

**FY2017.3
Second Quarter
Financial Results
Presentation**

TICKET

TO

TOMORROW

**October 31, 2016
East Japan Railway Company**

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I. JR East Group Management Vision V - Ever Onward -

JR East Group Management Vision V

JR East Group Management Vision V

- Ever Onward -

(Announced on Oct. 30, 2012)

Eternal Mission

Extreme safety levels

Service quality reforms

Strengthening collaboration with local communities

Pursuing Unlimited Potential

Technological innovation

Tackling new business areas

Creating a corporate culture that maximizes human potential

Updated "Priority Initiatives Going Forward" of JR East Group Management Vision V

Priority Groupwide Tasks

Improve the Safety and Reliability of Transportation

Take on the Challenge of Enhancing Profitability

Advance "TICKET TO TOMORROW" Initiatives

Sustained Growth

The JR East Group

Local Communities and Society

Employees

Customers

Shareholders and Investors

" Thriving with Communities, Growing Globally "

Priority Groupwide Tasks (1) : Improve the Safety and Reliability of Transportation

As it approaches the 30th anniversary of its establishment, the JR East Group faces internal and external “change points,” including changes in railway systems, the increasingly flat division of work, and the rapid transition to the next generation. In light of these, JR East will proactively solve issues by strengthening related equipment and facilities and revising safety education and training.

Changes in railway systems

Increasingly flat division of work

Rapidly advancing transition to next generation of employees

**change
points**



Operation of Shinkansen at higher speeds

Work by partner companies



Revise safety education and training

⇒ Revising safety education and training to make it more practical not only in relation to work procedures but also with a view to furthering understanding of “essence” (intent and purpose, system and operation principles, etc.)

**Aiming to
resolve
issues**

Enhance technological capabilities through collaboration with partner companies

⇒ Entrench and strengthen management of railway construction work, expand and intensify personnel exchanges, and increase sharing of risk information



Strengthen ability to respond to emergencies

Strengthen physical infrastructure (equipment and railcars)

Exchanging opinions with partner companies



Practical safety education and training

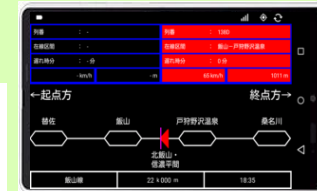
Risk Mitigation Committee

Prevent recurrence rigorously

⇒ Check that measures to prevent serious incidents that occurred in the past are being implemented without fail

Realize prevention by analyzing safety levels

⇒ Prevent serious incidents by unearthing weak points of physical and intangible infrastructure



Terminal screen of a GPS train approach alarm system



Strengthening cables

Improve the safety and reliability of transportation

Priority Groupwide Task (2): Take on the Challenge of Enhancing Profitability

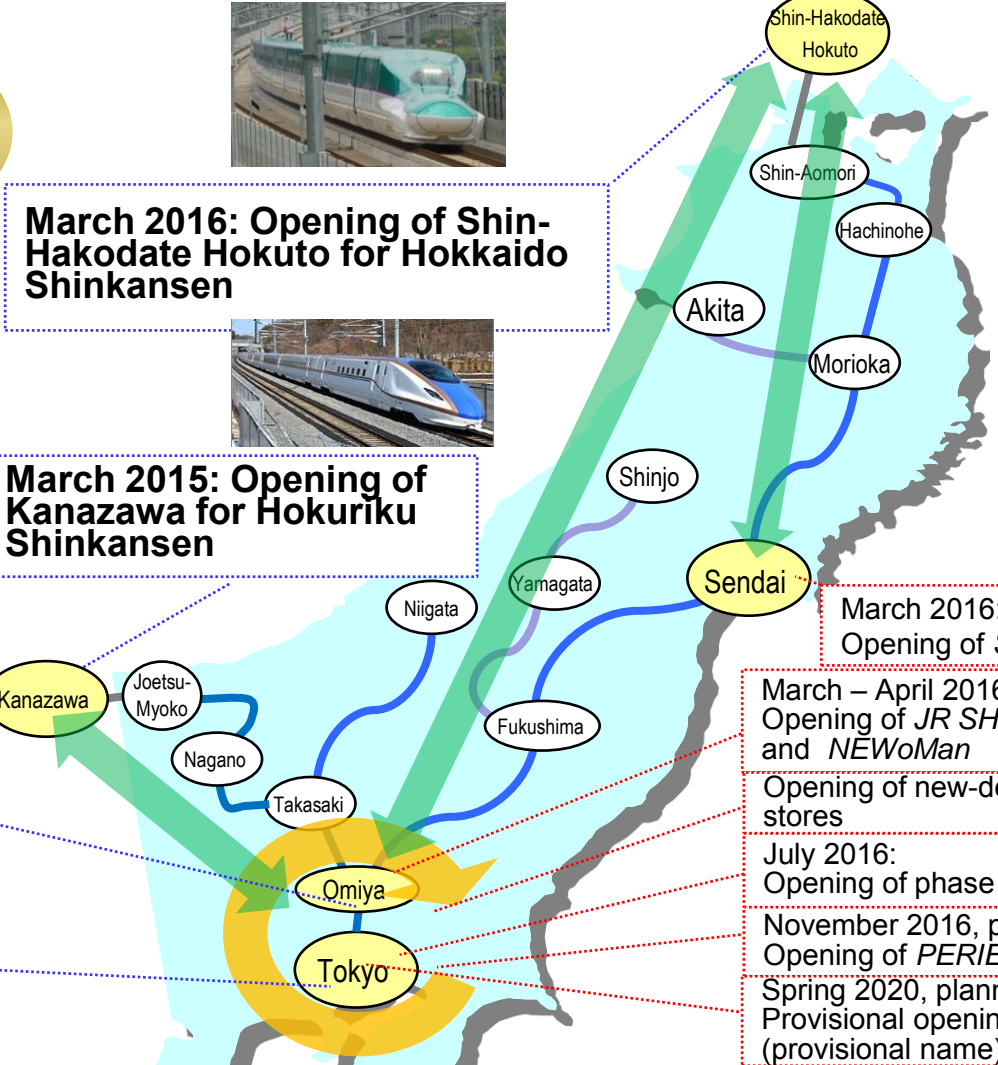
Given the realization of large projects, such as the respective extension and opening of the Hokuriku and Hokkaido Shinkansen lines and the opening of the Ueno-Tokyo Line to expand the railway network as well as the completion of *JR SHINJUKU MIRAINA TOWER*, the JR East Group will further heighten the added value that it provides customers to take on the challenge of maximizing operating revenues.

Increase passenger traffic between and within regions

- Promote use of railway network
- Establish inter-regional sightseeing routes
- Advance strategies for visitors to Japan
- Establish strategic products

Improve the convenience and establish the brand power of large-scale stations

- Pursue synergy benefits through collaboration between railway, life-style service, and IT and Suica operations respectively
- Enhance added value through renewal of existing stores and other measures
- Develop an internationally attractive exchange hub



March 2016: Opening of Shin-Hakodate Hokuto for Hokkaido Shinkansen



March 2015: Opening of Kanazawa for Hokuriku Shinkansen



March 2015: Opening of Ueno Tokyo Line
Second half of FY2020.3, planned: Beginning of direct services between JR East lines and the Sagami Line

- March 2016: Opening of S-PAL Sendai East Building
- March – April 2016: Opening of *JR SHINJUKU MIRAINA TOWER* and *NEWoMan*
- Opening of new-design *NewDays* station convenience stores
- July 2016: Opening of phase 1 of *GranSta MARUNOUCHI*
- November 2016, planned: Opening of *PERIE CHIBA EKINAKA (in-station)*
- Spring 2020, planned: Provisional opening of Shinagawa New Station (provisional name)

Priority Groupwide Task (3): Advance “TICKET TO TOMORROW” Initiatives

JR East will steadily advance the “JR East 2020 Project” with a view to the Tokyo 2020 Olympic and Paralympic Games. Based on the “TICKET TO TOMORROW” communication slogan, the JR East Group will advance concerted initiatives aimed at providing high-quality services to meet customers’ expectations and creating a legacy for society beyond 2020.

**TICKET
TO
TOMORROW**

TICKET TO TOMORROW

Create a legacy in
eastern Japan

Advance strategies
for visitors to Japan

Improve the convenience and
establish the brand power of large-
scale stations

JR East 2020 Project

Pillar of initiatives I

Helping to ensure that the Games proceed without issues

- (1) Provide safe and reliable railway infrastructure that is barrier free
- (2) Provide information to facilitate usage and provide comfortable passenger rail transportation services

Pillar of initiatives II

Contributing to the growing enthusiasm surrounding the event

- (1) Stimulate tourism with a view to restoration of the (Tohoku) disaster area
- (2) Realize regional revitalization in eastern Japan
- (3) Enhance the appeal of the Tokyo metropolitan area by upgrading large-scale stations
- (4) Advance diversity
- (5) Contribute continuously to local communities through support for sport

FY2019.3 Numerical Targets

(¥ billion,%)	2016.3 Results	2017.3 Plan	2019.3 Target	2019.3/2016.3	
				Increase / decrease	(%)
Operating revenues	2,867.1	2,878.0	2,967.0	+99.8	103.5
Transportation	1,954.5	1,951.0	1,979.0	+24.4	101.2
Station Space Utilization	399.9	402.0	427.0	+27.0	106.8
Shopping Centers & Office Buildings	255.9	274.0	296.0	+40.0	115.6
Others	256.6	251.0	265.0	+8.3	103.2
Operating income	487.8	450.0	498.0	+10.1	102.1
Transportation	348.5	308.0	342.0	-6.5	98.1
Station Space Utilization	35.0	33.0	37.0	+1.9	105.4
Shopping Centers & Office Buildings	71.6	75.0	84.0	+12.3	117.3
Others	35.0	35.0	36.0	+0.9	102.8
Adjustment	-2.4	-1.0	-1.0		

■ Main assumptions

(For the three years ending FY2019.3)

•Real GDP growth rate
approx. +0.7% per year

•Basic growth rate for passenger
revenues per year

Commuter passes:
approx. +0.2% per year

Non-commuter passes:
approx. +0.4% per year

Consolidated ROA (at the end of FY2019.3)
(rate of operating income on total assets)

Around **6%**

Consolidated ROE (at the end of FY2019.3)
(rate of net income on equity)

Around **10%**

The three-year targets will be reviewed annually, and will be revised to new targets for the next three years starting from the following fiscal year.

