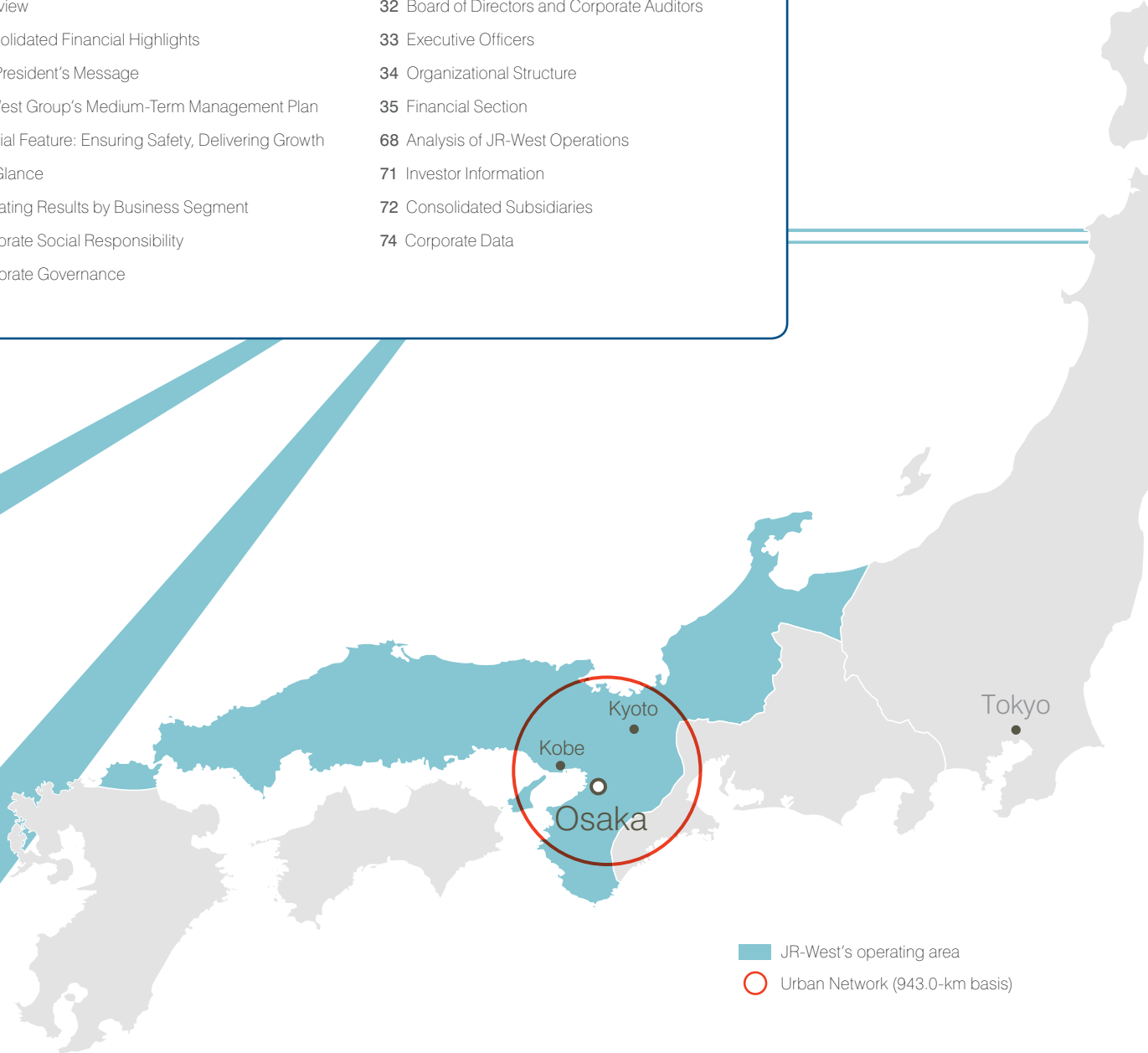


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■ JR-West's operating area

○ Urban Network (943.0-km basis)

### CAUTIONARY STATEMENT WITH RESPECT TO FORWARD-LOOKING STATEMENTS

This annual report 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 airline companies;
- earthquake and other natural disaster risks; and
- failure of computer telecommunications systems disrupting railway or other operations.

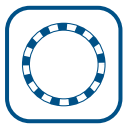
All forward-looking statements in this annual report are made as of December 15, 2009, based on information available to JR-West as of the date December 15, 2009, and JR-West does not undertake to update or revise any of its forward-looking statements or reflect future events or circumstances.

Future compensation and other expenses related to the Fukuchiyama Line accident that occurred on April 25, 2005 are difficult to estimate reasonably at this time, and so have not been included in forecasts.

# Overview

JR-West operates a railway network that stretches across an area of approximately 104,000 square kilometers, covering 18 prefectures in western Honshu and the northern tip of Kyushu with a total operating kilometerage of 5,012.7 kilometers. In addition to railway passenger services, JR-West operates retail, real estate, and other businesses that offer synergistic benefits with the railway business. The area served by JR-West's rail network is home to approximately 43 million people—34% of Japan's population—with a nominal GDP amounting to ¥167 trillion. A significant portion of JR-West's revenue is derived from the Sanyo Shinkansen, a high-speed intercity transport line running at speeds of up to 300 kilometers per hour between Shin-Osaka Station in Osaka and Hakata Station in the city of Fukuoka in northern Kyushu. The line runs through several major cities in western Japan, including Kobe, Okayama, Hiroshima, and Kitakyushu.

JR-West's Urban Network provides services to the Kyoto–Osaka–Kobe metropolitan area, which has a population of more than 20 million. An average of 4 million passengers use JR-West's Urban Network daily (fiscal 2009), mainly for commuting to work or school.



**Route Length**

**5,012.7 km**



**Population**

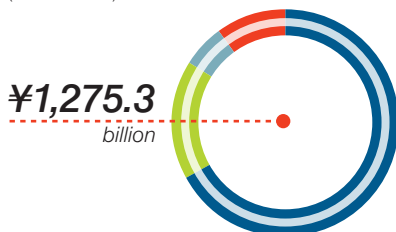
**43 million**



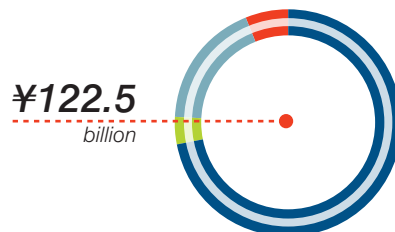
**GDP**

**¥167 trillion**

**Operating Revenues**  
by Business Segment (From Third Parties)  
(Consolidated)



**Operating Income**  
by Business Segment (Consolidated)



**Railway Operating Revenues**  
(Non-Consolidated)

