







Relationship with Society

Strengthening Collaboration with Communities

The very existence of the JR East Group depends on the health of the east Japan area and of Japan as a whole. As a company responsible for a form of social infrastructure (i.e., railways), and as a member of the community, we work together with communities in order to take actions aimed at achieving their desired future. In addition, we actively implement community vitalization and tourism promotion measures that leverage the unique capabilities of our group, as well as pushing forward with the creation of appealing urban areas centering on train stations.

As a member of the local community, JR East has been working to build an energetic community with a strong interest in the community's future by promoting three town development perspectives of "development of largescale terminal stations," "establishment of a lineside brand that will be chosen by passengers" and "revitalization of core regional cities."



Tokyo Station City (an image)

■ Development of large-scale terminal station

In Shinagawa area as a "Global Gateway Shinagawa", aiming to realize town development where advanced businesses and human resources will gather from all parts of the world and new businesses and culture will be created from various types of exchange, construction of a new station which will be the core of the new town has been launched between Shinagawa and Tamachi Stations.

At Shibuya Station, with the move of a portation of the Tokyu Toyoko Line to underground tracks, we are proceeding with renewal and reorganization of the function of the station, rearrangement and expansion of surrounding infrastructure, and construction of jointly-developed buildings, in cooperation with related business operators.

At Yokohama Station, with increasing momentum in the surrounding community for urban redevelopment, we are proceeding with reconstruction of West Entrance Building under theme of enhancing attractiveness of the station and town, strengthening disaster-prevention power, addressing environmental issues, reinforcing rambling activity, etc., in cooperation with the local government.

■Establishment of a lineside brand that will be chosen by passengers

We are addressing a project of "Creation of preferred lineside brands" from which people will feel like "living in" or "visiting" those areas, by promoting redevelopment and renewal of not only the areas around stations but also locations under the elevated tracks between stations, etc. as well as providing information about the areas along the line, including. For instance, we are establishing a lineside area where passengers want to live by promoting development that looks at a railway line and the area alongside it as a unit rather than just as "points" (stations), such as the "FUN TOKYO!" (Yamanote Line) which provides information for rambling around towns along the Line, the Keiyo Bayside Line Project (Keiyo Line) aiming at further progress of Keiyo Line and a place of learning "Kurasu Class" (Nambu Line) planned to foster culture making the most of local resources, in addition to promoting the Chuo Line Mall Project (Chuo Line).



Kurasu Class







■Town development focused on regional urban centers

In close cooperation with local governments proceeding with a compact city development plan or central urban district revitalization plan, we are promoting town development focused on central stations. In Akita, for instance, we have entered into the "Agreement of cooperation for a compact city development aiming at regional revitalization" with the Akita City and Prefectural Governments, and are proceeding with the town development around Akita Station by working in close cooperation with the community to establish "Northern Station Gate Akita," including renewal of Akita Station to make it a base for tourism, reinforcement of function of West Entrance as hub for traffic and attraction of a broadcast station to its vicinity, establishment of health and sports town near East Entrance, and other plans.



External view of Akita Station @SATOSHI ASAKAWA

In future, we will proceed with functional restructuring of sites around Niigata and other stations making them to be linked with town development projects such as construction of continual multilevel crossings, and we will thereby contribute to revitalization of regional urban centers.

■Contribution of Railway Overpasses in Unifying Towns and Eliminating Traffic Congestion

JR East continues to cooperate with local governments in projects for railway overpasses near Niigata Station and at other places. Focusing on railways including stations, these projects aim to unify towns that are split by railway tracks, eliminate traffic congestion, and improve the safety of both road and rail transportation. With regard to the project for elevating Niigata Station and nearby tracks, works are now underway, aiming to start use of elevated platforms, abolish two crossings, and start use of the same platforms for transferring between Shinkansen and conventional line trains, in spring 2018.



Entire view of Niigata Station









■Restoration of railway sections along the Pacific Ocean that were devastated in the Great East Japan Earthquake

We have been steadily proceeding with restoration work and resumption of operations in railway sections on the Pacific Coast that suffered extensive damage due to the tsunami, beginning with sections where safety can be ensured. With the aim of integrating restoration with urban planning, we have been proceeding with construction work between Soma and Hamavoshida on the Joban Line, and resumed operations in December 2016.

Fukushima Daiichi Power Station, in areas that are preparing to lift evacuation orders, with the support and collaboration of national and local governments for the sake of necessary environmental improvements, such as decontaminating trackside areas and starting preparations for the return of residents, we plan to resume operations in line with the lifting of the evacuation orders.

