

Results for the First Half ended September 30, 2009
and Future Initiatives

October 30, 2009
West Japan Railway Company



1. Financial Highlights

Consolidated Financial Results

(Unit: Billion Yen)

	The first half ended Sep.30, 2008	The first half ended Sep.30, 2009	YOY Increase/(Decrease)	
			Amount	%
Operating Revenues	634.9	591.0	(43.9)	(6.9)
Operating Expenses	562.0	547.1	(14.9)	(2.7)
Operating Income	72.8	43.8	(28.9)	(39.8)
Recurring Profit	57.0	27.5	(29.4)	(51.6)
Net Income	33.3	17.1	(16.2)	(48.7)

Operating revenues are the revenues from third parties (=customers).
Figures in bracket () are negative values.

Financial Results by Business Segment

(Unit: Billion Yen)

		The first half ended Sep. 30, 2008	The first half ended Sep. 30, 2009	YOY Increase/(Decrease)		
				Amount	%	
Transportation	Operating Revenues	433.2	400.8	(32.4)	(7.5)	Decrease in transportation revenues (¥31.8 billion YOY)
	Operating Income	58.6	31.8	(26.7)	(45.6)	
Sales of goods and food services	Operating Revenues	107.8	100.6	(7.2)	(6.7)	Decrease in revenues of Sales of goods and food services and JR Kyoto Isetan Department Store
	Operating Income	3.0	1.4	(1.5)	(51.0)	
Real estate	Operating Revenues	34.0	36.5	2.5	7.4	Increase in sales of condominiums
	Operating Income	11.6	11.7	0.0	0.5	
Other businesses	Operating Revenues	59.8	53.0	(6.8)	(11.4)	Decrease in revenues of Hotel business and Nippon Travel Agency
	Operating Income	(1.0)	(1.4)	(0.4)	-	

Operating revenues are the revenues from third parties (=customers).
Figures in bracket () are negative values.

2. Forecasts for Fiscal Year ending March 31, 2010

Consolidated Financial Forecasts

(Unit: Billion Yen)

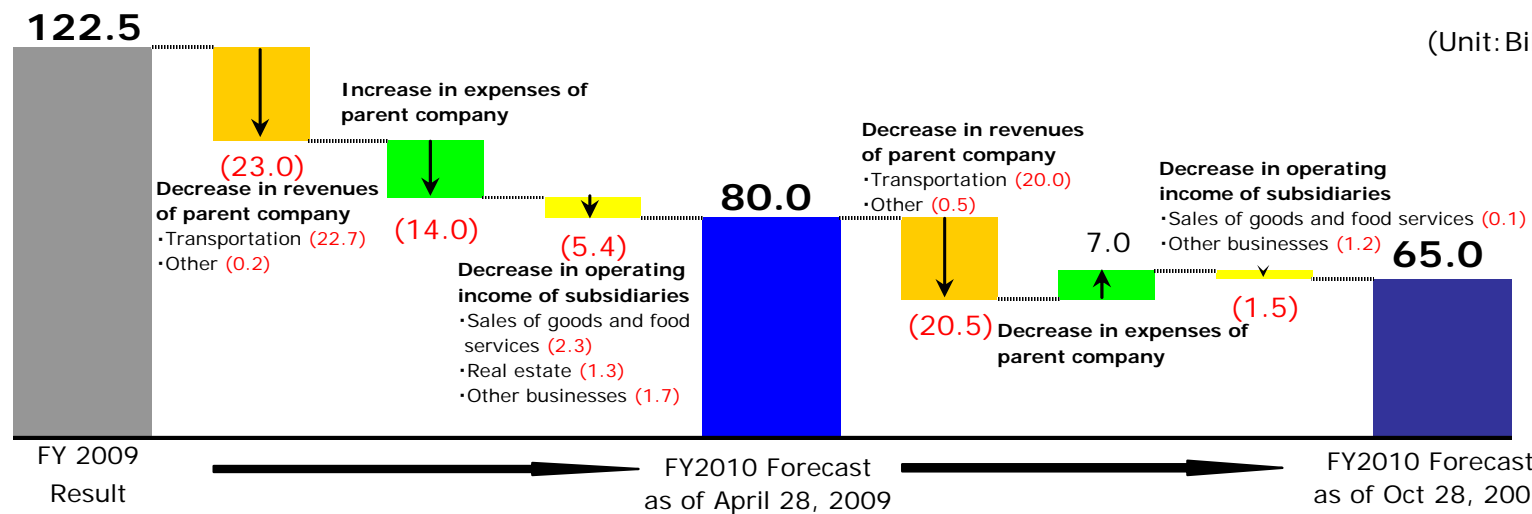
	Result for year ended March 31, 2009	Forecast as of April 28, 2009 for year ending March 31, 2010	Forecast as of Oct 28, 2009 for year ending March 31, 2010*	YOY Increase/(Decrease)		Difference from the forecast as of April 28, 2009 Increase/(Decrease)	
				Amount	%	Amount	%
Operating Revenues	1,275.3	1,243.0	1,215.0	(60.3)	(4.7)	(28.0)	(2.3)
Operating Expenses	1,152.7	1,163.0	1,150.0	(2.7)	(0.2)	(13.0)	(1.1)
Operating Income	122.5	80.0	65.0	(57.5)	(46.9)	(15.0)	(18.8)
Recurring Profit	94.8	51.0	37.0	(57.8)	(61.0)	(14.0)	(27.5)
Net Income	54.5	29.0	20.0	(34.5)	(63.3)	(9.0)	(31.0)

Operating revenues are the revenues from third parties (=customers).

