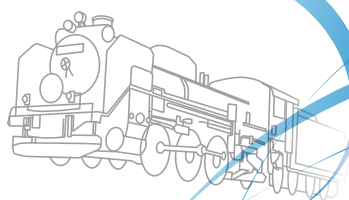
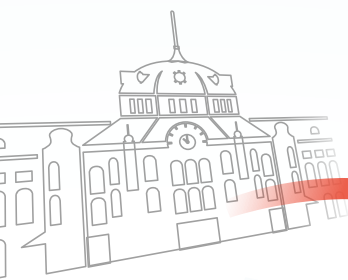
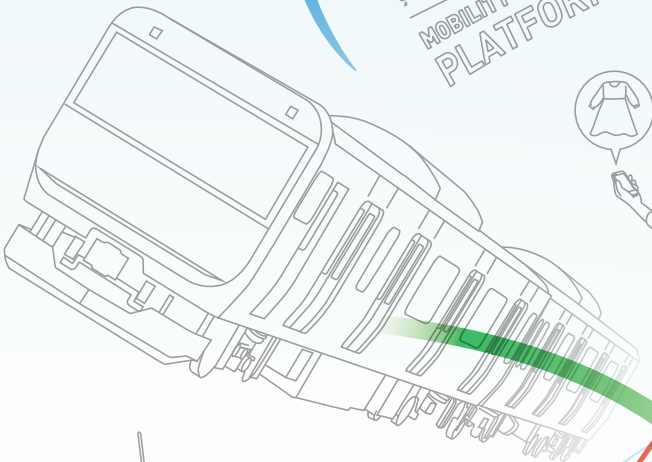




CLOUD
BIG DATA

MOBILITY LINKAGE
PLATFORM

JRE POINT



JR East Group Management Vision "Move Up" 2027

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1. Challenges for the new era

Ever since its establishment, JR East Group has been striving to rehabilitate and revitalize its railway services. As a result, the number of railway accidents has halved and the railway network including Shinkansen lines has expanded. Additionally, our enhancement of service quality, etc. has resulted in an increase in transportation volume and productivity and an improvement in the financial standing of the company. Moreover, we have continued to expand our businesses to include lifestyle, IT & Suica services. This expansion has been made possible by the support from our customers, people in communities and all the people related to JR East Group, and I now feel that we have acquired solid capabilities.

We will continue to focus on safety as our top management priority while pursuing ultimate safety levels. Through these efforts, we will further deepen the trust that our customers and people in communities have in us, which is the foundation of JR East Group's businesses.

With drastic changes in our business environment such as the declining population and the practical application of autonomous driving, we can no longer continue to deal with these changes without changing our current ways of thinking and actions. To stay ahead of these changes, we will boldly implement new growth strategies by shifting from services focused on railways to the creation of values and services focused more on people.

Our strength lies in a multilayered “real” network that supports social infrastructure. We will strengthen our network capabilities focusing on technologies and information, and we are committed to helping our customers and people in communities to realize affluent lives.

For instance, by strengthening coalitions between railways and secondary transportation modes, we will create a transportation network that offers our customers seamless mobility. Additionally, we will strive to offer new lifestyles that customers feel are good for both life and work. Moreover, by utilizing Suica as a payment and authentication function, we aim to offer a one-stop service where customers can use Suica for a variety of services in their daily lives.

By looking ahead to the new era, we will treat these changes as opportunities, continue to meet our challenges, and achieve sustainable growth by JR East Group, while rising to the expectations of our customers and contributing to the development of regional society as a whole group.

Yuji Fukasawa
President and CEO
East Japan Railway Company

深澤 祐二



JR East Group Philosophy

We will earn the trust of our customers as a whole group by aiming for ultimate safety levels as our top priority. We will strengthen our network capabilities focusing on technologies and information, and we are committed to helping our customers and people in communities to realize affluent lives.

Basic Principles

Pursuing safety: By pursuing ultimate safety levels, we will offer a peace of mind to our customers.

Customer-oriented: We will offer quality services to rise to the expectations of our customers.

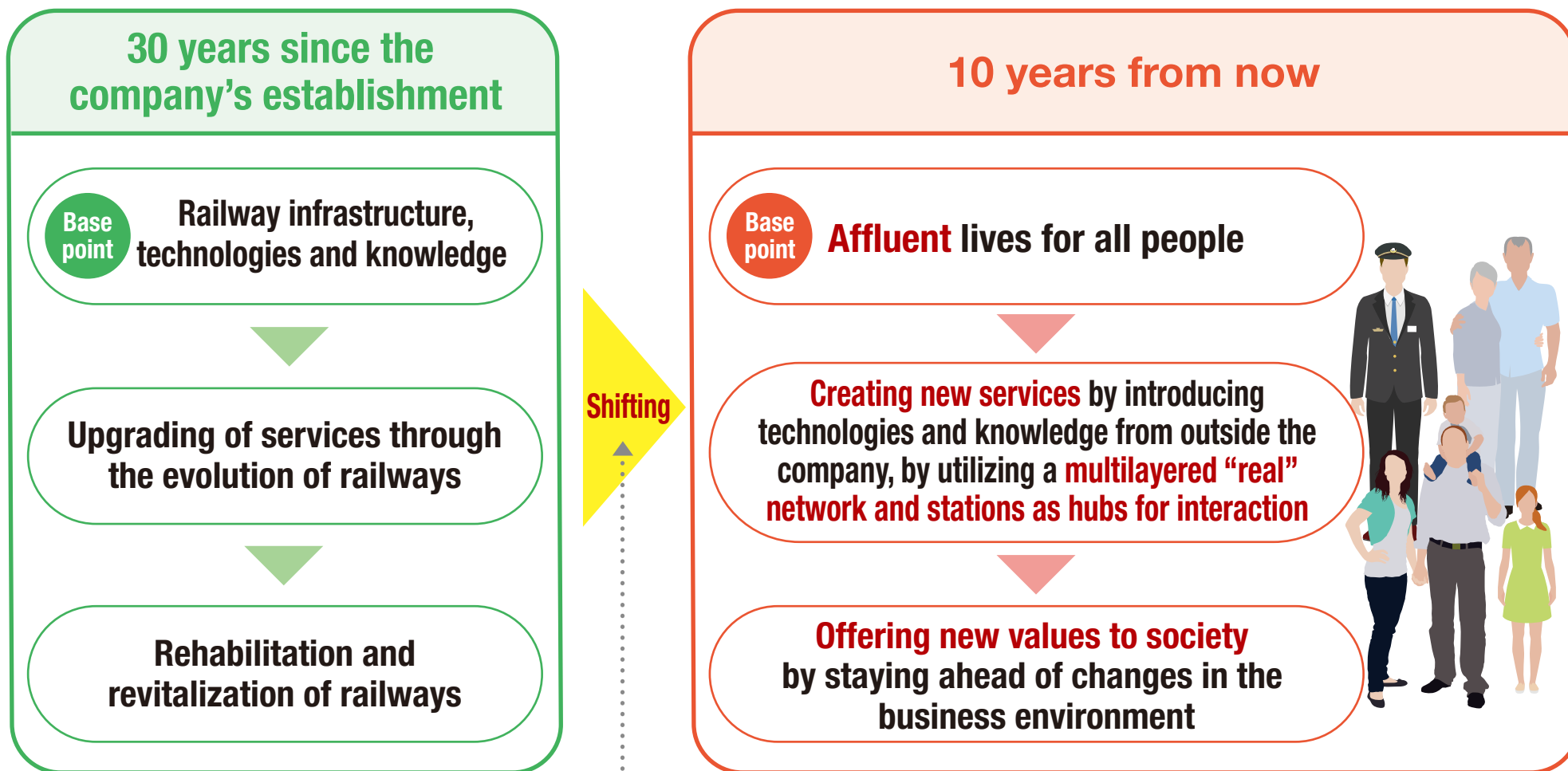
Close to regional society: By utilizing our network capabilities, we will contribute to the development of regional society.

Autonomous and self-standing: With a broad perspective and willingness to confront challenges, we will think and act on our own initiative.

JR East Group’s development: By fulfilling our social responsibility, we will aim to achieve sustainable growth by JR East Group.

3. Basic Policies of “Move Up” 2027 ①

■ **Stories to create values:** From the provision of services with railway infrastructure as our basis to the introduction of new values to society, focusing on the affluence of everyone in their daily lives.

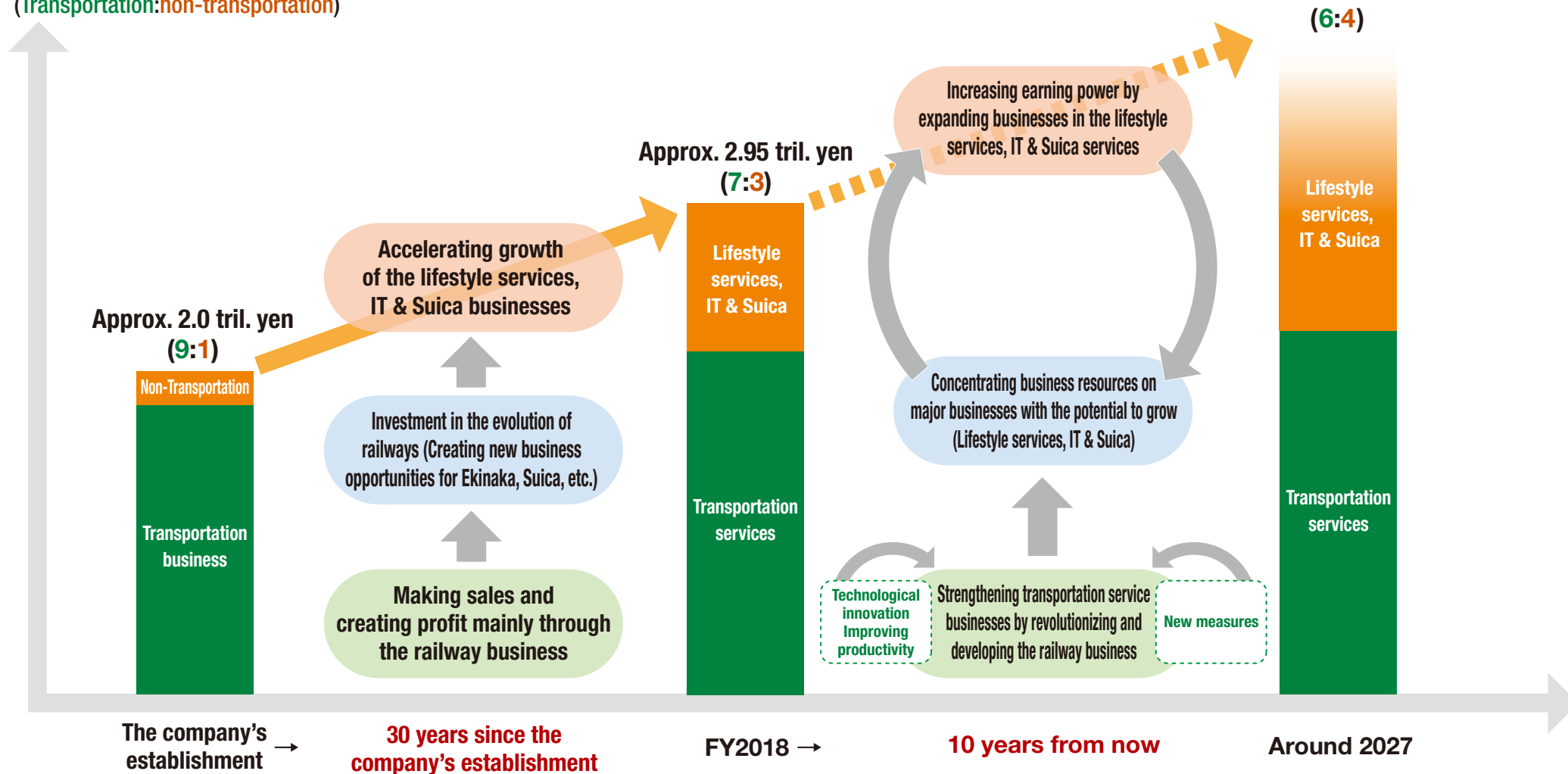


① Drastic changes and diversification in social structures due to the decreasing birth rate and population and aging of the population
 ② Changes and diversification in values related to what it means to work and be affluent
 ③ Changes in our living environment due to technological innovations such as AI and IoT
 ④ Acceptance of new values through globalization of economy and society

