JR-EAST

TICKET TO TOMORROW

FY2020.3 Second Quarter Financial Results Presentation



October 29, 2019

East Japan Railway Company

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Ⅰ. FY2020.3 Second Quarter Financial Results and FY2020.3 Plan

FY2020.3 Second Quarter Financial Results and FY2020.3 Plan (non-consolidated)

(¥ billion)	*2018.9 Results*	2019.9 Results [Apr. plan]	2019.9/2018.9 Increase / decrease	2019.9/2018.9 (%)	*2019.3 Results*	2020.3 [Apr. plan]	2020.3/2019.3 Increase / decrease	2020.3/2019.3 (%)
Operating revenues	*1,063.2*	1,076.6 [1,074.0]	+13.3	101.3	*2,113.3*	2,141.0	+27.6	101.3
Passenger revenues	937.4	948.8	+11.4	101.2	*1,856.7*	1,880.0	+23.2	101.3
Others	*125.8*	127.8	+1.9	101.5	*256.5*	261.0	+4.4	101.7
Operating expenses	*815.0*	827.5	+12.4	101.5	*1,721.4*	1,752.0	+30.5	101.8
Personnel expenses	*226.5*	223.3	-3.2	98.6	*449.9*	443.0	-6.9	98.5
Non-Personnel expenses	*344.5*	356.3	+11.7	103.4	*790.0*	822.0	+31.9	104.0
Energy	*30.1*	30.5	+0.4	101.4	*66.1*	67.0	+0.8	101.3
Maintenance	*127.5*	125.6	-1.9	98.5	*301.1*	300.0	-1.1	99.6
Other	*186.8*	200.1	+13.2	107.1	*422.7*	455.0	+32.2	107.6
Usage fees to JRTT, etc.	*42.7*	41.5	-1.1	97.3	*84.7*	84.0	-0.7	99.2
Taxes	*55.7*	57.3	+1.5	102.8	*97.5*	100.0	+2.4	102.5
Depreciation	*145.3*	148.9	+3.5	102.4	*299.2*	303.0	+3.7	101.3
Operating income	*248.2*	249.1 [242.0]	+0.8	100.3	*391.8*	389.0	-2.8	99.3
Ordinary income	*231.7*	236.4 [227.0]	+4.6	102.0	*354.8*	353.0	-1.8	99.5
Profit	*165.2*	171.0 [161.0]	+5.8	103.6	*251.1*	250.0	-1.1	99.5

Passenger Revenues
- 1st half Results and Main Positive and Negative Factors

(YoY, ¥ billion,%)	Increase / decrease	(%)
Passenger revenues	+11.4	101.2
Commuter passes (Seasonal tickets)	+1.0	100.4
Non-commuter passes (Ordinary tickets)	+10.3	101.5
Shinkansen Network	+5.3	101.9
Kanto Area Network of Conventional Lines	+4.7	101.3
Other Network of Conventional Lines	+0.2	100.9

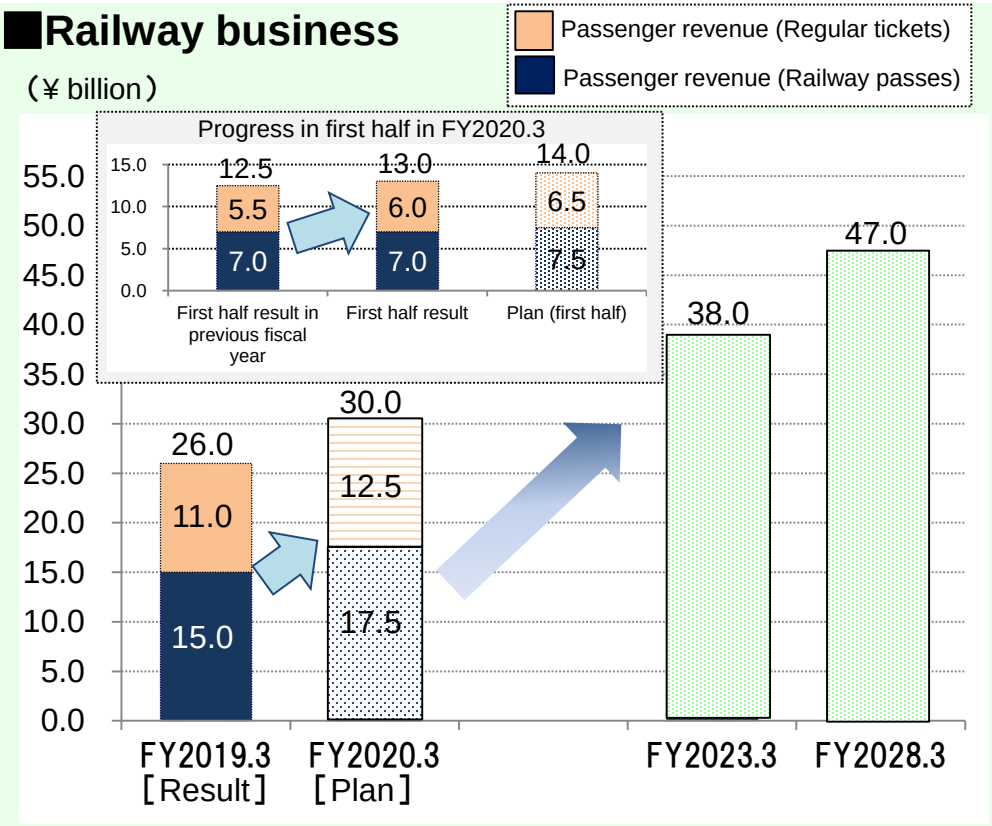
(YoY, ¥ billion)	Positive and Negative Factors	Increase / Decrease
Passenger revenues		+11.4
Commuter passes revenues (Seasonal Tickets)		+1.0
Non-commuter passes revenues (Ordinary Tickets)		+10.3
Shinkansen (+5.3)	10-day Golden Week	+3.0
	Absence of previous year's natural disasters	+1.0
	Natural disasters (Typhoon etc.)	-0.5
	Basic Trend	+1.5
Kanto Area Network (+4.7)	Absence of previous year's natural disasters	+3.0
	10-day Golden Week	+1.0
	Inbound tourism	+0.5
	Natural disasters (Typhoon etc.)	-1.5
	Basic Trend	+1.0
Other Network (+0.2)	Basic Trend	-

Passenger Revenues
- 1st half Results and Full-term Plan

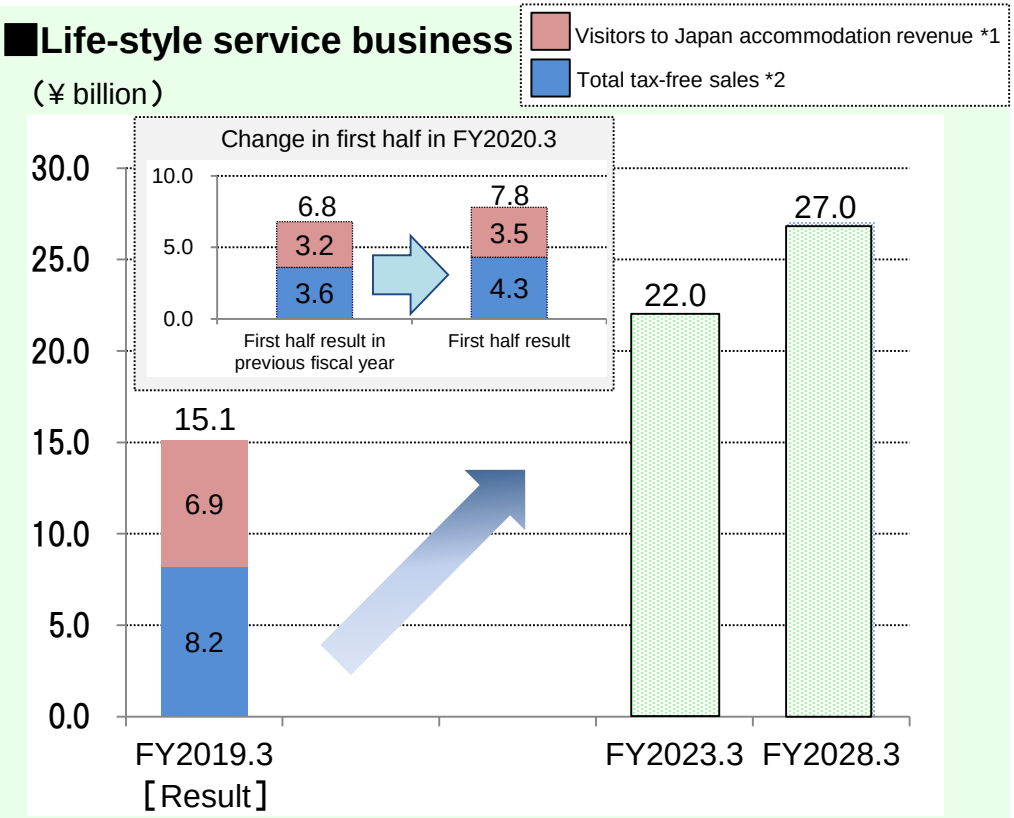
(YoY, ¥ billion, %)	Total		Main factors behind change	Basic Trend
	1st half [Results]	2nd half		
Passenger revenues +23.2 billion	101.3%			
	101.1% [101.2%]	101.4%		100.5%
Commuter passes (Seasonal tickets) +3.8 billion	100.8%			
	100.7% [100.4%]	100.8%		100.6%
Non-commuter passes (Ordinary tickets) +19.3 billion	101.4%			
	101.3% [101.5%]	101.6%		100.5%
Shinkansen Network +7.2 billion	101.3%			
	101.3% [101.9%]	101.3%	•Inbound tourism: +2.5 •Leap-year: +1.5 •10-day Golden Week: +1.0	100.4%
Kanto Area Network of Conventional Lines +11.8 billion	101.6%			
	101.4% [101.3%]	101.9%	•Inbound tourism: +1.5 •Leap-year: +1.5 •10-day Golden Week, year-end and New Year travel: +1.5 •Chuo Line limited express–Fujikyuko limited express direct service: +1.0 •Rugby World Cup: +1.0 •Natural disasters (decreased occurrence compared to previous year): +0.5	100.5%
Other Network of Conventional Lines +0.2 billion	100.5%			
	100.3% [100.9%]	100.7%		99.7%

