

# Results for the Fiscal Year Ended March 31, 2019 and Future Initiatives








*Making Our Vision into Reality*

May 8, 2019

West Japan Railway Company



	Results for FY2019.3	Page 1
	Forecasts for FY2020.3	Page 11
	Individual Business Initiatives	Page 19
	Capital Expenditure Plan, Returns to Shareholders	Page 33
	Appendix	Page 36



1

Results for FY2019.3

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2

Forecasts for FY2020.3

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3

Individual Business Initiatives

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4

Capital Expenditure Plan,  
Returns to Shareholders

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Appendix

# Financial Highlights

¥ Billions

	Results FY2018.3 A	Results FY2019.3 B	YoY		Forecasts FY2020.3 C	YoY	
			Increase/ (Decrease) B-A	% B/A-1		Increase/ (Decrease) C-B	% C/B-1
<b>【Consolidated】</b>							
Operating Revenues	1,500.4	1,529.3	28.8	1.9	1,557.5	28.1	1.8
Operating Income	191.3	196.9	5.5	2.9	198.0	1.0	0.5
Recurring Profit	177.7	183.3	5.5	3.1	184.5	1.1	0.6
Profit attributable to owners of parent	110.4	102.7	(7.7)	(7.0)	118.5	15.7	15.3
<b>【Non-Consolidated】</b>							
Operating Revenues	976.2	980.9	4.6	0.5	1,001.0	20.0	2.0
Transportation Revenues	867.8	873.4	5.6	0.6	895.0	21.5	2.5
Operating Expenses	831.9	830.1	(1.7)	(0.2)	849.5	19.3	2.3
Personnel costs	221.4	215.8	(5.6)	(2.5)	217.5	1.6	0.8
Non personnel costs	407.6	416.6	9.0	2.2	425.5	8.8	2.1
Energy costs	44.0	45.2	1.1	2.7	47.5	2.2	4.9
Maintenance costs	161.4	164.0	2.5	1.6	170.5	6.4	3.9
Miscellaneous costs	202.1	207.3	5.2	2.6	207.5	0.1	0.1
Depreciation	136.8	134.3	(2.4)	(1.8)	141.0	6.6	4.9
Operating Income	144.3	150.7	6.3	4.4	151.5	0.7	0.5
Recurring Profit	128.6	136.4	7.8	6.1	137.5	1.0	0.7
Net Income	80.7	80.6	(0.1)	(0.2)	95.0	14.3	17.8

Note: Figures in brackets ( ) are negative values.

# Non-Consolidated Financial Results



¥ Billions

	Results FY2018.3 A	FY2019.3		YoY		Difference from the forecasts Increase/(Decrease) C-B
		Forecasts (As of Jan 30) B	Results C	Increase/ (Decrease) C-A	% C/A-1	
Operating Revenues	976.2	979.0	980.9	4.6	0.5	1.9
Transportation revenues	867.8	871.0	873.4	5.6	0.6	2.4
Other	108.4	108.0	107.4	(0.9)	(0.9)	(0.5)
Operating Expenses	831.9	834.0	830.1	(1.7)	(0.2)	(3.8)
Personnel costs	221.4	216.5	215.8	(5.6)	(2.5)	(0.6)
Non personnel costs	407.6	420.0	416.6	9.0	2.2	(3.3)
Energy costs	44.0	45.5	45.2	1.1	2.7	(0.2)
Maintenance costs	161.4	166.5	164.0	2.5	1.6	(2.4)
Miscellaneous costs	202.1	208.0	207.3	5.2	2.6	(0.6)
Rental payments, etc.	30.2	27.5	27.2	(2.9)	(9.8)	(0.2)
Taxes	35.7	35.5	36.0	0.3	0.9	0.5
Depreciation	136.8	134.5	134.3	(2.4)	(1.8)	(0.1)
Operating Income	144.3	145.0	150.7	6.3	4.4	5.7
Non-operating revenues and expenses, net	(15.7)	(14.0)	(14.2)	1.4	(9.4)	(0.2)
Non-operating revenues	6.2	7.5	7.5	1.3	–	0.0
Non-operating expenses	21.9	21.5	21.7	(0.1)	–	0.2
Recurring Profit	128.6	131.0	136.4	7.8	6.1	5.4
Extraordinary profit and loss, net	(9.2)	(25.0)	(20.6)	(11.4)	–	4.3
Extraordinary profit	29.8	–	27.6	(2.2)	–	–
Extraordinary loss	39.0	–	48.2	9.1	–	–
Net Income	80.7	74.0	80.6	(0.1)	(0.2)	6.6

Note: Figures in brackets ( ) are negative values.

# Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Transportation revenues		Results FY2019.3			
		YoY Increase/(Decrease)		Major factors	
		Amount	%		Amount
Shinkansen	457.0	9.3	2.1	Fundamental trend 1.5%	6.7
				Special factors	
				·Inbound	1.5
				·Favorable demand during peak periods	2.4
				·Rebound from snow damage	(0.1)
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(2.1)
				·Typhoon No.21 (Jebi), etc. etc.	0.7
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	308.1	(0.8)	(0.3)	Fundamental trend (0.1%)	(0.2)
				Special factors	
				·Inbound	0.9
				·Favorable demand during peak periods	0.4
				·Rebound from snow damage	0.3
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(1.5)
				·Typhoon No.21 (Jebi), etc. etc.	(1.4)
Other lines	108.2	(2.8)	(2.6)	Fundamental trend (0.6%)	(0.7)
				Special factors	
				·Inbound	0.3
				·Favorable demand during peak periods	0.1
				·Rebound from snow damage	0.5
				·Northern Osaka Prefecture Earthquake	(0.1)
				·The Heavy Rain Event of July 2018	(2.7)
				·Typhoon No.21 (Jebi), etc. etc.	(0.3)
Conventional lines	416.3	(3.7)	(0.9)		
Total	873.4	5.6	0.6		

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

# Transportation Revenues and Passenger-Kilometers



## Transportation Revenues

¥ Billions

## Passenger-Kilometers

Millions of passenger-kilometers

	Fiscal Year (4/1~3/31)			3 months (4Q) (1/1~3/31)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	867.8	873.4	5.6 0.6%	208.5	213.0	4.5 2.2%
Shinkansen	447.7	457.0	9.3 2.1%	106.1	108.8	2.6 2.5%
Commuter Passes	10.7	11.2	0.4 3.9%	2.6	2.7	0.1 4.5%
Non-Commuter Passes	436.9	445.8	8.8 2.0%	103.4	106.0	2.5 2.5%
Conventional Lines	420.0	416.3	(3.7) (0.9%)	102.4	104.2	1.8 1.8%
Commuter Passes	142.0	141.3	(0.7) (0.5%)	34.0	33.8	(0.2) (0.7%)
Non-Commuter Passes	277.9	274.9	(2.9) (1.1%)	68.3	70.4	2.0 3.0%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	309.0	308.1	(0.8) (0.3%)	75.2	76.8	1.5 2.1%
Commuter Passes	116.9	116.6	(0.2) (0.3%)	28.1	28.0	(0.1) (0.5%)
Non-Commuter Passes	192.0	191.4	(0.5) (0.3%)	47.0	48.8	1.7 3.7%
Other Lines	111.0	108.2	(2.8) (2.6%)	27.1	27.3	0.2 0.8%
Commuter Passes	25.1	24.6	(0.4) (1.6%)	5.8	5.7	(0.0) (1.5%)
Non-Commuter Passes	85.9	83.5	(2.4) (2.8%)	21.2	21.5	0.3 1.5%

	Fiscal Year (4/1~3/31)			3 months (4Q) (1/1~3/31)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	59,291	59,379	87 0.1%	14,074	14,238	164 1.2%
Shinkansen	21,022	21,338	315 1.5%	4,958	5,088	130 2.6%
Commuter Passes	846	880	33 4.0%	204	215	10 5.3%
Non-Commuter Passes	20,176	20,457	281 1.4%	4,753	4,873	119 2.5%
Conventional Lines	38,269	38,040	(228) (0.6%)	9,115	9,149	33 0.4%
Commuter Passes	22,831	22,751	(79) (0.3%)	5,301	5,296	(4) (0.1%)
Non-Commuter Passes	15,437	15,289	(148) (1.0%)	3,814	3,853	38 1.0%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	29,872	29,797	(74) (0.2%)	7,118	7,160	41 0.6%
Commuter Passes	18,787	18,766	(21) (0.1%)	4,397	4,401	4 0.1%
Non-Commuter Passes	11,084	11,031	(52) (0.5%)	2,721	2,759	37 1.4%
Other Lines	8,397	8,243	(153) (1.8%)	1,997	1,989	(8) (0.4%)
Commuter Passes	4,043	3,985	(57) (1.4%)	904	895	(9) (1.0%)
Non-Commuter Passes	4,353	4,257	(95) (2.2%)	1,092	1,094	1 0.1%

Note: Figures in brackets ( ) are negative values.

