

Fiscal 2011 Financial Results (Japanese GAAP) (Unaudited)

Fiscal 2011 (Year ended March 31, 2011)

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.

April 27, 2011

East Japan Railway Company

Stock Exchange Listings

Securities Code

URL

Representative

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Scheduled Date of Ordinary General Meeting of Shareholders

June 23, 2011

Scheduled Date of Dividend Payment Commencement

June 24, 2011

Scheduled Date for Release of Annual Securities Report

June 23, 2011

Preparation of Supplementary Explanations of Financial Results:

No

Financial Results Presentation to Be Held:

Yes

1. Consolidated Results for Fiscal 2011 (Year Ended March 31, 2011)

(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 previous fiscal year.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2011	2,537,353	(1.4)	345,086	0.1	254,564	8.3	76,224	(36.6)
Fiscal 2010	2,573,723	(4.6)	344,848	(20.3)	235,137	(28.6)	120,214	(35.8)

Note: Comprehensive income – Fiscal 2011: 73,643 million yen (a decrease of 43.5%), Fiscal 2010: 130,448 million yen (no information for Fiscal 2009)

	Earnings per share— Basic	Earnings per share— Diluted	Return on average equity	Ratio of ordinary income to average assets	Ratio of operating income to operating revenues
	Yen	Yen	%	%	%
Fiscal 2011	192.69	—	4.2	3.6	13.6
Fiscal 2010	303.35	—	6.9	3.4	13.4

Reference: Equity in net losses of affiliated companies – Fiscal 2011: 438 million yen, Fiscal 2010: 5,283 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2011	7,042,899	1,834,555	25.7	4,574.05
Fiscal 2010	6,995,494	1,807,547	25.5	4,501.30

Reference: Shareholders' equity – Fiscal 2011: 1,809,355 million yen, Fiscal 2010: 1,780,584 million yen

(3) Consolidated cash flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2011	508,846	(433,178)	(27,512)	131,929
Fiscal 2010	479,179	(391,682)	(115,327)	83,756

2. Dividends (Year Ended March 31, 2010 and 2011 and Year Ending March 31, 2012)

(Record date)	Dividends per share					Total dividends (annual)	Dividend ratio (consolidated)	Ratio of dividends to shareholders' equity (consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total annual			
Fiscal 2010	Yen —	Yen 55.00	Yen —	Yen 55.00	Yen 110.00	Millions of yen 43,525	% 36.3	% 2.5
Fiscal 2011	—	55.00	—	55.00	110.00	43,525	57.1	2.4
(Forecast) Fiscal 2012	—	—	—	—	—	—	—	—

Note: Dividend forecasts for the year ending March 31, 2012 have yet to be determined at this time for the reason stated in "3.Forecasts for Fiscal 2012 (Year Ending March 31, 2012)" below.

3. Forecasts for Fiscal 2012 (Year Ending March 31, 2012)

Consolidated earnings forecasts for the year ending March 31, 2012 have yet to be determined at this time, because the outlook for JR East's earnings trends and other factors have become extremely uncertain as a result of the Great East Japan Earthquake of March 11, 2011. These forecasts will be disclosed promptly as soon as they are determined.

4. Other

(1) Changes to principal subsidiaries during the period (status changes of specified subsidiaries due to changes in the scope of consolidation): No

(2) Changes in 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: For details, please refer to "Changes in Important Items That Form the Basis for Preparing Consolidated Financial Statements" on page 20 in the Attachment.

(3) Number of issued shares (common stock)

i Issued shares at period-end (including treasury stock)	Fiscal 2011	400,000,000 shares	Fiscal 2010	400,000,000 shares
ii Treasury stock at period-end	Fiscal 2011	4,430,725 shares	Fiscal 2010	4,429,053 shares
iii Average number of shares during period	Fiscal 2011	395,570,117 shares	Fiscal 2010	396,284,205 shares

(Reference) Overview of the Non-consolidated Financial Results

1. Non-consolidated Results for Fiscal 2011 (Year Ended March 31, 2011)

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

(1) Non-consolidated financial results

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2011	1,830,289	(2.8)	281,037	(0.6)	195,005	9.3	59,434	(40.6)
Fiscal 2010	1,882,552	(4.3)	282,624	(22.7)	178,361	(31.7)	100,079	(36.4)

	Earnings per share— Basic	Earnings per share— Diluted
	Yen	Yen
Fiscal 2011	150.21	—
Fiscal 2010	252.47	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2011	6,575,260	1,579,517	24.0	3,991.84
Fiscal 2010	6,519,260	1,566,915	24.0	3,959.98

Reference: Shareholders' equity – Fiscal 2011: 1,579,517 million yen, Fiscal 2010: 1,566,915 million yen

Note: Non-consolidated earnings forecasts for the year ending March 31, 2012 have yet to be determined at this time, because the outlook for JR East's earnings trends and other factors have become extremely uncertain as a result of the Great East Japan Earthquake of March 11, 2011. These forecasts will be disclosed promptly as soon as they are determined.

Applicability of audit requirements and completion of audit procedure

These financial results are not subject to audit requirements as provided in the Financial Instruments and Exchange Law. The audit procedures of financial statements as provided in the Financial Instruments and Exchange Law have yet to be completed as of the issue date of this report on financial results for the year ended March 31, 2011.

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, (iv) general changes in economic conditions and laws, regulations, and government policies in Japan and (v) natural disasters such as earthquakes and JR East's ability to overcome any economic devastation caused by such disasters.

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1. Operating Results and Financial Position

(Unless otherwise stated, all comparisons are between the fiscal year under review and the previous fiscal year.)

(1) Analysis of Operating Results

(i) Summary of the Fiscal Year Ended March 31, 2011

Overview

In the fiscal year ended March 31, 2011, the Japanese economy failed to achieve a clear recovery because of the yen's sharp appreciation and a persistently high unemployment rate. This was despite signs of improvement in corporate earnings and capital investment. Meanwhile, East Japan Railway Company and its consolidated subsidiaries and equity-method affiliates (JR East) continued to face a challenging business environment. JR East was negatively impacted by reduced expressway tolls in Japan, particularly in its railway operations.

Furthermore, the Great East Japan Earthquake of March 11, 2011 proved to be a disaster of unprecedented proportions, particularly for the Tohoku and Kanto regions that JR East services. Immediately after the earthquake, all JR East Group employees collaborated with each other and made every effort to evacuate passengers and above all ensure safety. Seismic reinforcement work and other projects pursued so far have prevented the collapse of elevated track columns and other fatal infrastructure damage. However, railway facilities suffered catastrophic damage over a large area. Consequently, JR East was forced to suspend operations of the Shinkansen Line and conventional line in the affected region over an extended period. Furthermore, operations were also suspended at certain shopping centers, hotels and other facilities due to damage to buildings and other properties. In addition, railway ridership decreased as consumers increasingly became less willing to spend or take trips following the Fukushima Daiichi Nuclear Power Station breakdown. Also, JR East was forced to take steps to address rolling power outages in the Tokyo metropolitan area. Measures included, among other things, suspension of railway operations on some segments of certain lines, reduction of the number of trains in service, and reduction of the business hours of shopping centers and other facilities. JR East extends its apologies to the general public for the concerns and inconveniences it may have caused in the aftermath of the earthquake.

Meanwhile, with the support of various stakeholders, JR East has made steady progress in restoration work. The entire Tohoku Shinkansen is now scheduled to resume operations on April 29, 2011. Conventional lines have also resumed operations in stages, except for certain segments of these lines. Looking ahead, JR East Group will continue to work as one and to do its utmost to rebuild the areas affected by the Great East Japan Earthquake.

During the fiscal year under review, operating revenues decreased 1.4% year on year to ¥2,537.3 billion, primarily reflecting the large decrease in transportation revenues at East Japan Railway Company due to the impact of the Great East Japan Earthquake. Operating income rose 0.1% to ¥345.0 billion mainly resulting from a decrease in personnel expenses. Furthermore, ordinary income increased 8.3% to ¥254.5 billion, due to such factors as a decline in interest expenses. Net income decreased 36.6% to ¥76.2 billion, as a consequence of the extraordinary losses recorded in connection with the Great East Japan Earthquake.

