

Consolidated Financial Results for the Six-Month Period Ended September 30, 2023 (Japanese GAAP) (Unaudited)

Fiscal 2024 (Year ending March 31, 2024)

"Second Quarter" means the six months from April 1 to September 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.

October 31, 2023

East Japan Railway Company

Stock Exchange Listing	Tokyo
Securities Code	9020
URL	https://www.jreast.co.jp/e
Representative	Yuji Fukasawa, President and CEO
Contact Person	Satoshi Shiohara, General Manager, Corporate Communications Department
Scheduled Date for Release of a Quarterly Report	November 8, 2023
Scheduled Date of Dividend Payment Commencement	December 1, 2023
Preparation of Supplementary Explanations of Quarterly Financial Results:	Yes
Quarterly Financial Results Presentation to Be Held:	Yes

1. Consolidated Results for the Six-Month Period Ended September 30, 2023 (April 1, 2023—September 30, 2023)

(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	%
Fiscal 2024, 2nd Quarter	1,299,829	16.6	191,797	187.5	165,529	318.1	117,077	331.9
Fiscal 2023, 2nd Quarter	1,115,073	27.0	66,710	—	39,594	—	27,106	—

Note: Comprehensive income – Fiscal 2024, 2nd Quarter: 144,386 million yen (397.6%), Fiscal 2023, 2nd Quarter: 29,016 million yen (—%)

	Earnings per share —Basic	Earnings per share —Diluted
	Yen	Yen
Fiscal 2024, 2nd Quarter	310.85	—
Fiscal 2023, 2nd Quarter	71.86	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Fiscal 2024, 2nd Quarter	9,554,725	2,623,995	27.2
Fiscal 2023	9,351,899	2,497,713	26.4

Reference: Shareholders' equity – Fiscal 2024, 2nd Quarter: 2,598,597 million yen, Fiscal 2023: 2,473,251 million yen

2. Dividends (Year Ended March 31, 2023 and Year Ending March 31, 2024)

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2023	—	50.00	—	50.00	100.00
Fiscal 2024	—	55.00			
(Forecast) Fiscal 2024			—	55.00	110.00

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

3. Forecasts for Fiscal 2024 (Year Ending March 31, 2024)

(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
Fiscal 2024	2,696,000	12.1	270,000	92.0	211,000	90.2	137,000	38.1	363.75

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 : No
- iv Restatement of revisions : No

(4) Number of issued shares (common stock)

- i Issued shares at period-end (including treasury stock) 2nd Quarter, Fiscal 2024 377,932,400 shares Fiscal 2023 377,932,400 shares
- ii Treasury stock at period-end 2nd Quarter, Fiscal 2024 1,302,353 shares Fiscal 2023 1,293,600 shares
- iii Average number of shares during period 2nd Quarter, Fiscal 2024 376,633,155 shares 2nd Quarter, Fiscal 2023 377,238,228 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 currently available and certain assumptions that JR East deemed 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. 17 (Statements of Income (consolidated) - FY2024.3 Plans) of the supplementary presentation material for the quarterly financial results (FY2024.3 Second Quarter Financial Results Explanatory Materials). Forecasts for non-consolidated performance are provided on slide No. 21 (Statements of Income (non-consolidated) - FY2024.3 Plans) of the same presentation material.

JR East is scheduled to hold an analysts' conference on November 1, 2023, to present its operating results for the 2nd quarter of Fiscal 2024. Regarding the presentation materials of such conference, please refer to JR East's website.

(Reference)

Forecasts of the Non-consolidated Results for Fiscal 2024 (Year Ending March 31, 2024)

(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
Fiscal 2024	1,969,000	11.5	177,000	94.7	119,000	158.7	83,000	58.3	219.81

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 2023 (As of March 31, 2023)	Fiscal 2024, 2nd Quarter (As of September 30, 2023)
ASSETS		
Current Assets	¥1,052,784	¥1,261,559
Cash and time deposits	215,193	402,998
Notes, accounts receivable-trade and contract assets	568,880	546,869
Fares receivable	66,104	75,127
Real estate for sale	45,177	45,160
Inventories	90,491	118,718
Other	70,044	75,350
Allowance for doubtful accounts	(3,105)	(2,665)
Fixed Assets	8,299,114	8,293,166
Property, plant and equipment, net of accumulated depreciation	7,214,561	7,213,891
Buildings and structures (net)	3,856,298	3,811,225
Machinery, rolling stock and vehicles (net)	712,443	694,454
Land	2,185,869	2,189,625
Construction in progress	399,205	463,224
Other (net)	60,744	55,360
Intangible assets	198,805	196,274
Investments and other assets	885,747	882,999
Investments in securities	357,341	406,203
Long-term loans receivable	2,437	2,361
Deferred tax assets	432,011	382,796
Net defined benefit assets	961	1,180
Other	94,438	91,891
Allowance for doubtful accounts	(1,442)	(1,434)
Total Assets	¥9,351,899	¥9,554,725

