FY2021.3 Third Quarter Financial Results and Establishment of New Numerical Targets for the Group Management Vision “Move Up” 2027 Presentation

February 1, 2021

East Japan Railway Company

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Ⅰ　FY2021.3 Third Quarter Financial Results and FY2021.3 Plan

Summary of FY2021.3 Third Quarter Financial Results

(non-consolidated / consolidated)

non-consolidated

(¥ billion)	2019.12 Results	2020.12 Results	2020.12/2019.12 Increase / Decrease	2020.12/2019.12 (%)	2020.3 Results	2021.3 Plan September	2021.3 Plan January	2021.3 Plan Increase / Decrease	2021.3/2020.3 Increase / Decrease	2021.3/2020.3 (%)
Operating revenues	1,600.1	886.1	-713.9	55.4	2,061.0	1,251.0	1,172.0	-79.0	-889.0	56.9
Passenger revenues	1,406.3	721.2	-685.1	51.3	1,792.8	1,020.0	943.0	-77.0	-849.8	52.6
Others	193.7	164.8	-28.8	85.1	268.2	231.0	229.0	-2.0	-39.2	85.4
Operating income	353.4	-287.8	-641.3	-	294.0	-463.0	-508.0	-45.0	-802.0	-
Ordinary income	328.2	-317.1	-645.4	-	260.1	-501.0	-547.0	-46.0	-807.1	-
Profit	213.5	-230.2	-443.7	-	159.0	-364.0	-395.0	-31.0	-554.0	-

consolidated

(¥ billion)	2019.12 Results	2020.12 Results	2020.12/2019.12 Increase / Decrease	2020.12/2019.12 (%)	2020.3 Results	2021.3 Plan September	2021.3 Plan January	2021.3 Plan Increase / Decrease	2021.3/2020.3 Increase / Decrease	2021.3/2020.3 (%)
Operating revenues	2,266.6	1,306.2	-960.3	57.6	2,946.6	1,930.0	1,773.0	-157.0	-1,173.6	60.2
Operating income	427.2	-323.0	-750.2	-	380.8	-500.0	-535.0	-35.0	-915.8	-
Ordinary income	392.5	-373.0	-765.5	-	339.5	-549.0	-596.0	-47.0	-935.5	-
Profit attributable to owners of parent	251.5	-294.5	-546.1	-	198.4	-418.0	-450.0	-32.0	-648.4	-

Cost Reduction Results

(¥ billion)	Operating Expenses			Capital Expenditures	Total	
	Plan 2020.9	Results 2020.12	Plan 2021.1	Plan*2	Plan 2020.9	Plan 2021.1
JR East	62.0	75.5	96.5	54.0	116.0	150.5
Group companies*1	30.0	30.0	35.0	10.0	40.0	45.0
Total	92.0	105.5	131.5	64.0	156.0	195.5

*1 Simple total for respective companies

*2 Disclose the results at the end of the fiscal year

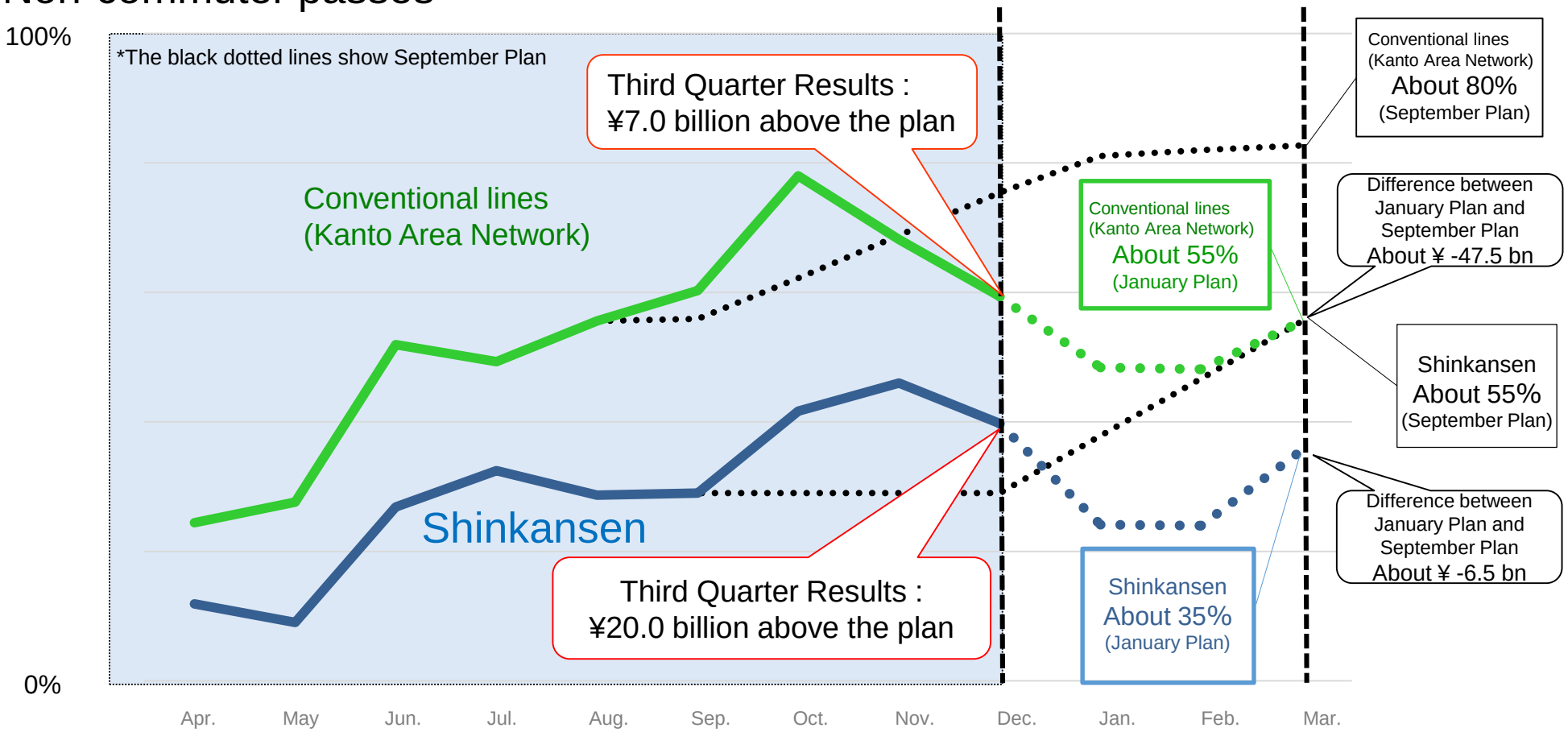
As of the Third quarter we implemented cost reductions of ¥105.5 billion.
From the September plan, ¥34.5 billion on a nonconsolidated basis (winter bonus reduction of ¥21.0 billion and other reductions of ¥13.5 billion) and about ¥5.0 billion at Group companies will be added, and a cost reduction of ¥131.5 billion will be implemented by the fiscal year-end.

Passenger Revenues - FY2021.3 Third Quarter Results

(YoY, ¥ billion, %)	Increase / Decrease	(%)	Factors	Increase / Decrease
Passenger revenues	**-685.1**	**51.3**		
Commuter passes (Seasonal tickets)	-95.9	75.1	Effect of COVID-19	-96.0
Non-commuter passes (Ordinary tickets)	-589.1	42.3		
Shinkansen Network	-305.0	29.6	Effect of COVID-19	-308.5
			10-day Golden Week, year-end Travel (decrease of the number of long holidays to previous year)	-3.0
			Natural disasters (Typhoon) (decreased occurrence compared to previous year)	+6.5
			Basic Trend	-
Kanto Area Network of Conventional Lines	-262.1	52.1	Effect of COVID-19	-269.0
			10-day Golden Week, year-end Travel (decrease of the number of long holidays to previous year)	-1.5
			Rugby World Cup (held in last year)	-0.5
			Natural disasters (Typhoon) (decreased occurrence compared to previous year)	+9.5
			Basic Trend	-
Other Network of Conventional Lines	-21.9	43.4	Effect of COVID-19	-21.5
			Basic Trend	-

Passenger Revenues
- FY2021.3 Third Quarter Results and Outlook

■Non-commuter passes



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

■Commuter passes revenues (Seasonal tickets): Reach approximately 80% at the end of fiscal 2021
(Assumed About 85% in September Plan)

Third Quarter Results : ¥6.5 billion below the plan

Difference between January Plan and September Plan About ¥ -18.0 bn

Passenger Revenues
- FY2021.3 Third Quarter Results and Full-term Plan

(¥ billion,%) Full-term Plan (YoY basis)	Total		Main factors behind change	*Basic trend
	Third Quarter Results	Fourth Quarter Plan		
Passenger revenues -849.8	52.6%			100%
	51.3%	57.4%		
Commuter passes (Seasonal tickets) -126.4	75.2%		・Effect of COVID-19：-127.5 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+1.0	100%
	75.1%	75.3%		
Non-commuter passes (Ordinary tickets) -723.3	43.6%			100%
	42.3%	49.0%		
Shinkansen Network -374.1	30.7%		・Effect of COVID-19：-408.5 ・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%
	29.6%	34.9%		
Kanto Area Network of Conventional Lines -322.4	53.6%		・Effect of COVID-19：-360.0 ・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%
	52.1%	59.0%		
Other Network of Conventional Lines -26.8	45.1%		・Effect of COVID-19：-29.0 ・Reactionary rise due to the effect of COVID-19 in Jan. – Mar. 2020：+2.0	100%
	43.4%	51.6%		

*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 Third Quarter Results

(¥ billion)	2019.12 Results	2020.12 Results	2020.12/2019.12 Increase / Decrease	2020.12/2019.12 (%)	2020.12/2019.12 Main factors behind change
Operating expenses	1,246.6	1,174.0	-72.6	94.2	
Personnel expenses	332.3	285.4	-46.9	85.9	・Bonus related: -31.5 ・Decrease in number of employees: -5.1
Non-personnel expenses	545.6	515.1	-30.5	94.4	
Energy	45.1	39.3	-5.7	87.3	・Decrease in fuel costs of thermal power plants: -4.8
Maintenance	194.0	190.8	-3.1	98.4	・Railcar maintenance expenses: -3.6 ・General maintenance expenses: +0.4
Other	306.4	284.8	-21.5	93.0	・Revenue-related expenses：-13.3
Usage fees to JRTT, etc.	62.4	62.1	-0.2	99.6	
Taxes	80.2	74.9	-5.2	93.5	
Depreciation	225.9	236.3	+10.3	104.6	・Increase due to capital expenditures

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

(¥ billion)	2020.3 Results	2021.3 Plan			2021.3/2020.3		
		September Plan	January Plan	Increase / Decrease	Increase / Decrease	(%)	Main factors behind change
Operating expenses	1,767.0	1,714.0	1,680.0	-34.0	-87.0	95.1	
Personnel expenses	444.4	414.0	390.0	-24.0	-54.4	87.7	[-] Bonus related [-] Decrease in number of employees
Non-personnel Expenses	831.1	801.0	791.0	-10.0	-40.1	95.2	
Energy	64.5	60.0	57.0	-3.0	-7.5	88.2	[-] Decrease in fuel costs of thermal power plants
Maintenance	302.1	297.0	299.0	+2.0	-3.1	99.0	[-] Railcar maintenance expenses [+] General maintenance expenses
Other	464.4	444.0	435.0	-9.0	-29.4	93.7	[-] Shinkansen test railcar *ALFA-X* [+] Takanawa Gateway Fest [+] Outsourcing expenses
Usage fees to JRTT, etc.	83.3	83.0	83.0	-	-0.3	99.6	
Taxes	100.6	100.0	97.0	-3.0	-3.6	96.4	
Depreciation	307.4	316.0	319.0	+3.0	+11.5	103.8	[+] Increase in fixed assets

Transportation - Results and Plan

(¥ billion)	2019.12	2020.12	2020.12/ 2019.12
Operating revenues	1,545.1	820.6	-724.5 53.1%
Operating income	316.8	-331.2	-648.0 -

2020.3 Results	2021.3 Plan [September Plan]	2021.3/ 2020.3
1,994.5	1,083.0 [1,170.0]	-911.5 54.3%
250.5	-565.0 [-529.0]	-815.5 -

Operating revenues (¥ billion)
main positive and negative factors in Third Quarter (FY2021.3)

JR East	-699.2 (52.5%)	Decrease in passenger revenues due to the effect of COVID-19

Effect of COVID-19 ¥-730.0 bn

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

<Passenger Revenues of JR East>
Approximately 50% of pre-COVID-19 level
Shinkansen: approx. 35%
Conventional lines (Kanto Area Network): approx. 55%
Commuter passes: approx. 80%

[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.	Oct.	Nov.	Dec.	(Apr. – Dec.) Total
Tohoku Shinkansen* (Total of Furukawa-Kitakami and Omiya-Utsunomiya)	13	11	27	33	25	39	51	49	40	32
Joetsu Shinkansen (Omiya-Takasaki)	16	13	31	34	26	39	44	44	41	32
Hokuriku Shinkansen (Omiya-Takasaki)	12	10	28	34	28	41	69	63	48	36

* Tohoku Shinkansen includes Tsubasa and Komachi.

