

# **FY2025.3 Third Quarter Financial Results Explanatory Materials**

February 3, 2025  
East Japan Railway Company

# Highlights of FY2025.3 Third Quarter Financial Results

(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12		'23.4-'24.3 Results	'24.4-'25.3 Forecast	'24.4-'25.3/'23.4-'24.3	
			Increase /Decrease	%			Increase /Decrease	%
Operating revenues	2,001.0	2,126.0	+125.0	106.2	2,730.1	2,852.0	+121.8	104.5
Operating income	298.5	352.5	+54.0	118.1	345.1	370.0	+24.8	107.2
Ordinary income	259.6	308.9	+49.3	119.0	296.6	315.0	+18.3	106.2
Profit attributable to owners of parent	185.2	216.6	+31.3	117.0	196.4	210.0	+13.5	106.9
EBITDA	588.6	652.2	+63.5	110.8	737.3	773.0	+35.6	104.8

\*EBITDA is calculated by adding depreciation to operating income.

Consolidated  
results

**Both revenues and income increased**

- Operating revenues increased for the fourth year in a row mainly due to increases in the use of railways and the sales of EKINAKA stores (stores inside railway stations).
- Income increased at all levels as a result of increase in revenues.

Segment

**Transportation, Retail & Services, and Real Estate & Hotels businesses achieved increases in revenues and income.**

- Transportation business achieved **increases in revenues and income** mainly due to an increase in passenger revenues.
- Retail & Services business achieved **increases in revenues and income** mainly due to an increase in the sales of EKINAKA stores (stores inside railway stations).
- Real Estate & Hotels business achieved **increases in revenues and income** mainly due to an increase in the sales of shopping centers and hotels.
- Other business achieved **increases in revenues** mainly due to an increase in the sales of contract system development, but its **income decreased** mainly due to the recognition of expenses related to energy business.

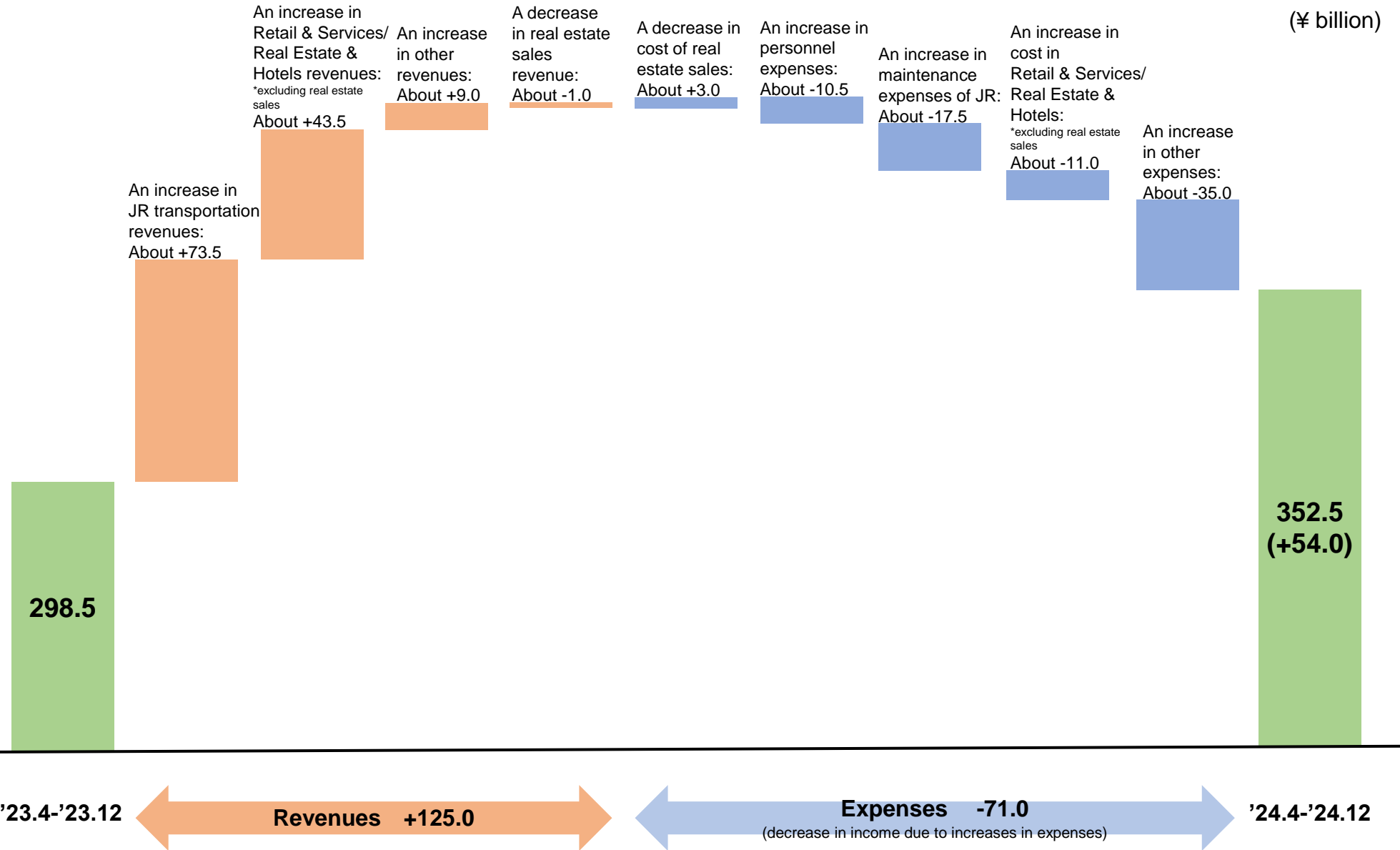
Note: Starting from the first quarter of the fiscal year ending March 31, 2025, the segment for reporting JR East's business of rent of the space under elevated railway tracks was reclassified from "Transportation" to "Real Estate & Hotels." JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd. were reclassified 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." All figures for the same period of the previous fiscal year presented in this material are prepared based on the new reportable segments.

○We have made no change in our full-year financial forecasts and dividend payments for FY2025.3\* announced on April 30, 2024.

\*Reference: Interim dividend per share: 26 yen    Year-end dividend per share: (forecasts) 26 yen

# FY2025.3 Third Quarter Financial Results (consolidated):

## Changes in Operating Income



# Statements of Income (consolidated)

(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	2,001.0	2,126.0	+125.0	106.2	
Transportation	1,374.9	1,451.9	+76.9	105.6	An increase in passenger revenues
Retail & Services	272.5	292.6	+20.1	107.4	An increase in the sales of EKINAKA stores (stores inside railway stations)
Real Estate & Hotels	290.5	312.7	+22.1	107.6	An increase in the sales of shopping centers and hotels
Others	62.9	68.7	+5.8	109.2	An increase in the sales of contract system development
Operating income	298.5	352.5	+54.0	118.1	
Transportation	169.7	208.4	+38.7	122.9	
Retail & Services	37.8	44.9	+7.0	118.6	
Real Estate & Hotels	76.3	86.8	+10.5	113.8	
Others	13.6	11.6	-1.9	85.6	Recognition of expenses related to energy business
Adjustment	0.9	0.5	-0.3	62.4	
Non-operating income or expenses	-38.8	-43.6	-4.7	112.2	
Non-operating income	18.6	17.2	-1.3	92.8	
Non-operating expenses	57.4	60.8	+3.3	105.9	An increase in interest expense
Ordinary income	259.6	308.9	+49.3	119.0	
Extraordinary gains or losses	1.3	1.8	+0.5	141.9	
Extraordinary gains	17.0	23.3	+6.3	137.4	An increase in gains on sales of investments in securities
Extraordinary losses	15.6	21.4	+5.8	137.1	
Profit attributable to owners of parent	185.2	216.6	+31.3	117.0	

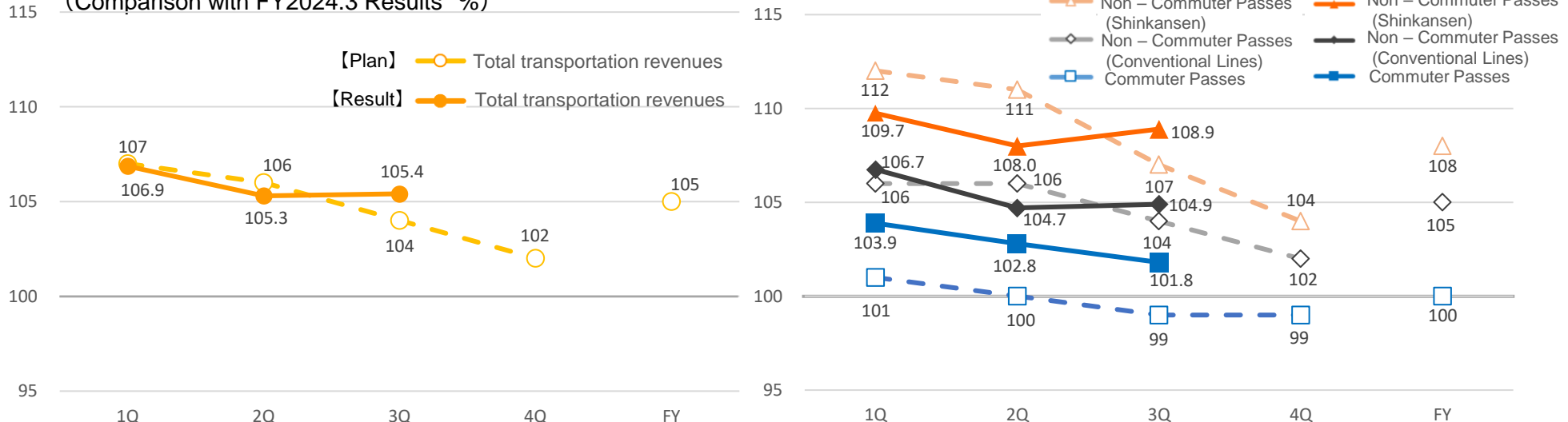
EBITDA	588.6	652.2	+63.5	110.8
Transportation	382.8	428.5	+45.6	111.9
Retail & Services	50.0	59.0	+8.9	117.9
Real Estate & Hotels	117.4	128.4	+10.9	109.4
Others	37.3	35.6	-1.7	95.4

