

# Review of Operations

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## Transportation



### Principal Businesses

#### Shinkansen 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 the Shinkansen network and regional transportation outside the Tokyo metropolitan area network

#### Travel Agency Services

*View Plaza* travel agencies and other outlets selling travel products

#### Bus Services

Bus services conducted in addition to railway operations

## Station Space Utilization



#### Retailing

Retailing activities, such as kiosk outlets and convenience stores, at stations and sales of snacks, drinks, and other goods inside trains

#### Restaurants

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

## Shopping Centers & Office Buildings



#### Shopping Centers

Development and leasing of space to retailers and other tenants in shopping centers at stations

#### Office Buildings

Development and operation of buildings used primarily as office space

## Other Services



#### 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

#### Credit Card Business

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

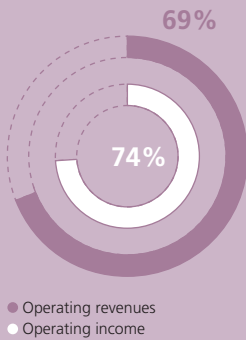
#### Others

Wholesale, truck delivery, cleaning, and other businesses

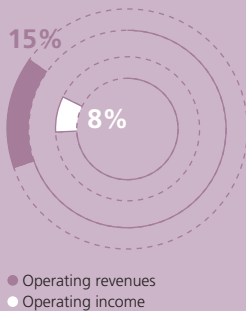
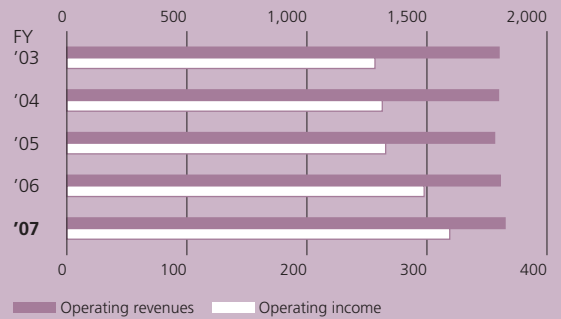
## Business Composition by Segment

## Profile and Topics

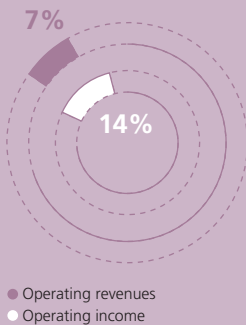
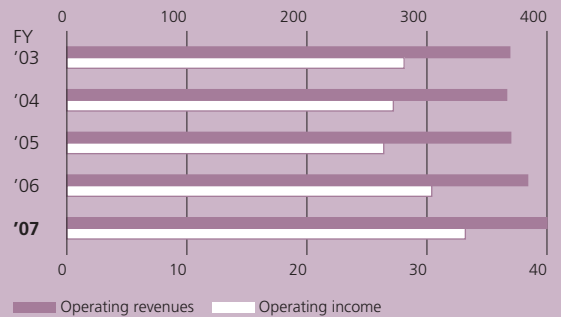
## Business Results (Billions of Yen)



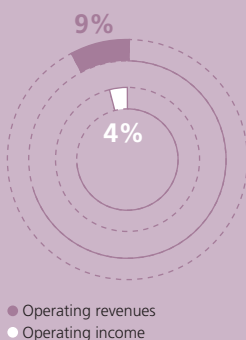
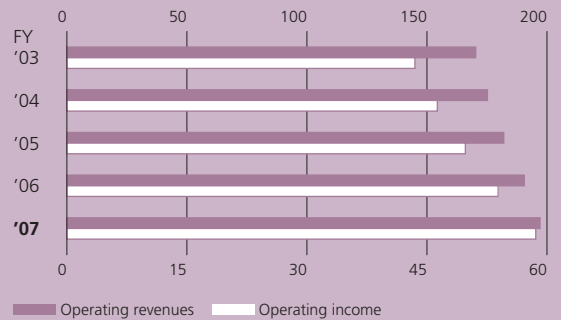
JR East's 7,526.8km rail network (excluding the Tokyo Monorail) covers the eastern half of Honshu, including the Tokyo metropolitan area. JR East operates a transportation business whose mainstay service is passenger railway transportation through the use of this very profitable network. In fiscal 2007, transportation operating revenues were ¥1,825.4 billion (\$15,469 million) and operating income was ¥319.0 billion (\$2,704 million).



About 16 million passengers use JR East's stations every day. Station space utilization offers retailing and restaurant services to these customers through outlets at stations and sales inside trains. Station space utilization operating revenues were ¥400.0 billion (\$3,390 million) and operating income was ¥33.2 billion (\$282 million) in fiscal 2007.



JR East leases space to retailers and other tenants in shopping centers and office buildings developed on property already owned by JR East within or near station premises throughout its service area. Shopping centers & office buildings operating revenues were ¥197.1 billion (\$1,671 million) and operating income was ¥58.6 billion (\$497 million) in fiscal 2007.



JR East conducts a number of other business activities, most of which are aimed at leveraging the customer base at railway station and other facilities of its core passenger railway transportation business. Major businesses in the other services segment include advertising and publicity, hotel operations, information services, credit card business, and other services. Additional activities include construction and car rentals. In fiscal 2007, other services operating revenues were ¥234.8 billion (\$1,990 million) and operating income was ¥17.9 billion (\$152 million).