Based on this policy, in line with the lifting of the evacuation order by the city of Minami Soma, we resumed operations for the section between Odaka and Haranomachi, in July 2016, and in line with the lifting of the evacuation order by Namiemachi, we resumed operations for the section between Namie and Odaka in April 2017. We are currently working on the restoration of the line, aiming for the resumption of operations for the section between Tatsuta and Tomioka in October 2017, and the section between Tomioka and Namie by the end of FY2020.

For the section between Yanaizu and Kesennuma on the Kesennuma Line and the section between Kesennuma and Sakari on the Ofunato Line, with the aim of rapidly providing safe, highly convenient transportation services, we have been offering an interim Bus Rapid Transit (BRT) service. In line with progress made in urban development in the disaster-hit areas, for the further development of communities JR East proposed that the operations of the BRT service continue as a sustainable transport mode to contribute to the restoration, and reached an agreement on this plan with all wayside municipalities.

As for the section between Miyako and Kamaishi on the Yamada Line, we are restoring this section with the aim of reopening it by the end of FY2019.

As of April, 2017, the total length of the sections where operations were suspended had been reduced from approximately 400km immediately after the earthquake to approximately 83km, with resumption of services for approximately 218km by railway and for approximately 99km by BRT.







Kesennuma Line BRT running between Soma and Hamayoshida

Kesennuma Line BRT on exclusive lines

[Sections where operations were suspended as of April 1, 2017] Sections where there were damages form tsunami Sections where operations are suspended at present Sections where BRT is operated Hanamaki Tohoku Aobadori Shinkansen Ichinoseki Sendai Hachinohe Koriyama Fukushima Furukawa Morioka Shin-Hanamaki Kitagami lwanuma Tohoku Kamaishi Line Main Line Operations were resumed in December 2016 Kogota Higashi-Shiogama Line Watari Hamavoshida Maeyachi Operations by Kesennuma Line (Yanaizu - Kesennuma) BRT Hashikami Operations were Agreement is concluded resumed in April 2017 with all the lineside local governments for full-scale Haranomachi Odaka resumption by BRT Namie Ishinomaki Operations are resumed in October 2017 planned to be Tomioka Ishinomaki Sakari resumed by the end Tatsuta of FY2020 Kesennuma Kamaishi Miyako Iwaki Difficult-Within 20km of Fukushima to-return Operations by Ofunato Line Yamada Line (Miyako - Kamaishi) Agreement is concluded (Kesennuma - Sakari) BRT Onagawa OHaranomachi
Olwaki-Ota
Oodaka
OMomouchi
ONamie
OFutaba
Ohno
OYonomori for the integrated operations with South and North Rias Lines Agreement is concluded with all the lineside local governments by Sanriku Railway Co., Ltd. Under restoration work for opening for full-scale resumption by BRT within FY2019









■About railway resumption of Tadami Line (between Aizu-Kawaguchi and Tadami) by the scheme of separating infrastructure and operation

Tadami Line was forced to suspend its entire operations and suffered from damages to the section between Aizu Bange and Koide including breakage of bridges, collapse of banks, sediment inflows, etc. due to the "Heavy rains in Niigata and Fukushima Prefectures in July 2011."

Thereafter, operations were sequentially resumed from sections where restoration work was completed, but on the section between Aizu-Kawaguchi and Tadami where operations are still suspended, immense damages occurred such as three bridges having been washed away, and the section has been served by substitution transportation by buses till today.









The 5th Tadami River Bridge

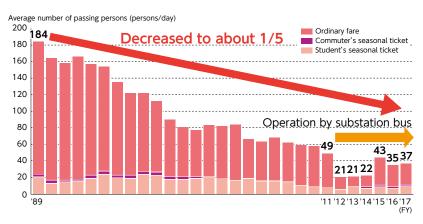
The 6th Tadami River Bridge

The 7th Tadami River Bridge

Substitution bus

Concerning the section where operations are suspended, because there are small number of users there, we have repeated discussions with related people about the way regional transportation ought to be. As a result, in response to strong request for railway resumption from the prefectural and local government staff, we have reached a conclusion to aim to resume operations by means of the scheme of separating infrastructure and operation, and we entered into the "Basic Agreement and Memorandum on Railway Resumption of Tadami Line (between Aizu-Kawaguchi and Tadami)"

[Status of utilization of the sections where operations are suspended]

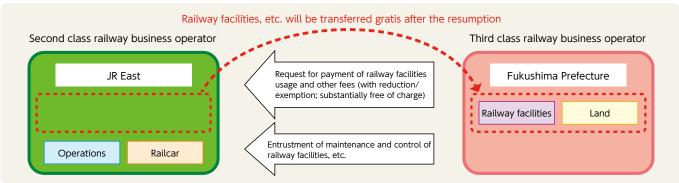


with Fukushima Prefectural Government in June 2017.

