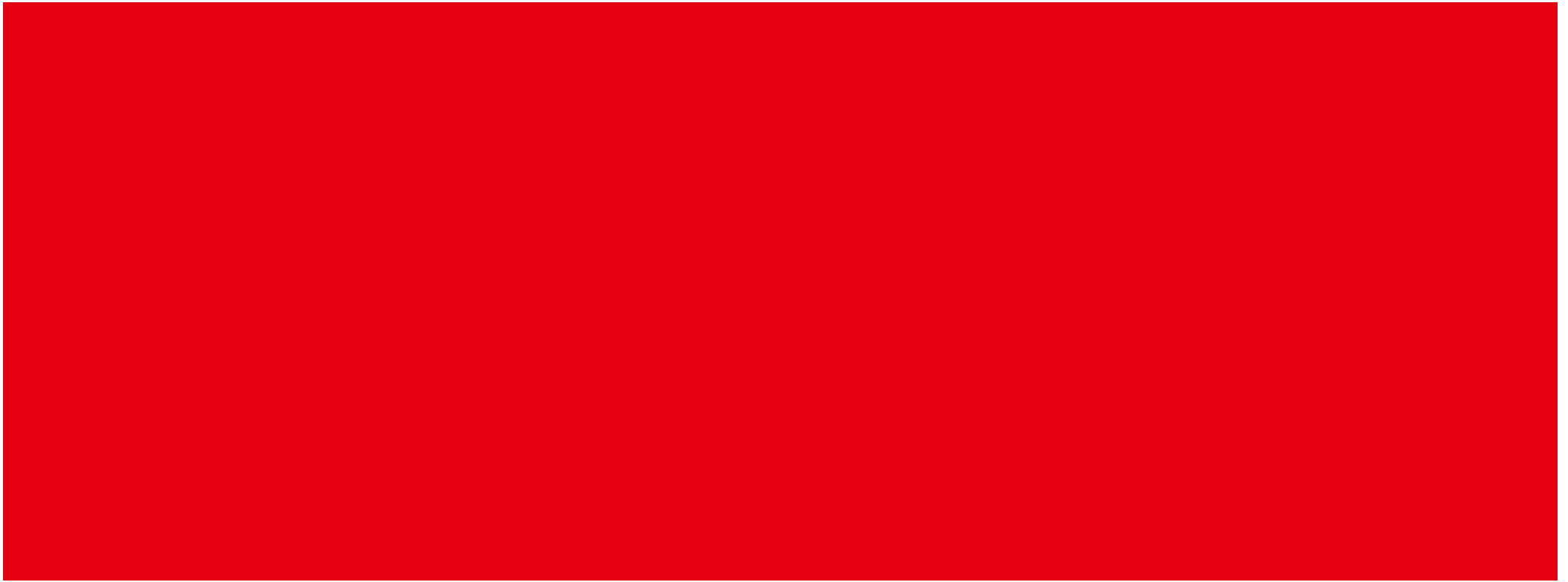




# FY26.3 First Quarter Investors Meeting

AUGUST 5, 2025

KYUSHU RAILWAY COMPANY





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## **I Financial Results for the First Three Months of FY26.3**



# Consolidated Financial Highlights for the Three-Month Period Ended June 30, 2025

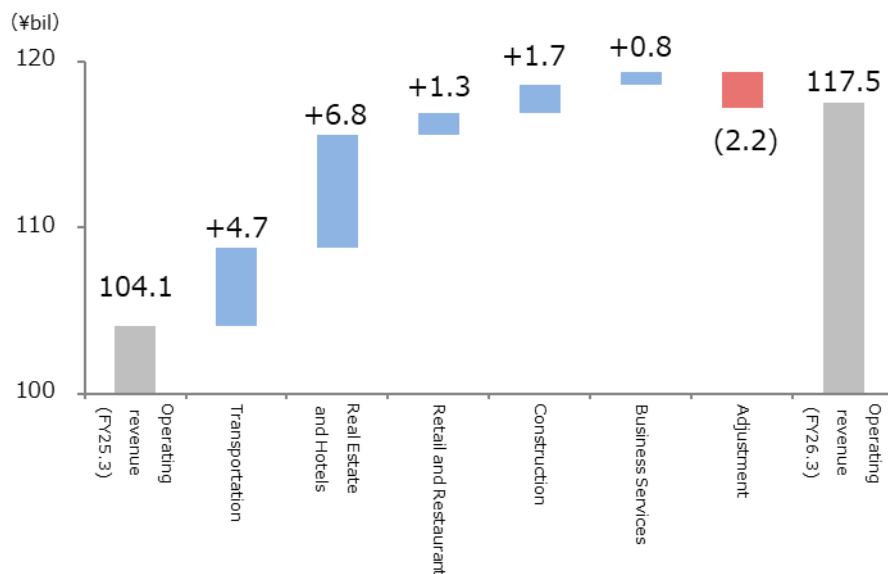
	(¥bil)			
	3 months ended June 30, 2024	3 months ended June 30, 2025	YoY	
Operating revenue	104.1	117.5	13.3	112.8%
Operating income	14.7	19.9	5.2	135.8%
Ordinary income	15.1	20.4	5.2	135.0%
Extraordinary gains and losses	0.1	0.9	0.8	649.8%
Net income attributable to owners of the parent	11.4	16.3	4.9	143.6%
EBITDA*	23.6	29.2	5.6	123.8%

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

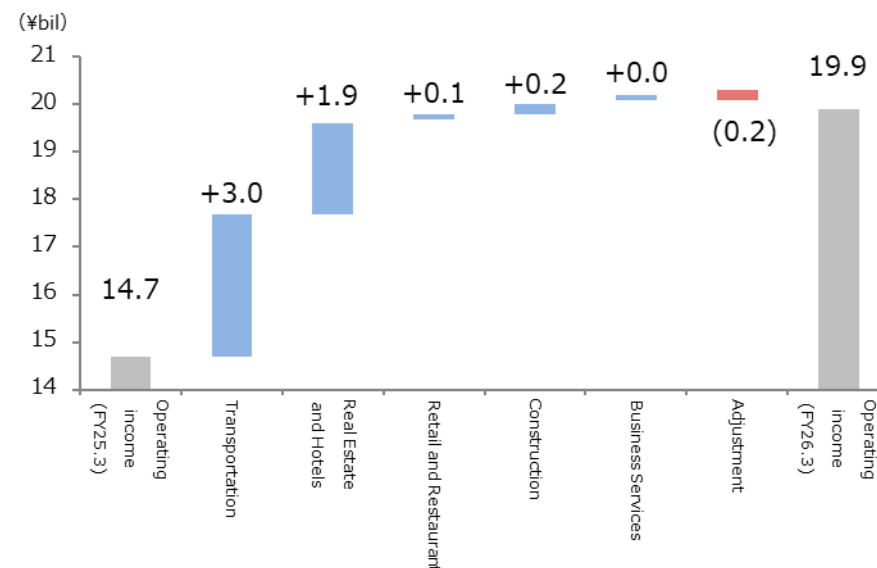
## Key points

- Owing to higher railway transportation revenues stemming from revised fares and charges, plus higher real estate sales revenue, consolidated operating revenues, operating income, ordinary income, and net income attributable to owners of the parent increased year on year.

