
OIMACHI TRACKS
(city opening on March 28, 2026)

# FY2026.3 Financial Results and FY2027.3 Management Strategy Explanatory Materials

April 30, 2026　East Japan Railway Company

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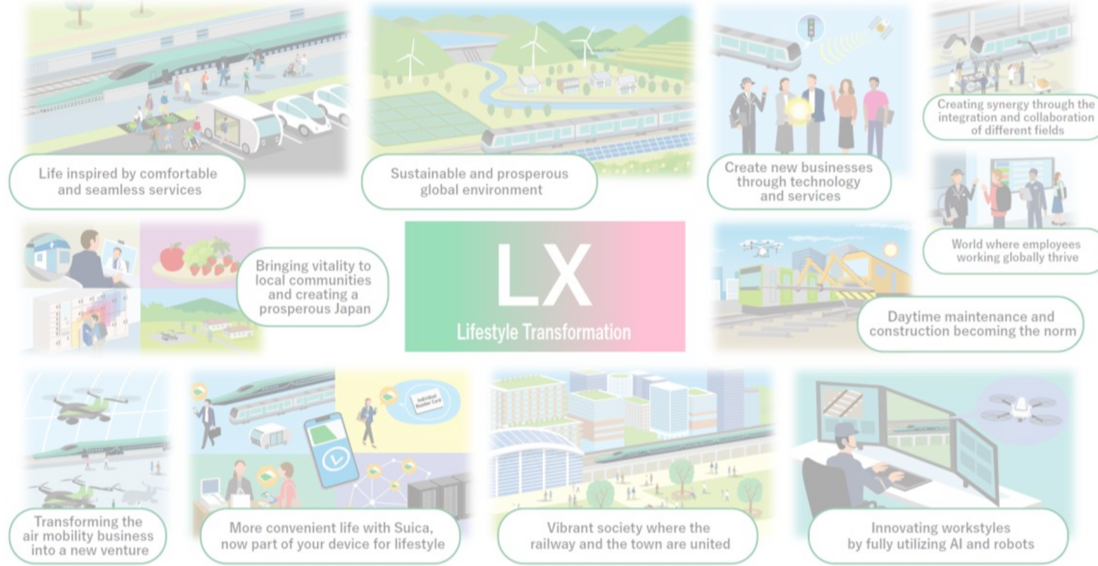
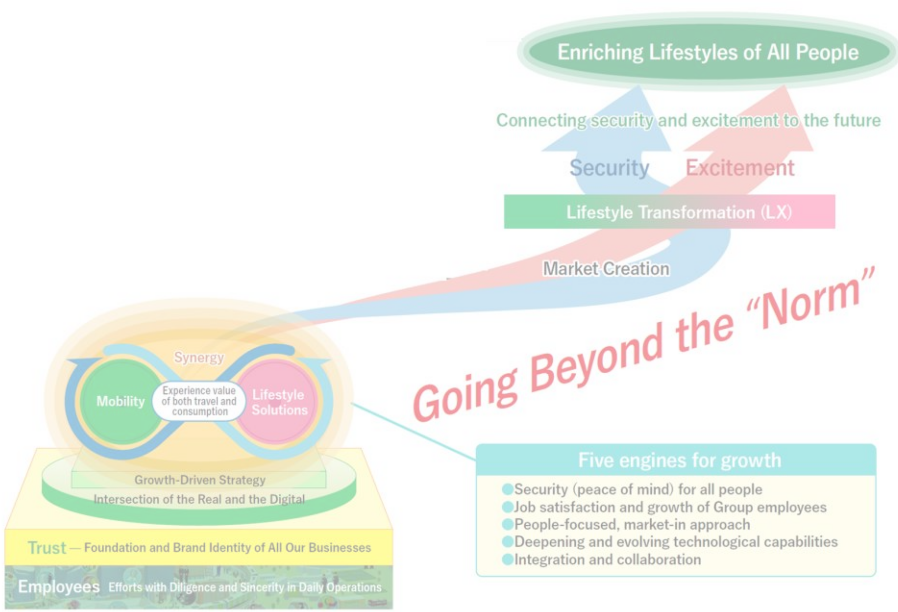
Note: The future performance forecast and other accounting information in this material are based on accounting standards applied by the Group as of March 31, 2026.




# I. Medium- to Long-Term Strategies to Realize "To the Next Stage" 2034



# Performance Highlights and Updates to Numerical Targets of "To the Next Stage" 2034

- **Both revenues and income increased** in FY2026.3 due to strong passenger traffic. **Operating revenues reached record high since JR East's inception.**
- **Planning to increase revenues and income** in FY2027.3 by capitalizing on effects of fare revisions, the opening of TAKANAWA GATEWAY CITY, and other factors.
- **Updated KPIs for FY2028.3 and FY2032.3** to reflect changes in business environment after announcing "To the Next Stage" 2034 (e.g., strong railway usage, rising inflation) . **We will continue pushing toward target achievement.**

| | FY2026.3 Result | FY2027.3 Forecast | FY2028.3 | FY2032.3 |
|---|---|---|---|---|
| Operating revenues | 3,084.6 billion yen (Record high) | 3,295.0 billion yen | 3,518.0 billion yen<br>+54.0 billion yen vs previous target | Approx. 4.3 trillion yen<br>Previous target: over 4.0 trillion yen |
| EBITDA | 842.9 billion yen | 887.0 billion yen | 958.0 billion yen<br>+11.0 billion yen vs previous target | Approx. 1.2 trillion yen |
| Operating income | 414.2 billion yen | 429.0 billion yen | 488.0 billion yen<br>+3.0 billion yen vs previous target | Approx. 750.0 billion yen<br>Approx. +50.0 billion yen vs previous target<br>(Mobility: Approx. +10.0 billion yen, Lifestyle: Approx. +40.0 billion yen) |
| ROE | 8.4% | 8.2% | 8% or more | 10% or more |

# Implementation of Medium- to Long-term Growth Strategy for Mobility Business “PRIDE & INTEGRITY”

JR-EAST

- The target for mobility operating revenues for FY2032.3 set forth in “PRIDE & INTEGRITY” (announced in September 2025) has been revised upward. We now aim for an increase of more than 300.0 billion yen (compared to FY2025.3), which is 100.0 billion yen above the previous target.

An increase of
more than 300.0 billion yen
≒ more than 115%

Operating revenues
1,945.7 billion yen

**Current: an additional increase of 100.0 billion yen**

・Basic passenger traffic growth: +Approx. 60.0 billion yen

・Revenue increase in railcar manufacturing and buses:
+Approx. 40.0 billion yen

**Previous target: an increase of more than 200.0 billion yen**

・Fare revisions (March 2026): +Approx. 82.0 billion yen

・Inbound transportation revenue growth: +Approx. 45.0 billion yen

・Introduction of Green Cars to the Chuo Rapid Line: +Approx. 8.0 billion yen

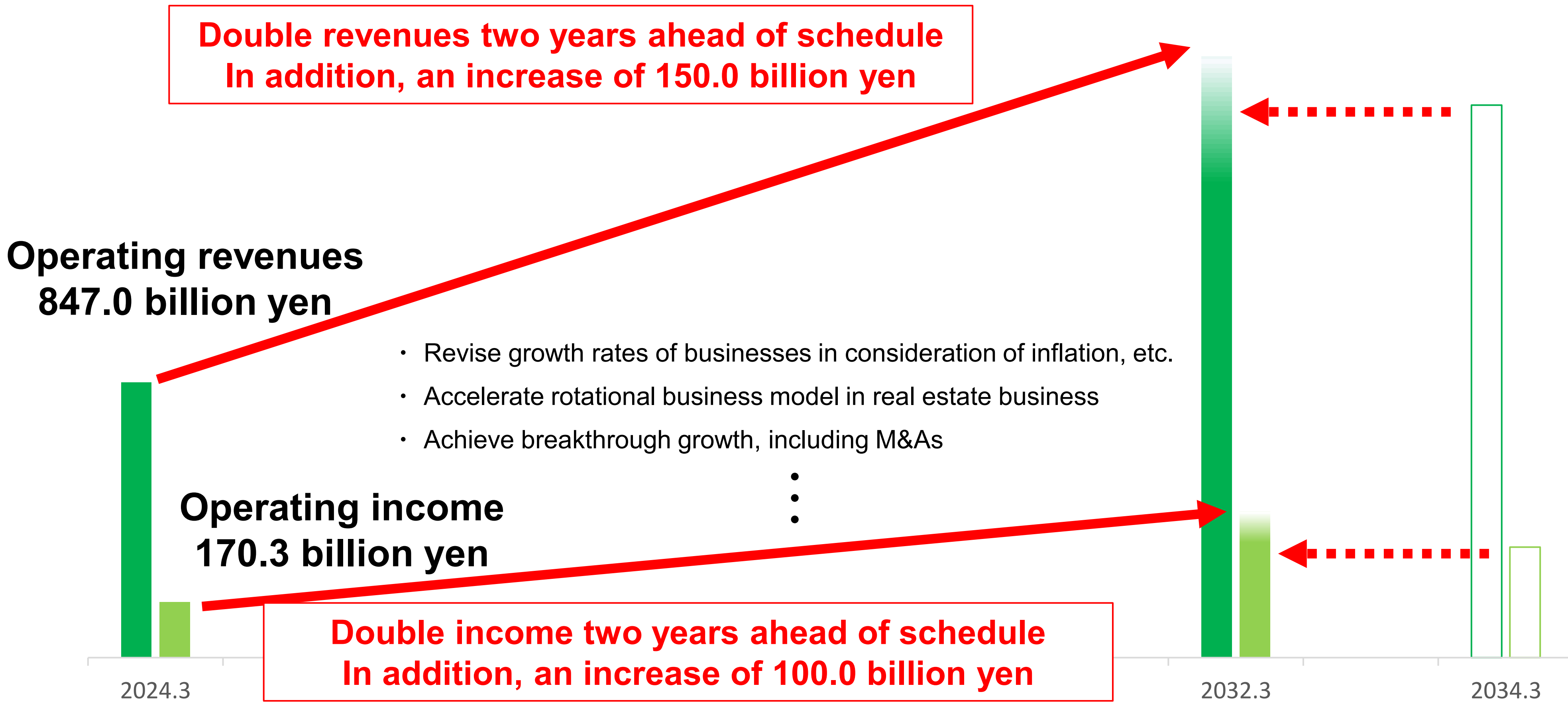
Other factors include enhanced transportation capacity, pricing strategies, and growth in the exchange population.

2025.3　　2032.3

# Implementation of Medium- to Long-term Business Growth Strategy "Beyond the Border"

- Upward revision to numerical targets of "Beyond the Border" that were announced in June 2024.
  **Aiming to double operating revenues and operating income** of Lifestyle Solutions* compared to FY2024.3 **two years ahead of schedule.** In addition, aims to achieve **an increase of 150.0 billion yen in operating revenue and 100.0 billion yen in operating income.**

*Retail & Services + Real Estate & Hotels + IT & Suica



# Achieve Security for Everyone by Pursuing Ultimate Safety

- To expand trust through security and **accelerate the growth of every business**, we will make the **pursuit of ultimate safety** our highest management priority and make group-wide efforts to this end.
- In addition to investing 1.3 trillion yen (FY2025.3–FY2029.3) in safety under the Group Safety Plan, we will ensure that maintenance work is carried out to ensure safe and stable transportation.


## Priority initiatives in light of the recent series of transportation incidents:

1. Reviewing operational workflows (procedures) for safe and stable transportation
2. Enhancing response capabilities in abnormal situations
3. Improving inspection and maintenance standards
4. Enhancing and strengthening the technical capabilities of frontline employees engaged in equipment maintenance and accident recovery
5. Increasing maintenance expenses for equipment
6. Maintaining the systems and technical capabilities of Group companies and partner companies

# Specific Measures to Improve and Strengthen Group Governance

- **Improvement measures were compiled in March 2026 in light of issues raised in the expert committee report.**
- **We will develop a compliance framework across the entire group and ensure its smooth operation to advance "To the Next Stage" 2034 and build the foundation for pursuing new business areas.**
- **Progress of the improvement measures will be monitored and disclosed on a regular basis.**


We will implement the improvement measures to establish Group governance based on:

- a sound corporate culture
- necessary systems and rules
- active communication

in addition to updating our basic approach to internal control within the Group.

# Key Mobility Measures (Enhance Safety, Security, and Service)

- **March 14, 2026: JR East's first fare revision (Expected increase in revenue: 82.0 billion yen / year)**
- **By enhancing capital investment and other initiatives using the increase in revenues from the fare revision, we will improve safety and service levels and aim to become a railway chosen by customers more than ever before.**

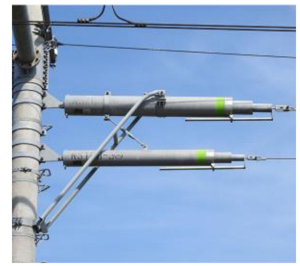
## ■ Providing society with safe and secure infrastructure

Installing platform doors, ensuring disaster preparedness, upgrading facilities, and taking measures to prevent accidents to provide safe, reliable, and stable transportation.

Examples:

Installing slit-frame automatic platform gates

Reinforcing wayside embankments



Upgrading overhead wire facilities

Installing omnidirectional warning lights

## ■ Enhancing service levels

Expanding our transportation network, increasing barrier-free facilities, environmental improvement, and implementing Suica Renaissance to provide a convenient environment for passengers.

Examples:


Haneda Airport Access Line (tentative name)

Installing elevators

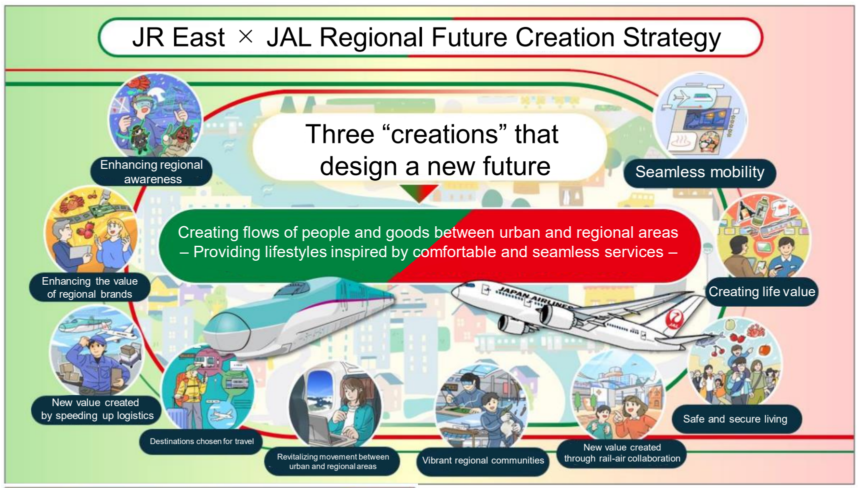

Lost and Found cloud: "find"

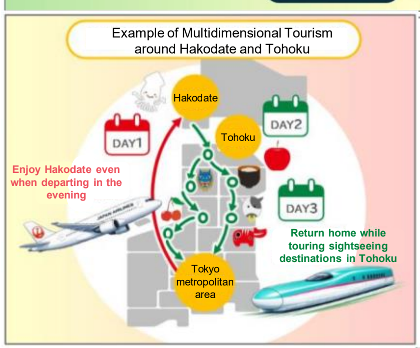
Walk-through ticket gates

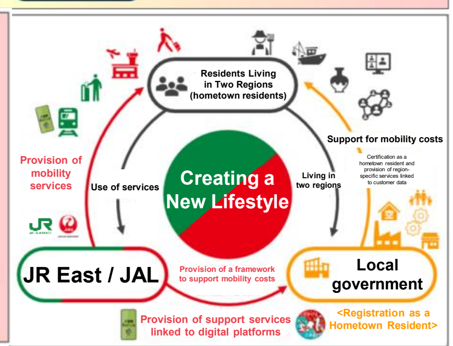
# Profitability Improvement in Mobility (Creating Passenger Flow)

- **We concluded an agreement with JAL on "strengthening collaboration for regional revitalization in East Japan area." In addition to "multidimensional tourism," we will promote "living in two regions, in East Japan area" in collaboration with local governments, aiming to create a "wide-area tourism model," "relationship population and settled population," and "new markets."**
- **We will advance construction work for opening FY2032.3 on the Haneda Airport Access Line (tentative name) and expand through services with other railway operators, thereby aiming to generate passenger flow through an expanded rail network and enhance the value of the Tokyo metropolitan area.**

## ■ Collaboration agreement with JAL, "Regional Future Creation Strategy"



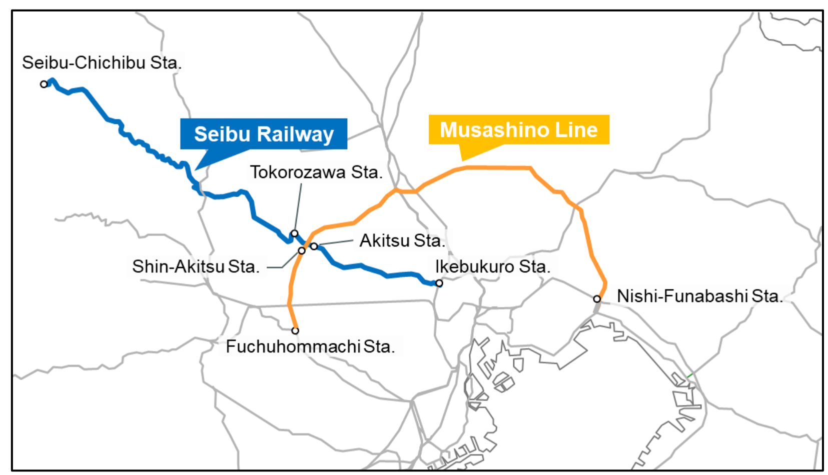




## ■ Expanding through services with lines of other companies

We are considering through-services utilizing the connecting line between Shin-Akitsu Station on our Musashino Line and Tokorozawa Station on the Seibu Ikebukuro Line. (Scheduled to start by around FY2029.3)

* Considering providing extra train services



# Profitability Improvement in Mobility (Fares and Charges)

- **To realize more flexible railway fairs and charges systems, we will continue to submit requests to the government in coordination with other companies.**
  - **(i) A switch from the current approval system to a notification system for revising Shinkansen non-reserved seating express charges.**
  - **(ii) Introduction of a mechanism to respond flexibly to inflation, wage increase, etc.**
  - **(iii) Review of the total cost method itself.**
- **We will also accelerate price strategies implementable through notification, such as revising discount ticket settings and charge structures, and improve profitability by setting flexible prices according to customer demand.**

（Reference：current railway fares and charges system）

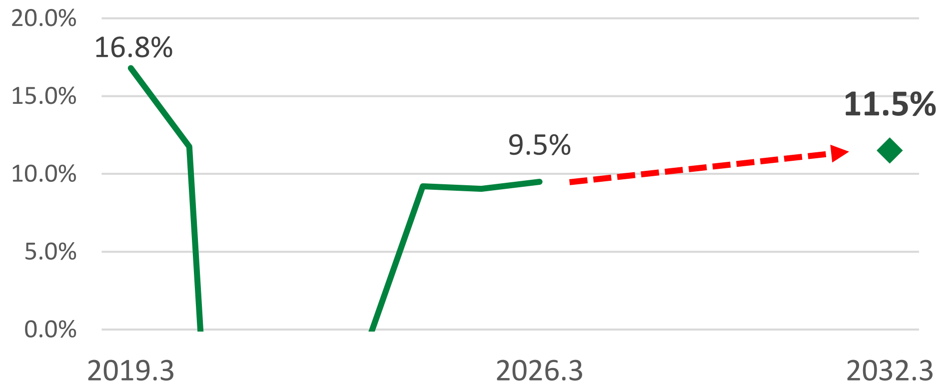
<table>
<tr><th></th><th></th><th>Shinkansen</th><th>Conventional Lines</th></tr>
<tr><td rowspan="2">Fares<br>Basic fare tickets</td><td>Single tickets</td><td colspan="2" rowspan="2">Approval<br>(i) approval for the ceiling (upper limit)<br>(ii) prior notification before setting or changing under the ceiling</td></tr>
<tr><td>Commuter pass</td></tr>
<tr><td rowspan="3">Extra Charges</td><td>Express Charges<br>(non-reserved seat)</td><td><u>Request for a prior notification system</u></td><td rowspan="3">Prior notification only</td></tr>
<tr><td>Seat Charges</td><td rowspan="2"></td></tr>
<tr><td>Other Charges<br>Green Car Charges etc.</td></tr>
</table>

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

# Realizing Sustainable Mobility – (1)

- **We expect to achieve a 100.0 billion yen reduction in railway business operation costs by FY2028.3 (compared to FY2020.3).**
- **By accelerating operational transformation through technological innovation and structural reform, we will improve productivity through mechanization, DX, and the use of AI, thereby creating an environment in which employees can focus more than ever on improving safety levels and service quality. We will also work on highly profitable businesses, and through these efforts, aim to achieve a mobility operating margin of 11.5% in FY2032.3.**

**[Reference] Trend in Mobility Operating margin**




## ■ Expansion of driver-only operations and introduction of driverless operations

We will progressively expand driver-only operation to major lines in the Tokyo metropolitan area by around 2030.

For driverless operations, we aim to introduce it in FY2030.3 on out-of-service trains between Niigata Station and Niigata Shinkansen Vehicle Center, then on commercial Shinkansen services by around the middle of the 2030s, and on conventional lines by around 2035.

Driverless operation (GOA4) test run

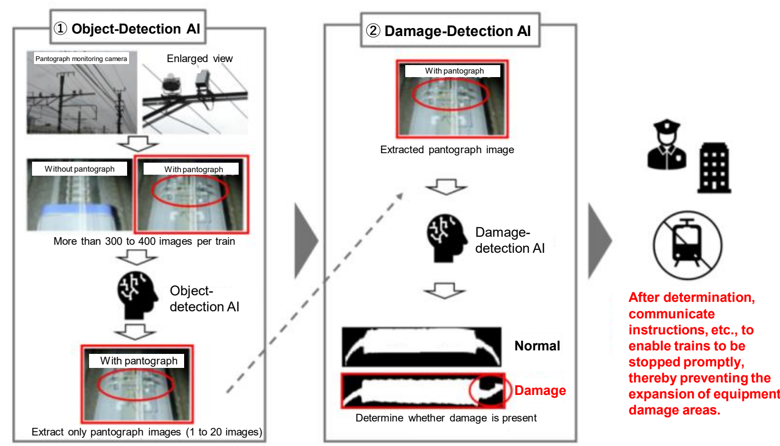
## ■ Image analysis of pantograph monitoring camera footage using AI

We are conducting trials of a system that uses object-detection AI and damage-detection AI to analyze images captured by pantograph monitoring cameras in real time and detect pantograph malfunctions at an early stage (from April 2026). * Jointly implemented under a startup program.

## ■ Formulation of the JR East Group AI Policy

Under a governance framework that identifies and appropriately addresses the risks posed by AI, we will maximize the benefits brought by AI and realize transformation in work styles and the creation of new customer experience value.

https://www.jreast.co.jp/en/company/csr/governance/internal-control/ai-policy/



# Realizing Sustainable Mobility – (2)

JR-EAST

➢ **We will take the lead in addressing social issues surrounding mobility, such as workstyle reform, labor shortages, and supply chain resilience, while involving other operators, with the aim of realizing a sustainable railway industry.**

## ■ Construction and maintenance work in daytime hours

By switching facility maintenance and upgrade work from nighttime to weekday daytime, we will improve the work environment and reform work styles to secure railway construction workers, thereby ensuring stable services through shorter construction time and timely execution.
(Considering expanding line segments where this will be implemented, including the Tokyo metropolitan area, and increasing the frequency.)

## ■ Training of workers with specified skills to address labor shortages

To contribute to sustainable business operations across the railway industry as a whole, we invited participation from railway operators other than our company and conducted a training program for specified skilled personnel from February to March 2026. In total, 113 prospective employees from 47 companies, including railway operators and partner companies engaged in railway construction, participated in the program in three categories: rolling stock maintenance, track maintenance, and electrical facilities maintenance.
Going forward, we will continue this initiative as an open educational platform capable of accepting around 100 trainees per session.

## ■ Collaborations among the seven JR companies toward standardization of railway electrical equipment materials and parts

While the environment surrounding the railway business, including supply chain, is changing, we will standardize the specifications of railway electrical equipment materials and parts used by the seven JR companies for conventional lines in order to streamline manufacturers' design, manufacturing, and inventory control processes.

[Examples of materials and parts for which standard specifications have been developed]

Polymer insulator for overhead wires

Impedance bond

⇒ We will expand the scope of applicable equipment going forward.

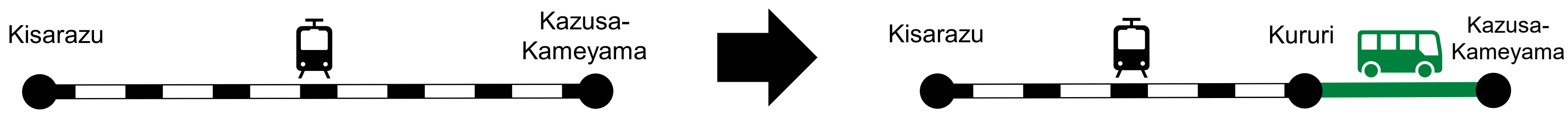
# Best Mix for Mobility (Status of Discussions Regarding Local Lines)

JR-EAST

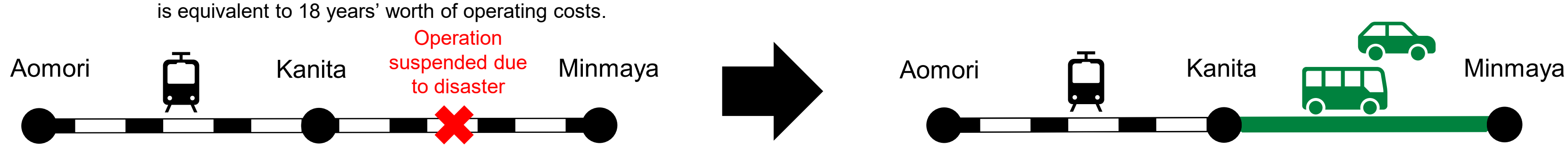
**We recognize that securing local transportation is a critical part of our role. As we streamline our facilities and improve operational efficiency, we will collaborate with local communities to develop a sustainable transportation system based on their understanding and cooperation.**

## Mode change agreed upon

**Kururi Line:** Passenger volume declined due to rapid motorization. After consulting with the relevant local governments, we submitted a notification to terminate railway operations between Kururi and Kazusa-Kameyama. From April 2027, the line will be converted to automobile transport. We will contribute 2.0 billion yen for 18 years' worth of automobile transport operating costs, as well as make community contributions, such as building a transportation hub at Kururi Station.




**Tsugaru Line:** Operation between Kanita and Minmaya has been suspended due to damage caused by heavy rainfall in 2022. After consulting with the relevant local governments, we submitted a notification to terminate railway operations between Shin-Naka-Oguni Signal Interlocking and Minmaya. In partnership with local governments, we will establish a nonprofit organization to serve as the business entity for automobile transport that will be launched in April 2027, integrating local automobile transport to create a convenient and sustainable regional transportation system. JR East contributed 3.36 billion yen to the organization, which is equivalent to 18 years' worth of operating costs.