*Forecasts have not been revised since July 29, 2009.

Forecasts for Consolidated Operating Income

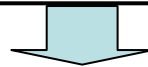
(Unit: Billion Yen)



3. Current Situation and Basic Policy for Future Management

JR-West Group's Medium-Term Management Plan 2008-2012 (formulated in May, 2008)

- Background of the Formulation of the Plan
- Cause to Pursue in the Medium and Long Terms
- Building of a Brand of Safety and Reliability
- Promotion of Business Strategies for Sustainable Growth
- Building of Management Vision from a Long-Term Perspective
- Financial Strategy and Capital Policy to Enhance Corporate Value
- Management Targets
- Management Indices



- Management targets and initiatives in the Medium-Term Management Plan remain unchanged. JR-West will do its utmost to take on the challenge by stepping up ingenuity and teamwork.
- Due to the scale of the present recession, the economic outlook and the influence of policy change are uncertain. Consequently, it is difficult to rationally estimate future performance at this point of time and therefore the management indices of Medium-Term Management Plan are not revised.
- Centered on the Management Improvement Headquarters, JR-West is revising operational frameworks throughout its operations to increase the organizational strength of management while maintaining and improving safety.

4. Major Factors of Increase/Decrease in Transportation Revenues

(Unit: Billion Yen)

	Results for the first half ended September 30, 2009				Forecasts for the second half		Forecasts for fiscal year ending March 31, 2010*2														
	Transportation revenues	YOY Increase/(Decrease)		Major factors	YOY Increase/(Decrease)		Transportation revenues	YOY Increase/(Decrease)		Difference from the forecast as of April 28, 2009											
		Amount	%		Amount	%		Amount	%												
Shinkansen	157.2	(16.3)	(9.4)	Fundamentals (91.4%)	(14.9)	(4.4)	(2.7)	318.3	(20.8)	(6.1)	(10.3)										
				Special factors	(1.4)																
				Spread of the new influenza virus	(2.3)																
				Lowering of expresway tolls	(2.2)																
				Effects of convenient holidays (five-day holidays in September)	1.2																
				Effects of timetable revisions	0.8																
				etc																	
Kyoto-Osaka-Kobe Area conventional lines	144.2	(9.0)	(5.9)	Fundamentals (94.9%)	(7.7)	(4.6)	(3.2)	287.7	(13.7)	(4.6)	(7.1)										
				Special factors	(1.3)																
				Spread of the new influenza virus	(1.3)																
				Effects of convenient holidays (five-day holidays in September)	0.4																
				etc																	
				Other conventional lines	61.1							(6.1)	(9.1)	Fundamentals (91.0%)	(6.0)	(1.5)	(2.4)	124.8	(7.7)	(5.8)	(2.5)
														Special factors	(0.1)						
Spread of the new influenza virus	(0.3)																				
Lowering of expresway tolls	(0.2)																				
Effects of convenient holidays (five-day holidays in September)	0.2																				
etc																					
Marine and freight	0.0	(0.2)	-			Establishing a subsidiary*1	(0.2)	(0.2)	-	0.0	(0.4)			-	-						
Total	362.6	(31.8)	(8.1)			(10.9)	(2.9)	731.0	(42.7)	(5.5)	(20.0)										

*1 JR-West established a subsidiary named JR-West Miyajima Ferry and transferred its ferry services to the company as of April 1, 2009.

*2 Forecasts have not been revised since July 29, 2009

Note: Figures in bracket() are negative values.

5. Measures to Increase Transportation Revenues

Promotion of Business Trip by Shinkansen

EX-IC service (Ticket-less service of Shinkansen for members only)

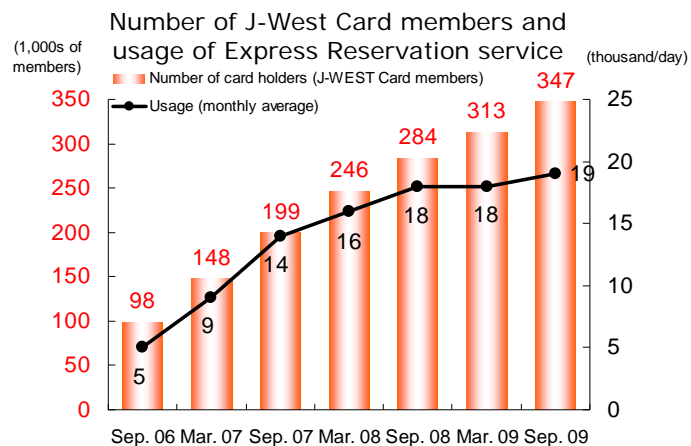
- Launched services on Tokaido and Sanyo Shinkansen from August 29
- Started to provide "EX-IC early booking discount", which offers discounts to Express Reservation members who booked three days before traveling within limited trains, routes, and seat numbers

