

JR East cannot continue to thrive unless the East Japan area and Japan as a whole remain vibrant. As a company responsible for railways, which are a crucial social infrastructure, and a member of communities, we will consider the future of communities together with local communities and take action accordingly. We have positioned the next five years (from FY 2013 through FY2017) as an intensive period in which reconstruction from the earthquake will remain an urgent priority. Therefore, we will diligently execute measures to revitalize communities and promote tourism in ways unique to JR East. Tourism, in particular, is a field where JR East strengths can be most fully brought to bear. Because it is also an industry covering an expansive range of business sectors, tourism can be expected to have a ripple effect on the entire regional economy. Accordingly, JR East will pursue extensive promotion of tourism across Japan and expansion of tourism by foreign visitors.

In the life-style business, JR East will continue to demonstrate its collective capabilities in coordination with railway operations going forward. Mindful of this priority, we will work to drive further business expansion. In particular, we will promote three town development perspectives that will see us conduct development and business expansion initiatives integrated with towns surrounding stations. These measures will be centered on the development of large-scale terminal stations, the Tokyo metropolitan area railway network and core regional train stations.

(1) Restoration of segments along the Pacific coast damaged by the tsunami caused by the Great East Japan Earthquake

(Basic policy on restoration of segments damaged by the tsunami)

We will coordinate our efforts to restore conventional lines along the Pacific coast that were damaged by the tsunami caused by the Great East Japan Earthquake with other plans to rebuild the area as a whole and develop towns. To this end, we will hold discussions with the national and local governments.

JR East has adopted a plan to restore railways of the Senseki Line between Takagimachi and Rikuzen-ono, the Joban Line between Soma and Watari, and the Ishinomaki Line between Watanoha and Urashuku. Construction and other work are now steadily under way, with the view to restoring operations. Safety measures include relocating lines and increasing the elevation of lines along some segments. Restoration work on the Ishinomaki Line between Urashuku and Onagawa will be carried out in coordination with town restoration plans.

(Addressing closed segments including the restricted area around the nuclear power station)

We will consider plans in discussion and accommodation with relevant parties concerning the restoration of the Joban Line between Hirono and Haranomachi, which includes the restricted area around the Fukushima Daiichi Nuclear Power Station following the accident, taking into account such factors as progress on decontamination work by the national government, and the return of local residents to the affected communities.

Strengthening collaboration with local communities—Supporting earthquake recovery, stimulating tourism and revitalizing communities

(Restoration of the Kesennuma, Ofunato and Yamada lines)

Regarding the provisional restoration using a BRT (Bus Rapid Transit) system, we aim to start BRT operations for the Kesennuma Line by the end of 2012 and for the Ofunato Line in spring 2013. We will continue to discuss the provisional restoration of the Yamada Line with local governments.

Apart from that, we have positioned BRT as a network for linking communities and people, and will actively implement measures that contribute to the recovery of line-side areas. Measures will include the use of BRT to transport visitors for sightseeing along line-side areas, develop farmers' markets and enhancing the provision of information. In these and other ways, we will revitalize communities in cooperation with local governments and companies in line-side area.







strengthen cooperation with local companies, local governments, tourism organizations and other entities, while working to nurture personnel in the tourism field. (Support for the recovery of the Tohoku region through tourism) We will leverage the power of tourism to support the Tohoku region in recovering from the earthquake. To this end, we will conduct continuous measures to stimulate tourism by encouraging people across Japan to visit the Tohoku region. These will include joint destination campaigns conducted in the Tohoku region by the six JR companies, and original Visit Tohoku campaigns held by JR East. (Introduction of high-grade trains) We will introduce new high-grade trains that will become JR East new flagship, for the purpose of proposing appealing travel plans possible only on railways and providing cabin interiors that evoke a special occasion atmosphere. (Promoting an inbound tourism strategy) To establish Japan as a tourism-oriented nation, we will enhance the information we provide overseas by enhancing the appeal of railway travel. This will be done by establishing a "Golden Route for Travel in East Japan" featuring a combination of the East Japan area's unique tourism attractions, along with launching a new brand for travel to Japan from abroad. Through these initiatives, we will work to significantly increase the number of tourists visiting Japan, especially the Tohoku region. And by FY2017, we aim to increase revenue from overseas tourists visiting Japan to about ¥10 billion, roughly twice the current level



(2) Promoting Japan as a tourism-oriented nation

(Collaboration with local communities)

We will work closely with local communities to stimulate tourism in the East Japan area. Measures include coordinated efforts to develop and commercialize tourism resources. We will also disseminate a broad range of information, and promote the development of infrastructure supporting tourists, such as by improving transportation access from train stations to sightseeing spots. To promote these measures, we will

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3 Driving further growth in the life-style business—Three town development perspectives—

In the life-style business, we will rigorously adhere to a "selection and concentration" strategy, as we strive to expand business centered on fields where we have a strong competitive edge and can capture synergies with railway operations and demonstrate the Group's collective capabilities. Also, we will work to qualitatively transform existing businesses and enhance brand value in these areas, while actively developing new businesses and services, with the aim of driving further growth.

