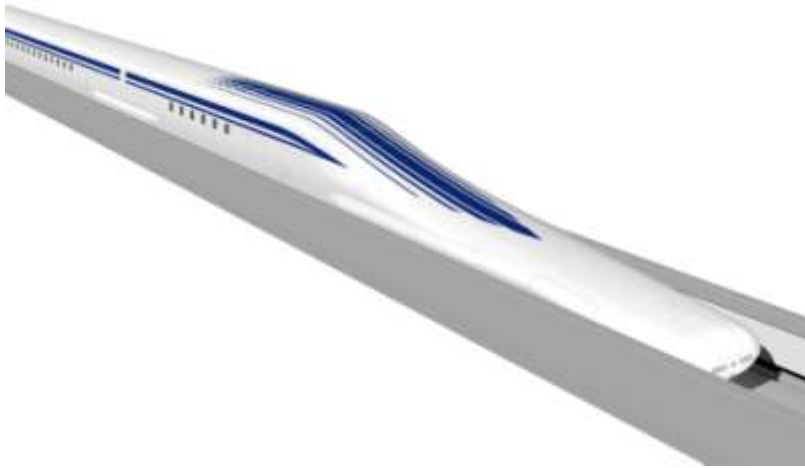


29th February 2012

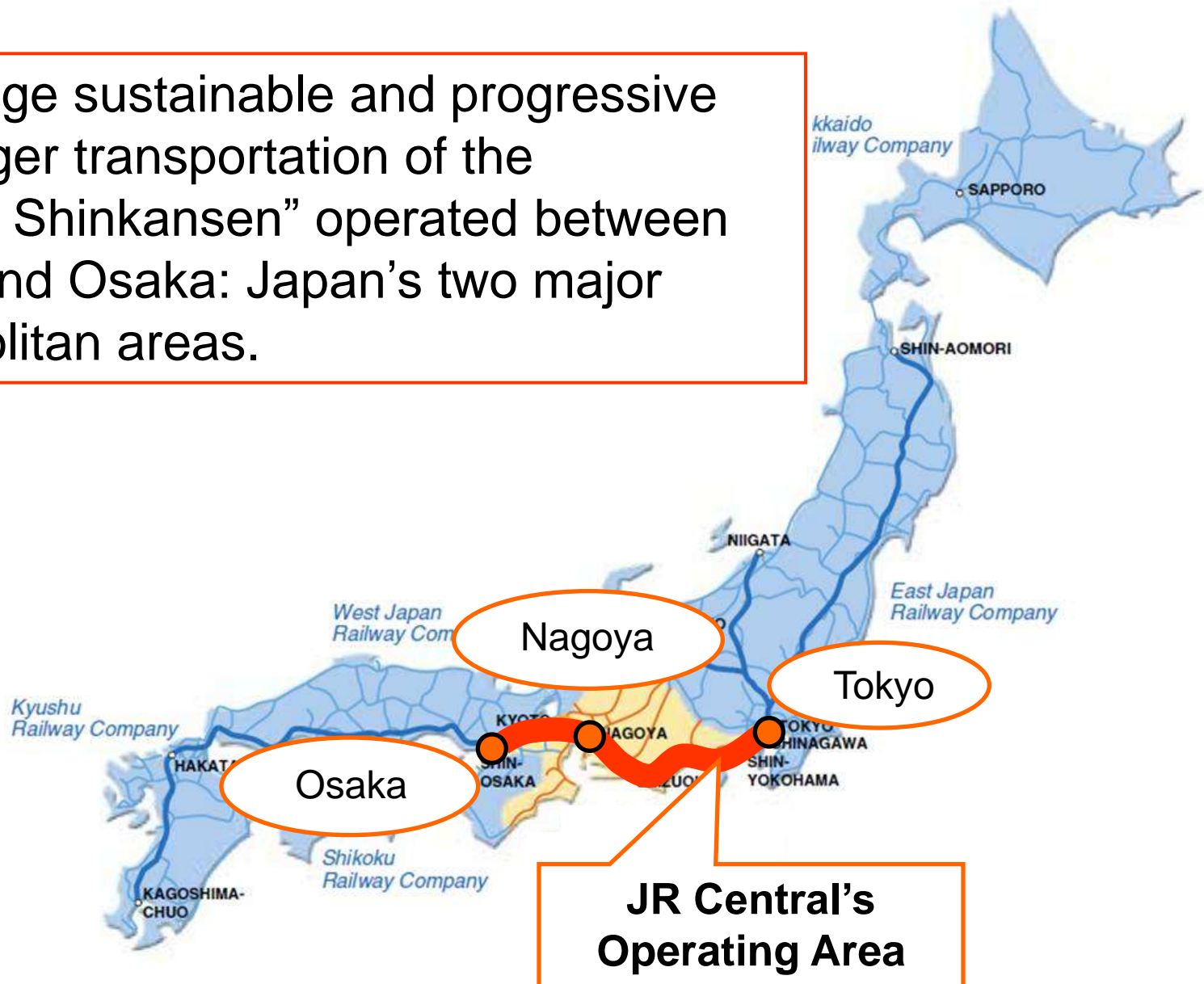
JR Central's Business Strategy



Central Japan Railway Company
Yoshiyuki Kasai

JR Central's Missions

To manage sustainable and progressive passenger transportation of the “Tokaido Shinkansen” operated between Tokyo and Osaka: Japan’s two major metropolitan areas.



Decision Making: Politics and Business

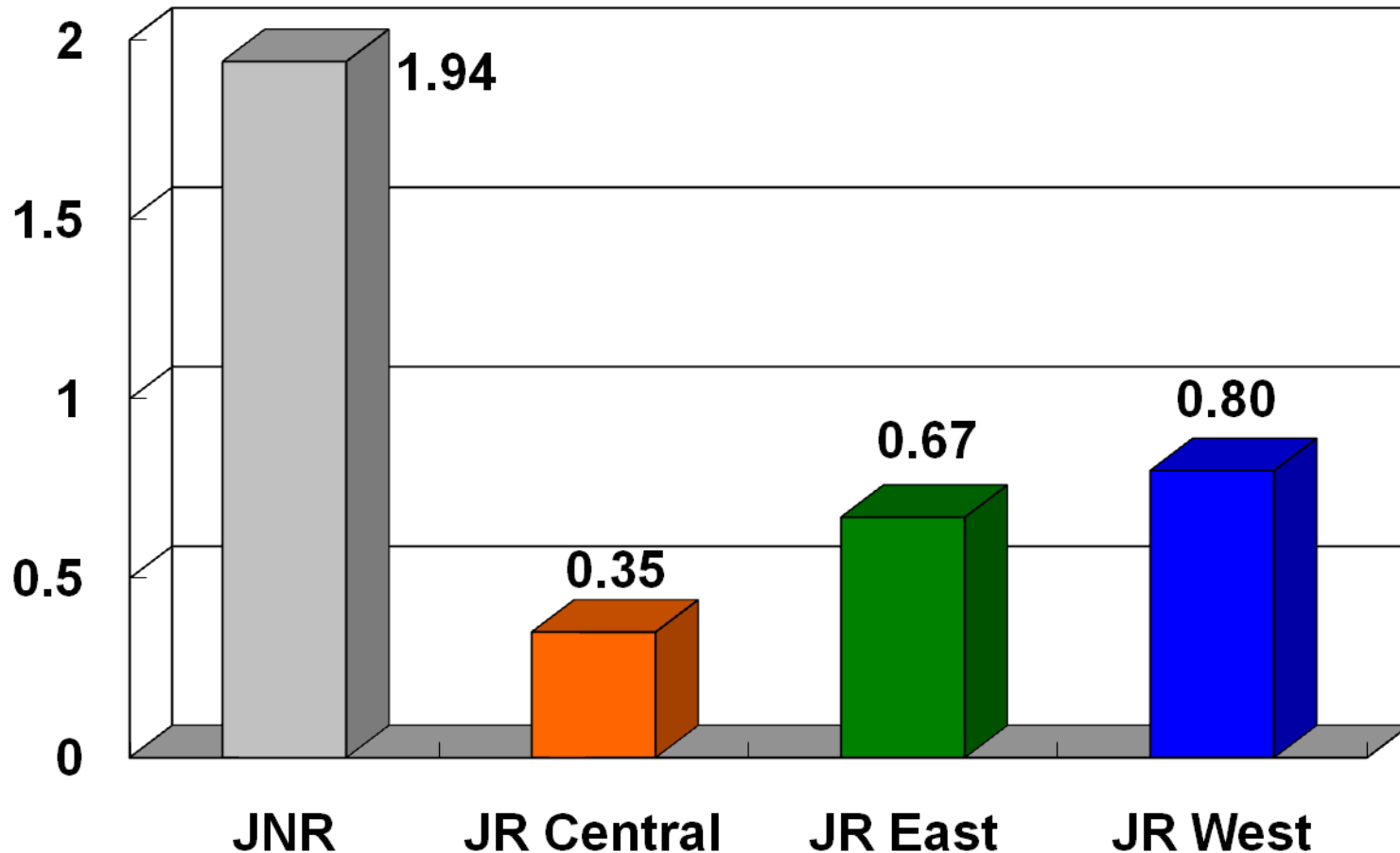
	Politics	Business
Achievements	fuzzy, diverse	clear, simple (maximizing profit)
Method	consensus (bottom-up)	leadership (top-down)
Requirements	accountability	foresight, strategy, readiness
	transparency	confidentiality
Characteristics	compromising (populism)	thorough (rationality)
Resource allocation	distributed, equalized	focused
Responsibility	irresponsible	responsible for results