【Reference】Comparison of the fare on major routes (One way) (Unit: Yen)

Routes	Shin-Osaka-Hakata	Okayama-Tokyo	Hiroshima-Tokyo	Hakata-Nagoya
Standard fare	14,890	16,860	18,550	18,030
Express Reservation /EX-IC	12,880	15,570	17,170	16,200
EX-IC early booking discount	11,450	14,000	15,500	14,000

J-WEST Premium Program

- A program for frequent Shinkansen users that provides J-West Card members with special benefits such as bonus points and point back equal to annual membership fee, based on their results of Shinaknsen usage in the previous year
- Launched services from August 1



Launched services of Express Reservations

Corporate Service in cooperation with JR-Central

Stimulate Demand for Tourism

West Japan Pass

- A special ticket that allows unlimited travel along all lines in JR-West, JR-Shikoku, JR-Kyushu and Chizu Express for two days at a price of ¥18,000*1 (¥12,000 for two day unlimited travel along all lines in JR-West, JR-Shikoku and northern area of JR-Kyushu until August 3)
- Sold until December 2009, extended from June 2009
(Not available in summer holidays, five-day holidays in September and November 20-23)
- More than 280,000 tickets sold by the end of September
- "Kodama Reserved Seat Return Ticket"
Osaka ⇄ Okayama 41% discount, etc (sold from March to December, 2009)
- "Raicho Reserved Seat Return Ticket"
Osaka ⇄ Kanazawa 32% discount, etc (sold from July to December, 2009)
are also on sale. (Discounts are provided within limited seat numbers.) *2

Tourism Campaign

- Tourism campaign implemented jointly with the relevant local governments in Kumano kodo, Iwami and Kurashiki, providing services such as hiking with guides, special exhibition at tourist facility, improved access from/to sites
- Kumamoto Campaign in cooperation with JR-Kyushu

Collaboration with Other Railways

- Collaborating with Keihan Electric Railway and Nankai Electric Railway to create the opportunity for short-haul and short-term journeys by trains in Kyoto-Osaka-Kobe area

*1 Sales conditions: two or more tickets purchased together at least seven days before first day of travel

*2 Sales conditions: two or more tickets purchased together at least one day before first day of travel

6. Major Factors in Changes in Operating Expenses (Non-consolidated)

(Unit: Billion Yen)

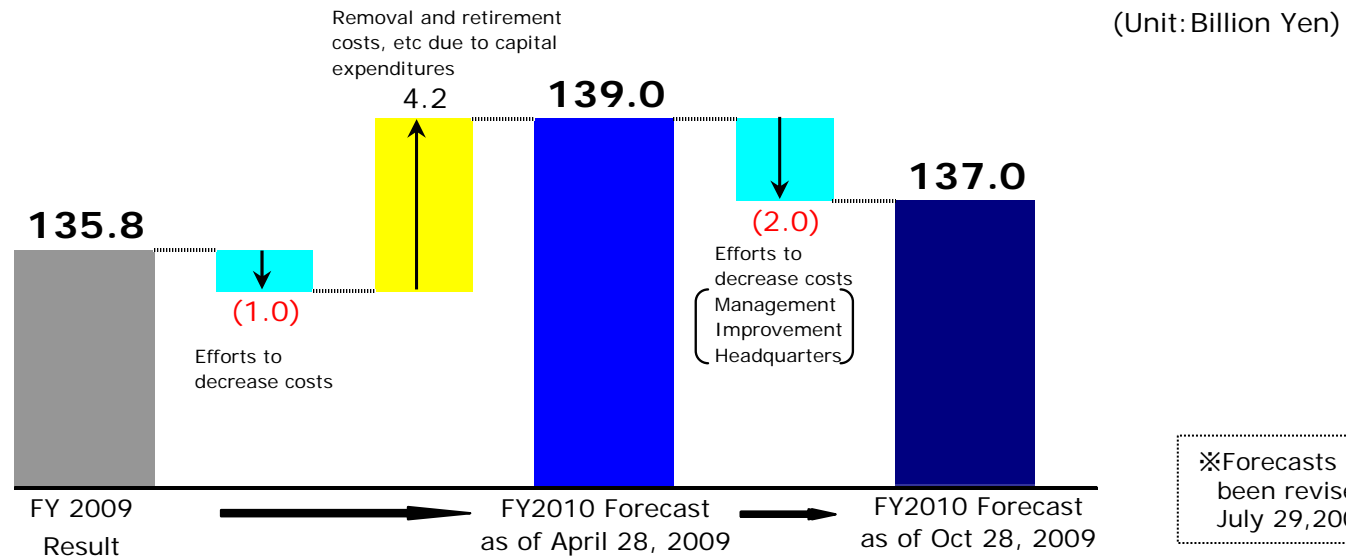
Item	Results for the first half ended September 30, 2009			Forecasts for fiscal year ending March 31, 2010*			
	YOY Increase/(Decrease)		Major factors (Unit: Billion Yen)	YOY Increase/(Decrease)		Major factors (Unit: Billion Yen)	Difference from the forecast as of April 28, 2009
	Amount	%		Amount	%		
Personnel costs	(0.8)	(0.6)	• Decrease in bonuses (1.0) • Increase in employee numbers, etc	0.3	0.1	• Decrease in bonuses (1.0) • Increase in employee numbers, etc	(0.5)
Energy costs	(1.3)	(7.3)	• Decrease in electricity charges and diesel oil prices	(3.7)	(9.8)	• Decrease in electricity charges and diesel oil prices	(0.5)
Maintenance costs	(1.3)	(2.4)	• Decrease in project costs (1.1)	1.1	0.8	• Increase in removal costs related to capital expenditures 3.8 • Increase in retirement costs 0.2 • Decrease in project costs (3.2)	(2.0)
Miscellaneous costs	(1.9)	(2.5)	• Increase in system related costs 0.5 • Increase in payments for other JR companies 0.5 • Decrease in sales charge (1.1) • Decrease in publicity costs (1.4)	3.1	2.0	• Increase in system related costs 2.6 • Increase in payments for other JR companies 0.9 • Decrease in sales charge (0.8) • Decrease in electricity charges and diesel oil prices (0.9)	(3.5)
Taxes	(0.8)	(4.2)	• Decrease in payment of property taxes in advance	0.8	3.0	• Increase in property taxes	(0.5)
Rental payments	(0.1)	(0.8)	—	0.1	0.6	—	—
Depreciation and amortization	0.8	1.5	• Increase in capital expenditures	5.0	4.4	• Increase in capital expenditures	—
Total	(5.5)	(1.5)	—	7.0	0.9	—	(7.0)

