IR Meeting (FY2017.3)

Results for the Fiscal Year Ended March 31, 2017 and Future Initiatives

Taking the Next Step. Working together with communities.

May 1, 2017
West Japan Railway Company

Contents

Ⅰ． Results for FY2017.3

- My name is Yutaka Nakanishi, and I am general manager of the Finance Department.

- I will be providing a brief explanation of the Company’s financial results for the fiscal year ended March 31, 2017 (FY2017.3), and our forecasts for the fiscal year ending March 31, 2018 (FY2018.3), which were announced on April 28, 2017.

Financial Highlights

¥ Billions

	Results FY2016.3 A	Results FY2017.3 B	YoY Increase/(Decrease) B-A	YoY % B/A-1	Forecasts FY2018.3 C	YoY Increase/(Decrease) C-B	YoY % C/B-1
【Consolidated】							
Operating Revenues	1,451.3	1,441.4	(9.8)	(0.7)	1,492.0	50.5	3.5
Operating Income	181.5	176.3	(5.1)	(2.8)	183.5	7.1	4.0
Recurring Profit	162.2	160.7	(1.4)	(0.9)	168.5	7.7	4.8
Profit attributable to owners of parent	85.8	91.2	5.4	6.3	109.0	17.7	19.4
【Non-Consolidated】							
Operating Revenues	954.2	956.1	1.8	0.2	967.0	10.8	1.1
Transportation Revenues	850.0	849.6	(0.3)	(0.0)	859.0	9.3	1.1
Operating Expenses	817.0	820.6	3.6	0.4	828.0	7.3	0.9
Personnel costs	233.3	223.3	(10.0)	(4.3)	221.5	(1.8)	(0.8)
Non personnel costs	392.4	394.3	1.9	0.5	403.0	8.6	2.2
Energy costs	44.1	40.5	(3.5)	(8.0)	46.5	5.9	14.6
Maintenance costs	152.8	157.1	4.2	2.8	158.0	0.8	0.5
Miscellaneous costs	195.4	196.6	1.1	0.6	198.5	1.8	0.9
Depreciation	132.3	137.6	5.3	4.0	137.0	(0.6)	(0.5)
Operating Income	137.2	135.4	(1.7)	(1.3)	139.0	3.5	2.6
Recurring Profit	116.7	118.4	1.7	1.5	123.0	4.5	3.8
Net Income	61.1	70.8	9.7	15.9	83.0	12.1	17.2

Note: Figures in brackets ( ) are negative values.

- First, we will look at slide 3. The slide shows financial highlights from FY2017.3, and our forecasts for FY2018.3.

- In FY2017.3, revenues and income both declined despite firm transportation revenues in the second half, due to the absence of special factors that were present in FY2016.3, such as the beneficial arrangement of holidays over Silver Week, a leap year, and the Hokuriku Shinkansen opening. Performance was also affected by extraordinary factors, such as the earthquakes in Kumamoto. Furthermore, in non-transportation operations our performance was affected by the absence of large project orders in the construction business that were present in the previous fiscal year.

- In FY2018.3, we expect revenues and income to rise, spurred by such factors as higher transportation revenues and the new consolidation of Ryoju Properties. As a result, we anticipate record levels of operating revenues and operating income.

Non-Consolidated Financial Results

¥ Billions

	Results FY2016.3 A	FY2017.3 Forecasts (As of Jan 30) B	FY2017.3 Results C	YoY Increase/ (Decrease) C-A	YoY % C/A-1	Difference from the forecasts Increase/(Decrease) C-B
Operating Revenues	954.2	951.0	956.1	1.8	0.2	5.1
Transportation revenues	850.0	846.0	849.6	(0.3)	(0.0)	3.6
Other	104.1	105.0	106.4	2.2	2.1	1.4
Operating Expenses	817.0	817.5	820.6	3.6	0.4	3.1
Personnel costs	233.3	223.0	223.3	(10.0)	(4.3)	0.3
Non personnel costs	392.4	390.5	394.3	1.9	0.5	3.8
Energy costs	44.1	41.0	40.5	(3.5)	(8.0)	(0.4)
Maintenance costs	152.8	154.0	157.1	4.2	2.8	3.1
Miscellaneous costs	195.4	195.5	196.6	1.1	0.6	1.1
Rental payments, etc.	26.9	30.5	30.2	3.3	12.5	(0.2)
Taxes	31.9	35.0	34.9	3.0	9.5	(0.0)
Depreciation	132.3	138.5	137.6	5.3	4.0	(0.8)
Operating Income	137.2	133.5	135.4	(1.7)	(1.3)	1.9
Non-operating revenues and expenses, net	(20.4)	(17.0)	(17.0)	3.4	(17.0)	(0.0)
Non-operating revenues	6.3	6.5	6.1	(0.1)	-	(0.3)
Non-operating expenses	26.8	23.5	23.1	(3.6)	-	(0.3)
Recurring Profit	116.7	116.5	118.4	1.7	1.5	1.9
Extraordinary profit and loss, net	(15.5)	(3.5)	(16.5)	(1.0)	-	(13.0)
Extraordinary profit	19.5	-	18.3	(1.1)	-	-
Extraordinary loss	35.0	-	34.9	(0.1)	-	-
Net Income	61.1	78.0	70.8	9.7	15.9	(7.1)

Note: Figures in brackets ( ) are negative values.

- Next, we will look at non-consolidated financial results on slide 4.

- Transportation revenues were down a slight ¥0.3 billion year on year. Despite major reductions in personnel costs, operating expenses grew due to the commencement of an allowance reserve for large-scale renovation—a new cost—as well as higher depreciation and amortization associated with our high level of capital expenditures in recent years. As a result, operating income decreased ¥1.7 billion year on year, to ¥135.4 billion. Operating revenues exceeded our forecast level by ¥5.1 billion, buoyed by firm transportation revenues in the second half. Operating expenses exceeded our forecast by ¥3.1 billion, as we booked the cost of disposing of unnecessary assets for future development. We also incurred advertising expenses for the next fiscal year as part of our measures to counter airlines in the Kyushu direction. Accordingly, operating income outpaced our forecast by ¥1.9 billion.

- We booked an additional extraordinary loss as mentioned in our previous teleconference, corresponding to estimated bridge removal expenses in tandem with the cessation of service on the Sanko Line, and other items. As a result, net extraordinary profit and loss was ¥13.0 billion more negative than we had forecast.

Major Factors of Increase/Decrease in Transportation Revenues

JR-WEST

¥ Billions

Results FY2017.3					
Transportation revenues		YoY Increase/(Decrease) Amount	YoY Increase/(Decrease) %	Major factors	Amount
Shinkansen	434.6	(2.6)	(0.6)	Fundamentals 1.2%	5.3
				Special factors	
				Rebound decline from the opening of Hokuriku Shinkansen	(3.4)
				Kumamoto earthquake	(2.7)
				Silver Week (a five-day holiday in September), leap year effect, etc.	(2.5)
				Typhoon effect	0.3
				Inbound demand	0.2
				etc.	
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	305.0	2.7	0.9	Fundamentals 0.5%	1.4
				Special factors	
				Inbound demand	0.8
				Typhoon effect	0.5
				Kyoto Railway Museum	0.1
				Silver Week (a five-day holiday in September), leap year effect, etc.	(0.7)
				etc.	
Other lines	110.0	(0.4)	(0.4)	Fundamentals (0.3%)	(0.3)
				Special factors	
				Silver Week (a five-day holiday in September), leap year effect, etc.	(0.4)
				Typhoon effect	0.3
				Inbound demand	0.0
				etc.	
Conventional lines	415.0	2.3	0.6		
Total	849.6	(0.3)	(0.0)		

Note: Revenues from luggage transportation are omitted due to the small amount.
Figures in brackets ( ) are negative values.

- We will now move on to slide 5, which explains major factors behind increases and decreases in transportation revenues.

- In FY2017.3, transportation revenues were down ¥0.3 billion year on year, to ¥849.6 billion, due largely to extraordinary factors: the earthquakes in Kumamoto, the absence of the impact from the Hokuriku Shinkansen opening, and a rebound decline from the previous year's beneficial lineup of holidays. In the second half, however, transportation revenues were firm, outpacing expectations, for both Shinkansen lines and the Kansai Urban Area.

- Shinkansen revenues were down ¥2.6 billion year on year, to ¥434.6 billion, due to decreases in extraordinary factors, but trended firmly upward in the second half as we absorbed robust business and travel demand. Furthermore, in the fourth quarter the Hokuriku Shinkansen performance had essentially stabilized, due to an absence of the decrease that occurred in rebound to the opening.

- In the Kansai Urban Area, transportation revenues were up ¥2.7 billion, to ¥305.0 billion. This increase reflects the success of our efforts to increase the value of railway belts, such as station improvements and the relocations of universities to sites along our route, favorable underlying employment conditions, and efforts to absorb inbound demand.

Transportation Revenues and Passenger-Kilometers

JR-WEST

Transportation Revenues

¥ Billions

	Fiscal Year (4/1 ~ 3/31)			3 months (4Q) (1/1 ~ 3/31)		
	FY2016.3	FY2017.3	YoY	FY2016.3	FY2017.3	YoY
Total	850.0	849.6	(0.3) (0.0%)	203.7	206.7	2.9 1.5%
Shinkansen	437.2	434.6	(2.6) (0.6%)	102.7	104.4	1.6 1.6%
Commuter Passes	10.1	10.2	0.1 1.4%	2.5	2.5	0.0 1.6%
Non-Commuter Passes	427.1	424.3	(2.8) (0.7%)	100.2	101.8	1.6 1.6%
Conventional Lines	412.7	415.0	2.3 0.6%	100.9	102.2	1.3 1.3%
Commuter Passes	141.0	141.5	0.5 0.4%	33.8	33.9	0.0 0.2%
Non-Commuter Passes	271.7	273.5	1.8 0.7%	67.1	68.3	1.2 1.8%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	302.2	305.0	2.7 0.9%	73.7	74.8	1.1 1.5%
Commuter Passes	115.6	116.4	0.7 0.7%	27.8	28.0	0.1 0.6%
Non-Commuter Passes	186.5	188.5	2.0 1.1%	45.8	46.8	0.9 2.1%
Other Lines	110.5	110.0	(0.4) (0.4%)	27.2	27.3	0.1 0.6%
Commuter Passes	25.3	25.1	(0.2) (1.1%)	5.9	5.8	(0.0) (1.5%)
Non-Commuter Passes	85.1	84.9	(0.1) (0.2%)	21.2	21.4	0.2 1.2%

Passenger-Kilometers

Millions of passenger-kilometers

	Fiscal Year (4/1 ~ 3/31)			3 months (4Q) (1/1 ~ 3/31)		
	FY2016.3	FY2017.3	YoY	FY2016.3	FY2017.3	YoY
Total	58,341	58,271	(69) (0.1%)	13,884	13,926	42 0.3%
Shinkansen	20,449	20,348	(101) (0.5%)	4,806	4,871	64 1.3%
Commuter Passes	804	815	11 1.4%	198	197	(1) (0.8%)
Non-Commuter Passes	19,644	19,532	(112) (0.6%)	4,608	4,674	66 1.4%
Conventional Lines	37,891	37,923	31 0.1%	9,077	9,054	(22) (0.2%)
Commuter Passes	22,764	22,723	(41) (0.2%)	5,350	5,283	(67) (1.3%)
Non-Commuter Passes	15,127	15,200	73 0.5%	3,726	3,771	44 1.2%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	29,522	29,592	70 0.2%	7,078	7,064	(14) (0.2%)
Commuter Passes	18,714	18,689	(24) (0.1%)	4,431	4,377	(53) (1.2%)
Non-Commuter Passes	10,808	10,903	95 0.9%	2,647	2,686	38 1.5%
Other Lines	8,369	8,330	(38) (0.5%)	1,998	1,990	(7) (0.4%)
Commuter Passes	4,050	4,033	(16) (0.4%)	919	905	(13) (1.5%)
Non-Commuter Passes	4,319	4,297	(21) (0.5%)	1,079	1,085	6 0.6%

Note: Figures in brackets ( ) are negative values.