Inbound Tourism

■Railway business



■Life-style service business



*1 Aggregate of visitors to Japan accommodation revenue from *Metropolitan Hotels* and *JR-EAST HOTEL METS (The number includes a part of the revenue of GALA YUZAWA which is derived from visitors to Japan after FY2019.3.)*
*2 Aggregate of total sales volume at tax-free counters and tax-free sales at stores (In tax-free sales, the amounts corresponding to rent, etc., are the Company's earnings.)

[Promoting inbound tourism strategies]

■ Beginning of sales of *Welcome Suica* (September)
■ Beginning of sales of passes, etc. based on a strategic alliance with Ctrip, one of China's largest online travel companies (June: Commencement in China, September: Expansion into regions outside China)
■ Opening of website for rugby as a measure targeting the European, U.S., and Australian markets



▲An example from the rugby website

Operating Expenses (non-consolidated) - FY2020.3 Second Quarter Results

(¥ billion)	*2018.9 Results*	2019.9 Results	2019.9/2018.9 Increase / decrease	2019.9/2018.9 (%)	Main factors behind change
Operating expenses	*815.0*	827.5	+12.4	101.5	
Personnel expenses	*226.5*	223.3	-3.2	98.6	•Decrease in number of employees, etc. (Standard wages: -4.2, Bonus related: -2.5) •Increase regarding revision of elder employee system, etc.
Non-personnel expenses	*344.5*	356.3	+11.7	103.4	
Energy	*30.1*	30.5	+0.4	101.4	•Increase in fuel costs of thermal power plants: +0.9
Maintenance	*127.5*	125.6	-1.9	98.5	•General maintenance expenses: -4.6 •Railcar maintenance expenses: +2.7
Other	*186.8*	200.1	+13.2	107.1	•Outsourcing expenses: +7.4
Usage fees to JRTT, etc.	*42.7*	41.5	-1.1	97.3	
Taxes	*55.7*	57.3	+1.5	102.8	•Increase in property tax, etc.: +1.2
Depreciation	*145.3*	148.9	+3.5	102.4	•Increase due to capital expenditures

FY2020.3 Second Quarter Financial Results and FY2020.3 Plan (consolidated)

(¥ billion)	*2018.9 Results*	2019.9 Results [Apr. plan]	2019.9/2018.9 Increase / decrease	2019.9/2018.9 (%)	*2019.3 Results*	2020.3 Apr. plan	2020.3/2019.3 Increase / decrease	2020.3/2019.3 (%)
Operating revenues	*1,486.9*	1,518.8 [1,517.0]	+31.9	102.1	*3,002.0*	3,070.0	+67.9	102.3
Transportation	*1,021.9*	1,041.2	+19.3	101.9	*2,038.1*	2,080.0	+41.8	102.1
Retail & Services	*256.4*	257.0	+0.6	100.2	*521.8*	524.0	+2.1	100.4
Real Estate & Hotels	*170.8*	175.6	+4.7	102.8	*349.0*	362.0	+12.9	103.7
Others	*37.7*	44.8	+7.1	118.8	*92.9*	104.0	+11.0	111.9
Operating income	*292.2*	296.5 [288.0]	+4.3	101.5	*484.8*	488.0	+3.1	100.6
Transportation	*219.8*	224.1	+4.3	102.0	*341.9*	342.0	+0.0	100.0
Retail & Services	*19.7*	18.9	-0.7	96.0	*39.2*	40.0	+0.7	102.0
Real Estate & Hotels	*43.2*	44.0	+0.7	101.7	*81.4*	83.0	+1.5	101.9
Others	*8.5*	9.3	+0.7	109.3	*23.8*	25.0	+1.1	105.0
Adjustment	*0.7*	0.0	-0.7	2.5	*-1.5*	-2.0	-0.4	129.5
Ordinary income	*266.4*	271.9 [263.0]	+5.4	102.1	*443.2*	446.0	+2.7	100.6
Profit attributable to owners of parent	*178.9*	188.5 [184.0]	+9.6	105.4	*295.2*	301.0	+5.7	102.0

[Notes] Operating revenues: operating revenues from outside customers
Operating income: operating revenues from outside customers + operating revenues inside group - purchases from outside suppliers - purchases inside group

Transportation - Results and Plan

(¥ billion)	*2018.9*	2019.9	2019.9/ 2018.9
Operating revenues	*1,021.9*	1,041.2	+19.3 101.9%
Operating income	*219.8*	224.1	+4.3 102.0%

2019.3	2020.3 Plan	2020.3/ 2019.3
2,038.1	2,080.0	+41.8 102.1%
341.9	342.0	+0.0 100.0%

Operating revenues
- main positive and negative factors in 1st-half (FY2020.3) (¥ billion)

JR East	+11.1	Increase in passenger revenues

FY2020.3 Topics

- *Shizuoka Destination Campaign* (Apr. – Jun. 2019)
- *Niigata Prefecture and Shonai area Destination Campaign* (Oct. – Dec. 2019)
- Start of test runs of Shinkansen test railcar *ALFA-X* (May 2019)
- Direct Sotetsu-JR line (Nov. 30, 2019)
- Open Takanawa Gateway Station (Spring 2020)
- New tourist limited express train “SAPHIR ODORIKO” in Izu area (Spring 2020)
- Open the entire Joban Line (plan to resume operations by the end of FY2020.3)
- New Shinkansen IC ticket service (the end of FY2020.3)

Shizuoka Destination Campaign



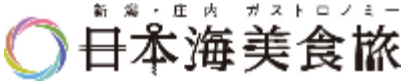


Direct Sotetsu-JR line



New tourist limited express train in Izu area *SAPHIR ODORIKO*

Niigata Prefecture and Shonai area Destination Campaign



New sightseeing train *Kairi*



Open Takanawa Gateway Station





[Notes] Operating revenues: operating revenues from outside customers
Operating income: operating revenues from outside customers + operating revenues inside group - purchases from outside suppliers - purchases inside group

MaaS

【FY2019.3】

August : Conducted verification test of Ringo Pass*1 (the Tokyo metropolitan area)

【FY2020.3】

April : To coincide with the *Shizuoka Destination Campaign*, collaborated with Tokyu Corporation
Began verification tests of tourism-type MaaS in the Izu area using the *Izuko**2 app
Established the MaaS Strategy Design & Management Dept.
Renewed the services of the *JR EAST APP*, which will play an important role in JR East's provision of MaaS going forward

May : Collaborated with Miyagi Prefecture and Sendai City with the aim of constructing tourism-type MaaS in the Sendai metropolitan area

August : Collaborated with All Nippon Airways Co., Ltd., with the aim of rolling out and constructing MaaS

