

FLASH REPORT [JAPANESE GAAP] (CONSOLIDATED BASIS)Company name: **West Japan Railway Company**

Stock listings: Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya and Fukuoka Stock Exchanges

Code number: 9021 URL: <http://www.westjr.co.jp>

President: Takayuki Sasaki

For further information, please contact: Yoshinori Tsujiko, General Manager, Corporate Communications

Department

Telephone: +81-6-6375-8889

Quarterly report filing date (Planned): February 8, 2012

Start of dividend payments (Planned): —

Quarterly supplemental explanatory material prepared: Yes

Quarterly results briefing held: None

(Figures less than ¥1 million have been omitted.)

1. Results for the Third Quarter of the Fiscal Year (from April 1, 2011 to December 31, 2011)**(1) Operating Results**

Nine months ended December 31

Percentages indicate year-on-year increase/ (decrease).

	Operating revenues		Operating income		Recurring profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2011	960,171	6.2	100,236	(1.8)	77,073	(2.9)	30,065	(34.6)
2010	904,057	1.5	102,113	41.6	79,408	67.9	46,001	78.8

(Note) Comprehensive Income: Nine months ended December 31, 2011: ¥28,181 million, (37.5)%;

Nine months ended December 31, 2010: ¥45,075 million, —%

	Net income per share	Net income per share after dilution
	Yen	Yen
2011	155.26	—
2010	237.56	—

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
December 31, 2011	2,623,503	734,143	26.8
March 31, 2011	2,672,423	721,251	25.8

(Reference) Total shareholders' equity: December 31, 2011: ¥703,107 million, March 31, 2011: ¥688,808 million

2. Dividends

Year ended/ ending March 31

	Dividends per share				
	June 30	September 30	December 31	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2011	—	4,000.00	—	4,000.00	8,000.00
2012	—	40.00	—		
2012 (Forecast)				50.00	90.00

(Note) Revision of dividends forecast for this period: Yes

3. Forecasts for Fiscal Year Ending March 31, 2012

Percentages indicate year-on-year increase/ (decrease).

	Operating revenues		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year	1,289,000	6.2	107,500	12.0	79,500	15.3

	Net income		Net income per share
	Millions of yen	%	Yen
Fiscal year	28,500	(18.5)	147.18

(Note) Revision of earnings forecast for this period: Yes

4. Other

1. Significant changes in subsidiaries during the subject period: None

Note: Indicates whether there was any change in a specific subsidiary related to a change in the scope of consolidation during the subject accounting period.

2. Adoption of simplified accounting practices and special accounting policy for quarterly financial reporting: None

3. Changes from accounting methods, procedures and the presentation of the quarterly consolidated financial statements:

- 1) Changes based on revision of accounting standards: Yes
- 2) Changes other than 1) above: None
- 3) Changes in Accounting Estimates: None
- 4) Restatements: None

Note: For details, see "Matters Regarding Summary Information (Other)" on page 9 of the accompanying material.

4. Number of Shares Outstanding (Common stock)

	December 31, 2011	March 31, 2011
1) Number of shares issued and outstanding (including treasury stock):	200,000,000	200,000,000
2) Number of treasury stock	6,358,400	6,358,400
	Nine months ended December 31, 2011	Nine months ended December 31, 2010
3) Average number of shares outstanding for each period (cumulative term):	193,641,600	193,641,600

The Company conducted a stock split on July 1, 2011, at a ratio of 100 ordinary shares for each ordinary share. Figures for number of shares have been calculated assuming this stock split was conducted at the beginning of the previous fiscal year.

* Indication regarding the status of quarterly review procedures

These financial statements are not subject to quarterly review procedures under the Financial Instruments and Exchange Act. The review of these financial statements in accordance with the Financial Instruments and Exchange Act had not been completed at the time of disclosure.

Notes

1. The forward-looking statements made in this document, including the aforementioned forecasts, are based on all information available to the management at the time of this document's release. Actual results may differ from the results anticipated in the statements.

2. The Company conducted a stock split on July 1, 2011, at a ratio of 100 ordinary shares for each ordinary share. Figures for net income have been calculated assuming this stock split was conducted at the beginning of the previous fiscal year.
3. Supplementary materials for the financial statements are posted on our homepage.