## Under discussion

**Yonesaka Line, Imaizumi-Sakamachi section**
(operation currently suspended)

In addition to a JR railway operation proposal, we presented the estimated burden on the local communities and visions of post-restoration for each of the following methods: vertical separation, bus conversion, and transfer to a third sector. We will deepen discussions with local communities going forward.

**Agatsuma Line, Naganohara Kusatsuguchi-Omae section**

In order to resolve commutation issues faced by local high school students and their families, who are the main users, a verification test for commuting by Shinkansen was conducted. A verification test for pick-up and drop-off at school is scheduled for the current fiscal year.

## (Reference) Operating results by line segment

| FY | 2024.3 | 2025.3 |
|---|---|---|
| Subject of disclosure | Line segment with average passenger figures of less than 2,000 persons/day | |
| Number of applicable lines | 36 lines, 72 sections | 36 lines, 71 sections |
| Passenger revenues | 6.3 billion | 6.2 billion |
| Operating Expenses | 82.1 billion | 85.3 billion |
| Operating Loss | △75.7 billion | △79.0 billion |

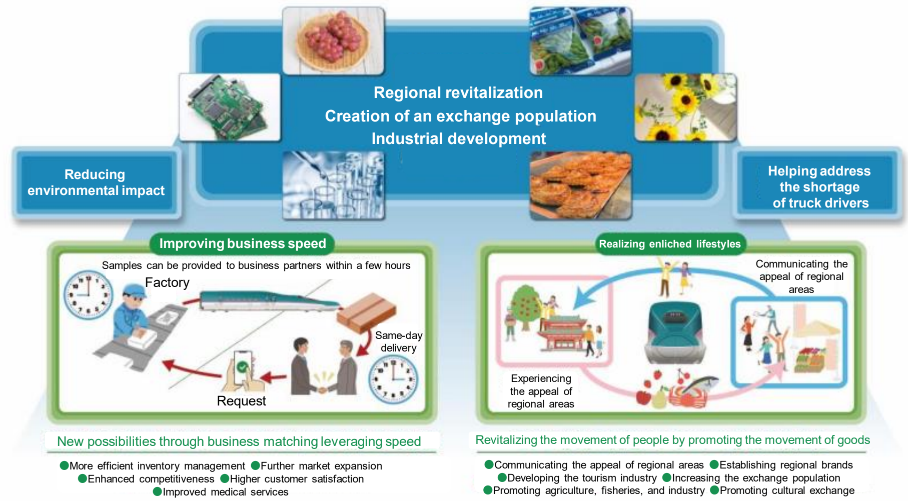
The figures may be amended due to revisions to calculation methods.
For details, see press release: https://www.jreast.co.jp/e/press/pdf/20260427ho1.pdf

# Business Development Leveraging Existing Assets

**We are promoting businesses that actively leverage railway assets to create new value and services. In addition to improving ROA through enhanced profitability and more effective use of assets across our Group, these efforts will also contribute to solving social issues.**

## ■ Expansion of the "Hako-byun" rail freight transportation service

- To meet demand for high-frequency transportation of large volumes of freight, we began operating one E3 Series Shinkansen trainset as a "dedicated freight Shinkansen" service in March 2026.
- Through collaboration with other business operators, including the JAL Group and Japan Post Group, we will expand networks and services, promote further industrial development and growth in the exchange population, and thereby aim to revitalize regional areas and help solve social issues.


## ■ Expansion of Smart Health Station® and Launch of New Healthcare Service LX Doctor

- We operate the Smart Health Station®, which provides comprehensive online healthcare services, from prevention to post-consultation, at railway stations and with Suica.
- Revisions to related laws and regulations enabled us to launch LX Doctor, the first Ekinaka (inside station) service offering online diagnosis and treatment in a private booth. Beginning with 22 stations (24 booths), we will expand the network to the Tokyo metropolitan area and regional areas with the aim of building a nationwide healthcare network.

LX Doctor


# TAKANAWA GATEWAY CITY / OIMACHI TRACKS

➢ **Area strategies will be implemented in the Hamamatsucho-Oimachi section, designated the "Greater Shinagawa Area." With a view to developing business to a scale of over 100.0 billion yen/year in operating revenue by mid-2030s, two core projects officially opened in FY2026.3.**

## 【TAKANAWA GATEWAY CITY】

**Revenue projection (from FY2031.3):**

About 57.0 billion yen ⇒ **About 65.0 billion yen / year**

**Project cost:**

About 600.0 billion yen ⇒ **About 610.0 billion yen**

Note: Expected operating revenue and project cost have been updated following completion of construction.

| | |
|---|---|
| **City opened on March 27, 2025** | THE LINKPILLAR 1 SOUTH （Office, Retail, Hotel, etc.） THE LINKPILLAR 1 NORTH （Office, Retail, Restaurant, etc.） |
| **Grand opening on March 28, 2026** | THE LINKPILLAR 2 （Office, Retail, Clinic, etc.） MoN Takanawa: The Museum of Narratives （Exhibition hall, etc.） TAKANAWA GATEWAY CITY RESIDENCE （Residential, etc. ） |

## 【OIMACHI TRACKS】


**Revenue projection (from FY2032.3) :**

About 13.0 billion yen ⇒ **About 15.0 billion yen / year**

**Project cost:**

About 110.0 billion yen ⇒ **About 120.0 billion yen**

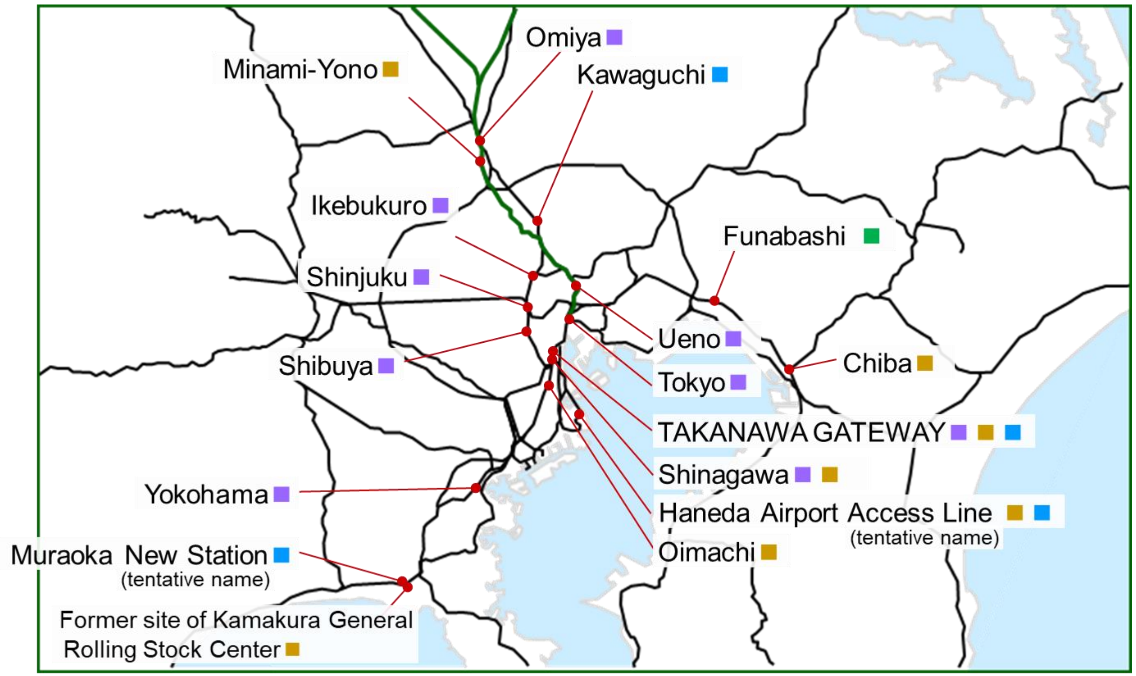
Note: Expected operating revenue and project cost have been updated following completion of construction.

| | |
|---|---|
| **Grand opening on March 28, 2026** | A-1 Area（Office, Hotel, Retail, Residence） A-2 Area（Retail） |

# Urban Development Unique to the JR East Group (J-TOD, etc.)

➢ **We will generate land available for development by using company-owned land (e.g., train depot, corporate housing sites), and carry out high value-creating development projects through synergies between Mobility and Lifestyle Solutions, such as J-TOD, which is unique to the JR East Group.**

**【Major development projects in the Tokyo metropolitan area】**




* Including projects led by government agencies or joint ventures with other companies

Legend:
- Mobility Network Type J-TOD
- Terminal Type J-TOD
- Asset Reorganization Type J-TOD
- Other project

## ■ JR Funabashi Ichiba-cho Company Housing Site Development Plan (tentative name)

* Joint venture with Tokyu Fudosan Holdings Corporation

Redevelopment of a **former company housing site** into a large-scale project for over **1,000 units in total**

Completion: December 2028

Site area: About 45,400 m²

Use: Residence (sale, rental), retail, renewable energy power generation facility, etc.

Revenue projection as JR East Group (by housing sale): About 42.0 billion yen

## ■ Town development in conjunction with the establishment of Muraoka New Station (tentative name)

The land readjustment project for the surrounding area (including our large-scale company-owned land) linked to the new station development

Anticipate **an increase in the floating population** by **increasing the values of the surrounding areas** and by revitalizing the city

(Opening of a new station: Aiming to realize around 2032)

# Strategic Partnership with Itochu Group in the Real Estate Sector

- **JR East & Itochu Real Estate Development Co., Ltd.* to be established on October 1, 2026.**
  *A consolidated subsidiary of JR East, with JR East holding a 60% equity stake and Itochu holding a 40% equity stake.
- **The new company will aim to achieve dramatic growth in the real estate business as a comprehensive developer combining the strengths of a tangible railway network and the global business network of a general trading company.**
- **The new company will strive to achieve dramatic growth over the next five years, with the aim of generating sales of 250.0 billion yen by FY2031.3.**

Major former JR East company housing sites, etc. being considered as development projects


Created using and modifying GSI Map Vector

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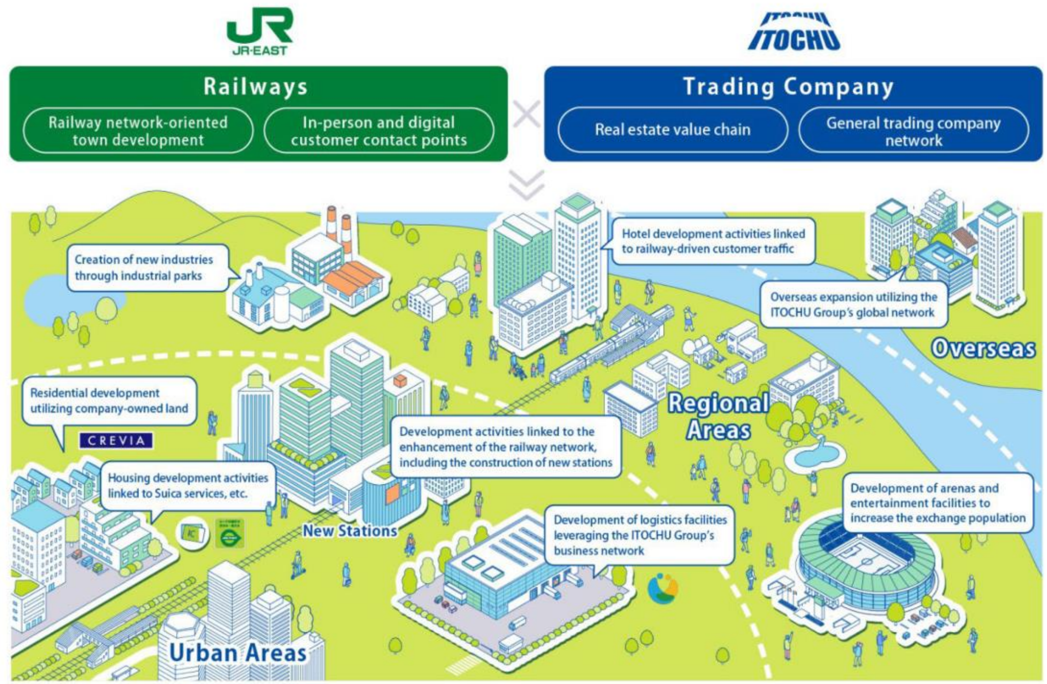
ITOCHU Group's expertise & projects

CREVIA Yoga (Condominium)

CREVIA RXE Nishi-Sugamo (Rental Apartment)

Okura Resort Hakone Gora (Hotel)

[Tentative] iMissions Park Chitose (Logistics Facility)



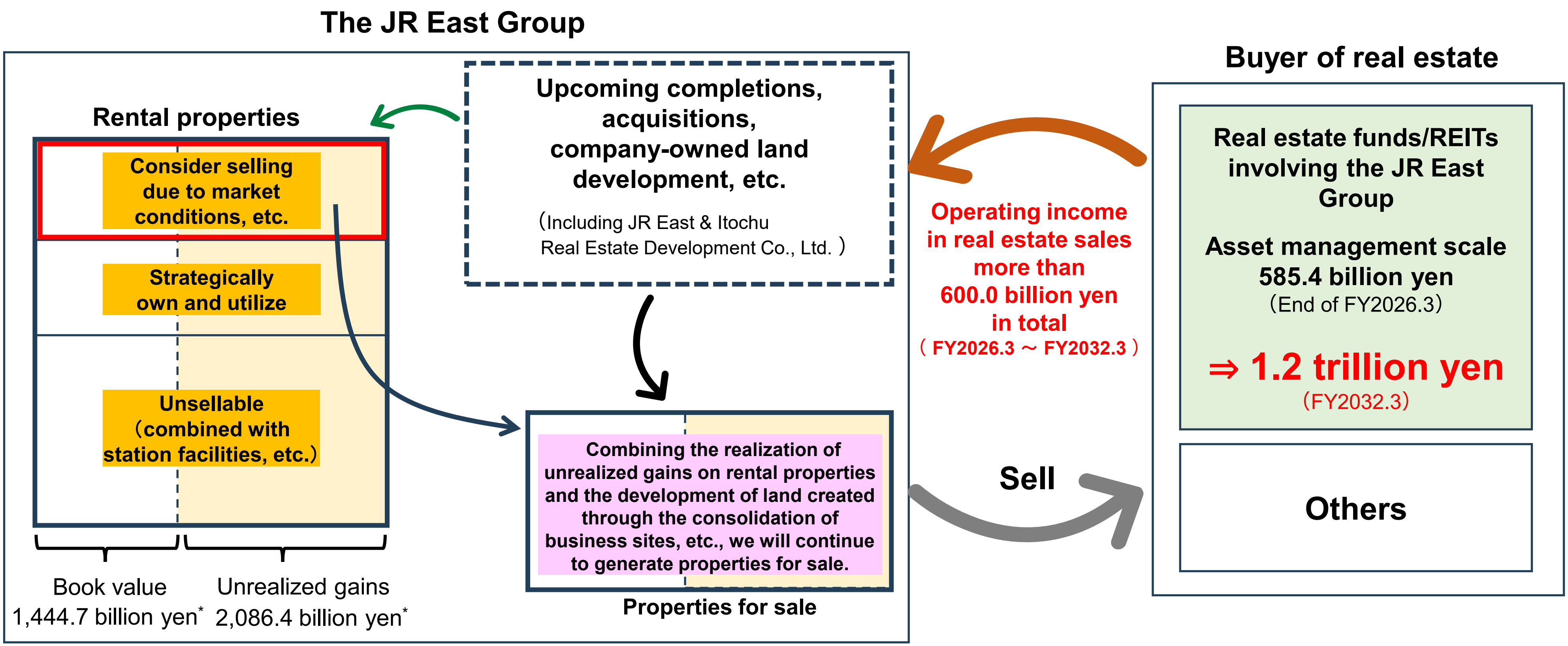

➡JR East and Itochu will broadly explore possibilities regarding collaboration in other fields of business, and, by creating services and solutions beyond conventional frameworks, they will contribute to solving social issues, creating new added value, and achieving the sustainable development of local communities while expanding new possibilities for people's lifestyles and workstyles.

# Rotation Business Model for Real Estate

- Aiming for cumulative operating income of **more than 600.0 billion yen** (FY2026.3-FY2032.3), we will steadily implement real estate sale* while **strengthening acquisitions and development** to enhance our future pipeline.

  *FY2026.3 results : Operating revenue 73.0 billion yen; operating income 50.3 billion yen
  **FY2027.3 forecast : Operating revenue 100.0 billion yen; operating income 45.0 billion yen**

- **Target asset management scale in real estate fund business revised upward**
  **(FY2028.3 KPI: 550.0 billion yen ⇒ 700.0 billion yen FY2032.3 KPI: 1 trillion yen ⇒ 1.2 trillion yen)**




*End of FY2026.3 (Preliminary figures)

# Further Business Growth through Suica Renaissance

JR-EAST

➢ **Through the two transformations driven by Suica Renaissance, we will accelerate business growth in Mobility and Lifestyle Solutions and aim to increase operating income in FY2032.3 by +25.0 billion yen and + α* (compared to FY2025.3).**

* Previous target: +20.0 billion yen

## ■ Transformation ①: Transforming into an account-based business through the creation of the Suica living sphere

**Suica card**

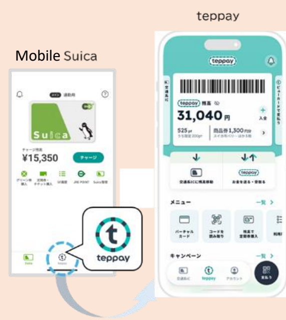
**Only for small-value payments**

**Mobile Suica**

**Making recharging more convenient**

**Autumn 2026**
**Launch of the new code payment service, "teppay"**

**Mobile Suica + teppay**




**Purchases over 20,000 yen and "Send & Receive" functions as well**

**Future**
**Suica app (tentative name)**

Prepaid

Postpaid

**All payment services can be conveniently accessed in one place, tailored to each stage of life**

Suica | Credit card | Code payment | Bank account | Home loan

**Contribution to each business**
**Operating income: +25.0 billion yen**


## ■ Transformation ②: Redesigning stations through a thorough shift to mobile and ticketless services

**By utilizing the optimization of station space created through measures such as reducing ticket offices and gates, we aim to realize the "+α" at an early stage.**

# Capturing Inbound Demand

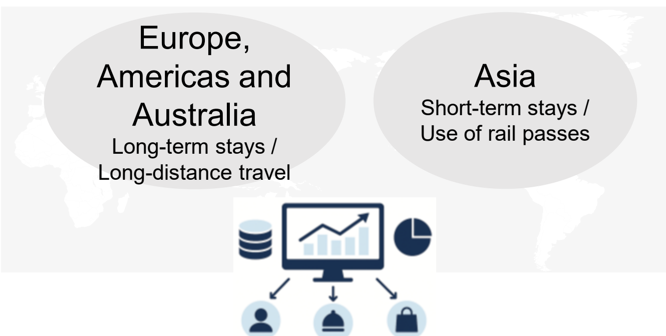
- We will aim to increase share of overnight stays in Tohoku area by inbound visitors by 5%* and promote initiatives across the Group under the dual axes of Mobility and Lifestyle Solutions.
- Expand inbound revenue through new business structures, including strategic partnerships with airlines and OTAs, and value creation initiatives with local regions led by area operation centers and group companies.

* Tohoku's share of foreign guest nights by prefecture, based on the Overnight Travel Statistics Survey published by the Japan Tourism Agency (for facilities with 20 or more guest rooms).

## Targeting

Europe, Americas and Australia
Long-term stays / Long-distance travel

Asia
Short-term stays / Use of rail passes



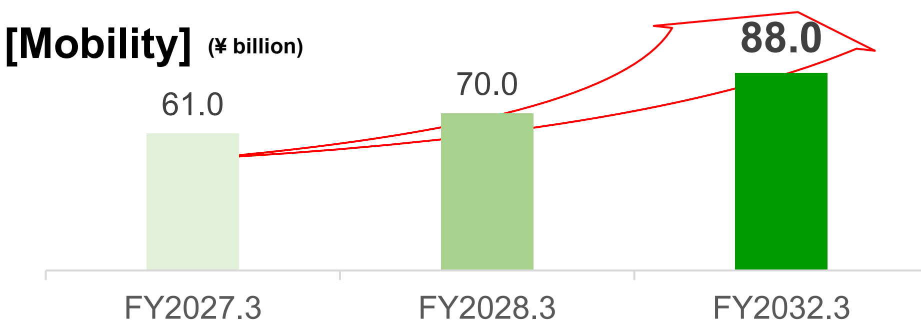
Promoting multidimensional tourism in collaboration with airlines (JAL) and travel agencies (JTB)



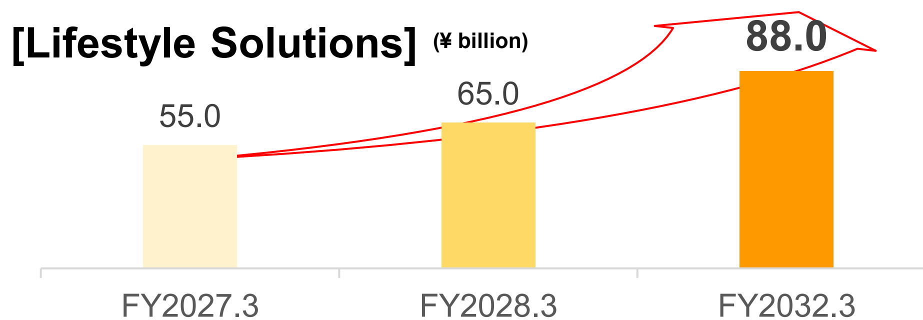
Global distribution of eastern Japan content through OTAs

## Creating attractive destinations


AZUMA FARM Koiwai



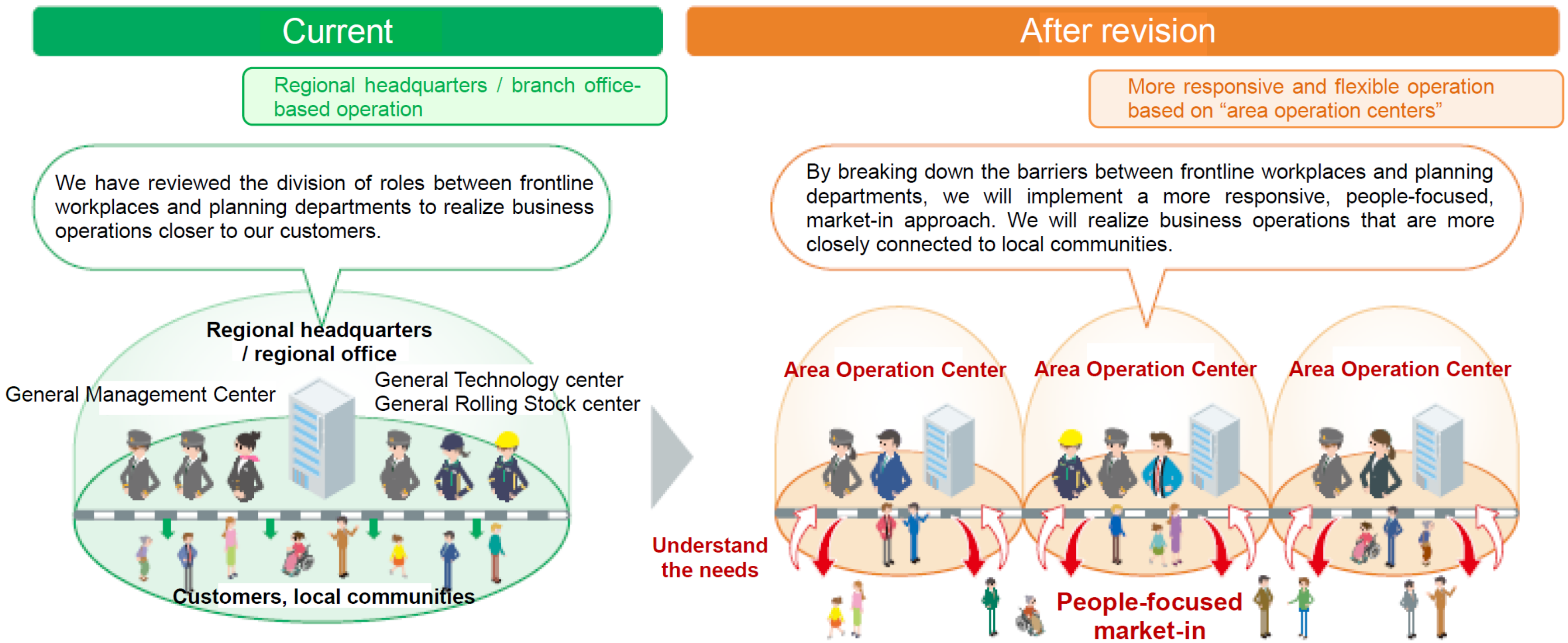

Our revenues from passes for inbound travelers to Japan + individual ticket sales (estimated based on our share of English-language ticket issuance)




Revenues from foreign guest stays in the hotel business + sales to foreign customers at shopping center businesses, retail stores, and GALA Yuzawa (estimated)

# Organizational restructuring to accelerate the realization of "To the Next Stage" 2034

- To realize the Lifestyle Transformation (LX) set forth in "To the Next Stage" 2034, we will implement an organizational restructuring in July 2026. We aim to **achieve agile business operations closely aligned with regional conditions and needs.**
- We will transition from a structure of two regional headquarters and 10 branch offices to a business operation structure centered on 36 area operation centers. Employees responsible for station operations, onboard services, and other functions will expand the fields in which they can **play active roles and become the driving force behind growth under the dual axes of Mobility and Lifestyle Solutions.**




**Management will visit workplaces to deepen communication and drive growth toward the realization of "To the Next Stage" 2034 through both bottom-up and top-down approaches.**

# Cash Allocation

- In addition to **expanding operating cash flow** through profit growth in each business, we will maximize cash inflow by combining **asset management** with expansion of the scale of real estate sales and reduction of cross-shareholding.
- The cash acquired will be allocated not only to **"Growth capital" for town development and breakthrough growth** and **capital for maintaining and enhancing the foundation to generate earnings**, but also to the **"LX" capital aimed at promoting groundbreaking innovation**.
- With cash allocation to these areas, we will improve safety levels in pursuit of **"ultimate safety"** and push forward with **"integration and collaboration"** of Mobility and Lifestyle Solutions as dual axes, aiming to achieve **sustainable growth**.

