

FLASH REPORT (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>

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Quarterly report filing date (Planned): August 8, 2012 Planned start of dividend payments: —

Quarterly supplemental explanatory material prepared: Yes

Quarterly results briefing held: None

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

1. Results for the First Quarter of Fiscal 2012 (from April 1, 2012 to June 30, 2012)**(1) Operating Results**

Three months ended June 30

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	%
2012	310,527	3.4	35,126	50.0	28,330	68.6	16,314	61.8
2011	300,283	4.0	23,415	(25.5)	16,803	(29.8)	10,082	(25.9)

(Note) Comprehensive Income: Three months ended June 30, 2012: ¥15,806 million, 60.2%
 Three months ended June 30, 2011: ¥9,864 million, (20.9)%;

	Net income per share	Net income per share after dilution
	Yen	Yen
2012	84.25	—
2011	52.07	—

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2012	2,600,826	739,632	27.3
March 31, 2012	2,642,994	733,546	26.6

(Reference) Total shareholders' equity: June 30, 2012: ¥709,961 million, March 31, 2012: ¥703,385 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
2012	—	40.00	—	50.00	90.00
2013	—				
2013 (Forecast)		50.00	—	50.00	100.00

(Note) Revision of dividends forecast for this period: None

3. Forecasts for Fiscal 2012 Ending March 31, 2013

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

	Operating revenues		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period	632,500	0.7	66,500	10.1	52,500	17.4
Fiscal year	1,288,000	0.0	111,500	1.5	86,500	4.9

	Net income		Net income per share
	Millions of yen	%	Yen
Interim period	31,000	20.3	160.09
Fiscal year	51,000	72.9	263.37

(Note) Revision of earnings forecast for this period: None

Notes

(1) Significant changes in subsidiaries during the subject fiscal year (Transfer of particular subsidiaries following a change in the scope of consolidation): None

(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: Yes

4) Restatements: None

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

(4) Number of Shares Outstanding (Common stock)

	Three months ended June 30, 2012	Years ended March 31, 2012
1) Number of shares issued and outstanding (including treasury stock):	200,000,000	200,000,000
2) Number of treasury stock	6,358,500	6,358,499
		Three months ended June 30, 2011
3) Average number of shares outstanding for each period (cumulative term):	193,641,500	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.

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.” 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.

During the subject first quarter period (April 1, 2012 to June 30, 2012), JR-West conducted memorial services 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.

In addition, we made improvements based on customer feedback and enhanced our customer service mindset, and took steps to improve services and work quality. We also pursued measures for human resource development to support individual growth for employees, and to establish on-site management that is compliant with rules and regulations.

At the same time, JR-West takes seriously the misconduct that resulted in a serious loss of customer trust. We have taken steps to prevent a reoccurrence, including strengthening the check and management structure at stations and other facilities, and providing employees with strict training and guidance.

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.

In terms of promoting CSR, in an effort to realize its Corporate Philosophy, JR-West published and shared specific cases of thinking and action among employees. To further compliance and corporate governance, we continued to step up measures to solidify our management foundation and corporate ethics, and to enhance the monitoring and supervision of management.

In addition, to build a new crisis management structure, JR-West expanded and updated its business continuity plan (BCP) based on the lessons from the Great East Japan Earthquake in March 2011. We also took measures in terms of both policies and infrastructure to enhance safety with regard to large earthquakes or tsunami. In particular, in terms of measures to deal with disruptions to the power supply and other types of energy crisis, we recognize the issues facing Japan, and while remaining mindful of our customers' safety and convenience, we will ask for understanding and cooperation as we implement power reduction measures to the greatest extent possible in stations, trains, offices and other locations.

The business climate for JR-West remains challenging as a result of such factors as the uncertainties in the economic outlook, the falling birthrate and aging population, and competition from other modes of transportation. 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 and promote coexistence with local communities in an effort to realize a mutual benefit in the Western Japan region, 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 priority strategies for the corporate group, including maximizing the benefit from its two major projects, direct service operations between the Sanyo and Kyushu Shinkansen services, and 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 first quarter period (April 1, 2012 to June 30, 2012) rose 3.4% from the same period of the previous fiscal year to ¥310.5 billion. Operating income increased 50.0% from a year earlier to ¥35.1 billion, while recurring profit rose 68.6% to ¥28.3 billion, with net income up 61.8% to ¥16.3 billion.

