

## Consolidated Financial Results for the Three-Month Period Ended June 30, 2022 (Japanese GAAP) (Unaudited)

Fiscal 2023 (Year ending March 31, 2023)

"First Quarter" means the three months from April 1 to June 30.

All financial information has been prepared in accordance with accounting principles generally accepted in Japan.

"JR East" refers to East Japan Railway Company on a consolidated basis, or if the context so requires, on a non-consolidated basis.

English translation from the original Japanese-language document.

July 29, 2022

### East Japan Railway Company

Stock Exchange Listing	Tokyo
Securities Code	9020
URL	<a href="https://www.jreast.co.jp/e">https://www.jreast.co.jp/e</a>
Representative	Yuji Fukasawa, President and CEO
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Scheduled Date for Release of a Quarterly Report	August 4, 2022
Scheduled Date of Dividend Payment Commencement	Not applicable
Preparation of Supplementary Explanations of Quarterly Financial Results:	Yes
Quarterly Financial Results Presentation to Be Held:	No

#### 1. Consolidated Results for the Three-Month Period Ended June 30, 2022 (April 1, 2022—June 30, 2022)

(Amounts less than one million yen, except for per share amounts, are omitted.)

##### (1) Consolidated financial results

(Percentages represent percentage changes as compared with the corresponding period in the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Fiscal 2023, 1st Quarter</b>	<b>557,618</b>	<b>28.7</b>	<b>40,297</b>	—	<b>25,987</b>	—	<b>18,922</b>	—
Fiscal 2022, 1st Quarter	433,398	30.2	(55,255)	—	(65,412)	—	(76,958)	—

Note: Comprehensive income – Fiscal 2023, 1st Quarter: 20,694 million yen (—%), Fiscal 2022, 1st Quarter: (80,611) million yen (—%)

	Earnings per share —Basic	Earnings per share —Diluted
	Yen	Yen
<b>Fiscal 2023, 1st Quarter</b>	<b>50.16</b>	—
Fiscal 2022, 1st Quarter	(204.00)	—

##### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
<b>Fiscal 2023, 1st Quarter</b>	<b>9,081,257</b>	<b>2,420,788</b>	<b>26.4</b>
Fiscal 2022	9,091,424	2,418,110	26.3

Reference: Shareholders' equity – Fiscal 2023, 1st Quarter: 2,397,474 million yen, Fiscal 2022: 2,394,928 million yen

#### 2. Dividends (Year Ended March 31, 2022 and Year Ending March 31, 2023)

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2022	—	50.00	—	50.00	100.00
<b>Fiscal 2023</b>	—				
(Forecast) Fiscal 2023		50.00	—	50.00	100.00

Note: Revisions to the most recently disclosed dividend forecasts: No

### 3. Forecasts for Fiscal 2023 (Year Ending March 31, 2023)

(Percentages represent percentage changes as compared with the corresponding period in the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share—Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six-month period ending September 30, 2022	<b>1,158,000</b>	<b>31.9</b>	<b>75,000</b>	—	<b>42,000</b>	—	<b>26,000</b>	—	<b>68.92</b>
Fiscal 2023	<b>2,453,000</b>	<b>24.0</b>	<b>153,000</b>	—	<b>98,000</b>	—	<b>60,000</b>	—	<b>159.05</b>

Note: Revisions to the most recently disclosed earnings forecasts: No

#### ※ Notes

(1) Changes to principal subsidiaries during the period (status changes of specified subsidiaries due to changes in the scope of consolidation): No

Newly consolidated — excluded —

(2) Application of special accounting treatment in preparing the quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatement of revisions

- i Changes in accounting policies with revision of accounting standards : No
- ii Changes in accounting policies other than the above : No
- iii Changes in accounting estimates : Yes
- iv Restatement of revisions : No

Note: For details, please refer to “Changes in Accounting Policies, Changes in Accounting Estimates and Restatement of Revisions” on page 6 in the Attachments.

(4) Number of issued shares (common stock)

i Issued shares at period-end (including treasury stock)	1st Quarter, Fiscal 2023	377,932,400 shares	Fiscal 2022	377,932,400 shares
ii Treasury stock at period-end	1st Quarter, Fiscal 2023	694,252 shares	Fiscal 2022	693,666 shares
iii Average number of shares during period	1st Quarter, Fiscal 2023	377,238,446 shares	1st Quarter, Fiscal 2022	377,240,121 shares

※ The quarterly financial results are not subject to quarterly review procedures by certified public accountants or audit corporations.

#### ※ Explanation of appropriate use of forecasts of business results; other important items

The forecasts of business results and other forward-looking statements in this document are based on information available as of the date of this document and on certain assumptions that JR East viewed as reasonable as of the date of this document. Actual results may differ from such forward-looking statements for a variety of reasons.

