

Supplemental Data

(Results for 3 months ended June 30, 2018)

July 31, 2018
West Japan Railway Company

1. Financial Highlights

¥ Billions

	3 months ended June 30, 2017 A	3 months ended June 30, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of July 31* D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
【Consolidated】								
Operating Revenues	352.5	361.1	8.5	2.4	1,500.4	1,525.5	25.0	1.7
Operating Income	54.7	60.2	5.4	10.0	191.3	187.5	(3.8)	(2.0)
Recurring Profit	50.5	56.4	5.8	11.7	177.7	174.0	(3.7)	(2.1)
Profit attributable to owners of parent	34.7	38.5	3.8	11.0	110.4	111.0	0.5	0.5
【Non-Consolidated】								
Operating Revenues	236.2	239.5	3.2	1.4	976.2	988.0	11.7	1.2
Transportation Revenues	211.0	213.7	2.6	1.3	867.8	878.0	10.1	1.2
Operating Expenses	189.7	186.6	(3.1)	(1.7)	831.9	843.0	11.0	1.3
Personnel costs	54.9	54.3	(0.6)	(1.1)	221.4	217.0	(4.4)	(2.0)
Non personnel costs	84.6	84.1	(0.4)	(0.5)	407.6	426.5	18.8	4.6
Energy costs	10.5	10.9	0.3	3.7	44.0	46.5	2.4	5.5
Maintenance costs	27.8	26.4	(1.3)	(4.9)	161.4	172.5	11.0	6.8
Miscellaneous costs	46.2	46.7	0.5	1.2	202.1	207.5	5.3	2.7
Depreciation	33.1	31.6	(1.4)	(4.4)	136.8	136.5	(0.3)	(0.2)
Operating Income	46.5	52.9	6.4	13.8	144.3	145.0	0.6	0.4
Recurring Profit	42.0	49.8	7.7	18.4	128.6	131.0	2.3	1.8
Net Income	29.1	34.9	5.8	20.0	80.7	89.5	8.7	10.8

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since April 27, 2018.

2. Non-Consolidated Financial Results and Forecasts

¥ Billions

	3 months ended June 30, 2017 A	3 months ended June 30, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of July 31* D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues	236.2	239.5	3.2	1.4	976.2	988.0	11.7	1.2
Transportation revenues	211.0	213.7	2.6	1.3	867.8	878.0	10.1	1.2
Other	25.2	25.8	0.6	2.5	108.4	110.0	1.5	1.5
Operating Expenses	189.7	186.6	(3.1)	(1.7)	831.9	843.0	11.0	1.3
Personnel costs	54.9	54.3	(0.6)	(1.1)	221.4	217.0	(4.4)	(2.0)
Non personnel costs	84.6	84.1	(0.4)	(0.5)	407.6	426.5	18.8	4.6
Energy costs	10.5	10.9	0.3	3.7	44.0	46.5	2.4	5.5
Maintenance costs	27.8	26.4	(1.3)	(4.9)	161.4	172.5	11.0	6.8
Miscellaneous costs	46.2	46.7	0.5	1.2	202.1	207.5	5.3	2.7
Rental payments, etc.	7.5	6.7	(0.7)	(10.0)	30.2	27.5	(2.7)	(9.0)
Taxes	9.5	9.6	0.1	1.3	35.7	35.5	(0.2)	(0.7)
Depreciation	33.1	31.6	(1.4)	(4.4)	136.8	136.5	(0.3)	(0.2)
Operating Income	46.5	52.9	6.4	13.8	144.3	145.0	0.6	0.4
Non-operating revenues and expenses	(4.4)	(3.1)	1.3	(29.4)	(15.7)	(14.0)	1.7	(10.9)
Non-operating revenues	0.8	1.9	1.0	—	6.2	7.5	1.2	—
Non-operating expenses	5.3	5.1	(0.2)	—	21.9	21.5	(0.4)	—
Recurring Profit	42.0	49.8	7.7	18.4	128.6	131.0	2.3	1.8
Extraordinary profit and loss, net	(0.3)	(0.4)	(0.0)	—	(9.2)	(2.0)	7.2	—
Extraordinary profit	1.7	4.3	2.6	—	29.8	—	—	—
Extraordinary loss	2.0	4.7	2.6	—	39.0	—	—	—
Net Income	29.1	34.9	5.8	20.0	80.7	89.5	8.7	10.8

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since April 27, 2018.

3. Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Results for 3 months ended June 30, 2018					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		
Shinkansen	109.7	2.3	2.2	Fundamental trend 1.7%	1.8
				Special factors	
				•Inbound	0.4
				•Pattern of weekdays and weekends (Golden Week)	0.4
				•Northern Osaka Prefecture Earthquake	(0.4)
			etc.		
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	77.5	0.1	0.2	Fundamental trend (0.1%)	(0.0)
				Special factors	
				•Inbound	0.2
				•Pattern of weekdays and weekends (Golden Week)	0.1
				•Northern Osaka Prefecture Earthquake	(0.4)
			etc.		
Other lines	26.4	0.1	0.7	Fundamental trend 0.1%	0.0
				Special factors	
				•Inbound	0.0
				•Pattern of weekdays and weekends (Golden Week)	0.0
				•Northern Osaka Prefecture Earthquake	(0.1)
			etc.		
Conventional lines	104.0	0.3	0.3		
Total	213.7	2.6	1.3		

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

4. Transportation Revenues and Passenger-Kilometers Results and Forecasts

Transportation Revenues

¥ Billions

Passenger-Kilometers

Millions of passenger-kilometers

	Results for 3 months ended June 30 (4/1~6/30)			FY2018.3 Results	FY2019.3 Forecasts As of July 31*	YoY	Results for 3 months ended June 30 (4/1~6/30)		
	FY2018.3	FY2019.3	YoY				FY2018.3	FY2019.3	YoY
Total	211.0	213.7	2.6 1.3%	867.8	878.0	10.1 1.2%	14,666	14,750	83 0.6%
Shinkansen	107.3	109.7	2.3 2.2%	447.7	454.7	7.0 1.6%	4,999	5,075	75 1.5%
Commuter Passes	2.7	2.8	0.1 3.8%	10.7	—	— —	216	225	8 4.0%
Non-Commuter Passes	104.6	106.8	2.2 2.2%	436.9	—	— —	4,783	4,850	67 1.4%
Conventional Lines	103.7	104.0	0.3 0.3%	420.0	423.2	3.1 0.7%	9,667	9,674	7 0.1%
Commuter Passes	36.3	36.4	0.0 0.1%	142.0	—	— —	6,002	5,997	(5) (0.1%)
Non-Commuter Passes	67.3	67.6	0.2 0.4%	277.9	—	— —	3,664	3,677	12 0.3%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	77.4	77.5	0.1 0.2%	309.0	312.0	3.0 1.0%	7,611	7,610	(0) 0.0%
Commuter Passes	29.8	29.9	0.0 0.2%	116.9	—	— —	4,914	4,913	(1) 0.0%
Non-Commuter Passes	47.5	47.5	0.0 0.1%	192.0	—	— —	2,697	2,697	0 0.0%
Other Lines	26.3	26.4	0.1 0.7%	111.0	111.1	0.0 0.1%	2,055	2,063	8 0.4%
Commuter Passes	6.4	6.4	(0.0) (0.3%)	25.1	—	— —	1,087	1,084	(3) (0.4%)
Non-Commuter Passes	19.8	20.0	0.1 1.0%	85.9	—	— —	967	979	12 1.3%

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since April 27, 2018.

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

¥ Billions

	Results for 3 months ended June 30,2018			Major factors (YoY)
	YoY			
	Increase/ (Decrease)	%		
Personnel costs	54.3	(0.6)	(1.1)	• Difference in personnel, etc
Energy costs	10.9	0.3	3.7	• Increase in adjustment amount for fuel cost, etc.
Maintenance costs	26.4	(1.3)	(4.9)	• Difference in progress of maintenance work • Decrease in maintenance costs for structures, etc.
Miscellaneous costs	46.7	0.5	1.2	• Increase in payments for other JR companies • Increase in system-related costs, etc.
Rental Payments,etc	6.7	(0.7)	(10.0)	• JR Tozai Line, etc.
Taxes	9.6	0.1	1.3	
Depreciation and amortization	31.6	(1.4)	(4.4)	• Progress of depreciation and amortization, etc.
Total	186.6	(3.1)	(1.7)	

Note: Figures in brackets () are negative values.