(1) Qualitative Information on Consolidated Business Results

Consolidated Results for the First Quarter of Fiscal 2012 (April – June 2012)

Operating revenues:	¥310.5 billion
Operating income:	¥35.1 billion
Recurring profit:	¥28.3 billion
Net income:	¥16.3 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 increased its ATS maintenance, enhanced safety for crossing systems, and implemented safety measures for platforms such as installing emergency buttons. In terms of measures to limit damage from earthquakes and tsunami, we conducted seismic retrofitting for pillars supporting elevated tracks and continued to move forward with the installation of derailment prevention guards on the Sanyo Shinkansen. We also enhanced infrastructure to facilitate the communication of information on earthquakes and tsunami, and allow for smooth evacuation of passengers.

Further, for safety measures to respond to earthquakes and tsunami, we are implementing various measures including establishing systems for the relay of information on earthquakes and tsunami, and smooth evacuation of passengers. In addition, taking to heart the seriousness of accidents now and in the future, we took steps to provide employee training 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, use of the Sanyo Shinkansen and JR-West's urban network increased as a result of such measures as revisions to the timetable made in March 2012 to increase the frequency of *Mizuho* and *Sakura* direct train services between the Sanyo and Kyushu Shinkansen, and the boost provided by Osaka Station City. We also took steps to enhance convenience, including increasing the frequency of the *Sakura* Shinkansen trains, the *Nozomi* Shinkansen trains providing direct service between Tokyo and Hakata, and *Thunderbird* trains on conventional lines, mainly during the Golden Week holidays and on weekends.

In marketing initiatives, JR-West further expanded mutual exchange between the West Japan and Kyushu regions through more frequent direct service operations between the Sanyo and Kyushu Shinkansen services, together with promotional campaigns utilizing various media. We also 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." We conducted a variety of campaigns to stimulate travel demand, such as the "Miyajima / Kure Campaign," the "Setouchi / Matsuyama Campaign," the "Sanyo Destination Campaign Pre-campaign," and the "Detective Conan Nagasaki Mystery Tour." We also promoted use by overseas visitors to Japan by expanding the coverage area for the JR-West Rail Pass area, and creating the new JR Sanyo-Shikoku-Kyushu Rail Pass.

For customer service initiatives, in terms of measures to enhance customer service, JR-West began issuing delay certificates that can be confirmed via computer or mobile phone, and took other steps to further develop customer-oriented services.

Osaka Station City, opened in May 2011, continues to enjoy broad customer support as a result of one year anniversary events and other initiatives.

JR-West also worked toward “transformation through technology” in such areas as the transfer of technology skills to younger workers, improving practical capabilities and skills, furthering system changeovers in railroad operations, and global environment conservation measures.

In bus services, JR-West worked to enhance customer convenience with measures including flexible pricing schemes designed around usage trends.

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

For railway car technology, JR-West acquired a stake in The Kinki Sharyo Co., Ltd. and concluded an operational tie-up agreement with the company with the aim of strengthening our cooperative relationship, and improving train car technologies overall.

As a result, operating revenues for the Transportation Operations segment increased 4.5% from the same period of the previous fiscal year, to ¥207.0 billion, with operating income up 29.2%, to ¥28.0 billion.

b. Sales of Goods and Food Services

For the JR Osaka Mitsukoshi Isetan department store in the North Gate Building of Osaka Station City, JR-West worked to offer highly original goods and services, and in response to the tight commercial climate, take steps to establish shops that appeal to local customers. We also continued efforts to make stations more attractive, including opening a Heart In convenience store inside the Osaka Station premises at the Sakurabashi exit, and developing a merchandise zone at Tottori Station.

As a result, operating revenues in the Sales of Goods and Food Services segment rose 2.0% from the same period of the previous fiscal year, to ¥56.1 billion. In terms of earnings, however, the segment posted an operating loss for the period of ¥0.2 billion.

c. Real Estate Business

JR-West moved forward with the development of stations and surrounding areas. We developed the ALBi Suminodo commercial facility underneath the elevated tracks at Suminodo Station, made various renovations at existing shopping centers, and developed educational and commercial facilities on land owned near Nijo Station and Takatsuki Station. At the North Gate Building at Osaka Station City, results from the LUCUA specialty shop zone were positive, and we made efforts to lease 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.

As a result, operating revenues for the Real Estate Business segment increased 4.7% from the same period of the previous fiscal year, to ¥20.5 billion, with operating income up 58.4% to ¥6.6 billion.

d. Other Businesses

In hotel operations, the Hotel Granvia Osaka opened the premier Granvia Floor on the top floor of the South Gate Building of Osaka Station City. JR-West also worked to expand sales through such

measures as hosting various events. In travel agency operations, JR-West expanded internet sales of such products as the “Akai Fusen JR Jaran Pack,” and took steps to increase sales of products that utilize railways. For the J-West Card, we took other steps to expand the number of cardholders for the Osaka Station City J-WEST Card. For the ICOCA e-money service, we worked to provide more opportunities to use the service around town. For the ANGELBE powder room, a popular amenity at Osaka Station, we expanded opportunities for use by opening a similar facility at Kyoto Station.

