



Explanatory Materials

- FY2024.3 Financial Results

- Management Strategy

April 30, 2024

East Japan Railway Company

Greetings from the new President



Yoichi Kise, President and CEO



I was appointed the new President and CEO at a time of great change, including the full-fledged revival of the post-COVID-19 economy. Viewing the great changes occurring around the world as opportunities to further accelerate the structural reforms we have been pursuing under our Group management vision "Move Up" 2027, and by charting a new growth strategy and boldly promoting it, we will carve out a new era.

The JR East Group will boost profits through business activities to create a better world, and will use the profits generated to benefit customers and local communities, shareholders and investors, as well as to promote the well-being of employees and families, while also allocating them to the growth of the Group. By maintaining this cycle of growth and creation, we aim to be a corporate Group with a strong sense of promoting "the good for all four sides," and developing sustainably.

We sincerely appreciate your continued support as we leap toward the future of our Group.

April 1989 Entered the Company
June 2014 General Manager of Personnel Department and Director of JR East General Education Center
June 2015 Executive Officer and General Manager of Personnel Department
June 2017 Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters
June 2018 Executive Director and Director General of Corporate Planning Headquarters
June 2020 Executive Director and Director General of Life-style Business Development Headquarters
June 2021 Executive Vice President and Representative Director; Assistant to President (in general);
Director General of Life-style Business Development Headquarters; In charge of Shinagawa Development;
In charge of Work & Welfare Strategies Department; In charge of Regional Revitalization
June 2022 Executive Vice President and Representative Director; Assistant to President (in general);
Director General of Marketing Headquarters; In charge of Shinagawa Development and Regional Revitalization
April 2024 Appointed as the President and CEO

2

- Thank you very much for your continued support and understanding.
- On April 1, I succeeded Mr. Fukasawa as the President and CEO.
- I would like to give you my opening remarks.

- The post-COVID-19 economy in Japan, symbolized by the Bank of Japan's shift of a zero-interest-rate policy, is now in full start.
- Looking within JR East, the majority of employees hired by Japan National Railways reached the retirement age of 60 at the end of March. April 1 marked the last milestone in the reform of Japan National Railways, as the generation hired by JR came to the forefront of management.

- There are changes in the social environment, with the demographic structure changing due to a declining population and aging society with fewer children. This will be a major change in the business environment for our business, with the market being transformed.
- Furthermore, the COVID-19 pandemic has drastically changed our customers' consumption behavior and working environment, and with the entire world undergoing a major transformation, we believe that we are in a situation where we must draw up business strategies and build them speedily for the new era.

- I stand here with the determination and resolve to work with our employees to pave the way for a new era, reevaluating the major changes in the world's business environment as an opportunity to further accelerate structural reforms we have been pursued under “Move Up” 2027.
- Our business model to date has been built primarily around railways. While safety remains our top management priority, we will continue to build a business structure that is supported by the two axes of Mobility, centered on railways, and Life-style Solutions, which provide a wide range of contact with our customers, and that can continue to grow sustainably in any change in the business environment and meet stakeholders' expectations.
- As my message to all group employees on April 1, when I became president;
 - The JR East Group will conduct business activities to create a better world, and then grow profitably.
 - The profits earned from these efforts will be returned to our customers and local communities in order to realize a rich and fulfilling lifestyle full of smiles, to meet the expectations of our shareholders and investors, and to promote the well-being of our employees and their families, and will be used to invest in new growth of the Group.
 - We will continue to grow sustainably by maintaining this cycle of creation and growth.
 - Through our business activities, we hope to be a highly ambitious corporate group that can contribute to solving various management issues in the world, and we hope to meet everyone's expectations by creating "the good for all four sides" management.
- We will continue to engage in constructive discussions with you through various opportunities for dialogue, in order to ensure the new development of our group and the direction of our management as I mentioned above. I would like to conclude my opening remarks by asking for your continued understanding and support.

Contents



I. FY2024.3 Financial Results	4
II. Strategies for Realizing “Move Up” 2027	20
III. Strategies for FY2025.3	31
IV. Reference Materials	44

I. FY2024.3 Financial Results

- Ms. Atsuko Itoh, Executive Director, will explain Chapter 1, "FY2024.3 Financial Results".

Highlights of FY2024.3 Financial Results



(* billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	'23.4-'24.3/'22.4-'23.3		'23.4-'24.3 Plans (Announced in Jan.)	'23.4-'24.3 Results/Plans	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	2,405.5	2,730.1	+324.5	113.5	2,712.0	+18.1	100.7
Operating income	140.6	345.1	+204.5	245.4	310.0	+35.1	111.3
Ordinary income	110.9	296.6	+185.7	267.4	252.0	+44.6	117.7
Profit attributable to owners of parent	99.2	196.4	+97.2	198.0	165.0	+31.4	119.1

FY2024.3 Financial Results

Consolidated
Results

Both revenues and income increased

- Operating revenues increased for the third year in a row as demand increased in the railway, EKINAKA (stores inside railway stations), hotel, and shopping center businesses.
- Income increased at all levels as a result of increase in revenues.

Segment

Transportation, Retail & Services, and Other businesses achieved increases in revenue and income

- Transportation business achieved **increases in revenues and income** mainly due to an increase in passenger revenues (particularly in non-commuter passes revenues).
- Retail & Services business achieved **increases in revenues and income** mainly due to an increase in the sales of EKINAKA stores.
- Real Estate & Hotels business achieved **an increase in revenue** as sales of hotels and shopping centers increased, but its **income decreased** mainly due to a decrease in profit on real estate sales.
- Other business achieved **increases in revenues and income** mainly due to an increase in the sales related to the IC card business.

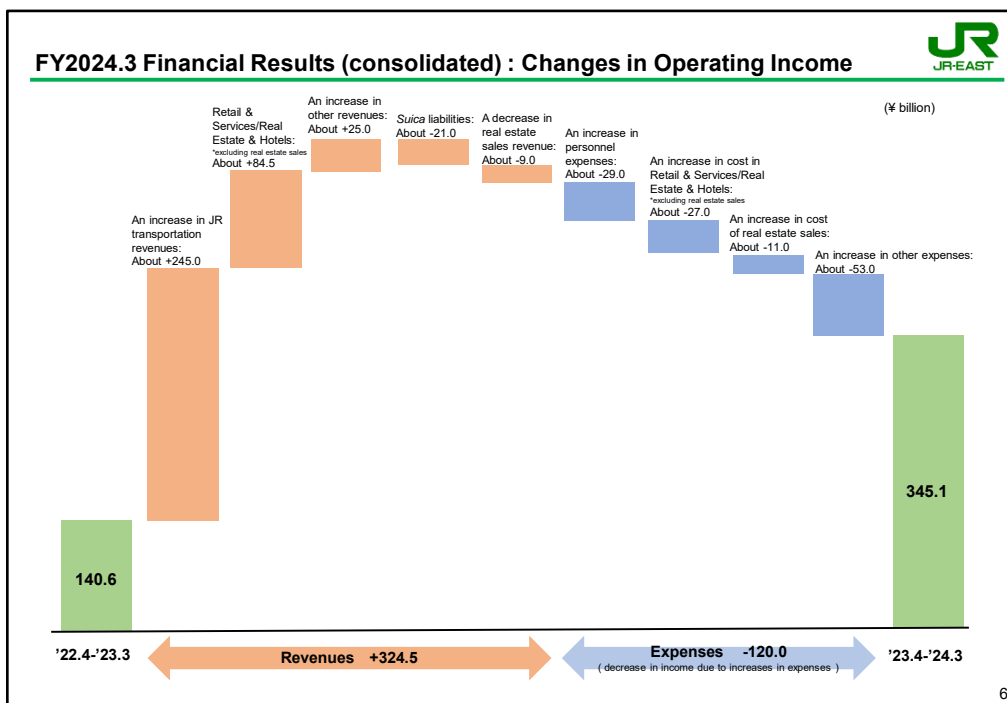
○ Shareholder returns (dividend per share)

FY 2024.3 Interim dividend per share: 55 yen Year-end dividend per share: 85 yen Total: 140 yen

* Dividend per share before the stock split (on April 1, 2024)

5

- For FY2024.3, the Group increased both operating revenues and income. Operating revenues increased for the third consecutive year.
- By segment, “Transportation,” “Retail & Services,” and “Others” achieved increases in both revenues and income.
- The “Real Estate and Hotels” achieved increases in revenues, but its income decreased. On a basis excluding the real estate sales business, both revenues and income increased.
- Shareholder returns are 140 yen for a full-year dividend, including an interim dividend of 55 yen and a year-end dividend of 85 yen, which was revised upward from forecast of 70 yen. A payout ratio is 26.8%.



- Consolidated operating income totaled 345.1 billion yen, up 204.5 billion yen from the previous year.
- Of the increase in JR transportation revenues, we estimate that about 200 billion yen is due to increased demand for railways, of which about half is for the Shinkansen.
- Other factors included barrier-free charges and increased inbound tourists.
- The -21.0 billion yen due to *Suica* liabilities is a reactionary decrease from the previous year's change in the standard for recording revenue related to *Suica* recharges and deposits.
- The increase in personnel expenses is due to wage increases and increased bonus months implemented in FY2024.3, while the increase in other expenses includes revenue-response costs and maintenance expenses.

Statements of Income (consolidated)



(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	2,405.5	2,730.1	+324.5	113.5	
Transportation	1,618.5	1,853.6	+235.0	114.5	An increase in passenger revenues
Retail & Services	327.8	379.6	+51.7	115.8	An increase in the sales of EKINAKA stores
Real Estate & Hotels	382.2	405.8	+23.6	106.2	An increase in the sales of hotels and shopping centers
Others	76.9	91.0	+14.1	118.4	An increase in the sales related to IC card business
Operating income	140.6	345.1	+204.5	245.4	
Transportation	-24.0	170.7	+194.8	—	
Retail & Services	35.2	54.0	+18.7	153.1	
Real Estate & Hotels	111.5	100.1	-11.4	89.8	A decrease in profit on real estate sales
Others	17.2	21.9	+4.6	127.2	
Adjustment	0.6	-1.6	-2.3	—	
Non-operating income or expenses	-29.7	-48.5	-18.8	163.3	
Non-operating income	42.0	29.1	-12.8	69.4	A decrease in equity in net income of affiliated companies
Non-operating expenses	71.8	77.7	+5.9	108.2	An increase in interest expense
Ordinary income	110.9	296.6	+185.7	267.4	
Extraordinary gains or losses	17.4	-22.5	-40.0	—	
Extraordinary gains	93.2	40.6	-52.6	43.6	A decrease in compensation income, A decrease in construction grants received
Extraordinary losses	75.7	63.1	-12.5	83.4	A decrease in losses on reduction entry for construction grants
Profit attributable to owners of parent	99.2	196.4	+97.2	198.0	

* The segment breakdown of operating revenues: operating revenues from outside customers

7

- The -12.8 billion yen in non-operating income was a reactionary decrease from the negative goodwill recorded in the previous fiscal year when railway track-related companies were accounted for by the equity method.
- Increase of non-operating expenses were mainly due to an increase in interest expense.
- Profit increased 97.2 billion yen from the previous year to 196.4 billion yen.

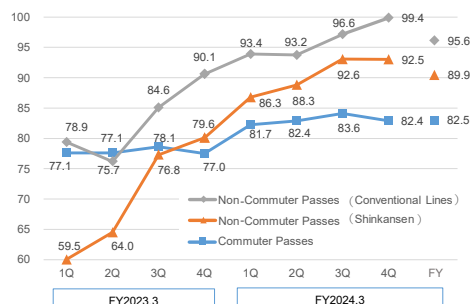
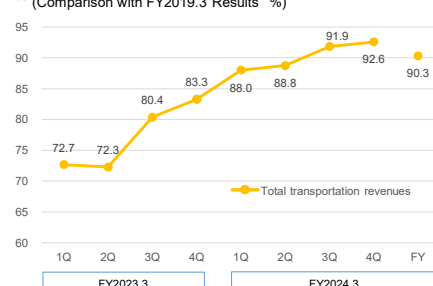
Transportation



('¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	'23.4-'24.3/'22.4-'23.3		'23.4-'24.3 Plans (Announced in Jan.)	'23.4-'24.3 Results/Plans	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	1,618.5	1,853.6	+235.0	114.5	1,849.0	+4.6	100.2
Operating income	-24.0	170.7	+194.8	—	130.0	+40.7	131.3

'23.4-'24.3 Operating revenues (external)		Railway business	Revenue increased year on year due to an increase in railway transportation. Passenger revenues remain at about 90% of pre-COVID-19 levels.
JR East (Transportation)	+233.7	Railcar manufacturing business	Revenue decreased year on year due to a decrease in sales of railcars to non-JR railway companies.
JR EAST VIEW TOURISM AND SALES	+2.8	Bus business	Revenue increased year on year due to an increase in use of express bus transportation. Express bus revenues remain at about 65% of pre-COVID-19 levels.
Tokyo Monorail	+2.2	Monorail business	Revenue increased year on year due to an increase in use. Fare revenues remain at about 75% of pre-COVID-19 levels.
Japan Transport Engineering Company	-8.9		

■ Railway Business Passenger Revenues Result
(Comparison with FY2019.3 Results %)



8

- Transportation Business Segment.
- Passenger revenues, shown in the lower left graph, were 90.3% of the pre-COVID-19 level for the full year.
- Looking at the lower right graph by category, 95.6% of non-commuter passes (conventional lines), 89.9% of non-commuter passes (Shinkansen), and 82.5% of commuter passes, are expected to have reached the steady state that was forecasted at the beginning of the fiscal year.
- In the top right table, compared to the plan announced in January, operating income was 40.7 billion yen higher. This was mainly due to the record warm winter, which led to a significant decrease in various expenses related to winter operation (snow removal costs, etc.).

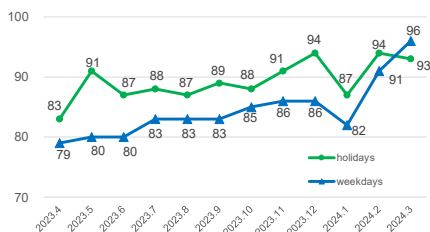
Transportation (Relevant Indicators)



■ Shinkansen passenger volume (weekdays/holidays)

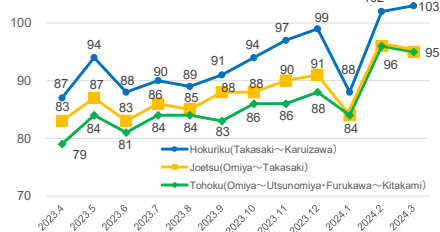
*Holidays include the Golden Week holidays, the Obon holidays, and the year-end and new year holidays, as well as Saturdays, Sundays, and national holidays.

(Comparison with FY2019.3 Results %)

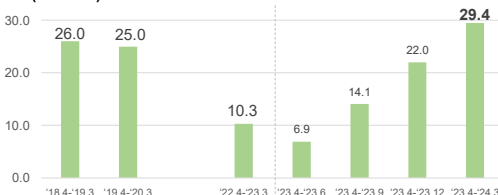


■ Shinkansen passenger volume (by destination)

(Comparison with FY2019.3 Results %)



■ Inbound Revenue (estimate) (¥ billion)



• Sum of our company's revenue from passes for inbound tourists and individual ticket revenue (estimate)
• Passes for inbound tourists account for approximately 70% of the total.

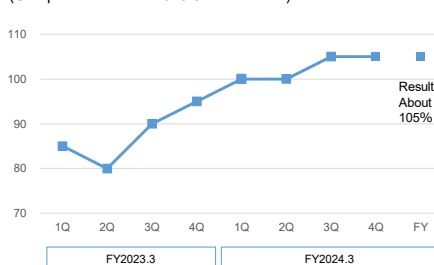
- About Shinkansen passenger volume (weekdays/holidays), the return of tourism demand was basically stronger than business demand, so remained higher on holidays than on weekdays.
- On the other hand, as a result of efforts to stimulate demand on weekdays, which had been a challenge for the Company, such as the launch of the "Kyun♥Pass," available from February 14 through March 14, the level of weekday use exceeded that of holidays in March.
- We believe that the "Kyun♥Pass" had a significant ripple effect not only on railways, but also on local station buildings and other facilities.
- By destination, Hokuriku, which has a high percentage of tourist use, performed well, but demand has also returned to Tohoku and Joetsu.
- Inbound revenues totaled 29.4 billion yen for the full year. This is about three times the number of the previous year and an increase of about 10% compared to the pre-COVID-19 period.

Retail & Services

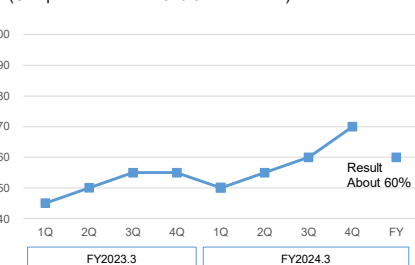


(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	'23.4-'24.3/'22.4-'23.3		'23.4-'24.3 Plans (Announced in Jan.)	'23.4-'24.3 Results/Plans	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	327.8	379.6	+51.7	115.8	375.0	+4.6	101.2
Operating income	35.2	54.0	+18.7	153.1	60.0	-5.9	90.1
'23.4-'24.3 Operating revenues (external)			EKINAKA business		Revenue increased year on year due to an increase in the sales of EKINAKA stores on the back of an increase in the use of railways.		
JR East Cross Station		+34.1					
JR East Marketing & Communications		+5.3					
JR East (Retail & Services)		+2.7					
JR East TOHOKU SOUGOU SERVICE		+2.1					
			Advertisement business		Revenue increased year on year. Traffic advertisement revenue is about 60% of pre-COVID-19 levels.		

■ EKINAKA : Revenue Trends
(Comparison with FY2019.3 Results %)



■ Advertisement : Revenue Trends< Traffic Ads >
(Comparison with FY2019.3 Results %)

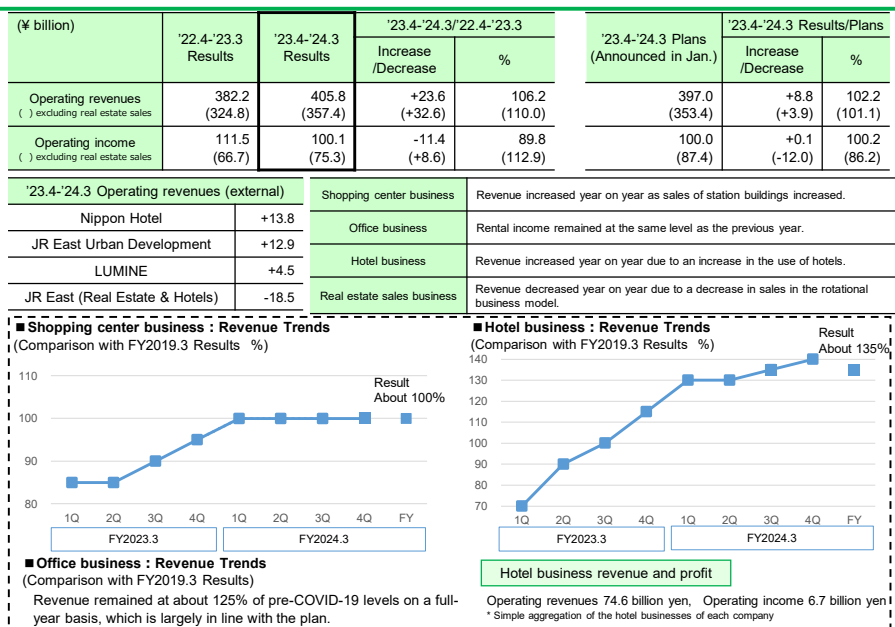


10

➤ Retail & Services Business Segment.

