

(Translation)

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To whom it may concern:

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Announcement of New Numerical Targets under “Move Up” 2027

In accordance with the new numerical targets of the JR East Group Management Vision “Move Up” 2027 announced on January 29, 2021, we previously established numerical targets for the fiscal year ending March 31, 2026. In light of the subsequent changes in the business environment, which has changed drastically with the spread of COVID-19, we hereby announce new numerical targets for the fiscal year ending March 31, 2028 as the new target year, as described in the Attachment.

(Attachment)

		New targets for the fiscal year ending March 31, 2028	(Reference) Previous targets for the fiscal year ending March 31, 2026	(Reference) Results for the fiscal year ended March 31, 2023
Consolidated operating revenues		3,276.0 billion yen	3,090.0 billion yen	2,405.5 billion yen
Mobility	Transportation	2,019.0 billion yen	1,970.0 billion yen	1,618.5 billion yen
Life-style Solutions	Retail & Services	654.0 billion yen	550.0 billion yen	327.8 billion yen
	Real Estate & Hotels	507.0 billion yen	480.0 billion yen	382.2 billion yen
	Others	96.0 billion yen	90.0 billion yen	76.9 billion yen
Consolidated operating income		410.0 billion yen	450.0 billion yen	140.6 billion yen
Mobility	Transportation	178.0 billion yen	252.0 billion yen	(24.0) billion yen
Life-style Solutions	Retail & Services	80.0 billion yen	57.0 billion yen	35.2 billion yen
	Real Estate & Hotels	124.0 billion yen	113.0 billion yen	111.5 billion yen
	Others	30.0 billion yen	30.0 billion yen	17.2 billion yen
Adjustment		(2.0) billion yen	(2.0) billion yen	0.6 billion yen
Consolidated operating cash flow		(Total over five years *1) 3,800.0 billion yen	(Total over five years *2) 3,693.0 billion yen	581.7 billion yen
Consolidated ROA		Around 4.0%	Around 4.5%	1.5 %
Net interest-bearing debt/EBITDA (*3)		(Mid-term) Around 5 times (Long-term) Around 3.5 times	5 times or less	8.6 times

*1 Total amount covering five years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2028

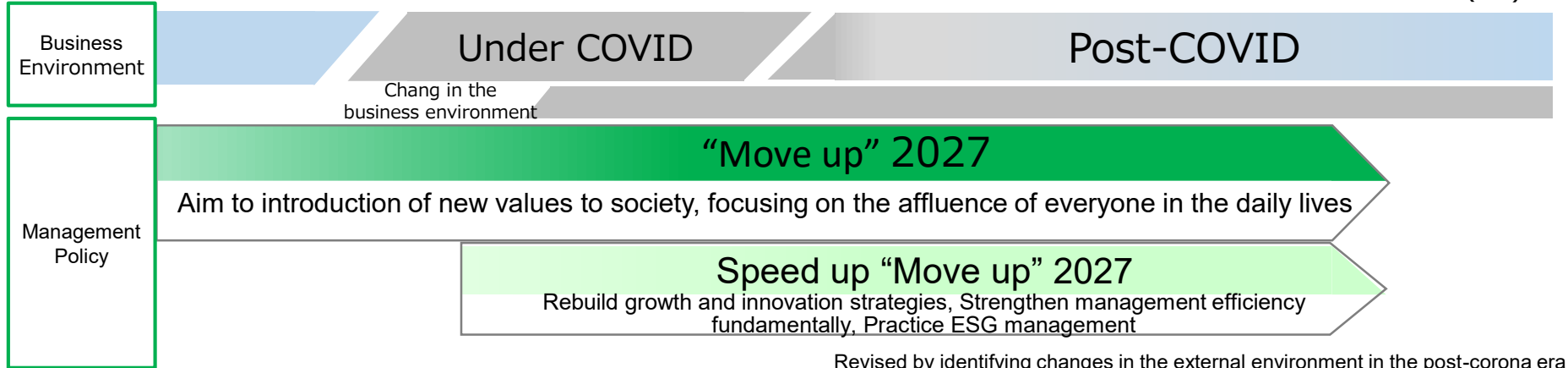
*2 Total amount covering five years from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2026

*3 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.