## Change in operating revenue by segment



## Change in operating income by segment





# Consolidated Results for the First Three Months of FY26.3 (by Segment)

(¥bil)

	3 months ended June 30, 2024	3 months ended June 30, 2025	YoY		Major factors
Operating revenue	104.1	117.5	13.3	112.8%	
Transportation	40.4	45.2	4.7	111.8%	
Railway Business (non-consolidated)	39.7	44.9	5.1	112.9%	Increase due to the revise rail fares and charges
Real Estate and Hotels	33.0	39.9	6.8	120.8%	
Real Estate Lease	18.3	19.4	1.1	106.0%	
Real Estate Sales	7.1	12.3	5.2	173.4%	Increase in the sales of condominiums
Hotel Business	7.5	8.1	0.5	106.9%	
Retail and Restaurant	15.4	16.8	1.3	108.7%	
Construction	15.9	17.7	1.7	110.8%	
Business Services	18.4	19.3	0.8	104.8%	
Operating income	14.7	19.9	5.2	135.8%	
Transportation	6.4	9.5	3.0	147.8%	
Railway Business (non-consolidated)	6.6	9.7	3.0	146.0%	
Real Estate and Hotels	7.3	9.3	1.9	127.2%	
Real Estate Lease	4.5	4.7	0.2	105.4%	
Real Estate Sales	1.1	2.8	1.6	250.2%	
Hotel Business	1.7	1.7	0.0	104.0%	
Retail and Restaurant	0.7	0.8	0.1	114.0%	
Construction	(0.9)	(0.6)	0.2	-	
Business Services	1.0	1.0	0.0	105.3%	
EBITDA	23.6	29.2	5.6	123.8%	
Transportation	9.6	13.1	3.4	136.2%	
Railway Business (non-consolidated)	9.7	13.2	3.4	135.8%	
Real Estate and Hotels	11.8	13.8	2.0	117.3%	
Real Estate Lease	8.1	8.3	0.2	102.8%	
Real Estate Sales	1.1	2.8	1.6	249.6%	
Hotel Business	2.5	2.7	0.1	105.5%	
Retail and Restaurant	1.1	1.2	0.1	109.2%	
Construction	(0.6)	(0.3)	0.2	-	
Business Services	1.7	1.7	(0.0)	97.3%	

# Consolidated Balance Sheets for the First Three Months of FY26.3

(¥bil)

	Results FY25.3	3 months ended June 30, 2025	YoY	Major factors
<b>Assets</b>	1,140.5	1,133.0	(7.4)	
Current assets	214.1	211.4	(2.6)	
Non-current assets	926.3	921.5	(4.8)	
Fixed assets for railway business	164.7	164.8	0.0	
<b>Liabilities</b>	681.8	673.3	(8.5)	
Current liabilities	212.7	180.4	(32.2)	Decrease in accounts payable-trade and payables
Non-current liabilities	469.1	492.8	23.6	Increase in Long-term loans
<b>Net assets</b>	458.6	459.6	1.0	
<b>Interest-bearing debt</b>	423.3	448.2	24.9	
<b>Equity ratio</b>	40.0%	40.4%		

# Non-Consolidated Results for the First Three Months of FY26.3

(¥bil)

	3 months ended June 30, 2024	3 months ended June 30, 2025	YoY		Major Factors
Operating revenue	57.3	68.7	11.4	119.9%	
Railway transportation revenues	35.9	41.0	5.0	113.9%	Increase due to the revise rail fares and charges
Shinkansen	13.9	16.0	2.0	114.8%	
Conventional Lines	22.0	24.9	2.9	113.4%	
Other revenue	21.3	27.7	6.4	130.1%	Increase in the sales of condominiums
Operating expense	45.0	51.2	6.1	113.8%	
Personnel expense	11.9	12.7	0.8	107.2%	Increase due to the raise in basic wage, etc.
Non-personnel expense	24.0	28.6	4.6	119.1%	
Energy cost	2.4	2.8	0.3	115.4%	
Maintenance cost	5.0	5.1	0.1	102.1%	
Other	16.5	20.7	4.1	124.8%	Increase in cost of sales properties
Taxes	3.3	3.6	0.3	109.3%	
Depreciation cost	5.6	6.0	0.4	107.6%	
Operating income	12.2	17.5	5.2	142.6%	
Non-operating income and expense	0.4	0.3	(0.1)	75.2%	
Ordinary income	12.7	17.9	5.1	140.0%	
Extraordinary gain and losses	0.1	0.0	(0.1)	31.7%	
Net income	9.6	13.6	4.0	141.7%	

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

(¥bil)

		3 months ended June 30, 2024	3 months ended June 30, 2025	YoY	
Railway business	Operating revenue	39.7	44.9	5.1	112.9%
	Operating income	6.6	9.7	3.0	146.0%
Related businesses	Operating revenue	17.5	23.8	6.2	135.9%
	Operating income	5.6	7.7	2.1	138.5%



## **II Full-Year Performance Forecasts and Dividend Forecasts for FY26.3**





# Consolidated Financial Forecast Highlights for FY26.3

	Results FY25.3	Forecasts FY26.3	YoY
Operating revenue	454.3	483.3	28.9 106.4%
Operating income	58.9	67.6	8.6 114.6%
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%

(¥bil)

Medium-Term  
Business Plan  
targets

530.0

71.0

—

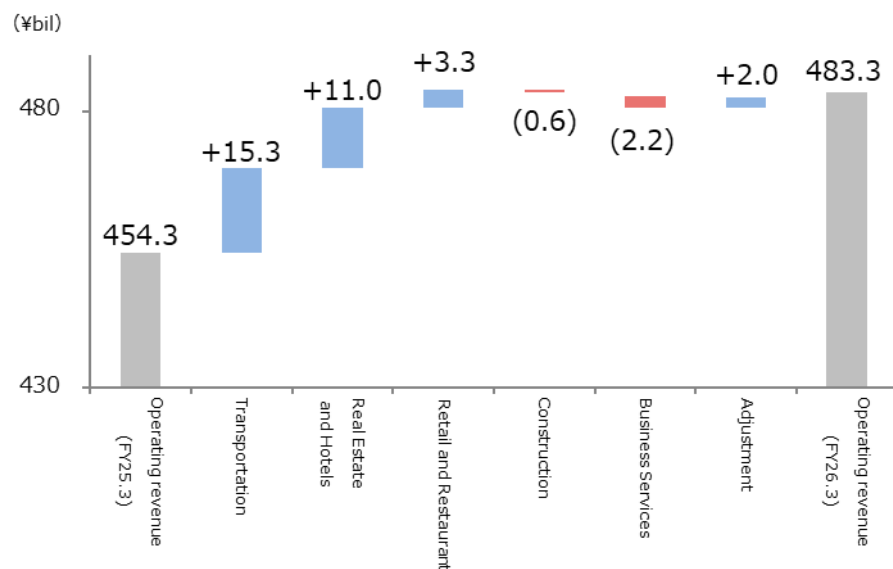
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115.0

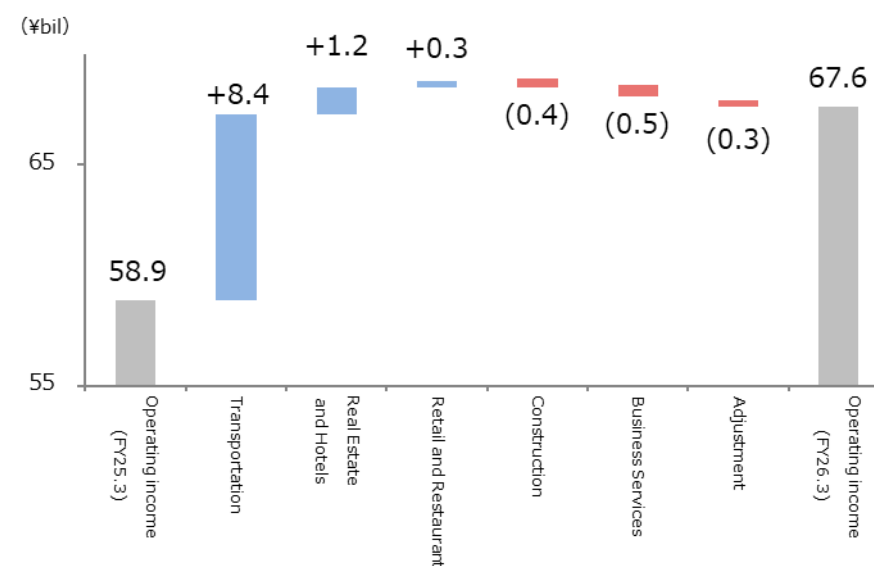
## Key points

- 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



# Consolidated Financial Forecasts for FY26.3 (by Segment)

	Results FY25.3	Forecasts FY26.3	YoY		Major factors	(¥bil) 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)

