FY2021.3 Second Quarter Financial Results Presentation

旅と暮らしを
新しいカタチに。
Styling the new



October 29, 2020

East Japan Railway Company

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>FY2021.3 Traffic Volume and Passenger Revenues - Plan

>Breakdown of Shinkansen and Conventional Lines FY2020.3 Operating Performance

>Hotel Operations - Overview

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Ⅰ　Speed up “Move up” 2027

～To realize sustainable JR EAST GROUP～

Speed up “Move up” 2027

■ Actions for Structural Changes of “Post-COVID” Society

Irreversible Structural Changes of “Post-COVID” Society

Concentration → **Dispersal**

Company centered → **Lifestyle centered**

Mass → **Personal**

new values and patterns of behavior ／digital transformation

Practice ESG management +

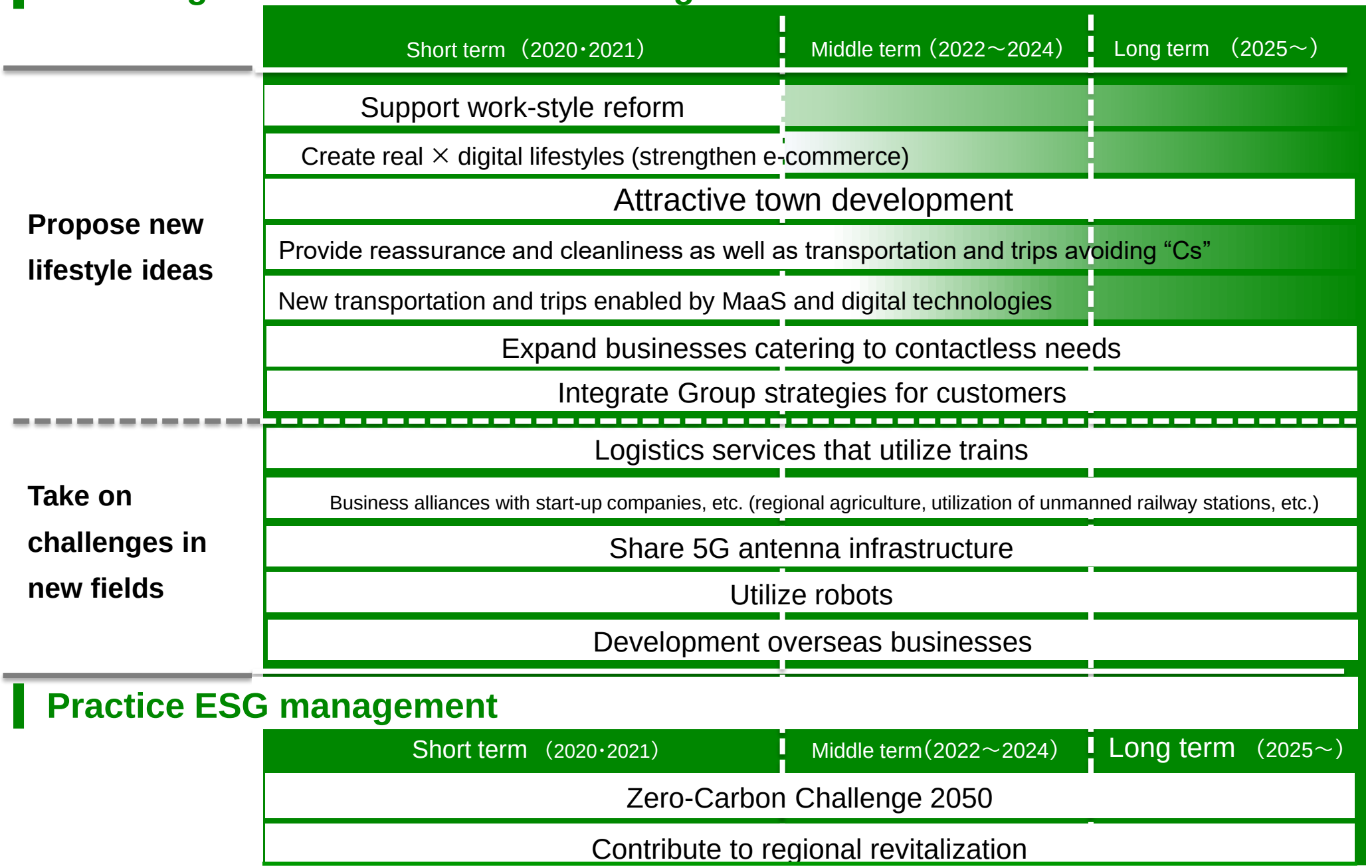
Rebuild growth and innovation strategies

Strengthen management efficiency fundamentally

Realize the JR East Group Management Vision “Move Up” 2027 by raising the speed and level of forward-looking initiatives

- We will combine our strength in real-world networks with digital technologies to offer ideas for new lifestyles and take on challenges in new fields.
- We aim to adopt a people-focused approach in evolving our railway-centered business model, reform cost structures, and make the JR East Group a sustainable corporate group that coexists with local communities.

Rebuild growth and innovation strategies



Practice ESG management

Propose new lifestyle ideas (1)

Support work-style reform

- We will support customers' diverse work styles, such as telecommuting and workcations.
- We will ease congestion during commuting hours and realize environments that customers can use comfortably.

- Workcations, Multiple-Residence Lifestyles
- Expand *STATION WORK*
- Support Diverse Commuting Such as Off-Peak



STATION WORK

Create real × digital lifestyles

- We will incorporate the latest technologies to create railway station spaces that customers find convenient and attractive.
- JR East Group will expand and enhance its differentiated lineup and strengthen e-commerce centered on *JRE MALL*.

- Create New Railway Station Spaces
- Strengthen *JRE MALL*



Sale of agricultural products in collaboration with regions (rendering)

Attractive town development

- We will accelerate diverse, attractive town development through initiatives to heighten the area value of the Tokyo metropolitan area, such as the promotion of proposal-type rental apartments and the utilization of JR East's funds for the acquisition of external properties, etc.

- Real Estate Business
- *Tokyo Metropolis Project*



WATERS takeshiba

Provide reassurance and cleanliness as well as transportation and trips avoiding closed spaces, crowded places and close-contact settings

- With safety as a base, we will offer ideas for reassuring, comfortable transportation and trips through such measures as the provision of clean environments, the provision of congestion information, and the establishment of products that avoid closed spaces, crowded places and close-contact settings.



- Provide clean environments
- Provide Information on the congestion of Railway Stations and Railcars
- Discounted Use of Quiet Trains and Periods
- Comfortable Transportation and Accommodation
- Staycations at Nearby Hotels



Propose new lifestyle ideas (2)

New transportation and trips enabled by MaaS and digital technologies

■ We will offer customers comfortable ways of using transportation and taking trips that utilize digital technologies.



Ringo Pass



TOHOKU MaaS Sendai・Miyagi trial

Expand businesses catering to contactless needs

■ We will accelerate the introduction of ticketless, smartphone-friendly services and realize seamless, stress-free transportation for customers while increasing various services and businesses that cater to contactless needs.

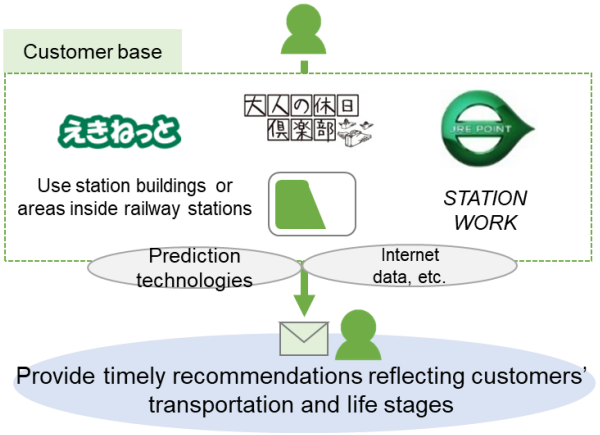
Pursue ticketless, smartphone-friendly services

・Transform how trains are ridden
・Create New Railway Station Spaces

✓ Contactless / social distancing
✓ Seamless, stress-free transportation
✓ Resource saving

Integrate Group strategies for customers

■ We will achieve unified understanding and analysis of data possessed by the Group and advance comprehensive customer strategies that encompass three businesses, namely, the railway, life-style service, and IT & Suica businesses.



Take on challenges in new fields

Logistics services that utilize trains

- We will leverage the rapid delivery capabilities and regularity of train services to further expand logistics services that utilize Shinkansen and conventional line limited express services, among others.



Business alliances with start-up companies / Sharing of 5G antenna infrastructure

- We will provide new value through business alliances with start-up companies among others and such measures as the sharing of 5G antenna infrastructure.



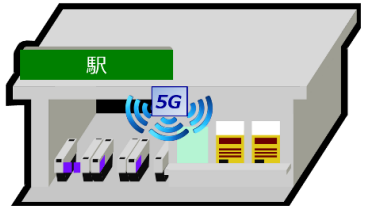
Unmanned store payment system
"TOUCH TO GO"



Regional agriculture that paves the way for the future



Hotels in prime line-side-area locations



Share 5G antenna infrastructure

Utilize Robots / Develop overseas businesses

- We will proactively introduce robot technologies and achieve innovation in such areas as the provision of guidance information, cleaning, and security.
- We will continue to take on challenges in global businesses, and mainly in Asia we will offer enriched lifestyles.



・Utilize Guidance Information, Cleaning, and Security Robots
・Develop maintenance robots



One&Co in Singapore



railcar manufacturing operations

Practice ESG management

Zero-Carbon Challenge 2050

- The entire JR East Group will take on the challenge of achieving “net zero” CO2 emissions by fiscal 2051. We aim to contribute to the achievement of a carbon-free society, enhance the environmental superiority of railways even further, and help realize a sustainable society.



Fuel Cell Buss “SORA”


Hybrid (fuel cell) test trains


Realize integrated supply and demand energy management

Contribute to regional revitalization

- Anticipating change in society as it moves away from “concentration” and toward “dispersal,” we will help enrich lifestyles by accelerating initiatives in such areas as tourism promotion, regional revitalization, transportation services reform, and town development.

