

SECTION **3** ›

# STATISTICAL PORTRAIT OF JR EAST

*The ‘Statistical Portrait of JR East’ section presents data on the economic environment and geographical characteristics of JR East, and financial information on the Company such as business analysis and the consolidated financial statements and notes.*

**060 JR EAST: DOMESTIC AND INTERNATIONAL PERSPECTIVES**

- 060** PEER GROUP COMPARISONS
- 062** INTERNATIONAL RAILWAY COMPARISONS
- 063** RAILWAY OPERATIONS IN JAPAN
- 064** FINANCIAL OVERVIEW OF JR PASSENGER RAILWAY COMPANIES
- 066** RAILWAY OPERATIONS IN TOKYO
- 068** ANALYSIS OF JR EAST'S RAILWAY OPERATIONS

**071 FINANCIAL SECTION**

- 071** MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
- 077** OPERATIONAL AND OTHER RISK INFORMATION
- 084** CONSOLIDATED FINANCIAL STATEMENTS
- 089** NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- 106** INDEPENDENT AUDITOR'S REPORT
- 107** GLOSSARY
- 108** CONSOLIDATED SUBSIDIARIES AND EQUITY-METHOD AFFILIATED COMPANIES
- 110** CORPORATE DATA
- 111** ORGANIZATION
- 112** STOCK INFORMATION

# JR EAST: DOMESTIC AND INTERNATIONAL PERSPECTIVES

## PEER GROUP COMPARISONS

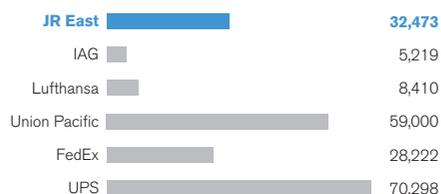
In this section, several key performance indicators illustrate how JR East compares with selected well-known companies.

In scale and profitability, JR East is not to be outdone by any of the world's renowned transportation companies. It is a benchmark among public utilities in Japan—including the power and telecommunications companies—of an overwhelming scale and earnings performance above all of the other domestic airway and private railway operators.

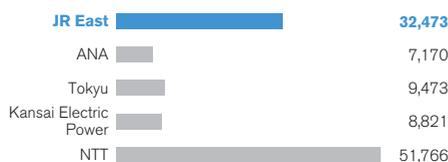
### TOTAL STOCK MARKET VALUE

Millions of U.S. Dollars

#### INTERNATIONAL



#### DOMESTIC

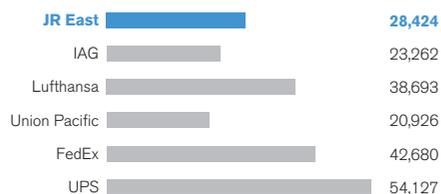


\* Data in these graphs have been computed from each company's share price and shares outstanding at the end of the previous fiscal year.

### OPERATING REVENUES

Millions of U.S. Dollars

#### INTERNATIONAL



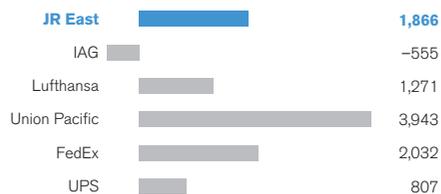
#### DOMESTIC



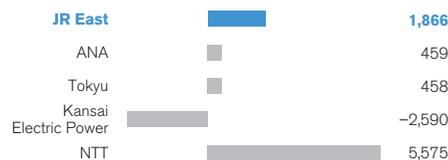
### NET INCOME (LOSS)

