

FY2025.3 Financial Results and FY2026.3 Management Strategy Explanatory Materials

April 30, 2025 East Japan Railway Company



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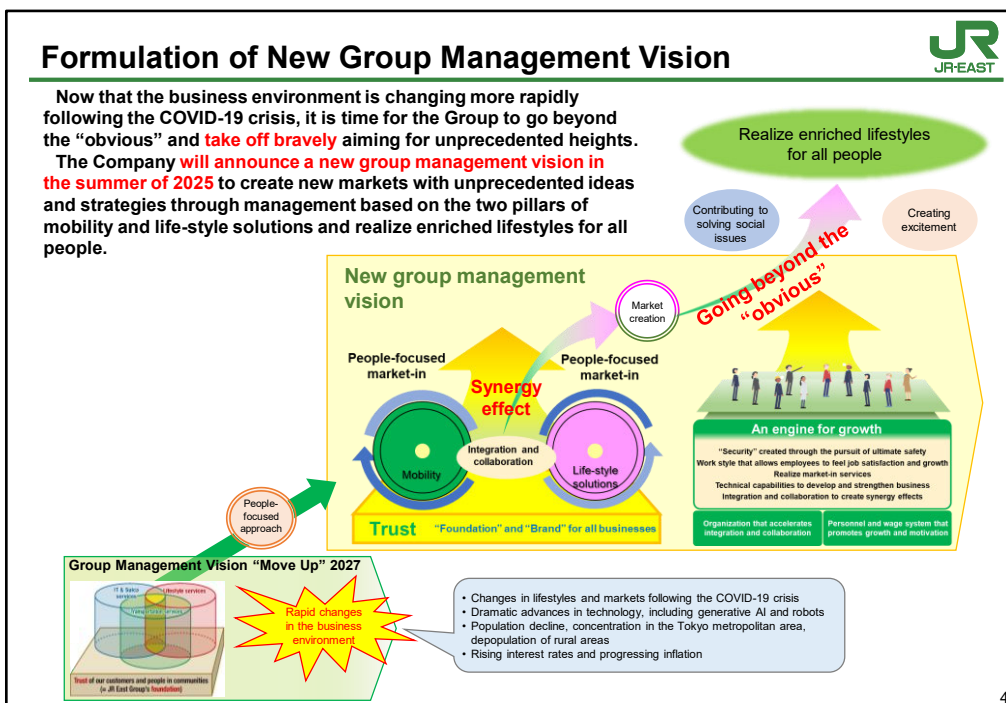


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- Chapter 1, “Formulation of New Group Management Vision,” and Chapter 2, “Medium- to Long-term Direction,” will be presented by the President and CEO, Mr. Kise.
- Executive Director, Ms. Itoh, will explain Chapter 3, “FY2025.3 Financial Results” and thereafter.

I. Formulation of New Group Management Vision

- I am Kise, the President and CEO. Thank you for joining us today for the presentation of our financial results and management strategies.
- Let me begin by explaining the new group management vision that we are currently discussing.



- In July 2018, the Group formulated and announced “Move Up” 2027, the Group's management vision for the next 10 years.
- Under "Move Up" 2027, we have been promoting structural reforms in all aspects of our business by anticipating changes in the business environment, such as population decline, changes in work styles, the development of the Internet society, and the practical application of automated driving technology, and by proposing a shift of our base point from “railway infrastructure” to “people”.
- However, we believe that now is the time for the Group to go beyond the conventional “obvious” and take off bravely to unprecedented heights in the rapidly changing business environment following the COVID-19 crisis.
- By refining the two pillars of “Mobility” and “Lifestyle solutions” with a “people-focused market-in” approach, we will create new markets with unprecedented ideas and strategies, and aim to enrich the lives of all people by contributing to solving social issues and creating excitement.
- We hope to announce our new group management vision in the summer of 2025, taking into account the approval status of the fare revision that is currently pending.

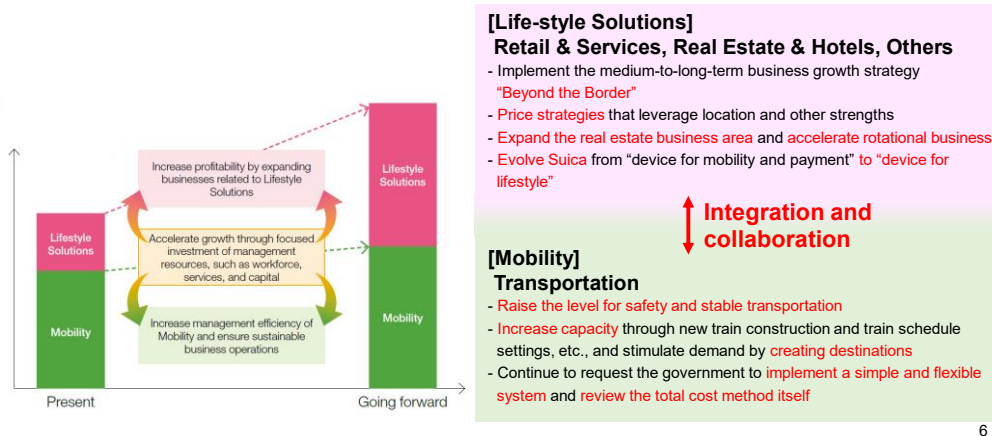
II. Medium-to-long-term Direction

- Next, I will explain the medium- to long-term direction.

Direction of business management based on the two pillars



- **Build a strong management structure that can grow sustainably in any business environment by supporting management through the two pillars of “mobility” and “life-style solutions.”**
- **Demonstrate comprehensive strength as a Group and maximize corporate value through the growth of diverse businesses of the Group leveraging their respective strengths and by further promoting “integration and collaboration.”**



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- The Group has built a resilient management structure that can grow sustainably in any business environment, including infectious diseases such as COVID-19 and severe natural disasters, by supporting its management with the two pillars of “Mobility”, which is centered on railway, and “Lifestyle Solutions.”
- We will maximize our corporate value by leveraging the strengths of each of the diverse businesses in our group to achieve growth, and by enhancing the synergistic effects of “integration and collaboration” to demonstrate our comprehensive strength as a group.

Safety-related incidents and countermeasures



A series of events causing concern and inconvenience to our customers and stakeholders occurred

➤ Implement measures against each event for certain

– Inappropriate handling in the railway vehicle wheelset assembly operations

(The incident in which data was altered and wheelsets with press-fit force values outside the specified range were provided for operation)

- Urgently convened the Company's executives and the presidents of all Group companies
Instructed to take the incident as a harsh lesson for the entire Group and ensure all are aware of compliance
- Replace, inspect and re-press-fit the relevant wheelsets
- Revised internal regulations or rules, modified system, etc.
- Conducted compliance training based on the lessons learned from this incident and an awareness survey for all Group employees, and reflected the findings in future quality control
- **Improved governance across the Group** through monitoring of improvement measures by the planning department and audits by the internal audit department

– Decoupling of the Tohoku Shinkansen train coupler while running

- Urgently inspected all relevant trains
- [Immediate measures]
 - Since it is believed that some electrical abnormality occurred during coupled operation, installed a device that mechanically fixes the operating mechanism during coupling work to prevent the coupler from disengaging even if such an abnormality occurs
- [Permanent measures]
 - Revise the system so that the circuit for disengaging the coupler does not operate while the train is running

- Evolve safety initiatives in step with technological advancements and promote safety measures
- Recognize this as a quality control issue for all services provided to customers, and work together as a Group to deliver security derived from pursuing "ultimate safety"

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- The foundation of everything we do is the "trust" of our stakeholders.
- However, in FY2025.3, a series of events occurred that shook the trust that had been built up over the years. We deeply apologize for the concern and inconvenience caused to many customers and related parties by this series of events.
- In the assembly operations of railway vehicle wheelsets, it was discovered that the Company and its group company, J-TREC, had rewritten data and had put into operation wheelsets with press-in force values that were outside the specified range.
- In response to this fact, I (the president) urgently gathered the executives of our company and the presidents of all group companies and instructed them to take this issue as a harsh lesson for the entire group, not only for the railways, and to ensure that all employees are fully aware of the importance of compliance.
- In addition to replacing the subject wheelsets and reviewing regulations and rules, we conducted compliance education and awareness surveys of all Group employees. We will reflect the results in future quality control.
- In order to address the issue of thorough quality control, the planning department, which supports the front line, will monitor improvement measures, and the internal audit department will confirm the actual operations of the front line and planning department through audits, thereby improving the governance of the entire Group.

- In March 2025, the Tohoku Shinkansen train experienced a detachment of the coupling while running, following an incident in September 2024.
- Immediately, an emergency general inspection was conducted on all the cars involved, and as an immediate countermeasure, a device that mechanically fixes the operating mechanism was installed to prevent the coupler from disengaging even in the event of an electrical malfunction, and after confirming safety, coupling runs were resumed.
- As a permanent measure, we will review the system to prevent operation of the circuit that splits the coupler while the train is running, for example, by using a dual system.
- We will further evolve our safety philosophy and promote safety measures in line with technological advancements such as faster Shinkansen operations.
- We recognize these incidents as “quality control issues for all services we provide to our customers,” and we are determined to work together as a Group to deliver security that comes from the pursuit of “ultimate safety.”

Key Mobility Measures

(Safe and stable transportation, technological renovation)



- Maintain and strengthen infrastructure to further enhance **“Safe and stable transportation”** and **“Service quality,”** the largest revenue base (approx. 1.6 trillion yen from FY2024.3 to FY2028.3)
- Furthermore, we will promote innovation through technological renovation to make life better and more prosperous in the future.

■ Raise the levels of safe and stable transportation

- Accelerate installation of automatic platform gates
(Plan to install on 758 platforms at 330 stations on major conventional lines in the Tokyo area by around the end of FY2032.3)
- Countermeasures against large-scale earthquakes and natural disasters



Installation of automatic platform gates



Countermeasures against large-scale earthquakes (elevated railway track pillars for Shinkansen)

■ Expand transportation services

- Expansion of Fukushima Station approach line
(scheduled to be in use at the end of FY2027.3)

■ Renewal of railcars and facilities

- New construction of rolling stock, train/wayside equipment renewal

■ Address labor shortage and promote work-style reform

- Increase driver-only operation
(implement by around 2030 on trunk lines in the Tokyo metropolitan area)
- Driverless operation of Shinkansen
(aiming for driverless operation of commercial trains in the mid-2030s)



Next-generation Tohoku Shinkansen Series E10 (image)



Driverless operation (GOA4) test run

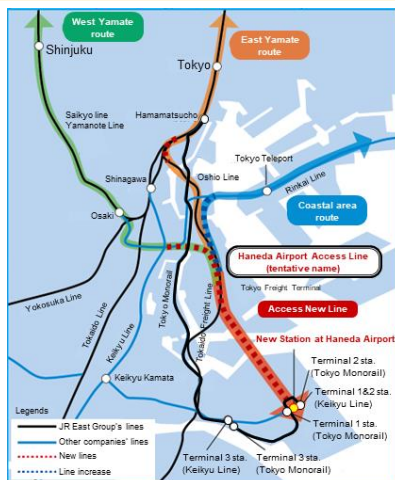
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- Next, I will explain our key mobility measures.
- Mobility's largest revenue base is “safe and stable transportation” and “service quality.” To maintain and strengthen the infrastructure to further enhance these efforts, we plan to make capital investments of approximately 1.6 trillion yen over the five years through FY2028.3.
- The daily passenger revenue is approximately 5 billion yen, and in order to secure and further increase this amount in daily operations, we will promote installation of automatic platform gates, countermeasures against large-scale earthquake, and natural disaster countermeasures.
- To expand transportation services, we will proceed with the construction of an additional approach line to Fukushima Station. This is expected to reduce the transportation impact of delays on the Yamagata Shinkansen by about half.
- In terms of railcars and facilities, we will move forward with the new construction of the next Tohoku Shinkansen train, the E10 series, and other projects.
- Furthermore, we will solve issues such as labor shortages through technological innovations, such as the expansion of driver-only operation and driverless operation of Shinkansen trains, to make our railway business more muscular.

Key Mobility Measures (Expansion of railway network)



- Steadily promote the construction of the Haneda Airport Access Line (tentative name) with the understanding and cooperation of customers to improve future profitability
- Realize direct access to Haneda Airport from various directions using the existing railway network
- Promote town development along railways leveraging the railroad network



(East Yamate route)

- Schedule to open: FY2032.3
- Approximate construction cost: Approx. 280.0 billion yen
- The travel time from Tokyo Station to Haneda Airport to be reduced to about 18 minutes
- Approximately 70,000 passengers per day are expected to use the service


* 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.

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- In order to improve future profitability, we will proceed with the construction of the Haneda Airport Access Line (tentative name) with the aim of opening it in FY2032.3.
- Although there may be some inconvenience to customers due to the line switching work, we will steadily proceed with the work with the understanding and cooperation of our customers, aiming to enhance the value of Tokyo as a whole by improving airport access.
- When the new line opens, it will take approximately 18 minutes from Tokyo Station to Haneda Airport, providing direct access to Haneda Airport from many directions.
- In addition to promoting use of the access line, we will also promote town development along the rail network, which will lead to increased earnings for the entire Group.
- Construction has already begun on the East Yamate route, and discussions are underway with related parties to see if the Coastal area route can be opened at the same time.

Key Mobility Measures (Fares and charges)



- **For fare revision to be implemented in March 2026**, we submitted an application in December 2024 and are awaiting approval
- 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 timely respond to inflation**, and to review the total cost method itself
- Accelerate **price strategy implementable by notification** such as review of charges

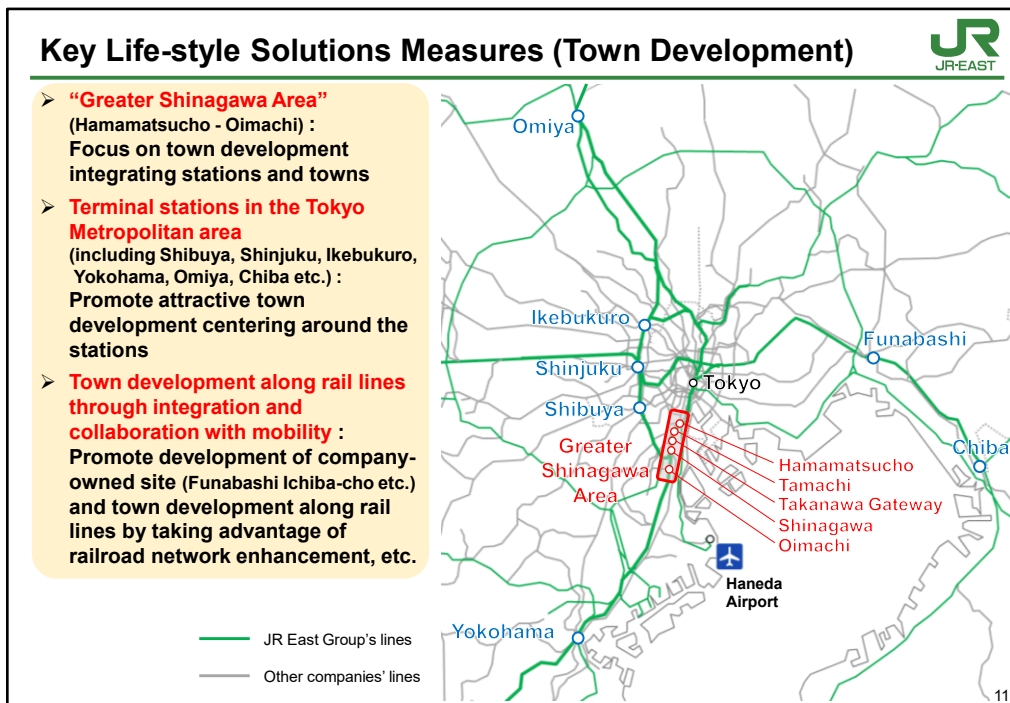
(Current Fares and Charges Systems and Structure for Procedures)

		Shinkansen	Conventional Lines
Fares Basic fare tickets	Single tickets	Approval (i) approval for the ceiling (upper limit) (ii) prior notification before setting or changing under the ceiling	
	Commuter pass		
Extra Charges	Express Charges	Request for a prior notification system	 <p>■ Introduction of Green Cars to the Chuo Line Rapid</p> <p>Service start : March 2025</p> <p>Expected revenue increase: Approx. 8.0 billion yen / year</p> <p>Investment: Approx. 86.0 billion yen</p>
	Seat Charges	Prior notification only	
	Other Charges Green Car Charges etc.		

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

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- About railway fares and charges.
- In December 2024, we applied to the Ministry of Land, Infrastructure, Transport and Tourism for fare revision, and on April 1, 2025, the Transport Council reported to the Minister that “it is appropriate to grant approval as per our application.”
- We have requested approval at the earliest possible date, and will make preparations for the implementation of the fare revision in March 2026.
- We will also continue to encourage the government and related organizations to realize a simple and flexible system, for example, by introducing a notification system for Shinkansen express charges and a system that can timely respond to inflation, and to revise the total cost method itself.
- In addition, we will pursue pricing strategies that can be implemented by notification, such as review of charges.



