

FY2007 Key Measures and Capital Investment

1. "Securing Safe and Reliable Operation"

Every effort is made to continually secure safe and reliable operation, which is the foundation of the railway business.

(1) Strengthening of earthquake countermeasures, including quake-resistant reinforcement of elevated track columns and rail embankments along the Tokaido Shinkansen, functional upgrades to the Earthquake Disaster Prevention System by increasing the number of detection points of the "Tokaido Shinkansen Earthquake Rapid Alarm System (TERRA-S)"

(2) Installing safety devices on conventional railway rolling stock, including operation data recorders and emergency train stop devices

(3) Promoting disaster prevention measures including countermeasures against rocks falling on conventional railways, upgrading safety devices on level crossings, introducing solid state interlocking equipment in station yards, upgrading the CTC (Centralized Traffic Control) and initiating the work of installing the ATS-PT (ATS: Automatic Train Stop)



Locations of TERRA-S detection points



Planned Installation of ATS-PT

2. "Introducing the Series N700 and Strengthening the Transportation Infrastructure of the Tokaido Shinkansen"

Commercial operation of the Series N700 will start on July 1st, 2007, and at the same time various programs are being promoted with the aim of enhancing the transportation infrastructure of the Tokaido Shinkansen.

(1) Launching commercial operation of the Series N700 according to the timetable revision planned on July 1st, 2007

(2) Progressively increasing the number of N700 introduced for "Nozomi" service directly linking the Tokaido and Sanyo section in FY 2007

(3) Advancing the work of expanding the electrical infrastructure of the Tokaido Shinkansen such as building new frequency conversion substations

(4) Conducting renovation work on the Shin-Osaka Shinkansen Station, such as increasing the number of platforms



Series N700



Green Car (First Class) of the Series N700

3. "Proactively Implementing Marketing Initiatives"

Marketing initiatives will be proactively implemented to further improve convenience of the "Express Reservation" service and to stimulate tourism demand.

(1) Launching the "Express Reservation" IC card service, a new service taking advantage of IC technology

(2) Introducing the "TOICA" IC card for use as a stored-fare railway ticket or a commuter pass in the Shizuoka area

(3) Offering attractive products that make maximum use of tourism resources in Kyoto, Nara, Ise, Tokyo and other locations, and at the same time actively launching a variety of promotion campaigns



Ticket Gate of the "Express Reservation" IC card service



Kyoto Campaign Poster

(Capital Investment :100 billion yen)

- (1)
 - Quake-resistant reinforcement of elevated track columns starting in FY2007
 - Countermeasures against column shearing: 1,500 columns
 - Countermeasures for "expected wave patterns" of a future Tokai Earthquake: 1,300 columns
 - Completion planned for the end of FY2008
 - Increase in the number of TERRA-S detection points
 - Planned completion: September 2007
- (2)
 - Train safety devices
 - Planned installation: By the end of FY2007
- (3)
 - Introduction of solid state interlocking equipment in station yards
 - Shizuoka
 - Hamamatsu
 - Replacement of CTC
 - Iida Line
 - Introduction of ATS-PT
 - Planned installation on all conventional lines: By FY 2011

(Capital Investment: 100 billion yen)

- (2) Planned introduction of 15 trainsets in FY2007
- (3) Planned completion: By the spring of 2009

(Capital Investment: 22 billion yen)

- (1) Planned introduction in FY2007
- (2) Planned introduction in FY2007

4. “Promoting Development of Railway Technology and Efforts for Global Environmental Conservation”

Technology development will be promoted in order to further enhance railway technology, and at the same time efforts will be proactively advanced for conserving the the global environment.

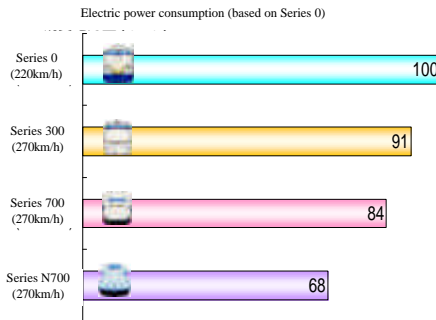
(Capital Investment: 1 billion yen)

(1) Fostering research and development at JR Central Research Center in Komaki (Aichi Prefecture) with a focus on “improving railway technology” and “addressing challenges in new fields”

(2) Continuing to actively advance measures that contribute to conservation of the global environment, such as introduction of the Series N700, with the goal of realizing further environmental suitability and significantly reducing energy consumption



Vehicle Dynamic Simulator



Comparison of electric power consumption by Shinkansen rolling stock type

5. “Furthering Testing and Extension of the Yamanashi Maglev Test Line and Studying an Advanced Joint Artery for the Tokaido Shinkansen”

Continuing research and development to realize future commercial operation of the Superconductive Maglev.