Uses of Consolidated Cash Flows

	Targets	FY2017.3
Consolidated operating cash flow	Approx. ¥2.0 trillion (Three-year total to FY2019.3)	
Capital expenditures	Approx. ¥1.6 trillion (Three-year total to FY2019.3)	¥520.0 billion*
Investment needed for the continuous operation of business (Safety practice and transportation stability)	Approx. ¥1,000.0 billion (Approx. ¥600.0 billion)	¥342.0 billion
Growth investment	Approx. ¥600.0 billion	¥178.0 billion
Shareholder returns	[Medium- to long-term target] 33% total return ratio (to net income)	¥130 /share dividend Share buybacks**
Debt reduction	(During the 2020s) ¥3,000.0 billion interest-bearing debt balance	Reduce interest-bearing debt Around ¥30.0 billion

* In addition, priority budget allocation max. ¥30.0 billion from the deposit balance on Mar. 31, 2016 (capital expenditures of approx. ¥550.0 billion in total)

** Share buybacks of 3.09 million shares for approx. ¥ 29.9 billion executed in May to June 2016(cancelled in July 2016) (Total return ratio as of FY2016.3 : 33.0%)

II. FY2017.3 Second Quarter Financial Results and FY2017.3 Plan

FY2017.3 Second Quarter Financial Results and FY2017.3 Plan (non-consolidated)

(¥ billion)	2015.9 Results	2016.9 Results [Apr. plan]	2016.9/2015.9		2016.3 Results	2017.3 [Apr. plan]	2017.3/2016.3	
			Increase / decrease	(%)			Increase / decrease	(%)
Operating revenues	1,037.7	1,041.8 [1,039.0]	+4.0	100.4	2,057.3	2,060.0	+2.6	100.1
Passenger revenues	915.6	917.9	+2.2	100.2	1,805.0	1,807.0	+1.9	100.1
Others	122.1	123.9	+1.7	101.5	252.3	253.0	+0.6	100.3
Operating expenses	780.9	799.4	+18.4	102.4	1,647.3	1,687.0	+39.6	102.4
Personnel expenses	236.0	231.1	-4.9	97.9	473.2	462.0	-11.2	97.6
Non-Personnel expenses	310.7	331.5	+20.8	106.7	702.6	746.0	+43.3	106.2
Energy	30.5	29.3	-1.1	96.1	60.3	62.0	+1.6	102.7
Maintenance	108.3	124.1	+15.7	114.5	256.3	285.0	+28.6	111.2
Other	171.7	178.1	+6.3	103.7	385.8	399.0	+13.1	103.4
Usage fees to JR TT, etc.	44.3	43.8	-0.4	98.9	86.9	89.0	+2.0	102.3
Taxes	48.2	50.7	+2.4	105.1	90.5	96.0	+5.4	106.0
Depreciation	141.5	142.0	+0.5	100.4	293.8	294.0	+0.1	100.0
Operating income	256.8	242.4 [238.0]	-14.4	94.4	409.9	373.0	-36.9	91.0
Ordinary income	232.4	218.6 [214.0]	-13.7	94.1	359.4	323.0	-36.4	89.9
Profit	158.1	152.8 [148.0]	-5.3	96.6	209.0	229.0	+19.9	109.6

Passenger Revenues

- 1st half Results and Main Positive and Negative Factors

(YoY, ¥ billion,%)	Increase / decrease	(%)
Passenger revenues	+2.2	100.2
Commuter passes (Seasonal tickets)	+1.7	100.7
Non-commuter passes (Ordinary tickets)	+0.5	100.1
Shinkansen Network	-2.1	99.3
Kanto Area Network of Conventional Lines	+3.7	101.1
Other Network of Conventional Lines	-1.0	96.0

(YoY, ¥ billion)	Positive and Negative Factors	Increase / Decrease
Passenger revenues		+2.2
Commuter passes revenues (Seasonal Tickets)		+1.7
Non-commuter passes revenues (Ordinary Tickets)		+0.5
Shinkansen (-2.1)	Decrease in Hokuriku Shinkansen	-4.5
	Absence of Consecutive Holidays over Silver Week	-2.5
	Absence of "Zenkoji Gokaicho"	-0.5
	"Otona no Kyujitsu Club"	+0.5
	Inbound tourism	+1.5
	Hokkaido Shinkansen	+5.5
	Basic Trend	-2.5
Kanto Area Network (+3.7)	Obon festival travel	+0.5
	Golden Week	+0.5
	Three-Day Holiday (Marine Day)	+0.5
	Natural disasters (Typhoon) (increased occurrence compared to previous year)	-1.0
	Absence of Consecutive Holidays over Silver Week	-2.0
	Basic Trend	+5.0
Other Network (-1.0)	Opening of Hokkaido Shinkansen Line (decrease in conventional line)	-0.5
	Basic Trend	-0.5

Passenger Revenues

- 1st half Results and Full-term Plan (Apr. plan)

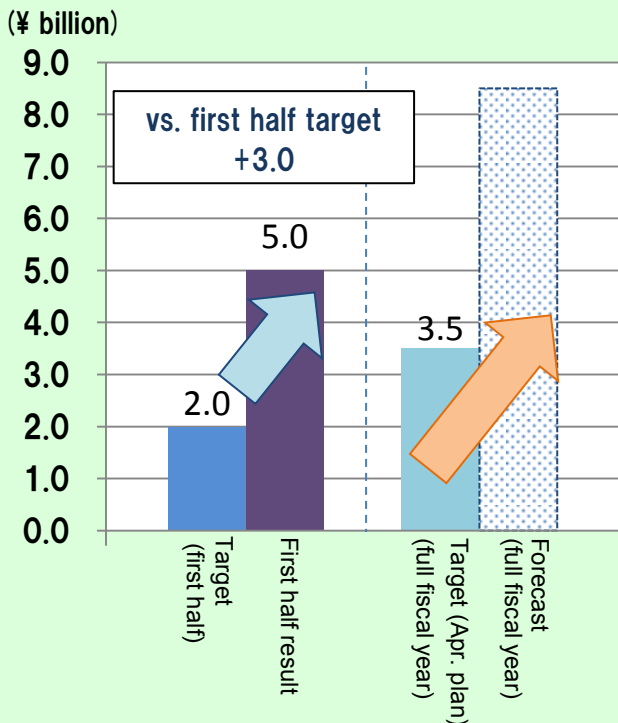
(YoY, ¥ billion,%)	Total		Main factors behind change	Trend
	1st half [Results]	2nd half		
Passenger revenues +1.9 billion	100.1%			100.3%
	100.2% [100.2%]	100.0%		
Commuter passes (Seasonal tickets) +1.4 billion	100.3%			100.3%
	100.3% [100.7%]	100.3%		
Non-commuter passes (Ordinary tickets) +0.5 billion	100.0%			100.3%
	100.2% [100.1%]	99.9%		
Shinkansen Network +6.3 billion	101.2%		<ul style="list-style-type: none"> •Hokkaido Shinkansen: +4.5 •Inbound tourism: +4.0 •Absence of Silver Week, etc.: -1.0 •Absence of Leap-year: -1.0 •Typhoon, snow, etc.: -1.0 •Hokuriku Shinkansen: -2.5 	100.6%
	101.3% [99.3%]	101.0%		
Kanto Area Network of Conventional Lines -3.1 billion	99.6%		<ul style="list-style-type: none"> •Absence of Silver Week: -2.0 •Absence of Leap-year: -2.0 •Typhoon, snow, etc.: -1.5 •Advance purchases in anticipation of consumption tax hike: +1.0 	100.3%
	99.7% [101.1%]	99.4%		
Other Network of Conventional Lines -2.7 billion	94.8%		<ul style="list-style-type: none"> •Opening of Hokkaido Shinkansen Line (decrease in conventional line): -1.0 	97.5%
	94.8% [96.0%]	94.6%		

Topics (Hokkaido Shinkansen and Hokuriku Shinkansen)

Hokkaido Shinkansen

Amount contributed by Hokkaido Shinkansen (target and result)

* Shinkansen increase net of conventional line decrease



JR East-South Hokkaido Rail Pass (pamphlet)



Series H7 Hokkaido Shinkansen

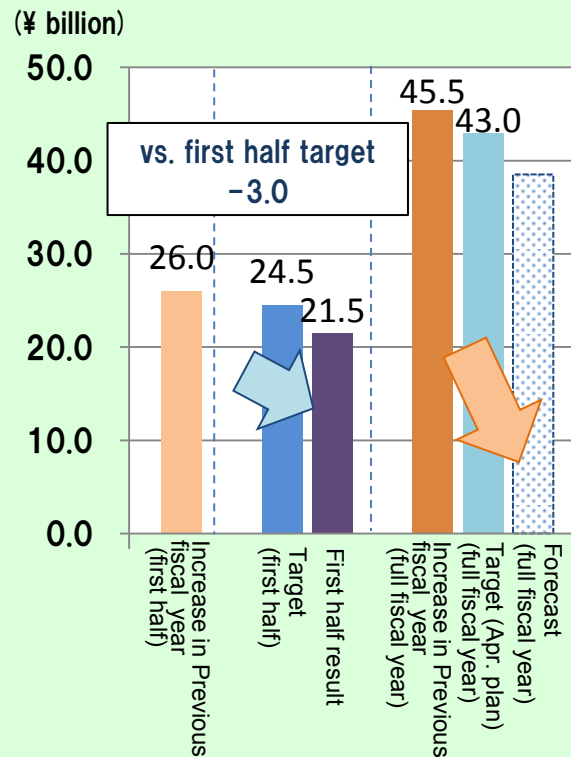
(Initiatives to promote usage)

- Implementation of Aomori Prefecture and Hakodate Destination Campaign
- Establishment of new discount tickets for visitors to Japan
- Stimulation of tourism further through such initiatives as the launch of travel products that combine the Hokkaido Shinkansen Line and flights