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

¥ Billions

	Results FY2019.3			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	215.8	(5.6)	(2.5)	• Difference in unit cost, etc.
Energy costs	45.2	1.1	2.7	• Increase in adjustment amount for fuel cost, etc.
Maintenance costs	164.0	2.5	1.6	• Increase in Capex-related removal work, etc.
Miscellaneous costs	207.3	5.2	2.6	• Expenditure for the substitute bus services due to the torrential rains disaster, etc.
Rental Payments, etc	27.2	(2.9)	(9.8)	• Decrease in rental payments for JR Tozai Line, etc.
Taxes	36.0	0.3	0.9	
Depreciation and amortization	134.3	(2.4)	(1.8)	• Progress of depreciation and amortization, etc.
Total	830.1	(1.7)	(0.2)	

Note: Figures in brackets ( ) are negative values.



# Consolidated Financial Results



¥ Billions

	Results FY2018.3 A	FY2019.3		YoY		Difference from the forecasts Increase/(Decrease) C-B
		Forecasts (As of Jan 30) B	Results C	Increase/ (Decrease) C-A	% C/A-1	
Operating Revenues	1,500.4	1,516.5	1,529.3	28.8	1.9	12.8
Operating Expenses	1,309.0	1,329.0	1,332.3	23.2	1.8	3.3
Operating Income	191.3	187.5	196.9	5.5	2.9	9.4
Non-operating revenues and expenses, net	(13.5)	(13.5)	(13.6)	(0.0)	0.3	(0.1)
Non-operating revenues	9.0	8.6	9.4	0.3	–	0.8
Non-operating expenses	22.6	22.1	23.0	0.3	–	0.9
Recurring Profit	177.7	174.0	183.3	5.5	3.1	9.3
Extraordinary profit and loss, net	(7.1)	(30.0)	(26.1)	(19.0)	–	3.8
Extraordinary profit	32.8	–	29.0	(3.8)	–	–
Extraordinary loss	39.9	–	55.2	15.2	–	–
Profit attributable to owners of parent	110.4	95.5	102.7	(7.7)	(7.0)	7.2
<i>Comprehensive Income</i>	<i>114.1</i>	–	<i>104.8</i>	<i>(9.3)</i>	<i>(8.2)</i>	–

Note: Figures in brackets ( ) are negative values.

# Consolidated Financial Results (Segment Information)

¥ Billions

	Results FY2018.3  A	FY2019.3		YoY		Difference from the forecasts Increase/(Decrease)  C-B
		Forecasts (As of Jan 30)  B	Results  C	Increase/ (Decrease)  C-A	%  C/A-1	
Operating Revenues* <sup>1</sup>	1,500.4	1,516.5	1,529.3	28.8	1.9	12.8
Transportation	950.8	953.0	953.9	3.0	0.3	0.9
Retail	239.8	244.8	245.5	5.7	2.4	0.7
Sales of goods and food services	161.7	167.0	170.0	8.3	5.2	3.0
[Accommodation-oriented budget hotels](restated)* <sup>2</sup>	[11.6]	[12.7]	[13.1]	[1.4]	[12.6]	[0.4]
Department stores	70.1	69.1	67.1	(3.0)	(4.3)	(1.9)
Real estate	139.6	147.8	148.5	8.8	6.3	0.7
Shopping center	59.6	60.7	61.5	1.9	3.3	0.8
Real estate lease and sale	78.1	85.1	84.9	6.8	8.8	(0.1)
[Real estate sale](restated)	[35.0]	[40.7]	[39.4]	[4.4]	[12.6]	[(1.3)]
Other businesses	170.0	170.9	181.3	11.3	6.7	10.4
Hotel	35.6	36.1	35.6	(0.0)	(0.0)	(0.4)
Nippon Travel Agency	41.3	39.9	40.5	(0.8)	(2.0)	0.6
Operating Income* <sup>1</sup>	191.3	187.5	196.9	5.5	2.9	9.4
Transportation	130.3	130.6	136.2	5.9	4.6	5.6
Retail	7.2	5.7	6.1	(1.1)	(15.8)	0.4
Sales of goods and food services	6.0	4.4	4.9	(1.1)	(18.8)	0.5
Department stores	0.9	1.0	1.0	0.0	3.6	0.0
Real estate	35.7	33.4	35.6	(0.0)	(0.3)	2.2
Shopping center	8.7	8.5	9.6	0.9	10.6	1.1
Real estate lease and sale	17.3	15.6	18.2	0.8	5.1	2.6
Other businesses	19.9	21.1	21.2	1.3	6.6	0.1
Hotel	1.9	1.4	1.0	(0.9)	(45.9)	(0.3)
Nippon Travel Agency	0.2	0.3	0.2	(0.0)	(19.8)	(0.0)

Note: Figures in brackets ( ) are negative values.

\*1 The breakdowns of operating revenues and operating income by each segment are the sums of those of major subsidiaries.

\*2 Figures in brackets [ ] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (unconsolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

# Major Factors of Increase/Decrease in Each Segment

¥ Billions

			Results FY2019.3			
			YoY		Major factors (YoY)	
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	170.0	8.3	5.2	•Seven-Eleven allied stores favorable, etc.
		Operating Income	4.9	(1.1)	(18.8)	•Opening expenses of accommodation-oriented hotels, etc.
	Department stores	Operating Revenues	67.1	(3.0)	(4.3)	•Natural disasters •Partial closure of stores due to renovation work, etc.
		Operating Income	1.0	0.0	3.6	
Real estate	Shopping center	Operating Revenues	61.5	1.9	3.3	•Renovation of the B1 and B2 levels at LUCUA 1100, etc.
		Operating Income	9.6	0.9	10.6	
	Real estate lease and sale	Operating Revenues	84.9	6.8	8.8	•Increase in number of residences sold •New opening of lease properties, etc.
		Operating Income	18.2	0.8	5.1	
Other Businesses	Hotel	Operating Revenues	35.6	(0.0)	(0.0)	•Natural disasters •Opening expenses, etc.
		Operating Income	1.0	(0.9)	(45.9)	
	Nippon travel agency	Operating Revenues	40.5	(0.8)	(2.0)	•Weak trends in domestic travel, etc.
		Operating Income	0.2	(0.0)	(19.8)	

Note: Figures in brackets ( ) are negative values.

\* 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.

# Consolidated Financial Situation and Statements of Cash Flows

¥ Billions

	As of March 31, 2018 A	As of March 31, 2019 B	Difference increase/(decrease) B-A
Assets*	3,071.8	3,237.5	165.7
Liabilities*	1,955.5	2,057.7	102.2
Net assets	1,116.3	1,179.8	63.5
Balance of Long-term Debt and Payables	1,032.2	1,064.0	31.7
【Average interest rate (%)】	【1.86】	【1.81】	【(0.05)】
Shinkansen Purchase Liability	103.8	102.9	(0.9)
【Average interest rate (%)】	【6.55】	【6.55】	【 - 】
Bonds	524.9	569.9	45.0
【Average interest rate (%)】	【1.58】	【1.51】	【(0.07)】
Equity ratio (%)*	33.2	33.3	0.1
Net assets per share ( ¥ )	5,273.42	5,612.63	339.21

	Results FY2018.3 A	Results FY2019.3 B	YoY increase/(decrease) B-A
Cash flows from operating activities	275.1	289.7	14.6
Cash flows from investing activities	(166.3)	(247.4)	(81.0)
Free cash flows	108.7	42.3	(66.4)
Cash flows from financing activities	(71.4)	(7.1)	64.2
Change in cash and cash equivalents, net	38.1	35.1	(2.9)
Cash and cash equivalents at the end of the period	101.4	136.5	35.1

Note: Figures in brackets ( ) are negative values.

\* Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

1

Results for FY2019.3

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2

Forecasts for FY2020.3

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3

Individual Business Initiatives

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4

Capital Expenditure Plan,  
Returns to Shareholders

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Appendix

# Non-Consolidated Financial Forecasts

¥ Billions

	Results FY2019.3 A	Forecasts FY2020.3 B	YoY	
			Increase/ (Decrease) B-A	% B/A-1
Operating Revenues	980.9	1,001.0	20.0	2.0
Transportation revenues	873.4	895.0	21.5	2.5
Other	107.4	106.0	(1.4)	(1.3)
Operating Expenses	830.1	849.5	19.3	2.3
Personnel costs	215.8	217.5	1.6	0.8
Non personnel costs	416.6	425.5	8.8	2.1
Energy costs	45.2	47.5	2.2	4.9
Maintenance costs	164.0	170.5	6.4	3.9
Miscellaneous costs	207.3	207.5	0.1	0.1
Rental payments, etc.	27.2	28.5	1.2	4.6
Taxes	36.0	37.0	0.9	2.6
Depreciation	134.3	141.0	6.6	4.9
Operating Income	150.7	151.5	0.7	0.5
Non-operating revenues and expenses, net	(14.2)	(14.0)	0.2	(1.7)
Non-operating revenues	7.5	7.0	(0.5)	—
Non-operating expenses	21.7	21.0	(0.7)	—
Recurring Profit	136.4	137.5	1.0	0.7
Extraordinary profit and loss, net	(20.6)	(1.5)	19.1	—
Extraordinary profit	27.6	—	—	—
Extraordinary loss	48.2	—	—	—
Net Income	80.6	95.0	14.3	17.8

Note: Figures in brackets ( ) are negative values.

# Transportation Revenue Forecasts

¥ Billions

Forecasts FY2020.3					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		
Shinkansen	466.6	9.5	2.1	Fundamental trend 0.6%	2.8
				Special factors	
				•Inbound	2.1
				•Pattern of weekdays and weekends	0.7
				•Leap year effect	1.0
				•Rebound from natural disasters etc.	1.8
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	316.7	8.6	2.8	Fundamental trend (0.2%)	(0.5)
				Special factors	
				•Inbound	2.1
				•Pattern of weekdays and weekends	0.4
				•Leap year effect	0.4
				•Rebound from natural disasters etc.	3.4
Other lines	111.5	3.3	3.1	Fundamental trend (0.5%)	(0.5)
				Special factors	
				•Inbound	0.2
				•Pattern of weekdays and weekends	0.1
				•Leap year effect	0.2
				•Rebound from natural disasters etc.	3.1
Conventional lines	428.3	11.9	2.9		
Total	895.0	21.5	2.5		

Note: Revenues from luggage transportation are omitted due to the small amount.

Figures in brackets ( ) are negative values.

# Operating Expenses Forecasts (Non-Consolidated)

¥ Billions

	Forecasts FY2020.3			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	217.5	1.6	0.8	•Improved employment conditions for senior employees (rehired) /contract employees, etc.
Energy costs	47.5	2.2	4.9	•Rebound from natural disasters, etc.
Maintenance costs	170.5	6.4	3.9	•Increase in Capex-related removal work, etc.
Miscellaneous costs	207.5	0.1	0.1	
Rental Payments,etc	28.5	1.2	4.6	•Opening of all sections of Osaka Higashi Line, etc.
Taxes	37.0	0.9	2.6	•Increase in fixed assets tax, etc.
Depreciation and amortization	141.0	6.6	4.9	•Installation of new rolling stock
Total	849.5	19.3	2.3	

Note: Figures in brackets ( ) are negative values.



# Consolidated Financial Forecasts

¥ Billions

	Results FY2019.3 A	Forecasts FY2020.3 B	YoY	
			Increase/ (Decrease) B-A	% B/A-1
Operating Revenues	1,529.3	1,557.5	28.1	1.8
Operating Expenses	1,332.3	1,359.5	27.1	2.0
Operating Income	196.9	198.0	1.0	0.5
Non-operating revenues and expenses, net	(13.6)	(13.5)	0.1	(0.9)
Non-operating revenues	9.4	8.9	(0.5)	—
Non-operating expenses	23.0	22.4	(0.6)	—
Recurring Profit	183.3	184.5	1.1	0.6
Extraordinary profit and loss, net	(26.1)	(6.0)	20.1	—
Extraordinary profit	29.0	—	—	—
Extraordinary loss	55.2	—	—	—
Profit attributable to owners of parent	102.7	118.5	15.7	15.3
Net income per share( ¥ )	533.31	616.06	—	—

Note: Figures in brackets ( ) are negative values.

# Consolidated Financial Forecasts (Segment Information)

¥ Billions

	Results FY2019.3	Forecasts FY2020.3	YoY	
			Increase/ (Decrease)	%
			B-A	B/A-1
<b>Operating Revenues<sup>*1</sup></b>	<b>1,529.3</b>	<b>1,557.5</b>	<b>28.1</b>	<b>1.8</b>
Transportation	953.9	974.2	20.2	2.1
Retail	245.5	237.7	(7.8)	(3.2)
Sales of goods and food services	170.0	156.0	(14.0)	(8.3)
[Accommodation-oriented budget hotels](restated) <sup>*2</sup>	[13.1]	[16.6]	[3.5]	[26.7]
Department stores	67.1	72.5	5.3	8.0
Real estate	148.5	162.3	13.7	9.3
Shopping center	61.5	62.4	0.8	1.3
Real estate lease and sale	84.9	97.9	12.9	15.2
[Real estate sale](restated)	[39.4]	[50.5]	[11.1]	[28.2]
Other businesses	181.3	183.3	1.9	1.1
Hotel	35.6	39.1	3.4	9.7
Nippon Travel Agency	40.5	41.2	0.6	1.6
<b>Operating Income<sup>*1</sup></b>	<b>196.9</b>	<b>198.0</b>	<b>1.0</b>	<b>0.5</b>
Transportation	136.2	136.7	0.4	0.3
Retail	6.1	6.4	0.2	4.2
Sales of goods and food services	4.9	5.0	0.0	1.2
Department stores	1.0	1.1	0.0	7.4
Real estate	35.6	36.3	0.6	1.7
Shopping center	9.6	8.2	(1.4)	(15.0)
Real estate lease and sale	18.2	18.9	0.6	3.6
Other businesses	21.2	21.6	0.3	1.5
Hotel	1.0	1.1	0.0	2.4
Nippon Travel Agency	0.2	0.5	0.2	127.8

Note: Figures in brackets ( ) are negative values.

\*1 The breakdowns of operating revenues and operating income by each segment are the sums of those of major subsidiaries.

\*2 The method of recording revenues has changed due to a change in the contracts with tenant stores in stations from FY2020.3.

This change will not have an influence on operating income.

\*3 Figures in brackets [ ] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (unconsolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

# Each Segment Forecasts

¥ Billions

			Forecasts FY2020.3			Major factors (YoY)
			YoY			
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	156.0	(14.0)	(8.3)	•Change in the method of recording revenues due to a change in the contracts with tenant stores in stations
		Operating Income	5.0	0.0	1.2	
	Department stores	Operating Revenues	72.5	5.3	8.0	•Full-year contribution from renovation opening, etc.
		Operating Income	1.1	0.0	7.4	
Real estate	Shopping center	Operating Revenues	62.4	0.8	1.3	•Full-year contribution from the Kyoto renovation opening, etc.
		Operating Income	8.2	(1.4)	(15.0)	•Partial closure of stores due to renovation work in Okayama station •Closure of stores due to renovation work in Ashiya station
	Real estate lease and sale	Operating Revenues	97.9	12.9	15.2	•Increase in number of residences sold, etc.
		Operating Income	18.9	0.6	3.6	
Other Businesses	Hotel	Operating Revenues	39.1	3.4	9.7	•New opening of HOTEL VISCHIO KYOTO, etc.
		Operating Income	1.1	0.0	2.4	
	Nippon travel agency	Operating Revenues	41.2	0.6	1.6	
		Operating Income	0.5	0.2	127.8	

Note: Figures in brackets ( ) are negative values.

\* 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.