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) because JR East's water intake 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, 2010, 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

Transportation

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

In December 2010, operations commenced on the Hachinohe–Shin-Aomori segment of the Tohoku Shinkansen Line, thereby opening the entire Tohoku Shinkansen Line. With the commencement of these operations, JR East launched travel product initiatives linked to Aomori area attractions that generated publicity. These efforts included conducting the *MY FIRST AOMORI* opening campaign in the Tokyo metropolitan area and introducing new resort-type trains to the Tsugaru Line and the Ominato Line. Furthermore, JR East introduced the E5 series *Hayabusa* to the Tohoku Shinkansen Line in March 2011. In addition to shortening travel time with a maximum operating speed of 300km/h, the introduction of this rail car marks the launch of *GranClass*, Japan's first-ever first class service for a Shinkansen. In other initiatives, JR East worked to generate a greater volume of tourism in its service area by conducting the *Shinshu Destination Campaign*; increasing the number of destinations available for its travel product *Tabi-Ichi*, which offers attractive local programs; and establishing travel products targeting

members of the *Otona no Kyujitsu Club*. Further, in light of the reduction in expressway tolls, JR East continued to market and promote initiatives to improve the appeal of train travel such as the *Weekend Pass*, the *Three-Day Pass* and the *Furusato-Yuki-no Josha-ken*, which is a round-trip passenger ticket for people visiting their hometowns over the New Year holidays. When train schedules were revised last December, JR East established a new direct train service connecting the Musashino Line to Omiya Station and increased the frequency of trains on the Yokohama Line at night to relieve overcrowding and to enhance the convenience of its "Tokyo mega-loop," in addition to commencing the operations of the Shin-Aomori Terminal on the Tohoku Shinkansen Line. Furthermore, JR East established train services in response to passenger usage over the year-end and New Years holiday season and introduced new, highly reliable railcars to the Keiyo Line. JR East also took initiatives in response to a railway crossing accident on the Iiyama Line in February 2011 to thoroughly re-familiarize employees with the correct procedures for securing safety, and began examining measures to prevent the accident from reoccurring. When a disruption to transportation services occurred in January 2011 due to a breakdown of electric facilities at Oyama Station of Tohoku Shinkansen Line, JR East made efforts to determine the cause of the breakdown and conducted an emergency inspection of similar facilities. When its Shinkansen Lines were interrupted by system failure, also in January, JR East amended the data input procedures and took steps to review countermeasures such as by revising the systems program. In monorail operations, concurrently with the Haneda Airport (Tokyo International Airport) expansion project, JR East began operations at the Haneda Airport International Terminal Station in October 2010.

Despite these initiatives, the Transportation segment posted operating revenues of ¥1,772.4 billion, a year-on-year decrease of 2.0%, as a consequence of the impact of reduced expressway tolls and other factors, in addition to the damage caused by the Great East Japan Earthquake. Operating income was ¥227.1 billion, a decrease of 1.8%.

Station Space Utilization

In the Station Space Utilization segment, JR East made progress in its *Station Renaissance* program, which seeks to maximize the value of spaces within railway stations, and strengthened the performance of existing stores. Specifically, JR East opened *NorthCourt (GranSta Dining)* (Tokyo), *KeiyoStreet* (Tokyo), and *ecute Ueno* (Tokyo), and launched the first and second phases of *ecute Shinagawa South* (Tokyo), among others. Also, next-generation vending machines equipped with large touch-screen panel displays were installed in Shinagawa Station and other major Tokyo metropolitan area railway stations. Moreover, as part of *Rediscovering the Region Projects*, JR East held farmers' markets at Ueno and other stations that highlighted the appeal of a variety of areas such as Aomori and Shinshu. In other initiatives, JR East acquired control of Kinokuniya Co., Ltd. in April 2010 with the aim of capturing synergies between Kinokuniya and its own businesses.

Despite these initiatives, the Station Space Utilization segment recorded operating revenues of ¥399.9 billion, which is nearly at the same level as in the previous fiscal year. This result was mainly due to the rolling power outages and a decline in railway ridership following the Great East Japan Earthquake, which decreased customers' use of various commercial spaces inside stations. Operating income was down 5.9%, to ¥31.3 billion.

Shopping Centers and Office Buildings

In the Shopping Centers & Office Buildings segment, JR East opened *Celeo Hachioji* (Tokyo), *atré Akihabara 1* (Tokyo), *atré Oimachi 2* (Tokyo), and *E'Site Kagohara* (Saitama) among other shopping facilities. In addition to remodeling *atré Kichijoji* (Tokyo) and other properties, JR East continued to make strong efforts to reenergize existing stores and attract prominent tenants that can draw in customers. In addition, concurrently with the extension of the Tohoku Shinkansen Line to Shin-Aomori Station, JR East opened *Aomori Shunmi-kan* (Aomori) and *A-FACTORY* (Aomori) as part of its efforts to collaborate with the local community to invigorate the Aomori area. Also, in aiming to strengthen its competitiveness, JR East realigned the business operations of Ikebukuro Terminal Building Company in April 2010. This company's office building and other leasing operations were transferred to JR East Building Co., Ltd., while its shopping center operations were transferred to LUMINE Co., Ltd. and were relaunched as *LUMINE Ikebukuro* (Tokyo).

Despite these initiatives, due to the rolling power outages and some damage to buildings and facilities caused by the Great East Japan Earthquake, shopping centers were forced to close temporarily or shorten their operating hours. As a result, the Shopping Centers & Office Buildings segment posted a 1.3% year-on-year decrease in operating revenues to ¥232.7 billion. Operating income was down 7.3% to ¥64.2 billion.

Others

In Others, JR East continued to enhance its competitiveness in hotel operations. *HOTEL METS Yokohama Tsurumi* (Kanagawa) was opened and guest rooms were renovated at *HOTEL METS Shibuya* (Tokyo) and *Hotel Metropolitan Yamagata* (Yamagata). In advertising and publicity operations, JR East installed *J-AD Vision*, an advertising medium that uses a large LCD screen, at more stations, and continued sales promotions for *Train Channel*, an advertising medium for showing video commercials in trains, and for other services. In credit card operations, Viewcard Co., Ltd. has been an integral part of JR East's efforts to expand the membership numbers of various types of *View Card*, as well as campaigns related to the Tohoku Shinkansen Line's extension to Shin-Aomori Station and the *Shinshu Destination Campaign*, following the February 2010 transfer of JR East's credit card operations to Viewcard Co., Ltd. In *Suica* shopping services (electronic money), JR East actively developed affiliated stores in urban shopping areas beyond railway stations. *Suica* was adopted by approximately 7,080 Seven-Eleven stores and around 2,150 Circle K and Sunkus stores within JR East's service area, as well as by 11 Takashimaya department stores in the Tokyo metropolitan area. As a result, *Suica* electronic money was accepted at approximately 143,180 stores as of the end of the fiscal year.

As a result, despite the impact of the Great East Japan Earthquake, Others posted a 1.4% year-on-year rise in operating revenues to ¥535.4 billion. Operating income was up 70.8% to ¥23.0 billion.

Note: From the fiscal year ended March 31, 2011, 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 the said Accounting Standard and Guidance.

(ii) Outlook for the Year Ending March 31, 2012

In the fiscal year ending March 31, 2012, JR East will make every effort to recover from the Great East Japan Earthquake. JR East will also treat this disastrous earthquake as an impetus to adopt a new perspective in its key initiatives, including those related to “extreme safety levels,” “service quality reform,” and “securing revenue and reviewing cost structures”. First, JR East will further enhance safety by promoting disaster preparedness measures, based on its “2013 Safety Vision”, a five-year safety enhancement plan. Examples include seismic reinforcement work on elevated tracks and other structures and the installation of more seismometers. Second, the new fiscal year will be treated as the Company’s “inaugural year in service quality reform.” Examples of reform will include initiatives to prevent disruption and promote the early recovery of transportation and improve the quality of transportation such as by enhancing information delivery, as well as initiatives to build a transportation environment passengers can feel secure and comfortable using. Third, JR East will implement measures to effectively achieve sustainable growth in its railway, life-style services and Suica shopping services businesses. Such measures will aim to secure revenues for JR East, even as the earthquake is expected to lead to economic decline and the business environment otherwise remains challenging as Japan’s population steadily shrinks. At the same time, JR East will make efforts to reduce its existing property, plant, equipment and facilities and fundamentally reform its cost structure from a strategic perspective.

Notwithstanding the above, consolidated earnings forecasts for the year ending March 31, 2012 have yet to be determined at this time, because the outlook for JR East’s earnings trends and other factors have become extremely uncertain as a result of the Great East Japan Earthquake. These forecasts will be disclosed promptly as soon as they are determined.

(2) Analysis of Financial Position

In the fiscal year ended March 31, 2011, operating activities provided net cash of ¥508.8 billion, ¥29.6 billion more than in the previous fiscal year. This result was mainly due to a decline in the payment of corporate income tax and other taxes.

Investing activities used net cash of ¥433.1 billion, ¥41.4 billion more than in the previous fiscal year. This result was mainly due to an increase in payments for the acquisition of tangible and intangible fixed assets.

Financing activities used net cash of ¥27.5 billion, ¥87.8 less than in the previous fiscal year. This result was mainly due to an increase in the issuance of commercial paper.

Consequently, cash and cash equivalents as of March 31, 2011 were ¥131.9 billion, an increase of ¥48.1 billion from March 31, 2010.

In addition, total long-term debt was ¥3,422.0 billion as of March 31, 2011.

