

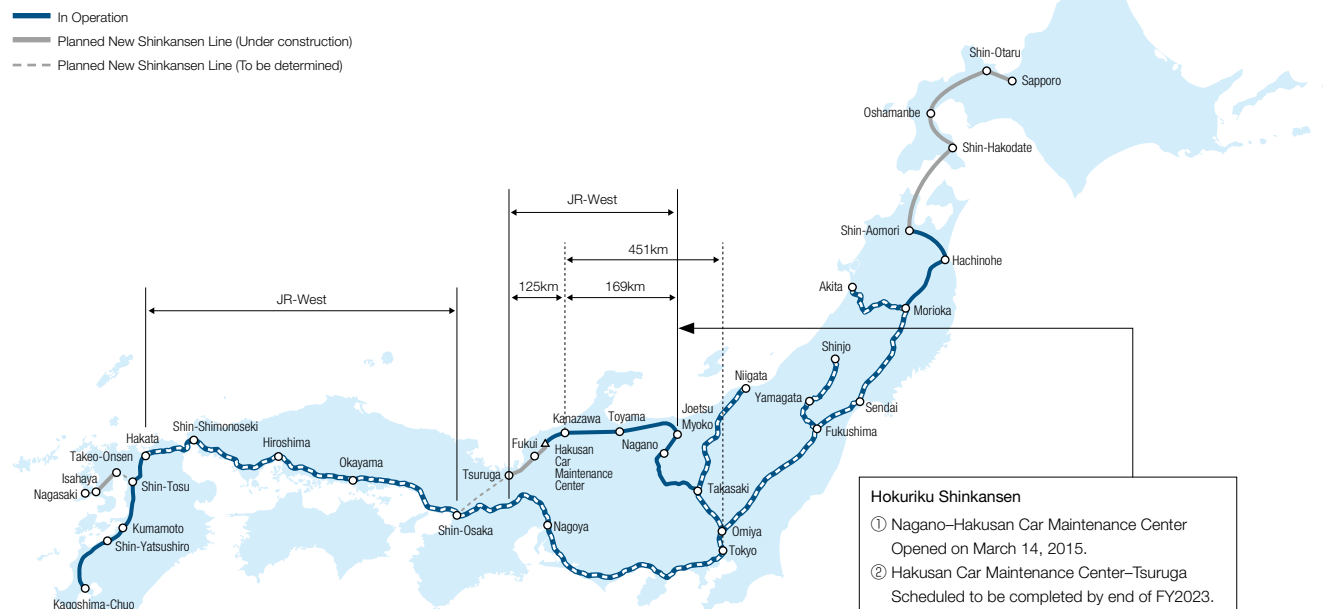
► Business

Development of New Shinkansen Lines (Hokuriku Shinkansen Line)

FIVE NEW SHINKANSEN LINES PROPOSED IN 1973 UNDER THE NATIONWIDE SHINKANSEN RAILWAY DEVELOPMENT LAW

Line	Lines in Operation	Approved Zone for Construction Implementation Plan	Expense Burden
Tohoku (Morioka–Aomori)	Morioka — Shin-Aomori (opened in December 2010, 178km)		
Hokuriku (Tokyo–Osaka)	Takasaki — Nagano (opened in October 1997, 117km) Nagano — Kanazawa (opened in March 2015, 228km)	Kanazawa — Tsuruga (125km)	<ul style="list-style-type: none"> Central government (existing Shinkansen transfer revenues, public utilities expenses) Local governments (one-half of the central government) JR (usage fees with the upper limit to be determined by the range of expected benefits)
Hokkaido (Aomori–Sapporo)		Shin-Aomori — Shin-Hakodate (149km) Shin-Hakodate — Sapporo (211km)	
Kyushu (Fukuoka–Kagoshima)	Hakata — Kagoshima-Chuo (opened in March 2011, 289km)		
Kyushu (Fukuoka–Nagasaki)		Takeo-Onsen — Nagasaki (66km)	

PLANNING OF NEW SHINKANSEN LINES As of March 31, 2015



Note: Hakusan Car Maintenance Center is located from Kanazawa station to the west about 12 kilometers.

JR-West Group Medium-Term Management Plan 2017 Update

Hokuriku Shinkansen and Invigoration of Hokuriku Region

Objectives

- ① Net revenue increase from Hokuriku Shinkansen: ¥13.0 billion (FY2018)
- ② Increasing passenger volume between Kansai, Hokuriku, and Shinetsu regions

- Increasing passenger volume between Hokuriku region and Tokyo

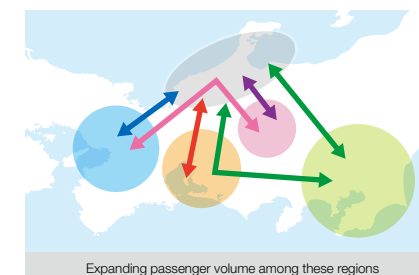
- Strengthening ability to compete with airlines (business travelers, etc.)
- Expanding tourism demand (senior citizens, inbound visitors, etc.) in collaboration with regions
- Introducing new rolling stock W7 series (10 sets in FY2015, 1 set in FY2016)

- Increasing passenger volume between Kansai, Hokuriku and Shinetsu regions

- Improving Thunderbird limited express service quality
- Further identifying, commercializing, and communicating regional appeal
- Communicating tourism appeal of Shinetsu (Niigata/Nagano) as new market from Kansai

- Advancing non-railway operations and coexistence with communities in the Hokuriku region

- Maximizing effect from commercial facilities that have been opened/renewed
- Uncovering local specialty products, and communicating appeal of region



TRAVEL TIME AND MARKET SHARE

	JR		Airlines ^{*3}	JR market share before opening ^{*4}
	Before opening ^{*1}	After opening ^{*2}		
Ishikawa — Kanto region	About 3h 50m	About 2h 28m	About 2h 50m	38.3%
Toyama — Kanto region	About 3h 10m	About 2h 08m	About 2h 30m	61.5%

*1. Using the Joetsu Shinkansen and Hakutaka limited express train

*2. Time required for fastest "Kagayaki"

*3. Includes airport access and egress time

*4. Source: Statistical survey of Ministry of Land, Infrastructure, Transport and Tourism (FY2014/3, preliminary)