Major Factors of Increase/Decrease in Operating Expenses (Non-consolidated)

¥ Billions

Item	Results FY2017.3	YoY Increase/(Decrease)	YoY %	Major factors (YoY)
Personnel costs	223.3	(10.0)	(4.3)	・Decrease in amortization of accumulated unrecognized actuarial differences of retirement benefits obligation (7.0), etc.
Energy costs	40.5	(3.5)	(8.0)	・Decrease in adjustment amount for fuel cost (3.4), etc.
Maintenance costs	157.1	4.2	2.8	・Allowance reserve for the large-scale renovation +4.1, etc.
Miscellaneous costs	196.6	1.1	0.6	・Increase in expenses from the introduction of new uniforms +2.0 ・Increase in system related costs +0.9 ・Decrease in advertising expenses (2.5), etc.
Rental Payments, etc	30.2	3.3	12.5	・Increase in amount equivalent to fixed asset tax for Hokuriku Shinkansen infrastructure, etc.
Taxes	34.9	3.0	9.5	・Increase in business tax +1.6, etc.
Depreciation and amortization	137.6	5.3	4.0	・Kansai Urban Area commuter trains, etc.
Total	820.6	3.6	0.4	

Note: Figures in brackets ( ) are negative values.

- Let us now move on to slide 7, where you will see factors affecting non-consolidated operating expenses.

- We experienced lower retirement allowances due to the partial conclusion of the amortization of accumulated unrecognized actuarial differences, as well as other factors, plus a lower adjustment amount for fuel costs. However, we started accumulating an allowance reserve for large-scale Shinkansen renovation, rental payments rose in tandem with an increase in the amount equivalent to fixed asset tax for Hokuriku Shinkansen infrastructure, and depreciation and amortization expanded in line with high levels of capital expenditure in recent years. As a result, operating expenses rose ¥3.6 billion.

Consolidated Financial Results

¥ Billions

	Results FY2016.3 A	FY2017.3 Forecasts (As of Jan 30) B	FY2017.3 Results C	YoY Increase/(Decrease) C-A	YoY % C/A-1	Difference from the forecasts Increase/(Decrease) C-B
Operating Revenues	1,451.3	1,445.5	1,441.4	(9.8)	(0.7)	(4.0)
Operating Expenses	1,269.7	1,272.5	1,265.0	(4.7)	(0.4)	(7.4)
Operating Income	181.5	173.0	176.3	(5.1)	(2.8)	3.3
Non-operating revenues and expenses, net	(19.2)	(16.0)	(15.6)	3.6	(19.0)	0.3
Non-operating revenues	7.8	7.5	8.0	0.2	-	0.5
Non-operating expenses	27.1	23.5	23.7	(3.3)	-	0.2
Recurring Profit	162.2	157.0	160.7	(1.4)	(0.9)	3.7
Extraordinary profit and loss, net	(17.1)	(5.0)	(23.0)	(5.9)	-	(18.0)
Extraordinary profit	21.5	-	19.6	(1.8)	-	-
Extraordinary loss	38.6	-	42.6	4.0	-	-
Profit attributable to owners of parent	85.8	102.5	91.2	5.4	6.3	(11.2)
Comprehensive Income	*104.8*	-	*92.0*	*(12.7)*	*(12.1)*	-

Note: Figures in brackets ( ) are negative values.

- Next, please look at slide 8. This slide shows our consolidated financial results.

- Operating revenues decreased ¥9.8 billion year on year, to ¥1,441.4 billion, stemming from a substantial decrease in orders for construction work. Due to decreases on a non-consolidated basis and lower revenues from construction, operating income fell ¥5.1 billion year on year, to ¥176.3 billion. However, operating income was ¥3.3 billion above our forecast, due to favorable transportation revenues, sales of goods and food services, and real estate business performance.

- We recorded an additional extraordinary loss, booking estimated bridge removal expenses in tandem with the cessation of service on the Sanko Line on a non-consolidated basis. In addition, we recorded an impairment and removal allowance on a station building in Sannomiya, Kobe, that we intend to reconstruct. As a result, the net extraordinary profit and loss was ¥18.0 billion more negative than we had forecast.

Consolidated Financial Results (Segment Information)

JR-WEST

¥ Billions

	Results FY2016.3 A	FY2017.3 Forecasts (As of Jan 30) B	FY2017.3 Results C	YoY Increase/(Decrease) C-A	YoY % C/A-1	Difference from the forecasts Increase/(Decrease) C-B
Operating Revenues*[1]	1,451.3	1,445.5	1,441.4	(9.8)	(0.7)	(4.0)
Transportation	928.7	924.2	929.1	0.3	0.0	4.9
Retail	232.0	235.8	233.9	1.8	0.8	(1.8)
Sales of goods and food services*[3]	144.9	152.1	152.5	7.5	5.2	0.4
	【10.3】	-	【10.8】	【0.5】	【4.8】	-
Department stores	79.1	74.7	73.4	(5.6)	(7.2)	(1.2)
Real estate	108.8	107.4	109.5	0.6	0.6	2.1
Shopping center	57.8	60.9	60.5	2.6	4.6	(0.3)
Real estate lease and sale*[4]	49.2	44.7	47.2	(2.0)	(4.2)	2.5
	【19.5】	【13.6】	【16.1】	【(3.4)】	【(17.6)】	【2.4】
Other businesses	181.5	178.1	168.8	(12.7)	(7.0)	(9.2)
Hotel	36.5	36.6	36.2	(0.3)	(1.0)	(0.3)
Nippon Travel Agency	41.6	42.8	42.0	0.3	0.9	(0.7)
Operating Income*[2]	181.5	173.0	176.3	(5.1)	(2.8)	3.3
Transportation	125.1	119.8	121.7	(3.3)	(2.7)	1.9
Retail	5.3	4.9	5.2	(0.0)	(1.3)	0.3
Sales of goods and food services	4.6	-	5.1	0.4	10.1	-
Department stores	0.3	-	(0.1)	(0.5)	-	-
Real estate	32.7	31.9	32.2	(0.5)	(1.5)	0.3
Shopping center	9.3	-	9.6	0.3	3.6	-
Real estate lease and sale	12.5	-	11.6	(0.8)	(7.2)	-
Other businesses	22.4	19.9	20.4	(1.9)	(8.7)	0.5
Hotel	2.7	-	2.4	(0.2)	(8.1)	-
Nippon Travel Agency	0.4	-	0.6	0.2	64.0	-

Note: Figures in brackets ( ) are negative values.

*[1] Operating revenues are the revenues from third parties (= customers).
The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.

*[2] The breakdowns of operating income by each segment are the sums of incomes of major subsidiaries before eliminating internal transactions.

*[3] Figures in brackets 【 】 are the sales of budget hotel, "VIA INN", sales (net sales [restated]), excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

*[4] Figures in brackets 【 】 are the sales of condominiums. (Revenues from third parties) (Included in Real estate lease and sale)

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- We will look next at slide 9, which shows consolidated financial results by segment.

- In the Retail Business segment, operating revenues increased ¥1.8 billion, to ¥233.9 billion, due to the impact of converting to Seven-Eleven Japan franchised stores on sales of goods and foods, overcoming such negative factors as sluggish apparel sales at department stores and the cessation of operation at the B1 and B2 levels of the Osaka Store. Although positively affected by higher sales of goods and food services, operating income was substantially hit by lower department store revenues, leading to a slight overall decline, to ¥5.2 billion. Operating income outpaced our forecast, spurred by favorable Via-inn performance.

- We have disclosed earnings on budget hotels, which are recorded in the Retail Business segment, separately for ease of understanding overall hotel performance.

- In the real estate business, the number of residences sold decreased, but operating revenues were up ¥0.6 billion year on year, to ¥109.5 billion, thanks to the positive impact of shopping center renovation in Akashi. Operating income fell ¥0.5 billion year on year, to ¥32.2 billion, reflecting the recording of ¥0.7 billion in expenses related to purchasing shares in Ryoju Properties. The real estate sales business performed well against our forecasts, exceeding expectations in both operating revenues and operating income.

- Performance in Other Businesses is typically affected by major fluctuations in the construction business. Reflecting an absence of large-scale construction orders in FY2017.3, operating revenues were down ¥12.7 billion year on year, to ¥168.8 billion, and operating income decreased ¥1.9 billion year on year, to ¥20.4 billion.

Consolidated Financial Situation and Statements of Cash Flows

¥ Billions

	As of March 31, 2016 A	As of March 31, 2017 B	Difference increase/(decrease) B-A
Assets	2,843.1	3,007.8	164.6
Liabilities	1,916.8	1,975.2	58.4
Net assets	926.3	1,032.6	106.2
Balance of Long-term Debt and Payables	1,001.8	1,037.9	36.0
【Average interest rate (%) 】	【2.25】	【1.97】	【 (0.28) 】
Shinkansen Purchase Liability	134.6	104.6	(29.9)
【Average interest rate (%) 】	【6.28】	【6.55】	【0.27】
Bonds	494.9	534.9	40.0
【Average interest rate (%) 】	【2.00】	【1.75】	【 (0.25) 】
Equity ratio (%)	30.9	31.3	0.4
Net assets per share (¥)	4,534.29	4,857.50	323.21

	Results FY2016.3 A	Results FY2017.3 B	YoY increase/(decrease) B-A
Cash flows from operating activities	259.8	234.1	(25.7)
Cash flows from investing activities	(233.2)	(295.8)	(62.5)
Free cash flows	26.6	(61.6)	(88.3)
Cash flows from financing activities	(31.3)	44.3	75.6
Change in cash and cash equivalents, net	(4.6)	(17.3)	(12.7)
Cash and cash equivalents at the end of the period	80.6	63.3	(17.3)

Note: Figures in brackets ( ) are negative values.