JR East's cash flow indicators are presented in the table below:

	Fiscal 2009	Fiscal 2010	Fiscal 2011
Equity ratio.....	24.7	25.5	25.7
Equity ratio on market-value basis.....	29.4	36.8	26.0
Interest-bearing debt / net cash provided by operating activities	5.9	7.1	6.7
Interest coverage ratio	4.8	4.2	4.8

Notes: Equity ratio: Shareholders' equity / Total assets

Equity ratio on market-value basis: Market capitalization / Total assets

Interest-bearing debt / net cash provided by operating activities: Interest-bearing debt / Net cash provided by operating activities

Interest coverage ratio: Net cash provided by operating activities / Interest paid

1. Indicators are derived from the consolidated financial statements.

2. Market capitalization is calculated by multiplying the closing share price at the fiscal year-end by the total number of shares issued (less treasury shares).

(3) Basic Dividend Policy and Dividends for Fiscal 2011 and Fiscal 2012

JR East's basic policy for the appropriation of earnings is to steadily increase returns to shareholders in light of performance while securing adequate retained earnings to maintain robust operational foundations for the future development of its business activities, which are centered on railway stations and railway services. Regarding cash dividends, JR East is aiming for a consolidated dividend pay-out ratio of 30% as an immediate target. Further, JR East will take wide-ranging measures to generate returns to shareholders, including flexible use of share repurchases, depending on the level of net cash provided by operating activities.

Based on this policy, JR East plans to pay (payment scheduled to begin June 24, 2011) year-end cash dividends of ¥55 per share, which are in addition to the interim cash dividends of ¥55 per share, for full-year cash dividends of ¥110 per share. Further, JR East does not plan to pay dividends other than those with respect to the record dates at the end of the second quarter or at the fiscal year-end.

For the current fiscal year, ending March 31, 2012, JR East's plans for paying cash dividends, including for the interim period, have yet to be determined at this time, because the outlook for JR East's earnings trends and other factors have become extremely uncertain as a result of the Great East Japan Earthquake.

2. Status of the Group

The JR East Group consists of East Japan Railway Company, 75 consolidated subsidiaries, and 3 equity-method affiliated companies (as of March 31, 2011). The JR East Group has four business segments: Transportation, Station Space Utilization, Shopping Centers & Office Buildings, and Others. The relationship of East Japan Railway Company and other related companies to each business segment are as shown below.

The classification below is the same as the business segment classification presented in “4. Consolidated Financial Statements, (7) Notes to Consolidated Financial Statements, (ii) Segment Information.”

(i) Transportation

This segment conducts passenger transportation operations centered on railway operations. With a service area mainly covering Tokyo and the combined 16 prefectures of the Kanto and Tohoku regions, JR East's railway operations comprise 1,689 railway stations, 6,377.9 operating kilometers of conventional lines, and 1,134.7 kilometers of Shinkansen lines, spanning a total of 7,512.6 kilometers.

Main related companies: East Japan Railway Company JR Bus Kanto Co., Ltd.* Tokyo Monorail Co., Ltd.*

(ii) Station Space Utilization

Targeting customers that use railway stations, this segment creates commercial spaces in railway stations by developing various types of business, including retail stores, restaurants, and convenience stores.

Main related companies: East Japan Railway Company (creation of new commercial spaces within railway stations)
JR East Retail Net Co., Ltd.* Nippon Restaurant Enterprise Co., Ltd.*

(iii) Shopping Centers and Office Buildings

Targeting customers in and around railway stations, this segment develops properties within or near railway stations, and manages shopping centers, and leases office buildings and other properties.

Main related companies: East Japan Railway Company (development of shopping centers and office buildings)
LUMINE Co., Ltd.* JR East Urban Development Corporation*
atré Co., Ltd.* JR East Building Co., Ltd.*

(iv) Others

In addition to the above, JR East uses railway stations and areas near railway stations to develop hotel businesses and advertising and publicity businesses.

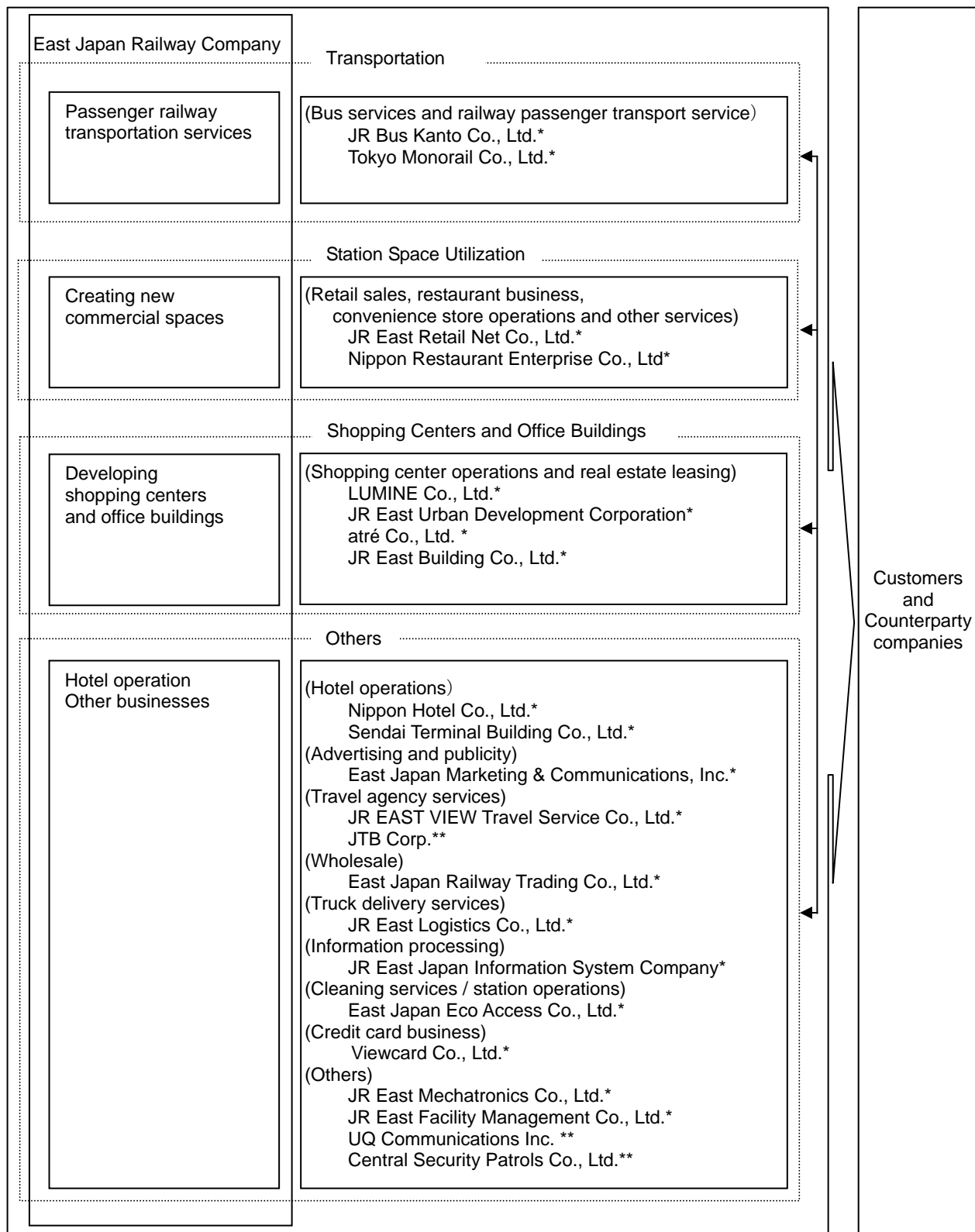
Main related companies:

(Hotel operations)
East Japan Railway Company Nippon Hotel Co., Ltd.*
Sendai Terminal Building Co., Ltd.*
(Advertising and publicity)
East Japan Marketing & Communications, Inc.*
(Travel agency services)
JR EAST VIEW Travel Service Co., Ltd.* JTB Corp.**
(Wholesale)
East Japan Railway Trading Co., Ltd.*
(Truck delivery services)
JR East Logistics Co., Ltd.*
(Information processing)
JR East Japan Information System Company*
(Cleaning services / station operations)
East Japan Eco Access Co., Ltd.*
(Credit card business)
Viewcard Co., Ltd.*
(Others)
East Japan Railway Company
JR East Mechatronics Co., Ltd.*
JR East Facility Management Co., Ltd.*
UQ Communications Inc.**
Central Security Patrols Co., Ltd.**

Notes: 1.* indicates a consolidated subsidiary, ** indicates an equity-method affiliated company.

2. Subsidiaries with operations in more than one segment are listed in the segment in which they are mainly involved.

The following is a schematic of JR East's business network.



Notes: 1. * indicates a consolidated subsidiary, ** indicates an equity-method affiliated company.
 2. Subsidiaries with operations in more than one segment are listed in the segment in which they are mainly involved.
 3. Arrows show the flow of main transactions and offering of services.