Transportation Services Reform

Reform transportation modes in regions
- Pursue optimal transportation modes
- Realize BRT (Bus Rapid Transit) autonomous driving

Popularize Regional Collaboration IC Cards

Make Railway Stations into “Community Hubs”




Integrate management of post office and railway station over-the-counter services（Emi Station, Uchibo Line）

Develop Towns Centered on Railway Stations

country side

city

Promote Tourism

Tourism Promotion and Visitors to Japan
- Unearth and publicize tourism resources
- Provide information to visitors to Japan
- Develop experiential tourism facilities

Tohoku Destination Campaign

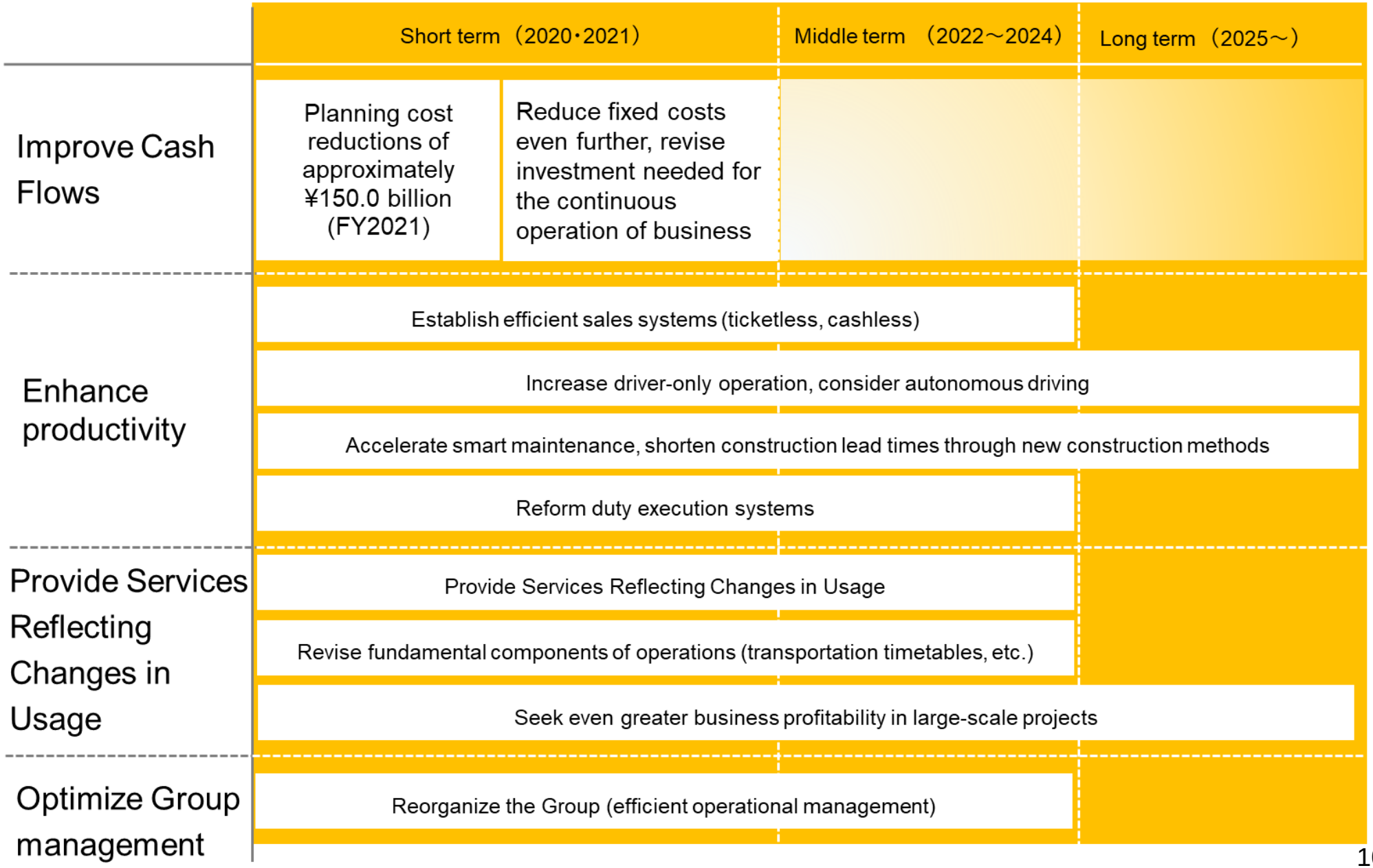
Introduce smart hotels to regional area

Support Workcations, Multiple-Residence Lifestyles

JRE MALL
- Sell products rooted in regions, such as agricultural products and online tours
- Hometown tax donation program

Regional Revitalization

Strengthen management efficiency fundamentally

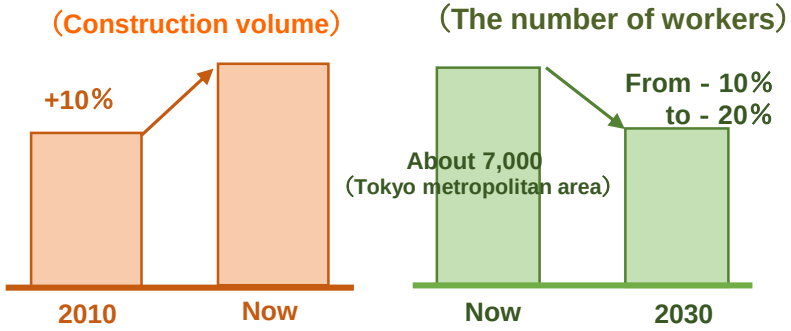


Main Releases/Measures since Forecast Announcement (1)

Revision of Travel Timetables (Revision of Timetables for Last-Train and First-Train Services)

○ Issues Associated with Railway Maintenance and Constructions

To maintain safety and comfortable service, it is very important to secure sufficient nighttime for work to maintenance and constructions.



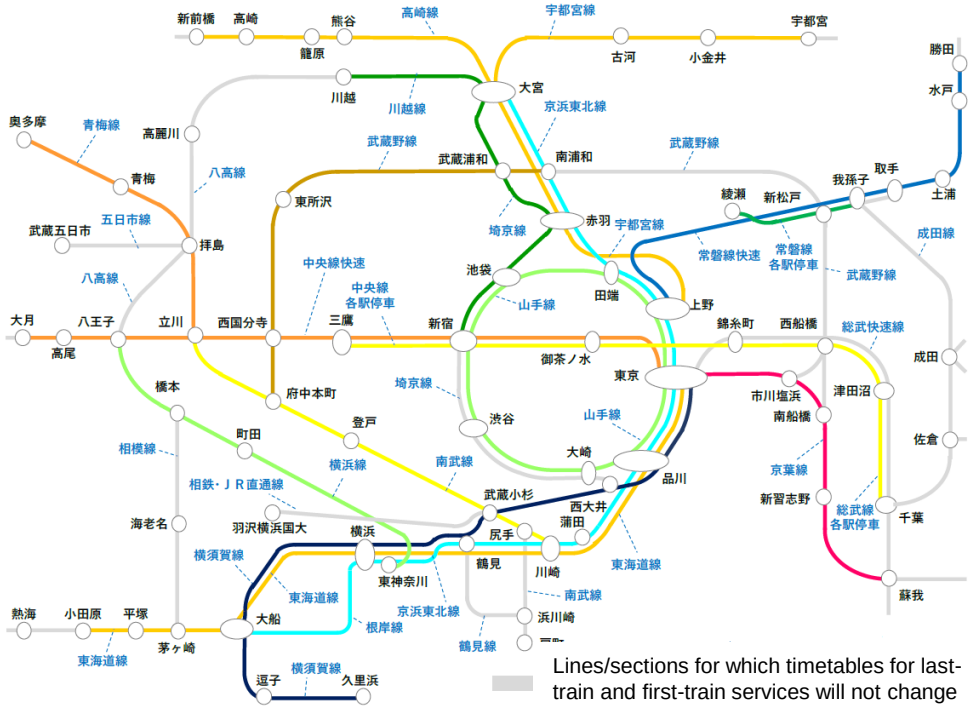
We will review diagram ,for example timetables for last-train, to work at nighttime efficiently by using large machine and to take flexible changes in usage.

Secure nighttime work interval of 240 minutes (four hours) .

We will make progress in service and improve working environment, by speeding up maintenance and constructions.

Implement revision of timetables for last-train and first-train services of lines below (From March 2021 timetable revision date).

Revision of timetables for last-train services: 17 lines.
Revision of timetables for first-train services: 5 lines.



Lines/sections for which timetables for last-train and first-train services will not change

When we change timetables for last-train, we will take care to avoid “C’s” because of rush.

We will increase the number of trains before last-train, at some of lines, and if necessary, we operate extra train on Friday night before last-train.

Main Releases/Measures since Forecast Announcement (2)

Logistics services that utilize trains

We will leverage the rapid delivery capabilities and regularity of train services.

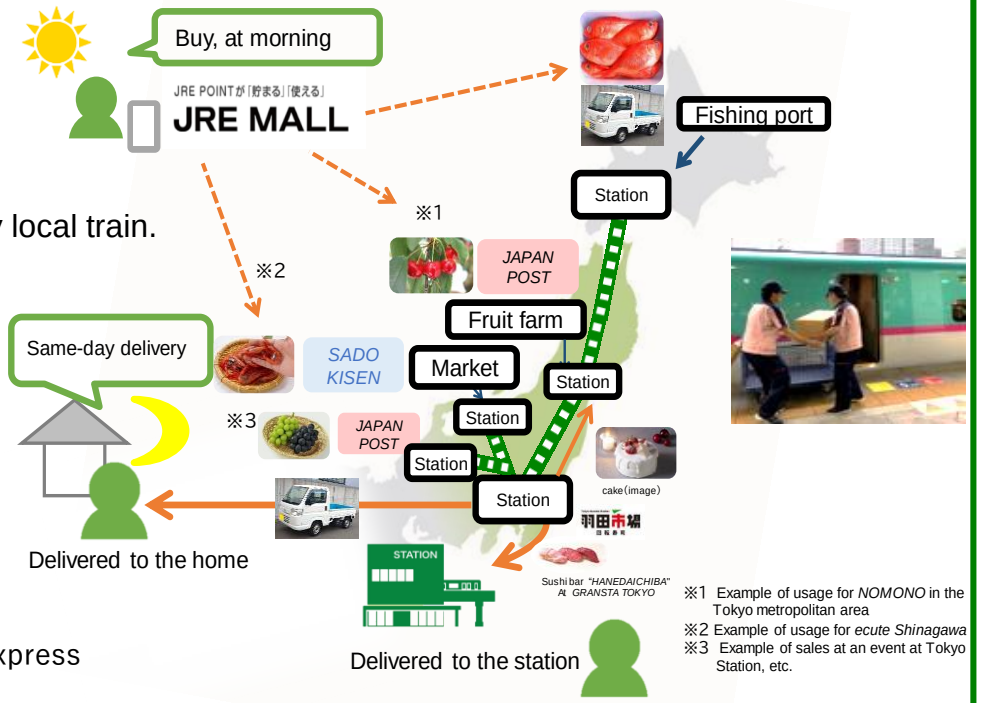
○We will further expand logistics services.
- Since September 26, we have been engaged in logistic services by local train.

○We started regular transportation.
- Since October 16, we have been started regular transportation by Shinkansen from Sendai to Tokyo (twice a week).

- **Further expand logistics services**
- **Expand business beyond the boundaries of the group**
- **Increase the number of regular transportation**



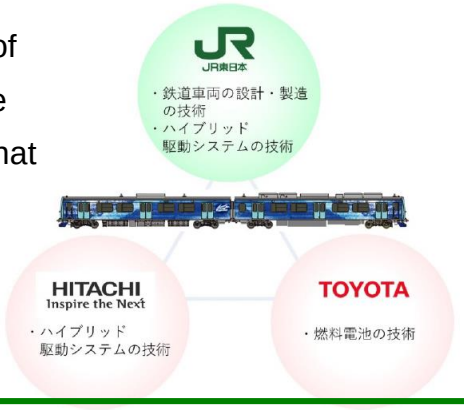
Test delivery at local express train "*Odoriko*"



Development of Hydrogen-Powered Hybrid (Fuel Cell) Test Trains

The railway technologies and automotive technologies of three companies—JR East, *Hitachi*, and *Toyota*—will be combined to develop railway applications for fuel cells that have been practically applied to automobiles.

We will realize hybrid (fuel cell) test trains with the aim of achieving high-output control for the driving of railcars.