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

(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12		'23.4-'24.3 Results	'24.4-'25.3 Forecast	'24.4-'25.3/'23.4-'24.3	
			Increase /Decrease	%			Increase /Decrease	%
Operating revenues	1,374.9	1,451.9	+76.9	105.6	1,851.5	1,935.0	+83.4	104.5
Operating income	169.7	208.4	+38.7	122.9	161.8	188.0	+26.1	116.1
EBITDA	382.8	428.5	+45.6	111.9	450.1	488.0	+37.8	108.4
Shinkansen	Revenue increased year on year due to an increase in the use of Shinkansen and the opening of the extension of Hokuriku Shinkansen to Tsuruga.							
Conventional lines	Revenue increased year on year due to an increase in the use of commuter passes and non-commuter passes for Conventional lines (Kanto Area Network) .							
Bus	Revenue increased year on year due to an increase in the use of express buses.							
Railcar manufacturing	Revenue increased year on year due to an increase in sales of railcars to non-JR railway companies.							

## ■ Railway Business Passenger Revenues : Result and plan

(Comparison with FY2024.3 Results %)

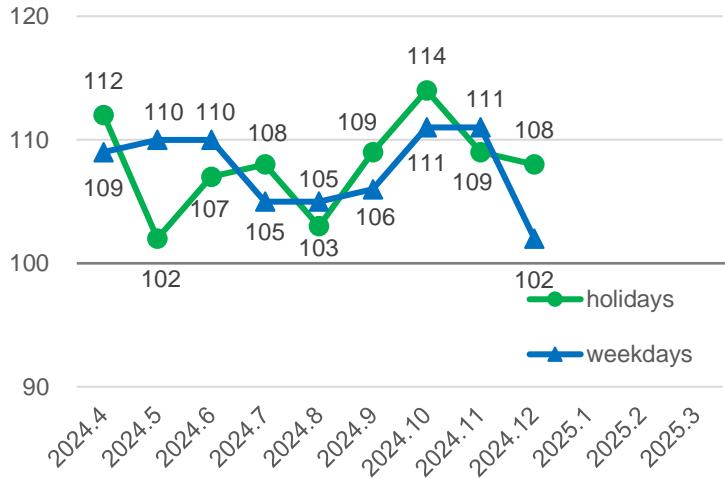


\*The planned revenues shown above, which are expressed in terms of a percentage of quarterly results for the previous year, are projected to decline every quarter because the use results for the previous fiscal year increased toward the end of the year.

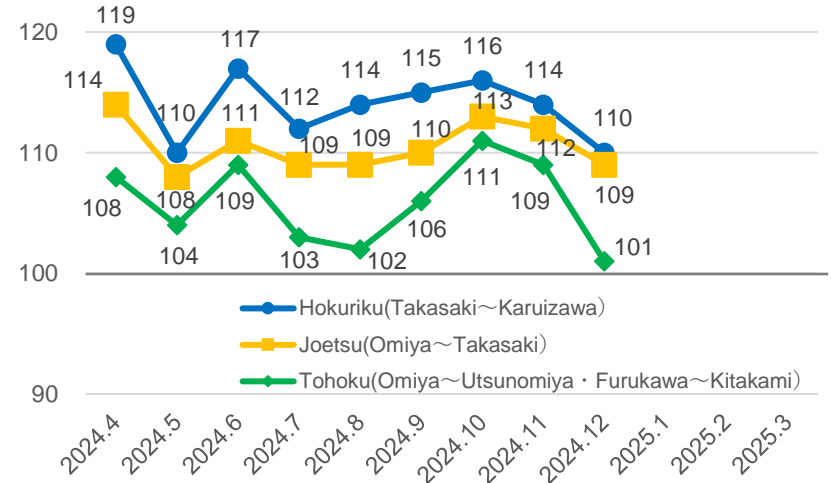
# Transportation (Relevant Indicators)

## ■ Shinkansen passenger volume (weekdays/holidays) (Comparison with FY2024.3 Results %)

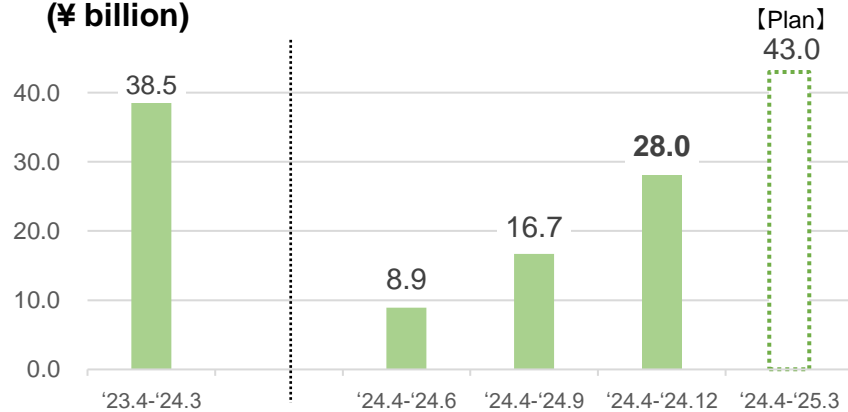
•Holidays include busy seasons as well as Saturdays, Sundays, and national holidays.



## ■ Shinkansen passenger volume (by destination) (Comparison with FY2024.3 Results %)



## ■ Inbound Revenue (estimate) (¥ billion)



- Sum of our company's revenue from passes for inbound tourists and individual ticket revenue (estimated based on the percentage of English tickets in the total tickets issued).
- Passes for inbound tourists account for approximately 30% of the total.

## ■ Off-peak commuter pass purchase rate

Results as of the end of December 2024: Approx. 9.4%  
(Target purchase rate: Approx. 17%)

### 【Topics】

From October 2024, off-peak commuter pass prices have been revised to levels that are **about 15% below** those of regular commuter passes.

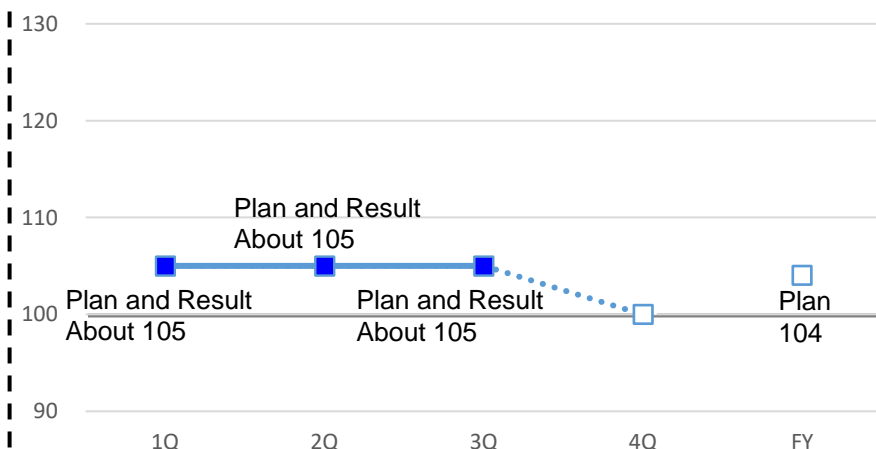
\* Off-peak commuter pass users can **save about 20%** together with the JRE POINT granted at the time of purchase of off-peak commuter passes.

# Retail & Services

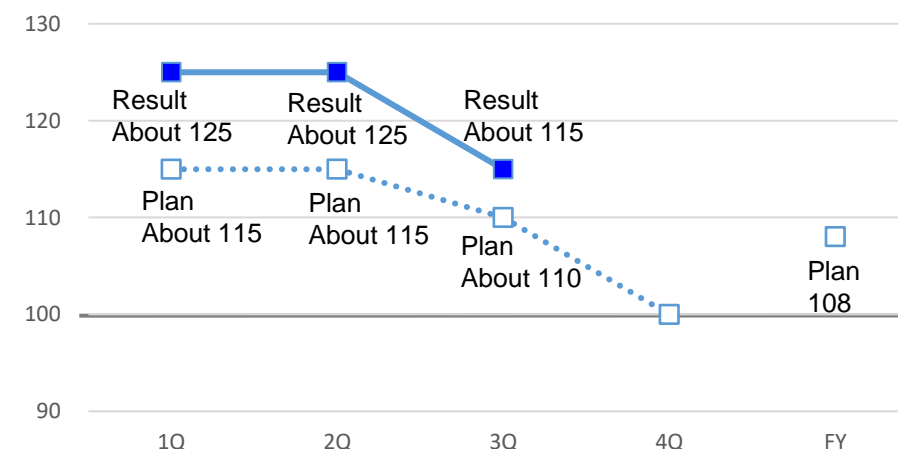
(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12		'23.4-'24.3 Results	'24.4-'25.3 Forecast	'24.4-'25.3/'23.4-'24.3	
			Increase /Decrease	%			Increase /Decrease	%
Operating revenues	272.5	292.6	+20.1	107.4	369.3	387.0	+17.6	104.8
Operating income	37.8	44.9	+7.0	118.6	52.6	61.0	+8.3	116.0
EBITDA	50.0	59.0	+8.9	117.9	69.6	78.0	+8.3	112.1

Retail	Revenue increased year on year due to an increase in the sales of EKINAKA stores (stores inside railway stations) on the back of an increase in the use of railways.
Advertising and publishing	Revenue increased year on year due to an increase in transportation advertising sales.
Overseas	Revenue increased year on year due to the inclusion of Decorum Vending Ltd. (a vending machine operator in the UK) in the scope of consolidation.