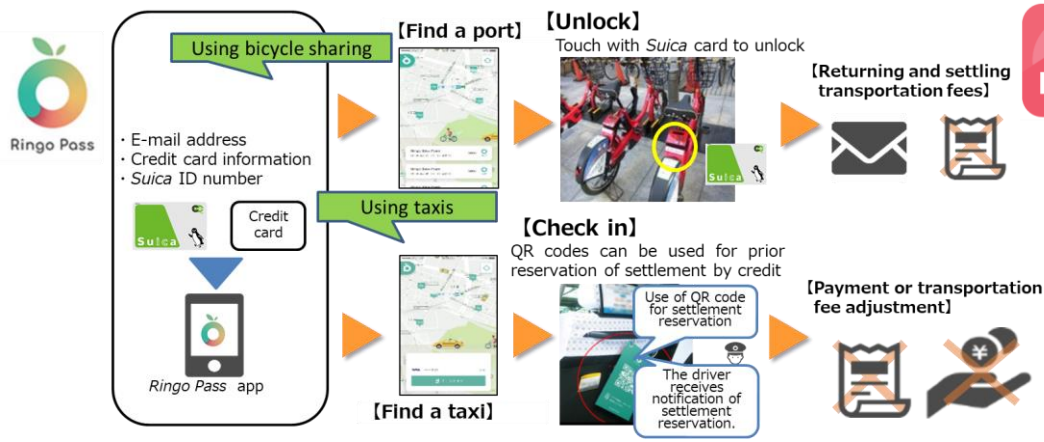
September: Began a trial with hi Japan of the provision, etc. of transfer guidance and information on train services for visitors to Japan

October : Commencement of a verification test of tourism-type MaaS for the *Niigata Prefecture and Shonai Area Destination Campaign*

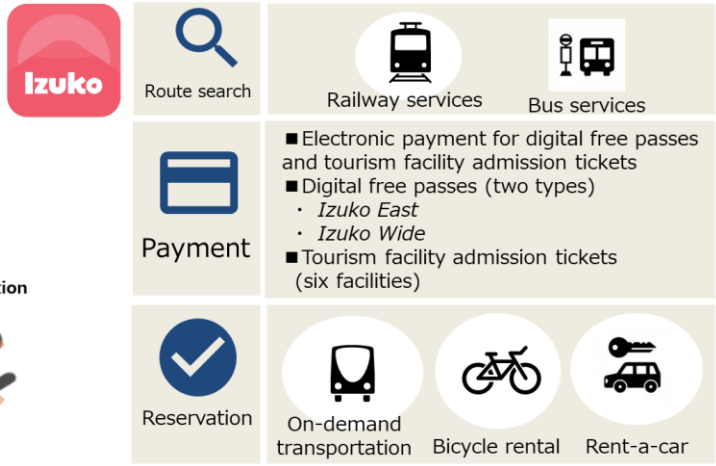
December: Plan to conduct a phase 2 verification test of tourism-type MaaS in Izu area
Plan to conduct a verification test with the aim of implementing a new mobility service in the Takeshiba area (scheduled for late December-early January)

January : Conducting of a MaaS verification test with Odakyu Electric Railway Co., Ltd., and Val Laboratory Corporation in the area around Tachikawa Station (scheduled for January-February)

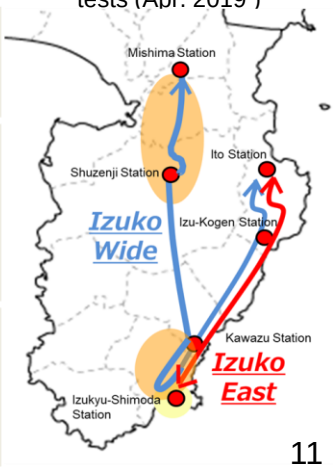
＜*1 Overview of the *Ringo Pass*＞



＜*2 Overview of the *Izuko* app＞



※Overview of the verification tests (Apr. 2019)



Retail & Services - Results and Plan

(¥ billion)	*2018.9*	2019.9	2019.9/ 2018.9	*2019.3*	2020.3 Plan	2020.3/ 2019.3
Operating revenues	*256.4*	257.0	+0.6 100.2%	*521.8*	524.0	+2.1 100.4%
Operating income	*19.7*	18.9	-0.7 96.0%	*39.2*	40.0	+0.7 102.0%

Operating revenues
- main positive and negative factors in 1st-half (FY2020.3) (¥billion)

East Japan Marketing & Communications	+1.4	Increase in advertising materials
Tetsudo Kaikan	+1.3	Opening of shops related to advance opening of area in and around North Passage of Tokyo Station

FY2020.3 Topics

- Advance opening of phase II of area in and around north passage of Tokyo Station (July 2019)

[Reference] Monthly trends (comparison with same month of previous year, %)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1st-half total
Retails & Restaurant Total	102.1	99.7	98.5	99.6	100.4	99.3	99.9
J-Retail (existing stores)	103.2	99.0	99.3	101.0	99.2	98.4	100.0
NRE (existing stores)	96.6	94.7	92.8	97.5	96.7	95.4	95.5

[Notes] Operating revenues : operating revenues from outside customers
Operating income : operating revenues from outside customers + operating revenues inside group - purchases from outside suppliers - purchases inside group

Real Estate & Hotels - Results and Plan

(¥ billion)	*2018.9*	2019.9	2019.9/ 2018.9	*2019.3*	2020.3 Plan	2020.3/ 2019.3
Operating revenues	*170.8*	175.6	+4.7 102.8%	*349.0*	362.0	+12.9 103.7%
Operating income	*43.2*	44.0	+0.7 101.7%	*81.4*	83.0	+1.5 101.9%

Operating revenues
- main positive and negative factors in 1st-half (FY2020.3) (¥ billion)

JR East Building	+1.2	Increase in *Metropolitan Plaza*
LUMINE	+1.1	Existing store's favorable performance
JR East Urban Development	+0.5	Increase in *ecute Akabane*
Nippon Hotel	+0.5	Favorable performance of JR-EAST HOTEL METS and Edmont

FY2020.3 Topics *(FY2019.3 opening is in italics)*

- *Perie Chiba (Shopping Center) (Jun. 2018 fully Opened)*
- *JR-EAST HOTEL METS SAPPORO (Feb. 2019 Opened)*
- Lieto-garden MITAKA (rental apartment) (Jul. 2019 Opening of town)
- JR-EAST HOTEL METS AKIHABARA (Oct. 2019)
- JR-EAST HOTEL METS TOKYO BAY SHINKIBA (Nov. 2019)
- SHIBUYA SCRAMBLE SQUARE Phase 1 (East Tower) (Nov. 2019)
- JR-EAST HOTEL METS GOTANDA (provisional name) (Spring 2020)

[Reference] Monthly trends (comparison with same month of previous year, %)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1st-half total
Shopping Centers Total	100.6	101.5	100.8	98.5	102.6	106.3	101.8
LUMINE (existing stores)	100.9	102.3	102.2	99.5	102.7	108.5	102.8
atré (existing stores)	99.4	99.5	101.1	97.8	102.5	102.0	100.3
Hotel	106.9	104.8	102.1	102.2	104.5	100.4	103.5

[Notes] Operating revenues : operating revenues from outside customers
Operating income : operating revenues from outside customers + operating revenues inside group - purchases from outside suppliers - purchases inside group

Lifestyle Services

【FY2020.3】SHIBUYA SCRAMBLE SQUARE Phase1 (East Tower) scheduled to open on Friday November 1, 2019

Commercial facilities floor



213 stores and restaurants, including some that will appear in Japan for the first time

SHIBUYA QWS「PROJECT BASE」



Creating the seeds of social value that results from meetings and exchanges among diverse people

SHIBUYA SKY



Office Lobby



【FY2021.3】Advance opening of WATERS takeshiba in April 2020 and grand opening in July
Details of town development that is centered on culture and art and leverages its waterside location
—*JR East Shiki Theatre HARU/AKI, atré Takeshiba*, hotel reservation commencement—



Exclusively for Shiki Theatre Company



Commercial facilities
atré Takeshiba



Luxury hotel
mesm Tokyo, Autograph Collection



Others - Results and Plan

(¥ billion)	*2018.9*	2019.9	2019.9/ 2018.9	*2019.3*	2020.3 Plan	2020.3/ 2019.3
Operating revenues	*37.7*	44.8	+7.1 118.8%	*92.9*	104.0	+11.0 111.9%
Operating income	*8.5*	9.3	+0.7 109.3%	*23.8*	25.0	+1.1 105.0%

Operating revenues - main positive and negative factors in 1st-half (FY2020.3) (¥ billion)

Japan International Consultants for Transportation	+2.1	Detailed Design Study on the High Speed Railway Construction Project in India
JR East Mechatronics	+1.5	Increase in sales of IC-related equipment
Viewcard	+1.2	Increase in franchise fees
JR East Information Systems	+1.0	Increase in systems contract revenues
JR East	+0.7	Increase in *Suica* electronic money revenue

FY2020.3 Topics

- Japan International Consultants for Transportation (Detailed Design Study on the High Speed Railway Construction Project in India.)

