

(Translation)

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 President: Seiji Manabe
 Code number: 9021, Stock listings: Tokyo Stock Exchange,
 Nagoya Stock Exchange and Fukuoka Stock Exchange
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Notice Relating to a Company Split (Simplified Absorption-Type Company Split)

At a meeting of its Board of Directors held today (August 21, 2014), West Japan Railway Company (“JR-West” or the “Company”) resolved to transfer the golf course business (the “Business”) of the Grandvert Kyoto Golf Club, operated by the Company in Kyotanba-cho, Funai-gun, Kyoto, to West Japan Railway Golf Co., Ltd. (“JRW Golf”), a consolidated subsidiary of JR-West, on October 1, 2014, concluding a breakup agreement to that effect, as described below.

As this company split is a simplified absorption-type company split involving a consolidated subsidiary, the disclosure of some information is omitted.

1. Objective of the Company Split

As the operating environment surrounding the golfing industry is expected to remain difficult, JR-West judges it appropriate to transfer the Business to an entity whose core business is managing golf courses. The Company has approved a company split of this business from JR-West, with the business succeeding to JRW Golf.

Simultaneously with the Company Split, all shares that JR-West holds in JRW Golf will be transferred to Accordia Golf Co., Ltd.

2. Summary of the Company Split

(1) Schedule (Planned)

August 21, 2014	<ul style="list-style-type: none"> • Board of Directors meeting to approve the absorption-type company split agreement (JR-West and JRW Golf) • Conclusion of the absorption-type company split agreement
September 8, 2014	<ul style="list-style-type: none"> • General meeting of shareholders to approve the absorption-type company split agreement (JRW Golf)
October 1, 2014	<ul style="list-style-type: none"> • Record date for the absorption-type company split (effective date)

Note: The Company Split is to be conducted by JR-West as a simplified absorption-type company split as defined in Paragraph 3, Article 784, of the Companies Act. Accordingly, no approval by the general meeting of shareholders is required.

(2) Form of the Company Split

This is an absorption-type company split, in which JR-West is the splitting company and JRW Golf is the succeeding company.

(3) Allotments Relating to the Split

In line with the Company Split, JRW Golf will issue 1,870 new shares, which will be allotted to JR-West.

(4) Handling of Share Options and Bonds with Share Options in Relation to the Split

Not applicable.

(5) Change in Capital as a Result of the Split

The Company's capital will not be reduced.

(6) Rights and Obligations Assumed by the Succeeding Company

On October 1, 2014, the date of the split, JRW Golf shall assume all assets and other rights and obligations related to the Business.

(7) Expected Performance of Obligations

Following the Company Split, we judge that JRW Golf will have no problem in performing its obligations related to the liabilities it will bear.

3. Calculation of Allotments Relating to the Split

As the Company Split is a physical absorption-type company split JR-West's net assets will not change regardless of share allotments. Consequently, the number of shares to be allotted has been decided through mutual consultation between JR-West and JRW Golf.

4. Overview of the Companies Involved

(As of March 31, 2014)

	Splitting Company	Succeeding Company
(1) Name	West Japan Railway Company	West Japan Railway Golf Co., Ltd.
(2) Location	4-24, Shibata 2-chome, Kita-ku, Osaka	4-1 Kaminotani Jisse, Kyotanba-cho, Funai-gun, Kyoto
(3) Names and roles of representatives	Seiji Manabe, president and representative director	Koichi Kotani, president and representative director
(4) Businesses	Railway operations, real estate sales and leasing	Operation of golf club facilities
(5) Capitalization	¥100,000 million	¥50 million
(6) Established	April 1987	April 2004
(7) Shares issued and outstanding	193,735,000	1,000
(8) Fiscal year-end	March 31	March 31
(9) Principal shareholders and their percentage ownership	The Master Trust Bank of Japan, Ltd. (Trust Unit) 3.92% Mizuho Bank, Ltd. 3.33% Sumitomo Mitsui Banking Corporation 3.30% The Bank of Tokyo-Mitsubishi UFJ, Ltd. 3.25% Japan Trustee Services Bank, Ltd. (Trust Account) 2.87%	West Japan Railway Company 88.10%
(10) Total assets	2,687,890 (Consolidated)	202

