


Results for the First Half ended September 30, 2018 and Future Initiatives



Making Our Vision into Reality

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1. Results for the First Half of FY2019.3

2. Forecasts for FY2019.3

3. Individual Business Initiatives

4. Capital Expenditure Plan,
Returns to Shareholders



Appendix

Financial Highlights

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY		Results FY2018.3	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease) E-D
			Increase/ (Decrease) B-A	% 1-B/A		As of July 31 D	As of Oct 29 E	Increase/ (Decrease) E-C	% 1-E/C	
	A	B			C					
【Consolidated】										
Operating Revenues	727.1	736.9	9.8	1.4	1,500.4	1,525.5	1,516.5	16.0	1.1	(9.0)
Operating Income	111.2	113.3	2.0	1.9	191.3	187.5	187.5	(3.8)	(2.0)	—
Recurring Profit	102.6	105.8	3.1	3.1	177.7	174.0	174.0	(3.7)	(2.1)	—
Profit attributable to owners of parent	67.8	56.4	(11.3)	(16.7)	110.4	111.0	95.5	(14.9)	(13.6)	(15.5)
【Non-Consolidated】										
Operating Revenues	485.4	484.6	(0.8)	(0.2)	976.2	988.0	979.0	2.7	0.3	(9.0)
Transportation Revenues	433.6	431.7	(1.9)	(0.4)	867.8	878.0	871.0	3.1	0.4	(7.0)
Operating Expenses	394.7	389.6	(5.1)	(1.3)	831.9	843.0	834.0	2.0	0.3	(9.0)
Personnel costs	109.1	108.1	(0.9)	(0.9)	221.4	217.0	216.5	(4.9)	(2.3)	(0.5)
Non personnel costs	183.5	183.4	(0.0)	(0.0)	407.6	426.5	420.0	12.3	3.0	(6.5)
Energy costs	22.2	22.1	(0.1)	(0.5)	44.0	46.5	45.5	1.4	3.2	(1.0)
Maintenance costs	66.9	63.2	(3.7)	(5.5)	161.4	172.5	166.5	5.0	3.1	(6.0)
Miscellaneous costs	94.2	97.9	3.7	4.0	202.1	207.5	208.0	5.8	2.9	0.5
Depreciation	66.8	64.3	(2.5)	(3.8)	136.8	136.5	134.5	(2.3)	(1.7)	(2.0)
Operating Income	90.6	94.9	4.2	4.7	144.3	145.0	145.0	0.6	0.4	—
Recurring Profit	81.1	87.0	5.8	7.2	128.6	131.0	131.0	2.3	1.8	—
Net Income	55.8	45.9	(9.9)	(17.8)	80.7	89.5	74.0	(6.7)	(8.4)	(15.5)

Note: Figures in brackets () are negative values.

Non-Consolidated Financial Results

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
	A	B		
Operating Revenues	485.4	484.6	(0.8)	(0.2)
Transportation revenues	433.6	431.7	(1.9)	(0.4)
Other	51.8	52.8	1.0	2.1
Operating Expenses	394.7	389.6	(5.1)	(1.3)
Personnel costs	109.1	108.1	(0.9)	(0.9)
Non personnel costs	183.5	183.4	(0.0)	(0.0)
Energy costs	22.2	22.1	(0.1)	(0.5)
Maintenance costs	66.9	63.2	(3.7)	(5.5)
Miscellaneous costs	94.2	97.9	3.7	4.0
Rental payments, etc.	15.0	13.5	(1.4)	(9.9)
Taxes	20.2	20.2	(0.0)	(0.2)
Depreciation	66.8	64.3	(2.5)	(3.8)
Operating Income	90.6	94.9	4.2	4.7
Non-operating revenues and expenses	(9.4)	(7.8)	1.5	(16.8)
Non-operating revenues	1.3	2.4	1.1	—
Non-operating expenses	10.8	10.3	(0.4)	—
Recurring Profit	81.1	87.0	5.8	7.2
Extraordinary profit and loss, net	(0.7)	(22.1)	(21.4)	—
Extraordinary profit	3.4	8.8	5.4	—
Extraordinary loss	4.2	31.0	26.8	—
Net Income	55.8	45.9	(9.9)	(17.8)

Note: Figures in brackets () are negative values.

Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Results for 6 months ended Sep 30, 2018					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		Amount
Shinkansen	227.2	4.5	2.0	Fundamentals 1.9%	4.2
				Special factors	
				·Inbound	0.8
				·Favorable demand during peak periods	1.0
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(2.1)
				·Typhoon No.21 (Jebi), etc.	0.7
etc.					
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	152.2	(3.4)	(2.2)	Fundamentals (0.7%)	(1.0)
				Special factors	
				·Inbound	0.4
				·Favorable demand during peak periods	0.2
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(1.5)
				·Typhoon No.21 (Jebi), etc.	(1.4)
etc.					
Other lines	52.2	(3.0)	(5.5)	Fundamentals (0.6%)	(0.3)
				Special factors	
				·Inbound	0.1
				·Favorable demand during peak periods	0.1
				·Northern Osaka Prefecture Earthquake	(0.1)
				·The Heavy Rain Event of July 2018	(2.6)
				·Typhoon No.21 (Jebi), etc.	(0.3)
etc.					
Conventional lines	204.5	(6.4)	(3.1)		
Total	431.7	(1.9)	(0.4)		

Note: Revenues from luggage transportation are omitted due to the small amount.
 Figures in brackets() are negative values.

Transportation Revenues and Passenger-Kilometers



Transportation Revenues

¥ Billions

Passenger-Kilometers

Millions of passenger-kilometers

	Results for 6 months ended Sep 30 (4/1~9/30)			3 months (2Q) (7/1~9/30)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	433.6	431.7	(1.9) (0.4%)	222.5	217.9	(4.5) (2.1%)
Shinkansen	222.6	227.2	4.5 2.0%	115.3	117.5	2.1 1.9%
Commuter Passes	5.4	5.6	0.1 3.6%	2.7	2.8	0.0 3.4%
Non-Commuter Passes	217.2	221.5	4.3 2.0%	112.6	114.6	2.0 1.8%
Conventional Lines	210.9	204.5	(6.4) (3.1%)	107.2	100.4	(6.7) (6.3%)
Commuter Passes	72.2	72.0	(0.1) (0.3%)	35.9	35.6	(0.2) (0.7%)
Non-Commuter Passes	138.6	132.4	(6.2) (4.5%)	71.3	64.8	(6.5) (9.1%)
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	155.6	152.2	(3.4) (2.2%)	78.2	74.6	(3.5) (4.5%)
Commuter Passes	59.4	59.4	0.0 0.0%	29.5	29.4	(0.0) (0.1%)
Non-Commuter Passes	96.2	92.7	(3.4) (3.6%)	48.6	45.2	(3.4) (7.2%)
Other Lines	55.3	52.2	(3.0) (5.5%)	28.9	25.8	(3.1) (11.0%)
Commuter Passes	12.8	12.6	(0.2) (1.6%)	6.3	6.1	(0.1) (3.0%)
Non-Commuter Passes	42.4	39.6	(2.8) (6.6%)	22.6	19.6	(3.0) (13.3%)

	Results for 6 months ended Sep 30 (4/1~9/30)			3 months (2Q) (7/1~9/30)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	29,881	29,742	(138) (0.5%)	15,214	14,992	(222) (1.5%)
Shinkansen	10,407	10,548	140 1.3%	5,408	5,472	64 1.2%
Commuter Passes	431	447	15 3.6%	215	222	6 3.1%
Non-Commuter Passes	9,976	10,101	125 1.3%	5,193	5,250	57 1.1%
Conventional Lines	19,473	19,194	(279) (1.4%)	9,806	9,519	(286) (2.9%)
Commuter Passes	11,803	11,751	(51) (0.4%)	5,800	5,753	(46) (0.8%)
Non-Commuter Passes	7,670	7,442	(227) (3.0%)	4,005	3,765	(240) (6.0%)
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	15,211	15,079	(131) (0.9%)	7,599	7,468	(130) (1.7%)
Commuter Passes	9,678	9,661	(17) (0.2%)	4,764	4,748	(15) (0.3%)
Non-Commuter Passes	5,532	5,418	(114) (2.1%)	2,835	2,720	(114) (4.1%)
Other Lines	4,261	4,114	(147) (3.5%)	2,206	2,050	(155) (7.1%)
Commuter Passes	2,124	2,089	(34) (1.6%)	1,036	1,005	(30) (2.9%)
Non-Commuter Passes	2,137	2,024	(112) (5.3%)	1,170	1,044	(125) (10.7%)

Note: Figures in brackets () are negative values.

Major Factors of Increase/Decrease in Operating Expenses (Non-consolidated)

¥ Billions

Item	Results for 6 months ended Sep 30, 2018			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	108.1	(0.9)	(0.9)	• Difference in unit cost
Energy costs	22.1	(0.1)	(0.5)	
Maintenance costs	63.2	(3.7)	(5.5)	• Schedule adjustment of capital expenditure-related removal works in order to prioritize service restoration work from disasters, etc.
Miscellaneous costs	97.9	3.7	4.0	• Expenditure for the substitute bus services due to the torrential rains disaster, etc.
Rental Payments, etc	13.5	(1.4)	(9.9)	• JR Tozai Line, etc.
Taxes	20.2	(0.0)	(0.2)	
Depreciation and amortization	64.3	(2.5)	(3.8)	• Progress of depreciation and amortization, etc.
Total	389.6	(5.1)	(1.3)	

Note: Figures in brackets () are negative values.

