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### Business

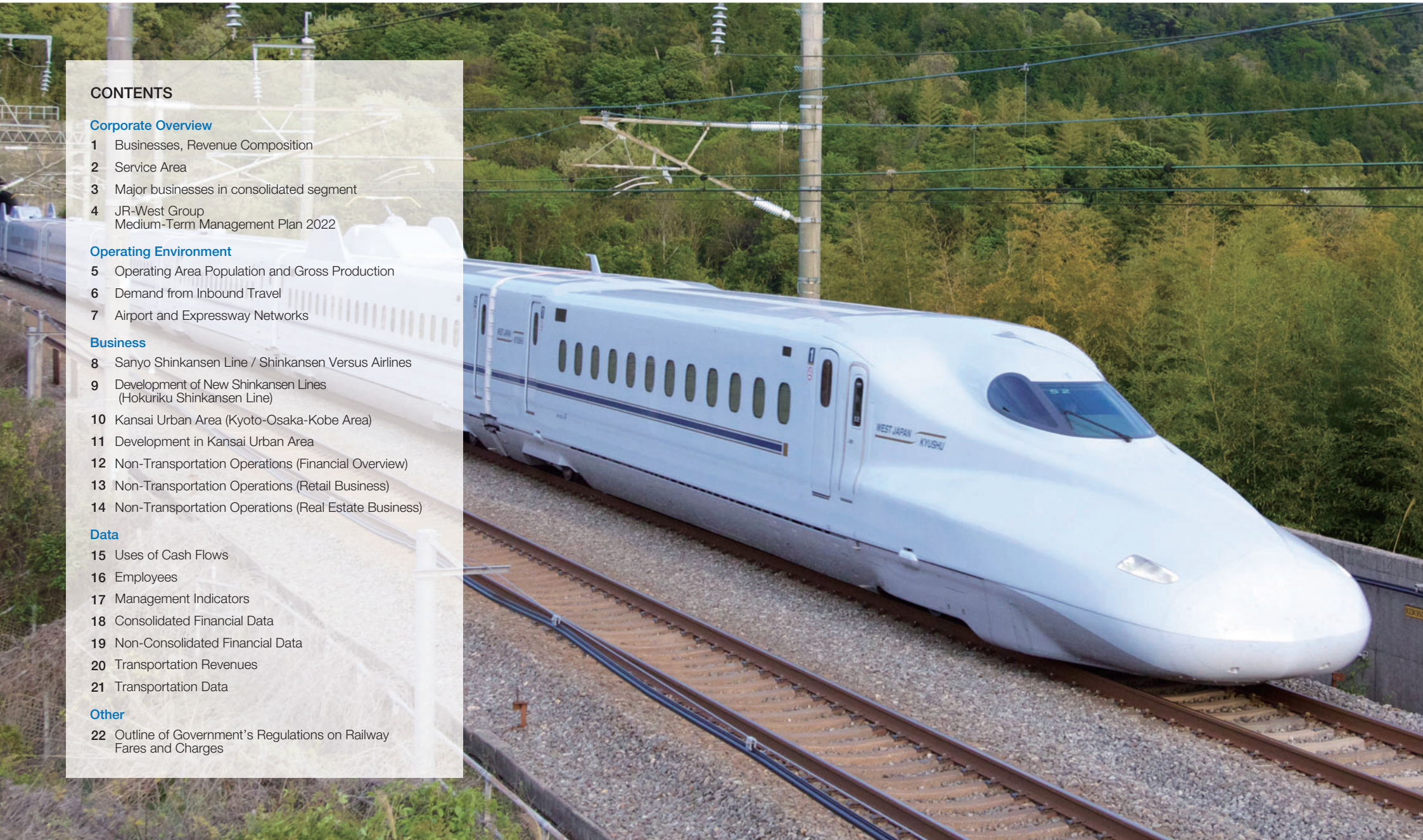
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Fares and Charges





Corporate Overview

# Businesses, Revenue Composition

**CORPORATE PROFILE** As of March 31, 2019

Date of establishment : April 1, 1987  
 Common stock : ¥100 billion  
 Shares outstanding : 192,481,400  
 Employees at work : 24,866 (non-consolidated)  
 47,842 (consolidated)  
 Number of subsidiaries : 155  
 (incl. 64 consolidated subsidiaries)

**BUSINESSES** As of March 31, 2019

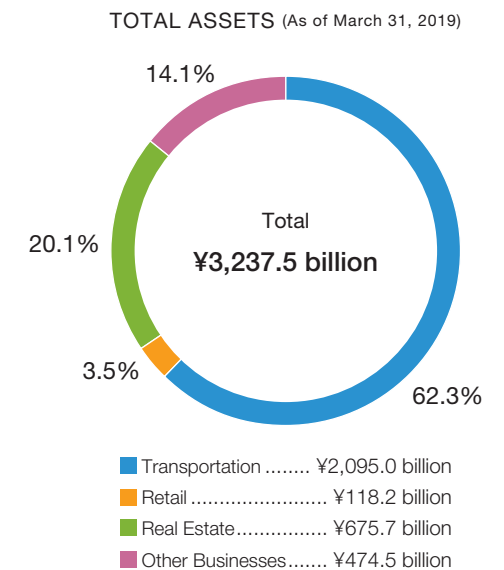
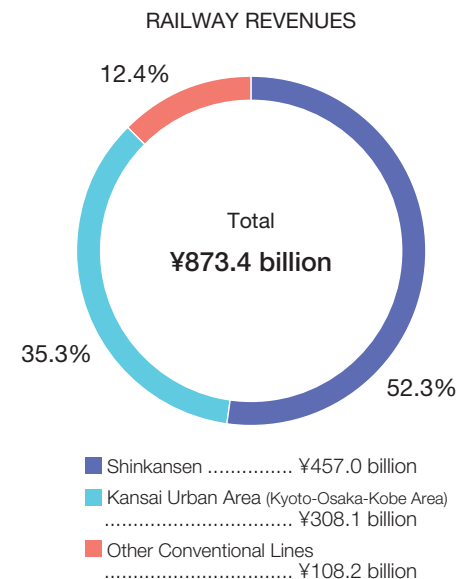
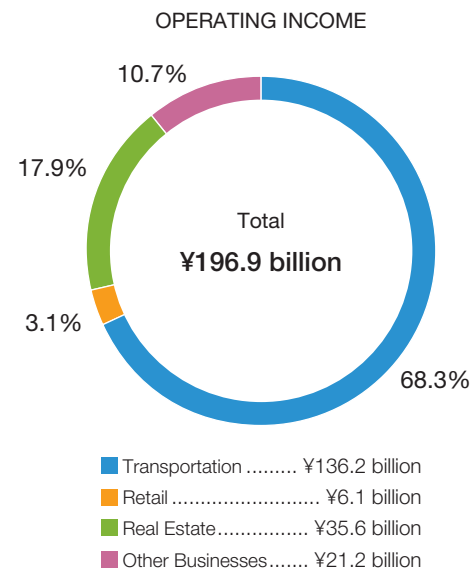
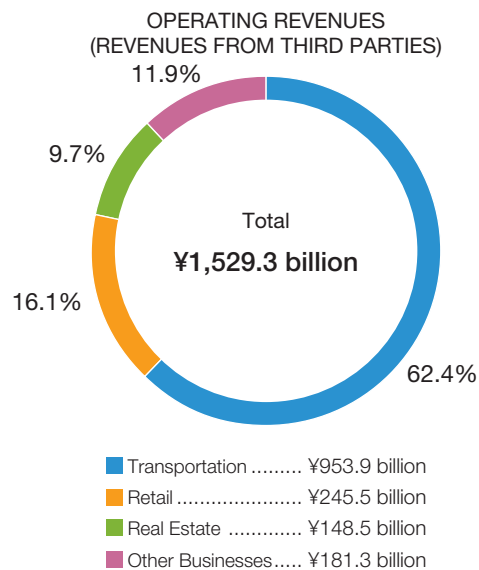
**Transportation**

• Railway Services  
 Total route length : 4,903.1 kilometers  
 Shinkansen : 812.6 kilometers  
 Conventional lines : 4,090.5 kilometers  
 \* The total route length is the sum of the Shinkansen and conventional lines.  
 Number of stations : 1,174  
 Number of passenger cars : 6,551

Number of passengers : Total 1,911 million  
 Shinkansen : 87 million  
 Conventional lines : 1,845 million  
 Kansai Urban Area : 1,538 million  
 Other : 361 million  
 Passenger-kilometers : Total 59,379 million  
 Shinkansen : 21,338 million  
 Conventional lines : 38,040 million  
 Kansai Urban Area : 29,797 million  
 Other : 8,243 million  
 Train-kilometers per day : Total 512 thousand  
 Shinkansen : 124 thousand  
 Conventional lines : 388 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, 2019



Note: Percentages of operating income and total assets calculated excluding consolidation adjustment amounts.

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

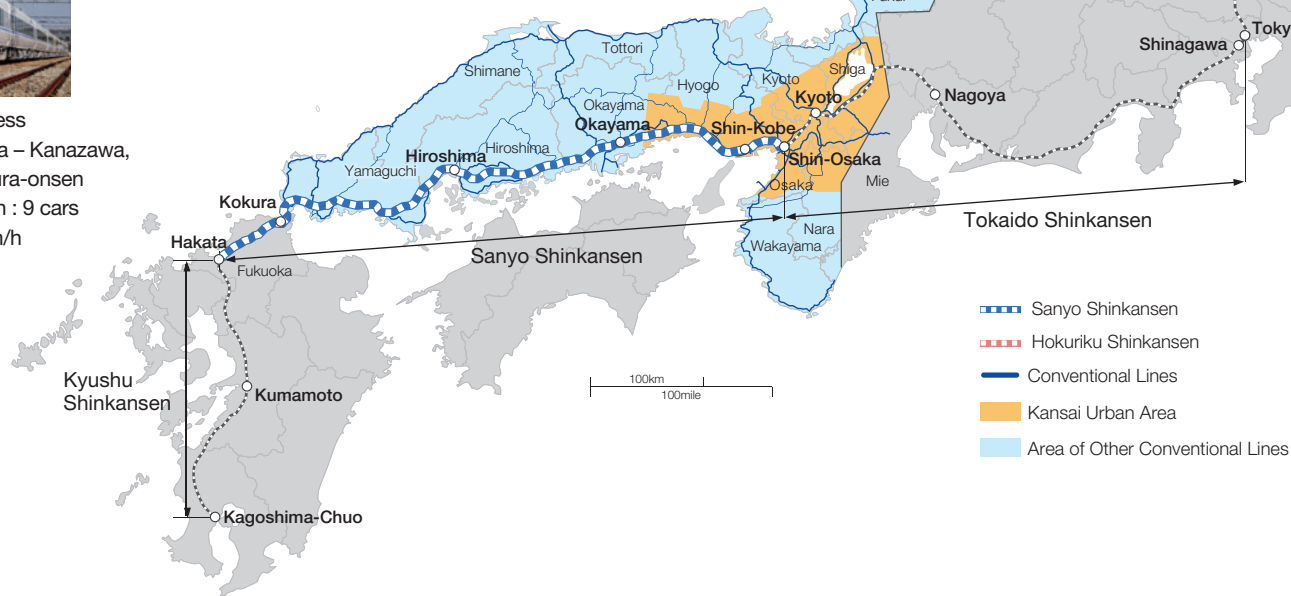
## CONVENTIONAL LINES



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

As of March 31, 2019

## 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

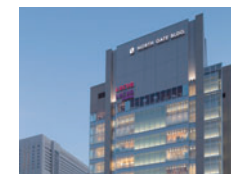
Consolidated subsidiaries: 2 companies  
Subsidiaries: Japan Railway West Trading Company, West Japan Railway Sanin Development Company

## 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.  
July 2019 Merger with JR West Japan Shopping Center Development Company as the surviving company  
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  
JR West Properties Co., Ltd.

