

**FY2024.3 Third Quarter
Financial Results
Explanatory Materials**

January 31, 2024
East Japan Railway Company

Highlights of FY2024.3 Third Quarter Financial Results

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12 /'22.4-'22.12		'22.4-'23.3 Results	'23.4-'24.3 Plans (upward revision)			'23.4-'24.3 /'22.4-'23.3	
			Increase /Decrease	%		'23.4 Plans	'24.1 Plans	Increase /Decrease	Increase /Decrease	%
Operating revenues	1,727.0	2,001.0	+273.9	115.9	2,405.5	2,696.0	2,712.0	+16.0	+306.4	112.7
Operating income	112.0	298.5	+186.5	266.5	140.6	270.0	310.0	+40.0	+169.3	220.4
Ordinary income	87.4	259.6	+172.1	296.8	110.9	211.0	252.0	+41.0	+141.0	227.2
Profit attributable to owners of parent	72.5	185.2	+112.6	255.2	99.2	137.0	165.0	+28.0	+65.7	166.3

Consolidated
results

Both revenues and income increased

- Operating revenues increased for the third year in a row as demand recovered in the railway, EKINAKA (stores inside railway stations), hotel, and shopping center businesses.
- Income increased at all levels as a result of increase in revenues.

Segment

All segments achieved increased revenues and income

- Transportation business achieved **increases in revenues and income** mainly due to an increase in passenger revenues (particularly in non-commuter passes revenues).
- Retail & Services business achieved **increases in revenues and income** mainly due to an increase in the sales of EKINAKA stores.
- Real Estate & Hotels business achieved **increases in revenues and income** mainly due to an increase in the sales of hotels and condominiums.
- Other business achieved **increases in revenues and income** mainly due to an increase in the sales related to the IC card business.

○Financial forecasts for FY 2024.3

The previous financial forecasts announced on April 27, 2023 have been revised in view of the FY2024.3 third quarter financial results, resulting in an upward revision of all of operating revenues, operating income, ordinary income, and profit attributable to owners of parent (or profit on a non-consolidated basis).

○Shareholder returns (dividend)

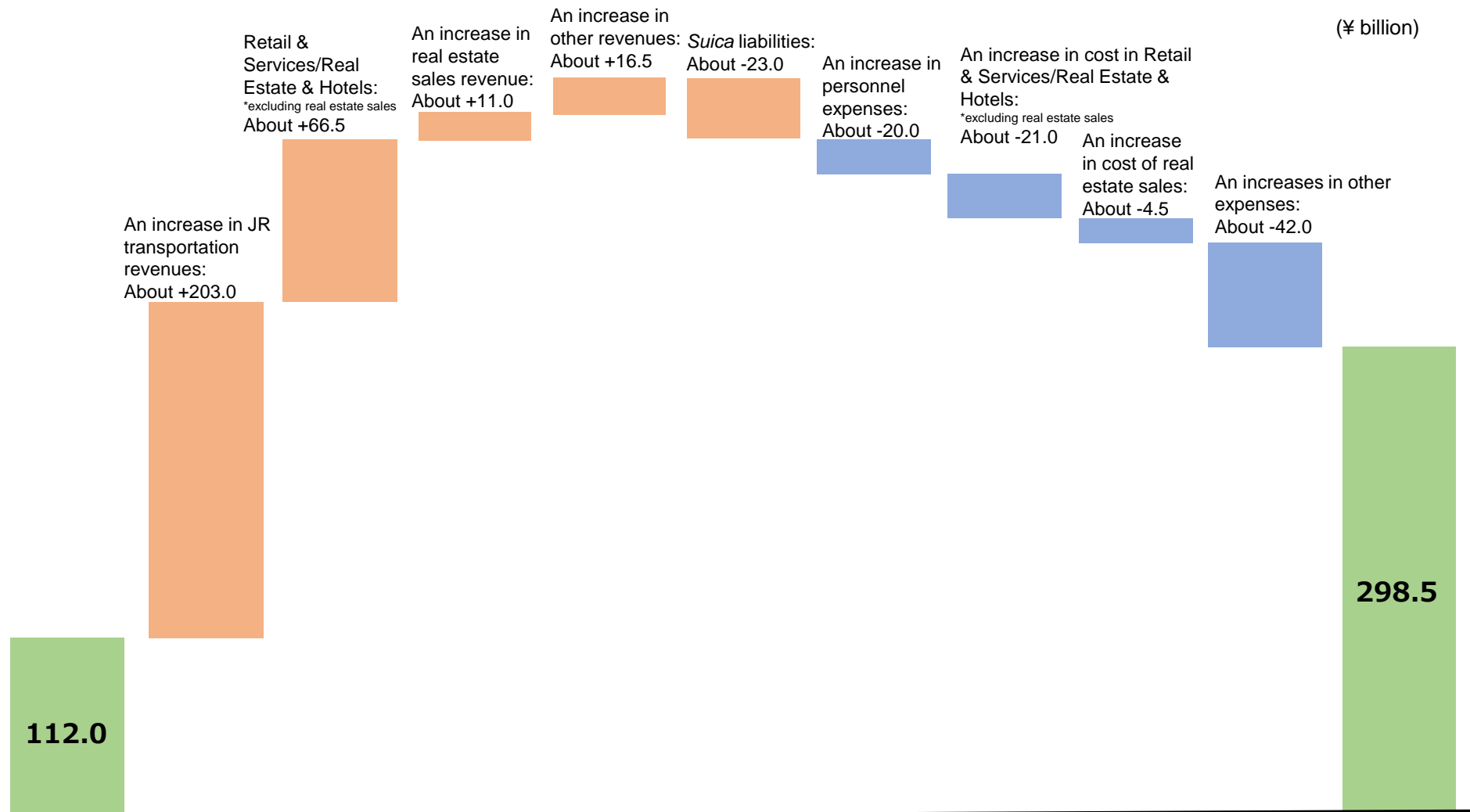
In view of the revision to forecasts of business results, year-end dividend payment has been revised as follows:

FY 2024.3 Interim dividend per share: 55 yen Year-end dividend per share: (forecasts) 70 yen (previous forecast: 55 yen)

FY2024.3 Third Quarter Financial Results(consolidated): Changes in Operating Income



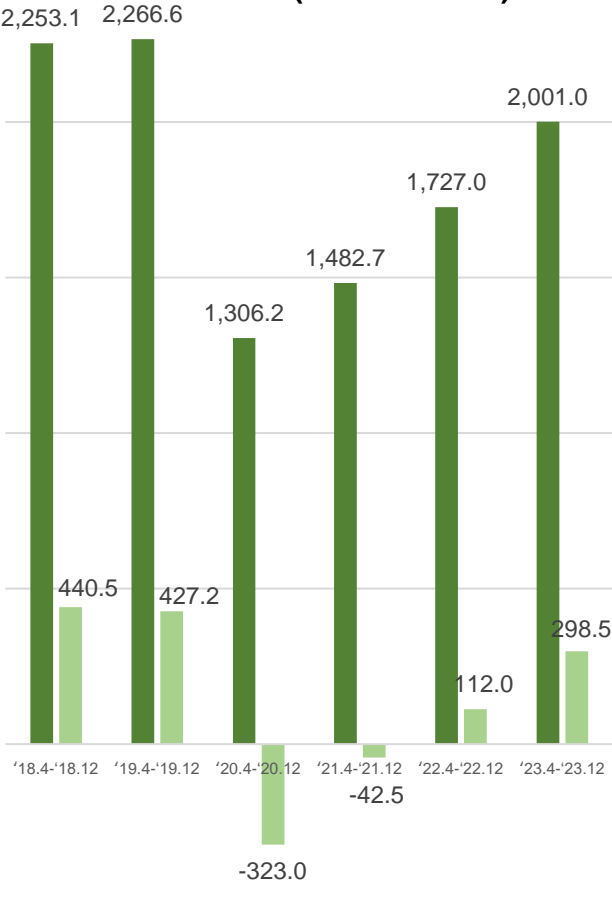
(¥ billion)