(Reference) FLASH REPORT (NON-CONSOLIDATED BASIS)

Forecasts for the Fiscal Year Ending March 31, 2012

Percentages indicate year-on-year increase/ (decrease).

	Operating revenues		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year	864,000	4.3	91,000	20.0	64,500	32.9

	Net income		Net income per share
	Millions of yen	%	Yen
Fiscal year	23,500	(17.6)	121.30

(Note) Revision of earnings forecast for this period: Yes

1. QUALITATIVE INFORMATION ON THE RESULTS FOR THE SUBJECT PERIOD

On April 25, 2005, JR-West caused an extremely serious accident when one of its trains derailed between Tsukaguchi and Amagasaki stations on the Fukuchiyama Line, resulting in 106 fatalities and more than 500 injuries of passengers. Since the accident JR-West has exerted its full effort with regard to its three pillars of management, specifically “Measures to have ourselves accepted as acting with the best of intentions by the victims of the train accident,” “Measures to enhance safety,” and “Furthering of reform.” We have also humbly accepted the report on the Fukuchiyama Line accident released by the Aircraft and Railway Accidents Investigation Commission in June 2007, and are working to make improvements by sincerely and quickly addressing its proposals, opinions and other issues raised.

In October 2010, JR-West formulated and announced the “Revision of the JR-West Group’s Medium-Term Management Plan 2008-2012” in response to the unprecedented harsh situation the Company faced, and the rapid deterioration in the business climate since fall 2008. The revisions shift the focus of management more toward long-term sustainability, while clarifying the direction of medium to long-term management, along with specific measures. We have been steadily implementing these measures.

The Great East Japan Earthquake that occurred in March 2011 had a considerable impact not only on regions directly affected by the disaster, but all of Japan. The JR-West Group’s entire business operations were also affected, including railway operations. While making efforts to aid in disaster relief and rehabilitation, JR-West was forced to reduce the frequency of train operations, or to shorten train configurations due to shortages of certain parts necessary for train maintenance. However, we took steps to ensure as little inconvenience as possible to the users of our service. We are also reaffirming the current state of our risk management, and implementing a broad range of measures to ensure safety in the event of massive earthquake and tsunami. JR-West recognizes that power supply issues are a problem affecting all of Japan. We will continue to implement energy conservation measures in stations, trains, offices and other areas to the fullest extent possible, with due consideration to the safety and convenience of users, and requesting their understanding and cooperation.

During the subject nine-month period through the third quarter (April 1, 2011 to December 31, 2011), JR-West conducted memorial services and held explanatory briefings for the victims of the Fukuchiyama Line accident, and continued to make concerted efforts with regard to the families of the victims that they would be able to accept with sincerity. We also conducted measures to help foster a safe and secure society through the JR-West Anshin Foundation, a public-interest association established in the wake of the Fukuchiyama Line accident.

Further, in accordance with the Corporate Philosophy and Safety Charter adopted in March 2006, and in order to establish “a corporate culture that places top priority on safety,” make further improvements in safety, regain customer trust, and realize the goal of the Basic Safety Plan to “Build a corporate system to ensure no accidents that produce casualties among our customers and no serious labor accidents to our employees,” JR-West implemented measures to establish a safety management system based on risk assessment.

For its reform efforts, in the recognition that operational reform is the necessary counterpart to improving safety, JR-West built on efforts toward “reform” and “revitalization” implemented up to now to help establish the principle of “Thinking and Acting based on the field,” in which each employee takes a leading role at his or her workplace.

JR-West convened regular meetings of the Corporate Ethics Committee that acts as a consultative body for the Board of Directors. We also implemented measures aimed at firmly establishing corporate ethics, including corporate ethics training for directors, and employee training utilizing case studies that call for difficult decisions in everyday operations.

The business climate for JR-West remains challenging as a result of such factors as the impact from the Great East Japan Earthquake in March, as well as the uncertainties in the economic outlook. Faced with these conditions, with the aim of long-term improvements in its corporate value, JR-West has devoted its full effort to enhancing safety in its mainstay railway business, while also working to enhance the value of our railway belts by developing a variety of measures that draw on the unique characteristics of each of our businesses, including other Group operations, and effectively utilizing their assets. We also have been developing various marketing strategies to stimulate travel demand.

