

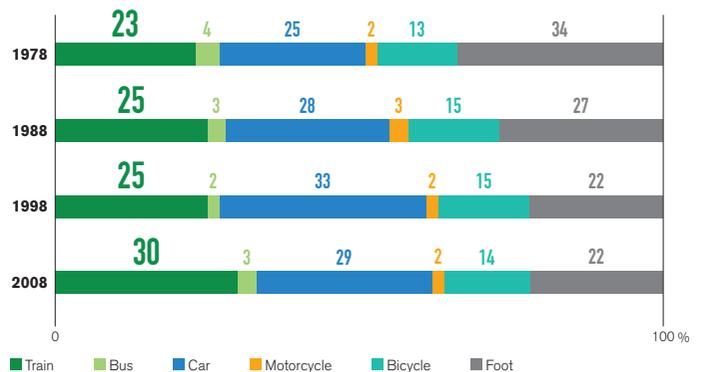
# INTERCONNECTED Value Our Businesses

## AN OVERWHELMINGLY SOLID AND ADVANTAGEOUS RAILWAY NETWORK

The railway business of the JR East Group covers the eastern half of Honshu island (Japan's main island), which includes the Tokyo metropolitan area. We provide transportation services via our Shinkansen network, which connects Tokyo with regional cities in five directions, as well as conventional lines in the Kanto area and other networks. Our networks combine to cover 7,474.2 kilometers and serve 17 million people daily. We are the largest railway company in Japan and one of the largest in the world.

The Tokyo metropolitan area, where we are based, has seen a dramatic increase in railway convenience in recent years. Consequently the share of railways in the transportation mix is rising even higher. In fiscal 2015, JR East will spare no effort in preparing for the opening of the Hokuriku Shinkansen Line to Kanazawa and the Ueno–Tokyo Line. The added convenience from the lines opening will then be leveraged to the hilt by JR East to maximize railway usage.

PROPORTION OF TRANSPORT CARRIED BY DIFFERENT MEANS OF TRANSPORT IN TOKYO URBAN AREA



• The 5th Tokyo urban area person trip survey, Tokyo urban area traffic plan meeting, Nov. 2009.  
Note: Tokyo Urban Area: Tokyo Metropolis, Kanagawa Prefecture, Saitama Prefecture, Chiba Prefecture, and the southern part of Ibaraki Prefecture.





## ACCELERATED GROWTH IN THE LIFE-STYLE SERVICE AND *SUICA* BUSINESSES

### LIFE-STYLE SERVICE BUSINESS

The Life-style Service business, which consists of in-station retail facilities, station buildings, hotels and other services, is one of the three pillars of the JR East Group, alongside the railway business and *Suica* business, and accounts for roughly 30% of the Group's operating revenues on a consolidated basis. Our stations see 17 million people pass through them every day, making them the JR East Group's largest management resource. We will continue to pursue the potential of station space while creating new, more appealing services from a community-building standpoint.

In addition to Tokyo Station, we are also promoting development projects focusing on large-scale terminal stations, such as Shinjuku, Shibuya, Yokohama, Chiba and Sendai, with a view to improving the value of those stations and the areas surrounding them.

### *SUICA* BUSINESS

More than 46 million *Suica* cards have been issued since the service was launched in November 2001. Our efforts to develop environments for using *Suica* on public transportation in major Japanese cities came to fruition in March 2013 with the birth of a network that allows mutual use of IC cards issued by 10 transportation companies all across Japan. Electronic money, another function of *Suica* that started in March 2004, has continued to add partners and extend the scope of settings and locations in which it can be used. In part thanks to the mutual usage, e-money services by transportation companies are now used up to 4 million times a day, and we are determined to continue expanding compatible stores to promote their use.

