

Financial Summary

(FY 2007, ended March 31, 2008)

Tokyu Land Corporation

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

Operating Result and Financial Position

1. Analysis of Operating Results

Current Operating Performance

We ended this year with ¥633.4 billion in sales (up 10.4% from the previous year), ¥82.1 billion in operating income (up 24.4%), ¥75.4 billion in ordinary income (up 24.8%) and ¥28.7 billion in net income (down 8.5%). Sales income increased by ¥59.9 billion, and ordinary income increased by ¥15.0 billion achieving record highs for seven years in a row, thanks to a gain on condominium sales in the real estate sales segment and a substantial increase in dividends from the sale of buildings through SPC in the leasing of real estate segment.

Unfortunately, current fiscal year net income dropped ¥2.7 billion this year due to repercussions from the reversal of tax expenses in the previous year. We also recorded an extraordinary loss of ¥18.3 billion that includes an impairment loss on fixed assets of ¥13.7 billion and other losses.

(Unit: ¥ billion)

	Previous year	Current year	Comparison
Sales	573.5	633.4	59.9
Operating income	65.9	82.1	16.1
Ordinary income	60.4	75.4	15.0
Net income	31.4	28.7	(2.7)

Forecast (Nov. 2007)	Projected change
640.0	(6.6)
78.0	4.1
70.0	5.4
31.5	(2.8)

Interest-bearing debt	370.5	411.5	41.0
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420.0	(8.5)
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Segment Performance

Sales

(Unit: ¥ billion)

	Previous year	Current year	Comparison
	573.5	633.4	59.9
Real Estate Sales	153.1	177.0	23.9
Contracted Construction	71.2	77.7	6.6
Retail Sales	85.8	90.8	5.0
Leasing of Real Estate	101.4	120.1	18.7
Property Management	72.6	73.4	0.8
Resorts	51.1	55.4	4.4
Real-Estate Agents and Other	55.5	54.3	(1.1)
Adjustment for Inter-Company Transactions	(17.0)	(15.3)	1.7

Operating income

(Unit: ¥ billion)

	Previous year	Current year	Comparison
	65.9	82.1	16.1
Real Estate Sales	19.0	20.9	2.0
Contracted Construction	1.0	0.1	(0.9)
Retail Sales	(0.4)	0.7	1.1
Leasing of Real Estate	35.7	53.6	17.9
Property Management	4.0	4.3	0.2
Resorts	3.4	1.9	(1.5)
Real-Estate Agents and Other	8.6	6.7	(1.8)
Adjustment for Inter-Company Transactions	(5.3)	(6.2)	(0.9)

(1) Real Estate Sales

We recognized ¥177.0 billion in sales (up 15.6% from the previous year) and ¥20.9 billion in operating income (up 10.5%) by selling real estate including 3,568 condominiums (¥127.2 billion), 444 houses (¥13.7 billion) and 289 country houses (¥8.1 billion). An increase in the sale of condominiums and other factors resulted in an increase in revenue and profits.

Although the condominium market is experiencing a downturn with its decreased supply and contract ratio and an extended selling period is expected for some properties, sales in the Tokyo metropolitan area are steady. The ratio of contracted amount for sales to planned sales amount for next year reached 53% (down 2% from the previous year; parent company).

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	153.1	177.0	23.9	181.2	(4.2)
Operating income	19.0	20.9	2.0	19.4	1.5

Sales breakdown

(Before adjustments in ¥ billion)

	Previous year		Current year		Comparison
Condominium	3,248 units	103.8	3,568 units	127.2	23.4
Detached housing	483 units	13.3	444 units	13.7	0.5
Country houses	300 units	6.6	289 units	8.1	1.5
Other sales	—	29.4	—	27.9	(1.5)

Number of units supplied and sold (Parent company)

(Units)

	Previous year		Current year		End of March 2007	End of March 2008
	New supply	Contracted units	New supply	Contracted units	Inventory of completed units	Inventory of completed units
Condominium	3,209	3,113	2,708	2,421	258	534
Detached housing	457	439	164	198	102	81
Country houses	450	315	207	259	—	—

(2) Contracted Construction

In contracted construction business, we posted ¥77.7 billion in sales (up 9.2% from the previous year) and ¥0.1 billion in operating income (down 89.3%). This decline was mainly because of expenses related to the merger of Tokyu Home Corporation. and Tokyu Amenix Corporation on April 1, 2008. Also, we received more orders than the year-earlier level mainly in the areas of major condominium repairs and landscape gardening.