Retail & Services - Results and Plan

(¥ billion)	2019.12	2020.12	2020.12/ 2019.12	2020.3 Results	2021.3 Plan [September Plan]	2021.3/ 2020.3
Operating revenues	385.3	231.2	-154.0 60.0%	502.0	333.0 [375.0]	-169.0 66.3%
Operating income	28.3	-12.6	-40.9 -	34.3	-4.0 [-4.0]	-38.3 -

Operating revenues (¥ billion)
main positive and negative factors in Third Quarter (FY2021.3)

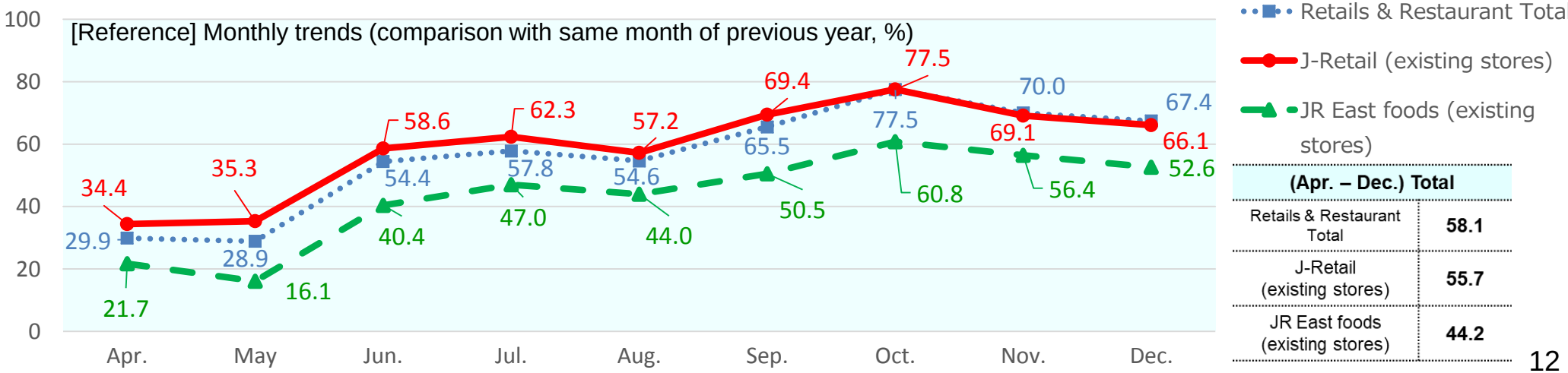
J-Retail	-70.1 (58.8%)	Decrease due to the effect of COVID-19
Tetsudo Kaikan	-22.4 (39.3%)	Decrease due to the effect of COVID-19
JR East Marketing & Communications	-20.5 (64.6%)	Decrease due to the effect of COVID-19

Effect of COVID-19 ¥-145.0 bn

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

<EKINAKA Stores>
Approximately 60% to 80% of pre-COVID-19 level
<Advertisement business>
Approximately 80% to 90% 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. – Dec.) Total	
Retails & Restaurant Total	58.1
J-Retail (existing stores)	55.7
JR East foods (existing stores)	44.2

Real Estate & Hotels - Results and Plan

(¥ billion)	2019.12	2020.12	2020.12/ 2019.12	2020.3 Results	2021.3 Plan [September Plan]	2021.3/ 2020.3
Operating revenues	268.2	200.6	-67.6 74.8%	348.5	276.0 [305.0]	-72.5 79.2%
Operating income	67.0	13.8	-53.1 20.7%	74.6	24.0 [24.0]	-50.6 32.2%

Operating revenues (¥ billion) main positive and negative factors in Third Quarter (FY2021.3)

LUMINE	-20.0 (65.8%)	Decrease due to the effect of COVID-19
Nippon Hotel	-19.3 (37.2%)	Decrease due to the effect of COVID-19
atré	-8.7 (74.8%)	Decrease due to the effect of COVID-19
JR East Building	+2.6 (107.5%)	Increase in opening of JR Yokohama Tower, etc.

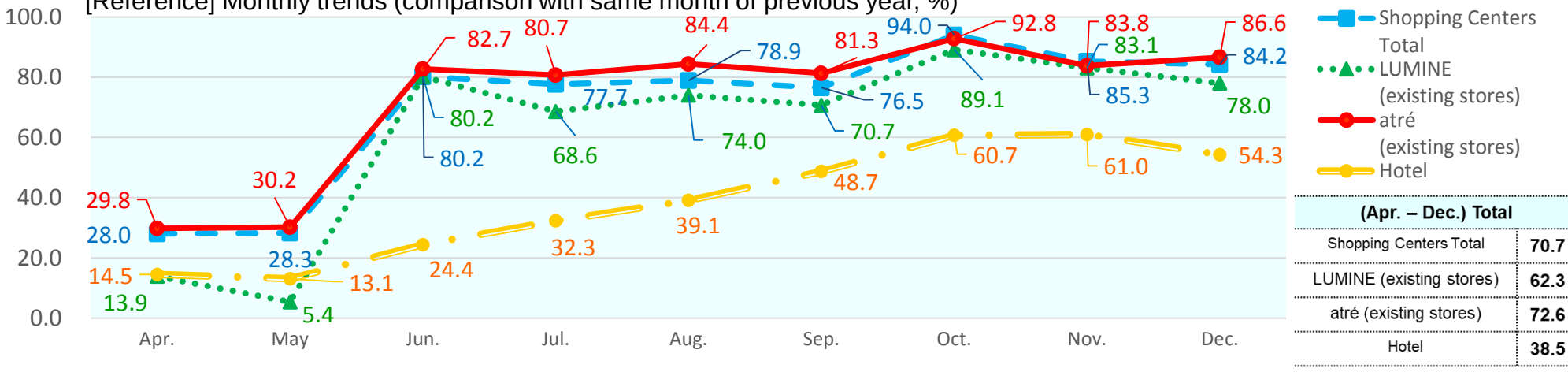
Effect of COVID-19 ¥-77.0 bn

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. – Dec.) Total	
Shopping Centers Total	70.7
LUMINE (existing stores)	62.3
atré (existing stores)	72.6
Hotel	38.5

Others - Results and Plan

(¥ billion)	2019.12	2020.12	2020.12/ 2019.12	2020.3 Results	2021.3 Plan [September Plan]	2021.3/ 2020.3
Operating revenues	67.8	53.7	-14.1 79.2%	101.5	81.0 [80.0]	-20.5 79.8%
Operating income	15.1	7.3	-7.7 48.8%	23.8	12.0 [11.0]	-11.8 50.3%

Operating revenues (¥ billion)
main positive and negative factors in Third Quarter (FY2021.3)

JR East Mechatronics	-4.8 (72.1%)	Decrease in sales of IC-related equipment
Japan International Consultants for Transportation	-3.5 (54.7%)	Decrease in consultation services for the Detailed Design Study on the High Speed Railway Construction Project in India
JR East Information Systems	-2.5 (68.1%)	Decrease in systems contract revenues
Viewcard	-2.3 (89.5%)	Decrease in franchise fees due to the effect of COVID-19

Effect of COVID-19 ¥-8.0 bn

[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

IT & *Suica* operating results in Third Quarter (FY2021.3)

Operating revenues: ¥38.0 billion (83.8%)
(operating revenues from outside customers)*
Operating income: ¥5.8 billion (48.0%)

*Operating revenues: ¥80.8 billion (84.5%) (including revenues 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.	Oct.	Nov.	Dec.	(Apr. – Dec.) Total
130 (63.8)	127 (59.1)	187 (87.5)	202 (87.6)	212 (90.9)	209 (92.2)	220 (90.1)	211 (85.0)	210 (83.4)	1,708 (82.6)

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

(¥ billion)	2019.12 Results	2020.12 Results	Increase/ Decrease	2020.3 Results	2021.3 Plan			2021.3/ 2020.3
					September Plan	January Plan	Increase/ Decrease	
Operating income	427.2	-323.0	-750.2	380.8	-500.0	-535.0	-35.0	-915.8
Non-operating income or expenses	-34.6	-49.9	-15.3	-41.3	-49.0	-61.0	-12.0	-19.6
Non-operating income	14.5	13.6	-0.8					
Equity in net income of affiliated companies	4.2	-	-4.2					
Subsidies for employment adjustment	-	3.8	+3.8					
Other	10.2	9.7	-0.5					
Non-operating expenses	49.1	63.5	+14.4					
Equity in net losses of affiliated companies	-	11.6	+11.6					
Other	49.1	51.8	+2.7					
Ordinary income	392.5	-373.0	-765.5	339.5	-549.0	-596.0	-47.0	-935.5
Extraordinary gains or losses	-30.9	-26.9	+3.9	-55.3	-40.0	-40.0	-	+15.3
Extraordinary gains	19.0	17.7	-1.2					
Insurance proceeds related to disaster	5.5	-	-5.5					
Construction grants received	9.4	5.8	-3.5					
Gains on sales of fixed assets	3.4	10.9	+7.5					
Other	0.6	0.9	+0.2					
Extraordinary losses	49.9	44.7	-5.2					
Provision for allowance for disaster-damage losses	29.4	-	-29.4					
Losses on reduction entry for construction grants	7.5	5.7	-1.8					
Disaster-damage losses	1.7	-	-1.7					
Environmental conservation costs	-	24.0	+24.0					
Other	11.2	14.9	+3.7					
Income before income taxes	361.6	-399.9	-761.6					

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)	2020.12 (Results)	2021.3 Plan
Transportation Services	Growth investment	93.5	110.7	225.0	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* services	Growth investment	160.5	234.5	168.0	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	286.8	386.0
	Priority budget allocation (Investment in innovation, etc.)	35.9	49.7	-	64.0
	Total	629.9	740.6	393.1	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)	2020.12 (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%)	2,020.2 (1.34%)
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 (0.91%)
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 (-)	645.0 (0.08%)
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%)	4,255.0 (1.42%)
Net interest-bearing debt	2,934.1	2,923.9	2,864.7	2,899.9	3,158.5	3,920.2

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

Top : Balance
Bottom: Average interest rate

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. - Dec. 2020)

- Long-term fund-raising (bonds, borrowing) :Totaled 550 billion yen.
- Short-term fund-raising (CP, special bank overdraft facilities, commitment lines, general bank overdraft facilities):Balance at the end of December is 645 billion yen.

■ Issuance facility and contract value (1,350 billion yen)

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+

(As of December 31, 2020)

Ⅱ　Establishment of New Numerical Targets for the Group Management Vision “Move Up” 2027

Numerical Targets of “Move Up” 2027 (FY2026)

	Previous targets for the fiscal year ending March 31, 2023 (announced in July 2018)	New targets for the fiscal year ending March 31, 2026 (announced in January 2021)
Consolidated operating revenue	3,295.0 billion yen	3,090.0 billion yen [3,325.0 billion yen] *1
Consolidated operating income	520.0 billion yen	450.0 billion yen
Consolidated operating cash flow	3,720.0billion yen *2	3,693.0billion yen *3
Consolidated ROA	6.0%	Around 4.5%
Net interest-bearing debt/EBITDA *4	Around 3.5 times	5 times or less

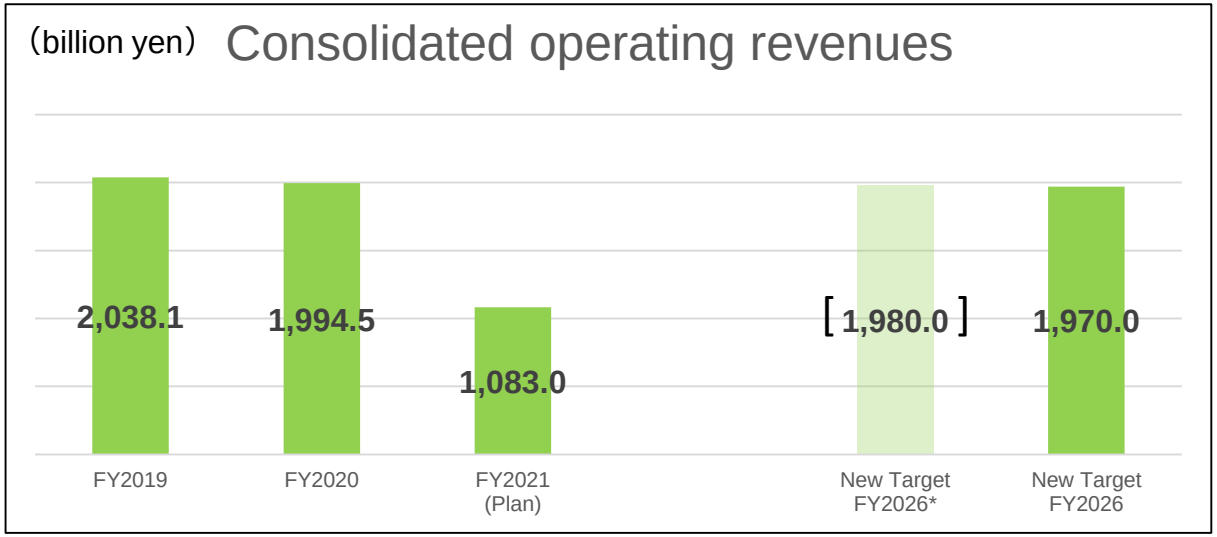
*1 Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.
*2 Total amount covering five years from the fiscal year ended March 31, 2019 to the fiscal year ending March 31, 2023
*3 Total amount covering five years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026
*4 Net interest-bearing debt means Balance of consolidated interest-bearing debt *minus* Balance of consolidated cash and cash equivalents. EBITDA means Consolidated operating income *plus* Consolidated depreciation expense.

