FY25.3
Annual Investors Meeting

MAY 12, 2025

KYUSHU RAILWAY COMPANY

- I am Yoji Furumiya, the president of JR Kyushu. I would like to thank everyone for taking the time to join us.
- Today, I will explain financial results and year-end dividend for FY25.3, Medium-Term Business Plan 2022–2024 in review, and full-year performance and shareholder returns for FY26.3, status of segments, and Medium-Term Business Plan 2025–2027 and current-term initiatives.
- I will start by explaining financial results and year-end dividend for FY25.3. Please turn to slide 4.

Contents

Ⅰ Financial Results and Year-end Divided for FY25.3

Consolidated Financial Highlights for FY25.3

(¥bil)

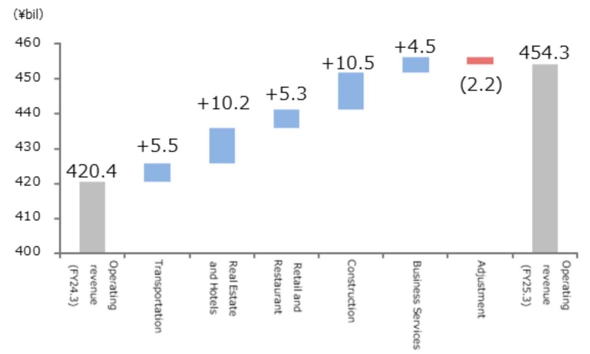
	Results FY24.3	Results FY25.3	YoY	
Operating revenue	420.4	454.3	33.9	108.1%
Operating income	47.0	58.9	11.8	125.2%
Ordinary income	48.9	59.5	10.6	121.7%
Extraordinary gains and losses	(0.5)	(3.3)	(2.7)	-
Net income attributable to owners of the parent	38.4	43.6	5.2	113.6%
EBITDA※	80.0	95.9	15.8	119.8%

※Note: EBITDA = operating income + depreciation expense (excluding depreciation of leased assets held for subleasing purposes). The same applies hereafter

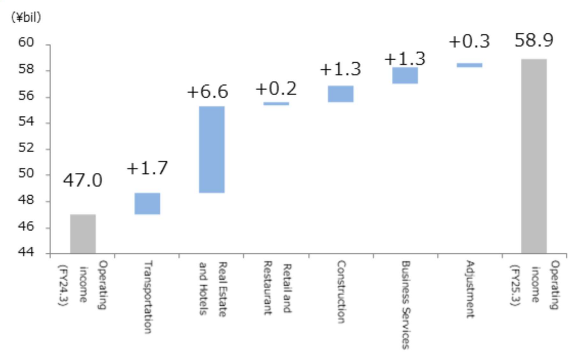
Key points

- Owing to such factors as a rebound in railway transportation revenues and favorable performance trends at hotels and other existing properties, consolidated operating revenue, operating income, ordinary income, and net income attributable to owners of the parent increased year on year.
- We expect to pay a FY25.3 dividend of ¥98.0 per share (¥51.5 for a Year-end dividend).

Change in operating revenue by segment



Change in operating income by segment



- Let me explain our consolidated financial highlights for FY25.3.
- Operating revenue increased by ¥33.9 billion year on year, to ¥454.3 billion, driven by recovering demand in the railway business and other segments.
- Operating income rose by ¥11.8 billion year on year, to ¥58.9 billion, supported by the increase in operating revenue. EBITDA grew by ¥15.8 billion year on year, to ¥95.9 billion.
- Net income attributable to owners of the parent increased by ¥5.2 billion year on year, to ¥43.6 billion. This increase reflects higher operating income, despite the absence of the gain on the sale of Drug Eleven shares recorded in the previous fiscal year.
- Based on these results, we plan to pay a year-end dividend of ¥51.50 per share. Together with the interim dividend, this brings the total annual dividend to ¥98 per share.
- Next, I will review Medium-Term Business Plan 2022–2024. Please turn to slide 9.

Consolidated Balance Sheet and Cash Flow Statement

(¥bil)

	Results FY24.3	Results FY25.3	YoY	Major factors
Assets	1,089.1	1,140.5	51.3	
Current assets	221.5	214.1	(7.3)	Decrease in accounts receivable-trade
Non-current assets	867.6	926.3	58.7	Increase in property, plant and equipment
Fixed assets for railway business	149.8	164.7	14.9	
Liabilities	646.8	681.8	35.0	
Current liabilities	224.2	212.7	(11.5)	Decrease in commercial papers
Non-current liabilities	422.6	469.1	46.5	Increase in corporate bonds and Lomg-term loans
Net assets	442.2	458.6	16.3	
Interest-bearing debt	400.3	423.3	23.0	
Equity ratio	40.5%	40.0%		

(¥bil)

	Results FY24.3	Results FY25.3	YoY	Major factors
Cash flows from operating activities	89.0	96.6	7.6	
Depreciation expense	34.9	38.4	3.4	
Cash flows from investing activities	(111.8)	(107.4)	4.4	Decrease in expenditures for non-current assets
Free cash flow	(22.8)	(10.7)	12.1	
Cash flows from financing activities	32.2	(6.9)	(39.1)	Decrease due to redemption of commercial papers
Cash and cash equivalents	61.9	45.7	(16.1)	

Consolidated Results for FY25.3 (by Segment)

(¥bil)

	Results FY24.3	Results FY25.3	YoY		Major factors
Operating revenue	420.4	454.3	33.9	108.1%	
Transportation	163.7	169.3	5.5	103.4%	
Railway Business (non-consolidated)	160.4	167.0	6.5	104.1%	Increase due to moderate recovery in demand
Real Estate and Hotels	133.1	143.4	10.2	107.7%	
Real Estate Lease	70.7	78.2	7.5	110.6%	Increase in revenues from leases due to recovery in demand
Real Estate Sales	37.1	32.8	(4.2)	88.6%	Decrease in the sale of properties
Hotel Business	25.2	32.2	6.9	127.6%	Increase due to recovery in demand
Retail and Restaurant	61.7	67.0	5.3	108.6%	Increase due to recovery in demand
Construction	90.0	100.6	10.5	111.7%	
Business Services	77.9	82.5	4.5	105.9%	
Operating income	47.0	58.9	11.8	125.2%	
Transportation	10.3	12.1	1.7	117.2%	
Railway Business (non-consolidated)	10.5	13.4	2.8	127.0%	
Real Estate and Hotels	24.8	31.4	6.6	126.9%	
Real Estate Lease	15.8	18.2	2.3	114.7%	
Real Estate Sales	5.2	6.4	1.2	123.3%	
Hotel Business	3.6	6.8	3.1	185.0%	
Retail and Restaurant	3.2	3.4	0.2	108.6%	
Construction	5.9	7.3	1.3	123.3%	
Business Services	3.8	5.2	1.3	135.7%	
EBITDA	80.0	95.9	15.8	119.8%	
Transportation	22.3	25.3	3.0	113.6%	
Railway Business (non-consolidated)	22.1	26.2	4.0	118.4%	
Real Estate and Hotels	40.8	49.6	8.7	121.5%	
Real Estate Lease	29.0	32.8	3.7	113.0%	
Real Estate Sales	5.2	6.4	1.2	123.0%	
Hotel Business	6.4	10.2	3.7	158.2%	
Retail and Restaurant	4.5	4.9	0.4	110.2%	
Construction	7.0	8.6	1.6	122.9%	
Business Services	6.8	8.5	1.6	123.6%	

Non-consolidated Results for FY25.3

(¥bil)

	Results FY24.3	Results FY25.3	YoY		Major Factors
Operating revenue	234.3	240.8	6.5	102.8%	
Railway transportation revenues	145.0	151.2	6.1	104.2%	Increase due to moderate recovery in demand
Shinkansen	57.5	60.5	2.9	105.2%	
Conventional Lines	87.5	90.7	3.1	103.6%	
Other revenue	89.2	89.6	0.3	100.4%	
Operating expense	204.4	204.7	0.3	100.2%	
Personnel expense	45.1	49.9	4.8	110.7%	Increase with the Implementation of new personnel and wage system
Non-personnel expense	126.3	118.1	(8.1)	93.5%	
Energy cost	10.1	10.7	0.6	106.0%	
Maintenance cost	36.6	34.2	(2.4)	93.4%	
Other	79.4	73.1	(6.3)	92.0%	Decrease in cost of sales due to the sale of properties
Taxes	12.4	13.4	0.9	107.9%	
Depreciation cost	20.4	23.1	2.6	113.2%	
Operating income	29.8	36.0	6.1	120.6%	
Non-operating income and expense	7.2	4.6	(2.6)	63.4%	
Ordinary income	37.1	40.6	3.5	109.4%	
Extraordinary gain and losses	1.0	(3.1)	(4.1)	-	Decrease in a gain on the transfer of Drug Eleven shares
Net income	32.9	31.0	(1.8)	94.4%	

Forecasts by business (non-consolidated) (included in above table)

(¥bil)

		Results FY24.3	Results FY25.3	YoY	
Railway business	Operating revenue	160.4	167.0	6.5	104.1%
	Operating income	10.5	13.4	2.8	127.0%
Related businesses	Operating revenue	73.8	73.7	(0.0)	99.9%
	Operating income	19.3	22.6	3.3	117.2%

Ⅱ Medium-Term Business Plan 2022–2024 in Review

Medium-Term Business Plan 2022–2024 in Review: Numerical Targets, etc

- While unplanned cost increases occurred due to inflation and other factors, numerical targets were generally achieved thanks to initiatives such as cost structure reforms (including BPR), efforts to maximize the effect of the Nishi-Kyushu Shinkansen opening, and the recovery in mobility demand.
- With respect to financial soundness, we maintained a stable level of financial management. The Company believes it is well positioned to respond swiftly to attractive investment opportunities going forward.