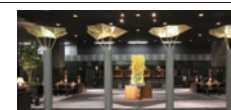


## Other Businesses

### 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  
Nishinohon Electric System Co., Ltd.



### Others

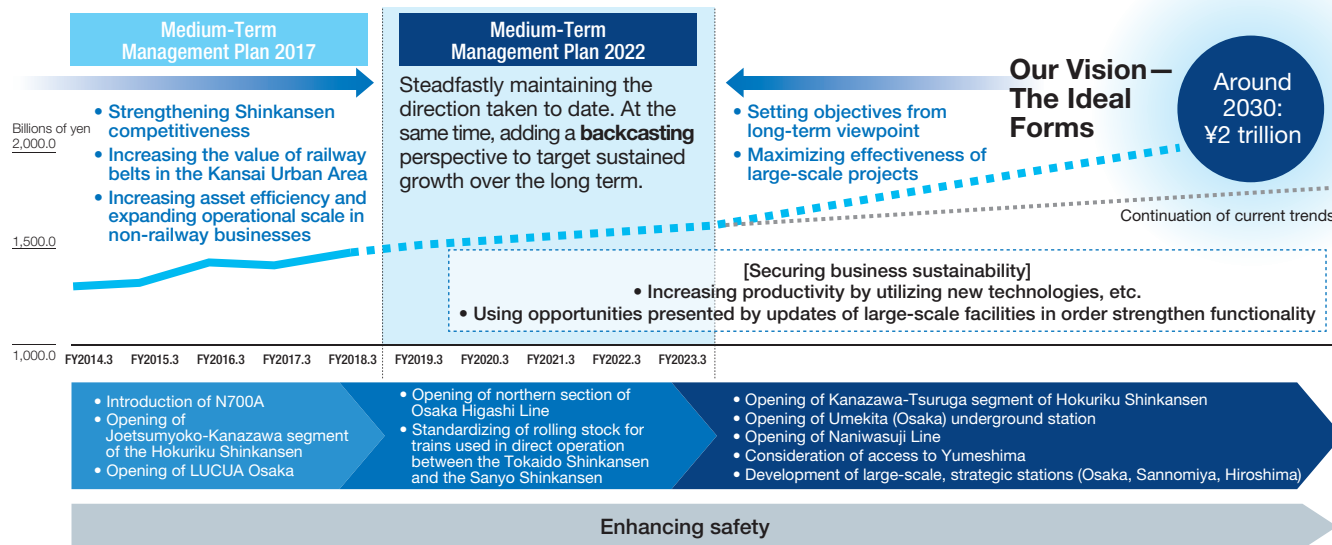
- Advertising Services, Cleaning and Maintenance Works, etc.

Consolidated subsidiaries: 18 companies  
Main subsidiaries: West Japan Marketing Communications, Inc.  
JR West MAINTEC Co., LTD.

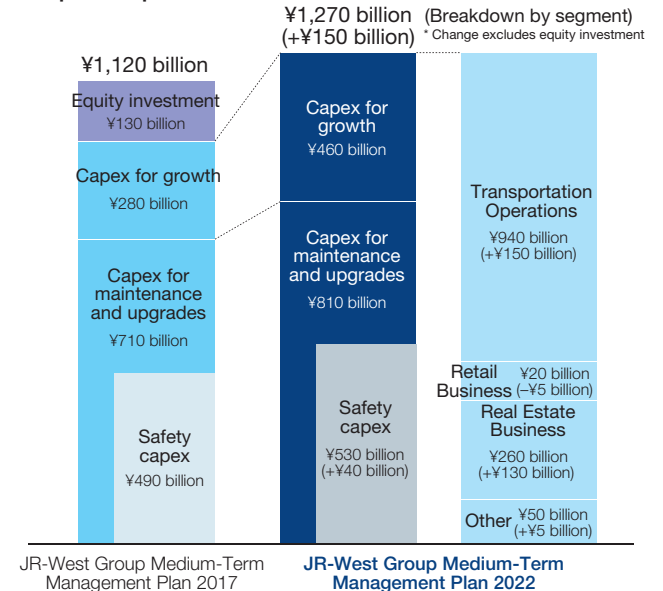
Corporate Overview

# JR-West Group Medium-Term Management Plan 2022

## Positioning of Medium-Term Management Plan



## Capital Expenditure Plan

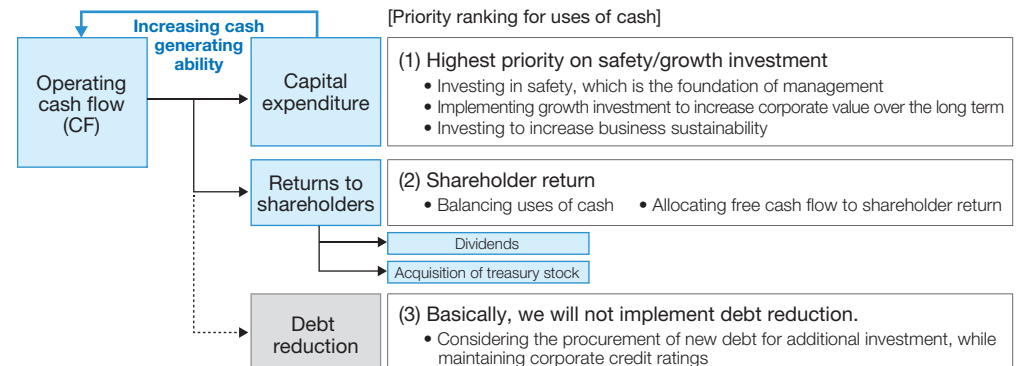


## Business Performance Targets

	Results for FY2018.3 a	Results for FY2019.3	Objectives for FY2023.3 b	Increase/Decrease c=b-a
<b>Operating Revenues</b>	1,500.4	1,529.3	1,630.0	+129.5
Transportation	950.8	953.9	977.5	+26.6
Retail	239.8	245.5	281.0	+41.1
Real estate	139.6	148.5	168.5	+28.8
Other businesses	170.0	181.3	203.0	+32.9
<b>Operating Income</b>	191.3	196.9	[218.0] 210.0	[+26.6] +18.6
Transportation	130.3	136.2	139.5	+9.1
Retail	7.2	6.1	10.0	+2.7
Real estate	35.7	35.6	41.5	+5.7
Other businesses	19.9	21.2	23.0	+3.0
<b>Recurring Profit</b>	177.7	183.3	[205.0] 197.0	[+27.2] +19.2
<b>Profit attributable to owners of parent</b>	110.4	102.7	[134.0] 128.0	[+23.5] +17.5
<b>EBITDA*</b>	356.1	361.3	[408.0] 400.0	[+51.8] +43.8
<b>ROA</b>	6.3%	6.2%	Mid-6% range	-
<b>ROE</b>	11.3%	9.8%	Approx. 10%	-
<b>Transportation Revenues</b>	867.8	873.4	890.0	+22.1

\* EBITDA = Operating Income + Depreciation Expense + Amortization of goodwill  
Figures in [ ] exclude expenses in preparation for Hokuriku Shinkansen opening

## Financial Strategy



### Shareholder return policy

- We will implement stable dividends, aiming for a dividend payout ratio of approximately 35% in fiscal 2023.
- Over the period of this plan, our yardstick will be a total return ratio of approximately 40%, and we will make flexible acquisitions of treasury stock.
  - With capital expenditures expanding, we will enhance returns to shareholders. We will bolster both profit growth and shareholder return.
  - We will focus on sustained profit growth and utilize return ratios.



Operating Environment

# Operating Area Population and Gross Production

## POPULATION AND GROSS PRODUCTION

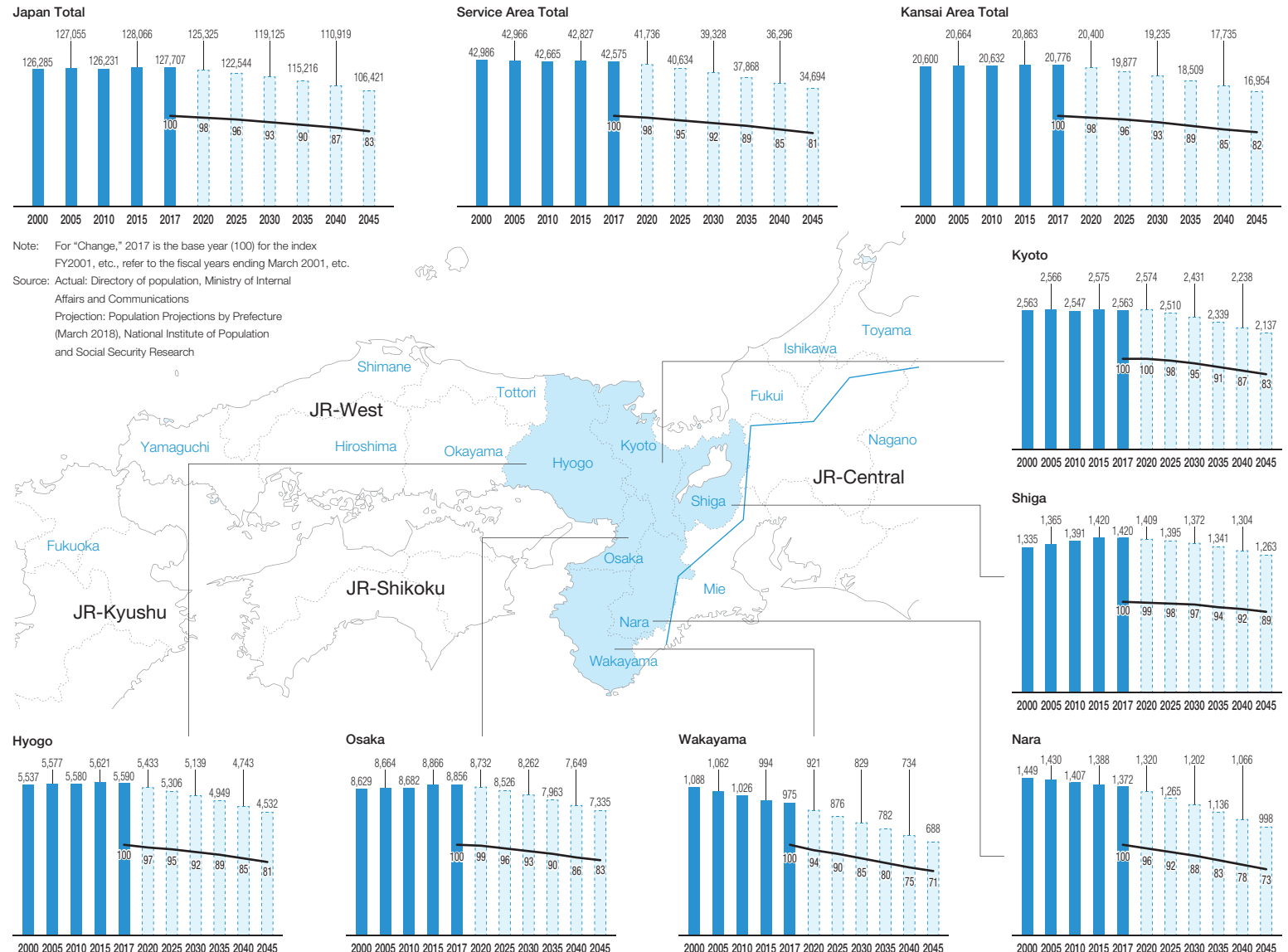
(Thousands of people; Billions of yen)