## ■Cash allocation in "To the Next Stage" 2034 (FY2026.3–2032.3)

- Raising funds to suit business characteristics and financial soundness
- Financial soundness (FY2032.3)
  - Net interest-bearing debt / EBITDA: Approx. 5 times
  - Equity ratio: Approx. 30%

- Expansion of the scale of real estate sales
- Reduction of cross-shareholding

  Reduce the balance sheet amount by 30% or more by the end of FY2032.3 (compared to the end of FY2025.3)

- Growth of existing businesses
- Breakthrough growth (M&A, creation of new businesses)

### Sources of cash

- Fund-raising
- Asset management: 0.9 trillion yen
- Operating cash flow (excluding asset management and R&D expenses): 5.5 trillion yen

### Usages of cash

- Growth capital: 3.1 trillion yen
- Foundation maintenance and enhancement capital (including local development): 3.2 trillion yen
- "LX" capital, etc.: 0.3 trillion yen
- Shareholder returns

- We will actively invest and provide funding toward the growth of existing businesses and breakthrough growth (M&A, creation of new businesses), while paying more attention to returns than before

- Starting with investments in safety, we will maintain and enhance the earnings base in each business

- We will newly establish "LX" capital for groundbreaking innovation (including R&D expenses)

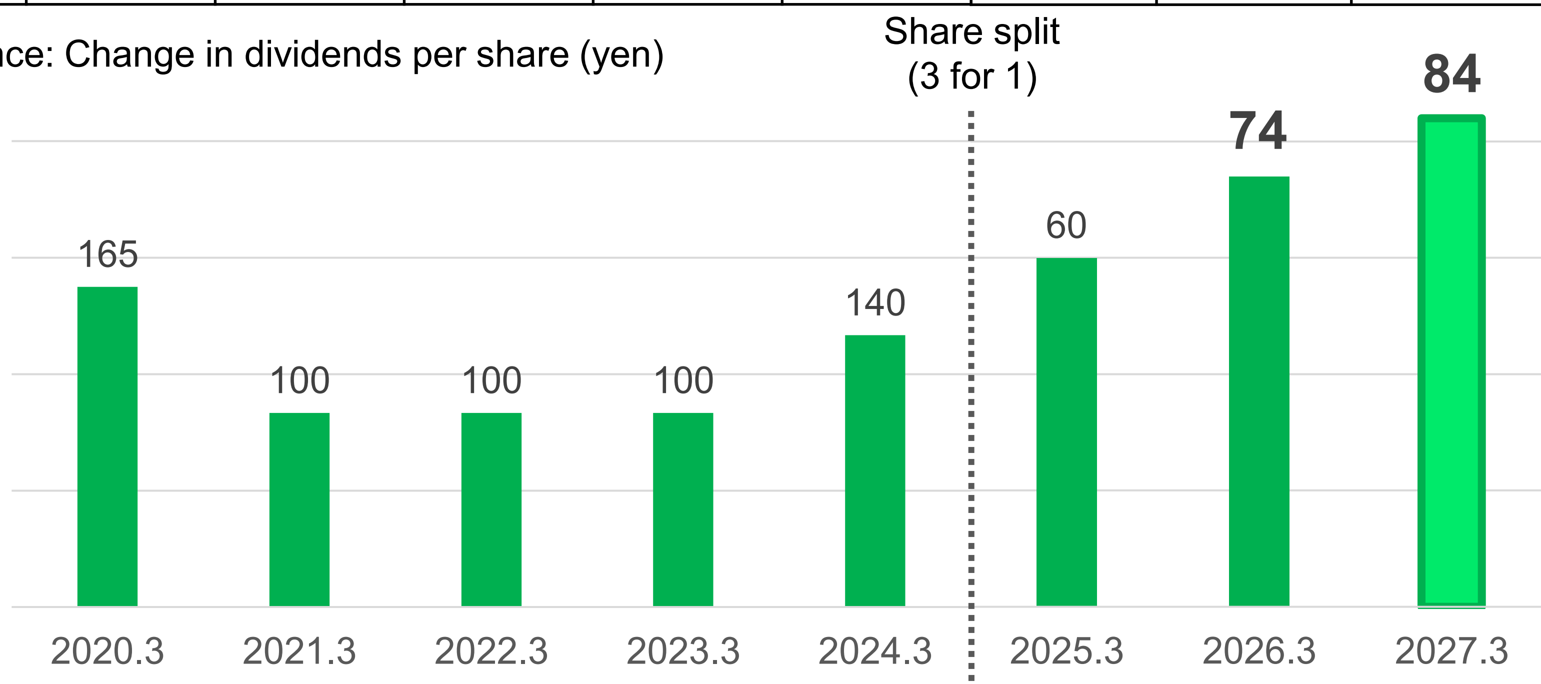
- Gradually increase the dividend payout ratio to 40% by FY2028.3.
- Flexible share buybacks

# Cash Allocation (Shareholder returns)

- We will gradually raise our dividend payout ratio to 40% through FY2028.3, when growth investments are expected to be reduced to a moderate level.
(Shareholder Return Policy in "To the Next Stage" 2034)
- Year-end dividends for FY2026.3 will be 39 yen per share (an increase of 4 yen) and annual dividends for FY2026.3 will be 74 yen per share (dividend payout ratio: 33.7%).
Annual dividends for FY2027.3 (forecast) will be 84 yen per share (dividend payout ratio: 37.2%).

| | 2020.3 | 2021.3 | 2022.3 | 2023.3 | 2024.3 | 2025.3 | 2026.3 | (Forecast) 2027.3 | (Policy) 2028.3 |
|---|---|---|---|---|---|---|---|---|---|
| Dividend payout ratio | 31.4% | - | - | 38.0% | 26.8% | 30.3% | **33.7%** | **37.2%** | **40%** |

Reference: Change in dividends per share (yen)




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

# Ⅱ. FY2026.3 Financial Results

# Highlights of FY2026.3 Financial Results

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | Changes % | '25.4-'26.3 Forecast (Announced in Oct.) | Changes Increase /Decrease | Changes % |
|---|---|---|---|---|---|---|---|
| Operating revenues | 2,887.5 | **3,084.6** | +197.1 | 106.8 | 3,058.0 | +26.6 | 100.9 |
| Operating income | 376.7 | **414.2** | +37.4 | 109.9 | 405.0 | +9.2 | 102.3 |
| Ordinary income | 321.5 | **351.6** | +30.0 | 109.4 | 341.0 | +10.6 | 103.1 |
| Profit attributable to owners of parent | 224.2 | **247.8** | +23.5 | 110.5 | 237.0 | +10.8 | 104.6 |
| EBITDA | 782.9 | **842.9** | +60.0 | 107.7 | 830.0 | +12.9 | 101.6 |

*EBITDA is calculated by adding depreciation to operating income.

Consolidated results

**Both revenues and income increased**

- Operating revenues increased for the fifth year in a row to a record high due mainly to increases in the use of railways and the sales of EKINAKA stores (stores inside railway stations), as well as the opening of TAKANAWA GATEWAY CITY.
- Income increased at all levels as a result of increase in revenues.

Segment

**All segments achieved increased revenues and income**

- Transportation business achieved **increases in revenues and income** due mainly to an increase in passenger revenues.
- Retail & Services business achieved **increases in revenues and income** due mainly to an increase in the sales of EKINAKA stores.
- Real Estate & Hotels business achieved **increases in revenues and income** due mainly to an increase in real estate sales, in addition to increases in office leasing revenue and sales of shopping centers and hotels.
- Other business achieved **increases in revenues and income** due mainly to an increase in the sales related to the IC card business.

**〇Shareholder returns (dividend per share)**

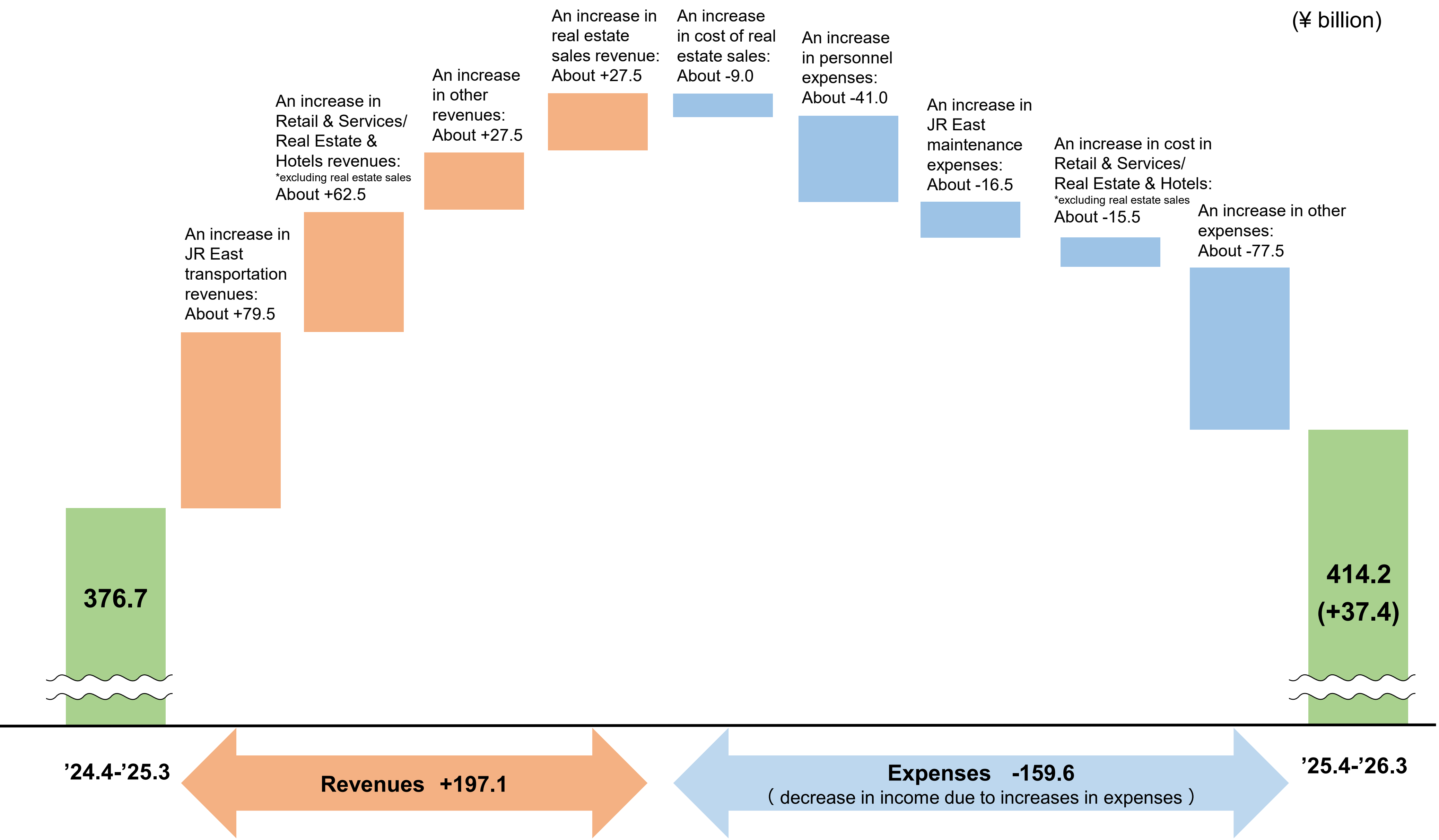
Total: 74 yen *Dividend payout ratio: 33.7%

(Interim dividend per share: 35 yen

Year-end dividend per share: 39 yen *An increase of 4 yen per share from the most recently disclosed dividend forecast)

# FY2026.3 Financial Results (consolidated) : Changes in Operating Income

(¥ billion)



# Statements of Income (consolidated)

JR-EAST

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | Changes % | Main factors behind changes |
|---|---|---|---|---|---|
| Operating revenues | 2,887.5 | **3,084.6** | +197.1 | 106.8 | |
| Transportation | 1,945.7 | **2,045.8** | +100.0 | 105.1 | An increase in passenger revenues |
| Retail & Services | 393.7 | **416.1** | +22.3 | 105.7 | An increase in the sales of EKINAKA stores |
| Real Estate & Hotels | 445.4 | **513.2** | +67.8 | 115.2 | Increases in real estate sales, office leasing revenue, and sales of shopping centers and hotels |
| Others | 102.5 | **109.4** | +6.9 | 106.8 | An increase in the sales related to the IC card business |
| Operating income | 376.7 | **414.2** | +37.4 | 109.9 | |
| Transportation | 176.0 | **194.4** | +18.3 | 110.4 | |
| Retail & Services | 60.5 | **68.0** | +7.5 | 112.5 | |
| Real Estate & Hotels | 120.3 | **128.2** | +7.9 | 106.6 | |
| Others | 22.9 | **30.2** | +7.3 | 132.0 | |
| Adjustment | -3.1 | **-6.7** | -3.6 | 217.8 | |
| Non-operating income or expenses | -55.2 | **-62.6** | -7.3 | 113.4 | |
| Non-operating income | 27.9 | **28.6** | +0.6 | 102.4 | |
| Non-operating expenses | 83.2 | **91.2** | +8.0 | 109.7 | |
| Ordinary income | 321.5 | **351.6** | +30.0 | 109.4 | |
| Extraordinary gains or losses | -24.2 | **-17.5** | +6.7 | 72.3 | |
| Extraordinary gains | 45.1 | **80.3** | +35.2 | 178.2 | An increase in gains on sales of investments in securities |
| Extraordinary losses | 69.3 | **97.9** | +28.5 | 141.1 | |
| Profit attributable to owners of parent | 224.2 | **247.8** | +23.5 | 110.5 | |
| EBITDA | 782.9 | **842.9** | +60.0 | 107.7 | |
| Transportation | 475.1 | **497.5** | +22.4 | 104.7 | |
| Retail & Services | 79.9 | **88.3** | +8.4 | 110.5 | |
| Real Estate & Hotels | 175.8 | **200.7** | +24.9 | 114.2 | |
| Others | 55.1 | **62.9** | +7.8 | 114.2 | |

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

# Transportation

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | Changes % | '25.4-'26.3 Forecast (Announced in Oct.) | Changes Increase /Decrease | Changes % |
|---|---|---|---|---|---|---|---|
| Operating revenues | 1,945.7 | **2,045.8** | +100.0 | 105.1 | 2,031.0 | +14.8 | 100.7 |
| Operating income | 176.0 | **194.4** | +18.3 | 110.4 | 192.0 | +2.4 | 101.3 |
| EBITDA | 475.1 | **497.5** | +22.4 | 104.7 | 493.0 | +4.5 | 100.9 |

| | |
|---|---|
| Shinkansen | Revenue increased year on year due to an increase in the use of Shinkansen. |
| Conventional lines | Revenue increased year on year due to an increase in the use of non-commuter passes and commuter passes for Conventional lines (Kanto Area Network) and introduction of Green Cars of the Chuo Line Rapid. |
| Buses | Revenue increased year on year due to an increase in the use of express buses. |
| Railcar manufacturing | Revenue increased year on year due to an increase in the sales of railcars to non-JR railway companies. |

**■ Railway Business Passenger Revenues：Result and plan (Comparison with FY2025.3 Results %)**

| * Figures in parentheses represent April plan. | | | 1Q | 2Q | 3Q | **4Q** | FY |
|---|---|---|---|---|---|---|---|
| Commuter Passes | | Plan | (100) | (100) | 101 | **101** | 102 |
| | | Result | 102 | 102 | 102 | **103** | 102 |
| Non – Commuter Passes | Shinkansen | Plan | (101) | (101) | 103 | **104** | 104 |
| | | Result | 105 | 105 | 105 | **107** | 106 |
| | Conventional Lines | Plan | (103) | (103) | 103 | **104** | 104 |
| | | Result | 104 | 105 | 104 | **106** | 105 |
| Total | | Plan | (102) | (101) | 103 | **104** | 104 |
| | | Result | 104 | 104 | 104 | **106** | 105 |

# Traffic Volume and Passenger Revenues

| | Traffic Volume (million passenger kilometers) | | | Passenger Revenues (¥ billion) | | | | |
|---|---|---|---|---|---|---|---|---|
| | ’24.4-’25.3 Results | **’25.4-’26.3 Results** | Changes % | ’24.4-’25.3 Results | **’25.4-’26.3 Results** | Changes Increase /Decrease | Changes % | Main factors behind changes |
| Shinkansen | 22,679 | **23,735** | 104.7 | 583.3 | **617.4** | +34.1 | 105.9 | |
| Commuter Passes | 1,758 | **1,885** | 107.2 | 23.6 | **25.4** | +1.7 | 107.4 | |
| Non-commuter Passes | 20,920 | **21,850** | 104.4 | 559.6 | **592.0** | +32.4 | 105.8 | ・Increase in railway transportation: +28.5<br>・Inbound tourism: +2.5<br>・Rebound from natural disasters: +1.5<br>・In reaction to the impact of a natural disaster: −0.5 |
| Conventional Lines | 101,628 | **104,527** | 102.9 | 1,185.5 | **1,231.0** | +45.5 | 103.8 | |
| Commuter Passes | 61,525 | **63,289** | 102.9 | 404.7 | **412.3** | +7.5 | 101.9 | |
| Non-commuter Passes | 40,103 | **41,238** | 102.8 | 780.7 | **818.7** | +37.9 | 104.9 | |
| Breakdown of Conventional Lines Kanto Area Network (Reproduced) | 96,290 | **99,232** | 103.1 | 1,120.2 | **1,163.9** | +43.7 | 103.9 | |
| Commuter Passes | 58,757 | **60,516** | 103.0 | 388.1 | **395.7** | +7.6 | 102.0 | |
| Non-commuter Passes | 37,532 | **38,716** | 103.2 | 732.1 | **768.2** | +36.0 | 104.9 | ・Increase in railway transportation: +20.5<br>・Introduction of Green Cars of the Chuo Line Rapid: +8.1<br>・Rebound from natural disasters: +3.0<br>・Inbound tourism: +2.0 ・Fare revision: +2.0 |
| Breakdown of Conventional Lines Other Network (Reproduced) | 5,338 | **5,295** | 99.2 | 65.2 | **67.0** | +1.8 | 102.8 | |
| Commuter Passes | 2,768 | **2,772** | 100.2 | 16.6 | **16.5** | -0.0 | 99.7 | |
| Non-commuter Passes | 2,570 | **2,522** | 98.1 | 48.6 | **50.5** | +1.8 | 103.9 | ・Increase in railway transportation: +1.5 |
| Total | 124,308 | **128,263** | 103.2 | 1,768.8 | **1,848.5** | +79.7 | 104.5 | |
| Commuter Passes | 63,284 | **65,174** | 103.0 | 428.4 | **437.7** | +9.3 | 102.2 | ・Increase in railway transportation: +8.5<br>・Fare revision: +0.5 |
| Non-commuter Passes | 61,024 | **63,088** | 103.4 | 1,340.4 | **1,410.7** | +70.3 | 105.3 | |

* Kanto Area Network refers to the sections covered by JR East’s Tokyo Metropolitan Area Headquarters, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

# Transportation (Relevant Indicators)

JR-EAST

■ **Railway Revenue, Shinkansen Passenger Volume and Commuter Passes Use on weekdays (Comparison with FY2025.3 Results %)**

| | | | 1Q | 2Q | 3Q | Jan. | Feb. | Mar. | 4Q | FY |
|---|---|---|---|---|---|---|---|---|---|---|
| Railway Revenue<br>After settlement with other JR companies or private railways (Estimated Figures) * | Commuter Passes | | *100* | *103* | *102* | 103 | 107 | 120 | **111** | **104** |
| | Non – Commuter Passes | Short Distance | *105* | *106* | *105* | 105 | 104 | 110 | **106** | **106** |
| | | Mid to Long Distance | *106* | *106* | *104* | 108 | 107 | 109 | **108** | **106** |
| | | Sub Total | *105* | *106* | *105* | 107 | 106 | 109 | **107** | **106** |
| | Total | | *104* | *105* | *104* | 106 | 106 | 112 | **108** | **105** |
| Shinkansen Passenger Volume (by destination) | Tohoku (Omiya-Utsunomiya, Furukawa-Kitakami) | | *105* | *106* | *102* | 103 | 107 | 109 | **106** | **105** |
| | Joetsu (Omiya-Takasaki) | | *106* | *105* | *104* | 106 | 105 | 106 | **106** | **105** |
| | Hokuriku (Takasaki-Karuizawa) | | *105* | *103* | *105* | 106 | 107 | 107 | **107** | **105** |
| | Total | | *105* | *106* | *103* | 104 | 106 | 108 | **106** | **105** |
| Shinkansen Passenger Volume (Weekdays/Holidays) | Weekdays | | *106* | *106* | *103* | 107 | 108 | 107 | **107** | **106** |
| | Holidays | | *104* | *105* | *102* | 101 | 103 | 109 | **104** | **104** |
| Commuter Passes Use on weekdays in Tokyo metropolitan area | | | *102* | *103* | *102* | 102 | 101 | 103 | **102** | **102** |

* Railway Revenue is the Company's sales at ticket office etc. after deduction of use in other JR companies or private railways (estimated), and it is different from passenger revenues.

# Retail & Services

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | % | '25.4-'26.3 Forecast (Announced in Oct.) | Changes Increase /Decrease | % |
|---|---|---|---|---|---|---|---|
| Operating revenues | 393.7 | **416.1** | +22.3 | 105.7 | 418.0 | -1.8 | 99.6 |
| Operating income | 60.5 | **68.0** | +7.5 | 112.5 | 68.0 | +0.0 | 100.1 |
| EBITDA | 79.9 | **88.3** | +8.4 | 110.5 | 88.0 | +0.3 | 100.4 |

| | |
|---|---|
| Retail | Revenue increased year on year due to an increase in the sales of EKINAKA stores on the back of an increase in the use of railways. |
| Advertising and publishing | Revenue increased year on year due to an increase in transportation advertising sales. |
| Overseas | Revenue increased year on year as Decorum Vending Ltd. (a vending machine operator in the UK), which was newly consolidated in the second quarter of the previous fiscal year, contributed to results on a regular year basis. |

**■Retail and Transportation advertising operating revenue：Result and plan（Comparison with FY2025.3 Results %）**

| * Figures in parentheses represent April plan. | | 1Q | 2Q | 3Q | **4Q** | FY |
|---|---|---|---|---|---|---|
| Retail | Plan | (105) | (105) | 105 | **105** | 105 |
| | Result | 105 | 105 | 105 | **105** | 106 |
| Transportation advertising | Plan | (110) | (105) | 110 | **105** | 106 |
| | Result | 100 | 110 | 110 | **115** | 109 |

**■Retail & Services：Changes in revenue（Comparison with FY2025.3 Results %）**

| | *1Q* | *2Q* | *3Q* | Jan. | Feb. | Mar. | **4Q** | **FY** |
|---|---|---|---|---|---|---|---|---|
| Retail and restaurant | *107* | *106* | *105* | 107 | 105 | 104 | **105** | **106** |
| JR East Cross Station Co., Ltd. (Retail Company) (existing) | *107* | *106* | *106* | 109 | 107 | 106 | **107** | **107** |
| JR East Cross Station Co., Ltd. (Foods Company) (existing) | *106* | *107* | *105* | 105 | 104 | 104 | **104** | **106** |

# Real Estate & Hotels

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | Changes % | '25.4-'26.3 Forecast (Announced in Oct.) | Changes Increase /Decrease | Changes % |
|---|---|---|---|---|---|---|---|
| Operating revenues | 445.4 | **513.2** | +67.8 | 115.2 | 506.0 | +7.2 | 101.4 |
| incl. real estate sales | 45.4 | **73.0** | +27.5 | 160.5 | 71.0 | +2.0 | 102.9 |
| Operating income | 120.3 | **128.2** | +7.9 | 106.6 | 124.0 | +4.2 | 103.4 |
| incl. real estate sales | 31.5 | **50.3** | +18.7 | 159.4 | 48.0 | +2.3 | 104.9 |
| EBITDA | 175.8 | **200.7** | +24.9 | 114.2 | 194.0 | +6.7 | 103.5 |
| incl. real estate sales | 31.5 | **50.3** | +18.7 | 159.4 | 48.0 | +2.3 | 104.9 |

| | |
|---|---|
| Real estate ownership and utilization | Revenue increased year on year as office leasing revenue increased due to the opening of TAKANAWA GATEWAY CITY and sales of shopping centers and hotels also increased. |
| Real estate rotation | Revenue increased year on year due to an increase in real estate sales. |
| Real estate management | Revenue increased year on year due to an increase in number of properties under management. |

■ **Shopping centers, offices, hotels operating revenue : Result and plan（Comparison with FY2025.3 Results %）**

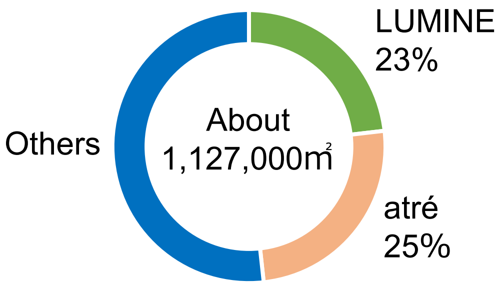
| * Figures in parentheses represent April plan. | 1Q | 2Q | 3Q | **4Q** | FY |
|---|---|---|---|---|---|
| Plan | (110) | (110) | 110 | **105** | 109 |
| Result | 110 | 110 | 110 | **110** | 110 |

(Reference) Hotel business results
* Simple aggregation of the hotel businesses of each company

| (¥ billion) | | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | Changes % |
|---|---|---|---|---|---|
| Operating revenues | | 84.2 | **90.4** | +6.1 | 107.4 |
| incl. | Hotel Metropolitan | 44.7 | **46.4** | +1.6 | 103.7 |
| | JR-EAST HOTEL METS | 19.8 | **22.7** | +2.8 | 114.3 |
| Operating income | | 9.5 | **11.9** | +2.4 | 125.7 |

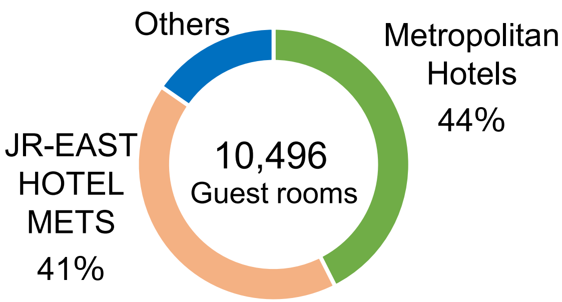
# Real Estate & Hotels (Relevant Indicators)

■ **Shopping center leasable space (2026.3)**

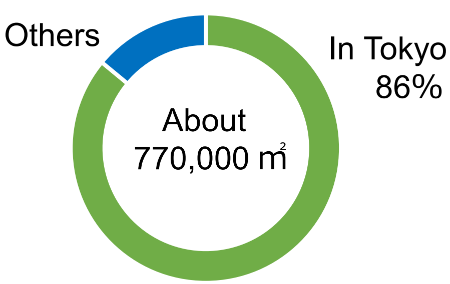



*Including shopping centers classified into retail business

■ **Number of hotel rooms (2026.3)**




■ **Office leasable space (2026.3)**




■ **Station buildings Store Sales/Hotels Occupancy Rate, Average Daily Rate**

| | | | 1Q | 2Q | 3Q | Jan. | Feb. | Mar. | **4Q** | **FY** |
|---|---|---|---|---|---|---|---|---|---|---|
| Station Buildings | Store Sales | YoY（%） | *105* | *104* | *106* | 107 | 106 | 105 | **106** | **105** |
| | LUMINE (existing) | | *104* | *102* | *105* | 107 | 105 | 105 | **106** | **104** |
| | atré (existing) | | *106* | *106* | *106* | 107 | 104 | 102 | **104** | **105** |
| Hotels | Sales | YoY（%） | *110* | *105* | *107* | 104 | 108 | 110 | **108** | **107** |
| | Occupancy Rate | % | *79.3* | *80.3* | *81.5* | 71.6 | 76.3 | 78.6 | **75.5** | **79.2** |
| | | YoY（pt） | *-0.1* | *+1.4* | *+0.5* | +1.3 | +2.4 | +3.0 | **+2.2** | **+1.0** |
| | Average Daily Rate | Yen/Room | *19,558* | *17,870* | *21,051* | 17,192 | 18,601 | 20,981 | **18,988** | **19,376** |
| | | YoY（%） | *112* | *103* | *109* | 102 | 108 | 109 | **107** | **108** |

