

TRANSLATION

**NOTICE OF THE 34TH ORDINARY GENERAL MEETING
OF SHAREHOLDERS
TO BE HELD IN TOKYO, JAPAN ON JUNE 22, 2021**

(This is a translation, for information purposes only, of the original Japanese language Notice of the General Meeting of Shareholders which has been dispatched to shareholders in Japan. The financial statements included in this Business Report have been prepared in accordance with the Business Corporation Law and related laws and regulations of Japan.)

**EAST JAPAN RAILWAY COMPANY
TOKYO, JAPAN**

TRANSLATION

May 28, 2021

TO OUR SHAREHOLDERS

East Japan Railway Company
2-2, Yoyogi 2-chome
Shibuya-ku, Tokyo
Japan

Yuji Fukasawa
President and CEO

Notice of Convocation of the 34th Ordinary General Meeting of Shareholders

This is to inform you that the Company's 34th Ordinary General Meeting of Shareholders will be held as described below.

Currently various efforts to prevent the spread of COVID-19 are strongly required. In response to the situation, upon careful consideration we have decided to hold this meeting while taking appropriate measures to prevent the spread of COVID-19.

In order to prevent the spread of COVID-19, you are strongly encouraged, to the extent possible, to exercise your voting rights in writing or by an electronic method (via the Internet, etc.) prior to the meeting and refrain from physically attending the meeting.

WHEN YOU EXERCISE YOUR VOTING RIGHTS IN WRITING OR BY AN ELECTRONIC METHOD (VIA THE INTERNET, ETC.), AFTER EXAMINING THE ATTACHED REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS, PLEASE EXERCISE YOUR VOTING RIGHTS BY NO LATER THAN 6:00 P.M. ON MONDAY, JUNE 21, 2021.

[Exercise of voting rights in writing]

Please return by mail the enclosed form after indicating your votes so that it will arrive at the Company by no later than the above-mentioned deadline.

[Exercise of voting rights by an electronic method (via the Internet, etc.)]

Please access the following website (<https://evote.tr.mufg.jp/> (in Japanese only)) and exercise your voting rights, by following the instructions on the website, by no later than the above-mentioned deadline.

PARTICULARS

1. Date: At 10:00 a.m., on Tuesday, June 22, 2021

2. Place: Hotel New Otani (The Main)
4-1, Kioi-cho, Chiyoda-ku, Tokyo, Japan

3. Purpose of Meeting:

Matters to be reported:

1. Presentation of the Business Report and the Consolidated Financial Statements for the 34th fiscal year from April 1, 2020 through March 31, 2021, and Results of Audit by the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements
2. Presentation of the Non-Consolidated Financial Statements for the 34th fiscal year from April 1, 2020 through March 31, 2021

Matters to be resolved:

Agenda Item No. 1: Proposal for appropriation of retained earnings

Agenda Item No. 2: Election of twelve (12) Directors

Agenda Item No. 3: Election of one (1) Corporate Auditor

4. Other matters concerning convocation procedures

(1) If you exercise voting rights in writing more than once, only the vote in writing having the latest date will be counted.

(2) If you exercise voting rights by an electronic method (via the Internet, etc.) more than once, only the last vote will be counted.

(3) If you exercise voting rights both in writing and by an electronic method (via the Internet, etc.), only the vote submitted by the electronic method (via the Internet, etc.) will be counted.

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Notes:

* If you attend the Meeting on the appointed date, please bring with you the form for exercising voting rights enclosed herewith, and surrender it to the receptionist at the place of the Meeting.

* In accordance with applicable laws and regulations and Article 16 of the Company's Articles of Incorporation, Internal Control Systems and Status of Operation, Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-

Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements are available at the Company's website (<https://www.jreast.co.jp/>) and are not included in this Notice of Convocation. Consolidated Financial Statements and Non-Consolidated Financial Statements audited by Accounting Auditors and Corporate Auditors consist of each statement included in this Notice of Convocation and Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements available at the Company's website.

* Any changes made to the Reference Materials, Business Report, Consolidated Financial Statements or Financial Statements will be placed on the Company's website (<https://www.jreast.co.jp/>).

* In the past years, the Company sent the Resolution Notice to shareholders with the matters resolved after the conclusion of the General Meeting of Shareholders, but it will be discontinued starting this year. Matters resolved at the General Meeting of Shareholders will be placed on the Company's website (<https://www.jreast.co.jp/>).

REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

Agenda and Reference Materials

Agenda Item No. 1: Proposal for appropriation of retained earnings

Our basic approach to capital policy is to keep shareholders' equity at the level required to maintain and grow operational foundations in a sustainable way while paying stable cash dividends and implementing share repurchases flexibly in light of performance to steadily increase returns to shareholders. We are aiming to realize a total return ratio of 40% and dividend payout ratio of 30% over the medium to long term in accordance with the JR East Group Management Vision "Move Up" 2027.

Based on such policy, we propose to appropriate retained earnings as described below.

Also, in accordance with Article 452 of the Business Corporation Law, we propose to reverse a portion of general reserve as other appropriation of retained earnings as described below.

1. Matters concerning year-end dividend
 - (1) Type of dividend
Cash
 - (2) Information regarding allotment of dividend to shareholders (including amount)
Dividend per share of the Company's common stock: ¥50
Total amount of dividend paid: ¥18,880,038,500
Total annual dividend will be ¥100 per share including the interim dividend of ¥50 per share.
 - (3) Effective date of dividend
June 23, 2021
2. Matters concerning other appropriation of retained earnings
 - (1) Item of other retained earnings subject to reduction and the amount to be reduced
General reserve: ¥500 billion
 - (2) Item of other retained earnings subject to increase and the amount to be increased
Retained earnings carried forward: ¥500 billion

Agenda Item No. 2: Election of twelve (12) Directors

As the term of office of all eleven (11) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders, it is proposed that twelve (12) Directors be elected.

The Director candidates are set forth below:

No.	Name	Current Position and Business in Charge at the Company
1.	Tetsuro Tomita Reappointment	Chairman (Director)
2.	Yuji Fukasawa Reappointment	President and CEO (Representative Director)
3.	Yoichi Kise Reappointment	Executive Director Director General of Life-style Business Development Headquarters In charge of Shinagawa Development In charge of Work & Welfare Strategies Department; In charge of Regional Revitalization
4.	Katsumi Ise New Director candidate	Senior Executive Officer In charge of Facilities Department, Railway Operations Headquarters
5.	Totaro Ichikawa New Director candidate	Senior Executive Officer In charge of Transport & Rolling Stock Department, Railway Operations Headquarters
6.	Kiwamu Sakai Reappointment	Executive Director Director General of Corporate Planning Headquarters In charge of Customer Service Quality Reformation Department, Railway Operations Headquarters
7.	Atsushi Ouchi New Director candidate	Senior Executive Officer Deputy Director General of Technology Innovation Headquarters In charge of Electrical & Signal Network System Department, Railway Operations Headquarters In charge of Energy Strategies Department
8.	Atsuko Itoh New Director candidate Female	Executive Officer General Manager of Management Planning Department, Corporate Planning Headquarters
9.	Motoshige Itoh Reappointment Independent director candidate Outside Director candidate	Director
10.	Reiko Amano Reappointment Independent director candidate Outside Director candidate Female	Director
11.	Masaki Sakuyama Reappointment	Director

Independent director
candidate
Outside Director candidate

12. Hiroko Kawamoto Director

Reappointment
Independent director
candidate
Outside Director candidate
Female

No. of Candidate 1

Reappointment

Name (Date of Birth) Tetsuro Tomita (October 10, 1951)

Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1974 Entered Japanese National Railways</p> <p>April 1987 Entered the Company</p> <p>June 1998 General Manager of Life-Style Business Development Headquarters</p> <p>June 2000 Director and General Manager of Management Administration Department, Corporate Planning Headquarters</p> <p>June 2003 Executive Director and Deputy Director General of Corporate Planning Headquarters</p> <p>July 2004 Executive Director and Deputy Director General of Corporate Planning Headquarters and General Manager of IT Business Department, Corporate Planning Headquarters</p> <p>June 2005 Executive Director and Deputy Director General of Corporate Planning Headquarters</p> <p>June 2008 Executive Vice President and Representative Director and Director General of Life-Style Business Development Headquarters</p> <p>June 2009 Executive Vice President and Representative Director and Director General of Corporate Planning Headquarters</p> <p>April 2012 President and Representative Director and Director General of Corporate Planning Headquarters</p> <p>June 2012 President and Representative Director</p> <p>April 2018 Chairman and Director (continuing to the present)</p>
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	Positions at other entities: Director of Nippon Steel Corporation Director of Nippon Life Insurance Company	
Number of Company Shares owned by Candidate	10,200 shares	
Reason for selection as Director candidate	Mr. Tetsuro Tomita has served as President and Representative Director of the Company, taken on a strong leadership role in overall businesses and led the management of the Group over the years. Currently he performs his duties as Chairman and Director and is committed to the proper operation of the Board of Directors from the viewpoint of its chairman based on his broad knowledge and experience in corporate management. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.	
No. of Candidate	2	<u>Reappointment</u>
Name (Date of Birth)	Yuji Fukasawa (November 1, 1954)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1978 Entered Japanese National Railways</p> <p>April 1987 Entered the Company</p> <p>June 2003 General Manager of Investment Planning Department, Corporate Planning Headquarters</p> <p>June 2006 Director and General Manager of Personnel Department and Director of JR East General Education Center</p> <p>June 2008 Executive Director</p> <p>June 2012 Executive Vice President and Representative Director</p> <p>April 2018 President and Representative Director (continuing to the present)</p>	
Number of Company Shares owned by Candidate	7,100 shares	
Reason for selection as Director candidate	Mr. Yuji Fukasawa has been serving as President and Representative Director of the Company, is committed to promote new growth strategies by establishing the Group Management Vision “Move Up” 2027. He also performs his duties by taking	

on a strong leadership role in speeding up structural reforms responding to the significant impact of the spread of COVID-19 on business results of the Group. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.

No. of Candidate	3	<u>Reappointment</u>
Name (Date of Birth)	Yoichi Kise (August 26, 1964)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1989 Entered the Company</p> <p>June 2014 General Manager of Personnel Department and Director of JR East General Education Center</p> <p>June 2015 Executive Officer and General Manager of Personnel Department</p> <p>June 2017 Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters</p> <p>June 2018 Executive Director and Director General of Corporate Planning Headquarters</p> <p>June 2020 Executive Director and Director General of Life-style Business Development Headquarters; In charge of Shinagawa Development; In charge of Work & Welfare Strategies Department; In charge of Regional Revitalization (continuing to the present)</p>	
Number of Company Shares owned by Candidate	2,200 shares	
Reason for selection as Director candidate	<p>Mr. Yoichi Kise has been mainly in charge of investment planning, personnel and management planning affairs, and currently performs his duties as Executive Director whose achievements include improvement of existing business and promotion of new projects for life-style businesses, personnel development, efficient operational performance including working style reforms, regional revitalization and reinforcement of partnership with other companies. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.</p>	

No. of Candidate	4	New Director candidate
Name (Date of Birth)	Katsumi Ise (February 12, 1965)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1988 Entered the Company</p> <p>May 2015 General Manager of Facilities Department, Railway Operations Headquarters</p> <p>June 2015 General Manager of Investment Planning Department, Corporate Planning Headquarters</p> <p>June 2015 Executive Officer and General Manager of Investment Planning Department, Corporate Planning Headquarters</p> <p>June 2016 Executive Officer and General Manager of Facilities Department, Railway Operations Headquarters</p> <p>June 2018 Senior Executive Officer</p> <p>April 2020 Senior Executive Officer; In charge of Facilities Department, Railway Operations Headquarters (continuing to the present)</p>	
Number of Company Shares owned by Candidate	900 shares	
Reason for selection as Director candidate	<p>Mr. Katsumi Ise has been mainly in charge of railway facility maintenance and investment planning, and currently performs his duties as Senior Executive Officer whose achievements include maintenance and improvement of safety of track facilities, reinforcing disaster prevention, business innovation through automation and systemization. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.</p>	

No. of Candidate	5	New Director candidate
Name (Date of Birth)	Totaro Ichikawa (September 29, 1964)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1988 Entered the Company</p> <p>June 2014 General Manager of Transport & Rolling Stock Department, Railway Operations Headquarters</p>	

	June 2015 Life-style Business Development Headquarters (dispatched to JR East Logistics Co., Ltd.)
	June 2017 Executive Officer and General Manager of Transport & Rolling Stock Department, Railway Operations Headquarters
	June 2018 Senior Executive Officer; In charge of Transport & Rolling Stock Department, Railway Operations Headquarters (continuing to the present)
Number of Company Shares owned by Candidate	1,000 shares
Reason for selection as Director candidate	Mr. Totaro Ichikawa has been mainly in charge of transport & rolling stock business of railway operations, and currently performs his duties as Senior Executive Officer whose achievements include improvement of safe and stable transportation, promotion of one-person train operation and business innovation through reorganization of the train crew workplace. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.
No. of Candidate	6 Reappointment
Name (Date of Birth)	Kiwamu Sakai (August 3, 1961)
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	April 1985 Entered Japanese National Railways April 1987 Entered the Company June 2011 General Manager of Management Planning Department, Corporate Planning Headquarters June 2012 General Manager of Finance Department June 2014 Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters June 2017 Executive Officer and General Manager of Sendai Branch Office June 2020 Executive Director and Director General of Corporate Planning Headquarters; In charge of Customer Service Quality

Reformation Department, Railway Operations Headquarters
(continuing to the present)

Number of Company
Shares owned by
Candidate

2,400 shares

Reason for selection as
Director candidate

Mr. Kiwamu Sakai has been mainly in charge of corporate planning, personnel and financial affairs, and currently performs his duties as Executive Director whose achievements include establishment of business goals and tasks up to fiscal 2026 taking into consideration the impact of the spread of COVID-19 and preparation of “Service Quality Reformation Vision 2027”. He is suitable as a Director based on his execution capability, sound judgment and insight necessary for company management as he is highly acquainted with all aspects of the business.