■ **Retail operating revenue : Result and plan**  
(Comparison with FY2024.3 Results %)



■ **Transportation advertising operating revenue : Result and plan** (Comparison with FY2024.3 Results %)



# Real Estate & Hotels

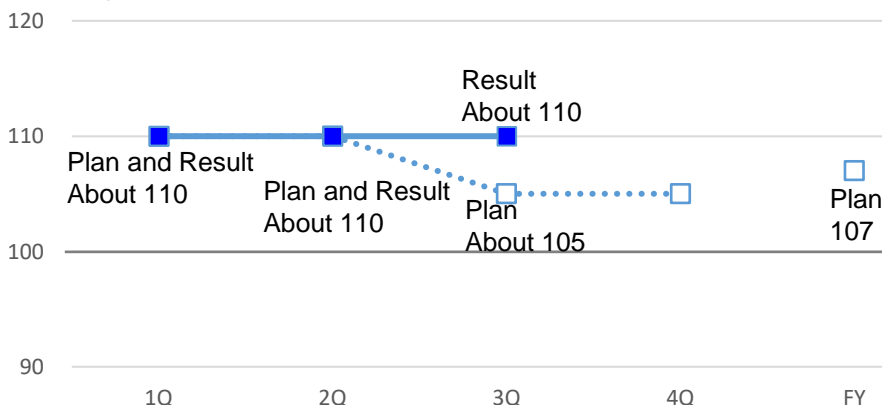
(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12	
			Increase /Decrease	%
Operating revenues ( ) excluding real estate sales	290.5 (276.4)	312.7 (299.7)	+22.1 (+23.2)	107.6 (108.4)
Operating income ( ) excluding real estate sales	76.3 (68.7)	86.8 (77.3)	+10.5 (+8.5)	113.8 (112.5)
EBITDA ( ) excluding real estate sales	117.4 (109.8)	128.4 (118.9)	+10.9 (+9.0)	109.4 (108.2)

	'23.4-'24.3 Results	'24.4-'25.3 Forecast	'24.4-'25.3/'23.4-'24.3	
			Increase /Decrease	%
Operating revenues	418.1 (369.7)	429.0 (395.9)	+10.8 (+26.2)	102.6 (107.1)
Operating income	110.4 (85.6)	101.0 (85.1)	-9.4 (-0.5)	91.5 (99.4)
EBITDA	165.5 (140.7)	155.0 (139.1)	-10.5 (-1.6)	93.7 (98.9)

Real estate ownership and utilization	Revenue increased year on year due to an increase in shopping center and hotel sales.
Real estate rotation	Revenue decreased year on year due to a decrease in real estate sales.
Real estate management	Revenue increased year on year due to an increase in number of properties under management.

## ■ Shopping centers, offices, hotels operating revenue : Result and plan

(Comparison with FY2024.3 Results %)



## (Reference) Hotel business results

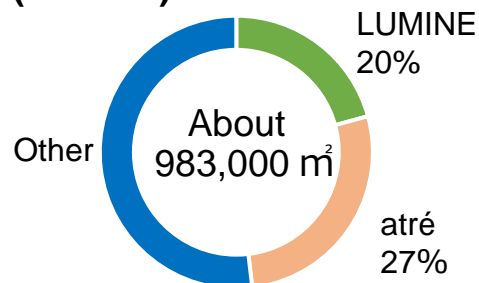
\* Simple aggregation of the hotel businesses of each company

(¥ billion)		'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12	
				Increase /Decrease	%
Operating revenues		56.2	64.1	+7.9	114.1
incl.	Hotel Metropolitan	29.8	34.1	+4.2	114.1
	HOTEL METS	13.2	15.2	+1.9	114.9
Operating income		6.5	9.7	+3.2	148.7



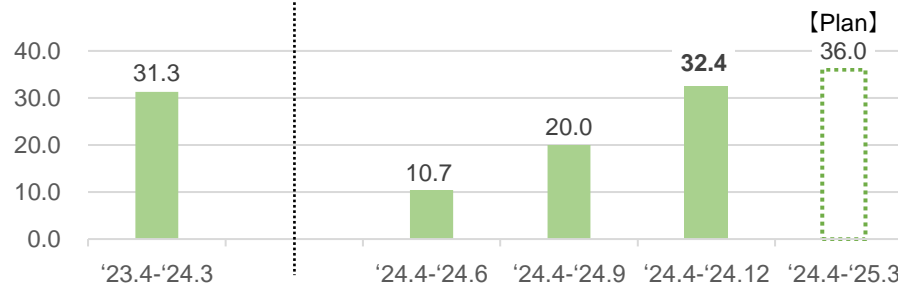
# Real Estate & Hotels (Relevant Indicators)

## ■ Shopping center leasable space (2024.12)

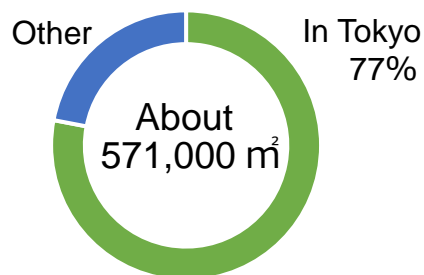


## ■ Inbound Revenue (¥ billion)

Sum of room revenue from non-Japanese guests in the hotel business and sales to non-Japanese customers in the shopping center business, retail stores and GALA Yuzawa Snow Resort (estimated)

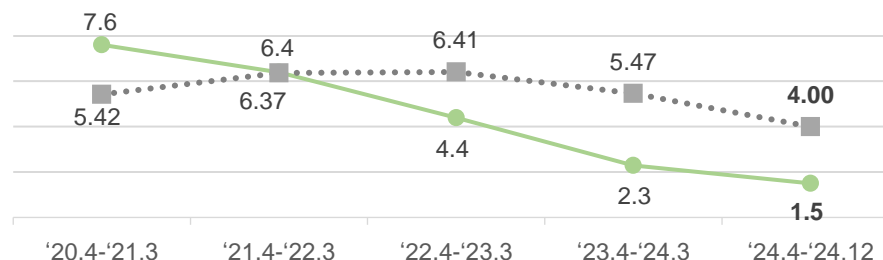


## ■ Office leasable space (2024.12)



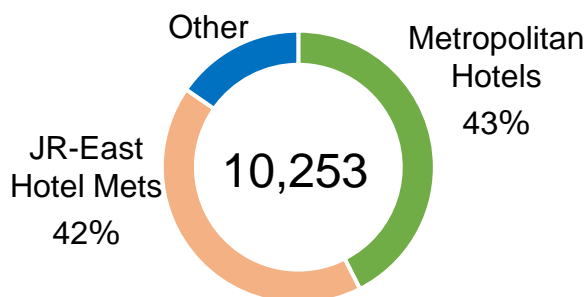
## ■ Office vacancy rate (%)

Properties operated by JR East Building (in Tokyo)

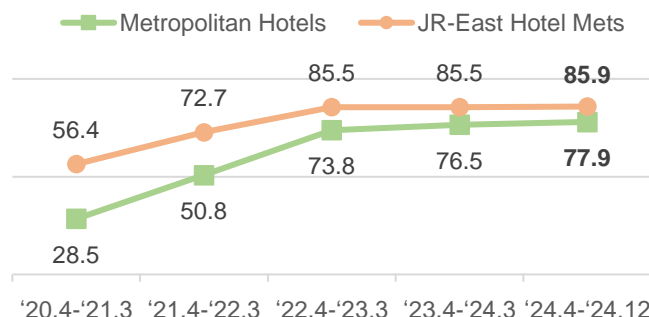


\* ... shows market vacancy rate in Tokyo's five central wards (source: Miki Shoji Co.,Ltd) <https://www.e-miki.com/rent/>

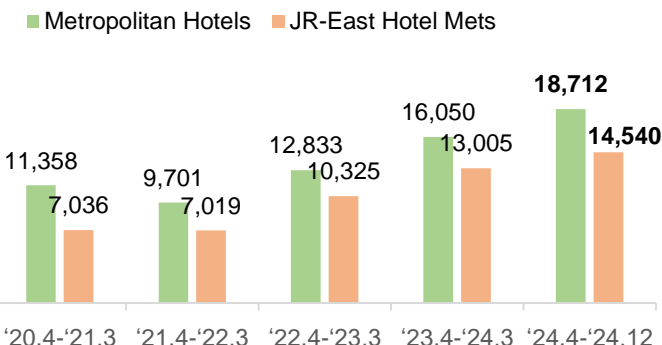
## ■ Number of hotel rooms (2024.12)