Ⅱ． Forecasts for FY2018.3

Non-Consolidated Financial Forecasts

JR-WEST

¥ Billions

	Results FY2017.3 A	Forecasts FY2018.3 B	YoY Increase/ (Decrease) B-A	YoY % B/A-1
Operating Revenues	956.1	967.0	10.8	1.1
Transportation revenues	849.6	859.0	9.3	1.1
Other	106.4	108.0	1.5	1.5
Operating Expenses	820.6	828.0	7.3	0.9
Personnel costs	223.3	221.5	(1.8)	(0.8)
Non personnel costs	394.3	403.0	8.6	2.2
Energy costs	40.5	46.5	5.9	14.6
Maintenance costs	157.1	158.0	0.8	0.5
Miscellaneous costs	196.6	198.5	1.8	0.9
Rental payments, etc.	30.2	30.5	0.2	0.7
Taxes	34.9	36.0	1.0	2.9
Depreciation	137.6	137.0	(0.6)	(0.5)
Operating Income	135.4	139.0	3.5	2.6
Non-operating revenues and expenses, net	(17.0)	(16.0)	1.0	(5.9)
Non-operating revenues	6.1	6.0	(0.1)	-
Non-operating expenses	23.1	22.0	(1.1)	-
Recurring Profit	118.4	123.0	4.5	3.8
Extraordinary profit and loss, net	(16.5)	(3.0)	13.5	-
Extraordinary profit	18.3	-	-	-
Extraordinary loss	34.9	-	-	-
Net Income	70.8	83.0	12.1	17.2

Note: Figures in brackets ( ) are negative values.

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- Moving on, please turn to slide 12. This slide details our non-consolidated financial forecasts.

- We are positioning FY2018.3, the final fiscal year of the medium-term management plan, as the year in which we will demonstrate the results of our initiatives to date.

- Due to higher transportation revenues, we expect operating revenues to grow ¥10.8 billon year on year, to ¥967.0 billion, and forecast that operating expenses will rise ¥7.3 billion year on year, to ¥828.0 billion. As a result, we anticipate operating income of ¥139.0 billion, up ¥3.5 billion year on year.

Transportation Revenue Forecasts

¥ Billions

	Results FY2017.3 A	Forecasts FY2018.3 B	YoY Increase/ (Decrease) B-A	YoY % B/A-1
Shinkansen	434.6	441.7	7.1	1.6
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	305.0	306.2	1.1	0.4
Other lines	110.0	111.0	1.0	0.9
Conventional lines	415.0	417.2	2.2	0.5
Transportation revenues	849.6	859.0	9.3	1.1

Note: Revenues from luggage transportation are omitted due to the small amount.
Figures in brackets ( ) are negative values.

- Next, please turn to slide 13.

- In FY2018.3, we expect transportation revenues to rise year on year in all baskets, Shinkansen, Kansai Urban Area and other conventional lines, due to the absence of last year's earthquakes in Kumamoto and absorbing the effects of various measures we are implementing: heightened competitiveness on the Sanyo Shinkansen, the stabilization of customer traffic on the Hokuriku Shinkansen, etc.

Operating Expenses Forecasts (Non-Consolidated)

¥Billions

Item	Forecasts FY2018.3	YoY Increase/(Decrease)	YoY %	Major factors (YoY)
Personnel costs	221.5	(1.8)	(0.8)	· Difference in personnel, etc
Energy costs	46.5	5.9	14.6	· Increase in adjustment amount for fuel cost, etc.
Maintenance costs	158.0	0.8	0.5	· Increase in externally funded constructions · Decrease in maintenance costs for structures, etc.
Miscellaneous costs	198.5	1.8	0.9	· Increase in adjustment amount for fuel cost, etc.
Rental Payments, etc	30.5	0.2	0.7	
Taxes	36.0	1.0	2.9	· Increase in fixed assets tax, etc.
Depreciation and amortization	137.0	(0.6)	(0.5)	· Progress of depreciation and amortization, etc.
Total	828.0	7.3	0.9	

Note: Figures in brackets ( ) are negative values.

14

- Moving on, please look at slide 14.

- We forecast non-consolidated operating expenses will rise ¥7.3 billion year on year, to ¥828.0 billion. Although we expect personnel costs to decline ¥1.8 billion year on year as an increase in retirements causes the workforce to shrink, we believe energy costs and miscellaneous costs will increase a substantial ¥6.2 billion as the result of an increased adjustment amount for fuel costs and a higher renewable energy surcharge. We also expect externally funded construction costs to climb ¥2.0 billion due to the Tsuruga extension on the Hokuriku Shinkansen. As externally funded construction costs are essentially equivalent to the amount of miscellaneous revenues, these revenues and expenses should essentially cancel each other out.

Consolidated Financial Forecasts

¥Billions

	Results FY2017.3 A	Forecasts FY2018.3 B	YoY Increase/(Decrease) B-A	YoY % B/A-1
Operating Revenues	1,441.4	1,492.0	50.5	3.5
Operating Expenses	1,265.0	1,308.5	43.4	3.4
Operating Income	176.3	183.5	7.1	4.0
Non-operating revenues and expenses, net	(15.6)	(15.0)	0.6	(3.9)
Non-operating revenues	8.0	7.2	(0.8)	-
Non-operating expenses	23.7	22.2	(1.5)	-
Recurring Profit	160.7	168.5	7.7	4.8
Extraordinary profit and loss, net	(23.0)	(4.0)	19.0	-
Extraordinary profit	19.6	-	-	-
Extraordinary loss	42.6	-	-	-
Profit attributable to owners of parent	91.2	109.0	17.7	19.4
Net income per share(¥)	471.52	563.00	-	-

Note: Figures in brackets ( ) are negative values.

- I would now like to explain our consolidated financial forecasts by looking at slide 15.

- We project operating revenues of ¥1,492.0 billion, up ¥50.5 billion year on year, and operating income of ¥183.5 billion, a year-on-year rise of ¥7.1 billion. We expect to reach historic highs in both categories.

Consolidated Financial Forecasts (Segment Information)

JR-WEST

¥ Billions

	Results FY2017.3 A	Forecasts FY2018.3 B	YoY Increase/(Decrease) B-A	YoY % B/A-1
Operating Revenues*1	1,441.4	1,492.0	50.5	3.5
Transportation	929.1	939.0	9.8	1.1
Retail	233.9	240.8	6.8	2.9
Sales of goods and food services*2	152.5 【10.8】	164.2 【11.7】	11.6 【0.9】	7.6 【8.5】
Department stores	73.4	68.6	(4.8)	(6.6)
Real estate	109.5	138.7	29.1	26.6
Shopping center	60.5	59.1	(1.4)	(2.4)
Real estate lease and sale*3	47.2 【16.1】	77.7 【34.9】	30.4 【18.8】	64.6 【117.1】
Other businesses	168.8	173.5	4.6	2.8
Hotel	36.2	35.9	(0.3)	(0.8)
Nippon Travel Agency	42.0	43.5	1.4	3.5
Operating Income	176.3	183.5	7.1	4.0
Transportation	121.7	125.1	3.3	2.7
Retail	5.2	7.0	1.7	33.3
Real estate	32.2	35.5	3.2	10.2
Other businesses	20.4	19.0	(1.4)	(7.2)

Note: Figures in brackets ( ) are negative values.

*1 Operating revenues are the revenues from third parties (= customers).
The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.

*2 Figures in brackets 【 】 are the sales of budget hotel, "VIA INN", sales (net sales [restated]), excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

*3 Figures in brackets 【 】 are the sales of condominiums. (Revenues from third parties) (Included in Real estate lease and sale)

16

- Moving on, please look at slide 16, where you will see our forecasts by segment.

- Operating revenues in the Retail Business segment are expected to rise ¥6.8 billion, to ¥240.8 billion, due to the impact of the conversion to Seven-Eleven franchised stores. We anticipate a ¥1.7 billion year-on-year rise in operating income, to ¥7.0 billion.

- In the Real Estate Business segment, due to the new consolidation of Ryoju Properties we expect operating revenues to grow ¥29.1 billion, to ¥138.7 billion year on year, and operating income to rise ¥3.2 billion, to ¥35.5 billion.

- The goodwill equivalent associated with the consolidation of Ryoju Properties is ¥11.6 billion. However, tax treatment related to the share acquisition results in deferred tax assets of ¥5.6 billion, with the remaining ¥5.9 billion recorded as goodwill from an accounting standpoint. As goodwill can be expensed as an operating expense and deferred tax assets can be expensed as corporation tax over a five-year period, the new consolidation has a positive impact on consolidated operating income of ¥2.7 billion.

- We believe the Other Businesses segment will benefit from higher orders in the construction business, pushing up operating revenues ¥4.6 billion, to ¥173.5 billion. However, because of such factors as the closure of a Sannomiya hotel in Kobe due to station building reconstruction, we expect operating income to fall ¥1.4 billion year on year, to ¥19.0 billion.

- With this, I conclude my portion of today’s presentation.

Other Data

Persons, ¥Billions

	Results FY2016.3	Results FY2017.3	Forecasts FY2018.3
ROA (%, Consolidated)	6.4	6.0	6.1
ROE (%, Consolidated)	10.2	10.0	11.1
EBITDA (Consolidated)*1	338.1	339.1	348.7
Depreciation (Consolidated)	156.6	162.7	164.0
Capital Expenditure (Consolidated, own fund)	233.1	192.4	166.0
Capital Expenditure (Non-consolidated, own fund)	198.7	159.8	130.0
Safety related capital expenditure	126.0	105.0	79.0
Dividends per share (¥)	135	140	160

*1 EBITDA = Operating Income + Depreciation + Amortization of goodwill

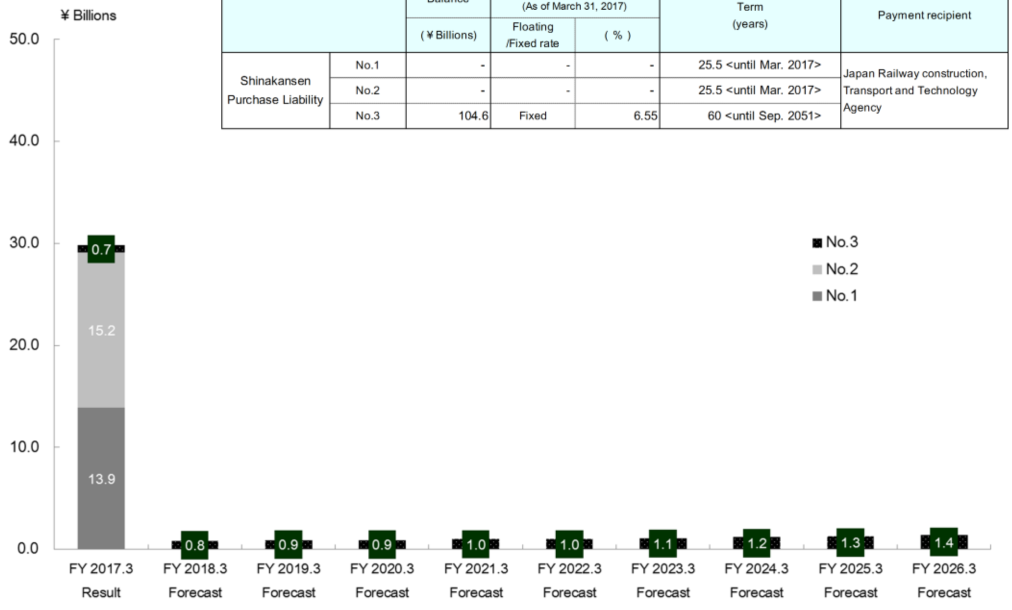
	Results FY2016.3		Results FY2017.3		Forecasts FY2018.3	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,456	26,555	47,382	25,821	-	-
Financial Expenses, net	(23.3)	(22.6)	(21.6)	(21.0)	(20.4)	(19.7)
Interest and dividend income	0.7	1.5	0.6	1.1	0.6	1.1
Interest expenses	24.1	24.1	22.3	22.2	21.0	20.8

Note: Figures in brackets ( ) are negative values.