Numerical targets

	Targets	Results
Operating revenue	¥440.0 billion	¥454.3 billion
Operating income	¥57.0 billion	¥58.9 billion
EBITDA	¥94.0 billion	¥95.9 billion
ROE [Reference]	8% or more	9.7%

Targets for financial soundness

	Targets	End-FY25.3
D/EBITDA	Around 5 times	4.4 times
Equity ratio	Around 40%	40.0%

(Reference) Consolidated operating cash flow (total under the previous medium-term business plan)

Forecast	Result
¥230.0 billion	¥247.7 billion

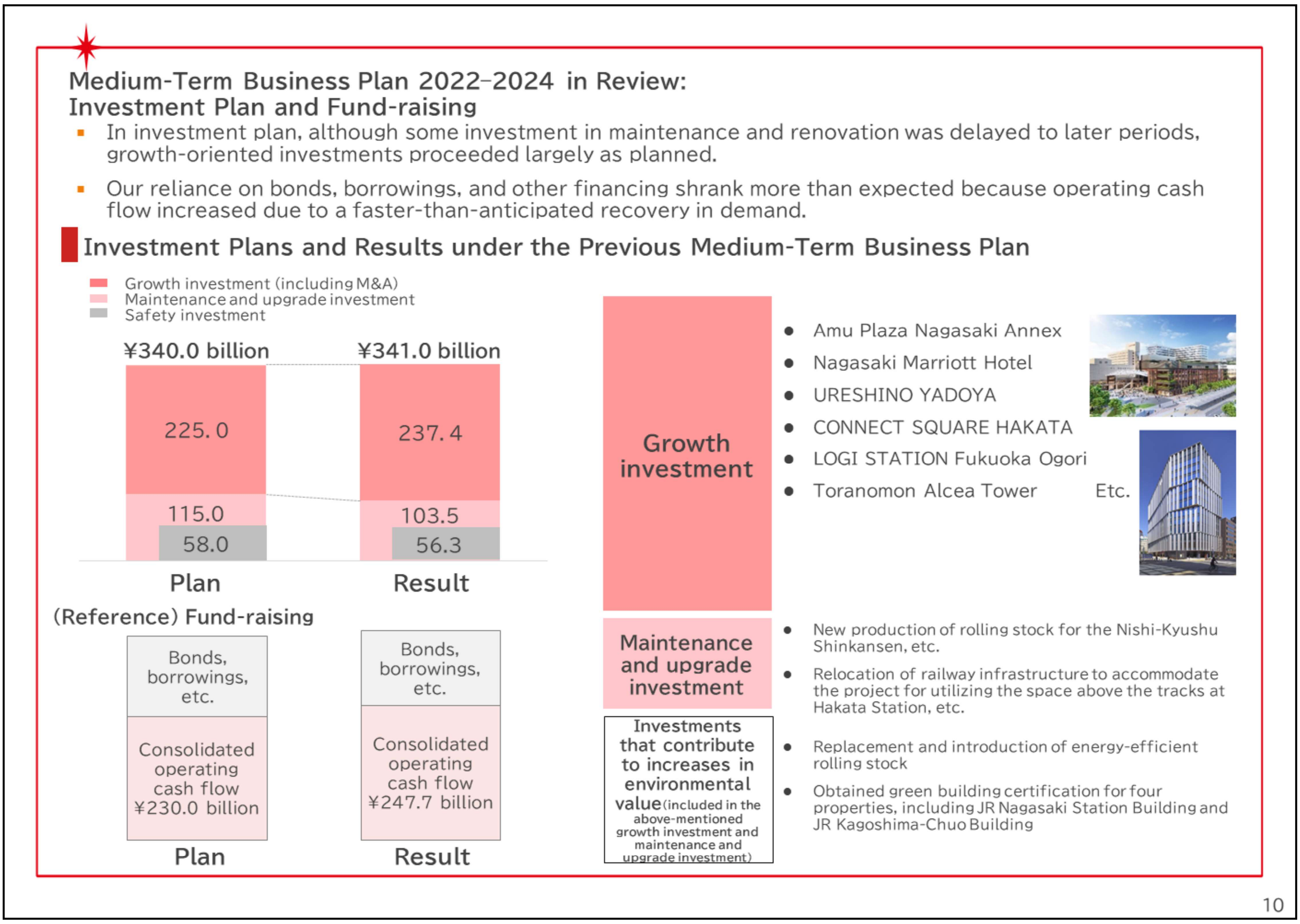
Results by segment

(Unit ¥ billion)

Segment	Operating revenue*1			Operating income*1		
	Target*2	Result		Target*2	Result	
Transportation	163.0	169.3	(+6.3)	17.0	12.1	[(4.8)]
Real Estate and Hotels	133.0	143.4	(+10.4)	27.0	31.4	(+4.4)
Retail and Restaurant	65.0	67.0	(+2.0)	3.0	3.4	(+0.4)
Construction	95.0	100.6	(+5.6)	7.0	7.3	(+0.3)
Business Services	80.0	82.5	(+2.5)	4.0	5.2	(+1.2)
Total	440.0	454.3	(+14.3)	57.0	58.9	(+1.9)

*1:Operating revenue and operating income by segment are before inter-segment eliminations.
*2:Numerical targets are as of the date the medium-term business plan was formulated (March 2022).

- Let us review Medium-Term Business Plan 2022–2024.
- Looking back on the Medium-Term Business Plan through FY2024, we encountered major changes in the business environment that were not anticipated at the time of planning, including accelerating inflation. Despite this, we executed a variety of initiatives—such as cost structure reforms and efforts to maximize the benefits of the Nishi-Kyushu Shinkansen opening—and achieved our numerical targets.
- In particular, our ROE reached 9.7%, compared to an estimated cost of capital of 5.5% to 7.5%. We successfully expanded our equity spread and, in line with our profit and loss targets, returned to a growth trajectory.
- Please turn to the next slide.



- Regarding capital investment, although some maintenance and renewal investments were delayed, we were able to carry out our growth investments—including those that had not yet been finalized at the time of planning—largely as scheduled over the three-year period.

- As for funding, operating cash flow exceeded expectations due to a moderate recovery in demand across our business segments. Meanwhile, the use of bonds and borrowings remained below expectations, leaving room for future utilization.

- Please turn to the next slide.

Medium-Term Business Plan 2022–2024 in Review: Key Strategy, etc

- The Company made solid progress on its key strategies, driven by business structural reforms in the railway and hotel segments and city-building initiatives in the western Kyushu area. However, challenges remain in creating new revenue-generating businesses.

	Successes under the previous medium-term business plan	Future challenges
Key strategy (1) Completing business structural reforms	• Completed BPR in the railway and launched the Future Railway Project • Strengthened the organizational structure by integrating hotel-operating companies	• Promoting the Future Railway Project • Restructure the retail and restaurant segment
Key strategy (2) Creating a model for building cities that promote well-being	• Opened the Nishi-Kyushu Shinkansen and advanced development along the line • Launched the Hitahikosan Line BRT Hikoboshi Line, establishing a sustainable model for local lines	• Secure a future development pipeline
Key strategy (3) Developing businesses in new areas in which we can contribute	• Established an intermediate holding company in the construction segment, pursued talent acquisition and development, and engaged in M&A, etc., of sub-subsidiaries	• Create new revenue-generating businesses (a third pillar)
Advancing personnel strategy	• Formulated a new human resource strategy • Introduced a new personnel and wage system and implemented wage increases	• Creating links among the business portfolio strategy, management strategy, and human resource strategy • Steady execution and entrenchment of the newly formulated human resource strategy
Strengthening management base	• Strengthened the foundation through changes to segment categories and revised performance management methods for Group companies • Promoted the development of DX talent	• Groupwide implementation of data-driven marketing

- While we made solid progress on the three key strategies laid out in the previous Medium-Term Business Plan, we also recognized new challenges as we looked ahead in light of the significant changes in the current business environment.

- We also made some progress on initiatives such as promoting our human resource strategy and strengthening our management foundation. At the same time, these efforts revealed new challenges that we must address moving forward.

- Please turn to the next slide.

Medium-Term Business Plan 2022–2024 in Review: Non-Financial KPIs

- We expect to generally achieve the non-financial KPIs set under the previous medium-term business plan

Materiality	Objectives/Indicators			Result (FY25.3)
Realization of a de-carbonized society	• CO_2 emissions • Disclosure of environment-related information • Green building	• JR Kyushu non-consolidated emissions in FY31.3 • Groupwide Scope 1 and 2 emissions • Groupwide Scope 3 emissions • Acquisition of green building certification	50% reduction compared to FY14.3 Tracking emissions Starting to calculate One or more cases	Reduced by 40.6% (FY24.3 result) 412,000 t-CO2 (FY24.3 result) 1,055,000 t-CO2 (FY24.3 result) 4 cases
Safety and service, the foundation for all of our businesses	• Safety • Service	• Accidents in the railway business that result in fatalities among customers • Occupational accidents that result in fatalities among employees, etc. • Score of service ranking	0 cases 0 cases 90 or more points	3 cases (6 customers injured) 0 cases Stations 86.2 points Crew 90.4 points
Sustainable city-building	• Resident population in regions around development areas • Creating employment through new development projects	• Monitoring indicators • Monitoring indicators		— —
Development of human resources, the source of value creation	• Employee engagement • Exchanges of opinions between executives and employees • Diversity (promoting women's participation and advancement in the workplace) • Comfortable environments that are easy and satisfying to work in • Health management • Re-skilling support	• Results of employee attitude survey • Exchanges of opinions between executives and employees • Ratio of female employees among new employees • Ratio of female managers (end of FY31.3) • Ratio of male employees who take childcare leave • Ratio of special health guidance given to relevant employees • Development of employees skilled in digital technologies • Participation in external distance learning	Continued YoY improvement 40 times per year or more 30% or more 10% or more 50% or more 80% or more 500 people or more 500 people or more per year	Up 0.05 points 59 times (963 people) 33.2% 6.3% 83.8% 89.7% (FY24.3 result) 809 people 2,872 people
Sound corporate management	• Institutional investors • Individual investors • Customers • Local communities	• Continuing to hold financial results presentations, etc. • Sharing of investors' opinions at meetings of the Board of Directors • Large meetings (IR Day events) offering opportunity to talk with outside directors • Offering opportunities for exchange, such as presentations, tours, etc. • Discussions with customers • Building sustainable relationships with local communities	 1 or more events per year 5 or more times per year 10 or more times per year	6 times 8 times 1 time 19times 17times —

- I will now explain our performance against the non-financial KPIs established in the previous Medium-Term Business Plan.
- We set KPIs corresponding to each materiality theme, and were largely successful in meeting those targets.
- First, with regard to the realization of a de-carbonized society, we advanced our disclosures to include Groupwide Scope 3 emissions.
- Next, in the area of human capital development, the ratio of new hires who are female exceeded the target, and we greatly outperformed the goals set for reskilling support. In addition, our employee attitude survey score rose by 0.05 points year on year. We attribute this improvement to the personnel and compensation system reforms implemented at the beginning of FY25.3, as well as our dialogue sessions between management and employees.
- Next, I will explain full-year performance and shareholder returns for FY26.3. Please turn to slide 14.

