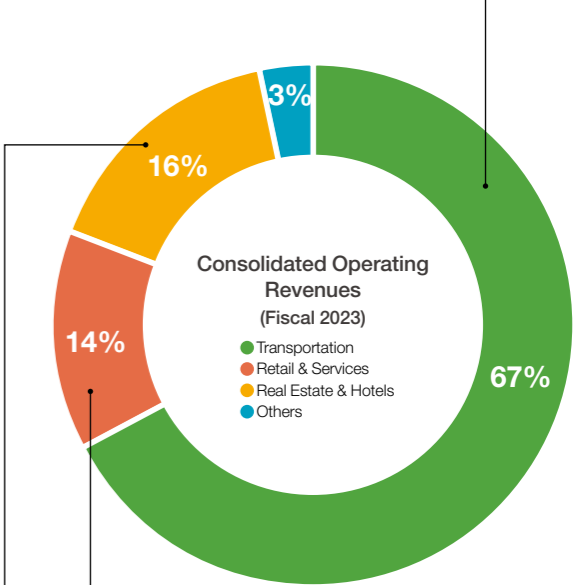


Business Segments of the JR East Group

		Strategies (Strengths)	Market Recognition (Risks and Opportunities)
<div>Mobility</div> <div>Lifestyle Solutions</div>	<div>Transportation</div> <div> Target Profile The JR East Group will pursue ultimate safety levels and continue to earn the trust of customers and local communities, which is the Group's foundation. In addition, we will provide everyone with reliable, high-quality services and help create a vibrant society. </div> <div>Shinkansen / Conventional Lines / Buses / Monorail / Facilities / Electrical Network / Construction</div>	<p>Since its establishment, the JR East Group has made safety its top management priority and endeavored to maintain and further improve safety levels through the development of both tangible and intangible measures. Our real-world networks provide safe, reliable transportation to customers and encompass various transportation modes. JR East's service area includes the Tokyo metropolitan area, while the Company's Shinkansen network connects cities in eastern Japan. Also, our conventional lines, buses, and monorail provide local transportation.</p> <p>JR East's strengths are advanced technological capabilities and operational expertise accumulated over the 150-year history of Japan's railways, service quality, and collaboration with local communities to promote and expand tourism, as well as the personnel who enable the realization of these strengths. We are also forging ahead with various technological innovations, such as ambitious initiatives for the development of next-generation Shinkansen and driverless operations and measures aimed at raising the efficiency of maintenance through condition-based maintenance (CBM).</p>	<p>In 2018, when the JR East Group Management Vision "Move Up" 2027 was formulated, it was expected that railway usage would decline due to Japan's shrinking population as well as more intense competition on the transportation market as a result of the expansion and enhancement of the highway network and the practical application of self-driving cars and buses.</p> <p>In addition, the COVID-19 pandemic has wrought dramatic changes in people's way of life as well as prompted various technological innovations, resulting in the widespread adoption of telecommuting, and there is therefore a risk that the decline in mobility demand may not return to pre-pandemic levels. While acknowledging that railway usage may never return to previous levels, with COVID-19 being downgraded to a Class 5 contagion and restrictions on movement being relaxed, the need for mobility is likely to rise, and we anticipate renewed demand for travel as well as rising inbound demand. Mobility demand that reflects increasingly diverse lifestyles, such as living in two residences, is also expected to emerge.</p>
	<div>Retail & Services</div> <div> Target Profile The JR East Group will provide a variety of services that meet specific needs and promote forms of regional revitalization that the Group is uniquely qualified to provide. </div> <div>Ekinaka Development / E-Commerce / Retail / Restaurants / Advertising / Sports / Leisure / Logistics / Wholesale</div>	<p>To maximize the appeal of railway stations that are used by 12.0 million people every day, we engage in <i>ekinaka</i> development, which entails designing and developing stores and restaurants sought by customers as well as entire spaces inside railway stations, and we operate businesses that complement these stores and restaurants. Also, aiming to better meet the individual needs of customers, we are adding a range of functions to railway stations to connect them with customers.</p> <p>At the same time, under its Beyond Stations concept, the JR East Group is linking customers with railway stations in new ways by transforming the concept of the station, transcending its role as a mere transportation access point, and adding a range of new functions.</p> <p>Further, the Group will leverage its relationships with local communities to introduce quality regional products and services to other regions, and encourage customers to rediscover the appeal of regions, thereby promoting regional revitalization.</p>	<p>As many Group stores specialize in railway station locations, the Group's business performance is linked to railway usage. Therefore, we face the task of increasing earnings as much as possible despite the fact that railway usage is unlikely to return to pre-COVID-19 levels due to the spread of telecommuting and other factors. In addition, a further decline in consumer confidence resulting from a continuous increase in the prices of goods and services could cause a decrease in revenues. Labor shortages are also a serious challenge.</p> <p>On the other hand, the containment of the COVID-19 pandemic has led to a recovery in travel demand and a recovery in the number of visitors to Japan. We expect these recoveries to be accompanied by consumer behavior and spending that is more focused on real-world experiences. In addition, advances in digital technologies are enabling us to address labor shortages while providing highly convenient operations.</p>
	<div>Real Estate & Hotels</div> <div> Target Profile The JR East Group will promote the development of towns and lifestyles that heighten the comfort and convenience of daily life. </div> <div>Shopping Centers / Offices / Hotels / Housing / Asset Management / Tokyo Metropolis Project</div>	<p>In addition to developing offices, hotels, and shopping centers that leverage the advantages of direct connections to railway stations, we are engaged in the housing business.</p> <p>We will advance TAKANAWA GATEWAY CITY and other town development projects as well as terminal station development and hotel enhancement and expansion. Based on the reaffirmation of real estate near railway stations as the focal point of towns, the Group will promote lifestyle development by expanding and improving business formats and services that meet the needs of those living near railway stations or in line-side areas.</p> <p>Further, we will advance the rotational business, which sells (liquidates) properties owned or developed by JR East to investment funds and reinvests the acquired capital in the expansion of growth fields. In these ways, we will constantly provide customers and residents with new value that contributes to the further development of towns and lifestyles.</p>	<p>Various factors could significantly affect business management, including the rise in telecommuting triggered by the COVID-19 pandemic; a further shift away from brick-and-mortar stores as e-commerce websites become even more popular; changes in real estate market conditions stemming from upward pressure on interest rates and future growth in office supply, particularly in downtown Tokyo; and increases in energy and material procurement costs.</p> <p>Meanwhile, the containment of the COVID-19 pandemic has led to a reassessment of the value of experiences, such as meeting in person and seeing and actually touching real things. This reevaluation has increased demand for real-world visits and shopping, and increased opportunities for going out are driving an upward trend in purchases of apparel, accessories, and other personal items. In addition, demand for hotel accommodation and shopping promises to strengthen in step with a pickup in the number of visitors to Japan and further yen depreciation.</p>
	<div>IT & Suica, Renewable Energy, and International Business</div> <div> See page 54 </div>		



Transportation



(From left to right)

Hitoshi Suzuki Executive Director, Deputy Director General of Railway Business Headquarters (Safety and Transport & Rolling Stock)

Hirohiko Ikeda
Shinkansen General Management
Department, Deputy Director General of
Railway Business Headquarters

Osamu Kato	Senior Executive Officer, Deputy Director General of Railway Business Headquarters (Electricity)
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Harumi Nakagawa	Senior Executive Officer, Deputy Director General of Railway Business Headquarters (Station Operation and Service Quality)
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Takehiro Tamagawa Senior Executive Officer, Deputy Director
General of Railway Business Headquarters
(Facilities)

Hiroshi Oyama	Senior Executive Officer (in charge of the Construction Department)
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Safety is the top management priority of the JR East Group. The mission of the Transportation segment is to strengthen the foundations of safety by ensuring the safety awareness of each Group employee while providing high-quality transportation services that satisfy customers. The greatest strength of the segment is its railway network, which covers the Tokyo metropolitan area, links the area to major regional cities, and enables high-speed mass transportation. We will further evolve this real-world network to connect people, increase inter-regional railway travel, and help invigorate regions.

In addition, we will pursue robust, sustainable operational management to address population decline and other pressing social issues and survive in the post-COVID-19 era. The Group will transform its operations by shifting to new workstyles and utilizing new technologies. We are improving the efficiency of transportation operations by increasing driver-only services and introducing driverless operations, which do not require crew members to be qualified drivers. Also, to improve the efficiency of maintenance operations, we are introducing new monitoring technologies enabled by image recognition and sensors. JR East's efforts to strengthen railway network functions include introducing a new type of railcar to increase the speed of Shinkansen services and advancing the construction of the Haneda Airport Access Line to boost Tokyo's international competitiveness.

By organically integrating diverse management resources, third-party capabilities, and the considerable cumulative power of employees who are allowed to shine, we will provide safer and more comfortable transportation services that bring smiles to customers' faces.

* For more information on safety, please see pages 64–78.