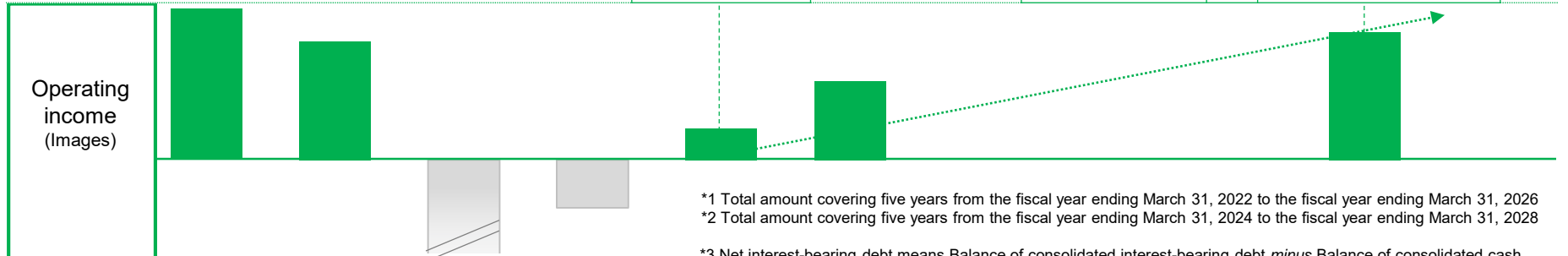
Changes in the business environment, Numerical targets anticipating Post-COVID

2019.3 2020.3 2021.3 2022.3 2023.3 2024.3 2025.3 2026.3 2027.3 2028.3 (FY)



Revised by identifying changes in the external environment in the post-corona era

Target (Consolidated)	(Reference) FY2023.3 Results	Numerical Target of FY2026.3 (Released on Jan. 2021)	Numerical Target of FY2028.3 (Released on Apr. 2023)
Operating revenues	¥ 2,405.5billion	¥ 3,090.0 billion	¥ 3,276.0billion
Operating income	¥ 140.6 billion	¥ 450.0 billion	¥ 410.0billion
Operating cash flow	¥ 581.7 billion	¥ 3,693.0 billion*1	¥ 3,800.0 billion*2
ROA	1.5 %	Around 4.5%	Around 4.0%
Net interest-bearing debt/EBITDA *3	8.6 times	5 times or less	(Mid-term)Around 5 times (Long-term)Around 3.5 times



*1 Total amount covering five years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026

*2 Total amount covering five years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2028

*3 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.

Rebuilding Growth Strategy for the Post-COVID World

Changes in the external environment and future policies

Changes in the external environment

- The protracted COVID-19 pandemic and changes in lifestyle
- High and rising raw material and energy prices
- Social demand for wage increases amid inflation



Result

Delay in recovery of revenues and profits that dipped during the COVID-19 pandemic

Rebuilding growth strategy

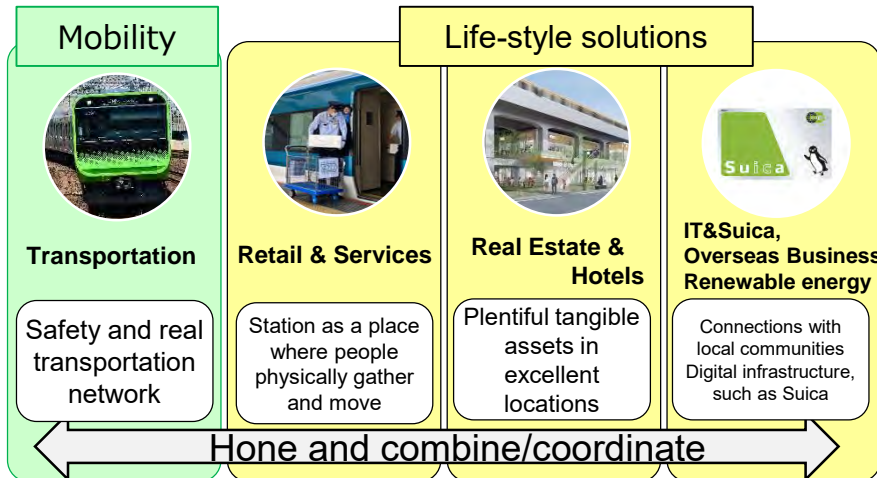
- (1): Hone and combine/coordinate the strengths of each business
- (2): Cash flow operations optimized for business characteristics



Realize the policies of Move Up 2027 and Numerical Targets of FY2028.3 through steady growth

Rebuilding growth strategy

(1): Hone and combine/coordinate the strengths of each business



(2): Cash flow operations optimized for business characteristics

Mobility

Based on the premise that the use of railway services will not naturally recover to pre-COVID levels, we will carry out a drastic structural reform to secure sustainable cash flows.

Life-style solutions

Identify growth drivers within each business segment, such as Retail & Services, Real Estate & Hotels, IT & Suica, International, and Renewable Energy to generate more cash flows.

