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| [Documents to be Submitted] | Annual Securities Report |
| [Legal Basis] | Article 24, Paragraph 1 of the Financial Instruments and Exchange Act |
| [Submitted to] | Director General of the Kanto Local Finance Bureau |
| [Date of Submission] | June 18, 2025 |
| [Fiscal Year] | 38th Fiscal Year (from April 1, 2024 to March 31, 2025) |
| [Company Name] | East Japan Railway Company |
| [Name and Title of Representative] | Yoichi Kise, President and CEO |
| [Location of Head Office] | 2-2, Yoyogi 2-chome, Shibuya-ku, Tokyo, Japan |
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| [Telephone Number] | +81-3-5334-1111 (main line) |
| [Name of Office Contact] | Yoshikazu Aoki, Manager of the Corporate & Legal Strategies Department |
| [Location for Inspection] | East Japan Railway Company Yokohama Branch Office (40-26, Hiranuma 1-chome, Nishi-ku, Yokohama-shi, Kanagawa) East Japan Railway Company Omiya Branch Office (434-4, Nishiki-cho, Omiya-ku, Saitama-shi, Saitama) East Japan Railway Company Chiba Branch Office (23-3, Benten 2-chome, Chuo-ku, Chiba-shi, Chiba) Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) |

Editor's notes:

1. Please note that the official text of this document has been prepared in Japanese. The information herein stated is provided only for reference purposes. The company is not responsible for the accuracy of the information. To the extent there is any discrepancy between the English translation and original Japanese version, please refer to the Japanese version.
2. On June 18, 2025, the company filed its Annual Securities Report (Yukashoken Houkokusho) with the Director-General of the Kanto Local Financial Bureau in Japan.

Part I. Corporate Information

No. 1: Company Overview

1. Trends in Key Management Indicators

(1) Trends in key management indicators for the last five fiscal years

| Fiscal Year | 34th Fiscal Year | 35th Fiscal Year | 36th Fiscal Year | 37th Fiscal Year | 38th Fiscal Year |
|--|------------------|------------------|------------------|------------------|------------------|
| Fiscal Year End | March 2021 | March 2022 | March 2023 | March 2024 | March 2025 |
| Operating revenues (Millions of yen) | 1,764,584 | 1,978,967 | 2,405,538 | 2,730,118 | 2,887,553 |
| Ordinary income (loss) (Millions of yen) | (579,798) | (179,501) | 110,910 | 296,631 | 321,564 |
| Profit (loss) attributable to owners of parent (Millions of yen) | (577,900) | (94,948) | 99,232 | 196,449 | 224,285 |
| Comprehensive income (Millions of yen) | (565,771) | (100,543) | 96,459 | 280,837 | 208,489 |
| Net assets (Millions of yen) | 2,557,361 | 2,418,110 | 2,497,713 | 2,739,232 | 2,872,216 |
| Total assets (Millions of yen) | 8,916,420 | 9,091,424 | 9,351,899 | 9,771,479 | 10,174,224 |
| Net assets per share (Yen) | 2,239.98 | 2,116.19 | 2,188.88 | 2,402.34 | 2,527.69 |
| Earnings (loss) per share (Yen) | (510.64) | (83.90) | 87.79 | 173.82 | 198.29 |
| Diluted earnings per share (Yen) | – | – | – | – | – |
| Equity ratio (%) | 28.4 | 26.3 | 26.4 | 27.8 | 28.1 |
| Return on Average Equity (ROE) (%) | (20.3) | (3.9) | 4.1 | 7.6 | 8.0 |
| Price-earnings ratio (-fold) | – | – | 27.8 | 16.8 | 14.9 |
| Cash flows from operating activities (Millions of yen) | (189,968) | 190,506 | 581,755 | 688,103 | 732,251 |
| Cash flows from investing activities (Millions of yen) | (749,397) | (526,358) | (565,511) | (690,624) | (783,417) |
| Cash flows from financing activities (Millions of yen) | 983,385 | 304,642 | 26,830 | 66,103 | 3,664 |
| Cash and cash equivalents at the fiscal year end (Millions of yen) | 197,960 | 171,023 | 215,000 | 280,810 | 233,473 |
| Number of employees (People) | 71,973 | 71,240 | 69,235 | 68,769 | 69,559 |
| [temporary employees not included in the above figures] | [26,185] | [25,076] | [24,190] | [23,304] | [21,775] |

- (Notes) 1. The numbers of consolidated subsidiaries and affiliated companies accounted for by the equity method for each year are as follows. Figures in parentheses “()” indicate the number of affiliated companies accounted for by the equity method.
34th fiscal year - 71 (6) companies, 35th fiscal year - 69 (6) companies, 36th fiscal year - 69 (11) companies, 37th fiscal year - 72 (11) companies, 38th fiscal year - 76 (11) companies
- Diluted earnings per share is not shown due to lack of potential shares.
 - Price-earnings ratios for the 34th and 35th fiscal years are not shown due to loss attributable to owners of parent.
 - Net assets per share, earnings (loss) per share, equity ratio, ROE, and price-earnings ratio are rounded to the nearest whole number.
 - The Company conducted a 3-for-1 split of its common stock on April 1, 2024. Net assets per share and earnings (loss) per share have been calculated assuming that the stock split was carried out at the beginning of the 34th fiscal year.
 - The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, revised on March 31, 2020) and its implementation guidance have been applied since the beginning of the 35th fiscal year, and the key management indicators for the 35th and subsequent fiscal years are based on the application of these accounting standards.
 - The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; “Revised Accounting Standard of 2022”), etc. from the beginning of the fiscal year ended March 31, 2025. Key management indicators for previous fiscal years have been restated to reflect retroactive application of these standards. In addition, with respect to the Revised Accounting Standard of 2022, the transitional treatment stipulated in the proviso to Paragraph 20-3 has been applied. As for the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022), the transitional treatment specified in the proviso to Paragraph 65-2 (2) has been applied. As a result, the key management indicators for the fiscal year ended March 31, 2025 reflect the application of the aforementioned accounting standards.

(2) Trends in key management indicators of the reporting company over the last 5 fiscal years

| Fiscal Year | 34th Fiscal Year | 35th Fiscal Year | 36th Fiscal Year | 37th Fiscal Year | 38th Fiscal Year |
|--|------------------|------------------|------------------|--------------------|------------------|
| Fiscal Year End | March 2021 | March 2022 | March 2023 | March 2024 | March 2025 |
| Operating revenues (Millions of yen) | 1,184,145 | 1,424,150 | 1,765,512 | 1,987,298 | 2,077,680 |
| Ordinary income (loss) (Millions of yen) | (517,715) | (177,718) | 46,001 | 202,334 | 216,531 |
| Profit (loss) (Millions of yen) | (506,631) | (99,159) | 52,423 | 146,693 | 152,600 |
| Common stock (Millions of yen) | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Total number of issued shares (Thousands of shares) | 377,932 | 377,932 | 377,932 | 378,137 | 1,134,412 |
| Net assets (Millions of yen) | 2,014,228 | 1,872,184 | 1,880,403 | 2,044,684 | 2,095,153 |
| Total assets (Millions of yen) | 8,172,474 | 8,334,994 | 8,527,381 | 8,873,344 | 9,139,474 |
| Net assets per share (Yen) | 1,778.09 | 1,652.71 | 1,659.97 | 1,802.44 | 1,846.91 |
| Dividend per share (interim dividend per share) (Yen) | 100 (50) | 100 (50) | 100 (50) | 140 (55) | 60 (26) |
| Earnings (loss) per share (Yen) | (447.24) | (87.53) | 46.28 | 129.46 | 134.55 |
| Diluted earnings per share (Yen) | – | – | – | – | – |
| Equity ratio (%) | 24.6 | 22.5 | 22.1 | 23.0 | 22.9 |
| Return on Average Equity (ROE) (%) | (22.2) | (5.1) | 2.8 | 7.5 | 7.4 |
| Price-earnings ratio (-fold) | – | – | 52.8 | 22.5 | 21.9 |
| Dividend payout ratio (%) | – | – | 72.0 | 36.0 | 44.6 |
| Number of employees (People) | 44,137 | 43,013 | 41,147 | 39,843 | 39,660 |
| Total shareholder return (comparison index: TOPIX (including dividends)) (%) | 97.1 (142.1) | 89.4 (145.0) | 93.4 (153.4) | 112.5 (216.8) | 115.9 (213.4) |
| Highest share price (Yen) | 8,881 | 8,569 | 8,280 | 3,009 (9,325) | 3,093 |
| Lowest share price (Yen) | 5,446 | 6,373 | 6,510 | 2,895.5 (7,352) | 2,353 |

- (Notes) 1. Diluted earnings per share is not shown due to lack of potential shares.
2. Price earnings ratio and dividend payout ratio for the 34th and 35th fiscal years are not shown due to loss.
3. Net assets per share, earnings (loss) per share, equity ratio, ROE, price-earnings ratio, dividend payout ratio, and total shareholder return are rounded to the nearest whole number.
4. The Company conducted a 3-for-1 split of its common stock on April 1, 2024. Net assets per share and earnings (loss) per share have been calculated assuming that the stock split was carried out at the beginning of the 34th fiscal year. However, the details before the stock split are listed for the total number of issued shares and dividend per share.
5. Of the ¥60 dividend per share for the 38th fiscal year, the year-end dividend of ¥34 is subject to approval at the Ordinary General Meeting of Shareholders scheduled to be held on June 20, 2025.
6. The highest and lowest share prices have been quoted on the Tokyo Stock Exchange Prime Market since the 36th fiscal year, and on the Tokyo Stock Exchange First Section in the past. Regarding the share prices for the 37th fiscal year, the highest and lowest share prices after the ex-rights date due to the stock split are listed, and the highest and lowest share prices before the ex-rights date due to the stock split are listed in parentheses.
7. The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, revised on March 31, 2020) and its implementation guidance have been applied since the beginning of the 35th fiscal year, and the key management indicators for the 35th and subsequent fiscal years are based on the application of these accounting standards.

2. Company History

| Date | Item |
|----------------|--|
| April 1987 | <ul style="list-style-type: none"> Establishment of East Japan Railway Company (the “Company”), takeover of Japanese National Railways (“JNR”), and commencement of passenger rail and bus transport services (6 passenger rail companies including the Company and Japan Freight Railway Company were established, and JNR was transferred to Japanese National Railways Settlement Corporation (currently the Japan Railway Construction, Transport and Technology Agency)) |
| July 1987 | <ul style="list-style-type: none"> Acquisition of shares and subsidiarization of East Japan Kiosk Co., Ltd. (currently JR East Cross Station Co., Ltd., a consolidated subsidiary) |
| April 1988 | <ul style="list-style-type: none"> Establishment of the Business Development Headquarters to facilitate the promotion of related businesses Establishment of JR Bus Tohoku Co., Ltd., and JR BUS KANTO Co., Ltd. (currently consolidated subsidiaries) to split off the Bus Division and transfer the business to the new companies. |
| May 1988 | <ul style="list-style-type: none"> Establishment of JR East Marketing & Communications, Inc. (currently a consolidated subsidiary) |
| April 1989 | <ul style="list-style-type: none"> Establishment of JR East Elevated Development Corporation (currently JR East Urban Development Corporation, a consolidated subsidiary) |
| November 1989 | <ul style="list-style-type: none"> Establishment of JR East Japan Information Systems Company (currently JR East Information Systems Company, a consolidated subsidiary) to split off the Information System Division and transfer the business to the new company. |
| March 1990 | <ul style="list-style-type: none"> Acquisition of shares and subsidiarization of Nippon Shokudo Co., Ltd. (currently JR East Cross Station Co., Ltd., a consolidated subsidiary) |
| April 1990 | <ul style="list-style-type: none"> Establishment of The EKIBIRU Development Co. Tokyo (currently atré Co., Ltd., a consolidated subsidiary) |
| August 1990 | <ul style="list-style-type: none"> Establishment of JR East Facility Management Co., Ltd. (currently a consolidated subsidiary) |
| June 1991 | <ul style="list-style-type: none"> Commencement of Tohoku and Joetsu Shinkansen (bullet train) service between Tokyo and Ueno (operational distance: 3.6 km) |
| October 1991 | <ul style="list-style-type: none"> Acquisition of railroad facilities (excluding rolling stock) for the Tohoku and Joetsu Shinkansen lines from the Shinkansen Holding Corporation (currently Japan Railway Construction, Transport and Technology Agency) |
| April 1992 | <ul style="list-style-type: none"> Establishment of JR East Mechatronics Co., Ltd. (currently a consolidated subsidiary) |
| July 1992 | <ul style="list-style-type: none"> Commencement of Yamagata Shinkansen service, providing direct connection from the Tohoku Shinkansen to the Ou Line (between Fukushima and Yamagata) |
| October 1993 | <ul style="list-style-type: none"> Sale of 2.5 million shares held by Japanese National Railways Settlement Corporation (currently Japan Railway Construction, Transport and Technology Agency) Listed on the first sections of the Tokyo, Osaka, and Nagoya Stock Exchanges and on the Niigata Stock Exchange |
| October 1996 | <ul style="list-style-type: none"> Establishment of the Yokohama Branch Office from a portion of the Tokyo Area Regional Headquarters (currently the Tokyo Metropolitan Area Headquarters) |
| March 1997 | <ul style="list-style-type: none"> Commencement of Akita Shinkansen service, providing direct connection from the Tohoku Shinkansen to the Tazawako Line (between Morioka and Omagari) and the Ou Line (between Omagari and Akita) |
| June 1997 | <ul style="list-style-type: none"> Establishment of Life-style Business Development Headquarters via merger of the Affiliated Business Headquarters and the Business Development Headquarters. |
| September 1997 | <ul style="list-style-type: none"> Head Office relocated from Chiyoda-ku, Tokyo to Shibuya-ku, Tokyo |
| October 1997 | <ul style="list-style-type: none"> Commencement of Hokuriku Shinkansen service between Takasaki and Nagano (operational distance: 117.4 km) |
| April 1998 | <ul style="list-style-type: none"> Establishment of the Hachioji Branch Office from a portion of the Tokyo Area Regional Headquarters (currently the Tokyo Metropolitan Area Headquarters) |
| August 1999 | <ul style="list-style-type: none"> Sale of 1 million shares held by Japan Railway Construction Public Corporation (currently Japan Railway Construction, Transport and Technology Agency) |
| September 1999 | <ul style="list-style-type: none"> Acquisition of shares and subsidiarization of Kosai Maintenance Co., Ltd. (currently JR East Environment Access Co., Ltd., a consolidated subsidiary) |
| December 1999 | <ul style="list-style-type: none"> Commencement of extended Yamagata Shinkansen service to Shinjo Station on the Ou Line |
| April 2000 | <ul style="list-style-type: none"> Establishment of JR East General Education Center to enrich and support employee training |
| April 2001 | <ul style="list-style-type: none"> Establishment of the Omiya Branch Office from a portion of the Tokyo Branch Office (currently the Tokyo Metropolitan Area Headquarters) |
| December 2001 | <ul style="list-style-type: none"> The partial amendment to the “Act on Passenger Railway Companies and Japan Freight Railway Company” went into effect, and the Company was excluded from the scope of these laws Establishment of Research & Development Center of JR East Group via integration of dispersed in-house R&D sites |
| February 2002 | <ul style="list-style-type: none"> Acquisition of shares and subsidiarization of Tokyo Monorail Co., Ltd. (currently a consolidated subsidiary) |

| Date | Item |
|---------------|---|
| June 2002 | <ul style="list-style-type: none"> • Sale of 500,000 shares held by Japan Railway Construction Public Corporation (currently Japan Railway Construction, Transport and Technology Agency) and complete privatization of the company |
| December 2002 | <ul style="list-style-type: none"> • Commencement of Tohoku Shinkansen service between Morioka and Hachinohe (operational distance: 96.6 km) |
| November 2003 | <ul style="list-style-type: none"> • Due to relocation, the Central Public Health Center was renamed the JR East Health Promotion Center |
| April 2005 | <ul style="list-style-type: none"> • Merger of Hotel Metropolitan Co., Ltd. with Hotel Edmont Co., Ltd. and (former) NIPPON HOTEL Co., Ltd., and renaming to NIPPON HOTEL Co., Ltd. (currently a consolidated subsidiary) |
| July 2005 | <ul style="list-style-type: none"> • Establishment of an IT Business Headquarters in order to promote rapid advance in the IT business |
| July 2006 | <ul style="list-style-type: none"> • Establishment of JR East Building Co., Ltd. (currently a consolidated subsidiary) |
| January 2007 | <ul style="list-style-type: none"> • Renaming of Tokyo Electric Construction Office to Tokyo Electrical Construction & System Integration Office |
| July 2007 | <ul style="list-style-type: none"> • IT Business Headquarters renamed IT & <i>Suica</i> Business Headquarters after transfer of <i>Suica</i>-related operations from Railway Business Headquarters |
| April 2009 | <ul style="list-style-type: none"> • Establishment of Energy Management Center to reorganize power generation and supply operations |
| February 2010 | <ul style="list-style-type: none"> • Credit card services were transferred to Viewcard Co., Ltd. (currently a consolidated subsidiary) through an absorption-type split |
| December 2010 | <ul style="list-style-type: none"> • Commencement of Tohoku Shinkansen service between Hachinohe and Shin-Aomori (operational distance: 81.8 km) |
| April 2012 | <ul style="list-style-type: none"> • Formation of subsidiary Japan Transport Engineering Company (currently a consolidated subsidiary) and acquisition of rights to manufacture and sell rolling stock and other products of Tokyu Car Corporation |
| April 2014 | <ul style="list-style-type: none"> • Transfer of railcar manufacturing operations from Niitsu Rolling Stock Plant to Japan Transport Engineering Company through an absorption-type split. |
| July 2014 | <ul style="list-style-type: none"> • Establishment of a Structural Engineering Center as part of the Head Office to improve inspection and diagnostic services |
| March 2015 | <ul style="list-style-type: none"> • Commencement of Hokuriku Shinkansen service between Nagano and Joetsumyoko (operational distance: 59.5 km) |
| June 2017 | <ul style="list-style-type: none"> • Establishment of the International Affairs Headquarters to further promote progress in international business operations |
| June 2018 | <ul style="list-style-type: none"> • The Shinkansen Transport Department changed from a regional office to a head office agency to further improve the safety, reliability, and quality of Shinkansen service |
| June 2018 | <ul style="list-style-type: none"> • Establishment of Technology Innovation Headquarters to enhance systems for providing new services and value to customers |
| April 2019 | <ul style="list-style-type: none"> • To further improve Shinkansen safety and service quality, Shinkansen-related operations of the Head Office, branch offices, and the Shinkansen Transport Department were consolidated and integrated to form the Shinkansen General Management Department as a supervisory organization |
| April 2020 | <ul style="list-style-type: none"> • Merger of Nippon Restaurant Enterprise Co., Ltd. and JR East Food Business Co., Ltd. and renaming to JR East Foods Co., Ltd. (currently JR East Cross Station Co., Ltd., a consolidated subsidiary) |
| June 2020 | <ul style="list-style-type: none"> • To promote <i>Suica</i>, MaaS, and data marketing in a unified manner, establishment of the MaaS & <i>Suica</i> Headquarters through integration of MaaS Promotion Department of the Technology Innovation Headquarters with the IT & <i>Suica</i> Business Headquarters |
| April 2021 | <ul style="list-style-type: none"> • Merger of JR East Retail Net Co., Ltd. with JR East Foods Co., Ltd., JR East Water Business Co., Ltd., and Tetsudo Kaikan Co., Ltd., and renaming to JR East Cross Station Co., Ltd. (currently a consolidated subsidiary) |
| June 2022 | <ul style="list-style-type: none"> • To strengthen strategic operations, including the formulation of group-wide management strategies and future visions, as well as the creation of new businesses, we established the Corporate Strategies Headquarters, Marketing Headquarters, and Innovation Strategy Headquarters. |
| June 2022 | <ul style="list-style-type: none"> • Renaming of Construction Offices to Construction Project Management Offices, and integration of the electrical operations of the Tohoku Construction Office with the Tokyo Electrical Construction & System Integration Office to form the Electrical System Integration Office |
| October 2022 | <ul style="list-style-type: none"> • Renaming of Tokyo Branch Office to Tokyo Metropolitan Area Headquarters and Sendai Branch Office to Tohoku Area Headquarters, and establishment of three jurisdictions corresponding to Metropolitan Area, Tohoku Area, and Niigata Area. |

3. Business Description

The Company and its affiliates (143 subsidiaries and 70 affiliated companies as of March 31, 2025) are engaged in transportation business, retail & services business, real estate & hotels business, and others. The positioning of the Company and affiliates in each business is as follows.

Furthermore, the following classification is identical to the segment information classification in “No. 5: Accounting, 1-(1) Consolidated Financial Statements, Notes to Consolidated Financial Statements.”

(1) Transportation

In addition to being a transportation services with a focus on railway operations, the Company is engaged in travel agency services, cleaning services, station operations, construction and equipment installation, railcar manufacturing and maintenance, and other industries. The Company’s area of railway operations covers mainly Tokyo and 16 prefectures in the Kanto and Tohoku regions, with 1,630 stations, 6,108.0 km of conventional lines, and 1,194.2 km of Shinkansen lines, for a total of 7,302.2 km in operation. Our route map is provided at the end of “No. 1: Company Overview, 3. Business Description.”

Principal Affiliates: The Company (Railway passenger transportation)

(Automobile and railway passenger transport services)

◎ JR BUS KANTO Co., Ltd., ◎ Tokyo Monorail Co., Ltd.

(Travel agency services)

◎ JR EAST VIEW TOURISM AND SALES COMPANY LIMITED,
○ JTB Corp.

(Cleaning services)

◎ JR East Environment Access Co., Ltd.

(Station operations)

◎ JR East Station Service Co., Ltd.

(Construction and equipment installation)

○ TOTETSU KOGYO CO., LTD. ○ Daiichi Kensetsu Corporation,
○ NIPPON DENSETSU KOGYO CO., LTD.

○ NIPPON RIETEC CO., LTD., ○ TEKKEN CORPORATION

(Railcar manufacturing operations)

◎ Japan Transport Engineering Company

(Railcar maintenance operations)

◎ JR East Rail Car Technology & Maintenance Co., Ltd.

(2) Retail & Services

This segment consists of the part of our life-style service business that includes retail sales and restaurant operations, a wholesale business, a truck transportation business, and advertising and publicity.

Principal Affiliates: The Company (Creation of stations and other spaces)

(Retail sales and restaurant operations)

◎ JR East Cross Station Co., Ltd., ◎ JR East TOHOKU SOUGOU SERVICE Co., Ltd.

(Wholesale)

◎ East Japan Railway Trading Co., Ltd.

(Truck transportation)

◎ JR East Logistics Co., Ltd.

(Advertising and publicity)

◎ JR East Marketing & Communications, Inc.

(3) Real Estate & Hotels

This segment consists of the part of our life-style service business that includes shopping center operations, leasing of office buildings and other properties, hotel operations, and development and sale of real estate to operate those businesses.

Principal Affiliates: The Company (Development of shopping centers and office buildings, hotel operations, and real estate sales)

(Shopping center operations)

◎ LUMINE Co., Ltd., ◎ atré Co., Ltd., ◎ JR East Urban Development Corporation

(Office building lease)

◎ JR East Building Co., Ltd.

(Hotel operations)

◎ NIPPON HOTEL Co., Ltd., ◎ Sendai Terminal Building Co., Ltd.

(Construction and equipment installation)

◎ JR East Facility Management Co., Ltd.

(Real estate operations)

◎ JREast Real Estate Co., LTD.

(4) Others

This segment consists of IT & *Suica* business, which includes credit card services, and information processing, among others.

Principal Affiliates: The Company (IT & *Suica*, Others)

(IT & *Suica*)

◎ Viewcard Co., Ltd., ◎ JR East Mechatronics Co., Ltd.

(Information processing)

◎ JR East Information Systems Company

(Power generation)

◎ JR East Energy Development Co., Ltd.

(Construction consulting)

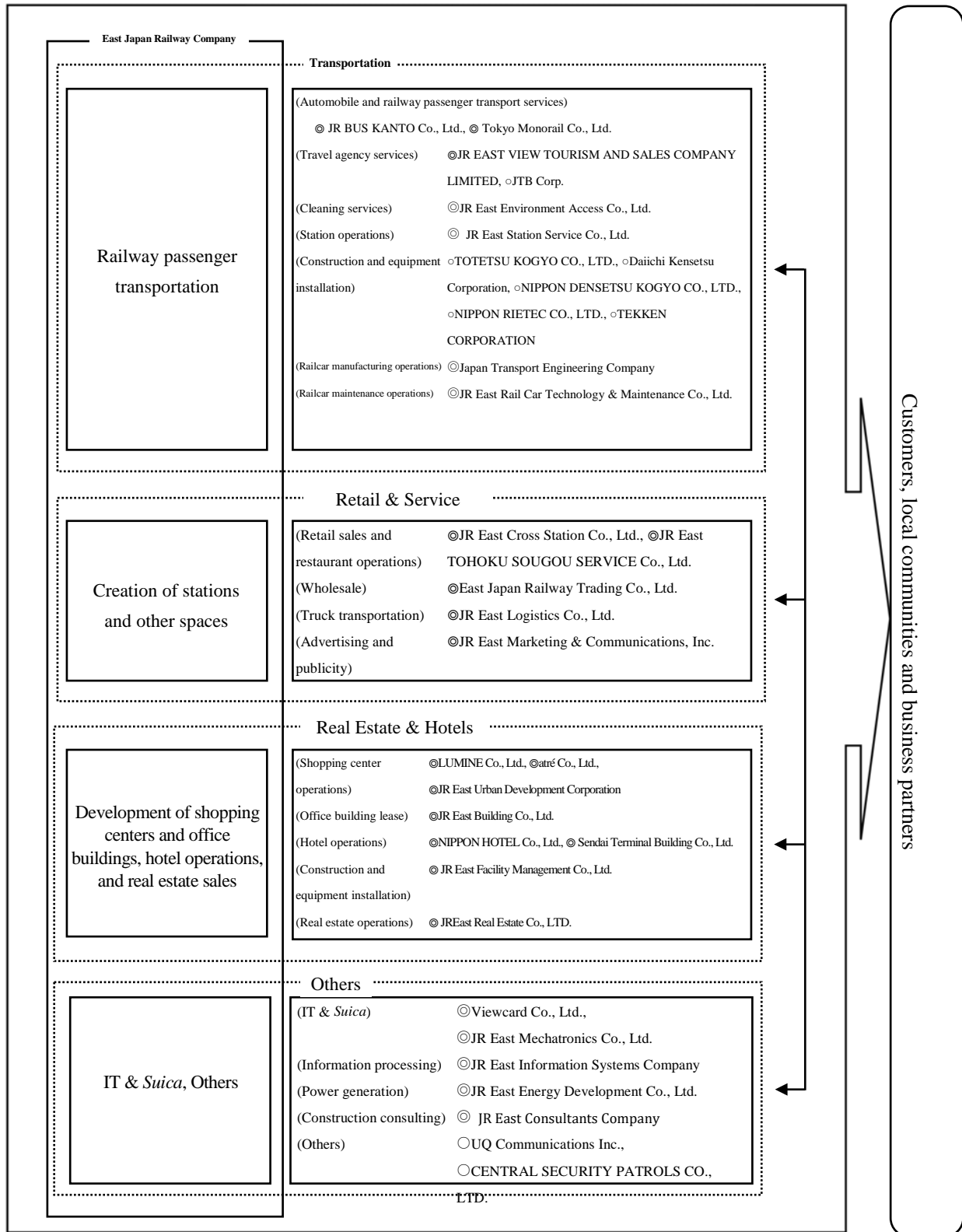
◎ JR East Consultants Company

(Others)

○ UQ Communications Inc., ○ CENTRAL SECURITY PATROLS CO., Ltd.

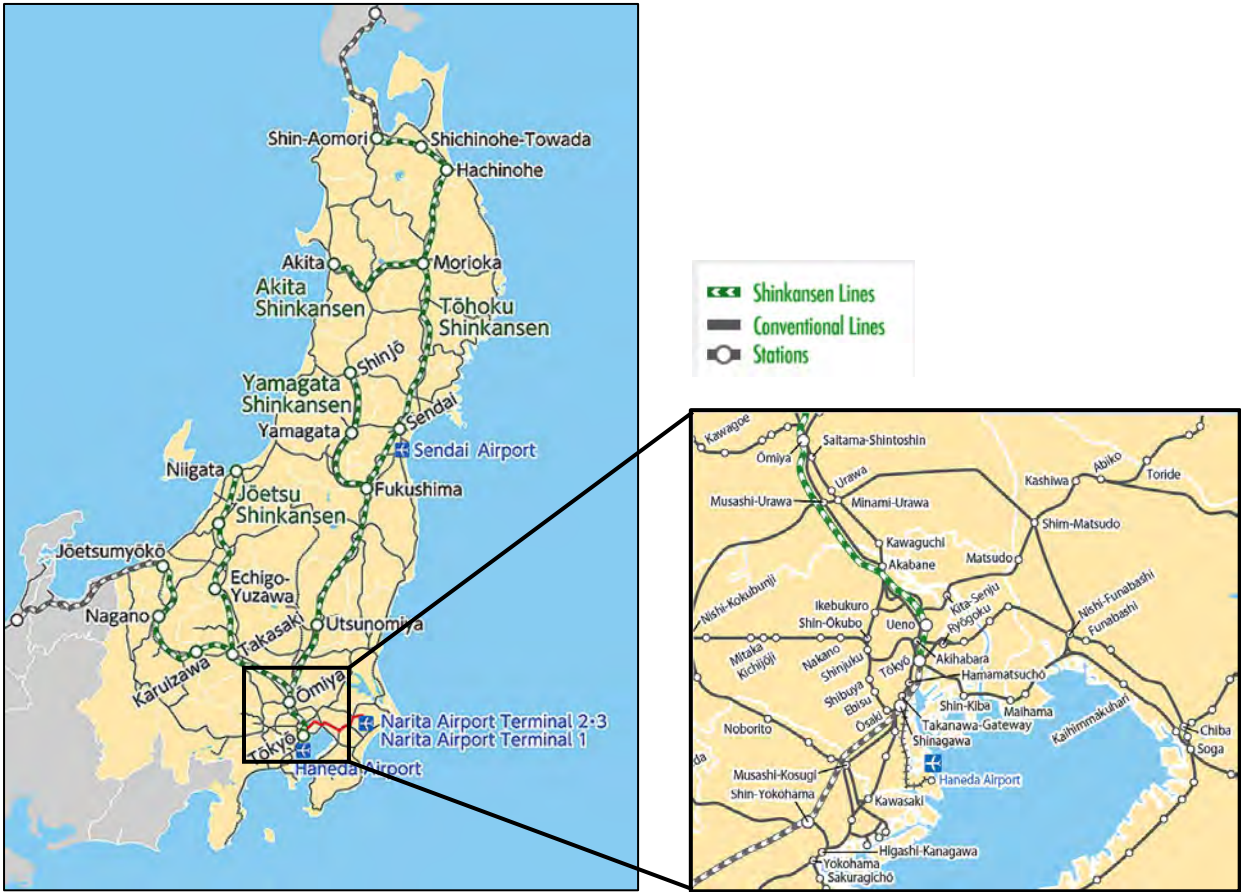
(Note) ◎ indicates consolidated subsidiaries, and ○ indicates affiliated companies accounted for by the equity method. Company names are listed under their primary business segment.

The above-mentioned items are shown in the following business chart.



- (Notes) 1. ◎ indicates consolidated subsidiaries, and ○ indicates affiliated companies accounted for by the equity method. Company names are listed under their primary business segment.
 2. Arrows indicate major transactions and services.

Route Map



4. Affiliates

Consolidated subsidiaries

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|--|-------------------------------------|-------------------------------------|---|---|---|
| Viewcard Co., Ltd. | Shinagawa-ku, Tokyo | 5,000 | Credit card services, bank agency business | 100.0 | Viewcard Co., Ltd. has a franchising agreement with the Company. Executives may serve concurrently. |
| JR East Cross Station Co., Ltd. | Shibuya-ku, Tokyo | 4,101 | Retail sales, restaurant operations, and shopping center operations | 100.0 | JR East Cross Station Co., Ltd. has obtained approval from the Company to operate within station premises. Executives may serve concurrently. |
| JR BUS KANTO Co., Ltd. | Koto-ku, Tokyo | 4,000 | Passenger bus transport services | 100.0 | JR BUS KANTO Co., Ltd. outsources ticket sales to the Company. Executives may serve concurrently. |
| Japan Transport Engineering Company | Kanazawa-ku, Yokohama-shi, Kanagawa | 3,100 | Railcar manufacturing operations | 100.0 | Japan Transport Engineering Company manufactures railcars for the Company. Executives may serve concurrently. |
| JRE Business Development UK Ltd. *1 *2 | The United Kingdom | 15,075 Thousand pounds | Overseas Life-style services | 100.0 | Executives may serve concurrently. |
| JR East Business Development Taiwan, Inc. | Taipei, Taiwan | 714,000 Thousands of Taiwan dollars | Overseas Life-style services | 100.0 | JR East Business Development Taiwan, Inc. has been contracted by the Company to conduct research related to business development. Executives may serve concurrently. |
| LUMINE Co., Ltd. | Shibuya-ku, Tokyo | 2,375 | Shopping center operations | 100.0 | LUMINE Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| JR Bus Tohoku Co., Ltd. | Aoba-ku, Sendai-shi, Miyagi | 2,350 | Passenger bus transport services | 100.0 | JR Bus Tohoku Co., Ltd. outsources ticket sales to the Company. Executives may serve concurrently. |
| JREFU Hotel Management & Consulting Co., Ltd. *3 | Taipei, Taiwan | 500,000 Thousands of Taiwan dollars | Hotel operations | 95.0 (95.0) | Executives may serve concurrently. |
| Sendai Terminal Building Co., Ltd. | Aoba-ku, Sendai-shi, Miyagi | 1,800 | Hotel and shopping center operations | 100.0 | Sendai Terminal Building Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| atré Co., Ltd. | Shibuya-ku, Tokyo | 1,630 | Shopping center operations | 100.0 | atré Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| JR East Marketing & Communications, Inc. | Shibuya-ku, Tokyo | 1,550 | Advertising and publicity | 100.0 | JR East Marketing & Communications, Inc. manages the Company's advertising and publicity, various events, and advertising media within the Company's facilities. Executives may serve concurrently. |
| JR East Urban Development Corporation | Shibuya-ku, Tokyo | 1,450 | Shopping center operations and retail sales | 100.0 | JR East Urban Development Corporation leases land and other assets from the Company. Executives may serve concurrently. |
| JR East Business Development SEA Pte. Ltd. | Singapore | 15,431 Thousand Singapore dollars | Overseas Life-style services | 100.0 | Executives may serve concurrently. |
| JRE Ventures Pte. Ltd. *1 *4 | Singapore | 11,782 Thousand Singapore dollars | Investment-related business | 100.0 | JRE Ventures Pte. Ltd. manages affairs related to the promotion of collaboration with venture companies on behalf of the Company. Executives may serve concurrently. |
| JR Chuo Line Community Design Co., Ltd. | Koganei-shi, Tokyo | 1,230 | Shopping center operations | 95.2 (10.7) | JR Chuo Line Community Design Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| JR East Department Store Co., Ltd. | Tachikawa-shi, Tokyo | 1,140 | Shopping center operations | 100.0 | JR East Department Store Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|--|---|--|---|---|---|
| JREast Real Estate Co., LTD. *1 | Shinjuku-ku, Tokyo | 1,000 | Real estate operations | 100.0 | JREast Real Estate Co., LTD. entered into an absorption-type company split agreement with the Company and has succeeded to the rights and obligations related to the development and leasing of Company-owned land. Executives may serve concurrently. |
| JRE Sports Taiwan Co., Ltd. | Taipei, Taiwan | 204,450 Thousands of Taiwan dollars | Sports & Leisure | 100.0 (100.0) | Executives may serve concurrently. |
| Morioka Terminal Building Co., Ltd. | Morioka-shi, Iwate | 900 | Hotel and shopping center operations | 100.0 (3.7) | Morioka Terminal Building Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| Shinjuku South Energy Service Co., Ltd. | Shibuya-ku, Tokyo | 750 | Local heating and cooling business | 57.6 | Shinjuku South Energy Service Co., Ltd. supplies thermal energy to the Company's buildings. Executives may serve concurrently. |
| East Japan Railway Trading Co., Ltd. | Shibuya-ku, Tokyo | 560 | Wholesale | 100.0 | East Japan Railway Trading Co., Ltd. manages procurement of railroad materials for the Company. Executives may serve concurrently. |
| JR East Information Systems Company | Shinjuku-ku, Tokyo | 500 | Information processing | 100.0 | JR East Information Systems Company manages information processing and systems development and operations for the Company. Executives may serve concurrently. |
| NIPPON HOTEL Co., Ltd. | Toshima-ku, Tokyo | 500 | Hotel operations | 100.0 | NIPPON HOTEL Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| Station City Energy Create Co., Ltd. | Minato-ku, Tokyo | 495 | Local heating business | 85.0 (15.0) | Station City Energy Create Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| JR East TOHOKU SOUGOU SERVICE Co., Ltd. | Aoba-ku, Sendai-shi, Miyagi | 490 | Retail sales and station operations | 100.0 | JR East TOHOKU SOUGOU SERVICE Co., Ltd. has obtained approval from the Company to operate within station premises. Executives may serve concurrently. |
| JR East Building Co., Ltd. | Shibuya-ku, Tokyo | 480 | Office building lease | 100.0 | JR East Building Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| JR East Net Station Co., Ltd. | Shibuya-ku, Tokyo | 460 | Information processing | 100.0 (34.8) | JR East Net Station Co., Ltd. manages IT-based businesses for the Company. Executives may serve concurrently. |
| Akita Station Building Co., Ltd. *5 | Akita-shi, Akita | 450 | Hotel and shopping center operations | 98.9 (0.7) | Akita Station Building Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| Station Building MIDORI Co., Ltd. | Nagano-shi, Nagano | 450 | Shopping center operations | 100.0 | Station Building MIDORI Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| JR East Sports Co., Ltd. | Toshima-ku, Tokyo | 400 | Sports & Leisure | 100.0 | JR East Sports Co., Ltd. leases the Company's buildings and operates sports clubs. Executives may serve concurrently. |
| JR East Niigata City Create Inc. | Chuo-ku, Niigata-shi, Niigata | 400 | Retail, hotel, and shopping center operations | 100.0 | JR East Niigata City Create Inc. leases land and other assets from the Company. Executives may serve concurrently. |
| TAKANAWA GATEWAY Global Co-Benefits Fund L.P. *1 *6 | Shibuya-ku, Tokyo | 301 | Other | 99.5 | – |
| GALA YUZAWA Co., Ltd. | Yuzawa-machi, Minamiuonuma-gun, Niigata | 300 | Sports & Leisure | 92.7 | GALA YUZAWA Co., Ltd. leases the Company's buildings and operates a ski resort. Executives may serve concurrently. |
| JR East Real Estate Asset Management Co., Ltd. | Chiyoda-ku, Tokyo | 300 | Real estate and real estate asset management | 90.2 (40.0) | Executives may serve concurrently. |

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|---|---------------------------|----------------------------------|--------------------------------|---|--|
| JR East Aomori Business-Development Company Co., Ltd. | Aomori-shi, Aomori | 280 | Shopping center operations | 100.0 (2.9) | JR East Aomori Business-Development Company Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| GATES PCM CONSTRUCTION LTD. | Singapore | 2,000 Thousand Singapore dollars | Overseas railway operations | 75.0 | Executives may serve concurrently. |
| JR East Rail Car Technology & Maintenance Co., Ltd. | Shinjuku-ku, Tokyo | 200 | Railcar maintenance operations | 100.0 | JR East Rail Car Technology & Maintenance Co., Ltd. performs mechanical and equipment work at the Company's workshops and stations, and repairs and renovates railcars. Executives may serve concurrently. |
| JR Yokohama Shonan City Create Co., Ltd. | Hiratsuka-shi, Kanagawa | 200 | Shopping center operations | 91.9 (2.2) | JR Yokohama Shonan City Create Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| Chiba Station Building Co., Ltd. | Chuo-ku, Chiba-shi, Chiba | 200 | Shopping center operations | 100.0 (3.4) | Chiba Station Building Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| JR East Rental & Lease Co., Ltd. | Chiyoda-ku, Tokyo | 165 | Car Rental Business | 100.0 | JR East Rental & Lease Co., Ltd. has a lease agreement with the Company for vehicle transport equipment and leases land and other assets from the Company. Executives may serve concurrently. |
| Kinshicho Station Building Co., Ltd. | Sumida-ku, Tokyo | 160 | Shopping center operations | 71.3 (1.5) | Kinshicho Station Building Co., Ltd. leases land and other assets from the Company. Executives may serve concurrently. |
| JR East Environment Access Co., Ltd. | Taito-ku, Tokyo | 120 | Cleaning services | 100.0 | JR East Environment Access Co., Ltd. is entrusted with the cleaning of the Company's railcars, stations, and other buildings. Executives may serve concurrently. |
| Union Construction Co., Ltd. | Meguro-ku, Tokyo | 120 | Construction | 100.0 | Union Construction Co., Ltd. is responsible for civil engineering and railroad track-related subcontracting work for the Company. Executives may serve concurrently. |
| JR East Media Co., Ltd. | Toshima-ku, Tokyo | 104 | Advertising and publicity | 100.0 (100.0) | JR East Media Co., Ltd. manufactures, maintains, and manages advertising apparatus for the Company's stations and trains. Executives may serve concurrently. |
| JR East Green Partners Co., Ltd. | Toda-shi, Saitama | 100 | Human resource services | 100.0 (19.3) | JR East Green Partners Co., Ltd. manages the Company's inventory of company uniforms. Executives may serve concurrently. |
| JR East Start UP Co., Ltd. | Minato-ku, Tokyo | 100 | Investment-related business | 100.0 | JR East Start UP Co., Ltd. manages affairs related to the promotion of collaboration with venture companies on behalf of the Company. Executives may serve concurrently. |
| JR EAST Smart Logistics Co., Ltd. | Sumida-ku, Tokyo | 100 | Rental lockers | 100.0 (100.0) | JR EAST Smart Logistics Co., Ltd. conducts the locker business inside the Company's train stations, etc. Executives may serve concurrently. |
| JR East Personnel Service Co., Ltd. | Shinjuku-ku, Tokyo | 100 | Human resource services | 100.0 | JR East Personnel Service Co., Ltd. provides human resources, training, welfare, and other services for the Company. In addition, JR East Personnel Service Co., Ltd. manages dispatch of labor to the Company. Executives may serve concurrently. |
| JR EAST VIEW TOURISM AND SALES COMPANY LIMITED | Sumida-ku, Tokyo | 100 | Travel agency services | 100.0 | JR EAST VIEW TOURISM AND SALES COMPANY LIMITED manages travel-related services for the Company. Executives may serve concurrently. |

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|--|---------------------|----------------------------------|---|---|--|
| JR East Logistics Co., Ltd. | Sumida-ku, Tokyo | 100 | Truck transportation | 100.0 (10.8) | JR East Logistics Co., Ltd. provides freight trucking services and leases land from the Company for warehousing and other services. Executives may serve concurrently. |
| JR East Mechatronics Co., Ltd. | Shibuya-ku, Tokyo | 100 | Maintenance services and IC card services | 100.0 | JR East Mechatronics Co., Ltd. maintains, manages, and develops the Company's ticket gate equipment. Executives may serve concurrently. |
| JR East Linen Co., Ltd. | Toshima-ku, Tokyo | 100 | Linen supply | 100.0 | JR East Linen Co., Ltd. is responsible for the supply of linen to passenger cars and other facilities of the Company. Executives may serve concurrently. |
| Tokyo Monorail Co., Ltd. *7 | Minato-ku, Tokyo | 100 | Monorail transport services | 100.0 | Tokyo Monorail Co., Ltd. has a liaison transportation contract with the Company. Executives may serve concurrently. |
| Japan International Consultants for Transportation Co., Ltd. | Chiyoda-ku, Tokyo | 100 | Overseas Railway Consulting | 58.6 | Japan International Consultants for Transportation Co., Ltd. conducts research and planning related to the Company's businesses. Executives may serve concurrently. |
| JR East Management Service Co., Ltd. | Shibuya-ku, Tokyo | 80 | Financial Services | 100.0 | JR East Management Service Co., Ltd. manages the accounting department of the Company. JR East Management Service Co., Ltd. also operates a cash management system and lends and borrows the Company's funds. Executives may serve concurrently. |
| The Orangepage, Inc. | Minato-ku, Tokyo | 50 | Publishing | 100.0 | Executives may serve concurrently. |
| KINOKUNIYA Co., Ltd. | Shinjuku-ku, Tokyo | 50 | Retail | 100.0 | KINOKUNIYA Co., Ltd. leases buildings and other assets from the Company. Executives may serve concurrently. |
| JR East Energy Development Co., Ltd. *8 | Chiyoda-ku, Tokyo | 50 | Power generation | 100.0 | Executives may serve concurrently. |
| JR East Design Corporation | Shibuya-ku, Tokyo | 50 | Architectural design | 100.0 | JR East Design Corporation provides services related to research and planning of the Company's buildings, as well as technical services related to design and supervision. Executives may serve concurrently. |
| JR East Consultants Company | Shinagawa-ku, Tokyo | 50 | Construction consulting | 100.0 | JR East Consultants Company provides research, planning, design, surveying, development surveying, and construction supervision services related to the Company's businesses. Executives may serve concurrently. |
| JR East Service Creation Co., Ltd. | Chiyoda-ku, Tokyo | 50 | Onboard service | 100.0 | JR East Service Creation Co., Ltd. manages onboard service for the Company's trains. Executives may serve concurrently. |
| JR East Station Service Co., Ltd. | Shibuya-ku, Tokyo | 50 | Station operations | 100.0 | JR East Station Service Co., Ltd. manages stations of the Company. Executives may serve concurrently. |
| JR East Facility Management Co., Ltd. | Shibuya-ku, Tokyo | 50 | Building maintenance | 100.0 | JR East Facility Management Co., Ltd. oversees maintenance and management, and the design and construction of renovation work for company housing of the Company. Executives may serve concurrently. |
| JR East Transportation Services Co., Ltd. | Chuo-ku, Tokyo | 38 | Cleaning services | 100.0 | JR East Transportation Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR East TESSEI Co., Ltd. | Chuo-ku, Tokyo | 38 | Cleaning services | 100.0 | JR East TESSEI Co., Ltd. is entrusted with cleaning and maintenance of the Company's facilities like rolling stock and station buildings. Executives may serve concurrently. |

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|---|-------------------------------|----------------------------------|----------------------------|---|---|
| JR East Techno Service Co., Ltd. | Aoba-ku, Sendai-shi, Miyagi | 25 | Cleaning services | 100.0 | JR East Techno Service Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| Japan Railway Track Consultants Co., Ltd. | Adachi-ku, Tokyo | 20 | Survey and measurement | 57.5 (10.0) | Japan Railway Track Consultants Co., Ltd. manages survey and measurement of the Company's railroad lines. Executives may serve concurrently. |
| JR Niigata Railway Services Co., Ltd. | Chuo-ku, Niigata-shi, Niigata | 17 | Cleaning services | 100.0 | JR Niigata Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Morioka Railway Service Co., Ltd. | Morioka-shi, Iwate | 13 | Cleaning services | 100.0 | JR Morioka Railway Service Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Chiba Railway Services Co., Ltd. | Chuo-ku, Chiba-shi, Chiba | 12 | Cleaning services | 100.0 | JR Chiba Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Akita Railway Services Co., Ltd. | Akita-shi, Akita | 10 | Cleaning services | 100.0 | JR Akita Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Takasaki Railway Services Co., Ltd. | Takasaki-shi, Gunma | 10 | Cleaning services | 100.0 | JR Takasaki Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Nagano Railway Services Co., Ltd. | Nagano-shi, Nagano | 10 | Cleaning services | 100.0 | JR Nagano Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| JR Mito Railway Services Co., Ltd. | Mito-shi, Ibaraki | 10 | Cleaning services | 100.0 | JR Mito Railway Services Co., Ltd. is entrusted with tasks related to cleaning, maintenance, and inspection work for the Company's vehicles and equipment. Executives may serve concurrently. |
| Decorum Vending Ltd. *1 | The United Kingdom | 0 Thousand pounds | Vending machine operations | 100.0 (100.0) | Executives may serve concurrently. |

Affiliated companies accounted for by the equity method

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|--|-------------------------------|----------------------------------|------------------------|---|--|
| UQ Communications Inc. *9 | Chiyoda-ku, Tokyo | 71,425 | Telecommunications | 17.6 | UQ Communications Inc. leases telecommunication facilities and other equipment from the Company. Executives may serve concurrently. |
| TEKKEN CORPORATION *9 *10 | Chiyoda-ku, Tokyo | 18,293 | Construction | 20.0 | TEKKEN CORPORATION performs civil engineering and construction work for the Company. Executives may serve concurrently. |
| NIPPON DENSETSU KOGYO CO., LTD. *9 *10 | Taito-ku, Tokyo | 8,494 | Equipment installation | 19.5 (0.1) | NIPPON DENSETSU KOGYO CO., LTD. performs electrical and telecommunications work for the Company. Executives may serve concurrently. |
| Daiichi Kensetsu Corporation *9 *10 | Chuo-ku, Niigata-shi, Niigata | 3,302 | Construction | 19.7 (0.3) | Daiichi Kensetsu Corporation performs civil engineering, construction, and railroad track work for the Company. Executives may serve concurrently. |

| Name | Address | Stated capital (millions of yen) | Major business | Percentage of voting rights holding or held (%) | Relationship details |
|---|-----------------------------|----------------------------------|------------------------|---|---|
| Central Security Patrols Co., Ltd. *10 | Shinjuku-ku, Tokyo | 2,924 | Security services | 25.6 | Central Security Patrols Co., Ltd. provides security services in the Company's stations. Executives may serve concurrently. |
| TOTETSU KOGYO CO., LTD. *9 *10 | Shinjuku-ku, Tokyo | 2,810 | Construction | 20.0 (0.4) | TOTETSU KOGYO CO., LTD. performs civil engineering, construction, and railroad track work for the Company. Executives may serve concurrently. |
| NIPPON RIETEC CO., LTD. *9 *10 | Chiyoda-ku, Tokyo | 1,430 | Equipment installation | 19.6 (0.1) | NIPPON RIETEC CO., LTD. performs electrical and telecommunications work for the Company. Executives may serve concurrently. |
| SENKEN KOGYO CO., LTD. *9 | Aoba-ku, Sendai-shi, Miyagi | 250 | Construction | 17.6 | SENKEN KOGYO CO., LTD. performs civil engineering, construction, and railroad track work for the Company. Executives may serve concurrently. |
| KOTSUKENSETSU CORPORATION *9 | Shinjuku-ku, Tokyo | 114 | Construction | 19.6 | KOTSUKENSETSU CORPORATION performs civil engineering and railroad track work for the Company. Executives may serve concurrently. |
| JTB Corp. | Shinagawa-ku, Tokyo | 100 | Travel agency services | 21.9 | JTB Corp. manages the sale of train tickets and the consignment sale of travel products for the Company. Executives may serve concurrently. |
| Total Electric Management Service Co., Ltd. *9 | Chuo-ku, Tokyo | 97 | Equipment installation | 11.3 | Total Electric Management Service Co., Ltd. performs electrical and telecommunications work for the Company. Executives may serve concurrently. |

- (Notes) 1. Figures in parentheses in the "Percentage of voting rights holding or held" column indicate the percentage of indirect ownership.
- The companies in *1 were newly consolidated companies from the current fiscal year.
 - JRE Business Development UK Ltd. (fiscal closing date: December 31, 2024) in *2 implemented a capital increase in February 2025, and its capital is 19,100 thousand pounds sterling as of the date of submission of this Annual Securities Report.
 - JREFU Hotel Management & Consulting Co., Ltd. in *3 (fiscal closing date: December 31, 2024) carried out a capital increase in June 2025, and as of the filing of this Annual Securities Report, its capital stands at 2,183,000 thousand Taiwan dollars. In March 2025, JR East Business Development Taiwan, Inc. acquired additional shares, and as of the filing date of this Annual Securities Report, the percentage of voting rights owned is 100.0% (percentage of indirect ownership is 100.0%).
 - JRE Ventures Pte. Ltd. in *4 (fiscal closing date: December 31, 2024) carried out a capital increase in April 2025, and as of the filing date of this Annual Securities Report, its capital stands at 25,263 thousand Singapore dollars.
 - The Company acquired additional shares in Akita Station Building Co., Ltd. in *5 in April and May 2025, and the percentage of voting rights owned is 99.9% (percentage of indirect ownership is 0.7%) as of the date of submission of this Annual Securities Report.
 - For TAKANAWA GATEWAY Global Co-Benefits Fund L.P. in *6 (fiscal closing date: December 31, 2024), companies other than the Company made capital contributions in January, March, and April 2025, resulting in a current ownership ratio of 66.3% as of the filing date of this Annual Securities Report.
 - Tokyo Monorail Co., Ltd. in *7 is an insolvent company, and the amount of insolvency is ¥38,381 million as of March 31, 2025.
 - JR East Energy Development Co., Ltd. in *8 is an insolvent company, and the amount of insolvency is ¥10,049 million as of March 31, 2025.
 - The companies in *9 are classified as affiliated companies because the Company has substantial influence over them, even though the percentages of voting rights held by the Company are less than 20/100. The percentage of voting rights in TEKKEN CORPORATION and TOTETSU KOGYO CO., LTD. held by the Company is reported rounded to 20.0%, but the true figure is under 20%.
 - The companies marked with *10 have filed an annual securities report.
 - None of the above companies is a specified subsidiary.

5. Employees

(1) Consolidated companies

(As of March 31, 2025)

| Business segment | Number of employees | |
|----------------------|---------------------|----------|
| Transportation | 52,753 | [10,864] |
| Retail & Services | 6,091 | [7,915] |
| Real Estate & Hotels | 5,726 | [2,019] |
| Others | 4,989 | [977] |
| Total | 69,559 | [21,775] |

- (Notes) 1. “Number of employees” shows the number of persons at work (excluding those seconded to other companies and including those seconded from other companies for each of the Group companies). The number of temporary employees is shown in parentheses and is not included in “Number of employees.”
2. The number of temporary employees includes those re-employed after the age-limit retirement such as those designated as “elder employees” of the Company, but does not include dispatched employees and part-timers working for a short time.
3. “Number of employees” increased by 790 (temporary employees decreased by 1,529) compared with the previous fiscal year-end.

(2) Reporting company

(As of March 31, 2025)

| Number of employees | Average age (years old) | Average length of service (years) | Average annual salary (yen) |
|---------------------|-------------------------|-----------------------------------|-----------------------------|
| 39,660 | 39.2 | 16.6 | 7,670,057 |

(As of March 31, 2025)

| Business segment | Number of employees |
|----------------------|---------------------|
| Transportation | 38,956 |
| Retail & Services | 218 |
| Real Estate & Hotels | 355 |
| Others | 131 |
| Total | 39,660 |

- (Notes) 1. “Number of employees” shows the number of persons at work (excluding those seconded to other companies and including those seconded from other companies for each of the Group companies). The number of temporary employees is omitted because it is less than 10 of every 100 employees.
2. Average age, average length of service, and average annual salary are calculated based on the number of employees, excluding those seconded from other companies.
3. The retirement age of employees is the last day of the month in which they reach 60 years of age.
4. Average annual salary includes bonuses and non-standard wages.

(3) Labor unions

The Company currently has several labor unions, the names and numbers of members of which are as follows.

(As of April 1, 2025)

| Name | Number of union members | Upper organization |
|--|-------------------------|--|
| EAST JAPAN RAILWAY WORKERS' UNION (JREU) | 2,899 | Japan Confederation of Railway Workers' Unions (JRU) |
| JR East Transport Service Workers Union (JTSU-E) | 2,040 | Japan Transport Service Worker's Unions (JTSU) |
| JR East Japan Workers' Union (East Japan Union) | 334 | — |
| JR EAST LABOR UNION (JREL) | 287 | — |
| JR East New Railway Workers' Union (New Railway Union) | 37 | — |
| National Railway Workers' Union East (NRU-east) | 36 | National Railway Workers' Union (NRU) |
| JR East Niigata Labor Union (JR Niigata Union) | 33 | — |
| JR East Union (JRE Union) | 17 | JAPAN RAILWAY TRADE UNIONS CONFEDERATION (JRTU) |
| National Railway Motive Power Union (NRMU) | 5 | — |

- (Notes) 1. Figures in parentheses are abbreviations.
2. The number of union members does not include those re-employed after the age-limit retirement such as those designated as “elder employees” of the Company.
3. As of April 1, 2025, members of the Railway Industry Labor Union, National Railway Mito Motive Power Union, and All Japan Construction, Transport and General Workers’ Union, National Railway East Japan Headquarters are elder employees only.

The Company has labor agreements with the following labor unions: EAST JAPAN RAILWAY WORKERS’ UNION, JR East Transport Service Workers Union, JR East Japan Workers’ Union, JR EAST LABOR UNION, JR East New Railway Workers’ Union, National Railway Workers’ Union East, JR East Niigata Labor Union, JR East Union, National Railway Mito Motive Power Union, and All Japan Construction, Transport and General Workers’ Union, National Railway East Japan Headquarters. Based on these agreements, the Company has been conducting management council meetings and collective bargaining negotiations in accordance with the principle of good faith, while observing its obligation to maintain neutrality.

Currently, some labor unions have filed seven unfair labor practice cases with the Labor Relations Commission (six cases with the JR East Transport Service Workers Union and one case with the National Railway Motive Power Union).

There are no matters to be noted regarding the status of labor unions of the Company’s consolidated subsidiaries.

- (4) Percentage of female workers in management positions, percentage of male and female workers taking childcare leave, and wage difference between male and female workers

(i) Reporting company

| Percentage of female workers in management positions (%) | Percentage of male workers taking childcare leave (%) | | Percentage of female workers taking childcare leave (%) | | Wage difference between male and female workers (%) | | |
|--|---|---------------------|---|---------------------|---|-----------------|---------------------|
| | Regular workers | Non-regular workers | Regular workers | Non-regular workers | All workers | Regular workers | Non-regular workers |
| 8.3 | 71.9 | 0.0 | 100.0 | 66.7 | 89.6 | 84.3 | 64.9 |

- (Notes) 1. The percentage of female workers in management positions and the wage difference between male and female workers are calculated based on the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64, 2015).
2. The percentage of childcare leave, etc. taken is calculated based on the provisions of Article 71-6, item (ii) of the “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25, 1991), in accordance with the provisions of the “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76, 1991).
3. The period covered is the current fiscal year (from April 1, 2024 to March 31, 2025).
4. Regular workers include those seconded to other companies and exclude those seconded from other companies. Non-regular workers include those re-employed after the age-limit retirement such as those designated as “elder employees” of the Company, part-timers, and contract workers, and exclude dispatched employees.
5. For the wage difference between male and female workers, wages include bonuses and non-standard wages. In addition, the figures for regular workers who work shorter hours or shorter days for childcare or nursing care are converted to if they were working Full-time scheduled working hours or working days.
6. The wage difference between male and female regular workers as a whole is due to the fact that the average length of service of female workers is about 5 years shorter than that of male workers, the effect of childcare leave, etc., and the small number of female employees in some age groups.

(Supplementary data: Wage difference between men and women among regular workers)

| | Age | | | |
|---|---------------|------|------|------|
| | 20s and below | 30s | 40s | 50s |
| Wage difference between men and women (%) | 101.8 | 93.0 | 92.3 | 95.6 |

(ii) Consolidated subsidiary

| Name | Percentage of female workers in management positions (%) | Percentage of male workers taking childcare leave (%) | | Percentage of female workers taking childcare leave (%) | | Wage difference between male and female workers (%) | | |
|---|--|---|---------------------|---|---------------------|---|-----------------|---------------------|
| | | Regular workers | Non-regular workers | Regular workers | Non-regular workers | All workers | Regular workers | Non-regular workers |
| Viewcard Co., Ltd. | 20.4 | 100.0 | – | 100.0 | – | 57.4 | 57.6 | 45.3 |
| JR East Cross Station Co., Ltd. | 10.8 | 47.8 | – | 100.0 | 100.0 | 62.3 | 80.1 | 95.9 |
| JR BUS KANTO Co., Ltd. | 0.0 | 14.3 | – | 100.0 | – | 45.2 | 72.6 | 30.6 |
| Japan Transport Engineering Company | 1.3 | 84.6 | – | 100.0 | – | 84.1 | 84.7 | 60.6 |
| LUMINE Co., Ltd. | 36.4 | 100.0 | – | 90.0 | 50.0 | 73.2 | 77.8 | 47.7 |
| JR Bus Tohoku Co., Ltd. | 0.0 | 100.0 | – | – | – | 76.2 | 74.5 | 91.1 |
| JREFU Hotel Management & Consulting Co., Ltd. | 8.3 | 60.0 | – | – | – | 88.9 | 86.2 | 142.2 |
| Sendai Terminal Building Co., Ltd. | 17.1 | 33.3 | – | 100.0 | 100.0 | 63.0 | 77.6 | 53.1 |
| atré Co., Ltd. | 28.0 | 100.0 | – | 100.0 | 100.0 | 71.1 | 80.4 | 45.2 |
| JR East Marketing & Communications, Inc. | 13.0 | 40.0 | 0.0 | 100.0 | – | 81.5 | 80.8 | 83.9 |
| JR East Urban Development Corporation | 15.6 | 100.0 | – | 100.0 | 100.0 | 49.2 | 87.9 | 36.6 |
| JR Chuo Line Community Design Co., Ltd. | 35.0 | 0.0 | – | 100.0 | – | 77.3 | 97.0 | 46.0 |
| Morioka Terminal Building Co., Ltd. | 20.0 | 50.0 | – | 100.0 | 100.0 | 63.7 | 80.6 | 38.7 |
| East Japan Railway Trading Co., Ltd. | 12.3 | 75.0 | – | 100.0 | 100.0 | 68.2 | 73.8 | 53.5 |
| JR East Information Systems Company | 6.0 | 88.2 | – | 100.0 | – | 82.9 | 80.3 | 99.1 |
| NIPPON HOTEL Co., Ltd. | 17.3 | 50.0 | – | 100.0 | – | 71.1 | 77.3 | 57.5 |
| JR East TOHOKU SOUGOU SERVICE Co., Ltd. | 3.6 | 90.0 | – | 100.0 | 100.0 | 78.2 | 91.1 | 62.6 |
| JR East Building Co., Ltd. | 7.4 | 100.0 | – | 100.0 | – | 86.2 | 87.4 | 73.7 |
| JR East Net Station Co., Ltd. | 12.5 | – | – | – | – | 81.8 | 90.2 | 108.7 |
| Akita Station Building Co., Ltd. | 31.4 | 100.0 | – | 100.0 | – | 78.3 | 85.9 | 64.9 |
| Station Building MIDORI Co., Ltd. | 0.0 | – | – | – | – | 114.3 | 108.2 | 114.7 |
| JR East Sports Co., Ltd. | 20.5 | 50.0 | – | 100.0 | 100.0 | 94.6 | 98.1 | 97.6 |
| JR East Niigata City Create Inc. | 50.0 | 100.0 | – | 100.0 | – | 74.8 | 90.2 | 65.4 |
| GALA YUZAWA Co., Ltd. | 0.0 | – | – | – | – | 89.7 | 100.0 | 67.0 |
| GATES PCM CONSTRUCTION LTD. | 18.8 | – | – | – | – | 198.1 | 68.4 | – |
| JR East Rail Car Technology & Maintenance Co., LTD. | 3.2 | 53.1 | – | – | – | 84.9 | 84.0 | 63.0 |
| JR Yokohama Shonan City Create Co., Ltd. | 52.2 | 100.0 | – | 100.0 | – | 77.2 | 84.9 | 41.6 |
| Chiba Station Building Co., Ltd. | 11.1 | 100.0 | – | 100.0 | – | 102.2 | 89.2 | 71.6 |
| JR East Rental & Lease Co., Ltd. | 5.3 | – | – | 100.0 | – | 108.9 | 83.1 | 106.1 |
| JR East Environment Access Co., Ltd. | 15.2 | 100.0 | 100.0 | 100.0 | – | 69.3 | 85.2 | 72.6 |
| Union Construction Co., Ltd. | 2.2 | 53.3 | – | 100.0 | – | 94.7 | 89.9 | 20.3 |
| JR East Media Co., Ltd. | 0.0 | 100.0 | – | – | – | 134.4 | 83.6 | 209.4 |
| JR East Green Partners Co., Ltd. | 50.0 | 50.0 | – | – | – | 74.8 | 104.4 | 40.2 |
| JR East Personnel Service Co., Ltd. | 22.4 | 0.0 | – | 100.0 | 100.0 | 104.6 | 77.7 | 140.8 |
| JR EAST VIEW TOURISM AND SALES COMPANY LIMITED | 41.2 | 66.7 | – | 100.0 | 100.0 | 69.8 | 69.7 | 96.1 |
| JR East Logistics Co., Ltd. | 8.3 | 100.0 | – | – | – | 60.1 | 82.4 | 58.6 |
| JR East Mechatronics Co., Ltd. | 4.0 | 100.0 | – | 100.0 | – | 80.2 | 81.8 | 55.6 |
| JR East Linen Co., Ltd. | 12.5 | – | – | – | – | 69.0 | 81.7 | 69.5 |
| Tokyo Monorail Co., Ltd. | 5.4 | 33.3 | – | 100.0 | – | 77.1 | 76.6 | – |

| Name | Percentage of female workers in management positions (%) | Percentage of male workers taking childcare leave (%) | | Percentage of female workers taking childcare leave (%) | | Wage difference between male and female workers (%) | | |
|---|--|---|---------------------|---|---------------------|---|-----------------|---------------------|
| | | Regular workers | Non-regular workers | Regular workers | Non-regular workers | All workers | Regular workers | Non-regular workers |
| JR East Management Service Co., Ltd. | 10.5 | 50.0 | – | 100.0 | – | 76.5 | 80.4 | 28.9 |
| The Orangepage, Inc. | 76.9 | 0.0 | – | 100.0 | – | 85.1 | 88.1 | 81.7 |
| KINOKUNIYA Co., Ltd. | 17.3 | – | – | – | – | 56.4 | 81.7 | 86.4 |
| JR East Design Corporation | 5.8 | 85.7 | 0.0 | 85.7 | – | 82.2 | 80.1 | 70.2 |
| JR East Consultants Company | 5.7 | 41.7 | – | 100.0 | – | 83.8 | 77.9 | 67.9 |
| JR East Service Creation Co., Ltd. | 28.0 | 50.0 | – | 85.7 | 100.0 | 111.4 | 87.0 | 108.2 |
| JR East Station Service Co., Ltd. | 6.7 | 80.5 | – | 100.0 | – | 93.0 | 86.3 | 36.2 |
| JR East Facility Management Co., Ltd. | 4.9 | 47.8 | – | 100.0 | – | 86.4 | 83.7 | 87.7 |
| JR East Transportation Services Co., Ltd. | 2.9 | 33.3 | 20.0 | – | – | 85.0 | 94.3 | 93.2 |
| JR East TESSEI Co., Ltd. | 11.8 | – | – | – | – | 93.1 | 92.7 | 99.2 |
| JR East Techno Service Co., Ltd. | 6.1 | 75.0 | – | – | 100.0 | 64.9 | 78.2 | 82.3 |
| Japan Railway Track Consultants Co., Ltd. | 5.4 | 33.3 | – | – | – | 76.3 | 76.7 | – |
| JR Niigata Railway Services Co., Ltd. | 15.4 | 66.7 | – | 100.0 | – | 68.8 | 91.1 | 70.5 |
| JR Morioka Railway Service Co., Ltd. | 0.0 | 100.0 | – | – | – | 81.4 | 100.1 | 87.1 |
| JR Chiba Railway Services Co., Ltd. | 0.0 | 0.0 | – | – | – | 79.0 | 92.2 | 79.4 |
| JR Akita Railway Services Co., Ltd. | 0.0 | 100.0 | – | – | – | 54.5 | 93.3 | 64.3 |
| JR Takasaki Railway Services Co., Ltd. | 0.0 | 25.0 | – | – | – | 82.3 | 98.2 | 80.1 |
| JR Nagano Railway Services Co., Ltd. | 0.0 | 33.3 | – | 100.0 | – | 69.8 | 83.0 | 69.1 |
| JR Mito Railway Services Co., Ltd. | 14.3 | 66.7 | – | – | – | 83.3 | 95.8 | 84.2 |

- (Notes) 1. The percentage of female workers in management positions and the wage difference between male and female workers are calculated based on the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64, 2015).
2. The percentage of childcare leave, etc. taken is calculated based on the provisions of Article 71-6, item (ii) of the “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25, 1991), in accordance with the provisions of the “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76, 1991).
3. The period covered is the current fiscal year (from April 1, 2024 to March 31, 2025).
4. Consolidated subsidiaries are included in the listings of companies with 101 or more Full-time workers.
5. In cases where there are no employees eligible for the calculation or where the rate cannot be calculated, “–” is displayed.
6. Regular workers include those seconded to other companies and exclude those seconded from other companies. Non-regular workers include those re-employed after the age-limit retirement, part-timers, and contract workers, and exclude dispatched workers.
7. For the wage difference between male and female workers, wages include bonuses and non-standard wages.

