

## Consolidated Financial Results for the Six-Month Period Ended September 30, 2010 (Japanese GAAP) (Unaudited)

Fiscal 2011 (Year ending March 31, 2011)

"Second Quarter" means the six months from April 1 to September 30.

All financial information has been prepared in accordance with accounting principles generally accepted in Japan.

"JR East" refers to East Japan Railway Company on a consolidated basis, or if the context so requires, on a non-consolidated basis.

English translation from the original Japanese-language document.

October 28, 2010

### East Japan Railway Company

Stock Exchange Listings

Tokyo, Osaka and Nagoya

Securities Code

9020

URL

<http://www.jreast.co.jp/e>

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Scheduled Date for Release of a Quarterly Report

November 11, 2010

Scheduled Date of Dividend Payment Commencement

December 1, 2010

Preparation of Supplementary Explanations of Quarterly Financial Results: No

Quarterly Financial Results Presentation to Be Held: Yes

#### 1. Consolidated Results for the Six-Month Period Ended September 30, 2010 (April 1, 2010—September 30, 2010)

(Amounts less than one million yen, except for per share amounts, are omitted.)

##### (1) Consolidated financial results

(Percentages represent percentage changes as compared with the corresponding period in the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Fiscal 2011, 2nd Quarter</b>	<b>1,293,841</b>	<b>0.1</b>	<b>234,358</b>	<b>8.5</b>	<b>184,070</b>	<b>16.4</b>	<b>97,144</b>	<b>2.8</b>
Fiscal 2010, 2nd Quarter	1,293,083	(4.5)	216,013	(14.9)	158,080	(21.0)	94,518	(22.5)

	Earnings per share —Basic	Earnings per share —Diluted
	Yen	Yen
<b>Fiscal 2011, 2nd Quarter</b>	<b>245.58</b>	—
Fiscal 2010, 2nd Quarter	238.09	—

##### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
<b>Fiscal 2011, 2nd Quarter</b>	<b>6,911,319</b>	<b>1,872,918</b>	<b>26.7</b>	<b>4,667.95</b>
Fiscal 2010	6,995,494	1,807,547	25.5	4,501.30

Reference: Shareholders' equity – Fiscal 2011, 2nd Quarter: 1,846,502 million yen, Fiscal 2010: 1,780,584 million yen

#### 2. Dividends (Year Ended March 31, 2010 and Year Ending March 31, 2011)

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2010	—	55.00	—	55.00	110.00
<b>Fiscal 2011</b>	—	<b>55.00</b>	—	—	—
(Forecast) Fiscal 2011	—	—	—	55.00	110.00

Note: Revision of dividend forecasts in the 2nd quarter : No

### 3. Forecasts for Fiscal 2011 (Year Ending March 31, 2011)

(Percentages represent percentage changes compared with the previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income		Earnings per share—Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2011	<b>2,588,000</b>	<b>0.6</b>	<b>359,000</b>	<b>4.1</b>	<b>262,000</b>	<b>11.4</b>	<b>139,000</b>	<b>15.6</b>	<b>351.39</b>

Note: Revision of forecasts of the consolidated results in the 2nd quarter : Yes

### 4. Other (For details, please refer to page 3, "Other Information" in the Attachment.)

(1) Changes to principal subsidiaries during the period : No

Newly consolidated — excluded —

Note: Indicates whether changes have occurred in specified subsidiaries in accordance with changes in the scope of consolidation during this quarter.

(2) Application of simplified accounting treatment or application of special accounting treatment : No

Note: Indicates whether simplified accounting treatment or special accounting treatment has been used in preparing the quarterly consolidated financial statements.

(3) Changes in the accounting treatment principles and procedures or presentation method

i Changes based on revision of accounting standards: Yes

ii Changes other than the above : No

Note: Indicates the existence of changes in the accounting treatment principles and procedures or presentation method in preparation of the quarterly consolidated financial statements.

(4) Number of issued shares (common stock)

i Issued shares at period-end (including treasury stock)	2nd Quarter, Fiscal 2011	400,000,000 shares	Fiscal 2010	400,000,000 shares
ii Treasury stock at period-end	2nd Quarter, Fiscal 2011	4,429,771 shares	Fiscal 2010	4,429,053 shares
iii Average number of shares during period	2nd Quarter, Fiscal 2011	395,570,514 shares	2nd Quarter, Fiscal 2010	396,993,135 shares

### Indication of quarterly review procedure implementation status

These quarterly financial results are not subject to the quarterly review requirements as provided in the Financial Instruments and Exchange Law. The review of quarterly consolidated financial statements as provided in the Financial Instruments and Exchange Law had not been completed as of the date of these Consolidated Financial Results for the Six-Month Period Ended September 30, 2010.

