

The JR East Group "Ever Onward" ~Thriving with Communities, Growing Globally~

2014.10.24

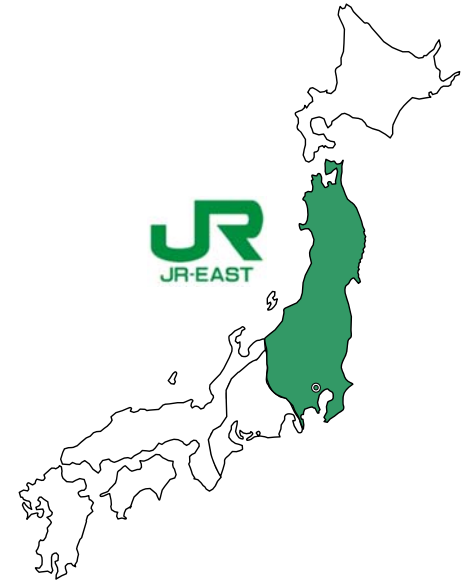
East Japan Railway Company
President and CEO Tetsuro TOMITA

Overview of JR East Group



Network : 7,474.2km
 No. of Employees : 73,551
 No. of Stations : 1,700
 No. of trains : 13,000/day
 No. of Passengers : 17million/day

 Operating Revenue : ¥2,702.9billion
 Net Income : ¥1.9billion



■ No. are as of FY ended March 31, 2014

Business Contents



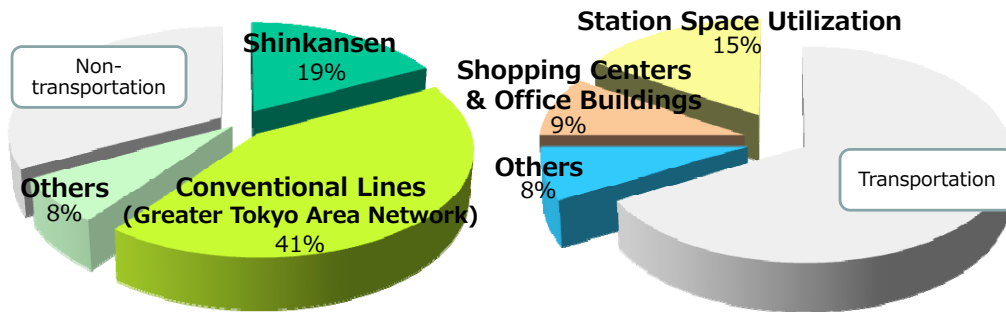
Operating revenues : ¥2,702.9 billion

Transportation

¥1,827.4 billion
(68%)

Non-transportation

¥875.4 billion
(32%)



■ Others ;
 Conventional Lines(Other network),
 Bus services, Monorail services,
 Rolling Stock Manufacturing Business

■ Station Space Utilization ;
 Retailing, Restaurants in stations
 ■ Shopping Centers & Office Buildings ;
 Shopping Center Operation, Office Leasing
 ■ Others ;
 Advertising, Hotel Operations,
 Credit card Business, etc.

JR East Group Management Vision



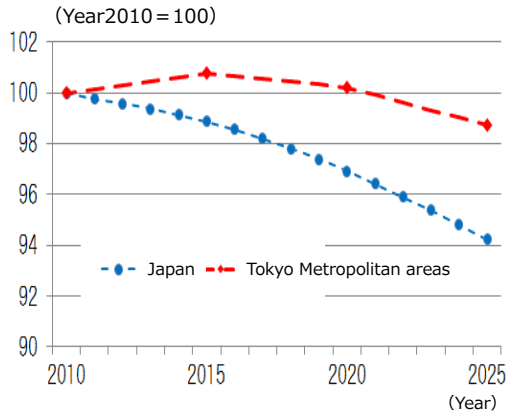
JR East Group Management Vision V "Ever Onward"

Eternal Mission	Pursuing Unlimited Potential
Pursuing "extreme safety levels"	Technological Innovation
Service quality reforms	Tackling new business areas
Strengthening collaboration with local communities	Developing employees and creating a corporate culture that maximizes human potential

