

# Transportation // Tokyo Metropolitan Area Network, Intercity Network, and Shinkansen

## Tokyo Metropolitan Area Network, Intercity Network, and Shinkansen

### Numbers

Conventional network (Kanto area)  
Operating kilometers

**2,535.0** kilometers (as of March 31, 2017)

Fiscal 2017 Conventional revenues (Kanto area)  
from passenger tickets

**¥1,163.0** billion

Conventional network (Outside Kanto area)  
Operating kilometers

**3,728.1** kilometers (as of March 31, 2017)

Fiscal 2017 Conventional revenues  
(Outside Kanto area) from passenger tickets

**¥68.7** billion

Shinkansen network operating kilometers

**1,194.2** kilometers (as of March 31, 2017)

Fiscal 2017 Shinkansen revenues from  
passenger tickets

**¥584.3** billion



### Fiscal 2017 Summary, Part 1

In the Transportation segment, JR East revised timetables in March 2017 to increase the frequency of *Hayabusa* services between Tokyo and Sendai on the Tohoku Shinkansen Line as well as to increase the frequency of and add railcars to *Narita Express* services, which many visitors to Japan use. Further, given the expansion of the direct service network, JR East took measures to improve the quality of transportation by expanding contingency shuttle operations when transportation services are disrupted.

With respect to marketing and sales activities, JR East conducted such campaigns as the *Ikuze, Tohoku. SPECIAL Fuyu no Gohobi* Campaign and the *Japanese Beauty Hokuriku* Campaign to increase inter-regional railway travel.

In relation to the *JR East Dynamic Rail Pack*, a travel product that allows a customer to purchase a combined train-accommodation product based on his or her choice, in November 2016, JR East launched the new *Dynamic TYO* brand with the aim of increasing the flow of tourists to the Tokyo metropolitan area from the Tohoku and Shinetsu regions.

### Fiscal 2018 Topics

- *Hokkaido Shinkansen Line Opening 1st Anniversary Campaign* (February–September 2017)
- *Ikuze, Tohoku. Campaign* (April 2017–March 2018)
- *Seasonal Beauty Itsutsuboshi. Hokuriku Shinkansen Campaign* (April 2017–March 2018)
- Beginning of *TRAIN SUITE SHIKI-SHIMA* operations (May 1, 2017)
- *Shinshu Destination Campaign* (July–September 2017)

### Plan

Billions of Yen	Fiscal 2017 Results	Fiscal 2018 Plan	Fiscal 2017 / Fiscal 2018
Operating revenues	1,989.8	<b>2,001.0</b>	+11.1 (100.6%)
Operating income	334.2	<b>335.0</b>	+0.7 (100.2%)

## Promotion of Shinkansen Usage

JR East is entrenching usage of the Hokkaido Shinkansen Line by conducting the *Hokkaido Shinkansen Line Opening 1st Anniversary Campaign* and marketing travel products, travel products only available through the Internet, and other products. Meanwhile, throughout the year JR East is encouraging passengers to use the Hokuriku Shinkansen Line by launching travel products and implementing year-round advertising that highlights the Hokuriku area's attractions in each season—scenery, inspiring experiences, fall colors, and cuisine—through the *Seasonal Beauty Itsutsuboshi. Hokuriku Shinkansen Campaign*.

This year is an anniversary for all of JR East's Shinkansen lines. For example, March 22, 2017, was the 20th anniversary of the Akita Shinkansen Line's opening. To express its gratitude to customers and those residing in line-side areas and to motivate customers to continue using Shinkansen services in large numbers, JR East is conducting the *SHINKANSEN YEAR 2017* Campaign, rolling out discount commemorative products only available online, establishing trains exclusively for groups on respective Shinkansen lines, and launching commemorative travel products.



SHINKANSEN YEAR 2017 Campaign poster

## Revitalization of Communities and Stimulation of Tourism

Since the Great East Japan Earthquake, one of JR East's goals has been to use the power of tourism to support the restoration of the Tohoku region. To this end, JR East has conducted *Destination Campaigns* for the region's six prefectures and has been advancing the *Ikuze, Tohoku*. Campaign since November 2011. Stepping up efforts to increase visitors to the Tohoku region, in December 2016 JR East unveiled the *Ikuze, Tohoku. SPECIAL Fuyu no Gohobi Campaign*, which emphasizes the charm of the Tohoku region in winter. JR East advanced this campaign in collaboration with the region's six prefectural governments and other municipal authorities, Tohoku Tourism Promotion Organization, travel agencies, and other parties involved in the tourism industry. This campaign together with the *Spring Akita, Summer Aomori Prefecture and Hakodate, and Fall Fukushima* comprise a year-round drive to increase visitors in fiscal 2017.

