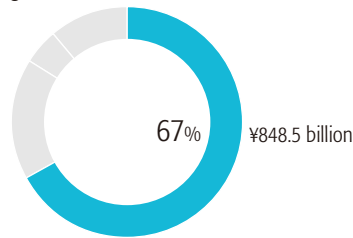
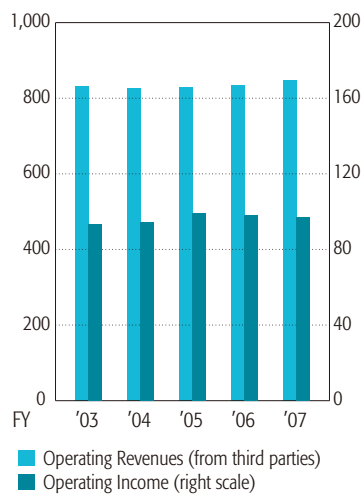


Transportation Operations

Operating Revenues



Operating Results
(Billion ¥)



Business Overview

Sanyo Shinkansen

The Sanyo Shinkansen is a high-speed intercity passenger service between Shin-Osaka Station in Osaka and Hakata Station in Fukuoka in the northern tip of Kyushu. The line runs through several major cities in western Japan, including Kobe, Okayama, Hiroshima, and Kitakyushu. It has a total operating kilometerage of 644.0 kilometers.

Urban Network (Kyoto-Osaka-Kobe area conventional lines)

The Urban Network provides passenger transport services to the densely populated Kyoto, Osaka, and Kobe and their surrounding areas. It has a total operating kilometerage of 621.7 kilometers (954.0 kilometers including the three

branch offices in Kyoto, Osaka, and Kobe), forming a comprehensive network for the entire Kyoto-Osaka-Kobe metropolitan area.

Other Conventional Lines

JR-West's other conventional lines consist of limited express and express service trains for intercity transport, local transport for commuting to work or school in such core urban areas as Hiroshima and Okayama, and local lines through less-populated areas. These other conventional lines (excluding the three branch offices) extend a total of 3,425.7 kilometers.

Fiscal 2007 Results

Sanyo Shinkansen

Operating revenues rose 1.5% (¥4.8 billion) year on year, to ¥328.6 billion.

Urban Network (954.0-km basis)

Operating revenues rose 1.6% (¥4.8 billion) year on year, to ¥302.4 billion.

Other Conventional Lines

Operating revenues fell 0.2% (¥0.3 billion) year on year, to ¥134.3 billion.

Total

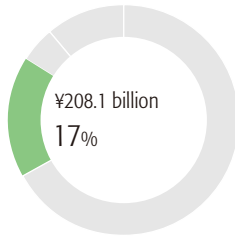
Operating revenues for the Transportation Operations segment increased 1.7% year on year, to ¥848.5 billion. Operating income, however, decreased 0.8%, to ¥97.2 billion.

Major Subsidiaries

- West Japan JR Bus
- Chugoku JR Bus
- Sagano Scenic Railway

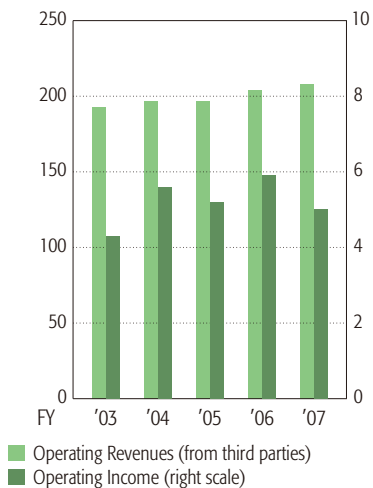
Sales of Goods and Food Services

Operating Revenues



Operating Results

(Billion ¥)



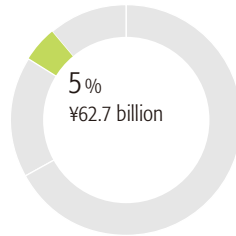
JR-West's retail services mainly target railway passengers, consisting of convenience stores, specialty stores, and other food and beverage establishments located in and around station buildings, as well as the JR Kyoto Isetan department store.

Operating revenues rose 2.1% year on year, to ¥208.1 billion, while operating income declined 15.2%, to ¥5.0 billion.

- West Japan Railway Daily Service Net
- West Japan Railway Isetan
- Eight other companies

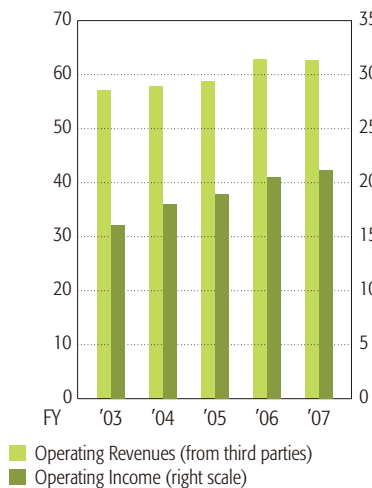
Real Estate Business

Operating Revenues



Operating Results

(Billion ¥)



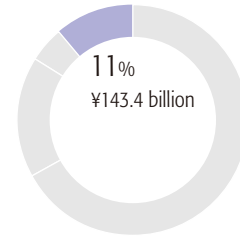
JR-West's real estate services consist of the management of shopping centers in station buildings and other facilities, operation of large station buildings at terminal stations, development of commercial facilities near station areas and underneath elevated tracks, and real estate sales and leasing operations for residential and urban development focused on railway lines.

Operating revenues declined 0.3% year on year, to ¥62.7 billion. Operating income, however, increased 3.5%, to ¥21.2 billion.

- Osaka Terminal Building
- Kyoto Station Building Development
- 19 other companies

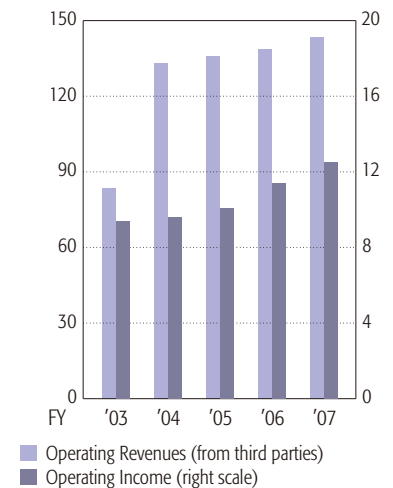
Other Businesses

Operating Revenues



Operating Results

(Billion ¥)



JR-West's other businesses consist of a travel agency business operated by Nippon Travel Agency, which became a consolidated subsidiary of JR-West in fiscal 2004, a hotel business operating the Hotel Granvia Kyoto and other hotels, as well as an advertising agency business, maintenance and engineering services, and other business to facilitate the smooth and efficient operation of the mainstay railway business.

Operating revenues rose 3.4% year on year, to ¥143.4 billion, with operating income up 9.2%, to ¥12.5 billion.

- West Japan Railway Hotel Development
- Nippon Travel Agency
- 31 other companies