※With regard to the disaster recovery expense from the Heavy Rain Event of July 2018, the Company recorded ¥21.5 billion as “Provisions for loss on disaster” under extraordinary losses.

Consolidated Financial Results

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
	A	B		
Operating Revenues	727.1	736.9	9.8	1.4
Operating Expenses	615.8	623.6	7.8	1.3
Operating Income	111.2	113.3	2.0	1.9
Non-operating revenues and expenses, net	(8.5)	(7.4)	1.0	(12.5)
Non-operating revenues	2.6	3.3	0.7	—
Non-operating expenses	11.1	10.8	(0.3)	—
Recurring Profit	102.6	105.8	3.1	3.1
Extraordinary profit and loss, net	(1.3)	(22.7)	(21.4)	—
Extraordinary profit	5.1	9.2	4.0	—
Extraordinary loss	6.4	31.9	25.5	—
Profit attributable to owners of parent	67.8	56.4	(11.3)	(16.7)
<i>Comprehensive Income</i>	<i>70.1</i>	<i>58.4</i>	<i>(11.7)</i>	<i>(16.7)</i>

Note: Figures in brackets () are negative values.

Consolidated Financial Results (Segment Information)



¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
	A	B		
Operating Revenues* ¹	727.1	736.9	9.8	1.4
Transportation	472.7	471.3	(1.4)	(0.3)
Retail	117.5	119.6	2.0	1.8
Sales of goods and food services	80.2	83.8	3.6	4.5
[Accommodation-oriented budget hotels](restated)* ²	[5.6]	[6.2]	[0.5]	[10.5]
Department stores	33.0	31.5	(1.5)	(4.7)
Real estate	68.7	69.2	0.5	0.7
Shopping center	29.1	30.0	0.8	2.9
Real estate lease and sale	38.5	38.1	(0.3)	(1.0)
[Real estate sale](restated)	[17.1]	[15.9]	[(1.2)]	[(7.4)]
Other businesses	68.1	76.8	8.6	12.8
Hotel	17.6	16.5	(1.0)	(5.9)
Nippon Travel Agency	19.3	18.4	(0.8)	(4.3)
Operating Income* ¹	111.2	113.3	2.0	1.9
Transportation	83.5	87.8	4.2	5.1
Retail	3.3	2.9	(0.3)	(11.5)
Sales of goods and food services	3.2	2.6	(0.5)	(17.1)
Department stores	(0.0)	0.1	0.2	–
Real estate	19.8	18.2	(1.5)	(7.9)
Shopping center	4.4	4.7	0.3	8.4
Real estate lease and sale	10.3	10.6	0.2	2.1
Other businesses	3.2	2.9	(0.2)	(9.2)
Hotel	0.8	0.0	(0.8)	(96.9)
Nippon Travel Agency	(0.7)	(0.6)	0.1	(14.5)

Note: Figures in brackets () are negative values.

*1 The breakdowns of operating revenues and operating income by each segment are the sums of those of major subsidiaries.

*2 Figures in brackets [] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

Major Factors of Increase/Decrease in Each Segment



¥ Billions

			Results for 6 months ended June 30,2018			Major factors (YoY)
			YoY			
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	83.8	3.6	4.5	·Seven-Eleven allied stores favorable, etc.
		Operating Income	2.6	(0.5)	(17.1)	
	Department stores	Operating Revenues	31.5	(1.5)	(4.7)	·Natural disasters ·Hindrance from renovation construction, etc.
		Operating Income	0.1	0.2	–	
Real estate	Shopping center	Operating Revenues	30.0	0.8	2.9	
		Operating Income	4.7	0.3	8.4	
	Real estate lease and sale	Operating Revenues	38.1	(0.3)	(1.0)	
		Operating Income	10.6	0.2	2.1	
Other Businesses	Hotel	Operating Revenues	16.5	(1.0)	(5.9)	·Closure of Sannomiya Terminal Building and natural disasters, etc.
		Operating Income	0.0	(0.8)	(96.9)	
	Nippon travel agency	Operating Revenues	18.4	(0.8)	(4.3)	·Weak trends in domestic travel, etc.
		Operating Income	(0.6)	0.1	(14.5)	

Note: Figures in brackets () are negative values.

* Operating revenues are the revenues from third parties (= customers).

The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.

Consolidated Financial Situation and Statement Cash Flows



¥ Billions

	As of March 31, 2018 A	As of Sep 30, 2018 B	Difference increase/ (decrease) B-A
Assets	3,071.8	3,124.1	52.2
Liabilities	1,955.5	1,974.7	19.2
Net assets	1,116.3	1,149.3	33.0
Balance of Long-term Debt and Payables	1,032.2	1,073.9	41.7
[Average interest rate (%)]	[1.86]	[1.83]	[(0.03)]
Shinkansen Purchase Liability	103.8	103.3	(0.4)
[Average interest rate (%)]	[6.55]	[6.55]	[-]
Bonds	524.9	564.9	40.0
[Average interest rate (%)]	[1.58]	[1.55]	[(0.03)]
Equity ratio (%)	33.2	33.7	0.5
Net assets per share (¥)	5,273.42	5,471.86	198.44

	6 months ended Sep 30, 2017 A	6 months ended Sep 30, 2018 B	YoY increase/ (decrease) B-A
Cash flows from operating activities	99.6	93.5	(6.0)
Cash flows from investing activities	(62.7)	(81.0)	(18.3)
Free cash flows	36.9	12.5	(24.4)
Cash flows from financing activities	(23.7)	21.2	44.9
Change in cash and cash equivalents, net	14.0	33.7	19.7
Cash and cash equivalents at the end of the period	77.3	135.2	57.8

Note: Figures in brackets () are negative values.

* Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

1. Results for the First Half of FY2019.3

2. Forecasts for FY2019.3

3. Individual Business Initiatives

4. Capital Expenditure Plan,
Returns to Shareholders



Appendix

Non-Consolidated Financial Forecasts

¥ Billions

	Results FY2018.3 A	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease) C-B
		As of July 31 B	As of Oct 29 C	Increase/ (Decrease) C-A	% 1-C/A	
Operating Revenues	976.2	988.0	979.0	2.7	0.3	(9.0)
Transportation revenues	867.8	878.0	871.0	3.1	0.4	(7.0)
Other	108.4	110.0	108.0	(0.4)	(0.4)	(2.0)
Operating Expenses	831.9	843.0	834.0	2.0	0.3	(9.0)
Personnel costs	221.4	217.0	216.5	(4.9)	(2.3)	(0.5)
Non personnel costs	407.6	426.5	420.0	12.3	3.0	(6.5)
Energy costs	44.0	46.5	45.5	1.4	3.2	(1.0)
Maintenance costs	161.4	172.5	166.5	5.0	3.1	(6.0)
Miscellaneous costs	202.1	207.5	208.0	5.8	2.9	0.5
Rental payments, etc.	30.2	27.5	27.5	(2.7)	(9.0)	–
Taxes	35.7	35.5	35.5	(0.2)	(0.7)	–
Depreciation	136.8	136.5	134.5	(2.3)	(1.7)	(2.0)
Operating Income	144.3	145.0	145.0	0.6	0.4	–
Non-operating revenues and expenses, net	(15.7)	(14.0)	(14.0)	1.7	(10.9)	–
Non-operating revenues	6.2	7.5	7.5	1.2	–	–
Non-operating expenses	21.9	21.5	21.5	(0.4)	–	–
Recurring Profit	128.6	131.0	131.0	2.3	1.8	–
Extraordinary profit and loss, net	(9.2)	(2.0)	(25.0)	(15.7)	–	(23.0)
Extraordinary profit	29.8	–	–	–	–	–
Extraordinary loss	39.0	–	–	–	–	–
Net Income	80.7	89.5	74.0	(6.7)	(8.4)	(15.5)

Note: Figures in brackets () are negative values.

Transportation Revenue Forecasts

¥ Billions

Forecasts FY2019.3						
Transportation revenues		YoY Increase/(Decrease)		Major factors		Difference from the previous forecast Increase/(Decrease)
		Amount	%		Amount	
Shinkansen	455.5	7.7	1.7	Fundamental trend 1.4%	6.4	0.7
				Special factors		
				•Inbound	1.8	
				•Rebound from snow damage	0.9	
				•Northern Osaka Prefecture Earthquake	(0.4)	
				•The Heavy Rain Event of July 2018	(2.1)	
				•Typhoon No.21 (Jebi), etc.	0.7	
etc.						
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	307.3	(1.7)	(0.6)	Fundamental trend (0.3%)	(0.9)	(4.7)
				Special factors		
				•Inbound	1.1	
				•Favorable demand during peak periods	0.2	
				•Rebound from snow damage	0.3	
				•Northern Osaka Prefecture Earthquake	(0.4)	
				•The Heavy Rain Event of July 2018	(1.5)	
•Typhoon No.21 (Jebi), etc.	(1.4)					
etc.						
Other lines	108.1	(2.9)	(2.7)	Fundamental trend (0.7%)	(0.7)	(3.0)
				Special factors		
				•Inbound	0.3	
				•Favorable demand during peak periods	0.0	
				•Rebound from snow damage	0.5	
				•Northern Osaka Prefecture Earthquake	(0.1)	
				•The Heavy Rain Event of July 2018	(2.7)	
•Typhoon No.21 (Jebi), etc.	(0.3)					
etc.						
Conventional lines	415.4	(4.6)	(1.1)			(7.7)
Total	871.0	3.1	0.4			(7.0)

Note: Revenues from luggage transportation are omitted due to the small amount.
 Figures in brackets () are negative values.