In addition, JR East has launched the *Shinshu Destination Campaign*, covering July through September 2017. With "Welcome to a World-Class Resort. Mountains of Shinshu" as a slogan, JR East is offering a selection of experience-type and stay-type travel products that exploit the attractions of a mountain tableland, including nature, history, culture, cuisine, and health benefits.

JR East will unearth tourism resources and strengthen tourism promotion capabilities while collaborating with local communities to stimulate tourism.



Ikuze, Tohoku. SPECIAL Fuyu no Gohobi 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, JR East aims 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.



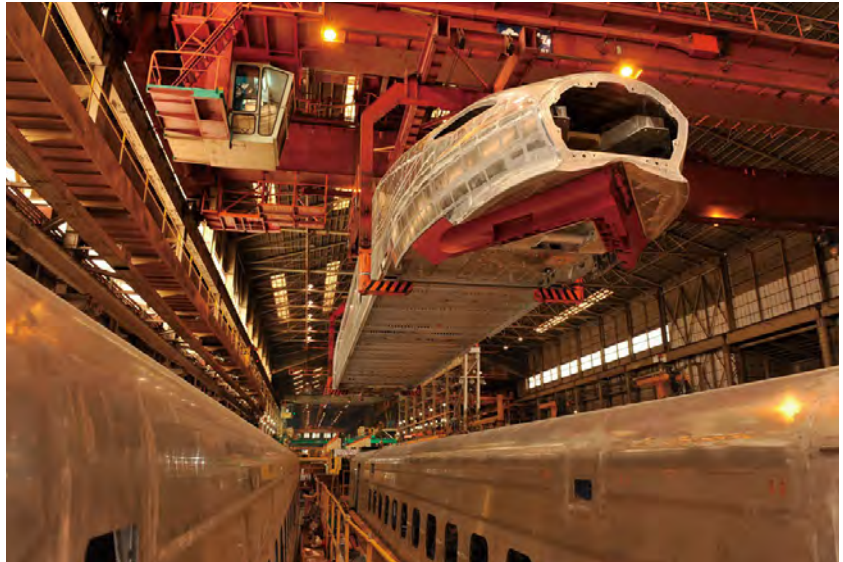
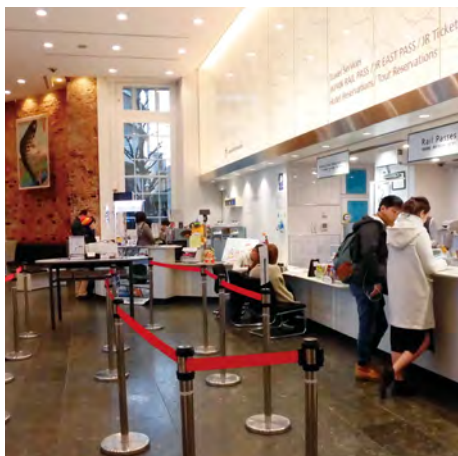
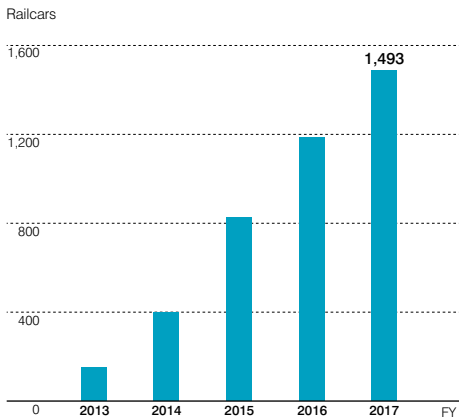
Haneda Airport Access Line design (Under examination)  
 — JR Line (Including freight line) — Rinkai Line  
 ● Establishing line ● Increasing line