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2023, (As of March 31, 2023)	Fiscal 2024, 2nd Quarter (As of September 30, 2023)
LIABILITIES		
Current Liabilities	¥1,532,252	¥1,351,419
Notes and accounts payable-trade	44,250	36,207
Short-term loans and current portion of long-term loans	150,000	116,665
Current portion of bonds	214,999	219,999
Current portion of long-term liabilities		
incurred for purchase of railway facilities	4,065	4,172
Payables	493,162	303,500
Accrued consumption taxes	43,960	43,675
Accrued income taxes	16,186	14,151
Fare deposits received with regard to railway connecting services	36,314	38,699
Prepaid railway fares received	78,047	91,872
Allowance for bonuses to employees	59,905	62,781
Allowance for disaster-damage losses	12,349	10,174
Other	379,009	409,518
Long-Term Liabilities	5,321,933	5,579,310
Bonds	2,760,870	2,966,940
Long-term loans	1,333,950	1,370,750
Long-term liabilities incurred for purchase of railway facilities	311,001	308,881
Deferred tax liabilities	2,367	2,511
Provision for large-scale renovation		
of Shinkansen infrastructure	168,000	180,000
Allowance for disaster-damage losses	2,024	2,044
Net defined benefit liability	445,843	441,973
Other	297,875	306,208
Total Liabilities	¥6,854,186	¥6,930,730
NET ASSETS		
Shareholders' Equity	¥2,419,581	¥2,518,222
Common stock	200,000	200,000
Capital surplus	96,445	96,425
Retained earnings	2,132,049	2,230,761
Treasury stock, at cost	(8,913)	(8,964)
Accumulated Other Comprehensive Income	53,670	80,374
Net unrealized holding gains (losses) on securities	43,302	70,751
Net deferred gains (losses) on derivatives under		
hedge accounting	2,548	3,284
Revaluation reserve for land	(35)	(131)
Foreign currency translation adjustments	284	80
Remeasurements of defined benefit plans	7,570	6,389
Non-Controlling Interests	24,462	25,398
Total Net Assets	2,497,713	2,623,995
Total Liabilities and Net Assets	¥9,351,899	¥9,554,725

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 2023, 2nd Quarter (Six months ended September 30, 2022)	Fiscal 2024, 2nd Quarter (Six months ended September 30, 2023)
Operating Revenues	¥1,115,073	¥1,299,829
Operating Expenses	1,048,362	1,108,031
Transportation, other services and cost of sales	774,793	813,644
Selling, general and administrative expenses	273,569	294,387
Operating Income	66,710	191,797
Non-Operating Income	8,947	12,213
Interest income	52	39
Dividend income	2,728	2,824
Equity in net income of affiliated companies	1,122	5,484
Other	5,043	3,864
Non-Operating Expenses	36,063	38,482
Interest expense	31,667	33,923
Other	4,395	4,558
Ordinary Income	39,594	165,529
Extraordinary Gains	21,044	8,046
Construction grants received	14,734	3,114
Compensation income	1,971	3,044
Other	4,338	1,887
Extraordinary Losses	22,333	8,833
Losses on reduction entry for construction grants	13,966	3,089
Intensive seismic reinforcement costs	2,256	1,987
Removal expenses of fixed assets	971	1,868
Other	5,139	1,888
Income before Income Taxes	38,305	164,741
Income Taxes	10,854	47,086
Current	5,970	8,625
Deferred	4,884	38,461
Profit	27,450	117,654
Profit Attributable to Non-Controlling Interests	344	577
Profit Attributable to Owners of Parent	¥ 27,106	¥ 117,077

Note: Amounts less than one million yen are omitted.

(ii) Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Fiscal 2023, 2nd Quarter (Six months ended September 30, 2022)	Fiscal 2024, 2nd Quarter (Six months ended September 30, 2023)
Profit	¥27,450	¥117,654
Other Comprehensive Income	1,565	26,731
Net unrealized holding gains (losses) on securities	1,059	26,428
Net deferred gains (losses) on derivatives under hedge accounting	516	417
Foreign currency translation adjustments	25	(203)
Remeasurements of defined benefit plans	(897)	(1,236)
Share of other comprehensive income of associates accounted for using equity method	862	1,326
Comprehensive Income	¥29,016	¥144,386
Comprehensive Income attributable to		
Comprehensive income attributable to owners of the parent	¥28,667	¥143,875
Comprehensive income attributable to non-controlling Interests	349	511

Note: Amounts less than one million yen are omitted.