3. Management Policies

(1) Basic Management Policies

JR East aims to become a dynamic corporate group that provides quality cutting-edge services, with railway businesses at its core, to fulfill its obligations to its shareholders. To that end, each person working for the Group will make efforts to respect the customers' points of view by providing safe, reliable transportation and convenient high-quality products and services. At the same time, Group employees will continue raising the levels of services and technologies to further earn the trust and confidence of customers. JR East will grow continuously and advance in harmony with customers by generating earnings while meeting social responsibilities as a Trusted Life-Style Service Creating Group.

(2) Medium- to Long-Term Management Strategies and Tasks

(i) JR East 2020 Vision — idomu —

Guided by its philosophy of aiming to become a *Trusted Life-Style Service Creating Group*, JR East is eager to forge ahead and committed to take on new challenging goals. Specifically, the *JR East 2020 Vision —idomu—*positions "*pursuing safety and customer satisfaction rigorously*," "*sustaining growth and pursuing initiatives for the next era*," "*meeting corporate social responsibilities*," and "*building organizational strength and developing human resources*" as basic management policies and calls on JR East to further increase its corporate value from a long-term perspective

Pursuing safety and customer satisfaction rigorously

Positioning safety as its first management priority, JR East aims for "extreme safety levels." Further, in its efforts to ensure the reliability of transportation and provide customer services, among other things, JR East aims to improve customer satisfaction through collaboration across divisions and systems and through provision of high-quality services supported by diligent work. Through these efforts, JR East aims to reassure customers that they can feel at ease relying on its railway and other operations.

Sustaining growth and pursuing initiatives for the next era

Rather than accepting steady contraction due to Japan's shrinking population, JR East will secure its competitive advantages and target sustainable growth while taking on the challenge of creating new businesses. Also, in order to foster its capabilities in science and technology that support its growth, JR East will give priority to investing management resources in research and development. Moreover, we will draw on such technological capabilities and personnel, which are our strengths, to move into new areas.

Meeting corporate social responsibilities

JR East aims to remain a company that contributes to local people and communities and to Japanese society as a whole through its business activities. Through its operations, JR East aims to step up efforts to resolve pressing local and social problems while building alliances with local communities in which JR East and local communities both fulfill their own roles. In addition, JR East will establish numerical targets to address global environmental problems, which it sees as issues that must be solved for the future.

Building organizational strength and developing human resources

JR East aims to enable employees seeking opportunities for self-development to achieve self-realization and gain a sense of fulfillment through work. To that end, JR East will reform personnel, wage, and training systems while responding to the aspirations of each employee. Further, aiming to increase organizational strength and thereby accelerate the development of operations and various measures, JR East will review its organizational structure and divisions of authority and responsibility as part of its efforts to improve management.

(ii) Recovery from the Great East Japan Earthquake

JR East will make group-wide efforts to quickly restore facilities damaged by the Great East Japan Earthquake of March 11, 2011. JR East will work on the restoration of parts of the lines which run along the Pacific coast and were damaged by the tsunami, such as the Joban Line and the Senseki Line, as part of the overall restoration and city-rebuilding plans with the local communities. JR East will also do its very best to assist with the recovery of the affected areas in a manner that fulfills its social mission as a corporate group with businesses based throughout eastern Japan. In other initiatives, JR East will reflect on its response to the disaster and identify areas requiring improvement. JR East will use these lessons learned in future disaster readiness and other measures.

In response to anticipated problems in power supply during the summer, JR East will help to curb electricity demand by reducing the number of trains in service during the daytime hours when electricity demand peaks, while seeking the understanding of customers for these efforts. Furthermore, JR East will make group-wide efforts to maximize power conservation by turning off and reducing lighting in stations, trains and other facilities. At the same time, JR East will strive to increase power supply from its privately operated power generators as much as possible in an effort to cooperate with Tokyo Electric Power Company (TEPCO) to secure supply of electricity.

(3) Progress in Management Framework and Management Benchmarks

JR East will continue to maintain the basic principle in its long-term management vision as set forth in the *JR East 2020 Vision* —*idomu*— plan it formulated in March 2007. Specific details of the plan, however, will be revised in anticipation of the highly likely structural changes to Japan's economy and society in the aftermath of the Great East Japan Earthquake and the subsequent accidents at the Fukushima Daiichi Nuclear Power Station.

The numerical targets for the fiscal year ending March 31, 2013 set forth when JR East disclosed its consolidated results for the year ended March 31, 2010 must also be revised. New targets will be formulated as the Company carefully assesses changes in the business environment.

4. Consolidated Financial Statements
(1) Consolidated Balance Sheets (Unaudited)
EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
ASSETS		
Current Assets	¥ 537,654	¥ 571,312
Cash and time deposits	64,935	132,247
Notes and accounts receivable-trade	275,152	270,289
Fares receivable	27,253	23,543
Short-term loans receivable	14,982	11,554
Securities	19,139	—
Real estate for sale	2,666	1,864
Inventories	45,100	44,017
Deferred income taxes	46,567	41,168
Other	44,149	49,259
Allowance for doubtful accounts	(2,293)	(2,631)
Fixed Assets	6,457,617	6,471,370
Property, plant and equipment, net of accumulated depreciation ..	5,878,266	5,903,285
Buildings and fixtures (net)	2,970,272	2,961,982
Machinery, rolling stock and vehicles (net)	634,207	636,413
Land	2,008,435	2,006,184
Construction in progress	221,987	253,730
Other (net)	43,363	44,974
Intangible assets	110,238	98,064
Investments and other assets	469,112	470,020
Investments in securities	147,492	143,042
Long-term loans receivable	1,884	2,028
Long-term deferred income taxes	263,207	268,407
Other	57,652	57,654
Allowance for doubtful accounts	(1,124)	(1,112)
Deferred Assets	222	216
Deferred business commencement expenses	175	173
Deferred development expenses	46	43
Total Assets	¥6,995,494	¥7,042,899

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
LIABILITIES		
Current Liabilities	¥1,155,865	¥1,229,090
Notes and accounts payable—trade	46,210	36,006
Short-term loans and current portion of long-term loans	138,403	126,584
Current portion of bonds	60,000	110,180
Current portion of long-term liabilities		
incurred for purchase of railway facilities	128,842	124,382
Payables	365,666	331,646
Accrued consumption tax	4,658	9,950
Accrued income taxes	35,057	13,275
Fare deposits received with regard to railway connecting services ...	19,111	17,881
Prepaid railway fares received	86,636	79,566
Allowance for bonuses to employees	67,281	66,074
Allowance for earthquake-damage losses	—	56,937
Other	203,998	256,603
Long-Term Liabilities	4,032,081	3,979,254
Bonds	1,429,525	1,449,845
Long-term loans	646,449	688,799
Long-term liabilities incurred for purchase of railway facilities	1,048,951	924,096
Long-term deferred tax liabilities	1,863	3,431
Employees' severance and retirement benefits	671,512	658,371
Other	233,780	254,711
Total Liabilities	¥5,187,947	¥5,208,344
NET ASSETS		
Shareholders' Equity	¥1,772,537	¥1,805,231
Common stock	200,000	200,000
Capital surplus	96,732	96,732
Retained earnings	1,501,637	1,534,339
Treasury stock, at cost	(25,831)	(25,841)
Accumulated Other Comprehensive Income	8,046	4,124
Net unrealized holding gains on securities	8,656	4,903
Net deferred losses on derivatives under hedge accounting	(610)	(779)
Minority Interests	26,963	25,199
Total Net Assets	1,807,547	1,834,555
Total Liabilities and Net Assets	¥6,995,494	¥7,042,899

Note: Amounts less than one million yen are omitted.

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

(i) Consolidated Statements of Income

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Operating Revenues	¥2,573,723	¥2,537,353
Operating Expenses	2,228,874	2,192,266
Transportation, other services and cost of sales	1,720,973	1,734,356
Selling, general and administrative expenses	507,901	457,909
Operating Income	344,848	345,086
Non-Operating Income	15,894	19,686
Interest income	120	108
Dividend income	2,497	3,450
Gains on sales of equipment	1,905	2,383
Insurance proceeds and dividends	7,292	7,793
Other	4,078	5,950
Non-Operating Expenses	125,606	110,208
Interest expense	112,595	105,918
Losses on sales of equipment	341	297
Equity in net losses of affiliated companies	5,283	438
Other	7,386	3,554
Ordinary Income	235,137	254,564
Extraordinary Gains	79,207	49,470
Gains on sales of fixed assets	2,086	4,916
Evaluation on railway facilities as received property	80	24
Construction grants received	58,124	42,302
Gain on sales of transferable development air rights	16,891	—
Other	2,023	2,226
Extraordinary Losses	99,470	156,604
Losses on sales of fixed assets	2,033	2,856
Losses from disposition of fixed assets	6,250	8,798
Losses on reduction entry for construction grants	55,781	39,217
Impairment losses on fixed assets	5,800	13,622
Environmental conservation costs	6,484	9,148
Earthquake-damage losses	—	1,770
Provision for allowance for earthquake-damage losses	—	56,937
Other	23,120	24,254
Income before Income Taxes	214,873	147,430
Income Taxes	92,485	69,857
Current	100,190	66,451
Deferred	(7,705)	3,405
Income before Minority Interests	—	77,573
Minority Interests in Net Income of Consolidated Subsidiaries	2,174	1,349
Net Income	¥ 120,214	¥ 76,224

Note: Amounts less than one million yen are omitted.