# Transportation // Initiatives for Visitors to Japan and Railcar Manufacturing Operations

## Initiatives for Visitors to Japan and Railcar Manufacturing Operations

### Overview

#### J-TREC's Recent Railcar Production



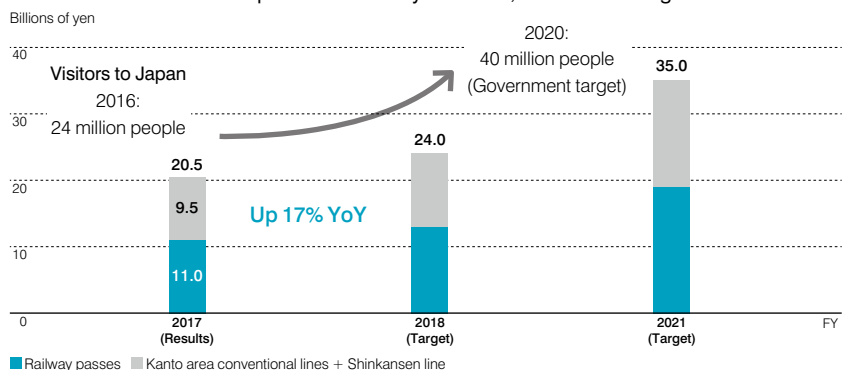
### Fiscal 2017 Summary, Part 2

With respect to strategies for visitors to Japan from overseas, the JR East Group as a whole took measures to increase the number of and improve products and develop capabilities to serve such customers. Specifically, in April 2016 JR East launched the *Tokyo–Osaka Hokuriku Arch Pass*, which may be used for the Hokuriku Shinkansen Line, and *JR East–South Hokkaido Rail Pass*, which may be used for the Hokkaido Shinkansen Line. In August 2016, JR East launched a new product for the Tohoku area, *TOHOKU BUFFET*, and expanded and improved the lineup of travel products for visitors to Japan under the *JR East Railway Holiday* brand. In addition, JR East opened a new *JR EAST Travel Service Center* at the east exit of Ikebukuro Station and increased the number of service counters in the centers at Tokyo Station and Narita Airport Terminal 2-3 Station.

With respect to participation in overseas railway projects, in August 2016 the *Purple Line* (Bangkok, Thailand), an urban mass transit system, began operations, and *sustina* stainless-steel railcars manufactured by subsidiary Japan Transport Engineering Company (J-TREC) began operations. Further, a local subsidiary established through a joint investment with other companies began maintenance operations for railway systems.

### Target

#### Revenue from Visitors to Japan in the Railway Business, Results and Targets



## Strategies for Visitors to Japan

JR East will pursue internal and external initiatives to help establish Japan as a tourism-oriented nation. The targets for 2020 are 40 million visitors to Japan and 1.5 million stays by visitors to Japan in the Tohoku region's six prefectures.

The Tohoku Tourism Promotion Organization has received approval from the Minister of Land, Infrastructure, Transport and Tourism for a project tasked with establishing a wide-ranging sightseeing excursion route, called "Exploration to the Deep North of Japan." Coordinating with this project, JR East will increase its ability to cater to visitors to Japan in areas on the route. Specifically, JR East will establish tourist information centers with appearances and facilities that are uniform, provide free public wireless LAN services, and standardize services. JR East already sells railway passes and travel products targeting visitors to Japan traveling in the eastern part of the country. However, since April 2017 JR East has been bringing to market a series of new products, including the *SENDAI AREA PASS*, product tie-ups with international airlines, and tie-up sales of homestay travel products.

To cater to the needs of the growing number of visitors to Japan, the JR East Group will sustain concerted efforts to move forward with strategies for visitors to Japan.



SENDAI AREA PASS

## Development of Railcar Manufacturing Operations

### - Initiatives to Date

Aiming to acquire railcar manufacturing know-how and enhance its technological capabilities, JR East established the Niitsu Rolling Stock Plant in October 1994. Since then, the plant has mainly manufactured suburban commuter railcars for the Tokyo metropolitan area. In April 2012, Japan Transport Engineering Company (J-TREC, formerly Tokyu Car Corp.), which was the first company in Japan to manufacture stainless-steel railcars, joined the JR East Group. To establish railcar manufacturing operations as the JR East Group's fourth business pillar, J-TREC assumed the operations of the Niitsu Rolling Stock Plant in April 2014.

As a result, in developing its operations the Niitsu Rolling Stock Plant can take advantage not only of know-how acquired as a railcar manufacturer but also the technological capabilities that JR East has honed as a railway operator. Moreover, the plant can now manufacture a broad range of railcars, from suburban commuter railcars through to Shinkansen railcars. This scope enables the plant to pursue economies of scale in addition to other efficiency improvement efforts.

