

Tokyu Land Corporation Group Social and Environmental Report 2010



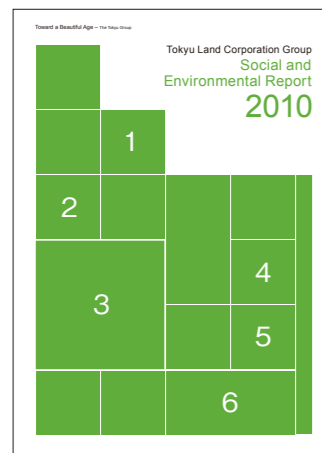
FTSE4Good

Tokyu Land Corporation is included in the FTSE4Good Index, which encompasses companies who are committed to their social responsibilities.

We support
the work of



持続可能な社会をめざして
私たちはUNEP(国連環境計画)の活動をサポートします。

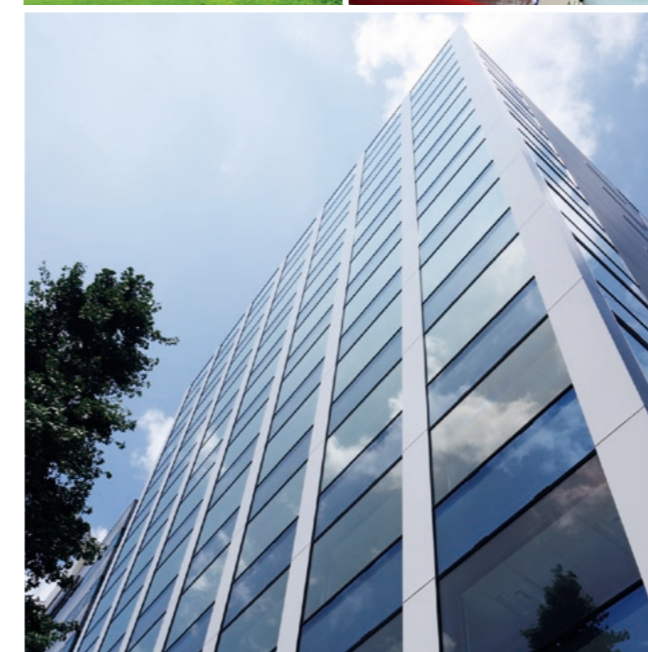
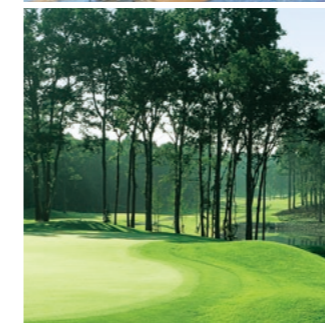
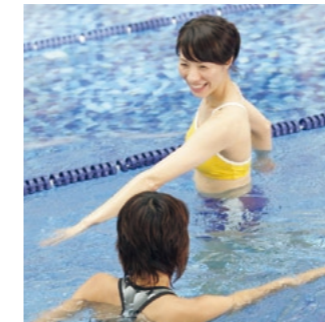


1. Tokyu Harvest Club Arima Rokusai
2. Asakura Golf Club
3. Shibuya Place
4. Totsuka Tokyu Plaza
5. Tokyu Stay Ikebukuro
6. Futako Tamagawa Rise Tower & Residence



TOKYU LAND CORPORATION

1-21-2 Dogenzaka, Shibuya-ku, Tokyo 150-0043 Japan





Looking through Society's Point of View to Create New Values in Business



The Tokyu Land Corporation Group (the TLC Group) recognizes CSR (Corporate Social Responsibility) as providing solution to social issues through our business activities. In other words, we do not view social issues only from business perspective, but we stand at a broader social viewpoint and generate new value through business.

Our group originated from Den-en Toshi Company. Established in 1918, Den-en Toshi Co.,Ltd. developed a sophisticated residential district in Tokyo, now well known as Den-en Chofu. At the time, Japan was facing various urban problems and it was a pioneering work aiming to create an ideal city, "Garden City". Since then, this enterprising spirit has long passed down in our group's DNA, and shaped our corporate mission of challenging social issues.

There are so many challenges that our society faces today; as a "producer of comprehensive lifestyle services" who support living environment totally, the TLC Group must offer our hands to issues such as global warming prevention, creation of recycling society, biodiversity conservation, providing secure and safety living environment, and extensive supports in the aging society with a falling birth-rate. The TLC Group has been taking actions in these issues in conjunction with providing high-quality products and services to our customers. Construction of environmental-conscious buildings, promotion of greening, seismic safety and security, and senior care homes are just a few examples of our efforts in response to social issues. In order to enhance effectiveness of our group's CSR activities, we now put these approaches at the core of our CSR activities, integrate what have been fragmented efforts of the group companies into more solid, synchronized strategy of the entire group.

Toward this goal, it is indispensable that every board member and employee properly understands the essence of CSR and acts on one's own initiative to implement CSR in everyday business. Through active discussion on CSR, we will find innovative business approaches and aim to realization of CSR management in order to generate new value through business from social eyes. At the same time, it also fosters executives' and employees' sense of unity, leading to the stronger brand identity.

This report is compiled for the purpose of informing our stakeholders about the TLC Group's CSR activities. We, the TLC Group, strive to build trust and be chosen by our stakeholders including our customers, local communities, and investors for many years to come. Although our group also suffered from recent global financial crisis began in US, our enterprising spirit has remained strong without swaying, and our executives and employees are all committed to realize CSR management. I ask for your continuous support and understanding of all of our stakeholders.

Kiyoshi Kanazashi
President and CEO
Tokyu Land Corporation

Introduction (Report Overview)

● Report Objective

This report has been compiled and published annually since fiscal 2009, for the purpose of informing our stakeholders about the TLC Group's CSR activities. This 2010 edition reviews progress of CSR activities of the TLC Group as a whole and is organized by subjects that we specifically wish to convey.

● Expected Readers

The report is compiled for our customers, shareholders, investors, our company executives and employees, government agencies, NPO/NGO, local communities where the TLC Group conduct businesses, educational institutions, families of our executives and employees, and other stakeholders of the TLC Group companies.

● Scopes

This report covers CSR activities of the TLC Group's all major companies (listed in page 5 and 6).

● Reporting Period

Fiscal 2009 (from April 2009 to March 2010). Some data may be referenced from other fiscal years.

● References

"Sustainability Reporting Guideline (GRI, Third edition)", an international guideline for sustainability reporting.

● Publication Date

October 2010
(Previous publication: November 2009, Next publication: October 2011)

**The Tokyu Group
Group Philosophy**

Mission Statement

Management Policy

Guidelines for Action

We hold this philosophy in common as we work together to create and support the Tokyu Group.

■ Mission Statement

We will create a beautiful living environment, where each person can pursue individual happiness in a harmonious society.

■ Management Policy

Work independently and in collaboration to raise Group synergy and establish a trusted and beloved brand.

- Meet current market expectations and develop new ones.
- Manage in harmony with the natural environment.
- Pursue innovative management from a global perspective.
- Value individuality and make the most of each person.

Through these means, we will fulfill our corporate social responsibilities.

■ Guidelines for Action

Fulfill your responsibilities.
Collaborate to enhance each other's abilities.
Reinvent yourself with a global awareness.

Contact

CSR Promotion Division
Tokyu Land Corporation
TEL: +81 (3)5458 0617
FAX: +81 (3)5458 4621
HP: <http://www.tokyu-land.co.jp>

Table of Contents

<p>Top Message 1</p> <p>Introduction 3</p> <p>TLC Group CSR 4</p> <p>TLC Group Companies Overview 5</p> <p>Topic 1 Environmental Efforts in Palau 7</p> <p>Topic 2 Environment Conscious Business Activities ... 9</p> <p>Environmental Activities</p> <p style="padding-left: 20px;">Global Warming Prevention 11</p> <p style="padding-left: 20px;">Promoting Biodiversity Conservation 14</p> <p style="padding-left: 20px;">Provision of Environmental Burden 15</p>	<p>Topic 3 Support for Aging Society 17</p> <p>Social Contribution</p> <p style="padding-left: 20px;">Meeting the Needs of Aging Society with Low Birthrate ... 19</p> <p style="padding-left: 20px;">Ensuring Safety and Security 21</p> <p style="padding-left: 20px;">Contribution to Local Community 23</p> <p>Employment and Labor Practices</p> <p style="padding-left: 20px;">Human Resource Utilization 25</p> <p>Improving Customer Satisfaction</p> <p style="padding-left: 20px;">Communication with Customers 27</p> <p>Management Structure</p> <p style="padding-left: 20px;">Fair and Transparent Management Structure ... 28</p>
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❖ TLC Group's Approach to CSR

We believe that CSR means providing solution to social issues through business activities and enhancing shareholders' satisfaction. As a member of the Tokyu Group, we share "The Tokyu Group Philosophy" (see page 3), and place our CSR activity as a pillar of management; we therefore formulated "TLC Group Social Contribution Policy", and "TLC Group Environmental Goals" (see below). Concurrently, we are committed to enhance corporate value by promoting quality control and safety measures, reinforcing corporate compliance, and promoting/strengthening the risk management system.

❖ TLC Group CSR Promotion Structure

The TLC Group has set up CSR Promotion Committee consisting of the group companies' executives in charge of CSR. In addition, Compliance Council and Environment / Social Contribution Council are established within the Committee to ensure compliance and risk management and to promote social contribution respectively.

❖ TLC Group Social Contribution Policy

We endeavor to seek solutions to social issues by providing products and services that are unique to the TLC Group in order to provide fulfilling living environment to all people.

<Four Areas of the TLC Group Social Contribution>
Contribution to Local Communities / Childcare Support / Nursing Care Support / Providing Safety and Security

❖ TLC Group's CSR Promotion Diagram



❖ TLC Group Environmental Goals

<Our Vision for Environmental Activities>

Every executive and employee contribute to realization of low-carbon society by promoting "CO2 emission reduction, proliferation of new energy, and greening" under the spirit of "Green + ONE"

<Our Overall Goals>

1. Reduce per-floor-area CO2 emission at all major facilities of all the TLC Group companies by 5% in fiscal 2012 from fiscal 2007 level.
2. Reduce CO2 emissions actively at new buildings and facilities by installing energy conservation measures and equipments.
3. Introduce and promote new energy sources at all the TLC Group companies.
4. Promote "+ ONE" Greening at new buildings and facilities.
5. Offer products and services giving "+ ONE" consideration to environment.

● TLC's "Environmental Philosophy"

– To be "Eco" Life Producers –

We recognize it is our corporate mission to make efforts to realize sustainable society; therefore we are committed to reducing environmental burden of our business activities. We define "co-existing with nature" as making efforts to protect global environment as much possible as companies can and will take action on the following principles:

- Each executive and employee acts to achieve co-existing with nature.
- We contribute to development of sustainable society.
- We create and offer beautiful living environment.
- TLC promises to be "Eco" life producers.

● TLC's "Environmental Guideline"

– Think Globally, Act Locally –

1. Comply with all applicable laws and regulations, promote business given consideration to "co-existing with nature" actively, integrate the concepts into every living spaces and services, and provide them to the society.
2. Always monitor environmental impact of our business activities, promote effective use of limited resources and energy, and contribute to reducing environmental burden.
3. As a business organization, we encourage society and various business partners to make efforts to implement "co-existing with nature" together.
4. Each of us cultivate within oneself the strong will to accomplish "Co-existing with Nature" and aim to become a true "Eco" life producers.

TLC Group Companies Overview

The TLC Group comprises number of affiliated companies and the total of 15,749 employees across the Group (as of the end of March 2010). Since our establishment, as a producer of comprehensive lifestyle services, we have built business network to support our customers from every aspect of living environment. Our corporate group covers broad range of businesses to generate new values aiming to create better society.

Tokyu Land Corporation (TLC)

Provide rental offices and housing considering harmony between people and environment, and commercial facilities and resort businesses to enhance urban functions and offer relaxation. As a comprehensive real estate developer, TLC is committed to meeting social needs through business activities and to create new values.



Tokyu Community Corporation

With an expertise in condominium/building management, Tokyu Community provides services to support comfortable living/work environments, and serves as the best partner in creating values for the future. By providing "Safety", "Security", "Comfort" and "High quality" with living environment, it contributes to high quality social stock. (See also page 11, 19, 21, 22, 26, 30, for details.)



Tokyu Livable, Inc.