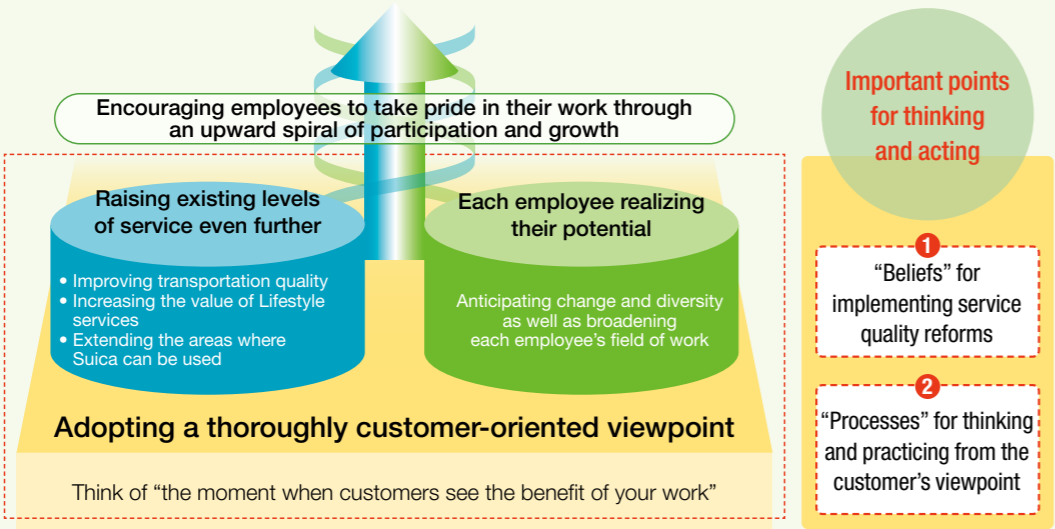
Advancement of Service Quality Reforms 2027

Since the establishment of the JR East Group, all of its employees have made concerted efforts to reform transportation operations and service quality. Meanwhile, primarily due to the COVID-19 pandemic, the future envisioned in our Group Management Vision “Move Up” 2027 has suddenly arrived, increasing the complexity and diversity of our business environment.

Guided by our Vision for Service Quality Reforms 2027 in our response to these changes, we are building systems that encourage all employees to “think and act” from a customer perspective and work effectively across a wide range of fields. Moreover, we will advance integration and collaboration among Transportation services, Lifestyle services, and IT & Suica services to realize overall optimization and service quality reforms.

By thinking and acting in ways that enable the provision of high-quality services, we will continue meeting customer expectations and contributing to society as a trusted corporate group.

Realizing “Move Up” 2027



Shinkansen

Business Development

JR East's five Shinkansen link Tokyo Station with five regional areas: Tohoku, Yamagata, Akita, Joetsu, and Hokuriku. Our Shinkansen network spans 1,470.1 operating kilometers, including the Yamagata Shinkansen and Akita Shinkansen, which have trains that are operable on both Shinkansen and conventional lines. As of April 2023, 324 scheduled Shinkansen services operate per day.

Growth Strategy

Since the Tohoku Shinkansen and Joetsu Shinkansen opened in 1982, JR East has established a track record of safe, reliable transportation, earning the confidence and trust of customers and local communities. With this trust as our foundation, we are developing the technologies, people, and teamwork that support Shinkansen operations, enhancing transportation networks, providing services that meet diverse customer needs, and reforming the structure of operational and maintenance work. Through these initiatives, we aim to achieve "speedy, smart, and sustainable" operational management.

Shinkansen Network Enhancement: Evolving More Convenient and Comfortable Shinkansen Services

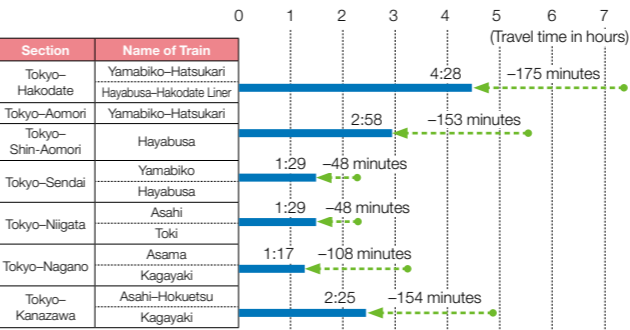
JR East has greatly increased the convenience of Shinkansen services for customers compared with the services available when the Company was established in 1987. In our service area, we have reduced the travel times between major cities by extending Shinkansen, introducing trains that are operable on both Shinkansen and conventional lines, and increasing the operating speeds of services. At the same time, we have increased the number of Shinkansen services in operation. JR East's March 2023 timetable revision enabled an increase in the maximum speed of the Joetsu Shinkansen from 240 km/h to 275 km/h, shortening the travel time between Tokyo and Niigata by up to seven minutes.

Currently, we are preparing for the introduction of the new-model Series E8 Shinkansen to the Yamagata Shinkansen and the opening of the Tsuruga extension of the Hokuriku Shinkansen, both of which are scheduled for Spring 2024. Also, we are upgrading the Shinkansen network with our sights set on operations beyond spring next year, and we are proceeding with studies focused on realizing automated operations of Shinkansen services.



The new-model Series E8 Shinkansen for the Yamagata Shinkansen

Changes in Travel Times (Compared with 1987)

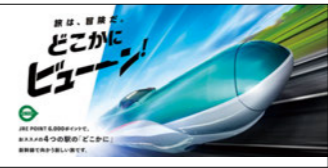


Tokyo to Hakodate segment's top line (Yamabiko-Hatsukari) shows time required after schedules were revised in March 1988 (when the Seikan Tunnel was opened)

New Ideas for Shinkansen Excursions and Onboard Activities

Due to an accelerating shift toward workstyles and lifestyles that are unconstrained by time and location, passengers are spending their time on board Shinkansen train in increasingly diverse ways. In November 2021, JR East introduced Shinkansen Office Railcars, designed for passengers who wanted to work or study while traveling. In March 2023, we revamped these railcars and began marketing them as TRAINDESK Railcars, catering not only to customers who want to work or study but also to the diverse needs of customers who want to use their travel time as “me time.”

In addition, in December 2022, we launched *Dokokani Byun!*, a new style of Shinkansen trip based on the use of JRE POINT. JRE POINT can be earned through day-to-day activities such as shopping at station buildings or *ekinaka* stores. For 6,000 JRE POINT, customers can make a round trip to one of four randomly selected railway stations. The service allows customers to enjoy new encounters and experiences, or in other words serendipity, by traveling to unexpected destinations.



Initiatives to Develop Technologies, People, and Teamwork



Yoko Ishiyama
Shinkansen Facilities Department
Shinkansen General Management Department

Since the JR East's establishment, the Shinkansen network has undergone many technological advances and changes, including network expansion, a progressive increase in operating speed to 320 km/h, a rise in the number of train services in operation, and the enlargement and enhancement of various systems.

To ensure safe, reliable Shinkansen transportation services, further enhance the quality of services, and realize sustainable operations, we are implementing initiatives to develop technologies, people, and teamwork. For example, we are studying the introduction of leading-edge technologies, honing technological skills through competitions, and promoting mutual understanding among employees through study groups and round table discussions.



A technical skills competition

Transportation

Conventional Lines, Buses, and Monorail

Business Development

In our real-world network—which comprises 6,224.5 operating kilometers and 1,681 railway stations (on conventional lines), including BRT (Bus Rapid Transit), as well as buses and a monorail—we are pursuing transportation services that meet customer needs and address local community issues.

Growth Strategy

We are catering to customers’ seating needs by expanding new seating services on limited express trains and introducing Green Cars to the Chuo Rapid Line. With the aim of achieving sustainable railway operations, we are increasing the number of driver-only services and advancing driverless operation technology.



Introduction of Green Cars on the Chuo Rapid Line



Verification of automatic train operation (ATO) on the Yamanote Line

Launch of Off-Peak Commuter Passes

In March 2023, we began marketing off-peak commuter passes, a new type of commuter pass. Given the greater emphasis on easing congestion and avoiding closed spaces, crowded places, and close-contact settings in the wake of the COVID-19 pandemic, the new commuter passes can be used at anytime excluding peak hours on weekday mornings in the Tokyo metropolitan area and cost approximately 10.0% less than regular commuter passes. By promoting initiatives throughout society to shift or mitigate peak travel periods with the understanding and cooperation of customers and companies, the JR East Group aims to benefit customers, society, and the Group.



Joyful Trains



Tomotaka Ikeda
Mobility Service Department
Railway Business Headquarters

We are creating attractive trains that make the train ride itself an objective.

Many customers use the 14 Joyful Trains that have been in operation as of March 2023. Brimming with regional appeal, these trains include the KAIRI and Resort Shirakami hybrid trains as well as steam locomotives. Our plans for debuting new sightseeing trains include the launches of HINABI for the north Tohoku area in the winter of 2023 and SATONO for the south Tohoku area in the spring of 2024.

Working in partnership with local communities, we will create trains that are enjoyed by both customers and line-side area residents and symbolize tourism promotion that enriches regions.



Challenge of Driverless Operations on Conventional Lines and Shinkansen

In addition to general automated operations (grade of automation 2), which assist train drivers, we are aiming to realize driverless operations (grade of automation 3: automated operations with a crew member in attendance), in which a system automatically performs all train operations, such as starting, stopping, accelerating, and decelerating, without a driver being on board.

On conventional lines, beginning from October 2022, we used a Series E235 two-railcar commercial train to conduct a two-month verification of automatic train operation (ATO) on the Yamanote Line and realized improved energy-saving performance and riding comfort. As for Shinkansen, we used the Series E7 to conduct demonstration tests in 2021. Our goals are to introduce driverless operations for detour trains on the Joetsu Shinkansen between Niigata Station and Niigata Shinkansen Rolling Stock Center by the end of the 2020s and on commercial trains between Tokyo Station and Niigata Station by the middle of the 2030s.

JR East is also engaged in research and development of forward obstacle detection devices and other equipment necessary for driverless operations.