- Next, I will explain the direction of development in the Tokyo metropolitan area.
- The area from Hamamatsucho to Oimachi, including TAKANAWA GATEWAY CITY, which opened in March 2025, is positioned as the "Greater Shinagawa Area," and each station area will share the role and focus on the development integrating stations and towns. In this area, we are targeting annual operating revenues of approximately 100 billion yen by around 2034.
- In addition to Shibuya, Shinjuku, and Ikebukuro on the Yamanote Line, we will also promote attractive town development centered on terminal stations in the metropolitan area, including Yokohama, Omiya, and Chiba.
- Furthermore, there is still potential to create a variety of development sites that can be integrated and collaborated with mobility. TAKANAWA GATEWAY CITY is a good example that we created approximately 13 ha of development land by changing and consolidating railcar depot locations. We have still room to create a similar pipeline.
- The Funabashi Ichiba-cho Project (tentative name), a housing project being undertaken with Tokyu Fudosan Corporation, utilizing the former company housing site, is expected to generate approximately 37 billion yen in revenue for the Group.
- We will also promote town development that takes advantage of the Haneda

Airport Access Line (tentative name) and other opportunities to strengthen the railway network.

Key Life-style Solutions Measures (Real estate rotation)



- **Accelerate the development of Company-owned sites and acquisition and development of external properties with the establishment of JREast Real Estate Co., LTD.**
- **Further accelerate expansion of the scale of real estate sales* and enhance reinvestment in growth areas**
 - * Revenues for the FY2025.3: Plan: approx. 30.0 billion yen => Result: approx. 50.0 billion yen (partially including extraordinary gains)
Revenues for the FY2026.3: approx. 65.0 billion yen (plan)
- **Consider upward revision of the target of asset management scale in real estate fund business since the current target (cumulative 400.0 billion yen*) is expected to be achieved by the end of the FY2026.3**
 - * Target for FY2028.3



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- About real estate rotation.
- In July 2024, we established JR East Real Estate Co. We will speed up the development of company-owned land and the acquisition and development of real estate in cities.
- We have told that we aim to achieve an average annual sales scale of approximately 20-30 billion yen in real estate sales, but the scale of sales for FY2025.3 was approximately 50 billion yen.
- In FY2026.3, we plan to expand the scale of sales to approximately 65 billion yen, and we will use the cash generated by this expansion to enhance reinvestment in growth areas.
- We have set a target of 400 billion yen in cumulative assets under management in the real estate fund business for FY2028.3, but we expect to achieve this target by the end of FY2026.3.
- In the next group management vision, we will consider revising upward the targets for the scale of real estate sales and the scale of asset management in the real estate fund business.

Key Life-style Solutions Measures (Create Value through integration and collaboration)



- Business model that **proactively utilizes railway assets to create new value and services**
- Contribute to solving social issues in addition to improving profitability

■ Commercialize train logistics service

Commercialize "Hako-byun," the train logistics service, on a full scale and aim to earn 10 billion yen in revenue per year
Address labor shortage issue in the logistics industry



■ Development of multifunctional baggage locker

Expand the installation of "Multi-Ecube" units that support reservation, deposit, pickup, and shipping, contributing to a reduction in redeliveries with an annual record of 20,000 pickups.



■ Smart Health Station®

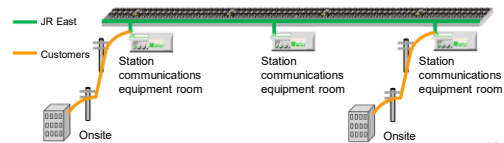
Deliver medical services at stations along life-style traffic lines, including online

* "Smart Health Station" is a registered trademark of JR East



■ Optical fiber core wire lease

Lease high-quality and highly stable optical fiber core wires laid along the railway to corporate customers



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- We are also working to generate revenue through a new business model that utilizes railway assets.
- The "Hako-byun" train logistics service, which has been undergoing various demonstration tests for about three years, was fully commercialized from April 2025, and is expected to grow into a business worth 10 billion yen per year in the future.
- The number of installed multifunctional lockers "Multi-Ecube" exceeded 500 units as of the end of March 2025, mainly in the Tokyo metropolitan area. As a new business model that not only stores goods but also positions them as part of its logistics operations, the Company will gradually expand its installation area throughout Japan, aiming to deploy 1,000 units by FY2027.3. We would also like to promote collaboration with other railway operators and facilities in cities in the Tokyo metropolitan area, and have already begun working with post offices and gas stations. Beyond our sales area, we will develop this business as a Japan-wide network business.
- We are also developing "Smart Health Stations®" where medical services are available at stations located along the lifeline, and renting out Optical fiber optic core wire that are laid along rail lines.

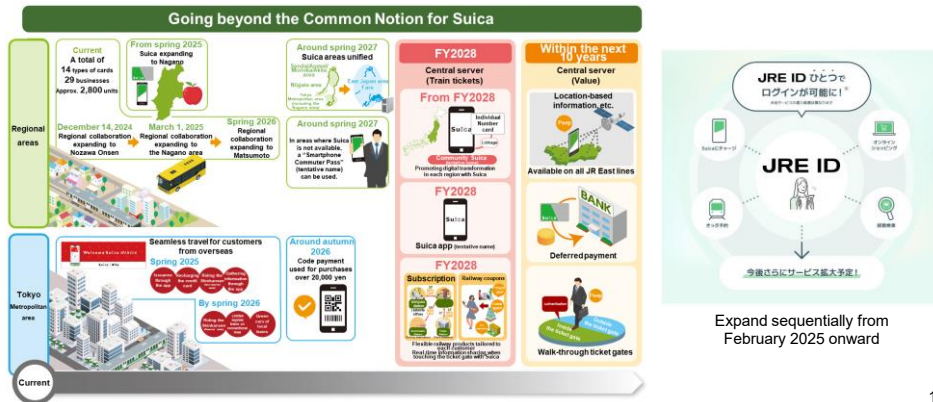
- As in these efforts, we will not use railway assets only for railway business, but will utilize them in various fields to improve the earnings of our group, and will also contribute to solving social issues such as logistics and medical care problems.

Key Life-style Solutions Measures (Suica Renaissance)



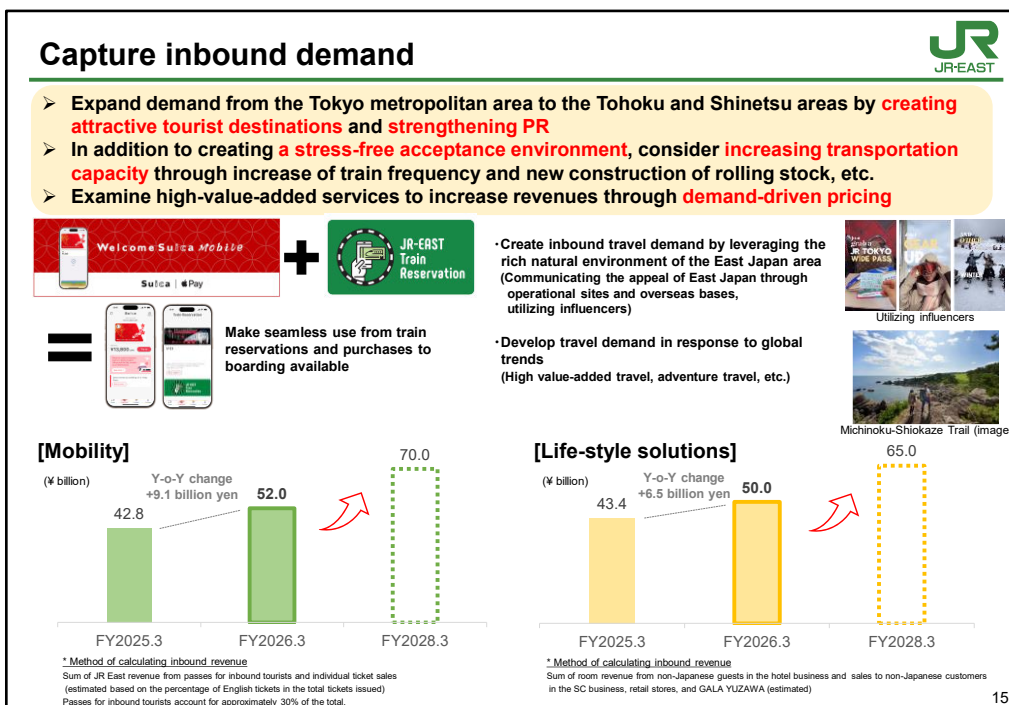
- **Evolve** Suica from “device for mobility and payment” to “device for lifestyle”
- **Boldly innovate lifestyles** through Suica data-driven town development
- Introduce “JRE ID” and promote server centralization to **improve environment toward seamless use**
- **As a hub to create synergies among the Group’s services, make Suica a platform for “Double operating revenues and profits in life-style solutions”*** as stated in the medium-to-long-term business growth strategy “Beyond the Border”

* FY2024.3 => FY2034.3



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- About Suica.
- We announced “Suica Renaissance” in December 2024. We will evolve Suica from a “device for mobility and payment” to a “device for lifestyle.”
- By linking Suica not only to mobility and payment, but also to all aspects of daily life, we will boldly innovate people's lifestyles.
- We will also utilize Suica, which increase its value by linking it to all aspects of our daily lives, for the business growth of the entire Group.
- In February 2025, we launched JRE ID. By gradually integrating the various IDs provided by our group, we believe that we will be able to improve our services by eliminating inconvenience for our customers and enabling our group to understand data in a timely manner.
- Together with the shift to central servers, we will create an environment that allows seamless use between services.
- As a hub for creating synergies among the Group's services, Suica will serve as the foundation for “doubling revenues and income of lifestyle solutions” as stated in “Beyond the Border.”



- With regard to inbound tourism, we will steadily capture that inbound demand, which is expected to increase to 60 million people by 2030.
- To increase the flow of inbound visitors from the Tokyo metropolitan area to the Tohoku and Joshinetsu regions on the strength of the East Japan area's rich natural environment, we will strengthen PR by communicating the attractiveness of the area through operational sites and overseas offices, and by utilizing influencers.
- Welcome Suica Mobile, released in March 2025, is already close to 40,000 downloads.
- In October 2025, Welcome Suica Mobile and JR-EAST Train Reservation will be linked.
- Welcome Suica Mobile holders will be able to obtain travel information and seamless travel from train reservations and purchases to boarding.

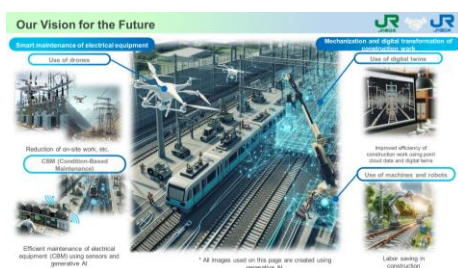
Lead society with technology and skills



- In addition to technological renovations such as the development of new trains (Series E10) and driverless operation of the Shinkansen, **lead the creation of platforms for common issues of railroad companies**, such as technological development and utilization of foreign human resources, to change the railroad industry and society

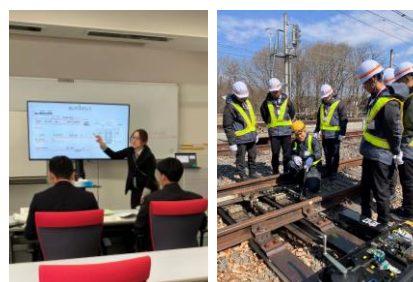
■ Collaboration with other companies in the railway technology area (West Japan Railway)

Started examining commonization of railcar equipment and parts to strengthen the supply chain. Also, started collaboration on the “realization of smart maintenance of electrical equipment” and the “mechanization and DX of construction work” was started for sustainable railroad operations.



■ Specified Skilled Human Resource Development Training

Invite human resources from overseas utilizing the Specified Skilled Worker System and implement new training focused on acquiring basic knowledge of railway technology and passing the specified skills assessment test. Aim at an open educational platform in which railway operators other than JR East can also participate.



Training trial (February to March 2025)

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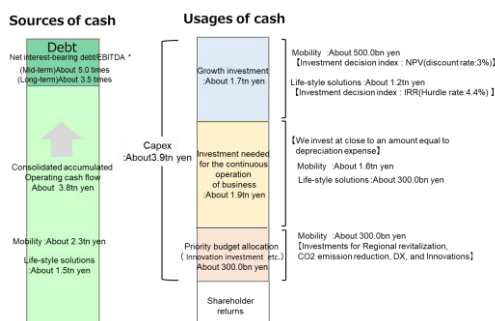
- About technology and skills.
- In addition to technological innovations created by the Group, such as the development of new rolling stock and driverless operation of Shinkansen trains, we will also lead solving common problems faced by railway companies.
- In the field of railway technology, we have begun collaborating with various companies, and with JR West we started studying the commonization of railcar equipment and parts with the aim of strengthening the supply chain. For future sustainable railway operations, we have also begun collaboration on “realization of smart maintenance of electrical equipment” and “mechanization and DX of construction work.”
- We are also taking on the challenge of developing human resources through the specified skills system in order to resolve the issue of labor shortages. New training programs will be implemented for personnel invited from overseas, focusing on acquiring basic knowledge of railway technology and passing the specific skills assessment test. The program has already been tried out in spring 2025 with 25 participants invited, and we will be preparing for official implementation in FY2026.3.
- In the future, we would like to collaborate with other railway operators to enhance this program.

Use of cash (Capital investments)

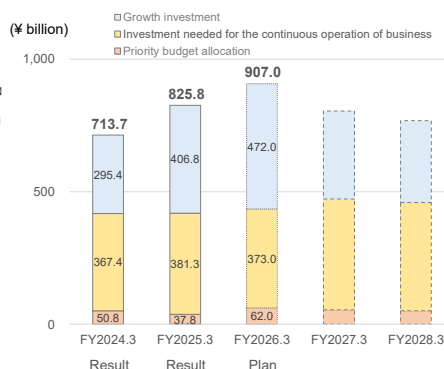


- “Move Up” 2027 plans **approximately 3.9 trillion yen capital investments over the five years** until FY2028.3 to build a strong management base
- Accelerate **growth investment** towards the openings of TAKANAWA GATEWAY CITY and OIMACHI TRACKS, **reaching its peak in FY2026.3**
- Control investment for continuous business operation through "selection and concentration" to maintain and strengthen the revenue base

■ Cash Allocations (FY2024.3 - FY2028.3) * announced in April 2023



■ Change in Capital investment



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- As for the “use of cash,” I will first explain capital investments.
- As we have previously shown in the cash allocation diagram, we plan to invest approximately 3.9 trillion yen in capital investments over the five-year period beginning in FY2024.3.
- As shown in the graph on the right, growth investment will accelerate toward the opening of large-scale development projects such as TAKANAWA GATEWAY CITY, and will reach its largest scale in FY2026.3.
- Investment for the continuous business operation will be controlled by “selection and concentration” in order to maintain and strengthen the revenue base.

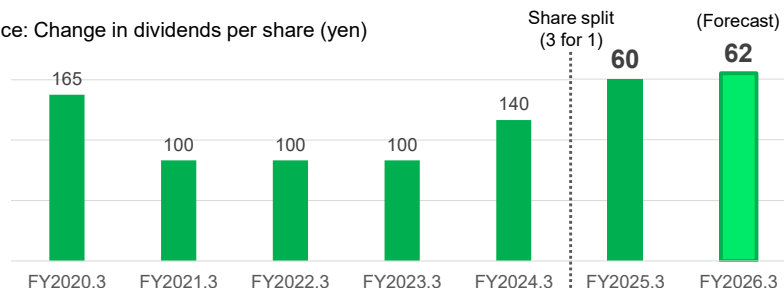
Use of cash (Shareholder returns)



- **Aim for a dividend payout ratio of 30% and target a total return ratio of 40% over the medium-to-long-term**
- **Although give priority to the allocation of cash for growth investment in the near term, steadily enhance shareholder returns in light of capital investments and operating performance trends**
- **Dividends for FY2025.3 will be 60 yen per share (dividend payout ratio: 30.3%), an increase of 8 yen from the forecast.**
Dividends for FY2026.3 (forecast) will be 62 yen per share (dividend payout ratio: 30.9%).

	FY2020.3	FY2021.3	FY2022.3	FY2023.3	FY2024.3	FY2025.3	FY2026.3
Dividend payout ratio	31.4%	-	-	38.0%	26.8%	30.3%	30.9%

Reference: Change in dividends per share (yen)



* The height of the graph is displayed taking share split into account 18

- Finally, I would like explain the shareholder returns.
- Under “Move Up” 2027, we have set a medium- to long-term target of a 40% total return ratio, of which a 30% dividend payout ratio.
- For FY2025.3, the Company plans to pay an annual dividend of 60 yen per share, including an interim dividend of 26 yen per share. The dividend payout ratio will be 30.3%.
- For FY2026.3, the Company plans to pay a dividend of 62 yen, including an interim dividend of 31 yen, for a payout ratio of 30.9%.
- At present, we allocate cash to growth investments as a priority, but we will also steadily return profits to shareholders while taking into account trends in capital investments and business performance.

III. FY2025.3 Financial Results

- I am Itoh, Executive Director.
- I will explain the financial results for FY2025.3.