No. of Candidate

7

New Director candidate

Name (Date of Birth)

Atsushi Ouchi (October 24, 1963)

Brief Personal Record,
Position and Business in
Charge
(Positions at Other
Entities)

April 1988

Entered the Company

June 2014

General Manager of System Planning Department, Corporate
Planning Headquarters

June 2016

Executive Officer and General Manager of Morioka Branch
Office

June 2018

Senior Executive Officer and Deputy Director General of
Technology Innovation Headquarters

June 2020

Senior Executive Officer and Deputy Director General of
Technology Innovation Headquarters; In charge of Electrical &
Signal Network System Department, Railway Operations
Headquarters; In charge of Energy Strategies Department
(continuing to the present)

Number of Company
Shares owned by
Candidate

1,500 shares

Reason for selection as
Director candidate

Mr. Atsushi Ouchi has been mainly in charge of technology innovation including railway electrical system and system development, and currently performs his duties as Senior Executive Officer whose achievements include maintenance and improvement of safety of electrical facilities, reinforcing disaster prevention, business innovation through technology innovation

and energy strategies aimed at “Zero-Carbon Challenge 2050”.
He is suitable as a Director based on his execution capability,
sound judgment and insight necessary for company management
as he is highly acquainted with all aspects of the business.

No. of Candidate	8	New Director candidate Female
Name (Date of Birth)	Atsuko Itoh (November 15, 1966)	
Brief Personal Record, Position and Business in Charge	<p>April 1990 Entered the Company</p> <p>June 2016 General Manager of Management Planning Department, Corporate Planning Headquarters</p> <p>June 2018 Executive Officer and General Manager of Finance Department</p> <p>June 2020 Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters (continuing to the present)</p>	
Number of Company Shares owned by Candidate	4,171 shares	
Reason for selection as Director candidate	<p>Ms. Atsuko Itoh has been mainly in charge of finance and management planning, and currently performs her duties as Executive Officer and Management Planning Department, Corporate Planning Headquarters whose achievements include establishment of business goals and tasks up to fiscal 2026 taking into consideration the impact of the spread of COVID-19, promotion of group management, IR and environmental matters. She is suitable as a Director based on her execution capability, sound judgment and insight necessary for company management as she is highly acquainted with all aspects of the business.</p>	
No. of Candidate	9	Reappointment Independent director candidate Outside Director candidate
Name (Date of Birth)	Motoshige Itoh (December 19, 1951)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>December 1993 Professor of the University of Tokyo, Faculty of Economics</p> <p>April 1996 Professor of the University of Tokyo, Graduate School of Economics</p>	

October 2007

Dean of the University of Tokyo, Graduate School of Economics
and Faculty of Economics

June 2015

Director of the Company (continuing to the present)

April 2016

Professor of Gakushuin University, Faculty of International
Social Sciences (continuing to the present)

Positions at other entities:

Corporate Auditor of Hagoromo Foods Corporation

Director of The Shizuoka Bank, Ltd.

Director of Sumitomo Chemical Company, Limited

Number of Company
Shares owned by
Candidate

0 share

Number of years in
office as Outside
Director

6 years

Reason for selection as
Outside Director
candidate and expected
roles

Mr. Motoshige Itoh has experience as professor at the University of Tokyo and Gakushuin University, and Dean of the Graduate School of Economics and Faculty of Economics of the University of Tokyo. He is suitable as an outside Director based on his sound judgment and insight necessary for company management and his ability to supervise and advise on the Company's management.

If he is elected, he will perform a supervisory function on overall business operations based on his broad experience and academic expertise on international economy, and as a member of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, ensure suitability of director candidates and objectivity and transparency of the process with respect to personnel matters concerning the Company's directors, and ensure objectivity and transparency of the remuneration determination process for the Company's directors.

Matters relating to
independence

Mr. Motoshige Itoh meets the "Independence Standards for Outside Directors and Outside Corporate Auditors" of the Company, and the Company has designated him as independent director as stipulated by stock exchanges. If he is elected, he will continue to be an independent director.
He has worked at the University of Tokyo (National University Corporation, the University of Tokyo) to which the Company makes donation and with which the Company has a transactional relationship, but for the last three (3) fiscal years the amount of donation and other payments to such corporation has been no more than 2% of the annual total income of such corporation and

the payment from such corporation to the Company has been no more than 2% of the annual consolidated net sales of the Company. Also, he works at Gakushuin University (The Gakushuin School Corporation) with which the Company has a transactional relationship, but for the last three (3) fiscal years the payment from such corporation to the Company has been no more than 2% of the annual consolidated net sales of the Company.

No. of Candidate	10	Reappointment Independent director candidate Outside Director candidate Female
Name (Date of Birth)	Reiko Amano (January 21, 1954)	
Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1980 Entered Kajima Corporation</p> <p>April 2005 Senior Manager of Technology Development Department Civil Engineering Management Division</p> <p>April 2011 General Manager of Intellectual Property and License Department</p> <p>February 2014 Advisor of Intellectual Property and License Department</p> <p>September 2014 Retired Kajima Corporation</p> <p>October 2014 Executive Director of Research Center for Reinforcement of Resilience Function, National Research Institute for Earth Science and Disaster Resilience</p> <p>April 2015 Auditor of National Institute for Environmental Studies (continuing to the present)</p> <p>April 2016 Executive Director of National Research Institute for Earth Science and Disaster Resilience</p> <p>June 2016 Director of the Company (continuing to the present)</p> <p>September 2019 Auditor of Japan Atomic Energy Agency (continuing to the present)</p>	
Number of Company Shares owned by Candidate	0 share	
Number of years in office as Outside Director	5 years	

Reason for selection as Outside Director candidate and expected roles	Ms. Reiko Amano held important offices at Kajima Corporation, National Research Institute for Earth Science and Disaster Resilience, National Institute for Environmental Studies and Japan Atomic Energy Agency. She is suitable as an outside Director based on her sound judgment and insight necessary for company management and her ability to supervise and advise on the Company's management.
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If she is elected, she will perform a supervisory function on overall business operations based on her broad experience and expertise on technological innovation, disaster prevention and intellectual property strategies, and as a member of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, ensure suitability of director candidates and objectivity and transparency of the process with respect to personnel matters concerning the Company's directors, and ensure objectivity and transparency of the remuneration determination process for the Company's directors.

Matters relating to independence	<p>Ms. Reiko Amano meets the "Independence Standards for Outside Directors and Outside Corporate Auditors" of the Company, and the Company has designated her as independent director as stipulated by stock exchanges. If she is elected, she will continue to be an independent director.</p> <p>She has worked at Kajima Corporation with which the Company has a transactional relationship, but for the last three (3) fiscal years the volume of business has been no more than 2% of the annual consolidated net sales of both companies. Also she worked as executive director at National Research Institute for Earth Science and Disaster Resilience with which the Company has a transactional relationship, but for the last three (3) fiscal years the payment from the Company to such corporation has been no more than 2% of the annual consolidated net sales of such corporation. She works at National Institute for Environmental Studies and Japan Atomic Energy Agency with which the Company has no relationship that needs to be disclosed for the last three (3) fiscal years.</p>
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No. of Candidate	11	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent director candidate</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside Director candidate</div>
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Name (Date of Birth)	Masaki Sakuyama (March 17, 1952)
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Brief Personal Record, Position and Business in Charge (Positions at Other Entities)	<p>April 1977</p> <p>Entered Mitsubishi Electric Corporation</p>
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June 2010

Director; Member of the Nomination Committee; Senior Vice President and Executive Officer; In charge of Corporate Strategic Planning and Operations of Associated Companies

April 2012

Director; Member of the Nomination Committee; Representative Executive Officer; Executive Vice President and Executive Officer; Director General of Semiconductor & Device Group

June 2012

Representative Executive Officer; Executive Vice President and Executive Officer; Director General of Semiconductor & Device Group

April 2014

Representative Executive Officer; President & CEO and Executive Officer

June 2014

Director; Representative Executive Officer; President & CEO and Executive Officer

April 2018

Chairman and Director (continuing to the present)

June 2020

Director of the Company (continuing to the present)

Positions at other entities:

Chairman and Director of Mitsubishi Electric Corporation
Corporate Auditor of The Japan Atomic Power Company

Number of Company
Shares owned by
Candidate

600 shares

Number of years in
office as Outside
Director

1 year

Reason for selection as
Outside Director
candidate and expected
roles

Mr. Masaki Sakuyama has experience as Director, Representative Executive Officer and President & CEO of Mitsubishi Electric Corporation among other experiences. He is suitable as an outside Director based on his sound judgment and insight necessary for company management and his ability to supervise and advise on the Company's management.

If he is elected, he will perform a supervisory function on overall business operations based on his broad experience and expertise on leading technological fields in corporate management, and as a member of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, ensure suitability of director candidates and objectivity and transparency of the process with respect to personnel matters concerning the Company's

directors, and ensure objectivity and transparency of remuneration determination process for the Company's directors.

Matters relating to independence

Mr. Masaki Sakuyama meets the "Independence Standards for Outside Directors and Outside Corporate Auditors" of the Company, and the Company has designated him as independent director as stipulated by stock exchanges. If he is elected, he will continue to be an independent director.
He works at Mitsubishi Electric Corporation with which the Company has a transactional relationship, but for the last three (3) fiscal years the volume of business has been no more than 2% of the annual consolidated net sales of both companies.

No. of Candidate

12

Reappointment
Independent director candidate
Outside Director candidate
Female

Name (Date of Birth)

Hiroko Kawamoto (February 13, 1957)

Brief Personal Record,
Position and Business in
Charge
(Positions at Other
Entities)

July 1979
Entered ALL NIPPON AIRWAYS CO., LTD.
April 2013
Director and Executive Officer; Deputy Director of Operating Division; General Manager of Inflight Services Center
April 2014
Executive Director and Executive Officer; In charge of Women's Promotion; Deputy Director of Operating Division; General Manager of Inflight Services Center
April 2015
Executive Director and Executive Officer; In charge of Women's Promotion; In charge of ANA Brand Inflight Services Division
January 2016
Executive Director and Executive Officer; In charge of Women's Promotion; In charge of ANA Brand Inflight Services Division; Promotion Officer for the Tokyo Olympic and Paralympic Games
April 2016
Director and Senior Executive Officer; In charge of Women's Promotion of ANA Group; Promotion Officer for the Tokyo Olympic and Paralympic Games
April 2017
Vice President and Representative Director of ANA Strategic Research Institute Co., Ltd.
April 2020
Chairman and Director of ANA Strategic Research Institute Co., Ltd.

June 2020

Director of the Company (continuing to the present)

April 2021

Advisor of ANA Strategic Research Institute Co., Ltd.
(continuing to the present)

Positions at other entities:

Director of Sumitomo Mitsui Trust Holdings, Inc.

Director of RENAISSANCE INCORPORATED

Number of Company
Shares owned by
Candidate

0 share

Number of years in
office as Outside
Director

1 year

Reason for selection as
Outside Director
candidate and expected
roles

Ms. Hiroko Kawamoto held important offices at ALL NIPPON AIRWAYS CO., LTD. and ANA Strategic Research Institute Co., Ltd. She is suitable as an outside Director based on her sound judgment and insight necessary for company management and her ability to supervise and advise on the Company's management.

If she is elected, she will perform a supervisory function on overall business operations based on her broad experience and expertise on customer service and diversity promotion, and as a member of the Personnel Deliberation Committee and the Remuneration Deliberation Committee, ensure suitability of director candidates and objectivity and transparency of the process with respect to personnel matters concerning the Company's directors, and ensure objectivity and transparency of remuneration determination process for the Company's directors.

Matters relating to
independence

Ms. Hiroko Kawamoto meets the "Independence Standards for Outside Directors and Outside Corporate Auditors" of the Company, and the Company has designated her as independent director as stipulated by stock exchanges. If she is elected, she will continue to be an independent director.
She has worked at ALL NIPPON AIRWAYS CO., LTD. with which the Company has a transactional relationship, but for the last three (3) fiscal years the volume of business has been no more than 2% of the annual consolidated net sales of both companies. She works at ANA Strategic Research Institute Co., Ltd. with which the Company has no relationship that needs to be disclosed for the last three (3) fiscal years.

(Notes)

1. There is no special interest between the Company and these candidates.

2. Mr. Motoshige Itoh, Ms. Reiko Amano, Mr. Masaki Sakuyama and Ms. Hiroko Kawamoto are Outside Director candidates.

Although Mr. Motoshige Itoh and Ms. Reiko Amano have not engaged in company management, we believe that they can perform duties as outside Directors based on “Reason for selection as Outside Director candidate” stated above.

3. The Company has executed agreements with Mr. Motoshige Itoh, Ms. Reiko Amano, Mr. Masaki Sakuyama and Ms. Hiroko Kawamoto to limit their liability as provided in Article 423, Paragraph 1 of the Business Corporation Law. The liability limit under each such agreement shall be the amount stipulated by law or regulation. If they are elected, the Company intends to extend such agreements.

4. The Company has executed a directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Business Corporation Law. The insurance agreement covers the legal costs and damages incurred by the insured, including the Company’s Directors, due to third-party lawsuits and shareholder derivative lawsuits, excluding in the event the Company pursues liability for damages against the insured. The insurance premiums are fully borne by the Company and the agreement is renewed annually. If each candidate is elected as Director, he or she will be the insured under this insurance agreement.

Agenda Item No. 3: Election of one (1) Corporate Auditor

As the term of office of an incumbent Corporate Auditor, Mr. Kimitaka Mori, will expire at the conclusion of this Ordinary General Meeting of Shareholders, it is proposed that one (1) Corporate Auditor be elected.

The Board of Corporate Auditors has approved this agenda item.

Information on the Corporate Auditor candidate is set forth below:

	Reappointment
	Independent corporate auditor candidate
	Outside Corporate Auditor candidate
Name (Date of Birth)	Kimitaka Mori (June 30, 1957)
Brief Personal Record	April 1980
and Position	Entered Shinwa Audit Corporation (currently KPMG AZSA LLC)
(Positions at Other	June 2000
Entities)	Representative Partner of Asahi Audit Corporation (currently KPMG AZSA LLC)
	June 2004
	General Manager of Financial Service Headquarters of KPMG AZSA & Co. (currently KPMG AZSA LLC)
	June 2006
	Executive Board Member of KPMG AZSA & Co.