### Explanation of appropriate use of forecasts of business results; other important items

The forecasts of business results and other forward-looking statements in this report are based on information available as of the date of this report and on certain assumptions that JR East viewed as reasonable as of the date of this report. Actual results may differ from such forward-looking statements for a variety of reasons.

Regarding the forecast of business results, please refer to "Qualitative Information on Consolidated Performance Outlook" on page 3 in the Attachment.

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# 1. Qualitative Information on Quarterly Consolidated Financial Performance

(Unless otherwise stated, all comparisons are between the six months from April 1, 2010, to September 30, 2010, and the six months from April 1, 2009, to September 30, 2009.)

## (1) Qualitative Information on Consolidated Operating Results

In the first six-months of the fiscal year ending March 31, 2011 (the second quarter), the Japanese economy did not enter a clear recovery phase. Although there were signs of improvement in corporate earnings and capital investment, the yen appreciated rapidly and unemployment levels remained high. Furthermore, business conditions continued to be challenging due to the reduction in expressway tolls, which exacerbated difficulties in the operating environment for railway operators and other factors. In this environment, East Japan Railway Company and its consolidated subsidiaries and equity-method affiliates (JR East) made efforts to implement *JR East 2020 Vision—idomu—*. JR East worked to continue generating revenues by further improving services in railway operations and developing life-style businesses focused on railway stations. JR East also actively developed businesses that capitalize on *Suica* services.

During the second quarter, operating revenues increased 0.1%, to ¥1,293.8 billion, and operating income increased 8.5%, to ¥234.3 billion, primarily as a result of Kinokuniya Co., Ltd. consolidation, which offset a decline in passenger revenues. Due to such factors as reduced interest expense, ordinary income increased 16.4%, to ¥184.0 billion, and net income for the quarter rose 2.8%, to ¥97.1 billion.

On March 10, 2009, the Hokuriku Regional Development Bureau of the Ministry of Land, Infrastructure, Transport and Tourism issued an order revoking JR East's license for exclusive use of river water at the Shinanogawa power plants (consisting of the Senju, Ojiya, and Shin-Ojiya power plants located in Ojiya and Tokamachi cities, Niigata Prefecture) as a result of JR East's water intake that exceeded the permissible maximum. Since receiving this order, JR East has taken corrective action in response to the order and has endeavored to strengthen its relations with the affected community while introducing measures to prevent recurrence.

Having received agreements from all concerned river users, on April 2, 2010, JR East applied to the Hokuriku Regional Development Bureau of the Ministry of Land, Infrastructure, Transport and Tourism for permission to recommence its intake of river water. On June 9, JR East received permission from the minister of the regional bureau and has recommenced river water intake to resume power generation at the Shinanogawa power plants.

## Segment Information

### 1. Transportation

In the Transportation segment, with railway operations as its core operations, JR East, aiming to further improve safety and customer satisfaction, sought to enhance traffic stability while maintaining revenues by introducing measures to encourage the use of its Shinkansen network and Tokyo metropolitan area network.

Specifically, in addition to continuing to introduce a new type of railcar to Joban Line local train services, JR East newly introduced the new type of railcar to the Keiyo Line. Also, during peak usage periods such as the Golden Week spring holiday and the summer holiday period, JR East increased the number of railcars in operation and the number of seats available for reservation. In addition, JR East worked to generate a greater volume of tourism in its service area by implementing the *Yamanashi and Chuo Line Campaign* while increasing the number of destinations available for its travel product, *Tabi-Ichi*, which offers attractive local programs. Further, in light of the reduction in expressway tolls, JR East continued to market and promote such initiatives as the *Weekend Pass* and the *Three-Day Pass* to improve the appeal of train travel. In advance of the December 2010 extension of the Tohoku Shinkansen Line to Shin-Aomori Station, JR East launched a campaign in Aomori Prefecture. At the same time, JR East continued preparations toward increasing the operational speed of Tohoku Shinkansen services in stages starting in March 2011. For the *Otona no Kyujitsu Club*, launched five years ago, JR East undertook initiatives to encourage its use by existing members and increase its membership. These efforts included offering of discount tickets and travel products exclusively for members, and *View Travel Products* discount campaigns to members.

Despite these initiatives, lower passenger revenues due to the effect of recession resulted in the Transportation segment recording a 0.4% decline in operating revenues, to ¥913.6 billion. However, because of reduced personnel expenses, operating income increased 6.4%, to ¥173.6 billion.

### 2. Station Space Utilization

In the Station Space Utilization segment, JR East advanced its *Station Renaissance* program, which maximizes the value of spaces within railway stations, and strengthened the performance of existing stores.