No. 2: Business Performance

1. Management Policy, Business Environment, and Key Challenges

The management policy, business environment, and key challenges for the Group are as follows.

Please note that matters concerning the future discussed in this document are based on the judgment of the Group as of the filing date of the Annual Securities Report.

(1) Basic management policies (Group Philosophy)

- We will earn the trust of our customers as a whole group by aiming for “the best in safety” as our top priority.
- We will strengthen our network capabilities focusing on technologies and information, and we are committed to helping our customers and people in communities to realize affluent lives.

(2) Changes to the business environment

In Japan, the working-age population is declining, the birthrate is decreasing, and the population is increasingly concentrated in the Tokyo metropolitan area and declining in rural areas. People’s values have diversified, and lifestyles and markets have changed dramatically due to COVID-19. In addition to the arrival of an environment with interest rates, there is a growing demand for management that is conscious of the cost of capital and stock price. Technological advances are also accelerating, including generative AI, robots, and automated driving technologies. Moreover, efforts toward a carbon-free society have become a global issue.

(3) Medium-term management strategies

Under the Group Management Vision “Move Up” 2027, we have seen major changes in the world as an opportunity to further accelerate the structural reforms that we have been undertaking across our business as an opportunity, and we have been promoting management that anticipates future changes in the business environment. We consider “Safety” the top priority of the management. By placing greater emphasis on people, the Group has established a foundation to create new value through integration and collaboration of transportation services, lifestyle services, and IT & *Suica* services, and underpin management with two business pillars of the mobility centered on the railway and lifestyle solutions which have broad contact points with customers and local communities.

Now that the post-COVID Japan economy has begun in earnest and the business environment is changing even more rapidly, it is time for the Group to go beyond the “norm” and bravely soar to unprecedented heights. We will further evolve the “people-focused” concept that we have been refining under “Move Up” 2027 and create new markets with unprecedented ideas and strategies based on the two-pillars of Mobility and Lifestyle solutions.

Aiming to help “our customers and people in communities to realize enriched lives,” our Group will firmly confront the issues facing local communities and increase profits. We will further promote “Management That Is ‘Good For All’,” which aims to distribute the profits generated to our stakeholders and to grow and develop the Group’s future, and aim to evolve into a “Corporate Group with High Aspirations” that supports the progress of society.

We are currently envisioning a new Group Management Vision, which we plan to announce on July 1, 2025.

To realize our new vision, we will fundamentally reform the business operation structure and personnel and wage systems that have been in place since the Company’s founding and are rooted in the former Japanese National Railways era. We will transition from the current structure of two headquarters and ten branch offices to a new system of 36 business headquarters that integrate frontline workplaces with headquarters and branches, based on each region’s market characteristics and customer usage patterns. Our goal is to build a more agile business operation that is closely aligned with local conditions and needs, while further enhancing safety levels and delivering high-quality services that meet the expectations of our customers and local communities. At the same time, we will fundamentally reform our personnel and wage systems to better reflect each employee’s efforts and growth in their compensation, strongly encouraging a spirit of bold challenge among our workforce.

(4) Management benchmarks

In our Group management vision “Move Up” 2027, we had set numerical targets for the 39th fiscal year (fiscal 2026), but considering the subsequent changes in the management environment, which changed rapidly with COVID-19, the following new numerical targets were set for the 41st fiscal year (fiscal 2028) in April 2023. We will continue to work as a unified Group to achieve our goals.

| | | 41st Fiscal Year (fiscal 2028) Targets | 38th Fiscal Year (fiscal 2025) April Plan | 38th Fiscal Year (fiscal 2025) Results | 38th Fiscal Year (fiscal 2025) Results/Plan |
|---------------------------------------|----------------------|---|---|--|---|
| Consolidated operating revenues | | ¥3,276.0 billion | ¥2,852.0 billion | ¥2,887.5 billion | 101.2% |
| Mobility | Transportation | ¥2,019.0 billion | ¥1,935.0 billion | ¥1,945.7 billion | 100.6% |
| Lifestyle Solutions | Retail & Services | ¥654.0 billion | ¥387.0 billion | ¥393.7 billion | 101.8% |
| | Real Estate & Hotels | ¥507.0 billion | ¥429.0 billion | ¥445.4 billion | 103.8% |
| | Others | ¥96.0 billion | ¥101.0 billion | ¥102.5 billion | 101.5% |
| Consolidated operating income | | ¥410.0 billion | ¥370.0 billion | ¥376.7 billion | 101.8% |
| Mobility | Transportation | ¥178.0 billion | ¥188.0 billion | ¥176.0 billion | 93.7% |
| Lifestyle Solutions | Retail & Services | ¥80.0 billion | ¥61.0 billion | ¥60.5 billion | 99.2% |
| | Real Estate & Hotels | ¥124.0 billion | ¥101.0 billion | ¥120.3 billion | 119.2% |
| | Others | ¥30.0 billion | ¥22.0 billion | ¥22.9 billion | 104.3% |
| Adjustment | | ¥(2.0) billion | ¥(2.0) billion | ¥(3.1) billion | – |
| Consolidated operating cash flow | | (Total over five 5 years *1) ¥3,800.0 billion | – | ¥732.2 billion | (Rate of Progress) 37.4% |
| Consolidated ROA | | Around 4.0% | – | 3.8% | – |
| Net interest-bearing debt / EBITDA *2 | | (Mid-term) Around 5 times (Long-term) Around 3.5 times | – | 6.0 times | – |

*1 Total amount covering from the 37th fiscal year (fiscal 2024) to the 41st fiscal year (fiscal 2028)

*2 Net interest-bearing debt means Balance of consolidated interest-bearing debt minus Balance of consolidated cash and cash equivalents

EBITDA means Consolidated operating income plus Consolidated depreciation expense

(5) Management policy, business progress, and issues to be addressed

On April 1, 2024, Yoichi Kise was appointed as President and CEO (Representative Director). Under the new structure, with the aim of realizing “Move Up” 2027, the Group will continue to pursue group-wide efforts for “Enhancement of Profitability (Restructuring of our Growth and Innovation Strategy),” “Fundamental Strengthening of Management Culture (Structural Reform),” “Promotion of Strategies for Growth Foundation,” and “Practice of ESG management,” while positioning “Safety” at the top of its management priorities.

○ Safety is Our Top Priority

Our top management priority and the unchanging mission as a Group is to pursue “Ultimate Safety” and to continually improve our safety levels.

During the fiscal year ended March 31, 2025, we caused great inconvenience and anxiety to our customers and stakeholders due to improper handling of press-fitting figures in wheel axle assembly work in addition to two incidents of release of the coupling in which the Tohoku Shinkansen came to a stop while the Shinkansen train was running.

In the event where the Tohoku Shinkansen came to a stop while the coupling part was detached, an emergency comprehensive inspection was carried out on all the vehicles involved. As an immediate measure, a device that mechanically secures the coupler was installed to ensure safety so that the coupler would not split even in the event of any electrical malfunction, and coupled operations have been resumed. In the future, as a permanent measure, we will review the mechanism so that the circuit that releases the coupler will not operate while the train is in motion.

As an improvement measure on the wheel axle, we replaced the wheel axles the press-fitting of which was lower than the specified figure, reviewed the internal regulations, and standardized the operation with the understanding of the actual status of the regular inspection of rolling stock. At Group companies, we established internal regulations, improved our educational system, prevented rewriting of work records, and inspected and reviewed our safety management system. In addition, we will provide compliance education to all Group employees, and utilize the results of the compliance awareness survey for all Group employees in quality control. At the same time, the planning division, which supports frontline operations, monitors improvement measures, checks whether rules and mechanisms are functioning properly, and makes revisions as necessary. Through audits by the internal audit division, we will check the status of control of operations at front-line and planning division. Furthermore, we do not view this incident narrowly as an incident that only affects our transportation services, but rather as a quality control issue for the entire Group’s services provided to customers, as well as a lesson for governance.

In order to gain greater trust from our customers and local communities, which is the foundation of all of our operations, each and every employee will sincerely consider “Ultimate Safety” seriously and continue to take concrete actions.

○ Enhancing Profitability (Restructuring Our Growth and Innovation Strategies)

As the environment surrounding the Group changes dramatically, we view changes as opportunities. We will further accelerate structural reforms we have promoted under “Move Up” 2027 to extract the potential of the Group to the maximum extent. We will strive to maximize consolidated cash flow by increasing the value of our products and services with the market-in approach as well as a sense of speed and conceptual power.

We will develop new products and services that respond to changing demand for transportation and lifestyles. Our Group’s strength lies in its ability to combine real and digital customer contact points to provide a variety of products and services to a large number of customers. In addition to promoting the creation of destinations for customers’ travel, we will utilize *Suica*-centered data and digital contact with customers to provide services tailored to the needs of each and every customer.

In December 2024, we announced “Going beyond the Common Notion for *Suica*: *Suica* Renaissance.” Within the next decade, we will gradually upgrade *Suica* functions, transcending the conventional principle of “mobility and payment devices” and have them reborn as “lifestyle devices” that can be used not only for transportation and payment, but also in the various lifestyles of local customers.

In March 2025, we welcomed the opening of “TAKANAWA GATEWAY CITY.” The integration and collaboration of Mobility and Lifestyle solutions has created a town that addresses social issues for a better future, and it is regarded as an experimental site to create enriching lives for the next 100 years. We will continue to promote urban development by making effective use of assets of the Group and accelerate our aggressive strategy through a revolving real estate business. For urban development centered on stations in the Shinagawa area, we aim to achieve a revenue scale of 100 billion yen.

○ Fundamentally Strengthening Our Management Culture (Reforming Our Corporate Structure)

Our group, as well as domestic railway operators, is facing the challenge of a decreasing productive age population. In order to address this issue, we will promote comprehensive collaboration with other companies in the field of railway maintenance and the commonality of rolling stock equipment and parts, and work to further improve the level of safe and stable transportation and sustainable operations.

In June 2024, we formulated a new business growth strategy, “Beyond the Border.” This will dramatically expand the business sphere of the Group, helping “our customers and people in communities to realize enriched lives.”

In addition, in order to respond to the social role required of railways and the diversifying needs of customers, and to continue to operate the railway business sustainably, we submitted an application for approval to revise the upper limit of rail passenger fares in December 2024. We will continue to make requests to the government to realize a simple and flexible system of freight rates.

At the same time, for local lines, we will advance discussions with local municipalities, etc. in areas alongside the railway lines to establish sustainable transportation systems. In May 2024, regarding the Tsugaru Line (between Kanita and Minmaya), the Company reached an agreement on a shift to automotive transportation with local municipalities along the line, and coordination with relevant parties is underway for the operation of new regional transportation. In response to a report compiled by the “Study Council of Regional Transportation along the JR Kururi Line (between Kururi and Kazusa-kameyama)” in October 2024, we announced the following November that we believe it is necessary to switch to a new transportation system centered on buses and other facilities.

Moreover, the Company continues to reform its organization with the aim of flexibly responding to the rapidly changing business environment and enhancing management structure through the improvement of each employee's motivation for work and the improvement of productivity. In addition to helping resolve social issues in line with local conditions, creating excitement, pursuing "Ultimate Safety," and improving service quality speedily, we aim to create a virtuous cycle of growth for our employees and the Group by enhancing job satisfaction and ease of work by expanding the fields in which employees can play an active role.

- Promotion of Strategies for Growth Foundation

The Group will clarify strategies such as those related to human resources, digital transformation (DX) and intellectual property, and finance and investment that form the foundation of our efforts, and work as one towards the realization of "Move Up" 2027.

With regard to our human resources strategy, we will enhance the fields in which diverse human resources can create diverse values from the perspectives of diversity, innovation, and flexibility. We will advance business reform based on flexible ideas that are not constrained by conventional work styles, and create an environment in which employees can take on challenges beyond their borders.

With regard to DX and intellectual property strategies, we will actively incorporate the latest trends in digital technology, develop technologies that utilize internal and external technologies and knowledge through open innovation, and promote DX to create businesses and reform work systems.

With regard to financial and investment strategies, we will promote the formulation and implementation of strategies for each business in order to maximize consolidated cash flow and group value. In addition, we will introduce the concept of cash allocation and interest-bearing debt that are appropriate for business management based on the two pillars of Mobility and Lifestyle solutions, and diversify our financing to accelerate growth and maintain creditworthiness.

- Practice of ESG Management

By working to resolve social issues through our business activities, we aim to raise corporate value and help "our customers and people in communities to realize enriched lives."

With respect to the environment, the Group will continue to strive for the achievement of "net zero" CO₂ emissions by fiscal 2051, which is listed in the long-term environmental target "Zero Carbon Challenge 2050" announced in fiscal 2021, in order to provide a new value with the aim of realizing a sustainable society. We will also contribute to the reduction of greenhouse gas emissions throughout the entire supply chain of the Group's business. In addition, we will proceed with considerations for practical implementation of the hydrogen hybrid train "HYBARI" with the aim of starting commercial operation in fiscal 2031.

With respect to society, with the aim of regional revitalization, the Group will promote a range of initiatives, including town development centered around regional core stations, and promote sixth-sector industrialization, i.e., diversification by primary producers to stimulate local economies. We will also work to develop employees with knowledge, skills, and mindsets to realize an inclusive society. At the same time, we will foster "barrier-free attitudes" with our customers and local residents through support for parasports and other activities.

With respect to corporate governance, we have adopted a Company with Audit and Supervisory Committee for its organizational design, working to accelerate decision-making and business execution and to strengthen the monitoring function of the Board of Directors. Going forward, we will strive for higher corporate value by further enhancing corporate governance.

We will steadily promote these strategies, deepen the "integration and collaboration" of the Group, and create new value through the Group as a whole by continuously taking on challenges in new fields.

Helping "our customers and people in communities to realize enriched lives," we aim to create a sustainable corporate group based on the trust of our customers and local communities by sincerely facing social issues in regions through business activities.

We deeply apologize for a series of incidents that have repeatedly damaged the trust of our stakeholders, including the filing of fraudulent personnel-cost claims related to central government commissioned projects and subsidies, inappropriate pressure settings in wheelset/axle assembly, and a warning from the Japan Fair Trade Commission for actions potentially violating the Antimonopoly Act.

To restore trust in our management, we disclosed that we established a committee within the Company that includes external experts. Objectively identifying issues through verification, we will reflect the results in future measures and strive to improve and strengthen governance across the entire Group.

2. Sustainability Policy and Initiatives

The Group's approach to sustainability and the status of its initiatives are as follows.

Please note that matters concerning the future discussed in this document are based on the judgment of the Group as of the filing date of the Annual Securities Report.

(1) Sustainability

(i) Strategy

The Group's businesses fulfill a wide range of important functions in the daily lives of customers and are indispensable to local communities and society. While ensuring appropriate profits, we will practice environmental, social, and governance (ESG) management that implements necessary measures from a medium- to long-term perspective, and work to solve social issues through our businesses. We will also aim to contribute to the sustainable development of local communities, achieve the Sustainable Development Goals (SDGs), earn even more trust from customers and local residents, enhance corporate value, and grow sustainably as a group.

The following summarizes our view of the risks and opportunities associated with materiality that may affect the Group's management policies and strategies over the medium to long term, and the initiatives we are implementing.

(ii) Materiality and Risks and Opportunities

a. Providing Society with Safe, Reliable Infrastructure

We will provide society with safe, reliable social infrastructure by placing safety at the top of management.

Risks and Opportunities

- The occurrence of an accident or other incident is a risk that could have a serious impact on business management.
- Safety inspires and increases trust, which is the foundation of all our businesses.

b. Creating a Vibrant Society

We will provide quality services that are inclusive and convenient. We will work in partnership with the local communities to develop vibrant towns.

Risks and Opportunities

- Given the risk of continued decline in Japan's population and other factors, we will work with local communities to increase usage of our transportation services by growing the number of people engaging with regions.
- We will increase usage and help create vibrant communities by promoting understanding of diversity, equity, and inclusion (DE&I); enhancing accessibility; and catering to demand for convenient, contactless services.

c. Enriching the Global Environment

We will realize carbon neutrality and secure stable energy supplies, taking into account the effect of climate change on our businesses. We will lead efforts to realize a recycling-based and biodiverse society.

Risks and Opportunities

- Mindful of the risks posed to railway operations and businesses by climate change, we will reduce energy consumption, ensure stable supplies of energy, enhance our environmental advantages, and continue to provide services that are the preferred choice of customers.

d. Providing Society with Innovative Technologies and Services

We will create new services and expedite their introduction to society by actively advancing new technologies and digital transformation in all of our businesses and by taking on ambitious initiatives that go beyond the boundaries of existing businesses.

Risks and Opportunities

- In addition to providing solutions that improve our responses to disasters and accidents, we will improve labor saving and efficiency.
- While improving services and adding value in all our businesses, we will secure earnings and maintain levels of employment through business creation.

e. Increasing the Engagement of All Group Employees

We will make our Group companies places where each and every one of the Groups' diverse employees can demonstrate their abilities in a challenging and rewarding environment.

Risks and Opportunities

- We will attract personnel who have diverse values and can think flexibly.
- We will fundamentally reform businesses through "integration and collaboration"; realize innovation; and heighten productivity through the upgrading of work practices.

f. Improving Confidence in Management

We will build a solid governance system that is resilient to changes to facilitate new challenges, while respecting human rights and conducting trustworthy corporate management.

Risks and Opportunities

- We will transform into a corporate group that gives each employee a sense of participation in management and that realizes bottom-up, people-focused value creation.
- We will distribute the added value that we create to a wide range of stakeholders, thereby increasing corporate value.
- We will build an effective management structure and create a corporate culture that supports and heightens trust.

(iii) Materiality Identification Process

Aiming to realize fundamental change in the post-COVID-19 era and become a corporate group that grows sustainably over the long term, in 2023 we reanalyzed and discussed the impact of various factors on corporate value enhancement and business foundations. We then backcast from specific goals that reflect our purpose and vision and revised the materiality-related tasks of business management. In revising the materiality-related tasks, the Integrated Report Review Subcommittee, which has been established under the Sustainability Strategy Committee, held discussions on materiality revision; the senior management team fully discussed the subcommittee's proposals in light of stakeholder opinions; and the Sustainability Strategy Committee made the final decision.

(iv) Promotion Structure

With respect to the management system for implementing sustainability strategies, the Sustainability Strategy Committee, which is chaired by the President and CEO, has been established to set and promote the Group's basic policies and other measures with a view to addressing various social issues and realizing a sustainable society.

(v) Materiality, Sub-Materiality, and Goals

| Materiality | Sub-Materiality | Goals |
|---|---|--|
| Providing Society with Safe, Reliable Infrastructure | | Provision of safe, reliable transportation, products, and services |
| Creating a Vibrant Society | Regional Revitalization | <ul style="list-style-type: none"> • Growth in the number of people engaging with eastern Japan • Promotion of regional economic revitalization |
| | Comfortable Cities | <ul style="list-style-type: none"> • One-stop provision of various high-value-added services • Realization of seamless, stress-free travel • Creation of diversely appealing towns with consideration for the environment, disaster prevention, and communities |
| | Inclusive Society | <ul style="list-style-type: none"> • Development of hospitality-minded employees • Improvement in service quality through dialogues with people with disabilities • Promotion of understanding of an inclusive society through parasports experience and support activities |
| Enriching the Global Environment | Carbon Neutrality | <ul style="list-style-type: none"> • Zero Carbon Challenge 2050 • Utilization of diverse energy |
| | Circular Economy | Promotion of 3Rs |
| | Nature Positive | Conservation of biodiversity |
| Providing Society with Innovative Technologies and Services | Technology Innovation | <ul style="list-style-type: none"> • Provision of operational management solutions and realization of social innovation through continuous technology innovation based on utilizing external technologies and digital transformation • Development and empowerment of employees with digital technology skills |
| | New Fields | • Provision of new services and proposal of new lifestyles |
| Increasing the Engagement of All Group Employees | Promotion of Diversity, Equity, and Inclusion (DE&I) | <ul style="list-style-type: none"> • Empowerment of diverse personnel • Realization of flexible workstyles |
| | Human Resource Development | <ul style="list-style-type: none"> • Cultivation of innovation-oriented thinking and diverse career development • Expansion of fields where individuals can flourish |
| | Health-oriented Management | • Promotion of employee health |
| | Occupational Safety | • Accident-free, safe workplaces |
| Improving Confidence in Management | Internal Control That Promotes the Undertaking of Bold Challenges | <ul style="list-style-type: none"> • Risk management that supports ambitious new initiatives • Ensuring stable, appropriate operational management • Business management in compliance with laws and regulations and corporate ethics, and ensuring information security |
| | Respect for Human Rights | <ul style="list-style-type: none"> • Instilling of respect for human rights • Sustainable procurement |

(2) Climate change

(i) Governance

As a management system, the JR East Sustainability Strategy Committee chaired by the President and CEO has been established mainly to set goals related to climate change and supervises and makes decisions on progress status, risks and opportunities among others. The committee consists of the vice president and executive Directors, etc. Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Full-time Audit and Supervisory Committee Members also attend the meetings. The committee meets roughly twice a year. In addition, the Zero Carbon Working Group and Hydrogen Working Group report and discuss the status of CO₂ emissions reduction and hydrogen utilization.

(ii) Strategy

In the Group Management Vision “Move Up” 2027, we put up the implementing ESG management as guiding principles to prevent global warming and diversify energy. In order to realize these, we identify and assess important risks and opportunities that climate change poses to our business activities, and verify the validity of our business strategies. In this disclosure, we have identified physical risks related to natural disaster as important risks, and made scenario analysis using a fine method using hazard information published by the government.

(iii) Risk control

In the framework of risk control, each department grasps risks affected by climate change and takes specific measures to avoid or reduce them. As for mitigation of climate change, we put together energy consumption, CO₂ emissions, fluorocarbon leakage amount, financial status, etc. for each business at least once every six months to make detailed analysis, and also list up, identify and assess risks based on changes in important external environment such as legislative amendments. As for adaptation to climate change, we are strengthening and promoting initiatives to reduce physical risks in the transport service business for acute and chronic weather disasters.

(iv) Indicators and targets

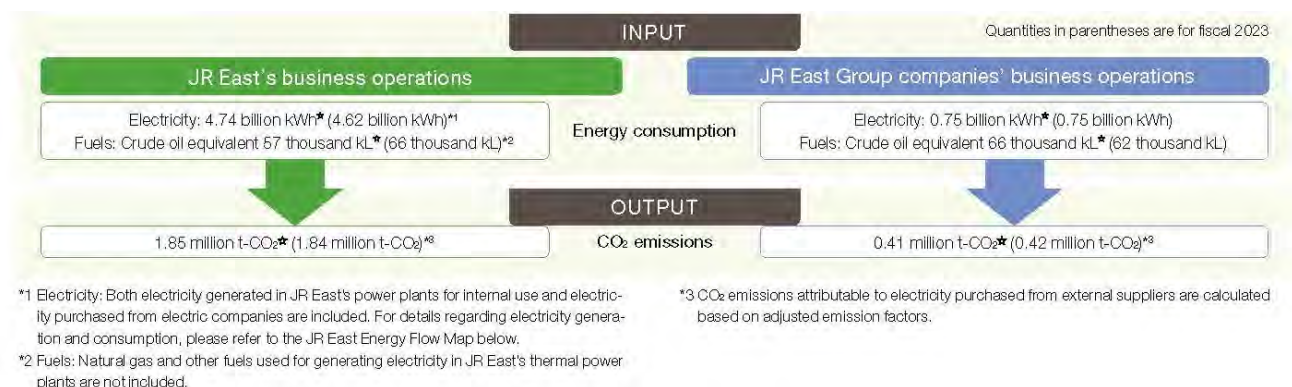
We put up “Zero Carbon Challenge 2050” as a target for the entire Group, and have set a target of reducing CO₂ emissions by 50% by fiscal 2031, 60% by fiscal 2036, and 73% by fiscal 2041 (compared with fiscal 2014), and achieving “net-zero” CO₂ emissions by fiscal 2051. In addition to regularly managing the progress status of these targets, we are promoting group-wide initiatives to further ensure our contribution to the realization of a decarbonized society. The progress and scope of the targets are as follows. The results figures, etc. for fiscal 2025 are contained in the JR East Group Report 2025.

The ☆ symbols in the tables indicate metrics that were assured by KPMG AZSA Sustainability Co., Ltd. in the Integrated Report and are noted as such because they were reprinted in this Annual Securities Report from the Integrated Report. The Annual Securities Report is not a disclosure medium subject to third-party assurance.

CO₂ Emissions Reduction Target by Fiscal 2031

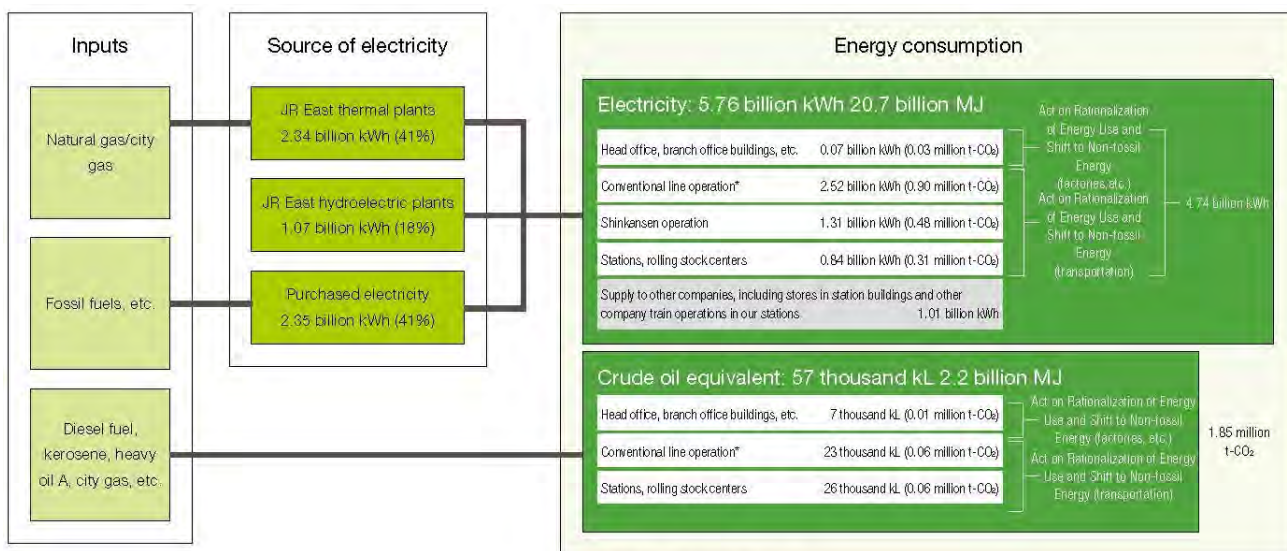
| Item | | Base Value (Baseline Fiscal Year) | FY2031 Target | FY2024 Result |
|-----------------|--|--------------------------------------|---------------------|-----------------------|
| Total reduction | JR East Group CO ₂ emissions (10 thousand t-CO ₂) | 265 (FY2014) | 133 (50% reduction) | 226 (14.7% reduction) |
| | Railway business CO ₂ emissions (10 thousand t-CO ₂) | 215 (FY2014) | 108 (50% reduction) | 185 (14.0% reduction) |

Energy Consumption and CO₂ Emissions of the Entire JR East Group
Fiscal 2024 Results



JR East Energy Flow Map

This shows the flow of energy at the company from input to consumption. Power supplied by our own power plants and electric companies is used for train operation and lighting and air-conditioning at stations and offices. Diesel fuel and kerosene, etc. are also used to operate diesel trains and air-conditioning at stations and offices.



Boundary of Data

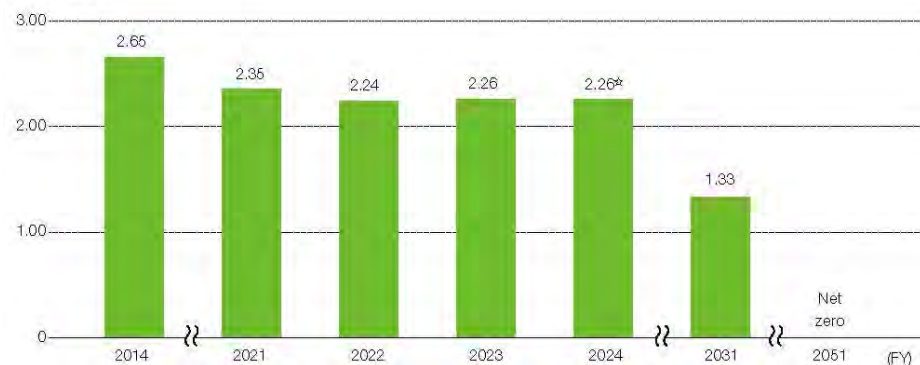
Although in principle the boundary for energy consumption and CO₂ emissions volumes is only JR East, it includes energy consumption for the applicable operations of the companies to which we entrust station operations. On the other hand, the energy consumption of shops on station premises which are operated by JR East Group companies is not included in the boundary. We match the boundary for the energy consumption for the entire JR East business with that of transportation, plants, and others defined by the Act on Rationalization of Energy Use and Shift to Non-fossil Energy (the Energy Saving Act).

Calculation Method

Energy consumption was calculated by the method defined by the Energy Saving Act. Also, CO₂ emissions attributable to electricity purchased from external suppliers are calculated based on adjusted emission factors. Moreover, starting with this compilation, the calorific value conversion coefficient for electricity has been changed from the primary energy conversion coefficient set by the Energy Saving Act to 3.6 MJ/kWh.

CO₂ Emissions of the Entire JR East Group

(Million t-CO₂)



Boundary of Data

In principle, the scope of data collection for energy consumption and CO₂ emissions is JR East alone and its domestic consolidated subsidiaries.

Calculation Methods

CO₂ emissions are calculated in accordance with the Act on Promotion of Global Warming Countermeasures (Global Warming Countermeasures Act), and CO₂ emissions resulting from electricity supplied from external sources, including electricity used for rail transportation, are calculated using the adjusted emission coefficients of each power company.

CO₂ Emissions by Scope

| Item | Scope 1 ☆ | Scope 2 ☆ | Scope 3 |
|-------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| CO ₂ emissions in FY2024 | 1.61 million t-CO ₂ | 1.19 million t-CO ₂ | 3.16 million t-CO ₂ |

Scope 1: GHG emissions directly emitted from the combustion of all fuels used by the Group, including diesel train operations and in-house thermal power generation. Includes energy-related GHG emissions.

Scope 2: GHG emissions indirectly emitted from the use of electricity, heat, etc. purchased from power companies.

Scope 3: GHG emissions generated by other companies in connection with the Group's business activities.

* The sum of Scope 1 and Scope 2 emissions and the total CO₂ emissions do not match, since the former includes emissions associated with the production of electricity supplied to other companies.

* Scope 3 emissions include 0.59 million t-CO₂ for category 1, 1.14 million t-CO₂ for category 2, 0.55 million t-CO₂ for category 3, and 0.09 million t-CO₂ for category 13.

Calculation Standards

Calculation standards for the main categories are as follows.

Category 1: Calculated by multiplying the purchase amount of products and services from outside the Group by the emission factor (*1).

- Category 2: Calculated by multiplying the amount of capital investment from external transactions by the emission factor (*1).
- Category 3: Calculated by multiplying the amount of fuel, electricity, and heat purchased by the emission factor per unit of each energy type (*2).
- Category 13: Calculated by multiplying the energy usage or total floor area of leased assets rented to parties outside the Group by the emission factor (*3).

- *1 Emission volume per unit of sales was calculated for each business partner based on CDP responses and sustainability reports and used as the emission factor. The emission volume of each company was Scope 1, Scope 2, and Scope 3 Categories 1 to 8. For business partners whose applicable emissions were not calculated, sector-based emission factors determined using the same method were applied.
- *2 For fuel, emission factor data from the National Institute of Advanced Industrial Science and Technology, Safety Science Research Institute, IDEA Lab “LCI Database IDEA Version 2.3” (“IDEAv2.3”) was used. For electricity and heat, emission factor data from the Ministry of the Environment’s “Emission Intensity Database for the Calculation of an Organization’s Greenhouse Gas Emissions Generated by the Supply Chain” (“Emissions Basic Unit DB”) was used.
- *3 For non-electric energy, emission factor data from the “Emission Factors in the SHK System” was used. For electricity, adjusted emission factors based on the contract menus of retail electricity providers were used. For total floor area, emission factor data from the Emissions Basic Unit DB was used. For mixed-use buildings, the emission factor for the primary use (by floor area share) was adopted as the representative value.

Please refer to pages 77-79 of the “JR East Group INTEGRATED REPORT 2024” for details on the other indicators and progress.

(3) Human capital

The growth driver of the Group is the “power of each employee.”

We are promoting initiatives that link the review of our business operation structure with our human capital strategy to enhance both job satisfaction and ease of working. This enables each employee to maximize their potential and creates a virtuous cycle in which employee growth drives Group growth.

We define this virtuous cycle as “new engagement between employees and the Company” and are implementing structural reforms to ensure that each employee can thrive as the lead player in their respective roles. This is how we aim to realize our new Group Management Vision.

(i) Governance

Strengthening governance across the Group requires enhanced internal controls, supported by robust human capital. Internal controls in the Group go beyond compliance, accident and disaster preparedness, prevention of financial loss, and ensuring the integrity of financial statements. We believe that individual initiative and proactive engagement by employees in transforming their work and expanding business frontiers lead to Group growth and structural reform. Supporting such bold challenges is a core element of our internal control system. To achieve this, it is essential to advance a human capital strategy that allows employees to experience growth and a sense of achievement through new challenges.

Through these initiatives, we aim to create a “new relationship between employees and the Company” in which messages from top management and various ideas and challenges from employees are integrated at the management stage, allowing each employee to play an active role with a sense of participating in management.

(ii) Strategy

We are advancing our human capital strategy so that both employees and the Group can grow sustainably, and all employees can take center stage in their respective fields. By encouraging growth through new challenges and enabling employees to feel a sense of achievement and fulfillment in their work, we aim to further enhance job satisfaction. We will also continue to improve working conditions and environments to enhance ease of working. To achieve these goals, we will implement revisions to our personnel and wage systems, along with various HR measures.

Our new human capital strategy is built on two pillars: DEI to maximize added value through greater engagement and innovation, and health-oriented management to ensure the well-being of employees, which is essential to the Group’s sustainable growth. Together, these support the success of our diverse workforce, the Group’s most valuable management resource.



a. DEI

To meet the diverse needs of customers and respond to social change, we aim to go beyond the “norm” by combining our strengths with the unique personalities, talents, and values of our employees. This fusion drives innovation in both work styles and business, contributing to the enhancement of our corporate value.

(Support for balancing work with childcare, caregiving, etc.)

We are expanding flexible work options so that all employees can continue to thrive, regardless of life events. We are further promoting support for balancing work with childcare and caregiving to help employees succeed and improve ease of working. We have introduced systems that go well beyond legal requirements to help employees balance work with childcare and caregiving. We also promote workplace understanding of the need to balance work with childcare and caregiving. By advancing both enhanced systems and workplace understanding, we are building an environment where employees can continue working within the Group.

(Promotion of participation by female employees and General Employer Action Plan)

As a result of focusing on promoting the active participation of women since the founding of the Company, female employees are active in all areas of the Company and their length of service is also increasing. Under the new “Third General Employer Action Plan” formulated in April 2024, we will continue our efforts to recruit and retain women, and will also accelerate our initiatives to develop women who can play an active role in a wider range of fields and promote them to positions of responsibility.

(Promotion of participation by employees with disabilities)

We are actively hiring people with disabilities and providing support to help them fully demonstrate their abilities after joining the Company, based on the principle of equity. We maintain two-way communication with each employee to understand their needs for continued success, expand their opportunities, and improve workplace environments so they can thrive in a variety of roles. Supporting employees with disabilities not only promotes DEI within the Group but also helps us enhance our diverse service offerings to better meet a wide range of customer needs.

(Promotion of participation by foreign national employees in the workplace)

We are committed to acquiring excellent talent regardless of nationality. We regularly hold forums to exchange views with foreign national employees and are creating environments where they can fully demonstrate their abilities by responding to their feedback, including reviewing promotion exam procedures.

We have also created new roles in global strategy to lead overseas offices and railway projects, as well as new business development, and we are actively recruiting talented individuals from overseas universities and institutions.

Since fiscal 2020, we have been operating the “JR East Technical Intern Training” program to foster global railway talent and have accepted technical intern trainees. Beginning in fiscal 2026, we will utilize the new Specified Skilled Worker System, now expanded to include the railway sector, to employ such workers across the Group and establish an educational platform that other railway operators can also join.

(Efforts to promote acceptance of LGBTQ+ employees, etc.)

It is the responsibility of the Group to foster an inclusive, supportive work environment where employees of all values, including those in the LGBTQ+ community, can thrive and fully express their abilities. We have expanded eligibility for personnel, wage, and benefit systems, previously limited to legal spouses, to include same-sex partners, helping to create a more inclusive workplace. Further, we are working to create a workplace where employees with diverse values can work with “peace of mind” and “stress-free” through training for all employees. We are expanding LGBTQ+ employee networks across the Group to further promote understanding throughout the organization.

b. Health-oriented Management

Under the slogan “Creating a prosperous future for employees and their families through body, mind, and connection,” we position each employee working in the Group as the main actor in health creation and promote strategic health-oriented management based on three themes: body, mind, and connection, as well as three methods: collaboration between people and technology, combining the Group’s comprehensive strengths, and open innovation.

(Fostering health awareness)

To raise health awareness across the Group, we held a health forum with approximately 900 participants, including health promotion leaders and site managers. Participants learned about health management through lectures, examples of workplace health initiatives, hands-on workplace support packages, and fitness experiences focused on body, mind, and connection. We aim to raise health awareness across the Group by applying what was learned at the health forum to future workplace health initiatives.

(Workplace-centered health initiatives)

Each workplace appoints a health promotion leader who drives initiatives to support employee wellness. Each workplace sets its own health goals and collectively works to address health challenges at a local level.

(Leveraging Group resources for wellness programs)

We utilize the resources of each Group company to offer a wide range of health-oriented programs, such as sports, digital solutions, and nutrition education, centered around the themes of body, mind, and connection.

(Coordination between healthcare facilities and employees)

At the JR East Health Promotion Center, occupational physicians and public health nurses use their expertise to enhance health guidance, educate on women’s health issues and health literacy, and propose effective initiatives based on data analysis and the latest research.

(Coordination between healthcare facilities and communities)

JR Tokyo General Hospital and JR Sendai Hospital, operated by the Group, support the health of employees and their families as Company-run hospitals and also provide high-quality, advanced medical services to local communities. By integrating healthcare with our mobility and lifestyle solution businesses, we strive to enrich lives and create new value for all.

JR Tokyo General Hospital is also rebuilding its wards to enhance patient comfort and strengthen its medical functions.

c. HR Initiatives (New Recruitment, Development, and Deployment Framework)

We are strongly committed to maximizing the value of human capital in order to proactively transform operations and expand our business frontiers. To achieve this, we are promoting the recruitment of diverse human resources, supporting individually tailored and self-directed career development, and advancing personalized human resource development. We

are also building a recruitment, development, and deployment framework that enables talent to play active roles across the entire Group, to enhance sustainable Group-wide growth.

(Recruiting diverse talent)

To remain a preferred employer, we have shifted to a more flexible recruitment system that accommodates applicant preferences and allows us to attract a diverse range of talent.

In addition to introducing the new roles in global strategy, we have broadened educational requirements for regular positions to attract more diverse and high-performing candidates. In each region, we have rebranded “area-based positions” as “regional regular positions,” where employees gain frontline experience and support their local areas while creating new value through diverse experiences.

For experienced hires, we have introduced a “welcome back recruitment” program, in which we invite people who have transferred from the Company to return for the purpose of career advancement.

(A human resource development cycle based on two-way communication)

Individualized support is becoming increasingly important in developing employee growth. We promote a training cycle of goal setting, action, reflection, then evaluation, based on daily two-way communication. By enhancing the quality of manager-subordinate relationships, we aim to expand the fields where individuals can flourish and create an environment that supports new challenges.

(Creation of workplace-led learning opportunities)

We are planning the expansion of workplace-led learning opportunities in order to meet the growing potential and bold challenges of our employees. Drawing on external expertise as well, we offer a wide range of training programs in areas such as digital transformation (DX), logical thinking, and planning skills, allowing employees to learn on their own initiative. We are also promoting reskilling to enhance practical capabilities and foster open-mindedness.

(Application-based human resource development programs)

We provide application-based human resource development programs that contribute to employees’ career autonomy in areas such as technology, overseas business, finance, and languages. Those who complete the programs utilize their expertise and experience to play an active role in a wide range of fields. We also support the continued bold challenges taken by employees by visualizing program options and introducing more user-friendly systems and structures.

(Diversifying talent deployment)

We are building a system that allows employees to flexibly move between the mobility and lifestyle solution fields and play active roles in both. In addition to the job-based personnel system already in place, we plan to introduce new roles starting in fiscal 2027, including technical leaders responsible for advancing operations and technical training, and frontier staff focused on R&D as a technical service company. By expanding our dual-track personnel system, we aim to support diverse career paths for our employees.

(Employment and engagement of older employees)

The Company re-employs those who wish to continue employment after the age-limit retirement as “elder employees.” As of April 2025, there were approximately 5,679 elder employees over 60 years old actively working in the Group, mainly in Group companies. Starting in fiscal 2027, we will raise the mandatory retirement age to 65 and introduce a new post-retirement re-employment system (second career staff program) for employees over 65 to support the motivation of older employees and leverage their extensive experience and skills for further Group growth.

(Group-wide recruitment activities)

As part of Group hiring efforts, we hold joint recruitment events across the Group to showcase our collective strengths. We have also revamped the Group recruitment website to better tailor content to the interests of applicants and enhance search functionality.

(Group-wide human resource development)

We offer Group training programs for a wide range of employees, from general staff to managers, across the Company and Group companies, focusing on strengthening innovation mindsets and skills for value creation. In addition, we have created an environment where employees of Group companies can also undertake in-house and external correspondence training.

(Group-wide HR management)

To realize the value of our conglomerate structure, we manage human resources from a Group-wide perspective. We will further promote personnel exchanges with Group companies to develop future Group management talent.

To further promote our dual-axis management approach, we will enhance integration and collaboration within the Group and increase opportunities for our employees to work at Group companies. We will also expand opportunities for Group company employees to work at the Company and other Group companies. Through Group-wide talent management and development, we aim to maximize human capital and nurture the next generation of leaders for the Group’s future management.

(iii) Risk control

A key challenge in maximizing human capital is securing the talent needed for business operations amid a labor shortage, which has become a social issue.

To drive our dual-axis management strategy, we are enhancing our job-based HR system to recruit highly specialized talent in key and growth areas, while also promoting internal talent. We will also actively implement personnel measures such as optimal placement of internal talent and open posting to build a strategic talent portfolio for dual-axis management.

We must also respond to labor shortages and recruitment challenges caused by structural declines in the working-age population, the aging of society, urban concentration in the Tokyo area, and rural depopulation. We will enhance productivity by fundamentally overhauling business processes using digital technologies, enabling us to operate with a smaller workforce. In addition, we will address these risks by shifting to applicant-oriented recruitment systems and offering diverse hiring formats to attract talent.

(iv) Indicators and targets

(Securing and promotion of active participation of outside human resources)

Number of experienced personnel hired - fiscal 2025 result *including those commencing employment on April 1, 2024: (non-consolidated): 284 (consolidated) 1,444

Ratio of managers occupied by experienced personnel - Non-consolidated target: 20.0% (as of end of fiscal 2028)

Fiscal 2025 result: (non-consolidated): 20.6% (consolidated) 24.2%

(Promotion of participation by female employees and General Employer Action Plan)

Third General Employer Action Plan (four-year period from April 1, 2024 to March 31, 2028)

Target 1: 35% or more of recruits joining the Company will be women. (Recruitment results as of April 1, 2025: 31.0%)

Target 2: 85% or more retention rate for female employees hired during the period nine to 11 fiscal years earlier. (Fiscal 2025 result: 80.1%)

Target 3: 85% or more of male employees take childcare leave, etc. (Fiscal 2025 result: 71.9%)

Target 4: 10% or more of management positions in the Company will be women. (As of March 31, 2025: 8.3%)

Target 5: 25% or more women among employees taking part in application-based training programs that contribute to independent career development. (Fiscal 2025 result: 19.0%)

(Promotion of participation by employees with disabilities)

Percentage of employees with disabilities - Non-consolidated target: 2.70% (as of end of fiscal 2028) Result as of June 2025: (non-consolidated) 2.51%

(Promotion of participation by foreign national employees in the workplace)

Number of foreign national employees: Result as of April 1, 2025: (non-consolidated) 122 people from 16 countries/regions

Number of foreign national employees hired - fiscal 2025 result *including those commencing employment on April 1, 2025: (non-consolidated): 26 (consolidated) 217

(Promotion of support for work-life balance including child and family care giving)

Percentage of males taking childcare leave - Non-consolidated target: 85% or more (as of end of fiscal 2028)

Fiscal 2025 result: (non-consolidated): 71.9% (consolidated) 70.2%

(Health-oriented management)

Percentage of employees who received a regular medical examination - target: 100% Fiscal 2025 result: (non-consolidated) 100%

Percentage of employees who took a stress test - target: 95% or more Fiscal 2025 result: (non-consolidated) 95.4%

(Allocation and utilization of outside and in-house human resources in priority and growth areas)

Allocation of personnel to priority and growth areas - consolidated target: 2,000 or more cumulative personnel (by the end of fiscal 2028) Fiscal 2025 result: 979

(Group-wide human resource development)

Number of persons who have taken courses on self-development related to creating new value - non-consolidated target: 25,000 cumulative personnel (by the end of fiscal 2028)

Fiscal 2025 result: (non-consolidated): 4,388

(Creation of workplace-led learning opportunities)

Workplace-led training results - Fiscal 2025 result: (non-consolidated) 1,197 cases (excluding regular training, etc.)

(4) Human rights

(i) Governance

The Group promotes human rights through a governance structure that includes the “Human Rights Awareness Promotion Committee,” chaired by the Director or executive officer in charge of human rights and composed of the heads of the departments at the head office. This committee meets twice a year to assess and discuss factors contributing to human rights risks, including the status of human rights due diligence (human rights DD), and to monitor our response across the Group. It works closely with the Sustainability Strategy Committee, and important decisions regarding human rights are further discussed, reviewed, and approved by the Board of Directors and other governance bodies.

(ii) Strategy

With the aim to realize “affluent lives for everyone” as described in the Group Philosophy, and based on international frameworks such as the Guiding Principles on Business and Human Rights established by the United Nations, the Group has drawn up the “JR East Group Policy on Human Rights” in March 2023 to promote initiatives to respect the human rights of all people including customers, people in local communities, business partners, and employees. In April 2024, we adopted the JR East Group Policy on Customer Harassment to further protect the human rights of our employees. In August 2024, we signed the United Nations Global Compact and expressed our support for its human rights principles, as well as the Children’s Rights and Business Principles. Based on these international norms and policies, the Group conducts human rights DD to reduce the risk of human rights violations.

From the perspective of the supply chain, based on the procurement policies, etc. that are a code of conduct for procurement by the JR East Group, the entire supply chain carries out procurement activities considering human rights, the environment, etc.

(iii) Risk control

Recognizing the wide scope of our business, and with reference to the UN Guiding Principles Reporting Framework and other standards, we have identified five key human rights themes based on severity and likelihood: “Occupational health and safety/excessive work,” “Discrimination and harassment,” “Customer safety and privacy,” “Human rights in the supply chain,” and “Community and environmental consideration.”

We work to mitigate these human rights issues by conducting human rights DD using risk management systems and through dialogue based on international standards. We also strive to raise awareness and create safe, inclusive work environments by providing education and conducting training on human rights, promoting awareness campaigns, and encouraging a shared understanding of human rights across the Group.

Furthermore, we conduct surveys and exchange ideas with our supply chain partners in order to share challenges and work together towards solutions, and promote the penetration of initiatives for human rights, the environment, and other priorities throughout all aspects of our supply chain.

(iv) Indicators and targets

As an indicator for the supply chain, we have established “the penetration of initiatives for human rights, the environment, and other priorities among major suppliers (supply chain penetration rate).” We have set a target of 100% by the end of fiscal year 2028 as the foundation for growth.

| Target | Fiscal 2025 Result | Fiscal 2026 Plan | Fiscal 2028 Target |
|--|--------------------|------------------|--------------------|
| Penetration of initiatives for human rights, the environment, and other priorities among major suppliers (supply chain penetration rate) | 90.4% | 100% | 100% |

3. Business Risks

The Group is working to avoid and reduce risks that are common and unique to each business. Specifically, each year, we identify risks in the overall business based on outside expertise and internal opinions, analyze and assess risks based on the frequency and degree of impact and determine significant risks for the fiscal year, and consider and implement measures to avoid and reduce risks. In this way, the Company reviews risks through a PDCA cycle, monitors the degree of achievement and progress of initiatives aimed at avoiding and reducing risks at the meeting of Board of Directors, examines future policies, and ensures the effectiveness of risk management.

In the future, in order for the Group to speed up the pace of reform to improve profitability and fundamentally strengthen the management structure, a wide range of risk management efforts are important, not only from the perspective of reducing risks of negative elements, such as avoidance of losses, but also includes risk taking and the perspective of actively improving the value of the Group.

To that end, in addition to ensuring stable and appropriate business management operations, the Group supports and encourages its employees to make bold challenges towards their development.

The following matters related to business performance and accounting described in the Annual Securities Report may have a significant impact on investors' decisions.

Please note that matters concerning the future discussed in this document are based on the judgment of the Group as of March 31, 2025.

(1) Occurrence of accidents during the course of railway operations

Accidents in our railway operations can not only erode customer confidence and the Group's social reputation, but can also severely impact business management due to accident-related service interruptions and the expense of customer reparations.

The Group places the highest management priority on safety. We are building a highly safe railway system through both hardware and software measures, and have steadily implemented initiatives under our eighth five-year safety plan since the Company's founding, titled "Group Safety Plan 2028 - Taking the nature of railway work to heart, imagine the unexpected, reach for safety!" Specifically, to prevent railway accidents attributable to the Group, we took countermeasures against train derailments and other accidents, such as the maintenance of Automatic Train Stop systems (ATS-P), and we reinforced critical facilities like stations and rail yards to prevent roof collapse.

To prevent accidents at level crossings, we consolidated and eliminated level crossings, installed more level crossing warning systems, updated obstacle detectors, and conducted awareness campaigns under the Zero Grade Crossing Accidents Campaign in collaboration with police and road authorities.

To prevent contact between passengers and trains and falls onto tracks, we are installing platform doors at 758 platforms in 330 stations on major lines in the Tokyo metropolitan area. As of the end of fiscal 2025, installation has been completed at 140 stations (288 platforms). We also carried out joint awareness campaigns with other railway operators, such as the Zero Platform Accidents Campaign.

The environment surrounding the Group is changing drastically, including intensified and more frequent natural disasters, a declining population, and progress in digital transformation (DX). In order to respond to these changes, we will strengthen the foundations of safety, such as the "safety culture" and "safety mechanisms" and "equipment" that we have built up, and will imagine "previously unexpected risks" by understanding their essence, and undertake initiatives to ensure safety, and aim for "the best in safety."

(2) Climate change and natural disasters

In recent years, the risk of extreme weather events such as torrential rainfall and larger typhoons has been increasing. These torrential rains and typhoons, as well as natural disasters such as large-scale earthquakes, tsunami, floods, and volcano eruptions, have the potential to cause significant damage to the Group's railroads and related infrastructure. In addition, large-scale power outages caused by natural disasters could potentially disable railroad operations. Furthermore, in the event of a large-scale disaster, the Group may not be able to receive a stable supply of goods necessary for maintaining operations due to disruptions to suppliers or delivery networks.

The Group is taking the following measures to reduce the risks from natural disasters. For large-scale earthquake preparedness, we are reinforcing elevated bridge piers and utility poles and have introduced an early earthquake detection system that quickly halts moving trains. For the Shinkansen, we are developing and upgrading derailment prevention systems to mitigate damage in the event of a derailment. In response to localized heavy rain, "radar rainfall regulators," which monitor rainfall in detail and regulate train operations, have been added to the existing operational regulators and are being introduced on all conventional railway sections. As a measure to prevent flooding, the Vehicle Evacuation Judgment Support System is being introduced in rail yards where flooding is likely. We also conduct regular training to strengthen our ability to respond to various natural disasters. We will continue to progress initiatives to reduce risks associated with natural disasters in accordance with the "Group Safety Plan 2028."

On the other hand, in preparation for large-scale power outages caused by natural disasters and other factors, we are working to extend the operating duration of emergency generators at major terminal stations and other key facilities. In order to increase the stability and resilience of our procurement system, we are promoting efforts to procure from multiple suppliers.

(3) Outbreak of infectious disease

In the event of an outbreak of a serious infectious disease in Japan and abroad, due to restrictions on economic activities, requests to stay-home, or disease contraction among employees, the Group may be unable to continue operations, leading to significant impacts on financial position and operating results of the Group.

When COVID-19 spread in Japan and abroad, the government declared a state of emergency and urged citizens to restrict their economic activities and stay at home. The Group's business results were also severely impacted by a dramatic decrease in the volume of rail transport, closure of the Group's commercial facilities, and a decrease in the number of users of commercial facilities, including a decrease in inbound demand due to travel restrictions. In accordance with government guidelines, the Group

has installed hand sanitizers inside stations, disinfected and cleaned facilities, ventilated trains, provided information on crowding at stations and on trains, and diligently enforced mask-wearing by employees, etc. to prevent the spread of infection. We will continue to cooperate with the government and local municipalities to ensure continued appropriate transportation services during a significant outbreak or spread of infectious disease, with the safety and security of our customers always our top priority.

(4) Competition with other firms and changes in the external environment

The Group faces competition in the railway business from other rail operators, airlines, automobiles, buses, and other alternative modes of transportation. In addition, we also compete with both existing and new entrants in businesses related to lifestyle solutions. In addition to these factors, increasingly rapid changes in the external environment and factors that the Group cannot control may affect the financial position and operating results of the Group.

The following factors may decrease transportation volume and impact the revenues of railway operations: intensifying competition in the transportation market due to the expansion of low-cost carriers (LCCs) routes, the expansion of expressways, the practical application of automated operation technology, as well as a declining population, an aging society with a declining birthrate, and the spread of workstyle reforms such as telecommuting. Furthermore, there is a possibility that normal business operations could be affected by challenges such as supply chain insecurity and labor shortages due to hiring difficulties.

Amidst these circumstances, as part of the Group Management Vision “Move Up” 2027 and Speed Up “Move Up” 2027 announced in September 2020, the Group aims to promote initiatives such as MaaS and eki-net for seamless mobility and a one-stop model that can meet all of our customer’s needs by combining a variety of services such as travel, purchases, payments, and more. Anticipating changes in the business environment, we strive to provide new value to society and are increasingly catering to diversified lifestyles with services such as off-peak commuter passes, Off-Peak Point Service, and Repeater Point Service and expansion of facilities and products designed with teleworking and workcations in mind. In addition, we are working to qualitatively transform our railway operations through technological innovation and productivity enhancements such as conductorless operations, streamlining of facilities, improvements to maintenance systems, and implementation of automatic and driverless operation in the future. In addition, we are working towards securing a stable talent pool and stable procurement of resources through group-wide recruitment efforts and partnerships with new suppliers, respectively.

(5) Crime, terrorism, and information system failures

Criminal and terrorist acts have the potential to threaten the safety of our railway operations and other operations.

To increase railway security, the Group has installed security and self-defense equipment on Shinkansen trains, all conventional rolling stock, and at major stations, as well as additional security cameras on trains and in railway facilities to create a centrally monitored camera network.

In addition, our Group uses many information systems in the various business areas that are linked to the “Mobility Business” and “Lifestyle Solutions Business” for our customers. Information systems also play an important role in other companies that have close ties with the Group, such as RAILWAY INFORMATION SYSTEMS CO., LTD. A serious failure in the functioning of these information systems due to cyber-attacks or human error could affect the Group’s business operations. Furthermore, computer virus infections, unauthorized access, or any other incidents leading to data falsification or leakage of personal information within our information systems could result in a loss of public trust, impacting the financial position and operating results of the Group. The Group takes measures against failures and security measures on a daily basis, such as improving the functionality of information systems, constantly monitoring security, and educating relevant employees, and in the unlikely event of a problem, we strive to minimize its impact by promptly establishing an initial response system and having each department work together to take countermeasures. In addition, the Group has established internal regulations to stipulate the strict handling of personal information, limit the number of persons who can handle personal information, and manage access privileges, and has built an internal check system, among other measures, to ensure the strict management and protection of personal information.

(6) Corporate scandals

In the operation of various businesses, including the “Mobility Business” and “Lifestyle Solutions Business” for our customers, the Group complies with the Railway Business Act and other relevant laws and regulations, and conducts its business in accordance with corporate ethics. However, in the event of a violation, the financial position and operating results of the Group may be affected due to administrative sanctions or loss of public trust.

We have established “Policy on Legal and Regulatory Compliance and Corporate Ethics” and regularly inspect compliance with applicable laws across all business operations. Our employee training includes case studies of misconduct from within and outside the Company to support prevention efforts, and we actively promote awareness of internal reporting channels. Following the discovery in September 2024 of improper practices in wheelset assembly work, we designated this incident as a shared training theme across the Company and Group companies to prevent recurrence of similar cases. We are also conducting a Group-wide compliance awareness survey in collaboration with external organizations. Based on the survey results, we will identify issues and consider improvements to further strengthen our compliance initiatives.

(7) Changes in economic conditions, etc. in Japan and overseas

Changes in economic conditions in Japan and overseas, as well as trends in interest rates, exchange rates, prices, and other factors may affect the financial position and operating results of the Group, and problems in the supply chain may cause a loss of public reputation.

The Japanese and global economies may be affected not only by economic factors but also by geopolitical risks such as wars and acts of terrorism, global epidemics, and large-scale natural disasters. Such events could cause a prolonged economic slump, which could reduce demand in the Group’s various business segments, including the “Mobility Business” and “Lifestyle Solutions Business” for our customers. In addition, changes in economic conditions in Japan and overseas, as well as trends in interest rates, exchange rates, prices, and other factors could increase the cost of procuring goods and raising funds, which could affect the Group’s revenues. Furthermore, globalized supply chains may be disrupted by various factors, and procurement activities may be affected by the diversification and complexity of human rights issues.

The Group will strive to reduce costs across the board, and at the same time, will fundamentally enhance its management structure by focusing management resources on businesses related to lifestyle solutions to make them new “growth engines.” In addition, we are curbing the rise in procurement costs through a wide range of procurement both domestically and internationally, as well as through price negotiations utilizing economies of scale. The Group is controlling future interest rate and foreign exchange fluctuation risks amidst the rising costs of raising funds by equalizing debt redemption amounts, lengthening debt maturities, paying debts in yen, and fixing interest rates to be paid over a long term. In order to maintain supply chains and avoid disruptions, we are strengthening communication with suppliers and promoting efforts to procure from multiple suppliers. With regard to human rights issues, we are making efforts to ensure that it is widely understood based on the JR East Group Procurement Policy.

(8) Overseas business expansion

As for overseas business, there are various risk factors such as changes in political systems and social factors, changes in local laws and regulations concerning investment restrictions/taxation, environmental regulations, etc., differences in business customs, differences in attitudes toward contract performance and compliance with rules and regulations, delays in construction schedules caused by these factors, economic trends, and fluctuations in exchange rates. The Group conducts detailed management of income and expenditures for each project, as political risks and delay risks may affect the collection of receivables when they emerge overseas. Currently, though, risks due to political upheaval, conflicts, and other factors are becoming more apparent, to ensure that unforeseen changes in circumstances do not affect the financial position and operating results of the Group or the personal safety of Group employees, the Group analyzes these various risks based on the advice of attorneys, consultants, and other experts, and in some cases, we are even making efforts to respond to risks in cooperation with the Japanese government.

(9) Specific legal regulations

(i) Legal regulations for railway operations

We operate our businesses in accordance with the provisions of the “Railway Business Act” (Act No. 92, 1986), which states that a person that intends to operate a railway business must obtain a license of the Minister of Land, Infrastructure, Transport and Tourism for each route and classification of railroad business they operate (Article 3). In addition, the upper limits of passenger fares and Shinkansen express fares must be approved by the Minister of Land, Infrastructure, Transport and Tourism, and prior notification must be submitted when setting or changing fares within those limits (Article 16). In addition, prior notification to the Minister of Land, Infrastructure, Transport and Tourism is required for suspension or discontinuance of railroad business (in the case of discontinuance, at least one year prior to the date of discontinuance) (Articles 28 and 28-2).

