

Analysis of JR-West Operations

NON-CONSOLIDATED 21-YEAR FINANCIAL SUMMARY FROM THE YEAR OF ESTABLISHMENT

Years ended March 31

	1988	1989	1990	1991	1992	1993	1994	1995 (Note 2)	1996	1997
For the Year:										
Operating revenues:	¥ 763.1	¥ 807.1	¥ 834.3	¥ 892.3	¥ 917.2	¥ 922.5	¥ 937.6	¥ 874.1	¥ 936.2	¥ 956.0
Transportation:	680.0	728.1	748.8	801.8	819.0	820.4	824.9	767.5	823.9	839.1
Sanyo Shinkansen	283.9	321.1	327.4	353.3	359.7	357.6	362.3	307.8	332.2	350.3
Kyoto-Osaka-Kobe area	223.3	231.0	243.0	262.7	271.8	278.7	280.1	285.3	314.8	314.4
Other lines	171.8	175.1	177.5	185.0	186.7	183.2	181.6	173.6	176.1	173.7
Operating expenses:	692.3	727.7	743.3	769.8	789.4	778.2	801.0	773.0	795.9	825.9
Personnel	268.2	265.4	300.6	289.2	303.4	318.3	329.8	334.4	341.8	350.9
Nonpersonnel:	229.9	238.6	259.8	301.1	311.9	294.7	317.2	295.5	305.7	326.5
Energy	39.4	38.4	40.4	43.1	43.4	43.6	43.8	41.4	43.3	42.4
Maintenance	87.9	99.5	111.8	139.9	143.2	127.4	136.4	124.8	128.4	146.7
Miscellaneous	102.5	100.6	107.6	117.9	125.2	123.6	136.9	129.2	134.0	137.3
Taxes	9.1	10.9	14.9	19.7	21.6	25.8	26.4	20.6	29.1	27.1
Rental payments, etc.	5.5	5.6	5.8	5.8	5.8	5.8	5.9	7.9	9.0	10.0
Depreciation expenses	85.1	112.7	88.0	79.8	109.9	133.3	121.5	114.4	110.0	111.2
Operating income	70.8	79.3	90.9	122.4	127.8	144.3	136.5	101.1	140.3	130.0
Recurring profit	8.0	17.2	40.2	87.5	66.1	55.7	54.7	20.4	55.6	56.0
Net income	2.0	4.6	25.7	29.8	36.4	31.9	29.8	7.5	25.8	33.5
At Year-End:										
Total assets	¥1,440.2	¥1,337.6	¥1,275.1	¥1,314.2	(Note 4) ¥2,297.1	¥2,306.5	¥2,327.9	¥2,355.1	¥2,297.9	¥2,333.4
Total net assets	157.0	161.6	187.4	217.2	238.6	260.4	280.1	277.5	293.2	316.6

Notes: 1. Yen figures have been converted into U.S. dollars at the rate of ¥99=U.S.\$1.00, the approximate exchange rate at March 31, 2008.