Redemption Plan of Shinkansen Purchase Liability

【As of March 31, 2017】

		Balance	Interest rate (As of March 31, 2017)		Term (years)	Payment recipient
		(¥Billions)	Floating /Fixed rate	(%)		
Shinkansen Purchase Liability	No.1	-	-	-	25.5 <until Mar. 2017>	Japan Railway construction, Transport and Technology Agency
	No.2	-	-	-	25.5 <until Mar. 2017>	
	No.3	104.6	Fixed	6.55	60 <until Sep. 2051>	



Ⅲ. State of Progress on the Medium-Term Management Plan

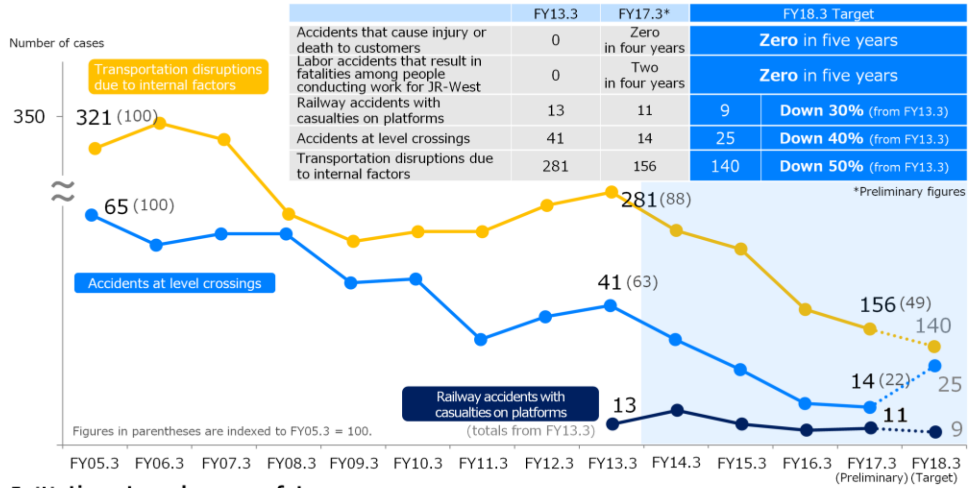
- I am Tatsuo Kijima, president of JR-West.

- As we move into the final fiscal year of our medium-term management plan, I would like to review our progress to date and explain future initiatives for each business.

Progress toward Medium-Term Management Plan Targets (Safety)

	FY13.3	FY17.3*	FY18.3 Target	
Accidents that cause injury or death to customers	0	Zero in four years	**Zero** in five years	
Labor accidents that result in fatalities among people conducting work for JR-West	0	Two in four years	**Zero** in five years	
Railway accidents with casualties on platforms	13	11	9	**Down 30%** (from FY13.3)
Accidents at level crossings	41	14	25	**Down 40%** (from FY13.3)
Transportation disruptions due to internal factors	281	156	140	**Down 50%** (from FY13.3)

*Preliminary figures



Initiatives to enhance safety

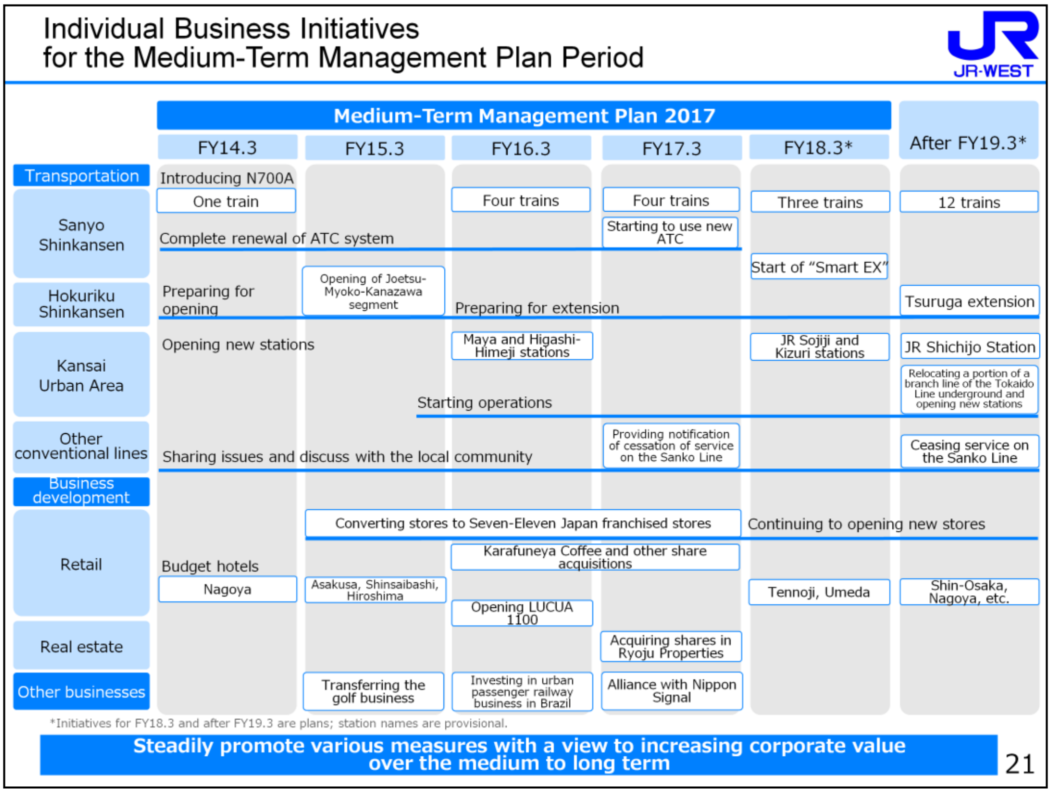
Improving safety on platforms	Installing platform gates
Measures to cope with intensifying natural disasters	[Earthquake countermeasures] Installing derailment prevention guards on the Sanyo Shinkansen

Installing platform gates at Osaka Station (platforms 6 and 7) (representative image)

Ensure that we reach our targets, and link to initiatives in the near future

- Please look at slide 20. With regard to safety, since the Fukuchiyama Line accident we have engaged in safety enhancement initiatives. These efforts are proving effective, with railway operation incidents falling to a minimal level. Under these circumstances, we have set targets to enhance safety further in our medium-term management plan, and we are working toward these goals.

- In FY2017.3, a labor accident occurred that resulted in the fatality of a company that cooperates with the Group—the second such occurrence in four years. Clearly, we still have numerous issues to address. We will continue working toward our goals.



- Next, slide 21 outlines principal measures implemented during the period of our medium-term management plan.

- We have worked to increase the competitiveness of the Sanyo Shinkansen through efforts such as commencing use of our new ATC. We have begun operations on the Hokuriku Shinkansen. We have increased the value of railway belts in the Kansai Urban Area by opening new stations and through community development centered on stations, and we have issued a notice of the cessation of operations on the Sanko Line. In the Retail Business, we have bolstered asset efficiency by converting stores within stations to Seven-Eleven Japan franchised stores. In the Real Estate business, we acquired shares in Ryoju Properties. In these ways, I believe you can see that we have steadily taken steps to increase corporate value over the medium to long term.

Progress toward Medium-Term Management Plan Targets (Financial Indicators)

JR-WEST

(Billions of yen , %)

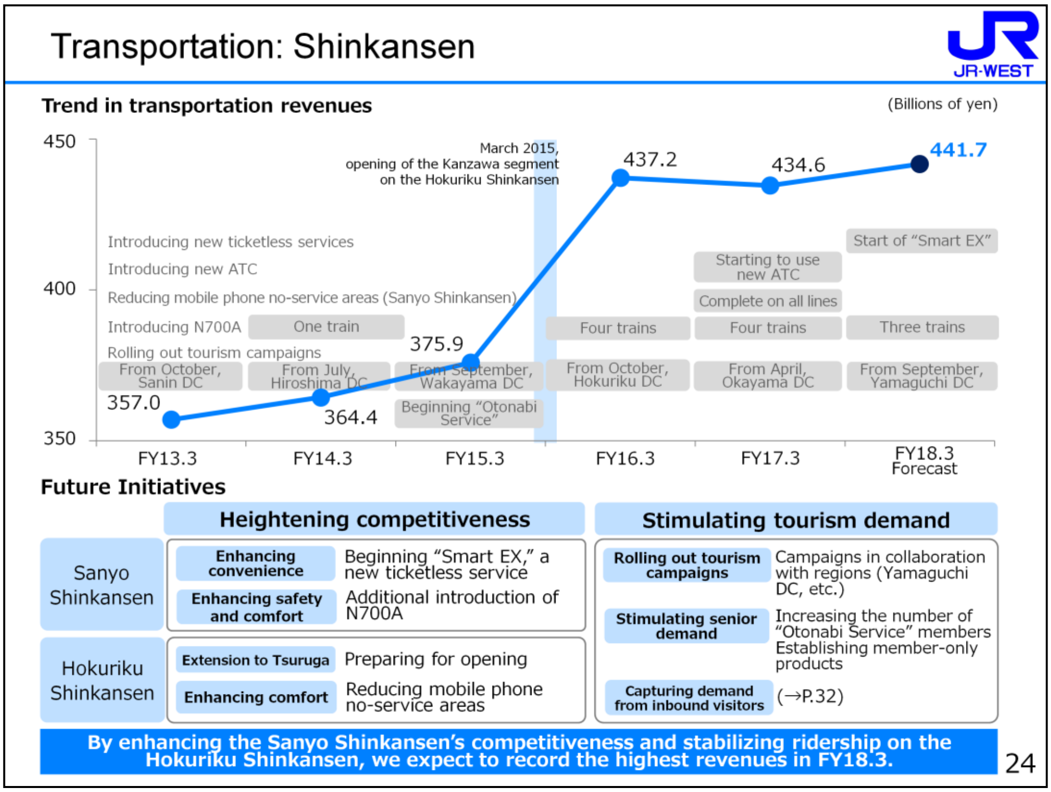
	FY14.3	FY15.3	FY16.3	FY17.3	FY18.3 Forecast	FY18.3 Medium-Term Plan Target
Operating Revenues	**1331.0**	**1350.3**	**1451.3**	**1441.4**	**1492.0**	**1423.0**
Transportation	851.3	868.4	928.7	929.1	939.0	902.5
Retail	240.1	220.1	232.0	233.9	240.8	246.5
Real estate	102.2	87.2	108.8	109.5	138.7	106.0
Other businesses	137.1	174.4	181.5	168.8	173.5	168.0
Operating Income	**134.5**	**139.7**	**181.5**	**176.3**	**183.5**	**157.0**
Transportation	91.0	100.6	125.1	121.7	125.1	105.0
Retail	4.4	1.5	5.3	5.2	7.0	6.0
Real estate	27.7	25.1	32.7	32.2	35.5	33.5
Other businesses	11.8	15.6	22.4	20.4	19.0	14.0
Recurring Profit	**112.9**	**121.9**	**162.2**	**160.7**	**168.5**	**141.0**
Profit attributable to owners of parent	**65.6**	**66.7**	**85.8**	**91.2**	**109.0**	**91.5**
Transportation Revenues	**780.6**	**797.0**	**850.0**	**849.6**	**859.0**	**820.5**
ROE	**8.6**	**8.4**	**10.2**	**10.0**	**11.1**	**9.8**
ROA	**5.1**	**5.1**	**6.4**	**6.0**	**6.1**	**5.5**
EBITDA	**288.4**	**289.3**	**338.1**	**339.1**	**348.7**	**325.5**

We expect to achieve the highest levels to date in FY18.3,the final year of the medium-term management plan.

