

### Correction to Notes to the Financial Section of Annual Report 2014

West Japan Railway Company has submitted a report of corrections to certain items of its annual securities report for the year ended March 31, 2014. Accordingly, the notes to the financial section of Annual Report 2014 have been revised as follows.

[Correction]

Notes to the financial section of Annual Report 2014

P71            9 Investment and Rental Properties

The corrected sections are indicated with an underline.

(Before correction)

The Company and certain consolidated subsidiaries own office buildings for lease, commercial facilities including lands and rental housing, mainly in Osaka Prefecture and other areas.

Rental income, net of related expenses relevant to these real estate properties amounted to ¥38,439 million (\$376 million) and ¥38,902 million for the years ended March 31, 2014 and 2013, respectively. The rental income is recorded under operating revenues or other income and the rental expenses are recorded under operating expenses or other expenses.

The carrying value in the consolidated balance sheet and corresponding fair value of those properties as of March 31, 2014 and 2013 are as follows:

Millions of yen

			2014
Carrying value		Fair value	
As of April 1, 2013	Net change	As of March 31, 2014	As of March 31, 2014
¥ <u>161,991</u>	¥ <u>(2,157)</u>	¥ <u>159,833</u>	¥ <u>344,475</u>

Millions of yen

			2013
Carrying value		Fair value	
As of April 1, 2012	Net change	As of March 31, 2013	As of March 31, 2013
¥ <u>151,942</u>	¥ <u>10,048</u>	¥ <u>161,991</u>	¥ <u>348,163</u>

Millions of U.S. dollars

2014			
Carrying value			Fair value
As of April 1, 2013	Net change	As of March 31, 2014	As of March 31, 2014
\$ <u>1,588</u>	\$ <u>(21)</u>	\$ <u>1,566</u>	\$ <u>3,377</u>

- Notes: 1. The carrying value represents the acquisition cost less accumulated depreciation and cumulative impairment loss.
2. The components of net change in carrying value for the years ended March 31, 2014 and 2013 included increases mainly due to acquisitions of real estate properties in the amounts of ¥9,751 million (\$95 million) and ¥17,967 million and decreases mainly due to depreciation in the amounts of ¥8,501 million (\$83 million) and ¥7,336 million, respectively.
3. The fair value of main properties is estimated in accordance with appraisal standards for valuing real estate. The fair value of the others is based on book value or a valuation amount that reasonably reflects market value.

(After correction)

The Company and certain consolidated subsidiaries own office buildings for lease, commercial facilities including lands and rental housing, mainly in Osaka Prefecture and other areas.

Rental income, net of related expenses relevant to these real estate properties amounted to ¥38,520 million (\$375 million) and ¥39,538 million for the years ended March 31, 2014 and 2013, respectively. The rental income is recorded under operating revenues or other income and the rental expenses are recorded under operating expenses or other expenses.

The carrying value in the consolidated balance sheet and corresponding fair value of those properties as of March 31, 2014 and 2013 are as follows:

Millions of yen			
2014			
Carrying value			Fair value
As of April 1, 2013	Net change	As of March 31, 2014	As of March 31, 2014
¥ <u>156,868</u>	¥ <u>(2,176)</u>	¥ <u>154,692</u>	¥ <u>388,917</u>

Millions of yen			
2013			
Carrying value			Fair value
As of April 1, 2012	Net change	As of March 31, 2013	As of March 31, 2013

¥ <u>147,049</u>	¥ <u>9,819</u>	¥ <u>156,868</u>	¥ <u>388,917</u>
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Millions of U.S. dollars

2014			
Carrying value		Fair value	
As of April 1, 2013	Net change	As of March 31, 2014	As of March 31, 2014
\$ <u>1,537</u>	\$ <u>(21)</u>	\$ <u>1,516</u>	\$ <u>3,812</u>

- Notes: 1. The carrying value represents the acquisition cost less accumulated depreciation and cumulative impairment loss.
2. The components of net change in carrying value for the years ended March 31, 2014 and 2013 included increases mainly due to acquisitions of real estate properties in the amounts of ¥7,553 million (\$74 million) and ¥17,711 million and decreases mainly due to depreciation in the amounts of ¥8,463 million (\$82 million) and ¥7,299 million, respectively.
3. The fair value of main properties is estimated in accordance with appraisal standards for valuing real estate. The fair value of the others is based on book value or a valuation amount that reasonably reflects market value.