

Consolidated Financial Results for the Three-Month Period Ended June 30, 2004 (Unaudited)

Fiscal 2005 (Year ending March 31, 2005)

"First Quarter" means three months from April 1 to June 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 nonconsolidated basis.

English translation from the original Japanese-language document

August 5, 2004

East Japan Railway Company

Stock Exchange Listings	Tokyo, Osaka, and Nagoya
Securities Code	9020
Location of the Head Office	Tokyo, Japan
URL	http://www.jreast.co.jp/e
Representative	Mutsutake Otsuka, President and CEO
Contact Person	Mitsuo Higashi, General Manager, Public Relations Department (Tel. +81-3-5334-1300)

1. Results for the Three-Month Period Ended June 30, 2004 (April 1, 2004—June 30, 2004)

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2005, 1st Quarter	615,404	0.7	100,644	15.4	64,188	29.1	39,899	81.7
Fiscal 2004, 1st Quarter	610,893	—	87,220	—	49,702	—	21,964	—
(Reference) Fiscal 2004	2,542,297	—	351,419	—	225,365	—	119,866	—

	Earnings per share —basic	Earnings per share —diluted
	Yen	Yen
Fiscal 2005, 1st Quarter	9,976.89	—
Fiscal 2004, 1st Quarter	5,492.26	—
(Reference) Fiscal 2004	29,928.14	—

Note: Percentages for operating revenues, operating income, ordinary income, and net income for the 1st quarter of fiscal 2005 represent changes compared with the same period ended June 30, 2003.

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

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2005, 1st Quarter	6,734,662	1,126,310	16.7	281,631.54
Fiscal 2004, 1st Quarter	6,728,072	992,017	14.7	248,051.81
(Reference) Fiscal 2004	6,781,692	1,100,175	16.2	275,052.28

(3) Consolidated cash flows (Amounts less than one million yen are omitted.)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2005, 1st Quarter	59,949	(125,493)	84,959	102,373
Fiscal 2004, 1st Quarter	26,282	(106,916)	49,173	95,107
(Reference) Fiscal 2004	387,060	(234,591)	(196,192)	82,935

(4) Scope of consolidation and equity method

Number of consolidated subsidiaries	94 companies
Number of equity method nonconsolidated subsidiaries	—
Number of equity method affiliated companies	2 companies

(5) Changes in scope of consolidation and equity method (Comparison with Fiscal 2004 ended March 31, 2004)

Consolidated subsidiaries	
Newly included:	1 company
Excluded:	5 companies
Equity method companies	
Newly included:	—
Excluded:	—

2. Forecast for Fiscal 2005 (Year ending March 31, 2005)

	Operating revenues	Ordinary income	Net income	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Six months ending September 30, 2004	1,268,000	127,000	72,000	18,003.44
Fiscal 2005	2,561,000	234,000	126,000	31,506.03

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.

Results for the Three-Month Period Ended June 30, 2004

Unless otherwise stated, statements regarding operating results and financial positions in the three-month period ended June 30, 2004, are comparisons with the three-month period ended June 30, 2003.

(1) Operating Results

In the three-month period ended June 30, 2004 (April 1, 2004—June 30, 2004), while employment environment remained severe, the Japanese economy continued to recover steadily, with increases in exports and production.

Against that backdrop, JR East continued to take steps to enhance the efficiency of business operations and made concerted efforts to increase revenues by fully exploiting management resources.

In the three-month period ended June 30, 2004, such factors as the favorable performances of transportation and shopping centers & office buildings operations, JR East posted increases in operating revenues of 0.7%, to ¥615.4 billion; in operating income of 15.4%, to ¥100.6 billion; in ordinary income of 29.1%, to ¥64.1 billion; and in net income of 81.7%, to ¥39.8 billion.