July 2011
Chairman of KPMG Financial Services Japan, KPMG AZSA LLC

June 2013
Retired KPMG AZSA LLC

July 2013
Chairman and President of The Japanese Institute of Certified Public Accountants

July 2013
Established Mori Certified Public Accountant Office; Managing Partner (continuing to the present)

July 2016
Adviser of The Japanese Institute of Certified Public Accountants (continuing to the present)

June 2017
Corporate Auditor of the Company (continuing to the present)

Positions at other entities:
Director of Japan Exchange Group, Inc.
Corporate Auditor of MITSUI & CO., LTD
Director of Sumitomo Life Insurance Company

Number of
Company
Shares owned
by Candidate

100 shares

Number of years in
office as Outside
Corporate Auditor

4 years

Reason for selection as
Outside Corporate
Auditor candidate

Mr. Kimitaka Mori has been engaged in company audit as a certified public accountant over the years, and has professional insight regarding corporate finance and accounting. He is suitable to audit the execution of duties by Directors of the Company based on his sound judgment and insight necessary for audit of business operation.

Matters relating to
independence

Mr. Kimitaka Mori meets the “Independence Standards for Outside Directors and Outside Corporate Auditors” of the Company, and the Company has designated him as independent corporate auditor as stipulated by the stock exchanges. If he is elected, he will continue to be an independent corporate auditor.

He has worked at KPMG AZSA LLC, the Accounting Auditor of the Company, but for the last three (3) fiscal years the amount of remuneration paid by the Company to KPMG AZSA LLC for audit certificate services and non-audit services has been no more than 2% of the annual consolidated net sales of KPMG AZSA LLC.

(Notes)

1. There is no special interest between the Company and the candidate.
2. Mr. Kimitaka Mori is an Outside Corporate Auditor candidate.

Although he has not engaged in company management, we believe that he can perform duties as an outside Corporate Auditor based on “Reason for selection as Outside Corporate Auditor candidate” stated above.

3. The Company has executed an agreement with Mr. Kimitaka Mori to limit his liability as provided in Article 423, Paragraph 1 of the Business Corporation Law. The liability limit under such agreement shall be the amount stipulated by law or regulation. If he is elected, the Company intends to extend such agreement.

4. Japan Exchange Group, Inc. (JPX), for which Mr. Kimitaka Mori serves as outside director, received an order for business improvement from the Financial Services Agency in November 2020, relating to the stock exchange system failure of its subsidiary Tokyo Stock Exchange, Inc. (TSE) and resulting suspension of all transactions on the TSE for an entire day in October 2020, because of technical flaws in the automatic switch function of the failed equipment and insufficient TSE rules for resuming the exchange. Before such incident, Mr. Mori had advised on stable and reliable market operation at the board of directors of JPX, and after the incident he performs his duty by providing advice on preventative measures based on investigation by the Investigation Committee composed of Outside Directors on system failures and the Investigation Committee’s report.

5. The Company has executed a directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Business Corporation Law. The insurance agreement covers the legal costs and damages incurred by the insured, including the Company’s Corporate Auditors, due to third-party lawsuits and shareholder derivative lawsuits, excluding in the event the Company pursues liability for damages against the insured. The insurance premiums are fully borne by the Company and the agreement is renewed annually. If Mr. Kimitaka Mori is elected as Corporate Auditor, he will be the insured under this insurance agreement.

(Reference) Independence Standards for Outside Directors and Outside Corporate Auditors

1. With respect to outside directors and outside corporate auditors of the Company, such directors and corporate auditors shall be deemed to be independent if they do not fall under any of the following categories:

- (1) a major business partner (a vendor) of the Company or a consolidated subsidiary thereof (Note 1), or an executive of a corporation that is such partner (Note 2);
- (2) a major business partner (a customer) of the Company or a consolidated subsidiary thereof (Note 3), or an executive of a corporation that is such partner;
- (3) a consultant, certified public accountant or other accounting expert, or attorney or other legal expert who has received money or other property benefits other than compensation for directors in excess of JPY10 million per annum from the Company or a consolidated subsidiary thereof during any of the immediately preceding three (3) year fiscal years of the Company or a consolidated subsidiary thereof; or a consultant, certified public accountant or other accounting expert, or attorney or other legal expert who belongs to a corporation or other entity whose property benefits received from the Company or a consolidated subsidiary thereof has exceeded 2% of its annual income for any of the immediately preceding three (3) fiscal years of such corporation or other entity;
- (4) a major shareholder of the Company (Note 4), or an executive of a corporation that is such shareholder;
- (5) a certified public accountant or a member, partner, or employee of an auditing firm which was an outside accounting auditor of the Company for the most recent three (3) fiscal years, and was actually in charge of audit work of the Company (except administrative or ancillary staff);
- (6) a major lender to the Company or a consolidated subsidiary thereof (Note 5), or an executive of a corporation that is such lender;
- (7) a recipient of donations in excess of JPY10 million per annum from the Company or a consolidated subsidiary thereof during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof; or an executive of a corporation whose donations received from the Company or a consolidated subsidiary thereof has exceeded 2% of its annual sales or annual total income for any of the immediately preceding three (3) fiscal years of such corporation;
- (8) the spouse or relative by blood or marriage within the second degree of the executive (including directors who are not executives if an outside corporate auditor is designated as an independent corporate auditor) of the Company or a subsidiary thereof (to the extent such person is deemed to be an important party (Note 6));
- (9) the spouse or relative by blood or marriage within the second degree of a party falling under items (1) to (7) (to the extent such person is deemed to be an important party); or

(10) in addition to the preceding items, a person who is unable to perform duties as an outside director or an outside corporate auditor with independence due to a conflict of interest with the Company or other special circumstance.

2. If an outside director or an outside corporate auditor who is deemed to be independent based on the foregoing standards subsequently falls within any of the items of 1 above, such director or corporate auditor shall immediately notify the Company.

Notes:

- (1) A major business partner (a vendor) of the Company or a consolidated subsidiary thereof means a recipient of payment from the Company or a consolidated subsidiary thereof in excess of 2% of the annual consolidated sales during any of the immediately preceding three (3) fiscal years of such party.
- (2) An executive means an executive director or other director executing the business of the corporation, executive officer, or employee of the corporation (the same applies in the following items).
- (3) A major business partner (a customer) of the Company or a consolidated subsidiary thereof means a payer to the Company or a consolidated subsidiary thereof in excess of 2% of the annual consolidated sales during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof.
- (4) A major shareholder of the Company means a shareholder who has held, either directly or indirectly, 10% or more of the total number of voting rights during any of the immediately preceding three (3) fiscal years of the Company.
- (5) A major lender to the Company or a consolidated subsidiary thereof means a financial institution that has provided a loan to the Company or a consolidated subsidiary thereof in excess of 2% of the consolidated total assets during any of the immediately preceding three (3) fiscal years of the Company or a consolidated subsidiary thereof.
- (6) An important party means a person in a position at least equivalent to that of an important employee (the same applies in item (9)).

BUSINESS REPORT

For the fiscal year from April 1, 2020 through March 31, 2021

I. ITEMS CONCERNING STATUS OF THE GROUP

1. Business Progress and Results

(1) Overview

In the fiscal year ended March 31, 2021, despite signs of recovery in the second half, the Japanese economy continued to be in a difficult state due to the ongoing spread of COVID-19.

There was a significant decline in the number of customers using railways following the spread of COVID-19. In addition, with respect to the life-style service business, there have been declines in the use of stores and restaurants within railway stations and station buildings as well as the use of hotels. In light of this situation, the Group has been placing the utmost priority on preventing the spread of COVID-19 to its customers and employees and ensuring the safety and reliability of transportation and the quality of its services. In September 2020, the Group announced Speed Up “Move Up” 2027, a policy tailored to the post-COVID-19 society. By increasing the level and pace of its various initiatives, the Group will work to expedite its progress toward the achievement of “Move Up” 2027 management vision.

During the fiscal year under review, operating revenues declined 40.1%, to ¥1,764.5 billion, due mainly to the significant revenue declines in the Transportation, Retail & Services, and Real Estate & Hotels segments, which were attributable to the impact from the spread of COVID-19. In addition, as a result of these decreases in operating revenues, we recorded operating loss of ¥520.3 billion (operating income of ¥380.8 billion in fiscal 2020), ordinary loss of ¥579.7 billion (ordinary income of ¥339.5 billion in fiscal 2020), and loss attributable to owners of parent of ¥577.9 billion (profit attributable to owners of parent of ¥198.4 billion in fiscal 2020).

(a) Deepening Trust

【Pursuing ultimate safety levels】

Based on the “Group Safety Plan 2023,” the JR East Group united as one toward the enhancement and innovation of “safety conduct” and “safety management” by each employee as well as the installation of safety equipment that actively leverages new technologies.

(Specific measures)

- Installation of automatic platform gates completed at 61 railway stations (72 railway stations on a line-by-line basis) as of March 31, 2021
- Introduction of a “system to support decisions on moving railcars,” which assists the moving of railcars to safe places in light of the damage caused by flooded rivers and other hazards brought about by Typhoon No. 19 (Hagibis) in 2019, at a total of 78 locations
- Implementation of practical training for train crew through actual video making use of simulators installed at all workplaces

- Promotion of additional seismic reinforcement covering more areas and facilities to prepare for a major earthquake, such as an earthquake directly beneath the Tokyo metropolitan area, in conjunction with examination of measures in light of the damages incurred from the February 2021 earthquake off the coast of Fukushima Prefecture
- Implementation of verification tests at Tokyo, Ueno, and Omiya stations in August 2020 of hazardous-material detection dogs for baggage check to enhance security
- Implementation of test runs from September 2020 to January 2021 for a new train control system on the Hachiko Line that utilizes the Global Navigation Satellite System (GNSS) and a mobile wireless communication network with the aim of introducing the system in fiscal 2025
- Introduction of an AI-based method for detecting wind gusts in November 2020 for controlling train operations using the Doppler radar on certain segments of the Uetsu Line and the Rikuu West Line
- Establishment of a life-size mockup facility at the JR East General Education Center in December 2020, to promote technological development including the mechanization of work processes and renovation materials toward major upgrades to the Shinkansen

【Service quality reforms】

Based on “Medium-term Vision for Service Quality Reforms 2020,” the JR East Group accelerated various initiatives, including to prevent transportation service disruptions and their impact on passengers from spreading.

(Specific measures)

- Improvement of electrical equipment on conventional lines in the Tokyo metropolitan area to reduce transportation disruptions
- Establishment of a framework to promptly provide relevant information in the event of a planned suspension of operations when a natural disaster occurs, with swift information provision using this framework at the time of heavy snowfall in December 2020
- Implementation of year-round “Assistance and support campaign,” which encourages our personnel to proactively ask customers whether they require assistance
- Commencement of the provision of information on the status of congestion inside trains over the last week in 15 sections of 13 line segments in the Tokyo metropolitan area via the JR East corporate website and the *JR East app*
- Expansion of services on the *JR East app* in July 2020 for providing real-time information on congestion within railcars, etc., to cover not only the Yamanote Line but also major line segments in the Tokyo metropolitan area
- Commencement in December 2020 of mobile phone services, including within tunnels, on all trains on the Shinkansen lines
- Promotion of preparations for the June 2021 renewal of the online ticket purchase service *eki-net*, including linkages with *JRE POINT* and support for reserving and purchasing discount tickets
- March 2021 installation of a non-contact-type AI guidance system that operates without the need to touch a screen at Kaihimmakuhari Station
- Promotion of preparations for the July 2021 launch of the Hokuriku E7 Series Shinkansen railcars equipped with wheelchair-designated free spaces
- Formulation of “Vision for Service Quality Reforms 2027” in March 2021, an initiative showing the direction of the JR East Group’s services by virtue of encouraging each Group employee to “Think-and-Act” on their own initiative

【Implementing ESG management】

With its sights set on realizing the Sustainable Development Goals (SDGs), the JR East Group has implemented ESG management aimed at resolving social issues through its businesses.

(Specific measures)

- Announcement of “Zero-Carbon Challenge 2050,” a long-term environmental goal toward achievement of net zero CO₂ emissions by fiscal 2051, as a railway business’ target in May 2020 and as a Groupwide target in September 2020. In addition, formulation of a roadmap for achieving this target in December 2020
- Publication of the Group’s first-ever integrated report *JR East Group INTEGRATED REPORT 2020* in August 2020 with the aim to introduce the Group’s medium- to long-term value creation and sustainability initiatives, among other efforts
- First-ever disclosure in August 2020 of information that estimates the future financial impact of climate change on the railway business, utilizing the Task Force on Climate-related Financial Disclosures (TCFD) framework
- Establishment of the Energy Strategy Department in June 2020 to accelerate promotion of energy strategies
- With respect to plastic reduction efforts, completion of the replacement of plastic bags used inside ticket gate areas and at hotels and other locations with those made of substitute materials in September 2020, which followed the replacement of plastic straws at these locations. Additionally, receipt of the Award of Excellence in the Corporate Division of the “Initiative to Reduce Plastic Bags Together,” which is spearheaded by the Ministry of the Environment
- Announcement of participation in July 2020 in food recycling and biogas generation business in the Tohoku region through Tohoku Bio Food Recycle Corporation
- Commencement in October 2020 of operations of the *Hydrogen JR Takeshiba Shuttle Bus* service, which offers shuttle between Tokyo Station and locations in the Takeshiba area, with the aim of realizing a hydrogen-based society
- Preparations under way for starting verification tests around March 2022 for the test hybrid railcar *HYBARI* based on hydrogen energy
- Implementation of field tests involving the reuse of batteries for electric vehicles to power railway crossing equipment, with trial operations set to take place on railway crossings along the Joban Line and the Mito Line in fiscal 2022
- Receipt of the Minister of the Environment Award at the Third Annual Japan Open Innovation Prize for displaying artwork by people with disabilities on a temporary fence nearby a railway station and creating tote bags that incorporate their art
- Development of child-rearing support facilities (cumulative total of 145 child-rearing-support facilities as of March 31, 2021)

(b) Realizing affluent lives for “everyone”

【Reforming transportation service quality】

In addition to making its transportation services more attractive to provide even more comfort and convenience to customers, the JR East Group has made such efforts as promoting the flow of people to further expand opportunities for interaction while taking measures to prevent the spread of COVID-19.