■ **Changes in Office Vacancy Rate, etc.**

| | | '22.4-'23.3 | '23.4-'24.3 | '24.4-'25.3 | **'25.4-'26.3** |
|---|---|---|---|---|---|
| **Properties operated by JR East Building (in Tokyo)** | **Leasable Space (㎡)** | 389,000 | 402,000 | 541,000 | **731,000** |
| | **Vacancy Rate (%)** | 4.4 | 2.3 | 3.7 | **3.6** |
| Market vacancy rate in Tokyo's five central wards (source: Miki Shoji) | Vacancy Rate (%) | 6.41 | 5.47 | 3.86 | **2.22** |

# Others

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes | |
|---|---|---|---|---|
| | | | Increase /Decrease | % |
| Operating revenues | 102.5 | **109.4** | +6.9 | 106.8 |
| Operating income | 22.9 | **30.2** | +7.3 | 132.0 |
| EBITDA | 55.1 | **62.9** | +7.8 | 114.2 |

| | '25.4-'26.3 Forecast (Announced in Oct.) | Changes | |
|---|---|---|---|
| | | Increase /Decrease | % |
| Operating revenues | 103.0 | +6.4 | 106.3 |
| Operating income | 24.0 | +6.2 | 126.1 |
| EBITDA | 58.0 | +4.9 | 108.6 |

| | |
|---|---|
| *Suica* and finance | Revenue increased year on year due to an increase in the sales related to the IC card business. |
| Overseas railway | Revenue decreased year on year due to a decrease in track construction sales. |
| Energy | Revenue increased year on year due to an increase in construction-related sales in wind power generation. |
| Construction | Revenue increased year on year due to an increase in construction-related sales. |

**■IT & *Suica* operating revenue：Result and plan**
**(Comparison with FY2025.3 Results %)**

| * Figures in parentheses represent April plan. | 1Q | 2Q | 3Q | **4Q** | FY |
|---|---|---|---|---|---|
| Plan | (100) | (105) | 100 | **125** | 107 |
| Result | 105 | 110 | 115 | **125** | 113 |

(Reference) IT & *Suica* business results

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes | |
|---|---|---|---|---|
| | | | Increase /Decrease | % |
| Operating revenues | 63.3 | **71.5** | +8.1 | 112.9 |
| Operating income | 16.8 | **21.3** | +4.4 | 126.6 |

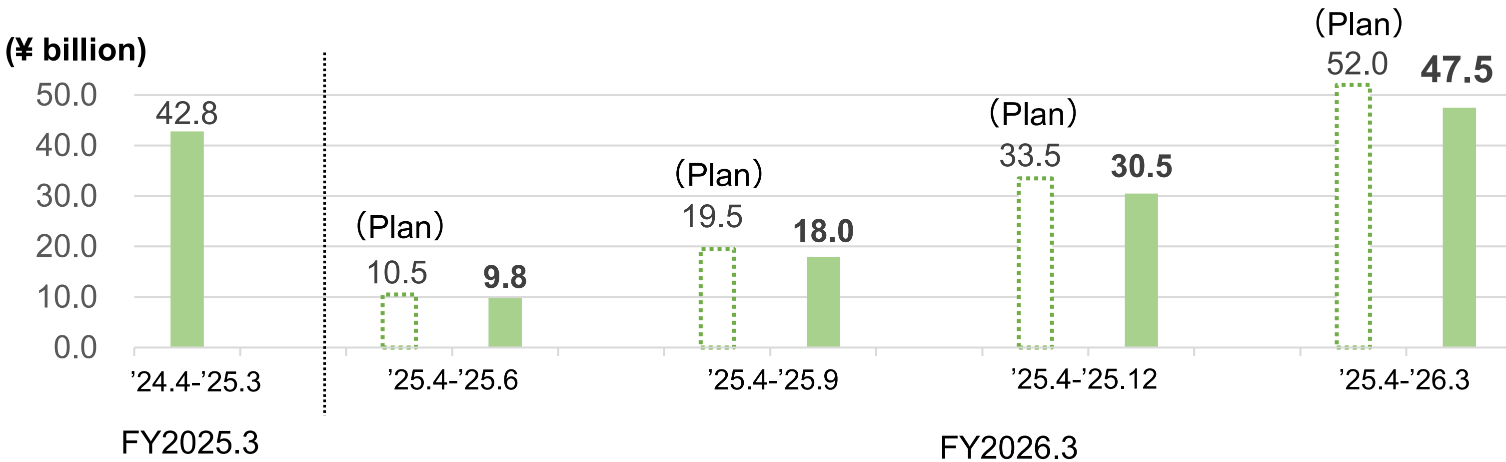
* IT & *Suica* operating revenue includes railway facility-related sales of JR East Mechatronics (ticket gate equipment, etc.), which are not included in *Suica* and finance.

**■Changes in the number of monthly uses of e-money**

| | *1Q* | *2Q* | *3Q* | Jan. | Feb. | Mar. | **4Q** | **FY** |
|---|---|---|---|---|---|---|---|---|
| Number (millions) | *881* | *936* | *874* | 273 | 252 | 283 | **808** | **3,500** |
| YoY (%) | *104* | *103* | *100* | 102 | 100 | 101 | **101** | **102** |

# Inbound Revenue Results

## ■ Mobility

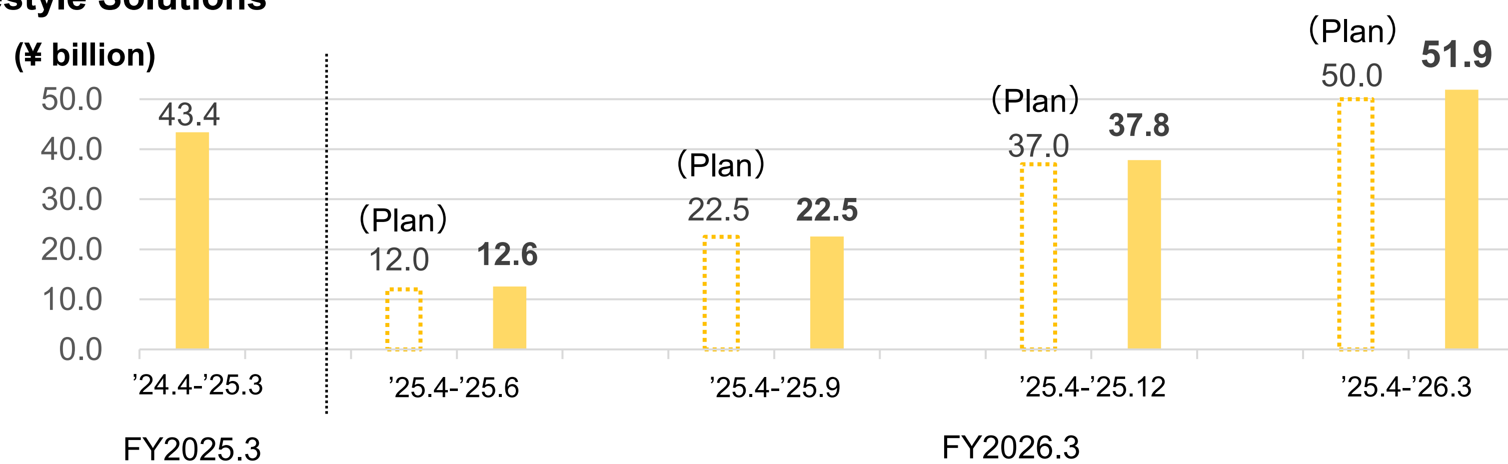



**Comparison with FY2025.3 111.0%**

**Result / Plan 91.4%**

* Method of calculating inbound revenue
Sum of JR East revenue from passes for inbound tourists and individual ticket sales (estimated based on the percentage of English tickets in the total tickets issued).
Passes for inbound tourists account for approximately 30% of the total.

## ■ Lifestyle Solutions




**Comparison with FY2025.3 119.9%**

**Result / Plan 104.0%**

* Method of calculating inbound revenue
Sum of room revenue from non-Japanese guests in the hotel business and sales to non-Japanese customers in the SC business, retail stores, and GALA YUZAWA (estimated)

# Balance Sheets (consolidated)

| (¥ billion) | | As of '25.3 Results | **As of '26.3 Results** | Changes Increase /Decrease | Changes % | Main factors behind changes |
|---|---|---|---|---|---|---|
| Assets | | 10,174.2 | **10,820.7** | +646.5 | 106.4 | |
| | Current assets | 1,250.0 | **1,419.7** | +169.6 | 113.6 | |
| | Fixed assets | 8,924.1 | **9,400.9** | +476.8 | 105.3 | An increase in buildings and structures |
| Liabilities | | 7,302.0 | **7,760.6** | +458.6 | 106.3 | |
| | Current liabilities | 1,741.9 | **1,830.0** | +88.0 | 105.1 | |
| | Long-term liabilities | 5,560.0 | **5,930.6** | +370.6 | 106.7 | An increase in bonds |
| Net Assets | | 2,872.2 | **3,060.0** | +187.8 | 106.5 | |
| Total Liabilities and Net Assets | | 10,174.2 | **10,820.7** | +646.5 | 106.4 | |

# Summary of Cash Flows (consolidated)

JR-EAST

| (¥ billion) | | ’24.4-’25.3 Results | **’25.4-’26.3 Results** | Increase /Decrease |
|---|---|---|---|---|
| Cash Flows from Operating Activities | | 732.2 | **765.0** | +32.8 |
| | (Main Components) | | | |
| | Income before income taxes | 297.2 | **334.0** | +36.7 |
| | Depreciation | 406.2 | **428.7** | +22.5 |
| Cash Flows from Investing Activities | | -783.4 | **-877.6** | -94.1 |
| | (Main Components) | | | |
| | Payments for purchases of fixed assets | -770.9 | **-888.0** | -117.1 |
| | Payments for purchases of investments in securities | 21.5 | **47.4** | +25.9 |
| Cash Flows from Financing Activities | | 3.6 | **138.7** | +135.0 |
| | (Main Components) | | | |
| | Proceeds from long-term loans and issuance of bonds | 414.9 | **581.6** | +166.6 |
| | Payments of long-term loans and redemption of bonds | -324.1 | **-370.3** | -46.2 |
| | Cash dividends paid | -61.6 | **-78.1** | -16.5 |
| Cash and Cash Equivalents at Beginning of the Year | | 280.8 | **233.4** | -47.3 |
| Cash and Cash Equivalents at End of the Year | | 233.4 | **262.0** | +28.5 |
| | | | | |
| Free Cash Flows | | -51.1 | **-112.5** | -61.3 |

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

JR-EAST

## Interest-bearing debt (consolidated)

| (¥ billion) | As of '25.3 Results | **As of '26.3 Results** | Changes | | Average interest rate (Comparison with 2025.3 Results) | |
|---|---|---|---|---|---|---|
| | | | Increase/Decrease | % | | |
| Interest-bearing debt balance | 4,955.3 | **5,162.2** | +206.8 | 104.2 | 1.72% | (+0.15%) |
| Bonds | 3,246.3 | **3,379.6** | +133.2 | 104.1 | 1.51% | (+0.15%) |
| Long-term loans | 1,401.7 | **1,479.8** | +78.0 | 105.6 | 1.21% | (+0.24%) |
| Long-term liabilities incurred for purchase of railway facilities | 306.7 | **302.1** | -4.5 | 98.5 | 6.55% | (+0.00%) |
| Other interest-bearing debt | 0.4 | **0.6** | +0.1 | 126.1 | 1.98% | (-1.76%) |
| Net interest-bearing debt balance | 4,721.8 | **4,900.1** | +178.2 | 103.8 | | |

## Capital Expenditures (consolidated)

| (¥ billion) | Segment | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes | | '25.4-'26.3 Plans | Changes | |
|---|---|---|---|---|---|---|---|---|
| | | | | Increase /Decrease | % | | Increase /Decrease | % |
| Mobility | Transportation | 430.2 | **423.9** | -6.2 | 98.5 | 422.0 | +1.9 | 100.5 |
| Lifestyle Solutions | Retail & Services, Real Estate & Hotels, Others | 395.6 | **525.1** | +129.5 | 132.8 | 485.0 | +40.1 | 108.3 |
| Total | | 825.8 | **949.1** | +123.3 | 114.9 | 907.0 | +42.1 | 104.7 |

## Key Indicators (consolidated)

| | Unit | As of '25.3 Results | **As of '26.3 Results** | Increase /Decrease |
|---|---|---|---|---|
| ROA (return (operating income) on assets) | % | 3.8 | **3.9** | +0.1 |
| ROE (return on shareholder's equity) | % | 8.0 | **8.4** | +0.4 |
| Net interest-bearing debt / EBITDA | Times | 6.0 | **5.8** | -0.2 |

## Cross-shareholding

| | 2025.3 | **2026.3** |
|---|---|---|
| Number of stocks | 70 | **64** |
| Consolidated balance sheet carrying amount (¥ billion) | 249.3 | **280.0** |
| Consolidated net assets ratio | 8.7% | **9.2%** |

| FY2026.3 Sales Results (Including partial sales of shares) |
|---|
| **9 stocks ¥ 46.2 billion** |

# Statements of Income (non-consolidated)

Appendix

| (¥ billion) | '24.4-'25.3 Results | **'25.4-'26.3 Results** | Changes Increase /Decrease | % | Main factors behind changes |
|---|---|---|---|---|---|
| Operating revenues | 2,077.6 | **2,225.7** | +148.0 | 107.1 | |
| Passenger revenues | 1,768.8 | **1,848.5** | +79.7 | 104.5 | |
| Others | 308.8 | **377.1** | +68.3 | 122.1 | An increase in real estate sales revenues, An increase in real estate lease revenues |
| Operating expenses | 1,811.6 | **1,923.7** | +112.1 | 106.2 | |
| Personnel expenses | 406.2 | **432.1** | +25.8 | 106.4 | |
| Non-personnel expenses | 875.3 | **937.0** | +61.6 | 107.0 | |
| Energy | 83.4 | **84.2** | +0.7 | 100.9 | |
| Maintenance | 316.3 | **332.6** | +16.3 | 105.2 | An increase in general maintenance expenses |
| Other | 475.5 | **520.1** | +44.5 | 109.4 | An increase in outsourcing expenses |
| Usage fees to JRTT, etc | 83.5 | **80.0** | -3.5 | 95.8 | |
| Taxes | 113.5 | **124.1** | +10.6 | 109.3 | |
| Depreciation | 332.8 | **350.3** | +17.4 | 105.3 | |
| Operating income | 266.0 | **302.0** | +35.9 | 113.5 | |
| Non-operating income or expenses | -49.5 | **-47.8** | +1.6 | 96.6 | |
| Ordinary income | 216.5 | **254.1** | +37.6 | 117.4 | |
| Extraordinary gains or losses | -13.6 | **2.0** | +15.6 | – | An increase in sales of investments in securities |
| Profit | 152.6 | **197.0** | +44.4 | 129.1 | |

# Balance Sheets (non-consolidated)

Appendix

JR-EAST

| (¥ billion) | As of '25.3 Results | **As of '26.3 Results** | Changes: Increase /Decrease | Changes: % | Main factors behind changes |
|---|---|---|---|---|---|
| Assets | 9,139.4 | **9,655.0** | +515.5 | 105.6 | |
| Current assets | 909.9 | **980.1** | +70.2 | 107.7 | |
| Fixed assets | 8,229.5 | **8,674.8** | +445.3 | 105.4 | An increase in fixed assets for non-railway businesses |
| Liabilities | 7,044.3 | **7,423.4** | +379.1 | 105.4 | |
| Current liabilities | 1,635.7 | **1,675.1** | +39.4 | 102.4 | |
| Long-term liabilities | 5,408.5 | **5,748.2** | +339.7 | 106.3 | An increase in bonds |
| Net Assets | 2,095.1 | **2,231.5** | +136.4 | 106.5 | |
| Total Liabilities and Net Assets | 9,139.4 | **9,655.0** | +515.5 | 105.6 | |

# III. FY2027.3 Management Strategies

Note: Among the segment information presented in this and subsequent chapters, the segment figures from FY2027.3 onward reflect the following changes (effective from 1Q of FY2027.3).

- The “Overseas business”, which belonged to the “Retail and Services” segment, and the “Overseas railway business”, which belonged to the “Others”, have been integrated into a single “Global business” (within the “Others”).
- As a result, JR East Business Development Taiwan, Inc., JRE Taiwan Hotel Management & Consulting Co., Ltd., JRE Sports Taiwan Co., Ltd., JR East Business Development SEA Pte. Ltd., JRE Business Development UK Ltd., Decorum Vending Ltd., and JR East’s overseas lifestyle solutions business have been reclassified from “Retail and Services” to “Others.”

# Highlights of FY2027.3 Financial Forecast

| (¥ billion) | '25.4-'26.3 Results | **'26.4-'27.3 Forecast** | Changes | |
|---|---|---|---|---|
| | | | Increase /Decrease | % |
| Operating revenues | 3,084.6 | **3,295.0** | +210.3 | 106.8 |
| Operating income | 414.2 | **429.0** | +14.7 | 103.6 |
| Ordinary income | 351.6 | **353.0** | +1.3 | 100.4 |
| Profit attributable to owners of parent | 247.8 | **255.0** | +7.1 | 102.9 |
| EBITDA | 842.9 | **887.0** | +44.0 | 105.2 |

*EBITDA is calculated by adding depreciation to operating income.

**For FY2027.3, we aim to achieve consolidated operating revenues that exceed those in FY2026.3, which were record-high results.**

**We also expect increased revenues and income in the Transportation, Retail & Services, and Real Estate & Hotels segments.**

- In the Transportation segment, revenues and income are expected to grow, promoting higher railway usage through enhanced safety and service levels in addition to the fare revision, while considering the rise in personnel expenses due to the revision of personnel and wage systems, higher maintenance expenses, higher energy expenses, inflation, etc.
- In the Retail & Services segment, revenues and income are expected to grow due to increased retail sales revenue associated with greater usage of EKINAKA stores and higher transportation advertising revenue.
- In the Real Estate & Hotels segment, revenues and income are expected to grow mainly due to an increase in real estate lease revenue associated with the grand opening of TAKANAWA GATEWAY CITY and the opening of OIMACHI TRACKS.
- In the Others, revenues are expected to grow, but income is expected to decrease due to upfront costs related to the launch of a new code payment service "teppay," although sales from ticket vending machine and gate equipment construction are expected to increase.

**〇Shareholder returns (dividend per share)**

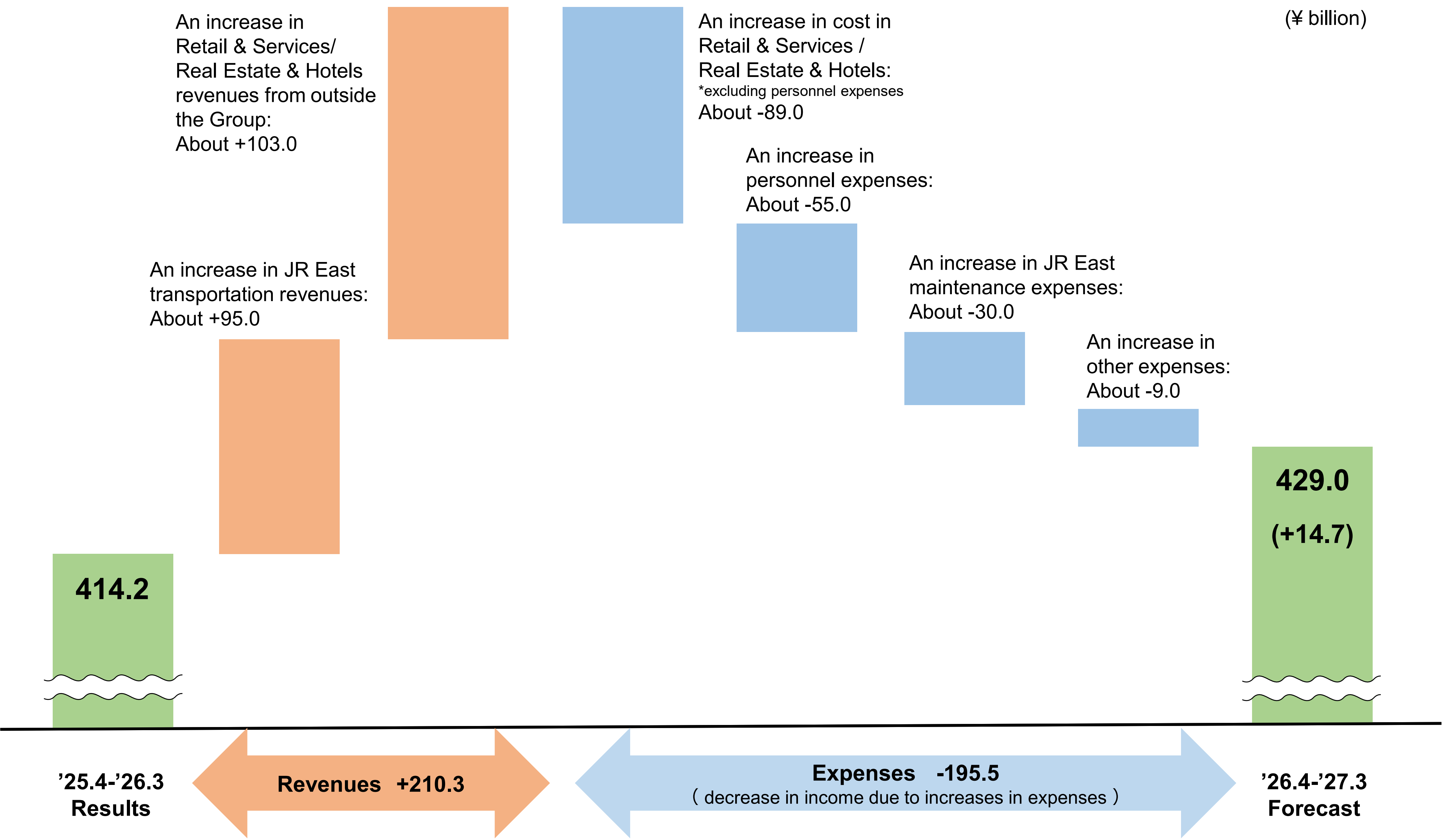
Total: 84 yen　*Divided payout ratio: 37.2%

(Interim dividend per share : 42 yen
Year-end dividend per share : 42 yen)

**〇Major capital investments**

・Haneda Airport Access Line (tentative name)
・Accelerate installation of automatic platform gates
・Countermeasures against large-scale earthquakes
・Development around stations (Shinjuku, Shinagawa, etc.)

# FY2027.3 Changes in Operating Income (consolidated) (forecast)



# FY2027.3 Forecast (by segment)

JR-EAST

| (¥ billion) | | 2026.3 Results | **2027.3 Forecast** | 2027.3/2026.3 Changes Increase/Decrease | 2027.3/2026.3 Changes % | **2028.3 Target** | 2028.3/2027.3 Changes Increase/Decrease | 2028.3/2027.3 Changes % |
|---|---|---|---|---|---|---|---|---|
| Operating revenues | | 3,084.6 | **3,295.0** | +210.3 | 106.8 | 3,518.0 | +223.0 | 106.8 |
| | Transportation | 2,045.8 | **2,146.0** | +100.1 | 104.9 | 2,175.0 | +29.0 | 101.4 |
| | Retail & Services | 416.1 | **427.0** | +10.8 | 102.6 | 507.0 | +80.0 | 118.7 |
| | Real Estate & Hotels | 513.2 | **605.0** | +91.7 | 117.9 | 710.0 | +105.0 | 117.4 |
| | Others | 109.4 | **117.0** | +7.5 | 106.9 | 126.0 | +9.0 | 107.7 |
| Operating income | | 414.2 | **429.0** | +14.7 | 103.6 | 488.0 | +59.0 | 113.8 |
| | Transportation | 194.4 | **207.0** | +12.5 | 106.5 | 236.0 | +29.0 | 114.0 |
| | Retail & Services | 68.0 | **70.0** | +1.9 | 102.8 | 80.0 | +10.0 | 114.3 |
| | Real Estate & Hotels | 128.2 | **131.0** | +2.7 | 102.1 | 149.0 | +18.0 | 113.7 |
| | Others | 30.2 | **25.0** | -5.2 | 82.6 | 26.0 | +1.0 | 104.0 |
| Non-operating income or expenses | | -62.6 | **-76.0** | -13.3 | 121.4 | - | - | - |
| Ordinary income | | 351.6 | **353.0** | +1.3 | 100.4 | - | - | - |
| Extraordinary gains or losses | | -17.5 | **-23.0** | -5.4 | 131.0 | - | - | - |
| Profit attributable to owners of parent | | 247.8 | **255.0** | +7.1 | 102.9 | - | - | - |
| EBITDA | | 842.9 | **887.0** | +44.0 | 105.2 | 958.0 | +71.0 | 108.0 |
| | Transportation | 497.5 | **515.0** | +17.4 | 103.5 | 551.0 | +36.0 | 107.0 |
| | Retail & Services | 88.3 | **92.0** | +3.6 | 104.1 | 104.0 | +12.0 | 113.0 |
| | Real Estate & Hotels | 200.7 | **221.0** | +20.2 | 110.1 | 241.0 | +20.0 | 109.0 |
| | Others | 62.9 | **63.0** | +0.0 | 100.0 | 64.0 | +1.0 | 101.6 |
| ROA | | 3.9% | **3.9%** | -0.1% | - | 4.3% | +0.4% | - |
| | Mobility | 2.6% | **2.8%** | +0.2% | - | 3.1% | +0.3% | - |
| | Lifestyle Solutions | 5.5% | **5.0%** | -0.5% | - | 5.4% | +0.4% | - |
| ROE | | 8.4% | **8.2%** | -0.2% | - | 8% or more | - | - |

# Sustainability

## Review of FY2026.3

- Formulated improvement measures in light of the series of incidents that have undermined the trust of our stakeholders and based on the report of the Expert Committee for Improving and Strengthening Group Governance
- Added overall mid-term targets and business unit-specific $CO_2$ reduction targets to the Zero Carbon Challenge 2050 in order to steadily promote progress toward net-zero emissions by FY2051.3
- Contributed to promoting understanding among many people toward the realization of an inclusive society through the Deaflympics Tokyo 2025 and other parasports events and artworks created by artists with disabilities

## Medium-to-long-term vision

- Establish robust group governance by building “trust,” which forms the foundation of all our businesses, through sound business operations with a strong focus on compliance
- Realize net zero $CO_2$ emissions from the entire Group in FY2051.3 by leading initiatives toward realizing a decarbonized society
- Enrich lifestyles for all people by utilizing the Group’s assets in working with local communities to address social issues

## Policy for FY2027.3

- To improve and strengthen group governance, work on “fostering a sound corporate culture,” “establishing necessary structures and rules,” and “stimulating communication” to ensure compliance and further strengthen “trust,” which is the foundation of all our businesses
- Aim to realize a decarbonized society by steadily promoting the “Zero Carbon Challenge 2050” through further energy conservation in facilities, including the conversion to LED lighting, and accelerating the utilization of clean energy, such as hydrogen
- Aim to realize an inclusive society by promoting corporate sports and supporting parasports in collaboration with local communities

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Implementation rate of compliance training for all employees | 100% (+0%) | 100% | 100% |
| $CO_2$ emissions of the Group (compared to FY2014.3) | – | – | 60% reduction (FY2036.3 target) |
| Number of employees participating in parasports events (boccia) | 9,000 in total (+3,000) (cumulative total since FY2025.3) | 12,000 in total | 24,000 in total |

## Strategy for FY2027.3

**Strategy (1) Improve and strengthen group governance and promote bold challenges**

- Formulate and promote throughout the Group a Code of Conduct, which serves as a guiding principle for Group employees, in order to ensure compliance
- Create a psychologically safe workplace and strengthen internal control within the Group
- Refine our systems to encourage bold challenges and help Group employees grow