Specifically, JR East opened new stores at Hamamatsucho Station and other stations and remodeled existing stores at Akihabara Station and Nishi-Ogikubo Station. Further, JR East introduced next-generation vending machines with such features as large touch-panel displays to Shinagawa Station.

As a result of these initiatives as well as the effect of Kinokuniya Co., Ltd. consolidation and *SouthCourt (ecute Tokyo)* (Tokyo), which opened in the previous fiscal year, the Station Space Utilization segment recorded increases of 2.5% in operating revenues, to ¥208.6 billion, and 10.0% in operating income, to ¥18.8 billion.

### 3. Shopping Centers & Office Buildings

In the Shopping Centers & Office Buildings segment, JR East opened *LUMINE Ikebukuro* (Tokyo) and remodeled *atré Kichijoji* (Tokyo). Further, JR East continued to strengthen the performance of existing stores and actively sought major tenants with the ability to attract customers.

However, due to the effect of recession, the Shopping Centers & Office Buildings segment recorded decreases of 1.2% in operating revenues, to ¥115.3 billion, and 6.0 % in operating income, to ¥32.7 billion.

### 4. Others

In the Others, advertising and publicity operations introduced *J-AD Vision*, which uses a large LCD screen, to Akihabara Station and Ebisu Station and promoted sales of *Train Channel* video commercials in trains. In credit card operations, Viewcard Co., Ltd., to which JR East transferred its credit card operations in February 2010, led efforts to increase membership of various types of *View Card* and conducted a campaign in preparation for the extension of the Tohoku Shinkansen Line to Shin-Aomori Station. For *Suica* shopping services (electronic money), JR East aggressively developed affiliated stores by introducing *Suica* electronic money to approximately 2,130 Circle K and Sunkus convenience stores within JR East's service area and taking other measures. At the end of the second quarter, *Suica* electronic money was usable at approximately 115,300 stores.

As a result of these initiatives as well as an increase in IC card related revenues, the Others segment recorded increases of 4.0% in operating revenues, to ¥237.8 billion, and 2,755.2 % in operating income, to ¥8.0 billion.

Note: From the first quarter of this fiscal year, JR East began employing the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Statement No.17, March 27, 2009) 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 of each segment of JR East corresponds to the segment income under these Accounting Standard and Guidance.

## (2) Qualitative Information on Consolidated Financial Position

Regarding cash flows during the second quarter, net cash provided by operating activities increased ¥57.1 billion, to ¥250.1 billion, which was due to lower payments of income taxes and other factors.

Net cash used in investing activities increased ¥31.3 billion, to ¥222.0 billion, mainly due to an increase in payments for purchases of fixed assets.

Net cash used in financing activities rose ¥6.1 billion, to ¥51.7 billion, which was primarily related to a decrease in proceeds from issuance of bonds.

Further, cash and cash equivalents at the end of the second quarter decreased ¥23.5 billion from the end of the previous fiscal year (March 31, 2010), to ¥60.1 billion.

In addition, total long-term debt at the end of the second quarter was ¥3,424.8 billion.

## (3) Qualitative Information on Consolidated Performance Outlook

JR East has positioned the current fiscal year, which is the third year of *JR East 2020 Vision—idomu—*, as a year in which it will continue to take steps toward realizing sustainable growth even in challenging economic conditions. Moreover, by continuing to place safety as its highest management goal and pursuing customer satisfaction, JR East aims to be a corporate group that gives customers a peace of mind through safety. Although business conditions are expected to become more severe, the JR East Group will make a concerted effort to take on the challenge of securing revenues and fundamentally reviewing its cost structure.

In railway operations, in preparation for the extension of the Tohoku Shinkansen Line to Shin-Aomori Station in December 2010, JR East will collaborate with local communities to develop tourism and create demand. These initiatives will include launching a campaign in the Tokyo metropolitan area, establishing various types of travel products, and introducing new resort-type trains. Further, from March 2011 JR East will begin operating at the maximum speed of 300 km/h for its new high-speed E5 series railcar. In addition, JR East will continue introducing a new type of railcar to the Keiyo Line, and will work to improve users' convenience by strengthening Internet sales, such as through *eki-net* and *Mobile Suica*.

In life-style services businesses, JR East will promote initiatives toward the completion of *Tokyo Station City*, such as *KeiyoStreet* (Tokyo) and *NorthCourt (GranSta Dining)* (Tokyo) opening. Also, JR East will begin considering the development of a building at the New South Exit of Shinjuku Station while continuing the construction of JR South Shinjuku Building (provisional name) and Kanda Manseibashi Building (provisional name).