Verification test of the driverless operation of a Shinkansen

Realization of Smart Maintenance: Advancing Railcar CBM

For Series E235 rolling stock, which has railcar equipment with condition monitoring functions installed, JR East has taken a new approach to maintenance—the utilization of condition monitoring data. Since June 2018, some scheduled inspections have been replaced with mid-operation data-driven functional verifications. In September 2022, we partially transitioned scheduled inspections to data-based analysis of degradation and service life, whereby the scheduling of equipment inspections is determined by the findings of condition analysis. In addition to Series E235 rolling stock, for other rolling stock compatible with the acquisition of condition monitoring data, we will

advance data utilization in the analysis of equipment failure and degradation condition and steadily move forward with measures to further enhance rolling stock quality and realize smart maintenance.



Scheduling inspections with reference to condition monitoring data

Facilities, Electrical Network, and Construction

Business Development

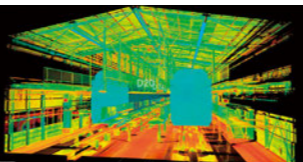
JR East Group is responsible for ensuring safe, reliable transportation through the improvement and maintenance of tracks, bridges, and other structures and electrical equipment. The Group is also engaged in construction projects aimed at improving railway stations and transportation services.

Growth Strategy

In relation to construction projects, we are conducting R&D and technological innovation aimed at safely carrying out projects while shortening construction periods, reducing costs, and accelerating value creation.

In addition, to improve productivity and reduce costs even further, we will make use of new technologies such as monitoring, drones, point group data, and digital transformation (DX), and assemble a sustainable system by streamlining inspections, gauging, and supervision operations.

To ensure the reliability of Shinkansen transportation services going forward, we are planning to start infrastructure renovation project on the Tohoku and Joetsu Shinkansen from fiscal 2032. JR East is utilizing mock-ups of infrastructure facilities in the advancement of technological development focused on mechanization that will save labor and reduce costs.



Utilizing point group data for the remote measurement of clearance limits

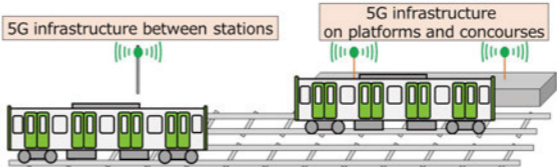


Mock-up of Shinkansen infrastructure facilities

Promotion of a 5G Infrastructure Sharing Business

Aiming to take on challenges in new fields and improve convenience for customers who use railway stations and trains, we are developing an infrastructure sharing business based on a new business model that will entail developing 5G zones in line-side areas, including railway stations and the areas between them.

As an infrastructure sharing business operator, JR East will develop 5G antennas and other necessary facilities, which will serve as infrastructure enabling mobile carriers to provide 5G services. Mobile carriers’ use of these facilities will optimize infrastructure investment in society as a whole and expedite the establishment of 5G zones.



Promotion of Haneda Airport Access Line (Tentative Name)

We are proceeding with the plan for the Haneda Airport Access Line (tentative name), which will provide direct access to Haneda Airport from many directions by utilizing the existing JR East railway network.

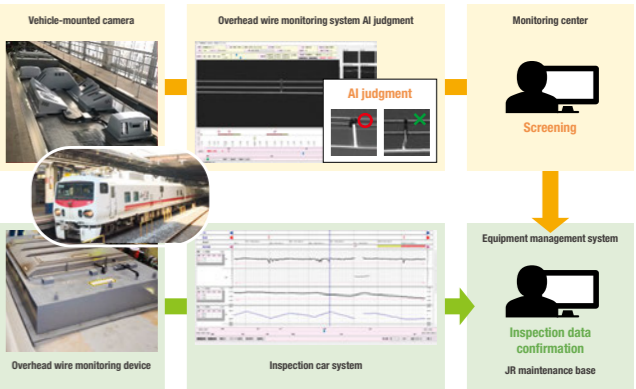


Advancement of the Haneda Airport Access Line (tentative name)

Sustainable Maintenance System

To mitigate the risk associated with increasingly severe natural disasters, JR East is strengthening the regulation of train operations based on weather radar-detected rainfall volumes. Also, we are increasing the resilience of facilities through seismic reinforcement and measures to prevent rainfall disasters. Further, we are reducing the maintenance and management costs of aboveground facilities by streamlining them in accordance with customer usage.

The integrity of overhead wires that supply electricity to trains is confirmed through visual inspections at night after train services have stopped. JR East is taking steps to replace these visual inspections—which account for more than half of the inspection workload—with overhead wire monitoring, an inspection method that utilizes cameras and sensors mounted on inspection cars. By replacing the visual inspections, we will promote labor savings in maintenance work, improve quality, and promote workstyle reform.



Labor saving in maintenance work via monitoring of overhead wires

Retail & Services / Real Estate & Hotels

Pursuit of Profitability and Efficiency

The restaurant industry is seeing customer preferences diversify and new market entrants emerge rapidly. With this in mind, we will avoid complacency about our railway station locations and implement a range of measures to earn greater customer endorsement. Specifically, we will revamp our central kitchen systems, including factory reorganization; reassess methods of revising and eliminating menu items; control food costs; and create dishes that are even more delicious.

In addition, we will strengthen the competitiveness of our six main restaurant formats and open more restaurants outside railway stations by deploying *ekinaka* stores and restaurants to more closely reflect customer needs. For example, we will integrate convenience stores and cafes.

Also, in response to the restaurant industry's particularly pronounced labor shortages, we will improve the employee satisfaction of our personnel working at restaurants in railway stations, adopt digitalized ordering, and introduce the use of robots to food preparation and production processes.



Rendering of NewDays and Beck's Coffee Shop integrated store

Advertising

Business Development

The JR East Group's advertising and publicity initiatives fully utilize the abundance of media in railway stations and trains and the advantages of being able to directly reach a large number of customers, especially in the Tokyo metropolitan area.

Growth Strategy

The advertising industry's environment is changing dramatically as media transitions from real-world to digital platforms and clients seek visualization of cost-effectiveness. In adapting to this environment, real-world transportation media—especially railway station media and other media seen by numerous customers—will remain our fundamental advantage. However, we will replace existing media with new media that enable leading-edge digital representation and advance a three-pronged approach integrating media, showrooming spaces, and brick-and-mortar stores. In these ways, we will cater to diverse, evolving needs and become clients' media provider of choice.

AD Train and JR East App Collaboration

We conduct advertising campaigns that take advantage of our assets' unique characteristics. For example, to commemorate the 150th anniversary of Japan's first railway, we launched an AD train that shows client corporate logos against a chic black background reminiscent of the locomotive liveries used when railways began operating. We are also strengthening digital integration through such measures as providing AD train location information via the JR East App.

Stepped-Up Installation of Large-Scale Media

In line with initiatives to realize the Beyond Stations concept, we will sequentially open immersive media spaces at Ueno, Akihabara, and Shinjuku stations, among others, beginning from winter 2023.

With the shift in advertising media away from the traditional four mass media toward internet-enabled media, we will rebuild and heighten the competitiveness of our transportation advertising by developing media that establish a strong presence through dynamically interlinked rollouts. Specific plans call for the installation of a large outdoor curved sign of approximately 50 square meters and platform media approximately 100 meters long at Ueno Station, a large sign of approximately 60 square meters and a showrooming area with a total floor space of approximately 150 square meters at Akihabara Station, and 48 pillar signs and a ceiling sign approximately 60 meters long at Shinjuku Station.



Rendering of the plaza in front of Ueno Station's Hirokoji Exit

Sports and Leisure

Business Development

Sports Business Our sports business is focused on the fitness business, which runs 43 fitness clubs under the JEXER brand. We will continue to contribute to the physical and mental well-being of our customers and to the creation of communities.

Leisure Business We operate GALA Yuzawa, an unparalleled year-round resort directly connected to Joetsu Shinkansen.

Growth Strategy

As well as the principal advantage of the convenience afforded by proximity to railway stations, our fitness clubs feature state-of-the-art gym equipment, a wide selection of training programs, and a full range of spas, saunas, and other facilities. By leveraging these advantages while integrating gym development with the development of railway stations and their surrounding areas—mainly in the Tokyo metropolitan area—we will increase the number of facilities and customer usage and heighten profitability.

Our leisure business aims to increase the number of GALA Yuzawa customers by further capturing demand from the growing number of visitors to Japan from Southeast Asian countries. To this end, we will conduct overseas advertising campaigns in collaboration with our overseas offices while capitalizing on local tourism resources and the high level of convenience associated with direct connection to Shinkansen. At the same time, we will improve service quality to increase the average spend per customer.



Logistics and Wholesale

Business Development

Through the *Hako-byun* goods transportation service, which utilizes our railway infrastructure, we transport extremely fresh, local specialty produce from regions. Sales of these products promote the appeal of regional areas and contribute to their revitalization.

Growth Strategy

While continuing to transport food products to destinations inside and outside store of railway stations, we will expand our service lineup by taking advantage of the regularity and reliability of train services to transport medical supplies and machine components and to provide same-day delivery. Moreover, through the expansion of our goods transportation network, we will help address social issues, such as labor shortages and CO₂ emissions of the logistics industry.

Hako-byun service for the transportation of goods by train



Koshiro Ueda
Lifestyle Creation & Community Vitalization Department
Marketing Headquarters

To deliver new value to as many people as possible, the JR East Group is making a concerted effort to advance its *Hako-byun* service, which leverages the advantages of its railway infrastructure. Through integration and collaboration that transcend the boundaries of business segments, we aim to simultaneously realize transport passengers and provide services that satisfy the diverse needs of shippers.

Specifically, we are establishing operations and designing services that meet the needs of passengers and shippers who use railways, and improving operational productivity through the development and deployment of carry carts and other logistics equipment. The *Hako-byun* team will continue making effective use of railways as a management resource, promoting regional revitalization, and ensuring steady, continuous realization of profits for the JR East Group.