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	71.2	77.7	6.6	82.8	(5.1)
Operating income	1.0	0.1	(0.9)	1.2	(1.1)

Sales Breakdown

(¥ billion)

	Previous year	Current year	Comparison
Custom-built houses	25.4	25.7	0.2
Renovation	16.6	16.5	(0.1)
Landscape gardening etc.	29.1	35.5	6.4

Orders received (sales)

(Before adjustment, ¥ billion)

	Previous year	Current year	Comparison
Total sales	62.6	63.7	1.1
Custom-built houses	26.8	25.2	(1.6)
Renovation	16.6	16.7	0.2
Landscape gardening etc.	19.3	21.8	2.5

(3) Retail Sales

In our retail sales business, sales were ¥90.8 billion (up 5.8% from the previous year) and operating income was ¥0.7 billion. Although existing Tokyu Hands Inc. outlets experienced a continued decrease in revenue (down 1.7%), that margin of decrease is lessening along with other apparent signs of improvement (compared with 4.2% down for the previous year).

Also, we opened an outlet in Kashiwa (August 2007) and Ginza of Chuo-ku (September 2007).

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	85.8	90.8	5.0	93.5	(2.7)
Operating income	(0.4)	0.7	1.1	0.5	0.2

Sales breakdown

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

(Unit: ¥ billion)

(Current no. of outlets)	Previous year	Current year	Comparison
Tokyo metropolitan area	60.1 (10)	66.1 (12)	6.0
Kansai region	15.6 (3)	14.6 (3)	(0.9)
Local regions	6.5 (2)	6.4 (2)	(0.2)
Small-scale outlets	3.4 (6)	3.5 (6)	0.1

(4) Leasing of Real Estate

In our real estate leasing business, sales were ¥120.1 billion (up 18.5% from the previous year) and operating income was ¥53.6 billion (up 50.2%). Revenue and profits increased thanks to a substantial increase in dividends from the sale of buildings by SPC, full-year contributions from buildings which opened during the previous fiscal year and the progress of rent revisions for existing buildings. Sales from leased buildings decreased, however, this was from the termination of unprofitable building leases.

For the fiscal year under review, reflecting the picking up of the office building market, the tenant business continued successfully and started additional tenant business at Shinagawa Tokyu Building and the Shiodome Building with no vacancy. The vacancy rate at the end of March (parent company) was 1.4%, a low level continued from the previous year.

In the future, we plan to open the Nihonbashi Front and other properties and expect to steadily increase the number of profitable lease assets through SPC. Also, we are moving forward with new investments in favorable locations in the center of Tokyo such as the Ginza Toshiba Building and proactively executing reconstructions and redevelopments as a long-term strategy geared towards future growth.

In the building fund business, we set up new commercial facilities funds and housing funds for a total of 11 private offering real estate funds organized by the Company. Preparations are well underway for a new fund organization and we will continue to make progress in this business.

The business of house leasing deployed by our subsidiaries is well underway in particular in the area of property development such as management services. Also, our Tokyu Stays chain of hotels designed for long stays has now 11 hotels with 1,351 rooms in the Tokyo metropolitan area maintaining a high occupancy rate. We opened its 12th hotel, "Tokyu Stays Aoyama Premia", in April 2008.

(Unit:¥ billion)

	Previous year	Current year	Comparison
Sales	101.4	120.1	18.7
Operating income	35.7	53.6	17.9

Forecast (Nov. 2007)	Projected change
113.6	6.5
45.2	8.5

Sales breakdown

(Unit: ¥ billion)

	Previous year	Current year	Comparison
Owned	19.8	20.2	0.4
Leased	13.4	12.6	(0.7)
SPC	25.4	45.0	19.6
Subsidiaries and others	42.8	42.2	(0.6)

Outstanding investments in SPC (Parent company)

	End of March 2006	End of March 2007	End of March 2008
Number of SPC (case)	56	60	71
Outstanding amount (¥billion)	86.5	155.8	200.7

