Transportation > Tokyo Metropolitan Area Network, Intercity Network, and Shinkansen



Creation of Attractive Trains Ridden for the Experience

As one of our initiatives to open the way toward a new future for railways, over the past several years we have been creating attractive trains that, rather than simply being a means of transportation, cater to customers who are focused on the ride experience itself and which offer a range of novel travel experiences. For example, on conventional lines JR East operates the *Pokémon with YOU train*, which began operating in December 2012 on the Ofunato Line; the *Tohoku Emotion* restaurant train, which began operating in October 2013 on the Hachinohe Line; the *SL Ginga* steam locomotive train, which began operating in April 2014 on the Kamaishi Line; and the *Koshino Shu*Kura* service, which began operating in May 2014 from Takada Station*¹ on the Shin-etsu Main Line to Tokamachi Station on the liyama Line. As for Shinkansen lines, we operate the *Toreiyu Tsubasa* service, which began operating in July 2014 on the Yamagata Shinkansen Line between Fukushima and Shinjo

stations and the *GENBI SHINKANSEN*, which began operating on April 29, 2016, on the Joetsu Shinkansen Line between Echigo-Yuzawa and Niigata stations.

Further, in accordance with "JR East Group Management Vision V— Ever Onward," which calls on the Group to promote Japan as a tourism-oriented nation, JR East is preparing to begin operating the *TRAIN SUITE SHIKI-SHIMA* cruise train. The cruise train will offer trips that give customers a variety of options for enjoying the abundant, beautiful countryside of Japan, its industries rooted in local communities, and its regional cultures that are still part of day-to-day life. Our themed trains will carry customers through a rich series of experiences and places in a manner unique to train travel.

*1 At the time, the railway station was operated by what is now Echigo TOKImeki Railway Company.



TRAIN SUITE SHIKI-SHIMA cruise train



GENBI SHINKANSEN

Fiscal 2016 Summary

In transportation, JR East began direct services between the Tohoku Shinkansen and Hokkaido Shinkansen lines, after revising timetables in March 2016 for the opening of the Hokkaido Shinkansen Line. As a result, the shortest journey between Tokyo and Shin-Hakodate Hokuto takes 4 hours and 2 minutes, and the shortest journey between Sendai and Shin-Hakodate Hokuto takes 2 hours and 30 minutes. Further, in light of observed usage following the opening of the Hokuriku Shinkansen Line and the Ueno-Tokyo Line, JR East improved the transportation network through such initiatives as reviewing connections and strengthening transportation capabilities during rush hours. Also, given the expansion of the direct service network, such as the opening of the Ueno-Tokyo Line, JR East improved the quality of transportation by expanding contingency shuttle operations when transportation services are disrupted.

As for marketing and sales activities, JR East conducted the *Fukushima Destination Campaign* and the *Ikuze, Tohoku*. *Campaign* to increase passenger traffic. Also, JR East prepared for the *Aomori Prefecture and Hakodate Destination Campaign*, scheduled for July 2016. In addition, we promoted further use of the Hokuriku Shinkansen Line and implemented initiatives to grow inter-regional railway travel. In November 2015, JR East launched the *JR East Dynamic Rail Pack*, which allows customers to purchase travel products that combine the train services and accommodation of their choice. Moreover, JR East enabled purchasing of these products via smartphones in January 2016.

Revitalization of Communities and Stimulation of Tourism

In March 2016, the Hokkaido Shinkansen Line opened to Shin-Hakodate Hokuto. Aiming to attract visitors and encourage the use of its services, JR East will conduct the *Aomori Prefecture and Hakodate Destination Campaign* from July to September 2016 in close collaboration with local municipal authorities, developers of local tourism, and travel companies. Such initiatives and the new Shinkansen line segment are likely to boost interest in southern Hokkaido. At the same time, interest in JR East's service area promises to increase in Hokkaido.

Also, November 2011 saw the launch of a year-round promotional campaign, *Ikuze, Tohoku.*, which is aimed at supporting the Tohoku region's restoration by stimulating tourism. Since then, JR East has been advertising the particular charm of the Tohoku region's different areas in each season through television commercials, posters, and Internet-based promotions.



Ikuze, Tohoku. Campaign poster

Improvement of Access to Haneda Airport

Strengthening the capabilities of Haneda Airport is expected to be possible through such measures as increasing its capacity for international flights. Moreover, the government aims to attract 40 million visitors to Japan by 2020 and 60 million by 2030. Therefore, the airport's passenger numbers are expected to grow.