		Population (As of January 1, 2018)	Gross Production (FY ended March 31, 2016)
Kansai Area	Shiga	1,420	6,163.6
	Kyoto	2,563	10,345.5
	Osaka	8,856	39,106.9
	Hyogo	5,590	20,495.0
	Nara	1,372	3,577.4
	Wakayama	975	3,526.7
	<b>Kansai Area Total</b>	<b>20,776 (16%)</b>	<b>83,215.1 (15%)</b>
Other Service Areas	Niigata	2,281	8,845.6
	Toyama	1,070	4,646.5
	Ishikawa	1,150	4,573.7
	Fukui	791	3,233.3
	Nagano	2,114	8,558.0
	Mie	1,834	8,286.5
	Tottori	571	1,755.1
	Shimane	691	2,565.7
	Okayama	1,921	7,787.9
	Hiroshima	2,849	11,941.1
	Yamaguchi	1,396	5,870.2
<b>Service Areas Total</b>	<b>42,575 (33%)</b>	<b>170,139.9 (31%)</b>	
Reference	Tokyo Area	36,471	180,808.8
	Nagoya Area	11,440	55,397.4
	Kyushu Area	13,069	44,964.1
	<b>Japan</b>	<b>127,707</b>	<b>546,550.5</b>

\* Figures in parentheses show percentages of Japan totals.  
 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

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

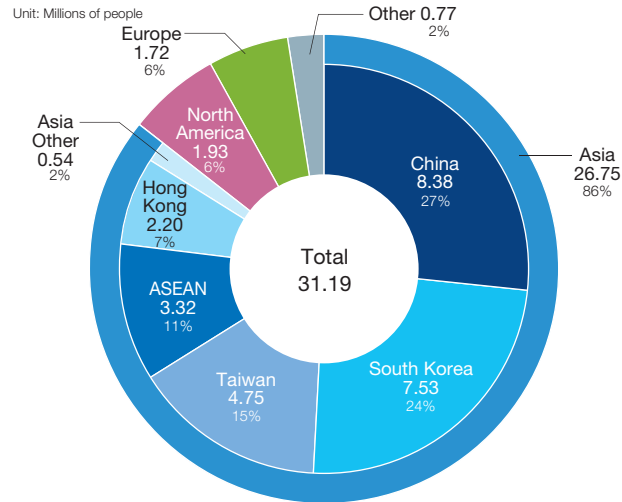
■ Actual □ Projection ● Change



# Demand from Inbound Travel

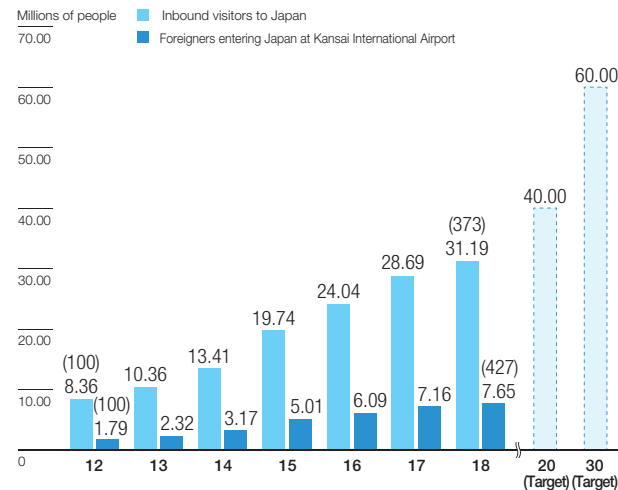
## External Environment

Composition of Inbound Visitors to Japan (CY2018 result)



Source: Japan National Tourism Organization (JNTO)

Changes in Inbound Visitors to Japan (Results for each year and targets)



Note: Figures in parentheses show index, with 2012 = 100

Source: Japan National Tourism Organization (JNTO), Ministry of Justice

VISITING RATE BY PREFECTURE (CY2018 result)

Quantity of responses: 108,202

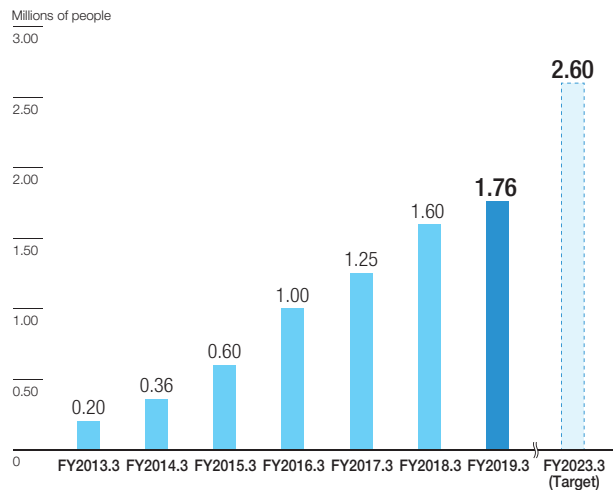
Ranking	Prefecture	Visiting rate %
1	Tokyo	45.6
2	Osaka	36.6
3	Chiba	35.6
4	Kyoto	25.8
5	Fukuoka	10.4
6	Nara	8.9
7	Hokkaido	7.9
8	Aichi	7.8
9	Kanagawa	7.5
10	Okinawa	6.8
11	Hyogo	6.0
⋮	⋮	⋮
15	Hiroshima	2.9

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

Source: Japan Tourism Agency

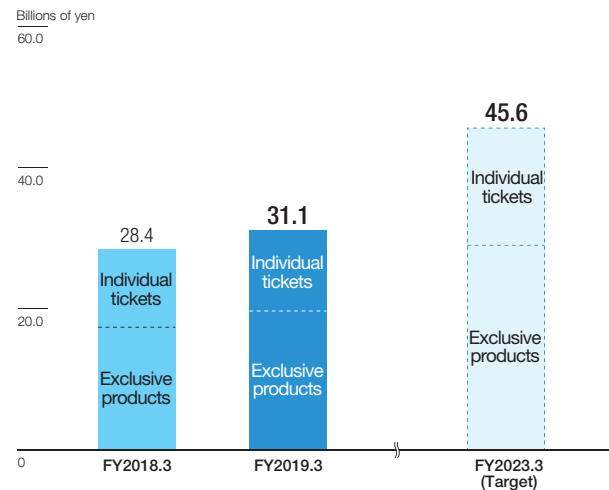
## Results and Targets for Visitors Using JR-West

Number of users of exclusive products

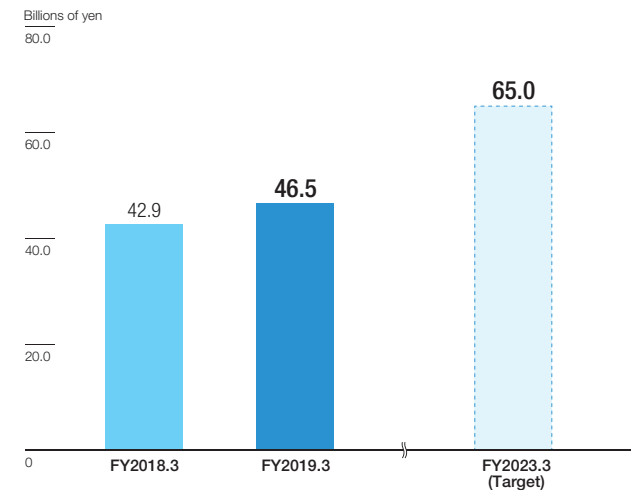


\* Number of visitors using JR-West: Number of visitors using products for inbound visitors (sales and exchanges in JR-West's operating area)

Transportation Revenues



Consolidated operating revenues



Operating Environment

# Airport and Expressway Networks As of March 31, 2019

**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	46
Airlines	3h 30m	34,890	18

**Tokyo – Okayama**

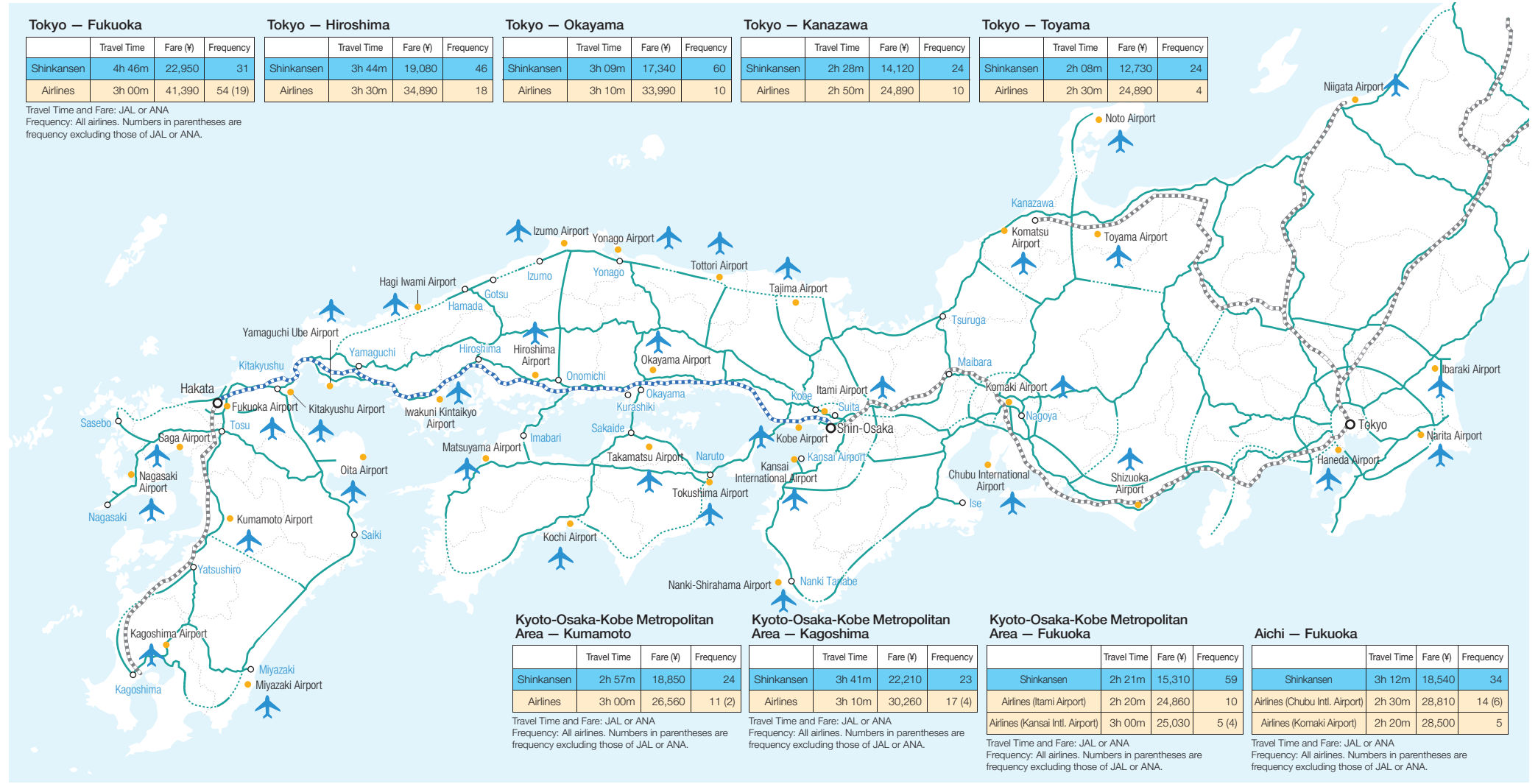
	Travel Time	Fare (¥)	Frequency
Shinkansen	3h 09m	17,340	60
Airlines	3h 10m	33,990	10

**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	24
Airlines	3h 00m	26,560	11 (2)

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	23
Airlines	3h 10m	30,260	17 (4)

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	24,860	10
Airlines (Kansai Intl. Airport)	3h 00m	25,030	5 (4)

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	14 (6)
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, ¥260 for Osaka International Airport (Itami), ¥430 for Kansai International Airport, and ¥310 for Chubu Intl. Airport).