(3) Consolidated Statements of Cash Flows (Unaudited)
EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2023, 2nd Quarter (Six months ended September 30, 2022)	Fiscal 2024, 2nd Quarter (Six months ended September 30, 2023)
Cash Flows from Operating Activities		
Income before Income Taxes	¥ 38,305	¥ 164,741
Depreciation	191,864	191,476
Amortization of long-term prepaid expense	5,100	5,003
Net change in provision for large-scale renovation of Shinkansen infrastructure	12,000	12,000
Net change in net defined benefit liability	(7,519)	(5,768)
Interest and dividend income	(2,780)	(2,864)
Interest expense	31,667	33,923
Construction grants received	(14,734)	(3,114)
Compensation income	(1,971)	(3,044)
Losses from disposition of fixed assets	8,433	7,752
Losses from provision for cost reduction of fixed assets	13,966	3,089
Net change in major receivables	(3,678)	(11,012)
Net change in major payables	(73,288)	(55,093)
Other	(33,779)	(39,007)
Sub-total	163,585	298,082
Proceeds from interest and dividends	4,182	5,505
Payments of interest	(31,393)	(33,645)
Payments of disaster-damage losses	(7,015)	(9,353)
Proceeds from compensation	1,971	3,044
Payments of partial transfer costs of railway operation	(53)	—
Payments of income taxes	(2,878)	(9,091)
Net cash provided by operating activities	128,399	254,541
Cash Flows from Investing Activities		
Payments for purchases of fixed assets	(244,346)	(293,632)
Proceeds from sales of fixed assets	834	1,761
Proceeds from construction grants	26,503	48,032
Payments for purchases of investments in securities	(5,410)	(6,586)
Proceeds from sales of investments in securities	349	231
Payments for purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(2,660)
Other	(2,856)	(5,584)
Net cash used in investing activities	(224,926)	(258,438)
Cash Flows from Financing Activities		
Net change in short-term loans	(60,749)	—
Net change in commercial papers	(30,000)	—
Proceeds from long-term loans	38,000	68,800
Payments of long-term loans	(55,000)	(66,500)
Proceeds from issuance of bonds	344,958	286,044
Payments for redemption of bonds	(86,000)	(75,000)
Payments of liabilities incurred for purchase of railway facilities	(1,890)	(2,013)
Cash dividends paid	(18,879)	(18,879)
Other	(4,504)	(2,012)
Net cash provided by financing activities	125,933	190,438
Effect of Exchange Rate Changes on Cash and Cash Equivalents	278	214
Net Change in Cash and Cash Equivalents	29,685	186,756
Cash and Cash Equivalents at Beginning of the Period	171,023	215,000
Increase in Cash and Cash Equivalents from Merger	776	1,047
Cash and Cash Equivalents at End of the Period	¥ 201,485	¥ 402,804

Note: Amounts less than one million yen are omitted.

(4) Notes to Quarterly Consolidated Financial Statements (Unaudited)

(Notes on Going Concern Assumption (Unaudited))

None

(Segment Information (Unaudited))

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

Fiscal 2023, 2nd Quarter (Six months ended September 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	¥774,124	¥152,138	¥156,628	¥32,181	¥1,115,073	¥ —	¥1,115,073
Inside group	28,938	15,794	13,385	63,208	121,327	(121,327)	—
Total	803,062	167,932	170,014	95,390	1,236,400	(121,327)	1,115,073
Segment income	¥ 17,327	¥ 11,712	¥ 31,921	¥ 4,386	¥ 65,348	¥ 1,362	¥ 66,710

- 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 ¥1,362 million includes an elimination of unrealized holding gains (losses) on fixed assets and inventory assets in the amount of ¥1,441 million and an elimination for intersegment transactions in the amount of ¥(96) million.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the quarterly consolidated statements of income.

Fiscal 2024, 2nd Quarter (Six months ended September 30, 2023)	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	¥903,196	¥181,334	¥174,832	¥ 40,465	¥1,299,829	¥ —	¥1,299,829
Inside group	31,386	15,318	13,980	71,155	131,841	(131,841)	—
Total	934,583	196,653	188,813	111,620	1,431,670	(131,841)	1,299,829
Segment income	¥118,352	¥ 23,138	¥ 40,335	¥ 9,190	¥ 191,016	¥ 780	¥ 191,797

- 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 ¥780 million includes an elimination of unrealized holding gains (losses) on fixed assets and inventory assets in the amount of ¥927 million and an elimination for intersegment transactions in the amount of ¥(136) million.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the quarterly consolidated statements of income.

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

None