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Corporate Overview

# Businesses, Revenue Composition

**CORPORATE PROFILE** As of March 31, 2017

Date of establishment : April 1, 1987  
 Common stock : ¥100 billion  
 Shares outstanding : 193,735,000  
 Employees at work : 25,821 (non-consolidated)  
 47,382 (consolidated)  
 Number of subsidiaries : 151  
 (incl. 63 consolidated subsidiaries)

**BUSINESSES**

**Transportation**

• Railway Services  
 Total route length : 5,008.7 kilometers  
 Shinkansen : 812.6 kilometers  
 Conventional lines : 4,196.1 kilometers  
\* The total route length is the sum of the Shinkansen and conventional lines.  
 Number of stations : 1,200  
 Number of passenger cars : 6,562

Number of passengers : Total 1,890 million  
 Shinkansen : 83 million  
 Conventional lines : 1,826 million  
 Kansai Urban Area : 1,519 million  
 Other : 362 million

Passenger-kilometers : Total 58,271 million  
 Shinkansen : 20,348 million  
 Conventional lines : 37,923 million  
 Kansai Urban Area : 29,592 million  
 Other : 8,330 million

Train-kilometers per day : Total 514 thousand  
 Shinkansen : 122 thousand  
 Conventional lines : 392 thousand

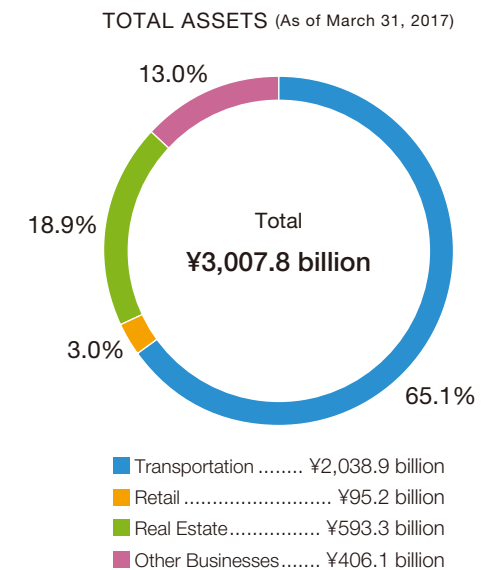
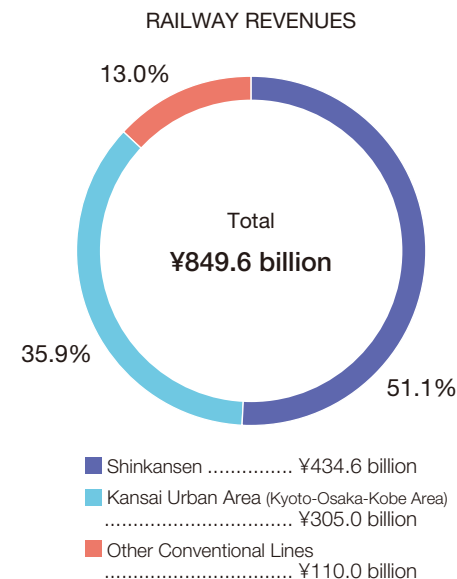
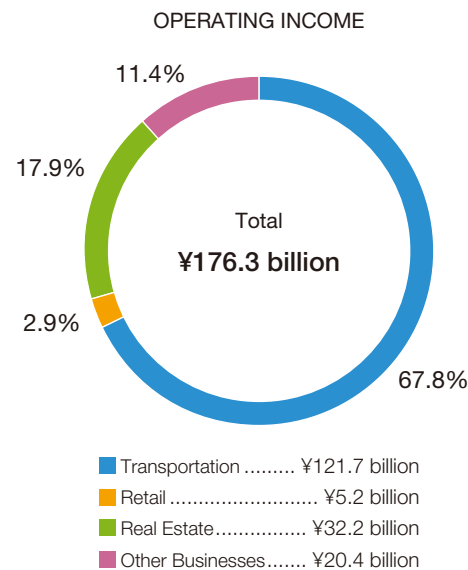
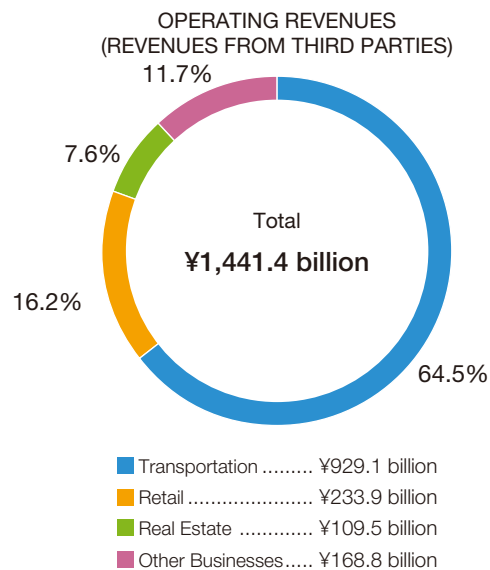
- Bus Services
- Ferry Services

**Retail :**  
 Sales of goods and food services, department store, wholesale of various goods

**Real Estate :**  
 Shopping center operations, real estate lease and sale

**Other Businesses :**  
 Hotel services, travel services, rental of goods, construction, etc.

**REVENUE COMPOSITION** FY ended March 31, 2017



Corporate Overview

# Service Area

- Western part of Honshu, the main island of Japan, and northern part of Kyushu
- Approx. 1/3 of Japan's population and GDP

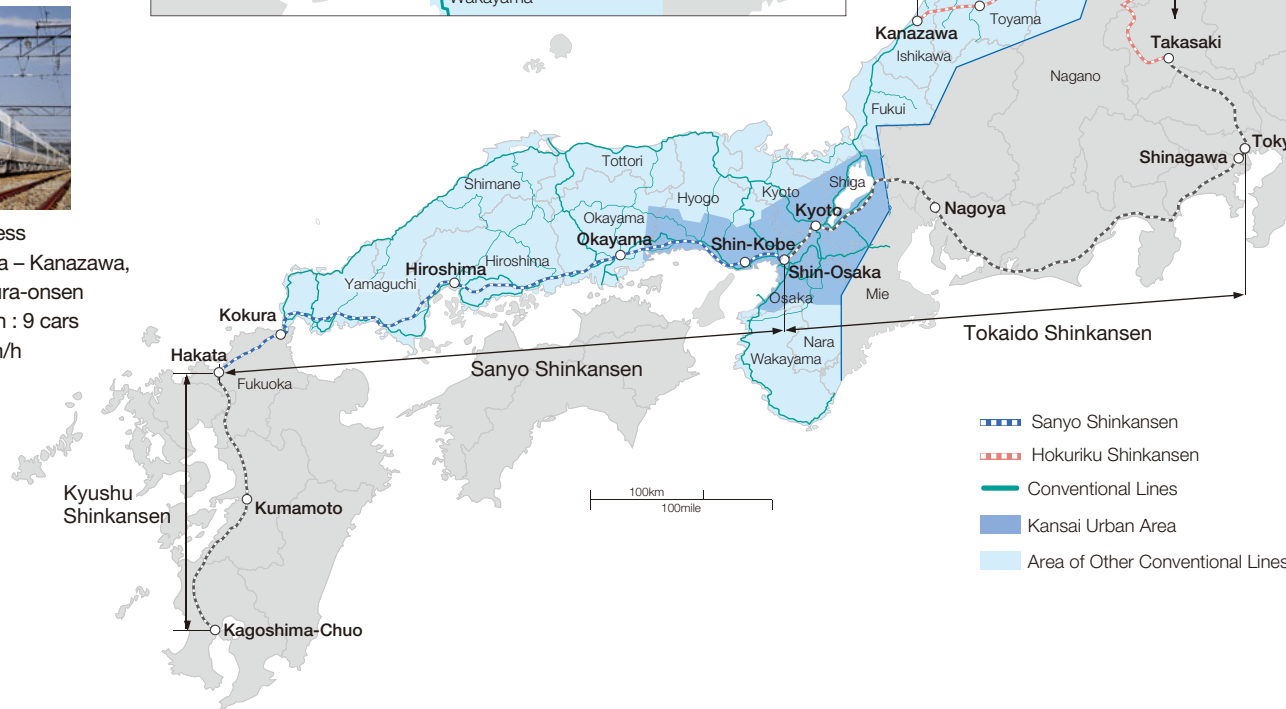
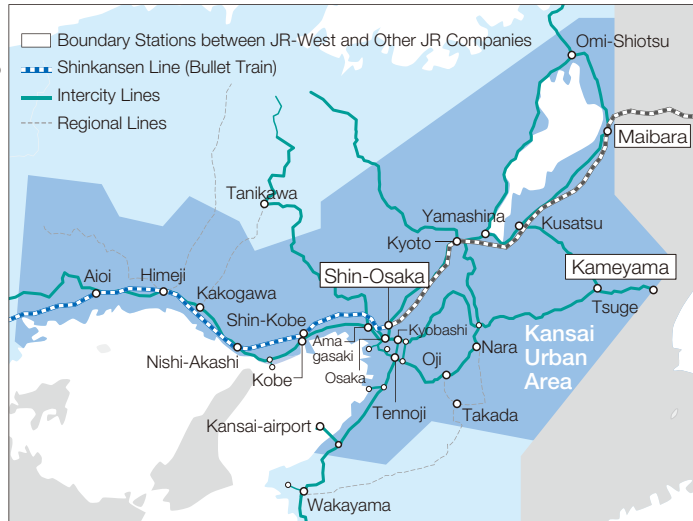
## CONVENTIONAL LINES



225 series commuter train  
Operating section : Kansai Urban Area  
Typical train configuration : 8 cars  
Maximum speed : 130km/h



Thunderbird limited express  
Operating section : Osaka – Kanazawa,  
Wakura-onsen  
Typical train configuration : 9 cars  
Maximum speed : 130km/h



## SHINKANSEN



Tokaido and Sanyo Shinkansen N700A  
Operating section : Tokyo – Hakata  
Train configuration : 16 cars  
Maximum speed : 300km/h



Sanyo and Kyushu Shinkansen N700  
Operating section : Shin-Osaka –  
Kagoshima-Chuo  
Train configuration : 8 cars  
Maximum speed : 300km/h



Hokuriku Shinkansen W7  
Operating section : Tokyo – Kanazawa  
Train configuration : 12 cars  
Maximum speed : 260km/h

Corporate Overview

# Major businesses in consolidated segment

• Numbers of consolidated subsidiaries as of March 31, 2017

## Transportation

### Railway Services

- Shinkansen, Conventional lines
- Consolidated subsidiary: 1 company  
Subsidiary: Sagano Scenic Railway



### Bus Services

- Express buses, conventional buses
- Consolidated subsidiaries: 2 companies  
Subsidiaries:  
West Japan JR Bus Company  
Chugoku JR Bus Company



### Ferry Services

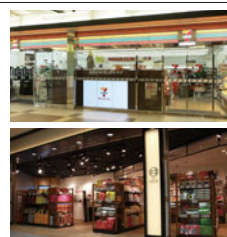
- Consolidated subsidiary: 1 company  
Subsidiary: JR West Miyajima Ferry Co., Ltd.

## Retail

### Sales of Goods and Food Services

- Operation of stores within railway stations (convenience stores, gift shops, restaurants, etc.)
- Operation of VIA INN accommodation-oriented budget hotels

Consolidated subsidiaries: 7 companies  
Main subsidiaries:  
West Japan Railway Daily Service Net Company  
West Japan Railway Food Service Net Company  
West Japan Railway Fashion Goods Co., Ltd.



### Department Store

- Operation of JR Kyoto Isetan and isetan shops in LUCUA osaka
- Consolidated subsidiary: 1 company  
Subsidiary: West Japan Railway Isetan Limited



### Wholesale and others

Consolidated subsidiaries: 2 companies  
Subsidiaries: Japan Railway West Trading Company, West Japan Railway Sanin Development Company

## Real Estate

### Shopping Centers

- Operation of shopping centers in station buildings and surrounding areas of stations

Consolidated subsidiaries: 12 companies  
Main subsidiaries:  
JR West Japan Shopping Center Development Company  
Tennoji Shopping Center Development Co., Ltd.  
KOBE SC DEVELOPMENT COMPANY



### Real Estate Lease and Sale

- Operation of station buildings and development of commercial facilities surrounding areas of stations and underneath elevated tracks
- Development of condominiums and community along railway belts

Consolidated subsidiaries: 4 companies  
Subsidiaries:  
Kyoto Station Building Development Co., Ltd.  
Osaka Terminal Building Company  
JR WEST REAL ESTATE & DEVELOPMENT COMPANY  
Ryoju Properties Co., Ltd.

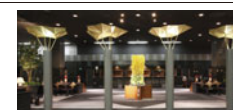


## Other Businesses

### Hotels

- Operation of hotels directly connected to main stations

Consolidated subsidiaries: 6 companies  
Main subsidiaries: West Japan Railway Hotel Development Limited  
Hotel Granvia Osaka Co., Ltd.



### Travel Services

Consolidated subsidiary: 1 company  
Subsidiary: Nippon Travel Agency Co., Ltd.

### Construction

- Construction, Maintenance Works, Electric Works, etc.

Consolidated subsidiaries: 9 companies  
Main subsidiaries: DAITETSU KOGYO Co., LTD.  
WEST JAPAN RAILWAY TECHNOS CORPORATION  
West Japan Electric System Co., Ltd.



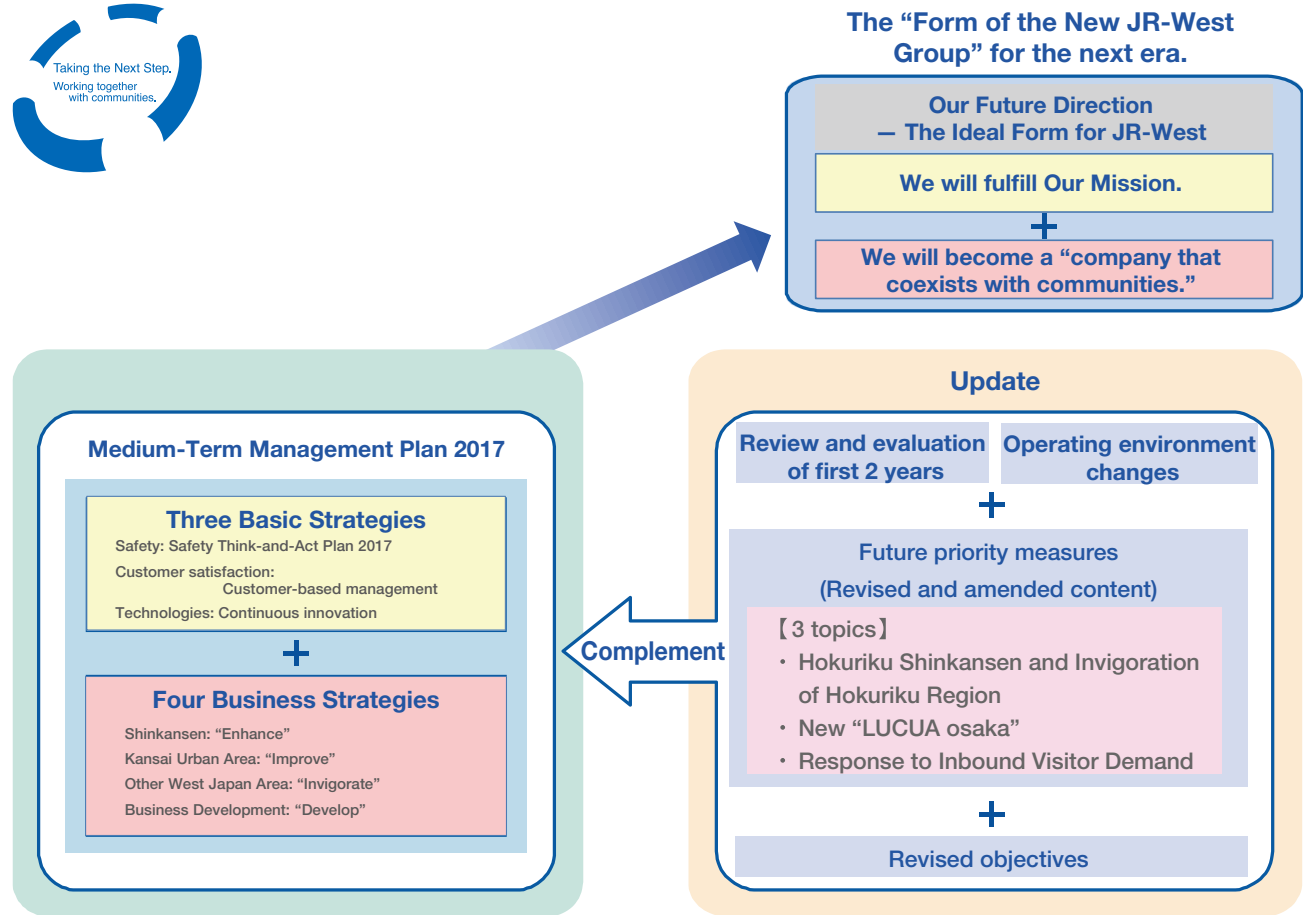
### Others

- Advertising Services, Cleaning and Maintenance Works, etc.

Consolidated subsidiaries: 17 companies  
Main subsidiaries: West Japan Marketing Communications, Inc., West Japan Railway MAINTEC Co., LTD.