Segment Information

Transportation

JR East sought to increase usage of its railway network through initiatives that included increasing Hayate and Komachi Shinkansen services to the Tohoku area during the Golden Week holiday period and undertaking a joint advertising campaign with JR West—Japanese Beauty Hokuriku Campaign. As a result of those efforts, traffic volume of the JR East railway network increased. Also, operating revenues edged up 0.7%, to ¥450.1 billion, while operating income climbed 17.3%, to ¥80.5 billion.

Station Space Utilization

JR East worked to revitalize existing stores, expand its network of NEWDAYS convenience stores, and strengthen sales of lunch boxes and in-train sales. As a result, operating revenues grew 0.4%, to ¥92.8 billion. However, operating income decreased 7.0%, to ¥5.6 billion, which was attributable to increased expenses associated with the introduction of new computer systems and other factors.

Shopping Centers & Office Buildings

JR East refurbished several shopping centers, including Kichijoji LONLON (Tokyo), PRIMO (Tokyo), and FES'AN (Iwate). Furthermore, JR East reorganized its shopping center management companies to strengthen the marketing capabilities and financial base of those operations. Due to those initiatives, operating revenues rose 4.0%, to ¥46.2 billion, while operating income increased 14.8%, to ¥13.3 billion.

Other Services

JR East sought to reinforce hotel chain operations by splitting Ikebukuro Terminal Building Co., Ltd. Also, in advertising business, JR East expanded the application of a new advertising technique that has upgraded sales promotion functions by integrating stores at stations and advertising media. Further, in credit card business, JR East aggressively recruited new members, focusing primarily on its View Suica card. Despite those efforts, operating revenues were down 10.5%, to ¥94.9 billion, due in part to the change of East Japan Railway Trading Co., Ltd., from direct trading of railway materials for JR East to commissioned operations in July 2003. Nevertheless, operating income increased 6.4%, to ¥0.9 billion, primarily as the result of an improvement in profitability of equipment maintenance operations.

(2) Financial Position

Net cash provided by operating activities in the three-month period ended June 30, 2004, increased ¥33.6 billion to ¥59.9 billion, due to a ¥27.6 billion increase in income before income taxes and a decrease in payments of income taxes.

Net cash used in investing activities rose ¥18.5 billion to ¥125.4 billion, primarily as a result of increased payments for purchase of fixed assets and reduced proceeds from sales of fixed assets.

Net cash provided by financing activities rose ¥35.7 billion to ¥84.9 billion. This was attributable to the fact that while a ¥12.9 billion increase in total long-term debt was less than the increase in the three-month period ended June 30, 2003, JR East issued a higher amount of commercial paper.

Further, the balance of cash and cash equivalents increased ¥19.4 billion from March 31, 2004, to ¥102.3 billion on June 30, 2004. And, the balance of total long-term debt was ¥3,987.4 billion on June 30, 2004.

Outlook for the Fiscal Year Ending March 31, 2005

At the present juncture, JR East does not anticipate any significant deviation from performance projections that were issued on May 12, 2004 for the six-month period ending September 30, 2004, and for the fiscal year ending March 31, 2005.