Ⅲ Full-Year Performance and Shareholder Returns for FY26.3

Consolidated Financial Forecast Highlights for FY26.3

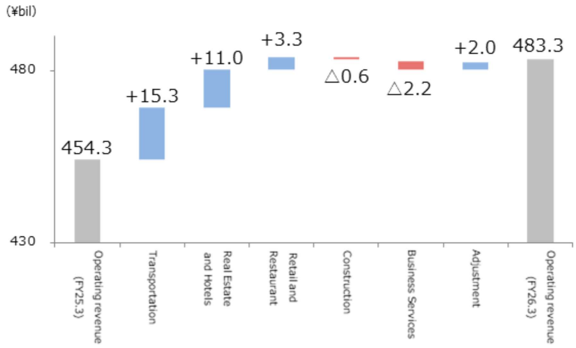
(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY		Medium-Term Business Plan targets
Operating revenue	454.3	483.3	28.9	106.4%	530.0
Operating income	58.9	67.6	8.6	114.6%	71.0
Ordinary income	59.5	65.9	6.3	110.6%	–
Net income attributable to owners of the parent	43.6	51.1	7.4	117.0%	–
EBITDA	95.9	106.4	10.4	110.9%	115.0

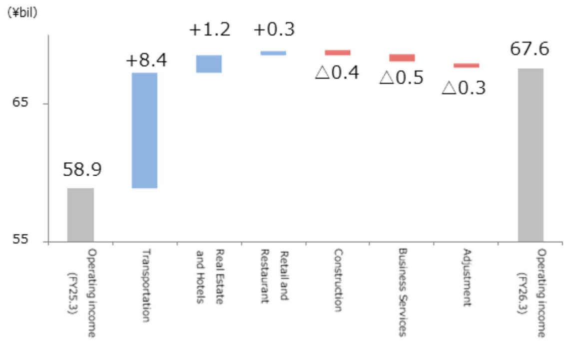
Key points

- Consolidated Operating revenue, operating income, ordinary income and net income attributable to owners of the parent are all projected to increase, supported by the implementation of the revision of rail fares and charges, etc.

Change in operating revenue by segment



Change in operating income by segment



- Now, I will go over full-year performance and shareholder returns for FY26.3.
- We project operating revenue of ¥483.3 billion, an increase of ¥28.9 billion year on year, driven by factors such as fare and charge revisions in the railway business and increased property sales in the Real Estate and Hotels Segment.
- Operating income is forecast to rise ¥8.6 billion year on year, to ¥67.6 billion. While we anticipate increases in labor costs due to improvements in employee compensation, as well as higher energy costs and repair expenses for railways and station buildings, these will be offset by higher operating revenue.
- Net income attributable to owners of the parent is projected to increase by ¥7.4 billion year on year, to ¥51.1 billion, boosted by higher operating income.
- Please turn to slide 17.

Consolidated Financial Forecasts for FY26.3 (by Segment)

(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY		Major factors	Medium-Term Business Plan targets
Operating revenue	454.3	483.3	28.9	106.4%		530.0
Transportation	169.3	184.7	15.3	109.1%	Increase in Railway transportation revenues due to the revision of rail fare and charges	189.0
Railway Business (non-consolidated)	167.0	183.0	15.9	109.5%		–
Real Estate and Hotels	143.4	154.5	11.0	107.7%		167.0
Real Estate Lease	78.2	80.6	2.3	103.0%	Increase due to properties opened in the previous fiscal year	–
Real Estate Sales	32.8	40.6	7.7	123.4%	Increase in sales of properties and increase in sales of condominiums	–
Hotel Business	32.2	33.3	1.0	103.3%		–
Retail and Restaurant	67.0	70.4	3.3	105.0%		80.0
Construction	100.6	100.0	(0.6)	99.4%		110.0
Business Services	82.5	80.3	(2.2)	97.2%		88.0
Operating income	58.9	67.6	8.6	114.6%		71.0
Transportation	12.1	20.6	8.4	169.0%		20.5
Railway Business (non-consolidated)	13.4	21.1	7.6	157.4%		–
Real Estate and Hotels	31.4	32.7	1.2	103.9%		34.0
Real Estate Lease	18.2	18.3	0.0	100.5%		–
Real Estate Sales	6.4	7.3	0.8	113.0%		–
Hotel Business	6.8	7.1	0.2	104.3%		–
Retail and Restaurant	3.4	3.8	0.3	109.1%		4.0
Construction	7.3	6.9	(0.4)	93.7%		8.0
Business Services	5.2	4.7	(0.5)	89.3%		5.5
EBITDA	95.9	106.4	10.4	110.9%		115.0
Transportation	25.3	35.4	10.0	139.4%		–
Railway Business (non-consolidated)	26.2	35.5	9.3	135.7%		–
Real Estate and Hotels	49.6	51.0	1.3	102.8%		–
Real Estate Lease	32.8	33.0	0.1	100.4%		–
Real Estate Sales	6.4	7.3	0.8	112.7%		–
Hotel Business	10.2	10.7	0.4	104.2%		–
Retail and Restaurant	4.9	5.3	0.3	106.5%		–
Construction	8.6	8.3	(0.3)	96.0%		–
Business Services	8.5	7.7	(0.8)	90.3%		–

Non-consolidated Financial Forecasts for FY26.3

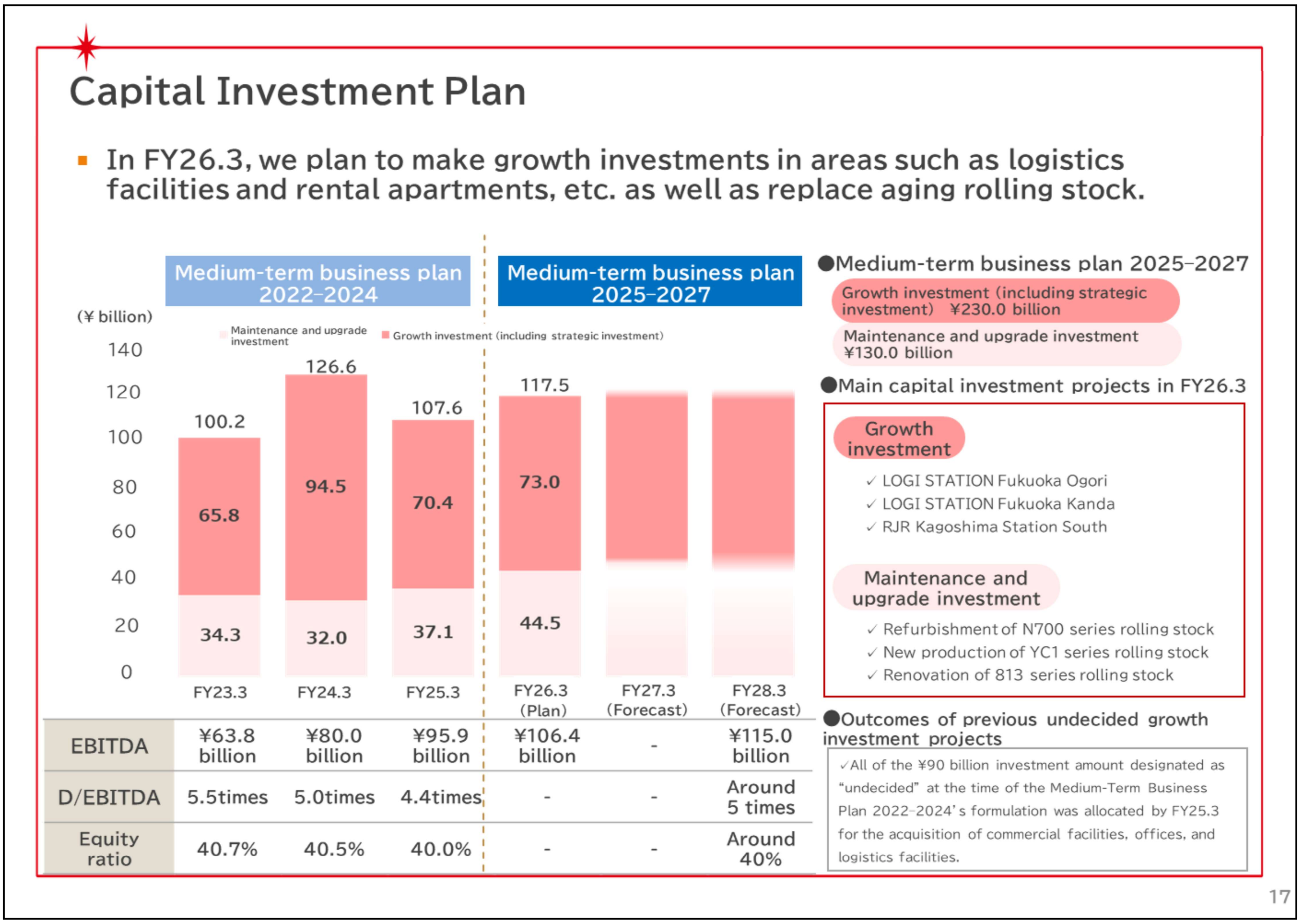
(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY		Major factors
Operating revenue	240.8	266.3	25.4	110.6%	
Railway transportation revenues	151.2	167.2	15.9	110.5%	Increase due to the revision of rail fare and charges
Shinkansen	60.5	66.4	5.8	109.7%	
Conventional Lines	90.7	100.8	10.0	111.1%	
Other revenue	89.6	99.1	9.4	110.6%	Increase in sales of properties and condominiums
Operating expense	204.7	221.4	16.6	108.1%	
Personnel expense	49.9	51.2	1.2	102.4%	Increase due to the raise in basic wage and decrease of lump sum payment
Non-personnel expense	118.1	131.1	12.9	110.9%	
Energy cost	10.7	11.9	1.1	110.2%	Increase in electricity unit cost
Maintenance cost	34.2	37.1	2.8	108.4%	Increase due to measures for safety and measures to deterioration
Other	73.1	82.1	8.9	112.3%	Increase in cost of sales properties
Taxes	13.4	13.9	0.4	103.3%	
Depreciation cost	23.1	25.2	2.0	108.7%	
Operating income	36.0	44.9	8.8	124.5%	
Non-operating income and expense	4.6	(1.0)	(5.6)	-	
Ordinary income	40.6	43.9	3.2	108.0%	
Extraordinary gain and losses	(3.1)	-	3.1	-	
Net income	31.0	35.2	4.1	113.3%	

Forecasts by business (non-consolidated) (included in above table)

(¥bil)

		Results FY25.3	Forecasts FY26.3	YoY	
Railway business	Operating revenue	167.0	183.0	15.9	109.5%
	Operating income	13.4	21.1	7.6	157.4%
Related businesses	Operating revenue	73.7	83.3	9.5	112.9%
	Operating income	22.6	23.8	1.1	105.0%



- Let me explain our capital investment plan.

- This year, we plan to continue leveraging our borrowing capacity to pursue growth investments in logistics facilities and rental apartments.

- In addition, we will invest in maintenance and upgrades, including the refurbishment of railway rolling stock, prompted by the recent fare revision.

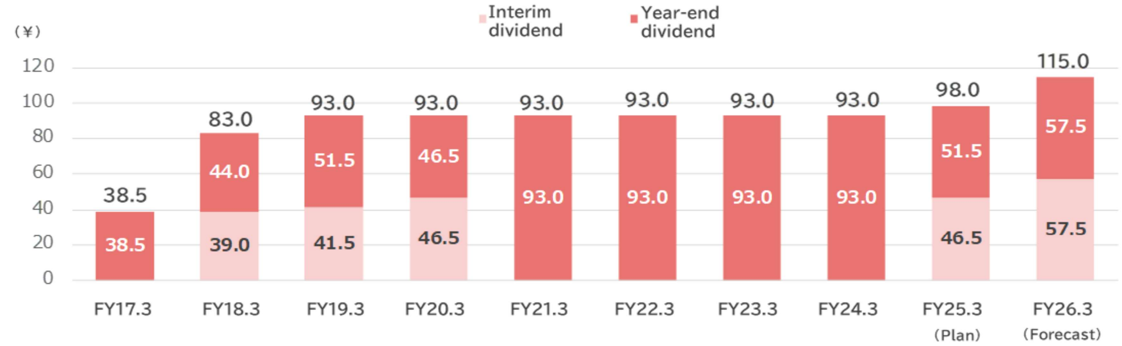
- Altogether, we plan to invest ¥117.5 billion in capital expenditures.