Hokuriku Shinkansen

Amount contributed by Hokuriku Shinkansen (target and result)

* Shinkansen increase net of conventional line decrease



Hokuriku Arch Pass (pamphlet)



Oishisa Itsutsuboshi. Hokuriku Shinkansen Campaign (logo)

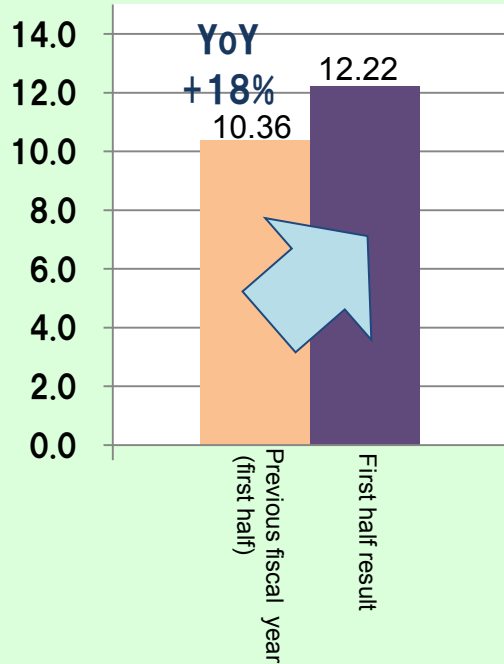
(Initiatives to promote usage)

- Development of inter-regional sightseeing routes and advancement of the development of destination-driven tourism
- Establishment of new discount tickets for visitors to Japan
- Implementation of the Oishisa Itsutsuboshi. Hokuriku Shinkansen Campaign

■ Inbound Tourism

Visitors to Japan (first half)

(Millions) [Reference: JNTO]



(Initiatives to promote usage)

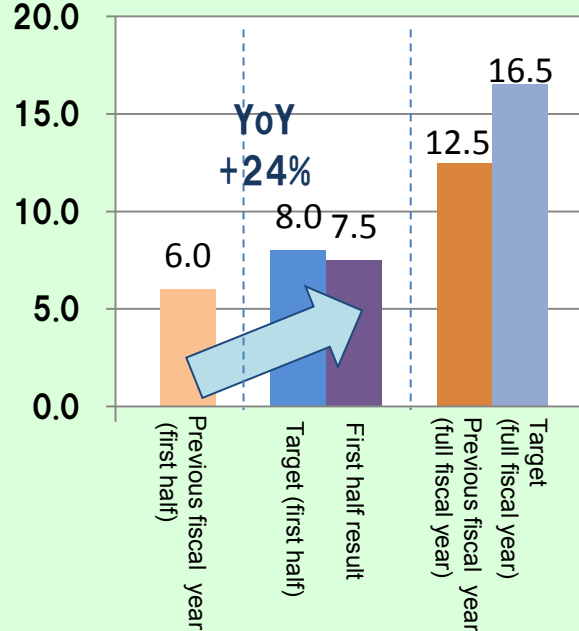
- Establishment of Exploration to the *Deep North of Japan* route collaborated with Tohoku Tourism Promotion Organization
- Advancement of “air and land” travel packages that use Sendai Airport as a gateway and combine sightseeing in Tohoku and tourism in Tokyo
- Establishment of more tax-free counters in station buildings and station concourses
- Development of inexpensive, long-term accommodation that is convenient for visitors to Japan

■ Railway business

Inbound revenue (target and result)

*JR East's share of JR ticket sales, including sales of discount railway tickets for foreign visitors and sales of JR EAST Travel Service Centers

(¥ billion)

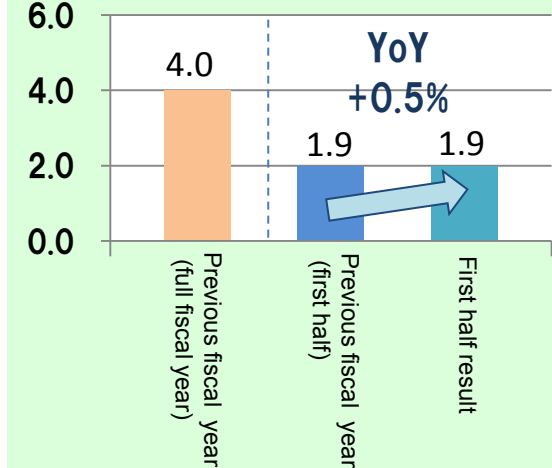


■ Lyfe-style business

Accommodation revenue for foreign guests

(result)

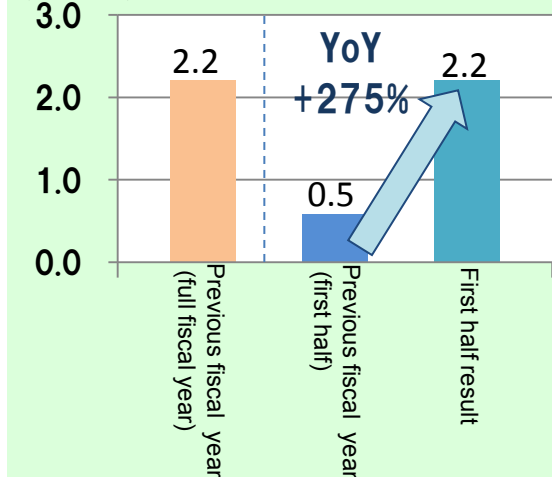
(¥ billion)



Total sales volume at tax-free counters

(result)

(¥ billion)



Operating Expenses (non-consolidated) - FY2017.3 Second Quarter Results

(¥ billion)	2015.9 Results	2016.9 Results	2016.9/2015.9		Main factors behind change
			Increase / decrease	(%)	
Operating expenses	780.9	799.4	+18.4	102.4	
Personnel expenses	236.0	231.1	-4.9	97.9	•Decrease in number of employees etc.
Non-personnel expenses	310.7	331.5	+20.8	106.7	
Energy	30.5	29.3	-1.1	96.1	•Decrease in fuel costs of thermal power plants etc.: -5.2 •Maintenance of thermal power plants etc.: +3.0
Maintenance	108.3	124.1	+15.7	114.5	•General maintenance expenses: +15.2 (Provision for Large-Scale Renovation of Shinkansen Infrastructure: +12.0, Safety countermeasures in response to accidents: +4.5) •Railcar maintenance expenses: +0.4
Other	171.7	178.1	+6.3	103.7	•Systems usage expenses: +2.2 •Railcar usage expenses: +1.6 •Outsourcing expenses: +0.9
Usage fees to JR TT, etc.	44.3	43.8	-0.4	98.9	•Decrease due to end of leasing of some railway facilities (Musashino Line): -2.2 •Shinkansen: +1.7
Taxes	48.2	50.7	+2.4	105.1	•Amendment of pro forma standard taxation: +1.8
Depreciation	141.5	142.0	+0.5	100.4	

FY2017.3 Second Quarter Financial Results and FY2017.3 Plan (consolidated)

(¥ billion)	2015.9 Results	2016.9 Results [Apr. plan]	2016.9/2015.9		2016.3 Results	2017.3 Apr. plan	2017.3/2016.3	
			Increase / decrease	(%)			Increase / decrease	(%)
Operating revenues	1,421.2	1,435.1 [1,432.0]	+13.8	101.0	2,867.1	2,878.0	+10.8	100.4
Transportation	984.1	989.2	+5.1	100.5	1,954.5	1,951.0	-3.5	99.8
Station Space Utilization	201.5	200.5	-0.9	99.5	399.9	402.0	+2.0	100.5
Shopping Centers & Office Buildings	125.0	129.5	+4.5	103.6	255.9	274.0	+18.0	107.0
Others	110.6	115.7	+5.1	104.7	256.6	251.0	-5.6	97.8
Operating income	292.3	277.6 [272.0]	-14.6	95.0	487.8	450.0	-37.8	92.2
Transportation	224.0	209.9	-14.1	93.7	348.5	308.0	-40.5	88.4
Station Space Utilization	18.9	16.9	-2.0	89.3	35.0	33.0	-2.0	94.0
Shopping Centers & Office Buildings	38.3	38.3	-0.0	99.9	71.6	75.0	+3.3	104.7
Others	10.1	11.7	+1.5	115.7	35.0	35.0	-0.0	99.9
Adjustment	0.7	0.7	-0.0	92.3	-2.4	-1.0	+1.4	40.1
Ordinary income	257.5	244.9 [238.0]	-12.6	95.1	428.9	393.0	-35.9	91.6
Profit attributable to owners of parent	167.3	164.7 [158.0]	-2.5	98.5	245.3	266.0	+20.6	108.4

Transportation - Results and Plan

(¥ billion)	2015.9	2016.9	2016.9/ 2015.9
Operating revenues	984.1	989.2	+5.1 100.5%
Operating income	224.0	209.9	-14.1 93.7%

2016.3	2017.3 Plan	2017.3/ 2016.3
1,954.5	1,951.0	-3.5 99.8%
348.5	308.0	-40.5 88.4%

Operating revenues

- main positive and negative factors in 1st-half (FY2017.3)

J-TREC	+2.5	Increase in sales to outside customers
JR East	+2.4	Increase in passenger revenues

FY2017.3 Topics

- *Oishisa Itsutsuboshi. Hokuriku Shinkansen Campaign* (Oct. to Dec. 2016)
- *Ikuze, Tohoku. SPECIAL Fuyu no Gohobi Campaign* (Dec. 2016 to Mar. 2017)
- *Japanese Beauty Hokuriku Campaign* (Dec. 2016 to Mar. 2017)
- *JR SKISKI Campaign, etc.*



Ikuze, Tohoku. SPECIAL Fuyu no Gohobi Campaign

Japanese
Beauty
Hokuriku

Japanese Beauty Hokuriku Campaign

JR SKISKI

JR SKISKI Campaign

[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

Station Space Utilization - Results and Plan

(¥ billion)	2015.9	2016.9	2016.9/ 2015.9
Operating revenues	201.5	200.5	-0.9 99.5%
Operating income	18.9	16.9	-2.0 89.3%

