

Putting Group Policies into Practice: *New Frontier 2008*

– By continuing to fulfill our role as a Trusted Lifestyle Service Creating Group, we will contribute to the building of a sustainable society –

New Frontier 2008, which we announced in January 2005 as our new medium-term business plan, indicates our targets to be achieved over the four years to 2008, based on the Group Policies and Action Guidelines that make up our philosophy.

The JR East Group will fulfill its corporate social responsibility by playing a part in the development of local communities, through providing reliable transportation services and value creation, while growing sustainably as a corporate group.

Group Policies
Action Guidelines

Medium-Term
Business Plan

Specific
Activities

JR East Group Medium-Term Business Plan

New Frontier 2008: New Creation and Evolution (2005-2008)

Basic Management Policy (3 Reforms)

Offering Services that Reflect the Customer's Viewpoint
Challenge ourselves to meet customer expectations.

Building a Robust Group
Enhance the competitiveness and collective strength of the corporate group based on self-reliant management.

Fulfilling Social Responsibility and Achieving Sustainable Growth
Sustain corporate growth by offering improved quality of life.

Group Policies

The JR East Group will aim to function as a corporate group capable of providing high quality and advanced services with station and railway businesses at its core.

For this purpose, every individual employee of the group will endeavor, looking from the customers' viewpoint, to support safe and punctual transportation and supply convenient and high-quality services, and take on the challenge of improving the standard of services and raising the level of technology in order to further gain the confidence and trust of our customers.

As a Trusted Life-Style Service Creating Group, we will go forward with our customers, to perform our social responsibility while ensuring profitability for the group's sustainable growth.

Action Guidelines

1. Customer Focus

We meet our customers' expectations by offering cordial, user-friendly services.

2. Safety and Quality

We provide safe and punctual transportation and high-quality services.

3. Group Development

All employees work together for growth of the Group, through self-reliance, collaboration, and a willingness to challenge.

Creating New Customer Values (6 Challenges)

Continue relentless efforts to provide safe and reliable transportation.

- Consistently implement *Safety Plan 2008*.
- Make transportation safer.
- Take countermeasures against large earthquakes.

The seismic upgrade project



Reinvent stations.

- Make stations easy to navigate and use.
- Make stations reliable and safe.
- Make stations comfortable and convenient.

Creating attractive urban spaces



Further enhance the convenience and comfort of railway operations.

- Enhance convenience and comfort of railway operations.
- Offer new services.
- Enhance the level of hospitality services.

Introducing of new railcar models



Grow non-transportation operations further.

- Utilize synergies between new services and the railways.
- Boost market competitiveness.
- Reorganize and integrate corporations according to industry type and structure.

Utilizing station space



Enhance lifestyles through the *Suica* brand.

- Promote interchangeable use with other transportation companies.
- Develop new services.
- Expand number of stores accepting *Suica* as electronic payment.

Mobile *Suica*



Focus on research and development.

- Enhance safety and reliability.
- Enhance convenience and comfort.
- Reduce costs.
- Contribute to global environmental protection.
- Promote the development of existing stations.

Prototype Shinkansen FASTECH 360S



Utilize the Synergies of the Group