Development of Lifestyle Solutions Overseas

By utilizing experience and competence gained in Japan, the JR East Group is developing its international business. In Taiwan, we operate the One&Co Taipei coworking space for business creation and own and operate Hotel Metropolitan Premier Taipei. In Singapore, since 2016 we have been developing and operating JAPAN RAIL CAFE, LUMINE SINGAPORE, One&Co Singapore, and the commercial zones of railway stations on the Thomson–East Coast Line. Marking the first development of multiple *ekinaka* spaces of an overseas railway line by a Japanese railway company, the latter initiative affords railway users

greater convenience and contributes to the development of line-side areas.



Hotel Metropolitan Premier Taipei



One&Co Taipei

Shopping Centers

Business Development

We operate approximately 190 shopping centers to make the railway stations that our customers use on a daily basis even more convenient. As well as providing customers with value in the form of time-saving convenience, our shopping centers continually offer new lifestyle ideas, add color to everyday life, and provide enrichment.

Growth Strategy

The JR East Group aims to evolve its shopping center business into an entity that unfailingly realizes epoch-making projects. These innovative projects will generate growth and earnings, led by LUMINE Co., Ltd., which will take on an unprecedented initiative aimed at showcasing Japanese quality to the world in TAKANAWA GATEWAY CITY, and atré Co., Ltd., which aims to create the Group's first outshopping center in a project tasked with the Development of the Hiromachi area around Oimachi Station (tentative name).



LUMINE



atré

Enhancement of the Appeal of Brick-and-Mortar Stores Using Digital Technologies

Aiming to develop shopping centers into destinations, we will leverage digital tools and technologies to enhance the value of brick-and-mortar stores and provide differentiated, real-world shopping experiences.

For example, through the PERIE Online JRE MALL Store e-commerce website, Chiba Station Building Co., Ltd., is attracting customers by selling e-coupons that they can use to receive discounts at selected stores. Meanwhile, LUMINE is strengthening digital technology enabled customer interfaces by disseminating information through the ONE LUMINE app. Also, the company has developed a service that allows customers to order products on the i LUMINE e-commerce website and collect them in stores.



Real Estate & Hotels

Goals of PERIE Online JRE MALL Store



Issei Kanei
Marketing Department
Chiba Station Building Co., Ltd.

This is a commercial facility based in Chiba Prefecture, which boasts an abundance of regional cuisine and resources. In March 2021, we capitalized on its strengths to launch the PERIE Online JRE MALL Store, which focuses on “quality products from Chiba” and “quality products from PERIE.” The e-commerce website currently carries approximately 800 items, including products from businesses in Chiba Prefecture.

By offering a selection of JRE MALL products in the special event sales campaigns of PERIE Online JRE MALL Store and e-coupons that can be used at PERIE and other physical stores in Chiba Prefecture, we will integrate online and offline commercial activities to create synergies that increase referrals of online customers to PERIE and other physical stores in Chiba Prefecture and contribute to the development of all concerned.



Offices

Business Development

The JR East Group operates 47 office buildings, including large-scale buildings that benefit from such competitive advantages as floor plate size, outstanding facilities, and high business continuity plan-related standards that help enhance office quality, as well as the unmatched accessibility of locations near Tokyo Station and other railway stations.

Growth Strategy

The environment faced by our office business has been changing drastically since the COVID-19 pandemic entrenched remote working. In response, the business will ensure its continued advancement and competitive superiority by going beyond office rental operations to develop services that solve corporate issues. In these efforts, we



JR SHINJUKU MIRAINA TOWER

will develop iconic S-class office buildings in prime central Tokyo locations, which are conducive to high levels of employee engagement; STATION BOOTH workspaces that facilitate improved office worker productivity and workstyle reform; and “workations” that can be used for team building or as opportunities to generate corporate innovation.

Environment Friendliness and Enhanced Services

As companies shift to business activities driven by a strong awareness of the Sustainable Development Goals (SDGs), JR East Group will promote the supply of power derived from substantially renewable energy sources and the acquisition of non-fossil certificates for its office buildings. In addition, the office business will utilize shopping centers, fitness clubs, and other facilities in the Group’s broad business portfolio to enhance services for various tenant companies, thereby strengthening relationships with them and remaining their preferred office building provider.

Hotels

Business Development

The JR East Group’s 58 hotels have a total of 9,693 guest rooms and range from hotels that are located near railway stations and offer a comprehensive lineup of services through to hotels where guests can relax amid natural surroundings. We will pursue high levels of customer satisfaction by utilizing our railway network to provide unrivaled convenience, creating comfortable accommodation environments, and offering services tailored to varied customer needs.

Growth Strategy

The hotel business operates a network of hotels that includes Hotel Metropolitan-brand hotels, which add value to town development around railway stations, including The Tokyo Station Hotel, which boasts a history of more than 100 years and is endorsed by domestic and foreign customers; JR-EAST HOTEL METS-brand hotels, which provide convenient and comfortable accommodation for both business and leisure travelers; and HOTEL FAMILIO / FOLKLORO-brand hotels, which help to revitalize regional tourism.

In conjunction with projects aimed at enhancing customer convenience and expanding the hotel network through new development, we will develop *Wa-no-i* hotels and other types of accommodation that offer the rich culture and attractions of Japan, in light of the upturn in the number of visitors to Japan. Furthermore, we will develop hotels—such as HOTEL B4T IWAKI, HOTEL B4T AKABANE, and HOTEL B4T TABATA—with labor-saving operations and improved productivity to address the shortage of human resources in the tourism industry.



HOTEL B4T



Suica Smart Lock

Hotel Metropolitan Haneda: Taking Off in Autumn 2023!



Masaaki Kobayashi
Hotel Metropolitan Haneda
Nippon Hotel Co., Ltd.

Hotel Metropolitan Haneda will open in Haneda Innovation City, Japan’s first smart airport town, located at the international gateway to the Tokyo economic zone.

Our new hotel will play a part in new town development through a public–private partnership that is actively focused on SDG initiatives and the exploration of digital transformation. Themed on hospitality catering to customers on their journeys, we aim to create a hotel that is like a “perch” where travelers can take a break on the way to their destinations, recuperate, and set off again feeling refreshed. The 15th Hotel Metropolitan and the Group’s first hotel in the Haneda area, Hotel Metropolitan Haneda has a promising future.



Housing

Business Development

With the aim of building long-term, wide-ranging relationships with customers through the development of line-side areas that offer attractive living environments, we develop rental housing and housing for sale. To date, we have developed approximately 3,000 homes.

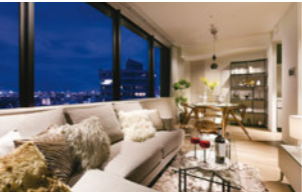
Growth Strategy

As a new core business format in town development that centers on railway stations, we will develop a greater variety of rental housing with a view to offering ideas for and catering to a range of lifestyles. For example, we will develop housing in downtown areas and housing that includes common areas suitable for telecommuting. In addition, a comprehensive business alliance concluded between JR East and Tokyu Fudosan Holdings Corporation in February 2023 will bring together the expertise of both companies, facilitating the development of a highly profitable, fast-paced housing sales business.

Development of the Group’s First Luxury Rental Housing: MEGURO MARC Residence Tower

MEGURO MARC Residence Tower comprises 194 luxury rental housing units, ranging in size from one- to three-bedroom apartments.

Based on the concept of lifestyle-enabling apartments with a focus on personal comfort, the apartments feature a variety of common areas, such as coworking spaces and private lounges. In addition, as the tenants are expected to include non-Japanese businesspersons, relocation services will be offered by our specialized personnel. Also, we have introduced a service whereby tenants who pay their monthly rent and guarantee fee with ViewCard receive JRE POINT.



Rendering of MEGURO MARC Residence Tower

Asset Management

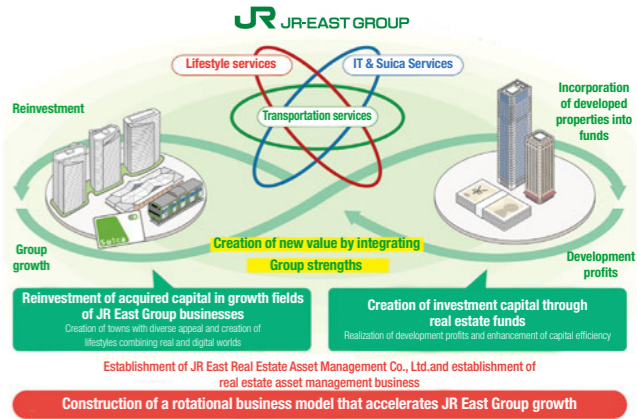
Business Development

By implementing a rotational business model that fully leverages the Group’s real estate assets while retaining facility operation, the Group will rapidly realize development profits and raise capital while also securing business revenues through facility management.

Growth Strategy

Through a rotational business model based on private real estate funds and real estate investment trusts (REITs) formed by JR East Real Estate Asset Management Co., Ltd., which was established in fiscal 2022, the JR East Group will raise funds for growth investments, including large-scale development projects in the Tokyo metropolitan area. These projects will extend the fields in which the Group’s shopping center, office, hotel, housing, and other businesses operate, thereby growing the Group’s earnings. Further, JR East Real Estate Asset Management Co., Ltd., will steadily expand its asset management business, aiming to have approximately ¥300.0 billion in assets under management by the end of fiscal 2026 and ¥400.0 billion yen by the end of fiscal 2028.