In addition, JR-West formulated and implemented priority strategies for the corporate group, including maximizing the benefit from its two major projects, the commencement of full service on the Kyushu Shinkansen and the start of direct service operations, and the opening of Osaka Station City. We also took steps to secure earnings and strengthen our management structures.

As a result, on a consolidated basis, operating revenues for the subject nine-month period (April 1, 2011 to December 31, 2011) rose 6.2% from the same period of the previous fiscal year to ¥960.1 billion. Operating income, however, declined 1.8% from a year earlier to ¥100.2 billion, with recurring profit down 2.9% to ¥77.0 billion, and net income down 34.6% to ¥30.0 billion.

(1) Qualitative Information on Consolidated Business Results

Consolidated Results for the First Half of the Fiscal Year (April – December 2011)

Operating revenues:	¥960.1 billion
Operating income:	¥100.2 billion
Recurring profit:	¥77.0 billion
Net income:	¥30.0 billion

Results by Business Segment

a. Transportation Operations

In the railway business, JR-West continued to pursue improvement measures that reflected the remarks, including the proposals and opinions, noted in the investigation report on the Fukuchiyama Line accident. Further, to enhance safety we continued to implement risk assessment measures aimed at “building a corporate system to ensure no accidents to produce casualties among our customers and no serious labor accidents to our employees” in accordance with the Basic Safety Plan formulated in April 2008. Specifically, these measures were enhanced through efforts that include sharing information on risks, and the horizontal development of recommended initiatives for

effective countermeasures and risk assessment. We also continued with such measures as convening regular safety meetings to allow top management and officers on the one hand, and employees in the field on the other, to directly exchange opinions.

In terms of facilities, JR-West enhanced the maintenance of ATS and the safety of crossing systems, and took other measures that included strengthening pillars supporting elevated tracks against earthquakes. For the Sanyo Shinkansen, we updated the functionality of the earthquake early warning system, and installed derailment prevention guards. For safety measures in response to earthquakes and tsunami, we are pursuing initiatives that take account of the lessons from the Great East Japan Earthquake. We are also enhancing our ability to respond to snow disasters with increases in snow removal and melting equipment. In addition, taking to heart the seriousness of accidents now and in the future, we expanded to all JR-West Group employees the safety training session conducted at the Railway Safety Education Center, established to teach systematically the lessons learned from accidents. Various types of training sessions were also conducted on caring for passengers and improved response in the event of an accident.

In transportation operations, JR-West took steps to enhance the convenience of travel to Kyushu following the full opening of the Kyushu Shinkansen. Use of the Sanyo Shinkansen and JR-West's urban network increased as a result of the opening of Osaka Station City and other measures.

In marketing initiatives, following the full opening of the Kyushu Shinkansen in March 2011 and the commencement of direct service operations between the Sanyo and Kyushu Shinkansen services, JR-West worked to promote use of the railway through an ongoing proactive information campaign stressing the convenience and price advantages of the internet reservation service "e5489." Further, for the "Kumamoto, Miyazaki and Kagoshima Destination Campaign" conducted in cooperation with local governments, other JR companies and travel agents, JR-West developed travel packages and held tourism events in conjunction with local governments to help expand mutual exchanges between West Japan and Kyushu. We also conducted a variety of campaigns to stimulate travel demand, such as the "Detective Conan Okayama and Kurashiki Mystery Tour" and "San-in and Nakaumi Campaign."

For customer service initiatives, JR-West expanded efforts including the use of video on station and in-car displays to provide guidance to help passengers use the railway in safety and comfort. In addition, in April 2011 we expanded service hours for "women only" cars to all day.

For the renovation of Osaka Station, in April 2011 we fully opened the renewed facilities and in May held the grand opening of Osaka Station City, an event that attracted an extremely large number of customers.

Typhoon No. 12 in September 2011 caused extensive damage, including washing out a bridge on the Kisei Main Line. As a result of a concerted restoration effort, operations on all lines had resumed by December 2011. We also conducted the "Genki Desu Wakayama Campaign" and other initiatives in conjunction with local governments and travel agencies to bolster restoration efforts.