If these procedures are changed, or if for some reason we are unable to flexibly change fares and charges in accordance with the procedures, our revenues may be affected. We are striving to operate our business efficiently by securing revenues and reducing expenses in order to establish a solid management base that does not depend on fare hikes. However, we believe it is necessary to implement fare revisions in a timely manner in the event that we are unable to secure appropriate profits due to changes in the business environment or other factors. Based on this thought process, in order to respond to the social role required of railways and the diversifying needs of customers, and to continue to operate the railway business sustainably, we submitted an application for approval to revise the upper limit of rail passenger fares in December 2024. We will continue to request that the government implement simpler and more flexible systems, such as allowing notification-based pricing for Shinkansen non-reserved seats and introducing mechanisms that enable timely responses to inflation, as well as a fundamental review of the total cost pricing system itself.

Although we are exempted from the application of the “Act on Passenger Railway Companies and Japan Freight Railway Company” (Act No. 88, 1986) due to its amendment in 2001, the “Guidelines Concerning Matters to be Considered at the Present Time” and other guidelines have been established based on the supplementary provisions of the amended Act. The guidelines include the following three points:

- Matters related to the appropriate setting of fares and charges for passengers among companies, smooth use of railroad facilities, and other matters related to railroad business that ensure coordination and cooperation among companies
- Matters related to ensuring the convenience of users in the appropriate maintenance of lines currently in operation and the development of stations and other railroad facilities, taking into account trends in transportation demand and other new changes in circumstances after the reform of Japanese National Railways is implemented
- Matters concerning consideration for small and medium-sized business operators by avoiding unreasonable interference with the business activities of, or unreasonable infringement on the interests of, small and medium-sized business operators that operate the same type of business in the area where the new company operates its business

The Company has always taken these matters set out in the guidelines into consideration when conducting its business operations. However, the environment surrounding railways has changed significantly since then, and due to the impact these changes have had on our management, we intend to ask related parties for their understanding to be more flexible in our operations where necessary.

(ii) Projected Shinkansen Lines

After the privatization of Japanese National Railways, the Company was designated as the operator of two Projected Shinkansen Lines, the Hokuriku Shinkansen (Takasaki-shi to Joetsu-shi) and the Tohoku Shinkansen (Morioka-shi to Aomori-shi). In addition, the Hokuriku Shinkansen between Takasaki and Nagano started operation on October 1, 1997, the Tohoku Shinkansen between Morioka and Hachinohe started operation on December 1, 2002, the Tohoku Shinkansen between Hachinohe and Shin-Aomori started operation on December 4, 2010, and the Hokuriku Shinkansen between Nagano and Joetsumiyoko started operation on March 14, 2015.

According to Article 6 of the “Order for Enforcement of the Act on the Japan Railway Construction, Transport and Technology Agency (JRJT),” the amount of loan fees for the Projected Shinkansen Lines is determined by the JRJT based on the amount calculated based on the benefits to be received by the operator after the opening of said Shinkansen, plus the total amount of taxes and the administrative expenses paid by the JRJT with respect to the railroad facilities that received financing via the loan.

The benefits are calculated based on the projected demand and income/expenses for the first 30 years after the opening of the facility, and the amount calculated based on the benefits is fixed in principle for the first 30 years after the opening of the facility. The treatment of the loan fees after 30 years from the date of loan is to be newly determined through consultation. The Projected Shinkansen Lines for which loans are being provided and the fiscal year in which the loans will end are as follows.

- a. Hokuriku Shinkansen (Takasaki to Nagano): Fiscal 2028
- b. Hokuriku Shinkansen (Nagano to Joetsumyoko): Fiscal 2045
- c. Tohoku Shinkansen (Morioka to Hachinohe): Fiscal 2033
- d. Tohoku Shinkansen (Hachinohe to Shin-Aomori): Fiscal 2041

4. Analysis by Management of Financial Position, Operating Results, and Cash Flow

(1) Summary of operating results, etc.

The following is a summary of the financial position, operating results, and cash flow (“operating results, etc.”) of the Group (including the Company, its consolidated subsidiaries, and affiliated companies accounted for by the equity method) for the current fiscal year.

(i) Financial position and operating results

In the fiscal year ended March 31, 2025, despite some remaining weaknesses, the Japanese economy recovered at a moderate pace.

In light of this situation, the Group has positioned “Safety” as the top priority for business management and has worked on “Enhancement of Profitability,” “Fundamental Strengthening of Management Culture,” “Promotion of Strategies for Growth Foundation,” and “Practice of ESG management,” thereby accelerating our progress toward the achievement of “Move Up” 2027, our Group management vision.

Aiming to achieve “Ultimate Safety,” under the “Group Safety Plan 2028,” the Group has adopted the theme of “Taking the nature of railway work to heart, imagine the unexpected, reach for safety!” and united as one group to fortify its foundations for safety and have taken proactive safety measures in order to realize “Zero customer fatalities or injuries, Zero employee fatalities.” These safety measures included countermeasures for major earthquakes by seismic reinforcement of elevated railway tracks and utility poles, derailment prevention measures on Shinkansen trains, as well as installations of platform doors using the fare system established by the national government to make train stations barrier-free.

With respect to “Enhancement of Profitability (restructuring of our growth and innovation strategy),” the Group worked to promote the creation of two-way tourism between the Tokyo metropolitan area and regional areas in the mobility business. Specific measures included focusing on the Hokuriku region, which has gained more convenient access with the opening of the Tsuruga extension of the Hokuriku Shinkansen, as well as the Tohoku region, including along the Yamagata Shinkansen where the new Series E8 rolling stock has been introduced. Additionally, the Group worked to promote customer mobility in the JR East area and enhance profitability by introducing Green Cars to the Chuo Rapid Line and the Ome Line. In the lifestyle solutions business, the “Beyond the Border” strategy was formulated which aims to enhance profits through new business growth strategies, and the Group established JREast Real Estate Co., Ltd. for the purpose of accelerating the real estate rotation business and opened TAKANAWA GATEWAY CITY. In addition to launching financial services through “JRE BANK,” and based on “Going beyond the Common Notion of *Suica*: *Suica* Renaissance” announced in December 2024, it released the “Welcome *Suica* Mobile” app aimed at foreign visitors to Japan and expanded the *Suica* usage area including 23 stations in the Nagano Prefecture.

With respect to “Fundamental Strengthening of Management Culture (structural reform),” the Company introduced driver-only operations on the Joban Local Line and the Nambu Line and promoted its smart maintenance initiative by introducing Shinkansen track monitoring railcars and drones. For passes sold on or after October 1, 2024, the Company lowered the prices of off-peak commuter passes to levels that are approximately 15% discount to regular commuter passes, in order to encourage more customers to use them. Meanwhile, for the sustainable continuation of the railway business, the Company submitted an application for fare revision for the first time since its foundation. Additionally, to contribute to solving social issues tailored to regional circumstances, create inspiring experiences, pursue “Ultimate Safety,” improve service quality, realize a more flexible workstyle, the Company promoted the establishment of general management centers that combine stations and crew workplaces, and advanced integration and collaboration between different operational systems, frontline operational workplaces and organizations, and planning departments.

With respect to “Promotion of Strategies for Growth Foundation,” the Company implemented a human resource strategy to establish flexible work systems and an environment to support employee motivation and diverse workstyles, including raising the starting salary for new graduates and enhancing support for balancing work with childcare and/or nursing care. As part of its digital transformation (DX) and intellectual property strategies, the Group promoted collaborations based on open innovation with external parties, including the WaaS Co-creation Consortium aimed at the realization of well-being, while promoting strategic acquisition and utilization of intellectual property. In terms of financial and investment strategies, the Group categorized its wide range of businesses into 14 businesses and promoted the formulation and execution of strategies specific to each business, in order to realize consolidated cash flow management.

With respect to “Practice of ESG Management,” in its continued efforts toward achieving “Zero Carbon Challenge 2050” targets, the Group worked to further enhance its contribution to a decarbonized society and environmental advantages. As part of our environmental initiatives, we formulated the “UPCYCLING CIRCULAR” resource circulation business concept to collect and recycle waste generated from the business activities of the Group. Our social initiatives included continued efforts to promote the achievement of Care-Fitter certifications by employees and support parasports (boccia) towards the realization of an inclusive society, and collaboration with HERALBONY Co., Ltd. to create new value by combining welfare, art, and community development. In terms of corporate governance, the Group worked to create an environment in which its employees can work with a peace of mind by formulating and announcing the JR East Group Policy on Customer Harassment. Further, the Group has established a Group Policy on Tax Transparency to ensure that it pays taxes appropriately, which is one of its responsibilities as a corporation, while also managing tax risks appropriately and aiming to enhance its corporate value.

We will continue to make Group-wide efforts with the aim of realizing our group management vision “Move Up” 2027.

During the fiscal year under review, operating revenues increased by 5.8% from the previous year to ¥2,887.5 billion, due mainly to revenue increases in all segments, which were attributable to increase in the number of railway passengers, as well as in the sales at EKINAKA stores (stores inside railway stations). As a result of such increase in operating revenues, operating income increased by 9.2% from the previous year to ¥376.7 billion, ordinary income increased by 8.4% from the previous year to ¥321.5 billion, and profit attributable to owners of parent increased by 14.2% from the previous year to ¥224.2 billion.

Results by segment are as follows.

Previously, the amounts used for operating revenues in the segment information had included internal intersegment sales or transfers. However, for the fiscal year under review, the presentation has changed to show the amounts of operating revenue from external customers. This change has no impact on operating income.

a. Transportation

In the Transportation segment, the Group made concerted Group-wide efforts to ensure the provision of safe and reliable transportation and high-quality services.

As a result, operating revenues in the Transportation segment increased by 5.1%, to ¥1,945.7 billion, due mainly to an increase in passenger revenues, which was attributable to increase in the number of railway passengers, and operating income increased by 8.8%, to ¥176.0 billion.

b. Retail & Services

In the Retail & Services segment, the Group pressed forward with the “Beyond Stations” concept to transform railway stations from transportation hubs to lifestyle platforms designed to connect people, things, and experiences.

As a result, operating revenues in the Retail & Services segment increased by 6.6%, to ¥393.7 billion, due mainly to an increase in the sales at EKINAKA stores (stores inside railway stations), which was attributable to increase in the purchases by customers, and operating income increased by 15.0%, to ¥60.5 billion.

c. Real Estate & Hotels

In the Real Estate & Hotels segment, the Group proceeded with the lifestyle development (town development) such as development of large-scale terminal stations and in line-side areas and enhanced the appeal of local towns and communities together with local communities.

As a result, operating revenues in the Real Estate & Hotels segment increased by 6.5%, to ¥445.4 billion, due mainly to an increase in sales at shopping centers and hotels, which was attributable to an increase in the number of customers, and operating income increased by 9.0%, to ¥120.3 billion.

d. Other

In the Others segment, in addition to further expanding the scope of use of *Suica* and realizing seamless and stress-free mobility, the Group promoted the “Going beyond the Common Notion of *Suica*: *Suica* Renaissance” initiative to create new value experiences by evolving *Suica* into a “Lifestyle device.”

As a result, operating revenues in the Others segment increased by 12.6%, to ¥102.5 billion, due mainly to an increase in the sales from system development contracts, and operating income increased by 4.7%, to ¥22.9 billion.

(Note) The Company applies the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan (ASBJ) Statement No. 17, June 30, 2010) and the Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008). The operating income of each segment of the Company corresponds to the segment income under the said Accounting Standard and Guidance.

Reference

Operating results for railway operations

Recent operating results for railway operations of the Company can be found below.

Transportation results

| Classification | | Units | 37th Fiscal Year (from April 1, 2023 to March 31, 2024) | 38th Fiscal Year (from April 1, 2024 to March 31, 2025) | | |
|--|----------------------------|-------------------------------|---|---|------------|-------------|
| Number of operating days | | Days | 366 | 365 | | |
| Operating kilometers | Shinkansen lines | Kilometers | 1,194.2 | 1,194.2 | | |
| | Conventional lines | Kilometers | 6,108.0 | 6,108.0 | | |
| | Total | Kilometers | 7,302.2 | 7,302.2 | | |
| Passenger car kilometers | Shinkansen lines | 1000 kilometers | 532,998 | 545,760 | | |
| | Conventional lines | 1000 kilometers | 1,714,971 | 1,705,753 | | |
| | Total | 1000 kilometers | 2,247,969 | 2,251,514 | | |
| Number of passengers | Commuter passes | 1000 people | 3,331,650 | 3,404,254 | | |
| | Non-Commuter passes | 1000 people | 2,365,793 | 2,463,348 | | |
| | Total | 1000 people | 5,697,444 | 5,867,603 | | |
| Passenger kilometers transported | Shin- kansen lines | Commuter passes | 1000 passenger- kilometers | 1,670,516 | 1,758,319 | |
| | | Non-Commuter passes | 1000 passenger- kilometers | 19,560,252 | 20,920,938 | |
| | | Total | 1000 passenger- kilometers | 21,230,768 | 22,679,257 | |
| | Conven- tional lines | Kanto area | Commuter passes | 1000 passenger- kilometers | 57,474,481 | 58,757,374 |
| | | | Non-Commuter passes | 1000 passenger- kilometers | 35,912,814 | 37,532,865 |
| | | | Total | 1000 passenger- kilometers | 93,387,296 | 96,290,240 |
| | | Others | Commuter passes | 1000 passenger- kilometers | 2,763,384 | 2,768,415 |
| | | | Non-Commuter passes | 1000 passenger- kilometers | 2,319,661 | 2,570,338 |
| | | | Total | 1000 passenger- kilometers | 5,083,046 | 5,338,753 |
| | | Total | Commuter passes | 1000 passenger- kilometers | 60,237,865 | 61,525,789 |
| | | | Non-Commuter passes | 1000 passenger- kilometers | 38,232,476 | 40,103,203 |
| | | | Total | 1000 passenger- kilometers | 98,470,342 | 101,628,993 |
| Total | Commuter passes | 1000 passenger- kilometers | 61,908,382 | 63,284,109 | | |
| | Non-Commuter passes | 1000 passenger- kilometers | 57,792,728 | 61,024,142 | | |
| | Total | 1000 passenger- kilometers | 119,701,111 | 124,308,251 | | |
| Passenger efficiency | Shinkansen lines | % | 57.7 | 60.4 | | |
| | Conventional lines | % | 40.9 | 42.6 | | |
| | Total | % | 43.2 | 45.0 | | |

(Notes) 1. Passenger efficiency is calculated using the following method.

$$\text{Passenger efficiency} = \frac{\text{Passenger-kilometers transported}}{\text{Passenger car kilometers} \times \text{Average passenger-carrying capacity}} \times 100$$

2. “Kanto area” refers to the area covered by our Tokyo Metropolitan Area Headquarters, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

Revenues

| Classification | | | Units | 37th Fiscal Year (from April 1, 2023 to March 31, 2024) | 38th Fiscal Year (from April 1, 2024 to March 31, 2025) | |
|--|----------------------------|---------------------|---------------------|---|---|-----------|
| Passenger transportation | Shin- kansen lines | Commuter passes | Millions of yen | 22,551 | 23,683 | |
| | | Non-Commuter passes | Millions of yen | 514,875 | 559,637 | |
| | | Total | Millions of yen | 537,427 | 583,320 | |
| | Conven- tional lines | Kanto area | Commuter passes | Millions of yen | 378,800 | 388,126 |
| | | | Non-Commuter passes | Millions of yen | 698,784 | 732,136 |
| | | | Total | Millions of yen | 1,077,584 | 1,120,263 |
| | | Others | Commuter passes | Millions of yen | 16,513 | 16,612 |
| | | | Non-Commuter passes | Millions of yen | 45,054 | 48,639 |
| | | | Total | Millions of yen | 61,568 | 65,252 |
| | | Total | Commuter passes | Millions of yen | 395,314 | 404,739 |
| | | | Non-Commuter passes | Millions of yen | 743,838 | 780,776 |
| | | | Total | Millions of yen | 1,139,153 | 1,185,515 |
| | Total | Commuter passes | Millions of yen | 417,865 | 428,422 | |
| | | Non-Commuter passes | Millions of yen | 1,258,714 | 1,340,413 | |
| Total | | Millions of yen | 1,676,580 | 1,768,836 | | |
| Logistics revenue | | | Millions of yen | 2 | 0 | |
| Total | | | Millions of yen | 1,676,582 | 1,768,836 | |
| Trackage revenue | | | Millions of yen | 5,389 | 5,639 | |
| Miscellaneous income of transportation | | | Millions of yen | 155,026 | 157,821 | |
| Total revenue | | | Millions of yen | 1,836,998 | 1,932,296 | |

(Note) The Company redefined the utilization of spaces under the elevated rail tracks as real estate business with the aim of achieving the management structure based on the two pillars of Mobility and Lifestyle Solutions, and therefore changed the classification of the business of leasing such spaces, which had been defined as “Railway operations,” to “Other operations.” Accordingly, revenue of ¥11,116 million from the business of leasing spaces, which were included in “Miscellaneous income of transportation” in the 37th fiscal year, has been deducted from the reported revenue of the railway business.

(ii) Cash flow position

In the fiscal year ended March 31, 2025, cash flows from operating activities was ¥732.2 billion, an increase of ¥44.1 billion from the previous fiscal year, due mainly to an increase in income before income taxes.

Cash flows from investing activities was ¥783.4 billion, an increase of ¥92.7 billion from the previous fiscal year. This result was due mainly to an increase in payments for purchases of tangible and intangible fixed assets.

Cash flows from financing activities was ¥3.6 billion, a decrease of ¥62.4 billion from the previous fiscal year.

Consequently, cash and cash equivalents as of March 31, 2025, were ¥233.4 billion, a decrease of ¥47.3 billion from March 31, 2024.

In addition, net interest-bearing debt was ¥4,721.8 billion as of March 31, 2025. Please note that net interest-bearing debt represents the balance of consolidated interest-bearing debt minus the balance of consolidated cash and cash equivalents at the fiscal year-end.

(iii) Production, orders, and sales

The Company and the majority of its consolidated subsidiaries do not engage in make-to-order production.

Sales results are shown in relation to results by segment in “(1) Summary of operating results, etc.”

(2) Analysis and discussion of operating results, etc. from the management perspective

The following outlines the identification, analysis, and discussion of the Group's operating results, etc. from the management perspective.

Please note that matters concerning the future discussed in this document are based on the judgment of the Group as of March 31, 2025.

(i) Identification, analysis, and discussion of financial position and operating results

a. Operating results

○ Operating revenues

During the fiscal year under review, operating revenues increased by 5.8% from the previous fiscal year to ¥2,887.5 billion (up ¥35.5 billion from the April forecast), due mainly to revenue increases in all segments as a result of the increased use of railways and the increase in sales at stores in stations, shopping centers, and hotels.

Operating revenues from sales to outside customers in the Transportation segment increased 5.1% from the previous fiscal year to ¥1,945.7 billion (up ¥10.7 billion from the April forecast).

This was mainly due to the increase in railway transportation revenue as a result of increased use of railways.

As for Shinkansen lines, due to increased use of railways, the number of passenger-kilometers transported increased by 6.8% from the previous fiscal year to 22.6 billion passenger-kilometers. Commuter Passes Revenue increased 5.0% to ¥23.6 billion, while Non-Commuter Passes Revenue increased 8.7% to ¥559.6 billion, for a total revenue of ¥583.3 billion, up 8.5% from the previous fiscal year.

As for conventional lines in the Kanto area, due to increased use of railways, the number of passenger-kilometers transported increased by 3.1% from the previous fiscal year to 96.2 billion passenger-kilometers. Commuter Passes Revenue increased 2.5% to ¥388.1 billion, while Non-Commuter Passes Revenue increased 4.8% to ¥732.1 billion, for a total revenue of ¥1,120.2 billion, up 4.0% from the previous fiscal year.

As for conventional lines outside of the Kanto area, due to increased use of railways, the number of passenger-kilometers transported increased by 5.0% from the previous fiscal year to 5.3 billion passenger-kilometers. Commuter Passes Revenue increased 0.6% to ¥16.6 billion, while Non-Commuter Passes Revenue increased 8.0% to ¥48.6 billion, for a total revenue of ¥65.2 billion, up 6.0% from the previous fiscal year.

Operating revenues from sales to outside customers in segments other than Transportation were as follows.

In the Retail & Services segment, sales increased by 6.6% from the previous fiscal year to ¥393.7 billion (up ¥6.7 billion from the April forecast), due mainly to an increase in the sales at stores in stations as a result of increased use by customers. In the Real Estate & Hotels segment, sales increased by 6.5% from the previous fiscal year to ¥445.4 billion (up ¥16.4 billion from the April forecast), due mainly to an increase in the sales at shopping centers and hotels as a result of increased use by customers.

In the Others segment, sales increased by 12.6% from the previous fiscal year to ¥102.5 billion (up ¥1.5 billion from the April forecast), due mainly to an increase in the sales from contracted system development.

○ Operating expenses

Operating expenses increased 5.3% from the previous fiscal year to ¥2,510.7 billion. The ratio of operating expenses to operating revenues was 87.0% for the fiscal year ended March 31, 2025, compared to 87.4% in the previous fiscal year. Expenses for transportation, other services, and cost of sales increased 5.2% from the previous fiscal year to ¥1,855.5 billion. This was due mainly to an increase in property expenses.

Selling, general and administrative expenses increased 5.4% from the previous fiscal year to ¥655.2 billion. This was due mainly to an increase in property expenses.

○ Operating income

Operating income increased 9.2% from the previous fiscal year to ¥376.7 billion (up ¥6.7 billion from the April forecast). The ratio of operating income to operating revenues was 13.0% for the fiscal year ended March 31, 2025, compared to 12.6% in the previous fiscal year.

○ Non-operating income (loss)

Non-operating income decreased 4.1% from the previous fiscal year to ¥27.9 billion. This was due mainly to a decrease in equity in net income of affiliated companies.

Non-operating expenses increased 7.0% from the previous fiscal year to ¥83.2 billion. This was due mainly to an increase in interest expenses.

○ Ordinary income

Ordinary income increased 8.4% from the previous fiscal year to ¥321.5 billion (up ¥6.5 billion from the April forecast). The ratio of ordinary income to operating revenues was 11.1% for the fiscal year ended March 31, 2025, compared to 10.9% in the previous fiscal year.

- Extraordinary gains/losses
Extraordinary gain increased 11.1% from the previous fiscal year to ¥45.1 billion. This was due in part to an increase in gain on sale of investments in securities.
Extraordinary losses increased 9.9% from the previous fiscal year to ¥69.3 billion. This was due mainly to an increase in losses on reduction entry for construction grants.
- Income before income taxes
Income before income taxes increased 8.5% from the previous fiscal year to ¥297.2 billion. The ratio of income before income taxes to operating revenues was 10.3% for the fiscal year ended March 31, 2025, compared to 10.0% in the previous fiscal year.
- Profit attributable to owners of parent
Profit attributable to owners of parent increased 14.2% from the previous fiscal year to ¥224.2 billion (up ¥14.2 billion from the April forecast), due mainly to an increase in income before income taxes. Earnings per share for the current fiscal year were ¥198.29, compared to ¥173.82 for the previous fiscal year. In addition, the ratio of profit attributable to owners of parent to operating revenues was 7.8% for the fiscal year ended March 31, 2025, compared to 7.2% in the previous fiscal year.

b. Financial position

As of March 31, 2025, assets totaled ¥10,174.2 billion, up ¥402.7 billion from the end of the previous fiscal year; liabilities totaled ¥7,302.0 billion, up ¥269.7 billion from the end of the previous fiscal year; and net assets totaled ¥2,872.2 billion, up ¥132.9 billion from the end of the previous fiscal year.

In the Transportation segment, assets totaled ¥7,309.5 billion as of March 31, 2025, due mainly to investments of ¥430.2 billion for large-scale earthquake countermeasures, installation of automatic platform gates, construction of new rolling stock, and construction work accompanying the introduction of green cars on the Chuo Rapid Line, etc.

In the Retail & Services segment, assets totaled ¥402.6 billion as of March 31, 2025, due mainly to investments of ¥29.5 billion for development of new stores and improvement of existing stores.

In the Real Estate & Hotels segment, assets totaled ¥2,297.9 billion as of March 31, 2025, due mainly to investments of ¥329.3 billion for the construction of shopping centers, office buildings, and hotels, including the TAKANAWA GATEWAY CITY, OIMACHI TRACKS, and SHIBUYA SCRAMBLE SQUARE.

In the Others segment, assets totaled ¥1,268.5 billion as of March 31, 2025, due mainly to investments of ¥36.7 billion for system development and other projects.

(ii) Analysis and discussion of cash flow and information on capital resources and liquidity of funds

a. Cash flow

Cash flows from operating activities increased ¥44.1 billion from the previous fiscal year to ¥732.2 billion. This was due mainly to an increase in income before income taxes.

Cash flows from investing activities decreased ¥92.7 billion from the previous fiscal year to ¥783.4 billion. This was due mainly to an increase in payments for purchases of tangible and intangible fixed assets.

A summary of capital investment is as follows.

In the Transportation segment, capital investment was made for large-scale earthquake countermeasures, installation of automatic platform gates, construction of new rolling stock, and the introduction of green cars to the Chuo Rapid Line. In the Retail & Services segment, new stores were opened and existing stores were improved. In the Real Estate & Hotels business, we made capital investments for the construction of shopping centers, office buildings, and hotels, including the TAKANAWA GATEWAY CITY, OIMACHI TRACKS, and SHIBUYA SCRAMBLE SQUARE. In the Others segment, capital investment was made in system development and other projects.

Free cash flow decreased ¥48.6 billion from the previous fiscal year, resulting in a ¥51.1 billion outflow.

Cash flows from financing activities decreased ¥62.4 billion from the previous fiscal year, resulting in a ¥3.6 billion inflow. Consequently, cash and cash equivalents as of March 31, 2025, totaled ¥233.4 billion, a decrease of ¥47.3 billion from ¥280.8 billion as of March 31, 2024.

b. Financial policy

With a view to early realization of the Group Management Vision “Move Up” 2027, with respect to capital investment, the Group will aggressively implement investments that contribute to improving profitability and productivity by investing in future growth. In the area of investment needed for the continuous operation of business, the Group will continue to progress steadily with investments that contribute to improving safety, such as measures against large-scale earthquakes and installation of automatic platform gates, and is committed to selecting and consolidating investments based on the premise of ensuring safety. Furthermore, we will carefully select capital investments in regional development and DX, aiming to tackle social issues such as realization of a “decarbonized society,” contribute to diverse stakeholders including local communities, and improve productivity and operational reforms from a long-term perspective. The Group plans to invest a total of ¥3.89 trillion from fiscal 2024 to fiscal 2028. With regard to shareholder returns, the Group aims to achieve a total return ratio of 40% and a dividend payout ratio of 30% over the medium to long term. The funds required for these purposes will be raised through cash flow from operating activities, issuance of bonds, borrowings from financial institutions, and so on. Our medium- to long-term policy is to keep consolidated interest-bearing debt at a level commensurate with consolidated

operating revenues and income. Specifically, we aim to achieve a net interest-bearing debt to EBITDA ratio of approximately 5 times in the medium term and 3.5 times in the long term.

“Net interest-bearing debt” represents the balance of consolidated interest-bearing debt minus the balance of consolidated cash and cash equivalents at the fiscal year-end. The balance of net interest-bearing debt as of March 31, 2025, was ¥4,721.8 billion (while the balance of interest-bearing debt was ¥4,955.3 billion at the end of the same fiscal year). “EBITDA” (earnings before interest, taxes, depreciation, and amortization) represents consolidated operating income plus consolidated depreciation expense. EBITDA for the fiscal year ended March 31, 2025 was ¥782.9 billion.

The Group has introduced a Cash Management System (CMS), which collectively manages the management of surplus funds and financing for each participant company in the CMS, with an eye to improving funding efficiency on a consolidated basis. In addition, the Group has adopted cash management methods such as a payment substitute system, which offsets intergroup settlements and consolidates payment operations within the Group.

The Company raises funds by issuing bonds and borrowing from financial institutions, etc., based on its fundamental policy of maintaining and improving a sound financial position and securing sufficient liquidity on hand. Additionally, in order to reduce the risk of interest rate rises, the Company is fixing interest payments and lengthening the term of funding to stabilize interest payments in the long term. Seeking to control future refinancing risks, the Company also selects terms that help control and level the amount of debt redemption in each fiscal year.

During the fiscal year ended March 31, 2025, the Company issued four unsecured straight bonds in Japan totaling ¥49.0 billion with maturity dates ranging from 2034 to 2045. These bonds were rated AA+ by Rating and Investment Information, Inc. The Company also issued two unsecured straight bonds totaling 0.7 billion euros (¥112.7 billion) and 0.6 billion pounds sterling (¥114.6 billion) with maturity dates in 2036 and 2054. These bonds were rated A+ by S&P Global Ratings Japan, Inc. and A1 by Moody’s Japan K.K. for long-term debt. In addition, the Company borrowed ¥138.6 billion in long-term funds from financial institutions.

The long-term liabilities incurred for purchase of Shinkansen-related railway facilities is ¥306.5 billion, payable by September 30, 2051, at a fixed rate of 6.55% per annum, payable in equal semi-annual installments of principal and interest. In addition, as of March 31, 2025, Tokyo Monorail Co., Ltd. has long-term liabilities incurred for purchase of railway facilities in the amount of ¥0.1 billion.

To meet short-term funding needs, we have established an overdraft limit totaling ¥360.0 billion with major banks as of March 31, 2025. As of March 31, 2025, our commercial paper was rated a-1+ by Rating and Investment Information, Inc. and J-1+ by Japan Credit Rating Agency, Ltd. As of March 31, 2025, there was no outstanding balance of overdraft or commercial paper. Furthermore, as of March 31, 2025, we had committed lines of credit (lines of credit that allow borrowing freely within the contracted terms under certain conditions) of ¥60.0 billion from banks, but as of the end of the fiscal year, there was no outstanding balance of committed lines of credit in use.

(iii) Important accounting estimates and assumptions relied upon to make such estimates

The consolidated financial statements of the Company are prepared in accordance with accounting principles generally accepted in Japan. In preparing these consolidated financial statements, various factors that are considered reasonable in light of past experience and current conditions are taken into account when preparing estimates with respect to matters affecting assets and liabilities on the consolidated fiscal year-end date as well as income and expense figures for the current fiscal year, and these are evaluated on an ongoing basis. However, actual outcomes may differ from estimates due to the uncertainties inherent in estimates.

Among the estimates and assumptions used when preparing consolidated financial statements, those that could have a significant effect on the financial position or operating results are as follows.

a. Recoverability of deferred tax assets

Assumptions regarding the recoverability of deferred tax assets are described in “Major Accounting Estimates” under “No. 5: Accounting, 1-(1) Consolidated Financial Statements, Notes to Consolidated Financial Statements.”

b. Impairment of fixed assets

Assumptions regarding impairment of fixed assets are described in “Major Accounting Estimates” under “No. 5: Accounting, 1-(1) Consolidated Financial Statements, Notes to Consolidated Financial Statements.”

c. Estimates of retirement benefit obligations

Retirement benefit obligations for employees are estimated using actuarial assumptions such as discount rate, salary increase rate, retirement rate, and mortality rate. Any difference between actuarial assumptions and actual outcomes, or any change in the assumptions, may affect estimates of retirement benefit obligations for the next fiscal year.

5. Critical Contracts, etc.

- (1) On October 1, 1991, in accordance with the “Act on Transfer, etc. of Railway Facilities for Shinkansen” (Act No. 45, 1991), the Company acquired railroad facilities (excluding rolling stock) related to the Tohoku and Joetsu Shinkansen lines from the Shinkansen Holding Corporation (currently Japan Railway Construction, Transport and Technology Agency) for ¥3,106.9 billion. The Company’s contract with the Shinkansen Holding Corporation dictated that of this amount, ¥2,740.4 billion would be paid over 25.5 years, and ¥366.5 billion would be paid over 60 years in equal semi-annual installments of principal and interest to the Railway Development Fund (currently Japan Railway Construction, Transport and Technology Agency). The payment of ¥2,740.4 billion was completed in January 2017.
- (2) The Company has contracts in place with other passenger rail providers concerning matters related to passenger operations such as reciprocal ticket sales, revenue sharing of fares and charges between companies and handling of revenue settlements, outsourcing of station operations and maintenance of rolling stock and railroad facilities, and handling of expense settlements between companies.
These contracts stipulate that fares and charges for passengers and baggage traveling among two or more passenger rail providers shall be calculated on an aggregate basis, that passenger fares shall be subject to the system of diminishing fare per distance for longer distance. Also, in the event that a passenger rail provider sells a ticket linked to another passenger rail provider, that provider must pay a sales commission to the other provider.
- (3) The Company has contracts in place with freight companies regarding the handling of freight companies’ use of the Company’s railroad tracks, outsourcing of station operations and maintenance of rolling stock and railroad facilities, and handling of expense settlements between companies.
Under these contracts, any trackage paid by freight companies for use of the Company’s railroad tracks are additional amounts to be incurred by the freight companies for use of our railroad tracks.
- (4) The Company has a contract in place with Railway Information Systems Co., Ltd. for the use of a comprehensive passenger sales system (MARS system) for the sale of train seat reservation tickets, etc. jointly among six passenger rail providers, and for the use of the system to settle revenues among passenger rail providers.

6. Research and Development Activities

The Group has formulated a “Mid- to Long-term Vision for Technical Innovation” to achieve technological innovation in anticipation of advancements to be made in technologies such as IoT, Big Data, and AI, and the main details are as follows.

- Utilizing IoT, Big Data, AI, etc., we will thoroughly review the services provided by the Group from the customer’s perspective, aiming to achieve a “Mobility Revolution” that transcends the boundaries of conventional thinking.
- In the four areas of “Safety and Security,” “Service and Marketing,” “Operation and Maintenance,” and “Energy and Environment,” we will use AI and other means to create new value from data obtained across all of the Group’s business activities.
- To realize this vision, we will undertake further open innovation to incorporate the world’s most advanced technologies and build an “innovation ecosystem” that will continue to provide innovative services in the field of mobility.

Striving to realize our “Mid- to Long-term Vision for Technical Innovation,” we conducted the following research and development activities. Total R&D expenses for the fiscal year ended March 31, 2025, amounted to ¥23.1 billion.

(1) Transportation

- (i) Safety and Security: Foreseeing Danger to Minimize Risk
 - a. In order to realize even safer platforms, we are developing a system to detect the possibility of passengers approaching or coming into contact with a train based on images from cameras installed on the sides of the train.
 - b. As a countermeasures against gusty winds, we have introduced a train operation regulation method using Doppler radar in certain sections. We are also conducting research on train operation regulation methods using public radar, with the aim of expanding application to additional areas.
 - c. To improve derailment resistance during earthquakes, we have developed lateral-motion dampers that can be mounted on Shinkansen trains and are conducting running tests.
- (ii) Service and Marketing: Offering our Customers Value that is for “Right Now, Right Here and Just for Me”
 - a. To promote development aimed at realizing next-generation Shinkansen trains, we are conducting various tests using the ALFA-X Shinkansen test train.
 - b. To achieve stress-free travel, we are developing touchless ticket gates utilizing millimeter-wave communication and are conducting evaluation tests under required conditions to move toward practical implementation.
- (iii) Operation and Maintenance: Reviewing Operations in Preparation for a 20% Reduction in the Working-age Population
 - a. We are progressing development towards the automation and mechanization (robotics) of maintenance work for rolling stock and ground equipment, with the aim of improving the efficiency and reducing the burden of such work.
 - b. We have been working on R&D and other initiatives to realize smart maintenance, such as CBM (Condition Based Maintenance), by installing devices on commercial trains that monitor tracks, electric power facilities, and rolling stock while trains are in motion.

c. As part of our efforts to develop technologies required for improved train safety and future driverless operations, we are developing a system that automatically detects obstacles in real time using forward-looking stereo cameras installed in trains.

(iv) “Energy and Environment” - Improving the Energy “3E’s”

(Environment, Economic Efficiency, and Energy Security) and Linking them to C (Community Development)

a. To promote initiatives to utilize hydrogen and accelerate the movement toward a decarbonized society, we developed the HYBARI hydrogen hybrid train which uses hydrogen as fuel, and we are considering ways for its practical implementation.

b. With a view to reducing train operating energy, we are researching ways to conserve energy through crew operations. We are also developing driver assistance systems that leverage the expertise gained from these initiatives.

(v) Other

We established the WaaS Co-creation Consortium in April 2023 as an organization to leverage the knowledge and expertise gained through its predecessor, the Mobility Innovation Consortium, to improve mobility × space value in order to realize a society of well-being. Through this open innovation platform, we are working to solve social issues in a wider range of areas that would be difficult for a single company to solve alone (as of May 16, 2025, 102 companies and organizations from a variety of industries and fields are participating). We also commission the Railway Technical Research Institute to undertake research and development in more basic areas based on our Agreement on Research and Development. Our contribution to the Institute in the fiscal year ended March 31, 2025 was ¥5.1 billion.

In addition, we continue to run the Innovation College in-house internship program for R&D departments to cultivate human resources who will play leading roles on the front lines of technological innovation.

(2) Retail & Services, Real Estate & Hotels, and Others

There is nothing particular to report.

No. 3: Facilities

1. Summary of Capital Investment

The Company and its consolidated subsidiaries made capital investments totaling ¥825.8 billion in the current fiscal year, primarily in the Transportation segment and Real Estate & Hotels segment.

In the Transportation segment, we invested ¥430.2 billion in large-scale earthquake countermeasures, installation of automatic platform gates, construction of new rolling stock, and the introduction of green cars to the Chuo Rapid Line.

In the Retail & Services segment, the Company invested ¥29.5 billion in the opening of new stores and improvements to existing ones.

In the Real Estate & Hotels segment, the Company invested ¥329.3 billion in projects such as the construction of TAKANAWA GATEWAY CITY, OIMACHI TRACKS, and SHIBUYA SCRAMBLE SQUARE.

In the Others segment, we invested ¥36.7 billion in system development and other projects.

There were no sales or disposals of major facilities.

2. Major Facilities

As of March 31, 2025, the status of major facilities is as follows.

(1) Reporting company

(i) Summary table

| | Book value (millions of yen) | | | | | | Number of employees |
|----------------------|---|-----------|------------|---------------|---------|-----------|------------------------|
| | Land (area in 1000 m ²) | Buildings | Structures | Rolling stock | Others | Total | |
| Transportation | 1,595,940 (165,640) | 577,108 | 2,336,257 | 430,432 | 224,490 | 5,164,229 | 38,956 |
| Real Estate & Hotels | 427,628 (645) | 535,773 | 19,463 | 4 | 3,177 | 986,047 | 355 |

(Notes) 1. The above figures are the balance of property, plant, and equipment (excluding construction in progress).

2. Land provided for the Transportation segment includes land for railway tracks (87.308 million m², book value ¥820,301 million), land for depots (32.562 million m², book value ¥677,248 million), land for railway windbreak forest (38.510 million m², book value ¥681 million), land for offices, crew rooms, substations, and so on.

3. Buildings provided in the Transportation segment include buildings used as depots, crew rooms, offices, and so on.

4. Structures provided in the Transportation segment include elevated tracks, bridges, tunnels, power distribution lines, and so on.

5. "Others" is the total of vehicles (¥172 million in the Transportation segment and ¥0 million in the Real Estate & Hotels segment), machinery and equipment (¥195,618 million in the Transportation segment and ¥2,743 million in the Real Estate & Hotels segment), and tools, furniture, and fixtures (¥28,699 million in the Transportation segment and ¥434 million in the Real Estate & Hotels segment).

6. In addition to the above, there are also fixed assets such as the head office and other administrative facilities, company housing, welfare facilities, and so on.

7. Major facilities on loan are as follows.

| Name of lender | Line name | Operating kilometers (km) | Breakdown of facilities | | Loan end year | Loan fee (millions of yen) |
|---|--|---------------------------|-------------------------|-----------------------------|---------------|----------------------------|
| | | | Land (m ²) | Buildings (m ²) | | |
| Japan Railway Construction, Transport and Technology Agency | Keiyo Line | 50.0 | 798,870 | 119,669 | Fiscal 2030 | 24,464 |
| | Hokuriku Shinkansen (Takasaki to Nagano) | 117.4 | 957,539 | 82,538 | Fiscal 2028 | 19,741 |
| | Hokuriku Shinkansen (Nagano to Joetsumyoko) | 59.5 | 324,650 | 41,435 | Fiscal 2045 | 17,515 |
| | Tohoku Shinkansen (Morioka to Hachinohe) | 96.6 | 593,928 | 36,406 | Fiscal 2033 | 9,433 |
| | Tohoku Shinkansen (Hachinohe to Shin-Aomori) | 81.8 | 896,409 | 74,038 | Fiscal 2041 | 9,453 |
| | | | | | Fiscal 2041 | 2,200 |
| | Subtotal | 405.3 | 3,571,397 | 354,088 | – | 82,808 |
| Narita Airport Rapid Railway Company Limited | Narita Line | 8.7 | – | 22,020 | Fiscal 2026 | 717 |
| | Total | 414.0 | 3,571,397 | 376,108 | – | 83,526 |

- a. For the Keiyo Line, which is on loan from the Japan Railway Construction, Transport and Technology Agency, a loan fee approved in advance by the Minister of Land, Infrastructure, Transport and Tourism is paid twice annually for 40 years from the loan date. This loan fee fluctuates slightly each year due to increases or decreases in property and administrative expenses, but the basic level of the fee remains almost unchanged.

The specific loan fee is calculated using the following formula.

Loan fee base amount = (a) + (b) + (c) - government subsidy amount

- (a) The total amount of semi-annual installments for the relevant fiscal year in the event that the portion of the cost required for the construction of the relevant railroad facilities related to the borrowing is to be reimbursed by the method of equal semi-annual installment payments of principal and interest, with the period and interest rate specified by the Minister of Land, Infrastructure, Transport and Tourism
- (b) The amount calculated by multiplying the amount of depreciation expense for the relevant railway facilities for the relevant fiscal year by the rate obtained by dividing the amount of the portion of expense required for the construction of the relevant railway facilities other than the portion pertaining to the borrowing by the amount of expense required for the construction of the relevant railway facilities
- (c) The total amount of bond issue costs and bond issue discounts related to railroad construction bonds for the railroad facilities for the relevant fiscal year, as well as taxes and administrative expenses

Maintenance and renewal of facilities are undertaken by the Company, excluding disaster restoration work, etc., totaling ¥100 million or more.

After the loan period ends, the Company is entitled to take ownership of the line at a transfer price equal to the total loan fee already paid from the construction cost of the line, minus an amount equivalent to the construction cost of the line plus the amount of government subsidy.

- b. For the Hokuriku Shinkansen Line (between Takasaki and Joetsumyoko) and the Tohoku Shinkansen Line (between Morioka and Shin-Aomori), which are on loan from the Japan Railway Construction, Transport and Technology Agency (JRJT), loan fees are paid four times annually for 30 years from the loan date, subject to prior approval by the Minister of Land, Infrastructure, Transport and Tourism. The loan fee consists of an amount calculated based on the benefits received by the Company, which is the operating organization after the opening of the Shinkansen Line, and taxes and administrative expenses to be paid by JRJT for the leased railway facilities. The amount calculated based on this benefit is fixed for 30 years from the loan date.

For the Tohoku Shinkansen Line (between Hachinohe and Shin-Aomori), the amount is divided into the loan fee for the opening of the Tohoku Shinkansen Line between Hachinohe and Shin-Aomori and an additional loan fee for the opening of the Hokkaido Shinkansen Line between Shin-Aomori and Shin-Hakodate-Hokuto.

In addition, with respect to the maintenance and renewal of facilities, the Company is responsible for covering normal maintenance and management, with JRJT responsible for any extraordinary maintenance or renewal expenses.

- c. The loan fee for the Narita Line (Narita Line junction to Narita Airport Station), leased from Narita Airport Rapid Railway Company Limited, is paid four times annually for five years starting in April 2021 to cover the cost of constructing, owning, and managing

railway facilities, based on our agreement with Narita Airport Rapid Railway Company Limited. As a result, the loan fee for fiscal 2025 was ¥717 million.

With regard to the maintenance and renewal of facilities, any changes to railroad facilities involving capital expenditures are to be made by Narita Airport Rapid Railway Company Limited, while normal maintenance and management is to be carried out by the Company.

- d. Regarding the Tadami Line (between Aizu-Kawaguchi and Tadami), which is leased from Fukushima Prefecture, the Company pays a usage fee based on an agreement with Fukushima Prefecture. However, payment of this usage fee is reduced or exempted by the amount necessary to ensure there is no deficit in income or expenditure for the relevant track sections. Due to this, the payment of the usage fee did not occur in fiscal 2025.

Services related to maintenance of railroad facilities, such as inspections, repairs, or replacements, are performed by Fukushima Prefecture, while maintenance is managed by the Company.

(ii) Transportation

a. Lines and electric supply facilities

| Line | Section | Operating kilometers (km) | Single or double track | Number of stations | Track gauge (m) | Voltage (V) | Number of substations |
|-----------------|--|---------------------------|--|--------------------|-----------------|-----------------------|-----------------------|
| Agatsuma Line | (Shibukawa) to Omae | 55.3 | Single track | 17 | 1.067 | DC 1,500 | 4 |
| Akabane Line | (Ikebukuro) to (Akabane) | 5.5 | Double track | 2 | 1.067 | DC 1,500 | – |
| Aterazawa Line | (Kita-Yamagata) to Aterazawa | 24.3 | Single track | 10 | 1.067 | – | – |
| Iiyama Line | Toyono to (Echigo-Kawaguchi) | 96.7 | Single track | 30 | 1.067 | – | – |
| Ishinomaki Line | (Kogota) to Onagawa | 44.7 | Single track | 13 | 1.067 | – | – |
| Itsukaichi Line | (Haijima) to Musashi-Itsukaichi | 11.1 | Single track | 6 | 1.067 | DC 1,500 | 1 |
| Ito Line | (Atami) to Ito | 16.9 | Single track Double track | 5 | 1.067 | DC 1,500 | 1 |
| Uetsu Line | (Niitsu) to (Akita) | 271.7 | Single track Double track | 58 | 1.067 | DC 1,500 AC 20,000 | 6 1 |
| Uchibo Line | (Soga) to Awa-Kamogawa [via Kisarazu] | 119.4 | Single track Double track | 29 | 1.067 | DC 1,500 | 10 |
| Echigo Line | (Kashiwazaki) to (Niigata) | 83.8 | Single track | 31 | 1.067 | DC 1,500 | 6 |
| Ou Line | (Fukushima) to Aomori [via Akita] [including Shin-Aomori to Higashi-Aomori] | 484.5 | Single track Double track | 100 | | | |
| | Of which: (Fukushima) to Shinjo | | | | 1.435 1.067 | AC 20,000 | 4 |
| | Shinjo to Innai | | | | 1.067 | – | – |
| | Innai to Omagari | | | | 1.067 | AC 20,000 | 1 |
| | Omagari to Akita | | | | 1.435 1.067 | AC 20,000 | – |
| | Akita to Aomori | | | | 1.067 | AC 20,000 | 2 |
| Ome Line | (Tachikawa) to Oku-Tama | 37.2 | Single track Double track Triple track | 24 | 1.067 | DC 1,500 | 3 |
| Oito Line | (Matsumoto) to Minami-Otari | 70.1 | Single track | 32 | 1.067 | DC 1,500 | 5 |
| Ofunato Line | (Ichinoseki) to Kesenuma | 62.0 | Single track | 13 | 1.067 | – | – |
| Ominato Line | Noheji to Ominato | 58.4 | Single track | 11 | 1.067 | – | – |
| Oga Line | (Oiwake) to Oga | 26.4 | Single track | 8 | 1.067 | AC 20,000 | 1 |
| Kashima Line | (Katori) to Kashima-Soccer Stadium | 17.4 | Single track | 5 | 1.067 | DC 1,500 | 1 |
| Kamaishi Line | (Hanamaki) to Kamaishi | 90.2 | Single track | 23 | 1.067 | – | – |
| Karasuyama Line | (Hoshakuji) to Karasuyama | 20.4 | Single track | 7 | 1.067 | DC 1,500 | 1 |

| Line | Section | Operating kilometers (km) | Single or double track | Number of stations | Track gauge (m) | Voltage (V) | Number of substations |
|------------------------------|---|-------------------------------|--|--|-----------------|-----------------------|-----------------------|
| Kawagoe Line | (Omiya) to (Komagawa) | 30.6 | Single track Triple track | 9 | 1.067 | DC 1,500 | 5 |
| Kitakami Line | (Kitakami) to (Yokote) | 61.1 | Single track | 13 | 1.067 | – | – |
| Kururi Line | (Kisarazu) to Kazusa-Kameyama | 32.2 | Single track | 13 | 1.067 | – | – |
| Keiyo Line | (Tokyo) to (Soga) | 43.0 | Double track | 16 | 1.067 | DC 1,500 | 9 |
| Kesennuma Line | (Ichikawashiohama) to (Minami-Funabashi) [via Nishi-Funabashi] | 11.3 | Double track | – | 1.067 | DC 1,500 | – |
| | (Maeyachi) to Yanaizu | 17.5 | Single track | 5 | 1.067 | – | – |
| Koumi Line | (Kobuchisawa) to Komoro | 78.9 | Single track | 30 | 1.067 | – | – |
| Gono Line | (Higashi-Noshiro) to (Kawabe) [via Goshogawara] | 147.2 | Single track | 41 | 1.067 | – | – |
| Sagami Line | (Chigasaki) to (Hashimoto) | 33.3 | Single track | 16 | 1.067 | DC 1,500 | 1 |
| Shinonoi Line | (Shiojiri) to (Shinonoi) | 66.7 | Single track Double track | 13 | 1.067 | DC 1,500 | 7 |
| Joetsu Line | (Takasaki) to (Miyauchi) [via Minakami] | 162.6 | Double track | 33 | 1.067 | DC 1,500 | 12 |
| | (Echigo-Yuzawa) to GALA Yuzawa | 1.8 | Double track | 1 | 1.435 | AC 25,000 | – |
| Joban Line | (Nippori) to (Iwanuma) [via Tsuchiura] | 343.7 | Single track Double track Quad track | 78 | 1.067 | DC 1,500 AC 20,000 | 9 8 |
| | (Mikawashima) to (Minami-Senju) [via Sumidagawa] | 5.7 | Single track | 1 | 1.067 | DC 1,500 | – |
| | (Mikawashima) to (Tabata) | 1.6 | Double track | – | 1.067 | DC 1,500 | – |
| Shin-etsu Line | (Takasaki) to Yokokawa | 29.7 | Double track | 7 | 1.067 | DC 1,500 | 1 |
| | Shinonoi to Nagano | 9.3 | Double track | 5 | 1.067 | DC 1,500 | 1 |
| Suigun Line | Naoetsu to Niigata [via Nagaoka] [including Echigo-Ishiyama to Higashi-Niigata] | 136.3 | Double track | 42 | 1.067 | DC 1,500 | 11 |
| | (Mito) to (Asakanagamori) | 137.5 | Single track | 38 | 1.067 | – | – |
| Senzan Line | (Kami-Sugaya) to Hitachi-Ota | 9.5 | Single track | 5 | 1.067 | – | – |
| | (Sendai) to (Uzen-Chitose) | 58.0 | Single track | 16 | 1.067 | AC 20,000 | – |
| Senseki Line | Aobadori Avenue to (Ishinomaki) | 49.0 | Single track Double track | 30 | 1.067 | DC 1,500 | 4 |
| | Sobu Line | (Tokyo) to Choshi [via Asahi] | 120.5 | Single track Double track Quad track | 41 | 1.067 | DC 1,500 |
| (Kinshicho) to (Ochanomizu) | | 4.3 | Double track | 2 | 1.067 | DC 1,500 | 1 |
| (Koiwa) to Etchujima Kamotsu | | 11.7 | Single track | 1 | 1.067 | – | – |

| Line | Section | Operating kilometers (km) | Single or double track | Number of stations | Track gauge (m) | Voltage (V) | Number of substations |
|---------------|---|---------------------------|---|--------------------|-----------------|----------------|-----------------------|
| Sotobo Line | (Koiwa) to (Kanamachi) | 8.9 | Single track | – | 1.067 | DC 1,500 | – |
| | (Chiba) to (Awa-Kamogawa) | 93.3 | Single track Double track | 25 | 1.067 | DC 1,500 | 9 |
| Takasaki Line | (Omiya) to Takasaki [via Miyahara] | 74.7 | Double track | 18 | 1.067 | DC 1,500 | 10 |
| Tazawako Line | (Morioka) to (Omagari) | 75.6 | Single track | 16 | 1.435 | AC 20,000 | 1 |
| Tadami Line | (Aizu-Wakamatsu) to (Koide) | 135.2 | Single track | 34 | 1.067 | – | – |
| Chuo Line | Kanda to Yoyogi | 8.3 | Double track Quad track | 9 | 1.067 | DC 1,500 | 3 |
| | (Shinjuku) to Shiojiri [via Midoriko] | 211.8 | Single track Double track Quad track | 58 | 1.067 | DC 1,500 | 25 |
| Tsugaru Line | (Okaya) to (Shiojiri) [via Tatsuno] | 27.7 | Single track | 4 | 1.067 | DC 1,500 | 2 |
| | (Aomori) to Mimmaya | 55.8 | Single track | 17 | 1.067 | | |
| | Of which: (Aomori) to Naka-Oguni Naka-Oguni to Mimmaya | | | | | AC 20,000 – | 1 – |
| Tsurumi Line | (Tsurumi) to Ogimachi | 7.0 | Double track Triple track | 8 | 1.067 | DC 1,500 | – |
| | (Asano) to Umi-Shibaura | 1.7 | Single track Double track | 2 | 1.067 | DC 1,500 | – |
| | (Musashi-Shiraishi) to Okawa | 1.0 | Single track | 1 | 1.067 | DC 1,500 | – |
| Tokaido Line | Tokyo to Atami [via Kawasaki and Yokohama] | 104.6 | Double track Quad track Three double-track Four double-track | 33 | 1.067 | DC 1,500 | 22 |
| | (Shinagawa) to (Tsurumi) [via Shin-Kawasaki] | 17.8 | Double track | 2 | 1.067 | DC 1,500 | 3 |
| | (Hamamatsucho) to Hama-Kawasaki | 19.5 | Double track | 2 | 1.067 | DC 1,500 | 2 |
| | (Tsurumi) to (Higashi-Totsuka) [via Yokohama-Hazawa] | 16.0 | Double track | 1 | 1.067 | DC 1,500 | 1 |
| | (Tsurumi) to (Hatchonawate) | 2.3 | Double track | – | 1.067 | DC 1,500 | – |
| | (Tsurumi) to (Sakuragicho) | 8.5 | Single track Double track | – | 1.067 | DC 1,500 | – |
| Togane Line | (Oami) to (Naruto) | 13.8 | Single track | 3 | 1.067 | DC 1,500 | – |

| Line | Section | Operating kilometers (km) | Single or double track | Number of stations | Track gauge (m) | Voltage (V) | Number of substations |
|----------------|--|---------------------------|--|--------------------|-----------------|-----------------------|-----------------------|
| Tohoku Line | (Tokyo) to (Kanda) to Morioka [via Oji and Sendai] | 535.3 | Double track Quad track Three double-track Four double-track Five double-track | 129 | 1.067 | DC 1,500 AC 20,000 | 24 12 |
| | (Nippori) to (Akabane) [via Oku] | 7.6 | Double track Quad track | 1 | 1.067 | DC 1,500 | – |
| | (Akabane) to (Omiya) [via Musashi-Urawa] | 18.0 | Double track | 10 | 1.067 | DC 1,500 | 2 |
| | (Nagamachi) to (Higashi-Sendai) [via Miyagino] | 6.6 | Double track | 1 | 1.067 | AC 20,000 | – |
| | (Iwakiri) to Rifu | 4.2 | Single track | 2 | 1.067 | AC 20,000 | – |
| | (Matsushima) to (Takagimachi) | 0.3 | Single track | – | 1.067 | – | – |
| Narita Line | (Sakura) to (Matsugishi) | 75.4 | Single track Double track | 14 | 1.067 | DC 1,500 | 6 |
| | (Narita) to (Abiko) | 32.9 | Single track | 8 | 1.067 | DC 1,500 | 2 |
| | (Narita) to Narita Airport Terminal 1 | 10.8 | Single track | 2 | 1.067 | DC 1,500 | 2 |
| Nambu Line | (Kawasaki) to (Tachikawa) | 35.5 | Double track | 24 | 1.067 | DC 1,500 | 4 |
| | (Shitte) to (Hama-Kawasaki) | 4.1 | Single track Double track Triple track | 3 | 1.067 | DC 1,500 | – |
| | (Shitte) to (Tsurumi) | 5.4 | Single track | – | 1.067 | DC 1,500 | – |
| Nikko Line | (Utsunomiya) to Nikko | 40.5 | Single track | 6 | 1.067 | DC 1,500 | 2 |
| Negishi Line | (Yokohama) to (Ofuna) | 22.1 | Double track | 10 | 1.067 | DC 1,500 | 2 |
| | | | Triple track | | | | |
| Hakushin Line | (Shibata) to (Niigata) | 27.3 | Single track | 8 | 1.067 | DC 1,500 | 2 |
| | | | Double track Triple track | | | | |
| Hachiko Line | (Hachioji) to (Kuragano) | 92.0 | Single track | 20 | 1.067 | DC 1,500 – | – – |
| | Of which: (Hachioji) to Komagawa Komagawa to (Kuragano) | | | | | | |
| Hachinohe Line | Hachinohe to Kuji | 64.9 | Single track | 24 | 1.067 | – | – |
| Hanawa Line | Koma to (Odate) | 106.9 | Single track | 26 | 1.067 | – | – |

| Line | Section | Operating kilometers (km) | Single or double track | Number of stations | Track gauge (m) | Voltage (V) | Number of substations | |
|---------------------|--|---------------------------|---|--------------------|-----------------|-------------|-----------------------|------|
| Ban-etsu-West Line | (Koriyama) to (Niitsu) | 175.6 | Single track | 41 | 1.067 | AC 20,000 | 2 | |
| | Of which: (Koriyama) to Aizu-Wakamatsu Aizu-Wakamatsu to (Niitsu) | | | | | | | – |
| Ban-etsu-East Line | (Iwaki) to (Koriyama) | 85.6 | Single track | 14 | 1.067 | – | – | |
| Mito Line | (Oyama) to (Tomobe) | 50.2 | Single track | 14 | 1.067 | AC 20,000 | – | |
| Musashino Line | (Tsurumi) to (Nishi-Funabashi) [via Higashi-Urawa] [including Shin-Kodaira to Kunitachi] [including Minami-Nagareyama to Kita-Kogane] [including Minami-Nagareyama to Mabashi] | 100.6 | Single track | 20 | 1.067 | DC 1,500 | 11 | |
| | (Nishi-Urawa) to (Yono) | | Double track | | | | | – |
| | Yahiko Line | | Yahiko to (Higashi-Sanjo) | | | | | 17.4 |
| Yamada Line | (Morioka) to Miyako | 102.1 | Single track | 14 | 1.067 | – | – | |
| Yamanote Line | (Shinagawa) to (Yoyogi) to (Tabata) [via Shinjuku] | 20.6 | Double track Quad track Four double-track | 14 | 1.067 | DC 1,500 | 5 | |
| Yokosuka Line | (Ofuna) to Kurihama | 23.9 | Single track Double track | 8 | 1.067 | DC 1,500 | 3 | |
| Yokohama Line | (Higashi-Kanagawa) to (Hachioji) | 42.6 | Double track | 18 | 1.067 | DC 1,500 | 4 | |
| Yonesaka Line | (Yonezawa) to (Sakamachi) | 90.7 | Single track | 18 | 1.067 | – | – | |
| Riku-West Line | (Shinjo) to (Amarume) | 43.0 | Single track | 8 | 1.067 | – | – | |
| Riku-East Line | (Kogota) to (Shinjo) | 94.1 | Single track | 25 | 1.067 | – | – | |
| Ryomo Line | (Oyama) to (Shim-Maebashi) | 84.4 | Single track Double track | 17 | 1.067 | DC 1,500 | 7 | |
| Subtotal | | 6,108.0 | – | 1,618 | – | – | 305 | |
| Tohoku Shinkansen | (Tokyo) to (Shin-Aomori) | 713.7 | Double track | (17) 6 | 1.435 | AC 25,000 | 17 | |
| Joetsu Shinkansen | (Omiya) to (Niigata) | 303.6 | Double track | (7) 2 | 1.435 | AC 25,000 | 6 | |
| Hokuriku Shinkansen | (Takasaki) to Joetsumyoko | 176.9 | Double track | (3) 4 | 1.435 | AC 25,000 | 4 | |
| Subtotal | | 1,194.2 | – | (27) 12 | – | – | 27 | |
| Total | | 7,302.2 | – | (27) 1,630 | – | – | 332 | |

- (Notes) 1. Stations listed in parentheses in the “Section” column are not included in the number of stations for the relevant section.
2. The number of stations listed in parentheses in the “Number of Stations” column for Shinkansen indicates the number of stations that are shared facilities with conventional lines.
- Stations listed for the Tohoku Shinkansen include Tokyo Station and Shin-Aomori Station, and those for the Joetsu Shinkansen include Niigata Station.
3. “AC” and “DC” in the “Voltage” column indicate AC (Alternating Current) and DC (Direct Current) power, respectively.

b. Rolling stock

(a) Number of vehicles

| Classification | Steam locomotives | Electric locomotives | Internal combustion locomotives | Internal combustion railcars | Electric trains | | | | Passenger trains | Freight trains | Total |
|--------------------|-------------------|----------------------|---------------------------------|------------------------------|-----------------|-----------------------------|------------|----------|------------------|----------------|--------|
| | | | | | Motorized | Controlled electric-powered | Controlled | Attached | | | |
| Conventional lines | 4 | 22 | 20 | 554 | 5,012 | 489 | 2,632 | 2,102 | 43 | 12 | 10,890 |
| Shinkansen lines | – | – | – | – | 977 | 84 | 192 | 81 | – | – | 1,334 |
| Total | 4 | 22 | 20 | 554 | 5,989 | 573 | 2,824 | 2,183 | 43 | 12 | 12,224 |

(Note) In addition to the above, the Company owns 343 track construction and maintenance vehicles and 22 other vehicles (replacement rolling stock, etc.)

(b) Rolling stock facilities

Major rolling stock centers are as follows.

| Name | Location | Land | | Buildings | |
|--|----------------------------------|------------------------|------------------------------|------------------------|------------------------------|
| | | Area (m ²) | Book value (millions of yen) | Area (m ²) | Book value (millions of yen) |
| Shinkansen General Rolling Stock Center | Rifu-cho, Miyagi-gun, Miyagi | 477,880 | 7,636 | 198,405 | 4,267 |
| Niigata Shinkansen Rolling Stock Center | Higashi-ku, Niigata-shi, Niigata | 326,822 | 38,002 | 77,231 | 1,605 |
| Nagano General Rolling Stock Center | Nagano-shi, Nagano | 270,006 | 341 | 79,484 | 1,599 |
| Tokyo General Rolling Stock Center | Shinagawa-ku, Tokyo | 223,475 | 425 | 124,417 | 3,463 |
| Makuhari Rolling Stock Center | Hanamigawa-ku, Chiba-shi, Chiba | 178,089 | 2,706 | 13,594 | 458 |
| Keiyo Rolling Stock Center | Mihama-ku, Chiba-shi, Chiba | (172,213) | – | (8,428) | – |
| | | – | – | 94 | 51 |
| Akita General Rolling Stock Center | Akita-shi, Akita | 171,131 | 64 | 67,089 | 1,620 |
| Nagano Shinkansen Rolling Stock Center | Nagano-shi, Nagano | (165,301) | – | (17,872) | – |
| | | – | – | – | 32 |
| Omiya General Rolling Stock Center | Omiya-ku, Saitama-shi, Saitama | 162,782 | 73 | 87,395 | 2,051 |
| Koriyama General Rolling Stock Center | Koriyama-shi, Fukushima | 161,294 | 247 | 76,863 | 788 |
| Akita General Rolling Stock Center Minami-Akita Center | Akita-shi, Akita | 136,669 | 262 | 28,673 | 1,237 |
| Morioka Shinkansen Rolling Stock Center | Morioka-shi, Iwate | 122,209 | 5,886 | 32,315 | 559 |
| Kawagoe Rolling Stock Center | Kawagoe-shi, Saitama | 112,008 | 5,408 | 8,303 | 235 |
| Kozu Rolling Stock Center | Odawara-shi, Kanagawa | 106,505 | 1,459 | 13,482 | 1,047 |
| Sendai Rolling Stock Center | Miyagino-ku, Sendai-shi, Miyagi | 102,500 | 276 | 13,093 | 437 |
| Morioka Shinkansen Rolling Stock Center, Aomori Facilities | Aomori-shi, Aomori | (99,138) | – | (31,473) | – |
| | | – | – | – | 8 |
| Oku Rolling Stock Center | Kita-ku, Tokyo | 91,815 | 176 | 15,465 | 522 |

| Name | Location | Land | | Buildings | |
|--|------------------------------|------------------------|------------------------------|------------------------|------------------------------|
| | | Area (m ²) | Book value (millions of yen) | Area (m ²) | Book value (millions of yen) |
| Toyoda Rolling Stock Center | Hino-shi, Tokyo | 85,746 | 20 | 13,580 | 1,339 |
| Yamagata Shinkansen Rolling Stock Center | Yamagata-shi, Yamagata | 85,156 | 170 | 9,343 | 203 |
| Kamakura Rolling Stock Center | Kamakura-shi, Kanagawa | 79,169 | 137 | 11,979 | 562 |
| Musashino General Management Center | Tokorozawa-shi, Saitama | 69,568 | 855 | 4,110 | 732 |
| Oyama Rolling Stock Center | Shimotsuke-shi, Tochigi | 68,264 | 46 | 12,289 | 232 |
| Morioka Rolling Stock Center, Hachinohe Facilities | Hachinohe-shi, Aomori | 58,883 | 7 | 5,068 | 284 |
| Matsudo Rolling Stock Center | Matsudo-shi, Chiba | 57,073 | 17 | 8,481 | 260 |
| Koriyama General Rolling Stock Center, Aizu-Wakamatsu Facilities | Aizuwakamatsu-shi, Fukushima | 54,688 | 24 | 4,810 | 17 |
| Morioka Rolling Stock Center | Morioka-shi, Iwate | 48,616 | 100 | 13,309 | 350 |
| Hirosaki General Management Center | Hirosaki-shi, Aomori | 47,597 | 14 | 6,921 | 443 |
| Oyama Shinkansen Rolling Stock Center | Oyama-shi, Tochigi | 47,534 | 1,745 | 19,626 | 413 |
| Saitama Rolling Stock Center | Kawaguchi-shi, Saitama | 46,557 | 117 | 9,387 | 315 |
| Mito General Management Center | Mito-shi, Ibaraki | 45,663 | 20 | 2,878 | 94 |

(Note) Figures listed in parentheses () represent those on lease from Japan Railway Construction, Transport and Technology Agency.

