

(Translation)

September 16, 2020

To whom it may concern:

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Announcement Regarding Forecasts of Business Results and Dividend Payments

East Japan Railway Company (JR East) hereby announces the forecasts of business results and dividend payments for the year ending March 31, 2021 which had not been determined at the time of our announcement on July 30, 2020 of our financial results for the three-month period ended June 30, 2020.

DETAILS

1. Forecasts of Business Results

Forecasts of Consolidated Business Results for the Six-Month Period Ending September 30, 2020
(April 1, 2020 – September 30, 2020)

	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
Amount previously forecasted (A)	—	—	—	—	—
Amount forecasted (B)	783,000	(326,000)	(353,000)	(282,000)	(747.53)
Increase/Decrease (B-A)	—	—	—	—	
Increase/Decrease Ratio (%)	—	—	—	—	
(Reference) Results for the first six-month period of the previous fiscal year (Six-month period ended September 30, 2019)	1,518,893	296,568	271,962	188,534	497.67

Forecasts of Consolidated Business Results for Fiscal 2021 (April 1, 2020 – March 31, 2021)

	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
Amount previously forecasted (A)	—	—	—	—	—
Amount forecasted (B)	1,930,000	(500,000)	(549,000)	(418,000)	(1,108.04)
Increase/Decrease (B-A)	—	—	—	—	
Increase/Decrease Ratio (%)	—	—	—	—	
(Reference) Results for the previous fiscal year (Year ended March 31, 2020)	2,946,639	380,841	339,525	198,428	524.91

(Reason for the announcement)

Forecasts of consolidated business results for the year ending March 31, 2021 had not been determined because the outlook for JR East's revenue trends and other factors had become extremely uncertain as a result of COVID-19. However, as it has become possible for us to estimate the future revenue trends to a certain degree based on the results of transportation services during the summer and other factors, we hereby announce the above forecasts.

2. Dividend Forecasts

	Dividends per share					Total dividends (annual)	Dividend ratio (consolidated)	Ratio of dividends to shareholders' equity (consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2019	—	75.00	—	75.00	150.00	57,224	19.4	1.9
Fiscal 2020	—	82.50	—	82.50	165.00	62,304	31.4	2.0
(Forecast) Fiscal 2021	—	50.00	—	50.00	100.00		—	

(Reason for the announcement)

Dividend forecasts for the year ending March 31, 2021 had not been determined because the outlook for JR East's revenue trends and other factors had become extremely uncertain as a result of COVID-19. However, as we have made a determination of forecasts of consolidated business results for the year ending March 31, 2021, we hereby announce the above forecasts.

(Reference) Forecasts of Non-consolidated Business Results

Forecasts of Non-consolidated Business Results for the Six-Month Period Ending September 30, 2020
(April 1, 2020 – September 30, 2020)

	Operating revenues	Operating income	Ordinary income	Profit	Earnings per share – Basic
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Amount previously forecasted (A)	—	—	—	—	—
Amount forecasted (B)	532,000	(270,000)	(286,000)	(210,000)	(556.14)
Increase/Decrease (B-A)	—	—	—	—	
Increase/Decrease Ratio (%)	—	—	—	—	
(Reference) Results for the first six-month period of the previous fiscal year (Six-month period ended September 30, 2019)	1,076,637	249,110	236,420	171,072	451.17

Forecasts of Non-consolidated Business Results for Fiscal 2021 (April 1, 2020 – March 31, 2021)

	Operating revenues	Operating income	Ordinary income	Profit	Earnings per share – Basic
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Amount previously forecasted (A)	—	—	—	—	—
Amount forecasted (B)	1,251,000	(463,000)	(501,000)	(364,000)	(963.98)
Increase/Decrease (B-A)	—	—	—	—	
Increase/Decrease Ratio (%)	—	—	—	—	
(Reference) Results for the previous fiscal year (Year ended March 31, 2020)	2,061,078	294,077	260,136	159,053	420.35

The forecasts of business results and other forward-looking statements in this document are based on information available as of the date of this document and on certain assumptions that JR East viewed as reasonable as of the date of this document. Actual results may differ from such forward-looking statements for a variety of reasons.