Aiming to establish *Suica* operations as a third pillar of business management alongside railway operations and life-style services businesses, JR East will continue to expand the mutual-use network and increase the number of *Suica* electronic money affiliated stores. At the same time, JR East intends to encourage usage by implementing campaigns for its *Suica Point* service and other measures.

With regard to the consolidated performance outlook for the full fiscal year, JR East conducted a review in light of passenger revenues, cost trends and other factors in the second quarter and revised its operating revenue, operating income, and ordinary income forecasts upward, as compared to the consolidated performance outlook announced on April 27, 2010. Further, based on consideration of impairment losses on fixed assets and other factors, JR East has not changed its net income forecast that was announced as part of the previous consolidated performance outlook.

Operating Revenues: ¥2,588.0 billion (0.1% above target, 0.6% year-on-year increase)

Operating Income: ¥359.0 billion (2.0% above target, 4.1% year-on-year increase)

Ordinary Income: ¥262.0 billion (2.7% above target, 11.4% year-on-year increase)

Net Income: ¥139.0 billion (unchanged, 15.6% year-on-year increase)

## **2. Other Information**

### **(1) Overview of Changes to Principal Subsidiaries: No**

### **(2) Overview of Application of Simplified Accounting Treatment or Application of Special Accounting Treatment: No**

### **(3) Overview of Changes in Accounting Treatment Principles and Procedures or Presentation Method**

#### **i Application of Accounting Standard for Asset Retirement Obligations**

From the first quarter of this fiscal year, JR East began employing the Accounting Standard for Asset Retirement Obligations (Accounting Standards Board of Japan Statement No. 18, March 31, 2008) and the Guidance on Accounting Standard for Asset Retirement Obligations (Accounting Standards Board of Japan Guidance No. 21, March 31, 2008).

The effect of this change on the quarterly consolidated financial statements was negligible.

### 3. Quarterly Consolidated Financial Statements

#### (1) Consolidated Balance Sheets (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2011 2nd Quarter (As of September 30, 2010)	Fiscal 2010 (As of March 31, 2010)
<b>ASSETS</b>		
<b>Current Assets</b> .....	¥ 516,178	¥ 537,654
Cash and time deposits .....	60,492	64,935
Notes and accounts receivable—trade .....	260,783	275,152
Fares receivable .....	29,741	27,253
Short-term loans receivable .....	13,583	14,982
Securities .....	—	19,139
Real estate for sale .....	2,394	2,666
Inventories .....	56,857	45,100
Deferred income taxes .....	51,037	46,567
Other .....	43,685	44,149
Allowance for doubtful accounts .....	(2,398)	(2,293)
<b>Fixed Assets</b> .....	6,394,906	6,457,617
Property, plant and equipment, net of accumulated depreciation .....	5,830,826	5,878,266
Buildings and fixtures (net) .....	2,922,544	2,970,272
Machinery, rolling stock and vehicles (net) .....	637,115	634,207
Land .....	2,011,999	2,008,435
Construction in progress .....	217,248	221,987
Other (net) .....	41,919	43,363
Intangible assets .....	103,701	110,238
Investments and other assets .....	460,377	469,112
Investments in securities .....	128,732	147,492
Long-term loans receivable .....	2,089	1,884
Long-term deferred income taxes .....	274,126	263,207
Other .....	56,545	57,652
Allowance for doubtful accounts .....	(1,116)	(1,124)
<b>Deferred Assets</b> .....	235	222
<b>Total Assets</b> .....	<b>¥6,911,319</b>	<b>¥6,995,494</b>

