(Translation)

May 2, 2013

West Japan Railway Company

**Results for the first year ended March 2013 and future initiatives**
**Q&A Summary at the conference held in Japan**

Q1: What is the Company's view of transportation revenues of the fiscal year ending March 31, 2014?

A1: We expect the fundamentals for total transportation revenues edge up 0.6%. We project a 1.5% increase as for Shinkansen. While we realize signs of improvement in the economic environment, we set the target based on the result of the last year fundamentals. However, through deploying a variety of marketing measures, we strive to further accumulate revenues.

Q2: What is the Company's view of future operating expenses and its approach to cost reductions over medium-to long-term?

A2: We anticipate that non-personnel costs will remain at the high level during the current medium-term management plan. Among non-personnel costs, maintenance costs are anticipated to increase because we are in the peak period of maintenance works, such as rail replacements needed for ongoing management of operations. Also, we forecast that experiment costs will increase by new technological development such as gauge change trains. As for cost reductions over medium-to long-term, we will take steps to reduce costs structurally through reforming inspection procedures, shifting to simpler maintenance systems, improving the efficiency of workflow processes, and strengthening construction capabilities.

Q3: What is the Company's view of returns on capital expenditures?

A3: JR-West has established hurdle rates. However, the Company's basic policy is to measure the investment benefit appropriately for each business in which it invests. Because JR-West is an infrastructure company centered on railway operations, we think that appropriately managing the returns from assets held, including the efficiency of returns, is important.

Q4: What are the Company's forecasts of future sales of real estate?

A4: Originally, we projected large amount of handover for the current fiscal year. In addition to that, we expect the rush demand ahead of consumption-tax hike and we plan to move up the some part of schedule of handover that were supposed to be in next fiscal year. Accordingly, we forecast significant increase in sales of real estate in the current year. We will advance the real estate sales businesses centered on railway belts of the Company.