2016.3	2017.3 Plan	2017.3/ 2016.3
399.9	402.0	+2.0 100.5%
35.0	33.0	-2.0 94.0%

Operating revenues - main positive and negative factors in 1st-half (FY2017.3)

JR East Retail Net (J-Retail)	-1.2	Stores closed for construction
Tetsudo Kaikan	-1.1	Stores closed for construction
LUMINE	+0.5	Opening of <i>NEWoMan</i>

FY2017.3 Topics

- *NEWoMan (in-station)* (Apr. 2016 Opened)
- *GranSta MARUNOUCHI* (27 Jul. 2016 Opened)
- *PERIE CHIBA EKINAKA (in-station)* (20 Nov. 2016 Open)
- *LUSCA Atami* (25 Nov. 2016 Open)

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

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1st-half total
Retails & Restaurant Total	100.7	98.3	98.8	98.0	98.3	97.9	98.6
J-Retail (existing stores)	101.1	99.3	100.0	99.1	100.9	100.3	100.1
NRE (existing stores)*	100.0	97.2	98.3	99.4	95.9	96.5	97.8

* For NRE, hotel operations revenues not included

[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

Shopping Centers & Office Buildings - Results and Plan

(¥ billion)	2015.9	2016.9	2016.9/ 2015.9	2016.3	2017.3 Plan	2017.3/ 2016.3
Operating revenues	125.0	129.5	+4.5 103.6%	255.9	274.0	+18.0 107.0%
Operating income	38.3	38.3	-0.0 99.9%	71.6	75.0	+3.3 104.7%

Operating revenues - main positive and negative factors in 1st-half (FY2017.3)

JR East Building	+1.8	Opening of <i>JR SHINJUKU MIRAINA TOWER</i>
LUMINE	+1.6	Opening of <i>NEWoMan</i>
Sendai Terminal Building	+0.8	Opening of <i>S-PAL Sendai East Building</i>
Shonan Station Building	+0.5	Floor expansion of <i>LUSCA Chigasaki</i>
atré	+0.3	Opening of <i>atré Ebisu West Building</i>

FY2017.3 Topics (FY2016.3 opening is in italics)

- *JR SHINJUKU MIRAINA TOWER*
(Mar. 2016 Opened)
- *atré Ebisu West Building*
(15 Apr. 2016 Opened)
- *LUSCA Atami* (25 Nov. 2016 Open)

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

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1st-half total
Shopping Centers Total	104.1	103.2	104.2	104.8	100.1	101.5	103.1
LUMINE (existing stores)	102.3	101.2	99.9	99.8	94.3	96.4	99.1
atré (existing stores)	99.9	99.2	100.1	99.9	97.9	98.4	99.2

[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

Others - Results and Plan

(¥ billion)	2015.9	2016.9	2016.9/ 2015.9	2016.3	2017.3 Plan	2017.3/ 2016.3
Operating revenues	110.6	115.7	+5.1 104.7%	256.6	251.0	-5.6 97.8%
Operating income	10.1	11.7	+1.5 115.7%	35.0	35.0	-0.0 99.9%

Operating revenues

- main positive and negative factors in 1st-half (FY2017.3)

East Japan Marketing & Communications	+1.8	Increase in advertising materials
View Travel Service	+1.4	Increase in travel packages due to transfer of product development responsibility

Hotel operating results 1st-half (FY2017.3)

Operating revenues : ¥25.0 billion (100.8%)
(including revenues inside group)
Operating income : ¥1.9 billion (88.0%)

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

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1st-half total
Hotel	105.2	96.6	101.4	101.9	95.3	102.3	100.4

[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

Major Projects of the Life-style Business Going Forward

	Opening	Total floor space (m ²)			
		Office (m ²)	Commercial (m ²)	Hotel (rooms)	
JR Shinjuku Miraina Tower	Mar. & Apr. 2016	Approx. 111,000	Approx. 77,200	Approx. 9,400	-
Sendai Station East Exit Development	Mar. 2016	Approx. 43,000	-	Approx. 41,000	-
	Summer 2017	Approx. 14,000	-	-	Approx. 280
Marunouchi underground area of Tokyo Station	Jul. 2016 - summer 2017	Approx. 19,000	-	Approx. 3,700	-
Main building and facilities of Chiba Station	Nov. 2016 - summer 2018 and beyond	Approx. 73,800	-	Approx. 57,400	-
Shibuya Station Development (Joint development)	(East Tower) FY2020.3 (Central & West Tower) FY2028.3	Approx. 276,000	(Leased floor) Approx. 73,000	(Store space) Approx. 70,000	-
		(East Tower) Approx. 181,000	(East Tower) Approx. 73,000	(East Tower) Approx. 30,000	
Development of area in and around north passage of Tokyo Station	2020	Approx. 17,600	-	Approx. 6,300	-
Yokohama Station West Exit Station Development Building (Provisional name)	2020	Approx. 122,000	Approx. 28,000	Approx. 70,000	-
Takeshiba Waterfront Development Project	2020	Approx. 103,000	Approx. 15,000	Approx. 8,000	Approx. 270
Shinagawa Development Project	Area for development : Approx. 130,000 m ²				22

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

(¥ billion)	2015.9 Results	2016.9 Results	Increase/ decrease	2016.3 Results	2017.3 Plan	Increase/ decrease
Operating income	292.3	277.6	-14.6	487.8	450.0	-37.8
Non-operating income or expenses	-34.7	-32.6	+2.0	-58.9	-57.0	+1.9
Non-operating income	6.9	5.9	-0.9			
Interest income	0.1	0.0	-0.0			
Dividend income	2.3	2.4	+0.0			
Equity in net income of affiliated companies	1.4	0.8	-0.6			
Other	3.0	2.7	-0.3			
Non-operating expenses	41.6	38.6	-2.9			
Interest expense	38.8	36.1	-2.7	19.5	16.6	-2.8
Other	2.7	2.5	-0.2	16.6	16.6	+0.1
Ordinary income	257.5	244.9	-12.6	428.9	393.0	-35.9
Extraordinary gains or losses	-7.6	-6.4	+1.1	-44.0	-10.0	+34.0
Extraordinary gains	7.2	9.7	+2.5			
Construction grants received	3.2	6.5	+3.3			
Insurance proceeds related to earthquake	3.6	2.5	-1.0			
Other	0.3	0.6	+0.2			
Extraordinary losses	14.8	16.2	+1.3			
Losses on reduction entry for construction grants	2.7	6.5	+3.7			
Intensive seismic reinforcement costs	3.5	4.3	+0.7			
Provision for allowance for partial transfer costs of railway operation	3.0	-	-3.0			
Other	5.3	5.3	-0.0			
Income before income taxes	249.9	238.5	-11.4			

Summary of Cash Flows (consolidated)

(¥ billion)	2015.9	2016.9	Increase/ decrease
			Increase in payments of income taxes: - 28.3
Cash Flows from Operating Activities (I)	298.2	281.2	-16.9
			Increase of payments for purchases of fixed assets: -16.0 Decrease of proceeds from sales of fixed assets: -9.0
Cash Flows from Investing Activities (II)	-274.2	-302.0	-27.8
Free Cash Flows (I) + (II)	24.0	-20.8	-44.8
Cash Flows from Financing Activities (III)	-75.4	-70.2	+5.1
Net Change in Cash and Cash Equivalents (I) + (II) + (III)	-51.4	-91.1	-39.6
Cash and Cash Equivalents at Beginning of the Period	245.1	307.8	+62.6
Decrease in Cash and Cash Equivalents Resulting from Exclusion of Subsidiaries from Consolidation	-0.6	-	+0.6
Cash and Cash Equivalents at End of the Period	193.1	216.6	+23.5

Change in Capital Expenditures (consolidated)

(¥ billion)		2013.3 (Results)	2014.3 (Results)	2015.3 (Results)	2016.3 (Results)	2016.9 (Results)	2017.3 (Plan)
Transportation	Growth investment	58.9	85.9	65.2	47.0	86.8	40.0
	Investment needed for the continuous operation of business	316.2	325.9	336.5	345.2		353.0
	Total	375.1	411.9	401.8	392.2		393.0
Non-transportation	Growth investment	99.4	107.6	111.9	136.4	46.9	138.0
	Investment needed for the continuous operation of business	6.1	6.1	8.3	13.3		19.0
	Total	105.5	113.7	120.2	149.7		157.0
	Growth investment	158.4	193.6	177.1	183.4	-	178.0
	Investment needed for the continuous operation of business	322.3	332.0	344.9	358.5	-	372.0
	(Depreciation)	346.8	348.0	353.2	359.5	176.5	372.0
Total	480.7	525.7*	522.1*	541.9*	133.7	550.0*	

* Includes priority budget allocation (¥14.7 billion resulted in FY2014.3)
(¥16.6 billion resulted in FY2015.3)

(¥18.1 billion resulted in FY2016.3)
(¥30.0 billion planned in FY2017.3)

Change in Interest-bearing Debt Balance (consolidated)

(¥ billion)	2012.3 (Results)	2013.3 (Results)	2014.3 (Results)	2015.3 (Results)	2016.3 (Results)	2016.9 (Results)
Bonds	1,599.6 (1.97%)	1,659.7 (1.94%)	1,719.7 (1.90%)	1,764.8 (1.84%)	1,809.9 (1.83%)	1,829.9 (1.79%)
Long-term loans	815.9 (1.75%)	853.7 (1.57%)	899.8 (1.43%)	965.4 (1.30%)	993.7 (1.23%)	1,011.3 (1.17%)
Long-term liabilities incurred for purchase of railway facilities	923.8 (5.49%)	793.2 (5.63%)	666.4 (5.78%)	545.2 (5.97%)	438.3 (6.18%)	390.2 (6.30%)
Other interest-bearing debt	0.7 (0.82%)	0.8 (0.76%)	2.3 (1.27%)	—	—	—
Total	3,340.2 (2.89%)	3,307.4 (2.73%)	3,288.4 (2.56%)	3,275.5 (2.37%)	3,241.9 (2.23%)	3,231.6 (2.14%)