Millions of U.S. Dollars

#### INTERNATIONAL

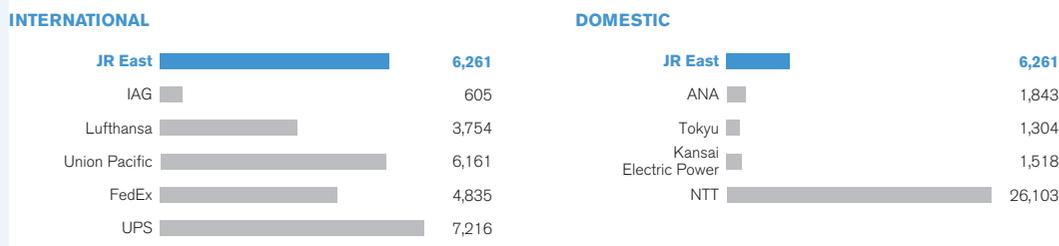


#### DOMESTIC



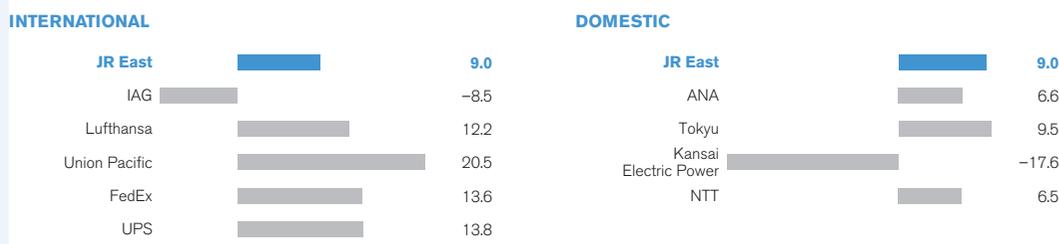
### CASH FLOWS FROM OPERATING ACTIVITIES

Millions of U.S. Dollars



### RETURN ON AVERAGE EQUITY (ROE)

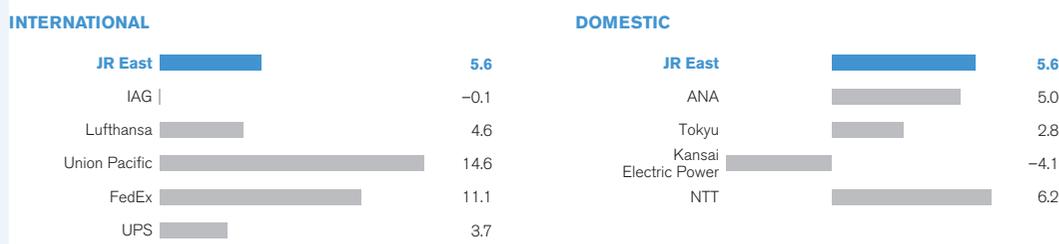
%



Average equity is the average of equity at the end of the previous and applicable fiscal years.

### RATIO OF OPERATING INCOME (LOSS) TO AVERAGE ASSETS (ROA)

%



Average assets is the average of assets at the end of the previous and applicable fiscal years.

- In January 2011, British Airways and IBERIA underwent management integration to become the IAG (International Airlines Group).
- Year ended March 31, 2013 (Year ended December 31, 2012, for IAG, Lufthansa, Union Pacific, and UPS, year ended May 31, 2012, for FedEx).
- ANA: ANA HOLDINGS INC.; Tokyu: Tokyu Corporation; NTT: Nippon Telegraph and Telephone Corporation
- Data in this section are based on consolidated figures from each company's annual report or financial press releases.
- The exchange rate used is the rate on March 31, 2013 (\$1=¥94, £1=\$1.52, €1=\$1.28).
- Share prices at the close of the respective previous fiscal years and computed using the above exchange rates are \$82.13 for JR East, \$2.81 for IAG, \$18.28 for Lufthansa, \$125.72 for Union Pacific, \$89.14 for FedEx, \$73.73 for UPS, \$2.04 for ANA, \$754 for Tokyu, \$9.87 for Kansai Electric Power, and \$43.67 for NTT.

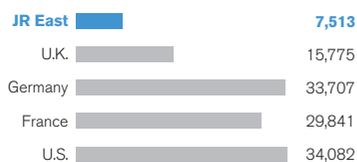
## INTERNATIONAL RAILWAY COMPARISONS

Japan relies on railways for around 30% of its transportation needs, a ratio much higher than in most other countries. This high reliance on railways due to the size of the economy and geographic characteristics affords railway companies an extremely large source of demand, especially in urban areas. In addition to being Japan's top railway company, JR East is one of the largest railway companies in the world.