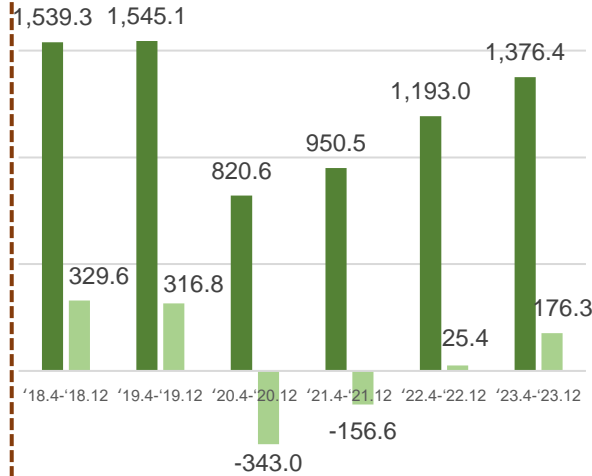
Trends in Third Quarter Financial Results

(¥ billion)
■ Operating revenues
■ Operating income

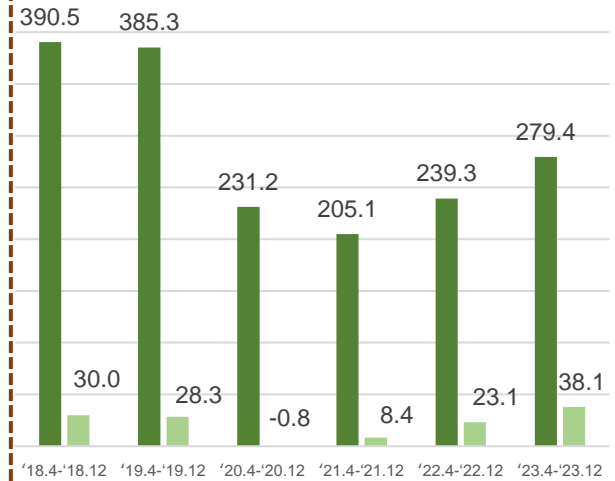
Financial Results (consolidated)



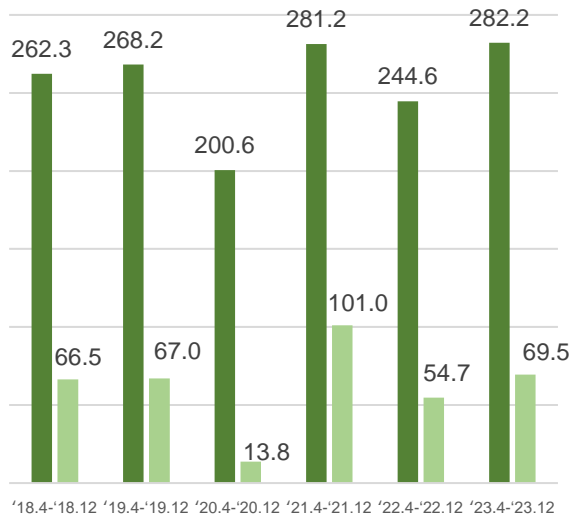
Transportation



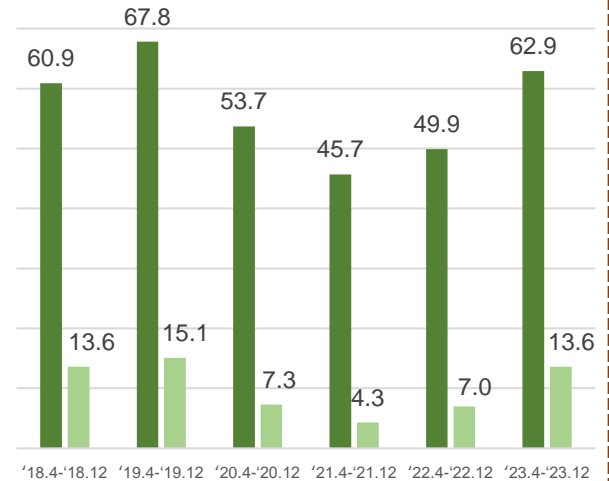
Retail & Services



Real Estate & Hotels



Others



* Operating revenues is based on sales to external customers
 * "Accounting Standard for Revenue Recognition" has been applied since FY2022.3
 * Advertisement revenues and income of JR East has been reclassified from the Transportation business to Retail & Services business since FY2021.3

Statements of Income (consolidated)

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	1,727.0	2,001.0	+273.9	115.9	
Transportation	1,193.0	1,376.4	+183.3	115.4	An increase in passenger revenues
Retail & Services	239.3	279.4	+40.0	116.7	An increase in the sales of EKINAKA stores
Real Estate & Hotels	244.6	282.2	+37.5	115.3	An increase in the sales of hotels and condominiums
Others	49.9	62.9	+12.9	126.0	An increase in the sales related to IC card business
Operating income	112.0	298.5	+186.5	266.5	
Transportation	25.4	176.3	+150.9	694.0	
Retail & Services	23.1	38.1	+15.0	164.9	
Real Estate & Hotels	54.7	69.5	+14.7	127.0	
Others	7.0	13.6	+6.5	192.4	
Adjustment	1.6	0.8	-0.7	54.7	
Non-operating income or expenses	-24.5	-38.8	-14.3	158.5	
Non-operating income	28.2	18.6	-9.6	65.8	A decrease in equity in net income of affiliated companies
Non-operating expenses	52.7	57.4	+4.6	108.9	An increase in interest expense
Ordinary income	87.4	259.6	+172.1	296.8	
Extraordinary gains or losses	9.7	1.3	-8.4	13.7	
Extraordinary gains	36.7	17.0	-19.7	46.3	A decrease in compensation income A decrease in construction grants received
Extraordinary losses	26.9	15.6	-11.3	58.1	A decrease in losses on reduction entry for construction grants
Profit attributable to owners of parent	72.5	185.2	+112.6	255.2	

* The segment breakdown of operating revenues: operating revenues from outside customers