JR Central's Business Strategy (As of the foundation in 1987)

Present (tactics)	Near Future (strategy)	Future (grand strategy)
<ul style="list-style-type: none">• Provide safe and reliable transportation service	<ul style="list-style-type: none">• Strengthen Competitiveness of HSR<ul style="list-style-type: none">Unified all train configuration to 16 cars (1991)Unified all train speed up to 270km/h (2003)Opened Shinagawa Station (2003)	<ul style="list-style-type: none">• Develop and Complete SCMAGLEV Technology and Apply to Practical use• Own and Operate <i>Chuo</i> MAGLEV as <i>Tokaido</i> Bypass

Safety records of JR Central

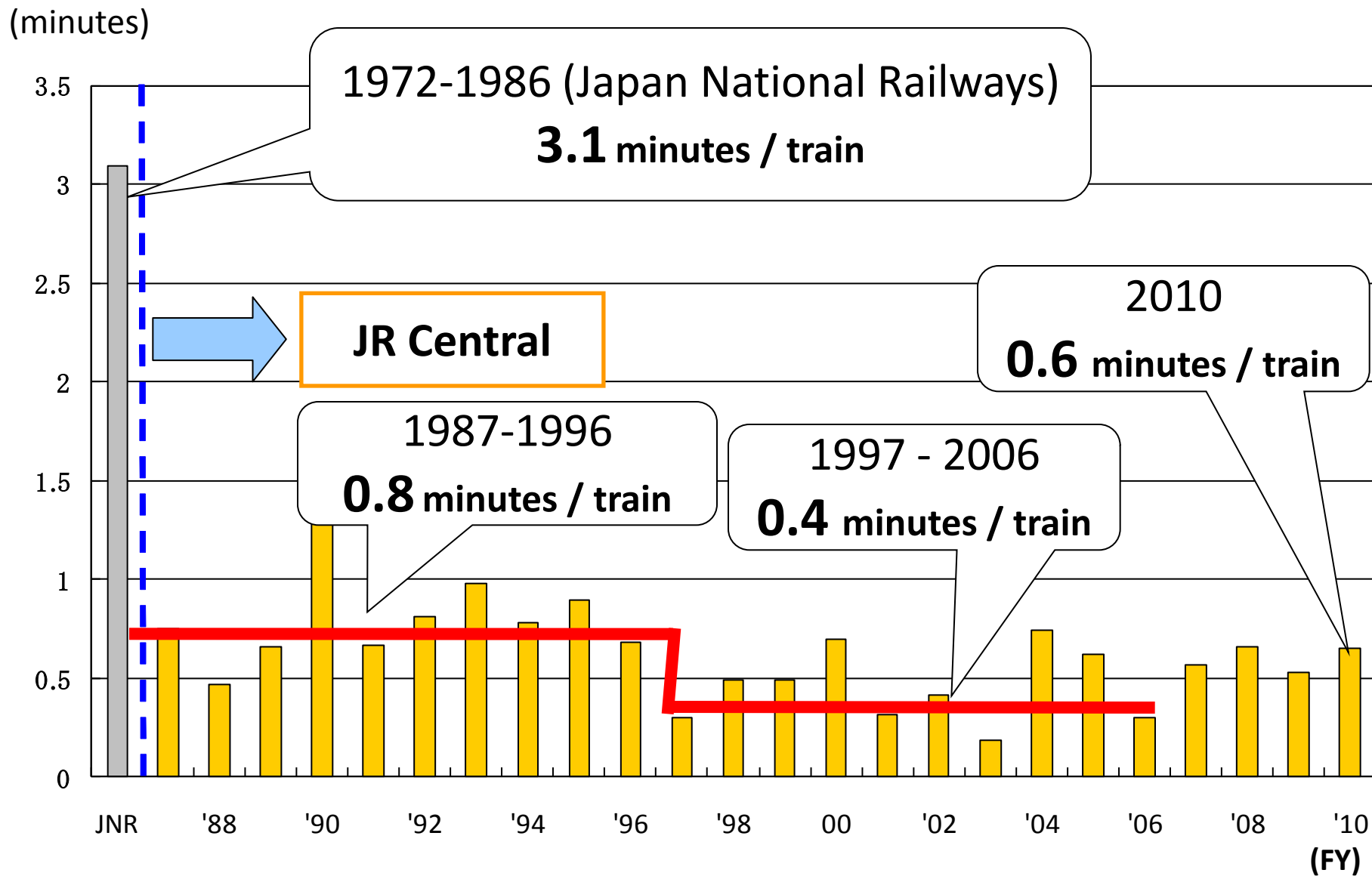
- Carried 5.1 billion passengers since the commencement of operation.
- JR Central's accident rate is one-fifth that of the Japan National Railways'.



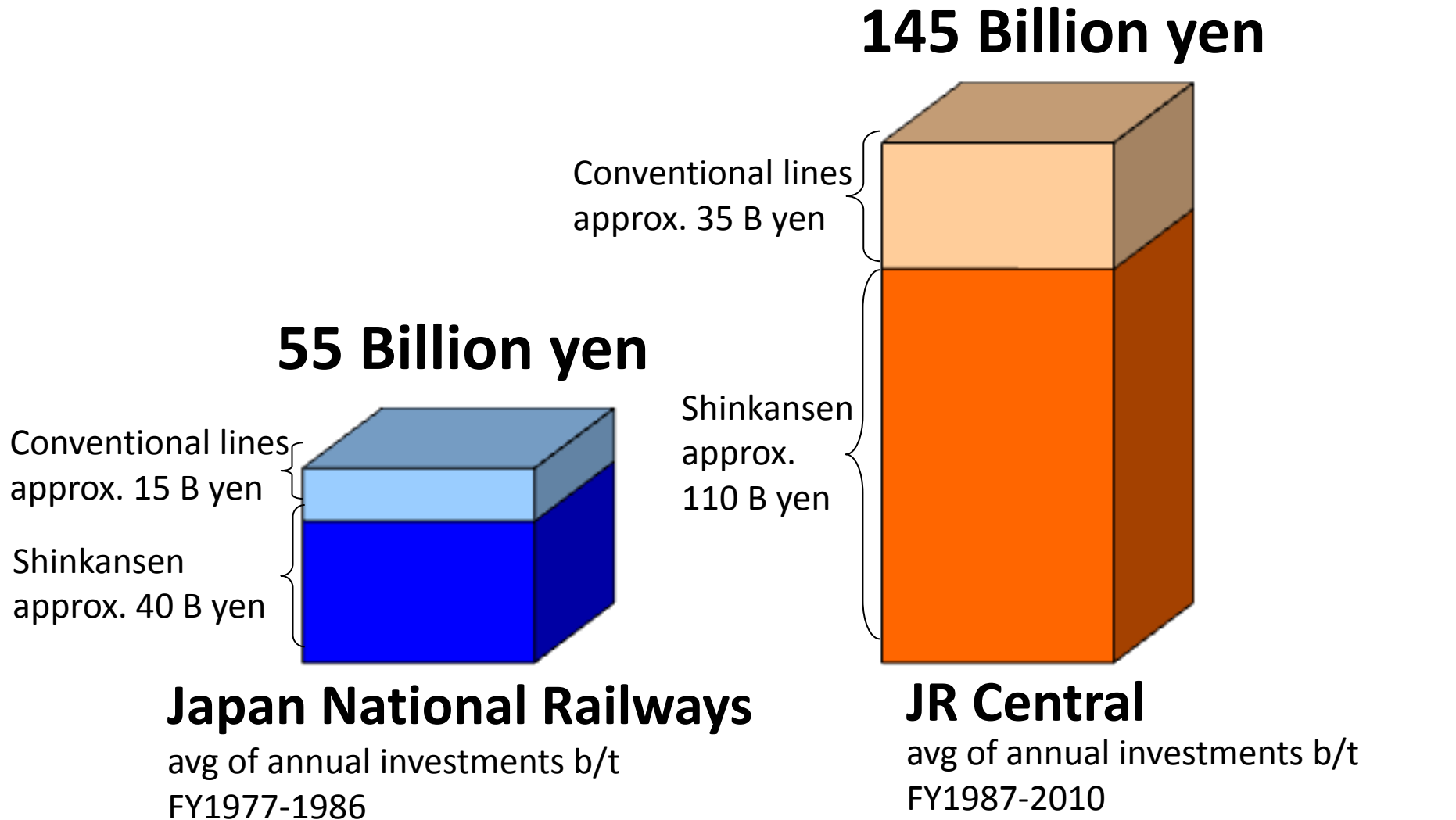
Notes)
1. figures: number of accidents per million train kilometers
2. JNR : avg b/w FY1976-1985, JR East: avg b/w FY1987-2009, JR Central & JR West: avg b/w FY1987-2010.