- Slide 22 shows how our performance has steadily increased as a result of these initiatives. Now in the final fiscal year of the medium-term management plan, the international outlook is growing increasingly uncertain, and we face rising electricity prices and the closure of a portion of LUCUA 1100. However, on every indicator, we are outpacing the targets set when we updated our plan, and we expect to post historically highest levels for operating revenues and operating income.

Ⅳ. Individual Business Initiatives

- Next, I would like to introduce initiatives in each of our business segments.



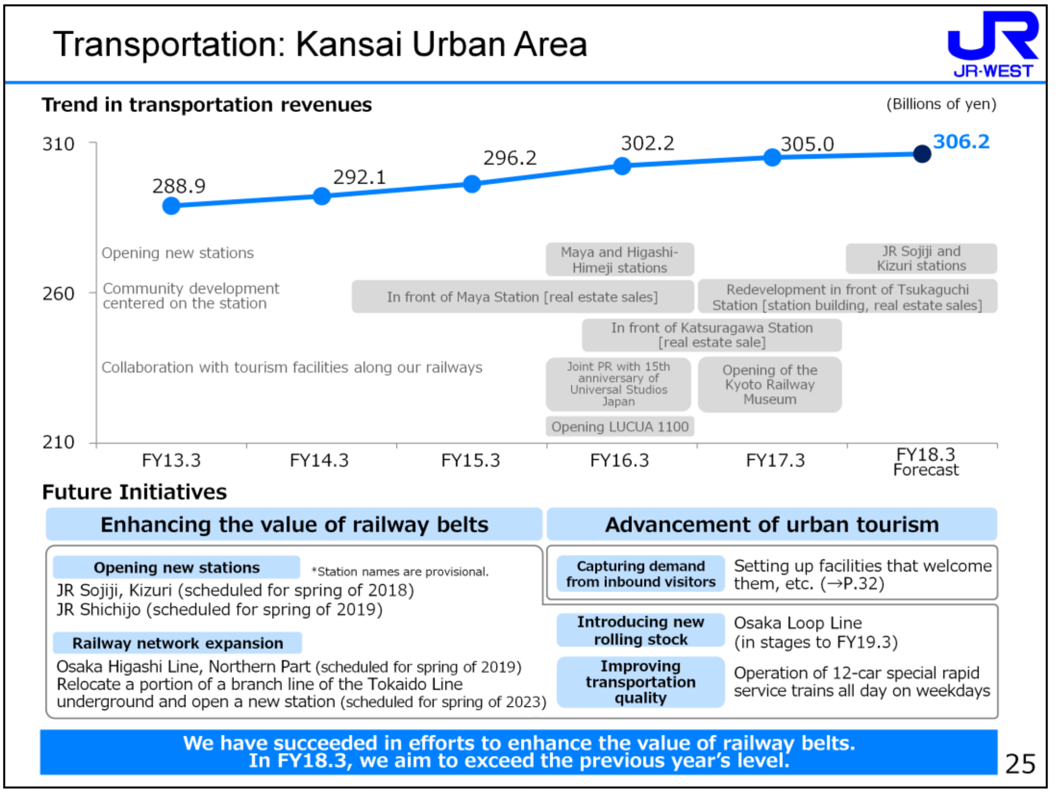
- Slide 24 shows Shinkansen-related initiatives.

- Improving competitiveness on the Sanyo Shinkansen, fostering tourism demand, and commencing operations on the Hokuriku Shinkansen have led to major revenue increases. We will continue these initiatives in FY2018.3.

- In terms of enhancing competitiveness on the Sanyo Shinkansen, in late September we will begin operations of "Smart EX," a new ticketless service, which heightens convenience. With the Hokuriku Shinkansen now entering its third year since operations began, we are seeing stable ridership on both the business and tourism fronts. Furthermore, we are preparing to begin operations at Kanazawa-Tsuruga segment in spring of 2023.

- To foster tourism demand, we will implement tourist campaigns such as Yamaguchi DC and "Japan's Beauty is in Hokuriku" in collaboration with local communities. To stimulate demand among seniors, we are working to increase the number of "Otonabi" members and expanding member-only products. I will explain our efforts to capture demand from inbound visitors later on.

- Through these initiatives, in FY2018.3 we expect Shinkansen revenues to grow to historic highs. We also expect that revenues for the Sanyo Shinkansen alone will reach record levels.



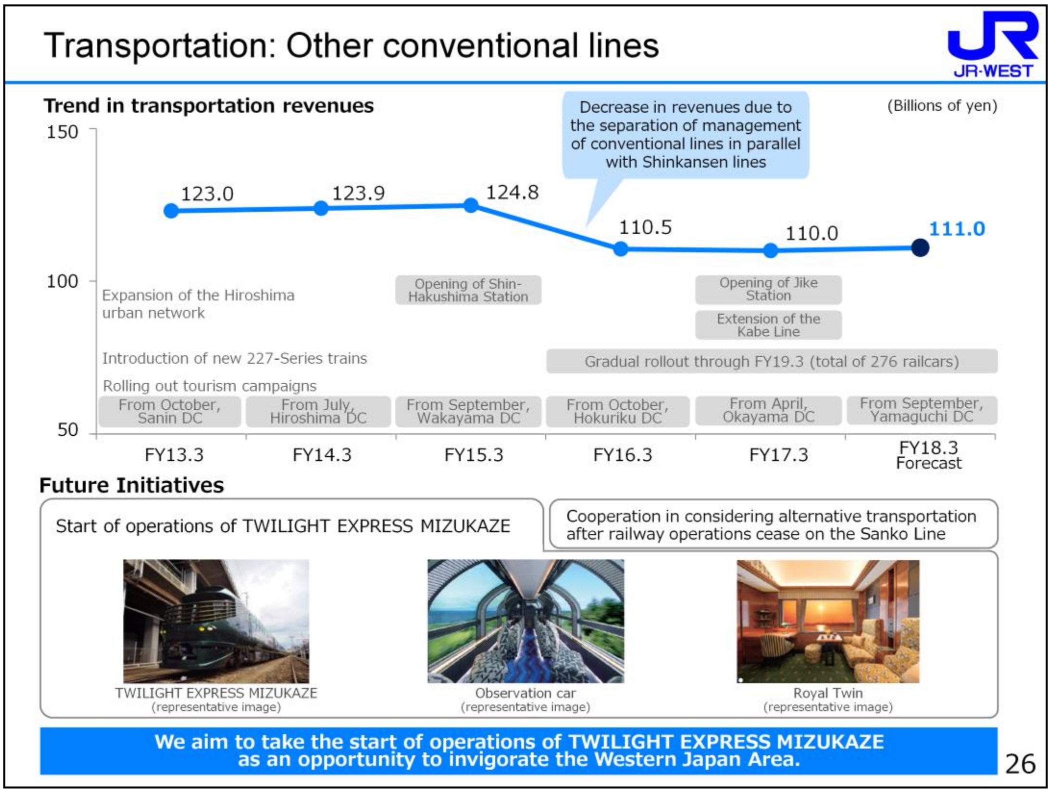
- Please turn next to slide 25, which discusses the Kansai Urban Area.

- Initiatives to date have included enhancing the value of railway belts by opening new stations and through community development centered on stations, as well as fostering urban tourism via collaboration with tourism facilities along our railways. The population of the Kansai Urban Area has already begun declining, but the success of these initiatives has led to revenue increases for six consecutive fiscal years, since FY2012.3. We will continue with these initiatives in FY2018.3.

- To enhance the value of railway belts, we are opening new stations, opening the northern part of the Osaka Higashi Line, and preparing to relocate a portion of the Tokaido Line underground. We are also continuing with the Osaka Loop Line Renovation Project and other initiatives focused on invigorating central Osaka.

- To foster urban tourism, we are making preparations to welcome inbound visitors to attract them and running promotions taking the opening of a new area at the Universal Studios Japan theme park as an opportunity.

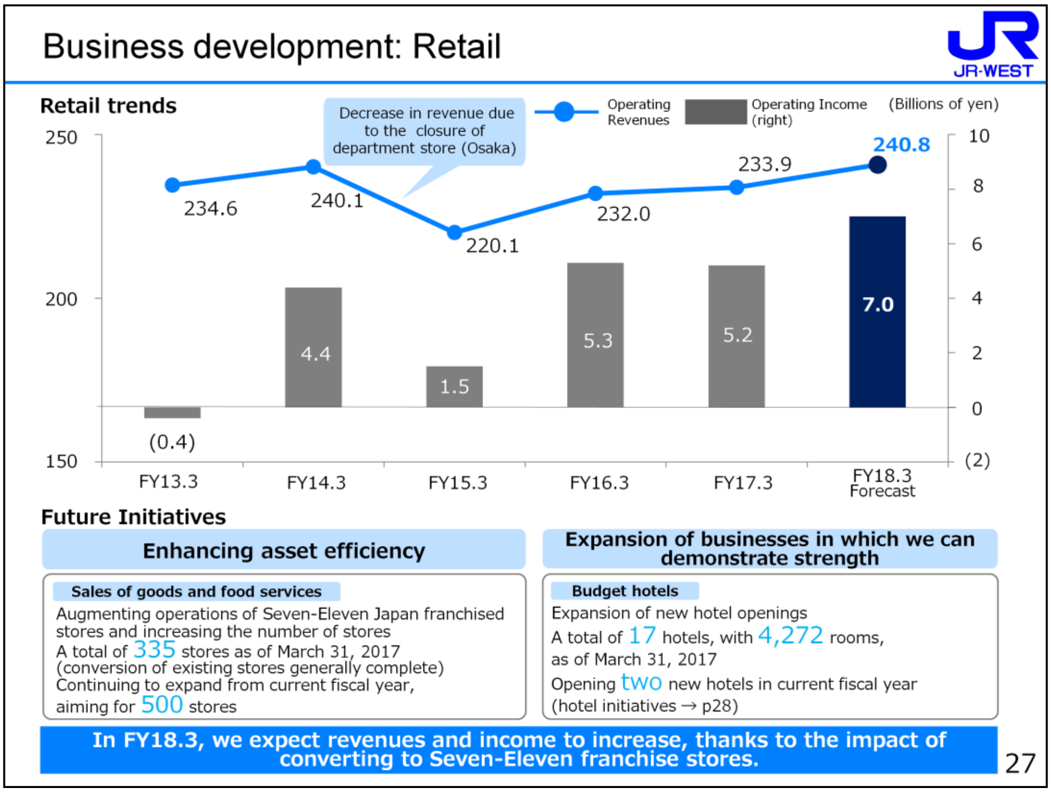
- Through these initiatives, we expect to increase revenues from the Kansai Urban Area.