Highlights of FY2025.3 Financial Results



(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Forecast	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	2,730.1	2,887.5	+157.4	105.8	2,852.0	+35.5	101.2
Operating income	345.1	376.7	+31.6	109.2	370.0	+6.7	101.8
Ordinary income	296.6	321.5	+24.9	108.4	315.0	+6.5	102.1
Profit attributable to owners of parent	196.4	224.2	+27.8	114.2	210.0	+14.2	106.8
EBITDA	737.3	782.9	+45.6	106.2	773.0	+9.9	101.3

*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

All segments achieved increased 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.
- 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 and income mainly due to an increase in the sales of contract system development.

Note: Starting from the first quarter of the fiscal year ended 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 previous fiscal year presented in this material are prepared based on the new reportable segments.

○Shareholder returns (dividend per share)

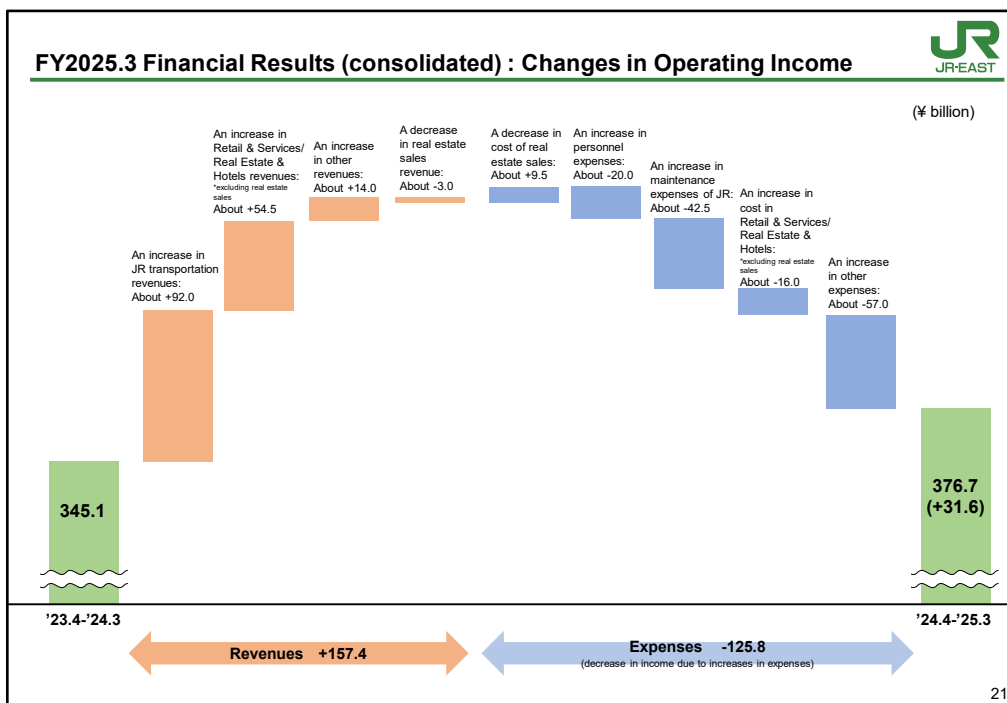
Total: 60 yen *Dividend payout ratio: 30.3%

(Interim dividend per share: 26 yen

Year-end dividend per share: 34 yen *An increase of 8 yen per share from the most recently disclosed dividend forecast)

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- For FY2025.3, our group as a whole realize an increase in both revenues and income, with operating revenue rising for the fourth consecutive year to 2,887.5 billion yen.
- All income and profit increased in line with the increase in revenues. In addition, both revenues and income increased in all segments.



- Operating income increased 31.6 billion yen (+9.2%) year on year to 376.7 billion yen.
- In terms of revenue, JR passenger revenues were up approximately 92 billion yen, of which commuter passes were up approximately 10 billion yen and non-commuter passes were up approximately 82 billion yen.
- Revenues from Retail & Services and Real Estate & Hotels also increased by approximately 54.5 billion yen due to an increase in railway usage.
- In terms of expenses, personnel expenses increased by approximately 20 billion yen.
- JR maintenance expenses increased by about 42.5 billion yen due to the impact of inflation and the implementation of repairs that were restrained for COVID-19 after ensuring safety.
- Depreciation, taxes and dues, and other expenses also increased since we are aggressively pursuing capital investments, mainly for growth, resulting in a total operating income of 376.7 billion yen.

Statements of Income (consolidated)



(\$ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	2,730.1	2,887.5	+157.4	105.8	
Transportation	1,851.5	1,945.7	+94.2	105.1	An increase in passenger revenues
Retail & Services	369.3	393.7	+24.4	106.6	An increase in the sales of EKINAKA stores
Real Estate & Hotels	418.1	445.4	+27.2	106.5	An increase in the sales of shopping centers and hotels
Others	91.0	102.5	+11.4	112.6	An increase in the sales of contract system development
Operating income	345.1	376.7	+31.6	109.2	
Transportation	161.8	176.0	+14.2	108.8	
Retail & Services	52.6	60.5	+7.9	115.0	
Real Estate & Hotels	110.4	120.3	+9.9	109.0	
Others	21.9	22.9	+1.0	104.7	
Adjustment	-1.6	-3.1	-1.4	188.9	
Non-operating income or expenses	-48.5	-55.2	-6.6	113.8	
Non-operating income	29.1	27.9	-1.2	95.9	
Non-operating expenses	77.7	83.2	+5.4	107.0	An increase in interest expense
Ordinary income	296.6	321.5	+24.9	108.4	
Extraordinary gains or losses	-22.5	-24.2	-1.7	107.6	
Extraordinary gains	40.6	45.1	+4.5	111.1	
Extraordinary losses	63.1	69.3	+6.2	109.9	
Profit attributable to owners of parent	196.4	224.2	+27.8	114.2	
EBITDA	737.3	782.9	+45.6	106.2	
Transportation	450.1	475.1	+25.0	105.6	
Retail & Services	69.6	79.9	+10.3	114.9	
Real Estate & Hotels	165.5	175.8	+10.3	106.2	
Others	53.7	55.1	+1.3	102.6	

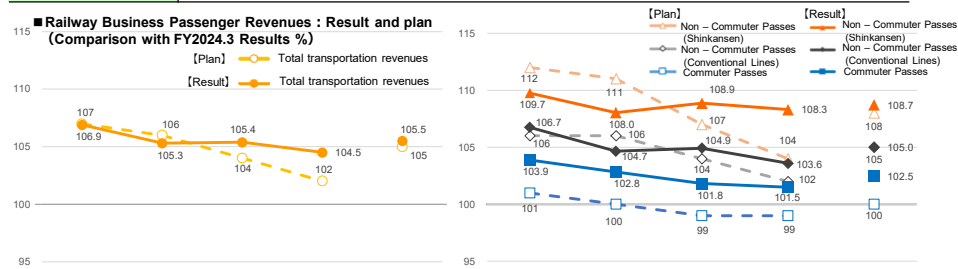
* The segment breakdown of operating revenues:
operating revenues from outside customers

Transportation



(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Forecast	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	1,851.5	1,945.7	+94.2	105.1	1,935.0	+10.7	100.6
Operating income	161.8	176.0	+14.2	108.8	188.0	-11.9	93.7
EBITDA	450.1	475.1	+25.0	105.6	488.0	-12.8	97.4

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) .
Buses	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.



*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.

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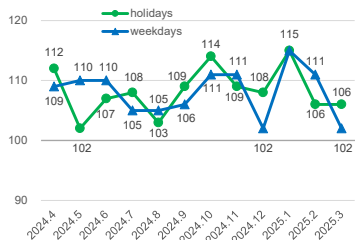
- In the Transportation segment, the combined effect of increase in use of non-commuter passes of Shinkansen and conventional lines in the Kanto region was an increase of 66.5 billion yen over the previous year. This includes ¥2.5 billion in increased revenues from the revision of green car charges for local trains.
- The effect of the Hokuriku Shinkansen line extension to Tsuruga exceeded the plan by 1.0 billion yen to 9.0 billion yen.
- Inbound revenues on Shinkansen and conventional lines combined increased by 4.5 billion yen year-on-year.
- Overall passenger revenues were 105.5% of the previous year's level.

Transportation (Relevant Indicators)



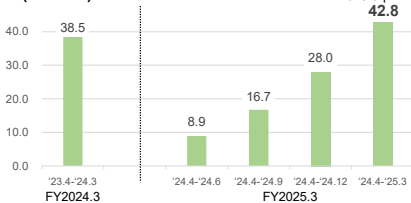
■ Shinkansen passenger volume (weekdays/holidays) (Comparison with FY2024.3 Results %)

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



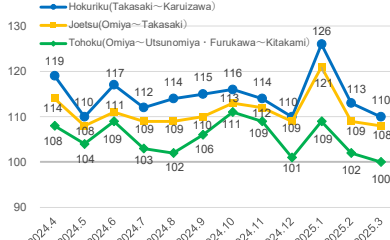
■ Inbound Revenue (estimate) (¥ billion)

Comparison with FY2025.3 plan: 99.6%



• 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.

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



■ Off-peak commuter pass purchase rate

Results as of the end of March 2025: Approx. 8.9%
(Target purchase rate: Approx. 17%)

Purpose: While relieving congestion and supporting diverse workstyle, 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 service.

【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.

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- These are relevant indicators for the Transportation segment.
- Inbound revenues were almost in line with the plan at 42.8 billion yen, 99.6% of the plan.
- Especially in the fourth quarter, we received many customers for key contents such as snow leisure and hot springs, and we will continue to strive to capture inbound demand, including improving our reception system.

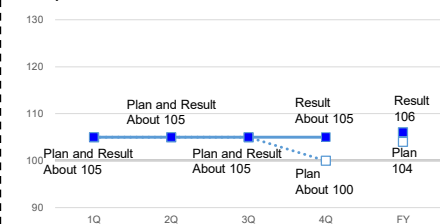
Retail & Services



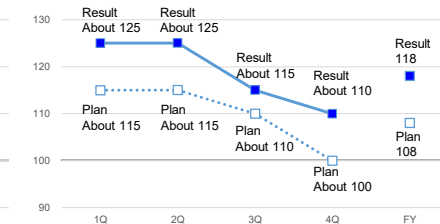
(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Forecast	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	369.3	393.7	+24.4	106.6	387.0	+6.7	101.8
Operating income	52.6	60.5	+7.9	115.0	61.0	-0.4	99.2
EBITDA	69.6	79.9	+10.3	114.9	78.0	+1.9	102.5

Retail	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.
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 %)



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- In the Retail & Services segment, retail sales were strong, mainly due to the effect of the renovation of Gransta at Tokyo Station.
- Segment operating income increased by 7.9 billion yen year-on-year.

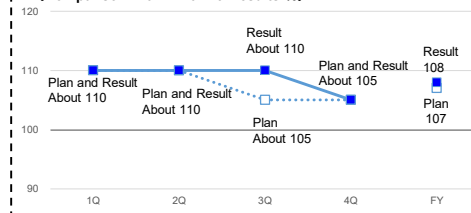
Real Estate & Hotels



(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Forecast	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues () excluding real estate sales	418.1 (369.7)	445.4 (399.9)	+27.2 (+30.1)	106.5 (108.2)	429.0 (395.9)	+16.4 (+3.9)	103.8 (101.0)
Operating income () excluding real estate sales	110.4 (85.6)	120.3 (88.7)	+9.9 (+3.1)	109.0 (103.6)	101.0 (85.1)	+19.3 (+3.6)	119.2 (104.3)
EBITDA () excluding real estate sales	165.5 (140.7)	175.8 (144.2)	+10.3 (+3.4)	106.2 (102.5)	155.0 (139.1)	+20.8 (+5.1)	113.4 (103.7)

Real estate ownership and utilization	Revenue increased year on year due to an increase in shopping center and hotel sales.
Real estate rotation	Although revenue decreased year on year due to a decrease in real estate sales, profit increased due to differences in cost of sales by property.
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 %)



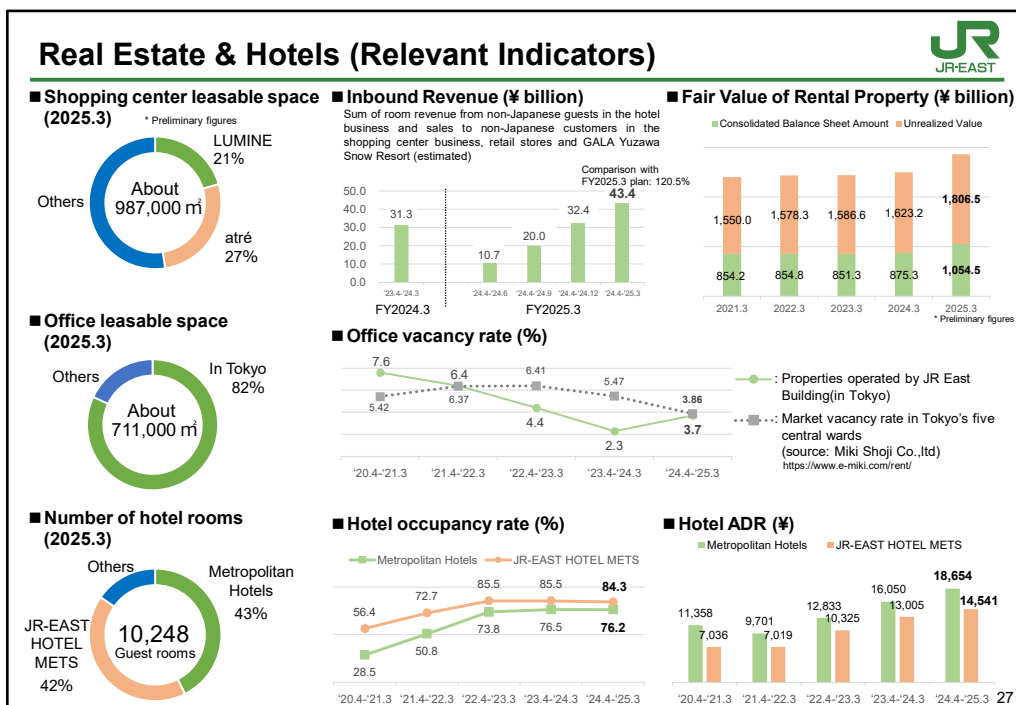
(Reference) Hotel business results

* Simple aggregation of the hotel businesses of each company

(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes	
			Increase /Decrease	%
Operating revenues	74.6	84.2	+9.6	112.9
incl. Hotel Metropolitan	39.6	44.7	+5.0	112.8
JR-EAST HOTEL METS	17.4	19.8	+2.3	113.7
Operating income	6.7	9.5	+2.7	140.8

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- In the Real Estate & Hotels segment, real estate sales, hotels, and offices performed well.



- These are indicators related to Real Estate & Hotels.
- Inbound revenues exceeded the plan by approximately 20% to 43.4 billion yen, due in part to the effect of higher hotel room rates.
- On the upper right, unrealized value on rental properties totaled approximately 1,800 billion yen on a preliminary basis, an increase of approximately 200 billion yen from the previous year.
- This was the result of the new recording of THE LINKPILLAR 1 of TAKANAWA GATEWAY CITY, which celebrated its town opening on March 27, increased appraisals of other properties, and reclassification to inventories to accelerate rotational business, among other factors.
- The office vacancy rate was 3.7%, up from 1.5% in the third quarter.
- This is due to the partial vacancy of THE LINKPILLAR 1 SOUTH of TAKANAWA GATEWAY CITY and the renewal of other properties.
- Overall, we consider we have been able to control the vacancy rate to a low level and continue to have an advantage compared to the market.

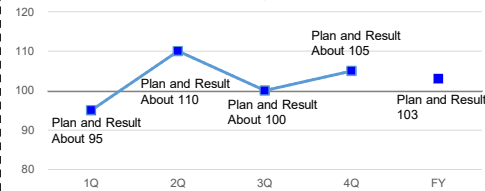
Others



¥ billion	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Forecast	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	91.0	102.5	+11.4	112.6	101.0	+1.5	101.5
Operating income	21.9	22.9	+1.0	104.7	22.0	+0.9	104.3
EBITDA	53.7	55.1	+1.3	102.6	54.0	+1.1	102.1

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-'24.3 Results	'24.4-'25.3 Results	Changes	
			Increase /Decrease	%
Operating revenues	61.6	63.3	+1.6	102.7
Operating income	16.2	16.8	+0.6	103.8

* 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.

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- In Others, although operating income decreased (year-on year) at the time of the third quarter due to increased expenses from the withdrawal from wind power generation in the energy business, operating income for a full year increased year on year due to an increase in system-related contracts and contracted work for JR EAST MECATRONICS Co., LTD..