Further, in April 2016 a council on transportation policy tasked with examining the future of urban railways in the Tokyo metropolitan area concluded that the Haneda Airport Access Line will help strengthen international competitiveness. With this in mind, we aim to develop a specific plan for the Haneda Airport Access Line by reviewing facility plans and business schemes in greater depth and coordinating with stakeholders.



Haneda Airport Access Line design (Under examination)

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>Numbers

Conventional network (Kanto area) Operating Kilometers

Fiscal 2016 Conventional revenues (Kanto area) from passenger tickets

¥1,156.2 billion

Conventional network (Outside Kanto area) Operating kilometers

3,727.2 kilometers

Fiscal 2016 Conventional revenues (Outside Kanto area) from passenger tickets

¥70.5 billion

Shinkansen network operating kilometers:

Fiscal 2016 Shinkansen revenues from passenger tickets:

¥578.2 billion

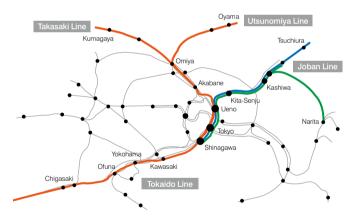
>Priority Initiatives

- Promote use of the Hokuriku Shinkansen and Hokkaido Shinkansen lines
- Expand and improve Tokyo metropolitan area network Improve transportation quality Stimulate tourism

Expansion of the Direct-Service Network

To expand and improve the Tokyo metropolitan area network further, on March 14, 2015, JR East opened the Ueno-Tokyo Line, which established a main artery linking Tokyo Station, located in an area that is a political and economic hub, with Ueno Station, located in an area known for art and culture. The new line has enabled direct services from the Utsunomiya, Takasaki, and Joban lines to Tokyo and Shinagawa stations and from the Tokaido Line to Ueno Station. The elimination of transfers has reduced travel times and increased convenience.

In a separate initiative, direct services are to be established between the Sotetsu Line and JR lines by constructing a new connecting line of approximately 2.7 km between Nishiya Station on the Sotetsu Line and a location near Yokohama-Hazawa Station on the Tokaido Freight Line. Although the Japan Railway Construction, Transport and Technology Agency (JRTT) has primary responsibility for development of the connecting line, JR East will build the frameworks of structures connecting the location to Yokohama-Hazawa Station on the Tokaido Freight Line and implement renovation work within the railway station. The establishment of this connecting line will directly link western Yokohama and central Kanagawa Prefecture to downtown Tokyo and establish a wide-ranging railway network. Further, this project promises to heighten the convenience of railway services by shortening travel times and reducing transfers.



Operating framework of the Ueno-Tokyo Line



The Ueno-Tokyo Line

Transportation > Railcar Manufacturing Operations

Fiscal 2016 Summary

JR East prepared to begin maintenance operations in Bangkok, Thailand, for the Purple Line, an urban mass transit system scheduled to enter service in August 2016. At the same time, JR East subsidiary Japan Transport Engineering Company (J-TREC) manufactured *sustina* stainless-steel railcars and delivered them to a railway yard in Thailand.

- >Priority Initiatives
- Establish railcar manufacturing operations as a fourth business pillar
- Market sustina stainless-steel railcars proactively and win orders for railway projects



Introduction of Series E235 sustina Railcars

The brand name *sustina* refers to the stainless-steel railcars that JR East designs and manufactures and which incorporate next-generation technologies. For many years, J-TREC has developed and marketed JR East's leading-edge *sustina* stainless-steel railcars. Recently, the company manufactured and delivered Series E235 railcars for the Yamanote Line, which are the first mass-production commuter railcars for large cities in the *sustina* series. The features of *sustina* stainless-steel railcars are attractive designs; frequent use of common platforms for railcar structures and equipment systems; advanced safety features, such as impact-absorbing structures and built-in roll bars; environment-friendly, 100% recyclable stainless-steel railcar bodies; and simultaneous realization of reliability and lower railcar life-cycle costs.

In the sustina series, JR East has designed and manufactured Tokyu Corporation Series 5050, car no. 5576, railcars, which incorporate laser-welded railcar bodies; sustina Hybrid Series EV-E301 railcars for trains that include rechargeable batteries for JR East's Karasuyama Line; and Series HB-E210 diesel hybrid railcars for use on JR East's lines in the Sendai area.

As a railway operator, JR East will continue offering solutions based on sustina stainless-steel railcars.



Series E235 railcars debut on the Yamanote Line



Series HB-E210 diesel hybrid railcars for use in the Sendai area