2. The Hanshin-Awaji Earthquake occurred in January 1995.

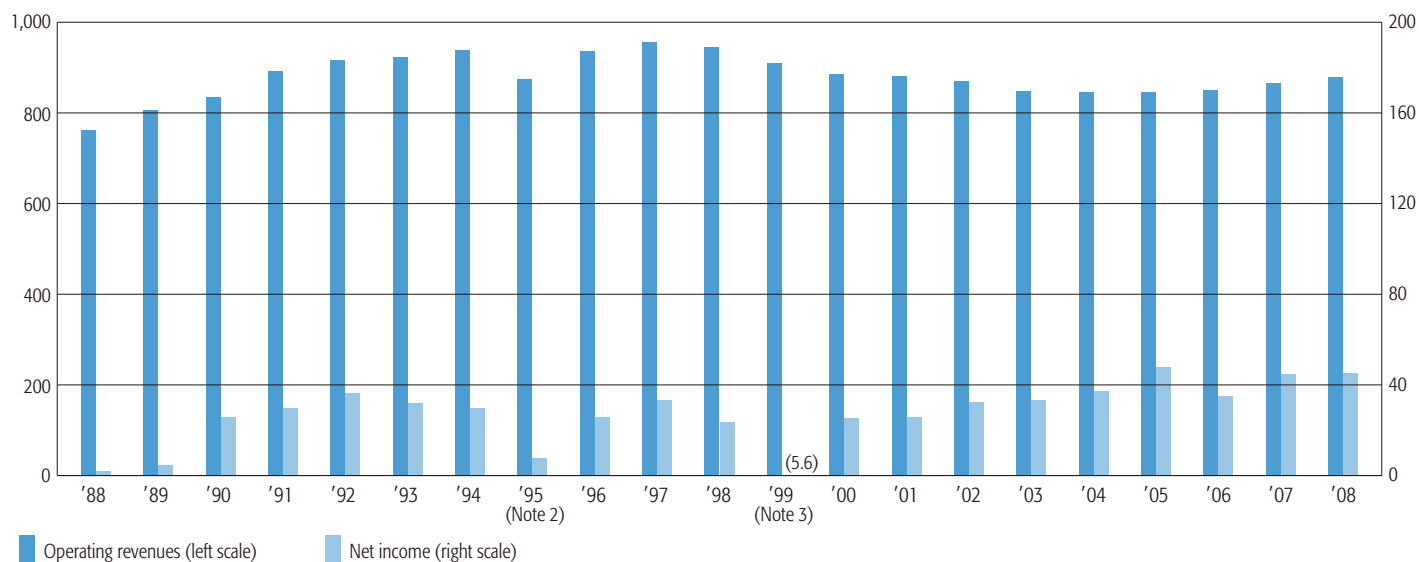
3. In accordance with the Law on the Disposition of the Liability owned by the Japan National Railways Settlement Corporation, the Company paid ¥44.5 billion to the Japan Railways Group Mutual Aid Association in March 1999.

4. The Company purchased the Sanyo Shinkansen Line properties from the Shinkansen Holding Corporation for a total purchase price of ¥974.1 billion in October 1991.

Operating Revenues and Net Income

(Billion ¥)

(Billion ¥)

