

The value we seek to provide through the non-railway business —Messages from group company Presidents

West Japan Railway Daily Service Net Company

Nobutoshi Nikaido President and Representative Director

Addressing social issues through our business

Our mission is to contribute to the realization of a safe and comfortable society through safe and high-quality lifestyle-related services, as a service company that enhances the convenience of railway stations and local areas. We develop and operate various in-station stores so as to make railway stations into convenient "Lifestyle Stations," as well as accommodation-oriented hotels. These are proving to be popular with our customers. However, in future, I believe it will also be important for us to tackle various social issues through our business.



Meeting the requirements of an increasingly diverse and sophisticated society

Our customers' needs are becoming ever more diverse and sophisticated due to changes in society, including growth in the number of elderly people and single-person families, and women's increased participation in the workforce. We provide safe, secure and healthy food products tailored to the family composition and lifestyle of our customers. I also believe that by creating attractive products from regional produce in partnership with local people, and promoting

and selling these products at locations including railway stations, we can help to create employment in local areas suffering from depopulation, and revitalize the community in these areas.

We will also be providing new services and product offerings to enable the growing number of foreign visitors, as well as non-Japanese residents living in the vicinity of railway lines, to visit our facilities with ease, while also devising new ways of communicating with our customers.

Aiming for a virtuous cycle of growth together with the community

In order to provide this kind of value, we ourselves need to put in effort. Over recent years, we have built a structure that enables us to take on new challenges, by gaining expertise in various areas and enhancing our execution capability, at the same time as strengthening the foundation of safety. This has included expanding and bolstering our convenience store business in collaboration with Seven-Eleven Japan, promoting the development of in-station stores, and expanding our "VIA INN" chain of accommodation-oriented hotels.

Fortified by this, and in order to meet the ever more diverse range of challenges, we will need to nurture human resources while also deploying the latest technologies to save labor, so that we can continue to provide comprehensive services even when faced with a shortage of workers.

Another important management issue is to address environmental problems, including microplastics and food waste, which have come under the spotlight in recent years. Our aim is to contribute to society through our operations, and to create a virtuous cycle of continual growth, working hand in hand with local communities. The Company, our business partners and employees each have our part to play in this.



VIA INN Nihonbashi Ningyocho

West Japan Railway Hotel Development Limited

Kazunori Minato President and Representative Director

Generating growth through proactive new hotel development and existing hotel refurbishment

We have opened hotels under the new brand "VISCHIO by GRANVIA," in Osaka, Amagasaki, and Kyoto. In spring 2020, we plan to open our first hotel "Umekoji Potel KYOTO" under another new brand, "Potel." In future, we will actively promote new development primarily under the VISCHIO brand.

In addition, we will refurbish the facilities at our existing hotels, including those under the GRANVIA brand and Nara Hotel, so as to develop the appeal of our services and products, and enhance the value we provide.



Hotel GRANVIA Kyoto

High-quality service by a sommelier

Nara Hotel

Being the hotel of choice by fulfilling the diverse needs of customers from around the world

The hotel sector is undergoing dramatic change. Competition is expected to further intensify due to factors such as new hotel openings, including by major overseas brands, and the development of customer reservation via Online Travel Agent (OTA). The demands made by overseas customers are also diversifying. Given these circumstances, I believe it is important for us to set ourselves new challenges and steadily develop our own brand in order to meet our customers' needs.

Communication is an essential part of this process. Especially given the increase in customers from abroad, we must improve our staff's language skills so that we can fully meet our customers' needs. At the same time, it will be important for us to convey the unique

appeal of each region and improve customer satisfaction if we are to be the hotel of choice.

People are a hotel's biggest asset. We aim to be the hotel of choice for our staff as well, by creating a hotel in which the staff—its biggest asset—can work cheerfully with their own dreams and aspirations for the future, and we will continue challenging ourselves to achieve further growth.