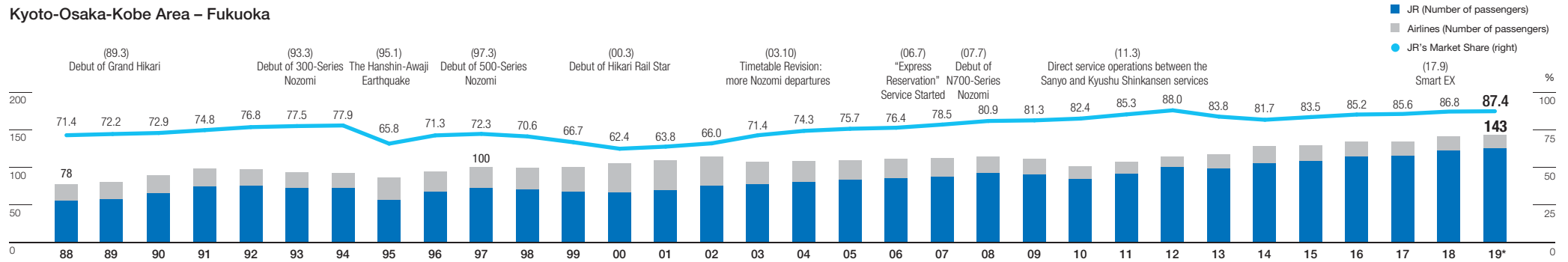


Business

# Sanyo Shinkansen Line / Shinkansen Versus Airlines Years ended March 31

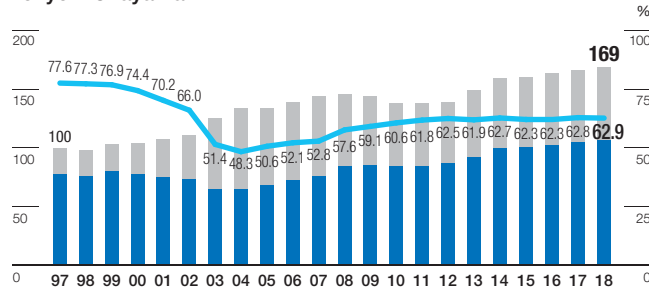
## SHARE OF PASSENGER MARKET – SHINKANSEN VERSUS AIRLINES

### Kyoto-Osaka-Kobe Area – Fukuoka

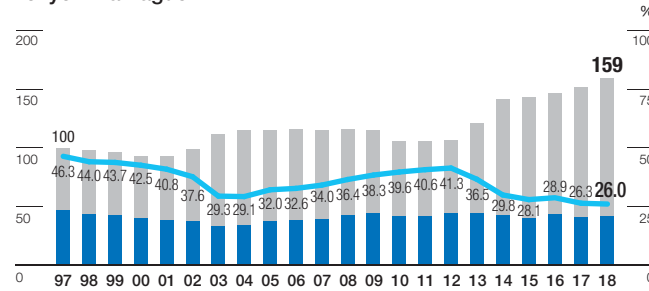


Kyoto-Osaka-Kobe Area: Kyoto, Osaka, and Hyogo Prefecture  
\* Figures for the fiscal year ended March 2019 are preliminary.

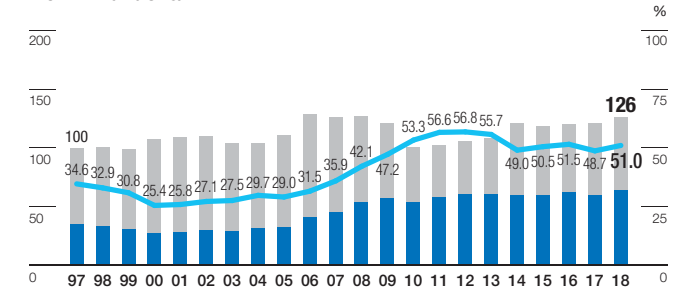
### Tokyo – Okayama



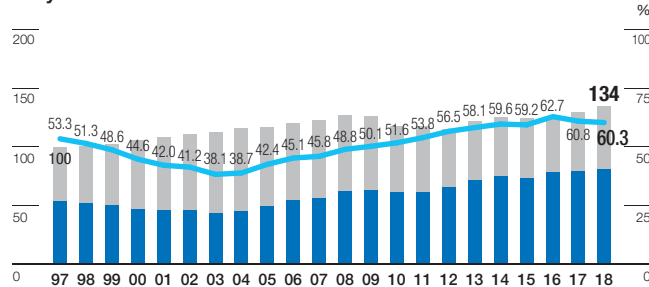
### Tokyo – Yamaguchi



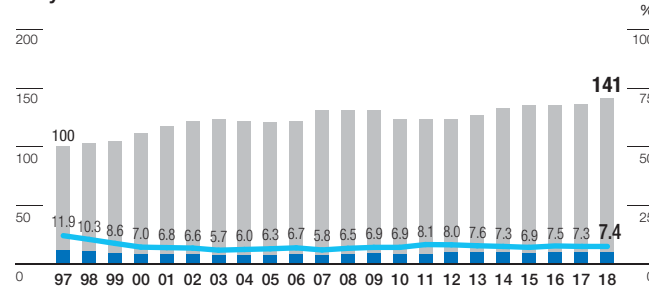
### Aichi – Fukuoka



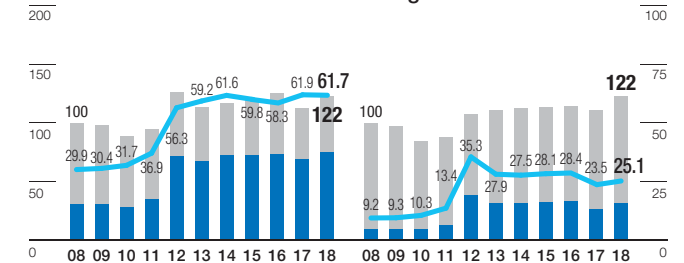
### Tokyo – Hiroshima



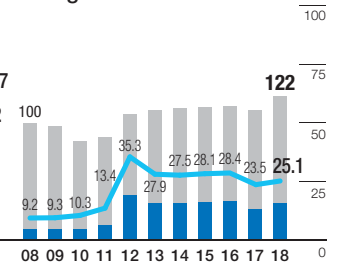
### Tokyo – Fukuoka



### 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

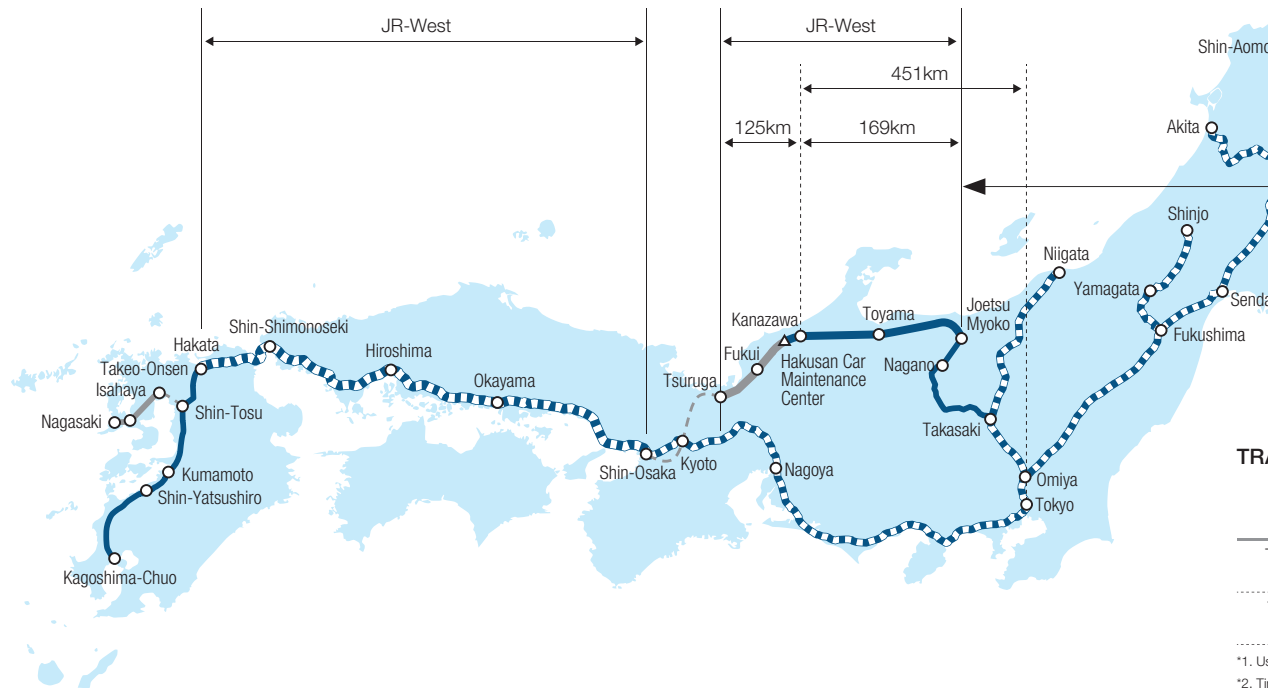
# Development of New Shinkansen Lines (Hokuriku Shinkansen Line)

## 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)		<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>
Hokuriku (Tokyo-Osaka)	Takasaki — Nagano (opened in October 1997, 117km) Nagano — Kanazawa (opened in March 2015, 228km)	Kanazawa — Tsuruga (125km)	
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)	

### PLANNING OF NEW SHINKANSEN LINES As of March 31, 2019

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



**Hokuriku Shinkansen**  
 ① Nagano-Hakusan Car Maintenance Center  
 Opened on March 14, 2015.  
 ② Hakusan Car Maintenance Center-Tsuruga  
 Scheduled to be completed by end of FY2023.3.