- Please turn to the next slide.

About Shareholder Returns

- JR Kyushu places importance on the stable provision of return to shareholders over the long term. Over the period up to FY2028.3, we will aim for a consolidated dividend payout ratio of 35% or higher and flexibly implement share repurchases.
- As the result of considerations in line with the above-stated policy, for FY26.3 we expect to award annual dividends of ¥115 per share.
- In addition, with the conclusion of the previous medium-term business plan, the Company resolved a ¥10 billion own-share repurchase at the Board of Directors held on May 9, 2025, with the aim of improving capital efficiency and reducing the cost of capital.

(Reference) Annual dividend per share



	FY17.3	FY18.3	FY19.3	FY20.3	FY21.3	FY22.3	FY23.3	FY24.3	FY25.3 (Plan)	FY26.3 (Forecast)
Dividend Payout ratio	13.8%	26.3%	30.2%	46.9%	-	110.3%	46.9%	38.0%	35.1%	35.2%

Share repurchase (¥10.0 billion) Share repurchase (¥10.0 billion)

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- Now let me discuss shareholder returns.
- Under the Medium-Term Business Plan 2025–2027, our policy is to provide dividends with a consolidated payout ratio of 35% or more and to conduct flexible share buybacks. Based on this policy, we forecast an annual dividend of 115 yen per share.
- In addition, we sum up the Medium-Term Business Plan 2022–2024, and with the aim of improving capital efficiency and reducing the cost of capital, our Board of Directors resolved on May 9, 2025, to repurchase ¥10.0 billion of the Company’s own shares.
- We plan to retire the repurchased shares.
- Next, I will discuss the status of segments. Please turn to slide 20.

IV Status of Segments

Transportation Segment

- In Q4 FY25.3, railway transportation revenues were solid in both commuter and non-commuter revenues, exceeding expectations.
- For FY26.3, we expect increased revenue and profit, supported by the revision of rail fares and charges in the railway business.

【Results】 (¥bil)

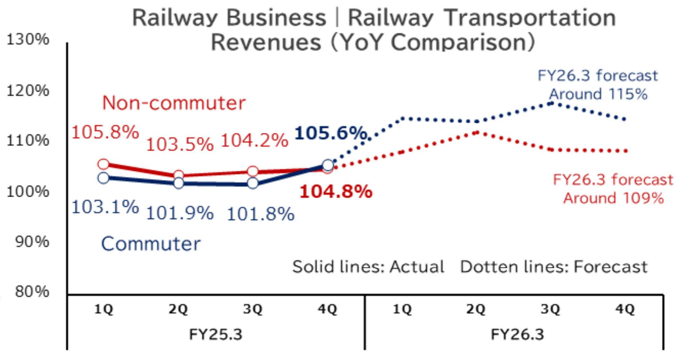
	Results FY24.3	Results FY25.3	YoY	
Operating revenue	163.7	169.3	5.5	103.4%
Railway Business (non-consolidated)	160.4	167.0	6.5	104.1%
Railway transportation revenues	145.0	151.2	6.1	104.2%
Operating income	10.3	12.1	1.7	117.2%
Railway Business (non-consolidated)	10.5	13.4	2.8	127.0%
EBITDA	22.3	25.3	3.0	113.6%
Railway Business (non-consolidated)	22.1	26.2	4.0	118.4%

【Forecasts】 (¥bil)

Results FY25.3	Forecasts FY26.3	YoY	
169.3	184.7	15.3	109.1%
167.0	183.0	15.9	109.5%
151.2	167.2	15.9	110.5%
12.1	20.6	8.4	169.0%
13.4	21.1	7.6	157.4%
25.3	35.4	10.0	139.4%
26.2	35.5	9.3	135.7%

Main business conditions and assumptions for earnings forecasts

- In Q4, railway transportation revenues were stronger than expected and in addition, in March, pre-purchases were made in anticipation of the fare revision
- While energy costs came in below expectations, overall expenses for the railway business exceeded forecasts due to increases in personnel expenses and maintenance costs.
- In FY26.3, we implemented the fare revision that is expected to raise revenue by 11.4%
- We forecast an increase in personnel expenses due to base pay increases and other factors



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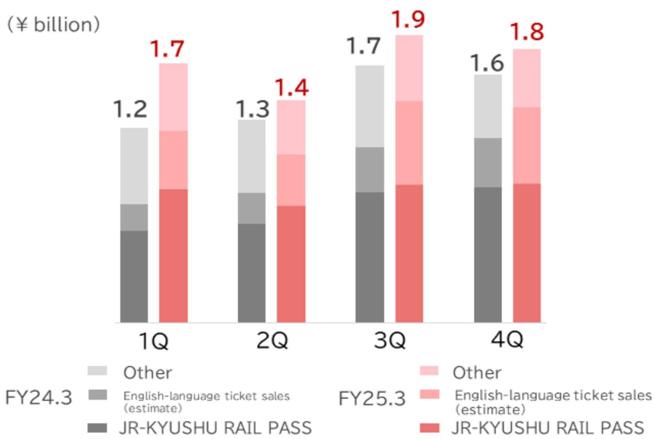
- Now, I will discuss the transportation segment.
- Railway transportation revenues for the previous fiscal year were stronger than expected in both the commuter and non-commuter segments. We believe that, particularly for commuter passes, there was a surge in advance purchases in March ahead of the fare revision in April.
- On the cost side of the railway business, energy expenses came in lower than expected. However, labor costs rose due to the payment of the lump sum, and repair costs increased as well, resulting in overall expenses exceeding expectations.
- For the current fiscal year, although we anticipate some customer attrition following the fare and charge revision, we project a significant increase in railway transportation revenues.
- We also expect labor costs to rise due to base pay increases, and repair expenses to grow as they are now funded in part by the fare revision. Nevertheless, we forecast a substantial increase in operating income.
- As for JR Kyushu Jet Ferry, which ceased operations in August 2024 and was officially discontinued in December, we estimate that its impact on operating income in the previous fiscal year was approximately ¥1.1 billion.
- Please turn to the next slide.

Status of Inbound Measures in the Railway Business

- Inbound revenue in Q4 FY25.3 continued to exceed the previous year's level, as in prior quarters.
- In FY26.3, the overall growth rate is expected to be around 10% due to the price change of JR-KYUSHU RAIL PASS

Inbound revenue (approximate)



Percentage of railway transportation revenues

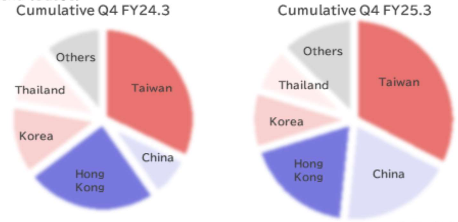
	1Q	2Q	3Q	4Q	Full year
FY24.3	3.8%	3.7%	4.5%	4.5%	4.1%
FY25.3	4.8%	4.0%	4.8%	4.8%	4.6%

Demand for JR-KYUSHU RAIL PASS

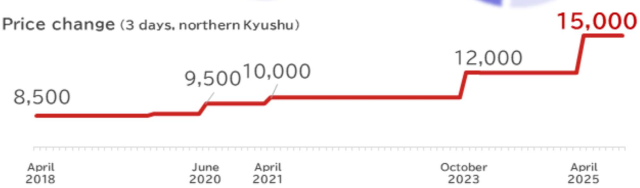
	FY19.3 Cumulative Q4	FY24.3 Cumulative Q4	FY25.3 Cumulative Q4		
	Result	Result	Result	Vs. FY19.3	Vs. FY24.3
Number of tickets sold	251,000	260,000	279,000	111%	107%
Sales	¥2.39 billion	¥3.34 billion	¥3.87 billion	162%	116%
(Reference) Unit price※	¥8,500	~9.30 ¥10,000 10.1~ ¥12,000	¥12,000	141%	~9.30 120% 10.1~ 100%

*Price for northern Kyushu (3days)

Sales by nationality



Price change (3 days, northern Kyushu)



- Next, I will explain the status of inbound demand in the railway business.
- Beginning this time, we started estimating and counting revenue from English-language ticketing as part of inbound revenue.
- As a result, the share of inbound revenue in total railway transportation revenues has risen from around 3% to the 4% range.
- In Q4, inbound revenue remained at approximately 95% of the Q3 level.
- JR-KYUSHU RAIL PASS sales, which account for the majority of inbound revenue, continued to exceed the previous year's level.
- By nationality, usage by travelers from China continued to recover and slightly surpassed that of travelers from Hong Kong for the full year.
- We expect inbound revenue for the current fiscal year to grow approximately 10% year on year.
- Please turn to slide 23.

Railway Business (Transportation Data)

Railway transportation revenues

(¥bil)

	Results FY24.3	Results FY25.3	YoY		Major Factors
Total	145.0	151.2	6.1	104.2%	
Commuter pass	30.2	31.1	0.9	103.1%	
Non-commuter pass	114.8	120.0	5.2	104.6%	
Cargo	0.0	0.0	0.0	125.1%	
Shinkansen	57.5	60.5	2.9	105.2%	Gradual recovery in demand
Commuter pass	2.9	3.2	0.2	107.1%	
Non-commuter pass	54.5	57.3	2.7	105.1%	
Conventional Lines	87.5	90.7	3.1	103.6%	Gradual recovery in demand
Commuter pass	27.2	27.9	0.7	102.6%	
Non-commuter pass	60.2	62.7	2.4	104.1%	

Passenger-kilometers

(Millions of passenger-kilometer)

	Results FY24.3	Results FY25.3	YoY	
Total	8,354	8,595	240	102.9%
Commuter pass	3,876	4,001	125	103.2%
Non-commuter pass	4,478	4,593	115	102.6%
Shinkansen	1,941	1,986	44	102.3%
Commuter pass	218	234	15	107.1%
Non-commuter pass	1,722	1,751	29	101.7%
Conventional Lines	6,412	6,609	196	103.1%
Commuter pass	3,657	3,767	110	103.0%
Non-commuter pass	2,755	2,841	86	103.1%

Real Estate and Hotels Segment: Real Estate Leasing Business

- In FY25.3, station building tenant sales exceeded expectations, with full-year contribution from Amu Plaza Nagasaki Annex, which opened in November 2023
- In FY26.3, we expect station building tenant sales to remain at a level similar to FY25.3.