## TRANSPORTATION MARKET

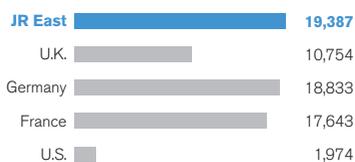
### RAILWAY LINE NETWORKS

Kilometers



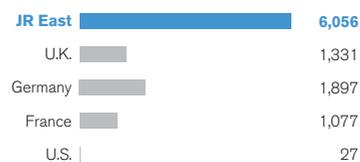
### REVENUES FROM RAILWAY OPERATIONS

Millions of U.S. Dollars

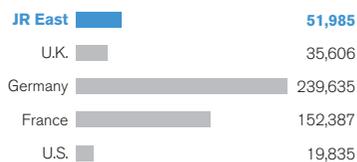


### NUMBER OF PASSENGERS

Millions

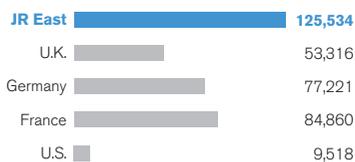


### NUMBER OF EMPLOYEES



### PASSENGER KILOMETERS

Millions



- Figures 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.
- U.K.: Association of Train Operating Companies (Railway tracks are owned by Network Rail Ltd.); Germany: Deutsche Bahn AG; France: Société Nationale des Chemins de fer Français (SNCF) (Railway tracks are owned by Réseau Ferré de France (RFF)); U.S.: National Railroad Passenger Corporation (Amtrak)
- Revenues from railway operations do not include freight and other service revenues.
- Figures for JR East do not include Tokyo Monorail.
- The exchange rate used is the rate for March 31, 2011 (\$1=¥83, €=\$1.41).

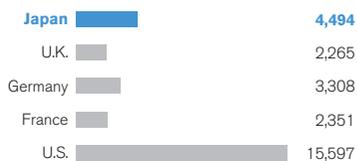
Source: Statistiques Internationales des Chemins de Fer 2010, Union Internationale des Chemins de Fer

## FUNDAMENTALS

### GROSS DOMESTIC PRODUCT

Billions of U.S. Dollars

2012



### POPULATION

Millions

2012



### POPULATION DENSITY

Per Square Kilometer

2012

■ Population per Square Kilometer of Total National Land Area ■ Population per Square Kilometer of Habitable Land Area



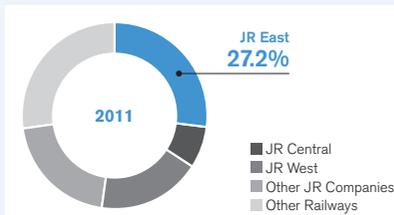
- JR East calculated these figures by using the following data and definition of each country's habitable land area.  
Population  
Japan: Current Population Estimates, Ministry of Internal Affairs and Communications Statistics Bureau; Other countries: United Nations data  
Habitable land area  
Japan: Land White Paper, Ministry of Land, Infrastructure, Transport and Tourism. Total area minus forests and woodland, barren land, area under inland water bodies, and other; Other countries: Global Forest Resources Assessment 2010, FAO

## RAILWAY OPERATIONS IN JAPAN

Railways play a vital role in Japan, a nation of limited landmass and high population density. Here, railways carry roughly 30% of the passenger volume in all modes of transportation, and JR East accounts for roughly 30% of the passenger volume in railways.

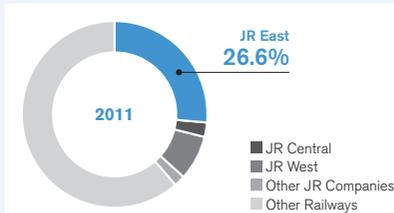
### SHARE OF DOMESTIC RAILWAYS

#### PASSENGER LINE NETWORK



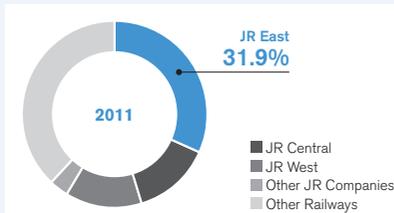
As of March 31, 2011	Km	%
<b>JR East</b>	<b>7,513</b>	<b>27.2%</b>
JR Central	1,971	7.1%
JR West	5,013	18.1%
Other JR Companies	5,628	20.4%
Other Railways	7,527	27.2%

#### NUMBER OF PASSENGERS



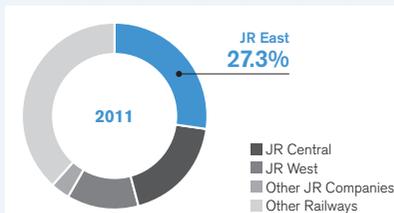
	Millions	%
<b>JR East</b>	<b>6,056</b>	<b>26.6%</b>
JR Central	515	2.3%
JR West	1,778	7.8%
Other JR Companies	479	2.1%
Other Railways	13,905	61.2%