Note: Figures in bracket() are negative values.

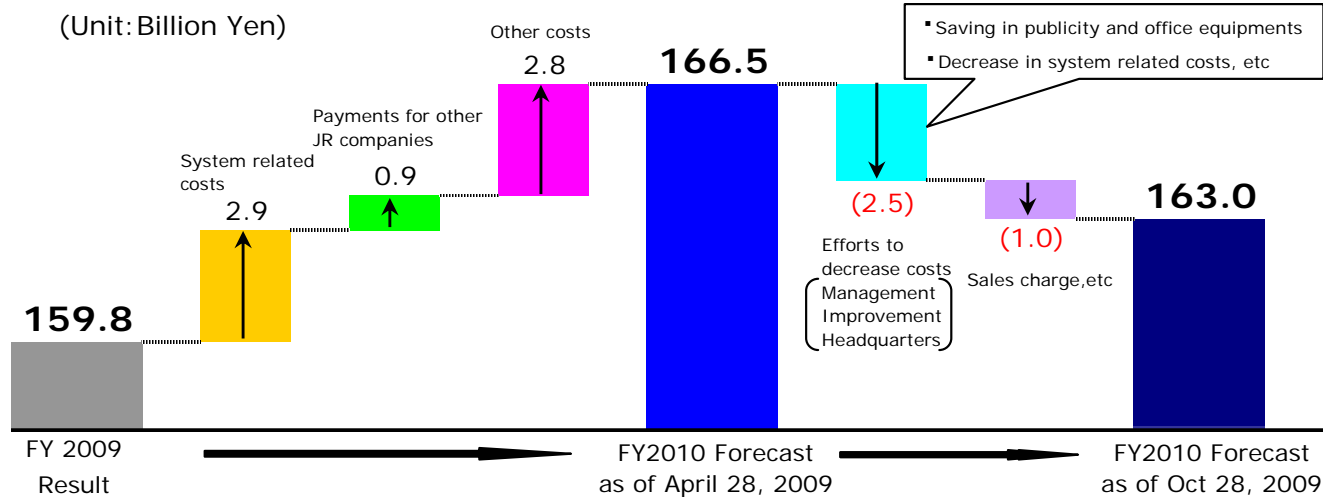
* Forecasts have not been revised since July 29, 2009.

7. Forecasts for Maintenance and Miscellaneous Costs

Forecasts for Maintenance Costs



Forecasts for Miscellaneous Costs



8. Non-Transportation Business - 1

Sales of Goods and Food Services

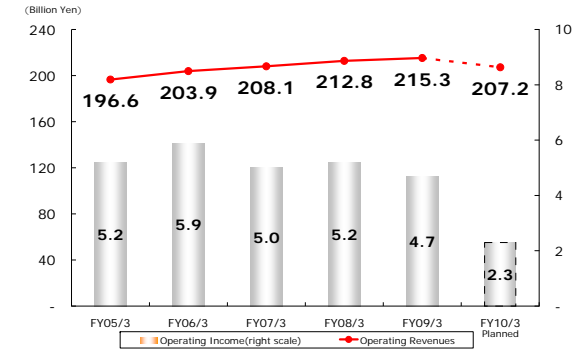
(Unit: Billion Yen)

	The first half ended Sep. 30, 2008	The first half ended Sep. 30, 2009	YOY Increase/(Decrease)		Major factors	Result for year ended March 31, 2009	Forecast as of Oct 28, 2009 for year ending March 31, 2010	YOY Increase/(Decrease)	
			Amount	%				Amount	%
Operating Revenues	107.8	100.6	(7.2)	(6.7)	Sales of goods and food services (4.8) Decrease in revenues due to the economic slowdown and the spread of the new influenza virus Department store (3.0) Decrease in sales of clothing, etc	215.3	207.2	(8.1)	(3.8)
Operating Income	3.0	1.4	(1.5)	(51.0)	Sales of goods and food services (1.1) Department store (0.5)	4.7	2.3	(2.4)	(51.8)

Operating revenues are the revenues from third parties (=customers).