The value we seek to provide through the non-railway business
—Messages from group company Presidents

JR West Japan Shopping Center Development Company

Masato Yamaguchi President and Representative Director

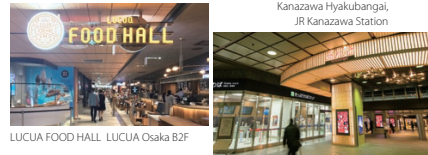
Cooperation with tenant companies aimed at creating a vibrant lifestyle for our customers

JR-West Group's shopping center ("SC") business is operated by our Company as a wholly-owned subsidiary of JR-West. In turn, we operate LUCUA Osaka and Tennoji MIO, and have 10 subsidiaries that run shopping centers at the major railway stations from Toyama to Shimonoseki.

In operating the business, we take an approach akin to that of the retail sector. Namely, we carry out customer marketing together with the tenant stores, which are our direct customers. We offer a vibrant lifestyle to both our regular, day-to-day customers and our non-regular customers, such as tourists, through a lineup of stores, products, and services optimized for the convenience of the station location and the shopping scenario.

We promote win-win initiatives based on the

recognition that the success of each individual store is correlated with the success of the overall SC, while maintaining close communication with our tenant companies. As a result, JR-West Group's shopping centers also contribute to development of the local community and have strong brand recognition both in terms of their operations and employment, with business results steadily growing.



LUCUA FOOD HALL LUCUA Osaka B2F

Kanazawa Hyakubangai, JR Kanazawa Station

Drawing on management prowess acquired through railway business collaboration to develop broader operations and enhance group value

The development of JR-West Group's shopping centers has benefited from the railway business's ability to attract customers. LUCUA Osaka in Osaka Station is now one of the largest station-based retail facilities in

Japan, and it has also won the highest praise in the sector for the way in which it is run. Our shopping centers occupy a central position in their respective areas.

Looking to the future, we aim to expand the SC business

itself and enhance value at the Groupwide level through cooperation with the various operations of JR-West Group, while promoting growth in the resident population alongside railway lines and contributing to an increase in the number of non-resident visitors. We will achieve this by developing a wide range of operations, drawing on the operational strengths of our shopping centers, through collaboration between e-commerce and physical stores (one solution in this era of labor shortages), and by improving the satisfaction of our customers, tenant stores and employees.

LUCUA Osaka, JR Osaka Station

Tennoji MIO, JR Tennoji Station



JR West Real Estate & Development Company

Toshihiko Kunihiro President and Representative Director

Creating communities where local people want to live and visit

Our Company develops buildings in and around railway stations, beautifies and revitalizes areas under elevated structures, and develops retail complexes such as "VIERRA," based on our corporate slogan "working alongside stations, communities and people's lives." We also supply housing, mainly in the

"J.GRAN" series of condominiums. Through various initiatives such as these, we strive to realize "highly appealing city development" while "advancing city development starting with stations."

Japan is experiencing a continued decline in the birth rate and aging society, as well as growth in the number of inbound visitors and the development of e-commerce. Customer requirements are also changing in line with this evolving social environment.

Mindful of these changes, JR-West Group aims to create communities where our rail customers and local people want to both live and visit.



J.GRAN Motsumiyoshi



JR Kishibe Station building (VIERRA Kishibe Kento)



Area under elevated structure of JR Fukushima Station (Fukumaru-dori 5F)

Contributing to regional society by implementing city development starting from stations

We must continue to promote development in a way that builds communities, revitalizing the areas around railway stations. In particular, to create areas that are even more bustling, we will participate actively in redevelopment projects around railway stations.

Allied to this, we will further enhance corporate value by entering markets where continued expansion is anticipated in future, including the metropolitan area and overseas markets, further hone the strengths we have cultivated hitherto, and further boost the competitive strength of our operations.

We will also provide products and services that meet the needs of our customers, including hospitals and residences for the elderly, healthcare and health promotion facilities such as fitness centers, so as to

adapt to the changing social environment.

In various ways, we will continue to realize "highly appealing city development" for local communities while "advancing city development starting with stations," and make even greater contributions to the development of regional society.



Hiroshima Station building redevelopment plan (Due to open in spring 2025)