【Results】 (¥bil)

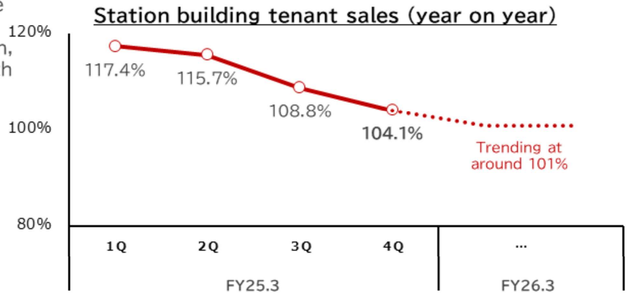
	Results FY24.3	Results FY25.3	YoY	
Operating revenue	70.7	78.2	7.5	110.6%
Operating income	15.8	18.2	2.3	114.7%
EBITDA	29.0	32.8	3.7	113.0%

【Forecasts】 (¥bil)

Results FY25.3	Forecasts FY26.3	YoY	
78.2	80.6	2.3	103.0%
18.2	18.3	0.0	100.5%
32.8	33.0	0.1	100.4%

Main business conditions and assumptions for earnings forecasts

- In FY25.3, station building tenant sales were led by JR Hakata City and exceeded expectations, resulting in record-high revenue
- Tenant sales at JR Nagasaki City (Amu Plaza Nagasaki Honkan, Annex, and Kamome Ichiba) were generally in line with expectations
- Occupancy rates for office buildings and rental apartments remained generally solid.
- In FY26.3, we forecast station building tenant sales to reach approximately 101% of the previous year's level. We also expect higher maintenance costs, including for enhanced safety measures
- Occupancy rates for office buildings and rental apartments are expected to remain firm in FY26.3.



- Next, I will discuss the Real Estate and Hotels Segment.
- First, in the real estate leasing business, tenant sales at station buildings in the previous fiscal year hit a record high, led once again by JR Hakata City. We expect sales to remain at a similar level in the current fiscal year.
- Occupancy rates for office buildings and rental apartments also remained firm last year, and we anticipate these trends will continue into the current fiscal year.
- On the cost side, we plan to carry out safety-related repairs and upgrades at station buildings and other facilities in the current fiscal year.
- Please turn to the next slide.

Real Estate and Hotels Segment: Real Estate Sales Business

- In FY25.3, revenue declined year on year due to the absence of large-scale Company property sales recorded in FY24.3.
- In FY26.3, we expect increases in both revenues from condominium sales and the sale of Company properties.

【Results】

(¥bil)

	Results FY24.3	Results FY25.3	YoY	
Operating revenue	37.1	32.8	(4.2)	88.6%
Operating income	5.2	6.4	1.2	123.3%
EBITDA	5.2	6.4	1.2	123.0%

【Forecasts】

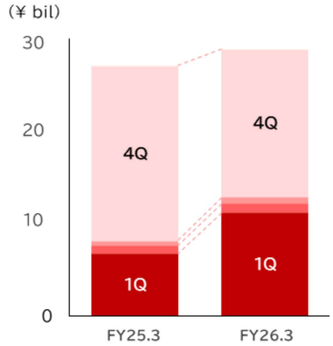
(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	32.8	40.6	7.7	123.4%
Operating income	6.4	7.3	0.8	113.0%
EBITDA	6.4	7.3	0.8	112.7%

Main business conditions and assumptions for earnings forecasts

- In FY25.3, we began delivering units for condominiums such as MJR Hakata The Residence and MJR Chihaya Mid-Square, marking a milestone of 10,000 total units delivered since launching the business in 1989.
- In Q3 of FY25.3, we sold RJR Precia Chiyo-Kenchoguchi Ekimae to a third party as part of our property sales.
- In FY26.3, we plan to begin delivering units for properties including MJR Kumamoto Gate Tower and MJR Kagoshima-Chuo Ekimae The Garden.
- For FY26.3, we forecast approximately ¥8.0 billion in operating revenue from property sales.

Revenues from condominium sales: results and Forecast (Operating revenues)



- Next, the real estate sales business.
- In the previous fiscal year, while condominium sales performed well and met expectations, revenue from property sales declined as expected, resulting in an overall year-on-year decrease.
- For the current fiscal year, we expect growth in both condominium sales and property sales compared with the previous year.
- Please turn to the next slide.

Real Estate and Hotels Segment: Hotel Business

- In Q4 FY25.3, hotels with a high ratio of inbound guests continued to be a driving force, and the performance exceeded expectation.
- In FY26.3, we expect occupancy rates to remain at FY25.3 levels, with a moderate increase in ADR.

【Results】

(¥bil)

	Results FY24.3	Results FY25.3	YoY	
Operating revenue	25.2	32.2	6.9	127.6%
Operating income	3.6	6.8	3.1	185.0%
EBITDA	6.4	10.2	3.7	158.2%

【Forecasts】

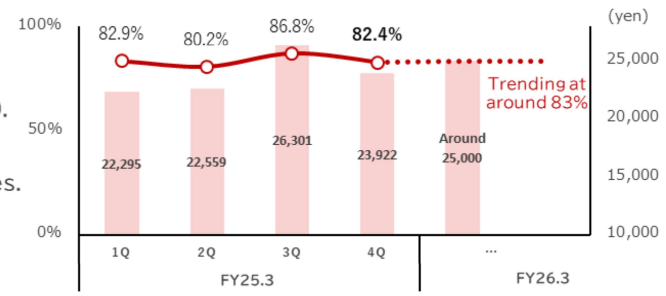
(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	32.2	33.3	1.0	103.3%
Operating income	6.8	7.1	0.2	104.3%
EBITDA	10.2	10.7	0.4	104.2%

Main business conditions and assumptions for earnings forecasts

- In Q4 FY25.3, the occupancy rate was approximately 82%, and the ADR was around ¥23,900.
- For the full year FY25.3, the occupancy rate was approximately 83%, and the ADR was around ¥23,800.
- The ratio of inbound guests exceeded 50% overall, driven in particular by THE BLOSSOM-branded facilities.
- In FY26.3, we forecast an occupancy rate of approximately 83% and an ADR of around ¥25,000.

Occupancy rates and ADR



- Next, I will explain the hotel business.
- In the previous fiscal year, both ADR and occupancy rates exceeded expectations, driven by strong performance at hotels with a high ratio of inbound guests.
- For the current fiscal year, we forecast an average occupancy rate of around 83%, roughly in line with the previous year, and expect ADR to rise moderately to approximately ¥25,000.
- Please turn to the next slide.

Retail and Restaurant Segment

- In Q4 FY25.3, existing retail and restaurant locations continued to perform strongly.
- In FY26.3, we expect existing retail and restaurant sales to remain on par with the previous fiscal year, with a comparable number of new store openings also planned.

【Results】

(¥bil)

	Results FY24.3	Results FY25.3	YoY	
Operating revenue	61.7	67.0	5.3	108.6%
Operating income	3.2	3.4	0.2	108.6%
EBITDA	4.5	4.9	0.4	110.2%

【Forecasts】

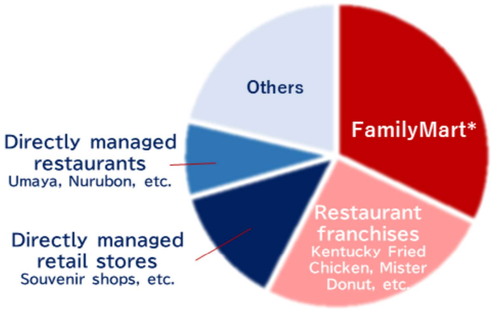
(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	67.0	70.4	3.3	105.0%
Operating income	3.4	3.8	0.3	109.1%
EBITDA	4.9	5.3	0.3	106.5%

Main business conditions and assumptions for earnings forecasts

- In FY25.3, in retail stores, such as convenience stores, souvenir shops and others, performance was favorable, and at restaurants, the franchise stores boosted performance. As a result, revenue at existing stores in both categories is above 100% of the previous year's levels.
- New store openings made steady progress in retail stores and restaurants.
- In FY26.3, we assume sales will exceed the previous year's levels, both at existing convenience stores and specialty stores.
- We plan to open the similar number of new retail stores and restaurants as in FY25.3.

Approximate breakdown of operating revenues in the Retail and Restaurant Segment



Note: FamilyMart consists of directly managed stores and stores operated as a franchisee.

- Next, about the retail and restaurant segment.
- In the previous fiscal year, revenue and profit both increased due to strong performance at existing retail and restaurant locations, as well as solid performance from newly opened stores.
- Performance remained strong at existing stores, including those located in station areas as well as suburban locations, and average customer spend slightly exceeded the previous year's level.
- For the current fiscal year, we expect continued sales growth at existing stores, and plan to open a similar number of new stores as in the previous year, resulting in continued revenue and profit growth.
- Next, I will discuss the Medium-Term Business Plan 2025–2027 and our initiatives for the current fiscal year. Please turn to slide 29.

Construction Segment, Business Services Segment

Construction Segment

【Results】

(¥bil)

	Results FY24.3	Results FY25.3	YoY	
Operating revenue	90.0	100.6	10.5	111.7%
Operating income	5.9	7.3	1.3	123.3%
EBITDA	7.0	8.6	1.6	122.9%

【Forecasts】

(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	100.6	100.0	(0.6)	99.4%
Operating income	7.3	6.9	(0.4)	93.7%
EBITDA	8.6	8.3	(0.3)	96.0%

Business Services Segment

【Results】

(¥bil)

	Results FY24.3	Results FY25.3	YoY	
Operating revenue	77.9	82.5	4.5	105.9%
Operating income	3.8	5.2	1.3	135.7%
EBITDA	6.8	8.5	1.6	123.6%

【Forecasts】

(¥bil)

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	82.5	80.3	(2.2)	97.2%
Operating income	5.2	4.7	(0.5)	89.3%
EBITDA	8.5	7.7	(0.8)	90.3%

V Medium-Term Business Plan 2025–2027 and Current-Term Initiatives

JR Kyushu Group Medium-Term Business Plan 2025–2027

- We have formulated the plan with a focus on sustainable long-term growth, taking into account changes in the management environment both within and outside the Group.

Key strategies and the management base to support them

Key strategies

- (1) Realize Sustainable Mobility Services
- (2) City Building through Enhanced Collaboration among Businesses
- (3) Plant Seeds for the Future

Management base

- Human capital expansion in light of changes in the labor market
- An integrated approach to environmental issues
- Expansion and pursuit of DX utilization
- Stronger Group governance and establishment of a governance structure that enables appropriate risk-taking

Numerical targets

Operating revenue ¥530.0 billion Operating income ¥71.0 billion

EBITDA ¥115.0 billion ROE Maintain current level

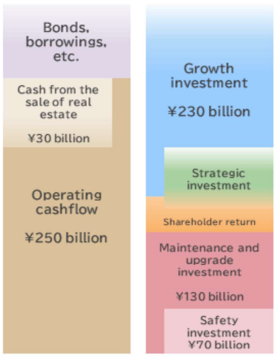
By segment*

(Unit ¥ billion)

Segment	Operating revenue	Operating income
Transportation	189.0	20.5
Real Estate and Hotels	167.0	34.0
Retail and Restaurant	80.0	4.0
Construction	110.0	8.0
Business Services	88.0	5.5

*Operating revenue and operating income by segment are before inter-segment eliminations.

