

TRANSPORTATION



Ueno-Tokyo Line to begin operation (FY2015)

TOKYO METROPOLITAN AREA NETWORK

OVERVIEW

With approximately 36 million people, about 30% of Japan's population is concentrated in the Tokyo area (comprised of the Tokyo Metropolis, Kanagawa, Saitama and Chiba Prefectures). Moreover, this population is projected to be supplemented for the foreseeable future with people continuing to move

into the Tokyo area, even though the population of Japan as a whole has begun to decline. Furthermore, the Tokyo area also accounts for about 30% of Japan's economic activity. JR East's strongest business advantage is that the entire Tokyo area is one of its major operating territories. Illustrating this, the Tokyo area alone accounts for almost 70% of JR East's passenger revenues. Moreover, the Group's network of conventional lines in the Kanto area network stretches out for 2,536.2 operating kilometers.

To date, JR East has continuously endeavored to enhance its Kanto area transportation services. Efforts have focused on increasing the frequency of trains during the morning rush hour to ease crowding, increasing direct services (eliminating transfers for passengers) on the Shonan-Shinjuku and other lines, and improving seating services by introducing *Green Cars* on local trains.

In fiscal 2014, JR East's Kanto area network accounted for 104,225 million passenger kilometers and revenues from passenger tickets of ¥1,115.3 billion.

TOPICS AND OUTLOOK

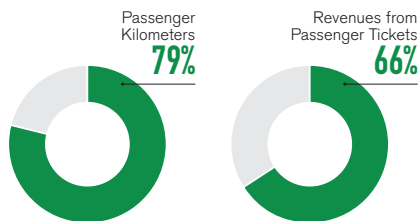
Transportation Service Improvement

In the Tokyo metropolitan area, JR East is working to improve transportation services on each railway line. Specifically, in view of the demographic changes along each of the network's line-side areas, the Group is improving services by shifting emphasis from ramping up transportation capacity during peak hours, to improving convenience during daytime hours. This will be done while enhancing the seating availability, as well as direct services with other railway lines.

North-South Corridor: The Ueno-Tokyo Line will begin operating at the end of fiscal 2015. As a result, passengers will be able to take a transfer-free ride on the Joban, Utsunomiya and Takasaki lines to Tokyo Station and areas served by the Tokaido Line.

East-West Corridor: JR East aims to steadily improve services on routes such as the Chuo Line, where there are strong needs for rapid service and seating services.

COMPOSITION OF RAILWAY OPERATIONS IN JR EAST
(Conventional Lines in the Kanto area network)



Tokyo Megaloop (an outer loop formed by the Musashino, Keiyo, Nambu and Yokohama lines): The Group is implementing measures such as enhancing direct services to other railway lines and improving convenience during daytime hours.

This includes the preparations underway for starting direct service to Sagami Railway. **IA**

Ueno-Tokyo Line

The Ueno-Tokyo Line, which will begin operating at the end of fiscal 2015, involves constructing a multi-level viaduct near Kanda Station and building new railway tracks between Tokyo and Ueno Stations. This is being done so that certain services on the Utsunomiya, Takasaki, and Joban lines that currently terminate at Ueno Station can instead be linked to Tokyo Station and the Tokaido Line bound for Shimbashi and Shinagawa.

Upon completion, the Ueno-Tokyo Line will ease overcrowding on the Yamanote and Keihin-Tohoku lines during the morning rush hour. Furthermore, direct service via this new line will also eliminate transfers at both Ueno and Tokyo Stations, thus shortening travel times on the Utsunomiya, Takasaki, and Joban lines to the Tokaido Line.

Moreover, in view of the expected changes in passenger flow once the Ueno-Tokyo Line opens, construction has also begun on renovation work at Tokyo, Shimbashi, Nippori, Shinagawa and other stations the new line will affect. **IB**

Transportation Quality Improvement

JR East aims to reduce the number of service disruptions caused by railcar and equipment malfunctions attributable to JR East within a



IC Series E233 commuter railcars for the Nambu Line

100 km radius of Tokyo to one-third of the current level (number of service disruptions per 1 million rolling stock kilometers in fiscal 2012: 0.06). The Group is also strengthening measures to quickly resume operations, and stop the impact of service disruptions from spreading further, as well as provide passengers with more information, in the event of a service disruption.

To this end, all train conductors and drivers began using tablet computers in fiscal 2014. This was done in order to respond quickly to transportation disruptions and to improve guidance and other services.

New Stations from a Strategic Perspective

JR East will seek to explore the commercial feasibility of establishing new stations from many strategic angles, and to bring such plans to fruition in cooperation with local governments. The goal is to increase points of contact among railways, towns and customers, while further improving convenience and increasing railway usage by customers.