Office and commercial leasing floor space, and vacancy rate

	End of March 2006	End of March 2007	End of March 2008
Leasing floor space (m ²)	759,414	777,209	814,146
Office/Commercial	504,683	497,277	496,433
SPC	254,731	279,932	317,713
Vacancy rate (consolidated basis)	1.7%	1.1%	2.0%
Vacancy rate (parent company basis)	1.5%	0.9%	1.4%

Major new opening and plans for the year ending March 31, 2009 (investing through SPC)(1,000m²)

	Use	Open	Floor space
Shinbashi Tokyu Building	Office	April 2008	15
Shinbashi Place	Commercial	May 2008	9
Minami Aoyama Tokyu Building	Office	June 2008	12
Nihonbashi Front	Office/Commercial	June 2008	29

Number of leased houses

(Units)

	End of March 2006	End of March 2007	End of March 2008
Houses for lease	12,411	11,467	12,223
Lease management service	37,518	44,493	46,911
Company house management service	33,098	42,614	54,342

(5) Property Management

Sales and operating income from our property management business were ¥73.4 billion (up 1.1% from the previous year) and ¥4.3 billion (up 5.9%), respectively. We secured 15 thousand new orders for condominium management service for a total of 346 thousand units at the end of the fiscal year under review. Despite the intensifying competition in the area of unit prices, we reduced cost and secured higher revenue and profits.

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	72.6	73.4	0.8	74.2	(0.8)
Operating income	4.0	4.3	0.2	4.5	(0.2)

Number of sites managed as of year end

	End of March 2006	End of March 2007	End of March 2008
Condominiums (units)	326,743	339,105	346,305
Buildings (no. of contracts)	1,139	1,118	1,134

(6) Resorts

Our resort business generated ¥55.4 billion in sales (up 8.6% from the previous year) and ¥1.9 billion in operating income (down 43.4%). Existing facilities fared well in addition to the full-year contribution of Tokyu Harvest Club Nasu and the contribution from new golf courses.

Contrastingly, a decrease in membership sales, expenses incurred for the opening of Tokyu Harvest Club membership resort hotels and senior housing business and mounting costs for repairs led to a decrease in income.

In our golf course business, we are adding new facilities such as the newly acquired Kansai Country Club and Miki Yokawa Country Club and the opening of 5 new Oasis membership fitness clubs and a Tokyu Harvest Club membership resort hotels at VIALA Hakone Hisui in April 2008.

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	51.1	55.4	4.4	56.1	(0.7)
Operating income	3.4	1.9	(1.5)	3.7	(1.8)

Sales breakdown

*The figures inside parentheses indicate the number of facilities at end of fiscal year.

(Unit: ¥ billion)

(No. of current facilities)	Previous year	Current year	Comparison	
Golf courses	8.8 (19)	9.7 (21)	0.9	
Harvest club	8.9 (21)	10.2 (22)	1.3	(Membership resort hotel)
Oasis	10.4 (24)	11.1 (29)	0.7	(Fitness club)
Ski	11.2 (8)	12.1 (8)	0.9	
Senior housing	2.0 (3)	3.0 (6)	1.0	
Other	9.7	9.2	(0.4)	

(7) Real-Estate Agents and Other Businesses

In our real-estate agency and other businesses, sales were ¥54.3 billion (down 2.1% from the previous year) and operating income was ¥6.7 billion (down 21.4%). In the real estate secondary market, conditions are worsening with drops in the number of contracts due to an increase in transaction prices. Tokyu Livable's brokerage business constricted in retailing and wholesaling due to a decrease in the number of contracts resulting in lower revenue and profits.

(Unit: ¥ billion)

	Previous year	Current year	Comparison	Forecast (Nov. 2007)	Projected change
Sales	55.5	54.3	(1.1)	59.9	(5.6)
Operating income	8.6	6.7	(1.8)	9.6	(2.8)

Sales breakdown

(Unit: ¥ billion)

	Previous year	Current year	Comparison
Real-estate sales agent	39.8	38.2	(1.6)
Consignment sales	6.6	6.3	(0.3)
Consignment welfare	2.1	2.6	0.4
Other	6.9	7.2	0.3

Forecast for Fiscal Year 2008 Ending March 2009

It is expected that operating and ordinary incomes will be lower due to the planned substantial decrease in dividends from the sale of buildings through SPC in the real estate leasing segment. On the other hand, higher net income is expected due to forecasted improvements in extraordinary income.