IT & *Suica* operating results in 1st-half (FY2020.3)

Operating revenues: ¥28.0 billion（114.0%）(operating revenues from outside customers)*

Operating income: ¥7.2 billion（140.7%）

*Operating revenues: ¥58.7 billion (105.6%) (including revenues inside group)

[Notes] Operating revenues : operating revenues from outside customers
Operating income : operating revenues from outside customers + operating revenues inside group - purchases from outside suppliers - purchases inside group

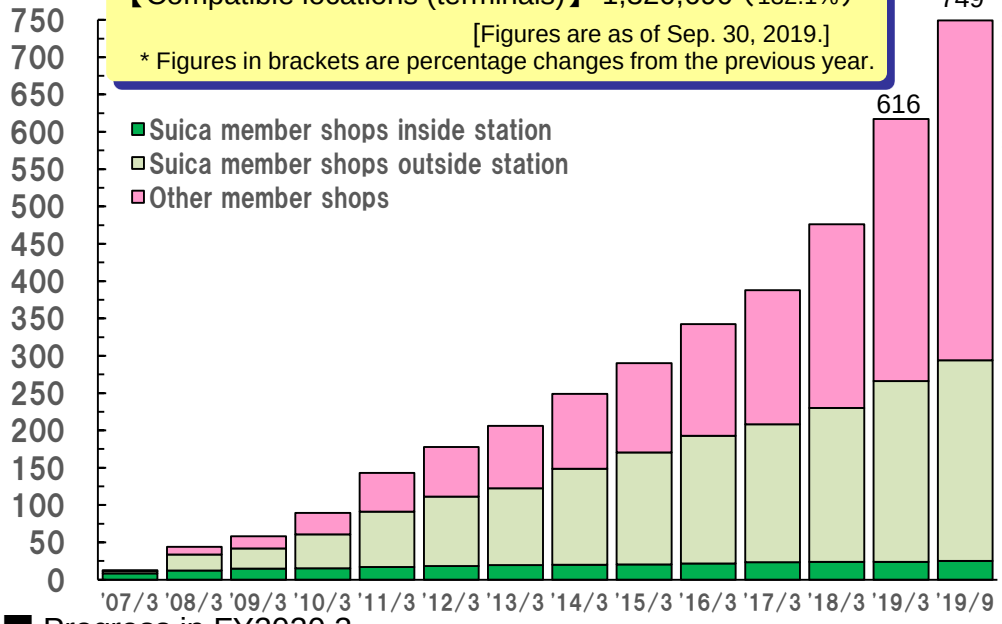
Suica

■Number of e-money available shops

（thousand）

* Figures include results of other affiliated stores.

【Compatible stores】 749,400（140.9%）
【Compatible locations (terminals)】 1,320,690（132.1%）
[Figures are as of Sep. 30, 2019.]
* Figures in brackets are percentage changes from the previous year.

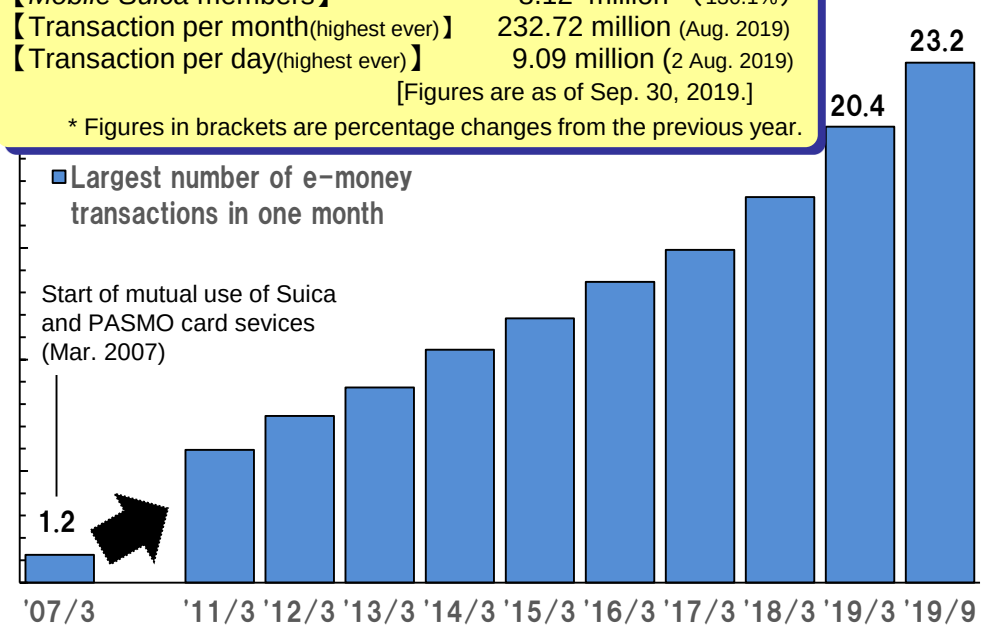


■Largest number of e-money transactions in one month

（10 million）

* Figures include results of other affiliated stores.

【*Suica* cards issued】 79.5 million （109.5%）
【*Mobile Suica* members】 8.12 million （130.1%）
【Transaction per month(highest ever)】 232.72 million (Aug. 2019)
【Transaction per day(highest ever)】 9.09 million (2 Aug. 2019)
[Figures are as of Sep. 30, 2019.]
* Figures in brackets are percentage changes from the previous year.



■ Progress in FY2020.3

Began *JRE POINT* provision for use of *Suica* for railway services
[Commencement] October 1, 2019
[Service overview]
・When a *JRE POINT*–registered *Suica* is used for JR East's railway services, *JRE POINT* awards are received in the following cases.
(1) Use of JR East conventional line services (award based on the usage amount each time)
(2) Purchase of *Suica* Green tickets (award based on the purchase amount each time)
(3) Purchase of *Mobile Suica* commuter passes (award based on the purchase amount)
・From spring 2021 (plan), it will be possible to use accumulated *JRE POINT* awards and convert them into a privilege ticket that allows seat upgrades and the use of Shinkansen services and limited express services on conventional lines.

Announced collaboration aimed at advancing cashlessness with Rakuten
[Commencement] Spring 2020 (plan)
[Service overview]
・*Suica* issuable through Rakuten Pay app
・Possible to use a registered Rakuten card to charge a *Suica* issued through the app
・Usable for modes of transportation and at stores affiliated with transportation electronic money
[Compatible devices]
Android™ devices compatible with Osaifu-Keitai®



Summary of Non-operating Income / Expenses and Extraordinary Gains / Losses (consolidated)

(¥ billion)	*2018.9 Results*	2019.9 Results	Increase/ decrease	*2019.3 Results*	2020.3 Plan	Increase/ decrease
Operating income	*292.2*	296.5	+4.3	*484.8*	488.0	+3.1
Non-operating income or expenses	*-25.7*	-24.6	+1.1	*-41.5*	-42.0	-0.4
Non-operating income	*8.2*	8.7	+0.5			
Dividend income	*3.1*	3.9	+0.7			
Insurance proceeds and dividends	*0.3*	0.4	+0.1			
Equity in net income of affiliated companies	*2.1*	2.0	-0.0			
Other	*2.6*	2.3	-0.3			
Non-operating expenses	*34.0*	33.4	-0.6			
Interest expense	*31.5*	30.6	-0.8			
Other	*2.4*	2.7	+0.2			
Ordinary income	*266.4*	271.9	+5.4	*443.2*	446.0	+2.7
Extraordinary gains or losses	*-6.4*	-0.4	+5.9	*-14.6*	-10.0	+4.6
Extraordinary gains	*41.1*	11.3	-29.7			
Construction grants received	*32.9*	5.0	-27.9			
Other	*8.2*	6.3	-1.8			
Extraordinary losses	*47.5*	11.8	-35.7			
Losses on reduction entry for construction grants	*32.8*	3.4	-29.4			
Provision for allowance for point card certificates	*6.0*	-	-6.0			
Disaster-damage losses	*-*	0.1	+0.1			
Provision for allowance for disaster-damage losses	*-*	2.7	+2.7			
Other	*8.6*	5.5	-3.0			
Income before income taxes	*260.0*	271.4	+11.3			

Interest expense : 16.6 (-0.2)
Bond interest : 14.0 (-0.6)

Summary of Cash Flows (consolidated)