Transportation

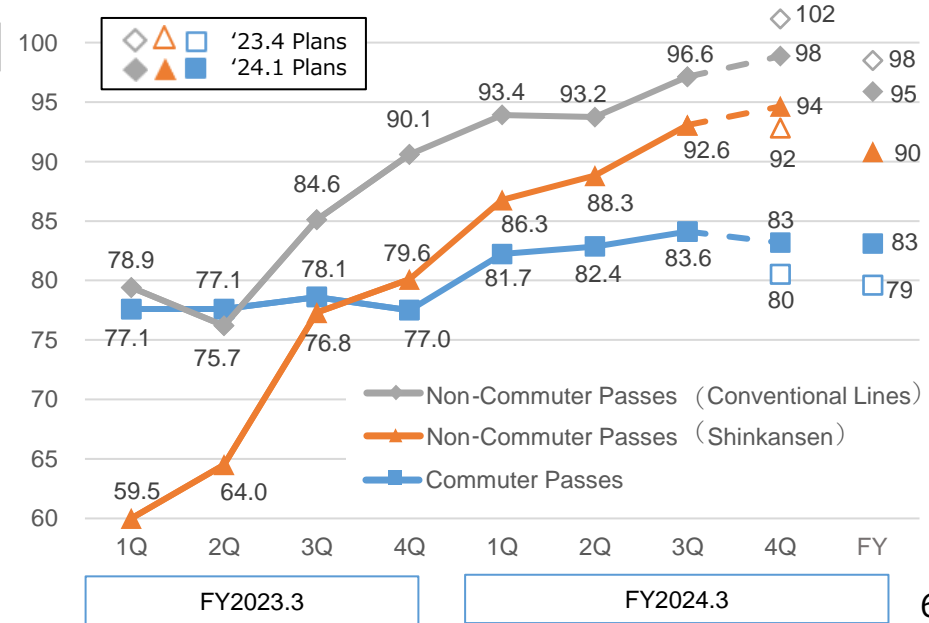
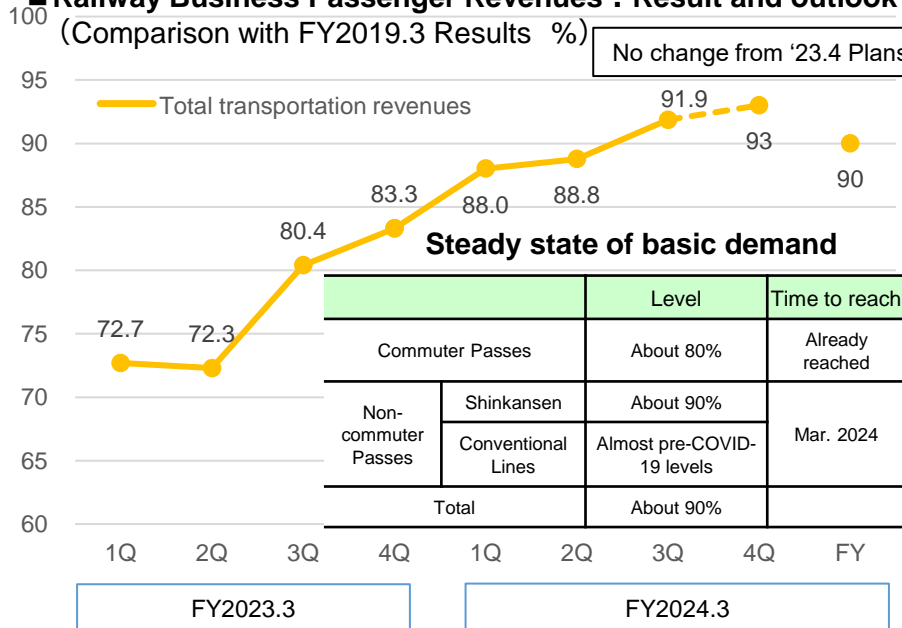
(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12/'22.4-'22.12	
			Increase /Decrease	%
Operating revenues	1,193.0	1,376.4	+183.3	115.4
Operating income	25.4	176.3	+150.9	694.0

	'22.4-'23.3 Results	'23.4-'24.3 Plans	'23.4-'24.3/'22.4-'23.3	
			Increase /Decrease	%
Operating revenues	1,618.5	1,849.0	+230.4	114.2
Operating income	-24.0	130.0	+154.0	-

'23.4-'23.12 Operating revenues (external)		Railway business	Revenue increased year on year due to the recovery in railway transportation. Passenger revenues remain at about 90% of pre-COVID-19 levels.
JR East (Transportation)	+186.8	Railcar manufacturing business	Revenue decreased year on year due to a decrease in sales of railcars to non-JR railway companies.
JR EAST VIEW TOURISM AND SALES	+2.3	Bus business	Revenue increased year on year due to the recovery in express bus transportation. Express bus revenues remain at about 65% of pre-COVID-19 levels.
TOKYO MONORAIL	+1.9	Monorail business	Revenue increased year on year due to the recovery in use. Fare revenues remain at about 75% of pre-COVID-19 levels.
Japan Transport Engineering Company	-10.6		

■ Railway Business Passenger Revenues : Result and outlook

(Comparison with FY2019.3 Results %)

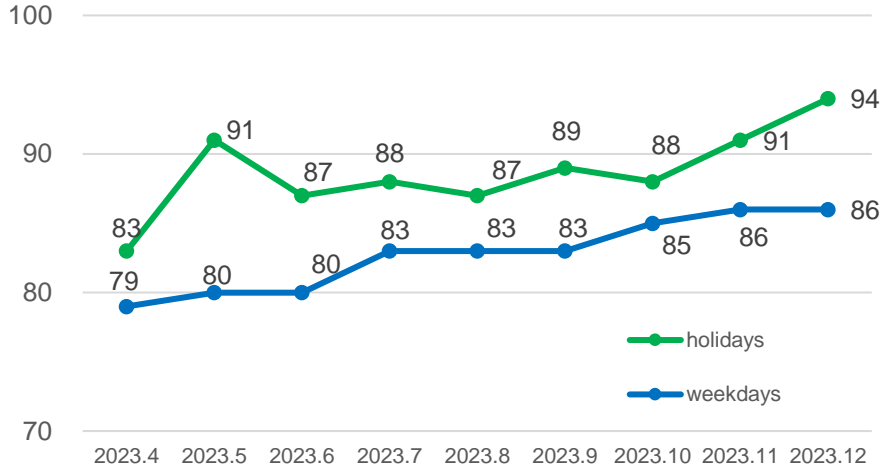


Transportation (Relevant Indicators)

■ Shinkansen passenger volume (weekdays/holidays)

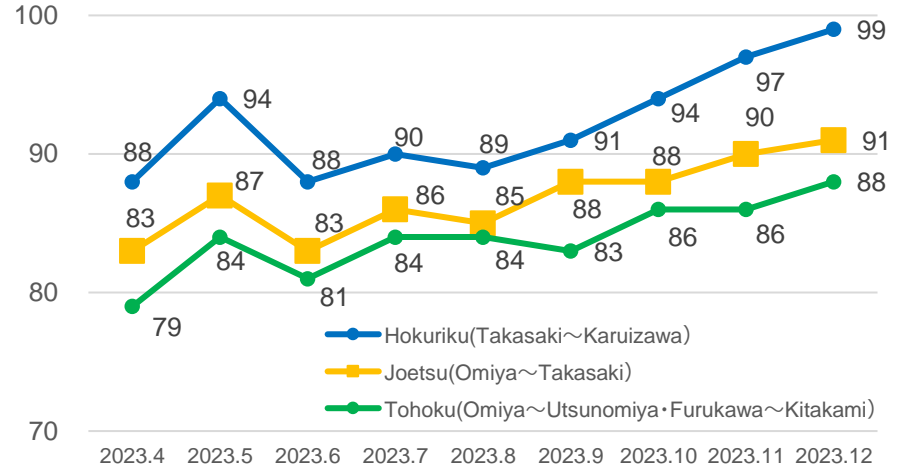
(Comparison with FY2019.3 Results %)

•Holidays include busy seasons as well as Saturdays, Sundays, and national holidays.



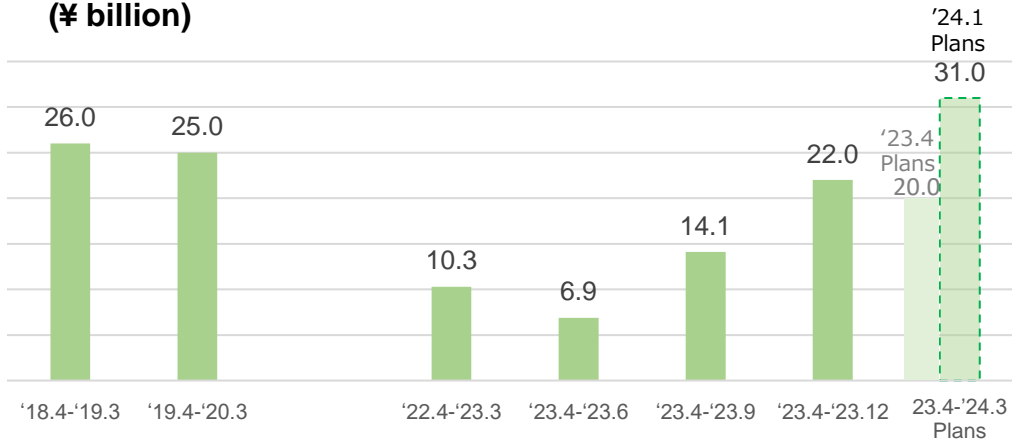
■ Shinkansen passenger volume (by destination)

(Comparison with FY2019.3 Results %)



■ Inbound Revenue (estimate)

(¥ billion)



- Sum of our company's revenue from passes for inbound tourists and individual ticket revenue (estimate)
- Passes for inbound tourists account for approximately 70% of the total.