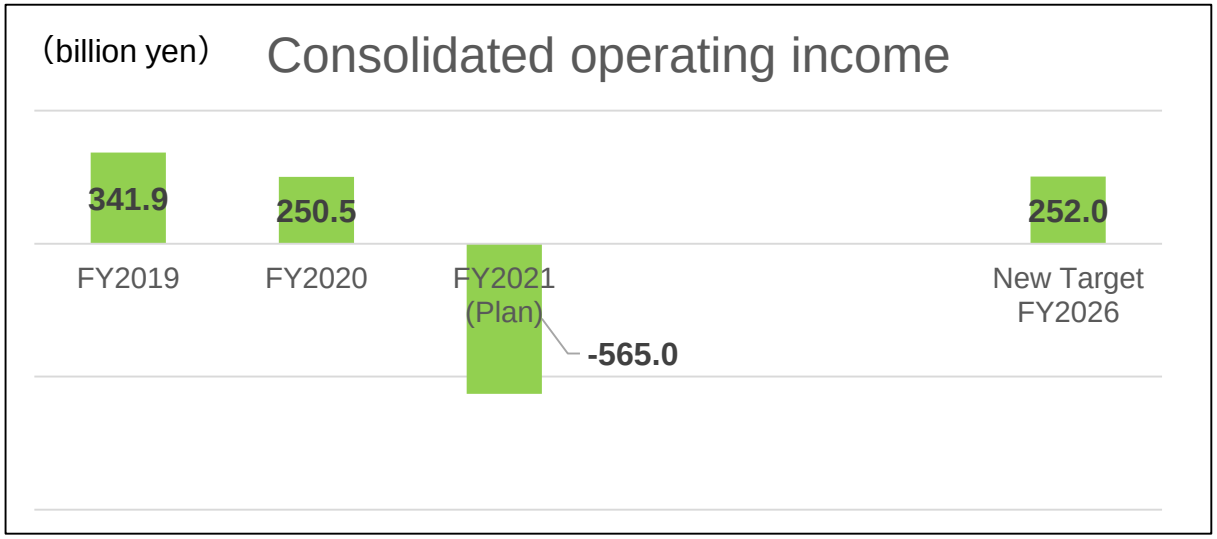
Numerical Targets of “Move Up” 2027 (FY2026)

Segment	Consolidated operating revenues *	Consolidated operating income
Transportation	1,970.0 billion yen [1,980.0 billion yen]	252.0 billion yen
Retail & Services	550.0 billion yen [709.0 billion yen]	57.0 billion yen
Real Estate & Hotels	480.0 billion yen [535.0 billion yen]	113.0 billion yen
Others	90.0 billion yen [101.0 billion yen]	30.0 billion yen
Total	3,090.0 billion yen [3,325.0 billion yen]	450.0 billion yen

*Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.

Numerical Targets of “Move Up” 2027 (Transportation)





*Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.

＜JR EAST＞

・Passenger Revenues

Approximately 85% of the pre-COVID-19 level (at Dec. 31 2021)
Approximately 90% of the pre-COVID-19 level (at Dec. 31 2022)

【Main initiatives going forward】

・Introduction of Green Cars to the Chuo Rapid Line
・Sales promotion initiatives (yield management, etc.)
・Ensure the capturing of demand from visitors to Japan

【Outlook of Operating Expenses】
(at the end of FY 2026)

＜Personnel expenses＞
Approximately the same level of pre-COVID-19 level

＜Maintenance＞
Approximately ¥285 billion yen

＜Others＞
Approximately the same level of pre-COVID-19 level, exclude revenue-related expenses

Increases in such expenses as depreciation and revenue-related expenses will be absorbed by cost reductions, etc., and overall operating expenses will be curbed to only a slight increase compared with the FY2021 plan.

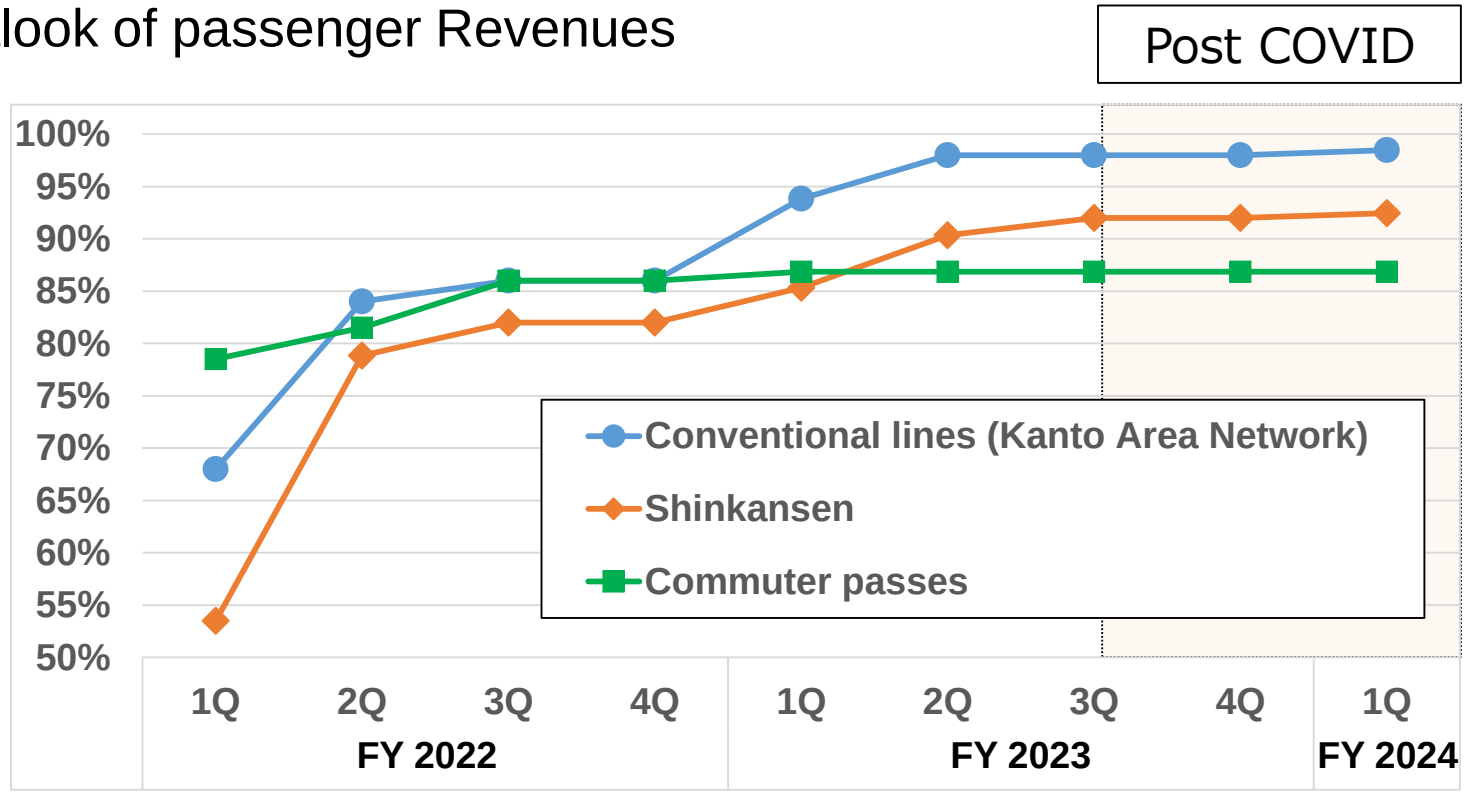
＜J-TREC＞

【Main initiatives going forward】

・Order received for the delivery of 344 railcars to the Metro Manila Subway in the Philippines

Numerical Targets of “Move Up” 2027 (Transportation)

■ Outlook of passenger Revenues



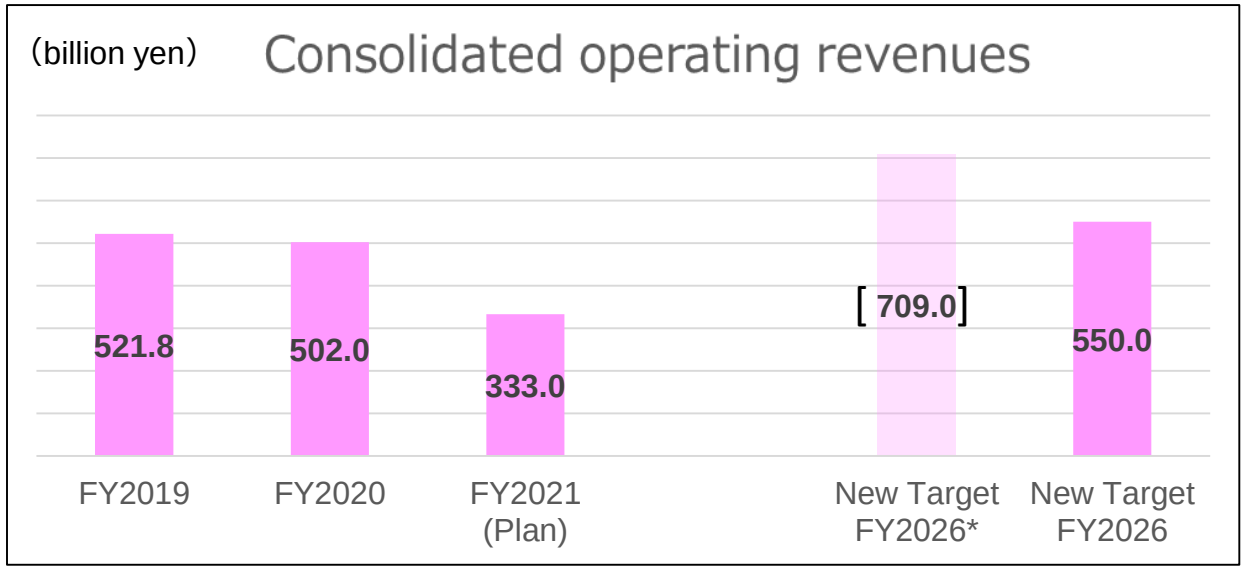
■ Basic trend at With COVID-19
（compare with ‘pre-COVID-19’）

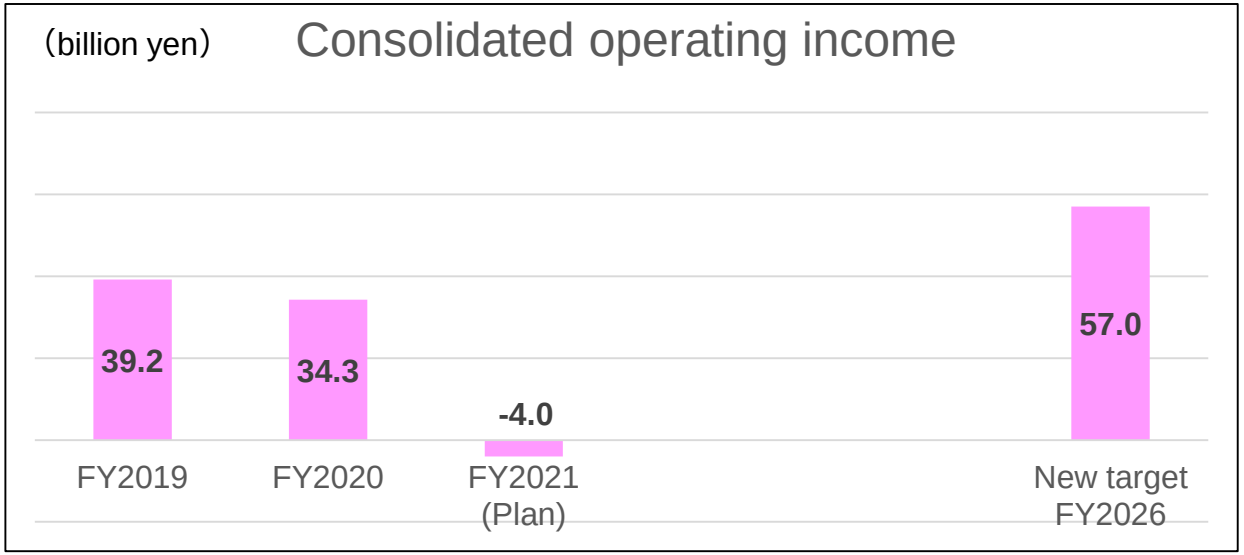
Kanto Area Network	Shinkansen	Commuter Pass	Total
About 85%	About 80%	About 85%	About 85%

■ Basic trend at Post COVID-19
（compare with ‘pre-COVID-19’）

Kanto Area Network	Shinkansen	Commuter Pass	Total
The same level of ‘pre-COVID-19’	About 90%	About under 90%	About 90%

Numerical Targets of “Move Up” 2027 (Retail & Services)





*Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.

【Outlook of operating revenues of each businesses】

＜EKINAKA Stores＞

・By post-COVID-19 (during FY2023), will recover in tandem with flows of customers that use railways
・ Approximately over 80% of the pre-COVID-19 level (at the end of FY 2022)
・ Approximately 90% of the pre-COVID-19 level (at the end of FY 2023)

【 Main initiatives going forward 】

・Growth of existing stores by reforming Ekinaka (inside railway stations) through company reorganization, etc.

