

RAIL SYMPOSIUM 2024

Value Creation for a Sustainable Society

EAST JAPAN RAILWAY COMPANY



TODAY'S TOPICS

- ✓ **BRIEF OVERVIEW OF JR EAST**
- ✓ **MAIN TOPIC**
REGIONAL REVITALIZATION AND INTERACTION :
HOW JR EAST AND LOCAL COMMUNITIES COOPERATE
- ✓ **CONCLUSIONS**

BRIEF OVERVIEW OF JR EAST

✓ JR EAST was established in 1987 by Japan National

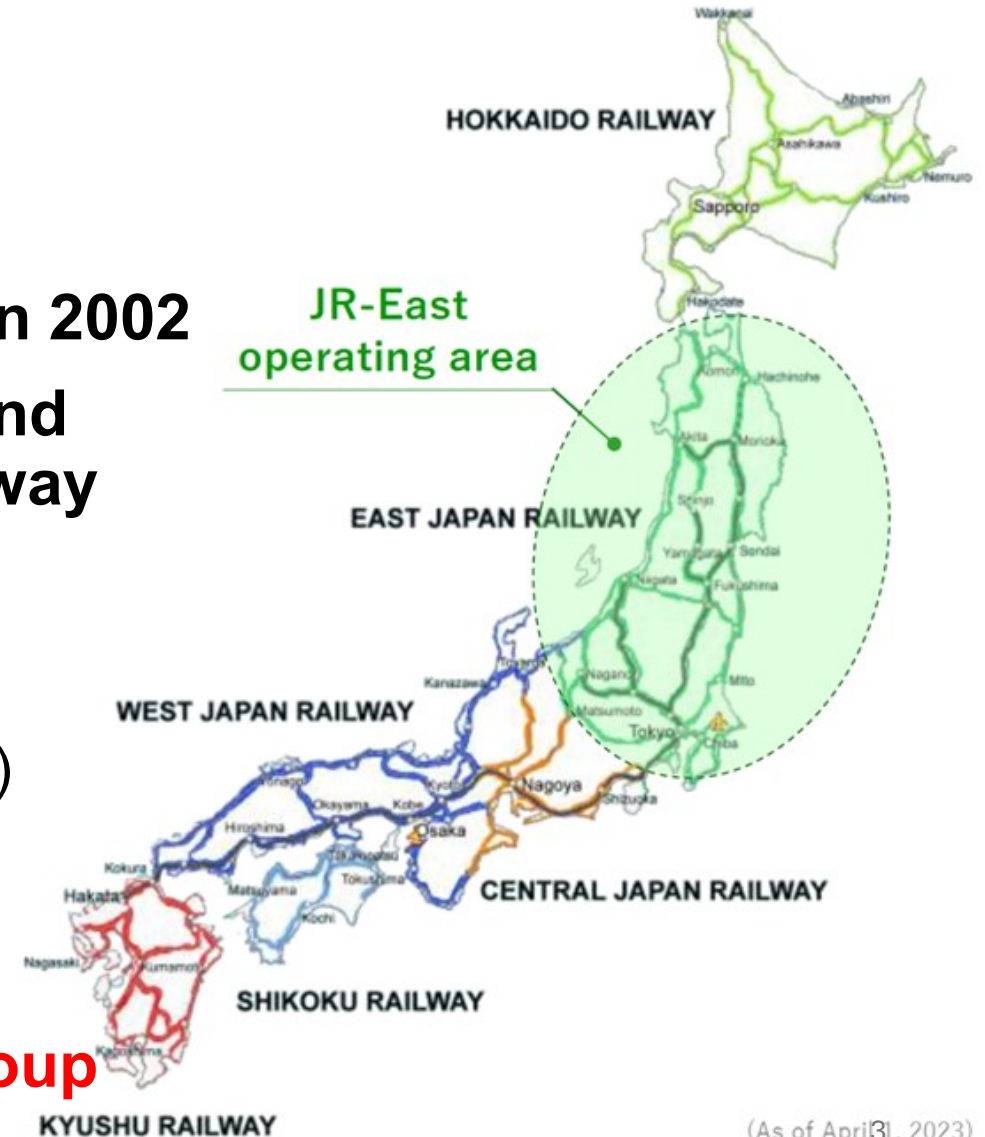
Railways privatization reforms

✓ **Completely privatized** with all stocks listed in 2002

✓ **Fully integrated railway company.** We own and maintain railway infrastructure, manage railway operations