The agreed scheme of separating infrastructure and operation is a method that we will transfer the railway facilities including tracks and electric equipment and land after the resumption gratis to Fukushima Prefecture and Fukushima Prefecture will become a third-class railway business operator and our company will lease those facilities and land substantially free of charge and take charge of daily operations and maintenance and control of railcars as a secondclass railway business operator.

As for future matters, we aim to start the work around spring of 2018 with the work duration estimated at approximately three years after the start of the work. As for the time of recommencement of business operations, we will decide it after consultation with Fukushima Prefecture, based on the progress status of the work.

[Image of the scheme of separating infrastructure and operation for section where operations are suspended]









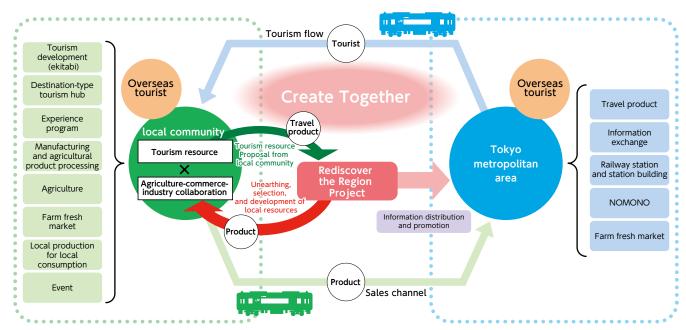


Rediscover the Region Project

■Development of the Rediscover the Region Project

Under the "Create Together" strategy, which specifies enhanced cooperation between JR East and local communities, we are promoting the Rediscover the Region Project. The aim of the project is to create new potential markets that bring increased circulation of people and goods between the Tokyo metropolitan area and other regions and also attract overseas visitors to Japan. The JR East Group has railway networks, stations that serve as centers of local communities, business know-how, sales channels and advertising power that all radiate out from the Tokyo metropolitan area and more. The strategy utilizes JR's such unique abilities to discover traditional cultures, local produce and other tangible and intangible tourist resources as well as to promote the interactive exchange of information and to expand sales channels between the Tokyo metropolitan area and local communities.

[Conceptual diagram of "Rediscover the Region Project"]



In the Tokyo metropolitan area, in collaboration with destination campaigns and other marketing tools, we are hosting "Rediscover the Region Project: Farm Fresh Markets" at Ueno Station and opened a permanent shop, "NOMONO," where producers convey their products and local appeal to passengers, at Ueno and Akihabara Stations.

Various efforts to expand demand for local products have been put forth across the business areas of JR East, and farm fresh markets were held on total 4,900 days amongst the group as well as many other events to revitalize communities in the fiscal year ended March 2017.

In addition, during 2017, an awards program for distinguished efforts such as Monozukuri and Kotozukuri fairs held in Ekinaka and station buildings, named "JR East Real 'NOMONO' Awards," was established, to recognize local producers and processors who contributed to deepening cooperative relationship.

We intend to promote distribution of local products in the Tokyo metropolitan area by utilizing existing infrastructures such as our group's Tokyo metropolitan area logistics hub and trunks of highway buses, with an eye to developing the "Rediscover the Region Project." (Established "Regional Revitalization Logistics Limited Liability Partnership (LLP)" in April 2016)



Rediscover the Region Project "Farm fresh market



NOMONO, the local produce shop at Ikebukuro Fast Exit









■NOMONO 1-2-3 Project

In order to further strengthen collaboration with regional communities, we feature products that combine highquality ingredients such as local produce with superior processing techniques. Through this initiative, the JR East Group encourages manufacturing that integrates regional primary, secondary, and tertiary industries. The NOMONO 1-2-3 Project is a manufacturing project that supports the eastern Japan area via product development and sales in collaboration with regional farming, forestry, and fishing industries. Behind the project is our wish to promote manufacturing aimed at sixth sector industrialization, by us linking primary, secondary, and tertiary industries.



Shinshu Jibie Venison Burger using venison from Shinshu



Sendai Kinako (ground soybean) Series using soybeans from Miyagi



Dried Sweet Potato Farmer's White Pudding using dried sweet potatoes from Ibaraki

■Participation in primary industry

Furthermore, in order to find solutions to issues in the primary industry and to enhance appeal of food through agricultural produce, we entered agribusiness in collaboration with local farmers in the spring of 2016. We are using high-quality tomatoes produced at a sunlight-based plant factory of "JR Tomato Land Iwaki Farm" in Iwaki City in Fukushima Prefecture for processing at the adjacent sixth Sector industrialization facility and for food served at our group companies. "JR Niigata Farm" in Niigata City is an agricultural corporation established by taking advantage of the status of Niigata as a National Strategic Special Zone. It is bearing a part in developing Niigata's sake culture through production of rice suitable as an ingredient of sake.