Top : Balance
Bottom: Average interest rate

III. Reference Materials

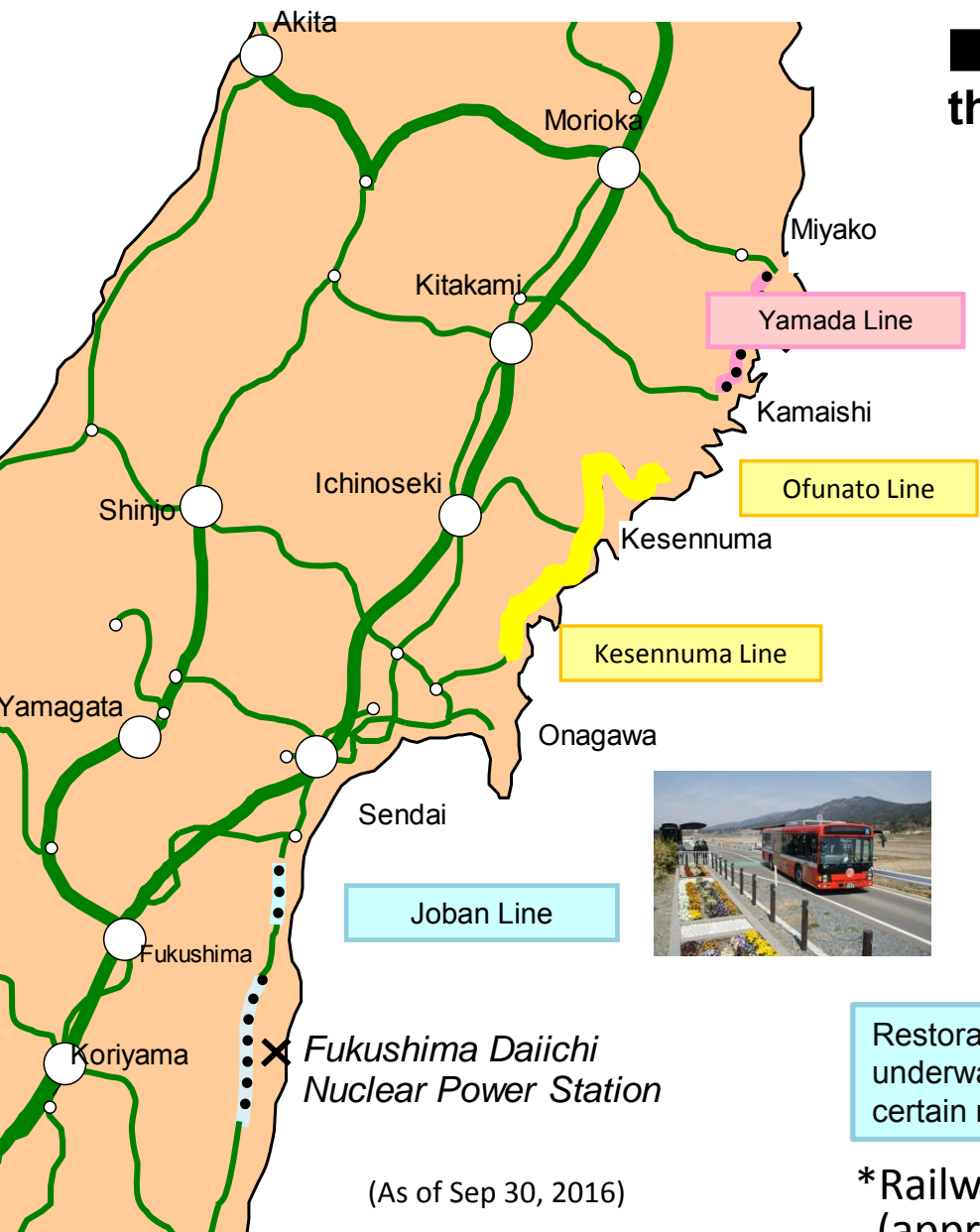
FY2017.3 Traffic Volume and Passenger Revenues - Plan

Commuter Passes: Seasonal Tickets Non-commuter Passes: Ordinary Tickets		
Shinkansen	Commuter Passes	
	Non-commuter Passes	
	Total	
Conventional Lines	Kanto Area Network	Commuter Passes
		Non-commuter Passes
		Total
	Other Network	Commuter Passes
		Non-commuter Passes
		Total
	Total	Commuter Passes
		Non-commuter Passes
		Total
Total	Commuter Passes	
	Non-commuter Passes	
	Total	

Traffic Volume (million passenger kilometers)			
2016.3 Results	2017.3 Plan	Increase / decrease	(%)
1,740	1,745	+5	100.3
21,108	21,358	+250	101.2
22,848	23,104	+255	101.1
69,908	70,118	+209	100.3
35,966	35,815	-150	99.6
105,875	105,933	+58	100.1
3,083	3,092	+9	100.3
2,621	2,494	-126	95.2
5,704	5,587	-117	97.9
72,992	73,210	+218	100.3
38,587	38,310	-277	99.3
111,579	111,520	-58	99.9
74,732	74,956	+223	100.3
59,695	59,668	-26	100.0
134,428	134,625	+196	100.1

Passenger Revenues (¥ billion)			
2016.3 Results	2017.3 Plan	Increase / decrease	(%)
23.6	23.6	+0.0	100.3
554.5	560.9	+6.3	101.2
578.2	584.6	+6.4	101.1
452.3	453.6	+1.3	100.3
703.8	700.7	-3.1	99.6
1,156.1	1,154.3	-1.7	99.8
18.4	18.5	+0.0	100.3
52.0	49.3	-2.7	94.8
70.5	67.8	-2.6	96.2
470.8	472.2	+1.4	100.3
755.8	750.0	-5.8	99.2
1,226.7	1,222.2	-4.4	99.6
494.4	495.9	+1.4	100.3
1,310.4	1,311.0	+0.5	100.0
1,804.9	1,806.9	+1.9	100.1

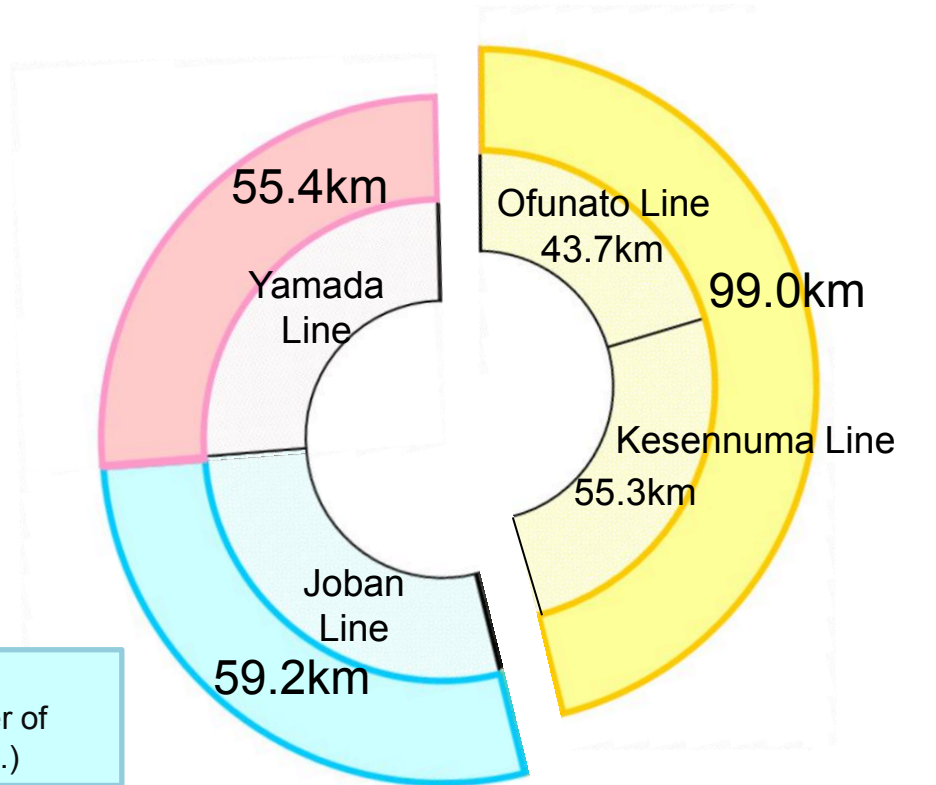
Operation Suspended Lines and Segments Damaged by Tsunami during Great East Japan Earthquake



Current status of conventional lines along the Pacific coast damaged by tsunami

Restoration work underway (transfer of management of section scheduled)

Bus Rapid Transit (BRT) systems operating (agreement reached on full-scale restoration)



Restoration work underway (transfer of certain routes, etc.)

(As of Sep 30, 2016)