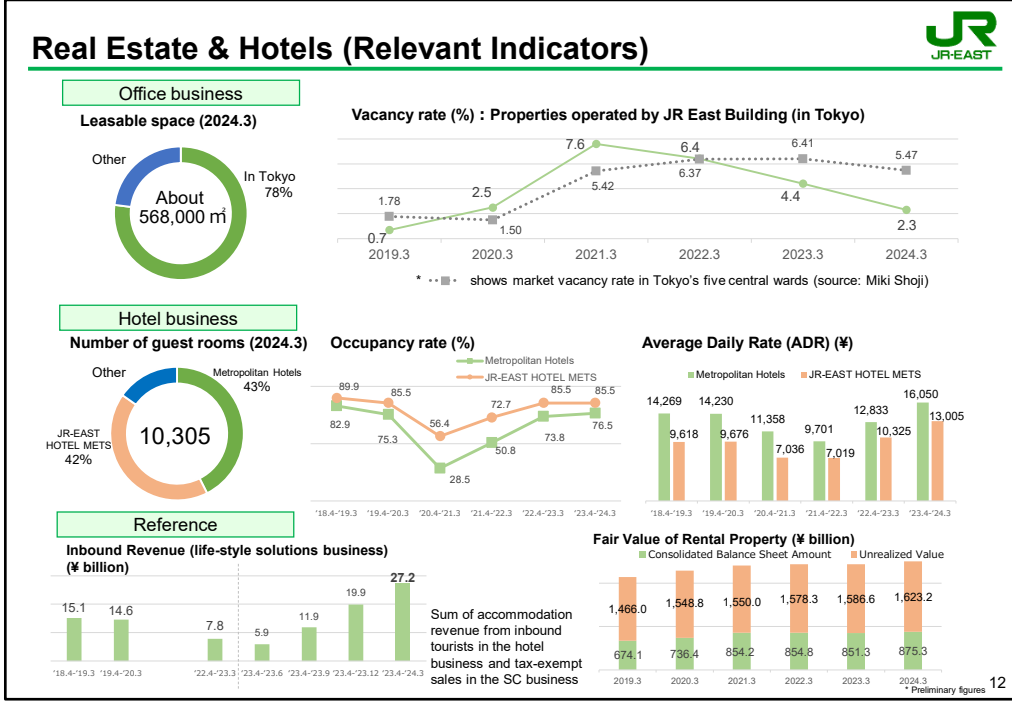
- In line with the solid performance of the railway business, EKINAKA also achieved significant growth in both revenue and income. In particular, the profit margin improved significantly from the previous year due to cost reductions in operations and an increase in unit prices resulting from an expanded product lineup.
- Operating income fell 5.9 billion yen from the plan announced in January, mainly due to advertisement revenue that was slightly lower than expected.
- In advertisement, the return of demand from large clients had been slow, but revenues returned to about 70% of the pre-COVID-19 level in the fourth quarter. To further enhance the value of in-train and station media, we will promote strategies that include digitization.

Real Estate & Hotels



11

- Real Estate & Hotels Business Segment.
- For overall segment, revenues increased and income decreased. Excluding the real estate sales business, both revenues and income increased.
- As for the real estate sales business, profit margins vary depending on the properties sold, which was a factor for lower income in this fiscal year.
- The SC business achieved almost 100% of the pre-COVID-19 level by capturing inbound demand and devising a better sales floor configuration at LUMINE.
- The office business grew approximately 125% from the pre-COVID-19 level, generally in line with plans.
- In the hotel business, the revenue trend was approximately 135% of the pre-COVID-19 level, due to an increase in ADR and a general return of occupancy rates to pre-COVID-19 levels.



- The vacancy rate for our office space has remained lower than the average for the five central wards of Tokyo, which we believe gives us a competitive advantage.
- In the hotel business, the number of rooms exceeded 10,000, with about 600 new rooms opened during the full year.
- ADR grew about 12% at Metropolitan Hotels and about 35% at JR-EAST HOTEL METS compared to pre-COVID-19 levels.
- Inbound revenues related to life-style solutions totaled 27.2 billion yen for the full year, or 56.6 billion yen when combined with mobility.
- Fair value of rental property has grown slightly.

Others



(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	'23.4-'24.3/'22.4-'23.3		'23.4-'24.3 Plans (Announced in Jan.)	'23.4-'24.3 Results/Plans	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	76.9	91.0	+14.1	118.4	91.0	+0.0	100.1
Operating income	17.2	21.9	+4.6	127.2	22.0	-0.0	99.6

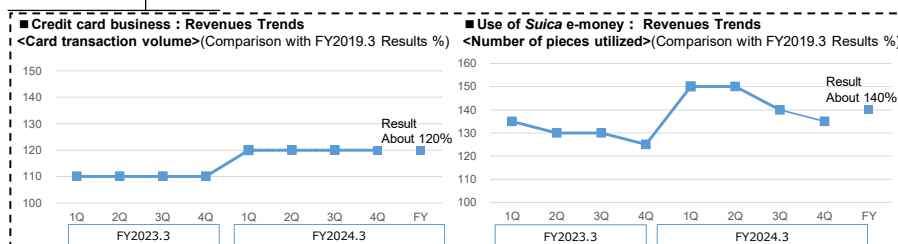
'23.4-'24.3 Operating revenues (external)	
JR East Mechatronics	+6.1
Viewcard	+2.8
GATES (Newly consolidated)	+2.6
JR East Energy Development	+1.7
JR East (Others)	+1.4

IT & Suica business

Credit: Commission income from member shops increased year on year due to an increase in card transaction volume.
E-money: Commission income from member shops increased year on year due to an increase in the number of payments by e-money.
IC cards: Revenue increased year on year due to an increase in the sales of IC cards and related systems.

(Reference) IT & Suica business results('23.4-'24.3)

(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	'23.4-'24.3/'22.4-'23.3	
			Increase/Decrease	%
Operating revenues	51.5	61.6	+10.1	119.6
Operating income	12.3	16.2	+3.8	131.2



13

➤ Others.

- Both revenues and income increased, largely inline from the plan announced in January, mainly due to an increase in commission income from higher credit card transaction volume and an increase in merchant commission income from a rise in the number of e-money payments.

Balance Sheets (consolidated)



(¥ billion)	As of '23.3 Results	As of '24.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	9,351.8	9,771.4	+419.5	104.5	
Current assets	1,052.7	1,191.9	+139.1	113.2	An increase in cash and time deposits
Fixed assets	8,299.1	8,579.5	+280.4	103.4	An increase in construction in progress
Liabilities	6,854.1	7,032.2	+178.0	102.6	
Current liabilities	1,532.2	1,616.7	+84.4	105.5	
Long-term liabilities	5,321.9	5,415.5	+93.5	101.8	An increase in bonds
Total Net Assets	2,497.7	2,739.2	+241.5	109.7	
Total Liabilities and Net Assets	9,351.8	9,771.4	+419.5	104.5	

14

➤ The consolidated balance sheets are as shown.

Summary of Cash Flows (consolidated)



(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	Increase /Decrease
Cash Flows from Operating Activities	581.7	688.1	+106.3
(Main Components)			
Income before income taxes	128.3	274.0	+145.6
Depreciation	389.8	392.1	+2.2
Net change in major receivables and payables	14.6	-38.6	-53.3
Payments of interest	-62.0	-67.4	-5.4
Cash Flows from Investing Activities	-565.5	-690.6	-125.1
(Main Components)			
Payments for purchases of fixed assets	-555.5	-714.9	-159.3
Proceeds from construction grants	12.5	49.1	+36.5
Cash Flows from Financing Activities	26.8	66.1	+39.2
(Main Components)			
Net change in short-term loans and commercial papers	-390.7	-1.1	+389.6
Proceeds from long-term loans and issuance of bonds	718.6	462.3	-256.3
Payments of long-term loans and redemption of bonds	-253.0	-365.0	-112.0
Cash dividends paid	-37.7	-39.6	-1.8
Cash and Cash Equivalents at Beginning of the Year	171.0	215.0	+43.9
Cash and Cash Equivalents at End of the Year	215.0	280.8	+65.8
Free Cash Flows	16.2	-2.5	-18.7

15

- Consolidated cash flows.
- Cash flows from operating activities amounted to 688.1 billion yen, up 106.3 billion yen from the previous year, mainly due to increased profits.
- Cash flow from investing activities has been significantly out of cash due to continued investment in growth such as TAKANAWA GATEWAY CITY.
- Cash and cash equivalents at the end of the year, taking into account cash flows from financing activities, were 280.8 billion yen, slightly thicker than in the previous year, in preparation for investment in growth.
- Free cash flow turned negative in the current fiscal year, but is expected to turn positive again from the FY2027.3 onward when growth investments settle down.

**Interest-bearing debt (consolidated), Capital Expenditures (consolidated),
Key Indicators (consolidated)**



Interest-bearing debt (consolidated)

(¥ billion)	As of '23.3 Results	As of '24.3 Results	Changes		Average interest rate (Comparison with 2023.3 Results)	
			Increase /Decrease	%		
Interest-bearing debt balance	4,774.8	4,868.2	+93.3	102.0	1.47%	(+0.08%)
Bonds	2,975.8	3,114.9	+139.0	104.7	1.24%	(+0.12%)
Long-term loans	1,483.9	1,442.2	-41.7	97.2	0.87%	(+0.03%)
Long-term liabilities incurred for purchase of railway facilities	315.0	311.0	-4.0	98.7	6.55%	(+0.00%)
Other interest-bearing debt	—	0.0	+0.0	—	7.93%	(+7.93%)
Net interest-bearing debt balance	4,559.8	4,587.4	+27.5	100.6		

Capital Expenditures (consolidated)

(¥ billion)	Segment	As of '23.3 Results	As of '24.3 Results	Changes	
				Increase /Decrease	%
Mobility	Transportation	373.0	436.6	+63.5	117.0
Life-style Solutions	Retail & Services Real Estate & Hotels Others	181.6	277.0	+95.4	152.5
Total		554.7	713.7	+158.9	128.7

Key Indicators (consolidated)

	Unit	As of '23.3 Results	As of '24.3 Results	Increase /Decrease
Consolidated ROA	%	1.5	3.6	+2.1
Consolidated ROE	%	4.1	7.6	+3.5
Net interest-bearing debt / EBITDA	times	8.6	6.2	-2.4

*EBITDA is calculated by adding depreciation to operating income.

16

- The average interest rate on interest-bearing debt increased slightly to 1.47%. Net interest-bearing debt totaled 4,587.4 billion yen.
- Capital expenditures were 713.7 billion yen versus the full-year plan of 736.0 billion yen, due to a slight delay in the construction of railcars and platform doors caused by the shortage of semiconductors.
- Compared to the previous year, Mobility increased mainly in railcar investments, and Life-style Solutions also increased mainly in growth investments.
- ROE was 7.6%. We recognize a cost of equity of 5-6% and would like to further increase our ROE.
- Net debt/EBITDA was 6.2x.

Statements of Income (non-consolidated) - FY2024.3 Results

('¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	Changes		'23.4-'24.3 Plans (Announced in Jan.)	'23.4-'24.3 Results/Plans	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	1,765.5	1,987.2	+221.7	112.6	1,978.0	+9.2	100.5
Operating expenses	1,674.5	1,733.4	+58.9	103.5	1,760.0	-26.5	98.5
Operating income	90.9	253.8	+162.8	279.1	218.0	+35.8	116.4
Ordinary income	46.0	202.3	+156.3	439.8	161.0	+41.3	125.7
Profit	52.4	146.6	+94.2	279.8	112.0	+34.6	131.0

(Components)

('¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	1,765.5	1,987.2	+221.7	112.6	
Passenger revenues	1,431.7	1,676.5	+244.8	117.1	
Others	333.7	310.7	-23.0	93.1	Reactionary fall from the one-time increase due to the change in the timing of recognition of Suica liabilities as revenue
Operating expenses	1,674.5	1,733.4	+58.9	103.5	
Personnel expenses	394.6	406.5	+11.8	103.0	An increase pertaining to bonuses
Non-personnel expenses	769.1	812.2	+43.1	105.6	
Energy	91.3	86.0	-5.3	94.1	
Maintenance	256.3	273.6	+17.3	106.8	An increase in general maintenance expenses and railcar maintenance expenses
Other	421.3	452.6	+31.2	107.4	An increase in outsourcing expenses
Usage fees to JRTT, etc	84.3	83.8	-0.4	99.5	
Taxes	104.4	109.2	+4.8	104.7	
Depreciation	322.0	321.4	-0.5	99.8	
Operating income	90.9	253.8	+162.8	279.1	

17

➤ Pages 17-19 are information of JR East (non-consolidated).

Balance Sheets (non-consolidated)

Appendix



(¥ billion)	As of '23.3 Results	As of '24.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	8,527.3	8,873.3	+345.9	104.1	
Current assets	777.7	881.7	+104.0	113.4	An increase in cash and time deposits
Fixed assets	7,749.6	7,991.5	+241.8	103.1	An increase in construction in progress
Liabilities	6,646.9	6,828.6	+181.6	102.7	
Current liabilities	1,481.2	1,547.6	+66.3	104.5	
Long-term liabilities	5,165.6	5,281.0	+115.3	102.2	An increase in bonds
Total Net Assets	1,880.4	2,044.6	+164.2	108.7	
Total Liabilities and Net Assets	8,527.3	8,873.3	+345.9	104.1	

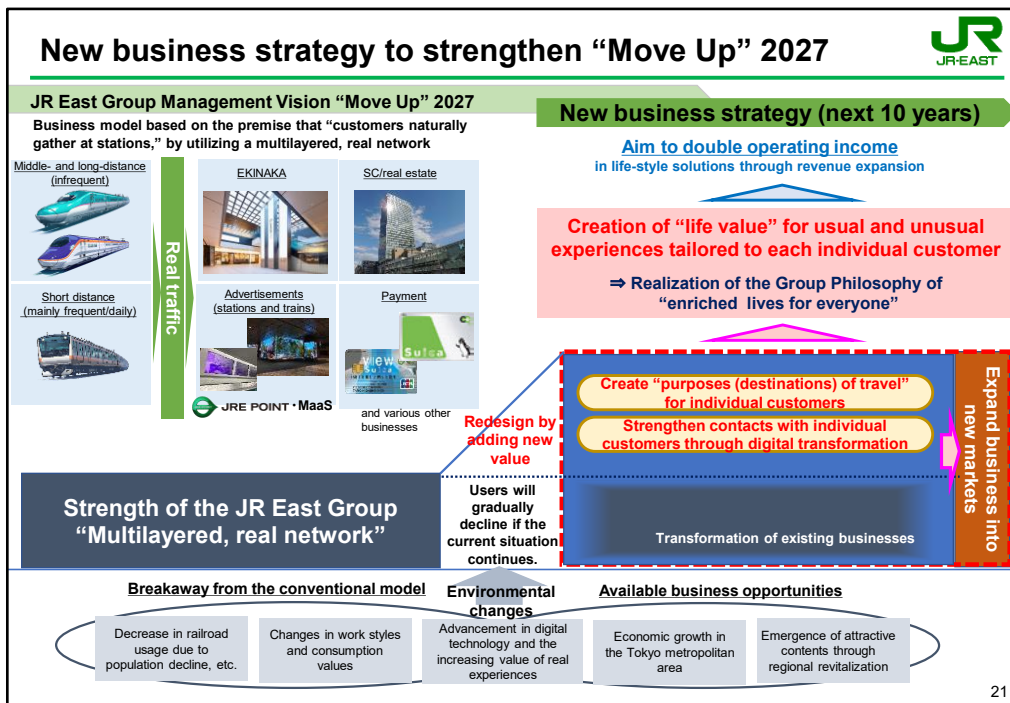
Traffic Volume and Passenger Revenues - FY2024.3 Results

	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'22.4-'23.3 Results	'23.4-'24.3 Results	Changes	'22.4-'23.3 Results	'23.4-'24.3 Results	Changes		Main factors behind changes
			%			Increase /Decrease	%	
Shinkansen	16,494	21,230	128.7	421.9	537.4	+115.4	127.4	
Commuter Passes	1,563	1,670	106.9	21.2	22.5	+1.3	106.3	
Non-commuter Passes	14,931	19,560	131.0	400.7	514.8	+114.1	128.5	-Increase in railway transportation: +100.5 -Inbound tourism: +8.5 -Rebound from natural disasters: +6.0 -Leap year: +1.0 -In reaction to the impact of a natural disaster: -2.0
Conventional Lines	90,983	98,470	108.2	1,009.8	1,139.1	+129.3	112.8	
Commuter Passes	57,464	60,237	104.8	370.3	395.3	+24.9	106.8	
Non-commuter Passes	33,519	38,232	114.1	639.5	743.8	+104.3	116.3	
Breakdown of Conventional Lines Kanto Area Network(Reproduced)	86,356	93,387	108.1	956.3	1,077.5	+121.2	112.7	
Commuter Passes	54,766	57,474	104.9	354.1	378.8	+24.6	107.0	
Non-commuter Passes	31,590	35,912	113.7	602.1	698.7	+96.6	116.1	-Increase in railway transportation: +72.0 -Barrier-free charges: +16.0 -Inbound tourism: +10.0 -Leap year: +2.5 -Rebound from natural disasters: +1.5 -In reaction to the impact of a natural disaster: -3.5 -Direct Soetsu-Tokyu line: -1.5
Breakdown of Conventional Lines Other Network(Reproduced)	4,626	5,083	109.9	53.5	61.5	+8.0	115.0	
Commuter Passes	2,697	2,763	102.4	16.1	16.5	+0.3	102.3	
Non-commuter Passes	1,929	2,319	120.3	37.3	45.0	+7.6	120.5	-Increase in railway transportation: +7.0 -Inbound tourism: +0.5
Total	107,477	119,701	111.4	1,431.7	1,676.5	+244.8	117.1	
Commuter Passes	59,027	61,908	104.9	391.5	417.8	+26.3	106.7	-Increase in railway transportation: +19.5 -Barrier-free charges: +7.0
Non-commuter Passes	48,450	57,792	119.3	1,040.2	1,258.7	+218.4	121.0	