Test Trains



Nickname "*HYBARI*"

・Start of test：March 2022（plan）
・LINE：Tsurumi-Line、Nambu-Line Shitte-branch line、Nambu-Line（Shitte～Musashi-nakahara）

Ⅱ　FY2021.3 Second Quarter Financial Results and FY2021.3 Plan

Summary of FY2021.3 Second Quarter Financial Results

(non-consolidated / consolidated)

non-consolidated

(¥ billion)	2019.9 Results	2020.9 Results	2020.9/2019.9 Increase / Decrease	2020.9/2019.9 (%)	2020.3 Results	2021.3 Plan	2021.3/2020.3 Increase / Decrease	2021.3/2020.3 (%)
Operating revenues	1,076.6	540.9 [532.0/+8.9]	-535.6	50.2	2,061.0	1,251.0	-810.0	60.7
Passenger revenues	948.8	434.3	-514.4	45.8	1,792.8	1,020.0	-772.8	56.9
Others	127.8	106.6	-21.2	83.4	268.2	231.0	-37.2	86.1
Operating income	249.1	-255.5 [-270.0/+14.4]	-504.6	-	294.0	-463.0	-757.0	-
Ordinary income	236.4	-271.2 [-286.0/+14.7]	-507.6	-	260.1	-501.0	-761.1	-
Profit	171.0	-196.9 [-210.0/+13.0]	-368.0	-	159.0	-364.0	-523.0	-

consolidated

(¥ billion)	2019.9 Results	2020.9 Results	2020.9/2019.9 Increase / Decrease	2020.9/2019.9 (%)	2020.3 Results	2021.3 Plan	2021.3/2020.3 Increase / Decrease	2021.3/2020.3 (%)
Operating revenues	1,518.8	787.2 [783.0/+4.2]	-731.5	51.8	2,946.6	1,930.0	-1,016.6	65.5
Operating income	296.5	-295.2 [-326.0/+30.7]	-591.8	-	380.8	-500.0	-880.8	-
Ordinary income	271.9	-335.5 [-353.0/+17.4]	-607.5	-	339.5	-549.0	-888.5	-
Profit attributable to owners of parent	188.5	-264.3 [-282.0/+17.6]	-452.9	-	198.4	-418.0	-616.4	-

Cost Reduction Results

(¥ billion)	Operating Expenses		Capital Expenditures		Total	
	2020.9 Results	2021.3 Plan	2020.9 Results	2021.3 Plan	2020.9 Results	2021.3 Plan
JR East	33.5	62.0	Disclose the results at the end of the fiscal year	54.0	33.5	116.0
Group companies	19.5	30.0		10.0	19.5	40.0
Total*	53.0	92.0		64.0	53.0	156.0

*Simple total for respective companies

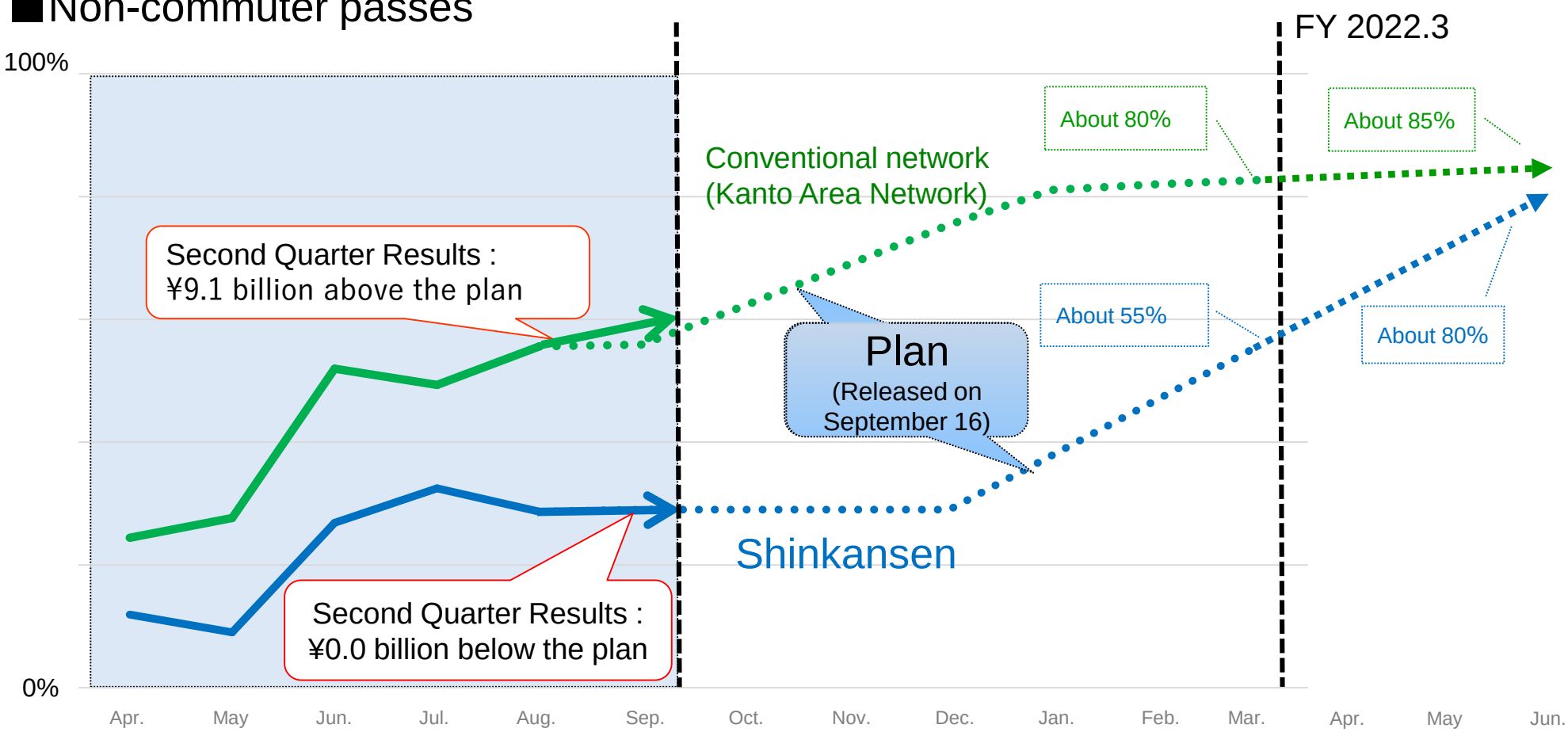
As of the second quarter we implemented cost reductions of ¥53.0 billion.

Passenger Revenues
- FY2021.3 1st half Results

(YoY, ¥ billion, %)	Increase / Decrease	(%)	Factors	Increase / Decrease
Passenger revenues	**-514.4**	**45.8**		
Commuter passes (Seasonal tickets)	-64.0	75.1	Effect of COVID-19	-64.0
Non-commuter passes (Ordinary tickets)	-450.3	34.8		
Shinkansen Network	-226.9	22.8	Effect of COVID-19	-224.5
			10-day Golden Week (decrease of the number of long holidays to previous year)	-3.0
			Natural disasters (Typhoon) (decreased occurrence compared to previous year)	+0.5
			Basic Trend	-
Kanto Area Network of Conventional Lines	-206.6	44.3	Effect of COVID-19	-207.0
			10-day Golden Week (decrease of the number of long holidays to previous year)	-1.0
			Natural disasters (Typhoon) (decreased occurrence compared to previous year)	+1.5
			Basic Trend	-
Other Network of Conventional Lines	-16.7	36.8	Effect of COVID-19	-16.5
			Basic Trend	-

Passenger Revenues
- FY2021.3 1st half Results and Outlook

■Non-commuter passes



*This graph excludes special factors (except COVID-19).

■Commuter passes revenues (Seasonal tickets):
Reach approximately 85% at the end of fiscal 2021 and trend at the same level thereafter.

Second Quarter Results : ¥0.0 billion below the plan

Passenger Revenues
- FY2021.3 1st half Results and Full-term Plan

Full-term Plan (YoY basis) Results (1st half) (¥ billion,%)	Total		Main factors behind change	*Basic trend
	1st half [Results / Difference from the plan]	2nd half		
-773.2 (-514.4) Passenger revenues	56.9%			100%
	44.8% [45.8% +9.1]	70.4%		
-108.2 (-64.0) Commuter passes (Seasonal tickets)	78.8%		・Effect of COVID-19：-109.0 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+1.0	100%
	75.2% [75.1% -0.0]	82.4%		
-665.0 (-450.3) Non-commuter passes (Ordinary tickets)	48.2%			100%
	33.5% [34.8% +9.2]	65.3%		
-367.3 (-226.9) Shinkansen Network	31.9%		・Effect of COVID-19：-402.0 ・10-day Golden Week, year-end and New Year Travel, Leap-year (decrease of the number of long holidays to previous year)：-4.0 ・Natural disasters (Typhoon) (decreased occurrence compared to previous year)：+6.5 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+32.0	100%
	22.8% [22.8% -0.0]	42.8%		
-275.2 (-206.6) Kanto Area Network of Conventional Lines	60.4%		・Effect of COVID-19：-312.5 ・10-day Golden Week, year-end and New Year Travel, Leap-year (decrease of the number of long holidays to previous year)：-3.0 ・Rugby World Cup (held on 2019)：-0.5 ・Natural disasters (Typhoon) (decreased occurrence compared to previous year)：+9.5 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+31.5	100%
	41.8% [44.3% +9.1]	81.7%		
-22.3 (-16.7) Other Network of Conventional Lines	54.2%		・Effect of COVID-19：-24.5 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+2.0	100%
	36.3% [36.8% +0.1]	75.6%		

*As the effect of the COVID-19 pandemic on basic revenues cannot be accurately estimated at the present juncture, it has been treated as special factor, and the basic trend has been presented at 100%.