(¥ billion)	*2018.9*	2019.9	Increase/ decrease
		Increase in major receivables: -29.0	
Cash Flows from Operating Activities (I)	*290.3*	266.7	-23.6
		Increase in purchases of fixed assets: -35.5	
Cash Flows from Investing Activities (II)	*-266.0*	-312.1	-46.1
Free Cash Flows (I) + (II)	*24.3*	-45.4	-69.7
Cash Flows from Financing Activities (III)	*-80.7*	-79.3	+1.4
Effect of Exchange Rate Changes on Cash and Cash Equivalents (Ⅳ)	*-0.0*	-0.0	-0.0
Net Change in Cash and Cash Equivalents (I) + (II) + (III) + (Ⅳ)	*-56.4*	-124.7	-68.3
Cash and Cash Equivalents at Beginning of the Period	*314.9*	263.7	-51.1
Increase in Cash and Cash Equivalents from Newly Consolidated Subsidiary	*0.0*	—	-0.0
Decrease in Cash and Cash Equivalents due to Corporate Division	—	-0.3	-0.3
Cash and Cash Equivalents at End of the Period	*258.5*	138.5	-120.0

Change in Capital Expenditures (consolidated)

(¥ billion)			2016.3 (Results)	2017.3 (Results)	2018.3 (Results)	2019.3 (Results)	2019.9 (Results)	2020.3 (Plan)
Transportation*		Growth investment	47.0	54.8	97.4	93.5	105.6	127.0
		Investment needed for the continuous operation of business	345.2	328.3	326.9	307.2		326.0
		Priority budget allocation (Investment in innovation, etc.)				31.4		62.0
		Total	392.2	383.1	424.4	432.3		515.0
Non-Transportation*		Growth investment	136.4	115.1	120.8	160.5	101.1	211.0
		Investment needed for the continuous operation of business	13.3	8.4	5.1	32.5		35.0
		Priority budget allocation (Investment in innovation, etc.)				4.4		7.0
		Total	149.7	123.5	126.0	197.6		253.0
Lifestyle services, IT & Suica Businesses		Growth investment	183.4	169.9	218.3	254.1	–	338.0
		Investment needed for the continuous operation of business	358.5	336.7	332.0	339.8	–	361.0
		(Priority budget allocation)	(18.1)	(23.5)	(25.3)			
		(Depreciation)	359.5	364.1	367.9	368.7	182.1	370.0
		Priority budget allocation (Investment in innovation, etc.)				35.9	–	69.0
		Total	541.9	506.7	550.4	629.9	206.8	768.0

* The results show investment amounts for transportation and non-transportation based on the previous segment before FY2017.3.

Change in Interest-bearing Debt Balance (consolidated)

(¥ billion)	2015.3 (Results)	2016.3 (Results)	2017.3 (Results)	2018.3 (Results)	2019.3 (Results)	2019.9 (Results)
Bonds	1,764.8 (1.84%)	1,809.9 (1.83%)	1,839.9 (1.73%)	1,770.1 (1.68%)	1,730.1 (1.61%)	1,715.2 (1.60%)
Long-term loans	965.4 (1.30%)	993.7 (1.23%)	1,030.1 (1.14%)	1,072.9 (1.10%)	1,101.4 (1.06%)	1,110.3 (1.05%)
Long-term liabilities incurred for purchase of railway facilities	545.2 (5.97%)	438.3 (6.18%)	340.9 (6.45%)	336.5 (6.47%)	332.1 (6.49%)	329.9 (6.49%)
Total	3,275.5 (2.37%)	3,241.9 (2.23%)	3,211.0 (2.04%)	3,179.6 (1.99%)	3,163.7 (1.93%)	3,155.5 (1.92%)
Net interest-bearing debt	3,030.3	2,934.1	2,923.9	2,864.7	2,899.9	3,016.9

[Notes]
Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents

Top : Balance
Bottom: Average interest rate

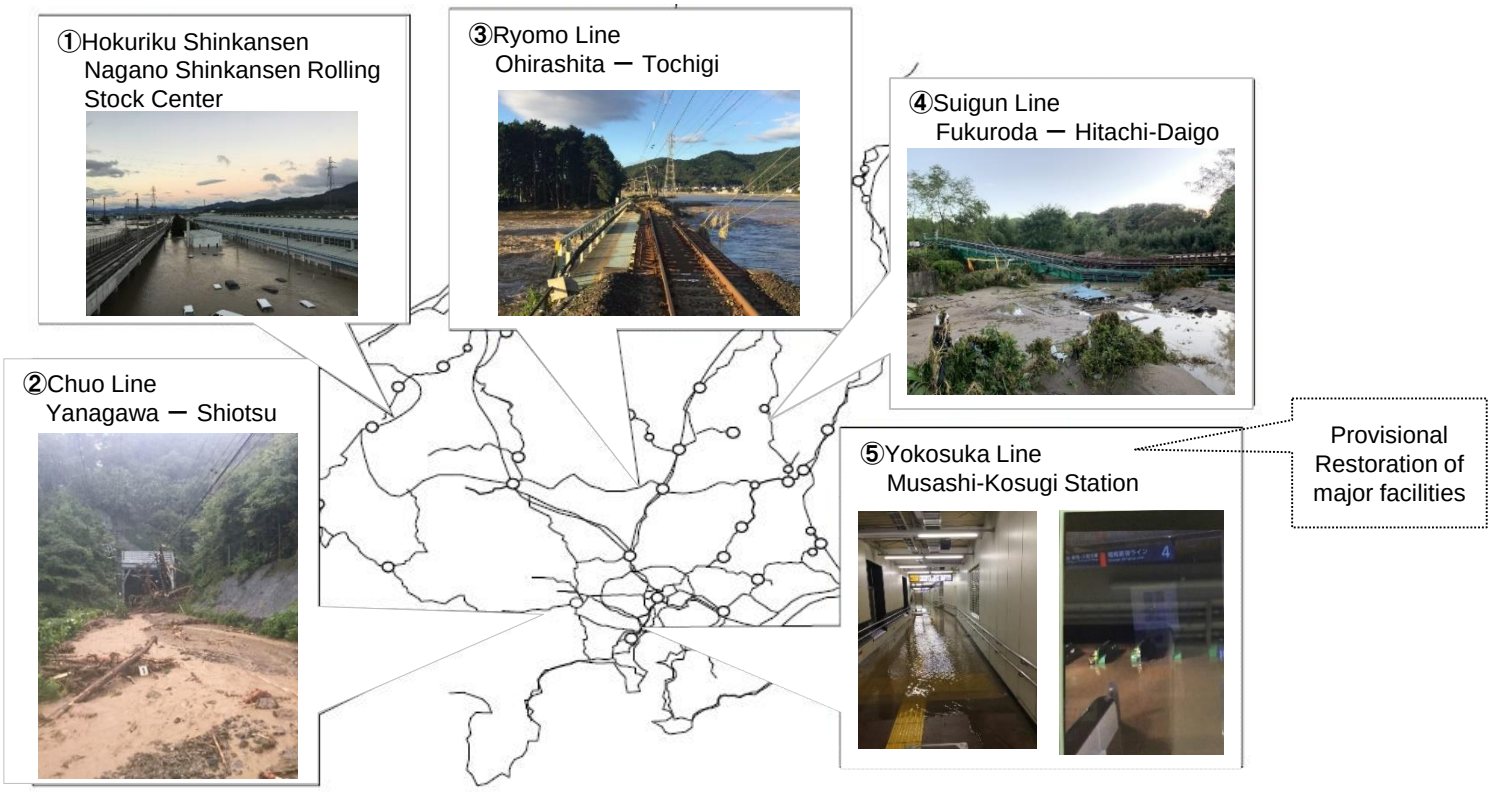
Plan for the use of cash in FY2020.3

■ Plan for FY2020.3

Capital expenditures	¥768.0 billion
Investment needed for the continuous operation of business *(Safety practice and transportation stability)*	*¥361.0 billion*
Growth investment	*¥338.0 billion*
Priority budget allocation *(Investment in innovation, etc.)*	*¥69.0 billion*
Shareholder returns	¥**165** / Share dividend *¥39.9 billion* / Share buybacks

Status of Typhoon No.19 (Hagibis) Damage and Restoration

【Status of Major Damages(status immediately after the typhoon)】



【Resumption of Major Train Operations】

Line	Section	Date of Resumption	Contents
Hokuriku Shinkansen	Nagano ー Joetsu-Myoko	Oct. 25	No. of train services : About 80% No. of direct train services between Tokyo and Kanazawa : About 90%
Chuo Line	ー	Oct. 28	Resumption of Limited express *Azusa, Kaiji, Fujikaiyu, Hachioji, and Ome* services