(c) Other major facilities

| Name | Location | Land | | Buildings | |
|---|----------------------------------|------------------------|------------------------------|------------------------|------------------------------|
| | | Area (m ²) | Book value (millions of yen) | Area (m ²) | Book value (millions of yen) |
| Ueno Track Maintenance Technology Center | Kita-ku, Tokyo | 56,563 | 389 | 4,735 | 256 |
| Sendai Track Maintenance Technology Center | Miyagino-ku, Sendai-shi, Miyagi | 26,348 | 421 | 5,127 | 149 |
| Tokyo Materials Recycling Center | Koto-ku, Tokyo | 15,184 | 100 | 6,681 | 79 |
| Niigata Materials Recycling Center | Higashi-ku, Niigata-shi, Niigata | 8,107 | 942 | 2,100 | 26 |
| Sendai Materials Recycling Center, Morioka Facilities | Morioka-shi, Iwate | 7,576 | 3 | 1,868 | 8 |
| Sendai Materials Recycling Center | Rifu-cho, Miyagi-gun, Miyagi | 5,765 | 81 | 2,005 | 45 |

(iii) Real Estate & Hotels

Major leased facilities are as follows.

| Name | Location | Land | | Buildings | | |
|---|---|------------------------|------------------------------|------------------------------|------------------------------|-------------------------------|
| | | Area (m ²) | Book value (millions of yen) | Total area (m ²) | Book value (millions of yen) | Leased area (m ²) |
| TAKANAWA GATEWAY CITY | Minato-ku, Tokyo | 37,094 | 71 | 369,186 | 182,231 | 369,186 |
| WATERS takeshiba | Minato-ku, Tokyo | 25,043 | 11,918 | 106,516 | 33,741 | 106,516 |
| Perie Chiba | Chuo-ku, Chiba-shi, Chiba | 16,818 | 303 | 52,041 | 7,585 | 52,041 |
| Hachioji Station Building (CELEO HACHIOJI North Building) | Hachioji-shi, Tokyo | 13,911 | 11,461 | 18,466 | 391 | 18,466 |
| COTONIOR GARDEN Shin-Kawasaki | Saiwai-ku, Kawasaki-shi, Kanagawa | 11,683 | 9 | – | – | – |
| Hotel Familio Tateyama | Tateyama-shi, Chiba | 11,035 | 0 | 3,415 | 229 | 3,415 |
| Metropolitan Plaza Building | Toshima-ku, Tokyo | 9,895 | 46,551 | – | – | – |
| Sendai Station Building (S-PAL Sendai East Building) | Aoba-ku, Sendai-shi, Miyagi | 8,836 | 9 | 36,982 | 7,781 | 36,982 |
| Hodogaya Apartments (Urban Heights Hodogaya) | Hodogaya-ku, Yokohama-shi, Kanagawa | 8,053 | 185 | – | – | – |
| Morioka Station Building (FES"AN) | Morioka-shi, Iwate | 7,997 | 1,337 | 18,340 | 114 | 18,340 |
| Yamagata Station West Exit Parking Lot | Yamagata-shi, Yamagata | 7,978 | 246 | – | – | – |
| Mito Station Building (excel minami) | Mito-shi, Ibaraki | 7,976 | 7 | 31,940 | 1,762 | 31,940 |
| Lieto-garden MITAKA | Mitaka-shi, Tokyo | 7,730 | 3 | – | – | – |
| Hotel Metropolitan | Toshima-ku, Tokyo | 7,647 | 12,797 | – | – | – |
| Niigata South Exit Station Building (CoCoLo South Building) | Chuo-ku, Niigata-shi, Niigata | 7,502 | 5 | 43,585 | 2,464 | 43,585 |
| Nagano Station Building (MIDORI Nagano) | Nagano-shi, Nagano | 7,434 | 2,135 | 14,624 | 1,340 | 14,624 |
| Kokubunji Station Building (CELEO KOKUBUNJI) | Kokubunji-shi, Tokyo | 7,417 | 7,597 | – | – | – |
| Kawasaki Station Building (atré Kawasaki) | Kawasaki-ku, Kawasaki-shi, Kanagawa | 7,381 | 9,622 | 17,186 | 2,604 | 17,186 |
| Sugamo Apartments (Urban Heights Sugamo) | Toshima-ku, Tokyo | 6,882 | 1,651 | – | – | – |
| Aizuwakamatsu Station Pivot Foods | Aizuwakamatsu-shi, Fukushima | 6,614 | 56 | 2,085 | 45 | 2,085 |
| Hotel Metropolitan Edmont | Chiyoda-ku, Tokyo | 6,589 | 12,422 | 27,329 | 952 | 27,329 |
| Tachikawa Station Building (LUMINE Tachikawa) | Tachikawa-shi, Tokyo | 6,382 | 8,425 | 19,329 | 1,035 | 19,329 |
| JR Yokohama Tower | Nishi-ku, Yokohama-shi, Kanagawa | 6,260 | 24,672 | 96,297 | 49,176 | 96,297 |
| Hiratsuka Station Building (LUSCA Hiratsuka) | Hiratsuka-shi, Kanagawa | 6,247 | 4,792 | 10,304 | 58 | 10,304 |
| Hotel Metropolitan Nagano | Nagano-shi, Nagano | 6,218 | 32 | 26,366 | 1,419 | 26,366 |
| GALA Yuzawa Snow Resort | Yuzawa-machi, Minamiuonuma-gun, Niigata | 5,876 | 754 | 23,881 | 1,657 | 23,881 |

| Name | Location | Land | | Buildings | | |
|-------------------------------------|--------------------|------------------------|------------------------------|------------------------------|------------------------------|-------------------------------|
| | | Area (m ²) | Book value (millions of yen) | Total area (m ²) | Book value (millions of yen) | Leased area (m ²) |
| HOLIDAY Sports Club Akita | Akita-shi, Akita | 5,680 | 2 | – | – | – |
| Akita Fresh Food Market Hodono | Akita-shi, Akita | 5,479 | 289 | – | – | – |
| kyorinkai (Social welfare facility) | Morioka-shi, Iwate | 5,342 | 9 | – | – | – |
| JR Shinagawa East Building | Minato-ku, Tokyo | 5,245 | 17 | 62,739 | 6,113 | 62,739 |

(2) Domestic subsidiaries

(i) Breakdown of major equipment in Transportation segment

| Company name/ Location | Book value (millions of yen) | | | | | Number of employees |
|--|--|-----------|------------|--------|--------|------------------------|
| | Land (area in 1000 m ²) | Buildings | Structures | Others | Total | |
| Tokyo Monorail Co., Ltd. Minato-ku, Tokyo | 2,603 (58) | 3,055 | 5,693 | 3,508 | 14,860 | 280 |
| Japan Transport Engineering Company Kanazawa-ku, Yokohama-shi, Kanagawa | 1,561 (265) | 4,692 | 1,905 | 5,408 | 13,567 | 1,224 |

(ii) Breakdown of major equipment in Retail & Services segment

| Company name/ Location | Book value (millions of yen) | | | | | Number of employees |
|--|--|-----------|------------|--------|--------|------------------------|
| | Land (area in 1000 m ²) | Buildings | Structures | Others | Total | |
| JR East Cross Station Co., Ltd. Shibuya-ku, Tokyo | 15,165 (41) | 48,630 | 274 | 11,087 | 75,158 | 2,534 |

(iii) Breakdown of major equipment in Real Estate & Hotels segment

| Company name/ Location | Book value (millions of yen) | | | | | Number of employees |
|---|--|-----------|------------|--------|---------|------------------------|
| | Land (area in 1000 m ²) | Buildings | Structures | Others | Total | |
| JR East Building Co., Ltd. Shibuya-ku, Tokyo | 104,233 (21) | 47,676 | 492 | 1,929 | 154,332 | 165 |
| JR East Urban Development Corporation Shibuya-ku, Tokyo | 4,979 (25) | 68,199 | 2,509 | 1,105 | 76,794 | 474 |
| atré Co., Ltd. Shibuya-ku, Tokyo | — (—) | 41,706 | 194 | 1,284 | 43,185 | 364 |
| LUMINE Co., Ltd. Shibuya-ku, Tokyo | 4,294 (1) | 35,428 | 390 | 947 | 41,062 | 566 |
| JREast Real Estate Co., LTD. Shinjuku-ku, Tokyo | 27,682 (43) | 3,251 | 85 | 23 | 31,042 | 11 |
| NIPPON HOTEL Co., Ltd. Toshima-ku, Tokyo | 41,421 (0) | 26,266 | 205 | 3,480 | 29,993 | 1,738 |
| JR Chuo Line Community Design Co., Ltd. Koganei-shi, Tokyo | 834 (2) | 15,512 | 572 | 215 | 17,134 | 215 |
| Chiba Station Building Co., Ltd. Chuo-ku, Chiba-shi, Chiba | 3,153 (9) | 11,965 | 156 | 651 | 15,926 | 133 |
| Sendai Terminal Building Co., Ltd. Aoba-ku, Sendai-shi, Miyagi | — (—) | 13,613 | 1,096 | 800 | 15,510 | 422 |
| JR Yokohama Shonan City Create Co., Ltd. Hiratsuka-shi, Kanagawa | 989 (1) | 13,071 | 282 | 214 | 14,558 | 145 |
| JR East Niigata City Create Inc. Chuo-ku, Niigata-shi, Niigata | 89 (0) | 8,223 | 70 | 579 | 8,962 | 206 |
| JR East Sports Co., Ltd. Toshima-ku, Tokyo | — (—) | 7,969 | 166 | 530 | 8,666 | 306 |

(Notes) 1. The above figures are the balance of property, plant, and equipment (excluding construction in progress).

2. "Others" in book value is the total amount of machinery, rolling stock and equipment, and tools, furniture, and fixtures.

3. Number of employees shows the number of persons at work.

4. JR East Sports Co., Ltd., which had previously been classified under the Retail & Services reporting segment, has been reclassified under the Real Estate & Hotels segment reporting segment in the current fiscal year, as it is now positioned as part of the Group's real estate ownership and utilization business.

3. Plans for Installation and Removal of Facilities

(1) Plans for installation and removal of major facilities are as follows.

| | Subject | Planned total amount (millions of yen) | Amount already paid (millions of yen) | Financing method | Construction start date | Scheduled completion date |
|-----------------------------------|--|--|---------------------------------------|---------------------------------|-------------------------|-------------------------------|
| Transportation | Installation of automatic platform gates on major lines in the Tokyo area | 303,472 | 109,013 | Self-funded Construction grants | April 2013 | Around the end of Fiscal 2032 |
| | Construction of large-scale earthquake countermeasures | 689,192 | 505,489 | Self-funded | June 2003 | Fiscal 2034 |
| | Installation of monitors on Shinkansen bogies | 16,958 | 11,321 | Self-funded | June 2021 | Fiscal 2027 |
| | Construction of elevated railroad between Yako and Musashi-kosugi stations on the Nambu Line | 84,036 | – | Self-funded Construction grants | March 2025 | Fiscal 2040 |
| | Construction to introduce ATACS to major line segments in the Tokyo metropolitan area | 61,091 | 15,262 | Self-funded | July 2020 | Around 2028 |
| | New construction of approaching line in Fukushima Station | 11,793 | 5,942 | Self-funded | August 2018 | Fiscal 2027 |
| | Haneda Airport Access Line (tentative name) | approx. 210,000 | 8,801 | Self-funded | September 2014 | Fiscal 2032 |
| | Construction for conductorless operations in major line segments in the Tokyo metropolitan area | 48,485 | 11,317 | Self-funded | November 2017 | Around 2025 |
| | Construction of ground equipment with the aim of increasing train speeds between Morioka Station and Shin-Aomori Station on the Tohoku Shinkansen Line | 11,602 | 5,684 | Self-funded | September 2017 | Fiscal 2028 |
| | Renovation of passage, new station facility, and development of station building at Nakano Station | 33,417 | 10,758 | Self-funded Construction grants | October 2014 | 2027 |
| | Improvement of Shibuya Station and construction of free passageway | 125,300 | 73,376 | Self-funded Construction grants | April 2014 | End of fiscal 2031 |
| | Improvement of Ochanomizu Station | 22,769 | 14,188 | Self-funded Construction grants | December 2013 | Fiscal 2026 |
| | Renovation of passage and station facility above the bridge at Hamamatsucho Station north exit | 25,867 | 6,008 | Self-funded Construction grants | February 2013 | September 2029 |
| | Renovation of station facility and station building at Shinagawa Station north exit | 109,200 | 27,784 | Self-funded Construction grants | July 2012 | Fiscal 2031 |
| | Development of area around the south passage of Tokyo Station | 59,057 | 4,389 | Self-funded | May 2012 | Winter of fiscal 2032 |
| | New construction of station facility above the bridge at Shibuya Station south exit | 18,281 | 5,985 | Self-funded Construction grants | December 2011 | End of fiscal 2027 |
| | Improvement of Tokaido Line Shimbashi Station | 32,938 | 30,808 | Self-funded | November 2010 | March 2031 |
| | Renovation and construction of station building at Matsudo Station | 27,112 | 9,812 | Self-funded | June 2010 | Spring 2027 |
| | Construction of continuous elevated railroad around Jujo Station | 31,806 | 849 | Self-funded Construction grants | June 2009 | Fiscal 2031 |
| | Renovation of east-west free passage at Tokyo Station south section | 24,210 | 8,376 | Self-funded Construction grants | July 2007 | Around 2029 |
| Construction of new rolling stock | 43,500 | – | Self-funded | April 2025 | March 2026 | |

| | Subject | Planned total amount (millions of yen) | Amount already paid (millions of yen) | Financing method | Construction start date | Scheduled completion date |
|----------------------|---|--|---------------------------------------|------------------------------------|-------------------------|---------------------------|
| Real Estate & Hotels | OIMACHI TRACKS | 111,400 | 51,443 | Self-funded | November 2014 | End of fiscal 2026 |
| | Construction of SHIBUYA SCRAMBLE SQUARE | 112,000 | 41,772 | Self-funded Construction grants | May 2010 | End of fiscal 2034 |
| | TAKANAWA GATEWAY CITY | 600,000 | 349,139 | Self-funded | July 2009 | Fiscal 2026 |

(Note) Matters regarding the construction of elevated railroad between Yako and Musashi-kosugi stations on the Nambu Line and development of area around the south passage of Tokyo Station have begun being reported in the current fiscal year.

(2) There are no matters to be noted with respect to plans for removing any facilities, etc.

No. 4: Reporting Company

1. Company Shares

(1) Total number of shares, etc.

(i) Total number of shares

| Category | Total number of shares authorized to be issued by the Company |
|--------------|---|
| Common stock | 4,500,000,000 |
| Total | 4,500,000,000 |

(ii) Issued shares

| Category | Number of shares issued as of the end of the fiscal year (March 31, 2025) | Number of shares issued as of the date of submission (June 18, 2025) | Name of listed financial instruments exchange or registered and authorized financial instruments firms association | Details |
|--------------|--|---|--|--|
| Common stock | 1,134,412,200 | 1,134,412,200 | Tokyo Stock Exchange Prime Market | The number of shares constituting one unit is 100 shares. |
| Total | 1,134,412,200 | 1,134,412,200 | - | - |

(2) Status of share acquisition rights, etc.

(i) Description of stock option scheme

Not applicable.

(ii) Description of rights plan

Not applicable.

(iii) Status of other share acquisition rights, etc.

Not applicable.

(3) Exercise of bonds with share acquisition rights with exercise price revision clause, etc.

Not applicable.

(4) Changes in total number of issued shares, common stock, etc.

| Date | Increase/decrease in total number of issued shares (shares) | Balance of total number of issued shares (shares) | Increase/decrease in common stock (millions of yen) | Balance of common stock (millions of yen) | Increase/decrease in additional paid-in capital (millions of yen) | Additional paid- in capital balance (millions of yen) |
|------------------------------|--|--|---|--|--|---|
| January 10, 2024 (Note 1) | 205,000 | 378,137,400 | - | 200,000 | 1,171 | 97,771 |
| April 1, 2024 (Note 2) | 756,274,800 | 1,134,412,200 | - | 200,000 | - | 97,771 |

(Notes) 1. This increase is due to the issuance of 205,000 new shares in connection with a share exchange that took effect on January 10, 2024.

2. This is due to a stock split at a ratio of 1 to 3.

(5) Status by shareholder

(As of March 31, 2025)

| Classification | Status of shares (Number of shares per unit: 100 shares) | | | | | | | | Status of shares constituting less than one unit (shares) |
|-------------------------------|--|-------------------------|-----------------------------|--------------------|----------------------------|-------------|------------------------|------------|---|
| | National and local governments | Financial organizations | Financial instruments firms | Other corporations | Foreign corporations, etc. | | Individuals and others | Total | |
| | | | | | Non-individuals | Individuals | | | |
| Number of shareholders | 6 | 217 | 38 | 2,013 | 852 | 381 | 280,768 | 284,275 | – |
| Number of shares held (units) | 28,717 | 4,347,294 | 168,795 | 754,438 | 3,558,985 | 1,640 | 2,478,311 | 11,338,180 | 594,200 |
| Percentage of shares held (%) | 0.25 | 38.34 | 1.49 | 6.65 | 31.39 | 0.01 | 21.86 | 100.0 | – |

- (Notes) 1. “Other corporations” includes 687 units of shares held in the name of Japan Securities Depository Center, Inc.
2. “Individuals and others” and “Status of shares constituting less than one unit” categories include 44 units and 55 shares of treasury stock, respectively.
3. The number of shareholders holding only shares less than one unit is 16,346.

(6) Status of major shareholders

(As of March 31, 2025)

| Name | Address | Number of shares held (100 shares) | Percentage of shares held to total number of issued shares (excluding treasury stock) (%) |
|--|--|------------------------------------|---|
| The Master Trust Bank of Japan, Ltd. (as Trustee) | Akasaka Intercity AIR, 8-1, Akasaka 1-chome, Minato-ku, Tokyo | 1,645,797 | 14.51 |
| Custody Bank of Japan, Ltd. (as Trustee) | 8-12, Harumi 1-chome, Chuo-ku, Tokyo | 480,338 | 4.23 |
| JR East Group Employees Shareholding Association | 2-2, Yoyogi 2-chome, Shibuya-ku, Tokyo | 448,267 | 3.95 |
| Mizuho Bank, Ltd. (standing proxy: Custody Bank of Japan, Ltd.) | 5-5, Otemachi 1-chome, Chiyoda-ku, Tokyo (8-12, Harumi 1-chome, Chuo-ku, Tokyo) | 390,000 | 3.44 |
| Nippon Life Insurance Company (standing proxy: The Master Trust Bank of Japan, Ltd.) | 6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo inside Securities Operations Dept., Nippon Life Insurance Company (Akasaka Intercity AIR, 8-1, Akasaka 1-chome, Minato-ku, Tokyo) | 240,466 | 2.12 |
| STATE STREET BANK WEST CLIENT - TREATY 505234 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.) | 1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (Shinagawa Intercity Tower A, 15-1, Konan 2-chome, Minato-ku, Tokyo) | 213,086 | 1.88 |
| STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.) | ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Shinagawa Intercity Tower A, 15-1, Konan 2-chome, Minato-ku, Tokyo) | 179,809 | 1.59 |
| Sumitomo Mitsui Banking Corporation | 1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo | 164,280 | 1.45 |
| JP MORGAN CHASE BANK 385781 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.) | 25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (Shinagawa Intercity Tower A, 15-1, Konan 2-chome, Minato-ku, Tokyo) | 154,263 | 1.36 |
| Mitsubishi UFJ Trust and Banking Corporation (standing proxy: The Master Trust Bank of Japan, Ltd.) | 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo (Akasaka Intercity AIR, 8-1, Akasaka 1-chome, Minato-ku, Tokyo) | 150,000 | 1.32 |
| Total | – | 4,066,310 | 35.85 |

- (Notes) 1. The Company conducted a 3-for-1 split of its common stock on April 1, 2024. Please note that the number of shares stated in the report of change in substantial holding in 2 to 4 below reflects the figures prior to the stock split.
2. The report of change in substantial holding, which was made available for public inspection on July 7, 2021, states that Mizuho Bank, Ltd. and 1 other joint shareholder held 23,352,400 shares (ownership ratio of shares, etc.: 6.18%) as of June 30, 2021. However, since the Company cannot confirm the number of shares actually held by such entities as of March 31, 2025, they are not included in “(6) Status of major shareholders.”
 3. The report of change in substantial holding, which was made available for public inspection on October 20, 2022, states that Sumitomo Mitsui Trust Bank, Limited and 1 other joint shareholder held 17,422,635 shares (ownership ratio of shares, etc.: 4.61%) as of October 14, 2022. However, since the Company cannot confirm the number of shares actually held by such entities as of March 31, 2025, they are not included in “(6) Status of major shareholders.”
 4. The report of change in substantial holding, which was made available for public inspection on December 5, 2023, states that BlackRock Japan Co., Ltd. and 8 other joint shareholders held 23,232,988 shares (ownership ratio of shares, etc.: 6.15%) as of November 30, 2023. However, since the Company cannot confirm the number of shares actually held by such entities as of March 31, 2025, they are not included in “(6) Status of major shareholders.”
 5. The report of change in substantial holding, which was made available for public inspection on July 29, 2024, states that MUFG Bank, Ltd. and 3 other joint shareholders held 81,736,743 shares (ownership ratio of shares, etc.: 7.21%) as of July 22, 2024. However, since the Company cannot confirm the number of shares actually held by such entities as of March 31, 2025, they are not included in “(6) Status of major shareholders.”

(7) Status of voting rights

(i) Issued shares

(As of March 31, 2025)

| Classification | Number of shares (shares) | Number of voting rights (units) | Details |
|---|--|---------------------------------|--|
| Non-voting shares | – | – | – |
| Shares with restricted voting rights (treasury stock, etc.) | – | – | – |
| Shares with restricted voting rights (other) | – | – | – |
| Shares with full voting rights (treasury stock, etc.) | (Self-held treasury stock) Common stock 4,400 | – | – |
| | (Mutually-held stock) Common stock 134,000 | | |
| Shares with full voting rights (other) | Common stock 1,133,679,600 | 11,336,796 | – |
| Shares constituting less than one unit | Common stock 594,200 | – | Shares less than one unit (100 shares) |
| Total number of issued shares | 1,134,412,200 | – | – |
| Total voting rights of all shareholders | – | 11,336,796 | – |

(Note) Common stock in the space “Shares with full voting rights (other)” includes 68,700 shares (687 voting rights) held in the name of Japan Securities Depository Center, Inc.

(ii) Treasury stock, etc.

(As of March 31, 2025)

| Name of shareholder | Address of shareholder | Number of shares held under own name (shares) | Number of shares held in name of others (shares) | Total number of shares held (shares) | Percentage of shares held to total number of issued shares (%) |
|--|--|---|--|--------------------------------------|--|
| (Self-held treasury stock) East Japan Railway Company | 2-2, Yoyogi 2-chome, Shibuya-ku, Tokyo | 4,400 | – | 4,400 | 0.00 |
| (Mutually-held stock) KOTSU SHIMBUNSHA | NBF Ochanomizu Building, 3-11, Kanda-Surugadai 2- chome, Chiyoda-ku, Tokyo | 60,000 | – | 60,000 | 0.01 |
| LUMINE Co., Ltd. | 10th Floor, JR East Headquarters Building, 2-2 Yoyogi 2-chome, Shibuya- ku, Tokyo | 74,000 | – | 74,000 | 0.01 |
| Total | – | 138,400 | – | 138,400 | 0.01 |

2. Purchase of Treasury Stock

Type of stock, etc.

Acquisition of common stock falling under Article 155, Item 3 of the Companies Act, acquisition of common stock falling under Article 155, Item 7 of the Companies Act, and acquisition of common stock falling under Article 155, Item 13 of the Companies Act

(1) Acquisition by resolution of the General Meeting of Shareholders

Not applicable.

(2) Acquisition by resolution of the Board of Directors

| Classification | Number of shares (shares) | Total amount (yen) |
|---|---------------------------|--------------------|
| Resolution status at the Board of Directors meeting (February 19, 2025) (Acquisition period: February 20, 2025 to February 20, 2025) | 2,470,000 | 6,967,870,000 |
| Treasury stock acquired before the current fiscal year | – | – |
| Treasury stock acquired during the current fiscal year | 2,470,000 | 6,967,870,000 |
| Total number of remaining shares authorized under the resolution and their total value | – | – |
| Unexercised ratio (%) as of the end of the current fiscal year | – | – |
| Treasury stock acquired during the relevant period | – | – |
| Unexercised ratio (%) as of the filing date | – | – |

(3) Details of acquisition not based on resolution of the General Meeting of Shareholders or the Board of Directors

| Classification | Number of shares (shares) | Total amount (yen) |
|--|---------------------------|--------------------|
| Treasury stock acquired during the current fiscal year | 83,819 | 96,850,339 |
| Treasury stock acquired during the relevant period | 60 | 188,400 |

(Notes) 1. The breakdown of treasury stock acquired during the current fiscal year is as follows: 82,104 shares acquired through in-kind dividends from consolidated subsidiaries in accordance with Article 155, Item 13 of the Companies Act (total value: ¥92,000,000), and 1,715 shares acquired in response to requests to purchase shares less than one unit as stipulated in Article 155, Item 7 of the Companies Act (total value: ¥4,850,339).

2. The breakdown of treasury stock acquired during the relevant period consists of 60 shares acquired in response to requests to purchase shares less than one unit, as stipulated in Article 155, Item 7 of the Companies Act (total value: ¥188,400).

3. Treasury stock acquired during the relevant period does not include the number of shares acquired from June 1, 2025 to the date of submission of the Annual Securities Report stemming from requests for purchase of shares constituting less than one unit.

(4) Disposal and holding of acquired treasury stock

| Classification | Fiscal year ended March 31, 2025 | | Relevant period | |
|---|----------------------------------|--------------------------------------|---------------------------|--------------------------------------|
| | Number of shares (shares) | Total amount of disposal price (yen) | Number of shares (shares) | Total amount of disposal price (yen) |
| Acquired treasury stock offered to subscribers | – | – | – | – |
| Acquired treasury stock disposed by cancellation | – | – | – | – |
| Acquired treasury stock transferred in connection with merger, share exchange, share issuance, or corporate split | 2,560,928 | 7,665,704,203 | – | – |
| Other (sale by request for sale of shares constituting less than one unit) | 91 | 234,872 | 40 | 125,640 |
| Number of treasury stock held | 4,455 | – | 4,475 | – |

(Note) The number of other shares during the relevant period does not include the number of shares acquired or disposed of from June 1, 2025 to the date of submission of the Annual Securities Report stemming from requests for sale of shares constituting less than one unit. Also, the number of treasury stock held during the relevant period does not include the number of shares acquired or disposed of from June 1, 2025 to the date of submission of the Annual Securities Report stemming from requests for purchase or sale of shares constituting less than one unit.

3. Dividend Policy

Our basic approach to capital policy is to keep shareholders' equity at the level required to maintain and grow operational foundations in a sustainable way while paying stable cash dividends and implementing share repurchases flexibly in light of performance to steadily increase returns to shareholders.

Under the JR East Group Management Vision "Move Up" 2027, we are aiming to realize a total return ratio of 40% and dividend payout ratio of 30% over the medium to long term with respect to shareholder returns. In addition to stable dividend increases, we will flexibly acquire treasury stock. In principle, treasury stock acquired will be subject to cancellation.

The Articles of Incorporation stipulate that the Company may pay interim dividends. Our basic policy is to pay dividends from surplus twice a year as interim and year-end dividends, and we do not plan to pay dividends with a record date other than the last day of the interim period or the end of the fiscal year. The decision-making bodies regarding dividends are the Board of Directors for interim dividends and the General Meeting of Shareholders for year-end dividends.

In line with this policy, a proposal titled "Proposal for Appropriation of Retained Earnings" will be submitted as an agenda item (resolution matter) at the 38th Ordinary General Meeting of Shareholders scheduled for June 20, 2025. If this proposal is approved, the year-end dividend for the fiscal year will be ¥34 per share. Added to the interim dividend of ¥26 per share, the total annual dividend is ¥60 per share. As a result, the ratio of dividends to net assets (consolidated) is 2.4%.

In the next fiscal year, we plan to pay a dividend of ¥62 per share, including an interim dividend of ¥31 per share, in consideration of our earnings forecast and other factors.

Regarding the use of retained earnings for the current fiscal year, in addition to enhancing shareholder returns, we will actively promote the capital investment necessary to achieve sustainable growth and strengthen our business foundation. We will strive for increased operating cash flow to further strengthen our management base and enhance our corporate value.

Dividends of surplus whose record date belongs to the fiscal year ended March 31, 2025 are as follows.

| Date of resolution | | Total amount of dividend (millions of yen) | Dividend per share (yen) |
|--------------------|--|---|--------------------------|
| October 31, 2024 | Resolution of Board of Directors | 29,492 | 26 |
| June 20, 2025 | Resolution of Ordinary General Meeting of Shareholders (scheduled) | 38,569 | 34 |

4. Corporate Governance

(1) Overview of corporate governance

(i) Basic views on corporate governance

The Company aims to achieve sustainable growth of its business and growth in corporate value over the medium to long term by making transparent, fair, and prompt decisions to address its challenges, such as gaining greater trust from customers based on ultimate safety levels and realizing affluent lives for everyone and also by making efforts to achieve appropriate collaborations with its stakeholders, including shareholders, customers, local communities, business partners, creditors and individuals working in the Group.

The Company, by resolution of the Board of Directors, establishes “East Japan Railway Company Corporate Governance Guidelines,” which present its basic views on and specific measures for corporate governance, and publishes them on the Company’s website (“Corporate Governance” <https://www.jreast.co.jp/e/aboutus/>).

(ii) Overview of corporate governance system, etc.

a. Reasons for adoption of current corporate governance system

The Company has selected a company with an Audit and Supervisory Committee as an organizational design under the Companies Act in order to further increase corporate value by speeding up decision-making and business execution through delegating the decision-making authority for important business execution excluding especially important matters from the Board of Directors to executive Directors, as well as improving corporate governance through enhancing supervision by the Board of Directors.

b. Basic outline of company organization

As of the release date of the Annual Securities Report (June 18, 2025), the Board of Directors of the Company consisting of 16 Directors including eight outside Directors meets once a month in principle to discuss legal matters, basic management policies and strategies for the entire group, and important matters for group management. The Board of Directors delegates authority to make decisions on important business execution to the executive Directors excluding particularly important matters, receives reports on delegated matters and supervises business operations. The members of the Board of Directors are as described in “(2) Directors.”

Composition of the Board of Directors and major skills held by each Director are published on the Company’s website.

<https://www.jreast.co.jp/company/officer/skillmatrix.pdf>

Major discussion topics at the meetings of the Board of Directors held in fiscal 2025 are as follows.

[Management strategy]

- JR East Group management strategy
- Formulation of the medium- to long-term business growth strategy “Beyond the Border”
- A medium- to long-term vision for *Suica*

[Execution of other important duties]

- Issuance of JR East Group INTEGRATED REPORT
- Further promotion of work-life balance for childcare and nursing care, and flexible work styles
- Application for revision of the approved upper limit on passenger fares
- Progress of the TAKANAWA GATEWAY CITY project and future initiatives

[Financial results / finance]

- Financial results for each quarter, etc.

[Governance / risk management]

- Status of internal control and risk management in the JR East Group
- Status of initiatives for compliance, etc.
- Status of initiatives related to the President and CEO Succession Plan
- Recurrence prevention measures and related efforts based on the inspection results of wheelset assembly work for railway vehicles

[Dialogue with stakeholders]

- Measures to realize management that is conscious of capital costs and share price

The Company held 17 meetings of the Board of Directors during the fiscal year ended March 31, 2025, and the attendance of individual Directors was as listed below.

| Name | Status of attendance to meetings of the Board of Directors |
|-------------------|--|
| Yuji Fukasawa | 17/17 meetings |
| Yoichi Kise | 17/17 meetings |
| Katsumi Ise | 17/17 meetings |
| Chiharu Watari | 17/17 meetings |
| Atsuko Itoh | 17/17 meetings |
| Hitoshi Suzuki | 4/4 meetings |
| Harumi Nakagawa | 13/13 meetings |
| Hideji Uchida | 13/13 meetings |
| Motoshige Itoh | 3/4 meetings |
| Reiko Amano | 4/4 meetings |
| Hiroko Kawamoto | 16/17 meetings |
| Toshio Iwamoto | 17/17 meetings |
| Yumiko Noda | 13/13 meetings |
| Hiroshi Ohashi | 13/13 meetings |
| Takashi Kinoshita | 17/17 meetings |
| Masaki Ogata | 17/17 meetings |
| Kimitaka Mori | 17/17 meetings |
| Hiroshi Koike | 17/17 meetings |
| Tomoko Amaya | 13/13 meetings |

(Note) Differences in the number of meetings attended by Directors are due to differences in dates of assumption of office and dates of retirement from office.

To ensure the objectivity, timeliness, and transparency of resolutions with respect to proposals for the appointment or termination of Directors (excluding Directors who are Audit and Supervisory Committee Members) and the appointment or termination of the President and CEO, the Board of Directors consults in advance with the Personnel Deliberation Committee consisting of independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and other Directors (excluding Directors who are Audit and Supervisory Committee Members). Further, to ensure the transparency and fairness of the decision-making procedures, the Board of Directors will first consult with the Remuneration Deliberation Committee consisting of independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and other Directors (excluding Directors who are Audit and Supervisory Committee Members) in advance regarding any resolution with respect to a proposal for remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members). The membership of both committees is as follows.

Outside Director Hiroko Kawamoto, Outside Director Toshio Iwamoto, Outside Director Yumiko Noda, Outside Director Hiroshi Ohashi

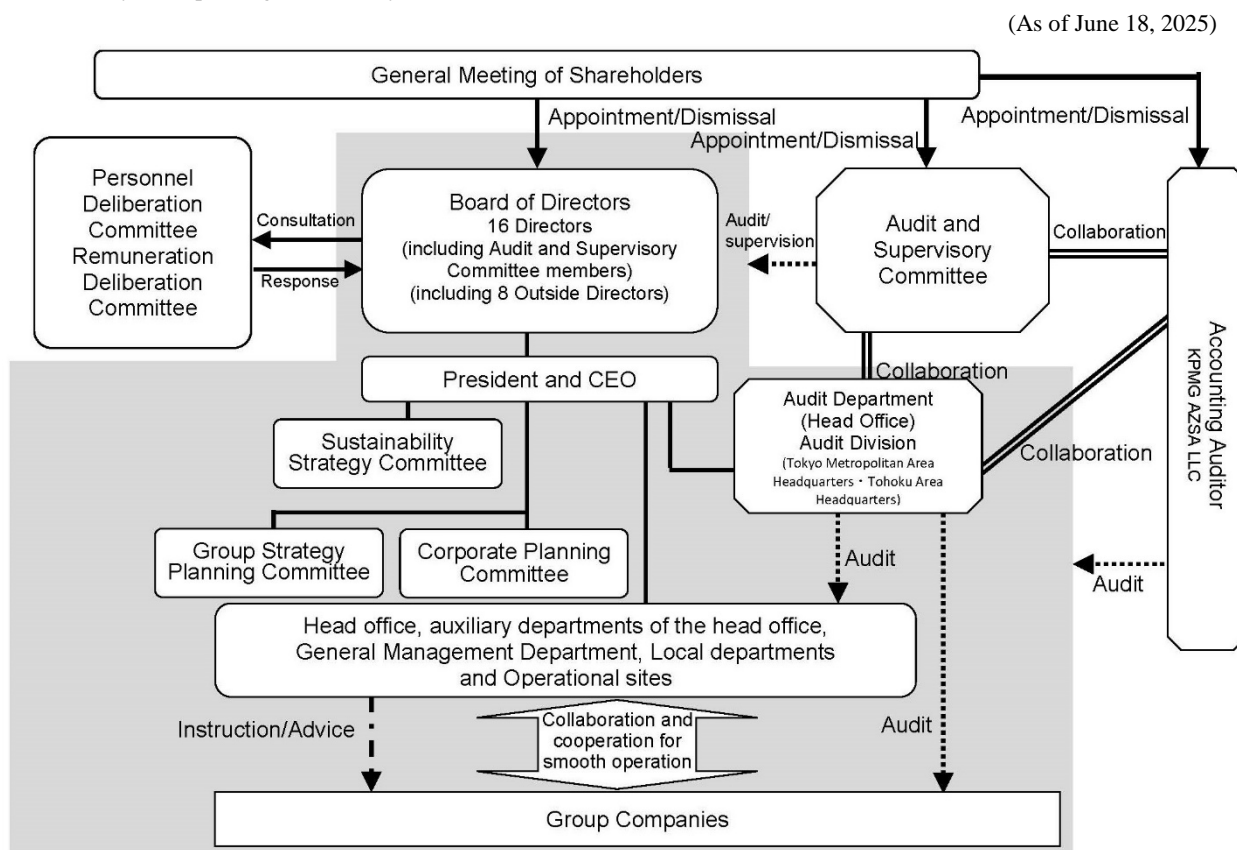
President and CEO Yoichi Kise, Executive Director Harumi Nakagawa

During the fiscal year ended March 31, 2025, six meetings of the Personnel Deliberation Committee were held, and two meetings of the Remuneration Deliberation Committee were held. All committee members attended five of the Personnel Deliberation Committee meetings and one of the Remuneration Deliberation Committee meetings. For one meeting each of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, five members attended, excluding Harumi Nakagawa, who was the subject of deliberations.

In addition, the Corporate Planning Committee is composed of seven Directors and ten senior executive officers as specified by the Board of Directors, and holds its meetings once a week as a general rule to discuss and report matters to be resolved at the meeting of the Board of Directors and other important matters essential to the group management. Furthermore, the Group Strategy Planning Committee, which consists of seven Directors, ten senior executive officers, and four executive officers, has been established for the development of the Group as a whole, and holds its meetings as deemed necessary to discuss important matters for the Group such as formulating and promoting the Group's business strategies.

The Audit and Supervisory Committee of the Company holds its meetings once a month as a general rule. As of the filing date of this Annual Securities Report (June 18, 2025), the Committee consists of five Directors who are Audit and Supervisory Committee Members (including four outside Directors), two of whom are Full-time and three of whom are part-time. Of the two Full-time members, one is an outside Director who is an Audit and Supervisory Committee Member. In addition, Directors who are Audit and Supervisory Committee Members audit the Directors' performance of their duties by attending important meetings such as meetings of the Board of Directors, Corporate Planning Committee, etc., and by examining the status of operations and assets, etc., in accordance with the policies established by the Audit and Supervisory Committee.

c. Summary of corporate governance system



* At the Ordinary General Meetings of Shareholders scheduled for June 20, 2025, the Company plans to propose two agenda items (resolutions): the election of 11 Directors (excluding Directors who are Audit and Supervisory Committee Members), and the election of four Directors who are Audit and Supervisory Committee Members. If these proposals are approved, the Board of Directors will consist of 16 members, including eight outside Directors, and the Audit and Supervisory Committee will consist of five members, including four outside Directors.

d. Status of internal control system

The Company views the internal control system as various measures to appropriately and efficiently pursue the Group's philosophy and realize the Group's management vision. The Company will ensure compliance and safety, prevent financial losses, ensure soundness of financial statements, and promote risk management that reflects consideration of expansion into new businesses, and thereby improve the Group's value.

The Company undertakes a wide range of risk management efforts not only from the perspective of reducing risks* of negative elements, such as avoidance of losses, but also includes risk taking and the perspective of actively improving the value of the Group.

Based on the above, the Company has established the internal control systems in accordance with the Business Corporation Law as described below.

* Risks include not only those relating to operation such as compliance, safety, and natural disasters, but also those relating to the domestic and international social and economic environment such as changes in markets and trends among competitors, and those relating to management decisions on new businesses.

(a) Systems to ensure that Directors and employees of the JR East Group perform their duties in accordance with relevant laws and regulations as well as with the Articles of Incorporation

- To promote rigorous legal compliance and high corporate ethics standards, the Company and its consolidated subsidiaries (hereinafter "Group companies") have stipulated "Policy on Legal and Regulatory Compliance and Corporate Ethics," which serves as corporate action guidelines for the JR East Group, and implement corporate actions in line with such guidelines such as distributing handbooks that explain conduct standards in concrete terms to each corporate officer and employee of the Company and Group companies.
- The Company's Corporate & Legal Strategies Department handles overall control over horizontally integrated compliance matters throughout the Company, and liaises with administration and legal departments of the Group companies to ensure compliance in the JR East Group.
- Units to provide compliance-related advice and receive whistle-blower reports and other reports related to compliance issues as affecting the JR East Group have been established inside and outside the Company. The Company and Group companies maintain the confidentiality of whistle-blowers and matters reported, and prohibit unfavorable treatment on the basis of any such report.

- The Company has established an internal audit system to ensure the appropriateness and efficiency of operational execution. In addition, to ensure that all operations throughout the JR East Group are appropriate, the Company participates in the management of Group companies by seconding Directors to those companies and by other means. In addition, the Company's Audit Department performs audits of Group companies at regular intervals.
 - (b) Preservation and administration systems for information related to Directors' performance of their duties
 - The Company appropriately preserves and administers documents related to Directors' performance of their duties in accordance with relevant laws and internal regulations. Directors can view these documents whenever necessary.
 - (c) Rules and systems of the JR East Group concerning management of risk of loss
 - The Company has established systems to manage risk of loss as part of risk management.
 - The Company has established a Crisis Management Headquarters as well as crisis management-related internal regulations, so that in the event of a problem, a preliminary task force may be immediately established with the participation of top management and may gather relevant information and rapidly implement countermeasures. In addition, the Company instructs Group companies to establish similar risk management systems and report incidents as necessary to the Company.
 - The Company has established systems to ensure rapid and appropriate responses in the event of an accident or disaster in railway operations and to improve safety and reliability of transportation.
 - To ensure effectiveness of risk management, the Board of Directors of the Company monitors its status and policies periodically.
 - (d) Systems for promoting efficient performance of duties by Directors and other employees in the JR East Group and systems for reporting performance of duties from Group companies to the Company
 - To promote efficiency in the Company's operations, internal regulations have been established that allocate authority by clearly defining the authority and roles of each unit.
 - To promote the group management vision, and to attain the vision's objectives, the Company and Group companies have established action programs for each organizational unit and project. Progress in action program implementation is periodically evaluated as a means of promoting the efficient implementation of strategic measures. In addition, Group companies regularly report to the Company material information, including business results and financial conditions.
 - (e) Items related to employees who assist the Audit and Supervisory Committee in the performance of their duties
 - Dedicated staff are assigned to the Audit and Supervisory Committee office to assist the duties of the Audit and Supervisory Committee in the performance of their duties. This is a system designed to increase the efficiency of audits and supervision and enable the duties of the Audit and Supervisory Committee to be executed smoothly.
 - (f) Independence from Directors (excluding Directors who are Audit and Supervisory Committee Members) of employees who assist the Audit and Supervisory Committee in the performance of their duties and effectiveness of instructions to such employees
 - The staff of the Audit and Supervisory Committee Office of the Company, with regard to instructions from the Audit and Supervisory Committee, are not subject to orders from Directors (excluding Directors who are Audit and Supervisory Committee Members) or other employees.
 - (g) Systems in the JR East Group for reports to the Audit and Supervisory Committee of the Company
 - The Company has established standards for matters to be resolved at the Board of Directors meeting based on the Regulations of the Board of Directors and appropriately submits such matters for resolution. The contents of important items other than those to be resolved by the Board of Directors may also be confirmed by the Audit and Supervisory Committee at meetings of the Board of Directors and meetings of the Corporate Planning Committee to be attended by Directors who are Audit and Supervisory Committee Members, by hearing from Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees and by reviewing documents concerning performance of duties by Directors.
 - The Company's Audit and Supervisory Committee holds informational meetings regularly with corporate auditors of Group companies to share information concerning audits.
 - The Company reports regularly to the Company's Audit and Supervisory Committee on whistle-blower reports and other matters related to compliance issues of the JR East Group, as well as results of Group company audits conducted by the Company's Audit Department.
 - The Company prohibits unfavorable treatment of any person who reports to the Audit and Supervisory Committee based on any such report.
 - (h) Policies on payment of expenses arising from performance of duties of Directors who are Audit and Supervisory Committee Members
 - When the Company's Director, who is an Audit and Supervisory Committee Member, requests advanced payment of expenses arising from performance of his/her duties based on Article 399-2, Paragraph 4 of the Companies Act, the Company shall pay such expense unless the Company establishes that such expense or liability is unnecessary for such performance of duties by such a Director who is an Audit and Supervisory Committee Member.
 - (i) Other systems for promoting the effective performance of the Audit and Supervisory Committee's audits
 - The Audit and Supervisory Committee of the Company holds meetings regularly with the President and CEO and the accounting auditor to exchange information and opinions.
- e. Basic policy on internal control system over financial reporting
- The Company's basic views on internal control system over financial reporting are as described below.
- (a) The Company organizes and operates the system necessary to ensure the adequacy of documents on financial calculation and other information.

- (b) The Company evaluates every fiscal year the status of the organization and operation of the above system using criteria concerning internal controls over financial reporting that are generally accepted as fair and appropriate.

f. Status of risk management

The status of the Company's risk management is described in "No. 2: Business Performance, 3. Business Risks." The Company is implementing the following measures in particular.

- (a) The Group is working to avoid and reduce risks that are common and unique to each business. Specifically, each year, we identify risks in the overall business based on outside expertise and internal opinions, analyze and assess risks based on the frequency and degree of impact and determine significant risks, and consider and implement measures to avoid and reduce risks. In this way, the Company reviews risks through a PDCA cycle, monitors the degree of achievement and progress of initiatives aimed at avoiding and reducing risks at the meeting of Board of Directors, examines future policies and ensures the effectiveness of risk management.
- (b) The Group believes that, in order to improve profitability and undertake structural reform, a wide range of risk management efforts are important, not only from the perspective of reducing risks of negative elements, such as avoidance of losses, but also includes risk taking and the perspective of actively improving the value of the Group. To that end, in addition to ensuring stable and appropriate business operations, the Group supports and encourages its employees to make bold challenges towards their development.
- (c) The Company sets forth basic items concerning risk management in its Crisis Management Headquarters Guidelines. In the event of a problem, the top management will, in accordance with such guidelines, participate in the immediate establishment of a preliminary task force and designate roles of relevant departments. Also, the Company instructs the Group companies to have organizations for risk management and that immediate reporting be made in the event of a problem, and has thereby established the risk management system for the Group.
- (d) The Group focuses on safety as its top management priority, and under the "Group Safety Plan 2028" established in November 2023 pursues ultimate safety levels by taking risk in advance under the theme of "Taking the nature of railway work to heart, imagine the unexpected, reach for safety!" Specifically, we have established a system to respond swiftly and appropriately to railway operations, regardless of whether it is day or night, in preparation for accidents and disasters. The Company has also established specialized internal committees focused on maintaining safety and on improving reliability, to prevent material accidents and incidents and their recurrence. Since safety is a common issue for the entire Group, we are working to improve the level of safety of the entire Group, including lifestyle solutions, by holding safety symposiums under the theme "To deepen understanding of the nature of their duties: Increase awareness of risks and anticipate safety in the Group."

g. Overview of the agreement on limitation of liability

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has executed agreements with Directors, who are not executive Directors, to limit their liability as provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of such liability under such agreement shall be the amount stipulated by laws and regulations.

h. Overview, etc. of Directors and officers liability insurance agreement

In accordance with Article 430-3, Paragraph 1 of the Companies Act, the Company has executed a Directors and officers liability insurance agreement with an insurance company. The scope of the insured under the insurance agreement is the Company's Directors, Executive Officers, and others, including those newly appointed during the period of insurance. The insurance agreement covers the legal costs and damages incurred by the insured due to third-party lawsuits and shareholder derivative lawsuits. The insurance premiums are fully borne by the Company and the agreement is renewed annually. In order to ensure that the appropriateness of the execution of duties by the insured is not impaired, the insurance agreement has a disclaimer in the event the Company pursues liability for damages against the insured.

(iii) Number of Directors

The Company's Articles of Incorporation stipulate that it shall have no more than 20 Directors (including no more than 5 Directors who are Audit and Supervisory Committee Members).

(iv) Requirements for resolutions on election of Directors

The Articles of Incorporation stipulate that resolutions on the election of Directors shall be divided into Directors who are Audit and Supervisory Committee Members and Directors who are not Audit and Supervisory Committee Members, and shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. The Articles of Incorporation also stipulate that resolutions on the election of Directors shall not be made by cumulative voting.

(v) Matters to be resolved at the General Meeting of Shareholders that may be resolved by the Board of Directors

a. Acquisition of treasury stock

The Company's Articles of Incorporation stipulate that the Company may acquire its own shares through market transactions, etc. by a resolution of the Board of Directors pursuant to Article 165, Paragraph 2 of the Companies Act. This provision is to enable the implementation of flexible capital policies in response to future changes in the business environment.

b. Interim dividends

The Company's Articles of Incorporation stipulate that the Company may, by resolution of the Board of Directors, pay interim dividends pursuant to Article 454, Paragraph 5 of the Companies Act to shareholders or registered share pledgees

whose names appear or are recorded in the final Shareholder Register as of September 30 of each year. This provision is to flexibly return profits to shareholders.

(vi) Special resolutions of the General Meeting of Shareholders

The Company's Articles of Incorporation stipulate that resolutions pursuant to Article 309, Paragraph 2 of the Companies Act must be adopted by two-thirds or more of the voting rights of shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. This provision is to ensure the smooth operation of the General Meeting of Shareholders.

(vii) Others

a. Information disclosure

The Company engages actively in public relations and investor relations activities, and strives to enhance the content of disclosure through the use of its website and other means and to disclose important corporate information in a timely manner.

(2) Directors

(i) List of Directors

As of the filing date of this Annual Securities Report (June 18, 2025), the status of the Company's officers is as follows.
11 males, 5 females (31.25% of Directors are female)

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|--|----------------|-------------------|---|--|----------------|------------------------------------|
| Chairman and Director | Yuji Fukasawa | November 1, 1954 | April 1978 April 1987 June 2003 June 2006 June 2008 June 2012 April 2018 April 2024 | Entered Japanese National Railways Entered East Japan Railway Company General Manager of Investment Planning Department, Corporate Planning Headquarters Director and General Manager of Personnel Department and Director of JR East General Education Center Executive Director Executive Vice President and Representative Director President and CEO Chairman and Director (current position) | (Note 2) | 240 |
| President and CEO | Yoichi Kise | August 26, 1964 | April 1989 June 2014 June 2015 June 2017 June 2018 June 2020 June 2021 June 2022 April 2024 | Entered East Japan Railway Company General Manager of Personnel Department and Director of JR East General Education Center Executive Officer and General Manager of Personnel Department Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters Executive Director and Director General of Corporate Planning Headquarters Executive Director and Director General of Life-style Business Development Headquarters Executive Vice President and Representative Director and Director General of Life-Style Business Development Headquarters Executive Vice President and Representative Director; Director General of Marketing Headquarters President and CEO (current position) | (Note 2) | 103 |
| Executive Vice President and Representative Director; Assistant to President (in general); Director General of Innovation Strategy Headquarters | Katsumi Ise | February 12, 1965 | April 1988 June 2015 June 2016 June 2018 June 2021 June 2022 | Entered East Japan Railway Company Executive Officer and General Manager of Investment Planning Department, Corporate Planning Headquarters Executive Officer and General Manager of Facilities Department, Railway Operations Headquarters Senior Executive Officer Executive Vice President and Representative Director; Assistant to President (in general); Director General of Technology Innovation Headquarters Executive Vice President and Representative Director; Assistant to President (in general); Director General of Innovation Strategy Headquarters (current position) | (Note 2) | 69 |
| Executive Vice President and Representative Director; Assistant to President (in general); Director General of Railway Business Headquarters; Chief Safety Officer | Chiharu Watari | January 30, 1963 | April 1988 June 2013 June 2014 June 2016 June 2018 June 2020 June 2022 June 2023 | Entered East Japan Railway Company General Manager of Transport Safety Department, Railway Operations Headquarters Executive Officer and General Manager of Transport Safety Department, Railway Operations Headquarters Executive Officer and General Manager of Yokohama Branch Office Director and Deputy Director General of Corporate Planning Headquarters of Hokkaido Railway Company Executive Director and Director General of Corporate Planning Headquarters Executive Director and Director General of Corporate Strategies Headquarters of the Company Executive Vice President and Representative Director; Assistant to President (in general); Director General of Railway Business Headquarters; Chief Safety Officer (current position) | (Note 2) | 68 |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|-----------------|-------------------|--|---|----------------|------------------------------------|
| Executive Director and Director General of Corporate Strategies Headquarters | Atsuko Itoh | November 15, 1966 | April 1990 June 2018 June 2020 June 2021 June 2023 | Entered East Japan Railway Company Executive Officer and General Manager of Finance Department Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters Executive Director Executive Director and Director General of Corporate Strategies Headquarters (current position) | (Note 2) | 152.13 |
| Executive Director; Director General of Marketing Headquarters; In charge of Shinagawa Development, Community Vitalization, In charge of Tourism; In charge of Work & Welfare Strategies Department | Harumi Nakagawa | June 4, 1967 | April 1991 June 2020 October 2022 June 2023 June 2024 | Entered East Japan Railway Company Executive Officer and General Manager of Chiba Branch Office Executive Officer; General Manager of Chiba Branch Office; Department Director of Railway Operations Department, Chiba Branch Office Senior Executive Officer; Deputy Director General of Railway Business Headquarters (Station Operation and Service Quality) Executive Director; Director General of Marketing Headquarters; In charge of Shinagawa Development, Community Vitalization, In charge of Tourism; In charge of Work & Welfare Strategies Department (current position) | (Note 2) | 70.43 |
| Executive Director; Deputy Director General of Railway Business Headquarters (Transport & Rolling Stock); in charge of Transport Safety Department | Hideji Uchida | December 27, 1967 | April 1992 June 2021 October 2022 June 2024 | Entered East Japan Railway Company Executive Officer and General Manager of Hachioji Branch Office Executive Officer; General Manager of Hachioji Branch Office; Department Director of Railway Operations Department, Hachioji Branch Office Executive Director and Deputy Director General of Railway Business Headquarters (Transport & Rolling Stock); in charge of Transport Safety Department (current position) | (Note 2) | 23.91 |
| Director | Hiroko Kawamoto | February 13, 1957 | July 1979 April 2013 April 2014 April 2015 January 2016 April 2016 April 2017 April 2020 June 2020 April 2021 | Entered ALL NIPPON AIRWAYS CO., LTD. Director and Executive Officer; Deputy Director of Operating Division; General Manager of Inflight Services Center Executive Director and Executive Officer; In charge of Women's Promotion; Deputy Director of Operating Division; General Manager of Inflight Services Center Executive Director and Executive Officer; In charge of Women's Promotion; In charge of ANA Brand Inflight Services Division Executive Director and Executive Officer; In charge of Women's Promotion and ANA Brand Inflight Services Division; Deputy Head of Tokyo Olympics and Paralympics Promotion Headquarters Director and Senior Executive Officer; In charge of Women's Promotion of ANA Group; Deputy Head of Tokyo Olympics and Paralympics Promotion Headquarters Vice President and Representative Director of ANA Strategic Research Institute Co., Ltd. Chairman and Director of ANA Strategic Research Institute Co., Ltd. Director of East Japan Railway Company (current position) Special Advisor of ANA Strategic Research Institute Co., Ltd. | (Note 2) | 22 |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|-------------------|-------------------|---|---|----------------|------------------------------------|
| Director | Toshio Iwamoto | January 5, 1953 | April 1976 June 2004 June 2007 June 2008 June 2009 June 2012 June 2018 June 2022 | Entered Nippon Telegraph and Telephone Public Corporation Director; Head of Payment Solution Sector of NTT DATA Corporation (now NTT DATA Group Corporation) Director, Executive Vice President; Head of Financial Business Sector Director, Executive Vice President; In charge of Financial Business Representative Director, Senior Executive Vice President Representative Director, President and Chief Executive Officer Advisor Director of East Japan Railway Company (current position) | (Note 2) | 11 |
| Director | Yumiko Noda | January 26, 1960 | April 1982 March 1996 January 2000 June 2007 January 2011 October 2017 June 2020 June 2024 | Entered Bank of America, Tokyo Branch Deputy General Manager of London Branch of The Long-Term Credit Bank of Japan, Limited Partner of PwC Financial Advisory Service Co., Ltd. (now PwC Advisory LLC) Deputy Mayor of Yokohama City Partner of PwC Financial Advisory Co., Ltd. (now PwC Advisory LLC) President and Representative Director of Veolia Japan K.K. (now Veolia Japan GK) Chairman and Representative Director (current position) Director of East Japan Railway Company (current position) | (Note 2) | — |
| Director | Hiroshi Ohashi | May 1, 1970 | April 2012 April 2018 April 2020 April 2022 June 2024 | Professor of the University of Tokyo, Graduate School of Economics (current position) Deputy Dean, Professor of the University of Tokyo, Graduate School of Public Policy Dean, Professor of the University of Tokyo, Graduate School of Public Policy Vice President of the University of Tokyo (current position) Director of East Japan Railway Company (current position) | (Note 2) | 2 |
| Director and Full-time Audit and Supervisory Committee Member | Takashi Kinoshita | December 23, 1961 | April 1985 August 2010 February 2012 April 2013 January 2014 August 2014 August 2016 September 2017 August 2018 June 2019 June 2023 | Joined the National Police Agency Chief of Iwate Police Headquarters Director General of Organized Crime Department, Tokyo Metropolitan Police Director of Public Safety Division, Security Bureau, National Police Agency Director of Security Planning Division, Security Bureau Director General of Organized Crime Department, Criminal Investigation Bureau Chief of Fukuoka Police Headquarters Director General of Criminal Investigation Bureau, National Police Agency Retired National Police Agency Full-time Corporate Auditor of East Japan Railway Company Director and Full-time Audit and Supervisory Committee Member (current position) | (Note 3) | — |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|---------------|-------------------|--|----------|----------------|------------------------------------|
| Director and Full-time Audit and Supervisory Committee Member | Masaki Ogata | February 16, 1952 | <p>April 1974 Entered Japanese National Railways</p> <p>April 1987 Entered East Japan Railway Company</p> <p>June 1998 General Manager of Transport Safety Department, Railway Operations Headquarters</p> <p>June 2000 General Manager of Corporate Communications Department</p> <p>June 2002 Director, General Manager of Transport & Rolling Stock Department, Railway Operations Headquarters</p> <p>June 2004 Executive Director, Deputy Director General of Railway Business Headquarters</p> <p>June 2006 Executive Director, Director General of IT Business Headquarters, Deputy Director General of Railway Operations Headquarters</p> <p>July 2007 Executive Director, Director General of IT & <i>Suica</i> Business Headquarters, Deputy Director General of Railway Operations Headquarters</p> <p>June 2008 Executive Vice President and Representative Director; Director General of Railway Operations Headquarters; Director General of IT & <i>Suica</i> Business Headquarters</p> <p>June 2009 Executive Vice President and Representative Director; Director General of Railway Operations Headquarters</p> <p>June 2010 Executive Vice President and Representative Director</p> <p>June 2011 Vice Chairman and Director</p> <p>June 2012 Vice Chairman and Director in charge of technology (in general) and international affairs (in general)</p> <p>June 2020 Retired Vice Chairman and Director</p> <p>June 2023 Director and Full-time Audit and Supervisory Committee Member (current position)</p> | (Note 3) | 166 | |
| Director and Audit and Supervisory Committee Member | Kimitaka Mori | June 30, 1957 | <p>April 1980 Joined Shinwa Audit Corporation (now KPMG AZSA LLC)</p> <p>June 2000 Representative Partner of Asahi & Co. (now KPMG AZSA LLC)</p> <p>June 2004 AZSA & Co. (now KPMG AZSA LLC) Head of Financial Service</p> <p>June 2006 Director of Head Office</p> <p>July 2011 KPMG AZSA LLC Chairman of KPMG Financial Service Japan</p> <p>June 2013 Retired from KPMG AZSA LLC</p> <p>July 2013 Chairman of the Japanese Institute of Certified Public Accountants</p> <p>July 2013 Established Mori Certified Public Accountant Office; Head of the office (current position)</p> <p>June 2017 Corporate Auditor of East Japan Railway Company</p> <p>June 2023 Director and Audit and Supervisory Committee Member (current position)</p> | (Note 3) | 68 | |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|---------------|---------------|--|--|----------------|------------------------------------|
| Director and Audit and Supervisory Committee Member | Hiroshi Koike | July 3, 1951 | April 1977 August 2004 January 2006 July 2010 March 2012 July 2013 April 2014 April 2015 July 2021 June 2022 June 2023 | Assistant Judge of the Osaka District Court Judge of the Tokyo District Court (Presiding Judge) Director General of Financial Bureau, General Secretariat of the Supreme Court Chief Judge of the Mito District Court Judge of the Tokyo High Court (Presiding Judge) Chief Judge of the Tokyo District Court President of the Tokyo High Court Justice of the Supreme Court Retired from the Supreme Court Corporate Auditor of East Japan Railway Company Director and Audit and Supervisory Committee Member (current position) | (Note 3) | 11 |
| Director and Audit and Supervisory Committee Member | Tomoko Amaya | June 8, 1963 | April 1986 July 2015 July 2017 July 2019 April 2020 July 2021 July 2023 June 2024 | Entered Ministry of Finance Deputy Director-General of the Planning and Coordination Bureau of Financial Services Agency Deputy Secretary-General of Securities and Exchange Surveillance Commission Deputy Director-General of the Strategy Development and Management Bureau Vice Commissioner for International Affairs of the Strategy Development and Management Bureau Vice Minister for International Affairs Retired Financial Services Agency Director and Audit and Supervisory Committee Member of East Japan Railway Company (current position) | (Note 4) | 2 |
| Total | | | | | | 1008.47 |

- (Notes) 1. The eight Directors Hiroko Kawamoto, Toshio Iwamoto, Yumiko Noda, Hiroshi Ohashi, Takashi Kinoshita, Kimitaka Mori, Hiroshi Koike, and Tomoko Amaya are outside Directors.
2. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025.
3. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2023 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025.
4. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2026.

At the 38th Ordinary General Meeting of Shareholders scheduled for June 20, 2025, the Company plans to propose the election of 11 Directors (excluding Directors who are Audit and Supervisory Committee Members), and the election of four Directors who are Audit and Supervisory Committee Members. If these resolutions are approved, the status and terms of office of the Company's officers will be as follows.