# Other Data

Persons, ¥ Billions

	Results FY2018.3	Results FY2019.3	Forecasts FY2020.3
ROA (% , Consolidated)*1	6.3	6.2	6.1
ROE (% , Consolidated)	11.3	9.8	10.6
EBITDA (Consolidated)*2	356.1	361.3	371.2
Depreciation (Consolidated)	163.5	163.1	172.0
Capital Expenditure (Consolidated, own fund)	169.4	245.3	278.0
Capital Expenditure (Non-consolidated, own fund)	127.8	190.9	209.0
Safety related capital expenditure	83.2	125.2	120.0
Dividends per share ( ¥ )	160	175	190

	Results FY2018.3		Results FY2019.3		Forecasts FY2020.3	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,869	25,291	47,842	24,866	—	—
Financial Expenses, net	(20.2)	(19.6)	(18.8)	(17.7)	(19.0)	(17.3)
Interest and dividend income	0.7	1.2	1.1	2.2	0.8	2.4
Interest expenses	20.9	20.8	20.0	20.0	19.8	19.8

Note: Figures in brackets ( ) are negative values.

\*1 Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

\*2 EBITDA = Operating Income + Depreciation + Amortization of goodwill

1

Results for FY2019.3

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2

Forecasts for FY2020.3

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3

Individual Business Initiatives

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4

Capital Expenditure Plan,  
Returns to Shareholders

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Appendix

# Groupwide Strategies : Capturing Inbound Demand

\*For number of overseas visitors to Japan, etc., please refer to page 37.

## ○ Status of progress with medium-term management plan objectives

	FY19.3 results		FY20.3 objectives		FY23.3 objectives
Consolidated operating revenues	¥46.5 billion	YoY 108%	¥53.3 billion	YoY 115%	¥65.0 billion
Transportation revenues	¥31.1 billion	YoY 110%	¥35.8 billion	YoY 115%	¥45.6 billion
Number of users	1.76 million people	YoY 110%	2.0 million people	YoY 114%	2.6 million people

## ○ Major initiatives

### Improving reception systems

- JR-WEST Online Train Reservation services for overseas (Individual tickets: March 2019, exclusive products: May 2019)  
⇒ **Internet reservations from overseas (exclusive products / individual tickets), accommodating receipt of tickets at green ticket-vending machines.**
- Shinkansen free Wi-Fi (completion of installation planned for FY2020.3)
- Enhancing provision of information in foreign languages (displays/broadcasts in multiple languages, opening Twitter account, etc.)

### Capturing demand on a groupwide basis

- Expanding development of accommodation facilities, renovating hotels and commercial facilities (--> pages 26 to 31)
- Expanding payment methods at department stores, shopping centers, hotels (AliPay, WeChat Pay)  
⇒ **Already introduced at JR Kyoto Isetan (department store) and Granvia, Vischio (hotels). Planning to introduce in shopping centers in entire western Japan area by March 2020 (Already introduced at 2 facilities in Kyoto)**

### Developing and improving wide-area tourism routes

- Establishing new products (collaboration with Universal Studios Japan)
- Setouchi tourism promotion campaign  
⇒ **Developing/enhancing new tourist attractions that meet the varied needs of visitors in accordance with countries and numbers of visits to Japan (including intermodal passenger transportation)**

### Strengthening promotions

- Strengthening PR in Europe, the U.S., and Australia through collaboration with destination management organizations (DMOs)  
⇒ **Global attention on Setouchi area (--> page 37)**
- Expanding sales channels through collaboration with OTA, etc. (Capital tie-ups with GOQUO, WAmazing)



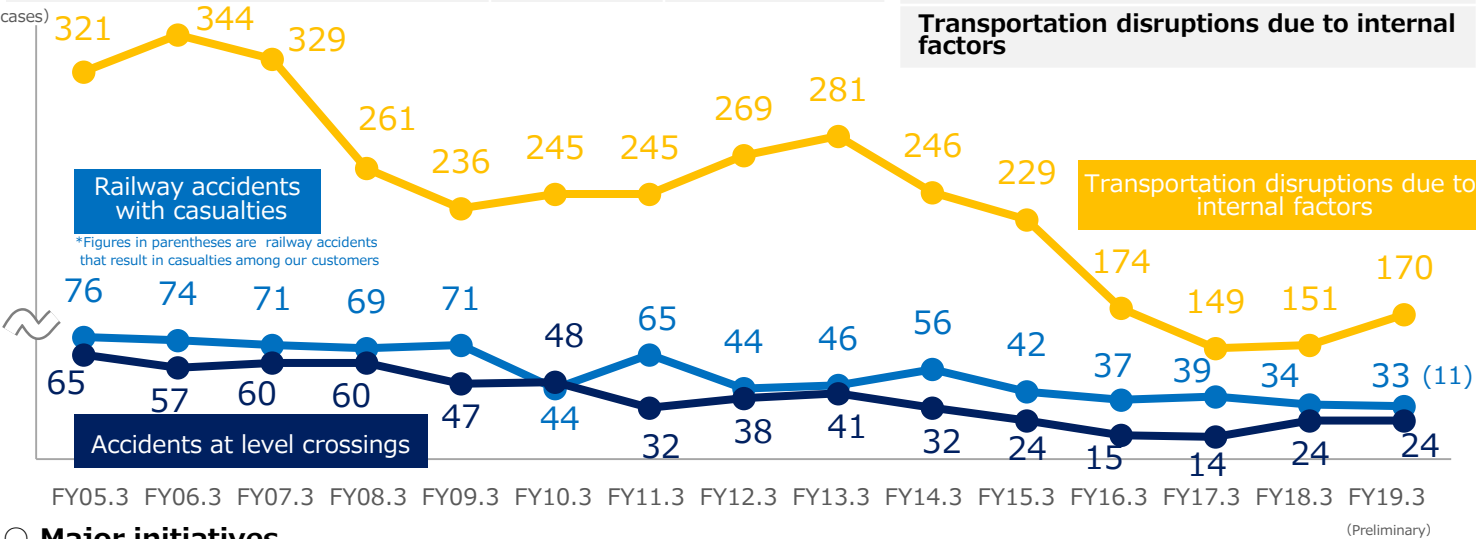
**Maintaining high level of growth by expanding Internet reservations from overseas, expanding payment methods, tourism campaigns, etc.**

# Railway Business : Increasing Safety

## ○ Status of progress with medium-term management plan objectives

\* FY2019.3 results are preliminary figures.

	FY19.3 results	FY23.3 objectives		FY19.3 Results*	FY23.3 objectives
Train accidents that result in casualties among our customers	0 cases	0 cases in 5 year	Railway accidents with casualties among our customers	11 cases	9 cases
Railway labor accidents that result in fatalities among our employees	1 cases	0 cases in 5 year	Accidents at level crossings	24 cases	22 cases
			Transportation disruptions due to internal factors	170 cases	126 cases



## ○ Major initiatives

(Preliminary)

### Pursuing Shinkansen safety

- Introducing new rolling stock (N700A)  
⇒ Introduction to be completed on trains used in direct operation between the Tokaido Shinkansen and the Sanyo Shinkansen within FY2020.3
- Ground-based sensors for detection of bogie abnormalities  
⇒ **Completed installation of first unit in March 2019**  
⇒ **Planning installation of all 10 units by FY2021.3**
- Established Shinkansen Operations Division

### Responding to intensifying natural disasters

(--> page 38)

- Earthquake resistance reinforcement, early detection of earthquakes, derailment prevention
- Slope reinforcement measures (Kansai Urban Area)  
⇒ At time of completion of construction (FY2023.3), expect to be able to reduce restricted train operation time by **approximately 85%**

### Addressing social needs

- Platform gate installation  
⇒ Of 35 stations for which installation is planned by FY2023.3, installation has been completed **at 14 stations**  
\* Including stations at which installation has been completed only on certain platforms

## Revising services and equipment

- Expanding stations at which services have been introduced through remote system call centers
- ◆ Expected expansion of introduction in Kyoto-Osaka-Kobe Area (total of 340 stations)

	Beginning of FY19.3	Future (around FY31.3)
JR Ticket Offices ("Midori-no-madoguchi")	Approx. 180 stations	About 30 stations (centered on strategic stations, Shinkansen stations)
"Plus" green ticket-vending machines*1	Approx. 50 stations	About 100 stations (expansion centered on stations other than those listed above. amount of investment during the medium-term management plan: ¥2.0 billion)
Advanced function ticket vending machines*2	Approx. 70 stations*3	Nearly all staffed stations



\*1 Ticket vending machines that can handle ticket purchases, changes, and refunds. Remote operators available, possible to confirm discount certificates  
 \*2 Ticket vending machines that can accommodate purchases of IC cards as well as the use of credit cards to purchase commuter passes  
 \*3 Including stations with both JR Ticket Offices ("Midori-no-madoguchi") and "Plus" green ticket-vending machine