### - Concentration on *sustina* Stainless-Steel Railcars

J-TREC manufactures an extensive range of high-quality, high-value-added products. In addition to suburban commuter railcars, the company manufactures Series E353 express railcars, Series EV-E301 accumulator railcars, Series E7 railcars for the Hokuriku Shinkansen Line, *TRAIN SUITE SHIKI-SHIMA* railcars, and railcars for the *Purple Line* (Bangkok, Thailand).

Among these products, JR East is focusing efforts on mainstay *sustina* railcars, which exploit the advantages of stainless-steel railcars. Through *sustina* stainless-steel railcars, JR East aims to reduce life-cycle costs. These efforts entail mass producing a common platform and consolidating and introducing common specifications for railcar structures and equipment systems. In addition, the JR East Group draws on its maintenance know-how to reduce the railcars' maintenance costs.

In fiscal 2018, JR East will continue introducing to the Yamanote Line Series E235 railcars—the *sustina* brand's commuter railcars for large cities. Further, JR East plans to manufacture railcars for other companies and organizations, such as Tokyo Metropolitan Bureau of Transportation, Tokyu Corporation, and Keio Corporation.

The JR East Group will continue leveraging its combined strength to reduce life-cycle costs further while delivering high-quality products. Through these initiatives, JR East aims to add value to the *sustina* brand and encourage widespread usage of *sustina* stainless-steel railcars.



*sustina* stainless-steel railcar



Series E235 railcars debut on the Yamanote Line

# Retail & Services



## Fiscal 2018 Topics

- *GranSta Marunouchi, GranSta New Area* (fully open in August 2017)

## Plan

Billions of Yen	Fiscal 2017 Results	Fiscal 2018 Plan	Fiscal 2017 / Fiscal 2018
Operating revenues	502.4	514.0	+11.5 (102.3%)
Operating income	36.8	37.0	+0.1 (100.4%)

## Overview

### Top 20 Stations with Large Daily Passenger Use\*



Station	Number of Passengers per Day
1 Shinjuku	1,538,614
2 Ikebukuro	1,119,840
3 Tokyo	879,108
4 Yokohama	829,366
5 Shinagawa	743,574
6 Shibuya	742,672
7 Shimbashi	542,056
8 Omiya	505,538
9 Akihabara	493,246
10 Kita-Senju	428,644
11 Kawasaki	418,960
12 Takadanobaba	413,366
13 Ueno	365,386
14 Yurakucho	339,100
15 Tachikawa	331,290
16 Osaki	321,640
17 Hamamatsucho	310,588
18 Tamachi	305,248
19 Nakano	292,800
20 Kamata	288,144

# Retail & Services

## Fiscal 2017 Summary

In the Retail & Services segment, JR East opened phase 2 of *NEWoMan* (Tokyo) at the JR Shinjuku Station New South Exit in April 2016. Following the July 2016 openings of phase 1 of *GranSta Marunouchi* (Tokyo) and a new area of *GranSta* (Tokyo), which are in the Marunouchi underground area of Tokyo Station, JR East proceeded with preparations to open phase 2 of both areas in April 2017. Further, in November 2016, JR East opened the renovated *Ekibenya Matsuri GranSta* (Tokyo), which features a menu boasting an assortment of local tastes from across Japan. In addition, JR East opened *PERIE CHIBA EKINAKA (IN-STATION)* (3rd floor) (Chiba) in November 2016 in accordance with a plan to rebuild Chiba Station and its buildings. JR East continued introducing stores with new designs for *NewDays* (convenience stores) and introducing *NewDays KIOSK*, a new type of *KIOSK* store.

In advertising and publicity services, JR East made efforts to promote advertising sales for 11 *Tokyo Metropolitan Area Railway Operators Nakazuri (Hanging Posters) Dream Network Set*, which enables the simultaneous posting of advertisements that hang inside railcars on all target lines, including those of other railway operators.

## Numbers

Railway stations used by more than 100,000 passengers per day\*

**97** (as of March 31, 2017)

Railway stations used by more than 200,000 passengers per day\*

**41** (as of March 31, 2017)

\* The number of station users represents twice the number of passengers embarking.