#### PASSENGER KILOMETERS



	Millions	%
<b>JR East</b>	<b>125,534</b>	<b>31.9%</b>
JR Central	52,742	13.4%
JR West	52,614	13.4%
Other JR Companies	13,703	3.5%
Other Railways	148,839	37.8%

#### REVENUES FROM PASSENGER TICKETS



	Billions of Yen	%
<b>JR East</b>	<b>1,609</b>	<b>27.3%</b>
JR Central	1,098	18.7%
JR West	728	12.4%
Other JR Companies	207	3.5%
Other Railways	2,247	38.1%

#### ROLLING STOCK KILOMETERS



	Millions	%
<b>JR East</b>	<b>2,143</b>	<b>30.1%</b>
JR Central	877	12.3%
JR West	1,007	14.1%
Other JR Companies	340	4.8%
Other Railways	2,760	38.7%

- Figures for Passenger Line Network do not include freight traffic.
- Figures for Rolling Stock Kilometers do not include locomotives and freight cars.
- Figures for Tokyo Monorail are included in other railways.

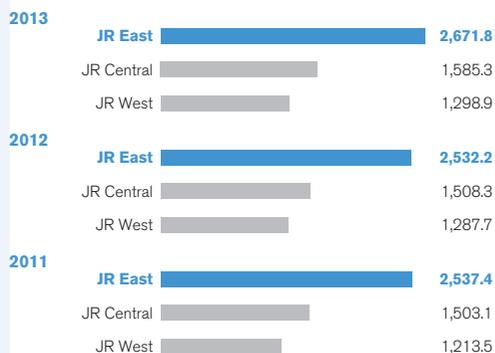
Source: Statistics of Railways 2010, Ministry of Land, Infrastructure, Transport and Tourism

## FINANCIAL OVERVIEW OF JR PASSENGER RAILWAY COMPANIES

JR East accounts for about 50% of the total operating revenues of the three largest JR passenger railway companies. JR East's immense and stable operating base contributes to large and consistent earnings and cash flows.

### OPERATING REVENUES

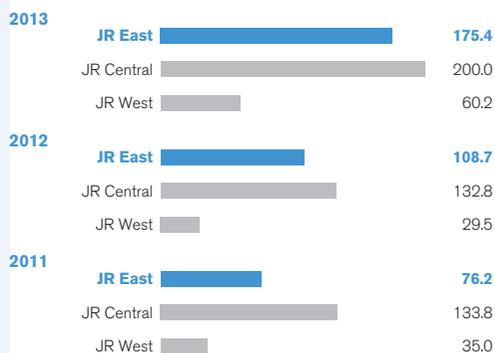
Billions of Yen



Years ended March 31	Millions of Yen		
	2011	2012	2013
<b>JR East</b>	<b>2,537,353</b>	<b>2,532,174</b>	<b>2,671,823</b>
JR Central	1,503,083	1,508,328	1,585,319
JR West	1,213,506	1,287,679	1,298,913

### NET INCOME

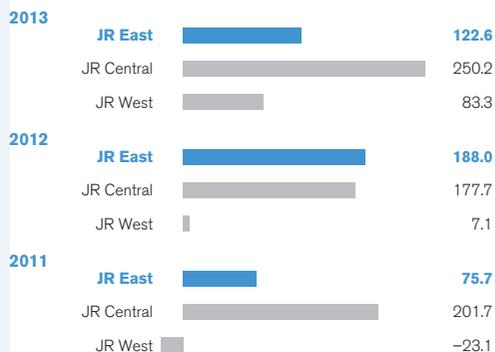
Billions of Yen



Years ended March 31	Millions of Yen		
	2011	2012	2013
<b>JR East</b>	<b>76,224</b>	<b>108,738</b>	<b>175,385</b>
JR Central	133,807	132,781	199,971
JR West	34,983	29,489	60,198

### FREE CASH FLOWS

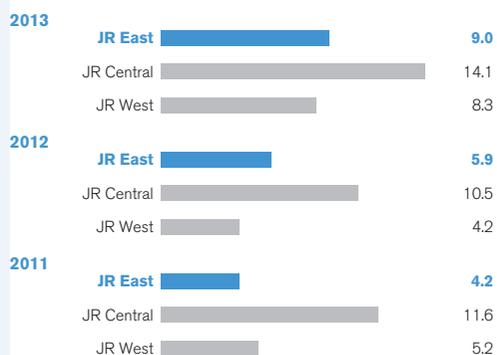
Billions of Yen



Years ended March 31	Millions of Yen		
	2011	2012	2013
<b>JR East</b>	<b>75,667</b>	<b>187,965</b>	<b>122,577</b>
JR Central	201,719	177,720	250,210
JR West	(23,072)	7,075	83,269