6. Consolidated Financial Results and Forecasts

¥ Billions

	3 months ended June 30, 2017 A	3 months ended June 30, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of July 31* D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues	352.5	361.1	8.5	2.4	1,500.4	1,525.5	25.0	1.7
Operating Expenses	297.7	300.8	3.0	1.0	1,309.0	1,338.0	28.9	2.2
Operating Income	54.7	60.2	5.4	10.0	191.3	187.5	(3.8)	(2.0)
Non-operating revenues and expenses	(4.2)	(3.8)	0.3	(9.2)	(13.5)	(13.5)	0.0	(0.6)
Non-operating revenues	1.2	1.5	0.2	–	9.0	8.6	(0.4)	–
Non-operating expenses	5.5	5.4	(0.1)	–	22.6	22.1	(0.5)	–
Recurring Profit	50.5	56.4	5.8	11.7	177.7	174.0	(3.7)	(2.1)
Extraordinary profit and loss, net	0.7	(0.4)	(1.2)	–	(7.1)	(7.0)	0.1	–
Extraordinary profit	3.3	4.7	1.3	–	32.8	–	–	–
Extraordinary loss	2.6	5.2	2.6	–	39.9	–	–	–
Profit attributable to owners of parent	34.7	38.5	3.8	11.0	110.4	111.0	0.5	0.5
<i>Comprehensive Income</i>	36.0	38.8	2.8	7.9	114.1	–	–	–

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since April 27, 2018.

7. Consolidated Financial Results and Forecasts (Segment Information)



¥ Billions

	3 months ended June 30, 2017 A	3 months ended June 30, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of July 31*1 D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues*2	352.5	361.1	8.5	2.4	1,500.4	1,525.5	25.0	1.7
Transportation	229.7	232.9	3.1	1.4	950.8	962.0	11.1	1.2
Retail	56.6	58.5	1.9	3.4	239.8	244.8	4.9	2.1
Sales of goods and food services	38.6	40.5	1.9	5.1	161.7	167.0	5.2	3.3
[Accommodation-oriented budget hotels](restated)*3	[2.7]	[2.9]	[0.2]	[10.5]	[11.6]	[12.7]	[1.0]	[9.0]
Department Stores	16.0	15.9	(0.1)	(0.6)	70.1	69.1	(1.0)	(1.4)
Real estate	35.0	33.8	(1.2)	(3.4)	139.6	147.8	8.1	5.8
Shopping center	14.3	14.9	0.6	4.4	59.6	60.7	1.0	1.8
Real estate lease and sale	20.1	18.3	(1.8)	(9.3)	78.1	85.1	6.9	9.0
[Real estate sale](restated)	[9.5]	[7.2]	[(2.3)]	[(24.3)]	[35.0]	[40.7]	[5.7]	[16.4]
Other businesses	31.0	35.7	4.6	15.1	170.0	170.9	0.8	0.5
Hotel	9.0	8.4	(0.5)	(6.2)	35.6	36.1	0.4	1.3
Nippon Travel Agency	8.8	8.4	(0.3)	(4.3)	41.3	41.9	0.5	1.3
Operating Income*2	54.7	60.2	5.4	10.0	191.3	187.5	(3.8)	(2.0)
Transportation	42.7	48.9	6.2	14.6	130.3	130.6	0.2	0.2
Retail	1.4	1.7	0.2	17.8	7.2	5.7	(1.5)	(21.9)
Sales of goods and food services	1.3	1.4	0.0	6.2	6.0	4.4	(1.6)	(27.7)
Department stores	0.0	0.2	0.2	510.0	0.9	1.0	0.0	1.1
Real estate	10.5	9.6	(0.9)	(9.4)	35.7	33.4	(2.3)	(6.7)
Shopping center	2.2	2.5	0.3	14.0	8.7	8.5	(0.2)	(2.5)
Real estate lease and sale	6.0	6.7	0.6	11.5	17.3	15.6	(1.7)	(10.3)
Other businesses	(0.4)	(0.9)	(0.5)	—	19.9	21.1	1.1	5.7
Hotel	0.5	0.1	(0.4)	(75.1)	1.9	1.4	(0.5)	(29.5)
Nippon Travel Agency	(1.2)	(1.2)	0.0	—	0.2	0.3	0.0	9.6

Note: Figures in bracket () are negative values.

*1 Forecasts has not been revised since April 27, 2018.

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

*3 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.