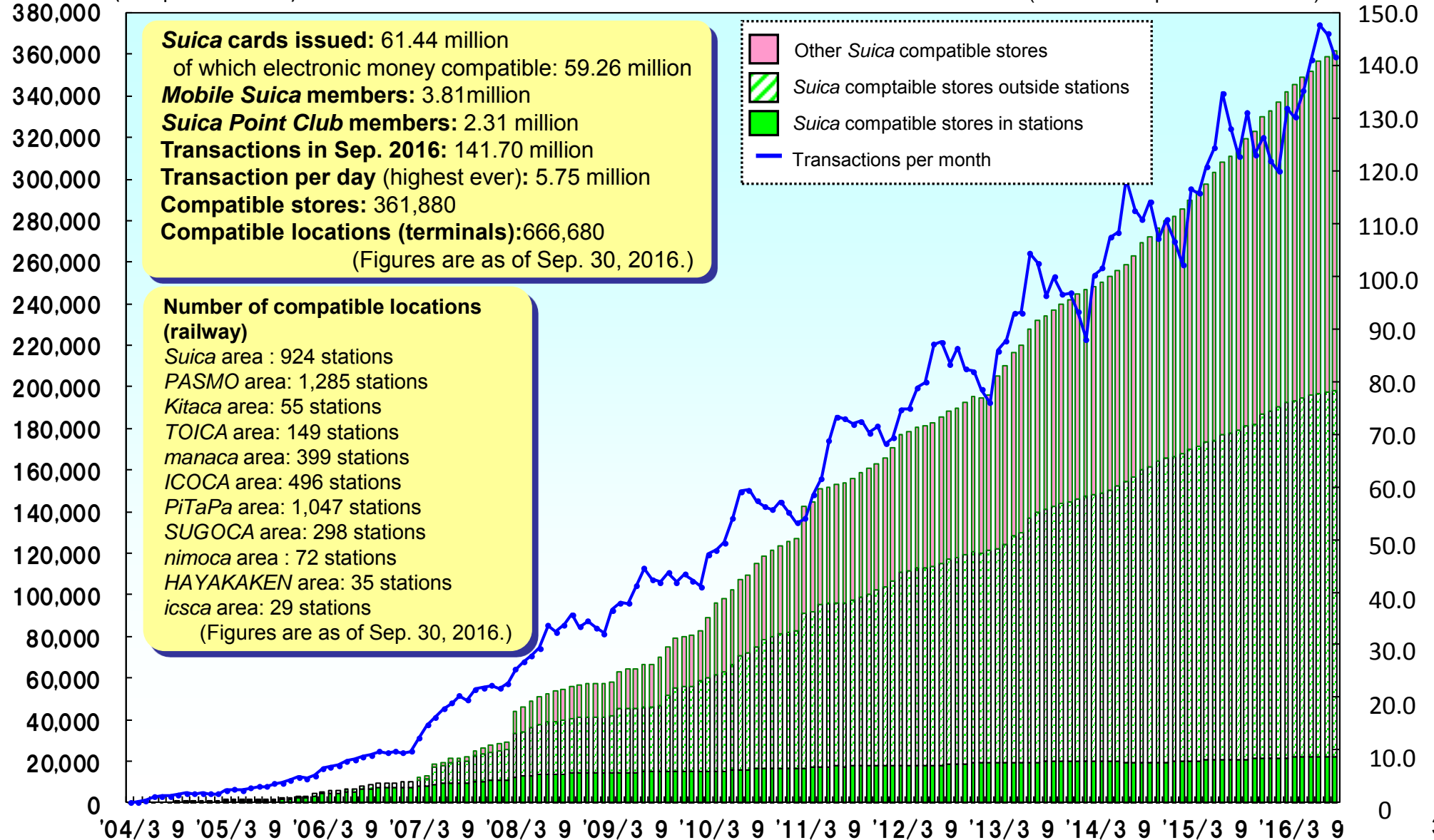
*Railway services have been restored on other line segments (approx. 186 km).

Suica Electronic Money - Transactions and Compatible Stores

* Figures include results of other affiliated stores.

(Compatible Stores)

(Transactions per month: million)



(Topics) Getting started with Suica and Apple Pay



User guide (image)

Overview of using Suica and View Card with Apple Pay

Services covered



Add Suica card
(Place Suica card
against device)



Add Credit card



Use Suica card

Use registered credit card
to recharge Suica card or buy
commuter pass

Pass device over terminal for
contactless payment by credit card

Places usable

-Transportation systems where
transportation IC cards can be
used and e-money affiliated
stores



-QUICPay affiliated stores



※ For further details, please visit the website below.

<http://www.jreast.co.jp/appsuica> (in Japanese only)

Development of **ecute**

	Omiya	Shinagawa	Tachikawa	Nippori	Tokyo	Ueno	Shinagawa South	Akabane
Beginning of operations	Mar. 2005	Oct. 2005	Oct. 2007 (phase I) Oct. 2008 (phase II) Aug. 2016 (floor space increase)	Mar. 2008 Jun. 2009 (floor space increase)	Mar. 2010	Dec. 2010 (phase I) Mar. 2011 (phase II)	Dec. 2010 (phase I) Feb. 2011 (phase II) Apr. 2011 (phase III) May 2011 (phase IV)	Mar. 2011 (phase I) Jul. 2011 (phase II) Aug. 2011 (phase III) Sep. 2011 (phase IV)
Store space	Approx. 2,300 m ²	Approx. 1,600 m ²	Approx. 4,515m ²	Approx. 380 m ²	Approx. 730 m ²	Approx. 4,300 m ²	Approx. 1,900 m ²	Approx. 1,650 m ²
Number of shops	76	52	72	18	32	74	39	51
Sep. 2016 Results (YoY, %)	¥ 4.9 billion (105.7%)	¥ 3.3 billion (102.4%)	¥ 2.2 billion (80.3%)	¥ 0.9 billion (103.6%)	¥ 2.6 billion (107.1%)	¥ 4.8 billion (102.3%)	¥ 5.5 billion (102.1%)	¥ 2.5 billion (98.9%)

Hotel Operations - Overview

■ Metropolitan Hotels (10 hotels, 3,032 guest rooms)

Hotel Metropolitan (Ikebukuro), Edmont (Iidabashi), Takasaki, Nagano, Sendai, Morioka, Morioka New Wing, Akita, Yamagata and Marunouchi

Operating revenues* : ¥ 16.7 billion (Sep. 2016)

Occupancy rate: 81.8%

■ HOTEL METS chain (23 hotels, 2,686 guest rooms)

Kumegawa, Musashisakai, Kokubunji, Urawa, Mito, Kawasaki, Tabata, Tsudanuma, Kitakami, Nagaoka, Mizonokuchi (Musashi-Mizonokuchi), Shibuya, Kamakura Ofuna (Ofuna), Hachinohe, Mejiro, Akabane, Fukushima, Koenji, Tachikawa, Komagome, Yokohama Tsurumi (Tsurumi), Hotel R-Mets Utsunomiya and Niigata

Operating revenues* : ¥ 4.5 billion (Sep. 2016)

Occupancy rate: 85.4%

■ The Tokyo Station Hotel (150 guest rooms)

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

■ Hotel Dream Gate Maihama (80 guest rooms)

■ Hotel New Grand (240 guest rooms)

(As of Sep. 30, 2016)

* Simple sum of operating revenues from each hotel.

Major Subsidiaries - Results and Plan

(¥ billion)		2015.9 Results	2016.9 Results	2016.9/ 2015.9	2017.3 Plan	2017.3/ 2016.3
JR East Retail Net (J-Retail)	Operating revenues	99.2	98.0	98.8%	190.1	96.8%
	Operating income	2.1	1.1	53.8%	0.5	19.4%
Nippon Restaurant Enterprise (NRE)	Operating revenues	31.2	30.4	97.3%	61.2	98.3%
	Operating income	0.8	0.3	36.0%	0.8	48.4%
LUMINE	Operating revenues	32.8	35.0	106.6%	76.7	110.2%
	Operating income	6.1	5.4	88.9%	12.9	104.6%
East Japan Marketing & Communications	Operating revenues	46.6	48.7	104.6%	110.1	101.0%
	Operating income	1.0	0.8	86.8%	3.3	85.1%

* Non-consolidated operating revenues / operating income

Shinagawa Development Project

Schedule for the Formation of an International Exchange Hub

Town able to continue growing

- We aim to create a town that can continue growing as an international exchange hub through interim use with a view to the 2020 Tokyo Summer Olympic and Paralympic Games and the subsequent opening of the town.

Establishing future image for town development and developing infrastructure in advance

District Planning

Land readjustment project

City planning road

Publicize Japan's appeal



Promote new town



《Fusing a train station building with the surrounding neighborhood》

* Rendered image

**Continuing growth as international exchange hub
《new international town》**

Opening of town (partial opening)



《Street-based urban design》 * Rendered image

Opening of Linear Chuo Shinkansen (plan)

* Urban plan decided on Apr. 13, 2016

Interim use

Present

2020 Tokyo Summer Olympic and Paralympic Games

Provisional opening of new station

2016

2020

Around 2024

2027

2030s~

Shinagawa Development Project

Basic Summary of the New Station

Tentatively scheduled for spring 2020 opening

- We aim to transmit the appeal of this new community by fusing the train station building with the surrounding neighborhood to form a true sense of unity and create a link between people and the region as a new international town.



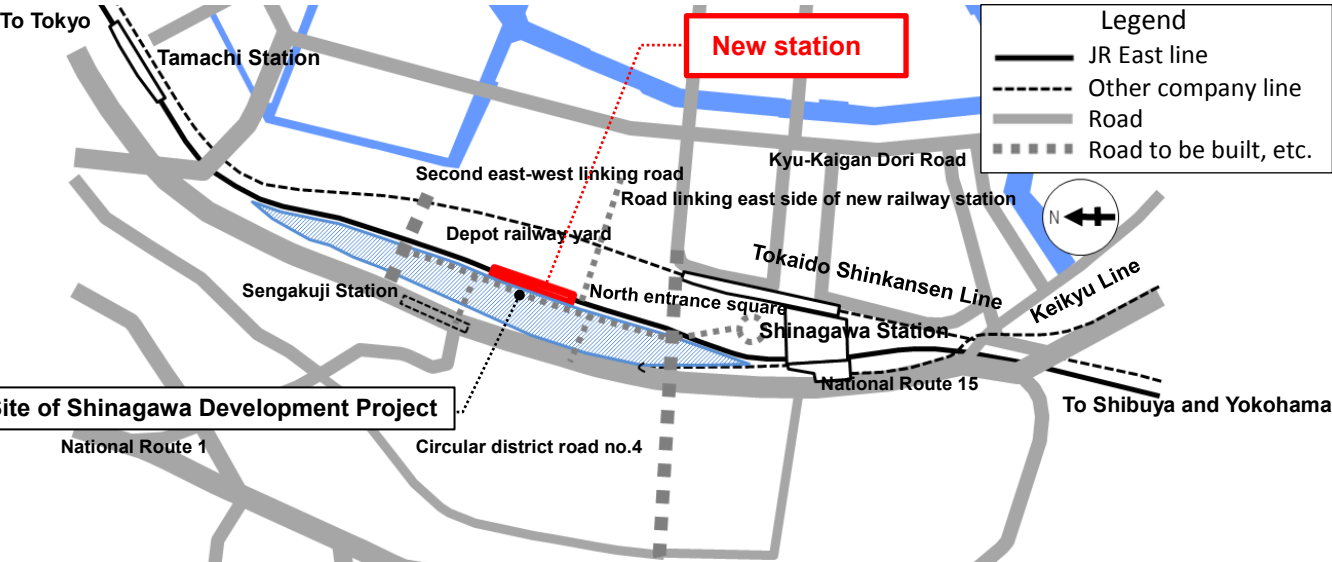
Rendered image of completed station from above



