Transportation

JR East's 7,538.1-kilometer rail network covers the eastern half of Honshu (mainland), including the Tokyo metropolitan area. The Company operates a transport business whose mainstay is passenger transport by railway through the use of this very profitable network. In the year ended March 31, 2002 (fiscal 2002), transportation operating revenues were ¥1,789.6 billion (\$13,456 million). Major components of the transportation segment are as follows:

Shinkansen Bullet Train Network

High-speed train services linking Tokyo with major cities

Tokyo Metropolitan Area Network

Trains serving the Tokyo area, the largest market in Japan

Intercity and Regional Networks

Intercity transportation other than Shinkansen network

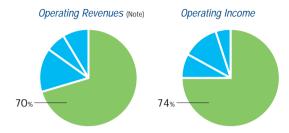
and regional transportation outside of the Tokyo metropolitan area network

Travel Agency Services

View Plaza (travel agencies at stations) and other outlets selling travel products

Bus Services

Bus services conducted in addition to railway operations



Station Space Utilization

Approximately 16 million passengers embark at JR East's stations every day. Station space utilization offers retailing and restaurant services to these customers through outlets at the stations and sales inside the trains. Station space utilization revenues were ¥368.6 billion (\$2,771 million) for fiscal 2002. Major components of the station space utilization segment are as follows:

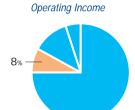
Retailing

Retailing activities such as Kiosk outlets and convenience stores, both at stations, and sales of food, drinks and other goods on trains

Restaurants

Fast food stores and a variety of restaurants operated mainly at or near stations

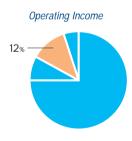




Shopping Centers & Office Buildings

Shopping centers & office buildings activities include operating shopping centers and leasing office buildings and are carried out at stations used by enormous numbers of customers. Shopping centers & office buildings revenues were ¥165.3 billion (\$1,243 million) for fiscal 2002.





Other Services

JR East holds a large volume of assets with much potential for future development. Among these are land at or near stations, particularly in the Tokyo area. The utilization of these assets is mutually beneficial for activities in the other services segment and for railway operations. For fiscal 2002, the other services revenues amounted to ¥220.0 billion (\$1,653 million). Major components of this segment are as follows:

Advertising and Publicity

Advertising and publicity in stations and inside trains

Hotel Operations

Chain hotel businesses, including

Metropolitan Hotels and HOTEL METS operated as part of the JR East Hotel Chain

Information Services

Information processing development, operations and support for Internet businesses and related activities

Housing Development and Sales

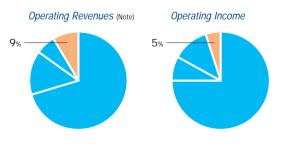
Primarily the development and sales of housing sites, houses and condominiums at locations along JR East's rail lines

Card Business

The View Card, a credit card that is honored at stations, stores at stations, hotels, shopping centers and VISA card member merchants

Others

Wholesales, truck delivery, cleaning and other businesses



Note: Operating revenues mean operating revenues from outside customers.