8. Major Factors of Increase/Decrease in Each Segment

¥ Billions

			Results for 3 months ended June 30,2018			
			YoY		Major factors (YoY)	
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	40.5	1.9	5.1	•Seven-Eleven allied stores favorable, etc.
		Operating Income	1.4	0.0	6.2	
	Department stores	Operating Revenues	15.9	(0.1)	(0.6)	
		Operating Income	0.2	0.2	510.0	
Real estate	Shopping center	Operating Revenues	14.9	0.6	4.4	•Renovation of the B1 and B2 levels at LUCUA 1100, etc.
		Operating Income	2.5	0.3	14.0	
	Real estate lease and sale	Operating Revenues	18.3	(1.8)	(9.3)	•Decrease in number of residences sold, etc.
		Operating Income	6.7	0.6	11.5	
Other Businesses	Hotel	Operating Revenues	8.4	(0.5)	(6.2)	•Closure of Sannomiya Terminal Building, etc.
		Operating Income	0.1	(0.4)	(75.1)	
	Nippon travel agency	Operating Revenues	8.4	(0.3)	(4.3)	
		Operating Income	(1.2)	0.0	—	

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.

9. Consolidated Financial Situation

¥ Billions

	As of March 31, 2018 A	As of June 30, 2018 B	Difference increase/ (decrease) B-A
Assets*	3,071.8	3,055.9	(15.8)
Liabilities*	1,955.5	1,921.0	(34.4)
Net assets	1,116.3	1,134.8	18.5
Balance of Long-term Debt and Payables	1,032.2	1,046.9	14.7
【Average interest rate (%)】	【1.86】	【1.85】	【(0.01)】
Shinkansen Purchase Liability	103.8	103.8	—
【Average interest rate (%)】	【6.55】	【6.55】	—
Bonds	524.9	539.9	15.0
【Average interest rate (%)】	【1.58】	【1.57】	【(0.01)】
Equity ratio (%)*	33.2	34.0	0.8
Net assets per share (¥)	5,273.42	5,384.59	111.17

Note: Figures in bracket () 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”

10. Other Data

Persons, ¥ Billions

	3 months ended June 30, 2017	3 months ended June 30, 2018	Results FY2018.3	Forecasts FY2019.3 As of July 31 ^{*1}
ROA (% , Consolidated) ^{*2}	1.8	2.0	6.3	6.0
ROE (% , Consolidated)	3.7	3.7	11.3	10.5
EBITDA (Consolidated) ^{*3}	94.6	99.0	356.1	355.2
Depreciation (Consolidated)	39.5	38.5	163.5	166.5
Capital Expenditures (Consolidated, own fund)	29.2	36.6	169.4	280.0
Capital Expenditures (Non-consolidated, own fund)	19.4	27.4	127.8	218.0
Safety-related capital expenditures	13.6	18.8	83.2	127.0
Dividends per share (¥)	—	—	160	175

	3 months ended June 30, 2017		3 months ended June 30, 2018		Results FY2018.3		Forecasts FY2019.3 As of July 31 ^{*1}	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	49,184	26,512	49,416	25,921	47,869	25,291	—	—
Financial Expenses, net	(5.0)	(4.5)	(4.2)	(3.2)	(20.2)	(19.6)	(19.3)	(17.2)
Interest and dividend income	0.1	0.6	0.6	1.6	0.7	1.2	0.7	2.7
Interest expenses	5.2	5.2	4.9	4.9	20.9	20.8	20.0	19.9

Note: Figures in bracket () are negative values.

*1 Forecasts has not been revised since April 27, 2018.

*2 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"

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

Cautionary Statement Regarding Forward-looking Statements

- 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.
- Known or unknown risks, uncertainties and other factors could cause the actual results to differ materially from those contained in any forward-looking statements. JR-West cannot promise that the expectations expressed in these forward-looking statements will turn out to be correct. JR-West's actual results could be materially different from and worse than expectations.
- Important risks and factors that could cause actual results to be materially different from expectations include, but are not limited to:
 - expenses, liability, loss of revenue or adverse publicity associated with property or casualty losses;
 - economic downturn, deflation and population decreases;
 - adverse changes in laws, regulations and government policies in Japan;
 - service improvements, price reductions and other strategies undertaken by competitors such as passenger railway and airlines companies;
 - infectious disease outbreak and epidemic;
 - earthquake and other natural disaster risks; and
 - failure of computer telecommunications systems disrupting railway or other operations
- All forward-looking statements in this release are made as of July 31, 2018 based on information available to JR-West as of July 31, 2018 and JR-West does not undertake to update or revise any of its forward-looking statements or reflect future events or circumstances.
- Compensation for damages caused by The Accident on the Fukuchiyama Line that occurred on April 25, 2005, and disaster recovery expenses from torrential rains in July 2018, are NOT considered in this presentation.