11 males, 5 females (31.25% of Directors are female)

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|--|----------------|-------------------|--|--|----------------|------------------------------------|
| Chairman and Director | Yuji Fukasawa | November 1, 1954 | April 1978 April 1987 June 2003 June 2006 June 2008 June 2012 April 2018 April 2024 June 2025 | Entered Japanese National Railways Entered East Japan Railway Company General Manager of Investment Planning Department, Corporate Planning Headquarters Director and General Manager of Personnel Department and Director of JR East General Education Center Executive Director Executive Vice President and Representative Director President and CEO Chairman and Director (current position) Chairman and Director (planned) | (Note 2) | 240 |
| President and CEO | Yoichi Kise | August 26, 1964 | April 1989 June 2014 June 2015 June 2017 June 2018 June 2020 June 2021 June 2022 April 2024 June 2025 | Entered East Japan Railway Company General Manager of Personnel Department and Director of JR East General Education Center Executive Officer and General Manager of Personnel Department Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters Executive Director and Director General of Corporate Planning Headquarters Executive Director and Director General of Life-style Business Development Headquarters Executive Vice President and Representative Director and Director General of Life-Style Business Development Headquarters Executive Vice President and Representative Director; Director General of Marketing Headquarters President and CEO (current position) President and CEO (planned) | (Note 2) | 103 |
| Executive Vice President and Representative Director; Assistant to President (in general); Director General of Railway Business Headquarters; Chief Safety Officer | Chiharu Watari | January 30, 1963 | April 1988 June 2013 June 2014 June 2016 June 2018 June 2020 June 2022 June 2023 June 2025 | Entered East Japan Railway Company General Manager of Transport Safety Department, Railway Operations Headquarters Executive Officer and General Manager of Transport Safety Department, Railway Operations Headquarters Executive Officer and General Manager of Yokohama Branch Office Director and Deputy Director General of Corporate Planning Headquarters of Hokkaido Railway Company Executive Director and Director General of Corporate Planning Headquarters Executive Director and Director General of Corporate Strategies Headquarters of the Company Executive Vice President and Representative Director; Assistant to President (in general); Director General of Railway Business Headquarters; Chief Safety Officer (current position) Executive Vice President and Representative Director; Assistant to President (in general); Director General of Railway Business Headquarters; Chief Safety Officer (planned) | (Note 2) | 68 |
| Executive Vice President and Representative Director; Assistant to President (in general); Director General of Corporate Strategies Headquarters | Atsuko Itoh | November 15, 1966 | April 1990 June 2018 June 2020 June 2021 June 2023 June 2025 | Entered East Japan Railway Company Executive Officer and General Manager of Finance Department Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters Executive Director Executive Director and Director General of Corporate Strategies Headquarters (current position) Executive Vice President and Representative Director; Assistant to President (in general); Director General of Corporate Strategies Headquarters (planned) | (Note 2) | 152.13 |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|-----------------|-------------------|--|---|----------------|------------------------------------|
| Executive Vice President and Representative Director; Assistant to President (in general); Director General of Innovation Strategy Headquarters in charge of the Shinkansen and Services | Hirohiko Ikeda | October 11, 1966 | April 1991 June 2017 June 2019 June 2021 June 2025 | Entered East Japan Railway Company General Manager of Service Quality Improvement Department, Railway Operations Headquarters Executive Officer and General Manager of Service Quality Improvement Department, Railway Operations Headquarters Senior Executive Officer and Director General of Shinkansen General Management Department; Deputy Director General of Railway Business Headquarters (current position) Executive Vice President and Representative Director; Assistant to President (in general); Director General of Innovation Strategy Headquarters in charge of the Shinkansen and Services (planned) | (Note 2) | 49 |
| Executive Director; Director General of Marketing Headquarters; In charge of Shinagawa Development, Community Vitalization, In charge of Tourism; In charge of Work & Welfare Strategies Department | Harumi Nakagawa | June 4, 1967 | April 1991 June 2020 October 2022 June 2023 June 2024 June 2025 | Entered East Japan Railway Company Executive Officer and General Manager of Chiba Branch Office Executive Officer; General Manager of Chiba Branch Office; Department Director of Railway Operations Department, Chiba Branch Office Senior Executive Officer; Deputy Director General of Railway Business Headquarters (Station Operation and Service Quality) Executive Director; Director General of Marketing Headquarters; In charge of Shinagawa Development, Community Vitalization, In charge of Tourism; In charge of Work & Welfare Strategies Department (current position) Executive Director; Director General of Marketing Headquarters; In charge of Shinagawa Development, Community Vitalization, In charge of Tourism; In charge of Work & Welfare Strategies Department (planned) | (Note 2) | 70.43 |
| Executive Director; Deputy Director General of Railway Business Headquarters (Transport & Rolling Stock); in charge of Transport Safety Department | Hideji Uchida | December 27, 1967 | April 1992 June 2021 October 2022 June 2024 June 2025 | Entered East Japan Railway Company Executive Officer and General Manager of Hachioji Branch Office Executive Officer; General Manager of Hachioji Branch Office; Department Director of Railway Operations Department, Hachioji Branch Office Executive Director and Deputy Director General of Railway Business Headquarters (Transport & Rolling Stock); in charge of Transport Safety Department (current position) Executive Director and Deputy Director General of Railway Business Headquarters (Transport & Rolling Stock); in charge of Transport Safety Department (planned) | (Note 2) | 23.91 |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|----------|-----------------|-------------------|--|--|----------------|------------------------------------|
| Director | Hiroko Kawamoto | February 13, 1957 | <p>July 1979</p> <p>April 2013</p> <p>April 2014</p> <p>April 2015</p> <p>January 2016</p> <p>April 2016</p> <p>April 2017</p> <p>April 2020</p> <p>June 2020</p> <p>April 2021</p> <p>June 2025</p> | <p>Entered ALL NIPPON AIRWAYS CO., LTD.</p> <p>Director and Executive Officer; Deputy Director of Operating Division; General Manager of Inflight Services Center</p> <p>Executive Director and Executive Officer; In charge of Women's Promotion; Deputy Director of Operating Division; General Manager of Inflight Services Center</p> <p>Executive Director and Executive Officer; In charge of Women's Promotion; In charge of ANA Brand Inflight Services Division</p> <p>Executive Director and Executive Officer; In charge of Women's Promotion and ANA Brand Inflight Services Division; Deputy Head of Tokyo Olympics and Paralympics Promotion Headquarters</p> <p>Director and Senior Executive Officer; In charge of Women's Promotion of ANA Group; Deputy Head of Tokyo Olympics and Paralympics Promotion Headquarters</p> <p>Vice President and Representative Director of ANA Strategic Research Institute Co., Ltd.</p> <p>Chairman and Director of ANA Strategic Research Institute Co., Ltd.</p> <p>Director of East Japan Railway Company (current position)</p> <p>Special Advisor of ANA Strategic Research Institute Co., Ltd.</p> <p>Director of East Japan Railway Company (planned)</p> | (Note 2) | 22 |
| Director | Toshio Iwamoto | January 5, 1953 | <p>April 1976</p> <p>June 2004</p> <p>June 2007</p> <p>June 2008</p> <p>June 2009</p> <p>June 2012</p> <p>June 2018</p> <p>June 2022</p> <p>June 2025</p> | <p>Entered Nippon Telegraph and Telephone Public Corporation</p> <p>Director; Head of Payment Solution Sector of NTT DATA Corporation (now NTT DATA Group Corporation)</p> <p>Director, Executive Vice President; Head of Financial Business Sector</p> <p>Director, Executive Vice President; In charge of Financial Business</p> <p>Representative Director, Senior Executive Vice President</p> <p>Representative Director, President and Chief Executive Officer</p> <p>Advisor</p> <p>Director of East Japan Railway Company (current position)</p> <p>Director (planned)</p> | (Note 2) | 11 |
| Director | Yumiko Noda | January 26, 1960 | <p>April 1982</p> <p>March 1996</p> <p>January 2000</p> <p>June 2007</p> <p>January 2011</p> <p>October 2017</p> <p>June 2020</p> <p>June 2024</p> <p>June 2025</p> | <p>Entered Bank of America, Tokyo Branch</p> <p>Deputy General Manager of London Branch of The Long-Term Credit Bank of Japan, Limited</p> <p>Partner of PwC Financial Advisory Service Co., Ltd. (now PwC Advisory LLC)</p> <p>Deputy Mayor of Yokohama City</p> <p>Partner of PwC Financial Advisory Co., Ltd. (now PwC Advisory LLC)</p> <p>President and Representative Director of Veolia Japan K.K. (now Veolia Japan GK)</p> <p>Chairman and Representative Director (current position)</p> <p>Director of East Japan Railway Company (current position)</p> <p>Director (planned)</p> | (Note 2) | — |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|-------------------|-------------------|--|--|----------------|------------------------------------|
| Director | Hiroshi Ohashi | May 1, 1970 | April 2012 April 2018 April 2020 April 2022 June 2024 June 2025 | Professor of the University of Tokyo, Graduate School of Economics (current position) Deputy Dean, Professor of the University of Tokyo, Graduate School of Public Policy Dean, Professor of the University of Tokyo, Graduate School of Public Policy Vice President of the University of Tokyo (current position) Director of East Japan Railway Company (current position) Director (planned) | (Note 2) | 2 |
| Director and Full-time Audit and Supervisory Committee Member | Takashi Kinoshita | December 23, 1961 | April 1985 August 2010 February 2012 April 2013 January 2014 August 2014 August 2016 September 2017 August 2018 June 2019 June 2023 June 2025 | Joined the National Police Agency Chief of Iwate Police Headquarters Director General of Organized Crime Department, Tokyo Metropolitan Police Director of Public Safety Division, Security Bureau, National Police Agency Director of Security Planning Division, Security Bureau Director General of Organized Crime Department, Criminal Investigation Bureau Chief of Fukuoka Police Headquarters Director General of Criminal Investigation Bureau, National Police Agency Retired National Police Agency Full-time Corporate Auditor of East Japan Railway Company Director and Full-time Audit and Supervisory Committee Member (current position) Director and Full-time Audit and Supervisory Committee Member (planned) | (Note 3) | — |
| Director and Full-time Audit and Supervisory Committee Member | Osamu Kawanobe | June 6, 1954 | April 1979 April 1987 July 2005 June 2008 June 2010 June 2012 June 2014 June 2016 June 2019 June 2024 June 2025 | Entered Japanese National Railways Entered East Japan Railway Company General Manager of Corporate Communications Department Director, General Manager of Transport & Rolling Stock Department, Railway Operations Headquarters Director and General Manager of Administration Department Executive Director, Deputy Director General of Railway Business Headquarters Executive Director and Director General of Railway Operations Headquarters Executive Vice President and Representative Director; Director General of Railway Operations Headquarters President and Representative Director of JR East Mechatronics Co., Ltd. Advisor (current position) Director and Full-time Audit and Supervisory Committee Member of East Japan Railway Company (planned) | (Note 3) | 149 |

| Position | Name | Date of birth | Brief personal history | | Term of office | Number of shares held (100 shares) |
|---|---------------|---------------|---|--|----------------|------------------------------------|
| Director and Audit and Supervisory Committee Member | Kimitaka Mori | June 30, 1957 | April 1980 June 2000 June 2004 June 2006 July 2011 June 2013 July 2013 July 2013 June 2017 June 2023 June 2025 | Joined Shinwa Audit Corporation (now KPMG AZSA LLC) Representative Partner of Asahi & Co. (now KPMG AZSA LLC) AZSA & Co. (now KPMG AZSA LLC) Head of Financial Service Director of Head Office KPMG AZSA LLC Chairman of KPMG Financial Service Japan Retired from KPMG AZSA LLC Chairman of the Japanese Institute of Certified Public Accountants Established Mori Certified Public Accountant Office; Head of the office (current position) Corporate Auditor of East Japan Railway Company Director and Audit and Supervisory Committee Member (current position) Director and Audit and Supervisory Committee Member (planned) | (Note 3) | 68 |
| Director and Audit and Supervisory Committee Member | Hiroshi Koike | July 3, 1951 | April 1977 August 2004 January 2006 July 2010 March 2012 July 2013 April 2014 April 2015 July 2021 June 2022 June 2023 June 2025 | Assistant Judge of the Osaka District Court Judge of the Tokyo District Court (Presiding Judge) Director General of Financial Bureau, General Secretariat of the Supreme Court Chief Judge of the Mito District Court Judge of the Tokyo High Court (Presiding Judge) Chief Judge of the Tokyo District Court President of the Tokyo High Court Justice of the Supreme Court Retired from the Supreme Court Corporate Auditor of East Japan Railway Company Director and Audit and Supervisory Committee Member (current position) Director and Audit and Supervisory Committee Member (planned) | (Note 3) | 11 |
| Director and Audit and Supervisory Committee Member | Tomoko Amaya | June 8, 1963 | April 1986 July 2015 July 2017 July 2019 April 2020 July 2021 July 2023 June 2024 | Entered Ministry of Finance Deputy Director-General of the Planning and Coordination Bureau of Financial Services Agency Deputy Secretary-General of Securities and Exchange Surveillance Commission Deputy Director-General of the Strategy Development and Management Bureau Vice Commissioner for International Affairs of the Strategy Development and Management Bureau Vice Minister for International Affairs Retired Financial Services Agency Director and Audit and Supervisory Committee Member of East Japan Railway Company (current position) | (Note 4) | 2 |
| Total | | | | | | 971.47 |

(Notes) 1. The eight Directors Hiroko Kawamoto, Toshio Iwamoto, Yumiko Noda, Hiroshi Ohashi, Takashi Kinoshita, Kimitaka Mori, Hiroshi Koike, and Tomoko Amaya are outside Directors.

2. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2026.

3. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2027.

4. The term of office is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2026.

(ii) Outside Directors

The Company has four outside Directors (excluding Directors who are Audit and Supervisory Committee Members). Additionally, it has four outside Directors who are Audit and Supervisory Committee Members.

There are no personal, capital, business, or other interests between any outside Director and the Company that are required to be disclosed. Personal, capital, business, or other interests required to be disclosed between the Company and each outside Director's former company (or in the event that an outside Director still is or once was an officer or employee of another company, the relevant company) are as follows.

- a. Outside Director Hiroko Kawamoto has worked at ALL NIPPON AIRWAYS CO., LTD. with which the Company has a transactional relationship, but for the last three (3) fiscal years the volume of business has been no more than 1% of the annual consolidated net sales of both companies. She has worked at ANA Strategic Research Institute Co., Ltd., but there is no relationship to be disclosed between the said company and the Company for the last three (3) fiscal years. The Company believes that the above transactions have no effect on the judgment of shareholders and investors based on their volume and nature.
- b. Outside Director Toshio Iwamoto has worked at NTT DATA Group Corporation with which the Company has a transactional relationship, but for the last three (3) fiscal years the volume of business has been no more than 1% of the annual consolidated net sales of both companies. The Company believes that the above transactions have no effect on the judgment of shareholders and investors based on their volume and nature.
- c. Outside Director Hiroshi Ohashi has been working at the University of Tokyo (National University Corporation, the University of Tokyo) which is a donation recipient of the Company and to which the Company has a transactional relationship, but for the last three (3) fiscal years the donations and payments made to such corporation by the Company has been no more than 1% of the annual total income of such corporation and the payment from such corporation to the Company has been no more than 1% of the annual consolidated net sales of the Company. The Company believes that the above transactions have no effect on the judgment of shareholders and investors based on their volume and nature.
- d. Outside Director Takashi Kinoshita, who is an Audit and Supervisory Committee Member, has worked with the National Police Agency (NPA). The Company has a transactional relationship with police-related agencies, but for the last three (3) fiscal years the amount of payment by such agencies to the Company has been less than 1% of the annual consolidated net sales of the Company. The Company believes that the above transactions have no effect on the judgment of shareholders and investors based on their volume and nature.
- e. Director Kimitaka Mori, an outside Director who is an Audit and Supervisory Committee Member, has worked at KPMG AZSA LLC, the Accounting Auditor of the Company, but for the last three (3) fiscal years the amount of remuneration paid by the Company to KPMG AZSA LLC for audit certification services and non-audit services has been no more than 1% of the annual consolidated net sales of KPMG AZSA LLC. In light of the volume and nature of above transactions, the Company believes that they have no effect on the judgments of shareholders and investors. The total amount of remuneration paid by the Company to KPMG AZSA LLC for audit certification services and non-audit services for the fiscal year ended March 31, 2025 was ¥277 million.

Outside Director Yumiko Noda is employed at Veolia Japan GK, with which the Company has no relationship that needs to be disclosed for the last three (3) fiscal years. Also, Director Hiroshi Koike, an outside Director who is an Audit and Supervisory Committee Member, has worked at courts with which the Company has no relationship that needs to be disclosed for the last three (3) fiscal years. Further, Director Tomoko Amaya, an outside Director who is an Audit and Supervisory Committee Member, has worked at the Financial Services Agency, with which the Company has no relationship that needs to be disclosed for the last three (3) fiscal years.

Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) are appointed to strengthen the system of corporate governance by taking advantage of their significant knowledge and experience in the Company's business from a variety of areas, overseeing business operations from an independent perspective.

Outside Directors who are Audit and Supervisory Committee Members are appointed to strengthen the system of corporate governance by taking advantage of their significant knowledge and experience outside the Company to audit and oversee business operations from an independent perspective. In our Company, one internal Director who is an Audit and Supervisory Committee Member and one outside Director who is an Audit and Supervisory Committee Member serve as Director and Full-time Audit and Supervisory Committee Members. Mutual cooperation between outside Directors who are Audit and Supervisory Committee Members and audit departments is described in "(3) Status of auditing, (v) Mutual cooperation among the Audit and Supervisory Committee, the department handling internal audits, and the accounting auditor, and the relationship between auditing and the Internal Control Department."

The Company's outside Directors meet the "Independence Standards for Outside Directors" of the Company, so we recognize them of sufficient independence and presenting no conflict of interest risk with ordinary shareholders. The "Independence Standards for Outside Directors" stipulated by the Company are as follows.

Independence Standards for Outside Directors

1. Outside Directors of the Company shall be deemed to be independent if they do not fall under any of the following categories:
 - (1) a major business partner (a vendor) of the Company or a consolidated subsidiary thereof (Note 1), or an executive of a corporation that is such partner (Note 2);
 - (2) a major business partner (a customer) of the Company or a consolidated subsidiary thereof (Note 3), or an executive of a corporation that is such partner;
 - (3) a consultant, certified public accountant or other accounting expert, or attorney or other legal expert who has received money or other property benefits other than remuneration for Directors in excess of ¥10 million per annum from the Company or a consolidated subsidiary thereof during any of the immediately preceding three (3) year fiscal years of the Company or a consolidated subsidiary thereof; or a consultant, certified public accountant or other accounting expert, or attorney or other legal expert who belongs to a corporation or other entity whose property benefits received from the Company or a consolidated subsidiary thereof has exceeded 2% of its annual income for any of the immediately preceding three (3) fiscal years of such corporation or other entity;
 - (4) a major shareholder of the Company (Note 4), or an executive of a corporation that is such shareholder;
 - (5) a certified public accountant or a member, partner, or employee of an auditing firm which was an outside accounting auditor of the Company for the most recent three (3) fiscal years, and was actually in charge of audit work of the Company (except administrative or ancillary staff);
 - (6) a major lender to the Company or a consolidated subsidiary thereof (Note 5), or an executive of a corporation that is such lender;
 - (7) a recipient of donations in excess of ¥10 million per annum from the Company or a consolidated subsidiary thereof during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof; or an executive of a corporation whose donations received from the Company or a consolidated subsidiary thereof has exceeded 2% of its annual sales or annual total income for any of the immediately preceding three (3) fiscal years of such corporation;
 - (8) the spouse or relative by blood or marriage within the second degree of the executive (including Directors who are not executives if an outside Director who is an Audit and Supervisory Committee Member is designated as an independent outside Director) of the Company or a subsidiary thereof (to the extent such person is deemed to be an important party (Note 6)) for the most recent three (3) years;
 - (9) the spouse or relative by blood or marriage within the second degree of a party falling under items (1) to (7) (to the extent such person is deemed to be an important party); or
 - (10) in addition to the preceding items, a person who is unable to perform duties as an outside Director with independence due to a conflict of interest with the Company or other special circumstance.
2. If an outside Director who is deemed to be independent based on the foregoing standards subsequently falls within any of the items of 1 above, such Director shall immediately notify the Company.

Note 1: A major business partner (a vendor) of the Company or a consolidated subsidiary thereof means a recipient of payment from the Company or a consolidated subsidiary thereof in excess of 2% of the annual consolidated sales during any of the immediately preceding three (3) fiscal years of such party.

Note 2: An executive means an executive Director or other officers executing the business of the corporation, executive officer, or employee of the corporation (the same applies in the following items).

Note 3: A major business partner (a customer) of the Company or a consolidated subsidiary thereof means a payer to the Company or a consolidated subsidiary thereof in excess of 2% of the annual consolidated sales during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof.

Note 4: A major shareholder of the Company means a shareholder who has held, either directly or indirectly, 10% or more of the total number of voting rights during any of the immediately preceding three (3) fiscal years of the Company.

Note 5: A major lender to the Company or a consolidated subsidiary thereof means a financial institution that has provided a loan to the Company or a consolidated subsidiary thereof in excess of 2% of the consolidated total assets during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof.

Note 6: An important party means a person in a position at least equivalent to that of an important employee

(3) Status of auditing

(i) Status of audits by the Audit and Supervisory Committee

a. Structure and personnel of audits by the Audit and Supervisory Committee

As of the filing date of this Annual Securities Report (June 18, 2025), the Audit and Supervisory Committee of the Company consists of five Directors who are Audit and Supervisory Committee Members (including four outside Directors), two of whom are Full-time and three of whom are part-time. Of the two Full-time members, one is an outside Director who is an Audit and Supervisory Committee Member. Additionally, Director Kimitaka Mori, an outside Director who is an Audit and Supervisory Committee Member, is a certified public accountant and has considerable knowledge of finance and accounting. About 10 Full-time staff members are assigned to assist the Audit and Supervisory Committee.

At the Ordinary General Meeting of Shareholders scheduled for June 20, 2025, the Company plans to propose the election of four Directors who are Audit and Supervisory Committee Members. If this proposal is approved, the Audit and Supervisory committee will continue to consist of five Directors, including four outside Directors.

b. Attendance at Audit and Supervisory Committee meetings

In principle, the Company's Audit and Supervisory Committee holds meetings once a month, and the attendance status of each committee member is as follows.

| Name | Attendance at Audit and Supervisory Committee meetings |
|-------------------|--|
| Takashi Kinoshita | 17/17 meetings |
| Masaki Ogata | 17/17 meetings |
| Kimitaka Mori | 17/17 meetings |
| Hiroshi Koike | 17/17 meetings |
| Tomoko Amaya | 10/10 meetings |

(Note) The difference in the total number of meetings attended by each Audit and Supervisory Committee Member is due to differences in their appointment dates.

The Audit and Supervisory Committee specifically discusses, among other things, audit policies and procedures, allocation of duties and planning, appropriateness of resolutions of the Board of Directors regarding the systems to ensure the appropriateness of business operations and the status of operation, appropriateness of the accounting auditor's audit procedures and results. In the current fiscal year, the committee conducted audits with "group governance" and "progress of structural reforms toward realizing the Group's philosophy and 'Move Up' 2027" as priority audit items. In conducting audits, the committee receives reports on an audit plan of the Audit Department, which is the internal audit division, and results, and works for effective and efficient audits in cooperation with the department. In addition, each Audit and Supervisory Committee Member evaluates the effectiveness of audit activities, and reflects the results in an audit plan for the next fiscal year. As for the appointment, etc. and remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee Members), the Audit and Supervisory Committee shares details of deliberations of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, and forms an opinion.

In accordance with the policies established by the Audit and Supervisory Committee, each Audit and Supervisory Committee Member attended meetings of the Board of Directors and other important meetings, received reports from the Directors, employees, and others on the performance of their duties, reviewed documents related to important decisions, investigated the status of business and assets at the head office and major business offices, received reports from the accounting auditor on the performance on their duties, discussed key audit matters (KAMs) with the accounting auditor, and conducted regular exchange of views, etc. with representative Directors and outside Directors. Particularly, full-time members of the Audit and Supervisory Committee strove to strengthen audit and supervisory functions of the Audit and Supervisory Committee by attending meetings of the Sustainability Strategy Committee, etc., collecting information from the executive division, and other means. The Audit and Supervisory Committee Members also communicated and exchanged information with Directors and corporate auditors of Group companies, and received business reports from Group companies as necessary.

(ii) Status of internal auditing

As for internal audits, approximately 90 dedicated staff are assigned to the Audit Department of the head office and the Audit Division of the Tokyo Metropolitan Area Headquarters and the Tohoku Area Headquarters, which evaluate and make proposals on the business execution and risk control as well as management of measures to realize the Group Management Vision "Move Up" 2027 from the viewpoint of effectiveness, efficiency, legitimacy, and validity, and audit the head office, branch offices, and operational sites. We provide advice and recommendation for points that need to be improved as necessary, and also request reports on the status of improvement thereafter.

Each Group company is audited by its own internal audit staff as well as the Company on a regular basis.

The results of the audits conducted by the department handling internal audits of the Company are reported to the President and CEO approximately once a quarter, and to the Board of Directors and the Audit and Supervisory Committee approximately once every six months.

(iii) Status of the accounting audit

a. Name of the audit firm

KPMG AZSA LLC

b. Period of continuous auditing

Since 1987

KPMG AZSA LLC practices a policy of rotating its engagement partners. Engagement partners are not involved in accounting or auditing activities for more than seven consecutive accounting periods, and lead engagement partners are not involved in accounting or auditing activities for more than five consecutive accounting periods.

c. Certified public accountants performing audit

Designated Limited Liability Partner and Engagement Partner: Kazuhiko Azami, Hideki Yoshida, Naoki Saito

d. Composition of assistants for audit

28 certified public accountants, 10 persons who passed the certified public accountant examination, 24 other persons

e. Selection policy and reasons for selection of audit firm

The Company has determined that the accounting auditor is suitable, taking into consideration its independence, expertise, and quality control system as an accounting auditor, its potential to conduct efficient and effective audit operations, and its ability to conduct group audits in a timely and coordinated manner by utilizing its worldwide network.

Furthermore, the Audit and Supervisory Committee will determine an agenda to dismiss or not to reappoint the accounting auditor to be proposed to the General Meeting of Shareholders when it is deemed appropriate, such as when the accounting auditor does not fully perform its duties or its social credibility is significantly impaired. Also, the Audit and Supervisory Committee of the Company will, upon unanimous approval of all Audit and Supervisory Committee Members, dismiss an accounting auditor when it is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act.

f. Evaluation of the audit firm by the Audit and Supervisory Committee

The Audit and Supervisory Committee has gained an understanding of the status of the accounting audits through exchanges of opinions with Directors and other relevant personnel, as well as reports and exchanges of opinions from the accounting auditor, and has made a comprehensive evaluation of the independence, professionalism, and quality control system of the accounting auditor.

(iv) Description of audit remuneration

a. Remuneration to certified public accountants, etc.

| Classification | Fiscal year ended March 31, 2024 | | Fiscal year ended March 31, 2025 | |
|-------------------------|--|--|--|--|
| | Remuneration based on audit certification services (millions of yen) | Remuneration based on non-audit services (millions of yen) | Remuneration based on audit certification services (millions of yen) | Remuneration based on non-audit services (millions of yen) |
| Reporting Company | 245 | 10 | 260 | 17 |
| Consolidated Subsidiary | 493 | 1 | 502 | 1 |
| Total | 738 | 11 | 762 | 18 |

The non-audit services for which the Company pays remuneration to certified public accountants, etc. include preparation of comfort letters and services to support the introduction of sustainability disclosure standards.

The non-audit services for which the consolidated subsidiaries pay remuneration to certified public accountants, etc. include agreed-upon procedures related to financial statements and similar services.

b. Remuneration to KPMG member firms belonging to the same network as the certified public accountants, etc. (excluding a.)

| Classification | Fiscal year ended March 31, 2024 | | Fiscal year ended March 31, 2025 | |
|-------------------------|--|--|--|--|
| | Remuneration based on audit certification services (millions of yen) | Remuneration based on non-audit services (millions of yen) | Remuneration based on audit certification services (millions of yen) | Remuneration based on non-audit services (millions of yen) |
| Reporting Company | 6 | 17 | 3 | 19 |
| Consolidated Subsidiary | 22 | 6 | 74 | 10 |
| Total | 29 | 24 | 77 | 29 |

The non-audit services for which the Company pays remuneration to KPMG member firms belonging to the same network as our certified public accountants, etc. include assurance services for environmental information.

The non-audit services for which the consolidated subsidiaries pay remuneration to KPMG member firms belonging to the same network as our certified public accountants, etc. include advisory services related to accounting and taxation, and so on.

c. Other significant audit certification services for which remuneration is paid

Not applicable.

d. Policy for determining audit remuneration

Not applicable. However, it is determined with the consent of the Audit and Supervisory Committee, taking into consideration the number of audit hours and other factors.

e. Reasons for the Audit and Supervisory Committee giving consent to remuneration, etc. for the accounting auditor

The Audit and Supervisory Committee verified the audit plan of the accounting auditor, its performance of duties, and basis for calculation of estimate of remuneration, and agreed on remuneration to the accounting auditor as provided in Article 399, Paragraph 1 of the Companies Act.

- (v) Mutual cooperation among the Audit and Supervisory Committee, the department handling internal audits, and the accounting auditor, and the relationship between auditing and the Internal Control Department

With respect to cooperation among the Audit and Supervisory Committee, the department handling internal audits, and the accounting auditor, regular informational meetings between the Audit and Supervisory Committee and the department handling internal audits are held. The Audit and Supervisory Committee receives reports on interim review results, annual audit results, etc., and is provided with information related to audits from the accounting auditor to enable efficient and effective audit activities of both parties through information sharing. Also, the Audit and Supervisory Committee, the department handling internal audits, and the accounting auditor meet regularly to exchange opinions.

The Internal Control Department provides necessary information for audits to the Audit and Supervisory Committee, the department handling internal audits, and the accounting auditor.

(4) Remuneration for Directors and other officers

- (i) Method of determining the policy regarding details of remuneration, etc. for each Director (excluding Directors who are Audit and Supervisory Committee Members)

The policy for determining details of remuneration, etc. for each Director was resolved at a meeting of the Board of Directors held on June 22, 2023.

- (ii) Overview of decision policy contents

a. Basic policy

The Company pays basic remuneration to Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) based on their positions as compensation for the execution of daily business operations within the limits of remuneration resolved at the General Meeting of Shareholders. The Company also pays performance-based remuneration based on financial results, dividends to shareholders, the level of contribution of such directors toward achieving the business results for the fiscal year and the Medium-Term Management Vision, and commitment to ESG, etc. The Company does not pay performance-based remuneration to outside Directors (excluding Directors who are Audit and Supervisory Committee Members) in light of their responsibilities, but provides basic remuneration as compensation for the execution of duties within the limits of remuneration resolved at the General Meeting of Shareholders.

- b. Matters concerning the determination of details of remuneration for each Director (excluding a Director who is an Audit and Supervisory Committee Member)

Decisions on the amount of remuneration (basic remuneration and performance-based remuneration) for each Director (excluding a Director who is an Audit and Supervisory Committee Member) are made by resolution of the Board of Directors, subject to the President and CEO's discretion. From the viewpoint of ensuring transparency and fairness in determining the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members), the President and CEO who is delegated by the Board of Directors, consults in advance with the Remuneration Deliberation Committee, an advisory organization of the Board of Directors composed of independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and other Directors (excluding Directors who are Audit and Supervisory Committee Members), and makes decisions based on reports from the Remuneration Deliberation Committee.

- c. Policy on determination of basic remuneration

The basic remuneration for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) is a fixed monthly remuneration and determined by taking into account the duties of Directors according to their positions and the business characteristics of the Company.

- d. Policy on determination of performance-based remuneration, etc.

For performance-based remuneration, the Company conducts a comprehensive evaluation of the following four points, etc., and reflects the results in the calculation of remuneration.

(i) Operating results of the current fiscal year in order to evaluate the results of performance of each Director (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) during the fiscal year

(ii) Financial results shareholder returns, given that our business characteristic is that each division needs to collaborate closely with one another

(iii) The level of contribution toward achieving the Group Management Vision, given that our business characteristic is that we require a long period from the planning stage to the achievement of results

(iv) Commitment to ESG in light of the importance of fulfilling our social responsibilities expected of us as a company

In the evaluation, the President and CEO confirms the results and contribution, commitment to ESG, etc. of the relevant Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) by conducting interviews to set targets aimed at achieving the annual management strategies and the Group Management Vision and follow-up interviews to track progress.

Performance-based remuneration is paid at a certain time each year as cash remuneration, and the Company does not pay non-monetary remuneration.

- e. Policy on determination of the remuneration ratio (basic remuneration and performance-based remuneration) for respective Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors)

The ratio of basic remuneration to performance-based remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) is 3:2, excluding additions and subtractions based on the performance of each Director (excluding Directors who are Audit and Supervisory Committee Members and outside Directors). Of these, performance-based remuneration will be adjusted within the range of 40% (addition) to 40% (subtraction) of the base amount for each Director's position, depending on the Director's performance and other factors. In addition, the Company may make further deductions in light of various factors related to the Company's operation, including business results for the fiscal year and the forecast of business results for the next fiscal year.

- (iii) Reasons for the Board of Directors to determine that details of remuneration, etc. for each Director (excluding a Director who is an Audit and Supervisory Committee Member) for the fiscal year are in accordance with the policy

The Remuneration Deliberation Committee provides a report after confirming that the details of remuneration, etc. for each Director (excluding a Director who is an Audit and Supervisory Committee Member) are consistent with the policy. The Board of Directors generally respects such a report, and is of the view that details of remuneration, etc. for each Director (excluding a Director who is an Audit and Supervisory Committee Member) are in accordance with the policy.

- (iv) Indicators for performance-based remuneration, etc., reasons for their adoption, and results

For performance-based remuneration, the Company conducts a comprehensive evaluation in accordance with the policy stated in (ii) d., and reflects the results in the calculation of remuneration. In evaluating performance, the President and CEO confirms the results and contribution, commitment to ESG, etc., of relevant Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) by conducting interviews to set targets aimed at achieving the annual management strategies and the Group Management Vision "Move Up" 2027 and follow-up interviews to track progress.

Performance-based remuneration is paid as cash remuneration at a certain time each year. Performance-based remuneration for the 38th fiscal year (fiscal 2025) was adjusted, based on a comprehensive evaluation in accordance with the policy stated in (ii) d.

The Company does not pay non-monetary remuneration.

- (v) Matters concerning delegation of determination of amount of remuneration for each Director (excluding a Director who is an Audit and Supervisory Committee Member)

The determination of the amount of remuneration for each Director (excluding Directors who are Audit and Supervisory Committee Members) is delegated to the President and CEO, who is most familiar with the status of management of the Group, by resolution of the Board of Directors. In evaluating the performance of Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors), based on the decision policy stated in (ii) that was adopted by resolution of the Board of Directors, the President and CEO confirms their results and contribution and commitment to ESG, etc., by conducting interviews to set targets aimed at achieving the annual management strategy and the Group Management Vision "Move Up" 2027 and follow-up interviews. For the 38th fiscal year (fiscal 2025), it was resolved at the meeting of the Board of Directors held on June 20, 2024, to delegate the determination of the amount of remuneration for each Director (excluding Directors who are Audit and Supervisory Committee Members) to the President and CEO, Mr. Yoichi Kise. Moreover, to ensure the transparency and fairness of the decision-making procedures, the President and CEO delegated by the Board of Directors will first consult with the Remuneration Deliberation Committee consisting of independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and other Directors (excluding Directors who are Audit and Supervisory Committee Members) in advance regarding any resolution with respect to a proposal for the amount of remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) based on the recommendation from the Remuneration Deliberation Committee.

- (vi) Matters pertaining to the Remuneration Deliberation Committee

The Company consults the Remuneration Deliberation Committee on matters related to the remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members). To ensure the transparency and fairness of the decision-making procedures, the Remuneration Deliberation Committee consists of independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members), the President and CEO, and Directors (excluding Directors who are Audit and Supervisory Committee Members) appointed by the President and CEO. The majority of its members are independent outside Directors (excluding Directors who are Audit and Supervisory Committee Members). For the 38th fiscal year (fiscal 2025), meetings of the Remuneration Deliberation Committee were held twice. All committee members were present for one of the two meetings, whereas for one meeting, five members convened, excluding Harumi Nakagawa, as she was the subject of deliberation.

(vii) Resolutions of the General Meeting of Shareholders regarding remuneration, etc. of Directors

1. The maximum amount of remuneration to Directors (excluding Directors who are Audit and Supervisory Committee Members) was established to be ¥900 million per year (including ¥100 million to outside Directors) pursuant to a resolution adopted at the 36th Ordinary General Meeting of Shareholders held on June 22, 2023. As of the conclusion of this General Meeting of Shareholders, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) is 11 (including 4 outside Directors).

The maximum amount of remuneration to Directors who are Audit and Supervisory Committee Members was established to be ¥140 million per year or less pursuant to a resolution adopted at the 36th Ordinary General Meeting of Shareholders held on June 22, 2023. As of the conclusion of this General Meeting of Shareholders, the number of Directors who are Audit and Supervisory Committee Members is 4 (including 3 outside Directors who are Audit and Supervisory Committee Members).

(viii) Total amount of remuneration, etc. for each Director

The total amount of consolidated remuneration, etc. is not specified as there is no Director whose total amount of remuneration, etc. is ¥100 million or more.

(ix) Total amount of remuneration by title and by remuneration type, and number of eligible officers

| Title | Total amount of remuneration, etc. (millions of yen) | Total amount of remuneration, etc. by type (millions of yen) | | Number of eligible officers (persons) |
|---|--|--|--------------------------------|---------------------------------------|
| | | Basic remuneration | Performance-based remuneration | |
| Directors (excluding Directors who are Audit and Supervisory Committee Members) | 477 | 283 | 194 | 14 |
| Directors (Audit and Supervisory Committee Members) | 105 | 105 | – | 5 |
| Total | 583 | 388 | 194 | 19 |

(Notes) 1. The total amount of remuneration, etc. includes ¥134 million to ten (10) outside officers, including two (2) Directors who retired at the 37th Ordinary General Meeting of Shareholders held on June 20, 2024.

2. At the conclusion of the 17th Ordinary General Meeting of Shareholders held on June 23, 2004, we abolished the system of retirement benefits for Directors (and other officers), and the said general meeting approved the presentation of retirement benefits to Directors who were reappointed to the position at the said general meeting and corporate auditors during their terms of office, based on our standards. Based on this approval, a retirement benefit of ¥34 million is paid to one (1) Director who retired in the previous fiscal year, in addition to the above remuneration in the current fiscal year.

(5) Status of stock ownership

(i) Standards and approach for classification of investment stocks

The Company classifies stocks exclusively for the purpose of receiving profit from changes in the value of stocks or dividends related to stocks as investment stocks held purely for net investment purposes, and stocks other than those for such purposes as investment stocks held for purposes other than net investment purposes.

(ii) Investment stocks held for purposes other than net investment purposes

a. Description of holding policy, method of verifying the reasonableness of holdings, and verification by the Board of Directors, etc. of the appropriateness of holding individual stocks

The Company will hold shares in selected companies that will contribute to its corporate value, in order to maintain and strengthen stable business relationships and close cooperative relationships with such companies over the medium to long term. The Company will exercise its rights as a shareholder of a company by examining the details of proposals for each general meeting of shareholders of such company and requesting any explanation therefor, as necessary, in consideration of whether the proposal contributes to the medium- to long-term corporate value of such company and whether the proposal is in accordance with the objectives for such shareholding. When a selected company proposes to dispose of Company shares, the Company shall not take action to inhibit such disposal, including by suggesting that such disposition would reduce business with the Company.

The Company will examine the medium- to long-term economic rationale and outlook of its shareholdings in each of the selected companies in light of their operating results (operating revenues and operating income) and capital cost (comparison with internal rate of return) with its direction to continually reduce the overall sense of scale of its shareholdings in selected companies. Based on such examination and objectives for such shareholdings, the Company will consider whether it is necessary to dispose of its shareholding in any company upon discussion with such company where it is determined that the rationale for such shareholding may have ceased to exist. Each of the Company's shareholdings in the selected companies was examined at the meeting of the Board of Directors held on June 11, 2025, and only the shares confirmed to have a rationale will continue to be held.

b. Number of stocks and Non-consolidated balance sheet amount

| | Number of stocks (stocks) | Non-consolidated balance sheet amount (millions of yen) |
|--|---------------------------|---|
| Unlisted equity shares | 24 | 5,938 |
| Shares other than unlisted equity shares | 46 | 243,448 |

(Stocks whose number of shares increased in the fiscal year ended March 31, 2025)

| | Number of stocks (stocks) | Total acquisition cost involved in increase in number of shares (millions of yen) | Reason for increase in number of shares |
|--|---------------------------|---|--|
| Unlisted equity shares | – | – | – |
| Shares other than unlisted equity shares | 3 | 5,800 | Collaboration in regional revitalization and renewable energy businesses |

(Stocks whose number of shares decreased in the fiscal year ended March 31, 2025)

| | Number of stocks (stocks) | Total amount of sale value involved in decrease in number of shares (millions of yen) |
|--|---------------------------|---|
| Unlisted equity shares | – | – |
| Shares other than unlisted equity shares | 7 | 20,964 |

c. Number of shares, Non-consolidated balance sheet amount, etc. of specified investment stocks by issue

Specified investment stocks

| Issue name | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2024 | Purpose of holding, outline of business tie-up, etc., quantitative effect of holding, and reason for increase in number of shares | Are shares held in the company? |
|--|---|---|---|---------------------------------|
| | Number of shares (shares) | Number of shares (shares) | | |
| | Non-consolidated balance sheet amount (millions of yen) | Non-consolidated balance sheet amount (millions of yen) | | |
| Mitsubishi Heavy Industries, Ltd. *1 | 11,585,000 | 1,158,500 | To maintain and strengthen stable business relations through materials procurement, such as rolling stock supplies and power generation and substation equipment. | Yes |
| | 29,263 | 16,780 | | |
| Oriental Land Co., Ltd. | 7,068,500 | 7,068,500 | To maintain and strengthen stable business relations through railroad operations, etc. in consideration of the fact that the theme park operated by the company is located along our railroad line. | Yes |
| | 20,816 | 34,275 | | |
| Mizuho Financial Group, Inc. | 4,067,380 | 4,067,380 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 16,476 | 12,389 | | |
| Kawasaki Heavy Industries, Ltd. | 1,534,400 | 1,534,400 | To maintain and strengthen stable business relations through materials procurement, such as Shinkansen cars and rolling stock supplies. | Yes |
| | 13,699 | 7,820 | | |
| Tokio Marine Holdings, Inc. | 2,348,350 | 3,354,750 | To maintain and strengthen stable business relations through financial transactions, etc. in consideration of existing contracts for insurance of civil engineering structures, etc. | Yes |
| | 13,470 | 15,777 | | |
| Mitsubishi UFJ Financial Group, Inc. | 5,138,567 | 7,113,895 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 10,333 | 11,076 | | |
| Sumitomo Mitsui Financial Group, Inc. *6 | 2,688,150 | 980,056 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 10,201 | 8,731 | | |
| Mitsui Fudosan Co., Ltd. *2 | 7,332,000 | 2,444,000 | To maintain and strengthen stable business relations through real estate development and management, etc., such as the GRANTOKYO NORTH TOWER joint venture. | Yes |
| | 9,755 | 12,079 | | |
| MITSUBISHI ESTATE CO., LTD. | 3,760,000 | 3,760,000 | To maintain and strengthen stable business relations through real estate development and management, etc. as joint operators of JP TOWER, etc. | Yes |
| | 9,144 | 10,469 | | |
| Sumitomo Realty & Development Co., Ltd. | 1,593,000 | 1,593,000 | To maintain and strengthen stable business relations through real estate development and management, such as joint development of land for the Company's sites. | Yes |
| | 8,909 | 9,234 | | |
| SEIBU HOLDINGS INC. | 2,630,100 | 2,630,100 | To maintain and strengthen stable business relations through railroad operations, etc. including collaboration in creation of new Life-styles, creation and sale of travel products, mutual use of IC cards, and more. | Yes |
| | 8,684 | 6,371 | | |
| Central Japan Railway Company | 2,594,000 | 2,594,000 | To maintain and strengthen stable business relations through railroad operations, etc. including improvement of train operating safety, technological development, promotion of tourism, mutual use of IC cards, and more. | Yes |
| | 7,403 | 9,665 | | |
| Kyushu Railway Company | 1,974,100 | 1,974,100 | To maintain and strengthen stable business relations through railroad operations and lifestyle solutions services, including ticket sales, technological development, MaaS, mutual use of IC cards, STATION WORK, and more. | Yes |
| | 7,205 | 6,994 | | |
| MS&AD Insurance Group Holdings, Inc. *3 | 2,187,390 | 1,041,630 | To maintain and strengthen stable business relations through financial transactions, etc. in consideration of existing contracts for insurance of civil engineering structures, etc. | Yes |
| | 7,054 | 8,471 | | |
| Sompo Holdings, Inc. *4 | 1,281,096 | 610,032 | To maintain and strengthen stable business relations through financial transactions, etc. in consideration of existing contracts for earthquake insurance, insurance of civil engineering structures, and so on. | Yes |
| | 5,791 | 5,838 | | |
| Keio Corporation | 1,374,300 | 1,374,300 | To maintain and strengthen stable business relations through railroad operations, such as station area development, mutual use of IC cards, and more. | Yes |
| | 5,231 | 5,733 | | |

| Issue name | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2024 | Purpose of holding, outline of business tie-up, etc., quantitative effect of holding, and reason for increase in number of shares | Are shares held in the company? |
|--------------------------------------|---|---|--|---------------------------------|
| | Number of shares (shares) | Number of shares (shares) | | |
| | Non-consolidated balance sheet amount (millions of yen) | Non-consolidated balance sheet amount (millions of yen) | | |
| TOBU RAILWAY CO., LTD. | 2,024,800 | 2,024,800 | To maintain and strengthen stable business relations through railroad operations, etc. including direct limited express train services, mutual use of IC cards, and more. | Yes |
| | 5,164 | 7,655 | | |
| West Japan Railway Company *5 | 1,733,400 | 866,700 | To maintain and strengthen stable business relations through railroad operations and lifestyle solutions services, including improvement of train operation safety, promotion of tourism, MaaS, mutual use of IC cards, STATION WORK, and more. | Yes |
| | 5,055 | 5,437 | | |
| Tokyu Fudosan Holdings Corporation | 4,607,400 | 4,607,400 | To maintain and strengthen stable business relations through real estate development and management, such as joint development of land for the Company's sites, as well as maintain and strengthen cooperation in the renewable energy business. | Yes |
| | 4,599 | 5,752 | | |
| Japan Airlines Co., Ltd. | 1,600,200 | 1,600,200 | To maintain and strengthen stable business relations through railroad operations, etc. including collaboration on MaaS and credit card services. | Yes |
| | 4,090 | 4,668 | | |
| ANA HOLDINGS INC. | 1,387,800 | 1,387,800 | To maintain and strengthen stable business relations through railroad operations, etc. including collaboration on MaaS and credit card services. | Yes |
| | 3,829 | 4,454 | | |
| Shochiku Co., Ltd. | 256,600 | – | To maintain and strengthen stable business relationships aimed at regional revitalization through the renewed "Power of Culture" initiative, and to expand collaboration at TAKANAWA GATEWAY CITY. | Yes |
| | 3,158 | – | | |
| Nippon Steel Corporation | 940,800 | 940,800 | To maintain and strengthen stable business relations through materials procurement, such as railroad facility supplies, etc. | Yes |
| | 3,005 | 3,450 | | |
| TOKYU CORPORATION | 1,764,000 | 1,764,000 | To maintain and strengthen stable business relations through railroad operations, such as station area development, mutual use of IC cards, and more. | Yes |
| | 2,972 | 3,252 | | |
| Concordia Financial Group, Ltd. | 3,023,500 | 3,023,500 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 2,966 | 2,327 | | |
| erex Co., Ltd | 3,646,500 | – | To maintain and strengthen stable business relationships in the renewable energy sector, including collaboration aimed at achieving a decarbonized society through the effective use of renewable energy. | No |
| | 2,935 | – | | |
| Liberaware Co., Ltd. | 2,216,900 | – | To maintain and strengthen stable business relationships in railway construction and related fields, including collaboration to promote the digitalization of construction and maintenance operations in the infrastructure industry. | No |
| | 2,310 | – | | |
| Electric Power Development Co., Ltd. | 723,000 | 723,000 | To maintain and strengthen stable business relations through energy procurement, etc., such as considering joint implementation of wind power generation business and more. | Yes |
| | 1,830 | 1,804 | | |
| Keikyu Corporation | 1,143,500 | 1,143,500 | To maintain and strengthen stable business relations through railroad operations, such as station area development, mutual use of IC cards, and more. | Yes |
| | 1,730 | 1,592 | | |
| Yakult Honsha Co., Ltd. | 559,400 | 559,400 | To maintain and strengthen stable business relationships across various lifestyle solution businesses, including product procurement and vending machine operation outsourcing. | Yes |
| | 1,596 | 1,744 | | |
| Odakyu Electric Railway Co., Ltd. | 1,054,900 | 1,054,900 | To maintain and strengthen stable business relations through railroad operations, such as station area development, mutual use of IC cards, and more. | Yes |
| | 1,559 | 2,189 | | |
| Senshukai Co., Ltd. | 5,714,200 | 5,714,200 | To maintain and strengthen stable business relations through e-commerce business, etc., such as opening new stores in JRE MALL, and the combination of real and digital services in collaboration with stores in stations. | No |
| | 1,548 | 1,748 | | |
| Japan Airport Terminal Co., Ltd. | 357,000 | 357,000 | To maintain and strengthen stable business relations through railroad operations, such as mutual management of Tokyo Monorail facilities and more. | Yes |
| | 1,467 | 2,117 | | |

| Issue name | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2024 | Purpose of holding, outline of business tie-up, etc., quantitative effect of holding, and reason for increase in number of shares | Are shares held in the company? |
|--|---|---|---|---------------------------------|
| | Number of shares (shares) | Number of shares (shares) | | |
| | Non-consolidated balance sheet amount (millions of yen) | Non-consolidated balance sheet amount (millions of yen) | | |
| Sotetsu Holdings Inc. | 658,100 | 658,100 | To maintain and strengthen stable business relations through railroad operations, etc. including mutual direct train services, mutual use of IC cards, and more. | Yes |
| | 1,440 | 1,809 | | |
| The Chiba Bank, Ltd. | 1,004,000 | 1,004,000 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 1,404 | 1,266 | | |
| Toyo Electric Mfg. Co., Ltd. | 973,500 | 973,500 | To maintain and strengthen stable business relations through materials procurement, such as rolling stock supplies for railroads. | Yes |
| | 1,321 | 1,170 | | |
| Tohoku Electric Power Co., Inc. | 1,265,200 | 1,265,200 | To maintain and strengthen stable business relations through energy procurement, etc., such as securing electricity necessary for railroad operations. | Yes |
| | 1,305 | 1,513 | | |
| Mebuki Financial Group, Inc. | 1,203,228 | 1,203,228 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 873 | 615 | | |
| The Gunma Bank, Ltd. | 707,000 | 707,000 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 870 | 620 | | |
| The Hachijuni Bank, Ltd. | 674,000 | 674,000 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 711 | 700 | | |
| Daishi Hokuetsu Financial Group, Inc. *7 | 215,400 | 107,700 | To maintain and strengthen stable cooperative relations through financial transactions, etc. in light of ongoing borrowings from this group's financial institutions. | Yes |
| | 679 | 480 | | |
| The 77 Bank, Ltd. | 132,000 | 132,000 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 627 | 547 | | |
| The Bank of Iwate, Ltd. | 98,500 | 98,500 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 310 | 253 | | |
| HOTEL NEW GRAND | 43,800 | 43,800 | To maintain and strengthen stable business relations through railroad operations, such as creation and sales of travel packages incorporating use of the hotel, and more. | Yes |
| | 254 | 201 | | |
| The Akita Bank, Ltd. | 86,940 | 86,940 | To maintain and strengthen stable business relations through financial transactions, etc. in light of ongoing borrowings from this financial institution. | Yes |
| | 223 | 183 | | |
| Daido Steel Co., Ltd. | 136,000 | 136,000 | To maintain and strengthen stable business relations through materials procurement, such as railroad facility supplies, etc. | Yes |
| | 161 | 247 | | |
| ENEOS Holdings, Inc. | – | 6,722,810 | All shares were sold during the fiscal year ended March 31, 2025. | No |
| | – | 4,916 | | |
| Nousouken Corporation | – | 134,900 | All shares were sold during the fiscal year ended March 31, 2025. | No |
| | – | 39 | | |

(Notes) 1. The Company engages in cross-shareholdings in selected companies that contribute to its corporate value, in order to maintain and strengthen stable business relationships and close cooperative relationships with such companies over the medium to long term. Although the quantitative holding effect of cross-shareholdings is difficult to state, the reasonableness of holdings is individually verified as outlined in (ii)-a.

- Mitsubishi Heavy Industries, Ltd. in *1 conducted a stock split at a ratio of 10 shares for every 1 common stock, effective April 1, 2024.
- Mitsui Fudosan Co., Ltd. in *2 conducted a stock split at a ratio of 3 shares for every 1 common stock, effective April 1, 2024.
- MS&AD Insurance Group Holdings, Inc. in *3 conducted a stock split at a ratio of 3 shares for every 1 common stock, effective April 1, 2024.

5. Sampo Holdings, Inc. in *4 conducted a stock split at a ratio of 3 shares for every 1 common stock, effective April 1, 2024.
6. West Japan Railway Company in *5 conducted a stock split at a ratio of 2 shares for every 1 common stock, effective April 1, 2024.
7. Sumitomo Mitsui Financial Group, Inc. in *6 conducted a stock split at a ratio of 3 shares for every 1 common stock, effective October 1, 2024.
8. Daishi Hokuetsu Financial Group, Inc. in *7 conducted a stock split at a ratio of 2 shares for every 1 common stock, effective October 1, 2024.

(iii) Investment stocks held purely for net investment purposes
Not applicable.

No. 5: Accounting

1. Consolidated Financial Statements and Method of Financial Statements Preparation

- (1) The Company's consolidated financial statements are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28, 1976).
- (2) The Company's Non-consolidated financial statements are prepared in accordance with the provisions of Article 2 of the "Regulation on Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Ordinance No. 59, 1963; "Regulation on Financial Statements, etc.") and in accordance with both the Regulation on Non-consolidated Financial Statements, etc. and the "Regulation on Accounting in the Railway Industry" (Ministry of Transport Ordinance No. 7, 1987).

2. Audit Certification

The Company's consolidated financial statements for the fiscal year (April 1, 2024 to March 31, 2025) and financial statements for the fiscal year (April 1, 2024 to March 31, 2025) have been audited by KPMG AZSA LLC in accordance with the provisions of Article 193-2, Paragraph (1) of the Financial Instruments and Exchange Act.

3. Special Efforts to Ensure the Propriety of Consolidated Financial Statements

The Company and its consolidated subsidiaries take special measures to ensure the propriety of consolidated financial statements. Specifically, the Company and its consolidated subsidiaries prepare consolidated balance sheets in accordance with common accounting systems, instruction manuals, etc., and conduct training for accounting staff. In addition, in order to properly identify and respond to changes in accounting standards, the Company has joined the Financial Accounting Standards Foundation (FASF) and participates in seminars and other functions held by the Foundation.

1. Consolidated Financial Statements and Main Notes

(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets

(Millions of yen)

| | | As of March 31, 2024 | | As of March 31, 2025 |
|---|------------------------|----------------------|------------------------|----------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash and time deposits | *1 | 281,000 | *1 | 233,663 |
| Notes, accounts receivable - trade and contract assets | *2 | 629,721 | *2 | 684,893 |
| Fares receivable | | 78,183 | | 77,836 |
| Securities | | — | | 10 |
| Real estate for sale | *7 | 38,076 | *7 | 68,596 |
| Inventories | *12 | 100,310 | *12 | 115,251 |
| Other | *10 | 67,215 | *10 | 72,486 |
| Allowance for doubtful accounts | | (2,574) | | (2,704) |
| Total current assets | | 1,191,932 | | 1,250,033 |
| Fixed Assets | | | | |
| Property, plant and equipment, net of accumulated depreciation | | | | |
| Buildings and structures (net) | *1 | 3,889,877 | *1 | 4,116,551 |
| Machinery, rolling stock, and vehicles (net) | | 721,465 | | 739,325 |
| Land | *1 | 2,232,095 | *1 | 2,216,525 |
| Construction in progress | | 562,275 | | 645,968 |
| Other (net) | | 66,665 | | 73,790 |
| Total property, plant and equipment, net of accumulated depreciation | *4,*5,*6,*7,*11 | 7,472,378 | *4,*5,*6,*7,*11 | 7,792,162 |
| Intangible assets | *5,*6,*11 | 201,452 | *5,*7,*11 | 209,477 |
| Investments and other assets | | | | |
| Investments in securities | *1,*8 | 463,879 | *1,*8 | 506,182 |
| Long-term loans receivable | | 2,308 | | 2,271 |
| Deferred tax assets | | 342,540 | | 306,915 |
| Net defined benefit assets | | 1,584 | | 1,838 |
| Other | | 97,116 | | 107,572 |
| Allowance for doubtful accounts | | (1,712) | | (2,229) |
| Total investments and other assets | | 905,716 | | 922,550 |
| Total fixed assets | | 8,579,547 | | 8,924,190 |
| Total Assets | | 9,771,479 | | 10,174,224 |

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current Liabilities | | |
| Notes and accounts payable - trade | *1 47,754 | *1 53,738 |
| Short-term loans and current portion of long-term loans | 179,147 | 141,711 |
| Current portion of bonds | 145,000 | 207,545 |
| Current portion of long-term liabilities incurred for purchase of railway facilities | *1, *11 4,297 | *1, *11 4,563 |
| Payables | 514,469 | 617,665 |
| Accrued consumption taxes | 40,667 | 24,002 |
| Accrued income taxes | 22,040 | 27,020 |
| Fare deposits received with regard to railway connecting services | 44,475 | 48,420 |
| Prepaid railway fares received | 86,632 | 90,958 |
| Allowance for bonuses to employees | 69,738 | 75,832 |
| Allowance for disaster-damage losses | 3,796 | 589 |
| Other | *3 458,710 | *3 449,942 |
| Total current liabilities | 1,616,731 | 1,741,990 |
| Long-Term Liabilities | | |
| Bonds | 2,969,967 | 3,038,828 |
| Long-term loans | 1,263,150 | 1,260,561 |
| Long-term liabilities incurred for purchase of railway facilities | *1, *11 306,703 | *1, *11 302,140 |
| Deferred tax liabilities | 2,320 | 1,989 |
| Provision for large-scale renovation of Shinkansen infrastructure | 192,000 | 216,000 |
| Allowance for disaster-damage losses | 3,146 | 3,000 |
| Net defined benefit liabilities | 399,184 | 432,908 |
| Other | 279,043 | 304,589 |
| Total long-term liabilities | 5,415,516 | 5,560,017 |
| Total Liabilities | 7,032,247 | 7,302,007 |
| Net Assets | | |
| Shareholders' Equity | | |
| Common stock | 200,000 | 200,000 |
| Capital surplus | 97,602 | 93,747 |
| Retained earnings | 2,289,194 | 2,451,848 |
| Treasury stock, at cost | (5,979) | (6,025) |
| Total shareholders' equity | 2,580,817 | 2,739,570 |
| Accumulated Other Comprehensive Income | | |
| Net unrealized holding gains (losses) on securities | 100,606 | 96,650 |
| Net deferred gains (losses) on derivatives under hedge accounting | 3,430 | 3,134 |
| Revaluation reserve for land | *13 (16) | *13 (1) |
| Foreign currency translation adjustments | 135 | 182 |
| Remeasurements of defined benefit plans | 32,921 | 20,006 |
| Total accumulated other comprehensive income | 137,077 | 119,973 |
| Non-Controlling Interests | 21,337 | 12,672 |
| Total Net Assets | 2,739,232 | 2,872,216 |
| Total Liabilities and Total Net Assets | 9,771,479 | 10,174,224 |

(ii) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

| | | Year ended March 31, 2024 | | Year ended March 31, 2025 |
|---|-----|---------------------------|-----|---------------------------|
| Operating Revenues | *1 | 2,730,118 | *1 | 2,887,553 |
| Operating Expenses | | | | |
| Transportation, other services, and cost of sales | | 1,763,499 | | 1,855,517 |
| Selling, general and administrative expenses | *2 | 621,456 | *2 | 655,249 |
| Total operating expenses | | 2,384,956 | | 2,510,766 |
| Operating Income | | 345,161 | | 376,786 |
| Non-Operating Income | | | | |
| Interest income | | 71 | | 416 |
| Dividend income | | 5,389 | | 6,108 |
| Gains on sales of equipment | | 1,299 | | 1,190 |
| Insurance proceeds and dividends | | 4,924 | | 4,774 |
| Equity in net income of affiliated companies | | 10,683 | | 10,280 |
| Other | | 6,828 | | 5,212 |
| Total non-operating income | | 29,195 | | 27,984 |
| Non-Operating Expenses | | | | |
| Interest expense | | 69,978 | | 74,825 |
| Losses on sales of equipment | | 152 | | 353 |
| Other | | 7,595 | | 8,026 |
| Total non-operating expenses | | 77,726 | | 83,205 |
| Ordinary Income | | 296,631 | | 321,564 |
| Extraordinary Gains | | | | |
| Gains on sales of fixed assets | *5 | 7,813 | *5 | 614 |
| Gain on sale of investments in securities | | 3,591 | | 13,386 |
| Construction grants received | *6 | 24,083 | *6 | 27,930 |
| Other | | 5,111 | | 3,192 |
| Total extraordinary gains | | 40,600 | | 45,123 |
| Extraordinary Losses | | | | |
| Losses on sales of fixed assets | *7 | 105 | *7 | 709 |
| Losses from disposition of fixed assets | *8 | 2,264 | *8 | 4,080 |
| Losses on reduction entry for construction grants | *9 | 17,954 | *9 | 23,550 |
| Impairment losses on fixed assets | *10 | 24,479 | *10 | 11,507 |
| Intensive seismic reinforcement costs | | 6,779 | | 9,243 |
| Other | | 11,574 | | 20,304 |
| Total extraordinary losses | | 63,158 | | 69,396 |
| Income before Income Taxes | | 274,072 | | 297,292 |
| Current | | 22,115 | | 30,650 |
| Deferred | | 54,611 | | 41,059 |
| Total Income Taxes | | 76,727 | | 71,710 |
| Profit | | 197,345 | | 225,582 |
| Profit Attributable to Non-Controlling Interests | | 895 | | 1,296 |
| Profit Attributable to Owners of Parent | | 196,449 | | 224,285 |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---------------------------|---------------------------|
| Profit | 197,345 | 225,582 |
| Other Comprehensive Income | | |
| Net unrealized holding gains (losses) on securities | 55,862 | (2,669) |
| Net deferred gains (losses) on derivatives under hedge accounting | 679 | (66) |
| Foreign currency translation adjustments | (102) | 82 |
| Remeasurements of defined benefit plans | 24,341 | (14,884) |
| Share of other comprehensive income of associates accounted for using equity method | 2,711 | 445 |
| Total other comprehensive income | *1 83,492 | *1 (17,092) |
| Comprehensive Income | 280,837 | 208,489 |
| Comprehensive income attributable to: | | |
| Comprehensive income attributable to owners of parent | 279,879 | 207,166 |
| Comprehensive income attributable to non-controlling interests | 958 | 1,323 |

(iii) Consolidated Statements of Changes in Net Assets
Year ended March 31, 2024

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-------------------------|----------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock, at cost | Total shareholders' equity |
| Balance at the fiscal year start | 200,000 | 96,445 | 2,132,049 | (8,913) | 2,419,581 |
| Changes of items during the fiscal year | | | | | |
| Issuance of new shares | | 1,171 | | | 1,171 |
| Cash dividends | | | (39,647) | | (39,647) |
| Profit attributable to owners of parent | | | 196,449 | | 196,449 |
| Increase/decrease due to merger | | | 418 | | 418 |
| Purchase of treasury stock | | | | (73) | (73) |
| Disposal of treasury stock | | | (43) | 3,131 | 3,087 |
| Change in equity in affiliates accounted for by equity method-treasury stock | | | | (122) | (122) |
| Change in scope of consolidation | | | (13) | | (13) |
| Capital increase of consolidated subsidiaries | | (28) | | | (28) |
| Purchase of shares of consolidated subsidiaries | | 14 | | | 14 |
| Reversal of revaluation reserve for land | | | (19) | | (19) |
| Net changes of items other than shareholders' equity | | | | | |
| Total changes of items during the fiscal year | – | 1,157 | 157,144 | 2,934 | 161,236 |
| Balance at the fiscal year end | 200,000 | 97,602 | 2,289,194 | (5,979) | 2,580,817 |

| | Accumulated other comprehensive income | | | | | | Non-controlling interests | Total net assets |
|--|---|---|------------------------------|--|---|--|---------------------------|------------------|
| | Net unrealized holding gains (losses) on securities | Net deferred gains (losses) on derivatives under hedge accounting | Revaluation reserve for land | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at the fiscal year start | 43,302 | 2,548 | (35) | 284 | 7,570 | 53,670 | 24,462 | 2,497,713 |
| Changes of items during the fiscal year | | | | | | | | |
| Issuance of new shares | | | | | | | | 1,171 |
| Cash dividends | | | | | | | | (39,647) |
| Profit attributable to owners of parent | | | | | | | | 196,449 |
| Increase/decrease due to merger | | | | | | | | 418 |
| Purchase of treasury stock | | | | | | | | (73) |
| Disposal of treasury stock | | | | | | | | 3,087 |
| Change in equity in affiliates accounted for by equity method-treasury stock | | | | | | | | (122) |
| Change in scope of consolidation | | | | | | | | (13) |
| Capital increase of consolidated subsidiaries | | | | | | | | (28) |
| Purchase of shares of consolidated subsidiaries | | | | | | | | 14 |
| Reversal of revaluation reserve for land | | | | | | | | (19) |
| Net changes of items other than shareholders' equity | 57,304 | 881 | 19 | (148) | 25,351 | 83,407 | (3,124) | 80,282 |
| Total changes of items during the fiscal year | 57,304 | 881 | 19 | (148) | 25,351 | 83,407 | (3,124) | 241,518 |
| Balance at the fiscal year end | 100,606 | 3,430 | (16) | 135 | 32,921 | 137,077 | 21,337 | 2,739,232 |

Year ended March 31, 2025

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-------------------------|----------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock, at cost | Total shareholders' equity |
| Balance at the fiscal year start | 200,000 | 97,602 | 2,289,194 | (5,979) | 2,580,817 |
| Changes of items during the fiscal year | | | | | |
| Issuance of new shares | | | | | – |
| Cash dividends | | | (61,631) | | (61,631) |
| Profit attributable to owners of parent | | | 224,285 | | 224,285 |
| Increase/decrease due to merger | | (26) | | | (26) |
| Purchase of treasury stock | | | | (6,972) | (6,972) |
| Disposal of treasury stock | | 492 | | 7,075 | 7,567 |
| Change in equity in affiliates accounted for by equity method-treasury stock | | | | (148) | (148) |
| Change in scope of consolidation | | | | | – |
| Capital increase of consolidated subsidiaries | | (57) | | | (57) |
| Purchase of shares of consolidated subsidiaries | | (4,263) | | | (4,263) |
| Reversal of revaluation reserve for land | | | | | – |
| Net changes of items other than shareholders' equity | | | | | |
| Total changes of items during the fiscal year | – | (3,855) | 162,654 | (45) | 158,752 |
| Balance at the fiscal year end | 200,000 | 93,747 | 2,451,848 | (6,025) | 2,739,570 |

| | Accumulated other comprehensive income | | | | | | Non-controlling interests | Total net assets |
|--|---|---|------------------------------|--|---|--|---------------------------|------------------|
| | Net unrealized holding gains (losses) on securities | Net deferred gains (losses) on derivatives under hedge accounting | Revaluation reserve for land | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at the fiscal year start | 100,606 | 3,430 | (16) | 135 | 32,921 | 137,077 | 21,337 | 2,739,232 |
| Changes of items during the fiscal year | | | | | | | | |
| Issuance of new shares | | | | | | | | – |
| Cash dividends | | | | | | | | (61,631) |
| Profit attributable to owners of parent | | | | | | | | 224,285 |
| Increase/decrease due to merger | | | | | | | | (26) |
| Purchase of treasury stock | | | | | | | | (6,972) |
| Disposal of treasury stock | | | | | | | | 7,567 |
| Change in equity in affiliates accounted for by equity method-treasury stock | | | | | | | | (148) |
| Change in scope of consolidation | | | | | | | | – |
| Capital increase of consolidated subsidiaries | | | | | | | | (57) |
| Purchase of shares of consolidated subsidiaries | | | | | | | | (4,263) |
| Reversal of revaluation reserve for land | | | | | | | | – |
| Net changes of items other than shareholders' equity | (3,956) | (295) | 15 | 47 | (12,914) | (17,103) | (8,664) | (25,768) |
| Total changes of items during the fiscal year | (3,956) | (295) | 15 | 47 | (12,914) | (17,103) | (8,664) | 132,984 |
| Balance at the fiscal year end | 96,650 | 3,134 | (1) | 182 | 20,006 | 119,973 | 12,672 | 2,872,216 |

(iv) Consolidated Statements of Cash Flows

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Cash Flows from Operating Activities | | |
| Income before income taxes | 274,072 | 297,292 |
| Depreciation | 392,172 | 406,202 |
| Impairment losses on fixed assets | 24,479 | 11,507 |
| Amortization of long-term prepaid expense | 11,118 | 12,663 |
| Net change in provision for large-scale renovation of Shinkansen infrastructure | 24,000 | 24,000 |
| Net change in allowance for environmental conservation costs | 618 | (37,505) |
| Net change in net defined benefit liabilities | (11,823) | 12,334 |
| Interest and dividend income | (5,460) | (6,525) |
| Interest expense | 69,978 | 74,825 |
| Construction grants received | (24,083) | (27,930) |
| Losses from disposition of fixed assets | 37,202 | 36,773 |
| Losses from provision for cost reduction of fixed assets | 17,954 | 23,550 |
| Net change in major receivables | (96,963) | (48,659) |
| Net change in major payables | 58,338 | 89,544 |
| Other | 953 | (46,276) |
| Subtotal | 772,557 | 821,797 |
| Proceeds from interest and dividends | 9,150 | 10,764 |
| Payments of interest | (67,464) | (72,206) |
| Payments of disaster-damage losses | (12,975) | (3,771) |
| Proceeds from compensation | 3,044 | – |
| Payments of income taxes | (16,208) | (24,332) |
| Net cash provided by operating activities | 688,103 | 732,251 |
| Cash Flows from Investing Activities | | |
| Payments for purchases of fixed assets | (714,912) | (770,933) |
| Proceeds from sales of fixed assets | 8,334 | 7,423 |
| Proceeds from construction grants | 49,111 | 35,012 |
| Payments for purchases of investments in securities | (21,357) | (47,135) |
| Proceeds from sales of investments in securities | 7,040 | 21,511 |
| Payments from purchase of shares of subsidiaries resulting in change in scope of consolidation | *2 (2,660) | *2 (2,945) |
| Other | (16,180) | (26,351) |
| Net cash used in investing activities | (690,624) | (783,417) |
| Cash Flows from Financing Activities | | |
| Proceeds from long-term loans | 108,300 | 138,600 |
| Payments of long-term loans | (150,000) | (179,122) |
| Proceeds from issuance of bonds | 354,044 | 276,353 |
| Payments for redemption of bonds | (215,000) | (145,000) |
| Payments of liabilities incurred for purchase of railway facilities | (4,065) | (4,297) |
| Cash dividends paid | (39,647) | (61,631) |
| Payments from purchase of shares of subsidiaries not resulting in change in scope of consolidation | (243) | (7,498) |
| Other | 12,716 | (13,737) |
| Net cash provided by financing activities | 66,103 | 3,664 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 299 | 164 |
| Net Change in Cash and Cash Equivalents | 63,882 | (47,337) |
| Cash and Cash Equivalents at Beginning of the Year | 215,000 | 280,810 |
| Increase in Cash and Cash Equivalents from Newly Consolidated Subsidiary | 880 | – |
| Increase in Cash and Cash Equivalents due to Merger | 1,047 | – |
| Cash and Cash Equivalents at End of the Year | *1 280,810 | *1 233,473 |

Notes to Consolidated Financial Statements

Basic Matters in Preparing Consolidated Financial Statements

1. Matters regarding the scope of consolidation

Among the subsidiaries, 76 companies including Viewcard Co., Ltd., JR East Cross Station Co., Ltd., JR BUS KANTO CO., LTD. and Japan Transport Engineering Company are consolidated.