**Building a system that can continually provide higher levels of safety and customer service with limited staff members at the station**  
**Aiming to reduce total station employees by about 10% (approximately 600 people) by the end of FY2023.3**

## Maintenance system changes

- Introduction of train car status monitoring system (Using ground equipment to automatically ascertain status of train roofs, pantographs, and wheels) ⇒ Completed installation of 1 unit in June 2018, planning to introduce a total of 15 units by FY2022.3



Measurement in operation (Fukichiyama region)



Image taken (train roof)

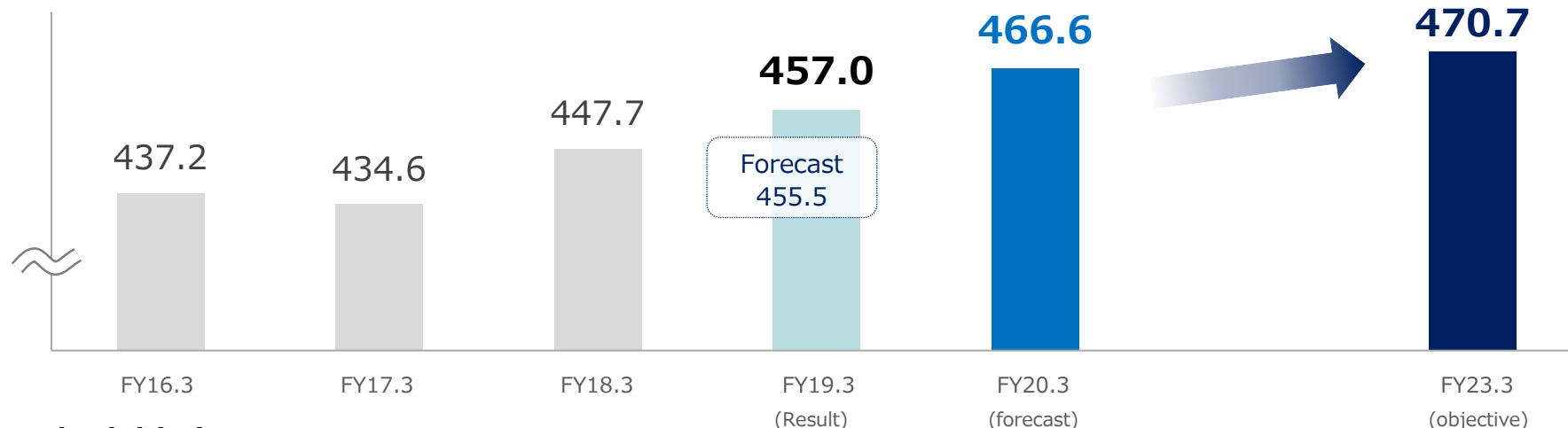
- Fostering innovation through CVC
  - GiXo ⇒ Aiming to establish new maintenance methods through CBM
  - 4D sensor ⇒ Aiming to foster early detection of malfunctioning and labor-saving/increased efficiency in inspections through non-contact, high-precision measurement using 3D measurement technology



# Railway Business : Shinkansen

(Unit: ¥ Billion)

## ○ Trend in Shinkansen revenues (full year)



## ○ Major initiatives

### Safe, reliable transportation (--> page 21)

- Trains used in direct operation between the Tokaido Shinkansen and the Sanyo Shinkansen standardizing on the N700A model (FY2020.3)
- ⇒ Realizing timetables that increase reliability/convenience

### Securing business sustainability

- Hakata Depot renovation
- Establishment of Sanyo Shinkansen maintenance base

Hokuriku Shinkansen  
Tsuruga extension (Spring 2023)

### Enhancing transportation services

- Increase in Mizuho 1 round-trips (March 2019 timetable revision)
- e5489 Corporate Service
  - Internet reservations for corporations (November 2018)
- Expanding area in which e5489 tickets can be received (April 2019)
- New IC boarding service for the Hokuriku Shinkansen (end of FY2020.3)
- Business trip support campaign

### Fostering tourism demand

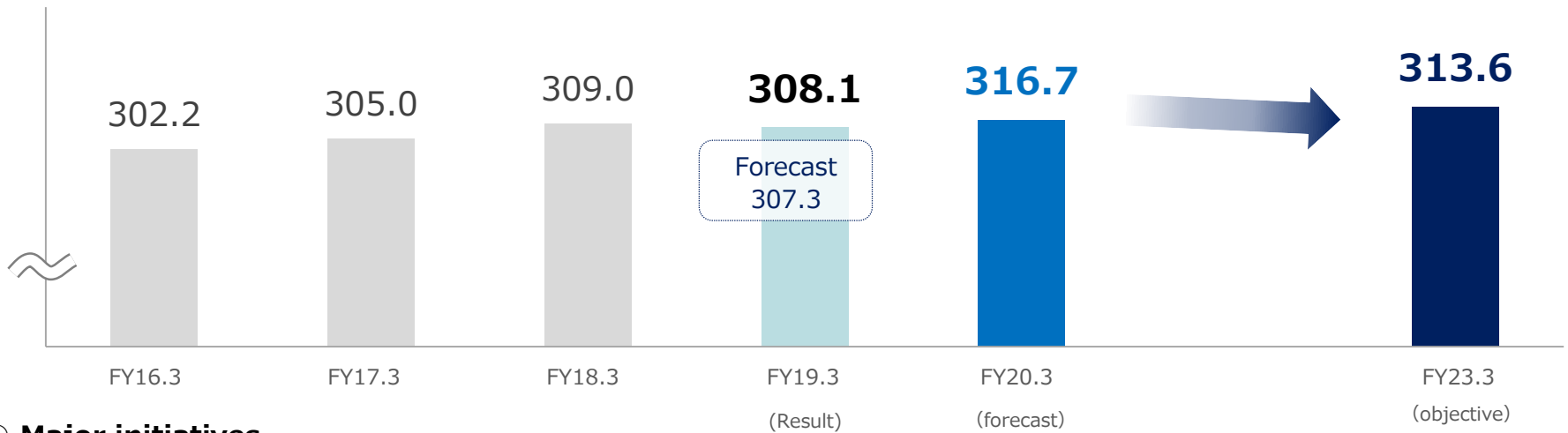
- Tourism campaigns through community collaboration (Setouchi, Hokuriku, etc.)
- Capturing Inbound Demand (--> page 20)



Capturing both business and tourism demand through increases in convenience and various campaigns

## ○ Trend in conventional line revenues (Kansai Urban Area) (full year)

(Unit: ¥ Billion)



## ○ Major initiatives

### Increasing the value of railway belts

- Implementing Groupwide initiatives to develop areas along railway lines (--> pages 26 to 29)
- Opening of Umekoji-Kyotonishi station (March 2019) (--> page 29)
- Opening of all sections of Osaka Higashi Line (March 2019)
- Umekita (Osaka) underground station (Spring 2023)
- Naniwasuji Line (Spring 2031) (--> page 32)

Capturing Inbound Demand (--> page 20)

### Increasing the quality of transportation services

- ICOCA point service
  - PiTaPa post-paid services
  - Special rapid service fee-based seat service—"A Seats"
  - Commuting-hour limited express service—"Raku-Raku Harima"
- (October 2018)
- (March 2019)