(Specific measures)

- Revision of the timetables in March 2021 to make the last train times earlier in order to expand the hours of maintenance work and improve services by reforming work styles in railway construction and speeding up the installation and maintenance of railway equipment
- Promotion of review of measures to encourage off-peak commuting in accordance with new lifestyles and level out seasonal railway use
- Start of construction work on noise-cancelling equipment and other necessary facilities with the aim of increasing train speeds between Morioka Station and Shin-Aomori Station on the Tohoku Shinkansen Line from October 2020
- Continuation of test runs of *ALFA-X*, a test railcar geared toward realizing the next generation Shinkansen
- Testing of the Joetsu Shinkansen utilizing E7 Series railcars between Niigata Station and the Niigata Shinkansen Rolling Stock Center scheduled to take place in around fall 2021, in order to build and verify the necessary technologies for realizing the automated operation of Shinkansen lines
- Receipt of approval for the development of the Haneda Airport Access Line (provisional name) between Tokyo Freight Terminal Station and Haneda Airport New Station (provisional name) in January 2021
- Parallelization of the train platforms of the Saikyo Line and the Yamanote Line at Shibuya Station in June 2020, thereby making it easier for customers to transfer trains
- Commencement of operations of new E235 Series railcars on the Yokosuka/Sobu Rapid Line Service from December 2020
- Commencement of conductorless operations of new E131 Series railcars on certain segments of the Uchibo Line, the Sotobo Line, and other railway lines from March 2021
- Use of only the renewed E257 Series railcars as limited express trains on the Tokaido Line and launch of *eki-net* seat reservation smartphone app, through which customers can reserve seats online, eliminating the need to purchase paper tickets at railway stations in March 2021
- Installation of automatic train operation (ATO) devices on all local trains of the Joban Line in March 2021

【Lifestyle development (town development)】

With a view to enhancing profitability, the JR East Group moved forward with efforts toward the development of diverse and attractive towns and the proposal of new lifestyles by leveraging its capabilities in physical and digital domains.

(Specific measures)

- Expansion to 134 locations as part of the *STATION WORK* shared office business by the end of fiscal 2021, including the opening of *STATION DESK* in Yokohama Station in August 2020. At the same time, establishment of a new target of expanding to 1,200 locations nationwide by fiscal 2026 in order to further promote the business
- Establishment of Station City Energy Create Co., Ltd. in April 2020 to manage energy for the Shinagawa Development Project by utilizing advanced environmental technologies
- Commencement of robot verification tests for disinfecting procedures, deliveries, and other work in July 2020 at Takanawa Gateway Station. Also, addition of a verification test in December 2020 related to automatically linking elevators and robots
- Conclusion of a Memorandum of Understanding with KDDI CORPORATION in

December 2020 regarding new decentralized urban development centered on the Shinagawa development project

- Announcement of comprehensive partnership with Seibu Holdings, Inc. in December 2020 geared toward new lifestyle creation, such as the expansion of “workations” and shared offices
- Adoption of 18 proposals submitted to the *JR EAST STARTUP PROGRAM 2020*, a program based on the theme of regional revitalization that aims to promote open innovation, and implementation of verification tests for these proposals
- Promotion of preparations to merge the subsidiaries JR East Retail Net Co., Ltd., JR East Foods Co., Ltd., JR East Water Business Co., Ltd. and Tetsudo Kaikan Co., Ltd. in April 2021 to establish JR East Cross Station Co., Ltd. with the goal of maximizing station value
- Preparations under way to merge the subsidiaries JR Chuo Line Mall Co., Ltd. and JR Tokyo West Development Co., Ltd. in April 2021 to establish JR Chuo Line Community Design Co., Ltd. with a view toward realizing the Lineside Urban Development Vision, which aims to create comfortable living spaces for people of all ages
- Forming of a capital and business alliance with Senshukai Co., Ltd. in September 2020 and the launch of joint services, such as *BELLE MAISON*, in March 2021, toward the achievement of ¥130.0 billion in *JRE MALL* transactions by fiscal 2026
- Announcement of JR East Group Strategic Vision as a Core Pillar “Beyond Stations” in March 2021 to transform railway stations from transportation hubs to lifestyle platforms designed to connect people, things, and experiences
- Preparations under way to open *KAWASAKI DELTA* (Kanagawa) and *MEGURO MARC* (Tokyo) in a bid to increase the overall appeal and value of local towns together with local communities
- Preparations under way to open hotels in Akita, Iwaki, and other areas to establish a hotel chain with more than 10,000 guest rooms
- Establishment of 5G base stations inside three railway stations in March 2021 as part of a plan to establish 100 base stations by fiscal 2026

【Regional revitalization】

The JR East Group is working to promote regional revitalization in all areas of East Japan through not only the promotion of tourism and urban development around regional core stations, but also the *sextic industrialization* of the agriculture, forestry, and fishing industries. By doing so, the Group will enrich local communities.

(Specific measures)

- In regard to distribution services via Shinkansen lines and other measures, sale of regional food products in the Tokyo metropolitan area as well as the sale of sweets and other products popular in the Tokyo metropolitan area in regional areas in collaboration with organizations such as JAPAN POST Co., Ltd., local governments, and other companies
- Launch of integrated post office and station counter operations at Emi Station on the Uchibo Line in August 2020 in collaboration with JAPAN POST Co., Ltd.
- Opening of the tourist farm *JR Fruits Park Sendai ARAHAMA* (Miyagi) in March 2021 in areas that were relocated as a group in Sendai City after the Great East Japan Earthquake
- Entry into capital and business alliance in October 2020 with Nounsouken Corporation, which maintains contact points with agricultural producers and possesses a logistics network, with the aim of promoting such efforts as expanding sales of agricultural

products at stores within railway stations and on *JRE MALL* and transporting agricultural products utilizing railway stations and trains

- Establishment of Hometown tax donation program website on *JRE MALL* in October 2020
- Utilization of the *TOHOKU Supporter* system to build momentum for the *TOHOKU Destination Campaign*, which will be launched in April 2021, in the Tohoku area and the Tokyo metropolitan area. In addition, promotion of preparations to realize extensive tours utilizing *Joyful Trains* and secondary transportation
- Opening of the *JR EAST Travel Service Center*, an in-station facility that provides information on areas within the JR East network and other tourism-related services, at Kawasaki and Akita stations in March 2021
- Opening of Aomori Station in March 2021 and promotion of development of station buildings, government facilities, and hotels through collaboration with the local community

【Making *Suica* a shared infrastructure and promoting MaaS】

By enhancing the attractiveness of *JRE POINT*, expanding the use of *Suica*, and utilizing MaaS platform, the JR East Group has provided customers with additional convenience for transportation and payments.

(Specific measures)

- Establishment of the MaaS & *Suica* Promotion Headquarters in June 2020 to promote a three-pronged approach focused on *Suica*, MaaS, and data marketing
- Participation in a “cashless, consumer-returns business” and, in conjunction with this participation, an original campaign that increased the amount of *JRE POINTs* returned to customers when making cashless purchases at station buildings and inside railway stations
- Launch of a service that enables *Suica* use with the Rakuten Pay app in May 2020 and commencement of service that enables *Suica* to be charged using the Rakuten Pay app in December 2020, in collaboration with Rakuten Payment, Inc.
- Launch of a feature from July 2020 that enables seat reservations to be made smoothly by linking the *JR East app* with the *eki-net app*
- Implementation of the *Individual Number Card Points Program*, a campaign service launched in July 2020 that awards *JRE POINTs* to customers who charge their *Suica* through this program
- Gradual expansion of *JRE POINT* service at around 300 locations, including *ecute* stores, starting in October 2020
- Introduction in March 2021 for the *Suica* commuter pass of new *JRE POINT* services, *Off-Peak Point Service*, geared toward customers who commute during off-peak times, and *Repeater Point Service*, geared toward customers who use *Suica* repeatedly on segments with the same train fare
- Promotion of preparations to launch in April 2021 a service enabling the conversion of *JRE POINTs* into electronic tickets, for use in cashless transactions at stores and shopping districts in local communities
- Introduction of *Multi-function Card for Regional Transit* service in Utsunomiya (Tochigi) and Morioka (Iwate) areas in March 2021 to promote greater use of *Suica* in regional areas
- Conclusion of agreement for business alliance with Tokio Marine & Nichido Fire Insurance Co., Ltd. in July 2020 and implementation of a MaaS verification test in

December 2020 that enables the selection of alternative means of transportation when an automobile accident occurs

- Promotion of preparations to launch *TOHOKU MaaS*, a tourism-oriented MaaS comprising trial operation of on-demand mobility services in the Akiu area (Miyagi), at eight locations in six prefectures in the Tohoku area in tandem with the *TOHOKU Destination Campaign*
- As the verification test for *Gugutto GunMaaS*, introduction of *Mae MaaS*, which features content that enables the use of discounts on buses and on-demand transport within Maebashi City (Gunma) by linking *Suica* with My Number cards, from December 2020 to March 2021
- Start of verification test of *Route Navigation based on Real-Time Information* with Keio Corporation and Odakyu Electric Railway Co., Ltd. in January 2021 and with West Japan Railway Company and Sagami Railway Co., Ltd. in March 2021
- Preparations under way to conduct a MaaS verification test in March 2021 on travelers from Japan to Hawaii in collaboration with Japan Airlines Co., Ltd.

【Tokyo 2020 Olympic and Paralympic Games】

The Tokyo 2020 Olympic and Paralympic Games have been postponed. However, guided by its communication slogan “TICKET TO TOMORROW,” the JR East Group proceeded with preparations as an Official Passenger Rail Transportation Services Partner of the Tokyo 2020 Olympic and Paralympic Games.

(Specific measures)

- Promotion of upgrades to railway stations near stadiums; completion of construction at Sendagaya, Shin-Kiba, and other stations, and opening of an east-west free passage at Shinjuku Station in July 2020
- Provision of protective materials to stations and trains to heighten security through employees and monitoring through the use of networks and increased installation of security cameras to strengthen security measures for railways
- Display of easy-to-understand information indicating the time until train arrival on platforms of the Yamanote Line
- Continuing of display *TOKYO SPORTS STATION*, a project that introduces the highlights and must-see points of each competition of the Tokyo 2020 Olympic and Paralympic Games, primarily on monitors on trains
- Conclusion of gold partner agreement with the Japan Boccia Association in August 2020 to help strengthen the national team, which included providing a venue for lodging the team in September and November 2020

【Developing businesses for the world】

By drawing on its wealth of technologies and expertise, the JR East Group has developed a range of transportation and life-style services overseas, primarily in Asia.

(Specific measures)

- Preparations under way to open *Hotel Metropolitan Premier Taipei*, the JR East Group’s first overseas hotel, in summer 2021
- Receipt of order by the subsidiary Japan International Consultants for Transportation Co., Ltd. for providing operation and maintenance consulting for Jakarta MRT North-South Line in Indonesia together with Nippon Koei Co., Ltd. and conclusion of agreement in October 2020

- Receipt of order by the subsidiary Japan Transport Engineering Company to supply 240 railcars for the Metro Manila Subway in the Philippines together with Sumitomo Corporation and conclusion of agreement in December 2020

(c) Happiness of employees and their families

The JR East Group promoted operational, working style and workplace reforms and strengthened its corporate structure with the goal of creating a sense of fulfillment in work for its employees that establishes the foundation for the sustainable growth “Move Up” 2027 aims to achieve.

(Specific measures)

- Establishment of “a new job rotation system” in April 2020 that aims to flexibly respond to the diverse ambitions of employees and promote an even more active role and further the growth of each employee in a broad range of fields
- Renewal of uniforms for station and railcar attendants in May 2020 as a symbol for taking on challenges with a new sense of enthusiasm under the aim of realizing “Move Up” 2027, in addition to the promotion of preparations for the renewal of uniforms for maintenance workers in fiscal 2022
- Revision of systems such as child-rearing and nursing-care leave and promotion of the introduction of a flextime system at certain on-site work locations to enhance job satisfaction of employees
- Promotion of a *cross-organizational project* in which employees at on-site work locations go beyond the framework of their position to leverage their creativity more closely with customers

(2) Summary of Operations by Business Segment

(a) Transportation

In the Transportation segment, JR East made concerted Groupwide efforts to enforce rigorous measures in response to COVID-19 while ensuring the provision of safe and reliable transportation and high-quality services.

(Specific measures)

- Engagement in PR activities that focused on safety and sanitation, which involved such efforts as disinfecting and ventilating areas within stations and railcars as well as requiring all station staff and train crew to wear masks, and promotion of the use of touchless payment services such as *Suica* and Shinkansen e-tickets
- Commencement of the *Osakini Tokudane Special* (50%-off) *Campaign* for all Shinkansen lines in July 2020 and launch of products in conjunction with the Japanese government’s *Go To Travel Campaign*
- Expansion of the applicable segments for the *Osakini Tokudane Special* (50%-off) *Campaign* in November 2020
- Expansion of *Touch de Go! Shinkansen* service area in March 2021

Despite these efforts, operating revenues in the Transportation segment were down 43.9%, to ¥1,167.7 billion, owing to major revenue declines in the railway and bus businesses caused by the impact from the spread of COVID-19. In addition, the segment recorded operating loss of ¥532.3 billion (operating income of ¥250.5 billion in fiscal 2020).

(b) Retail & Services

In the Retail & Services segment, JR East set out to open new stores inside railway stations and enhance the value of existing businesses.

(Specific measures)

- Renovation and reopening of *Gyutan Street* and *Sushi Street* at Sendai Station in May 2020
- Opening of four new stores in June 2020 in the newly developed area of *ecute Ueno* (Tokyo)
- Opening of *GranSta Tokyo* (Tokyo), our largest commercial facility inside a railway station, in August 2020
- Opening of *ecute EDITION Yokohama* (Kanagawa) in August 2020
- Opening of *KINOKUNIYA Sutto Mejiro Station Store* (Tokyo), a mini-supermarket with only self-checkout machines, in October 2020
- Opening of *Kimchi*, *Durian*, *Cardmom*, , *Food Lab* (Tokyo) at Shin-Okubo Station in March 2021

However, operating revenues in the Retail & Services segment were down 33.8%, to ¥379.9 billion, due in part to the significant revenue declines at stores and restaurants within railway stations and in advertising and publicity services, which were the result of the impact from the spread of COVID-19. Furthermore, the segment recorded operating loss of ¥13.5 billion (operating income of ¥34.3 billion in fiscal 2020).

(c) Real Estate & Hotels

In the Real Estate & Hotels segment, JR East proceeded with the lifestyle development (town development) such as development of large-scale terminal stations and in line-side areas and enhanced the appeal of local towns and communities.