Regarding the forecasts for business results, please refer to slide No. 12 (Consolidated Full-year Plan) of the supplementary presentation material for the quarterly financial results (Explanation of the Financial Results for the 1st Quarter of the Year Ending March 2023). Forecasts for non-consolidated performance are provided on slide No. 16 (Non-consolidated Full-year Plan) of the same presentation material.

## (Reference)

### Forecasts of the Non-consolidated Results for Fiscal 2023 (Year Ending March 31, 2023)

(Percentages represent percentage changes as compared with the corresponding period in the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Profit		Earnings per share—Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six-month period ending September 30, 2022	<b>852,000</b>	<b>36.2</b>	<b>62,000</b>	—	<b>39,000</b>	—	<b>30,000</b>	—	<b>79.45</b>
Fiscal 2023	<b>1,794,000</b>	<b>26.0</b>	<b>100,000</b>	—	<b>51,000</b>	—	<b>41,000</b>	—	<b>108.58</b>

Note: Revisions to the most recently disclosed earnings forecasts: No

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# 1. Quarterly Consolidated Financial Statements and Main Notes

## (1) Consolidated Balance Sheets (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2022 (As of March 31, 2022)	Fiscal 2023, 1st Quarter (As of June 30, 2022)
<b>ASSETS</b>		
<b>Current Assets</b> .....	¥ 907,001	¥ 946,585
Cash and time deposits .....	171,194	217,269
Notes, accounts receivable-trade and contract assets .....	503,581	510,590
Fares receivable.....	53,246	32,003
Securities.....	100	100
Real estate for sale .....	18,006	18,258
Inventories .....	94,213	106,061
Other .....	69,459	65,247
Allowance for doubtful accounts.....	(2,802)	(2,944)
<b>Fixed Assets</b> .....	8,184,423	8,134,672
Property, plant and equipment, net of accumulated depreciation .....	7,177,855	7,129,290
Buildings and structures (net) .....	3,861,442	3,835,369
Machinery, rolling stock and vehicles (net).....	747,230	727,859
Land.....	2,164,997	2,168,700
Construction in progress .....	334,610	332,292
Other (net).....	69,575	65,068
Intangible assets .....	169,970	174,211
Investments and other assets .....	836,597	831,170
Investments in securities .....	301,490	302,420
Long-term loans receivable .....	1,987	2,627
Deferred tax assets.....	442,562	437,769
Net defined benefit assets .....	803	1,049
Other.....	90,968	88,509
Allowance for doubtful accounts .....	(1,214)	(1,205)
<b>Total Assets</b> .....	¥9,091,424	¥9,081,257

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2022, (As of March 31, 2022)	Fiscal 2023, 1st Quarter (As of June 30, 2022)
<b>LIABILITIES</b>		
<b>Current Liabilities</b> .....	¥1,688,558	¥1,585,612
Notes and accounts payable-trade.....	47,876	30,343
Short-term loans and current portion of long-term loans .....	202,249	152,036
Current portion of bonds .....	111,000	161,000
Current portion of long-term liabilities		
incurred for purchase of railway facilities.....	3,806	3,806
Payables.....	422,653	245,171
Accrued consumption taxes.....	34,654	26,620
Accrued income taxes .....	10,938	4,560
Fare deposits received with regard to railway connecting services.....	27,847	27,929
Prepaid railway fares received .....	69,598	84,423
Allowance for bonuses to employees .....	52,715	30,003
Allowance for disaster-damage losses .....	22,465	18,556
Allowance for partial transfer costs of railway operation .....	128	107
Other .....	682,624	801,053
<b>Long-Term Liabilities</b> .....	4,984,754	5,074,856
Bonds .....	2,431,665	2,514,417
Long-term loans .....	1,309,950	1,309,950
Long-term liabilities incurred for purchase of railway facilities .....	315,067	315,067
Deferred tax liabilities .....	2,309	2,450
Provision for large-scale renovation		
of Shinkansen infrastructure.....	144,000	150,000
Allowance for disaster-damage losses .....	2,591	3,824
Net defined benefit liabilities .....	465,346	461,386
Other .....	313,823	317,758
<b>Total Liabilities</b> .....	¥6,673,313	¥6,660,469
<b>NET ASSETS</b>		
<b>Shareholders' Equity</b> .....	¥2,338,255	¥2,339,202
Common stock .....	200,000	200,000
Capital surplus .....	96,411	96,445
Retained earnings .....	2,047,407	2,048,324
Treasury stock, at cost.....	(5,563)	(5,567)
<b>Accumulated Other Comprehensive Income</b> .....	56,672	58,272
Net unrealized holding gains (losses) on securities.....	47,830	48,949
Net deferred gains (losses) on derivatives under		
hedge accounting.....	2,464	3,266
Revaluation reserve for land.....	(256)	(256)
Foreign currency translation adjustments .....	257	279
Remeasurements of defined benefit plans.....	6,377	6,033
<b>Non-Controlling Interests</b> .....	23,182	23,313
<b>Total Net Assets</b> .....	2,418,110	2,420,788
<b>Total Liabilities and Net Assets</b> .....	¥9,091,424	¥9,081,257

Note: Amounts less than one million yen are omitted.