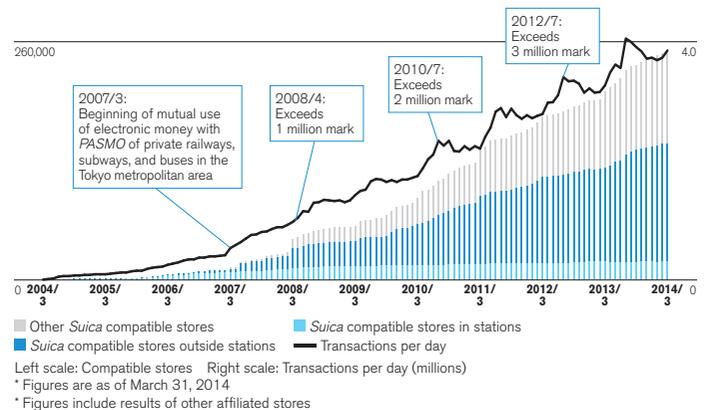
### NUMBER OF PASSENGERS

Millions



\* Figures are as of March 2014 for JR East, March 2012 for the U.K., December 2011 for France and Germany, and September 2010 for the U.S.

### *SUICA* ELECTRONIC MONEY-TRANSACTIONS AND COMPATIBLE STORES



FIRST  
STARTING  
POINT

**APRIL 1987**  
Founding of JR East

East Japan Railway Company (JR East) was established on April 1, 1987 following the division and privatization of Japanese National Railways (JNR). The reform of JNR marked the first starting point for JR East.

**JULY 1992**  
Launch of the Yamagata Shinkansen  
*Tsubasa* service

The Fukushima–Yamagata segment of the Yamagata Hybrid Shinkansen Line opened and *Tsubasa* super-express began service, marking the first Shinkansen through service to a conventional line.

**MARCH 1997**  
Debut of the Akita Shinkansen  
*Komachi* service

The Morioka–Akita segment of the Akita Hybrid Shinkansen Line opened and the *Komachi* super-express began a through service.

**FEBRUARY 2002**  
Launch of the *Station Renaissance*  
program with the opening of *atré Ueno*  
(Tokyo)

*atré Ueno* (Tokyo) opened when Ueno Station was redeveloped as the first project in the *Station Renaissance* program for major terminal stations.

**MARCH 2004**  
Start of use of *Suica* as  
electronic money

The electronic money (shopping service) operations of *Suica* began, realizing cashless settlement of small purchases.

**MARCH 2005**  
Opening of *ecute Omiya*  
(Saitama)

JR East opened *ecute Omiya* as the first shopping zone to its new business model of developing in-station retail spaces. Spacious and comfortable retail space was created.

# INTERCONNECTED Value

## Photographic Chronology of Value Creation a

SECOND  
STARTING  
POINT

**MARCH 2011**  
The Great East Japan Earthquake

The Great East Japan Earthquake wreaked unprecedented havoc on the Tohoku and Kanto regions in which JR East operates. This tragic day on March 11, 2011 was positioned as a second starting point for JR East to reflect on its roles and objectives in its evolution as a provider of railway social infrastructure.

**OCTOBER 2012**  
Grand re-opening of the Tokyo Station  
*Marunouchi Building*

A project to preserve and restore Tokyo Station's historically valuable *Marunouchi Building* to its original state was completed.

**MARCH 2013**  
Nationwide mutual usage of  
transportation company IC cards

Passenger convenience improved substantially when JR East united with nine other transportation companies to launch a mutual usage service for their IC cards.



### NOVEMBER 2001 Launch of Suica

Suica was introduced as a fare collection system based on an IC card. Usage area of Suica then expanded from the Tokyo metropolitan area to throughout Japan.

### DECEMBER 2001 Commencement of operations on the Shonan-Shinjuku Line

The Shonan-Shinjuku Line began operation, providing direct service between the Tokaido and Yokosuka lines and the Utsunomiya and Takasaki lines via Shinjuku Station, as a new network that runs north-south through the Tokyo metropolitan area.



### NOVEMBER 2007 Opening of GranTokyo North Tower (phase I) and GranTokyo South Tower (Tokyo)

Two super high-rise offices towering 200 meters in height were opened adjacent to the Yaesu Exit area of Tokyo Station.