Corporate Overview

# JR-West Group Medium-Term Management Plan 2017 Update



CAPITAL EXPENDITURE PLAN (CONSOLIDATED)

FY2014.3 – FY2018.3 plan: ¥960.0 billion (As of April 2015) → ¥984.0 billion (As of April 2017)

**Investment for growth** ¥260.0 billion (As of April 2015) → ¥279.0 billion (As of April 2017)

- 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 (As of April 2015) → ¥489.5 billion (As of April 2017)

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

BUSINESS RESULTS FORECAST FOR FY2018.3 (CONSOLIDATED)

Billions of yen

	FY2017.3	FY2018.3	
	Results	Forecast as of update*	Forecast as of April 2017
Operating Revenues	1,441.4	1,423.0	1,492.0
Transportation	929.1	902.5	939.0
Retail	233.9	246.5	240.8
Real estate	109.5	106.0	138.7
Other businesses	168.8	168.0	173.5
Operating Income	176.3	157.0	183.5
Transportation	121.7	105.0	125.1
Retail	5.2	6.0	7.0
Real estate	32.2	33.5	35.5
Other businesses	20.4	14.0	19.0
Recurring Profit	160.7	141.0	168.5
Profit attributable to owners of parent	91.2	91.5	109.0
Transportation Revenues	849.6	820.5	859.0
ROA	6.0%	5.5%	6.1%
ROE	10.0%	9.8%	11.1%
EBITDA	339.1	325.5	348.7

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

Operating Environment

# Operating Area Population and Gross Production

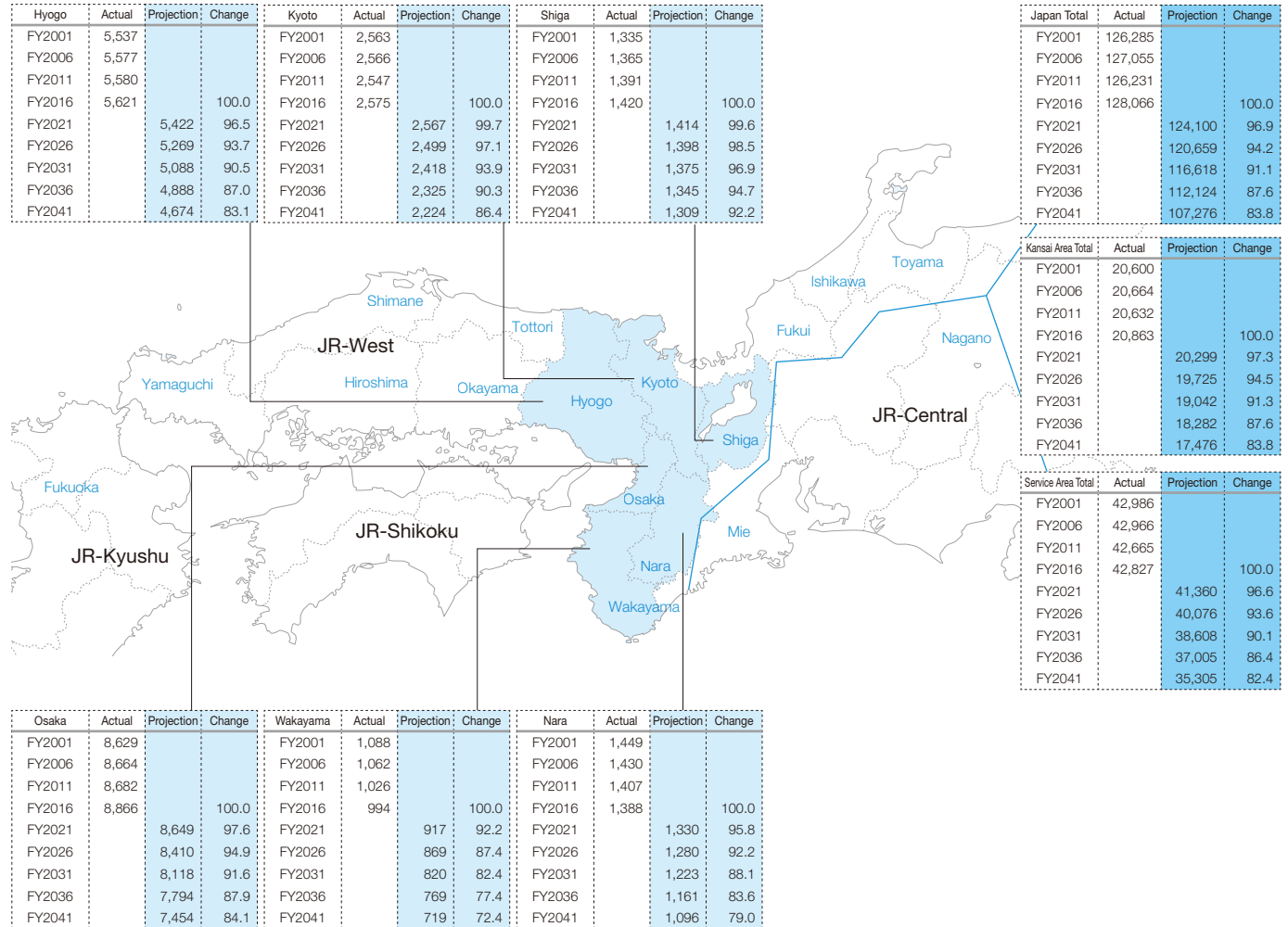
## POPULATION AND GROSS PRODUCTION

(Thousands of people; Billions of yen)

		Population (As of January 1, 2016)	Gross Production (FY ended March 31, 2014)	
Kansai Area	Shiga	1,420	5,968.1	
	Kyoto	2,575	9,825.4	
	Osaka	8,866	37,315.0	
	Hyogo	5,621	19,232.5	
	Nara	1,388	3,520.6	
	Wakayama	994	3,583.3	
	<b>Kansai Area Total</b>	<b>20,863</b>	<b>79,444.9</b>	
	Other Service Areas	Niigata	2,319	8,833.6
		Toyama	1,080	4,356.6
		Ishikawa	1,157	4,544.9
Fukui		799	3,127.1	
Nagano		2,138	7,752.2	
Mie		1,850	7,688.9	
Tottori		579	1,767.6	
Shimane		701	2,350.8	
Okayama		1,934	7,273.4	
Hiroshima		2,863	10,842.9	
Yamaguchi	1,420	5,778.9		
Fukuoka	5,122	18,189.9		
<b>Service Areas Total</b>	<b>42,827</b>	<b>161,951.6</b>		
Reference	Tokyo Area	36,141	163,836.2	
	Nagoya Area	11,436	50,256.2	
	Kyushu Area	13,171	43,905.1	
	<b>Japan</b>	<b>128,066</b>	<b>508,645.6</b>	

## MAP OF WEST JAPAN AND POPULATION GROWTH IN KANSAI AREA

(Thousands of people)



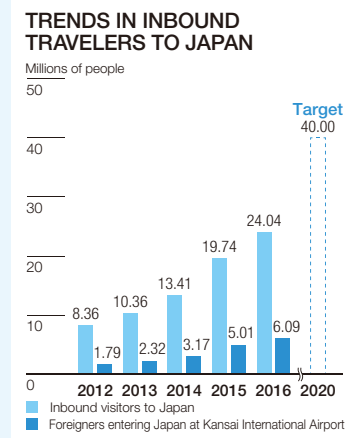
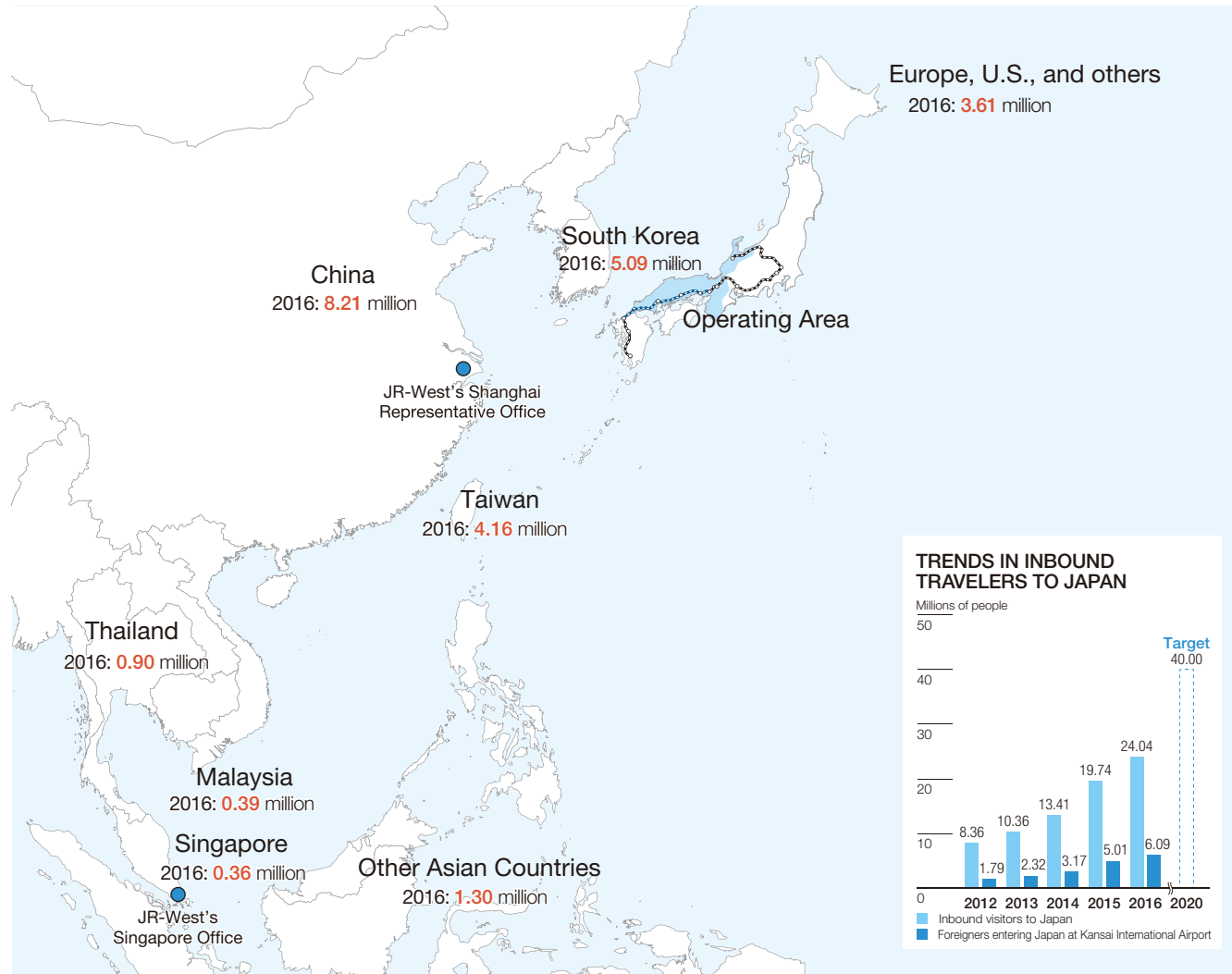
Note: Kansai Area: Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama  
 Tokyo Area: Tokyo, Kanagawa, Saitama, Chiba  
 Nagoya Area: Aichi, Gifu, Mie  
 Kyushu Area: Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima  
 Source: Ministry of Internal Affairs and Communications, Cabinet Office

Note: FY2001, etc., refer to the fiscal years ending March 2001, etc.  
 Source: Actual: Directory of population, Ministry of Internal Affairs and Communications  
 Projection: Population Projections by Prefecture (March 2013), National Institute of Population and Social Security Research

Operating Environment

# Demand from Inbound Travel

## INBOUND VISITORS TO JAPAN BY REGION



Source: Japan Tourism Agency, Japan National Tourism Organization, Ministry of Justice

## VISITING RATE BY PREFECTURE (CY2016 result)

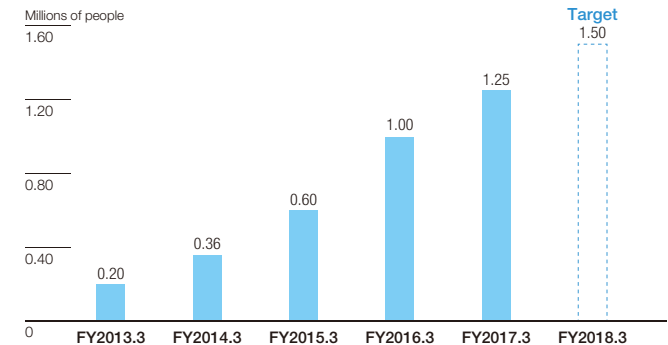
Quantity of responses: 39,956, Check all that apply

Ranking	Prefecture	Visiting rate %
1	Tokyo	48.2
2	Chiba	39.7
3	Osaka	39.1
4	Kyoto	27.5
5	Fukuoka	9.9
6	Kanagawa	9.6
7	Aichi	9.5
8	Hokkaido	7.8
9	Nara	6.9
10	Okinawa	6.7
11	Hyogo	6.2
⋮	⋮	⋮
15	Hiroshima	3.5

Note: Blue shaded areas are JR-West's operating area.

Source: Japan Tourism Agency

## TRENDS IN PEOPLE USING JR-WEST\*



\* People using JR-West: Indicates number of users of exclusive products for inbound tourism (amount of sales and exchange in the JR-West service area)

Operating Environment

# Airport and Expressway Networks As of March 31, 2017

Tokyo — Fukuoka

	Travel Time	Fare (¥)	Frequency
Shinkansen	4h 46m	22,950	31
Airlines	3h 00m	41,390	54 (19)

Travel Time and Fare: JAL or ANA  
Frequency: All airlines. Numbers in parentheses are frequency excluding those of JAL or ANA.

Tokyo — Hiroshima

	Travel Time	Fare (¥)	Frequency
Shinkansen	3h 44m	19,080	45.5
Airlines	3h 30m	34,890	17

Tokyo — Okayama

	Travel Time	Fare (¥)	Frequency
Shinkansen	3h 09m	17,340	60
Airlines	3h 10m	33,990	10

Tokyo — Kanazawa

	Travel Time	Fare (¥)	Frequency
Shinkansen	2h 28m	14,120	24
Airlines	2h 50m	24,890	10

Tokyo — Toyama

	Travel Time	Fare (¥)	Frequency
Shinkansen	2h 08m	12,730	24
Airlines	2h 30m	24,890	4

Kyoto-Osaka-Kobe Metropolitan Area — Kumamoto

	Travel Time	Fare (¥)	Frequency
Shinkansen	2h 57m	18,850	23
Airlines	3h 00m	26,300	10 (1)

Travel Time and Fare: JAL or ANA  
Frequency: All airlines. Numbers in parentheses are frequency excluding those of JAL or ANA.

Kyoto-Osaka-Kobe Metropolitan Area — Kagoshima

	Travel Time	Fare (¥)	Frequency
Shinkansen	3h 41m	22,210	22
Airlines	3h 10m	30,000	18 (5)

Travel Time and Fare: JAL or ANA  
Frequency: All airlines. Numbers in parentheses are frequency excluding those of JAL or ANA.

Kyoto-Osaka-Kobe Metropolitan Area — Fukuoka

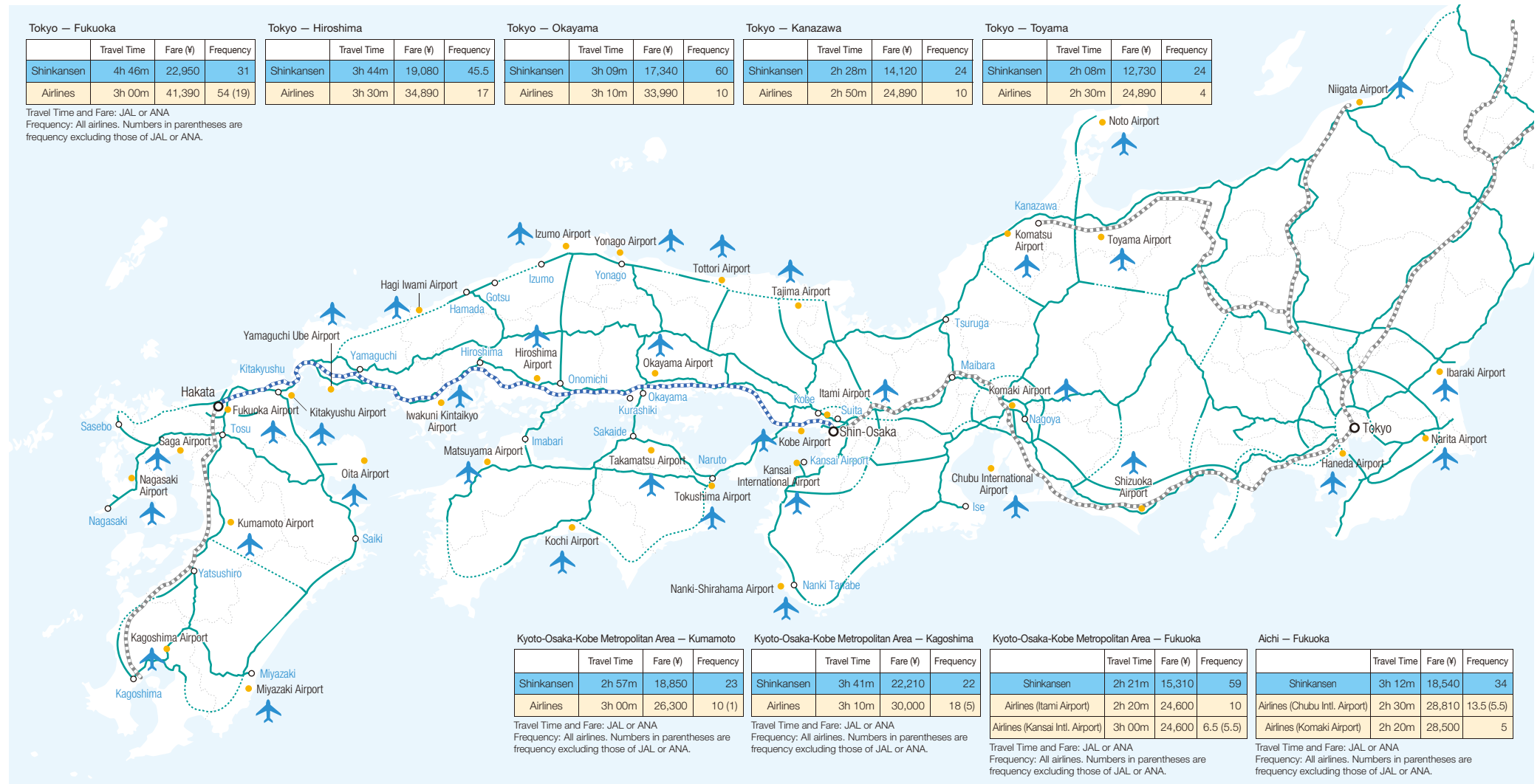
	Travel Time	Fare (¥)	Frequency
Shinkansen	2h 21m	15,310	59
Airlines (Itami Airport)	2h 20m	24,600	10
Airlines (Kansai Intl. Airport)	3h 00m	24,600	6.5 (5.5)

Travel Time and Fare: JAL or ANA  
Frequency: All airlines. Numbers in parentheses are frequency excluding those of JAL or ANA.