＜Advertisement business＞

・ Approximately 90% of the pre-COVID-19 level (at the end of FY 2022)
・ Approximately the same level of the pre-COVID-19 level (in FY 2023)

【Other initiatives】

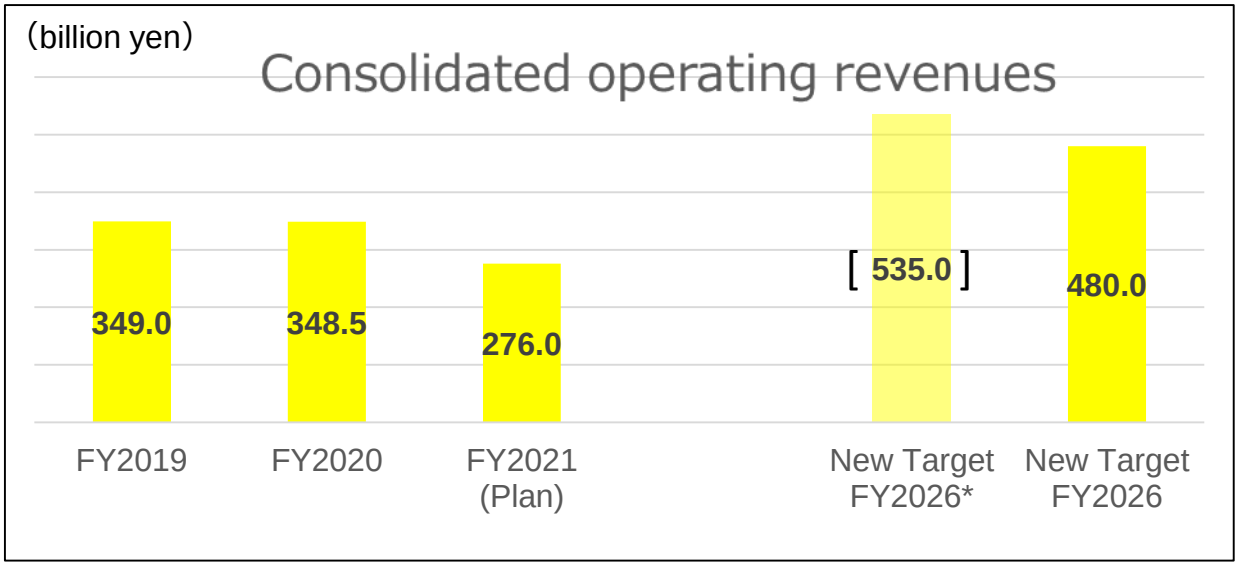
Shared offices

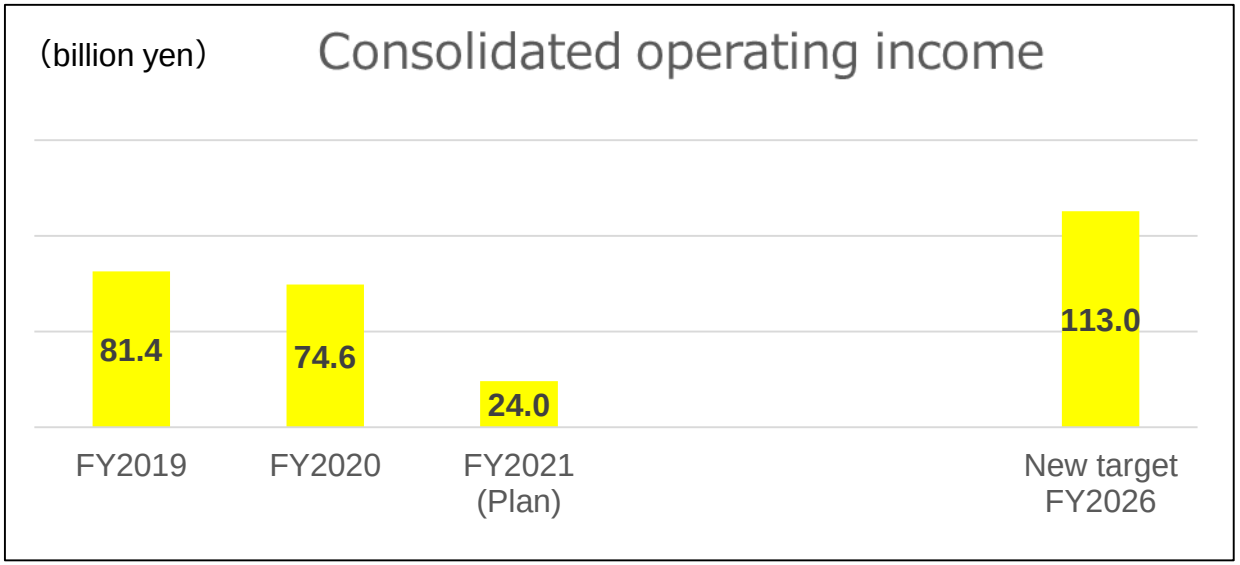


“Lifestyle delivery” services (logistics services that utilize trains)



Numerical Targets of “Move Up” 2027 (Real Estate & Hotels)





*Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.

【Outlook of operating revenues of each businesses】

＜Shopping center business＞

・Until post-COVID-19 (during FY2023), Trending at approximately 90% of the pre-COVID-19 level
・ Approximately the same level of the pre-COVID-19 level (at the end of FY 2023)

【Main initiatives going forward】

・Growth of revenues of existing stores
・Shinagawa Development Project

＜Office buildings business＞

・Growth of revenues in step with development projects opening as businesses

【Main initiatives going forward】

・Shinagawa Development Project
・New offices (Kawasaki, Nishi-Gotanda)

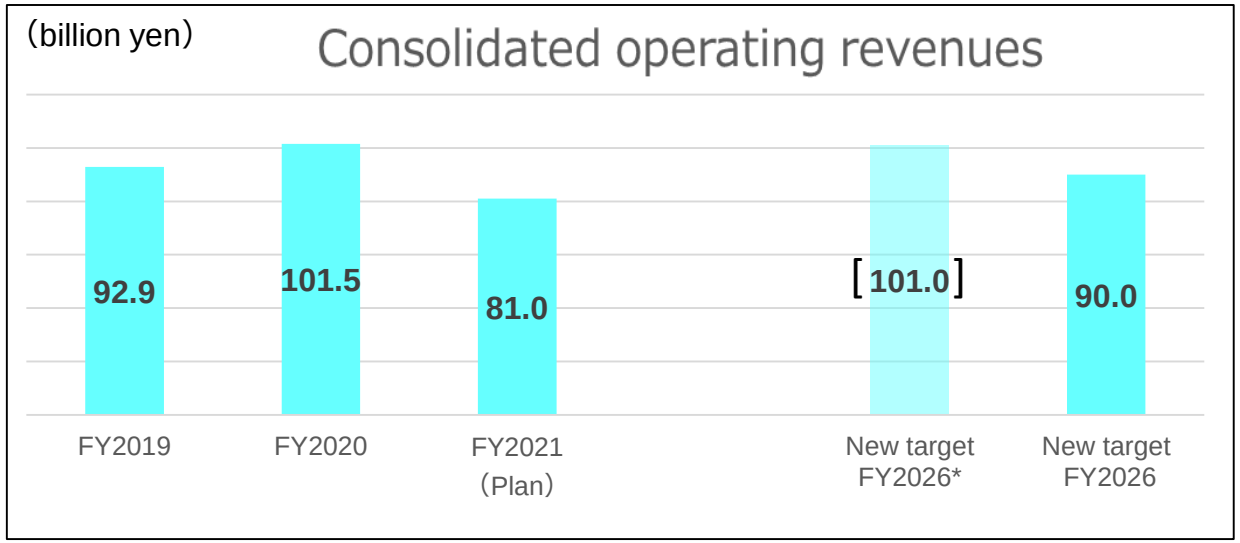
＜Hotel business＞

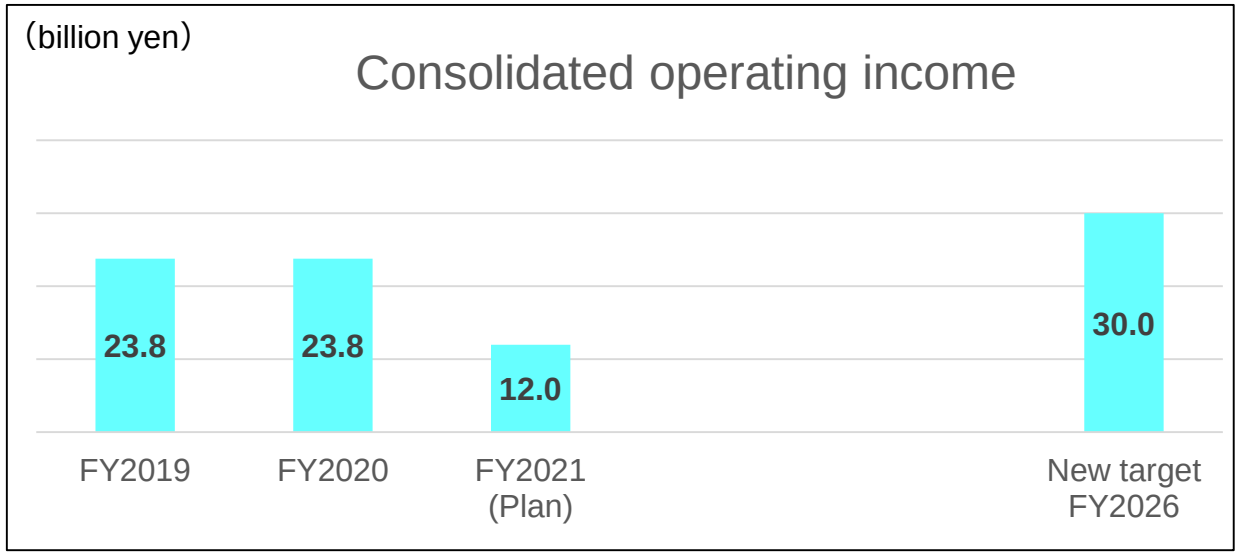
・ Approximately 70% of the pre-COVID-19 level (at the end of FY 2022)
・ Approximately 80% of the pre-COVID-19 level (at the end of FY 2023)

【Main initiatives going forward】

・Opening new hotels (Taipei,Akita,Iwaki)

Numerical Targets of “Move Up” 2027 (Others)





*Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards.

【Outlook of operating revenues and expenses of the segment】

Although there has been a decrease due to the absence of the major system development contracts received in FY2019 and FY2020, revenues and profits are expected to trend upward from FY2022 onward due to the acceleration and progress of cashlessness in post-COVID-19 society

【Outlook of operating revenues of each businesses】

＜Credit card business＞

・Exceed the level of the pre-COVID-19 level, due to the recovery of economic activity and the acceleration and progress of cashlessness (at the end of FY2022)

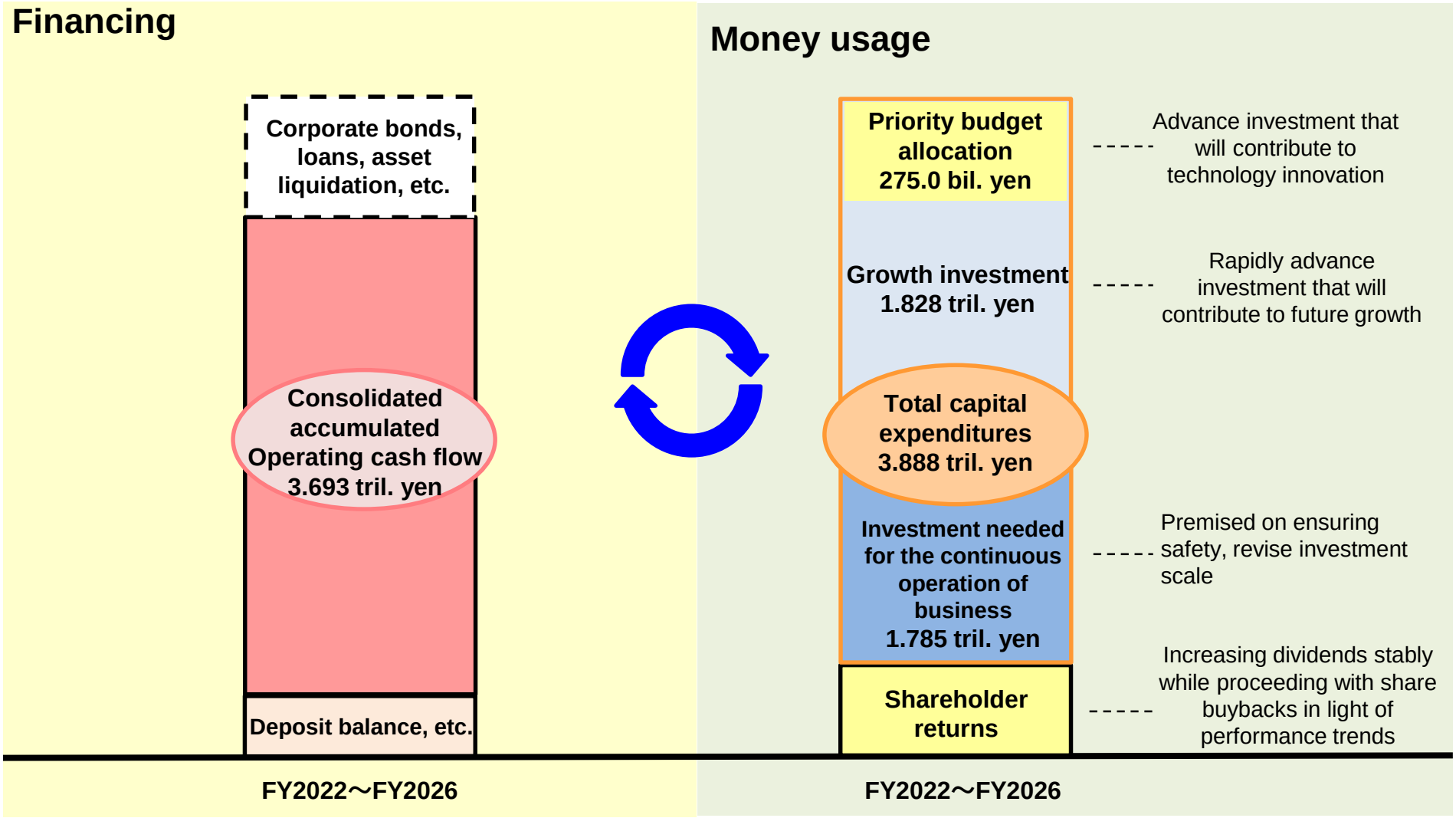
＜*Suica* e-money business＞

・Double operating revenue from FY2021 (in FY2026)

【Other initiatives】

・Advancement of renewable energy power generation business (JR-EAST Energy Development Co., Ltd.)