**Strategy (2) Steadily reduce $CO_2$ emissions**

- Formulate a decarbonization action plan and steadily promote measures to achieve our targets for FY2031.3 and FY2036.3
- Continue to conduct verification tests of hydrogen hybrid train HYBARI in preparation for the future use of clean energy
- Ensure compliance with new regulatory requirements, such as emissions trading schemes and sustainability information disclosure based on the SSBJ Standards*

* Disclosure standards set by the Sustainability Standards Board of Japan to prescribe statutory disclosure requirements in Japan

**Strategy (3) Co-creation with local communities for a vibrant society**

- Strengthen efforts toward realizing an inclusive society through such initiatives as holding sign language classes by employees
- Contribute to regional revitalization through the promotion of corporate sports

“Deaflympics Tokyo 2025” legacy:
Employee-led “Connecting Through Sign Language” project

Hydrogen hybrid train HYBARI

# Transportation (Segment policy and KPI)

JR-EAST

## Market environment

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

## Review of FY2026.3

- Occurrence of transportation disruptions due to the Group's internal causes
- Formulated a medium- to long-term growth strategy for Mobility business, "PRIDE & INTEGRITY"
- Implemented the first fare revision since the Company's founding, excluding the consumption tax pass-throughs and barrier-free surcharges
- Faced such challenges as ensuring safe and reliable transportation, strengthening group governance, capturing inbound flow, and expanding domestic visitor flow

## Vision for FY2032.3

- Achieve the best mix of mobility by combining transportation modes in the most optimal way
- Aim to increase operating revenue by more than 300.0 billion yen (compared to FY2025.3) through the following measures:
  Improving operational quality to ensure safe and reliable transportation, capturing inbound demand, expanding domestic visitor flow, selling technology and providing consulting services, reforming fare and charge systems, and utilizing mobility assets

## Policy for FY2027.3

- Improve the levels of safe and reliable transportation by steadily promoting six initiatives developed in response to the series of transportation disruptions
- Realize sustainable business operations through the reform of maintenance operations and promote labor-saving and manpower-saving in our operations by utilizing robots, drones, AI, etc.
- Improve profitability by creating attractive destinations in collaboration with local communities in each area after the organizational restructuring, utilizing existing assets, strategically scheduling special trains, and operating freight-only Shinkansen trains
- Continue efforts to identify fraud risks in business operations and improve and strengthen governance

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Railway accidents due to Group's internal causes | 0 (-4) | 0 | 0 |
| Serious incidents | 0 (-1 ) | 0 | 0 |
| Passenger revenues | 1,944.0 billion yen (+95.4 billion yen) | 1,964.0 billion yen | 2,007.0 billion yen |
| Railway business fixed asset turnover | 0.35 or more (-) | 0.35 or more | 0.35 or more |

## Economic value

| | FY2027.3 Forecast (year-on-year) | FY2028.3 Target |
|---|---|---|
| Operating revenue | 2,146.0 billion yen (+100.1 billion yen, 104.9%) | 2,175.0 billion yen |
| Operating income | 207.0 billion yen (+12.5 billion yen, 106.5%) | 236.0 billion yen |
| EBITDA | 515.0billion yen (+17.4 billion yen,103.5%) | 551.0 billion yen |
| ROA | 2.8% (+0.2pt) | 3.1% |
| ROA (R=EBITDA) | 6.9% (+0.2pt) | 7.2% |

## Social value

- Providing safe and secure social infrastructure
- Creating regional prosperity by expanding visitor flow
- Contributing to a rich global environment through superior environmental advantages
- Realizing social transformation through system change
- Providing a sense of accomplishment and fulfillment through work and work-style reform through robots, AI, etc.
- Becoming a sound group trusted in society

# Transportation (Strategy by business)

## Shinkansen business

### Review of FY2026.3

- Occurrence of transportation disruptions due to Group's internal causes and investigation and verification of incidents
- Increased service on Tohoku Shinkansen Hayabusa and meticulous scheduling of special trains to ensure profitability
- Completed the introduction of Shinkansen track equipment monitoring trains
- Conducted verification tests for facial-recognition ticket gates toward the realization of walk-through ticket gates

### Vision for FY2032.3

- Go beyond the norm to create new value for Shinkansen beyond passenger transport
- Go beyond the norm of Shinkansen to deliver security and excitement through the introduction of driverless operation, the introduction of a new Shinkansen-dedicated inspection train, and the start of commercial operation of the E10 series

### Policy for FY2027.3

- Further improve safety and punctuality, which are the greatest values of Shinkansen transportation
- Work to improve profitability and resolve social issues, creating new value for Shinkansen
- Transform our work processes through technological innovation and structural reforms to achieve sustainable business operations

### Strategy for FY2027.3

**Strategy (1) Improve safety levels**
- Prevent serious safety and reliability issues and transportation disruptions by taking measures to further enhance the reliability of railcar equipment

**Strategy (2) Enhance profitability and resolve social issues**
- Improve transport reliability and eliminate timetable constraints on the Tohoku Shinkansen through construction of a new inbound approach track at Fukushima Station
- Enhance the top line by effectively utilizing existing assets and strategically scheduling special trains
- Launch Japan's first freight-only Shinkansen operations in March 2026 to expand the "Hako-byun" business


A new inbound approach track at Fukushima Station

**Strategy (3) Drive technological innovation and structural reform**
- Secure construction work time—such as through timetable revisions to move up the departure times of the last trains on the Tohoku and Joetsu Shinkansen—and advance work mechanization to promote various construction projects
- Perform verification to build an efficient inspection system utilizing drones, monitoring systems, AI, etc.
- Promote various construction projects to introduce driverless operation in FY2030.3

**Strategy (4) Advance employee work-style reform**
- Steadily promote environment improvements to enhance employee engagement

## Conventional lines business

### Review of FY2026.3

- Occurrence of railway operation accidents and transportation disruptions due to Group's internal causes
- Increased use of Green Cars on the Chuo Rapid and Ome Lines
- Initiatives to improve safety and transportation reliability with the implementation of driver-only operations

### Vision for FY2032.3

- Steady progress toward the vision for 10 years from now outlined in "PRIDE & INTEGRITY"
- Improve convenience through the development of the Haneda Airport Access Line (tentative name) and strengthen coordination with other companies' lines
- Reduce environmental impact by introducing hydrogen hybrid trains and expand the use of renewable energy
- Realize sustainable business operations through the expansion of driver-only operations and remote equipment management techniques

### Policy for FY2027.3

- Take measures from a multidimensional and multilayered view of safety to steadily improve transport safety levels
- Promote the creation of a framework to provide healthy railcars and equipment in the long term
- Unite Group strengths to provide mobility services that bring more smiles to our customers

### Strategy for FY2027.3

**Strategy (1) Improve safety levels**
- Implement concrete measures based on the risk map and strengthen safety management by revising rules, standards, and work flows
- Continuously monitor the post-reorganization safety management framework and address identified issues

**Strategy (2) Enhance profitability and resolve social issues**
- Prevent transport disruptions and strengthen the capability to respond to any emergencies
- Create and communicate attractive destinations in collaboration with local communities across the 36 area operation centers
- Increase utilization rates of express trains and Green Cars and formulate policies for a more comfortable and welcoming station environment
- Collaboration and coordination within and outside the Group to realize a convenient and sustainable transportation system

**Strategy (3) Drive technological innovation and structural reform**
- Transform operations and improve inspections by utilizing monitoring systems, robots, drones, AI, etc.
- Implement structural reforms, including maintenance work and construction during daytime hours


Maintenance and construction during daytime hours

**Strategy (4) Advance employee work-style reform**
- Build a system that allows each employee to confidently take on challenges in their work, improve and strengthen the technical skills of frontline employees, and promoting the development of a better environment throughout the Group

# Transportation (Strategy by business)

## Buses business

### Review of FY2026.3

- High-speed line revenue growth slowed on certain lines from autumn onwards.
- Autumn transportation to and from Lake Towada and the Oirase Gorge was 10.2% higher than the previous year.
- Started operations of several new alliance lines in the fourth quarter

### Vision for FY2032.3

- As “road mobility professionals,” create sustainable and new value and services, contributing to the realization of mobility 10 years from now, as envisioned by “PRIDE & INTEGRITY”
- Expand transportation to increase inbound tourism to the Tohoku area
- Deepen discussions toward realizing MaaS and realize ticketing that coordinates with railways
- Expand charter bus and automobile maintenance businesses through M&A
- Promote decarbonization through the expanded introduction of fuel cell buses and electric buses

### Policy for FY2027.3

- Contribute to improved safety and security and to raising the safety level of the Group through the Challenge Safety (CS) initiative and other activities
- Increase revenue through expansion of high-speed line alliances, enhanced transportation to Lake Towada, etc.
- Restructuring of business operations and improvement of employee engagement

### Strategy for FY2027.3

**Strategy (1) Improve safety levels**

- Deepen the Challenge Safety initiative, where each employee thinks for themselves and takes action
- Implement new safety improvement measures, such as 4M4E analysis and e-learning
- Provide safe driving training for each Group company
- Upgrade measures to prevent health-related accidents

Training vehicle

**Strategy (2) Enhance profitability and resolve social issues**

- Further expand high-speed line alliances and strengthen our own transport capacity
- Expand use by visitors to Japan by strengthening transportation to and from Lake Towada and the Oirase Gorge and starting transportation to new areas
- Expand the automobile maintenance business to capture cash outflows to outside the Group

**Strategy (3) Drive technological innovation and structural reform**

- Introduce EV route and FC route buses and cooperate in the development of FC express buses
- Reorganize operational structures through such measures as expansion of IT-based remote roll call and utilization of digital transformation

**Strategy (4) Advance employee work-style reform**

- Enhance employee engagement by improving working conditions and workplace facilities and environment
- Strengthen the workforce through the introduction of diverse recruitment methods and improved working conditions

Towadako Line running through the fresh greenery of Oirase

## Railcar manufacturing business

### Review of FY2026.3

- Worked to secure new orders from outside the Group and received orders for 231 railcars and 3,011 railway freight containers from public and private railway operators
- Achieved reduction in complaint expenses by conducting a quality improvement campaign, in addition to ensuring strict compliance. Promoted efforts to further improve profitability going forward

### Vision for FY2032.3

- Expand orders from outside the Group to maximize cash inflows while contributing to the growth of the Mobility business by supplying the vehicles required within the Group in a timely manner
- Further deepen J-TREC’s efforts to promote the adoption of the stainless steel railcar “sustina” as a common platform not only to reduce design and manufacturing costs, but also to realize railcar supply that benefits all railway operators and suppliers

### Policy for FY2027.3

- Maximize cash inflow through increased orders from outside the group
- Further improve productivity through the promotion of digital transformation (DX)

### Strategy for FY2027.3

**Strategy (1) Improve safety levels and ensure strict compliance**

- Continue initiatives related to product safety and occupational safety
- Ensure strict compliance by remembering lessons learned in our wheelset assembly operations

Next-generation sustina concept rendering

**Strategy (2) Enhance profitability and resolve social issues**

- Expand new orders through continued sales activities targeting local railways
- Steadily fulfill orders, including shipment of Manila commuter railcars to the local site while continuing initiatives aimed at expanding overseas businesses
- Create new demand by expanding the lineup of high value-added containers

**Strategy (3) Drive technological innovation and structural reform**

- Strengthen the supply chain and cost competitiveness by expanding such initiatives as standardizing specifications with other major railway operators
- Internalize technologies for high-speed Shinkansen rolling stock by engaging in the design and manufacturing of next-generation Tohoku Shinkansen rolling stock

**Strategy (4) Advance employee work-style reform**

- Reform personnel systems and systematically develop talent to secure specialized personnel in the highly technical areas of design and manufacturing

# Retail & Services (Segment policy and KPI)

## Market environment

- Amid the continued increase in raw material prices and logistics costs due to factors such as the situation in the Middle East, consumer prices are also continuing to rise. Customers' consumer mindset and cost tolerance are changing.
- Digital and real world customer experience is increasingly overlapping. The presence of generative AI in the selection of products and services is also expanding. The digital advertising market is also expanding further.
- The labor shortage continues to be a challenge. Reducing manpower in stores, logistics, and other areas through the use of physical AI remains a challenge.

## Review of FY2026.3

- Achieved some success through appropriate cost management, flexible pricing based on market conditions, enhanced product lineup, and the development of a digital platform
- Fraudulent personnel cost claims related to commissioned projects and subsidies for central government ministries came to light. Improving and strengthening group governance is an urgent priority.

## Vision for FY2032.3

- Achieve the new numerical targets set out in Beyond the Border
- Create a new "memorable" experience at a train station, following the example of ecute
- Expand into new areas of customer engagement through data, such as optimizing our approach to customers by utilizing Suica data
- Consider governance structures tailored to the characteristics of each business and the circumstances of each company in order to establish group governance

## Policy for FY2027.3

- Materialize the Beyond Stations concept, which aims to improve terminal stations, such as Ueno Station, transforming them from mere transportation hubs into platforms for daily life
- Expand product offerings of MASTRUM, a digital advertising network, to promote customer acquisition
- Continue to improve the quality of our products and services from a market-in perspective while promoting investments in labor-saving technologies. Collaborate with external companies and content providers to strengthen our brand and focus on expanding revenue by attracting customers
- Expand the Suica platform through Suica Renaissance and provide new purchasing and advertising experiences through a direct approach to customers
- Enhance communication across various channels aiming to improve and strengthen group governance

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Retail operating revenue | 350.0 billion yen (+5.7 billion yen) | 390.0 billion yen | 520.0 billion yen |
| Transportation advertising operating revenue | 38.9 billion yen (+1.9 billion yen) | 43.0 billion yen | 50.0 billion yen |

## Economic value

| | FY2027.3 Forecast (year-on-year) | FY2028.3 Target |
|---|---|---|
| Operating revenue | 427.0 billion yen (+10.8 billion yen, 102.6%) | 507.0 billion yen |
| Operating income | 70.0 billion yen (+1.9 billion yen, 102.8%) | 80.0 billion yen |
| EBITDA | 92.0 billion yen (+3.6 billion yen, 104.1%) | 104.0 billion yen |
| ROA | 15.8% (△0.5pt) | 16.5% |
| ROA (R=EBITDA) | 20.8% (△0.3pt) | 21.5% |

## Social value

- Delivering a safe and secure daily life
- Revitalizing the region by utilizing its attractive local resources
- Contributing to a rich global environment through resource recycling
- Proposing new lifestyles to customers and local residents
- Creating a sense of accomplishment and fulfillment through work as well as local employment
- Becoming a sound group trusted in society

# Retail & Services (Strategy by business)

## Retail business

### Review of FY2026.3

- Carried out strategic EKINAKA development and renovation (ecute Akihabara, Ueno, etc.) and expanded NewDays stores, special events, and the multi-functional locker "Multi-Ecube" to other railway companies, etc.
- Amid rising prices and labor shortages, further revenue growth required refining the brand, efficient store operations, and expanding revenue opportunities and areas.

### Vision for FY2032.3

- In line with the changes in station design brought about by Suica Renaissance, such as the implementation of walk-through ticket gates, create a new EKINAKA model following in the example of "ecute"
- By leveraging the Suica media network, realize our unique retail business that integrates real and digital strengths and software and hardware.

### Policy for FY2027.3

- Aim to further expand the profitability of our retail business by driving the growth of our existing businesses at a rate that outpaces the inflation rate, which is driven by rising prices
- Aim to expand revenue streams outside the Group and to broaden revenue streams that do not rely on store front flow

### Strategy for FY2027.3

**Strategy (1) Further refine EKINAKA operations**

- Increase revenue through strategic renovations and brand strengthening (including the renovation of GRANSTA TOKYO Marunouchizaka Area in September 2026, etc.)
- With the organizational restructuring resulting in a 36-area operation center structure, build attractive EKINAKA areas that are closely connected to local communities and based on a market-in perspective

GRANSTA TOKYO
Marunouchizaka Area

**Strategy (2) Expand external revenues through external store openings and wholesale business**

- Expand external revenues by promoting store openings outside of JR East's sites, primarily at transport nodes (e.g., NewDays stores)
- Further expand the wholesale business for Kinokuniya private brand products and train station bento boxes

NewDays
new private brand

**Strategy (3) Expand business through initiatives that contribute to lifestyle transformation (LX)**

- Introduce dedicated railcars for the "Hako-byun" Shinkansen freight transport service and collaborate with major airlines to promote the region's attractions and revitalize the regional economy
- Contribute to the resolution of issues, such as reducing the impact of redeliveries and $CO_2$ emissions by expanding the installation of Multi-Ecube units and enhancing the pick-up service

Dedicated railcar for luggage transport

## Advertising and publishing business

### Review of FY2026.3

- Implemented recurrence-prevention measures to restore trust following the discovery of our fraudulent practice related to contracts with central government ministries
- Developed media spaces (such as AKIBA WARP) and achieved increased penetration of TRAIN TV
- Expanded transactions with key clients and strengthened relationships with partners in the advertising agency business

### Vision for FY2032.3

- Enhance the overall value of out-of-home (OOH) advertising to create memorable experiences for our customers by developing a flexible distribution environment and strengthening collaborations with other companies
- Enhance our overall strength through "integration and collaboration" and strengthening our proposal capabilities to become the agency/house agency of choice in the market

### Policy for FY2027.3

- Build a culture of compliance to restore trust
- Aim to increase sales of transportation advertising and other services through the development of new media and the expansion of contact points with customers
- Expand external revenues through the utilization of group assets and improve house agency functions

### Strategy for FY2027.3

**Strategy (1) Ensure strict compliance, including measures to prevent recurrence**

- Provide compliance training and strengthen internal control functions
- Build a compliance culture through proper business operations, etc.

**Strategy (2) Promote the development and the use of attractive media and data utilization to increase sales of transportation advertising**

- Develop attractive media in train stations, city centers, etc.
- Promote further expansion of TRAIN TV
- Maximize advertising value through visualization of advertising effectiveness
- Expand contact points with customers by utilizing Suica data
- Expand flexible distribution and develop new business channels through MASTRUM

AKIBA WARP

**Strategy (3) Expand transactions and strengthen the external communication of Group initiatives through "integration and collaboration"**

- Acquire general clients through the utilization of group assets (e.g., combining station/in-train media with assets owned by group companies)
- Strengthen the external communication of group initiatives, such as creating mobility

Otona no Kyujitsu Club

# Real Estate & Hotels (Segment policy and KPI)

JR-EAST

## Market environment

- Due to soaring construction costs and rising interest rates, the real estate market is seeing a clear disparity in relative superiority based on use, area, and individual properties. We aim to maximize asset value by refining and improving the properties we own.
- Demand from tourists visiting Japan continues to expand. It will be crucial to capture the inbound tourism needs for hotels, retail facilities, and other commercial facilities.
- While regional areas, including Tohoku, are affected by population decline, they offer potential for compact city development and attracting inbound tourists.

## Review of FY2026.3

- Development in the Greater Shinagawa area progressed smoothly.
- Proceeded with a strategic partnership with Itochu Corporation in the real estate sector
- Securely captured inbound demand

## Vision for FY2032.3

- Achieve the new numerical targets set out in Beyond the Border
- Aim to enhance Tokyo's value in global inter-city competition through such initiatives as enhancing the value of the Greater Shinagawa area, including TAKANAWA GATEWAY CITY
- Promote J-TOD while materializing our unique real estate rotation business
- Through regional versions of LiSH and MIRAI Brain Link Regional Consulting & Incubation Co., Ltd., aim to realize sustainable regional development through co-creation with local players

## Policy for FY2027.3

- Steadily promote town development in the Greater Shinagawa area (TAKANAWA GATEWAY CITY, OIMACHI TRACKS, etc.)
- By integrating and coordinating Mobility and Lifestyle Solutions, strengthen our revenue model that utilizes company-owned land while realizing unrealized gains to speed up the real estate rotation business
- Realize the revitalization of local areas through initiatives, such as the regional version of LiSH (Akita) and AZUMA FARM KOIWAI
- Utilize the achievements of Suica Renaissance and digital platforms. Provide customers with optimal information, which will help promote the use of station buildings and attract inbound guests, thereby driving growth of our existing businesses

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| SC, offices, hotels operating revenue | 440.0 billion yen (+30.0 billion yen) | 450.0 billion yen | 530.0 billion yen |
| Asset management scale in real estate fund business | 650.0 billion yen (+64.6 billion yen) | 700.0 billion yen | 1,200.0 billion yen |

## Economic value

| | FY2027.3 Forecast (year-on-year) | FY2028.3 Target |
|---|---|---|
| Operating revenue | 605.0 billion yen (+91.7 billion yen, 117.9%) | 710.0 billion yen |
| Operating income | 131.0 billion yen (+2.7 billion yen, 102.1%) | 149.0 billion yen |
| EBITDA | 221.0 billion yen (+20.2 billion yen, 110.1%) | 241.0 billion yen |
| ROA | 4.6% (△0.5pt) | 4.9% |
| ROA (R=EBITDA) | 7.7% (△0.2pt) | 7.9% |

## Social value

- Delivering a safe and secure daily life
- Attractive town development in cooperation with local residents
- Town development that considers the environment, disaster prevention, and communities
- Innovation for a fulfilling life 100 years from now
- Creating a sense of accomplishment and fulfillment through work as well as local employment
- Becoming a sound group trusted in society

# Real Estate & Hotels (Strategy by business)

## Real estate ownership and utilization business

### Review of FY2026.3

- Achieved steady progress in new large-scale developments that form the foundation of our revenue, such as the grand opening of TAKANAWA GATEWAY CITY and the city opening of OIMACHI TRACKS
- Faced a need to expand demand in shrinking regional markets, such as those affected by population decline

### Vision for FY2032.3

- Aim to further enhance the value of the Tokyo metropolitan area, including the Greater Shinagawa area, and to realize an attractive “international city TOKYO” in global inter-city competition
- Build the core foundation of the Suica economic zone and promote “J-TOD,” our unique town development approach that integrates software and hardware

### Policy for FY2027.3

- Aim to achieve robust business growth by promoting new development projects that integrate stations and towns and by expanding the revenues of existing businesses at a rate that outpaces the inflation rate, which is driven by rising prices.
- Strengthen collaboration with local businesses and startups and promote initiatives that contribute to the resolution of local issues

### Strategy for FY2027.3

**Strategy (1) Steadily promote large-scale development and enhancement of area value**

- Accelerate development area expansion by steadily promoting new large-scale developments, such as the TAKANAWA GATEWAY CITY development project
- Enhance the value of the Greater Shinagawa area and strengthen customer attraction to the area through collaboration with local communities and businesses (in Takanawa, Oimachi, and Takeshiba)

OIMACHI TRACKS

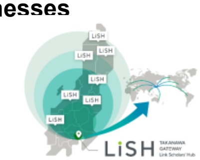
**Strategy (2) Work to strengthen the competitiveness of existing businesses**

- Aim to strengthen competitiveness by promoting new development and strategic renovations in shopping centers and hotels and by refining our brands
- Aim to strengthen our office business by providing integrated solutions across the Group, contributing to the resolution of issues faced by companies and workers

Hotel Metropolitan The Base Sendai

**Strategy (3) Create new businesses through collaboration with local businesses**

- Expand “LiSH,” TAKANAWA GATEWAY CITY’s business creation facility, to various regions to build collaborative systems with local businesses
- 36 area operation centers, taking a market-in approach, will aim to create businesses that contribute to the resolution of local issues, using “regional versions of LiSH” as a hub.




Expansion of regional versions of LiSH

# Real Estate & Hotels (Strategy by business)

## Real estate rotation business

### Review of FY2026.3

- Entered into a basic agreement with Itochu Corporation on a strategic partnership in order to expand our real estate business
- Completed CLASSEUM Series rental housing projects on former company housing sites; commenced construction of "Branz City Funabashi BIARE," a joint project with Tokyu Land Corporation; and started sales of "BIARE Kita-Urawa" and other properties
- Expanded our pipeline by promoting the acquisition and value enhancement of urban real estate and continued to implement optimal real estate portfolio management for the entire Group

### Vision for FY2032.3

- By securitizing assets worth approximately 1 trillion yen, stably generate cumulative real estate sales operating income of more than 600 billion yen, thereby strengthening our sustainable real estate rotation business model
- Through the integration and collaboration of Mobility and Lifestyle Solutions, promote the creation and utilization of company-owned land as a unified group
- Strengthen collaboration with acquired real estate to expand the Suica economic zone and increase revenue opportunities

### Policy for FY2027.3

- Enter into an integration agreement with the Itochu Group in the real estate business sector and accelerate the growth of the real estate business, aiming to achieve sales of 250 billion yen over the next five years at the integrated company while creating synergy between the two companies
- Accelerate the steady acquisition and value enhancement of urban real estate and promote the development of new assets
- Expand our real estate pipeline to achieve our asset management scale targets earlier than planned
- Promote effective utilization of company-owned land for J-TOD and strengthen collaboration with the 36 area operation centers

### Strategy for FY2027.3

**Strategy (1) Expand the pipeline and accelerate the real estate rotation business**

- Strengthen and expand our residential development business as a core area of our real estate rotation business
- Realize optimal portfolio management of real estate across the Group.
- By utilizing joint ventures and external capital, improve capital efficiency and project execution capabilities
- Continue the acquisition of highly profitable real estate in cities

**Strategy (2) Maximize revenue through value enhancement and group collaboration**

- Steady promote value enhancement of acquired real estate
- Through the integration and collaboration of Mobility and Lifestyle Solutions, promote the creation and utilization of company-owned land for J-TOD
- By acquiring and developing real estate, improve property value and profitability while expanding the Suica economic zone

BIARE Kita-Urawa

## Real estate management business

### Review of FY2026.3

- Steadily expanded our asset management scale even in a period of rising interest rates
- Acquired the first logistics facility under joint asset management and promoted diversification of asset types
- Promoted the shift to renewable energy while acquiring, developing, and operating properties with high environmental performance certifications

### Vision for FY2032.3

- Targeting an asset management scale of approximately 1.2 trillion, achieve sustainable growth in our management business, primarily focused on real estate
- Establish a stable financial foundation by expanding the investor base
- Promote diversification of our management business by expanding our strategic outsourcing of operations
- Diversify revenue opportunities through collaboration between Suica and real estate businesses

### Policy for FY2027.3

- Build a continuous project pipeline and expand the investor base targeting an asset management scale of approximately 1.2 trillion yen in FY2032.3, amid rising interest rates
- Promote digital transformation in building management and enhance our brand value through collaboration with the diverse businesses within the Group
- Strengthen our real estate management capabilities, including office spaces, and promote environmentally conscious property management

### Strategy for FY2027.3

**Strategy (1) Strengthen growth drivers in expanding asset management scale**

- Expand our investor base to include both domestic and international investors to build a stable fund-raising foundation
- Strategically expand contracted asset management and operation, primarily focusing on external real estate, thereby strengthening asset diversification and portfolio diversification

T-LOGI Ayase and Tsurugaoka

**Strategy (2) Enhance operational quality and brand value**

- Promote digital transformation in building management to achieve both operational quality and efficiency
- Enhance the unique brand value of JR East by collaborating with the diverse businesses within the Group
- Create new value-added initiatives by linking Suica with real estate businesses

# Others (Strategy and KPI for each business)

JR-EAST

## Suica and finance business

### Review of FY2026.3

- Expanded the JRE ID implementation service and Welcome Suica Mobile services
- Faced challenges of a low rate of our proprietary payment methods being used within the Group and contribution to the growth of the entire Group through the promotion of cross-use

### Vision for FY2032.3

* Loyalty: Affection for or trust in a service, product, etc.

