

April 26, 2019

East Japan Railway Company

Condensed Transcript from Q&A Session of Financial Results Presentation for Fiscal 2019

[Operating Expenses (Other Non-Personnel Expenses)]

Q. Other non-personnel expenses have been trending upward. How do you view the trend going forward?

A. The factors that caused other non-personnel expenses to increase in the fiscal year ending March 31, 2020, include the ALFA-X next-generation Shinkansen, business consignment for railway station operations, and contract security. There are one-time factors that caused the increase, and there are ongoing factors that caused the increase. We want to curb the current pace of increase in business consignment expenses through reform of the content of business consignment work and proactive investment in innovation, such as ticketless service usage.

[MaaS]

Q. Regarding the Mobility linkage platform how much service usage do you expect in the fiscal year ending March 31, 2020?

A. In the fiscal year ended March 31, 2019, we began verification tests of the use of *Ringo Pass* for travel and information provision. In the fiscal year ending March 31, 2020, we plan to begin specific services in light of the verification tests.

[Suica]

Q. Going forward, what type of measures will you take to make *Suica* a shared infrastructure?

A. In the mobility field, we will begin a new Shinkansen IC railway ticket service at the end of the fiscal year ending March 31, 2020. After this, we will expand the usage of *Suica* by aiming to utilize

cloud technology for the low-cost introduction of *Suica* to conventional lines in regions while introducing regionally linked IC cards for secondary modes of transportation in regions.

In addition, we want to further increase the convenience of *Suica* in the lifestyle field by using collaboration with a variety of companies as way of introducing *Suica* usage and increasing the number of charging locations. At the same time, we want this to then result in an increase in payment locations, thereby increasing the convenience of *Suica* even further.

[Haneda Airport Access Line]

Q. How do you think that the Haneda Airport Access Line will affect Tokyo Monorail?

A. With respect to Tokyo Monorail, we believe that there will be an effect on customers travelling directly to Haneda Airport. However, we want to ensure that we capture demand from such areas as local residents and future line-side development. Further, regarding the business schemes of the Haneda Airport Access Line, while they will depend on continued discussions and coordination with stakeholders, we will conduct various considerations with a view to securing revenues. We will outline a vision that also includes the effect on Tokyo Monorail and which benefits the JR East Group as a whole.

[JR Hokkaido]

Q. What is your stance toward supporting JR Hokkaido?

A. We are taking such measures as providing personnel support, tourism support, sales support to JR Hokkaido. However, we do not intend to provide business management support in the form of funds.