

Supplemental Data

(Results for 9 months ended December 31, 2018)

January 30, 2019

West Japan Railway Company

1. Financial Highlights

¥ Billions

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY		Results FY2018.3	Forecasts FY2019.3 As of January 30*	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
	A	B			C	D		
【Consolidated】								
Operating Revenues	1,111.3	1,129.0	17.7	1.6	1,500.4	1,516.5	16.0	1.1
Operating Income	175.2	179.7	4.4	2.6	191.3	187.5	(3.8)	(2.0)
Recurring Profit	162.2	167.8	5.6	3.5	177.7	174.0	(3.7)	(2.1)
Profit attributable to owners of parent	108.4	97.7	(10.6)	(9.8)	110.4	95.5	(14.9)	(13.6)
【Non-Consolidated】								
Operating Revenues	739.2	739.3	0.0	0.0	976.2	979.0	2.7	0.3
Transportation Revenues	659.3	660.4	1.0	0.2	867.8	871.0	3.1	0.4
Operating Expenses	597.3	590.0	(7.2)	(1.2)	831.9	834.0	2.0	0.3
Personnel costs	163.1	161.8	(1.2)	(0.8)	221.4	216.5	(4.9)	(2.3)
Non personnel costs	280.8	279.9	(0.9)	(0.3)	407.6	420.0	12.3	3.0
Energy costs	33.0	33.5	0.5	1.7	44.0	45.5	1.4	3.2
Maintenance costs	105.0	100.2	(4.8)	(4.6)	161.4	166.5	5.0	3.1
Miscellaneous costs	142.8	146.1	3.3	2.3	202.1	208.0	5.8	2.9
Depreciation	101.4	98.5	(2.9)	(2.9)	136.8	134.5	(2.3)	(1.7)
Operating Income	141.9	149.2	7.3	5.2	144.3	145.0	0.6	0.4
Recurring Profit	127.5	136.8	9.3	7.3	128.6	131.0	2.3	1.8
Net Income	89.0	80.1	(8.9)	(10.1)	80.7	74.0	(6.7)	(8.4)

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since October 29, 2018.

2. Non-Consolidated Financial Results and Forecasts



¥ Billions

	9 months ended December 31, 2017 A	9 months ended December 31, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of January 30* D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues	739.2	739.3	0.0	0.0	976.2	979.0	2.7	0.3
Transportation revenues	659.3	660.4	1.0	0.2	867.8	871.0	3.1	0.4
Other	79.8	78.9	(0.9)	(1.2)	108.4	108.0	(0.4)	(0.4)
Operating Expenses	597.3	590.0	(7.2)	(1.2)	831.9	834.0	2.0	0.3
Personnel costs	163.1	161.8	(1.2)	(0.8)	221.4	216.5	(4.9)	(2.3)
Non personnel costs	280.8	279.9	(0.9)	(0.3)	407.6	420.0	12.3	3.0
Energy costs	33.0	33.5	0.5	1.7	44.0	45.5	1.4	3.2
Maintenance costs	105.0	100.2	(4.8)	(4.6)	161.4	166.5	5.0	3.1
Miscellaneous costs	142.8	146.1	3.3	2.3	202.1	208.0	5.8	2.9
Rental payments, etc.	22.6	20.3	(2.2)	(9.9)	30.2	27.5	(2.7)	(9.0)
Taxes	29.1	29.3	0.1	0.5	35.7	35.5	(0.2)	(0.7)
Depreciation	101.4	98.5	(2.9)	(2.9)	136.8	134.5	(2.3)	(1.7)
Operating Income	141.9	149.2	7.3	5.2	144.3	145.0	0.6	0.4
Non-operating revenues and expenses	(14.3)	(12.3)	1.9	(13.8)	(15.7)	(14.0)	1.7	(10.9)
Non-operating revenues	2.0	3.3	1.2	–	6.2	7.5	1.2	–
Non-operating expenses	16.4	15.6	(0.7)	–	21.9	21.5	(0.4)	–
Recurring Profit	127.5	136.8	9.3	7.3	128.6	131.0	2.3	1.8
Extraordinary profit and loss, net	0.9	(22.8)	(23.7)	–	(9.2)	(25.0)	(15.7)	–
Extraordinary profit	17.3	12.9	(4.3)	–	29.8	–	–	–
Extraordinary loss	16.3	35.7	19.4	–	39.0	–	–	–
Net Income	89.0	80.1	(8.9)	(10.1)	80.7	74.0	(6.7)	(8.4)

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since October 29, 2018.

3. Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Results for 9 months ended December 31, 2018					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		
Shinkansen	348.2	6.6	1.9	Fundamental trend 1.5%	5.0
				Special factors	
				•Inbound	1.0
				•Favorable demand during peak periods	1.8
				•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)	231.2	(2.4)	(1.1)	Fundamental trend (0.2%)	(0.4)
				Special factors	
				•Inbound	0.5
				•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	80.8	(3.0)	(3.7)	Fundamental trend (0.4%)	(0.3)
				Special factors	
				•Inbound	0.2
				•Favorable demand during peak periods	0.1
				•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	312.1	(5.5)	(1.7)		
Total	660.4	1.0	0.2		

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

	Results for 9 months ended Dec 31 (4/1~12/31)			3 months (3Q) (10/1~12/31)			FY2018.3 Results	FY2019.3 Forecasts As of January 30*	YoY
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY			
Total	659.3	660.4	1.0 0.2%	225.6	228.6	2.9 1.3%	867.8	871.0	3.1 0.4%
Shinkansen	341.6	348.2	6.6 1.9%	118.9	121.0	2.0 1.7%	447.7	455.5	7.7 1.7%
Commuter Passes	8.1	8.4	0.3 3.7%	2.7	2.8	0.1 3.9%	10.7	—	—
Non-Commuter Passes	333.4	339.8	6.3 1.9%	116.2	118.2	1.9 1.7%	436.9	—	—
Conventional Lines	317.6	312.1	(5.5) (1.7%)	106.7	107.6	0.9 0.9%	420.0	415.4	(4.6) (1.1%)
Commuter Passes	108.0	107.5	(0.4) (0.4%)	35.7	35.4	(0.2) (0.8%)	142.0	—	—
Non-Commuter Passes	209.6	204.5	(5.0) (2.4%)	70.9	72.1	1.2 1.7%	277.9	—	—
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	233.7	231.2	(2.4) (1.1%)	78.1	79.0	0.9 1.2%	309.0	307.3	(1.7) (0.6%)
Commuter Passes	88.8	88.6	(0.1) (0.2%)	29.4	29.2	(0.1) (0.6%)	116.9	—	—
Non-Commuter Passes	144.9	142.6	(2.3) (1.6%)	48.6	49.8	1.1 2.3%	192.0	—	—
Other Lines	83.9	80.8	(3.0) (3.7%)	28.5	28.5	(0.0) (0.1%)	111.0	108.1	(2.9) (2.7%)
Commuter Passes	19.2	18.8	(0.3) (1.7%)	6.3	6.2	(0.1) (1.8%)	25.1	—	—
Non-Commuter Passes	64.6	61.9	(2.7) (4.2%)	22.2	22.3	0.0 0.3%	85.9	—	—

Passenger-Kilometers

Millions of passenger-kilometers

	Results for 9 months ended December 31 (4/1~12/31)			3 months (3Q) (10/1~12/31)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	45,217	45,140	(77) (0.2%)	15,336	15,397	61 0.4%
Shinkansen	16,064	16,249	184 1.1%	5,656	5,700	44 0.8%
Commuter Passes	642	665	22 3.6%	210	218	7 3.5%
Non-Commuter Passes	15,422	15,584	161 1.0%	5,445	5,482	36 0.7%
Conventional Lines	29,153	28,891	(262) (0.9%)	9,679	9,696	16 0.2%
Commuter Passes	17,529	17,455	(74) (0.4%)	5,726	5,703	(23) (0.4%)
Non-Commuter Passes	11,623	11,435	(187) (1.6%)	3,953	3,993	40 1.0%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	22,753	22,637	(116) (0.5%)	7,541	7,557	15 0.2%
Commuter Passes	14,390	14,364	(25) (0.2%)	4,711	4,703	(8) (0.2%)
Non-Commuter Passes	8,362	8,272	(90) (1.1%)	2,830	2,854	24 0.9%
Other Lines	6,399	6,254	(145) (2.3%)	2,137	2,139	1 0.1%
Commuter Passes	3,139	3,090	(48) (1.6%)	1,014	1,000	(14) (1.4%)
Non-Commuter Passes	3,260	3,163	(97) (3.0%)	1,123	1,139	15 1.4%

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since October 29, 2018.

