



# SUMMARY OF FY2024.3 RESULTS [JAPANESE GAAP] (CONSOLIDATED BASIS)

April 30, 2024

Company name: West Japan Railway Company  
Code number: 9021 URL: <https://www.westjr.co.jp>

Stock listings: Tokyo Stock Exchange

President: Kazuaki Hasegawa

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Date for the General Meeting of Shareholders: June 19, 2024

Start of dividend payments: June 20, 2024

Filing of annual security report: June 20, 2024

Supplemental explanatory material prepared: Yes

Results briefing held: Yes

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

## 1. FY2024.3 Consolidated Results (from April 1, 2023 to March 31, 2024)

### (1) Operating results

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

|          | Operating revenues |      | Operating income |       | Recurring profit |       | Profit attributable to owners of parent |      |
|----------|--------------------|------|------------------|-------|------------------|-------|---|------|
|          | Millions of yen    | %    | Millions of yen  | %     | Millions of yen  | %     | Millions of yen                         | %    |
| FY2024.3 | 1,635,023          | 17.2 | 179,748          | 114.1 | 167,382          | 127.4 | 98,761                                  | 11.6 |
| FY2023.3 | 1,395,531          | 35.3 | 83,970           | —     | 73,619           | —     | 88,528                                  | —    |

(Note) Comprehensive income: FY2024.3: ¥110,052 million (14.6%); FY2023.3: 95,996 million (—%)

|          | Profit attributable to owners of parent per share | Profit attributable to owners of parent per share after dilution | Return on equity | Recurring profit-to-total assets ratio | Operating income margin |
|----------|---|--|------------------|--|-------------------------|
|          | Yen   | Yen  | %                | %                                      | %                       |
| FY2024.3 | 405.25  | —  | 9.2              | 4.5                                    | 11.0                    |
| FY2023.3 | 363.26  | —  | 8.8              | 2.0                                    | 6.0                     |

(Reference) Gain on investment by equity method: FY2024.3: ¥1,379 million; FY2023.3: ¥1,099 million

### (2) Financial position

|          | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------|-----------------|-----------------|--------------|----------------------|
|          | Millions of yen | Millions of yen | %            | Yen                  |
| FY2024.3 | 3,777,923       | 1,224,961       | 29.3         | 4,537.76             |
| FY2023.3 | 3,735,507       | 1,144,309       | 27.7         | 4,245.13             |

(Reference) Total shareholders' equity: FY2024.3: ¥1,105,896 million; FY2023.3: ¥1,034,477 million

### (3) Cash flows

|          | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of year |
|----------|--------------------------------------|--------------------------------------|--------------------------------------|--|
|          | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                          |
| FY2024.3 | 318,314                              | (243,651)                            | (131,620)                            | 233,218                                  |
| FY2023.3 | 273,964                              | (214,902)                            | (88,765)                             | 289,893                                  |

## 2. Dividend

|                     | Dividends per share |          |         |          |        | Total amount of dividends (for the entire fiscal year) | Payout ratio (Consolidated) | Dividends-to-net assets ratio (Consolidated) |
|---------------------|---------------------|----------|---------|----------|--------|--|-----------------------------|--|
|                     | June 30             | Sept. 30 | Dec. 30 | Year-end | Total  |  |                             |  |
|                     | Yen                 | Yen      | Yen     | Yen      | Yen    | Millions of yen  | %                           | %  |
| FY2023.3            | —                   | 50.00    | —       | 75.00    | 125.00 | 30,476   | 34.4                        | 3.0  |
| FY2024.3            | —                   | 57.50    | —       | 84.50    | 142.00 | 34,625   | 35.0                        | 3.2  |
| FY2025.3 (Forecast) | —                   | 36.00    | —       | 36.00    | 72.00  |  | 35.1                        |  |

The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024. Dividends for FY2023.3 and FY2024.3 are pre-stock split dividends. The interim and year-end dividends for FY2025.3 (forecast) are stated taking into account the effect of the stock split.

### 3. Forecasts for FY2025.3 (from April 1, 2024 to March 31, 2025)

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

| Fiscal year | Operating revenues |     | Operating income |       | Recurring profit |       | Profit attributable to owners of parent |     | Profit attributable to owners of parent per share |
|-------------|--------------------|-----|------------------|-------|------------------|-------|---|-----|---|
|             | Millions of yen    | %   | Millions of yen  | %     | Millions of yen  | %     | Millions of yen                         | %   | Yen   |
|             | 1,718,000          | 5.1 | 170,000          | (5.4) | 155,500          | (7.1) | 100,000                                 | 1.3 | 205.16  |

The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024. Profit attributable to owners of parent per share in the consolidated earnings forecast for FY2025.3 takes into account the effect of this stock split.

#### 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) Changes in accounting policies, changes in accounting estimates, restatements
  - 1) Changes based on revision of accounting standards: None
  - 2) Changes other than 1) above: None
  - 3) Changes in Accounting Estimates: None
  - 4) Restatements: None

#### (3) Number of Shares Outstanding (Common stock)

- 1) Number of shares issued and outstanding (including treasury stock)
- 2) Number of treasury stock
- 3) Average number of shares outstanding for each period (cumulative term)

|          |             |          |             |
|----------|-------------|----------|-------------|
| FY2024.3 | 244,001,600 | FY2023.3 | 244,001,600 |
| FY2024.3 | 291,853     | FY2023.3 | 315,970     |
| FY2024.3 | 243,702,666 | FY2023.3 | 243,708,055 |

### (Reference) SUMMARY OF FY2024.3 RESULTS (NON-CONSOLIDATED BASIS)

#### 1. FY2024.3 Non-Consolidated Results (from April 1, 2023 to March 31, 2024)

##### (1) Operating results (non-consolidated)

(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 | %    |
| FY2024.3 | 944,290            | 19.3 | 115,446          | 196.3 | 108,727          | 295.5 | 65,378          | 10.0 |
| FY2023.3 | 791,279            | 37.0 | 38,960           | —     | 27,492           | —     | 59,437          | —    |

|          | Profit attributable to owners of parent per share | Profit attributable to owners of parent per share after dilution |
|----------|---|--|
| FY2024.3 | Yen<br>268.13                                     | Yen<br>—   |
| FY2023.3 | 243.76  | —  |

##### (2) Financial position

|          | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------|-----------------|-----------------|--------------|----------------------|
|          | Millions of yen | Millions of yen | %            | Yen                  |
| FY2024.3 | 3,212,691       | 762,875         | 23.7         | 3,128.61             |
| FY2023.3 | 3,230,632       | 724,443         | 22.4         | 2,971.29             |

(Reference) Total shareholders' equity: FY2024.3: ¥762,875 million; FY2023.3: ¥724,443 million

### 2. FY2025.3 Non-Consolidated Results Forecasts (from April 1, 2024 to March 31, 2025)

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

| Fiscal year | Operating revenues |     | Operating income |     | Recurring profit |       | Net income      |     | Profit attributable to owners of parent per share |
|-------------|--------------------|-----|------------------|-----|------------------|-------|-----------------|-----|---|
|             | Millions of yen    | %   | Millions of yen  | %   | Millions of yen  | %     | Millions of yen | %   | Yen   |
|             | 992,000            | 5.1 | 120,000          | 3.9 | 106,500          | (2.0) | 70,000          | 7.1 | 143.54  |

The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024. Profit attributable to owners of parent per share in the Non-consolidated earnings forecast for FY2025.3 takes into account the effect of this stock split.

\* The Summary of FY2024.3 Results has not been audited by certified public accountants or the Accounting Auditor

#### Notes

1. The forward-looking statements in this document, including forecasts, etc., are based on information available to the Company at the time of this document's release and on certain assumptions considered reasonable. Actual results, etc., might differ significantly due various factors. Regarding the forecast of financial results, please refer to "Outlook for the Next Fiscal Year" on page 6.
2. Supplementary materials for the financial statements are posted on our homepage. The Company plans to hold a presentation for analysts on May 1, 2024. The Company plans to promptly post the presentation materials on its homepage after the presentation.

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(Reference) FY2024.3 Supplemental Data

## 1. Business Performance and Analysis of Financial Condition

### (1) Analysis of Business Performance

#### 1) Overview of Results for the Subject Period

In the subject period (April 1, 2023 to March 31, 2024), customer usage and consumer spending recovered as the impact faded from COVID-19 while inbound demand was strong.