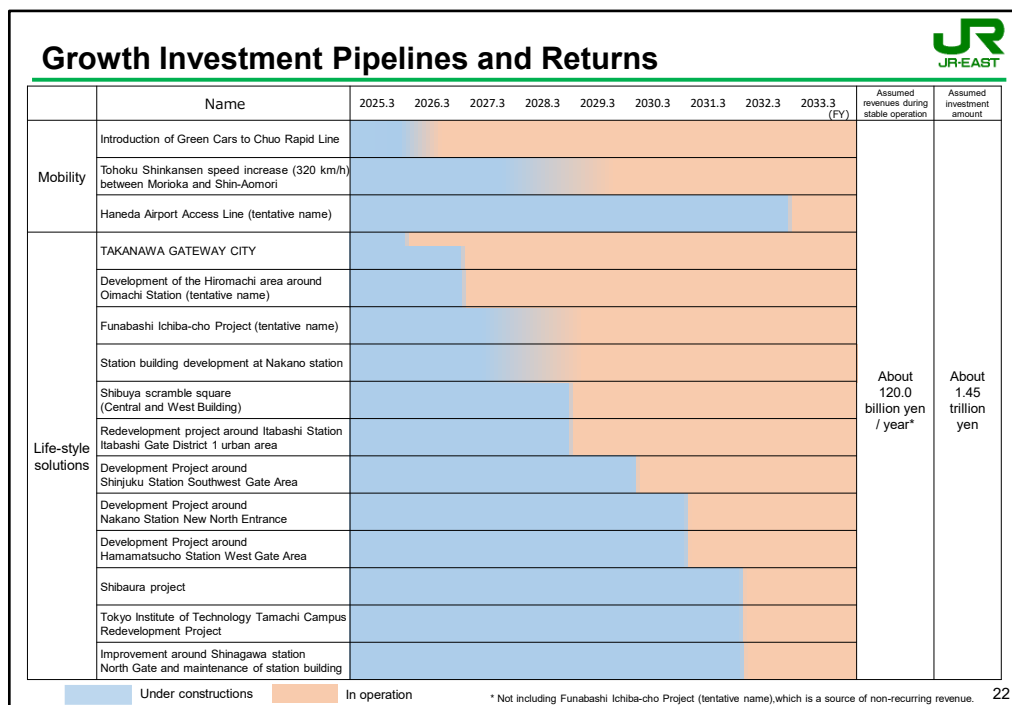
* Kanto Area Network refers to the sections covered by JR East's Tokyo Metropolitan Area Headquarters, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

II. Strategies for Realizing “Move Up” 2027

- President Yoichi Kise will explain Chapter 2, "Strategies for Realizing "Move Up" 2027," and Chapter 3, "Strategies for FY2025.3."



- Our business model to date has been based on the premise that "customers naturally gather at stations" through commuting to work, school or other purposes.
- However, as various changes in the business environment are occurring, such as population decline and changing values, we believe that we must develop a new business strategy that reinforces "Move Up" 2027 in order to respond to these changes and build a business structure that will grow sustainably.
- The basic approach to our future business strategy is to add new value to our "multilayered, real network" (exchange of people, goods, and information), which is our Group's strength, and to create "life value" for usual and unusual experiences for each individual customer. In Mobility, centered on railways, we aim to achieve both stability and growth, while in Life-style Solutions, we aim to double operating income over the next 10 years.



22

- There are a growth investment project to be introduced and opened in the future.
- We will continue to invest for growth in the two axes of Mobility and Life-style Solutions.
- In total, we expect to invest about 1.45 trillion yen and generate about 120 billion yen in revenues during stable operations.

Future major measures for Mobility

Introduction of Green Cars to the Chuo Rapid Line


Providing a comfortable environment through services that meet the seating needs of customers

Operation sections: Chuo Rapid Line (Tokyo-Otsuki)
Ome Line (Tachikawa-Ome)*
* Trains that directly connect to the Chuo Rapid Line

Scheduled introduction:
In or after FY2025.3

Investment: Approx. 86.0 billion yen

Expected revenue increase:
Approx. 8.0 billion yen per year



Haneda Airport Access Line (tentative name)

Realizing direct access to Haneda Airport from various directions using the existing railway network

Overview of East Yamanote route & Airport access line


construction section : Minato-ku Shibaura 1cho-me~
Ota-ku hanedaairport 3cho-me

Construction extension : Approx. 12.4km

Schedule to open : FY 2032.3

Approximate construction cost : Approx. 280.0 billion yen*

*The approximate construction cost includes the construction cost of the tunnel itself related to JR East (About 70.0 billion yen) among the national airport development projects.

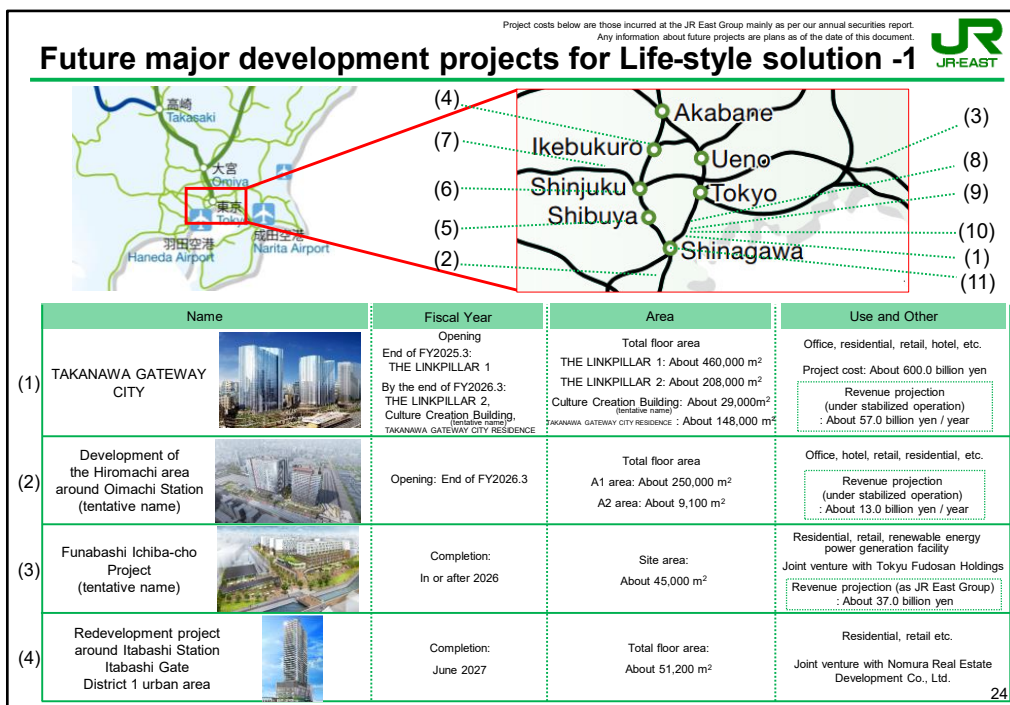


Improving Accessibility to Haneda Airport

- Realize direct access to Haneda Airport from the Utsunomiya, Takasaki, and Joban Lines
- The travel time from Tokyo Station to the airport reduce to about 18 minutes without transfer
- Passengers allow to go to Terminal 2 without moving up or down to a different floor level from Haneda Airport New Station

23

- This is about the main measures planned for Mobility.
- Regarding Green Cars on the Chuo Rapid Line, we have been affected by the shortage of semiconductors, but we are making diligent preparations to introduce them in or after FY2025.3. Approximately 86 billion yen has been invested in ground equipment and railcars, with an expected annual revenue increase of approximately 8 billion yen per year due to the introduction of the service. We will provide services that meet the seating needs of our passengers and also generate revenue.
- Construction of the Haneda Airport Access Line (tentative name) began last June with the aim of opening in fiscal 2032.3.
- Of the total construction cost of approximately 280 billion yen, we estimate that our construction cost will be approximately 210 billion yen, excluding the portion to be utilized from the national budget for the airport development.
- The ability to reach Haneda Airport from Tokyo Station in approximately 18 minutes and to operate direct trains from many directions is expected to enhance the value of the Tokyo area, and also create significant business opportunities for our Group, which has the Tokyo area as its business base.



- This is about the main developments planned for Life-style Solutions.
- We are promoting various development projects in the Tokyo metropolitan area under the name of Tokyo Metropolis Project.
- TAKANAWA GATEWAY CITY will celebrate its opening with the opening of THE LINK PILLAR 1 at the end of this fiscal year.
- Construction of the remaining three buildings, some of which have been revised to preserve the Takanawa embankments, will be completed sequentially during FY2026.3, with the overall town opening planned for around March 2026.
- In order to add value by enhancing facilities and other measures, the project cost was increased from approximately 580 billion yen to approximately 600 billion yen. In line with the value-added improvement, the revenue forecast under normal operation has also been revised from approximately 56 billion yen to approximately 57 billion yen.
- The IRR of 10% or more is maintained as a guideline.
- Development of the Hiromachi area around Oimachi Station (tentative name) is scheduled to open at the end of the next fiscal year, and is expected to generate approximately 13 billion yen per year after opening.

<div> <div>Project costs below are those incurred at the JR East Group mainly as per our annual securities report. Any information about future projects are plans as of the date of this document.</div> <div>  </div> </div>				
Future major development projects for Life-style solution -2				
	Name	Fiscal Year	Area	Use and Other
(5)	Shibuya Scramble Square Central and West Building 	Opening: FY2028.3 [East Building: Opened in November 2019]	Total floor area: About 80,000 m ² [Excluding East Building (About 158,000 m ²)]	Retail, station facility, etc. Joint venture with Tokyu Corporation and one other company [Project cost for East Building: About 42.3 billion yen]
(6)	Shinjuku Station Southwest Exit Area 	Construction period South City Block : FY2024.3 to FY2029.3 North City Block :into 2040s	Total floor area South City Block: About 150,000 m ² North City Block: About 141,500 m ²	Retail, office, hotel, etc. Joint venture with Keio Corporation and other companies
(7)	Nakano Station North Exit Base Facility Development Project 	Completion: FY2030.3	Enforcement district area About 23,000 m ²	Hall, office, residential, retail, etc. Joint venture with Nomura Real Estate Development Co., Ltd. and three other companies
(8)	Development Project around Hamamatsucho Station West Gate Area 	Completion: FY2030.3	Total floor area: About 314,000 m ²	Office, retail, hotel, etc. Joint venture with World Trade Center Building, Inc. and two other companies
(9)	Shibaura Project 	Completion S Building : February 2025 N Building : FY2031.3	Total floor area: About 550,000 m ²	Office, retail, hotel, residential, etc. Joint venture with Nomura Real Estate Development Co., Ltd.
(10)	Tokyo Institute of Technology Tamachi Campus Land Utilization Project 	Commencement of shared use: June 2030 Grand opening: April 2032	Total floor area: About 250,000 m ²	Office, retail, hotel, etc. Joint venture with NTT Urban Development Corporation and two other companies
(11)	Shinagawa Station District Development Project (North Block) 	Construction period: FY2026.3 to FY2031.3	Total floor area: About 165,000 m ²	Office, retail, station facility, etc. Business entity of south city block : Keikyu Co., Ltd



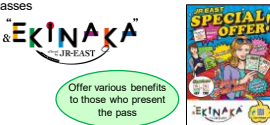
25

- These projects are expected to open in 2028.3 and beyond. We will steadily increase returns on growth investments.
- Other major development projects are in the pipeline, including the redevelopment of the Ikebukuro Station area, Omiya, Chiba, and the east exit of Yokohama Station.

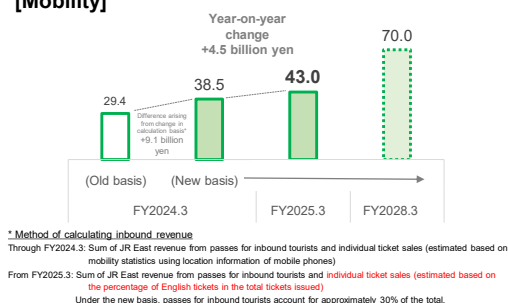
Capturing Inbound Demand



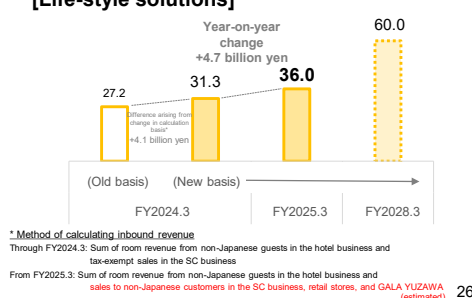
In order to surely capture demand from inbound tourists, which are expected to increase to 60 million by 2030, we will strengthen price strategies and promotions for products targeted at inbound tourists in both mobility and life-style solutions.

<p>■ Attracting customers to our area by promoting the use of railways</p> <ul style="list-style-type: none"> Offer regional passes that are attractive to customers visiting Japan (e.g., JR EAST PASS and JR TOKYO Wide Pass) Increase the percentage of regional passes and tickets sold through our direct sales website "JR-EAST Train Reservation." Realize smooth use by increasing the percentage of online sales of Japan Rail Pass. 	<p>■ Enhancing information offering before, during, and after travel</p> <p>Stimulate desire to travel to our area by using various touchpoints</p> <ul style="list-style-type: none"> ▶ Before travel SNS, travel fairs held outside Japan, JAPAN RAIL CAFE, etc. ▶ During travel JR East Travel Service Center ▶ After travel JAPAN RAIL CLUB 	<p>■ Promoting the use of facilities of the JR East Group</p> <p>Offer discounts and benefits at various facilities in each region to the purchasers of regional passes</p> <p>EKINAKA</p> <p>Offer various benefits to those who present the pass</p> 
--	--	--

[Mobility]



[Life-style solutions]



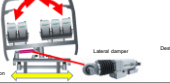




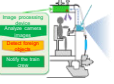



26

- This page is about capturing inbound demand.
- In order to ensure the capture of inbound demand, which is expected to increase to 60 million people by 2030, we will promote various initiatives in both Mobility and Life-style solutions.
- Currently, less than 1.5% of all inbound customers are going to the Tohoku region. We see this situation as a "growth potential" that can significantly increase inbound revenues by increasing tourism demand, and we hope to realize it by co-creating with local governments and tourism business operators.
- In FY2028.3, we aim to generate inbound revenues of 70 billion yen from Mobility and 60 billion yen from Life-style Solutions.

Major Technological Development Projects



We promote development of technologies that are ahead of our time in the four areas ("safety and security," "service and marketing," "operation and maintenance," and "energy and environment") identified in our medium- to long-term vision for technological innovation, in order to create new values by using IoT, big data, AI, etc.

<p>■ Safety and security</p> <p>- Foreseeing danger to minimize risk</p> <p>Development designed to minimize damage in the event of a great earthquake</p> <p>An improved cowcatcher will be introduced in steps from FY2025.3</p> <p>Anti-seismic lateral damper is also under development</p>  <p>Development of anti-seismic lateral damper</p>	<p>■ Energy and environment</p> <p>- Increasing three E's of energy (environment, economic efficiency, and energy security) to "C" (local community development)</p> <p>Currently conducting verification tests for a hydrogen-powered hybrid train "HYBARI" to start its commercial operation in FY2031.3.</p> 
<p>■ Services and marketing</p> <p>- Offering our customers value that is for "right now, right here, and just for me"</p>  <p>Development of next-generation Shinkansen</p> <p>Currently conducting endurance tests for various newly developed equipment using a Shinkansen test car "ALFA-X"</p>	<p>■ WaaS Co-creation Consortium</p> <p>Conducting technological development and various verification using open innovation on an ongoing basis toward realizing a well-being society</p>  <p>WaaS Co-creation Consortium</p> <p>■ Technical development by frontline employees</p> <p>Development of tools to replace railway switch bearings</p> 
<p>■ Operation and maintenance</p> <p>- Reviewing operations in preparation for a 20% reduction in the working-age population</p> <p>A system to automatically detect foreign objects on railway tracks ahead of railcars in real time has been developed and is currently under verification tests</p>  <p>In-car installation type foreign object detection system</p> <p>Railway equipment monitoring devices have been introduced to 50 line segments in the JR East area. They will be introduced also to areas covered by other companies going forward.</p>  <p>CBM (monitoring of wayside equipment)</p>	<p>■ BRT automated driving</p> <p>Currently conducting verification tests toward realizing commercial operation using automated driving level 4</p>  <p>■ Intellectual property strategy</p> <p>Promote strategic acquisition, effective use, etc., of intellectual property</p>  <p>Exterior appearance of Series E8 rolling stock Excerpt from publication for design registration No. 1676537</p>

27

- This is about the major technical development projects.
- Since the company's establishment, we have aimed to become a "technical service company" and have promoted the improvement of safety levels and services as well as the creation of new businesses through technology.
- In the four areas of "Safety and Security," "Services and Marketing," "Operation and Maintenance," and "Energy and Environment" set forth in the "Medium- to Long-Term Vision for Technological Innovation" formulated in 2016, we have been promoting technology development ahead of the times and many technologies have entered the demonstration test stage.
- We will then strategically acquire intellectual property based on the results we have developed and promote its further utilization, leading to the sustainable growth of our group.

Process to reach the targets for FY2028.3



* Figures announced in April 2023

(¥ billion)	2024.3 Results	2025.3 Forecast	2025.3/2024.3		2026.3 Outlook	2027.3 Outlook	2028.3 Target *
			Increase/Decrease	%			
Operating revenues	2,730.1	2,852.0	+121.8	104.5	3,003.0	3,125.0	3,276.0
Transportation	1,853.6	1,935.0	+81.3	104.4	1,968.0	2,004.0	2,019.0
Retail & Services	379.6	387.0	+7.3	101.9	463.0	497.0	654.0
Real Estate & Hotels	405.8	429.0	+23.1	105.7	456.0	497.0	507.0
Others	91.0	101.0	+9.9	110.9	116.0	126.0	96.0
Operating income	345.1	370.0	+24.8	107.2	381.0	391.0	410.0
Transportation	170.7	188.0	+17.2	110.1	184.0	173.0	178.0
Retail & Services	54.0	61.0	+6.9	112.9	66.0	70.0	80.0
Real Estate & Hotels	100.1	101.0	+0.8	100.8	110.0	122.0	124.0
Others	21.9	22.0	+0.0	100.4	23.0	28.0	30.0
Non-operating income or expenses	-48.5	-55.0	-6.4	113.3	-	-	-
Ordinary income	296.6	315.0	+18.3	106.2	-	-	-
Extraordinary gains or losses	-22.5	-10.0	+12.5	44.3	-	-	-
Profit attributable to owners of parent	196.4	210.0	+13.5	106.9	-	-	-
EBITDA	737.3	773.0	+35.6	104.8	810.0	843.0	868.0
Transportation	458.9	488.0	+29.0	106.3	493.0	487.0	495.0
Retail & Services	71.6	78.0	+6.3	108.9	84.0	90.0	101.0
Real Estate & Hotels	154.6	155.0	+0.3	100.3	179.0	207.0	211.0
Others	53.7	54.0	+0.2	100.6	56.0	61.0	63.0
ROA	3.6%	3.7%	+0.1%	-	3.7%	3.6%	4.0% approx.
ROA (R=EBITDA)	7.7%	7.8%	+0.1%	-	7.8%	7.8%	8.5% approx.