Cash allocation



Financial soundness (FY28.3 forecast)

D/EBITDA	Around 5 times
Equity ratio	Around 40%

Shareholder return policy

JR Kyushu places importance on the stable provision of return to shareholders over the long term. Over the period up to FY2028.3, we will aim for **a consolidated dividend payout ratio of 35% or higher** and **flexibly implement share repurchases.**

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- We believe that the goal of “returning to a growth trajectory,” set in the previous Medium-Term Business Plan, has been largely achieved.

- At the same time, we recognize that global shifts in the social and economic environment are having a significant impact on our Group.

- Based on the challenges of the previous plan and changes in the business environment, we have formulated the Medium-Term Business Plan 2025–2027 as a period to pursue sustainable long-term growth.

- Under this plan, we will promote three key strategies, supported by four initiatives to strengthen our management foundation.

- In addition to our past initiatives, we plan to allocate the increase in operating cash flow—expected as a result of the fare revision—and our available borrowing capacity toward maintenance and upgrade investment, shareholder returns, and growth investment.

- As a result, we are targeting operating revenue of ¥530.0 billion, operating income of ¥71.0 billion, and EBITDA of ¥115.0 billion by the end of FY28.3.

- Meanwhile, as depreciation expenses continue to rise due to impairment losses on railway assets, we aim to maintain ROE at its current level.

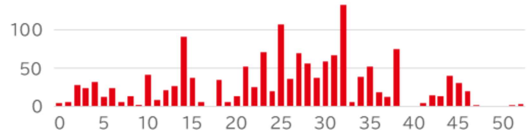
- Please turn to the next slide.

Key Strategy (1) Realize Sustainable Mobility Services: Initiatives and Capital Investment in Line with Fare Revisions

- As of April 1, 2025, we implemented a revision of rail passenger fares and charges. The resulting revenue will be used to support necessary initiatives for business continuity, including further enhancements to safety and customer satisfaction.

Operating businesses efficiently to ensure safety and security

Number of rolling stocks in use by age (as of March 31, 2025)



Going forward, the Company plans to invest in long-life extensions for aging infrastructure, new and modified rolling stock, heavy-duty anti-corrosion painting for bridges, and reinforcement of electrification equipment.

Enhancing the value provided to customers

- Expansion of information on train operations

The Company is rolling out an integrated guidance system that combines departure boards, operational updates, and audio announcements. Real-time train information will also be available via a web app.

- Toilet renovation project

HEARTFUL JR KYUSHU

Restrooms at Hakata Station and other major railway sections are being renovated to provide comfortable use of the restrooms at stations.

Capital investment plan

Main subjects	FY25.3 (results)	FY26.3 to FY28.3	From FY29.3
Extending the service life of railway facilities (FY2024~FY2027)	Approx. ¥2.0 billion	Approx. ¥5.5 billion	—
Bringing in next-generation rolling stock (FY2024~FY2030)	Approx. ¥1.5 billion	Approx. ¥1.0 billion	Approx. ¥10.0 billion
Modification existing rolling stock (FY2024~FY2030)	Approx. ¥2.0 billion	Approx. ¥6.0 billion	Approx. ¥3.0 billion
Developing next-generation rolling stock inspection facilities (FY2024~FY2031)	Approx. ¥3.2 billion	Approx. ¥6.0 billion	Approx. ¥38.5 billion
Introducing and expanding ticketless services (FY2024~FY2027)	Approx. ¥0.4 billion	Approx. ¥2.5 billion	—

- Let me begin with initiatives related to the fare revision.

- On April 1, 2025, we implemented our first revision of railway passenger fares and charges in approximately 30 years.

- This fare revision is intended to support measures essential to sustaining the railway business. We have already begun addressing the aging of infrastructure and rolling stock as of the previous fiscal year.

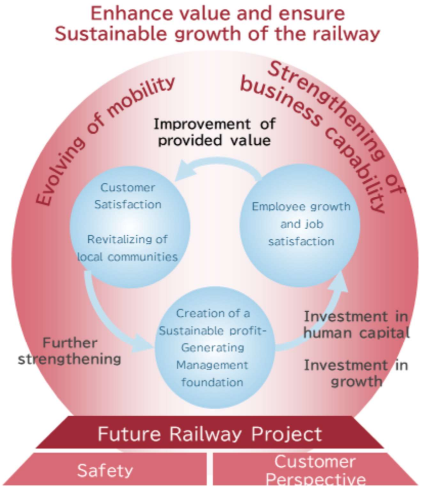
- Under the current medium-term business plan, we will expand on these efforts and also introduce and scale up ticketless services to enhance customer convenience.

- Please turn to the next slide.

Key Strategy (1) Realize Sustainable Mobility Services: Promoting the Future Railway Project

- Through the Future Railway Project, launched in FY23.3, we aim to elevate the value of railways and create a virtuous cycle of growth
- Starting with a leaner railway business, we are implementing revenue-improvement initiatives that require capital investment, with a goal of generating ¥14.0 billion in cumulative improvements by 2030.

Future Railway Goals



Future initiatives (examples)

While utilizing new technologies, etc., promote slimmer infrastructure and standardize qualification services

Enhancing safety

- Improve safety at platforms and level crossings using sensor technology and image analysis
- Introduce disaster prediction through AI and ICT technologies
- Utilize drones for inspections and site assessments in disaster or accident scenarios

Streamline facilities

- Realize wireless train control systems using general-purpose wireless communication
- Enhance service delivery and simplify passenger information systems through ICT

Autonomous driving

- Expansion of operating area of GOA 2.5 automatic train that do not require a driver's license

Promotion of CBM

- On-board inspection by practical use of BIGEYE
- Implement smart maintenance through real-time condition monitoring of equipment and rolling stock

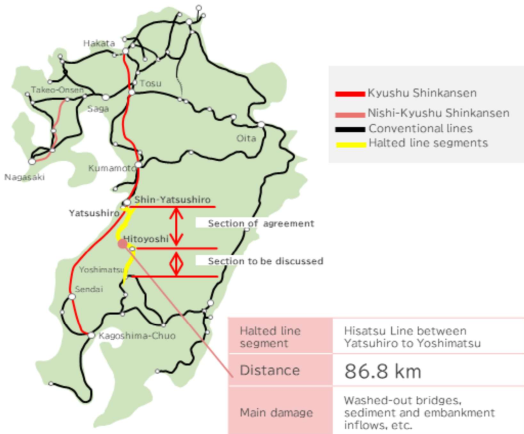
- Next, I will explain the Future Railway Project.
- The goal of this project is to improve our bottom line by ¥14.0 billion by FY2030 and to build a structure capable of generating sustainable profit—ultimately creating "a virtuous cycle of enhanced value and sustainable growth of the railway."
- To date, we have focused on improving safety and streamlining infrastructure, and going forward we will continue to adopt new technologies—expanding GOA2.5 self-driving train operations and promoting CBM.
- Please turn to the next slide.

Key Strategy (1) Realize Sustainable Mobility Services: Initiatives Involving Local Lines

- For the Hisatsu Line section between Yatsushiro and Hitoyoshi, the Company reached a final agreement with Kumamoto Prefecture to restore service using a separation of infrastructure and operation approach.
- Restoration work will begin this fiscal year with the aim of resuming operations around FY34.3. The Company will work closely with the local community to establish a new, sustainable railway model that can serve as a reference for discussions on other lines in the future.

Background

July 2020	All service on the Hisatsu Line (between Yatsushiro and Yoshimatsu) suspended due to damage from heavy rains in July 2020
April 2024	Basic agreement reached to restore service by rail for the section from Yatsushiro to Hitoyoshi
March 2025	Final agreement reached with Kumamoto Prefecture to proceed with rail-based restoration, based on a deeper understanding of the basic agreement



Halted line segment	Hisatsu Line between Yatsuhiro to Yoshimatsu
Distance	86.8 km
Main damage	Washed-out bridges, sediment and embankment inflows, etc.

Key points of the final agreement

- Adopt a separation of infrastructure and operation model: Kumamoto Prefecture and others to serve as Category 3 railway operators, JR Kyushu to serve as Category 2 railway operator
- The Company will transfer land and railway facilities to Kumamoto Prefecture and others free of charge, and lease them back without compensation to operate the line
- With consideration for pre-disaster ridership and future utilization, service will resume for all stations except Setoishi, Kaiji, and Naraguchi
- The Company will promote the JR Hisatsu Line Restoration Action Plan to stimulate both tourism and daily-use demand
- Restoration costs will be reduced by leveraging cross-project collaboration and subsidies under the Railway Track Improvement Act

[Reference] Approximation of restoration cost reduction

Restoration cost

Original estimated cost for rail-based restoration ¥23.5 billion

Reduced via cross-project collaboration ¥15.9 billion | ¥7.6 billion

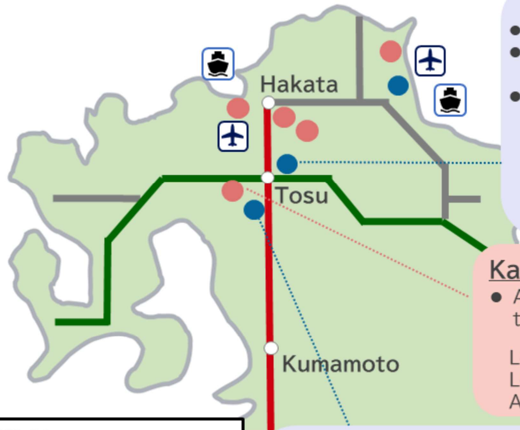
Subsidies under the Railway Track Improvement Act (JR Kyushu's share: 1/2 or 1/3)

Note: The restoration costs shown above are calculated according to certain assumptions and may vary depending on future conditions.

- Next, I will discuss our initiatives for local lines.
- We have reached a final agreement with Kumamoto Prefecture to restore rail service on the Hisatsu Line between Yatsushiro and Hitoyoshi, which had been suspended since the heavy rains of July 2020.
- Under this agreement, Kumamoto Prefecture and related parties will serve as Category 3 railway operators, while we will serve as the Category 2 operator, and we will adopt a separation of infrastructure and operation approach. We will transfer the land and railway facilities to Kumamoto Prefecture free of charge, and then lease them back free of charge for operation.
- Aiming to resume service around FY2033, we will work closely with the local community to build a new model for sustainable railway operations.
- Please turn to the next slide.

Key Strategy (2) City-Building through Enhanced Collaboration among Businesses: Initiatives Involving Logistics Facilities

- We are accelerating efforts to develop logistics facilities in the Tosu area, a key transportation hub. In March, we acquired our fifth logistics facility in Kyushu, located in Kanzaki city. In addition, we are developing three other properties in Kyushu.
- We are also participating in a consortium selected by Tosu city to lead "Southern Tosu Cross Park Development Project," which will include new logistics facilities.