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## ecute

As part of its *Station Renaissance* program to create new railway stations for the 21st century, JR East is continuing to roll out innovative business models in station concourses and create distinctive, more-attractive railway stations.

The JR East Group coined the name *ecute* based on the first letters of the words *eki*, which is Japanese for “railway station,” center, universal, together, and enjoy. As this acronym suggests, the Group’s goal is to transform railway stations into comfortable hubs where diverse people gather and have fun. In addition, the Group integrates management of commercial spaces inside railway stations to take maximum advantage of their potential. These efforts include everything from concourse environment planning through to merchandising, business partner selection, sales area management, and sales promotions.



ecute Tokyo

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## NewDays KIOSK

The JR East Group’s convenience business supports customers in their daily lives by operating approximately 500 *NewDays* station convenience stores and roughly 330 *KIOSK* station kiosks. The Group is renewing store designs, strengthening product lineups, introducing new services, and installing self-checkout machines to establish *NewDays* convenience stores as a station brand differentiated from city convenience stores. *NewDays* convenience stores average 1,500 store visits per day—far higher than the normal level for city convenience stores. Also, in spring 2015 the Group renewed the long familiar *KIOSK* format to introduce *NewDays KIOSK* station kiosks as new-format “micro convenience stores” that make shopping in railway stations even more enjoyable and convenient.



NewDays KIOSK

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## Advancement of the Rediscovering the Region Project

In the Tokyo metropolitan area, the JR East Group coordinates the *Rediscovering the Region Project* with the sales promotion initiatives of *Destination Campaigns*. As part of the project, the JR East Group holds *Sanchoku-Ichi* (farmers’ markets) at Ueno Station; operates permanent *NOMONO* shops, which enable producers to showcase their products and regions; and conducts the *NOMONO premium* Internet sales. Based on the concept of seasonal goods (*shun no mono*), local goods (*chi no mono*), and traditional goods (*yukari no mono*), the JR East Group opened *NOMONO* shops in Ueno Station in January 2012 and in Akihabara Station in March 2014.

Aiming to expand the *NOMONO* brand, the Group opened *NOMONO Kitchen Ikebukuro Higashiguchi* in November 2015 and the *NOMONO Izakaya Kayojiji Ueno* restaurant in January 2016.



NOMONO Kitchen Ikebukuro Higashiguchi

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## Development of Advertising and Publicity

The railway stations and railcars that serve approximately 17 million people each day are JR East’s most precious business assets. By utilizing these assets as advertising media, JR East generates sizable revenues.

Each set of Series E235 railcars operating on the Yamanote Line has 288 digital signage advertisements inside, up from the 88 of its predecessor. Moreover, above its windows the railcar has three linked digital signage advertisements, which replace paper advertisement posters. These innovations allow dissemination of higher-value-added information to customers. The Group sells advertising on a monthly, positional basis through *AD Train*, which offers clients exclusive use of the advertisement poster space inside all railcars of one train. By using more digital signage advertisements together with traditional hanging advertisement posters, the Group will pursue new value in advertising inside railcars.



