

(Translation)

March 18, 2013  
West Japan Railway Company

**"JR-West Group Medium-Term Management Plan 2017" Presentation: Questions and Answers**

Q1:What is the Company's view of the rates of growth in the population and the economy, which are prerequisites for growth in transportation revenues?

A1:Looking at the population, with reference to the figures released by public institutions, over the five-year period of this medium-term management plan, we are assuming declines of 0.3% nationwide and 0.4% in the Kansai urban area. As for economic growth, with reference to a variety of forecasts, the plan assumes average real GDP growth of 1.3% a year over the five-year period.

Q 2:What is the Company's approach to investment for growth during this plan?

A2:Investment for growth during this plan will include the Hokuriku Shinkansen and lifestyle-related service businesses, centered on real estate, which will drive growth in the future. These fields were selected based on careful examination and forecasts of potential profits.

Q3:In regard to shareholder return, is there a possibility that the rate of total distribution on net assets will not reach 3%?

A3:In light of the usage situation following the commencement of operations to Kanazawa on the Hokuriku Shinkansen Line, and of progress toward achievement of the targets set out in Medium-Term Management Plan 2017, we are aiming for total distribution on net assets of around 3% in fiscal 2018, the final year of the plan.

Q4:Will recovery in the Company's retail operations as a whole depend heavily on the recovery of the JR Osaka Mitsukoshi Isetan department store?

A4:Recovery in our retail operations will be heavily influenced by the achievement of profitability in department store operations, through such initiatives as the renovation of JR Osaka Mitsukoshi Isetan, which will be implemented in 2015. We will also focus resources on other lifestyle-related service businesses.