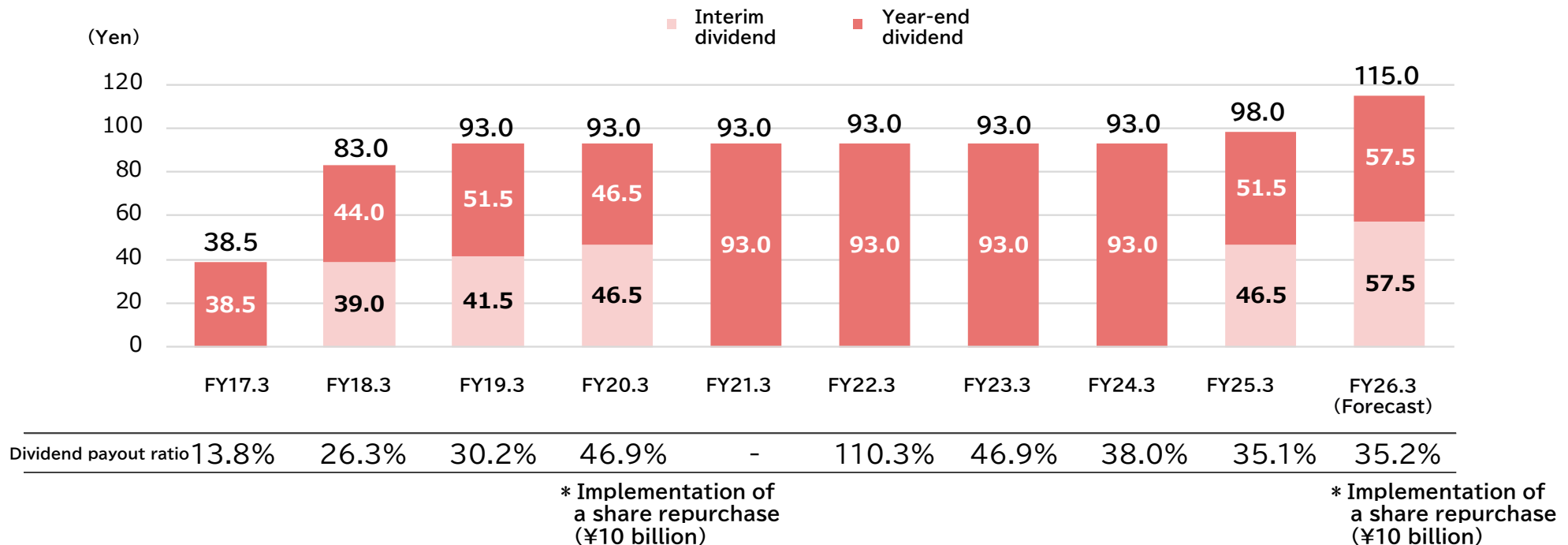
		Results FY25.3	Forecasts FY26.3	YoY	
Railway business	Operating revenue	167.0	183.0	15.9	109.5%
	Operating income	13.4	21.1	7.6	157.4%
Related businesses	Operating revenue	73.7	83.3	9.5	112.9%
	Operating income	22.6	23.8	1.1	105.0%



# About Shareholder Returns

- JR Kyushu places importance on the stable provision of return to shareholders over the long term. Over the period up to FY28.3, 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.

(Reference) Annual dividends per share





### **III Status of Segments**



# Transportation Segment

- Looking at Q1 FY26.3 railway transportation revenues, commuter revenues were in line with expectations, while non-commuter revenues exceeded our forecast.
- In FY26.3, we expect revenues and income to rise, owing to the revision of rail fares and charges.

## 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
Operating revenue	40.4	45.2	4.7	111.8%
Railway Business (non-consolidated)	39.7	44.9	5.1	112.9%
Railway transportation revenues	35.9	41.0	5.0	113.9%
Operating income	6.4	9.5	3.0	147.8%
Railway Business (non-consolidated)	6.6	9.7	3.0	146.0%
EBITDA	9.6	13.1	3.4	136.2%
Railway Business (non-consolidated)	9.7	13.2	3.4	135.8%

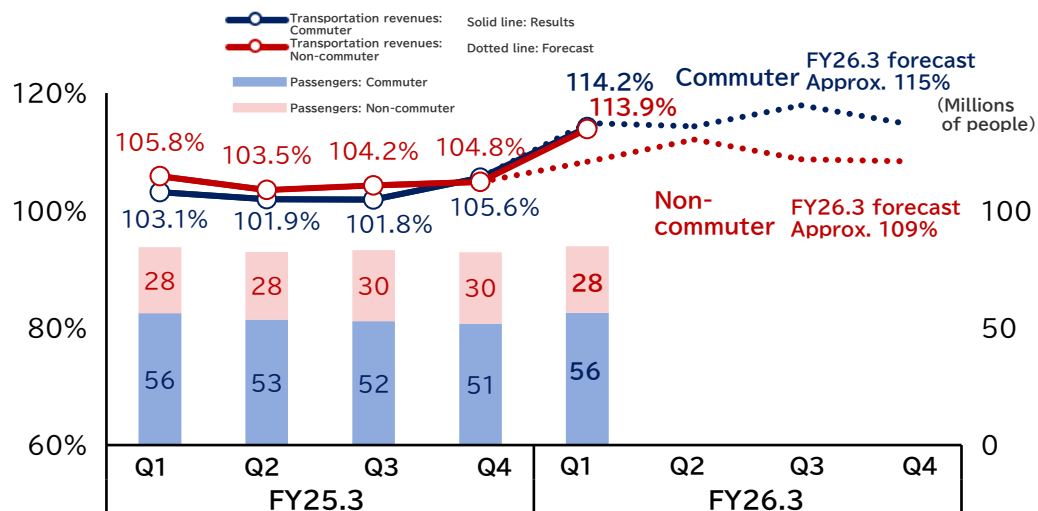
## 【Forecasts】

	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	169.3	184.7	15.3	109.1%
Railway Business (non-consolidated)	167.0	183.0	15.9	109.5%
Railway transportation revenues	151.2	167.2	15.9	110.5%
Operating income	12.1	20.6	8.4	169.0%
Railway Business (non-consolidated)	13.4	21.1	7.6	157.4%
EBITDA	25.3	35.4	10.0	139.4%
Railway Business (non-consolidated)	26.2	35.5	9.3	135.7%

## Status of Key Businesses and Assumptions Behind Forecasts

- In Q1, railway transportation revenues were in line with expectations for commuter revenues, while non-commuter revenues exceeded expectations for both the Shinkansen and conventional lines.
- Expenses in the railway business remained in line with expectations, although they exceeded the previous year due mainly to an increase in personnel expenses due to base pay increases, etc.
- Within the revised fares and charges, revision rates and rates of increase.
  - Commuter: Revision rate of 25.8%; rate of increase of 18.6%
  - Non-commuter: Revision rate of 14.6%; rate of increase of 11.5%
  - Charges: Revision rate of 8.0%; rate of increase of 6.5%

## Railway Transportation Revenues (Year on Year) and Passenger Numbers





# Railway Business (Transportation Data)

## Railway transportation revenues

	3 months ended June 30, 2024	3 months ended June 30, 2025	YoY		Major Factors
Total	35.9	41.0	5.0	113.9%	
Commuter pass	8.0	9.1	1.1	114.2%	
Non-commuter pass	27.9	31.8	3.8	113.9%	
Cargo	0.0	0.0	0.0	141.8%	
Shinkansen	13.9	16.0	2.0	114.8%	
Commuter pass	0.8	0.9	0.1	114.0%	Increase due to the revise rail fares and charges
Non-commuter pass	13.1	15.1	1.9	114.9%	
Conventional Lines	22.0	24.9	2.9	113.4%	
Commuter pass	7.2	8.2	1.0	114.2%	Increase due to the revise rail fares and charges
Non-commuter pass	14.8	16.7	1.9	113.0%	