One particular area of focus will be to develop attractive towns centered on railway stations by concentrating appealing services and functions in and around train stations, while addressing changes in the environment such as the ongoing aging of society and globalization, as well as the needs of customers and communities. We want to create railway stations symbolizing towns and regions, where members of the community can gather and interact with one another.

(Large-scale development of terminal railway stations)

In large-scale terminal station development projects at Tokyo, Shinjuku, Shibuya, Yokohama, Chiba and Sendai stations, we see each of these stations as a town in its own right. Accordingly, we will work as one with Group companies and others operating businesses in these stations to further increase the value of each station. Furthermore, we will work closely with local governments and companies in the areas surrounding stations with the aim of enhancing the value of the area as a whole, centered on stations.

Shinagawa Development Project

The Shinagawa area is expected to become much more significant in terms of its functions as a transportation hub going forward. The Shinagawa Development Project is one of Japan's largest development projects of its kind. For these reasons, we will work closely with the community to develop an internationally attractive town that is not confined to conventional notions.



(Developing a line-side area brand that is chosen by consumers)

In the Tokyo metropolitan area network, we will continue to make line-side areas more attractive and convenient by developing areas from the multidimensional perspective of town development, and not just the railway stations uni-dimensionally. As one of the first examples of this approach, we will continue to promote a plan for the development of a "Chuo Line Mall" underneath the elevated Chuo Line between Mitaka and Tachikawa.

In addition, considering the needs of customers and residents of line-side areas, we will promote the realignment of various facilities and services such as existing station buildings, along with town development in areas surrounding stations. We aim to establish a line-side area brand that makes people want to live in each area. To this end, we will improve the community amenities available at train stations, while actively developing the HAPPY CHILD PROJECT* childcare business. * A Group-wide business for comprehensively supporting childcare activities

(Revitalize core regional cities)

In core regional cities faced with declining populations, local governments and other entities are promoting town development centered on stations. From the third perspective of collaboration with these partners, we will strive to revitalize these cities by renewing station facilities, renovating station buildings, and enhancing public and community functions. Furthermore, by enhancing the ability of stations to function as gateways for tourists, we will create railway stations that are highly convenient for both local residents and visitors to the region-stations that symbolize the town and surrounding areas as a whole.







(4) Measures to fulfill our role as provider of regional transportation

(Developing trains that people seek to board for the "ride" itself)

In regional routes, we will develop trains based on new concepts that people seek to board just for the "ride" itself, rather than as a means of transportation. By providing an amazing experience for customers that liberates them from their daily lives, we aim to expand the use of trains for tourism.

(Increasing operating efficiency on regional routes)

We will continue working to increase the operating efficiency of regional routes. At the same time, we will review regional routes with low ridership where we are unable to harness the advantages of railway transportation. Following extensive consideration of railway usage patterns for these routes since the founding of JR East, we will strive to secure an effective means of transportation together with communities, such as by introducing alternative transportation methods.

(5) Revitalizing local industries

We will provide assistance to local manufacturing industries as part of our initiatives to revitalize communities. Leveraging JR East sales networks and expertise, we will implement measures such as jointly developing products with local producers, providing sales channels in the Tokyo metropolitan area and disseminating information. Through these measures, we hope to contribute to the sextic industrialization* of the agriculture, forestry and fisheries industries and increase demand for locally produced goods.

* An activity integrating agricultural, fishery and forestry production (primary indus-try) with product processing (secondary industry) and sales services (tertiary industry) in order to create a new industry utilizing local resources. The expression sextic indus-trialization was derived from multiplying one, two and three, implying an industrialization integrating the primary, secondary and tertiary industries

(6) Contributing to communities and society as a whole through medical services

Through the JR Tokyo General Hospital and JR Sendai Hospital, which are directly operated by JR East, we will provide advanced medical services using ICT and other advances. Meanwhile, as a trusted regional medical center, we will enhance cooperation with other medical institutions in the surrounding areas in order to contribute to communities and society as a whole.