Note: "2025.3 forecast," "2026.3 outlook," and "2027.3 outlook" were calculated reflecting the changes below (from 1Q of 2025.3 onward).
 * JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd. were reclassified from the "Retail & Services" segment to "Real Estate & Hotels,"
 while JREPU Hotel Management & Consulting Co., Ltd. was reclassified from "Real Estate & Hotels" to "Retail & Services."
 * The segment for recording revenues from rent of the space under elevated railway tracks was changed from "Transportation" to "Real Estate & Hotels."

28

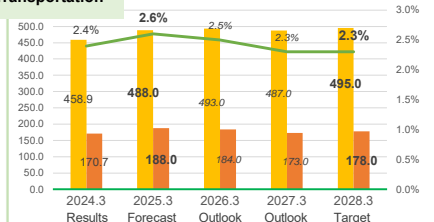
- This page shows you numerically how the Group is progressing toward the targets set forth in "Move Up" 2027 through the strategies and measures I have explained so far.
- Consolidated operating income will be increased in stages from 370 billion yen in FY2025.3, to 410 billion yen in FY2028.3.
- We have decided to disclose not only the performance forecast for a single fiscal year, but also the process up to the target for FY2028.3.
- EBITDA will also be disclosed to enhance the predictability of cash flows in the medium to long term.
- The target for FY2028.3 remains unchanged from the figure announced last April.

Process to reach the targets for FY2028.3 (by segment)

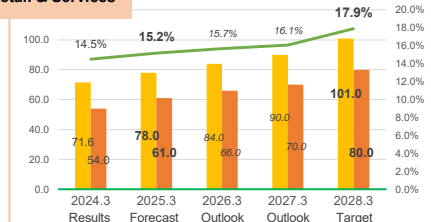


■ : EBITDA (¥ billion) ■ : Operating income (¥ billion) — : ROA

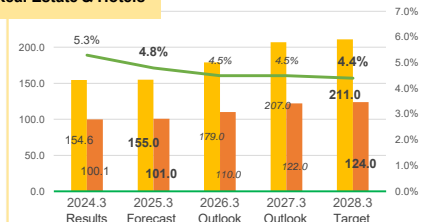
Transportation



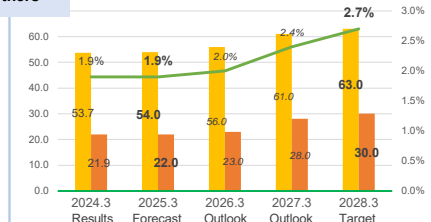
Retail & Services



Real Estate & Hotels



Others



Note: "2025.3 forecast," "2026.3 outlook," and "2027.3 outlook" were calculated reflecting the changes below (from 1Q of 2025.3 onward).
 • JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd. were reclassified from the "Retail & Services" segment to "Real Estate & Hotels,"
 while JREFU Hotel Management & Consulting Co., Ltd. was reclassified from "Real Estate & Hotels" to "Retail & Services."
 • The segment for recording revenues from rent of the space under elevated railway tracks was changed from "Transportation" to "Real Estate & Hotels."

29

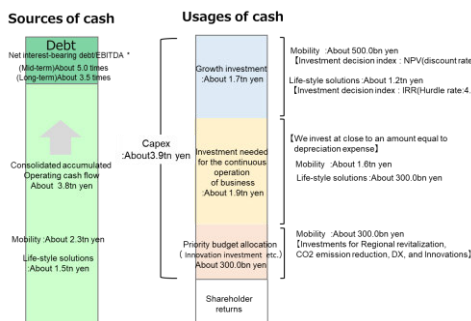
- This page shows a graph of EBITDA, operating income, and ROA by segment, as shown on the previous page.

Usage of cash (capital investment and shareholder returns)

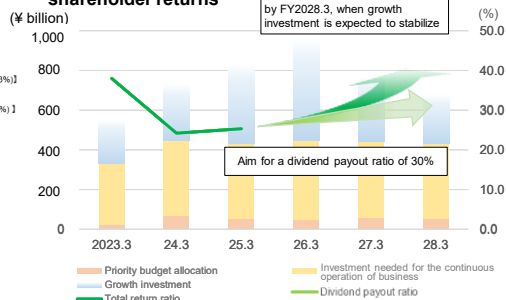


- To build a strong management foundation that is resilient to changes in the external environment and is capable of sustainably creating value, we plan to make **capital investment of approximately ¥3.9 trillion over the five years from the fiscal year ended March 2024**. As part of this, we will practice thorough selection and concentration in investment needed for the continuous operation of business, while accelerating growth investment (from FY2025.3 to FY2026.3) for the opening of TAKANAWA GATEWAY CITY and Development of the Hiromachi area around Oimachi Station (tentative name).
- With regard to shareholder returns, over the medium to long term, we are targeting a total return ratio of 40% and a dividend payout ratio of 30%. We will steadily enhance shareholder returns, in light of trends in capital investment and business performance, and other factors.

■ Cash Allocations (FY2024.3 - FY2028.3)



■ Capital investment and shareholder returns



		(Shaded figures: forecasts)						
		2019.3	20.3	21.3	22.3	23.3	24.3	25.3*
Dividends per share (yen)	Interim	75	82.5	50	50	50	55	78
	Year-end	75	82.5	50	50	50	85	78
	Annual	150	165	100	100	100	140	156
Dividend payout ratio (%)		19.4	31.4	-	-	38.0	26.8	28.0

* The dividend forecast for FY 2025.3 is planned to be **52 yen per share, including an interim dividend of 26 yen**.

(On April 1, 2024, JR East conducted a 3 for 1 stock split for its common shares. The figures for FY2025.3 above represent dividends per three shares.)

30

- As for the "usage of cash," I will explain our approach to capital investment and shareholder returns.
- As we have shown since last year in the cash allocation chart, we plan to invest approximately 3.9 trillion yen in capital expenditures over the five-year period beginning in FY2024.3.
- Investment for growth will be accelerated toward the opening of large-scale development projects such as TAKANAWA GATEWAY CITY through FY2026.3.
- As indicated at the time of the announcement of "Move Up" 2027, our shareholder return policy has been to emphasize cash dividends to encourage individual shareholders to hold more shares, with a target payout ratio of 30% and total return ratio of 40%.
- For FY2024.3, the Company decided to pay an annual dividend of 140 yen per share, including an interim dividend of 55 yen. The dividend payout ratio is 26.8%.
- For FY2025.3, we plan to pay a dividend of 52 yen per share after the stock split, including an interim dividend of 26 yen, for a payout ratio of 28.0%.

- We will continue to aim for a dividend payout ratio of 30%, while targeting a total return ratio of 40% over the medium to long term, based on trends in capital expenditures and business performance.

III. Strategies for FY2025.3

Note:

In this chapter, "2025.3 forecasts" of each segment were calculated reflecting the changes below (from 1Q of 2025.3 onward).

- JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd. were reclassified from the "Retail & Services" segment to "Real Estate & Hotels," while JREFU Hotel Management & Consulting Co., Ltd. was reclassified from "Real Estate & Hotels" to "Retail & Services."
- The segment for recording revenues from rent of the space under elevated railway tracks was changed from "Transportation" to "Real Estate & Hotels."

➤ Next, I will explain our strategies for FY2025.3.

Policy for FY2025.3



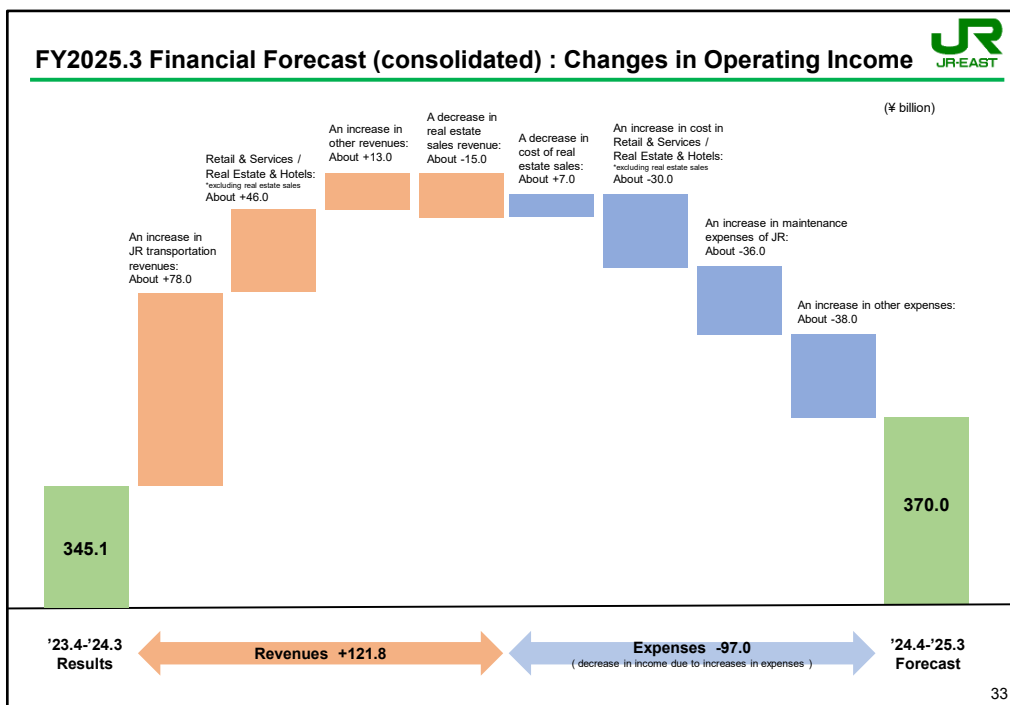
The fiscal year ending March 2025 will be a major turning point for our Group. Viewing the worldwide changes rather as opportunities to further accelerate the structural reforms that we have been carrying out across all businesses, and by charting a new growth strategy and boldly promoting it, we will make this year **a period in which we pave the way to a new era**.

A new initiative starting from FY2025.3 **defines strategies and KPIs** for each of the four segments and 14 businesses, as well as human resources, digital transformation (DX) and intellectual property, finance and investment, and ESG, which constitute the foundation for growth. Based on the strategies and KPIs, by creating value through **integration and collaboration** among our Group employees, we will not only create economic value (cash flow), but also **contribute to addressing social issues through business activities (social value)**.

Segments and Businesses				Foundation for growth			
Transportation	Retail & Services	Real Estate & Hotels	Others				
Shinkansen							
Conventional lines	Retail	Real estate ownership and utilization	Suica and finance	Human resources	Digital transformation (DX) and intellectual property	Finance and investment	ESG
Bus	Advertising and publishing	Real estate rotation	Overseas railway				
Railcar manufacturing	Overseas	Real estate management	Energy				
			Construction				

32

- As I mentioned, we believe that this fiscal year will be a major milestone for our group.
- In order to further accelerate the structural reforms that we have been carrying out across all businesses and to usher in a new era, we have defined strategies and KPIs for each of our four segments, 14 businesses, and foundations for growth.
- Individual strategies are explained in the following pages.



33

- This is a forecast of changes in consolidated operating income for the current fiscal year.
- With revenues increasing by 121.8 billion yen on the left and expenses increasing by 97 billion yen (income decreasing) on the right, consolidated operating income for the current fiscal year is expected to be 370 billion yen.
- Regarding revenues, while increases are expected in transportation and Life-style Solutions, real estate sales revenues are expected to decrease from the previous year.
- As for expenses, in addition to the expected increase in costs associated with the increase in revenues, JR East's non-consolidated maintenance expenses are expected to increase by 36.0 billion yen.
- The increase in maintenance expenses is expected due to the impact of soaring prices and higher labor costs, as well as to enhance facilities in order to further improvement of safe and stable transportation.

Transportation (Segment policy, strategy, KPI)



External environment

- Due to the decline in the working-age population caused by the low birthrate, the industry faces two major challenges: a decrease in the number of railway/bus passengers and a shortage of workforce.
- Ever-increasing inbound demand is expected to continue over the medium to long term beyond FY2025. Regarding railway passenger revenues, commuter pass revenues will stabilize as the COVID-19 pandemic subsides. Non-commuter revenues are expected to increase due to tourism demand, including that of inbound tourists.
- Cost pressures such as soaring prices and rising labor costs are likely to continue.
- As for railcar manufacturing, while investment in new railcars tends to be suppressed, demand for remodeling work for existing railcars is firm.

Policy

- Setting safety as our top priority, steadily improve our transportation quality and customer service to earn the trust of our customers and the local community.
- Continue the transformation into a sustainable mobility business by proactively adopting new technologies, optimizing transportation modes, and streamlining the operational structure.
- Promote a strategy that leverages the strengths of our four businesses, Shinkansen, Conventional lines, Bus, and Railcar manufacturing, and put in place mechanisms to promote growth in each of these businesses.

Strategy

- Enhance the trust of the Group by strengthening our safety infrastructure, including the "safety culture" we have cultivated and safety "mechanisms" and "facilities," while taking a fundamental and proactive approach to safety.
- Maximize passenger revenues by capturing inbound demand and stimulating tourism demand.
- Promote new technology development and internal/external collaborations to ensure sustainable operations.

KPI

	FY2025.3 (year-on-year)	FY2028.3
Railway accidents due to Group's internal causes	0 (-4)	0
Serious incidents	0 (±0)	0
Passenger revenues	1,755.0 billion yen (+78.4 billion yen)	About 1,780.0 billion yen
Railway business fixed asset turnover	0.35 (±0)	0.35 or more

Economic value

	FY2025.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	1,935.0 billion yen (+81.3 billion yen, 104.4%)	2,019.0 billion yen
Operating income	188.0 billion yen (+17.2 billion yen, 110.1%)	178.0 billion yen
EBITDA	488.0 billion yen (+29.0 billion yen, 106.3%)	495.0 billion yen
ROA	2.6% (+0.2pt)	2.3%
ROA (R=EBITDA)	6.7% (+0.3pt)	6.5%

Social value

- Providing society with safe, secure and reliable infrastructure
- Revitalizing the regional economy through regional mobility and tourism
- Proposing new lifestyles through the expansion of seated services
- Creating local jobs

34

- We will now explain our strategies for the current fiscal year for our four segments and 14 businesses. It sets forth policies, strategies, and KPIs based on recognition of the external environment, as well as a story of creating economic and social value through the realization of those.
- First, Transportation. As for the external environment, we recognize the importance of how many passengers, including inbound tourists, we can attract, as the declining population affects both "the number of domestic passengers" and "the number of job bearers".
- Our policy is to maintain our top priority of "safety" while responding to the trust of our customers and local communities, and to continue our transformation into a sustainable mobility business by proactively adopting new technologies. In Mobility, especially railways, the theme of our business is how to achieve both "stability" and "growth".
- As for strategies, under the "Group Safety Plan 2028" formulated last year, we will promote initiatives that anticipate safety based on an understanding of the essentials, as well as take concrete steps to maximize the top line and realize sustainable operations.

Transportation (Strategy by business)



Shinkansen business

■ Pursuit of ultimate safety

- Continue to enhance and pursue safety, the basic premise of the mobility business and Shinkansen transportation.
- To minimize damage in the event of a major earthquake, further promote seismic reinforcement of elevated railway track pillars and electrified pillars, as well as measures to prevent derailment of trains.
- Regarding past transportation disruptions, investigate and verify the causes internally and with the cooperation of external organizations, and take effective measures to prevent recurrence.

■ Creating new value and stimulating demand

- Work with local communities to promote two-way tourism between the Tokyo metropolitan area and other regions, focusing on the Hokuriku area, where convenience will increase with the opening of the Tsuruga extension of the Hokuriku Shinkansen line and a destination campaign is scheduled for this fall, and the Tohoku area, including the area along the Yamagata Shinkansen line, where the new Series E8 trains have been introduced.
[Effect of the extension of the Hokuriku Shinkansen line to Tsuruga: 8.5 billion yen/year increase in revenue expected]
- Discover and disseminate unknown attractions of the Tohoku and Joshinetsu areas to increase inbound demand.
[Inbound transportation revenues: 43.0 billion yen (including conventional lines) in FY2025.3]



Series E8

■ Reforming operations and promoting sustainability

- Start full-scale smart maintenance, including the introduction of "track equipment monitoring vehicles," to raise the level of safety and accuracy of Shinkansen transportation, while promoting the creation of work systems that can respond to the future decline of the workforce.
- Advance technological study and development to realize driverless operation of Shinkansen trains.

Bus business

■ Maximizing profits by strengthening collaboration, including with companies outside the Group

- Expand the transportation capacity of the JR Bus brand through joint operations with other bus operators and other means to efficiently increase revenues.
- Improve operational efficiency and achieve workstyle reform through joint operations between JR Bus Kanto and JR Bus Tohoku, the expansion of crew transfer operations, and sharing of personnel and vehicles.

Conventional lines business

■ Pursuit of ultimate safety

- Fortify the existing safety foundation and proactively take safety measures based on essence.
- Promote prioritized maintenance of safety equipment based on risk assessment and mechanization and systems development designed to reduce human errors.

■ Initiatives for growth

- By utilizing the Group's network, provide services that meet the seating needs of customers, such as the introduction of Green Cars to the Chuo Rapid Line, create destinations that meet the needs of customers including inbound tourists, and provide transportation services that allow customers to experience the "fun of travel" by operating Joyful Trains and other services.
- Provide seamless services centered around mobility, such as customer-focused functional improvement of JR East Apps, contribution to mobility creation and regional digital transformation using Tabi-CONNECT, and expansion of JR East's real-time data integration platform (RT-DIP).



Joyful Train "SATONO"

■ Proactive introduction of new technologies

- Realize labor-saving inspection and construction by utilizing new technologies, such as the introduction of proposal- and support-oriented, use of monitoring and point cloud data, and use of drones for high-altitude inspections.

■ Aiming to achieve sustainable railway operations

- Work to alleviate congestion by promoting the use of off-peak commuter passes, and work with other railway operators to achieve a flexible fare and charge system.