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2011 2nd Quarter (As of September 30, 2010)	Fiscal 2010 (As of March 31, 2010)
<b>LIABILITIES</b>		
<b>Current Liabilities</b> .....	<b>¥1,020,007</b>	¥1,155,865
Notes and accounts payable—trade.....	<b>36,139</b>	46,210
Short-term loans and current portion of long-term loans .....	<b>166,805</b>	138,403
Current portion of bonds .....	<b>45,179</b>	60,000
Current portion of long-term liabilities		
incurred for purchase of railway facilities .....	<b>129,413</b>	128,842
Payables .....	<b>170,343</b>	365,666
Accrued consumption tax .....	<b>4,801</b>	4,658
Accrued income taxes .....	<b>77,064</b>	35,057
Fare deposits received with regard to railway connecting services...	<b>19,046</b>	19,111
Prepaid railway fares received.....	<b>94,864</b>	86,636
Allowance for bonuses to employees .....	<b>73,485</b>	67,281
Other .....	<b>202,863</b>	203,998
<b>Long-Term Liabilities</b> .....	<b>4,018,394</b>	4,032,081
Bonds.....	<b>1,484,900</b>	1,429,525
Long-term loans.....	<b>611,425</b>	646,449
Long-term liabilities incurred for purchase of railway facilities.....	<b>997,006</b>	1,048,951
Long-term deferred tax liabilities .....	<b>2,650</b>	1,863
Employees' severance and retirement benefits.....	<b>666,896</b>	671,512
Other .....	<b>255,515</b>	233,780
<b>Total Liabilities</b> .....	<b>¥5,038,401</b>	¥5,187,947
<b>NET ASSETS</b>		
<b>Shareholders' Equity</b> .....	<b>¥1,847,914</b>	¥1,772,537
Common stock .....	<b>200,000</b>	200,000
Capital surplus .....	<b>96,732</b>	96,732
Retained earnings .....	<b>1,577,018</b>	1,501,637
Treasury stock, at cost .....	<b>(25,836)</b>	(25,831)
<b>Valuation and Translation Adjustments</b> .....	<b>(1,412)</b>	8,046
Net unrealized holding gains on securities .....	<b>(377)</b>	8,656
Net deferred losses on derivatives under hedge accounting .....	<b>(1,034)</b>	(610)
<b>Minority Interests</b> .....	<b>26,415</b>	26,963
<b>Total Net Assets</b> .....	<b>1,872,918</b>	1,807,547
<b>Total Liabilities and Net Assets</b> .....	<b>¥6,911,319</b>	¥6,995,494

Note: Amounts less than one million yen are omitted.

**(2) Consolidated Statements of Income (Unaudited)**

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2010 2nd Quarter (Six months ended September 30, 2009)	Fiscal 2011 2nd Quarter (Six months ended September 30, 2010)
<b>Operating Revenues</b> .....	¥1,293,083	<b>¥1,293,841</b>
<b>Operating Expenses</b> .....	1,077,070	<b>1,059,483</b>
Transportation, other services and cost of sales .....	830,223	<b>833,751</b>
Selling, general and administrative expenses .....	246,846	<b>225,732</b>
<b>Operating Income</b> .....	216,013	<b>234,358</b>
<b>Non-Operating Income</b> .....	5,796	<b>6,906</b>
Interest income .....	51	<b>46</b>
Dividend income .....	1,917	<b>2,185</b>
Other .....	3,827	<b>4,674</b>
<b>Non-Operating Expenses</b> .....	63,729	<b>57,194</b>
Interest expense .....	57,064	<b>53,642</b>
Equity in net losses of affiliated companies .....	2,302	<b>1,244</b>
Other .....	4,361	<b>2,306</b>
<b>Ordinary Income</b> .....	158,080	<b>184,070</b>
<b>Extraordinary Gains</b> .....	24,547	<b>15,430</b>
Gains on sales of fixed assets .....	120	<b>3,647</b>
Construction grants received .....	6,443	<b>10,619</b>
Gain on sales of transferable development air rights .....	16,891	—
Other .....	1,092	<b>1,163</b>
<b>Extraordinary Losses</b> .....	19,073	<b>32,483</b>
Losses on reduction entry for construction grants .....	5,826	<b>10,465</b>
Impairment losses on fixed assets .....	—	<b>6,623</b>
Other .....	13,247	<b>15,395</b>
<b>Income before Income Taxes</b> .....	163,554	<b>167,016</b>
<b>Income Taxes</b> .....	68,137	<b>69,419</b>
Current .....	75,469	<b>78,768</b>
Deferred .....	(7,331)	<b>(9,349)</b>
<b>Income before Minority Interests</b> .....	—	<b>97,597</b>
<b>Minority Interests in Net Income of Consolidated Subsidiaries</b> ..	897	<b>453</b>
<b>Net Income</b> .....	¥ 94,518	<b>¥ 97,144</b>

Note: Amounts less than one million yen are omitted.