Consolidated

(Unit: ¥ billion)

	Period ended March 2008	Period ending March 2009	Comparison
Sales	633.4	640.0	6.6
EBITDA	94.4	84.1	(10.2)
Operating income	82.1	72.0	(10.1)
Ordinary income	75.4	64.0	(11.4)
Net income	28.7	30.0	1.3

EBITDA: earning before interest, taxes, depreciation and amortization

Segment Performance Forecast (Consolidated)**Sales** (Unit: ¥ billion)

	Period ended March 2008	Period ending March 2009	Comparison
Real Estate Sales	177.0	173.1	(3.9)
Contracted Construction	77.7	89.0	11.2
Retail Sales	90.8	94.9	4.1
Leasing of Real Estate	120.1	105.2	(14.9)
Property Management	73.4	76.9	3.5
Resorts	55.4	64.6	9.1
Real-Estate Agents and Other	54.3	58.8	4.5
Adjustment for Inter-Company Transactions	(15.3)	(22.4)	(7.1)

Operating income

(Unit: ¥ billion)

	Period ended March 2008	Period ending March 2009	Comparison
Real Estate Sales	20.9	22.0	1.0
Contracted Construction	0.1	1.6	1.5
Retail Sales	0.7	0.8	0.1
Leasing of Real Estate	53.6	37.1	(16.5)
Property Management	4.3	4.6	0.3
Resorts	1.9	4.4	2.4
Real-Estate Agents and Other	6.7	7.7	1.0
Adjustment for Inter-Company Transactions	(6.2)	(6.1)	0.1

Parent Company

(Unit: ¥ billion)

	Period ended March 2008	Period ending March 2009	Comparison
Sales	265.7	250.0	(15.7)
EBITDA	67.6	52.5	(15.0)
Operating income	61.6	46.5	(15.1)
Ordinary income	57.5	41.0	(16.5)
Net income	23.6	22.0	(1.6)

The above forecast is based on information available as of the day of the announcement of this material as well as assumptions in association with uncertain factors that could affect our future business performance. Actual performance may vary widely depending on various factors.

2. Analysis of Financial Conditions

(1) Assets, Liabilities, and Net Assets

Consolidated (Unit: ¥ billion)				
	End of Mar. 2006	End of Mar. 2007	End of Mar. 2008	End of Mar. 2009 (Forecast)
Total assets	885.7	954.1	1,013.9	
Total liabilities	720.5	757.8	795.7	
Net assets	145.5	196.3	218.2	
Equity	145.5	173.7	192.8	
Equity ratio	16.4%	18.2%	19.0%	
Interest-bearing debt	344.1	370.5	411.5	470.0
EBITDA multiple	4.5×	4.8×	4.4×	5.6×
DE ratio	2.4×	2.1×	2.1×	2.1×
ROA	7.4%	7.3%	8.4%	6.9%

Parent company (Unit: ¥ billion)				
	End of Mar. 2006	End of Mar. 2007	End of Mar. 2008	End of Mar. 2009 (Forecast)
Total assets	670.0	745.3	777.1	
Total liabilities	525.6	590.3	607.5	
Shareholders' equity	144.4	155.0	169.6	
Equity ratio	21.6%	20.8%	21.8%	
Interest-bearing debt	289.8	334.8	364.2	430.0
EBITDA multiple	5.3×	6.6×	5.4×	8.2×
DE ratio	2.0×	2.2×	2.1×	2.3×
ROA	7.3%	6.7%	8.4%	6.0%

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

DE ratio: Interest-Bearing Debt/Equity

ROA: (Operating Income + Non-Operating Income)/Total Assets

*Figures listed under "Net assets" and "Equity" until the fiscal year ended March 2006, represent figures of former "Shareholders' equity."

(2) Cash flow position

As of the end of fiscal 2008, cash and cash equivalents were ¥33.5 billion, representing a ¥18.2 billion decrease from the previous year end. The details of the cash flows are given below.