In addition, the "JR Agri-Sendai" in Sendai City produces goods fitting to market needs through its integrated management covering from production to sales activities, and also operates direct-sales depots in stations having high ability to attract passengers, to provide places for giving information on quality "dietary culture" in the communities. We will continue to work to increase the nonresident population and revitalize regional communities by stably producing safe and secure agricultural produce and enhancing the appeal of the communities.



JR Tomato Land Iwaki Farm



JR Agri-Sendai



JR Niigata Farm



Events and happenings from tomato production

Hiroyuki Suzuki Director of JR Tomato Land Iwaki Farm

"JR Tomato Land Iwaki Farm" was established through cooperation between JR East Group, who learned in the process of working on the "Rediscover the Region Project" that the number of "producers" of agricultural produce is on the decline, and like-minded farmers. In addition to shipments of tomatoes utilizing the group's network, we are delivering the delicious taste of Iwaki



tomatoes to many customers through development of sixth sector industrialization products such as hamburgers and juice, teaming up with group companies; holding of tomato picking and other events; face-to-face sales in Tokyo metropolitan area; and other efforts. We would like to continue contributing to regional revitalization by expanding nonresident populations through information communication and happenings-creation while working on production of delicious tomatoes as well as on sixth sector industrialization in cooperation with the local community.









Addressing measures to promote tourism

■Destination campaign (DC)

Destination campaign (hereafter, DC) means a large-scale tourism promotion campaign implemented by local governments, tourism-related people, JR Group and other related organizations and persons working together for the purpose of developing local sightseeing resources and implementing nationwide advertisement, to attract visitors and promote uses of JR. We make it one of the targets to cause the event to create new superb tourist resorts that will lead to the promotion of tourism in the communities, by holding "Pre-DC" at just one year in advance of the DC period as well as "After-DC" at one year after the DC, without finishing it as mere a temporary even. Since we held the "Twinkling Kishuji" in Wakayama Prefecture in 1976, we have continued to hold DCs till today, the number of which is average four per year.

After the "Great East Japan Earthquake" in March 2011, we have held DCs in each of six prefectures in Tohoku District as one of the measures to support reconstruction, one of which was the "Aomori Prefecture and Hakodate DC" held from July through September 2017. Also, the "Shinshu DC" is being held from July through September 2017. From now on, we will continue to strengthen the revitalization of local tourism and fixing of tourists as well as cooperation with local governments.





Ceremony at Shinshu Destination Campaign



Bond with communities and hospitality deepened by DC

Yasuto Okamura

Station Master, Nakagomi Station, Nagano Branch Office

The Koumi Line runs through highlands, offering a view of the grand Yatsugatake mountain range. Nakagomi Station serves as the key station for the Koumi Line, and alongside it stands the Koumi Line Office, which is in charge of overall operation, sales and engineering of Koumi Line. Upon the launch of Shinshu DC, we partnered with local communities

and held welcome events, including an opening ceremony in cooperation with towns and villages along the Koumi Line, chambers of commerce and others along with a Star Festival hosted by local municipalities. Furthermore, on service days of HIGH RAIL 1375, which commenced service on July 1, station managers of Koumi Line stations as well as all of the office members welcome and see off passengers, and conductors hand

out postcards made by employees. Please come and ride the Koumi Line and fully enjoy the crisp highland air.











■Trains for enjoying riding

JR East operates various "Trains for enjoying riding" which provide passengers enjoyment in riding in them itself. Those include Shinkansen, limited express. SL and other trains each of which has its own theme and is so elaborately and uniquely designed that reminds us of something like a running theme park.

The trains offer travels with such new feeling that passengers fully enjoy meals, sweets, arts, music, and even "foot bath" on board, and upon alighting from the train, they feel excited to wonder which train they should select for their next trips.

In support of the aim of "POKÉMON with YOU," an activity by The Pokémon Company to support disaster-affected areas, JR East operates POKÉMON with YOU trains with the cooperation of the company.