As a comprehensive real estate marketing firm, Tokyu Livable offers brokerage services, real estate solutions, leasing, and sales contracting services. Tokyu Livable establishes a relationship of trust with local communities and contributes to support people's life with peace of mind. (See also page 22, 27, 30, for details.)



Tokyu Hands, Inc.

As the company slogan "Hint Market" suggests, Tokyu Hands gives "hints" for the customers to be creative in their dairy lives. Tokyu Hands stores not only offers wide variety of goods, craft materials, parts and products that can be fit into individual lifestyle, but also gives them opportunity to think about environment. Through products and know-hows, Tokyu Hands continues to contribute to the society. (See also page 11, 12, 15, 24, 26, for details.)



Tokyu Homes Corporation

Under its corporate slogan of "Creating a Green Society", Tokyu Homes implements operations as a "comprehensive housing solution provider". Aiming to create living conditions considering environment, it provides custom home, renovations, interior finishing, or housing care. (See also page 13, 14, 16, 22, for details.)



Tokyu Relocation Co., Ltd.

Founded as a rental housing management firm, Tokyu Relocation's business activities include corporate housing management, property management, real estate investment service, and outsourcing service. It also operates extended-stay hotel chain "Tokyu Stay". With a broad vision for environmental consciousness and social contribution, Tokyu Relocation supports customers in their smooth relocation. (See also page 13, 20, 27, 30, for details.)



Ishikatsu Exterior, Inc.

As a leading company in landscaping business, Ishikatsu creates and produces landscape designs based on the maxim that a garden becomes a view in 10 years, scenery in 100 years and a natural feature in 1000 years; it actively promote business that preserve and revitalize biodiversity. Thorough landscaping works, it offers total solution related to environment that integrates superb workmanship into planning and designing skills. (See also page 10, 14, for details.)



Ewel, Inc.

As an employee-benefit contractor, Ewel offers comprehensive benefit package called WELBOX, introduces and supports operation of cafeteria plan; in addition, consulting and system architecture services backed by their extensive expertise and know-hows are provided. Client companies outsource welfare/benefit related services to Ewel and thereby support to improve employees' work-life balance. (See also page 20, 24, 26, 30 for details.)



Financial Data

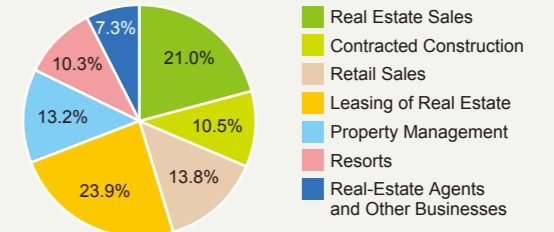
Financial Summary (consolidated)

	FY 2007	FY 2008	FY 2009
Operating Revenue	633.4	574.4	552.1
Operating Income	82.1	35.0	35.5
Ordinary Income	75.4	27.7	28.2
Net Income	28.7	10.2	11.1
Total Assets	1,013.9	1,035.7	1,055.4
Total Net Assets	218.2	222.5	231.0
Dividends per share	8.00	8.00	7.00

(Unit: ¥ billion)
(Unit: ¥)

Operating Revenue Breakdown by Segment (consolidated)

FY2009 ended March 31, 2010



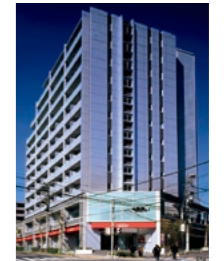
Tokyu Sports Oasis, Inc.

Tokyu Sports Oasis operates members-only fitness clubs located nationwide to provide diverse age groups a range of fitness exercises and relaxation services, and support fulfilling lifestyles for people in modern society. (See also page 18, 22, 24, 25, 26, 27 for details.)



Tokyu Land Capital Management, Inc.

As an asset management firm, Tokyu Land Capital Management establishes and manages real estate funds for institutional investors both overseas and domestic and for pension funds. With well-established compliance and risk management systems, Tokyu Land Capital Management is committed to developing and providing high quality real estate securitized papers and services in order to win trust of investors. (See also page 11 for details.)



Tokyu E-Life Design, Inc.

With expertise and know-hows in residential designs and facility operation, Tokyu E-life Design manages senior housing facilities and nursing homes for safe, secure and comfortable living environment for the elderly. Tokyu E-life Design provides variety of services in order to meet the challenges of today's aging society. (See also page 11, 15, 17, 18, 22, 27 for details.)



Tokyu Resort Corporation

As a leading company in sales and brokerage of resort condominiums, detached vacation homes, and exclusive resort hotels, Tokyu Resort responds to individual lifestyle and needs, provides perfect services and comfortable, relaxing resort experiences, and at the same time, contributes to development of local communities. (See also page 11 and 23 for details.)



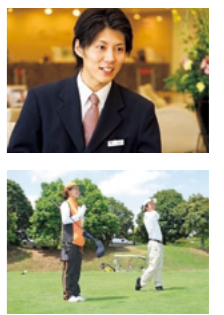
Tokyu Land SC Management Corporation

With an aim to create unique, vibrant, and attractive commercial facilities and spaces, and to contribute to community development and society, Tokyu Land SC Management takes on operation, management, planning, and consulting of commercial complexes. (See also P 23, 27 for details.)



Tokyu Resort Service Corporation

Tokyu Resort Service offers integrated resort management services including resort facility operation. With wealth of experience, the company provides services that make every visitor's stay not only safe and secure but memorable. It also takes measures to reduce environmental impact, and contributes to revitalization of local communities through facility operation. (See also page 11, 15, 20, 22, 24, 27 for details.)



Tokyu Land Loan & Guarantee Corporation

Its main business is to provide guarantee for housing loans, and supports healthy development of community by appropriately meeting the financial needs of future real estate owners.



Tokyu Home & Lifestyle Research Center

With an objective to examine real estate/housing marketing, Tokyu Home & Lifestyle Research Center, a think tank, conducts research on variety of businesses including urban development, resort development and other services. Its newly established Environmental Real Estate Research Unit has been conducting in-depth study in environmental aspects of real estate business.



Environmental Efforts in Palau

Palau, the Coral Reef Paradise

The TLC Group's "Palau Pacific Resort" contributes to environment conservation and economic development of Palau.



Seventy Islands in Palau are designated as wildlife reserve

Contributions and Supports for Environment Conservation in Palau

Republic of Palau consists of over 500 large and small islands, surrounded by one of the world's most beautiful coral reefs. Nested in pristine and lush tropical nature on southern sea, TLC has been contributing to environment conservation for the past 26 years through management and operation of "Palau Pacific Resort".

The design concept of the hotel was "Harmony with Nature". We made sure that the hotel is never taller than coconut trees, and the hotel's roofs were designed with the look of Abai, traditional Palau building form. The ocean in front of the hotel disrupted the habitat of corals because of runoff mud, but our in-depth research and seashore improvement work successfully resulted in bringing back affluent marine creatures. In 2002, the waters in front of the hotel were

designated as a Marine Life Reserve by the State law, and today, this area offers spectacular snorkeling experience among multicolored fishes and coral gardens.

The hotel provides wide variety of nature activities for guests to enjoy nature experience and raise environment awareness. For instance, hotel staff and external NPO offers guided nature walk on a trekking route in the hotel premise; also nature kayak tours guided by certified nature conservation experts are provided. In April 2010, we celebrated Earth Day with over 30 guests transplanting 30 baby giant clams into the ocean just in front of the hotel.

Palau Pacific Resort also participates in "Dugong Week", an educational event for school children to protect Dugong, one of endangered species inhabiting Palau waters.



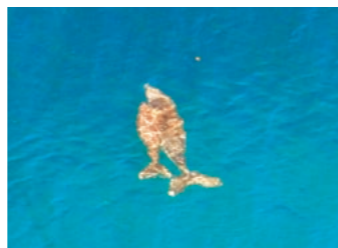
Buildings blended in with the surrounding nature



Lobby with a look of Palau's traditional construction



Guided nature walk on hotel premises



Dugong inhabiting Palau waters

Protecting Water Resource

Although there is a public water supply system in Palau, it does not provide potable-quality water due to rusting and deterioration of plumbing. Worse yet, even this only fresh water is often unavailable during dry season from January to April. Moreover it has become severer and longer owing to recent El Ninos.

We were well-aware of these issues from the very beginning of planning Palau Pacific Resort. So we not only established our own water supply system to serve the hotel's need, but also have been taking various water conservation measures and making efforts to protect Palau's water resource.

Hotel's major water sources are hillside creek located on north-east part of the premises (approx. 290 m³ per day), water well on east side (approx. 250 m³ per day) and rainwater on about 6,400 m² of hotel roofs. Water drawn from these sources is filtered through sand and cartridges, chlorinated, and stored in water tanks. Then, taking advantage of difference in height, water is supplied to each guest rooms and other water supply locations. In addition to the clean water system, there is also sufficient number of water storage facilities including large and small dams.

As for water conservation, we retrofitted toilets in every guest room to low-flow ones when we renovated the hotel in

2008. We also try to reduce the usage of the detergent and water by less exchange of the bed sheets under the guest understanding.



Current situation at seashore in front of the hotel

Previously, the seashore disrupted the habitat of coral gardens due to run off mud; the seashore was successfully revived as biologically rich waters by careful beach renovation work based on detailed research in conjunction with resort hotel development.



The same seashore prior to hotel development

Contributions to Job Opportunities and Economic Development

Palau Pacific Resort is the first world class hotel ever to open in Palau. The hotel has had tremendous impacts; number of visitors to Palau grew from only few thousands a year to soaring 80 thousands, making the islands of Palau one of the world renowned resorts.

The hotel not only contributed to attracting visitors, but also it has taken on an important role of job creation and human resource development over the years. About 85% of our hotel workers are hired locally and given professional training in the hospitality industry. We are proud to say that our business activities have contributed greatly to the widespread improvement of living standards and overall economic development of Palau.

In 2009, at its 25th anniversary, Palau Pacific Resort was awarded special acknowledgment from Koror state government and national congress for our contribution to the society of Palau. In the speech at the anniversary ceremony, Palau's President Johnson Toribiong stated "Palau Pacific Resort

has helped Palau over the years with its mission of training and employing indigenous Palauans, thereby helping to provide needed jobs to boost the standards of living for our people", and encouraged the local workers of the hotel by saying "your hard work and achievements demonstrate to the world that Palauans can be reliable and dedicated workers".



President Johnson Toribiong (right) presenting award to Tokyu Land Corporation president Kanazashi (left)

Interview

I believe environment conservation and social contribution will lead "Palau Pacific Resort" to higher ground.

I have been with Palau Pacific Resort for its entire 25-year history. Looking back, I have so many precious memories, and most of them have to do with "people". I treasure the path I walked with my many fellow workers and countless exchanges and communications with guests from all over the world. I think that each one of those "people" has helped this hotel to grow and prosper.

Of course, I have experienced some difficulties, but I overcame all of them with the help of my fellow workers. Life is full of challenges, every hardship I face, I take it as an opportunity to improve myself.

From the very beginning, the hotel embraced and respected our local culture. At the same time, it has been committed actively in environmental conservation activities and promotion of education

and sports in Palau as a whole. Our goal is to make this hotel the number one resort hotel in Asia-Pacific region, and I firmly believe that the environmental conservation measures and social contribution, which we value and promote, will lead us to higher ground. I also believe that the hotel's principle of hiring local people deserves much credit. Palau Pacific Resort exemplifies what business is ought to be, and I am proud to be a part of this hotel.



Lucy Sugiyama, Assistant General Manager of Palau Pacific Resort

Environment Conscious Business Activities

Environment-Conscious/Social Contribution are positioned as major Pillars of the TLC Group's Business.



Cherry blossom in Mt. Yoshino in Nara Prefecture



Tree-planting ceremony in Mt. Yoshino

BRANZ GREEN PROJECT: Our Way of Promoting Environmental-Conscious

As a long-time community developer, TLC is aiming to "provide residences that grow in value over time". In order to achieve our goal, we have been trying to identify what it ought to be for the next generation homes from the point of environment-conscious view.

That is how we come to launch BRANZ GREEN PROJECT, which consists of three key projects to promote "what human and housing can do for environment", and conveys to our customers our idea in an easy-to-understand manner.

PROJECT 1 calls for "Eco-Living". From three points of view, "building durability" "resource conservation" "lifestyle filled with green" which allows our customers to enjoy "eco-living", we have developed equipments in each property. For instance, "Branz City Konandai" project, scheduled to be completed in 2011, will feature high efficiency water heaters "Eco-Jozu", LED lighting at common entrance, green roof over parking ramp, and many other energy conserving systems.