## ■ Hotel occupancy rate (%)



## ■ Hotel ADR (¥)

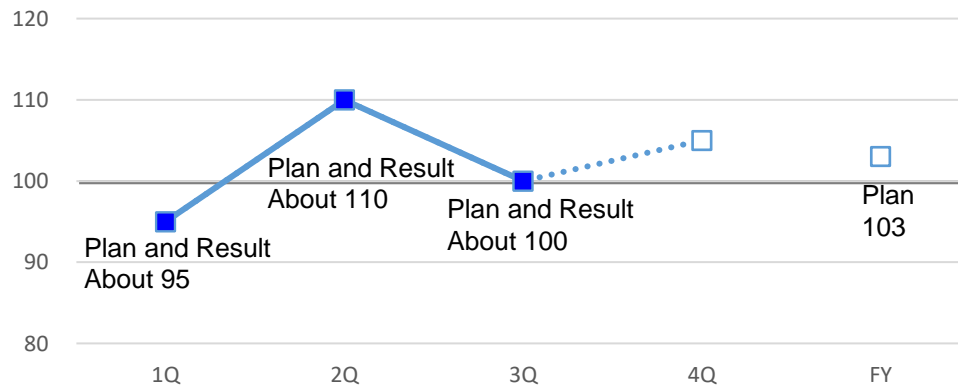


(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12	
			Increase /Decrease	%
Operating revenues	62.9	68.7	+5.8	109.2
Operating income	13.6	11.6	-1.9	85.6
EBITDA	37.3	35.6	-1.7	95.4

'23.4-'24.3 Results	'24.4-'25.3 Forecast	'24.4-'25.3/'23.4-'24.3	
		Increase /Decrease	%
91.0	101.0	+9.9	110.9
21.9	22.0	+0.0	100.4
53.7	54.0	+0.2	100.5

Suica and finance	Revenue increased year on year due to an increase in credit card transaction volume.
Overseas railway	Revenue increased year on year as GATES (a company that operates a track construction and maintenance business in Singapore), which was newly consolidated in the second quarter of the previous fiscal year, contributed to results on a regular year basis.
Energy	Revenue decreased year on year due to a decrease in development fee income in wind power generation.
Construction	Revenue increased year on year due to an increase in constructions sales.

■ IT & Suica operating revenue : Result and plan  
(Comparison with FY2024.3 Results %)



(Reference) IT & Suica business results

(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	'24.4-'24.12/'23.4-'23.12	
			Increase /Decrease	%
Operating revenues	45.4	46.0	+0.6	101.4
Operating income	11.4	11.3	-0.1	98.9

\* IT & Suica operating revenue includes railway facility-related sales of JR East Mechatronics (ticket gate equipment, etc.), which are not included in Suica and finance.

# Balance Sheets (consolidated)

(¥ billion)	As of '24.3 Results	As of '24.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	9,771.4	9,940.1	+168.6	101.7	
Current assets	1,191.9	1,373.5	+181.6	115.2	An increase in cash and time deposits
Fixed assets	8,579.5	8,566.5	-12.9	99.8	
Liabilities	7,032.2	7,060.8	+28.5	100.4	
Current liabilities	1,616.7	1,566.7	-49.9	96.9	
Long-term liabilities	5,415.5	5,494.0	+78.5	101.5	
Net Assets	2,739.2	2,879.3	+140.0	105.1	
Total Liabilities and Net Assets	9,771.4	9,940.1	+168.6	101.7	

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

## Interest-bearing debt (consolidated)

(¥ billion)	As of '24.3 Results	As of '24.12 Results	Changes		Average interest rate (Comparison with 2024.3 Results)	
			Increase /Decrease	%		
Interest-bearing debt balance	4,868.2	4,966.6	+98.4	102.0	1.56%	(+0.08%)
Bonds	3,114.9	3,236.3	+121.3	103.9	1.35%	(+0.10%)
Long-term loans	1,442.2	1,420.7	-21.4	98.5	0.95%	(+0.08%)
Long-term liabilities incurred for purchase of railway facilities	311.0	308.8	-2.1	99.3	6.55%	(+0.00%)
Other interest-bearing debt	0.0	0.6	+0.6	—	3.74%	(-4.19%)
Net interest-bearing debt balance	4,587.4	4,579.2	-8.1	99.8		

## Capital Expenditures (consolidated)

(¥ billion)	Segment	'23.4-'23.12 Results	'24.4-'24.12 Results	Changes		'24.4-'25.3 Plans	'24.4-'25.3/'23.4-'24.3	
				Increase /Decrease	%		Increase /Decrease	%
Mobility	Transportation	211.0	202.1	-8.9	95.8	424.0	-12.6	97.1
Life-style Solutions	Retail & Services	105.7	185.9	+80.1	175.8	395.0	+117.9	142.6
	Real Estate & Hotels Others							
Total		316.8	388.0	+71.2	122.5	819.0	+105.2	114.8

## Key Indicators (consolidated)(as of the end of the previous fiscal year)

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

# Process to reach the targets for FY2028.3

Appendix



\* Figures announced in April 2023

(¥ billion)	2024.3 Results	2025.3 Forecast	2025.3/2024.3	
			Increase/Decrease	%
Operating revenues	2,730.1	2,852.0	+121.8	104.5
Transportation	1,851.5	1,935.0	+83.4	104.5
Retail & Services	369.3	387.0	+17.6	104.8
Real Estate & Hotels	418.1	429.0	+10.8	102.6
Others	91.0	101.0	+9.9	110.9
Operating income	345.1	370.0	+24.8	107.2
Transportation	161.8	188.0	+26.1	116.1
Retail & Services	52.6	61.0	+8.3	116.0
Real Estate & Hotels	110.4	101.0	-9.4	91.5
Others	21.9	22.0	+0.0	100.4
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
Transportation	450.1	488.0	+37.8	108.4
Retail & Services	69.6	78.0	+8.3	112.1
Real Estate & Hotels	165.5	155.0	-10.5	93.7
Others	53.7	54.0	+0.2	100.5

ROA	3.6%	3.7%	+0.1%	-
ROA (R=EBITDA)	7.7%	7.8%	+0.1%	-

2026.3 Outlook	2027.3 Outlook	2028.3 Target *
3,003.0	3,125.0	3,276.0
1,968.0	2,004.0	2,019.0
463.0	497.0	654.0
456.0	497.0	507.0
116.0	126.0	96.0
381.0	391.0	410.0
184.0	173.0	178.0
66.0	70.0	80.0
110.0	122.0	124.0
23.0	28.0	30.0
-	-	-
-	-	-
-	-	-
-	-	-

810.0	843.0	868.0
493.0	487.0	495.0
84.0	90.0	101.0
179.0	207.0	211.0
56.0	61.0	63.0

3.7%	3.6%	4.0% approx.
7.8%	7.8%	8.5% approx.

# Traffic Volume and Passenger Revenues / Major Expenses (non-consolidated)- FY2025.3 Plans

Appendix



## 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	<b>21,230</b>	<b>23,132</b>	<b>109.0</b>	<b>537.4</b>	<b>580.7</b>	<b>+43.2</b>	<b>108.1</b>	
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	<ul style="list-style-type: none"> <li>• Increase in railway transportation: +34.0</li> <li>• Extension of the Hokuriku Shinkansen to Tsuruga: +8.0</li> <li>• Rebound from natural disasters: +2.0</li> <li>• Inbound tourism: +1.5</li> <li>• Rebound from leap year: -1.0</li> </ul>
Conventional Lines	<b>98,470</b>	<b>100,588</b>	<b>102.2</b>	<b>1,139.1</b>	<b>1,174.3</b>	<b>+35.1</b>	<b>103.1</b>	
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	<ul style="list-style-type: none"> <li>• Increase in railway transportation: +30.0</li> <li>• Rebound from natural disasters: +3.5</li> <li>• Inbound tourism: +3.0</li> <li>• Rebound from leap year: -2.5</li> </ul>
Total	<b>119,701</b>	<b>123,721</b>	<b>103.4</b>	<b>1,676.5</b>	<b>1,755.0</b>	<b>+78.4</b>	<b>104.7</b>	
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	<ul style="list-style-type: none"> <li>[-] Decrease in number of employees</li> <li>[+] Rise in wages</li> </ul>
Non-personnel expenses	812.2	867.0	+54.7	106.7	<ul style="list-style-type: none"> <li>[+] Impact of soaring prices and impact of rising labor costs</li> <li>[+] Implementation of maintenance which was controlled while ensuring safety during the COVID-19</li> </ul>
Depreciation	321.4	328.0	+6.5	102.0	[+] Increase in capital investment