Operating Expenses Forecasts (Non-Consolidated)

¥ Billions

Item	Forecasts FY2019.3				
		YoY		Major factors (YoY)	Difference from the previous forecast Increase/(Decrease)
		Increase/ (Decrease)	%		
Personnel costs	216.5	(4.9)	(2.3)	• Difference in unit cost	(0.5)
Energy costs	45.5	1.4	3.2	• Increase in adjustment amount for fuel cost, etc.	(1.0)
Maintenance costs	166.5	5.0	3.1	• Increase in removal works related to capital expenditures • Increase in maintenance costs for structures, etc.	(6.0)
Miscellaneous costs	208.0	5.8	2.9	• Expenditure for the substitute bus services due to the torrential rains disaster • Increase in system-related costs, etc.	0.5
Rental Payments, etc	27.5	(2.7)	(9.0)	• JR Tozai Line, etc.	—
Taxes	35.5	(0.2)	(0.7)		—
Depreciation and amortization	134.5	(2.3)	(1.7)	• Progress of depreciation and amortization, etc.	(2.0)
Total	834.0	2.0	0.3		(9.0)

Note: Figures in brackets () are negative values.

Consolidated Financial Forecasts

¥ Billions

	Results FY2017.3 A	Forecasts FY2018.3		YoY		Difference between the forecasts Increase/ (Decrease) C-B
		As of July 28 B	As of Oct 30 C	Increase/ (Decrease) C-A	% 1-C/A	
Operating Revenues	1,500.4	1,525.5	1,516.5	16.0	1.1	(9.0)
Operating Expenses	1,309.0	1,338.0	1,329.0	19.9	1.5	(9.0)
Operating Income	191.3	187.5	187.5	(3.8)	(2.0)	—
Non-operating revenues and expenses, net	(13.5)	(13.5)	(13.5)	0.0	(0.6)	—
Non-operating revenues	9.0	8.6	8.6	(0.4)	—	—
Non-operating expenses	22.6	22.1	22.1	(0.5)	—	—
Recurring Profit	177.7	174.0	174.0	(3.7)	(2.1)	—
Extraordinary profit and loss, net	(7.1)	(7.0)	(30.0)	(22.8)	—	(23.0)
Extraordinary profit	32.8	—	—	—	—	—
Extraordinary loss	39.9	—	—	—	—	—
Profit attributable to owners of parent	110.4	111.0	95.5	(14.9)	(13.6)	(15.5)
Net income per share(¥)	570.72	573.33	495.68	—	—	—

Note: Figures in brackets () are negative values.

Consolidated Financial Forecasts (Segment Information)

¥ Billions

	Results FY2018.3 A	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease) C-B
		As of July 31	As of Oct 29	Increase/ (Decrease)	%	
		B	C	C-A	1-C/A	
Operating Revenues*¹	1,500.4	1,525.5	1,516.5	16.0	1.1	(9.0)
Transportation	950.8	962.0	953.0	2.1	0.2	(9.0)
Retail	239.8	244.8	244.8	4.9	2.1	—
Sales of goods and food services	161.7	167.0	167.0	5.2	3.3	—
[Accommodation-oriented budget hotels](restated)* ²	[11.6]	[12.7]	[12.7]	[1.0]	[9.0]	—
Department stores	70.1	69.1	69.1	(1.0)	(1.4)	—
Real estate	139.6	147.8	147.8	8.1	5.8	—
Shopping center	59.6	60.7	60.7	1.0	1.8	—
Real estate lease and sale	78.1	85.1	85.1	6.9	9.0	—
[Real estate sale](restated)	[35.0]	[40.7]	[40.7]	[5.7]	[16.4]	—
Other businesses	170.0	170.9	170.9	0.8	0.5	—
Hotel	35.6	36.1	36.1	0.4	1.3	—
Nippon Travel Agency	41.3	41.9	39.9	(1.4)	(3.5)	(2.0)
Operating Income*¹	191.3	187.5	187.5	(3.8)	(2.0)	—
Transportation	130.3	130.6	130.6	0.2	0.2	—
Retail	7.2	5.7	5.7	(1.5)	(21.9)	—
Sales of goods and food services	6.0	4.4	4.4	(1.6)	(27.7)	—
Department stores	0.9	1.0	1.0	0.0	1.1	—
Real estate	35.7	33.4	33.4	(2.3)	(6.7)	—
Shopping center	8.7	8.5	8.5	(0.2)	(2.5)	—
Real estate lease and sale	17.3	15.6	15.6	(1.7)	(10.3)	—
Other businesses	19.9	21.1	21.1	1.1	5.7	—
Hotel	1.9	1.4	1.4	(0.5)	(29.5)	—
Nippon Travel Agency	0.2	0.3	0.3	0.0	9.6	—

Note: Figures in brackets () are negative values.

*1 The breakdowns of operating revenues and operating income by each segment are the sums of those of major subsidiaries.

*2 Figures in brackets [] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

Each Segment Forecasts

¥ Billions

			Forecasts FY2019.3				
			YoY		Major factors (YoY)	Difference from the previous forecast Increase/(Decrease)	
			Increase/(Decrease)	%			
Retail	Sales of goods and food services	Operating Revenues	167.0	5.2	3.3	•New opening of Seven-Eleven allied stores, etc.	—
		Operating Income	4.4	(1.6)	(27.7)	•Accommodation-oriented hotel opening expenses, etc.	—
	Department stores	Operating Revenues	69.1	(1.0)	(1.4)	•Partial closure due to renovation works, etc.	—
		Operating Income	1.0	0.0	1.1		—
Real estate	Shopping center	Operating Revenues	60.7	1.0	1.8	•Hiroshima ekie opening full-year contribution, etc.	—
		Operating Income	8.5	(0.2)	(2.5)		—
	Real estate lease and sale	Operating Revenues	85.1	6.9	9.0	•Increase in number of residences sold, opening of lease properties, etc.	—
		Operating Income	15.6	(1.7)	(10.3)	•Lease properties new opening expenses, etc.	—
Other Businesses	Hotel	Operating Revenues	36.1	0.4	1.3		—
		Operating Income	1.4	(0.5)	(29.5)		—
	Nippon travel agency	Operating Revenues	39.9	(1.4)	(3.5)	•Weak trends in sales of domestic travels, etc.	(2.0)
		Operating Income	0.3	0.0	9.6		—

Note: Figures in brackets () are negative values.

* Operating revenues are the revenues from third parties (= customers).

The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.

Other Data

Persons, ¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	Results FY2018.3	Forecasts FY2019.3 As of Oct 29
ROA (% , Consolidated) *1	3.7	3.7	6.3	6.0
ROE (% , Consolidated)	7.0	5.4	11.3	9.1
EBITDA (Consolidated) *2	191.6	192.0	356.1	353.2
Depreciation (Consolidated)	79.8	78.1	163.5	164.5
Capital Expenditures (Consolidated, own fund)	59.3	79.4	169.4	272.0
Capital Expenditures (Non-consolidated, own fund)	41.7	60.4	127.8	210.0
Safety related capital expenditure	28.4	38.4	83.2	127.0
Dividends per share (¥)	80	87.5	160	175

	6 months ended Sep 30, 2017		6 months ended Sep 30, 2018		Results FY2018.3		Forecasts FY2019.3 As of Oct 29	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,814	25,381	48,219	24,976	47,869	25,291	—	—
Financial Expenses, net	(10.1)	(9.6)	(9.1)	(8.1)	(20.2)	(19.6)	(19.3)	(17.6)
Interest and dividend income	0.3	0.8	0.7	1.8	0.7	1.2	0.7	2.2
Interest expenses	10.5	10.4	9.9	9.9	20.9	20.8	20.0	19.9

Note: Figures in brackets () are negative values.

*1 Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

*2 EBITDA = Operating Income + Depreciation + Amortization of goodwill

1. Results for the First Half of FY2019.3

2. Forecasts for FY2019.3

3. Individual Business Initiatives

4. Capital Expenditure Plan,
Returns to Shareholders



Appendix

Groupwide Strategies: Capturing Inbound Demand (1)

• Status of progress with medium-term management plan measures

	1H FY19.3	2H FY19.3	FY20.3 ~
Developing and improving wide-area tourism routes	<p>“Let’s Discover West Japan” Campaign</p> <p>Kansai inbound tourism revival plan</p> <p>New product / existing product revision</p> <p>Hello Kitty Shinkansen</p>	<p>Setouchi Tourism Promotion Pre-Campaign</p>	<p>Setouchi Tourism Promotion Campaign (planned)</p>
Capturing demand on a groupwide basis	Expanding development of accommodation facilities, renovating hotels and commercial facilities (--> P.27 to 30)		
Improving reception systems	<p>Strengthening counter functions at Kyoto Station</p>	<p>Free Wi-Fi on Shinkansen (Sanyo, Hokuriku)</p>	<p>Further enhancing provision of information inside and outside stations*</p> <p>Internet reservations from overseas</p>
Strengthening promotions	<p>Converting Singapore office to branch</p>		



Kansai inbound tourism revival plan



Free Wi-Fi (Shinkansen)

