

Thriving with Communities, Growing Globally

In October 2012, we formulated our medium-term management plan called the "JR East Group Management Vision V—Ever Onward." Within this vision, we outlined our fundamental aspiration of "Thriving with Communities, Growing Globally." We will continue our endeavors to fulfill our Eternal Mission, as defined by the expectations of customers and indeed local communities. At the same time, we will remain steadfast in our daily mission to realize the "Unlimited potential" of our railways.

Eternal Mission

Our Eternal Mission is very straightforward. It involves contributing to the development of communities through the provision of safe and high-quality services. With the further improvement of safety and stable transport as our top priority, the JR East Group will gather all its strengths to solve these issues. Specifically, based on the JR East's Group Safety Plan 2018, we will reinforce safety-related facilities to eliminate any vulnerable points, review safety education and training to make them even more practical, and further enhance technical capabilities together with both Group and partner companies. We will steadily proceed with the improvement of platform doors, promote countermeasures against natural disasters such as earthquakes or heavy rainfall and against accidents at level crossings, while continuing our efforts towards a further enhancement of overall safety levels. Moreover, by responding to situations in recent times, we will further strengthen all security measures at train stations and on board our trains. Additionally, as detailed in our Medium-term Vision for Service Quality Reforms 2017, JR East will continue its efforts to further enhance the quality of its transport services by offering steady transport services and reinforcing its responsiveness at times of disruption to services.

In addition, following the opening of the Hokuriku Shinkansen line in March 2015, and by fully utilizing the expansion of its railway network as a result of the opening of the Hokkaido Shinkansen in March 2016, JR East aims to further increase the flow of people across regions by railway. At the same time, to increase tourist numbers, we are preparing for the commencement of operations of our cruise train, TRAIN SUITE SHIKI-SHIMA, and we will also continue our tourism campaigns for the Tohoku region, with the intention of achieving restoration from the earthquake disaster of March 2011. To invite active inbound tourist flows to JR East service areas, we are focusing on the improvement of products and systems to respond to their potential needs. Also, as part of our efforts for regional revitalization, we will work on the expansion of agriculture, forestry and fisheries to include food processing, logistics and marketing, and also urban development of major regional cities such as Akita.

Additionally, as measures for the future such as the JR SHINJUKU MIRAINA TOWER, we will develop large-scale terminal train stations at Chiba, Yokohama and Shibuya. Through development of line-side area brands that will be chosen by customers, such as our HAPPY CHILD PROJECT, we will work on the revitalization of wayside areas. In particular, for the area close to Shinagawa and Tamachi train stations, mainly a new station between the stations with a planned temporary opening in 2020, while continuing our coalition with the national government, the Tokyo Metropolitan Government and related wards in Tokyo, we will proceed with necessary arrangements for urban development. To make the area a new gateway to Japan, we hope to transform it into an attractive international hub.

In relation to the Tokyo 2020 Olympic and Paralympic Games, as an Official Passenger Rail Transportation Services Partner, JR East will support the operations of the games and work on generating momentum toward the actual opening of the Olympics itself.

Pursuit of unlimited potential

While working to fulfill these Eternal Missions, we will also continue to pursue our unlimited potential through a focus on technological innovation, globalization, and the provision of increased opportunities for motivated employees in our Group. Specifically, we will promote the evolution of railways with open innovation through



the utilization of external development capabilities and intellectual properties and by vigorous technological innovation in fields such as artificial intelligence. We also aim to exploit our expertise in terms of rolling stock manufacturing, maintenance and railway operations to develop business enterprises in global markets. Through measures such as these, we are endeavoring to actively increase areas of business for our employees and to expand on opportunities to foster globally competitive individuals.

In response to the Paris Agreement at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21) in December 2015, the Japanese government formulated its Plan for Global Warming Countermeasures to achieve certain set targets in May 2016. Based on the plan, for JR East's core railway business, the company has set new targets to reduce energy consumption by 25% and its CO₂ emissions by 40% in FY2031 from FY2014 levels.

As part of our continued efforts for the realization of environmental targets for our railway business with regard to the reduction of energy consumption to a level of 6.2% by FY2021 from FY2014 levels, we are working on the introduction of energy saving vehicles and LEDs for our lighting needs, while at the same time improving our "ecoste" ecological model train stations by incorporating various technologies for the preservation of the environment. In relation to the introduction of smart grid technologies, while expanding the introduction of energy management systems at our train stations, and to efficiently utilize regenerative energy generated from the deceleration of trains, in February 2016, we started the use of power storage systems at Kuki substation for the Tohoku Main Line.

Furthermore, to achieve all new targets set for FY2031, we will also review system evolutions such as the realization of automatic energy-saving driving and the utilization of high-performance storage batteries.

Towards the future

The JR East Group was established as a result of the reform of Japanese National Railways (JNR). Following privatization, we have long continued with our sound management to the present date.

In April 2017, we will celebrate our 30th anniversary since the foundation of the company. Going forward, the JR East Group remains committed to its collective efforts to fulfill the group's "Eternal Mission" to provide safe and high-quality services and contribute to local communities. At the same time, we aim to continue our efforts toward technical innovation and globalization, working together with neighboring communities to discover many new and exciting possibilities for the future.

October 2016

East Japan Railway Company
President and CEO

Tetsuro Tomita