(Specific measures)

- As the *WATERS takeshiba* (Tokyo) urban mixed-use development, opening of offices and *mesm Tokyo*, *Autograph Collection* in April 2020, opening of *atré Takeshiba* (Phase I) in June 2020, opening of *atré Takeshiba* (Phase II) in August 2020, and opening of *JR EAST Shiki Theatre AKI* in October 2020
- Opening of *HOTEL METROPOLITAN KAMAKURA* (Kanagawa) in April 2020
- Opening of *HOTEL METROPOLITAN KAWASAKI* (Kanagawa) in May 2020
- Opening of *JR-EAST HOTEL METS YOKOHAMA* (Kanagawa) and *JR-EAST HOTEL METS YOKOHAMA SAKURAGICHO* (Kanagawa) in June 2020
- Opening of *CIAL YOKOHAMA* (Kanagawa) and *NEWoMan YOKOHAMA* (Kanagawa) in June 2020
- Commencement of resident acceptance at *View Lieto Gran Shinjuku Toyama* (Tokyo), a large-scale rental housing complex, in June 2020
- Opening of *Hibiya OKUROJI* (Tokyo) in September 2020
- Opening of *HOTEL METROPOLITAN YAMAGATA South Tower* (Yamagata) in November 2020
- Opening of *JR SENDAI EAST GATE BLDG.* (Miyagi) in February 2021

Despite these efforts, operating revenues in the Real Estate & Hotels segment were down 21.1%, to ¥291.5 billion, as the spread of COVID-19 led to a major revenue decline at station buildings and hotels. The segment also posted operating income of ¥15.1 billion, a 79.7% decline, in fiscal 2020.

(d) Others

In the Others segment, JR East moved ahead with efforts to expand the use of *Suica*, participation in overseas railway projects, and other measures.

(Specific measures)

- In *Suica* shopping services (electronic money), continuation of efforts to expand the number of compatible stores by enabling *Suica* use at cafes, supermarkets and other locations; issuance of approximately 85.9 million *Suica* cards as of March 31, 2021; and achievement of 10 million members for *Mobile Suica* in September 2020
- With respect to overseas railway projects, through the subsidiary Japan International Consultants for Transportation Co., Ltd., provision of consultation services for the “Detailed Design Study on the High Speed Railway Construction Project in India” and completion of supervision work for the construction of a training center for National High Speed Rail Corporation Limited (NHSRCL) in India in October 2020

However, with the decline in revenue from the data processing business and the significant decrease in revenue from the credit card business due to the impact from the spread of COVID-19, operating revenues from Others were down 11.3%, to ¥243.5 billion. In addition, operating income declined 38.2%, to ¥14.7 billion.

(e) Financial Results by Segment

Financial results by segment of the Group for this fiscal year are as set forth below.

(Billions of yen)							
	Transportation	Retail & Services	Real Estate & Hotels	Others	Total	Adjustment	Consolidated
Operating revenues							
Outside customers	1,095.7	318.0	271.2	79.5	1,764.5	-	1,764.5
Inside group	71.9	61.8	20.2	164.0	318.1	(318.1)	-
Total	1,167.7	379.9	291.5	243.5	2,082.7	(318.1)	1,764.5
Segment income (loss)	(532.3)	(13.5)	15.1	14.7	(515.9)	(4.3)	(520.3)

(Note) The Company applies the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Statement No.17, June 30, 2010) and the Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Guidance No.20, March 21, 2008). The operating income (loss) of each segment of the Company corresponds to the segment income (loss) under the said Accounting Standard and Guidance.

(3) Challenges

1. Basic Management Policies (Group Philosophy)

We will earn the trust of our customers as a whole group by aiming for ultimate safety levels as our top priority.

We will strengthen our network capabilities focusing on technologies and information, and we are committed to helping our customers and people in communities to realize affluent lives.

2. Changes to the Business Environment

As the Japanese economy has been significantly affected by the spread of COVID-19, the JR East Group believes it will continue to face a very difficult operating environment as transportation demand will continue to drastically decline.

In addition, over the medium to long term, Japan's population is anticipated to further decline and age. At the same time, significant changes to the business environment are expected, including automated driving and other technological innovations as well as changes in globalization.

Further, as more than 30 years have passed since its establishment, the JR East Group faces various changes, including changes to railway systems and the rapid transition to the next generation of employees.

3. Medium-Term Management Strategies

The Group had been managing its operations in line with the “Move Up” 2027 management vision in anticipation of changes to its business environment, but in September 2020, based on our belief that customer use of railways will not return to the pre-COVID-19 pandemic level, the Group announced Speed Up “Move Up” 2027, a policy tailored to the post-COVID-19 society. By increasing the level and pace of its various initiatives, the Group will work to expedite its progress toward the achievement of “Move Up” 2027.

The Group will combine physical networks, in which the Group has an advantage, and digital technologies. In conjunction, the Group will evolve the railway-centered business model by placing greater emphasis on people and promote to reform the corporate structure to realize sustainable growth of the Group.

The Group will also undertake efforts to increase the growth of life-style services and IT & *Suica* services while restoring profitability in transportation services, so that the Transportation segment covers 60% of operating revenues by fiscal 2026 (with the other segments accounting for the remaining 40%). The Group will continue to invest management resources in growth areas in an effort to decrease the Transportation segment's share of operating revenues to 50% as swiftly as possible.

4. Management Benchmarks

In the wake of a drastic downturn to its business environment, in January 2021 the Group has established the following numerical targets for the fiscal year ending March 31, 2026, in lieu of the numerical targets for the fiscal year ending March 31, 2023 initially set forth in “Move Up” 2027, the Group’s management vision announced on July 3, 2018.

	Billions of Yen			
	Fiscal 2026 Targets (Note1)	Plans for Fiscal 2021 (as of January 2021)	Actual Fiscal 2021	Actual/Plan Fiscal 2021
Operating Revenues	3,090.0	1,773.0	1,764.5	99.5%
.....	[3,325.0]			
Transportation	1,970.0	1,083.0	1,095.7	101.2%
.....	[1,980.0]			
Retail & Services	550.0	333.0	318.0	95.5%
.....	[709.0]			
Real Estate & Hotels	480.0	276.0	271.2	98.3%
.....	[535.0]			
Others	90.0	81.0	79.5	98.2%
.....	[101.0]			
Operating Income (Loss)	450.0	(535.0)	(520.3)	-
.....				
Transportation	252.0	(565.0)	(532.3)	-
.....				
Retail & Services	57.0	(4.0)	(13.5)	-
.....				
Real Estate & Hotels	113.0	24.0	15.1	63.2%
.....				
Others	30.0	12.0	14.7	123.0%
.....				
Adjustment	(2.0)	(2.0)	(4.3)	-
.....				
Consolidated operating cash flow	3,693.0	-	(189.9)	-
.....	(Note2)			
Consolidated ROA (%)	Around 4.5	-	(6.0)	-
.....				
Net interest-bearing debt / EBITDA (times) (Note3)	5 or less	-	-	-
.....				

- Notes: 1. Numbers in brackets for consolidated operating revenues and by segment are reference values excluding an effect of application of “Accounting Standards for Revenue Recognition” and other standards
2. Total amount covering five years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026
3. Net interest-bearing debt means Balance of consolidated interest-bearing debt *minus* Balance of consolidated cash and cash equivalents
EBITDA means Consolidated operating income *plus* Consolidated depreciation expense

5. Initiatives to Realize “Move Up” 2027

With the aim of realizing its management vision “Move Up” 2027, the Group will pursue efforts to enhance profitability (restructuring of growth and innovation strategies), reform the corporate structure (fundamental strengthening of management foundation), and

implement ESG management, while continuing to position safety at the top of its management priorities.

- Safety

The Group will earn deeper trust from customers and everyone in society, which forms the basis of the Group's entire operations, by continuing to enhance the safety and reliability of transportation services. The Group will thoroughly enforce measures to ensure that our customers can use our services in a safe and sanitary environment, including disinfecting and ventilating of areas within railway stations and railcars, to fulfill our social mission.

The Group will work toward the enhancement and innovation of “safety conduct” and “safety management” by each employee as well as the installation of safety equipment that leverages new technologies for the safety and reliability of transportation services. Given the increasing severity of natural disasters in recent years, we will also devote our attention to reducing disaster-related risks. Through these efforts, the Group will minimize the risk of occurrence of major accident and achieve zero accidents involving passenger injuries or fatalities and zero accidents involving employee fatalities.

- Enhancing profitability (Restructuring our growth and innovation strategies)

Despite the increasingly challenging conditions surrounding railway operations, the diversification of lifestyles will serve as a catalyst for significant opportunities. The Group will restructure our growth and innovation strategies and undertake efforts to propose new lifestyles and overcome challenges in new domains by combining physical networks, in which the Group has an advantage, and digital technologies.

To propose new lifestyles, the Group will undertake such initiatives as encouraging teleworking, so-called “workations,” and other diverse working styles, rollout of new services centered on *JRE POINT*, strengthening *JRE MALL*, promotion of JR East Group Strategic Vision as a Core Pillar “Beyond Stations” as creating attractive and convenient spaces within railway stations, proposing new travel utilizing MaaS and digital technologies, and developing Group-wide customer strategies. To overcome challenges in new domains, the Group will promote real estate asset management business, logistics services that utilize trains, collaboration with start-up companies and other organizations, sharing of 5G antenna infrastructure, and introduction of robot technology.

- Reforming the corporate structure (fundamental strengthening of management foundation)

The Group will undertake efforts to enhance productivity, especially in respect of the railway business which has a large fixed cost ratio, by leveraging new technologies and further accelerating digital transformation (DX) such as through ticketless, driverless operations and smart maintenance.

At the same time, the Group will conduct review to achieve more flexible management of the fundamentals for the operation of the railway business, such as train fare systems and train schedules, based on how services are used, and will promote to streamline facilities and to optimize its management.

- Implementing ESG management

From the environment, social, and governance perspectives, the JR East Group will pursue ESG management and make efforts to contribute to the sustainable development of local communities by solving social issues through its businesses. At the same time, the Group will promote efforts geared toward achieving the Sustainable Development Goals (SDGs).

With respect to the environment, the Group will forge ahead with the establishment of energy-efficient facilities, the development of renewable energy sources and other initiatives in pursuit of realizing zero CO2 emissions in the Tohoku Region by fiscal 2031 and net zero CO2 emissions for the entire Group by fiscal 2051. With respect to regional revitalization, the Group will continue to promote a range of initiatives geared toward the recovery of disaster-stricken areas together with the residents along railway lines and in local communities, as well as engage in regional revitalization efforts such as stimulating tourism to expand the exchange of people and promoting sextic industrialization to stimulate local economies.

2. Capital Investment

We made capital investments with a focus on safe and stable transportation, improvement of station services, reduction in maintenance cost, increase in profitability and other tasks. The total amount of capital investment during this fiscal year was ¥692.2 billion. Major investments are as described below:

(1) Major Construction Projects Completed

- (a) Transportation
 - Construction to prepare for large-scale earthquakes (reinforcement of approximately 1,000 pillars of the elevated railway tracks, etc.)
 - Installation of automatic platform gates (15 stations)
 - Installation of tactile paving tiles on the platform edge with markings showing non-track side (77 stations)
 - Installations of elevators (14 stations, total 32 elevators)
 - New construction of rolling stock for the Shinkansen (36 cars)
 - New construction of commuter train rolling stock for the Tokyo metropolitan area (149 cars)
 - New construction of rolling stock for local lines (128 cars)
- (b) Retail & Services
 - Renovation of north passage of Tokyo Station (GranSta Tokyo)
 - *ecute EDITION Yokohama*
- (c) Real Estate & Hotels
 - JR Yokohama Tower and JR Yokohama Tsuruyacho Building
 - WATERS takeshiba
 - JR Sendai East Gate Building

- Hotel Metropolitan Yamagata South Building
- JR Sakuragicho Building

(2) Major Construction Projects in Progress

- (a) Transportation
 - Installation of the Automatic Train Stop system (ATS-P) (Uetsu Main Line, etc.)
 - Construction to prepare for large-scale earthquakes (reinforcement of elevated railway tracks, etc.)
 - Installation of automatic platform gates (Tabata Station on the Keihin-Tohoku Line, etc.)
 - Installations of elevators
 - New construction of rolling stock for the Shinkansen (Joetsu Shinkansen Line and Hokuriku Shinkansen Line)
 - New construction of commuter train rolling stock for the Tokyo metropolitan area (Yokosuka Line, Sobu Line Rapid Service, etc.)
 - New construction of rolling stock for local lines (Ou Main Line, etc.)
 - New construction of outbound platform of Musashi-Kosugi Station on the Yokosuka Line
 - Renovation and construction of station building at Matsudo Station
 - Renovation of passage, new station facility and development of station building at Nakano Station
 - New construction of station facility above the bridge at Shibuya Station south exit
 - Renovation of passage and station facility above the bridge at Hamamatsucho Station north exit
 - Construction of a new station between Kaihimmakuhari Station and Shin-Narashino Station on the Keiyo Line
 - Construction of ground equipment with the aim of increasing train speeds between Morioka Station and Shin-Aomori Station on the Tohoku Shinkansen Line
 - Construction of continuous elevated railroad around Jujo Station
- (b) Real Estate & Hotels
 - Construction of Phase 2 (Central Bldg. and West Bldg.) of SHIBUYA SCRAMBLE SQUARE
 - Development of KAWASAKI DELTA
 - Expansion of Hotel Metropolitan Akita North Wing
 - Development of Iwaki Station South Exit

3. Fund Raising

We issued bonds and borrowed long-term loans mainly to use the funds to prepare for the impact of COVID-19 and for redemption of interest-bearing debts, as detailed below.

	Amount	Details
Bonds	¥430.0 billion	Domestic straight bonds: ¥430.0 billion
Long-term loans	¥281.7 billion	
Total	¥711.7 billion	

4. Changes in Results of Operations and Assets

(Billions of yen, except per share amount)

	31st Fiscal Year (April 2017 to March 2018)	32nd Fiscal Year (April 2018 to March 2019)	33rd Fiscal Year (April 2019 to March 2020)	34th Fiscal Year (April 2020 to March 2021)
Operating revenues	2,950.1	3,002.0	2,946.6	1,764.5
Ordinary income (loss)	439.9	443.2	339.5	(579.7)
Profit (Loss) attributable to owners of parent	288.9	295.2	198.4	(577.9)
Earnings (Loss) per share	749 yen	773 yen	524 yen	(1,531) yen
Total assets	8,147.6	8,359.6	8,537.0	8,916.4
Net assets	2,884.5	3,094.3	3,173.4	2,557.3

5. Major Businesses (As of March 31, 2021)

The Group is engaged in transportation business, retail & services business, real estate & hotels business and others.