Aichi — Fukuoka

	Travel Time	Fare (¥)	Frequency
Shinkansen	3h 12m	18,540	34
Airlines (Chubu Intl. Airport)	2h 30m	28,810	13.5 (5.5)
Airlines (Komaki Airport)	2h 20m	28,500	5

Travel Time and Fare: JAL or ANA  
Frequency: All airlines. Numbers in parentheses are frequency excluding those of JAL or ANA.



● Airport   ■ Shinkansen [Expressway]   — Already constructed   - - - Under construction or at planning stage

Notes

- Travel time for the Shinkansen is the shortest on Nozomi, Mizuho, and Kagayaki trains. Travel time for the airlines is an estimate. For airlines, in addition to the travel time required from the airport to the city center, the calculation includes 10 minutes of travel time between the Airport Limousine Bus or station nearest the airport to the boarding gate, 20 minutes of waiting time at the boarding gate, and 10 minutes from the gate to the Airport Limousine Bus or station nearest the airport.
- Fare for the Shinkansen is the regular Nozomi, Mizuho, and Kagayaki fare, and for airlines is the regular fare. The cost includes the passenger facilities usage fee for airports (¥290 for Haneda Airport and ¥310 for Chubu Intl. Airport).



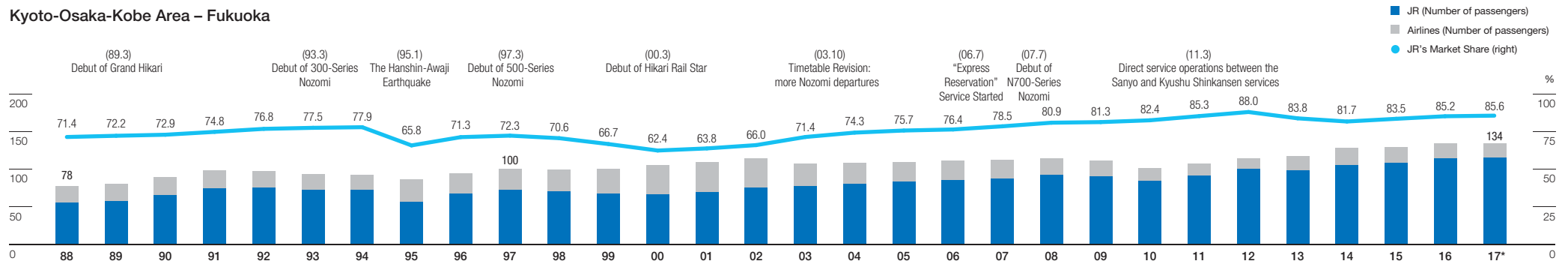
Business

# Sanyo Shinkansen Line / Shinkansen Versus Airlines

Years ended March 31

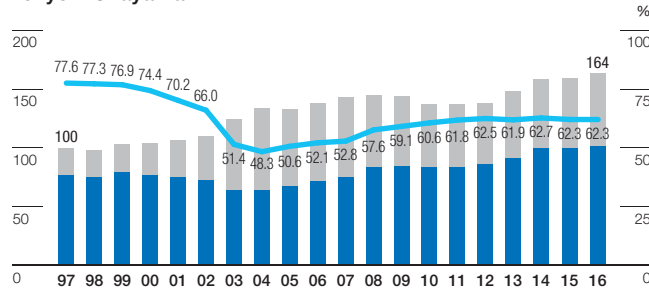
## SHARE OF PASSENGER MARKET – SHINKANSEN VERSUS AIRLINES

### Kyoto-Osaka-Kobe Area – Fukuoka

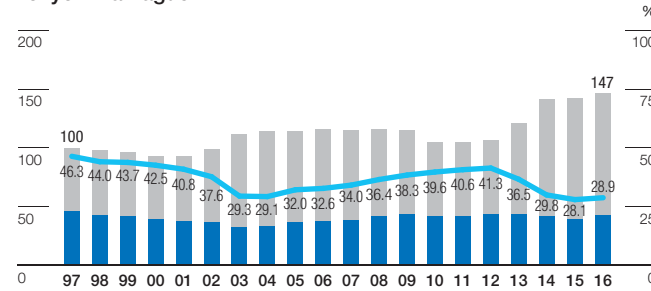


Kyoto-Osaka-Kobe Area: Kyoto, Osaka, and Hyogo Prefecture  
\* Figures for the fiscal year ended March 2017 are preliminary.

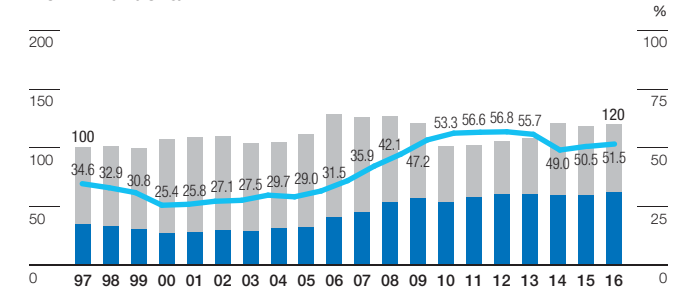
### Tokyo – Okayama



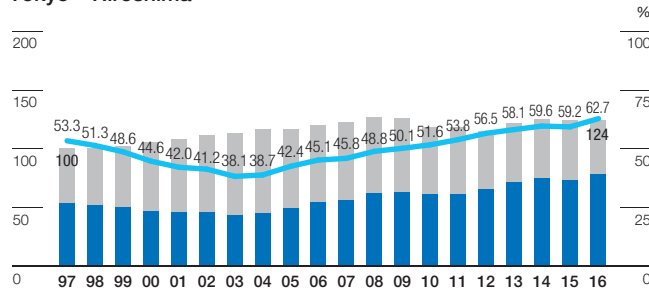
### Tokyo – Yamaguchi



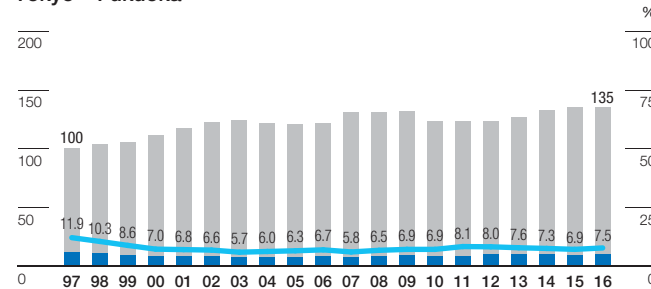
### Aichi – Fukuoka



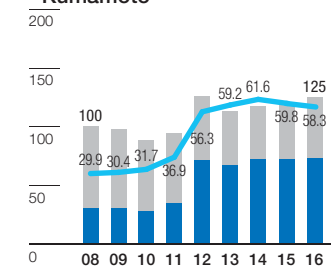
### Tokyo – Hiroshima



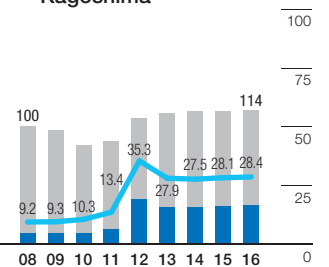
### Tokyo – Fukuoka



### Kyoto-Osaka-Kobe Area – Kumamoto



### Kyoto-Osaka-Kobe Area – Kagoshima



Note: Each vertical graph bar represents the number of passengers using JR and the number of passengers using airlines; the bars indicate the total number of passengers using JR or using airlines compared to the base year index of 100 (the fiscal year ended March 1997). For the Kyoto-Osaka-Kobe area to Kumamoto and Kagoshima, the base year index of 100 (the fiscal year ended March 2008).  
Source: Ministry of Land, Infrastructure, Transport and Tourism

Business

# Development of New Shinkansen Lines (Hokuriku Shinkansen Line)

## FIVE NEW SHINKANSEN LINES PROPOSED IN 1973 UNDER THE NATIONWIDE SHINKANSEN RAILWAY DEVELOPMENT LAW

Line	Lines in Operation	Approved Zone for Construction Implementation Plan	Expense Burden
Tohoku (Morioka–Aomori)	Morioka — Shin-Aomori (opened in December 2010, 178km)		
Hokuriku (Tokyo–Osaka)	Takasaki — Nagano (opened in October 1997, 117km) Nagano — Kanazawa (opened in March 2015, 228km)	Kanazawa — Tsuruga (125km)	<ul style="list-style-type: none"> <li>Central government (existing Shinkansen transfer revenues, public utilities expenses)</li> <li>Local governments (one-half of the central government)</li> <li>JR (usage fees with the upper limit to be determined by the range of expected benefits)</li> </ul>
Hokkaido (Aomori–Sapporo)	Shin-Aomori — Shin-Hakodate-Hokuto (opened in March 2016, 149km)	Shin-Hakodate-Hokuto — Sapporo (211km)	
Kyushu (Fukuoka–Kagoshima)	Hakata — Kagoshima-Chuo (opened in March 2011, 289km)		
Kyushu (Fukuoka–Nagasaki)		Takeo-Onsen — Nagasaki (66km)	

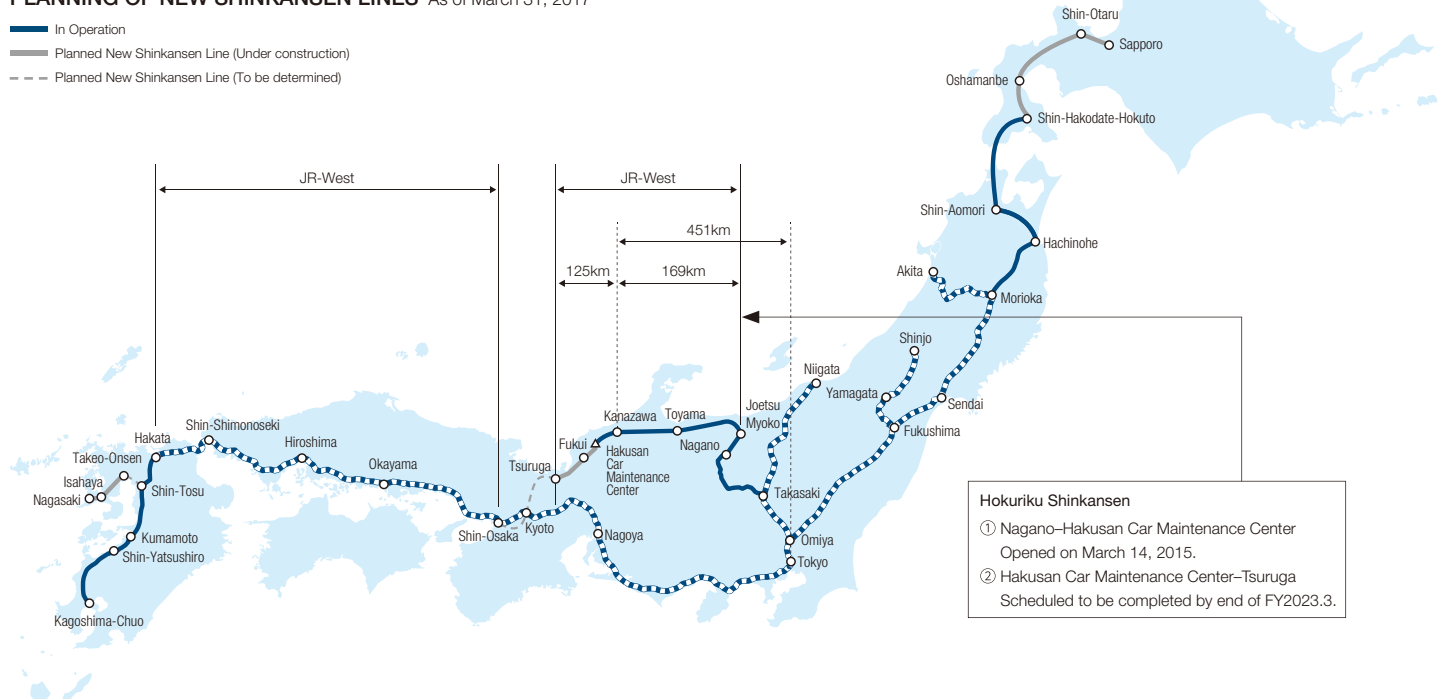
### TRAVEL TIME AND MARKET SHARE

	JR		Airlines <sup>*3</sup>	JR market share before opening <sup>*4</sup>
	Before opening <sup>*1</sup>	After opening <sup>*2</sup>		
Ishikawa — Kanto region	About 3h 50m	2h 28m	About 2h 50m	38.3%
Toyama — Kanto region	About 3h 10m	2h 08m	About 2h 30m	61.5%

\*1. Using the Joetsu Shinkansen and Hakutaka limited express train  
 \*2. Time required for fastest "Kagayaki"  
 \*3. Includes airport access and egress time  
 \*4. Source: Statistical survey of Ministry of Land, Infrastructure, Transport and Tourism (FY2014.3, preliminary)

### PLANNING OF NEW SHINKANSEN LINES As of March 31, 2017

- In Operation
- Planned New Shinkansen Line (Under construction)
- - - Planned New Shinkansen Line (To be determined)



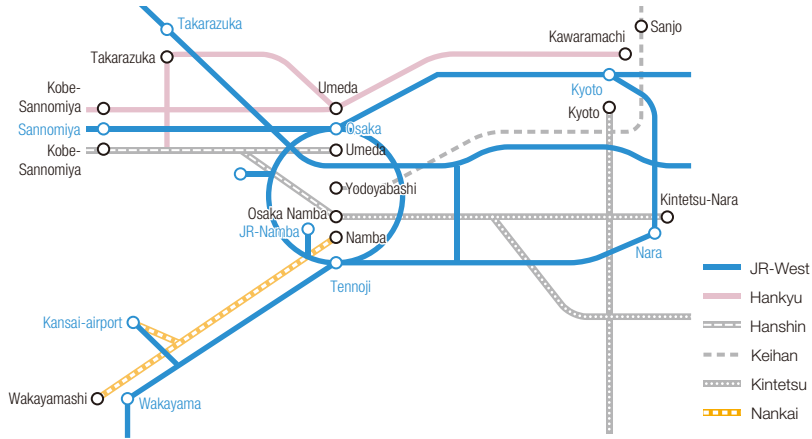
Note: Hakusan Car Maintenance Center is located from Kanazawa station to the west about 12 kilometers.

Business

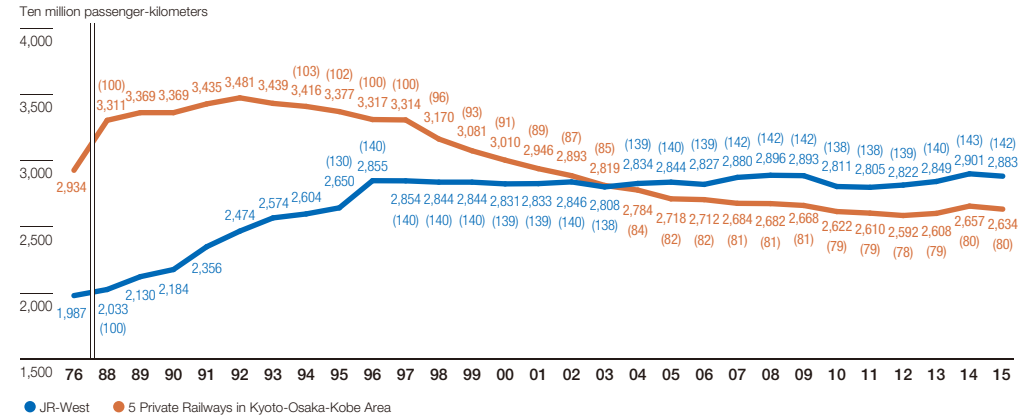
# Kansai Urban Area

Kyoto-Osaka-Kobe Area

## MAJOR LINES IN KYOTO-OSAKA-KOBE AREA



## TRAFFIC VOLUME (Years ended March 31)



Note: Figures in parentheses are indexed at the fiscal year ended March 1988 = 100.