## (2) Consolidated Statements of Income and Comprehensive Income (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

### (i) Consolidated Statements of Income

	Millions of Yen	
	Fiscal 2022, 1st Quarter (Three months ended June 30, 2021)	Fiscal 2023, 1st Quarter (Three months ended June 30, 2022)
<b>Operating Revenues</b> .....	¥433,398	¥557,618
<b>Operating Expenses</b> .....	488,654	517,321
Transportation, other services and cost of sales .....	366,483	378,237
Selling, general and administrative expenses .....	122,170	139,083
<b>Operating Income (Loss)</b> .....	(55,255)	40,297
<b>Non-Operating Income</b> .....	8,345	5,427
Interest income .....	41	26
Dividend income.....	3,327	2,678
Equity in net income of affiliated companies .....	1,157	—
Other .....	3,819	2,721
<b>Non-Operating Expenses</b> .....	18,502	19,737
Interest expense .....	15,424	15,737
Equity in net losses of affiliated companies .....	—	1,063
Other .....	3,078	2,936
<b>Ordinary Income (Loss)</b> .....	(65,412)	25,987
<b>Extraordinary Gains</b> .....	2,943	14,251
Construction grants received.....	1,673	12,128
Other .....	1,269	2,123
<b>Extraordinary Losses</b> .....	3,237	14,030
Losses on reduction entry for construction grants .....	1,530	12,068
Other .....	1,707	1,961
<b>Income (Loss) before Income Taxes</b> .....	(65,707)	26,208
<b>Income Taxes</b> .....	11,221	7,115
Current .....	2,429	2,456
Deferred .....	8,791	4,659
<b>Profit (Loss)</b> .....	(76,928)	19,092
<b>Profit Attributable to Non-Controlling Interests</b> .....	30	169
<b>Profit (Loss) Attributable to Owners of Parent</b> .....	¥(76,958)	¥ 18,922

Note: Amounts less than one million yen are omitted.

**(ii) Consolidated Statements of Comprehensive Income**

	Millions of Yen	
	Fiscal 2022, 1st Quarter (Three months ended June 30, 2021)	Fiscal 2023, 1st Quarter (Three months ended June 30, 2022)
<b>Profit (Loss)</b> .....	¥(76,928)	<b>¥19,092</b>
<b>Other Comprehensive Income</b> .....	(3,683)	<b>1,601</b>
Net unrealized holding gains (losses) on securities.....	(3,108)	<b>1,143</b>
Net deferred gains (losses) on derivatives under hedge accounting .....	168	<b>445</b>
Foreign currency translation adjustments .....	99	<b>22</b>
Remeasurements of defined benefit plans.....	(627)	<b>(380)</b>
Share of other comprehensive income of associates accounted for using equity method .....	(215)	<b>371</b>
<b>Comprehensive Income</b> .....	¥(80,611)	<b>¥20,694</b>
<b>Comprehensive Income attributable to</b>		
Comprehensive income attributable to owners of parent .....	¥(80,641)	<b>¥20,522</b>
Comprehensive income attributable to non-controlling Interests .....	¥ 29	<b>¥ 172</b>

Note: Amounts less than one million yen are omitted.



### (3) Notes to Quarterly Consolidated Financial Statements (Unaudited)

#### (Notes on Going Concern Assumption (Unaudited))

None

#### (Changes in Accounting Policies, Changes in Accounting Estimates and Restatement of Revisions)

(Changes in Accounting Estimates)

JR East records the remaining charged balance of *Suica* and deposits received as current liabilities and records as revenues the unused balance after a certain period of time has passed. Considerable time has passed since the commencement of the *Suica* service, and an adequate amount of data has been accumulated, which has enabled us to make a reasonable estimate of the timing of recording the unused balance as revenues. Therefore, the method of estimate was changed to be based on the use of such data.

As a result, in comparison to figures calculated by the previous method, operating revenues for the 1st quarter of fiscal 2023 increased by ¥22,675 million, together with increases by the same amount in operating income, ordinary income, and income before income taxes.