(1) Transportation

We are engaged in passenger transportation services with a focus on railway operations. A summary of the railway operations of the Company is set forth below.

Branch office	Number of stations	Operating kilometers (Kilometers)		
		Conventional lines	Shinkansen lines	Total
Tokyo Branch Office	81	177.5	17.8	195.3
Yokohama Branch Office	109	327.9	-	327.9
Hachioji Branch Office	95	287.1	-	287.1
Omiya Branch Office	79	313.0	166.5	479.5
Takasaki Branch Office	90	367.5	165.5	533.0
Mito Branch Office	113	469.8	-	469.8
Chiba Branch Office	158	592.2	-	592.2
Sendai Branch Office	281	1,089.1	223.6	1,312.7
Morioka Branch Office	174	724.3	316.3	1,040.6
Akita Branch Office	143	634.9	-	634.9
Niigata Branch Office	193	776.7	168.0	944.7
Nagano Branch Office	114	348.5	136.5	485.0
Total	1,630	6,108.5	1,194.2	7,302.7

The number of units of rolling stock is 12,770 (11,913 electric railcars, 46 passenger railcars, 566 diesel railcars, 65 locomotives and 180 other rolling stock).

In relation to transportation business, we also operate travel agency services, cleaning services, station operations, facilities maintenance operations, railcar manufacturing operations, railcar maintenance operations, passenger bus transport services and monorail services.

(2) Retail & Services

This segment consists of the part of our life-style service business that includes retail sales and restaurant operations, a wholesale business, a truck transportation business, and advertising and publicity.

(3) Real Estate & Hotels

This segment consists of the part of our life-style service business that includes shopping center operations, leasing of office buildings and other properties, and hotel operations.

(4) Others

We conduct IT & *Suica* businesses, which include credit card operations, and information processing, among others.

6. Main Business Offices and Other Information (As of March 31, 2021)

(1) The Company

Head Office: 2-2, Yoyogi 2-chome, Shibuya-ku, Tokyo

Organizations affiliated with Head Office:

Research & Development Center of JR East Group (Saitama)
JR East General Education Center (Fukushima)
JR Tokyo General Hospital
JR East Health Promotion Center (Tokyo)
Energy Management Center (Tokyo)
Structural Engineering Center (Tokyo)

Organization to integrate Shinkansen operations

Shinkansen General Management Department (Tokyo)

Branch Offices, etc.:

Tokyo Branch Office, Yokohama Branch Office
Hachioji Branch Office, Omiya Branch Office
Takasaki Branch Office, Mito Branch Office
Chiba Branch Office, Sendai Branch Office
Morioka Branch Office, Akita Branch Office
Niigata Branch Office, Nagano Branch Office
Tokyo Construction Office

Tokyo Electrical Construction & System Integration Office
 Tohoku Construction Office (Miyagi)
 Joshinetsu Construction Office (Gunma)
 Yamagata Branch, Fukushima Branch, Aomori Branch

(2) Subsidiaries

Nippon Hotel Co., Ltd. (Tokyo)
 Viewcard Co., Ltd. (Tokyo)
 JR East Retail Net Co., Ltd. (Tokyo)
 JR BUS KANTO CO., LTD. (Tokyo)
 Japan Transport Engineering Company (Kanagawa)
 TOKYO MONORAIL CO., LTD. (Tokyo)
 LUMINE Co., Ltd. (Tokyo)
 Sendai Terminal Building Co., Ltd. (Miyagi)
 atré Co., Ltd. (Tokyo)
 JR East Urban Development Corporation (Tokyo)
 JR East Foods Co., Ltd. (Tokyo)
 JR East Information Systems Company (Tokyo)
 JR EAST TOUHOKU SOUGOU SERVICE COMPANY (Miyagi)
 JR East Building Co., Ltd. (Tokyo)
 East Japan Marketing & Communications, Inc. (Tokyo)
 JR East Rail Car Technology & Maintenance Co., LTD. (Tokyo)
 JR East Environment Access Co., Ltd. (Tokyo)
 JR East Mechatronics Co., Ltd. (Tokyo)
 JR East Station Service Co., Ltd. (Tokyo)
 JR East Facility Management Co., Ltd. (Tokyo)

(Notes)

1. JR East Foods Co., Ltd. was absorbed by JR East Retail Net Co., Ltd. through a merger as of April 1, 2021.
2. JR East Retail Net Co., Ltd. changed its name to JR East Cross Station Co., Ltd. as of April 1, 2021.

7. Employees (As of March 31, 2021)

Business segment	Number of employees	
Transportation	57,158	(14,529)
Retail & Services	5,774	(9,296)
Real Estate & Hotels	4,671	(1,421)
Others	4,370	(939)
Total	71,973	(26,185)

(Notes)

1. “Number of employees” shows the number of persons at work (excluding those seconded to other companies and including those seconded from other companies for

each of the Group companies). The number of temporary employees is shown in parentheses and is not included in “Number of employees.”

2. The number of temporary employees includes those re-employed after the age-limit retirement such as those designated as “elder employees” of the Company, but does not include dispatched employees and part-timers working for a short time.

3. “Number of employees” increased by 161 (temporary employees decreased by 418) compared to as of March 31, 2020.

8. Principal Subsidiaries (As of March 31, 2021)

(1) Principal Subsidiaries

Name of subsidiary	Stated capital (Millions of yen)	Percentage of voting rights held by the Company (%)	Main business
Nippon Hotel Co., Ltd.	12,500	100.0	Hotel operations
Viewcard Co., Ltd.	5,000	100.0	Credit card services
JR East Retail Net Co., Ltd.	4,101	100.0	Retail sales
JR BUS KANTO CO., LTD.	4,000	100.0	Passenger bus transport services
Japan Transport Engineering Company	3,100	100.0	Railcar manufacturing operations
TOKYO MONORAIL CO., LTD.	3,000	79.0	Monorail transport services
LUMINE Co., Ltd.	2,375	95.1	Shopping center operations
Sendai Terminal Building Co., Ltd.	1,800	99.5 (2.9)	Hotel operations and shopping center operations
atré Co., Ltd.	1,630	92.1 (0.6)	Shopping center operations
JR East Urban Development Corporation	1,450	100.0	Shopping center operations and retail sales
JR East Foods Co., Ltd.	730	100.0	Restaurant business and retail sales
JR East Information Systems Company	500	100.0	Information processing
JR EAST TOUHOKU SOUGOU SERVICE COMPANY	490	100.0	Retail sales and station operations
JR East Building Co., Ltd.	480	100.0	Office building lease
East Japan Marketing & Communications, Inc.	250	100.0	Advertising and publicity

JR East Rail Car Technology & Maintenance Co., LTD.	200	100.0	Railcar maintenance operations
JR East Environment Access Co., Ltd.	120	100.0	Cleaning services
JR East Mechatronics Co., Ltd.	100	100.0	Maintenance services and IC card services
JR East Station Service Co., Ltd.	50	100.0	Station operations
JR East Facility Management Co., Ltd.	50	100.0	Building maintenance

(Notes)

1. The percentage of voting rights in parentheses represents shares held indirectly by the Company and is included in the “Percentage of voting rights held by the Company.”
2. JR East Foods Co., Ltd. was absorbed by JR East Retail Net Co., Ltd. through a merger as of April 1, 2021.
3. JR East Retail Net Co., Ltd. changed its name to JR East Cross Station Co., Ltd. as of April 1, 2021.

(2) Progress in and Results of Group Activities During this Fiscal Year

As of March 31, 2021, the Company had 71 consolidated subsidiaries, including 20 principal subsidiaries described in (1) above, and six affiliated companies accounted for by the equity method. During this fiscal year, one company, Station City Energy Create Co., Ltd. was newly consolidated and one company, JR East Foods Co., Ltd. was excluded from consolidation. There was no change as to the affiliated companies accounted for by the equity method during this fiscal year.

Consolidated operating revenues for this fiscal year amounted to ¥1,764.5 billion, a decrease of 40.1% compared with the previous fiscal year. Loss attributable to owners of parent amounted to ¥577.9 billion, compared with the profit attributable to owners of parent of ¥198.4 billion for the previous fiscal year.

9. Principal Lenders (As of March 31, 2021)

Name of lender	Borrowings outstanding (Millions of yen)
Mizuho Bank, Ltd.	246,600
MUFG Bank, Ltd.	228,102

Sumitomo Mitsui Banking Corporation	217,800
Nippon Life Insurance Company	70,000
Sumitomo Life Insurance Company	51,500
The Chiba Bank, Ltd.	44,000
The Dai-ichi Life Insurance Company, Limited	35,000
Meiji Yasuda Life Insurance Company	27,000
Joyo Bank, Ltd.	25,200

II. ITEMS CONCERNING SHARES (As of March 31, 2021)

1. Total number of shares authorized to be issued by the Company
1,600,000,000 shares
2. Total number of issued shares
377,932,400 shares

(Note)

The total number of issued shares includes 331,630 shares of treasury stock.

3. Total number of shareholders
270,984 persons
4. Principal shareholders

Name of shareholder	Number of shares held (Shares)	Shareholding percentage (%)
The Master Trust Bank of Japan, Ltd. (as Trustee)	30,082,700	7.97
Custody Bank of Japan, Ltd. (as Trustee)	15,975,400	4.23
Mizuho Bank, Ltd.	13,000,000	3.44
The JR East Employees Shareholding Association	11,912,252	3.15
MUFG Bank, Ltd.	8,138,000	2.16
Nippon Life Insurance Company	8,015,560	2.12
The Dai-ichi Life Insurance Company, Limited	8,000,000	2.12
Sumitomo Mitsui Banking Corporation	6,845,000	1.81
GIC PRIVATE LIMITED - C	5,905,415	1.56
STATE STREET BANK WEST CLIENT – TREATY 505234	5,709,144	1.51

(Note) The shareholding percentage is calculated based on the total number of issued shares excluding 331,630 shares of treasury stock.

III. ITEMS CONCERNING DIRECTORS AND CORPORATE AUDITORS

1. Directors and Corporate Auditors (As of March 31, 2021)

Position and name		Duties or principal occupation and important concurrent positions at other entities
Chairman	Tetsuro Tomita	Director of Nippon Steel Corporation; Director of Nippon Life Insurance Company
President and CEO (Representative Director)	Yuji Fukasawa	
Executive Vice President (Representative Director)	Fumihisa Nishino	Assistant to President
Executive Vice President (Representative Director)	Tadao Maekawa	Assistant to President; Director General of Railway Operations Headquarters
Executive Director	Tomomichi Ota	Director General of Technology Innovation Headquarters; In charge of Transport Safety Department, Railway Operations Headquarters
Executive Director	Ryoji Akaishi	General Manager of Corporate & Legal Strategies Department; In charge of Inquiry & Audit Department; In charge of Public Relations Department; In charge of Finance Department
Executive Director	Yoichi Kise	Director General of Life-style Business Development Headquarters; In charge of Shinagawa Developments; In charge of Work & Welfare Strategies Department; In charge of Regional Revitalization
Executive Director	Kiwamu Sakai	Director General of Corporate Planning Headquarters; In charge of Customer Service Quality Reformation Department, Railway Operations Headquarters
Director	Motoshige Itoh	Professor of Gakushuin University, Faculty of International Social Sciences; Corporate Auditor of Hagoromo Foods Corporation; Director of The Shizuoka Bank, Ltd.; Director of Sumitomo Chemical Company, Limited
Director	Reiko Amano	Auditor of National Institute for Environmental Studies; Auditor of Japan Atomic Energy Agency

Director	Masaki Sakuyama	Chairman and Director of Mitsubishi Electric Corporation; Corporate Auditor of The Japan Atomic Power Company
Director	Hiroko Kawamoto	Chairman and Director of ANA Strategic Research Institute Co., Ltd.; Director of Sumitomo Mitsui Trust Holdings, Inc.; Director of RENAISSANCE INCORPORATED
Full-time Corporate Auditor	Keiji Takiguchi	
Full-time Corporate Auditor	Takashi Kinoshita	
Corporate Auditor	Seishi Kanetsuki	
Corporate Auditor	Kimitaka Mori	Certified public accountant; Director of Japan Exchange Group, Inc.; Corporate Auditor of MITSUI & CO., LTD.; Director of Sumitomo Life Insurance Company
Corporate Auditor	Nobuyuki Hashiguchi	

(Notes)

1. Mr. Motoshige Itoh, Ms. Reiko Amano, Mr. Masaki Sakuyama and Ms. Hiroko Kawamoto, Directors, are outside directors. Messrs. Keiji Takiguchi and Takashi Kinoshita, Full-time Corporate Auditors, and Messrs. Seishi Kanetsuki and Kimitaka Mori, Corporate Auditors, are outside corporate auditors. The Company designates all of them as independent directors and corporate auditors as stipulated by stock exchanges.
2. Mr. Motoshige Itoh, Director, is also an outside director of The Shizuoka Bank, Ltd. and Sumitomo Chemical Company, Limited, and an outside corporate auditor of Hagoromo Foods Corporation; there is no relationship that is required to be disclosed between either of these companies and the Company.
3. Mr. Masaki Sakuyama, Director, is also Chairman and Director of Mitsubishi Electric Corporation, with which the Company has a business relationship relating to railcar equipment. Mr. Sakuyama is also an outside corporate auditor of The Japan Atomic Power Company, Ltd.; there is no relationship that is required to be disclosed between that company and the Company.
4. Ms. Hiroko Kawamoto, Director, is also Chairman and Director of ANA Strategic Research Institute Co., Ltd. and an outside director of Sumitomo Mitsui Trust Holdings, Inc. and RENAISSANCE INCORPORATED; there is no relationship that is required to be disclosed between either of these companies and the Company.

5. Mr. Kimitaka Mori is a certified public accountant and has considerable knowledge of finance and accounting. Mr. Mori is also an outside director of Japan Exchange Group, Inc. and an outside corporate auditor of MITSUI & CO., LTD.; there is no relationship that is required to be disclosed between these companies and the Company. Mr. Mori is also an outside director of Sumitomo Life Insurance Company, from which the Company borrows funds.