Balance Sheets (consolidated)



(¥ billion)	As of '24.3 Results	As of '25.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	9,771.4	10,174.2	+402.7	104.1	
Current assets	1,191.9	1,250.0	+58.1	104.9	
Fixed assets	8,579.5	8,924.1	+344.6	104.0	An increase in buildings and structures, An increase in construction in progress
Liabilities	7,032.2	7,302.0	+269.7	103.8	
Current liabilities	1,616.7	1,741.9	+125.2	107.7	An increase in payables
Long-term liabilities	5,415.5	5,560.0	+144.5	102.7	An increase in bonds
Total Net Assets	2,739.2	2,872.2	+132.9	104.9	
Total Liabilities and Net Assets	9,771.4	10,174.2	+402.7	104.1	

Summary of Cash Flows (consolidated)



(¥ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Increase /Decrease
Cash Flows from Operating Activities	688.1	732.2	+44.1
(Main Components)			
Income before income taxes	274.0	297.2	+23.2
Depreciation	392.1	406.2	+14.0
Cash Flows from Investing Activities	-690.6	-783.4	-92.7
(Main Components)			
Payments for purchases of fixed assets	-714.9	-770.9	-56.0
Payments for purchases of investments in securities	-21.3	-47.1	-25.7
Cash Flows from Financing Activities	66.1	3.6	-62.4
(Main Components)			
Proceeds from long-term loans and issuance of bonds	462.3	414.9	-47.3
Payments of long-term loans and redemption of bonds	-365.0	-324.1	+40.8
Cash dividends paid	-39.6	-61.6	-21.9
Cash and Cash Equivalents at Beginning of the Year	215.0	280.8	+65.8
Cash and Cash Equivalents at End of the Year	280.8	233.4	-47.3
Free Cash Flows	-2.5	-51.1	-48.6

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- This is a consolidated summary of cash flows.
- Free cash flow was -51.1 billion yen as we continue to invest in growth aggressively.

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



Interest-bearing debt (consolidated)

(¥ billion)	As of '24.3 Results	As of '25.3 Results	Changes		Average interest rate (Comparison with 2024.3 Results)	
			Increase /Decrease	%		
Interest-bearing debt balance	4,868.2	4,955.3	+87.1	101.8	1.57%	(+0.10%)
Bonds	3,114.9	3,246.3	+131.4	104.2	1.35%	(+0.11%)
Long-term loans	1,442.2	1,401.7	-40.4	97.2	0.97%	(+0.10%)
Long-term liabilities incurred for purchase of railway facilities	311.0	306.7	-4.2	98.6	6.55%	(+0.00%)
Other interest-bearing debt	0.0	0.4	+0.4	—	3.74%	(-4.19%)
Net interest-bearing debt balance	4,587.4	4,721.8	+134.4	102.9		

Capital Expenditures (consolidated)

(¥ billion)	Segment	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Plans	Changes	
				Increase /Decrease	%		Increase /Decrease	%
Mobility	Transportation	436.6	430.2	-6.3	98.5	424.0	+6.2	101.5
Life-style Solutions	Retail & Services Real Estate & Hotels Others	277.0	395.6	+118.5	142.8	395.0	+0.6	100.2
Total		713.7	825.8	+112.1	115.7	819.0	+6.8	100.8

Key Indicators (consolidated)

	Unit	As of '24.3 Results	As of '25.3 Results	Increase /Decrease
ROA	%	3.6	3.8	+0.2
ROE	%	7.6	8.0	+0.5
Net interest-bearing debt / EBITDA	Times	6.2	6.0	-0.2

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- About key indicators.
- ROE was 8.0%, up 0.5 points from the previous year.
- The net interest-bearing debt / EBITDA ratio improved by 0.2 points to 6.0x.
- We control our financial discipline while promoting investment in growth.

Statements of Income (non-consolidated)

Appendix



(\$ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		'24.4-'25.3 Plans	Changes	
			Increase /Decrease	%		Increase /Decrease	%
Operating revenues	1,987.2	2,077.6	+90.3	104.5	2,066.0	+11.6	100.6
Operating expenses	1,733.4	1,811.6	+78.1	104.5	1,790.0	+21.6	101.2
Operating income	253.8	266.0	+12.2	104.8	276.0	-9.9	96.4
Ordinary income	202.3	216.5	+14.1	107.0	225.0	-8.4	96.2
Profit	146.6	152.6	+5.9	104.0	160.0	-7.3	95.4

(Components)

(\$ billion)	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	1,987.2	2,077.6	+90.3	104.5	
Passenger revenues	1,676.5	1,768.8	+92.2	105.5	
Others	310.7	308.8	-1.8	99.4	
Operating expenses	1,733.4	1,811.6	+78.1	104.5	
Personnel expenses	406.5	406.2	-0.3	99.9	
Non-personnel expenses	812.2	875.3	+63.0	107.8	
Energy	86.0	83.4	-2.5	97.0	
Maintenance	273.6	316.3	+42.6	115.6	An increase in general maintenance expenses and railcar maintenance expenses
Other	452.6	475.5	+22.9	105.1	An increase in outsourcing expenses
Usage fees to JR TT, etc	83.8	83.5	-0.3	99.6	
Taxes	109.2	113.5	+4.3	103.9	
Depreciation	321.4	332.8	+11.4	103.6	
Operating income	253.8	266.0	+12.2	104.8	

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Balance Sheets (non-consolidated)

Appendix



(¥ billion)	As of '24.3 Results	As of '25.3 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	8,873.3	9,139.4	+266.1	103.0	
Current assets	881.7	909.9	+28.1	103.2	
Fixed assets	7,991.5	8,229.5	+237.9	103.0	An increase in fixed assets for other operations
Liabilities	6,828.6	7,044.3	+215.6	103.2	
Current liabilities	1,547.6	1,635.7	+88.1	105.7	
Long-term liabilities	5,281.0	5,408.5	+127.5	102.4	An increase in bonds
Total Net Assets	2,044.6	2,095.1	+50.4	102.5	
Total Liabilities and Net Assets	8,873.3	9,139.4	+266.1	103.0	

Traffic Volume and Passenger Revenues

Appendix



	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes %	'23.4-'24.3 Results	'24.4-'25.3 Results	Changes		Main factors behind changes
						Increase /Decrease	%	
Shinkansen	21,230	22,679	106.8	537.4	583.3	+45.8	108.5	
Commuter Passes	1,670	1,758	105.3	22.5	23.6	+1.1	105.0	
Non-commuter Passes	19,560	20,920	107.0	514.8	559.6	+44.7	108.7	•Increase in railway transportation: +35.0 •Extension of the Hokuriku Shinkansen to Tsuruga: +9.0 •Rebound from natural disasters: +2.0 •Inbound tourism: +2.0 •In reaction to the impact of a natural disaster: -1.5
Conventional Lines	98,470	101,628	103.2	1,139.1	1,185.5	+46.3	104.1	
Commuter Passes	60,237	61,525	102.1	395.3	404.7	+9.4	102.4	
Non-commuter Passes	38,232	40,103	104.9	743.8	780.7	+36.9	105.0	
Breakdown of Conventional Lines Kanto Area Network(Reproduced)	93,387	96,290	103.1	1,077.5	1,120.2	+42.6	104.0	
Commuter Passes	57,474	58,757	102.2	378.8	388.1	+9.3	102.5	
Non-commuter Passes	35,912	37,532	104.5	698.7	732.1	+33.3	104.8	•Increase in railway transportation: +31.5 •Rebound from natural disasters: +3.5 •Inbound tourism: +2.5 •Leap year: -2.5 •In reaction to the impact of a natural disaster: -3.0
Breakdown of Conventional Lines Other Network(Reproduced)	5,083	5,338	105.0	61.5	65.2	+3.6	106.0	
Commuter Passes	2,763	2,768	100.2	16.5	16.6	+0.0	100.6	
Non-commuter Passes	2,319	2,570	110.8	45.0	48.6	+3.5	108.0	•Increase in railway transportation: +3.5
Total	119,701	124,308	103.8	1,676.5	1,768.8	+92.2	105.5	
Commuter Passes	61,908	63,284	102.2	417.8	428.4	+10.5	102.5	•Increase in railway transportation: +9.5
Non-commuter Passes	57,792	61,024	105.6	1,258.7	1,340.4	+81.6	106.5	

* 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.

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Retail & Services / Real Estate & Hotels / Others

Appendix



■ Retail & Services: Changes in revenue (YoY)

FY2025.3	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
Retails & Restaurant (%)	106.6	105.0	105.6	106.0	104.7	105.8	107.5	107.9	106.3	108.2	103.2	105.0	106.0
JR East Cross Station Co., Ltd. (Retail Company) (existing) (%)	109.4	106.4	104.6	108.2	105.5	104.9	107.9	109.1	107.0	108.3	102.6	105.7	106.7
JR East Cross Station Co., Ltd. (Foods Company) (existing) (%)	110.1	105.6	105.6	104.7	103.4	103.2	107.7	107.8	106.7	106.1	103.1	102.4	107.0

■ 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	106.3	104.4	106.2	107.2
LUMINE (existing) (%)	103.5	105.2	109.4	103.9	108.9	109.1	101.9	108.3	106.0	103.8	102.9	105.0	106.0
atr� (existing) (%)	105.5	105.7	107.0	101.9	104.6	107.7	104.3	108.5	105.7	104.8	102.2	104.3	105.2
Hotels (%)	115.3	117.3	118.9	117.7	112.3	111.6	117.3	115.8	109.8	115.0	102.5	108.8	113.5

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

Number (Millions)	276	285	286	314	298	295	302	287	287	269	253	281	3,432
YoY (%)	107.1	106.4	103.9	105.2	102.3	104.3	105.9	104.9	104.0	105.8	102.0	104.2	104.7

IV. FY2026.3 Management Strategy

- We will continue with FY2026.3.

Highlights of FY2026.3 Financial Forecast



¥ billion)	'24.4-'25.3 Results	'25.4-'26.3 Forecast	Changes	
			Increase /Decrease	%
Operating revenues	2,887.5	3,023.0	+135.4	104.7
Operating income	376.7	387.0	+10.2	102.7
Ordinary income	321.5	323.0	+1.4	100.4
Profit attributable to owners of parent	224.2	227.0	+2.7	101.2
EBITDA	782.9	809.0	+26.0	103.3

For the fiscal year ending March 2026, we aim to achieve record-high consolidated operating revenues. We also expect increased revenues and income across all segments.

- In the Transportation segment, revenues are expected to increase, driven mainly by higher non-commuter usage (inbound travel, Chuo Line rapid service Green Cars, etc.), resulting in higher railway transportation revenues. However, considering the rise in personnel expenses, inflation, and higher labor costs, income growth is expected to be modest.
- In the Retail & Services segment, revenues and income are expected to grow due to increased retail sales revenue associated with greater railway usage and higher transportation advertising revenue.
- In the Real Estate & Hotels segment, although upfront costs related to the opening of TAKANAWA GATEWAY CITY are anticipated, we plan to increase real estate sales revenue. Combined with growth in existing shopping centers, offices, and hotels, we expect both revenue and income growth.
- In the Others, revenues and income are expected to increase due to higher sales from system development contracts and a reactionary decline in energy business-related costs.

○Shareholder returns (dividend per share)

Total: 62 yen *Divided payout ratio: 30.9%
(Interim dividend: 31 yen Year-end dividend: 31 yen)

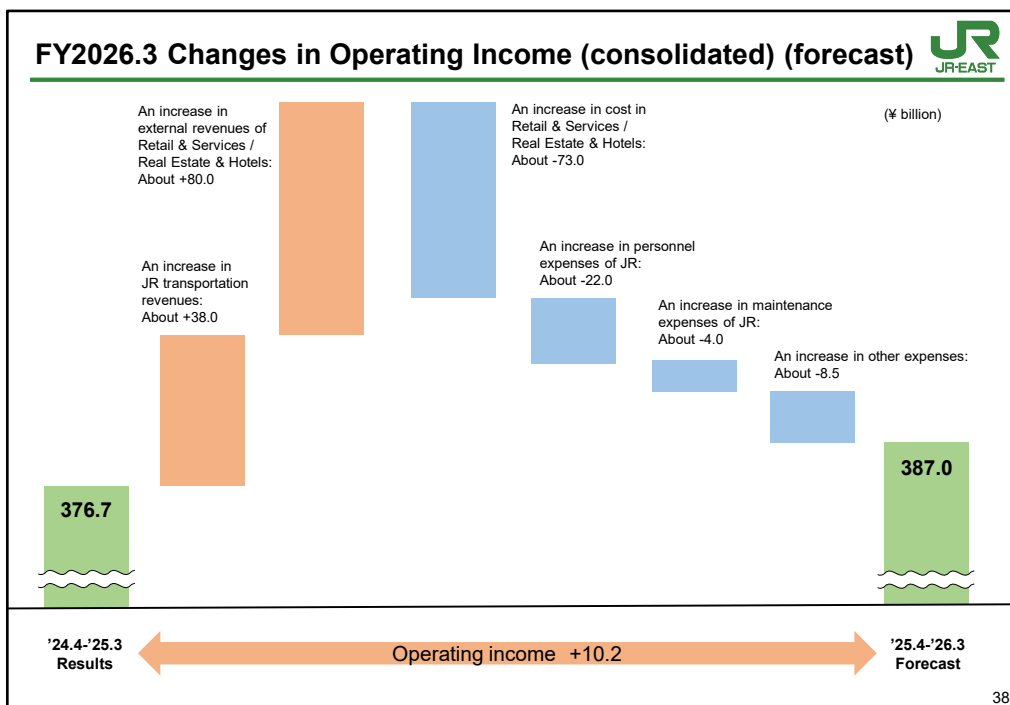
○Major capital investments

- TAKANAWA GATEWAY CITY, OIMACHI TRACKS
- Accelerate installation of automatic platform gates
- Countermeasures against large-scale earthquakes etc.

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- For FY2026.3, we plan to increase both revenues and income for the entire Group.
- In particular, consolidated operating revenues are expected to increase 4.7% year-on-year to 3,023.0 billion yen, which will be a record high surpassing the 3,002.0 billion yen in FY2019.3.
- We expect to see increases in both revenues and income in all segments.
- In the Transportation segment, we plan 2.2% growth in passenger revenue, mainly due to inbound travel and an increase in non-commuter passes, including the Chuo Line Rapid Green Car, but we expect income to increase only slightly, taking into account the impact of higher personnel expenses, inflation, and rising labor costs.
- In the Retail & Services segment, we expect growth in retail and advertising revenues to translate into income growth as well.
- In the Real Estate & Hotels segment, real estate sales revenues are expected to increase, but income are expected to increase only slightly due to an increase in expenses for the opening of TAKANAWA GATEWAY CITY and an increase in depreciation expenses. TAKANAWA GATEWAY CITY is expected to contribute to income from FY2027.3.
- In Others, there are no major variable factors, but we expect an increase in both revenues and income.

- Capital investments are planned to be approximately 900 billion yen, an increase of approximately 10% over the previous year, mainly for the subject items listed at the bottom right.
- Installation of automatic platform gates will be accelerated as we have passed the turnaround point of the installation plan through FY2032.3.
- Large-scale earthquake countermeasures will continue consistently at 35-40 billion yen/year.



- Consolidated operating income is targeted at 387.0 billion yen.
- On the revenue side, we expect an increase in JR passenger revenues of about 38 billion yen. Commuter passes revenue is expected to remain flat year on year, with plans to increase non-commuter passes revenue.
- We expect an increase of approximately 15 billion yen in railway usage, an increase of approximately 4.5 billion yen in inbound travel on each Shinkansen and conventional lines, and an increase of approximately 8 billion yen with the introduction of green cars on the Chuo Line rapid train service.
- We will continue to grow revenues in our group companies.
- Expenses are expected to increase slightly, particularly in the Transportation segment. As a result, as mentioned earlier, we expect only a slight increase in income in the Transportation segment.

FY2026.3 Forecast (by segment)



(¥ billion)	2025.3 Results	2026.3 Forecast	Changes		2028.3 Target *
			Increase/Decrease	%	
Operating revenues	2,887.5	3,023.0	+135.4	104.7	3,276.0
Transportation	1,945.7	2,001.0	+55.2	102.8	2,019.0
Retail & Services	393.7	418.0	+24.2	106.1	654.0
Real Estate & Hotels	445.4	501.0	+55.5	112.5	507.0
Others	102.5	103.0	+0.4	100.4	96.0
Operating income	376.7	387.0	+10.2	102.7	410.0
Transportation	176.0	177.0	+0.9	100.5	178.0
Retail & Services	60.5	67.0	+6.4	110.7	80.0
Real Estate & Hotels	120.3	121.0	+0.6	100.5	124.0
Others	22.9	24.0	+1.0	104.6	30.0
Non-operating income or expenses	-55.2	-64.0	-8.7	115.9	-
Ordinary income	321.5	323.0	+1.4	100.4	-
Extraordinary gains or losses	-24.2	4.0	+28.2	-	-
Profit attributable to owners of parent	224.2	227.0	+2.7	101.2	-
EBITDA	782.9	809.0	+26.0	103.3	868.0
Transportation	475.1	475.0	-0.1	100.0	495.0
Retail & Services	79.9	87.0	+7.0	108.8	101.0
Real Estate & Hotels	175.8	191.0	+15.1	108.6	211.0
Others	55.1	58.0	+2.8	105.2	63.0
ROA	3.8%	3.7%	-0.1%	-	4.0% approx.
ROA (R=EBITDA)	7.9%	7.8%	-0.1%	-	8.5% approx.

* Target for 2028.3 is the figures announced in April 2023 and does not incorporate the impact of the fare revision pending for approval. 39

➤ Here is the forecast by segment.