#### (Segment Information (Unaudited))

(Information related to amounts of operating revenues, income, and loss of each reportable segment)

Fiscal 2022, 1st Quarter (Three months ended June 30, 2021)	Millions of Yen						Quarterly Consolidated Statements of Income (Note 3)
	Transportation	Retail & Services	Real Estate & Hotels	Others (Note 1)	Total	Adjustment (Note 2)	
Operating Revenues							
Outside customers .....	¥ 290,351	¥ 63,454	¥ 65,258	¥ 14,334	¥ 433,398	¥ —	¥ 433,398
Inside group .....	13,077	7,111	5,324	29,540	55,054	(55,054)	—
Total .....	303,429	70,566	70,582	43,874	488,452	(55,054)	433,398
Segment income (loss) ...	¥ (66,408)	¥ (23)	¥ 10,256	¥ 772	¥ (55,403)	¥ 147	¥ (55,255)

- Notes: 1. "Others" represents categories of business that are not included in reportable segments and includes IT & *Suica* business including credit card business, information processing and certain other businesses.
2. The adjustment to segment income (loss) in the amount of ¥147 million includes an elimination of unrealized holding gains (losses) on fixed assets and inventory assets in the amount of ¥218 million and an elimination for intersegment transactions in the amount of ¥(68) million.
3. Segment income (loss) is adjusted to ensure consistency with the operating loss set forth in the quarterly consolidated statements of income.

Fiscal 2023, 1st Quarter (Three months ended June 30, 2022)	Millions of Yen						Quarterly Consolidated Statements of Income (Note 3)
	Transportation	Retail & Services	Real Estate & Hotels	Others (Note 1)	Total	Adjustment (Note 2)	
Operating Revenues							
Outside customers .....	¥ 391,369	¥ 74,129	¥ 77,533	¥ 14,586	¥ 557,618	¥ —	¥ 557,618
Inside group .....	13,751	7,605	6,527	30,504	58,389	(58,389)	—
Total .....	405,120	81,735	84,061	45,091	616,008	(58,389)	557,618
Segment income .....	¥ 15,633	¥ 5,071	¥ 16,433	¥ 2,453	¥ 39,591	¥ 706	¥ 40,297

- Notes: 1. "Others" represents categories of business that are not included in reportable segments and includes IT & *Suica* business including credit card business, information processing and certain other businesses.
2. The adjustment to segment income in the amount of ¥706 million includes an elimination of unrealized holding gains (losses) on fixed assets and inventory assets in the amount of ¥610 million and an elimination for intersegment transactions in the amount of ¥77 million.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the quarterly consolidated statements of income.

(Matters concerning changes to reporting segment, etc.)

(Changes in Accounting Estimates)

JR East records the remaining charged balance of *Suica* and deposits received as current liabilities and records as revenues the unused balance after a certain period of time has passed. Considerable time has passed since the

commencement of the *Suica* service, and an adequate amount of data has been accumulated, which has enabled us to make a reasonable estimate of the timing of recording the unused balance as revenues. Therefore, the method of estimate was changed to be based on the use of such data.

As a result, in comparison to figures calculated by the previous method, operating revenues in the Transportation segment for the 1st quarter of fiscal 2023 increased by ¥22,675 million, together with an increase by the same amount in segment income.

## **(Notes on Significant Changes in the Value of Shareholders' Equity (Unaudited))**

None

## **(Significant Subsequent Events (Unaudited))**

### **Issuance of Bonds**

JR East issued the following straight bonds.

#### **1. Unsecured straight bonds, 181st issue, East Japan Railway Company**

- (1) Issue date: July 15, 2022
- (2) Amount: ¥15,000 million
- (3) Issue price: ¥100 per ¥100
- (4) Coupon rate: 0.240% per annum
- (5) Maturity date: July 15, 2025
- (6) Use of proceeds: the repayment of interest-bearing debt, etc.

#### **2. Unsecured straight bonds, 182nd issue, East Japan Railway Company**

- (1) Issue date: July 15, 2022
- (2) Amount: ¥10,000 million
- (3) Issue price: ¥100 per ¥100
- (4) Coupon rate: 1.448% per annum
- (5) Maturity date: July 12, 2052
- (6) Use of proceeds: the repayment of interest-bearing debt, etc.

#### **3. Unsecured straight bonds, 183rd issue, East Japan Railway Company**

- (1) Issue date: July 15, 2022
- (2) Amount: ¥20,000 million
- (3) Issue price: ¥100 per ¥100
- (4) Coupon rate: 1.854% per annum
- (5) Maturity date: July 15, 2072
- (6) Use of proceeds: the repayment of interest-bearing debt, etc.

## **(Additional Information (Unaudited))**

### **Accounting Estimates of the Impact from the Spread of COVID-19**

For accounting estimates of recoverability of deferred tax assets and impairment losses on fixed assets as of June 30, 2022, we made assumptions that operating revenues from the railway transportation business will recover to about 90% in fiscal 2023 compared to the level before the spread of COVID-19, although structural changes to society, such as widespread adoption of teleworking, will continue.