6. Mr. Fumihisa Nishino, Executive Vice President and Representative Director, resigned as of March 31, 2021. His duty was Assistant to President at the time of resignation.

2. Overview of the Agreement on Limitation of Liability of Outside Directors and Outside Corporate Auditors

In accordance with the provisions of Article 427, Paragraph 1 of the Business Corporation Law, the Company has executed agreements with Directors who are not executive directors, etc. as defined under the Business Corporation Law and Corporate Auditors to limit their liability as provided in Article 423, Paragraph 1 of the Business Corporation Law. The maximum amount of such liability under each such agreement shall be the amount stipulated by law or regulation.

3. Overview of Directors and Officers Liability Insurance Agreement

In accordance with Article 430-3, Paragraph 1 of the Business Corporation Law, the Company has executed a directors and officers liability insurance agreement with an insurance company. The scope of the insured under the insurance agreement is the Company's Directors, Corporate Auditors, Executive Officers, employee managers and retired directors and officers, including those newly appointed during the period of insurance. The insurance agreement covers the legal costs and damages incurred by the insured due to third-party lawsuits and shareholder derivative lawsuits. The insurance premiums are fully borne by the Company and the agreement is renewed annually. In order to ensure that the appropriateness of the execution of duties by the insured is not impaired, the insurance agreement has a disclaimer in the event the Company pursues liability for damages against the insured.

4. Remuneration of Directors and Corporate Auditors

(1) Total amount of remuneration of Directors and Corporate Auditors

Title	Total amount of remuneration (millions)	Total amount of remuneration by types (millions)		Number of persons
		Basic remuneration	Performance-based remuneration	
Directors	¥418	¥418	-	16
Corporate Auditors	¥99	¥99	-	5
Total	¥518	¥518	-	21

(Notes)

1. The maximum amount of remuneration to Directors was established to be ¥900 million per year (including ¥70 million to outside Directors) pursuant to a resolution adopted at the 29th Ordinary General Meeting of Shareholders held on June 23, 2016. As of the conclusion of this General Meeting of Shareholders, the number of Directors is 16 (including 3 outside directors).
2. The maximum amount of remuneration to Corporate Auditors was established to be ¥11 million per month pursuant to a resolution adopted at the 17th Ordinary General Meeting of Shareholders held on June 23, 2004. As of the conclusion of this General Meeting of Shareholders, the number of Corporate Auditors is 5 (including 4 outside corporate auditors).
3. The amount of remuneration includes the amount paid to four Directors retired at the conclusion of the 33rd Ordinary General Meeting of Shareholders held on June 23, 2020.
4. The amount of remuneration includes remuneration to nine outside Directors and outside Corporate Auditors, including the one person retired at the conclusion of the 33rd Ordinary General Meeting of Shareholders held on June 23, 2020 (¥142 million).
5. In light of the impact of COVID-19 on the business results, the Company's Directors (excluding outside directors) voluntarily returned 10% or 20% of their basic remuneration from May 2020 to March 2021. The amount of basic remuneration in the above table includes the amount voluntarily returned.
6. The Company's retirement benefit scheme for Directors and Corporate Auditors was abolished at the conclusion of the 17th Ordinary General Meeting of Shareholders held on June 23, 2004. It was approved at the meeting that vested retirement benefits would be paid out to each Director or Corporate Auditor who was reappointed or was in the middle of his or her term of office at such meeting, based on the Company's regulations. In accordance with such approval, retirement benefits in the amount of ¥15 million were paid to a Director who retired during this fiscal year in addition to the above remuneration.

(2) Indicators for performance-based remuneration, reasons for their adoption, and results

In addition to referring to the results of individual directors to evaluate the performance of directors during the fiscal year, the Company evaluates operating results of the current fiscal year including operating income and profit and shareholder returns, given that a strong business characteristic of its divisions are that they collaborate with one another. Also, given that our business characteristic is that we require a long period from the planning stage to the achievement of results, the Company evaluates the level of contribution toward achieving the Group Management Vision "Move Up" 2027 and other indicators in a comprehensive manner and reflects these results in the calculation of remuneration. In evaluating the performance, the President and CEO confirms the results and contribution of relevant directors by conducting interviews to set targets aimed at achieving the annual plan

and the Group Management Vision “Move Up” 2027 and follow-up interviews to track progress.

Performance-based remuneration is paid at a certain time each year as cash remuneration. However, the Company has decided not to pay performance-based remuneration for the 34th fiscal year in light of the impact of COVID-19 on the business results for the 34th fiscal year ended March 31, 2021 and anticipated impact on the 35th fiscal year ending March 31, 2022. The Company does not pay non-monetary remuneration.

(3) Policy for determining the individual remuneration for directors

i) Method of determining the policy regarding details of individual remuneration for directors

The policy for determining details of individual remuneration for directors was resolved at a meeting of the Board of Directors held on February 17, 2021.

ii) Overview of policy

A. Basic policy

The Company pays basic remuneration to directors who are not outside directors based on their positions as compensation for the execution of daily business operations within the limits of remuneration resolved at the General Meeting of Shareholders. The Company also pays performance-based remuneration based on business results, dividends to shareholders, and the level of contribution of such directors toward achieving the business results for the fiscal year and the Medium-Term Management Vision. The Company does not pay performance-based remuneration to outside directors in light of their responsibilities, but provides basic remuneration as compensation for the execution of duties within the limits of remuneration resolved at the General Meeting of Shareholders.

B. Matters concerning the determination of details of remuneration for individual directors

Decisions on the amount of individual remuneration for directors (basic remuneration and performance-based remuneration) are made by resolution of the Board of Directors, subject to the President and CEO’s discretion. From the viewpoint of ensuring transparency and fairness in the determination of the amount of remuneration for directors, the President and CEO consults in advance with the Remuneration Deliberation Committee, which is composed of independent outside directors and other directors, and makes decisions based on reports from the Remuneration Deliberation Committee.

C. Policy on determination of basic remuneration

The basic remuneration for the Company’s directors is a fixed monthly remuneration and determined by taking into account the duties of directors according to their positions and the business characteristics of the Company.

D. Policy on determination of performance-linked remuneration

For performance-linked remuneration, in addition to referring to the results by individual directors to evaluate the performance of directors during the fiscal year, the Company evaluates operating results of the current fiscal year including operating income and profit and shareholder returns, given that a strong business characteristic of its divisions are that they collaborate with one another. Also, given that our business characteristic is that we require a long period from the planning stage to the achievement of results, the Company evaluates the level of contribution toward achieving the Group Management Vision and other indicators in a comprehensive manner and reflects these results in the calculation of remuneration. In evaluating the performance, the President and CEO confirms the results and contribution of relevant directors by conducting interviews to set targets aimed at achieving the annual plan and the Group Management Vision and follow-up interviews to track progress.

Performance-based remuneration is paid at a certain time each year as cash remuneration. The Company does not pay non-monetary compensation.

E. Policy on determination of the individual remuneration ratio (basic remuneration and performance-linked remuneration) for directors

The ratio of basic remuneration and performance-linked remuneration for directors who are not outside directors is approximately 4:1, except for the variable portion due to the performance of each director, so that the performance-linked remuneration accounts for a certain percentage of the total remuneration. Performance-linked remuneration will be increased or decreased within a range between a 30% increase and a 40% decrease from the basic amount for each position, depending on the performance of each director. In addition, the Company may make further deductions in light of various factors related to the Company's operation, including business results for the fiscal year and the forecast of business results for the next fiscal year.

iii) Reasons for the Board of Directors to determine that details of individual remuneration for directors for the fiscal year are in accordance with the policy

The Remuneration Deliberation Committee provides a report after confirming that the details of individual remuneration for directors are consistent the policy. The Board of Directors generally respect such a report, and is of the view that that details of individual remuneration for directors are in accordance with the policy.

(4) Matters concerning delegation of determination of individual remuneration for directors

In evaluating the performance of directors, the President and CEO confirms their results and contribution by conducting interviews to set targets aimed at achieving the annual plan and the Group Management Vision "Move Up" 2027 and tracing interviews. Accordingly, the determination of the individual remuneration for directors has been resolved by the Board of Directors, subject to the discretion of Yuji Fukazawa, President and CEO. For this fiscal year, it was resolved at the meeting of the Board of Directors held on June 23, 2020 to delegate the determination of the amount of individual remuneration for directors to the President and CEO. From the viewpoint of ensuring transparency and fairness in the

determination of the amount of remuneration for directors, the President and CEO consults in advance with the Remuneration Deliberation Committee, which is composed of independent outside directors and other directors, and makes decisions based on reports from the Remuneration Deliberation Committee.

5. Principal Activities of Outside Directors and Outside Corporate Auditors, and Summary of Duties Performed by Outside Directors to Fulfill their Expected Roles

Title	Name	Principal activities
Outside Director	Motoshige Itoh	<p>Attended 16 meetings out of all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 94%) and spoke on the Company's management issues based on his broad experience as an academic expert, especially his considerable insight on the overall economy.</p> <p>Also attended all 2 meetings of the Personnel Deliberation Committee and all 4 meetings of the Remuneration Deliberation Committee held during this fiscal year as the committee member (attendance rate 100%), and performed a supervisory function to ensure suitability of director candidates and objectivity and transparency of the process with respect to the personnel matters concerning the Company's directors, and to ensure objectivity and transparency of the process with respect to the determination of remuneration to the Company's directors.</p>
Outside Director	Reiko Amano	<p>Attended all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on her broad experience in the private sector and other organizations, especially her considerable insight into disaster prevention, risk management and intellectual property strategies.</p> <p>Also attended all 2 meetings of the Personnel Deliberation Committee and all 4 meetings of the Remuneration Deliberation Committee held during this fiscal year as the committee member (attendance rate 100%), and performed a supervisory</p>

function to ensure suitability of director candidates and objectivity and transparency of the process with respect to the personnel matters concerning the Company's directors, and to ensure objectivity and transparency of the process with respect to the determination of remuneration to the Company's directors.

Outside Director	Masaki Sakuyama	<p>Attended 12 meetings out of all 13 meetings of the Board of Directors held while in office during this fiscal year (attendance rate 92%) and spoke on the Company's management issues based on his broad experience in the private sector and other organizations, especially his considerable insight into overall corporate management.</p> <p>Also attended all 1 meeting of the Personnel Deliberation Committee and all 3 meetings of the Remuneration Deliberation Committee held after his appointment as outside director as the committee member (attendance rate 100%), and performed a supervisory function to ensure suitability of director candidates and objectivity and transparency of the process with respect to the personnel matters concerning the Company's directors, and to ensure objectivity and transparency of the process with respect to the determination of remuneration to the Company's directors.</p>
Outside Director	Hiroko Kawamoto	<p>Attended all 13 meetings of the Board of Directors held while in office during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on her broad experience in the private sector and other organizations, especially her considerable insight into personnel development and improvement of service quality.</p> <p>Also attended all 1 meeting of the Personnel Deliberation Committee and all 3 meetings of the Remuneration Deliberation Committee held after her appointment as outside director as the committee member (attendance rate 100%), and performed a supervisory function to ensure suitability of director candidates and objectivity and</p>

transparency of the process with respect to the personnel matters concerning the Company's directors, and to ensure objectivity and transparency of the process with respect to the determination of remuneration to the Company's directors.

Title	Name	Principal activities
Outside Corporate Auditor	Keiji Takiguchi	Attended all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 100%) and all 14 meetings of the Board of Corporate Auditors held during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on his broad experience in the government.
Outside Corporate Auditor	Takashi Kinoshita	Attended all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 100%) and all 14 meetings of the Board of Corporate Auditors held during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on his broad experience in the government.
Outside Corporate Auditor	Seishi Kanetsuki	Attended all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 100%) and all 14 meetings of the Board of Corporate Auditors held during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on his broad experience as a judge.
Outside Corporate Auditor	Kimitaka Mori	Attended 15 meetings out of all 17 meetings of the Board of Directors held during this fiscal year (attendance rate 88%) and all 14 meetings of the Board of Corporate Auditors held during this fiscal year (attendance rate 100%) and spoke on the Company's management issues based on his broad experience as a certified public accountant.

IV. STATUS OF THE ACCOUNTING AUDITOR

1. Name of the Accounting Auditor

KPMG AZSA LLC

2. Amount of Remuneration to the Accounting Auditor for this Fiscal Year

- (1) Total amount to be paid by the Company as remuneration to the accounting auditor: ¥255 million
- (2) Total amount of cash and other monetary benefits to be paid by the Company and subsidiaries: ¥743 million

(Notes)

- 1. The amount in (1) above includes remuneration for audits conducted under the Financial Instruments and Exchange Law, since no classification is provided in the audit agreement between the Company and the accounting auditor with respect to remuneration for audits conducted under the Business Corporation Law and audits conducted under the Financial Instruments and Exchange Law, and it is practically impossible to separate the two types of payment.
- 2. The Board of Corporate Auditors of the Company verifies the audit plan of the accounting auditor, its performance of duties and basis for calculation of estimate of remuneration, and agrees on remuneration to the accounting auditor.

3. Description of Non-Audit Services

The Company paid to the accounting auditor compensation for advisory services relating to internal controls concerning IT system introduction and preparation of comfort letters which are outside the scope of services provided in Article 2, Paragraph 1 of the Certified Public Accountants Law.

4. Policy on Dismissal or Non-Reappointment of Accounting Auditors

The Board of Corporate Auditors of the Company will determine an agenda to dismiss or not to reappoint an accounting auditor to be proposed to the General Meeting of Shareholders when it is deemed appropriate, such as when an accounting auditor does not fully perform its duties or its social credibility is significantly impaired.

Also, the Board of Corporate Auditors of the Company will, upon unanimous approval of Corporate Auditors, dismiss an accounting auditor when it is deemed to fall under any of the items of Article 340, Paragraph 1 of the Business Corporation Law. In such case, a Corporate Auditor selected by the Board of Corporate Auditors will report the dismissal of an accounting auditor and the reason of such dismissal at the first General Meeting of Shareholders held after such dismissal.

* * * * *

All yen amounts given in this report are shown by rounding down any amounts less than the units shown.

