

City-Building and MaaS in Miyazaki

December 11, 2020 Kyushu Railway Company

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- I would like to thank you for taking the time to participate in our presentation today.
 My name is Takuma Matsushita.
- > Today, I will discuss the subject of City-Building and MaaS in Miyazaki.



- First, I will outline Miyazaki's location.
- Situated in southern Kyushu, Miyazaki Prefecture has a population of approximately 1.08 million while Miyazaki City has a population of approximately 0.4 million. Miyazaki City's population is around the same as Oita City and Nagasaki City. Incidentally, the population of Fukuoka City is approximately 1.54 million.

Circumstances in Miyazaki

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> Next, I will explain the circumstances in Miyazaki.



- > This is a photograph of the Miyazaki Station area prior to development.
- The three-story, slightly dingy building that can be seen at the front of the photo was an existing building that was the property of JR Kyushu. To the side of it is a site that was owned by the Miyakoh Group. The JR Kyushu site alone offered only a small space for station building development.
- We heard from some people who expressed the opinion that the station square had been difficult to use, as it had many trees and very there was heavy taxi traffic in the taxi pool.



- AEON Mall Miyazaki, on the outskirts of the city, was Miyazaki's only strong retail player.
- ➢ In terms of the city's commercial environment, the outskirts of Miyazaki is home to one of the largest AEON malls in Kyushu. AEON Mall Miyazaki has a lot area of 200,000m², 250 stores, and a 4,300-space parking lot.
- > The central urban district is approximately 800 m from Miyazaki Station. In recent years, the district's movie theater closed down and people said that it had become a desolate place.

City-Building Policy for Miyazaki

Creating a lively atmosphere in the city center

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Setting out the creation of "a lively atmosphere in the city center" as its policy for city-building in Miyazaki, JR Kyushu worked toward realizing this policy.

City-Building Policy for Miyazaki

The JR Kyushu Group's Approach to City-Building

Building cities where people want to live, work, and visit



Area-wide integrated development centered on station buildings

- The JR Kyushu Group has laid out a policy of building cities where people want to live, work, and visit.
- In accordance with this policy, we set out to create a lively atmosphere in the center of Miyazaki and set area-wide integrated development centered on station buildings as our city-building policy for Miyazaki.

City-Building Policy for Miyazaki—Area-wide integrated development centered on station buildings



- There are train lines going north and south and we formulated a plan to create commercial facilities called Umi-kan and Yama-kan to the left of the lines.
- > We also made a plan to situate a parking lot in the vicinity of the existing hotel and renovate the commercial facilities below elevated tracks.

Distinguishing features of city-building for Miyazaki

> Next, I will discuss the distinguishing features of city-building for Miyazaki.

Distinguishing features of city-building for Miyazaki
Station buildings business in collaboration with local companies
Building foundations together with local governments
Renovation of commercial facilities below elevated tracks
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 There are three distinguishing features of city-building for Miyazaki.

- > The first is the conducting of the station buildings business in collaboration with local companies. In creating the station building, we decided engage in a joint project with local companies for the first time.
- > The second is the building of foundations together with local government. The local government carried out the station square redevelopment and road improvements.
- > The third is the renovating of the commercial facilities below elevated tracks.
- > We carried out city-building based around these three pillars.

Press Announcement on the Joint Development of Miyazaki Station West Gate (October 18, 2018)



- This was the scene at the announcement in October 2018 of the joint development with local companies.
- In the photograph is President Aoyagi of JR Kyushu, President Kikuchi of the Miyakoh Group, Governor Kono of Miyazaki Prefecture, Deputy Mayor Harada of Miyazaki City, and Chairman Mera of the local Chamber of Commerce & Industry. We promoted development as a three-way effort between JR Kyushu, communities, and local government.



- > The city-building scheme for Miyazaki.
- > By developing the station on a joint-project basis for the first time, we were able to secure a significant site and realize the strengthening of public transportation access.
- We developed the station square in conjunction with Miyazaki Prefecture as part of our joint city-building efforts with local government while Miyazaki City introduced green slow mobility.
- ➢ I believe that the three-way effort between JR Kyushu, communities, and local government represents city-building that only JR Kyushu can deliver.



- As initiatives that only a joint venture can realize, the Miyakoh Group carried out the following initiatives.
- The revision of routes, such as increasing the number of buses stopping in Miyazaki Station on weekdays and Saturdays and Sundays, the inclusion of Amu on bus destination display signs, and the operation of buses decorated with advertisements for tenants.
- > Thanks to these initiatives, we built up momentum for the opening.

