

## A Message from the Management



**SATOSHI SEINO**  
Chairman

**TETSURO TOMITA**  
President and CEO

## Group Philosophy

The JR East Group aims to contribute to the growth and prosperity of the East Japan area by providing quality leading-edge services, with train station and railway businesses at its core, to customers and communities.

We will continue to embrace the challenge of pursuing “extreme safety levels” and service quality reforms. Through technological innovation and globalization, we will strive to attain goals such as nurturing personnel with an expansive perspective, spurring the advancement of railways, and making line-side areas more attractive and convenient. To this end, JR East will continue to rigorously pursue its unlimited potential.

We aim to grow continuously while meeting our social responsibilities as a Trusted Life-Style Service Creating Group.

## We would like to thank our shareholders and other investors sincerely for their support.

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In the year ended March 31, 2017, the Japanese economy improved in such areas as employment and income conditions and continued to recover gradually. Under these conditions, and guided by “JR East Group Management Vision V—Ever Onward,” the East Japan Railway Company and its consolidated subsidiaries and equity method affiliated companies (JR East) steadily executed various initiatives centered on the railway, life-style service, and IT & *Suica* businesses.

As a result of these initiatives, during the fiscal year under review, operating revenues increased 0.5% year on year, to ¥2,880.8 billion, largely due to growth in JR East’s transportation revenues. However, due to an increase in operating expenses, mainly arising from the recognition of a provision for large-scale renovation of Shinkansen infrastructure, operating income decreased 4.4%, to ¥466.3 billion. Profit attributable to owners of parent increased 13.3%, to ¥277.9 billion, as a result of an increase in gain on sales of fixed assets.

Being autonomous, putting the customer first, and being regionally rooted have been fundamental to the business management of JR East since its establishment. In the fiscal year under review, the Company’s 30th anniversary, JR East continued taking measures steadily in the railway, life-style service, and IT & *Suica* businesses based on “JR East Group Management Vision V—Ever Onward.”

In the year ending March 31, 2018, JR East will work unstintingly to advance business management. Priority tasks will be to improve the safety and reliability of transportation, take on the challenge of enhancing profitability, and advance “TICKET TO TOMORROW” initiatives in the run-up to the Tokyo 2020 Olympic and Paralympic Games.

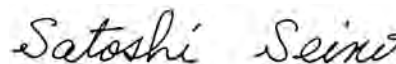
Specifically, based on “JR East Group Safety Plan 2018,” JR East will enhance facilities to address weaknesses. Also, the Company will improve skills and technology-related capabilities in the Group as a whole by revising safety education and training to make it more practical. Further, JR East will improve transportation quality through efforts to provide reliable transportation services and strengthen its ability to respond to emergencies, in accordance with the “Medium-term Vision

for Service Quality Reforms 2017.” In addition, JR East aims to leverage fully an expanded railway network and such new services as the *TRAIN SUITE SHIKI-SHIMA* cruise train to increase the inter-regional railway travel of Japanese customers and visitors to Japan. Other initiatives will include steadily developing large-scale terminal stations—including Chiba, Sendai, Shibuya, and Yokohama stations—and *developing a town* that will establish Shinagawa as Japan’s new gateway. At the same time, JR East will revitalize regions through *sextic industrialization*.

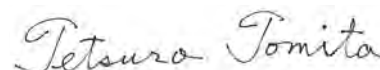
As well as the abovementioned initiatives, JR East will set its sights on the future and pursue technological innovation in a wide range of railway fields and develop businesses in India and other countries worldwide. In conjunction with these efforts, JR East will focus on creating more opportunities that resonate with employee ambitions and passing on the skills and technology-related capabilities of veteran employees. By providing high-quality services in all business fields, the JR East Group intends to exceed the expectations of shareholders and other investors.

We will do our utmost to realize sustainable growth and satisfy our shareholders and other investors in the medium-to-long term. As we move forward, we would like to ask our shareholders and other investors for their continued support and understanding.

August 2017



Chairman



President and CEO