As a result, operating revenues expanded 17.2% from the previous fiscal year to ¥1,635.0 billion, with operating income expanded 114.1% from the previous fiscal year to ¥179.7 billion, recurring profit expanded 127.4% from the previous fiscal year to ¥167.3 billion, and profit attributable to owners of parent after deduction of income taxes expanded 11.6% from the previous fiscal year to ¥98.7 billion despite the absence of the special taxation treatment in accordance with the business adaptation plan in the previous fiscal year.

In accordance with the JR-West Group Long-Term Vision 2032 and Mid-Term Management Plan 2025, we will continue to place top priority on improving railway safety, take measures to generate demand by steadily grasping external condition, and steadily implement business structure reforms. In addition, we will maximize the effects of the opening of the Hokuriku Shinkansen line between Kanazawa and Tsurugak, and continuously work in cooperation with local people to accelerate the recovery and reconstruction of the region in response to the 2024 Noto Peninsula earthquake.

#### 2) Results by Business Segment

##### a. Mobility Business

With consideration for the train accident on the Fukuchiyama Line on April 25, 2005, JR-West will continue to make concerted efforts to face with sincerity all persons affected by the accident. In addition, based on the JR-West Group Railway Safety Think-and-Act Plan 2027, which was launched in April of last year, we will deepen our approach to safety so that we will work to improve safety with a strong awareness of “mindset of putting customers first and meeting their expectations,” working to foster an organizational culture.

In the subject fiscal year, as a measure to enhance platform safety, we continued to advance the installation of platform gates at frequently used stations on conventional lines, and use of these gates has commenced on certain platforms at Sannomiya Station and Nishi-Akashi Station. In addition, some platforms at Kyobashi Station have been improved to reduce level differences and gaps between platforms and trains, and Ashiya Station, Shin-Osaka Station and other stations have started to use platform safety screens. To further maintain and improve safety, we have begun testing a system that automatically detects passengers approaching trains from the side camera images and notifies drivers.

As countermeasures against intensifying natural disasters, we continued to implement heavy rain countermeasures, such as the reinforcement of slopes and the use of radar to track the amount of rainfall for use in regulating train operation when it is raining. With regard to earthquake countermeasures on the Sanyo Shinkansen, we expanded the installation of derailment prevention guards and the implementation of earthquake resistance reinforcement measures across the entire Sanyo Shinkansen line, and have steady progress with the aim of completing the main countermeasures by the end of FY2028.3. On conventional lines, we reinforced the earthquake resistance of buildings and elevated bridges, making steady progress in line with our plans.

Furthermore, in order to reduce environmental impact, we have promoted initiatives to reduce CO2 emissions by introducing renewable energy for railway operations, and have started to consider

the use of hydrogen (the establishment of comprehensive hydrogen stations utilizing railway assets such as stations, hydrogen transportation and related activities via pipelines utilizing gravel around a railroad track).

The main specific measures for creating demand and creating new value during the subject fiscal year were as follows.

- Launch of co-working space etc. reservation platform “+PLACE” service (April)
- Sale of Saikoro Tickets (May, August, and December)
- Launch of ICOCA for Apple Pay service (June)
- Completion of demonstration tests for self-driving and convoy driving with BRT and development project (July), and implementation of demonstration tests on public roads (November to February)
- Sale of Digital Pass, a special Hyogo Destination Campaign product (June)
- Release of the KANSAI MaaS, Japan's first wide-area MaaS app in cooperation with railway operators (September)
- Introduction of new EX services (EX Travel Destination Reservation service, EX Travel Pack, and service that allows customers to make Shinkansen reservations one year in advance) (October)
- Expansion of seat service (introduction of Rapid Service Ure-Seat on the Yamatoji Line and Osaka Higashi Line (October), start of commuter Limited Express Rakuraku Yamato operations (March)
- Made all seats designated as reserved on Tokaido and Sanyo Shinkansen the “Nozomi” during the year-end and New Year holiday (December to January)
- Initiatives to support Hokuriku in light of the 2024 Noto Peninsula earthquake (relaxation of usage conditions and special pricing for the Hokuriku Odekake Tabiwa Pass (February), and a campaign at stations in Hokuriku) (from March)
- Launch of “My Teiki” online commuter pass application service (March)

In addition to the above, we worked to expand our business based on the technologies and know-how of the Group.

In the mobility segment, operating revenues increased 18.3% year on year to ¥986.4 billion and operating income grew 244.3% to ¥114.4 billion, due to an increase in usage as railway demand recovered and strong demand from foreign tourists.

## **b. Retail Business**

In the retail business, we opened our first Starbucks store (JR Kyoto Station West Exit Store) under a license agreement with Starbucks Coffee Japan, Ltd. in October. In November, we opened the Osaka-Kansai Expo official store in Eki Marche Shin-Osaka. In March, in conjunction with the opening of the Hokuriku Shinkansen line between Kanazawa and Tsuruga, we opened new station shops at six newly developed stations between Komatsu Station and Tsuruga Station.

Looking at the VIA INN brand of accommodation-oriented hotels included in the retail segment, VIA INN PRIME SAPPORO-ODORI “Suzuran no Yu” was opened in September.

In the retail segment, operating revenues expanded 18.7% year on year to ¥197.0 billion and operating income expanded 138.1% year on year to ¥13.0 billion due to the strong utilization of convenience stores, souvenir shops, and VIA INN, progress in business structural reforms, and other factors.

## **c. Real Estate Business**

In the shopping center business, which is part of the real estate business segment, we updated

LUCUA Osaka, Kyoto Porta, Tennoji MIO, and other shopping centers by enhancing store lineups and content. In March, we opened CURU-F Fukui Station, a shopping center at Fukui Station to coincide with the opening of the Hokuriku Shinkansen between Kanazawa and Tsuruga. In addition the aboveground facility at Osaka Station (Umekita area) was named “Umekita Green Place” with preparations underway for its opening in spring 2025.

In real estate sales and leasing operations, we started operations of JR West Private REIT, Inc. in September to strengthen business in the real estate asset management field. In October, JR-West Real Estate Management Co., Ltd. was established to strengthen the management and operation of real estate. In addition, we worked to acquire and sell profit-generating real estate and strengthen our overseas real estate business.

In the hotel business, we proceeded with preparations for the opening of THE OSAKA STATION HOTEL, Autograph Collection and decided to name the hotel to be opened in the new Hiroshima Station Building “Hotel Granvia Hiroshima Southgate”.

In the real estate segment, operating revenues expanded 6.2% year on year to ¥217.7 billion and operating income expanded 17.5% year on year to ¥40.6 billion. This was due mainly to strong utilization of shopping centers and hotels.

#### **d. Travel and Regional Solutions**

In the tourism business, part of the travel and regional solutions segment, we started sales of “JR Raku Pack Red Balloon” in a partnership with “Rakuten Travel”, which is operated by Rakuten Group, Inc. (January).

In the solutions business, as part of our efforts to solve local social issues, we entered into a capital and business alliance with Total Brain Care Inc. for the realization of a lifelong working society.

In the travel and regional segment, operating revenues expanded 26.4% year on year to ¥206.0 billion and operating income expanded 29.1% year on year to ¥7.8 billion due to recovery in travel demand, being entrusted with projects, etc. to attract visitors, etc. in each region, and other factors.

## 2) Analysis of Financial Condition

### 1) Assets, Liabilities and Net Assets

Total assets at the end of the subject fiscal year amounted to ¥3,777.9 billion, an increase of ¥42.4 billion from the end of the previous fiscal year. This was due mainly to an increase in fixed assets.

Total liabilities amounted to ¥2,552.9 billion, a decrease of ¥38.2 billion from the end of the previous fiscal year. This was due mainly to a decrease in bonds payable.

Total net assets amounted to ¥1,224.9 billion, an increase of ¥80.6 billion from the end of the previous fiscal year. This was due mainly to an increase in retained earnings.

### 2) Cash Flows

Looking at cash flows from operating activities, due to growth in income before income taxes and other factors, net cash provided by operating activities was ¥318.3 billion, compared with net cash provided by operating activities of ¥273.9 billion last year.

In cash flows from investing activities, due to an increase in expenditures for the acquisition of fixed assets, net cash used in investing activities was ¥243.6 billion, compared with ¥214.9 billion a year ago.

Looking at cash flows from financing activities, net cash used in financing activities was ¥131.6 billion, compared with ¥88.7 billion a year ago, owing in part to the repayment of debt.

As a result, cash and cash equivalents at the end of the period was down ¥56.6 billion year on year, to ¥233.2 billion.