Retail & Services

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12/'22.4-'22.12	
			Increase /Decrease	%
Operating revenues	239.3	279.4	+40.0	116.7
Operating income	23.1	38.1	+15.0	164.9

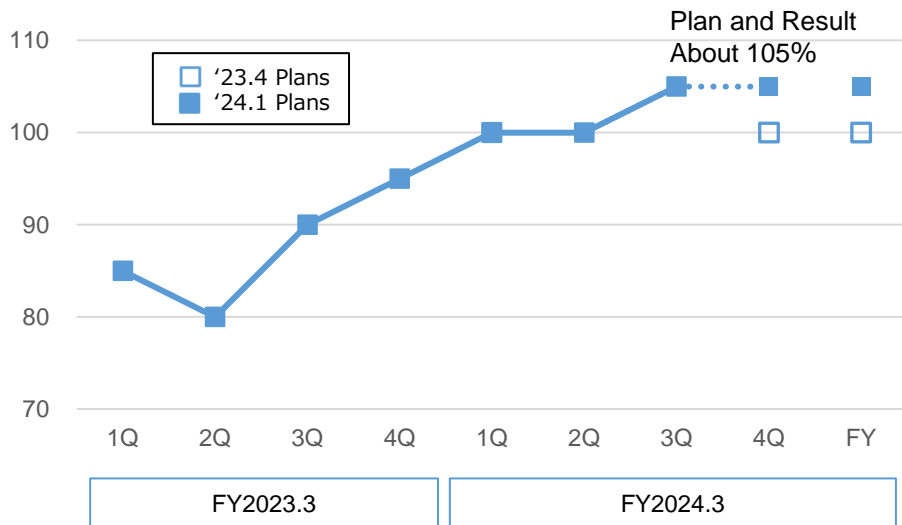
'22.4-'23.3 Results	'23.4-'24.3 Plans	'23.4-'24.3/'22.4-'23.3	
		Increase /Decrease	%
327.8	375.0	+47.1	114.4
35.2	60.0	+24.7	170.1

'23.4-'23.12 Operating revenues (external)	
JR East Cross Station	+28.2
JR East Marketing & Communications	+3.5
JR East TOHOKU SOUGOU SERVICE	+1.7

EKINAKA business	Revenue increased year on year due to an increase in the sales of EKINAKA stores on the back of the recovery in the use of railways.
Advertisement business	Revenue increased year on year. Traffic advertisement revenue is about 55% of pre-COVID-19 levels.

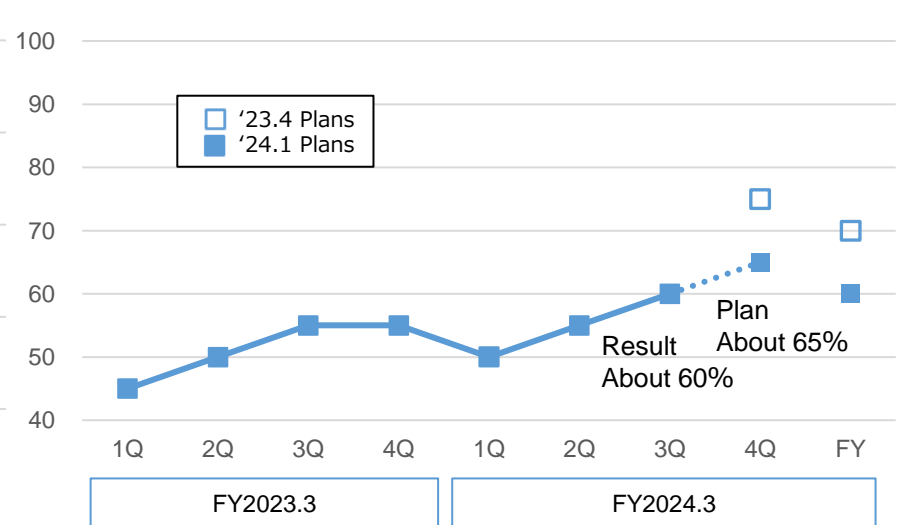
■ EKINAKA : Revenue Trends

(Comparison with FY2019.3 Results %)



■ Advertisement : Revenue Trends < Traffic Ads >

(Comparison with FY2019.3 Results %)



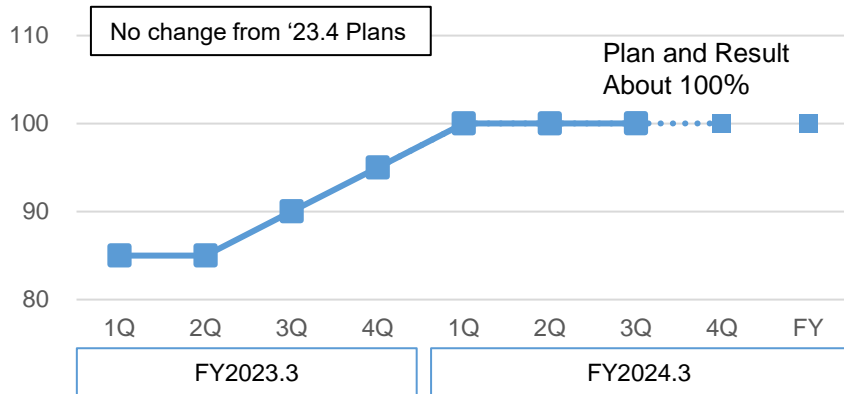
Real Estate & Hotels

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12/'22.4-'22.12		'22.4-'23.3 Results	'23.4-'24.3 Plans	'23.4-'24.3/'22.4-'23.3	
			Increase /Decrease	%			Increase /Decrease	%
Operating revenues () excluding real estate sales	244.6 (241.7)	282.2 (268.1)	+37.5 (+26.4)	115.3 (110.9)	382.2 (324.8)	397.0 (353.4)	+14.7 (+28.6)	103.9 (108.8)
Operating income () excluding real estate sales	54.7 (53.6)	69.5 (61.9)	+14.7 (+8.2)	127.0 (115.3)	111.5 (66.7)	100.0 (87.4)	-11.5 (+20.6)	89.6 (131.0)

'23.4-'23.12 Operating revenues (external)		Shopping center business	Revenue increased year on year as sales of station buildings increased.
JR East Urban Development	+12.9	Office business	Rental income remained at the same level as the previous year.
Nippon Hotel	+11.7	Hotel business	Revenue increased year on year due to an increase in the use of hotels.
LUMINE	+3.8	Real estate sales business	Revenue increased year on year as sales of condominiums increased.
Sendai Terminal Building	+1.9		

■ Shopping center business : Revenue Trends

(Comparison with FY2019.3 Results %)



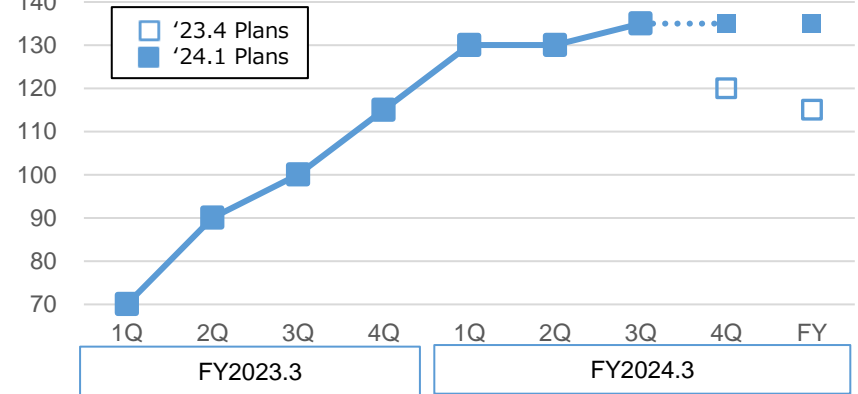
■ Office business : Revenue Trends

(Comparison with FY2019.3 Results)

Expected to be at about 125% of pre-COVID-19 levels on a full-year basis. The third quarter results were largely in line with the plan.