Use of drones for inspection

Railcar manufacturing business

■ Further strengthening the cost competitiveness of the "sustina" stainless steel railcar brand to increase orders

- Transform the business model into one based on the use of rolling stock that is widely accepted in the mass market (domestic urban and regional railways, and overseas railways), allowing flexible proposals for additional specifications.
- Level out the capacity utilization of the Niitsu Plant, a plant dedicated to sustina, to achieve further cost reductions, thereby strengthening competitiveness.

35

- These are business-specific strategies for Transportation. This page focuses on what we will be working on this fiscal year.
- In the Shinkansen business, we will take the opportunity of the extension of the Hokuriku Shinkansen line to Tsuruga in March of this year and the introduction of E8 Series trains to the Yamagata Shinkansen line to create tourist flow, including inbound tourism.
- In the conventional lines business, we will aim to provide services that meet the needs of passengers and that allow them to experience the "fun of travel," while also introducing new technologies and discussing fare and charge system with the aim of achieving sustainable railways.
- In the bus business, we will maximize profits while strengthening cooperation with bus operators outside the JR East Group.
- In the railcar manufacturing business, we will increase orders by strengthening the competitiveness of the "sustina" brand of stainless steel railcars.

Retail & Services (Segment policy, strategy, KPI)



External environment

- Due to population decline, web conferencing and remote working, how customers travel and their consumption behavior are changing.
- During the COVID-19 crisis, digital technology advanced at an accelerated pace, and the market size of e-commerce and web advertising expanded.
- Overseas, the number of Japanophiles and consumption of Japanese products have been on the rise. In the medium to long term, consumption is also expected to expand in emerging markets.

Strategy

- Strive to increase revenue by various means, such as expansion of NewDays convenience stores outside stations, expansion of a multi-functional locker "Multi-Ecube," store refurbishment, and JRE MALL product lineup expansion.
- Promote the "Beyond Stations" concept and work to increase advertising revenue by, for example, setting up new advertising media.
- Work to increase revenue by expanding diverse businesses related to TOD while expanding new businesses and increasing the attractiveness of existing facilities at overseas bases.

Policy

- In retail business, work to establish a business model that is feasible also in small trade areas by improving profitability of stores in the Tokyo metropolitan area by strengthening customer contact points, as well as through the effective use of station facilities and collaboration with station services.
- For advertising, establish an original business model while adopting new technologies, thereby improving lifetime value for customers.
- Aim to expand revenues in overseas markets by participating in TOD (transit-oriented urban development) projects overseas, mainly in Asia.

KPI

	FY2025.3 (year-on-year)	FY2028.3
Retail operating revenue	290.0 billion yen (+10.5 billion yen)	320.0 billion yen
Transportation advertising operating revenue	31.0 billion yen (+3.1 billion yen)	43.0 billion yen

Economic value

	FY2025.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	387.0 billion yen (+7.3 billion yen, 101.9%)	654.0 billion yen
Operating income	61.0 billion yen (+6.9 billion yen, 112.9%)	80.0 billion yen
EBITDA	78.0 billion yen (+6.3 billion yen, 108.9%)	101.0 billion yen
ROA	15.2% (+0.7pt)	17.9%
ROA (R=EBITDA)	19.6% (+0.3pt)	22.6%

Social value

- Uncovering attractive local resources to provide new value
- Building comfortable cities and sustainable communities
- Proposing new lifestyles to customers and local residents
- Creating local jobs

36

➤ Retail & Services.

➤ As for the external environment, people's behavior is changing due to population decline and the COVID-19 pandemic. In addition, advances in digital technology and a trend toward greater consumption of Japanese products in overseas markets are also expected.

➤ As a policy, in the retailing business, we aim to improve profitability by strengthening customer contact points and establish a business model that is feasible even in small trading areas.

➤ For advertising, we will strive to secure revenues by establishing an original business model while adopting new technologies and aiming to improve the lifetime value of our customers.

➤ We will also consider participation in TOD projects, particularly in Asia, in order to increase revenues from Life-style Solutions overseas.

➤ See the next page for specific strategies.

Retail & Services (Strategy by business)



Retail business

■ Expanding revenue by taking on new challenges

- Promote new openings of NewDays convenience stores outside stations as well as inside stations.
- Continue to expand the business of a multi-functional locker "Multi-Ecube," which has four functions of reservation, deposit, receipt, and sending, aiming to install 1,000 units by the end of FY2027.3 through the effective use of JR East's network and partnerships with other companies.
- By working to expand the network, transportation volume, and services of the "Hako-byun" and "Hako-byun Quick" (logistics services), highlight attractiveness through regional products while working to contribute to the resolution of social issues, such as the 2024 issue of logistics, and reduction of CO₂ emissions.



■ Refining existing businesses

- Actively undertake refurbishment of stores that are expected to deliver particularly high profitability in the Tokyo metropolitan area.



- For the JRE MALL, in addition to increasing the number of municipalities participating in JRE MALL "Furusato Nozei" (hometown tax donations) and offering JR East's original tax return gifts, we will develop products unique to the Group, including a wide range of experience-type products such as railway work experience.



Advertising and publishing business

■ Increasing media value

- In the "MASTRUM," integrated OOH (out-of-home advertising) marketplace, aim to increase revenues through initiatives such as programmatic sales and global business development, as well as media visualization based on proprietary data, etc.
- Based on the "Beyond Stations" concept, advance the installation and development of new media at Shinjuku, Akihabara, Ueno stations, etc. to make station spaces immersive.
- Revitalize train media with "TRAIN TV", which delivers original TV-quality content.



■ Social business

- Serve as the secretariat for the Japan Tourism Agency's Project to Promote Expansion and Quality Improvement of Inbound Consumption by Providing Special Experiences, etc., and monetize solutions to local issues in cooperation with local governments and businesses.

Overseas business

■ Establishing a TOD business model

- Increase revenues from commercial facilities near train stations, including J's Gate Dining in Malaysia, whose business we took over in March 2024.
- Consider participating in station building renovation and station area real estate projects in Thailand, Indonesia, etc.

■ Gaining Japanophiles from overseas

- Expand Japan's regional promotion contracting business using overseas business bases such as hotels, fitness gyms, and EKINAKA facilities.
- Aim for synergies with the acquisition of members of the JAPAN RAIL Club, a subscription-based cross-border e-commerce platform linked to JR EAST PASS sales promotion.



37

- In the retail business, through the opening of NewDays stores outside stations, expansion of the installation of multifunctional lockers "Multi-Ecube", and expansion of "Hako-byun" and "Hako-byun Quick", we aim to increase revenues as well as solve social issues such as the 2024 issue (shortage of drivers in logistics in Japan).
- In the advertising and publishing business, we will work to increase revenues through MASTRUM, an integrated OOH marketplace, and improve the value of traffic advertisement as a medium, which has been declining since the COVID-19 pandemic, by revitalizing in-train media through "TRAIN TV."
- In the overseas business, we will work to establish a TOD business model and expand revenues from the operation of commercial facilities near train stations in Malaysia, while also considering participation in projects in Thailand, Indonesia, and other countries.

Real Estate & Hotels (Segment policy, strategy, KPI)



External environment

- Due to the declining population and increasingly digitalized social and economic activities, consumer behavior and workstyles are changing dramatically.
- In addition to rising construction costs, uncertainties such as rising interest rates and exchange rate fluctuations are also expected.
- The number of foreign visitors to Japan in the fiscal year ending March 2025 is likely to exceed the number before COVID-19 pandemic, and the growth trend in inbound tourism is expected to continue.

Policy

- Expand the scope of development and real estate business linked to the railway network, and promote town development over a wider area.
- Aim to create new value (creating lifestyles) by developing services that leverage the Group's comprehensive strengths.

Strategy

- Steadily proceed with large-scale development projects such as TAKANAWA GATEWAY CITY to improve the international competitiveness of the Tokyo area, and promote exchanges and flows of people.
- In the shopping center (SC) and office businesses, seek to improve profitability by promoting renovations and building relationships with tenants.
- Expand the "real estate rotation" and "real estate management" businesses with a focus on "ownership and utilization" to achieve business growth that is compatible with the financial soundness of the segment as a whole, while also increasing value through the Group's unique value-added features.

KPI

	FY2025.3 (year-on-year)	FY2028.3
SC, offices, hotels operating revenue	365.0 billion yen (+23.2 billion yen)	440.0 billion yen
Asset management scale in real estate fund business	300.0 billion yen in total (+68.8 billion yen)	400.0 billion yen in total

Economic value

	FY2025.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	429.0 billion yen (+23.1 billion yen, 105.7%)	507.0 billion yen
Operating income	101.0 billion yen (+0.8 billion yen, 100.8%)	124.0 billion yen
EBITDA	155.0 billion yen (+0.3 billion yen, 100.3%)	211.0 billion yen
ROA	4.8% (-0.5pt)	4.4%
ROA (R=EBITDA)	7.3% (-0.8pt)	7.5%

Social value

- Attractive town development in cooperation with local residents
- A world-class, cutting-edge, attractive city
- Town development that considers the environment, disaster prevention, and communities

38

- Real Estate & Hotels.
- As for the external environment, we recognize that population decline, behavioral change, and digitalization will have an impact.
- Although there are concerns about soaring construction costs, rising interest rates, and exchange rate fluctuations, we also expect to see positive signs such as an increase in inbound tourism.
- As a policy, we will expand the scope of development and real estate business linked to the railway network, and promote town development over a wider area.
- We also aim to create new value by developing services that leverage the comprehensive strengths of our group.
- See the next page for specific strategies.

Real Estate & Hotels (Strategy by business)



Real estate ownership and utilization business

■ Large-scale development

- The opening of TAKANAWA GATEWAY CITY, a large-scale development project designed to enhance the value of the entire area centered on the station, is scheduled for the end of the fiscal year ending March 2025, aimed at creating value and appeal that can be shared globally.
- Steadily proceed with the development of the Hiromachi area around Oimachi Station (end of FY2026.3) and other projects to strengthen the revenue base of the Group.



TAKANAWA GATEWAY CITY

Appearance



Center for Cultural Innovations
(tentative name)



Development of the Hiromachi
area around Oimachi Station
(tentative name)

■ Shopping center

- In April 2024, EATo LUMINE held its grand opening inside the ticket gates on the B1 floor of Shinjuku Station (toward the west ticket gate). We will continuously promote the Tokyo Metropolis Project.
- Along with a new Nakano Station building constructed, a new commercial facility operated by Atré will open inside the station, in 2026 or later.

■ Office

- In addition to leasing office buildings such as TAKANAWA GATEWAY CITY, which will form a new revenue base, strengthen relationships with existing tenants to secure stable income.

■ Hotel

- Increase profitability through expansion of the hotel network and the renovation of existing hotels.
- Obtain external revenue through sales of Hotel B4T's Suica key system.



EATo LUMINE



New Nakano Station building
development (2026 or later)



Hotel B4T Akabane

Real estate rotation business

■ Housing sales

- Accelerate business development centered on joint sales with developers, such as the Funabashi Ichiba-cho Project (tentative name) with Tokyu Fudosan Holdings, with whom we have concluded a comprehensive cooperation agreement.



Funabashi Ichiba-cho Project
(tentative name)



Musashi-urawa Project

■ Income-making real estate sales

- Undertake income-making property development on the Company's sites in collaboration with external partners while also acquiring real estate properties from external owners mainly in the Tokyo metropolitan area to implement a new business model that aims to increase their value in JR East's own unique manner, aiming to achieve average annual sales of 20 to 30 billion yen.

Real estate management business

■ Expanding real estate fund

- Expand the scale of asset management and increasing the asset management fees received.
- Seek to capture a wide range of profit-making opportunities through investments in real estate funds.



Example of property
managed by a real estate fund


■ Demonstrating the Group's combined strengths

- Promote developing unique services by leveraging our comprehensive strengths, including mobility.

39

- In the real estate ownership and utilization business, we will steadily promote large-scale developments such as TAKANAWA GATEWAY CITY, which is scheduled to open next March, and the development of the Hiromachi area around Oimachi Station (tentative name).
- For shopping centers, offices, and hotels, we will promote renewal and build relationships with tenants to increase revenues.
- In the real estate rotation business, we will develop business centered on joint sales with developers, including the Funabashi Ichiba-cho Project (tentative name), a joint project with Tokyu Fudosan Holdings.
- For the income-making real estate sales, we aim to achieve an average annual sales scale of approximately 20-30 billion yen.
- In the real estate management business, we will capture a wide range of profit-earning opportunities by expanding the real estate fund business and promote value enhancement by leveraging the comprehensive capabilities of our group, including mobility.

Others (Policy, strategy, KPI for each business)



Suica and finance business

External environment


- With the advances in DX, such as cloud technology and generative AI, competition is intensifying in the digital and data business.

Policy

- By promoting thorough digitization of the Group's customer contact points, centered on Suica and JRE POINT, seek to increase lifetime value and maximize cash inflows through integration and collaboration within the Group.

Strategy

- Reform of Suica**
 - Provide seamless service by expanding Suica to the Nagano area and expanding the use of multifunctional IC cards for regional transit.
 - Introduce and deploy a cloud-based ticket gate system to provide new Suica services.
 - Expand e-money business by continuously promoting its usage and increasing member stores.
- Credit cards and financial services**
 - Launch the JRE BANK service to expand cash inflows in new markets.
 - Expand the use of View Card within the Group, and increase external revenues by promoting its use in town.
- Advancement in digital business**
 - Introduce integrated ID to improve the customer experience (CX) of digital services.
 - Further expand data business by utilizing real-time data.



JRE BANK
Service begins in May 2024.

Overseas railway business


External environment

- Demand for infrastructure remains strong, especially in Asia and other emerging countries.
- With increasing destabilization of international situations, geopolitical risks and uncertainties in the global economy are rising.
- By leveraging the Group's comprehensive strength, develop high-quality, highly efficient railway infrastructure systems and aim to provide more affluent lifestyles, mainly in Asia.


Policy

Strategy

- Human resource development and technological enhancement through overseas projects**
 - Develop professional human resources through practical experience in areas such as project management, international standardization, commercial affairs, and new fields (digital transformation and public transportation-oriented development).
 - Through overseas training, etc., expand and develop a base of employees who will be active in international business.
- Business development leveraging the Group's comprehensive strengths**
 - In the India High-Speed Railway Project, steadily progress with preparations for the start of operations through Japan-India intergovernmental consultations and support for design, tender, construction supervision, etc.
 - While being involved in EPC (engineering, procurement, and construction), boldly taking on new projects, mainly in O&M (operation and maintenance).
 - Through strategic international standardization activities, promote Japanese railway technology internationally and expand business opportunities for the Group overseas.
- Sustainable management of overseas railway projects**
 - Work to increase profitability by closely analyzing risks through international business risk checks and securing returns commensurate with risks taken.



Human resource development and technological enhancement



India High-Speed Railway Construction of Surat Station

KPI

	FY2025.3 (year-on-year)	FY2028.3
IT & Suica operating revenue	63.3 billion yen (+1.7 billion yen)	75.9 billion yen
Highest number of monthly transactions of Suica and other forms of e-money	325 million/month (+27 million/month)	600 million/month

KPI

	FY2025.3 (year-on-year)	FY2028.3
Net sales outside the Group (in total since FY2025.3)	10.7 billion yen (+0.5 billion yen)	45.0 billion yen in total

➤ Other four businesses.

- In the *Suica* and finance business, we will promote thorough digitization of the Group's customer contact points, centered on *Suica* and JRE POINT, and aim to expand lifetime value and maximize cash inflows through integration and collaboration within the Group.
- Specifically, we will improve the convenience of *Suica* by expanding its usage area and introducing a cloud-based ticket gate system, etc. We will also carry out our expansion into new markets through "JRE BANK," which will start service on May 9.
- In the overseas railway business, although there are uncertainties due to the international situation and other factors, we see infrastructure demand remaining strong, especially in Asia.
- We hope to enrich local lifestyles by providing high-quality, highly efficient railway infrastructure through the comprehensive strengths of the Group.
- To this end, we aim to grow our business through the development of professional human resources through practical operations and strategic international standardization activities, while at the same time promoting initiatives to increase profitability to ensure sustainable operations.

Others (Policy, strategy, KPI for each business)



Energy business

External environment

- The electricity market is becoming increasingly diverse following the electricity market liberalization although there are concerns about decrease in development sites and high and rising construction costs.
- Energy business strategies are required to incorporate renewable energy due to uncertainties in fuel prices.

Policy

- To achieve net zero CO₂ emissions for the Group, advance the development of renewable energy power plants using solar and wind power.

Strategy

■ Development of renewable energy

- Increase the proportion of renewable energy in electricity consumption mainly through the development of wind power generation projects. [FY2025: Onitara-Yama Wind Power Plant in Fukushima Prefecture]
- Seek to achieve the Zero Carbon Challenge 2050 goal and improve profitability through participating in new projects.
- Aim to achieve secure 700,000 kW of renewable energy source by the fiscal year ending March 2031, including the acquisition of non-fossil certificates.

KPI

	FY2025.3 (year-on-year)	FY2028.3
Development of renewable energy	194,000kW (+41,000 kW)	366,000 kW

Construction business

External environment

- While there are industry-wide issues that need to be addressed, such as soaring labor and material costs and labor shortages, progress in DX is also remarkable.

Policy

- By leveraging the technological capabilities of our construction business, contribute to the development of the Group, the revitalization of cities and regions, and the strengthening of Japan's international competitiveness.

Strategy

■ Steadily implementing projects and improving productivity

- Steadily advance projects that contribute to the growth of the Group and the revitalization of cities and regions, such as the construction of the Haneda Airport Access Line (tentative name), station improvements and peripheral development for Shibuya, Shinagawa, Shinjuku, etc., and the construction of the Yamagata Shinkansen west-bound approach line at Fukushima Station.
- Promote digital transformation, technological development, etc. to further improve productivity, reduce costs, and shorten construction periods.

■ Increasing sales outside the Group through the expansion of business areas

- Aim to increase revenues from outside the Group through design work, etc. by utilizing the Group's technological capabilities, while venturing into new fields such as the PMCM business*, where demand is expected to grow in the future due to the shortage of engineers and other factors.

* PMCM business: An abbreviation for project management and construction management business, which is a business in which a company with technical expertise in project survey, design, construction, operational management, etc. provides support to the project owner (ordering party).

KPI

	FY2025.3 (year-on-year)	FY2028.3
Net sales outside the Group	8.3 billion yen (+0.0 billion yen)	9.6 billion yen

Economic value

	FY2025.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	101.0 billion yen (+9.9 billion yen, 110.9%)	96.0 billion yen
Operating income	22.0 billion yen (+0.0 billion yen, 100.4%)	30.0 billion yen
EBITDA	54.0 billion yen (+0.2 billion yen, 100.6%)	63.0 billion yen
ROA	1.9% (+0pt)	2.7%
ROA (R=EBITDA)	4.6% (-0.2pt)	5.6%

Social value

- Pursuit of the enrichment of communities, cities, and the international community
- Attractive town development in cooperation with local residents
- Harmony with the environment, coexistence with local communities, and carbon neutrality

41

- In the energy business, we will steadily advance efforts to achieve the "Zero Carbon Challenge 2050."
- The bottom row shows the economic and social value that we aim to realize through our four businesses, including the construction business.