II. Reference Materials

FY2020.3 Traffic Volume and Passenger Revenues - Plan

Commuter Passes: Seasonal Tickets
Non-commuter Passes: Ordinary Tickets

			Traffic Volume (million passenger kilometers)				Passenger Revenues (¥ billion)			
			2019.3 Results	2020.3 Plan	Increase / decrease	(%)	*2019.3 Results*	2020.3 Plan	Increase / decrease	(%)
Shinkansen		Commuter Passes	*1,813*	1,897	+83	104.6	*24.6*	25.7	+1.1	104.6
		Non-commuter Passes	*21,929*	22,208	+278	101.3	*572.5*	579.7	+7.2	101.3
		Total	*23,742*	24,105	+362	101.5	*597.1*	605.5	+8.4	101.4
Conventional Lines	Kanto Area Network	Commuter Passes	*71,215*	71,616	+400	100.6	*463.3*	465.9	+2.6	100.6
		Non-commuter Passes	*37,036*	37,640	+603	101.6	*726.9*	738.8	+11.8	101.6
		Total	*108,252*	109,256	+1,004	100.9	*1,190.2*	1,204.7	+14.4	101.2
	Other Network	Commuter Passes	*3,063*	3,080	+17	100.6	*18.4*	18.5	+0.1	100.6
		Non-commuter Passes	*2,540*	2,553	+13	100.5	*50.8*	51.1	+0.2	100.5
		Total	*5,603*	5,634	+30	100.5	*69.2*	69.6	+0.3	100.5
	Total	Commuter Passes	*74,278*	74,696	+418	100.6	*481.7*	484.4	+2.7	100.6
		Non-commuter Passes	*39,577*	40,194	+616	101.6	*777.8*	789.9	+12.1	101.6
		Total	*113,856*	114,891	+1,034	100.9	*1,259.5*	1,274.3	+14.8	101.2
Total		Commuter Passes	*76,092*	76,594	+501	100.7	*506.3*	510.2	+3.8	100.8
		Non-commuter Passes	*61,506*	62,402	+895	101.5	*1,350.3*	1,369.7	+19.3	101.4
		Total	*137,598*	138,996	+1,397	101.0	*1,856.7*	1,879.9	+23.2	101.3

Breakdown of Shinkansen and Conventional Lines
FY2019.3 Operating Performance

(¥ billion)	Shinkansen			Conventional Lines		
	2018.3	2019.3	2019.3/2018.3 (%)	2018.3	2019.3	2019.3/2018.3 (%)
Operating kilometers (km)	1,194	1,194	100.0	6,263	6,207	99.1
Passenger kilometers (million)	23,371	23,742	101.6	113,114	113,856	100.7
Operating revenues A	602.6	611.6	101.5	1,366.9	1,375.7	100.6
Operating expenses	383.9	385.3	100.4	1,230.9	1,249.5	101.5
Operating income B	218.7	226.2	103.4	135.9	126.2	92.8
Fixed assets C	1,969.6	1,951.3	99.1	2,888.7	2,989.9	103.5
Depreciation	76.9	74.2	96.5	202.8	209.4	103.2
B／A	36.3%	37.0%	-	9.9%	9.2%	-
B／C	11.1%	11.6%	-	4.7%	4.2%	-

Major Subsidiaries - Results and Plan

(¥ billion)		*2018.9 Results*	2019.9 Results	2019.9/ 2018.9 (%)	2020.3 Plan	2020.3/ 2019.3 (%)
JR East Retail Net (J-Retail)	Operating revenues	*114.8*	115.0	100.2	230.3	100.2
	Operating income	*3.3*	3.1	93.6	5.4	107.6
Nippon Restaurant Enterprise (NRE)	Operating revenues	*29.0*	24.9	85.8	46.6	80.4
	Operating income	*0.1*	0.5	334.1	0.5	126.8
East Japan Marketing & Communications	Operating revenues	*51.3*	52.4	102.2	121.0	101.7
	Operating income	*0.9*	0.5	65.5	3.2	101.5
LUMINE	Operating revenues	*36.6*	37.7	103.0	81.3	105.8
	Operating income	*6.3*	6.9	109.9	14.7	107.2

* Non-consolidated operating revenues / operating income
* With respect to Nippon Restaurant Enterprise Co., Ltd., management of the business that provides services for trains was transferred in July 2019.

Hotel Operations - Overview

Operating revenues*1 ¥ 28.2billion （2019.9）

Operating income*1 ¥ 2.3 billion （2019.9）

*1 Simple total of the revenues and expenses of the hotel businesses of Group companies and the revenues and expenses of the hotel businesses of non-consolidated JR East

［Reference］JR East hotels at a glance

■ *Metropolitan Hotels* (12 hotels, 3,471 guest rooms)

Operating revenues *2 : ¥ 18.5 billion (2019.9) Occupancy rate: 82.7%

■ *HOTEL METS* chain (25 hotels, 3,057 guest rooms)

Operating revenues *2 : ¥ 5.9 billion (2019.9) Occupancy rate: 90.6%

*2 Simple sum of operating revenues from each hotel.

■ *The Tokyo Station Hotel* (150 guest rooms)

■ *Familio,Folkloro* (8 hotels, 344 guest rooms)

■ *Hotel Dream Gate Maihama*, *Hotel Dream Gate Maihama Annex* (160 guest rooms)

■ *Hotel New Grand* (238 guest rooms)

(As of Sep. 30, 2019)

ESG ~Overview of Energy-Related Initiatives~

Environmental Goals with FY2031.3 as the Year for Attainment

FY2031.3 goals

Category of environmental conservation activities	Performance indicators	Targets to be met by FY2031.3
Measures to prevent global warming	Energy consumption from railway business activities	25% reduction (compared to FY2014.3)
	CO_2 emission volume from railway operations	40% reduction*(compared to FY2014.3)

*Based on the assumption that power company emission factors will be 0.37 kg-CO_2/kWh in FY2031.3, we set goals which convert a 25% reduction of energy consumption into CO_2 emission volume.

Overview of Initiatives

Creation
(energy creation)


Thermal power (741MW)


Hydro power (449MW)


Solar (45MW)


Wind power (14.5MW)


Geothermal (under investigation)


Woody biomass (12MW)


Biogas(1.8MW)

Figures in parenthesis are power generation outputs as of September 2019.

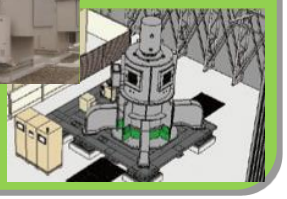
Provision of self-generated power and renewable energy

Transmission



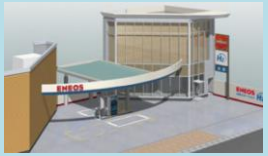
Store
(energy storage (power storage, heat storage))





Diversification of energy

Establishment and expansion of hydrogen stations



Introduction of FC buses and FCVs



Development of fuel cell test railcars



・Lines for verification test implementation: Tsurumi Line, Nambu Line Shitte Branch Line, Nambu Line (Shitte–Musashi-Nakahara)
・Planned completion: FY2022.3

・Production of test hybrid railcar (fuel cell) and implementation of verification tests
・The world's first fuel cell railcar that can use 70 MPa high-pressure hydrogen, thereby enabling extension of travel distance

To train operations, railway stations, office buildings, etc.

Utilize
(energy saving)

Energy-saving railcars





Highly efficient facilities

Environment-friendly office buildings

Model "Eco stations" (In FY2020.3, plan completion of the 12 railway stations designated for development)





Hiraizumi Station
Zero-emissions railway station
・Solar power generation facilities
・Introduction of LED lighting, etc.

Musashi-Mizonokuchi Station
Utilization of CO_2-free hydrogen
・Autonomous hydrogen energy supply system
・Solar power generation facilities
・Introduction of LED lighting
・Wall greening, etc.

ESG ~Making regional areas more affluent~

Operation of sight-seeing train

TRAIN SUITE *SHIKI-SHIMA*



Support from local people (*TOHOKU EMOTION*)



Responding to inbound travel demand from overseas

Providing information overseas (*JAPAN RAIL CAFE*)



- Singapore
- Taiwan

Free Wi-Fi in Shinkansen, etc.