(ii) Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Income before Minority Interests	—	77,573
Other Comprehensive Income	—	(3,929)
Net unrealized holding gains on securities	—	(3,489)
Net deferred losses on derivatives under hedge accounting	—	(289)
Share of other comprehensive income of associates accounted for using equity method	—	(151)
Comprehensive Income	—	73,643
Comprehensive Income attributable to		
Comprehensive income attributable to owners of the parent	—	72,301
Comprehensive income attributable to minority interests	—	1,342

Note: Amounts less than one million yen are omitted.

(3) Consolidated Statements of Changes in Net Assets (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Shareholders' Equity		
Common Stock		
Balance at the previous fiscal year end.....	200,000	200,000
Changes of items during the fiscal year	—	—
Balance at the fiscal year end	200,000	200,000
Capital Surplus		
Balance at the previous fiscal year end.....	96,732	96,732
Changes of items during the fiscal year		
Disposal of treasury stock.....	(0)	(0)
Total changes of items during the fiscal year	(0)	(0)
Balance at the fiscal year end	96,732	96,732
Retained Earnings		
Balance at the previous fiscal year end.....	1,424,738	1,501,637
Changes of items during the fiscal year		
Cash dividends.....	(43,745)	(43,525)
Net income.....	120,214	76,224
Increase due to addition of consolidated subsidiaries and other..	737	4
Change of scope of consolidation	654	—
Change of scope of equity method.....	(962)	—
Total changes of items during the fiscal year	76,898	32,702
Balance at the fiscal year end	1,501,637	1,534,339
Treasury Stock, at Cost		
Balance at the previous fiscal year end.....	(2,878)	(25,831)
Changes of items during the fiscal year		
Purchase of treasury stock	(22,956)	(10)
Disposal of treasury stock.....	2	1
Total changes of items during the fiscal year	(22,953)	(9)
Balance at the fiscal year end	(25,831)	(25,841)
Total Shareholders' Equity		
Balance at the previous fiscal year end.....	1,718,593	1,772,537
Changes of items during the fiscal year		
Cash dividends.....	(43,745)	(43,525)
Net income.....	120,214	76,224
Increase due to addition of consolidated subsidiaries and other..	737	4
Change of scope of consolidation	654	—
Change of scope of equity method.....	(962)	—
Purchase of treasury stock	(22,956)	(10)
Disposal of treasury stock.....	2	1
Total changes of items during the fiscal year	53,944	32,693
Balance at the fiscal year end	1,772,537	1,805,231

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Accumulated Other Comprehensive Income		
Net Unrealized Holding Gains (Losses) on Securities		
Balance at the previous fiscal year end.....	63	8,656
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	8,593	(3,752)
Total changes of items during the fiscal year	8,593	(3,752)
Balance at the fiscal year end	8,656	4,903
Net Deferred Losses on Derivatives under Hedge Accounting		
Balance at the previous fiscal year end.....	(70)	(610)
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	(540)	(169)
Total changes of items during the fiscal year	(540)	(169)
Balance at the fiscal year end	(610)	(779)
Total Accumulated Other Comprehensive Income		
Balance at the previous fiscal year end	(6)	8,046
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	8,053	(3,922)
Total changes of items during the fiscal year	8,053	(3,922)
Balance at the fiscal year end	8,046	4,124
Minority Interests		
Balance at the previous fiscal year end.....	26,119	26,963
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	843	(1,763)
Total changes of items during the fiscal year	843	(1,763)
Balance at the fiscal year end	26,963	25,199
Total net assets		
Balance at the previous fiscal year end	1,744,706	1,807,547
Changes of items during the fiscal year		
Cash dividends	(43,745)	(43,525)
Net income	120,214	76,224
Increase due to addition of consolidated subsidiaries and other..	737	4
Change of scope of consolidation.....	654	—
Change of scope of equity method	(962)	—
Purchase of treasury stock.....	(22,956)	(10)
Disposal of treasury stock	2	1
Net changes of items other than shareholders' equity ..	8,896	(5,685)
Total changes of items during the fiscal year	62,841	27,007
Balance at the fiscal year end	1,807,547	1,834,555

Note: Amounts less than one million yen are omitted.

(4) Consolidated Statements of Cash Flows (Unaudited)

EAST JAPAN RAILWAY COMPANY AND SUBSIDIARIES

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Cash Flows from Operating Activities		
Income before income taxes	¥214,873	¥147,430
Depreciation.....	356,364	366,414
Impairment losses on fixed assets	5,800	13,622
Amortization of long-term prepaid expense	6,269	6,460
Net change in employees' severance and retirement benefits	27,112	(14,419)
Interest and dividend income	(2,618)	(3,558)
Interest expense	112,595	105,918
Construction grants received.....	(58,124)	(42,302)
Losses from disposition of fixed assets	28,075	32,218
Losses from provision for cost reduction of fixed assets.....	55,781	39,217
Earthquake-damage losses	—	1,770
Provision for allowance for earthquake-damage losses.....	—	56,937
Net change in major receivables	(10,408)	9,545
Net change in major payables.....	8,893	(34,009)
Other	(13,839)	13,672
Sub-total	730,775	698,918
Proceeds from interest and dividends	2,823	3,763
Payments of interest	(113,428)	(106,577)
Payments of earthquake-damage losses.....	(418)	(184)
Payments of income taxes.....	(140,571)	(87,073)
Net cash provided by operating activities	479,179	508,846
Cash Flows from Investing Activities		
Payments for purchases of fixed assets.....	(446,232)	(488,918)
Proceeds from sales of fixed assets	5,833	20,692
Proceeds from construction grants.....	45,331	50,224
Proceeds from sales of transferable development air rights	13,673	—
Payments for purchases of investments in securities.....	(6,999)	(9,644)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation.....	485	470
Other	(3,774)	(6,001)
Net cash used in investing activities	(391,682)	(433,178)
Cash Flows from Financing Activities		
Net change in commercial paper	—	61,000
Proceeds from long-term loans.....	112,300	165,020
Payments of long-term loans	(88,713)	(131,878)
Proceeds from issuance of bonds	190,000	130,000
Payments for redemption of bonds	(120,000)	(60,380)
Payments of liabilities incurred for purchase of railway facilities	(138,914)	(129,314)
Payments for acquisition of treasury stock	(22,956)	—
Cash dividends paid.....	(43,745)	(43,525)
Other	(3,295)	(18,433)
Net cash used in financing activities	(115,327)	(27,512)
Net Change in Cash and Cash Equivalents	(27,829)	48,155
Cash and Cash Equivalents at Beginning of the Year	110,871	83,756
Increase in Cash and Cash Equivalents due to		
Merger with Unconsolidated Subsidiaries.....	806	24
Decrease in Cash and Cash Equivalents due to		
Corporate Division	(92)	(7)
Cash and Cash Equivalents at End of the Year.....	¥ 83,756	¥131,929

Note: Amounts less than one million yen are omitted.

(5) Notes on Going Concern Assumption (Unaudited)

None

(6) Changes in Important Items That Form the Basis for Preparing Consolidated Financial Statements (Unaudited)

(i) Application of Accounting Standard for Asset Retirement Obligations

From 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 consolidated financial statement was negligible.

(7) Notes to Consolidated Financial Statements (Unaudited)

(i) Notes to consolidated statements of comprehensive income (Unaudited)

Fiscal 2011 (April 1, 2010 to March 31, 2011)

i) Comprehensive Income in the Previous Fiscal Year (April 1, 2009 to March 31, 2010)

Comprehensive income attributable to owners of the parent	¥128,267 million
Comprehensive income attributable to minority interests	¥ 2,181 million
<u>Total</u>	<u>¥130,448 million</u>

ii) Other Comprehensive Income in the Previous Fiscal Year (April 1, 2009 to March 31, 2010)

Net unrealized holding gains on securities	¥ 8,122 million
Net deferred losses on derivatives under hedge accounting	¥ (437) million
Share of other comprehensive income of associates accounted for using equity method	¥ 374 million
<u>Total</u>	<u>¥ 8,059 million</u>

(Additional information)

From this fiscal year, JR East began employing the *Accounting Standard for Presentation of Comprehensive Income* (Accounting Standards Board of Japan Statement No. 25, June 30, 2010). However, the amounts recorded as Accumulated Other Comprehensive Income and Total Accumulated Other Comprehensive Income for the previous fiscal year (ended March 31, 2010) are the amounts recorded as Valuation and Translation Adjustments and Total Valuation and Translation Adjustments, respectively, for the previous fiscal year. .

