Independent review report, and future prospects



Independent Review Report on "IR East Group Sustainability Report 2006"

To the Board of Directors of East Japan Railway Company

 Purpose and Scope of our Review
We have reviewed "JR East Group Sustainability Report 2006" ("the Report") of East Japan Relibusy Company ("the Company") for the year ended March 31, 2006. Our engagement was designed to report to the Company, based on the results of our review, whether the environmental performance indicators and the environmental accounting indicators ("the Indicators") for the period from April 1, 2005 to March 31, 2006 included in the Report are ected, compiled and reported, in all material respects, rationally and in conformance with the Company's policies and procedures.

The report, including the identification of material issues is the responsibility of the Company management. Our responsibility is to independently report the results of our procedures performed on the Indicators.

2. Procedures Performed

We have performed the following review procedures:

- With respect to the Company's policies for compilation of the Report, interviewed the Company's responsible personnel.
- 2) Assessed the Company's procedures used for collecting, compiling and reporting the
- 3) With respect to the way of collecting the Indicators and the process flow of calculating them. interviewed the Company's responsible personnel and reviewed the systems and processes used to generate the values of the Indicators.
- Compared the Indicators on a sample basis with the supporting evidences to test the conformity in collection, compilation and reporting of the Indicators to the Company's policies and procedures, and recomputed the Indicators
- Made an on-site inspection of the Company's domestic facility

We conducted our review in accordance with" the Draft Environmental Reporting Standards " (March 2004) issued by the Ministry of the Environment and "the Practical Guidelines of Environmental Information Assurance" (January 2006) issued by the Japanese Association of Assurance Organizations for Environmental Information

3. Results of the Procedures Performed

Based on our seview, nothing has come to our attention that causes us to believe that the Indicators in the Report are not collected, compiled and reported, in all material respects, rationally and in conformance with the Company's policies and procedures.

KPMG AZSA Sustandilley Co., Ltd. KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan July 24, 2006

Future prospects

With the launch of the nation-wide Team Minus 6% project, I believe that fiscal 2005 was a year that spurred many people to think about and act to solve global environmental issues. We also started the JR East Eco Activities, which are bottomup environmental initiatives carried out at the workplace level, starting with the Hachioji Branch Office. We plan to expand these activities company-wide, with the aim of making them take root in our workplace and operations.

We are also determined to promote and extend our groupwide initiatives in order to encourage independent activities of our Group companies by taking advantage of the characteristics of their business categories.



Tadami Tsuchiya General Manager of **Environmental Management** Management Planning Department



Maho Yano Chief of Assurance Division AZSA Sustainability Co., Ltd. Group company of \ KPMG AZSA & Co.

The JR East Group has announced its policies on safety as the top commitment in its previous Sustainability Report, but in this edition it has changed the layout of the report to start with management, followed by social, environmental, and economic aspects in this order. The Group still considers safety as a priority management task, and many pages of the first half of the report are devoted to conveying information on it, both qualitatively and quantitatively. The section on social aspects does not simply disclose comprehensive social-performance indicators, but demonstrates its social initiatives in full recognition of the importance of its businesses in society. Although there are still some parts in the report that lack sufficient information due to the limited amount of space provided, it can be expected that JR East Group will continue to elaborate on its priorities and disclose information in a timely manner.

Additionally, given a wide range of business categories and types in the JR East Group, it is necessary for the Group to create working groups for each business category, and advance environmental conservation activities by setting quantitative targets suited to each of them. Also, the fine-tuning of its statistical tabulation format and the creation of an information-gathering system can be instrumental in promoting environmental conservation as well as in improving the accuracy of environmental statistics.