Note: Figures in bracket () are negative values.

* Forecasts have not been revised since July 29, 2009.



Real Estate Business

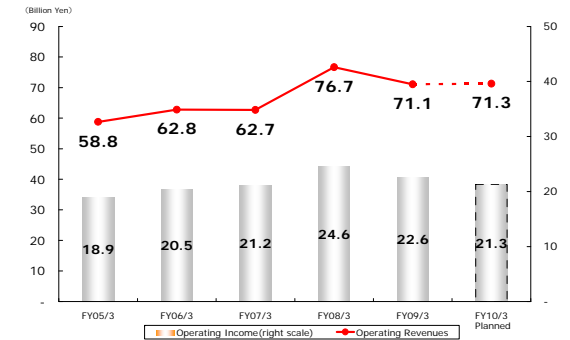
(Unit: Billion Yen)

	The first half ended Sep. 30, 2008	The first half ended Sep. 30, 2009	YOY Increase/(Decrease)		Major factors	Result for year ended March 31, 2009	Forecast as of Oct 28, 2009 for year ending March 31, 2010	YOY Increase/(Decrease)	
			Amount	%				Amount	%
Operating Revenues	34.0	36.5	2.5	7.4	Real estate lease and sale 2.7 Increase in condominium sales Shopping center 0.0 Decrease in rent due to the effect of the economic slowdown and the spread of the new influenza virus Effect of renovations and new openings	71.1	71.3	(0.1)	(0.2)
Operating Income	11.6	11.7	0.0	0.5	Real estate lease and sale 0.0 Shopping center (0.0)	22.6	21.3	(1.3)	(5.8)

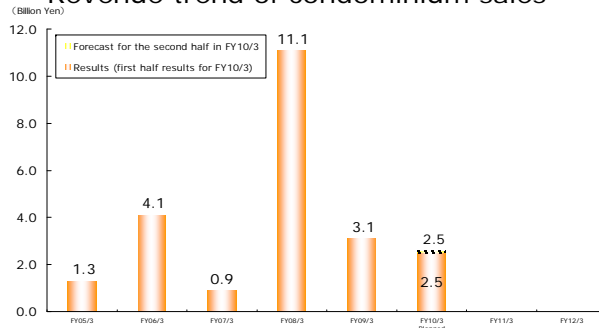
Operating revenues are the revenues from third parties (=customers).

Note: Figures in bracket () are negative values.

* Forecasts have not been revised since July 29, 2009.



Revenue trend of condominium sales



Plans to sale condominiums since this fiscal year

Condominiums	Period of Sales	Rooms
J GRAN Koshienguchi Tendocho	July, 2009(Sold)	90
STATES GRAN Shukugawa	June, 2010(Planned)	35
J GRAN Suma Kaihinkoen	March, 2011(Planned)	184
J GRAN Abeno Matsuzakicho	July, 2011(Planned)	100



J GRAN Koshienguchi Tendocho

9. Non-Transportation Business - 2

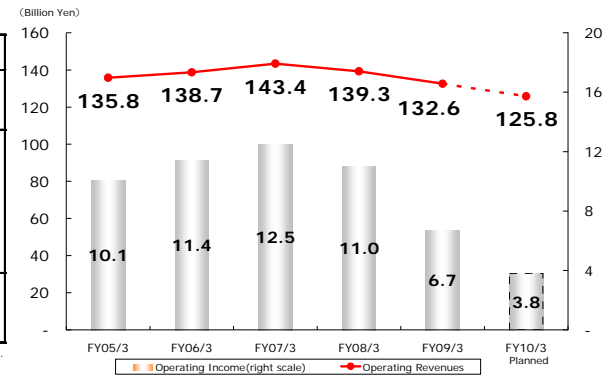
Other Businesses

(Unit: Billion Yen)

