

Investment Plan to Speed Up “Move Up” 2027 ~ Capital Investment Plan for FY2023 ~

The JR East Group will work to realize its philosophy of “helping our customers and people in communities to realize affluent lives” by executing investments to realize synergy among its three businesses of transportation services, life-style services, and IT & *Suica* services, thereby providing new value to customers and society.” More specifically, we will make steady progress in investments to improve safety such as countermeasures against major earthquakes. Based on that foundation, we will also execute investments to improve profitability without missing opportunities. In addition, we will make investments to help regional revitalization and the realization of a carbon-free society, and to speed up business reform.

The planned amount of capital expenditure for FY2023 is 634.0 billion yen, an increase of 114.0 billion yen from the actual results for FY2022, on a consolidated basis, and 500.0 billion yen, an increase of 74.0 billion yen from the actual results for FY2022, on a non-consolidated basis.

○ Major capital expenditure * Includes certain items already in use

Transportation services

■ Pursuing ultimate safety

- We will make steady progress in improving safety measures, such as railroad crossing accident prevention and expansion of the installation of operation safety equipment, as well as countermeasures against major earthquakes and heavy rain and other disaster prevention measures for Shinkansen lines.
- Platform doors^{*1} will be installed in Nippori Station on the Keihin-Tohoku Line, Iidabashi Station on the Chuo-Sobu Local Line, Noborito Station on the Nambu Line, and so on, to improve the safety of the station platforms.

^{*1} We will make use of the fare system established by the government to make train stations barrier-free for the installation of platform doors and elevators.



Countermeasures against major earthquakes



Installation of platform doors

■ Revolutionizing transportation services

- We will proceed with the manufacture of E8 Series Shinkansen railcars for the Yamagata Shinkansen (whose operation is scheduled to start in spring 2024).
- We will continue to push forward with construction works to increase the running speed of the Tohoku Shinkansen (Morioka–Shin-Aomori) and the Joetsu Shinkansen (Omiya–Niigata), aiming to provide Shinkansen transportation services that are more convenient and comfortable than ever.
- We will work to create sustainable transportation services by, for example, expanding driver-only operation and preparing for the implementation of automated driving of BRT.
- We will proceed with construction works and the manufacture of railcars to prepare for the introduction of Green Cars on the Chuo Rapid Line.^{*2}

^{*2} The manufacturing plan for Green railcars has been impacted by the global semiconductor shortage, and the commencement of services initially scheduled for the end of FY2024 is expected to be delayed for at least one year. The definitive schedule for the commencement of services will be announced as soon as it is determined.



E8 Series for Yamagata Shinkansen
(exterior appearance)



Higher speed Shinkansen operation
(as a measure against micro-pressure waves in tunnels)

■ Contribution to regional society and service quality reform

- We aim to make stations still more convenient for all customers by continuing to install elevators and otherwise improve station facilities.
- As part of the project to improve the areas around Niigata Station promoted by Niigata City, we will proceed with construction works related to the introduction of elevated tracks on all conventional lines at Niigata Station scheduled for June 2022.
- In order to ensure that station staff can focus on providing attentive guidance that only humans can provide, we will introduce an AI guidance system on a pilot basis and conduct verification tests toward the commercial introduction of non-face-to-face, remote payment using an

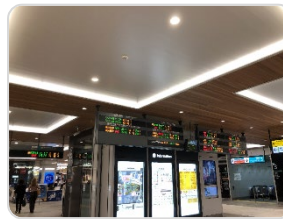
IC card at ticket gate service counters in several stations in the Tokyo metropolitan area.



Introducing elevated tracks for all conventional lines at Niigata Station

■ Preventing global warming and diversifying energy sources

- In order to promote capital investment that will lead to the reduction of CO2 emissions, we will expand the scope of application of internal carbon pricing and push forward with the switching of lighting equipment to LED and the installation of Ecoste.



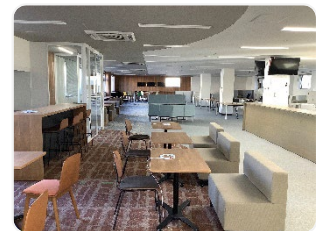
Switching lighting equipment to LED



Align solar system

■ Expanding the range of fields for employees' career development

- We will push forward with construction works to create an attractive workplace where diverse human resources can engage in speedy value creation and problem solving close to customers.



Lifestyle services

■ Offering new lifestyles and creating cities

- We will make steady progress in the construction of MEGURO MARC (rental apartment building: scheduled for completion in October 2022) and other projects for the development of attractive towns, such as Takanawa Gateway City (tentative name).
- Aiming to improve the value of areas along railway lines, we will promote the expansion of STATION WORK shared office business as well as the renovation of ekinaka (inside the station) commercial space, such as Gransta Yaekita (where stores will open one by one from April 2022 onward), and the development of station buildings and hotels.



Takanawa Gateway City (tentative name)



Gransta Yaekita



STATION WORK

- We will promote projects to increase the attractiveness of regional core cities, including the Iwaki Station South Exit Hotel Development project (opening in winter 2022) and the Morioka Station East Exit Local Revitalization Rental Apartment project (opening for tenancy in 2023).



Iwaki Station south exit hotel development



Morioka Station east exit regional revitalization rental apartment

IT & Suica services

■ Providing ICT-enabled new services

- We will expand the service areas of MaaS for use by regional and sightseeing customers, and continue the development of JR East apps and Ringo Pass to enhance search, arrangement, payment, and other services. We will also enhance JRE POINT services.



■ Making Suica a shared infrastructure

- We will increase the number of bus operators that support the use of regional collaboration IC cards. We also plan to start the operation of LRT (light rail transit) in the Shonai, Yamagata

Traveling in Kitashinano MaaS



○ Capital expenditure

Capital expenditure for FY2023 (consolidated)

Billion yen

| | FY2023 Plan | FY2022 Results | FY2021 Results |
|--|-------------|----------------|----------------|
| Transportation services | 422.0 | 352.6 | 451.6 |
| Life-style services IT & Suica services | 212.0 | 167.3 | 240.6 |
| Total | 634.0 | 520.0 | 692.2 |

* Figures may not add up to total due to rounding.

Capital expenditure for FY2023 (non-consolidated)

Billion yen

| | FY2023 Plan | FY2022 Results | FY2021 Results |
|-------|-------------|----------------|----------------|
| Total | 500.0 | 426.4 | 534.8 |