Despite these efforts, operating revenues for the Other Businesses segment decreased 2.5% from the same period of the previous fiscal year, to ¥26.7 billion, due mainly to revenue declines in the construction business. In terms of earnings, the segment posted operating income ¥0.1 billion, due mainly to decreases in non personnel costs and other costs.

(2) Qualitative Information on the Consolidated Financial Position

JR-West’s total assets at the end of the first quarter of the subject fiscal year (June 30, 2012) amounted to ¥2,600.8 billion, a decrease of ¥42.1 billion from the end of the previous fiscal year (March 31, 2012). This was due mainly to a decrease in property, plant and equipment.

Total liabilities amounted to ¥1,861.1 billion, a decrease of ¥48.2 billion from the end of the previous fiscal year. This was due mainly to a decrease in accounts payable.

Total net assets amounted to ¥739.6 billion, an increase of ¥6.0 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

The projections for the business environment for the JR-West Group allow little room for optimism, considering such factors as the lack of transparency in the domestic economic outlook, and issues regarding the power supply. Because at this point consolidated earnings for the subject fiscal year are generally in line with expectations, there is no change to the consolidated earnings forecasts from those announced on April 27, 2012.

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 (NOTES)

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

(Change in Accounting Policy Difficult to Distinguish from a Change in Accounting Estimate)

In accordance with revisions to the Corporation Tax Act, from the first quarter of the subject fiscal year, the Company changed its accounting policy for property, plant and equipment (with the exception of buildings and structures) acquired on or after April 1, 2012, for which the declining-balance method had been applied, to the depreciation method based on the revised Corporation Tax Act.

The effect on consolidated financial statements for the subject first quarter period is negligible.

3. CONSOLIDATED FINANCIAL STATEMENTS

1. Consolidated Balance Sheets

	Millions of yen	
	March 31, 2012	June 30, 2012
ASSETS		
Current assets:		
Cash	50,619	42,413
Notes and accounts receivable-trade	15,504	12,536
Railway fares receivable	27,280	26,591
Accounts receivable	46,256	30,875
Inventories	33,360	43,855
Deferred income taxes	19,455	11,403
Other current assets	49,259	51,044
Less allowance for doubtful accounts	(835)	(811)
Total current assets	240,902	217,908
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	1,097,120	1,083,984
Machinery and transport equipment	328,154	319,923
Land	656,358	658,320
Construction in progress	41,282	36,722
Other property, plant and equipment	36,608	36,545
Total property, plant and equipment	2,159,523	2,135,495
Intangible fixed assets	30,053	33,681
Investments and other assets:		
Investments in securities	58,452	59,324
Deferred tax assets	123,584	124,444
Other investments and assets	31,500	31,046
Less allowance for doubtful accounts	(1,185)	(1,226)
Total investments and other assets	212,352	213,588
Total fixed assets	2,401,929	2,382,765
Deferred income taxes	162	152
Total assets	2,642,994	2,600,826

	Millions of yen	
	March 31, 2012	June 30, 2012
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	46,205	35,508
Short-term loans	27,562	45,171
Current portion of bonds	30,000	30,000
Current portion of long-term debt	72,067	71,846
Current portion of long-term payables for acquisition of railway properties	40,823	40,802
Current portion of long-term accounts payable	31	31
Accounts payable	92,380	44,029
Accrued consumption tax	7,911	7,201
Accrued income tax	22,631	5,659
Prepaid railway fares received	32,359	35,295
Advances received	29,191	39,761
Allowance for bonuses	34,486	17,202
Allowance for point program	1,005	1,121
Other current liabilities	110,186	126,359
Total current liabilities	546,842	499,991
Fixed liabilities:		
Bonds	424,972	424,972
Long-term debt	251,188	248,938
Long-term payables for acquisition of railway properties	249,620	249,642
Long-term accounts payable	159	151
Deferred tax liabilities	244	173
Accrued retirement benefits	316,876	318,988
Allowance for environmental safety measures	6,394	6,339
Provision for unredeemed gift certificates	2,550	2,474
Other long-term liabilities	110,599	109,523
Total fixed liabilities	1,362,605	1,361,203
Total liabilities	1,909,447	1,861,194