Financing and Money usage



■ Expecting to achieve positive free cash flows in FY2024.3

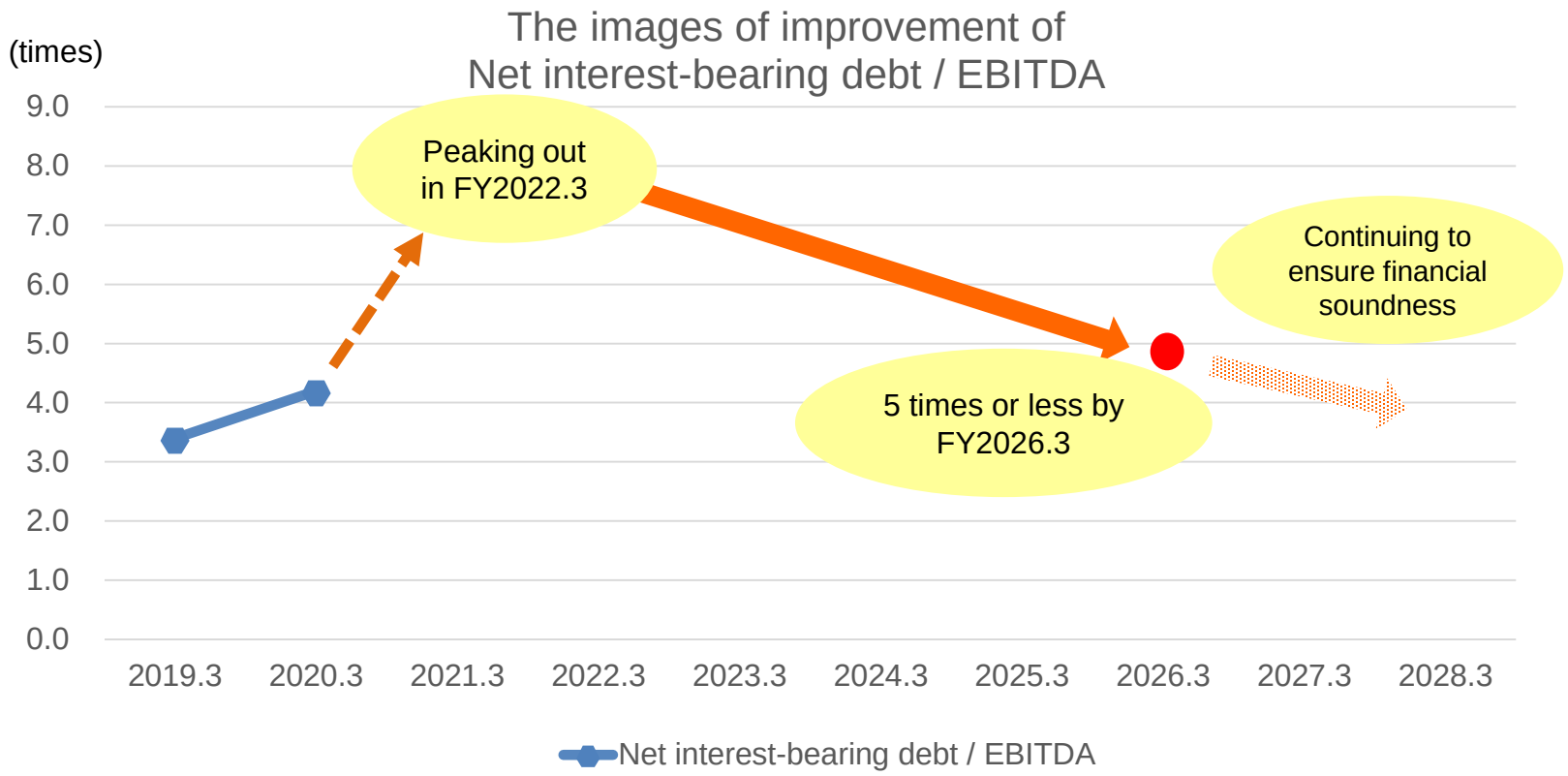
Capital Expenditures Implementation Policy

【Growth investment】
Rapidly advance investment that will contribute to future growth
【Investment needed for the continuous operation of business】
Premised on ensuring safety, revise investment scale
【Priority budget allocation (Investment in innovation, etc.) 】
Advance investment that will contribute to technology innovation, etc.

(billion yen) Investment category	Total amount covering five years from FY 2019 to the FY2023 (Previous Pan)	Total amount covering five years from FY 2022 to the FY2026 (New Plan)	Increase/ decrease	Major capital expenditure	
Growth investment	1,440	1,828	+388	Transportation Services	Green Cars on the Chuo Rapid Line
				Lifestyle services, IT & Suica services	Shinagawa Development Project
Investment needed for the continuous operation of business	1,910	1,785	-125	Transportation Services	Manufacture and remodeling of railcars Countermeasures for large-scale earthquakes Installation of automatic platform gates
				Lifestyle services, IT & Suica services	Replacement of superannuated station buildings, etc.
Priority budget allocation	400	275	-125	Transportation Services	Development of driver only technology Smart Maintenance（CBM）
				Lifestyle services, IT & Suica services	MaaS

Debt Management Policy

- Maintain the approach to interest-bearing debt set out in “Move Up” 2027 “Seek net interest-bearing debt / EBITDA of about 3.5 times over the medium to long term”
- Abovementioned ratio is going to rise to the FY 2022.3 temporarily. However, improve to 5 times or less by FY2026.3 and continue to endeavor to ensure financial soundness thereafter



*Net interest-bearing debt means Balance of consolidated interest-bearing debt *minus* Balance of consolidated cash and cash equivalents.
*EBITDA means Consolidated operating income *plus* Consolidated depreciation expense.

Shareholder returns Policy

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.

Numerical targets for specific actions (FY2026)

Values to create	Focus points	Numerical targets for specific actions	Previous targets for the fiscal year ending March 31, 2023 (announced in July 2018)	New targets for the fiscal year ending March 31, 2026 (announced in January 2021)
Affluence	People's daily lives	Ticketless service usage rate for JR East Shinkansen	50%	70%
		Handling percentage of eki-net	-	60%
		Mobile Suica cards issued	-	25 mil.
		Number of transactions for usage of the services of the MaaS platform (Mobility Linkage Platform) provided by JR East	30 mil. transactions/month	75 mil. transactions/month
		E-money usage such as Suica	300 mil. transactions/month	500 mil. transactions/month
		Number of transaction amount of JRE MALL	700,000 persons (members)	130 bil. Yen
		Number of JRE POINT members	16 mil. persons	25 mil. persons
		Number of shared offices	30 locations in total	1,200 locations in total
		Number of childcare support facilities	150 locations in total	170 locations in total
		Number of homes	-	3,800 homes in total
		Installation area of 5G	-	100 Places in total
Trust	Safety	Accidents due to internal causes	0	0
		Serious incidents	0	0
		Railway accidents	20% reduction (from FY2018 level)	20% reduction (from FY2019 level)*1
		Of which accidents on platforms involving personal injuries	30% reduction (from FY2018 level)	30% reduction (from FY2019 level)*1
		Transportation disruptions due to internal causes		
		Conventional lines within 100-km range of Tokyo	50% reduction (from FY2018 level)	70% reduction (from FY2019 level)
		JR East Shinkansen	75% reduction (from FY2018 level)	75% reduction (from FY2019 level)
		Total delay time for conventional lines within 100-km range of Tokyo	20% reduction (from FY2018 level)	70% reduction (from FY2019 level)
		CO2 emissions of the railway business	-	50% reduction (from FY2014 level)*2
		Development of renewable energy power sources	-	700,000 kw*2

*1 Targets for the fiscal year ending March 31, 2024
*2 Targets for the fiscal year ending March 31, 2031

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	1,560	-348	81.7	25.8	21.2	-4.5	82.2
		Non-commuter Passes	20,615	6,314	-14,301	30.6	539.7	165.6	-374.1	30.7
		Total	22,524	7,875	-14,649	35.0	565.5	186.8	-378.7	33.0
Conventional Lines	Kanto Area Network	Commuter Passes	71,720	54,140	-17,580	75.5	465.2	346.2	-119.0	74.4
		Non-commuter Passes	35,620	19,155	-16,465	53.8	694.8	372.3	-322.4	53.6
		Total	107,341	73,295	-34,046	68.3	1,160.1	718.6	-441.4	61.9
	Other Network	Commuter Passes	3,045	2,676	-369	87.9	18.2	15.5	-2.7	85.0
		Non-commuter Passes	2,473	1,153	-1,320	46.6	48.8	21.9	-26.8	45.1
		Total	5,519	3,829	-1,690	69.4	67.0	37.5	-29.5	56.0
	Total	Commuter Passes	74,766	56,816	-17,950	76.0	483.5	361.7	-121.8	74.8
		Non-commuter Passes	38,094	20,308	-17,786	53.3	743.6	394.3	-349.2	53.0
		Total	112,861	77,124	-35,736	68.3	1,227.2	756.1	-471.0	61.6
Total		Commuter Passes	76,675	58,376	-18,298	76.1	509.4	383.0	-126.4	75.2
		Non-commuter Passes	58,710	26,623	-32,087	45.3	1,283.3	560.0	-723.3	43.6
		Total	135,385	84,999	-50,386	62.8	1,792.8	943.0	-849.8	52.6

Hotel Operations - Overview

Operating revenues *1 ¥ 17.6 billion （2020.12）

Operating income *1 ¥ -14.9 billion （2020.12）

*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, 4,021 guest rooms)

Operating revenues *2 : ¥ 9.0 billion (2020.12) Occupancy rate: 27.3%

■ *JR-EAST HOTEL METS* chain (29 hotels, 4,009 guest rooms)

Operating revenues *2 : ¥ 4.4 billion (2020.12) Occupancy rate: 52.4%

■ *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 Dec. 31, 2020)

Progress in the Speeding Up “Move Up” 2027

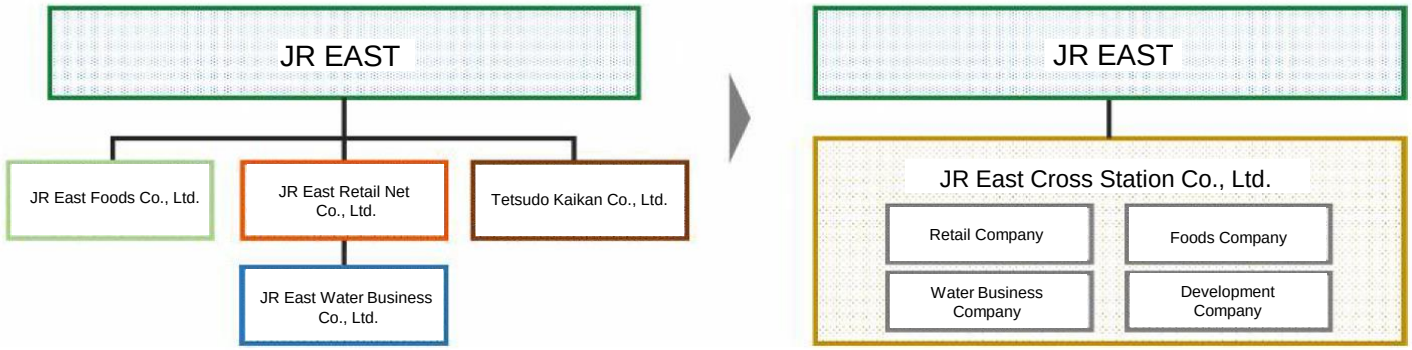
Press Releases (Date)	Contents
9/3/2020	**Announced new train control system designed for introduction to local lines going forward** ・A new train control system, which utilizes GNSS and a mobile wireless communication network, will be developed with the aim of rolling out the system for local lines.
10/6/2020	**Announced acceleration of the digital transformation of the life-style service business** ・The Group will contribute to regional revitalization through JRE MALL Hometown Tax Payment and the sale of digital regional currencies.
10/8/2020	**Announced goal of eliminating CO2 emissions by FY2051.3** ・With “Zero-Carbon Challenge 2050” as a goal for the whole JR East Group, the Group will make a concerted effort to take on the challenge of reducing CO_2 emissions to “substantially zero” by FY2051.3 and contribute to a carbon-free society while enhancing environmental superiority even further and aiming to realize a sustainable society.
10/21/2020	**Announced a summary of revised timetables for last-train services, etc.** ・Services will be enhanced by realizing work-style reform for railway construction work and by speeding up the installation and maintenance of railway facilities, while changes in customers’ behavior patterns that have resulted from the spread of COVID-19 will be catered to.
11/10/2020	**Announced a new JRE POINT service that reflects diversifying commuting styles** ・A loyalty points service that supports comfortable, staggered commuting times will be implemented beginning from the spring of 2021.
12/1/2020	**Announced the issuance of 2nd Sustainability Bonds** ・The issuance of sustainability bonds will once again promote awareness among customers, regions and society, shareholders and investors, employees, and other stakeholders of initiatives toward ESG management being advanced under “Move Up” 2027, heighten trust, and contribute to the Group’s sustained growth.
12/15/2020	**Announced a basic agreement with KDDI CORPORATION on the establishment of a joint business for new “dispersed ” town development with the Shinagawa Development Project as a core** ・Based on this project, the Shinagawa Development Project will be jointly advanced as the core city of town development, satellite cities (in various regions of Japan) will be developed as dispersed bases, and the development of mobility services for the core city and its surrounding areas will be considered, and the aim is to establish a joint business.
12/23/2020	**Announced a comprehensive alliance with SEIBU HOLDINGS INC.** ・A variety of initiatives will be comprehensively advanced with three main focuses: (1) Proposals of new work styles and lifestyles, (2) Long-term alliances aimed at town development, and (3) Alliances aimed at invigorating line-side areas.
1/20/2021	**Made an announcement concerning a railway business license for the Haneda Airport Access Line (provisional name)** ・Among the routes of this plan, a railway business license was received for the New Access Line on January 20, 2021.