Consolidated Balance Sheets (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen			
	Fiscal 2004 (As of March 31, 2004)	Fiscal 2005, 1st Quarter (As of June 30, 2004)	Increase (Decrease)	Fiscal 2004, 1st Quarter (As of June 30, 2003)
ASSETS				
Current Assets	¥ 389,101	¥ 378,180	¥(10,920)	¥ 353,750
Cash and time deposits	83,142	102,590	19,448	95,729
Notes and accounts receivable-trade	120,789	108,047	(12,742)	93,970
Fares receivable	35,016	29,412	(5,603)	25,621
Short-term loans receivable	22,130	22,040	(90)	22,375
Securities	31	50	18	177
Real estate for sale	12,005	12,323	318	16,009
Inventories	39,068	49,440	10,371	38,580
Deferred income taxes	55,270	34,972	(20,297)	33,444
Other	23,365	21,019	(2,345)	29,420
Allowance for doubtful accounts	(1,719)	(1,717)	2	(1,578)
Fixed Assets	6,392,390	6,356,261	(36,129)	6,374,056
Property, plant and equipment, net of accumulated depreciation	5,938,724	5,899,493	(39,231)	5,964,171
Buildings and fixtures	3,018,769	2,982,420	(36,349)	3,034,927
Machinery, rolling stock and vehicles	618,992	609,547	(9,444)	611,742
Land	2,117,483	2,116,729	(753)	2,131,477
Construction in progress	140,068	148,215	8,147	144,850
Other	43,410	42,579	(831)	41,173
Intangible assets	96,935	97,009	74	89,349
Intangibles	93,594	93,828	233	85,545
Consolidation difference	3,340	3,181	(159)	3,803
Investments and other assets	356,730	359,758	3,028	320,534
Investments in securities	147,381	144,016	(3,365)	119,171
Long-term loans receivable	4,009	3,883	(125)	4,523
Long-term deferred income taxes	159,701	167,011	7,309	148,235
Other	47,451	46,653	(797)	50,023
Allowance for doubtful accounts	(1,813)	(1,806)	6	(1,418)
Deferred Assets	200	220	19	265
Total Assets	¥6,781,692	¥6,734,662	¥(47,029)	¥6,728,072

Note: Amounts less than one million yen are omitted.

Consolidated Balance Sheets (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen			
	Fiscal 2004 (As of March 31, 2004)	Fiscal 2005, 1st Quarter (As of June 30, 2004)	Increase (Decrease)	Fiscal 2004, 1st Quarter (As of June 30, 2003)
LIABILITIES				
Current Liabilities	¥1,069,746	¥ 979,101	¥(90,645)	¥1,133,945
Notes and accounts payable—trade	50,988	36,130	(14,857)	44,691
Short-term loans and current portion of long-term loans	124,516	119,056	(5,459)	300,496
Current portion of long-term liabilities incurred for purchase of railway facilities	143,178	143,268	89	135,093
Payable	288,368	132,373	(155,995)	138,913
Accrued consumption tax	13,397	10,607	(2,789)	10,586
Accrued income taxes	68,479	15,803	(52,675)	11,485
Fare deposits received with regard to railway connecting services	14,999	9,727	(5,272)	12,450
Prepaid railway fares received	104,909	109,541	4,631	118,059
Allowance for bonuses to employees	80,398	44,450	(35,947)	46,138
Other	180,510	358,141	177,631	316,031
Long-term Liabilities	4,582,283	4,599,262	16,978	4,568,698
Bonds	1,033,860	1,063,860	30,000	933,860
Long-term loans	782,094	771,311	(10,783)	734,545
Long-term liabilities incurred for purchase of railway facilities	1,891,024	1,890,934	(89)	2,039,487
Long-term deferred tax liabilities	3,781	2,360	(1,420)	5,444
Accrued severance and retirement benefits	595,568	598,774	3,205	585,805
Other	275,954	272,022	(3,932)	269,556
Total Liabilities	5,652,029	5,578,363	(73,666)	5,702,644
MINORITY INTERESTS	29,486	29,988	501	33,410
SHAREHOLDERS' EQUITY				
Common Stock	200,000	200,000	—	200,000
Capital Surplus	96,600	96,600	—	96,600
Retained Earnings	771,232	799,086	27,854	685,138
Net Unrealized Holding Gains on Securities	32,794	31,074	(1,719)	10,729
Treasury Stock, at Cost	(451)	(451)	—	(451)
Total Shareholders' Equity	1,100,175	1,126,310	26,135	992,017
Total Liabilities, Minority Interests and Shareholders' Equity	¥6,781,692	¥6,734,662	¥(47,029)	¥6,728,072

Note: Amounts less than one million yen are omitted.