## COMPARISON WITH 5 PRIVATE RAILWAYS IN KYOTO-OSAKA-KOBE AREA

Route	Railway Company	Distance (km)	Normal Fare (¥)	Train Pass Charges (Business Commuters)		Travel Time (min.)
				Monthly Pass (¥)	Six-month Pass (¥)	
Osaka-Kyoto	JR-West	42.8	560	16,530	79,310	28
	Hankyu (Umeda-Kawaramachi)	47.7	400	15,510	83,760	42
	Keihan (Yodoyabashi-Sanjo)	49.3	410	15,370	83,000	47
Osaka-Sannomiya	JR-West	30.6	410	12,300	59,090	20
	Hankyu (Umeda-Kobe-Sannomiya)	32.3	320	12,840	69,340	27
	Hanshin (Umeda-Kobe-Sannomiya)	31.2	320	12,840	69,340	31
Osaka-Takarazuka	JR-West	25.5	330	10,040	48,210	24
	Hankyu (Umeda-Takarazuka)	23.3	280	11,140	60,160	30
Tennoji-Nara	JR-West	37.5	470	14,260	68,420	33
	Kintetsu (Osaka Namba-Kintetsu-Nara)	32.8	560	19,600	105,840	36[34]*1
Tennoji-Wakayama	JR-West	61.3	860	25,460	124,420	60[40]*2
	Nankai (Namba-Wakayamashi)	64.2	920	25,770	139,160	58
Tennoji	JR-West	46.0	1,060	29,090	152,550	47[30]*3
-Kansai-airport	Nankai (Namba-Kansai-airport)	42.8	920	31,920	172,370	43[36]*

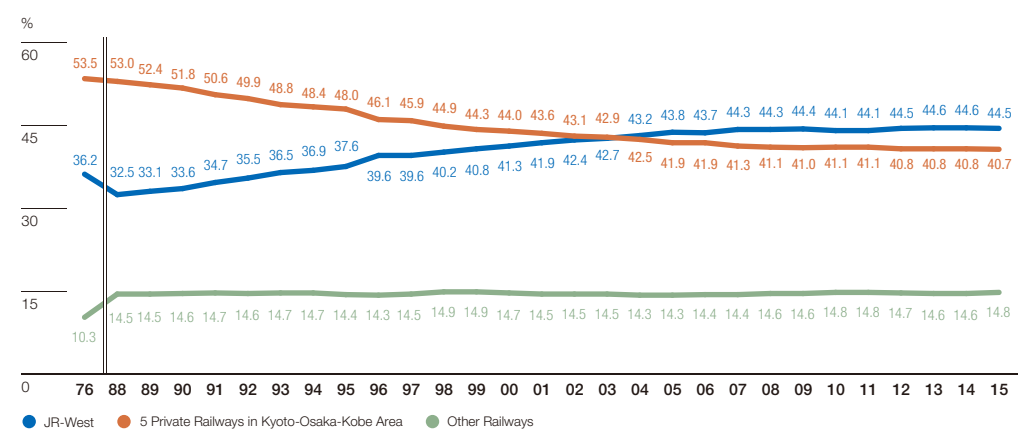
Note: Travel time assumes the fastest possible method in the daytime on a weekday.

\*1 [ ] denotes the travel time by Limited Express. Express charge (¥510) is required.

\*2 [ ] denotes the travel time by Limited Express. Express charge (reserved seats in normal cars: ¥1,490) is required.

\*3 [ ] denotes the travel time by Limited Express. Express charge (reserved seats in normal cars: ¥1,170) is required.

## MARKET SHARE Traffic Volume Base (Years ended March 31)

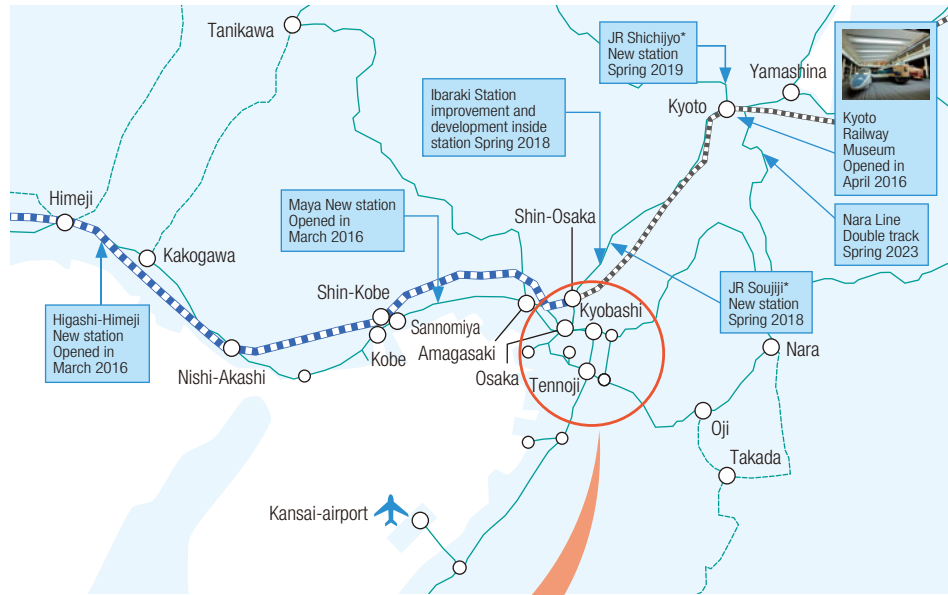


Note: 5 private railways in Kyoto-Osaka-Kobe area: Hankyu, Hanshin, Keihan, Kintetsu, and Nankai

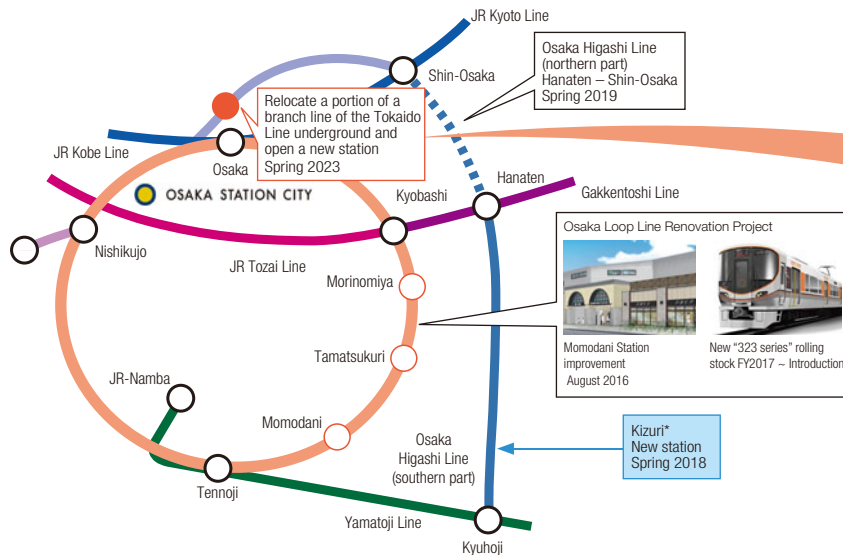
Business

# Development in Kansai Urban Area

## DEVELOPMENT in KANSAI URBAN AREA \*New station names are provisional. (As of May 2017)



## DEVELOPMENT in OSAKA LOOP LINE AREA



## MAJOR PROJECTS

- Relocate a portion of a branch line of the Tokaido Line underground and open a new station

### Project overview

- Total cost: approx. 69.0 billion yen
- Length: approx. 2.4 km
- New station plan: underground station with two unattached platforms and four train lines

### Project leaders

- Construction: City of Osaka, West Japan Railway Company
- Operations: West Japan Railway Company

### Project timeline

- Nov. 2015 Construction started
- Spring 2023 Scheduled switchover to underground operations and opening of a new station

- Osaka Higashi Line construction project

### Project overview

- Total cost: Approx. 120.0 billion yen (excl. opening of new stations)
- Length: Approx. 20.3 km
- No. of stations: 14 (incl. existing stations)

### Project leaders

- Construction: Osaka Soto-Kanjo Railway Co., Ltd.
- Operations: West Japan Railway Company

### Project timeline

- Jun. 1999 Construction started on southern part (Hanaten-Kyuhoji)
- Nov. 2007 Construction started on northern part (Shin Osaka-Hanaten)
- Mar. 2008 Opening of southern part (Hanaten-Kyuhoji) (9.2 km)
- Spring 2019 Scheduled opening of northern part (Shin Osaka-Hanaten) (11.1 km)

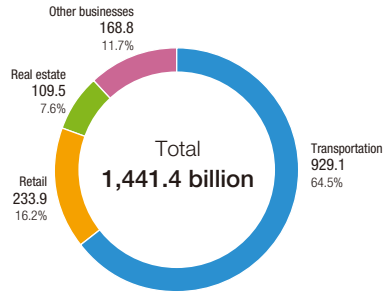


Business

# Non-Transportation Operations (Financial Overview) Years ended March 31

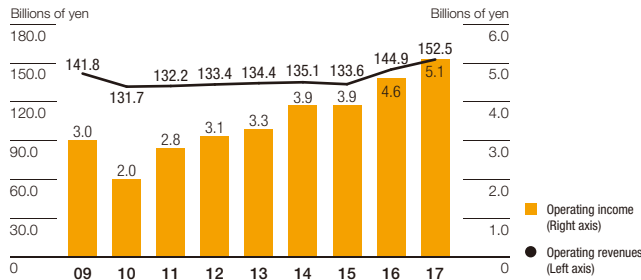
## OPERATING REVENUES BY SEGMENT

Year ended March 31, 2017 (Billions of yen)

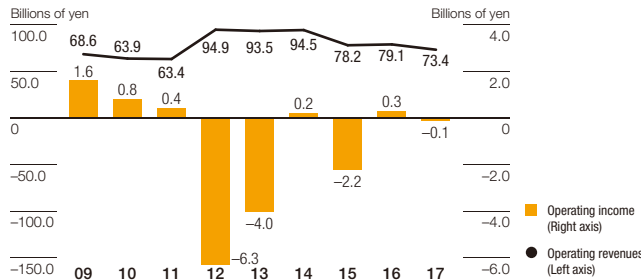


Retail

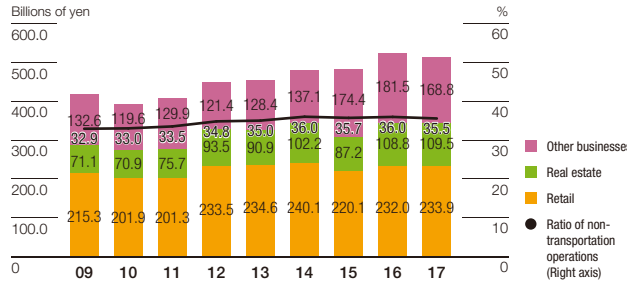
## SALES OF GOODS AND FOOD SERVICES



## DEPARTMENT STORE

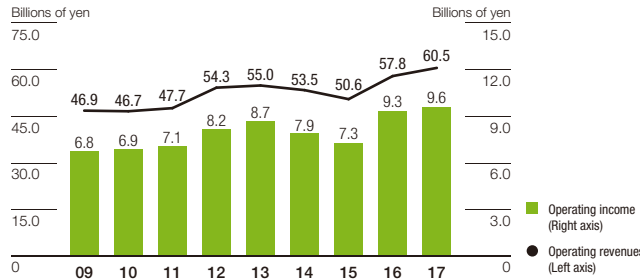


## OPERATING REVENUES OF NON-TRANSPORTATION OPERATIONS

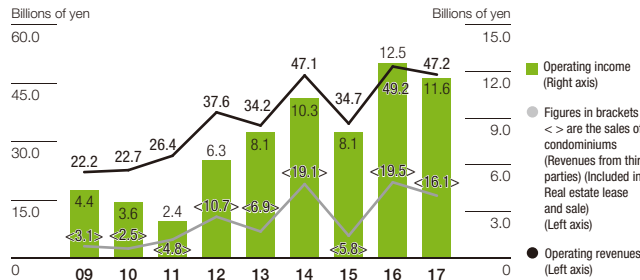


Real estate

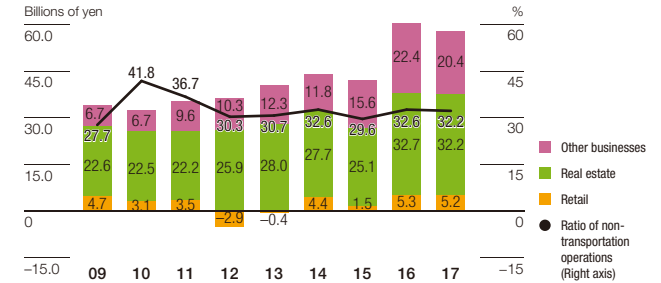
## SHOPPING CENTER OPERATIONS



## REAL ESTATE LEASE AND SALE

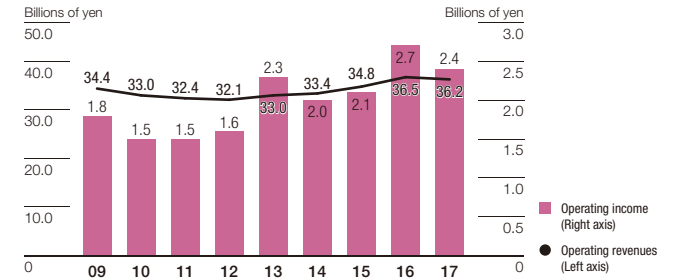


## OPERATING INCOME OF NON-TRANSPORTATION OPERATIONS

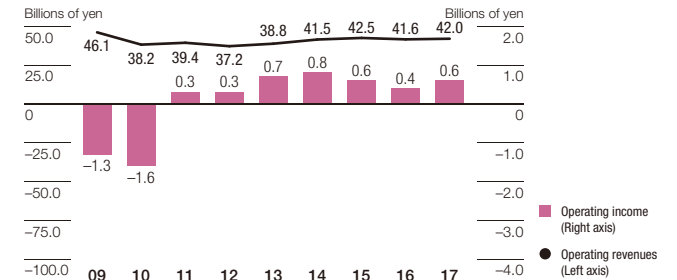


Other businesses

## HOTELS



## TRAVEL AGENCY



Notes: 1. Operating revenues are the revenues from third parties (= customers). The breakdown of operating revenues by each segment is the sum of revenues of major subsidiaries.  
2. The breakdown of operating income by each segment is the sum of incomes of major subsidiaries before eliminating internal transactions.