- Operating 5 high-speed Shinkansen lines, also commuter lines and inter-city lines.
- No. of Employees : approx. 70,000 (consolidated)
- Network : 7,401.2 km (4,599 miles)
- No. of Passengers : 14.6 M / day
- No. of Stations : 1,681 Stations

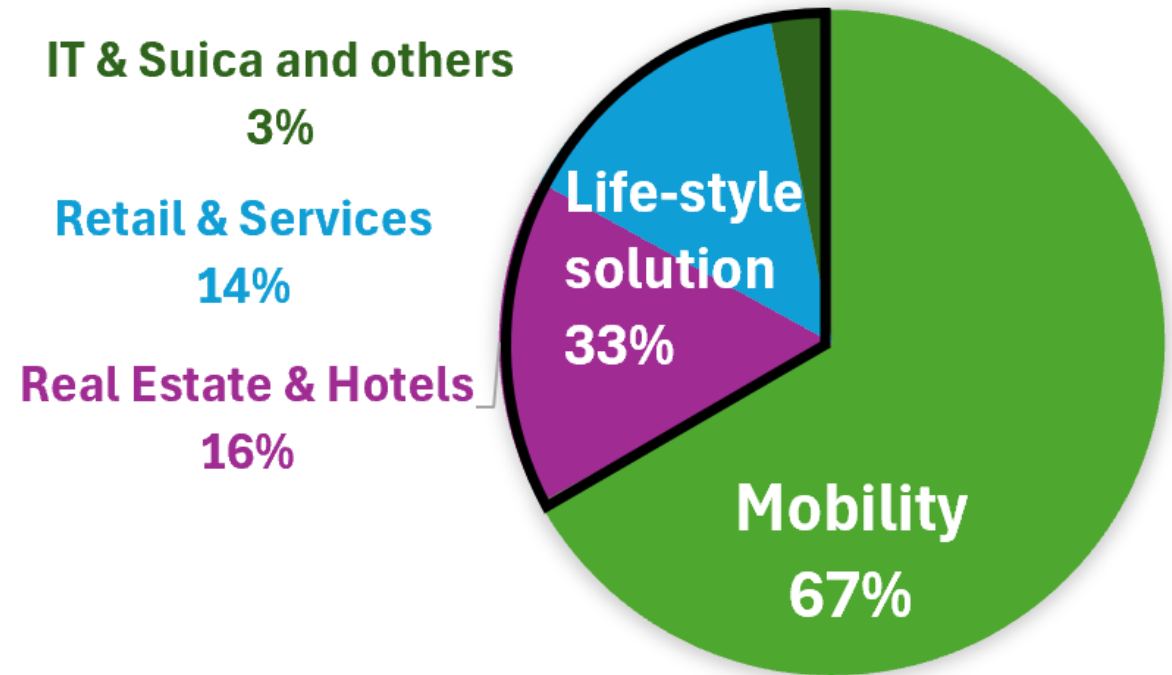
✓ **Wide range of businesses within JR East group**



BRIEF OVERVIEW OF JR EAST

- Working to solve social issues and achieve sustainable growth based on the two business pillars of **Mobility and Lifestyle Solutions**.
- Aiming to create a business portfolio that **balances mobility and lifestyle solutions**.

OPERATING REVENUE (FY2023)



⇒ Mobility : Life-style solution = 5 : 5

TODAY'S MAIN TOPIC:

REGIONAL REVITALIZATION AND INTERACTION

HOW JR EAST AND LOCAL COMMUNITIES COOPERATE

For more than 30 years, we have been working together with local communities to **promote exchanges of people, products, and services and the preservation of local culture**, to increase tourism and revitalize local areas.