# Traffic Volume and Passenger Revenues

Appendix



	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'23.4-'23.12 Results	'24.4-'24.12 Results	Changes %	'23.4-'23.12 Results	'24.4-'24.12 Results	Changes		Main factors behind changes
						Increase /Decrease	%	
Shinkansen	15,753	16,882	107.2	403.3	438.3	+34.9	108.7	
Commuter Passes	1,266	1,334	105.3	17.0	17.8	+0.8	104.8	
Non-commuter Passes	14,486	15,547	107.3	386.3	420.5	+34.1	108.8	<ul style="list-style-type: none"> <li>•Increase in railway transportation: +26.5</li> <li>•Extension of the Hokuriku Shinkansen to Tsuruga: +7.5</li> <li>•Rebound from natural disasters: +1.0</li> <li>•Inbound tourism: +0.5</li> <li>•In reaction to the impact of a natural disaster: -1.5</li> </ul>
Conventional Lines	74,659	77,328	103.6	857.6	896.0	+38.4	104.5	
Commuter Passes	46,006	47,121	102.4	299.8	307.9	+8.1	102.7	
Non-commuter Passes	28,652	30,207	105.4	557.8	588.0	+30.2	105.4	
Breakdown of Conventional Lines Kanto Area Network(Reproduced)	70,765	73,236	103.5	811.0	846.4	+35.4	104.4	
Commuter Passes	43,854	44,961	102.5	287.0	295.1	+8.1	102.8	
Non-commuter Passes	26,911	28,274	105.1	523.9	551.2	+27.3	105.2	<ul style="list-style-type: none"> <li>•Increase in railway transportation: +25.5</li> <li>•Rebound from natural disasters: +3.0</li> <li>•Inbound tourism: +1.0</li> <li>•In reaction to the impact of a natural disaster: -3.0</li> </ul>
Breakdown of Conventional Lines Other Network(Reproduced)	3,893	4,092	105.1	46.6	49.6	+2.9	106.4	
Commuter Passes	2,152	2,159	100.3	12.7	12.8	+0.0	100.7	
Non-commuter Passes	1,741	1,932	111.0	33.9	36.8	+2.9	108.6	•Increase in railway transportation: +2.5
Total	90,412	94,210	104.2	1,261.0	1,334.4	+73.4	105.8	
Commuter Passes	47,273	48,455	102.5	316.8	325.8	+9.0	102.8	•Increase in railway transportation: +8.0
Non-commuter Passes	43,139	45,754	106.1	944.2	1,008.6	+64.4	106.8	

\* 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.

# Statements of Income (non-consolidated)

Appendix



(¥ billion)	'23.4-'23.12 Results	'24.4-'24.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	1,457.6	1,552.4	+94.8	106.5	
Passenger revenues	1,261.0	1,334.4	+73.4	105.8	
Others	196.5	218.0	+21.4	110.9	An increase in real estate sales revenue
Operating expenses	1,227.8	1,271.2	+43.3	103.5	
Personnel expenses	304.2	301.6	-2.5	99.2	
Non-personnel expenses	536.5	572.1	+35.5	106.6	
Energy	61.2	58.2	-3.0	95.1	
Maintenance	174.6	192.2	+17.6	110.1	An increase in general maintenance expenses and railcar maintenance expenses
Other	300.6	321.6	+20.9	107.0	An increase in outsourcing expenses
Usage fees to JR TT, etc	62.9	62.6	-0.2	99.6	
Taxes	86.6	89.1	+2.5	103.0	
Depreciation	237.5	245.6	+8.0	103.4	
Operating income	229.7	281.2	+51.4	122.4	
Non-operating income or expenses	-39.8	-33.6	+6.1	84.5	An increase in dividend income
Ordinary income	189.8	247.5	+57.6	130.3	
Extraordinary gains or losses	7.3	5.6	-1.7	76.5	
Profit	139.1	179.8	+40.6	129.2	



# Balance Sheets (non-consolidated)

Appendix



(¥ billion)	As of '24.3 Results	As of '24.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	8,873.3	8,976.9	+103.5	101.2	
Current assets	881.7	1,005.1	+123.3	114.0	An increase in cash and time deposits
Fixed assets	7,991.5	7,971.7	-19.8	99.8	
Liabilities	6,828.6	6,819.5	-9.0	99.9	
Current liabilities	1,547.6	1,459.4	-88.2	94.3	
Long-term liabilities	5,281.0	5,360.1	+79.1	101.5	
Net Assets	2,044.6	2,157.3	+112.6	105.5	
Total Liabilities and Net Assets	8,873.3	8,976.9	+103.5	101.2	

## ■ Retail & Services: Changes in revenue (YoY)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
Retail & restaurants (%)	106.6	105.0	105.6	106.0	104.7	105.8	107.5	107.9	106.3	106.2
JR East Cross Station Co., Ltd. (retail) (existing) (%)	109.4	106.4	104.6	108.2	105.5	104.9	107.9	109.1	107.0	107.0
JR East Cross Station Co., Ltd. (foods) (existing) (%)	110.1	105.6	105.6	104.7	103.4	103.2	107.7	107.8	106.7	108.1

## ■ Real Estate & Hotels: Changes in revenue (YoY)

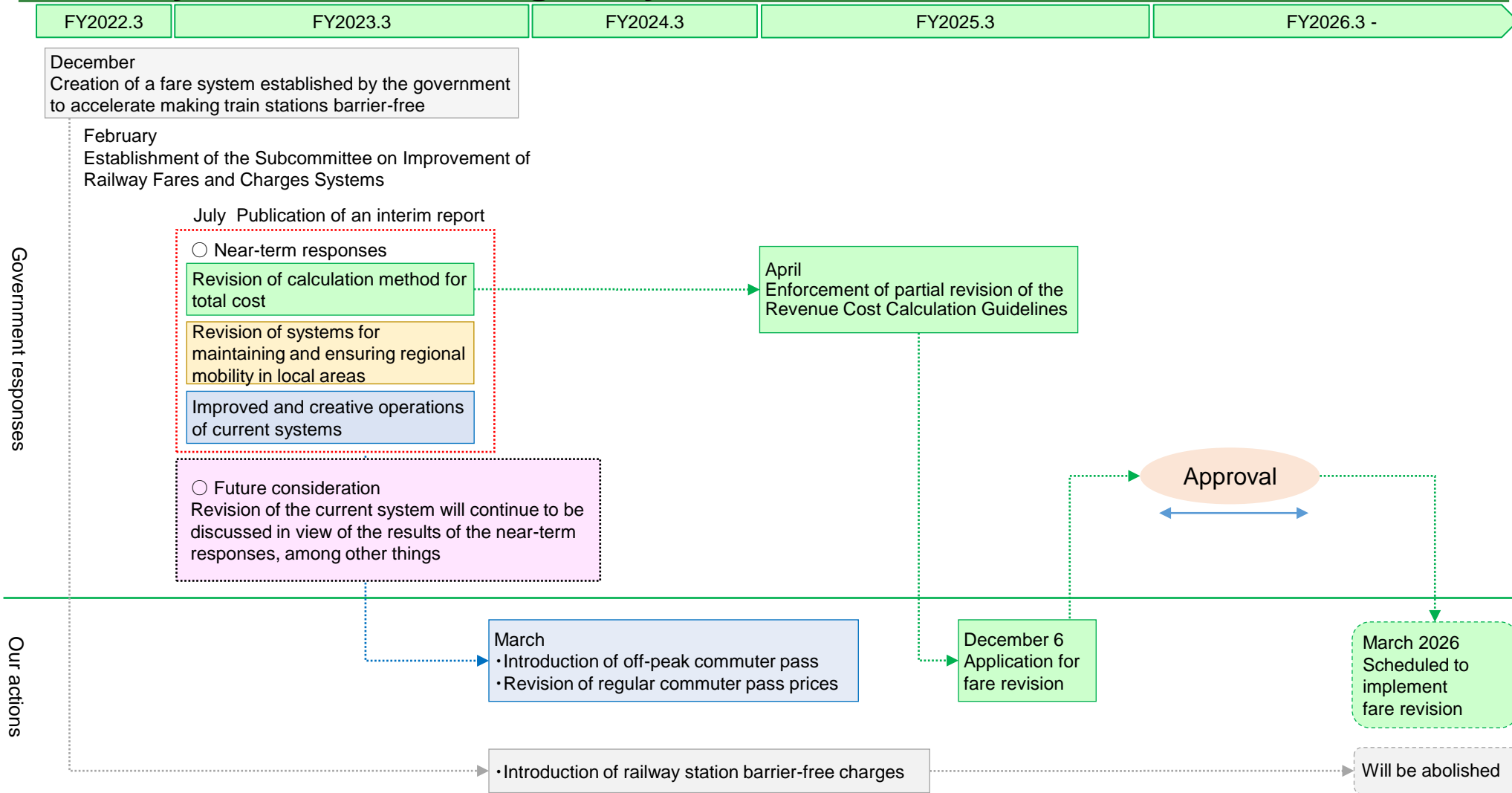
Station buildings (%)	105.8	106.9	110.3	105.6	109.2	109.4	105.3	109.6	107.1	107.7
LUMINE (existing) (%)	103.5	105.2	109.4	103.9	108.9	109.1	101.9	108.3	106.0	106.6
atré (existing) (%)	105.5	105.7	107.0	101.9	104.6	107.7	104.3	108.5	105.7	105.6
Hotels (%)	115.3	117.3	118.9	117.7	112.3	111.6	117.3	115.8	109.8	115.0

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

Number (Millions)	276	285	286	314	298	295	302	287	287	2,629
YoY (%)	107.1	106.4	103.9	105.2	102.3	104.3	105.9	104.9	104.0	104.9

# Progress in the Revision of Railway Fares and Charges Systems

Appendix



## ○ Our policy

- After receiving approval from the government for the fare revision applied for in December, we will prepare for implementation in March 2026.
- We will continue to request the government to implement a simple and flexible system, such as notification of express charges for Shinkansen and introduction of a system that can respond to inflation in a timely manner, and to review the total cost method itself.