During the fiscal year under review, five companies were newly consolidated as subsidiaries, namely Decorum Vending Ltd. that was acquired through share acquisition, and JREast Real Estate Co., Ltd., TAKANAWA GATEWAY Global Co-Benefits Fund L.P., JRE Business Development UK Ltd. and JRE Ventures Pte. Ltd., which were newly established.

Yokohama Station Building Co., Ltd. disappeared because it merged with Shonan Station Building Co., Ltd. (current JR Yokohama Shonan City Create Co., Ltd.).

Non-consolidated subsidiaries include LUMINE Resort Co., Ltd. and atré International Co., Ltd. None of the assets, sales, profit and loss, and retained earnings of the non-consolidated subsidiaries corresponding to the Company's equity are significant in amounts compared with those of the Company and its consolidated subsidiaries, and will not affect the reasonable judgment with respect to the Group's financial condition or business results when such subsidiaries are excluded from consolidation.

2. Matters regarding application of the equity method

Among the affiliated companies, the equity method is applied to the investment in 11 companies, including UQ Communications Inc. and Tekken Corporation.

With respect to investments in non-consolidated subsidiaries and affiliated companies not using the equity method (including Narita Airport Rapid Railway Company Limited), none of the profit and loss and retained earnings of such companies corresponding to the Company's equity are significant in amounts compared with those of the Company and its consolidated subsidiaries and equity method affiliated companies, and will not affect the consolidated profit and loss or consolidated retained earnings. Therefore, the equity method is not applied.

As for equity method affiliated companies which have a different fiscal year-end date from the consolidated fiscal year-end date, financial statements for the fiscal year of such company are used.

3. Matters regarding fiscal years of the consolidated subsidiaries

Among the consolidated subsidiaries, the fiscal year-end date of nine companies including TAKANAWA GATEWAY Global Co-Benefits Fund L.P. and JRE Business Development UK Ltd. was December 31, 2024, and the fiscal year-end date of The Orangepage, Inc. was February 28, 2025. Financial statements of such companies as of that date are used to prepare the consolidated financial statements, with necessary adjustments regarding important transactions that occurred between that date and the consolidated fiscal year-end date.

The fiscal year end date of GALA YUZAWA Co., Ltd. was September 30, 2024. Its financial statements prepared based on the provisional settlement of accounts as of the fiscal year end date have been used to prepare the consolidated financial statements.

4. Matters regarding accounting standards

(1) Basis and method of valuation of important assets

(i) Basis and method of valuation of securities

Held-to-maturity debt securities:

Amortized cost method (straight-line method)

Available-for-sale securities

a. Securities other than securities and investments without market value:

Market method (net unrealized gains or losses on these securities are reported as a separate item in net assets, and the cost of sales is determined mainly by the moving-average cost method)

b. Securities and investments without market value:

Mainly based on the moving-average cost method

c. Partnership capital (deemed securities in accordance with Article 2, Paragraph (2) of the Financial Instruments and Exchange Act (Act No. 25, 1948))

The Company uses the most recent financial statements available as of the reporting date stipulated in the partnership contract as the basis for determining the net amount of its equity interest in the partnership.

(ii) Basis and method of valuation of derivatives

Derivatives are valued according to market method.

(iii) Basis and method of valuation of inventories

| | |
|---------------------------------|---|
| Real estate for sale: | Identified cost method (carrying amount in the balance sheets is calculated with consideration given to write-downs due to decreased profitability of inventories) |
| Merchandise and finished goods: | Mainly retail cost method or moving-average cost method (carrying amount in the balance sheets is calculated with consideration given to write-downs due to decreased profitability of inventories) |
| Work in process: | Mainly identified cost method (carrying amount in the balance sheets is calculated with consideration given to write-downs due to decreased profitability of inventories) |
| Raw materials and supplies: | Mainly moving-average cost method (carrying amount in the balance sheets is calculated with consideration given to write-downs due to decreased profitability of inventories) |

(2) Method of depreciation and amortization of important depreciable assets

(i) Property, plant and equipment

Property, plant and equipment are depreciated using the declining balance method; however, buildings (excluding fixtures) acquired on or after April 1, 1998, fixtures and structures acquired on or after April 1, 2016 and some of the property, plant and equipment of consolidated subsidiaries are depreciated using the straight-line method. Replacement assets included in structures of railway fixed assets are depreciated using the replacement method.

Methods to determine the number of years of useful life and residual value are as stipulated in the Corporation Tax Act.

With respect to the depreciation and amortization method for lease assets related to finance lease transactions that do not transfer ownership to the lessee, the Company has adopted a straight-line method that assumes the years of useful lives are lease periods and residual values are zero.

(ii) Intangible assets

Intangible assets are amortized using the straight-line method.

The method to determine the number of years of useful life is as stipulated in the Corporation Tax Act.

Software designed for internal use is amortized using the straight-line method based on the expected useful life as used in each company (mainly five years).

With respect to the depreciation and amortization method for lease assets related to finance lease transactions that do not transfer ownership to the lessee, the Company has adopted a straight-line method that assumes the years of useful lives are lease periods and residual values are zero.

(3) Accounting for deferred assets

Cost of issuance of bonds is charged to income when paid.

(4) Accounting for important allowances

(i) Allowance for doubtful accounts

For general receivables, the allowance is provided based on past loan loss experience. For receivables from debtors in financial difficulty, allowance is provided for estimated unrecoverable amounts on an individual basis.

(ii) Allowance for bonuses to employees

The allowance for bonuses to employees is provided based upon the expected amount to be paid.

(iii) Provision for large-scale renovation of Shinkansen infrastructure

The provision for large-scale renovation of Shinkansen infrastructure is recognized based on Article 17 of the Nationwide Shinkansen Railway Development Act (Act No. 71, 1970).

On March 29, 2016, the Company received approval for a Plan for Provision for Large-Scale Renovation of Shinkansen Infrastructure from the Minister of Land, Infrastructure, Transport and Tourism based on Article 16, Paragraph (1) of the Nationwide Shinkansen Railway Development Act. As a result, from fiscal 2017 until fiscal 2031, a provision of ¥24,000 million (total: ¥360,000 million) will be recognized each fiscal year, and from fiscal 2032, until fiscal 2041, a reversal of ¥36,000 million (total: ¥360,000 million) will be recognized each fiscal year.

(iv) Allowance for disaster-damage losses

The allowance for disaster-damage losses is established based upon the estimated restoration and other expenses arising from Typhoon No. 15 (Faxai) and Typhoon No. 19 (Hagibis), which landed on September 9, 2019 and October 12, 2019, respectively. Also, the allowance for disaster-damage losses is established based upon the estimated amount of restoration and other expenses arising from Fukushima Prefecture offshore earthquakes that occurred on March 16, 2022.

Further, the allowance for disaster-damage losses is established based upon the estimated amount of restoration and other expenses arising from damage sustained from heavy rains that occurred in August 2022.

(5) Accounting for net retirement benefit liabilities

(i) The method for attributing expected retirement benefits to periods

In calculating the retirement benefit obligation, estimated retirement benefits are attributed to the accounting period prior to the balance sheets date in accordance with the benefit formula basis.

(ii) Amortization of prior service costs and actuarial gains and losses

The prior service costs are amortized by the straight-line method and charged to income over the number of years (mainly ten years) which does not exceed the average remaining years of employment at the time when the prior service costs were incurred.

Actuarial gains and losses are recognized in expenses using the straight-line method over constant years (mainly ten years) within the average of the estimated remaining service lives of employees at the time when the actuarial gains and losses are incurred in each period, commencing with the following fiscal year.

(6) Basis for recognition of significant revenues and costs

The Group is engaged in the transportation business, retail & services business, real estate & hotels business, etc. Revenues from these businesses are recorded mainly based on contracts with customers, and transaction prices are based on the consideration under contracts with customers. However, in regard to transactions performed by the Group as an agent, transaction prices are based on the net value, being the difference between the consideration received from customers and the amount paid to the third party actually delivering the goods and services. Major transactions performed by the Group as an agent are part of retail operations in retail & service business.

The Group also operates the group-wide “*JRE POINT*” program, awarding points to customers according to the usage at railways and station buildings that can be used for services provided by the Group. The points awarded to customers are recognized as separate performance obligations, and allocated to each performance obligation based on the ratio of stand-alone selling price estimated by the unit price of points and lapse ratio. Performance obligations of “*JRE POINT*” are recorded as contract liabilities, and revenues are recognized according to the point usage.

Details of major performance obligations and timing of satisfaction of performance obligations for each segment relating to the recording of revenues are as described below.

(i) Transportation business

The transportation business mainly provides passenger transport services. Revenues from commuter passes are recorded as “Commuter Passes Revenue,” and revenues from regular tickets other than commuter passes and fare tickets are recorded as “Non-Commuter Passes Revenue.”

Performance obligation under Commuter Passes Revenue is to provide customers with passenger transport services for the sections designated by commuter passes within the validity period, and such performance obligation is fulfilled upon expiration of the validity period of commuter passes.

Performance obligation under Non-Commuter Passes Revenue is to provide customers with passenger transport services for the sections or trains designated by train tickets or fare tickets, and such performance obligation is fulfilled at the time of provision of passenger transport service to the customer.

(ii) Retail & Services business

The retail & services business mainly conducts retail and restaurant operations. Performance obligation in the retail & services business is to provide goods or services to customers, and such performance obligation is fulfilled at the time of provision of goods or services.

(iii) Real Estate & Hotels business

The real estate & hotels business mainly conducts leasing operation of real estate owned by the Group, sales operation of real estate developed by the Group, and hotel operation.

Leasing operation of real estate mainly involves management of shopping centers and lease of office buildings. Revenues from lease of real estate are recorded during the lease contract period according to the “Accounting Standards for Lease Transactions.” Performance obligation in sales operation of real estate is to deliver real estate to customers, and such performance obligation is fulfilled at the time of delivery of real estate.

Performance obligation in hotel operation is to provide accommodation services to customers, and such performance obligation is fulfilled at the time of provision of services.

(iv) Others

Others mainly consists of the IT & *Suica* business including credit card services and electronic money services. Performance obligation in these businesses is to provide a payment service through a credit card and electronic money, and to deliver IC card-related equipment, and such performance obligation is fulfilled at the time of provision of services or delivery of goods.

(7) Method of accounting for important hedge transactions

(i) Method of accounting for hedge transactions

Hedge transactions are based on deferral hedge accounting. Currency swap transactions and forward exchange contracts fulfilling the requirement of appropriation accounting are based on appropriation accounting, and interest swap transactions fulfilling the requirement of special accounting are based on special accounting.

(ii) Hedging instruments and hedged items

The Company uses currency swaps and forward exchange contracts to hedge foreign currency exchange rate fluctuation risks associated with foreign currency-denominated bonds and receivables. The Company also enters into interest rate swaps to hedge the risk of fluctuations in interest rates related to interest on borrowings.

(iii) Hedging policy

The Company enters into derivatives transactions to hedge risks associated with foreign exchange fluctuation, taking into consideration market trends, and contract amounts, terms, and characteristics, among other factors. In addition, the Company enters into derivatives transactions to hedge risks associated with interest rate fluctuation, taking into consideration market trends, and capital amounts, and terms, among other factors.

(iv) Methods of evaluating the effectiveness of hedging

The Company assesses the effectiveness of hedging activity by verifying correspondence between hedging instruments and hedged items on a quarterly basis.

However, when the key terms of the hedging instrument and the hedged item are identical or nearly identical, we do not assess the effectiveness of hedging. In such cases, we continue to monitor the correspondence between the hedging instruments and the hedged items on a quarterly basis.

(8) Method and period of amortization of goodwill

Goodwill is equally amortized over five to ten years from the fiscal year when the goodwill arises.

(9) Scope of cash and cash equivalents in consolidated statements of cash flows

Cash (cash and cash equivalents) in the consolidated statements of cash flows includes cash on hand, deposits that can be withdrawn on demand, and short-term investments with maturities of three months or less at the time of acquisition that are readily convertible to cash and are exposed to insignificant risk of changes in value.

(10) Accounting for direct deduction from acquisition cost of fixed assets regarding construction grants

The Company receives construction grants from local public and other entities as part of construction costs for rail line elevation for serial overpasses in its railway operations.

These construction grants are recognized by directly deducting the amount equal to such construction grants from the acquisition cost of fixed assets at the time of completion of construction.

In the consolidated statements of income, construction grants are recorded as extraordinary gains under “Construction grants received” including the amount received for condemnation, and the amount directly deducted from the acquisition cost of fixed assets is recorded as extraordinary losses under “Losses on reduction entry for construction grants” including the reduction for condemnation.

The amount recorded as extraordinary gains under “Construction grants received” excluding the amount received for condemnation and the amount recorded as extraordinary losses under “Losses on reduction entry for construction grants” excluding the reduction for condemnation are as follows:

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Amount recorded as extraordinary gains under “Construction grants received” excluding amount received for condemnation | ¥15,225 million | ¥18,748 million |
| Amount recorded as extraordinary losses under “Losses on reduction entry for construction grants” excluding reduction for condemnation | ¥11,993 million | ¥17,118 million |

Major Accounting Estimates

Recoverability of deferred tax assets

1. Amount recorded in consolidated financial statements for the fiscal year

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---------------------|----------------------|----------------------|
| Deferred tax assets | 342,540 | 306,915 |

2. Information regarding major accounting estimates pertaining to identified items

Deferred tax assets are recognized for the future reversal of deductible temporary differences in future fiscal years and for the estimated amount of reduced taxes to offset tax losses carried forward against taxable income, judged by their recoverability based on estimates of future taxable income and other factors.

Estimates of taxable income are on the basis of forecasts of business results based on the medium-term management strategy and information on the external environment. In the Mobility-related business centered on railway operations, the estimates are based on anticipated revenues from railway transportation generated through new measures, etc., and in the business related to Lifestyle solutions, the estimates are based on anticipated revenues from retail & services and the development and sales of real estate.

Regarding the estimated amount of reduced taxes resulting from offsetting of tax losses brought forward and taxable income, the Company received approval for its business adaptation plan (growth and development business adaptation plan) from the Minister of Land, Infrastructure, Transport and Tourism on March 30, 2022. Therefore, the Company takes into account, for losses incurred in fiscal 2021 and fiscal 2022, application of the special taxation treatment that increases the maximum amount of deductible losses brought forward from 50% of taxable income of any given fiscal year to up to 100% of such taxable income for a maximum of five fiscal years from fiscal 2023, within the amount of investment made in accordance with the business adaptation plan.

If the business performance does not proceed as anticipated, and, as a result, changes to the estimates of taxable income are required, the determination of the recoverability of deferred tax assets in the following fiscal year could be affected.

Impairment of fixed assets

1. Amount recorded in consolidated financial statements for the fiscal year

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|-------------------------------|----------------------|----------------------|
| Property, plant and equipment | 7,472,378 | 7,792,162 |
| Intangible assets | 201,452 | 209,477 |

2. Information regarding major accounting estimates pertaining to identified items

The Group performs asset grouping primarily by business segment or property, in accordance with management accounting classifications. For the Company's assets for railway operations, all railway lines are treated as a single asset group since the cash flows are generated from the entire railway network. In addition, assets designated for transfer or discontinuation are treated as a unit, while idle and other assets are treated as a separate unit. For those asset groups whose fair value has declined significantly from their book value or whose profitability has declined significantly, we estimate future cash flows and when the total of undiscounted future cash flows is less than the book value of the asset group, we reduce the book value to the recoverable amount and recognize impairment losses.

For the calculation of the recoverable amount, we use such assumptions as the estimated number of years of future cash flows, forecasts of operating revenues based on occupancy of tenants and renewal of facilities, effects of cost reduction measures, forecasts of net sales prices, and discount rates to calculate the present value of future cash flow. If assumptions need to be changed due to economic slowdown, bad weather, competition with other businesses, decline of market prices and outbreak of infectious diseases, among others, impairment losses could be recognized in the consolidated financial statements in or after the following fiscal year.

Changes in accounting policies

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; "Revised Accounting Standard of 2022"), etc. from the beginning of the fiscal year under review.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; "Revised Guidance of 2022"). This change in accounting policies has no impact on the consolidated financial statements.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the fiscal year under review. This change in accounting policies has been applied retrospectively, and is reflected in the consolidated financial statements for the fiscal year ended March 31, 2024. This change in accounting policies has no impact on the consolidated financial statements for the fiscal year ended March 31, 2024.

Unapplied accounting standards

- "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024)
- "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024), Etc.

1. Summary

For all leases by lessees, both right-of-use assets and lease liabilities are recognized. In terms of expense allocation for lessee leases, a single accounting model similar to IFRS 16 is applied, under which depreciation of the right-of-use assets and interest expense on the lease liabilities are recorded, regardless of whether the lease is classified as a finance lease or an operating lease.

2. Scheduled Effective Date

Scheduled for application from the beginning of the fiscal year ending in March 2028.

3. Impacts of the application of this accounting standard

The amount of impact is under evaluation at the time of preparation of these financial statements.

Changes in Presentation

Consolidated Statements of Income

1. The Company redefined the utilization of spaces under the elevated rail tracks as the real estate business with the aim of achieving a management structure based on the two pillars of Mobility and Lifestyle solutions, and therefore changed the classification of its business of leasing such spaces, which had been defined as “Railway operations,” to “Other operations.”
Accordingly, the expenses of the business of leasing such spaces, which were included in “Transportation, other services, and cost of sales” in the previous fiscal year, are included in “Selling, general and administrative expenses” for presentation in the fiscal year under review. As a result, ¥2,137 million presented in “Transportation, other services, and cost of sales” in the consolidated statement of income for the fiscal year ended March 31, 2024 has been reclassified as “Selling, general and administrative expenses.”
2. “Gain on sale of investments in securities,” which was presented as a part of “Other” under extraordinary gains in the fiscal year ended March 31, 2024, has been separately presented from the fiscal year ended March 31, 2025, since the amount exceeded 10% of the total amount of extraordinary gains. As a result, ¥3,591 million presented in “Other” in the consolidated statements of income for the fiscal year ended March 31, 2024 has been reclassified as under “Gain on sale of investments in securities” under extraordinary gains.

Consolidated Statements of Cash Flows

1. “Net change in allowance for environmental conservation costs,” which was included in “Other” under cash flows from operating activities in the fiscal year ended March 31, 2024, is classified separately for presentation in the fiscal year ended March 31, 2025 because its monetary importance has increased. As a result, ¥618 million presented in “Other” in the consolidated statements of cash flows for the fiscal year ended March 31, 2024 has been reclassified as “Net change in allowance for environmental conservation costs” under cash flows from operating activities.
2. “Net change in short-term loans,” which was presented separately in the fiscal year ended March 31, 2024, is included in “Other” under cash flows from financing activities, due to low financial significance. As a result, ¥(1,123) million presented in “Net change in short-term loans” in the consolidated statements of cash flows for the fiscal year ended March 31, 2024 has been reclassified as “Other” under cash flows from financing activities.
3. “Payments from purchase of shares of subsidiaries not resulting in change in scope of consolidation,” which was included in “Other” under cash flows from financing activities in the fiscal year ended March 31, 2024, is classified separately for presentation in the fiscal year ended March 31, 2025 because its monetary importance has increased. As a result, ¥(243) million presented in “Other” in the consolidated statements of cash flows for the fiscal year ended March 31, 2024 has been reclassified as “Payments from purchase of shares of subsidiaries not resulting in change in scope of consolidation” under cash flows from financing activities.

Notes to Consolidated Balance Sheets

*1 Pledged assets

(1) Assets pledged as collateral are as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|---------------------------|----------------------|----------------------|
| Cash and time deposits | ¥284 million | ¥284 million |
| Investments in securities | ¥10,135 million | ¥14,353 million |
| Other | ¥38 million | ¥1,464 million |
| Total | ¥10,459 million | ¥16,103 million |

Liabilities corresponding to the above are as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|------------------------------------|----------------------|----------------------|
| Notes and accounts payable - trade | ¥1,068 million | ¥1,003 million |
| Other | ¥21 million | ¥21 million |
| Total | ¥1,089 million | ¥1,024 million |

(2) Assets subject to foundation mortgage (railway foundation) are as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|--------------------------------|----------------------|----------------------|
| Buildings and structures (net) | ¥298 million | ¥386 million |
| Land | ¥2,236 million | ¥2,330 million |
| Other | ¥141 million | ¥180 million |
| Total | ¥2,676 million | ¥2,896 million |

Liabilities corresponding to the above are as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Long-term liabilities incurred for purchase of railway facilities | ¥223 million | ¥161 million |

*2 Of notes receivable, accounts receivable, and contract assets, the amount of receivables and contract assets arising from contracts with customers are each as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|-----------------------------|----------------------|----------------------|
| Notes receivable - trade | ¥97 million | ¥124 million |
| Accounts receivable - trade | ¥78,669 million | ¥82,750 million |
| Contract assets | ¥2,420 million | ¥9,927 million |

*3 The values of contract liabilities included in the “Other” category of Current Liabilities are as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥77,094 million | ¥94,932 million |

*4 Accumulated depreciation of tangible fixed assets is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥8,798,865 million | ¥8,972,457 million |

| | | | |
|-----|--|--|--|
| *5 | Accumulated amount of construction grants directly deducted from acquisition cost of fixed assets is as follows. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | | ¥981,294 million | ¥993,122 million |
| | Accumulated reduction in value received for expropriation directly deducted from the acquisition cost of fixed assets is as follows. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | | ¥371,790 million | ¥370,710 million |
| *6 | Accumulated reduction for each fiscal year regarding substitute assets for expropriation is as follows. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | | ¥5,960 million | ¥6,432 million |
| *7 | Amount transferred from fixed assets to real estate for sale due to the change to the purpose of ownership is as follows. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | | ¥12,236 million | ¥39,615 million |
| *8 | “Investment securities” under “Investments and other assets” invested in non-consolidated subsidiaries and affiliated companies are as follows. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | Investment in securities (shares) | ¥163,879 million | ¥183,705 million |
| *9 | Contingent liabilities are as follows. | | |
| (1) | Performance bond: | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | Japan Transportation Technology (Thailand) Co., Ltd. | ¥11,831 million (Japanese yen equivalent) | ¥12,234 million (Japanese yen equivalent) |
| | (Note) The above contract performance guarantee is a joint and several guarantee among three companies including the Company. | | |
| (2) | Capital call obligations, etc.: | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | Limited Liability Company JREAST Fund IX | – | ¥21,500 million |
| *10 | The “Other” category of Current Assets includes operating loans from credit card cash advances. | | |
| | | As of March 31, 2024 | As of March 31, 2025 |
| | Maximum amount | ¥90,555 million | ¥81,461 million |
| | Loan balance | ¥794 million | ¥713 million |
| | Unused amount | ¥89,760 million | ¥80,747 million |
| | The above maximum amount is the total maximum amount that customers can borrow at any time within the credit limit stipulated in the credit card membership agreement. | | |

*11 In accordance with the “Act on Transfer, etc. of Railway Facilities for Shinkansen,” the Company acquired Shinkansen railway facilities from the Shinkansen Railway Holding Organization for ¥3,106,969 million on October 1, 1991, and the assets were recorded under tangible and intangible fixed assets.
The amount of debt owed to the Japan Railway Construction, Transport and Technology Agency is recorded as liabilities (interest-bearing), and is classified as Current portion of long-term liabilities incurred for purchase of railway facilities or long-term liabilities incurred for purchase of railway facilities.

*12 The amounts of each item included in inventories are as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--------------------------------|----------------------|----------------------|
| Merchandise and finished goods | ¥9,187 million | ¥10,005 million |
| Work in process | ¥46,928 million | ¥57,818 million |
| Raw materials and supplies | ¥44,194 million | ¥47,426 million |

*13 Revaluation of land

The Company’s equity-method portion of “Revaluation reserve for land” recorded in a certain equity-method affiliate of the Company, which was recorded in connection with the revaluation of its land for business use pursuant to the Act on Revaluation of Land (Act No. 34, 1998) and Act for Partial Revision of the Act on Revaluation of Land (Act No. 19, 2001), is recorded in the Company’s Consolidated Balance Sheets as “Revaluation reserve for land” under “Net Assets, Accumulated Other Comprehensive Income.”

(1) Revaluation method

Rational adjustment based on assessed value of fixed assets for property tax purposes pursuant to the Order for Enforcement of the Act on Revaluation of Land (Cabinet Order No. 119, 1998) Article 2-3 and roadside land value pursuant to Article 2-4 of the same Order.

(2) Revaluation date

March 31, 2000 and March 31, 2002

(3) Difference between book value after revaluation and market value on closing date

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥(23) million | – |

Regarding the fiscal year ended March 31, 2025, the amount of difference is not shown as the market value exceeds the book value after revaluation.

Notes to Consolidated Statements of Income

*1 Revenues from contracts with customers

Regarding operational revenue, revenue generated from contracts with customers is not recorded separately from other revenue. The amount of revenue generated from contracts with customers is presented in “Notes to Revenue Recognition, 1. Breakdown of revenue from contracts with customers” in the consolidated financial statements.

*2 The itemization of selling, general and administrative expenses is as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--------------------------|---------------------------|---------------------------|
| Personnel expenses | ¥239,699 million | ¥248,040 million |
| Expenses | ¥259,375 million | ¥279,883 million |
| Taxes | ¥40,115 million | ¥42,148 million |
| Depreciation | ¥82,068 million | ¥84,634 million |
| Amortization of goodwill | ¥196 million | ¥542 million |
| Total | ¥621,456 million | ¥655,249 million |

*3 The total amount of research and development expenses included in operating expenses is as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| | ¥21,994 million | ¥23,100 million |

*4 The expenses for retirement benefits and the itemization of the provision for accrued liabilities are as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---------------------------|---------------------------|
| Allowance for bonuses to employees | ¥69,738 million | ¥75,832 million |
| Provision of allowance for doubtful accounts | ¥1,262 million | ¥2,007 million |
| Provision for large-scale renovation of Shinkansen infrastructure | ¥24,000 million | ¥24,000 million |
| Retirement benefit expenses | ¥29,775 million | ¥26,248 million |

*5 The gain on sales of fixed assets is due to the transfer of land, and other factors.

*6 Breakdown of contributions received for construction is as follows.

| Year ended March 31, 2024 | | Year ended March 31, 2025 | |
|--|----------------|---|----------------|
| (1) New construction of Makuhari-Toyosuna Station | ¥3,976 million | (1) Replacement work on the Furutonegawa Bridge between Hiagashi-Washinomiya and Kurihashi on the Utsunomiya Line | ¥3,665 million |
| (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥1,594 million | (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥2,056 million |
| (3) Renovation of Tsunashima kaido Gate exit at Musashi-Kosugi Station | ¥996 million | (3) Construction of a new shelter between Takao and Fujino on the Chuo Line | ¥1,721 million |

*7 The losses on sales of fixed assets is due to the transfer of land, and other factors.

*8 The losses from disposition of fixed assets is due to the loss of buildings in conjunction with shopping center renovation, among other factors.

*9 Breakdown of reduced amount for construction is as follows.

| Year ended March 31, 2024 | | Year ended March 31, 2025 | |
|--|----------------|---|----------------|
| (1) New construction of Makuhari-Toyosuna Station | ¥3,959 million | (1) Replacement work on the Furutonegawa Bridge between Hiagashi-Washinomiya and Kurihashi on the Utsunomiya Line | ¥3,091 million |
| (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥1,594 million | (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥2,056 million |
| (3) Renovation of Tsunashima kaido Gate exit at Musashi-Kosugi Station | ¥994 million | (3) Construction of a new shelter between Takao and Fujino on the Chuo Line | ¥1,721 million |

*10 Impairment losses on fixed assets

Year ended March 31, 2024

The Group performs asset grouping primarily by business segment or property, in accordance with management accounting classifications. For the Company's assets for railway operations, all railway lines are treated as a single asset group since the cash flows are generated from the entire railway network. In addition, assets designated for transfer or discontinuation are treated as a unit, while idle and other assets are treated as a separate unit.

For those asset groups whose fair value has declined significantly from their book value or whose profitability has declined significantly, we estimate future cash flows. When the total of undiscounted cash flows is less than the book value of the asset group, we reduce the book value to the recoverable amount and include the reduced amount as "impairment loss" (¥24,479 million) in calculation of Extraordinary Losses.

| Main uses | Type of assets | Location | Impairment losses on fixed assets (millions of yen) |
|---|--|------------------------------|---|
| Shopping center operations and Hotel operations, etc. | Buildings and structures, land, etc. | Yokohama-shi, Kanagawa, etc. | 19,930 |
| Retail sales, restaurant business, etc. | Buildings and structures, machinery, rolling stock, and vehicles, etc. | Chiyoda-ku, Tokyo, etc. | 3,167 |
| Railway business, etc. | Buildings and structures, etc. | Morioka-shi, Iwate, etc. | 1,381 |
| Other | Buildings and structures, etc. | Morioka-shi, Iwate, etc. | 0 |

Breakdown of impairment loss by major use

- Shopping center operations and Hotel operations, etc. ¥19,930 million (Breakdown - Buildings and structures: ¥18,860 million, Land: ¥386 million, Other: ¥683 million)
- Retail sales, restaurant business, etc. ¥3,167 million (Breakdown - Buildings and structures: ¥2,516 million, Machinery, rolling stock, and vehicles: ¥192 million, Other: ¥457 million)
- Railway business, etc. ¥1,381 million (Breakdown - Buildings and structures: ¥1,311 million, Other: ¥69 million)

The recoverable value of this asset group is measured by net selling price or utility value.

When recoverable value is measured by net selling price, it is calculated based on a reasonable adjustment of the appraisal value based on real estate appraisal standards and the appraised value of fixed assets tax. When recoverable value is measured by utility value, it is calculated by reducing future cash flows by 3.0%.

Year ended March 31, 2025

The Group performs asset grouping primarily by business segment or property, in accordance with management accounting classifications. For the Company's assets for railway operations, all railway lines are treated as a single asset group since the cash flows are generated from the entire railway network. In addition, assets designated for transfer or discontinuation are treated as a unit, while idle and other assets are treated as a separate unit.

For those asset groups whose fair value has declined significantly from their book value or whose profitability has declined significantly, we estimate future cash flows. When the total of undiscounted cash flows is less than the book value of the asset group, we reduce the book value to the recoverable amount. The amount of this reduction is included as "impairment loss" (¥11,507 million) in calculation of Extraordinary Losses.

| Main uses | Type of assets | Location | Impairment losses on fixed assets (millions of yen) |
|---|--|------------------------------|---|
| Shopping center operations and Hotel operations, etc. | Buildings and structures, land, etc. | Atami-shi, Shizuoka, etc. | 4,388 |
| Railway business, etc. | Buildings and structures, land, etc. | Toda-shi, Saitama, etc. | 3,866 |
| Retail sales, restaurant business, overseas life-style services, etc. | Buildings and structures, machinery, rolling stock, and vehicles, etc. | Taipei, Taiwan, etc. | 3,251 |
| Other | Buildings and structures, etc. | Kawasaki-shi, Kanagawa, etc. | 0 |

Breakdown of impairment loss by major use

| | | |
|---|----------------|--|
| • Shopping center operations and Hotel operations, etc. | ¥4,388 million | (Breakdown - Buildings and structures: ¥3,069 million, Land: ¥876 million, Machinery, rolling stock, and vehicles: ¥195 million, Intangible assets: ¥136 million, Other: ¥110 million) |
| • Railway business, etc. | ¥3,866 million | (Breakdown - Buildings and structures: ¥1,648 million, Land: ¥1,097 million, Machinery, rolling stock, and vehicles: ¥891 million, Other: ¥228 million) |
| • Retail sales, restaurant business, overseas life-style services, etc. | ¥3,251 million | (Breakdown - Buildings and structures: ¥2,217 million, Machinery, rolling stock, and vehicles: ¥267 million, Other: ¥766 million) |

The recoverable value of this asset group is measured by net selling price or utility value.

When recoverable value is measured by net selling price, it is calculated based on a reasonable adjustment of the appraisal value based on real estate appraisal standards and the appraised value of fixed assets tax. When recoverable value is measured by utility value, it is calculated by reducing future cash flows by 4.0%.

Notes to Consolidated Statements of Comprehensive Income

*1 Reclassification adjustments, income taxes, and tax effects relating to other comprehensive income

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---------------------------|---------------------------|
| Net unrealized holding gains (losses) on securities | | |
| Amount arising during the year | ¥83,119 million | ¥11,171 million |
| Reclassification adjustments | ¥(3,469) million | ¥(13,037) million |
| Subtotal, before tax | ¥79,650 million | ¥(1,865) million |
| Tax (expense) benefit | ¥(23,787) million | ¥(803) million |
| Subtotal, net of tax | ¥55,862 million | ¥(2,669) million |
| Net deferred gains (losses) on derivatives under hedge accounting | | |
| Amount arising during the year | ¥1,469 million | ¥463 million |
| Reclassification adjustments | ¥(492) million | ¥(500) million |
| Acquisition cost adjustments | ¥0 million | ¥0 million |
| Subtotal, before tax | ¥977 million | ¥(36) million |
| Tax (expense) benefit | ¥(298) million | ¥(29) million |
| Subtotal, net of tax | ¥679 million | ¥(66) million |
| Foreign currency translation adjustments | | |
| Amount arising during the year | ¥(102) million | ¥82 million |
| Reclassification adjustments | — | — |
| Subtotal, before tax | ¥(102) million | ¥82 million |
| Tax (expense) benefit | — | — |
| Subtotal, net of tax | ¥(102) million | ¥82 million |
| Remeasurements of defined benefit plans | | |
| Amount arising during the year | ¥38,255 million | ¥(14,430) million |
| Reclassification adjustments | ¥(3,242) million | ¥(6,968) million |
| Subtotal, before tax | ¥35,012 million | ¥(21,398) million |
| Tax (expense) benefit | ¥(10,670) million | ¥6,514 million |
| Subtotal, net of tax | ¥24,341 million | ¥(14,884) million |
| Share of other comprehensive income of associates accounted for using equity method | | |
| Amount arising during the year | ¥3,503 million | ¥856 million |
| Reclassification adjustments | ¥(791) million | ¥(411) million |
| Subtotal | ¥2,711 million | ¥445 million |
| Total other comprehensive income | ¥83,492 million | ¥(17,092) million |

Notes to Consolidated Statements of Changes in Net Assets

Year ended March 31, 2024

1. Class and total number of issued shares, and class and number of treasury shares

| | Number of shares at beginning of the fiscal year (shares) | Increase (shares) | Decrease (shares) | Number of shares at end of the fiscal year (shares) |
|-------------------------|---|-------------------|-------------------|---|
| Issued shares | | | | |
| Common stock | 377,932,400 | 205,000 | – | 378,137,400 |
| Total | 377,932,400 | 205,000 | – | 378,137,400 |
| Treasury stock, at cost | | | | |
| Common stock | 1,293,600 | 58,761 | 332,314 | 1,020,047 |
| Total | 1,293,600 | 58,761 | 332,314 | 1,020,047 |

(Notes) 1. The increase of 205,000 shares of common stock in issued shares is due to issuance of new shares through the share exchange in relation to atré Co., Ltd. becoming a wholly-owned subsidiary.

2. The increase of 58,761 shares of common stock in treasury stock, at cost comprises an increase of 1,705 shares due to purchase of shares constituting less than one unit, an increase of 27,368 shares of treasury stock attributable to the Company (Company shares) held by consolidated subsidiaries resulting from the share exchange in relation to Sendai Terminal Building Co., Ltd. and JR East Rental & Lease Co., Ltd. becoming wholly-owned subsidiaries, and an increase of 29,688 shares of treasury stock attributable to the Company (Company shares) held by affiliates accounted for by the equity method.

3. The decrease of 332,314 shares of common stock in treasury stock, at cost is due to a decrease resulting from the share exchange in relation to atré Co., Ltd., Sendai Terminal Building Co., Ltd. and JR East Rental & Lease Co., Ltd. becoming wholly-owned subsidiaries.

4. The Company conducted a 3-for-1 split of its common stock on April 1, 2024. The number of shares above represents the number of shares before the stock split.

2. Matters concerning dividend

(1) Amount of dividends paid

| Resolution | Class of stock | Total amount of dividend (millions of yen) | Dividend per share (yen) | Record date | Payment commencement date |
|--|----------------|--|--------------------------|--------------------|---------------------------|
| Ordinary General Meeting of Shareholders held on June 22, 2023 | Common stock | 18,879 | 50 | March 31, 2023 | June 23, 2023 |
| Meeting of Board of Directors held on October 31, 2023 | Common stock | 20,767 | 55 | September 30, 2023 | December 1, 2023 |

(2) Dividends having the record date within this fiscal year and the payment commencement date within the following fiscal year

| Resolution | Class of stock | Total amount of dividend (millions of yen) | Dividend source | Dividend per share (yen) | Record date | Payment commencement date |
|--|----------------|--|-------------------|--------------------------|----------------|---------------------------|
| Ordinary General Meeting of Shareholders held on June 20, 2024 | Common stock | 32,141 | Retained earnings | 85 | March 31, 2024 | June 21, 2024 |

(Note) The Company conducted a 3-for-1 split of its common stock on April 1, 2024. The dividend per share resolved at the Ordinary General Meeting of Shareholders held on June 20, 2024, represents the actual amount of dividend before the stock split.

Year ended March 31, 2025

1. Class and total number of issued shares, and class and number of treasury shares

| | Number of shares at beginning of the fiscal year (shares) | Increase (shares) | Decrease (shares) | Number of shares at end of the fiscal year (shares) |
|-------------------------|---|-------------------|-------------------|---|
| Issued shares | | | | |
| Common stock | 378,137,400 | 756,274,800 | – | 1,134,412,200 |
| Total | 378,137,400 | 756,274,800 | – | 1,134,412,200 |
| Treasury stock, at cost | | | | |
| Common stock | 1,020,047 | 4,749,055 | 2,643,123 | 3,125,979 |
| Total | 1,020,047 | 4,749,055 | 2,643,123 | 3,125,979 |

(Notes) 1. The increase of 756,274,800 shares of common stock in issued shares was due to a 3-for-1 stock split of common stock effective April 1, 2024.

2. The increase of 4,749,055 shares in treasury stock of common stock is attributable to the following: an increase of 1,715 shares due to purchase of shares constituting less than one unit; an increase of 2,040,094 shares resulting from a 3-for-1 stock split of common stock effective April 1, 2024; an increase of 82,104 shares from in-kind distributions of treasury stock (Company shares) by consolidated subsidiaries NIPPON HOTEL Co., Ltd., JR East Niigata City Create Inc., and JR East TOHOKU SOUGOU SERVICE Co., Ltd.; an increase of 2,470,000 shares through market purchases on the Tokyo Stock Exchange on February 20, 2025, based on the Board of Directors resolution dated February 19, 2025; an increase of 74,000 shares of treasury stock attributable to the Company (Company shares) held by a consolidated subsidiary as a result of a share exchange accompanying the full ownership of JR East Department Store Co., Ltd.; and an increase of 81,142 shares of treasury stock attributable to the Company (Company shares) held by affiliates accounted for by the equity method.

3. The decrease of 2,643,123 shares in treasury stock of common stock is attributable to the following: a decrease of 91 shares due to the sale of shares constituting less than one unit; a decrease of 82,104 shares of treasury stock attributable to the Company (Company shares) from in-kind distributions by consolidated subsidiaries NIPPON HOTEL Co., Ltd., JR East Niigata City Create Inc., and JR East TOHOKU SOUGOU SERVICE Co., Ltd.; and a decrease of 2,560,928 shares resulting from the share exchange in relation to the full ownership of LUMINE Co., Ltd. and JR East Department Store Co., Ltd.

2. Matters concerning dividend

(1) Amount of dividends paid

| Resolution | Class of stock | Total amount of dividend (millions of yen) | Dividend per share (yen) | Record date | Payment commencement date |
|--|----------------|--|--------------------------|--------------------|---------------------------|
| Ordinary General Meeting of Shareholders held on June 20, 2024 | Common stock | 32,141 | 85 | March 31, 2024 | June 21, 2024 |
| Meeting of Board of Directors held on October 31, 2024 | Common stock | 29,492 | 26 | September 30, 2024 | December 2, 2024 |

(Note) The Company conducted a 3-for-1 split of its common stock on April 1, 2024. The dividend per share resolved at the Ordinary General Meeting of Shareholders held on June 20, 2024, represents the actual amount of dividend before the stock split.

(2) Dividends having the record date within this fiscal year and the payment commencement date within the following fiscal year

The following proposals are scheduled to be submitted to the Ordinary General Meeting of Shareholders to be held on June 20, 2025.

| Resolution | Class of stock | Total amount of dividend (millions of yen) | Dividend source | Dividend per share (yen) | Record date | Payment commencement date |
|--|----------------|--|-------------------|--------------------------|----------------|---------------------------|
| Ordinary General Meeting of Shareholders held on June 20, 2025 | Common stock | 38,569 | Retained earnings | 34 | March 31, 2025 | June 23, 2025 |

Notes to Consolidated Statements of Cash Flows

*1 Reconciliation of closing balance of cash and cash equivalents and the related account on the consolidated balance sheets

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Cash and time deposits | ¥281,000 million | ¥233,663 million |
| Time deposits with maturity over 3 months | ¥(189) million | ¥(189) million |
| Cash and cash equivalents at the fiscal year end | ¥280,810 million | ¥233,473 million |

*2 Major components of assets and liabilities of a company which became a new consolidated subsidiary due to purchase of shares

Year ended March 31, 2024

The breakdown of assets and liabilities at the commencement of consolidation in association with the new consolidation of GATES PCM CONSTRUCTION LTD. due to purchase of shares, and relationship between acquisition cost of the shares and payments for the purchase (net) are as follows.

| | |
|--|------------------|
| Current Assets | ¥1,643 million |
| Fixed Assets | ¥1,667 million |
| Goodwill | ¥1,677 million |
| Current Liabilities | ¥(1,833) million |
| Long-Term Liabilities | ¥(76) million |
| Foreign currency translation adjustments | ¥5 million |
| Non-controlling interests | ¥(350) million |
| Acquisition cost of shares of newly consolidated subsidiaries | ¥2,732 million |
| Cash and cash equivalents of newly consolidated subsidiaries | ¥(71) million |
| Balance: Payments for acquisition of newly consolidated subsidiaries | ¥2,660 million |

Year ended March 31, 2025

The breakdown of assets and liabilities at the commencement of consolidation in association with the new consolidation of Decorum Vending Ltd. due to purchase of shares, and relationship between acquisition cost of the shares and payments for the purchase (net) are as follows.

| | |
|--|----------------|
| Current Assets | ¥122 million |
| Fixed Assets | ¥266 million |
| Goodwill | ¥3,017 million |
| Current Liabilities | ¥(385) million |
| Long-Term Liabilities | ¥(52) million |
| Foreign currency translation adjustments | ¥0 million |
| Acquisition cost of shares of newly consolidated subsidiaries | ¥2,969 million |
| Cash and cash equivalents of newly consolidated subsidiaries | ¥(23) million |
| Balance: Payments for acquisition of newly consolidated subsidiaries | ¥2,945 million |

Notes to Leases

1. Operating lease transactions

As lessee

Future lease payments to be received under non-cancellable leases of operating lease transactions

| | As of March 31, 2024 | As of March 31, 2025 |
|------------------|----------------------|----------------------|
| 1 year or less | ¥7,396 million | ¥7,394 million |
| Exceeding 1 year | ¥71,305 million | ¥68,452 million |
| Total | ¥78,701 million | ¥75,846 million |

As lessor

Future lease payments to be received under non-cancellable leases of operating lease transactions

| | As of March 31, 2024 | As of March 31, 2025 |
|------------------|----------------------|----------------------|
| 1 year or less | ¥19,833 million | ¥24,847 million |
| Exceeding 1 year | ¥48,238 million | ¥124,048 million |
| Total | ¥68,071 million | ¥148,896 million |

Notes to Financial Instruments

1. Items relating to the status of financial instruments

(1) Policy in relation to financial instruments

If surplus funds arise, the Company and its consolidated subsidiaries use only financial assets with high degrees of safety for the management of funds. The Company and its consolidated subsidiaries principally use bond issuances and bank loans in order to raise funds. Further, the Company and its consolidated subsidiaries use derivatives to reduce risk, as described below, and do not conduct speculative trading.

(2) Details of financial instruments and related risk

Trade receivables—notes and accounts receivable - trade, and fares receivable—are exposed to credit risk in relation to customers, transportation operators with connecting railway services, and other parties. Due dates and balances are managed appropriately for each counterparty pursuant to the internal regulations of the Company and its consolidated subsidiaries.

Securities and investments in securities are exposed to market price fluctuation risk.

Substantially all of trade payables—notes and accounts payable - trade, payables, fare deposits received with regard to railway connecting services, accrued consumption taxes, and accrued income taxes—have payment due dates within one year.

Bonds and loans are exposed to risk associated with inability to make payments on due dates because of unforeseen decreases in free cash flow. Further, certain bonds and loans are exposed to market price fluctuation risk (foreign exchange / interest rates).

Long-term liabilities incurred for purchase of railway facilities are liabilities with regard to the Japan Railway Construction, Transport and Technology Agency and, pursuant to the “Act on Transfer, etc. of Railway Facilities for Shinkansen,” comprise principally of (interest-bearing) debts related to the Company’s purchase of Shinkansen railway facilities for a total purchase price of ¥3,106,969 million from Shinkansen Holding Corporation on October 1, 1991. The Company pays such purchase price, based on regulations pursuant to the “Act on Transfer, etc. of Railway Facilities for Shinkansen,” enacted in 1991, and other laws, in semiannual installments calculated using the equal payment method, whereby interest and principal are paid in equal amounts semiannually, based on interest rates approved by the Minister of Transport (at the time of enactment). Long-term liabilities incurred for purchase of railway facilities are exposed to risk associated with an inability to make payments on due dates because of unforeseen decreases in free cash flow. Further, certain long-term liabilities incurred for purchase of railway facilities are exposed to market price fluctuation risk (interest rates).

(3) Risk management system for financial instruments

The Company and its consolidated subsidiaries use forward exchange contract transactions, currency swap transactions, and interest rate swap transactions with the aim of avoiding market price fluctuation risk (foreign exchange / interest rates) in relation to, among others, bonds and loans. Further, natural disaster derivatives are used with the aim of avoiding revenue expenditure fluctuation risk due to natural disasters.

Because all of the derivative transaction contracts that the Company and its consolidated subsidiaries enter into are transactions whose counterparties are financial institutions that have high creditworthiness, the Company and its consolidated subsidiaries believe that there is nearly no risk of parties to contracts defaulting on obligations.

Under the basic policy of properly executing transactions and conducting risk management approved by the Board of Directors, financial departments in the relevant companies process those derivative transactions in accordance with relevant internal regulations and with the approval of the Board of Directors or upon other appropriate internal procedures.

(4) Supplementary explanation of items relating to the fair values of financial instruments

Because estimation of fair values incorporates variable factors, adopting different assumptions can change the values. Furthermore, the contract amount and other related figures concerning derivative transactions in “Notes to Derivatives Transactions” are not in themselves indicative of the market risk associated with derivative trading.

2. Items relating to the fair values of financial instruments

Carrying amounts in the consolidated balance sheets, fair values, and the differences between them were as follows. Further, securities and investments without market value and partnership capital, etc. are not included in the following table. Cash and time deposits are omitted since they are nearly equivalent to the book values.

As of March 31, 2024

| | Consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) |
|---|---|----------------------------------|---------------------------------|
| (1) Notes and accounts receivable - trade | 627,300 | 627,300 | - |
| (2) Fares receivable | 78,183 | 78,183 | - |
| (3) Securities and investments in securities | | | |
| (i) Held-to-maturity debt securities | 450 | 450 | 0 |
| (ii) Available-for-sale securities (*1) | 262,230 | 262,230 | - |
| Total assets | 968,164 | 968,164 | 0 |
| (1) Notes and accounts payable - trade | 47,754 | 47,754 | - |
| (2) Short-term loans | 47 | 47 | - |
| (3) Payables | 514,469 | 514,469 | - |
| (4) Accrued consumption taxes | 40,667 | 40,667 | - |
| (5) Accrued income taxes | 22,040 | 22,040 | - |
| (6) Fare deposits received with regard to railway connecting services | 44,475 | 44,475 | - |
| (7) Bonds | 3,114,967 | 2,975,069 | (139,898) |
| (8) Long-term loans | 1,442,250 | 1,436,131 | (6,118) |
| (9) Long-term liabilities incurred for purchase of railway facilities | 311,001 | 542,696 | 231,694 |
| Total liabilities | 5,537,673 | 5,623,351 | 85,678 |
| Derivative transactions (*2) | | | |
| (1) Hedge accounting applied | 4,593 | 4,593 | - |
| (2) Hedge accounting not applied | 1,606 | 1,606 | - |
| Total of derivative transactions | 6,199 | 6,199 | - |

(*1) Available-for-sale securities include investment trusts whose investment trust assets are real estate, to which Paragraph (24)-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021) has been applied.

(*2) Net receivables / payables arising from derivatives are shown.

As of March 31, 2025

| | Consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) |
|---|--|-------------------------------|------------------------------|
| (1) Notes and accounts receivable - trade | 674,965 | 674,965 | – |
| (2) Fares receivable | 77,836 | 77,836 | – |
| (3) Securities and investments in securities | | | |
| (i) Held-to-maturity debt securities | 450 | 450 | 0 |
| (ii) Available-for-sale securities (*1) | 258,633 | 258,633 | – |
| Total assets | 1,011,886 | 1,011,886 | 0 |
| (1) Notes and accounts payable - trade | 53,738 | 53,738 | – |
| (2) Short-term loans | 490 | 490 | – |
| (3) Payables | 617,665 | 617,665 | – |
| (4) Accrued consumption taxes | 24,002 | 24,002 | – |
| (5) Accrued income taxes | 27,020 | 27,020 | – |
| (6) Fare deposits received with regard to railway connecting services | 48,420 | 48,420 | – |
| (7) Bonds | 3,246,373 | 2,880,413 | (365,959) |
| (8) Long-term loans | 1,401,782 | 1,345,965 | (55,816) |
| (9) Long-term liabilities incurred for purchase of railway facilities | 306,703 | 482,401 | 175,697 |
| Total liabilities | 5,726,196 | 5,480,117 | (246,078) |
| Derivative transactions (*2) | | | |
| (1) Hedge accounting applied | 4,556 | 4,556 | – |
| (2) Hedge accounting not applied | 1,582 | 1,582 | – |
| Total of derivative transactions | 6,139 | 6,139 | – |

(*1) Available-for-sale securities include investment trusts whose investment trust assets are real estate, to which Paragraph (24)-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021) has been applied.

(*2) Net receivables / payables arising from derivatives are shown.

(Notes) 1. Matters related to securities and derivative transactions

(1) Securities and investments in securities

Securities categorized by each holding purpose, are described in “Notes to Securities.”

(2) Derivative transactions

Please refer to “Notes to Derivatives Transactions” for more information.

2. Consolidated balance sheets amounts of securities and investments without market value, partnership capital, etc.

(Millions of yen)

| Classification | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Unlisted equity shares (*1) | 7,784 | 8,609 |
| Investment in limited liability companies (*1) | 696 | 1,051 |
| Investment in limited partnership (*1) (*2) | 27,070 | 51,695 |
| Preferred equity securities (*1) | 1,768 | 2,046 |

(*1) Unlisted equity shares, investment in limited liability companies, investment in limited partnership, and preferred equity securities are not included in “(3) Securities and investments in securities, (ii) Available-for-sale securities.”

(*2) Investment in limited partnership is not subject to the disclosure of fair value in accordance with Paragraph (24)-16 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021).

3. The amounts recognized in the consolidated balance sheets and fair values related to bonds, long-term loans, and long-term liabilities incurred for purchase of railway facilities include, respectively, the current portion of bonds, the current portion of long-term loans, and the current portion of long-term liabilities incurred for purchase of railway facilities.

4. Expected redemption amounts of monetary claims and securities with maturity after the consolidated balance sheets date
As of March 31, 2024

| | 1 year or less (millions of yen) | Exceeding 1 year but 5 years or less (millions of yen) | Exceeding 5 years but 10 years or less (millions of yen) | Exceeding 10 years (millions of yen) |
|--|--|--|--|---|
| Cash and time deposits | 281,000 | – | – | – |
| Notes and accounts receivable - trade | 620,982 | 6,283 | 34 | – |
| Fares receivable | 78,183 | – | – | – |
| Securities and investments in securities | | | | |
| Held-to-maturity debt securities (government bonds and corporate bonds) | – | 10 | – | 440 |
| Available-for-sale securities with maturity dates (government bonds) | 6 | – | – | – |
| Total | 980,172 | 6,293 | 34 | 440 |

As of March 31, 2025

| | 1 year or less (millions of yen) | Exceeding 1 year but 5 years or less (millions of yen) | Exceeding 5 years but 10 years or less (millions of yen) | Exceeding 10 years (millions of yen) |
|--|--|--|--|---|
| Cash and time deposits | 233,663 | – | – | – |
| Notes and accounts receivable - trade | 668,300 | 6,640 | 24 | – |
| Fares receivable | 77,836 | – | – | – |
| Securities and investments in securities | | | | |
| Held-to-maturity debt securities (government bonds and corporate bonds) | 10 | – | – | 440 |
| Available-for-sale securities with maturity dates (government bonds) | – | – | 6 | – |
| Total | 979,810 | 6,640 | 30 | 440 |

5. Scheduled repayment amounts after the date of consolidated balance sheets settlement for short-term borrowings, corporate bonds, long-term borrowings, and long-term liabilities accrued from the purchase of railway facilities.

As of March 31, 2024

| | 1 year or less (millions of yen) | Exceeding 1 year but 2 years or less (millions of yen) | Exceeding 2 years but 3 years or less (millions of yen) | Exceeding 3 years but 4 years or less (millions of yen) | Exceeding 4 years but 5 years or less (millions of yen) | Exceeding 5 years (millions of yen) |
|---|--|--|---|---|---|--|
| Short-term loans | 47 | – | – | – | – | – |
| Bonds | 145,000 | 207,545 | 90,000 | 100,000 | 135,634 | 2,437,274 |
| Long-term loans | 179,100 | 141,200 | 185,150 | 266,000 | 189,800 | 481,000 |
| Long-term liabilities incurred for purchase of railway facilities | 4,297 | 4,552 | 4,853 | 5,174 | 5,517 | 286,605 |

As of March 31, 2025

| | 1 year or less (millions of yen) | Exceeding 1 year but 2 years or less (millions of yen) | Exceeding 2 years but 3 years or less (millions of yen) | Exceeding 3 years but 4 years or less (millions of yen) | Exceeding 4 years but 5 years or less (millions of yen) | Exceeding 5 years (millions of yen) |
|---|--|--|---|---|---|--|
| Short-term loans | 490 | – | – | – | – | – |
| Bonds | 207,545 | 90,000 | 100,000 | 135,634 | 85,000 | 2,628,627 |
| Long-term loans | 141,220 | 185,154 | 266,004 | 189,801 | 174,600 | 445,000 |
| Long-term liabilities incurred for purchase of railway facilities | 4,563 | 4,850 | 5,171 | 5,514 | 5,862 | 280,741 |

3. Items relating to the breakdown by levels of the fair values for financial instruments

The fair values of financial instruments are categorized in three levels described below according to the observability and importance of the inputs for the estimation of fair values.

Level 1 fair values: Fair values estimated by (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 fair values: Fair values estimated by inputs other than those used in Level 1 that are directly or indirectly observable

Level 3 fair values: Fair values estimated by inputs that are important and unobservable

When more than one input which significantly affects the estimation of the fair values is used, the fair value is categorized under the level of input with lowest priority in the estimation of fair values.

(1) Financial assets and liabilities recognized in the consolidated financial statements using the fair values

As of March 31, 2024

(Millions of yen)

| Classification | Fair values | | | |
|--|-------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| Securities and investments in securities | | | | |
| Available-for-sale securities | 260,210 | – | – | 260,210 |
| Equity shares | 260,204 | – | – | 260,204 |
| Government, municipal bonds, etc. | 6 | – | – | 6 |
| Derivative transactions | | | | |
| Currency swap | – | 4,593 | – | 4,593 |
| Earthquake derivatives | – | 1,606 | – | 1,606 |
| Assets | 260,210 | 6,199 | – | 266,410 |
| Derivative transactions | | | | |
| Forward exchange contracts | – | 0 | – | 0 |
| Liabilities | – | 0 | – | 0 |

(*) This table does not include investment trusts whose investment trust assets are real estate, to which Paragraph (24)-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021) has been applied. The amount recognized in the consolidated balance sheets related to such investment trusts is ¥1,910 million.

As of March 31, 2025

(Millions of yen)

| Classification | Fair values | | | |
|--|-------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| Securities and investments in securities | | | | |
| Available-for-sale securities | 256,154 | – | – | 256,154 |
| Equity shares | 256,149 | – | – | 256,149 |
| Government, municipal bonds, etc. | 5 | – | – | 5 |
| Derivative transactions | | | | |
| Currency swap | – | 4,556 | – | 4,556 |
| Earthquake derivatives | – | 1,582 | – | 1,582 |
| Forward exchange contracts | – | 0 | – | 0 |
| Assets | 256,154 | 6,139 | – | 262,294 |

(*) This table does not include investment trusts whose investment trust assets are real estate, to which Paragraph (24)-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021) has been applied. The amount recognized in the consolidated balance sheets related to such investment trusts is ¥2,428 million.