## Passenger-kilometers

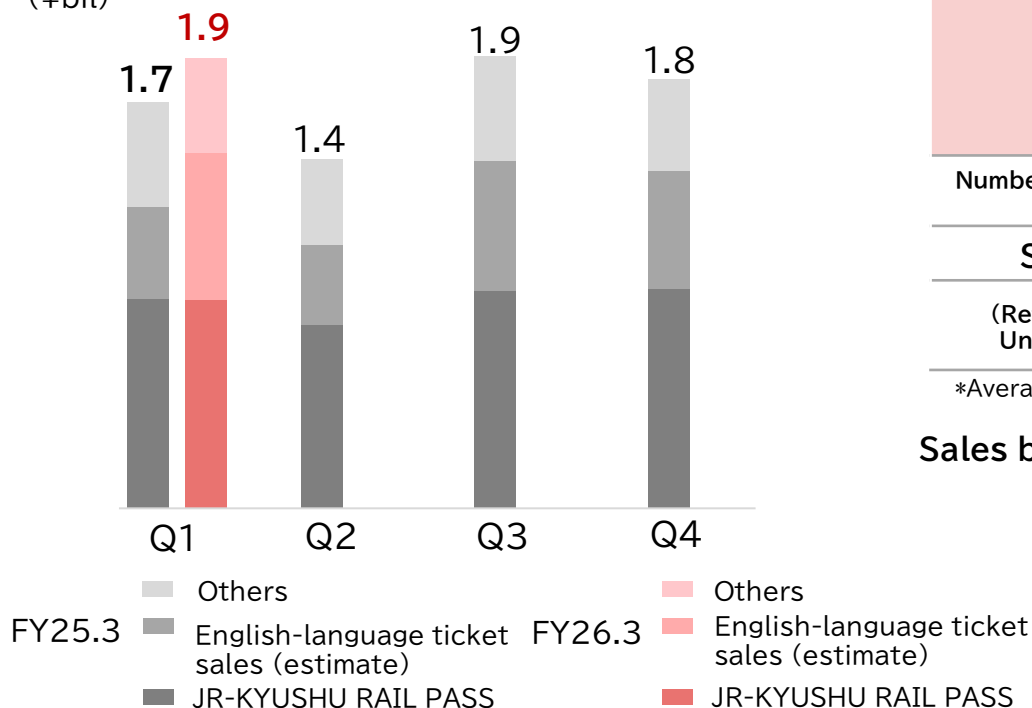
	3 months ended June 30, 2024	3 months ended June 30, 2025	YoY		Major Factors
Total	2,105	2,099	△ 5	99.7%	
Commuter pass	1,062	1,055	△ 7	99.3%	
Non-commuter pass	1,042	1,044	1	100.2%	
Shinkansen	451	460	9	102.0%	
Commuter pass	60	62	2	103.8%	
Non-commuter pass	391	397	6	101.7%	Increase in the number of passengers on the Kyushu Shinkansen
Conventional Lines	1,653	1,639	△ 14	99.1%	
Commuter pass	1,002	992	△ 9	99.1%	Decrease in the number of passengers having school commuter passes
Non-commuter pass	651	646	△ 5	99.2%	

# Status of Inbound Measures in the Railway Business

- Inbound revenue in Q1 FY2026.3 progressed in line with expectations, remaining above the year-ago level, despite signs of a shift from the JR-KYUSHU RAIL PASS to regular tickets.

## Inbound revenue (approximate)

(¥bil)

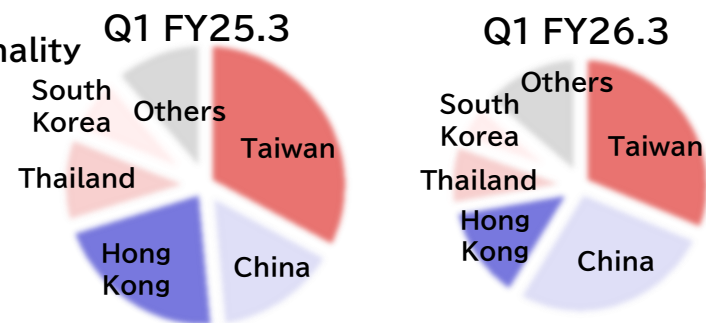


## Demand for JR-KYUSHU RAIL PASS

	Q1 FY25.3	Q1 FY26.3	
	Results	Results	Vs. FY25.3
Number of tickets sold	71,000	61,000	86.1 %
Sales	¥0.97 billion	¥0.97 billion	99.6 %
(Reference) Unit price*	Approx. ¥13,700	Approx. ¥15,800	115.6 %

\*Average unit price per JR-KYUSHU RAIL PASS

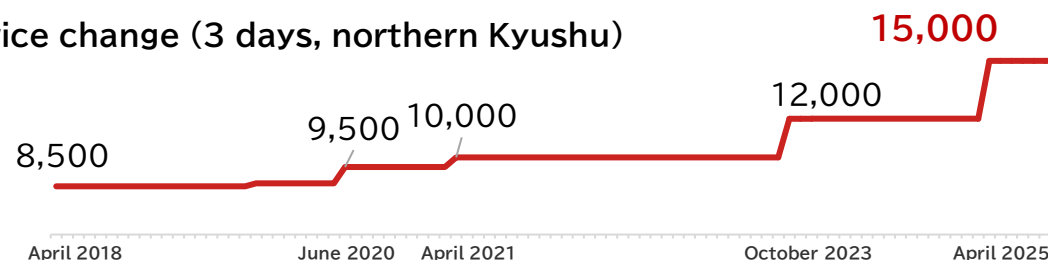
## Sales by Nationality



## Percentage of railway transportation revenues

	Q1	Q2	Q3	Q4	Full year
FY25.3	4.8%	4.0%	4.8%	4.8%	4.6%
FY26.3	4.7%				

## Price change (3 days, northern Kyushu)





# Real Estate and Hotels Segment: Real Estate Leasing Business

- Station building tenant sales in Q1 FY26.3 were on par with the previous year overall, despite a decline in duty-free sales at JR Hakata City.
- Operating revenues increased year on year as expected, driven by growth in rents at station buildings, along with the full-year contribution of new assets such as rental apartments.

## 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
Operating revenue	18.3	19.4	1.1	106.0%
Operating income	4.5	4.7	0.2	105.4%
EBITDA	8.1	8.3	0.2	102.8%

(¥bil)

## 【Forecasts】

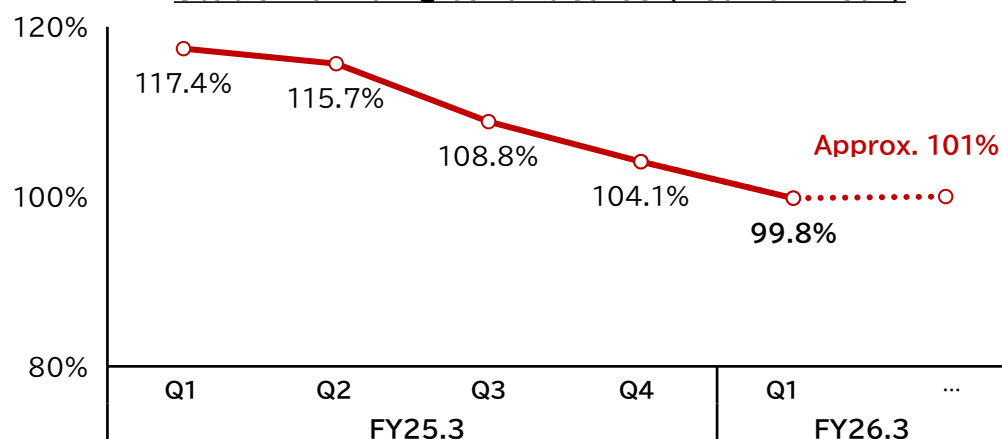
	Results FY25.3	Forecasts FY26.3	YoY	
Operating revenue	78.2	80.6	2.3	103.0%
Operating income	18.2	18.3	0.0	100.5%
EBITDA	32.8	33.0	0.1	100.4%

(¥bil)

## Status of Key Businesses

- Although tenant sales in Q1 faced a decline in duty-free sales, overall sales remained at similar levels year on year.
- Occupancy rates at office buildings and rental apartments remained generally solid.
- Initiated development of the company's first logistics facility in Kumamoto Prefecture, scheduled for completion in spring 2027.

### Station building tenant sales (Year on Year)



# Real Estate and Hotels Segment: Real Estate Sales Business

- Condominium sales were up year on year in Q1 FY26.3.
- In the sale of properties, we have sold a rental apartment to a third party.

## 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	(¥bil)	
			YoY	
Operating revenue	7.1	12.3	5.2	173.4%
Operating income	1.1	2.8	1.6	250.2%
EBITDA	1.1	2.8	1.6	249.6%

## 【Forecasts】

	Results FY25.3	Forecasts FY26.3	(¥bil)	
			YoY	
	32.8	40.6	7.7	123.4%
	6.4	7.3	0.8	113.0%
	6.4	7.3	0.8	112.7%

## Status of key businesses

- In Q1, condominium units were handed over for properties including MJR Hakata The Residence and MJR Chihaya Mid-Square.
- In the sale of properties, we sold BRANSIESTA Chihaya RJR to a third party in Q1.