Miyazaki Station West Gate Station Square Redevelopment (Miyazaki Prefecture)



- > Miyazaki Prefecture carried out redevelopment of the station square.
- The station square used to have many trees and poor visibility. I am of the opinion that Miyazaki Prefecture has now created an open, invigorating space that will serve as a platform for communicating information and attracting visitors.

Green slow mobility "Gruppi"



Miyazaki City began operating "Gruppi," green slow mobility, to coincide with the opening of the station building.

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> The center of our city-building in Miyazaki is Amu Plaza Miyazaki, the station building.



- Amu Plaza Miyazaki is the sixth Amu Plaza to open. We opened the first one in Kokura, followed by Nagasaki, Kagoshima, Hakata, and Oita, in that order.
- Moreover, we are scheduled to open another Amu Plaza in Kumamoto in April 2021.

Amu Plaza's Distinguishing Features

- Deployment of tenants that meet the needs of customers
- Facilities leveraging local characteristics that are a source of pride to their community
- Generating a lively atmosphere and communicating information in station squares and other locations



Creation of places that people would go out of their way to visit

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Amu Plazas have three distinguishing features.

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- > The first is the deployment of tenants that meet the needs of customers. We will change tenants going forward, including replacing them according to those needs.
- The second is the creation of facilities that are a source of pride to communities by drawing on a community's special characteristics. Rather than having Amu Plazas that are the same everywhere, we will create places that are a source of community pride while leveraging the stories of that land as well as the community's tourism resources.
- The third is the creation of a lively atmosphere and the communication of information in station squares. For this project, Miyazaki Prefecture redeveloped the station square but it will be through the active and careful creation of a lively atmosphere and the communication of information that we will create a place that people would go out of their way to visit. We will promote initiatives to this end going forward.
- Amu Plazas are not only visited by customers making train journeys but also people who go out of their way to visit the station building, even if they do not need to use the station itself. I believe the creation of such places is the distinguishing feature of Amu Plazas.



- > Here we can see the post-development view of the Miyazaki Station building.
- I believe the opening of Umi-kan and Yama-kan in the JR Miyako Twin Building and the renovation of Himuka Kirameki Ichiba, the commercial facilities below elevated tracks, has completely renewed the appearance of the station front.



- There are 63 stores in Umi-kan and Yama-kan and 34 in Himuka Kirameki Ichiba, making for a combined total of 97 stores
- > We dedicated floors seven to 10 to office space.



- We decided on a tenant composition that would attract many customers for special occasion-related demand. For example, retailers such as Tokyu Hands and Beams have opened stores.
- In addition, we attracted tenants that can carry out cultural communication, such as Books Kinokuniya and Wonder Attic Cinema, which is a cinema complex. Movie theaters had closed down in Miyazaki in recent years but the opening of this complex marks the return of a movie theater to the center of the city.
- > JR Kyushu leveraged to the fullest extent all that it had developed to date for the Amu brand. As a result, we achieved the opening of 97 stores, despite the COVID-19 pandemic.

Amu Plaza's Distinguishing Features—Everyday use -南九州 1階 南九州 1階 初 初 boulangerie française DONOone No light MATSUNO まつの ドンク・ミニワン ジュピター [ベーカリー] [輸入食品·コーヒー] [スーパーマーケット] 宮崎・初出店!コーヒー豆はアラビカ種100%。直火式自家焙煎の レギュラーコーヒー、ワイン、チーズ、紅茶お菓子、オリジナル商品を含む 添外・国内の商品を取り扱う人食品専門店。自社工場にて焙煎したての コーヒー豆を直接お店に届けている為、鮮度は抜群です! 1905年、神戸生まれのベーカリーです。ハン職人が手間ひまかけて 作りあげるこだわりの焼き立てハンをご提供します。 宮崎の四季折々の風土の中で、熱い思いを持った生産者が育て届ける たくさんの品々。 旬のものを旬のうちに。 いいものを最高の状態で。 宮崎の誇る美味しいものを、生産者の手から食卓へつなぎます 5階 CantDo 100 ドラッグイレブン キャン★ドウ マクドナルド [100 円ショップ] 「ファーストフード」 [生活雑貨] 合言葉は、「大人から子どもまで、みんなを笑顔にする」 すべてのお客様に、安全で安心して食べられるフードメニューをご用意し、 ご来店をお待ちしています。 ドラッグイレブンは「頼りになる 元気になる 笑顔になる」を合言葉に 店舗展開しているドラッグストアです。 医薬品・化粧品・日用品などを 多数取り揃え、 お客さまの健康と美容をサポートいたします。 「まいにちに発見を。」をコンセプトに生活の定番から季節の商品、便利グッズ かわいい雑貨まで幅広い商品を取り揃えています。 店内は誰もが買い物を楽し めるような快適な空間を目指しました。いつもの生活を楽しくする少しのきっか! をキャンドゥの商品でお届けします。キャンドゥで昨日よりもちょっといい今日を。 Store composition that encourages customers to drop by casually and frequently through the opening