- Please turn to slide 26 for a discussion of other conventional lines.

- In June, operations will begin on the TWILIGHT EXPRESS MIZUKAZE, for which we have already received numerous customer applications. We look forward to providing this service to customers via a well-prepared structure.

- We are preparing to cease operations on the Sanko Line on April 1, 2018. Our preparations include cooperating with local government bodies on considering alternative transportation after railway operations cease.



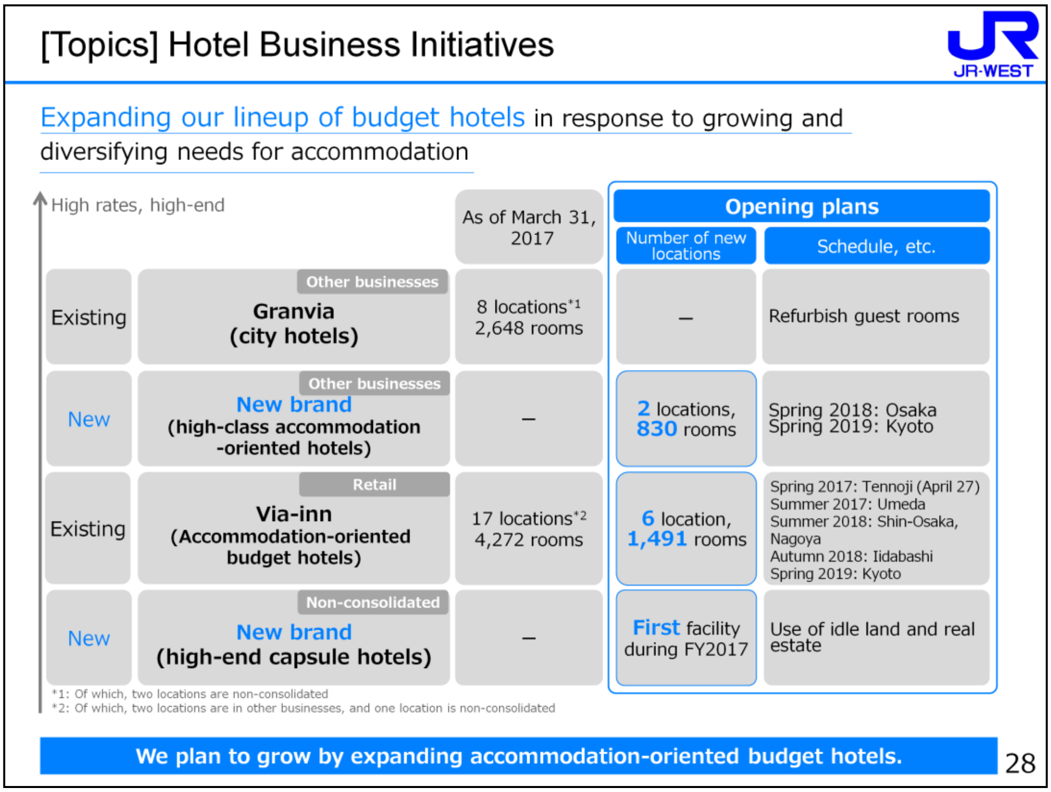
- Beginning on slide 27, we describe our business development, particularly in the Retail and Real Estate business segments, which we are positioning as pillars of growth.

- First, in the Retail Business, we have worked to improve asset efficiency by reviewing our department store in Osaka and converting our kiosks and convenience stores to Seven-Eleven Japan franchised stores. We have also worked to expand businesses where the Company has strengths, such as accommodation-oriented budget hotels.

- In FY2017.3, our conversion to Seven-Eleven Japan franchised stores was essentially completed. In FY2018.3, in addition to enhancing operating efficiency, we will convert remaining stores and open new stores. Eventually, we expect to have 500 stores in operation. By completing these conversions, we expect the stores to begin contributing to operating income in FY2018.3.

- We will also open two accommodation-oriented budget hotels, Via-inn Umeda and Tennoji in Osaka.

- As a result of these initiatives, in FY2018.3 we expect operating revenues and operating income to surpass the targets in our updated medium-term management plan. Despite the reduction in selling floor space in our Osaka department store in FY2016.3, we also expect to post record results.



- Please turn to slide 28. Here, we explain our expanding hotel business.

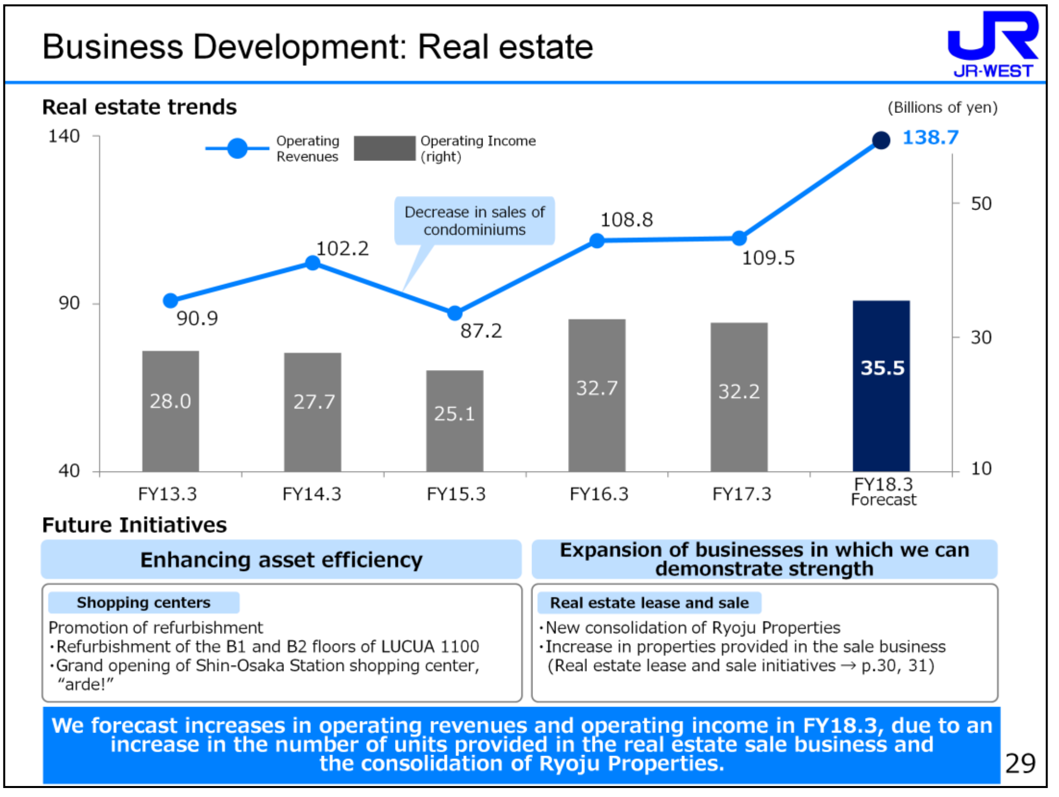
- We are currently operating the hotel business via two brands: Granvia city hotels and Via-inn budget hotels. We plan to prioritize the expansion of accommodation-oriented budget hotels, which offer high asset efficiency and are an area of strength for us.

- Supported by both inbound and domestic travel demand, the market for accommodation is expanding in scale. There are more diverse needs due to such factors as growing use by families, women, inbound, and other groups and a heightening need for reasonably priced, comfortable accommodation brought about by increasing prices at budget hotels. In response to this demand, we will enhance our lineup of accommodation-oriented budget hotels as we work to expand our hotel business.

- One such effort is the establishment of high-class accommodation-oriented budget hotels—of a grade that falls between our Granvia and Via-inn brands—that focus on providing accommodation rather than being set up for banquets. We are opening two hotels in this category, in Osaka and Kyoto.

- Another effort is developing high-end capsule hotels. Through a joint venture with First Cabin Inc., we are developing simple, cabin-style lodging, mainly using our idle properties.

- We will also accelerate hotel openings under our existing Via-inn brand.



- Please turn next to slide 29, which describes the Real Estate segment.

- In the Real Estate segment, we are increasing asset efficiency by renovating shopping centers and working to expand the lease and sale business—an area of strength.

- In FY2018.3, we will perform renovations on the B1 and B2 floors of the LUCUA 1100 shopping center, in preparation for a re-opening in autumn or later. In the lease and sale business, we are increasing condominium sales and have newly consolidated Ryoju Properties, which should contribute to consolidated operating performance.

- As a result of these initiatives, in FY2018.3 we expect to outpace the operating revenue and operating income targets set in the updated medium-term management plan, achieving record results in a similar manner as we have in the Retail Business segment.