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[Major trains for enjoying riding and efforts made in cooperation with local community]

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Train names	Characteristics of train name and efforts made in cooperation with local community	
Resort Shirakami	Live performances of Tsugarujamisen music, talks by a "storyteller" in the Tsugaru dialect, Tsugaru Traditional Kinta Mamejo puppet plays, and other shows are offered on board.	
TOHOKU EMOTION	People of "Hirono-cho" across which JR Hachinohe Line runs have been continuing to gather and wave their colorful "tairyobata" fisherman's banners and their hands with their whole hearts to passing trains for over one year, which has coined a new phrase, "HIRONO EMOTION."	
Fruitea-Fukushima	Cakes and tarts which are made sumptuously using fruits grown in Fruit Kingdom Fukushima are offered on board. As the menu is changed in accordance with the season, passengers can enjoy fruits in season.	
Koshino Shu* Kura	Special events are held in which persons from local sake brewery and Nagaoka University come aboard by turns and offer local brew for tasting and talk about sake in general.	
HIGH RAIL 1375	Highland vegetables produced lineside and "Saku" sweets, one of the Japan's best three sweets are offered, and in addition, aboard the train named "Hoshizorago" which runs at night, stargazing meeting is held at a station in between, with explanation about stars given by a special guide residing along Koumi Line.	

About Regional Revitalization

In our Group Management Vision V, JR East Group aims to cause the eastern Japan region to progress with the key concept words, "Live in the community" and "Expand to the world" through our business activities. With regard to Regional Revitalization among those endeavors, we are proceeding with "promotion of tourism," "revitalization of regional industries" and "town development focused regional urban centers" among other projects. Specifically, we are addressing such activities as dissemination of information on the attractiveness of local areas through "TRAIN SUITE SHIKI-SHIMA," operation of trains for enjoying riding and others for the sake of "promotion of tourism," production of agricultural goods as an effort for sixth Sector industrialization of agriculture, forestry and fishery and sales of locally produced goods in the Metropolitan Area by utilizing our Group's network for "regional revitalization," and town development focused on stations in Akita, Niigata and other regions in cooperation with local governments and other organizations for "town development focused on regional urban centers."









Childcare Support Services HAPPY CHILD PROJECT

■ Childcare Support Facilities — Support for Working Parents

JR East has opened childcare support facilities such as "nursery schools near stations" located in easily accessible areas usually within a five-minute walk from stations in order to support the combination of childcare and commuting to work. A total of 102 childcare support facilities were opened from 1996 through May 2017, and JR East aims to increase the number of these facilities to 130 by April 2020. These nursery schools near stations provide added convenience as they allow parents to drop off and pick up their children on the way to and from work. As evidenced by children who are accompanied to nurseries by their fathers, our childcare support encourages paternal participation in childcare as well.

In May 2017, in commemoration of that the number of the childcare support facilities reached 100, the "HAPPY CHILD TRAIN" in which pictures drawn by children going to childcare support facilities were exposed was operated.



View of a "nursery school near station" (Sakuraso Nursery School in front of . Toda Station)



HAPPY CHILD TRAIN

■Events for Supporting Childcare

Children's Train Craftwork Exhibition

This exhibition, displaying craftworks produced by children attending our nursery schools adjacent to stations, is held regularly in the Railway Museum (Saitama City, Saitama Prefecture). With "trains" as its theme, original, creative and fantastic works created by children are enjoyed by many visitors. It also provides a space for displaying the activities of nursery schools and observing child development.







Seventh Children's Train Craftwork Exhibition

Paper-craft Class

Hoping that "children will become more familiar with railways and make many memories with their parents," we are holding "Shinkansen Paper-craft Class," a workshop for parents and children in various locations.



Image of completed paper-craft work









Development of COTONIOR

We have opened complexes for childcare support and eldercare themed with multigeneration interaction, "COTONIOR".

COTONIOR is a coined word from "kodomo (children) + to (and) + senior (senior)" and four COTONIOR facilities have been opened in Kichijoji, Akabane, Nishi-Funabashi, and Kunitachi.

With a well-thought-out facility layout, seasonal events and such, COTONIOR has created a heartwarming place that brings together a wide range of generations.







COTONIOR Kunitachi



Creating the future through childcare support

Yuuna Yamazaki

Childcare/Senior Group, Life-Style Business Development Headquarters

I am currently assigned to JR East from JR East Sports Co., Ltd. and engaged mainly in planning and implementation of childcare support programs for JR East Group. For the "Children's Train Craftwork Exhibition" held at the Railway Museum during the summer holiday and "HAPPY CHILD FESTIVAL" held to commemorate establishment of the



100th childcare support facility, we discussed various programs, negotiated with outside parties, requested cooperation from related sections within the company and made arrangements with the venue in order to provide enjoyable moments to children and families. I was at the venues during the events, and felt a sense of reward and great accomplishment seeing the children and families enjoy the events with smiles.

I would like to aim to expand the number of childcare facilities to 130 by April 2010 while trying to implement new childcare support programs by further advancing current ones, such as childcare events involving group companies, taking advantage of my position as an assignee.









