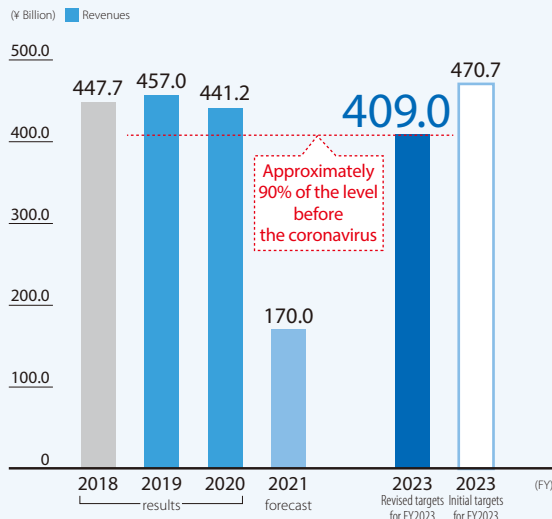


Strategies and numerical targets in each business

Shinkansen

Wide-area railway network axis
Enhancing through focused allocation of management resources



Main initiatives

Safe, reliable transportation

• Introducing new rolling stock

- Direct operation Tokaido/Sanyo Shinkansen
- Completing standardization on the N700A model (FY2020)
- Adding 2 sets of N700S railcars (FY2021)

• Introducing equipment for detecting abnormalities in bogies

- Planning installation of a total of 10 units by FY2021

Enhancing transportation services

• Increasing convenience for customers

- Hokuriku Shinkansen e-ticket service (March 2020-)
- Expanding EX service to the Kyushu Shinkansen (Spring 2022)
- Establishment of space for storage of large pieces of baggage (May 2020-)

• Next medium-term management plan

- Adding 2 sets of N700S railcars (planned)

Fostering tourism demand

• Setouchi Palette Project

- Setouchi Hiroshima destination campaign (October to December, 2020)

• Communicating appeal through MaaS app

- Rolling out setowa, WESTER

• “Dokodemo Doa de Doko Ikou” campaign (October 2020 to January 2021)

Securing business continuity

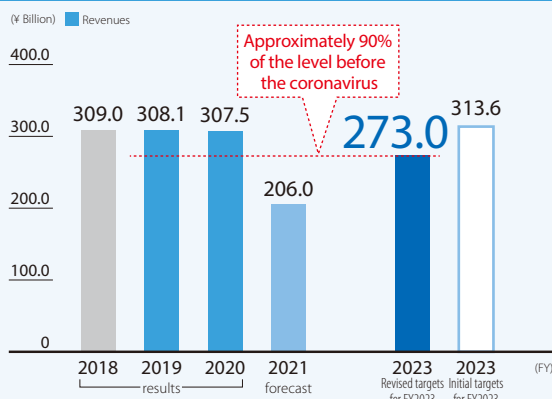
• Renovation of Depot (Hakata)

Maximizing the Tsuruga extension effect for the Hokuriku Shinkansen

Conventional lines

(Kansai Urban Area)

Advancing “city development starting from stations,” beginning with Osaka Station, our largest terminal station, while addressing changes in the operating environment, thereby contributing to the development of the Kansai Area



Main initiatives

Increasing the value of railway belts

• Implementing Groupwide initiatives to develop areas along railway lines

- “City development starting from stations,” beginning with Osaka Station

• Umekita (Osaka) underground station (Spring 2023)

• Naniwasuji Line (Spring 2031)

Increasing the quality of transportation services

• ICOCA point service (October 2018-)

- “Raku-Raku Harima” & “A Seats” (March 2019-)

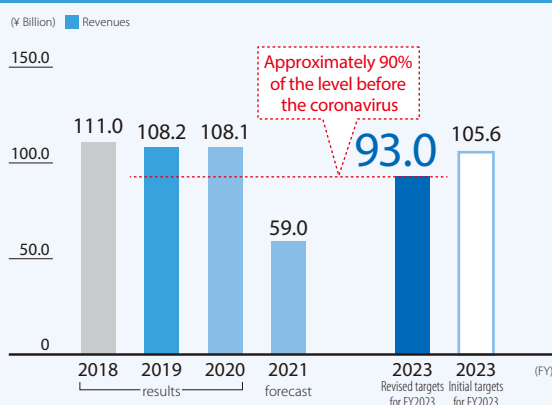
Securing business continuity

• Renovation of Depot (Suita)