■ Hotel business : Revenue Trends

(Comparison with FY2019.3 Results %)



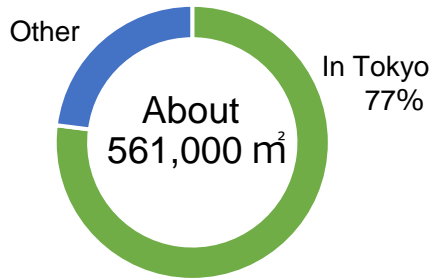
Hotel business revenue and profit

Operating revenues 56.2 billion yen Operating income 6.5 billion yen
* Simple aggregation of the hotel businesses of each company

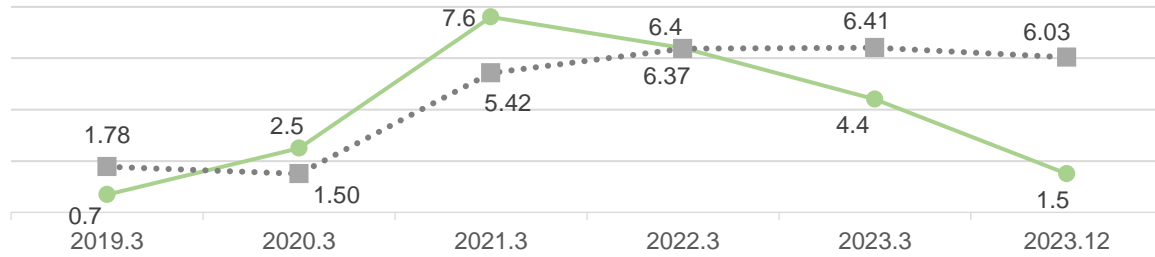
Real Estate & Hotels (Relevant Indicators)

Office business

Leasable space (2023.12)



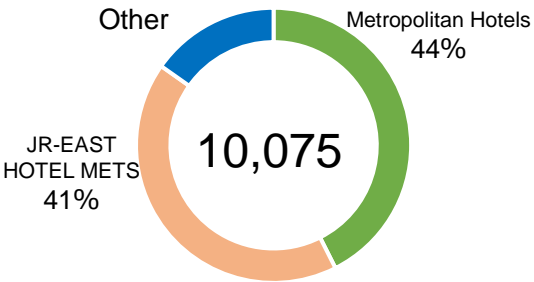
Vacancy rate : Properties operated by JR East Building (in Tokyo)



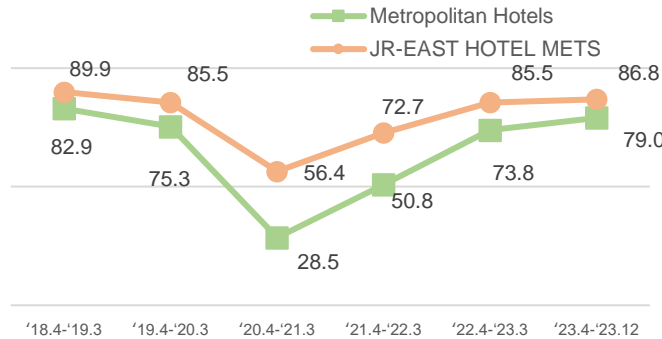
* ●●■ shows market vacancy rate in Tokyo's five central wards (source: Miki Shoji)

Hotel business

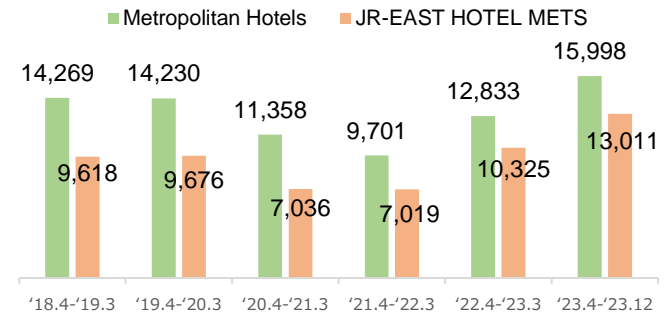
Number of guest rooms (2023.12)



Occupancy rate (%)

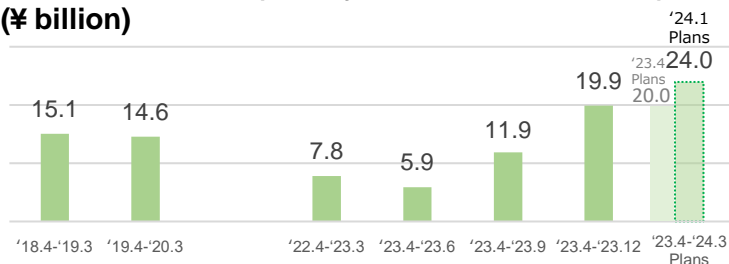


Average Daily Rate (ADR) (¥)



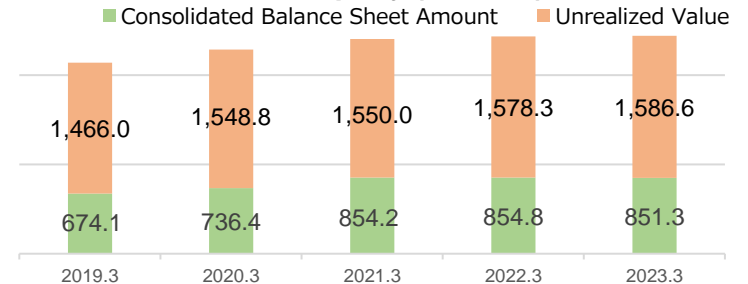
Reference

Inbound Revenue (life-style solutions business) (¥ billion)



Sum of accommodation revenue from inbound tourists in the hotel business and tax-exempt sales in the SC business

Fair Value of Rental Property (¥ billion)



Others

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12/'22.4-'22.12		'22.4-'23.3 Results	'23.4-'24.3 Plans	'23.4-'24.3/'22.4-'23.3	
			Increase /Decrease	%			Increase /Decrease	%
Operating revenues	49.9	62.9	+12.9	126.0	76.9	91.0	+14.0	118.3
Operating income	7.0	13.6	+6.5	192.4	17.2	22.0	+4.7	127.7

'23.4-'23.12 Operating revenues (external)	
JR East Mechatronics	+5.3
Viewcard	+2.6
JR East Energy Development	+2.2

IT & Suica business

Credit: Commission income from member shops increased year on year due to an increase in card transaction volume.

E-money: Commission income from member shops increased year on year due to an increase in the number of payments by e-money.

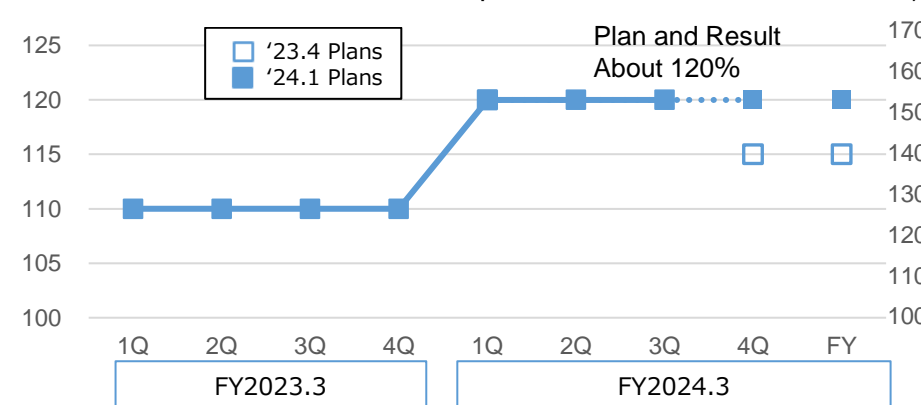
IC cards: Revenue increased year on year due to an increase in the sales of IC cards and related systems.