In environmental issues, JR-West implemented the "Think and Act Eco" initiative to encourage all employees to reconsider their lifestyles and work from an environmental perspective. We also

continued with Group-wide measures incorporating customer participation, such as the “Eco Life Point” service.

In bus services, JR-West worked to enhance customer convenience with measures including flexible pricing schemes designed around usage trends, and enhancing the functionality of the Osaka Station Bus Terminal.

In ferry services (the Miyajima Line), JR-West marketed the service to travel companies and took other steps to secure revenue.

As a result, operating revenues for the Transportation Operations segment increased 3.7% from the same period of the previous fiscal year, to ¥631.8 billion. Operating income, however, declined 0.9%, to ¥77.1 billion, due mainly to increases in non-personnel costs and depreciation expenses.

b. Sales of Goods and Food Services

The JR Osaka Mitsukoshi Isetan department store in the new North Gate Building opened in May, and we have worked to offer highly original goods and services. We also continued efforts to make stations more attractive, including opening new retail outlets and restaurants such as Daily-In and Deli Cafe Express as part of the renovation of Osaka Station, and opening the Entree Marche commercial center as part of the renovation of Shin-Osaka Station.

As a result, operating revenues for the Sales of Goods and Food Services segment increased 15.6% from the same period of the previous fiscal year, to ¥175.5 billion. However, the segment posted an operating loss for the period of ¥1.6 billion, due mainly to an increase in non-personnel costs stemming from the opening of the JR Osaka Mitsukoshi Isetan department store.

c. Real Estate Business

JR-West moved forward with the development of stations and surrounding areas, including opening the VIERA Okubo commercial facility on the south side of Okubo Station, the ALBi commercial facility underneath the elevated tracks on the west side of Osaka Station, and a supermarket near Nijo Station.

For the Osaka Station Development Project, in May 2011 we held the grand opening of Osaka Station City. In the North Gate Building, we opened the LUCUA specialty shop zone, which has continued to attract many customers, and began leasing the office building portion. We also worked in cooperation with local businesses around Osaka Station to promote activities in the area, and developed condominiums on former sites of company housing. Two consolidated subsidiaries that manage shopping centers at Tennoji Station were merged in July 2011 from the standpoint of enhancing competitiveness and collective effectiveness.

As a result, operating revenues for the Real Estate Business segment increased 24.3% from the same period of the previous fiscal year, to ¥67.1 billion, with operating income up 13.9% to ¥19.4 billion.

d. Other Businesses

In hotel operations, JR-West worked to expand sales through such measures as opening restaurant facilities, and hosting various events.

In travel agency operations, JR-West strengthened inbound marketing and expanded internet sales, and took steps to increase sales of products that utilize railways, such as the Sanyo and Kyushu Shinkansen services.

For the J-West Card, we worked to encourage applications for the Osaka Station City J-WEST Card, and took other steps to expand the number of cardholders. For the ICOCA e-money service, we began offering compatibility with payments for services for a major home delivery company, and worked to provide more opportunities to use the service around town, such as at major bookstores and for tickets to events and tourist attractions.

As a result, operating revenues for the Other Businesses segment decreased 3.6% from the same period of the previous fiscal year, to ¥85.6 billion, due mainly to revenue declines in the travel business stemming from sluggish demand for domestic travel. Operating income, however, rose 45.3% to ¥4.4 billion, due mainly to a decrease in non-personnel costs.

(2) Qualitative Information on the Consolidated Financial Position

JR-West's total assets at the end of the third quarter of the subject fiscal year (December 31, 2011) amounted to ¥2,623.5 billion, a decrease of ¥48.9 billion from the end of the previous fiscal year (March 31, 2011). This was due mainly to a decrease in cash.

Total liabilities amounted to ¥1,889.3 billion, a decrease of ¥61.8 billion from the end of the previous fiscal year. This was due mainly to a decrease in accounts payable.

Total net assets amounted to ¥734.1 billion, an increase of ¥12.8 billion from the end of the previous fiscal year. This was due mainly to an increase in retained earnings.