Digital signage advertisements above the windows of a Series E235 railcar

# Real Estate & Hotels



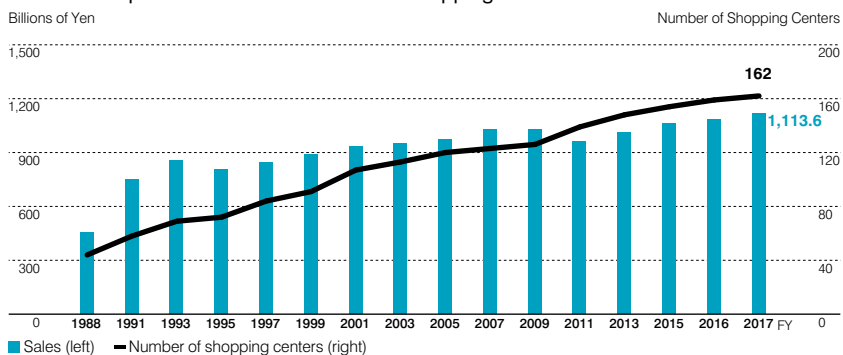
## Fiscal 2017 Summary

In the Real Estate & Hotels segment, JR East expanded in stages the common Groupwide service *JRE POINT* to a total of 71 station buildings and other facilities. For example, JR East made this service usable at *S-PAL Sendai* (Miyagi) and *FES'AN* (Iwate). In addition, JR East opened *nonowa Kunitachi WEST* (Tokyo) in April 2016 and *nonowa Musashisakai EAST* (Tokyo) in June 2016 in order to increase the value of the Chuo Line. Further, JR East opened *atré Ebisu West Building* (Tokyo) in April 2016, *JEBL Akihabara Square* (Tokyo) in September 2016, and *LUSCA Atami* (Shizuoka) in November 2016. In addition, JR East proceeded with the construction of *JR Saitama-Shintoshin Building* (Saitama), which opened fully in June 2017; phase 1 of the *Shibuya Station Area Development Plan* (East Building), which is scheduled for completion in the fiscal year ending March 31, 2020; and the *Yokohama Station West Exit Station Building Plan* (provisional name), which is scheduled for completion in 2020.

In hotel operations, to increase the competitiveness of existing hotels, JR East opened and renovated *HOTEL METS Shibuya* (Tokyo) and *HOTEL METS Kitakami* (Iwate). In addition, JR East proceeded with construction work on *Hotel Metropolitan Sendai East* (Miyagi), *Hotel Metropolitan Saitama-Shintoshin* (Saitama), and *Hotel Dream Gate Maihama Annex* (provisional name).

## Overview

JR East Group's Sales from and Number of Shopping Centers



# Real Estate & Hotels

## Numbers

JR East's shopping centers

**162** (as of March 31, 2017)

Shopping centers—Total floor space

**2,287,000** m<sup>2</sup> (as of March 31, 2017)

Office buildings—Leased floor space

**358,000** m<sup>2</sup> (as of March 31, 2017)

Hotels Guest rooms

**44 6,533** (as of March 31, 2017)

Metropolitan Hotels occupancy

**82.0%** (as of March 31, 2017)

HOTEL METS occupancy

**85.8%** (as of March 31, 2017)

## Fiscal 2018 Topics

- *JR Saitama-Shintoshin Building* (opened May–June 2017)
- *Hotel Metropolitan Sendai East* (opened June 2017)
- *Perie Chiba Ekinaka* (opened April and June 2017)
- *Perie Chiba* (shopping center) (Fall 2017, begin operation in advance)

## Plan

Billions of Yen	Fiscal 2017 Results	Fiscal 2018 Plan	Fiscal 2017 / Fiscal 2018
Operating revenues	326.3	<b>344.0</b>	+17.6 (105.4%)
Operating income	80.3	<b>83.0</b>	+2.6 (103.3%)

## Shinagawa Development Project

Under the Shinagawa Development Project, JR East has scheduled the provisional opening of a new railway station between Tamachi and Shinagawa stations for spring 2020, as well as the unveiling of a new town and the full opening of the new railway station around 2024. One of the largest development initiatives in Japan, the project has a site that covers roughly 130,000 square meters and will create around 1,000,000 square meters of floor space. The investment will total approximately ¥500.0 billion, and while the development will include hotels, commercial facilities, and cultural facilities, it will mainly comprise offices and condominiums.

In April 2016, the project received approval as a zone plan of a National Strategic Special Zone. In light of this approval, JR East is implementing plans for urban development in cooperation with the Government of Japan, Tokyo Metropolitan Government, relevant wards, and other stakeholders. In March 2017, the "Guideline for Community Development of the Northern Peripheral Area of Shinagawa Station" was established. Further, under this project, based on the Global Gateway Shinagawa concept, JR East aims to develop a town that welcomes the world and which enables innovative, internationally appealing companies and personnel to gather and create new businesses and cultures through diverse exchanges.



Rendering of the outside of the completed Shinagawa New Station (provisional name) viewed from the new town side

## Construction of HOTEL METS Akihabara (Provisional Name)

Akihabara Station is a stop on three JR East lines, a Tokyo Metro line, and the Tsukuba Express Line and is linked to Iwamotocho Station, a stop on a Toei Subway line. Consequently, the area around the railway station is an ideally situated hub for tourism and business. To create an appealing, vibrant space befitting Akihabara Station's gateway, the JR East Group has begun construction of *HOTEL METS Akihabara* (provisional name), scheduled for completion in fall 2019.

The Group intends to actively develop its hotel network in and beyond its service area. The Group's target is to expand from the current network of 44 hotels and 6,533 guest rooms to approximately 60 hotels and 10,000 guest rooms by around 2020.