- Realize LX (lifestyle transformation) through Suica Renaissance
- Contribute to Group growth by improving customer loyalty * and referring customers to other businesses
- Provide corporate solutions, such as the Suica media network tailored to the unique characteristics of each station

### Policy for FY2027.3

- Promote the integrated use of our proprietary payment services to increase overall Group revenue
- Promote the development and preparation of services aimed at improving convenience in daily life and customer experience (CX)
- Implement specific strategies for breakthrough growth to realize “To the Next Stage” 2034

### Strategy for FY2027.3

**Strategy (1) Strengthen our proprietary payment services**

- Release “teppay,” a code payment service for Mobile Suica, in fall 2026
- Leverage connections within area operation centers and other departments to acquire new member stores and provide services to them

**Strategy (2) Expand the Suica platform**

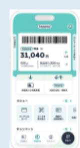
- Prepare for the launch of the “Community Suica” service in Gunma and Miyagi prefectures in spring 2027
- Prepare for the migration of Suica SF and commuter pass services to a cloud-based platform

**Strategy (3) Promote business expansion through the evolution of data marketing**

- Develop new JRE POINT services to promote cross-business use
- Improve customer loyalty through data utilization

**Strategy (4) Implement specific strategies for breakthrough growth**

- Consider entering new areas that will contribute to the Group’s growth



Code payment service “teppay”

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Mobile *Suica* cards issued | 45.0 million (+2.86 million) | 50.0 million | 70.0 million |
| Total transaction volume of our payment services (including “teppay” transactions from FY2027.3) | 5.35 trillion yen (+0.48 trillion yen) | 6.13 trillion yen | 9 trillion yen |

## Global Business

### Review of FY2026.3

- Promoted initiatives, such as the India High-Speed Railway project, disaster prevention business, and international standardization
- Promoted new businesses, such as the EKINAKA business in Taiwan and improved profitability of existing businesses
- Faced challenges of expanding the business base by acquiring new projects and strengthening the profitability of existing businesses

### Vision for FY2032.3

- Leveraging the combined strengths of Mobility and Lifestyle Solutions, realize lifestyle transformation (LX) on a global scale while expanding the economic zone of the JR-East Group by promoting “overseas J-TOD,” a prosperous town development approach anchored in comfortable public transportation

### Policy for FY2027.3

- Steadily acquire new projects and improve the profitability of existing businesses in business areas, such as railways and commercial facilities, tailored to the needs of each country’s market, thereby building a revenue base and creating a foothold for future expansion of overseas versions of J-TOD

### Strategy for FY2027.3

**Strategy (1) Establish a Global Business Department to strengthen the overseas business promotion system through dual axes efforts and acquire new contracts**

- Aim to secure railway operation and maintenance contracts in the Philippines, Thailand, and other countries
- Aim to acquire the right to operate EKINAKA commercial facilities inside train stations in Southeast Asia and Taiwan,and to expand participation in commercial projects around train stations

Taipei Metro Taipei Station commercial facility scheduled to open

**Strategy (2) Improve profitability of existing businesses**

- Increase revenue of existing consulting projects and acquire new consulting projects for the India High-Speed Railway project and urban railways (in Indonesia, Vietnam, etc.) and acquire construction projects, such as track construction in Singapore
- Improve profitability in various businesses, including hotels in Taiwan and smart vending machines in the UK

Railcars for the north-south commuter line in the Philippines (J-TREC)

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Net sales outside the Group | 17.1 billion yen (+1.7 billion yen) | 25.6 billion yen | 40.0 billion yen |

# Others (Strategy and KPI for each business)

## Energy business

### Review of FY2026.3

* VPPA: Virtual power purchase agreement

- Started operations of four renewable energy power plants as planned (64,000 kW)
- Secured a VPPA* for the target quantity and plan to reduce CO2 emissions from FY2027.3 (-183,000 tons)
- Doubled power supply to Group companies (10 companies, 47 facilities; +4 companies, 27 facilities)

### Vision for FY2032.3

- Maximize energy value by realizing the operation of JR-VPP (tentative name), which integrates the management of power sources and demand distributed across private lines and power grid lines
- Expand external revenues through strengthened comprehensive management on the power generation side

### Policy for FY2027.3

- Secure power sources for decarbonization
- Expand the electricity retail business through electricity supply to the railway business and Group companies

### Strategy for FY2027.3

**Strategy (1) Promote decarbonization and expand the electricity retail business**

- Promote PPA agreements with renewable energy power plants and M&A of secondary power sources
- Start electricity supply for the railway business
- Expand power supply to Group companies

Hachinohe Biomass Power Plant

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| CO2 reductions [non-consolidated] | 287,000 tons (+117,000 tons) | 327,000 tons | 627,000 tons |

## Construction business

### Review of FY2026.3

- Achieved steady progress in projects, such as the commencement of the second phase of construction on Shibuya Scramble Square
- Secured external revenues while implementing measures to improve the productivity of construction project

### Vision for FY2032.3

- Achieve sustainable growth of the Group and contribution to the local community through project conceptualization and promotion
- Work together as one group to promote projects that contribute to the resolution of local issues and external revenue expansion
- Dramatically improve project productivity though business process transformation

### Policy for FY2027.3

- Achieve steady progress based on the project plan and strengthen planning concepts
- Improve productivity through external revenue expansion and the promotion of digital transformation (DX)

### Strategy for FY2027.3

**Strategy (1) Project conception, external revenue expansion, and productivity improvement**

- Strengthen project planning and conceptualization functions through organizational restructuring
- Aim to expand external revenues through further collaboration with Group companies
- Promoting digital transformation through the implementation of the BIM cycle* on a trial basis

* BIM cycle: An initiative to utilize BIM throughout the design, construction, and maintenance phases.

Nakano Station passageways, station building, station complex, etc. (scheduled to open within the fiscal year)

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Net sales outside the Group | 9.7 billion yen (+0.6 billion yen) | 10.2 billion yen | 12.6 billion yen |

## Economic value

| | FY2027.3 Forecast (year-on-year) | FY2028.3 Target |
|---|---|---|
| Operating revenue | 117.0 billion yen (+7.5 billion yen, 106.9%) | 126.0 billion yen |
| Operating income | 25.0 billion yen (-5.2 billion yen, 82.6%) | 26.0 billion yen |
| EBITDA | 63.0 billion yen (+0.0 billion yen, 100.0%) | 64.0 billion yen |
| ROA | 1.7% (△0.5pt) | 1.8% |
| ROA (R=EBITDA) | 4.3% (△0.3pt) | 4.4% |

## Social value

- Providing safe and secure social infrastructure
- Pursuit of the enrichment of communities, cities, and the international community
- Harmony with the environment, coexistence with local communities, and carbon neutrality
- Evolving Suica into a “device for lifestyle,” proposing a new lifestyle
- Providing a sense of accomplishment and fulfillment through work and work-style reform through robots, DX, etc.
- Becoming a sound group trusted in society

# Foundation for Growth (Strategy and KPI)

## Safety

### Review of FY2026.3

- Implemented initiatives that leverage the mutual safety strengths of Mobility and Lifestyle Solutions
- Promoted safety education, safety investment, and human resource development related to safety
- Railway operation accidents and transportation disruptions occurred due to Group's internal causes.

### Vision for FY2032.3

- "Zero physical harm to customers, local residents, and employees of the Group"

### Policy for FY2027.3

- Work to build a culture where each individual develops their skills and teamwork takes the lead in safety
- Implement initiatives that are coordinated with sharing of a common value for safety across the entire Group

### Strategy for FY2027.3

**Strategy (1) Refine the Group Safety Plan 2028**

- Encourage proactive approaches where each individual considers the "essence of their work" and everyone discusses and implements it together

**Strategy (2) Further promote measures that leverage the mutual strengths of Mobility and Lifestyle Solutions**

- Offer safety symposium and group-wide training
- Strengthen cooperation on common issues (safety culture, fire prevention, disaster prevention, etc.)

**Strategy (3) Further enhance security capabilities in anticipation of organizational restructuring**

- Build a support system to further enhance the capabilities of "people who are at the core of safety initiatives" to raise safety levels

Implementation of Training

**Strategy (4) Planned investment in safety equipment**

- To prevent collision and derailment, install platform doors, and reduce risks from natural disasters

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Railway accidents (compared to FY2024.3) | – | – | 30% reduction |
| Railway stations and tracks with automatic platform gates | 187 stations, 405 tracks (+25 stations, 60 tracks) | – | 330 stations, 758 tracks |
| Number of attendees at safety education course at Accident History Exhibition Hall (cumulative total since FY2026.3) | 20,000 (+8,785) | 30,000 | 70,000 |

### Social value

- Building trust, which is the foundation of the Group's business, by delivering a safe and secure daily life

## CX

### Review of FY2026.3

- Formulated the "Group CX Strategic Vision 2030" for further penetration within the Group.
- Faced a challenge of strengthening the capability to respond to any emergencies in case of a large-scale transportation disruption

### Vision for FY2032.3

- Aim to improve and maximize customer experience value (CX) in addition to customer satisfaction (CS) to provide customers with a sense of "security" and "excitement," thereby realizing enriched lifestyles for all people

### Policy for FY2027.3

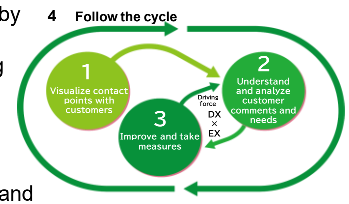
- Promote the "Group CX Strategic Vision 2030" within the Group
- Implement "further strengthening collaboration across the Group" and "systematic human resources development

### Strategy for FY2027.3

* CX cycle: An initiative to visualize contact points with customers, analyze their needs, and improve services.

**Strategy (1) Implement initiatives that focus on customer experience value**

- Promote initiatives to ensure that our customers feel security and excitement at every contact point with them. Improve customer service quality by implementing the CX cycle*
- Strengthen and improve safe and reliable transportation by revising business processes (work procedures) and improving response capabilities in the event of an emergency (practical training and provision of easy-to-understand information)
- In order to ensure that customers can use JR East Group services with security, promote the acquisition of care service qualifications and continue interactions with people with disabilities




CX cycle

**Strategy (2) Implement Initiatives that lead to strengthened collaboration and human resource development**

- Expand initiatives aimed at improving service quality at each location throughout the Group to strengthen collaboration
- Develop human resources with strong CX skills through various seminars, symposiums, and special CX lectures

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| "Care-Fitter" Certifications acquisition rate | 70.0% (+12.3%) | 80.0% | 100.0% |
| Number of transportation disruptions on conventional lines within 100 km of Tokyo due to internal causes and weighted by customer impact (Number of transportation disruptions exceeding one million person-minutes calculated as number of affected passengers x delay time) | Less than 8 (reduction of seven or more disruptions) | Less than 8 (If the target is achieved, set a new target less than the achieved value.) | Less than 8 (If the target is achieved, set a new target less than the achieved value.) |

### Social value

- Enhancing customer experience (CX) to deliver security and excitement

# Foundation for Growth (Strategy and KPI)

## Human resources

### Review of FY2026.3

- Announced "reorganization of business operations" and "drastic revision of personnel and wage systems" and faced challenges going forward of ensuring group-wide implementation of those strategies and fostering a spirit of challenge.
- Expanded collaboration with Group companies in the area of human capital and promote initiatives related to "DEI" and "health management"

### Vision for FY2032.3

- While enhancing "job satisfaction" and "ease of working," create a positive cycle where employee growth is the driving force behind Group growth—a "new level of engagement between employees and the Company."
- Realize a group-wide human resource strategy to enrich human capital as the foundation for growth under two-axis management

### Policy for FY2027.3

- Strongly promote "DEI" and "health management" as a group as the foundation of its human resources strategy
- Ensure that the purpose of "reorganization of business operations" and "drastic revision of personnel and wage systems" is understood and that their operation is firmly established
- In order to promote dual-axis management, further evolve our corporate culture, systems, and environment to enable diverse human resources with various abilities to thrive within the Group
- In the face of an era of labor shortages, in order to make mobility sustainable, rethink our work styles and fundamentally re-examine our recruitment and training systems in order to maintain and improve safety technology levels
- In order to quantitatively understand the effectiveness of our human resources strategy initiatives and use that information to develop new measures, conduct stress checks and engagement surveys annually and utilize the results effectively for improvement
- From the perspective of improving and strengthening group governance, enhance psychological safety in the workplace and implement human resources strategy initiatives that contribute to enhancing employee engagement across the Group

### Strategy for FY2027.3

**Strategy (1) Build the foundation of human resources strategy**

- Promote initiatives under the "JR East Group DEI Policy," which as formulated as a management strategy to realize "To the Next Stage" 2034
- Develop health promotion leaders and promote health creation throughout the Group, centered on the workplace

**Strategy (2) Implement reorganization of business operations and drastic revision of personnel and wage systems**

- Transform our organization so that employees can exercise their creativity closer to our customers and boldly take on challenges to resolve social issues and create exciting experiences
- To promote an individualized support-based human resources development cycle, establish an evaluation cycle and enhance its effectiveness through tracing

**Strategy (3) Create a corporate culture, system, and climate that promotes dual-axis management**

- Develop human resources who can be transferred to key growth areas by building a low-manpower mobility system powered by cutting-edge technologies, such as generative AI
- Develop a human resource portfolio to address expanding business areas

JR East Group DEI Forum

Group welcoming ceremony

**Strategy (4) Strengthen the recruitment and development of human resources with efficient work styles and technical skills**

- Actively promote the use of advanced technologies such as AI, drones, and robots to transform work styles into more efficient ones
- Our frontline employees, deeply rooted in the local community, will strengthen school visits and designated school recommendations.

**Strategy (5) Create new engagement between employees and the Company**

- Measure the effectiveness of our human resource strategies implemented so far through stress checks and engagement surveys, identify weaknesses, and implement effective countermeasures

**Strategy (6) Improve and strengthen group governance**

- To enhance psychological safety in the workplace, continue our long-term efforts in conjunction with DEI initiatives and improve the workplace culture

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Engagement survey positive response rate [non-consolidated] | 65.0% (+2.5pt) | 66.0% | 70.0% |
| Ratio of female managers [non-consolidated] | 9.4% (+0.4pt) | 10.0% | 15.0% |
| Rate of male employees taking childcare leave [non-consolidated] | 80.0% (+3.1pt) | 85.0% | 90.0% or more |
| Assignment of human resources to priority growth areas (cumulative total since FY2024.3) | 1,600 (+400) | 2,000 in total | – |

**Social value**

- Improving employee enhancement by enabling employees to gain a sense of accomplishment and fulfillment through their work
- Unleashing the potential of human capital, which leads to a sustainable increase in corporate value

# Foundation for Growth (Strategy and KPI)

## Innovation

### Review of FY2026.3
- In response to the rapid evolution of generative AI models, revised our approach to transform the railway version of generative AI into a platform that supports the use of multiple AI models and AI agents
- Established a new space unit to lead the internal application of space-related technologies
- Faced a challenge of further enhancing operations using technology and shifting towards more creative work

### Vision for FY2032.3
- Build the foundation to advance Mobility and Lifestyle Solutions and materialize the future through the integration of people and technology

### Policy for FY2027.3
- Positioning this year as the first year of AI and DX, aim to create new services and improve productivity through the utilization of AI and robotics, striving for even greater heights as a technology service company group
- Deepen the investigation and consideration of new energy sources toward a decarbonized society
- Formulate security governance policies and enhance security awareness in response to increasingly sophisticated threats and technological advances

### Strategy for FY2027.3

**Strategy (1) Utilize AI and robotics and promote digital transformation (DX)**
- Realize work style reform and the creation of new customer experience value while sufficiently recognizing the potential benefits and risks of AI based on the “AI Policy”
- Develop “JRE Railway Operations Support AI” in-house as a productivity improvement tool for planning operations and are deploy it within the Company
- By building a data utilization platform, create an environment where all employees can utilize the collected data through AI and analytical tools
- Promote technological development and implement the results for mechanization and labor-saving
- Consider the use of robotics in maintenance work and passenger services
- Developing human resources with digital technology skills through hands-on support for business process improvement

Development of mid-career employees
Hands-on support for operational improvement

**Strategy (2) Realize a system platform to support business**
- Started using the system platform for system modernization, including a common API gateway
- Develop and implement new information security rules

**Strategy (3) Conduct research and development ahead of the times**
- Conduct research aimed at improving disaster countermeasures based on the assumption of increasing severity
- Promote intellectual property education based on a new organizational structure

**Strategy (4) Embrace new technologies**
- Research and studies toward the utilization of fusion energy and realization of a hydrogen-based society
- In order to drive business innovation using space-related technologies, deepen our consideration of utilizing various satellites
- Socially implement pilot initiatives aimed at realizing well-being and LX through collaboration between internal and external parties

Conduct test run for driverless Shinkansen operation (GOA4)

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Solving social issues and increasing revenue through innovation (cumulative total since FY2025.3) | 18 cases (+2) | 20 cases | 30 cases |
| Practical introduction of products developed by front-line employees (cumulative total since FY2025.3) | 75 cases (+20) | 100 cases | 200 cases |
| Number of patents applications etc. related to digital transformation(DX) and services (cumulative total since FY2025.3) | 128 (+45) | 175 | 375 |
| Number of employees with strong digital literacy (“Intermediate” class) (cumulative total since FY2026.3) | 4,700 (+900) | 6,000 | 11,000 |

### Social value
- Through new technologies and services, we deliver enduring value while creating new lifestyles.

# Foundation for Growth (Strategy and KPI)

## Finance and investment

### Review of FY2026.3

- Formulated numerical targets and cash allocation plans for FY2032.3
- Introduced systems to accelerate growth in the Mobility business and real estate rotation
- Made preparations to strengthen the Group's financial foundation (including updating the core accounting system)
- Began building a resilient and sustainable financing framework
- Faced a challenge of further accelerating the integration and collaboration between businesses

### Vision for FY2032.3

- Through the integration and collaboration of businesses, balancing growth with financial soundness, improving the quality of financial information, and promoting a "new supply chain," aim to promote cash flow management toward achieving the numerical targets of "To the Next Stage" 2034 and to build a robust and sustainable materials procurement system

### Policy for FY2027.3

- Maximize consolidated cash flow toward realizing "To the Next Stage" 2034
- Respond to a world with interest rates
- Establish a robust and sustainable materials procurement system
- Implement highly reliable statutory accounting and improve and strengthen governance
- Support localized area management from a financial and investment perspective
- Develop finance and investment professionals capable of contributing to Group management

### Strategy for FY2027.3

**Strategy (1) Establish a growth trajectory toward the realization of "To the Next Stage" 2034**
- Establish a growth trajectory toward achieving operating revenue of 5 trillion yen in FY2035.3
- Promote groundbreaking innovation through the use of "LX" capital

**Strategy (2) Funding in a world with interest rates**
- Suppress interest payments based on stable financing through diversification
- Raise funds on a timely basis for breakthrough growth (M&A, etc.)

**Strategy (3) Promote initiatives to build a new supply chain**
- Implement material and spare parts procurement based on new approaches
- Expand procurement channels in coordination with the Mobility business

**Strategy (4) Work to implement efficient and accurate financial reporting**
- Ensure appropriate and accurate financial reporting and promote operational transformation through the introduction of AI and other technologies
- Continue preparations for updating the core accounting system and strengthening the group management structure

**Strategy (5) Provide support to area operation centers**
- Support autonomous management at each area operation center and enhance the visibility of management information

**Strategy (6) Develop human resources who can contribute to management**
- Develop human resources as a group and contribute to growth areas and M&A

| KPI | FY2027.3 (year-on-year) | FY2028.3 | FY2032.3 |
|---|---|---|---|
| Maintaining credit ratings | Domestic bonds: AA Category<br>Foreign bonds: A Category | Domestic bonds: AA Category<br>Foreign bonds: A Category | Domestic bonds: AA Category<br>Foreign bonds: A Category |
| Cross-shareholdings (as of the end of FY2025.3) | – | – | Reduction by 30% or more |
| Penetration of initiatives related to human rights, the environment, and other issues into major suppliers (supply chain penetration percentage) [non-consolidated] | 100% | 100% | 100% |

### Social value

- Building trust, which is the foundation of our management, by balancing growth and financial soundness and by implementing a sustainable procurement system for materials that takes into consideration society and the environment

# IV. Reference Materials

# Process Towards the Numerical Targets for FY2032.3

| (¥ billion) | FY2027.3 forecast (Announced on : April 30, 2026) | FY2028.3 (Updated on : April 30, 2026) | FY2032.3 (Updated on : April 30, 2026) | |
|---|---|---|---|---|
| Operating revenue | 3,295.0 | 3,518.0 | | Approx. 4.3 trillion yen |
| Transportation | 2,146.0 | *2,175.0* | | |
| Retail & Services | 427.0 | *507.0* | | |
| Real Estate & Hotels | 605.0 | *710.0* | | |
| Others | 117.0 | *126.0* | | |
| EBITDA | 887.0 | 958.0 | | Approx. 1.2 trillion yen |
| Transportation | 515.0 | *551.0* | Mobility | Approx. 600.0 billion yen |
| Retail & Services | 92.0 | *104.0* | Lifestyle Solutions | Approx. 600.0 billion yen |
| Real Estate & Hotels | 221.0 | *241.0* | | |
| Others | 63.0 | *64.0* | | |
| ROA | 3.9% | 4.3% | | 5% or more |
| Mobility | 2.8% | *3.1%* | | 3% or more |
| Lifestyle Solutions | 5.0% | *5.4%* | | 7% or more |
| Net interest-bearing debt / EBITDA | 5.9 x | Approx. 5 x | | Approx. 5 x |
| Mobility | 5.1 x | *Approx. 5 x* | | Approx. 5 x |
| Lifestyle Solutions | 7.0 x | *Approx. 6 x* | | Approx. 6 x |
| ROE | 8.2% | 8% or more | | **10% or more** |
| [Reference] Operating income | 429.0 | *488.0* | | *Approx. 750.0 billion yen* |
| Transportation | 207.0 | *236.0* | Mobility | *Approx. 260.0 billion yen* |
| Retail & Services | 70.0 | *80.0* | Lifestyle Solutions | *Approx. 490.0 billion yen* |
| Real Estate & Hotels | 131.0 | *149.0* | | |
| Others | 25.0 | *26.0* | | |

**KGI**
…Long-term management goal

**KPI**
…An indicator used as a benchmark to achieve the KGI

*Current* outlook

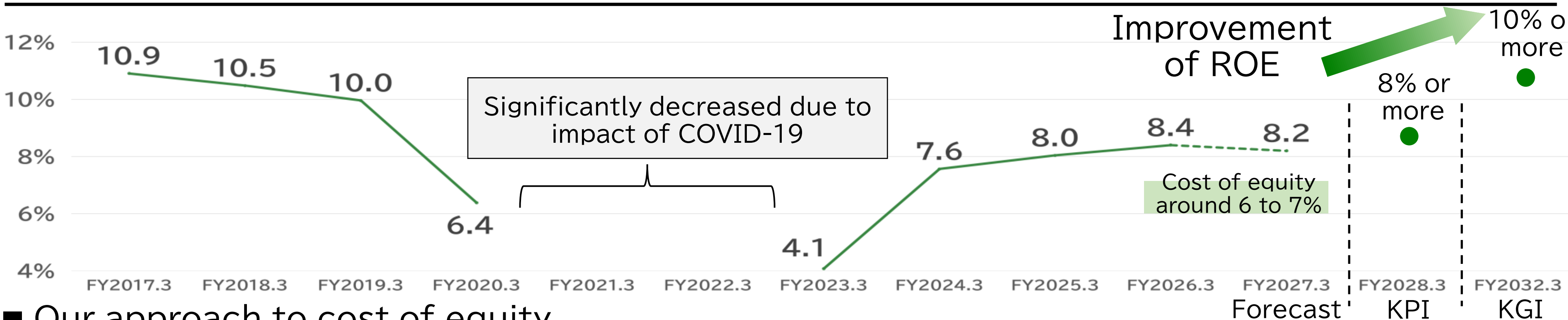
# Action to Implement Management that is Conscious of Cost of Capital and Stock Price

*Underlined: Major updates since previous disclosure

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

- Cost of equity is calculated to be around 6.5% in CAPM due to the impact of the increase in interest rates. It is also calculated to be around 6% from the inverse of the PER. Based on the fact that the expected return in the market estimated through discussions with shareholders and investors is higher than the figures mentioned above, we recognize that our cost of equity is around 6 to 7%. In addition, in a questionnaire survey of investors and analysts, approximately 90% responded that they believe it to be around 6 to 7%.
- We aim to further improve ROE to 10% or more in FY2032.3, which is the KGI target of "To the Next Stage" 2034, and will reduce the cost of equity and expand the equity-spread by enriching discussion with shareholders and investors.

### ■ Movements in ROE and cost of equity




### ■ Our approach to cost of equity

I. Cost of equity is calculated using CAPM: Around 6.5%

| ① Risk-free rate | + | ② Beta (β) sensitivity | × | ③ Market risk premium | = | Cost of equity |
|---|---|---|---|---|---|---|
| Around 2% | | 0.7 to 0.8 | | Around 5.5% | | Around 6.5% |

① Risk-free rate: Yield of 10-year government bonds ② Beta (β): Sensitivity of the Company's share price to volatility of TOPIX for the last 10 years
③ Market risk premium: Historical stock market yield minus risk-free rate

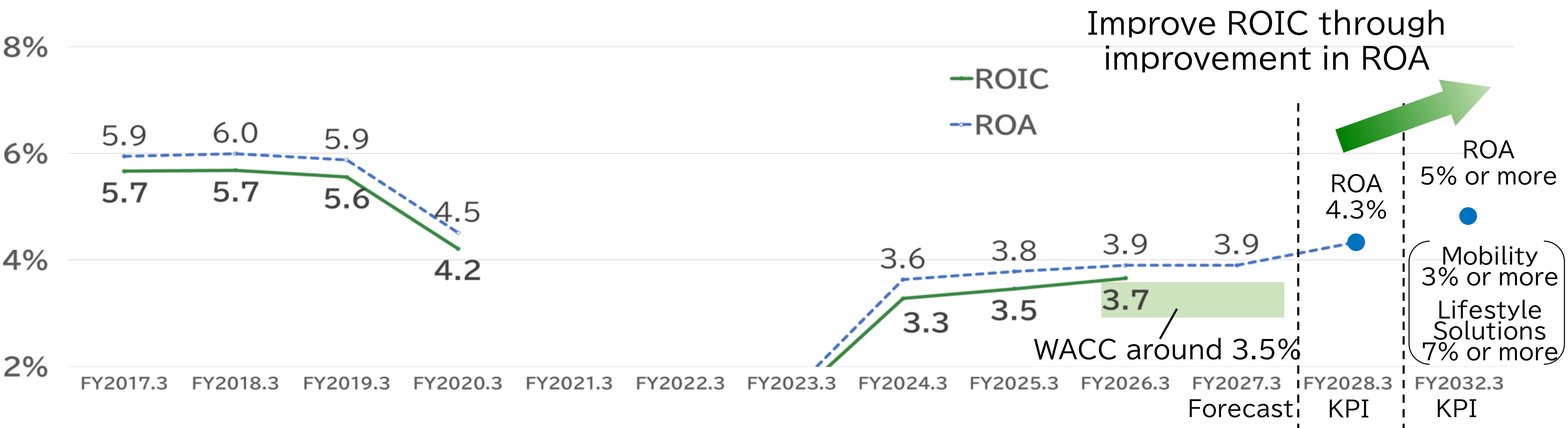
II. Calculated from the inverse of PER (earnings yield): Around 6%

III. Questionnaire survey of investors and analysts:
Approximately 90% responded that they believe the cost of equity of JR East to be around 6 to 7%.