EXPWY
- KYUSHU EXPWY
- NAGASAKI EXPWY, Oita EXPWY
- Others

Logistics Properties
- In operation
- Under development, etc.

LOGI STATION Fukuoka Ogori

- First property developed by the Company
- Approximately 1.5 km from the Chikugo Ogori IC
- Multi-tenant facility equipped to meet diverse needs, including refrigerated space and hazardous materials storage

Location: Ogori, Fukuoka Prefecture
Lot area: Approx. 85,000 ㎡
Date of completion: Fall 2025 (scheduled)

Kanzaki Logistics Facility

- Approximately 3.0 km from the Higashi Sefuri IC

Location: Kanzaki, Saga Prefecture
Lot area: 9,242 ㎡
Acquisition date: March 2025

Southern Tosu Cross Park Development Project

- A public-private industrial park development with Saga Prefecture and Tosu city; includes planned logistics facilities
- We are participating in the developer consortium
- Approximately 600 m from the Ogori Tosu Minami Smart IC

Location: Tosu, Saga Prefecture
Area slated for development: Approx. 34 ha
Date of completion : 2030 (scheduled)

Consortium members

Tokyu Land Corporation (consortium leader), JDC, Marubeni, **Kyushu Railway Company**

(Photo courtesy of Tokyu Land Corporation)

- Next, I will discuss our initiatives related to logistics facilities.
- In March, we acquired our fifth logistics facility in Kyushu, located near Tosu—a major transportation and logistics hub in the region. We are also preparing to complete construction of LOGI STATION Fukuoka Ogori, our first self-developed logistics property, also located in the Tosu area.
- Furthermore, we will participate in the developer consortium for the Southern Tosu Cross Park Development Project, a public–private industrial park initiative that will include new logistics facilities.
- Given strong demand from the semiconductor sector and persistently low vacancy rates, we expect favorable conditions for logistics real estate to continue, and we will actively pursue both development and acquisition opportunities.
- Please turn to the next slide.

Medium-Term Business Plan 2025–2027: Non-Financial KPIs

- We established non-financial KPIs aligned with the new materiality themes, adding new indicators in select areas to further drive the creation of social value.

Materiality	Major strategies/initiatives	Indicators and targets (FY28.3)	
Our utmost mission: to create safety and pursue customer satisfaction	• Medium-term safety plan • CS-improvement strategy	• Accidents in the railway business that result in fatalities among customers • Occupational accidents that result in fatalities among employees, etc. • Level of customer satisfaction*1	0 cases 0 cases 75.0 points or higher
Leveraging our comprehensive capabilities centered around mobility services, aiming to co-create with local communities through city building	• Business strategy	NEW • Population along train lines • Promote alliances outside the Group	Rate of population decline lower than for Kyushu as a whole No quantitative target
Development of human resources, the source of value creation	• Human resource strategy*2	• Results of employee attitude survey (overall level of satisfaction) • Exchanges of opinions between executives and employees • Ratio of female employees among new employees NEW • Percentage of management positions held by employees with at least 15 years of service*3 NEW • Retention of female employees NEW • DE&I index*4 • Ratio of male employees who take childcare leave	Continued YoY improvement 40 times or more per year 30% or more per year Percentage of women not below that of men Monitoring annual trends Continued YoY improvement 50% or more taking one month or more
Sound corporate management	• IR (institutional investors) • IR (individual investors) • Promotion of mutual understanding • Risk management	• Continued holding of financial results briefings and the sharing and utilizing of investor opinions at board meetings • Holding of large meetings with outside directors • Briefings, tours, and other opportunities to interact with individual investors • Customer roundtable meetings NEW • Reinforcement of Group governance	5 times or more per year 1 time or more per year 10 times or more per year 10 times or more per year Monitor status every six months
Business development in harmony with the environment	• Decarbonized society • Circular economy • Biodiversity	NEW • Reduce greenhouse gas emissions by 60% by FY36.3 (vs. FY24.3) NEW • Tackle Scope 3 NEW • Efficient use of water resources NEW • Biodiversity initiatives	Confirm progress Set reduction targets Reduce water consumption*5 each fiscal year Disclosure based on TNFD recommendations

*1 Comprehensive score of survey on hospitality, facilities, schedules, etc.
*2 All figures represent non-consolidated indicators except "Results of employee attitude survey (overall level of satisfaction)"
*3 Including those who reach 15 years of tenure if they do not retire
*4 Our own index, taking an average score of items related to inclusion in the employee attitude survey
*5 Sales-to-water usage ratio: Water usage per unit of revenue (thousand cubic meters per ¥100 million)

➢ Finally, I will touch on our non-financial KPIs for the period of this Medium-Term Business Plan.

➢ We have updated our materiality themes and established corresponding KPIs.

➢ In addition to initiatives carried over from the previous Medium-Term Business Plan, we have added new items such as strengthening Group governance and addressing Scope 3 emissions.

➢ We have also revised the KPI previously labeled "ratio of female managers (end of FY31.3)" to instead measure "percentage of management positions held by employees with at least 15 years of service." In addition, we introduced new KPIs such as female retention rate and DE&I indicators, and revised the target for male parental leave uptake to make it more effective.

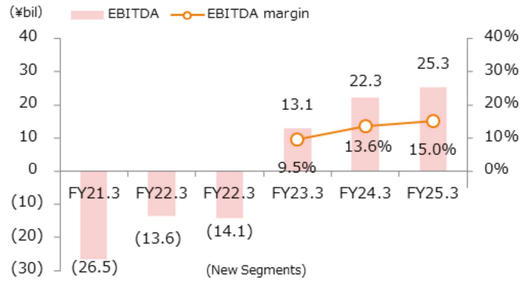
➢ By steadily monitoring progress on these non-financial KPIs, we aim to create greater social value, enhance sustainability, and increase corporate value.

➢ This concludes my presentation. Thank you for your attention.

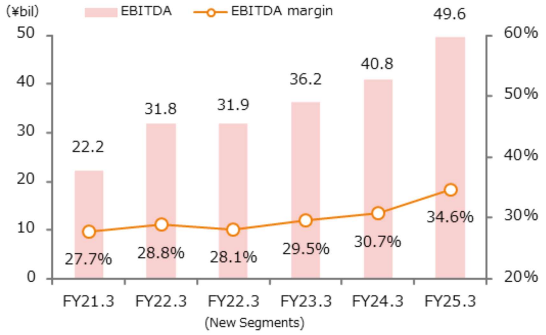
APPENDIX

EBITDA by Segment

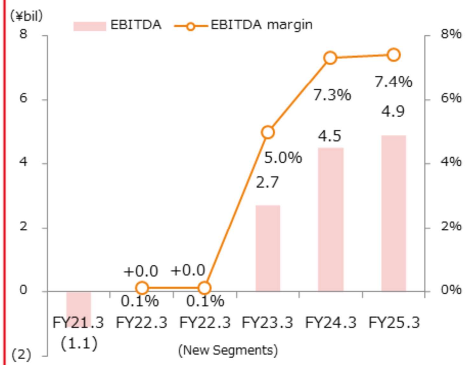
Transportation



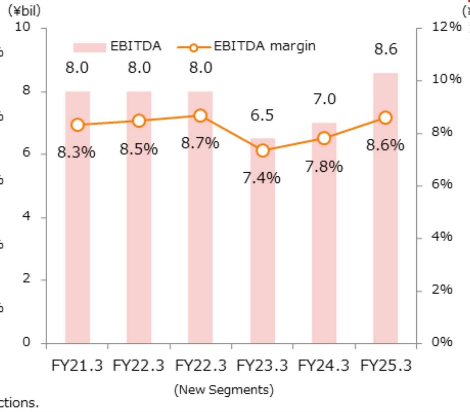
Real Estate and Hotels



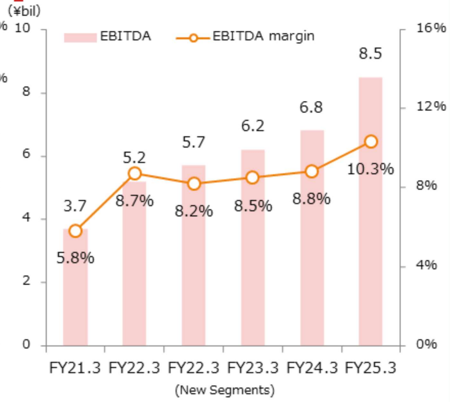
Retail and Restaurant



Construction



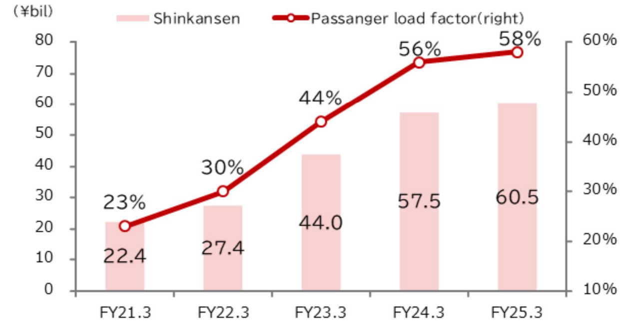
Business Services



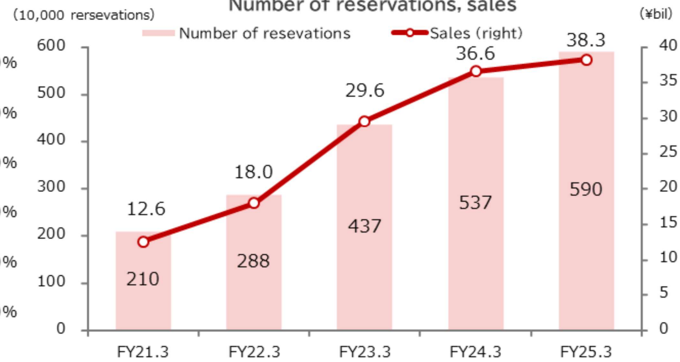
* Figures by segment are prior to eliminating intersegment transactions.