Punctuality and Reliability of the Tokaido Shinkansen

trends in per-train delays



Capital investments: Tokaido Shinkansen and conventional lines



(Source: JR Central)

Series 0

Inauguration: Oct. 1964

201 train sets

Maximum speed: 220km/h

Weight (tons/train set): 970



Inauguration: Oct. 1985

57 train sets (JR Central)

9 train sets (JR West)

Maximum speed: 220km/h

Weight (tons/train set): 925

Series 100





Series 300

Inauguration: Mar. 1992

61 train sets (JR Central)

9 train sets (JR West)

Maximum Speed: 270km/h

Weight (tons/train set): 711

Series 700

Inauguration: Mar. 1999

60 train sets (JR Central)

12 train sets (JR West)

Maximum Speed:

285km/h (Sanyo area)

270km/h (Tokaido area)

Weight (tons/train set): 708



Perfection of HSR Rolling Stocks: Series N700

Inauguration: July 2007

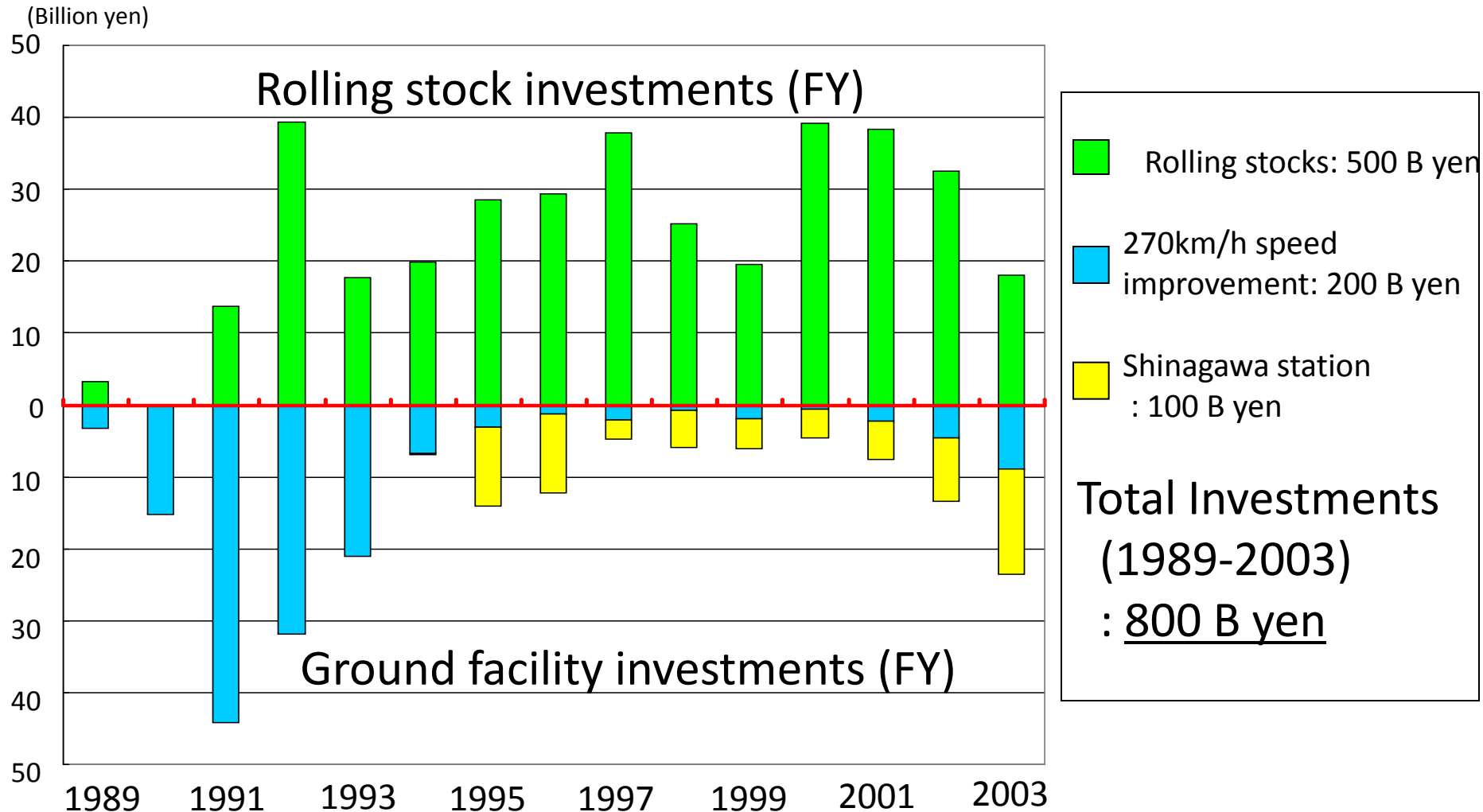
Maximum Speed: 330km/h (Tokaido area:270km/h)

- No speed reduction on curves: “Body Inclining System”
- Improvement of acceleration