Operating Expenses (non-consolidated) - FY2021.3 Second Quarter Results

(¥ billion)	2019.9 Results	2020.9 Results	2020.9/2019.9 Increase / Decrease	2020.9/2019.9 (%)	Main factors behind change
Operating expenses	827.5	796.4	-31.0	96.2	
Personnel expenses	223.3	205.4	-17.8	92.0	・Bonus related: -10.2 ・Decrease in number of employees: -3.6
Non-personnel expenses	356.3	340.9	-15.3	95.7	
Energy	30.5	26.3	-4.1	86.3	・Decrease in fuel costs of thermal power plants: -1.9
Maintenance	125.6	126.5	+0.8	100.7	・General maintenance expenses: +2.7 ・Railcar maintenance expenses: -1.8
Other	200.1	188.1	-12.0	94.0	・Revenue-related expenses：-10.2
Usage fees to JRTT, etc.	41.5	41.3	-0.1	99.6	
Taxes	57.3	53.1	-4.1	92.7	
Depreciation	148.9	155.4	+6.5	104.4	・Increase due to capital expenditures

Operating Expenses (non-consolidated) - FY2021.3 Plan

(¥ billion)	2020.3 Results	2021.3 Plan	2021.3/2020.3 Increase / Decrease	2021.3/2020.3 (%)	Main factors behind change
Operating expenses	1,767.0	1,714.0	-53.0	97.0	
Personnel expenses	444.4	414.0	-30.4	93.1	[-] Bonus related [-] Decrease in number of employees
Non-personnel Expenses	831.1	801.0	-30.1	96.4	
Energy	64.5	60.0	-4.5	92.9	[-] Decrease in fuel costs of thermal power plants
Maintenance	302.1	297.0	-5.1	98.3	[-] General maintenance expenses [-] Railcar maintenance expenses
Other	464.4	444.0	-20.4	95.6	[-] Shinkansen test railcar *ALFA-X* [+] Takanawa Gateway Fest [+] Outsourcing expenses
Usage fees to JRTT, etc.	83.3	83.0	-0.3	99.6	
Taxes	100.6	100.0	-0.6	99.4	
Depreciation	307.4	316.0	+8.5	102.8	[+] Increase in fixed assets

Transportation - Results and Plan

(¥ billion)	2019.9	2020.9	2020.9/ 2019.9
Operating revenues	1,041.2	495.2	-546.0 47.6%
Operating income	224.1	-286.0	-510.2 -

2020.3 Results	2021.3 Plan	2021.3/ 2020.3
1,994.5	1,170.0	-824.5 58.7%
250.5	-529.0	-779.5 -

Operating revenues (¥ billion)
main positive and negative factors in 1st half (FY2021.3)

JR East	-524.8 (47.1%)	Decrease in passenger revenues due to the effect of COVID-19

Outlook of operating revenues (at the end of fiscal year)

<Passenger Revenues of JR East>
Approximately 80% of pre-COVID-19 level
Shinkansen: approx. 55%
Conventional network (Kanto Area Network): approx. 80%
Commuter passes: approx. 85%

[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

(Reference) Shinkansen traffic volume by line (% compared with same month of previous year)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	(Apr. – Sep.) Total
Tohoku Shinkansen* (Total of Furukawa-Kitakami and Omiya-Utsunomiya)	13	11	27	33	25	39	25
Joetsu Shinkansen (Omiya-Takasaki)	16	13	31	34	26	39	27
Hokuriku Shinkansen (Omiya-Takasaki)	12	10	28	34	28	41	26

* Tohoku Shinkansen includes Tsubasa and Komachi.

Retail & Services - Results and Plan

(¥ billion)	2019.9	2020.9	2020.9/ 2019.9
Operating revenues	257.0	138.2	-118.8 53.8%
Operating income	18.9	-13.7	-32.7 -

2020.3 Results	2021.3 Plan	2021.3/ 2020.3
502.0	375.0	-127.0 74.7%
34.3	-4.0	-38.3 -

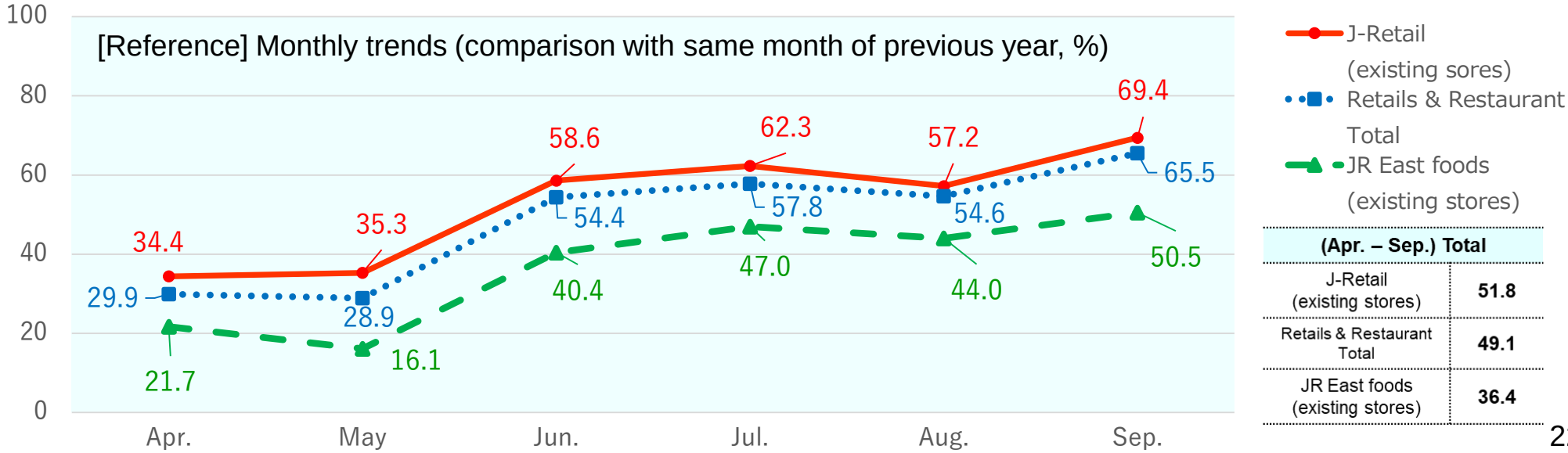
Operating revenues (¥ billion)
main positive and negative factors in 1st half (FY2021.3)

J-Retail	-54.6 (51.7%)	Decrease due to the effect of COVID-19
Tetsudo Kaikan	-15.4 (35.6%)	Decrease due to the effect of COVID-19
East Japan Marketing & Communications	-14.9 (61.2%)	Decrease due to the effect of COVID-19

Outlook of operating revenues (at the end of fiscal year)

<EKINAKA Stores>
Approximately 70% to 80% of pre-COVID-19 level
<Advertisement business>
Approximately the same level of pre-COVID-19 level

[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



(Apr. – Sep.) Total	
J-Retail (existing stores)	**51.8**
Retails & Restaurant Total	**49.1**
JR East foods (existing stores)	**36.4**

Real Estate & Hotels - Results and Plan

(¥ billion)	2019.9	2020.9	2020.9/ 2019.9
Operating revenues	175.6	119.5	-56.0 68.1%
Operating income	44.0	0.8	-43.1 2.0%

2020.3 Results	2021.3 Plan	2021.3/ 2020.3
348.5	305.0	-43.5 87.5%
74.6	24.0	-50.6 32.2%

Operating revenues (¥ billion) main positive and negative factors in 1st half (FY2021.3)

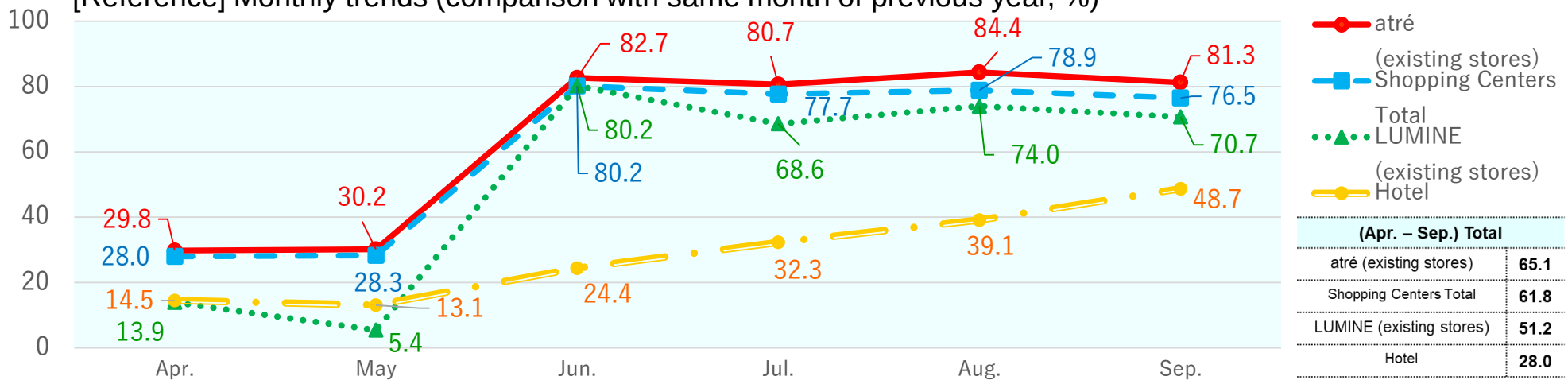
LUMINE	-16.8 (55.8%)	Decrease due to the effect of COVID-19
Nippon Hotel	-14.5 (27.1%)	Decrease due to the effect of COVID-19
atré	-7.8 (65.7%)	Decrease due to the effect of COVID-19
JR East Building	+1.7 (107.3%)	Increase in opening of JR Yokohama Tower, etc.

Outlook of operating revenues (at the end of fiscal year)

<Shopping center business>
Approximately 80% to 90% of pre-COVID-19 level (each facility different)
<Office buildings business>
Approximately the same level of pre-COVID-19 level
<Hotel Business>
Approximately 60% of pre-COVID-19 level

[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

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



(Apr. – Sep.) Total	
atré (existing stores)	65.1
Shopping Centers Total	61.8
LUMINE (existing stores)	51.2
Hotel	28.0

Others - Results and Plan

(¥ billion)	2019.9	2020.9	2020.9/ 2019.9
Operating revenues	44.8	34.2	-10.6 76.3%
Operating income	9.3	3.5	-5.7 38.4%

2020.3 Results	2021.3 Plan	2021.3/ 2020.3
101.5	80.0	-21.5 78.8%
23.8	11.0	-12.8 46.1%

Operating revenues (¥ billion)
main positive and negative factors in 1st half (FY2021.3)

JR East Information Systems	-3.8 (39.3%)	Decrease in systems contract revenues
Japan International Consultants for Transportation	-2.5 (58.7%)	Decrease in consultation services for the Detailed Design Study on the High Speed Railway Construction Project in India
Viewcard	-2.0 (86.0%)	Decrease in franchise fees
JR East Mechatronics	-1.9 (80.3%)	Decrease in sales of IC-related equipment

IT & *Suica* operating results in 1st half (FY2021.3)

Operating revenues: ¥24.0 billion (85.6%)
(operating revenues from outside customers)*
Operating income: ¥2.8 billion (40.0%)

*Operating revenues: ¥51.1 billion (87.0%) (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

Outlook of operating revenues (at the end of fiscal year)

<Credit card business>
Approximately the same level of pre-COVID-19 level

(Reference) Number of e-money transactions per month

Including mutual-usage affiliated stores
(Top row: Millions of transactions,
Bottom row: % compared with same month of previous year)

Apr.	May	Jun.	Jul.	Aug.	Sep.	(Apr. – Sep.) Total
130 (63.8)	127 (59.1)	187 (87.5)	202 (87.6)	212 (90.9)	209 (92.2)	1,066 (80.6)

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

(¥ billion)	2019.9 Results	2020.9 Results	Increase/ Decrease	2020.3 Results	2021.3 Plan	Increase/ Decrease
Operating income	296.5	-295.2	-591.8	380.8	-500.0	-880.8
Non-operating income or expenses	-24.6	-40.2	-15.6	-41.3	-49.0	-7.6
Non-operating income	8.7	9.4	+0.6			
Subsidies for employment adjustment	-	3.0	+3.0			
Equity in net income of affiliated companies	2.0	-	-2.0			
Other	6.7	6.3	-0.3			
Non-operating expenses	33.4	49.6	+16.2			
Equity in net losses of affiliated companies	-	14.3	+14.3			
Other	33.4	35.2	+1.8			
Ordinary income	271.9	-335.5	-607.5	339.5	-549.0	-888.5
Extraordinary gains or losses	-0.4	-23.6	-23.1	-55.3	-40.0	+15.3
Extraordinary gains	11.3	15.9	+4.5			
Gains on sales of fixed assets	0.1	10.8	+10.6			
Insurance proceeds related to disaster	5.5	-	-5.5			
Other	5.6	5.1	-0.4			
Extraordinary losses	11.8	39.6	+27.7			
Environmental conservation costs	-	24.0	+24.0			
Impairment losses on fixed assets	1.0	3.0	+1.9			
Disaster-damage losses	0.1	-	-0.1			
Provision for allowance for disaster-damage losses	2.7	-	-2.7			
Other	7.8	12.5	+4.6			
Income before income taxes	271.4	-359.2	-630.6			