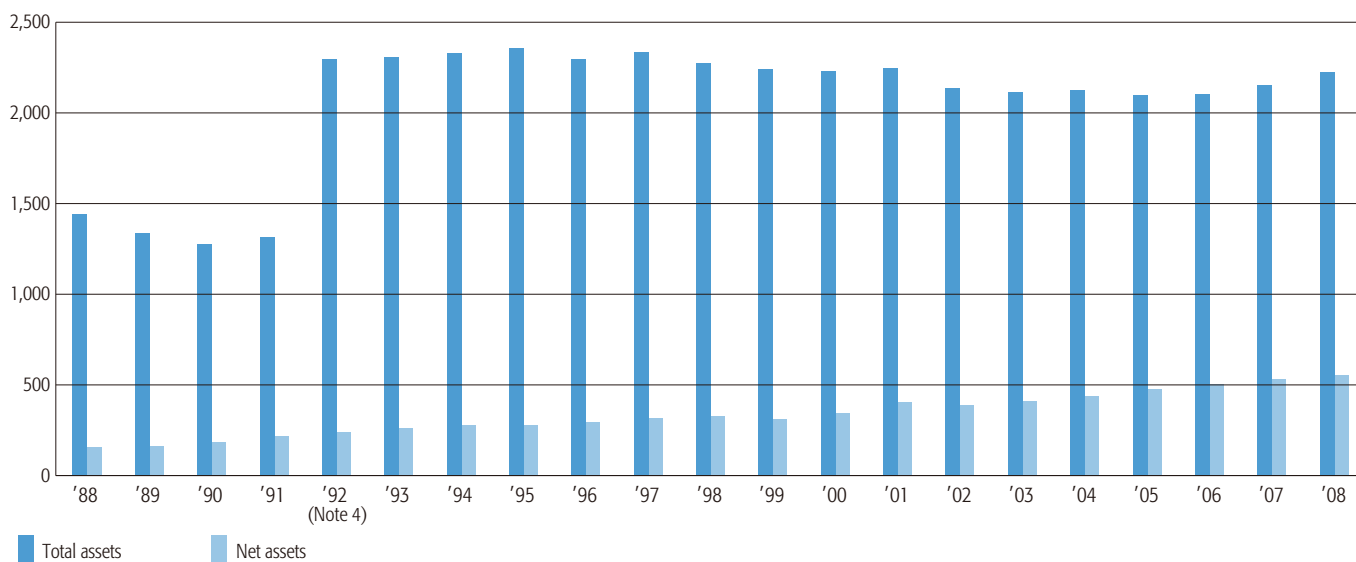


Billions of yen, %
Millions of U.S. dollars
(Note 1)

1998	1999 (Note 3)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008
¥ 946.0	¥ 909.4	¥ 885.1	¥ 881.4	¥ 869.8	¥ 849.0	¥ 845.8	¥ 846.4	¥ 851.2	¥ 865.8	¥ 879.4	\$ 8,883
830.0	795.5	773.9	773.1	770.2	752.3	750.8	750.9	756.5	765.8	781.7	7,896
346.0	326.7	313.0	313.0	314.3	306.0	308.1	313.4	323.8	328.6	343.5	3,470
315.3	309.8	306.9	309.3	308.9	303.3	302.0	300.4	297.5	302.4	303.3	3,064
167.9	158.4	153.5	150.1	146.4	142.5	140.0	136.5	134.7	134.3	134.4	1,358
831.1	796.7	786.0	784.4	770.3	745.7	740.4	736.4	742.3	756.8	769.6	7,774
358.5	357.8	350.1	345.6	330.5	301.6	294.5	286.8	276.1	272.5	269.9	2,726
301.2	277.7	276.5	275.0	281.2	288.2	291.0	300.5	320.0	337.9	338.8	3,422
43.8	40.5	39.3	38.2	39.2	38.4	36.6	36.9	34.8	34.3	34.4	347
120.9	108.0	112.3	114.3	116.8	122.6	121.9	127.1	140.7	148.9	148.6	1,501
136.5	129.2	124.9	122.4	125.1	127.1	132.4	136.4	144.4	154.5	155.8	1,573
38.0	31.3	31.0	30.3	30.0	29.3	28.2	29.7	28.7	28.1	28.6	289
23.0	22.8	23.8	31.5	31.3	31.0	30.8	24.6	24.7	24.6	24.6	248
110.2	107.0	104.4	101.8	97.1	95.4	95.7	94.5	92.5	93.5	107.5	1,086
114.8	112.7	99.0	97.0	99.5	103.2	105.4	110.0	108.9	108.9	109.8	1,109
48.3	50.5	42.3	43.4	54.0	61.3	65.0	74.3	75.9	77.6	79.9	807
23.4	(5.6)	25.5	25.9	32.5	33.4	37.1	48.0	35.1	44.6	45.1	455
¥2,277.2	¥2,242.0	¥2,232.6	¥2,247.8	¥2,135.7	¥2,116.8	¥2,126.8	¥2,098.0	¥2,102.1	¥2,151.8	¥2,222.9	\$22,454
327.8	312.0	346.6	403.3	388.6	410.7	439.3	474.3	502.2	533.3	552.4	5,580

Total Assets and Net Assets

(Billion ¥)



CAPITAL EXPENDITURES AND CASH FLOWS

Years ended March 31

Capital Expenditures

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008
	Billions of yen											Millions of U.S. dollars (Note)	
Consolidated basis:													
Depreciation expenses	¥124.1	¥126.1	¥125.0	¥122.6	¥120.0	¥115.1	¥113.0	¥115.3	¥113.6	¥111.9	¥112.8	¥128.0	\$1,293
Capital expenditures excluding a portion contributed by local governments etc.	203.1	155.0	96.8	100.6	86.3	88.3	105.4	120.8	113.1	125.3	144.9	187.9	1,897
Non-consolidated basis:													
Depreciation expenses	¥111.2	¥110.2	¥107.0	¥104.4	¥101.8	¥97.1	¥95.4	¥95.7	¥94.5	¥92.5	¥93.5	¥107.5	\$1,086
Capital expenditures excluding a portion contributed by local governments etc.	137.1	94.0	84.4	100.0	71.8	89.2	85.7	102.3	92.8	106.3	117.2	159.6	1,612