### (3) Consolidated Statements of Cash Flows (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

Millions of Yen

	Fiscal 2010 2nd Quarter (Six months ended September 30, 2009)	Fiscal 2011 2nd Quarter (Six months ended September 30, 2010)
<b>Cash Flows from Operating Activities</b>		
Income before income taxes .....	¥163,554	¥167,016
Depreciation .....	172,050	177,304
Impairment losses on fixed assets .....	3,599	6,623
Amortization of long-term prepaid expense .....	2,932	3,031
Net change in employees' severance and retirement benefits .....	13,543	(5,893)
Interest and dividend income .....	(1,968)	(2,232)
Interest expense .....	57,064	53,642
Construction grants received .....	(6,443)	(10,619)
Losses from disposition of fixed assets .....	7,738	8,395
Losses from provision for cost reduction of fixed assets .....	5,826	10,465
Net change in major receivables .....	19,344	7,400
Net change in major payables .....	(83,464)	(73,342)
Other .....	(32,094)	(4,211)
Sub-total .....	321,683	337,582
Proceeds from interest and dividends .....	2,121	2,384
Payments of interest .....	(57,411)	(53,734)
Payments of earthquake-damage losses .....	(418)	—
Payments of income taxes .....	(72,906)	(36,056)
<b>Net cash provided by operating activities .....</b>	<b>193,069</b>	<b>250,175</b>
<b>Cash Flows from Investing Activities</b>		
Payments for purchases of fixed assets .....	(221,693)	(253,246)
Proceeds from sales of fixed assets .....	1,627	5,339
Proceeds from construction grants .....	21,026	28,786
Proceeds from sales of transferable development air rights .....	13,673	—
Payments for purchases of investments in securities .....	(4,396)	(1,204)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation .....	485	470
Other .....	(1,382)	(2,156)
<b>Net cash used in investing activities .....</b>	<b>(190,659)</b>	<b>(222,011)</b>
<b>Cash Flows from Financing Activities</b>		
Net change in commercial paper .....	19,000	—
Proceeds from long-term loans .....	—	23,009
Payments of long-term loans .....	(12,825)	(35,021)
Proceeds from issuance of bonds .....	90,000	70,000
Payments for redemption of bonds .....	(40,000)	(30,290)
Payments of liabilities incurred for purchase of railway facilities .....	(51,608)	(51,373)
Payments for acquisition of treasury stock .....	(22,950)	—
Cash dividends paid .....	(21,982)	(21,762)
Other .....	(5,222)	(6,295)
<b>Net cash used in financing activities .....</b>	<b>(45,590)</b>	<b>(51,732)</b>
<b>Net Change in Cash and Cash Equivalents .....</b>	<b>(43,180)</b>	<b>(23,569)</b>
<b>Cash and Cash Equivalents at Beginning of the Period .....</b>	<b>110,871</b>	<b>83,756</b>
<b>Increase in Cash and Cash Equivalents due to</b>		
<b>Merger with Unconsolidated Subsidiaries .....</b>	<b>806</b>	<b>—</b>
<b>Decrease in Cash and Cash Equivalents due to Corporate Division .....</b>	<b>(60)</b>	<b>—</b>
<b>Cash and Cash Equivalents at End of the Period .....</b>	<b>¥ 68,437</b>	<b>¥ 60,187</b>

Note: Amounts less than one million yen are omitted.

#### (4) Notes on Going Concern Assumption (Unaudited)

None

#### (5) Segment Information (Unaudited)

Segment Information by Business Activities

Fiscal 2010 2nd Quarter (Six months ended September 30, 2009)	Millions of Yen						Elimination and/or Corporate	Consolidated
	Transportation	Station Space Utilization	Shopping Centers & Office Buildings	Other Services	Total			
Operating Revenues								
Outside customers .....	¥891,737	¥197,210	¥112,243	¥ 91,893	¥1,293,083	¥ —	¥1,293,083	
Inside group .....	25,618	6,321	4,474	136,737	173,152	(173,152)	—	
Total .....	917,356	203,532	116,717	228,631	1,466,236	(173,152)	1,293,083	
Costs and Expenses .....	754,228	186,352	81,874	228,348	1,250,805	(173,735)	1,077,070	
Operating Income .....	¥163,127	¥ 17,179	¥ 34,842	¥ 282	¥ 215,431	¥ 582	¥ 216,013	

#### Segment Information

Fiscal 2011 2nd Quarter (Six months ended September 30, 2010)	Millions of Yen						Quarterly Consolidated Statements of Income (Note 3)
	Transportation	Station Space Utilization	Shopping Centers & Office Buildings	Others (Note 1)	Total	Adjustment (Note 2)	
Operating Revenues							
Outside customers .....	¥888,663	¥201,828	¥110,540	¥ 92,808	¥1,293,841	¥ —	¥1,293,841
Inside group .....	25,025	6,853	4,780	144,996	181,655	(181,655)	—
Total .....	913,689	208,682	115,320	237,804	1,475,497	(181,655)	1,293,841
Segment income .....	¥173,616	¥ 18,893	¥ 32,734	¥ 8,068	¥ 233,314	¥ 1,044	¥ 234,358

- Notes: 1. "Others" represent categories of business that are not included in reportable segments and include hotel operations, and advertising and publicity services.
2. The ¥1,044 million adjustment to segment income includes a ¥528 million elimination of unrealized holding gains on fixed assets and inventory assets and a ¥517 million elimination for intersegment transactions.
3. Segment income is adjusted to ensure consistency with the operating income set forth in the quarterly consolidated statements of income.