Cultural Activities

■ East Japan Railway Culture Foundation

In order to continuously utilize its management resources for social contributions, in 1992 JR East established the East Japan Railway Culture Foundation, which became a public interest incorporated foundation in April 2010. This organization has successfully promoted local culture, studied and researched railways, and taken part in international cultural exchanges through our railway business. The Foundation's major activities include operating the Railway Museum, Tokyo Station Gallery, the Old Shimbashi Station building and Old Manseibashi Station, sponsoring local cultural activities and accepting trainees from railway operators in Asian countries.

The Railway Museum

On October 14, 2007, Railway Day, the Railway Museum based on three major concepts was opened in Saitama City. It was designed to be a museum that systematically conducts surveys and research using railway-related heritage and reference materials, a history museum that depicts the history of railways focusing on exhibits of locomotives and cars, and an educational museum where visitors can learn about railway principles, systems and technologies through hands-on experience.

Since its opening, The Railway Museum has proved to be a great success, attracting about 770,000 visitors in the fiscal year ended March 2017. Going forward, with planned renewal work of building interior and construction of a new building, section by section opening will take place followed by a grand opening scheduled in summer 2018.



The Railway Museum

Tokyo Station Gallery

In the spring of 1988, a year after the foundation of JR East, Tokyo Station Gallery was born in Tokyo Station Marunouchi Building out of the desire to offer everyone a place for fragrant culture rather than simply being a passing point through the station.

We continue to be active while deeply recognizing the significance of carrying out our activities as a gallery in the important cultural property of Tokyo Station that is located at the geographical and historical heart of modern Japan.



Tokyo Station Gallery

Supporting local cultural activities

Starting in FY1994, we have been supporting local cultural activities in the form of providing financial support for the purpose of succeeding the conservation of precious cultural heritage and traditional performing arts in our company's area and development of community, aiming at promotion of regional culture. The number of the supports provided by the end of FY2018 is to total 182.



Supporting cultural activity









Developing Our Business around the World

■Global Development

The "Group Management Vision V" hoists the "Challenging New Business Fields - Globalization -" as one of the objectives, "Pursuing Unlimited Possibilities." In order to realize the vision, we are challenging new business fields aiming at further growth of the Group in future, making the most of experiences, technologies, know-how, and other resources held in our company.

At the same time, we will brush up railways of our country by absorbing technologies, services and others related to the overseas railway industry and integrate those with our own technologies and know-how to further brush them up. Furthermore, by letting our Group's employees participate in international businesses, we will aim to foster our human resources so as to enhance their motivation, ability and sense of accomplishment as well as to innovate our Group's corporate culture so that it will become open to both inside and outside of our country.

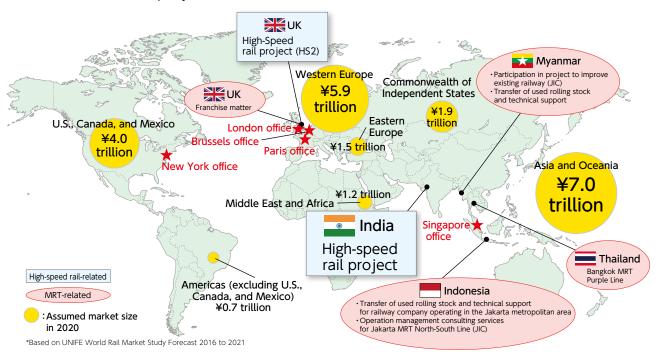
In the context of the current trends of reviewing means of public transportation in many countries in the world and increased awareness of global environmental issues and the economic growth of emerging nations, there is growing interest around the world in railways as an environmentally friendly form of public transportation. At present, railway projects are being considered in many parts of the world, and the global railway market is expected to grow in future by an average of 2.6% per year, expanding in size to around 22 trillion yen in 2020.

Given these circumstances, JR East is challenging the global development of our business by collaborating with both domestic and foreign companies while leveraging our expertise in the fields of operations and maintenance (planning, management, support, and implementation relating to train operation, facility maintenance, etc.). In proceeding with the global development of our business, we have identified rapidly-growing Asia as a priority region and are engaged in railway projects in various countries there.

In November 2011, partnering with a domestic railway company which possesses an extensive track record and expertise relating to high-speed railways, urban railways, and freight railways, we launched Japan International Consultants for Transportation Co., Ltd. (JIC) to handle our railway consulting business focused on the areas of operation and maintenance around the world. JIC is currently actively developing international railway consulting projects. In addition, Japan Transport Engineering Company (J-TREC) which will take charge of manufacturing railcars was added to the group in April 2012.