Transportation (Segment policy and KPI)



Market environment

- Due to the decline in the working-age population, the industry faces two major challenges: a decrease in the number of customers and a shortage of workforce
- Inbound demand is expected to continue to increase over the medium-to-long-term beyond FY2026.3, but attracting customers to the Tohoku and Joshinetsu areas is a challenge
- Now that we have overcome the COVID-19 crisis, commuter pass use is stable. For non-commuter pass, we expect an increase in tourism demand including inbound.
- We expect that cost pressures, such as surging prices and rising labor costs, will continue in the future
- As for railcar manufacturing, domestic new railcar demand is on a downward trend, while demand for remodeling work for existing railcars is firm

Review of FY2025.3

- A few incidents causing concern and inconvenience to customers occurred
- Medium-and-long-distance revenues were strong due to the creation of flow triggered by the extension of the Hokuriku Shinkansen to Tsuruga, but need to improve revenue further such as by capturing inbound demand
- Steadily promoted structural reforms through labor saving such as driver-only operation and inspections using drones
- Applied for fare adjustment (December 2024)

Policy for FY2026.3

- **Realize high levels of safety to live up to the "trust" of our customers**
- Improve the safety level of the entire Group by thinking more deeply about the nature of work and taking concrete actions
- Investigate the causes of accidents and incidents and ensure the implement measures to prevent recurrence
- **Social and regional development through mobility and increased visitor flow**
- (1) Enhance attractiveness of mobility itself, (2) Increase visitor flow and create a flow of people as a whole Group through events in collaboration with society and the local community and dissemination of appeal of tourism resources, and (3) Increase revenue by capturing inbound demand through information dissemination, etc.

KPI

	FY2026.3 (year-on-year)	FY2023.3 (To be updated after the announcement of the new Group Management Vision)
Railway accidents due to Group's internal causes	0 (-2)	0
Serious incidents	0 (-1)	0
Passenger revenues	1,807.0 billion yen (+38.1 billion yen)	About 1,780.0 billion yen
Railway business fixed asset turnover	0.36 (±0)	0.35 or more

Economic value

	FY2026.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	2,001.0 billion yen (+55.2 billion yen, 102.8%)	2,019.0 billion yen
Operating income	177.0 billion yen (+0.9 billion yen, 100.5%)	178.0 billion yen
EBITDA	475.0 billion yen (-0.1 billion yen, 100.0%)	495.0 billion yen
ROA	2.4% (+0.0pt)	2.3%
ROA (R=EBITDA)	6.5% (-0.1pt)	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

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- Thereafter, please refer to this chapter, which describes management strategies and other information.

Transportation (Strategy by business)



Shinkansen business

Policy Further strengthen the foundation of the safe and high level of punctuality, which is the greatest value of Shinkansen transportation, to enhance the safety and trust of our customers and local communities and aim for sustainable business. To achieve this goal, reform our work structure by implementing new technologies so as not to be caught up in conventional ideas through "integration and collaboration," "DX," and "human resource development," and promote constant enhancement of Shinkansen services.

Strategy (1) Pursue "Trust in the high level of safety and punctuality of Shinkansen"

- Instill awareness that "safety" the foundation of Shinkansen transportation, is created through the accumulation of all employees and all operations and eliminate the causes of accidents and incidents that have occurred, as well as obstructive factors that have not yet become apparent

Strategy (2) Create new value for Shinkansen

- Enhance the convenience, comfort, and enjoyment of traveling by Shinkansen
- Schedule special trains tailored in detail to seasons, events, and overseas holidays and create mobility demand by uncovering and communicating the appeal of local communities



Next-generation Tohoku Shinkansen Series E10 (image)

Strategy (3) Transform operations and promote sustainability

- Further expand smart maintenance, including the Shinkansen monitoring train, which will go into full-scale operation
- Promote development to realize sustainable Shinkansen operations such as Shinkansen driverless operation and face authentication ticket gates

Expanding introduction of Shinkansen monitoring trains



Buses business

Policy Aim to raise the level for safety and stable transportation and maximize profits by strengthening collaboration not only with railroads but also with companies outside the Group.

Strategy (1) Pursue ultimate safety

- Carry out works safely and surely and eradicate severe accidents through "activation of the Challenge Safety Movement" and "utilization of the 4M&E analytical method"

Strategy (2) Increase revenue by strengthening collaboration with companies inside and outside the Group

- Expand alliance operations with other companies in the industry
- Modal change mix for substitute transport for railway and local conventional lines
- Increase visitor flow, including inbound tourists, through deeper collaboration between buses and railways

Conventional lines business

Policy Based on the premise of pursuing "ultimate safety," provide services that meet the seating needs of customers such as the introduction of Green Cars to the Chuo Rapid Line. In addition, aim for sustainable railway business operation by promoting driverless operation technology and proactively introducing new technologies toward realization of labor savings in inspection and construction.

Strategy (1) Understand the essence of railway work and take on the challenge of safety first

- Based on the Group Safety Plan 2028, focus on "taking the nature of railway work to heart, imagine the unexpected, reach for safety!" Improve safety level by identifying and resolving the challenges of work based on that awareness

Strategy (2) Grow businesses in collaboration with society and local community

- Contribute to increase visitor flow, including inbound tourists, by promoting tourism together with society and the local community, such as operating Joyful Trains
- Strengthen earning power by leveraging existing assets, such as examining the use of assets and land the Group owns and create Group-wide liquidity
- Discuss sustainable transportation system for routes that do not take full advantage of their characteristics with local residents



Driver-only operation of long trains on the Joban and Nambu lines

Strategy (3) Sustainable railway operations

- Establish an efficient operational system through structural reform and technological development

Railcar manufacturing business

Policy With a thorough awareness of safety and compliance, further strengthen the cost competitiveness of the "sustina," stainless steel railcar brand, to increase orders.

Strategy (1) Ensure compliance in business operations

- Provide high-quality products by ensuring compliance in daily operations, bearing in mind the lessons learned from the incident in the wheelset assembly operations

Strategy (2) Expand market share by reducing costs

- By standardizing the "sustina," stainless steel railcar, and reducing costs through improved productivity, expand domestic market share and proactively expand overseas markets

Retail & Services (Segment policy and KPI)



Market environment

- Due to population decline, rooted web conferencing and remote working, how customers travel and their consumption behavior have changed. Labor shortage is also a challenge
- Increases in raw material prices, logistics costs, etc. are expected as inflation has become normal
- Digital technology is advancing at an accelerating pace, and the market size of e-commerce and digital advertising is expanding. The impact of the Trump tariffs, etc on corporate performance will have an impact on advertising placement
- The number of fans of Japan and consumption of Japanese products are on an upward trend overseas, and in the medium-to-long term, consumption is also expected to increase in emerging markets

Review of FY2025.3

- Formulated the medium-to-long-term business growth strategy "Beyond the Border"
- Achieved revenue increase that exceeded the plan driven by renewal of EKINAKA such as Tokyo Station and large-scale signage in stations
- Increased revenue in overseas businesses through M&A with U.K. vending machine company, etc
- Need effective approaches to capture strong inbound demand

Policy for FY2026.3

- **Increase in revenue and income from a market-in perspective**
- Continuously improve profitability by strengthening product and service development system to quickly respond to needs, implementing thorough pricing strategies in line with inflation and demand trends, and improving logistics efficiency and cost management
- Strategically invest in facilities and human resources based on the Beyond Stations concept to transform station space from "transportation hubs" to attractive "destinations" to maximize their profitability and ability to attract customers
- Build a platform that integrates customer data from retail, advertising, and IC cards, and proactively utilize cutting-edge digital technologies to create customer experiences that meet potential needs from both the real and digital sides, establishing highly profitable business models
- Strengthen collaboration with mobility, turn train baggage transport into a regular service, generate new travel demand, develop new logistics and travel markets and expand business revenue
- Deliver products and services that customers can use with confidence, ensuring food safety and other quality standards

KPI

	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the new Group Management Vision)
Retail operating revenue	326.0 billion yen (+15.8 billion yen)	320.0 billion yen
Transportation advertising operating revenue	36.1 billion yen (+2.1 billion yen)	43.0 billion yen

Economic value

	FY2026.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	418.0 billion yen (+24.2 billion yen, 106.1%)	654.0 billion yen
Operating income	67.0 billion yen (+6.4 billion yen, 110.7%)	80.0 billion yen
EBITDA	87.0 billion yen (+7.0 billion yen, 108.8%)	101.0 billion yen
ROA	16.2% (+0.9pt)	17.9%
ROA (R=EBITDA)	21.0% (+0.9pt)	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

Retail & Services (Strategy by business)



Retail business

Policy Expand existing businesses by refining and renewing existing business categories at stations, the Group's largest management resource, and further increase revenue by opening new stores outside the Group and expand wholesaling based on the knowledge and brands cultivated through the EKINAKA business.

As digital functions to expand the Suica daily life area, utilize JREMALL and Multi-Ecube to expand contact points with customers, provide information tailored to potential customer needs, and improve the value of customer experience through integration of real and digital, thereby evolve from "gathering station" to "connecting station."

Strategy (1) Open new stores outside the Group and expand wholesale business

- Accelerate opening of NewDays stores at transport nodes including other railway companies, based on product appeal and management capability refined through EKINAKA business
- Expand wholesale business of Kinokuniya private brand products outside the Group leveraging the Kinokuniya brand and product appeal



Choshin-jo KINOKUNIYA Kyo-machiya

Strategy (2) Improve value of customer experience by integrating real and digital

- Increase revenue by expanding smart locker "Multi-Ecube" outside the Tokyo metropolitan area and introducing dynamic pricing for locker fees
- Position JRE MALL as a digital function to expand the Suica daily life area, and promote measures in collaboration with real stores, such as the renewal of mobile orders that provide a seamless purchasing experience at EKINAKA and other spaces



Multi-Ecube WEB

Strategy (3) Promote business through solving social issues

- Commercialize "Hako-byun," the luggage transport service, and launch a large-scale scheduled service aiming to achieve annual revenue of around 10 billion yen in the future. Respond to the needs for promptness, punctuality, and express delivery by introducing dedicated railcars and address the labor shortage issue and CO2 emissions reduction in the logistics industry
- Revitalize local communities, such as selling local products, through developing bases to be sources of local information by integrating station facilities and stores at regional stations



Inside dedicated railcar for luggage transport image

Advertising and publishing business

Policy Rebuild the business model and promote "integration and collaboration" in realms of both real and virtual to maximize the value of all media within the Group. Based on a sense of trust in safety, strive for an increase in external cash inflows and improvement in lifetime value by enhancing and linking the various digital data within the Group, abundant client resources, and creativity and mobility of employees to promote sustainable growth.

Strategy (1) Rebuild the business model

- Further refurbish measures to install large signage in station spaces and attract attention inside trains
- Expand business outside station areas and into city centers through the new advertisement sales system "MASTRUM" and targeted delivery using data, aiming to grow into a business that also attracts attention from overseas



TRAIN TV

Strategy (2) Innovative use of digital data and creation of lifetime value

- Work closely together in providing solutions to challenges of clients and communities
- Maximize the use of contents such as "entertainment," "animation," and "food."
- Develop new businesses such as structuring blockchain and support advertising

Overseas business

Policy Establish a TOD business model that transforms stations into "life platforms" by capturing the growth phase of major cities in Asia as a business opportunity, positioning Taiwan and Bangkok as key target markets, and promote the expansion of the Group's overseas business by leveraging synergies with the railway business and the Group's comprehensive strength. Also, expand contact points with customers to generate the flow of people and business between Japan and overseas.

Strategy (1) Establish a business model centered on commerce around stations in key markets

- Expand development of commercial operations around stations (EKINAKA, station buildings, vending machines) by leveraging relationships with local railway companies, and create station building/around-the-station real estate projects

Strategy (2) Expand contact points with individual customers overseas and generate flow between Japan and overseas

- Strengthen targeted sales initiatives in the hotel and fitness businesses in Taiwan from a market-in perspective and improve profitability by utilizing the Group's business infrastructure
- Position overseas business bases as hubs for disseminating information about Japan and contribute to inbound revenue by generating flow between Japan and overseas

Real Estate & Hotels (Segment policy and KPI)



Market environment

- Due to population decline and rooted digitalization of socioeconomic activities, consumer behavior and working styles are changing dramatically
- In addition to rising construction costs, uncertainties such as rising interest rates and fluctuations in exchange rates are also expected
- The number of competing facilities, offices, and hotels is increasing. Housing prices such as for condominiums remain high
- Given the national goal of 60 million foreigners visiting Japan in 2030, expect continued increase in inbound tourism FY2026.3

Review of FY2025.3

- Formulated the medium-to-long-term business growth strategy "Beyond the Border"
- Achieved the plan as a result of capturing inbound demand at hotels and shopping centers (SC) and robust real estate sales
- Opened TAKANAWA GATEWAY CITY (March 2025)
- Important to further increase the speed of rotational business

Policy for FY2026.3

- Town development for the next 100 years by integrating mobility and lifestyle solutions and utilizing the Group's resources
- Promote town development, including TAKANAWA GATEWAY CITY, OIMACHI TRACKS, and other areas in the Greater Shinagawa area
- Accelerate rotational business, such as real estate acquisition by JREast Real Estate Co., LTD. and realizing latent gains on real estate holdings
- Rebuild the business model that was based on the assumption that "customers would naturally gather at stations"
- Approach a wide range of customers, including inbound tourists, from both realms of real and digital using data analysis, etc., stay ahead of changes in customers, and evolve products and services
- Consider business model for sustainable stations in the Tohoku-Joshinetsu area
- Continue initiatives for safety and security, such as fire prevention, disaster prevention, and accident prevention, to earn customer trust

KPI

	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the new Group Management Vision)
SC, offices, hotels operating revenue	404.0 billion yen (+30.8 billion yen)	440.0 billion yen
Asset management scale in real estate fund business	420.0 billion yen in total (+61.3 billion yen)	400.0 billion yen in total

Economic value

	FY2026.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	501.0 billion yen (+55.5 billion yen, 112.5%)	507.0 billion yen
Operating income	121.0 billion yen (+0.6 billion yen, 100.5%)	124.0 billion yen
EBITDA	191.0 billion yen (+15.1 billion yen, 108.6%)	211.0 billion yen
ROA	4.9% (-0.7pt)	4.4%
ROA (R=EBITDA)	7.8% (-0.4pt)	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

Real Estate & Hotels (Strategy by business)



Real estate holdings and utilization business

Policy Promote the "Tokyo Metropolis Project," a large-scale development to maximize area value in the Tokyo metropolitan area. "TAKANAWA GATEWAY CITY," one of the largest new towns in central Tokyo directly connected to Takanawa Gateway Station, opened to continue to create innovation and culture for enriched lifestyles for the next 100 years. Increase profitability by developing businesses that lead industry and area through software, services, and innovation that are ahead of the times.

Strategy (1) Evolve services in response to changing and diversifying customer needs

- In the SC flagship stores, pursue new value creation and floor composition such as creating trends, opening the first store in Japan, and consolidating clinics based on changes in customers
- In the SC along railways, develop highly unique businesses that take advantage of the characteristics along the route, such as events in collaboration with local businesses and local EC



TAKANAWA GATEWAY CITY which will hold its grand opening in the spring of 2026



NEWoManTakanawa MIMURE

Strategy (2) Expand hotel network and strengthen profitability

- With the opening of HOTEL METROPOLITAN OIMACHI TRACKS TOKYO, further expand and enhance network, strengthen yield management to increase revenue
- Continue to implement a diversified approach to OTAs* and overseas agents toward inbound expansion

Strategy (3) Moving towards a problem-solving office business

- In addition to direct connection to the station, adjacent site location, and high-spec building functions, support work style reform by utilizing the shared office service "STATION WORK," host events to increase office workers' engagement, and seek to solve corporate issues using the Group's services



OIMACHI TRACKS



STATION BOOTH

Strategy (4) Promote local projects that communicate the appeal of local communities

- In regional areas, promote integrated development of station facilities and stores, and create travel destinations that communicate the unique appeal of the region to generate new visitor flow

* OTA: Online Travel Agent, a travel agency that conducts transactions exclusively online without physical stores

Real estate rotation business

Policy Accelerate the real estate rotation business by utilizing the Group's assets and promote "town development" in broad areas centered on stations to prompt business growth in the segment as a whole in conjunction with the real estate holding and utilization businesses. Furthermore, aim to create value (lifestyle creation) by leveraging the Group's comprehensive strength, such as developing services in local regions and expanding the "Suica economic zone."

Strategy (1) Promote development and sales of Company-owned sites

- Promote development and sales of Company-owned sites in the profitable real estate sales business
- Accelerate housing sales through joint business with external developers and independent development
- Increase the asset value of areas such as the Broad Shinagawa Area which leverages our strengths, and develop new assets such as logistics facilities



Rotation business model for real estate

Strategy (2) Acquire real estate and increase the value

- Further expand the business area with greater speed by accelerating the acquisition, value enhancement, and sales of MACHINAKA real estate through JREast Real Estate Co., Ltd. (established in July 2024)

Real estate management business

Policy Expand asset management scale in the "real estate fund business" by promoting sales to and investments in funds to receive asset management fees, which will be the core of the business. Aim to strengthen competitiveness in property management business, etc., to maximize the value of the entire segment.