(continued on page 11)

	Millions of yen	
	March 31, 2012	June 30, 2012
NET ASSETS		
Total shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	55,000	55,000
Retained earnings	577,999	584,627
Treasury stock, at cost	(30,343)	(30,343)
Total shareholders' equity	702,656	709,283
Valuation and translation adjustments:		
Net unrealized holding gain on securities	902	532
Deferred gains or losses on hedges	(173)	145
Total Valuation and translation adjustments	728	678
Minority interests	30,161	29,670
Total net assets	733,546	739,632
Total liabilities and net assets	2,642,994	2,600,826

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

Consolidated Statements of Income

Three months ended June 30

	Millions of yen	
	2011	2012
Operating revenues	300,283	310,527
Operating expenses:		
Transportation, other services and cost of sales	232,940	232,535
Selling, general and administrative expenses	43,928	42,866
Total operating expenses	276,868	275,401
Operating income	23,415	35,126
Non-operating revenues:		
Interest income	34	21
Dividend income	136	156
Transfer from administrative fee of contracted construction	23	69
Equity in earnings of affiliates	430	315
Co-sponsor fee	638	—
Other	775	465
Total non-operating revenues	2,040	1,029
Non-operating expenses:		
Interest expense	8,259	7,739
Other	392	85
Total non-operating expenses	8,652	7,824
Recurring profit	16,803	28,330
Extraordinary profits:		
Gain on contributions received for construction	5,188	2,516
Other	2,745	253
Total extraordinary profits	7,933	2,769
Extraordinary losses:		
Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment	5,042	2,459
Other	2,788	886
Total extraordinary losses	7,830	3,345
Income before income taxes	16,905	27,754
Income taxes- Current	1,312	4,945
Income taxes- Deferred	5,966	7,037
Total income taxes	7,279	11,982
Income before minority interests	9,626	15,771
Minority interests in loss	(456)	(542)
Net income	10,082	16,314

Consolidated of Comprehensive Income

Three months ended June 30

	Millions of yen	
	2011	2012
Income before minority interests	9,626	15,771
Other comprehensive income		
Valuation difference on available-for-sale securities	(124)	(327)
Deferred gains or losses on hedges	363	399
Share of other comprehensive income of associates accounted for using equity method	(1)	(36)
Total of other comprehensive income	237	35
Comprehensive income	9,864	15,806
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	10,251	16,263
Comprehensive income attributable to minority interests	(386)	(456)

Reference Materials

1. NON-CONSOLIDATED BALANCE SHEETS

	March 31, 2012	June 30, 2012	Change
	Billions of yen	Billions of yen	Billions of yen
ASSETS			
Current assets:			
Total current assets	182.7	156.9	(25.8)
Fixed assets:			
Fixed assets for railway operations	1,812.0	1,799.6	(12.4)
Construction in progress	38.5	33.9	(4.5)
Investments and other assets	348.4	351.5	3.1
Total fixed assets	2,199.0	2,185.1	(13.8)
Total assets	2,381.7	2,342.0	(39.7)

	March 31, 2012	June 30, 2012	Change
	Billions of yen	Billions of yen	Billions of yen
LIABILITIES AND NET ASSETS			
Current liabilities:			
Current portion of long-term debt	140.9	140.6	(0.2)
Accounts payable	420.2	376.2	(44.0)
Total current liabilities	561.1	516.9	(44.2)
Fixed liabilities:			
Bonds and long-term debt	915.4	913.5	(1.9)
Accrued retirement benefits	297.5	299.3	1.8
Other long-term liabilities	19.2	19.0	(0.1)
Total fixed liabilities	1,232.1	1,231.8	(0.3)
Total liabilities	1,793.3	1,748.8	(44.5)
Total shareholders' equity:			
Common stock	100.0	100.0	
Capital surplus	55.0	55.0	
Retained earnings	462.6	467.8	5.2
Treasury stock, at cost	(29.9)	(29.9)	(0.0)
Total shareholders' equity	587.6	592.8	5.2
Valuation and translation adjustments	0.7	0.3	(0.3)
Total net assets	588.3	593.2	4.8
Total liabilities and net assets	2,381.7	2,342.0	(39.7)