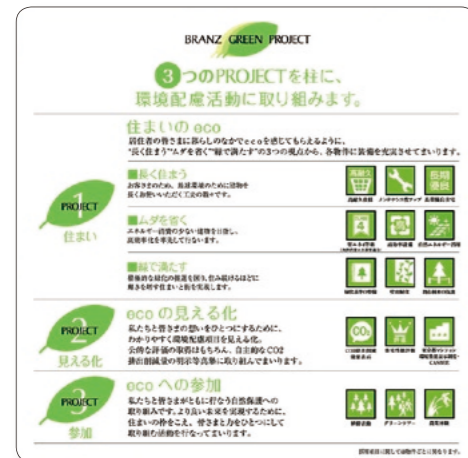
PROJECT 2 is "Eco-Visualization". In order to share our aspiration with customers, we sincerely promote to make reduction of environmental load clarify by being certified from third party, visualizing our environment-oriented criteria in an understandable way, and the like.

"Branz Rikugien", completed in February 2010, is the first project to incorporate Eco Visualization and let its residents see for themselves the CO₂ reduction effect. In "Branz City

Konandai Uguisuomori", energy conservation systems and facilities successfully reduce annual CO₂ emission by total of 19% (90 tons), and saving on utility bill for each unit is approximately 33,000 yen per year. The same condominium has also been certified "A" (Excellent) by CASBEE Yokohama*, an independent building evaluation system which focuses on durability and energy conservation aspects.

PROJECT 3 is "Eco-Participation". Going beyond housings, we promote broader nature conservation activities and social contribution. For instance, we carried out a tree planting campaign in Yoshino-machi, Nara Prefecture, a world heritage-listed area, with the aim of regeneration of forests. During the campaign, one cherry tree was planted per each potential customer who visited our model home. We completed the campaign successfully with total of 850 trees planted. In March 2010, we invited 5 pairs among our customers, chosen by lottery, to participate in tree planting. The campaign and the tree planting tour were both received favorably with such comment as "This is a wonderful effort with a long-term view. Corporations should be launching these kinds of valuable events more often".

* CASBEE Yokohama: CASBEE, or Comprehensive Assessment System for Built Environment Efficiency, evaluates buildings by their environmental performances on a five-point scale (S, A, B+, B-, C). It is a set of nation-wide criteria to evaluate the extent of environmental consciousness of planned buildings. In Yokohama city, developers of buildings larger than certain size are required to prepare and submit "environment-conscious building plans" using CASBEE Yokohama.



Branz City Konandai Uguisuomori (roof garden)



Branz Rikugien

Environment-Conscious Approaches to "Futako Tamagawa Rise" Project

Futako Tamagawa Rise is an urban redevelopment project in Tokyo covering 11.2 hectares. When completed, it will be the largest mixed use redevelopment by the private sector in the metropolitan area. TLC along with Tokyu Corporation have been involved in this project as a member and a participating member of Futako Tamagawa-Higashi District Redevelopment Association.

The project's residential complex completed in May and July of 2010 installs various environmental technologies including pervious construction method, rain water retention, saving green area exceeding 30% of overall site, green roofs and solar powered street lights. Office buildings, which are to be completed in November 2010, will be equipped with Low-E windows, motion sensors at common space for energy conservation, and sanitary water-saving plumbing fixtures in addition to pass energy performance standard set forth by Energy Conservation Law. Moreover, commercial zone will feature LED lightings for over 90% of common spaces for energy conservation and durability.



Futako Tamagawa Rise Tower & Residence (residential buildings)



Futako Tamagawa Rise Office (office building) and Shopping mall (commercial facility)

Improved TLC's Forest Receive CO₂ Absorption Certificate

In March 2010, approximately 96 hectares of TLC's corporate-owned forest was approved by Ichihara City, Chiba Prefecture as the area of Forest Management Plan. We are starting on the approved plan by conducting weeding and improvement cutting for the first 5 years from fiscal 2010 to 2014.

We also acquired Forest CO₂ Absorption Certificate for our forest management plan in accordance with "beautiful forests in Chiba; implementation outline of CO₂ absorption certificate system by promoting forest improvement work". Our plan became the first to acquire the certificate in Chiba Prefecture for the forest improvement plan.

The forest area subject to the 5 years of initial improvement work is 7.55 hectares, and the certified amount of CO₂ to be absorbed is 93.4 tons. We hope to fulfill our social responsibility through planned conservation of this forest which leads to reduction of environmental load.



At the ceremony to issue CO₂ Absorption Certificate (from right: Mr. Sakuma, Mayor of Ichihara City, Mr. Morita, Governor of Chiba Prefecture)

Advancing "Green Network Reconstruction"

Ishikatsu Exterior, our group's landscaping company, promotes the "green network reconstruction", which makes it possible to implement urban development environmental-friendly, based on the concept "vegetation as little alternation to its natural condition as possible". One of the technologies to achieve this is their patented TPM (Trans Planting Machine) method, which allows transplanting of large trees using their specially designed equipment. With this technology, the company has successfully transplanted large trees with very high roothold. Instead of having to cut down existing large diameter trees, which are precious resource, this revegetation method reuses them and can also reduce waste. (see page 14)

"Grande Maison Higashitotsuka", a large scale condominium complex completed in Totsuka-ku, Yokohama City, is one of the projects that Ishikatsu designed and carried out exterior construction and landscaping using technological and designing competence. In November 2009, the project won "The Prize of the Minister of Land, Infrastructure, Transport and Tourism" at the 29th Green City Awards (green community development category) hosted by Urban Green Space Development Foundation. In May 2010, it was also selected as one of "The Best 100 Business Sites Greens Helping Biodiversity Conservation" (community development category). The site for this complex was located on top of a small hill which remains precious nature environment including woodland and row of cherry blossom trees; Ishikatsu was involved in the initial stage of the construction project, the field investigation and the basic concept planning, aiming to realize the plan by implementing the "green network reconstruction".



Technology for transplanting large diameter trees, "TPM method"



Green roof technique, "Picnic Turf"



Example of landscaping for condominiums

Environmental Activities

Global Warming Prevention

The TLC Group regards consideration for the environment an important aspect of our business. Recognizing the urgency of preventing global warming, the TLC Group has taken various measures in our day-to-day business operations. As a corporate group involved in urban development and living environments, we step out of old practices and thinking, shed a new light on environmental issues, and take up measures step by step for the benefit of global environment.

TLC Group's Activities

Eco-activities at Major Facilities

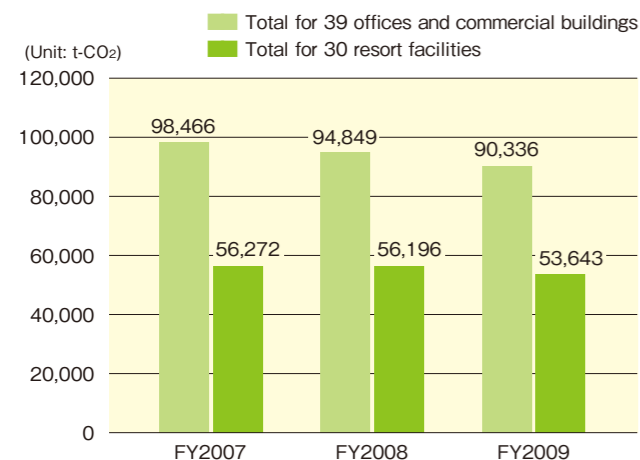
The TLC Group makes constant efforts to conserve environment, meeting the requirements of Revised Energy Conservation Law and other regulations, and implementing Environmental Voluntary Action Plan adopted by industrial organizations which the TLC Group participates. Specific measures include: awareness-raising for the Group employees by posters and "Let's Grow Our Own Eco-Fruit" slogan, adjusting air-conditioner temperature/operation time in the office, promoting Cool Biz (energy saving campaign in the office), reducing paper use, and saving water.

Furthermore, the TLC Group promotes CO₂ emission reduction, energy saving systems, new energy sources and greening at our major facilities to advance environment-conscious business practices.



Energy conservation poster

CO₂ Emissions from TLC's Major Facilities



* CO₂ emissions are calculated with following emission factors defined for each emission source:
 Electricity: 0.561t-CO₂ / thousand kWh
 City gas: 2.08t-CO₂ / thousand m³
 Propane gas: 3.00 t-CO₂ / thousand m³
 Gasoline: 2.32 t-CO₂ / KL
 Light oil: 2.58 t-CO₂ / KL
 Heavy oil: 2.71t-CO₂ / KL
 Kerosene: 2.49t-CO₂ / KL
 Heat supply: 0.057t-CO₂ / GL

Energy Data Collection System

TLC employs an energy data collection system provided by an application service provider* in order to promote current assessment of CO₂ emission reduction visualization of energy consumption at office properties, commercial facilities and resort facilities (approximately 200 locations excluding housings). The present data analysis effectively helps us to advance CO₂ reduction activities and to meet regulations such as Energy Conservation Law and The Tokyo Metropolitan Environmental Security Ordinance. The energy data collection system also allows tenants to check actual energy consumption at their offices, which in turn will motivate them to take specific steps to reduce CO₂ emission.

* Application Service Provider: It provides business application to clients via Internet.

Participating in Light-Down Campaign

The TLC Group companies* took part in "CO₂ Reduction / Light-Down Campaign 2010", launched by the Ministry of the Environment. On June 21st (the summer solstice) and July 7th (the Star Festival), participating companies turned off exterior lightings and advertising lights at their commercial and resort facilities as well as office lights. Until 2009, the Tokyu Group companies had participated in the campaign individually, but for 2010, we participated as a group to emphasize group-wide anti-global warming approach and turned off lights at 144 locations across 31 group companies.

* Group companies that participated in the campaign: TLC, Tokyu Community, Tokyu Hands, Tokyu Land Capital Management, Tokyu E-life Design, Tokyu Resort, and Tokyu Resort Service

Activities at Office Buildings and Commercial Facilities

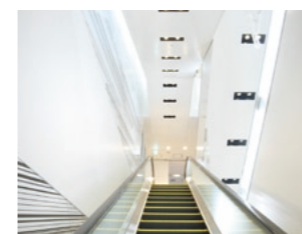
Environment Consciousness Menu for Planning New Projects

To implement our "Environmental Philosophy" and "Environmental Guideline" in office buildings and commercial facilities, TLC developed what we call "Environment Consciousness Menu" to be incorporated into project planning process. As a result of consulting with the menu, "Shibuya Place", an office building, for example, is equipped with Low-E double pane windows, auto-dimming lighting system, green wall among other environment-conscious functions and systems.

Environmental Measures at Commercial Facilities

TLC's commercial complex called "Totsuka Tokyu Plaza" (opened April 2010) incorporates various environment-conscious features including 1) Approximately 380 m² of green wall and roof, 2) LED lighting (i.e. for advertising display) and motion sensor lighting (i.e. for emergency stairs), 3) Use of industrial water, which has low environmental impact, for flushing toilets, and 4) Cold-water thermal storage air-conditioning system. Consequently, the project acquired rank A in CASBEE Yokohama, a building environment performance evaluation system. Another shopping complex called "Abeno Market Park Q's Mall" (scheduled to be completed in spring of 2011), is also an environment conscious project with green wall, LED lightings, and motion sensor lightings, and the like.

TLC's environmental efforts go beyond new projects. Its Building Maintenance Department has also worked steadily toward energy conservation by improving already installed equipments and their operations. Significant energy conservation is achieved by carrying out detailed investigation to make necessary improvements and adjustments as well as implementing system renewals or revisions in large facilities.



LED lightings (Totsuka Tokyu Plaza)



Green wall (Totsuka Tokyu Plaza)

Activities at Tokyu Hands

At Tokyu Hands stores in Shinjuku, Sapporo, and Yokohama, a MCPETα(light reflector) is installed on one tube out of each 3-tube fluorescent lighting fixture, conserving energy while maintaining illumination intensity.

Approaches to Housings

Indicating Environmental Performance of Condominiums

TLC aggressively adopts Tokyo Green Labeling System of Condominiums and CASBEE for condominiums as a measure to advance environment consciousness in our housing business. TLC's standard specification for new condominiums adopts next generation energy conservation standard (except in some regions) and includes high-efficiency water heater (gas water heater "Eco-Jozu" or electric heat pump "Eco Cute"), which helps to promote environment-conscious housing market. TLC continues to offer comfortable living environment to the customers and

to reduce environmental impact, while at the same time responding to specification requirement for "Eco-point system for housing", a recent government-led promotion campaign for eco-friendly homes.