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

¥ Billions

	Results for 9 months ended December 31,2018			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	161.8	(1.2)	(0.8)	• Difference in unit cost, etc.
Energy costs	33.5	0.5	1.7	• Increase in adjustment amount for fuel cost, etc.
Maintenance costs	100.2	(4.8)	(4.6)	• Difference in progress of maintenance work, etc.
Miscellaneous costs	146.1	3.3	2.3	• Expenditure for the substitute bus services due to the torrential rains disaster, etc.
Rental Payments, etc	20.3	(2.2)	(9.9)	• JR Tozai Line, etc.
Taxes	29.3	0.1	0.5	
Depreciation and amortization	98.5	(2.9)	(2.9)	• Progress of depreciation and amortization, etc.
Total	590.0	(7.2)	(1.2)	

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 ¥21.8 billion as extraordinary losses.

6. Consolidated Financial Results and Forecasts

¥ Billions

	9 months ended December 31, 2017 A	9 months ended December 31, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of January 30* D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues	1,111.3	1,129.0	17.7	1.6	1,500.4	1,516.5	16.0	1.1
Operating Expenses	936.0	949.3	13.2	1.4	1,309.0	1,329.0	19.9	1.5
Operating Income	175.2	179.7	4.4	2.6	191.3	187.5	(3.8)	(2.0)
Non-operating revenues and expenses	(13.0)	(11.8)	1.1	(8.8)	(13.5)	(13.5)	0.0	(0.6)
Non-operating revenues	3.8	4.5	0.7	–	9.0	8.6	(0.4)	–
Non-operating expenses	16.9	16.4	(0.4)	–	22.6	22.1	(0.5)	–
Recurring Profit	162.2	167.8	5.6	3.5	177.7	174.0	(3.7)	(2.1)
Extraordinary profit and loss, net	(0.2)	(24.0)	(23.7)	–	(7.1)	(30.0)	(22.8)	–
Extraordinary profit	19.2	13.5	(5.7)	–	32.8	–	–	–
Extraordinary loss	19.5	37.5	18.0	–	39.9	–	–	–
Profit attributable to owners of parent	108.4	97.7	(10.6)	(9.8)	110.4	95.5	(14.9)	(13.6)
<i>Comprehensive Income</i>	<i>112.7</i>	<i>98.5</i>	<i>(14.1)</i>	<i>(12.6)</i>	<i>114.1</i>	<i>–</i>	<i>–</i>	<i>–</i>

Note: Figures in bracket () are negative values.

* Forecasts has not been revised since October 29, 2018.

7. Consolidated Financial Results and Forecasts (Segment Information)



¥ Billions

	9 months ended December 31, 2017 A	9 months ended December 31, 2018 B	YoY		Results FY2018.3 C	Forecasts FY2019.3 As of January 30 ^{*1} D	YoY	
			Increase/ (Decrease) B-A	% B/A-1			Increase/ (Decrease) D-C	% D/C-1
Operating Revenues^{*2}	1,111.3	1,129.0	17.7	1.6	1,500.4	1,516.5	16.0	1.1
Transportation	720.2	719.3	(0.8)	(0.1)	950.8	953.0	2.1	0.2
Retail	180.4	184.3	3.9	2.2	239.8	244.8	4.9	2.1
Sales of goods and food services [Accommodation-oriented budget hotels](restated) ^{*3}	121.9 [8.8]	128.0 [9.9]	6.1 [1.1]	5.1 [12.7]	161.7 [11.6]	167.0 [12.7]	5.2 [1.0]	3.3 [9.0]
Department Stores	52.3	50.0	(2.3)	(4.5)	70.1	69.1	(1.0)	(1.4)
Real estate	100.8	105.0	4.2	4.2	139.6	147.8	8.1	5.8
Shopping center	44.9	46.3	1.4	3.3	59.6	60.7	1.0	1.8
Real estate lease and sale [Real estate sale](restated)	54.4 [22.1]	57.2 [23.5]	2.7 [1.3]	5.0 [6.2]	78.1 [35.0]	85.1 [40.7]	6.9 [5.7]	9.0 [16.4]
Other businesses	109.8	120.2	10.4	9.5	170.0	170.9	0.8	0.5
Hotel	27.5	26.7	(0.7)	(2.7)	35.6	36.1	0.4	1.3
Nippon Travel Agency	29.4	28.4	(1.0)	(3.5)	41.3	39.9	(1.4)	(3.5)
Operating Income^{*2}	175.2	179.7	4.4	2.6	191.3	187.5	(3.8)	(2.0)
Transportation	131.0	138.3	7.3	5.6	130.3	130.6	0.2	0.2
Retail	6.2	5.6	(0.5)	(9.4)	7.2	5.7	(1.5)	(21.9)
Sales of goods and food services	5.4	4.7	(0.6)	(12.7)	6.0	4.4	(1.6)	(27.7)
Department stores	0.4	0.6	0.1	37.9	0.9	1.0	0.0	1.1
Real estate	29.0	28.0	(1.0)	(3.7)	35.7	33.4	(2.3)	(6.7)
Shopping center	7.2	7.9	0.7	9.8	8.7	8.5	(0.2)	(2.5)
Real estate lease and sale	14.7	14.8	0.0	0.4	17.3	15.6	(1.7)	(10.3)
Other businesses	7.8	7.1	(0.7)	(9.0)	19.9	21.1	1.1	5.7
Hotel	2.0	1.1	(0.9)	(45.1)	1.9	1.4	(0.5)	(29.5)
Nippon Travel Agency	(1.6)	(1.6)	(0.0)	-	0.2	0.3	0.0	9.6