(3) Qualitative Information on Consolidated Forecasts

In view of the positive revenue trends for railway operations, centered on the Shinkansen, the JR-West Group is revising upward its forecasts for operating revenues, operating income and recurring profit for the fiscal year ending March 2012, from those announced on October 27, 2011. At the same time, we are revising downward our forecast for net income in anticipation of a revision to the figure for deferred tax assets stemming from laws issued relating to a lowering of the corporate tax rate.

The business environment for the JR-West Group, as a result of the uncertainties in the outlook for the Japanese economy, power supply issues and other factors, is expected to remain difficult with little cause for optimism. Nonetheless, we will continue to work to derive the maximum benefit from our two major projects, the commencement of full service on the Kyushu Shinkansen and direct service operations with the Sanyo Shinkansen, and the Osaka Station City development.

We will also steadily implement the strategies outlined in the "Revision of the JR-West Group's Medium-Term Management Plan 2008-2012" announced in October 2010, establish higher standards of safety in pursuit of greater peace of mind, and devote our full effort to realizing sustainable growth.

Consolidated Forecasts for the Year Ending March 31, 2012

Operating revenues:	¥1,289.0 billion	(up 6.2% YoY)
Operating income:	¥107.5 billion	(up 12.0% YoY)
Recurring profit:	¥79.5 billion	(up 15.3% YoY)
Net income:	¥28.5 billion	(down 18.5% YoY)

Note: Forecasts are based on certain assumptions considered reasonable at the time of this announcement, and are subject to change.

2. MATTERS REGARDING SUMMARY INFORMATION (OTHER)

(1) Changes in Accounting Policies, Changes in Accounting Estimates, Restatements

(Application of Accounting Standards for Per-Share Net Income)

From the first quarter of the subject fiscal year, the Company has applied “Accounting Standard for Earnings Per Share” (ASBJ Statement No.2, June 30, 2010); “Guidance on Accounting Standard for Earnings Per Share” (ASBJ Guidance No.4, June 30, 2010); and “Practical Solution on Accounting for Earnings Per Share” (ASBJ PITF No.9, June 30, 2010).

The Company conducted a stock split during the first half period. Per-share earnings have been calculated supposing that the stock split had been conducted at the beginning of the previous fiscal year.

(Additional Information)

For accounting changes and error corrections to be conducted from the beginning of the first quarter of the subject fiscal year, the Company has applied “Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24, December 4, 2009) and “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No.24, December 4, 2009).

3. CONSOLIDATED FINANCIAL STATEMENTS

1. Consolidated Balance Sheets

	Millions of yen	
	March 31, 2011	December 31, 2011
ASSETS		
Current assets:		
Cash	79,742	55,100
Notes and accounts receivable-trade	16,734	14,659
Railway fares receivable	26,689	22,770
Accounts receivable	47,064	35,649
Inventories	28,043	51,487
Deferred tax assets	18,961	12,314
Other current assets	46,070	54,385
Less allowance for doubtful accounts	(872)	(789)
Total current assets	262,432	245,578
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	1,001,337	1,081,986
Machinery and transport equipment	323,914	324,799
Land	655,872	655,907
Construction in progress	139,615	43,657
Other property, plant and equipment	29,877	31,911
Total property, plant and equipment	2,150,617	2,138,263
Intangible fixed assets	25,798	25,033
Investments and other assets:		
Investments in securities	60,407	57,547
Deferred tax assets	142,069	126,890
Other investments and assets	32,213	31,145
Less allowance for doubtful accounts	(1,126)	(1,132)
Total investments and other assets	233,564	214,451
Total fixed assets	2,409,979	2,377,748
Deferred income taxes	11	176
Total assets	2,672,423	2,623,503