Foundation for growth (Strategy and KPI)



Human resources

Strategy

- **Creating new engagement between employees and the Company**
 - Create new engagement between employees and the Company by increasing job satisfaction and making working conditions more employee friendly through the evolution of work, work style, and workplace.
- **DE&I (Diversity, Equity, and Inclusion) management**
 - Make group-wide efforts to expand diversity (in values and attributes) in recruitment and personnel operations and to promote work-style reform to achieve diversity and higher productivity at the same time.
- **Building a mechanism to increase technical capabilities and create innovation**
 - Toward securing both people with strong expertise and their liquidity within the Group, promote the acquisition of people with strong technical capabilities and knowledge from outside and re-assignment of human resources to key growth fields through open applications, etc., while redesigning personnel operations in order to ensure that expert employees will be able to demonstrate their abilities more fully within the Group.
 - Consider a new personnel system that supports employees who work actively by demonstrating their strong technical capabilities and expertise.
- **Implementing health management in practice**
 - Based on the JR East Group Health Vision 2029, implement new group-wide health promotion initiatives, including visualization of health conditions using a health information system.

KPI

	FY2025.3 (year-on-year)	FY2028.3
Ratio of managers hired as experienced personnel [non-consolidated]	19.5% (-0.4pt)	20%
Ratio of Women to managers [non-consolidated]	8.2% (+0.4pt)	10%
Rate of male employees taking childcare leave [non-consolidated]	62.5% (+0.6pt)	85% or more
Allocation of human resources to priority growth areas (in total since FY2024.3)	800 people in total (+392)	2,000 people or more in total

Social value

- Providing an environment where diverse individuals can play active roles
- Providing enriched lifestyles and new value to society through a "people-focused" approach
- Active engagement of employees to contribute to the development of the local community

Digital transformation (DX) and intellectual property

Strategy

- **Realizing social innovation by combining technological fields with information fields**
 - Create new values through transformation of services and operations using digital technologies by focusing on the needs of customers, society, and employees.
 - Aim to realize technological innovation that is ahead of our time by using IoT, big data, AI, etc., in order to create new values.
- **Open innovation and intellectual property**
 - Promote the WaaS Co-creation Consortium initiative toward realizing well-being.
 - Promote strategic acquisition, effective use, etc., of intellectual property.
- **Systems and infrastructure**
 - Establish and implement data management guidelines at all group companies to strengthen data governance.
 - Introduce new OA terminal security (endpoint security) at all group companies to raise security levels.
- **Development of human resources with strong digital literacy**
 - Develop diverse human resources with strong digital literacy through various initiatives, such as "DX professionals" working to develop a culture to promote digital transformation and "DiCe," an organization that promotes the effective use of data and agile development.

KPI

	FY2025.3 (year-on-year)	FY2028.3
Solving social issues and increasing revenue through open innovation (in total since FY2025.3)	3 cases (+1)	20 cases in total
Practical introduction of products developed by front-line employees (in total since FY2025.3)	25 cases (+4)	100 cases in total
Number of patent applications etc. related to DX and services (in total since FY2025.3)	38 cases (+4件)	175 cases in total
Endpoint security coverage rate	100% (+3pt)	-
Number of newly developed employees with strong digital literacy (in total since FY2024.3)	13,500 people in total (+7,400)	30,000 people in total

Social value

- Provision of new services to society by using digital technology
- Strategic system construction and security assurance for a safer society
- Realizing a well-being-focused society through open innovation

42

- Pages 42-43 describe the foundation for growth, including strategies and KPIs, and the social value to be created.

Foundation for growth (Strategy and KPI)



Finance and investment

Strategy

- **Consolidated cash flow management from a medium- to long-term perspective**
 - Advance the portfolio strategy by formulating specific strategies for each business and by considering the optimal allocation of management resources in conjunction with the strategies.
 - Create a mechanism that enables the bottom-up implementation of cross-sectional efforts by all Group employees, through area management and asset efficiency improvement initiatives at each workplace.



Example of a store set up utilizing vacant space under construction (Shibuya Station)

■ Strategic initiatives toward consolidated cash flow management and the pursuit of financial soundness

- Promote coordination of projects across segments, such as station improvements and peripheral development integrated with community development plans.
- Diversify funding sources through foreign bonds and ESG financing, etc., to ensure stable funding for the Group.

KPI

	FY2025.3	FY2028.3
Amount of growth investment (in total since FY2024.3)	-	1.7 trillion yen in total
Maintaining credit ratings	Domestic bonds: AA+ Foreign bonds: A+	Domestic bonds: AA+ Foreign bonds: A+

Social value

- Providing society with safe, reliable infrastructure
- Providing new environment-friendly services and pursuing community enrichment
- Lively employees creating vitality for local communities

ESG

Strategy

- **Environment**
 - In order to achieve the goals of Zero-Carbon Challenge 2050, we will make environmental investments worth approximately 130 billion yen in total on a consolidated bases during the five fiscal years through FY2028.3.
 - Establish reduction targets to obtain certification for greenhouse gas emission reduction targets (SBT) under the Paris Agreement, and contribute to the reduction of greenhouse gas emissions not only by the Group itself but also in the supply chain of the entire Group operations.
 - Proceed with the analysis and disclosure of nature-related risks and opportunities in our Group business operations in line with TNFD recommendations endorsed in March 2024.
- **Society**
 - Promote the creation of a vibrant society by horizontally communicating good practices (model cases) for solving regional issues across the Group.
 - Encourage employees across the Group to acquire service care-fitter qualifications, and cultivate a hospitality-oriented mindset among employees.
- **Governance**
 - For human rights violation risks, utilize risk management mechanisms and conduct human rights due diligence through appropriate procedures based on international norms and standards.

KPI

	FY2025.3 (year-on-year)	FY2028.3
CO ₂ emissions of the JR East Group (compared to FY2014.3)	-	50% reduction *FY2031.3
Measures to increase tourism and revitalize regions in cooperation with local communities (in total since FY2024.3)	30 cases per year	150 cases in total
Service care-fitter qualification acquisition rate	47%	50%
Penetration of initiatives related to human rights, the environment, and other issues among major suppliers (supply chain penetration percentage) [non-consolidated]	85% (+18.3pt)	100%

Social value

- Realization of carbon neutrality and stable energy supply
- Working in partnership with local communities to develop vibrant towns
- Trust from the local community and customers

43

- We intend to achieve the KPIs we have set for these foundations for growth as well.

IV. Reference Materials

Note:

In this chapter, "2025.3 forecasts," "2026.3 outlook," and "2027.3 outlook" of each segment were calculated reflecting the changes below (from 1Q of 2025.3 onward).

- JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd. were reclassified from the "Retail & Services" segment to "Real Estate & Hotels," while JREFU Hotel Management & Consulting Co., Ltd. was reclassified from "Real Estate & Hotels" to "Retail & Services."
- The segment for recording revenues from rent of the space under elevated railway tracks was changed from "Transportation" to "Real Estate & Hotels."

- Chapter 4 includes a "Reference Materials" section with details of major measures and financial data.

System for Approval of Railway Fares and Charges

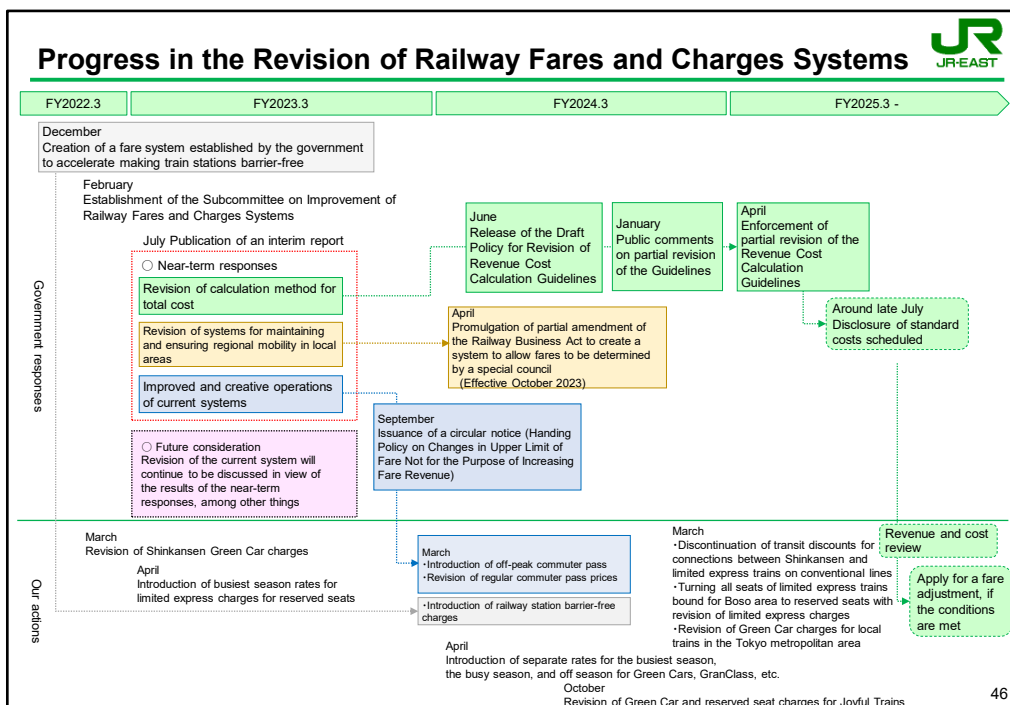


			Shinkansen	Conventional Lines
Fares Basic fare tickets	Single tickets	Payment for single transportation	Approval (i) approval for the ceiling (upper limit) (ii) prior notification before setting or changing under the ceiling	
	Commuter pass	Payment for ride as much as customers want in the predefined route for set period of time		
Extra Charges	Express Charges	Payment for the speedy transportation (using the express train etc.)	Approval (i) approval for the ceiling (ii) prior notification before setting or changing under the ceiling	Prior notification only
	Seat Charges	Payment for reserved seat	Prior notification only	Prior notification only
	Other Charges Green Car Charges etc.	Payment for the special facilities (Green Car etc.)	Prior notification only	Prior notification only

Notes: Subject to prior notification, we can set or change the special fares and free passes under the approved price.

45

- In Japan, railway fares and charges are structured to require approval and prior notification, as described here.
- The rule is that the government approves the upper limit of fares, and since our current fares are set at the approved limit, we need to obtain a new approval in order to raise the fares.



- We have been in earnest discussions with the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) on how to reflect our business strategy in our costs of fares under the calculation method for total cost. We also submitted public comments, and the Revenue Cost Calculation Guidelines was partially revised in April to reflect some of our opinions.
- MLIT is scheduled to present us with standard costs (yardsticks) in the summer, so we will promptly consider whether a fare revision is feasible, and if the conditions are met, we hope to apply for approval in the early fall.
- Since it is expected to take 1.5 to 2 years to modify the system etc. for fare revision, we believe that fare revision can be realized in the end of FY2026.3 at the earliest.
- If the fare revision is realized, there may be significant changes in revenue and income, so as explained on page 28, we have not revised our targets for FY2028.3 at this time.

Progress in the Revision of Railway Fares and Charges Systems



○ Outline of the partial revision of the Revenue Cost Calculation Guidelines

(Prepared by JR East based on MLIT data)

Item	Before revision	After revision
Depreciation	○ Depreciation accounted for in accordance with the Regulation on Accounting in the Railway Industry	○ In addition to the current calculation method, any of the following methods are acceptable: (1) Annual average amount over up to six years, including regular years (2) Addition of accelerated depreciation of the undepreciated balance of existing facilities over regular years under certain assumptions (★) * Subject to prior and after-the-fact checks by the MLIT on planned and actual amounts of capital investment, the amount that can be accelerated, etc.
Research and development expenses	○ Determined by the yardstick method Method of determining cost based on standard cost calculated by comparing six JR companies	○ Not determined by the yardstick method (★) * Subject to prior and after-the-fact checks by the MLIT on planned and actual amounts, etc.
Personnel and other expenses	○ Nationwide uniform assessment ○ Inflation rate is determined by the weighted average of the actual rate of increase in personnel expenses of railway operators and the consumer price index.	○ With adjustments for regional differences ○ The inflation rate is determined by the weighted average of the Basic Survey on Wage Structure (by industry / by region) or the actual rate of increase in personnel expenses of railway operators and the consumer price index (excluding fresh food and energy, by region). * A five-year simple average is used for the index (a period deemed reasonable in the event of a sudden change in economic trends in the immediate past) (★)
Energy expenses	○ No document rule on inflation rate ○ Ancillary electricity expenses are determined by the yardstick method	○ The inflation rate is determined by the consumer price index (electricity: electric bill, nationwide; engine: gasoline, by region). ○ Ancillary electricity expenses are not determined by the yardstick method. * A five-year simple average is used for the index (a period deemed reasonable in the event of a sudden change in economic trends in the immediate past) (★)
Extraordinary losses	○ Extraordinary gains and losses are excluded from cost.	○ Extraordinary losses arising from large-scale disasters can be recognized (★). * Excluding insurance claim income, average over the last 10 years
Impairment loss	○ No document rule on the treatment at the time of application of impairment accounting	○ When impairment accounting is applied, depreciation as per tax declaration can be recognized (★). * Subject to review of individual circumstances
Business return (Shareholder's equity)	○ Simple average of bond subscription yields, all-industry average return on equity, and required rate of dividend (11%)	○ In accordance with the calculation method adopted in the electricity and gas sectors Calculated by reflecting the market sensitivity of the industry in bond subscription yields and the average return on equity of all industries
Income taxes	○ Calculated based on a 10% dividend	○ Calculated based on the tax base determined by deducting interest paid from the amount of business return

★: Our comments have been (partially) reflected.

○ Our plan

- We are closely examining revenues and costs based on the revised Revenue Cost Calculation Guidelines, and, if the conditions are met, will promptly submit an application for fare revision.
- We will continue to submit requests to the government toward the revision of regulated fares and fees and the realization of a simple and flexible system.

47

➤ Subsequent pages are for reference.

Numerical targets of FY2028.3 (for “Move Up” 2027)



(' billion)		'23.4-'24.3 Results	'24.4-'25.3 Forecast	'27.4-'28.3 Targets	'27.4-'28.3 / '23.4-'24.3	
					Increase/ Decrease	%
Operating Revenues		2,730.1	2,852.0	3,276.0	+545.8	120.0
Mobility	Transportation	1,853.6	1,935.0	2,019.0	+165.3	108.9
	Retail & Services	379.6	387.0	654.0	+274.3	172.3
	Real Estate & Hotels	405.8	429.0	507.0	+101.1	124.9
	Others	91.0	101.0	96.0	+4.9	105.4
Operating Income		345.1	370.0	410.0	+64.8	118.8
Mobility	Transportation	170.7	188.0	178.0	+7.2	104.3
	Retail & Services	54.0	61.0	80.0	+25.9	148.1
	Real Estate & Hotels	100.1	101.0	124.0	+23.8	123.8
	Others	21.9	22.0	30.0	+8.0	136.9
Adjustment		-1.6	-2.0	-2.0	-0.3	-

* The segment breakdown of operating revenues: operating revenues from outside customers

	'23.4-'24.3 Results	'28.3 Targets
Consolidated operating cash flow	688.1 billion yen	Total amount for 5 years ('23.4-'28.3) 3,800.0 billion yen
Consolidated ROA (%)	3.6%	4.0% approx.
Net interest-bearing debt / EBITDA (times)	6.2 times	About 5.0 times in the medium term About 3.5 times in the long term

■ Appendix (Breakdown of Cash Flows from Operating Activities and Capital Expenditures (consolidated))

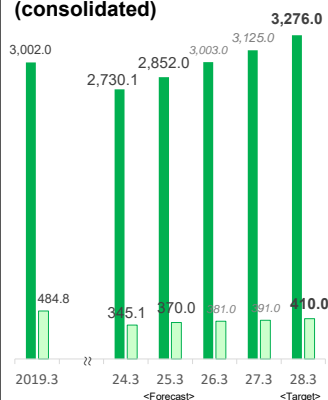
The breakdown of operating cash flow into Mobility and Life-style Solutions is calculated based on certain assumptions.

(' billion)	Cash Flows from Operating Activities	Capital Expenditures (consolidated)
	Total amount for 5 years ('23.4-'28.3)	Total amount for 5 years ('23.4-'28.3)
Mobility	2,290.0	2,360.0
Life-style Solutions	1,510.0	1,530.0
Total	3,800.0	3,890.0

Forecast for Operating Revenues / Operating Income



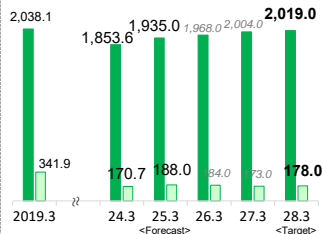
Financial Results & Plans (consolidated)



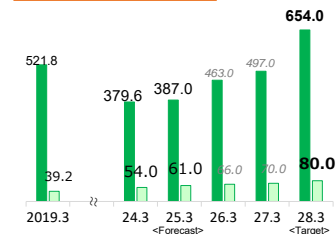
(¥ billion)

Operating revenues
Operating income

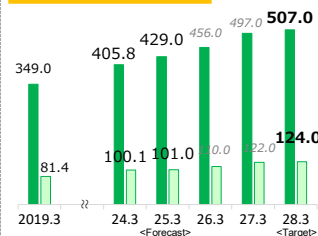
Transportation



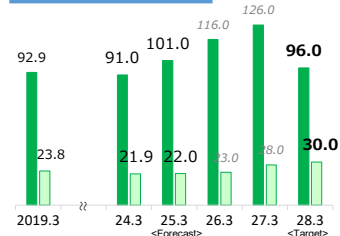
Retail & Services



Real Estate & Hotels



Others



* Consolidated operating revenues: Net sales to external customers

* Consolidated operating income: Net sales to external customers + Inter-segment sales - Purchase from external parties - Inter-segment purchase

* Advertisement revenues and incomes of JR East, which were previously reported in the transportation segment, have been reported in the retail & services segment since FY2022.3

* The new accounting standard for revenue recognition has been applied since FY2022.3

Change in Interest-bearing Debt Balance (consolidated)



(¥ billion)	As of '19.3 (Results)	As of '20.3 (Results)	As of '21.3 (Results)	As of '22.3 (Results)	As of '23.3 (Results)	As of '24.3	
						(Results)	Average term to maturity
Bonds	1,730.1 (1.61%)	1,710.2 (1.56%)	2,020.3 (1.32%)	2,542.6 (1.14%)	2,975.8 (1.13%)	3,114.9 (1.24%)	15.20
<i>(Foreign Bonds ratio)</i>	13.8%	14.0%	11.8%	17.4%	27.0%	32.4%	
Long-term loans	1,101.4 (1.06%)	1,124.3 (0.99%)	1,291.8 (0.89%)	1,451.4 (0.82%)	1,483.9 (0.84%)	1,442.2 (0.87%)	6.05
Long-term liabilities incurred for purchase of railway facilities	332.1 (6.49%)	327.7 (6.51%)	323.0 (6.53%)	318.8 (6.54%)	315.0 (6.54%)	311.0 (6.55%)	17.70
Other interest- bearing debt	—	150.0 (—)	715.0 (0.11%)	390.7 (-0.00%)	—	0.0 (7.93%)	0.23
Total	3,163.7 (1.93%)	3,312.3 (1.79%)	4,350.2 (1.38%)	4,703.7 (1.31%)	4,774.8 (1.40%)	4,868.2 (1.47%)	12.65
Net interest- bearing debt	2,899.9	3,158.5	4,152.2	4,532.7	4,559.8	4,587.4	—

[Notes]

- Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
- Other interest-bearing debt and average interest rate as of the end of March 2024 are attributable to the inclusion of GATES PCM CONSTRUCTION LTD. in the scope of consolidation.

