

Our Value Creation Thus Far

Providing services focused on **railways**

For more than 30 years, the JR East Group has advanced a railway-focused business. The Group has grown through the use of railway-related infrastructure, technology, and expertise to increase the convenience of its railway network and railway stations, thereby encouraging more customers to use them.



Transportation services

- Railway Business, Bus Services,
Cleaning Services, Railcar Manufacturing
Operations, etc.

■ Shinkansen (JR East)
— Conventional Lines (Kanto Area Network)
— Conventional Lines (Other Network)
— BRT (Bus Rapid Transit) Lines
■ Shinkansen (Other JR Companies)
■ Shinkansen (Under Construction)
(As of June 2019)

Average Number of Passengers per Day

Approx.

17.9 million

Total Population of Japan

126.4 million

Source: Population Estimates,
Statistics Bureau, Ministry of
Internal Affairs and Communications

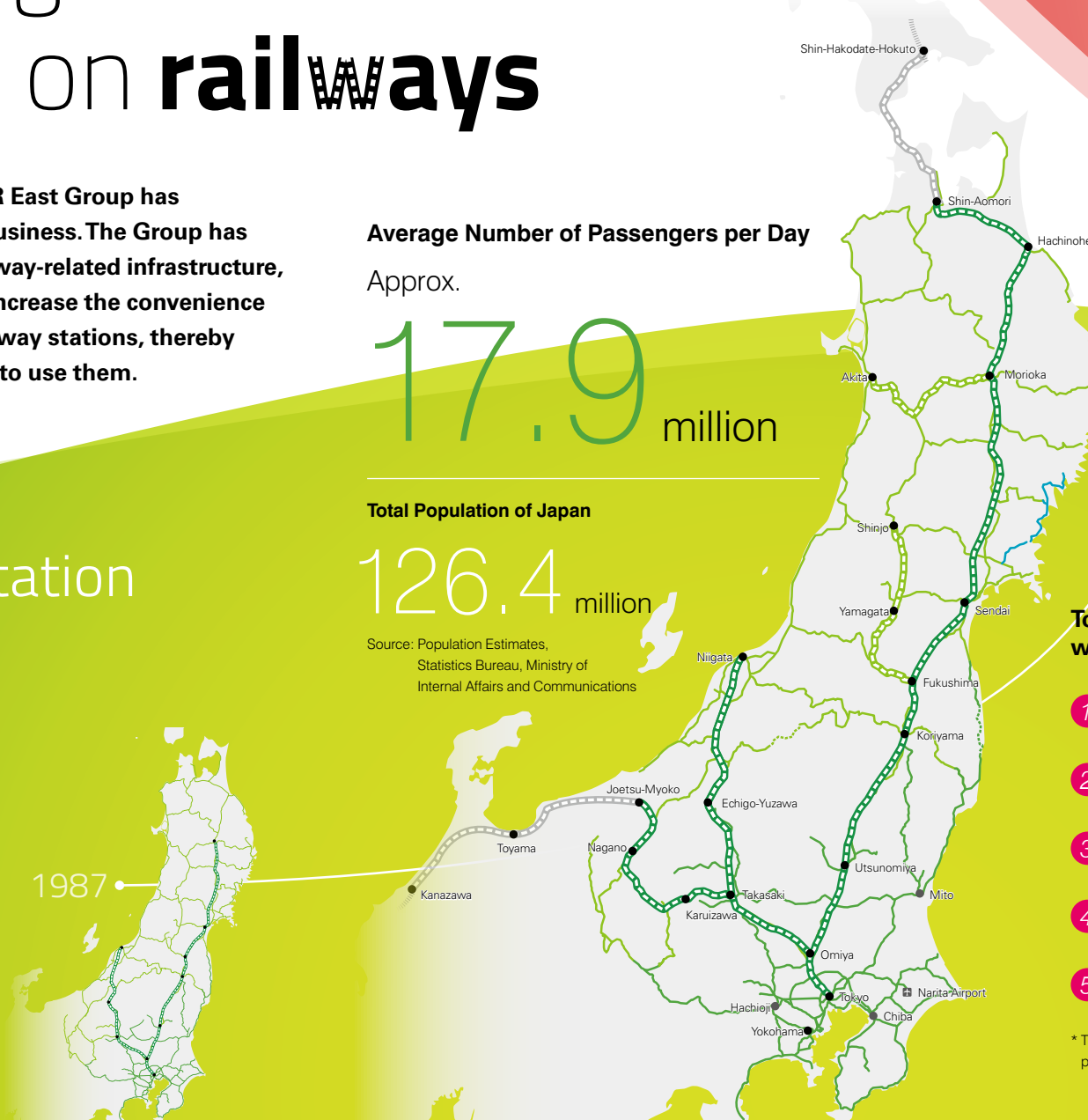
Top 5 Stations with Large Daily Passenger Use*

1	Shinjuku	1,578,732
2	Ikebukuro	1,133,988
3	Tokyo	934,330
4	Yokohama	847,302
5	Shinagawa	766,884

* The number of station users represents twice the number of passengers embarking.