3. Basic Policies of “Move Up” 2027 ②

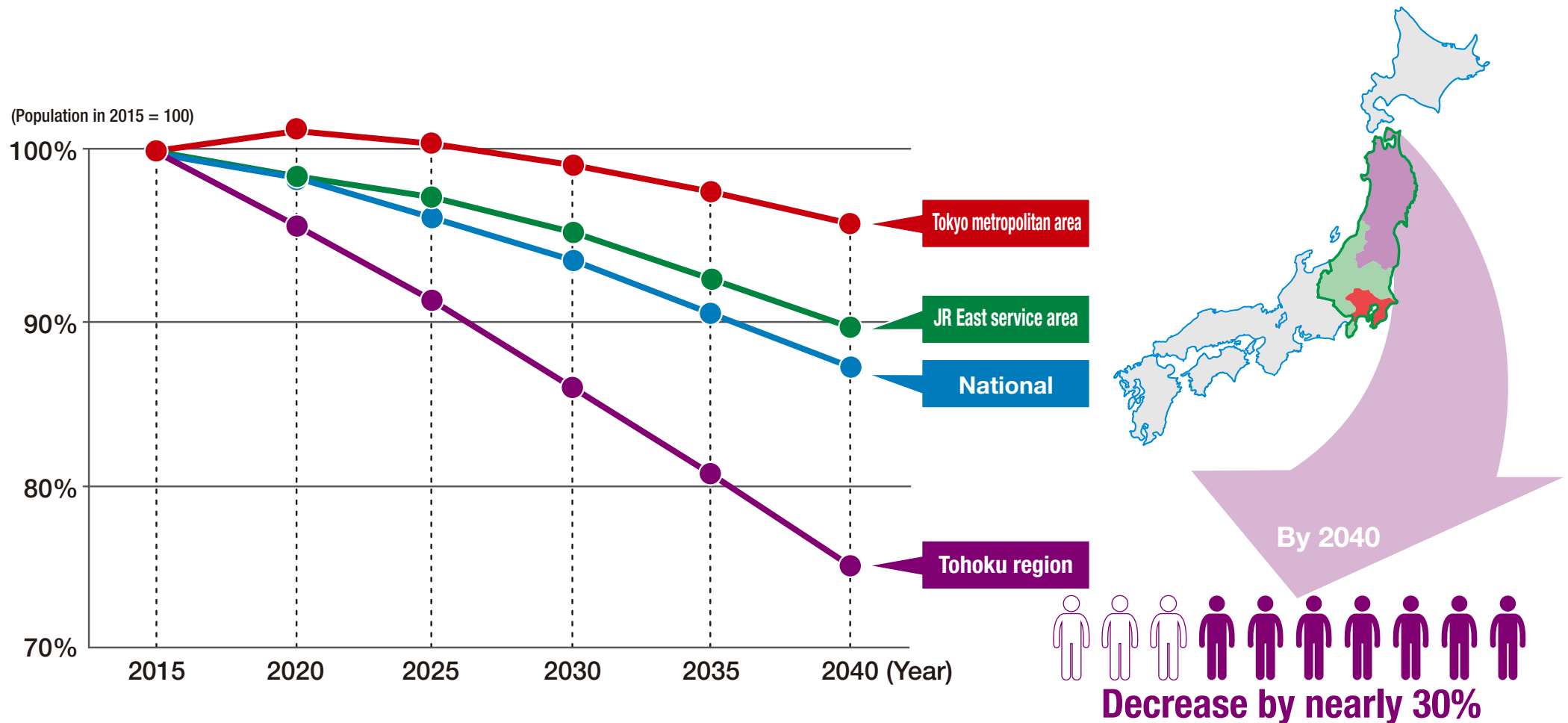
- There is an urgent need to **qualitatively reform**, revolutionize and develop transportation services mainly by railways.
- Further allocate management resources to lifestyle services and IT & Suica businesses, developing them as our **new growth engine**.

Consolidated operating revenues
(Transportation:non-transportation)



4. Changes in the business environment: Decreasing population

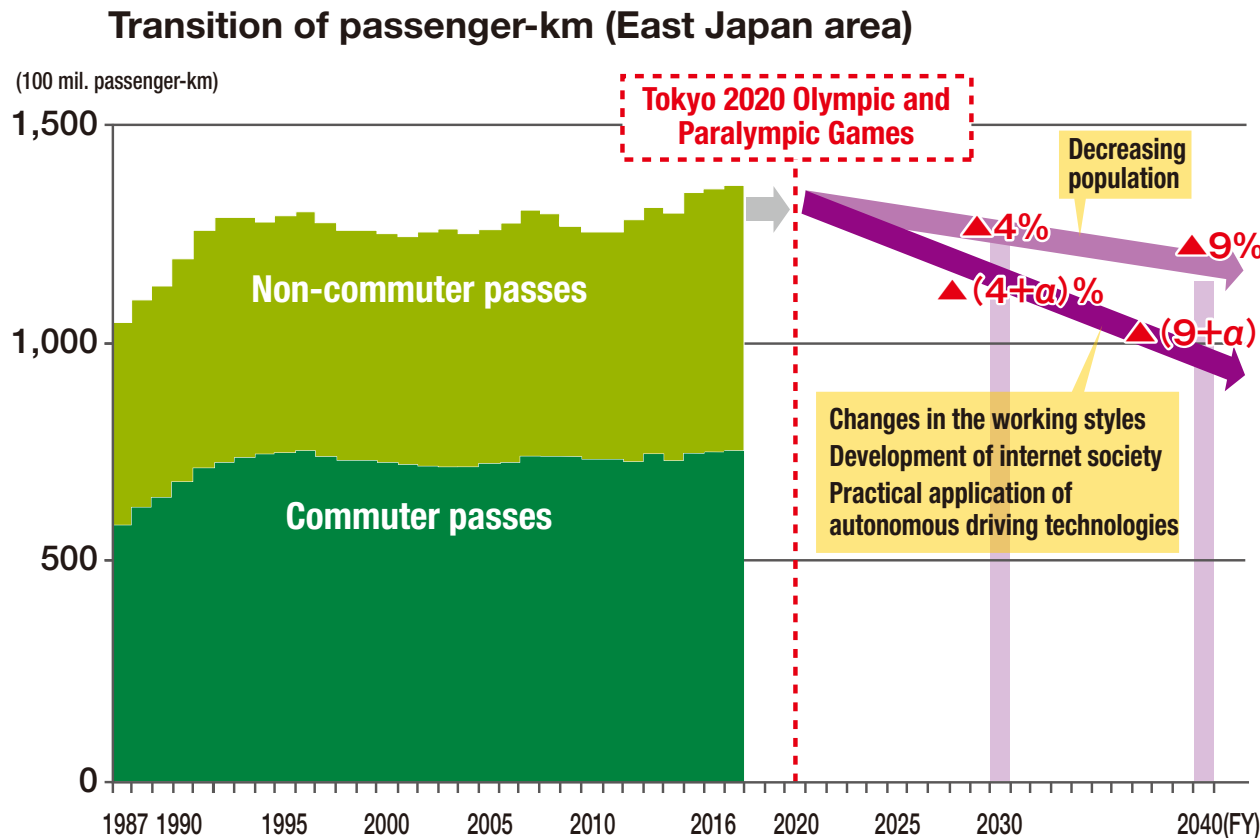
- After 2025, the population in Tokyo metropolitan area (Tokyo, Saitama, Chiba, Kanagawa) is expected to decrease gradually.
- In Tohoku region (Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima), the population is expected to decrease by nearly 30% by 2040.



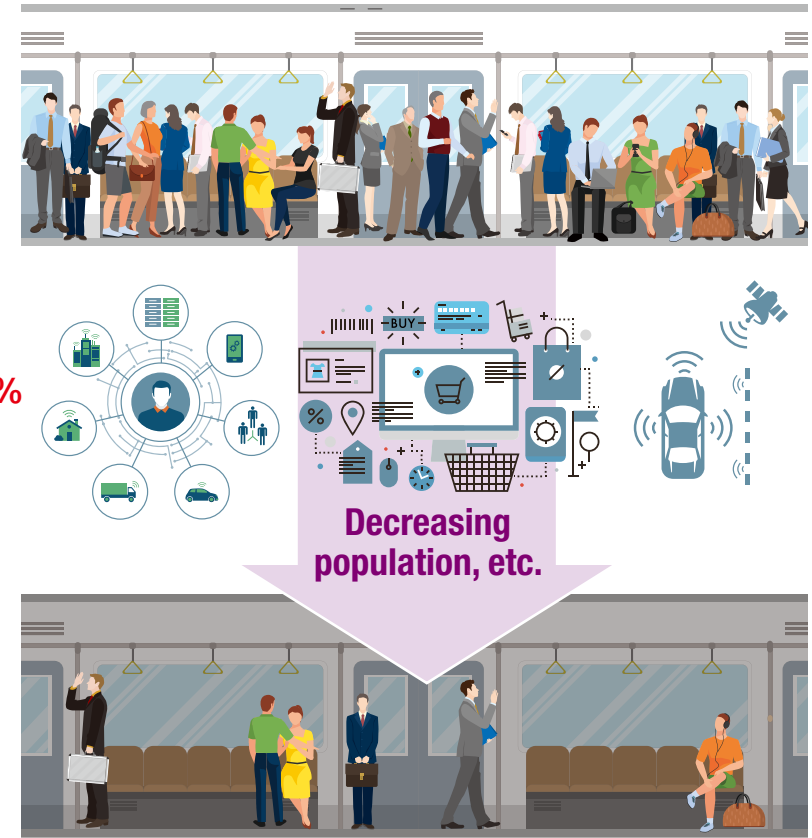
Source: IPSS (National Institute of Population and Social Security Research)
Population Projections by Prefecture (2018)

4. Changes in the business environment: Decreasing need for railway transportation

After 2020, due to decreasing population, changes in the working style, development of internet society and practical application of autonomous driving technologies, the need for railway transportation is expected to decline. Since our railway business has large fixed costs, **we face a high risk of a drastic profit loss.**

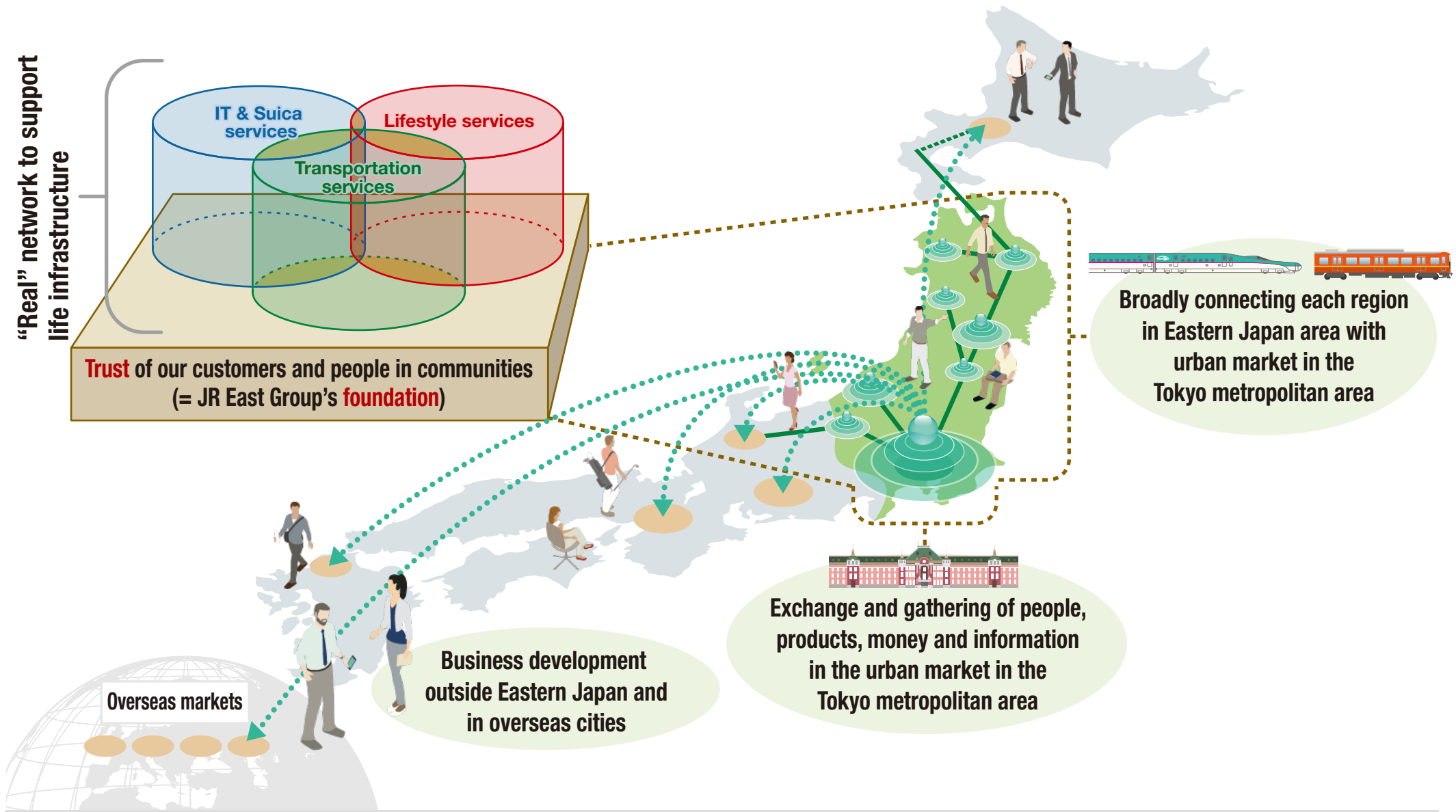


Based on the 5th Tokyo metropolitan area person trip survey (Tokyo Toshiken Kotsu Keikaku Kyogikai, 2008), the no. of passenger-km is calculated by multiplying the expected population in 2030 and 2040 by the no. of trips/person by age group.