Certifications acquired for environmental performance for projects completed in fiscal 2009 and to be completed in fiscal 2010

Environment Performance Certification	Project names
Tokyo Green Labeling System of Condominiums *1	Branz Tower Minamisenju (3 stars in all four criteria), Branz geo Todoroki (3 stars in all criteria except for "measure to enhance building durability")
CASBEE*2	Futako Tamagawa Rise Tower & Residence (Rank A)
CASBEE-Yokohama *2	Branz City Konandai Uguisunomori (Rank A)

*1 Tokyo Green Labeling System of Condominiums: There are four criteria of environmental performance; 1) building insulation, 2) energy efficiency of equipments, 3)measures to enhance building life and 4) greening. Projects are rated for each criterion by 1-3 stars. The 5th criterion "solar power generation and solar heat" has been added since January 2010.

*2 CASBEE (Comprehensive Assessment System for Built Environment Efficiency): See page 9.

Solar Power Generation, Car-sharing, Rental Bikes

"Branz geo Todoroki", a condominium by TLC, is equipped with solar power generation system that feeds power to condominium's elevators and common spaces.

"Branz Musashikosugi", on the other hand, features 24-hour car-sharing system, which allows residents to drive hybrid cars as necessary without having to own one. This is an effective way to balance environment consciousness and comfort in urban lifestyle. At "Branz Nakanominamidai", electric bicycles are rented to residents, contributing to healthier lifestyle, lower environment impact and increased customer satisfaction.



Car-sharing for condominium (image)

Green Planning Guidelines

Greening of living environment is another approach that TLC actively promotes. We set up "Green Planning Guidelines" for condominiums and detached homes respectively (except for some areas), follow the guidelines to plan landscaping that integrates well into the environment and building plans, provide plentiful greens and to create beautiful town scenery.

Branz Senri Momoyamadai Introduce Solar Power Generation and Energy Conservation Visualization

At "Branz Senri Momoyamadai", a condominium scheduled to be completed in July 2011, there will be Photovoltaic panels installed on the roof top to generate approximately 10kW of electricity, and residents will be able to see the amount of power generated and consumed on a monitor set up at the entrance hall. In addition, energy conservation effect of each residential unit will be visualized by installing Ene-Look Plus, a program provided by Osaka Gas, in order to encourage each resident to conserve energy. Residents can access Ene-Look Plus web page to see gas, electricity and water consumption analysis, as well as conservation diagnose and advices.



Ene-Look Plus (image)

TOPICS

Whole House Renovation System "Kurashi-up GREEN"

Tokyu Homes Corporation's "Kurashi-up GREEN" suggests new way of renovation. Unlike tearing down the existing house and building a new one, this renovation method utilizes existing structural components such as foundation and frames, and remodels the whole house to take on a brand new look.

Because existing components are reused as much as possible, it greatly reduces use of new materials, construction waste (by about 90%), and CO₂ emissions (by about 75%) compared to conventional scrap-and-build. Kurashi-up Green standard specification includes newest equipments and systems to make an old home highly energy efficient and water saving. Furthermore, customers can choose "+Energy System" package at a reasonable cost, which includes photovoltaic power generation and "All-Electric" (everyday power consumption is all covered by electricity), to upgrade the house to an extremely energy conserving home with zero utility cost. This standard specification qualifies for "Eco-point system for housing".

"Kurashi-up GREEN" is a new renovation system that gives not only economical benefits, but also benefits to customers' everyday lives and our planet.



Photovoltaic panel



Before renovation



After renovation

Activities at Resort Facilities

Tokyu Harvest Club Arima Rokusai

At "Tokyu Harvest Club Arima Rokusai", a resort facility opened in March 2010, TLC has taken variety of environment-conscious approaches.

The facility is located at "Arima hot springs", one of the ancient hot springs in Japan. Because of its historical setting, the building plan and construction work required careful consideration for the surrounding scenery and atmosphere as well as for hot spring conservation. The resort's building achieves high environmental performance, especially at its envelop by incorporating exterior insulation and double pane windows. The building also features green roof to add to planted area on the resort property. There are various other measures implemented for energy efficiency, such as recovering heat from the hot spring to reduce heating loads, and incorporating LED lightings.



Green roof on Tokyu Harvest Club Arima Rokusai

Activities at Other Group Companies

All-LED-Lighting Rental Apartment

Tokyu Relocation is committed to environment-friendly apartment development. One of such apartments, "R's Higashinakano", completed in December 2009, features LED lightings in both common spaces and individual units, resulting in annual reduction of CO₂ emission by about 11 tons compared to conventional lightings (incandescent or fluorescent), and saving on utility bills for residents as well.

The company also operates extended-stay hotel chain in Tokyo called "Tokyu Stay", which recently began installing LED lightings for hotels' common spaces. As one of the environment-conscious approaches, Tokyu Stay does not place amenities such as hair brush and shaver in each room. Instead, such goods are stored at front desk for visitors to take only as they need them.



LED lightings in R's Higashinakano

Promoting Biodiversity Conservation

While there remains so much to be discovered in mechanisms of ecosystem, the TLC Group recognized the importance of biodiversity conservation at very early stage and has taken actions. We think that the corporate group, which benefit from biodiversity, should take the lead in biodiversity-conscious business model through promoting lumber procurement which concerns forest ecosystem, researches by the landscaping company and the research institute with cutting-edge technologies and the like.

TLC Group's Approaches

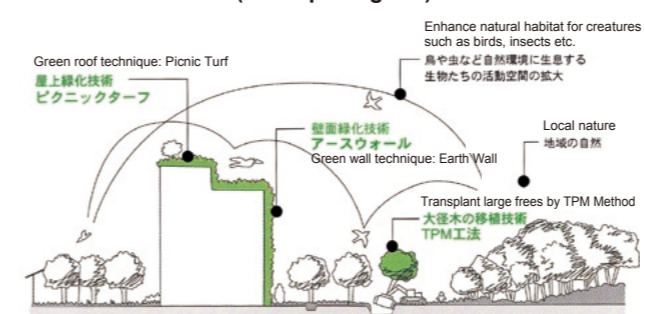
Utilizing Technologies for Biodiversity Conservation

Our ancestors had long respected and worshiped nature, and established unique culture of harmony in order to conserve local ecological order. Ishikatsu Exterior, our group's landscaping company, conducts its business based by utilizing landscaping technologies firmly on this traditional philosophy of harmonizing with nature.

Based on this concept, Ishikatsu aims to create green environment to enhance urban value by shedding light on cultural and historical aspects of the site, in addition to considering an ecosystem in urban area, and by enhancing linkage and correlations with ecological, cultural and historical functions. To achieve the goal their unique technologies such as TPM (Trans Planting Machine) method (transplanting technique using specially developed equipment), Picnic Turf (green roof technique), Earth Wall (green wall technique), and Multi-function street trees are developed. Ishikatsu contributes to biodiversity conservation in urban setting by implementing "green network reconstruction" which combines mastery skills and cutting-edge technologies. In addition, the company developed a method, "COS Landscaping Technique", to calculate the amount of fixation of CO₂ into trees, and utilize the method to assess CO₂ absorption effect of conserving existing trees.

Reuse of trees enabled by TPM method significantly reduce waste compared with existing methods and logging and disposal, furthermore, replanting does not release CO₂ that is fixed in the trunk or thick branches, which means less environmental impact. It is also much better than trimming trees as often done, because replanting requires only minor trimming for the trees to survive, in which case they grow back much faster to create desired landscape after the project completion.

Natural Resource Circulation by "Green Network Reconstruction" (concept diagram)

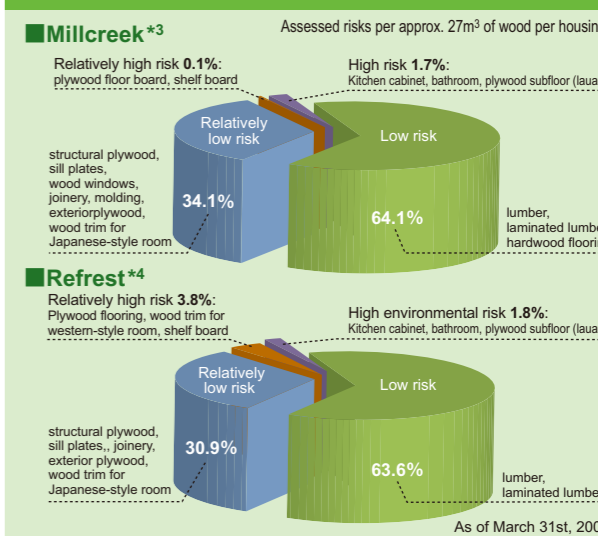


Lumber Procurement Policy and Fair Wood Procurement

Wooden houses are sustainable constructions that meet requirement for low carbon society; however, conserving global environment requires not only constructing wooden structures, but also care for ecosystem and biodiversity of forests where wood are harvested. Tokyu Homes, our group's home builder, promotes fair wood procurement activities*1 in order to conserve forest ecosystem and effective use of resources effectively. In May 2008, Tokyu Homes drew up its own "lumber procurement policy" based upon the international procurement standard. For wood materials and products purchased for Tokyu Homes' standard specification by Purchase Division through their supply chain, environmental risk assessment are conducted with a help of FoE Japan*2, an international environmental NGO, and continue to take necessary measures based upon the assessment result.

Although Tokyu Homes previously had procured structural plywood from Russia, the sources have been changed to North America where illegal logging is less happened, and also it has turned to domestic sources with less wood mileage. As a result, 95% of 27m³ of wood used per home is now "low" or "relatively low" in environmental risk as of March 2009, 20% improvement from previous assessment in March 2008.

Environmental Risk Assessment Associated with Wood



*1 Fair wood trading refers to not only they are legally harvested, but also they are harvested in an environment-conscious manner and purchase only socially-fair wood (no endangered species, no illegal logging or trading, no adverse effect on ecosystem or indigenous people).

*2 Japan office of FoE (Friend of the Earth), an international environmental NGO

*3 North American-style homes (custom built)

*4 2x4 construction spec homes

Provision of Environmental Burden

To protect people's health and to realize safe and fulfilling lifestyles, it is essential to achieve recycling society and to reduce amount of toxic substances that impact the environment. As a corporate group involved in a broad range of real estate business, we believe we can contribute to this issue considering protection of people's health and safety through urban development and management. Thus, we commit ourselves to contribute to reduction of environmental burden through our efforts for energy conservation, enhancing housing durability and controlling toxic substance emission.

Activities at the TLC Group

Rainwater Utilization

The TLC Group recognizes the importance of water conservation. Our office properties, commercial facilities and resort facilities are incorporating various water conservation devices such as water-saving faucets and toilet flow controls.

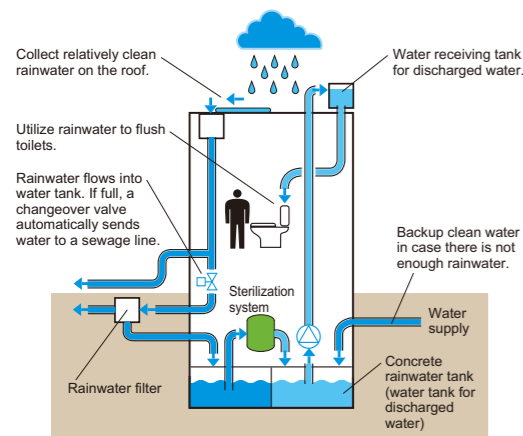
"Kasumigaseki Tokyu Building", an office building scheduled to be completed by TLC in November 2010, is equipped with the water conservation devices which collect rainwater on the roof. It will be effectively used for toilets and other general service in order to reduce clean water consumption. Also, part of the pavement around the building is water-retaining pavement, which is expected to alleviate heat island effect by cooling effect of water evaporation heat to keep down the road temperature.

"Branz Senri Momoyamada" scheduled to be completed in July 2011, will be equipped rainwater storage tank and it enable to recycle up to 30-ton rainwater. Likewise, "Grancreeper Seijo", a residence for healthy senior persons, which opened in September



Kasumigaseki Tokyu Building

Rainwater Utilization System (Kasumigaseki Tokyu Building)



2010, features a compact facility to utilize rainwater for landscape watering.