Conventional lines

(Other West Japan Area)

Creating appeal to capture tourist demand in the western Japan area, in an integrated manner across the railway and non-railway businesses



Main initiatives

Invigorating communities, centered on tourism

• Setouchi Palette Project

- Setouchi Hiroshima destination campaign (October to December, 2020)

• Operation of WEST EXPRESS Ginga (September 2020-)

Implementing city development, centered on core cities

• Hiroshima, Okayama, Toyama, etc.

Increasing productivity

• Maintenance system change

• Expanding IC card area

• Wireless ATC (Wakayama Line 2023)

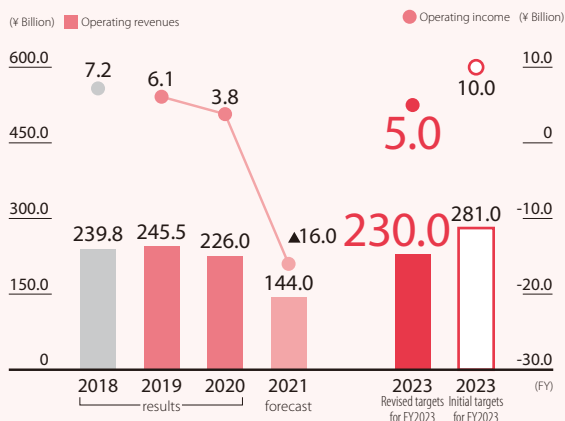
Realizing sustainable transportation services

• Considering conversion to LRT for Kibi Line

• Considering conversion to LRT for Johana Line and Himi Line

Retail Business

Aiming to enhance Groupwide asset efficiency by expanding store launches, focused on sale of goods, and streamlining operations in existing business formats.



Main initiatives

Sales of goods and food services

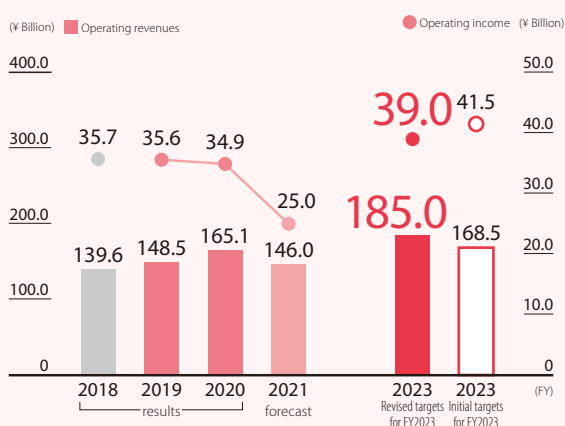
- Revising store product policy/merchandising
- Strengthening competitiveness through collaboration with external partners
- Development of areas surrounding stations
- Structural reform of the VIA-INN business (Thoroughly reevaluating operating systems/costs, etc.)

Department stores

- Maximizing effect of remodeling JR Kyoto Isetan, B1 F and 2nd to 5th floors
- New structural reform remodeling and low cost operations

Real Estate Business

Promoting “city development starting from stations” by developing stations and proactively increasing investment



Main initiatives

Real estate lease and sale

- Advancing city development starting from stations (strategic station development)
- Implementing sustainable city development initiatives by diversifying business schemes and participating in collaborative ventures and redevelopment projects
- Services that flexibly utilize existing assets (shared offices, etc.)

Shopping centers

- New market/business format development with consideration for changes in values and purchasing behavior
- Enhancing coexistence with local communities through focused allocation of management resources to core projects (Osaka west gate, Hiroshima, Toyama, etc.)

Other Businesses

Hotel

- Implementing focused allocation of management resources to core projects
- Reevaluating product development, operational methods, cost structure in line with new needs

Nippon Travel Agency

- Addressing digitalization (Increasing administrative efficiency by strengthening online sales, optimizing store network, implementing online customer contact, etc.)
- Strengthening new initiatives, such as in the field of regional development, and fostering demand