Strategy (1) Expand real estate fund business

- Enhance fund products to respond to diverse needs
- Expand asset management scale and increase asset management fee revenues
- Strengthen competitiveness of the property management business, including collaboration with companies outside the Group, and develop attractive new products

Strategy (2) Demonstrate the Group's comprehensive strength

- Invite new investors through funding ability of the fund leveraging the Group's comprehensive strength
- Promote development of unique services through collaboration with mobility and Suica

Others (Strategy and KPI for each business)



Suica and finance business

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

Review of FY2025.3

- Announced "Suica Renaissance," a medium-to-long-term plan for the evolution of Suica (December 2024)
- The number of JRE BANK applications reached 500,000 and is steadily growing
- Expanded Suica base such as the Suica area, regional alliance IC, and increase in member stores of transportation e-money, etc.

Policy By evolving Suica from a "device for mobility and payment" to a "device for lifestyle," increase the lifetime value of the entire Group through providing "strengthened contact points with individual customers" and "seamless payment service."

Strategy (1) Make Suica a common platform

- Expanded function of "Welcome Suica Mobile" such as alignment with "JR-EAST Train Reservation"
- Expand business operators introducing regional alliance IC card systems
- Improve CX of digital services by introducing JRE ID



Welcome Suica mobile

Strategy (2) Enhance the Suica system toward a "lifestyle device"

- Prepare for realizing new settlement services (autumn of 2026) such as code settlement function for that of exceeding maximum charge limit of 20,000 yen, value transfer function, and region-specific value
- Promote development of function and convenience improvements to realize service development that bridges mobility and lifestyle solutions

Strategy (3): Expand customer base and cross-sectional data utilization

- Utilize data gathered through digital services to expand the customer base of View Card and JRE BANK and increase
- Advance customer analysis and create new services
- Thoroughly manage system risk

KPI	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the new Group Management Vision)
Mobile Suica cards issued	40.0 million (+5.78 million)	50.0 million
Highest number of monthly transactions of Suica and other forms of e-money	350.0 million/month (+36.0 million/month)	600.0 million/month

Overseas railway business

- Market environment**
- Demand for infrastructure remains strong, especially in Asia and other emerging countries
 - With increasing destabilization of the international situation, geopolitical risks and uncertainties in the global economy are rising

Review of FY2025.3

- Steadily progressed the India High-Speed Railway project due to the persistent efforts of the parties concerned
- Accelerated initiatives to win new projects, including signing a Memorandum of Cooperation with global railway operator RATP Dev, for a project in the Philippines
- For the Ho Chi Minh City Urban Railway Line 1, for which Japan International Consultants for Transportation Co., Ltd. received the order, our front-line employees in command, operation, and station completed training service on-site and contributed to the opening of business
- S'pore GATES Inc. receives orders for three new projects, including its first large project since becoming our Group company

Policy Provide more affluent lifestyles centering on Asia, by developing railroad infrastructure systems with high quality and high efficiency through our comprehensive strength in mobility and lifestyle solutions.

Strategy (1) Business development leveraging the Group's comprehensive strength

- To expand businesses which are not an extension of existing line, participate in projects from the EPC phase and aim to win new projects by leveraging the Group's O&M strengths
- Take on the challenge of new projects (public transportation oriented development TOD, etc.) that demonstrate synergy between mobility and lifestyle solutions
- Implement strategic international standardization activities to promote the overseas expansion of Japanese railway technology



Ho Chi Minh City Urban Railway Line 1

Strategy (2) Sustainable management of overseas railway business

- Earn returns commensurate with the risks and operate sustainable overseas railway business

Strategy (3) Human resource development through overseas projects

- Develop professional human resources through practical operations such as project manager, international standardization, business affairs, and new fields (DX, disaster prevention, and TOD), etc.

KPI	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the new Group Management Vision)
Net sales outside the Group (in total since FY2025.3)	19.9 billion yen (+8.4 billion yen)	45.0 billion yen in total

Others (Strategy and KPI for each business)



Energy business

Market environment

- The electricity market is becoming increasingly diverse following electricity market liberalization although there are concerns about a decrease in development sites and high and rising construction costs
- The price of environmental value is on the rise in preparation for the introduction of emissions rights trading (FY2027.3) and imposition of carbon pricing (FY2029.3)

Review of FY2025.3

- Steadily promoted decarbonization by acquiring PPA and solar power plants developed by other companies, amid the increasing difficulty of renewable energy development due to changes in the external environment
- Promoted efficient introduction of renewable energy through business alliance with erex Co., Ltd. (December 2024)

Policy Promote initiatives to achieve Group zero carbon as a top priority. Aim to accumulate know-how and expand alliances to expand business area.

Strategy Business development in response to rapid changes in the external environment

- Steadily promote renewable energy development and secure renewable energy sources through further acquisition of PPA and assets (power plants)
- Expand new business areas such as rechargeable batteries while reducing risks through collaboration with companies that have the necessary know-how



KPI	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the year Group Management Year)
CO2 reductions [nonconsolidated]	167,000 tons (+38,000 tons)	327,000 tons

Economic value

	FY2026.3 Forecast (year-on-year)	FY2028.3 Target
Operating revenue	103.0 billion yen (+0.4 billion yen, 100.4%)	96.0 billion yen
Operating income	24.0 billion yen (+1.0 billion yen, 104.6%)	30.0 billion yen
EBITDA	58.0 billion yen (+2.8 billion yen, 105.2%)	63.0 billion yen
ROA	1.9% (+0.0pt)	2.7%
ROA (R=EBITDA)	4.6% (+0.1pt)	5.6%

Construction business

Market environment

- There are industry-wide issues that need to be addressed, such as soaring labor and material costs and shortage of engineers at the contractors involved in infrastructure development

Review of FY2025.3

- Promoted productivity improvement through cost reductions and DX while assessing the impact of soaring construction costs
- Launched PM/CM business (*) to address regional issues such as a shortage of engineers

Policy Contribute to development of the Group, revitalization of cities and regions, and the strengthening of Japan's international competitiveness by leveraging the technological capabilities that our construction business holds.

Strategy (1) Steadily advance projects and improve productivity

- Steadily advance projects such as the construction of the Haneda Airport Access Line (tentative name), terminal station improvements and peripheral development
- Promote digital transformation, technological development, etc. to further reduce costs, shorten construction periods and improve work efficiency

Strategy (2) Expand business areas by leveraging technological capabilities

- Expand business areas to increase external revenues by working together with group companies and others that have experience in design, construction, digital transformation, etc.
- Contribute to solving regional issues such as the shortage of engineers by receiving orders continuously for PM/CM business

* PM/CM business: 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	FY2026.3 (year-on-year)	FY2028.3 (To be updated after the announcement of the year Group Management Year)
Net sales outside the Group	9.1 billion yen (+0.0 billion yen)	9.6 billion yen

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

Foundation for growth (Strategy and KPI)



Human Resources

Review of FY2025.3

- Promoted personnel allocation to accelerate business in key growth fields through open applications and job-based hiring
- Conducted an engagement survey and published the results. Examined human resources strategy that leads to improvements

Policy Promote a new "people-focused" human resource strategy with "diversity," "innovation," and "flexibility" as pillars and examine ways to revise the comprehensive personnel and wage systems.

Strategy (1) Diversity: Utilize diverse individuals and create diverse value

- Enhance fields where diverse individuals can play active roles and create diverse values
- Promote more active personnel exchanges within the Group to improve human capital of the entire Group



Strategy (2) Innovation: Develop an environment that generates innovation

- Expand multi-track HR operation to encourage employees' independent career development

Strategy (3) Flexibility: Enhance human resource development cycle and realize new ways of working

- Enhance human resource development cycle based on "flexible staffing" and bidirectional communication
- Utilize DX, etc., to promote business reforms based on new ideas that are not bound by traditional work styles
- Promote human resource strategy and organizational restructuring as one

KPI	FY2025.3 (year-on-year)	FY2025.3 (To be updated after the announcement of the new Group Management Vision)
Engagement survey positive response rate [non-consolidated]	64.0% (+1.8 pt)	66%
Ratio of Women to managers [non-consolidated]	8.8% (+0.5pt)	10%
Rate of male employees taking childcare leave [non-consolidated]	70.0% (-1.9pt)	85% or more
Allocation of human resources to priority growth areas (in total since FY2024.3)	1,200 people in total (+221)	2,000 people or more in total

Social Value

- Provide an environment where diverse individuals can play active roles
- Provide enriched lifestyles and new value to society through a "people-focused" approach
- Contribute to the development of local communities through the active participation of employees

Digital transformation (DX) and intellectual property

Review of FY2025.3

- Generated results in operational efficiency through the use of generative AI. Started development of "railroad version generation AI"
- Formulated intellectual property activity guidelines and provided education to all employees

Policy Contribute to the growth of the Group by combining technology and information to improve services, increase operational efficiency, and build a business foundation.

Strategy (1) Promote digital transformation

- Promote introduction of generative AI agent and the development of data utilization platform to improve railway operations and innovate operations by systematically developing diverse employees with strong digital literacy

Strategy (2) Build a system platform to support business

- Optimize and streamline systems across the entire Group in the medium-to-long-term through system modernization that optimizes IT resources, enhances security, and ensures appropriate human resource allocation

Strategy (3) : Research and development ahead of the times

- Strengthen technological competitiveness by sharing railroad technologies to reduce costs and increase compatibility, and by establishing strategic technological collaboration with external partners and a system for surveying and analyzing trends in new technologies
- Strengthen intellectual property management, such as strategic acquisition and active use of intellectual property to generate new revenue sources

KPI	FY2025.3 (year-on-year)	FY2025.3 (To be updated after the announcement of the new Group Management Vision)
Solving social issues and increasing revenue through innovation (cumulative total from FY2025.3 onward)	14 cases (+6)	20 cases in total
Practical introduction of products developed by front-line employees (in total since FY2025.3)	50 cases (+25)	100 cases in total
Number of patent applications etc. related to DX and services (in total since FY2025.3)	82 cases (+42)	175 cases in total
Number of employees with strong digital literacy ("intermediate" class) (cumulative total from FY2025.3 onward)	1,800 people (-)	5,000 people in total

Social Value

- Provide new services to society with digital technology
- Make society safer through constructing strategic system and ensuring security
- Realize a well-being society through open innovation

Foundation for growth (Strategy and KPI)



Finance and investment

Review of FY2025.3

- Establish a foundation for consolidated cash flow management by setting up 14 business units
- Promote participation of each and every employee in management through establishment of a system that leads to the achievement of targets by increasing revenue, reducing costs, and improving asset efficiency, and by visualizing area earnings and expenses

Policy: Contribute to maximizing consolidated cash flow and Group value by drawing out the potential of the Group.

Strategy (1) Maximize consolidated cash flow

- Set a cash allocation commensurate with our management based on the two pillars to accelerate growth while responding to changes in the external environment such as inflation and rising interest rates
- Clarify the concept of interest-bearing debt and promoting diversification of funding

Strategy (2) Improve the quality of financial information and management support and reform operations

- Consider unifying financial information platforms and utilizing AI, etc.

Strategy (3) Establish robust and sustainable materials procurement system

- Start structuring a "new supply chain" by diversifying procurement, such as expanding suppliers and standardizing materials and goods
- Continue to communicate with counterparties and further penetrate the Group's

KPI	FY2026.3 (year-on-year)	FY2028.3 (To be achieved after the announcement of the new Group Management Vision)
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+
Penetration of initiatives related to human rights, the environment, and other issues among major suppliers (supply chain penetration percentage) (non-consolidated)	100% (+9.6pt)	100%

Social Value

- Provide society with safe and reliable infrastructure
- Provide new environmentally friendly services and pursue regional abundance
- Contribute to the development of local communities through the active participation of employees

Sustainability

Review of FY2025.3

- Secured diverse renewable energy sources, such as opening new wind power plants and entering into PPAs
- Encouraged employees across the Group to acquire care service qualifications
- Formulated and published JR East Group customer harassment policy and the Group policy on tax transparency

Policy: Create new value by addressing materiality through our business activities to meet the needs of our customers and gain the trust of the local community and society. Return the profits generated from business activities to stakeholders and direct them toward further growth of the Group through the "cycle of creation and generation" and aim to be a corporate Group with a sense of promoting "the good for all four sides."

Strategy (1) Reduce climate change risks

- Strategically promote the "Zero Carbon Challenge 2050" by setting CO2 reduction targets for each business unit and formulating a specific roadmap

Strategy (2) Realize an inclusive society

- Implement further initiatives toward the realization of an inclusive society on the occasion of the "Tokyo 2025 Deaflympics"

Strategy (3) Increase trust in management

- Establish an internal control system and implement measures to prevent, mitigate, and remedy risks of human rights violations and strengthen initiatives to protect the human rights of employees

KPI	FY2026.3 (year-on-year) * Indicator Name	FY2028.3 (To be achieved after the announcement of the new Group Management Vision)
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)	90 cases (+28)	150 cases in total
Care-Fitter certifications acquisition rate	60% (+9.0pt)	50%
Implementation rate of human rights education	100% (+0.0pt)	100%

Social Value

- Mitigate climate change risks through the realization of a decarbonized and recycling-oriented society
- Establish relationships of trust with local communities through collaboration and realization of an inclusive society with them
- Improve the reliability of management through the establishment of an internal control system

V. Reference Materials

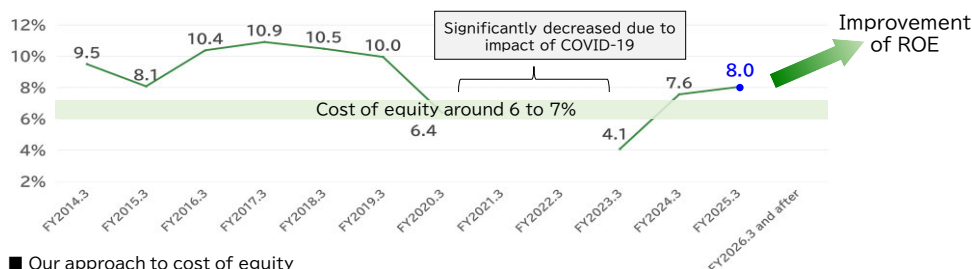
Action to Implement Management that is Conscious of Cost of Capital and Stock Price

*Underlined: Major updates since previous disclosure

Current recognition of cost of capital and return on equity

- Cost of equity is calculated to be around 6% in CAPM due to the impact of the increase in interest rates. We recognize that our cost of equity is around 6 to 7%, based on the fact that the expected return in the market is higher than 6% through discussions with shareholders and investors.
- 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

Cost of equity is calculated using CAPM

$$\text{① Risk-free rate around 1.5\%} + \text{② Beta } (\beta) \text{ sensitivity 0.8 to 0.9} \times \text{③ Market risk premium 5.5\%} = \text{Cost of equity Around 6\%}$$

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

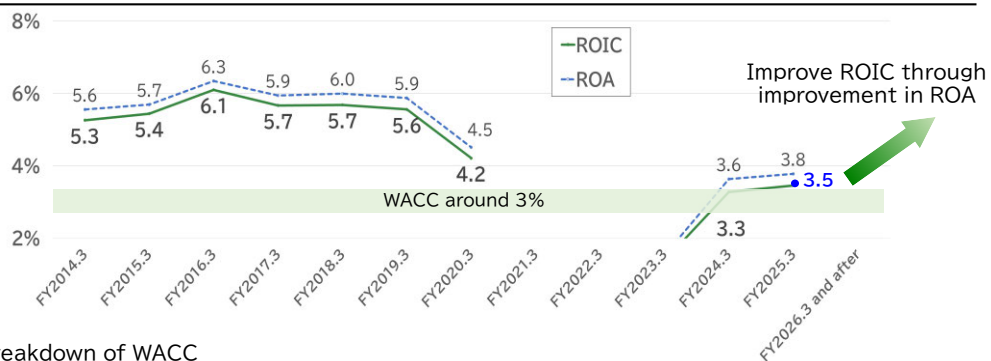
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- We announce an update of our “Actions to Implement Management that is Conscious of Cost of Capital and Stock Price” every half year.
- We had previously recognized the cost of equity to be around 5-6%, but in light of the recent rise in interest rates and other factors, we have revised our recognition to around 6-7%.
- ROE for FY2025.3 was 8.0%. We will continue to seek to increase the equity spread.

Current recognition of cost of capital and return on equity

- Our weighted average cost of capital (“WACC”) is calculated at around 3%.
- ROIC for FY2025.3 is 3.5%. Return on invested capital (ROIC) is similar to return on assets (ROA : operating income to total assets), so we aim to increase the ROIC-WACC spread by improving ROA.

■ Movements in ROIC, ROA and WACC



■ Breakdown of WACC

Calculated based on weighted average cost of equity and cost of debt

$$\begin{aligned}
 & \left[\begin{array}{c} \text{Cost of equity} \\ \text{Around 6 to 7\%} \end{array} \right] \times \left[\begin{array}{c} \text{Around 0.4} \frac{\text{Equity}}{\text{Equity} + \text{Interest-bearing debt}} \end{array} \right] \\
 + & \left[\begin{array}{c} \text{After-tax cost of debt} \\ \text{Around 1\%} \end{array} \right] \times \left[\begin{array}{c} \text{Around 0.6} \frac{\text{Interest-bearing debt}}{\text{Equity} + \text{Interest-bearing debt}} \end{array} \right] = \left[\begin{array}{c} \text{WACC*} \\ \text{Around 3\%} \end{array} \right]
 \end{aligned}$$

※After-tax WACC

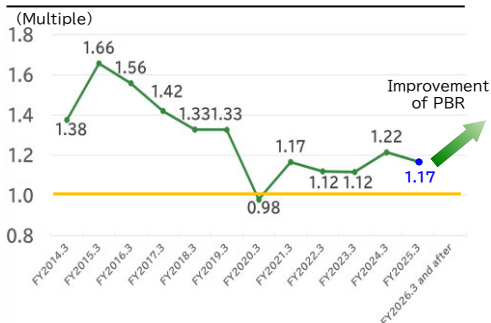
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- For the first time, ROIC and ROA historical trends were disclosed.
- The Company uses “operating income on assets” as ROA, which approximates ROIC.
- The following are reference materials, etc. Please refer to them.