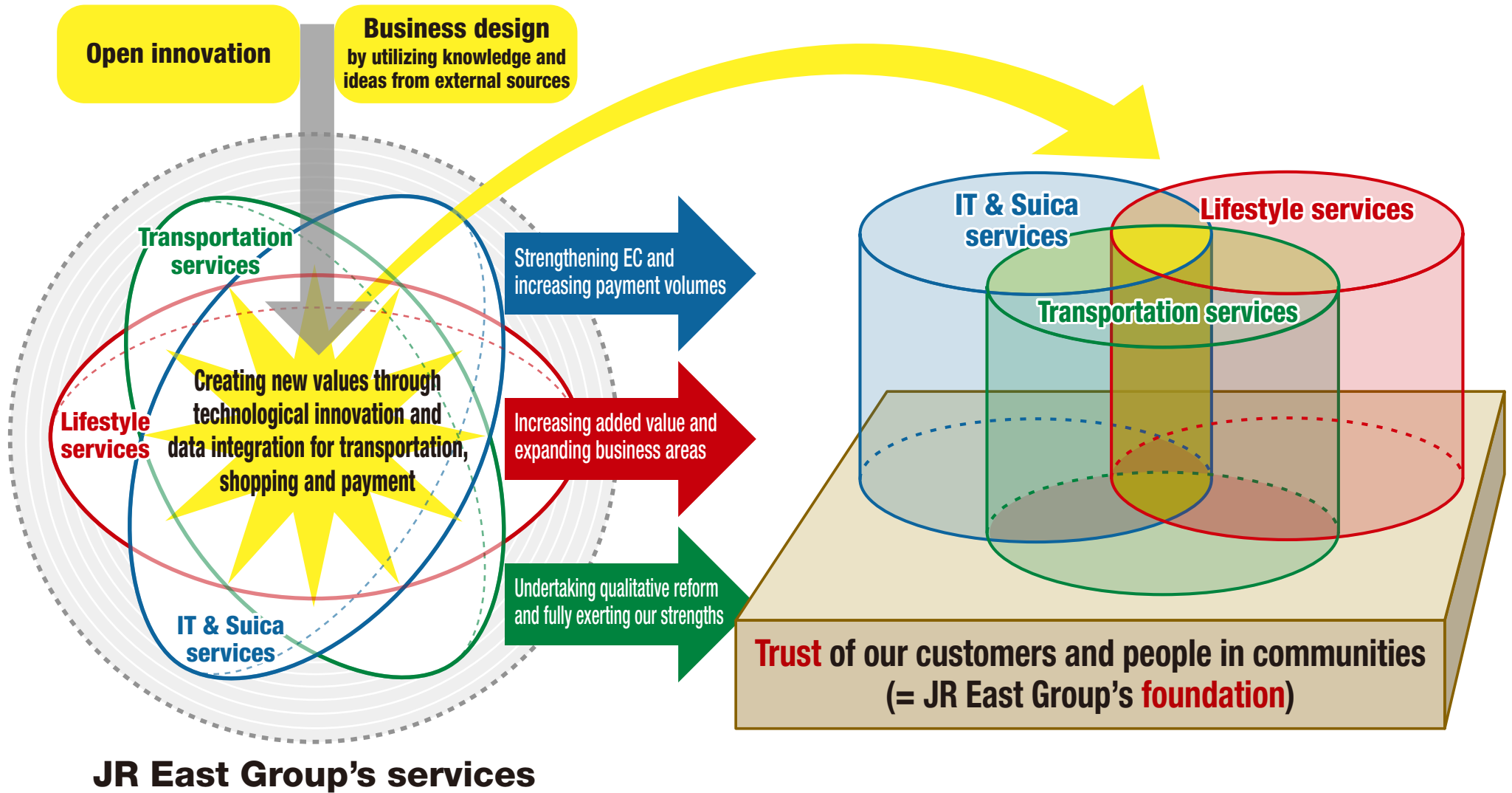
5. JR East Group's strengths ①

JR East Group's strengths lie in its **multilayered "real" network** that supports life infrastructure with a brand that is **founded on trust** and in its stations that act as hubs for interaction mainly in the Tokyo metropolitan area where people, products, money and information are exchanged and gathered.



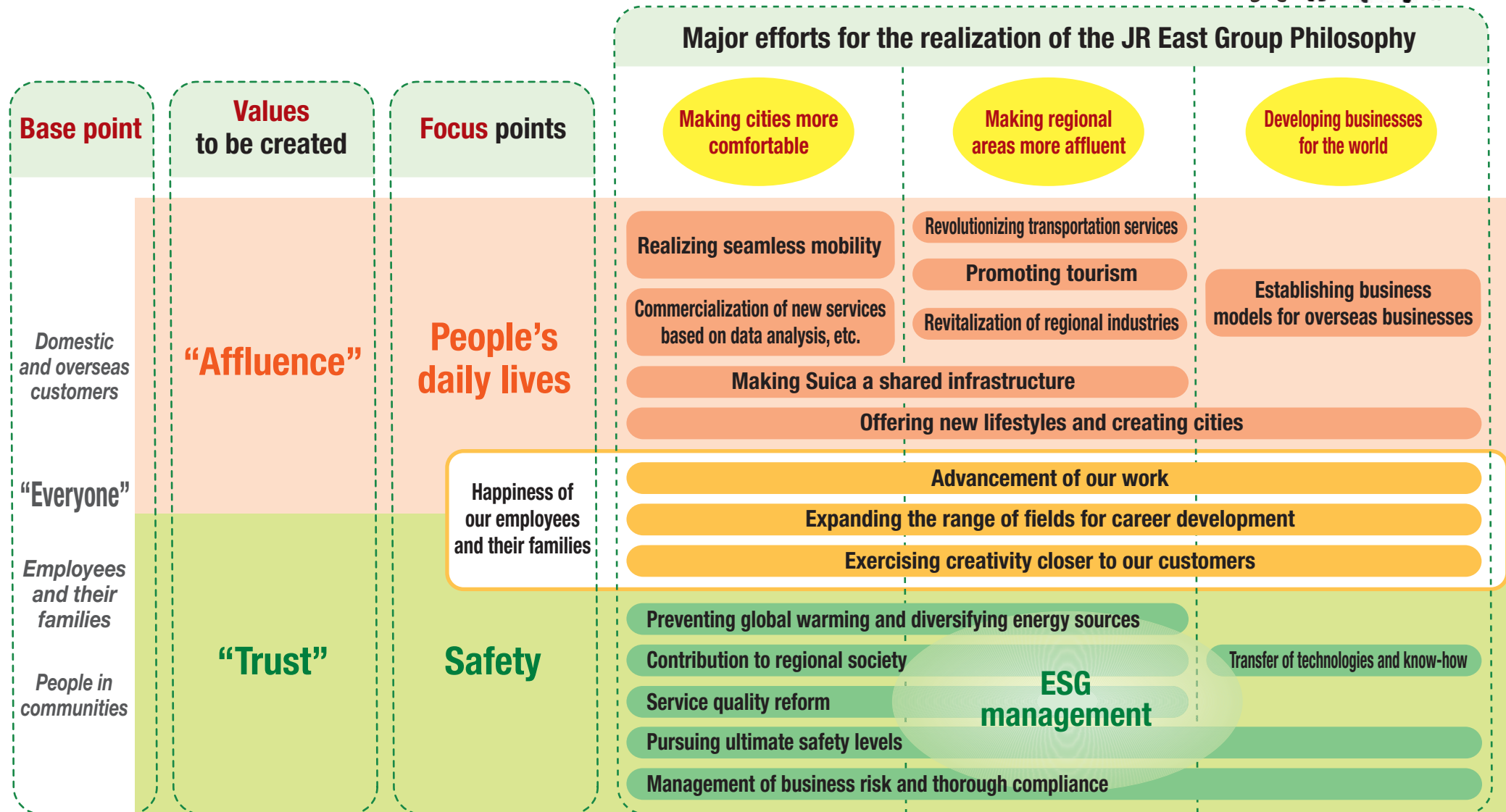
5. JR East Group's strengths ②

■ While utilizing JR East Group's strengths, we will continue to create new values through technological innovation and data integration for transportation, shopping and payment.



6. (1) Overview of “Move Up” 2027

■ With people (“everyone”) as our base point, and with “Safety,” “People's daily lives,” and “Happiness of our employees and their families” as keywords, we will continue to create values of “Trust” and “Affluence” in cities, regional areas, and around the world.

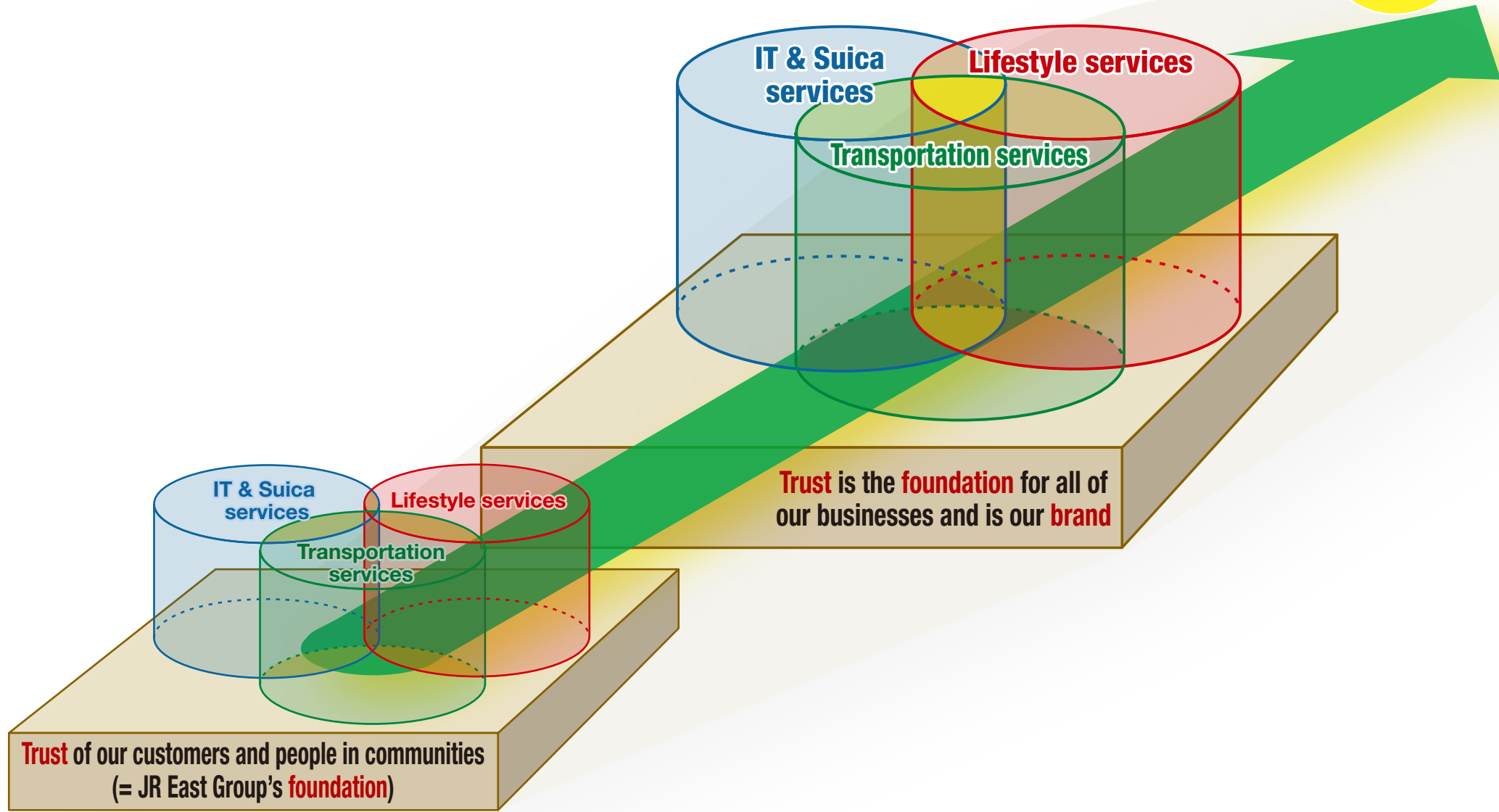


ESG stands for Environment, Social and Governance, important elements for the sustainable growth of a company.

6. (1) 【Focus point】 Safety ①

- By pursuing ultimate safety levels for transportation services including railways, we will deepen the trust that our customers and people in communities have in us, leading to the sustainable growth of all our businesses.

Ultimate
safety
levels




■ **Safety is the top priority of JR East Group’s management.** This awareness needs to be shared thoroughly with all of our employees. We take concrete measures to further improve our ultimate safety levels through the concerted efforts of all group companies.

Completely eliminating accidents due to internal causes


Tangible measure

- Proper maintenance, management, strategic renewal and strengthening of facilities and rolling stock

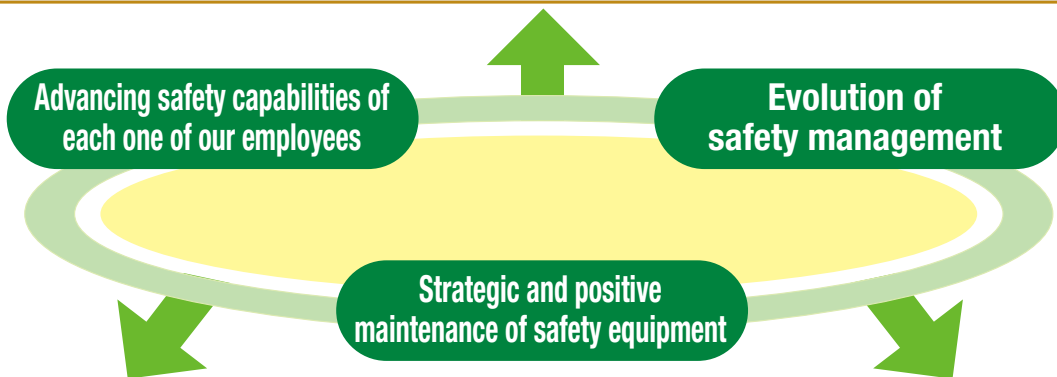


Intangible measure

- Strengthening practical safety education and training
- Not only learning from failures, but also recognizing things that go well



- Understanding the true nature of each task, voluntarily and thoroughly searching for potential risks, and promptly responding to them



- Efforts to further advance our safety culture
- Efforts to detect new risks and advance rules and systems
- Training personnel to respond to environmental change

Realization of safer station platforms and level crossings

Improving safety levels at station platforms

- By the end of FY2033, the introduction of platform doors at all stations (330 stations) for major conventional lines in Tokyo metropolitan area
- Development of high-precision Image Processing Type Fallen Passenger Detecting System



Improving safety levels at level crossings

- Warning road users (drivers) by using the Intelligent Transportation System
- Introduction of highly functional 3D level crossing obstacle detectors
- Installation of crossing gates or alarms to class 4 level crossings



Reducing risk of disasters and terrorist incidents

- Accelerating plans for further seismic reinforcement against large-scale earthquakes
- Improving prediction accuracy for abnormal weather and serious disasters (wind gusts, heavy rain, etc.)
- Strengthening security against new threats such as terrorism, etc.