### Securing business sustainability

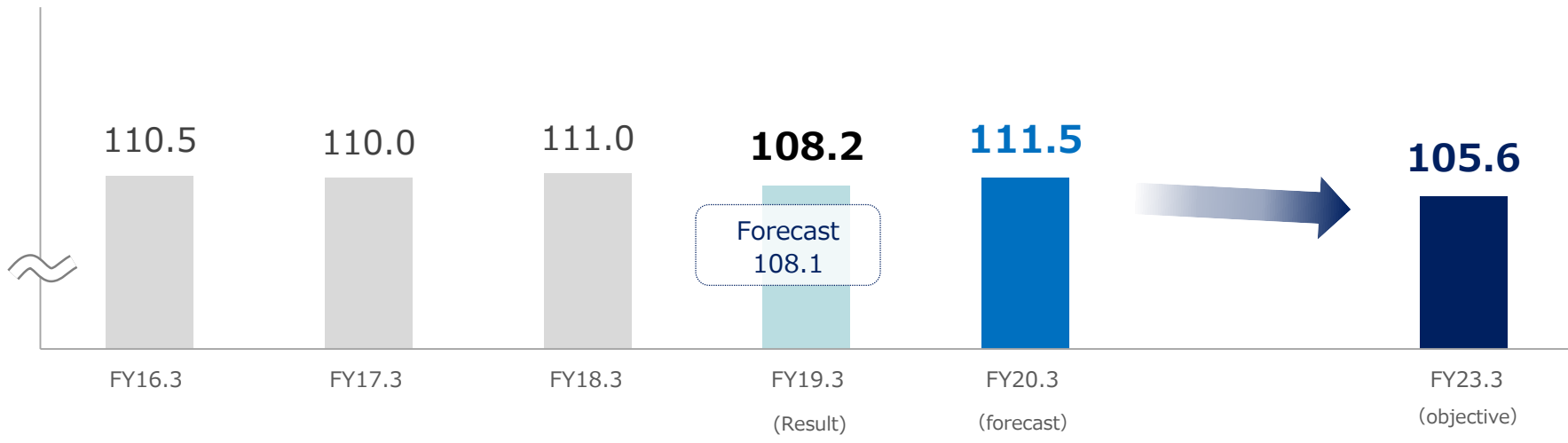
- Suita Depot renovation



**Strongly advancing initiatives to increase the value of railway belts and the quality of transportation services**

○ Trend in conventional line revenues (Other West Japan Area) (full year)

(Unit: ¥ Billion)



○ Major initiatives

**Invigorating communities, centered on tourism**

- Setouchi Palette Project
- Expanding e5489 ticketless service (September 2018)
- WEST EXPRESS Ginga (new long-distance train) (Spring 2020)

**Implementing city development, centered on core cities**

- Hiroshima, Okayama, Toyama, etc. (--> pages 27,30)
- Onomichi new station building (March 2019)



**Realization of sustainable transportation services**

- Converting of the Kibi Line to LRT

**Increasing productivity**

- Onboard IC ticket checking equipment (Sakai Line March 2019, Wakayama Line Spring 2020)
- Wireless automatic train control (ATC) system (Wakayama Line Spring 2023)

**Capturing Inbound Demand (--> page 20)**



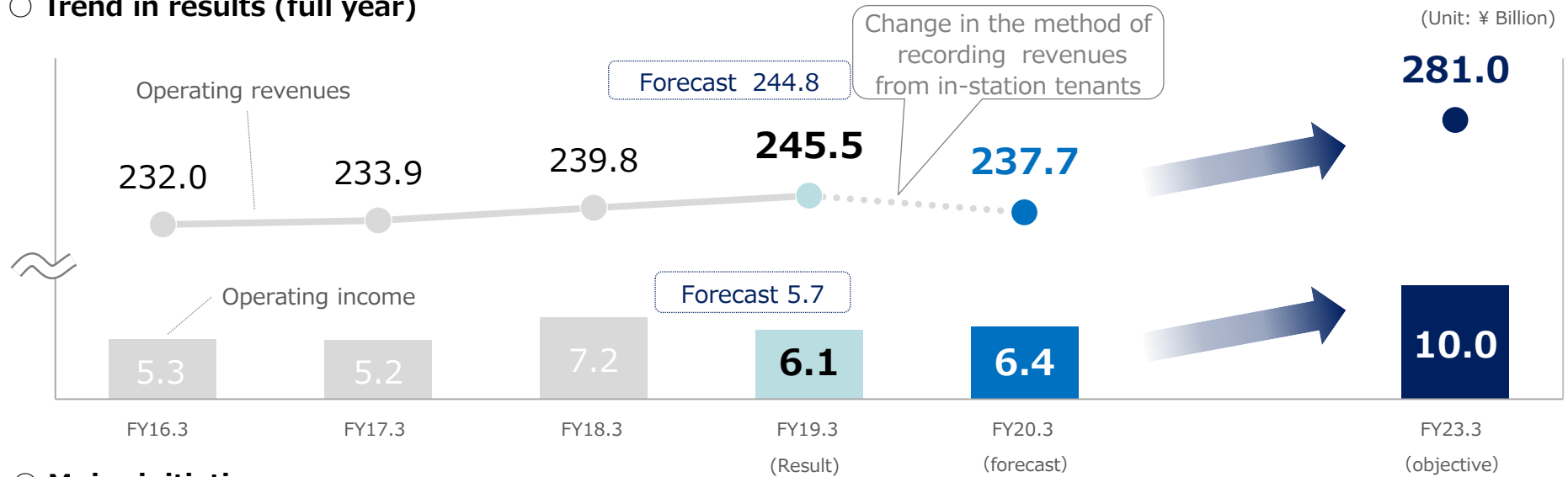
design and produced by Yasuyuki KAWANISHI • ICHIBANSEN / exstations for WEST JAPAN RAILWAY COMPANY ©

**WEST EXPRESS Ginga**  
(Image as of March 2019)

**Contributing to regional invigoration through the realization of city development centered on stations and of sustainable transportation services**

# Non-Railway Businesses : Retail Business

## ○ Trend in results (full year)



## ○ Major initiatives

Sales of goods / food services

**Enhancing asset efficiency**

- Strengthening operating capabilities of Seven-Eleven allied stores  
⇒ FY2019.3 sales **up 40%** \*vs. before conversion
- Kyoto in-station renovation (April 2019) (--> page 29)
- Okayama in-station renovation (Fall 2020)

**Expanding business scale**

- New openings of Seven-Eleven allied stores  
⇒ End of March 2019: Cumulative total of **391 stores**
- New openings of "VIA INN" accommodation-oriented hotels (--> page 28)

Department stores

**Enhancing asset efficiency**

- Large-scale renovation of JR Kyoto Isetan (Spring 2020) (--> page 29)

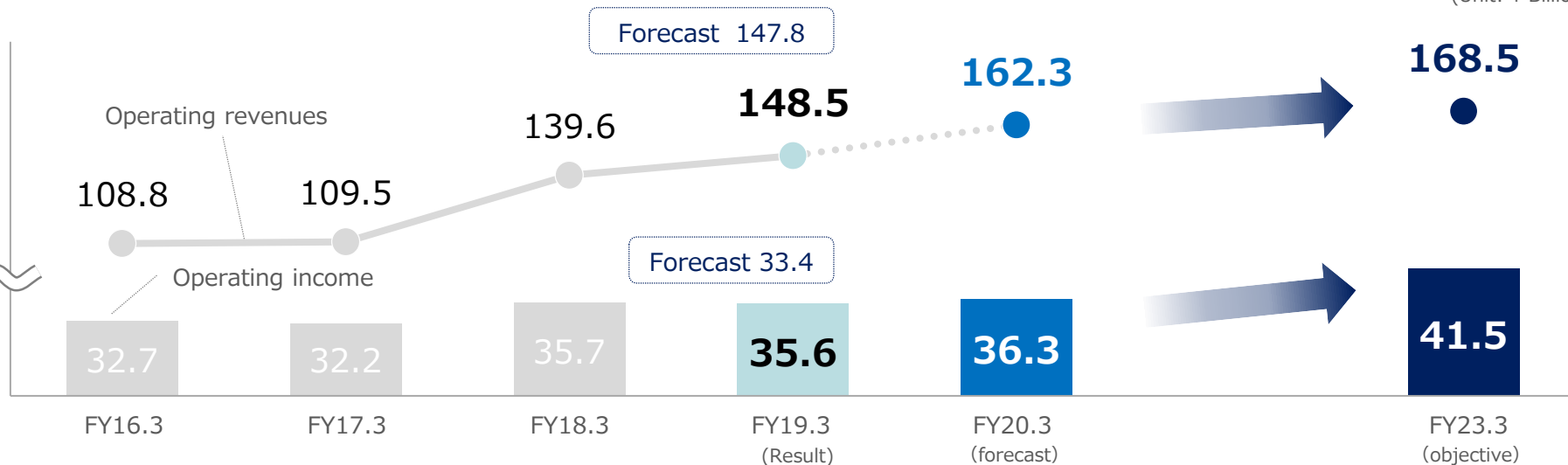


Entrée Marché  
Inside ticket gates at Kyoto Station West Exit (opened March 2019)

**Accelerating growth through in-station renovations and expanded openings of Seven-Eleven allied stores/Via-inn hotels**

## ○ Trend in results (full year)

(Unit: ¥ Billion)



## ○ Major initiatives

Real estate lease and sale  
(--> pages 39 to 40)

