

***JR EAST 2020 VISION***



## BACKGROUND TO PREPARATION OF THE VISION

### LONG-TERM VISION

For fiscal 2009, the year ending March 31, 2009, the achievement of most of the numerical targets set out in the *New Frontier 2008* medium-term management plan (from fiscal 2006) had come within sight.

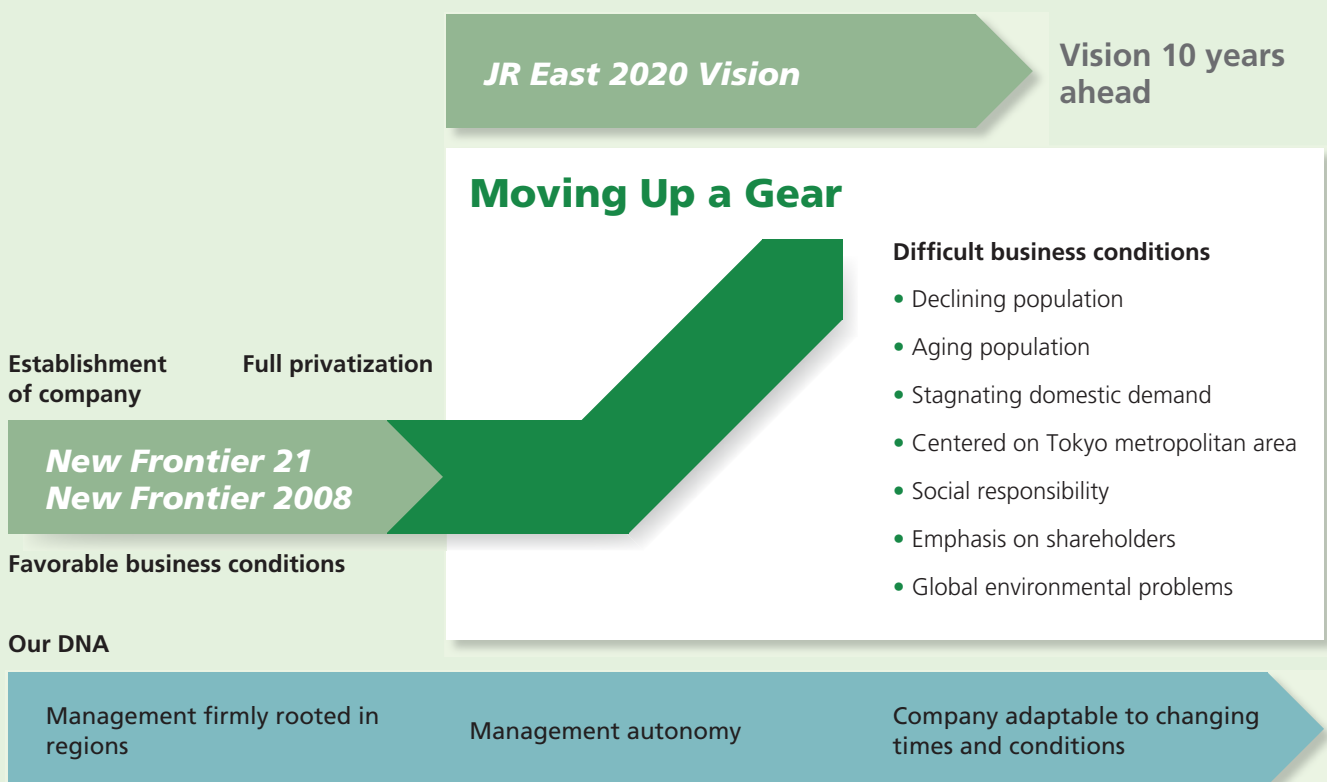
With more than 20 years having passed since the restructuring of the Japanese National Railways and having accomplished the initial goal of full privatization, it was necessary to depict a new long-term vision.

**Due to the railway-centered nature of JR East's business and the resulting length of time required for projects, JR East prepared a management plan based on a long-term perspective that looks 10 or 15 years ahead.**

### MOVING UP A GEAR

The need to steadily advance preparations in response to long-term changes in business conditions (aging society, advances in broadcasting / communications technology, growing concern with environmental preservation, etc.)