Consolidated Statements of Income (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen			
	Fiscal 2004, 1st Quarter (Three months ended June 30, 2003)	Fiscal 2005, 1st Quarter (Three months ended June 30, 2004)	Increase (Decrease)	Fiscal 2004 (Year ended March 31, 2004)
Operating Revenues	¥610,893	¥615,404	¥ 4,510	¥2,542,297
Operating Expenses	523,672	514,759	(8,912)	2,190,877
Transportation, other services and cost of sales	401,758	394,223	(7,534)	1,695,025
Selling, general and administrative expenses	121,913	120,535	(1,378)	495,851
Operating Income	87,220	100,644	13,423	351,419
Non-Operating Income	4,994	3,057	(1,937)	38,706
Interest and dividend income	1,803	951	(852)	2,210
Other	3,191	2,106	(1,084)	36,495
Non-Operating Expenses	42,513	39,514	(2,998)	164,760
Interest expense	40,857	37,881	(2,975)	160,943
Equity in net losses of affiliated companies	757	124	(633)	—
Other	898	1,508	610	3,816
Ordinary Income	49,702	64,188	14,485	225,365
Extraordinary Gains	13,596	10,083	(3,512)	112,960
Construction grants received	10,008	1,468	(8,539)	79,708
Other	3,587	8,614	5,027	33,252
Extraordinary Losses	21,936	5,251	(16,685)	115,461
Losses on reduction entry for construction grants ..	10,008	1,455	(8,553)	73,188
Other	11,928	3,796	(8,131)	42,273
Income before Income Taxes	41,362	69,020	27,657	222,864
Income Taxes				
Current	12,031	14,973	2,942	142,900
Deferred	6,575	13,137	6,561	(42,969)
Minority Interests in Net Income of Consolidated Subsidiaries	790	1,009	219	3,067
Net Income	¥ 21,964	¥ 39,899	¥ 17,935	¥ 119,866

Note: Amounts less than one million yen are omitted.

Consolidated Statements of Cash Flows (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen		
	Fiscal 2004, 1st Quarter (Three months ended June 30, 2003)	Fiscal 2005, 1st Quarter (Three months ended June 30, 2004)	Fiscal 2004 (Year ended March 31, 2004)
Cash Flows from Operating Activities			
Income before income taxes	¥ 41,362	¥ 69,020	¥ 222,864
Depreciation	78,411	76,960	322,300
Amortization of long-term prepaid expense	1,132	1,117	5,202
Increase (Decrease) in accrued severance and retirement benefits	7,584	3,205	17,397
Interest and dividend income	(1,803)	(951)	(2,210)
Interest expense	40,857	37,881	160,943
Construction grants received	(10,008)	(1,468)	(79,708)
Loss from disposition and provision for cost reduction of fixed assets	12,558	4,841	106,572
Decrease (Increase) in major receivables	42,056	28,108	2,242
Increase (Decrease) in major payables	(58,327)	(56,766)	(5,496)
Other	(25,992)	(29,550)	(31,999)
Sub-total	127,829	132,396	718,107
Proceeds from interest and dividends	1,933	1,083	2,367
Payments of interest	(5,904)	(4,366)	(162,567)
Payments of income taxes	(97,575)	(69,164)	(170,846)
Net cash provided by operating activities	26,282	59,949	387,060
Cash Flows from Investing Activities			
Payments for purchases of fixed assets	(131,187)	(139,571)	(374,642)
Proceeds from sales of fixed assets	6,148	433	34,683
Proceeds from construction grants	14,616	14,409	76,764
Payments for purchases of investments in securities	(423)	(1,298)	(6,637)
Proceeds from sales of investments in securities	3,742	534	23,056
Other	188	(0)	12,183
Net cash used in investing activities	(106,916)	(125,493)	(234,591)
Cash Flows from Financing Activities			
Increase in commercial paper	50,000	90,000	—
Proceeds from issuance of bonds	39,974	29,977	139,914
Payments of long-term liabilities	(15,879)	(17,028)	(438,002)
Cash dividends paid	(16,000)	(12,000)	(28,000)
Other	(8,921)	(5,988)	129,895
Net cash provided by (used in) financing activities	49,173	84,959	(196,192)
Net Increase (Decrease) in Cash and Cash Equivalents	(31,460)	19,415	(43,722)
Cash and Cash Equivalents at Beginning of the Period	126,478	82,935	126,478
Increase due to Addition of Consolidated Subsidiaries, and Other	90	22	189
Decrease due to Change in Accounting Period of Consolidated Subsidiaries	—	—	(9)
Cash and Cash Equivalents at End of the Period	¥ 95,107	¥ 102,373	¥ 82,935

Note: Amounts less than one million yen are omitted.