	Millions of yen	
	March 31, 2011	December 31, 2011
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	51,207	37,152
Short-term loans payable	17,515	25,333
Current portion of bonds	—	30,000
Current portion of long-term debt	44,764	74,699
Current portion of long-term payables for acquisition of railway properties	39,101	39,284
Current portion of long-term accounts payable	31	31
Accounts payable	134,824	50,371
Accrued consumption tax	3,324	8,417
Accrued income tax	15,450	12,493
Prepaid railway fares received	31,183	36,273
Advances received	24,790	39,300
Allowance for bonuses	34,173	17,181
Allowance for point program	660	1,136
Other current liabilities	90,807	124,603
Total current liabilities	487,837	496,279
Fixed liabilities:		
Bonds	444,970	424,971
Long-term debt	283,155	254,884
Long-term payables for acquisition of railway properties	290,408	274,074
Long-term accounts payable	190	167
Deferred tax liabilities	241	216
Accrued retirement benefits	322,737	319,738
Allowance for environmental safety measures	7,033	6,395
Provision for unredeemed gift certificates	2,670	2,250
Other long-term liabilities	111,925	110,383
Total fixed liabilities	1,463,334	1,393,080
Total liabilities	1,951,172	1,889,359

(continued on page 12)

	Millions of yen	
	March 31, 2011	December 31, 2011
NET ASSETS		
Total shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	55,000	55,000
Retained earnings	563,766	578,575
Treasury stock, at cost	(30,343)	(30,343)
Total shareholders' equity	688,423	703,232
Valuation and translation adjustments:		
Net unrealized holding gain on securities	546	74
Deferred gains or losses on hedges	(161)	(200)
Total Valuation and translation adjustments	384	(125)
Minority interests	32,443	31,036
Total net assets	721,251	734,143
Total liabilities and net assets	2,672,423	2,623,503

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

Nine months ended December 31

	Millions of yen	
	2010	2011
Operating revenues	904,057	960,171
Operating expenses:		
Transportation, other services and cost of sales	678,951	728,995
Selling, general and administrative expenses	122,992	130,940
Total operating expenses	801,943	859,935
Operating income	102,113	100,236
Non-operating revenues:		
Interest income	149	60
Dividend income	247	314
Transfer from administrative fee of contracted construction	186	245
Equity in earnings of affiliates	1,757	—
Other	1,893	2,679
Total non-operating revenues	4,234	3,300
Non-operating expenses:		
Interest expense	25,373	24,850
Other	1,565	1,612
Total non-operating expenses	26,939	26,462
Recurring profit	79,408	77,073
Extraordinary profits:		
Gain on contributions received for construction	13,835	10,015
Other	2,373	5,059
Total extraordinary profits	16,209	15,075
Extraordinary losses:		
Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment	13,561	9,810
Other	3,937	6,586
Total extraordinary losses	17,499	16,397
Income before income taxes	78,118	75,751
Income taxes- Current	25,839	24,907
Income taxes- Deferred	6,601	22,137
Total income taxes	32,441	47,045
Income before minority interests	45,676	28,705
Minority interests in loss	(324)	(1,359)
Net income	46,001	30,065

Consolidated of Comprehensive Income

Nine months ended December 31

	Millions of yen	
	2010	2011
Income before minority interests	45,676	28,705
Other comprehensive income		
Valuation difference on available-for-sale securities	(530)	(450)
Deferred gains or losses on hedges	(24)	(48)
Share of other comprehensive income of associates accounted for using equity method	(46)	(24)
Total of other comprehensive income	(601)	(523)
Comprehensive income	45,075	28,181
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	45,404	29,555
Comprehensive income attributable to minority interests	(329)	(1,373)

Reference Materials

1. NON-CONSOLIDATED BALANCE SHEETS

	March 31, 2011	December 31, 2011	Change
	Billions of yen	Billions of yen	Billions of yen
ASSETS			
Current assets:			
Total current assets	206.2	163.7	(42.5)
Fixed assets:			
Fixed assets for railway operations	1,778.1	1,784.0	5.8
Construction in progress	74.9	41.1	(33.7)
Investments and other assets	346.3	367.9	21.5
Total fixed assets	2,199.4	2,193.1	(6.3)
Total assets	2,405.7	2,356.8	(48.8)