### RETURN ON AVERAGE EQUITY (ROE)

%

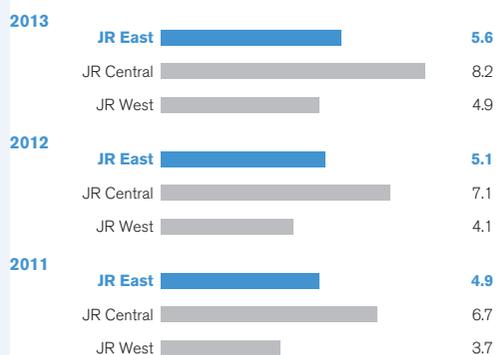


Years ended March 31	2011	2012	2013
<b>JR East</b>	<b>4.2%</b>	<b>5.9%</b>	<b>9.0%</b>
JR Central	11.6%	10.5%	14.1%
JR West	5.2%	4.2%	8.3%

• Average equity is the average of equity at the end of the previous and applicable fiscal years.

### RATIO OF OPERATING INCOME TO AVERAGE ASSETS (ROA)

%

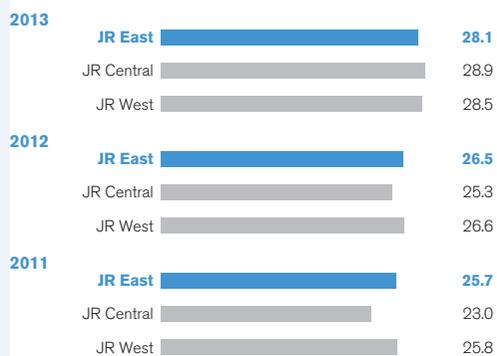


Years ended March 31	2011	2012	2013
<b>JR East</b>	<b>4.9%</b>	<b>5.1%</b>	<b>5.6%</b>
JR Central	6.7%	7.1%	8.2%
JR West	3.7%	4.1%	4.9%

• Average assets is the average of assets at the end of the previous and applicable fiscal years.

### EQUITY RATIO

%



Years ended March 31	2011	2012	2013
<b>JR East</b>	<b>25.7%</b>	<b>26.5%</b>	<b>28.1%</b>
JR Central	23.0%	25.3%	28.9%
JR West	25.8%	26.6%	28.5%

• Equity ratio = shareholders' equity / total assets

• Data in this section has been calculated by JR East based on figures in JR Central's and JR West's financial press releases.

## RAILWAY OPERATIONS IN TOKYO

The Tokyo metropolitan area accounts for roughly 30% of the population and economic base in Japan and has a population density far higher than any other region in the country. JR East alone provides nearly half of the huge volume of railway transportation in the Tokyo metropolitan area, where railways account for roughly 50% of all transportation.

## TRANSPORTATION IN THE TOKYO AREA

### MAJOR RAILWAYS IN THE TOKYO AREA

	Passenger Line Network <sup>1</sup>		Passenger Kilometers <sup>2</sup>		Revenues from Passenger Tickets <sup>2</sup>	
	km	%	Millions	%	Billions of Yen	%
<b>JR East</b>	<b>1,106.1</b>	<b>41.6%</b>	<b>78,599</b>	<b>47.8%</b>	<b>849.9</b>	<b>43.2%</b>
Tobu Railway	463.3	17.4%	12,172	7.4%	136.7	6.9%
Tokyo Metro	195.1	7.3%	18,375	11.2%	289.3	14.7%
Seibu Railway	176.6	6.7%	8,468	5.2%	92.5	4.7%
Keisei Electric Railway	152.3	5.7%	3,574	2.2%	52.0	2.6%
Toei (Tokyo Metropolitan Government)	131.2	4.9%	6,137	3.7%	125.8	6.4%
Odakyu Electric Railway	120.5	4.5%	11,028	6.7%	113.6	5.8%
Tokyu Corporation	104.9	4.0%	10,177	6.2%	128.1	6.5%
Keihin Electric Express Railway	87.0	3.3%	6,087	3.7%	72.9	3.7%
Keio Electric Railway	84.7	3.2%	7,261	4.4%	76.8	3.9%
Sagami Railway	35.9	1.4%	2,538	1.5%	30.7	1.6%
Total	2,657.6	100.0%	164,416	100.0%	1,968.5	100.0%

<sup>1</sup> As of March 31, 2012

<sup>2</sup> For the year ended March 31, 2012

• Figures do not include freight lines.  
• Data used for JR East is that of the Tokyo Metropolitan Area Network and do not include Tokyo Monorail.