(2) Financial assets and liabilities recognized in the consolidated financial statements not using the fair values

As of March 31, 2024

(Millions of yen)

| Classification | Fair values | | | |
|---|-------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Bonds | | | | |
| Domestic bonds | 1,908,298 | – | – | 1,908,298 |
| Foreign currency denominated bonds | – | 1,066,770 | – | 1,066,770 |
| Long-term loans | – | 1,436,131 | – | 1,436,131 |
| Long-term liabilities incurred for purchase of railway facilities | – | 542,696 | – | 542,696 |
| Liabilities | 1,908,298 | 3,045,598 | – | 4,953,897 |

As of March 31, 2025

(Millions of yen)

| Classification | Fair values | | | |
|---|-------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Bonds | | | | |
| Domestic bonds | 1,659,568 | – | – | 1,659,568 |
| Foreign currency denominated bonds | – | 1,220,844 | – | 1,220,844 |
| Long-term loans | – | 1,345,965 | – | 1,345,965 |
| Long-term liabilities incurred for purchase of railway facilities | – | 482,401 | – | 482,401 |
| Liabilities | 1,659,568 | 3,049,211 | – | 4,708,780 |

(Note) Description of valuation methods used in the estimation of the fair values and inputs involved in the calculation of the fair value

Securities and investments in securities

The fair values of listed securities and government, municipal bonds, etc. are estimated based on market prices. Since they are traded on active markets, their fair values are categorized under Level 1.

Derivative transactions

The fair values of currency derivative transactions and forward exchange contracts are estimated based on currency exchange rates at the time of contracts, and categorized under Level 2. The fair values of earthquake derivative transactions are estimated based on the terms of contracts and other criteria of the contracts for such transactions, and categorized under Level 2.

Bonds

The fair values of domestic bonds issued by the Company are estimated based on market prices and categorized under Level 1. The fair values of foreign currency denominated bonds, which are subject to treatment for foreign currency swaps, are estimated by discounting the foreign currency swaps and future cash flows treated in combination with them based on estimated interest rates if similar domestic bonds were newly issued, and categorized under Level 2.

Long-term loans

The fair values of long-term loans are estimated by discounting future cash flows based on estimated interest rates if similar new loans were implemented. Further, the fair values of certain long-term loans, which are subject to treatment using foreign currency swaps or interest rate swaps, are estimated by discounting the foreign currency swaps or interest rate swaps and future cash flows treated in combination with them based on estimated interest rates if similar new loans were implemented, and categorized under Level 2.

Long-term liabilities incurred for purchase of railway facilities

Because these liabilities are special monetary liabilities that are subject to constraints pursuant to laws and statutory regulations and not based exclusively on free agreement between contracting parties in accordance with market principles, and because repeating fund raising using similar methods would be difficult, as stated in “1. Items relating to the status of financial instruments, (2) Details of financial instruments and related risk,” the fair values of long-term liabilities incurred for purchase of railway facilities are estimated by assuming that future cash flows were raised through bonds, the Company’s basic method of fund raising, and discounting them based on estimated interest rates if similar domestic bonds were newly issued, and categorized under Level 2. Further, certain long-term liabilities incurred for purchase of railway facilities with variable interest rates are estimated based on the most recent interest rates, notification of which is provided by the Japan Railway Construction, Transport and Technology Agency.

Notes to Securities

1. Held-to-maturity debt securities:

| | Category | As of March 31, 2024 | | | As of March 31, 2025 | | |
|---|---------------------------------------|--|-------------------------------|------------------------------|--|-------------------------------|------------------------------|
| | | Consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) | Consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) |
| Of which market value exceeds the amount on balance sheets: | (1) Government, municipal bonds, etc. | 10 | 10 | 0 | 10 | 10 | 0 |
| | (2) Bonds | – | – | – | – | – | – |
| Of which market value does not exceed the amount on balance sheets: | (1) Government, municipal bonds, etc. | – | – | – | – | – | – |
| | (2) Bonds | 440 | 440 | – | 440 | 440 | – |
| Total | | 450 | 450 | 0 | 450 | 450 | 0 |

2. Available-for-sale securities

| | Category | As of March 31, 2024 | | | As of March 31, 2025 | | |
|---|---------------------------------------|------------------------------------|--|------------------------------|------------------------------------|--|------------------------------|
| | | Acquisition cost (millions of yen) | Consolidated balance sheets amount (millions of yen) | Difference (millions of yen) | Acquisition cost (millions of yen) | Consolidated balance sheets amount (millions of yen) | Difference (millions of yen) |
| Of which amount on balance sheets exceeds the acquisition cost: | (1) Equity shares | 88,352 | 228,931 | 140,579 | 80,428 | 224,001 | 143,573 |
| | (2) Debt securities | | | | | | |
| | (i) Government, municipal bonds, etc. | 6 | 6 | 0 | – | – | – |
| | (ii) Bonds | – | – | – | – | – | – |
| | (3) Other | 1,905 | 1,910 | 4 | 2,411 | 2,428 | 17 |
| | Subtotal | 90,263 | 230,847 | 140,584 | 82,839 | 226,430 | 143,590 |
| Of which amount on balance sheets does not exceed the acquisition cost: | (1) Equity shares | 34,242 | 31,272 | (2,969) | 39,990 | 32,147 | (7,843) |
| | (2) Debt securities | | | | | | |
| | (i) Government, municipal bonds, etc. | – | – | – | 5 | 5 | (0) |
| | (ii) Bonds | – | – | – | – | – | – |
| | (3) Other | 110 | 110 | – | 50 | 50 | – |
| | Subtotal | 34,352 | 31,382 | (2,969) | 40,046 | 32,203 | (7,843) |
| Total | | 124,615 | 262,230 | 137,614 | 122,886 | 258,633 | 135,747 |

(Note) In the previous fiscal year, impairment losses of ¥60 million were recognized for available-for-sale securities, excluding securities and investments with no market value.

In the current fiscal year, impairment losses of ¥49 million were recognized for available-for-sale securities, excluding

securities and investments with no market value.

Impairment loss is recognized when the fair value at the end of the fiscal period has declined by 50% or more compared to the acquisition cost. When the fair value has declined by 30% or more but less than 50%, the amount of impairment loss that must be recognized is determined based on the possibility of recovery and other factors.

3. Available-for-sale securities sold during the fiscal year

| Category | Year ended March 31, 2024 | | | Year ended March 31, 2025 | | |
|---------------|------------------------------------|---|---|------------------------------------|---|---|
| | Sale proceeds (millions of yen) | Total gain on sale (millions of yen) | Total loss on sale (millions of yen) | Sale proceeds (millions of yen) | Total gain on sale (millions of yen) | Total loss on sale (millions of yen) |
| Equity shares | 5,986 | 3,529 | – | 20,989 | 13,000 | 0 |

Notes to Derivatives Transactions

1. Derivative transactions with hedge accounting not applied

| Classification | Category | As of March 31, 2024 | | | | As of March 31, 2025 | | | |
|-------------------------|------------------------------------|---|--|-------------------------------|--|---|--|-------------------------------|--|
| | | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) | Valuation gain or loss (millions of yen) | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) | Valuation gain or loss (millions of yen) |
| Non-market transactions | Earthquake derivative transactions | 1,606 | – | 1,606 | – | 1,582 | – | 1,582 | – |
| Total | | 1,606 | – | 1,606 | – | 1,582 | – | 1,582 | – |

2. Derivative transactions with hedge accounting applied

| Method of accounting for hedge transactions | Category | Main hedged items | As of March 31, 2024 | | | As of March 31, 2025 | | |
|---|---|------------------------------------|---|--|-------------------------------|---|--|-------------------------------|
| | | | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) |
| Principle method of accounting | Currency swap transactions Japanese Yen paid / U.S. dollars received | Long-term loans | 20,000 | 20,000 | 4,593 | 20,000 | 20,000 | 4,556 |
| | Forward exchange contract transactions Shorting Singapore dollars | Foreign currency receivables | 11 | – | (0) | 24 | – | (0) |
| Allocation of currency swaps | Currency swap transactions Japanese yen paid / British pounds received | Foreign currency denominated bonds | 285,592 [£1,400 million] | 285,592 [£1,400 million] | (Note) | 400,219 [£2,000 million] | 400,219 [£2,000 million] | (Note) |
| | Currency swap transactions Japanese yen paid / Euros received | | 724,861 [€5,100 million] | 724,861 [€5,100 million] | (Note) | 837,587 [€5,800 million] | 740,042 [€5,100 million] | (Note) |

| Method of accounting for hedge transactions | Category | Main hedged items | As of March 31, 2024 | | | As of March 31, 2025 | | |
|---|--|-------------------|---|--|-------------------------------|---|--|-------------------------------|
| | | | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) | Contract amount, etc. (millions of yen) | For contracts with terms over one year, etc. (millions of yen) | Fair values (millions of yen) |
| Special treatment of interest rate swaps | Interest rate swap transactions Fixed payment /Floating receipt | Long-term loans | 18,000 | 18,000 | (Note) | 18,000 | 18,000 | (Note) |
| Total | | | 1,048,464 | 1,048,453 | 4,593 | 1,275,831 | 1,178,261 | 4,556 |

(Note) Allocation treatment of currency swaps and exceptional treatment of interest rate swaps are accounted for as an integral part of foreign currency-denominated bonds payable and long-term loans payable which are hedged items; therefore, their fair values are included in the fair values of bonds payable and long-term loans payable.

Notes to Retirement Benefits

1. Overview of retirement benefit plans adopted

The Company and its consolidated subsidiaries have established a defined benefit corporate pension plan and a retirement allowance plan as defined benefit programs, as well as a defined contribution pension plan as a defined contribution program. In addition, some consolidated subsidiaries have enacted a comprehensive corporate pension fund plan on top of the above plans. Some consolidated subsidiaries have established a retirement benefit trust.

As of the end of the current fiscal year, 63 companies have adopted a retirement allowance benefit plan, 10 companies a defined benefit corporate pension plan, 19 companies a defined contribution pension plan, and 1 company a comprehensive corporate pension fund plan, and some consolidated subsidiaries have adopted the above plans in combination.

2. Defined benefit plans (including simplified method plans)

(1) Changes in retirement benefit obligations

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Balance of retirement benefit obligations at beginning of period | ¥456,347 million | ¥409,774 million |
| Service cost | ¥28,562 million | ¥26,197 million |
| Interest cost | ¥2,742 million | ¥5,200 million |
| Actuarial gains and losses accrued | ¥(38,079) million | ¥14,517 million |
| Retirement benefits paid | ¥(40,079) million | ¥(11,883) million |
| Past service cost (amount) | ¥51 million | ¥(161) million |
| Other | ¥229 million | ¥55 million |
| Balance of retirement benefit obligations at end of period | ¥409,774 million | ¥443,701 million |

(2) Changes in plan assets

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---------------------------|---------------------------|
| Balance of plan assets at beginning of period | ¥11,464 million | ¥12,173 million |
| Expected return on plan assets | ¥99 million | ¥111 million |
| Actuarial gains and losses accrued | ¥227 million | ¥(73) million |
| Contribution from employer | ¥782 million | ¥822 million |
| Retirement benefits paid | ¥(401) million | ¥(400) million |
| Other | – | ¥(1) million |
| Balance of plan assets at end of period | ¥12,173 million | ¥12,630 million |

(3) Reconciliation between ending balance of retirement benefit obligations and plan assets, and retirement benefit liability/asset recorded in the consolidated balance sheets

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Retirement benefit obligations of funded plans | ¥13,001 million | ¥12,775 million |
| Plan assets | ¥(12,173) million | ¥(12,630) million |
| | ¥827 million | ¥144 million |
| Retirement benefit obligations of unfunded plans | ¥396,772 million | ¥430,926 million |
| Net amount of liabilities and assets recorded in the consolidated balance sheets | ¥397,600 million | ¥431,070 million |
| Net defined benefit liabilities | ¥399,184 million | ¥432,908 million |
| Net defined benefit assets | ¥(1,584) million | ¥(1,838) million |
| Net amount of liabilities and assets recorded in the consolidated balance sheets | ¥397,600 million | ¥431,070 million |

(4) Amounts of retirement benefit expenses and their components

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Service cost | ¥28,562 million | ¥26,197 million |
| Interest cost | ¥2,742 million | ¥5,200 million |
| Expected return on plan assets | ¥(99) million | ¥(111) million |
| Amortization of actuarial gains and losses | ¥(3,248) million | ¥(6,933) million |
| Amortization of past service cost | ¥5 million | ¥(34) million |
| Other | ¥236 million | ¥262 million |
| Net interest expenses on retirement benefits | ¥28,199 million | ¥24,581 million |

(Note) Service cost includes retirement benefit expenses of consolidated subsidiaries using the simplified method. The “Other” category includes temporary severance payments and required contributions to a comprehensive corporate pension fund. The required contribution to the comprehensive corporate pension fund was ¥184 million in the previous fiscal year and is ¥202 million in the current fiscal year.

(5) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans (before deduction of income tax and tax effects) are as follows:

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|----------------------------|---------------------------|---------------------------|
| Past service cost | ¥(45) million | ¥126 million |
| Actuarial gains and losses | ¥35,058 million | ¥(21,525) million |
| Total | ¥35,012 million | ¥(21,398) million |

(6) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans (before deduction of income tax and tax effects) are as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Unrecognized past service cost | ¥(24) million | ¥102 million |
| Unrecognized actuarial gains and losses | ¥46,986 million | ¥25,461 million |
| Total | ¥46,962 million | ¥25,563 million |

(7) Plan assets

(i) Major components of plan assets

The ratio of each major category to total plan assets is as follows:

| | As of March 31, 2024 | As of March 31, 2025 |
|--------------------------------|----------------------|----------------------|
| Debt securities | 6% | 6% |
| Equity shares | 18% | 17% |
| Life insurance general account | 46% | 47% |
| Other | 30% | 30% |
| Total | 100% | 100% |

(ii) Method for setting the long-term expected rate of return on plan assets

To determine the long-term expected rate of return on plan assets, the Company takes into account current and expected allocation of plan assets, and current and expected long-term return rate on various types of assets constituting plan assets.

(8) Actuarial assumptions

Major actuarial assumptions

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|-----------------------------------|---------------------------|---------------------------|
| Discount rate | Mainly 1.4% | Mainly 1.4% |
| Long-term expected rate of return | Mainly 0.7% | Mainly 0.7% |

3. Defined contribution plans

The amounts of required contributions to defined contribution plans of the Company and certain consolidated subsidiaries of the Company were ¥1,575 million in the previous fiscal year and ¥1,666 million in the current fiscal year.

Notes to Deferred Tax Accounting

1. Major components of deferred tax assets and liabilities

| | (Millions of yen) | |
|---|----------------------|----------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Deferred tax assets | | |
| Tax loss carryforwards (Note 2) | 210,634 | 152,966 |
| Net defined benefit liabilities | 122,507 | 136,564 |
| Impairment losses on fixed assets | 45,921 | 45,903 |
| Unrealized gains on fixed assets | 26,581 | 28,035 |
| Allowance for bonuses to employees | 21,585 | 23,492 |
| Contract liabilities and provisions related to points | 16,704 | 19,095 |
| Excess depreciation of fixed assets | 7,407 | 7,551 |
| Asset retirement obligations | 5,345 | 5,601 |
| Social insurance premiums related to bonuses and provision for bonuses | 3,423 | 3,697 |
| Other | 47,983 | 43,379 |
| Deferred tax assets subtotal | 508,095 | 466,288 |
| Valuation allowance related to tax loss carryforwards (Note 2) | (20,015) | (15,688) |
| Valuation allowance related to the total of future deductible temporary differences | (62,616) | (56,527) |
| Valuation allowance subtotal (Note 1) | (82,632) | (72,216) |
| Total deferred tax assets | 425,463 | 394,072 |
| Offset against deferred tax liabilities | (82,922) | (87,157) |
| Net deferred tax assets | 342,540 | 306,915 |
| Deferred tax liabilities | | |
| Net unrealized holding gains (losses) on securities | (42,177) | (44,525) |
| Reserve for deferred gain of fixed assets | (30,796) | (31,824) |
| Difference in the valuation of assets of consolidated subsidiaries | (2,197) | (2,174) |
| Other | (10,070) | (10,621) |
| Total deferred tax liabilities | (85,242) | (89,146) |
| Offset against deferred tax assets | 82,922 | 87,157 |
| Net deferred tax liabilities | (2,320) | (1,989) |

(Notes) 1. The valuation allowance decreased by ¥10,415 million from the previous fiscal year.

This was mainly due to a decrease in the valuation allowance related to impairment losses.

2. Tax loss carryforwards and their deferred tax asset carryforwards by expiration date

As of March 31, 2024

(Millions of yen)

| | 1 year or less | Exceeding 1 year but 2 years or less | Exceeding 2 years but 3 years or less | Exceeding 3 years but 4 years or less | Exceeding 4 years but 5 years or less | Exceeding 5 years | Total |
|-----------------------------|----------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------|--------------|
| Tax loss carryforwards (*1) | 186 | 74 | 96 | 27 | 94 | 210,155 | 210,634 |
| Valuation allowance | (155) | (74) | (96) | (27) | (94) | (19,566) | (20,015) |
| Deferred tax assets | 30 | - | - | - | - | 190,588 | (*2) 190,619 |

(*1) Tax loss carryforwards are calculated by multiplying the effective statutory tax rate.

(*2) Regarding tax loss carryforwards that are deemed recoverable based on estimates of future taxable income and other factors, no valuation allowance is recognized.

As of March 31, 2025

(Millions of yen)

| | 1 year or less | Exceeding 1 year but 2 years or less | Exceeding 2 years but 3 years or less | Exceeding 3 years but 4 years or less | Exceeding 4 years but 5 years or less | Exceeding 5 years | Total |
|-----------------------------|----------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------|--------------|
| Tax loss carryforwards (*1) | 74 | 87 | 24 | 94 | 57 | 152,629 | 152,966 |
| Valuation allowance | (25) | (87) | (24) | (94) | (57) | (15,399) | (15,688) |
| Deferred tax assets | 48 | – | – | – | – | 137,229 | (*2) 137,278 |

(*1) Tax loss carryforwards are calculated by multiplying the effective statutory tax rate.

(*2) Regarding tax loss carryforwards that are deemed recoverable based on estimates of future taxable income and other factors, no valuation allowance is recognized.

2. Reconciliation of the causes of significant differences between the effective statutory tax rate and the actual effective rate of income taxes after application of deferred tax accounting

(%)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Effective statutory tax rate | 30.5 | 30.5 |
| (Adjustments) | | |
| Increase/decrease in valuation allowance | (2.2) | (4.0) |
| Impact of change in tax rate | (0.0) | (2.0) |
| Equity method investment profit/loss | (1.2) | (1.1) |
| Other | 0.9 | 0.7 |
| Effective rate of income taxes after application of deferred tax accounting | 28.0 | 24.1 |

3. Amendments to the amounts of deferred tax assets and deferred tax liabilities due to changes in tax rate of income taxes, etc.

Due to the enactment of the “Act for Partial Revision of the Income Tax Act, etc.” in the Japanese Diet on March 31, 2025, the “Special Corporation Tax for National Defense” will be imposed from the fiscal years beginning on or after April 1, 2026. Accordingly, for temporary differences as of the end of the fiscal year under review that are expected to reverse on or after April 1, 2026, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities has been changed primarily from 30.5% to 31.4%.

The impact on the consolidated financial statements as a result of this is minimal.

Notes to Investment and Rental Property

The Company and some of its consolidated subsidiaries own rental office buildings and rental commercial facilities (“investment and rental property”) principally within the Company’s service area. Rental income related to investment and rental property was ¥69,591 million for the previous fiscal year, and ¥73,263 million for the current fiscal year (rental income was included in operating revenue and major rental expenses were included in operating expenses).

Carrying amounts in the consolidated balance sheets, increase or decrease and fair values at the end of the fiscal year of the investment and rental property are as follows:

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|------------------------------------|---------------------------|---------------------------|
| Consolidated balance sheets amount | | |
| Beginning balance | 851,336 | 875,323 |
| Increase or decrease during period | 23,987 | 179,255 |
| Ending balance | 875,323 | 1,054,579 |
| Fair value at end of period | 2,498,551 | 2,861,144 |

(Notes) 1. The consolidated balance sheets amount is the amount equal to acquisition cost, less accumulated depreciation.

2. Of the amount of increase/decrease during the period, the increase in the previous fiscal year was mainly related to real estate acquisition and renewal (¥77,936 million), while the decrease was mainly related to depreciation (¥30,171 million) and impairment losses on fixed assets (¥15,303 million). In addition, the increase in the current fiscal year was mainly related to real estate acquisition and renewal (¥231,999 million), while the decrease was mainly related to transfers to real estate for sale (¥39,582 million) and depreciation (¥29,751 million).

3. Regarding fair values at the end of the fiscal year, the amount for significant properties is based on real-estate appraisals prepared by external real-estate appraisers, and the amount for other properties is estimated by the Company based on certain appraisal values or indicators that reflect appropriate market prices. However, if there has not been any material change, since the time of acquisition from a third party or the time of the most recent valuation, in any such appraisal value or indicator that we believe reflects the appropriate market price, the amount is adjusted using such appraisal value or indicator.
4. Because fair values are extremely difficult to determine, this table does not include property that is being constructed or developed for future use as investment property. The consolidated balance sheets value of assets under development was ¥298,026 million at the end of the previous fiscal year, and ¥342,419 million at the end of the current fiscal year.

Notes to Revenue Recognition

1. Breakdown of revenues from contracts with customers

Year ended March 31, 2024

(Millions of yen)

| | Transportation | | | Retail & Services | Real Estate & Hotels | Others (Note 1) | Total |
|--|---------------------|---------------------|---------|-------------------|----------------------|-----------------|-----------|
| | Passenger transport | | Other | | | | |
| | Commuter passes | Non-Commuter passes | | | | | |
| Revenues from contracts with customers | 419,784 | 1,271,154 | 130,800 | 352,055 | 179,299 | 87,946 | 2,441,040 |
| Revenues from other sources (Note 2) | – | – | 29,844 | 17,285 | 238,837 | 3,110 | 289,077 |
| Total | 419,784 | 1,271,154 | 160,644 | 369,341 | 418,137 | 91,056 | 2,730,118 |

(Notes) 1. “Others” represents categories of business that are not included in reportable segments and includes IT & *Suica* business including credit card services, information processing and certain other businesses.

2. Revenues from other sources include income from lease of real estate and other leases.

Year ended March 31, 2025

(Millions of yen)

| | Transportation | | | Retail & Services | Real Estate & Hotels | Others (Note 1) | Total |
|--|---------------------|---------------------|---------|-------------------|----------------------|-----------------|-----------|
| | Passenger transport | | Other | | | | |
| | Commuter passes | Non-Commuter passes | | | | | |
| Revenues from contracts with customers | 430,737 | 1,354,953 | 139,871 | 374,402 | 190,310 | 99,183 | 2,589,458 |
| Revenues from other sources (Note 2) | – | – | 20,225 | 19,384 | 255,113 | 3,370 | 298,094 |
| Total | 430,737 | 1,354,953 | 160,097 | 393,786 | 445,423 | 102,553 | 2,887,553 |

(Notes) 1. “Others” represents categories of business that are not included in reportable segments and includes IT & *Suica* business including credit card services, information processing and certain other businesses.

2. Revenues from other sources include income from lease of real estate and other leases.

Information Related to Changes in Reportable Segments, etc.

The segment classification has been revised from the current fiscal year. Accordingly, the disaggregated revenue information from contracts with customers for the previous fiscal year is presented based on the revised reportable segment classification. For details, please refer to “No. 5: Accounting, (1) Consolidated Financial Statements, Notes to Consolidated Financial Statements, Segment Information, 1. General information about reportable segments.”

2. Basic information to understand revenues from contracts with customers

The basis for understanding revenues arising from contracts with customers is described in “4. Matters regarding accounting standards, (6) Basis for recognition of significant revenues and costs” under “Basic Matters in Preparing Consolidated Financial Statements.”

3. Information on the relationship between fulfillment of performance duties under contracts with customers and cash flows from such contracts, and the amount and timing of revenues from contracts with customers existing as of the end of this fiscal year, which are estimated to be recognized in or after the following fiscal year.

(1) Balance of contract assets and liabilities

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Credit from contracts with customers (balance at the fiscal year start) | 133,474 | 164,991 |
| Credit from contracts with customers (balance at the fiscal year end) | 164,991 | 169,049 |
| Contract assets (balance at the fiscal year start) | 2,583 | 2,420 |
| Contract assets (balance at the fiscal year end) | 2,420 | 9,927 |
| Contract liabilities (balance at the fiscal year start) | 144,350 | 163,726 |
| Contract liabilities (balance at the fiscal year end) | 163,726 | 185,891 |

The contract liabilities mainly consist of advance fares received prior to satisfaction of performance obligations, primarily with respect to passenger rail transportation services, as well as any unused “*JRE POINT*” credits granted for use at railways and station buildings. These contract liabilities will be released when revenue is recognized from the satisfaction of performance obligations. The amount of the balance of contract liabilities at the fiscal year start included in the amount of revenues recognized during the previous fiscal year was ¥80,414 million. The amount of the balance of contract liabilities at the fiscal year start included in the amount of revenues recognized during this fiscal year was ¥88,397 million.

(2) Transaction prices allocated to residual performance liabilities

The Company and its consolidated subsidiaries apply practical expedient for the notes on transaction prices allocated to residual performance liabilities, and do not include contracts with originally expected terms of one year or less in the scope of such notes. The total amount of transaction prices allocated to residual performance liabilities and anticipated terms of recognition of revenues are as follows.

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---------------------------------------|----------------------|----------------------|
| 1 year or less | 24,070 | 43,219 |
| Exceeding 1 year but 2 years or less | 21,090 | 49,305 |
| Exceeding 2 years but 3 years or less | 37,302 | 121,681 |
| Exceeding 3 years | 123,323 | 18,867 |
| Total | 205,787 | 233,074 |

Segment Information

[Segment information]

1. General information about reportable segments

Transportation, Retail & Services, and Real Estate & Hotels comprise JR East's three reportable segments. Each reportable segment is in turn comprised of business units within the Group with respect to which separate financial information is obtainable. These reportable segments are reviewed periodically by the Company's Board of Directors and form the basis on which to evaluate business performance and decide on how to allocate management resources of the Company.

The Transportation segment includes passenger transportation operations centered on railway operations, as well as travel agency services, cleaning services, station operations, building and facility construction, railcar manufacturing operations, and railcar maintenance operations. The Retail & Services segment consists of the part of the Company's life-style service business that includes retail sales and restaurant operations, a wholesale business, a truck transportation business, and advertising and publicity. The Real Estate & Hotels segment consists of the part of the Company's life-style service business that includes shopping center operations, leasing of office buildings and other properties, and hotel operations, as well as development and sales of real estate for such operations.

Information Related to Changes in Reportable Segments, etc.

From the fiscal year ended March 31, 2025, the Company has established 14 businesses as management decision-making units within the segment categories of "Transportation," "Retail & Services," "Real Estate & Hotels," and "Other," and has defined strategies and KPIs for each.

Accordingly, from the current fiscal year, the Company has reclassified its under-elevated structure leasing business, which was previously included in the "Transportation" segment, as well as JR East Sports Co., Ltd. and GALA YUZAWA Co., Ltd., which were previously included in the "Retail & Services" segment, into the "Real Estate & Hotels" segment. These are now positioned as part of the Group's real estate ownership and utilization business.

In addition, from the current fiscal year, JREFU Hotel Management & Consulting Co., Ltd., which was previously included in the "Real Estate & Hotels" segment, has been reclassified into the "Retail & Services" segment in order to operate in conjunction with the overseas subsidiaries of the Retail & Services business.

Please note that the segment information for the previous fiscal year is presented based on the revised reportable segment classifications.

2. Basis of measurement about reportable segment operating revenues, segment income or loss, segment assets, and other material items

The accounting treatment for each reportable segment is largely the same as that set forth in the "Important Items that Form the Basis for Preparing Consolidated Financial Statements." Moreover, intersegment transactions are between consolidated subsidiaries and based on market prices and other fair values.

3. Information about reportable segment operating revenues, segment income or loss, segment assets, and other material items

Year ended March 31, 2024

(Millions of yen)

| | Transportation | Retail & Services | Real Estate & Hotels | Others (Note 1) | Total | Adjustment (Note 2) | Consolidated (Note 3) |
|-----------------------------------|----------------|-------------------|----------------------|-----------------|------------|---------------------|-----------------------|
| Operating revenues | | | | | | | |
| Outside customers | 1,851,583 | 369,341 | 418,137 | 91,056 | 2,730,118 | – | 2,730,118 |
| Inside group | 55,458 | 35,864 | 27,156 | 163,042 | 281,521 | (281,521) | – |
| Total | 1,907,041 | 405,205 | 445,293 | 254,099 | 3,011,639 | (281,521) | 2,730,118 |
| Segment income | 161,863 | 52,606 | 110,419 | 21,914 | 346,804 | (1,642) | 345,161 |
| Segment assets | 7,250,146 | 380,374 | 1,997,261 | 1,174,133 | 10,801,915 | (1,030,436) | 9,771,479 |
| Other items | | | | | | | |
| Depreciation | 288,248 | 17,001 | 55,088 | 31,833 | 392,172 | – | 392,172 |
| Increase in fixed assets (Note 5) | 457,236 | 21,416 | 226,790 | 28,883 | 734,326 | – | 734,326 |

(Notes) 1. "Others" represents categories of business that are not included in reportable segments and includes IT & Suica business including credit card services, information processing and certain other businesses.

2. The ¥(1,642) million downward adjustment to segment income includes a ¥(1,199) million elimination of unrealized holding gains (losses) on fixed assets and inventory assets and a ¥(433) million elimination for intersegment transactions. Moreover, the ¥(1,030,436) million downward adjustment to segment assets includes a ¥(1,433,787) million elimination of intersegment claims and obligations, offset by ¥403,351 million in corporate assets not allocated to each reporting segment.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the consolidated statements of income.
4. Segment information on liabilities was omitted from record, as it is not a metric used in deciding the allocation of management resources or evaluating earnings performance.
5. Increase in fixed assets includes increases from construction grants.

Year ended March 31, 2025

(Millions of yen)

| | Transportation | Retail & Services | Real Estate & Hotels | Others (Note 1) | Total | Adjustment (Note 2) | Consolidated (Note 3) |
|-----------------------------------|----------------|-------------------|----------------------|-----------------|------------|---------------------|-----------------------|
| Operating revenues | | | | | | | |
| Outside customers | 1,945,788 | 393,786 | 445,423 | 102,553 | 2,887,553 | – | 2,887,553 |
| Inside group | 61,186 | 43,276 | 31,348 | 186,100 | 321,912 | (321,912) | – |
| Total | 2,006,975 | 437,063 | 476,772 | 288,653 | 3,209,465 | (321,912) | 2,887,553 |
| Segment income | 176,091 | 60,508 | 120,348 | 22,938 | 379,888 | (3,101) | 376,786 |
| Segment assets | 7,309,594 | 402,669 | 2,297,983 | 1,268,511 | 11,278,758 | (1,104,533) | 10,174,224 |
| Other items | | | | | | | |
| Depreciation | 299,084 | 19,461 | 55,471 | 32,184 | 406,202 | – | 406,202 |
| Increase in fixed assets (Note 5) | 451,211 | 29,511 | 329,320 | 36,774 | 846,817 | – | 846,817 |

- (Notes) 1. “Others” represents categories of business that are not included in reportable segments and includes IT & *Suica* business including credit card services, information processing and certain other businesses.
2. The ¥(3,101) million downward adjustment to segment income includes a ¥(2,765) million elimination of unrealized holding gains (losses) on fixed assets and inventory assets and a ¥(353) million elimination for intersegment transactions. Moreover, the ¥(1,104,533) million downward adjustment to segment assets includes a ¥(1,522,512) million elimination of intersegment claims and obligations, offset by ¥417,978 million in corporate assets not allocated to each reporting segment.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the consolidated statements of income.
4. Segment information on liabilities was omitted from record, as it is not a metric used in deciding the allocation of management resources or evaluating earnings performance.
5. Increase in fixed assets includes increases from construction grants.

[Relevant information]

1. Information about products and services

Information about products and services is omitted as JR East classifies such segments in the same way as it does its reportable segments.

2. Information about geographical areas

(1) Operating revenues

Information about geographic areas is omitted as operating revenues attributable to outside customers in Japan exceed 90% of the operating revenues reported in the Consolidated Statements of Income.

(2) Property, plant and equipment

Information about geographic areas is omitted as property, plant and equipment in Japan exceed 90% of the property, plant and equipment reported in the Consolidated Balance Sheets.

3. Information about major customers

Information about major customers is omitted as no single outside customer contributes 10% or more to operating revenues in the Consolidated Statements of Income.

[Information about impairment loss of fixed assets in reportable segments]

Year ended March 31, 2024

| | Transportation (millions of yen) | Retail & Services (millions of yen) | Real Estate & Hotels (millions of yen) | Others (Note) (millions of yen) | Total (millions of yen) |
|-----------------------------------|-------------------------------------|--|--|---------------------------------------|----------------------------|
| Impairment losses on fixed assets | 1,381 | 3,167 | 19,930 | 0 | 24,479 |

(Note)The amount under “Others” represents amounts from business segments and other units excluded from the reportable segments.

Year ended March 31, 2025

| | Transportation (millions of yen) | Retail & Services (millions of yen) | Real Estate & Hotels (millions of yen) | Others (Note) (millions of yen) | Total (millions of yen) |
|-----------------------------------|-------------------------------------|--|--|---------------------------------------|----------------------------|
| Impairment losses on fixed assets | 3,866 | 3,251 | 4,388 | 0 | 11,507 |

(Note)The amount under “Others” represents amounts from business segments and other units excluded from the reportable segments.

[Information about amortized amount of goodwill and unamortized balance of goodwill by reportable segments]

Information about amortized amount of goodwill and unamortized balance of goodwill by reportable segments is omitted as the amount was insignificant.

[Information about gain on negative goodwill by reportable segments]

None

[Related party information]

None

Per Share Information

| Items | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--------------------------------|---|---|
| Shareholders' equity per share | ¥2,402.34 | ¥2,527.69 |
| Earnings per share-basic | ¥173.82 | ¥198.29 |
| Earnings per share-diluted | Not shown because there are no convertible securities | Not shown because there are no convertible securities |

(Notes) 1. The Company conducted a 3-for-1 split of its common stock on April 1, 2024. Assuming that the stock split had been conducted at the beginning of the previous fiscal year, shareholders' equity per share and earnings per share-basic were calculated.

2. The basis of calculation of earnings per share is as shown below.

| Items | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---------------------------|---------------------------|
| Profit attributable to owners of parent (millions of yen) | 196,449 | 224,285 |
| Amount not attributable to common stockholders (millions of yen) | – | – |
| Profit attributable to owners of parent related to common stock (millions of yen) | 196,449 | 224,285 |
| Average number of common shares (shares) | 1,130,164,968 | 1,131,120,620 |

Subsequent Events

Revision of retirement benefit plan

The Company plans to conduct a revision of the current retirement benefit plan to take effect on April 1, 2026, whereby it will transition from a lump-sum retirement benefit plan to a defined contribution retirement benefit plan. For the accounting treatment associated with this revision, the Company plans to apply “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No. 1, December 16, 2016) and “Practical Solution on Accounting for Transfer between Retirement Benefit Plans” (ASBJ PITF No. 2, February 7, 2007). The Company is still in the process of assessing the effects of this new application.

Sale of investment securities

Based on our policy of continuously reducing the overall scale of shares held as cross-shareholdings, we sold a portion of our shares held as cross-shareholdings.

As a result of this event, a gain on sale of investments in securities of approximately ¥22,116 million is expected to be recorded as extraordinary gains in the consolidated statements of income for the following fiscal year.

(v) Annexed Consolidated Schedules

Consolidated Detailed Schedule of Corporate Bonds

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|--|-------------------|--|--|-------------------|--------|--------------------|
| East Japan Railway Company | Unsecured straight bonds, 22nd issue, East Japan Railway Company | October 16, 2002 | 20,000 | 20,000 | 2.34 | None | May 20, 2032 |
| East Japan Railway Company | Unsecured straight bonds, 28th issue, East Japan Railway Company | December 4, 2003 | 9,997 | 9,997 | 2.47 | None | September 20, 2033 |
| East Japan Railway Company | Unsecured straight bonds, 34th issue, East Japan Railway Company | July 30, 2004 | 15,000 | – | 2.53 | None | June 20, 2024 |
| East Japan Railway Company | Unsecured straight bonds, 36th issue, East Japan Railway Company | February 9, 2005 | 10,000 | – | 2.11 | None | December 20, 2024 |
| East Japan Railway Company | Unsecured straight bonds, 39th issue, East Japan Railway Company | July 26, 2005 | 14,999 | 15,000 (15,000) | 2.05 | None | June 20, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 42nd issue, East Japan Railway Company | October 20, 2005 | 19,998 | 20,000 (20,000) | 2.11 | None | September 19, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 45th issue, East Japan Railway Company | July 19, 2006 | 10,000 | 10,000 | 2.55 | None | July 17, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 47th issue, East Japan Railway Company | October 27, 2006 | 9,999 | 9,999 | 2.46 | None | September 18, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 49th issue, East Japan Railway Company | April 17, 2007 | 19,998 | 19,999 | 2.26 | None | April 16, 2027 |
| East Japan Railway Company | Unsecured straight bonds, 51st issue, East Japan Railway Company | October 26, 2007 | 19,997 | 19,998 | 2.39 | None | September 17, 2027 |
| East Japan Railway Company | Unsecured straight bonds, 53rd issue, East Japan Railway Company | April 22, 2008 | 20,000 | 20,000 | 2.35 | None | April 21, 2028 |
| East Japan Railway Company | Unsecured straight bonds, 55th issue, East Japan Railway Company | July 25, 2008 | 20,000 | 20,000 | 2.357 | None | July 25, 2028 |
| East Japan Railway Company | Unsecured straight bonds, 57th issue, East Japan Railway Company | December 12, 2008 | 25,000 | 25,000 | 2.376 | None | December 12, 2028 |
| East Japan Railway Company | Unsecured straight bonds, 65th issue, East Japan Railway Company | December 22, 2009 | 30,000 | 30,000 | 2.149 | None | December 21, 2029 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|--------------------|--|--|-------------------|--------|--------------------|
| East Japan Railway Company | Unsecured straight bonds, 67th issue, East Japan Railway Company | March 24, 2010 | 15,000 | 15,000 | 2.249 | None | March 22, 2030 |
| East Japan Railway Company | Unsecured straight bonds, 71st issue, East Japan Railway Company | September 29, 2010 | 20,000 | 20,000 | 1.905 | None | September 27, 2030 |
| East Japan Railway Company | Unsecured straight bonds, 73rd issue, East Japan Railway Company | December 22, 2010 | 20,000 | 20,000 | 2.098 | None | December 20, 2030 |
| East Japan Railway Company | Unsecured straight bonds, 75th issue, East Japan Railway Company | March 24, 2011 | 10,000 | 10,000 | 2.137 | None | March 24, 2031 |
| East Japan Railway Company | Unsecured straight bonds, 78th issue, East Japan Railway Company | July 22, 2011 | 15,000 | 15,000 | 2.029 | None | July 22, 2031 |
| East Japan Railway Company | Unsecured straight bonds, 80th issue, East Japan Railway Company | September 29, 2011 | 15,000 | 15,000 | 1.923 | None | September 29, 2031 |
| East Japan Railway Company | Unsecured straight bonds, 83rd issue, East Japan Railway Company | December 22, 2011 | 20,000 | 20,000 | 1.633 | None | December 22, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 86th issue, East Japan Railway Company | July 24, 2012 | 15,000 | 15,000 | 1.732 | None | July 23, 2032 |
| East Japan Railway Company | Unsecured straight bonds, 88th issue, East Japan Railway Company | September 27, 2012 | 20,000 | 20,000 | 1.751 | None | September 27, 2032 |
| East Japan Railway Company | Unsecured straight bonds, 91st issue, East Japan Railway Company | December 27, 2012 | 25,000 | 25,000 | 1.751 | None | December 27, 2032 |
| East Japan Railway Company | Unsecured straight bonds, 94th issue, East Japan Railway Company | July 30, 2013 | 20,000 | 20,000 | 1.807 | None | July 29, 2033 |
| East Japan Railway Company | Unsecured straight bonds, 96th issue, East Japan Railway Company | October 28, 2013 | 20,000 | 20,000 | 1.634 | None | October 28, 2033 |
| East Japan Railway Company | Unsecured straight bonds, 99th issue, East Japan Railway Company | January 30, 2014 | 10,000 | 10,000 | 1.623 | None | January 30, 2034 |
| East Japan Railway Company | Unsecured straight bonds, 100th issue, East Japan Railway Company | January 30, 2014 | 10,000 | 10,000 | 1.981 | None | January 29, 2044 |
| East Japan Railway Company | Unsecured straight bonds, 102nd issue, East Japan Railway Company | July 25, 2014 | 20,000 | – | 0.63 | None | July 25, 2024 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|------------------|--|--|-------------------|--------|------------------|
| East Japan Railway Company | Unsecured straight bonds, 103rd issue, East Japan Railway Company | July 25, 2014 | 20,000 | 20,000 | 1.502 | None | July 25, 2034 |
| East Japan Railway Company | Unsecured straight bonds, 105th issue, East Japan Railway Company | January 29, 2015 | 15,000 | – | 0.325 | None | January 29, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 106th issue, East Japan Railway Company | January 29, 2015 | 20,000 | 20,000 | 0.981 | None | January 29, 2035 |
| East Japan Railway Company | Unsecured straight bonds, 107th issue, East Japan Railway Company | January 29, 2015 | 10,000 | 10,000 | 1.415 | None | January 27, 2045 |
| East Japan Railway Company | Unsecured straight bonds, 108th issue, East Japan Railway Company | July 28, 2015 | 10,000 | 10,000 (10,000) | 0.588 | None | July 28, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 109th issue, East Japan Railway Company | July 28, 2015 | 20,000 | 20,000 | 1.283 | None | July 27, 2035 |
| East Japan Railway Company | Unsecured straight bonds, 110th issue, East Japan Railway Company | July 28, 2015 | 20,000 | 20,000 | 1.76 | None | July 28, 2045 |
| East Japan Railway Company | Unsecured straight bonds, 112th issue, East Japan Railway Company | January 28, 2016 | 15,000 | 15,000 (15,000) | 0.41 | None | January 28, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 113th issue, East Japan Railway Company | January 28, 2016 | 15,000 | 15,000 | 1.037 | None | January 28, 2036 |
| East Japan Railway Company | Unsecured straight bonds, 114th issue, East Japan Railway Company | January 28, 2016 | 10,000 | 10,000 | 1.577 | None | January 26, 2046 |
| East Japan Railway Company | Unsecured straight bonds, 115th issue, East Japan Railway Company | July 28, 2016 | 10,000 | 10,000 | 0.06 | None | July 28, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 116th issue, East Japan Railway Company | July 28, 2016 | 10,000 | 10,000 | 0.21 | None | July 28, 2036 |
| East Japan Railway Company | Unsecured straight bonds, 117th issue, East Japan Railway Company | July 28, 2016 | 20,000 | 20,000 | 0.39 | None | July 27, 2046 |
| East Japan Railway Company | Unsecured straight bonds, 118th issue, East Japan Railway Company | July 28, 2016 | 20,000 | 20,000 | 0.5 | None | July 28, 2056 |
| East Japan Railway Company | Unsecured straight bonds, 119th issue, East Japan Railway Company | January 27, 2017 | 10,000 | 10,000 | 0.2 | None | January 27, 2027 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|--------------------|--|--|-------------------|--------|--------------------|
| East Japan Railway Company | Unsecured straight bonds, 120th issue, East Japan Railway Company | January 27, 2017 | 10,000 | 10,000 | 0.675 | None | January 27, 2037 |
| East Japan Railway Company | Unsecured straight bonds, 121st issue, East Japan Railway Company | January 27, 2017 | 10,000 | 10,000 | 0.953 | None | January 25, 2047 |
| East Japan Railway Company | Unsecured straight bonds, 122nd issue, East Japan Railway Company | January 27, 2017 | 20,000 | 20,000 | 1.119 | None | January 26, 2057 |
| East Japan Railway Company | Unsecured straight bonds, 123rd issue, East Japan Railway Company | July 27, 2017 | 15,000 | 15,000 | 0.28 | None | July 27, 2027 |
| East Japan Railway Company | Unsecured straight bonds, 124th issue, East Japan Railway Company | July 27, 2017 | 10,000 | 10,000 | 0.713 | None | July 27, 2037 |
| East Japan Railway Company | Unsecured straight bonds, 125th issue, East Japan Railway Company | July 27, 2017 | 25,000 | 25,000 | 1.133 | None | July 26, 2047 |
| East Japan Railway Company | Unsecured straight bonds, 126th issue, East Japan Railway Company | January 26, 2018 | 10,000 | 10,000 | 0.275 | None | January 26, 2028 |
| East Japan Railway Company | Unsecured straight bonds, 127th issue, East Japan Railway Company | January 26, 2018 | 10,000 | 10,000 | 0.675 | None | January 26, 2038 |
| East Japan Railway Company | Unsecured straight bonds, 128th issue, East Japan Railway Company | January 26, 2018 | 10,000 | 10,000 | 1.037 | None | January 24, 2048 |
| East Japan Railway Company | Unsecured straight bonds, 129th issue, East Japan Railway Company | January 26, 2018 | 10,000 | 10,000 | 1.302 | None | January 25, 2058 |
| East Japan Railway Company | Unsecured straight bonds, 130th issue, East Japan Railway Company | September 27, 2018 | 15,000 | 15,000 | 0.295 | None | September 27, 2028 |
| East Japan Railway Company | Unsecured straight bonds, 131st issue, East Japan Railway Company | September 27, 2018 | 10,000 | 10,000 | 0.709 | None | September 27, 2038 |
| East Japan Railway Company | Unsecured straight bonds, 132nd issue, East Japan Railway Company | September 27, 2018 | 20,000 | 20,000 | 1.011 | None | September 25, 2048 |
| East Japan Railway Company | Unsecured straight bonds, 133rd issue, East Japan Railway Company | September 27, 2018 | 15,000 | 15,000 | 1.246 | None | September 27, 2058 |
| East Japan Railway Company | Unsecured straight bonds, 134th issue, East Japan Railway Company | December 21, 2018 | 10,000 | 10,000 | 0.25 | None | December 21, 2028 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|-------------------|--|--|-------------------|--------|-------------------|
| East Japan Railway Company | Unsecured straight bonds, 135th issue, East Japan Railway Company | December 21, 2018 | 10,000 | 10,000 | 0.685 | None | December 21, 2038 |
| East Japan Railway Company | Unsecured straight bonds, 136th issue, East Japan Railway Company | December 21, 2018 | 10,000 | 10,000 | 1.007 | None | December 21, 2048 |
| East Japan Railway Company | Unsecured straight bonds, 137th issue, East Japan Railway Company | December 21, 2018 | 15,000 | 15,000 | 1.247 | None | December 20, 2058 |
| East Japan Railway Company | Unsecured straight bonds, 138th issue, East Japan Railway Company | March 20, 2019 | 10,000 | 10,000 | 0.782 | None | March 19, 2049 |
| East Japan Railway Company | Unsecured straight bonds, 139th issue, East Japan Railway Company | March 20, 2019 | 10,000 | 10,000 | 0.997 | None | March 19, 2059 |
| East Japan Railway Company | Unsecured straight bonds, 140th issue, East Japan Railway Company | July 23, 2019 | 10,000 | 10,000 | 0.1 | None | July 23, 2029 |
| East Japan Railway Company | Unsecured straight bonds, 141st issue, East Japan Railway Company | July 23, 2019 | 10,000 | 10,000 | 0.488 | None | July 23, 2049 |
| East Japan Railway Company | Unsecured straight bonds, 142nd issue, East Japan Railway Company | July 23, 2019 | 20,000 | 20,000 | 0.809 | None | July 23, 2069 |
| East Japan Railway Company | Unsecured straight bonds, 143rd issue, East Japan Railway Company | December 23, 2019 | 10,000 | 10,000 | 0.444 | None | December 23, 2039 |
| East Japan Railway Company | Unsecured straight bonds, 144th issue, East Japan Railway Company | December 23, 2019 | 10,000 | 10,000 | 0.606 | None | December 23, 2049 |
| East Japan Railway Company | Unsecured straight bonds, 145th issue, East Japan Railway Company | December 23, 2019 | 15,000 | 15,000 | 0.771 | None | December 23, 2059 |
| East Japan Railway Company | Unsecured straight bonds, 147th issue, East Japan Railway Company | April 22, 2020 | 20,000 | 20,000 | 0.265 | None | April 22, 2030 |
| East Japan Railway Company | Unsecured straight bonds, 148th issue, East Japan Railway Company | April 22, 2020 | 10,000 | 10,000 | 0.569 | None | April 20, 2040 |
| East Japan Railway Company | Unsecured straight bonds, 149th issue, East Japan Railway Company | April 22, 2020 | 10,000 | 10,000 | 0.697 | None | April 22, 2050 |
| East Japan Railway Company | Unsecured straight bonds, 150th issue, East Japan Railway Company | April 22, 2020 | 15,000 | 15,000 | 0.832 | None | April 22, 2060 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|-------------------|--|--|-------------------|--------|-------------------|
| East Japan Railway Company | Unsecured straight bonds, 151st issue, East Japan Railway Company | April 22, 2020 | 20,000 | 20,000 | 0.992 | None | April 22, 2070 |
| East Japan Railway Company | Unsecured straight bonds, 152nd issue, East Japan Railway Company | July 20, 2020 | 20,000 | 20,000 (20,000) | 0.09 | None | July 18, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 153rd issue, East Japan Railway Company | July 20, 2020 | 15,000 | 15,000 | 0.23 | None | July 19, 2030 |
| East Japan Railway Company | Unsecured straight bonds, 154th issue, East Japan Railway Company | July 20, 2020 | 10,000 | 10,000 | 0.61 | None | July 20, 2040 |
| East Japan Railway Company | Unsecured straight bonds, 155th issue, East Japan Railway Company | July 20, 2020 | 20,000 | 20,000 | 0.763 | None | July 20, 2050 |
| East Japan Railway Company | Unsecured straight bonds, 156th issue, East Japan Railway Company | July 20, 2020 | 20,000 | 20,000 | 0.902 | None | July 20, 2060 |
| East Japan Railway Company | Unsecured straight bonds, 158th issue, East Japan Railway Company | December 18, 2020 | 20,000 | 20,000 | 0.56 | None | December 18, 2040 |
| East Japan Railway Company | Unsecured straight bonds, 159th issue, East Japan Railway Company | December 18, 2020 | 30,000 | 30,000 | 0.836 | None | December 16, 2050 |
| East Japan Railway Company | Unsecured straight bonds, 160th issue, East Japan Railway Company | December 18, 2020 | 25,000 | 25,000 | 0.97 | None | December 17, 2060 |
| East Japan Railway Company | Unsecured straight bonds, 161st issue, East Japan Railway Company | December 18, 2020 | 15,000 | 15,000 | 1.152 | None | December 18, 2070 |
| East Japan Railway Company | Unsecured straight bonds, 162nd issue, East Japan Railway Company | April 15, 2021 | 45,000 | – | 0.001 | None | April 15, 2024 |
| East Japan Railway Company | Unsecured straight bonds, 163rd issue, East Japan Railway Company | April 15, 2021 | 30,000 | 30,000 | 0.05 | None | April 15, 2026 |
| East Japan Railway Company | Unsecured straight bonds, 164th issue, East Japan Railway Company | April 15, 2021 | 20,000 | 20,000 | 0.245 | None | April 15, 2031 |
| East Japan Railway Company | Unsecured straight bonds, 165th issue, East Japan Railway Company | April 15, 2021 | 30,000 | 30,000 | 0.596 | None | April 15, 2041 |
| East Japan Railway Company | Unsecured straight bonds, 166th issue, East Japan Railway Company | April 15, 2021 | 20,000 | 20,000 | 0.847 | None | April 14, 2051 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|-------------------|--|--|-------------------|--------|-------------------|
| East Japan Railway Company | Unsecured straight bonds, 167th issue, East Japan Railway Company | April 15, 2021 | 20,000 | 20,000 | 0.978 | None | April 15, 2061 |
| East Japan Railway Company | Unsecured straight bonds, 168th issue, East Japan Railway Company | April 15, 2021 | 35,000 | 35,000 | 1.142 | None | April 15, 2071 |
| East Japan Railway Company | Unsecured straight bonds, 169th issue, East Japan Railway Company | July 15, 2021 | 10,000 | 10,000 | 0.165 | None | July 15, 2031 |
| East Japan Railway Company | Unsecured straight bonds, 170th issue, East Japan Railway Company | July 15, 2021 | 15,000 | 15,000 | 0.523 | None | July 12, 2041 |
| East Japan Railway Company | Unsecured straight bonds, 171st issue, East Japan Railway Company | July 15, 2021 | 25,000 | 25,000 | 0.808 | None | July 14, 2051 |
| East Japan Railway Company | Unsecured straight bonds, 172nd issue, East Japan Railway Company | July 15, 2021 | 25,000 | 25,000 | 1.002 | None | July 15, 2061 |
| East Japan Railway Company | Unsecured straight bonds, 173rd issue, East Japan Railway Company | July 15, 2021 | 25,000 | 25,000 | 1.209 | None | July 15, 2071 |
| East Japan Railway Company | Unsecured straight bonds, 174th issue, East Japan Railway Company | December 17, 2021 | 40,000 | – | 0.001 | None | December 17, 2024 |
| East Japan Railway Company | Unsecured straight bonds, 175th issue, East Japan Railway Company | December 17, 2021 | 10,000 | 10,000 | 0.817 | None | December 15, 2051 |
| East Japan Railway Company | Unsecured straight bonds, 176th issue, East Japan Railway Company | December 17, 2021 | 10,000 | 10,000 | 0.993 | None | December 16, 2061 |
| East Japan Railway Company | Unsecured straight bonds, 177th issue, East Japan Railway Company | December 17, 2021 | 20,000 | 20,000 | 1.179 | None | December 17, 2071 |
| East Japan Railway Company | Unsecured straight bonds, 178th issue, East Japan Railway Company | April 14, 2022 | 10,000 | 10,000 | 0.195 | None | April 14, 2027 |
| East Japan Railway Company | Unsecured straight bonds, 179th issue, East Japan Railway Company | April 14, 2022 | 15,000 | 15,000 | 0.866 | None | April 14, 2042 |
| East Japan Railway Company | Unsecured straight bonds, 180th issue, East Japan Railway Company | April 14, 2022 | 20,000 | 20,000 | 1.543 | None | April 14, 2072 |
| East Japan Railway Company | Unsecured straight bonds, 181st issue, East Japan Railway Company | July 15, 2022 | 15,000 | 15,000 (15,000) | 0.24 | None | July 15, 2025 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|---|------------------|--|--|-------------------|--------|------------------|
| East Japan Railway Company | Unsecured straight bonds, 182nd issue, East Japan Railway Company | July 15, 2022 | 10,000 | 10,000 | 1.448 | None | July 12, 2052 |
| East Japan Railway Company | Unsecured straight bonds, 183rd issue, East Japan Railway Company | July 15, 2022 | 20,000 | 20,000 | 1.854 | None | July 15, 2072 |
| East Japan Railway Company | Unsecured straight bonds, 184th issue, East Japan Railway Company | October 14, 2022 | 15,000 | 15,000 (15,000) | 0.21 | None | October 14, 2025 |
| East Japan Railway Company | Unsecured straight bonds, 185th issue, East Japan Railway Company | October 14, 2022 | 10,000 | 10,000 | 0.549 | None | October 14, 2032 |
| East Japan Railway Company | Unsecured straight bonds, 186th issue, East Japan Railway Company | October 14, 2022 | 10,000 | 10,000 | 1.587 | None | October 11, 2052 |
| East Japan Railway Company | Unsecured straight bonds, 187th issue, East Japan Railway Company | October 14, 2022 | 10,000 | 10,000 | 1.985 | None | October 14, 2072 |
| East Japan Railway Company | Unsecured straight bonds, 188th issue, East Japan Railway Company | January 20, 2023 | 12,000 | 12,000 | 2.103 | None | January 20, 2053 |
| East Japan Railway Company | Unsecured straight bonds, 189th issue, East Japan Railway Company | July 14, 2023 | 10,000 | 10,000 | 0.714 | None | July 14, 2033 |
| East Japan Railway Company | Unsecured straight bonds, 190th issue, East Japan Railway Company | July 14, 2023 | 20,000 | 20,000 | 1.296 | None | July 14, 2043 |
| East Japan Railway Company | Unsecured straight bonds, 191st issue, East Japan Railway Company | July 14, 2023 | 20,000 | 20,000 | 1.571 | None | July 14, 2053 |
| East Japan Railway Company | Unsecured straight bonds, 192nd issue, East Japan Railway Company | July 14, 2023 | 19,000 | 19,000 | 1.816 | None | July 13, 2063 |
| East Japan Railway Company | Unsecured straight bonds, 193rd issue, East Japan Railway Company | July 14, 2023 | 11,000 | 11,000 | 1.984 | None | July 14, 2073 |
| East Japan Railway Company | Unsecured straight bonds, 194th issue, East Japan Railway Company | October 13, 2023 | 11,000 | 11,000 | 1.025 | None | October 13, 2033 |
| East Japan Railway Company | Unsecured straight bonds, 195th issue, East Japan Railway Company | October 13, 2023 | 16,000 | 16,000 | 1.787 | None | October 13, 2043 |
| East Japan Railway Company | Unsecured straight bonds, 196th issue, East Japan Railway Company | October 13, 2023 | 8,000 | 8,000 | 2.047 | None | October 13, 2053 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|--|------------------|--|--|-------------------|--------|------------------|
| East Japan Railway Company | Unsecured straight bonds, 197th issue, East Japan Railway Company | October 13, 2023 | 13,000 | 13,000 | 2.238 | None | October 12, 2063 |
| East Japan Railway Company | Unsecured straight bonds, 198th issue, East Japan Railway Company | January 19, 2024 | 10,000 | 10,000 | 1.554 | None | January 19, 2044 |
| East Japan Railway Company | Unsecured straight bonds, 199th issue, East Japan Railway Company | July 12, 2024 | – | 18,000 | 1.32 | None | July 12, 2034 |
| East Japan Railway Company | Unsecured straight bonds, 200th issue, East Japan Railway Company | July 12, 2024 | – | 6,000 | 2.12 | None | July 12, 2044 |
| East Japan Railway Company | Unsecured straight bonds, 201st issue, East Japan Railway Company | January 17, 2025 | – | 10,000 | 2.17 | None | January 17, 2045 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 1st issue, East Japan Railway Company | January 27, 2020 | 30,000 | 30,000 | 0.22 | None | January 25, 2030 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 2nd issue, East Japan Railway Company | January 25, 2021 | 30,000 | 30,000 | 0.205 | None | January 24, 2031 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 3rd issue, East Japan Railway Company | January 21, 2022 | 30,000 | 30,000 | 0.264 | None | January 21, 2032 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 4th issue, East Japan Railway Company | January 20, 2023 | 25,000 | 25,000 | 0.687 | None | January 20, 2028 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 5th issue, East Japan Railway Company | January 20, 2023 | 10,000 | 10,000 | 0.994 | None | January 20, 2033 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 6th issue, East Japan Railway Company | January 19, 2024 | 10,000 | 10,000 | 0.91 | None | January 19, 2034 |
| East Japan Railway Company | Sustainability bonds and unsecured straight bonds, 7th issue, East Japan Railway Company | January 17, 2025 | – | 15,000 | 1.395 | None | January 17, 2035 |
| East Japan Railway Company | Euro GBP straight bonds, 1st issue | January 25, 2006 | 50,287 [£250 million] | 50,294 [£250 million] | 4.5 | None | January 25, 2036 |
| East Japan Railway Company | Euro GBP straight bonds, 2nd issue | June 14, 2006 | 52,333 [£250 million] | 52,354 [£250 million] | 4.875 | None | June 14, 2034 |

| Company name | Issue name | Date of issuance | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Interest rate (%) | Pledge | Repayment period |
|----------------------------|--|--------------------|--|--|-------------------|--------|--------------------|
| East Japan Railway Company | Euro GBP straight bonds, 3rd issue | December 8, 2006 | 78,251 [£350 million] | 78,257 [£350 million] | 4.75 | None | December 8, 2031 |
| East Japan Railway Company | Euro GBP straight bonds, 4th issue | April 24, 2007 | 58,607 [£250 million] | 58,623 [£250 million] | 5.25 | None | April 22, 2033 |
| East Japan Railway Company | Euro GBP straight bonds, 5th issue | September 15, 2021 | 45,634 [£300 million] | 45,634 [£300 million] | 1.162 | None | September 15, 2028 |
| East Japan Railway Company | Euro EUR straight bonds, 1st issue | September 15, 2021 | 65,280 [€500 million] | 65,280 [€500 million] | 0.773 | None | September 15, 2034 |
| East Japan Railway Company | Euro EUR straight bonds, 2nd issue | September 15, 2021 | 91,386 [€700 million] | 91,386 [€700 million] | 1.104 | None | September 15, 2039 |
| East Japan Railway Company | Euro EUR straight bonds, 3rd issue | April 13, 2022 | 87,738 [€550 million] | 87,738 [€550 million] | 1.85 | None | April 13, 2033 |
| East Japan Railway Company | Euro EUR straight bonds, 4th issue | September 8, 2022 | 97,545 [€700 million] | 97,545 (97,545) [€700 million] | 2.614 | None | September 8, 2025 |
| East Japan Railway Company | Euro EUR straight bonds, 5th issue | September 8, 2022 | 69,675 [€500 million] | 69,675 [€500 million] | 3.245 | None | September 8, 2030 |
| East Japan Railway Company | Euro EUR green bonds and straight bonds, 1st issue | February 22, 2023 | 107,192 [€750 million] | 107,192 [€750 million] | 4.11 | None | February 22, 2043 |
| East Japan Railway Company | Euro EUR green bonds and straight bonds, 2nd issue | September 5, 2023 | 95,083 [€600 million] | 95,083 [€600 million] | 3.976 | None | September 5, 2032 |
| East Japan Railway Company | Euro EUR green bonds and straight bonds, 3rd issue | September 5, 2023 | 110,961 [€700 million] | 110,961 [€700 million] | 4.389 | None | September 5, 2043 |
| East Japan Railway Company | Euro EUR green bonds and straight bonds, 4th issue | September 4, 2024 | – | 112,726 [€700 million] | 3.533 | None | September 4, 2036 |
| East Japan Railway Company | Euro GBP green bonds and straight bonds, 1st issue | September 4, 2024 | – | 114,627 [£600 million] | 5.562 | None | September 4, 2054 |
| Total | – | – | 3,114,967 | 3,246,373 (207,545) | – | – | – |

(Notes) 1. For the balance at the end of the current period, amounts in parentheses () are bonds scheduled for redemption within a year.

2. The scheduled amount of redemption of bonds within five years after the consolidated balance sheets date on a yearly basis is as follows:

| 1 year or less (millions of yen) | Exceeding 1 year but 2 years or less (millions of yen) | Exceeding 2 years but 3 years or less (millions of yen) | Exceeding 3 years but 4 years or less (millions of yen) | Exceeding 4 years but 5 years or less (millions of yen) |
|----------------------------------|--|---|---|---|
| 207,545 | 90,000 | 100,000 | 135,634 | 85,000 |

Consolidated Detailed Schedule of Borrowings

| Classification | Balance at the fiscal year start (millions of yen) | Balance at the fiscal year end (millions of yen) | Average interest rate (%) | Payment due |
|---|--|--|---------------------------|--|
| Short-term loans | 47 | 490 | 3.74 | – |
| Current portion of long-term loans | 179,100 | 141,220 | 0.44 | – |
| Current portion of lease obligation | 4,592 | 4,200 | – | – |
| Long-term loans (excluding current portion due within one year) | 1,263,150 | 1,260,561 | 1.03 | August 25, 2026 to January 28, 2060 |
| Lease obligation (excluding current portion due within one year) | 8,861 | 8,600 | – | April 30, 2026 to August 31, 2032 |
| Other interest-bearing liabilities Long-term liabilities incurred for purchase of railway facilities | 311,001 | 306,703 | 6.55 | September 30, 2029 to September 30, 2051 |
| Total | 1,766,753 | 1,721,777 | – | – |

- (Notes) 1. “Average interest rate” represents weighted average interest rate with respect to the balance at the fiscal year end. However, lease liabilities are included in consolidated balance sheets calculations as the amounts before deducting the interest equivalent included in the total lease payments, so the “average interest rate” for lease obligation is not recorded.
2. The annual repayment schedule of long-term borrowings, lease obligation, and other interest-bearing liabilities (excluding current portion due within one year) within five years after the consolidated balance sheets date is as follows:

| Classification | Exceeding 1 year but 2 years or less (millions of yen) | Exceeding 2 years but 3 years or less (millions of yen) | Exceeding 3 years but 4 years or less (millions of yen) | Exceeding 4 years but 5 years or less (millions of yen) |
|------------------------------------|--|---|---|---|
| Long-term loans | 185,154 | 266,004 | 189,801 | 174,600 |
| Lease obligation | 2,923 | 2,160 | 1,579 | 731 |
| Other interest-bearing liabilities | 4,850 | 5,171 | 5,514 | 5,862 |

Consolidated Detailed Schedule of Asset Retirement Obligations

The preparation of an asset retirement obligation schedule is omitted, because the amounts of asset retirement obligations at this fiscal year start and end were not more than 1% of the total of liabilities and net assets at this fiscal year start and end, respectively.