**Given the limitations of simply continuing previous measures, JR East clarified "things that must change" and "things that must not change" and set out even more ambitious goals.**



## BASIC MANAGEMENT POLICIES

- Pursuing safety and customer satisfaction rigorously  
—giving customers “a feeling of ease and peace of mind based on assured safety”
- Sustaining growth and pursuing initiatives for the next era
- Meeting corporate social responsibilities
- Building organizational strength and developing human resources

## UNFLAGGING COMMITMENT TO “EXTREME SAFETY LEVELS”

- We will continue implementing our priority improvement plan for safety equipment, reinforce safety weak points, and reduce risks
- We will expand and improve education and training on safety and prevent accidents by correctly understanding and analyzing previous accidents and incidents

## MOVING UP A GEAR IN SEVEN AREAS

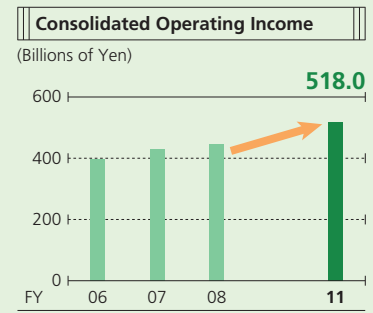
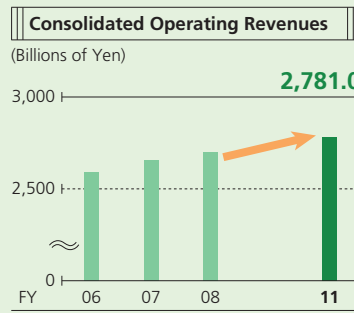
- 1 Increasing focus on investment to raise corporate value
- 2 Opening the way to new business areas
- 3 Taking a positive and long-term approach to global environmental problems
- 4 Upgrading the Tokyo metropolitan area railway network to make line-side areas more attractive and convenient
- 5 Invigorating regional railway lines and interregional communications
- 6 Developing life-style businesses aggressively, increasing non-transportation operating revenues to approximately 40% of total operating revenues by fiscal 2018
- 7 Establishing *Suica* operations as a third pillar of operations

## ONGOING EFFORTS

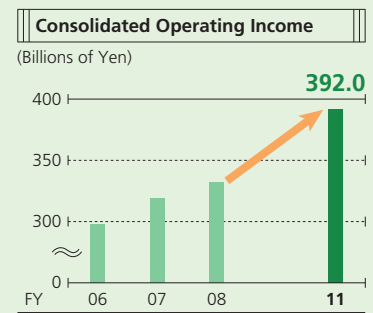
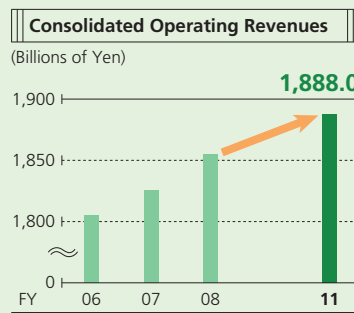
- 1 Heightening customer satisfaction even further
- 2 Developing human resources
- 3 Advancing research and development aggressively
- 4 Expanding the Shinkansen (bullet train) network and increasing earnings from railway operations
- 5 Expanding life-style businesses

**FISCAL 2011 TARGETS** Consolidated Operating Revenues, Consolidated Operating Income

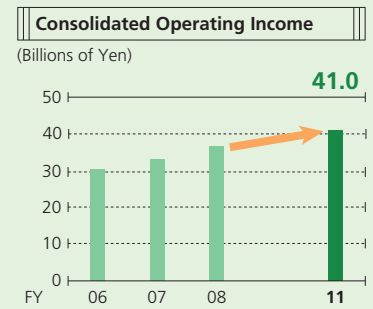
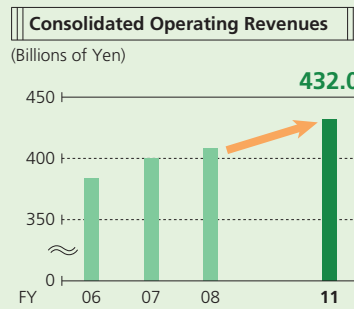
We aim for consolidated operating revenues of ¥2,781 billion and consolidated operating income of ¥518 billion in fiscal 2011.