Sources:

• Toei (Tokyo Metropolitan Government): Figures from the website of the Transportation Bureau of the Tokyo Metropolitan Government. Passenger kilometers are from Statistics of Railways 2010, Ministry of Land, Infrastructure, Transport and Tourism.

• Other: Website of the Association of Japanese Private Railways. Revenues from passenger tickets are based on figures from the financial press releases of each company.

### PASSENGER LINE NETWORKS

Kilometers

<b>JR East</b>	<b>1,106.1</b>
Tobu	463.3
Tokyo Metro	195.1
Seibu	176.6
Keisei	152.3
Toei	131.2
Odakyu	120.5
Tokyu	104.9
Keihin	87.0
Keio	84.7
Sagami	35.9

### PASSENGER KILOMETERS

Millions

<b>JR East</b>	<b>78,599</b>
Tobu	12,172
Tokyo Metro	18,375
Seibu	8,468
Keisei	3,574
Toei	6,137
Odakyu	11,028
Tokyu	10,177
Keihin	6,087
Keio	7,261
Sagami	2,538

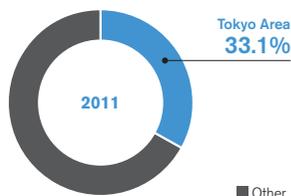
### REVENUES FROM PASSENGER TICKETS

Billions of Yen

<b>JR East</b>	<b>849.9</b>
Tobu	136.7
Tokyo Metro	289.3
Seibu	92.5
Keisei	52.0
Toei	125.8
Odakyu	113.6
Tokyu	128.1
Keihin	72.9
Keio	76.8
Sagami	30.7

## FUNDAMENTALS

### NET DOMESTIC PRODUCT

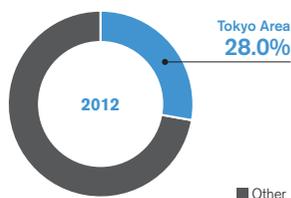


	2011	
	Billions of Yen	%
<b>Tokyo Area</b>	<b>118,468</b>	<b>33.1%</b>
Other	239,066	66.9%
Total	357,534	100.0%

Year ended March 31

Source: Annual Report on Prefectural Economies, Cabinet Office

### POPULATION



	2012	
	Millions	%
<b>Tokyo Area</b>	<b>35.7</b>	<b>28.0%</b>
Other	91.8	72.0%
Total	127.5	100.0%

As of October 1

Source: Current Population Estimates and Census, Ministry of Internal Affairs and Communications

### POPULATION DENSITY

2012



	2012
	Per Square Kilometer
<b>Tokyo Area</b>	<b>2,671</b>
Other	252
National Average	337

As of October 1

- JR East calculated these figures by using data from the following sources: Current Population Estimates and Census, Ministry of Internal Affairs and Communications; statistics from Geographical Survey Institute
- The statistics on this page are based on governmental boundaries and do not strictly correspond with JR East's operating area segments.

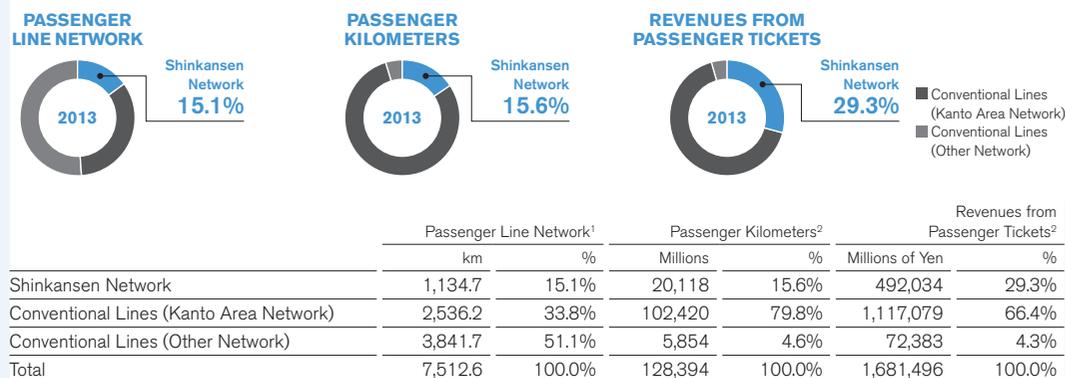
## ANALYSIS OF JR EAST'S RAILWAY OPERATIONS

The fact that two-thirds of its transportation revenue comes from Tokyo and the Kanto region where most of the population and economic base in Japan resides, shows the solidness of JR East's management platform.