(11) Net assets	807,378 (Consolidated)	141
(12) Net assets per share (yen)	4,048 (Consolidated)	141,083
(13) Operating revenues	1,331,019 (Consolidated)	492
(14) Operating income (loss)	134,593 (Consolidated)	(26)
(15) Recurring profit (loss)	112,961 (Consolidated)	(21)
(16) Net income (loss)	65,640 (Consolidated)	(18)
(17) Net income (loss) per share (yen)	338 (Consolidated)	(18,898)

(Millions of yen unless otherwise indicated)

5. Overview of Splitting Business Division

(1) Businesses of the Splitting or Succeeding Division

The business to be split or succeed through the Company Split is JR-West's golf business located at Kyotanba-cho, Funai-gun, Kyoto.

(2) Operating Performance of the Splitting Business Division

(Millions of yen, fiscal year ended March 31, 2014)

	Golf business (a)	JR-West's non-consolidated results (b)	Percentage (a/b)
Operating revenues	51	873,651	0.0058%

(3) Splitting Asset and Liability Items and Amounts

(Millions of yen, forecast for October 1, 2014)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	21	Current liabilities	—
Property and equipment	392	Long-term liabilities	21
Total	413	Total	21

6. Status after the Company Split

(1) Status of Splitting Company after the Absorption-Type Company Split

The Company Split will have no effect on the company name, location, names and roles of representatives, businesses, capitalization, or fiscal year-end.

(2) Status of Succeeding Company after the Absorption-Type Company Split

	Succeeding company in absorption-type company split
(1) Name	West Japan Railway Golf Co., Ltd. (Name scheduled to change to "Grandvert Kyoto Golf Club Co., Ltd." on October 1, 2014)
(2) Location	4-1 Kaminotani Jisse, Kyotanba-cho, Funai-gun, Kyoto
(3) Names and roles of representatives	Undetermined
(4) Businesses	Operation of golf club facilities
(5) Capitalization	¥203 million
(6) Fiscal year-end	March 31

7. Outlook

The impact of the Company Split on consolidated and non-consolidated operating performance will be slight.

(Reference)

Concerning the transfer of shares to Accordia Golf Co., Ltd. (the “Share Transfer”)

1. Overview of Subsidiary Making Transfer

As indicated above in “4. Overview of the Companies involved.”

2. Overview of Company Receiving the Share Transfer

(1) Name	Accordia Golf Co., Ltd.		
(2) Location	Shibuya Cross Tower, 15-1, Shibuya 2-chome, Shibuya-ku, Tokyo		
(3) Names and roles of representatives	Ryusuke Kamata, representative director		
(4) Businesses	Golf course operation and management		
(5) Capitalization	¥10,940 million		
(6) Established	September 1981		
(7) Principal shareholders and their percentage ownership	C&I Holdings Co., Ltd.: 9.2%; others		
(8) Relationships between this company and the listed company	Capital relationships	No capital relationships requiring mention exist between JR-West and this company. Furthermore, no capital relationships requiring mention exist between related parties or affiliated companies of JR-West and related parties or affiliated companies of this company.	
	Personal relationships	No personal relationships requiring mention exist between JR-West and this company. Furthermore, no personal relationships requiring mention exist between related parties or affiliated companies of JR-West and related parties or affiliated companies of this company.	
	Transactional relationships	No transactional relationships requiring mention exist between JR-West and this company. Furthermore, no transactional relationships requiring mention exist between related parties or affiliated companies of JR-West and related parties or affiliated companies of this company.	
(9) Financial condition and operating performance for the three most recent years			
Fiscal year-end	March 31, 2014	March 31, 2013	March 31, 2012
Net assets	¥92,202 million	¥93,097 million	¥88,303 million
Total assets	¥262,961 million	¥265,043 million	¥253,494 million
Net sales	¥91,983 million	¥90,920 million	¥86,798 million
Operating income	¥12,246 million	¥13,303 million	¥12,601 million

3. Share Ownership Status Before and After the Share Transfer

(1) Shares owned before the transfer: 2,751 (the number of shares transferred to JR-West from JRW Golf)

(2) Shares to be transferred: 2,751

(3) Shares owned after the transfer: 0

4. Schedule for the Share Transfer

August 21, 2014: Conclusion of share transfer agreement

October 1, 2014: Share transfer

5. Impact on operating performance

The impact of the Share Transfer on consolidated and non-consolidated operating performance will be slight.

End