Summary of Cash Flows (consolidated)

(¥ billion)	2019.9	2020.9	Increase/ Decrease
	Decrease in Income (Loss) before Income Taxes -630.6		
Cash Flows from Operating Activities (I)	266.7	-214.1	-480.8
	Increase in Payments for purchase of fixed assets -81.7		
Cash Flows from Investing Activities (II)	-312.1	-389.4	-77.2
Free Cash Flows (I) + (II)	-45.4	-603.5	-558.1
	Increase in Proceeds from Interest-bearing Debt +863.6		
Cash Flows from Financing Activities (III)	-79.3	788.1	+867.5
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)	-124.7	184.5	+309.3
Cash and Cash Equivalents at Beginning of the Period	263.7	153.7	-109.9
Increase in Cash and Cash Equivalents due to Merger	-	0.1	+0.1
Decrease in Cash and Cash Equivalents due to Corporate Division	-0.3	-	+0.3
Cash and Cash Equivalents at End of the Period	138.5	338.5	+199.9

Change in Capital Expenditures (consolidated)

(¥ billion)		2017.3 (Results)	2018.3 (Results)
Transportation	Growth investment	54.8	97.4
	Investment needed for the continuous operation of business	328.3	326.9
	Total	383.1	424.4
Non-Transportation	Growth investment	115.1	120.8
	Investment needed for the continuous operation of business	8.4	5.1
	Total	123.5	126.0
Growth investment		169.9	218.3
Investment needed for the continuous operation of business		336.7	332.0
	(Priority budget allocation)	(23.5)	(25.3)
(Depreciation)		364.1	367.9
Total		506.7	550.4

(¥ billion)		2019.3 (Results)	2020.3 (Results)	2020.9 (Results)	2021.3 Plan
Transportation Services	Growth investment	93.5	110.7	121.1	68.0
	Investment needed for the continuous operation of business	307.2	313.3		324.0
	Priority budget allocation (Investment in innovation, etc.)	31.4	46.7		61.0
	Total	432.3	470.7		453.0
Lifestyle services, IT & Suica Businesses	Growth investment	160.5	234.5	135.0	216.0
	Investment needed for the continuous operation of business	32.5	32.2		39.0
	Priority budget allocation (Investment in innovation, etc.)	4.4	3.0		3.0
	Total	197.6	269.8		258.0
Growth investment		254.1	345.2	-	284.0
Investment needed for the continuous operation of business		339.8	345.5	-	363.0
(Depreciation)		368.7	374.7	189.0	386.0
Priority budget allocation (Investment in innovation, etc.)		35.9	49.7	-	64.0
Total		629.9	740.6	256.1	711.0

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

Change in Interest-bearing Debt Balance (consolidated)

(¥ billion)	2016.3 (Results)	2017.3 (Results)	2018.3 (Results)	2019.3 (Results)	2020.3 (Results)	2020.9 (Results)
Bonds	1,809.9 (1.83%)	1,839.9 (1.73%)	1,770.1 (1.68%)	1,730.1 (1.61%)	1,710.2 (1.56%)	1,865.2 (1.44%)
Long-term loans	993.7 (1.23%)	1,030.1 (1.14%)	1,072.9 (1.10%)	1,101.4 (1.06%)	1,124.3 (0.99%)	1,264.3 (0.93%)
Long-term liabilities incurred for purchase of railway facilities	438.3 (6.18%)	340.9 (6.45%)	336.5 (6.47%)	332.1 (6.49%)	327.7 (6.51%)	325.4 (6.52%)
Other interest-bearing debt	-	-	-	-	150.0 (-)	680.0 (0.10%)
Total	3,241.9 (2.23%)	3,211.0 (2.04%)	3,179.6 (1.99%)	3,163.7 (1.93%)	3,312.3 (1.79%)	4,135.0 (1.46%)
Net interest-bearing debt	2,934.1	2,923.9	2,864.7	2,899.9	3,158.5	3,796.5

[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 FY2021.3

Capital expenditures	¥711.0 billion
Investment needed for the continuous operation of business *(Safety practice and transportation stability)*	*¥363.0 billion*
Growth investment	*¥284.0 billion*
Priority budget allocation *(Investment in innovation, etc.)*	*¥64.0 billion*
Shareholder returns	¥**100**/ share dividend

Approach to Shareholder Returns: Maintain the Policy of "Move Up" 2027

■ In the medium-to-long term, we are setting our sights on realizing a total return ratio target of 40% and a dividend payout ratio of 30%.
■ We will continue increasing dividends stably while proceeding with share buybacks in light of performance trends.

Fund-Raising

■ Policy

- Secure adequate liquidity through “early, abundant, long-term” funding
- Take flexible measures (funding, repayment) while carefully analyzing revenue trends going forward
- Ensure that the utilization of short-term fund-raising does not accumulate excessive interest-bearing debt

■ Fund-Raising Situation (Apr. - Sep. 2020)

- Long-term fund-raising (bonds, borrowing) :Totaled 360 billion yen.
- Short-term fund-raising (CP, special bank overdraft facilities, commitment lines, general bank overdraft facilities):Balance at the end of September is 680 billion yen.

■ Issuance facility and contract value

CP 500 billion yen, Special bank overdraft facilities 490 billion yen,

Commitment lines 300 billion yen , General bank overdraft facilities 60 billion yen.

■ Credit ratings

- Long-term credit ratings

Rating agency	Rating
Moody’s	A1 (Stable)
Standard & Poor’s (S&P)	A+ (Stable)
Rating and Investment Information (R&I)	AA+ (Stable)

- Short-term credit ratings

Rating agency	Rating
Rating and Investment Information (R&I)	a-1+
Japan Credit Rating Agency (JCR)	J-1+

* With respect to the CP issuance facility until March 2020 (¥150.0 billion), Moody’s has provided a rating of P-1.

(As of September 30, 2020)

Ⅲ　Reference Materials

FY2021.3 Traffic Volume and Passenger Revenues - Plan

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

			Traffic Volume (million passenger kilometers)				Passenger Revenues (¥ billion)			
			2020.3 Results	2021.3 Plan	Increase / Decrease	(%)	2020.3 Results	2021.3 Plan	Increase / Decrease	(%)
Shinkansen		Commuter Passes	1,909	1,587	-321	83.2	25.8	21.4	-4.3	83.2
		Non-commuter Passes	20,615	6,583	-14,031	31.9	539.7	172.3	-367.3	31.9
		Total	22,524	8,171	-14,353	36.3	565.5	193.8	-371.7	34.3
Conventional Lines	Kanto Area Network	Commuter Passes	71,720	56,286	-15,434	78.5	465.2	365.1	-100.1	78.5
		Non-commuter Passes	35,620	21,508	-14,112	60.4	694.8	419.5	-275.2	60.4
		Total	107,341	77,794	-29,547	72.5	1,160.1	784.7	-375.4	67.6
	Other Network	Commuter Passes	3,045	2,424	-621	79.6	18.2	14.5	-3.7	79.6
		Non-commuter Passes	2,473	1,341	-1,132	54.2	48.8	26.4	-22.3	54.2
		Total	5,519	3,765	-1,753	68.2	67.0	41.0	-26.0	61.1
	Total	Commuter Passes	74,766	58,710	-16,055	78.5	483.5	379.7	-103.8	78.5
		Non-commuter Passes	38,094	22,849	-15,245	60.0	743.6	446.0	-297.6	60.0
		Total	112,861	81,560	-31,301	72.3	1,227.2	825.7	-401.4	67.3
Total		Commuter Passes	76,675	60,298	-16,377	78.6	509.4	401.2	-108.2	78.8
		Non-commuter Passes	58,710	29,433	-29,277	50.1	1,283.3	618.3	-665.0	48.2
		Total	135,385	89,731	-45,654	66.3	1,792.8	1,019.5	-773.2	56.9

Breakdown of Shinkansen and Conventional Lines
FY2020.3 Operating Performance

(¥ billion)	Shinkansen			Conventional Lines		
	2019.3	2020.3	2020.3/2019.3 (%)	2019.3	2020.3	2020.3/2019.3 (%)
Operating kilometers (km)	1,194	1,194	100.0	6,207	6,207	100.0
Passenger kilometers (million)	23,742	22,524	94.9	113,856	112,861	99.1
Operating revenues A	611.6	579.9	94.8	1,375.7	1,348.4	98.0
Operating expenses	385.3	378.5	98.2	1,249.5	1,295.7	103.7
Operating income B	226.2	201.4	89.0	126.2	52.6	41.7
Fixed assets C	1,951.3	1,926.9	98.8	2,989.9	3,126.2	104.6
Depreciation	74.2	72.7	98.0	209.4	217.3	103.8
B / A	37.0%	34.7%	-	9.2%	3.9%	-
B / C	11.6%	10.5%	-	4.2%	1.7%	-

Hotel Operations - Overview

Operating revenues *1 ¥ 8.2billion （2020.9）

Operating income *1 ¥ -11.9 billion （2020.9）

*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* (14 hotels, 3,913 guest rooms)

Operating revenues *2 : ¥ 4.1 billion (2020.9) Occupancy rate: 18.2%

■ *JR-EAST HOTEL METS* chain (30 hotels, 4,056 guest rooms)

Operating revenues *2 : ¥ 2.6 billion (2020.9) Occupancy rate: 42.8%

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

■ *mesm Tokyo, AUTOGRAPH COLLECTION* (265 guest rooms)

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

■ *wanoi Kakunodate* (3 guest rooms)

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

■ *Hotel New Grand* (238 guest rooms)

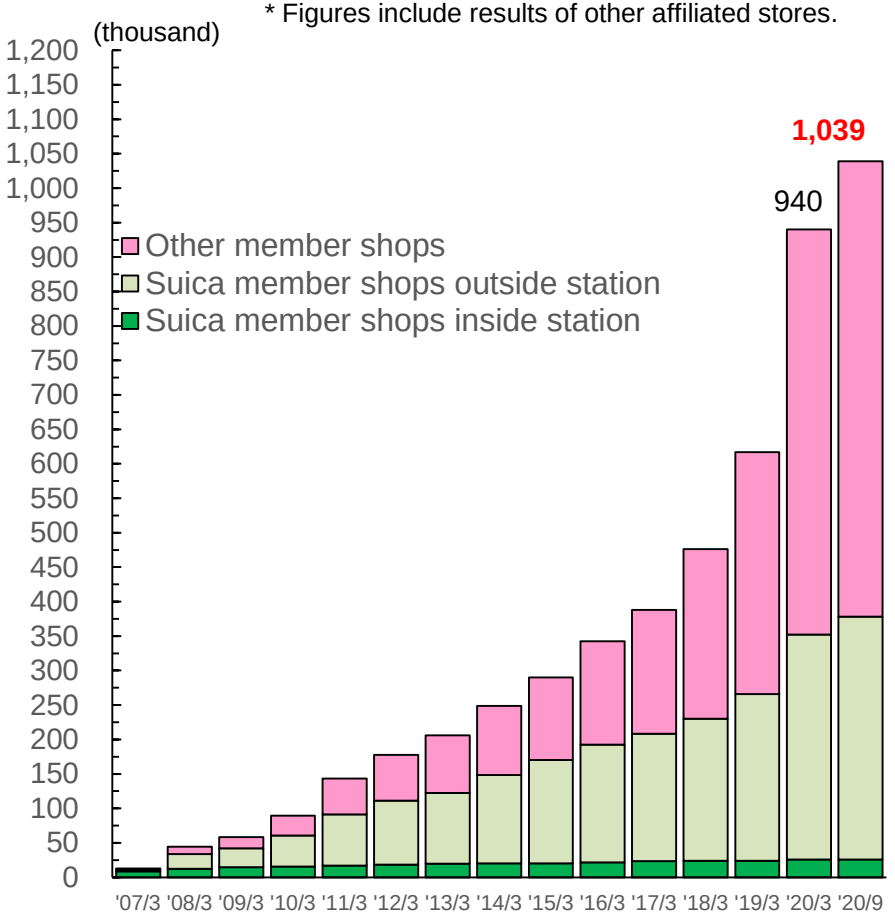
*2 Simple sum of operating revenues from each hotel.