# Current recognition of cost of capital and return on equity

- Our weighted average cost of capital ("WACC") is calculated to be around 3.5%, reflecting the increases in the cost of equity and the cost of debt. Although it has not reached the level of the hurdle rate for our growth investments, we will consider revising the hurdle rate depending on future increases in interest rates.
- Return on invested capital (ROIC) is similar to return on assets (ROA : operating income to total assets), so we aim to expand the ROIC-WACC spread by working to improve ROA in each of our dual axes of Mobility and Lifestyle solutions.

## ■ Movements in ROIC, ROA and WACC




## ■ Breakdown of WACC

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

$$\text{Cost of equity (Around 6 to 7\%)} \times \text{Around } 0.4 \; \frac{\text{Equity}}{\text{Equity} + \text{Interest-bearing debt}}$$

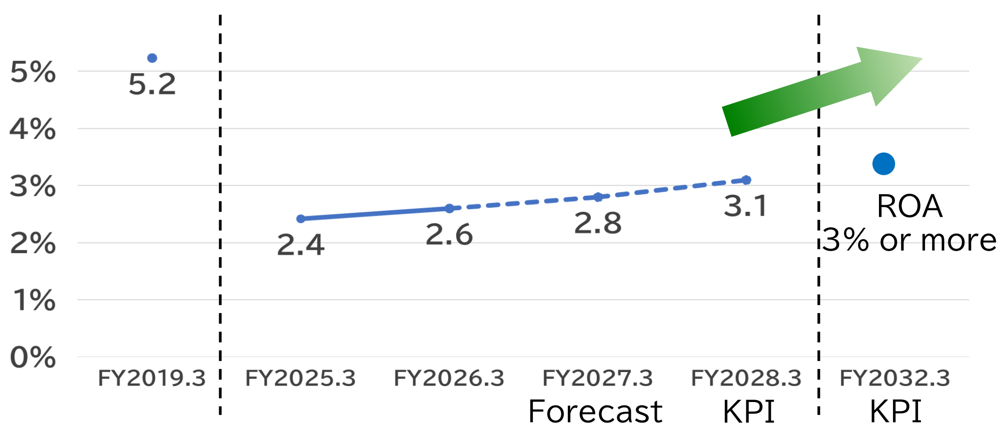
$$+ \; \text{After-tax cost of debt (Around 1\%)} \times \text{Around } 0.6 \; \frac{\text{Interest-bearing debt}}{\text{Equity} + \text{Interest-bearing debt}} = \text{WACC}^{※} \text{ Around 3.5\%}$$

※After-tax WACC

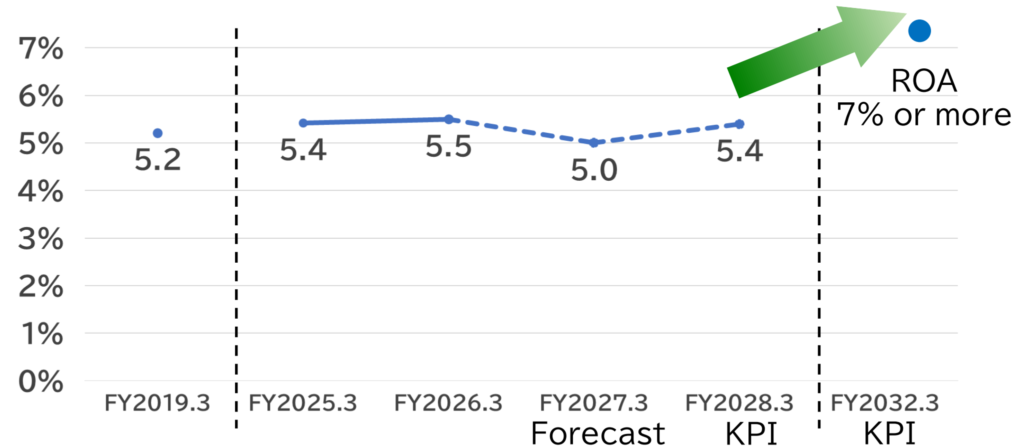
# Current recognition of return on equity in Mobility and Lifestyle Solutions

- In Mobility, assets are expected to increase to a certain extent due to investments in safety, etc. However, we will improve ROA and ROIC by improving top line to increase profits in addition to optimization of assets.
- In Lifestyle Solutions, we will improve ROA and ROIC by increasing profitability and asset turnover through further growth of existing businesses, the acceleration of the real estate rotation business, etc.

■ Movement in ROA (Mobility)




■ Movement in ROA (Lifestyle Solutions)




■ Measures to improve ROA (Mobility)

| | Direction |
|---|---|
| Increased profitability | • Implement specific measures to increase revenue, including measures to capture inbound demand<br>• Promote price strategies that can be implemented through notification and continue to request railway fares and charges systems revisions<br>• Improve productivity through driverless operations, driver-only operations, smart maintenance, etc. |
| Optimization of assets | • Improve asset efficiency through the ROA(R)* initiative, setting sales efficiency targets (on a trial basis) for 36 area operation centers, etc.<br>• Generate assets for Lifestyle Solutions |

■ Measures to improve ROA (Lifestyle Solutions)

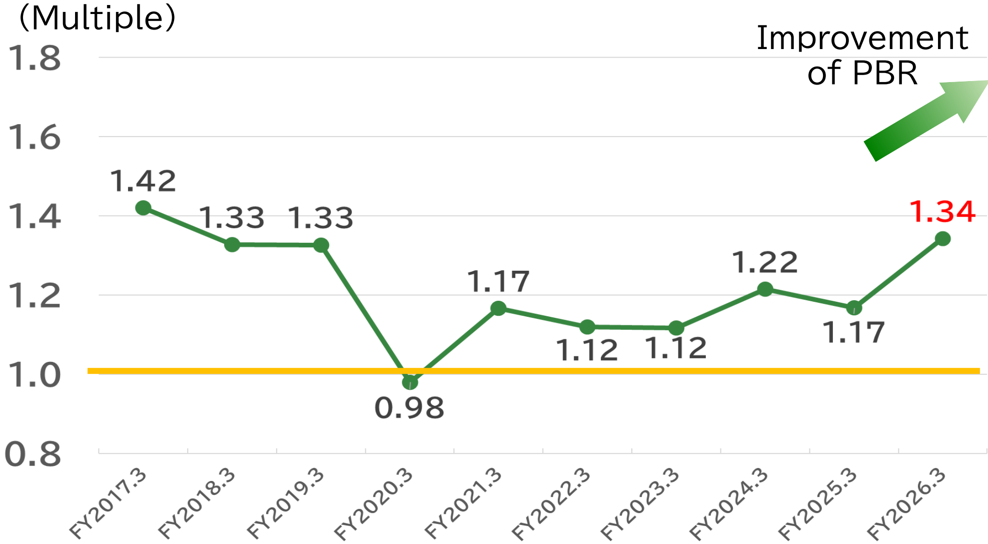
| | Direction |
|---|---|
| Increased profitability | • Refine strategies to generate growth in excess of inflation and rise in interest rates<br>• Expand the domain of our real estate business and accelerate the real estate rotation business<br>• Achieve growth in each business by utilizing Suica data |
| Optimization of assets | • Accelerate the real estate rotation business<br>• Optimize Mobility assets<br>• Measures to increase revenue by utilizing the space created through the reduction of ticket offices and gates, etc. under "Suica Renaissance" |

* ROA(R) = ROA of the railway business, with fixed assets of the railway business as the denominator and EBITDA as the numerator

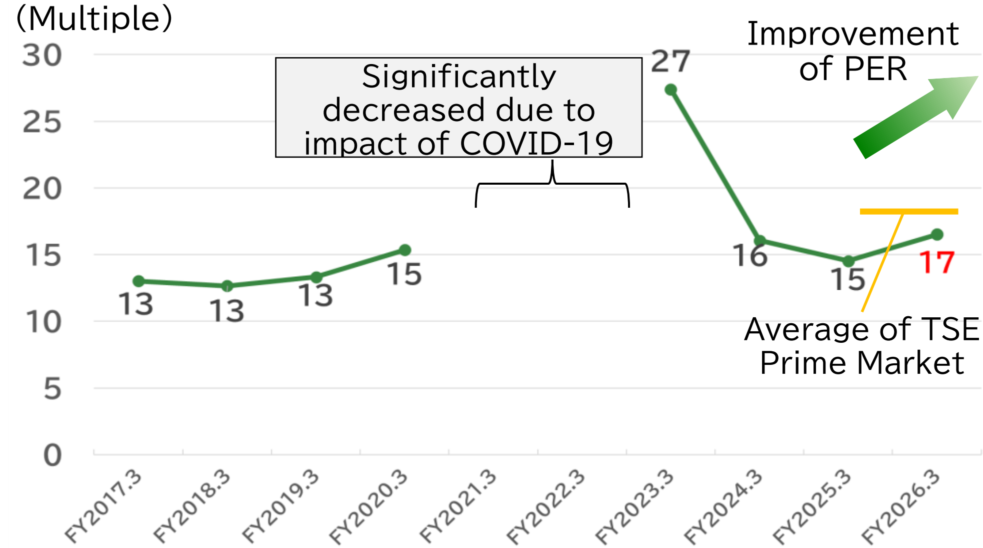
# Current recognition of evaluation from the market

- Due to rising expectations for growth after the announcement of "To the Next Stage" 2034, the PBR remains at the same level as before COVID-19. Going forward, We will strive to continuously improve PBR by realizing the growth stories of "To the Next Stage" 2034.
- As PBR is the product of ROE(i.e., rate of return) multiplied by PER (i.e., expectation for growth), PBR needs to be increased by both improving rate of return and increasing expectation for growth.

## ■ Movements in PBR




## ■ Movements in PER




## ■ Breakdown of PBR

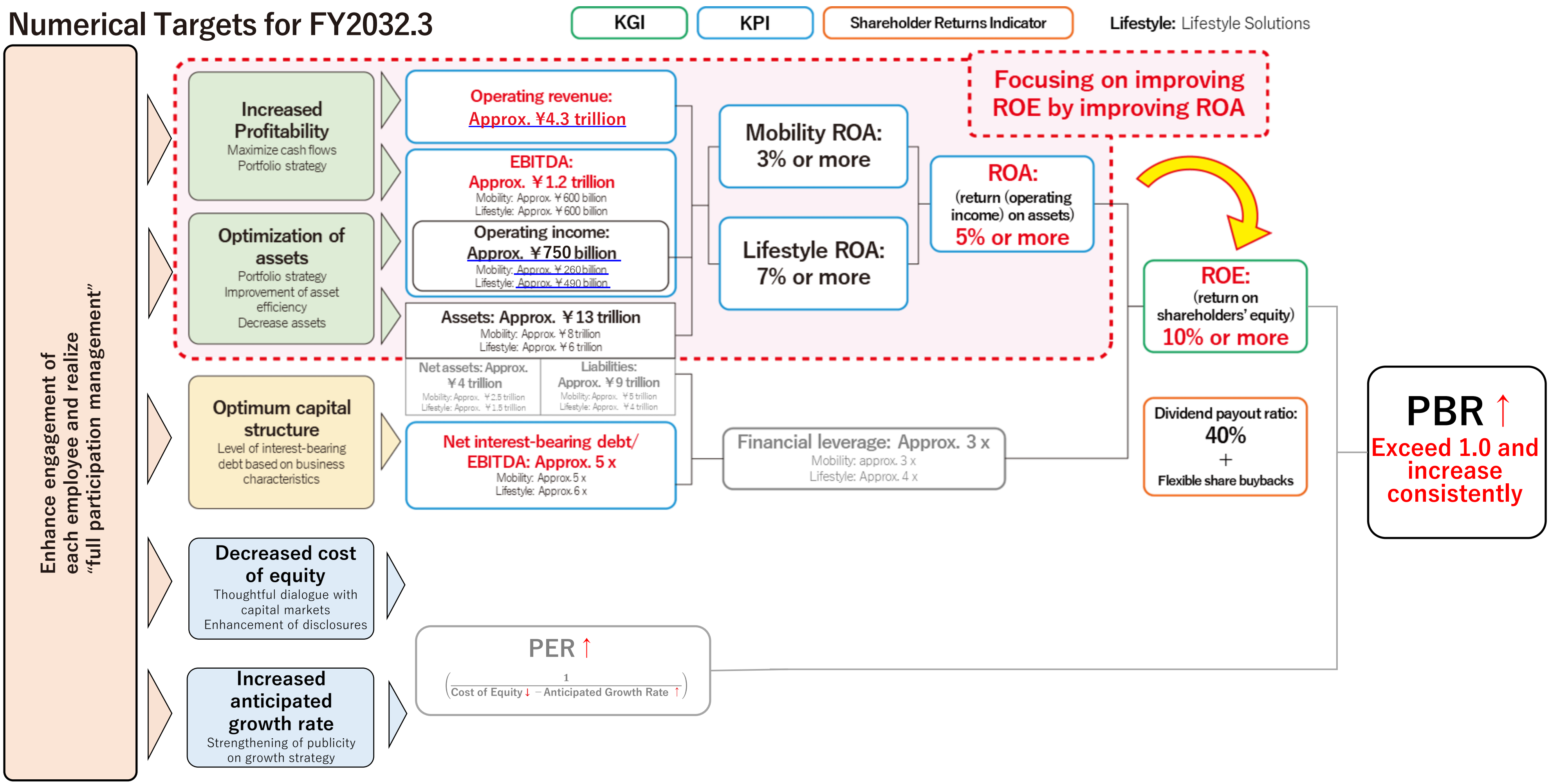
$$\text{PBR (Price-Book Value Ratio)} = \text{ROE (Return on Equity)} \times \text{PER (Price-Earnings Ratio)}$$

$$= \text{ROA} \times \text{Financial Leverage} \times \frac{1}{\text{Cost of Equity} - \text{Anticipated Growth Rate}}$$

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

- The framework of action to implement management that is conscious of cost of capital and stock price is outlined below.
- In light of our Group being in a capital intensive industry as well as our Group's characteristic of engaging in the business of holding assets of a highly public nature, and therefore difficult to dispose, aim to improve ROE and PBR through improvement of ROA.

## Numerical Targets for FY2032.3




Note : KGI = Key Goal Indicator KPI = Key Performance Indicator

# Specific Action to Implement Management that is Conscious of Cost of Capital and Stock Price ①

| Objectives | Specific Action (Underlined part: Main updates from the previous disclosure) |
|---|---|
| **Increased profitability** | ◆ **Maximize cash flows & Portfolio strategy**<br>• Toward the realization of "To the Next Stage" 2034, we will continue to develop the details of our strategies in our dual-axis management of Mobility and Lifestyle Solutions.<br>- In Mobility, aiming to increase operating revenue by more than 300 billion yen in FY2032.3 (compared to FY2025.3), we aim to create customer mobility by improving the level of safe and reliable transportation, increasing capacity through the production of new rolling stock and setting train schedules, and stimulating demand through the creation of destinations based on the idea of multi-dimensional sightseeing and the promotion of living in two regions.<br>- Continue to further promote price strategies that can be implemented through notification and request the government to implement a simple and flexible system, such as notification of express charges for Shinkansen and introduction of a system that can respond to inflation in a timely manner, and to review the total cost method itself.<br>- In Lifestyle Solutions, aiming to achieve the doubling of operating revenue and operating income (compared to FY2024.3) two years ahead of plan, and to increase operating revenue by 150 billion yen and operating income by 100 billion yen in FY2032.3, we will set unit prices and rents based on locational advantages and customer needs while also seeking to create further added value through "railway network-based town development (J-TOD*)," which is also linked to Mobility.<br>* J-TOD=JR East-Transit Oriented Development<br>- In real estate development projects, we will assess profitability while keeping in mind rising construction costs and will work to expand the domain of our real estate business, such as residential development business, and accelerate the real estate rotation business. We aim to generate a cumulative operating income of more than approximately 600 billion yen from real estate sales from FY2026.3 to FY2032.3 and achieve asset management scale of 1.2 trillion yen by FY2032.3 in the real estate fund business.<br>-By evolving Suica into a "device for lifestyle," we will create synergy (lift-up effect) among the Group's services, and, together with the growth of advertising business that utilizes data from Suica and other sources, we will improve the Group's revenue and profits.<br>• In order to achieve an optimal business portfolio that can maximize the Group's synergies, we will assess the capital efficiency of each of our 13 businesses and implement measures while also monitoring their KPIs. In areas where it is difficult to achieve the expected capital efficiency and business synergies are not expected, we will consider withdrawing. |
| **Optimization of assets** | ◆ **Improvement of assets efficiency**<br>• We will work to raise our ROA to 5% or more by FY2032.3 while keeping in mind the returns (yield) on assets currently held and assets that will increase with future investments.<br>• In particular, in the asset-rich railway business, we will strive to maximize cash flow by improving ROA(R). From July 2026, for each of 36 area operation centers, we will set their area management targets in terms of passenger revenues and indicators of sales efficiency (on a trial basis) and will work to continuously generate cash in each area through increased revenue, cost reductions, and improved asset efficiency. |

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

| Objectives | Specific Action (Underlined part: Main updates from the previous disclosure) |
|---|---|
| **Optimization of assets** | **◆ Decrease assets**<br>• From a medium- to long-term perspective, in order to maintain and strengthen stable business relationships and close cooperative relationships, we will strategically hold shares in companies that will contribute to corporate value enhancement of JR East while working to reduce cross-shareholdings by 30% or more through the sale of shares.<br>[Results] End of FY2025.3 Number of stocks: 70 Consolidated balance sheet amount: 249.3 billion yen Consolidated net asset ratio: 8.7%<br>→End of FY2026.3 64 280.0 billion yen 9.2%<br>＊FY2026.3/2H sales results: 4 stocks, 18.5 billion yen |
| **Optimum capital structure** | **◆ Level of interest-bearing debt based on business characteristics**<br>• Real Estate and Hotels is positioned as a “growth business,” which must adapt to changes with speed, and actively utilize interest-bearing debt for the time being. In the medium to long term, we will control the balance between earning power and interest-bearing debt while setting a target net interest-bearing debt/EBITDA ratio of 8 to 10 times, taking into account industry standards.<br>• Mobility is positioned as a “sustainable business,” which requires stability and growth, so we will control the balance between the medium-long term earning power and interest-bearing debt. |
| **Decreased cost of equity** | **◆ Thoughtful dialogue with capital markets**<br>• Continue to actively implement dialogue between the management and shareholders and investors.<br>• We will strive to improve reliability by flexibly revising financial results forecasts and revising KPIs during the period.<br>**◆ Building trust through strengthening group governance**<br>• Based on “sound corporate culture”, “necessary structures and rules”, and “active communication”, we will implement specific measures to improve group governance and build “trust”, which is the foundation of all our businesses.<br>**◆ Enhancement of disclosures**<br>• Continue to review positioning of each disclosure material and enhance disclosure of business information and Sustainability information. |
| **Increased anticipated growth rate** | **◆ Strengthening of publicity on growth strategy**<br>• We will clarify the progress and challenges of the numerical targets set out in “To the Next Stage” 2034 and other plans and update the medium- to long-term targets for each segment and the strategies for each business to achieve these targets.<br>• In order to enhance the opportunities to communicate the future potential of each business of our Group, we will hold an IR day twice a year also in FY2027.3. |

# Second Half of FY2026.3 Results of Dialogue with Shareholders and Investors

＊Underlined part: Main updates from the previous disclosure

## Format of Dialogue

**For institutional investors and analysts**

Financial results briefings,
briefings on specific measures to improve group governance, IR DAY,
1-on-1 meetings(visit overseas investors and domestic investors, individual interviews)

**For individual investors**

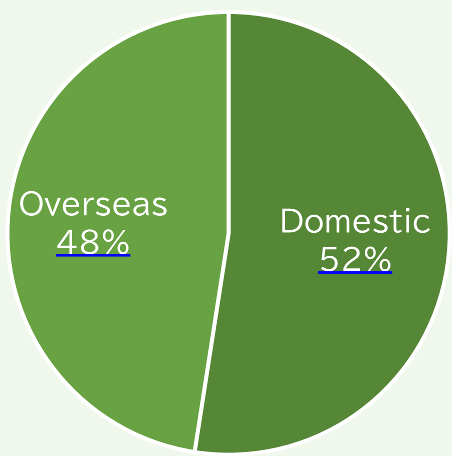
Web briefings, facility tours, exchange of opinions, and exhibition at IR events

## Persons in charge

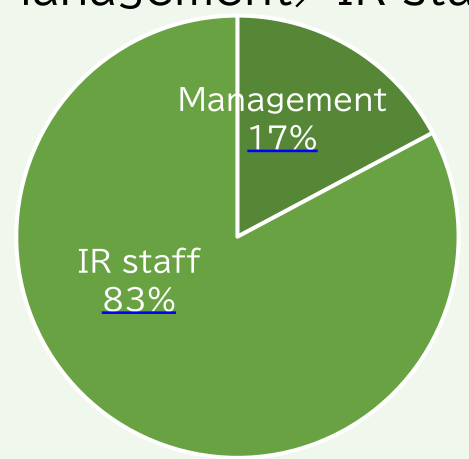
President and CEO, Executive Vice Presidents, Outside Directors, Senior Executive Officers, Executive Officers, Department Directors, Unit Leaders, Managers

Second half of FY2026.3
Institutional investors and analysts
Number of companies attended meetings:
Around 600
(Second half : Around 300)

Domestic／Overseas




Management／IR staff



# Major areas of interest of shareholders and investors

## General Management

- Specific steps to achieve the numerical targets set out in the Group Management Vision “To the Next Stage” 2034
- Impact of rising interest rates on funding and business decision-making

## Mobility

- Causes of a series of transportation troubles and measures to prevent, and specific steps to ensure safe and reliable transportation going forward
- Specific steps to increase top line aimed for under the medium- to long-term growth strategy “PRIDE & INTEGRITY”
- Prospect of cost increase due to inflation and mid-term profit level of railway business
- Sustainable business operations, such efforts to improve productivity, local line operations, and discussion on loan fees of Projected Shinkansen
- Status of revision of fare and charge system, levels of profit and investment after fare revision, and possibility of a second or subsequent fare revision

## Lifestyle solution

- Current status and outlook for price pass-throughs and rent revisions under the inflationary environment
- Leasing status and operating revenue/income forecasts for TAKANAWA GATEWAY CITY and OIMACHI TRACKS
- Prospects for acceleration of real estate rotation business, sustainability of its future pipeline, and the partnership with Itochu Corporation
- Operating revenue/income forecasts achieved through Suica Renaissance, and timeline for implementation and differentiation from competitors

## Capital policy

- Direction of interest-bearing debt levels and optimal capital structure based on business characteristics
- Timeframe for achieving a 40% dividend payout ratio and approach to share buybacks
- Plans for realization of management that is conscious of cost of capital and stock price

## ESG

- Specific measures to improve governance across the JR East Group
- Requests regarding the introduction of stock-based compensation
- Policy for and progress of decreasing cross-shareholdings

※ Q&A summary from financial results briefing etc. is posted on the Company’s website. https://www.jreast.co.jp/en/company/ir/library/guide/

## Feedback to management, the Board of Directors and employees

| Target | Feedback |
|---|---|
| For Board of Directors | Directors in charge periodically provide feedback on dialogue |
| For President and CEO and Directors | Departments in charge of dialogue report on major areas of interest |
| For Each Business Department | Directors in charge provide summary at internal meetings |
| For Employees | The department in charge of dialogue regularly holds briefing sessions on matters of interest. |

## Actions in second half of FY 2026.3

| Theme | Specific action |
|---|---|
| Management that is conscious of the cost of capital and stock price | • Revised forecasts of business results and dividend payments upward for FY2026.3 as part of the FY2026.3 second quarter results reporting.<br>• Discussed updating numerical targets of “To the Next Stage” 2034 |
| Increased profitability<br>Optimization of assets | • In March 2026, fares were revised in Mobility. In lifestyle Solutions we steadily promoted the Greater Shinagawa area development with the grand opening of TAKANAWA GATEWAY CITY and the opening of OIMACHI TRACKS.<br>• Entered into a strategic alliance with Itochu Corporation in the area of real estate business and strengthened the partnership with JAL toward local development<br>• Revised the operations of existing businesses, including the integration of Overseas business and Overseas railway business and the modification of growth strategies in Energy business |
| Increased anticipated growth rate | • Held an IR day twice a year and held business strategy briefings, facility tours, and opinion exchange sessions with outside directors in view of interest in strategies of each business and roles of outside directors<br>• Strengthened information offering, especially on businesses for which more detailed strategies are expected to be developed (e.g., announcement of the second and third Suica Renaissance initiatives “QR Code payment service (teppay)” and “Community Suica” and posting of a video of the joint press conference on the strategic alliance with Itochu Corporation) |
| Decreased cost of equity | • Compiled and announced specific measures to improve group governance and held webinars in response to the high interest in the matter during dialogue |

# Traffic Volume and Passenger Revenues Plans

JR-EAST

| | Traffic Volume (million passenger kilometers) | | | Passenger Revenues (¥ billion) | | | | |
|---|---|---|---|---|---|---|---|---|
| | '25.4-'26.3 Results | **'26.4-'27.3 Plans** | Changes % | '25.4-'26.3 Results | **'26.4-'27.3 Plans** | Changes Increase /Decrease | Changes % | Main factors behind changes |
| Shinkansen | **23,735** | **23,427** | **98.7** | **617.4** | **623.4** | **+5.9** | **101.0** | |
| Commuter Passes | 1,885 | 1,849 | 98.1 | 25.4 | 26.4 | +0.9 | 103.8 | |
| Non-commuter Passes | 21,850 | 21,577 | 98.8 | 592.0 | 597.0 | +4.9 | 100.8 | ・Fare revision: +6.0<br>・Increase in railway transportation (including inbound tourism): +4.5<br>・In reaction to the impact of a natural disaster: -3.0<br>・Weekdays/Holidays gap: -2.5 |
| Conventional Lines | **104,527** | **102,897** | **98.4** | **1,231.0** | **1,320.6** | **+89.5** | **107.3** | |
| Commuter Passes | 63,289 | 61,833 | 97.7 | 412.3 | 442.6 | +30.2 | 107.3 | |
| Non-commuter Passes | 41,238 | 41,064 | 99.6 | 818.7 | 878.0 | +59.2 | 107.2 | ・Fare revision: +42.0<br>・Increase in railway transportation (including inbound tourism): +19.5<br>・In reaction to the impact of a natural disaster: -1.5<br>・Weekdays/Holidays gap: -1.0 |
| Total | **128,263** | **126,324** | **98.5** | **1,848.5** | **1,944.0** | **+95.4** | **105.2** | |
| Commuter Passes | 65,174 | 63,682 | 97.7 | 437.7 | 469.0 | +31.2 | 107.1 | ・Fare revision: +31.5 |
| Non-commuter Passes | 63,088 | 62,642 | 99.3 | 1,410.7 | 1,475.0 | +64.2 | 104.6 | |

## [Reference] Expected impact of fare revision (implemented on March 14, 2026)

● **Overall** — **Revision rate: 7.1%, Revenue increase rate: 5.0%**

* Revenue increase rate: Actual revenue increase forecast based on the revision rate, taking into account the decrease usage due to fare revision (not including the impact of off-peak commuter passes and the certain specific sections unaffected by the revisions).