Cash flow from operations

Cash flows from operations increased by ¥24.9 billion thanks to a ¥57.9 billion increase in income before income taxes and minority interests, a ¥14.0 billion increase in deposits received for special joint ventures, a ¥13.7 billion increase in impairment loss on fixed assets and a ¥12.3 billion increase in depreciation and amortization, notwithstanding a ¥10.2 billion expenditure on acquisitions of inventories, a decrease in sales-on-consignment deposits of ¥9.8 billion and a ¥29.0 billion payment of income taxes.

Cash flow from investment

Cash flows from investment decreased by ¥79.9 billion due to a ¥53.4 billion equity investment, a ¥43.3 billion investment in fixed assets and payment for acquisition of subsidiaries at ¥10.1 billion, despite a ¥24.2 billion return of equity investment and ¥11.7 billion gains on the sale of property and equipment.

Cash flow from financing

Cash flow from financing increased by ¥36.9 billion thanks to a capital procurement involving ¥80.4 billion in proceeds from long-term debt and ¥20.0 billion in issuance of bonds, despite a ¥71.8 billion repayment of long-term debt and an ¥18.7 billion decrease in guarantee and lease deposits received.

Trend of indices

	Period ended March 2006	Period ended March 2007	Period ended March 2008
Equity ratio	16.4%	18.2%	19.0%
Equity ratio on market value basis	60.8%	75.0%	32.4%
Ratio of interest-bearing debt to cash flows	6.3 years	26.7 years	16.5 years
Interest coverage ratio	7.4	2.0	3.5

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 X number of shares issued (after deducting treasury stock)
3. Operating Cash Flow: Cash Flow from Operations stated in the Consolidated Statements Cash Flows
4. Interest bearing-debt contains all liabilities to pay interest.

Consolidated Balance Sheets

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

Account title	Previous year (As of March 31, 2007)		Current year (As of March 31, 2008)		Comparison
	Amount	Component ratio	Amount	Component ratio	Amount
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)
Assets					
Current assets	310,026	32.5	302,084	29.8	(7,941)
Cash and deposits	42,297		30,931		(11,365)
Notes receivable and accounts receivable	13,777		16,240		2,463
Securities	-		3,000		3,000
Land for sale	141,921		150,355		8,433
Buildings for sale	43,308		52,055		8,747
Merchandise	7,959		8,674		715
Materials and supplies	1,143		915		(228)
Consignment sales accounts receivable	1,683		4,760		3,076
Short-term loans	10,178		135		(10,043)
Deferred tax - current	22,356		5,979		(16,376)
Other current assets	25,744		29,370		3,625
Allowance for doubtful accounts	(342)		(333)		9
Fixed assets	644,048	67.5	711,832	70.2	67,783
Property and equipment	366,611	38.4	397,330	39.2	30,718
Buildings and structures	127,405		125,916		(1,488)
Land	227,880		251,431		23,550
Construction in progress	3,685		11,744		8,058
Other property and equipment	7,640		8,238		598
Intangible fixed assets	24,378	2.6	25,943	2.6	1,565
Land lease hold	9,061		10,131		1,069
Goodwill	1,386		2,086		699
Other intangible fixed assets	13,929		13,726		(203)
Investments and other assets	253,058	26.5	288,558	28.5	35,500
Investment in securities	40,619		40,665		45
Investments in Special Purpose Companies	138,791		167,416		28,625
Long-term loans	656		747		91
Guarantee and lease deposits	58,239		59,709		1,469
Deferred tax - noncurrent	7,431		12,788		5,357
Other investments	11,909		8,221		(3,687)
Allowance for doubtful accounts	(4,589)		(991)		3,597
Total assets	954,074	100.0	1,013,916	100.0	59,842