(ii) Segment Information (Unaudited)
i) Segment Information by Business Activities

Fiscal 2010 (Year ended March 31, 2010)	Millions of Yen						Elimination and/or Corporate	Consolidated
	Transportation	Station Space Utilization	Shopping Centers & Office Buildings	Other Services	Total			
Operating Revenues								
Outside customers	¥1,757,993	¥387,103	¥226,932	¥201,693	¥2,573,723	¥ —	¥2,573,723	
Inside group	50,710	12,853	8,915	326,438	398,917	(398,917)	—	
Total	1,808,704	399,957	235,847	528,132	2,972,641	(398,917)	2,573,723	
Costs and Expenses	1,577,378	366,627	166,538	514,626	2,625,170	(396,295)	2,228,874	
Operating Income	¥ 231,326	¥ 33,330	¥ 69,308	¥ 13,505	¥ 347,470	¥ (2,621)	¥ 344,848	
Identifiable Assets	¥5,717,136	¥178,573	¥858,828	¥826,924	¥7,581,462	¥(585,968)	¥6,995,494	
Depreciation	267,108	10,542	30,548	48,164	356,364	—	356,364	
Capital Investments	396,360	14,865	38,795	29,145	479,166	—	479,166	

- 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 purposes so that the actual conditions of JR East's business diversification are clearly and appropriately disclosed.
3. The main activities of each business segment are as follows:
Transportation: Passenger transportation mainly on 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.
Other Services: Hotel operations, advertising and publicity, wholesales, truck delivery, information processing, cleaning services / station operations, cleaning, credit card business, and other services
4. Major items of corporate assets
Identifiable assets in the elimination and/or corporate column mainly comprise non-current securities held by JR East.
Fiscal 2010: 156,416 million yen
5. Capital investments include a portion contributed mainly by national and local governments.

ii) Geographic Segment Information

Geographic segment information is not shown since JR East has no overseas consolidated subsidiaries.

iii) Overseas Sales

Information for overseas sales is not shown due to there being no overseas sales.

iv) Segment Information

a General information about reportable segments

Transportation, Station Space Utilization, and Shopping Centers & Office Buildings comprise JR East's three reportable segments. Each reportable segment is in turn comprised of business units within the Group with respect to which separate financial information is obtainable. These reportable segments are reviewed periodically by JR East's Board of Directors and form the basis on which to evaluate business performance and decide on how to allocate management resources of the Company.

Transportation segment is primarily engaged in passenger transportation mainly on passenger railway. Station Space Utilization segment creates commercial spaces in railway stations and develops various types of businesses, including retail sales, food and convenience stores, targeting customers that use railway stations. Shopping Centers & Office Buildings segment develops railway stations and land near railway stations, operates shopping centers, and leases office buildings, etc., targeting customers in and around railway stations.

b Basis of measurement about reported segment operating revenues, segment income or loss, segment assets, and other material items

The accounting treatment for each reportable segment is largely the same as that set forth in the "Important Items that Form the Basis for Preparing Consolidated Financial Statements." Moreover, intersegment transactions are between consolidated subsidiaries and based on market prices and other fair values.

c Information about reported segment operating revenues, segment income or loss, segment assets, and other material items

Fiscal 2010 (April 1, 2009 to March 31, 2010)

Segment information based on past segment classifications was omitted from the Consolidated Financial Statements, as such information was already presented in compliance with 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)

Fiscal 2011 (April 1, 2010 to March 31, 2011)

Fiscal 2011 (Year ended March 31, 2011)	Millions of Yen						Adjustment (Note 3)	Consolidated (Note 4)
	Transportation	Station Space Utilization	Shopping Centers & Office Buildings	Others (Note 2)	Total			
Operating Revenues								
Outside customers	¥1,721,921	¥385,891	¥223,293	¥206,247	¥2,537,353	¥ —	¥2,537,353	
Inside group	50,571	14,010	9,472	329,186	403,241	(403,241)	—	
Total	1,772,493	399,901	232,766	535,433	2,940,594	(403,241)	2,537,353	
Segment Income	¥ 227,150	¥ 31,358	¥ 64,240	¥ 23,072	¥ 345,821	¥ (734)	¥ 345,086	
Segment Assets	¥5,782,741	¥187,135	¥876,453	¥858,253	¥7,704,585	¥(661,685)	¥7,042,899	
Depreciation	276,918	11,596	30,869	47,030	366,414	—	366,414	
Increase in fixed assets (Note 6)	378,565	13,866	50,242	26,944	469,619	—	469,619	

- Notes: 1. Amounts less than one million yen are omitted.
2. "Others" represent categories of business that are not included in reportable segments and include hotel operation, and advertising and publicity services.
3. The ¥734 million downward adjustment to segment income includes a ¥(1,752)million elimination of unrealized holding gains (losses) on fixed assets and inventory assets and a ¥1,015million elimination for intersegment transactions. Moreover, the ¥661,685 million downward adjustment to segment assets includes a ¥(794,846) million elimination of intersegment claims and obligations, offset by ¥133,161 million in corporate assets not allocated to each reporting segment.
4. Segment income is adjusted to ensure consistency with the operating income set forth in the consolidated statements of income.
5. Segment information on liabilities was omitted from record, as it is not a metric used in deciding the allocation of management resources or evaluating earnings performance.
6. Increase in fixed assets includes a portion contributed mainly by national and local governments.

v) Relevant Information

a Information about products and services

Information about products and services is omitted as the Company classifies such segments in the same way as it does its reportable segments.

b Information about geographic areas

i. Operating Revenues

Information about geographic areas is omitted as operating revenues attributable to outside customers in Japan exceed 90% of the operating revenues reported in the Consolidated Statements of Income.

ii. Property, plant and equipment

Information about geographic areas is omitted as property, plant and equipment in Japan exceed 90% of the property, plant and equipment reported in the Consolidated Balance Sheets.

c Information about major customers

Information about major customers is omitted as no single outside customer contributes 10% or more to operating revenues in the Consolidated Statements of Income.

vi) Information about impairment loss on fixed assets in reportable segments

Fiscal 2011 (Year ended March 31, 2011)	Millions of Yen				
	Transportation	Station Space Utilization	Shopping Centers & Office Buildings	Others (Note)	Total
Impairment losses on fixed assets	8,848	667	3,511	595	13,622

Note: The amount under "Others" represents amounts from business segments and other units excluded from the reportable segments

vii) Information about amortized amount of goodwill and unamortized balance of goodwill by reportable segments

Information about amortized amount of goodwill and unamortized balance of goodwill by reportable segments is omitted as the amount was insignificant.

viii) Information about gain on negative goodwill by reportable segments

Information about gain on negative goodwill by reportable segments is omitted as the amount was insignificant.

(Additional Information)

From 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).

(iii) Per Share Information (Unaudited)

Fiscal 2010

Shareholders' equity per share: ¥4,501.30

Earnings per share—basic: ¥303.35

Earnings per share—diluted: Not shown because there are no convertible securities

Fiscal 2011

Shareholders' equity per share: ¥4,574.05

Earnings per share—basic: ¥192.69

Earnings per share—diluted: Not shown because there are no convertible securities

Note: The basis of calculation of earnings per share is as shown below.

Fiscal 2010

Net income: ¥120,214 million

Amount not attributable to common stockholders: —

Net income related to common stock: ¥120,214 million

Average number of common shares: 396,284,205

Fiscal 2011

Net income: ¥76,224 million

Amount not attributable to common stockholders: —

Net income related to common stock: ¥76,224 million

Average number of common shares: 395,570,117

(iv) Damage from the Great East Japan Earthquake (Unaudited)

The JR East's Tohoku Shinkansen Line and conventional lines and various other facilities were damaged severely in the Great East Japan Earthquake of March 11, 2011.

In the Consolidated Statements of Income for the year ended March 31, 2011, operating revenues declined due to suspended operations and other temporary stoppages of the Tohoku Shinkansen Line and certain parts of the conventional lines. JR East also recorded extraordinary losses consisting of "earthquake-damage losses", which represent the restoration expenses already paid and demolition expenses arising from the loss and damage in fixed assets, as well as "provision for allowance for earthquake-damage losses" for the estimated amount of restoration and other expenses.

JR East intends to work on the restoration of parts of the lines which run along the Pacific coast and were damaged by the tsunami, such as the Joban Line and the Senseki Line, as part of the overall restoration and city-rebuilding plans with the local communities. Since it is difficult to reasonably estimate such restoration and other expenses at this time, such expenses are not included in the allowance for earthquake-damage losses. For reference, the book value of property, plant and equipment (excluding railway cars, tools, furniture and fixtures), after subtraction of accumulated depreciation from the acquisition price of these affected railway lines and facilities along the Pacific coast, was ¥22,001 million as of March 31, 2011.

Furthermore, JR East's railway line facilities, railway stop facilities (excluding station buildings), electric cable facilities and other fixtures, which are owned by or leased by JR East, are insured against earthquakes for up to ¥71,000 million (¥10,000 million deductible). This insurance income has not been recorded in the Consolidated Financial Statements for the year ended March 31, 2011, as insurance claims will be determined in light of the ongoing rebuilding efforts.