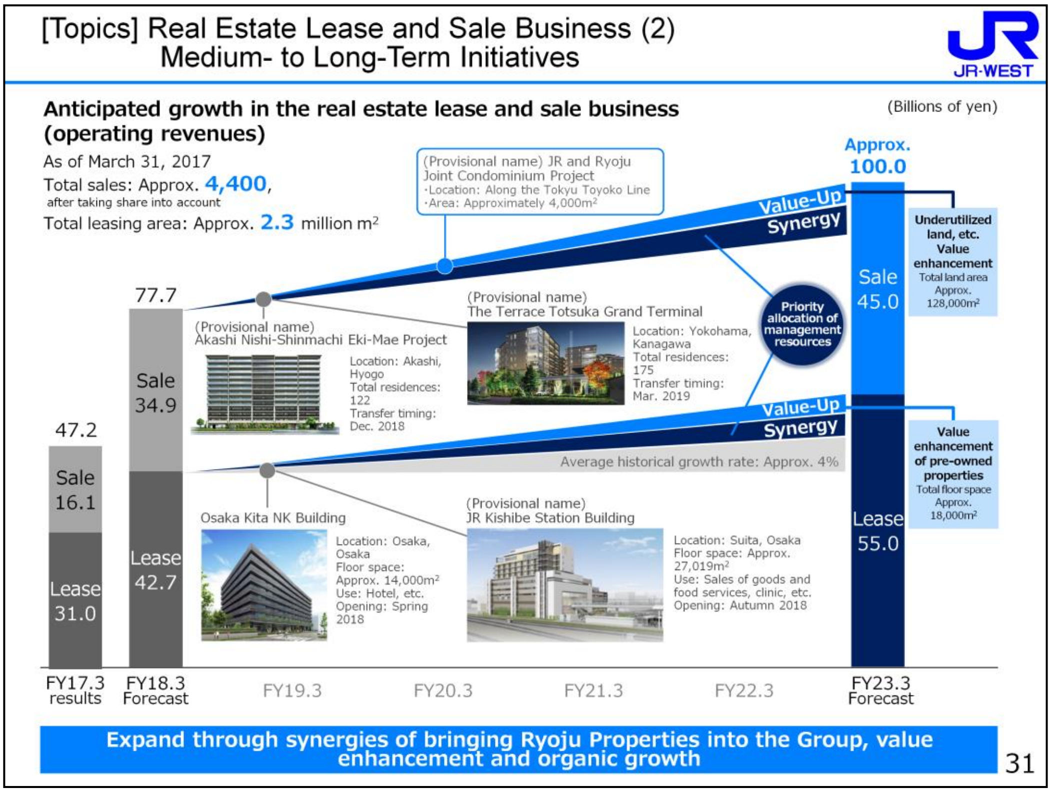
- Please turn now to slide 30. This slide describes future initiatives in the real estate lease and sale business, including for the consolidated Ryoju Properties.

- First, in FY2018.3 Ryoju Properties will prioritize efforts to build a foundation for the JR-West Group, such as transitioning its IT systems.

- This slide outlines our principal development plans. We will strive to increase the value of railway belts in the Western Japan Area. At the same time, through Ryoju Properties we will proactively develop business outside the JR-West service area, in the Tokyo metropolitan and Nagoya areas.

- We plan to sell 700 condominiums and develop lease space equivalent to 29,000 square meters.

- Ryoju Properties' non-consolidated performance forecast for FY2018.3 is for operating revenues of ¥27.0 billion and operating income of ¥4.0 billion.

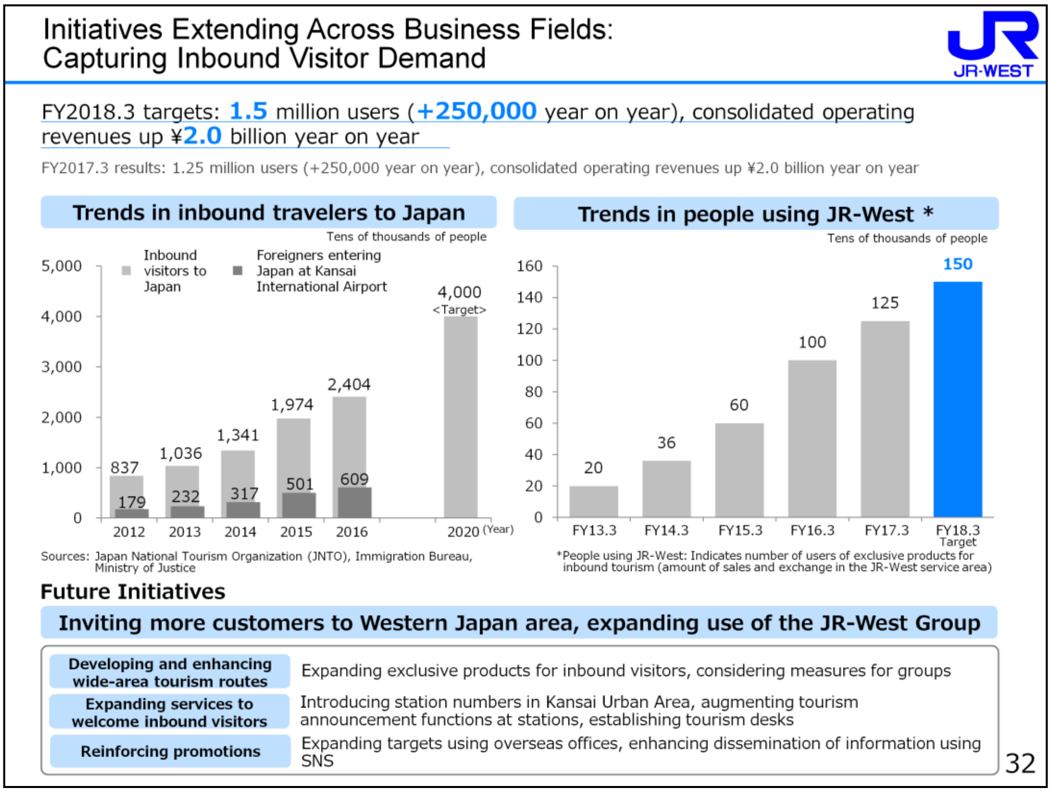


- Looking next at slide 31, we envision growth that will lead to operating revenues of ¥100.0 billion by FY2023.3.

- There are three drivers of growth. The first is the leasing business, which averaged 4% annual growth for the past 10 years. We will work to continue this organic growth.

- The second is synergistic effects. Now that Ryoju Properties has joined the JR-West Group, we will focus on allocating management resources and achieving growth. As the Real Estate and Retail Sale segments have been non-core businesses for the MHI Group to date, they have not carried out significant investments in these segments. However, now that Ryoju Properties has become a member of the JR-West Group, we will back up its operations with the capital expenditure funding and working capital necessary to expand the condominium sales business.

- The third driver of growth will be to enhance the value of held properties. This initiative will only begin in earnest from FY2024.3, however, as it includes properties that are currently being leased.



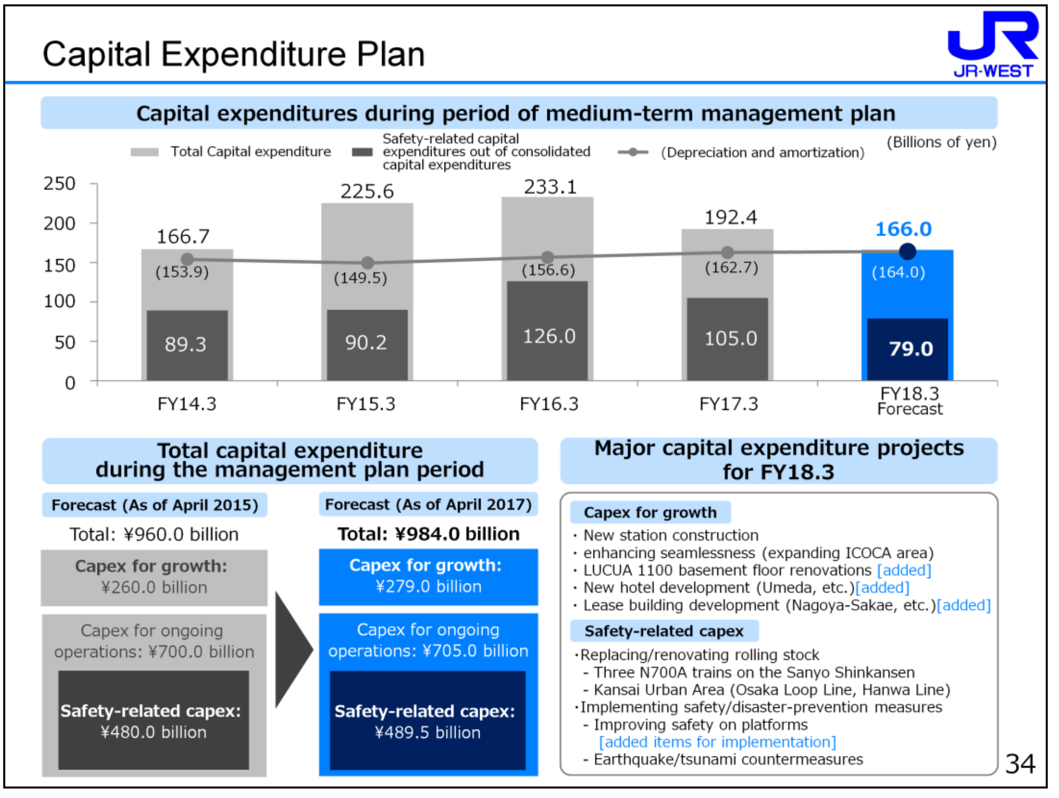
- Next, see slide 32, on capturing inbound visitor demand.

- In FY2017.3, we achieved our goal of increasing the number of people making use of exclusive products for inbound visitors by 250,000. Consolidated operating revenues increased ¥2.0 billion, below our growth target of ¥2.5 billion due to purchase unit price reductions at department stores.

- In FY2018.3, the rate of growth in the number of inbound travelers to Japan is expected to slow. However, we have set a target to increase the number of people using our exclusive products for inbound tourism by 250,000 as well as a new growth target of ¥2.0 billion for consolidated operating revenues.

- To reach these targets, we will develop and enhance wide-area tourism routes, expand services welcoming inbound visitors, and reinforce promotions.

Ⅴ. Capital Expenditure Plan, Cash Flows, Returns to Shareholders

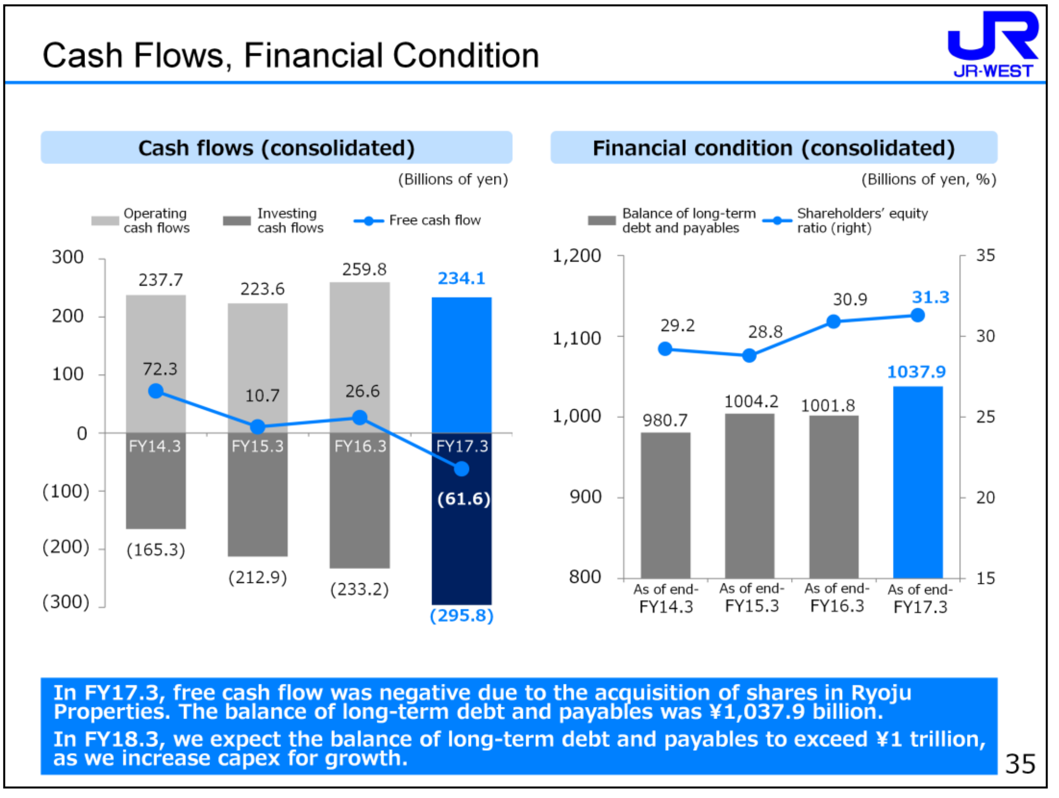


- Please turn now to slide 34, which shows the status of our capital expenditures.