### Implementing city development starting from stations

- Business utilizing city-owned site southwest of Toyama Station (Spring 2022)
- Redevelopment project in urban district in front of Okayama Station (FY2026.3)

### Expanding business scale

- Initiatives outside railway service area (Tokyo metropolitan area, Nagoya metropolitan area)

Shopping centers

### Enhancing asset efficiency

- Large-scale renovation
  - Kyoto (April 2019) (--> page 29)
  - Okayama (Fall 2020)
 ⇒ Total floor space after renovation: **approximately 17,500m<sup>2</sup>** (increase of **approximately 3,500m<sup>2</sup>**)
- Hiroshima ekie Phase IV (From summer 2019)
- Rebuilding of station building (Spring 2025)(--> pages 30 to 31)



Image of SUN STATION TERRACE OKAYAMA, north building, 1st floor

**Contributing to increases in regional value and railway belt value through development in stations and in areas surrounding stations**

# Non-Railway Businesses : Hotel Business


\* Information includes non-consolidated hotel operations

## ○ Status of progress with medium-term management plan objectives

	FY19.3 results		FY20.3 targets		FY23.3 targets
External sales	¥48.8 billion	YoY+¥1.4 billion	¥55.7 billion	YoY+¥6.9 billion	¥63.2 billion

\* Consolidated basis (Retail business: "VIA INN" + Other businesses: Hotel operations)

## ○ Major store-opening plans

		FY19.3		FY20.3 ~					FY23.3
<b>Granvia</b> 	Other City hotels	6 hotels	2,270 rooms	【Kyoto】Renovation of entire hotel (~Spring 2020)		【Osaka】Renovation of entire hotel (~April 2022)			Approx. 2,300 rooms
<b>Vischio</b> 	Other High-class accommodation-oriented hotels	2 hotels	590 rooms	【Kyoto】 Opening: May 2019 No. of rooms : 423 rooms  Right : Vischio Left : VIA INN					Approx. 1,400 rooms
<b>VIA INN</b> 	Retail Accommodation-oriented hotels	22 hotels	5,292 rooms	【Kyotoeki Hachijoguchi】  Opening May 2019 468 rooms	【Hakataguchi Ekimae】  Opening June 2019 205 rooms	【Shinsaibashi Yotsubashi】  Opening July 2019 224 rooms	【Tokyo Nihonbashi】 (provisional)  Opening Fall 2019 Approx. 240 rooms	【Hiroshima Shinkansen Gate】 (provisional)  Opening Spring 2020 Approx. 250 rooms	Approx. 6,700 rooms
<b>Potel</b> 	Nonconsolidated Community-oriented casual hotels	—	—	【Umekoji(Kyoto)】 Opening: Spring 2020 No. of rooms: Approx. 140 rooms					Approx. 200 rooms
<b>First Cabin Station</b> 	Nonconsolidated High-end capsule hotels	3 hotels	260 rooms						Approx. 400 rooms

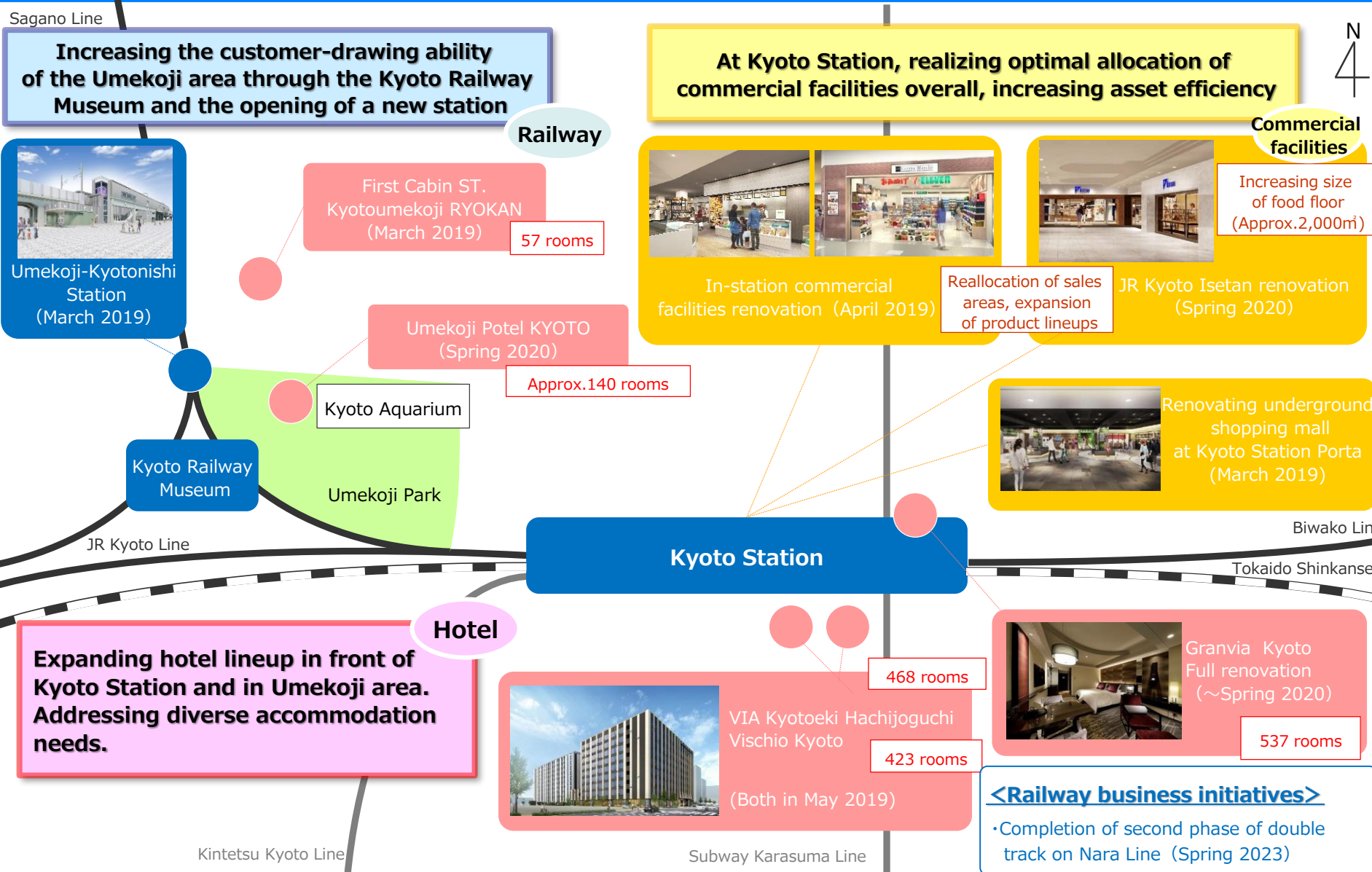
**Total: 8,412 rooms**

**Total: 11,000 rooms**

**Addressing diverse accommodation needs with multiple brands, centered on accommodation-oriented hotels**

# <Topics> Increasing Regional Value/ the Value of Railway Belts : Kyoto

\* For Kyoto Station usage, etc., please refer to page 41



\* For Hiroshima Station usage, etc., please refer to page 42

**Futaba-no-sato  
Land reallocation Project**

**Open promenade /station  
building above the tracks**

(Full opening in October 2017)



**Space above tracks /  
under elevated tracks**

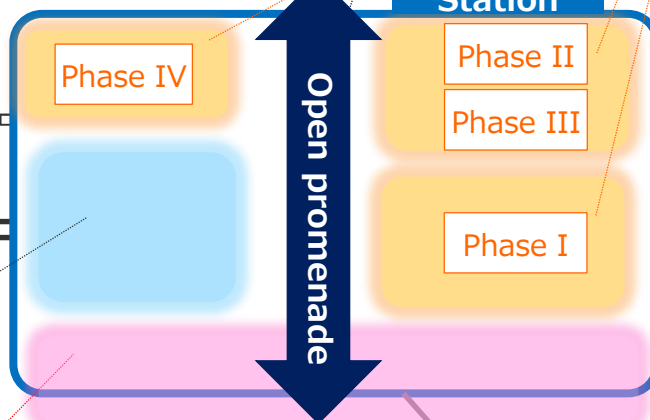
**ekie**

- Commercial facility "ekie"
- <Overview (after full opening)>
- Store floor space : Approx. **10,000m<sup>2</sup>**
- No. of stores : Approx. **130** stores
- <Development schedule>
- Phase I: Sundries, cosmetics, apparel (October 2017)
- Phase II: Food services "ekie DINING," etc. (March 2018)
- Phase III: Food services "ekie BAR," souvenirs "SHIMA SHOWTEN / SHIMA ICHIBA," etc. (September~October 2018)
- Phase IV: Food (From summer 2019)