## Purpose

- Since its foundation, JR East has fulfilled its mission as a railway operator by providing a wide range of transportation services through a broad railway network.
- We have increased railway use by improving safety and service quality as well as expanding our railway network while also making management efforts, such as improving productivity and our financial position. As a result, we are still able to maintain the fare levels that were in place when the company was founded.
- On the other hand, the business environment is expected to remain challenging due to such factors as a decrease in railway use due to the establishment of new lifestyles, increased expenses due to recent price hikes, a further decline in the population along railway lines, and the need to improve working conditions to secure and retain human resources.
- To operate railways safely, in addition to safety investments and technological development, appropriate improvements and maintenance work for railway facilities, such as rolling stock, equipment, signals, and overhead lines, are necessary, and these require much effort and costs.
- In these circumstances, it has become difficult to steadily secure the funds needed for making capital investments and repairs to respond to increasingly diverse customer needs, maintain and improve safety and services, update aging rolling stock and equipment, and address increasingly severe disasters and carbon neutrality.
- Subject to our continued management efforts, in order to steadily implement the measures necessary to continue our business and operate a sustainable railway business, we have applied for approval to change the upper limit of railway passenger fares.

## Outline of Fare Revision

- ◆ Scheduled implementation date: March 2026 (for the first time since the Company was founded in 1987)
- ◆ Scope of application: Single tickets and commuter passes (work commuter/school commuter)
- ◆ Revision and revenue increase rates: Revision rate: 7.1%, revenue increase rate: 5.0%  
(revenue increase amount: 88.1 billion yen/year)

\* Starting fare (ticket)  
(Current) 150 yen  
→ (As per application) 160 yen

## Key points of the fare revision

Aiming at sustainable operations of railway business, JR East has submitted an application for fare revision for the first time since its foundation.

**Scheduled for implementation in March 2026**

### Realizing a fare system that is easy to understand



- ✓ The fare categories of “specified train service area” and “inside the Yamanote loop” will be integrated into “trunk lines.”
- ✓ The single-ticket fare (excluding certain areas for the fare for small children) will be changed so that the IC fare will be lower than the paper ticket fare.



### Fare revision (increase) for all areas

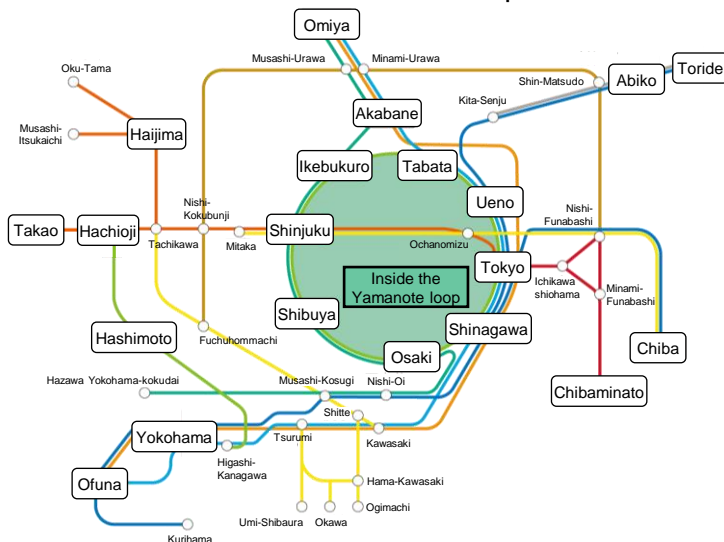
- ✓ The single-ticket fare and commuter pass fare for “trunk lines” and “local lines” will be revised.
- ✓ The discount rate for the six-month commuter pass fare will be lowered.



### For the school commuter pass fare, consideration is given to the burden on the household budget.

- ✓ The school commuter pass fare will remain unchanged for “trunk lines” and “local lines” as consideration is given to the burden on the household budget.
- \* For “specified train service area” and “inside the Yamanote loop,” the fare will be revised as these categories will be integrated into “trunk lines.”

Reference: Area map for the specified train service area and inside the Yamanote loop



### Revision rate (price increase rate)

**Singles tickets: 7.8%, Commuter pass: 12.0%, School commuter pass: 4.9%**

<Breakdown>

\* Charges will not be revised.

Fare categories	Single tickets	Commuter pass	School commuter pass
Trunk lines	4.4%	7.2%	Not revised
Local lines	5.2%	10.1%	Not revised

\* Revision rate for “specified train service area” and “inside the Yamanote loop” (integrated into “trunk lines”)

Fare categories		Single tickets	Commuter pass	School commuter pass
To trunk lines	Specified train service area	10.4%	13.3%	8.0%
	Inside the Yamanote loop	16.4%	22.9%	16.8%

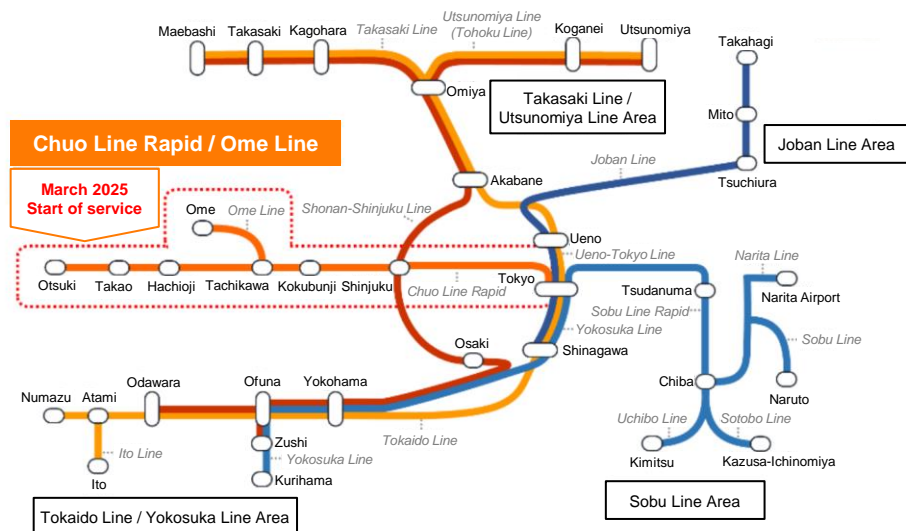
## Introduction of Green Cars to the Chuo Line Rapid

We have gradually introduced cars with connected green cars from October 2024, and will begin paid seating service in March 2025. This will expand the Green Car service to various destinations in the Tokyo metropolitan area, centering on Tokyo Station.

Scheduled introduction: March 2025  
 Expected revenue increase:  
 Approx. 8.0 billion yen per year  
 Investment: Approx. 86.0 billion yen



## Sections of local train with green car service



## Haneda Airport Access Line (tentative name)

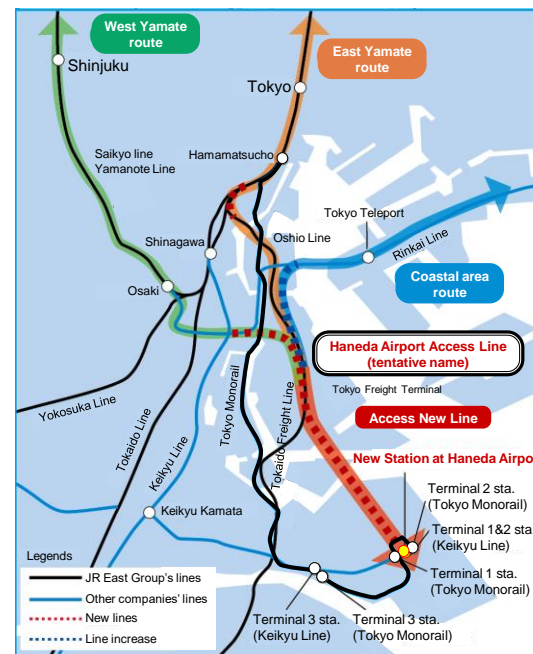
Construction of the "East Yamate route" and "Access New Line" has begun, with the aim of opening in FY 2032.3.

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.

Regarding the "Coastal area route", we are discussing and coordinating with related parties with the aim of opening the "East Yamate route" at the same time.