### (Reference) Cash Flow Indicators

|  |         | FY2020.3 | FY2021.3 | FY2022.3 | FY2023.3 | FY2024.3 |
|--|---------|----------|----------|----------|----------|----------|
| Equity ratio                             | (%)     | 34.1     | 24.5     | 26.2     | 27.7     | 29.3     |
| Equity ratio, based on market value      | (%)     | 43.2     | 33.7     | 33.5     | 35.6     | 40.5     |
| Interest-bearing debt to cash flow ratio | (Times) | 4.3      | —        | —        | 6.1      | 4.9      |
| Interest coverage ratio                  | (Times) | 8.3      | —        | —        | 4.1      | 9.0      |

Notes: Equity ratio: shareholders' equity / total assets

Market-based rate of equity ratio: total market capitalization / total assets

Interest-bearing debt to cash flow ratio: interest-bearing debt / cash flows

Interest coverage ratio: (operating income + interest & dividend income) / interest expense

- All of the figures in the above table were calculated on a consolidated basis.
- Total market capitalization was calculated by multiplying the closing stock price at the end of the term by the total amount of outstanding stock at the end of the term (excluding treasury stock).
- Cash flow is defined as operating cash flow.
- The interest-bearing debt to cash flow ratio and interest coverage ratio for FY2021.3 and FY2022.3 are not presented because operating cash flow was negative and an operating loss was recorded.

## (2) Future Outlook

### 1) Outlook for the Next Fiscal Year

For FY2025.3, although we expect revenues to increase as the impact from the pandemic subsides, the business environment remains challenging with rising commodity prices, an unclear outlook for international affairs and changes in social behavior brought about by the pandemic.

Taking this into consideration, we will accelerate the challenge of doing business in the post-COVID era by promoting the expansion of the life design field while maximizing the effects of the opening of large-scale projects such as the Hokuriku Shinkansen Kanazawa-Tsuruga extension and the development of the area on the west side of Osaka Station.

The JR-West Group has been working to realize its Long-Term Vision 2032, which was created for the next decade, by improving railway safety, revitalizing major businesses and restructuring the key strategies laid out in the JR-West Group Medium-Term Management Plan 2025, which also coincides with the Osaka/Kansai Expo and Updating of the JR-West Group Medium-Term Management Plan 2025, which we announced today. We will steadily promote these key strategies, including the further development of real estate and urban development, the development of diverse services through digital strategies, and the creation of new businesses.

With consideration for the above, at this point the results forecasts for FY2025.3 are as follows.

|   |                                |
|---|--------------------------------|
| Operating revenues:                     | ¥1,718.0 billion (up 5.1% YoY) |
| Operating income:                       | ¥170.0 billion (down 5.4% YoY) |
| Recurring profit:                       | ¥155.5 billion (down 7.1% YoY) |
| Profit attributable to owners of parent | ¥100.0 billion (up 1.3% YoY)   |

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

### 2) Basic Policy Regarding Distribution of Earnings, and Dividends for the Subject and Next Fiscal Years

JR-West considers it important to provide stable shareholder returns over the long term.

During the Medium-Term Management Plan 2025 that was announced in April 2023, JR-West Group shall implement a steady dividend based on a dividend payout ratio of at least 35% and an opportunistic capital policy, in line with its basic policy of sustainably improving corporate value and shareholder value with long-term stability in shareholder returns.

Based on this policy and performance this fiscal year, the Company plans to increase the dividend forecast of ¥62.50 per share announced in January to ¥84.50 per share, a ¥22 increase. As a result, the Company plans an annual dividend of ¥142 per share, including the ¥57.50 per share that it already distributed.

The Updating of the JR-West Group Medium-Term Management Plan 2025 does not change our basic policy regarding dividends.

Based on that policy, the Company plans to pay a full-year dividend of ¥72 per share for the next fiscal year taking into account the stock split that became effective on April 1, 2024.

### (3) Basic Perspective on the Choice of Accounting Standards

The JR-West Group employs Japanese accounting standards and has no plans to adopt IFRS for the foreseeable future. However, we will consider this adoption, taking into consideration such factors as future trends in Japanese accounting standards.



**(4) Consolidated Financial Statements****1) Consolidated Balance Sheets**

(Millions of yen)

|   | March 31, 2023 | March 31, 2024 |
|---|----------------|----------------|
| <b>Assets</b>                                   |                |                |
| Current assets                                  |                |                |
| Cash and deposits                               | 290,138        | 233,465        |
| Notes and accounts receivable-trade             | 43,886         | 58,437         |
| Railway fares receivable                        | 41,472         | 52,676         |
| Accounts receivables                            | 115,535        | 114,129        |
| Securities                                      | 36             | —              |
| Inventories                                     | 153,234        | 160,631        |
| Other   | 73,844         | 82,161         |
| Less allowance for doubtful accounts            | (1,616)        | (537)          |
| Current assets total                            | 716,532        | 700,963        |
| Non-current assets                              |                |                |
| Property, plant and equipment                   |                |                |
| Buildings and structures (net value)            | 1,230,595      | 1,236,295      |
| Machinery and transport equipment (net value)   | 399,001        | 414,075        |
| Land  | 782,965        | 806,288        |
| Construction in progress                        | 117,193        | 122,667        |
| Other property, plant and equipment (net value) | 51,447         | 54,097         |
| Property, plant and equipment total             | 2,581,205      | 2,633,423      |
| Intangible fixed assets                         | 49,254         | 46,490         |
| Investments and other assets                    |                |                |
| Investments in securities                       | 101,980        | 127,931        |
| Net defined benefit asset                       | 3,173          | 4,564          |
| Deferred tax assets                             | 232,895        | 207,161        |
| Other   | 53,558         | 60,497         |
| Less allowance for doubtful accounts            | (3,761)        | (3,306)        |
| Total investments and other assets              | 387,846        | 396,848        |
| Total non-current assets                        | 3,018,306      | 3,076,763      |
| Deferred assets                                 |                |                |
| Share issuance cost                             | 668            | 196            |
| Total deferred assets                           | 668            | 196            |
| Total assets                                    | 3,735,507      | 3,777,923      |

(Millions of yen)

|   | March 31, 2023 | March 31, 2024 |
|---|----------------|----------------|
| <b>Liabilities</b>  |                |                |
| Current liabilities   |                |                |
| Notes and accounts payable-trade  | 66,020         | 59,894         |
| Short-term loans payable  | 17,483         | 19,298         |
| Current portion of bonds  | 100,000        | 60,000         |
| Current portion of long-term debt   | 39,553         | 77,130         |
| Current portion of long-term payables for acquisition of railway properties | 1,245          | 1,327          |
| Accounts payable  | 122,108        | 163,458        |
| Accrued consumption tax   | 23,451         | 25,326         |
| Accrued income tax  | 13,600         | 13,422         |
| Inter-line fares received   | 2,240          | 4,147          |
| Deposits received   | 119,536        | 131,092        |
| Prepaid railway fares received  | 37,244         | 38,339         |
| Advances received   | 44,052         | 37,512         |
| Allowance for bonuses   | 29,540         | 36,251         |
| Allowance for loss on disaster  | 396            | 2,575          |
| Allowance for point program   | 706            | 143            |
| Other current liabilities   | 41,283         | 40,254         |
| Total current liabilities   | 658,464        | 710,175        |
| Non-current liabilities   |                |                |
| Bonds   | 859,992        | 799,994        |
| Long-term debt  | 557,482        | 519,855        |
| Long-term payables for acquisition of railway properties                    | 97,436         | 96,108         |
| Deferred tax liabilities  | 1,474          | 1,807          |
| Allowance for large scale renovation of Shinkansen infrastructure           | 29,166         | 33,333         |
| Allowance for environmental safety measures                                 | 3,414          | 2,255          |
| Allowance for loss on liquidation of railway belts                          | 15,794         | 30,292         |
| Accrued retirement benefits   | 223,318        | 211,647        |
| Other long-term liabilities   | 144,653        | 147,491        |
| Total non-current liabilities   | 1,932,733      | 1,842,786      |
| Total liabilities   | 2,591,198      | 2,552,961      |
| <b>Net assets</b>   |                |                |
| Shareholders' equity  |                |                |
| Common stock  | 226,136        | 226,136        |
| Capital surplus   | 183,904        | 183,939        |
| Retained earnings   | 626,108        | 692,468        |
| Treasury stock  | (1,378)        | (1,262)        |
| Total shareholders' equity  | 1,034,772      | 1,101,282      |
| Accumulated other comprehensive income                                      |                |                |
| Net unrealized holding gain on securities                                   | 1,061          | 6,569          |
| Deferred gains or losses on hedges  | (9)            | 130            |
| Remeasurements of defined benefit plans                                     | (1,347)        | (2,087)        |
| Total accumulated other comprehensive income                                | (295)          | 4,613          |
| Non-controlling interests   | 109,832        | 119,064        |
| Total net assets  | 1,144,309      | 1,224,961      |
| Total liabilities and net assets  | 3,735,507      | 3,777,923      |