### TRAVEL TIME AND MARKET SHARE

	JR		Airlines <sup>*3</sup>	JR market share <sup>*4</sup>	
	Before opening <sup>*1</sup>	After opening <sup>*2</sup>		Before opening (FY2014)	After opening (FY2017)
Tokyo — Ishikawa	About 3h 50m	2h 28m	About 2h 50m	31.2%	69.7%
Tokyo — Toyama	About 3h 10m	2h 08m	About 2h 30m	55.2%	85.9%

<sup>\*1</sup>. Using the Joetsu Shinkansen and Hakutaka limited express train

<sup>\*2</sup>. Time required for fastest "Kagayaki"

<sup>\*3</sup>. Includes airport access and egress time

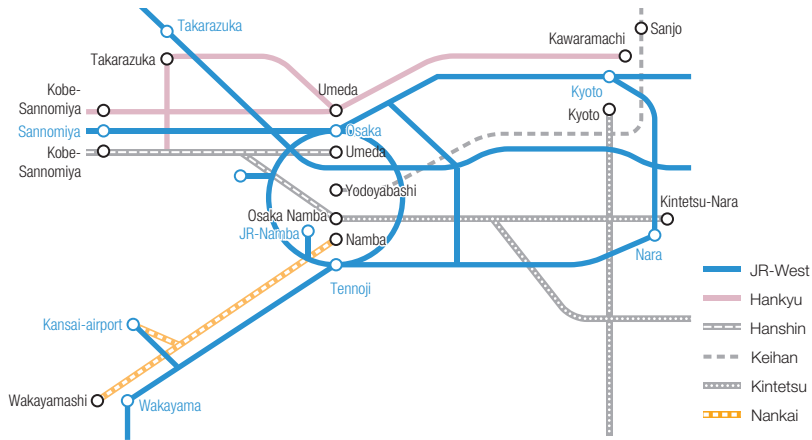
<sup>\*4</sup>. Source: Statistical survey of Ministry of Land, Infrastructure, Transport and Tourism

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

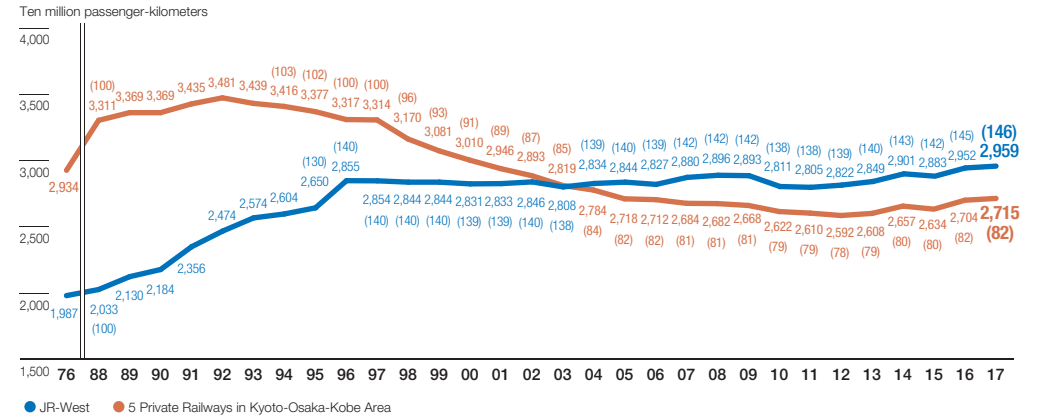
Business

# Kansai Urban Area (Kyoto-Osaka-Kobe Area)

## MAJOR LINES IN KYOTO-OSAKA-KOBE AREA



## TRAFFIC VOLUME (Years ended March 31)



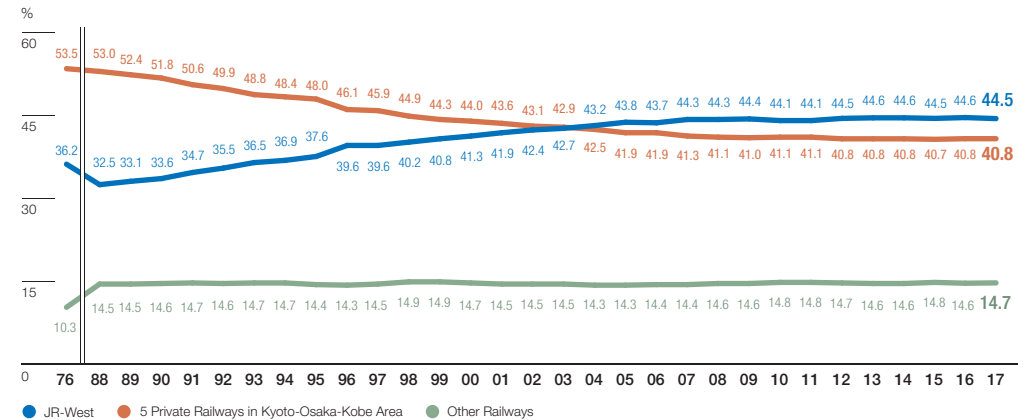
Note: Figures in parentheses are indexed at the fiscal year ended March 1988 = 100.  
Source: Annual Railway Statistical Bulletin

## 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
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[35]*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]*1

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)



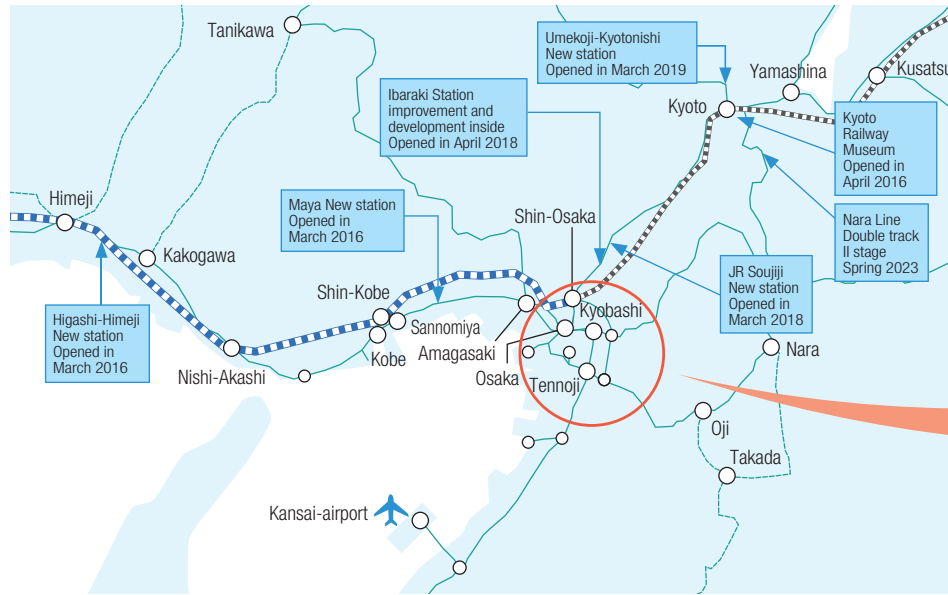
Note: 5 private railways in Kyoto-Osaka-Kobe area: Hankyu, Hanshin, Keihan, Kintetsu, and Nankai



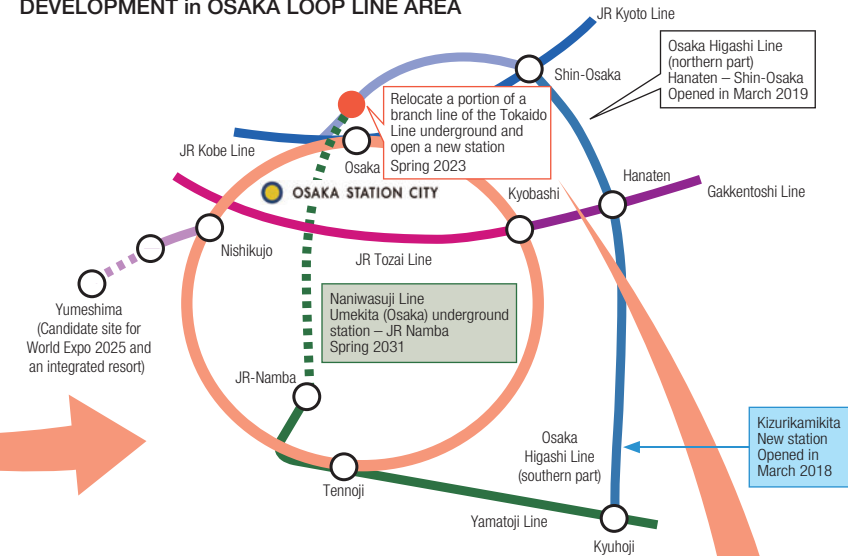
Business

# Development in Kansai Urban Area

DEVELOPMENT in KANSAI URBAN AREA (As of March 2019)



DEVELOPMENT in OSAKA LOOP LINE AREA



MAJOR PROJECTS

• Naniwasuji Line

**Project overview**

- Total cost: Approx. 330.0 billion yen
- length: Approx. 7.4 km

**Project leaders**

- Construction: Kansai Rapid Railway Co., Ltd.
- Operations: Umekita (Osaka) underground station Nishi-Hommachi Station (provisional name) – JR Namba Station : West Japan Railway Company Umekita (Osaka) underground station – Nishi-Hommachi Station (provisional name) – Shin-Imamiya Station : Nankai Electric Railway Co., Ltd.

**Project timeline**

Spring 2031 Targeted start of operations

• 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)
- Mar. 2019 Opening of northern part (Shin Osaka-Hanaten) (11.1 km)

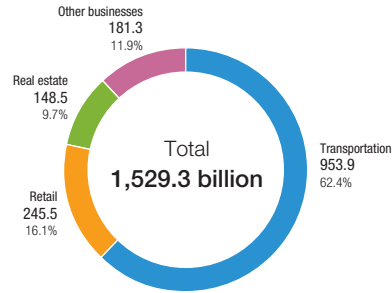


Business

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

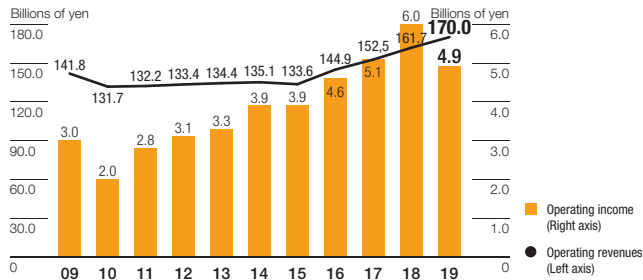
## OPERATING REVENUES BY SEGMENT

Year ended March 31, 2019 (Billions of yen)