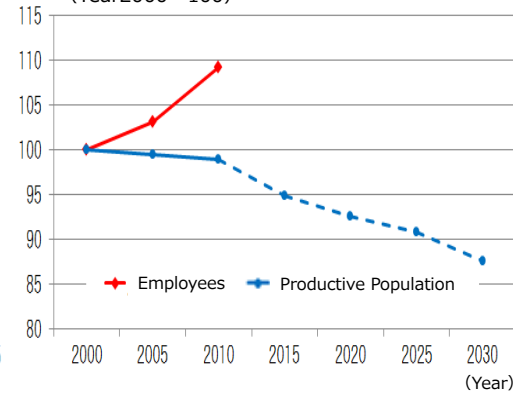


Thriving with Communities, Growing Globally

■ Total Population of Japan



■ Number of Employees and Productive Population (Tokyo Metropolitan Area) (Year 2000 = 100)



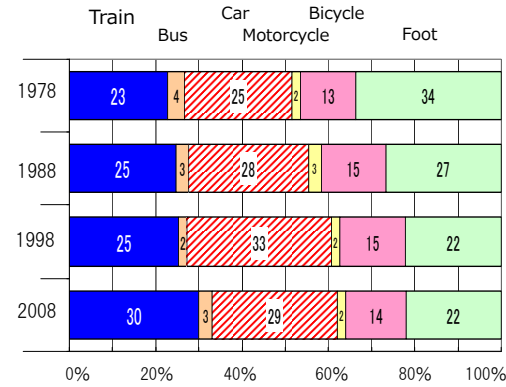
■ The population of the Tokyo metropolitan areas remain almost constant

■ Employees are increasing ~ economic recoveries and active participation of women and elderly people in society

◇ National Institute of Population and Social Security Research

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◇ Ministry of Internal Affairs and Communications

■ Proportion of Transport Carried by Different Means of Transport

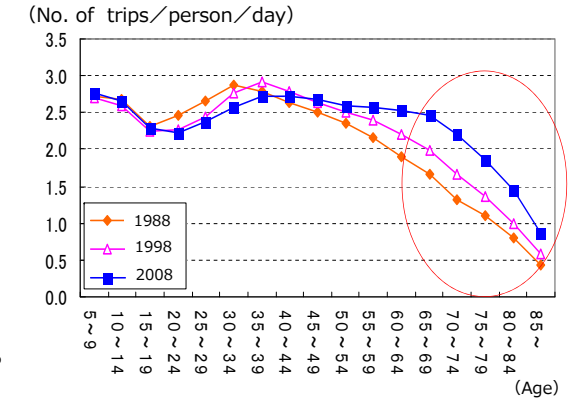


■ The share of trains are increasing continuously → can maximize more by enhancing the network

◇ Tokyo urban area traffic plan meeting

■ The Movement situations of every age

1 Trip; A Unit when a person moves from one place to another place with a certain purpose



■ The movement of elderly people is increasing

◇ Tokyo urban area traffic plan meeting

Eternal Mission I : Excel ~ Pursuing "extreme safety levels"
- Building a railway capable of withstanding natural disasters

■ JR East Group Safety Plan 2018 (2014~2018)
~Safety through Individual Development and Teamwork~

- ◇ Eliminate all accidents due to preventable internal factors
- ◇ Utilizing "Good Lessons"
- ◇ Invest approx. ¥1 trillion over the 5 years for safety equipment ~ Already invested ¥3 trillion since Jr East group was formed



【Trains derailed】

■ Promotion of seismic reinforcement and other countermeasures for the earthquake

- ◇ Invest approx. ¥300 billion as an intensive implementation period (2012~2016)
- ◇ Prevent the collapse of station platform ceilings and walls
- ◇ Strengthening anti-disaster telecommunication functions
- ◇ Support provision for people facing difficulties getting home



【Reinforcement of embankments】 【Seismic reinforcement】

■ Withstand natural disasters of all types

- ◇ Continue to make the necessary capital expenditures to address natural disasters and extreme weather events

■ Automatic platform gates

- ◇ Complete installation of automatic platform gates to Yamanote-line by FY2016 (except 6 stations which require large-scale improvement work)
- ◇ Examine installation for routes other than the Yamanote-line



【Wind gusts】 【Heavy snowfall】

Eternal Mission II : Improve ~ Service quality reforms
- Enhancing rail transportation network and other measures

■ Improving transportation quality
"become No. 1 in customer satisfaction in the railway industry"

- ◇ Improving reliable and comfortable transportation services
- ◇ Prevention of transport disruptions, early resumption of operations and prevention of disruptions to connecting lines



【Ueno-Tokyo line】



【Access improvements to Haneda Airport】
■ Maps: Geospatial Information Authority of Japan