Rotational Business Model That Utilizes Real Estate Funds



Rotational Business

The JR East Group will sell its real estate to private real estate funds and private REITs to expedite the realization of development profits and reinvest the acquired capital to expand areas of business growth. For example, the reinvestment of acquired capital in TAKANAWA GATEWAY CITY and other projects will enable us to develop towns with diverse appeal, while the reinvestment of this capital in regional development projects will enable us to contribute to regional revitalization. Through the integration of such town development with various services that leverage its strengths, the JR East Group aims to achieve further growth.



JR Otsuka Minamiguchi Building

Value Creation by the JR East Group	Business Strategies	Strategies That Support Growth	Sustainability	Data
Business Segments of the JR East Group	Transportation	Retail & Services	Real Estate & Hotels	IT & Suica, Renewable Energy, and International Business

Real Estate & Hotels

Tokyo Metropolis Project

Business Development

As we advance town renewal projects in the Tokyo metropolitan area, we will enrich towns and make them more convenient while addressing tasks such as improving disaster preparedness and reducing environmental impact. These development projects will enhance the value of railway station areas and establish revenue bases for the JR East Group.

Growth Strategy

The possibilities for the JR East Group to build revenue bases through development projects are limitless given that it has assets in the form of railway stations that draw large numbers of customers from throughout the Tokyo metropolitan area, which is unparalleled in the world in terms of economic scale and urban activity. The Tokyo Metropolis Project aims to build such revenue bases, renew Tokyo to make it one of the most convenient and attractive cities in the world, and to dramatically advance the Group’s businesses.

Development Project around Shinjuku Station Southwest Gate Area

In conjunction with a Tokyo Metropolitan Government project for the land readjustment of areas adjacent to Shinjuku Station and with other development projects in the Shinjuku Station area, the JR East Group aims to revitalize the Shinjuku area as a whole



Rendering of JR East urban development sector

through multifaceted development initiatives. These initiatives include the establishment of a multilevel pedestrian network that extends north, south, east, and west and links Shinjuku Grand Terminal with the surrounding town and that incorporates highly visible vertical flow lines connecting basement, ground, and deck floors. In addition, our initiatives will integrate indoor and outdoor spaces that encourage pedestrians to linger or pass through. We will also establish a tourism hub by creating features that attract tourists and introducing tourist information, experiential, and accommodation services. Other initiatives will entail improving the area’s disaster preparedness and introducing new energy-saving technologies to reduce environmental impact.

In preparation for completion of the plan in fiscal 2029, we began the demolition of existing buildings in the south block in April 2023.

Development of the Hiromachi Area around Oimachi Station (Tentative Name)

With the aim of improving Tokyo’s international competitiveness, attracting a variety of people from Japan and overseas, and promoting exchanges among them, JR East is advancing town development in the Tokyo south area, which extends from Hamamatsucho



Rendering of the blocks to be developed by JR East

Station to Oimachi Station and centers on TAKANAWA GATEWAY CITY. One of the important pillars of this project is the Development of the Hiromachi area around Oimachi Station (tentative name).

In cooperation with Shinagawa Ward, the surrounding community, and businesses, we will improve the pedestrian network, develop a traffic square, upgrade Oimachi Station, and reinvigorate the Hiromachi area and enhance its pedestrian flows. In addition, we aim to create a disaster-resistant and environment-friendly town by establishing

facilities to receive people who have difficulty returning to their homes and a plaza that will serve as a wide-area evacuation site, and by implementing environment-friendly measures.

With a view to opening by the end of fiscal 2026, we are proceeding with the construction of a complex directly connected to Oimachi Station. The complex will have a total floor area of approximately 260,000 square meters and consist of offices, commercial facilities, a hotel, and rental housing.

TAKANAWA GATEWAY CITY, an Experimental Playground for Future Virtual and Real-World Spaces

The gateway to Edo (old Tokyo) and the site of Japan’s first railway line, Takanawa has a history of innovation. With our sights set on enriched lifestyles a century from now, we will build a town that continues to create new businesses and culture.

Our ambition is to realize an international hub, or a “Global Gateway,” that connects people, nature, and technologies, becomes one of the world’s most dynamic areas, and continuously advances co-creation. With this in mind, we will partner with KDDI CORPORATION and a variety of other partners to build a testing ground for the integration of virtual and real-world spaces. We will address global social issues and heighten the profile of related initiatives throughout Japan and around the world based on the priority themes of “Undertaking the challenge for zero carbon sustainability,” “Realizing an autonomous decentralized society,” and “Implementing next generation mobility”.



Rendering of the blocks to be developed

In 2021, we formulated a preservation and utilization plan for the Takanawa Embankment Site, which was designated a national historic site, based on the Law for the Protection of Cultural Properties, and received approval from the Commissioner for Cultural Affairs in May 2023. We aim to open the site to the public in fiscal 2027 so that local residents and customers in Japan and overseas can realize the significance of the Takanawa Embankment as a railway facility that supported the modernization of Japan. To pass on the historical value of the Takanawa embankment and the memory of Japan’s first railway as a place of innovation, we will utilize it in urban development and pass it on through the next 100 years.

Complex Building I and the area around Takanawa Gateway Station will open in March 2025, while the other buildings (Complex Building II, Center for Cultural Innovations, and Residence Building) and areas around the buildings will open during fiscal 2026.



Rendering of the view of the Takanawa Embankment remains



Rendering of the Center for Cultural Innovations

Yoshiya Amanai
Manager
Community Development
Coordination Department
Marketing Headquarters
East Japan Railway Company

Maholo Uchida
Project head of the Center for Cultural Innovations
at TAKANAWA GATEWAY CITY of East Japan
Railway Foundation for Cultural Innovations

Special Feature:

Value Creation in TAKANAWA GATEWAY CITY

Joined JR East in 2001. After being engaged in the management of commercial facilities, marketing, and renewal operations, studied in the United States at Washington University in St. Louis and obtained an MBA. After returning to Japan, was given responsibility for station area development in the Tokyo metropolitan area in 2010. Has worked on the Shinagawa Development Project since its conceptualization phase, which was more than 10 years ago, with duties including involvement in the concept development and planning of Takanawa Gateway Station.

Planning Director for Osaka/Kansai Expo. Future of Life Pavilion. Specialized in the combined field of art, technology, and design, worked at the Miraikan National Museum of Emerging Science and Innovation, and curated several exhibitions. Has participated in various museums, and awards as co-curator, jury, and advisor such as MoMA, Barbican Center, and Good Design Award.

Two of the JR East Group’s project managers share their aspirations with respect to Value Creation in TAKANAWA GATEWAY CITY, a project being advanced through a Groupwide effort.

Amanai I joined JR East in 2001 and have been involved in the Shinagawa Development Project since 2010, when I became a member of the development section of the Lifestyle Business Development Headquarters, now the Marketing Headquarters. At that time, I was the only manager of the Lifestyle Business Development Headquarters. While making preparations aimed at beginning commercial operations in March 2025, we began considering how we should utilize the former site of the Shinagawa Depot railway yard to benefit society. As TAKANAWA GATEWAY CITY includes the creation of new businesses and collaboration with a variety of partners, the scope of the project is broader than that of general town development projects. Currently, the Shinagawa Community Development Division of the Marketing Headquarters alone accounts for more than 50 personnel. At any given time, many different personnel are busy working on their particular tasks. Therefore, my main role is to keep in mind the overall picture and ensure that each task is seamlessly linked to the others.

Uchida I am primarily a curator who plans exhibitions. In 2017, I began working on this development project as an external advisor and joined JR East in 2020. For a year and a half, I worked in the Lifestyle Business Development Headquarters. I am now project head of the Center for Cultural Innovations Project in TAKANAWA GATEWAY CITY, at the East Japan Railway Foundation for Cultural Innovations, where I am engaged in the establishment of the activity policies and the organizational development of the Center for Cultural Innovations. Given that the rapid realization of profitability by culture-related projects is difficult to guarantee, the foundation’s establishment has enabled us to conduct management based on a longer-term perspective. Rather than developing cultural activities at the Center for Cultural Innovations on a stand-alone basis, we are considering the kinds of value we can create in the town as a whole and collaborating with all related parties to develop foundations that will facilitate such value creation.

An Experimental Playground for Enriched Lives a Century from Now

Amanai With “Global Gateway” as the development concept, we want TAKANAWA GATEWAY CITY to become “an experimental playground for enriched lives a century from now.” The Takanawa area is home to famous symbols of Edo Tokyo culture, such as Sengakuji Temple and the Ruins of Takanawa Okido Gate. Above all, it is the birthplace of Japan’s railways. Being able to undertake such a development in Takanawa, where the Company has its roots, truly feels like destiny. In 2022, we celebrated the 150th anniversary of the opening of Japan’s first railway, which was made possible thanks to a series of ambitious technological innovations undertaken by engineers. The anniversary reminded me that today’s convenient, comfortable lifestyles rest on such past endeavors. While respecting the history of the area, we are working with the local community to take on a range of bold initiatives aimed at developing a town that serves as a bridge to society 100 years from now. Of course, we cannot predict what the world will be like a century from now. Nonetheless, we would like to tackle town development together with like-minded parties who share our commitment to making society better through the continuation of current initiatives.

Uchida The East Japan Railway Foundation for Cultural Innovations is also advancing initiatives based on a mission of “transporting culture for the next hundred years.” As Mr. Amanai mentioned, technological innovations have without a doubt enriched our lives. On the other hand, no matter how much technology advances or time elapses, various problems of human origin, such as the wars and discrimination that are occurring all over the world, have yet to be resolved. In this sense, now that humanity has attained a certain level of living

Value Creation by the JR East Group	Business Strategies	Strategies That Support Growth		Sustainability	Data
Business Segments of the JR East Group	Transportation	Retail & Services	Real Estate & Hotels	IT & Suica, Renewable Energy, and International Business	

Special Feature: Value Creation in TAKANAWA GATEWAY CITY

standards, I believe that the power of culture will be essential when considering what we should focus on and pursue next. JR East supports infrastructure and possesses advanced technological capabilities. It is highly significant for such a company to embark upon the full-fledged development of a forward-looking culture that creates connections with future generations.