Note: Figures in bracket () are negative values.

*1 Forecasts has not been revised since October 29, 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 9 months ended December 31,2018			
			YoY		Major factors (YoY)	
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	128.0	6.1	5.1	•Seven-Eleven allied stores favorable, etc.
		Operating Income	4.7	(0.6)	(12.7)	
	Department stores	Operating Revenues	50.0	(2.3)	(4.5)	•Natural disasters •Partial closure of stores due to renovation work, etc.
		Operating Income	0.6	0.1	37.9	
Real estate	Shopping center	Operating Revenues	46.3	1.4	3.3	•Renovation of the B1 and B2 levels at LUCUA 1100 favorable, etc.
		Operating Income	7.9	0.7	9.8	
	Real estate lease and sale	Operating Revenues	57.2	2.7	5.0	•Increase in number of residences sold •New opening of lease properties, etc.
		Operating Income	14.8	0.0	0.4	
Other Businesses	Hotel	Operating Revenues	26.7	(0.7)	(2.7)	•Closure of Sannomiya Terminal Building •Natural disasters, etc.
		Operating Income	1.1	(0.9)	(45.1)	
	Nippon travel agency	Operating Revenues	28.4	(1.0)	(3.5)	•Weak trends in domestic travel, etc.
		Operating Income	(1.6)	(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 December 31, 2018 B	Difference increase/ (decrease) B-A
Assets*	3,071.8	3,146.0	74.1
Liabilities*	1,955.5	1,972.3	16.8
Net assets	1,116.3	1,173.6	57.3
Balance of Long-term Debt and Payables	1,032.2	1,081.1	48.9
【Average interest rate (%)】	【1.86】	【1.80】	【(0.06)】
Shinkansen Purchase Liability	103.8	103.3	(0.4)
【Average interest rate (%)】	【6.55】	【6.55】	【-】
Bonds	524.9	569.9	45.0
【Average interest rate (%)】	【1.58】	【1.51】	【(0.07)】
Equity ratio (%)*	33.2	34.2	1.0
Net assets per share (¥)	5,273.42	5,593.66	320.24

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

	9 months ended December 31, 2017	9 months ended December 31, 2018	Results FY2018.3	Forecasts FY2019.3 As of January 30 ^{*1}
ROA (% Consolidated) ^{*2}	5.8	5.8	6.3	6.0
ROE (% Consolidated)	11.1	9.3	11.3	9.1
EBITDA (Consolidated) ^{*3}	297.3	300.3	356.1	353.2
Depreciation (Consolidated)	121.1	119.7	163.5	164.5
Capital Expenditures (Consolidated, own fund)	97.1	141.1	169.4	272.0
Capital Expenditures (Non-consolidated, own fund)	69.9	105.4	127.8	210.0
Safety-related capital expenditures	46.1	66.9	83.2	127.0
Dividends per share (¥)	80	87.5	160	175

	9 months ended December 31, 2017		9 months ended December 31, 2018		Results FY2018.3		Forecasts FY2019.3 As of January 30 ^{*1}	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	48,130	25,353	48,146	24,943	47,869	25,291	—	—
Financial Expenses, net	(15.2)	(14.7)	(14.0)	(12.9)	(20.2)	(19.6)	(19.3)	(17.6)
Interest and dividend income	0.5	1.1	1.0	2.1	0.7	1.2	0.7	2.2
Interest expenses	15.8	15.8	15.0	15.1	20.9	20.8	20.0	19.9

Note: Figures in bracket () are negative values.

*1 Forecasts has not been revised since October 29, 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 January 30, 2019 based on information available to JR-West as of January 30, 2019 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 is NOT considered in this presentation.