Rendering of HOTEL METS Akihabara (provisional name)

## Major Projects of the Life-Style Business Going Forward

	Opening	Total Floor Space (m <sup>2</sup> )	Total Floor Space (m <sup>2</sup> )		
			Offices (m <sup>2</sup> )	Commercial (m <sup>2</sup> )	Hotel (Rooms)
JR SHINJUKU MIRAINA TOWER	Mar. & Apr. 2016	Approx. 111,000	Approx. 77,200	Approx. 9,400	—
Sendai Station East Exit Development	Mar. 2016	Approx. 43,000	—	Approx. 41,000	—
	Jun. 2017	Approx. 14,000	—	—	Approx. 280
Marunouchi underground area of Tokyo Station	Jul. 2016 – Aug. 2017	Approx. 19,000	—	Approx. 3,700	—
Main building and facilities of Chiba Station	Nov. 2016 – summer 2018 and beyond (fully open)	Approx. 73,800	—	Approx. 57,400	—
<i>HOTEL METS Akihabara</i> (Provisional Name)	Fall 2019	Approx. 66,000	—	—	Approx. 200
Shibuya Station Development (Joint development)	(East Tower) FY2020 (Central & West Tower) FY2028	Approx. 276,000	(Leased floor)	(Store space)	—
			Approx. 73,000	Approx. 70,000	
		(East Tower)	(East Tower)	(East Tower)	
		Approx. 181,000	Approx. 73,000	Approx. 30,000	
Development of area in and around north passage of Tokyo Station	2020	Approx. 17,600	—	Approx. 6,300	—
Yokohama Station West Exit Station Building (Provisional name)	2020	Approx. 122,000	Approx. 28,000	Approx. 70,000	—
<i>Takeshiba Waterfront Development Project</i>	2020	Approx. 108,500	Approx. 15,000	Approx. 8,000	Approx. 270
Kawasaki Station West Exit Development Project (Provisional name)	2022	Approx. 138,900	(Leased floor)	(Store space)	Approx. 300
			Approx. 65,000	Approx. 2,200	
Shinagawa Development Project	2020: Provisional opening of new station Around 2024: Opening of town	Area for development: Approx. 130,000			



# Others

## Others

### Numbers

Suica cards issued

**64.0** million (as of March 31, 2017)

Public transportation electronic money, record daily transactions

**5.8** million (Highest ever) (as of March 31, 2017)

Public transportation electronic money, compatible stores

**388,040** (as of March 31, 2017)

### Fiscal 2018 Topic

- Unification of *Suica Point* with *JRE POINT*

### Plan

Billions of Yen	Fiscal 2017 Results	Fiscal 2018 Plan	Fiscal 2017 / Fiscal 2018
Operating revenues	62.2	<b>71.0</b>	+8.7 (114.1%)
Operating income	16.5	<b>18.0</b>	+1.4 (108.6%)



### Fiscal 2017 Summary

In *Suica* operations, in October 2016 JR East introduced compatibility with Apple Inc.'s Apple Pay payment service, enabling usage of the service through iPhone 7 and other terminals. The number of *Suica* cards issued and outstanding was approximately 63.98 million as of March 31, 2017. Also, JR East proceeded with preparations for an increase from April 2017 in the number of railway stations on the Shinonoi Line, the Chuo Main Line, and the Banetsu West Line in which *Suica* is usable.

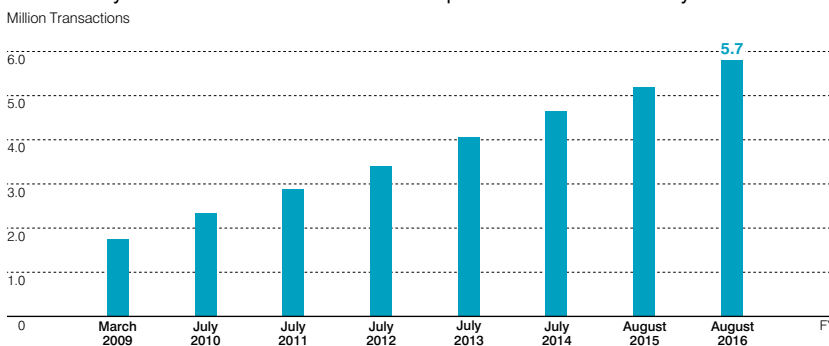
In *Suica* shopping services (electronic money), JR East began providing downloads of the *Suica Point App* in July 2016 to enhance the convenience of the *Suica Point Club* service. JR East continued to develop the network of participating stores and business establishments actively through efforts that included introduction of *Suica* electronic money to chain stores with wide operating areas. As a result of these measures, *Suica* electronic money was usable at approximately 380,000 stores as of March 31, 2017. Further, JR East proceeded with preparations to unify *Suica Point* with *JRE POINT*.