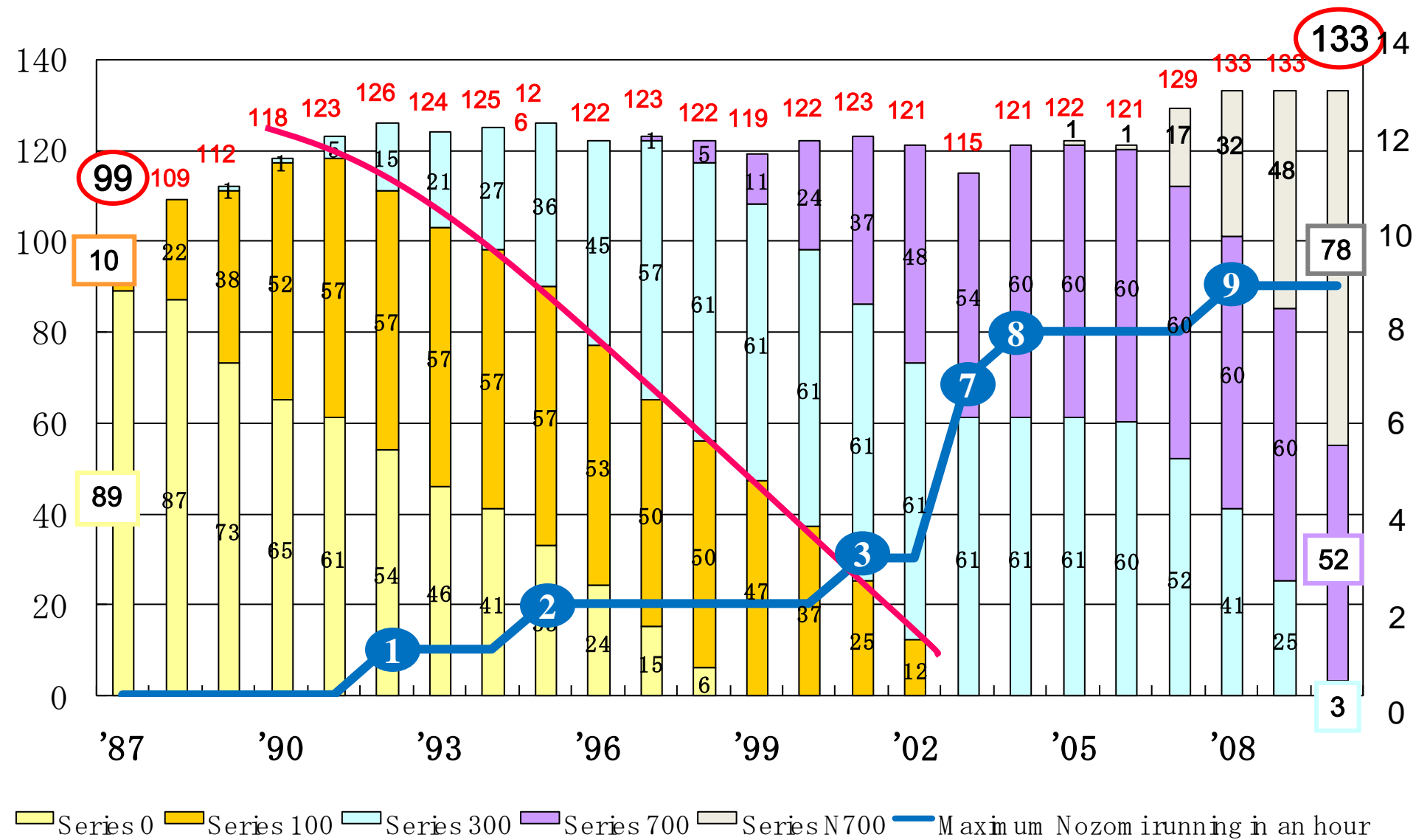


Investments to improve Tokaido Shinkansen

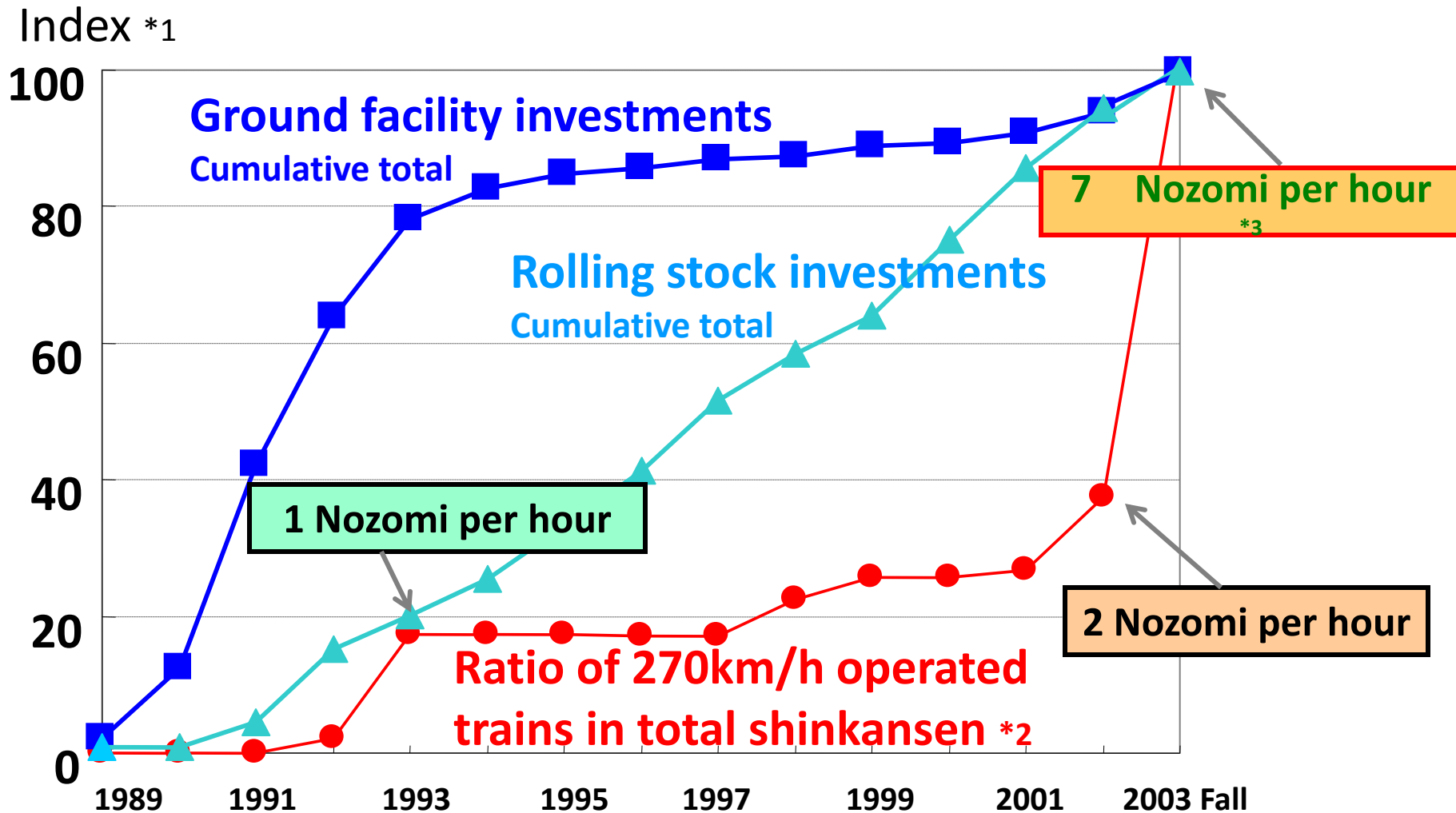
1. Speeding up: 220km/h to 270km/h
2. Better accessibility: Opening of Shinagawa station



Transition of the Tokaido Shinkansen Trainset Series



Road to “all 270km/h”