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

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

Account title	Previous year (As of March 31, 2007)		Current year (As of March 31, 2008)		Comparison
	Amount	Component ratio	Amount	Component ratio	Amount
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)
Liabilities					
Current liabilities	305,538	32.0	296,127	29.2	(9,411)
Trade payables	52,101		49,975		(2,125)
Short-term borrowings	114,178		104,648		(9,529)
Commercial papers	-		16,000		16,000
Other payable	21,028		24,866		3,838
Accrued income taxes	19,456		5,614		(13,841)
Deferred tax liabilities	337		348		10
Advances received	32,265		25,116		(7,148)
Sales on consignment deposit	17,615		7,802		(9,813)
Deposits	15,621		17,209		1,588
Deposit received for special joint ventures	7,550		26,350		18,800
Bonus payment reserve	8,312		7,205		(1,107)
Directors' and corporate auditors' bonus payment reserve	218		241		23
Directors' and corporate auditors' retirement benefit reserve	199		11		(187)
Reserve for compensation for completed works	346		336		(9)
Loss reserve due to land buyback	7,373		-		(7,373)
Loss reserve on business restructuring	1,023		-		(1,023)
Other current liabilities	7,911		10,399		2,487
Fixed liabilities	452,253	47.4	499,611	49.3	47,357
Bonds	20,000		40,000		20,000
Long-term debt	236,309		250,842		14,533
Guarantee and lease deposits received	144,879		161,564		16,685
Deferred tax liabilities	2,676		2,699		22
Deferred tax liabilities for revaluation	11,647		10,686		(960)
Employees' retirement and severance benefits	15,983		19,102		3,118
Provision of reserve for loss on loans guarantee	1,232		1,088		(143)
Directors' and corporate auditors' retirement benefit reserve	1,115		1,032		(83)
Deposits received for special joint ventures	14,950		10,150		(4,800)
Other fixed liabilities	3,459		2,444		(1,014)
Total liabilities	757,791	79.4	795,738	78.5	37,946
Net Assets					
Shareholders' Equity	153,359	16.1	177,284	17.5	23,925
Common stock	57,551	6.0	57,551	5.7	-
Capital-surplus	39,319	4.1	39,341	3.9	21
Retained earnings	57,329	6.0	81,499	8.0	24,169
Treasury stock	(842)	(0.0)	(1,108)	(0.1)	(265)
Valuation and translation adjustments	20,316	2.1	15,529	1.5	(4,787)
Unrealized holding gain on securities	4,741	0.5	1,091	0.1	(3,649)
Deferred gain/loss on hedge activities	(48)	(0.0)	5	0.0	54
Gain in revaluation of land	16,636	1.7	15,582	1.5	(1,054)
Foreign currency translation adjustments	(1,012)	(0.1)	(1,151)	(0.1)	(138)
Minority interests	22,607	2.4	25,364	2.5	2,757
Total net assets	196,282	20.6	218,178	21.5	21,895
Total liabilities & net assets	954,074	100.0	1,013,916	100.0	59,842

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.)

Account title	Previous year (from April 1, 2006 to March 31, 2007)		Current year (from April 1, 2007 to March 31, 2008)		Comparison
	Amount	Percentage	Amount	Percentage	Amount
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)
Revenue from operations	573,549	100.0	633,406	100.0	59,857
Cost of revenue from operations	437,188	76.2	473,469	74.7	36,280
Gross profit	136,360	23.8	159,936	25.3	23,576
Selling, general and administrative expenses	70,415	12.3	77,872	12.3	7,456
Operating income	65,944	11.5	82,064	13.0	16,120
Other income					
Interest	92		155		62
Dividends	1,169		415		(754)
Foreign exchange gain	89		-		(89)
Equity in earnings of affiliates	350		189		(161)
Other	427		459		31
Total other income	2,130	0.4	1,219	0.2	(911)
Other expenses					
Interest	6,880		7,195		314
Provision for bad debts	29		50		21
Other	740		609		(130)
Total other expenses	7,651	1.3	7,856	1.2	205
Ordinary income	60,424	10.5	75,427	11.9	15,003
Extraordinary gains					
Gains on sales of property and equipment	11,944		296		(11,648)
Gains on sales of investments in securities	10		123		113
Transfer from provision for bad debts	105		217		111
Other	464		92		(372)
Total extraordinary gains	12,524	2.2	730	0.1	(11,794)
Extraordinary losses					
Loss on sales of property and equipment	107		2,270		2,163
Impairment loss on fixed assets	1,170		13,688		12,517
Revaluation loss of investments in securities	1,241		557		(684)
Revaluation loss of land and buildings for sale for prior periods	15,834		-		(15,834)
Provision for loss reserve due to land buyback	7,373		-		(7,373)
Loss on business restructuring	4,407		-		(4,407)
Other	868		1,777		909
Total extraordinary losses	31,001	5.4	18,292	2.9	(12,708)
Income before income taxes and minority interests	41,947	7.3	57,864	9.1	15,916
Income taxes - current	21,763		14,302		(7,460)
Income taxes - deferred	(14,869)		10,165		25,034
Minority interests	3,689		4,700		1,011
Net income	31,364	5.5	28,696	4.5	(2,668)

Note: 1. Amounts are in units of millions of yen with fractional units discarded.