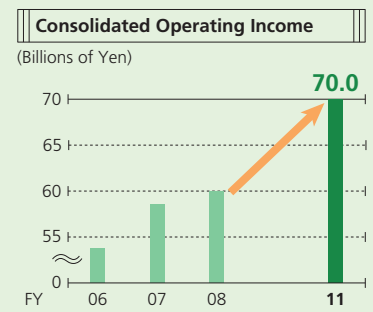
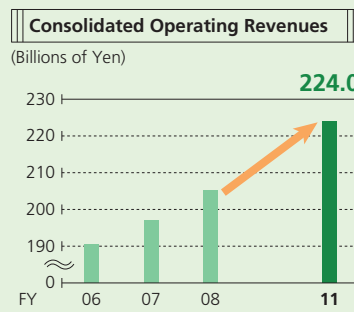
**Transportation**



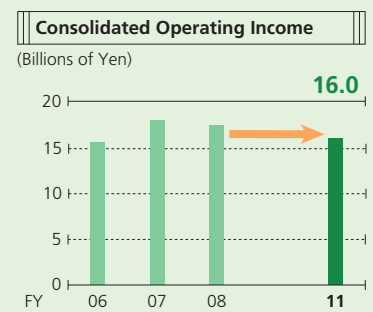
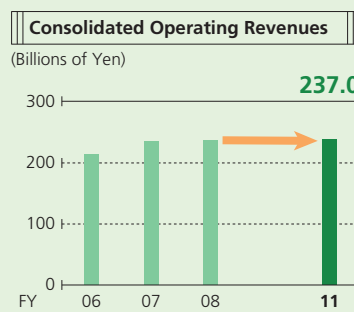
**Station Space Utilization**



**Shopping Centers & Office Buildings**

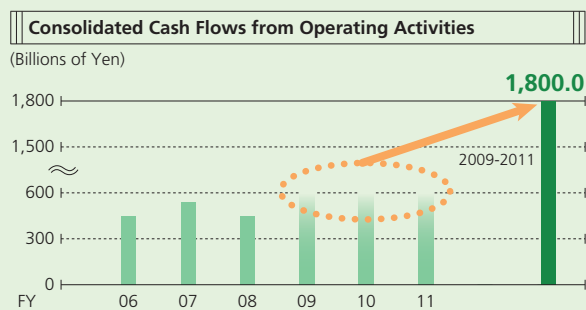


**Other Services**



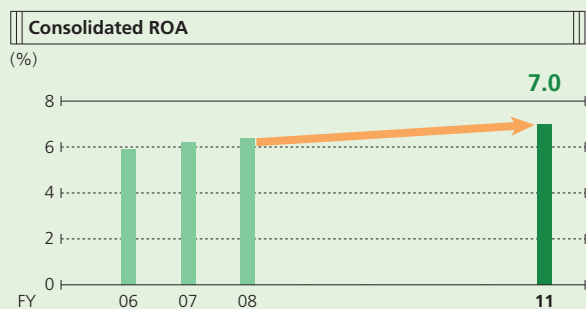
### Consolidated Cash Flows from Operating Activities

We aim to achieve total consolidated cash flows from operating activities of ¥1,800 billion over a three-year period.



### Consolidated ROA

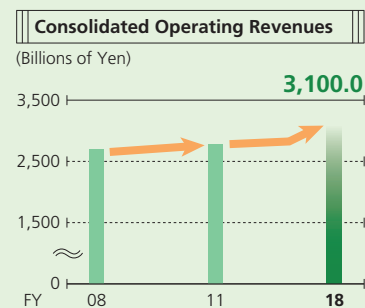
We aim for a 7% consolidated ROA.



## ACHIEVEMENTS ENVISIONED BY FISCAL 2018

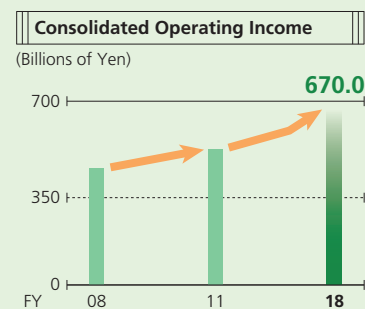
### Consolidated Operating Revenues

We aim to achieve consolidated operating revenues of ¥3,100 billion in fiscal 2018.



### Consolidated Operating Income

We aim to achieve consolidated operating income of ¥670 billion in fiscal 2018.



## (REFERENCE) EXPECTED CAPITAL EXPENDITURE OVER THREE YEARS FROM FISCAL 2009

We expect consolidated capital expenditure over the three years from fiscal 2009 to total approximately ¥1.4 trillion.

We expect expenditure on transportation safety and reliability over the three years from fiscal 2009 to be approximately ¥450 billion.

We expect growth expenditure for which a return is likely—such as expenditure on life-style businesses—over the three years from fiscal 2009 will total approximately ¥450 billion.