1987

2019





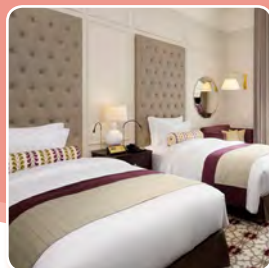
Life-style services

- Retail Sales, Restaurant Operations, Advertising & Publicity, etc.
- Shopping Center Operations, Leasing of Office Buildings, Hotel Operations, etc.



2002

Launch of the *Station Renaissance* program with the opening of *atré* Ueno



2019
JR East's shopping centers

169



Office buildings– Leased floor space

380,000 m²

Hotels–Total guest rooms

7,420



IT & Suica services

- Credit Card Business, Information Processing Business, etc.

2019
Suica cards issued

75.9 million



2001
Launch of
Suica

2004

Start of *Suica* electronic money service

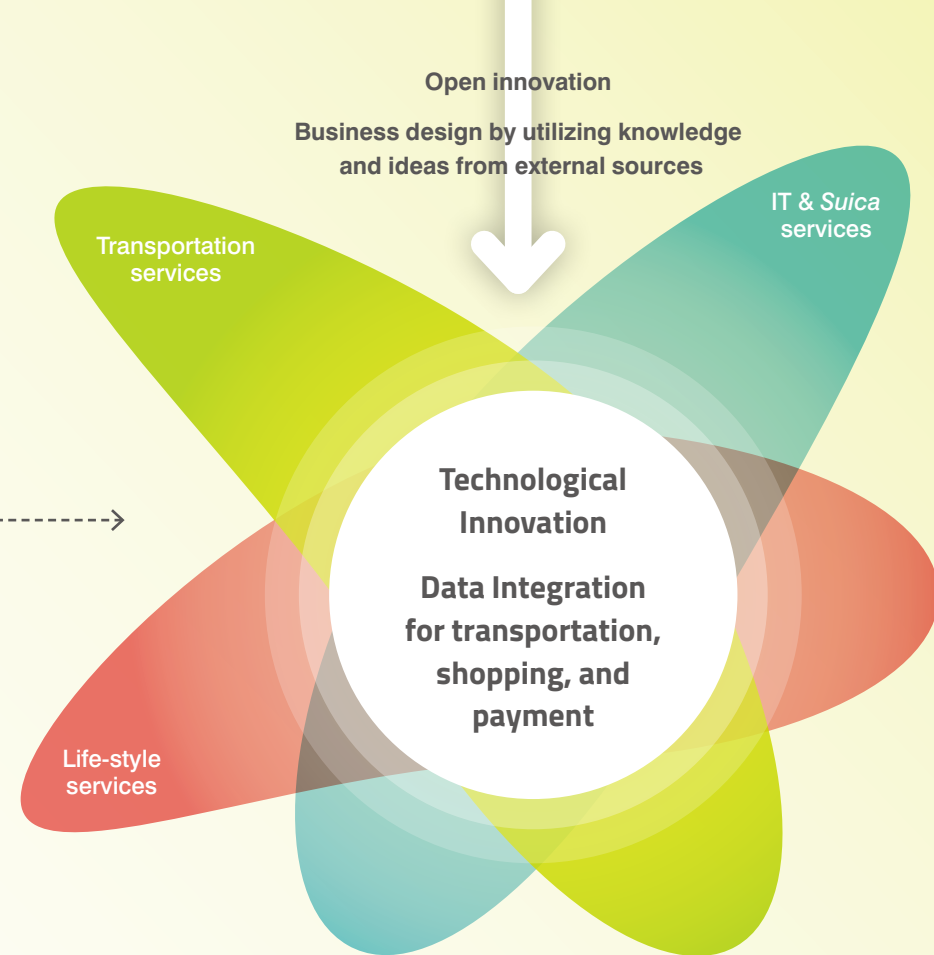
Creating new values

Creating new services by introducing technologies and knowledge from outside the Company, by utilizing a multilayered “real” network and stations as hubs for interaction

Our Value Creation Going Forward

Creating values and services focused more on **people**

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.