## Overview of Haneda Airport Access Line (tentative name)



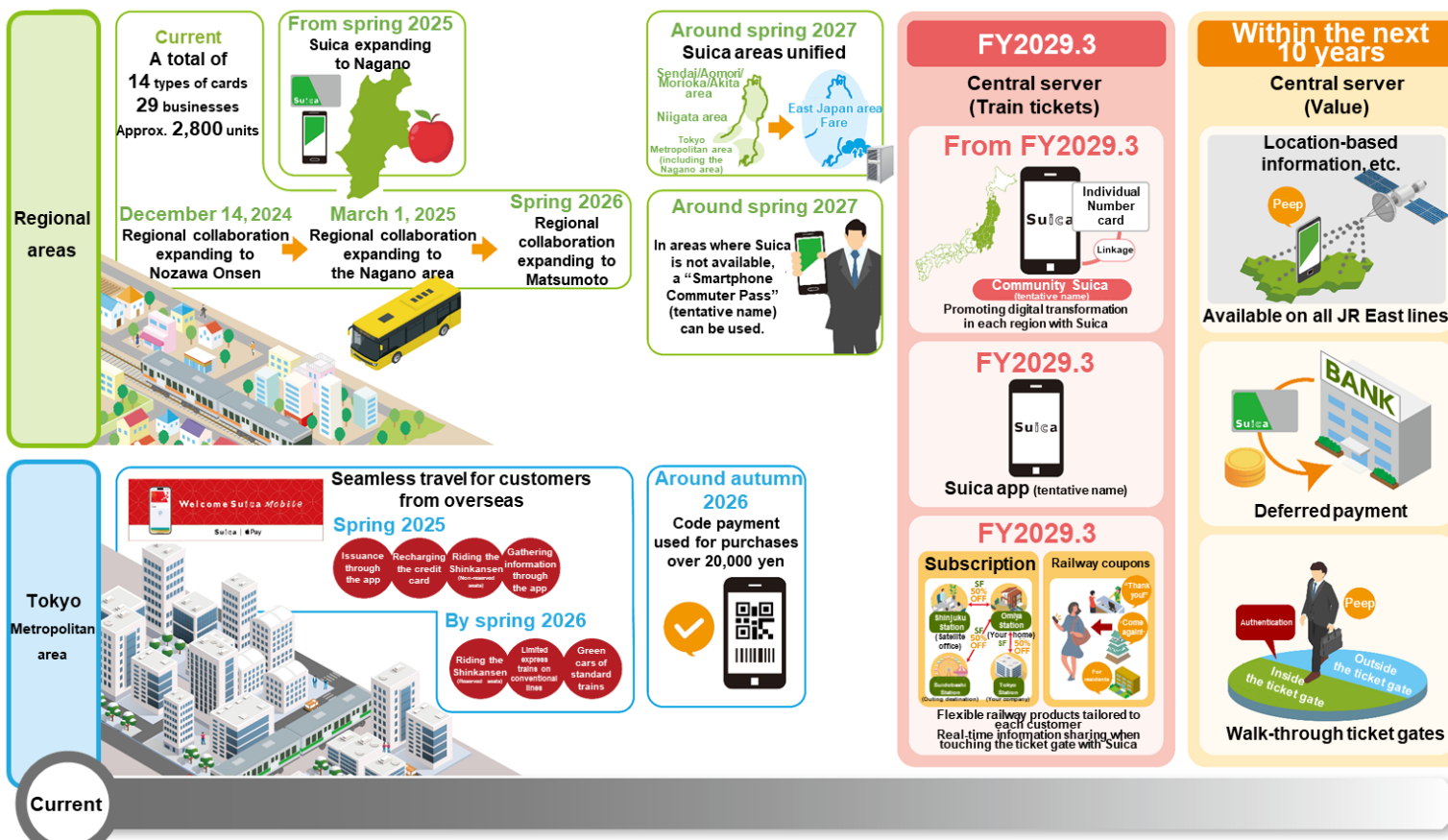


# Establishment of *Suica* life zone (Going beyond the Common Notion for *Suica*)

Appendix

- JR East will gradually upgrade the functions of *Suica* over the next 10 years in order to turn it into a digital platform.
- *Suica* will go beyond being just a device for mobility and be transformed into a device for lifestyle that can be used not only for transportation and payment but also in various aspects of the daily lives of customers in local communities.

## Going beyond the Common Notion for *Suica*



With the city opening in March 2025, commercial facilities, hotels, etc., of THE LINKPILLAR 1 will open in phases.

The grand opening is scheduled for spring 2026 with the openings of THE LINKPILLAR 2, the cultural creation facility, and the residence.



	THE LINKPILLAR 1 SOUTH			THE LINKPILLAR 1 NORTH		THE LINKPILLAR 2		MoN Takanawa: The Museum of Narratives	TAKANAWA GATEWAY CITY RESIDENCE
Opening	March 27, 2025					Spring 2026			
Total floor area	About 460,000 m <sup>2</sup>					About 208,000m <sup>2</sup>		About 29,000m <sup>2</sup>	About 148,000m <sup>2</sup>
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	Hotel JW Marriott		28・29F	Rooftop restaurant	8~30F	Office Kobe Steel, Ltd., etc.	Exhibition hall, Hall, Restaurant, etc.	Residential, International school, Retail, etc.
	8~21F	Office The University of Tokyo GATEWAY Campus National University of Singapore Maruha Nichiro Corporation, etc.		9~27F	Office KDDI Co., Ltd.				
	6F	Conference		6・7F	Incubation facility, etc.	4・5F	Clinic		
	1~5F	Retail		1~5F	Retail	2・3F	Retail		
	Basement	Convention, etc.		Basement	Convention, etc.	B1・1F	Fitness		
						Basement	Energy center		
Other	Project cost: About 600.0 billion yen      Revenue projection (under stabilized operation): About 57.0 billion yen								



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

Appendix

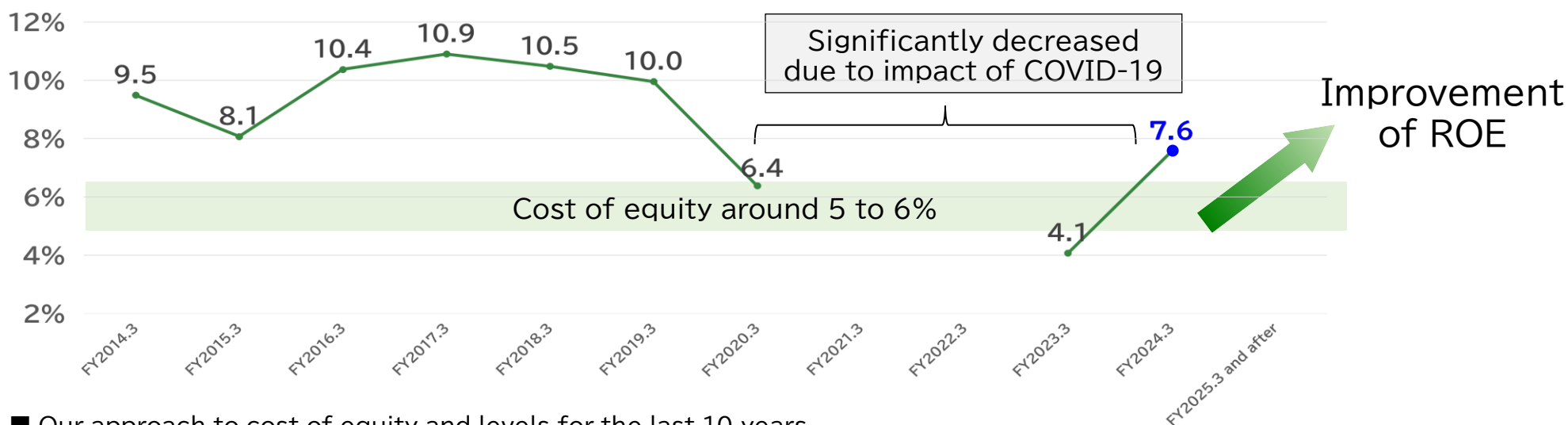
\*Underlined: Major updates since previous disclosure

Disclosed on November 20, 2024

## Current recognition of cost of capital and return on equity

- According to CAPM, cost of equity is calculated to be around 5 to 6%. On the other hand, we recognize through discussions with shareholders and investors that there is a gap between such costs and the expected return in the market and that we also have to take into account future increases in cost of equity.
- We aim to further improve ROE, lower cost of equity through enriching discussion with shareholders and investors, and expand the equity-spread.

### ■ 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

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

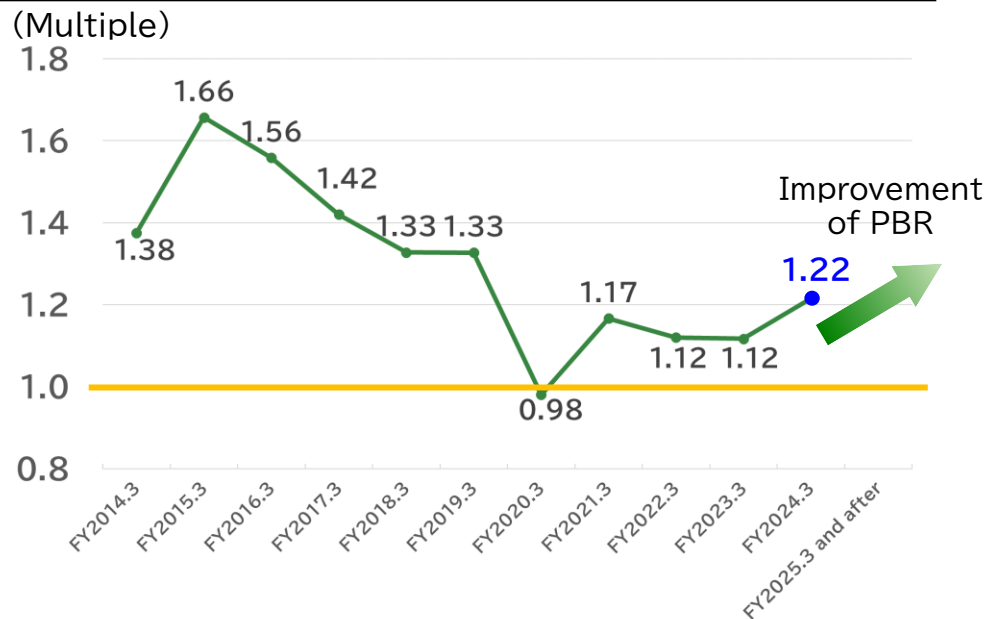
① Risk-free rate: Yield of 10-year government bonds