**2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

## Consolidated Statements of Income

(Millions of yen)

|  | March 31, 2023 | March 31, 2024 |
|--|----------------|----------------|
| Operating revenues   | 1,395,531      | 1,635,023      |
| Operating expenses   |                |                |
| Transportation, other services and cost of sales   | 1,126,833      | 1,239,576      |
| Selling, general and administrative expenses   | 184,727        | 215,698        |
| Total operating expenses   | 1,311,560      | 1,455,275      |
| Operating income   | 83,970         | 179,748        |
| Non-operating revenues   |                |                |
| Interest income  | 41             | 57             |
| Dividend income  | 997            | 879            |
| Dividends income of insurance  | 1,546          | 1,549          |
| Transfer from administrative fee of contracted construction  | 1,646          | 1,472          |
| Equity in earnings of affiliates   | 1,099          | 1,379          |
| Reversal of allowance for doubtful account   | 1,708          | 998            |
| Other  | 6,137          | 3,639          |
| Non-operating expenses   | 13,177         | 9,977          |
| Non-operating expenses   |                |                |
| Interest expenses  | 20,816         | 20,101         |
| Other  | 2,711          | 2,241          |
| Total non-operating expenses   | 23,528         | 22,343         |
| Recurring income (loss)  | 73,619         | 167,382        |
| Extraordinary profits  |                |                |
| Gain on sales of noncurrent assets   | 7,262          | 4,066          |
| Gain on contribution for construction  | 65,983         | 17,105         |
| Compensation income for expropriation  | 1,406          | 4,514          |
| Other  | 1,787          | 5,218          |
| Total extraordinary profits  | 76,440         | 30,904         |
| Extraordinary losses   |                |                |
| Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment | 63,493         | 16,310         |
| Loss on reduction for expropriation  | 1,405          | 4,370          |
| Provision for loss on liquidation of railway belts   | —              | 15,000         |
| Other  | 12,287         | 17,424         |
| Total extraordinary losses   | 77,186         | 53,105         |
| Profit (loss) before income taxes  | 72,873         | 145,182        |
| Income taxes- Current  | 14,429         | 17,102         |
| Income taxes- Deferred   | (35,426)       | 23,700         |
| Total income taxes   | (20,997)       | 40,803         |
| Net income   | 93,871         | 104,379        |
| Profit attributable to non-controlling interests   | 5,342          | 5,617          |
| Profit attributable to owners of parent  | 88,528         | 98,761         |

**Consolidated Statements of Comprehensive Income**

(Millions of yen)

|   | March 31, 2023 | March 31, 2024 |
|---|----------------|----------------|
| Net income  | 93,871         | 104,379        |
| Other comprehensive income  |                |                |
| Valuation difference on available-for-sale securities                               | 2,442          | 5,794          |
| Deferred gains or losses on hedges  | (12)           | 143            |
| Remeasurements of defined benefit plans   | (275)          | (373)          |
| Share of other comprehensive income of associates accounted for using equity method | (29)           | 109            |
| Total other comprehensive income  | 2,125          | 5,673          |
| Comprehensive Income (Loss)   | 95,996         | 110,052        |
| Comprehensive income attributable to  |                |                |
| Owners of the parent  | 90,635         | 103,670        |
| Non-controlling interests   | 5,361          | 6,382          |

**3) Consolidated Statements of Changes in Net Assets**

Year ended March 31, 2023

(Millions of yen)

|  | Shareholders' equity |                 |                   |                |           |
|--|----------------------|-----------------|-------------------|----------------|-----------|
|  | Common stock         | Capital surplus | Retained earnings | Treasury stock | Total     |
| Balance at beginning of current period               | 226,136              | 183,812         | 561,874           | (482)          | 971,341   |
| Change in the fiscal year                            |                      |                 |                   |                |           |
| Dividends from surplus                               |                      |                 | (24,390)          |                | (24,390)  |
| Profit attributable to owners of parent              |                      |                 | 88,528            |                | 88,528    |
| Change of scope of consolidation                     |                      |                 | —                 |                | —         |
| Increase by merger                                   |                      | (62)            | 97                |                | 34        |
| Purchase of treasury stock                           |                      |                 |                   | (963)          | (963)     |
| Disposal of treasury shares                          |                      | 0               |                   | 68             | 69        |
| Purchase of shares of consolidated subsidiaries      |                      | 153             |                   |                | 153       |
| Net changes of items other than shareholders' equity |                      |                 |                   |                |           |
| Total  | —                    | 91              | 64,234            | (895)          | 63,430    |
| Balance at end of current period                     | 226,136              | 183,904         | 626,108           | (1,378)        | 1,034,772 |

|  | Accumulated other comprehensive income    |                                    |   |         | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---------|---------------------------|------------------|
|  | Net unrealized holding gain on securities | Deferred gains or losses on hedges | Remeasurements of defined benefit plans | Total   |                           |                  |
| Balance at beginning of current period               | (1,270)                                   | —                                  | (1,131)                                 | (2,402) | 105,272                   | 1,074,211        |
| Change in the fiscal year                            |   |                                    |   |         |                           |                  |
| Dividends from surplus                               |   |                                    |   |         |                           | (24,390)         |
| Profit attributable to owners of parent              |   |                                    |   |         |                           | 88,528           |
| Change of scope of consolidation                     |   |                                    |   |         |                           | —                |
| Increase by merger                                   |   |                                    |   |         |                           | 34               |
| Purchase of treasury stock                           |   |                                    |   |         |                           | (963)            |
| Disposal of treasury shares                          |   |                                    |   |         |                           | 69               |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |         |                           | 153              |
| Net changes of items other than shareholders' equity | 2,332                                     | (9)                                | (215)                                   | 2,106   | 4,559                     | 6,666            |
| Total  | 2,332                                     | (9)                                | (215)                                   | 2,106   | 4,559                     | 70,097           |
| Balance at end of current period                     | 1,061                                     | (9)                                | (1,347)                                 | (295)   | 109,832                   | 1,144,309        |

## Year ended March 31, 2024

(Millions of yen)

|  | Shareholders' equity |                 |                   |                |           |
|--|----------------------|-----------------|-------------------|----------------|-----------|
|  | Common stock         | Capital surplus | Retained earnings | Treasury stock | Total     |
| Balance at beginning of current period               | 226,136              | 183,904         | 626,108           | (1,378)        | 1,034,772 |
| Change in the fiscal year                            |                      |                 |                   |                |           |
| Dividends from surplus                               |                      |                 | (32,306)          |                | (32,306)  |
| Profit attributable to owners of parent              |                      |                 | 98,761            |                | 98,761    |
| Change of scope of consolidation                     |                      |                 | (96)              |                | (96)      |
| Increase by merger                                   |                      | —               | 1                 |                | 1         |
| Purchase of treasury stock                           |                      |                 |                   | (1)            | (1)       |
| Disposal of treasury shares                          |                      | 30              |                   | 117            | 147       |
| Purchase of shares of consolidated subsidiaries      |                      | 5               |                   |                | 5         |
| Net changes of items other than shareholders' equity |                      |                 |                   |                |           |
| Total  | —                    | 35              | 66,359            | 115            | 66,510    |
| Balance at end of current period                     | 226,136              | 183,939         | 692,468           | (1,262)        | 1,101,282 |

|  | Accumulated other comprehensive income    |                                    |   |       | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|-------|---------------------------|------------------|
|  | Net unrealized holding gain on securities | Deferred gains or losses on hedges | Remeasurements of defined benefit plans | Total |                           |                  |
| Balance at beginning of current period               | 1,061                                     | (9)                                | (1,347)                                 | (295) | 109,832                   | 1,144,309        |
| Change in the fiscal year                            |   |                                    |   |       |                           |                  |
| Dividends from surplus                               |   |                                    |   |       |                           | (32,306)         |
| Profit attributable to owners of parent              |   |                                    |   |       |                           | 98,761           |
| Change of scope of consolidation                     |   |                                    |   |       |                           | (96)             |
| Increase by merger                                   |   |                                    |   |       |                           | 1                |
| Purchase of treasury stock                           |   |                                    |   |       |                           | (1)              |
| Disposal of treasury shares                          |   |                                    |   |       |                           | 147              |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |       |                           | 5                |
| Net changes of items other than shareholders' equity | 5,508                                     | 140                                | (740)                                   | 4,908 | 9,232                     | 14,141           |
| Total  | 5,508                                     | 140                                | (740)                                   | 4,908 | 9,232                     | 80,652           |
| Balance at end of current period                     | 6,569                                     | 130                                | (2,087)                                 | 4,613 | 119,064                   | 1,224,961        |