### DECEMBER 2010 Opening of the Tohoku Shinkansen Line to Shin-Aomori

The Tohoku Shinkansen Line was extended from Hachinohe Station to Shin-Aomori Station. This significantly improved passenger access to Aomori Prefecture and Hokkaido.

## at JR East

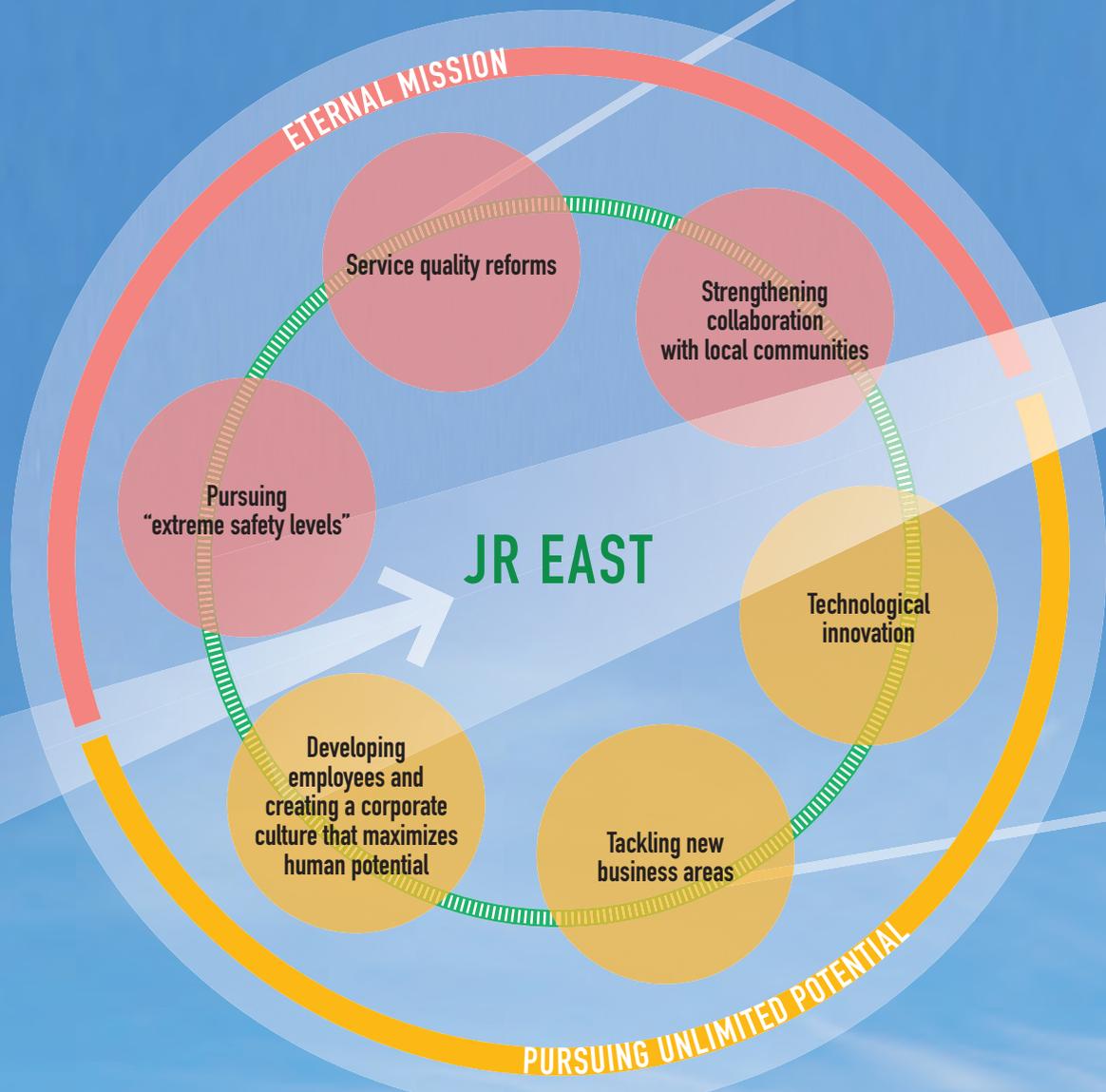


### MARCH 2015 (PLANNED) Opening of the Hokuriku Shinkansen Line to Kanazawa

Upon the scheduled opening of the Hokuriku Shinkansen Line from Nagano to Kanazawa, JR East expects to provide travel from Tokyo to Kanazawa in approximately two and a half hours.

### MARCH 2015 (PLANNED) Opening of the Ueno-Tokyo Line

The scheduled opening of this line for extending services on the Utsunomiya, Takasaki and Joban lines, currently terminating at Ueno Station, to Tokyo Station and beyond, will ease overcrowding and enhance rapidity for passengers.



# INTERCONNECTED Value

## Our Calling

### “THRIVING WITH COMMUNITIES, GROWING GLOBALLY”

The Great East Japan Earthquake poignantly reminded us of the fact that companies cannot thrive without sound and vibrant communities. The East Japan area, our home ground, and Japan as a whole currently face a host of issues. As a corporate citizen, we are determined to fulfill our mission and execute businesses unique to the JR East Group in an effort to help solve those issues. The goal is to draw a blueprint for the future together with members of the community as we do our part to build vibrant communities. This is what we mean by “thriving with communities.”

However, taking root in communities does not mean becoming complacent by turning inward. To continue to fulfill our mission, we must constantly transform ourselves and achieve growth. We must look outward and step out into the world, while actively seeking knowledge and technology externally. We believe that doing so will provide fertile ground for capturing new growth opportunities. To unlock our full potential, we must boldly step out into the world. That is what we mean by “growing globally.”

Accordingly, we have adopted “Thriving with Communities, Growing Globally” as the JR East Group’s new key phrase, in order to develop a shared understanding among all Group employees and achieve cohesive Group-wide management.