Measures towards Tourism Type MaaS

Verification experiments in Izu area

- Expanding into Niigata and Sendai



Compact cities around stations

NORTHERN STATION GATE AKITA



- Renewal of Akita Station as a base for tourism
- Opening of an arena, a sports orthopedic clinic, a student condominium and training camp facility

Development around Niigata station





- Elevation of tracks and development of underpass at Niigata Station

Promoting the sextic industrialization of agriculture, forestry and fisheries including processing, logistics and marketing

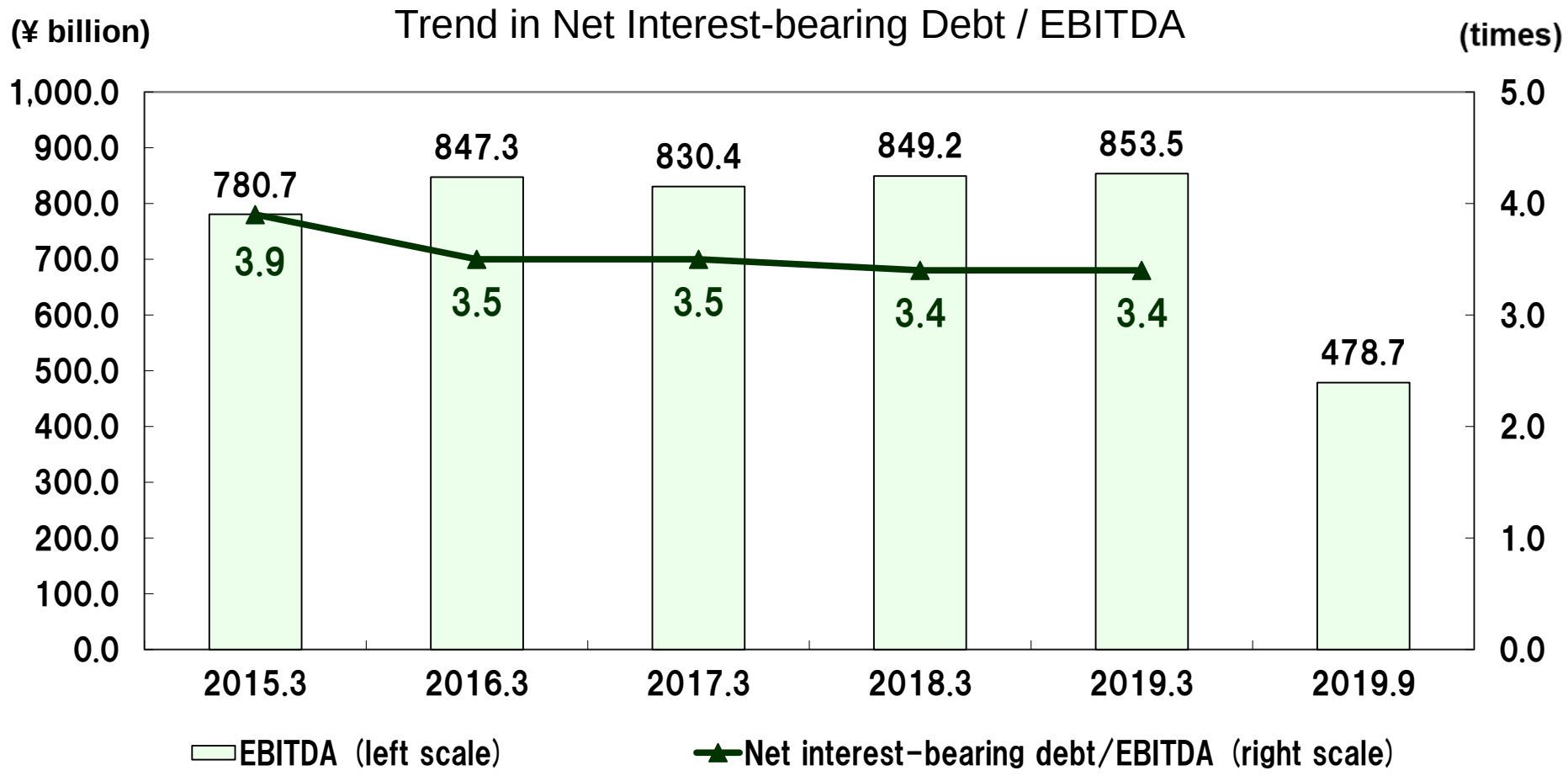
Sextic industrialization

Primary industry (production) × Secondary industry (processing) × Tertiary industry (sales)

JR TOMATO LAND IWAKI FARM



Key Financial Indicators(1)



[Reference]

	2015.3	2016.3	2017.3	2018.3	2019.3	2019.9
Net interest-bearing debt (¥ billion)	3,030.3	2,934.1	2,923.9	2,864.7	2,899.9	3,016.9

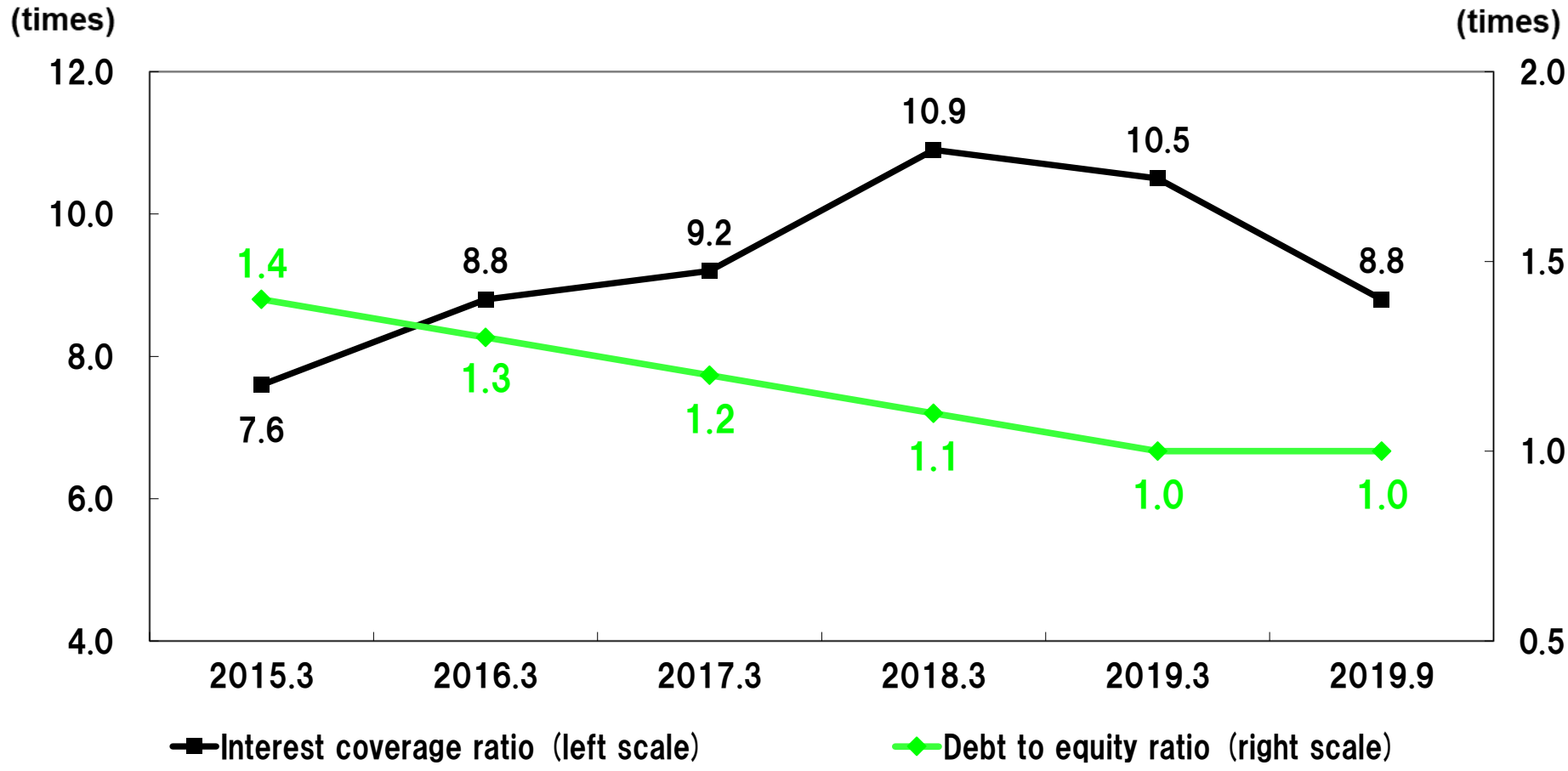
[Notes]

1) Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents

2) EBITDA = Consolidated operating income + Consolidated depreciation expense

Key Financial Indicators(2)

Trend in Interest Coverage Ratio and Debt to Equity Ratio



[Notes]
1) Interest coverage ratio = Net cash provided by operating activities / payments of interest
2) Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity

Interest-bearing Debt Breakdown and Maturity Outlook

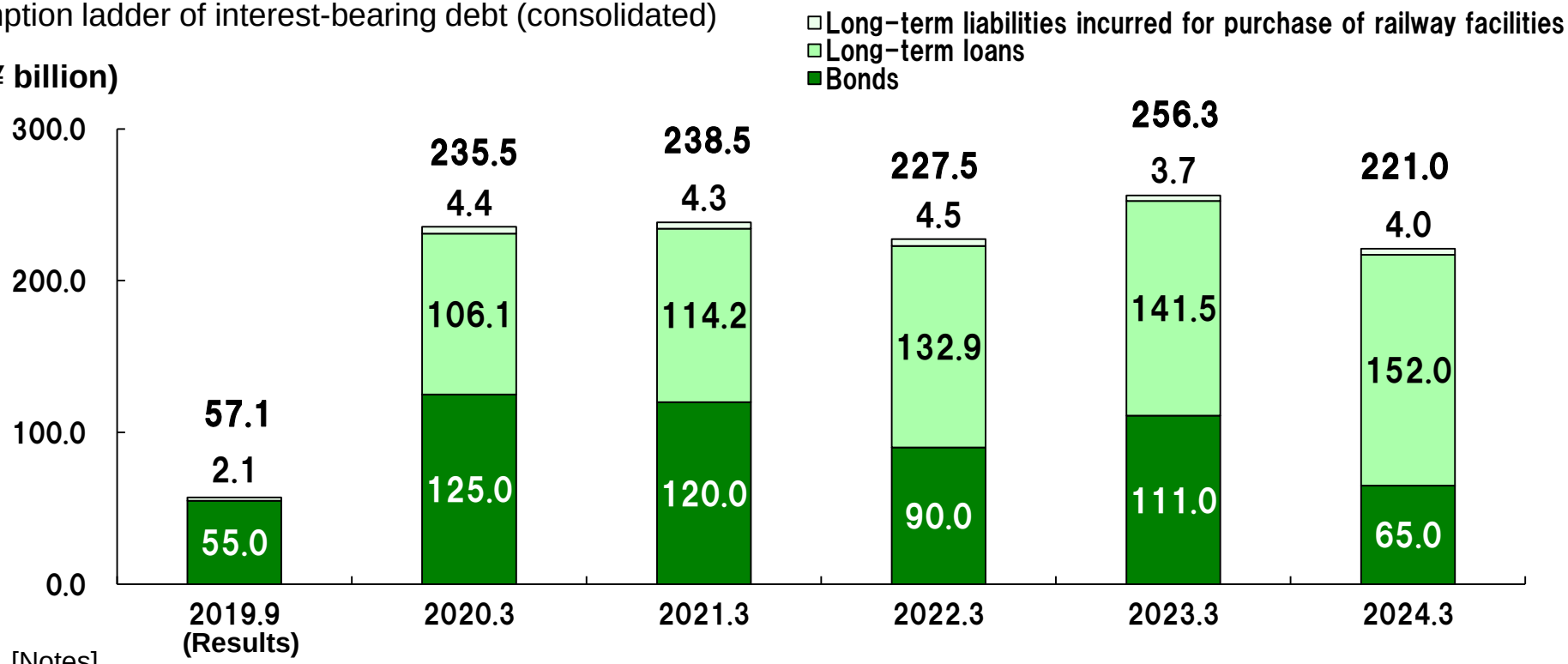
Additional Information for bond Investors

JR-EAST

Breakdown of consolidated interest-bearing debt (As of Sep. 30, 2019)

	Balance (¥ billion)	Breakdown	Average interest rate	Average maturity
Bonds	1,715.2	54.3%	1.60%	12.39 years
Long-term loans	1,110.3	35.2%	1.05%	6.68 years
Long-term liabilities incurred for purchase of railway facilities	329.9	10.5%	6.49%	21.07 years
Total	3,155.5	100.0%	1.92%	11.29 years

Redemption ladder of interest-bearing debt (consolidated)

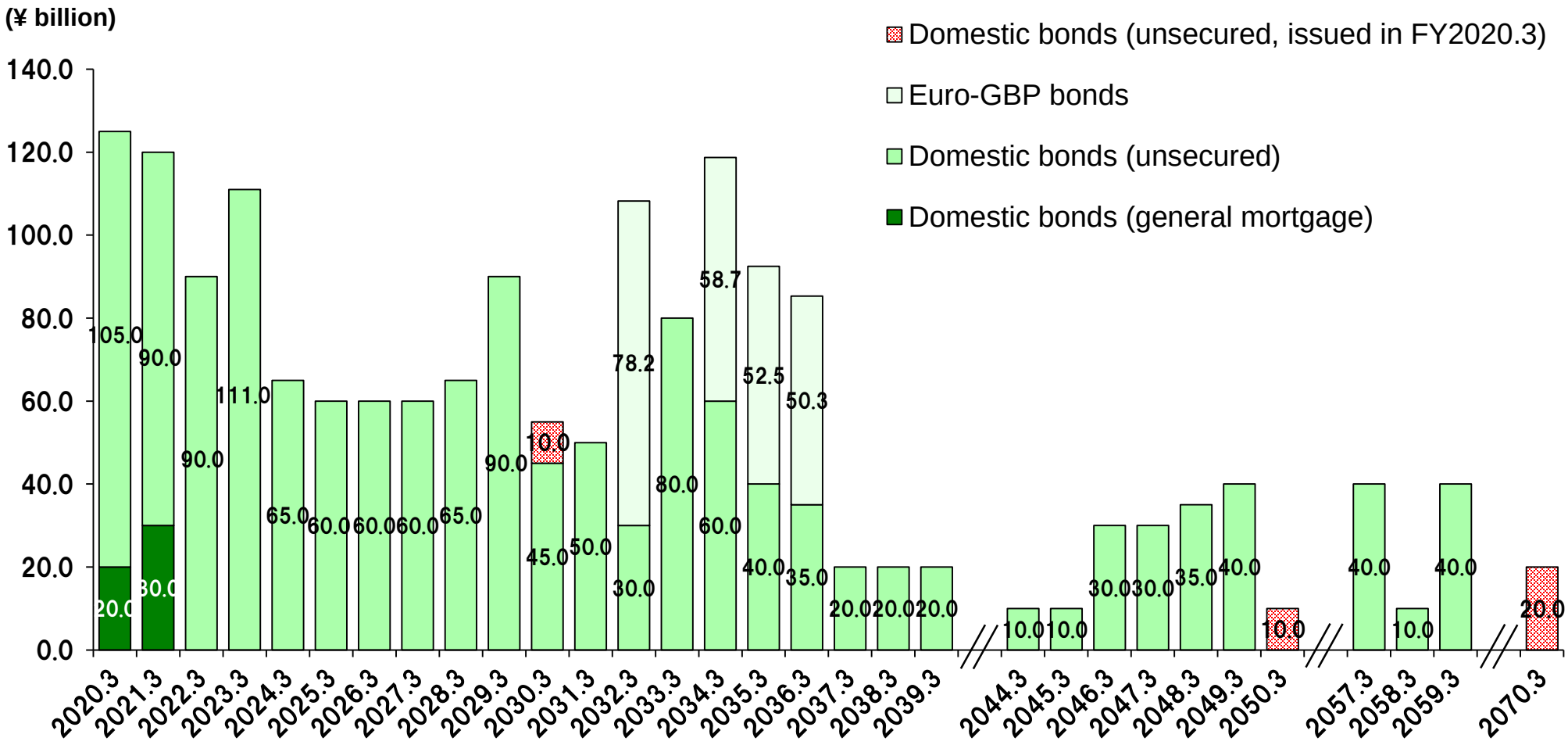


[Notes]

1) Outlook as of Sep. 30, 2019
2) Bond redemptions are at face value

Outlook of Bond Maturity

Redemption ladder of bonds(non-consolidated)



[Notes]
1) Outlook as of Sep. 30, 2019
2) Redemptions are at face value

Bonds Issuance in FY2020.3

Series	Tenor	Total amount of issue	Coupon	Issue price	Reoffer yield	JGB Spread	Issue date	Maturity date
140	10	¥ 10.0 billion	0.100%	¥100	0.100%	-	2019.7.23	2029.7.23
141	30	¥ 10.0 billion	0.488%	¥100	0.488%	+16bp	2019.7.23	2049.7.23
142	50	¥ 20.0 billion	0.809%	¥100	0.809%	-	2019.7.23	2069.7.23

Long-term Funding and Liquidity

■ Long-term Funding

- Constraining the risks of rising interest rates by raising long-term fund at fixed interest rates and smoothing redemption ladder

Long-term credit ratings

Rating agency	Rating
Moody's	Aa3 (Stable)
Standard & Poor's (S&P)	AA- (Stable)
Rating and Investment Information (R&I)	AA+ (Stable)

■ Liquidity

- Daily cash revenues from railway operations
  (Passenger revenues were approx. ¥ 5.0 billion / day in FY2019.3)
- CP issuance facility: ¥ 150.0 billion

Short-term credit ratings

Rating agency	Rating
Moody's	P-1
Rating and Investment Information (R&I)	a-1+

- Bank overdraft facility: ¥ 330.0 billion
- Earthquake response commitment line: ¥60.0 billion

These materials and the video of the presentation can be viewed at the JR East's web site.

JR East Web site, IR (Investor Relations)
https://www.jreast.co.jp/e/investor/index.html

Forward-Looking Statements

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