**4) Consolidated Statements of Cash Flows**

(Millions of yen)

|  | March 31, 2023   | March 31, 2024   |
|--|------------------|------------------|
| <b>Cash flows from operating activities</b>  |                  |                  |
| Profit before income taxes   | 72,873           | 145,182          |
| Depreciation and Amortization  | 159,655          | 163,322          |
| Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment | 63,493           | 16,310           |
| Loss on disposal of property, plant and equipment  | 5,228            | 5,601            |
| Loss (Gain) on sale of property, plant and equipment   | (7,184)          | (3,594)          |
| Increase (decrease) in net defined benefit liability   | (15,416)         | (13,459)         |
| Increase (decrease) in allowance for doubtful accounts   | (147)            | (1,533)          |
| Increase (decrease) in provision for bonuses   | 6,055            | 6,705            |
| Increase (decrease) in allowance for the large-scale renovation of Shinkansen infrastructure                         | 4,166            | 4,166            |
| Increase (decrease) in other provision   | (4,089)          | 14,806           |
| Interest and dividend income   | (1,039)          | (937)            |
| Interest expenses  | 20,816           | 20,101           |
| Equity in earnings of affiliates   | (1,099)          | (1,379)          |
| Proceeds from contribution for construction  | (65,983)         | (17,105)         |
| Decrease (increase) in notes and accounts receivable-trade   | (37,305)         | (9,117)          |
| Decrease (increase) in inventories   | (3,364)          | (6,492)          |
| Increase (decrease) in accounts payable-trade  | 55,335           | 24,688           |
| Increase (decrease) in accrued consumption taxes   | 15,073           | 1,837            |
| Other  | 37,883           | 5,500            |
| <b>Subtotal</b>  | <b>304,952</b>   | <b>354,603</b>   |
| Interest and dividends income received   | 1,033            | 934              |
| Interest paid  | (20,633)         | (19,939)         |
| Income taxes paid  | (11,388)         | (17,283)         |
| <b>Cash flows from operating activities</b>  | <b>273,964</b>   | <b>318,314</b>   |
| <b>Cash flows from investing activities</b>  |                  |                  |
| Purchase of non-current assets   | (246,013)        | (249,352)        |
| Proceeds from sales of non-current assets  | 11,389           | 4,964            |
| Contributions received for constructions   | 28,920           | 23,325           |
| Increase in investments in securities  | (2,375)          | (22,327)         |
| Proceeds from sales of investment securities   | 700              | 1,422            |
| Net decrease (increase) in loans receivable  | (1,304)          | 3,561            |
| Other  | (6,218)          | (5,245)          |
| <b>Cash flows from investing activities</b>  | <b>(214,902)</b> | <b>(243,651)</b> |

(Millions of yen)

|  | March 31, 2023 | March 31, 2024 |
|--|----------------|----------------|
| <b>Cash flows from financing activities</b>                              |                |                |
| Change in short-term loans   | 1,217          | 1,508          |
| Proceeds from long-term loans  | 18,600         | 39,500         |
| Repayment of long-term debt  | (71,572)       | (39,550)       |
| Proceeds from issuance of bonds  | 10,000         | —              |
| Redemption of bonds  | (25,000)       | (100,000)      |
| Repayment of long-term payables for acquisition of railway properties    | (1,167)        | (1,245)        |
| Purchase of treasury stock   | (963)          | (1)            |
| Cash dividends paid  | (24,400)       | (32,290)       |
| Dividends paid to non-controlling interests                              | (235)          | (300)          |
| Other  | 4,756          | 759            |
| Net cash used in financing activities                                    | (88,765)       | (131,620)      |
| Change in cash and cash equivalents, net                                 | (29,703)       | (56,956)       |
| Cash and cash equivalents at beginning of period                         | 319,596        | 289,893        |
| Increase in cash and cash equivalents from newly consolidated subsidiary | —              | 282            |
| Cash and cash equivalents at the end of the period                       | 289,893        | 233,218        |



## 5) Note on Assumptions for Going Concern

Not applicable

## 6) Notes to Consolidated Financial Statements

### (Segment Information)

#### 1. Forecasts for Reportable Segments

The JR-West Group's reportable segments allow it to acquire financial data separated into the various components of the corporate group. The scope of the segments is reviewed on a regular basis in order to allow the Board of Directors to determine the allocation of management resources, and evaluate earnings performance.

The Group is mainly engaged in the mobility, retail, real estate, and travel and regional solutions segments. These segments are managed by JR-West and its Group companies based on the classification of each segment, which comprise the Company and its Group companies, by type.

As a result, the Group consists of four business segments (mobility, retail, real estate, and travel and regional solutions) that it reports on. In the mobility segment, the Company is engaged in passenger transportation, mainly railroad operations, station operations, cleaning and maintenance, construction, machinery and equipment installation, rolling stock and other equipment installation, and electrical engineering. As for the retail segment, we are engaged in the retail/restaurant business, department store business, and goods wholesale business. In the real estate segment, the Company is engaged in the real estate sales and leasing business, shopping center operation business, and hotel business. And in the travel and regional solutions segment, we are engaged in the travel and regional solution business.

#### (1) Matters related to changes in reportable segments

In order to steadily promote the restructuring of our business portfolio in order to realize Long-Term Vision 2032, we have changed some of our segment classifications and their aggregation methods from the beginning of the current fiscal year, in conjunction with the establishment of the railway company (internal). Therefore, the previous segment classifications "transportation," "retail," "real estate," and "other businesses" have been changed to "mobility," "retail," "real estate," "travel and regional solutions," and "other."

The segment information for the previous consolidated fiscal year has been prepared based on the new segment classification.

#### 2. Method of Calculating Amounts of Operating Revenues, Earnings (or Losses), Assets and Other Items for Reportable Segments

The method of accounting for reported business segments is based on the accounting principles and procedures employed in preparing the consolidated financial statements. Transactions between reportable segments constitute transactions between consolidated companies, and are based on such factors as market prices.

### 3. Operating Revenues and Earnings (or Loss) by Reportable Segment, Information Regarding Amounts of Assets and Other Items

March 31, 2023

(Millions of yen)

|   | Mobility Segment | Retail Segment | Real Estate Segment | Travel and Regional Solutions Segment | Other (Note 1) | Total     | Eliminations and intergroup (Note 2) | Consolidated (Note 3) |
|---|------------------|----------------|---------------------|---------------------------------------|----------------|-----------|--------------------------------------|-----------------------|
| Operating revenue:  |                  |                |                     |                                       |                |           |                                      |                       |
| Operating revenues from third parties                           | 833,761          | 165,907        | 204,936             | 162,933                               | 27,991         | 1,395,531 | —                                    | 1,395,531             |
| Intergroup operating revenues and transfers                     | 39,856           | 5,013          | 16,531              | 1,959                                 | 54,546         | 117,908   | (117,908)                            | —                     |
| Total operating revenues  | 873,618          | 170,921        | 221,467             | 164,893                               | 82,538         | 1,513,439 | (117,908)                            | 1,395,531             |
| Segment income or loss  | 33,249           | 5,493          | 34,577              | 6,080                                 | 4,538          | 83,939    | 31                                   | 83,970                |
| Segment assets  | 2,249,537        | 106,468        | 807,473             | 75,152                                | 62,844         | 3,301,475 | 434,031                              | 3,735,507             |
| Other items:  |                  |                |                     |                                       |                |           |                                      |                       |
| Depreciation and amortization                                   | 124,953          | 5,618          | 29,816              | 442                                   | 1,457          | 162,288   | (2,632)                              | 159,655               |
| Investment in affiliates accounted for by equity method         | 39,721           | —              | —                   | —                                     | 7,553          | 47,274    | —                                    | 47,274                |
| Increase in property, plant and equipment and intangible assets | 173,938          | 3,847          | 56,196              | 678                                   | 957            | 235,617   | —                                    | 235,617               |

- The "Other Businesses" category is a business segment not included in reportable segments. It includes such operations as advertising.
- Adjustments are as follows:
  - The segment income adjustment of ¥31 million is the elimination of intersegment transactions.
  - The segment assets adjustment of ¥434,031 million reflects ¥508,687 million in companywide assets not attributed to any segment, minus ¥74,655 million in the elimination of intersegment credits and debts.
  - The depreciation and amortization adjustment of minus ¥2,632 million is the elimination of intersegment transactions.
- Segment income is adjusted to the operating income figure on the Consolidated Statements of Income.