CREATING TOURISM ALONG THE GONO LINE

- In 1990, JR East and the 13 local municipalities formed a liaison group to attract tourists.
- JR East started operating sightseeing trains in 1990.
- Using this train, the communities along the route have all refined their local attractions and received high praise from tourists.
- Currently, 100,000 tourists visit each year, contributing greatly to the local economy.
- This liaison group has remained active and vital over the decades and continues its activities to this day.



Locals in the train in the form of the traditional demon "Namahage".

CREATING “FUN TO RIDE” TRAINS

- We operate sightseeing trains in various regions that are fun to ride and make the train ride an objective.
- Local specialties are sold and events are held on board.



Locals welcome a Restaurant Train passengers and wave flags along the route.



Sake concept train offers multiple types of sake and local foods along the route.

LUXURY CRUISE TRAIN FOR AFFLUENT TRAVELERS

- Travel, just as on a cruise, to visit various scenic spots. All while enjoying luxury dining and accommodations on the train.



Japanese cypress bathtub
in private suite on train



TRAIN SUITE SHIKI-SHIMA

STATIONS AS REGIONAL EXCHANGE HUBS

- **Whether you're a local or a tourist, the station is a reliable place for everyone**
- **Stations have all the information, goods, and services you need.**
- **Stations are hubs for transportation, so wherever you go, you can start from a station.**



Japan Rail Café at Tokyo Station provides information on each region, local food, and specialty products

MOBILITY SERVICES FROM/TO STATIONS

- Providing transportation that serves both local residents and tourists, in cooperation with local governments and transportation operators.
- Offering services such as electronic ticketing for transportation and travel planning through cell phones.

よぶのる角館
YOBUNORU • KAKUNODATE



HOTEL OPERATIONS

- **We have renovated traditional warehouses that are no longer in use and operate them as boutique hotels through a partnership with the local community in Kakunodate.**
- **A project to create hotel-like services along the Ome Line in Tokyo by renovating station buildings and vacant houses in villages along the line is underway in cooperation with local communities.**



A hotel in a renovated warehouse “Wanoi” in Kakunodate

EXPANDING SALES OF LOCAL PRODUCTS

- Reviving land damaged by tsunami during the Great East Japan Earthquake as a tourist fruit farm in Sendai.
- Operating of a factory that processes locally produced apples into cider in Aomori.
- Operating "JRE Local Hub " at Tsubame-Sanjo Station, which supports business matching between local craftsmen and those considering product development.



JR Fruits Park Sendai ARAHAMA

EXPANDING SALES OF LOCAL PRODUCTS

- **Delivering fresh local foods to big cities by Shinkansen.**
- **Selling “Ekiben” (station lunch boxes) using local specialties.**
- **Developing and selling sweets and drinks using local specialties.**
- **Local specialty product markets often held at large stations.**



In 2021 we began Shinkansen transportation service “Hakobyun”. This service has increased the value of local products.

CREATING TICKETS THAT WILL STIMULATE DEMAND

- Tickets that stimulate demand during the off-season
- Special senior-rate tickets to increase weekday flow