Top : Balance
Bottom: Average interest rate

Change in Capital Expenditures (consolidated)



(¥ billion)		'18.4-'19.3 (Results)	'19.4-'20.3 (Results)	'20.4-'21.3 (Results)	'21.4-'22.3 (Results)	'22.4-'23.3 (Results)	'23.4-'24.3 (Results)	'24.4-'25.3 (Plans)
Mobility	Growth investment	93.5	110.7	79.0	57.2	74.1	88.0	74.0
	Investment needed for the continuous operation of business	307.2	313.3	309.9	251.3	279.4	301.4	312.0
	Priority budget allocation (Investment in innovation, etc.)	31.4	46.7	62.6	44.0	19.4	47.1	38.0
	Total	432.3	470.7	451.6	352.6	373.0	436.6	424.0
Life-style solutions	Growth investment	160.5	234.5	212.4	147.9	147.7	207.4	313.0
	Investment needed for the continuous operation of business	32.5	32.2	26.3	18.3	31.5	65.9	66.0
	Priority budget allocation (Investment in innovation, etc.)	4.4	3.0	1.8	1.0	2.3	3.6	16.0
	Total	197.6	269.8	240.6	167.3	181.6	277.0	395.0
	Growth investment	254.1	345.2	291.4	205.1	221.9	295.4	387.0
	Investment needed for the continuous operation of business	339.8	345.5	336.3	269.6	311.0	367.4	378.0
	(Depreciation)	368.7	374.7	388.8	392.6	389.8	392.1	403.0
	Priority budget allocation (Investment in innovation, etc.)	35.9	49.7	64.4	45.1	21.7	50.8	54.0
Total		629.9	740.6	692.2	520.0	554.7	713.7	819.0

* For the FY 2021.3 and earlier fiscal years, the investment amounts before the change in the business segment classification of JR East's advertising and publicity have been presented.

Traffic Volume and Passenger revenues / Major expenses (non-consolidated) - FY2025.3 Plans



Traffic Volume and Passenger revenues

	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'23.4-'24.3 Results	'24.4-'25.3 Plans	Changes %	'23.4-'24.3 Results	'24.4-'25.3 Plans	Changes		Main factors behind changes
						Increase /Decrease	%	
Shinkansen	21,230	23,132	109.0	537.4	580.7	+43.2	108.1	
Commuter Passes	1,670	1,684	100.9	22.5	22.7	+0.1	100.7	
Non-commuter Passes	19,560	21,447	109.6	514.8	558.0	+43.1	108.4	・Increase in railway transportation: +34.0 ・Extension of the Hokuriku Shinkansen to Tsuruga: +8.0 ・Rebound from natural disasters: +2.0 ・Inbound tourism: +1.5 ・Rebound from leap year: -1.0
Conventional Lines	98,470	100,588	102.2	1,139.1	1,174.3	+35.1	103.1	
Commuter Passes	60,237	60,577	100.6	395.3	395.3	-0.0	100.0	
Non-commuter Passes	38,232	40,011	104.7	743.8	779.0	+35.1	104.7	・Increase in railway transportation: +30.0 ・Rebound from natural disasters: +3.5 ・Inbound tourism: +3.0 ・Rebound from leap year: -2.5
Total	119,701	123,721	103.4	1,676.5	1,755.0	+78.4	104.7	
Commuter Passes	61,908	62,261	100.6	417.8	418.0	+0.1	100.0	
Non-commuter Passes	57,792	61,459	106.3	1,258.7	1,337.0	+78.2	106.2	

Major expenses (non-consolidated)

(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Plans	Changes		Main factors behind changes
			Increase /Decrease	%	
Personnel expenses	406.5	397.0	-9.5	97.6	[-] Decrease in number of employees [+] Rise in wages
Non-personnel expenses	812.2	867.0	+54.7	106.7	[+] Impact of soaring prices and impact of rising labor costs [+] Implementation of maintenance which was controlled while ensuring safety during the COVID-19
Depreciation	321.4	328.0	+6.5	102.0	[+] Increase in capital investment

Measures related to fares and charges



Off-peak commuter pass

(Since Mar. 2023)

Outline: While relieving congestion and supporting diverse workstyles, we aim to achieve a structural reform and a flexible cost structure over the medium to long term by adopting a transportation timetable that is suited to the actual use of services.

Revision: Commuter pass inside the specified train service area

Regular commuter pass (no restriction on time of use): Price up by approx. 1.4%

Off-peak commuter pass: Price down by approx. 10%

From March 25, 2024:

5% JRE POINT return on off-peak commuter pass purchases

From October 1, 2024:

Price revision of off-peak commuter passes to make them approximately 15% cheaper than regular commuter passes (About a 20% discount when combined with a JRE POINT return at the time of purchase)

Results as of Mar. 2024

Purchase rate: Approx. 8%



Target purchase rate: Approx. 17%



Barrier-free charges

(Since Mar. 2023)

Outline: To make station facilities such as platform doors and elevators barrier-free, part of cost for installing such facilities is borne by passengers.

Revisions: Following revisions inside the specified train service area

- Basic fare tickets: Price up by 10 yen per ride

- Commuter pass: Depends on effective period (price up by 280 yen for one-month pass)

Results of FY 2024.3

Fares from ordinary ticket: Approx. 17.0 billion yen

Fares from commuter pass: Approx. 7.0 billion yen

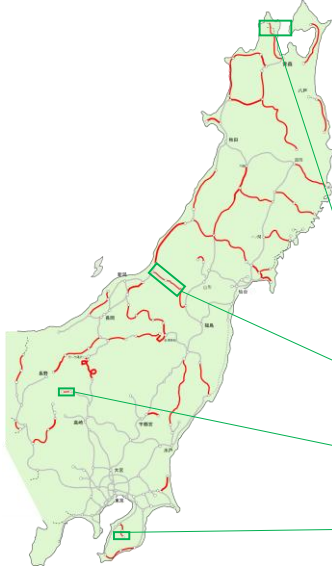


Expect approx. 25.0 billion yen for FY 2025.3

Reference: Planned investment in barrier-free facilities: Approx. 590.0 billion yen (FY2022.3 to FY2036.3)

Expected amount of collection by the revision: Approx. 299.0 billion yen (FY2024.3 to FY2036.3)

Status of discussion on regional local lines



■ Status of disclosure of operating results by line segment

- Outline: Operating results of each line segment with average passenger figures of less than 2,000 persons/day in FY2020.3 (— line segments) have been disclosed.
- Purpose: To help local residents to understand the status of use and discuss optimal transportation system with them
- Operating results

FY	2020.3	2022.3	2023.3
Passenger revenues	5.8	3.6	4.1
Operating Expenses	75.2	71.6	69.0
Operating Loss	-69.3	-67.9	-64.8

The balance figures may not agree with the calculation results of passenger revenues and operating expenses due to rounding.

■ Status of discussion with local governments

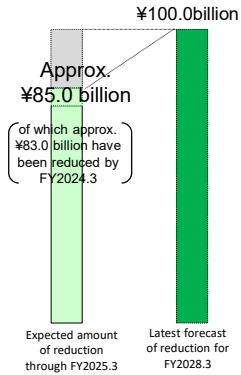
- Line : Tsuruga Line, Kanita-Minmaya section (operation currently suspended)
Status: Imabetsu-Sotogahama Regional Transportation Review Meeting (from January 2023, held eight times)
JR Tsuruga Line Mayors' Conference (from February 2024, held twice)
JR East proposes to municipalities along the line a switch to automobile-based transportation (buses and on-demand transportation)
- Line : Yonesaka Line, Imazumi-Sakamachi section (operation currently suspended)
Status: JR Yonesaka Line Restoration Meeting established (from September 2023, held twice)
Started discussions with relevant municipalities on two issues: "burden of restoration costs" and "measures necessary for stable operation in the future."
- Line : Agatsuma Line, Naganohara Kusatsuguchi-Omae section
Status: In March 2024, submitted a request to the prefecture and municipalities along the line for discussion on a comprehensive transportation system for the area.
- Line : Kururi Line, Kururi-Kazusakameyama section
Status: JR Kururi Line Regional Transportation Review Meeting established (from May 2023, held three times)
Conducted a survey on the actual transportation status of residents along the line, and confirmed that the majority of residents do not use public transportation.

Operation cost* reduction in railway business



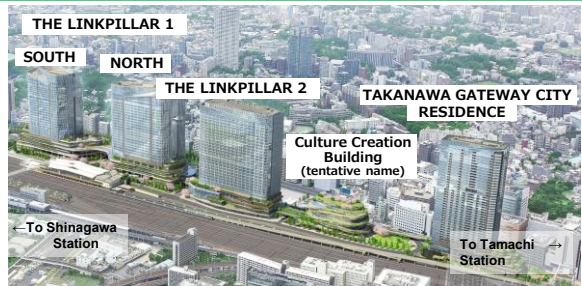
* Operating expenses less depreciation and taxes and dues

(¥ billion)	Result of reduction through FY2024.3	Expected amount of reduction through FY2025.3	Forecast as of 2024.3
Major structural reform activities in "Move Up" 2027			
<ul style="list-style-type: none"> Streamline operation systems Establish an efficient sales system, etc. Increase driver-only operation, improve the configuration of JR ticket offices 	-29.0	-31.0	-39.0
<ul style="list-style-type: none"> Timetable revisions, etc. 	-4.0	-4.0	-6.0
<ul style="list-style-type: none"> Smart maintenance (CBM, etc.) System changes (use of new technologies, etc.) Revise fundamental components of operations (timetable revisions to move up the departure times of the last trains, etc.) Streamline facilities (reduce the number of ticket machines, etc.) 	-17.0	-17.0	-21.0
<ul style="list-style-type: none"> Establish efficient sales systems (ticketless, etc.) Structural reform of group companies (multi-tasking, etc.) Provide services in accordance with the usage (outsourcing of security services, guidance services, etc.) 	-33.0	-33.0	-34.0
Total reduction of operating costs	-83.0	-85.0	-100.0



We have been working to reduce the operation cost of railway business in FY2028.3 by 100 billion yen as compared with FY2020.3, and it is expected that we will achieve the goal at this point already.

TAKANAWA GATEWAY CITY



Global Gateway

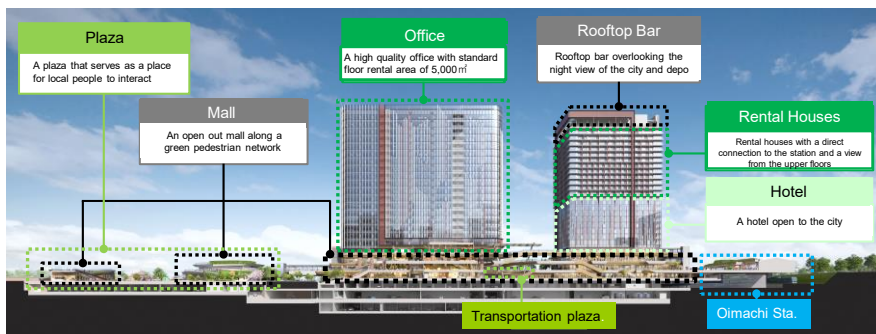
A base for international exchange where new businesses and cultures continue to emerge

	THE LINKPILLAR 1 SOUTH		THE LINKPILLAR 1 NORTH		THE LINKPILLAR 2	Culture Creation Building (tentative name)	TAKANAWA GATEWAY CITY RESIDENCE
Opening	End of FY2025.3				By the end of FY2026.3		
Total floor area	About 460,000 m ²				About 208,000m ^l	About 29,000m ^l	About 148,000m ^l
Floor	30 floors, 3 basement floors		29 floors, 3 basement floors		31 floors, 5 basement floors	6 floors, 3 basement floors	44 floors, 2 basement floors
Usage	23~30F 8~21F	Hotel JW Marriott Office (part of the floor) The university of Tokyo, National University of Singapore	28~29F 9~27F	Rooftop restaurant Office KDDI Co., Ltd.	Office, Retail, Fitness, Clinic, Childicare support facility, Energy center, etc.	Exhibition hall, Hall, Restaurant, etc.	Residential, International school, Retail, etc.
	6F 1~5F Basement	Conference Retail Convention, etc.	6~7F 1~5F Basement	Incubation facility, etc. Retail Convention, etc.			
Other	Project cost: About 600.0 billion yen		Revenue projection (under stabilized operation): About 57.0 billion yen				

Development of the Hiromachi area around Oimachi Station (tentative name)



	A-1 Area	A-2 Area
Opening	End of FY2026.3	
Site area	About 22,300㎡	About 7,100㎡
Total floor area	About 250,000㎡	About 9,100㎡
Height	About 115m	About 16m
Number of floors	26 floors, 3 basement floors	2 floors, 2 basement floors
Other	Revenue projection : About 13.0 billion yen	
Town development concept	<ul style="list-style-type: none"> • Development of pedestrian networks and plazas. • Oimachi Station Improvement and Transportation Plaza Development • Strengthening local disaster prevention capabilities • Environmentally friendly urban development 	



Retail & Services / Real Estate & Hotels / Others: Reference



■ Retail & Services: Changes in revenue (%)

* The figures marked with "(existing)" compared 2018 are approximation based on simple multiplication.

	Comparable year	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
Retail & restaurants	2022	123.5	123.7	118.3	122.6	128.5	119.3	112.6	115.4	113.2	112.2	115.2	108.1	117.4
	2018	99.1	102.5	100.7	101.6	100.3	101.8	103.1	103.5	106.4	101.2	108.7	106.1	102.7
JR East Cross Station Co., Ltd. (retail) (existing) *	2022	118.7	121.3	117.5	121.0	126.0	118.3	111.7	113.2	110.3	111.7	112.1	106.4	115.4
	2018	92.8	94.7	96.2	94.1	95.3	95.7	99.8	97.1	97.4	97.7	104.7	100.3	97.1
JR East Cross Station Co., Ltd. (foods) (existing) *	2022	128.0	123.2	117.3	123.8	130.5	123.2	113.4	114.7	109.6	112.2	115.8	107.8	117.8
	2018	84.6	85.2	83.7	86.7	85.1	86.8	87.3	88.5	87.7	88.1	94.4	92.5	87.8

■ Real Estate & Hotels: Changes in revenue (%)

Station buildings	2022	114.5	111.4	112.3	117.2	118.7	110.9	109.0	112.4	107.9	109.1	112.6	106.7	111.1
	2018	97.8	100.3	97.2	99.1	98.6	97.5	103.2	101.5	101.2	98.0	108.8	101.6	100.5
LUMINE (existing) *	2022	112.1	110.6	111.3	117.1	115.6	106.0	104.0	110.5	103.8	106.2	107.7	105.3	108.8
	2018	97.6	99.3	97.6	99.4	95.9	93.1	101.5	99.3	97.7	91.8	106.9	96.7	97.8
atré (existing) *	2022	108.5	107.8	108.4	113.5	114.2	108.7	106.4	109.8	104.2	109.8	109.8	106.0	108.4
	2018	92.3	93.4	92.4	94.9	96.2	92.7	97.3	96.2	97.2	96.2	103.1	97.3	95.6
Hotels	2022	171.7	148.5	140.2	142.7	143.0	133.9	130.2	124.0	117.1	118.0	120.8	113.0	131.3
	2018	119.2	121.5	116.7	121.0	124.4	118.9	122.9	123.6	131.4	123.9	131.0	124.3	123.3

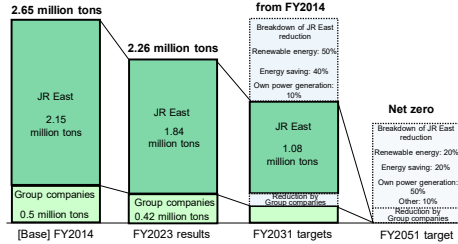
■ Others: Changes in the number of monthly uses of e-money

Number of monthly uses of e-money	Number of uses (million)	258	268	275	298	291	283	285	274	276	254	248	270	3,279
	2022 (%)	110.0	110.3	106.1	113.5	114.2	112.2	110.0	109.2	109.1	107.6	109.4	103.9	109.7
	2018 (%)	149.0	147.2	147.2	146.0	144.1	154.3	141.2	138.9	140.5	136.0	137.9	133.1	142.8

Environmental initiatives



Zero Carbon Challenge 2050



Utilization of renewable energy

We aim to secure 700,000 kW of renewable energy source by the fiscal year ending March 2031, including the acquisition of non-fossil certificates.