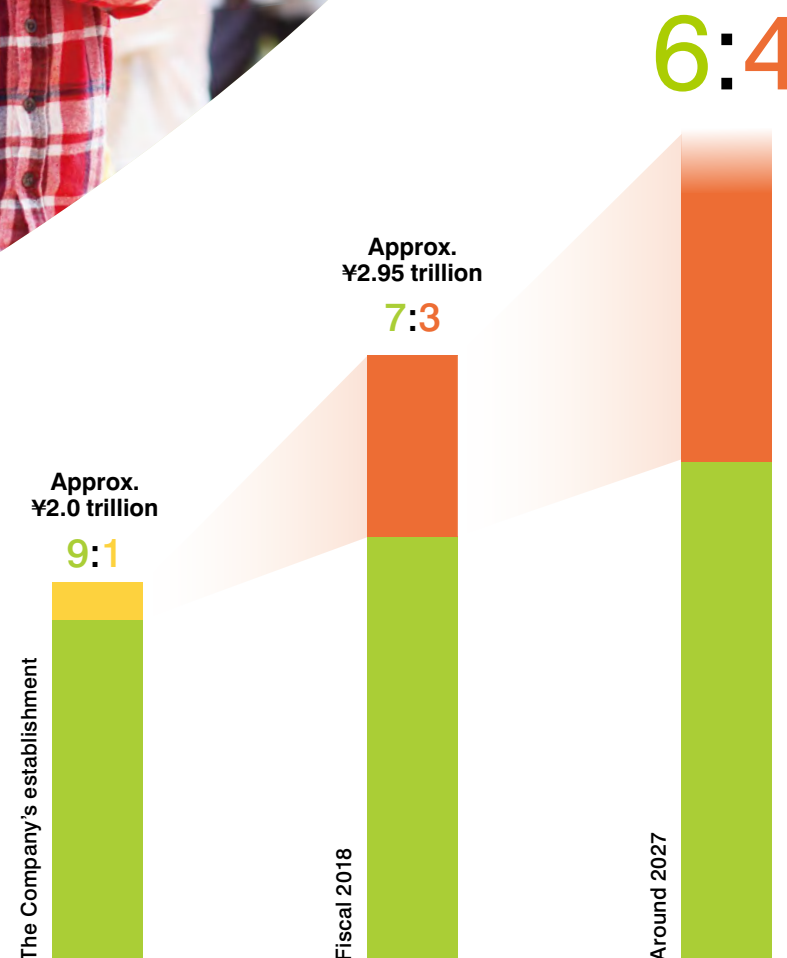


"Move Up" 2027

In line with "Move Up" 2027, the Group will shift its "stories to create values" from the provision of services with railway infrastructure as the basis to the introduction of new values to society, focusing on the affluence of everyone in their daily lives. Along with improving, evolving, and developing the quality of its railway and other transportation services, the Group will concentrate its management resources on life-style services and IT & Suica services, which will become its growth drivers going forward. Through these efforts, the Group will aim to increase its consolidated operating revenues while raising the amount of total revenues accounted for by life-style services and IT & Suica services to 40% by March 31, 2028.

Consolidated operating revenues

- Transportation Services
- Non-Transportation Services
- Life-Style Services and IT & Suica Services



Taking on Challenges to **Move Up**

In July 2018, the JR East Group established its new management vision, the JR East Group Management Vision “Move Up” 2027, and revised the JR East Group Philosophy in order for the Group as a whole to boldly pursue its new growth strategies and realize sustained growth. In light of this, the Group expeditiously executed various initiatives centered on transportation services, life-style services, and IT & *Suica* services.



Opened
LUMINE JAKARTA,
subsidiary Lumine's
second overseas store



Prepared to begin test runs of
ALFA-X
test railcar



Began jointly offering
Mizuho Suica
service with Mizuho Bank





Conducted verification tests
for the shared office business
STATION WORK
inside Tokyo Station railway
and at other locations



Increased level of
technological support provided to
railway operators in
Indonesia



Implemented the second phase of
verification tests of an
unmanned store
with AI-enabled payment systems
on a platform at Akabane Station



Opened the integrated
sports entertainment facility
SPORU SHINAGAWA OIMACHI



Commenced commercial
operations of a
woody biomass power plant
with Sumitomo Forestry
and others

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About This Report

Annual Report 2019 condenses information so that shareholders and other investors can quickly become acquainted with the Company's businesses, growth strategies, and environmental, social, and governance (ESG) initiatives. For those wishing further information, please see the next page, which includes the URLs of the Company's website and of specific documents and reports.

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Website

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<http://www.jreast.co.jp/e/>

for STRATEGY

- JR East Group Management Vision
"Move Up" 2027



 <http://www.jreast.co.jp/e/investor/moveup/index.html>


- Sustainability Report



 <http://www.jreast.co.jp/e/environment/index.html>


for GOVERNANCE

- Corporate Governance Guidelines

 <http://www.jreast.co.jp/e/data/pdf/guidelines.pdf>


for YEAR IN REVIEW

- Historical Data

 <http://www.jreast.co.jp/e/investor/historicaldata/index.html>

- Fact Sheets



 <http://www.jreast.co.jp/e/investor/factsheet/index.html>