Operations of the Tohoku Shinkansen Line and certain parts of the conventional lines have remained suspended even after March 31, 2011. There has also been further damage to the JR East's railroad facilities due to intermittent earthquakes since March 11. In light of this, decreased operating revenues and additional restoration and other expenses are anticipated for the consolidated fiscal year ending March 31, 2012.

(v) Subsequent Events (Unaudited)

None

5. Non-consolidated Financial Statements
(1) Non-consolidated Balance Sheets (Unaudited)
EAST JAPAN RAILWAY COMPANY

Millions of Yen

	Fiscal 2010	Fiscal 2011
ASSETS		
Current Assets	¥ 376,564	¥ 414,912
Cash and time deposits	40,254	58,925
Fares receivable	143,043	134,857
Accounts receivable-trade	59,274	64,050
Short-term loans to affiliated companies receivable	44,117	88,816
Securities	19,139	—
Real estate for sale	2,055	1,716
Inventories	15,679	15,901
Prepaid expenses	4,953	5,410
Deferred income taxes	37,135	32,417
Other	12,874	15,015
Allowance for doubtful accounts	(1,965)	(2,198)
Fixed Assets	6,142,695	6,160,348
Fixed assets for railway operations	4,521,332	4,507,647
Property, plant and equipment	9,671,546	9,801,225
Accumulated depreciation	(5,178,687)	(5,322,724)
Intangible assets	28,473	29,146
Fixed assets for other operations	446,194	446,600
Property, plant and equipment	552,972	562,581
Accumulated depreciation	(107,040)	(116,416)
Intangible assets	262	435
Fixed assets relating to both operations	290,407	292,028
Property, plant and equipment	741,184	760,996
Accumulated depreciation	(453,699)	(471,561)
Intangible assets	2,922	2,593
Construction in progress	213,413	250,002
Railway operations	180,736	205,705
Other operations	21,271	31,001
Relating to both operations	11,404	13,295
Investments and other assets	671,348	664,069
Investments in securities	110,997	107,986
Stocks of subsidiaries and affiliated companies	187,776	190,584
Long-term loans to affiliated companies receivable	98,361	87,085
Long-term prepaid expenses	19,567	18,698
Long-term deferred income taxes	237,560	241,628
Other investment and other assets	17,476	18,443
Allowance for doubtful accounts	(391)	(357)
Total Assets	¥6,519,260	¥6,575,260

Note: Amounts less than one million yen are omitted.

Millions of Yen

	Fiscal 2010	Fiscal 2011
LIABILITIES		
Current Liabilities	¥1,090,060	¥1,172,197
Short-term loans.....	7,400	1,000
Short-term loans from affiliated companies.....	94,000	88,000
Current portion of bonds.....	60,000	110,000
Current portion of long-term loans.....	129,199	123,600
Current portion of long-term liabilities		
incurred for purchase of railway facilities.....	128,288	123,865
Lease obligation.....	3,853	5,254
Payables.....	351,525	320,755
Accrued expenses.....	27,533	29,328
Accrued consumption tax.....	1,967	7,433
Accrued income taxes.....	23,572	693
Fare deposits received with regard to railway connecting services ...	19,637	18,263
Deposits received.....	20,706	19,510
Prepaid railway fares received.....	86,181	79,138
Advances received.....	52,612	58,230
Prepaid contribution for construction.....	12,354	8,731
Allowance for bonuses to employees.....	55,854	54,965
Allowance for bonuses to directors and corporate auditors.....	159	102
Allowance for environmental conservation costs.....	8,991	—
Allowance for earthquake-damage losses.....	—	54,722
Asset retirement obligations.....	—	1,755
Other.....	6,221	66,846
Long-Term Liabilities	3,862,284	3,823,546
Bonds.....	1,429,625	1,449,695
Long-term loans.....	643,819	685,218
Long-term loans from affiliated companies.....	24,000	35,600
Long-term liabilities incurred for purchase of railway facilities.....	1,042,608	918,794
Lease obligation.....	14,538	16,251
Long-term deferred contribution for construction.....	45,209	55,300
Employees' severance and retirement benefits.....	634,674	618,788
Asset retirement obligations.....	—	8,184
Other.....	27,808	35,713
Total Liabilities	¥4,952,344	¥4,995,743

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
NET ASSETS		
Shareholders' Equity	¥1,560,311	¥1,576,210
Common stock	200,000	200,000
Capital surplus	96,613	96,613
Additional paid-in capital	96,600	96,600
Other capital surplus	13	13
Retained Earnings	1,288,609	1,304,518
Legal reserve	22,173	22,173
Other retained earnings		
Reserve for special depreciation	2,269	2,733
Reserve for deferred gain of fixed assets	47,119	46,674
General reserve	930,000	990,000
Retained earnings carried forward	287,046	242,937
Treasury Stock, at Cost	(24,911)	(24,920)
Valuation and Translation Adjustment	6,604	3,306
Net unrealized holding gains on securities	7,294	4,285
Net deferred losses on derivatives under hedge accounting	(690)	(979)
Total Net Assets	1,566,915	1,579,517
Total Liabilities and Net Assets	¥6,519,260	¥6,575,260

Note: Amounts less than one million yen are omitted.

(2) Non-consolidated Statements of Income (Unaudited)

EAST JAPAN RAILWAY COMPANY

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Railway Operations		
Operating Revenues	¥1,802,695	¥1,766,594
Passenger transportation	1,640,861	1,609,232
Trackage revenue	8,175	7,212
Miscellaneous income of transportation	153,658	150,149
Operating Expenses	1,552,510	1,521,491
Transportation expenses	954,436	959,928
General and administrative expenses	260,746	208,644
Taxes	72,320	74,315
Depreciation	265,008	278,602
Operating Income from Railway Operations	250,184	245,103
 Other Operations		
Operating Revenues	79,857	63,694
Revenue from real estate lease	61,187	59,609
Revenue from card business	17,118	—
Miscellaneous revenue	1,551	4,084
Operating Expenses	47,417	27,760
Cost of sales	620	339
Selling, general and administrative expenses	29,444	10,354
Taxes	7,167	6,822
Depreciation	10,185	10,244
Operating Income from Other Operations	32,439	35,934
Total Operating Income	282,624	281,037
 Non-Operating Income	15,898	23,865
Interest income	2,219	2,209
Dividend income	2,443	7,120
Gains on sales of equipment	1,832	2,318
Insurance proceeds and dividends	7,004	7,498
Other	2,397	4,717
 Non-Operating Expenses	120,160	109,896
Interest expense	82,658	76,390
Interest on bonds	30,649	30,442
Cost of issuance of bonds	669	526
Losses on sales of equipment	271	270
Other	5,911	2,266
Ordinary Income	178,361	195,005

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Extraordinary Gains	76,961	47,243
Gains on sales of fixed assets	1,903	4,844
Evaluation on railway facilities as received property.....	80	24
Construction grants received.....	58,080	42,211
Gain on sales of transferable development air rights	16,891	—
Other	6	162
Extraordinary Losses	86,355	136,815
Losses on sales of fixed assets	1,883	2,801
Losses on reduction entry for construction grants.....	55,737	39,126
Impairment losses on fixed assets	5,121	13,893
Environmental conservation costs.....	6,254	9,148
Earthquake-damage losses	—	873
Provision for allowance for earthquake-damage losses..	—	54,722
Other	17,358	16,249
Income before Income Taxes	168,967	105,433
Income Taxes	68,888	45,998
Current.....	77,831	43,106
Deferred.....	(8,942)	2,891
Net Income	¥ 100,079	¥ 59,434

Note: Amounts less than one million yen are omitted.

(3) Non-consolidated Statements of Changes in Net Assets (Unaudited)

EAST JAPAN RAILWAY COMPANY

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
Shareholders' Equity		
Common Stock		
Balance at the previous fiscal year end.....	200,000	200,000
Changes of items during the fiscal year	—	—
Balance at the fiscal year end	200,000	200,000
Capital Surplus		
Additional Paid-in Capital		
Balance at the previous fiscal year end.....	96,600	96,600
Changes of items during the fiscal year.....	—	—
Balance at the fiscal year end.....	96,600	96,600
Other Capital Surplus		
Balance at the previous fiscal year end	13	13
Changes of items during the fiscal year		
Disposal of treasury stock.....	(0)	(0)
Total changes of items during the fiscal year	(0)	(0)
Balance at the fiscal year end.....	13	13
Total Capital Surplus		
Balance at the previous fiscal year end	96,613	96,613
Changes of items during the fiscal year		
Disposal of treasury stock.....	(0)	(0)
Total changes of items during the fiscal year	(0)	(0)
Balance at the fiscal year end.....	96,613	96,613
Retained Earnings		
Legal Reserve		
Balance at the previous fiscal year end	22,173	22,173
Changes of items during the fiscal year.....	—	—
Balance at the fiscal year end.....	22,173	22,173
Other Retained Earnings		
Reserve for Special Depreciation		
Balance at the previous fiscal year end.....	1,542	2,269
Changes of items during the fiscal year		
Provision of reserve for special depreciation.....	976	860
Disposal of reserve for special depreciation.....	(248)	(396)
Total changes of items during the fiscal year	727	463
Balance at the fiscal year end	2,269	2,733
Reserve for Deferred Gain of Fixed Assets		
Balance at the previous fiscal year end.....	49,222	47,119
Changes of items during the fiscal year		
Provision of reserve for deferred gain of fixed assets...	—	981
Disposal of reserve for deferred gain of fixed assets...	(2,102)	(1,426)
Total changes of items during the fiscal year	(2,102)	(445)
Balance at the fiscal year end	47,119	46,674

Note: Amounts less than one million yen are omitted.