Business

# Non-Transportation Operations (Retail Business) As of March 31, 2017

## Sales of Goods and Food Services

Business	Names of major stores	No. of stores	Overview
Sales of Goods	Seven-Eleven ①	335	Seven-Eleven franchised stores
	Eki Marché ②	3	Commercial facilities inside stations
	episode	17	Variety and general goods stores inside stations
	Garland of Dew	9	Selected accessory shops
Food Services	DELI CAFE	13	Self-service cafés
	ESTACIÓN CAFÉ	9	Full-service cafés inside stations
	KARAFUNEYA COFFEE	9	Urban full-service cafés
	Menya	20	Fast food noodle shops
	Tabi Bento	10	Shops specializing in train station boxed lunches
Other	VIA INN ③	17	Accommodation-oriented budget hotels

### ③ VIA INN details

Name	Opened	Rooms
1 VIA INN Shimonoseki *1	Mar. 1996	195
2 VIA INN Shin Osaka	July 1998	226
3 VIA INN Shin Osaka West	Mar. 2001	433
4 VIA INN Himeji	Oct. 2002	211
5 VIA INN Hiroshima	Apr. 2004	256
6 VIA INN Kyoto Shijo Muromachi	Apr. 2007	239
7 VIA INN Kanazawa	June 2007	206
8 VIA INN Tokyo Oimachi	July 2009	509
9 VIA INN Akihabara	Mar. 2011	283

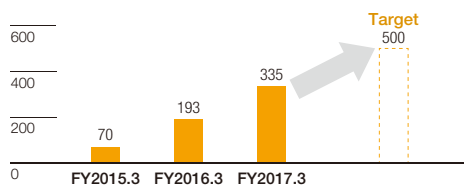
Name	Opened	Rooms
10 VIA INN Shinsaibashi	Apr. 2011	205
11 VIA INN Shinjuku	Feb. 2012	226
12 VIA INN Higashi Ginza	Mar. 2012	297
13 VIA INN Okayama	Oct. 2012	251
14 VIA INN Nagoya Shinkansen Gate	July 2013	238
15 VIA INN Shinsaibashi Nagahoridori	June 2014	150
16 VIA INN Asakusa*2	June 2014	190
17 VIA INN Hiroshima Kanayamacho*2	June 2014	156

\*1 Unconsolidated business  
\*2 Other Business segment

## Department Store

Major Store	Opened	Commercial floor space	Comments
JR Kyoto Isetan	Sept. 1997	Approx. 44,200 m <sup>2</sup>	Including the commercial facility inside stations SUVACO

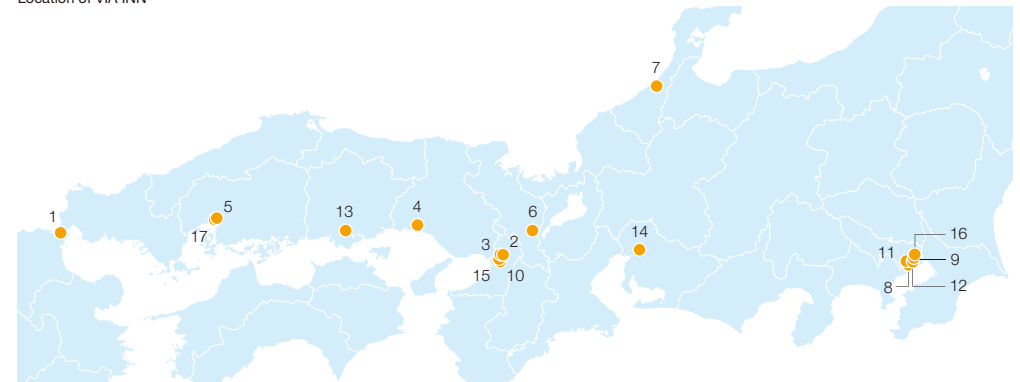
### ① Number of Seven-Eleven franchised stores



### ② Eki Marché details

Name	Opened	Floor space
Eki Marché Takarazuka	Mar. 2010	Approx. 900 m <sup>2</sup>
Eki Marché Osaka	Oct. 2012	Approx. 5,500 m <sup>2</sup>
Eki Marché Shin-Osaka	Mar. 2015	Approx. 2,200 m <sup>2</sup>

Location of VIA INN



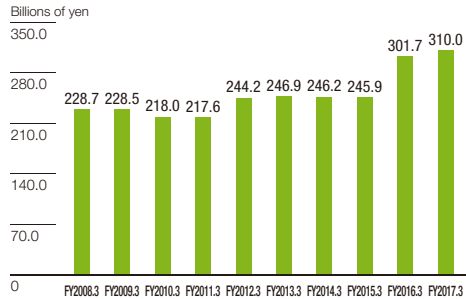
Business

# Non-Transportation Operations (Real Estate Business) As of March 31, 2017

## Shopping Center Operations

Shopping Centers (No. of facilities: 43)

SC tenant revenues



Note: Includes other segments and unconsolidated SC.

List of major SC

SC name	Date opened	Floor space
MARIER Toyama	Sept. 1987	9,600 m <sup>2</sup>
Kanazawa Hyakubangai	Mar. 1991	18,000 m <sup>2</sup>
Prism Fukui	Apr. 2005	2,700 m <sup>2</sup>
Kyoto Station Building Shop Street The CUBE	Oct. 1952	5,500 m <sup>2</sup>
Shopping Mall Kyoto Porta	Nov. 1980	10,200 m <sup>2</sup>
ardel SHIN-OSAKA	Feb. 1965	5,100 m <sup>2</sup>
LUCUA osaka	May 2011	53,300 m <sup>2</sup>
EST	Nov. 1981	6,800 m <sup>2</sup>

SC name	Date opened	Floor space
ALBi Osaka	June 2011	3,000 m <sup>2</sup>
Tennoji MIO	Sept. 1995	40,000 m <sup>2</sup>
Wakayama MIO	Mar. 1968	7,300 m <sup>2</sup>
MONtetMER	Oct. 1980	10,500 m <sup>2</sup>
Liv	Mar. 1989	14,200 m <sup>2</sup>
PLICO ROKKOMICHI	Nov. 1996	5,000 m <sup>2</sup>
piole AKASHI	Dec. 1964	9,200 m <sup>2</sup>
piole HIMEJI	Dec. 2008	23,000 m <sup>2</sup>

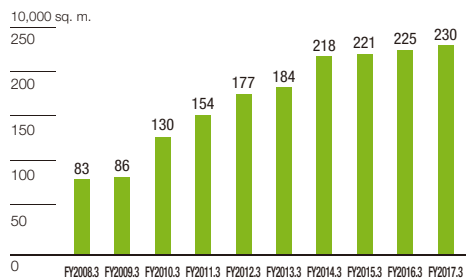
SC name	Date opened	Floor space
Okayama Ichi Ban Gai	Aug. 1974	8,400 m <sup>2</sup>
SUN STATION TERRACE OKAYAMA	Oct. 2006	8,200 m <sup>2</sup>
SUN STATION TERRACE FUKUYAMA	Nov. 2007	10,100 m <sup>2</sup>
SHAMINE MATSUE*	Oct. 1978	4,500 m <sup>2</sup>
SHAMINE TOTTORI*	Oct. 1979	2,600 m <sup>2</sup>
SOUVENIR SHOP & RESTAURANT (Hiroshima Station)	Mar. 1975	3,000 m <sup>2</sup>
ASSE	Mar. 1965	10,000 m <sup>2</sup>
ripie SHIMONOSEKI	Mar. 2014	2,500 m <sup>2</sup>

\* Retail Business Segment

## Real Estate Lease and Sale

Development of station buildings and surrounding areas of stations (No. of facilities: 77)

Leasing space



List of major facilities

Commercial facilities

Facility name	Date opened	Floor space
VIERRA Otsu	Oct. 2016	2,200 m <sup>2</sup>
VIERRA Nara	Mar. 2012	5,300 m <sup>2</sup>
VIERRA Tsugaguchi	Apr. 2016	5,400 m <sup>2</sup>
VIERRA Morinomiya	Sept. 2013	4,000 m <sup>2</sup>
VIERRA Momodani	Aug. 2016	1,000 m <sup>2</sup>
VIERRA Kobe	Dec. 2003	6,600 m <sup>2</sup>
VIERRA Himeji	Dec. 2011	2,100 m <sup>2</sup>

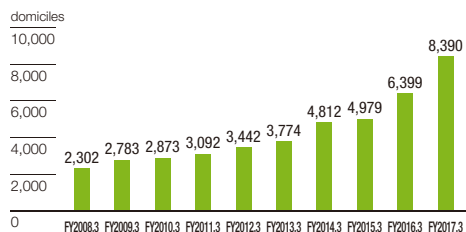
Office buildings

Facility name	Date opened	Floor space
JR Kanazawa Station West Gate No.1 NK Building	June 2014	9,600 m <sup>2</sup>
Shin-Osaka Station Front Chuo Building	Feb. 1975	31,000 m <sup>2</sup>
North Gate Building (Office)	May 2011	21,000 m <sup>2</sup>
JR Amagasaki Station West Gate NK Building	Apr. 2003	6,500 m <sup>2</sup>
JR Amagasaki Station North Gate NK Building	July 2009	13,600 m <sup>2</sup>
JR Kobe Station NK Building	Apr. 1968	14,300 m <sup>2</sup>
Hiroshima Inarimachi NK Building	May 1970	17,300 m <sup>2</sup>



## Condominiums and detached houses

Number of condominiums completed (cumulative)



Note: Does not take into account business shares in joint ventures.

Major recent condominium properties

Property name	Date of delivery	Total units
J.GRAN L SAKAI	Sept. 2015-	135
KYOTO KATSURAGAWA GRAN SQUARE	Sept. 2015-	431
KYOTO KATSURAGAWA MARK SQUARE	Mar. 2016-	162
J.GRAN L IBARAKI	Mar. 2016-	283
TSUKAGUCHI MARK FRONT	Mar. 2016-	247

Property name	Date of delivery	Total units
Maya City COMFORT	Mar. 2016-	105
GRACIA CITY KAWASAKI DAISHIGAWARA	Mar. 2016-	558
BRANZ CITY TENJUBASHISUJI 6-CHOME	Mar. 2017-	420
KYOTO KATSURAGAWA BRIGHT SQUARE	Mar. 2017-	404
TSUKAGUCHI MARK FOREST	Mar. 2017-	587

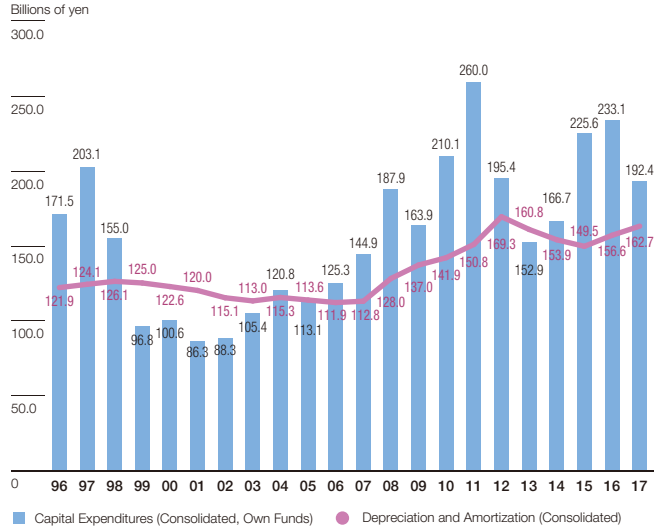


Data

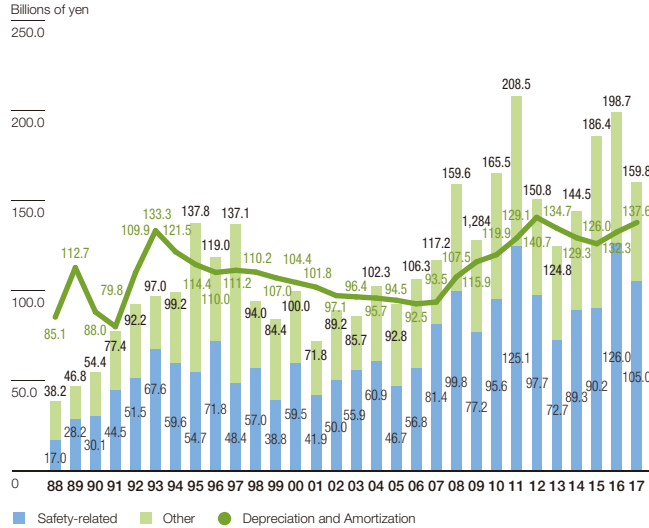
# Uses of Cash Flows

## Capital Expenditures (Consolidated, Non-Consolidated)

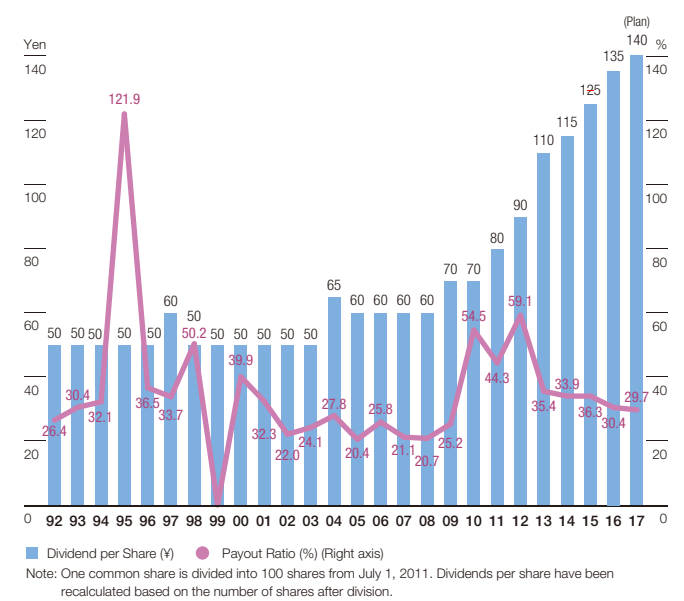
### CAPITAL EXPENDITURES (Consolidated, Own Funds) Years ended March 31



### CAPITAL EXPENDITURES (Non-Consolidated, Own Funds) Years ended March 31

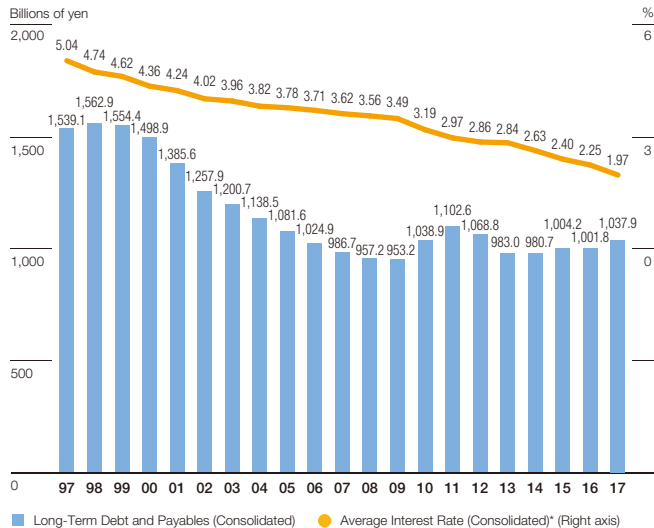


## Dividends Years ended March 31

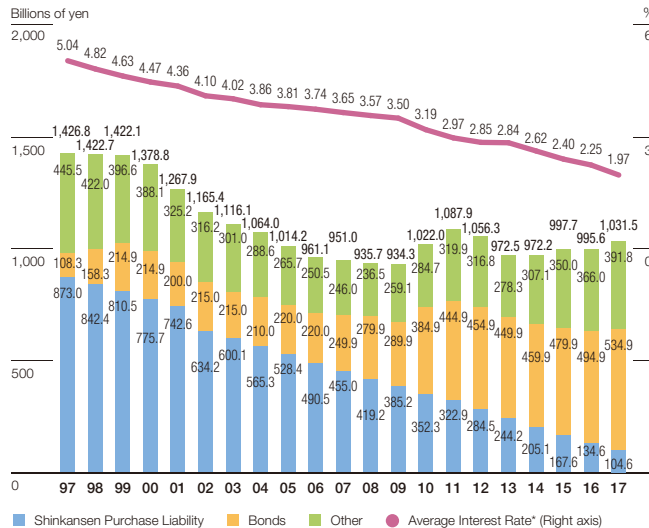


## Long-Term Debt and Payables (Consolidated, Non-Consolidated)

### LONG-TERM DEBT AND PAYABLES (Consolidated) As of March 31



### LONG-TERM DEBT AND PAYABLES (Non-Consolidated) As of March 31



## BREAKDOWN OF SHINKANSEN PURCHASE LIABILITY

(Fiscal year ended March 2017)

No.	Liability Balance Billions of yen	Interest Rate %	Term Years	Payment Recipient
No. 1	—	—	25.5 until Mar. 2017	Japan Railway Construction, Transport and Technology Agency
No. 2	—	—	25.5 until Mar. 2017	Japan Railway Construction, Transport and Technology Agency
No. 3	104.6	Fixed 6.55	60 until Sept. 2051	Japan Railway Construction, Transport and Technology Agency

\* Average interest rate before FY ended March 1999 was calculated as follows:

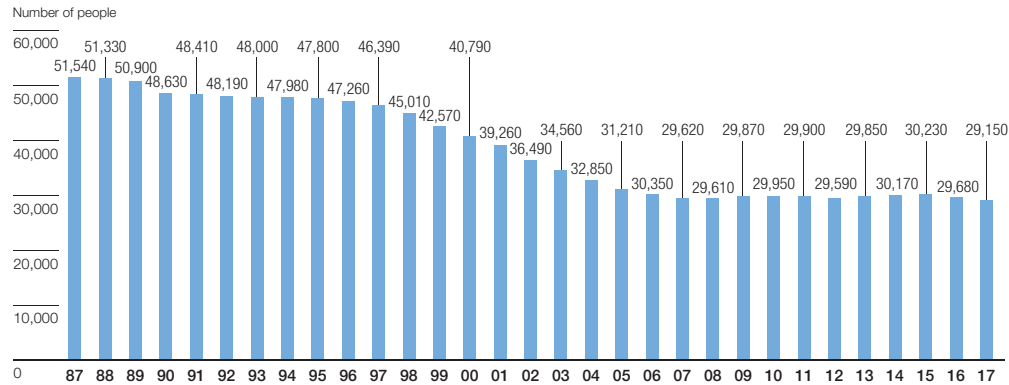
Average Interest Rate = [Interest Expenses + Interest on Bonds] / [(Long-term Debt and Payables at the end of the previous fiscal year + Long-term Debt and Payables at the end of the fiscal year under review) / 2]