6. (1)【Focus point】 Happiness of employees and their families

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“Move Up” 2027
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Targets

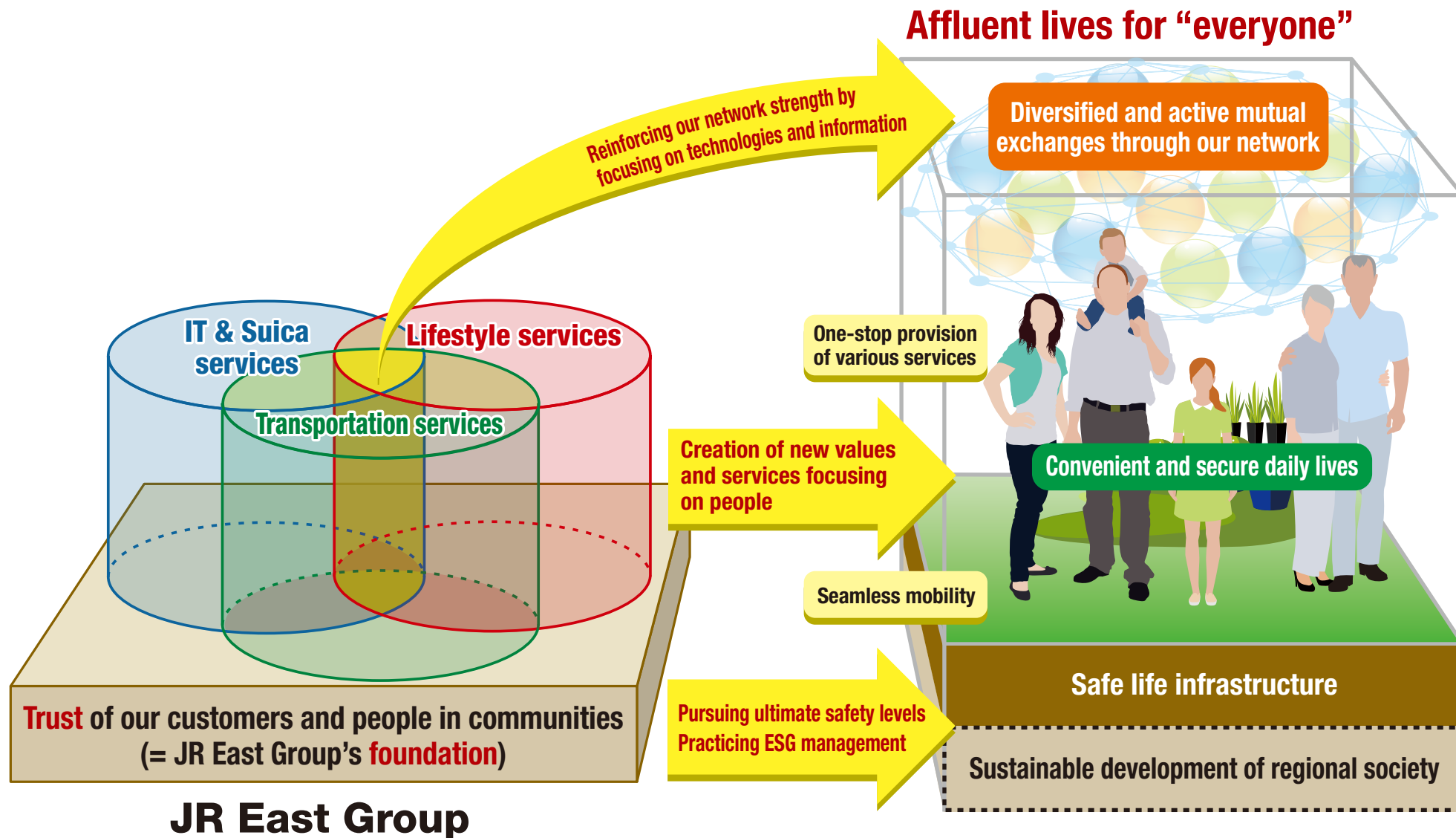
“Move Up” 2027

- Each one of our employees takes a lead role, creating job satisfaction, leading to the sustainable growth of both employees and the JR East Group.
- We realize the happiness of employees and their families through a sense of accomplishment, fulfillment in work and improvement of labor conditions.



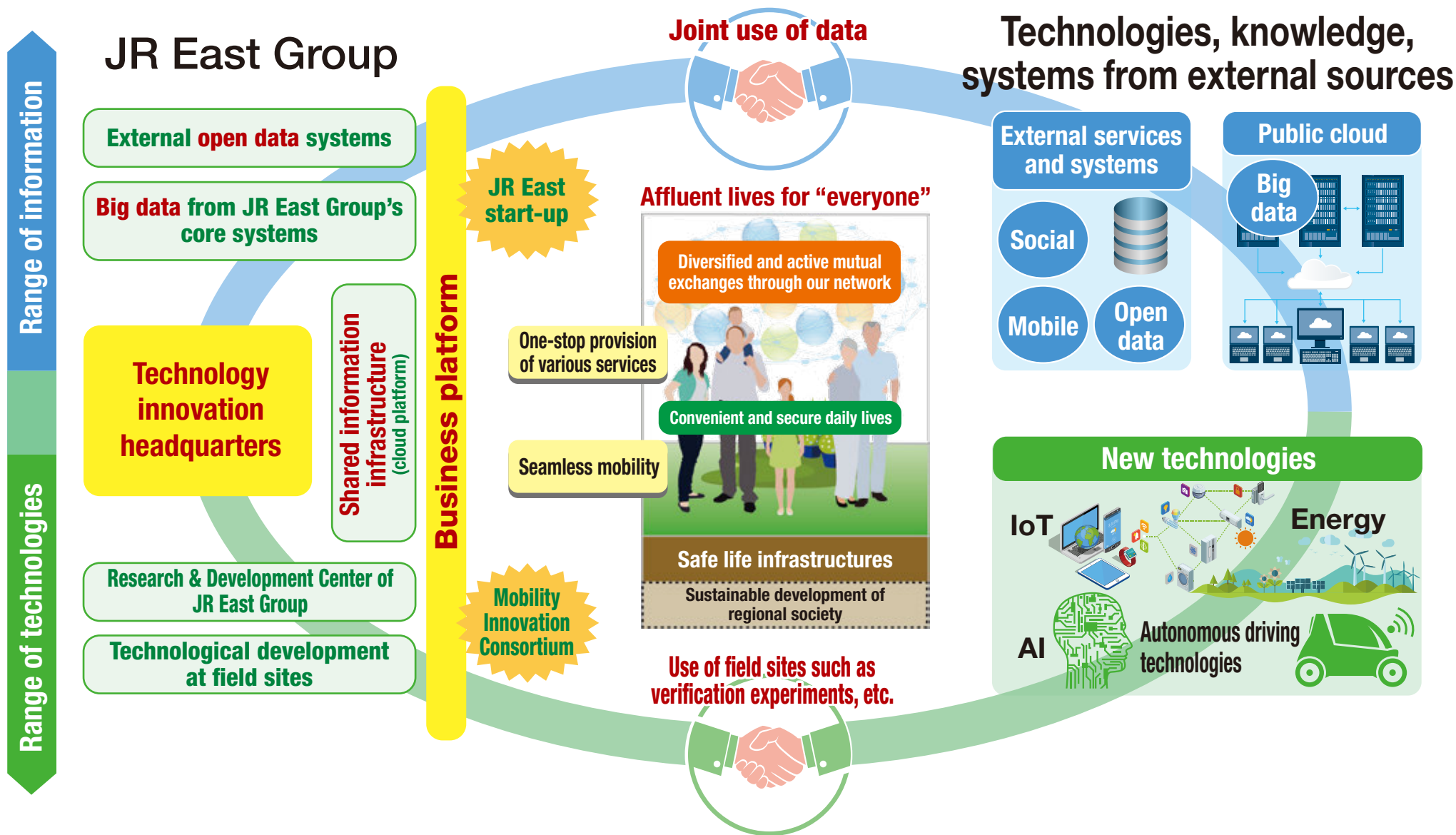
6. (1) 【Focus point】 People's daily lives ①

■ By creating new values and services by focusing on people, and by reinforcing our network strength by focusing on technologies and information, we will help all people ("everyone") to achieve affluent lives.



6. (1) 【Focus point】 People's daily lives ②

By further expanding the range of coalitions with external networks by joint use of data and use of field sites such as verification experiments, we will realize affluent lives for "everyone".

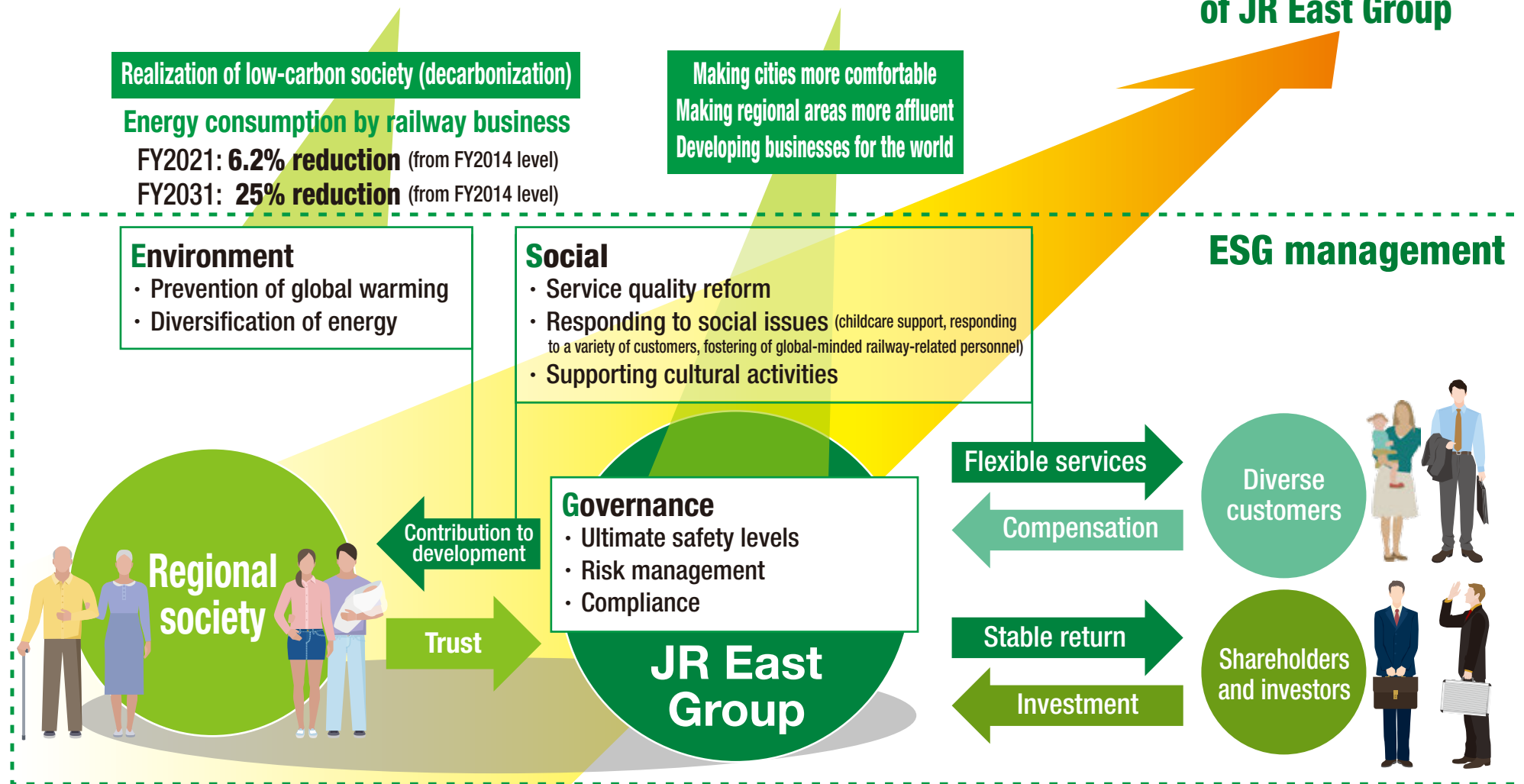


6. (1) Practicing ESG management

JR East Group will strive to solve social issues through our businesses, contribute to the development of regional society, and **deepen the trust that people in communities and customers have in us**, leading to the sustainable growth of JR East Group.