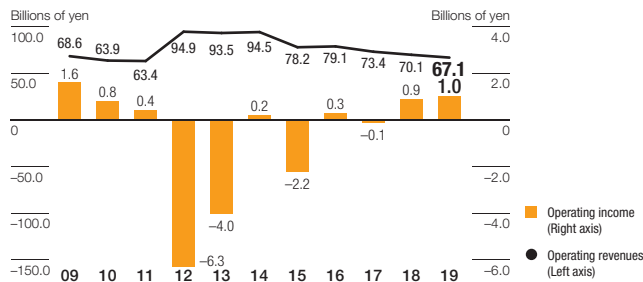


Retail

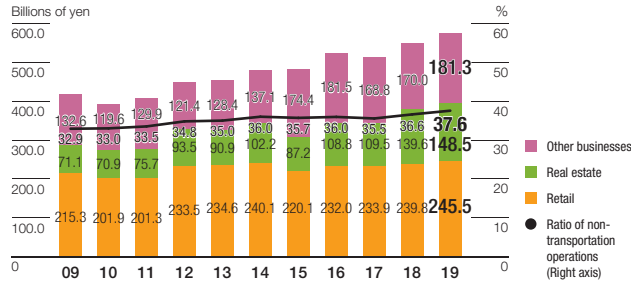
## SALES OF GOODS AND FOOD SERVICES



## DEPARTMENT STORE

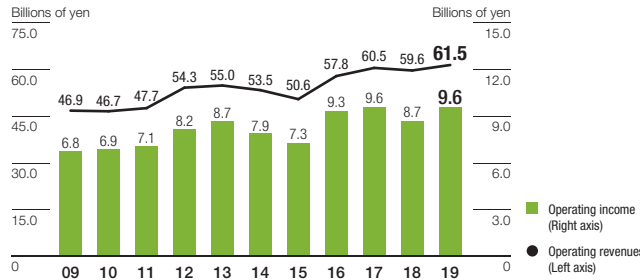


## OPERATING REVENUES OF NON-TRANSPORTATION OPERATIONS

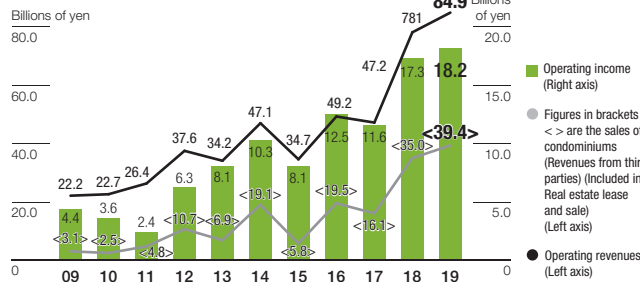


Real estate

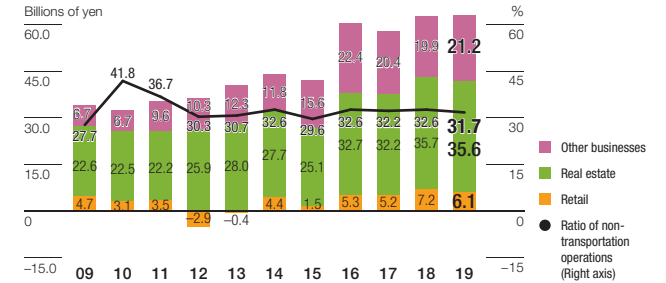
## SHOPPING CENTER OPERATIONS



## REAL ESTATE LEASE AND SALE

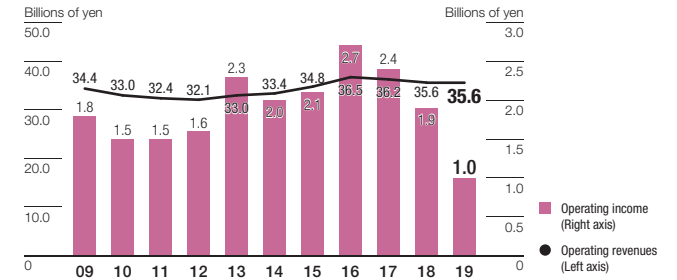


## OPERATING INCOME OF NON-TRANSPORTATION OPERATIONS

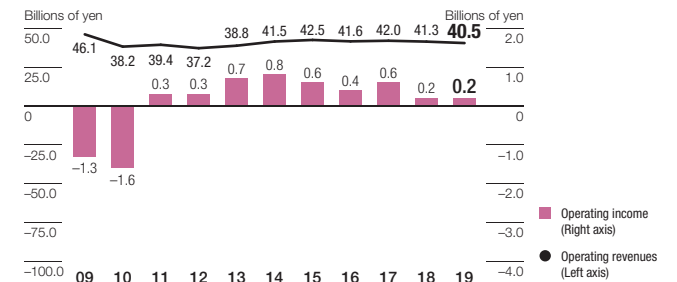


Other businesses

## 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, 2019

## Sales of Goods and Food Services

Business	Names of major stores	No. of stores	Overview
Sales of Goods	Seven-Eleven ①	391	Seven-Eleven franchised stores
	Eki Marché ②	3	Commercial facilities inside stations
	episode	16	Variety and general goods stores inside stations
	Garland of Dew	13	Selected accessory shops
Food Services	DELI CAFE	15	Self-service cafés
	ESTACIÓN CAFÉ	9	Full-service cafés inside stations
	KARAFUNEYA COFFEE	12	Urban full-service cafés
	Menya	20	Fast food noodle shops
	Tabi Bento	10	Shops specializing in train station boxed lunches
	Drip-X-Café	3	New type café located outside stations
Other	VIA INN ③	22	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
10 VIA INN Shinsaibashi	Apr. 2011	205
11 VIA INN Shinjuku	Feb. 2012	226

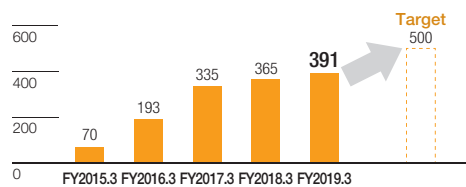
Name	Opened	Rooms
12 VIA INN Higashi Ginza	Mar. 2012	297
13 VIA INN Okayama	Oct. 2012	251
14 VIA INN Nagoya Shinkansen Gate	July 2013	238
15 VIA INN Shinsaibashi Nagahoridori	June 2014	150
16 VIA INN Asakusa*2	June 2014	190
17 VIA INN Hiroshima Kanayamacho*2	June 2014	156
18 VIA INN Abeno Tennoji	Apr. 2017	172
19 VIA INN Umeda	Aug. 2017	217
20 VIA INN SHIN-OSAKA SHOMENGUCHI	Jul. 2018	88
21 VIA INN NAGOYA EKIMAETSUBAKI-CHO	Aug. 2018	249
22 VIA INN Iidabashi Korakuen	Sep. 2018	295

\*1 Unconsolidated business  
\*2 Other Business segment

## Department Store

Major Store	Opened	Commercial floor space
JR Kyoto Isetan	Sept. 1997	Approx. 44,000 m <sup>2</sup>

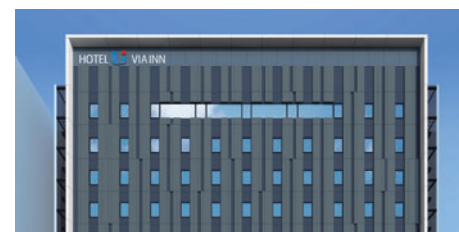
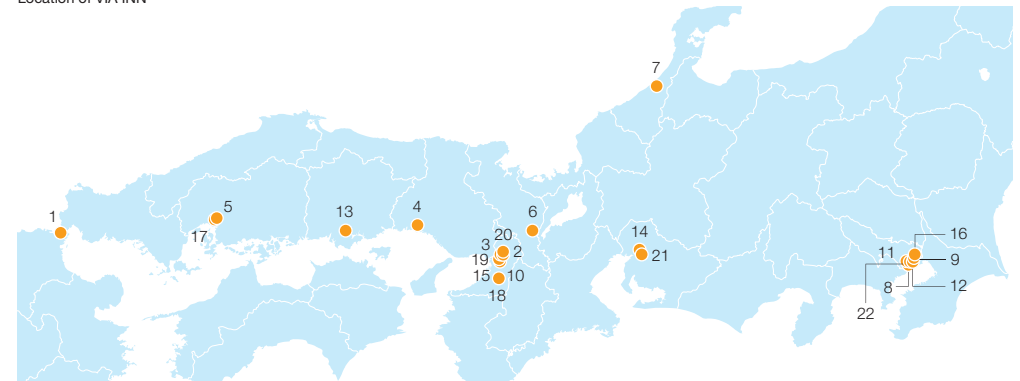
### ① Number of Seven-Eleven franchised stores



### ② Eki Marché details

Name	Opened	Floor space
Eki Marché Takarazuka	Mar. 2010	Approx. 840 m <sup>2</sup>
Eki Marché Osaka	Oct. 2012	Approx. 4,700 m <sup>2</sup>
Eki Marché Shin-Osaka	Mar. 2015	Approx. 2,300 m <sup>2</sup>

Location of VIA INN





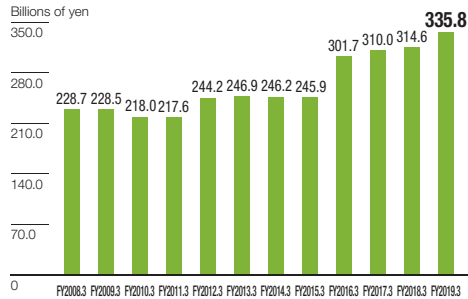
Business

# Non-Transportation Operations (Real Estate Business) As of March 31, 2019

## 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	8,700 m <sup>2</sup>
Kanazawa Hyakubangai	Mar. 1991	18,100 m <sup>2</sup>
Prism Fukui	Apr. 2005	2,800 m <sup>2</sup>
Kyoto Station Building Shop Street The CUBE	Oct. 1952	5,100 m <sup>2</sup>
Shopping Mall Kyoto Porta	Nov. 1980	10,200 m <sup>2</sup>
SUITA GREEN PLACE	June 2016	9,000 m <sup>2</sup>
ardel SHIN-OSAKA	Feb. 1965	5,300 m <sup>2</sup>
LUCUA osaka	May 2011	53,000 m <sup>2</sup>

SC name	Date opened	Floor space
EST	Nov. 1981	6,800 m <sup>2</sup>
Tennoji MIO	Sept. 1995	39,000 m <sup>2</sup>
Wakayama MIO	Mar. 1968	7,200 m <sup>2</sup>
MONtetMER	Oct. 1980	9,600 m <sup>2</sup>
Liv	Mar. 1989	15,100 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	25,000 m <sup>2</sup>

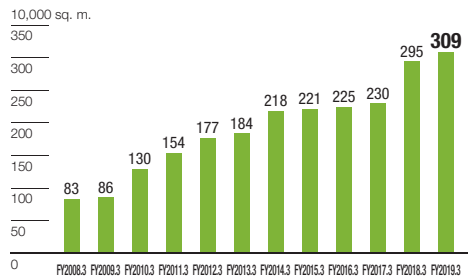
SC name	Date opened	Floor space
Okayama Ichi Ban Gai	Aug. 1974	8,100 m <sup>2</sup>
SUN STATION TERRACE OKAYAMA	Oct. 2006	8,200 m <sup>2</sup>
SUN STATION TERRACE FUKUYAMA	Nov. 2007	10,100 m <sup>2</sup>
SHAMINE MATSUE*	Oct. 1978	4,500 m <sup>2</sup>
SHAMINE TOTTORI*	Oct. 1979	2,600 m <sup>2</sup>
Hiroshima station building ASSE	Mar. 1965	10,900 m <sup>2</sup>
ekie	Oct. 2017	7,300 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

Leasing space



List of major facilities

Commercial facilities

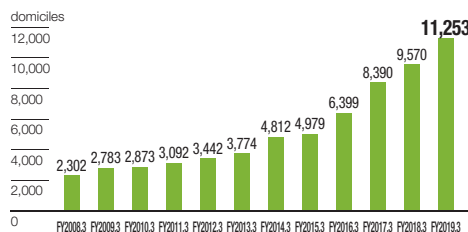
Facility name	Date opened	Floor space
VIERRA Otsu	Oct. 2016	2,200 m <sup>2</sup>
VIERRA Nara	Mar. 2012	5,300 m <sup>2</sup>
VIERRA Tsugaguchi	Apr. 2016	5,400 m <sup>2</sup>
VIERRA Morinomiya	Sept. 2013	4,000 m <sup>2</sup>
VIERRA Momodani	Aug. 2016	1,000 m <sup>2</sup>
VIERRA Kobe	Dec. 2003	6,600 m <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>
Port Side Dia Building	Jan. 2001	8,400 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 LIBARAKI	Mar. 2016-	283
Maya City COMFORT	Mar. 2016-	105
GRACIA CITY KAWASAKI DAISHIGAWARA	June 2016-	558
Diasta Waseda Suwadori	Sept. 2016-	23
Diasta Musashino Midorinotei	Sept. 2016-	19