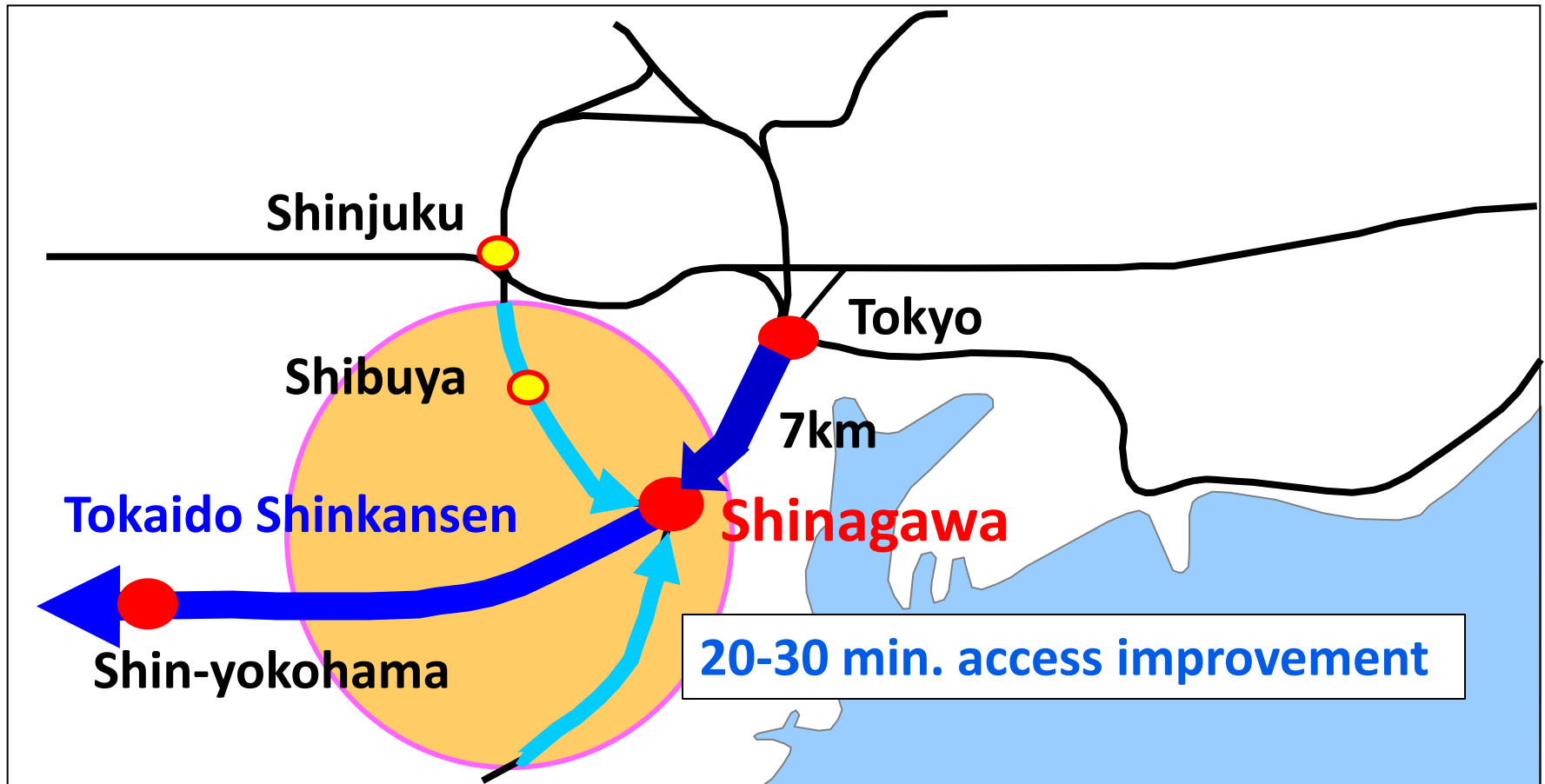


*1. Indicates 2003 cumulative total investments as 100

*2. Includes 270km/h operated Hikari trains. Numbers are as of the beginning of each fiscal year.

*3. rush hour maximum

Opening of Shinagawa station: improvement on accessibility



20-30 min. travel time shortened for passengers from south west Tokyo

Impact of transit oriented development: before & after the opening of Shinkansen Shinagawa Sta.