SUSTAINABLE DEVELOPMENT GOALS

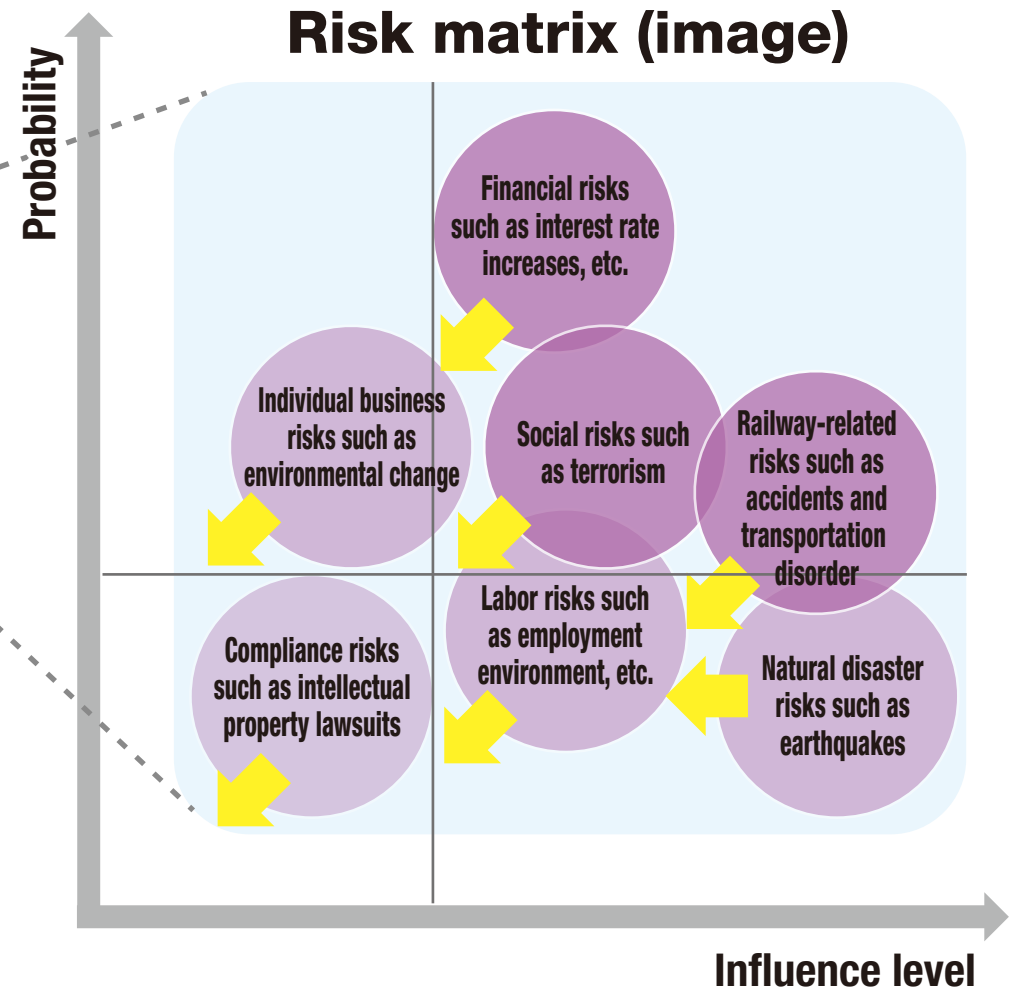
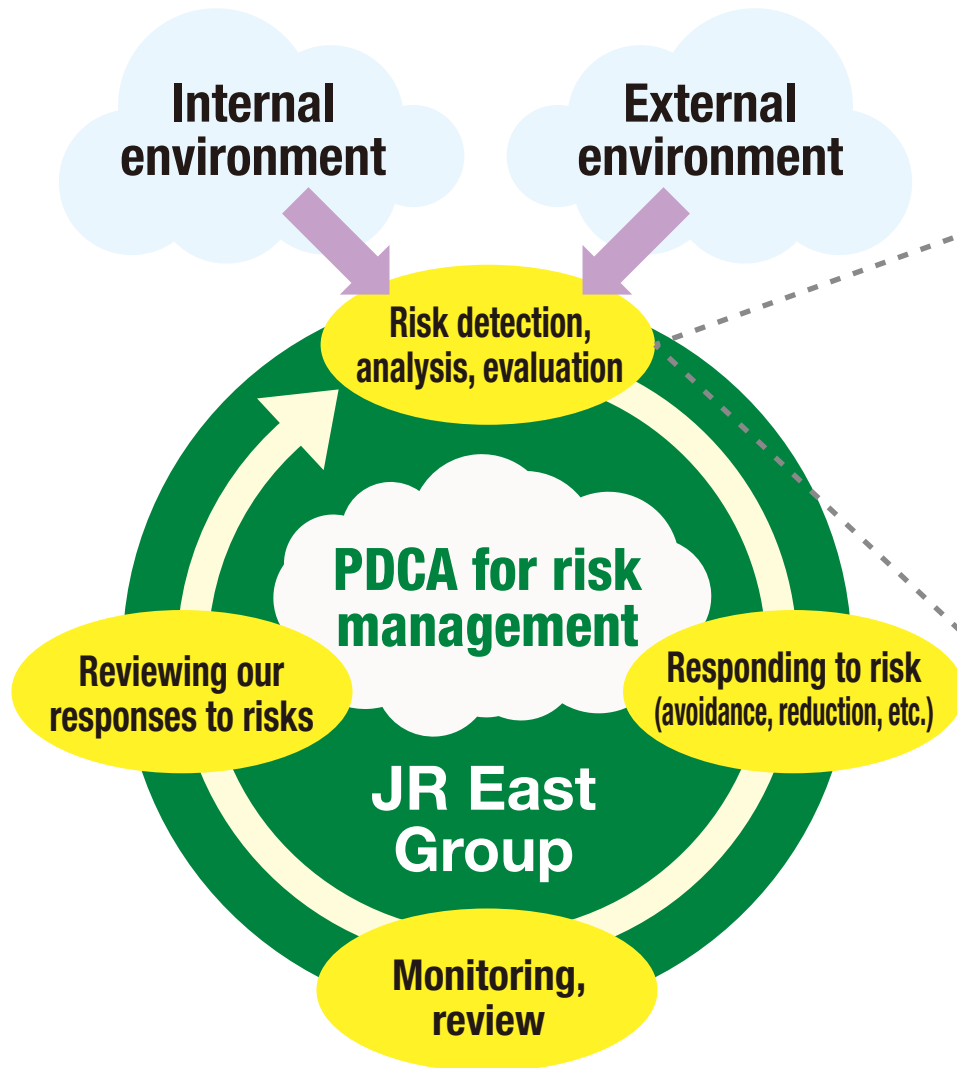
Realizing sustainable growth of JR East Group



SUSTAINABLE DEVELOPMENT GOALS: 17 Sustainable Development Goals the world agreed upon for 2030

6. (1) Risk management

- In responding to changes in the external and internal environment, **we continue to detect, analyze and evaluate risk, and to take countermeasures to avoid or reduce risk.**
- While monitoring and reviewing our responses to risk, we continue to improve our risk reduction measures.



6. (2) 【Making cities more comfortable】 Overview

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change

Group
strengths

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“Move Up” 2027
Targets

Making
cities more
comfortable

Targets

Customers **seamlessly use transportation, shopping and payment services** by combining optimal methods in their daily lives.

Policies

- One-stop provision of various services by expanding business platforms
- Realization of seamless mobility through the initiatives of JR East Group

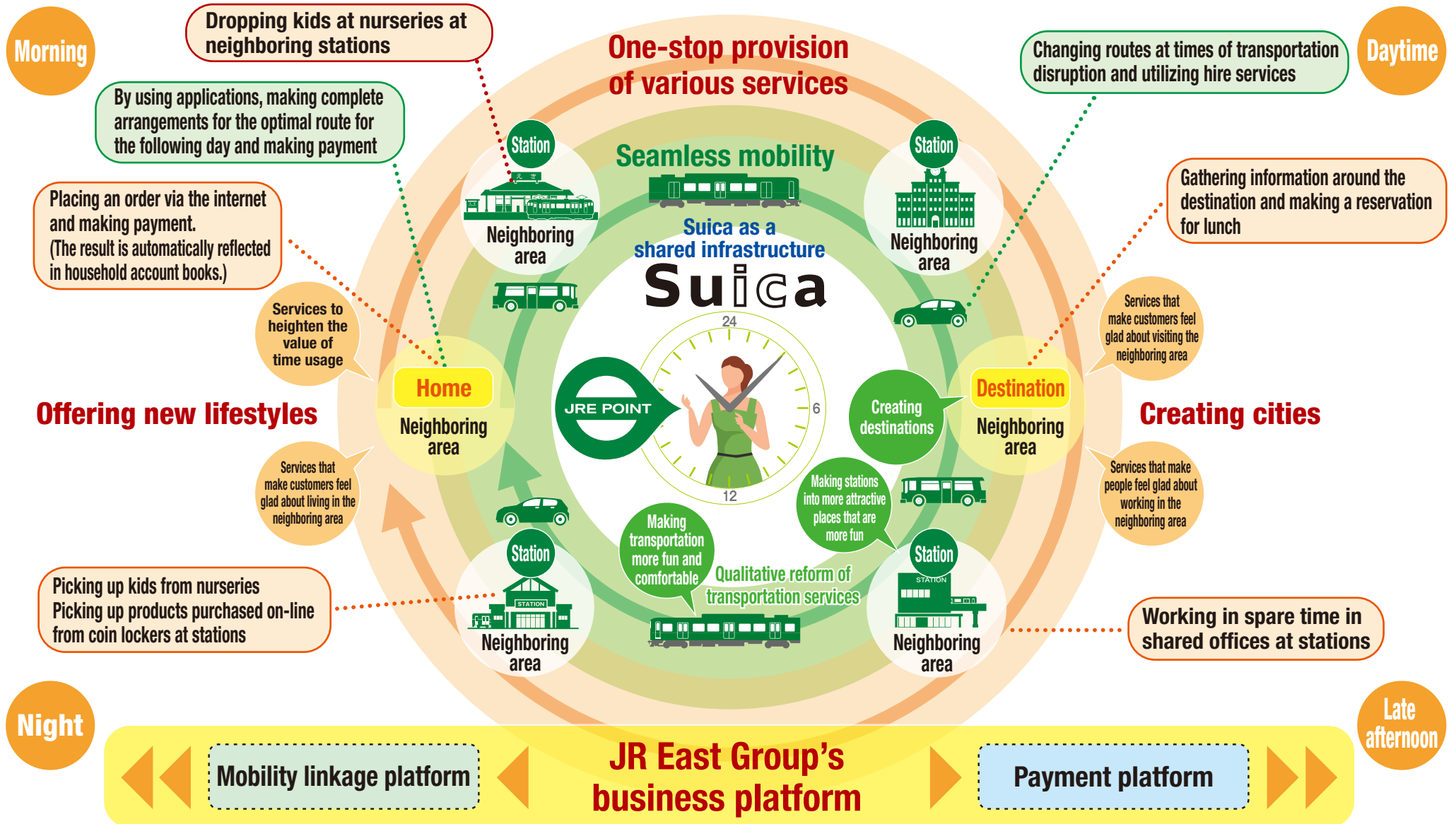
Specific efforts

- **Offering multi-faceted services** tailored to individual needs via JRE POINT
- **Reduction in total travel time** by mobility linkage platform
- **Qualitative reform of transportation services** by further improving the safety and reliability of transportation
- **Offering new lifestyles and creating cities** that further enhance convenience and comfort in people's daily lives
- **Increasing opportunities to use Suica** through partnerships with various payment methods

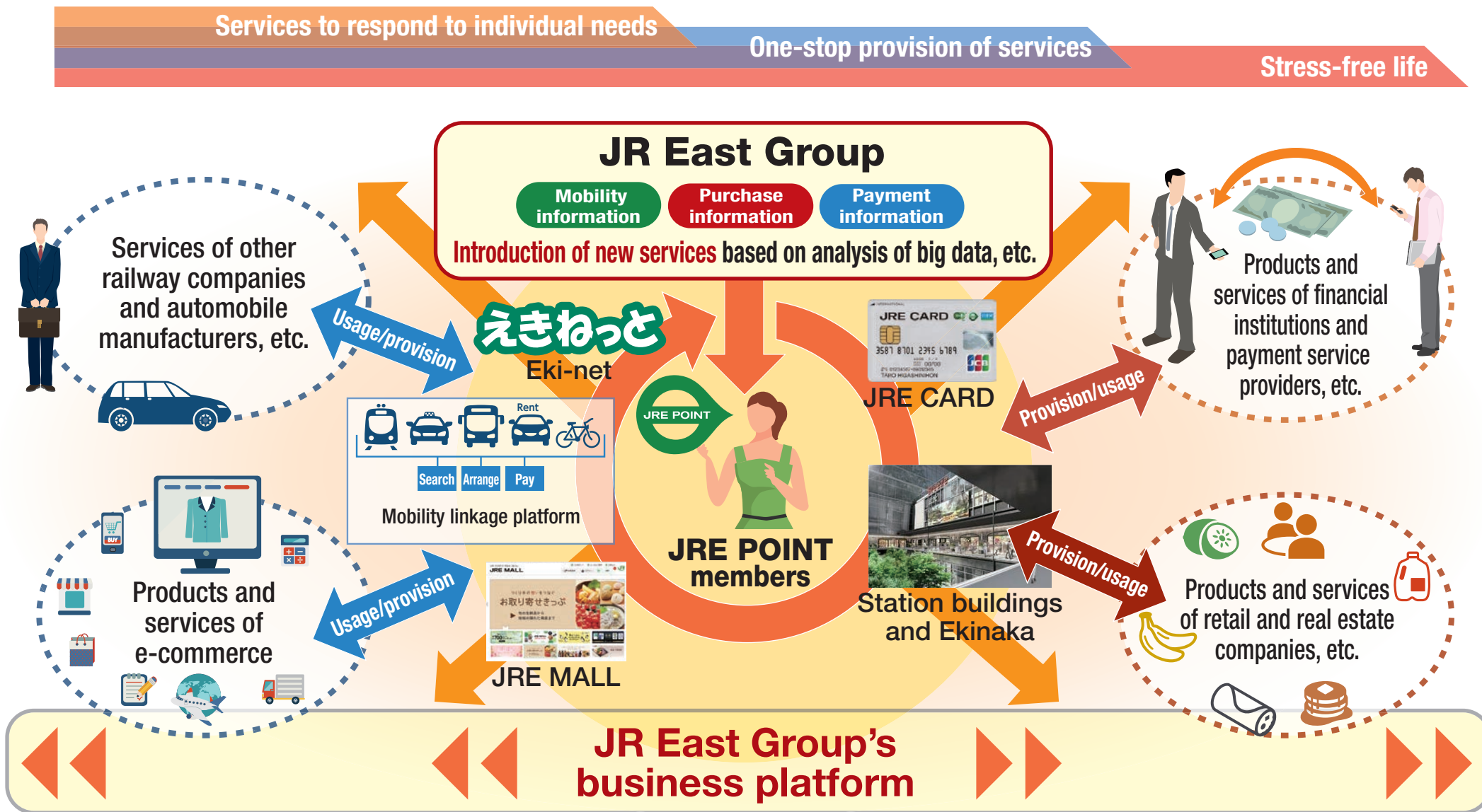


6. (2) 【Making cities more comfortable】 Targets

By delivering seamless transportation and various services as part of our “one-stop” offering, we will provide an environment where customers can choose the optimal transportation, purchasing and payment services for their daily lives 24 hours a day.



- By widely connecting various services by JRE POINT, we will expand and accelerate the introduction of new services. At the same time, by carefully responding to individual needs and providing one-stop convenience for a variety of services, we help to create a stress-free living environment for customers.