(Reference) IT & Suica business results ('23.4-'23.12)

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	'23.4-'23.12/'22.4-'22.12	
			Increase/Decrease	%
Operating revenues	35.8	45.4	+9.6	126.9
Operating income	8.1	11.4	+3.3	141.2

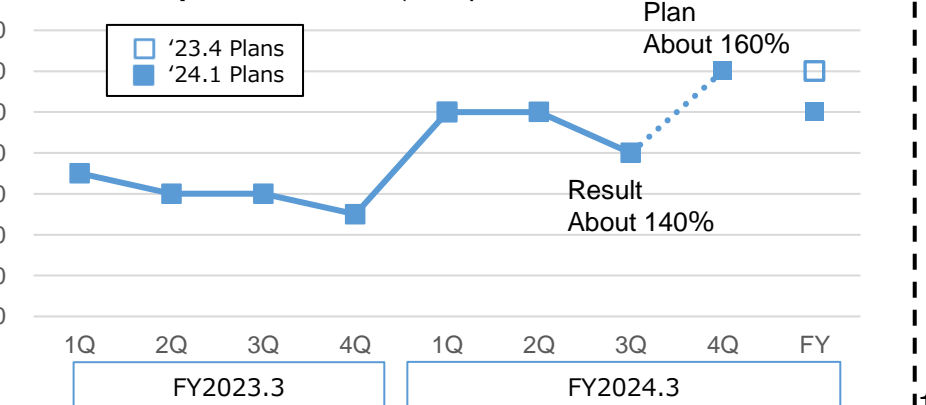
■ Credit card business : revenues trends

<Card transaction volume> (Comparison with FY2019.3 Results %)



■ Use of Suica e-money : revenues trends

<Number of pieces utilized> (Comparison with FY2019.3 Results %)



Balance Sheets (consolidated)

(¥ billion)	As of '23.3 Results	As of '23.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	9,351.8	9,604.7	+252.8	102.7	
Current assets	1,052.7	1,311.7	+258.9	124.6	An increase in cash and time deposits
Fixed assets	8,299.1	8,293.0	-6.0	99.9	
Liabilities	6,854.1	6,932.2	+78.0	101.1	
Current liabilities	1,532.2	1,433.4	-98.8	93.5	A decrease in payables
Long-term liabilities	5,321.9	5,498.8	+176.9	103.3	An increase in bonds
Total Net Assets	2,497.7	2,672.5	+174.8	107.0	
Total Liabilities and Net Assets	9,351.8	9,604.7	+252.8	102.7	

Interest-bearing debt (consolidated), Capital Expenditures (consolidated)

Interest-bearing debt (consolidated)

(¥ billion)	As of '23.3 Results	As of '23.12 Results	Changes		Average interest rate (Comparison with 2023.3 Results)	
			Increase /Decrease	%		
Interest-bearing debt balance	4,774.8	4,905.5	+130.6	102.7	1.47%	(+0.07%)
Bonds	2,975.8	3,114.9	+139.0	104.7	1.25%	(+0.12%)
Long-term loans	1,483.9	1,477.2	-6.7	99.5	0.86%	(+0.02%)
Long-term liabilities incurred for purchase of railway facilities	315.0	313.0	-2.0	99.4	6.55%	(+0.00%)
Other interest-bearing debt	—	0.3	+0.3	—	2.06%	(+2.06%)
Net interest-bearing debt balance	4,559.8	4,525.2	-34.5	99.2		

Capital Expenditures (consolidated)

(¥ billion)	Segment	'22.4-'22.12 Results	'23.4-'23.12 Results	Changes		'23.4-'24.3 Plans	'23.4-'24.3/'22.4-'23.3	
				Increase /Decrease	%		Increase /Decrease	%
Mobility	Transportation	177.2	211.0	+33.7	119.0	458.0	+84.9	122.8
Life-style Solutions	Retail & Services	82.7	105.7	+23.0	127.9	278.0	+96.3	153.0
	Real Estate & Hotels							
	Others							
Total		260.0	316.8	+56.8	121.9	736.0	+181.2	132.7

Statements of Income (consolidated) - FY2024.3 Plans

(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Plans			Changes		Main factors behind changes
		'23.4 Plans	'24.1 Plans	Increase /Decrease	Increase /Decrease	%	
Operating revenues	2,405.5	2,696.0	2,712.0	+16.0	+306.4	112.7	
Transportation	1,618.5	1,840.0	1,849.0	+9.0	+230.4	114.2	[+] Passenger revenues
Retail & Services	327.8	375.0	375.0	—	+47.1	114.4	[+] Advertisement business, [+] EKINAKA business
Real Estate & Hotels	382.2	397.0	397.0	—	+14.7	103.9	[+] Hotel business, [-] Real estate sales business
Others	76.9	84.0	91.0	+7.0	+14.0	118.3	[+] Credit card business, [+] Suica e-money revenues
Operating income	140.6	270.0	310.0	+40.0	+169.3	220.4	
Transportation	-24.0	94.0	130.0	+36.0	+154.0	—	
Retail & Services	35.2	60.0	60.0	—	+24.7	170.1	
Real Estate & Hotels	111.5	100.0	100.0	—	-11.5	89.6	[-] Real estate sales business
Others	17.2	18.0	22.0	+4.0	+4.7	127.7	
Non-operating income or expenses	-29.7	-59.0	-58.0	+1.0	-28.2	195.2	
Non-operating income	42.0						
Non-operating expenses	71.8						
Ordinary income	110.9	211.0	252.0	+41.0	+141.0	227.2	
Extraordinary gains or losses	17.4	-13.0	-18.0	-5.0	-35.4	—	
Extraordinary gains	93.2						
Extraordinary losses	75.7						
Profit attributable to owners of parent	99.2	137.0	165.0	+28.0	+65.7	166.3	

* The segment breakdown of operating revenues: operating revenues from outside customers

Statements of Income (non-consolidated) - FY2024.3 Third Quarter Results

(¥ billion)	'22.4-'22.12 Results	'23.4-'23.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Operating revenues	1,264.0	1,457.6	+193.6	115.3	
Passenger revenues	1,058.1	1,261.0	+202.8	119.2	
Others	205.8	196.5	-9.2	95.5	Reactionary fall from the one-time increase due to the change in the timing of recognition of <i>Suica</i> liabilities as revenue
Operating expenses	1,181.7	1,227.8	+46.1	103.9	
Personnel expenses	296.1	304.2	+8.1	102.7	An increase pertaining to bonuses
Non-personnel expenses	500.7	536.5	+35.7	107.1	
Energy	61.5	61.2	-0.2	99.6	
Maintenance	160.4	174.6	+14.1	108.8	
Other	278.7	300.6	+21.8	107.8	An increase in outsourcing expenses
Usage fees to JR TT, etc	63.2	62.9	-0.3	99.5	
Taxes	81.6	86.6	+4.9	106.1	
Depreciation	239.9	237.5	-2.4	99.0	
Operating income	82.2	229.7	+147.4	279.3	
Non-operating income or expenses	-32.8	-39.8	-7.0	121.5	A decrease in dividend income
Ordinary income	49.4	189.8	+140.4	384.1	
Extraordinary gains or losses	11.8	7.3	-4.4	62.2	A decrease in compensation income
Profit	48.3	139.1	+90.8	288.1	

Balance Sheets (non-consolidated)

(¥ billion)	As of '23.3 Results	As of '23.12 Results	Changes		Main factors behind changes
			Increase /Decrease	%	
Assets	8,527.3	8,695.8	+168.4	102.0	
Current assets	777.7	983.5	+205.8	126.5	An increase in cash and time deposits
Fixed assets	7,749.6	7,712.3	-37.3	99.5	
Liabilities	6,646.9	6,689.6	+42.6	100.6	
Current liabilities	1,481.2	1,346.9	-134.2	90.9	A decrease in payables
Long-term liabilities	5,165.6	5,342.6	+176.9	103.4	An increase in bonds
Total Net Assets	1,880.4	2,006.2	+125.8	106.7	
Total Liabilities and Net Assets	8,527.3	8,695.8	+168.4	102.0	