#### (Additional Information)

From the first quarter of this fiscal year, JR East began employing the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Statement No. 17, March 27, 2009) 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).

#### (6) Notes on Significant Changes in the Value of Shareholders' Equity (Unaudited)

None

## (Additional Information Regarding Operating Results)

### Consolidated Principal Indicators

	Fiscal 2010, 2nd Quarter (Six months ended September 30, 2009)	Fiscal 2010 (Year ended March 31, 2010)	Fiscal 2011, 2nd Quarter (Six months ended September 30, 2010)	Increase (Decrease)		Fiscal 2013 Targets
	(A)	(B)	(C)	(C)-(A)	(C)-(B)	
Cash flows from operating activities (billions of yen) .....	193.0	479.1	<b>250.1</b>	57.1	—	1,700.0
Ratio of operating income to average assets (ROA) (%) .....	3.1	4.9	<b>3.4</b>	0.3	—	6.0
Return on average equity (ROE) (%) .....	5.4	6.9	<b>5.4</b>	(0.1)	—	—
Equity ratio (%) .....	25.8	25.5	<b>26.7</b>	0.9	1.3	—
Shareholders' equity (billions of yen) .....	1,772.1	1,780.5	<b>1,846.5</b>	74.3	65.9	—
Total long-term debt (billions of yen) .....	3,474.7	3,443.8	<b>3,424.8</b>	(49.8)	(18.9)	—
Average interest rates (%) .....	3.21	3.13	<b>3.06</b>	(0.15)	(0.07)	—
Net interest expense (billions of yen) .....	(55.1)	(110.0)	<b>(51.4)</b>	3.6	—	—
Earnings per share (yen) .....	238.09	303.35	<b>245.58</b>	7.49	—	—
Shareholders' equity per share (yen) .....	4,479.87	4,501.30	<b>4,667.95</b>	188.08	166.65	—
Free cash flows (FCF) (billions of yen) .....	2.4	87.4	<b>28.1</b>	25.7	—	—
Capital expenditures (billions of yen) .....	126.9	434.7	<b>136.2</b>	9.2	—	—
Transportation .....	96.0	351.9	<b>102.7</b>	6.7	—	—
Non-transportation .....	30.9	82.8	<b>33.4</b>	2.5	—	—

### Consolidated Business Forecasts for Fiscal 2011

	Billions of Yen							Fiscal 2013 Targets
	Actual	Forecast	Forecast	Change				
	Fiscal 2010	Fiscal 2011 (Announced in April 2010)	Fiscal 2011	Increase (Decrease)	%	Increase (Decrease)	%	
(A)	(B)	(C)	(C)-(B)	(C)/(B)x100	(C)-(A)	(C)/(A)x100		
<b>Operating Revenues</b> .....	2,573.7	<b>2,585.0</b>	<b>2,588.0</b>	3.0	100.1	14.2	100.6	2,697.0
Transportation .....	1,757.9	<b>1,757.0</b>	<b>1,760.0</b>	3.0	100.2	2.0	100.1	1,782.0
Station Space Utilization .....	387.1	<b>399.0</b>	<b>399.0</b>	—	100.0	11.8	103.1	446.0
Shopping Centers & Office Buildings .....	226.9	<b>228.0</b>	<b>228.0</b>	—	100.0	1.0	100.5	241.0
Others .....	201.6	<b>201.0</b>	<b>201.0</b>	—	100.0	(0.6)	99.7	228.0
<b>Operating Income</b> .....	344.8	<b>352.0</b>	<b>359.0</b>	7.0	102.0	14.1	104.1	410.0
Transportation .....	231.3	<b>240.0</b>	<b>247.0</b>	7.0	102.9	15.6	106.8	281.0
Station Space Utilization .....	33.3	<b>32.0</b>	<b>32.0</b>	—	100.0	(1.3)	96.0	40.0
Shopping Centers & Office Buildings .....	69.3	<b>66.0</b>	<b>66.0</b>	—	100.0	(3.3)	95.2	70.0
Others .....	13.5	<b>15.0</b>	<b>15.0</b>	—	100.0	1.4	111.1	20.0
Adjustment .....	(2.6)	<b>(1.0)</b>	<b>(1.0)</b>	—	100.0	1.6	38.1	(1.0)
<b>Ordinary Income</b> .....	235.1	<b>255.0</b>	<b>262.0</b>	7.0	102.7	26.8	111.4	—
<b>Net Income</b> .....	120.2	<b>139.0</b>	<b>139.0</b>	—	100.0	18.7	115.6	—

Reference: Earnings per share forecast for Fiscal 2011: ¥351.39

### Forward-looking Statements

Statements contained in this report with respect to JR East's plans, strategies, and beliefs that are not historical facts are forward-looking statements about the future performance of JR East, which are based on management's assumptions and beliefs in light of the information currently available to it. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause JR East's actual results, performance, or achievements to differ materially from the expectations expressed herein. These factors include, without limitation, (i) JR East's ability to successfully maintain or increase current passenger levels on railway services, (ii) JR East's ability to improve the profitability of railway and other operations, (iii) JR East's ability to expand non-transportation operations, and (iv) general changes in economic conditions and laws, regulations, and government policies in Japan.