6. (2) 【Making cities more comfortable】 Realization of seamless mobility

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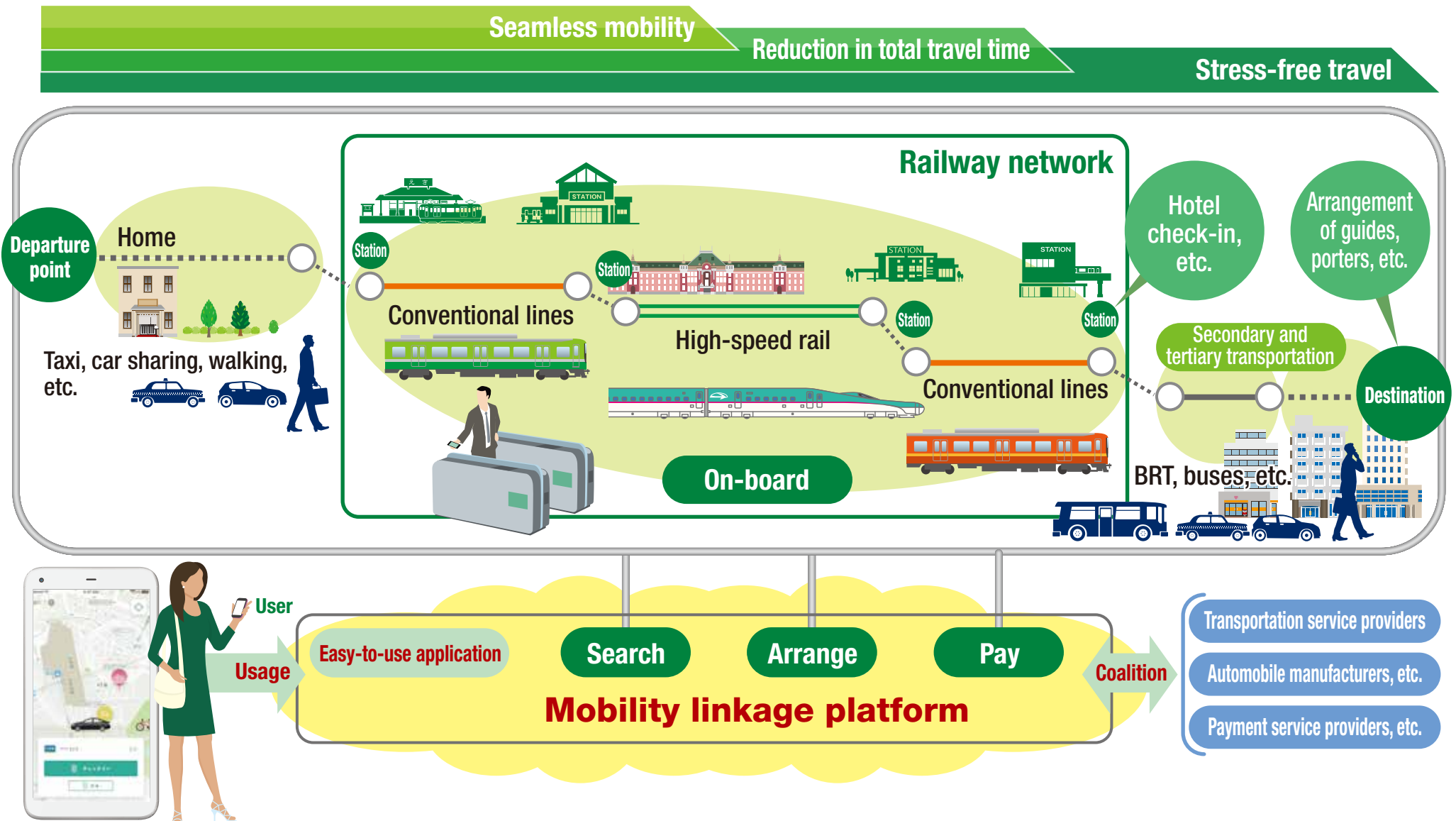
Regional areas

World

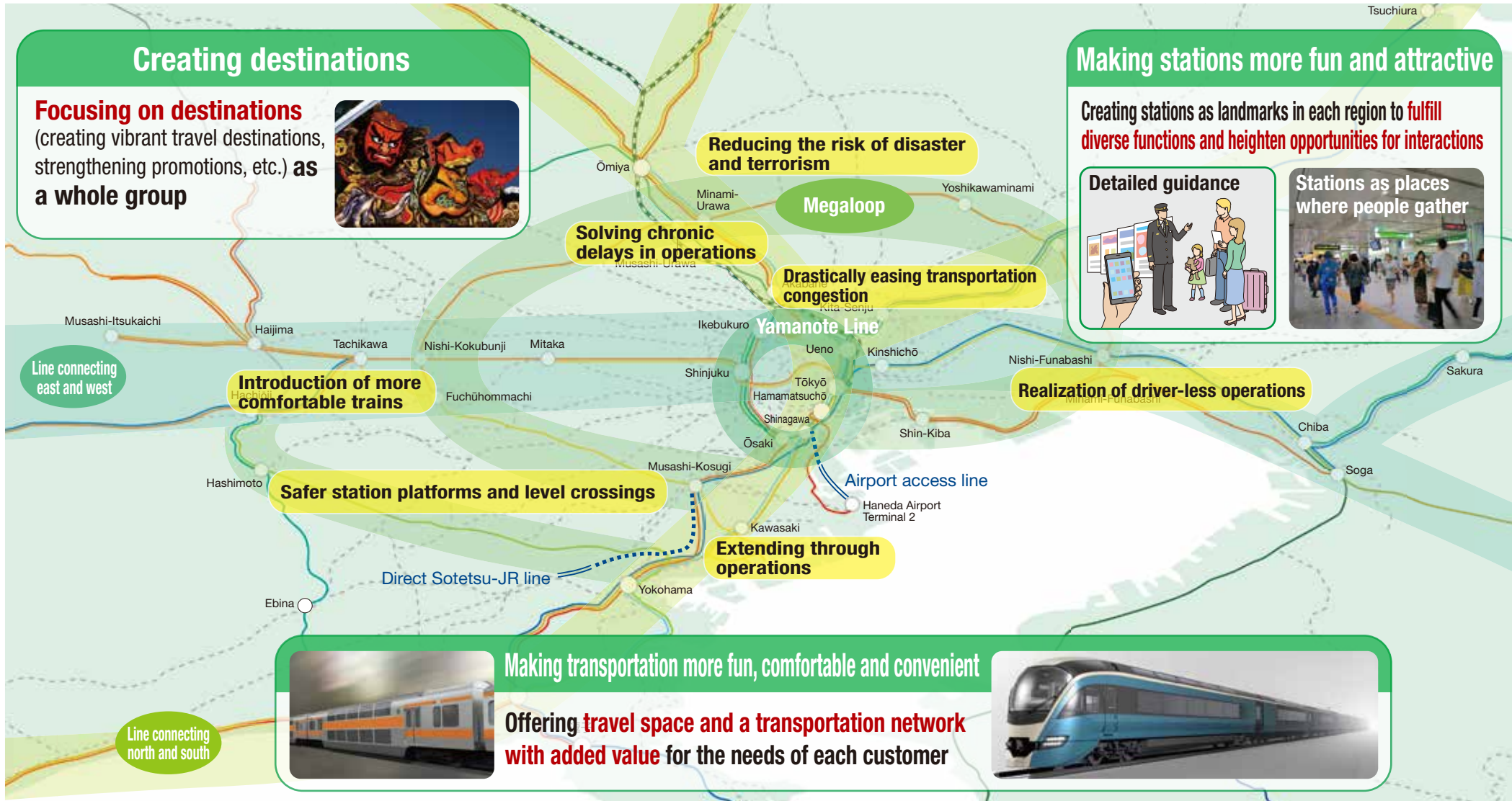
Targets

“Move Up” 2027

- JR East will undertake initiatives for the realization of seamless mobility by utilizing its mobility linkage platform, providing all-in-one-services that offer the necessary transportation information as well as purchasing and payment options to customers, enabling stress-free travel and a reduction in total travel time.



■ With the improvement of the safety and reliability of transportation as our foundation, **we will qualitatively reform our transportation services** by creating destinations for our customers, making stations more fun and attractive, and making transportation more fun, comfortable and convenient.



Increasing safety and reliability of transportation

■ Introduce Smart trains by qualitatively reforming railways from various perspectives including operations and services.

Services

- Realization of **next-generation ticketing systems** and **touch-less and gate-less ticketing**
- Realization of **next-generation Shinkansen (360 km/h)**



Smart trains

Environment

- Development of **fuel-cell railcars** using hydrogen as energy



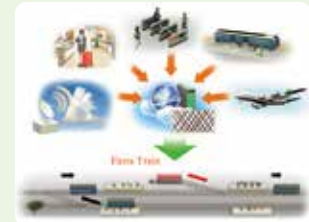
Safety

- **Improving security and safety** by utilizing **sensor technologies** for platforms and level crossings



Train operations

- Realization of **driver-less operations**
- **Speedy recovery of train service delays** by ICT at times of transportation disorder



Maintenance

- Introduction of **robots** for maintenance
- Utilization of **drones** to understand situations at disaster and accident sites
- Realization of **smart maintenance** to respond to the condition of facilities and rolling stock



Major effects

- Realization of seamless mobility by offering **direct access from multiple directions** (reduction in travel time and elimination of transfers)
- Responding to a further increase in transportation needs (between each section of the Tokyo metropolitan area and the airport) by **reinforcing transportation capacity** (by approx. 1.8 times the current level) and **increasing redundancy** to offer multiple options



Between Shinjuku and Haneda Airport	Time required	No. of transfer
Via Tokyo Monorail	Approx. 48 min.	1 (Hamamatsu-cho)
Via Keikyu	Approx. 43 min.	1 (Shinagawa)

	Time required	No. of transfer
West Yamanote route	Approx. 23 min.	N/A

Between Tokyo and Haneda Airport	Time required	No. of transfer
Via Tokyo Monorail	Approx. 28 min.	1 (Hamamatsu-cho)
Via Keikyu	Approx. 33 min.	1 (Shinagawa)

	Time required	No. of transfer
East Yamanote route	Approx. 18 min.	N/A

Between Shin-Kiba and Haneda Airport	Time required	No. of transfer
Via Tokyo Monorail	Approx. 41 min.	1 (Tennozu Isle)

	Time required	No. of transfer
Coastal area route	Approx. 20 min.	N/A

6. (2) 【Making cities more comfortable】 Offering new lifestyles and creating cities

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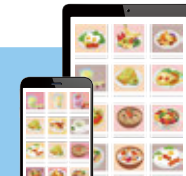
- Offering new lifestyles and creating cities that people feel are good to live in, good to work in, and good to visit.
- By further improving services, we will enhance convenience and comfort levels for citizens, workers, and travelers, etc.

Unmanned stores

Real-time display
of congestion

Services to improve the time
value of our daily lives

On-line reservation and
payment systems for stores



People in communities

(family, elderly, etc.)

One-stop services

Clinics, nurseries, after-school childcare, libraries, municipal services, home-delivery, etc. which are directly connected to stations



Services for members

Watch over services for kids, etc.



Residential services



Strengthening interaction between generations and reinforcing community

Travelers



Further improving safety levels at stations

Baggage service, AR guidance, automatic detection of people in need of guidance

Strengthening coalitions between facilities and services

Parcel delivery services, etc.



Workers

Home-delivery pick-up services at stations
Proxy services for shopping, parcel reception, etc.

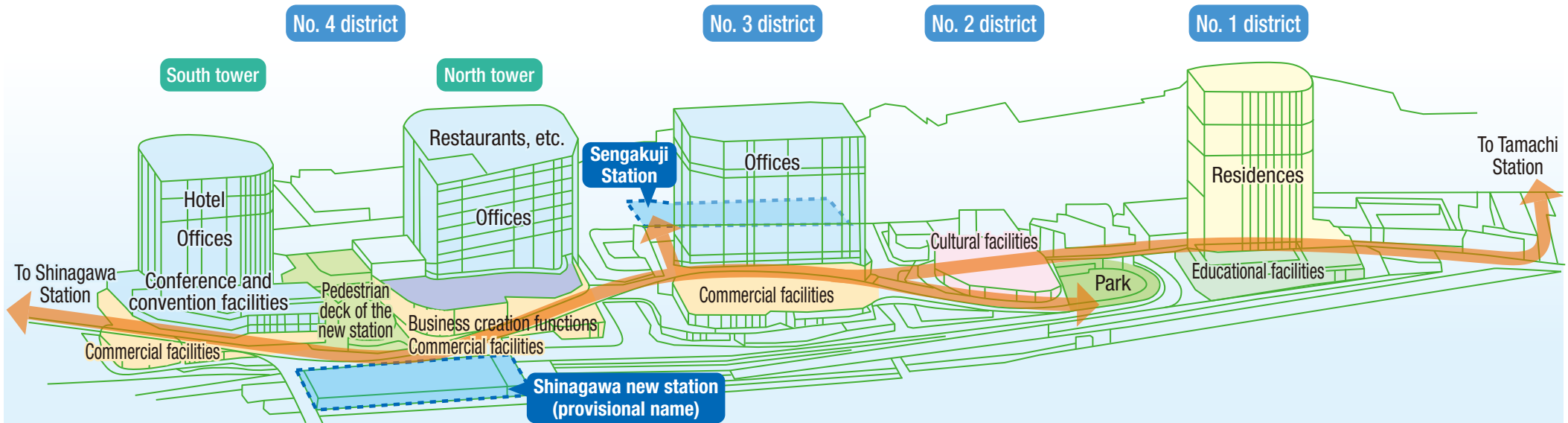


Utilization of spare time

Workspace, employment assistance, etc. at Ekinaka (at stations)



■ **Creating a new international hub** where leading-edge companies and people from around the world come together, and new businesses and cultures are created through diverse interaction.