Segment Information (Unaudited)

Segment Information by Business Activities

Three months ended June 30, 2003 and 2004	Millions of Yen						Elimination and/or corporate	Consolidated
	Transportation	Station space utilization	Shopping centers & office buildings	Other services	Total			
Fiscal 2004, 1st Quarter								
Operating revenues								
Outside customers	¥434,075	¥90,214	¥42,645	¥ 43,957	¥610,893	¥ —	¥610,893	
Inside group	13,009	2,203	1,810	62,209	79,233	(79,233)	—	
Total	447,085	92,417	44,456	106,167	690,126	(79,233)	610,893	
Costs and expenses	378,424	86,380	32,797	105,309	602,911	(79,239)	523,672	
Operating income	¥ 68,660	¥ 6,037	¥11,658	¥ 857	¥ 87,214	¥ 6	¥ 87,220	

Fiscal 2005, 1st Quarter

Operating revenues								
Outside customers	¥436,845	¥90,561	¥44,401	¥43,595	¥615,404	¥ —	¥615,404	
Inside group	13,302	2,248	1,816	51,377	68,745	(68,745)	—	
Total	450,148	92,809	46,218	94,972	684,149	(68,745)	615,404	
Costs and expenses	369,576	87,195	32,831	94,061	583,665	(68,905)	514,759	
Operating income	¥ 80,571	¥ 5,613	¥13,387	¥ 911	¥100,484	¥ 160	¥100,644	

Year ended March 31, 2004	Millions of Yen						Elimination and/or corporate	Consolidated
	Transportation	Station space utilization	Shopping centers & office buildings	Other services	Total			
Fiscal 2004								
Operating revenues								
Outside customers	¥1,798,132	¥366,437	¥175,180	¥202,547	¥2,542,297	¥ —	¥2,542,297	
Inside group	52,552	9,605	7,234	273,805	343,197	(343,197)	—	
Total	1,850,684	376,043	182,414	476,352	2,885,494	(343,197)	2,542,297	
Costs and expenses	1,587,913	348,892	136,142	458,411	2,531,360	(340,482)	2,190,877	
Operating income	¥ 262,770	¥ 27,150	¥ 46,272	¥ 17,940	¥ 354,133	¥ (2,714)	¥ 351,419	

Notes: 1. Amounts less than one million yen are omitted.

2. Classification of business

JR East's businesses are classified by the segmentation used for management purpose so that the actual situation of JR East's business diversification is clearly and appropriately disclosed.

3. The main activities of each business segment are as follows:

- Transportation : Passenger transportation mainly by passenger railway;
- Station space utilization : Retail sales, food and convenience stores, etc., which utilize space at the stations;
- Shopping centers & office buildings : Operation of shopping centers other than Station space utilization business, and leasing of office buildings, etc.; and
- Other services : Advertising and publicity, hotel operations, wholesales, truck delivery, cleaning, information processing, housing development and sales, credit card business, and other services.