Reorganization of Group Businesses (1)

JR East Cross Station Co., Ltd. (Plan to establish on April 1, 2021)

With a view to maximizing the value of railway stations, preparations have been made to establish JR East Cross Station Co., Ltd., through the merger of subsidiaries JR East Retail Net Co., Ltd., JR East Foods Co., Ltd., JR East Water Business Co., Ltd. and Tetsudo Kaikan Co., Ltd. in April 2021.

【Business Reorganization Overview】 ＜Before＞ ＜After＞



【Company Summary】

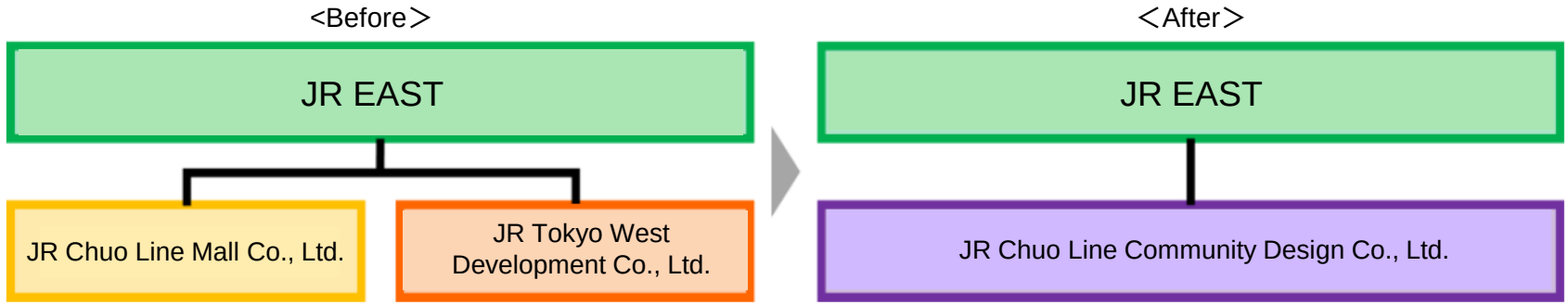
Business name	JR East Retail Net Co., Ltd.	JR East Foods Co., Ltd.	JR East Water Business Co., Ltd.	Tetsudo Kaikan Co., Ltd.
Main business lines	Operational management and development of retail and commercial facilities, etc. in railway stations	Operational management of restaurants in railway stations, etc., manufacture and processing of auxiliary food ingredients. and provision of contract catering services	Manufacture and wholesale of beverages and operational management of automatic vending machines	Operational management and development of commercial facilities, etc.
Main brands offered	*NewDays, ecute,* etc.	*Irorian Kiraku, Becker's, BECK'S COFFEE SHOP, Ekibenya Matsuri,* etc.	*acure,*etc.	*GRANSTA, Kitchen Street, GranRoof,* etc.

Reorganization of Group Businesses (2)

JR Chuo Line Community Design Co., Ltd.　(Plan to establish on April 1, 2021)

With a view to realizing the Lineside Urban Development Vision, which aims to create comfortable living spaces for people of all ages, preparations have been made to establish JR Chuo Line Community Design Co., Ltd., through the merger of subsidiaries JR Chuo Line Mall Co., Ltd. and JR Tokyo West Development Co., Ltd. in April 2021.

【Business Reorganization Overview】

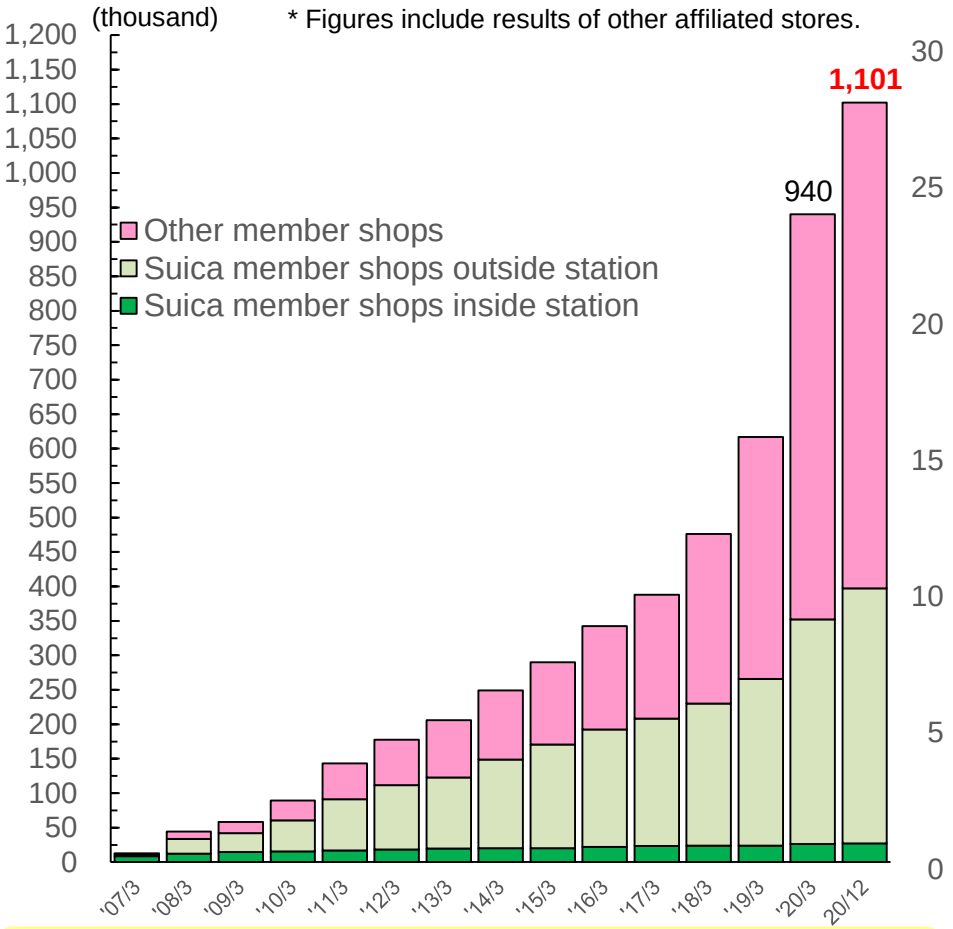


【Company Summary】

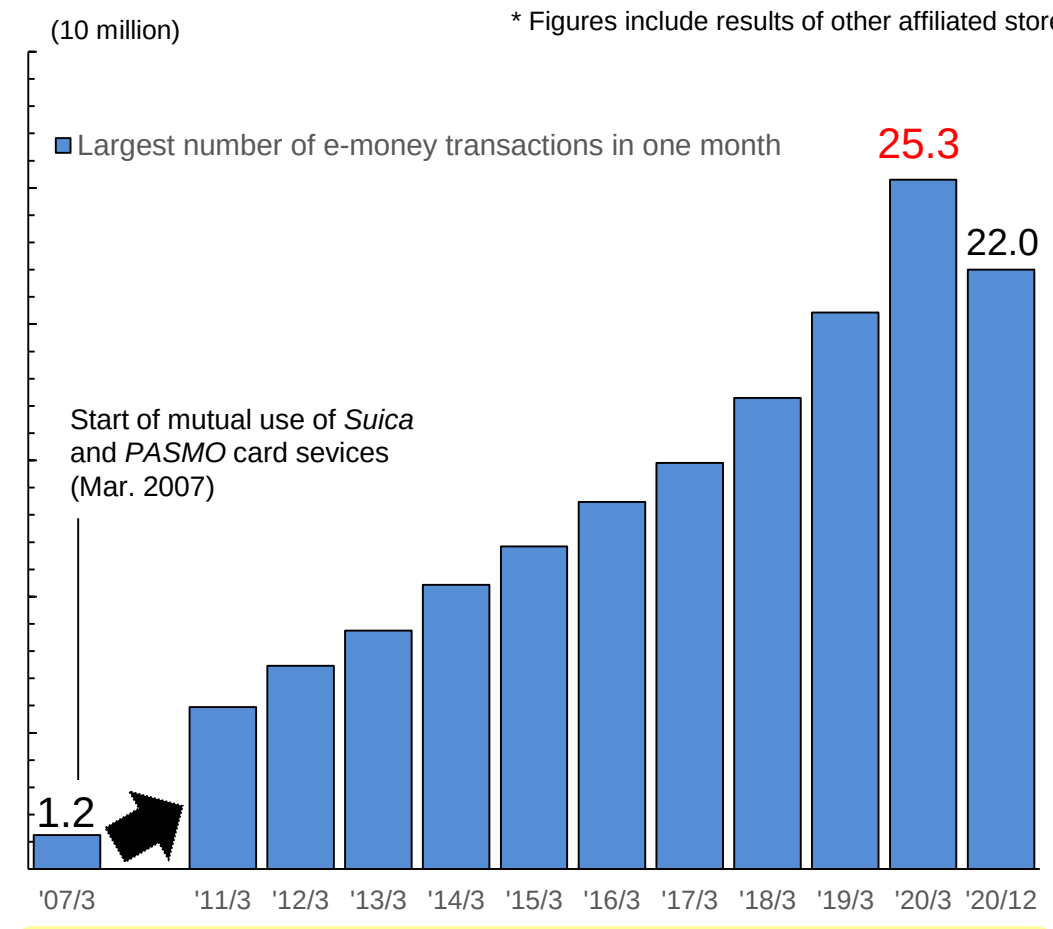
Business name	JR Chuo Line Mall Co., Ltd.	JR Tokyo West Development Co., Ltd.
Main business lines	・Planning, development, and operational management of commercial facilities, etc. ・Operational management of programming classes ・Railway station management	Joint development as well as management and operational management, etc. of station buildings
Main facilities managed	*nonowa* Musashisakai, Higashi-Koganei, Musashi-Koganei, Nishi-Kokubunji, Kunitachi	*CELEO* Hachioji, Nishi-Hachioji, Kokubunji, Kofu, Sagamihara *Dila* Haijima
Railway station management	Musashisakai, Higashi-Koganei, Kunitachi *Management scheduled to begin from April 2021 Minami-Tama, Inagi-Naganuma, Yanokuchi	NA