ID Automatic platform gates on the Yamanote Line

Introduction of Series E233 Commuter Railcars

Series E233 commuter railcars will be introduced in stages for operation on the Nambu Line in fiscal 2015. The cars feature around 10% greater capacity than the conventional Series 205 cars, which will help alleviate crowding. They also feature 100% LED lighting, which will reduce power consumption by some 60% compared to standard fluorescents. **IC**

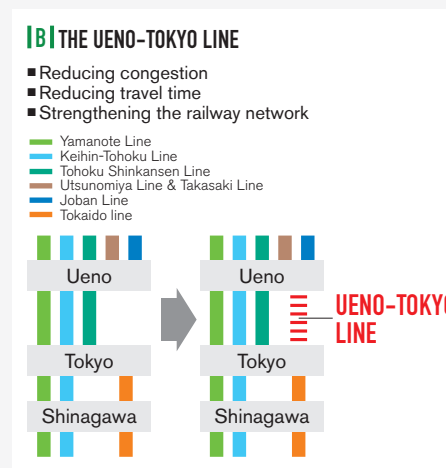
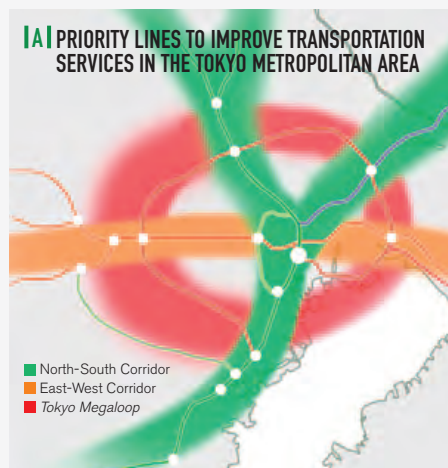
Automatic Platform Gate Installation on the Yamanote Line

JR East will continue installing automatic platform gates on the Yamanote Line. The goal is to have these gates operational at 23 stations on the line by fiscal 2016, with the exception of the stations scheduled to undergo major construction work. The Group had automatic gates in use at 11 stations as of March 31, 2014, and installation is planned for seven more stations in fiscal 2015.

Apart from the Yamanote Line, the Group will formulate plans to install the automatic gates by individual station, such as those frequented by vision-impaired passengers, and by line segment. **ID**

Examining Introduction of a CBTC System

JR East is aiming to dramatically change and improve its Tokyo metropolitan area transport system with technological and operational innovations applying unconventional ways of thinking. With this in mind, the Group is examining the introduction of a CBTC system to the local service between Ayase Station and Toride Station on the Joban Line. CBTC, or communication-based train control, is a wireless train control system that is rapidly coming into use on metropolitan railways and other transport systems worldwide.





IA New Series E7 railcars for the Hokuriku Shinkansen Line

INTERCITY NETWORK CENTERED ON SHINKANSEN

OVERVIEW

Shinkansen lines from Tokyo to five destinations comprise the backbone to JR East's intercity network. These lines are the Tohoku Shinkansen to Shin-Aomori, Joetsu Shinkansen

to Niigata, and the Nagano Shinkansen to Nagano, as well as the Yamagata Shinkansen to Shinjo and the Akita Shinkansen to Akita with trains operable on Shinkansen and conventional railway lines. Together, the Shinkansen lines stretch out for 1,134.7 operating kilometers.

JR East is taking steps to further increase the convenience of its Shinkansen services. Those efforts include implementing plans to introduce new types of railcars and increasing train services during such busy periods as the *Golden Week* spring holidays, summer vacation period, and the year-end and New Year period. Moreover, these lines will help maintain JR East's advantage over air travel. To illustrate, it takes less than four hours to get from Tokyo to Akita, on the longest stretch on JR East's Shinkansen network.

In fiscal 2014, traffic volume on the Shinkansen lines was 20,863 million passenger kilometers, and revenues from passenger tickets were ¥507.1 billion.

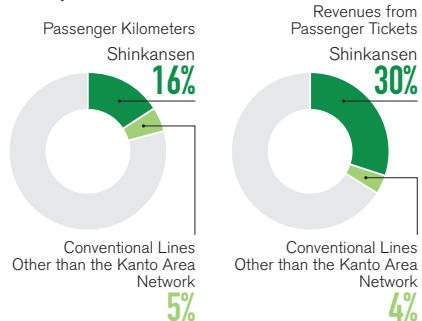
In addition, JR East also boasts a network of limited express services linking major cities

along its conventional lines. These conventional lines outside the Kanto area network stretch out for 3,841.7 operating kilometers.

Based on regional conditions, JR East is further integrating its network of limited express services with its Shinkansen services, as well as increasing the frequency and speed of the trains. Furthermore, JR East is shortening travel times by eliminating the need to change trains through the operation of the Yamagata Shinkansen and the Akita Shinkansen trains, which operate on both Shinkansen and conventional lines.