CONSOLIDATED BALANCE SHEET

(As of March 31, 2021)

(Millions of yen)

Assets

Current Assets:

Cash and time deposits	¥198,130
Notes and accounts receivable - trade	470,611
Fares receivable	38,536
Securities	137
Real estate for sale	4,081
Inventories	83,646
Other	105,833
Allowance for doubtful accounts	(2,572)
Total current assets	<u>898,406</u>

Fixed Assets:

Property, plant and equipment, net of accumulated depreciation	
Buildings and fixtures	3,789,310
Machinery, rolling stock and vehicles	742,251
Land	2,145,694
Construction in progress	361,626
Other	79,266
Total property, plant and equipment, net of accumulated depreciation	<u>7,118,150</u>

Intangible assets	<u>150,825</u>
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Investments and other assets:

Investments in securities	314,500
Long-term loans receivable	2,035
Deferred tax assets	344,825
Net defined benefit assets	531
Other	88,169
Allowance for doubtful accounts	(1,024)
Total investments and other assets	<u>749,037</u>
Total fixed assets	<u>8,018,013</u>
Total Assets	<u><u>¥8,916,420</u></u>

Liabilities	<i>(Millions of yen)</i>
Current Liabilities:	
Notes and accounts payable-trade	¥52,909
Short-term loans and current portion of long-term loans	433,320
Current portion of bonds	90,000
Current portion of long-term liabilities incurred for purchase of railway facilities	4,215
Payables	477,546
Accrued consumption taxes	7,856
Accrued income taxes	22,074
Fare deposits received with regard to railway connecting services	33,992
Prepaid railway fares received	77,526
Allowance for bonuses to employees	62,128
Allowance for disaster-damage losses	12,439
Other	758,840
Total current liabilities	2,032,849
Long-term Liabilities:	
Bonds	1,930,308
Long-term loans	1,158,872
Long-term liabilities incurred for purchase of railway facilities	318,873
Deferred tax liabilities	5,221
Provision for large-scale renovation of Shinkansen infrastructure	120,000
Allowance for disaster-damage losses	85
Allowance for partial transfer costs of railway operation	1,131
Net defined benefit liabilities	482,221
Other	309,494
Total long-term liabilities	4,326,209
Total Liabilities	¥6,359,058
Net Assets	
Shareholders' Equity:	
Common stock	¥200,000
Capital surplus	96,522
Retained earnings	2,181,570
Treasury stock, at cost	(5,553)
Total Shareholders' Equity	2,472,539
Accumulated Other Comprehensive Income:	
Net unrealized holding gains (losses) on securities	54,322
Net deferred gains (losses) on derivatives under hedge accounting	2,137
Revaluation reserve for land	(433)
Foreign currency translation adjustments	(25)
Remeasurements of defined benefit plans	6,486
Total Accumulated Other Comprehensive Income	62,487
Non-Controlling Interests	22,334
Total Net Assets	2,557,361
Total Liabilities and Total Net Assets	¥8,916,420

(Note) Amounts less than one million yen are omitted.

CONSOLIDATED STATEMENT OF INCOME

(Year ended March 31, 2021)

(Millions of yen)

Operating revenues	¥1,764,584
Operating expenses:	
Transportation, other services and cost of sales	1,724,644
Selling, general and administrative expenses	560,298
Total operating expenses	<u>2,284,943</u>
Operating loss	<u>(520,358)</u>
Non-operating income:	
Interest income	83
Dividend income	4,960
Other	17,422
Total non-operating income	<u>22,465</u>
Non-operating expenses:	
Interest expense	60,663
Equity in net losses of affiliated companies	13,417
Other	7,825
Total non-operating expenses	<u>81,906</u>
Ordinary loss	<u>(579,798)</u>
Extraordinary gains:	
Gains on sales of fixed assets	11,659
Construction grants received	28,956
Other	2,850
Total extraordinary gains	<u>43,467</u>
Extraordinary losses:	
Losses on reduction entry for construction grants	16,800
Impairment losses on fixed assets	80,032
Environmental conservation costs	36,982
Other	33,445
Total extraordinary losses	<u>167,260</u>
Loss before income taxes	<u>(703,591)</u>
Income taxes-current	13,263
Income taxes-deferred	(134,153)
	<u>(120,890)</u>
Loss	(582,700)
Loss attributable to non-controlling interests	(4,800)
Loss attributable to owners of parent	<u>¥(577,900)</u>

(Note) Amounts less than one million yen are omitted.

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2021)

(Millions of yen)

Assets

Current Assets:

Cash and time deposits	¥159,303
Fares receivable	222,569
Accounts receivable-trade	120,234
Short-term loans receivable	97,298
Securities	137
Real estate for sale	141
Inventories	27,750
Prepaid expenses	8,336
Other	9,647
Allowance for doubtful accounts	(72)
Total current assets	645,346

Fixed Assets:

Fixed assets for railway operations	5,151,348
Fixed assets for other operations	868,923
Fixed assets relating to both operations	304,761
Construction in progress	333,993
Investments and other assets:	
Investments in securities	210,648
Stocks of subsidiaries and affiliated companies	190,618
Long-term loans receivable	158,502
Long-term prepaid expenses	48,477
Deferred tax assets	290,182
Other investments and other assets	11,675
Allowance for doubtful accounts	(42,003)
Total investments and other assets	868,100
Total fixed assets	7,527,127
Total Assets	¥8,172,474

Liabilities*(Millions of yen)***Current Liabilities:**

Short-term loans	¥460,650
Commercial papers	415,000
Current portion of bonds	90,000
Current portion of long-term loans	133,290
Current portion of long-term liabilities incurred for purchase of railway facilities	4,123
Lease obligation	12,881
Payables	456,834
Accrued expenses	30,702
Accrued income taxes	9,075
Fare deposits received with regard to railway connecting services	34,271
Deposits received	27,674
Prepaid railway fares received	77,213
Advances received	115,537
Allowance for bonuses to employees	46,263
Allowance for disaster-damage losses	12,439
Allowance for environmental conservation costs	5,579
Allowance for point card certificates	36,112
Asset retirement obligations	655
Other	13,823
Total current liabilities	<u>1,982,129</u>

Long-term Liabilities:

Bonds	1,930,308
Long-term loans	1,203,432
Long-term liabilities incurred for purchase of railway facilities	318,472
Lease obligation	28,871
Provision for large-scale renovation of Shinkansen infrastructure	120,000
Employees' severance and retirement benefits	433,571
Allowance for disaster-damage losses	85
Allowance for environmental conservation costs	44,954
Allowance for partial transfer costs of railway operation	1,131
Asset retirement obligations	8,255
Other	87,034
Total long-term liabilities	<u>4,176,116</u>
Total Liabilities	<u>¥6,158,246</u>

Net Assets

Shareholders' Equity:

Common stock	¥200,000
Capital surplus:	
Additional paid-in capital	96,600
Total capital surplus	96,600
Retained earnings:	
Legal reserve	22,173
Other retained earnings:	
Reserve for special depreciation	1,560
Reserve for investment losses on developing new business	82
Reserve for deferred gain of fixed assets	64,796
General reserve	1,720,000
Retained earnings carried forward	(136,811)
Total other retained earnings	1,649,627
Total retained earnings	1,671,801
Treasury stock, at cost	(3,416)
Total Shareholders' Equity	1,964,985
Valuation and Translation Adjustment:	
Net unrealized holding gains (losses) on securities	47,105
Net deferred gains (losses) on derivatives under hedge accounting	2,137
Total Valuation and Translation Adjustment	49,243
Total Net Assets	2,014,228
Total Liabilities and Total Net Assets	¥8,172,474

(Note) Amounts less than one million yen are omitted.

NON-CONSOLIDATED STATEMENT OF INCOME

(Year ended March 31, 2021)

(Millions of yen)

Railway operations:	
Operating revenues	¥1,090,506
Operating expenses	1,605,171
Operating loss	(514,664)
Other operations:	
Operating revenues	93,639
Operating expenses	57,509
Operating income	36,129
Total operating loss	(478,535)
Non-operating income:	
Interest income	814
Dividend income	18,335
Other	9,327
Total non-operating income	28,478
Non-operating expenses:	
Interest expense	34,763
Interest on bonds	27,033
Other	5,860
Total non-operating expenses	67,657
Ordinary loss	(517,715)
Extraordinary gains:	
Gains on sale of fixed assets	15,385
Construction grants received	28,586
Other	1,359
Total extraordinary gains	45,330
Extraordinary losses:	
Losses on reduction entry for construction grants	15,869
Losses on valuation of stocks of subsidiaries and affiliated companies	41,502
Environmental conservation costs	36,982
Provision of allowance for doubtful accounts for subsidiaries and affiliated companies	41,844
Other	25,535
Total extraordinary losses	161,734
Loss before income taxes	(634,118)
Income taxes-current	(1,262)
Income taxes-deferred	(126,224)
	(127,486)
Loss	¥(506,631)

(Note) Amounts less than one million yen are omitted.

**Copy of Audit Report of the Accounting Auditor concerning
Consolidated Financial Statements**

[English Translation of the Independent Auditor's Report
Originally Issued in the Japanese Language]

Independent Auditor's Report

May 7, 2021

The Board of Directors
East Japan Railway Company

KPMG AZSA LLC
Tokyo Office, Japan

Takuji Kanai (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kazuhiko Azami (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Hideki Yoshida (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Naoki Saito (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of East Japan Railway Company ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2021 and for the year from April 1, 2020 to March 31, 2021 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Corporate auditors and the board of corporate auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Note to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the convenience of the reader.

**Copy of Audit Report of the Accounting Auditor concerning
Non-Consolidated Financial Statements**

[English Translation of the Independent Auditor's Report
Originally Issued in the Japanese Language]

Independent Auditor's Report

May 7, 2021

The Board of Directors
East Japan Railway Company

KPMG AZSA LLC
Tokyo Office, Japan

Takuji Kanai (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kazuhiko Azami (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Hideki Yoshida (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Naoki Saito (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of East Japan Railway Company ("the Company") as at March 31, 2021 and for the year from April 1, 2020 to March 31, 2021 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and Others* section of our report. We are independent of the Company in accordance with the ethical requirements that are

relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Financial Statements and Others

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and Others

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Note to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the convenience of the reader.

Copy of Audit Report of the Board of Corporate Auditors

[English Translation of the Audit Report of the Board of Corporate Auditors
Originally Issued in the Japanese Language]

Audit Report

Regarding the performance of duties by Directors for the 34th fiscal year from April 1, 2020 to March 31, 2021, the Board of Corporate Auditors hereby submits its audit report as a collective opinion of all Corporate Auditors, which has been prepared through discussions based on the audit reports prepared by the respective Corporate Auditors, as follows:

1. Methods and Contents of Audit by Corporate Auditors and the Board of Corporate Auditors

(1) The Board of Corporate Auditors determined, among other things, the auditing policies for this fiscal year and work responsibilities; received reports regarding the status of execution of audit and its results from each Corporate Auditor; received reports from Directors, other relevant employees and accounting auditors concerning the performance of their duties; and, when necessary, requested them to provide explanations.

(2) In accordance with the Corporate Auditors' auditing standards specified by the Board of Corporate Auditors and in conformity with auditing policies for this fiscal year and work responsibilities, each Corporate Auditor ensured to communicate effectively with Directors, employees in the internal audit division and other relevant employees; made efforts to collect necessary information and improve auditing environment, and conducted audit in the following methods.

(a) The Corporate Auditors attended the meetings of the Board of Directors and other important meetings; received reports from Directors, employees in the internal audit division and other relevant employees regarding the performance of their duties; requested them to provide explanations when necessary; examined important approval documents and associated information; and studied the operations and financial conditions at the head office as well as other principal offices. As for the subsidiaries, the Corporate Auditors ensured to communicate effectively with directors, corporate auditors and other personnel of subsidiaries and to exchange information therewith, and, when necessary, received reports from the subsidiaries regarding their business.

(b) The Corporate Auditors monitored and verified the contents of resolutions of the Board of Directors regarding the implementation of systems required to be implemented to ensure the proper operations of corporate groups consisting of corporations and their subsidiaries under Article 100, Paragraphs 1 and 3 of the Enforcement Regulations of the Business Corporation Law including a system to ensure that the performance of duties by Directors is in compliance with the laws, regulations and the Articles of Incorporation, and the status of the system (internal control system) implemented according to such resolutions.

(c) The Corporate Auditors monitored and verified whether the accounting auditors were maintaining their independence and properly performing audits; received reports from the accounting auditors on the performance of their duties; and, when necessary, requested them to provide explanations. The Corporate Auditors also received from the accounting auditors a notice confirming that “the system to ensure proper performance of duties” (matters stipulated in each Item of Article 131 of Corporate Accounting Regulations) was properly implemented according to the “Standards on Quality Control for Audit” (October 28, 2005, Business Accounting Council) and other relevant standards, and, when necessary, requested them to provide explanations.

Based on the aforementioned methods, the Corporate Auditors examined the business report and its supporting schedules, the financial statements (balance sheet, the statement of income, the statement of changes in net assets and the related notes) and their supporting schedules, and the consolidated financial statements (consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes) for this fiscal year.

2. Audit Results

(1) Audit results concerning business report, etc.

(a) In our opinion, the business report and supporting schedules fairly represent the Company’s condition in accordance with the related laws and regulations, and the Articles of Incorporation.

(b) With regard to the performance of duties by the Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of the Articles of Incorporation.

(c) In our opinion, resolutions of the meetings of the Board of Directors regarding the internal control system are fair and reasonable. Furthermore, we have found no matters to remark regarding the description in the business report and the performance of duties by Directors in relation to the internal control system.

(2) Audit results concerning financial statements and supporting schedules

In our opinion, the methods and results employed and rendered by the accounting auditors, KPMG AZSA LLC, are fair and reasonable.

(3) Audit results concerning consolidated financial statements

In our opinion, the methods and results employed and rendered by the accounting auditors, KPMG AZSA LLC, are fair and reasonable.

May 13, 2021

Board of Corporate Auditors
East Japan Railway Company

Full-time Corporate Auditor	Keiji Takiguchi [seal]
Full-time Corporate Auditor	Takashi Kinoshita [seal]
Corporate Auditor	Seishi Kanetsuki [seal]
Corporate Auditor	Kimitaka Mori [seal]
Corporate Auditor	Nobuyuki Hashiguchi [seal]

(Note)

Messrs. Keiji Takiguchi, Takashi Kinoshita, Seishi Kanetsuki and Kimitaka Mori, Corporate Auditors, are outside corporate auditors as prescribed in Article 2, Item 16 of the Business Corporation Law.