* The fare categories of former “specified train service area” and former “inside the Yamanote loop” were integrated into “trunk lines.”

● Commuter passes — Revision rate: 11.0%, Revenue increase rate: 8.7% (total for commuter and school commuter passes)

● Non-commuter passes — Fares: Revision rate: 7.8%, Revenue increase rate: 5.7%    Charges: No revision, Revenue increase rate: -1.2%

## [Reference] Impact of revising the method of railway usage (traffic volume, etc.)

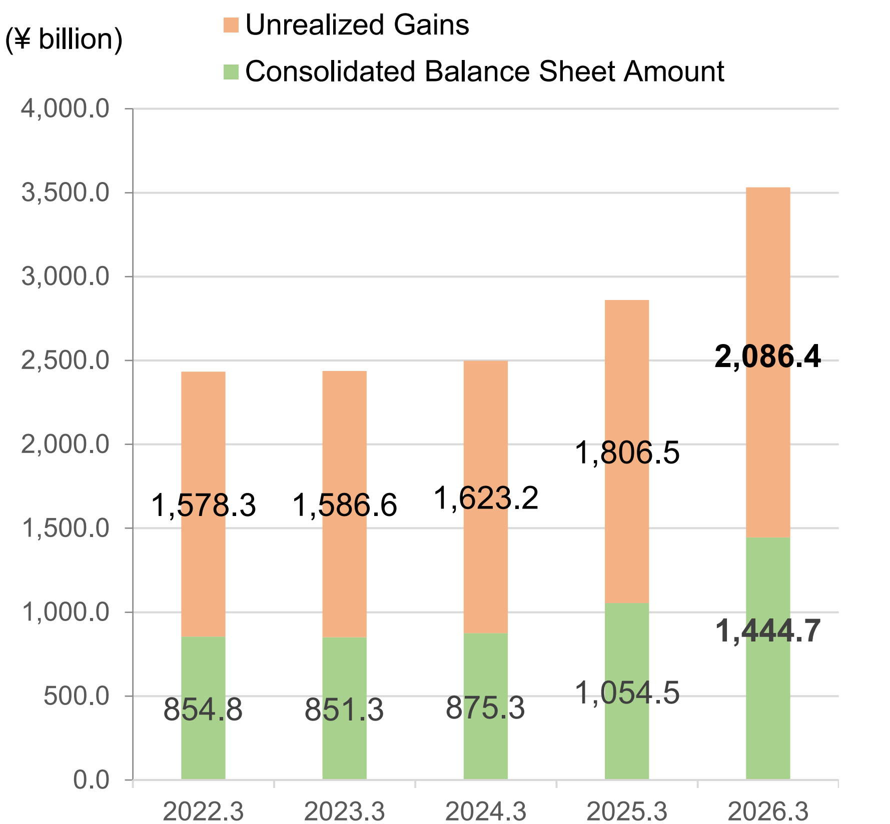
To provide more accurate figures reflecting actual railway usage (traffic volume), we will revise the calculation method starting from FY2027.3.
**The results for FY2026.3 are calculated using the pre-revision method**, while **the plans for FY2027.3 are calculated using the post-revision method.**
See the press release for details: https://www.jreast.co.jp/e/press/pdf/20260427ho1.pdf

# Operating Expenses Plans (non-consolidated)

| (¥ billion) | | | '25.4-'26.3 (Results) | **'26.4-'27.3 (Plans)** | Changes | | Major factors behind changes |
|---|---|---|---|---|---|---|---|
| | | | | | Increase /Decrease | % | |
| Operating expenses | | | 1,923.7 | **2,012.0** | +88.2 | 104.6 | |
| | Personnel expenses | | 432.1 | **469.0** | +36.8 | 108.5 | ･Change in personnel and wage systems |
| | Non-personnel expenses | | 937.0 | **980.0** | +42.9 | 104.6 | |
| | | Energy | 84.2 | **96.0** | +11.7 | 114.0 | ･Increase in fuel prices |
| | | Maintenance | 332.6 | **362.0** | +29.3 | 108.8 | ･Recovery from the impact of the COVID-19 period |
| | | Other | 520.1 | **522.0** | +1.8 | 100.4 | |
| | Usage fees to JRTT, etc | | 80.0 | **78.0** | -2.0 | 97.5 | |
| | Taxes | | 124.1 | **120.0** | -4.1 | 96.6 | |
| | Depreciation | | 350.3 | **365.0** | +14.6 | 104.2 | ･Increase in fixed assets |

# Changes in Unrealized Gains on Rental Properties and Cross-shareholdings

## ■ Unrealized gains on rental properties




* Preliminary figures

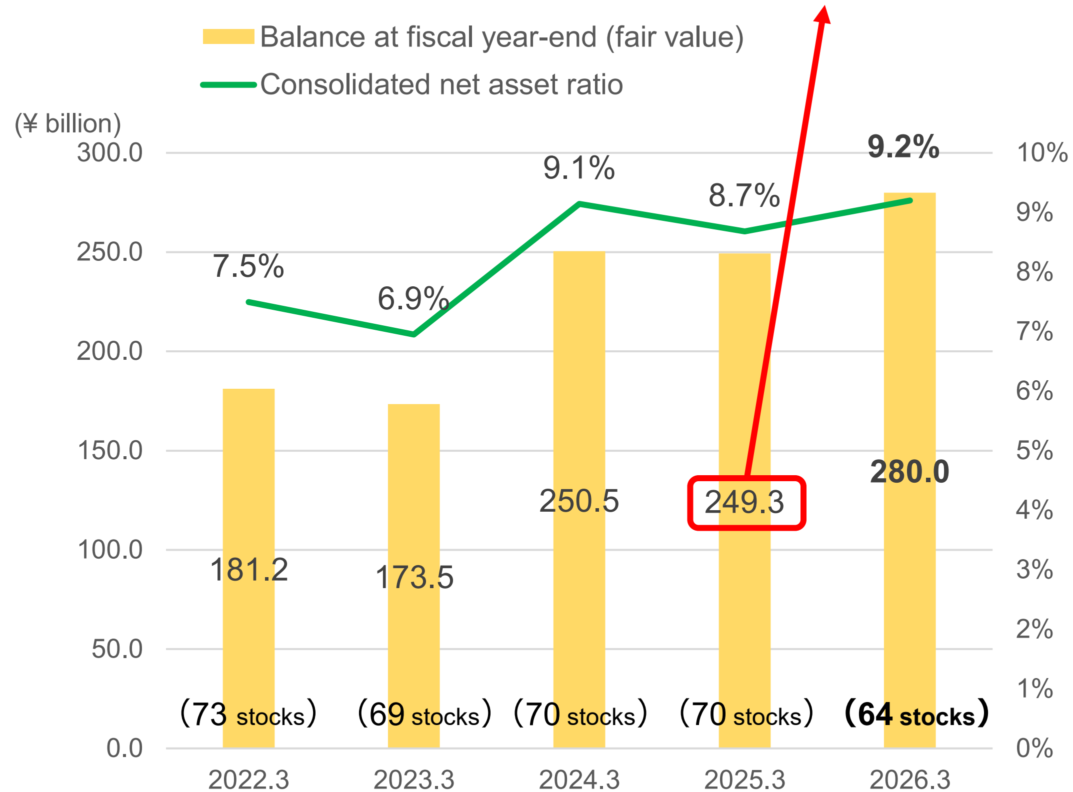
Major factors behind changes for FY2026.3

[＋]TAKANAWA GATEWAY CITY, OIMACHI TRACKS, and increases in appraisal value of existing properties

[−]Reclassification to current assets (real estate for sale) to promote the real estate rotation business

## ■ Cross-shareholdings

⇒Reduce the balance by 30% or more by the end of FY2032.3 (compared to the end of FY2025.3)




| | | | | |
|---|---|---|---|---|
| Number of stocks sold (including partial sales) | 4 | 2 | 7 | **9** |
| Sale amount (¥ billion) | 17.0 | 5.7 | 20.9 | **46.2** |

Project costs below are those incurred at the JR East Group mainly as per our annual securities report.
Any information about future projects are plans as of the date of this document.

# Major Capital Expenditures in Mobility

## ■ Raise the level for safety and stable transportation

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

## ■ Expand transportation services

| Name | Fiscal year | Detail | Estimated investment amount |
|---|---|---|---|
| Fukushima Station approach line expansion construction | Scheduled to start operation at the end of FY2027.3 | At Fukushima Station on the Tohoku Shinkansen, proceed expansion construction on an additional approach line that will connect the Yamagata Shinkansen (inbound) to the Tohoku Shinkansen (inbound) via a multi-level crossing.<br>Eliminate the current situation where the Yamagata Shinkansen and Tohoku Shinkansen cross each other at ground level, and improve transportation stability | Approx. 13.0 billion yen |
| Haneda Airport Access Line (tentative name) | Scheduled to open in FY2032.3 | Develop the "East Yamate Route" and the "Access New Line" by effectively utilizing existing assets to realize direct access to Haneda Airport from multiple directions | Approx. 280.0 billion yen * |

*The approximate construction cost includes the construction cost of the tunnel itself related to JR East (About 70.0 billion yen) among the national airport development projects.

## ■ Address labor shortage and promote work-style reform

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

Project costs below are those incurred at the JR East Group mainly as per our annual securities report.
Any information about future projects are plans as of the date of this document.

# Future Major Development Projects for Lifestyle Solution

## ■ Greater Shinagawa Area

| Name | Fiscal year | Total floor area | Use | Assumed investment amount | Return |
|---|---|---|---|---|---|
| TAKANAWA GATEWAY CITY | Opened on March 27, 2025: THE LINKPILLAR 1<br>Grand opening on March 28, 2026: THE LINKPILLAR 2, MoN Tankanawa, TAKANAWA GATEWAY CITY RESIDENCE | THE LINKPILLAR 1: About 460,000 $m^2$<br>THE LINKPILLAR 2: About 208,000 $m^2$<br>MoN Takanawa: About 29,000$m^2$<br>TAKANAWA GATEWAY CITY RESIDENCE : About 148,000 $m^2$ | Office, residential, retail, hotel, etc. | About 610.0 billion yen | **Aim to generate over 100.0 billion yen in annual operating revenues by the mid-2030s** |
| OIMACHI TRACKS | City opening: March 28, 2026 | A1 area: About 250,000 $m^2$<br>A2 area: About 9,100 $m^2$ | Office, hotel, retail, residential, etc. | About 120.0 billion yen | |
| Development Project around Hamamatsucho Station West Gate Area *1 | Commencement of shared use: March 2027<br>Completion: FY2030.3 | About 301,000 $m^2$ | Office, retail, hotel, etc. | Not disclosed | |
| Development Project around Tamachi Station West Gate Area *2 | Building Completion and commencement of shared use: March 2029<br>Overall completion: FY2034.3 | About 98,600 $m^2$ | Office, retail, parking, etc. | | |
| BLUE FRONT SHIBAURA *3 | Completion<br>S Building : February 2025<br>N Building : FY2031.3 | About 550,000 $m^2$ | Office, retail, hotel, residential, etc. | | |
| Institute of Science Tokyo Tamachi Campus Land Utilization Project *4 | Commencement of shared use: June 2030<br>Grand opening: April 2032 | About 250,000 $m^2$ | Office, retail, hotel, etc. | | |
| Shinagawa Station District Development Project (North Block) *5 | Construction period:<br>the mid-2030s | About 165,000 $m^2$ | Office, retail, station facility, etc. | | |
| Improvement around Shinagawa station North Gate and maintenance of station building | Completion: FY2031.3 | About 51,500 $m^2$ | Station facility, retail, office, etc. | About 160.0 billion yen *6 | |

*1 Joint venture with World Trade Center Building, Inc. and two other companies
*2 Joint venture with Mitsui Fudosan Co., Ltd. and one other company
*3 Joint venture with Nomura Real Estate Development Co., Ltd.
*4 Joint venture with NTT Urban Development Corporation and two other companies
*5 Business entity of south city block: Keikyu Co., Ltd
*6 Including construction grants

Project costs below are those incurred at the JR East Group mainly as per our annual securities report.
Any information about future projects are plans as of the date of this document.

# Future Major Development Projects for Lifestyle Solution

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

| Name | Fiscal Year | Total floor area | Use | Assumed investment amount | Return |
|---|---|---|---|---|---|
| Shibuya Scramble Square Central and West Building *1 | Completion: FY2032.3 | About 95,000 $m^2$ | Retail, station facility, etc. | Not disclosed | Not disclosed |
| Shinjuku Station Southwest Exit Area *2 | Under review | South City Block: About 150,000 $m^2$<br>North City Block: About 141,500 $m^2$ | Retail, office, hotel, etc. | | |

*1 Joint venture with Tokyu Corporation and one other company

*2 Joint venture with Keio Corporation and other companies

・Ikebukuro, Yokohama, Omiya, Chiba, etc. **=> We will provide specific details in the medium to long term.**

## ■ Company-owned land development

| Name | Fiscal Year | Site area | Use | Assumed investment amount | Return |
|---|---|---|---|---|---|
| JR Funabashi Ichiba-cho Company Housing Site Development Plan (tentative name) *3 | Completion: December 2028 | About 45,400 $m^2$ | Residential, retail, renewable energy power generation facility, etc. | Not disclosed | Revenue projection as JR East Group (by housing sale): About 42.0 billion yen |

*3 Joint venture with Tokyu Fudosan Holdings Corporation

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

# Change in Capital Expenditures (consolidated)

JR-EAST

| (¥ billion) | | | '20.4-'21.3 (Results) | '21.4-'22.3 (Results) | '22.4-'23.3 (Results) | '23.4-'24.3 (Results) | '24.4-'25.3 (Results) |
|---|---|---|---|---|---|---|---|
| | Mobility | Growth investment | 79.0 | 57.2 | 74.1 | 88.0 | 86.9 |
| | | Investment needed for the continuous operation of business | 309.9 | 251.3 | 279.4 | 301.4 | 312.0 |
| | | Priority budget allocation (Investment in innovation, etc.) | 62.6 | 44.0 | 19.4 | 47.1 | 31.3 |
| | | **Total** | **451.6** | **352.6** | **373.0** | **436.6** | **430.2** |
| | Lifestyle solutions | Growth investment | 212.4 | 147.9 | 147.7 | 207.4 | 319.9 |
| | | Investment needed for the continuous operation of business | 26.3 | 18.3 | 31.5 | 65.9 | 69.3 |
| | | Priority budget allocation (Investment in innovation, etc.) | 1.8 | 1.0 | 2.3 | 3.6 | 6.5 |
| | | **Total** | **240.6** | **167.3** | **181.6** | **277.0** | **395.6** |
| | | Growth investment | 291.4 | 205.1 | 221.9 | 295.4 | 406.8 |
| | | Investment needed for the continuous operation of business | 336.3 | 269.6 | 311.0 | 367.4 | 381.3 |
| | | (Depreciation) | 388.8 | 392.6 | 389.8 | 392.1 | 406.2 |
| | | Priority budget allocation (Investment in innovation, etc.) | 64.4 | 45.1 | 21.7 | 50.8 | 37.8 |
| | | **Total** | **692.2** | **520.0** | **554.7** | **713.7** | **825.8** |

* For the FY 2021.3, the investment amounts before the change in the business segment classification of JR East's advertising and publicity have been presented.

| (¥ billion) | | '25.4-'26.3 (Results) | **'26.4-'27.3 (Plans)** |
|---|---|---|---|
| Mobility | Growth investment | 99.0 | 102.0 |
| | Foundation maintenance and enhancement capital (including local development) | 324.8 | 347.0 |
| | **Total** | **423.9** | **449.0** |
| Lifestyle solutions | Growth investment | 471.7 | 326.0 |
| | Foundation maintenance and enhancement capital (including local development) | 53.4 | 74.0 |
| | **Total** | **525.1** | **400.0** |
| | Growth investment | 570.8 | 428.0 |
| | Foundation maintenance and enhancement capital (including local development) | 378.2 | 421.0 |
| | (Depreciation) | 428.7 | 458.0 |
| "LX" capital | | – | 1.0 |
| **Total** | | **949.1** | **850.0** |

* Excluding capital investment and R&D expenses.

# Change in Interest-bearing Debt Balance (consolidated)

JR-EAST

| (¥ billion) | As of '21.3 (Results) | As of '22.3 (Results) | As of '23.3 (Results) | As of '24.3 (Results) | As of '25.3 (Results) | As of '26.3 (Results) | As of '26.3 Average term to maturity |
|---|---|---|---|---|---|---|---|
| Bonds | 2,020.3 (1.32%) | 2,542.6 (1.14%) | 2,975.8 (1.13%) | 3,114.9 (1.24%) | 3,246.3 (1.35%) | 3,379.6 (1.51%) | 14.96 |
| *(Foreign Bonds ratio)* | *11.8%* | *17.4%* | *27.0%* | *32.4%* | *38.1%* | *39.8%* | |
| Long-term loans | 1,291.8 (0.89%) | 1,451.4 (0.82%) | 1,483.9 (0.84%) | 1,442.2 (0.87%) | 1,401.7 (0.97%) | 1,479.8 (1.21%) | 5.31 |
| Long-term liabilities incurred for purchase of railway facilities | 323.0 (6.53%) | 318.8 (6.54%) | 315.0 (6.54%) | 311.0 (6.55%) | 306.7 (6.55%) | 302.1 (6.55%) | 16.19 |
| Other interest-bearing debt | 715.0 (0.11%) | 390.7 (-0.00%) | — | 0.0 (7.93%) | 0.4 (3.74%) | 0.6 (1.98%) | 0.07 |
| Total | **4,350.2 (1.38%)** | **4,703.7 (1.31%)** | **4,774.8 (1.40%)** | **4,868.2 (1.47%)** | **4,955.3 (1.57%)** | **5,162.2 (1.72%)** | **12.27** |
| Net interest-bearing debt | 4,152.2 | 4,532.7 | 4,559.8 | 4,587.4 | 4,721.8 | 4,900.1 | — |

Top : Balance
Bottom : Average interest rate

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

# Fund-Raising

## ■ Policy

- In order to cope with rising interest rates, we will achieve stability and control of interest payments through diversification of measures, flexible responses, and the use of medium-term maturities.
- Accelerate growth and financial integrity by controlling interest-bearing debt in line with earning power. (Sustainably reduce net interest-bearing debt/EBITDA)
- Continue sustainability finance to help realize a sustainable society.

## ■ Fund-Raising Situation

- Long-term fund-raising (bonds, borrowing) : Totaled 581.6 billion yen (2025.4 -2026.3).
(Including 235.7 billion yen of Sustainability Finance)

## ■ Issuance facility and contract value (1,120.0 billion yen)

CP 700.0 billion yen, Special bank overdraft facilities 300.0 billion yen,

Commitment lines 60.0 billion yen, General bank overdraft facilities 60.0 billion yen.

## ■ Credit ratings

- Long-term credit ratings

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

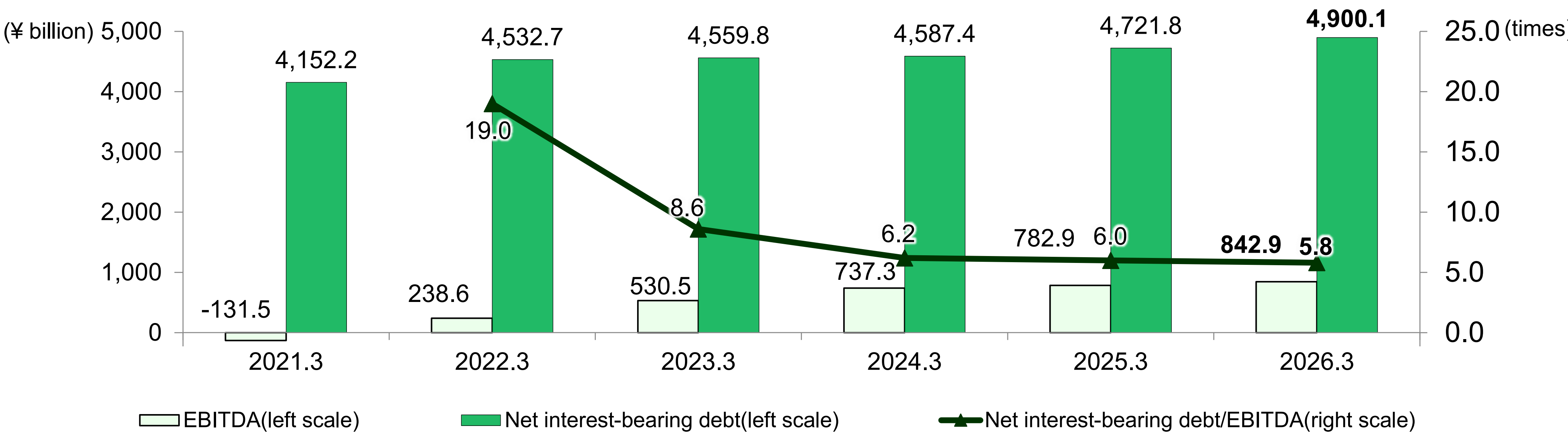
- Short-term credit ratings

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

# Key Financial Indicators

- We aim for the net interest-bearing debt to EBITDA ratio to approx. 5 times in FY2032.3
- Interest expenses are expected to increase on the back of the recent rises in interest rates
  ⇒Control interest expenses to minimize their impact on financial indicators

## ■ Trend in Net Interest-bearing Debt / EBITDA




[Notes] 1. EBITDA = Consolidated operating income + Consolidated depreciation expense
2. Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
3. Net Interest-bearing debt / EBITDA in FY2021.3 is not stated because it was negative.

## ■ Trend in Interest Coverage Ratio and Debt to Equity Ratio

(times)

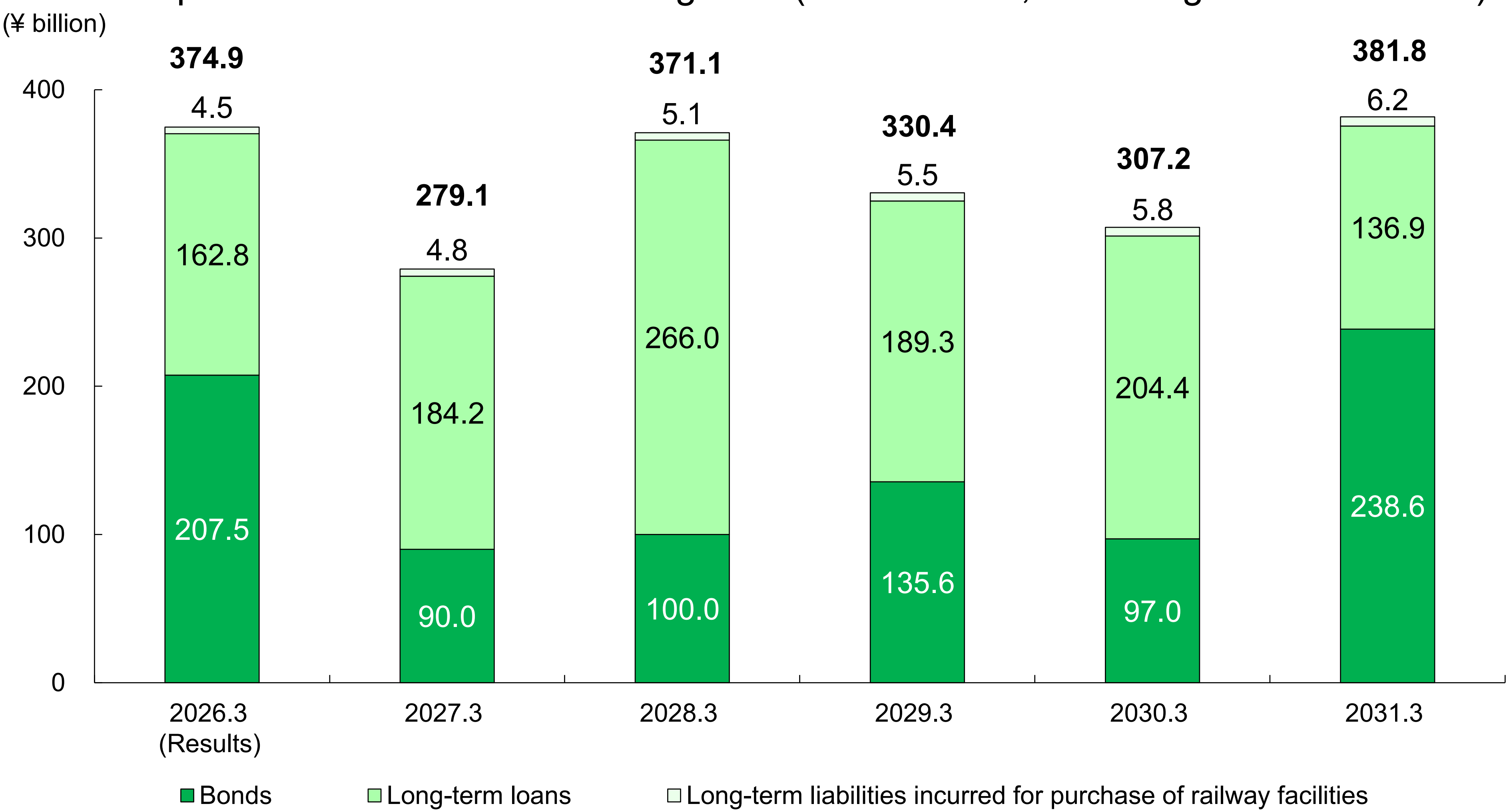
| | 2021.3 | 2022.3 | 2023.3 | 2024.3 | 2025.3 | **2026.3** |
|---|---|---|---|---|---|---|
| Interest Coverage Ratio | — | 3.1 | 9.4 | 10.2 | 10.1 | **9.6** |
| Debt to Equity Ratio | 1.7 | 2.0 | 1.9 | 1.8 | 1.7 | **1.7** |

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

# Interest-bearing Debt Breakdown and Maturity Outlook

・ Future refinancing risks are reduced by leveling out interest-bearing debt redemption amounts each fiscal year.

## ■ Redemption ladder of interest-bearing debt (consolidated, excluding short-term debt)




[Notes]
1) Outlook as of April 30, 2026 (based on existing debt)
2) Bond redemptions are at face value

# Initiatives, Certifications

## [Initiatives]

■ SDGs

■ Carbon Disclosure Project

■ UN Global Compact

Since 2024, JR East Group has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, environment and anti-corruption.

■ TCFD

■ GX League

■ TNFD

## [Certifications]

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

■ KENKO Investment for Health 2026 (Large Enterprise Category)

■ Sports Yell Company 2026

■ Food Education Excellence Corporation 2026

JR East Website, Shareholder & Investor Relations (IR)
https://www.jreast.co.jp/en/company/ir/

**Forward-Looking Statements**
Statements contained in this report with respect to JR East Group's plans, strategies and beliefs that are not historical facts are forward-looking statements about the future performance of JR East Group, which are based on management's assumptions and beliefs in light of the information currently available to it. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause JR East Group's actual results, performance or achievements to differ materially from the expectations expressed herein.
These factors include, without limitation,
(i) JR East Group's ability to successfully maintain or increase current passenger levels on railway services,
(ii) JR East Group's ability to expand "Business Connected to Life-style Solutions,"
(iii) JR East Group's ability to improve the profitability of each business operation, and
(iv) general changes in economic conditions and laws, regulations and government policies in Japan.