② Beta ( $\beta$ ): Sensitivity of the Company's share price to volatility of TOPIX for the last 5 years

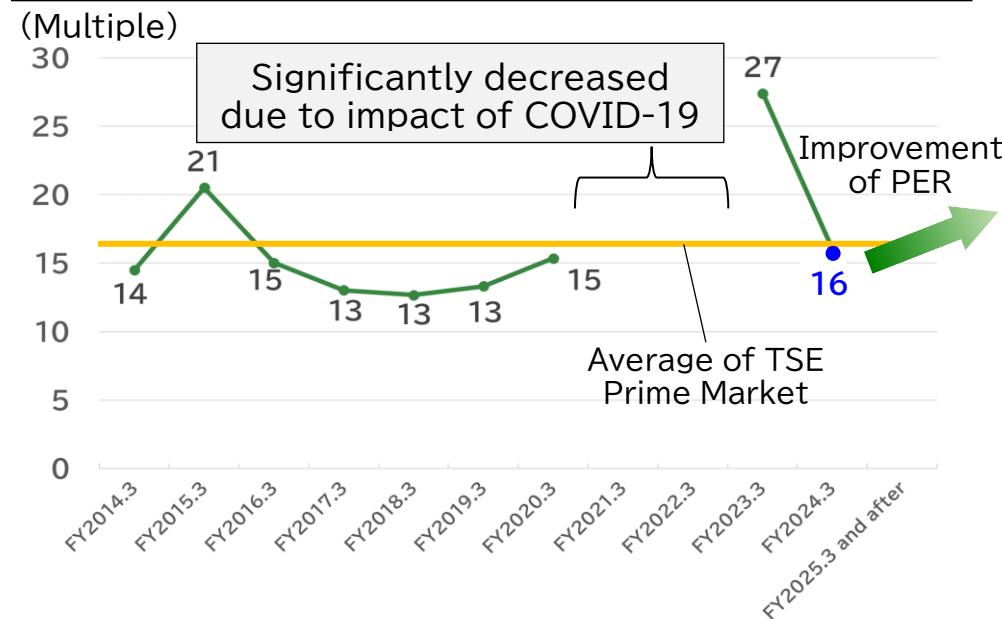
③ Market risk premium: Historical stock market yield minus risk-free rate

- 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



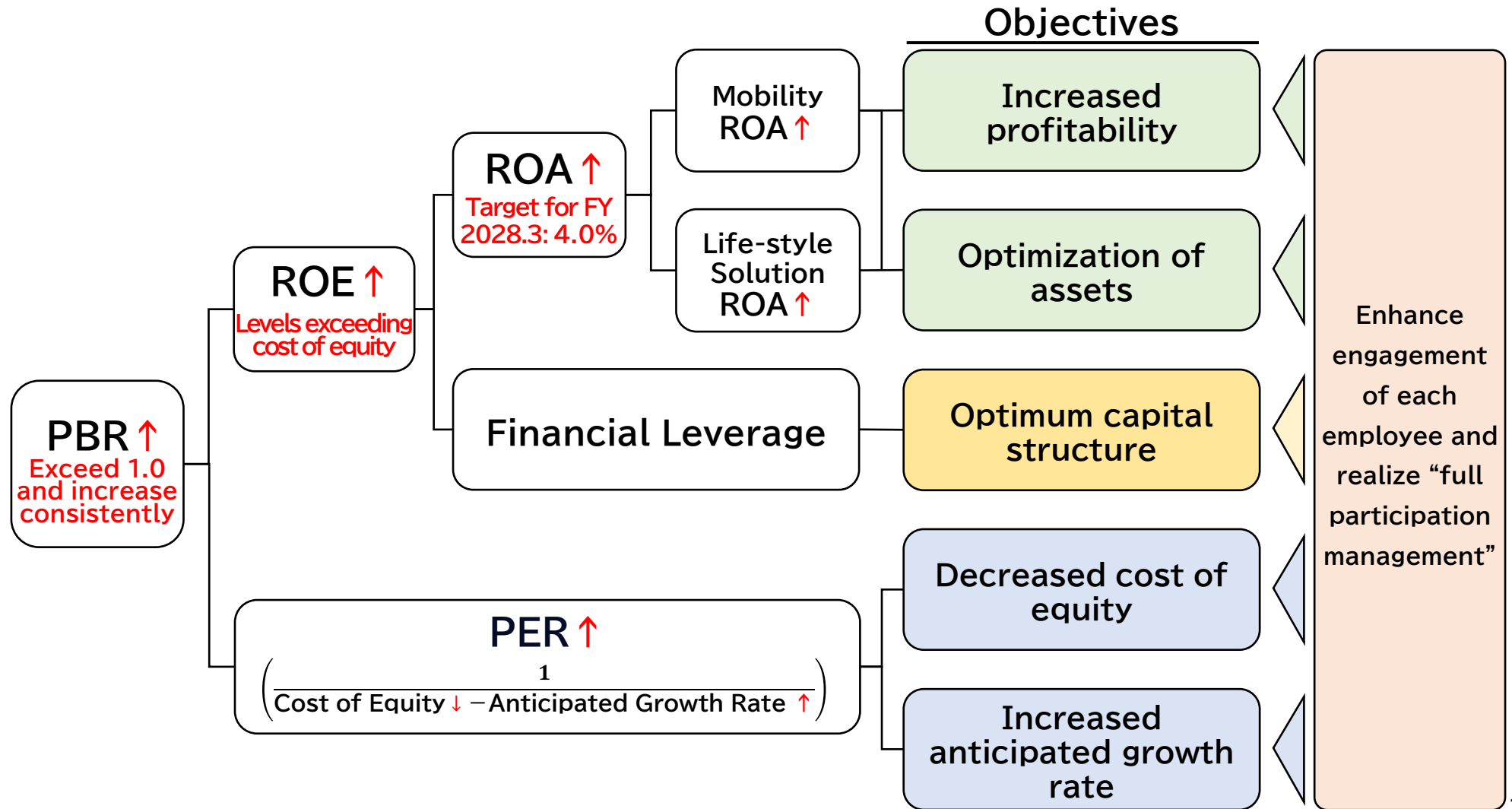
### ■ Movements in PER



### ■ Breakdown of PBR

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

- 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.**



## Objectives

## Specific Action

### Increased profitability

#### ◆ Maximize cash flows

- From FY2025.3, establish strategy and KPI for each of the 14 business units. On a Group-wide level, optimally allocate resources necessary for our business strategy, **efficiently utilize human capital and improve mid-to-long-term productivity on a consolidated basis.**

#### ◆ Appropriate price pass-through and price strategy

- In order to reflect the increasing cost on railway fares appropriately, steadily prepare filing for approval of fare revision.
- Continue to request the government to implement a simple and flexible system, such as notification of express charges for Shinkansen and introduction of a system that can respond to inflation in a timely manner, and to review the total cost method itself.
- Review charges including for high value-added railcars (Green Car, GranClass, etc.) and accelerate price strategy implementable by notification.

#### ◆ Portfolio strategy

- In order to promote two-axis management of Mobility and Life-style solution, 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 which demonstrates the Group's synergy to the maximum with an eye to external collaboration and M&A.
- In the real estate business, establish value chains and realize the growth of the Group through expansion of business areas by JR East Real Estate Co., Ltd. (reinforcing development of land owned by the Company and acquisition and development of external properties) and **acceleration of rotational business.**

#### ◆ Efficient use of assets

- 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

- **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.

### Optimization of assets

Objectives	Specific Action
Optimum capital structure	<ul style="list-style-type: none"><li>◆ <b>Level of interest-bearing debt based on business characteristics</b><ul style="list-style-type: none"><li>• Real Estate and Hotels is positioned as a “growth business” which must adapt to changes with speed, and <b>actively utilize interest-bearing debt</b>. Consider potentially setting <b>targets of interest-bearing debt for Real Estate and Hotels</b> separately from other businesses.</li><li>• Mobility is positioned as a “sustainable business” which requires stability and growth, and <b>emphasize net interest-bearing debt/EBITDA ratio</b>.</li></ul></li></ul>
Decreased cost of equity	<ul style="list-style-type: none"><li>◆ <b>Thoughtful dialogue with capital markets</b><ul style="list-style-type: none"><li>• <u>Presentation at financial results briefings is made by President and CEO for year-end and 2<sup>nd</sup> quarter and by Director-General of Corporate Strategies Headquarters for 1<sup>st</sup> and 3<sup>rd</sup> quarter.</u> Continue to actively implement <b>dialogue between the management</b> and shareholders and investors.</li><li>• Enhance reliability through <b>flexible revisions of business forecast</b>.</li></ul></li><li>◆ <b>Enhancement of disclosures</b><ul style="list-style-type: none"><li>• <b>Publicize renewed FACT BOOK</b> dedicated to historical facts and data (July 8, 2024). <u>Continue to review positioning of each disclosure material and <b>enhance disclosure of business information and ESG information</b>.</u></li></ul></li></ul>
Increased anticipated growth rate	<ul style="list-style-type: none"><li>◆ <b>Strengthening of publicity on growth strategy</b><ul style="list-style-type: none"><li>• Publicize mid-to-long-term goals by business segments and <b>strategy to achieve goals per business</b></li><li>• <u>Enhance <b>efforts to encourage deeper understanding of the prospects of each business</b> of our Group at IR DAY, etc.</u></li></ul></li></ul>

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.