### MJR Hakata The Residence

Location: Hakata-ku, Fukuoka  
Structure: 14 floors above ground  
Delivery date: March 2025  
Units: 262  
Sales status: Sold



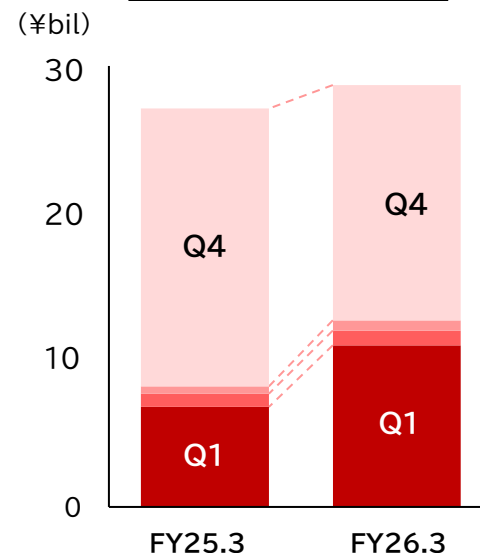
### BRANSIESTA Chihaya RJR

Location: Higashi-ku, Fukuoka  
Structure: 15 floors above ground  
Completion date: March 2024  
Units: 210



- In condominiums, we expect to begin handing over units at such properties as MJR Kumamoto Gate Tower and MJR Kagoshima-Chuo Ekimae THE Garden. During the year, we expect to generate approximately ¥8.0 billion in operating revenues from the sale of owned properties.

## Actual and forecast sales of condominiums (operating revenue)



# Real Estate and Hotels Segment: Hotel Business

- In Q1 FY26.3, hotels with a high proportion of inbound guests continued to drive performance, resulting in a year-on-year increase in ADR and occupancy trending in line with expectations.

## 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
				(¥bil)
Operating revenue	7.5	8.1	0.5	106.9%
Operating income	1.7	1.7	0.0	104.0%
EBITDA	2.5	2.7	0.1	105.5%

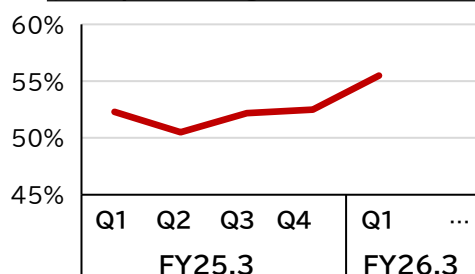
## 【Forecasts】

	Results FY25.3	Forecasts FY26.3	YoY	
				(¥bil)
	32.2	33.3	1.0	103.3%
	6.8	7.1	0.2	104.3%
	10.2	10.7	0.4	104.2%

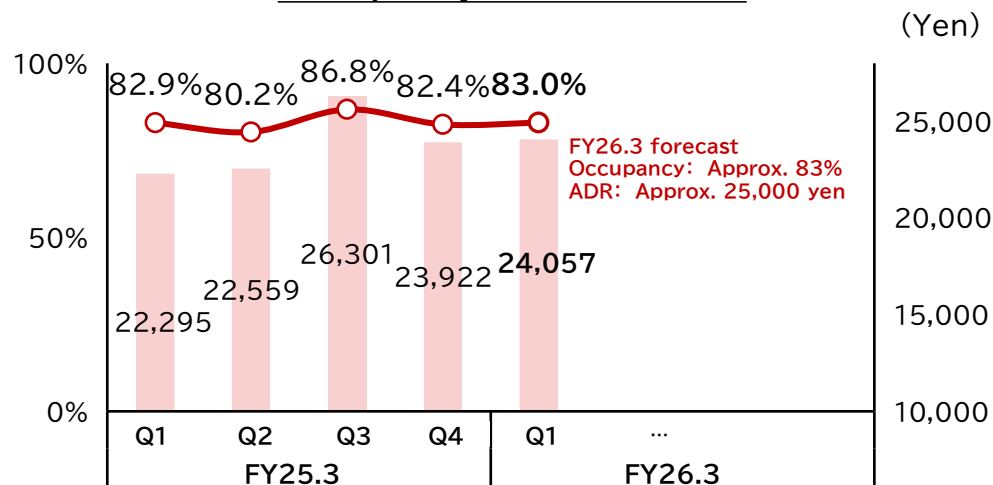
## Status of key businesses

- ADR in Q1 was approximately ¥24,000, rising as expected from Q1 FY25.3, while occupancy remained steady at 83.0%, also in line with expectations.
- The ratio of inbound guests was around 55%, driven in particular by THE BLOSSOM brand locations.
- A new hotel—the fourth in the Hakata Station area—is planned under an asset-light model, with the aim of opening in FY29.3.

Percentage of inbound guests  
(as a percentage of total room sales)



## Occupancy rates and ADR



# Retail and Restaurant Segment

- In Q1 FY26.3, existing retail and restaurant locations performed strongly.
- New store openings progressed smoothly, generally in line with plan.

## 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
Operating revenue	15.4	16.8	1.3	108.7%
Operating income	0.7	0.8	0.1	114.0%
EBITDA	1.1	1.2	0.1	109.2%

(¥bil)

## 【Forecasts】

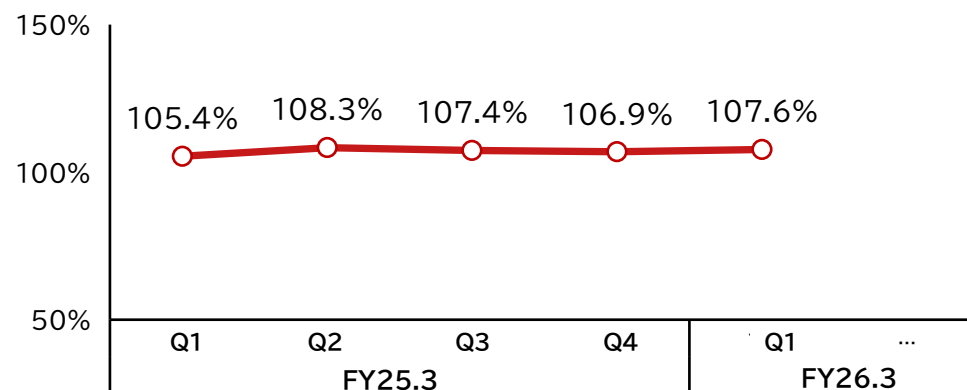
	Results FY25.3	Forecasts FY26.3	YoY	
	67.0	70.4	3.3	105.0%
	3.4	3.8	0.3	109.1%
	4.9	5.3	0.3	106.5%

(¥bil)

## Status of Key Businesses

- In Q1, store sales progressed well, with strong performance from convenience stores and souvenir shops in the retail segment, and from franchise outlets in the restaurant segment. Existing store sales in both categories were up year on year.
- New store openings in both retail and restaurant segments progressed generally as planned.

### Segment Store Sales (Year on Year)



# Construction Segment, Business Services Segment

## Construction Segment

### 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
				(¥bil)
Operating revenue	15.9	17.7	1.7	110.8%
Operating income	(0.9)	(0.6)	0.2	-
EBITDA	(0.6)	(0.3)	0.2	-

### 【Forecasts】

	Results FY25.3	Forecasts FY26.3	YoY	
				(¥bil)
	100.6	100.0	(0.6)	99.4%
	7.3	6.9	(0.4)	93.7%
	8.6	8.3	(0.3)	96.0%

## Business Services Segment

### 【Results】

	3months ended June 30, 2024	3months ended June 30, 2025	YoY	
				(¥bil)
Operating revenue	18.4	19.3	0.8	104.8%
Operating income	1.0	1.0	0.0	105.3%
EBITDA	1.7	1.7	(0.0)	97.3%

### 【Forecasts】

	Results FY25.3	Forecasts FY26.3	YoY	
				(¥bil)
	82.5	80.3	(2.2)	97.2%
	5.2	4.7	(0.5)	89.3%
	8.5	7.7	(0.8)	90.3%



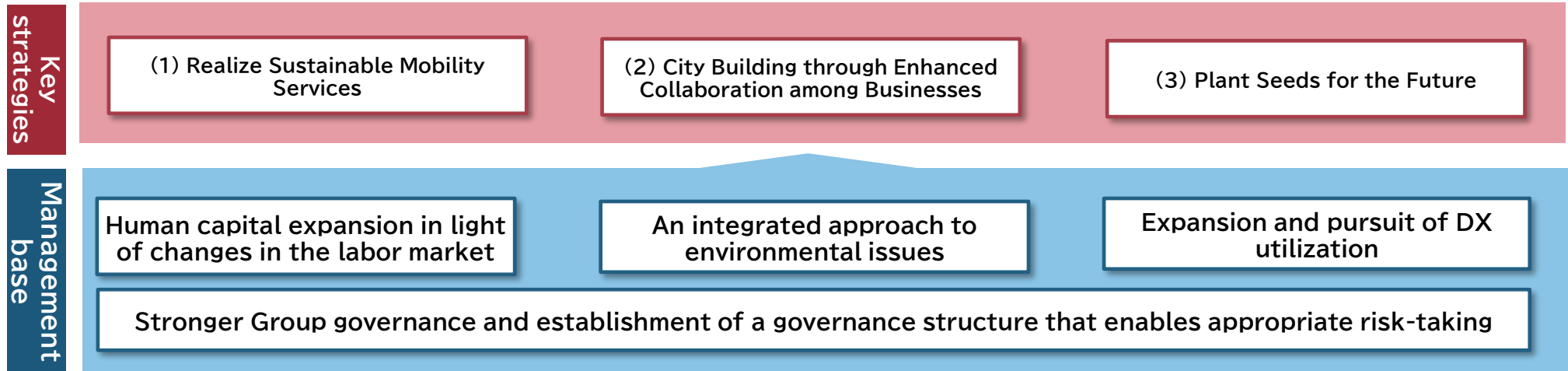
## **IV Progress on the Medium-Term Business Plan**