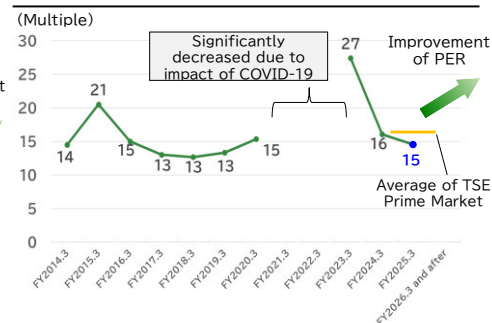
Current recognition of evaluation from the market

- PBR has not reached pre-COVID-19 levels. We will strive to continuously improve PBR.
- 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

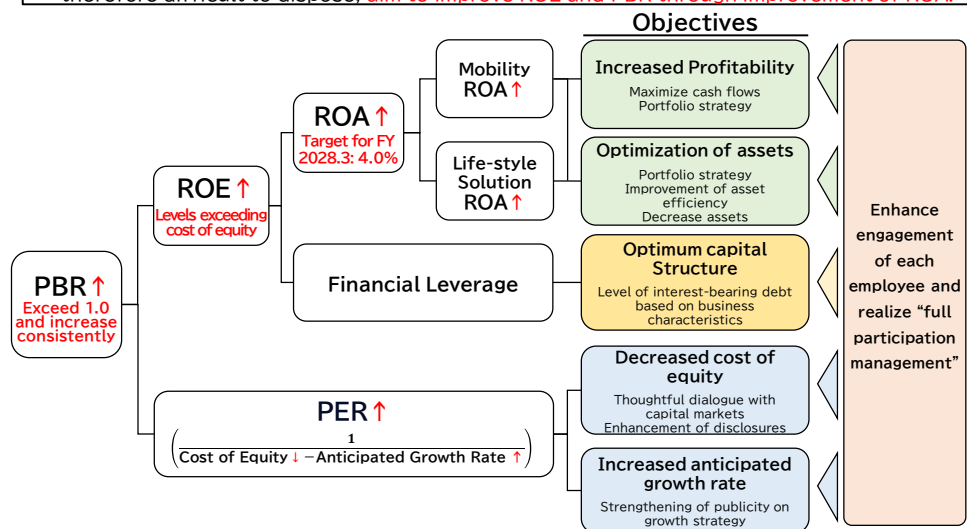


■ Breakdown of PBR

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

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

- 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
Increased profitability	<ul style="list-style-type: none"> ◆ Maximize cash flows <ul style="list-style-type: none"> · In addition to improving the level of safe and stable transportation, Mobility aims to generate customer flow, including inbound travel, by increasing capacity through the construction of new railcars and the establishment of timetables, and by stimulating demand through the creation of destinations for tourists. · 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. In addition, review charges including for high value-added railcars and accelerate price strategy implementable by notification. · Life-style solution creates further added value by setting unit prices and rents based on the strengths of the locations concerned and customer needs, as well as by linking Life-style solution with Mobility. · Real estate development projects will expand business areas (reinforcing the development of land owned by the Company, the optimization of asset acquisition, and the development of external properties) and accelerate rotational business, while determining profitability in light of rising construction costs. · Consider accelerating the realization of unrealized gains on rental properties and expanding the scale of the real estate fund business. · Suica will evolve from a "device for mobility and payment" to a "device for lifestyle," and be utilized as a hub to create synergies among the Group's services, leading to higher Group revenues and profits.
Efficient use of assets	<ul style="list-style-type: none"> ◆ Portfolio strategy <ul style="list-style-type: none"> · The strategy updates and KPI tracing for each of the 14 businesses will clarify priority areas, areas requiring a revamp, and areas that need to be the subject of discussion as a matter of principle. In priority areas and areas requiring a revamp, we will draw up growth strategies and utilize external collaboration and M&A as necessary, while considering withdrawing from particular businesses depending on their profitability in areas where profitability needs to be discussed. Through these efforts, we will realize optimal business composition that demonstrates the Group's synergy to maximum. ◆ Improvement of assets efficiency <ul style="list-style-type: none"> · Enhance "improvement of profitability and asset efficiency" through deeper and more leveled development based on the tracing of efforts (from FY2025.3) to break down the ROA of the railway business and link it to the targets of each headquarters, branch office, and business site. ◆ Decrease assets <ul style="list-style-type: none"> · Maintain cross-shareholding that contributes to the improvement of our corporate value, aiming at the maintenance and enhancement of stable business relationships as well as close collaboration from a medium-to-long-term perspective. However, we intend to continue to shrink the overall size of our holdings, and disclose the scale of reduction in cross-shareholding.

Specific Action to Implement Management that is Conscious of Cost of Capital and Stock Price ②

Objectives	Specific Action
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 for the time being. However, in the medium-to-long term, we will control the balance between earning power and interest-bearing debt based on industry standards. Mobility is positioned as a "sustainable business," which requires stability and growth, so we will control the balance between the medium-long term earning power and interest-bearing debt. Explore the optimal capital structure in terms of both Mobility and Life-style Solution, in addition to the Group as a whole.
Decreased cost of equity	<ul style="list-style-type: none"> ◆ Thoughtful dialogue with capital markets <ul style="list-style-type: none"> Presentation at financial results briefings is made by President and CEO for year-end and 2nd quarter and by Director-General of Corporate Strategies Headquarters for 1st and 3rd quarter. Continue to actively implement dialogue between the management and shareholders and investors. Enhance reliability through flexible revisions of business forecast. Consider specific targets to definite clearly the Group's growth story. ◆ Enhancement of disclosures <ul style="list-style-type: none"> Started to distribute the English-language version of the archived video of the financial results briefing from the 3rd quarter (FY2025.3) to expand English-language disclosure. Continue to review positioning of each disclosure material and enhance disclosure of business information and ESG information.
Increased anticipated growth rate	<ul style="list-style-type: none"> ◆ Strengthening of publicity on growth strategy <ul style="list-style-type: none"> Update medium-to-long-term goals by business segment and strategies to achieve the goals per business. Plan to hold IR Day twice a year to enhance opportunities to communicate the future potential of each business of our Group.

Second Half of FY2025.3 Results of Dialogue with Shareholders and Investors

*Underlined: Major updates since previous disclosure

Format of Dialogue

For institutional investors and analysts

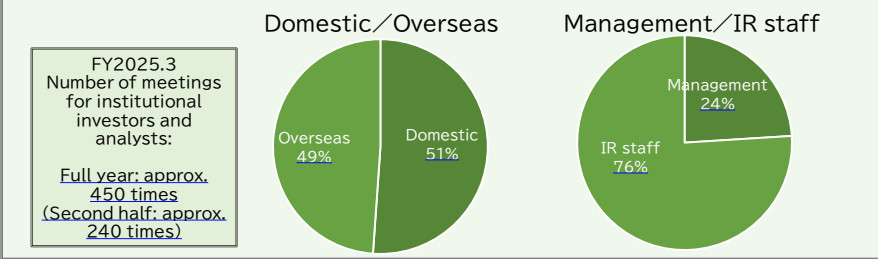
Financial results briefings, 1-on-1 meetings (visit overseas investors and domestic investors, individual interviews), [Small Meetings](#), [IR DAY](#), [Web briefing on fare revision application](#)

For individual investors

Online briefings, facility tours, opinion exchange meetings

Persons in charge

President and CEO, [Executive Vice Presidents](#), [Outside Directors](#), Executive Director, Senior Executive Officers, Executive Officers, [Department Directors](#), Unit Leaders, Managers



Major areas of interest of shareholders and investors

Mobility

- [Status of revision of fare and charge system, levels of profit and investment after fare revision, and possibility of a second or subsequent fare revision](#)
- Future revenue growth measures, including capturing inbound demand
- Prospect of cost increase due to inflation and mid-term profit level of railway business
- [Railway safety and sustainable operations](#)

Life-style solution

- [Strategies for each business to achieve the numerical targets of Beyond the Border](#)
- Status of leasing and prospect of operating revenue and income of TAKANAWA GATEWAY CITY
- [Views of acceleration of the real estate rotational business](#)
- [Operating revenue and profit forecasts achieved through Suica Renaissance, and timeline for implementation](#)

Capital policy

- [Direction of interest-bearing debt levels and optimal capital structure based on business characteristics](#)
- Policy on returns to shareholders and forecast
- Plans for realization of management that is conscious of cost of capital and stock price

ESG

- [KPIs for human resources strategy](#)
- [Requests regarding the introduction of stock-based compensation](#)
- [Policy for decreasing cross-shareholdings](#)
- [Governance of the entire JR East Japan Group, including measures in assembly of railcar wheelsets](#)

※ Q&A summary from financial results briefing etc. is posted on the Company's website. https://www.jreast.co.jp/e/investor/index_year.html 58

Feedback to management, the Board of Directors and employees	
Target	Feedback
For Board of Directors	Directors in charge periodically provide feedback on dialogue
For President and CEO and Directors	Departments in charge of dialogue report on major areas of interest
For Each Business Department	Directors in charge provide summary at internal meetings
For Employees	Briefing on major areas of interest from departments in charge of dialogue
Actions taken based on past dialogue and feedback	
Theme	Action
Management that is Conscious of Cost of Capital and Stock Price	<ul style="list-style-type: none"> ·Disclosure of WACC and ROIC results
Enhancement of disclosures	<ul style="list-style-type: none"> ·Beginning to distribute archived English-language videos of financial results briefings ·Timely web briefings after fare revision application ·Enhancement of information on our website (Establishment of "Quick Guide to JR EAST," etc.)
Strengthening of publicity on growth strategy	<ul style="list-style-type: none"> ·Publication of medium-to-long-term strategies for businesses of particular interest (The Greater Shinagawa Area, Suica, etc.)
Actions for enhancement of dialogue with shareholders and investors in FY2026.3	
Target	Action
For institutional investors and analysts	IR Day is planned to be held twice a year to provide more opportunities to understand the Group's business strategy.
For individual investors	Further enhance dialogue opportunities through increased number of online briefings and facility tours

Traffic Volume and Passenger revenues / Major expenses (non-consolidated) - FY2026.3 Plans



Traffic Volume and Passenger revenues

	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'24.4-'25.3 Results	'25.4-'26.3 Plans	Changes	'24.4-'25.3 Results	'25.4-'26.3 Plans	Changes		Main factors behind changes
			%			Increase /Decrease	%	
Shinkansen	22,679	23,142	102.0	583.3	595.7	+12.3	102.1	
Commuter Passes	1,758	1,759	100.1	23.6	23.7	+0.0	100.1	
Non-commuter Passes	20,920	21,383	102.2	559.6	572.0	+12.3	102.2	•Increase in railway transportation: +5.0 •Inbound tourism: +4.5 •Rebound from natural disasters: +1.5
Conventional Lines	101,628	103,007	101.4	1,185.5	1,211.3	+25.7	102.2	
Commuter Passes	61,525	61,610	100.1	404.7	405.3	+0.5	100.1	
Non-commuter Passes	40,103	41,396	103.2	780.7	806.0	+25.2	103.2	•Increase in railway transportation: +9.5 •Green Cars of the Chuo Line Rapid: +8.0 •Inbound tourism: +4.5 •Rebound from natural disasters: +3.0
Total	124,308	126,149	101.5	1,768.8	1,807.0	+38.1	102.2	
Commuter Passes	63,284	63,369	100.1	428.4	429.0	+0.5	100.1	
Non-commuter Passes	61,024	62,779	102.9	1,340.4	1,378.0	+37.5	102.8	

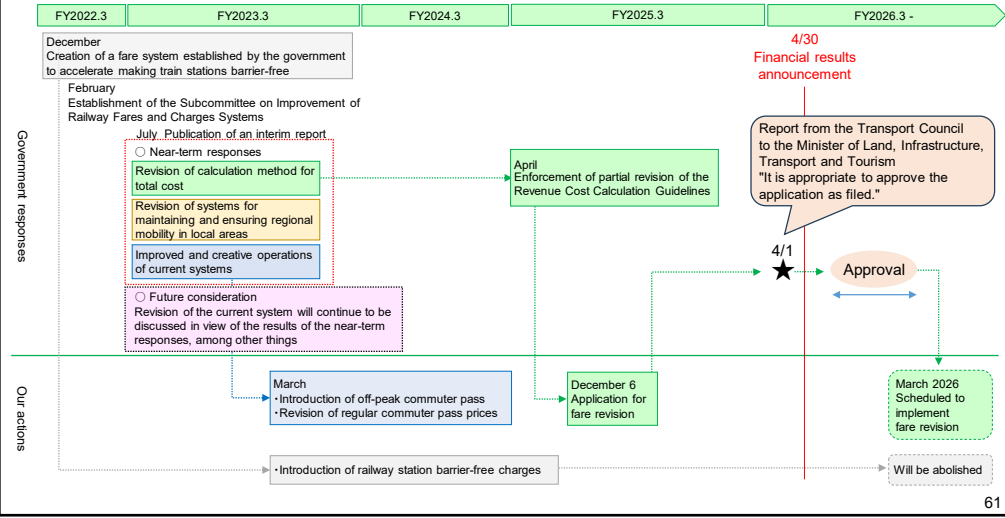
Major expenses (non-consolidated)

(¥ billion)	'24.4-'25.3 Results	'25.4-'26.3 Plans	Changes		Main factors behind changes
			Increase /Decrease	%	
Personnel expenses	406.2	428.0	+21.7	105.4	[+] Rise in wages
Non-personnel expenses	875.3	917.0	+41.6	104.8	
Energy	83.4	86.0	+2.5	103.0	
Maintenance	316.3	320.0	+3.6	101.2	[+] Impact of soaring prices and impact of rising labor costs
Other	475.5	511.0	+35.4	107.5	[+] Increase in cost of real estate sales [+] Impact of soaring prices and impact of rising labor costs
Depreciation	332.8	341.0	+8.1	102.4	[+] Increase in capital investment

Progress in the Revision of Railway Fares and Charges Systems



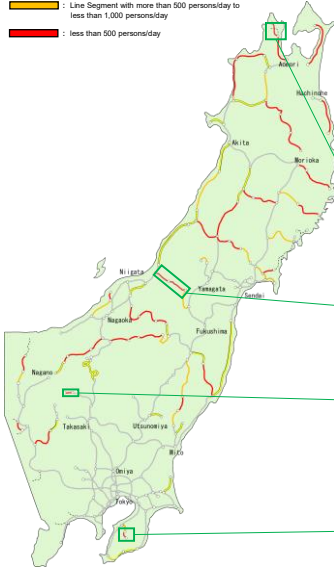
- Applied for a fare adjustment in December 2024. The Transport Council has concluded, but the approval decision is expected to be made after review by other councils.
- After receiving approval from the government, we will promote preparation for implementation in March 2026.



Status of discussion on regarding local lines



- Line Segment with more than 1,000 persons/day to less than 2,000 persons/day
- Line Segment with more than 500 persons/day to less than 1,000 persons/day
- less than 500 persons/day



Operating results by line segment

- Subject of disclosure : Line segment with average passenger figures of less than 2,000 persons/day
- Operating results :

FY	2020.3	2024.3
Number of sections subject to disclosure	35 lines, 66 sections	36 lines, 72 sections
Passenger revenues	5.8 billion	6.3 billion
Operating Expenses	75.2 billion	82.1 billion
Operating Loss	-69.3 billion	-75.7 billion

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 segment: **Tsuruguru Line, Kanita-Minmaya section** (operation currently suspended)
Status: "Imabetsu / Sotogahama Regional Transportation Review Meeting" (Jan. 2023 - , held eight times), "JR Tsuruguru Line City and Town Mayors' Conference" (Feb. 2024 - , held three times)
Having reached an agreement to switch to automobile-based transportation, discussions are currently underway with the relevant local governments regarding the basic content of the agreement.

Line segment: **Yonesaka Line, Imaizumi-Sakamachi section** (operation currently suspended)
Status: "JR Yonesaka Line Restoration Review Meeting" launched (Sep. 2023 - , held five times)
Presenting the issues surrounding the four operation patterns (JR railway operation, vertical separation, bus conversion, and transfer to the third sector) and providing an estimate of the burden on the local community if vertical separation, bus conversion, or transfer to the third sector is adopted as a rough scale indicator.

Line segment: **Agatsuma Line, Naganohara Kusatsuguchi-Omae section**
Status: "JR Agatsuma Line Regional Transportation Review Meeting" (May 2024 - , held three times)
Having conducted a questionnaire survey for high school students and their families, who are the main users, to understand their actual commuting situations, etc. Based on the results, planning to implement measures to improve convenience (demonstration experiments) within this fiscal year.