Rendered image of outside of completed station from neighborhood side



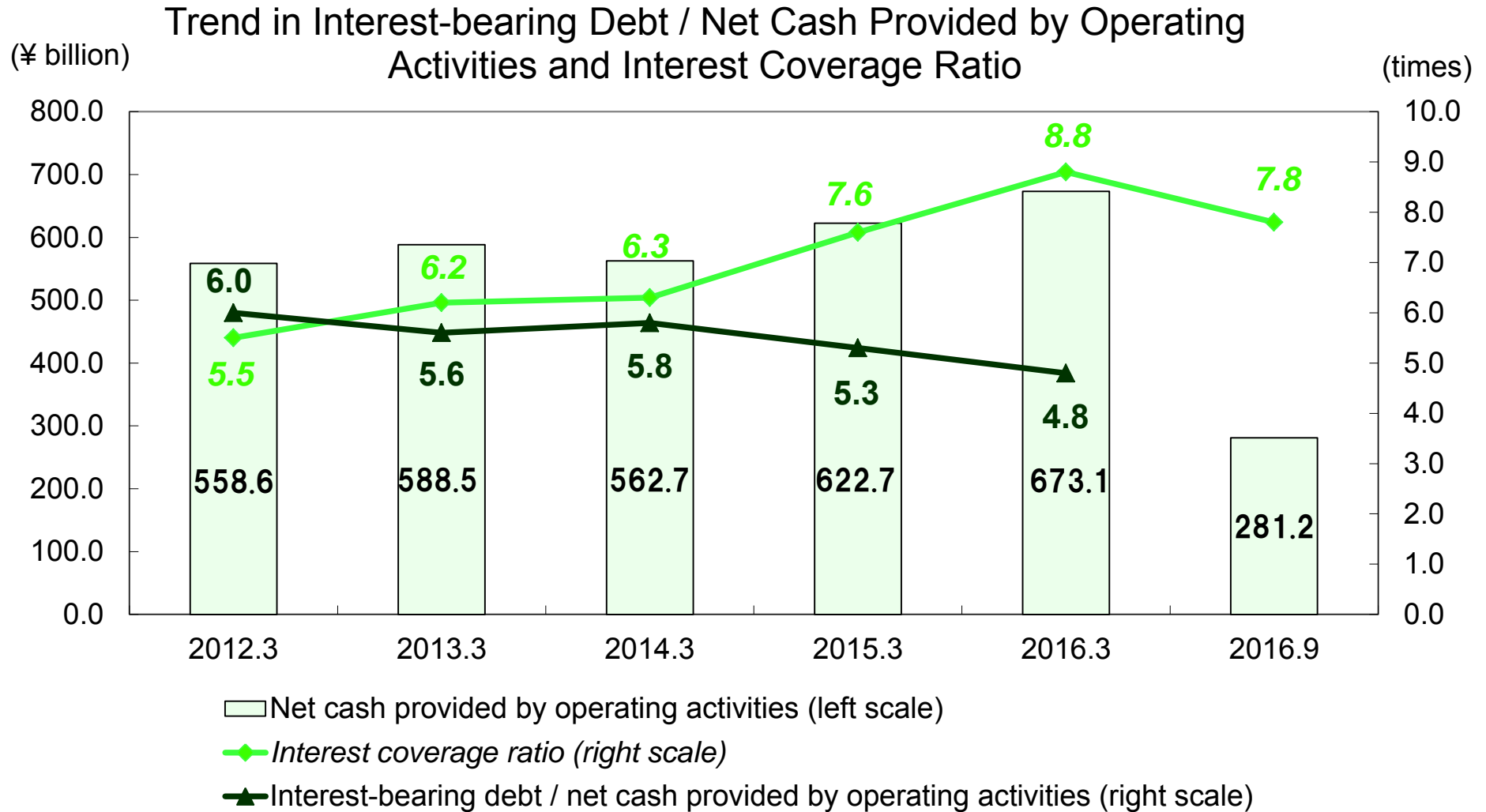
Rendered image of inside of completed station (neighborhood side)



Rendered image of inside of completed station (depot railway yard side)

Breakdown of Shinkansen and Conventional Lines FY2016.3 Operating Performance

(¥ billion)	Shinkansen			Conventional Lines		
	2015.3	2016.3	2016.3/2015.3 (%)	2015.3	2016.3	2016.3/2015.3 (%)
Operating kilometers (km)	1,194	1,194	100.0	6,264	6,263	100.0
Passenger kilometers (million)	20,914	22,848	109.2	109,154	111,579	102.2
Operating revenues A	533.9	591.1	110.7	1,327.4	1,349.6	101.7
Operating expenses	329.4	349.8	106.2	1,213.7	1,218.7	100.4
Operating income B	204.5	241.3	118.0	113.7	130.8	115.1
Fixed assets C	2,060.6	2,028.3	98.4	2,576.9	2,642.2	102.5
Depreciation	85.8	83.4	97.2	189.2	197.1	104.2
B/A	38.3%	40.8%	-	8.6%	9.7%	-
B/C	9.9%	11.9%	-	4.4%	5.0%	-

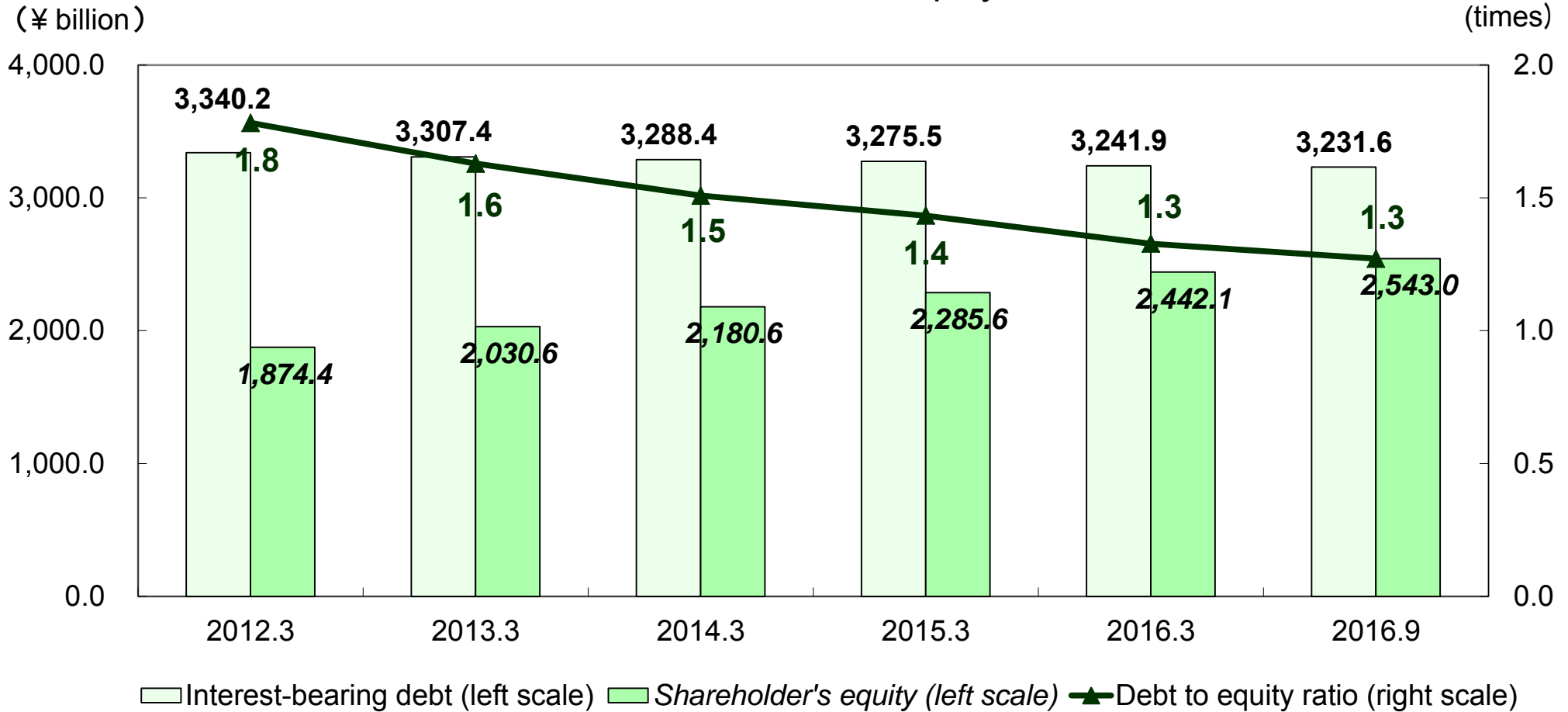


[Notes]

1) Interest coverage ratio = Net cash provided by operating activities / payments of interest

2) Interest-bearing debt / Net cash provided by operating activities = Interest-bearing debt / Net cash provided by operating activities

Trend in Debt to Equity Ratio



Note : Debt to Equity Ratio = Interest-bearing debt / Shareholder's equity

Breakdown of Interest-bearing Debt

Additional information for bond investors



Breakdown of consolidated interest-bearing debt (As of Sep. 30, 2016)

	Balance (¥ billion)	Breakdown	Average interest rate	Average maturity
Bonds	1,829.9	56.6%	1.79%	9.97 years
Long-term loans	1,011.3	31.3%	1.17%	7.36 years
Long-term liabilities incurred for purchase of railway facilities	390.2	12.1%	6.30%	20.45 years
Total	3,231.6	100.0%	2.14%	10.42 years

Breakdown of long-term liabilities incurred for purchase of railway facilities (As of Sep. 30, 2016)

Category of liabilities	Principal (¥ billion)	Balance (¥ billion)	Interest		Payment	Period	Use of proceeds by recipient **
			Variable /fixed	Rate			
Number 1*	2,101.8	22.5	Variable	4.09%	Principal and interest equal repayment	1991.10~2017.3	Fund for repayment of debt borne by JR TT
Number 2*	638.5	24.6	Fixed	6.35%	Principal and interest equal repayment	1991.10~2017.3	Construction of conventional lines, etc.
Number 3*	366.5	335.1	Fixed	6.55%	Principal and interest equal repayment	1991.10~2051.9	Construction of Shinkansen lines
Sub-total	3,106.9	382.3		6.39%			
Akita Shinkansen	27.9	6.2	Variable	1.48%	Principal and interest equal repayment	1997.3~2022.3	
Tokyo Monorail	36.7	1.7	Variable	2.32%	Principal and interest equal repayment	(2002.3)~2029.11	
Total		390.2		6.30%			

* The names of the liabilities are commonly known as Number 1 through 3 in accordance with the definition under law.