# 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



## Numerical targets

Operating revenue **¥530.0 billion** Operating income **¥71.0 billion**  
 EBITDA **¥115.0 billion** ROE **Maintain current level**

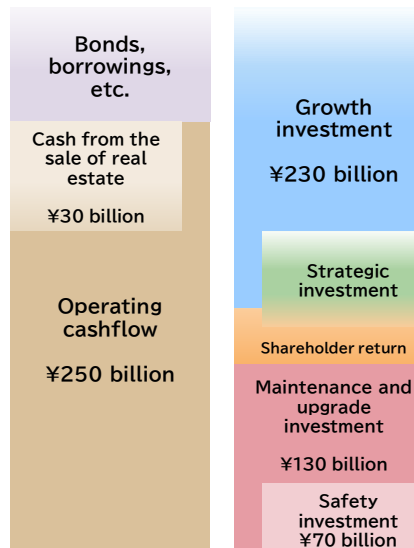
## By segment\*

(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.



## Key Strategy (1) Realize Sustainable Mobility Services: Initiatives to Create Demand in the Railway Business

- We will work to boost the top line of the railway business by stimulating travel demand through collaboration events with other companies and the planning of discount ticket campaigns.

### PIKMIN×JR Kyushu (From December 2024 to June 2025)



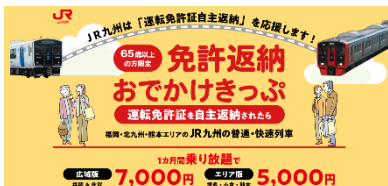
- Collaboration with Nintendo's PIKMIN video game series. Events were held in station plazas including Hakata Station, along with wrapped train and a digital stamp rally using the JR Kyushu App.
- In conjunction with the events, pop-up stores were opened in Amu Plaza station buildings.

### HKT48×JR Kyushu (From July 2025 to March 2026)



- Appointed HKT48, an idol group based in Fukuoka, as honorary JR Kyushu staff. The members were divided into seven groups across the seven prefectures of Kyushu, where they actively promoted each region's unique attractions and information.
- Members experienced roles such as station staff and onboard attendants, etc. and actively shared their experiences via social media platforms.

### Discount tickets by target demographic



- Offered the Kodomo Bouken Kippu (an unlimited ride ticket for elementary school children) and the Menkyo Hennou Odekake Kippu (an unlimited ride ticket for seniors returning their driver's license).
- Through demographic-focused ticket campaigns, we aim to both expand our new user base and encourage repeat use.

### Shinkansen + ¥100 = Hohi Main Line ticket (From July 2025 to March 2026)



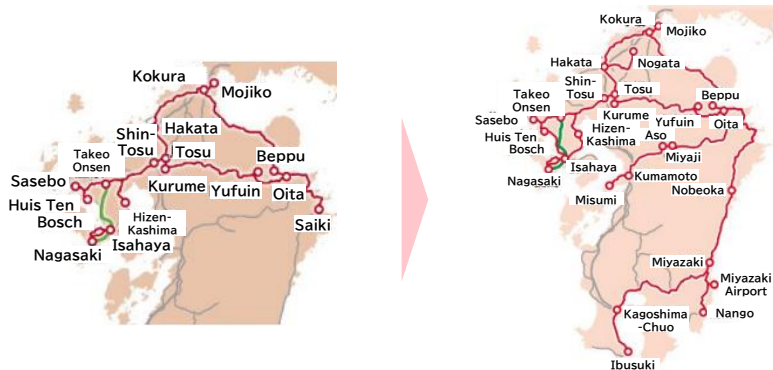
- Launched a special ticket allowing purchasers of online Kyushu Shinkansen tickets to ride the Hohi Main Line for just ¥100.
- Aimed at users in the Kumamoto area, this campaign promotes the convenience of the Shinkansen and encourages shift from other transportation modes.



# Key Strategy (1) Realize Sustainable Mobility Services: Promote Ticketless Services

- By expanding QR ticketless services and introducing mobile IC services, we aim to enhance customer convenience while alleviating congestion in stations.

## Expansion of QR ticketless services



## Overview of ticketless services

**Commuter pass**

**Short distance**

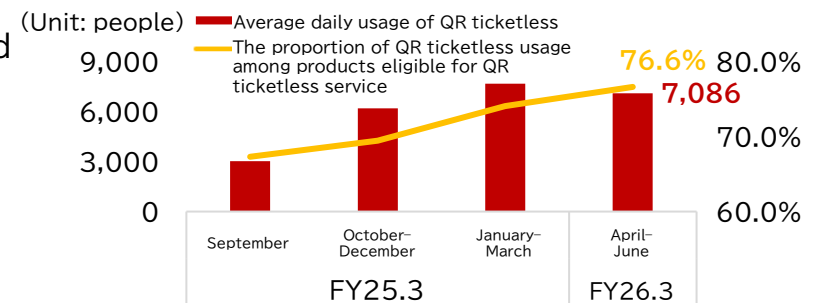
**Medium to long distance**

IC ticket → Mobile IC (scheduled for spring 2027)

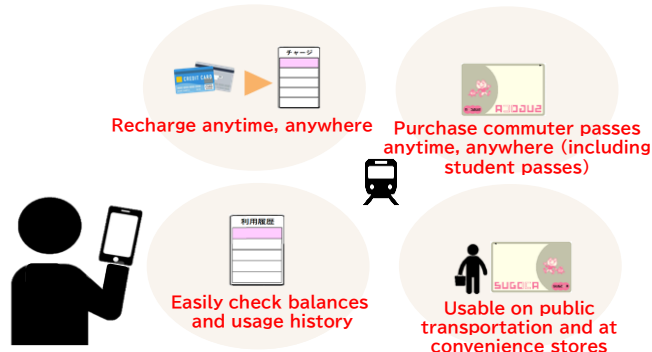
Limited express trains on conventional lines: QR ticketless service  
Kyushu, Sanyo, Tokaido Shinkansen: EX service

- Since the launch of this service in September 26, last year, usage has been on the rise. The service contributes to reduced workload at station counters and helps ease congestion.
- Starting in July 8, we will expand coverage from the northern Kyushu area to all conventional lines limited express and D&S trains. (Note: Does not apply to 36+3, KANPACHI/ICHIROKU, and ARU RESSHA.)

## Status of QR ticketless use



## Introduction of Mobile IC service (scheduled for spring 2027)



- We plan to launch a service in spring 2027 that allows passengers to use IC card “SUGOCA” functionality directly on their smartphones.
- The service will be provided via “Mobile ICOCA,” operated by JR West.