Suica

■Number of e-money available shops



■Largest number of e-money transactions in one month

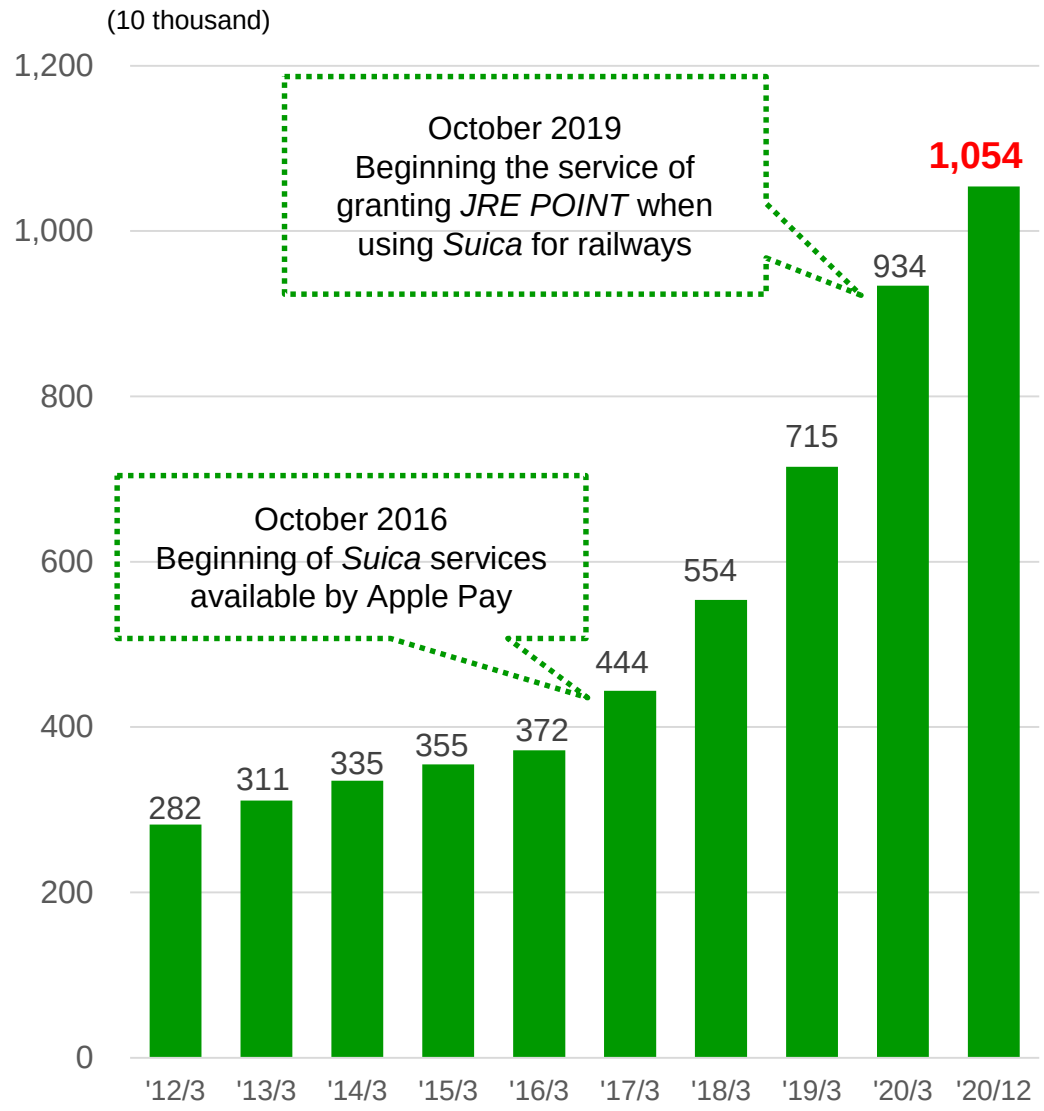


【Compatible stores】 1,101,420 (129.2%)
【Compatible locations (terminals)】1,812,960 (123.8%)
[Figures are as of Dec. 31, 2020.]
* Figures in brackets are percentage changes from the previous year.

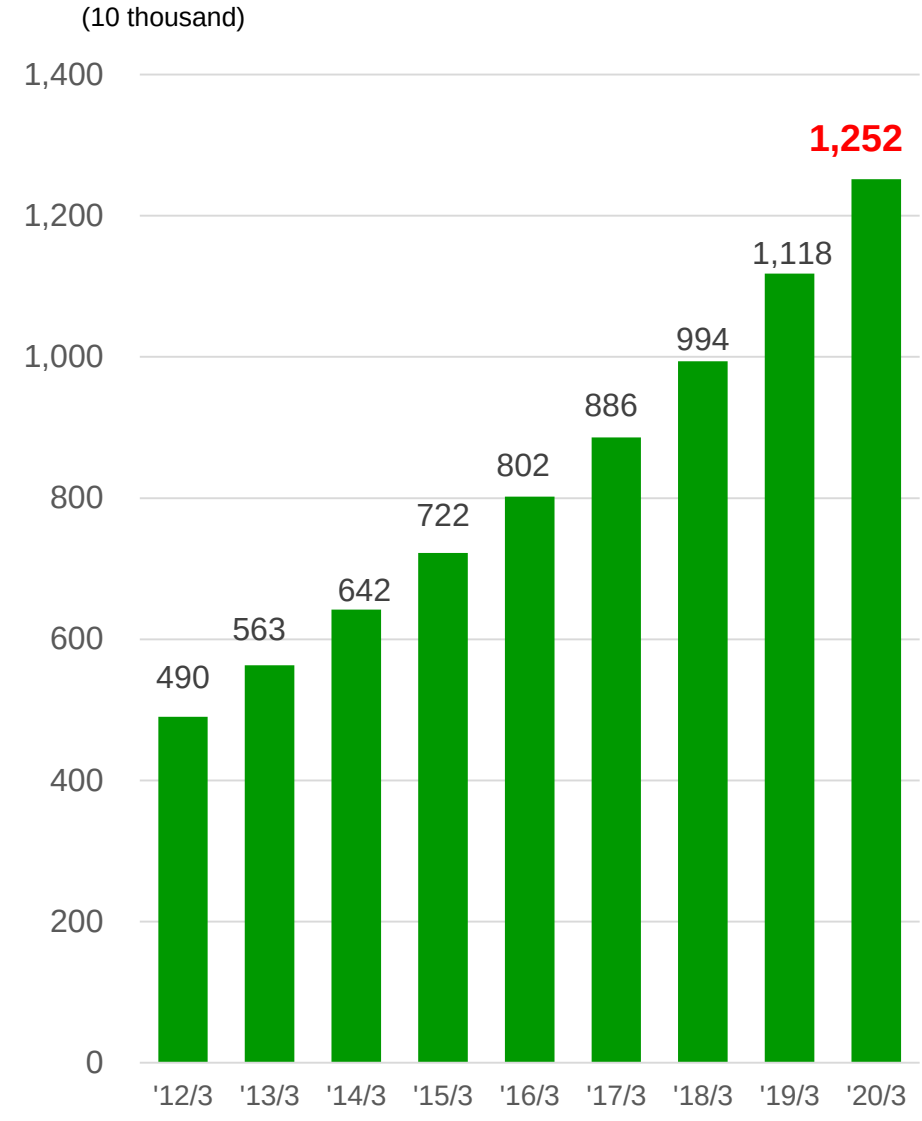
【*Suica* cards issued】 85.06 million (104.5%)
【Transaction per month (highest ever)】252.61 million (Dec. 2019)
【Transaction per day (highest ever)】 9.58 million (20 Dec. 2019)
[Figures are as of Dec. 31, 2020.]
* Figures in brackets are percentage changes from the previous year.

Mobile Suica / eki-net

■Number of *Mobile Suica* members

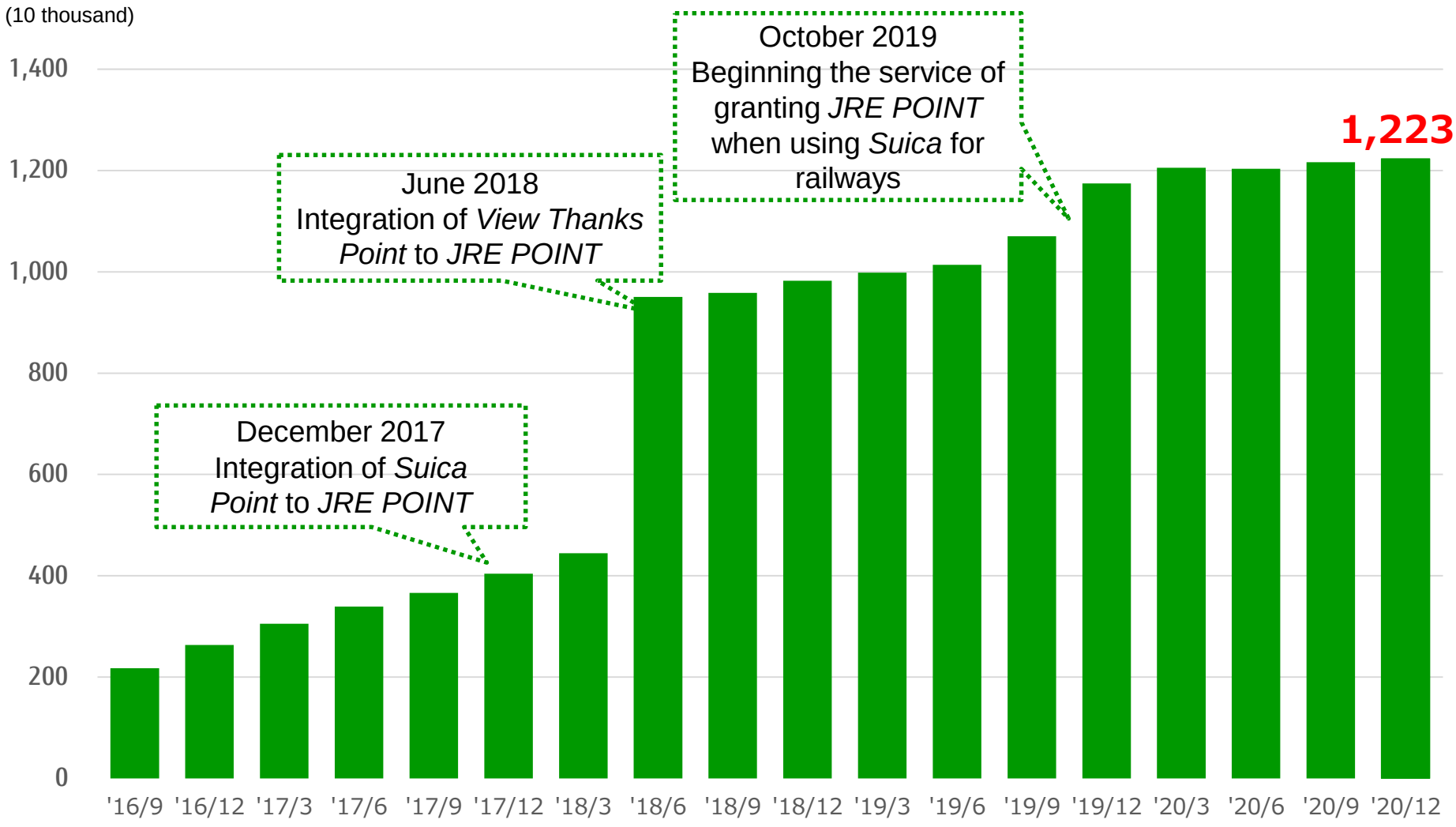


■ Number of *eki-net* members

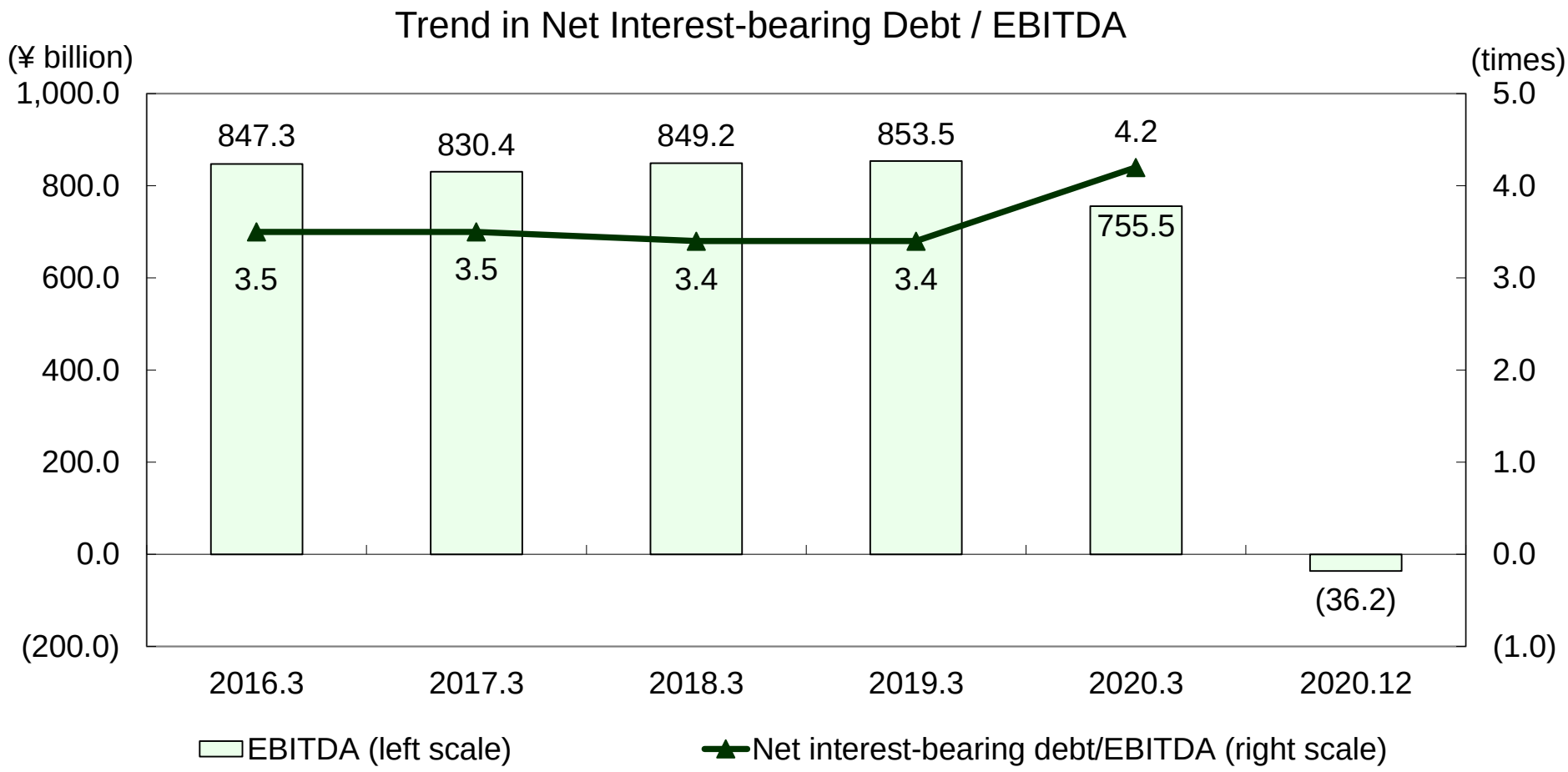


JRE POINT

■ Number of *JRE POINT* members



Key Financial Indicators(1)