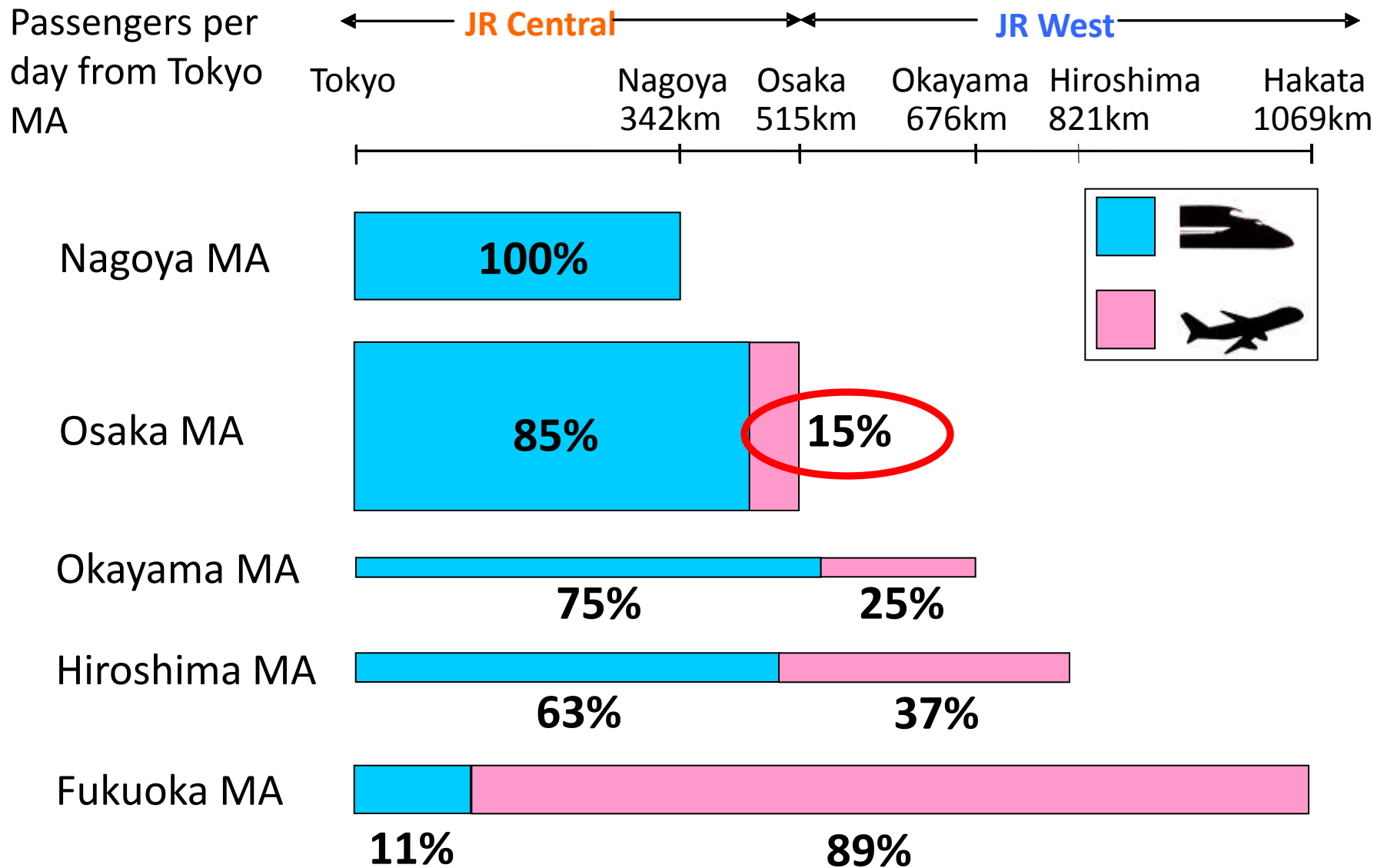
1995



2003

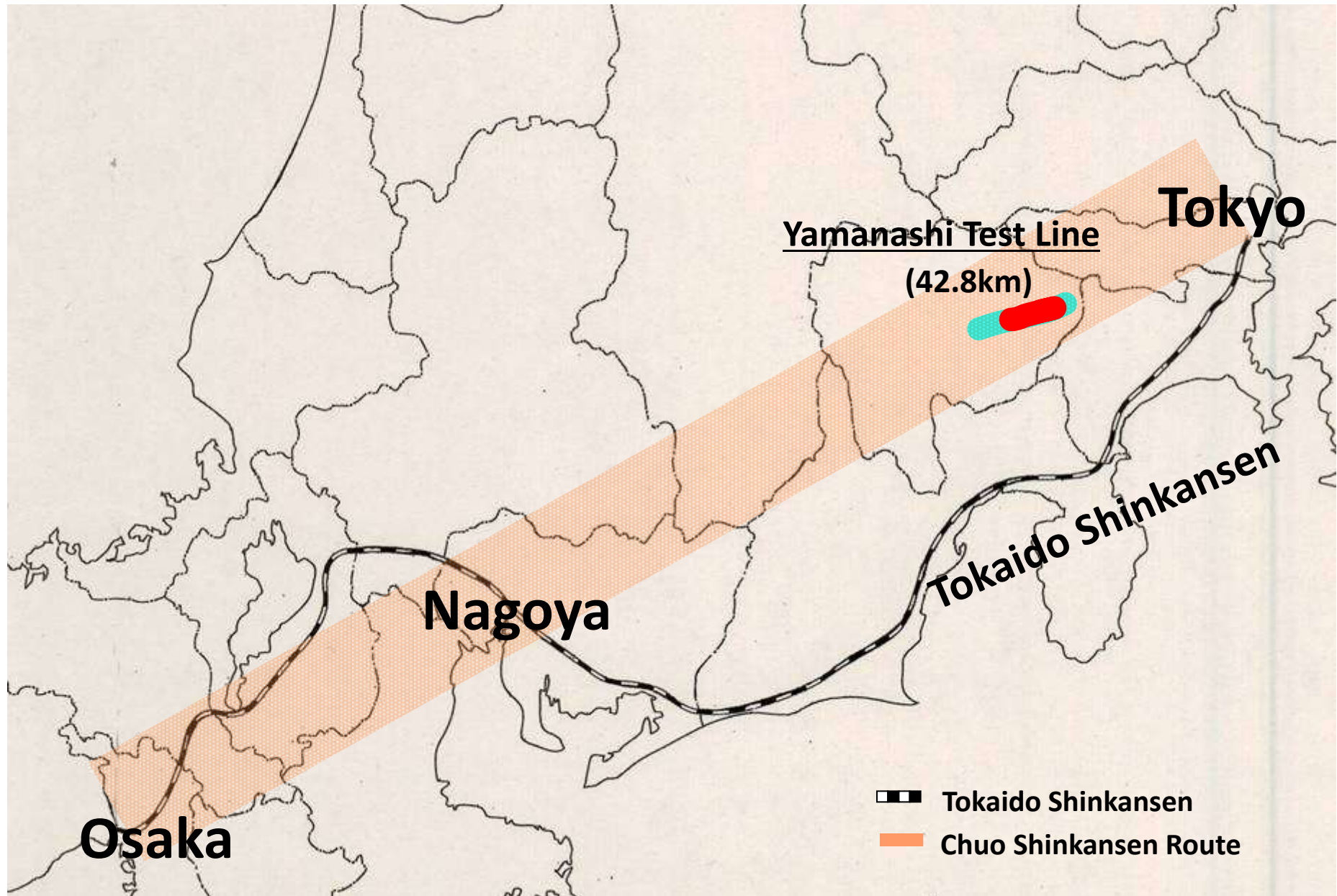


Market share: Shinkansen and Air

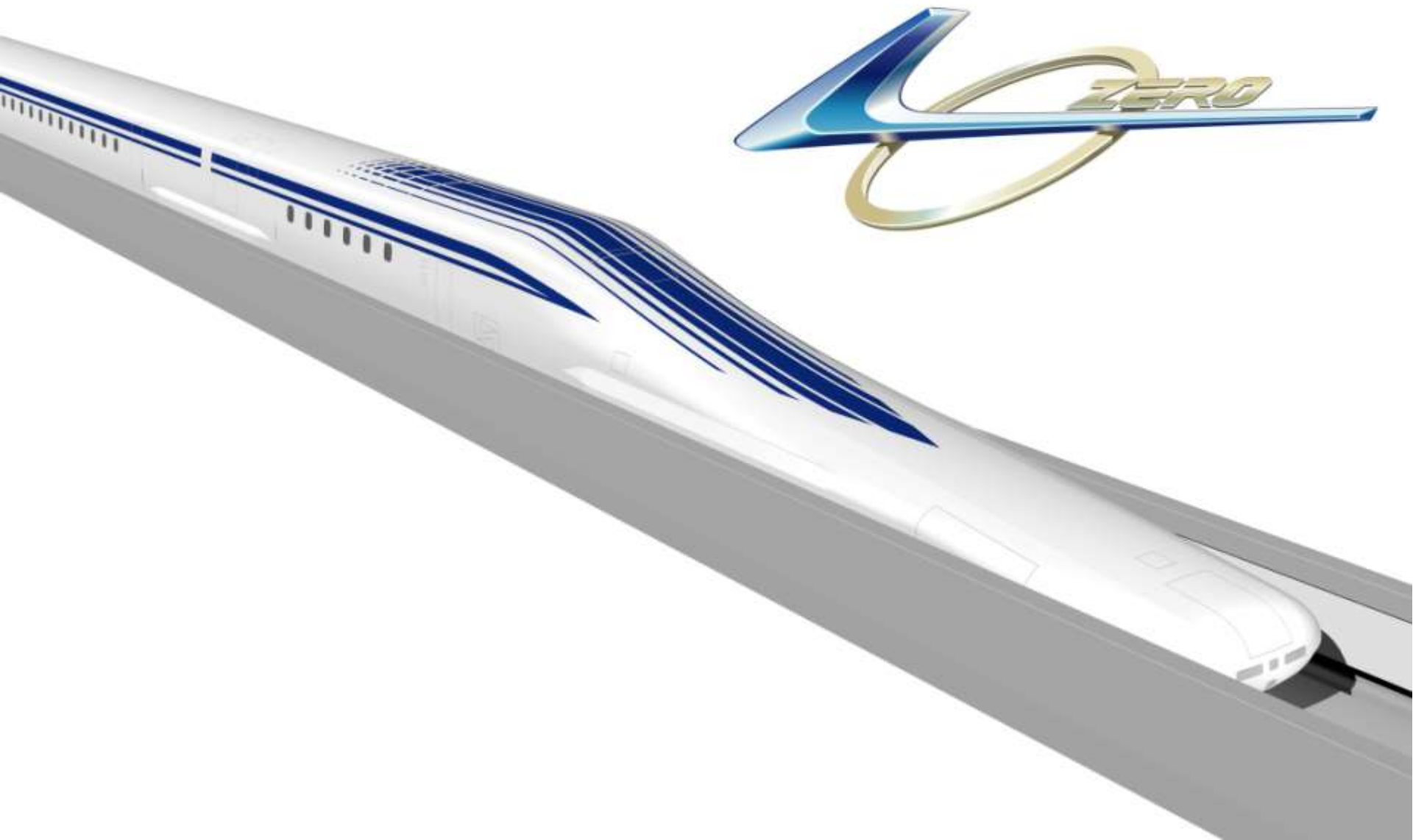


*Data of 1Q of FY2011 (by JR Central's calculation)

Tokaido Route and Chuo Route



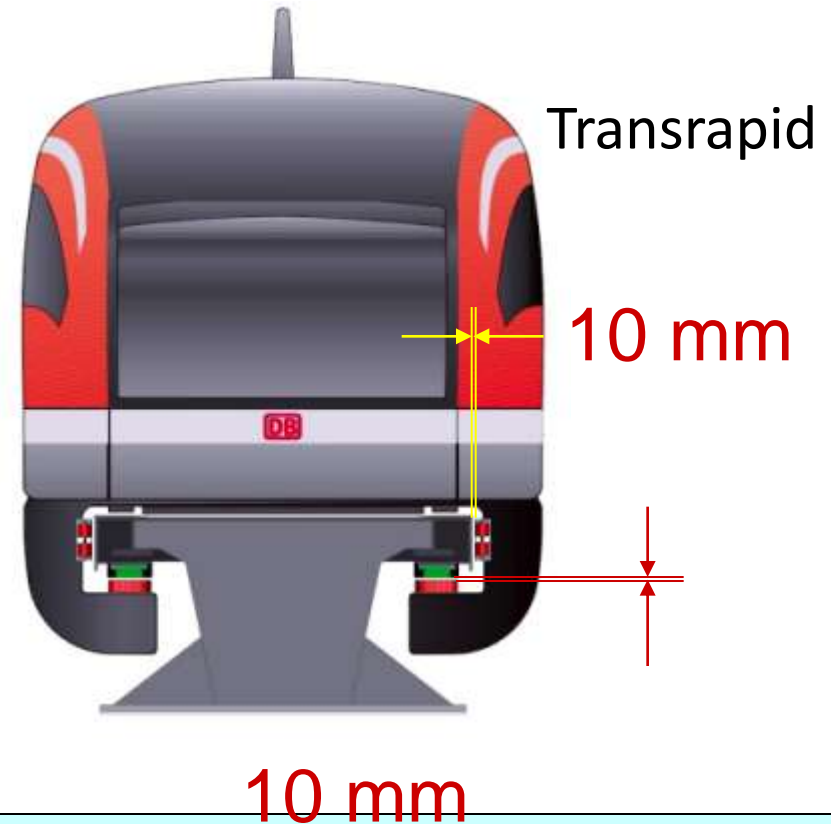
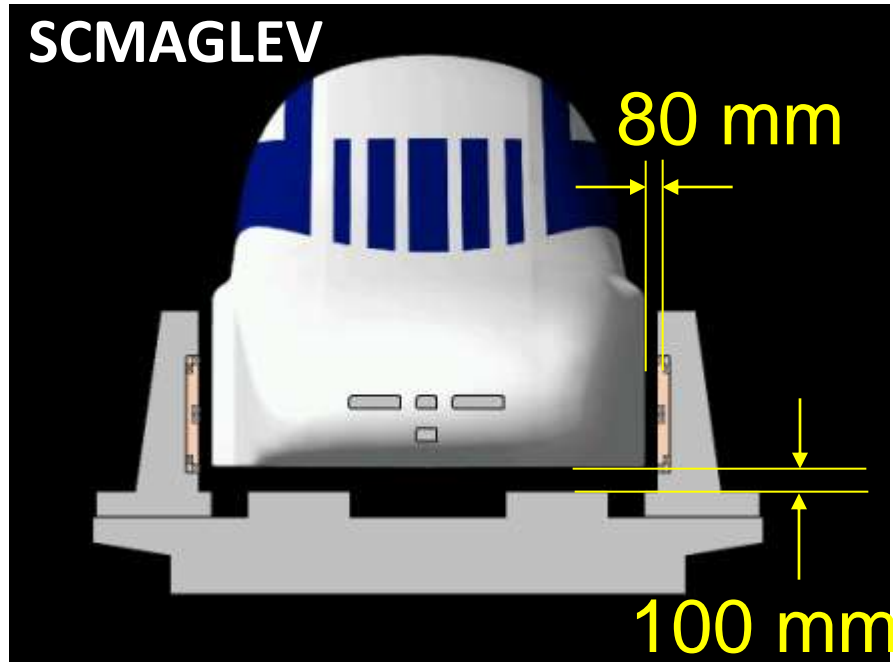
Series “L0”: For Practical Operation