2. NON-CONSOLIDATED STATEMENTS OF INCOME

Three months ended June 30

	2011	2012	Change from the same period of the previous year	
	Billions of yen	Billions of yen	Billions of yen	%
Operating revenues:				
Transportation	180.1	187.7	7.6	4.2
Transportation incidentals	4.7	4.7	0.0	1.0
Other operations	5.7	5.8	0.1	2.0
Miscellaneous	13.5	14.6	1.1	8.4
	204.1	213.1	8.9	4.4
Operating expenses:				
Personnel costs	59.2	58.4	(0.7)	(1.2)
Non personnel costs:				
Energy costs	8.3	8.7	0.4	
Maintenance costs	23.4	25.9	2.4	
Miscellaneous costs	39.5	41.6	2.1	
	71.3	76.4	5.0	7.1
Rental payments, etc	6.3	5.9	(0.3)	(5.5)
Taxes	8.7	8.4	(0.3)	(3.6)
Depreciation	33.2	32.5	(0.6)	(2.1)
	178.8	181.8	2.9	1.7
Operating income	25.3	31.3	5.9	23.4
Non-operating revenues and expenses, net:				
Non-operating revenues	0.8	0.8	(0.0)	
Non-operating expenses	8.2	7.7	(0.4)	
	(7.3)	(6.8)	0.4	(6.1)
Recurring profit	18.0	24.4	6.3	35.3
Extraordinary profit and loss, net:				
Extraordinary profit	5.8	2.5	(3.2)	
Extraordinary loss	6.3	2.9	(3.4)	
	(0.5)	(0.3)	0.1	
Income before income taxes	17.5	24.0	6.5	37.3
Income taxes	7.0	9.1	2.0	
Net income	10.4	14.8	4.4	43.1

Passenger-Kilometers and Transportation Revenues

	Millions of Passenger-Kilometers				Billions of yen			
	Passenger-Kilometers				Transportation Revenues			
	Three months ended June 30		Change		Three months ended June 30		Change	
	2011	2012	Amount	%	2011	2012	Amount	%
Sanyo Shinkansen								
Commuter Passes	186	191	4	2.4	2.2	2.3	0.0	1.4
Non-Commuter Passes	3,669	3,948	279	7.6	79.0	84.1	5.1	6.5
Total	3,856	4,139	283	7.4	81.2	86.4	5.1	6.4
Conventional Lines								
Commuter Passes	6,014	6,017	2	0.0	36.0	36.0	(0.0)	(0.1)
Non-Commuter Passes	3,301	3,537	236	7.2	62.8	65.2	2.4	3.9
Total	9,315	9,555	239	2.6	98.8	101.3	2.4	2.5
Kyoto-Osaka-Kobe Area								
Commuter Passes	4,838	4,842	3	0.1	29.0	29.0	(0.0)	(0.1)
Non-Commuter Passes	2,299	2,461	161	7.0	41.9	43.6	1.6	4.0
Total	7,137	7,303	165	2.3	71.0	72.7	1.6	2.3
Other Lines								
Commuter Passes	1,176	1,175	(0)	(0.1)	6.9	6.9	(0.0)	(0.1)
Non-Commuter Passes	1,001	1,076	74	7.5	20.8	21.6	0.8	3.9
Total	2,178	2,251	73	3.4	27.8	28.6	0.8	2.9
Total								
Commuter Passes	6,200	6,208	7	0.1	38.3	38.3	(0.0)	(0.0)
Non-Commuter Passes	6,971	7,486	515	7.4	141.8	149.4	7.6	5.4
Total	13,171	13,694	522	4.0	180.1	187.7	7.6	4.2

3. CAPITAL EXPENDITURES

Consolidated Basis

	Three months ended June 30		Change from the same period of the previous period		Plan for fiscal year ending March 31, 2013
	2011	2012	Billions of yen	%	
	Billions of yen	Billions of yen			
Capital expenditures	57.9	22.4	(35.4)	(61.2)	
Capital expenditures, excluding contributions received for constructions	56.8	20.7	(36.0)	(63.5)	157.0
Contributions received for constructions	1.1	1.7	0.5	51.4	

Non-Consolidated Basis

	Three months ended June 30		Change from the same period of the previous period		Plan for fiscal year ending March 31, 2013
	2011	2012	Billions of yen	%	
	Billions of yen	Billions of yen			
Capital expenditures	32.8	19.1	(13.7)	(41.8)	
Capital expenditures, excluding contributions received for constructions	31.7	17.3	(14.3)	(45.1)	127.0
[Safety-related capital expenditures]	[17.8]	[7.6]	[(10.2)]	[(57.1)]	[69.0]
Contributions received for constructions	1.1	1.7	0.5	51.4	

Major Capital Expenditures

Safety and accident-prevention measures, including installation of ATS, introduction of new rolling stock (*Kuroshio* limited express trains), Osaka Station Development Project, etc.