(As of Sep. 30, 2020)

Suica

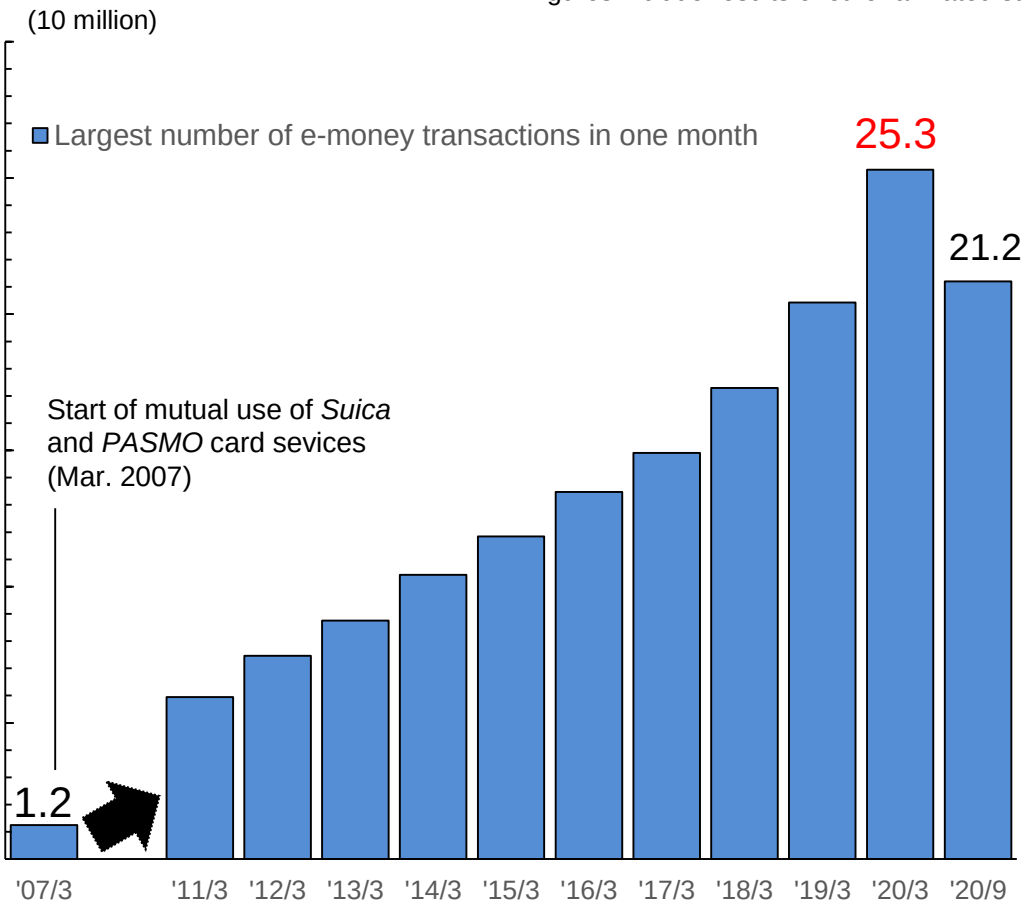
■Number of e-money available shops

* Figures include results of other affiliated stores.



■Largest number of e-money transactions in one month

* Figures include results of other affiliated stores.

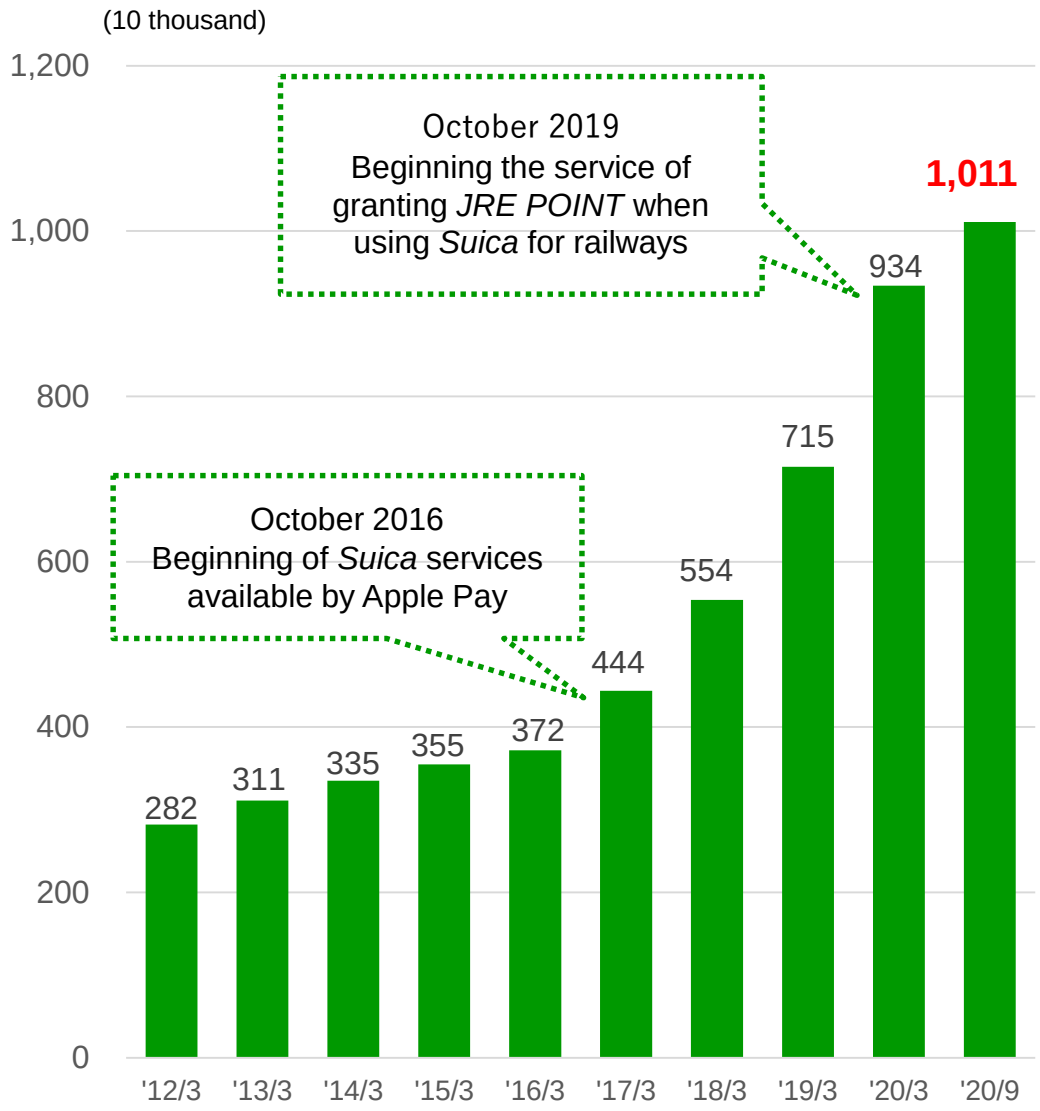


【Compatible stores】 1,039,410 (138.7%)
【Compatible locations (terminals)】 1,718,980 (130.2%)
[Figures are as of Sep. 30, 2020.]
* Figures in brackets are percentage changes from the previous year.

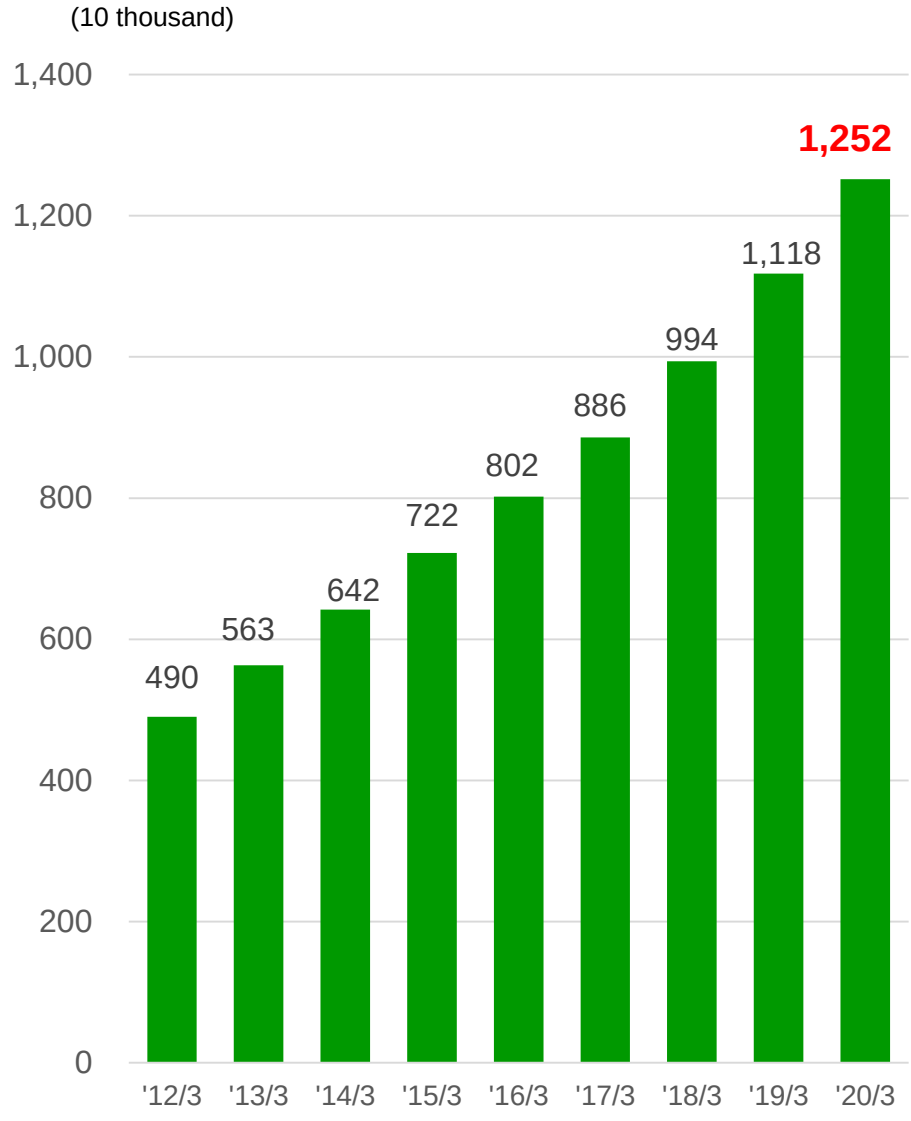
【*Suica* cards issued】 84.22 million (105.9%)
【Transaction per month (highest ever)】 252.61 million (Dec. 2019)
【Transaction per day (highest ever)】 9.58 million (20 Dec. 2019)
[Figures are as of Sep. 30, 2020.]
* Figures in brackets are percentage changes from the previous year.