March 31, 2024

(Millions of yen)

|   | Mobility Segment | Retail Segment | Real Estate Segment | Travel and Regional Solutions Segment | Other (Note 1) | Total     | Eliminations and intergroup (Note 2) | Consolidated (Note 3) |
|---|------------------|----------------|---------------------|---------------------------------------|----------------|-----------|--------------------------------------|-----------------------|
| Operating revenue:  |                  |                |                     |                                       |                |           |                                      |                       |
| Operating revenues from third parties                           | 986,434          | 197,000        | 217,741             | 206,000                               | 27,846         | 1,635,023 | —                                    | 1,635,023             |
| Intergroup operating revenues and transfers                     | 50,964           | 4,743          | 17,169              | 3,235                                 | 59,697         | 135,810   | (135,810)                            | —                     |
| Total operating revenues  | 1,037,399        | 201,744        | 234,910             | 209,235                               | 87,544         | 1,770,833 | (135,810)                            | 1,635,023             |
| Segment income or loss  | 114,473          | 13,076         | 40,642              | 7,846                                 | 4,231          | 180,270   | (521)                                | 179,748               |
| Segment assets  | 2,302,147        | 111,660        | 883,829             | 70,119                                | 70,384         | 3,438,141 | 339,781                              | 3,777,923             |
| Other items:  |                  |                |                     |                                       |                |           |                                      |                       |
| Depreciation and amortization                                   | 128,768          | 5,591          | 29,765              | 461                                   | 1,375          | 165,962   | (2,639)                              | 163,322               |
| Investment in affiliates accounted for by equity method         | 41,940           | —              | —                   | —                                     | 8,140          | 50,081    | —                                    | 50,081                |
| Increase in property, plant and equipment and intangible assets | 171,967          | 6,360          | 86,203              | 777                                   | 2,128          | 267,437   | —                                    | 267,437               |

- The "Other Businesses" category is a business segment not included in reportable segments. It includes such operations as advertising.
- Adjustments are as follows:
  - The segment income adjustment of minus ¥521 million is the elimination of intersegment transactions.
  - The segment assets adjustment of ¥339,781 million reflects ¥421,547 million in companywide assets not attributed to any segment, minus ¥81,766 million in the elimination of intersegment credits and debts.
  - The depreciation and amortization adjustment of minus ¥2,639 million is the elimination of intersegment transactions.
- Segment income is adjusted to the operating income figure on the Consolidated Statements of Income.

**(Per Share Information)**

|   |                |                |
|---|----------------|----------------|
| Net assets per share (yen)                              | March 31, 2023 | March 31, 2024 |
|   | 4,245.13       | 4,537.76       |
| Profit attributable to owners of parent per share (yen) | March 31, 2023 | March 31, 2024 |
|   | 363.26         | 405.25         |

(Note) 1. Diluted net income per share for the subject fiscal year is not presented because there are no dilutive shares.

2. The basis for calculating net income per share or net loss per share is as follows.

|  | March 31, 2023 | March 31, 2024 |
|--|----------------|----------------|
| Profit (loss) attributable to owners of parent<br>(Millions of yen)                                | 88,528         | 98,761         |
| Profit (loss) attributable to owners of<br>parent applicable to common shares<br>(Millions of yen) | 88,528         | 98,761         |
| Average number of shares outstanding<br>for each period (Thousands of shares)                      | 243,708        | 243,702        |

**(Material Subsequent Events)****1. Stock Split and Partial Amendments to Articles of Incorporation Regarding Stock Splits**

At the Board of Directors meeting held on October 31, 2023, JR-West conducted a stock split and made partial amendments the Articles of Incorporation with regards to stock splits that became effective on April 1, 2024.

**(1) Purpose of Stock Split**

The purpose of the stock split is to broaden the investor base by making it easier for investors to invest in JR West by lowering the price per investment unit for its shares.

**(2) Summary of Stock Split**

## a. Method of stock split

JR West shall conduct a stock split at a ratio of two shares for every one share of common stock held by shareholders recorded on the final shareholder registry as of March 31, 2024 (Sunday).

## b. Number of shares to be increased by stock split

|   |                      |
|---|----------------------|
| Total number of issued shares before the stock split  | 244,001,600 shares   |
| Number of shares to be increased by this stock split  | 244,001,600 shares   |
| Total number of issued shares after the stock split   | 488,003,200 shares   |
| Total number of issuable shares after the stock split | 1,600,000,000 shares |

## c. Schedule of the Stock Split

|                              |                        |
|------------------------------|------------------------|
| Public notice of record date | Friday, March 15, 2024 |
| Record date                  | Sunday, March 31, 2024 |
| Effective date               | Monday, April 1, 2024  |

## d. Per-share information and impact

Per-share information assuming this stock split was conducted at the beginning of the previous consolidated fiscal year is as follows.

|  | Year ended March 31, 2023 | Year ended March 31, 2024 |
|--|---------------------------|---------------------------|
| Profit attributable to owners of parent per share (yen)          | 181.63                    | 202.63                    |
| Profit attributable to owners of parent per share after dilution | —                         | —                         |

**(3) Partial Amendments to the Articles of Incorporation Regarding Stock Splits**

## a. Reason for the amendments

In accordance with this stock split, pursuant to provisions in Article 184, Paragraph 2 of the Companies Act, the total number of issuable shares in Article 6 of the Company's Articles of Incorporation will be amended effective April 1, 2024.

## b. Amendments

The proposed amendments are as follows. (Underlined text indicates changes.)

| Existing Articles of Incorporation  | After amendment  |
|---|--|
| (Total number of issuable shares)<br>Article 6 The total number of issuable shares of the Company shall be <u>eight hundred million (800,000,000)</u> shares. | (Total number of issuable shares)<br>Article 6 The total number of issuable shares of the Company shall be <u>one billion, six hundred million (1,600,000,000)</u> shares. |

## c. Schedule

Effective date of the amendment      April 1, 2024

**2. Purchase of Treasury Stock**

West Japan Railway Company, at a meeting of its Board of Directors held on April 30, 2024, determined matters concerning the acquisition by the company of its own shares in accordance with Article 156 of the Companies Act of Japan, applicable pursuant to Article 165, paragraph 3 of the said Law.

## (1) Reason for acquisition of own shares

To enhance shareholder return and improve capital efficiency

## (2) Class of shares to be acquired

Common shares

## (3) Total number of shares to be acquired

(Not exceeding) 20 million shares

(Ratio thereof to the total number of issued shares (excluding treasury stock): 4.1%)

## (4) Aggregate acquisition price of shares

(Not exceeding) ¥50 billion

## (5) Acquisition period

From May 1, 2024 to September 20, 2024

**(Additional Information)**

**JR-West's contribution to Johana Line and Himi Line Railway Operations Redevelopment Plan**

On February 8, 2024, the Minister of Land, Infrastructure, Transport and Tourism approved the Johana Line and Himi Line Railway Operations Redevelopment Plan based on the Regional Transportation Act, which was submitted in December 2023 for the Johana Line (Takaoka-Johana) and Himi Line (Takaoka-Himi) sections operated by JR-West.

This plan changes the operator of the Johana Line and Himi Line from JR-West to Ainokaze Toyama Railway, and as the plan clearly states, JR-West will contribute ¥15.0 billion as funds necessary for the implementation of the plan. As a result, the Company has recorded ¥15.0 billion as an extraordinary loss (provision for loss on line reorganization) in the current consolidated fiscal year.