As another strength, the Company is largely immune to economic fluctuations, as commuter passes account for a third of transportation revenues overall, and 40% of those revenues are from the Kanto region.

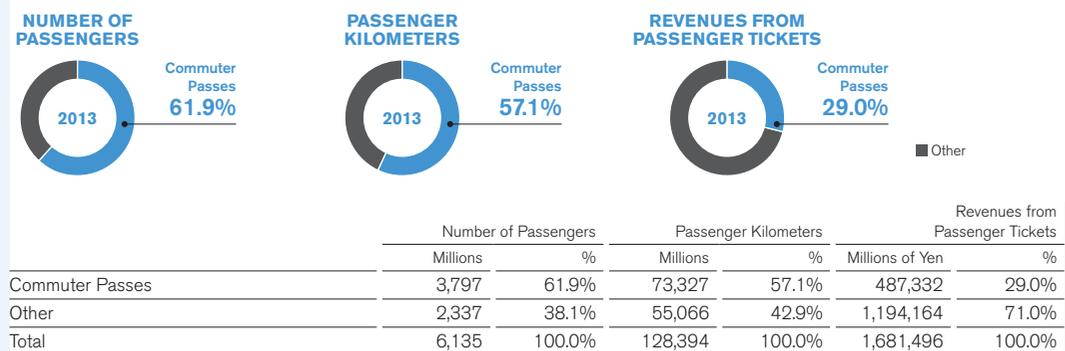
More than half of the electricity JR East consumes is self-generated in the hydro- and thermal-electric power plants it owns.

### COMPOSITION BY OPERATING AREA

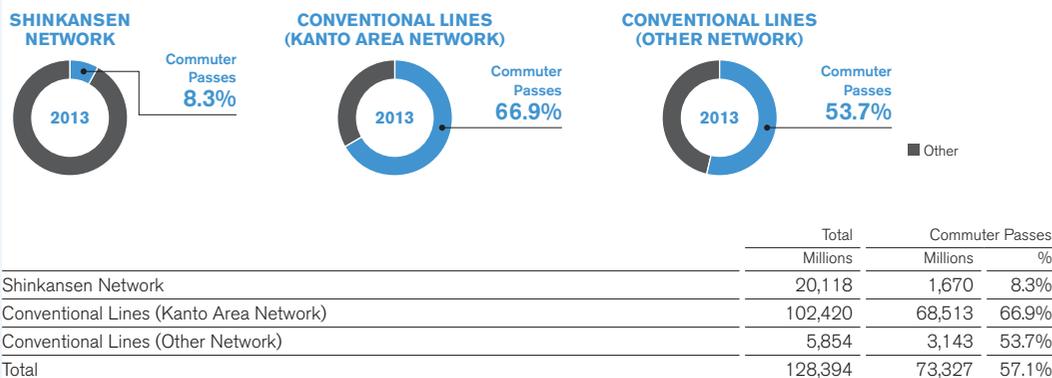


- As of March 31, 2013
  - Year ended March 31, 2013
- Revenues from the conventional line segments of hybrid Shinkansen services are credited to Conventional Lines (Other Network).
  - Figures do not include Tokyo Monorail.

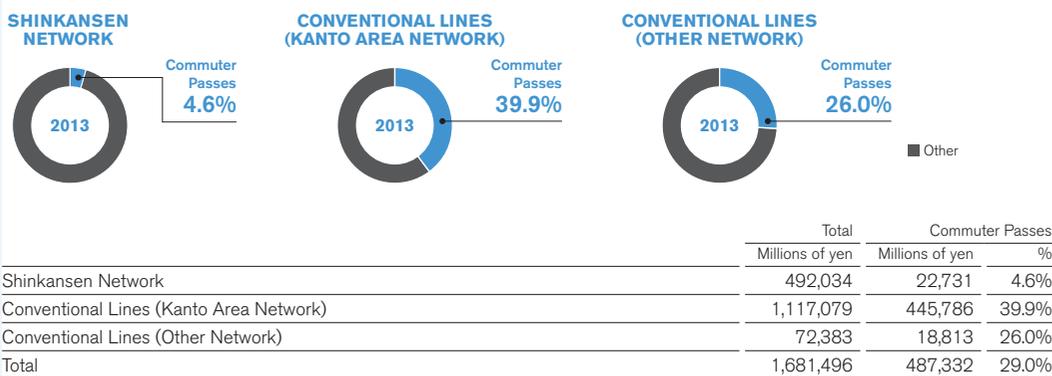
### COMPOSITION OF COMMUTER PASSES—OVERALL