# THRIVING WITH COMMUNITIES, GROWING GLOBALLY

## TWO IMPORTANT PILLARS AND SIX BASIC COURSES OF ACTION FOR THE GROUP: ETERNAL MISSION AND PURSUING UNLIMITED POTENTIAL

### ETERNAL MISSION

Even amid major upheaval following the Great East Japan Earthquake, the fundamental mission of JR East will never change. However, the content and quality of services that customers and communities expect of the JR East Group will change in step with shifting social conditions. Our mission is to provide safe and high-quality services that customers expect of the JR East Group and conduct railway and life-style service businesses, with the aim of contributing to the growth and prosperity of communities. We have once again positioned this mission as a key tenet of management. At the same time, we will make relentless efforts to ensure that the content and quality of our services properly answer the expectations of society.

- 1. Pursuing “extreme safety levels”**  
—Building a railway capable of withstanding natural disasters
- 2. Service quality reforms**  
—Enhancing railway transportation network and other measures
- 3. Strengthening collaboration with local communities**  
—Supporting earthquake recovery, stimulating tourism and revitalizing communities

### PURSUING UNLIMITED POTENTIAL

The JR East Group must achieve sustainable growth in order to continue to fulfill its three-part eternal mission in the years ahead. In a fast-changing environment, maintaining the status quo will only mean falling behind. Unless we constantly take on the challenge of reaching new goals, we will be unable to achieve growth. The JR East Group and every Group employee have the unlimited potential needed to achieve further growth. We have technologies underpinning business operations such as railways, markets for our business activities, and people supporting these two elements. From these three perspectives, we will pursue the JR East Group's unlimited potential.

- 1. Technological innovation**  
—Forging strategies for conserving energy and the environment, utilizing ICT and operating Shinkansen at faster speeds
- 2. Tackling new business areas**  
—Globalization
- 3. Developing employees and creating a corporate culture that maximizes human potential**