- * Further enhancing provision of information inside and outside stations
- Increasing number of stations with multilingual voice translation systems (5 stations --> 17 stations)
 - Upgrading English broadcasts with tablets, etc., for station staff and train crews
 - SNS use (multilingual account posting on Twitter, Facebook)
 - Stepping up collaboration with municipal governments, tourist information centers

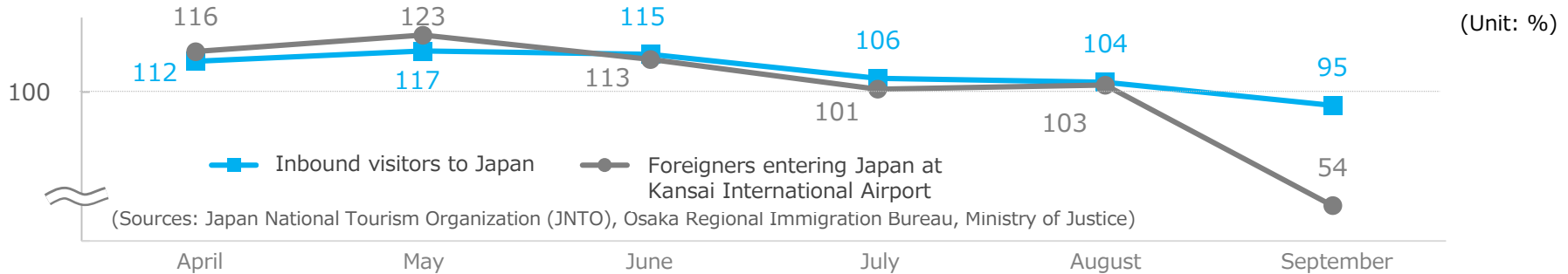
Targeting the achievement of full-year objectives, use a variety of measures to attract travelers to the western Japan area.

Groupwide Strategies: Capturing Inbound Demand (2)

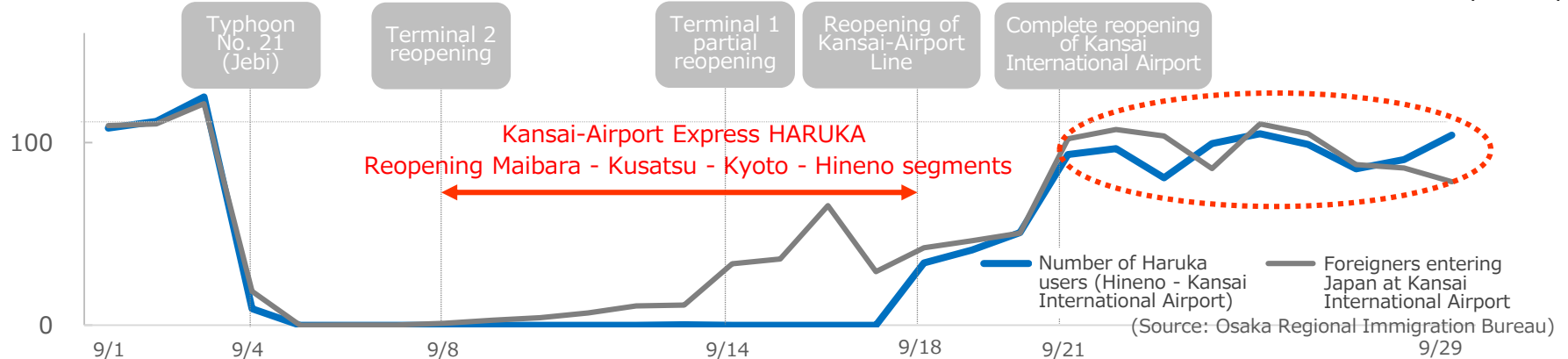
• Status of progress with medium-term management plan objectives

	FY19.3 1H results		FY19.3 full-year targets		FY23.3 targets
Consolidated operating revenues	¥23.0 billion	YoY108%	¥47.0 billion	YoY109%	¥65.0 billion
Transportation revenues	¥15.5 billion	YoY110%	¥31.7 billion	YoY112%	¥45.6 billion
Number of users	790,000 people	YoY105%	1.8 million people	YoY112%	2.6 million people

• Trends in inbound visitors to Japan (YoY)








• Usage in September (YoY) * Specially prepared preliminary figures



Recovery to about previous year's level after the full reopening of Kansai International Airport, despite the influence of Typhoon No. 21 (Jebi)

Transportation Operations: Shinkansen (1)

• Status of progress with medium-term management plan measures

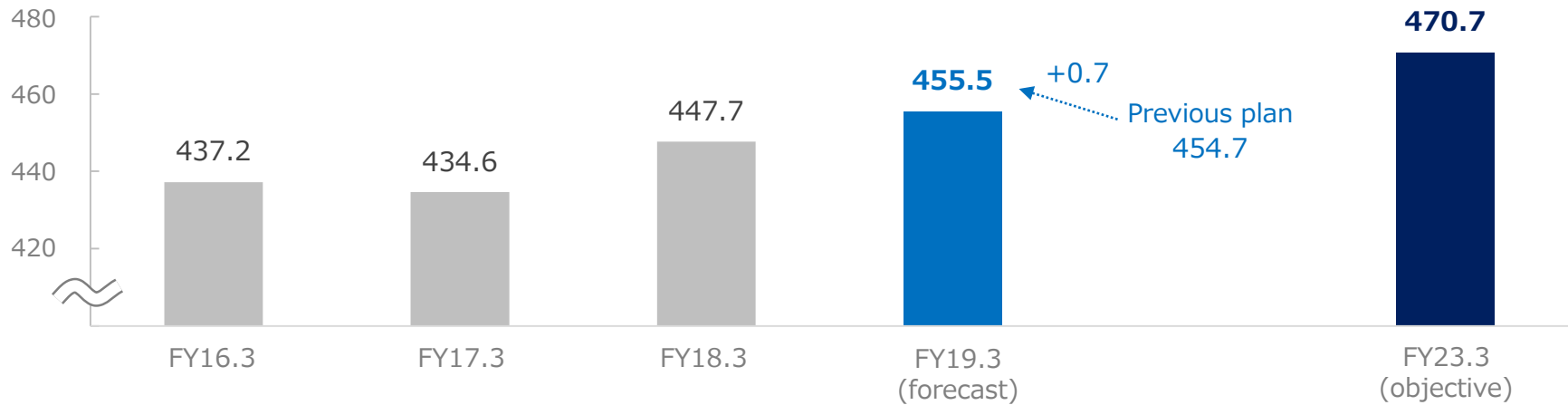
		1H FY19.3	2H FY19.3	FY20.3 ~
Sanyo	Safe, reliable transportation	Introducing new rolling stock (N700A)		  <p>Photograph: Okayama Prefectural Tourism Federation</p>   <p>CYCLESHIP Lazuli</p> <p>Illustration of new station building at Onomichi</p>
	Fostering tourism demand	Introducing equipment for detecting abnormalities in bogies		
		Implementing renovation of Hakata Depot		
		Setouchi Palette Project		
		Capturing inbound demand (--> P.21)		
Fostering business demand	Kumamoto Pre Destination Campaign	Yamaguchi After Destination Campaign	e5489 Corporate Service — Internet reservations for corporations	
	1st anniversary of Smart EX Service			
	Business trip support campaign			
Increasing the quality of transportation services	Free Wi-Fi			
Fostering tourism demand	Beauty of Japan Is in Hokuriku			Japanese Beauty Hokuriku
	Fostering business demand	Business trip support campaign		e5489 Corporate Service — Internet reservations for corporations
Increasing the quality of transportation services		Free Wi-Fi		New IC boarding service
				Extension to Tsuruga

Continue working to strengthen competitiveness in both business and tourism travel, with the Shinkansen as biggest growth driver

Transportation Operations: Shinkansen (2)

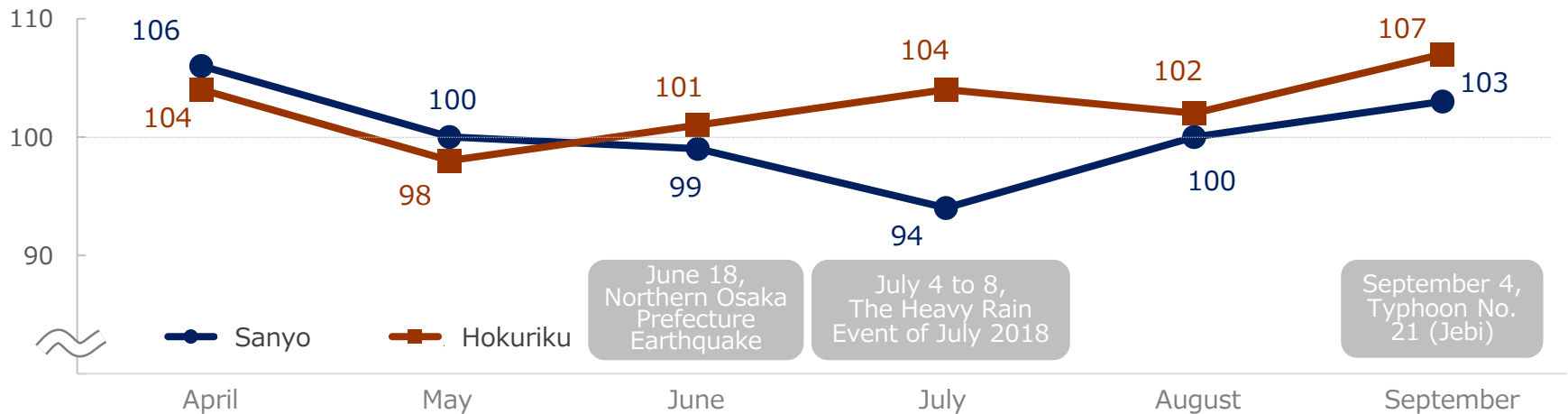
• Trend in Shinkansen revenues (full year)

(Unit: ¥ Billion)



• Trend in usage (YoY)

(Unit: %)








• Full-year forecast revised upward, despite the influence of natural disasters.