Traffic Volume and Passenger Revenues - FY2024.3 Third Quarter Results

	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'22.4-'22.12 Results	'23.4-'23.12 Results	Changes	'22.4-'22.12 Results	'23.4-'23.12 Results	Changes		Main factors behind changes
			%			Increase /Decrease	%	
Shinkansen	11,939	15,753	131.9	306.1	403.3	+97.2	131.8	
Commuter Passes	1,187	1,266	106.7	16.0	17.0	+1.0	106.4	
Non-commuter Passes	10,752	14,486	134.7	290.1	386.3	+96.1	133.2	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +83.0 • Inbound tourism: +8.0 • Rebound from natural disasters: +5.0
Conventional Lines	68,774	74,659	108.6	751.9	857.6	+105.6	114.1	
Commuter Passes	44,008	46,006	104.5	281.1	299.8	+18.6	106.7	
Non-commuter Passes	24,766	28,652	115.7	470.8	557.8	+86.9	118.5	
Breakdown of Conventional Lines Kanto Area Network(Reproduced)	65,218	70,765	108.5	711.7	811.0	+99.2	113.9	
Commuter Passes	41,901	43,854	104.7	268.6	287.0	+18.4	106.9	
Non-commuter Passes	23,316	26,911	115.4	443.1	523.9	+80.7	118.2	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +62.0 • Barrier-free charges: +12.5 • Inbound tourism: +9.0 • In reaction to the impact of a natural disaster: -1.5 • Direct Sotetsu-Tokyu line: -1.0
Breakdown of Conventional Lines Other Network(Reproduced)	3,556	3,893	109.5	40.1	46.6	+6.4	116.1	
Commuter Passes	2,106	2,152	102.2	12.4	12.7	+0.2	102.3	
Non-commuter Passes	1,450	1,741	120.1	27.7	33.9	+6.1	122.3	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +5.5 • Inbound tourism: +0.5
Total	80,714	90,412	112.0	1,058.1	1,261.0	+202.8	119.2	
Commuter Passes	45,195	47,273	104.6	297.1	316.8	+19.7	106.6	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +14.5 • Barrier-free charges: +5.0
Non-commuter Passes	35,519	43,139	121.5	761.0	944.2	+183.1	124.1	

* Kanto Area Network refers to the sections covered by JR East's Tokyo Metropolitan Area Headquarters, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

Statements of Income (non-consolidated) - FY2024.3 Plans

(¥ billion)	'22.4-'23.3 Results	'23.4-'24.3 Plans			Changes		Main factors behind changes
		'23.4 Plans	'24.1 Plans	Increase /Decrease	Increase /Decrease	%	
Operating revenues	1,765.5	1,969.0	1,978.0	+9.0	+212.4	112.0	
Passenger revenues	1,431.7	1,677.0	1,677.0	—	+245.2	117.1	
Others	333.7	292.0	301.0	+9.0	-32.7	90.2	[-] Real estate sales revenue
Operating expenses	1,674.5	1,792.0	1,760.0	-32.0	+85.4	105.1	
Personnel expenses	394.6	394.0	410.0	+16.0	+15.3	103.9	[+] Bonus related
Non-personnel expenses	769.1	870.0	835.0	-35.0	+65.8	108.6	
Energy	91.3	109.0	87.0	-22.0	-4.3	95.2	[-] Decrease in unit fuel price
Maintenance	256.3	278.0	279.0	+1.0	+22.6	108.8	[+] Increase in general maintenance expenses [+] Increase in railcar maintenance expenses
Other	421.3	483.0	469.0	-14.0	+47.6	111.3	[+] Increase in revenue-linked expenses [+] Increase in real estate cost of sales
Usage fees to JR TT, etc	84.3	85.0	85.0	—	+0.6	100.8	
Taxes	104.4	109.0	110.0	+1.0	+5.5	105.4	[+] Increase in property tax
Depreciation	322.0	334.0	320.0	-14.0	-2.0	99.4	
Operating income	90.9	177.0	218.0	+41.0	+127.0	239.7	
Non-operating income or expenses	-44.9	-58.0	-57.0	+1.0	-12.0	126.9	
Ordinary income	46.0	119.0	161.0	+42.0	+114.9	350.0	
Extraordinary gains or losses	25.1	-1.0	—	+1.0	-25.1	—	
Profit	52.4	83.0	112.0	+29.0	+59.5	213.6	

Traffic Volume and Passenger Revenues - FY2024.3 Plans

	Traffic Volume (million passenger kilometers)			Passenger Revenues (¥ billion)				
	'22.4-'23.3 Results	'23.4-'24.3 Plans	Changes	'22.4-'23.3 Results	'23.4-'24.3 Plans	Changes		Main factors behind changes
			%			Increase /Decrease	%	
Shinkansen	16,494	21,059	127.7	421.9	539.6	+117.6	127.9	
Commuter Passes	1,563	1,677	107.3	21.2	22.4	+1.2	106.1	
Non-commuter Passes	14,931	19,381	129.8	400.7	517.1	+116.3	129.0	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +103.0 • Inbound tourism: +9.5 • Natural disasters: +2.5 • Leap-year: +1.0
Conventional Lines	90,983	98,791	108.6	1,009.8	1,137.4	+127.6	112.6	
Commuter Passes	57,464	60,707	105.6	370.3	395.5	+25.2	106.8	
Non-commuter Passes	33,519	38,083	113.6	639.5	741.9	+102.4	116.0	
Breakdown of Conventional Lines Kanto Area Network(Reproduced)	86,356	93,683	108.5	956.3	1,076.1	+119.8	112.5	
Commuter Passes	54,766	57,877	105.7	354.1	378.7	+24.6	107.0	
Non-commuter Passes	31,590	35,086	113.3	602.1	697.3	+95.2	115.8	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +69.0 • Barrier-free charges: +16.5 • Inbound tourism: +10.5 • Leap-year: +2.0 • Natural disasters: -1.5 • Direct Sotetsu-Tokyu line: -1.5
Breakdown of Conventional Lines Other Network(Reproduced)	4,626	5,107	110.4	53.5	61.3	+7.7	114.6	
Commuter Passes	2,697	2,830	104.9	16.1	16.7	+0.6	103.7	
Non-commuter Passes	1,929	2,277	118.1	37.3	44.5	+7.1	119.2	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +6.5 • Inbound tourism: +0.5
Total	107,477	119,850	111.5	1,431.7	1,677.0	+245.2	117.1	
Commuter Passes	59,027	62,385	105.7	391.5	418.0	+26.4	106.8	<ul style="list-style-type: none"> • Recovery from the impact of COVID-19: +19.5 • Barrier-free charges: +7.0
Non-commuter Passes	48,450	57,465	118.6	1,040.2	1,259.0	+218.7	121.0	

* Kanto Area Network refers to the sections covered by JR East's Tokyo Metropolitan Area Headquarters, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

Numerical Targets of FY2028.3

(¥ billion)		'22.4-'23.3 Results	'23.4-'24.3 Plans	'27.4-'28.3 Targets	'27.4-'28.3/'22.4-'23.3	
					Increase /Decrease	%
Operating Revenues		2,405.5	2,712.0	3,276.0	+870.4	136.2
Life-style Solutions	Mobility Transportation	1,618.5	1,849.0	2,019.0	+400.4	124.7
	Retail & Services	327.8	375.0	654.0	+326.1	199.5
	Real Estate & Hotels	382.2	397.0	507.0	+124.7	132.6
	Others	76.9	91.0	96.0	+19.0	124.8
Operating Income		140.6	310.0	410.0	+269.3	291.5
Life-style Solutions	Mobility Transportation	-24.0	130.0	178.0	+202.0	-
	Retail & Services	35.2	60.0	80.0	+44.7	226.7
	Real Estate & Hotels	111.5	100.0	124.0	+12.4	111.1
	Others	17.2	22.0	30.0	+12.7	174.2
Adjustment		0.6	-2.0	-2.0	-2.6	-