Long-term Superior Condominium

TLC's "Branz Aobadai 2chome", which will be available for sale in the fall of 2010, became the first to acquire Long-term Superior Housing Certification in Yokohama City, based upon Long-term Superior Housing Promotion Act (Effective June 4th 2009). Although there are increasing number of certified detached housings, there are only a few cases for condominiums, partially because the certification criteria are more stringent for the multi-family housings which consequently lead to higher construction cost.

Also, considering quality of concrete and the like, TLC's condominiums obtained 3 (highest mark) in the "Deterioration Prevention Measures" criteria of Housing Performance Indication System.

TLC is committed to diverting from "scrap-and-build" practices to building a high-quality social housing stock by offering housings that assures excellent asset values for generations.

Promote Waste Separation and Recycling

The TLC Group promotes waste separation and recycling to help create recycling society. At office buildings and commercial facilities, we not only observe proper disposal procedures for construction waste, but also implement measures to raise awareness of our tenants and management companies.

Tokyu Resort Service strives to minimize food waste generated from its hotels, golf courses, and ski resorts. For instance, it promotes recycling of used cooking oil from restaurants, and replacing disposable wood chopsticks with non-disposable ones, which is already introduced to 10 hotels and 11 golf facilities as of July 2010.

Ecology in Your Own Hands ~ At Tokyu Hands

Tokyu Hands offers customers opportunity to think about "eco" in their daily lives. "Ecology in Your Own Hands" campaign, revolved around three key actions: "pick up" what is good for the planet, "create" with the material you choose while enjoying, and "maintain" for a long use. For this campaign, Tokyu Hands selected products based on these three actions, and the customers earned additional 1% of the Hands Club Card Point when purchasing the selected items.

Tokyu Hands' goal through this campaign was to step out of "discard if broken", "buy ready-made goods" habits.

In December 2009, Tokyu Hands launched another campaign called "100 Items to Help You Save" and promoted time- and money-saving products.



"Ecology in Your Own Hands" promotion logo



"Ecology in Your Own Hands" selected products

Responding to Laws and Needs for Toxic Substance Reduction

At the TLC Group's office properties, resort and commercial facilities, we are committed to reduction of toxic substances that have impact on the environment, and handle these substances in accordance with the applicable laws and regulations.

CFC (chlorofluorocarbon), which is used as air-conditioner coolant and PCB, for condensers, are properly managed or discarded following the required procedures without leak or discharge in accordance with the corresponding regulations.

As for asbestos and contaminated soil, control measures and procedures are implemented if the site investigations find them necessary.

Toxic Substance Management and Reduction for Housing

In response to increasing cases of sick house syndrome in recent years, Building Standards Act in Japan bans two chemical substances, and the Ministry of Health, Labor and Welfare(MHLW) has issued guideline air concentration level for 13 chemicals.

TLC's condominiums and detached housings employ construction materials with the highest rating of F4-stars in JIS/JAS evaluation system, and acquired the highest grade 3 for the category of formaldehyde countermeasures in Housing Performance Indication System. TLC also pays great attention to emission of other chemicals and is committed to providing healthier homes.

Chemiless Town* Project

Chemiless Town is a model town built on Chiba University campus for the purpose of academic-industry joint research on sick house syndrome. The model town encompasses several houses with minimum amount of chemical substances, in order to find causes and remedial measures for the symptoms.

Tokyu Homes established the Institute of EBH (Evidence Based Health-promotion) Housing. Its custom homes specification achieves far beyond the guideline level for 13 chemicals set forth by MHLW, and they offer more natural materials and less overall chemical use in

planning and construction of remodel projects. Participating in the Chemiless Town Project is one of their efforts to reduce chemical substances in the living environment and therefore constructed an experimental house in the Chemiless Town. Currently, at Tokyu Homes' experimental house, 116 chemical substances are being monitored regularly by Chiba University.

In the near future, Tokyu Homes plans to allow families with suspected sick house syndrome to stay at the experimental house for a short term in order to improve their symptoms while conducting demonstrative research.

* Chemiless Town is a registered trademark of the Center of Environmental Health (NPO).



Tokyu Homes' experimental house in Chemiless Town

TOPICS

Registered as UNEP (United Nations Environment Programme) Supporter

TLC has been taking various environmental activities such as CO₂ reduction through our business activities relating to housings, office buildings, commercial facilities and overseas projects, as well as established "Environmental Philosophy" early on, and promotes greening. These commitments were highly recognized and led us to be accepted as one of the special supporters for UNEP in 2010.

UNEP's principle "environmental action" and "aiming to create sustainable society" are the goal where TLC is aspiring for. As a company, TLC will continue to lead in environmental activities and support UNEP's various environment conservation activities as well.

About UNEP

Name of organization: United Nations Environment Programme
 Year of Establishment: 1972
 Headquarters: Nairobi, Kenya
 Responsibilities: To carry out United Nation's environment-related missions and international joint operations (i.e. ozone layer protection and climate change research).



Support for Aging Society

The TLC Group supports various aspect of senior lifestyles by operating our senior housing series "Grancreeper" that assures high-quality, comfortable living environment for seniors.



Grancreeper Place for Comfort, Safety and Peace of Mind

In 1953, the Tokyu Group, together with (in cooperation with) local residents, launched a residential development plan called "Tama Den-en Toshi Plan" whose main concept was beautiful harmony among human, nature, and housings. The Tokyu Group has since then advanced Tama Den-en Toshi development and provided high quality homes in the area. After half a century from its launch, matured Tama Den-en Toshi has come to experience aging society with low birthrate. With this social background, there has been growing needs among maturing populations to enhance the quality of life. "Grancreeper" senior residences, built and operated by TLC and Tokyu E-Life Design, are located mainly in Tama Den-en Toshi area to meet these needs.

The name "Grancreeper" is coined from English word "Grand" and Spanish word "Creer" to mean "great reassurance", in the hope that the living experience in our senior residences will be truly joyful for every resident. We make it our mission to deliver

comfort, safety and peace of mind in our senior housings for residents to flourish in the mature years of their lives.

There are 9 "Grancreeper" senior housings as of September 2010, and they are categorized into senior residence, and care residence. Senior residences are for healthy elderly and feature wide range of services for residents to enjoy safe and secure life, and excellent living spaces and common spaces. Care residences, on the other hand, are for people who require nursing care and staffed to offer residents 24-hour assistance with meals, bath and other daily activities.

We recognize that both structural and non-structural aspects of senior housings are essential in assuring their safety and peace of mind. The series of "Grancreeper" features 24-hour manned management for 365 days a year, and emergency call buttons are installed at multiple locations including bedroom and bathroom in each living quarter. There are also safety sensors that monitor the water use in the residential units. This

gives residents great sense of security, for they know that in case of abnormality in water use, the monitor signals staff to come and check on them.

At senior residences, residents enjoy open dining rooms, large common baths, hotel-like services, and variety of learning and recreational events to enhance their everyday life even more. Dining room offers three meals 365 days a year with no need for reservations. Staffs are all required to take AED courses or basic lifesaving courses. In addition, in-house nurses and affiliated doctors provide healthcare for residents.

Some residents of senior residence have concern that they may require nursing care as they become older. To alleviate such concerns, residency in a senior residence guarantees transfer to a care residence in the future if necessary.

Intergenerational Communications

Because we believe interaction with other generations enable seniors to enjoy their life, "Grancreeper Center Minami" was developed with a concept of "intergenerational communication". The first floor of the building has a retail zone, where a medical clinic, daycare center, Yokohama-city certified childcare center, drawing class and other businesses are invited to operate. This is not only for convenience both for "Grancreeper Center Minami" residents and people in the community, but also to promote intergenerational interactions. Moreover, "Grancreeper Center Minami" hosts number of intergenerational gatherings with children in childcare center to nurture a sense of affinity between the generations.

Senior Residences by the TLC Group

Name of Facility	Units	Month/Year opened
Grancreeper Azamino	76	February 2004
Grancreeper Azamino	With nursing care service 85	September 2004
Grancreeper Fujigaoka	With nursing care service 128	August 2006
Grancreeper Utsukushigaoka	51	December 2007
Grancreeper Aobadai	45	March 2008
Creer Residence Sakuradai	72	October 2009
Grancreeper Center Minami	124	February 2010
Grancreeper Seijo (Senior residence)	79*	September 2010
Lifenix Takaido	With nursing care service 133	November 1989

* 33 units with healthcare service (scheduled to be available from 2011) out of all 112 units are excluded.



Drawing class (Grancreeper Center Minami)

Tokyu Sports Oasis Helps Seniors to Stay Fit and Independent

In this aging society with falling birthrate, there has been increasing number of senior citizens joining fitness clubs. Tokyu Sports Oasis developed programs for seniors to stay fit, healthy and independent with age. These programs make consideration for seniors to exercise effective and yet fun and safe. For metabolic syndrome and other lifestyle diseases, it also works with universities, research and medical institutes to examine effectiveness of exercises. Tokyu Sports Oasis will continue to further improve exercise programs and help senior population to stay healthy.

Unique exercise program and partners

Exercise programs	Program partners
Rakuraku exercise Ikiiki tai-chi Knee-pain relief exercise	Waseda University Research Institute for Elderly Health
Balance improvement aquatic exercise	Asai Gakuen University, NPO Hokkaido AQUA exercise Association



Rakuraku exercise

Facilities for Safety and Peace of Mind



Emergency call button



Kitchen accommodates a wheel chair



Health check by doctors and nurses

Activity Examples



Chorus club concert (Grancreeper Azamino)



Flower arrangement lesson (Grancreeper Utsukushigaoka)

Meeting the Needs of Aging Society with Low Birthrate

Japanese society now faces decreasing population with aging and low birthrate. There are growing needs for safe and comfortable living environment for elderly and better support for raising children. As a “producer of comprehensive lifestyle services”, the TLC Group recognizes our role of helping our society to prosper as one, young and old together. We have been focusing on this issue and addressing the challenges for many years, in order to deliver to the society broad range of services.

Activities at Office Properties and Commercial Facilities

Introducing Universal Designs

Universal design refers to architectural design ideas that are inherently accessible, comfortable and safe to all people regardless of age or physical disabilities.

In July 2008, TLC formulated “Universal Design Guideline for Office Building” to standardize specifications and processes to implement barrier-free and universal designs in our buildings. The guideline takes into account relevant laws and regulations and comprises itemized specifications which have to be integrated into office building designs; this covers all our new office buildings in

principle. It also covers our existing office properties as much as possible, and takes advantage of renovation or other opportunities to incorporate the guideline. At “Totsuka Tokyu Plaza”, a commercial facility opened in March 2010, we made sure that even guideboards are in universal design.

Approaches to Housings

Home Help Service to be included in Standard Specifications for Condominiums

From 2010, TLC’s new condominiums are offered with Tokyu Community’s “Kazokuryoku-Plus” as a standard service. As of March 2010, about 5,000 families living in TLC’s condominiums have signed up for this membership based emergency service and take advantage of the paid help service for water-related troubles, home appliance maintenance, and changing light bulbs among others. Approximately 80% of the users are over 50 years old, which shows the growing needs for this service in the aging society. In addition, urban lifestyle and values among people living in condominiums are becoming more diverse because of not only aging population and falling birthrate, but also there are more nuclear families and single-person household due to increase of unmarried people or late marriage. Therefore we expect to see broader needs and market for this type of service.

● “Kazokuryoku-Plus” service menu (example)

Emergency help	Service for water-related, electric appliances, entrance door / keys, windows troubles
Assistance	Changing light bulbs, moving furniture, cleaning high places

Dementia Supporter Training

In the increasingly aging society, we need to be aware of and have correct understanding for dementia. Recognizing the issue of dementia, Tokyu Community has launched a training program for Dementia Supporters* since March 2008. The program teaches accurate knowledge of dementia as well as effective communication skills with condominium residents with dementia. Currently, all Amenity Mates (TLC condominiums’ building managers) have completed the Dementia Supporter Training.

* Dementia Supporters: Taught by experts on dementia as lecturers (called “Caravan mate”), Dementia Supporter training program are co-hosted by

local municipalities and trade associations. Participants learn necessary skills to watch for people with dementia and their families, and become “Dementia Supporters”. Concurrently, Japanese Ministry of Health, Labor and Welfare launched “Nationwide Caravan to Train One Million Dementia Supporters” campaign to increase Dementia Supporters to 1 million nationwide, making every community a safe and secure hometown for generations.