Development History of the Superconducting Maglev system

	Event
'80	<ul style="list-style-type: none"> ▼'87.7 Maglev Project Planning Division established ▼'89 Decision to construct the Yamanashi Maglev Test Line (as a part of the future revenue service route)
'90	<ul style="list-style-type: none"> ▼'90 Start of construction of the Yamanashi Maglev Test Line ▼'97.4 Start of running tests
'00	<ul style="list-style-type: none"> ▼'00.3 The technical prospects for practical application of the Superconducting maglev is acknowledged by the Evaluation Committee under the Ministry of Transport, currently recognized into the Ministry of Land, Infrastructure, Transport and Tourism(MLIT). ▼ '05.3 The Evaluation Committee acknowledges that the foundation technology for Superconducting Maglev is established for practical application. ▼'06.9 Decision of renewal and extension plan of the test line ▼ '09.7 The Evaluation Committee determined that, "the technology required for a commercial line has been cyclopaedically and systematically established, and it is possible to move forward with actually creating detailed standards and specifications for a commercially viable line. "
'10	<ul style="list-style-type: none"> ▼'11.12 Technological Standard of Superconducting Maglev was approved by MLIT ▽End of '13 Completion of renewal and extension of the test line End of '13 -'16 Start of running for the advance verification of revenue service [▼'15 Start of paid test rides] [▼'X Start of prior revenue demonstration between Kanagawa and Yamanashi]
'20-	<ul style="list-style-type: none"> ▼'27 Start of Phase I revenue service between Tokyo and Nagoya ▽ '45 Extension of the revenue service from Nagoya to Osaka

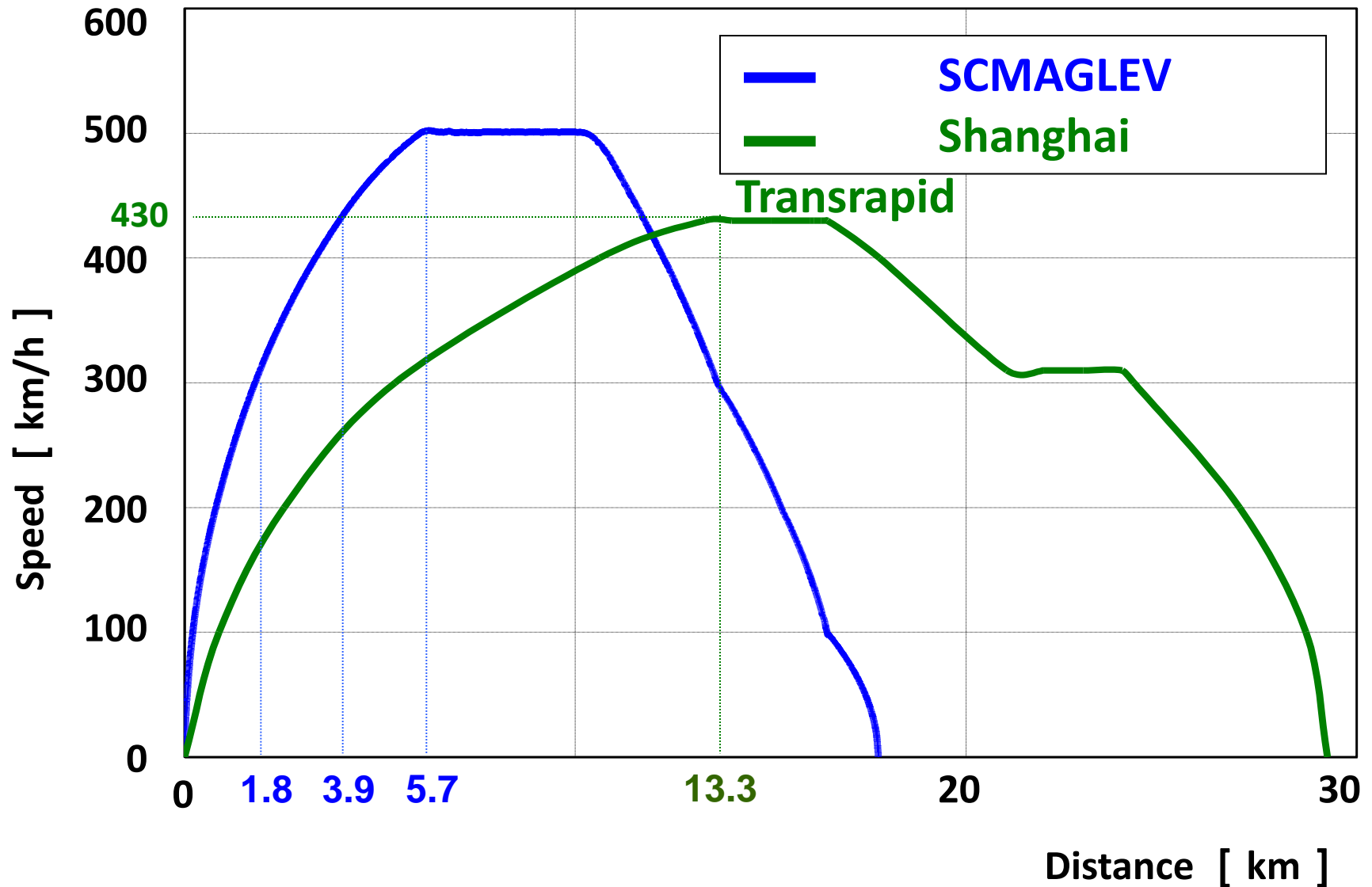
SCMAGLEV & Transrapid (Normalconducting MAGLEV)



Significant and more powerful magnetic field enables:

- high transport density and super-fast mass transportation
- highly safe operation greatly reducing risks of derailment, even during earthquakes

High performance of speed and acceleration



Impact of Magnetic Field

The measurement value of magnetic fields falls below the International Commission on Non-Ionizing Radiation Protection (ICNIRP) guideline.