2. Percentage figures excluding those of Comparison indicate the sales ratio.

Consolidated Statements of Cash Flows

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

Account title	Previous year (from April 1, 2006 to March 31, 2007)	Current year (from April 1, 2007 to March 31, 2008)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Income before income taxes and minority interests	41,947	57,864
Depreciation and amortization	11,251	12,316
Amortization of goodwill	269	1,820
Equity in gains (losses) of affiliates	(350)	(189)
Revaluation losses of investments in securities	1,241	557
Provision for bad debts	(301)	(35)
Net change in directors' and corporate auditors' retirement benefit reserve	405	(270)
Net change in retirement allowance	336	3,051
Increase (decrease) in directors' and corporate auditors' bonus payment reserve	-	23
Increase (decrease) in reserve for bonuses	807	(1,040)
Impairment loss on fixed assets	1,170	13,688
Net change in loss reserve due to land buyback	7,373	(7,373)
Revaluation losses on land for sale	18,354	-
Gains (losses) on sales of securities and investment in securities	(10)	(123)
Gains (losses) on sale of property and equipment	(11,837)	1,974
Loss on retirement of property and equipment	1,112	1,214
Interests and dividends received	(1,262)	(570)
Interests paid	6,880	7,195
Decrease (increase) of trade receivables	(146)	(5,490)
Decrease (increase) of inventories	(37,334)	(10,224)
Increase (decrease) of trade payables	542	(2,132)
Increase (decrease) in accounts payable	4,963	(5,299)
Increase (decrease) in advances received	2,905	(7,148)
Bonuses to directors and statutory auditors	(161)	-
Increase (decrease) in deposit of sale on consignment	(19,740)	(9,813)
Deposits received for special joint ventures	(1,490)	14,000
Other	2,683	(4,596)
Subtotal	29,610	59,397
Interest and dividends received	1,398	764
Interests paid	(6,730)	(7,032)
Income tax paid	(10,433)	(28,217)
Net cash provided by operating activities	13,844	24,910

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

Tokyu Land Corporation and Consolidated Subsidiaries

(Audit has not been completed.)

Account title	Previous year (from April 1, 2006 to March 31, 2007)	Current year (from April 1, 2007 to March 31, 2008)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Payments in time deposits over three months	(41)	(70)
Refund of time deposits over three months	646	175
Lending of loans	(35)	(177)
Proceeds from loans receivable	110	169
Proceeds from purchase of securities and investments in securities	(17,574)	(7,770)
Sales and clearing of securities and investments in securities	720	667
Payment for acquisition of subsidiaries	(112)	(259)
Payment for acquisition of subsidiaries resulting from changes in consolidated scope	(5,206)	(10,114)
Payment for guarantee deposits	(4,430)	(5,461)
Proceeds from guarantee deposits	3,925	3,685
Capital expenditures	(42,643)	(43,250)
Proceeds from sales of property and equipment	15,059	11,737
Payment for equity investment	(84,382)	(53,422)
Reversal from investments in special purpose companies	27,581	24,203
Payment for the establishment of new affiliates	(5)	(111)
Other	(35)	50
Net cash used in investing activities	(106,424)	(79,949)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(2,870)	11,684
Proceeds from long-term debt	104,782	80,419
Repayment of long-term debt	(96,543)	(71,794)
Payment of guarantee and lease deposits received	(14,214)	(18,682)
Guarantee and lease deposits received	16,737	22,589
Proceeds from issuance of bonds	20,000	20,000
Proceeds from issuance of common stocks	104	-
Cash dividends paid	(2,656)	(5,580)
Cash dividends paid to minority interests	(755)	(1,461)
Purchase of treasury stocks	(335)	(244)
Net cash provided by investing activities	24,248	36,930
Translation difference in cash and cash equivalents	18	(138)
Increase in cash and cash equivalents due to new consolidation	80	-
Net increase (decrease) in cash and cash equivalents	(68,312)	(18,246)
Cash and cash equivalents at beginning of period	119,933	51,701
Cash and cash equivalents at end of year	51,701	33,454

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