In addition to the abovementioned, we have established the "International Affairs Headquarters" in the Head Office in June 2017. While many overseas railway projects are in progress, we will accelerate efficient management and fostering human resources for the purpose of further challenging international businesses.

[Locations of International Railway Projects and Overseas Offices]





in 2023.



Pakistan



*() indicates the population as of 2011

Ahmedabad

(approx. 5.6 million persons)

Mumbai

(approx. 12 million persons)

(Source: National census in India)

Bangladesh



■Participation in Indian High-Speed Rail Project

For the Mumbai-Ahmedabad Line among the seven high-speed railway lines announced by the Indian government, the "Memorandum of Cooperation between the Government of Japan and the Government of the Republic of India on High Speed Railways" was entered into in December 2015, and it was decided that Japan's Shinkansen method would be adopted for the Ahmedabad-Mumbai high-speed railway plan. At present, consultations about the high-speed railway plan of India including concrete business scheme are underway, and at the consultation between the two governments held in November 2016, a progress report for the high-speed railway plan was announced, indicating the schedule

Through a public-private partnership arrangement, JR East is providing technical support for these discussions, based on our extensive experience as a Shinkansen operator.

In addition, in March 2016, one of the companies in our group, Japan

International Consultants for Transportation (JIC), received an order from JICA to provide consulting services relating to the formulation of high-speed rail technical standards through the Indian High-Speed Railway-Related System Development Support Project, which is currently ongoing. We have also enhanced our internal organization through measures such as appointing executives with responsibility for the Indian high-speed rail project.

Furthermore, in December 2016, a joint venture (JV) formed by three companies, namely, Japan International Consultants for Transportation Co., Ltd., Nippon Koei Co., Ltd. and Oriental Consultants Co., Ltd. received an order from JICA for the "Detailed Design Study on the High Speed Railway Construction Project in India to Commence" which is for formulation of design and tender documents (draft) for the Mumbai-Ahmedabad High Speed Railway Construction Project, and the JV is now implementing the work.



India

Participation in Thailand's Purple Line Project

We are also involved, along with Marubeni and Toshiba, in a project to provide comprehensive maintenance for rolling stock and ground installations for the MRT Purple Line being constructed in Bangkok, Thailand.

The Purple Line is a railway line in Thailand's capital of Bangkok intended to link the Bang Sue district in the northern part of the city to the Bang Yai district in the northwestern suburbs, which began operation in August 2016. In December 2013, through a joint investment with Marubeni and Toshiba, we established the maintenance company Japan Transportation Technology (Thailand) Co., Ltd. (JTT) in Bangkok. It will provide maintenance services for a tenyear period, including the rolling stock, signals, tracks, power systems, platform doors, automated fare collection system, and rail yard facilities.

In addition, Japan Transport Engineering Company (J-TREC) has manufactured stainless-steel rolling stock for use on the Purple Line, and delivered a total of 21 train-sets (63 cars).



A running Purple Line train



Maintenance of track for vehicle









■Endeavor to participate in UK Passenger Rail Franchise

With regard to railway operations in UK, the "Scheme of separating infrastructure and operation" has been incorporated, under which the railway operation sector and infrastructure sector are separated, and currently, the country's railway service for passenger transportation is divided to be provided by 19 train operating companies. The UK franchise system means a system under which each train operating company's right to operate trains is selected by performing bidding, and the right to operate trains, effective for 7 to 10 years, is granted by the Ministry of Transport or relevant government authorities of the country.

In August 2017, our company obtained the right to operate the West Midlands project in collaboration with Mitsui and Co., Ltd. and Aperio, UK, a Dutch Railways-affiliated company. This project is to bear services for the commuting railway lines to London, long-distance line connecting London and Liverpool, a city in the Northwestern region of England, and transportation in the urban district of Birmingham, the country's second largest city in the Mid-Western region of England. This project is the first undertaking in which we are involved in the overseas railway operation.



Image of a train in operation after commencement of services for this project



New Street Station, Birmingham

■Providing Technical Support to Overseas Railway Operators

In Jakarta, the capital of the Republic of Indonesia, there is extreme traffic congestion, and public transportation infrastructure is being developed to address this issue. Since the carrying capacity of existing railways also needs to be rapidly enhanced and there is an urgent need for new rolling stock to be introduced, in the three years since 2013, we have transferred 476 railcars (205-series cars) that we used on Saikyo and other Lines to the railway company that operates the Jakarta metropolitan area's MRT. At the same time, we have provided technical support for rolling stock maintenance so that the transferred railcars may be operated stably, and also, we have been providing support for improvement of services, starting from 2016. With regard to the Republic of the Union of Myanmar, since 2007 we have also been transferring rolling stock to Myanmar Railways, which operates passenger trains and transports freight in Myanmar. In 2015, we transferred 19 diesel railcars (Kiha 40 series/Kiha 48 series) that had been used in the Tohoku and Niigata areas, and in addition we have been providing technical support related to maintenance of the rolling stock.