* The segment breakdown of operating revenues: operating revenues from outside customers

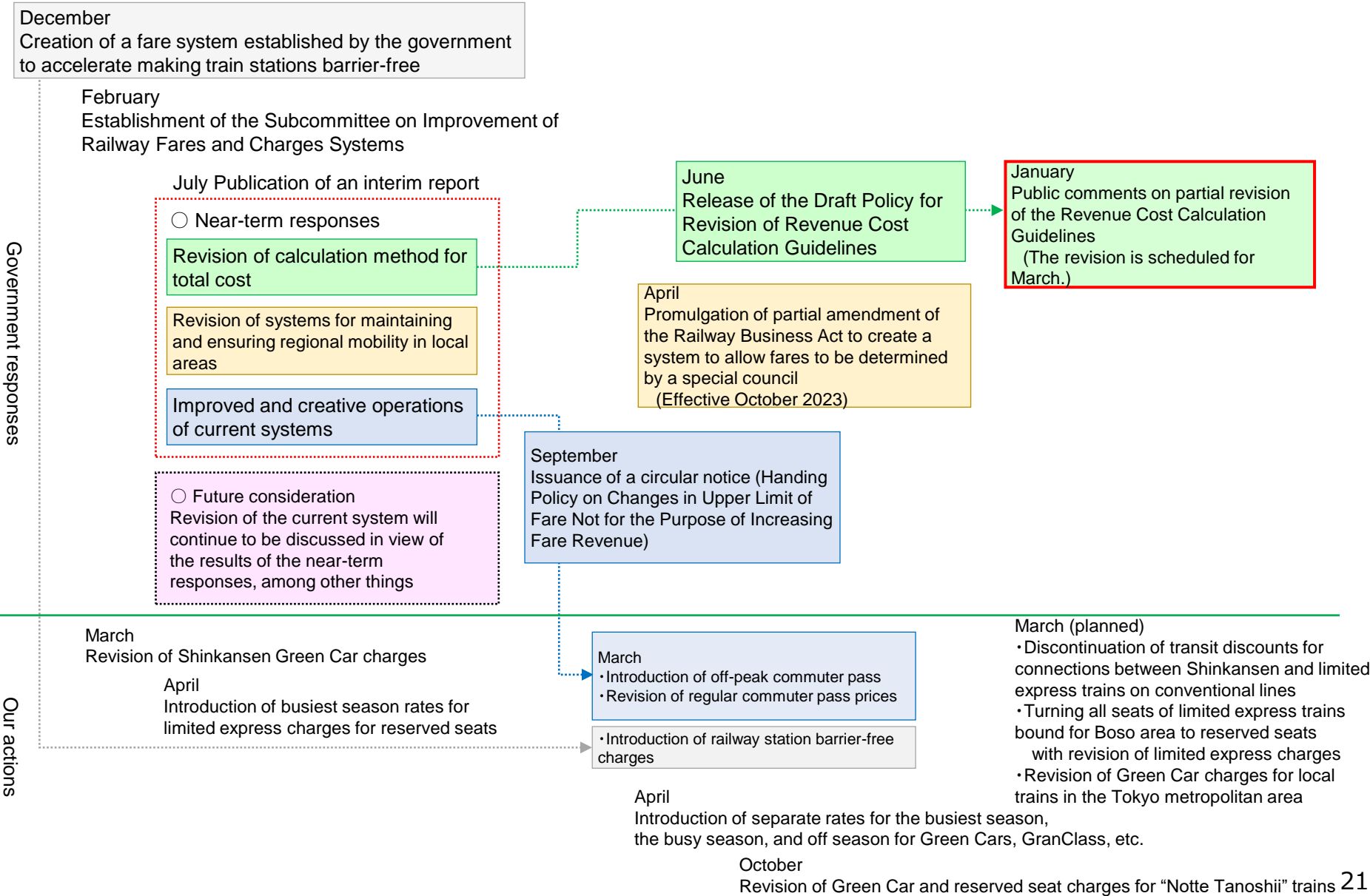
	'22.4-'23.3 Results	'28.3 Targets
Consolidated operating cash flow	581.7 billion yen	Total amount for 5 years ('23.4-'28.3) 3,800.0 billion yen
Consolidated ROA	1.5%	4.0% approx.
Net interest-bearing debt / EBITDA	8.6 times	About 5.0 times in the medium term About 3.5 times in the long term

■ Appendix (Breakdown of Consolidated operating cash flow and Capital Expenditures (consolidated))

The breakdown of Consolidated operating cash flow into Mobility and Life-style Solutions is calculated based on certain assumptions.

(¥ billion)	Consolidated operating cash flow		Capital Expenditures (consolidated)	
	'22.4-'23.3 Results	Total amount for 5 years ('23.4-'28.3)	'22.4-'23.3 Results	Total amount for 5 years ('23.4-'28.3)
Mobility	334.2	2,290.0	373.0	2,360.0
Life-style Solutions	247.4	1,510.0	181.6	1,530.0
Total	581.7	3,800.0	554.7	3,890.0

Progress in the Revision of Railway Fares and Charges Systems



Progress in the Revision of Railway Fares and Charges Systems

○ Outline of the proposed partial revision of the Revenue Cost Calculation Guidelines

(prepared by JR East based on public comment materials)

Item	Current	Proposed revision
Depreciation	○ Depreciation accounted for in accordance with the Regulation on Accounting in the Railway Industry	○ In addition to the current calculation method, any of the following methods are acceptable: (1) Annual average amount over up to six years, including regular years (2) Addition of accelerated depreciation of the undepreciated balance of existing facilities over regular years under certain assumptions (★) ※ Subject to prior and after-the-fact checks by the MLIT on planned and actual amounts of capital investment, the amount that can be accelerated, etc.
Research and development expenses	○ Determined by the <u>yardstick method</u> Method of determining cost based on standard cost calculated by comparing six JR companies	○ Not determined by the yardstick method (★) ※ Subject to prior and after-the-fact checks by the MLIT on planned and actual amounts, etc.
Personnel and other expenses	○ Nationwide uniform assessment ○ Inflation rate is determined by the weighted average of the actual rate of increase in personnel expenses of railway operators and consumer price index.	○ With adjustments for regional differences ○ Inflation rate is determined by the weighted average of the Basic Survey on Wage Structure (by industry / by region) or the actual rate of increase in personnel expenses of railway operators and consumer price index (excluding fresh food and energy, by region). ※ 10-year simple average (▲) is used for the index.
Energy expenses	○ No document rule on inflation rate	○ Inflation rate is determined by consumer price index (electricity: electric bill, nationwide; engine: gasoline, by region). ※ 10-year simple average (▲) is used for the index.
Extraordinary losses	○ Extraordinary gains and losses are excluded from cost.	○ Extraordinary losses arising from large-scale disasters can be recognized (★). * Excluding insurance claim income and certain other items, average over the last 10 years (▲)
Impairment losses	○ No document rule on the treatment of impairment losses at the time of application of impairment accounting	○ When impairment accounting is applied, depreciation as per tax declaration can be recognized (★). * Subject to review of individual circumstances
Business return (Shareholder's equity)	○ Simple average of bond subscription yields, all-industry average return on equity, and required rate of dividend (11%)	○ In accordance with the <u>calculation method adopted in the electricity and gas sectors</u> Calculated by reflecting market sensitivity in bond subscription yields and the industry's average return on equity

★: Our requests have been (partially) reflected.
▲: It is questionable whether current trends (inflation, intensification of disasters) can be properly reflected.

○ Our plan

- We will closely examine revenues and costs based on the revised Revenue Cost Calculation Guidelines and, if possible, will promptly submit an application for fare revision.
- We will continue to submit requests to the government toward revision of regulated fares and charges and the realization of a simple and flexible system.

These materials of the presentation can be viewed
at the JR East's Website.

JR East Website, 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.