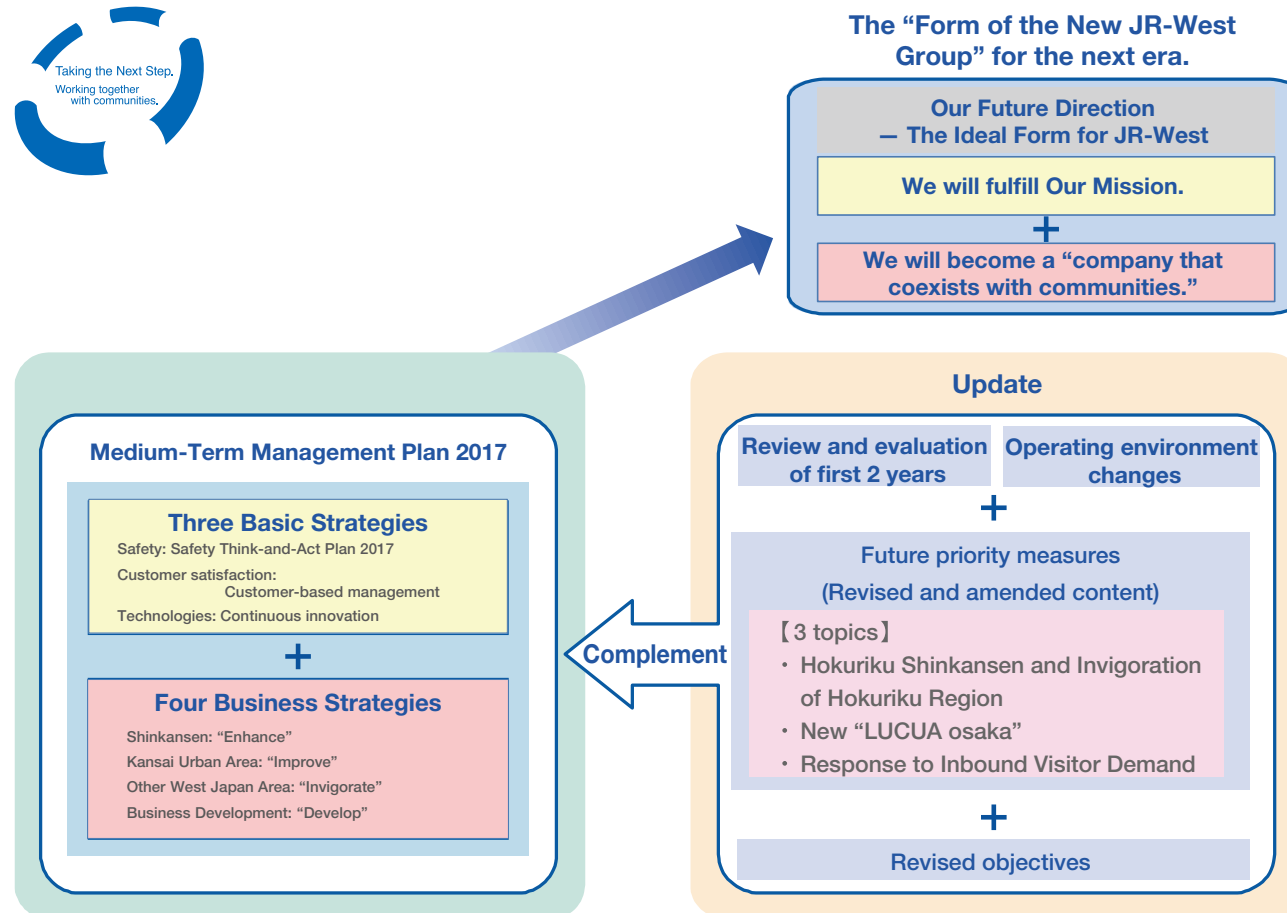


Corporate Overview

JR-West Group Medium-Term Management Plan 2017 Update



CAPITAL EXPENDITURE PLAN (CONSOLIDATED)

FY2014.3 — FY2018.3 plan: ¥960.0 billion (+¥40.0 billion vs. plan before update)

Investment for growth ¥260.0 billion (+¥30.0 billion vs. plan before update)

- Hokuriku Shinkansen Line
- Establish new stations and renew stations
- Expand lifestyle-related service businesses (business alliance with Seven-Eleven Japan, etc.)

Investment needed for ongoing management of operations

- Barrier free, CS investment
- Investment for introduction of information technologies, etc.

Safety-related investment ¥480.0 billion (+¥10.0 billion vs. plan before update)

- Rolling stock renewal
- New ATC
- New safety system
- Natural disaster countermeasures, etc.

BUSINESS RESULTS FORECAST FOR FY2018.3 (CONSOLIDATED)

Billions of yen

	FY2016.3		FY2018.3
	Forecast as of update*	Results	Forecast as of update*
Operating Revenues	1,391.5	1,451.3	1,423.0
Transportation	895.6	928.7	902.5
Retail	227.0	232.0	246.5
Real estate	102.6	108.8	106.0
Other businesses	166.3	181.5	168.0
Operating Income	148.5	181.5	157.0
Transportation	103.3	125.1	105.0
Retail	4.1	5.3	6.0
Real estate	30.3	32.7	33.5
Other businesses	14.0	22.4	14.0
Recurring Profit	130.0	162.2	141.0
Net Income	81.5	85.8	91.5
Transportation Revenues	818.0	850.0	820.5
ROA	5.3%	6.4%	5.5%
ROE	9.8%	10.2%	9.8%
EBITDA	307.0	338.1	325.5

Notes: Operating revenues are the revenues from third parties (= customers).

Operating income by segment is before eliminating internal transactions.

Transportation revenues are JR-West's railway revenues, which are also included in operating revenues of transportation business.

* Medium-Term Management Plan update (April 2015)

CASH EARMARKING AND PRIORITIZATION

Cash flows from operating activities

Appropriation prioritization

① Investment for safety and growth

② Returns to shareholders

③ Debt reduction

* In principle, maintain level of long-term debt and payables (¥1 trillion consolidated). However, control level in light of market interest rates.

Returns to shareholders

- We recognize it important to distribute profits to its shareholders on a long-term and constant basis. Reflecting the policy, we continue providing returns to shareholders based on consideration of total shareholders' equity.
- Specifically, in light of the progress toward the achievement of the current Medium-Term Management Plan, we aim to attain an approximately 3% “rate of total distribution on net assets” on a consolidated basis for FY2018.3.

* Rate of total distribution on net assets (%) = (total dividends + acquisitions of treasury stock) ÷ consolidated net assets × 100