Reference Material

1. Forecasts of Non-consolidated Business Results for Fiscal Year ending March 31, 2021 (Fiscal 2021)

	Actual Fiscal 2020 (April 1, 2019—March 31, 2020) A	Forecast Fiscal 2021 (April 1, 2020—March 31, 2021) B	(Billions of yen) Increase/Decrease	
			Amount B-A	% B/A × 100
Operating revenues	¥1,076.6	¥532.0		
	¥2,061.0	¥1,251.0	¥ (810.0)	60.7
Passenger revenues	1,792.8	1,020.0	(772.8)	56.9
Others	268.2	231.0	(37.2)	86.1
Operating expenses	1,767.0	1,714.0	(53.0)	97.0
Personnel expenses	444.4	414.0	(30.4)	93.1
Non-personnel expenses	831.1	801.0	(30.1)	96.4
Energy	64.5	60.0	(4.5)	92.9
Maintenance	302.1	297.0	(5.1)	98.3
Other	464.4	444.0	(20.4)	95.6
Usage fees to JR TT, etc.	83.3	83.0	(0.3)	99.6
Taxes	100.6	100.0	(0.6)	99.4
Depreciation	307.4	316.0	8.5	102.8
Operating income (loss)	249.1	(270.0)		
	294.0	(463.0)	(757.0)	—
Non-operating income (loss) ...	(33.9)	(38.0)	(4.0)	112.0
Ordinary income (loss)	236.4	(286.0)		
	260.1	(501.0)	(761.1)	—
Extraordinary gains (losses) ...	(42.7)	(26.0)	16.7	60.9
Income (Loss) before income taxes	217.4	(527.0)	(744.4)	—
Income taxes	58.3	(163.0)	(221.3)	—
Profit (Loss)	¥171.0	¥ (210.0)		
	¥159.0	¥ (364.0)	¥ (523.0)	—

(Note) Italicized figures are the actual/forecast amounts for the first six-month period of the relevant fiscal year.

2. Forecasts of Consolidated Business Results for Fiscal Year ending March 31, 2021 (Fiscal 2021)

	Actual Fiscal 2020 (April 1, 2019 – March 31, 2020) A	Forecast Fiscal 2021 (April 1, 2020 – March 31, 2021) B	(Billions of yen) Increase/Decrease	
			Amount	%
			B-A	B/A × 100
Operating revenues	¥1,518.8	¥783.0		
	¥2,946.6	¥1,930.0	¥ (1,016.6)	65.5
Transportation	1,994.5	1,170.0	(824.5)	58.7
Retail & Services	502.0	375.0	(127.0)	74.7
Real Estate & Hotels	348.5	305.0	(43.5)	87.5
Others	101.5	80.0	(21.5)	78.8
Operating income (loss)	296.5	(326.0)		
	380.8	(500.0)	(880.8)	—
Transportation	250.5	(529.0)	(779.5)	—
Retail & Services	34.3	(4.0)	(38.3)	—
Real Estate & Hotels	74.6	24.0	(50.6)	32.2
Others	23.8	11.0	(12.8)	46.1
Adjustment	(2.6)	(2.0)	0.6	76.9
Ordinary income (loss)	271.9	(353.0)		
	339.5	(549.0)	(888.5)	—
Profit (Loss) attributable to owners of parent	¥188.5	¥ (282.0)		
	¥198.4	¥ (418.0)	¥ (616.4)	—

(Note) Italicized figures are the actual/forecast amounts for the first six-month period of the relevant fiscal year.

3. Consolidated Capital Expenditures for Fiscal Year ending March 31, 2021 (Fiscal 2021)

	Actual Fiscal 2020 A	Plan Fiscal 2021 B	(Billions of yen) Increase/Decrease	
			Amount	%
			B-A	B/A × 100
Capital expenditures				
Transportation Services	¥470.7	¥453.0	¥ (17.7)	96.2
Life-style Services, IT & <i>Suica</i> Services ..	269.8	258.0	(11.8)	95.6
Total	¥740.6	¥711.0	¥ (29.6)	96.0

Note: In this document, amounts less than one million yen are omitted.