Urban development of global standards
The latest urban infrastructures, functions, and environments attracting attention from the world

Showcasing JR East's new challenges
Utilizing JR East's resources and making various proposals to cope with social change



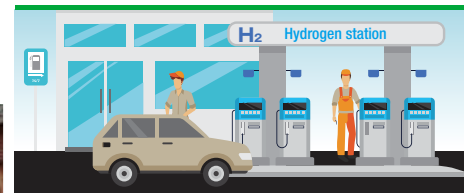
Vibrant plaza and pedestrian network



Unique and quality space



Connections to neighboring communities



Efforts to realize a hydrogen society



Transfer between railways and secondary transportation modes at the new station



MICE and offices



Commercial and cultural facilities



Hotels and residences

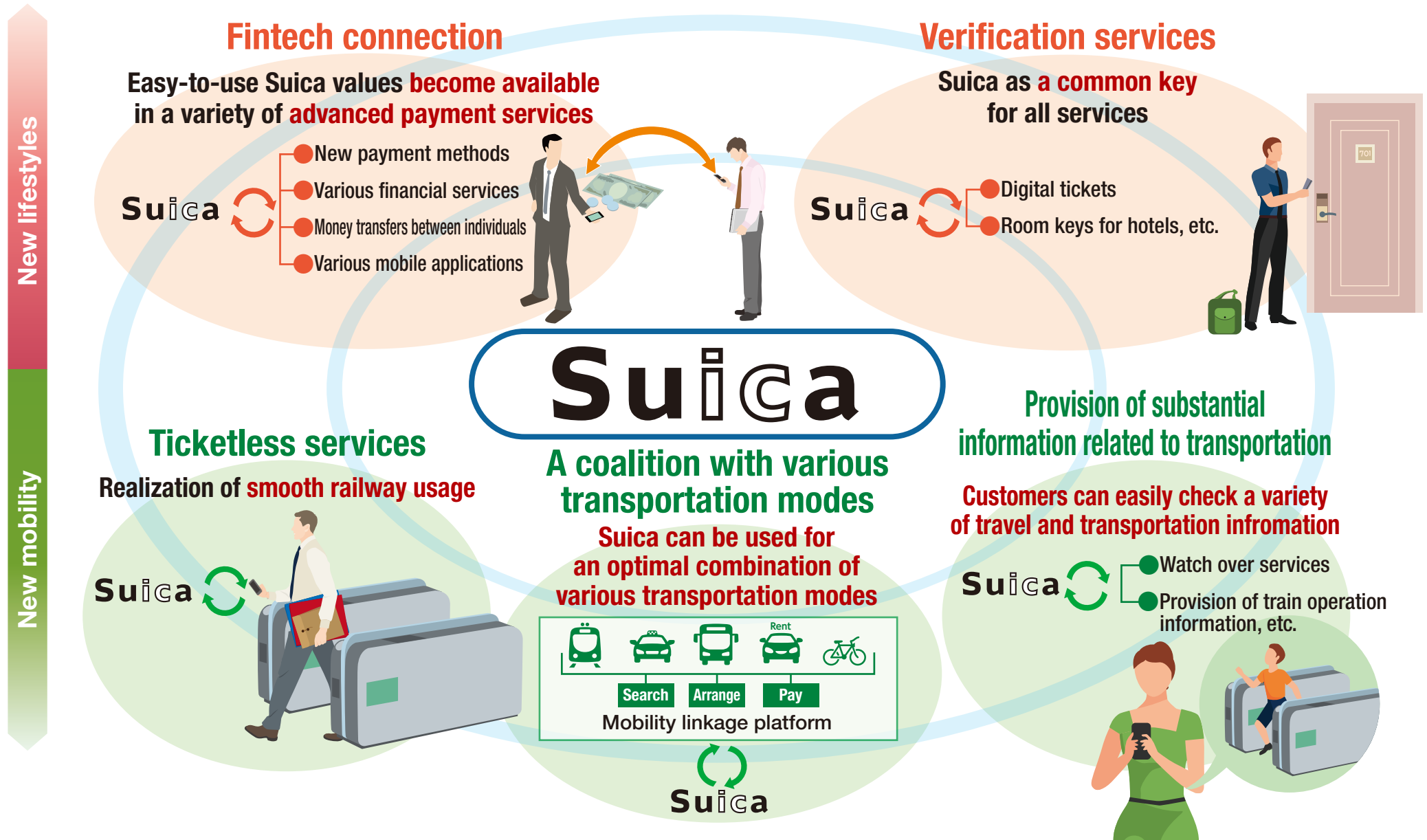


Support for start-ups



Laboratory functions to try new ideas

■ Making Suica a shared infrastructure by linking Suica with various other payment methods and applications so that Suica can be used in a full range of activities in our daily lives.



Making regional areas more affluent

Targets

With a sustainable social foundation, **we aim to offer services for affluent living** for all people through active interaction.

Policies

- Making Suica a shared infrastructure in compact cities
- Transformation to more convenient and sustainable transportation services
- Promoting regional revitalization in the way that only JR East Group can

Specific efforts

- Promoting regional societies with well-established compatibility between **Suica and various regional services**
- **Establishing safe and seamless regional transportation networks** to respond to the characteristics of each region
- **Urban development around regional core stations** in coalition with regional municipalities, etc.
- **Revitalizing the regional economy** by expanding sales channels in the Tokyo metropolitan area and by developing industry by using the sextic industrialization approach that integrates primary, secondary and tertiary sectors including processing, logistics and marketing
- **Expanding tourism interaction among regions and also inside each region** in coalition with each region



6. (3) 【Making regional areas more affluent】 Targets

By promoting tourism, revitalizing communities, reforming transportation services, and undertaking town planning projects, **we will achieve compact cities and networking.**

Network to respond to characteristics of each region

Active interaction both between regions and inside regions

Affluent living

【Reformation of transportation services】



Switching to transportation modes depending on characteristics of each region

Realization of seamless and safe mobility

Coalitions with other networks

【Promoting tourism】

Finding new regional tourism resources and promoting the attractiveness of each region

Development of sightseeing routes covering large areas

Operating Joyful Trains

Responding to inbound travel demand from overseas



People

Cities

Regional areas

Making Suica a shared infrastructure

Suica

Station

Toward compact cities and networking



Development of quality lifestyle services near stations

Participation in revitalization of central urban districts

As hubs (community, energy, disaster prevention)

Strengthening gateway functions of stations

【Town planning around stations】



Promoting the sextic industrialization of agriculture, forestry and fisheries including processing, logistics and marketing



Expanding sales channels and distributing information on regional specialties

Supporting regional cultural projects

Promoting renewable energy

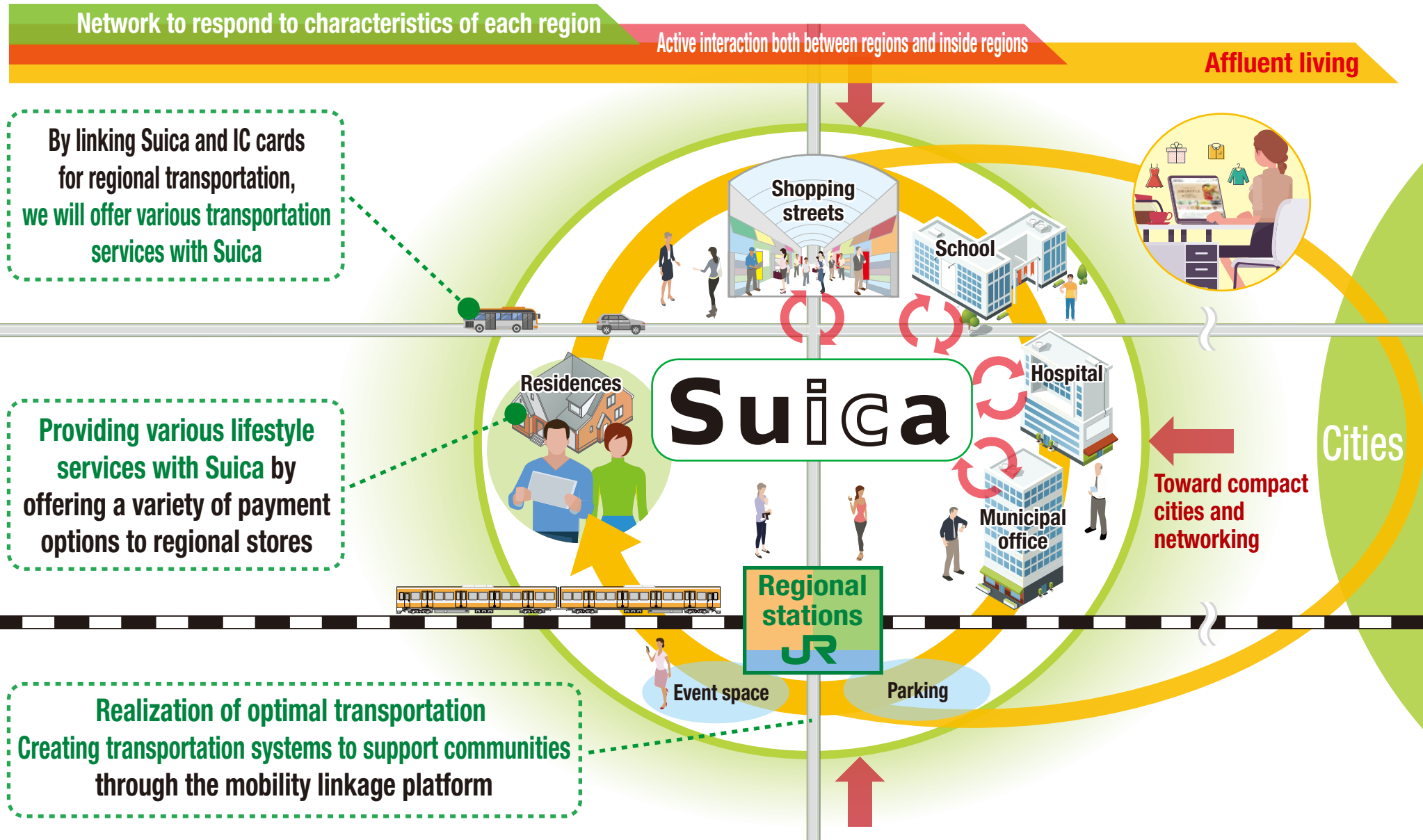
【Revitalization of regions】

Products



6. (3) 【Making regional areas more affluent】 Making Suica a shared infrastructure

By making Suica a shared infrastructure by combining necessary functions for regional needs, and by connecting people to JR East Group’s network, we will offer an environment where customers have access to various services anywhere anytime.



6. (3) 【Making regional areas more affluent】 Stations as regional hubs

In addition to efficiently offering existing station functions (travel guidance, etc.) at regional stations, **we will promote the introduction of post offices and facilities for communities**, improving convenience around stations and **making stations into hubs in each region.**



By finding and producing attractive raw materials of each region, participating in the processing business to utilize raw materials, and strengthening distribution functions including those outside JR East Group, **we will establish sustainable supply chains and regenerate regional economies.**