In credit card operations, JR East installed cash dispensers exclusively for credit cards issued overseas at eight railway stations in the Tokyo metropolitan area, including Shinjuku Station and Ueno Station.

\* Apple Pay and iPhone are the trademarks of Apple Inc.

### Environment

#### Record Daily Transaction Volume of Public Transportation Electronic Money Cards\*

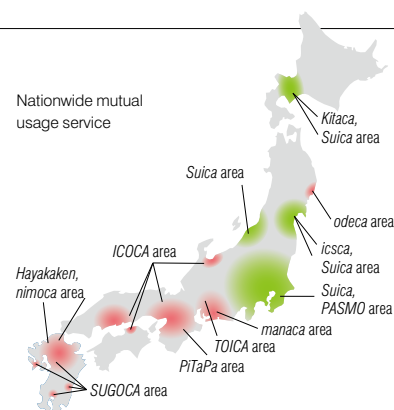


\* Comprising *Kitaca*, *PASMO*, *Suica*, *manaca*, *TOICA*, *ICOCA*, *Hayakaken*, *nimoca*, and *SUGOCA*

## Suica Usage Area

JR East introduced *Suica* as a prepaid fare collection system based on IC cards in November 2001. Since then, JR East has been enhancing the convenience of *Suica* as an IC railway ticket by increasing the number of railway stations where passengers can use *Suica* cards and introducing services that take advantage of the features of IC cards, such as *Suica* Green tickets and *Mobile Suica* limited express tickets.

Thanks to the launch of a nationwide mutual service network, train and bus services have become easier to use for the elderly as well as visitors to Japan. Today, travelers can use *Suica*, or any one of the IC public transportation cards, for most train and bus services—and some other modes of public transportation—in almost every major city in Japan. *Suica* was usable at approximately 4,850 railway stations and for approximately 44,440 bus services nationwide as of March 31, 2017.



## Suica Electronic Money

Since launching *Suica* electronic money in March 2004, JR East has been expanding business partnerships for the card with the aim of popularizing its usage in a wide variety of settings. JR East has extended the card's usability beyond in-station stores and vending machines to include convenience stores, shopping centers, and mass retailers of electronics and home appliances outside railway stations. In addition, JR East is broadening *Suica*'s usage environment to include various other aspects of daily life, such as online shopping, domestic in-flight shopping, home video game consoles, and gas stations.

As a result of these efforts, usage of *Suica* electronic money has grown continually. As of March 31, 2017, *Suica* was usable at approximately 388,040 stores, and the record for daily transactions for public transportation electronic money reached approximately 5.7 million. The target peak level for daily transactions for public transportation electronic money is eight million by fiscal 2021.



Using *Suica* electronic money at a vending machine

## Launch of *Suica* Services for Apple Pay

*Suica* on iPhone 7 and Apple Watch Series 2 was designed not only to be convenient and easy in Apple Pay, but to offer an intuitive and natural experience so that Apple customers and those who currently use physical *Suica* cards can seamlessly start to use this service.

\* Apple Pay, iPhone, and Apple Watch are the trademarks of Apple Inc.



Advertisement of *Suica* Services for Apple Pay

## Unification of *Suica* Point with *JRE POINT*

JR East will unify *Suica* Point with *JRE POINT* in December 2017. As a result, customers will be able to use a single points total comprising *JRE POINT* credit earned through the use of station buildings and *JRE POINT* credit earned through the use of a registered *Suica* card. Also, customers will be able to use *JRE POINT* credit to purchase *Suica* Green tickets from March 2018. In addition, JR East will unify *View Thanks Point* credit accumulated through the use of *View Card* with *JRE POINT* credit during fiscal 2019. Through these efforts, JR East aims to make it easier for customers to use and save points through JR East's customer-reward point system.

Unification of *Suica* Point with *JRE POINT*