## Consolidated Capital Expenditure Plans for Fiscal 2011

	Billions of Yen						
	Actual Fiscal 2010	Plans for Fiscal 2011 (Announced in April 2010)	Plans for Fiscal 2011	Change			
				Increase (Decrease)	%	Increase (Decrease)	%
(A)	(B)	(C)	(C)-(B)	(C)/(B)x100	(C)-(A)	(C)/(A)x100	
<b>Capital Expenditures</b> .....	434.7	<b>472.0</b>	<b>472.0</b>	—	100.0	37.2	108.6
Transportation .....	351.9	<b>350.0</b>	<b>350.0</b>	—	100.0	(1.9)	99.4
Non-transportation .....	82.8	<b>122.0</b>	<b>122.0</b>	—	100.0	39.1	147.3

## Passenger Kilometers and Passenger Revenues of Parent Company

	Passenger Kilometers				Revenues from Passenger Tickets			
	Millions		%		Billions of yen		%	
	Fiscal 2010 2nd Quarter (Six months ended September 30, 2009)	Fiscal 2011, 2nd Quarter (Six months ended September 30, 2010)	Increase (Decrease)	(B)/(A)x100	Fiscal 2010 2nd Quarter (Six months ended September 30, 2009)	Fiscal 2011, 2nd Quarter (Six months ended September 30, 2010)	Increase (Decrease)	(D)/(C)x100
(A)	(B)	(B)-(A)	(B)/(A)x100	(C)	(D)	(D)-(C)	(D)/(C)x100	
<b>Shinkansen Network</b>								
Commuter Passes .....	856	<b>855</b>	(0)	99.9	11.6	<b>11.5</b>	(0.0)	99.6
Other .....	8,466	<b>8,466</b>	(0)	100.0	212.8	<b>213.1</b>	0.3	100.2
Total .....	9,322	<b>9,321</b>	(1)	100.0	224.4	<b>224.7</b>	0.3	100.1
<b>Conventional Lines</b>								
<i>Kanto Area Network</i>								
Commuter Passes .....	35,281	<b>35,326</b>	45	100.1	228.3	<b>227.5</b>	(0.8)	99.6
Other .....	17,134	<b>16,992</b>	(141)	99.2	340.9	<b>339.3</b>	(1.5)	99.5
Total .....	52,416	<b>52,319</b>	(96)	99.8	569.2	<b>566.9</b>	(2.3)	99.6
<i>Other Network</i>								
Commuter Passes .....	1,766	<b>1,778</b>	12	100.7	10.2	<b>10.2</b>	0.0	100.0
Other .....	1,670	<b>1,627</b>	(42)	97.5	32.0	<b>31.5</b>	(0.5)	98.2
Total .....	3,436	<b>3,405</b>	(30)	99.1	42.3	<b>41.7</b>	(0.5)	98.6
<i>Total</i>								
Commuter Passes .....	37,047	<b>37,105</b>	57	100.2	238.5	<b>237.7</b>	(0.8)	99.6
Other .....	18,804	<b>18,620</b>	(184)	99.0	373.0	<b>370.8</b>	(2.1)	99.4
Total .....	55,852	<b>55,725</b>	(126)	99.8	611.5	<b>608.6</b>	(2.9)	99.5
<b>Total</b>								
Commuter Passes .....	37,903	<b>37,960</b>	57	100.2	250.2	<b>249.3</b>	(0.8)	99.6
Other .....	27,271	<b>27,086</b>	(185)	99.3	585.8	<b>584.0</b>	(1.7)	99.7
Total .....	65,175	<b>65,047</b>	(128)	99.8	836.0	<b>833.3</b>	(2.6)	99.7

Notes:1. Amounts less than one million passenger kilometers and 100 million yen are omitted.

2. The Kanto Area Network includes the areas covered by Tokyo Branch Office, Yokohama Branch Office, Hachioji Branch Office, Omiya Branch Office, Takasaki Branch Office, Mito Branch Office, and Chiba Branch Office.

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