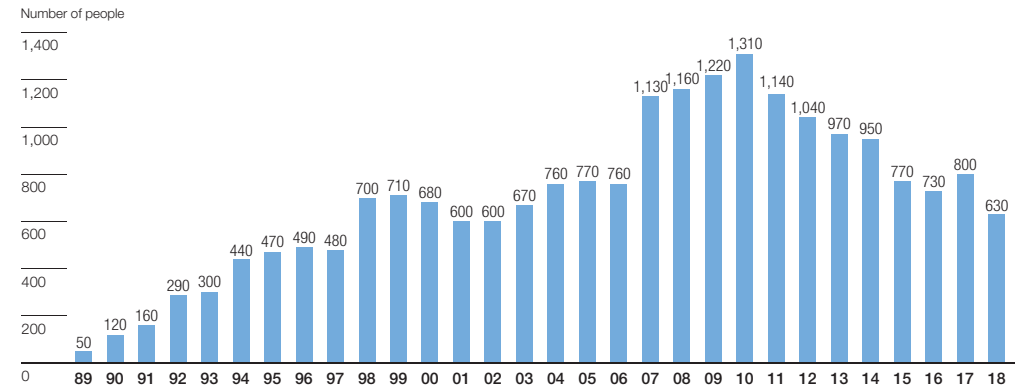
Data

# Employees (Consolidated, Non-Consolidated)

## NUMBER OF EMPLOYEES (Non-Consolidated) As of April 1

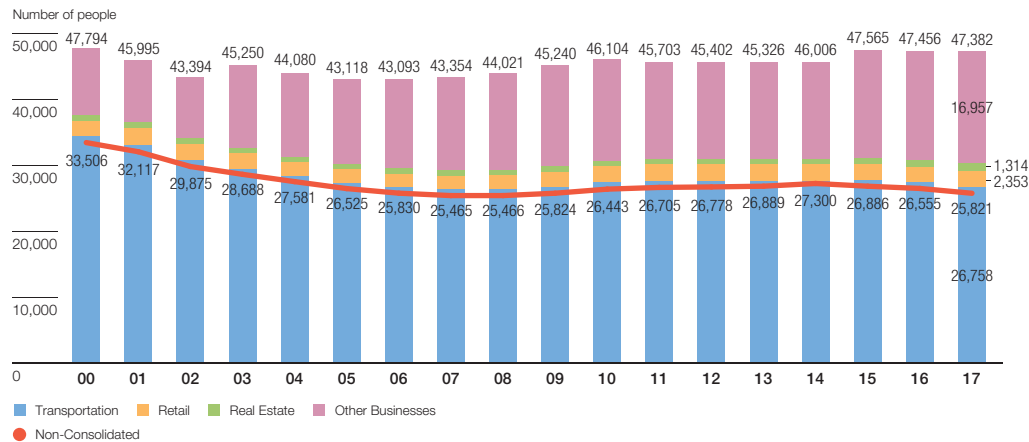


## NEW EMPLOYEES (Non-Consolidated) FY ended March 31

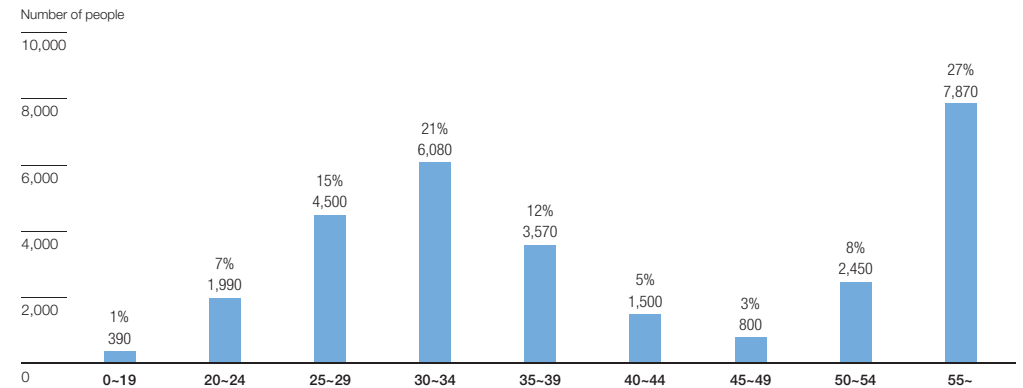


Note: Beginning the fiscal year ended March 2007, a new personnel system was adopted that promoted contract employees during the year to the status of full employees. These employee figures have been included in the fiscal year ended March 2007 and for years thereafter.  
(Please note, however, that in the fiscal year ending March 2018, this figure represents employees who joined the Company on April 1, 2017.)  
The employee figures do not include medical-related employees (doctors, technicians, nurses, etc.) and specialist employees recruited mid-career.

## NUMBER OF EMPLOYEES AT WORK (Consolidated) As of March 31



## AGE DISTRIBUTION (Non-Consolidated) As of April 1, 2017



## Data

## Management Indicators Years ended March 31



	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06	07	08	09	10	11	12 <sup>9</sup>	13	14	15	16	17
<b>Consolidated</b>																										
Operating Income Ratio (%)	12.3	13.6	12.7	9.3	12.5	11.3	9.6	9.8	9.0	9.4	9.9	10.5	10.4	10.9	10.9	10.7	10.7	9.6	6.4	7.9	8.5	10.0	10.1	10.4	12.5	12.2
Recurring Profit Ratio (%)	6.6	5.5	5.3	2.2	5.2	5.1	3.9	4.3	4.0	4.7	5.9	6.8	7.1	7.9	8.2	8.2	8.4	7.4	4.0	5.7	6.4	8.1	8.5	9.0	11.2	11.2
Return on Operating Revenues (%)	3.5	3.0	2.8	0.8	2.3	2.9	1.6	(0.7)	2.1	2.6	3.8	3.6	3.9	4.8	3.8	4.5	4.5	4.3	2.1	2.9	2.3	4.6	4.9	4.9	5.9	6.3
Return on Total Assets (ROA) (%)* <sup>1</sup>	7.1	6.2	5.9	4.1	5.7	5.2	4.5	4.5	4.2	4.4	4.7	5.1	5.2	5.6	5.7	5.7	5.6	5.0	3.1	3.7	4.1	4.9	5.1	5.1	6.4	6.0
Return on Equity (ROE) (%)* <sup>2</sup>	16.4	13.0	11.3	2.9	9.4	11.5	6.1	(2.8)	7.6	8.1	11.0	9.8	10.2	11.8	8.5	9.7	9.3	8.4	3.7	5.2	4.2	8.3	8.6	8.4	10.2	10.0
Current Ratio (%)	57.4	63.4	69.1	69.7	54.9	58.5	48.5	47.4	49.4	53.0	42.5	41.3	37.1	43.1	38.4	42.8	38.2	40.9	52.1	53.8	44.1	47.7	55.3	69.0	65.1	64.5
Equity Ratio (%)	10.2	11.1	11.9	11.0	11.6	12.1	12.6	12.1	13.6	16.1	17.0	18.1	19.9	22.2	23.9	25.3	25.9	26.7	26.3	25.8	26.6	28.5	29.2	28.8	30.9	31.3
Debt-Equity Ratio (times)* <sup>3</sup>	6.6	5.8	5.2	5.5	5.0	4.7	4.7	5.0	4.3	3.3	3.1	2.7	2.4	2.1	1.8	1.6	1.5	1.5	1.6	1.6	1.5	1.3	1.3	1.3	1.1	1.1
Interest-coverage Ratio (times)	1.9	1.6	1.6	1.3	1.8	1.8	1.6	1.7	1.6	1.8	2.2	2.5	2.8	3.1	3.4	3.6	3.9	3.6	2.2	2.9	3.3	4.3	4.8	5.4	7.5	7.9
EBITDA (¥ billions)* <sup>4</sup>	—	—	—	—	269.5	260.8	244.2	242.9	230.4	231.9	232.8	235.7	242.3	246.9	247.1	248.1	265.4	259.5	218.4	246.8	279.1	290.3	288.5	289.3	338.1	339.1
Earnings (Net Income) per Share (EPS) (¥)	18,948	16,454	15,593	4,102	13,699	17,819	9,966	(4,507)	12,546	15,481	22,769	20,740	23,423	29,463	23,282	28,415	28,954	27,729	12,837	18,066	152.29	310.87	338.98	344.58	443.53	471.52
Book-value (Net Assets) per Share (BPS) (¥)* <sup>5</sup>	121,322	132,724	143,242	141,496	149,118	162,133	165,917	156,309	174,424	206,823	205,740	220,285	239,876	262,233	282,245	303,906	322,294	339,113	345,568	355,712	3,632.41	3,850.82	4,048.31	4,138.65	4,534.29	4,857.50
Dividend per Share (¥)* <sup>6</sup>	5,000	5,000	5,000	5,000	5,000	6,000	5,000	5,000	5,000	5,000	5,000	5,000	6,500	6,000	6,000	6,000	6,000	7,000	7,000	8,000	90	110	115	125	135	140
Payout Ratio (%)	26.4	30.4	32.1	121.9	36.5	33.7	50.2	—	39.9	32.3	22.0	24.1	27.8	20.4	25.8	21.1	20.7	25.2	54.5	44.3	59.1	35.4	33.9	36.3	30.4	29.7
Dividend on Equity (DOE) (%)* <sup>7</sup>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2.2	2.0	1.9	2.1	2.0	2.3	2.5	2.9	2.9	3.1	3.1	3.0
Rate of total distribution on net assets (%)* <sup>8</sup>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2.9	3.1	3.1	3.1	3.0
Consolidated/Non-Consolidated Ratio (Operating Revenues) (times)	1.18	1.18	1.18	1.25	1.26	1.26	1.30	1.33	1.35	1.36	1.37	1.37	1.44	1.44	1.46	1.46	1.47	1.46	1.46	1.46	1.49	1.50	1.52	1.52	1.52	1.51
Consolidated/Non-Consolidated Ratio (Net Income) (times)	1.04	1.03	1.04	1.08	1.06	1.06	0.85	—	0.98	1.19	1.40	1.24	1.26	1.23	1.32	1.27	1.28	1.23	1.21	1.23	1.33	1.44	1.35	1.41	1.40	1.29
<b>Non-Consolidated</b>																										
Operating Income Ratio (%)	13.9	15.6	14.6	11.6	15.0	13.6	12.1	12.4	11.2	11.0	11.4	12.2	12.5	13.0	12.8	12.6	12.5	11.7	7.2	9.1	10.4	11.8	11.6	12.6	14.4	14.2
Recurring Profit Ratio (%)	7.2	6.0	5.8	2.3	5.9	5.9	5.1	5.6	4.8	4.9	6.2	7.2	7.7	8.8	8.9	9.0	9.1	8.4	3.6	5.9	7.3	8.9	9.2	10.3	12.2	12.4
Return on Operating Revenues (%)	4.0	3.5	3.2	0.9	2.8	3.5	2.5	(0.6)	2.9	2.9	3.7	3.9	4.4	5.7	4.1	5.2	5.1	5.1	2.5	3.4	2.6	4.8	5.6	5.3	6.4	7.4

Note: Results before fiscal year ended March 1998 = Before Enterprise Tax Readjustment

\*1 Return on Total Assets (ROA) = Operating Income / [(Total Assets at the end of the previous fiscal year + Total Assets at the end of the fiscal year under review) / 2]

\*2 Return on Equity (ROE) = Net Income / [(Equity at the end of the previous fiscal year + Equity at the end of the fiscal year under review) / 2]

\*3 Debt-Equity Ratio = Long-term Debt and Payables / Total Shareholders' Equity

\*4 EBITDA = Operating Income (After Enterprise Tax Readjustment) + Depreciation Expense + Amortization of goodwill

\*5 Book-value (Net Assets) per Share (BPS) = Equity at the end of the fiscal year under review / Number of Shares at the end of the fiscal year under review

\*6 Figure for dividend per share for FY ended March 2017 is the projected figure. For this reason, figures for payout ratio, dividend on equity (DOE) and rate of total distribution on net assets are the projected figures for the same period.

\*7 Dividend on Equity (DOE) = Dividend per Share / [(BPS at the end of the previous fiscal year + BPS at the end of the fiscal year under review) / 2]

\*8 Rate of total distribution on net assets = (total dividends + acquisitions of treasury stock) / consolidated net assets

\*9 The Company conducted a stock split on July 1, 2011, at a ratio of 100 ordinary shares for each ordinary share.

## Data

## Consolidated Financial Data Years ended March 31



(Billions of yen)

	92	93	94	95*1	96	97	98*2	99*3	00	01*4	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17
Total Assets	2,371.9	2,384.5	2,406.5	2,577.5	2,576.9	2,670.0	2,632.3	2,574.1	2,561.0	2,576.3	2,416.7	2,432.7	2,410.3	2,364.3	2,355.9	2,401.6	2,462.8	2,461.8	2,546.3	2,672.4	2,642.9	2,613.7	2,687.8	2,786.4	2,843.1	3,007.8
Total Liabilities	2,129.2	2,119.1	2,120.0	2,294.5	2,278.7	2,345.8	2,300.4	2,248.0	2,197.0	2,146.5	1,986.4	1,970.8	1,906.9	1,814.4	1,763.9	1,763.8	1,791.9	1,772.2	1,844.2	1,951.1	1,909.4	1,845.5	1,880.5	1,939.7	1,916.8	1,975.2
Total Shareholders' Equity	242.6	265.4	286.4	282.9	298.2	324.2	331.8	312.6	348.8	413.6	411.4	440.5	479.7	524.3	564.2	—	—	—	—	—	—	—	—	—	—	—
Minority Interests*5	[4.9]	[5.7]	[5.7]	[13.9]	[14.9]	[15.6]	[13.4]	13.5	15.2	16.1	18.8	21.3	23.5	25.4	27.7	[30.3]	[32.1]	[32.9]	[32.9]	[32.4]	[30.1]	[22.4]	[23.4]	[45.4]	[48.5]	[92.1]
Net Assets*6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	637.8	670.8	689.6	702.1	721.2	733.5	768.1	807.3	846.7	926.3	1,032.6
Operating Revenues (Revenues from third parties)	1,078.5	1,087.5	1,109.4	1,092.8	1,179.3	1,209.2	1,229.1	1,205.0	1,191.0	1,195.5	1,190.6	1,165.5	1,215.7	1,220.8	1,240.0	1,262.9	1,290.1	1,275.3	1,190.1	1,213.5	1,287.6	1,298.9	1,331.0	1,350.3	1,451.3	1,441.4
Transportation	901.3	904.4	913.0	845.7	915.5	934.9	921.3	889.3	865.5	863.2	852.1	831.5	827.6	829.4	834.5	848.5	861.2	856.1	797.4	806.4	839.0	844.9	851.3	868.4	928.7	929.1
Retail	—	—	—	—	—	—	—	—	—	192.2	195.2	193.0	196.8	196.6	203.9	208.1	212.8	215.3	201.9	201.3	233.5	234.6	240.1	220.1	232.0	233.9
Sales of goods	121.2	124.1	125.3	131.8	137.5	135.5	162.7	174.2	174.6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Real estate	—	—	—	—	37.5	40.5	41.6	39.4	48.9	56.8	57.6	57.2	57.9	58.8	62.8	62.7	76.7	71.1	70.9	75.7	93.5	90.9	102.2	87.2	108.8	109.5
Other businesses	56.0	58.9	71.0	115.2	88.7	98.2	103.3	102.0	101.8	83.1	85.4	83.7	133.2	135.8	138.7	143.4	139.3	132.6	119.6	129.9	121.4	128.4	137.1	174.4	181.5	168.8
Operating Income	132.6	147.9	140.6	101.9	147.6	136.6	118.1	117.9	107.7	111.8	117.6	122.6	126.9	133.1	135.2	135.3	137.4	122.5	76.5	95.9	109.7	129.4	134.5	139.7	181.5	176.3
Transportation	121.6	137.2	128.9	92.3	129.9	120.2	104.8	101.6	86.7	86.6	88.4	93.2	94.4	99.3	98.0	97.2	97.4	89.1	45.2	61.1	76.7	90.1	91.0	100.6	125.1	121.7
Retail	—	—	—	—	—	—	—	—	—	3.8	4.7	4.3	5.6	5.2	5.9	5.0	5.2	4.7	3.1	3.5	(2.9)	(0.4)	4.4	1.5	5.3	5.2
Sales of goods	1.4	0.6	0.8	(0.2)	0.7	0.3	0.0	0.4	2.0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Real estate	—	—	—	—	8.9	8.7	8.5	10.4	13.3	13.3	15.3	16.1	18.0	18.9	20.5	21.2	24.6	22.6	22.5	22.2	25.9	28.0	27.7	25.1	32.7	32.2
Other businesses	9.2	9.8	10.8	10.6	7.7	8.6	5.8	6.5	6.4	8.1	9.8	9.4	9.6	10.1	11.4	12.5	11.0	6.7	6.7	9.6	10.3	12.3	11.8	15.6	22.4	20.4
Elimination and intergroup	0.3	0.1	(0.0)	(0.8)	0.1	(1.2)	(1.0)	(1.2)	(0.8)	(0.0)	(0.7)	(0.5)	(0.8)	(0.6)	(0.7)	(0.7)	(1.0)	(0.7)	(1.0)	(0.6)	(0.3)	(0.4)	(0.5)	(3.3)	(4.1)	(3.3)
Non-operating revenues	13.2	13.8	15.8	13.7	12.2	10.9	8.5	9.1	9.9	9.3	8.2	6.3	7.3	6.2	7.4	7.1	7.9	8.2	7.6	9.4	7.9	6.8	7.7	9.0	7.8	8.0
Non-operating expenses	74.1	101.7	97.5	91.4	98.3	85.9	78.5	75.3	70.0	65.1	55.8	50.2	48.4	43.4	40.5	38.3	36.4	35.8	36.0	36.5	35.2	31.6	29.4	26.8	27.1	23.7
Balance of financial expenses	—	—	—	—	(81.8)	(74.8)	(71.7)	(70.4)	(66.9)	(61.8)	(53.8)	(48.8)	(45.3)	(42.3)	(39.4)	(36.9)	(34.9)	(34.0)	(33.6)	(33.3)	(32.4)	(30.0)	(27.5)	(24.9)	(23.3)	(21.6)
Interest and dividend income	—	—	—	—	2.5	1.6	1.7	1.5	1.0	1.3	0.5	0.2	0.3	0.3	0.3	0.3	0.4	0.5	0.6	0.4	0.4	0.3	0.5	0.9	0.7	0.6
Interest expenses	—	—	—	—	84.3	76.5	73.5	72.0	68.0	63.1	54.3	49.1	45.7	42.6	39.7	37.2	35.4	34.5	34.3	33.7	32.9	30.4	28.0	25.8	24.1	22.3
Recurring Profit	71.7	60.0	58.9	24.2	61.5	61.6	48.0	51.7	47.6	56.0	70.0	78.7	85.8	95.9	102.1	104.1	108.8	94.8	48.1	68.9	82.4	104.6	112.9	121.9	162.2	160.7
Extraordinary profit (loss)	0.5	0.7	1.0	(13.5)	0.2	2.9	(0.7)	(51.1)	(3.4)	(0.8)	13.2	(1.1)	2.8	9.4	(22.2)	(3.2)	(7.2)	(0.1)	(4.4)	(7.9)	(2.2)	(4.9)	(1.2)	0.7	(17.1)	(23.0)
Extraordinary profit	15.8	30.4	29.7	45.0	63.0	45.9	54.9	44.7	51.8	109.1	109.2	44.5	110.9	79.2	78.5	47.3	44.6	72.6	54.4	51.1	27.6	41.5	26.3	69.5	21.5	19.6
Extraordinary loss	15.2	29.7	28.7	58.6	62.8	43.0	55.7	95.9	55.3	109.9	96.0	45.6	108.0	69.7	100.8	50.6	51.9	72.8	58.8	59.0	29.8	46.5	27.6	68.7	38.6	42.6
Profit attributable to owners of parent	37.8	32.9	31.1	8.2	27.3	35.6	19.9	(9.0)	25.0	30.9	45.5	41.6	47.0	58.9	46.5	56.7	57.7	54.5	24.8	34.9	29.4	60.1	65.6	66.7	85.8	91.2
Cash Flows From Operating Activities (A)	—	—	—	—	—	—	—	—	154.7	138.7	99.5	130.2	140.2	142.9	164.0	188.6	222.1	178.8	161.3	223.2	206.2	238.0	237.7	223.6	259.8	234.1
Cash Flows From Investing Activities (B)	—	—	—	—	—	—	—	—	(99.2)	9.4	17.7	(63.3)	(91.6)	(84.9)	(101.7)	(131.7)	(179.2)	(172.6)	(208.7)	(246.2)	(199.1)	(154.7)	(165.3)	(212.9)	(233.2)	(295.8)
Free Cash Flows (A+B)	—	—	—	—	—	—	—	—	55.5	148.1	117.3	66.8	48.5	58.0	62.3	56.8	42.9	6.1	(47.4)	(23.0)	7.0	83.2	72.3	10.7	26.6	(61.6)
Cash Flows From Financing Activities (C)	—	—	—	—	—	—	—	—	(66.5)	(133.2)	(167.1)	(71.5)	(67.9)	(66.4)	(69.3)	(54.6)	(55.8)	(10.1)	54.6	51.4	(36.8)	(85.2)	(47.8)	1.6	(31.3)	44.3
Net increase (decrease) in cash equivalents (A+B+C)	—	—	—	—	—	—	—	—	(8.0)	14.8	(49.7)	(4.7)	(18.6)	(8.4)	(6.8)	2.1	(12.9)	(3.4)	9.9	28.4	(29.1)	(1.9)	24.5	12.3	(4.6)	(17.3)