	March 31, 2011	December 31, 2011	Change
	Billions of yen	Billions of yen	Billions of yen
LIABILITIES AND NET ASSETS			
Current liabilities:			
Current portion of long-term debt	81.7	141.9	60.1
Accounts payable	412.6	363.9	(48.7)
Total current liabilities	494.4	505.8	11.4
Fixed liabilities:			
Bonds and long-term debt	1,006.2	942.8	(63.3)
Accrued retirement benefits	302.0	298.8	(3.1)
Other long-term liabilities	21.6	19.5	(2.1)
Total fixed liabilities	1,329.9	1,261.2	(68.6)
Total liabilities	1,824.3	1,767.1	(57.2)
Total shareholders' equity:			
Common stock	100.0	100.0	—
Capital surplus	55.0	55.0	—
Retained earnings	456.0	464.7	8.7
Treasury stock, at cost	(29.9)	(29.9)	—
Total shareholders' equity	581.0	589.7	8.7
Valuation and translation adjustments	0.3	(0.0)	(0.4)
Total net assets	581.3	589.7	8.3
Total liabilities and net assets	2,405.7	2,356.8	(48.8)

2. NON-CONSOLIDATED STATEMENTS OF INCOME

Nine months ended December 31

	2010	2011	Change from the same period of the previous year	
	Billions of yen	Billions of yen	Billions of yen	%
Operating revenues:				
Transportation	551.8	573.9	22.0	4.0
Transportation incidentals	14.5	14.5	0.0	0.1
Other operations	16.4	17.5	1.0	6.6
Miscellaneous	42.7	43.0	0.2	0.5
	625.6	649.0	23.4	3.7
Operating expenses:				
Personnel costs	175.0	178.5	3.4	2.0
Non personnel costs:				
Energy costs	25.2	26.9	1.7	
Maintenance costs	84.1	87.5	3.4	
Miscellaneous costs	115.4	122.7	7.3	
	224.8	237.3	12.5	5.6
Rental payments, etc	18.8	17.7	(1.0)	(5.8)
Taxes	24.7	25.1	0.3	1.6
Depreciation	93.6	103.5	9.8	10.6
	537.1	562.3	25.1	4.7
Operating income	88.4	86.6	(1.7)	(2.0)
Non-operating revenues and expenses, net:				
Non-operating revenues	2.4	2.6	0.1	
Non-operating expenses	25.5	24.8	(0.7)	
	(23.0)	(22.1)	0.9	(3.9)
Recurring profit	65.3	64.5	(0.8)	(1.3)
Extraordinary profit and loss, net:				
Extraordinary profit	15.2	11.7	(3.5)	
Extraordinary loss	15.8	13.7	(2.1)	
	(0.5)	(1.9)	(1.3)	
Income before income taxes	64.7	62.5	(2.2)	(3.5)
Income taxes	26.3	38.2	11.9	
Net income	38.4	24.2	(14.2)	(36.9)

Passenger-Kilometers and Transportation Revenues

	Millions of passenger-kilometers				Billions of yen			
	Passenger-Kilometers				Transportation Revenues			
	Nine months ended December 31		Change		Nine months ended December 31		Change	
	2010	2011	Amount	%	2010	2011	Amount	%
Sanyo Shinkansen								
Commuter Passes	545	546	0	0.2	6.8	6.7	(0.0)	(0.3)
Non-Commuter Passes	11,295	12,353	1,057	9.4	238.9	260.6	21.7	9.1
Total	11,841	12,899	1,058	8.9	245.7	267.4	21.6	8.8
Conventional Lines								
Commuter Passes	17,419	17,448	29	0.2	106.7	106.7	0.0	0.0
Non-Commuter Passes	10,827	10,825	(2)	(0.0)	199.2	199.6	0.4	0.2
Total	28,247	28,274	26	0.1	306.0	306.4	0.4	0.1
Kyoto-Osaka-Kobe Area								
Commuter Passes	14,050	14,083	32	0.2	86.0	86.1	0.0	0.1
Non-Commuter Passes	7,321	7,341	20	0.3	129.4	130.3	0.9	0.7
Total	21,372	21,425	53	0.3	215.5	216.5	0.9	0.5
Other Lines								
Commuter Passes	3,368	3,364	(3)	(0.1)	20.7	20.6	(0.0)	(0.3)
Non-Commuter Passes	3,506	3,483	(23)	(0.7)	69.8	69.2	(0.5)	(0.7)
Total	6,875	6,848	(26)	(0.4)	90.5	89.9	(0.5)	(0.6)
Total								
Commuter Passes	17,965	17,995	30	0.2	113.5	113.5	(0.0)	(0.0)
Non-Commuter Passes	22,123	23,178	1,054	4.8	438.2	460.3	22.1	5.0
Total	40,088	41,173	1,085	2.7	551.8	573.9	22.0	4.0

