

The Ideal Form of the Railway Business in Ten Years Time — *I do mu*; Challenge — of the Future Envisioned The Cooperative Creation of a Sustainable Society

Things that should be changed and those that should not be changed

There is an excellent reason for selecting “*i do mu*” as the subtitle of our recently-published JR East Vision 2020.

During the first two decades after the privatization of Japanese National Railways (JNR), we concentrated on repaying the debt the nationalized system had built up, and on developing a foundation for sound management. We have almost achieved the goal in terms of the financial aspect, but we cannot rest on our laurels. In fact, the combination of Japan’s decreasing birthrate and the aging of society may continue to put pressure on transport revenues in the foreseeable future.

Against this possible background, we considered it wise to attempt to divine just how well JR East could be expected to fare in ten years time. We also considered what kind of a company we want JR East to be in another decade. In order to clarify our thoughts, we initiated exhaustive discussions throughout the Group and promulgated several key words, and thoughts about the future. In fact, we formulated JR East Vision 2020 by carefully deciding what things we should change and what things we should not change. When considering the style of management that will be necessary in ten years time, we believe that the future will be a completely different world from what we know today, and, furthermore, a future that is not simply an extension of the conditions we face today, such as the low birthrate, the aging of society, energy issues, and regional disparities. We believe that our “*i do mu*” philosophy allows us to proceed to the next stage, not only in terms of words but also with appropriate actions.

I do mu to extreme safety levels

In the dreadful Uetsu Line accident of 2005, five people lost their lives. Everyone at JR East prays for the souls of the victims of the accident and apologizes to their families. Furthermore, we sincerely hope that the families of the victims will find closure, and that those injured in the accident will regain their full health as quickly as possible. Having also faced various accidents caused by natural disasters, such as the derailment of a Shinkansen train due to the Niigata Chuetsu Earthquake, we all feel that we must constantly remember that safety is the most important issue of management, without which it would be impossible to perform our duties.

From our formation until today, we have continuously nurtured improvements in employee awareness through a host of activities, and, furthermore, have allocated more than 40% of all capital investment to the field of safety, thus striving actively for accident prevention. The search for perfect safety can never end, but we will continue to regard safety as management’s most important issue and work toward a reduction of accidents that cause fatalities or injuries to our customers or fatalities to employees (including those of our Group companies and partner companies)



I do mu to environment issues

It has been documented that emissions of CO₂ and other greenhouse gases from railways are only 10% of emissions from automobiles for transporting a person over the same distance. In other words, railways have a significantly lower level of environmental impact than road transport. What is more, JR East will continue to further strengthen this environmental advantage through corporate efforts aimed at the development of the world's leading environmental technology in the railway industry.

By the end of fiscal March 2010, JR East plans to establish the Environmental Technology Research Center (tentative name) for the advancement of environmental technology research. We will also continue to improve the diesel hybrid railcar that we introduced on the Koumi Line in 2007, increase our usage of renewable energy such as solar and wind power, and complete the development of a fuel cell hybrid railcar from which the only emission during operations will be water. Other subjects on our environmental protection agenda include measures for a reduction of the environmental load of facilities and of the full railcar life cycle (from manufacture to disposal), and technological research into new energies.

We believe that it is critical to bring new technologies to commercialization as quickly as possible. With this in mind, we plan to increase the number of lines using hybrid railcars, as well as continuing our policy of introducing new, energy-saving railcars wherever possible. In regard to station buildings and offices, we plan to sequentially convert them to the use of renewable energies, while at the same time working to reduce the heat island effect through various measures including installing roof gardens.

We will also continue to increase the extent of greenery alongside our tracks and regenerate railway forests. In parallel with these green plans, we will encourage and advance eco-friendly activities such as energy saving and recycling at all stations and business premises. Through such Group-wide initiatives, we will strive to steadily reduce levels



of CO₂ emissions from the railway business, with the goals of achieving a 32% reduction by the end of fiscal March 2018 and 50% by the end of fiscal March 2031 (from the fiscal ended March 1991 as the base year).

I do mu to next generation development

Railways form the most environmentally sound system of transportation, but a shift to railways and away from other forms of transport will not make much progress unless we offer customers an environment that they find easy to use. With that aim in mind, we will continue to strive to develop cities where automobiles are totally unnecessary. We will, for example, inaugurate the Tohoku Through Line, an extension of the Utsunomiya, Takasaki and Joban lines to Tokyo Station. We will, furthermore, expand our level of through operations with other railway companies, increase passenger convenience when transferring trains, work in cooperation with other transport systems with which we share station access, and develop a public transport network that is even more convenient than private automobile usage. This goal will be enhanced by yet another initiative under which we will cooperate with local community programs to enhance the convenience and comfort of stations by effectively turning them into the hearts of their communities.

The JR East Group understands and accepts the expectations placed on us and we will continue to fulfill our role and meet our responsibilities, starting with the challenge of developing the next generation.

Satoshi Seino
President and CEO
East Japan Railway Company

A handwritten signature in black ink that reads "Satoshi Seino". The signature is written in a cursive, flowing style.