Economic Value to Be Created by TAKANAWA GATEWAY CITY

Amanai The JR East Group Management Vision “Move Up” 2027 calls on the Group to enrich lifestyles by adopting a people-focused approach. TAKANAWA GATEWAY CITY can realize town development that helps enrich lifestyles, thereby significantly contributing to the achievement of “Move Up” 2027. Also, I am confident that the project will accelerate profitability improvement and Groupwide structural reforms in accordance with Speed Up “Move Up” 2027. As TAKANAWA GATEWAY CITY will be directly linked to a Yamanote Line railway station, an expected increase in the number of visitors to the Takanawa area will lead to more station users, creating a virtuous cycle. We are also considering new methods of value creation focused on MICE events, in other words meetings, incentives, conferences, and exhibitions. Conferences themselves may not generate much revenue, but the use of facilities and stores by attendees will generate economic benefits. To create such a revenue-generating town, we are partnering with nearby hotels and other facilities to provide attractive venues. The project’s ambitions are not limited to TAKANAWA GATEWAY CITY. We will cooperate with local residents and business partners to develop a town that breaks the mold, is full of energy, and symbolizes the dawning of a new era. In this way, we will heighten the profile of the Takanawa area as an international brand.

Town Developed by the JR East Group

Amanai Unlike conventional real estate investment and development projects, TAKANAWA GATEWAY CITY is being developed in combination with a railway station, which calls for business development based on medium- to long-term viewpoints. Worldwide, business development methods that leverage synergies between town development and railway stations are rare. By using Takanawa Gateway Station as a hub, we will make effective use of our Shinkansen network—which provides connections to five regional areas—to develop businesses that are suited to each regional area and to pursue initiatives that incorporate and give global exposure to regional cultures. These will be unique initiatives that only JR East can realize. One of our major missions is to use Takanawa’s location in the Tokyo metropolitan area to convey to the general public the charms of regional areas such as Tohoku, where a great deal of Japan’s traditional lifestyle, culture, and scenery remains.

Uchida One of the most important features and strengths of TAKANAWA GATEWAY CITY is that the entire town is privately owned by a single company. As a result, despite the large scale of the project, almost no restrictions that could hinder the advancement of the project are being imposed by other parties. I believe that this feature and strength will prove to be important in the creation of exciting cultural presentations. Another advantage is that the town is connected to the rest of Japan by railways, providing an environment that facilitates the external dissemination of activities.



Amanai In terms of JR East’s strengths, brand power based on trust is also indispensable in moving forward with town development. When talking with people from various businesses, both in Japan and overseas, I sense their high regard for JR East as a company that operates its business with the aim of providing a public service. Furthermore, the safety and punctuality of Japan’s railway system has earned it a lot of trust overseas. It would not be an exaggeration to say that railways are a part of Japanese culture. In this connection, we have received many kind words of encouragement from our business associates to the effect that they want to improve society as a whole by pursuing long-term partnerships with a company that has the railway business in its DNA. The JR East Group’s strength lies in its involvement in both railways and town development. However, I have a renewed appreciation of the fact that these two business areas are founded on the social trust that we have cultivated over the years.

Uchida On the other hand, I feel railway companies are generally taken for granted by the public. I believe that, by serving as a platform for communication about social and cultural contributions, the development of TAKANAWA GATEWAY CITY will provide a good opportunity for the public to reassess the JR East Group’s purpose favorably.

Networks Linked to Regions

Uchida In “handing over tradition,” which is one of the concepts of the East Japan Railway Foundation for Cultural Innovations, we must collaborate with stakeholders not only in Tokyo but also in regions. To this end, we are preparing plans focused on actively promoting regional appeal through TAKANAWA GATEWAY CITY. We envision people visiting the town, encountering regional charms there, and then traveling by train to experience them firsthand. In this way, people will learn from traditional culture and be inspired to invent new forms of culture. I believe that such chains of activities will naturally become part of the town. And I am convinced that JR East is the only company that can offer packages including all of these elements.

Amanai I am from Aomori Prefecture, so from an early age I was receptive to the unique attractions of regional culture. By communicating the valuable attractions of regions, I would like not only visitors to Japan but also visitors from Japan to gain a more multifaceted, less one-dimensional appreciation of the country. Our business bases in regional areas are one of the most important assets that we have.

Uchida Indeed, from a cultural perspective, Japan’s regions are full of outstanding attractions. Many attractions are unavailable in Tokyo and can only be experienced in regions, such as traditional crafts and

local cuisine. In offering products and services that combine the communication of attractions with the provision of transportation, we have the advantage of possessing business bases both in Tokyo and in regional areas. We should focus particular efforts on this type of initiative now that restrictions related to the COVID-19 pandemic have been lifted and the tourism industry is regaining vitality.

Requirements for New Value Creation in Businesses and Culture

Uchida Culture comprises the activities in film, music, the performing arts, and other fields of a variety of artists, many of whom are not directly related to businesses. Such artists who have little connection with the business world will gather in the Center for Cultural Innovations, and, through interaction with the town’s business community, they will rapidly create new value. I believe that the Center for Cultural Innovations will become the engine of such value creation. For example, I have heard that sometimes innovators who want to conduct demonstration trials in cities are forced to give up because they cannot obtain permission. Given its stated goal of becoming a testing ground for the future, TAKANAWA GATEWAY CITY will help creators who want to conduct such trials. We are tilling the soil in preparation for innovation that produces something where once there was nothing, and the Center for Cultural Innovations will play a central role in this process. Also, we are taking advanced measures to promote diversity. Conventionally, facilities designed to promote the inclusion of people with disabilities tend to concentrate on the development of features that provide access to the viewing of performances and exhibitions. However, inclusion in terms of being able to perform on stage remains a challenge. I hope that, by achieving true diversity and discovering a wide range of artists, the Center for Cultural Innovations and TAKANAWA GATEWAY CITY will become symbols of diversity.

Amanai Through town development, I would like to foster an image of TAKANAWA GATEWAY CITY as a place that is always tackling new challenges and where people encounter novelty when they visit. By constantly taking on ambitious initiatives that have an eye on the world 100 years from now and by having everyone involved in town development give concrete form to such initiatives, we want to evolve into an entity that motivates businesses engaged in new value creation to partner with JR East and advance their operations in Takanawa.

Toward the March 2025 Opening

Amanai Having progressed through conceptualization, design, and construction phases, the project is now in its final phase—preparation for the opening of TAKANAWA GATEWAY CITY. We have a clear idea of what needs to be done, and we will spare no effort in preparing for its opening. Looking back, strong teamwork among personnel from many different departments and fields throughout the Company and the Group has enabled us to overcome many difficulties and advance bold measures in accordance with precise plans. Such a large-scale project is progressing smoothly thanks to the collaborative efforts of project members. With this in mind, we will place an even greater emphasis on teamwork.

Uchida We are now forging ahead with a very challenging project while making full use of our imagination. For example, when building a cultural facility, the usual process is to first establish an organization, then plan and build the facility. In this case, however, we are simultaneously building both the organization and the facility from scratch. Our goal with respect to the Center for Cultural Innovations is not to create a traditional art gallery but rather a completely new type of venue that will allow visitors to experience culture in a broader sense. In addition, one of the roles of the Center for Cultural Innovations will be to record culture. To connect culture across eras, we must not only create new culture but also learn from the records of past culture. The oldest record for us is the Takanawa Embankment. The 150-year-old legacy of this location will underpin the birth of a new town and the creation of new value. We are responsible for carefully recording this legacy as well as the new legacy we are creating and for passing on both to future generations. As our mission is to help enrich lifestyles 100 years from now through cultural creation, we do not see the opening of the facility as our ultimate goal. Instead, the real work will begin after the opening. That said, we will continue steadily proceeding with preparations to ensure that the facility opens successfully and offers programs that surprise and delight visitors. We want TAKANAWA GATEWAY CITY’s activities to help people fully understand the importance of culture and to provide new opportunities for those involved in Japan’s culture and cultural policy to create businesses as well as for culture itself to inspire business creation.

Amanai JR East is at a major turning point. For more than 150 years, the Company has concentrated on the railway business, pursuing safety and reliability. Now, it is becoming an organization engaged in lifestyle creation. Upon completing this project, we will use the experience to develop new initiatives both in Japan and overseas with a view to giving all stakeholders a real sense of the benefits that our lifestyles and towns offer. Dreaming of a future in which visitors flock to TAKANAWA GATEWAY CITY, I will remain focused on preparing thoroughly for the town’s opening and on making this dream a reality.