** Japan Railway Construction, Transport and Technology Agency (JR TT)

■ Long-term Funding

- Constraining the risks of rising interest rates by raising long-term fund at fixed interest rates and smoothing redemption ladder

Long-term credit ratings

Rating agency	Rating
Moody's	Aa3 (Stable)
Standard & Poor's (S&P)	AA- (Stable)
Rating and Investment Information (R&I)	AA+ (Stable)

■ Liquidity

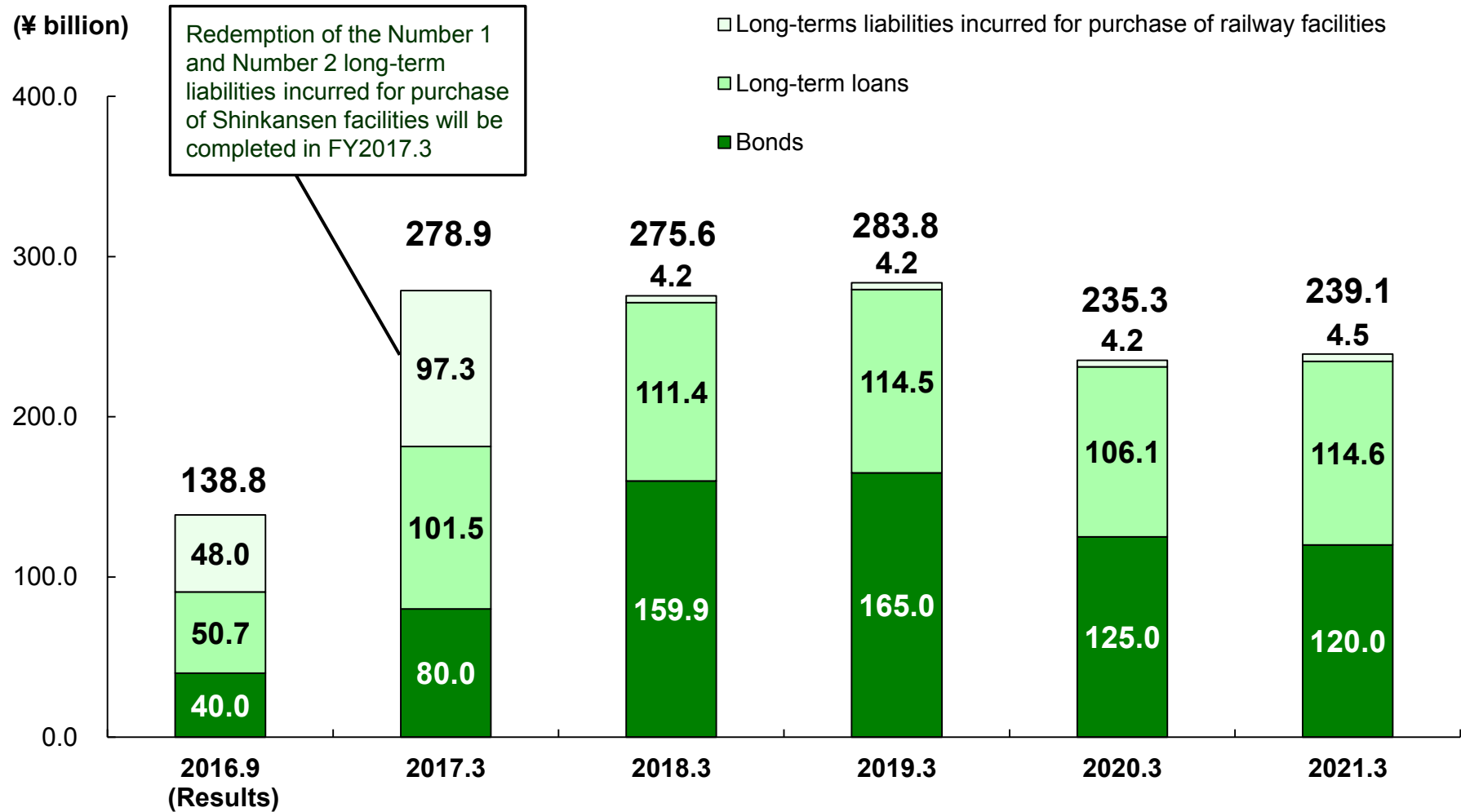
- Daily cash revenues from railway operations
(Passenger revenues were approx. ¥ 5.0 billion / day in FY2016.3)
- CP issuance facility: ¥ 150.0 billion

Short-term credit ratings

Rating agency	Rating
Moody's	P-1
Rating and Investment Information (R&I)	a-1+

- Bank overdraft facility: ¥ 330.0 billion
- Earthquake response commitment line: ¥60.0 billion

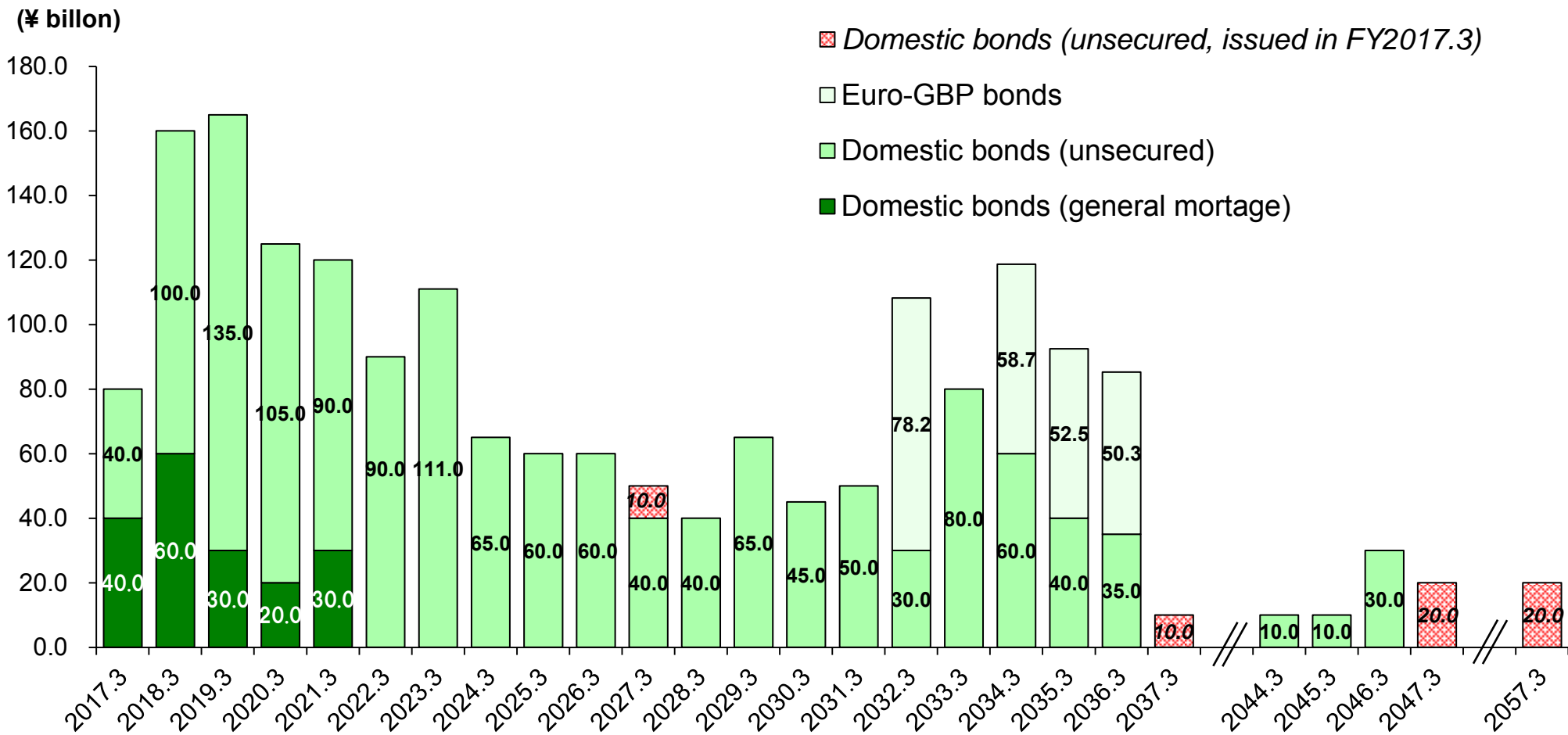
Redemption ladder of interest-bearing debt (consolidated)



[Notes]

- 1) Outlook as of Sep. 30, 2016.
- 2) Bond redemptions are at face value.

Redemption ladder of bonds(non-consolidated)



[Notes]

- 1) Outlook as of Sep. 30, 2016.
- 2) Redemptions are at face value.

Bonds Issuance in FY2017.3

Additional Information for bond Investors



Series	Tenor	Total amount of issue	Coupon	Issue price	Reoffer yield	JGB spread	Issue date	Maturity date
115	10	¥ 10.0 billion	0.060%	¥100	0.060%	— *	2016.7.28	2026.7.28
116	20	¥ 10.0 billion	0.210%	¥100	0.210%	— *	2016.7.28	2036.7.28
117	30	¥ 20.0 billion	0.390%	¥100	0.390%	— *	2016.7.28	2046.7.27
118	40	¥ 20.0 billion	0.500%	¥100	0.500%	— *	2016.7.28	2056.7.28

* Determination of terms based on coupon rate rather than spread

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)
<http://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.