- Fundamental demand solid on both Sanyo Shinkansen and Hokuriku Shinkansen.
- Capturing domestic and overseas demand by promoting use of Internet reservations and implementing tourism campaigns.

Transportation Operations: Conventional Lines (1)

• Status of progress with medium-term management plan measures

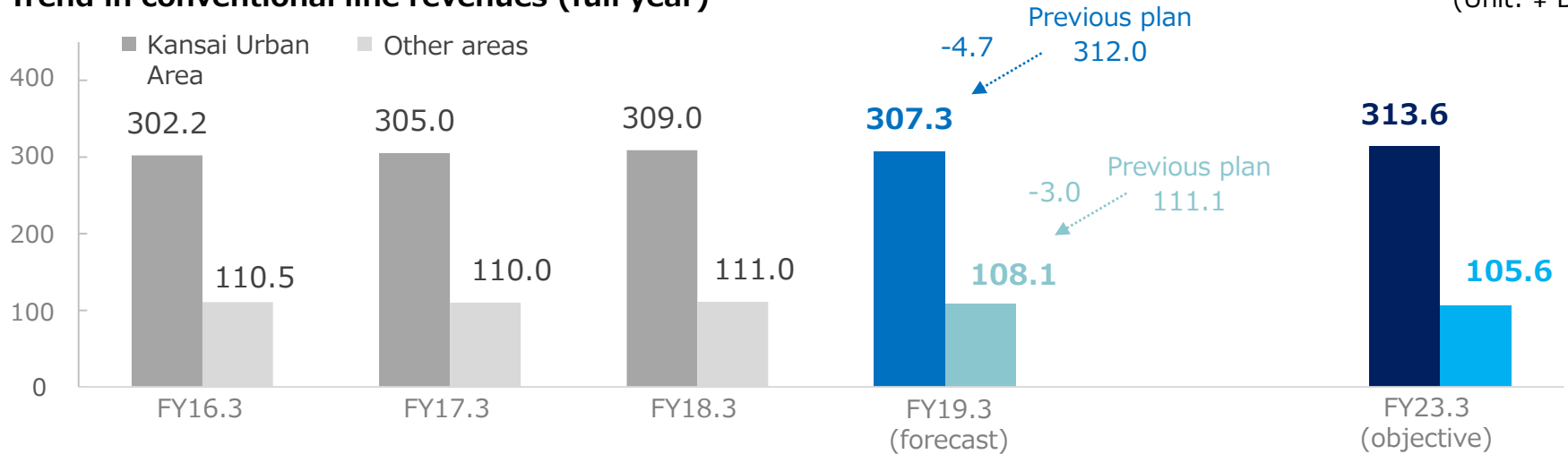
	1H FY19.3	2H FY19.3	FY20.3 ~	
Kansai Urban Area	<p>Increasing the value of railway belts (--> pages 37 to 38)</p>	<p>Groupwide development of areas along railway lines (--> pages 27 to 30)</p> <p>New stations (JR-Sojiji, Kizuri-Kamikita)</p>  <p>Osaka Higashi Line, Minami Suita Station (illustration)</p>	 <p>Umekoji-Kyotonishi station (illustration)</p>	<p>Northern section of Osaka Higashi Line</p> <p>New station (Umekoji-Kyotonishi)</p> <p>Umekita (Osaka) underground station</p> <p>Naniwasuji Line</p>
	<p>Increasing the quality of transportation services</p>	<p>Introduction of new rolling stock (Osaka Loop Line, 323 series)</p> <p>Expansion of ICOCA area, expansion of e5489 ticketless service, collaboration with other companies (sales of ICOCA commuter passes, etc.)</p> 	<p>ICOCA point services, PiTaPa post-paid services</p>	<p>New fee-based seat system for special rapid service trains</p> <p>Suita Depot renovation</p>
Other areas	<p>Invigorating communities and developing cities, centered on tourism</p>	<p>Setouchi Palette Project</p> <p>“Let’s Discover West Japan” Campaign</p> <p>Sanin Destination Campaign (ongoing initiatives)</p>	<p>New station building at Onomichi Station</p> <p>New long-distance trains</p>	
	<p>Sustainable regional transportation</p>		<p>Converting Kibi Line to LRT</p>	
	<p>Increasing productivity</p>		<p>Onboard IC ticket checking equipment (227 series)</p> <p>Wireless ATC (Wakayama Line)</p>	

Steadily advancing various measures to increase the value of railway belts and regions

Transportation Operations: Conventional Lines (2)

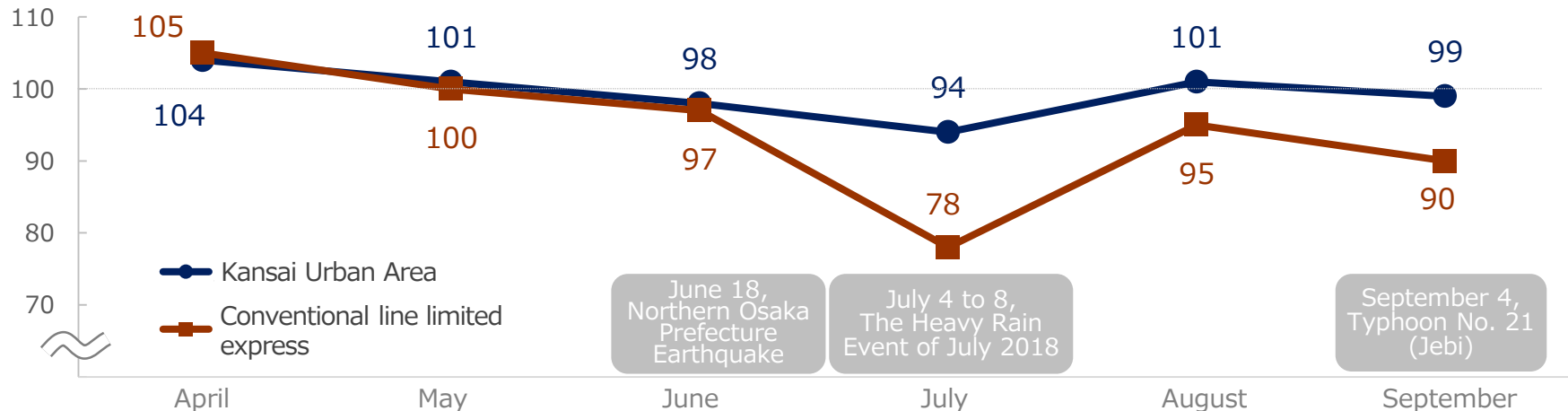
• Trend in conventional line revenues (full year)

(Unit: ¥ Billion)



• Trend in usage (YoY)

(Unit: %)

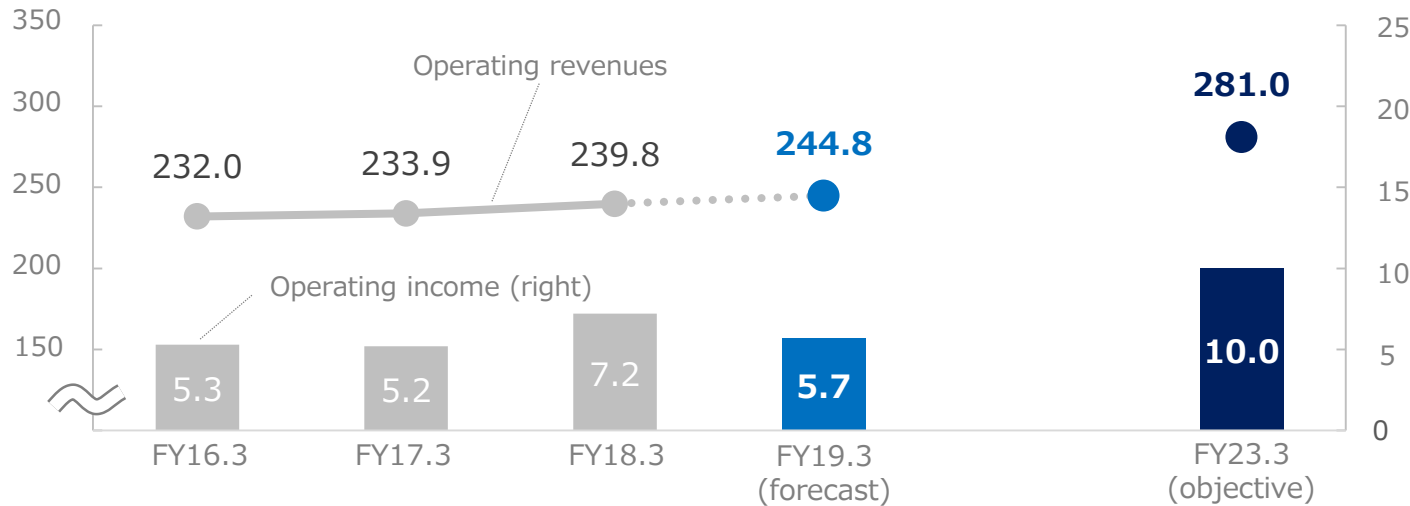


Maintaining 2nd half plan announced at beginning of fiscal year, despite downward revision of results forecast in consideration of the influence of natural disasters.