ICNIRP Guidelines		Ratio	
		On the vehicle (on seats)	Along the track (Directly under 8m high viaduct)
Static magnetic field	400 Gauss ※1	Approx. 1/100	Approx. 1/1000
Dynamic magnetic field	440 Gauss/s ※2	Approx. 1/3	Approx. 1/30

※1 Static magnetic field: ICNIRP 1994 guideline values. Is now revised to 4000 Gauss in ICNIRP 2009

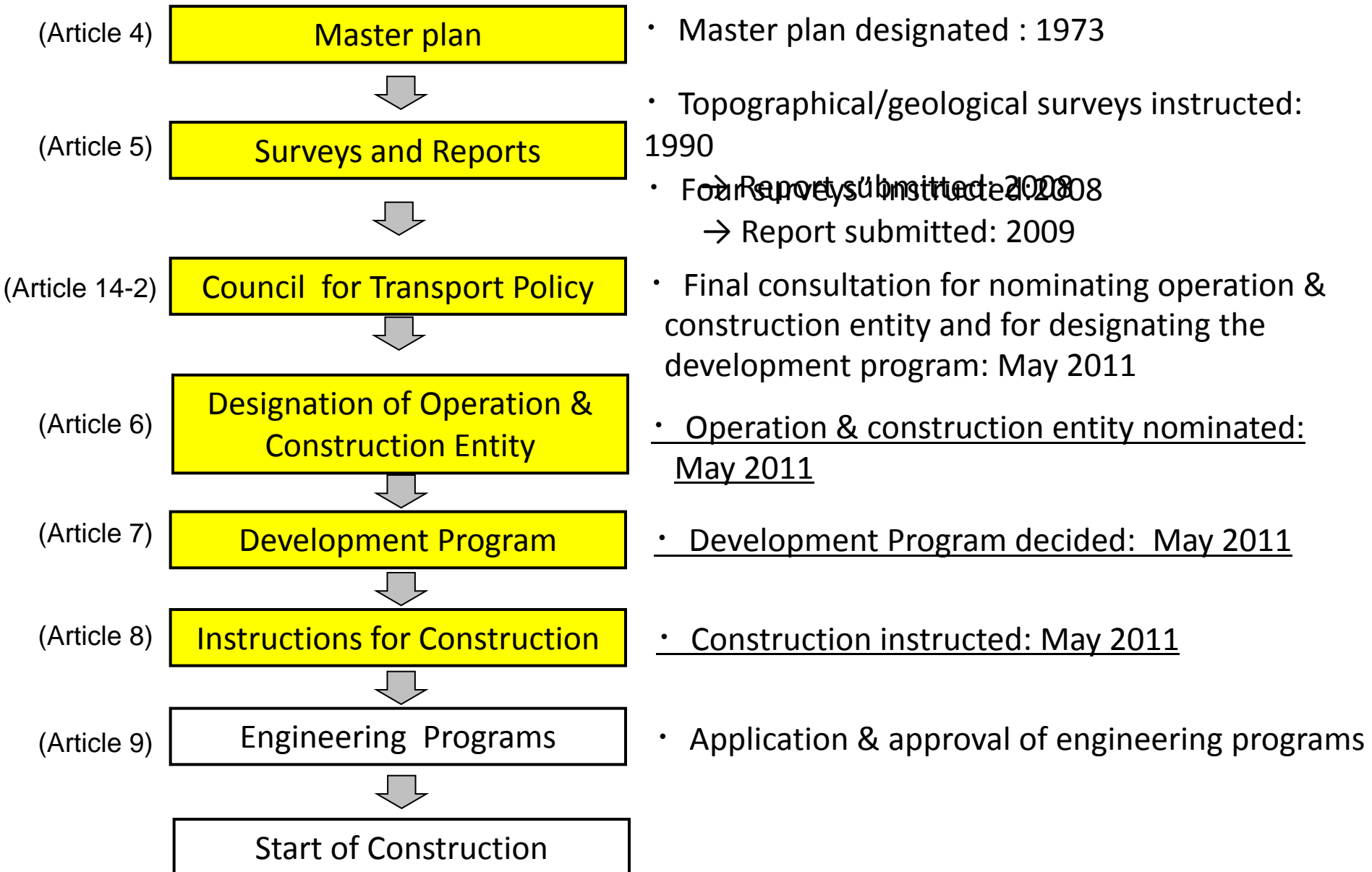
※2 Dynamic magnetic field: The magnetic flux density ratio which can be applicable to guideline under 820Hz dynamic magnetic field

Reference: Terrestrial magnetism: Approx. 0.5 Gauss

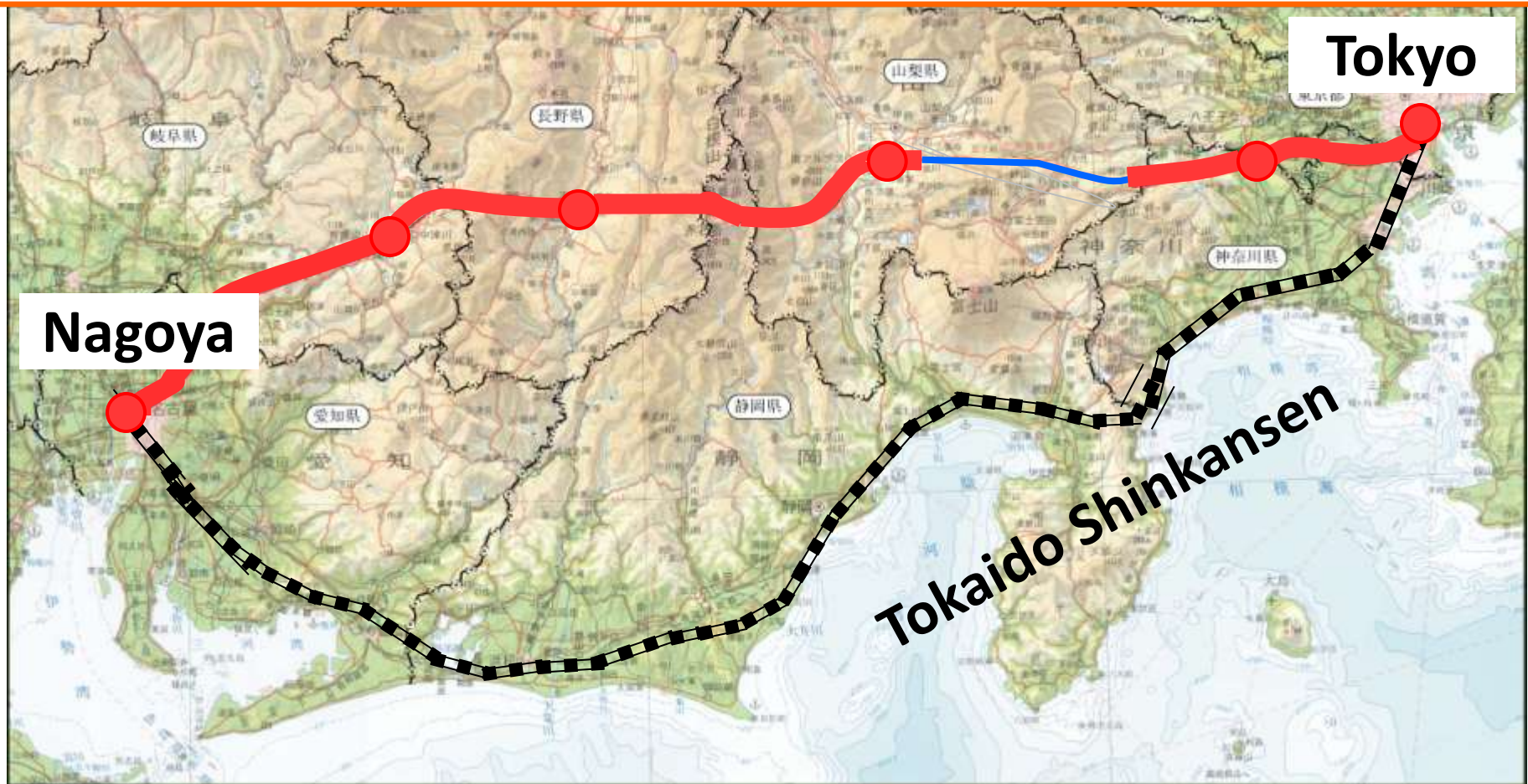
Specification of SCMAGLEV

Rolling Stock Performance		SCMAGLEV	Transrapid	Air
		Tokaido bypass	Shanghai	B777-200ER
Max cruising speed	km/h	500	430	890
Passenger capacity	people	1000	446	223
Carrying weight (compared to vehicle weight)	%	33	28	23
Weight (per seat)	t/seat	0.42	0.70	1.26
Energy consumption (per seat)	Wh/km /seat	74	81	approx. 150

The Linear Chuo-Shinkansen project flow under the “Nationwide Shinkansen Railway Development Act”



The Chuo Shinkansen (Tokyo - Nagoya)



Chuo Shinkansen (Tokyo-Nagoya) : approx. 286km



: Projected area



: Yamanashi Maglev Test Line (42.8km)



: Projected stations