3. CAPITAL EXPENDITURES

Consolidated Basis

	Nine months ended December 31		Change from the same period of the previous period		Plan for year ending March 31, 2012
	2010	2011			
	Billions of yen	Billions of yen	Billions of yen	%	Billions of yen
Capital expenditures	153.7	129.4	(24.3)	(15.8)	
Capital expenditures, excluding contributions received for constructions	143.0	123.2	(19.8)	(13.9)	205.0
Contributions received for constructions	10.6	6.1	(4.4)	(42.1)	

Non-Consolidated Basis

	Nine months ended December 31		Change from the same period of the previous period		Plan for year ending March 31, 2012
	2010	2011			
	Billions of yen	Billions of yen	Billions of yen	%	Billions of yen
Capital expenditures	121.7	91.2	(30.4)	(25.0)	
Capital expenditures, excluding contributions received for constructions	111.1	85.1	(26.0)	(23.4)	155.0
[Safety-related capital expenditures]	[66.9]	[55.6]	[(11.3)]	[(16.9)]	[96.0]
Contributions received for constructions	10.6	6.1	(4.4)	(42.1)	

Major Capital Expenditures

Safety and accident-prevention measures, including installation of ATS; introduction of new rolling stock (225 Series), Osaka Station Development Project, etc.

4. FORECASTS FOR THE FISCAL YEAR ENDING MARCH 31, 2012

Consolidated Statements of Income

	Year ended March 31, 2011	Year ending March 31, 2012		Change from the same period of the previous year	
	Billions of yen	Billions of yen		Billions of yen	%
Operating revenues:	<1.46>	<1.49>			
Transportation	806.4	841.9		35.4	4.4
Sales of goods and food services	201.3	233.9		32.5	16.2
Real estate	75.7	93.9		18.1	23.9
Other businesses	129.9	119.3		(10.6)	(8.2)
	1,213.5	[1,282.0]	1,289.0	75.4	6.2
Operating expenses	1,117.5	[1,186.0]	1,181.5	63.9	5.7
Operating income:					
Transportation	61.1	78.2		17.0	27.8
Sales of goods and food services	3.5	(3.4)		(6.9)	
Real estate	22.2	25.1		2.8	12.8
Other businesses	9.6	8.2		(1.4)	(15.2)
Elimination and corporation	(0.6)	(0.6)		0.0	
	95.9	[96.0]	107.5	11.5	12.0
Recurring profit	68.9	[67.5]	79.5	10.5	15.3
	<1.23>	<1.21>			
Net income	34.9	[40.0]	28.5	(6.4)	(18.5)

- Notes: 1. Figures in bracket [] were announced previously on October 27, 2011.
 2. Figures in bracket < > are the consolidated-to-parent ratio.
 3. Revenues by each segment are from third parties.

Consolidated long-term debt and payables (March 31, 2011): ¥1,072.0 billion [¥1,097.0 billion]

Note: Figure in bracket [] were announced previously on October 27, 2011.

Non-Consolidated Statements of Income

	Year ended March 31, 2011	Year ending March 31, 2012		Change from the same period of the previous year	
	Billions of yen	Billions of yen		Billions of yen	%
Operating revenues	828.6	[856.0]	864.0	35.3	4.3
Transportation	728.0	[754.0]	762.0	33.9	4.7
Operating expenses	752.8	[775.0]	773.0	20.1	2.7
Operating income	75.8	[81.0]	91.0	15.1	20.0
Recurring profit	48.5	[54.0]	64.5	15.9	32.9
Net income	28.5	[31.5]	23.5	(5.0)	(17.6)

Note: Figures in bracket [] were announced previously on October 27, 2011.

Non-consolidated long-term debt and payables (March 31, 2011): ¥1,060.0 billion [¥1,085.0 billion]

Note: Figure in bracket [] were announced previously on October 27, 2011.