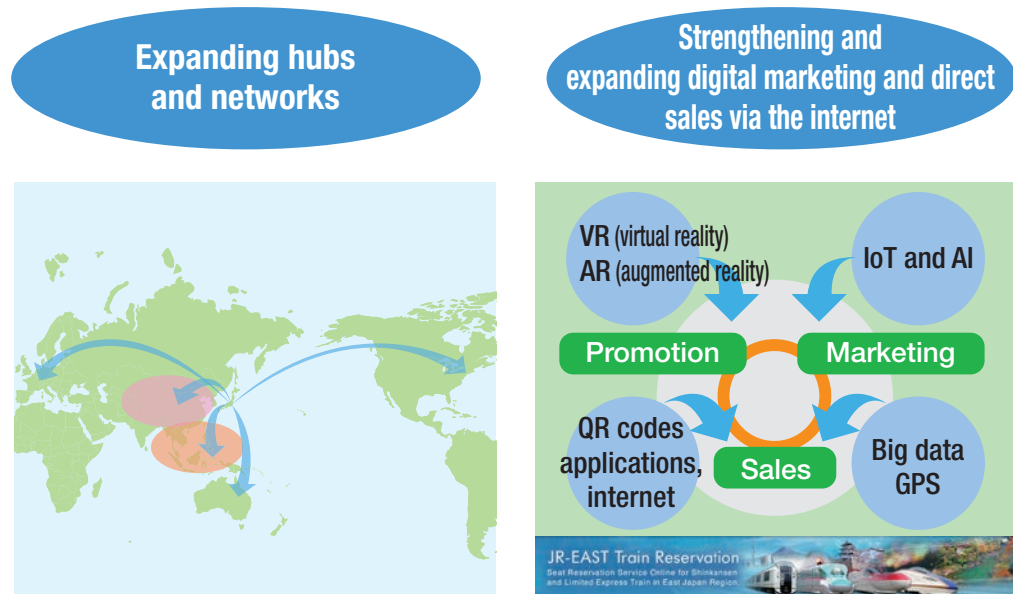


6. (3)【Making regional areas more affluent】 Promoting inbound tourism strategies

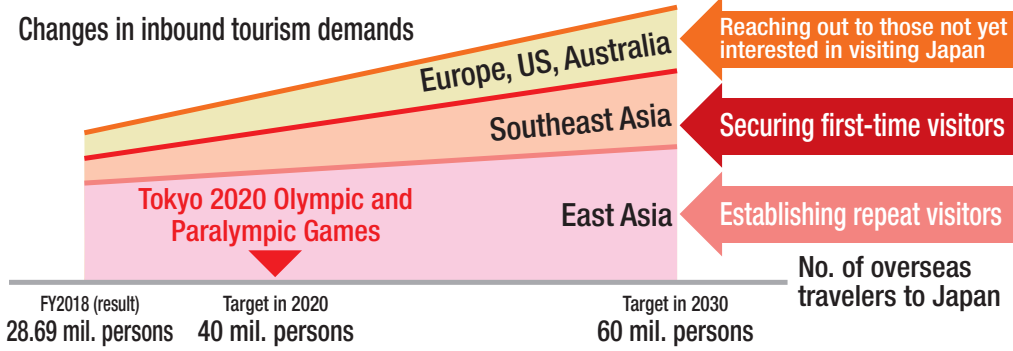
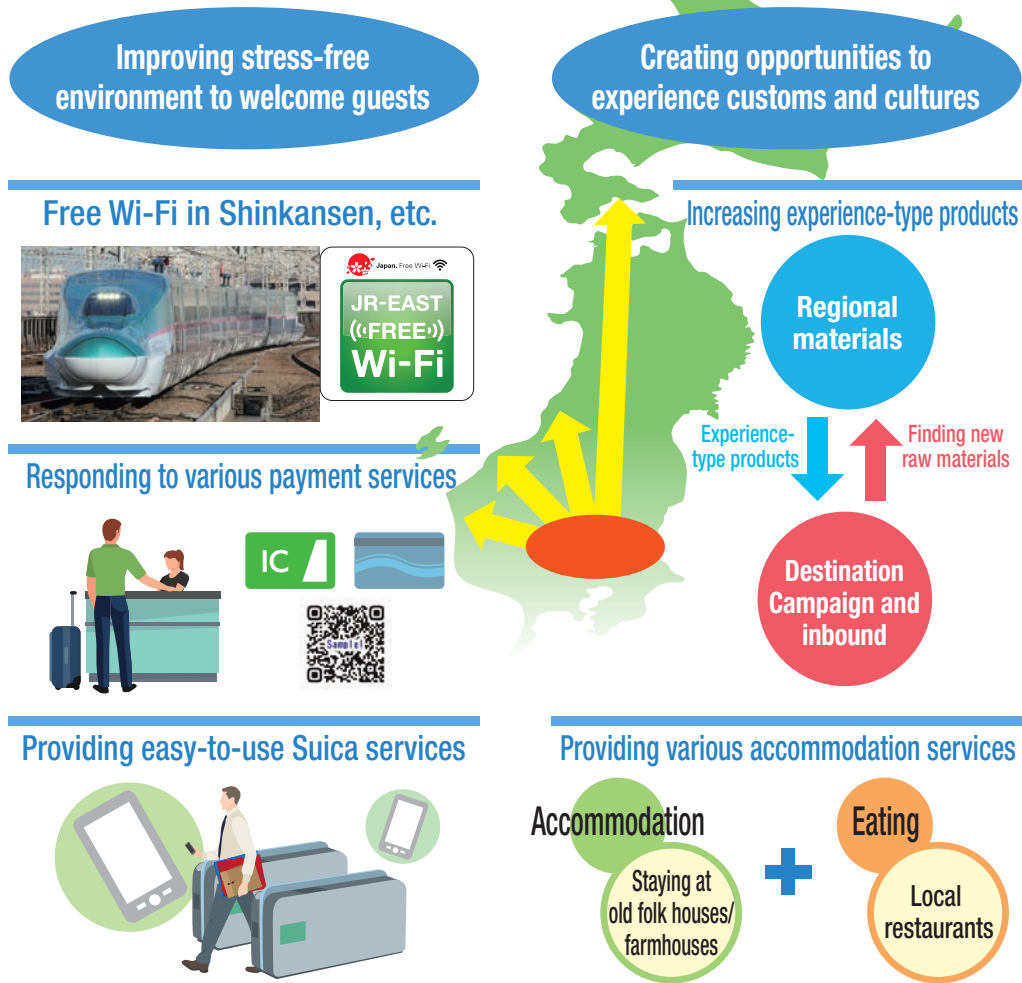
With the Tokyo metropolitan area as the base point, we aim to revitalize regional cities by expanding inbound travel demand and encouraging tourists to visit regional cities.

Inbound travel revenue forecast (plan)		FY2019	FY2023	FY2028
Railway Business		27 bil. yen	38 bil. yen	47 bil. yen
Lifestyle Business		15 bil. yen	22 bil. yen	27 bil. yen

Strengthening promotions mainly for private travelers from Asia



From Tokyo metropolitan area to Tohoku and Shinetsu regions



Developing
businesses
for the world

Targets

By establishing business models for overseas businesses, we aim to help create more affluent lifestyles mainly in Asia.

Policies

- Development of personnel and improvement of technological capabilities through overseas projects
- Establishing business models for overseas businesses through the concerted efforts of JR East Group
- Long-term, sustainable overseas business management

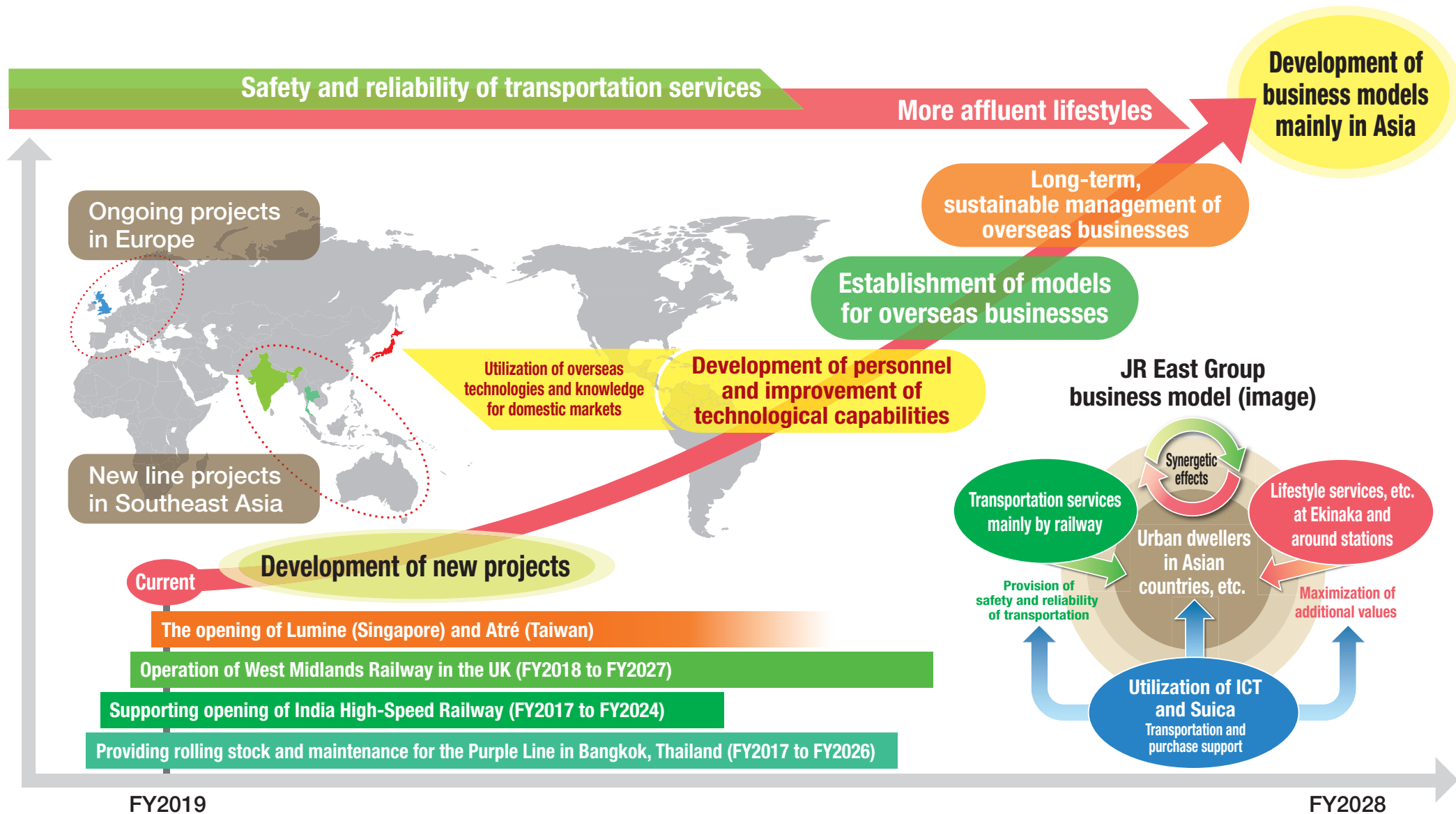
Specific efforts

- Developing personnel through overseas projects and utilizing acquired overseas technologies and knowledge for domestic markets
- Creating more affluent lifestyles by utilizing the comprehensive capabilities of JR East Group
- Controlling the risk of each project and generating profit over the long term



6. (4)【Developing businesses for the world】Targets

■ By packaging our transportation services, lifestyle services, etc. to match the needs of each country we will offer more affluent lifestyles for global markets.



6. (5) Numerical targets (FY2023)

Financing

【Consolidated operating cash flow】

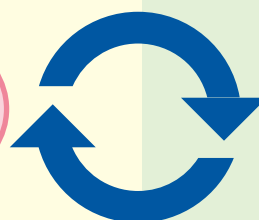
- With safety and reliability of transportation as our foundation, we will increase operating cash flow by offering new services to respond to needs of customers.
- We aim to expand the scale of our operating revenues.

Corporate bonds, loans, etc.

Consolidated accumulated operating cash flow 3.72 tril. yen

Deposit balance, etc.

Investing the generated cash



By utilizing assets efficiently, maximizing profits

Priority budget allocation 400 bil. yen

Growth investment 1.44 tril. yen

Total capital expenditures 3.75 tril. yen

Investment needed for the continuous operation of business 1.91 tril. yen

Shareholder returns

Money usage

【Priority budget allocation (investment for innovation, etc.)】

- Promoting investment for technological innovation (5 years)

【Growth investment】

- Based on new criteria for the judgement of investments, we actively invest for future growth.

【Investment needed for the continuous operation of business】

- We flexibly invest at or close to an amount equal to consolidated depreciation expense.

《Management index targets》

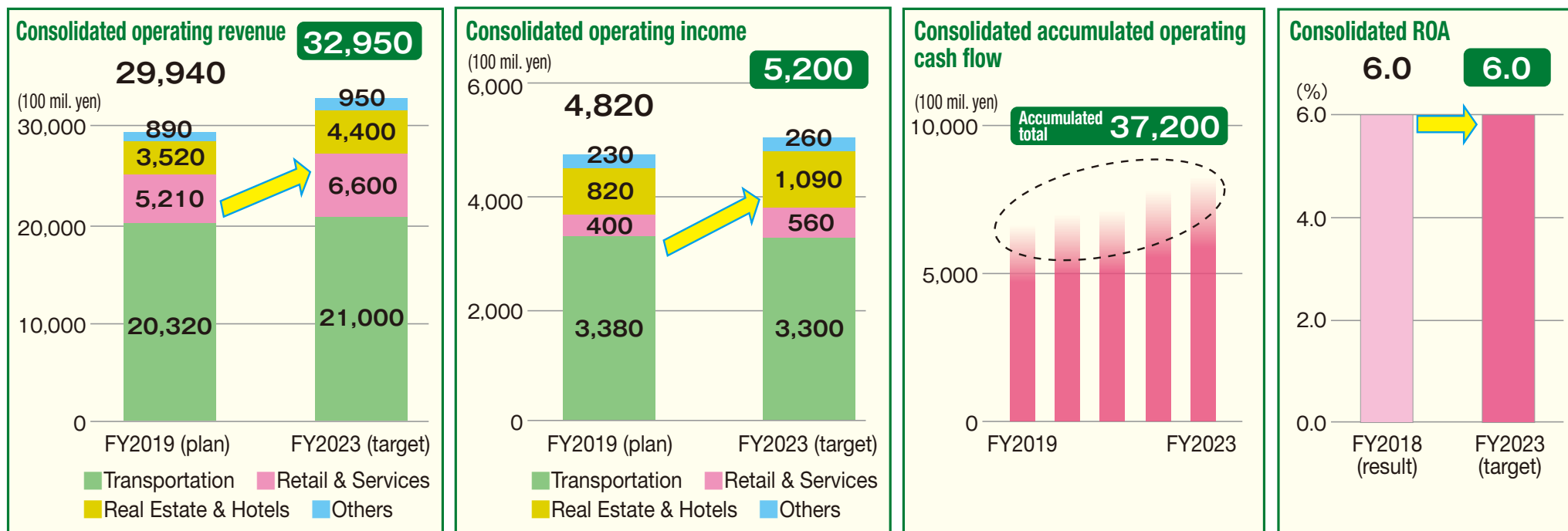
- Consolidated accumulated operating cash flow
- Consolidated ROA (operating income rate for total assets = operating income ÷ total assets)

《Mid- to long-term mindset》

- The balance of consolidated interest-bearing debt should correspond to the consolidated operating revenue and profit.
- Total return ratio is targeted to be 40%. Dividend payout ratio is targeted to be 30%.

6. (5) Numerical targets (FY2023), etc.

- To achieve our reforms in the coming 10 years, we will set **numerical targets for the first 5 years (FY2023)**, i.e. for the first half of the period.



Values to create	Focus points	Numerical targets for specific actions (FY2023)	
Affluence	People's daily lives	<ul style="list-style-type: none"> ○ Mobility Linkage Platform: Service usage: 30 mil. transactions/month ○ Ticketless service usage rate for JR East Shinkansen: 50% ○ No. of childcare support facilities: 150 locations in total 	<ul style="list-style-type: none"> ○ No. of shared offices: 30 locations in total ○ No. of JRE MALL members: 700,000 persons ○ No. of JRE POINT members: 16 mil. persons ○ E-money usage such as Suica: 300 mil. transactions/month
Trust	Safety	<ul style="list-style-type: none"> ○ Accidents due to internal causes: 0 ○ Serious incidents: 0 ○ Railway accidents: 20% reduction (from FY2018 level) Of which accidents on platforms involving personal injuries: 30% reduction (from FY2018 level) 	<ul style="list-style-type: none"> ○ Transportation disruptions due to internal causes (from FY2018 level) Conventional lines within 100-km range of Tokyo: 50% reduction JR East Shinkansen: 75% reduction ○ Total delay time for conventional lines in Tokyo metropolitan area: 20% reduction (from FY2018 level)

TICKET
TO
TOMORROW

