

The railway business of the JR East Group covers the eastern half of Honshu island (Japan's main island), which includes the Tokyo metropolitan area. We provide transportation services via our Shinkansen network, which connects Tokyo with regional cities in five directions, as well as conventional lines in the Kanto area and other networks. Our networks combine to cover 7,512.6 kilometers and serve 17 million people daily. We are the largest railway company in Japan and one of the largest in the world.

The Japanese population is in the process of declining as the population ages and the birth rate declines. Even so, railway passengers can still increase if population mobility can be encouraged to grow, even if the resident population declines. The Tokyo metropolitan area, where we are based, has seen a dramatic increase in railway convenience in recent years. Consequently the share of railways in the transportation mix is rising even higher. As a prime objective, JR East will increase railway passengers in the Tokyo metropolitan area by steadfastly improving the convenience and comfort of riding trains. This will involve the



10,000

opening of the Tohoku Through Line in fiscal 2015 to strengthen our services by reducing train transfers for passengers traveling on our lines.

Furthermore, our intercity network centered on Shinkansen lines is set to expand further with the scheduled opening of the Hokuriku Shinkansen to Kanazawa at the end of fiscal 2015, and the Hokkaido Shinkansen to Shin-Hakodate (provisional name) at the end of fiscal 2016.

TREND IN THE NUMBER OF TRIPS BY TRANSPORTATION MODE: TOKYO URBAN AREA 10,000 trips

23% 6,689 1978 **25**% 1988 25% 7,893 1998 **30**% 2008 8,298 2,000 4,000 6,000 8,000 ■ Railways ■ Buses ■ Automobiles ■ Motorcycles and scooters ■ Bicycles ■ Walking

Source: Ministry of Land, Infrastructure, Transport and Tourism, Tokyo Urban Area Person Trip Survey

On a daily basis

about million passengers travel on our lines



The Life-style Service business, which consists of in-station retail facilities, station buildings, hotels and other services, is one of the three pillars of the JR East Group, alongside the railway business and Suica business, and account for roughly 30% of the Group's operating revenues on a consolidated basis. Our stations see 17 million people pass through every day, making them the JR East Group's largest management resource. We will continue to pursue the potential of station space while creating new, more appealing services from a community-building standpoint.

Preservation and restoration of the Tokyo Station Marunouchi Building was completed in October 2012, and facilities such as the The Tokyo Station Hotel were opened inside the building. In addition to Tokyo Station, we are also promoting development projects focusing on large-scale terminal stations, such as Shinjuku, Shibuya, Yokohama, Chiba and Sendai, with a view to improving the value of those stations and the areas surrounding them.

stations are used by more than 100,000 passengers a day

NUMBER OF RAILWAY PASSENGERS

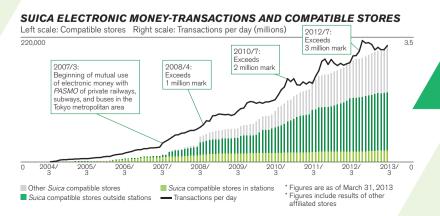


Figues for JR East, the U.K. and the U.S. are as of March 31, 2011, while the figures for Germany and France are as of December 31, 2010.



Suica Business

More than 40 million Suica cards have been issued since the service was launched in November 2001. Our efforts to develop environments for using Suica on public transportation in major Japanese cities came to fruition in March 2013 with the birth of a network that allows mutual use of IC cards issued by 10 transportation companies all across Japan. Electronic money, another function of Suica that started in March 2004, has continued to add partners and extend the scope of settings and locations in which it can be used. As a result, our e-money service is now used up to 3.40 million times a day, and we are determined to continue expanding compatible stores to promote its use.



The number of Suica prepaid, rechargeable IC cards issued is

about 40 million