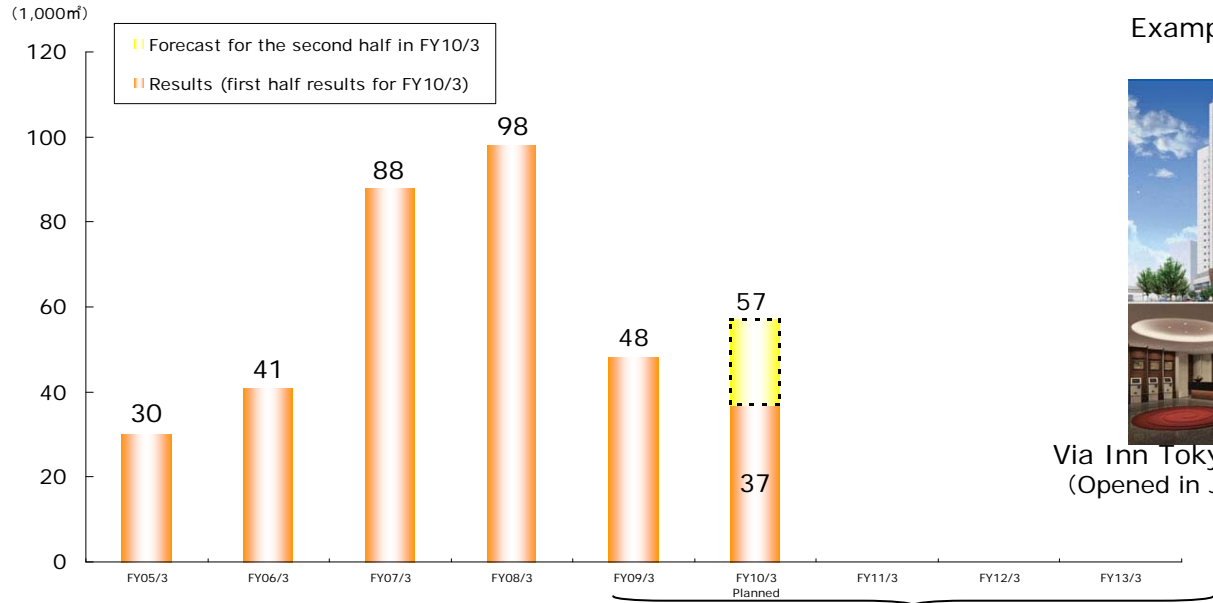
	The first half ended Sep. 30, 2008	The first half ended Sep. 30, 2009	YOY Increase/(Decrease)		Major factors	Result for year ended March 31, 2009	Forecast as of Oct 28, 2009 for year ending March 31, 2010	YOY Increase/(Decrease)	
			Amount	%				Amount	%
Operating Income	(1.0)	(1.4)	(0.4)	-	Hotel (0.1) Nippon Travel Agency (1.0)	6.7	3.8	(2.9)	(43.5)

Operating revenues are the revenues from third parties (=customers).
Note: Figures in bracket () are negative values.

*Forecasts have not been revised since July 29, 2009.



Results and Plan for Development in and around Stations



Medium-Term Management Plan (formulated in May 2008)

Examples of development in the first half ended September 30, 2009



Via Inn Tokyo-Oimachi (Opened in July, 2009)



JR Takatsuki NK Building (Opened in June, 2009)