**COMPOSITION OF COMMUTER PASSES--BY PASSENGER KILOMETERS**



**COMPOSITION OF COMMUTER PASSES--BY REVENUES FROM PASSENGER TICKETS**



- Percentages represent passenger kilometers and revenues from passenger tickets attributable to commuter passes for each segment.
- Revenues from the conventional line segments of hybrid Shinkansen services are credited to Conventional Lines (Other Network).
- Figures do not include Tokyo Monorail.

## PASSENGER KILOMETERS

Millions

Years ended March 31		2011	2012	2013	2013/2012	
Shinkansen Network	Commuter Passes	1,659	1,647	<b>1,670</b>	101.4%	
	Other	15,991	16,776	<b>18,448</b>	110.0%	
	Total	17,650	18,424	<b>20,118</b>	109.2%	
Conventional Lines	Total	Commuter Passes	72,078	71,495	<b>71,657</b>	100.2%
		Other	35,804	35,144	<b>36,618</b>	104.2%
		Total	107,882	106,639	<b>108,275</b>	101.5%
	Kanto Area Network	Commuter Passes	68,782	68,381	<b>68,513</b>	100.2%
		Other	32,850	32,586	<b>33,907</b>	104.1%
		Total	101,633	100,967	<b>102,420</b>	101.4%
	Other Network	Commuter Passes	3,295	3,113	<b>3,143</b>	101.0%
		Other	2,954	2,558	<b>2,710</b>	106.0%
		Total	6,249	5,672	<b>5,854</b>	103.2%
Total	Commuter Passes	73,737	73,143	<b>73,327</b>	100.3%	
	Other	51,795	51,921	<b>55,066</b>	106.1%	
	Total	125,533	125,064	<b>128,394</b>	102.7%	

## REVENUES FROM PASSENGER TICKETS

Millions of Yen

Years ended March 31		2011	2012	2013	2013/2012	
Shinkansen Network	Commuter Passes	22,730	22,411	<b>22,731</b>	101.4%	
	Other	408,837	417,262	<b>469,302</b>	112.5%	
	Total	431,568	439,673	<b>492,034</b>	111.9%	
Conventional Lines	Total	Commuter Passes	468,397	460,183	<b>464,600</b>	101.0%
		Other	709,182	695,442	<b>724,861</b>	104.2%
		Total	1,177,579	1,155,626	<b>1,189,462</b>	102.9%
	Kanto Area Network	Commuter Passes	448,829	441,759	<b>445,786</b>	100.9%
		Other	652,119	645,207	<b>671,292</b>	104.0%
		Total	1,100,949	1,086,966	<b>1,117,079</b>	102.8%
	Other Network	Commuter Passes	19,567	18,424	<b>18,813</b>	102.1%
		Other	57,062	50,235	<b>53,569</b>	106.6%
		Total	76,630	68,659	<b>72,383</b>	105.4%
Total	Commuter Passes	491,127	482,595	<b>487,332</b>	101.0%	
	Other	1,118,019	1,112,704	<b>1,194,164</b>	107.3%	
	Total	1,609,147	1,595,299	<b>1,681,496</b>	105.4%	

- Passenger kilometers and revenues from the conventional line segments of hybrid Shinkansen services are credited to Conventional Lines (Other Network).
- Figures do not include Tokyo Monorail.
- The Kanto Area Network encompasses the area encompassed under the previous classification of the Tokyo Metropolitan Area Network (Tokyo Branch Office, Yokohama Branch Office, Hachioji Branch Office, and Omiya Branch Office) and the areas covered by Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

## ELECTRIC POWER

Year ended March 31, 2013	Billions of kWh	%
Thermal Generation	21.5	36.8%
Hydroelectric Generation	11.5	19.7%
Independent	33.0	56.4%
Purchased	25.5	43.6%
Total	58.5	100.0%