Non-Railway Businesses: Retail

• Trend in results (full year)

(Unit: ¥ Billion)



Seven-Eleven allied store

• Status of progress with medium-term management plan measures

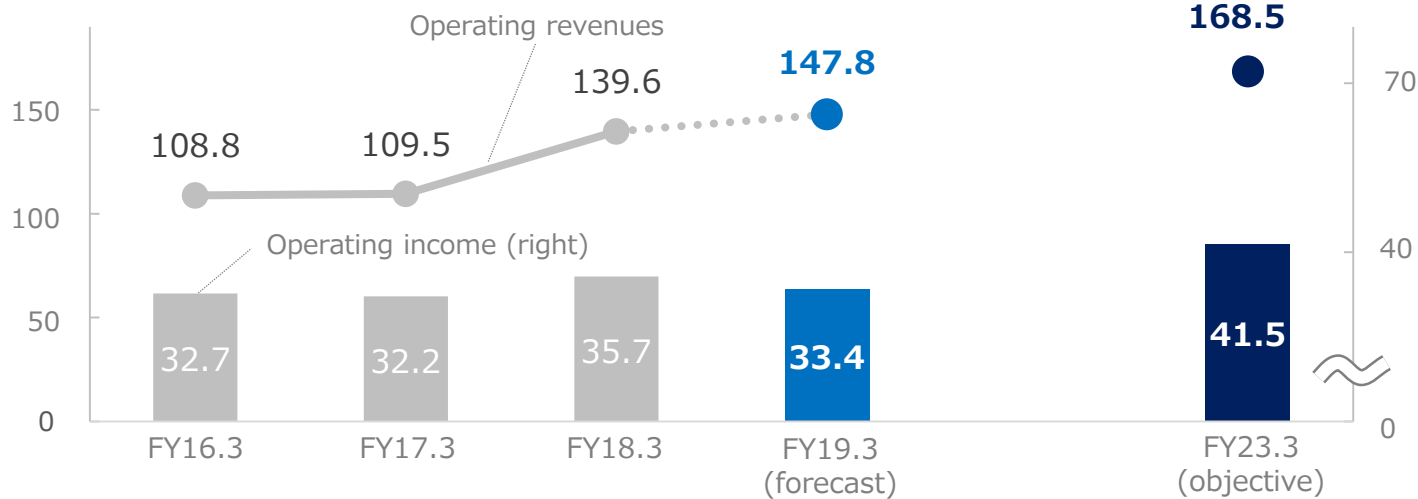
		1H FY19.3	2H FY19.3	FY20.3 ~
Sales of goods and food services	Enhancing asset efficiency	Strengthening operating capabilities of Seven-Eleven allied stores (1st half FY2019.3: 40% increase in sales *Compared with sales prior to conversion)		
	Expanding business scale	Renovation of stores inside stations (Ibaraki Station)		Renovation of stores inside stations (Kyoto Station, Okayama Station)
Department stores	Enhancing asset efficiency	Seven-Eleven allied stores: new store openings (End September 2018: Total of 377 stores --> Objective: Total of 500 stores)		
		New openings of VIA INN accommodation-oriented hotels (--> page 30)		
		Kyoto store renovation (December 2018: B1 level (food sales area expansion), spring 2020: full reopening of floors 2 to 5)		

Maintaining favorable results by strengthening operating capabilities of Seven-Eleven allied stores. Accelerating growth through new store openings

Non-Railway Businesses: Real Estate (1)

• Trend in results (full year)

(Unit: ¥ Billion)



VIERRA Kishibe Kento

• Status of progress with medium-term management plan measures

		1H FY19.3	2H FY19.3	FY20.3 ~
Shopping centers	Enhancing asset efficiency	LUCUA FOOD HALL		ekie Phase IV (Hiroshima)
	Expanding business scale	ekie Phase III (Hiroshima)	SUITA GREEN PLACE Phase II	
Lease and sale	Implementing city development starting from stations	Lease: VIERRA Senrioka, Osaka Kita NK Building	VIERRA Kishibe Kento, VIERRA Meimai	Big Three projects (Osaka, Hiroshima, Sannomiya)
		Sale: PROUD CITY TSUKAGUCHI MARK SKY	Urban Shimamoto City	Maya City STATION GATE

(--> For further property information, see pages 39 to 40)

Expanding the scale of the real estate lease and sales business, advancing new development and renovations in the shopping center business.

Non-Railway Businesses: Real Estate (2) (Shopping Centers)

LUCUA osaka



Features

- Operation based on **communication with tenants**

Renovation of underground floors

- September 2017: B1 level
(renovated floor space: approx. 3,800m²)
 - Opening of **Uniqlo, GU**
- December 2017 to April 2018: B2 level
(renovated floor space: approx. 5,100m²)

Phase I: **Expansion of Barchica restaurant area**
(drawing together popular stores in favorable location with direct access to Osaka Station)

Phase II: **LUCUA FOOD HALL**
(new dining area combining markets and restaurants)



Barchica



LUCUA FOOD HALL

New Initiatives

- Integration with e-commerce: **Pick-up service at LUCUA**

Creating a more lively community around Osaka, which is the largest base in western Japan

ekie (Hiroshima)



Concept

- **“Hiroshima’s New Main Street”**

- Communicating the appeal of the Setouchi area (**Setouchi Palette Project**)

Development plan

- Store floor space: approx. **10,400m²**, Number of stores: approx. **130**

Phase I, October 2017: area above tracks
(Select product lineup focused on the theme of a **“sundries market”**)

Phase II, March 2018: **“ekie DINING”**
(New in-station gourmet food area bringing together well-known restaurants, etc., from the local community)

Phase III, September to October 2018:
“ekie BAR”, “ekie souvenir”, etc.
(casual restaurant zone, large-scale souvenir zone, etc.)

Phase IV, summer 2019~ :
current **“Hiroshima Shinkansen Meitengai”**
(Plan to roll our sales areas that respond to diverse food preferences)



ekie DINING



ekie Bar



ekie souvenir

Enhancing appeal of Hiroshima as base in the Setouchi area

Non-Railway Businesses: Hotels

* Information includes non-consolidated hotel operations
 * The names of hotels that are planned to be opened in the future are provisional.



• Status of progress with medium-term management plan objectives

	FY19.3 1H results		FY19.3 full-year targets		FY23.3 targets
External sales	¥22.8 billion	YoY -¥0.4 billion	¥47.0 billion	YoY +¥1.5 billion	¥63.2 billion

* Consolidated basis (retail business, VIA INN + other hotel operations)

• Major store-opening plans

		1H FY19.3	[Total number of rooms]	FY20.3 ~	[FY23.3 targets]
Granvia 	Other City hotels		2,270 rooms	Kyoto renovation	Approx. 2,300 rooms
Vischio 	Other High-class accommodation-oriented hotels	 Osaka	590 rooms	 Kyoto	Approx. 1,400 rooms
VIA INN 	Retail Accommodation-oriented hotels	 Iidabashi Korakuen	5,292 rooms	 Hakata	Approx. 6,700 rooms
				Shin-Osaka Shomenguchi	
				Nagoya Ekimae Tsubaki-cho	
				Kyoto Hachijoguchi	
				Shinsaibashi Nishi	
				Tokyo Nihonbashi	
				Hiroshima Shinkansen-guchi	
Potel 	Non-consolidated Community-oriented casual hotels		—	Umekoji (Kyoto)	Approx. 200 rooms
First Cabin Station 	Non-consolidated High-end capsule hotels		203 rooms	Wakayama	Approx. 400 rooms

Total: 8,355 rooms

Total: 11,000 rooms

Maintaining high occupancy rates at VIA INN accommodation-oriented hotels.
 Continue aggressive new openings.