COMPOSITION OF RAILWAY OPERATIONS IN JR EAST

(Intercity Network Centered on Shinkansen)



IB New Series E6 railcars

In fiscal 2014, JR East's network of conventional lines outside the Kanto area accounted for 6,022 million passenger kilometers and revenues from passenger tickets of ¥73.9 billion.

TOPICS

Operation of Akita Shinkansen Series E6 Railcars at 320 km/h, and Debut of the Nagano Shinkansen Series E7 Railcars

When the train schedules were revised in March 2014, JR East commenced the operation of Series E6 railcars as the Akita Shinkansen's *Komachi* service at a maximum speed of 320 km/h between Utsunomiya Station and Morioka Station. As a result, Akita can now be reached from Tokyo in as short as 3 hours and 37 minutes. At the same time, JR East's new Series E7 railcars made their debut between Tokyo Station and Nagano Station ahead of the scheduled opening of the Hokuriku Shinkansen to Kanazawa in spring 2015. **IAIIBI**

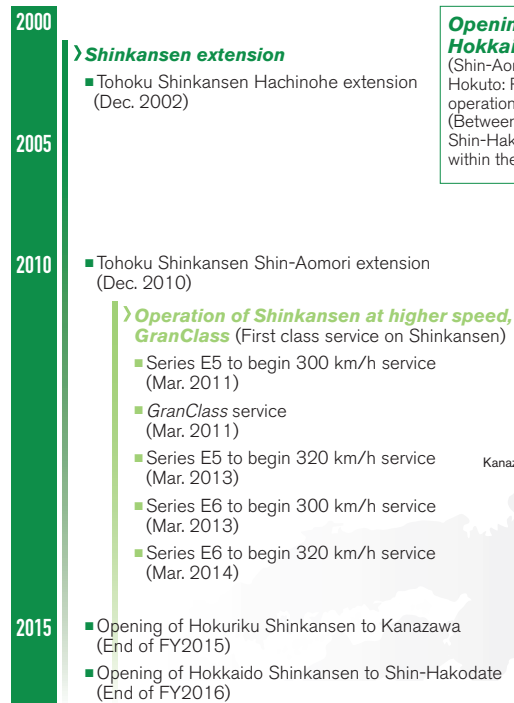
OUTLOOK

Commencement of the Hokuriku Shinkansen to Kanazawa and Hokkaido Shinkansen to Shin-Hakodate (provisional name)

JR East is aiming to change the landscape of inter-regional tourism when it opens the Hokuriku Shinkansen from Nagano to Kanazawa at the end of fiscal 2015, and the Hokkaido Shinkansen from Shin-Aomori to Shin-Hakodate (provisional name) at the end of fiscal 2016. Once these lines open, JR East sees an opportunity to encourage large numbers of people to travel to these areas, and will take full advantage of the enhanced Shinkansen network to establish attractive travel routes.

JR East is making steady progress on preparations for opening the Hokuriku Shinkansen Line to Kanazawa at the end of fiscal 2015. As a sales base for leveraging the line when it opens to encourage the flow of passengers between Tokyo and the Hokuriku region, JR East opened the Hokuriku Marketing Center in Kanazawa in fiscal 2014.

STRATEGY FOR RAILWAY BUSINESS INTERCITY NETWORK (SHINKANSEN)



EXPANSION OF JR EAST'S SHINKANSEN NETWORK



Promoting Japan as a Tourism-oriented Nation

The six JR passenger railway companies in Japan are co-promoting *Destination Campaigns (DCs)*, or large-scale tourism campaigns for revitalizing local communities in cooperation with municipal authorities. In fiscal 2015, JR East will stimulate tourism in eastern Japan with the *Niigata DC* from April through June 2014, the *Yamagata DC* from June through September 2014, and the *"Ikuze, Tohoku."* Campaign.

Examining Access Improvements to Haneda Airport

Further functional enhancements, including capacity expansion of international flights, are expected for Haneda Airport going forward. The government has also propagated a target to raise the number of overseas travelers visiting Japan to over 30 million people by 2030 (20 million people in 2020). The use of this airport, including by such inbound travelers and others, is expected to increase over time.

Under these circumstances, JR East will broadly examine measures for leveraging its transportation network to improve access to Haneda Airport.

Trains People Seek for the "Ride" Itself

JR East is developing attractive trains that are more than just a mode of transportation—that position the pleasure of riding certain trains for the ride itself as a reason for traveling—as one of its initiatives in pioneering a new future for railways. Starting in fiscal 2015, the Group will launch the *TOREIYU* service as such a train on the Shinkansen for the first time. As a design concept, this service will enable passengers to enjoy railway travel as spontaneously as a strolling through a hot spring resort to discover the foods, hot springs, cultural heritage and natural beauty of eastern Japan.

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ICI TOREIYU