IT & Suica, Renewable Energy, and International Business

IT & Suica

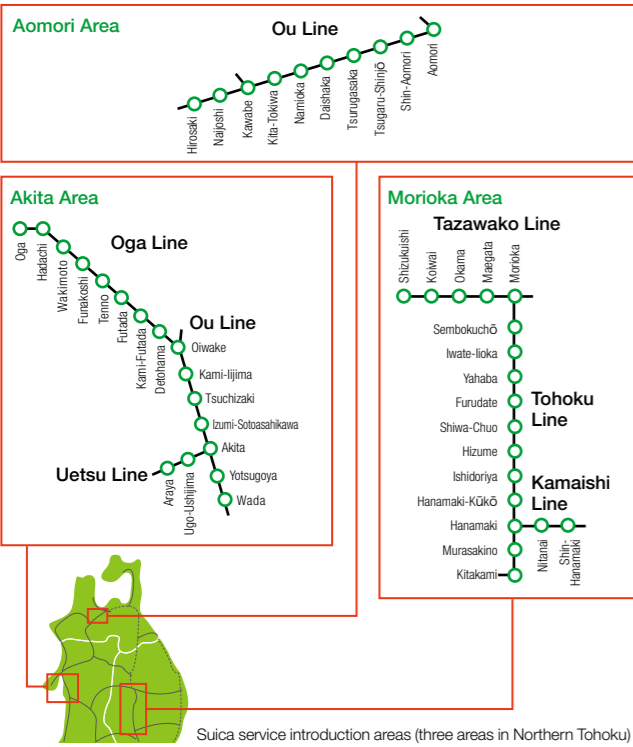
Business Development
JR East launched Suica in 2001 as an IC ticket, and approximately 95.0 million Suica cards have been issued, including 20.0 million Mobile Suica cards, as of March 31, 2023. Nationwide, Suica can be used at approximately 5,000 railway stations. We are also developing a Suica-based electronic money (e-money) business.

Growth Strategy
The JR East Group will expand the transportation services covered by Suica through collaborations with various transportation operators and an increase in the regions where Suica is usable. At the same time, we will improve the functionality of Suica as a means of payment by promoting a shift from physical cards to Mobile Suica and linking Suica with other companies' payment methods, and we will utilize the authentication function of Suica to increase the variety of situations in which it is used. In these ways, the Group will make Suica a shared infrastructure and expand its payment and finance businesses.

Suica Usage Area Expansion and Multifunctional IC Cards for Regional Transit

To improve customer convenience, in May 2023 we added railway lines in Aomori, Morioka, and Akita areas where Suica can be used. Further, plans call for making Suica usable on railway lines in Yamagata Prefecture beginning from spring 2024.

In addition, as of March 31, 2023, JR East increased to 12 the number of areas compatible with multifunctional IC cards for regional transit, which allow customers to use a single card for region-specific services such as bus commuter passes and a range of discounts as well as Suica services, including train tickets and electronic money.



Expansion of the Suica Electronic Money Business

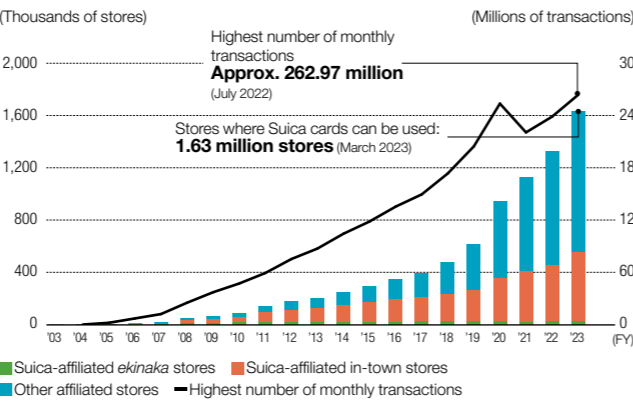
With respect to the Suica e-money business, the number of stores where Suica can be used is increasing not only among *ekinaka* stores but also at in-town stores.

Stores where Suica cards can be used:
1.63 million stores nationwide
(including approximately **550,000** Suica member stores)

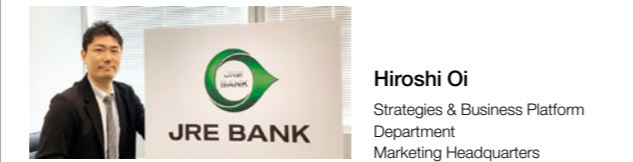
In addition, we will expand the use of Suica by developing campaigns in cooperation with affiliated stores and reciprocal use businesses and conducting JRE POINT-based campaigns with Group companies.

Monthly transactions of e-money:
Approximately 262.97 million

Public Transportation E-Money Compatible Stores and Monthly Transactions (Highest Number in Each Fiscal Year)



Preparation for the Establishment of JRE BANK



In spring 2024, we will launch a digital financial service, JRE BANK.

Under the concept of “bringing experience to life”, this service will not only provide value to customers by helping them increase their assets in the manner of general financial institutions but also utilize the JR East Group’s business fields to offer benefits to customers who deposit financial assets.

As part of the business platform set forth in the JR East Group Management Vision “Move Up” 2027, we will promote tie-ups between JRE BANK and a range of services to expand the scope of JRE POINT. In conjunction with these measures, we will help enrich people’s lifestyles by improving daily convenience for customers and offering experiences that give color to life.

Note: Commencement of the aforementioned service is contingent on obtaining permission to engage in bank agency business in relation to ViewCard, with Rakuten Bank, Ltd., as the principal bank.

Renewable Energy

Business Development
In addition to installing solar panels on platforms and roofs of station buildings and inside rolling stock centers to generate power for use on-site, JR East is developing large-scale renewable energy sources together with JR East Energy Development Co., Ltd. By the end of fiscal 2023, we had developed renewable energy sources with a generation capacity of 136,000 kW. In fiscal 2023, we generated approximately 179 million kWh.



Osamu Kato
Senior Executive Officer
(In charge of Energy Strategies)

Growth Strategy
We will continue to actively introduce renewable energy from multiple sources such as wind power, solar power, and geothermal power in various locations, particularly in the Tohoku area.

To achieve Zero Carbon Challenge 2050, we aim to develop renewable energy sources with a generation capacity of 700,000 kW by fiscal 2031 and 1 million kW by fiscal 2051.

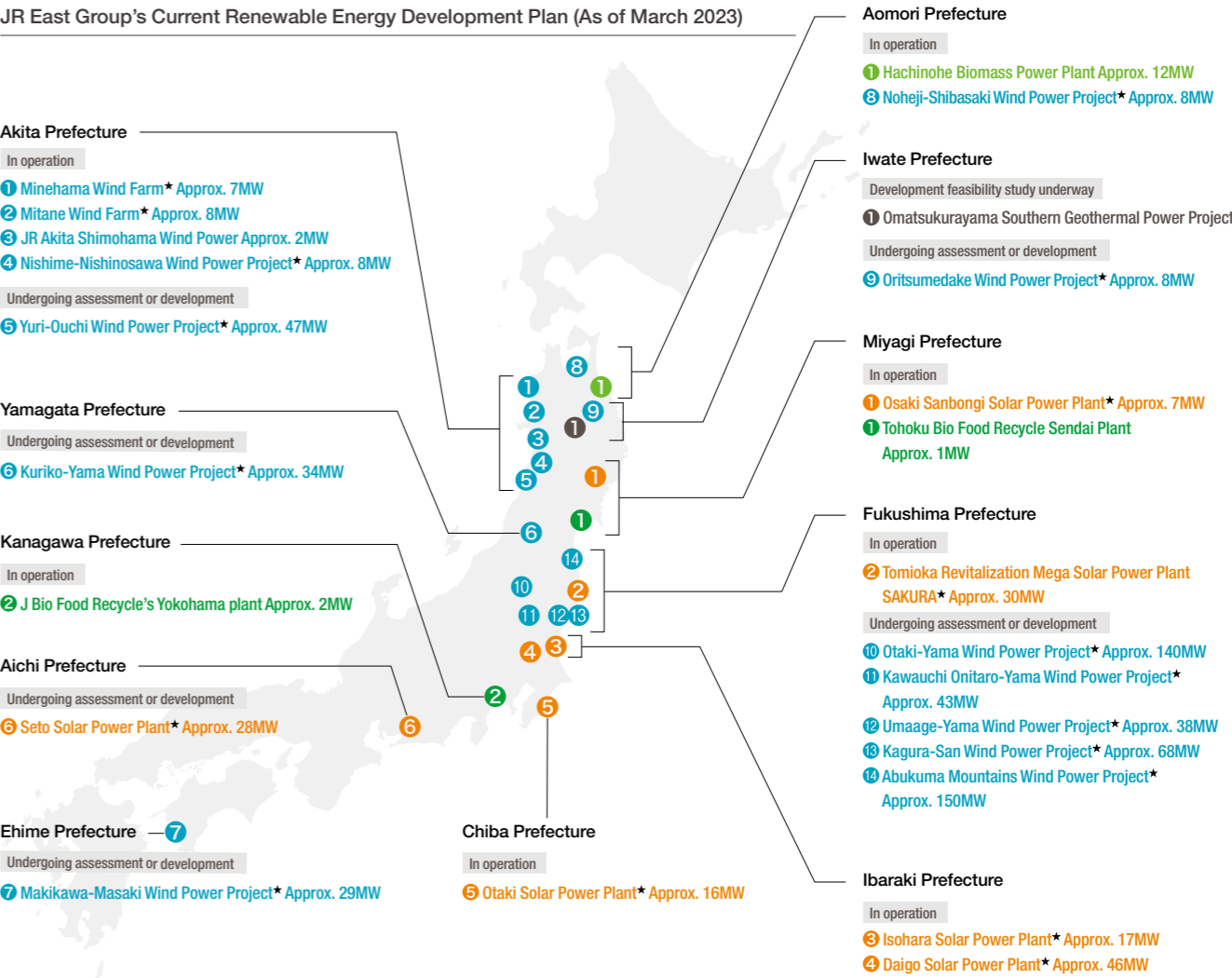
Utilization of Renewable Energy Sources to Realize a CO₂-Free Tohoku Area

To supply CO₂-free electricity in the Tohoku area and achieve net zero CO₂ emissions from electricity consumption for train operations in the area by fiscal 2031, JR East will utilize the renewable energy value derived from in-house developed renewable energy sources. In fiscal 2024, the Company will introduce the renewable energy value derived from the Daigo Solar Power Plant in Ibaraki Prefecture to the Senseki Line in Miyagi Prefecture, which is expected to result in an 11,000-ton reduction in CO₂ emissions per year.