[Reference]

	2016.3	2017.3	2018.3	2019.3	2020.3	2020.12
Net interest-bearing debt (¥ billion)	2,934.1	2,923.9	2,864.7	2,899.9	3,158.5	3,920.2

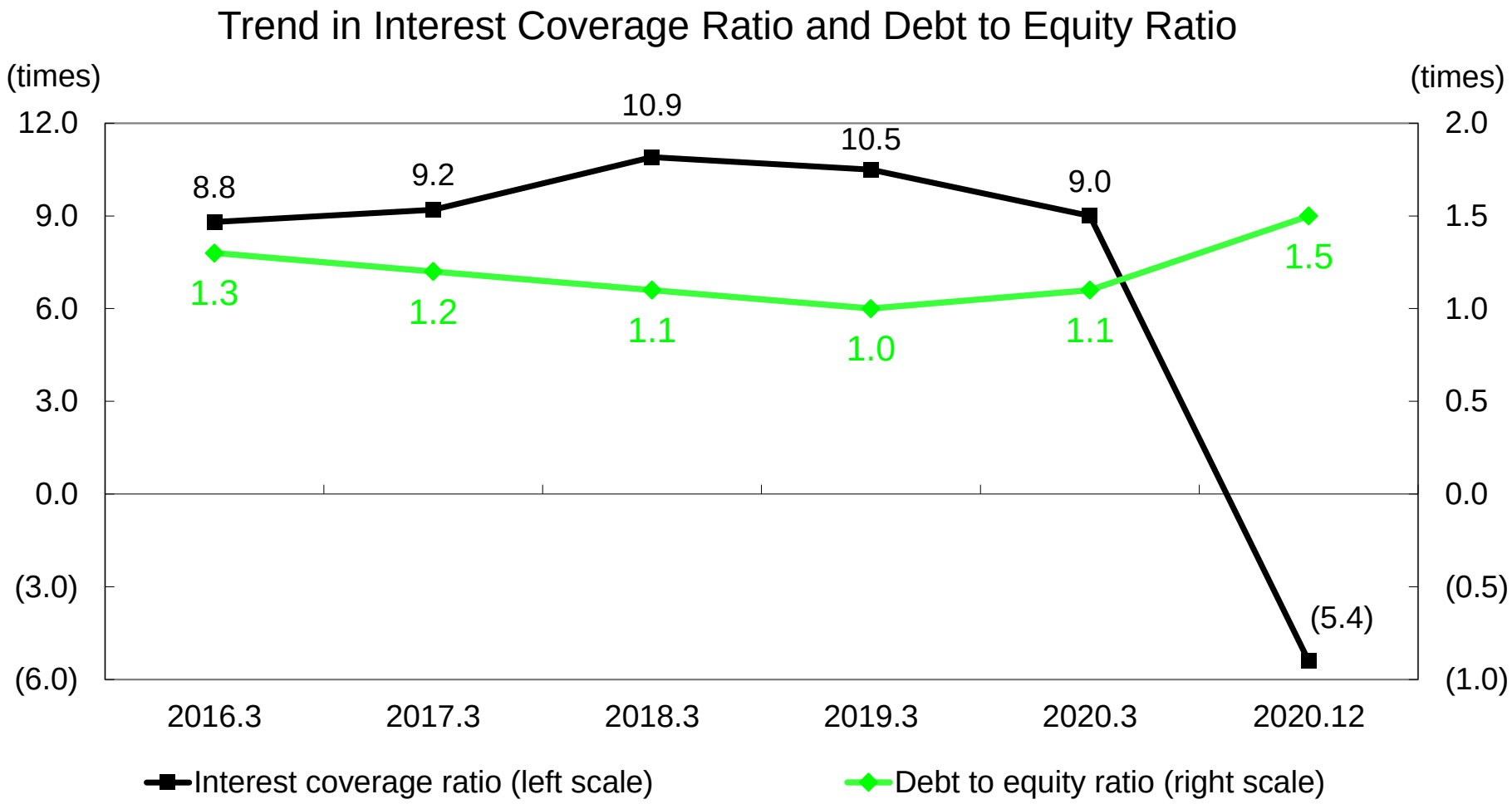
[Notes]

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



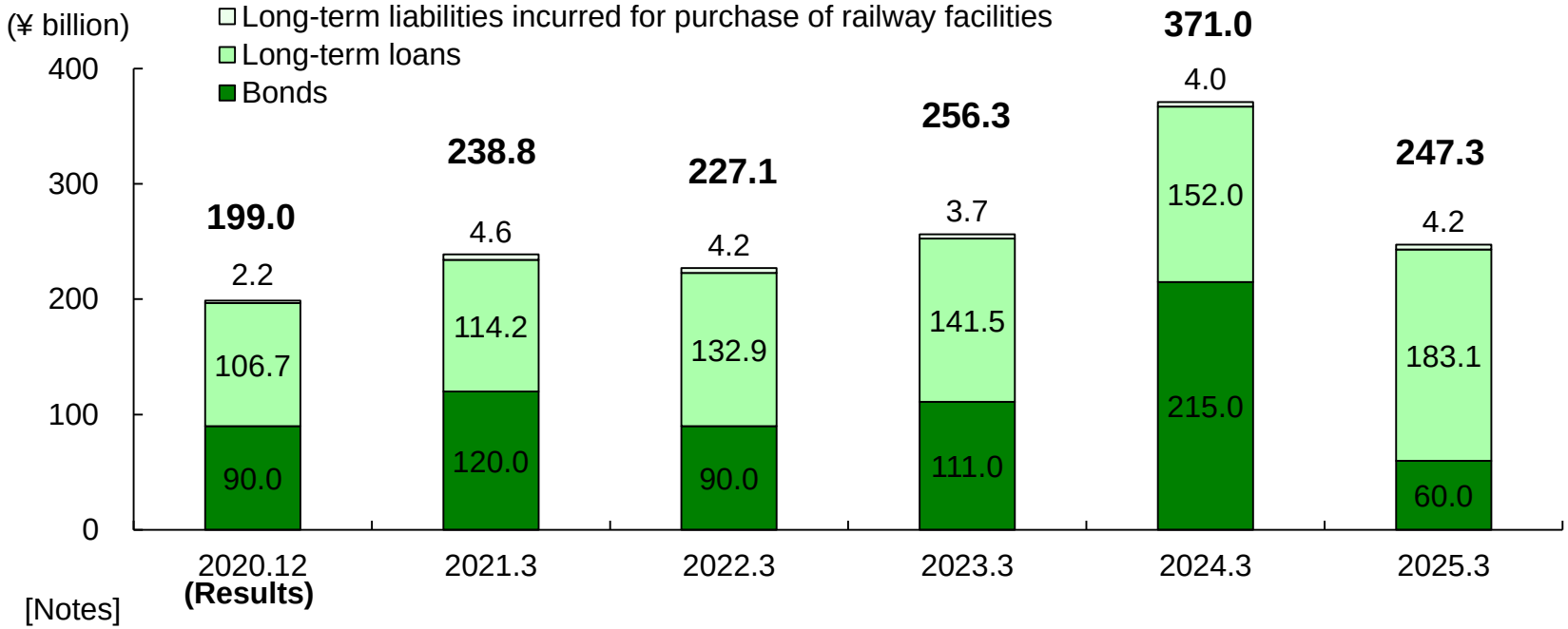
[Notes]
1) Interest coverage ratio = Net cash provided by operating activities / payments of interest
2) Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity

Interest-bearing Debt Breakdown and Maturity Outlook

Breakdown of consolidated interest-bearing debt (As of Dec. 31, 2020)

	Balance (¥ billion)	Breakdown	Average interest rate	Average maturity
Bonds	2,020.2	47.5%	1.34%	13.88 years
Long-term loans	1,264.3	29.7%	0.91%	6.81 years
Long-term liabilities incurred for purchase of railway facilities	325.4	7.6%	6.52%	20.10 years
Other interest-bearing debt	645.0	15.2%	0.08%	0.18 years
Total	4,255.0	100.0%	1.42%	10.18 years

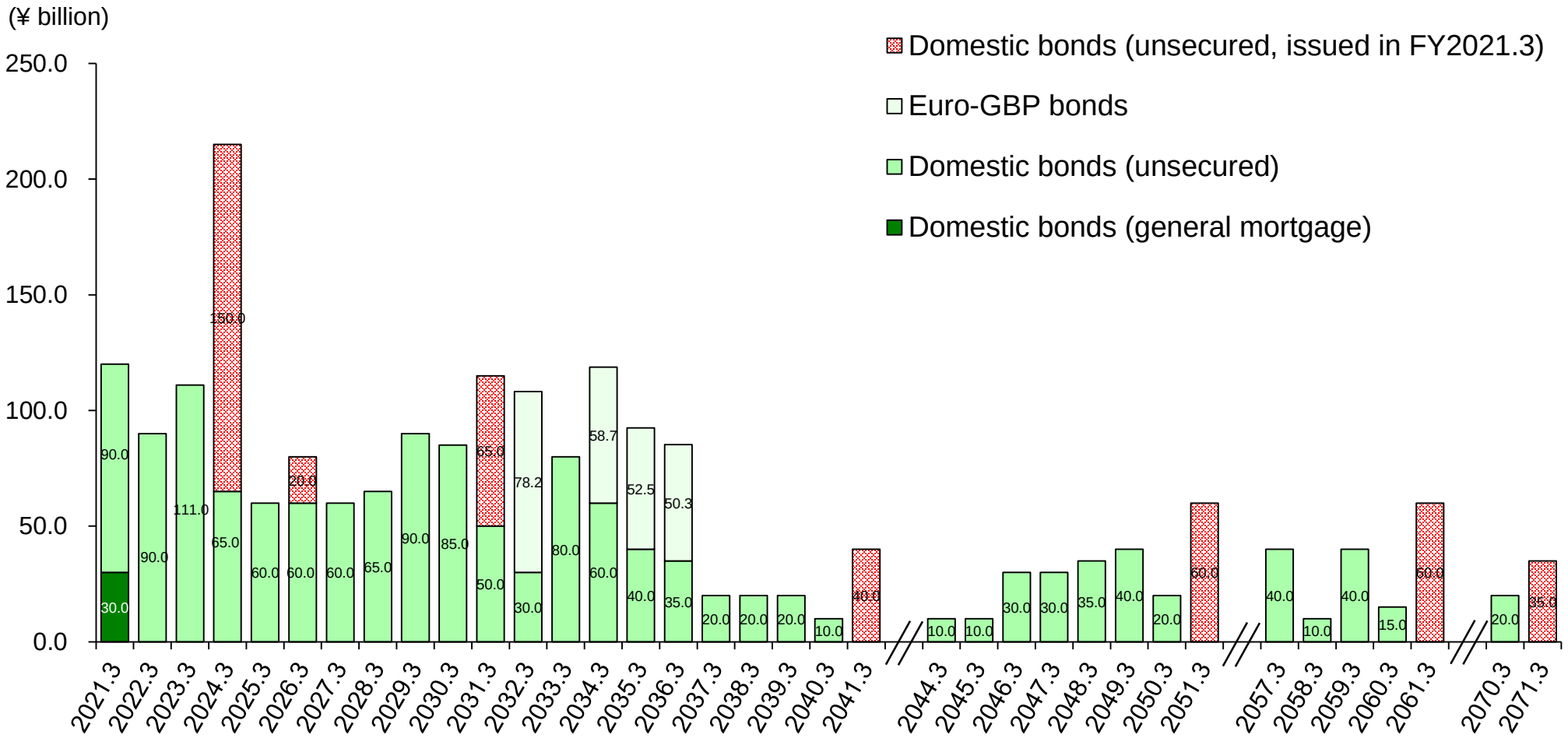
Redemption ladder of interest-bearing debt (consolidated, excluding short-term debt)



[Notes]
1) Outlook as of Feb. 1, 2021
2) Bond redemptions are at face value

Outlook of Bond Maturity

Redemption ladder of bonds(non-consolidated)



[Notes]
1) Outlook as of Feb. 1, 2021
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

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
158	20	¥ 20.0 billion	0.560%	¥100	0.560%	+17.5bp	2020.12.18	2040.12.18
159	30	¥ 30.0 billion	0.836%	¥100	0.836%	+19.5bp	2020.12.18	2050.12.16
160	40	¥ 25.0 billion	0.970%	¥100	0.970%	+30bp	2020.12.18	2060.12.17
161	50	¥ 15.0 billion	1.152%	¥100	1.152%	-	2020.12.18	2070.12.18
2nd Sustainability Bonds	10	¥ 30.0 billion	0.205%	¥100	0.205%	+17.5bp	2021.1.25	2031.1.24

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.