[REFERENCE]

Consolidated Principal Indicators

	Fiscal 2004, 1st Quarter (Three months ended June 30, 2003) (A)	Fiscal 2004 (Year ended March 31, 2004) (B)	Fiscal 2005, 1st Quarter (Three months ended June 30, 2004) (C)	Increase (Decrease)		Fiscal 2006 (Year ending March 31, 2006) Goals in medium-term business plan ("New Frontier 21")
				(C)-(A)	(C)-(B)	
Free cash flows (FCF) [Billions of yen]	(80.6)	152.4	(65.5)	15.0	—	200.0
Return on equity (ROE) [%]	2.2	11.5	3.6	1.4	—	10.0
Return on assets (ROA) [%]	1.3	5.2	1.5	0.2	—	5.5
Equity ratio [%]	14.7	16.2	16.7	2.0	0.5	
Earnings per share [Yen]	5,492.26	29,928.14	9,976.89	4,484.63	—	
Shareholders' equity per share [Yen]	248,051.81	275,052.28	281,631.54	33,579.73	6,579.26	
Total long-term debt [Billions of yen]	4,141.6	3,974.5	3,987.4	(154.1)	12.9	
Average interest rates [%]	3.96	3.83	3.80	(0.16)	(0.03)	
Net interest expense [Billions of yen]	(39.0)	(158.7)	(36.9)	2.1	—	
Capital expenditures [Billions of yen]	38.6	313.9	40.7	2.0	—	

Consolidated Business Forecast for the Six Months Ending September 30, 2004

	Billions of Yen			%	
	Actual	Forecast	Change		
	(April 1, 2003	(April 1, 2004	Increase		
	—September 30,	—September 30,	(Decrease)		
2003)	2004)	(B)-(A)	(B)/(A)x100		
	(A)	(B)			
Operating revenues	1,256.2	1,268.0	11.7	100.9	
Operating income	195.3	202.0	6.6	103.4	
Ordinary income	120.2	127.0	6.7	105.6	
Net income	60.7	72.0	11.2	118.6	

Note: Amounts less than 100 million yen are omitted.

Consolidated Business Forecast for Fiscal 2005

	Billions of Yen			%	
	Actual	Forecast	Change		
	Fiscal 2004	Fiscal 2005	Increase		
	(Year ended	(Year ending	(Decrease)		
March 31, 2004)	March 31, 2005)	(B)-(A)	(B)/(A)x100		
	(A)	(B)			
Operating revenues	2,542.2	2,561.0	18.7	100.7	
Operating income	351.4	365.0	13.5	103.9	
Ordinary income	225.3	234.0	8.6	103.8	
Net income	119.8	126.0	6.1	105.1	

(Reference) Earnings per share for fiscal 2005: ¥31,506.03

Note: Amounts less than 100 million yen are omitted.

Passenger Kilometers and Passenger Revenues of Parent Company

	Passenger Kilometers				Revenues from Passenger Tickets			
	Millions		%		Billions of yen		%	
	Fiscal 2004, 1st Quarter	Fiscal 2005, 1st Quarter	Change		Fiscal 2004, 1st Quarter	Fiscal 2005, 1st Quarter	Change	
	(Three months ended June 30, 2003)	(Three months ended June 30, 2004)	Increase (Decrease)		(Three months ended June 30, 2003)	(Three months ended June 30, 2004)	Increase (Decrease)	
(A)	(B)	(B)-(A)	(B)/(A)x100	(C)	(D)	(D)-(C)	(D)/(C)x100	
Shinkansen Bullet Train Network								
Commuter Passes	408	417	8	102.2	5.5	5.6	0.1	102.2
Other	3,980	4,023	43	101.1	103.9	106.3	2.3	102.3
Total	4,389	4,441	51	101.2	109.4	111.9	2.5	102.3
Conventional Lines								
Commuter Passes	18,502	18,447	(55)	99.7	118.4	117.6	(0.8)	99.3
Other	8,802	8,881	78	100.9	177.8	179.7	1.8	101.0
Total	27,305	27,328	22	100.1	296.3	297.3	0.9	100.3
Total								
Commuter Passes	18,911	18,864	(46)	99.8	124.0	123.2	(0.7)	99.4
Other	12,783	12,904	121	100.9	281.8	286.0	4.2	101.5
Total	31,695	31,769	74	100.2	405.8	409.3	3.5	100.9

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

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.