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

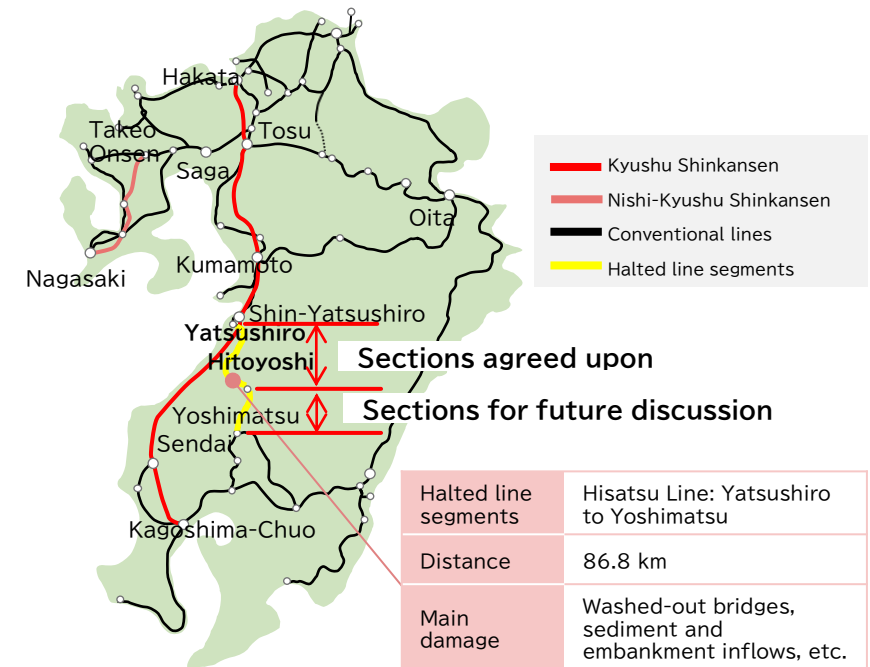
- Regarding the section of the Hisatsu Line between Yatsushiro and Hitoyoshi, “JR Hisatsu Line Restoration Action Plan Promotion Council,” consisting of Kumamoto Prefecture, local municipalities along the line and JR Kyushu, was convened. The council will work to build momentum toward restoration and promote future utilization initiatives.

## 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.
July 2025	JR Hisatsu Line Restoration Action Plan Promotion Council officially launched

## Launch of the JR Hisatsu Line Restoration Action Plan Promotion Council

- The final agreement reached in March 2025 includes promotion of the JR Hisatsu Line Restoration Action Plan, which focuses on stimulating both tourism demand and daily use.
- The council was established to monitor progress on 20 specific measures outlined in the Action Plan.



## Initiatives under the JR Hisatsu Line Restoration Action Plan

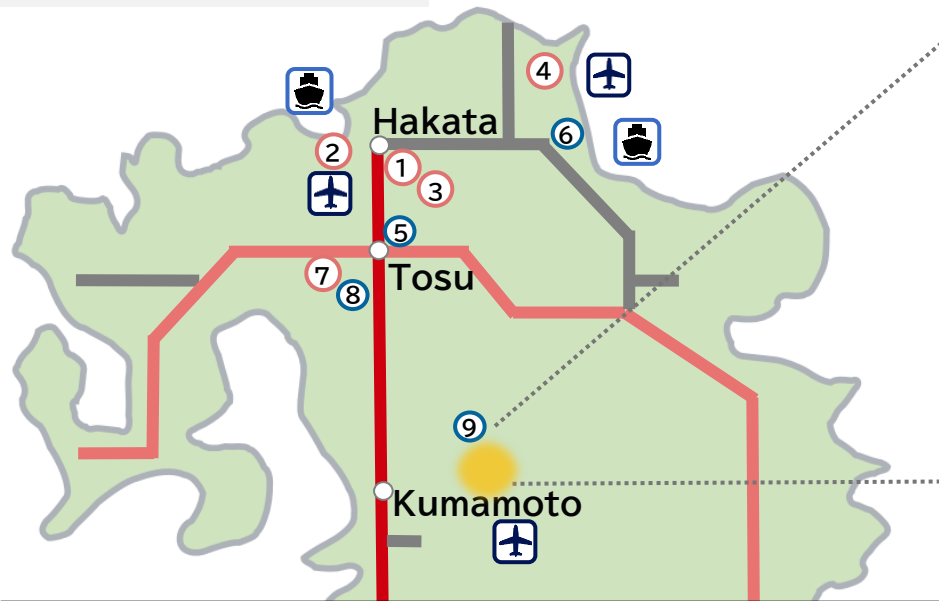
<b>Tourism-Related Initiatives</b>	Development of scenic areas and tourism facilities that leverage the natural beauty of the Kuma River and local cultural assets Redevelopment of the area around Hitoyoshi Station as a hub for tourism
<b>Daily Use-Oriented Initiatives</b>	Through-service operations to the Kumagawa Railroad and Shin-Yatsushiro Station Station redevelopment to serve as a hub for daily life and community interaction

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

- We began development of the Company's first wholly owned property in Kumamoto Prefecture, located near the Semicon Techno Park, a hub for the semiconductor industry. Completion is scheduled for spring 2027.

### Expressways

- Kyushu Expressway
- Nagasaki Expressway, Oita Expressway, Higashi-Kyushu Expressway
- Others



### Kikuchi City Kyokushi Isaka Development

- Our first self-developed property in Kumamoto Prefecture
- Located approximately 7 km from the Semicon Techno Park, a hub for semiconductor-related industries
- Approximately 16 km from the Kumamoto IC and 15 km from the Ueki IC

Location: Kikuchi, Kumamoto  
Lot area: Approx. 16,800 m<sup>2</sup>  
Date of completion: Spring 2027 (scheduled)



### Semicon Techno Park

- An industrial park where semiconductor-related companies are concentrated
- Construction of TSMC Kumamoto second plant is scheduled to start within 2025.
- Hosts facilities of multiple companies including TSMC, Tokyo Electron Kyushu, and Sony Semiconductor Manufacturing, etc.



TSMC Kumamoto Plant (first factory)