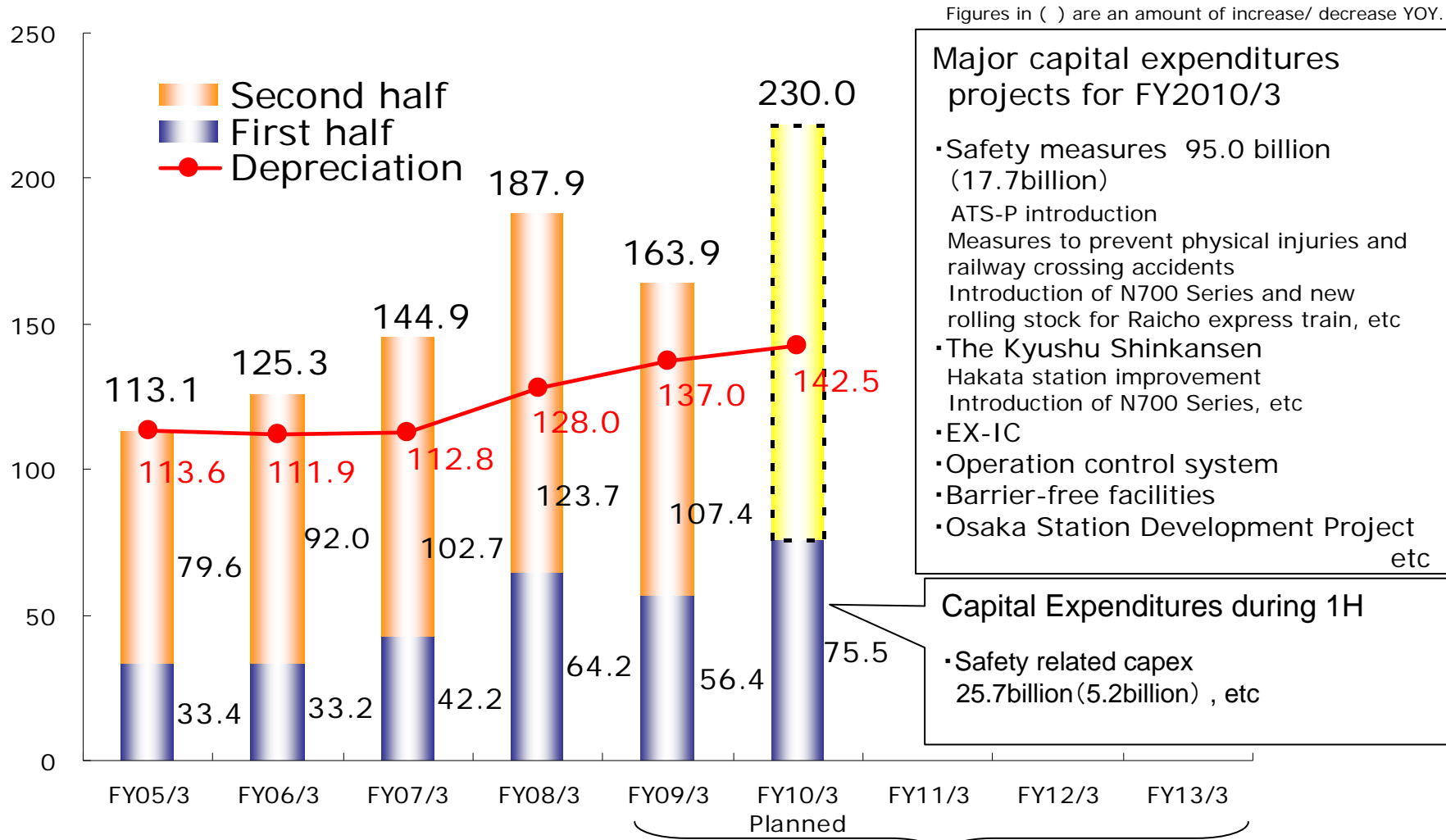


JR Amagasaki North NK Building (Opened in September, 2009)

In total for the five-year period from FY09/3 to FY13/3, 250,000m² of development is planned, excluding Osaka Station development PT

10. Capital Expenditures Plan (Consolidated)

(Billion Yen)



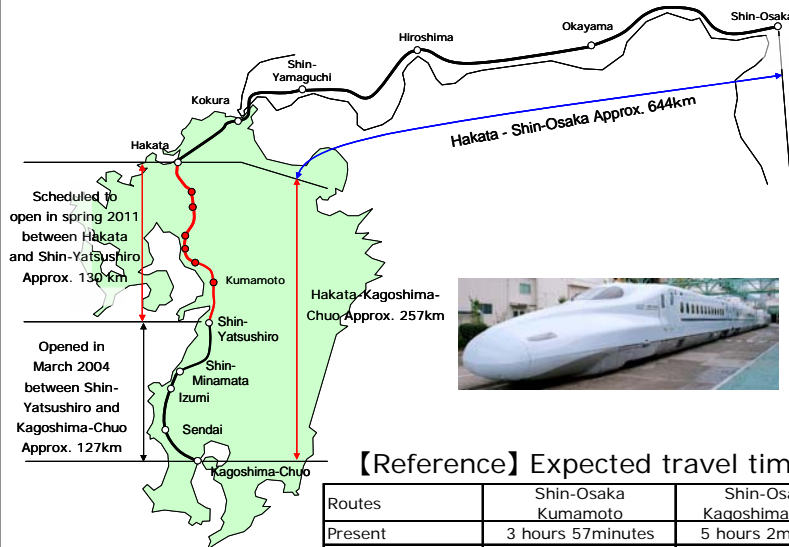
Medium-Term Management Plan (formulated in May, 2008)
 Total in 5 years (FY09/3-FY13/3) ¥980.0 billion

11. Two Major Projects

Direct Services between the Sanyo and the Kyushu Shinkansen

Launch of service: Spring 2011
 (At the time of opening of Kyushu Shinkansen between Shin-Yatsushiro and Hakata)

Total investment:
 Approx. 100 billion yen (rolling stock + ground facilities)



【Reference】 Number of travelers by Rail and Air on major routes (FY08/3)

Routes		Railway	Airplane	Total
Kyoto-Osaka-Kobe Area	Kumamoto	803 persons/day (30%)	1,885 persons/day (70%)	2,688 persons/day
	Kagoshima	364 persons/day (9%)	3,605 persons/day (91%)	3,969 persons/day

Source: Ministry of Land, Infrastructure and Transport

Osaka Station Development Project

Scheduled completion: Spring 2011
 Area of development: Approx. 245,000 m²
 •New North Building: Approx. 210,000 m²
 Department store (West Japan Railway Isetan) Approx.90,000 m²
 (Sales area: Approx. 50,000 m²)
 Shopping center Approx.40,000 m² (Shopping area: Approx. 20,000 m²)
 Offices, etc. Approx.45,000 m² (Rentable area: Approx. 21,000 m²)
 Cinema complexes Approx.10,000 m²
 •ACTY Osaka expansion: Approx. 35,000 m²
 (138,000m²→173,000 m²)
 Including Daimaru department store expansion of 24,000m²

Total project cost: Approx. 210 billion yen
 Projected revenue:
 Real estate: 11.5 to 12.0 billion yen per year (including intersegment transactions with Sales of Goods and Food Services)
 Railways: 4.5 to 5.5 billion yen per year
 Sales of Goods and Food Services : 55.0 billion yen and above per year (West Japan Railway Isetan)