Daigo Solar Power Plant in Ibaraki Prefecture

JR East Group's Current Renewable Energy Development Plan (As of March 2023)




The star (★) indicates a JR East Energy Development Co., Ltd., development and investment project.


Legend:

- 1: Wind power generation
- 2: Solar power generation
- 3: Geothermal power generation
- 4: Wood biomass power generation
- 5: Biogas power generation

IT & Suica, Renewable Energy, and International Business



Shunzo Miyake
Senior Executive Officer
Director General of International Affairs
Headquarters



Ikuju Asami
Senior Executive Officer
Deputy Director General of International Affairs
Headquarters

We have established three main goals for the advancement of our international business: developing human resources and enhancing the technological capabilities of the JR East Group by taking on ambitious overseas projects; building a business model for our international business that mobilizes and integrates the Group's strengths; and pursuing management for the long-term sustainability of our international business.

We have gained a variety of experience and expertise through our involvement in the overseas projects shown on page 57, and we will continue to evolve and accelerate these initiatives. In realizing the aforementioned three goals, we must acquire and boldly take on overseas projects and expand our international business without fear of failure.

As well as developing human resources and enhancing the technological capabilities of the JR East Group, our international business conducts various types of training overseas and operates overseas study and assignment programs that give employees firsthand experience of leading-edge research and businesses overseas. The aim of these activities is to foster internationally minded personnel who have broader horizons. Also, in 2022 we began widely disseminating our expertise and know-how internally and externally through such initiatives as the release of Railway Business English—a book focusing on English used in the railway business overseas—and the launch of the JR East Global Academy e-learning program, which enables systematic, practical study of overseas railway projects.

We will continue contributing to the overseas development of Japan's railway business. With a focus on Asia, our international business will offer value in the form of enriched lifestyles.

International Business

Business Development

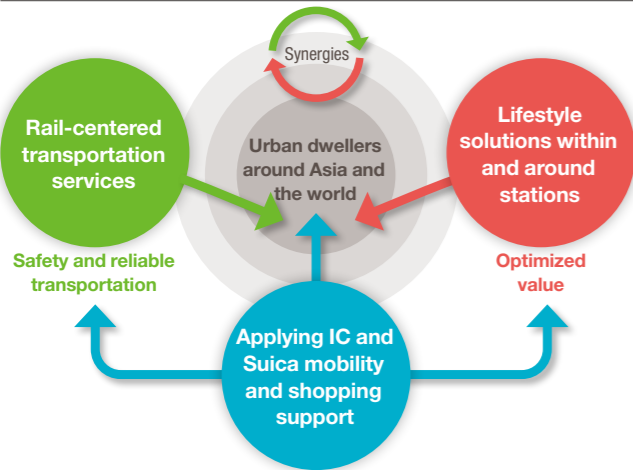
The JR East Group is developing a variety of businesses overseas, primarily in Asia, such as by supporting the opening of the India High-Speed Railway, providing rolling stock and maintenance services for the MRT Purple Line in Thailand, and providing technical support to a railway operator in Indonesia.

Growth Strategy

By taking advantage of its combined strength in the mobility and lifestyle solutions fields, the JR East Group will build a business model for its international business—which develops railway infrastructure systems that have high levels of quality and efficiency—and propose lifestyle-enriching solutions mainly in Asia but also in other regions.

Through overseas projects, we are also developing human resources and enhancing technological capabilities. Moreover, JR East's domestic operations benefit from the skills and experience acquired overseas.

JR East Group International Business Concept



Participation in Railway Projects and Technical Support Overseas

Primarily in Asia, the JR East Group is engaged in maintenance work and rolling stock transfer. In Bangkok, Thailand, we contribute to the provision of reliable railway transportation services. We supply rolling stock to Bangkok's MRT Purple Line urban railway line, while local company Japan Transportation Technology (Thailand) Co., Ltd. (JTT) is responsible for the maintenance of rolling stock and ground equipment.

Meanwhile, Japan International Consultants for Transportation Co., Ltd. (JIC) provides consulting services including design and construction supervision, operation and maintenance support, and human resources development for various phases of railway projects in countries such as Indonesia, Vietnam, Bangladesh and Egypt, both new railway lines and the upgrading of existing lines. JIC is also extending the scope of the JR East Group's service lineup by conducting surveys on transit-oriented development, and digital transformation, etc.



Purple Line rail yard (JTT)



Preparation for the opening of Ho Chi Minh City Metro Line 1

Support for the Opening of the India High-Speed Railway

In the India High-Speed Railway Project, JR East supports Japan-India intergovernmental consultations, while JIC implements detailed design, prepares tender documents and tender assistance, and also assists in human resources development, including training visits to Japan. In fiscal 2023, we trained prospective operations and

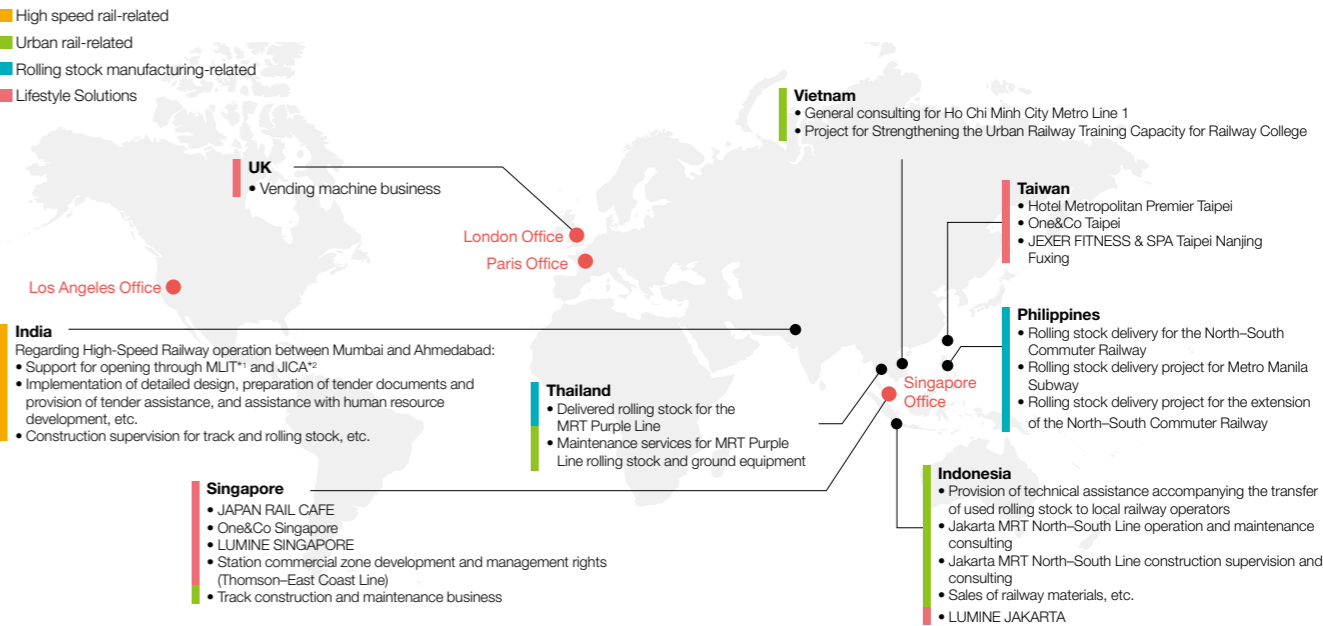


Personnel training in Japan for NHRCL



Construction of Surat Station

JR East Overseas Offices and International Railway Projects



*1 MLIT: Ministry of Land, Infrastructure, Transport and Tourism

*2 JICA: Japan International Cooperation Agency

Note: Please see page 47 for Lifestyle Solutions.

maintenance managers sent from National High Speed Rail Corporation Limited (NHSRCL) of India. In addition, JICC*3 has received an order from NHSRCL for construction supervision for track and rolling stock and has begun operations in India. The JR East Group will be One Team and contribute to the project.

*3 JICC: JIC Consortium, consisting of JIC, Nippon Koei Co., Ltd., and Oriental Consultants Global Co., Ltd.

International Standardization Initiatives

To facilitate our international business development, we have been working with the national government and related organizations to incorporate Japan's technologies into international and industry standards related to railways or to make Japan's technologies conform to international standards. At the same time, we have been studying businesses based on an "open-close strategy"*4 with the related organizations to clarify our strengths, such as our technologies, and develop our competitive advantages in the business.

We will continue to spread Japan's railway technologies and expand business opportunities for our Group's international business through our strategic efforts in international standardization.

*4 Protecting core fields through "closed" strategies while implementing "open" strategies in other fields to create markets

Development of Professionals Capable of Working in Our International Business

With a view to developing personnel and enhancing technological capabilities, the JR East Group is fostering professionals who can contribute to the overseas railway business in such fields as international standardization, commercial affairs, and project management.

We will develop professionals by giving our personnel practical experience in many different overseas projects.



Project manager who works overseas (courtesy of MRT Jakarta)

International Exchange Initiatives



Keita Matsumoto

Planning & International Relations Department
International Affairs Headquarters

We promote mutual understanding with railway company personnel from around the world, by inviting them to tour our facilities and participate in discussion and by engaging in personal exchange with relevant parties from overseas railway operating companies.

As a means of acquiring new knowledge and heightening its profile internationally, JR East also pro-actively gathers and provides information at international conferences and events held by organizations to which the company belongs, such as the International Union of Railways (UIC) and the International Association of Public Transport (UITP).