### Logistics Properties

( ): Lot area

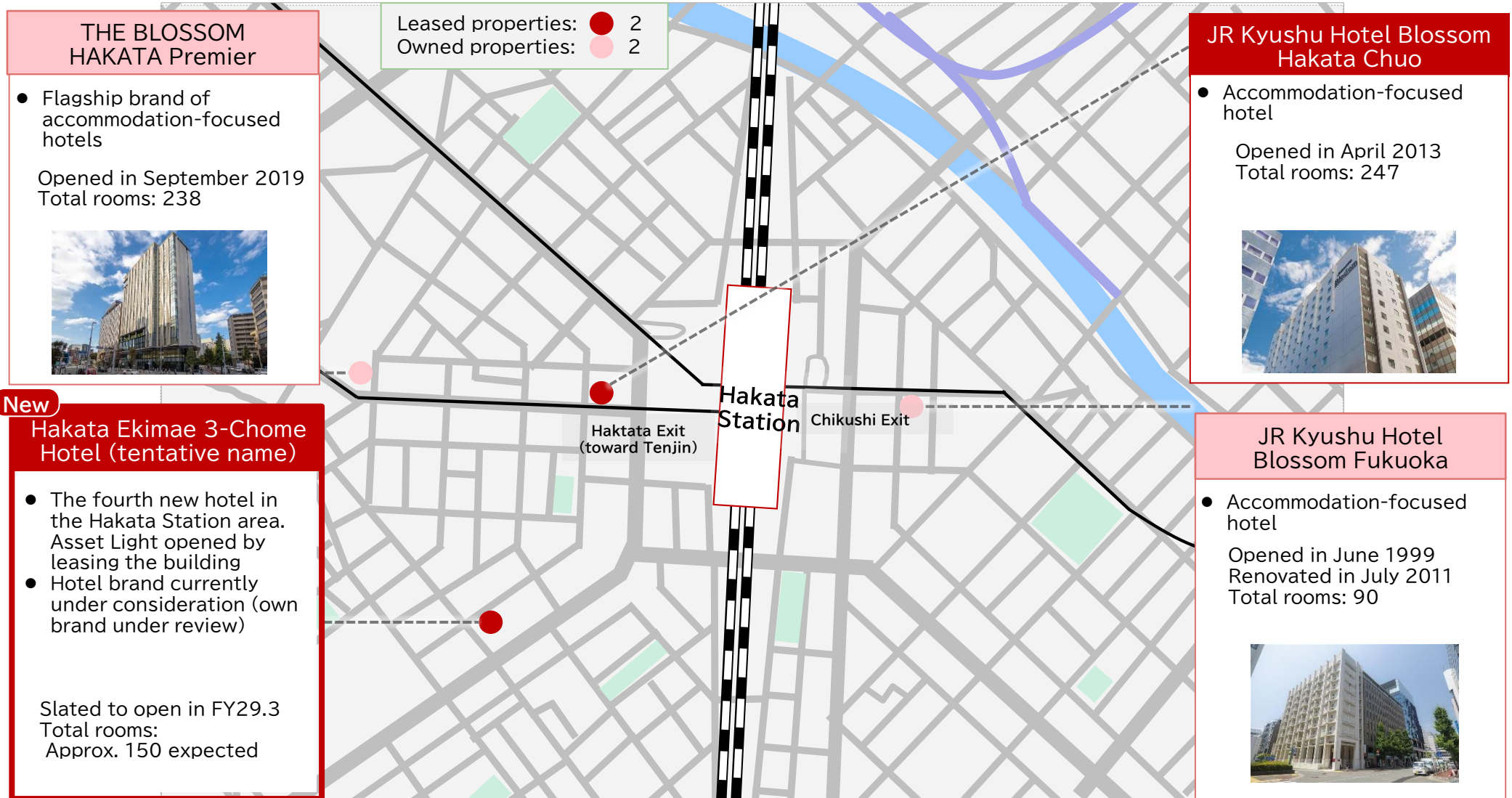
-In operation:  
5 properties

-Under development, etc.:  
4 properties

- |  |  |
|--|--|
| ① Fukuoka Kita Logistics Center (Approx. 11,600 m <sup>2</sup> )     | ⑥ LOGI STATION Fukuoka Kanda (Approx. 15,900 m <sup>2</sup> )              |
| ② Hakozaki Wharf Logistics Facility (Approx. 25,600 m <sup>2</sup> ) | ⑦ Kanzaki Logistics Facility (Approx. 9,200 m <sup>2</sup> )               |
| ③ Sue Daiichi Logistics Center (Approx. 12,300 m <sup>2</sup> )      | ⑧ Southern Tosu Cross Park Development Project (TBD)                       |
| ④ Shin-moji Logistics Facility (Approx. 14,400 m <sup>2</sup> )      | ⑨ Kikuchi City Kyokushi Isaka Development (Approx. 16,800 m <sup>2</sup> ) |
| ⑤ LOGI STATION Fukuoka Ogori (Approx. 85,300 m <sup>2</sup> )        |  |

## Key Strategy (2) City Building through Enhanced Collaboration among Businesses: Asset-Light Hotel Expansion

- A fourth hotel is planned in the Hakata Station area, targeted to open in FY29.3.
- The hotel will be opened under a lease agreement, using an asset-light model.





## Key Strategy (3) Plant Seeds for the Future

### ■ Capital and business alliances with Tokyo Artisan Intelligence Co., Ltd. and SkyDrive Inc.

#### Capital and business alliance with Tokyo Artisan Intelligence Co., Ltd.

##### ● Background and objective of the capital and business alliance

- We have been collaborating under the Future Railway Project since 2022, to jointly pursue technology development.
- The alliance aims to further strengthen the development of AI products that contribute to labor-saving and workforce reduction under the Future Railway Project.

##### ● Future outlook

- We aim to strengthen collaboration through initiatives such as promoting joint development, expanding external sales, and fostering talent—including through secondments.



Shinkansen track monitoring device



AI-based obstacle detection system

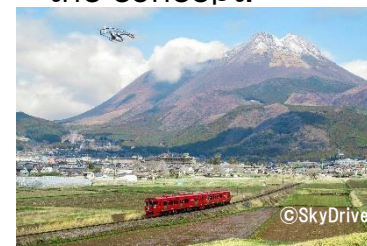
#### Capital and business alliance with SkyDrive Inc.

##### ● Background and objective of the capital and business alliance

- In July 2024, we signed a collaboration agreement, followed by a comprehensive partnership agreement with Oita Prefecture in February 2025 aimed at the future operation of flying cars. Discussions have since been underway to explore the business.
- To expand the JR Kyushu Group's business domains and enhance the value of the Kyushu region, the alliance was formed to strengthen efforts toward the social implementation of flying car services.

##### ● Future outlook

- Targeting a service launch in Oita Prefecture around FY29.3, ongoing activities include identifying candidate locations for takeoff and landing sites and promoting public acceptance of the concept.





# APPENDIX





## Revise Rail Fares And Charges (Material from July 2024)

		Upper limit of Fares or Charges		(%)
		Percentage revision	Rate of increase	
Non-Commuter ②・③		14.6	11.5	
Commuter ①	Work commuter passes	30.3	22.4	
	School commuter passes	16.0	9.9	
	Total	25.8	18.6	
Charges ③		8.0	6.5	
(Shinkansen express charges)		12.4	9.9	
Total		15.0	11.4	

The rate of increase is calculated by taking into account a certain decrease in usage due to the revise of rail fares and charges from percentage revision.

Percentage Revision 15.0%  
Rate of Increase 11.4%  
Increased Revenues  
¥16.0billion (three-year average for  
FY2026/3 to FY2028/3)

Commuter  
Percentage revision 25.8%  
Rate of increase 18.6%

Non-Commuter  
Percentage revision 14.6%  
Rate of increase 11.5%

Non-commuter  
Percentage revision 14.6%  
Rate of increase 11.5%

Percentage revision 8.0%  
Rate of increase 6.5%

Among non-commuter pass revenue, that from tickets excluding short distance. That also includes tickets sold in our company for other JR companies' sections. Percentage revision for non-commuter is 14.6%, and for charges is 8.0%. Rate of increase for non-commuter is 11.5%, and for charges is 6.5%. Since fare and charge revisions have not been implemented in other service areas as of now, the monthly figures are expected to remain below percentage revision.

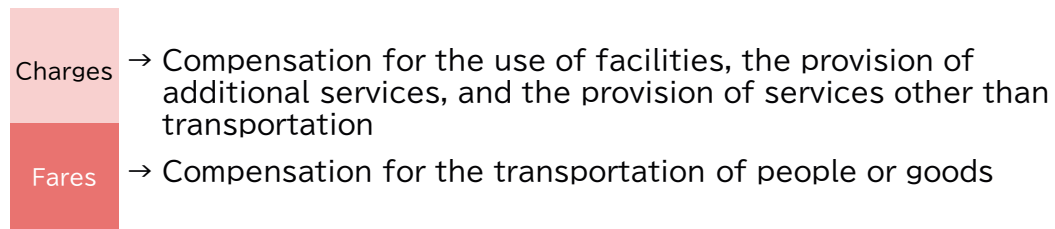
The average daily number of passengers in the section.  
Figures in brackets ( ) are comparison with those for the same month in FY2019/3.

# Rail Fares and Charges in the Railway Business

- In April 2025, we implemented a revision of rail fares and charges for the first time in 29 years.
- Recognizing that it will become difficult to operate a sustainable railway business unless the cost increase caused by changes in the external environment can be passed on quickly to price, we will continue to request the government to implement a flexible and simple system, such as notifying Shinkansen limited express charges and introducing a system to respond to inflation at an appropriate time.

## Overview of rail fares and charges

### Breakdown of rail fares and charges

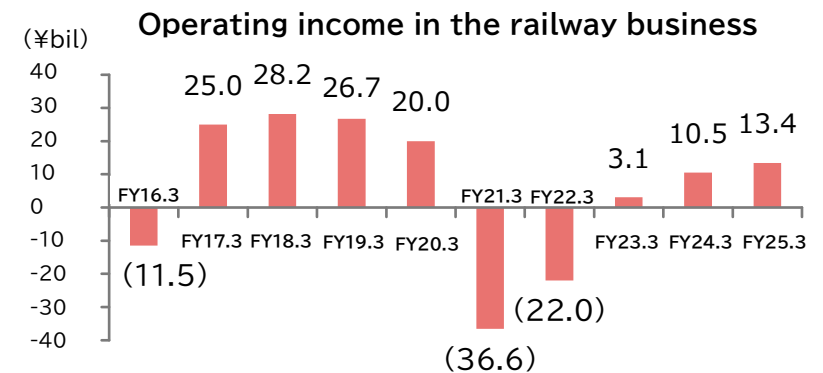


### Procedures for establishing and adjusting rail fares/ charges

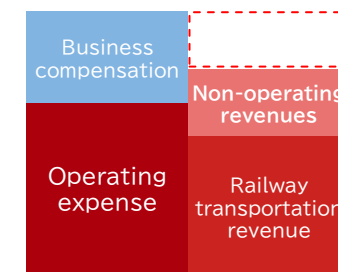
- Establishing/adjusting the upper limit for fares and Shinkansen express charges requires approval from the minister of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT).
- Establishing/adjusting fares and Shinkansen express charges within the scope of the upper limit and establishing/adjusting conventional line express charges, etc., can be handled by notifying the minister of the MLIT.

### Examination standards for upper limit fares/charges

- Prior to giving approval for establishing/adjusting the upper limit on fares, the minister of the MLIT must confirm that the new upper limit does not exceed “total cost,” which is the sum of the proper operating costs if it were to carry out efficient management and the proper profit calculated pursuant to specified methods.



If examination standards are met (illustration)



Expense > Revenue

(Reference) MLIT website





## 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/](https://www.jrkyushu.co.jp/company/ir_eng/library/earnings/)