Initiatives for a hydrogen society



Demonstration tests of the hydrogen hybrid electric train HYBARI under way



Hydrogen buses now in operation in Tokyo and Fukushima Prefecture

Setting reduction targets for SBT certification

August 2023: First Japanese railway operator to submit a letter of commitment to obtain certification

→ **Currently calculating Scope 3 required to set emission reduction targets by August 2025**

Support for TNFD recommendations

March 2024: First railway operator registered as a TNFD Adopter

→ **Aim for disclosure based on the TNFD recommendations in the integrated Report scheduled to be issued in Sep. 2024**

Calculation and disclosure of Shinkansen CO₂ emissions by section

April 2024: Calculated and disclosed CO₂ emissions per customer by section

→ **To be updated in Integrated Report scheduled to be issued in Sep. 2024**

Line	Section	CO ₂ emissions (kg-CO ₂)
Tohoku Shinkansen	Tokyo-Sendai	8.3
Joufu Shinkansen	Tokyo-Niigata	7.6
Hokuriku Shinkansen	Tokyo-Nagano	5.2

(Calculated based on FY2023 results)

Participation in various initiatives



Action to Implement Management that is Conscious of Cost of Capital and Stock Price

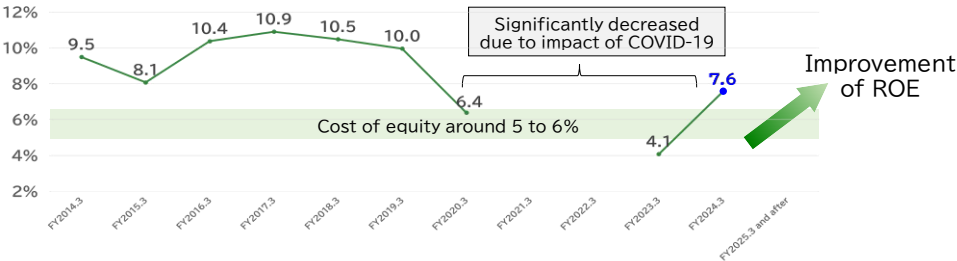


Disclosed on Mar. 21, 2024
*FY2024.3 results added

Current recognition of cost of capital and return on equity

- We recognize **cost of equity to be around 5 to 6%**. Although ROE significantly decreased due to the impact of COVID-19, **we aim to realize ROE exceeding cost of equity as soon as possible**. At the same time, while taking into account future increases in cost of equity, we aim to **further improve ROE** to consistently exceed cost of equity.

Movements in ROE and cost of equity



Our approach to cost of equity and levels for the last 10 years

Cost of equity is calculated using CAPM

$$\text{① Risk-free rate around 0.5\%} + \text{② Beta } (\beta) \text{ sensitivity 0.8 to 0.9} \times \text{③ Market risk premium 6\%} = \text{Cost of equity around 5 to 6\%}$$

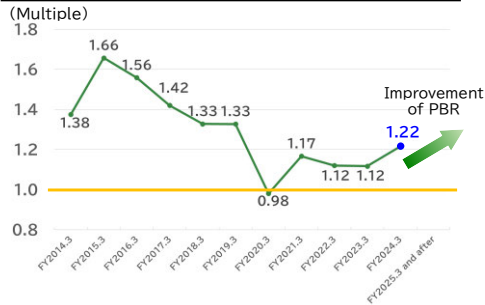
- ① Risk-free rate: Yield of 10-year government bonds
- ② Beta (β): Sensitivity of the Company's share price to volatility of TOPIX for the last 5 years
- ③ Market risk premium: Historical stock market yield minus risk-free rate

Current recognition of evaluation from the market

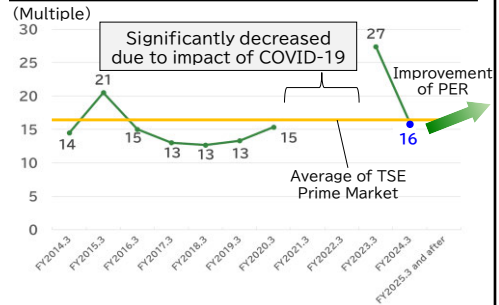
Disclosed on Mar. 21, 2024
*FY2024.3 results added

- PBR has been decreasing. Aiming to **exceed 1.0 and increase consistently**.
- As PBR is the product of **ROE (i.e., rate of return)** multiplied by **PER (i.e., expectation for growth)**, PBR needs to be increased by both **improving rate of return** and **increasing expectation for growth**.

■ Movements in PBR



■ Movements in PER



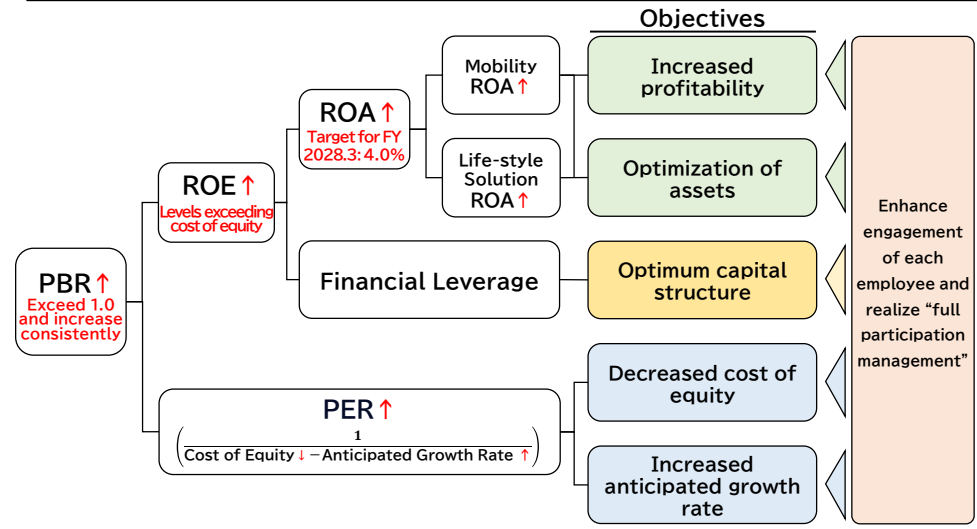
■ Breakdown of PBR

$$\begin{aligned}
 &\text{PBR (Price-Book Value Ratio)} = \text{ROE (Return on Equity)} \times \text{PER (Price-Earnings Ratio)} \\
 &= \text{ROA} \times \text{Financial Leverage} \times \frac{1}{\text{Cost of Equity} - \text{Anticipated Growth Rate}}
 \end{aligned}$$

Action to Implement Management
that is Conscious of Cost of Capital and Stock Price

Disclosed on Mar. 21, 2024

- Framework of Action to Implement Management that is Conscious of Cost of Capital and Stock Price
- In light of our Group being in a capital intensive industry as well as our Group's characteristic of engaging in the business of holding assets of a highly public nature, and therefore difficult to dispose, **aim to improve ROE and PBR through improvement of ROA.**



Specific Action to Implement Management that is Conscious of Cost of Capital and Stock Price ①		
Objectives	Specific Action	Disclosed on Mar. 21, 2024
Increased profitability	<ul style="list-style-type: none"> ◆ Maximize cash flows <ul style="list-style-type: none"> On a Group-wide level, recognize and optimally allocate resources necessary for our business strategy on a per business-unit basis, efficiently utilize human capital and improve mid-to-long-term productivity on a consolidated basis. ◆ Appropriate price pass-through <ul style="list-style-type: none"> In order to reflect the increasing cost on railway fares appropriately, file for approval of revision of fares if possible based on guidelines on calculation of revenue and cost to be amended. ◆ Portfolio strategy <ul style="list-style-type: none"> Acknowledge strengths and weaknesses in each business and clarify priority areas, areas requiring a revamp and areas that need to be the subject of discussion as a matter of principle. Realize optimal business composition with an eye to external collaboration and M&A. Shift from business focused on holding assets to rotational and management business, aiming at "accelerating business speed" and "acquiring new type of revenues". 	
Optimization of assets	<ul style="list-style-type: none"> ◆ Efficient use of assets <ul style="list-style-type: none"> Break up ROA into numerical targets such as income, cost, capital investment, turnover ratio of fixed assets relating to railway business, and link them to the targets of each headquarter, branch office and business site, aiming at improvement of profitability and asset efficiency. ◆ Decrease assets <ul style="list-style-type: none"> Continuously decrease cross-shareholding as a whole, while maintaining cross-shareholding that contributes to the improvement of our corporate value, aiming at maintenance and enhancement of stable business relationships as well as close collaboration from a mid-to-long-term perspective. 	

Specific Action to Implement Management that is Conscious of Cost of Capital and Stock Price ②		
Objectives	Specific Action	Disclosed on Mar. 21, 2024
Optimum capital structure	<ul style="list-style-type: none"> ◆ Level of interest-bearing debt based on business characteristics <ul style="list-style-type: none"> Real Estate and Hotels is positioned as a "growth business" which must adapt to changes with speed, and actively utilize interest-bearing debt. Consider potentially setting targets of interest-bearing debt for Real Estate and Hotels separately from other businesses. Mobility is positioned as a "sustainable business" which requires stability and growth, and emphasize net interest-bearing debt/EBITDA ratio. 	
Decreased cost of equity	<ul style="list-style-type: none"> ◆ Thoughtful dialogue with capital markets <ul style="list-style-type: none"> Actively implement dialogue between the management and shareholders and investors. Disclose planned value of EBITDA to increase foreseeability of cash flows. Enhance reliability through flexible revisions of business forecast. ◆ Enhancement of disclosures <ul style="list-style-type: none"> Enhance disclosure of business information and ESG information through renewal of IR materials including financial results presentation materials and fact sheet. 	
Increased anticipated growth rate	<ul style="list-style-type: none"> ◆ Strengthening of publicity on growth strategy <ul style="list-style-type: none"> Publicize mid-to-long-term goals by business segments and strategy to achieve goals per business 	

Numerical targets for specific actions(1) (FY2028.3)



*1 Target for FY2024.3 ** Preliminary figures ** Target for FY2032.3 and Number of line units of major conventional lines in the Tokyo area
 ** Target for FY2026.3 ** Target number in total from FY2024.3 ** Target for FY2031.3 () is the reference value for new targets newly settled in April 2023

Numerical Target Items		Target for the Fiscal Year Ending March 31, 2028	Results as of March 2024	<Reference> Results as of March 2023
Mobility Target	Accidents due to internal causes	0* ¹	4* ²	0
	Serious incidents	0* ¹	0	0
	Railway accidents (from FY2019.3 level)	20% reduction* ¹	1% increase* ²	10% reduction
	Of which accidents on platforms involving personal injuries (from FY2019.3 level)	30% reduction* ¹	17% reduction* ²	17% reduction
	Number of stations and platforms with installed Automatic Platform Gates	330 stations, 758 platforms* ³	117 stations, 233 platforms in total	(99stations, 197platforms)
	Accidents due to internal causes (from FY2019.3 level)			
	Conventional lines within 100km of Tokyo	55% reduction	8% reduction* ²	11% reduction
	JR East Shinkansen	75% reduction	31% reduction* ²	54% reduction
	Total delay time for conventional lines within 100km of Tokyo (from FY2019.3 level)	70% reduction	16% increase* ²	24% reduction
	Inbound Revenue of Railway Business	56.0 bil. Yen	29.4 bil. Yen	(10.3 bil. Yen)
	Ticketless service usage rate for JR East Shinkansen	75%	56.4%	41.0%
	Handling percentage of <i>eki-net</i>	65%	55.2%	37.3%
	Installation areas of 5G	100 places in total* ⁴	35 places in total	21 places in total
	Fiber optical lease distance	400km in total* ⁵	309km in total	(-)
	Installed kilometers of overhead line equipment monitoring and inspection	7,500km	5,500km	(5,500km)

Numerical targets for specific actions(2) (FY2028.3)



Numerical Target Items		Target for the Fiscal Year Ending March 31, 2028	Results as of March 2024	<Reference> Results as of March 2023
Life-style solutions Target	Number of transaction amount of JRE MALL	300.0 bil. Yen	7.0 bil. Yen	5.1 bil. Yen
	Number of shared offices	1,400 locations in total	1,106 locations in total	774 locations in total
	Inbound Revenue of life-style Solutions business	30.0 bil. Yen	27.2 bil. Yen	(7.8 bil. Yen)
	Assets under management in the Real Estate Fund Business	400.0 bil. Yen in total	231.2 bil. Yen in total	(157.8 bil. Yen in total)
	Number of homes	6,000 homes in total	3,328 homes in total	3,054 homes in total
	Number of childcare support facilities	175 locations in total	169 locations in total	165 locations in total
	Number of JRE POINT members	30.0 mil. People	15.0 mil. people	13.8 mil. people
	E-money usage such as Suica	600 mil. Transactions/month	298 mil. Transactions/month	263 mil. Transactions/month
	Mobile Suica cards issued	35.0 mil.	26.2 mil.	20.3 mil.
	Number of transactions for usage of the services of the MaaS platform, Mobility Linkage Platform, provided by JR East	100 mil. transactions/month	49.9 mil. transactions/month	38.7 mil. transactions/month
Foundation for growth Target	CO ₂ emissions of the entire JR East Group (from FY2014.3 level)	50.0% reduction ^{*6}	-	14.7% reduction
	Development of renewable energy power sources	700,000kW ^{*6}	153,000kW	136,000kW
	Recycling rate of plastic bottles in station and train trash	100% ^{*6}	-	97%
	Recycling rate in Waste (general/industrial) (Consolidated) (from FY2014.3 level)	73% ^{*6}	-	79%
	Allocation of human resources to priority growth areas	2,000 people in total ^{*5}	408 people	(-)
	Ratio of Women to managers [non-consolidated]	10%	7.8%	(7.0%)
	Employment rate of persons with disabilities	2.70%	2.69%	(2.63%)
	Rate of male employees taking childcare leave [non-consolidated]	85% or more	61.9%	(43.7%)
	Percentage of Qualified Service Care-Fitters [non-consolidated]	80%	68.8%	(60.5%)
	Accidents involving employee fatalities (Includes Group companies and partner companies)	0 ^{*1}	2	(1)
	Percentage of DX and service-related patent and design applications	50%	44%	(45%)
	Penetration of initiatives on human rights, the environment, etc. into the supply chain (Supply chain penetration rate)	100%	66.7%	(55.6%)

Fund-Raising



■ Policy

- Stable funding and diversification of funding methods in response to fluctuations in the market environment.
- Steady improvement of financial soundness by controlling interest-bearing debt according to cash flow.
(Sustainably reduce net interest-bearing debt/EBITDA)
- Continue and expand ESG finance to promote ESG management.

■ Fund-Raising Situation

- Long-term fund-raising (bonds, borrowing) : Totaled 462.3 billion yen (2023.4 -2024.3).
(Including 216.0 billion yen of ESG bonds)

■ Issuance facility and contract value (1,120.0 billion yen)

CP 700.0 billion yen, Special bank overdraft facilities 300.0 billion yen,
Commitment lines 60.0 billion yen, General bank overdraft facilities 60.0 billion yen.

■ Credit ratings

- Long-term credit ratings
- Short-term credit ratings

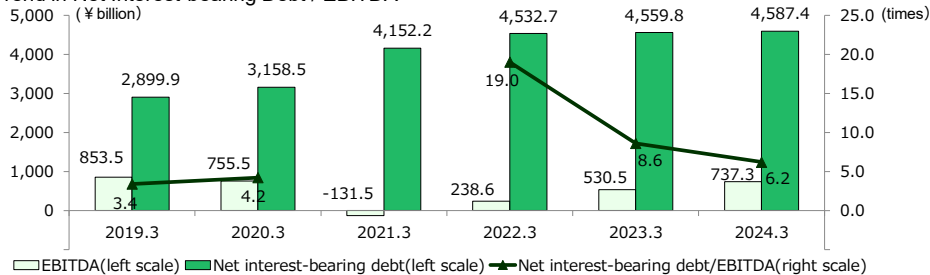
Rating agency	Rating
Rating and Investment Information (R&I)	AA+ (Stable)
Moody's	A1 (Stable)
Standard & Poor's (S&P)	A+ (Stable)
Rating agency	Rating
Rating and Investment Information (R&I)	a-1+
Japan Credit Rating Agency (JCR)	J-1+

Key Financial Indicators



- Our policy is to reduce the net interest-bearing debt to EBITDA ratio to approx. 5 times in the medium term and approx. 3.5 times in the long term.
- Interest expenses are expected to increase in line with an increase in interest-bearing debt and the rise in average interest rates.
⇒ Fixing the interest rate payable and extending maturities to reduce the risk of future interest rate hikes.

■ Trend in Net Interest-bearing Debt / EBITDA



□ EBITDA(left scale) ■ Net interest-bearing debt(left scale) ▲ Net interest-bearing debt/EBITDA(right scale)

[Notes] 1. Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
2. EBITDA = Consolidated operating income + Consolidated depreciation expense
3. Net Interest-bearing debt / EBITDA in FY2021.3 is not stated because it was negative.

■ Trend in Interest Coverage Ratio and Debt to Equity Ratio

	2019.3	2020.3	2021.3	2022.3	2023.3	2024.3
Interest Coverage Ratio	10.5	9.0	—	3.1	9.4	10.2
Debt to Equity Ratio	1.0	1.1	1.7	2.0	1.9	1.8

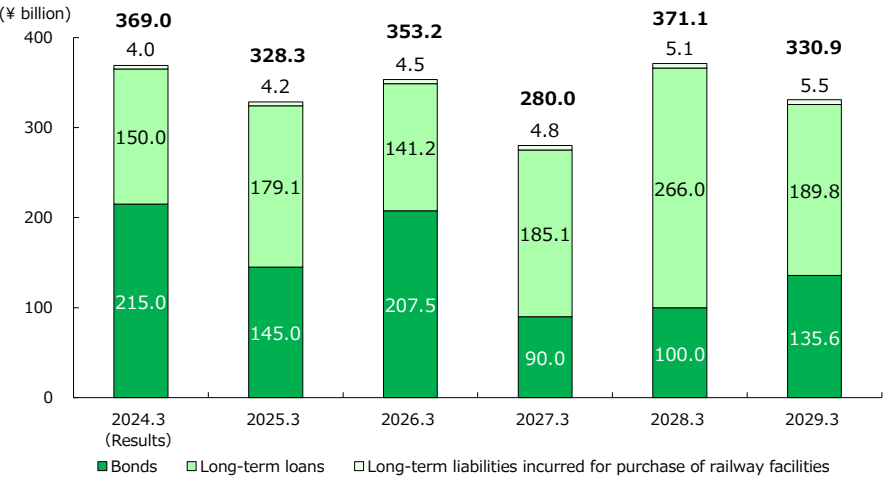
[Notes] 1. Interest coverage ratio = Net cash provided by operating activities / payments of interest
2. Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity
3. Interest coverage ratio in FY2021.3 is not stated because it was negative.

Interest-bearing Debt Breakdown and Maturity Outlook



• Future refinancing risks are reduced by leveling out interest-bearing debt redemption amounts each fiscal year.

■ Redemption ladder of interest-bearing debt (consolidated, excluding short-term debt)



[Notes]
 1) Outlook as of Apr. 30, 2024 2) Bond redemptions are at face value

These materials of the presentation can be viewed
at the JR East's Website.

JR East Website, IR (Investor Relations)
<https://www.jreast.co.jp/e/investor/index.html>

Forward-Looking Statements

Statements contained in this report with respect to JR East Group's plans, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of JR East Group, which are based on management's assumptions and beliefs in light of the information currently available to it. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause JR East Group's actual results, performance or achievements to differ materially from the expectations expressed herein.

These factors include, without limitation,

- (i) JR East Group's ability to successfully maintain or increase current passenger levels on railway services,
- (ii) JR East Group's ability to expand "Business Connected to Life-style Solutions,"
- (iii) JR East Group's ability to improve the profitability of each business operation, and
- (iv) general changes in economic conditions and laws, regulations and government policies in Japan.