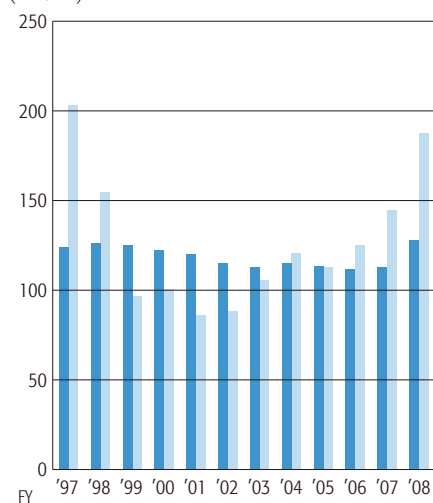
Cash Flows (Consolidated basis)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008
	Billions of yen											Millions of U.S. dollars (Note)	
Net cash provided by operating activities	—	—	—	¥154.7	¥138.7	¥99.5	¥130.2	¥140.2	¥142.9	¥164.0	¥188.6	¥222.1	\$2,244
Net cash (used in) provided by investing activities	—	—	—	(99.2)	9.4	17.7	(63.3)	(91.6)	(84.9)	(101.7)	(131.7)	(179.2)	(1,810)
Free cash flows	—	—	—	55.5	148.1	117.3	66.8	48.5	58.0	62.3	56.8	42.9	433
Net cash used in financing activities	—	—	—	(66.5)	(133.2)	(167.1)	(71.5)	(67.9)	(66.4)	(69.3)	(54.6)	(55.8)	(564)

Note: Yen figures have been converted into U.S. dollars at the rate of ¥99=U.S.\$1.00, the approximate exchange rate at March 31, 2008.

Depreciation and Capital Expenditures (Consolidated Basis)

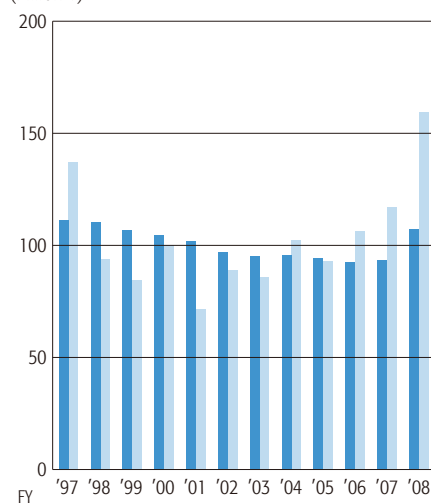
(Billion ¥)



- Depreciation expenses
- Capital expenditures excluding a portion contributed by local governments, etc.

Depreciation and Capital Expenditures (Non-Consolidated Basis)

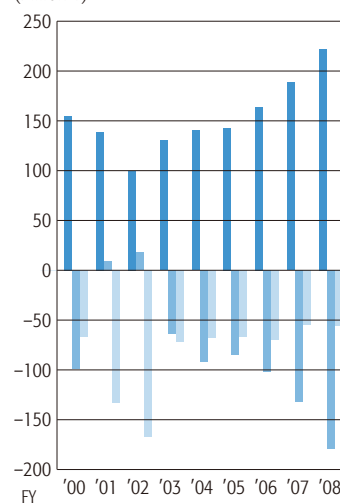
(Billion ¥)



- Depreciation expenses
- Capital expenditures excluding a portion contributed by local governments, etc.

Cash Flows

(Billion ¥)



- Net cash provided by operating activities
- Net cash (used in) provided by investing activities
- Net cash used in financing activities