(2) Other Information

Semi-annual information for the fiscal year ended March 31, 2025

| | Interim accounting period | Fiscal year ended March 31, 2025 |
|---|---------------------------|----------------------------------|
| Operating revenues (millions of yen) | 1,395,117 | 2,887,553 |
| Profit before income taxes (millions of yen) | 199,958 | 297,292 |
| Profit attributable to owners of parent (millions of yen) | 139,780 | 224,285 |
| Earnings per share (yen) | 123.56 | 198.29 |

2. Non-consolidated Financial Statements and Main Notes

(1) Non-consolidated Financial Statements

(i) Non-consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and time deposits | 233,745 | 186,701 |
| Fares receivable | 402,729 | 423,093 |
| Accounts receivable - trade | 112,950 | 114,202 |
| Short-term loans to affiliated companies receivable | 54,314 | 85,209 |
| Real estate for sale | *3 23,265 | *3 45,956 |
| Inventories | 33,777 | 35,084 |
| Prepaid expenses | 7,775 | 8,029 |
| Other | 13,270 | 11,775 |
| Allowance for doubtful accounts | (51) | (95) |
| Total current assets | 881,777 | 909,958 |
| Fixed Assets | | |
| Fixed assets for railway operations | | |
| Property, plant and equipment | 12,253,666 | 12,449,660 |
| Accumulated depreciation | (7,032,664) | (7,182,451) |
| Property, plant and equipment (net) | 5,221,001 | 5,267,208 |
| Intangible assets | 43,396 | 49,148 |
| Total | *1, *2, *5 5,264,398 | *1, *2, *5 5,316,356 |
| Fixed assets for other operations | | |
| Property, plant and equipment | 1,174,139 | 1,297,106 |
| Accumulated depreciation | (293,606) | (294,005) |
| Property, plant and equipment (net) | 880,532 | 1,003,101 |
| Intangible assets | 2,343 | 2,644 |
| Total | *1, *3 882,875 | *1, *3 1,005,746 |
| Fixed assets relating to both operations | | |
| Property, plant and equipment | 900,406 | 922,394 |
| Accumulated depreciation | (596,687) | (604,047) |
| Property, plant and equipment (net) | 303,719 | 318,347 |
| Intangible assets | 9,028 | 12,335 |
| Total | *1, *2, *3 312,748 | *1, *2, *3 330,682 |
| Construction in progress | | |
| Railway operations | 322,187 | 346,308 |
| Other operations | 196,495 | 232,634 |
| Relating to both operations | 12,477 | 11,998 |
| Total | 531,160 | 590,941 |
| Investments and other assets | | |
| Investments in securities | 261,130 | 284,427 |
| Stocks of subsidiaries and affiliated companies | 201,057 | 221,421 |
| Long-term loans to affiliated companies receivable | 231,059 | 229,507 |
| Long-term prepaid expenses | 50,771 | 56,944 |
| Deferred tax assets | 288,008 | 236,388 |
| Other investment and other assets | 13,912 | 13,665 |
| Allowance for doubtful accounts | (45,556) | (56,564) |
| Total investments and other assets | 1,000,383 | 985,789 |
| Total fixed assets | 7,991,566 | 8,229,516 |
| Total Assets | 8,873,344 | 9,139,474 |

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current Liabilities | | |
| Short-term loans from affiliated companies | 224,264 | 246,665 |
| Current portion of bonds | 145,000 | 207,545 |
| Current portion of long-term loans | 179,100 | 141,200 |
| Current portion of long-term liabilities incurred for purchase of railway facilities | *5 4,235 | *5 4,517 |
| Lease obligation | 11,654 | 12,200 |
| Payables | 459,527 | 542,966 |
| Accrued expenses | 36,659 | 38,741 |
| Accrued consumption taxes | 28,654 | 10,877 |
| Accrued income taxes | 5,150 | 4,159 |
| Fare deposits received with regard to railway connecting services | 45,077 | 49,073 |
| Deposits received | 20,103 | 19,316 |
| Prepaid railway fares received | 86,203 | 90,467 |
| Advances received | 113,927 | 127,662 |
| Prepaid contribution for construction | 26,138 | 9,264 |
| Allowance for bonuses to employees | 48,962 | 52,251 |
| Allowance for disaster-damage losses | 3,796 | 589 |
| Allowance for environmental conservation costs | 38,493 | 3,261 |
| Allowance for point card certificates | 17,828 | 19,109 |
| Asset retirement obligations | 437 | 260 |
| Other | 52,438 | 55,667 |
| Total current liabilities | 1,547,654 | 1,635,798 |
| Long-Term Liabilities | | |
| Bonds | 2,969,967 | 3,038,828 |
| Long-term loans | 1,263,150 | 1,260,550 |
| Long-term loans from affiliated companies | 50,380 | 52,515 |
| Long-term liabilities incurred for purchase of railway facilities | *5 306,542 | *5 302,025 |
| Lease obligation | 26,992 | 34,593 |
| Long-term deferred contribution for construction | 54,789 | 80,260 |
| Provision for large-scale renovation of Shinkansen infrastructure | *6 192,000 | *6 216,000 |
| Employees' severance and retirement benefits | 377,564 | 386,799 |
| Allowance for disaster-damage losses | 3,146 | 3,000 |
| Allowance for environmental conservation costs | 9,781 | 7,508 |
| Provision for loss on business of subsidiaries and affiliated companies | 1,500 | 4,576 |
| Asset retirement obligations | 8,209 | 9,121 |
| Other | 16,981 | 12,744 |
| Total long-term liabilities | 5,281,005 | 5,408,523 |
| Total Liabilities | 6,828,660 | 7,044,321 |

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| Net Assets | | |
| Shareholders' Equity | | |
| Common stock | 200,000 | 200,000 |
| Capital surplus | | |
| Additional paid-in capital | 97,771 | 97,771 |
| Other capital surplus | – | 574 |
| Total capital surplus | 97,771 | 98,345 |
| Retained earnings | | |
| Legal reserve | 22,173 | 22,173 |
| Other retained earnings | | |
| Reserve for special depreciation | 2,104 | 2,178 |
| Reserve for investment losses on developing new business | 73 | 59 |
| Reserve for deferred gain of fixed assets | 62,198 | 61,826 |
| General reserve | 1,220,000 | 1,220,000 |
| Retained earnings carried forward | 349,991 | 400,674 |
| Total retained earnings | 1,656,541 | 1,706,913 |
| Treasury stock, at cost | (38) | (12) |
| Total shareholders' equity | 1,954,273 | 2,005,246 |
| Valuation and Translation Adjustment | | |
| Net unrealized holding gains (losses) on securities | 87,218 | 86,780 |
| Net deferred gains (losses) on derivatives under hedge accounting | 3,192 | 3,125 |
| Total valuation and translation adjustments | 90,410 | 89,906 |
| Total Net Assets | 2,044,684 | 2,095,153 |
| Total Liabilities and Net Assets | 8,873,344 | 9,139,474 |

(ii) Non-consolidated Statements of Income

(Millions of yen)

| | Year ended March 31, 2024 | | Year ended March 31, 2025 | |
|--|---------------------------|-----------|---------------------------|-----------|
| Railway Operations | | | | |
| Operating Revenues | | | | |
| Passenger transportation | | 1,676,582 | | 1,768,836 |
| Trackage revenue | | 5,389 | | 5,639 |
| Miscellaneous income of transportation | | 155,026 | | 157,821 |
| Total operating revenues | | 1,836,998 | | 1,932,296 |
| Operating Expenses | | | | |
| Transportation expenses | *1 | 1,023,985 | *1 | 1,079,488 |
| General and administrative expenses | | 231,248 | | 239,908 |
| Taxes | | 94,531 | | 97,195 |
| Depreciation | | 298,111 | | 309,510 |
| Total operating expenses | *2 | 1,647,876 | *2 | 1,726,102 |
| Operating Income from Railway Operations | | 189,122 | | 206,194 |
| Other Operations | | | | |
| Operating Revenues | | | | |
| Revenue from real estate lease | | 97,002 | | 99,395 |
| Revenue from real estate sales | | 34,292 | | 26,456 |
| Miscellaneous revenue | | 19,005 | | 19,532 |
| Total operating revenues | | 150,300 | | 145,384 |
| Operating Expenses | | | | |
| Cost of sales | | 18,702 | | 8,640 |
| Selling, general and administrative expenses | | 28,796 | | 37,078 |
| Taxes | | 14,762 | | 16,402 |
| Depreciation | | 23,359 | | 23,387 |
| Total operating expenses | *2 | 85,620 | *2 | 85,509 |
| Operating Income from Other Operations | | 64,679 | | 59,874 |
| Total Operating Income | | 253,801 | | 266,068 |
| Non-Operating Income | | | | |
| Interest income | | 1,339 | | 2,385 |
| Dividend income | *3 | 15,779 | *3 | 22,947 |
| Gains on sales of equipment | | 1,216 | | 1,107 |
| Insurance proceeds and dividends | | 4,504 | | 4,215 |
| Other | | 4,307 | | 3,553 |
| Total non-operating income | *3 | 27,147 | *3 | 34,209 |
| Non-Operating Expenses | | | | |
| Interest expense | | 34,672 | | 35,273 |
| Interest on bonds | | 36,718 | | 41,530 |
| Cost of issuance of bonds | | 1,820 | | 1,436 |
| Losses on sales of equipment | | 151 | | 351 |
| Other | | 5,250 | | 5,153 |
| Total non-operating expenses | | 78,613 | | 83,746 |
| Ordinary Income | | 202,334 | | 216,531 |

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Extraordinary Gains | | |
| Gains on sales of fixed assets | *4 9,492 | *4 259 |
| Gain on sale of investments in securities | 3,279 | 12,979 |
| Construction grants received | *5 23,690 | *5 27,053 |
| Other | 6,469 | 4,069 |
| Total extraordinary gains | 42,932 | 44,362 |
| Extraordinary Losses | | |
| Losses on sales of fixed assets | *6 37 | *6 176 |
| Losses on reduction entry for construction grants | *7 17,554 | *7 22,878 |
| Impairment losses on fixed assets | 3,985 | 6,986 |
| Intensive seismic reinforcement costs | 6,779 | 9,243 |
| Environmental conservation costs | 1,719 | – |
| Provision of allowance for doubtful accounts for subsidiaries and affiliated companies | 1,200 | 12,761 |
| Provision for allowance for disaster-damage losses | 4,087 | – |
| Provision for loss on business of subsidiaries and affiliated companies | 900 | 3,076 |
| Other | 342 | 2,842 |
| Total extraordinary losses | 36,607 | 57,964 |
| Income before Income Taxes | 208,660 | 202,929 |
| Current | 401 | 348 |
| Deferred | 61,564 | 49,980 |
| Total Income Taxes | 61,966 | 50,329 |
| Profit | 146,693 | 152,600 |

Itemized account of operating expenses

| | | Year ended March 31, 2024 | | Year ended March 31, 2025 | |
|---|------|---------------------------|-----------|---------------------------|-----------|
| Classification | Note | Amount (millions of yen) | | Amount (millions of yen) | |
| I Operating expenses of railway operations | | | | | |
| 1. Transportation expenses | *1 | | | | |
| (1) Personnel expenses | | 321,980 | | 324,217 | |
| (2) Expenses | | 702,005 | | 755,270 | |
| Total | | | 1,023,985 | | 1,079,488 |
| 2. General and administrative expenses | *2 | | | | |
| (1) Personnel expenses | | 78,269 | | 75,013 | |
| (2) Expenses | | 152,979 | | 164,894 | |
| Total | | | 231,248 | | 239,908 |
| 3. Taxes | | | 94,531 | | 97,195 |
| 4. Depreciation | | | 298,111 | | 309,510 |
| Total operating expenses of railway operations | | | | 1,647,876 | 1,726,102 |
| II Operating expenses of other operations | | | | | |
| 1. Cost of sales | *3 | | 18,702 | | 8,640 |
| 2. Selling, general and administrative expenses | *4 | | | | |
| (1) Personnel expenses | | 6,254 | | 6,946 | |
| (2) Expenses | | 22,541 | | 30,132 | |
| Total | | | 28,796 | | 37,078 |
| 3. Taxes | | | 14,762 | | 16,402 |
| 4. Depreciation | | | 23,359 | | 23,387 |
| Total operating expenses of other operations | | | | 85,620 | 85,509 |
| Total operating expenses | | | | 1,733,497 | 1,811,612 |

(Note) Expenses that exceed 5/100 of total operating expenses by operation, and the allowance included in total operating expenses are as follows.

| | | (Millions of yen) | |
|----|--|---------------------------|---------------------------|
| | | Year ended March 31, 2024 | Year ended March 31, 2025 |
| *1 | Operating expenses of railway operations - Transportation expenses | | |
| | Repair expenses | 263,617 | 305,720 |
| | Salary and wages | 215,367 | 218,925 |
| | Outsourcing expenses | 149,496 | 160,613 |
| | Power expenses | 86,005 | 83,458 |
| | Usage fees to JRJT, etc. | 83,874 | 83,526 |
| *2 | Operating expenses of railway operations - General and administrative expenses | | |
| | Outsourcing expenses | 89,717 | 96,092 |
| *3 | Operating expenses of other operations - Cost of sales | | |
| | Cost of sales - real estate sales | 17,496 | 7,572 |
| *4 | Operating expenses of other operations - Selling, general and administrative expenses | | |
| | Outsourcing expenses | 9,425 | 12,284 |
| | Repair expenses | 4,069 | 4,392 |
| 5. | Allowance included in total operating expenses | | |
| | Allowance for bonuses to employees | 46,398 | 49,495 |
| | Provision for large-scale renovation of Shinkansen infrastructure | 24,000 | 24,000 |
| | Retirement benefit expenses | 19,948 | 16,446 |

(iii) Non-consolidated Statements of Changes in Net Assets
Year ended March 31, 2024

(Millions of yen)

| | Shareholders' equity | | | |
|---|----------------------|----------------------------|-----------------------|-----------------------|
| | Common stock | Capital surplus | | |
| | | Additional paid-in capital | Other capital surplus | Total capital surplus |
| Balance at the fiscal year start | 200,000 | 96,600 | – | 96,600 |
| Changes of items during the fiscal year | | | | |
| Issuance of new shares | | 1,171 | | 1,171 |
| Provision of reserve for special depreciation | | | | |
| Reversal of reserve for special depreciation | | | | |
| Provision of reserve for investment losses on developing new business | | | | |
| Reversal of reserve for investment losses on developing new business | | | | |
| Provision of reserve for deferred gain of fixed assets | | | | |
| Reversal of reserve for deferred gain of fixed assets | | | | |
| Dividends | | | | |
| Profit | | | | |
| Purchase of treasury stock | | | | |
| Disposal of treasury stock | | | | |
| Decrease by corporate division | | | | |
| Net changes of items other than shareholders' equity | | | | |
| Total changes of items during the fiscal year | – | 1,171 | – | 1,171 |
| Balance at the fiscal year end | 200,000 | 97,771 | – | 97,771 |

| | Shareholders' equity | | | | | | |
|---|----------------------|--|---|-----------------|-----------------------------------|----------|-------------------------|
| | Retained earnings | | | | | | |
| | Legal reserve | Other retained earnings | | | | | Total retained earnings |
| Reserve for special depreciation | | Reserve for investment losses on developing new business | Reserve for deferred gain of fixed assets | General reserve | Retained earnings carried forward | | |
| Balance at the fiscal year start | 22,173 | 1,881 | 80 | 63,113 | 1,220,000 | 242,295 | 1,549,544 |
| Changes of items during the fiscal year | | | | | | | |
| Issuance of new shares | | | | | | | |
| Provision of reserve for special depreciation | | 787 | | | | (787) | – |
| Reversal of reserve for special depreciation | | (564) | | | | 564 | – |
| Provision of reserve for investment losses on developing new business | | | 73 | | | (73) | – |
| Reversal of reserve for investment losses on developing new business | | | (80) | | | 80 | – |
| Provision of reserve for deferred gain of fixed assets | | | | 2,018 | | (2,018) | – |
| Reversal of reserve for deferred gain of fixed assets | | | | (2,932) | | 2,932 | – |
| Dividends | | | | | | (39,647) | (39,647) |
| Profit | | | | | | 146,693 | 146,693 |
| Purchase of treasury stock | | | | | | | |
| Disposal of treasury stock | | | | | | (49) | (49) |
| Decrease by corporate division | | | | | | | |
| Net changes of items other than shareholders' equity | | | | | | | |
| Total changes of items during the fiscal year | – | 222 | (7) | (914) | – | 107,695 | 106,996 |
| Balance at the fiscal year end | 22,173 | 2,104 | 73 | 62,198 | 1,220,000 | 349,991 | 1,656,541 |

(Millions of yen)

| | Shareholders' equity | | Valuation and translation adjustments | | | Total net assets |
|---|-------------------------|----------------------------|---|---|---|------------------|
| | Treasury stock, at cost | Total shareholders' equity | Net unrealized holding gains (losses) on securities | Net deferred gains (losses) on derivatives under hedge accounting | Total valuation and translation adjustments | |
| Balance at the fiscal year start | (3,436) | 1,842,708 | 35,182 | 2,512 | 37,695 | 1,880,403 |
| Changes of items during the fiscal year | | | | | | |
| Issuance of new shares | | 1,171 | | | | 1,171 |
| Provision of reserve for special depreciation | | - | | | | - |
| Reversal of reserve for special depreciation | | - | | | | - |
| Provision of reserve for investment losses on developing new business | | - | | | | - |
| Reversal of reserve for investment losses on developing new business | | - | | | | - |
| Provision of reserve for deferred gain of fixed assets | | - | | | | - |
| Reversal of reserve for deferred gain of fixed assets | | - | | | | - |
| Dividends | | (39,647) | | | | (39,647) |
| Profit | | 146,693 | | | | 146,693 |
| Purchase of treasury stock | (14) | (14) | | | | (14) |
| Disposal of treasury stock | 3,412 | 3,362 | | | | 3,362 |
| Decrease by corporate division | | - | | | | - |
| Net changes of items other than shareholders' equity | | | 52,035 | 679 | 52,715 | 52,715 |
| Total changes of items during the fiscal year | 3,397 | 111,565 | 52,035 | 679 | 52,715 | 164,281 |
| Balance at the fiscal year end | (38) | 1,954,273 | 87,218 | 3,192 | 90,410 | 2,044,684 |

Year ended March 31, 2025

(Millions of yen)

| | Shareholders' equity | | | |
|---|----------------------|----------------------------|-----------------------|-----------------------|
| | Common stock | Capital surplus | | |
| | | Additional paid-in capital | Other capital surplus | Total capital surplus |
| Balance at the fiscal year start | 200,000 | 97,771 | – | 97,771 |
| Changes of items during the fiscal year | | | | |
| Issuance of new shares | | | | |
| Provision of reserve for special depreciation | | | | |
| Reversal of reserve for special depreciation | | | | |
| Provision of reserve for investment losses on developing new business | | | | |
| Reversal of reserve for investment losses on developing new business | | | | |
| Provision of reserve for deferred gain of fixed assets | | | | |
| Reversal of reserve for deferred gain of fixed assets | | | | |
| Dividends | | | | |
| Profit | | | | |
| Purchase of treasury stock | | | | |
| Disposal of treasury stock | | | 574 | 574 |
| Decrease by corporate division | | | | |
| Net changes of items other than shareholders' equity | | | | |
| Total changes of items during the fiscal year | – | – | 574 | 574 |
| Balance at the fiscal year end | 200,000 | 97,771 | 574 | 98,345 |

| | Shareholders' equity | | | | | | |
|---|----------------------|--|---|-----------------|-----------------------------------|----------|-------------------------|
| | Retained earnings | | | | | | |
| | Legal reserve | Other retained earnings | | | | | Total retained earnings |
| Reserve for special depreciation | | Reserve for investment losses on developing new business | Reserve for deferred gain of fixed assets | General reserve | Retained earnings carried forward | | |
| Balance at the fiscal year start | 22,173 | 2,104 | 73 | 62,198 | 1,220,000 | 349,991 | 1,656,541 |
| Changes of items during the fiscal year | | | | | | | |
| Issuance of new shares | | | | | | | |
| Provision of reserve for special depreciation | | 482 | | | | (482) | – |
| Reversal of reserve for special depreciation | | (407) | | | | 407 | – |
| Provision of reserve for investment losses on developing new business | | | 59 | | | (59) | – |
| Reversal of reserve for investment losses on developing new business | | | (73) | | | 73 | – |
| Provision of reserve for deferred gain of fixed assets | | | | 979 | | (979) | – |
| Reversal of reserve for deferred gain of fixed assets | | | | (1,352) | | 1,352 | – |
| Dividends | | | | | | (61,633) | (61,633) |
| Profit | | | | | | 152,600 | 152,600 |
| Purchase of treasury stock | | | | | | | |
| Disposal of treasury stock | | | | | | | |
| Decrease by corporate division | | | | | | (40,595) | (40,595) |
| Net changes of items other than shareholders' equity | | | | | | | |
| Total changes of items during the fiscal year | – | 74 | (13) | (372) | – | 50,682 | 50,371 |
| Balance at the fiscal year end | 22,173 | 2,178 | 59 | 61,826 | 1,220,000 | 400,674 | 1,706,913 |

(Millions of yen)

| | Shareholders' equity | | Valuation and translation adjustments | | | Total net assets |
|---|-------------------------|----------------------------|---|---|---|------------------|
| | Treasury stock, at cost | Total shareholders' equity | Net unrealized holding gains (losses) on securities | Net deferred gains (losses) on derivatives under hedge accounting | Total valuation and translation adjustments | |
| Balance at the fiscal year start | (38) | 1,954,273 | 87,218 | 3,192 | 90,410 | 2,044,684 |
| Changes of items during the fiscal year | | | | | | |
| Issuance of new shares | | – | | | | – |
| Provision of reserve for special depreciation | | – | | | | – |
| Reversal of reserve for special depreciation | | – | | | | – |
| Provision of reserve for investment losses on developing new business | | – | | | | – |
| Reversal of reserve for investment losses on developing new business | | – | | | | – |
| Provision of reserve for deferred gain of fixed assets | | – | | | | – |
| Reversal of reserve for deferred gain of fixed assets | | – | | | | – |
| Dividends | | (61,633) | | | | (61,633) |
| Profit | | 152,600 | | | | 152,600 |
| Purchase of treasury stock | (7,064) | (7,064) | | | | (7,064) |
| Disposal of treasury stock | 7,091 | 7,665 | | | | 7,665 |
| Decrease by corporate division | | (40,595) | | | | (40,595) |
| Net changes of items other than shareholders' equity | | | (437) | (66) | (504) | (504) |
| Total changes of items during the fiscal year | 26 | 50,972 | (437) | (66) | (504) | 50,468 |
| Balance at the fiscal year end | (12) | 2,005,246 | 86,780 | 3,125 | 89,906 | 2,095,153 |

Notes to Non-consolidated Financial Statements

Significant Accounting Policies

1. Basis and method of valuation of securities

(1) Held-to-maturity debt securities

Amortized cost method (straight-line method)

(2) Equity shares issued by subsidiaries and affiliated companies

Moving-average cost method

(3) Available-for-sale securities

(i) Securities other than securities and investments without market value

Market method (net unrealized gains or losses on these securities are reported as a separate item in net assets, and the cost of sales is determined by the moving-average cost method)

(ii) Securities and investments without market value

Moving-average cost method

(iii) Partnership capital (deemed securities in accordance with Article 2, Paragraph (2) of the Financial Instruments and Exchange Act (Act No. 25, 1948))

The Company uses the most recent financial statements available as of the reporting date stipulated in the partnership contract as the basis for determining the net amount of its equity interest in the partnership.

2. Basis and method of valuation of derivatives

Derivatives are valued according to market method.

3. Basis and method of valuation of inventories

Real estate for sale: identified cost method (carrying amount in the balance sheet is calculated with consideration given to write-downs due to decreased profitability of inventories)

Inventories: moving-average cost method (carrying amount in the balance sheet is calculated with consideration of write-downs due to decreased profitability of inventories)

4. Accumulated depreciation of property, plant and equipment

(1) Property, plant and equipment

Property, plant and equipment are depreciated using the declining balance method; however, buildings (excluding fixtures) acquired on or after April 1, 1998, fixtures and structures acquired on or after April 1, 2016 are depreciated using the straight-line method. Replacement assets included in structures of railway fixed assets are depreciated using the replacement method.

Methods to determine the number of years of useful life and residual value are as stipulated in the Corporation Tax Act.

With respect to the depreciation and amortization method for lease assets related to finance lease transactions that do not transfer ownership to the lessee, the Company has adopted a straight-line method that assumes the years of useful lives are lease periods and residual values are zero.

(2) Intangible assets

Intangible assets are amortized using the straight-line method.

The method to determine the number of years of useful life is as stipulated in the Corporation Tax Act.

Software designed for internal use is amortized using the straight-line method based on the expected useful life as used in the Company (five years).

With respect to the depreciation and amortization method for lease assets related to finance lease transactions that do not transfer ownership to the lessee, the Company has adopted a straight-line method that assumes the years of useful lives are lease periods and residual values are zero.

(3) Long-term prepaid expenses

Intangible assets are amortized using the straight-line amortization.

The method to determine the number of amortization period is as stipulated in the Corporation Tax Act.

5. Accounting for deferred assets

Cost of issuance of bonds: Charged to income when paid.

6. Accounting for important allowances

(1) Allowance for doubtful accounts

For general receivables, the allowance is provided based on past loan loss experience. For receivables from debtors in financial difficulty, allowance is provided for estimated unrecoverable amounts on an individual basis.

(2) Allowance for bonuses to employees

The allowance for bonuses to employees is provided based upon the expected amount to be paid.

(3) Provision for large-scale renovation of Shinkansen infrastructure

The provision for large-scale renovation of Shinkansen infrastructure is recognized based on Article 17 of the Nationwide Shinkansen Railway Development Act (Act No. 71, 1970).

On March 29, 2016, the Company received approval for a Plan for Provision for Large-Scale Renovation of Shinkansen Infrastructure from the Minister of Land, Infrastructure, Transport and Tourism based on Article 16, Paragraph (1) of the Nationwide Shinkansen Railway Development Act. As a result, from fiscal 2017 until fiscal 2031, a provision of ¥24,000 million (total: ¥360,000 million) will be recognized each fiscal year, and from fiscal 2032, until fiscal 2041, a reversal of ¥36,000 million (total: ¥360,000 million) will be recognized each fiscal year.

(4) Employees' severance and retirement benefits

The Company accrues liabilities for severance and retirement benefits at the end of the balance sheets date in an amount calculated based on the actuarial present value of all severance and retirement benefits attributable to employee services rendered prior to the balance sheets date.

(i) Method of attributing expected retirement benefits to periods

In calculating the liabilities for severance and retirement benefits, estimated retirement benefits are attributed to the accounting period prior to the balance sheets date in accordance with the benefit formula basis.

(ii) Amortization of prior service costs and actuarial gains and losses

The prior service costs are amortized by the straight-line method and charged to income over the number of years (10 years) which does not exceed the average remaining years of employment at the time when the prior service costs incurred.

Actuarial gains and losses are recognized in expenses using the straight-line method over constant years (10 years) within the average of the estimated remaining service lives of employees at the time when the actuarial gains and losses are incurred in each period, commencing with the following fiscal year.

(5) Allowance for disaster-damage losses

The allowance for disaster-damage losses is established based upon the estimated restoration and other expenses arising from Typhoon No. 15 (Faxai) and Typhoon No. 19 (Hagibis), which landed on September 9, 2019, and October 12, 2019, respectively. Also, the allowance for disaster-damage losses is established based upon the estimated amount of restoration and other expenses arising from Fukushima Prefecture offshore earthquakes that occurred on March 16, 2022.

Further, the allowance for disaster-damage losses is established based upon the estimated amount of restoration and other expenses arising from damage sustained from heavy rains that occurred in August 2022.

(6) Allowance for environmental conservation costs

In accordance with Soil Contamination Countermeasures Law, the allowance for environmental conservation costs is established based upon the estimated amount of expenses for disposal of contaminated soil. Disposal expenses that are difficult to reasonably estimate at this time are not included in the allowance for environmental conservation costs.

Also, in accordance with the Cultural Property Protection Law, the allowance is established based upon the estimated amount of expenses for record-keeping surveys of buried cultural properties and other expenses.

In addition, in accordance with Law on Special Measures concerning the Proper Treatment of Polychlorinated Biphenyl Waste, the allowance is established based upon the estimated amount of expenses for disposal of low-concentration PCB wastes stored in the Company. Expenses for disposal of high-concentration PCB wastes are recorded in current liabilities.

(7) Allowance for point card certificates

The allowance for point card certificates is established based upon the estimated amount of future usage of "JRE POINT" at the end of the balance sheet date. The points awarded to customers according to the usage at railways and station buildings are recognized as separate performance obligations and recorded as other current liabilities.

(8) Provision for loss on business of subsidiaries and affiliated companies

The provision for loss on business of subsidiaries and affiliated companies is established based on the estimated amount of loss to be incurred by the Company in excess of the amount of its investment in and loan to those subsidiaries and affiliated companies.

7. Basis for recognition of revenues and costs

The Company is engaged in railway operations and other operations. Revenues from these businesses are recorded mainly based on contracts with customers, and transaction prices are based on the consideration under contracts with customers.

Details of major performance obligations and timing of satisfaction of performance obligations for each business relating to the recording of revenues are as described below.

(1) Railway operations

Railway operations mainly provide passenger transport services. Revenues from commuter passes are recorded as “Commuter Passes Revenue,” and revenues from additional charge tickets other than commuter passes and fare tickets are recorded as “Non-Commuter Passes Revenue.”

Performance obligation under Commuter Passes Revenue is to provide customers with passenger transport services for the sections designated by commuter passes within the validity period, and such performance obligation is fulfilled upon expiration of the validity period of commuter passes.

Performance obligation under Non-Commuter Passes Revenue is to provide customers with passenger transport services for the sections or trains designated by train tickets or fare tickets, and such performance obligation is fulfilled at the time of provision of passenger transport service to the customer.

(2) Other operations

Other operations mainly conduct leasing operation of real estate owned by the Company and sales operation of real estate developed by the Company.

Leasing operation of real estate mainly involves lease of office buildings and commercial facilities. Revenues from lease of real estate are recorded during the lease contract period according to the “Accounting Standards for Lease Transactions.”

Performance obligation in sales operation of real estate is to deliver real estate to customers, and such performance obligation is fulfilled at the time of delivery of real estate.

8. Method of accounting for hedge transactions

(1) Method of accounting for hedge transactions

Hedge transactions are based on deferral hedge accounting. Currency swap transactions and forward exchange contracts fulfilling the requirement of appropriation accounting are based on appropriation accounting, and interest swap transactions fulfilling the requirement of special accounting are based on special accounting.

(2) Hedging instruments and hedged items

The Company uses currency swaps and forward exchange contracts to hedge foreign currency exchange rate fluctuation risks associated with foreign currency-denominated bonds. The Company also enters into interest rate swaps to hedge the risk of fluctuations in interest rates related to interest on borrowings.

(3) Hedging policy

The Company enters into derivatives transactions to hedge risks associated with foreign exchange fluctuation, taking into consideration market trends, and contract amounts, terms, and characteristics, among other factors. In addition, the Company enters into derivatives transactions to hedge risks associated with interest rate fluctuation, taking into consideration market trends, and capital amounts, and terms, among other factors.

(4) Methods of evaluating the effectiveness of hedging

The Company assesses the effectiveness of hedging activity by verifying correspondence between hedging instruments and hedged items on a quarterly basis.

However, if the key conditions of the hedging instrument and the hedged item are identical or nearly identical, the effectiveness of the hedge is not assessed. In such cases, we continue to monitor the correspondence between the hedging instruments and the hedged items on a quarterly basis.

9. Accounting for severance and retirement benefits

Accounting methods for the unrecognized actuarial differences and unrecognized prior service costs for severance and retirement benefits are different from those of consolidated financial statements.

10. Accounting for direct deduction from acquisition cost of fixed assets regarding construction grants

The Company receives construction grants from local public and other entities as part of construction costs for rail line elevation for serial overpasses in its railway operations.

These construction grants are recognized by directly deducting the amount equal to such construction grants from the acquisition cost of fixed assets at the time of completion of construction.

In the statement of income, construction grants are recorded as extraordinary gains under “Construction grants received” including the amount received for condemnation, and the amount directly deducted from the acquisition cost of fixed assets is recorded as extraordinary losses under “Losses on reduction entry for construction grants” including the reduction for condemnation.

The amount recorded as extraordinary gains under “Construction grants received” excluding the amount received for condemnation and the amount recorded as extraordinary losses under “Losses on reduction entry for construction grants” excluding the reduction for condemnation are as follows:

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| Amount recorded as extraordinary gains under “Construction grants received” excluding amount received for condemnation | ¥15,225 million | ¥18,748 million |
| Amount recorded as extraordinary losses under “Losses on reduction entry for construction grants” excluding reduction for condemnation | ¥11,993 million | ¥17,118 million |

Major Accounting Estimates

Recoverability of deferred tax assets

1. Amount established in the non-consolidated financial statements for this fiscal year

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---------------------|----------------------|----------------------|
| Deferred tax assets | 288,008 | 236,388 |

2. Information regarding major accounting estimates pertaining to identified items

Omitted because the same information is presented in “Major Accounting Estimates” in the consolidated financial statements.

Impairment of fixed assets

1. Amount established in the non-consolidated financial statements for this fiscal year

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Fixed assets for railway operations | 5,264,398 | 5,316,356 |
| Fixed assets for other operations | 882,875 | 1,005,746 |
| Fixed assets relating to both operations | 312,748 | 330,682 |
| Construction in progress | 531,160 | 590,941 |

2. Information regarding major accounting estimates pertaining to identified items

Omitted because the same information is presented in “Major Accounting Estimates” in the consolidated financial statements.

Changes in Presentation

Notes to Non-consolidated Balance Sheets

“Provision for loss on business of subsidiaries and affiliated companies,” which was included in “Other” of Long-term Liabilities in the previous fiscal year, is classified separately for presentation in the fiscal year under review because its monetary importance has increased. As a result, ¥1,500 million presented in “Other” in the non-consolidated balance sheets for the fiscal year ended March 31, 2024, has been reclassified as “Provision for loss on business of subsidiaries and affiliated companies” under long-term liabilities.

Notes to Non-consolidated Statements of Income and Itemized Account of Operating Expenses

1. The Company redefined the utilization of spaces under the elevated rail tracks as real estate business with the aim of achieving the management structure based on the two pillars of Mobility and Lifestyle Solutions, and therefore changed the classification of the business of leasing such spaces, which had been defined as “Railway operations,” to “Other operations.” Accordingly, the revenues from the business of leasing such spaces, which were included in “Operating revenues” of “Railway operations” in the previous fiscal year, are included in “Operating revenues” of “Other operations” for presentation in the fiscal year under review. In addition, the expenses of the business of leasing such spaces, which were included in

“Operating expenses” of “Railway operations” in the previous fiscal year, are included in “Operating expenses” of “Other operations” for presentation in the fiscal year under review.

As a result, ¥11,116 million presented in “Miscellaneous income of transportation” under “Railway Operations - Operating Revenues” in the non-consolidated statements of income for the fiscal year ended March 31, 2024, has been reclassified as “Revenue from real estate lease” under “Other Operations - Operating Revenues.” ¥219 million presented in “Transportation expenses” under “Railway Operations - Operating Expenses” and ¥53 million presented in “General and administrative expenses” under “Railway Operations - Operating Expenses” have been reclassified as “Selling, general and administrative expenses” under “Other Operations - Operating Expenses.” ¥1,987 million presented in “Taxes” under “Railway Operations - Operating Expenses” has been reclassified as “Taxes” under “Other Operations - Operating Expenses.”

In addition, ¥219 million presented in “Personnel expenses” of “Transportation expenses” under “Operating expenses of railway operations” and ¥53 million presented in “Personnel expenses” under “General and administrative expenses” in the itemized account of operating expenses for the fiscal year ended March 31, 2024 have been reclassified as “Personnel expenses” of “Selling, general and administrative expenses” under “Operating expenses of other operations.” Similarly, ¥1,987 million presented in “Taxes” under “Operating expenses of railway operations” has been reclassified as “Taxes” under “Operating expenses of other operations.”

2. The “Gain on sale of investments in securities,” which had been presented in “Other” in extraordinary gains in the fiscal year ended March 31, 2024, has been presented separately starting the fiscal year ended March 31, 2025, as it exceeded 10% of the total amount of extraordinary gains. To reflect this change in presentation, ¥3,279 million previously included under “Other” in the non-consolidated statements of income in the fiscal year ended March 31, 2024, has been reclassified as “Gain on sale of investments in securities” under extraordinary gains.
3. The “Provision for loss on business of subsidiaries and affiliated companies,” which had been presented under “Other” in extraordinary losses in the fiscal year ended March 31, 2024, has been presented separately starting the fiscal year ended March 31, 2025 due to its increased materiality. To reflect this change in presentation, ¥900 million previously included under “Other” in extraordinary losses in the non-consolidated statements of income in the fiscal year ended March 31, 2024, has been reclassified as “Provision for loss on business of subsidiaries and affiliated companies.”

Notes to Non-consolidated Balance Sheets

*1 Accumulated amount of construction grants directly deducted from acquisition cost of fixed assets is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥981,294 million | ¥993,122 million |

Accumulated reduction in value received for expropriation directly deducted from the acquisition cost of fixed assets is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥360,645 million | ¥358,911 million |

*2 Reduction for each fiscal year regarding substitute assets for expropriation is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥5,560 million | ¥5,759 million |

*3 Amount transferred from fixed assets to real estate for sale due to the change to the purpose of ownership is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥12,236 million | ¥39,590 million |

*4 Contingent liabilities are as follows.

(1) Performance bond:

(i)

| | As of March 31, 2024 | As of March 31, 2025 |
|--|--|--|
| Japan Transportation Technology (Thailand) Co., Ltd. | ¥11,831 million (Japanese yen equivalent) | ¥12,234 million (Japanese yen equivalent) |

(Note) The above contract performance guarantee is a joint and several guarantee among three companies including the Company.

(ii)

| | As of March 31, 2024 | As of March 31, 2025 |
|-----------------------------|--------------------------------|---|
| GATES PCM CONSTRUCTION LTD. | – (Japanese yen equivalent) | ¥7,046 million (Japanese yen equivalent) |

(2) Capital call obligations, etc.:

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Limited Liability Company JREAST Fund IX | – | ¥21,500 million |

*5 In accordance with the “Act on Transfer, etc. of Railway Facilities for Shinkansen,” the Company acquired Shinkansen railway facilities from the Shinkansen Railway Holding Organization for ¥3,106,969 million on October 1, 1991, and the assets were classified as railway business fixed assets.

The amount of debt owed to the Japan Railway Construction, Transport and Technology Agency is recorded as liabilities (interest-bearing), and is classified as Current portion of long-term liabilities incurred for purchase of railway facilities or long-term liabilities incurred for purchase of railway facilities.

*6 Provision for large-scale renovation of Shinkansen infrastructure recognized based on Article 17 of the Nationwide Shinkansen Railway Development Act (Act No. 71, 1970) is as follows.

| | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| | ¥192,000 million | ¥216,000 million |

Notes to Non-consolidated Statements of Income

*1 Provision for large-scale renovation of Shinkansen infrastructure, which is recorded in accordance with Article 17 of the Nationwide Shinkansen Railway Development Act (Act No. 71, 1970), included in operating expenses of railway business, is as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| | ¥24,000 million | ¥24,000 million |

*2 Operating expenses related to subsidiaries and associates are as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
| | ¥484,015 million | ¥551,518 million |

*3 Non-operating income related to subsidiaries and associates is as follows.

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|-----------------|---------------------------|---------------------------|
| Dividend income | ¥11,688 million | ¥17,755 million |
| Other | ¥2,969 million | ¥4,017 million |

*4 The gain on sales of fixed assets is due to the transfer of land, and other factors.

*5 Breakdown of contributions received for construction is as follows.

| | Year ended March 31, 2024 | | Year ended March 31, 2025 |
|--|---------------------------|---|---------------------------|
| (1) New construction of Makuhari-Toyosuna Station | ¥3,976 million | (1) Replacement work on the Furutonegawa Bridge between Hiagashi-Washinomiya and Kurihashi on the Utsunomiya Line | ¥3,665 million |
| (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥1,594 million | (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥2,056 million |
| (3) Renovation of Tsunashima kaido Gate exit at Musashi-Kosugi Station | ¥996 million | (3) Construction of a new shelter between Takao and Fujino on the Chuo Line | ¥1,721 million |

*6 The losses on sales of fixed assets is due to the transfer of land, and other factors.

*7 Breakdown of reduced amount for construction is as follows:

| | Year ended March 31, 2024 | | Year ended March 31, 2025 |
|--|---------------------------|---|---------------------------|
| (1) New construction of Makuhari-Toyosuna Station | ¥3,959 million | (1) Replacement work on the Furutonegawa Bridge between Hiagashi-Washinomiya and Kurihashi on the Utsunomiya Line | ¥3,091 million |
| (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥1,594 million | (2) Elevated construction work near Niigata Station on the Shinetsu Line | ¥2,056 million |
| (3) Renovation of Tsunashima kaido Gate exit at Musashi-Kosugi Station | ¥994 million | (3) Construction of a new shelter between Takao and Fujino on the Chuo Line | ¥1,721 million |

Notes to Non-consolidated Statements of Changes in Net Assets

Class and number of treasury shares

| | As of March 31, 2024 | As of March 31, 2025 |
|--------------|----------------------|----------------------|
| Common stock | 3,885 shares | 4,455 shares |

(Note) The Company conducted a 3-for-1 split of its common stock on April 1, 2024. The number of shares as of the end of the fiscal year ended March 31, 2024 above represents the number of shares before the stock split.

Notes to Securities

As of March 31, 2024

Equity shares issued by subsidiaries and affiliated companies

| Classification | Non-consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) |
|--------------------------------|--|-------------------------------|------------------------------|
| Stocks of subsidiaries | – | – | – |
| Stocks of affiliated companies | 25,601 | 74,680 | 49,078 |
| Total | 25,601 | 74,680 | 49,078 |

(Note) Non-consolidated balance sheets amount for investments and securities without market value that are not included above

| Classification | Non-consolidated balance sheets amount (millions of yen) |
|--------------------------------|--|
| Stocks of subsidiaries | 158,010 |
| Stocks of affiliated companies | 17,445 |

As of March 31, 2025

Equity shares issued by subsidiaries and affiliated companies

| Classification | Non-consolidated balance sheets amount (millions of yen) | Fair values (millions of yen) | Difference (millions of yen) |
|--------------------------------|--|-------------------------------|------------------------------|
| Stocks of subsidiaries | – | – | – |
| Stocks of affiliated companies | 26,301 | 78,794 | 52,492 |
| Total | 26,301 | 78,794 | 52,492 |

(Note) Non-consolidated balance sheets amount for investments and securities without market value that are not included above

| Classification | Non-consolidated balance sheets amount (millions of yen) |
|--------------------------------|--|
| Stocks of subsidiaries | 177,678 |
| Stocks of affiliated companies | 17,441 |

Notes to Deferred Tax Accounting

1. Major components of deferred tax assets and liabilities

| | (Millions of yen) | |
|---|----------------------|----------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Deferred tax assets | | |
| Tax loss carryforwards | 178,124 | 123,684 |
| Employees' severance and retirement benefits | 115,172 | 121,348 |
| Loss on valuation of securities | 24,889 | 26,459 |
| Contract liabilities and provisions related to points | 16,655 | 19,045 |
| Stocks of subsidiaries and affiliated companies resulting from company split | 4,728 | 17,845 |
| Allowance for doubtful accounts | 13,912 | 17,790 |
| Impairment losses on fixed assets | 15,673 | 16,929 |
| Allowance for bonuses to employees | 14,935 | 15,938 |
| Other | 41,076 | 31,530 |
| Deferred tax assets subtotal | 425,168 | 390,573 |
| Valuation allowance for tax loss carryforwards | – | – |
| Valuation allowance related to the total of future deductible temporary differences | (66,973) | (79,502) |
| Valuation allowance subtotal | (66,973) | (79,502) |
| Total deferred tax assets | 358,195 | 311,071 |
| Deferred tax liabilities | | |
| Reserve for deferred gain of fixed assets | (27,301) | (28,274) |
| Net unrealized holding gains (losses) on securities | (38,481) | (41,647) |
| Other | (4,404) | (4,761) |
| Total deferred tax liabilities | (70,186) | (74,682) |
| Net deferred tax assets | 288,008 | 236,388 |

2. Reconciliation of the causes of significant differences between the effective statutory tax rate and the actual effective rate of income taxes after application of deferred tax accounting

| | (%) |
|---|----------------------|
| | As of March 31, 2025 |
| Effective statutory tax rate | 30.5 |
| (Adjustments) | |
| Income not taxable permanently, such as dividend income | (2.6) |
| Impact of change in tax rate | (2.4) |
| Other | (0.7) |
| Effective rate of income taxes after application of deferred tax accounting | 24.8 |

(Note) For the fiscal year ended March 31, 2024, information is omitted since differences between the effective statutory tax rate and the actual effective rate of income taxes after application of deferred tax accounting are 5% or less of the effective statutory tax rate.

3. Amendments to the amounts of deferred tax assets and deferred tax liabilities due to changes in tax rate of income taxes, etc. Due to the enactment of the "Act for Partial Revision of the Income Tax Act, etc." in the Japanese Diet on March 31, 2025, the "Special Corporation Tax for National Defense" will be imposed from the fiscal years beginning on or after April 1, 2026. Accordingly, for temporary differences as of the end of the fiscal year under review that are expected to reverse on or after April 1,

2026, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities has been changed primarily from 30.5% to 31.4%.

The impact on the non-consolidated financial statements as a result of this is minimal.

Notes to Revenue Recognition

Information that provides a basis for understanding revenue generated from contracts with customers is described in “Significant Accounting Policies, 7. Basis for recognition of revenues and costs.”

Per Share Information

| Items | Year ended March 31, 2024 | Year ended March 31, 2025 |
|----------------------|---------------------------|---------------------------|
| Net assets per share | ¥1,802.44 | ¥1,846.91 |
| Earnings per share | ¥129.46 | ¥134.55 |

(Note) The Company conducted a 3-for-1 split of its common stock on April 1, 2024. Assuming that the stock split had been conducted at the beginning of the previous fiscal year, net assets per share and earnings per share were calculated.

Subsequent Events

Revision of retirement benefit plan

The Company plans to conduct a revision of the current retirement benefit plan to take effect on April 1, 2026, whereby it will transition from a lump-sum retirement benefit plan to a defined contribution retirement benefit plan. For the accounting treatment associated with this revision, the Company plans to apply “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No. 1, December 16, 2016) and “Practical Solution on Accounting for Transfer between Retirement Benefit Plans” (ASBJ PITF No. 2, February 7, 2007). The Company is still in the process of assessing the effects of this new application.

Sale of investment securities

Based on our policy of continuously reducing the overall scale of shares held as cross-shareholdings, we sold a portion of our shares held as cross-shareholdings.

As a result of this event, a gain on sale of investments in securities of approximately ¥22,116 million is expected to be recorded as extraordinary gains in the non-consolidated statements of income for the following fiscal year.

(iv) Annexed Schedules
Schedule of Securities
[Equity shares]

| Issue name | Number of shares (shares) | Non-consolidated balance sheets amount (millions of yen) |
|--|---------------------------|--|
| (Investments in securities) | | |
| [Available-for-sale securities] | | |
| Mitsubishi Heavy Industries, Ltd. | 11,585,000 | 29,263 |
| Oriental Land Co., Ltd. | 7,068,500 | 20,816 |
| Mizuho Financial Group, Inc. | 4,067,380 | 16,476 |
| Kawasaki Heavy Industries, Ltd. | 1,534,400 | 13,699 |
| Tokio Marine Holdings, Inc. | 2,348,350 | 13,470 |
| Mitsubishi UFJ Financial Group, Inc. | 5,138,567 | 10,333 |
| Sumitomo Mitsui Financial Group, Inc. | 2,688,150 | 10,201 |
| Mitsui Fudosan Co., Ltd. | 7,332,000 | 9,755 |
| MITSUBISHI ESTATE CO., LTD. | 3,760,000 | 9,144 |
| Sumitomo Realty & Development Co., Ltd. | 1,593,000 | 8,909 |
| SEIBU HOLDINGS INC. | 2,630,100 | 8,684 |
| Central Japan Railway Company | 2,594,000 | 7,403 |
| Kyushu Railway Company | 1,974,100 | 7,205 |
| MS&AD Insurance Group Holdings, Inc. | 2,187,390 | 7,054 |
| Sompo Holdings, Inc. | 1,281,096 | 5,791 |
| Keio Corporation | 1,374,300 | 5,231 |
| TOBU RAILWAY CO., LTD. | 2,024,800 | 5,164 |
| West Japan Railway Company | 1,733,400 | 5,055 |
| Tokyu Fudosan Holdings Corporation | 4,607,400 | 4,599 |
| Japan Airlines Co., Ltd. | 1,600,200 | 4,090 |
| ANA HOLDINGS INC. | 1,387,800 | 3,829 |
| Shochiku Co., Ltd. | 256,600 | 3,158 |
| Nippon Steel Corporation | 940,800 | 3,005 |
| Tokyo Waterfront Area Rapid Transit Inc. | 60,000 | 3,000 |
| TOKYU CORPORATION | 1,764,000 | 2,972 |
| Concordia Financial Group, Ltd. | 3,023,500 | 2,966 |
| erex Co., Ltd | 3,646,500 | 2,935 |
| Liberaware Co., Ltd. | 2,216,900 | 2,310 |
| Others (42 issues) | 18,102,374 | 22,855 |
| Total | 100,520,607 | 249,386 |

[Other]

| Category and issue name | Number of investment ports, etc. (ports) | Non-consolidated balance sheets amount (millions of yen) |
|---|---|---|
| (Investments in securities) | | |
| [Available-for-sale securities] | | |
| (Preferred equity securities) | | |
| 2 issues | 32,592 | 1,629 |
| (Investment in limited partnership) | | |
| Silent partnership with Limited Liability Company JREAST Fund IX as the operator | – | 16,550 |
| Silent partnership with Limited Liability Company FS Japan Project B4 | – | 5,744 |
| Others (17 issues) | – | 8,629 |
| (Real estate investment trust) | | |
| JR East Private Reit, Inc | 2,400 | 2,428 |
| (Investment in limited liability companies) | | |
| 1 issue | 60,000,000 | 59 |
| Total | – | 35,041 |

Itemized Account of Property, Plant and Equipment

| Category of asset | Balance at the fiscal year start (millions of yen) | Increase during the fiscal year (millions of yen) | Decrease during the fiscal year (millions of yen) | Balance at the fiscal year end (millions of yen) | Accumulated depreciation or amortization at the fiscal year end (millions of yen) | Amortization for the fiscal year (millions of yen) | Remaining balance at the fiscal year end (millions of yen) |
|-------------------------------------|--|---|---|--|---|--|--|
| Property, plant and equipment | | | | | | | |
| Land | 2,094,365 | 6,363 | 47,331 (1,974) | 2,053,398 | – | – | 2,053,398 |
| Buildings | 2,340,361 | 287,808 | 82,257 (3,158) | 2,545,912 | 1,235,237 | 63,881 | 1,310,674 |
| Structures | 6,696,781 | 158,133 | 57,474 (616) | 6,797,439 | 4,342,767 | 93,768 | 2,454,672 |
| Vehicles | 1,930,429 | 88,186 | 68,784 (–) | 1,949,831 | 1,515,269 | 90,540 | 434,562 |
| Automobiles | 8,682 | 1,073 | 1,557 (–) | 8,199 | 5,882 | 963 | 2,317 |
| Machinery and equipment | 1,076,581 | 78,945 | 27,015 (1,083) | 1,128,511 | 830,514 | 56,297 | 297,997 |
| Tools, furniture and fixtures | 181,010 | 14,602 | 9,745 (12) | 185,867 | 150,833 | 12,649 | 35,034 |
| Construction in progress | 531,160 | 710,069 | 650,288 (–) | 590,941 | – | – | 590,941 |
| Total property, plant and equipment | 14,859,373 | 1,345,183 | 944,454 (6,846) | 15,260,102 | 8,080,504 | 318,101 | 7,179,598 |
| Intangible assets | | | | | | | |
| Leaseholds | 13,274 | 0 | 137 (137) | 13,138 | – | – | 13,138 |
| Facility usage rights | 1,040 | 12 | 36 (–) | 1,016 | 385 | 45 | 631 |
| Software | 88,028 | 25,788 | 14,385 (–) | 99,432 | 49,456 | 15,760 | 49,975 |
| Other | 868 | 25 | 38 (–) | 855 | 472 | 62 | 383 |
| Total intangible assets | 103,212 | 25,827 | 14,596 (137) | 114,442 | 50,314 | 15,869 | 64,128 |
| Long-term prepaid expenses | 83,135 | 16,732 | 7,430 (2) | 92,437 | 35,493 | 10,004 | 56,944 |
| Deferred assets | | | | | | | |
| – | – | – | – | – | – | – | – |
| Total deferred assets | – | – | – | – | – | – | – |

(Notes) Main items of increase/decrease during the fiscal year are as follows.

1. The increase in buildings is due to the opening of TAKANAWA GATEWAY CITY, etc.
2. Increase in structures

| | |
|-----------------------------|-----------------|
| Railway facilities | ¥69,565 million |
| Electrical facilities | ¥55,411 million |
| Railway stopping facilities | ¥22,999 million |

3. Increase/decrease in construction suspense account

The increase in the construction suspense account is related to maintenance and renewal investment (mobility) of ¥289,238 million, growth investment (Life-style solutions) of ¥239,819 million, growth investment (mobility) of ¥129,729 million,

- etc. The decrease in the account is transfer of: ¥287,174 million to buildings, ¥155,464 million to structures, ¥88,125 million to new railcar construction (including remodeling), and ¥59,472 million to machinery and equipment, and others.
4. Figures in parentheses in the “Decrease during the fiscal year” column are inclusive and indicate the amount of impairment loss recognized for the fiscal year.

Schedule of Provisions

| Classification | Balance at the fiscal year start (millions of yen) | Increase during the fiscal year (millions of yen) | Decrease during the fiscal year (Intended use) (millions of yen) | Decrease during the fiscal year (Others) (millions of yen) | Balance at the fiscal year end (millions of yen) |
|---|--|---|--|--|--|
| Allowance for doubtful accounts | 45,607 | 12,762 | 10 | 1,700 | 56,660 |
| Allowance for bonuses to employees | 48,962 | 52,251 | 48,962 | – | 52,251 |
| Provision for large-scale renovation of Shinkansen infrastructure | 192,000 | 24,000 | – | – | 216,000 |
| Allowance for disaster-damage losses | 6,943 | – | 1,894 | 1,458 | 3,590 |
| Allowance for environmental conservation costs | 48,275 | – | 37,505 | – | 10,770 |
| Allowance for point card certificates | 17,828 | 6,640 | 5,358 | – | 19,109 |
| Provision for loss on business of subsidiaries and affiliated companies | 1,500 | 3,076 | – | – | 4,576 |

(Notes) 1. “Decrease during the fiscal year (Others)” in allowance for doubtful accounts is due to the write-off following a review of the recoverability of specific provisions for doubtful accounts.

2. “Decrease during the fiscal year (Other)” in the allowance for disaster-damage losses is due to the reversal of the provision following the completion of major restoration work related to the 2022 Fukushima offshore earthquake and the heavy rainfall disaster in August 2022.

(2) Major Assets and Liabilities

Omitted due to the preparation of consolidated financial statements.

(3) Other Information

Not applicable.

No. 6: Overview of Reporting Company's Stock Management

| | |
|--|--|
| Fiscal period | From April 1 to March 31 |
| Ordinary General Meeting of Shareholders | During June |
| Record date | March 31 |
| Dividend record date | March 31, September 30 |
| Number of shares per unit | 100 shares |
| Purchase and sale of shares less than one unit | |
| Handling location | (Special account) Mitsubishi UFJ Trust and Banking Corporation, Securities Agency Department, 4-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo |
| Shareholder registry administrator | (Special account) Mitsubishi UFJ Trust and Banking Corporation, 4-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo |
| Brokerage office | - |
| Purchase and sales commission | - |
| Method of public notice | Electronic public notice |

Shareholder privilege
(shareholder benefit
discount coupons)

1. The following discount coupons will be distributed to shareholders recorded in the final shareholder registry as of March 31, in proportion to the number of shares held.

| Number of shares held | Number of issued coupons | Number of shares held | Number of issued coupons |
|-------------------------|--------------------------|---------------------------|--------------------------|
| Less than 300 shares | 0 coupons | 12,500 to 14,999 shares | 30 coupons |
| 300 to 399 shares | 1 coupon | 15,000 to 17,499 shares | 35 coupons |
| 400 to 599 shares | 2 coupons | 17,500 to 19,999 shares | 40 coupons |
| 600 to 699 shares | 3 coupons | 20,000 to 22,499 shares | 45 coupons |
| 700 to 899 shares | 4 coupons | 22,500 to 24,999 shares | 50 coupons |
| 900 to 1,199 shares | 5 coupons | 25,000 to 27,499 shares | 55 coupons |
| 1,200 to 1,499 shares | 6 coupons | 27,500 to 29,999 shares | 60 coupons |
| 1,500 to 1,999 shares | 7 coupons | 30,000 to 34,999 shares | 65 coupons |
| 2,000 to 2,999 shares | 9 coupons | 35,000 to 39,999 shares | 70 coupons |
| 3,000 to 3,999 shares | 11 coupons | 40,000 to 44,999 shares | 75 coupons |
| 4,000 to 4,999 shares | 13 coupons | 45,000 to 49,999 shares | 80 coupons |
| 5,000 to 5,999 shares | 15 coupons | 50,000 to 54,999 shares | 85 coupons |
| 6,000 to 6,999 shares | 17 coupons | 55,000 to 59,999 shares | 90 coupons |
| 7,000 to 7,999 shares | 19 coupons | 60,000 to 149,999 shares | 100 coupons |
| 8,000 to 8,999 shares | 21 coupons | 150,000 to 299,999 shares | 250 coupons |
| 9,000 to 9,999 shares | 23 coupons | 300,000 shares | 500 coupons |
| 10,000 to 12,499 shares | 25 coupons | | |

- * For shareholders recorded in the final shareholder registry as of March 31, who own 100 or more shares of the Company stock and have continuously held 100 or more shares for at least two years, an additional shareholder benefit discount coupon will be issued.

2. Method of use

- A discount coupon can be used for discounts on either the fare, the fee, or both.
- Each discount coupon may be used for one discount per person.

3. Discount rate

- A discount coupon provides a 40% discount.

4. Discounts

- Fares shall be for regular one-way tickets within the Company operating routes.
- The fare applies to one-way limited express, express, green car, and reserved seat tickets on the Company operating routes, limited to a single train.

* When using GranClass, Premium Green, private compartments, and sleeper trains (including sleeping cars and seat cars on trains with beds), only the fare is subject to the discount.

* May not be applied in combination with other discounts.

5. The discount coupons issued in fiscal 2026 shall be valid for one year, from July 1 to June 30 of the following year.

| Shareholder privilege (shareholder service coupons) | One set of service coupons will be issued to each shareholder holding 300 or more shares who is recorded in the final shareholders' registry as of March 31 (the number of available times each service coupon per set is as shown in the table below). | | |
|--|---|---|---------------------------|
| | Category | Details | Number of available times |
| | Onboard sales hot coffee discount coupon | Receive a ¥100 discount on hot coffee sold onboard eligible Shinkansen and limited express trains. | 3 |
| | Highway bus discount coupon | Get ¥1,000 off the highway bus fare between Tokyo Station/Shinjuku Expressway Bus Terminal and Sano (Tochigi Prefecture). | 1 |
| | JEXER discount admission coupon | Use the JEXER fitness club for ¥1,650 per visit, including a towel set. | 3 |
| | JRE MALL coupon | ¥500 coupon valid on purchases of ¥1,000 or more at JR East's official online store. | 1 |
| | Shareholder hotel discount coupon | Shareholder discount on stays at participating hotels (approximately 10% to 20% discount off the regular price). | 6 |
| | Discount coupon for restaurants and bars owned by the Company | 10% discount off the regular price at restaurants and bars of Tokyo Station Hotel, mesm Tokyo, and Metropolitan Hotels (some shops are excluded). | 3 |
| | Station rental car discount coupon | 30% discount on the basic fare of station rental cars at the target sales offices in the JR East area, insurance coverage included. As insurance coverage services, collision damage waiver (CDW) and non-operation charge (NOC) support are included. | 3 |
| | STATION BOOTH usage coupon | Use a STATION BOOTH located at JR East stations and other locations free of charge for up to one hour. | 1 |
| | BECK'S COFFEE SHOP drink discount coupon | 100 yen discount on drinks at the target shops of BECK'S COFFEE SHOP. | 3 |
| | Irori An Kiraku and Sobaichi coupon for free choice of topping | One free topping at Irori An Kiraku and Sobaichi restaurants. | 3 |
| | RelaXE discount coupon | 15% discount on the regular price of relaxation and other services at RelaXE. | 3 |
| | Discount coupon to the Railway Museum | 50% discount off the regular admission fee to the Railway Museum. | 2 |
| | GALA Yuzawa Ski Resort Shareholder lift discount coupon | One-day lift passes at GALA Yuzawa Ski Resort available at a special shareholder discount price. | 6 |
| Tokyo Station Gallery discount coupon | 50% discount on admission to Tokyo Station Gallery. | 2 | |
| Shareholder discount offered in collaboration with SEIBU HOLDINGS INC. | A campaign where 300 people can win SEIBU Smile POINT and JRE POINT. | Lottery | |

| | | | |
|--|---|---|---|
| | Shareholder discount coupon offered in collaboration with Tokyu Fudosan Holdings Corporation | Shareholder discount on use of each facility (resort hotels, Tokyu Stay, golf courses, and ski resorts) of the Tokyu Fudosan Holdings Group. | 2 |
| Shareholder privilege (discount coupons for comprehensive medical check-ups) | 1. One comprehensive medical checkup discount coupon will be issued to each shareholder recorded in the final shareholder registry as of March 31 who holds 3,000 shares or more. | | |
| | Category | Details | |
| | Comprehensive medical checkup discount coupon | Receive a 20% discount off the basic fee for a comprehensive medical checkup at JR Tokyo General Hospital or JR Sendai Hospital. * Some menu items are excluded. | |
| | 2. The eligible period for using the comprehensive medical checkup discount coupon is from October through the following March. | | |

(Note) Pursuant to the Company's Articles of Incorporation, shareholders of the Company shall have the rights set forth in each item of Article 189, Paragraph (2) of the Companies Act, the right to make a request pursuant to Article 166, Paragraph (1) of the Companies Act, the right to receive allotment of offered shares and offered stock acquisition rights in proportion to the number of shares held by the shareholder, and the right to request the sale of shares less than one unit. The Company does not have any rights other than the right to request the sale of shares less than one unit in accordance with the number of shares held by shareholders.

No. 7: Reference Information on Reporting Company

1. Information on Parent Company of the Reporting Company

The Company has no parent company.

2. Other Reference Information

The Company submitted the following documents between the beginning of the current fiscal year and the date of submission of the Annual Securities Report.

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|--|---|---|
| (1) Annual Securities Report and attachments and confirmation note | 37th fiscal year (from April 1, 2023 to March 31, 2024) | Submitted to the Director-General of the Kanto Local Finance Bureau on June 20, 2024 |
| (2) Internal Control Report | 37th fiscal year (from April 1, 2023 to March 31, 2024) | Submitted to the Director-General of the Kanto Local Finance Bureau on June 20, 2024 |
| (3) Extraordinary Report | Pursuant to the Provision of Article 19, Paragraph (2), Item (ix-ii) of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (results of exercise of voting rights at the general meeting of shareholders) | Submitted to the Director-General of the Kanto Local Finance Bureau on June 21, 2024 |
| (4) Semi-annual Report and Confirmation | Interim period of 38th fiscal year (from April 1, 2024 to September 30, 2024) | Submitted to the Director-General of the Kanto Local Finance Bureau on November 6, 2024 |
| (5) Treasury Stock Acquisition Status Report | Reporting period (from February 1, 2025 to February 28, 2025) | Submitted to the Director-General of the Kanto Local Finance Bureau on March 12, 2025. |
| (6) Shelf Registration Statement and attachments | | Submitted to the Director-General of the Kanto Local Finance Bureau on March 19, 2025 |

Part II. Information on the Reporting Company's Guarantee Companies

Not applicable.