205-series train in service in Jakarta following transfer to PT KAI Commuter Jabodetabek



Technical support for maintenance



Diesel train transferred to Myanmar









■International Cooperation

Our company actively offers railway-related professionals from overseas the opportunity to observe our operations; in FY2017, we hosted some 1,000 observers from around 100 countries worldwide. These observers included government- and railway-related persons from various nations as well as researchers from overseas research institutes. Their visits play a valuable role in promoting mutual understanding.



Inspection of maintenance of Shinkansen railcars



Inspection of coupling of Yamagata Shinkansen train

■Global Contribution through International Institutions

In addition to actively collecting and providing information through international conferences and publications by the International Union of Railways (UIC), the International Association of Public Transport (UITP), Community of European Railway and Infrastructure Companies (CER), the Association of American Railroads (AAR), the American Public Transportation Association (APTA), and other international railway organizations to which JR East belongs, we have been working toward the global development of railways and the resolution of railway-related issues through serving as chair of the UIC Asia-Pacific regional assembly from January 2013 to December 2016, President and Director of the UITP Policy Board from June 2015 to May 2017 and President of UITP Asia-Pacific regional assembly since May 2017. and other activities.

In order to showcase features of Japanese railway systems to overseas railway-related parties, we have been actively participating in overseas trade shows, seminars and so on as well as extending invitations for international conferences.



June 2015 - May 2017 Vice President Ogata serves as President of UITP



October 2016 UITP and LTA (Singapore Land Transport Authority) International Transport Conference and Exhibition (Singapore)



May 2017 UITP Global Public Transport Summit (Montreal)









COLUMN Development of rolling stock manufacturing business



1. Endeavors that have been made till today

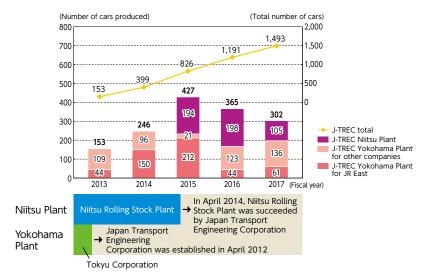
In October 1994, Niitsu Rolling Stock Plant was established and has been mainly manufacturing commuting and suburban type railcars for use in the metropolitan area, for the purpose of acquiring know-how as well as enhancing technical capability.

In April 2012, in order to establish the rolling stock manufacturing business as the "Fourth pillar for management" of JR East, Japan Transport Engineering Company (former Tokyu Car Corporation) which manufactured the Japan's first stainless steel railcar joined our company. Also, in April 2014, Japan Transport Engineering Company succeeded the business of Niitsu Rolling Stock Plant. Due to the above, it became possible to make use of the railway business operators' technical power and viewpoints for developing rolling stock manufacturing business. In addition, it became possible to manufacture a wide range of rolling stock from cars for commuting and suburban use to those for Shinkansen, and in addition, not only to pursue efficiency, but also to operate business making the use of the scale merit.

2. Focusing of "sustina" series

Japan Transport Engineering Corporation has been offering not only rail cars for commuting and suburban use, but also a wide range of products having high quality and high added value, including limited-express E353-series, battery electric car EV-E301-series, Hokuriku Shinkansen E7-series, TRAIN SUITE SHIKI-SHIMA, Thai Purple Line, and other railcars.

[Transition of the number of railcars manufactured by Japan Transport Engineering Corporation in recent years]



(For reference) Number of cars manufactured by former Niitsu Rolling Stock Plant: Total 4,293 (FY1996 -FY2014) Number of cars manufactured by former Tokyu Corporation: Total 16,622 (FY1947 -FY2012)

Among those railcars, we have been focusing on the stainless-steel cars "sustina" which is the company's main product making the use of strength of stainless-steel car. "Sustina" aims to reduce the manufacturing cost owing to the effect of mass production of common platform (specifications of car body structure and equipment systems made common and consolidated).

In FY2018, it is planned to introduce E235-series cars to Yamanote Line as commuter-type cars of "sustina" series for use in large cities, as well as use by passengers other than our company, such as Tokyo Metropolitan Government Transportation Bureau, Tokyu Corporation and Keio Corporation.

From now on, the company aims to enhance the added value of "sustina" to make it to be widely used by continuing to reduce its lifecycle cost while making the most of the Group's total power as well as to offer quality products.