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

*1 Target for FY2024.3 *2 Preliminary figures *3 Target for FY2032.3 and Number of line units of major conventional lines in the Tokyo area
 *4 Target for FY2026.3 *5 Target number in total from FY2024.3 *6 Target for FY2031.3 *7 Result in FY2022.3 () is the reference value for new targets

Numerical Target Items		Target for the Fiscal Year Ending March 31, 2028 [New]	<appendix> Target for the Fiscal Year Ending March 31, 2026 [Old]	<appendix> Results as of March 31, 2023
Mobility Target	Accidents due to internal causes	0*1	0*1	0
	Serious incidents	0*1	0*1	0
	Railway accidents (from FY2019.3 level)	20% reduction*1	20% reduction*1	10% reduction*2
	Of which accidents on platforms involving personal injuries (from FY2019.3 level)	30% reduction*1	30% reduction*1	17% reduction*2
	Number of stations and platforms with installed Automatic Platform Gates	330 stations・758 platforms*3	-	(99stations・197platforms)
	Accidents due to internal causes (from FY2019.3 level)			
	Conventional lines within 100km of Tokyo	55% reduction	70% reduction	9% reduction
	JR East Shinkansen	75% reduction	75% reduction	38% reduction
	Total delay time for conventional lines within 100km of Tokyo (from FY2019.3 level)	70% reduction	70% reduction	20% reduction
	Inbound Revenue of Railway Business	56.0 bil. Yen	-	(10.3 bil. Yen)
	Ticketless service usage rate for JR East Shinkansen	75%	70%	41.0%
	Handling percentage of <i>eki-net</i>	65%	60%	37.3%
	Installation areas of 5G	100 places in total*4	100 places in total	21 places in total
Fiber optical lease distance	400km in total*5	-	(-)	
Installed kilometers of overhead line equipment monitoring and inspection	7,500km	-	(5,500km)	

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

Numerical Target Items		Target for the Fiscal Year Ending March 31, 2028 [New]	<appendix> Target for the Fiscal Year Ending March 31, 2026 [Old]	<appendix> Results as of March 31, 2023
Life-style solutions Target	Number of transaction amount of JRE MALL	300.0 bil. Yen	130.0 bil. Yen	5.1 bil. Yen
	Number of shared offices	1,400 locations in total	1,200 locations in total	774 locations in total
	Inbound Revenue of life-style Solutions business	30.0 bil. Yen	-	(7.8 bil. Yen)
	Assets under management in the Real Estate Fond Business	400.0 bil. Yen in total	-	(157.8 bil. Yen in total)
	Number of homes	6,000 homes in total	3,800 homes in total	3,054 homes in total
	Number of childcare support facilities	175 locations in total	170 locations in total	165 locations in total
	Number of JRE POINT members	30 mil. persons	25 mil. persons	13.8 mil. Persons
	E-money usage such as Suica	600 mil. Transactions/month	500 mil. Transactions/month	263 mil. Transactions/month
	Mobile <i>Suica</i> cards issued	35 mil.	25 mil.	20.3 mil.
Number of transactions for usage of the services of the MaaS platform, Mobility Linkage Platform, provided by JR East	100 mil. transactions/month	75 mil. transactions/month	38.7 mil. transactions/month	
Foundati on for growth Target	CO2 emissions of the entire JR East Group (from FY2014.3 level)	50.0% reduction* ⁶	50.0% reduction* ⁶	15.5% reduction* ⁷
	Development of renewable energy power sources	700,000kW* ⁶	700,000kW* ⁶	136,000kW
	Recycling rate of plastic bottles in station and train trash	100%* ⁶	-	(99%) * ⁷
	Recycling rate in Waste (general/industrial) (Consolidated) (from FY2014.3 level)	73%* ⁶	-	(73%) * ⁷
	Allocation of human resources to priority growth areas	2,000 people in total* ⁵	-	(-)
	Ratio of Women to managers	10%	-	(7.0%)
	Employment rate of persons with disabilities	2.70%	-	(2.63%)
	Rate of male employees taking childcare leave	85% or more	-	(43.7%)
	Percentage of Qualified Service Care-Fitters	80%	-	(60.5%)
	Accidens involving employee fatalities (Includes Group companies, and partner companies)	0* ¹	-	(1) * ²
	Percentage of DX and service-related patent and design applications	50%	-	(45.0%)
	Penetration of initiatives on human rights, the environment, etc. into the supply chain(Supply chain penetration rate)	100%	-	(55.6%)