**(5) Non-Consolidated Financial Statements****1) Balance Sheets**

(Millions of yen)

|  | March 31, 2023   | March 31, 2024   |
|--|------------------|------------------|
| <b>Assets</b>  |                  |                  |
| <b>Current assets</b>                                |                  |                  |
| Cash and deposits                                    | 278,234          | 211,827          |
| Railway fares receivable                             | 41,167           | 52,921           |
| Accounts receivables                                 | 52,525           | 71,067           |
| Unearned revenues                                    | 6,094            | 6,331            |
| Short-term loans receivable                          | 53,277           | 60,397           |
| Stockpiles   | 19,030           | 20,575           |
| Prepaid expenses                                     | 2,855            | 3,231            |
| Other current assets                                 | 36,742           | 41,265           |
| Less allowance for doubtful accounts                 | (271)            | (202)            |
| <b>Current assets total</b>                          | <b>489,657</b>   | <b>467,416</b>   |
| <b>Non-current assets</b>                            |                  |                  |
| <b>Non-current assets for railway operations</b>     |                  |                  |
| Property, plant and equipment                        | 5,149,172        | 5,149,977        |
| Total depreciation and amortization                  | (3,380,002)      | (3,380,197)      |
| Property, plant and equipment (net value)            | 1,769,170        | 1,769,780        |
| Intangible fixed assets                              | 26,846           | 23,895           |
| <b>Total</b>   | <b>1,796,016</b> | <b>1,793,675</b> |
| <b>Non-current assets of related businesses</b>      |                  |                  |
| Property, plant and equipment                        | 95,962           | 97,351           |
| Total depreciation and amortization                  | (28,618)         | (29,530)         |
| Property, plant and equipment (net value)            | 67,344           | 67,820           |
| Intangible fixed assets                              | 3                | 294              |
| <b>Total</b>   | <b>67,347</b>    | <b>68,115</b>    |
| <b>Non-current assets related to each business</b>   |                  |                  |
| Property, plant and equipment                        | 134,055          | 140,396          |
| Total depreciation and amortization                  | (70,899)         | (70,216)         |
| Property, plant and equipment (net value)            | 63,155           | 70,180           |
| Intangible fixed assets                              | 16,804           | 15,189           |
| <b>Total</b>   | <b>79,960</b>    | <b>85,370</b>    |
| <b>Construction in progress</b>                      |                  |                  |
| Transportation operations                            | 56,280           | 53,771           |
| Related businesses                                   | 1,906            | 4,354            |
| Related to each business                             | 7,011            | 5,701            |
| <b>Total</b>   | <b>65,198</b>    | <b>63,827</b>    |
| <b>Investments and other assets</b>                  |                  |                  |
| Investments in securities                            | 27,049           | 34,738           |
| Shares of affiliated companies                       | 269,072          | 275,330          |
| Long-term loans receivable                           | 13,027           | 12,757           |
| Long-term loans receivable from affiliated companies | 212,389          | 221,180          |
| Long-term prepaid expenses                           | 12,397           | 14,317           |
| Deferred tax assets                                  | 200,573          | 172,840          |
| Other investments, etc.                              | 5,111            | 4,621            |
| Less allowance for doubtful accounts                 | (7,837)          | (1,696)          |
| <b>Total investments and other assets</b>            | <b>731,782</b>   | <b>734,089</b>   |
| <b>Total non-current assets</b>                      | <b>2,740,306</b> | <b>2,745,077</b> |

(Millions of yen)

|                       | March 31, 2023 | March 31, 2024 |
|-----------------------|----------------|----------------|
| Deferred assets       |                |                |
| Share issuance cost   | 668            | 196            |
| Total deferred assets | 668            | 196            |
| Total assets          | 3,230,632      | 3,212,691      |



(Millions of yen)

|   | March 31, 2023   | March 31, 2024   |
|---|------------------|------------------|
| <b>Liabilities</b>  |                  |                  |
| Current liabilities   |                  |                  |
| Short-term loans payable  | 245,169          | 262,670          |
| Current portion of bonds  | 100,000          | 60,000           |
| Current portion of long-term debt   | 39,500           | 77,100           |
| Current portion of long-term payables for acquisition of railway properties | 1,245            | 1,327            |
| Accounts payable  | 168,302          | 185,849          |
| Unpaid expenses   | 20,956           | 19,065           |
| Accrued consumption tax   | 16,965           | 17,047           |
| Accrued income tax  | 3,236            | 2,918            |
| Inter-line fares received   | 1,990            | 3,822            |
| Deposits received   | 42,277           | 48,177           |
| Prepaid railway fares received  | 37,091           | 38,162           |
| Advances received   | 37,782           | 30,909           |
| Deferred revenue  | 501              | 525              |
| Allowance for bonuses   | 18,325           | 22,731           |
| Allowance for loss on disaster  | 396              | 1,881            |
| Other current liabilities   | 1,544            | 1,049            |
| Total current liabilities   | 735,287          | 773,239          |
| Non-current liabilities   |                  |                  |
| Bonds   | 859,992          | 799,994          |
| Long-term debt  | 557,455          | 519,855          |
| Long-term payables for acquisition of railway properties                    | 97,436           | 96,108           |
| Allowance for large scale renovation of Shinkansen infrastructure           | 29,166           | 33,333           |
| Defined benefit allowance   | 190,914          | 177,273          |
| Allowance for environmental safety measures                                 | 3,414            | 2,255            |
| Allowance for loss on liquidation of railway belts                          | 15,794           | 30,292           |
| Asset retirement obligations  | 2,281            | 1,916            |
| Other long-term liabilities   | 14,445           | 15,547           |
| Total non-current liabilities   | 1,770,901        | 1,676,576        |
| <b>Total liabilities</b>  | <b>2,506,188</b> | <b>2,449,815</b> |

(Millions of yen)

|   | March 31, 2023   | March 31, 2024   |
|---|------------------|------------------|
| <b>Net assets</b>                                     |                  |                  |
| Shareholders' equity                                  |                  |                  |
| Common stock  | 226,136          | 226,136          |
| Capital surplus                                       |                  |                  |
| Capital reserves                                      | 181,136          | 181,136          |
| Other capital surplus                                 | 0                | 30               |
| Total capital surplus                                 | 181,137          | 181,167          |
| Retained earnings                                     |                  |                  |
| Earnings reserves                                     | 11,327           | 11,327           |
| Other earnings surplus                                |                  |                  |
| Reserve for reduction entry of non-current assets     | 24,391           | 24,732           |
| Retained earnings brought forward                     | 282,950          | 315,681          |
| Total retained earnings                               | 318,669          | 351,741          |
| Treasury stock  | (900)            | (784)            |
| Total shareholders' equity                            | 725,043          | 758,260          |
| Valuation and translation adjustments                 |                  |                  |
| Valuation difference on available-for-sale securities | (600)            | 4,477            |
| Deferred gains or losses on hedges                    | —                | 137              |
| Total valuation and translation adjustments           | (600)            | 4,614            |
| Total net assets                                      | 724,443          | 762,875          |
| <b>Total liabilities and net assets</b>               | <b>3,230,632</b> | <b>3,212,691</b> |

## 2) Statements of Income

March 31, 2023

(Millions of yen)

|   | March 31, 2024 |         |
|---|----------------|---------|
| Operating revenues - railway                                |                |         |
| Operating revenues  |                |         |
| Passenger transportation                                    | 694,543        | 840,596 |
| Trackage revenue  | 4,578          | 4,713   |
| Miscellaneous income of transportation                      | 65,102         | 70,491  |
| Total operating revenues                                    | 764,223        | 915,801 |
| Operating expenses  |                |         |
| Transportation operating expenses                           | 546,203        | 600,436 |
| General and administrative expenses                         | 34,928         | 50,155  |
| Taxes   | 33,946         | 35,645  |
| Depreciation and Amortization                               | 123,053        | 126,874 |
| Total Operating expenses                                    | 738,132        | 813,112 |
| Operating income from railway                               | 26,091         | 102,689 |
| Operating revenues - related businesses                     |                |         |
| Operating revenues  |                |         |
| Real estate lease revenues                                  | 18,063         | 18,321  |
| Merchandise revenues  | 19             | 50      |
| Miscellaneous revenues                                      | 8,972          | 10,116  |
| Total operating income from related businesses              | 27,055         | 28,489  |
| Operating expenses  |                |         |
| Cost of sales   | 92             | 108     |
| Selling, general and administrative expenses                | 9,474          | 10,599  |
| Taxes   | 3,472          | 3,837   |
| Depreciation and Amortization                               | 1,146          | 1,186   |
| Total operating expenses for related businesses             | 14,185         | 15,731  |
| Operating income from related businesses                    | 12,869         | 12,757  |
| Operating income from all businesses                        | 38,960         | 115,446 |
| Non-operating revenues                                      |                |         |
| Interest income   | 789            | 1,171   |
| Dividend income   | 1,577          | 1,830   |
| Dividends income of insurance                               | 1,546          | 1,549   |
| Transfer from administrative fee of contracted construction | 1,646          | 1,472   |
| Reversal of allowance for doubtful account                  | 1,679          | 6,218   |
| Employment adjustment subsidy                               | 918            | -       |
| Miscellaneous revenues                                      | 3,114          | 2,534   |
| Non-operating expenses:                                     | 11,272         | 14,777  |
| Non-operating expenses                                      |                |         |
| Interest expenses   | 11,224         | 10,996  |
| Interest on bonds   | 9,501          | 9,115   |
| Bond issuance cost  | 32             | -       |
| Miscellaneous expenses                                      | 1,982          | 1,385   |
| Total non-operating expenses                                | 22,740         | 21,496  |
| Recurring profit:   | 27,492         | 108,727 |