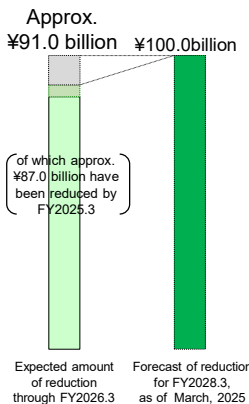
Line segment: **Kururi Line, Kururi-Kazusakameyama section**
Status: "JR Kururi Line Regional Transportation Review Meeting" launched (May 2023 - , held five times)
Chiba Prefecture, which serves as the secretariat, compiled the report with a view to shifting to automobile-based transportation. In the future, we will consider a specific transportation system at the Kimitsu City Regional Public Transportation Conference.

Operation cost* reduction in railway business



* Operating expenses less depreciation and taxes and dues

(¥ billion)	Result of reduction through FY2025.3	Expected amount of reduction through FY2026.3	Forecast as of 2025.3
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 	-32.0	-34.0	-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.) 	-18.0	-20.0	-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	-87.0	-91.0	-100.0



We have been working to reduce the operation cost of railway business in FY2028.3 by 100.0 billion yen as compared with FY2020.3, and it is expected that we will achieve the goal at this point already.

TAKANAWA GATEWAY CITY



THE LINKPILLAR 1 celebrated its opening on March 27, 2025. In the future, commercial facilities, hotels, etc. will open in stages.

In the spring of 2026, THE LINKPILLAR 2, MoN Takanawa, and TAKANAWA GATEWAY CITY RESIDENCE will open, marking its grand opening of "experimental space to enrich lives for the next 100 years."

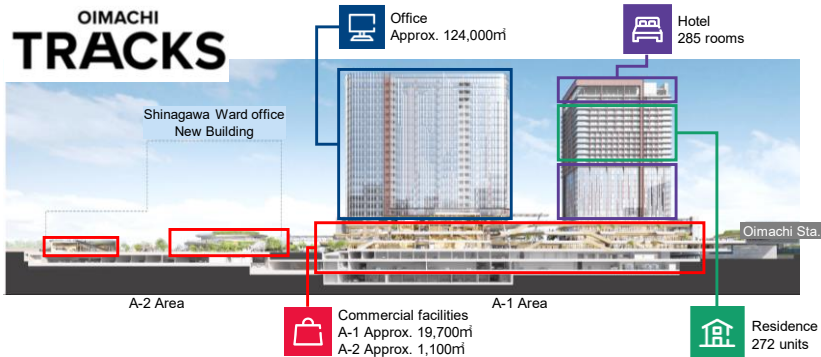


	THE LINKPILLAR 1 SOUTH		THE LINKPILLAR 1 NORTH		THE LINKPILLAR 2		MoN Takanawa: The Museum of Narratives	TAKANAWA GATEWAY CITY RESIDENCE
Opening	City opened on March 27, 2025 (sequential opening)				Spring 2026			
Total floor area	About 460,000 m ²				About 208,000m ²		About 29,000m ²	About 148,000m ²
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	7~30F	Office	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. Cafeteria for workers	9~27F	Office KDDI Co., Ltd.		Kobe Steel, Ltd., etc. Cafeteria for workers		
	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					

OIMACHI TRACKS



We are preparing for the opening in March 2026 with the aim of creating an unprecedented value of experience (life value) in Oimachi, including the Group's first serviced residences and open out-mall commercial facilities. OIMACHI TRACKS will play a role in the Greater Shinagawa Area as an "urban lifestyle co-creation base."



	A-1 Area	A-2 Area
Opening	March 2026	
Revenue projection	About 13.0 billion yen	
Site area	About 22,300m ²	About 7,100m ²
Total floor area	About 250,000m ²	About 9,100m ²
Number of floors	26 floors, 3 basement floors	2 floors, 2 basement floors



Major Capital Expenditures in Mobility

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.



■ Raise the level for safety and stable transportation

Name	Fiscal year	Detail	Estimated investment amount
Accelerate installation of automatic platform gates	By FY2032.3	Install on 758 platforms at 330 stations on major conventional lines in the Tokyo area	Approx. 490.0 billion yen
Large-scale earthquake countermeasures	By FY2034.3	Phase I - Hanshin-Awaji and Niigata Chuetsu: Approx. 160.0 billion yen (completed) Phase II - Great East Japan Earthquake, Tokyo Metropolitan Area: Approx. 340.0 billion yen (completed) Phase III - Directly beneath the urban area, off the coast of Fukushima Prefecture: Approx. 450.0 billion yen (Expect to invest about 20.0 to 40.0 billion yen per year until FY2034.3, when the seismic reinforcement plan will be completed)	Approx. 1 trillion yen

■ Expand transportation services

Name	Fiscal year	Detail	Estimated investment amount
Fukushima Station approach line expansion construction	Scheduled to start operation at the end of FY2027.3	At Fukushima Station on the Tohoku Shinkansen, proceed expansion construction on an additional approach line that will connect the Yamagata Shinkansen (inbound) to the Tohoku Shinkansen (inbound) via a multi-level crossing. Eliminate the current situation where the Yamagata Shinkansen and Tohoku Shinkansen cross each other at ground level, and improve transportation stability	Approx. 13.0 billion yen
Haneda Airport Access Line (tentative name)	Scheduled to open in FY2032.3	Develop the "East Yamate Route" and the "Access New Line" by effectively utilizing existing assets to realize direct access to Haneda Airport from multiple directions	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.

■ Address labor shortage and promote work-style reform

Name	Fiscal year	Detail	Estimated investment amount
Shinkansen driverless operation	Aim for driverless operation of commercial trains in the mid-2030s	FY2029.3: Aim for automated operation of commercial trains and out-of-service trains between Nagaoka Station and Niigata Shinkansen Rolling Stock Center (GOA2), and driverless operation of out-of-service trains between Niigata Station and Niigata Shinkansen Rolling Stock Center (GOA4) in FY2030.3	Not disclosed

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.



Future major development projects for Life-style solution

■ Greater Shinagawa Area

Name	Fiscal year	Total floor area	Use	Assumed investment amount	Return
TAKANAWA GATEWAY CITY	Opening March 27, 2025: THE LINKPILLAR 1 Spring 2026: THE LINKPILLAR 2, MoN Takanawa, TAKANAWA GATEWAY CITY RESIDENCE	THE LINKPILLAR 1: About 460,000 m ² THE LINKPILLAR 2: About 208,000 m ² MoN Takanawa: About 29,000m ² TAKANAWA GATEWAY CITY RESIDENCE : About 148,000 m ²	Office, residential, retail, hotel, etc.	About 600.0 billion yen	Aim to generate approximately 100.0 billion yen in annual operating revenues by around 2034
OIMACHI TRACKS	Opening: March 2026	A1 area: About 250,000 m ² A2 area: About 9,100 m ²	Office, hotel, retail, residential, etc.	About 110.0 billion yen	
Development Project around Hamamatsucho Station West Gate Area ^{*1}	Completion: FY2030.3	About 314,000 m ²	Office, retail, hotel, etc.	Not disclosed	
Development Project around Tamachi Station West Gate Area	Commencement of shared use: FY2029.3 Grand opening: FY2033.3	About 98,600 m ²	Office, retail, parking, etc.		
BLUE FRONT SHIBAURA ^{*2}	Completion S Building : February 2025 N Building : FY2031.3	About 550,000 m ²	Office, retail, hotel, residential, etc.		
Institute of Science Tokyo Tamachi Campus Land Utilization Project ^{*3}	Commencement of shared use: June 2030 Grand opening: April 2032	About 250,000 m ²	Office, retail, hotel, etc.		
Shinagawa Station District Development Project (North Block) ^{*4}	Construction period: FY2026.3 to FY2031.3	About 165,000 m ²	Office, retail, station facility, etc.	About 110.0 billion yen ^{*5}	
Improvement around Shinagawa station North Gate and maintenance of station building	Completion: FY2031.3	About 50,700 m ²	Station facility, retail, office, etc.		

^{*1} Joint venture with World Trade Center Building, Inc. and two other companies

^{*2} Joint venture with Nomura Real Estate Development Co., Ltd.

^{*3} Joint venture with NTT Urban Development Corporation and two other companies

^{*4} Business entity of south city block: Keikyū Co., Ltd.

^{*5} Including construction grants

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.



Future major development projects for Life-style solution

■ Terminal stations development in the Tokyo Metropolitan area (Major projects)

Name	Fiscal Year	Total floor area	Use	Assumed investment amount	Return
Shibuya Scramble Square Central and West Building ^{*1}	Under review	About 80,000 m ²	Retail, station facility, etc.	Not disclosed	Not disclosed
Shinjuku Station Southwest Exit Area ^{*2}	Under review	South City Block: About 150,000 m ² North City Block: About 141,500 m ²	Retail, office, hotel, etc.		

^{*1} Joint venture with Tokyu Corporation and one other company

^{*2} Joint venture with Keio Corporation and other companies

• Ikebukuro, Yokohama, Omiya, Chiba, etc.

=> We will provide specific details in the medium to long term.

■ Company-owned land development

名称	Fiscal Year	Site area	Use	Assumed investment amount	Return
Funabashi Ichiba-cho Project ^{*3} (tentative name)	Completion: December 2028	About 45,400 m ²	Residential, retail, renewable energy power generation facility, etc.	Not disclosed	Revenue projection (as JR East Group) About 37.0 billion yen

^{*3} Joint venture with Tokyu Fudosan Holdings Corporation

In addition, consider the utilization of multiple company-owned properties, such as former rail yard sites and former company housing sites

Change in Capital Expenditures (consolidated)



(¥ billion)		'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 (Results)	'25.4-'26.3 (Plans)
Mobility	Growth investment	110.7	79.0	57.2	74.1	88.0	86.9	68.0
	Investment needed for the continuous operation of business	313.3	309.9	251.3	279.4	301.4	312.0	296.0
	Priority budget allocation (Investment in innovation, etc.)	46.7	62.6	44.0	19.4	47.1	31.3	58.0
	Total	470.7	451.6	352.6	373.0	436.6	430.2	422.0
Life-style solutions	Growth investment	234.5	212.4	147.9	147.7	207.4	319.9	404.0
	Investment needed for the continuous operation of business	32.2	26.3	18.3	31.5	65.9	69.3	77.0
	Priority budget allocation (Investment in innovation, etc.)	3.0	1.8	1.0	2.3	3.6	6.5	4.0
	Total	269.8	240.6	167.3	181.6	277.0	395.6	485.0
	Growth investment	345.2	291.4	205.1	221.9	295.4	406.8	472.0
	Investment needed for the continuous operation of business	345.5	336.3	269.6	311.0	367.4	381.3	373.0
	(Depreciation)	374.7	388.8	392.6	389.8	392.1	406.2	422.0
	Priority budget allocation (Investment in innovation, etc.)	49.7	64.4	45.1	21.7	50.8	37.8	62.0
Total		740.6	692.2	520.0	554.7	713.7	825.8	907.0

* 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.

Change in Interest-bearing Debt Balance (consolidated)



(¥ billion)	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)	As of '25.3 (Results)	
							Average term to maturity
Bonds	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%)	3,246.3 (1.35%)	15.28
<i>(Foreign Bonds ratio)</i>	<i>14.0%</i>	<i>11.8%</i>	<i>17.4%</i>	<i>27.0%</i>	<i>32.4%</i>	<i>38.1%</i>	
Long-term loans	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%)	1,401.7 (0.97%)	5.85
Long-term liabilities incurred for purchase of railway facilities	327.7 (6.51%)	323.0 (6.53%)	318.8 (6.54%)	315.0 (6.54%)	311.0 (6.55%)	306.7 (6.55%)	16.94
Other interest- bearing debt	150.0 (—)	715.0 (0.11%)	390.7 (-0.00%)	—	0.0 (7.93%)	0.4 (3.74%)	0.16
Total	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%)	4,955.3 (1.57%)	12.71
Net interest- bearing debt	3,158.5	4,152.2	4,532.7	4,559.8	4,587.4	4,721.8	—

[Notes]

1. Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
2. Other interest-bearing debt as of the end of March 2024 and as of the end of March 2025 results are the balance of GATES PCM CONSTRUCTION LTD.

Top : Balance
Bottom : Average interest rate

Fund-Raising



■ Policy

- Stable funding and diversification of funding approaches in response to fluctuations in the market environment, etc.
- Accelerate growth and financial integrity by controlling interest-bearing debt in line with earning power.
(Sustainably reduce net interest-bearing debt/EBITDA)
- Continue sustainability finance to help realize a sustainable society.

■ Fund-Raising Situation

- Long-term fund-raising (bonds, borrowing) : Totaled 414.9 billion yen (2024.4 -2025.3).
(Including 242.3 billion yen of Sustainability Finance)

■ 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

Rating agency	Rating
Rating and Investment Information (R&I)	AA+ (Stable)
Moody's	A1 (Stable)
Standard & Poor's (S&P)	A+ (Stable)

• Short-term credit ratings

Rating agency	Rating
Rating and Investment Information (R&I)	a-1+
Japan Credit Rating Agency (JCR)	J-1+

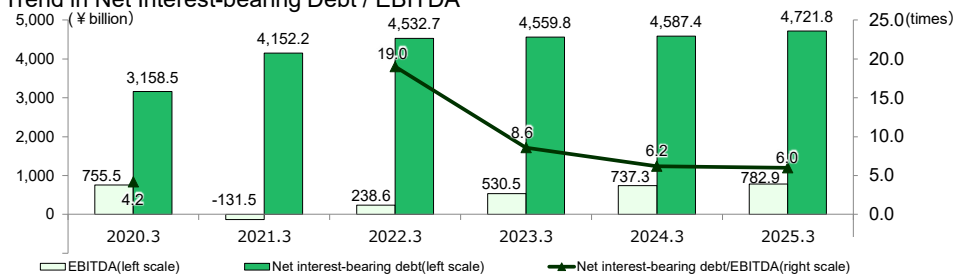
Key Financial Indicators



- 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



- [Notes] 1. EBITDA = Consolidated operating income + Consolidated depreciation expense
 2. Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
 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

	2020.3	2021.3	2022.3	2023.3	2024.3	2025.3
Interest Coverage Ratio	9.0	—	3.1	9.4	10.2	10.1
Debt to Equity Ratio	1.1	1.7	2.0	1.9	1.8	1.7

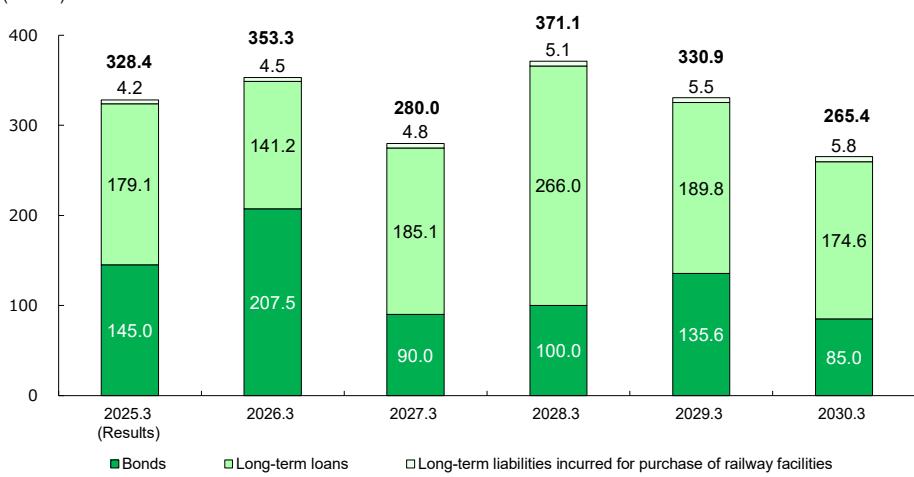
- [Notes] 1. Interest coverage ratio = Net cash provided by operating activities / payments of interest
 2. Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity
 3. Interest coverage ratio in FY2021.3 is not stated because it was negative.

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)
(¥ billion)



[Notes]
1) Outlook as of April 30, 2025 2) Bond redemptions are at face value

Sustainability

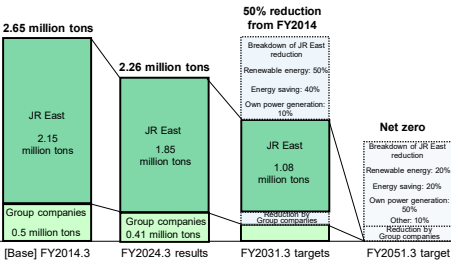


- The Sustainability Strategy Committee, which is chaired by the president and CEO, has set the Group's basic policies etc.
- Consider on an ongoing basis whether environmental changes merit further revision of the material issues



Zero Carbon Challenge 2050

Aiming for "net zero" CO2 emissions in FY2051.3, promote 50% reduction by FY2031.3 (compared to FY 2014.3)



Initiatives, Certifications, etc.



■ SDGs



■ Carbon Disclosure Project



■ Awarded the Gold Rating (Highest Evaluation) under the PRIDE Index for eight consecutive years

work with Pride



■ UN Global Compact



■ TCFD



■ KENKO Investment for Health 2025 (Large Enterprise Category)



■ GX League



■ TNFD



■ Sports Yell Company 2025



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.