South-East side

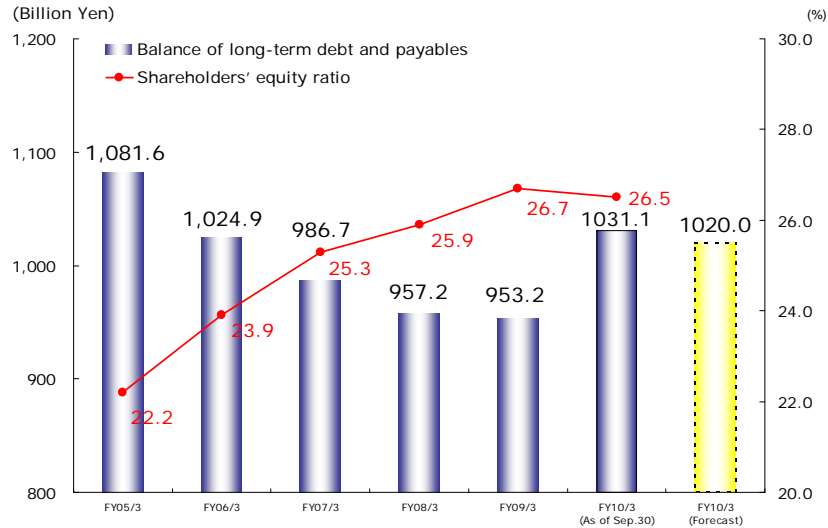


North side

(As of Oct, 2009)

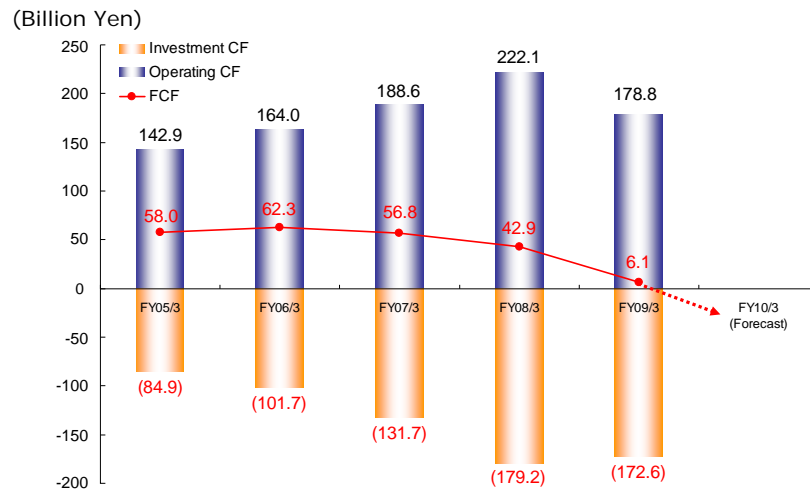
12. Finance and Cash Flow Strategies

Shareholders' Equity Ratio and Long-Term Debt and Payables (consolidated)



- The balance of long-term debt and payables as of the end of September 2009 was 1,031.1 billion yen and the shareholders' equity ratio was 26.5%.
- The forecast for the balance of long-term debt and payables for the fiscal year ending March 2010 is 1,020.0 billion yen. This forecast has not been revised.
- Although long-term debt and payables are expected to increase along with the high level of capital expenditure, our understanding is that our equity ratio is maintained at a high level compared to other railway companies.

Forecast of Cash Flow (consolidated)



- A dividend of 7,000 yen per share is planned for the fiscal year ending March 2010.
- Free cash flow is expected to fall temporarily into the negative due to the high level of capital expenditure, but we will steadily implement capital expenditures for enhancing safety and two major projects as planned aiming at sustainable growth.
- There has been no change in the policy stated in the Medium-Term Management Plan to aim for consolidated DOE of 3% in the fiscal year ending March 2013, on condition that our projects yield results.

Cautionary Statement Regarding Forward-looking Statements

- This presentation contains forward-looking statements that are based on JR-West's current expectations, assumptions, estimates and projections about its business, industry, and capital markets around the world.
- These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "may" "will" "expect" "anticipate" "plan" or similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of JR-West's financial condition, or state other forward-looking information.
- Known or unknown risks, uncertainties and other factors could cause the actual results to differ materially from those contained in any forward-looking statements. JR-West cannot promise that the expectations expressed in these forward-looking statements will turn out to be correct. JR-West's actual results could be materially different from and worse than expectations.
- Important risks and factors that could cause actual results to be materially different from expectations include, but are not limited to:
 - expenses, liability, loss of revenue or adverse publicity associated with property or casualty losses;
 - economic downturn, deflation and population decreases;
 - adverse changes in laws, regulations and government policies in Japan;
 - service improvements, price reductions and other strategies undertaken by competitors such as passenger railway and airlines companies;
 - earthquake and other natural disaster risks; and
 - failure of computer telecommunications systems disrupting railway or other operations
- All forward-looking statements in this release are made as of October 30, 2009 based on information available to JR-West as of the date October 30, 2009 and JR-West does not undertake to update or revise any of its forward-looking statements or reflect future events or circumstances.
- Compensation for damages caused by the accident on Fukuchiyama Line happened on April 25, 2005 is NOT considered in this presentation.