(Millions of yen)

|  | March 31, 2023 | March 31, 2024 |
|--|----------------|----------------|
| <b>Extraordinary profit</b>  |                |                |
| Gain on sales of noncurrent assets   | 8,743          | 4,102          |
| Gain on contribution for construction  | 65,983         | 17,105         |
| Compensation income for expropriation  | 1,379          | 4,135          |
| Other  | 467            | 1,008          |
| Total extraordinary profits  | 76,573         | 26,352         |
| <b>Extraordinary loss</b>  |                |                |
| Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment | 64,216         | 16,693         |
| Loss on reduction for expropriation  | 1,379          | 3,992          |
| Provision for loss on liquidation of railway belts   | —              | 15,000         |
| Other  | 9,799          | 8,267          |
| Total extraordinary losses   | 75,395         | 43,953         |
| Profit (loss) before income taxes  | 28,671         | 91,126         |
| Income taxes- Current  | 291            | 287            |
| Income taxes- Deferred   | (31,058)       | 25,460         |
| Total income taxes   | (30,766)       | 25,748         |
| Net income   | 59,437         | 65,378         |

## 3) Non-Consolidated Statements of Changes in Net Assets

March 31, 2023

(Millions of yen)

|  | Shareholders' equity |                  |                       |                       |                   |   |                 |
|--|----------------------|------------------|-----------------------|-----------------------|-------------------|---|-----------------|
|  | Common stock         | Capital surplus  |                       |                       | Retained earnings |   |                 |
|  |                      | Capital reserves | Other capital surplus | Total capital surplus | Earnings reserves | Other earnings surplus                            |                 |
|  |                      |                  |                       |                       |                   | Reserve for reduction entry of non-current assets | General reserve |
| Balance at beginning of current period                               | 226,136              | 181,136          | —                     | 181,136               | 11,327            | 25,194  | 240,000         |
| Change in the fiscal year  |                      |                  |                       |                       |                   |   |                 |
| Dividends from surplus   |                      |                  |                       |                       |                   |   |                 |
| Net income   |                      |                  |                       |                       |                   |   |                 |
| Provision of reserve for advanced depreciation of non-current assets |                      |                  |                       |                       |                   | —   |                 |
| Reversal of reserve for advanced depreciation of non-current assets  |                      |                  |                       |                       |                   | (802)   |                 |
| Reversal of general reserve  |                      |                  |                       |                       |                   |   | (240,000)       |
| Purchase of treasury stock   |                      |                  |                       |                       |                   |   |                 |
| Disposal of treasury shares  |                      |                  | 0                     | 0                     |                   |   |                 |
| Net changes of items other than shareholders' equity                 |                      |                  |                       |                       |                   |   |                 |
| Total  | —                    | —                | 0                     | 0                     | —                 | (802)   | (240,000)       |
| Balance at end of current period                                     | 226,136              | 181,136          | 0                     | 181,137               | 11,327            | 24,391  | —               |

|  | Shareholders' equity              |                         |                |          | Valuation and translation adjustments                 |                                    |   | Total net assets |
|--|-----------------------------------|-------------------------|----------------|----------|---|------------------------------------|---|------------------|
|  | Retained earnings                 |                         | Treasury stock | Total    | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments |                  |
|  | Other earnings surplus            | Total retained earnings |                |          |   |                                    |   |                  |
|  | Retained earnings brought forward |                         |                |          |   |                                    |   |                  |
| Balance at beginning of current period                               | 7,101                             | 283,622                 | (4)            | 690,891  | (2,412)   | —                                  | (2,412)                                     | 688,478          |
| Change in the fiscal year  |                                   |                         |                |          |   |                                    |   |                  |
| Dividends from surplus   | (24,390)                          | (24,390)                |                | (24,390) |   |                                    |   | (24,390)         |
| Net income   | 59,437                            | 59,437                  |                | 59,437   |   |                                    |   | 59,437           |
| Provision of reserve for advanced depreciation of non-current assets | —                                 | —                       |                | —        |   |                                    |   | —                |
| Reversal of reserve for advanced depreciation of non-current assets  | 802                               | —                       |                | —        |   |                                    |   | —                |
| Reversal of general reserve  | 240,000                           | —                       |                | —        |   |                                    |   | —                |
| Purchase of treasury stock   |                                   |                         | (963)          | (963)    |   |                                    |   | (963)            |
| Disposal of treasury shares  |                                   |                         | 68             | 69       |   |                                    |   | 69               |
| Net changes of items other than shareholders' equity                 |                                   |                         |                |          | 1,812   | —                                  | 1,812                                       | 1,812            |
| Total  | 275,849                           | 35,047                  | (895)          | 34,152   | 1,812   | —                                  | 1,812                                       | 35,965           |
| Balance at end of current period                                     | 282,950                           | 318,669                 | (900)          | 725,043  | (600)   | —                                  | (600)                                       | 724,443          |

March 31, 2024

(Millions of yen)

|  | Shareholders' equity |                  |                       |                       |                   |   |                 |
|--|----------------------|------------------|-----------------------|-----------------------|-------------------|---|-----------------|
|  | Common stock         | Capital surplus  |                       |                       | Retained earnings |   |                 |
|  |                      | Capital reserves | Other capital surplus | Total capital surplus | Earnings reserves | Other earnings surplus                            |                 |
|  |                      |                  |                       |                       |                   | Reserve for reduction entry of non-current assets | General reserve |
| Balance at beginning of current period                               | 226,136              | 181,136          | 0                     | 181,137               | 11,327            | 24,391  | —               |
| Change in the fiscal year  |                      |                  |                       |                       |                   |   |                 |
| Dividends from surplus   |                      |                  |                       |                       |                   |   |                 |
| Net income   |                      |                  |                       |                       |                   |   |                 |
| Provision of reserve for advanced depreciation of non-current assets |                      |                  |                       |                       |                   | 1,698   |                 |
| Reversal of reserve for advanced depreciation of non-current assets  |                      |                  |                       |                       |                   | (1,357)   |                 |
| Reversal of general reserve  |                      |                  |                       |                       |                   |   | —               |
| Purchase of treasury stock   |                      |                  |                       |                       |                   |   |                 |
| Disposal of treasury shares  |                      |                  | 30                    | 30                    |                   |   |                 |
| Net changes of items other than shareholders' equity                 |                      |                  |                       |                       |                   |   |                 |
| Total  | —                    | —                | 30                    | 30                    | —                 | 340   | —               |
| Balance at end of current period                                     | 226,136              | 181,136          | 30                    | 181,167               | 11,327            | 24,732  | —               |

|  | Shareholders' equity              |                         |                |          | Valuation and translation adjustments                 |                                    |   | Total net assets |
|--|-----------------------------------|-------------------------|----------------|----------|---|------------------------------------|---|------------------|
|  | Retained earnings                 |                         | Treasury stock | Total    | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments |                  |
|  | Other earnings surplus            | Total retained earnings |                |          |   |                                    |   |                  |
|  | Retained earnings brought forward |                         |                |          |   |                                    |   |                  |
| Balance at beginning of current period                               | 282,950                           | 318,669                 | (900)          | 725,043  | (600)   | —                                  | (600)                                       | 724,443          |
| Change in the fiscal year  |                                   |                         |                |          |   |                                    |   |                  |
| Dividends from surplus   | (32,306)                          | (32,306)                |                | (32,306) |   |                                    |   | (32,306)         |
| Net income   | 65,378                            | 65,378                  |                | 65,378   |   |                                    |   | 65,378           |
| Provision of reserve for advanced depreciation of non-current assets | (1,698)                           | —                       |                | —        |   |                                    |   | —                |
| Reversal of reserve for advanced depreciation of non-current assets  | 1,357                             | —                       |                | —        |   |                                    |   | —                |
| Reversal of general reserve  | —                                 | —                       |                | —        |   |                                    |   | —                |
| Purchase of treasury stock   |                                   |                         | (1)            | (1)      |   |                                    |   | (1)              |
| Disposal of treasury shares  |                                   |                         | 117            | 147      |   |                                    |   | 147              |
| Net changes of items other than shareholders' equity                 |                                   |                         |                |          | 5,077   | 137                                | 5,214                                       | 5,214            |
| Total  | 32,730                            | 33,071                  | 115            | 33,217   | 5,077   | 137                                | 5,214                                       | 38,431           |
| Balance at end of current period                                     | 315,681                           | 351,741                 | (784)          | 758,260  | 4,477   | 137                                | 4,614                                       | 762,875          |