1. Results for the First Half of FY2019.3

2. Forecasts for FY2019.3

3. Individual Business Initiatives

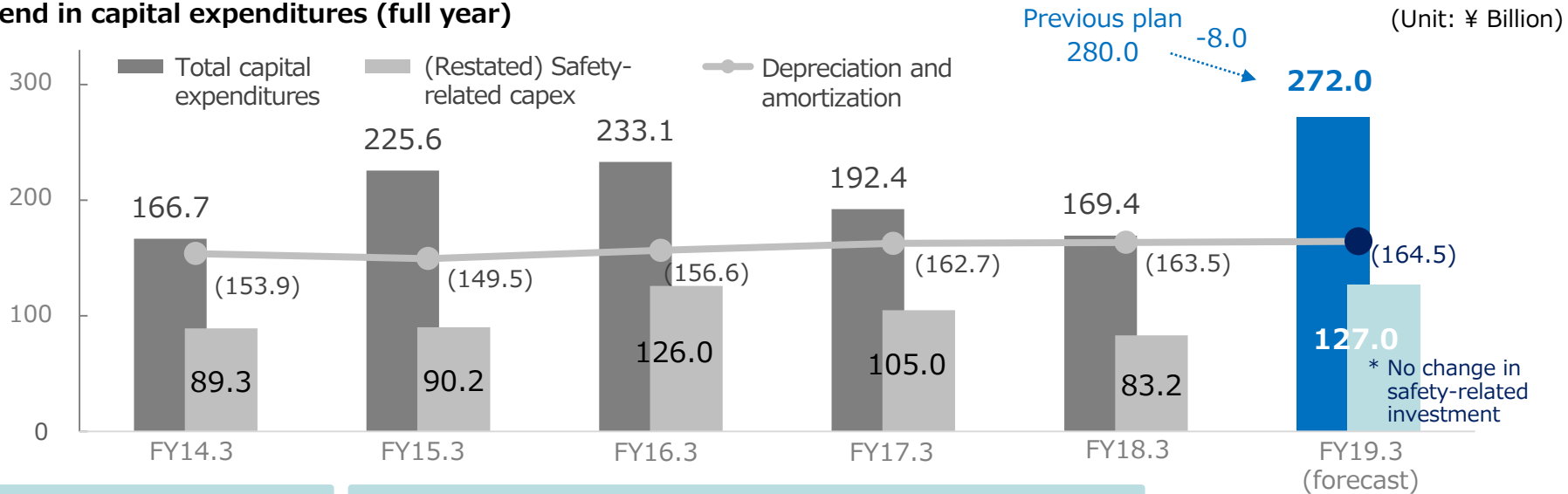
**4. Capital Expenditure Plan,
Returns to Shareholders**



Appendix

Capital Expenditures

• Trend in capital expenditures (full year)



Total capital expenditure during the medium-term management plan period

Total: ¥1,270.0 billion

Capex for growth
¥460.0 billion

Capex for maintenance and upgrades
¥810.0 billion

Safety-related capex
¥530.0 billion

Major capital expenditure projects for FY2019.3

Capex for growth

- Railway business
 - Expansion of ICOCA area, point service system
 - New station installation, station improvement
 - Internet reservation services
- Non-Railway Businesses
 - Lease buildings (VIERRA Kishibe Kento, etc.)
 - Hotel development (Vischio Osaka, etc.)
 - Department store renovations
 - New openings of Seven-Eleven allied stores

Safety-related capex

- Rolling stock replacement/renovation
 - Sanyo Shinkansen (N700A)
 - Kansai Urban Area (Osaka Loop Line, 323 series)
- Safety/disaster-prevention measures
 - Platform safety measures
 - Earthquake/tsunami countermeasures

• 1H cumulative performance

¥79.4 billion
(YoY +¥20.1 billion)

(Restated)
Safety-related capex
¥38.4 billion
(YoY +¥9.9 billion)

No change to total CAPEX under medium-term management plan, despite revision of current year plan in consideration of disaster restoration.

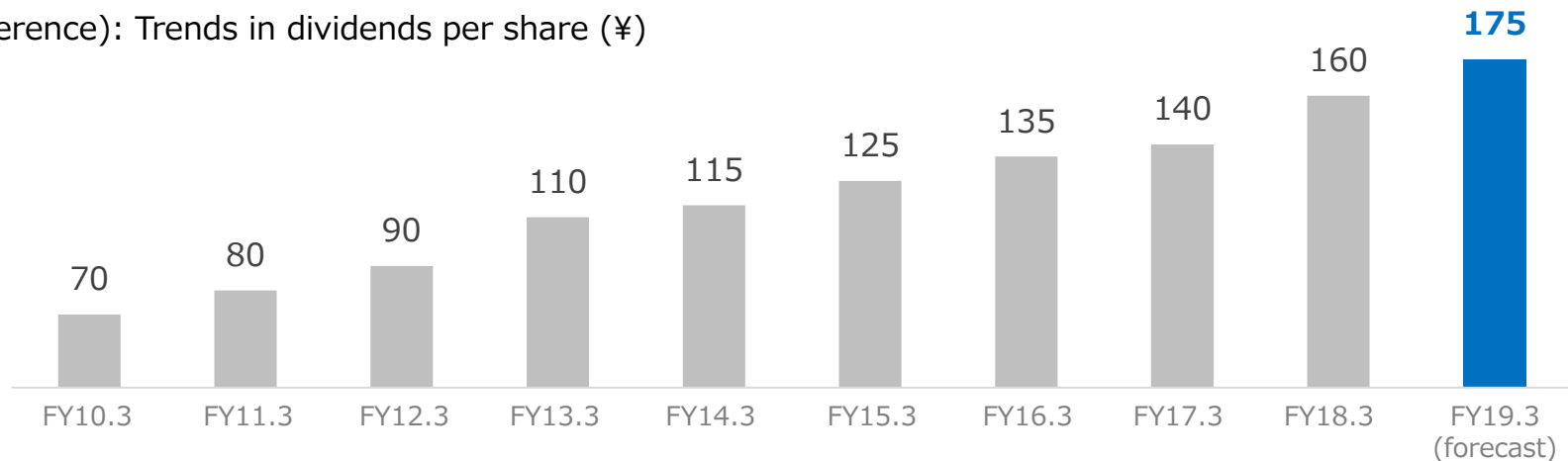
Shareholder return policy

- We will implement stable dividends, aiming for a **dividend payout ratio of approximately 35% in fiscal 2023**.
- **Over the period of this plan, our yardstick will be a total return ratio of approximately 40%**, and we will make flexible acquisitions of treasury stock.

Shareholder return in FY2019.3

- Planning on dividends of **¥175** per share, an **increase of ¥15** (initial forecast unchanged). ***9th consecutive year of higher dividends.**
- Acquisition and cancelation of **¥9.9 billion of own shares** (acquisition: June 1 to July 17, cancelation: August 15)

(Reference): Trends in dividends per share (¥)



Maintaining dividend forecast, despite downward revision of results forecast. Placing importance on stable dividends over the long-term.

1. Results for the First Half of FY2019.3

2. Forecasts for FY2019.3

3. Individual Business Initiatives

4. Capital Expenditure Plan,
Returns to Shareholders



Appendix

(Reference (1)) Occurrence of Natural Disasters

	Northern Osaka Prefecture Earthquake (June 18)	The Heavy Rain Event of July 2018 (July 4 to 8)	Typhoon No. 21 (Jebi) (September 4)
Situation at time of occurrence	<ul style="list-style-type: none"> Sanyo Shinkansen and Kansai Urban Area, suspension of service until evening. 	<ul style="list-style-type: none"> Sanyo Shinkansen, conventional lines, including Kansai Urban Area, almost complete suspension of service on July 6 and 7. 	<ul style="list-style-type: none"> Sanyo Shinkansen, Kansai Urban Area, wide-ranging suspension of service
Major locations with damage	<ul style="list-style-type: none"> No major physical damage 	<ul style="list-style-type: none"> 279 locations with damage Operations suspended on many routes 	<ul style="list-style-type: none"> Operation of Kansai-Airport Line suspended for about two weeks due to connection bridge damage, etc.
Status of restoration	<ul style="list-style-type: none"> Basically back to normal operation from next day 	<ul style="list-style-type: none"> Restoration complete, with the exception of certain routes 	<ul style="list-style-type: none"> Operation of Kansai-Airport Line restarted on September 18

* In addition to the above, typhoons No. 12 (Jongdari) (July 29), No. 15 (Marie) (August 14), No. 20 (Cimaron) (August 23), and No. 24 (Trami) (September 30) also struck western Japan.

(Reference): Status immediately after the Heavy Rain Event of July 2018



Geibi Line (Shirakiyama Station – Karuga Station Segment)
No. 1 Misasa River bridge girder wash away



Sanyo Line (Hongo Station - Kochi Station segment) flooded



Hakubi Line (Bitchu-Takahashi Station - Kinoyama Station segment)
concrete pillar snapped, soil eroded

**Many locations were significantly damaged by natural disasters.
This had a short-term influence on results.**

“Let’s Discover West Japan” Campaign



がんばろう! 西日本

Objective

- Draw travelers to the Chugoku/Setouchi areas from Japan and overseas

Implementation period

- August 2018 to Spring 2019
* Conclusion extended from the end of December

Major Initiatives

- Launching travel plans, etc., for Chugoku/Setouchi areas
 - Visit Hiroshima/Okayama via Nozomi from the Tokyo Metropolitan Area! (support campaign)
 - 13 Prefecture Fukko Leisure Discount
 - Sanin tour pass, Sanin free pass sales period extension, etc.
- PR events related to travel in the Chugoku/Setouchi areas
 - Sanin Destination Campaign Collaboration Project: Sanin Gourmet Fair in Eki Marche Osaka, etc.
- Providing information about western Japan overseas
 - Providing information about disaster-stricken areas, with invitation of media from East Asia.

Kansai inbound tourism revival plan



Objective

- Activate inbound tourism in Kansai region

Implementation period

- Focus campaign period: About one month starting on September 21
* Major initiatives extended to the end of November

Major Initiatives

- Starting sales of travel plans, etc.
 - Strengthening product creation, such as optional tours, etc., in collaboration with travel companies
- Hospitality for customers from overseas in stations and trains
 - Offering welcome drink coupons at Kansai Airport Station
 - Providing free services from Kansai Airport Station to Kyoto that enable customers to go on tours without carrying their luggage
 - Hello Kitty wrapping on HARUKA, etc.
- Providing information about Kansai overseas
 - Providing information, with invitation of media from East Asia, from which travelers frequently use Kansai Airport

We will implement many initiatives in collaboration with communities, related companies, etc., and work to foster tourism demand.

