

October 28, 2020  
East Japan Railway Company

Summary of Telephone Interviews about Financial Results  
in the Second Quarter of Fiscal 2021

[Cost Reductions]

Q. Operating expenses were ¥5.5 billion below the plan. What progress is being made in relation to cost reductions?

A. We have announced that on a non-consolidated basis JR East will implement cost reductions of ¥62.4 billion, and as of the second quarter we implemented cost reductions of ¥33.5 billion. Specific cost reductions implemented were ¥11.0 billion for summer bonus, ¥1.8 billion for railcar maintenance expenses, ¥10.2 billion for revenue-related expenses, ¥3.0 billion for advertising expenses, ¥1.5 billion for security consignment expenses, and ¥6.0 billion for goods expenses reduction, etc.

[Office Buildings]

Q. Given that conditions are generally challenging, how were results for office buildings?

A. In the second quarter, revenue from existing office buildings increased 6.4% year on year. Although it is necessary to closely monitor the situation, as far as can be seen from the performance shown in the financial results for the second quarter, we believe the Company's office buildings are trending steadily.