■ Expanding the transportation network

- ◇ Start of Hokuriku Shinkansen to Kanazawa (2015.3.14), and Hokkaido Shinkansen (2016 Spring)
- ◇ Start of the Ueno-Tokyo line (2015 Spring)
- ◇ Examine access improvements to Haneda Airport
- ◇ Develop wide-ranging sightseeing routes
- ◇ Enhancing services for seniors ~Migration and post-migration support



【Hokuriku Shinkansen】

■ Initiatives in view of the 2020 summer Olympic and Paralympic games in Tokyo

- ◇ Provide safe, smooth and comfortable transportation services
- ◇ Revitalize the flow of tourism in the Tokyo metropolitan area and attract tourists to the regions
- ◇ Upgrade the attractiveness of Tokyo by promoting the development of terminal stations

■ Information and communication technology (ICT)

- ◇ Enhancing Suica's convenience
- ◇ Enhancing convenience when purchasing tickets using ICT



【Suica】 (IC railway ticket) (Electronic money)

Develop attractive towns centered on railway stations

- ◇ Large-scale development of terminal railway stations
~ Tokyo, Shinagawa, Shibuya, Yokohama, Chiba, Sendai
- ◇ Developing a line-side area brand that is chosen by customers
~ Childcare support, medical institution, nursing home
- ◇ Revitalize core regional cities
~ Enhance public and community functions



Revitalizing local industries

- ◇ Help to energize local economies by facilitating the creation of new businesses that integrate agriculture, fishing and forestry with secondary and tertiary industries (sixtic industrialization)
- ◇ Host farmers' markets and "NOMONO" local produce shops



Promoting Japan as a tourism-oriented nation

- ◇ Tourism campaigns
- ◇ Developing trains that people seek to board for the "ride" itself
- ◇ Promoting an inbound tourism strategy
~ Work to significantly increase the number of tourists visiting Japan



9

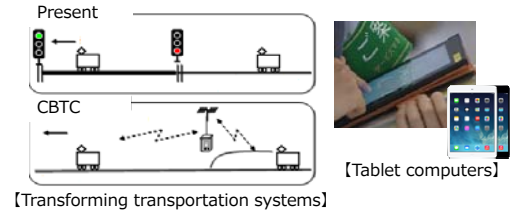
Pursuing Energy and Environmental Strategies

- ◇ Introducing a storage-battery-driven electric car system "ACCUM"
- ◇ Actively introducing renewable energy including solar, wind, geothermal, and biomass energy
- ◇ Introducing smart grid technology to train power systems



Innovations using Information and Communication Technology (ICT)

- ◇ Introduce CBTC (Communication-based train control) system to the Joban-line (around 2020), and ATACS (Advanced train administration and communications system) to the Saikyo-line (fall2017)
- ◇ Smart-maintenance
~ Examine train track facility monitoring equipment
- ◇ Innovation in frontline operations
~ By introducing tablet computers to support employees engaged in frontline operations



Operating Shinkansen at faster speeds

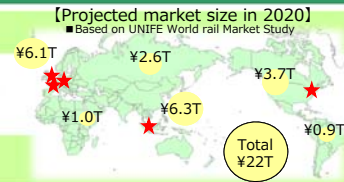
- ◇ Continue our R&D efforts toward achieving an operational speed of 360km/h for Shinkansen



10

Developing overseas sites (5 overseas offices)

- ◇ In addition to the previously established New York and Paris offices, established Brussels office in 2012, Singapore office (our first in Asia) in 2013, and London office in 2014



Participating in overseas railway projects

- ◇ Participate in overseas railway projects including in the operation & maintenance field (planning, guidance and support to train operation, equipment maintenance and related areas)
- ◇ Actively dispatch employees to a wide variety of countries to provide consulting and technical assistance



Open innovation

- ◇ Seek out technologies from other companies and industries that can help to achieve breakthroughs that go beyond the values we have had in the past



Expanding railcar manufacturing operations and overseas business expansion

- ◇ Continue to improve our comprehensive technological capabilities, which range from manufacturing to operations and maintenance



11

Expanding opportunities for employees to succeed and tackle challenges

- ◇ Give increased opportunities for motivated people to apply for inclusion in training and other new projects
- ◇ Create a culture of respect for embracing challenges, where people feel empowered to try new initiatives



Passing on skills and technology-related capabilities of veteran employees

- ◇ Established 104 Skills Training Center designed to support the continuity of railway-specific technologies and skills in individual workplaces



Nurturing global human resources

- ◇ Provide opportunities to overseas study, overseas dispatch to public institutions and companies, and overseas railway consulting work on-the-job training (OJT) to over 600 employees every year



12