HELPING TO PRESERVE LOCAL CULTURE

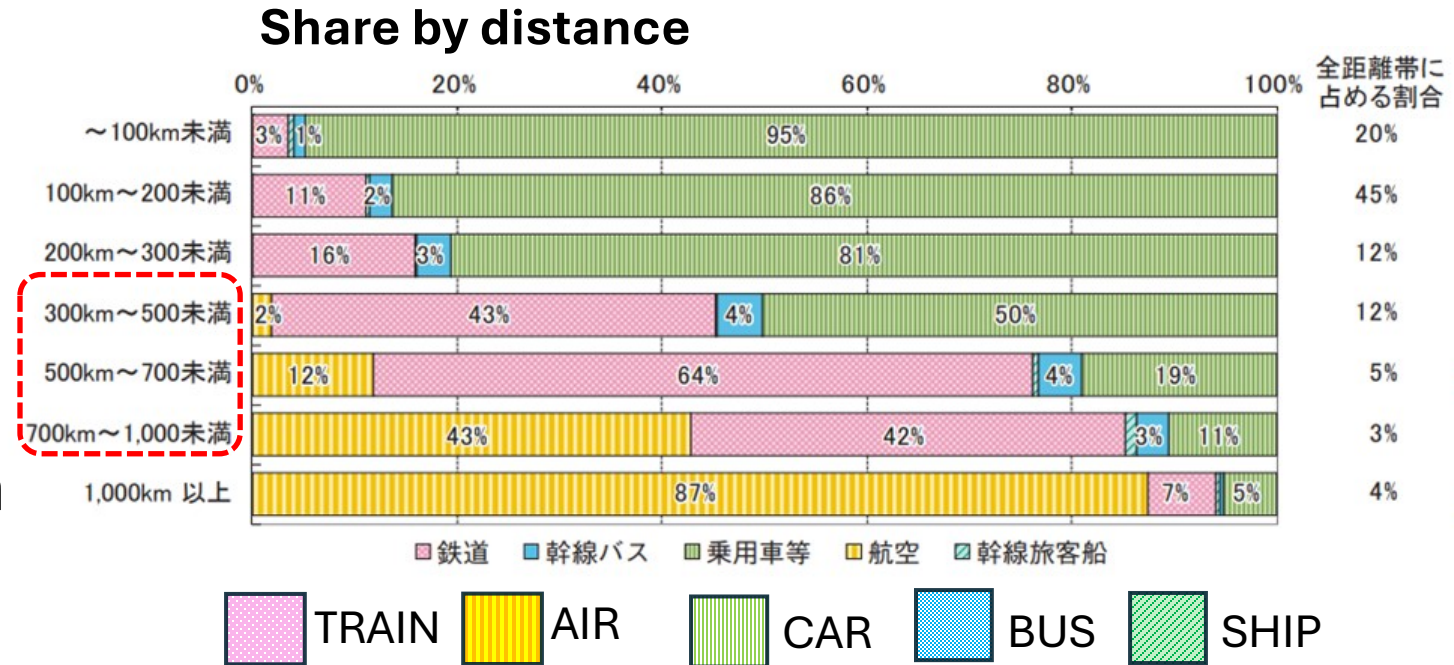
- **Supporting the preservation and transmission of cultural heritage and traditional performing arts through the East Japan Railway Culture Foundation.**
- **JR East employees participate in festivals in each region, happily helping to pass on culture and traditions.**



Supporting the repair of costumes and tools for performing arts handed down in local communities

EFFECTS OF IMPROVING TRANSPORT CONVENIENCE

- People prefer to travel by train for distances between 300 km (186 miles) and 1,000 km (621 miles).
- As distances get longer, people shift to modes of transportation that take less time to get to their destination.
- However, by shortening journey time and increasing convenience, more people can choose trains.



図表1-2-1-6 日常生活圏を越える交通の距離帯別・代表交通機関別の旅客流動量（上図）と分担率（下図）

資料：国土交通省「第6回（2015年）全国幹線旅客純流動調査」

[2015 Inter-Regional Travel Survey in Japan]

Ministry of Land, Infrastructure, Transport and Tourism.

EFFECTS OF IMPROVING TRANSPORT CONVENIENCE

- In 2015, with the opening Nagano-Kanazawa section, the Tokyo-Kanazawa route (450 km, 280 miles) was shortened by approx. 80 minutes to 2.5 hours, eliminating the need for transfers.
- The number of tourists increased by 18% in Toyama prefecture and 16% in Ishikawa prefecture along the line in the first year of operation and has remained steady since then.
- The number of Shinkansen passengers tripled compared to the previous year in the first year of operation and has continued a steady upward trend since then.
- Land prices around Kanazawa Station have doubled with increased hotel investment and condominium construction.



Every winter, we run a campaign to go eat local crab.

SOME CONCLUSIONS ...

- JR East Group operates railroads in various regions and manages community-based businesses, so **vibrant local communities are the foundation of our corporate operations.**
- There is a limit to what we can do alone, but **by working with local communities we can make our efforts more effective and sustainable.**
- Our intermediate position between private and public sectors and the trust we have cultivated through our railroad operations make us **ideally suited for the role of promoting local development in cooperation with many partners.**
- Through regional revitalization unique to JR East Group, we promote the interaction of people, products, and services and contribute to regional economic development.

**THANK YOU
FOR YOUR KIND
ATTENTION**