- On a consolidated basis, capital expenditures totaled ¥192.4 billion in FY2017.3.

- For FY2018.3, on a consolidated basis we are planning capital expenditures of ¥166.0 billion. This figure is lower than in the preceding year because investment in rolling stock is down and construction on the new ATC system is complete. However, the figure is ¥24.0 billion higher than indicated in our medium-term management plan. Behind this difference is a ¥19.0 billion increase in investment in the growth mainly of non-transportation operations, including real estate investment and preparation for new hotel openings. Also, an additional ¥5.0 billion will be needed for ongoing operations. This amount includes ¥9.5 billion in additional investment in safety in order to increase safety measures on platforms, for which there is a growing social need.

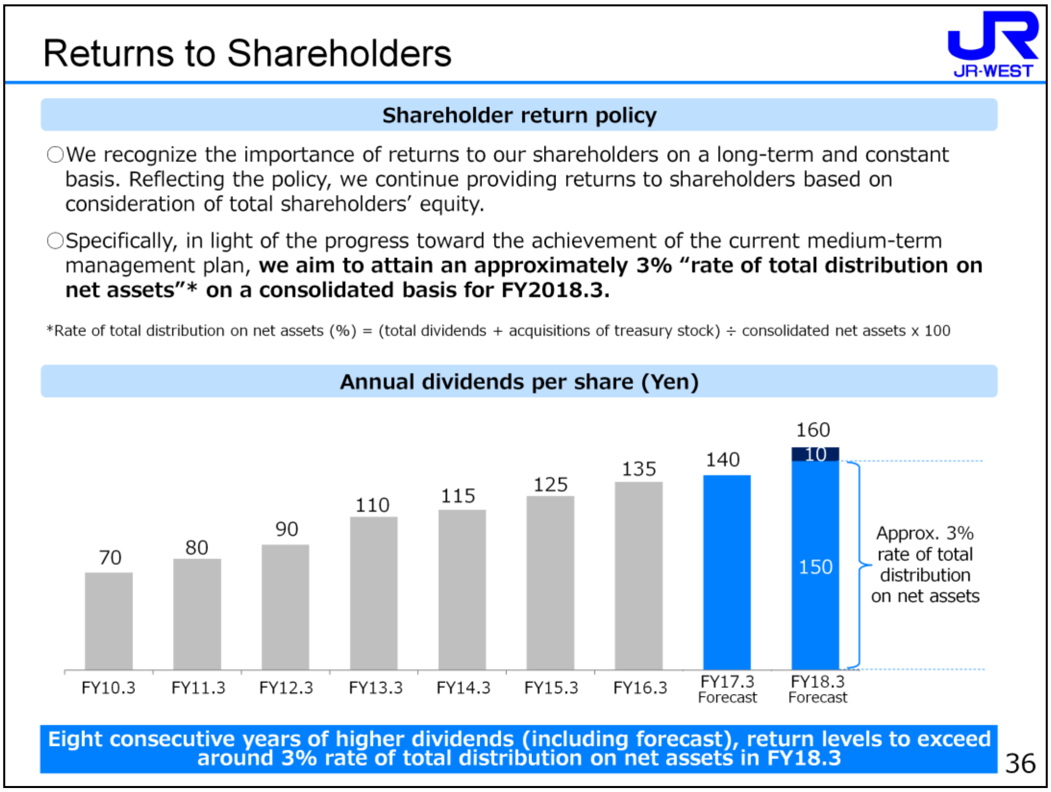
- As a result, we have increased total capital expenditures planned for the period of the medium-term management plan from ¥960.0 billion to ¥984.0 billion.



- Please turn now to slide 35, which discusses cash flows and financial condition.

- Looking at cash flows, free cash flow was substantially negative in FY2017.3, at minus ¥61.6 billion, due to the acquisition of shares in Ryoju Properties, and long-term debt rose to ¥1,037.9 billion. Short-term debt also increased by ¥35.0 billion.

- One year ago, we noted that over the five-year period of the medium-term management plan, there is a possibility that cash flows will be about ¥100.0 billion more than expected. Meanwhile, we have used approximately ¥110.0 billion to make various investments, including in Ryoju Properties, the project in Brazil, and Nippon Signal. We also expect capital expenditures to increase by ¥24.0 billion, mainly for investment in growth. In addition, payments will be required in line with the cessation of service on the Sankyo Line, and we therefore expect that cash flows will be used in an amount that exceeds the potential ¥100.0 billion increase. Accordingly, at the end of FY2018.3 we expect consolidated long-term debt and payables to surpass ¥1 trillion, reaching around ¥1,030.0 billion



- In closing, I would like to discuss shareholder returns, on slide 36.

- As we have already announced, we plan a full-year dividend of ¥140 for FY2017.3. We expect to increase this level by ¥20 per share in FY2018.3, to ¥160. We have already used our excess funds, but the medium-term management plan is progressing smoothly, and we expect to substantially outpace our targets for the final fiscal year of the medium-term management plan, with operating performance rising to historic highs. Therefore, we will reward our shareholders by increasing the dividend by ¥10 above our target of ¥150 per share, which is represents around 3% of total distribution on net assets, paying out a total of around ¥2.0 billion.

- This concludes my explanation.

Ⅵ. Supplemental Data

Principal Properties Owned by Ryoju Properties (1)

JR-WEST

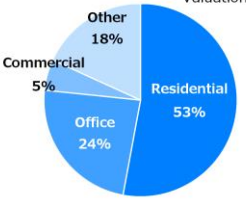
As of March 31, 2017

Properties: Approx. **280***
Floor space: Approx. **400,000**m²

*Excluding real estate for condominiums

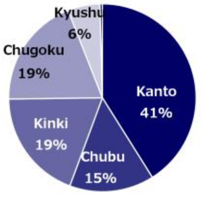
Use

Valuation basis



Area

Valuation basis



Leased residences

								
Property name	Dia Heights Jiyugaoka	Dia Lens Choujamaru	Dia Heights Nakano	Dia Heights Otsuka	Share Place Denenchofu Minami	Dia Heights Umegaoka	Minami Aoyama Hill Flats	Garden House Hamadayama
Location	Setagaya, Tokyo	Shinagawa, Tokyo	Nakano, Tokyo	Toshima, Tokyo	Ota, Tokyo	Setagaya, Tokyo	Minato, Tokyo	Suginami, Tokyo
Residences	28	5	29	106	73	23	3	13
Construction completed	March 1996	May 1998	February 1999	March 2001	March 2011 (refurbished)	March 2004	May 1987	November 1990

								
Property name	Dia Heights Higashi Koenji	Dia Lens Saginuma	Dia Lens Yokohama Sawatari	Dia Lens Takashimadai	Yakumo Mansion A-G Wings	Sakurayama Nishi Mansion	Heim Asahigaoka	Heim Mizuhodori
Location	Suginami, Tokyo	Kawasaki, Kanagawa	Yokohama, Kanagawa	Yokohama, Kanagawa	Nagoya, Aichi	Nagoya, Aichi	Nagoya, Aichi	Nagoya, Aichi
Residences	27	60	67	19	60	24	50	39
Construction completed	February 2007	September 1965	September 2009	September2013	October 1969, March 1987	September 2005	September 1996	September 2003

Principal Properties Owned by Ryoju Properties (2)

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Leased residences

								
Property name	Konan Yamate Mio	Avita Mio Kobe Okamoto	Port Aremio KOBE	Seishin Kojidai Miyo	Dia Maison Deshio	Deia Maison Shin-Hakushima Station	Deia Mason Kamiyacho	Toredia Suwanomori
Location	Kobe, Hyogo	Kobe, Hyogo	Kobe, Hyogo	Kobe, Hyogo	Hiroshima, Hiroshima	Hiroshima, Hiroshima	Hiroshima, Hiroshima	Nagasaki, Nagasaki
Residences	10	25	148	51	60	27	50	30
Construction completed	March 2003	September 1984	February 2007	August 1990	February 2011	December 2014	January 2009	August 2012

Office building

								
Property name	Yoyogi Dia Building	Ryoko Takashimadai Dai-3 Building	Ryoko Shin-Takashimadai Building	Port Side Dia Building	Ryoko Takashimadai Dai-2 Building	Ryoko Building Minami Kan	Dai-3 Ryoko Building	Ryoko Center Building
Location	Shibuya, Tokyo	Yokohama, Kanagawa	Yokohama, Kanagawa	Yokohama, Kanagawa	Yokohama, Kanagawa	Nagoya, Aichi	Kobe, Hyogo	Hiroshima, Hiroshima
Floor space	721m²	4,303m²	6,326m²	7,909m²	4,063m²	2,570m²	2,606m²	10,737m²
Scale	Eight floors above ground	Nine floors above ground	Eight floors above ground	One floor below ground, five above	Six floors above ground	Five floors above ground	Five floors above ground	Seven floors above ground
Construction completed	September 2008	March 1973	November 1986年	January 2001	December 1963	March 1991	May 1988	September 1994

Commercial facility / Other

								
Property name	Kobe commercial facility	Hiroshima commercial facility	Site of the former Hiyoshi Apartments	Takashimadai Dai-5 Parking Lot	Site of the former Kamimizo Company Housing	Site of the former Narumi Company Housing	Site of the former Takarazuka Dormitory	Site of the former Hamaguchi Company Housing
Location	Kobe, Hyogo	Hiroshima, Hiroshima	Yokohama, Kanagawa	Yokohama, Kanagawa	Sagamihara, Kanagawa	Nagoya, Aichi	Takarazuka, Hyogo	Nagasaki, Nagasaki
Floor space	501m²	3,141m²	Site area: 4,405m²	Site area: 1,272m²	Site area: 13,483m²	Site area: 34,627m²	Site area: 3,308m²	Site area: 6,694m²
Scale	Two floors above ground	One floor above ground	–	–	–	–	–	–
Construction completed	February 1990	September 2004	–	–	–	–	–	–

Cautionary Statement Regarding Forward-looking Statements

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- 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.
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- 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;
  - ・infectious disease outbreak and epidemic;
  - ・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 May 1, 2017 based on information available to JR-West as of May 1, 2017 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 this presentation.