Mobile Suica / eki-net

■Number of *Mobile Suica* members

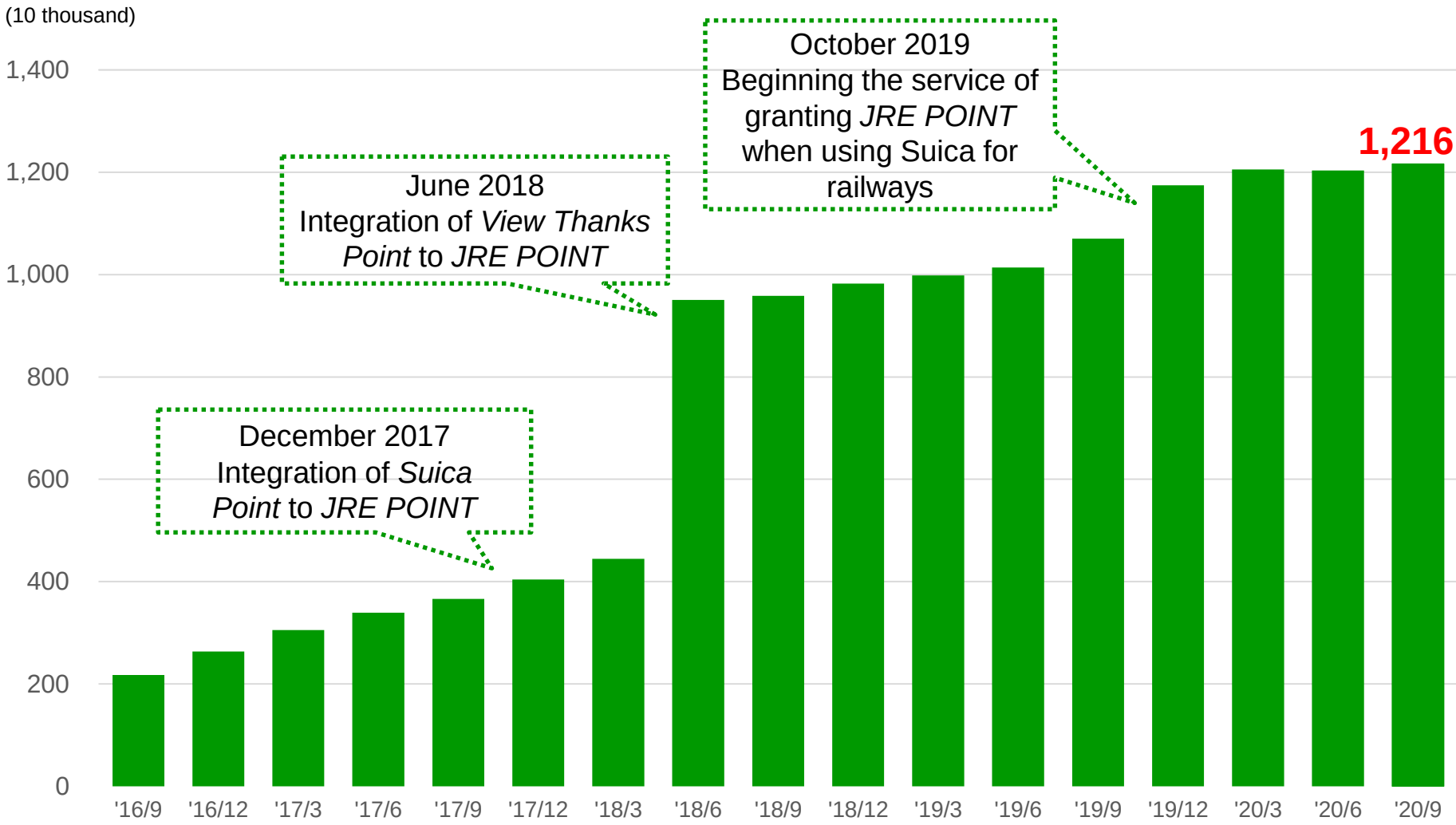


■ Number of *eki-net* members



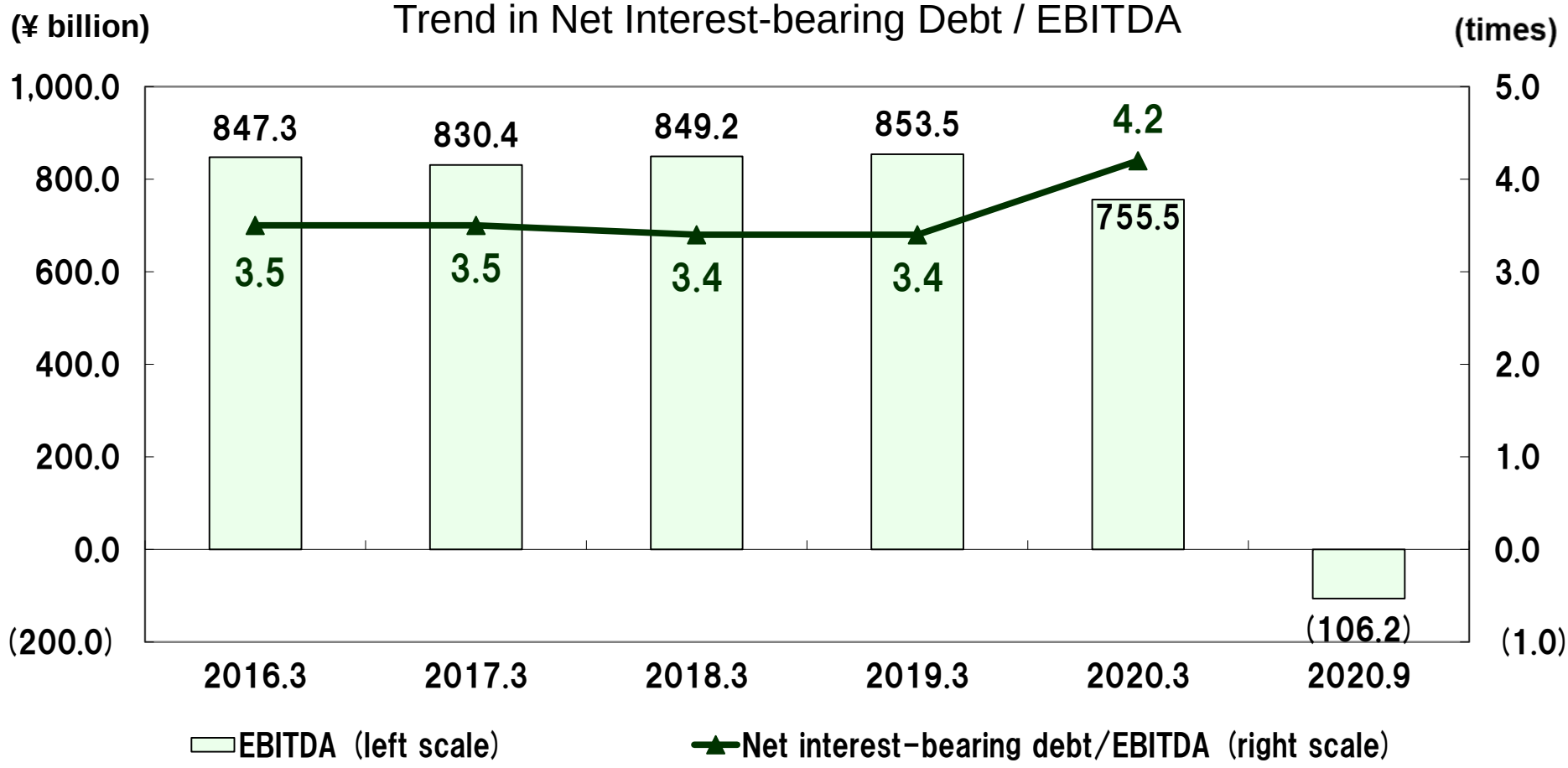
JRE POINT

■ Number of *JRE POINT* members



Key Financial Indicators(1)

Additional Information for bond Investors



[Reference]

	2016.3	2017.3	2018.3	2019.3	2020.3	2020.9
Net interest-bearing debt (¥ billion)	2,934.1	2,923.9	2,864.7	2,899.9	3,158.5	3,796.5

[Notes]

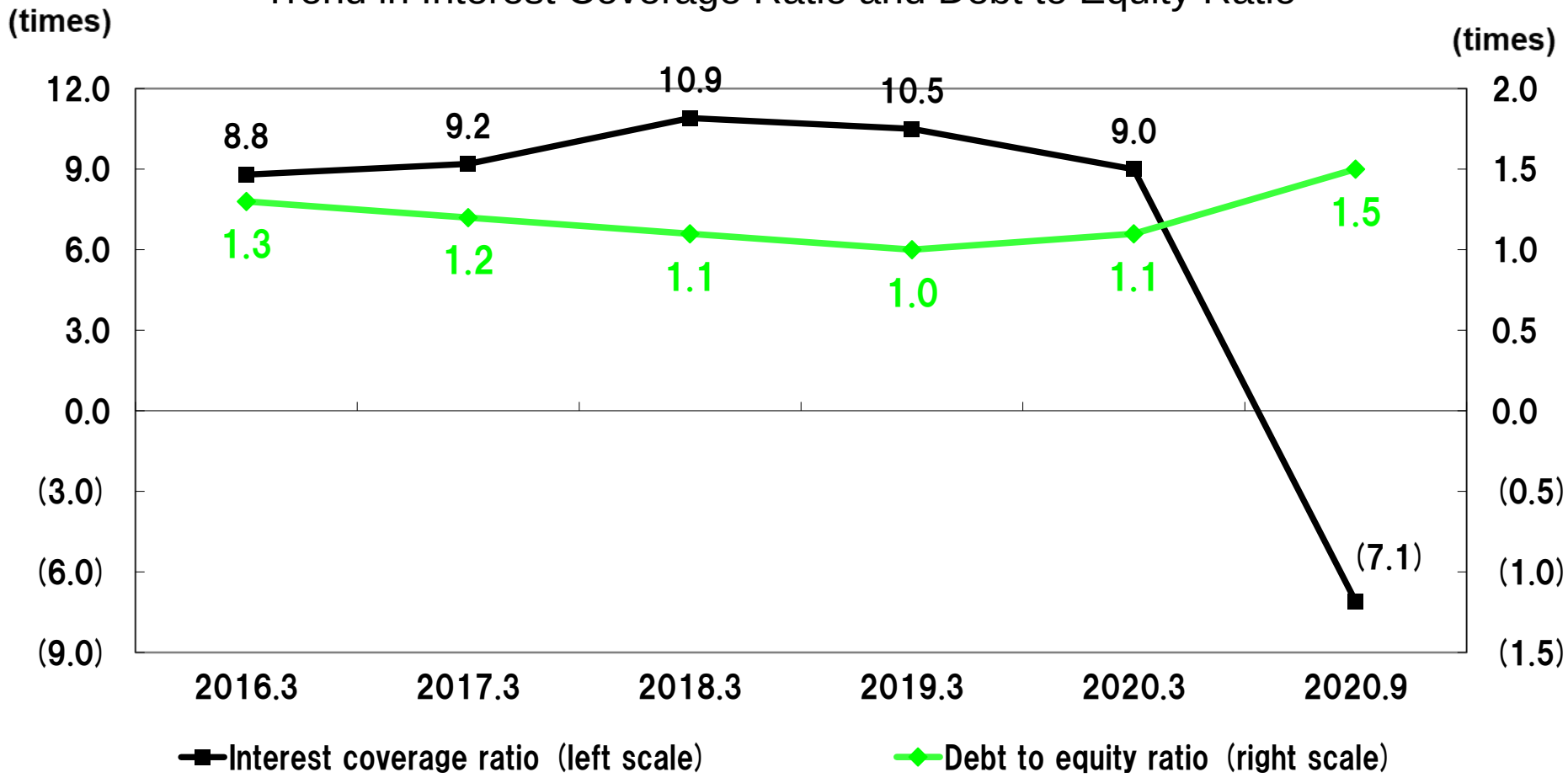
1) Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents

2) EBITDA = Consolidated operating income + Consolidated depreciation expense

Key Financial Indicators(2)

Additional Information for bond Investors

Trend in Interest Coverage Ratio and Debt to Equity Ratio



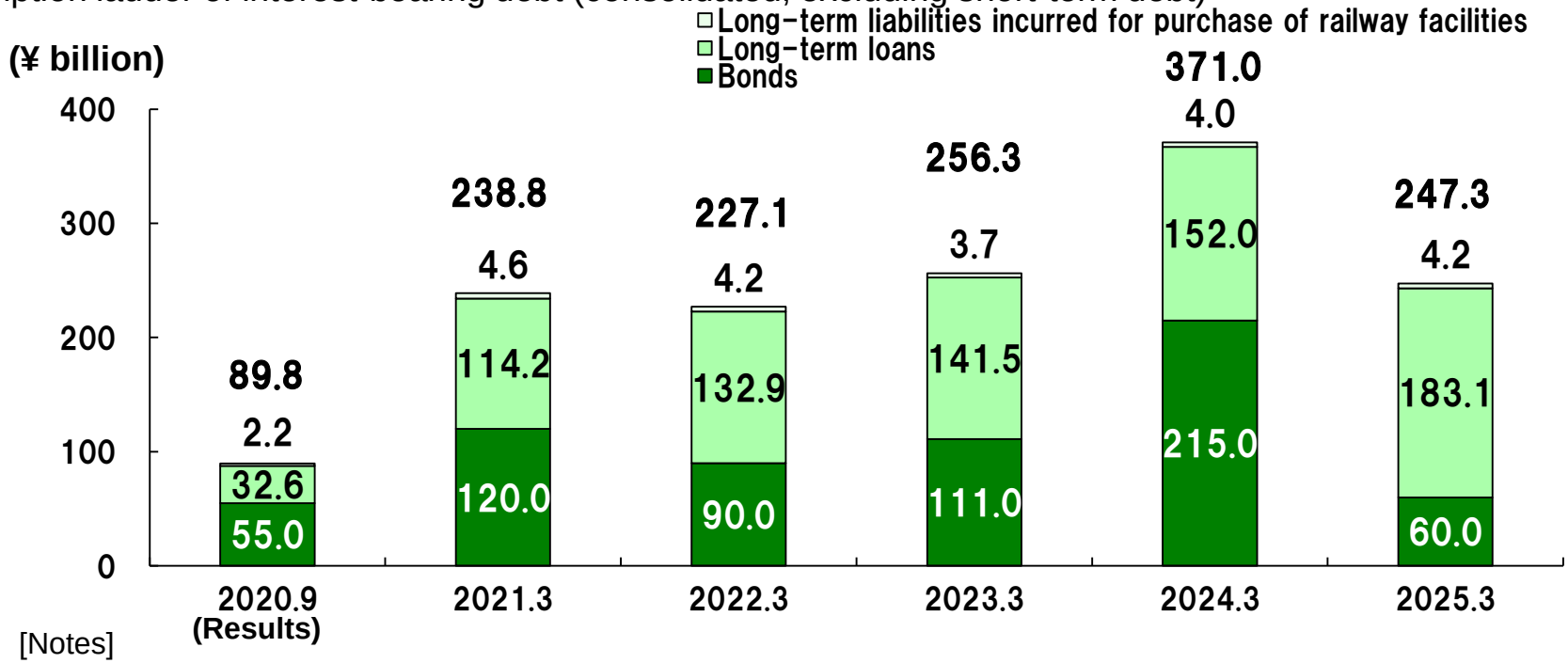
[Notes]
1) Interest coverage ratio = Net cash provided by operating activities / payments of interest
2) Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity

Interest-bearing Debt Breakdown and Maturity Outlook

Breakdown of consolidated interest-bearing debt (As of Sep. 30, 2020)

	Balance (¥ billion)	Breakdown	Average interest rate	Average maturity
Bonds	1,865.2	45.1%	1.44%	13.50 years
Long-term loans	1,264.3	30.6%	0.93%	6.78 years
Long-term liabilities incurred for purchase of railway facilities	325.4	7.9%	6.52%	20.35 years
Other interest-bearing debt	680.0	16.4%	0.10%	0.18 years
Total	4,135.0	100.0%	1.46%	9.79 years

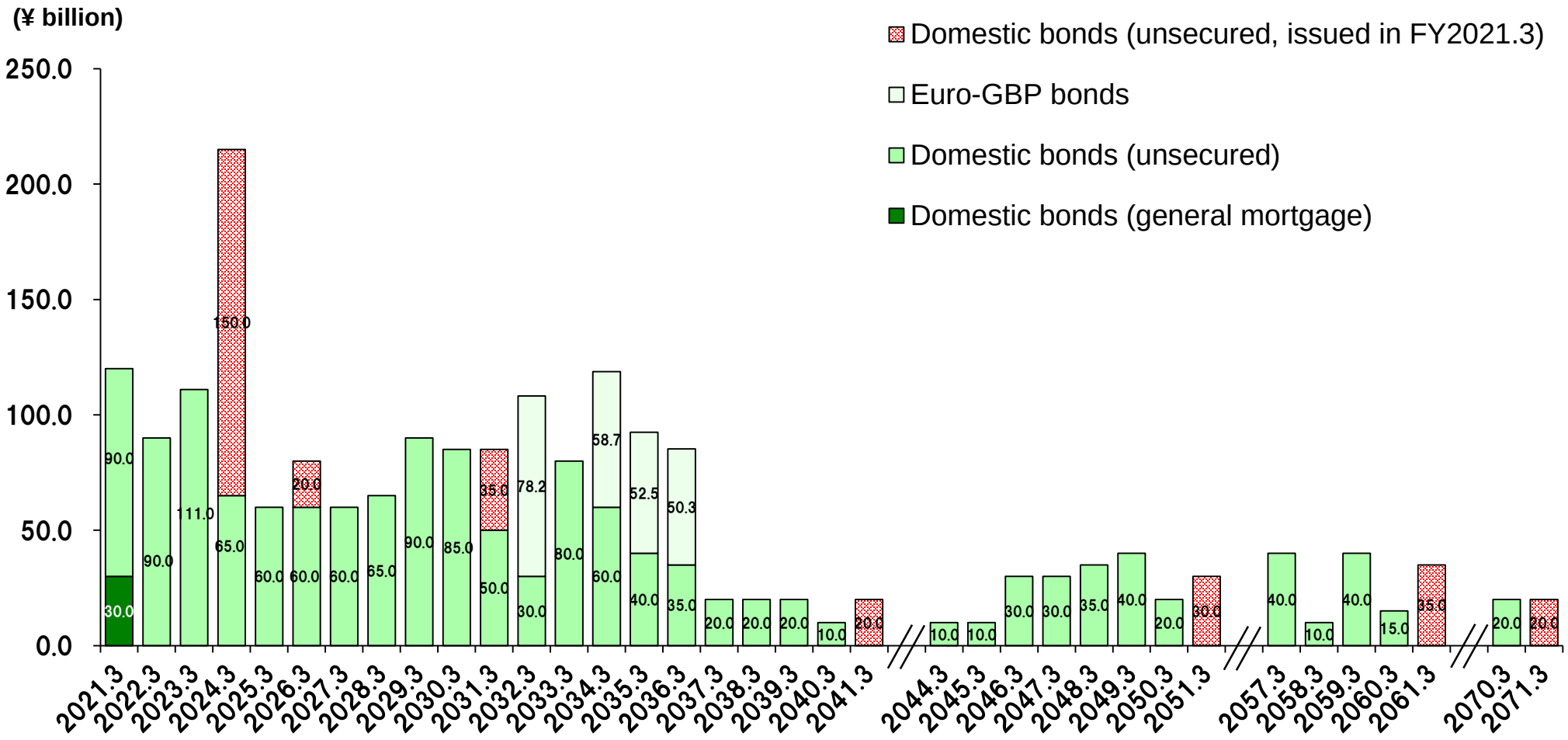
Redemption ladder of interest-bearing debt (consolidated, excluding short-term debt)



[Notes]
1) Outlook as of Oct. 29, 2020
2) Bond redemptions are at face value

Outlook of Bond Maturity

Redemption ladder of bonds(non-consolidated)



[Notes]
1) Outlook as of Oct. 29, 2020
2) Redemptions are at face value

Bonds Issuance in FY2021.3

Additional Information for bond Investors

Series	Tenor	Total amount of issue	Coupon	Issue price	Reoffer yield	JGB Spread	Issue date	Maturity date
146	3	¥ 50.0 billion	0.150%	¥100	0.150%	-	2020.4.22	2023.4.21
147	10	¥ 20.0 billion	0.265%	¥100	0.265%	+25.5bp	2020.4.22	2030.4.22
148	20	¥ 10.0 billion	0.569%	¥100	0.569%	+24bp	2020.4.22	2040.4.20
149	30	¥ 10.0 billion	0.697%	¥100	0.697%	+25bp	2020.4.22	2050.4.22
150	40	¥ 15.0 billion	0.832%	¥100	0.832%	+36bp	2020.4.22	2060.4.22
151	50	¥ 20.0 billion	0.992%	¥100	0.992%	-	2020.4.22	2070.4.22
152	5	¥ 20.0 billion	0.090%	¥100	0.090%	-	2020.7.20	2025.7.18
153	10	¥ 15.0 billion	0.230%	¥100	0.230%	+21.5bp	2020.7.20	2030.7.19
154	20	¥ 10.0 billion	0.610%	¥100	0.610%	+22bp	2020.7.20	2040.7.20
155	30	¥ 20.0 billion	0.763%	¥100	0.763%	+21bp	2020.7.20	2050.7.20
156	40	¥ 20.0 billion	0.902%	¥100	0.902%	+33bp	2020.7.20	2060.7.20
157	3	¥ 100.0 billion	0.001%	¥100.003	0.000%	-	2020.10.20	2023.10.20

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.