Of course, we have achieved not only the opening of stores catering to special occasion-related demand but also those that can be used for everyday shopping. We adopted a tenant composition offering stores that customers could use on a regular basis, such as a supermarket, bakery, fast food outlets, and a drug store. The opening of stores by tenants for everyday use resulted in a store composition that encourages customers to drop by casually and frequently.

of stores that can be used for everyday shopping

➢ In this way, we marshalled all of the capabilities of the station buildings Group to carry out leasing in preparation for the opening of the building.

Amu Plaza's Distinguishing Features —Facilities that are a source of pride to the community



So as to realize facilities that are a source of pride to the community, we created Amu Sora on the rooftop of the station building and built Amu Niwa on the sixth and seventh floors as a place for relaxing.

Amu Sora

A rooftop deck on the Umi-kan. Commands panoramic views of Miyazaki's rich nature,

such as the ocean and mountains, as well as the city center. Serves as the approach to the Traveler's Shrine.



- This is Amu Sora. We created facilities offering panoramic views of Miyazaki's rich ocean and mountains, as well as its city center, by installing a rooftop deck in the Umi-kan.
- In conjunction with the Miyakoh Group, we built the Traveler's Shrine in Amu Sora. Enshrined deities were moved from Miyazaki Jingu and Amu Sora serves as the approach to the Traveler's Shrine.
- Since the opening of the Amu Plaza, we have seen many visitors ascend to Amu Sora and go to the highest spot to look for their own homes. I have the strong impression that Amu Sora will become a place beloved by many people.

Amu Plaza's Distinguishing Features —Facilities that are a source of pride to the community

Amu Niwa

- \cdot A garden for relaxing, recharging, and unwinding, where visitors can meet casually and enjoy the water and greenery
- The garden on the 6th floor is a space where visitors with children can enjoy themselves with peace of mind
- The garden on the 7th floor is a multipurpose space with a cafe and restaurant



- This is Amu Niwa. We created this garden for unwinding, where visitors can meet casually, relax, and enjoy the water and greenery.
- We have seen many visitors either taking a break there, going up to the rooftop, or ascending to the top with their grandchildren.
- I am of the opinion that we have realized facilities that will become a source of pride to the community.

Existing commercial facilities below elevated tracks —Himuka Kirameki Ichiba



- We opened Himuka Kirameki Ichiba on October 14, in advance of the other facilities. Stores including souvenir stores, eating and drinking establishments, stores selling desserts and other sweet foods to be taken home to enjoy, and fast food outlets have opened in this facility.
- > Visitor numbers for the opening surpassed our initial expectations.



- > This was the scene on the day of the grand opening. Many people came. It was a gratifying sight to see so many people waiting for the opening.
- The crowds gave me the belief that these facilities would be beloved by everyone for many years to come.

Amu Square—Christmas Illuminations



- > On the evening of the grand opening, we held an event that created a lively atmosphere in the square by turning on the Christmas illuminations.
- > I believe we established a platform for attracting many visitors.

Together with the community

To date, we have advanced the creation of station buildings in conjunction with

> In Miyazaki, we further strengthened this aspect, working together with the local community to decide the kind of station building we should create.

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communities.

Together with the community —Opening promotional slogan, "Creating My Amu"



Customer participatory and interactive promotion with people who are proud of and love Miyazaki

Setting out our opening promotional slogan as "Creating My Amu," we advanced customer participatory and interactive promotional activities.

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These photographs feature local people. The photograph in the middle of the second row features the president of Miyazaki Yamagataya department store and the president of the station building company. To the right is the chief director of the federation of Miyazaki City shopping district promotion associations – the leader of the central urban district - who kindly posed for a photograph, indicating that the central urban district and JR Kyushu will work together to advance city-building in Miyazaki.