	Millions of Yen	
	Fiscal 2010	Fiscal 2011
General Reserve		
Balance at the previous fiscal year end	870,000	930,000
Changes of items during the fiscal year		
Provision of reserve for general reserve.....	60,000	60,000
Total changes of items during the fiscal year	60,000	60,000
Balance at the fiscal year end	930,000	990,000
Retained Earnings Carried Forward		
Balance at the previous fiscal year end	294,237	287,046
Changes of items during the fiscal year		
Provision of reserve for special depreciation.....	(976)	(860)
Disposal of reserve for special depreciation.....	248	396
Provision of reserve for deferred gain of fixed assets...	—	(981)
Disposal of reserve for deferred gain of fixed assets....	2,102	1,426
Provision of reserve for general reserve	(60,000)	(60,000)
Dividends	(43,745)	(43,525)
Net income.....	100,079	59,434
Decrease by corporate division	(4,900)	—
Total changes of items during the fiscal year	(7,190)	(44,109)
Balance at the fiscal year end	287,046	242,937
Total Retained Earnings		
Balance at the previous fiscal year end	1,237,175	1,288,609
Changes of items during the fiscal year		
Provision of reserve for special depreciation.....	—	—
Disposal of reserve for special depreciation.....	—	—
Provision of reserve for deferred gain of fixed assets...	—	—
Disposal of reserve for deferred gain of fixed assets....	—	—
Provision of reserve for general reserve	—	—
Dividends	(43,745)	(43,525)
Net income.....	100,079	59,434
Decrease by corporate division.....	(4,900)	—
Total changes of items during the fiscal year	51,433	15,909
Balance at the fiscal year end	1,288,609	1,304,518
Treasury Stock, at Cost		
Balance at the previous fiscal year end.....	(1,958)	(24,911)
Changes of items during the fiscal year		
Purchase of treasury stock	(22,956)	(10)
Disposal of treasury stock.....	2	1
Total changes of items during the fiscal year	(22,953)	(9)
Balance at the fiscal year end	(24,911)	(24,920)

Note: Amounts less than one million yen are omitted.

Millions of Yen

	Fiscal 2010	Fiscal 2011
Total Shareholders' Equity		
Balance at the previous fiscal year end.....	1,531,831	1,560,311
Changes of items during the fiscal year		
Dividends	(43,745)	(43,525)
Net income.....	100,079	59,434
Acquisition of treasury stock.....	(22,956)	(10)
Disposal of treasury stock.....	2	1
Decrease by corporate division.....	(4,900)	—
Total changes of items during the fiscal year	28,479	15,899
Balance at the fiscal year end	1,560,311	1,576,210
Valuation and Translation Adjustments		
Net Unrealized Holding Gains (Losses) on Securities		
Balance at the previous fiscal year end.....	(293)	7,294
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	7,588	(3,008)
Total changes of items during the fiscal year	7,588	(3,008)
Balance at the fiscal year end	7,294	4,285
Net Deferred Losses on Derivatives		
under Hedge Accounting		
Balance at the previous fiscal year end.....	(253)	(690)
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	(437)	(289)
Total changes of items during the fiscal year	(437)	(289)
Balance at the fiscal year end	(690)	(979)
Total Valuation and Translation Adjustments		
Balance at the previous fiscal year end.....	(546)	6,604
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity ..	7,150	(3,297)
Total changes of items during the fiscal year	7,150	(3,297)
Balance at the fiscal year end	6,604	3,306
Total net assets		
Balance at the previous fiscal year end.....	1,531,284	1,566,915
Changes of items during the fiscal year		
Cash dividends.....	(43,745)	(43,525)
Net income.....	100,079	59,434
Purchase of treasury stock	(22,956)	(10)
Disposal of treasury stock.....	2	1
Decrease by corporate division.....	(4,900)	—
Net changes of items other than shareholders' equity ..	7,150	(3,297)
Total changes of items during the fiscal year	35,630	12,601
Balance at the fiscal year end	1,566,915	1,579,517

Note: Amounts less than one million yen are omitted.

(Additional Information Regarding Operating Results)

Consolidated Principal Indicators

	Fiscal 2010 (A)	Fiscal 2011 (B)	Increase (Decrease) (B)-(A)
Cash flows from operating activities (billions of yen)	479.1	508.8	29.6
Ratio of operating income to average assets (ROA) (%)	4.9	4.9	(0.0)
Return on average equity (ROE) (%)	6.9	4.2	(2.6)
Equity ratio (%)	25.5	25.7	0.2
Shareholders' equity (billions of yen)	1,780.5	1,809.3	28.7
Total long-term debt (billions of yen)	3,443.8	3,422.0	(21.8)
Average interest rates (%)	3.13	2.99	(0.15)
Net interest expense (billions of yen)	(110.0)	(102.3)	7.6
Earnings per share (yen)	303.35	192.69	(110.66)
Shareholders' equity per share (yen)	4,501.30	4,574.05	72.75
Free cash flows (FCF) (billions of yen)	87.4	75.6	(11.8)
Capital expenditures (billions of yen)	434.7	425.8	(8.9)
Transportation	351.9	334.7	(17.1)
Non-transportation	82.8	91.0	8.2

Consolidated Business Forecasts for Fiscal 2012

Consolidated earnings forecasts for the year ending March 31, 2012 have yet to be determined at this time, because the outlook for JR East's earnings trends and other factors have become extremely uncertain as a result of the Great East Japan Earthquake of March 11, 2011. These forecasts will be disclosed promptly as soon as they are determined.

Furthermore, numerical targets for the year ending March 31, 2013 that JR East set forth in its *JR East 2020 Vision —idomu—* will need to be reviewed in light of the earthquake. New targets will be formulated as the Company carefully assesses changes in the business environment.

Consolidated Capital Expenditure Plans for Fiscal 2012

Consolidated capital expenditure plans for Fiscal 2012 (ending March 31, 2012) have yet to be determined at this time, as they are being prepared in light of the impact of the Great East Japan Earthquake.

Passenger Kilometers and Passenger Revenues of Parent Company

	Passenger Kilometers				Revenues from Passenger Tickets			
	Millions		%		Billions of yen		%	
	Fiscal 2010	Fiscal 2011	Change		Fiscal 2010	Fiscal 2011	Change	
	(A)	(B)	Increase (Decrease) (B)-(A)	(B)/(A)x100	(C)	(D)	Increase (Decrease) (D)-(C)	(D)/(C)x100
Shinkansen Network								
Commuter Passes	1,665	1,659	(6)	99.6	22.7	22.7	(0.0)	99.8
Other	16,486	15,991	(495)	97.0	416.7	408.8	(7.8)	98.1
Total	18,152	17,650	(501)	97.2	439.5	431.5	(7.9)	98.2
Conventional Lines								
<i>Kanto Area Network</i>								
Commuter Passes	68,693	68,782	89	100.1	449.1	448.8	(0.3)	99.9
Other	33,653	32,850	(802)	97.6	671.5	652.1	(19.4)	97.1
Total	102,346	101,633	(713)	99.3	1,120.6	1,100.9	(19.7)	98.2
<i>Other Network</i>								
Commuter Passes	3,318	3,295	(22)	99.3	19.7	19.5	(0.2)	98.9
Other	3,143	2,954	(188)	94.0	60.6	57.0	(3.6)	94.0
Total	6,461	6,249	(211)	96.7	80.4	76.6	(3.8)	95.2
<i>Total</i>								
Commuter Passes	72,011	72,078	66	100.1	468.9	468.3	(0.5)	99.9
Other	36,796	35,804	(991)	97.3	732.2	709.1	(23.0)	96.9
Total	108,807	107,882	(924)	99.2	1,201.1	1,177.5	(23.5)	98.0
Total								
Commuter Passes	73,677	73,737	60	100.1	491.7	491.1	(0.5)	99.9
Other	53,282	51,795	(1,486)	97.2	1,148.9	1,118.0	(30.9)	97.3
Total	126,959	125,533	(1,426)	98.9	1,640.6	1,609.1	(31.5)	98.1

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.