Note: Figures in parentheses are negative values;   Record high figures.

\*1 The Hanshin-Awaji Earthquake struck in January 1995.

\*2 Kyoto Station Building opened in September 1997.

\*3 In accordance with the Law on the Disposition of the Liability owed by the Japan National Railways Settlement Corporation (JNRS), the Company paid ¥44.5 billion to the Japan Railways Group Mutual Aid Association in March 1999.

\*4 Since the fiscal year ended March 2001, the food and beverages business, which had been previously included in the "Other businesses" segment, has been included in the "Sales of goods and food services" segment in accordance with the restructuring of related subsidiaries. To describe their businesses properly, the "Sales of goods" segment has changed its name to the "Sales of goods and food services" segment. Also, two subsidiaries have been transferred to the "Real estate" segment from the "Sales of goods" segment.

\*5 Minority interests were included in liabilities prior to the fiscal year ended March 1998, and are accounted for as part of net assets from the fiscal year ended March 2007. All these are indicated by [ ].

\*6 "Shareholders' Equity" has been replaced by "Net Assets" pursuant to Japan's Companies Act, which came into force on May 1, 2006. The disclosure of related figures and items has been adjusted to reflect this change.

## Data

## Non-Consolidated Financial Data Years ended March 31



(Billions of yen)

	88	89	90	91	92	93	94	95*1	96	97	98	99*2	00	01	02	03	04	05*3	06	07	08	09	10	11	12	13	14	15	16	17
<b>Total Assets</b>	1,440.2	1,337.6	1,275.1	1,314.2	2,297.1	2,306.5	2,327.9	2,355.1	2,297.9	2,333.4	2,277.2	2,242.0	2,232.6	2,247.8	2,135.7	2,116.8	2,126.8	2,098.0	2,102.1	2,151.8	2,222.9	2,215.1	2,286.9	2,405.7	2,381.7	2,333.3	2,392.6	2,444.4	2,499.8	2,598.9
<b>Total Liabilities</b>	1,283.2	1,175.9	1,087.6	1,096.9	2,058.4	2,046.0	2,047.7	2,077.5	2,004.6	2,016.7	1,949.3	1,929.9	1,885.9	1,844.4	1,747.0	1,706.1	1,687.5	1,623.7	1,599.9	1,618.5	1,670.5	1,654.3	1,718.8	1,824.3	1,793.3	1,721.6	1,753.1	1,812.8	1,833.7	1,889.0
<b>Total Shareholders' Equity</b>	157.0	161.6	187.4	217.2	238.6	260.4	280.1	277.5	293.2	316.6	327.8	312.0	346.6	403.3	388.6	410.7	439.3	474.3	502.2	—	—	—	—	—	—	—	—	—	—	—
<b>Total Net Assets*4</b>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	533.3	552.4	560.7	568.1	581.3	588.3	611.6	639.4	631.5	666.0	709.9
<b>Operating Revenues</b>	763.1	807.1	834.3	892.3	917.2	922.5	937.6	874.1	936.2	956.0	946.0	909.4	885.1	881.4	869.8	849.0	845.8	846.4	851.2	865.8	879.4	875.0	816.7	828.6	862.1	868.5	873.6	890.9	954.2	956.1
Transportation	691.0	728.1	748.8	801.8	819.0	820.4	824.9	767.5	823.9	839.1	830.0	795.5	773.9	773.1	770.2	752.3	750.8	750.9	756.5	765.8	781.7	773.7	720.0	728.0	758.7	769.1	780.6	797.0	850.0	849.6
Transportation incidentals	26.0	20.5	23.6	25.0	26.1	26.8	26.2	26.1	25.5	26.9	27.3	27.1	26.1	24.6	24.6	23.8	23.0	22.8	22.5	22.5	22.2	21.8	20.1	19.5	19.5	19.1	19.1	18.4	18.3	18.0
Other operations	4.4	12.0	10.7	12.2	14.9	16.0	22.8	18.2	18.5	18.1	21.3	20.5	19.9	18.6	18.3	18.4	18.5	17.7	17.7	18.2	19.6	20.9	21.1	21.8	23.2	23.6	23.1	23.6	26.0	27.2
Miscellaneous	41.7	46.3	51.0	53.1	57.0	59.2	63.6	62.1	68.1	71.7	67.1	66.2	65.0	65.0	56.6	54.4	53.4	54.8	54.4	59.1	55.7	58.4	55.4	59.2	60.5	56.5	50.7	51.7	59.8	61.1
<b>Operating Expenses</b>	692.3	727.7	743.3	769.8	789.4	778.2	801.0	773.0	795.9	825.9	831.1	796.7	786.0	784.4	770.3	745.7	740.4	736.4	742.3	756.8	769.6	772.9	758.2	752.8	772.8	766.1	771.8	778.9	817.0	820.6
Personnel costs	268.2	265.4	300.6	289.2	303.4	318.3	329.8	334.4	341.8	350.9	358.5	357.8	350.1	345.6	330.5	301.6	294.5	286.8	276.1	272.5	269.9	268.6	265.2	235.3	237.9	233.3	235.4	233.0	233.3	223.3
Salary	256.1	248.7	252.1	267.6	282.1	288.9	301.2	304.7	307.3	306.0	307.8	297.4	285.0	284.1	270.2	244.5	237.5	230.6	221.8	215.0	213.4	212.3	208.9	209.8	211.5	210.6	213.7	215.2	216.6	213.6
Retirement payment costs	12.0	16.7	48.4	21.5	21.2	29.4	28.6	29.7	34.5	44.8	50.7	60.3	65.0	61.4	60.2	57.0	56.9	56.2	54.3	57.4	56.4	56.2	56.3	25.5	26.3	22.7	21.7	17.7	16.6	9.6
Non-personnel costs	229.9	238.6	259.8	301.1	311.9	294.7	317.2	295.5	305.7	326.5	301.2	277.7	276.5	275.0	281.2	288.2	291.0	300.5	320.0	337.9	338.8	333.9	318.6	333.4	339.5	342.7	351.6	369.0	392.4	394.3
Energy costs	39.4	38.4	40.4	43.1	43.4	43.6	43.8	41.4	43.3	42.4	43.8	40.5	39.3	38.2	39.2	38.4	36.6	36.9	34.8	34.3	34.4	38.2	33.5	33.7	36.2	37.1	43.1	45.3	44.1	40.5
Maintenance costs	87.9	99.5	111.8	139.9	143.2	127.4	136.4	124.8	128.4	146.7	120.9	108.0	112.3	114.3	116.8	122.6	121.9	127.1	140.7	148.9	148.6	135.8	128.1	135.8	133.3	136.5	139.0	146.7	152.8	157.1
Miscellaneous costs	102.5	100.6	107.6	117.9	125.2	123.6	136.9	129.2	134.0	137.3	136.5	129.2	124.9	122.4	125.1	127.1	132.4	136.4	144.4	154.5	155.8	159.8	156.9	163.8	169.9	169.1	169.5	176.9	195.4	196.6
Shinkansen fees	94.3	94.3	74.0	74.0	36.6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental payments, etc.	5.5	5.6	5.8	5.8	5.8	5.8	5.9	7.9	9.0	10.0	23.0	22.8	23.8	31.5	31.3	31.0	30.8	24.6	24.7	24.6	24.6	25.3	25.0	25.1	23.6	23.4	23.6	18.7	26.9	30.2
Taxes	9.1	10.9	14.9	19.7	21.6	25.8	26.4	20.6	29.1	27.1	38.0	31.3	31.0	30.3	30.0	29.3	28.2	29.7	28.7	28.1	28.6	29.1	29.3	29.8	30.9	31.7	31.6	32.0	31.9	34.9
Enterprise tax	1.6	3.1	4.1	8.2	7.8	6.7	7.2	0.2	8.5	6.5	6.5	—	—	—	—	—	—	2.0	1.9	1.8	1.8	1.7	1.5	1.5	1.5	1.6	1.6	1.5	2.6	4.2
Property taxes	1.8	1.9	9.3	9.9	12.1	15.4	15.8	16.8	17.4	17.6	26.7	27.7	27.7	27.3	26.9	26.3	25.4	25.1	24.4	23.7	24.3	24.9	25.3	25.8	26.4	27.1	26.8	27.3	26.3	27.6
City planning taxes	0.4	0.4	1.0	1.1	1.2	1.4	1.5	1.6	1.7	1.8	2.6	2.7	2.7	2.6	2.5	2.4	2.2	2.1	2.0	1.9	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2
Other taxes	5.2	5.3	0.3	0.4	0.3	2.1	1.8	1.8	1.4	1.1	1.9	0.7	0.5	0.4	0.5	0.5	0.5	0.5	0.2	0.6	0.3	0.2	0.3	0.3	0.7	0.7	1.0	0.9	0.8	0.8
Depreciation and amortization	85.1	112.7	88.0	79.8	109.9	133.3	121.5	114.4	110.0	111.2	110.2	107.0	104.4	101.8	97.1	95.4	95.7	94.5	92.5	93.5	107.5	115.9	119.9	129.1	140.7	134.7	129.3	126.0	132.3	137.6
<b>Operating Income</b>	70.8	79.3	90.9	122.4	127.8	144.3	136.5	101.1	140.3	130.0	114.8	112.7	99.0	97.0	99.5	103.2	105.4	110.0	108.9	108.9	109.8	102.0	58.5	75.8	89.2	102.3	101.7	112.0	137.2	135.4
Non-operating revenues	8.9	14.2	10.0	12.9	11.4	12.4	14.8	11.7	10.6	8.9	7.1	7.2	7.5	7.2	6.2	5.3	5.1	5.0	5.2	5.5	6.2	6.7	6.0	7.0	7.1	6.4	6.5	6.5	6.3	6.1
Non-operating expenses	71.7	76.2	60.7	47.9	73.2	100.9	96.7	92.4	95.4	83.0	73.6	69.4	64.2	60.8	51.7	47.2	45.6	40.7	38.2	36.7	36.0	35.4	34.7	34.3	33.5	31.1	28.3	26.4	26.8	23.1
<b>Recurring Profit</b>	8.0	17.2	40.2	87.5	66.1	55.7	54.7	20.4	55.6	56.0	48.3	50.5	42.3	43.4	54.0	61.3	65.0	74.3	75.9	77.6	79.9	73.4	29.8	48.5	62.8	77.5	79.9	92.1	116.7	118.4
Extraordinary profit (loss)	1.1	0.9	1.9	(26.9)	0.6	1.1	1.1	(11.5)	0.4	2.6	0.5	(50.5)	1.9	1.6	5.4	1.5	3.4	7.7	(18.9)	(1.8)	(3.8)	1.1	4.4	(0.4)	(1.7)	0.1	1.2	(4.5)	(15.5)	(16.5)
Extraordinary profit	8.3	10.5	18.2	19.2	15.7	29.8	29.6	39.8	62.0	44.1	49.9	43.1	48.3	107.4	105.1	42.6	109.0	73.6	76.7	45.1	40.9	70.3	52.8	48.9	23.1	39.9	23.8	60.6	19.5	18.3
Extraordinary loss	7.1	9.6	16.3	46.2	15.1	28.6	28.4	51.3	61.6	41.4	49.4	93.6	46.3	105.8	99.6	41.1	105.5	65.8	95.6	47.0	44.8	69.2	48.3	49.4	24.8	39.7	22.6	65.1	35.0	34.9
<b>Net Income (Loss)</b>	2.0	4.6	25.7	29.8	36.4	31.9	29.8	7.5	25.8	33.5	23.4	(5.6)	25.5	25.9	32.5	33.4	37.1	48.0	35.1	44.6	45.1	44.3	20.5	28.5	22.1	41.9	48.6	47.3	61.1	70.8

Note: Figures in parentheses are negative values;    Record high figures.

\*1 The Hanshin-Awaji Earthquake struck in January 1995.

\*2 Accounting items pertaining to enterprise tax have changed since the fiscal year ended March 1999, due to amendments to regulations governing the presentation of financial statements in Japan enacted in October 1998.

In accordance with the Law on the Disposition of the Liability owed by the Japan National Railways Settlement Corporation (JNRSC), the Company paid ¥44.5 billion to the Japan Railways Group Mutual Aid Association in March 1999.

\*3 Size-based corporate tax (part of enterprise tax) has been included in "Taxes" since the fiscal year ended March 2005.

\*4 "Shareholders' Equity" has been replaced by "Net Assets" pursuant to Japan's Companies Act, which came into force on May 1, 2006. The disclosure of related figures and items has been adjusted to reflect this change.