Property name	Date of delivery	Total units
Diasta Kajigaya Hills	Feb. 2017-	56
PROUD CITY TSUKAGUCHI MARK FOREST	Mar. 2017-	587
J.GRAN THE HONOR SHIMOGAMO TADASU NO MORI	June 2017-	99
Diasta Mio Fukumachi Urban	Sept. 2017-	96
Diasta Mio Tarumi Kaigan-dori	Sept. 2017-	28

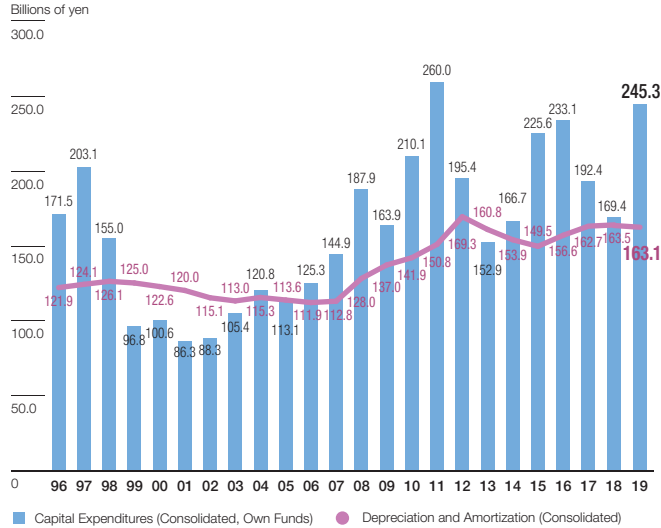


Data

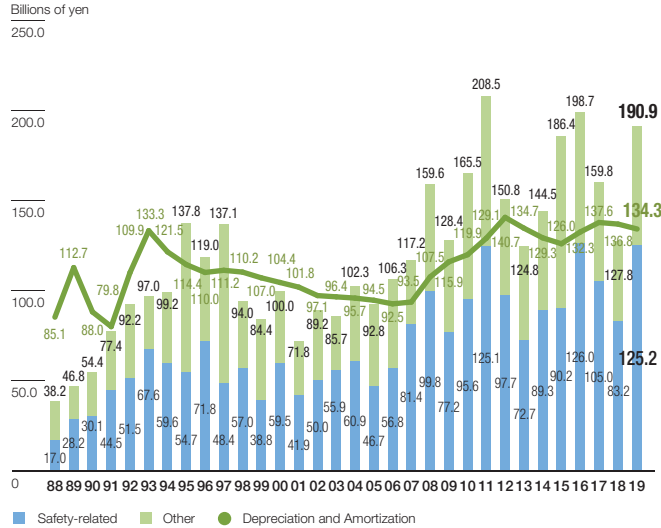
# Uses of Cash Flows

## Capital Expenditures (Consolidated, Non-Consolidated)

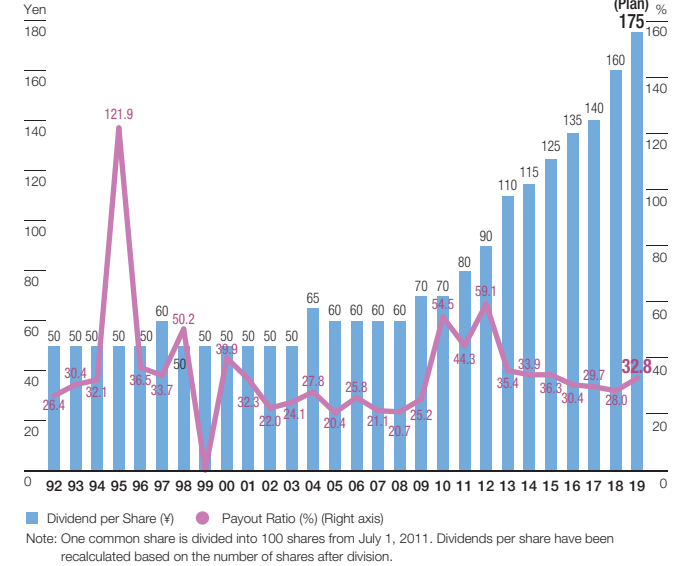
### CAPITAL EXPENDITURES (Consolidated, Own Funds) Years ended March 31



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

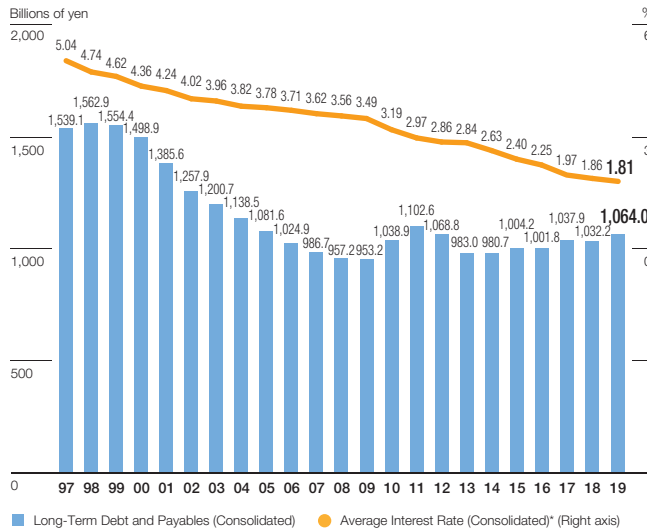


## Dividends Years ended March 31

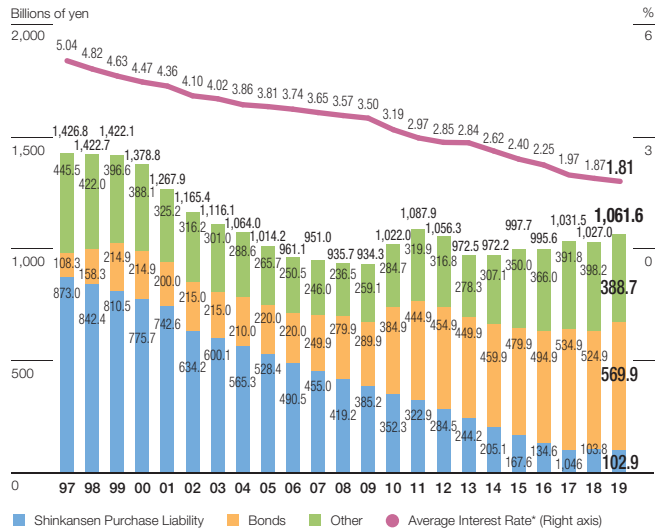


## Long-Term Debt and Payables (Consolidated, Non-Consolidated)

### 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 2019)

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	102.9	Fixed 6.55	60 until Sept. 2051	Japan Railway Construction, Transport and Technology Agency

## Results for acquisition of own shares

Time period	Oct-Nov 2007	Aug-Sep 2008	Dec 2008-Jan 2009	Nov 2012	Nov 2013	Jun-Jul 2018	Aug 2018
Purchase amount	¥9.9bn	¥9.9bn	¥9.9bn	—	—	¥9.9bn	—
Shares bought	1,743,400	1,991,300	2,530,600	—	—	1,253,600	—
Shares retired	—	—	—	1,743,400	4,521,600	—	1,253,600

Note: One common share is divided into 100 shares from July 1, 2011. Shares bought is stated as the number of shares after division.

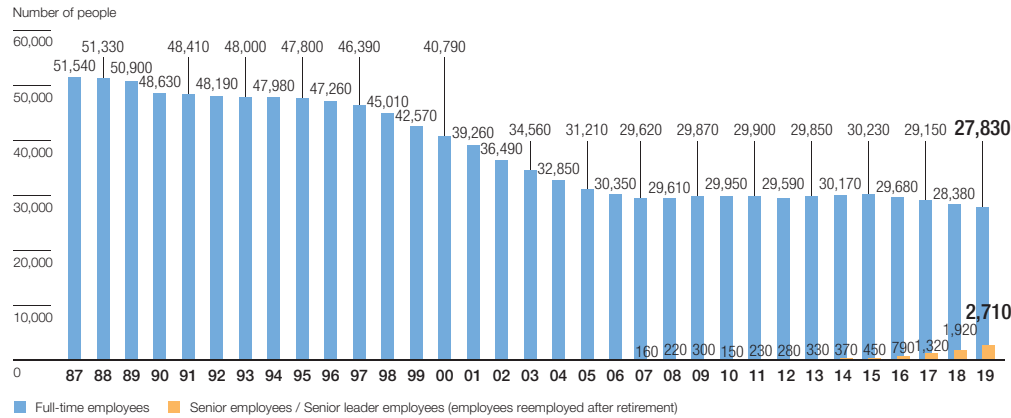
\* Average interest rate before FY ended March 1999 was calculated as follows:

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]