Activities at Resort Facilities

Promoting Certified Care-Fitters and Barrier-free

For elderly and physically challenged people to enjoy and feel comfortable at resort facilities, Tokyu Resort Service has been advancing barrier-free facilities and promoting the staff to acquire Care-Fitter certifications from an NPO, Nippon Care-Fit Service Association. Certified Care-Fitters have hospitality skills and care skills required to attend to the visitors. Among Tokyu Resort Service employees, 234 staff have been certified as second grade Care-Fitters as of end of July 2010, and the number is still growing. The company is also advancing barrier-free at resort facilities as well as installing multi-purpose restrooms and altering room dimensions to accommodate wheel chairs, as ongoing effort to offer great satisfaction to more visitors.

Activities at Other Group Companies

Approaches at Ewel

Ewel offers welfare and benefit package menus (WELBOX). The company has a work-care support service for companies to promote work-life balance. In November 2009, Ewel held an event called “Work-Life Balance Day for Families”, which parents participated in discussion titled “Let’s cultivate fathering ability” with a panelist and a coordinator; also it provides workshop which parents and children could enjoy together.



Seminar at “Work-Life Balance Day for Families” Judoka, Toshihiko Koga as a panelist (right) and Hiroko Ando from Career Network Co., as a coordinator (left)

Experience-based curriculum for children

Rental Apartment with Support for Childcare

Tokyu Relocation took part in the “Brote Okurayama” project (completion: August 2010, owner: P.O. Real Estate), rental apartment with support for childcare, located at Okurayama, Yokohama-city, and is conducting its leasing service. The apartment building houses a city-approved childcare center (scheduled to be opened in April 2011) as well as Kids’ playroom. Floor plans vary from 1-bedroom to 4-bedrooms to allow residents to move to different units within the same building as the children grow or family structure changes. From floor plan to environmental consciousness, many aspects have been carefully considered to assure security and safety to support families with children. It became the first rental apartment be approved by “Yokohama City Apartment with Childcare Support Approval System”, and also earned a certification of “Housing and Environment for Childcare Support” by Mikihouse child & family research and marketing institute inc.



Kids’ playroom in Brote Okurayama

OUTLINE

Many Universal Design Features to Meet the Needs of Moms and Dads

- ✓ Mini-park - Lots of green makes it a favorite gathering spot for families.
- ✓ Kids’ playroom/ Party room - Perfect for children’s birthday parties and Xmas parties.
- ✓ Lounge - For Moms to gather and chat.
- ✓ Barrier-free design - Effortless stroller access in the common spaces and each unit.
- ✓ Sound insulation - Sound-proof flooring to shut off footsteps.
- ✓ Storage spaces - Storage in every room and bathroom, plus a storeroom for each unit.
- ✓ Lattice windows - Lattice windows for ground floor unit, and upper floor unit windows also fitted with grids
- ✓ Auto-locks - Auto-locking system for both main and sub entrances
- ✓ Surveillance cameras - installed at multiple locations in common spaces

Brote Okurayama features

Interview

“Kazokuryoku-Plus” by Tokyu Community ~ Our Family-like Support for Your Daily Life ~

In recent years, diluted sense of community has been said to become a social issue. Little troubles in daily lives that used to be easily solved with the help of neighbors, can be difficult to deal with in today’s society. That is where our idea of “family-like power” service came from. Our family-like support covers small troubles with water, electricity, keys, windows and so on. Knowing that the solution is just a phone call away, this service gives sense of security, and there are more and more people signed up for the service, especially among seniors.

This service was originally designed to serve the aging population, but we intend to expand the service to be more family-oriented in order to contribute to reversing the birthrate decline. Furthermore, we would like to develop more region-specific services to serve different areas and their needs, such as for Hokkaido or Kyushu.

“Kazokuryoku-Plus” — our family-like support service is our first step to the goal under the slogan of “Best partner in creating values for the future”.



Makiko Matsui, Manager(left) and Naoto Katakura, senior staff member (right), Tokyu Community Condominium Division

Ensuring Safety and Security

Because the TLC Group is involved in urban infrastructure and services that are imperative to people's daily lives, it is our mission to maintain and improve safety and security of our products and services. We routinely undertake measures and provide services in preparation for any unforeseeable circumstances.

Approaches to Housings

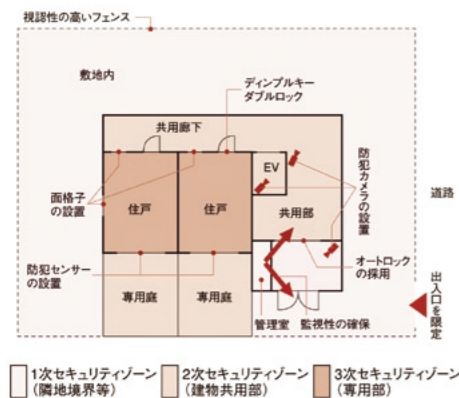
Quality Control, Disaster Prevention, Security Measures

Planning and developing condominiums and detached housing, TLC conduct strict quality check such as ensuring the drawing and patrolling inspection at each stage of residential project from schematic design, construction, to after-sales service in order to maintain high quality, safety, performance of disaster and crime prevention instruments, and comfort of our products and services.

Based on the "planning checklist" which was compiled the know-how and experiences of product development and management over the years, we verify qualities of our buildings' structures, appliances and specifications at schematic planning and construction planning phases.

For crime prevention, we outline the fundamental idea in our "security guideline". Entry routes to the residence are divided into three zones (around the site, common space and private space) and crime prevention measures are implemented for each zone.

Residential Zoning for Security (example)



Furthermore, we distribute "Condominium Life Handbook" to all residents of TLC's condominiums. The handbook gives them the basics of condominium management and disaster / crime prevention measures. At the same time, "Kurashi Navi" program* (see P.23) organizes visits to Tokyu Community's Technology Center to see disaster / crime prevention equipments, conducts fire drills, as well as compiling and distributing "DIY Guide to Seismic Countermeasures" that educates the residents on what they can do to minimize the damage from earthquake, such as making furniture tip-resistant.



Crime prevention lecture for residents (Tokyu Community, Technology Center)

Tokyu Community, on the other hand, offers seminars and useful ideas regarding disaster prevention instruments and proper building maintenance methods to condominium association board members. It also put together "Disaster Control Guide" for each condominium association to for their disaster preparedness.

* Contents of "Kurashi Navi" program differ by regions.



Distributing information through handbooks

Disaster Prevention Instruments

"Branz City Konandai Uguisunomori", reborn from "Konandai Uguisu Housing" over 35 years ago, is equipped with various disaster prevention instruments to serve as a disaster preparedness center for this matured community. Some of the facilities on the Branz City site includes: "Kamado bench" that can be used as cooking ovens, "emergency manhole toilet" to be set up on designated manhole in case of emergency which will be available to both condominium residents and community residents alike. The rooftop of parking building located in the center of the site is available for tents to shelter; water tanks are set for daily life water through simple-purifiers.



Kamado bench: Remove the top board and use the remains as cooking ovens (image)



Emergency manhole toilet: Set up a portable toilet over designated manhole (image)

Activities at Office Buildings and Commercial Facilities

Improving Quality Control

Our goal for TLC office buildings is assuring safe working environment. We therefore take greatest care in undertaking routine safety measures and, based on our "Office Building Planning Guidelines" and "Universal Design Guidelines", improve our approaches day to day. Any accidents occurred in the buildings or facilities including commercial complexes are recorded in a database, and it is managed by Facility Management Information Network to be shared across departments in order to investigate the causes and preventive measures.

In addition, we devote our effort to minimize possible damages from earthquake. For example, "Kasumigaseki Tokyu Building", scheduled to be completed in November 2010 incorporates earthquake resistant bracing system. This is one of the self-imposed requirements, among other cutting-edge structural designs, to make TLC's new office buildings with over 3,000 tsubo (9,917m²) floor space, to meet the equivalent performance level of the seismic resistance standard for Type II Government and Other Public Office Facilities. In order to assure our tenants' business continuity in case of earthquake, we also conduct seismic resistant assessment on our existing office buildings and commercial facilities, and reinforce the structures to the level required by current Japanese Building Standard Act.

* The seismic resistant requirement for Type II Government and Other Public Office Facilities: The structure should be designed and constructed to withstand severe shakes without serious damages that require major repair work. Specific measures have to be implemented for safety of life and structural functions.

Approaches by Other Group Companies

Emergency Safety Inspector / Lifesaving Training

Tokyu Homes has been encouraging its employees to attain certification for Post-Earthquake Temporary Risk

Evaluation of Damaged Buildings Inspector. As of April 2010, 153 Tokyu Homes' employees are certified. The role of inspectors is to assess post-earthquake building damages in order to prevent secondary disasters caused by building collapse or falling building materials by aftershocks.

Other group companies also implement various approaches including enrollment in lifesaving courses to ensure safety of our facilities and services.

Lifesaving Course Enrollment of the TLC Group Companies

Tokyu Land Corporation	Personnel in charge of office buildings/ commercial facilities operations take Standard First Aid Course.
Tokyu Community Corp.	New employees take Standard First Aid Course during pre-assignment training.
Tokyu Sports Oasis, Inc.	All executives and employees take emergency response course (voluntary program) every year.
Tokyu Resort Service Corp.	All staff members in all facilities take Standard First Aid Course.
Tokyu E-Life Design, Inc.	All staff takes AED course or Standard First Aid Course. In addition, suffocation prevention and how to use aspirators are also taught.



Emergency response course at Tokyu Sports Oasis

TOPICS

"Children Emergency Call 110" Program

As increasing number of children are subject to crimes and accidents, children's safety has become a prime interest of society. Recognizing this issue, Tokyu Livable has joined "Children Emergency Call 110" program that provide safe place for children to run to in case they are faced with danger. Among the Tokyu Livable's real estate shops in the metropolitan area, 30 shops located on the ground level display the sign "Children Emergency Call 110" at the entrances to protect children from crime.

Because of its business characteristics, trust relationship with local communities is an essential element of Tokyu Livable, and the company intends to continue participating in such programs.



"Children Emergency Call 110" sticker

Contribution to Local Community

One of the key concepts of the TLC Group's social contribution is "Contribution to local community". While diluted sense of community has become a social problem in recent years, we believe our involvement as a comprehensive real estate business group can greatly contribute to the society. That is why we are taking number of actions to foster communities and restore connections among people.

Approaches to Housings

"Kurashi Navi" program*

"Kurashi Navi" is a TLC's support program for our condominium residents. Available from the time of contract to one year after building completion, this support program assists our customers to comfortably start their new life in their new homes. Through "Kurashi Navi", our customers receive construction progress reports and construction reports (inspection results at each work phase). In addition, they are invited to the Technology Center of Tokyu Community (see P.21), common space preview events, and residents get-together events, as well as variety of nature programs such as farming experience and forest conservation experience for interested customers.

* "Kurashi Navi" program is offered for TLC's condominiums and some jointly developed condominiums. Program contents vary by projects.

● Farming Experience

Kamiizumi Village in Kamikawa-machi, Saitama Prefecture is designated as Jobu Prefectural Nature Park, blessed with rich nature, and is known for "Kamiizumi-sui" (Kamiizumi water) and "Fuyuzakura" (winter cherry blossom). Cooperating with Kamiizumi Farmers Group of Kamikawa-machi, we started in June 2009 a hands-on "Farming Experience Program" for new condominium owners, most of whom will be leading urban life in the condominium, to

Interview

We hope to convey the importance of "food" and "environment" through our farming experience program.

"Kamiizumi Farmers Group" is a farm launched and operated by local volunteers, aiming to share the joy of farming with urban residents. While first hand farming experience will, we hope, prompt them to think about the importance of "food" and "environment", we are also well-aware of the difficulty of making such opportunities available to urban condominium residents. So the "Farming Experience Program" offered through TLC's "Kurashi Navi" is perfect for condominium residents to come and find the joy of farming. I am also pleased to point out that having people come from urban area will revitalize the local community and open the way for new connections.



Kiyomitsu Ishii,
Kamiizumi Farmers Group
Representative/Facilitator

plow, weed, harvest with their own hands, and finally eat the farm harvest. The program gives families with small children a chance for dietary education. Moreover, we hope to play a role in revitalizing rural communities by giving urban residents opportunity to get to know rural farming communities. For fiscal 2010, we organized spring vegetable harvest event in June.

