
Other	2,130	651
Total extraordinary losses	29,101	3,459
Income before income taxes and minority interests	35,271	29,585
Income taxes	1,364	10,612
Income before minority interests	33,907	18,973
Minority interests in income	2,132	2,644
Net income	31,774	16,328

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

(Third Quarter Consolidated Statements of Comprehensive Income)

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

(Millions of yen)

Account title	First nine months	
	FY2011 (from April 1, 2011 to December 31, 2011)	FY2012 (from April 1, 2012 to December 31, 2012)
Income before minority interests	33,907	18,973
Other comprehensive income		
Valuation difference on available-for-sale securities	(179)	1,464
Deferred gains or losses on hedges	67	(143)
Foreign currency translation adjustment	(55)	10
Revaluation reserve for land	1,661	5
Share of other comprehensive income of associates accounted for using equity method	—	(37)
Total other comprehensive income	1,493	1,299
Comprehensive income	35,400	20,272
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	33,292	17,578
Comprehensive income attributable to minority interests	2,108	2,694

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