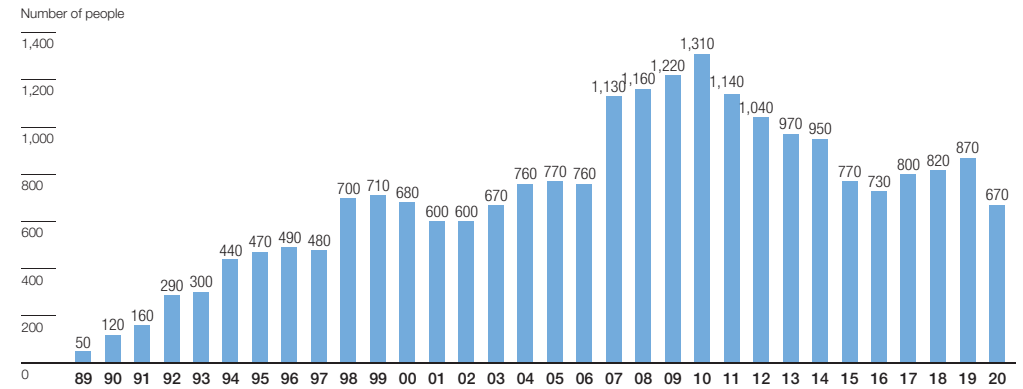
Data

# Employees (Consolidated, Non-Consolidated)

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

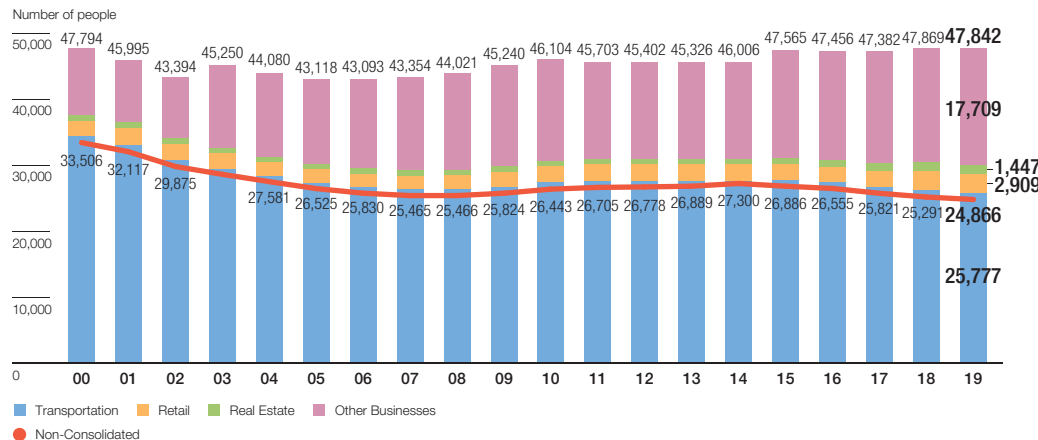


## NEW EMPLOYEES (Non-Consolidated) FY ended March 31

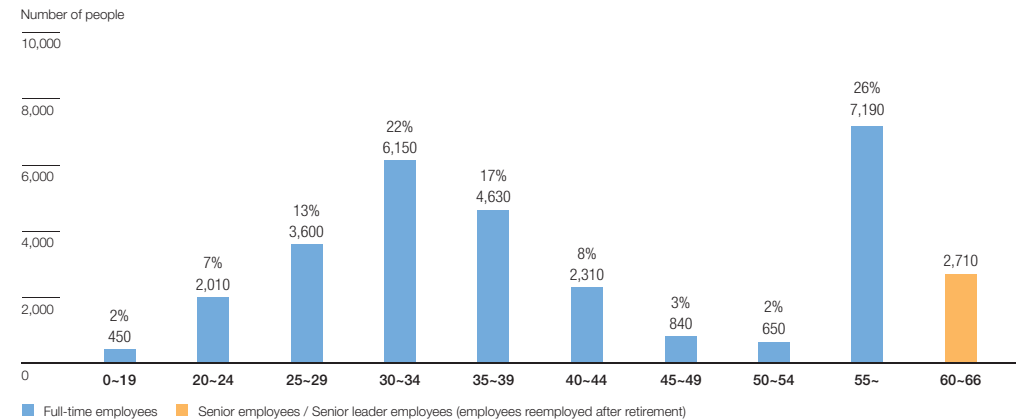


Note: Beginning the fiscal year ended March 2007, a new personnel system was adopted that promoted contract employees during the year to the status of full employees. These employee figures have been included in the fiscal year ended March 2007 and for years thereafter.  
(Please note, however, that in the fiscal year ending March 2020, this figure represents employees who joined the Company on April 1, 2019.)  
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, 2019



Note: The percentages are based on employee numbers excluding employees reemployed after retirement.



## 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>*10</sup>	13	14	15	16	17	18 <sup>*11</sup>	19	
<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	12.8	12.9	
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	11.8	12.0	
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	7.4	6.7	
Return on Total Assets (ROA) (%)*1	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	6.3	6.2	
Return on Equity (ROE) (%)*2	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	11.3	9.8	
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	75.3	74.8	
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	33.2	33.3	
Debt-Equity Ratio (times)*3	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	1.0	1.0	
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	9.2	9.9	
EBITDA (¥ billions)*4	—	—	—	—	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	356.1	361.3	
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	570.72	533.31	
Book-value (Net Assets) per Share (BPS) (¥)*5	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	5,273.42	5,612.63	
Dividend per Share (¥)*6	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	160	175	
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	28.0	32.8	
Total Return Ratio (%)*7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	42.5
Dividend on Equity (DOE) (%)*8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2.2	2.0	1.9	2.1	2.0	2.3	2.5	2.9	2.9	3.1	3.1	3.0	3.2	3.2	
Rate of total distribution on net assets (%)*9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2.9	3.1	3.1	3.0	3.2	4.2	
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	1.54	1.56	
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	1.37	1.27	
<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	14.8	15.4	
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	13.2	13.9	
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	8.3	8.2	

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 Estimate for the fiscal year ended March 2019, as are Payout Ratio, Total Return Ratio, Dividend on Equity (DOE), and Rate of total distribution on net assets.

\*7 Total Return Ratio = (total dividends + acquisitions of treasury stock) / Net Income

\*8 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]

\*9 Rate of total distribution on net assets = (total dividends + acquisitions of treasury stock) / consolidated net assets

\*10 The Company conducted a stock split on July 1, 2011, at a ratio of 100 ordinary shares for each ordinary share.

\*11 From the fiscal year ended March 31 2018, accompanying partial amendments to "Accounting Standard for Tax Effect Accounting," the method of offsetting deferred tax assets and deferred tax liabilities in the "Assets" and "Liabilities" sections has been changed.





Data

# Transportation Revenues Years ended March 31

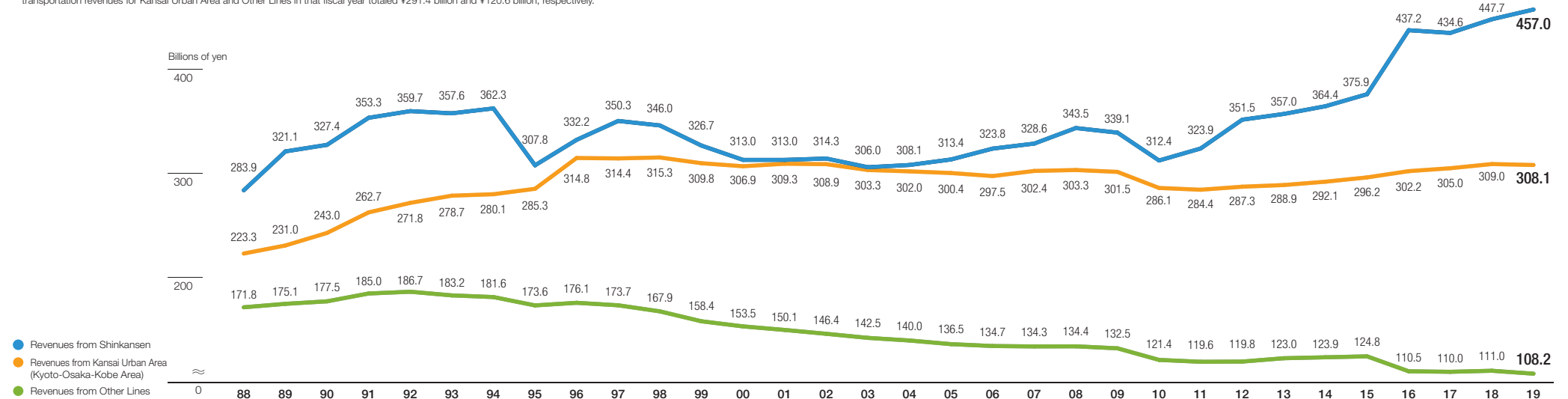


(Billions of yen)

		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	18	19	
<b>Railway</b>	<b>Consumption tax</b>			3%								5%																						
<b>Shinkansen</b>	<b>Commuter</b>	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	87	8.8	8.9	8.9	9.0	9.3	9.3	10.1	10.2	10.7	11.2	
	<b>Other</b>	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	98.9	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	436.9	445.8	
	<b>Total</b>	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	447.7	457.0	
<b>Conventional Lines</b>																																		
<b>Kansai Urban Area (Kyoto-Osaka-Kobe Area)</b>	<b>Commuter</b>	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	116.9	116.6	
	<b>Other</b>	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	73.8	175.7	178.3	181.0	186.5	188.5	192.0	191.4	
	<b>Total</b>	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	309.0	308.1	
<b>Other Lines</b>	<b>Commuter</b>	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	25.1	24.6	
	<b>Other</b>	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	85.9	83.5	
	<b>Total</b>	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	111.0	108.2	
<b>Subtotal</b>	<b>Commuter</b>	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	142.0	141.3	
	<b>Other</b>	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	277.9	274.9	
	<b>Total</b>	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	420.0	416.3	
<b>Total</b>	<b>Commuter</b>	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	148.8	150.8	151.7	152.2	149.7	149.3	149.4	149.3	150.3	151.6	151.1	151.8	152.8	152.5		
	<b>Other</b>	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	714.9	720.8	
	<b>Total</b>	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	867.8	873.4	
<b>Luggage and Ferry</b>		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	0.0	0.0	
<b>Grand Total</b>		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	867.8	873.4	

\* : 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	18	19		
<b>Passenger-Kilometers (Millions)*1</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	846	880		
	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	20,176	20,457		
	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	21,022	21,338		
<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	18,787	18,766		
	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	11,084	11,031		
	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	29,872	29,797		
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	4,043	3,985		
	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	4,353	4,257		
	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	9,108	9,264	9,138	8,369	8,330	8,397	8,243			
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	22,831	22,751		
	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	15,437	15,289		
	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	38,269	38,040		
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	23,677	23,632		
	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	35,613	35,746		
	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	59,291	59,379		
<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	85	87		
	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	1,847	1,845		
	Total*2	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	1,913	1,911		
<b>Train-Kilometers (Millions)*3</b>																																			
Shinkansen	Shinkansen	23	25	28	29	30	31	32	30	32	32	33	33	35	36	37	36	36	37	37	38	39	39	37	39	39	39	40	44	44	45	45			
	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	141	139		
	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	187	184		
<b>Passenger Car-Kilometers (Millions)*4</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	556	556		
	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	793	779		
	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	1,349	1,335		

\*1 Passenger-Kilometers: the total of the number of passengers times the number of kilometers each traveled.  
 \*2 Passengers using both Shinkansen and conventional lines during one journey are counted as one passenger in the row marked "Total".  
 \*3 Train-Kilometers: the total distance traveled by all trains.  
 \*4 Passenger Car-Kilometers: the total of the numbers of cars in the train times the number of kilometers each train traveled.

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.

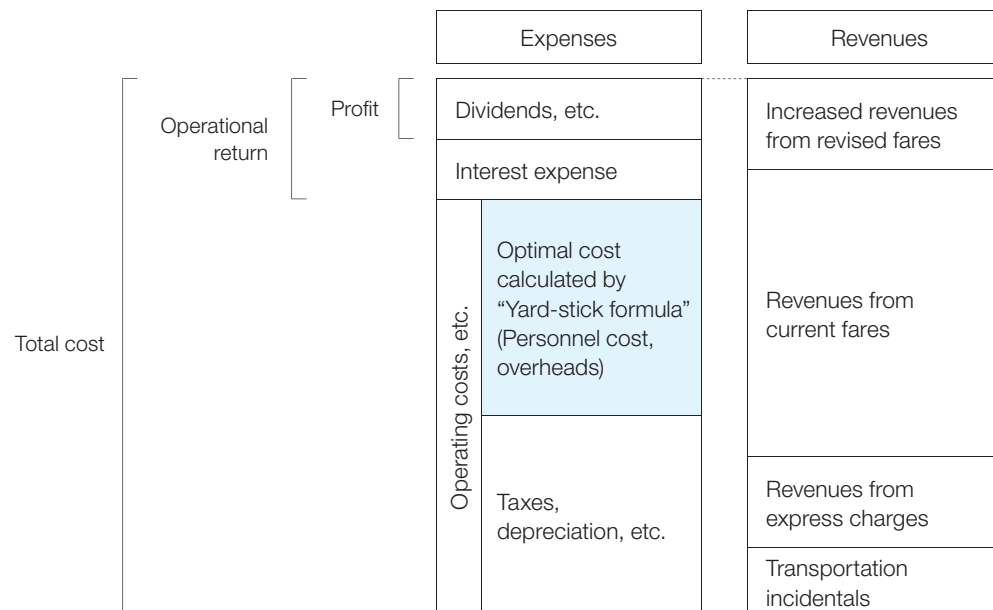
- The calculation of total cost is as follows:

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

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.





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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, 2019, 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.