● "100 nennomori" Conservation Experience in Saitama Prefecture

"100 nennomori", located in Saitama Prefecture, is tended by prefectural government to nurture trees exceeding 100 years old. The forest conservation program teaches participants about forests, and gives them chance to experience conservation works including thinning and brush clearing.

Activities at Commercial Facilities

"visola" Supports Local Events

"Minoh Market Park visola" is a commercial complex located in Osaka, and part of the facility is rented to Minoh City, Osaka Prefecture as "Minoh Citizen's Activity Center" managed and operated by NPO "Citizen's Activity Forum Minoh", a management body designated in accordance with Osaka Prefecture Management Designation System. The center supports other NPOs through providing consultation service and meeting spaces for citizen's activities. As a corporate member of "Citizen's Activity Forum Minoh", TLC also supports their activities in the local community through cooperating and assisting with community events.

Activities at Resort Facilities

Providing Information on Resort Life

Tokyu Resort not only provides listing of resort homes and condominiums in beautiful nature, but also gives customers the glimpse of charming resort life, in response to increased number of customers who wish to live in rural areas. Detailed information on local shops and events schedules are found on blogs within webpage of each Tokyu Resort branch office. In addition, the company lists resort housings available for permanent residence. In the midst of aging, low-birthrate society, the Ministry of

Land, Infrastructure, Transport and Tourism issued a policy to promote residency in two areas, and TLC is also cooperating with the strategy by offering planned residential subdivisions such as "Tennoudai New Town" in Izumizaki-mura, Fukushima Prefecture to our interested customers.

"Asagimadara" Observation Event

Staying at Dekodaira (Urabandai, Fukushima Prefecture) from end of July to beginning of September, "Asagimadara" (chestnut tiger butterfly) is known to travel long distance and fly as far south as to Taiwan in early autumn. "Grandeco" operated by Tokyu Resort Service hosts "Asagimadara" observation events, inviting Dr. Masahiro Kurita as an official advisor of this.

Dr. Kurita, a medical doctor and a well-known researcher of this butterfly, has been visiting Grandeco since around 2004 to observe "Asagimadara" whose biology is barely known. That is how "Grandeco" has come let our visitors know about this rare specie. The observation event features Dr. Kurita's lecture and "marking" by participants on captured "Asagimadara" to record their flight. The butterflies' travel record is made available on "Grandeco" webpage at: <http://www.grandeco.com/asagimadara/flight-map/index.html>



Marking by participants

"Asagimadara"
(chestnut tiger
butterfly)

Activities by the Tokyu Group Companies

Introducing Fair Trade Products Menu

Ewel launched a service for WELBOX members to make social contribution by simply purchasing fair trade products*. WELBOX members can access the fair trade web shop via members-only page, make purchases, and part of the proceed from the sale is donated to "Global Village" an NGO advocate for environment protection and international cooperation. This service allows members to "Shop to change the society!", a simple way to become a part of international contribution.

* Fair trade products: Products produced through fair trade system which create jobs for socially, financially disadvantaged producers and workers, and compensate them fairly so that they improve their standard of living on their own, and become financially independent.

Social Contribution by the Tokyu Group

To make our environmental activities better known to the public, the Tokyu Group started the advertisement campaign named "WE DO ECO" series since 2000. Various environmental activities such as resource recycling and greening, which are implemented by each group company, are introduced via posters or other media. As a part of "WE DO ECO", we have been running greening along Tokyu Line campaign, dubbed "Greenery" Gift, sapling give-away events since 1972, in a hope to make towns along Tokyu Railway abundant with green.

On the regional level, on the other hand, the Tokyu Group companies located in each are comprise regional Tokyu Associations and are involved in events and concert held in local communities. For instance, Tokyu Association of Osaka, of which TLC and Tokyu Sports Oasis are also active members, has organized "Family Nature Tour in Tottori" for families to learn the importance of nature. The tour included many nature activities such as volunteer weeding in Tottori Sand Dunes, starry sky observation, bagging Twenty Century pears, and play in the river.



"Greenery" Gift, sapling give-away

"Family Nature Tour"

Caring Employees to Start Donation Drive

At Tokyu Hands, when the gingham store uniforms were being replaced with white shirts from June 2009, employees thought of donating the gingham shirts to people in need overseas and kicked off the donation drive. After sorting out shirts with tears or stains, about 14,000 shirts were sent to people in South America and Asian region through the NPO "Japan Relief Clothing Center".

Human Resource Utilization

Society can energize itself to prosper when willing workers are fully employed at the jobs they desire. At the TLC Group's business locations nationwide established to offer comprehensive lifestyle related services, we contribute to stable local employment and local economic development by offering local employment. Furthermore, we constantly improve our training systems to inspire individuality and bring out the full potentials of each employee.

Human Resource Cultivation and Employee Motivation

Training Programs

At TLC, employees are not regarded to be "human resources", but rather, "human asset", exerting direct influence on corporate value and profit. TLC's employee training program consists of four stages, with 5-year interval from the time they join the company. Each stage has goals to be achieved through a stage-specific training curriculum. The program is intended to enable employees to create new values and improve their skills as "value producers". In addition to existing programs, TLC actively develops personal development programs to help each employee learn and acquire certifications for his/her chosen career path.

● Training Program Overview

Year count from joining TLC	Year 1 to 5	Year 6 to 10	Year 11 to 15	Year 16 and over
Stage	Basic	Advanced	Pro	Management
Upskilling Programs (input)	- Marketing - Finance - Logical thinking - Accounting - Communication - Business mind	- Interpersonal effectiveness - Negotiation skills - Relationship building - Creativity and innovation - Presentation skills	- Information gathering - Information analyzing - Risk assessment - Hypothesis formation and verification	- Strategy formulation - Business creation - Business management skills
Performance Goal (output)	Accurately execute given tasks	Complete execution of each responsibility	Able to manage the team to achieve project goals	Able to create businesses, and continuously achieve higher performance goals
Job Rotation	Experience in 2-3 departments before year 10 (identify career aptitude and goal)		Experience in other departments as well as other affiliated companies	

New Business Venture Proposal System

Since fiscal 2004, the TLC Group has been implementing "New Business Venture Proposal System". The objective of the system is to create business leading the next generation, as well as organization vitalization and to discover talented staff. The system seeks new business ideas across the TLC Group companies, and among the proposals submitted for fiscal 2009, "Development and introduction of programs to support healthy mind" was selected to be verified as possible new venture. The idea was then developed into a "Mind Fitness Course" consisting

of such classes as "Coloring for grownups", "Collage", and "Laughter Yoga", and offered at Tokyu Sports Oasis to validate its business potential. This New Business Venture Proposal System facilitates new business creation with a framework to support exploring and expanding new business areas, and at the same time, should help employees develop entrepreneurship and skills.

Internship Programs to Support Future Employees

TLC offers two internship programs for next generation to learn first-hand what it means to work in the society, and

Interview

"Mind Fitness Course", Born Through New Business Venture Proposal System

- Mika Kitano

I have been studying counseling for some time, and I applied for the New Business Venture Proposal, thinking I could somehow make a good use of my knowledge. Although I did not dream of my idea being selected in this real estate company, I think they found it feasible as a business plan for a group company. It was difficult to come up with idea to attract customers, and there were other hurdles as well, but it was also a good opportunity to develop challenge-oriented spirit in myself. I think determination to apply is the important part of this system.

- Hideyuki Kamiya

Tokyu Sports Oasis has long paid attention to "mental health", so this "Mind Fitness Course" coming out through the New Business Venture Proposal System was a perfect project for us to try out. We live in a stressful society, and this "Mind Fitness Course" offers casual way to maintain mental fitness at a familiar fitness club. Not only our fitness club members, but also there are many non-members taking this course and commenting favorably that the course helped them to relieve stress. There are diverse business ideas coming through the New Business Venture Proposal System. These ideas help vitalize the organization, and being a corporate group involved in diverse business areas, there are good chances for the new ideas to materialize.



Left: Mika Kitano, General Affairs Department, TLC
Right: Hideyuki Kamiya, Healthcare Division, Tokyu Sports Oasis

rewards and challenges of working in the real estate business. One program is called "Internship" and gives actual working experience with our employees, while the other, "1-day Internship", consists of visits to TLC's projects and group workshops to discover advantages of real estate industry.

Knowledge Forum (in-house seminars)

TLC holds in-house seminars called "Knowledge Forum" for executives and employees of the TLC Groups. With aims of advancing reform of organizational culture, knowledge interaction with other leading companies, and to promote learning and motivation, we invite frontrunners in many different industries to speak at our Forums. Some of the seminars we held for fiscal 2009 were: "Leadership Mentality in the Era of Reform", "Motivation Management", and "Lots of Learning".

Since the first Forum in fiscal 2004, we have held total of 22 Knowledge Forums (as of September 2010).

Support for Childcare and Nursing Care

Advancing Support System for Childcare and Nursing Care

The TLC Group implements number of measures to provide our employees with diverse working style options.

Tokyu Hands offers various programs for the employees such as "Return-to-Work Support Program for Employees Who Had Maternity Leave". Employees with small children (up to the end of third grade) or family members who require nursing care can choose different working hours and to be exempt from overtime work.

Tokyu Sports Oasis, on the other hand, implements flexible human resource management, including providing extended maternity leaves (small children up to 3-year-old), "Short Work-Hour upon Returning to Work Program" (work 3 hours less, for 6 months after returning), and "Childcare Employees System" (employees with children in elementary school can choose their own working hours).

Certified for Next Generation Accreditation Mark "KURUMIN"

In May 2010, TLC earned certification for employers that support development of next generation from Tokyo Labour Bureau. TLC executed action plan to improve work-life balance, for instance, establishing and enhancing new systems and workplace understanding to create better atmosphere for work-life balance, promoting paternity leaves, establishing system to allow employees to leave on expired annual holidays to be with the partner for the

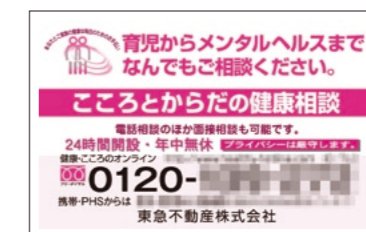
delivery or for nursing leave, and promoting taking paid annual holidays. TLC became certified upon meeting the requirements for the certificate with these measures. The same certification had been awarded to Ewel in fiscal 2007, and Tokyu Community and Tokyu Hands in fiscal 2008.



Health Support for Employees

Medical Checkup and Mental Healthcare

TLC provides annual medical checkups for all employees, conducts secondary diagnosis and interviews depending on the initial results, in addition to health check for those whose overtime exceeds the company's standard, and other detailed tests. For mental healthcare, TLC implements employee mental support program arranged by a specialized external institution. The mental support program is also available for families of employees to consult with the specialist about any problems including non-work related problems such as childcare and nursing. Furthermore, mental healthcare program offers self-checklist every year for employees to recognize their own stress levels.



User instruction card for mental healthcare consultation service

Contribution to Local Employment

In the midst of a severe economic climate, so many willing workers are unable to find the jobs they want, and vanishing job market has become a social issue. Because we believe that the people are our main asset, the TLC Group continues to recruit new people even in this harsh condition. At the Group's over 200 business locations nationwide, we provide employment opportunities within host communities to meet various working style preferences from part-time to full time, making continuous effort to stabilize the local employment.

Improving Customer Satisfaction

Communication with Customers

Drawing upon diverse expertise across the Group gained through various services we developed over the years, the TLC Group strives to further improve our products and services, and maximize customer satisfaction.

Activities at Service-way Forum

Enhancing Group-wide Customer Satisfaction and Staff Education

The TLC group encompasses variety of facility operations including hotels, golf courses, ski resort, fitness clubs, senior housings, and commercial facilities at 105 locations nationwide with approximately 2,700 employees*. We realize that we cannot only depend on the scale of operation, but it is indispensable to implement comprehensive measures to continuously enhance overall customer satisfaction. That is why we launched "Service-way Forum (Operation Improvement Forum)" in fiscal 2009 to shape our way of hearty services.

For Service-way Forums, number of "hearty stories" at our facilities are compiled, draw on the stories to determine basic principles that comprise "mission", "vision", "value" and "principle of action". These principles are then shared among our facility operation employees to practice at their own workplace. In May 2009, 130 facility managers from different sphere of service gathered to discuss "what the 'way' the TLC Group wants to value in our services". It was the moment when the cross sectional exchanges among service locations took shape.

