



January 24, 2024

For Immediate Release

Company Name: Tokyu Corporation
Representative: Masahiro Horie,
President & Representative Director
(Securities code: 9005 TSE Prime Market)
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**Notice Regarding Absorption-type Merger of Wholly Owned Subsidiary (Short-form/Simplified Merger)
and Posting of Extraordinary Loss in Non-consolidated Financial Statements due to Waiver of Claims**

Tokyu Corporation (the “Company”) hereby announces that at a meeting of the Board of Directors held today, it has resolved to implement an absorption-type merger (hereinafter, the "Merger") with THM Corporation (hereinafter, “THM”), its wholly owned subsidiary, the effective date of which is April 1, 2024 (plan). Details are as follows.

In addition, in conjunction with the resolution of the Merger, the Company has also decided to waive claims it has with respect to THM. Since the Merger is a short-form/simplified merger targeting a wholly owned subsidiary, the Company is disclosing information that omitting certain information and details, and the impact of the Merger on the Company's consolidated financial results will be minor.

Details

1. Purpose of the Merger

The purpose of the Merger is to enable the Company to integrate its hotel asset management function and hotel operation function.

2. Summary of the Merger

(1) Schedule for the Merger

Board of Directors' meeting for the resolution of a merger agreement: January 24, 2024

Conclusion of the merger agreement: January 31, 2024 (plan)

Merger date (effective date): April 1, 2024 (planned)

*The Merger is considered a short-form merger as specified in the paragraph (2), Article 796 of the Companies Act for the Company and a simplified merger as specified in the paragraph (1), Article 784 of the Companies Act for THM. Therefore, the two companies will merge without holding General Meetings of Shareholders to obtain shareholders' approval of the merger agreement.

(2) Method of the Merger

THM will be dissolved through an absorption-type merger with the Company as the surviving company.

In addition, THM is expected to incur a loss on extinguishment of tie-in shares. Therefore, the Merger will be carried out after the elimination of this loss on the extinguishment of tie-in shares through the Company waiving claims it has with respect to THM.

Details of the claims to be waived	Short-term loans receivable
Amount of the claims to be waived	Maximum 4.0 billion yen (plan)
Implementation Date	March 31, 2024 (planned)

*Due to the waiver of claims related to the loans provided to THM, the Company plans to post the amount of the claims to be waived as an extraordinary loss in its non-consolidated financial results for the fiscal year ending March 31, 2024. This waiver of claims will have no impact on the Company's business performance on a consolidated basis because the loss is eliminated in its consolidated financial results for the fiscal year ending March 31, 2024.

(3) Details of allocation relating to the Merger

Since the Company owns all of the outstanding shares of THM, no new shares will be issued and no merger grants will be paid as a result of the Merger.

(4) Treatment of share acquisition rights and bonds with share acquisition rights of the absorbed company

There is no applicable item.

3. Overview of companies in the Merger

(Unit: million yen)

	(Surviving company) As of March 31, 2023	(Absorbed company) As of March 31, 2023
(1) Name	TOKYU CORPORATION	THM Corporation
(2) Address	Nanpeidai-cho 5-6, Shibuya-ku, Tokyo	Sakuragaoka-cho 31-2, Shibuya-ku, Tokyo
(3) Name and title of representative (as of September 30, 2023)	Masahiro Horie, President & Representative Director	Akinori Kanayama, President & Representative Director
(4) Business	Real estate leasing, real estate sales and other businesses	Hotel business
(5) Share capital	121,724 million yen	100 million yen
(6) Establishment	September 2, 1922	February 1, 2021
(7) Number of issued shares	624,869,876 shares	265,000 shares
(8) Fiscal year-end	March	March
(9) Large shareholders and their shareholding ratios (as of September 30, 2023)	The Master Trust Bank of Japan, Ltd. (Trust Account) 14.61% Custody Bank of Japan, Ltd. (Trust Account) 4.80% The Dai-ichi Life Insurance Company, Limited 4.14% Nippon Life Insurance Company 3.93% Sumitomo Mitsui Trust Bank, Limited 3.38%	TOKYU CORPORATION 100%

	STATE STREET BANK WEST CLIENT – TREATY 505234 (Standing Proxy Settlement & Clearing Services Dept. of Mizuho Bank, Ltd.): 1.95% Mizuho Bank, Ltd. 1.65% Taiyo Life Insurance Company 1.59% Mitsubishi UFJ Trust and Banking Corporation 1.56% MUFG Bank, Ltd. 1.49%	
(10) Net assets	779,372 (Consolidated)	4,362
(11) Total assets	2,614,012 (Consolidated)	8,594
(12) Net assets per share (yen)	1,204.93 (Consolidated)	16,460
(13) Operating revenue	931,293 (Consolidated)	-
(14) Operating profit	44,603 (Consolidated)	-724
(15) Ordinary profit	47,369 (Consolidated)	-725
(16) Net Income	25,995 (Consolidated)	-726
(17) Net income per share (yen)	42.94 (Consolidated)	-2,742

4. Post-merger status

There will be no changes in the trade name, location, scope of business, stated capital, or accounting periods of the Company or the title and name of the representative upon the completion of the Merger.

5. Outlook

The Merger is an absorption-type merger of a wholly owned subsidiary of the Company, which is not expected to have any material impact on the Company's consolidated financial results.

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