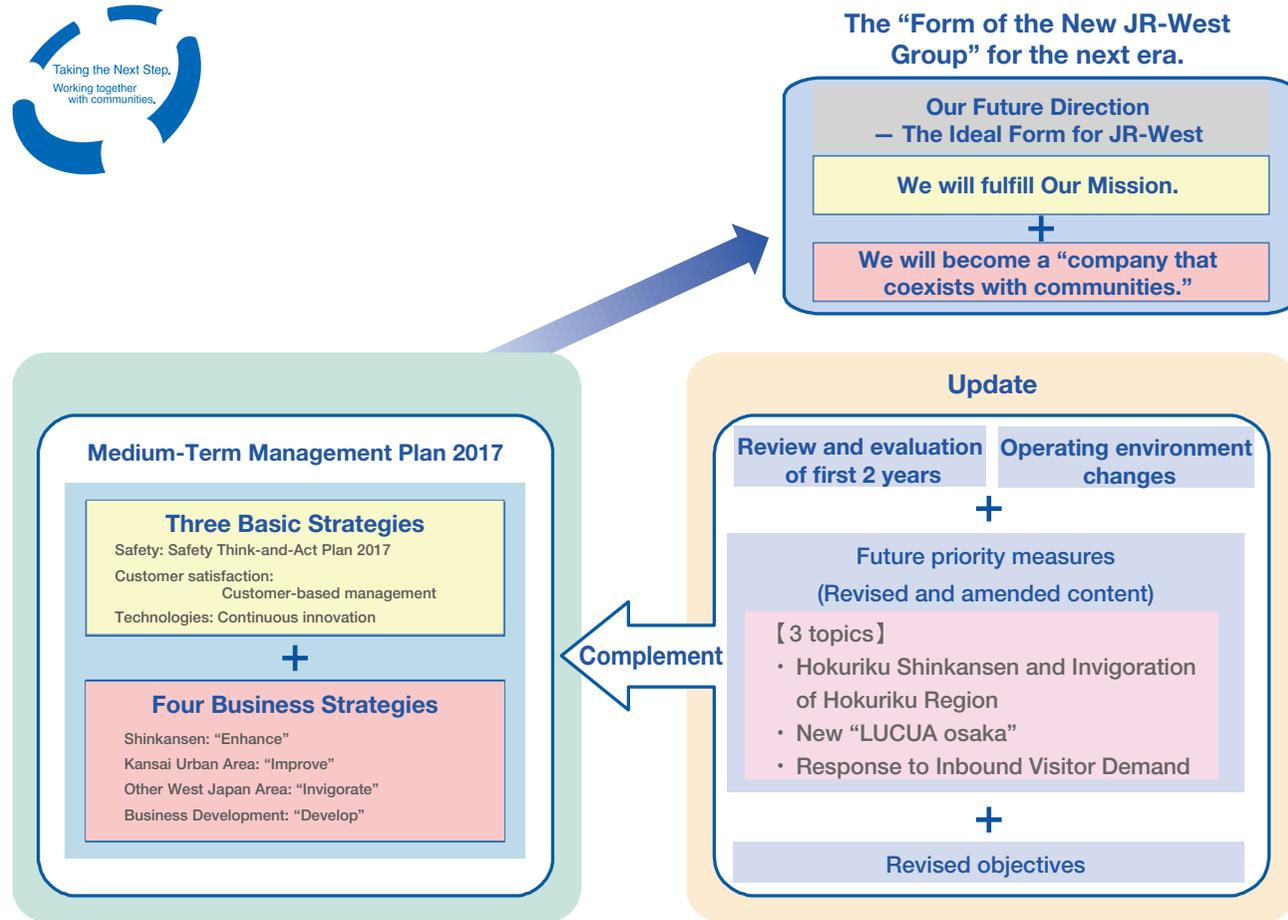


Corporate Overview

JR-West Group Medium-Term Management Plan 2017 Update



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 |

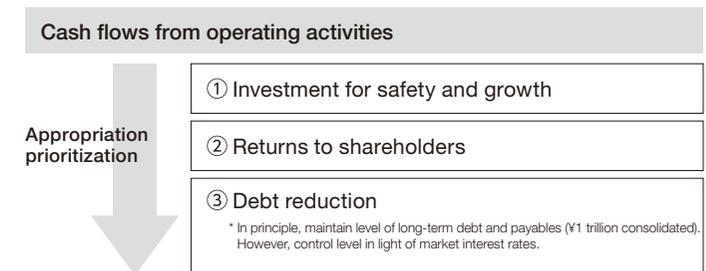
Notes: Operating revenues are the revenues from third parties (= customers).
Operating income by segment is before eliminating internal transactions.
Transportation revenues are JR-West’s railway revenues, which are also included in operating revenues of transportation business.
* Medium-Term Management Plan update (April 2015)

CAPITAL EXPENDITURE PLAN (CONSOLIDATED)

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

| | | |
|---|---|--|
| <p>Investment for growth ¥260.0 billion (+¥30.0 billion vs. plan before update)</p> <ul style="list-style-type: none"> • Hokuriku Shinkansen Line • Establish new stations and renew stations • Expand lifestyle-related service businesses (business alliance with Seven-Eleven Japan, etc.) | <p>Investment needed for ongoing management of operations</p> <ul style="list-style-type: none"> • Barrier free, CS investment • Investment for introduction of information technologies, etc. | <p>Safety-related investment ¥480.0 billion (+¥10.0 billion vs. plan before update)</p> <ul style="list-style-type: none"> • Rolling stock renewal • New ATC • New safety system • Natural disaster countermeasures, etc. |
|---|---|--|

CASH EARMARKING AND PRIORITIZATION



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