From fiscal 2010, we renamed the "Service-way Forum" to "Operation Improvement Committee" to implement specific measures, focusing on customer satisfaction enhancement and human resource development, and set up a secretariat to carry out actions on each issue.

Operation Improvement Committee places particular emphasis on fostering excellent facility managers. The



At group discussion

committee plans to put together an action manual for facility managers to conduct what are expected of them. The Committee is also putting up posters, handing out badges and taking other steps as part of awareness-raising and education activity for employees.

* Companies joining the Operation Improvement Committee are (as of September 2010): Tokyu Resort Service, Tokyu Sports Oasis, Tokyu Stay Service, Tokyu E-Life Design, Tokyu Land SC Management



Poster for operation improvement committee ("HEARTFUL SERVICE" is a Japanese term meaning "hearty service")

Activities at Tokyu Livable

Superior Customer Satisfaction beyond Expectation

With an aim to cultivate "Brand Personality" which can deliver the services our customers truly desire, Tokyu Livable runs staff education campaign dubbed "Let's become a real estate concierge" who are capable of providing specialized, loyal, and high quality real estate-related services.

7 capabilities to describe our real estate concierges

Humanity, Service skills, One step ahead, High-level, Expertise, Presentation skills, Mobility

Management Structure

Fair and Transparent Management Structure

As a corporate group in pursuit of creating beautiful living environment, the TLC Group aims to establish a structure that ensures fair and transparent management, in order to execute our social responsibility and enhance our corporate value.

Corporate Governance

Corporate Governance System

TLC has implemented an executive officer system to segregate the functions for decision-making and supervision on management policies, and for the execution of duties on business affairs to strengthen corporate governance and increase management efficiency. In addition, from the standpoint of strengthening consolidated management of the TLC Group, major group companies' presidents attend group management meetings and appoint TLC Group Directors.

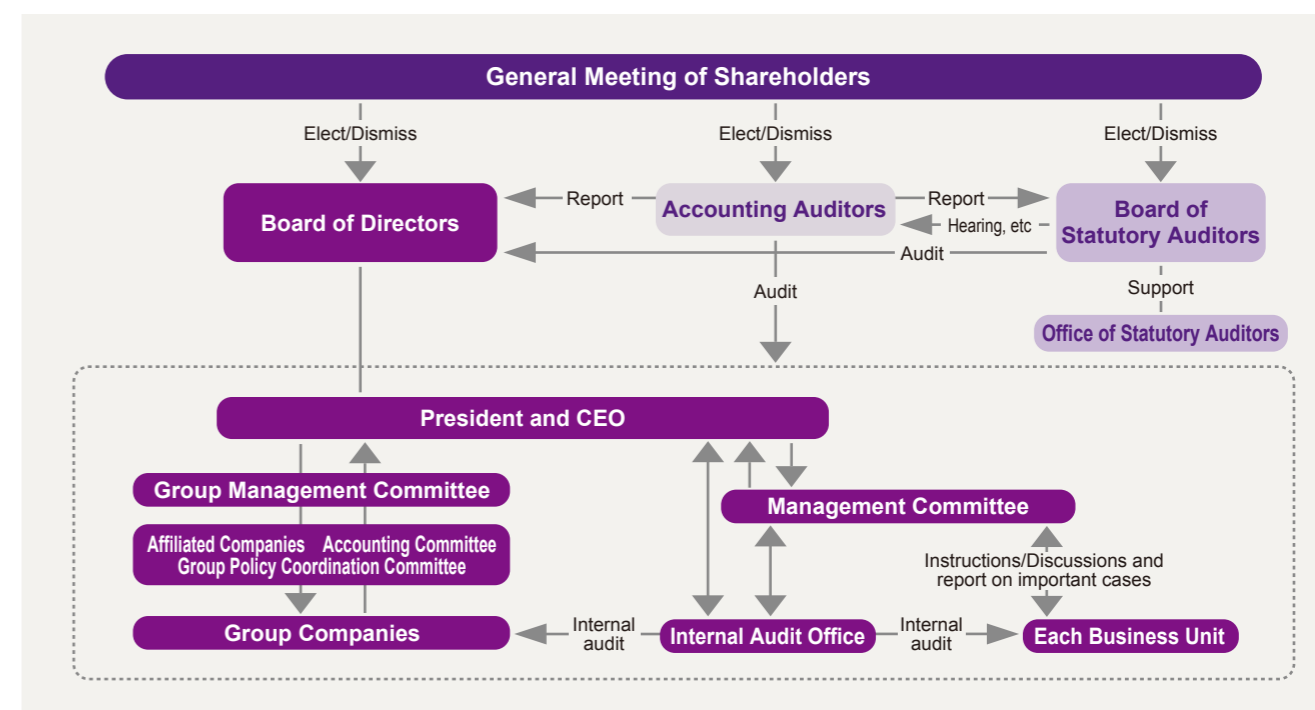
Board of Directors functions as the highest decision making body, responsible for management policies and ensuring execution of duties by the directors. Board meetings are held on monthly basis, and extraordinary board meetings are held as necessary. For fiscal 2009, total of 14 board meetings were held. The role of Statutory Auditors is to attend important meetings and correctly assess the corporate status, and effectively supervise

TLC and the group companies' operations and directors' execution of duties. By appointing 3 external auditors for 4-member Board of Statuary Auditors, we increase transparency in the management.

Internal Control System

To ensure compliance management, at TLC, Board of Directors determines the resolutions to enforce fair business practice across the TLC Group and advances internal control framework, and validates the progress on a regular basis. TLC also established Internal Audit Office in order to guarantee independency and fair practice of internal control system. The Internal Audit Office conducts internal auditing of overall business practices of TLC and the TLC Group companies', objectively and justly examines and validates legality and appropriateness of their management/operation systems and business conditions, and initiates improvement in business practices.

Corporate Governance System



Compliance

The TLC Group has in place compliance system consisting of such committees as "TLC Group CSR Promotion Committee", and endeavor to ensure compliance management in accordance with "TLC Group Code of Conduct". To supplement the Code, we laid down "TLC Group Compliance Manual", which outlines each item in the Code of Conduct more specifically, as a tool for our employees to put compliance into practice. Furthermore, we hold compliance trainings on periodically to familiarize employees with compliance, in order to establish culture of compliance in the Group.

Awareness-raising Measures

TLC formulates "Compliance Program" every fiscal year to plan compliance activities for the year. To ensure that awareness of compliance and appropriate business operations, TLC conducts rank-specific trainings periodically for all executives, employees, contract workers, and temporary staffs. For fiscal 2009, total of 35 such trainings were initiated, on the topic of compliance, legal matters, and financial instruments and exchange business. In the meantime, compliance e-learning program was implemented via intranet for all employees. List of compliance-related incidents as well as information on laws and regulations that affect our business are made accessible. Compliance trainings are also extended to directors and employees of the TLC Group companies in order to raise compliance awareness as a Group.



At a workshop

Helpline System

The TLC Group has in place "Compliance Helpline" (whistle-blowing compliance hotline) as a mechanism to prevent and remediate violation of law and fraud. External helpline is also available for employees to consult with independent attorneys on compliance issues.

Compliance with the Financial Instruments and Exchange Business

With the enforcement of Financial Instruments and Exchange Act, TLC is registered as a Type II Financial Instruments Business and an Investment Advisor and Agency. We are moving to upgrade our business structure

by strengthening the organization and establishing necessary company regulations. As a measure to ensure compliance, we are also working to build our internal management and control system and its validation system based upon PDCA management cycle. For fiscal 2009, we conducted 12 trainings on "Financial Product Trading Business Manual", to thoroughly educate our employees on relevant laws and regulations.

Policy for Anti-social Forces

"TLC Group Code of Conduct" sets forth no association with anti-social forces. It is stipulated in the Code of Conduct that we shall construct close connection with police, attorneys and other external institutions through our day-to-day business activities, and stand firm against any demands from anti-social forces. TLC also released "Guidelines for Anti-social Forces" and "Anti-social Forces Policy Manual" to prescribe actual preventive and handling procedures of anti-social forces and disseminates the guidelines and manual through compliance trainings for the employees.

TLC Group Code of Conduct

1. Compliance and Fair Trade

- Ensure compliance to applicable laws and regulations.
- Ensure best practice in material procurement and fair trade.
- Ensure meeting fiduciary responsibility in execution of duties.
- Never to connect with anti-social forces.

2. Customer-oriented

- Identify customer needs and develop product to meet their needs.
- Prompt and dedicated response to customers' comments and requests.
- Customers' safety and security comes first providing products and services.
- Explain and market our products and services properly and decently.

3. Proper Execution of Duties

- Responsible execution of duties, keeping concepts of "speed" and "evolution" in mind.
- Nurture organization culture of treasuring "Collective wisdom".
- Take advantage of combined strength of the corporate group.
- Ensure proper decision making process.
- Proper management of rules.
- Proper negotiations with business associates.

4. Proper Management of Information

- Operate appropriate document and information management system.
- Proper management of confidential information and compliance to confidentiality obligation.
- Prohibit insider trading.
- Timely and appropriate information disclosure and PR activities.
- Internal control to ensure proper accounting and financial reporting.

5. Decency of Business

- Preserve corporate asset.
- Ensure healthy, safe, and comfortable working environment.
- Respect human rights.
- Contribution to society and consideration to environment.
- Reasonable business entertaining and gift-giving.
- Clear distinction of business and personal matters.

Risk Management System

Day-to-Day Risk Management

Upon risk identification and assessment, the TLC Group applies PDCA (plan, do, check, act) cycle to improve risk management system. Critical risks that are TLC's project-specific are to be discussed at "Management meetings" and comprehensive risk management are carried out accordingly. TLC also initiates risk management trainings to teach risk management objectives and measures using case studies. Furthermore, TLC promotes risk management activities across the TLC Group through "TLC Group CSR Promotion Committee".

Crisis Management in the Event of a Disaster

In case of a disaster or other situations where possibly urgent and critical loss occurs or is discovered, TLC respond to the situations in accordance with "Emergency Response Provisions", distributes necessary information, makes decision in appropriate manner, and take measures to minimize the damage. Specific actions to be taken at emergency situations are outlined in TLC's "Emergency Response Basic Manual". In addition, TLC is working to establish "Business Continuity Plan (BCP)", a strategic plan for continuation of business at time of large-scale disruptions. It will include recovery plan for headquarters, and each business department is also moving toward laying out its BCP.

Information Management and Disclosure

Information Management System

With an objective to appropriately manage information required for our business operations, TLC constituted "Information Management Provisions" to stipulate information sharing to increase efficiency of business operations, prevention of breach of confidence, and adequate information disclosure. For electronic information, on the other hand, "Electronic Information Security Rules" is to be observed by directors and employees regarding information usage monitoring by information managers, information terminal use, and other electronic information-related matters.

Rules on Personal Information Protection

TLC sets out "Personal Information Protection Rules" to require all employees to observe relevant laws and regulations. To disseminate the rules and raise awareness of personal information protection, TLC distributes "Personal Information Protection Manual" and conducts training on the subject. In addition, TLC pays close attention to choosing business partners and outsourcing, and promotes appropriate supervision in order to ensure information protection. Tokyu Livable, Tokyu Community, Tokyu Relocation, and Ewel have obtained Privacy Mark that guarantees personal information to be safely managed and protected.

Prohibition of Insider Trading

In order to prevent insider trading that clearly is breach of Financial Instruments and Exchange Act, TLC established "Provision of Insider Trading Prohibition" and raise awareness of the provisions through compliance trainings and e-learning programs.

IR Activities

TLC is committed to provide information to shareholders and investors in a fair, accurate and timely manner. With respect to disclosure, TLC strictly adheres to applicable laws and regulations. We also disclose information on its management strategies and financial position to extensively promote understanding of our business activities.

We are pleased to note that TLC earned Internet IR Best Company Award 2009 from Daiwa Investor Relations (Daiwa Securities Group), won first place in Fiscal 2009 Listed Company Web Site Quality Ranking by Nikko Investor Relations, and chosen as one of the best in IR Site Total Ranking 2010" by Gomez Consulting.



- 1: Daiwa Investor Relations, "Internet IR Best Company Award 2009"
- 2: Gomez Consulting, "IR Site Total Ranking 2010" Best Companies
- 3: Nikko Investor Relations "Fiscal 2009 Listed Company Web Site Quality Ranking" First Place
Nikko Investor Relations webpage:
<http://www.nikkoir.co.jp/>