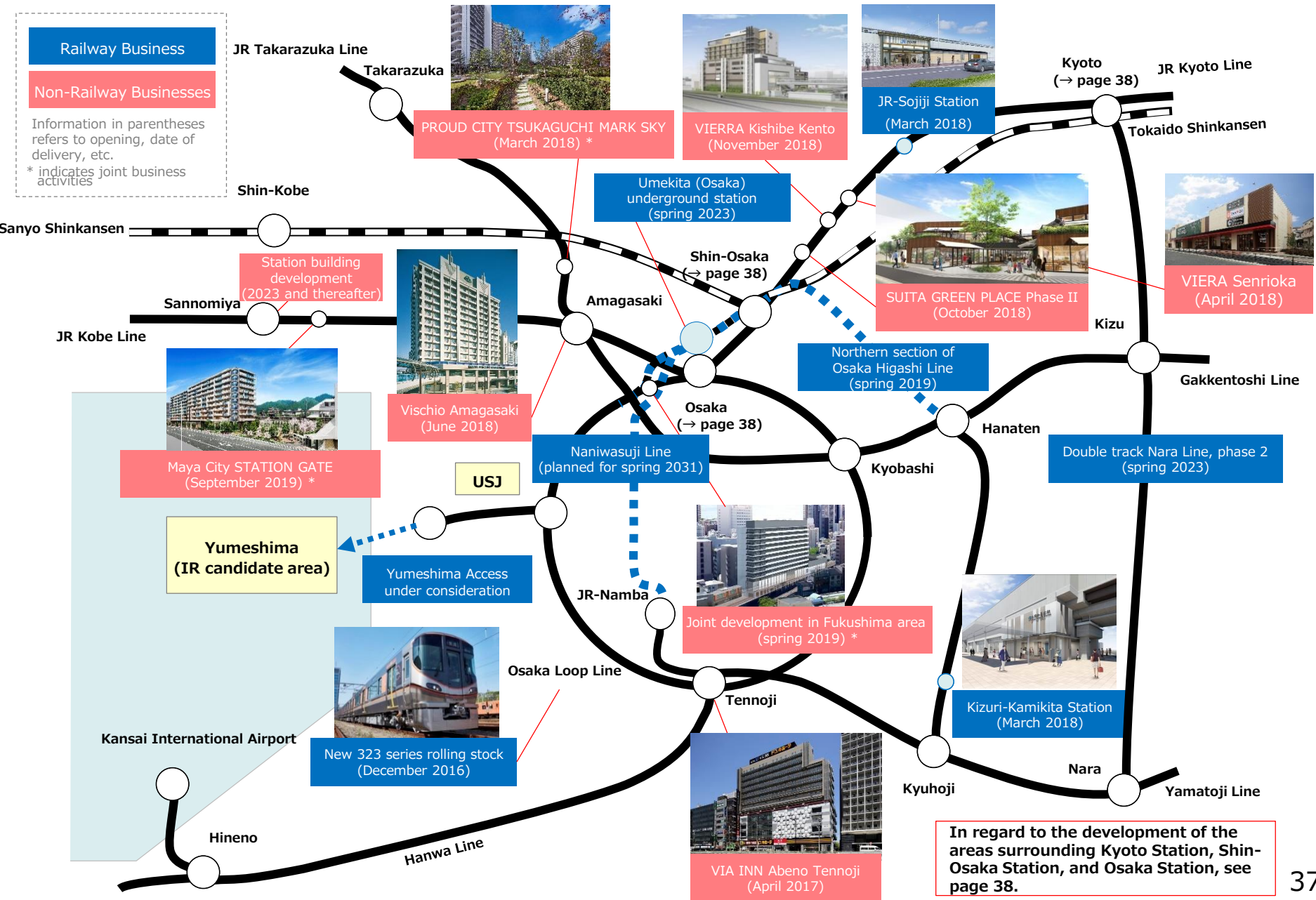
(Reference (3)) Initiatives to Increase the Value of Railway Belts in the Kansai Urban Area (1)

Railway Business

Non-Railway Businesses

Information in parentheses refers to opening, date of delivery, etc.

* indicates joint business activities



In regard to the development of the areas surrounding Kyoto Station, Shin-Osaka Station, and Osaka Station, see page 38.

(Reference (4)) Initiatives to Increase the Value of Railway Belts in the Kansai Urban Area (2)

Kyoto



JR Kyoto Isetan renovation
(December 2018 to spring 2020)



Right: Vischio Kyoto (May 2019)
Left: VIA INN Kyoto Hachijoguchi
(provisional) (spring 2019)



Umekoji-Kyotonishi Station
(spring 2019)



Umekoji Potel Kyoto
(spring 2020)

Renovation of underground shopping mall at Kyoto Station Porta "East area" (March 2018)

Renovation of commercial facilities inside stations (spring 2019)

Granvia Kyoto renovation (January 2017 to March 2020)



J.GRAN THE HONOR Shimogamo Tadasunomori (June 2017)

Osaka



Renovation of LUCUA underground floors (September 2017 to April 2018)



Vischio Osaka (June 2018)



VIA INN Umeda (August 2017)

Developing the western part of Osaka Station (2023 ~)

Shin-Osaka



Renovation of arde! Shin-Osaka (December 2013 to August 2017)

VIA INN Shin-Osaka Shomenguchi (July 2018)

(Reference (5)) Major Real Estate Lease Properties

*Joint business with other companies

West Japan Area

Areas outside of
Railway service area

	1H FY19.3		2H FY19.3		FY20.3 ~	
						
Property name	VIERRA Senrioka	Osaka Kita NK Building	VIERRA Kishibe Kento	VIERRA Meimai	Joint development in Fukushima area*	JR Kanazawa Station Nishi Dai-san NK Building (provisional) development
Location	Suita City, Osaka Prefecture	Osaka City, Osaka Prefecture	Suita City, Osaka Prefecture	Kobe City, Hyogo Prefecture	Osaka City, Osaka Prefecture	Kanazawa City, Ishikawa Prefecture
Uses	Commercial facilities	Hotel, etc.	Clinics, hotels, etc.	Commercial facilities, etc.	Hotel, commercial facilities	Offices
Total floor space	Approx. 2,200 m ²	Approx. 14,000 m ²	Approx. 27,000 m ²	Approx. 10,600 m ²	Approx. 11,000 m ²	Approx. 6,100 m ²
Opening date (planned)	April 2018	July 2018	November 2018	November 2018	Spring 2019	Spring 2019
						
Property name	Forest Miyazakidai		Ibaraki Shinchujo-cho NK Building (provisional)	Hiroshima Otemachi NK Building (provisional)	Kyoto Umekoji NK Building (provisional)	VIA INN Hiroshima Shinkansenguchi (provisional) development
Location	Kawasaki City, Kanagawa Prefecture		Ibaraki City, Osaka Prefecture	Hiroshima City, Hiroshima Prefecture	Kyoto City, Kyoto Prefecture	Hiroshima City, Hiroshima Prefecture
Uses	Rental condominiums		Commercial facilities, rental condominiums, etc.	Hotel	Hotel	Hotel
Total floor space	Approx. 3,400 m ² (building)		Approx. 11,000 m ²	Approx. 4,400 m ²	Approx. 8,300 m ²	Approx. 5,700 m ²
Opening date (planned)	May 2018 acquisition		Spring 2019	Spring 2019	Spring 2020	Spring 2020

Advancing large number of development projects, centered on railway service area.
Allocate management resources, aim for aggressive growth.

(Reference (6)) Major Real Estate Sales Properties

*Joint business with other companies

West Japan Area

Areas outside of
Railway service area

	1H FY19.3		2H FY19.3		FY20.3 ~	
						
Property name	J.GRAN L IBARAKI	J.GRAN THE HONOR Shimogamo Tadasunomori	Urban Shimamoto City *	J.GRAN MINAMI FUKUOKA SUNRIANT *	Maya City STATION GATE *	J.GRAN City Tsukamoto
Location	Ibaraki City, Osaka Prefecture	Kyoto City, Kyoto Prefecture	Mishima-gun, Osaka	Fukuoka City, Fukuoka Prefecture	Kobe City, Hyogo Prefecture	Osaka City, Osaka Prefecture
Total units	283 units	99 units	264 units	77 units	118 units	312 units
Date of delivery (planned)	March 2016	June 2017	February 2019	March 2019	September 2019	March 2020
						
Property name	Diaesta Mio Fukumachi Urban	PROUD CITY TSUKAGUCHI MARK SKY *	The Terrace Totsuka Grand Terminal *	Lions Tokai-dori J.GRANDIA*	J.GRAN MOTOSUMIYOSHI	J.GRANDIA HIYOSHI
Location	Osaka City, Osaka Prefecture	Amagasaki City, Hyogo Prefecture	Yokohama City, Kanagawa Prefecture	Nagoya City, Aichi Prefecture	Kawasaki City, Kanagawa Prefecture	Yokohama City, Kanagawa Prefecture
Total units	96 units	366 units	175 units	69 units	41 units	86 units
Date of delivery (planned)	October 2017	March 2018	March 2019	March 2019	August 2019	November 2019

Developing multiple properties inside and outside the railway service area, including joint business with other companies.

- This presentation contains forward-looking statements that are based on JR-West's current expectations, assumptions, estimates and projections about its business, industry, and capital markets around the world.
- These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "plan" or similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of JR-West's financial condition, or state other forward-looking information.
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 - ❑ economic downturn, deflation and population decreases;
 - ❑ adverse changes in laws, regulations and government policies in Japan;
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