Trends in the Railway Business

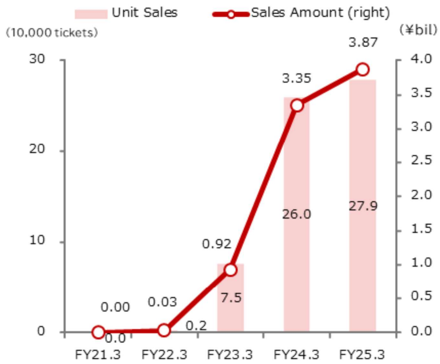
Railway transportation revenues (Shinkansen), passenger load factor on the Kyushu Shinkansen (Hakata-Kumamoto)



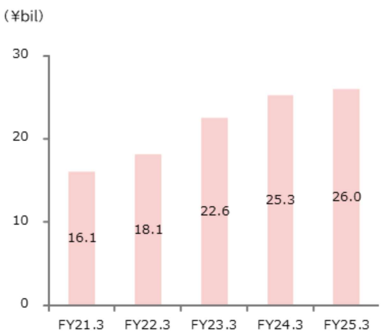
Internet train reservation services: Number of reservations, sales



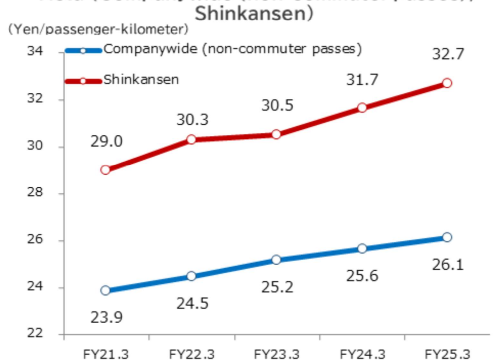
Sales Amount and Unit Sales of JR-KYUSHU RAIL PASS



Railway transportation revenues (short distance)

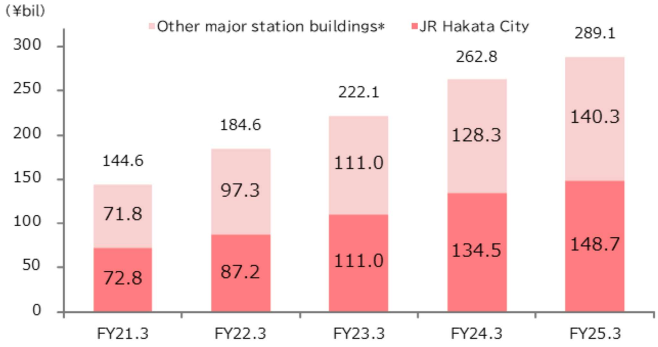


Yield (Companywide (non-commuter passes), Shinkansen)

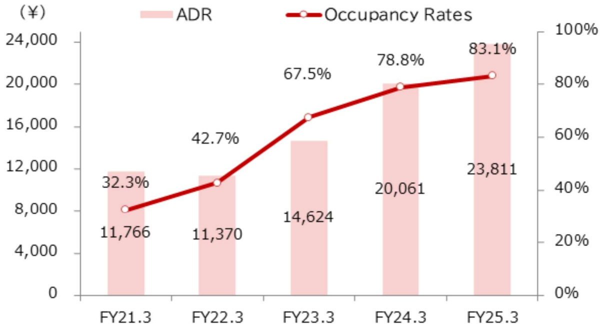


Trends in the Real Estate and Hotel Businesses

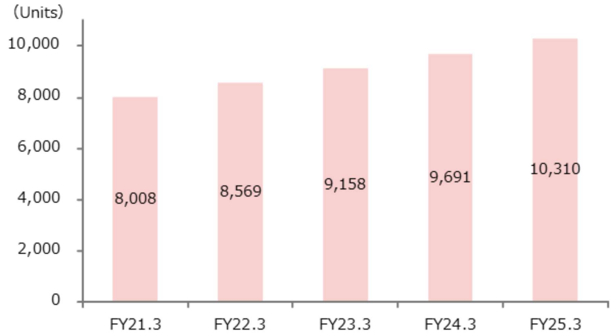
Station building tenant sales



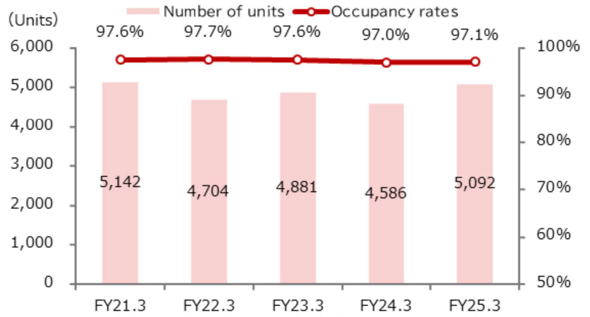
Hotel occupancy rates and average unit prices



Unit sales of condominiums (cumulative)



Rental apartment numbers (cumulative) and occupancy rate



* Numbers of rooms are as of the end of each fiscal year(excluding the sale of properties to a private REIT, etc.)
* Occupancy rates are averages of the figures at the end of each month (excluding the year of opening for newly opened properties; excluding newly acquired properties)

Overview of Major Development Pipelines

Name	Location	Schedule	Floor space/Lot area/Units/Rooms	Notes (Uses, etc.)
Project utilizing the space above the tracks at Hakata Station	Hakata-ku, Fukuoka City	End 2028: Planned completion	Lot area: Approx. 5,200㎡ Floor space: Approx. 50,000㎡	• Offices, hotels, and commercial operations, and plazas, etc.
Kajiya-cho No. 1 Urban Area Redevelopment Project	Kagoshima City, Kagoshima Prefecture	Fiscal 2024: Urban planning decision Fiscal 2025: Business plan approval expected	Lot area: Approx. 5,500㎡	• Plan for a complex of condominiums and commercial facilities • Street stores will be located along the train street to create a bustling atmosphere. • Establish a plaza for events, etc.
Former site of Kyushu University Hakozaki Campus	Higashi-ku, Fukuoka City	April 2024: Acquisition of preferential negotiating rights 2H Fiscal 2025: Project launch expected	Lot area: Approx. 28.5ha	• Sumitomo Corporation will be the representative company, and eight companies including us will participate in the project. • Specific business plans are to be developed through preferential negotiation with the offeror.
LOGI STATION Fukuoka Ogori	Ogori, Fukuoka Prefecture	Fall 2025: Planned completion	Site area: Approx. 74,800 m² Total floor area: Approx. 85,000 m²	• Multi-tenant logistics facility • Dry storage and hazardous materials warehouse
LOGI STATION Fukuoka Kanda	Miyako-gun, Fukuoka Prefecture	January 2026: Planned completion	Site area: Approx. 28,076 m² Total floor area: Approx. 16,000 m²	• Joint project with Yoshida Kaiun • Dry storage, heavy cargo storage, and hazardous materials warehouse
Logicross Misato	Misato City, Saitama Prefecture	August 2026: Planned completion	Site area: Approx. 54,535 m² Total floor area: Approx. 135,040 m²	• Joint project with Mitsubishi Estate, Sumitomo Warehouse, and JR Kyushu • Multi-tenant logistics facility • Dry storage and hazardous materials warehouse

Note: Schedules are subject to change

Initiatives to realize management that is conscious of capital cost and stock price

Our view

To enhance market valuation, it is essential to execute strategies that clearly demonstrate future growth potential and gain market understanding.
From the perspective of increasing shareholder value, we recognize the growing importance not only of improving ROE but also of lowering the cost of equity capital.

Policy direction

- Aim to expand the equity spread by continuously focusing on improving return on capital and reducing the cost of equity capital
- Continue shareholder returns to enhance shareholder value
  Target a dividend payout ratio of 35% or more on a consolidated basis, while also conducting flexible share repurchases

Initiatives to improve ROE

- Drive growth and improve efficiency in existing businesses while creating new sources of revenue
  Execute the three key strategies outlined in the medium-term business plan: "Realize Sustainable Mobility Services," "City Building through Enhanced Collaboration among Businesses," and "Plant Seeds for the Future"
- Review the business portfolio in a timely and appropriate manner, including potential exits
- Utilize debt effectively and manage equity levels

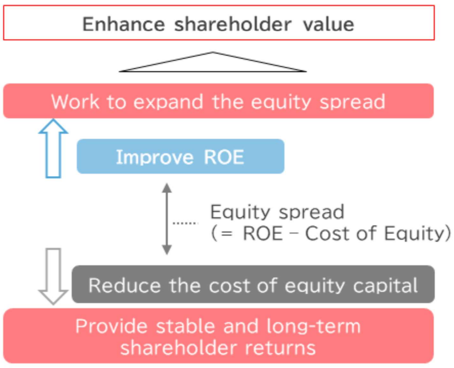
Initiatives to reduce cost of equity capital

- Strengthen business resilience and build a sustainable operating structure
  Respond swiftly to management challenges (e.g., Future Railway Project, fare and charge revisions, local line discussions)
- Initiatives involving IR activities
  Engage in disclosure and communication that addresses market opinions

[Key metrics over time]

	Share price (¥)	PBR (times)	ROE (%)	PER (times)
FY22.3	2,507	1.0	3.4%	29.7
FY23.3	2,949	1.1	7.8%	14.9
FY24.3	3,543	1.3	9.1%	14.5
FY25.3	3,650	1.3	9.7%	13.1
FY26.3 (Forecast)	–	–	10.8%	–

[Examples of initiatives]



Dialogue with shareholders and Investors in FY25.3

Details of communications

Targeting institutional investors and analysts:
Financial results briefings, Briefing of the New Medium-Term Management Plan, Meeting with Outside Directors, Small meetings, Facility tours, One-on-one meetings

Targeting individual investors:
Company information sessions, Shareholder events, Shareholder e-newsletters, Shareholder questionnaires

Feedback to the Board of Directors

Number of reports to the Board of Directors: Eight

Main measures implemented based on feedback:

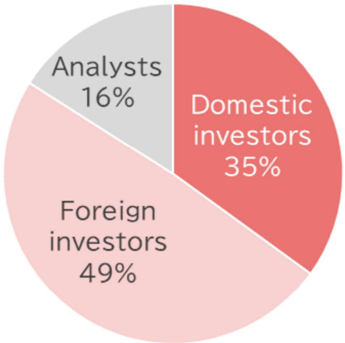
- Established a new dialogue session with outside directors focused on Group governance
- Established a new dialogue session with outside directors focused on railway safety
- Disclosed Groupwide Scope 3 GHG emissions
- Formulated an Environmental Vision
- Enhanced the integrated report

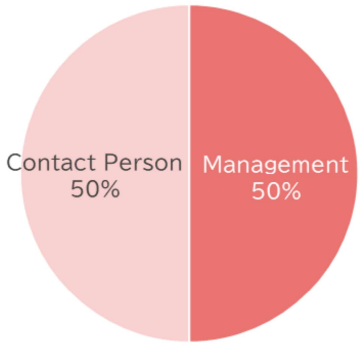
Dialogues conducted

Respondents: President, CFO, outside directors, director and managing corporate officer, senior corporate officer, head of the IR section

Opportunities for exchange with individual investors: **10**

Number of meetings for institutional investors and analysts: **428**





Forward-Looking Statements

These materials contain forward-looking statements concerning business forecasts, targets, etc. of the JR Kyushu Group.

These statements are judgments made by the Company based on information, projections, and assumptions available at the time of the materials' creation.

Accordingly, please be advised that actual operating results could greatly differ from the contents of the materials due to the economic situation inside and outside Japan and the economic situation in Kyushu; real estate market conditions; the progress of respective projects; changes in laws and regulations; and a wide range of other risk factors.

IR materials can be viewed on our corporate website:

https://www.jrkyushu.co.jp/company/ir_eng/library/earnings/