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To connect to a lively atmosphere through events in front of the station, we have been holding events such as concerts since the opening of the station building.

Together with the community —Flourishing shopping district



- The station shopping district is situated directly in front of the station building. There used to be a few empty stores in the shopping district, but with the opening of the station building, there has been a significant increase in the number of stores under the management of young store operators and of new stores.
- A lively atmosphere is emerging, at not only our facilities but also the local shopping district.

Together with the community —Co-existence and co-prosperity with the central urban district



- > To coincide with the opening of the station building, the shopping district also held an event.
- I believe we are achieving co-existence and co-prosperity with the central urban district.

Together with the community —Co-existence and co-prosperity with the central urban district



- This photograph shows banners hanging down the side of Yamagataya department store. The second one from the left reads, "Congratulations on the Opening of Amu Plaza" and these words gave us great encouragement.
- ➢ We intend to continue to carry out city-building while competing with Miyazaki Yamagataya, which is a great partner as well as a great rival.



> Next, I will discuss MaaS verification testing in Miyazaki.

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MaaS

MaaS stands for Mobility as a Service (Integration of all forms of mobility!)



> To coincide with the opening of the Miyazaki Station building, we launched MaaS verification testing. There are expectations for MaaS as a way to revitalize regional economies.

MaaS initiatives in Miyazaki

MaaS verification testing in Miyazaki Prefecture (November 2020 to March 2021)		
 Establishment of a public and private sector-based executive committee led by Miyazaki Kotsu and JR Kyushu Promotion of initiatives coordinating public transportation with the city center, station buildings, and tourist facilities 		
MaaS App. (my route) (my route) (Bus location information, JR line delay information Services encompassing route searching, ticket purchase and reservation, and usage with various local information all provided in one MaaS app.!	
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- ➢ We are scheduled to conduct MaaS verification testing in Miyazaki Prefecture from November 2020 to March 2021.
- > A public-private partnership centered on the Miyakoh Group and JR Kyushu, will promote initiatives at tourist facilities, station buildings, and the city center.
- In these initiatives, we will use the "my route" app developed by Toyota Motor Corporation. The app offers a one-stop platform for everything from route searching to ticket reservation, purchase, and use all via smartphone.

MasS verification testing in Miyazaki Prefecture Launched November 6, 2020 (Fri.) 宮崎を自在に、おトクに 私 の 楽 L い 12 直 route ポイント ポイント3 ポイント2 あなたに合った 宮崎のイベントや おトクなチケット 購入できる! 移動ができる! 観光情報が満載! ANAの航空券 JR九州の新幹線や特急列車 企業社員が自行 高速バスの予約もマイルートから の耳寄り情報も満載 く 今すぐダウンロード! / 宮崎の移動はマイルートアプリで! And South States かけ、第門など¹私の楽しい「際しから、 トの裏訳まで、自由に、便利に、おトクに、「_{中す}」 ご利用マナーにご協力ください。また、歩きスマネは 宮崎県における マイルート 宮崎 枝索 MaaS実証実験開始記念式典 SECTI-J Nishitetsu ANAS SAF-39 MPPA TOYOTA 38

Here we can see photographs taken at the launch of the verification testing and an advertisement for the "my route" app.

Image of revitalizing local communities using MaaS



> Outline of regional revitalization utilizing MaaS.

- Public transportation is expected to face challenging conditions due to issues that include a declining birth rate and aging population, a declining population, and labor shortages. To these issues has been added the threat of the COVID-19 infections.
- We will leverage MaaS to create mobility demand and advance the creation of a sustainable public transportation network. By doing so, I hope that MaaS will become a new community infrastructure for Miyazaki.



- Our city-building efforts have only just begun. City-building is an ongoing process. We will grow by working in concert with communities to prosper together. That is the approach to city-building that we intend to advance.
- > Thank you for your attention.

Forward-Looking Statements

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

The Company decided on these forward-looking statements based on the available information, as well as Company estimates and assumptions, at the time these materials were created. Please note that actual performance may vary greatly depending on the impact of various factors such as the economic environment in Kyushu as well as greater Japan and overseas, the condition of the real estate market, the progress of each individual project, changes in laws and regulations, and a wide range of other risks.

IR materials can be viewed on our corporate website: http://www.jrkyushu.co.jp/company/ir_eng/library/earnings/