Data

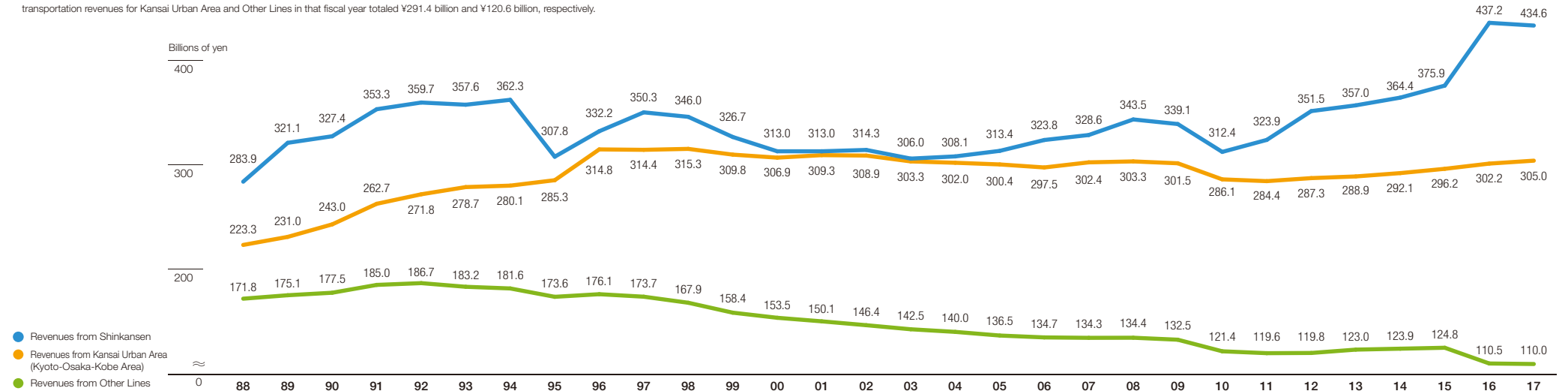
# Transportation Revenues Years ended March 31



		88	89	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06	07	08	09	10	11	12	13*1	14	15	16	17															
																	(Billions of yen)																													
Railway	Consumption tax																3%										5%										8%									
Shinkansen	Commuter	1.0	1.4	1.8	2.4	3.2	4.0	4.6	4.8	5.2	5.8	6.2	6.4	6.5	6.6	6.9	7.1	7.5	7.9	7.9	8.2	8.5	8.7	8.8	8.9	8.9	9.0	9.3	9.3	10.1	10.2															
	Other	282.9	319.7	325.5	350.8	356.4	353.5	357.6	303.0	327.0	344.4	339.8	320.2	306.4	306.4	307.4	298.9	300.6	305.4	315.8	320.4	335.0	330.3	303.5	314.9	342.5	347.9	355.1	366.5	427.1	424.3															
	Total	283.9	321.1	327.4	353.3	359.7	357.6	362.3	307.8	332.2	350.3	346.0	326.7	313.0	313.0	314.3	306.0	308.1	313.4	323.8	328.6	343.5	339.1	312.4	323.9	351.5	357.0	364.4	375.9	437.2	434.6															
Conventional Lines																																														
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	Commuter	84.8	84.5	89.8	94.8	98.6	103.9	105.7	106.3	112.3	113.3	114.9	114.7	114.0	114.0	114.1	113.4	113.7	114.3	113.4	115.3	115.8	115.9	113.8	113.3	113.4	113.2	113.8	115.2	115.6	116.4															
	Other	138.5	146.5	153.1	167.9	173.2	174.8	174.4	179.0	202.5	201.1	200.4	195.0	192.8	195.3	194.7	189.9	188.3	186.1	184.0	187.1	187.5	185.6	172.3	171.0	173.8	175.7	178.3	181.0	186.5	188.5															
	Total	223.3	231.0	243.0	262.7	271.8	278.7	280.1	285.3	314.8	314.4	315.3	309.8	306.9	309.3	308.9	303.3	302.0	300.4	297.5	302.4	303.3	301.5	286.1	284.4	287.3	288.9	292.1	296.2	302.2	305.0															
Other Lines	Commuter	26.9	26.6	27.6	28.4	28.7	30.3	31.1	30.8	30.4	30.4	29.9	29.4	29.1	28.7	28.1	27.8	27.7	27.6	27.4	27.3	27.4	27.5	27.0	27.0	27.0	26.9	27.1	27.1	25.3	25.1															
	Other	144.8	148.5	149.9	156.5	157.9	152.8	150.5	142.8	145.7	143.3	137.9	128.9	124.4	121.4	118.2	114.6	112.3	108.9	107.2	107.0	106.9	104.9	94.3	92.5	92.8	96.1	96.7	97.6	85.1	84.9															
	Total	171.8	175.1	177.5	185.0	186.7	183.2	181.6	173.6	176.1	173.7	167.9	158.4	153.5	150.1	146.4	142.5	140.0	136.5	134.7	134.3	134.4	132.5	121.4	119.6	119.8	123.0	123.9	124.8	110.5	110.0															
Subtotal	Commuter	111.8	111.1	117.5	123.3	127.3	134.3	136.8	137.1	142.7	143.7	144.8	144.2	143.1	142.7	142.3	141.2	141.4	141.9	140.8	142.6	143.2	143.5	140.8	140.3	140.4	140.2	141.0	142.3	141.0	141.5															
	Other	283.3	295.0	303.0	324.4	331.2	327.6	324.9	321.8	348.2	344.4	338.4	324.0	317.2	316.8	313.0	304.6	300.6	295.0	291.3	294.1	294.5	290.6	266.6	263.6	266.7	271.8	275.0	278.7	271.7	273.5															
	Total	395.1	406.1	420.5	447.7	458.6	461.9	461.8	458.9	491.0	488.1	483.2	468.2	460.4	459.5	455.3	445.8	442.1	437.0	432.2	436.8	437.8	434.1	407.5	404.0	407.2	412.0	416.1	421.0	412.7	415.0															
Total	Commuter	112.8	112.5	119.4	125.7	130.6	138.4	141.5	142.0	148.0	149.6	151.0	150.6	149.6	149.3	149.2	148.3	148.9	149.8	148.8	150.8	151.7	152.2	149.7	149.3	149.4	149.3	150.3	151.6	151.1	151.8															
	Other	566.3	614.7	628.6	675.3	687.6	681.2	682.6	624.8	675.2	688.9	678.3	644.3	623.7	623.2	620.4	603.5	601.2	600.5	607.1	614.5	629.5	621.0	570.2	578.6	609.2	619.8	630.2	645.3	698.8	697.8															
	Total	679.1	727.2	748.0	801.0	818.3	819.6	824.1	766.8	823.3	838.5	829.3	795.0	773.4	772.6	769.7	751.8	750.2	750.4	756.0	765.4	781.3	773.2	720.0	728.0	758.7	769.1	780.6	797.0	850.0	849.6															
Luggage and Ferry		0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0															
Grand Total		680.0	728.1	748.8	801.8	819.0	820.4	824.9	767.5	823.9	839.1	830.0	795.5	773.9	773.1	770.2	752.3	750.8	750.9	756.5	765.8	781.7	773.7	720.0	728.0	758.7	769.1	780.6	797.0	850.0	849.6															

\* : Record high figures

\*1 We have revised the allocation method for revenue from non-commuter passes on conventional lines (Kansai Urban Area and Other Lines) from the fiscal year ended March 2014. Figures in the above chart for the fiscal year ended March 2013 have been retroactively calculated based on the new allocation method. Under the previous allocation method, transportation revenues for Kansai Urban Area and Other Lines in that fiscal year totaled ¥291.4 billion and ¥120.6 billion, respectively.



Data

# Transportation Data

Years ended March 31



		88	89	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	
<b>Passenger-Kilometers (Millions)</b>																																
Shinkansen	Commuter	71	100	137	193	268	333	385	392	423	475	493	513	513	521	540	554	587	620	630	650	679	697	708	718	722	736	762	743	804	815	
	Other	13,081	14,691	14,865	15,871	16,009	15,827	15,639	12,918	14,335	14,980	14,482	13,643	13,109	13,283	13,462	13,117	13,324	13,691	14,218	14,514	15,252	15,189	14,109	14,828	16,155	16,434	16,854	17,366	19,644	19,532	
	Total	13,152	14,792	15,002	16,064	16,277	16,160	16,025	13,310	14,758	15,455	14,976	14,156	13,623	13,805	14,002	13,672	13,911	14,312	14,848	15,164	15,931	15,887	14,818	15,546	16,878	17,171	17,617	18,109	20,449	20,348	
<b>Conventional Lines</b>																																
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	Commuter	12,399	12,956	13,428	14,333	15,199	16,007	16,347	16,658	17,730	17,821	17,909	18,045	17,975	17,995	18,031	17,922	18,139	18,326	18,280	18,536	18,659	18,648	18,391	18,352	18,440	18,398	18,724	18,356	18,714	18,689	
	Other	7,934	8,340	8,412	9,225	9,537	9,730	9,694	9,836	10,820	10,715	10,526	10,391	10,331	10,335	10,426	10,160	10,197	10,110	9,992	10,265	10,303	10,285	9,722	9,694	9,778	10,091	10,288	10,473	10,808	10,903	
	Total	20,333	21,297	21,841	23,558	24,737	25,738	26,041	26,495	28,550	28,537	28,436	28,436	28,306	28,331	28,457	28,082	28,336	28,437	28,272	28,801	28,962	28,933	28,114	28,047	28,218	28,490	29,012	28,830	29,522	29,592	
Other Lines	Commuter	4,222	4,373	4,423	4,613	4,715	4,777	5,026	5,061	5,002	4,964	4,789	4,732	4,654	4,578	4,485	4,410	4,425	4,430	4,428	4,385	4,393	4,396	4,326	4,340	4,348	4,330	4,433	4,201	4,050	4,033	
	Other	8,073	7,764	7,618	7,901	7,959	7,746	7,552	7,120	7,171	7,013	6,661	6,200	6,004	5,836	5,701	5,508	5,468	5,363	5,278	5,327	5,296	5,225	4,752	4,680	4,672	4,778	4,830	4,937	4,319	4,297	
	Total	12,295	12,137	12,041	12,514	12,674	12,523	12,579	12,181	12,174	11,978	11,450	10,932	10,658	10,414	10,186	9,919	9,893	9,794	9,706	9,712	9,690	9,621	9,078	9,020	9,020	9,108	9,264	9,138	8,369	8,330	
Subtotal	Commuter	16,621	17,329	17,851	18,946	19,915	20,784	21,373	21,719	22,733	22,786	22,699	22,777	22,629	22,574	22,516	22,332	22,564	22,757	22,708	22,922	23,052	23,044	22,718	22,692	22,788	22,728	23,157	22,557	22,764	22,723	
	Other	16,007	16,105	16,031	17,127	17,497	17,476	17,247	16,956	17,991	17,729	17,187	16,591	16,335	16,171	16,128	15,669	15,666	15,474	15,270	15,592	15,600	15,510	14,474	14,374	14,450	14,869	15,119	15,411	15,127	15,200	
	Total	32,628	33,435	33,882	36,073	37,412	38,261	38,621	38,676	40,725	40,515	39,886	39,369	38,964	38,746	38,644	38,002	38,230	38,231	37,979	38,514	38,653	38,555	37,192	37,067	37,239	37,598	38,276	37,969	37,891	37,923	
Total	Commuter	16,693	17,430	17,988	19,139	20,183	21,118	21,759	22,112	23,157	23,261	23,193	23,290	23,143	23,095	23,056	22,887	23,151	23,377	23,339	23,572	23,731	23,742	23,427	23,411	23,511	23,465	23,920	23,301	23,569	23,539	
	Other	29,088	30,796	30,896	32,998	33,506	33,303	32,887	29,875	32,326	32,709	31,669	30,235	29,444	29,455	29,590	28,787	28,990	29,166	29,488	30,106	30,853	30,700	28,583	29,203	30,605	31,304	31,973	32,777	34,771	34,732	
	Total	45,781	48,227	48,884	52,137	53,690	54,422	54,646	51,987	55,484	55,971	54,863	53,526	52,588	52,551	52,647	51,674	52,142	52,544	52,828	53,678	54,585	54,442	52,011	52,614	54,117	54,769	55,894	56,078	58,341	58,271	

		88	89	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17
<b>Number of Railway Passengers (Millions)</b>																															
Shinkansen	Shinkansen	54	61	62	66	68	68	67	57	63	64	62	60	58	58	58	56	57	58	60	61	63	62	58	60	64	65	67	69	83	83
	Conventional Lines	1,454	1,520	1,553	1,641	1,691	1,728	1,754	1,762	1,837	1,839	1,821	1,798	1,779	1,769	1,768	1,730	1,746	1,744	1,746	1,757	1,770	1,778	1,731	1,732	1,749	1,763	1,806	1,784	1,816	1,826
	Total*	1,496	1,566	1,600	1,690	1,742	1,779	1,805	1,805	1,884	1,887	1,867	1,843	1,823	1,812	1,811	1,772	1,789	1,788	1,792	1,803	1,818	1,826	1,776	1,778	1,798	1,813	1,858	1,837	1,880	1,890
<b>Train-Kilometers (Millions)</b>																															
Shinkansen	Shinkansen	23	25	28	29	30	31	32	30	32	32	33	33	33	35	36	37	36	36	37	37	38	39	39	37	39	39	39	40	44	44
	Conventional Lines	127	139	151	157	154	153	154	154	157	158	163	164	164	162	164	161	163	161	159	162	162	161	158	156	150	152	151	152	145	143
	Total	150	165	179	186	184	184	186	185	190	191	196	197	198	198	201	198	199	198	196	200	201	200	198	193	190	192	191	193	189	187
<b>Passenger Car-Kilometers (Millions)</b>																															
Shinkansen	Shinkansen	295	309	336	355	363	365	386	352	381	380	385	384	383	375	384	383	380	381	395	416	428	449	461	458	487	484	487	495	549	552
	Conventional Lines	743	763	795	813	808	843	826	818	852	860	884	883	874	864	861	853	859	854	846	847	852	853	843	830	833	824	820	818	788	787
	Total	1,038	1,073	1,131	1,168	1,172	1,209	1,212	1,170	1,234	1,240	1,270	1,267	1,258	1,239	1,246	1,236	1,240	1,235	1,241	1,264	1,280	1,303	1,305	1,288	1,320	1,308	1,308	1,313	1,338	1,339

\* Passengers using both Shinkansen and conventional lines during one journey are counted as one passenger in the row marked "Total".

Other

# Outline of Government’s Regulations on Railway Fares and Charges

## THE PRICE-CAP METHOD UNDER THE TOTAL-COST METHOD

- Railway companies are required to obtain approval from the Minister of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) prior to establishing or adjusting the upper limit on basic railway fares or express charges for Shinkansen services.
- Prior notification is only required to be submitted to the Minister of the MLIT when newly establishing or adjusting basic railway fares or express charges for Shinkansen services, other express train services, or other train services if the amount of the fare or charge after its establishment or after its adjustment is below the upper limit.
- Prior to giving approval for establishing or adjusting the upper limit on basic railway fares, the Minister of the MLIT must confirm that the new upper limit does not exceed “total cost,” which is the sum of the proper operating costs incurred by the relevant railway companies if it were to carry out efficient management and the proper profit calculated pursuant to specified methods.

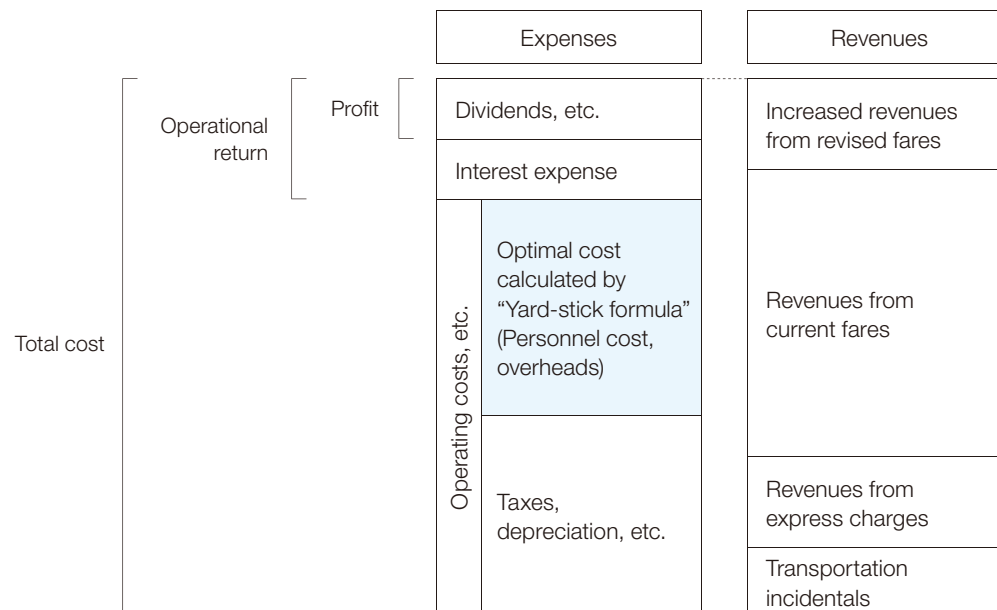
- The calculation of total cost is as follows:

$$\text{Total cost} = \text{Operating costs, etc.} + \text{Operational return}$$

Operating costs, etc. = Optimal cost calculated by “Yard-stick formula” + Taxes, depreciation, etc.

Operational return = Assets utilized in railway business operations (rate base) × Operational return rate

- Notes: 1. Assets utilized in railway business operations = Fixed assets for railway operations + Construction in progress + Deferred assets + Operating capital  
 2. Operational return rate = Equity ratio (30%) × Return rate on equity + Borrowed capital ratio (70%) × Return rate on borrowed capital  
 3. Return rate on equity is the average of the subscriber bond yield, all-industry average return rate on equity, and required level of dividends on equity.  
 4. Return rate on borrowed capital is the actual average rate of loans, etc.





WEST JAPAN RAILWAY COMPANY

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#### Cautionary Statement Regarding Forward-Looking Statements

These Fact Sheets contain 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," "estimate" and "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 for the Company 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, other natural disaster risks, and failure of computer telecommunications systems disrupting railway or other operations

All forward-looking statements in these Fact Sheets are made as of April 30, 2017, based on information available to JR-West and JR-West does not undertake to update or revise any of its forward-looking statements or reflect future events or circumstances.