(Capital Investment: 6 billion yen)

(1) Conducting running tests along the priority section of the Yamanashi Maglev Test Line to further verify long-term durability and reduce costs

(2) Steadily implementing an extension of the existing test line to 42.8km, along with upgrading specifications of existing facilities in order to conduct new tests to verify the appropriate system for practical application of the Superconductive Maglev technology

(2) Construction period: Scheduled by the end of FY2016

Test period: Planned for approximately 3 years from the end of FY 2013



The Yamanashi Maglev Testline

Proceeding with consideration of an advanced joint transportation artery for the Tokaido Shinkansen.

(1) JR Central is responsible for the management of Japan's major transportation artery linking the Tokyo, Nagoya and Osaka metropolitan areas. In order to continue to fulfill this responsibility in the future, we are studying advancing on our own initiative the realization of a new ultra high-speed mass transportation system other than the Tokaido Shinkansen.

(2) Consideration of this advanced joint transportation artery will be continued according to the approach adopted for and future technological achievements of the lengthened 42.8km Yamanashi Maglev Test Line.

6. “Upgrading Station Facilities”

Station facilities will be upgraded to ensure that our customers are able to use the railway with more safety and convenience.

- (1) Promoting the renovation of major stations such as Tokyo Station
- (2) Steadily introducing barrier-free accessible facilities in cooperation with concerned local governments and other institutions
 - A. Installing elevators and escalators
 - B. Eliminating level differences between trains and conventional railway platforms to improve evenness
 - C. Furnishing multifunction toilets and other improvements
- (3) Establishing new conventional railway stations and promoting the elevation of stations or railway tracks



Nagoya Station Renewed (Concept)



Installation of Elevator

7. “Developing Affiliated Businesses”

In order to further the development of affiliated businesses, we are promoting the renovation of stations housing commercial facilities, business development of sites no longer used for company housing, and the renewal of commercial facilities on station premises.

- (1) Advancing preliminary arrangements for construction of the JR Central Shin-Yokohama Station Building (tentative name) which will open in 2008
- (2) Continuing the “NAGOYA CENTRALGARDEN” project, including opening commercial facilities on schedule and promoting the development of condominiums (Period 2), so as to utilize sites disused for company housing, while at the same time steadily preparing for the sale of the “CentralGarden Residence TOKUGAWA MEIRINCHO” condominium apartments on company-owned land in Higashi-ku, Meirin-cho (Nagoya)
- (3) Promoting renovation of commercial facilities on station premises to coincide with both quake-resistant reinforcement of elevated track columns and improvement work at station facilities



“JR Central Shin-Yokohama Station Building”
(tentative name)



“CentralGarden Residence TOKUGAWA MEIRINCHO”
(concept)

(Capital Investment: 24 billion yen)

- (1) Promoting renewal of Tokyo, Shin-Yokohama, Mishima, Shizuoka, Hamamatsu, Nagoya, Maibara and Kyoto stations
- (2) Facilities to be upgraded in FY2007
 - a. Elevators: 7 stations, 12 units
(Shin-Yokohama, Hara, Shimada, Toyodacho, Koda, Odaka, Owari-Ichinomiya)
Escalators: 2 stations, 6 units
(Shin-Yokohama, Shimada)
 - b. 3 stations (Ogaki, Higashiura, Kamezaki)
 - c. Toilets: 5 stations (Hara, Shimada, Toyodacho, Washizu, Koda)
- (2) Establishment of new station between Odaka and Kyowa. End of FY2008
Elevation of stations:
 - Shimada End of FY2007
 - Kisogawa End of FY2007
 - Jinryo Early FY2008
 - Biwajima End of FY2008
 - Unuma End of FY2008
 - Tajimi Autumn in FY2009
 Elevation of railway tracks:
 - Kachigawa FY2009

(Capital Investment: 44 billion yen)

- (1) Business: Commercial facilities, office renting, hotel
Core business entity is Shin-Yokohama Station Development Company Limited.
The hotel is to be run by JR Tokai Hotels Company Limited.
- (2) Joint venture of JR Tokai Real Estate Company Limited, Mitsubishi Estate Company Limited, and Mitsubishi Corporation.
 - “NAGOYA CENTRALGARDEN”
Planned opening of commercial facilities: Spring FY 2007
 - Sales of condominium apartments (Period 2) : Spring FY2009
 - Development of Higashi-ku Meirin-cho (Nagoya) company-owned land
Planned opening of condominium apartments “CentralGarden Residence TOKUGAWA MEIRINCHO” : Spring FY2008

- (1) Tokyo, Mishima, Shizuoka, Nagoya, Maibara

Total capital investment FY2007

- Consolidated
329 billion yen (26.1% over previous year)
- Non-consolidated
288 billion yen (25.2% over previous year)