VIA INN Hiroshima  
Shinkansen Gate  
(provisional)  
(Spring 2020)

Granvia Hiroshima

**Hiroshima  
Station**



**New overpass  
(sky-bridge located inside ticket gates)**

(Joint start of operations  
in November 2014)



Concourse  
inside  
the gates



Entrée Marché Hiroshima  
(June 2017)

**South exit area [Big Three projects]**

- Station building (currently, ASSE) rebuilding plan (Spring 2025) (--> page 31)

Hiroshima  
Electric  
Railway

**<Railway business initiatives>**

- New-model rolling stock (227 series) (March 2015~)
- New station opening (Shin-Hakushima station) (March 2015)
- Kabe Line extension (March 2017)

**Large-scale renovation of entire station, in line with launch of open promenade.  
Significantly increasing convenience and appeal.**



# <Topics> Plan for Rebuilding Hiroshima Station Building (Big Three projects)

## ◆ Illustration of exterior



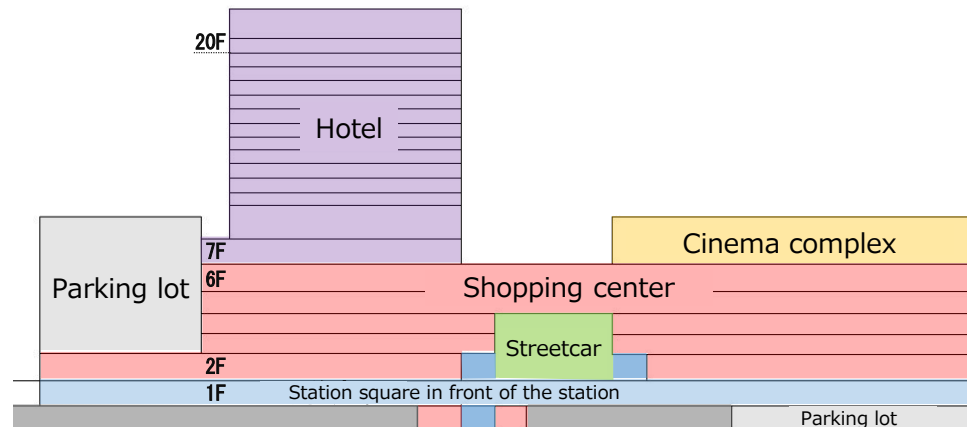
## ◆ Illustration of interior



## ◆ Development overview

- Planned opening : Spring 2025
- Building area : Approx. 14,000m<sup>2</sup>
- Total floor space : Approx. 111,000m<sup>2</sup>
- Scale : Above ground, 20 floors; below ground, 1 floor; height: approx. 100m
- Uses :
  - Shopping center/ Cinema complex (Store floor space: Approx. 25,000m<sup>2</sup>)
  - High-class accommodation-oriented hotel "Vischio" (approx. 400 rooms)
  - Parking lot directly connected to station building (approx. 500 spaces)
  - Parking lot in separate building (approx. 400 spaces)

## ◆ Illustration of floor organization



**Creating appealing spaces that bring together pedestrian sections, commercial facilities, and stations, including station squares**

# <Topics> Long-Term Growth Strategies

## City development initiatives centered on stations

- Large-scale strategic stations:  
Big Three projects (Osaka, Sannomiya, Hiroshima)
- Establishing Kansai metropolitan area brand : Kyoto, Shin-Osaka
- City development initiatives centered on core cities in other West Japan area : Toyama, Kanazawa, Okayama, Onomichi



Spring 2023  
Kanazawa-Tsuruga extension

Timing not yet determined  
Tsuruga - Shin-osaka extension

Establishing Kansai metropolitan area brand

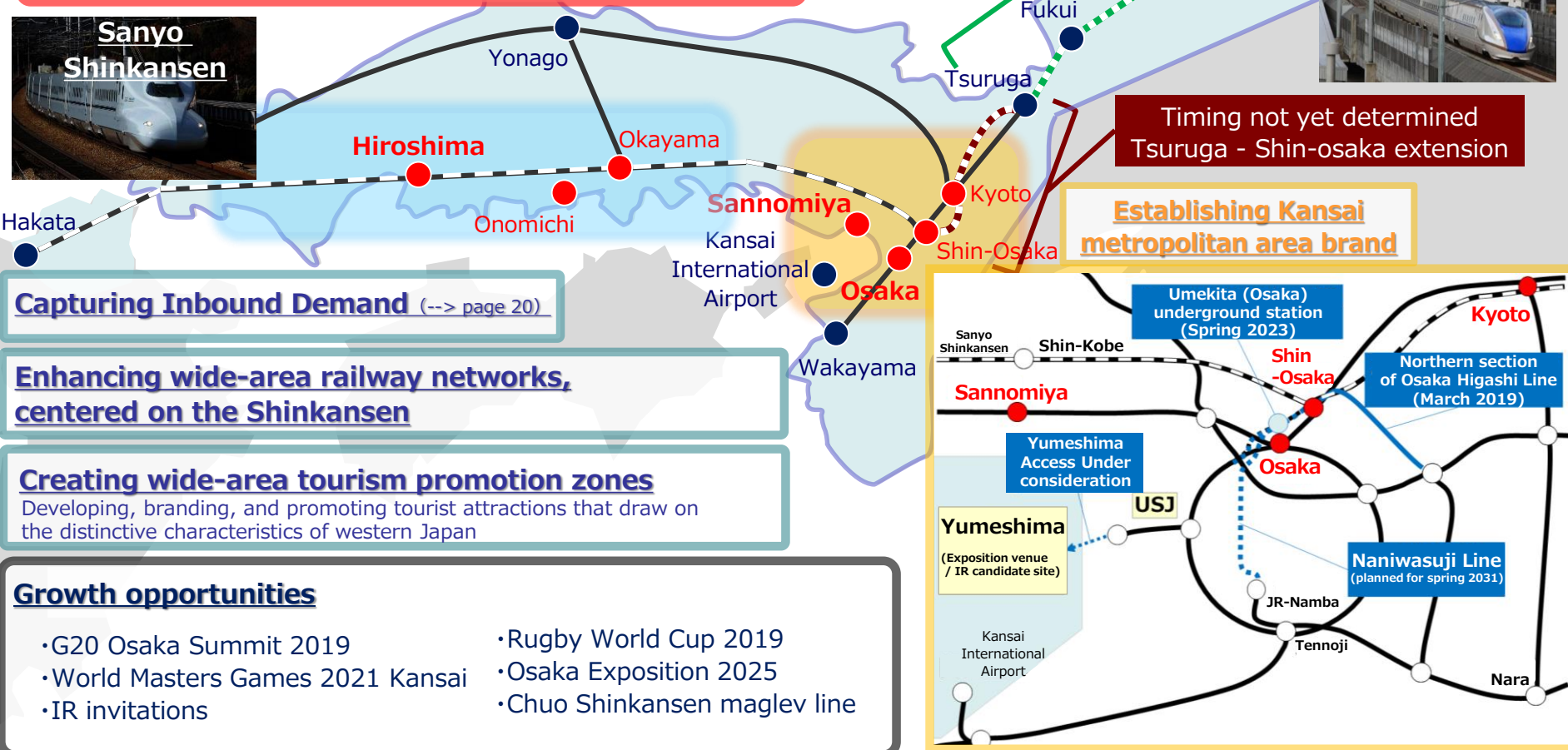
Capturing Inbound Demand (--> page 20)

Enhancing wide-area railway networks, centered on the Shinkansen

Creating wide-area tourism promotion zones  
Developing, branding, and promoting tourist attractions that draw on the distinctive characteristics of western Japan

- ### Growth opportunities
- G20 Osaka Summit 2019
  - World Masters Games 2021 Kansai
  - IR invitations
  - Rugby World Cup 2019
  - Osaka Exposition 2025
  - Chuo Shinkansen maglev line

Advancing wide-area tourism policies centered on the Shinkansen and city development initiatives centered on stations, with a focus on the large number of growth opportunities



1

Results for FY2019.3

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2

Forecasts for FY2020.3

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3

Individual Business Initiatives

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4

Capital Expenditure Plan,  
Returns to Shareholders

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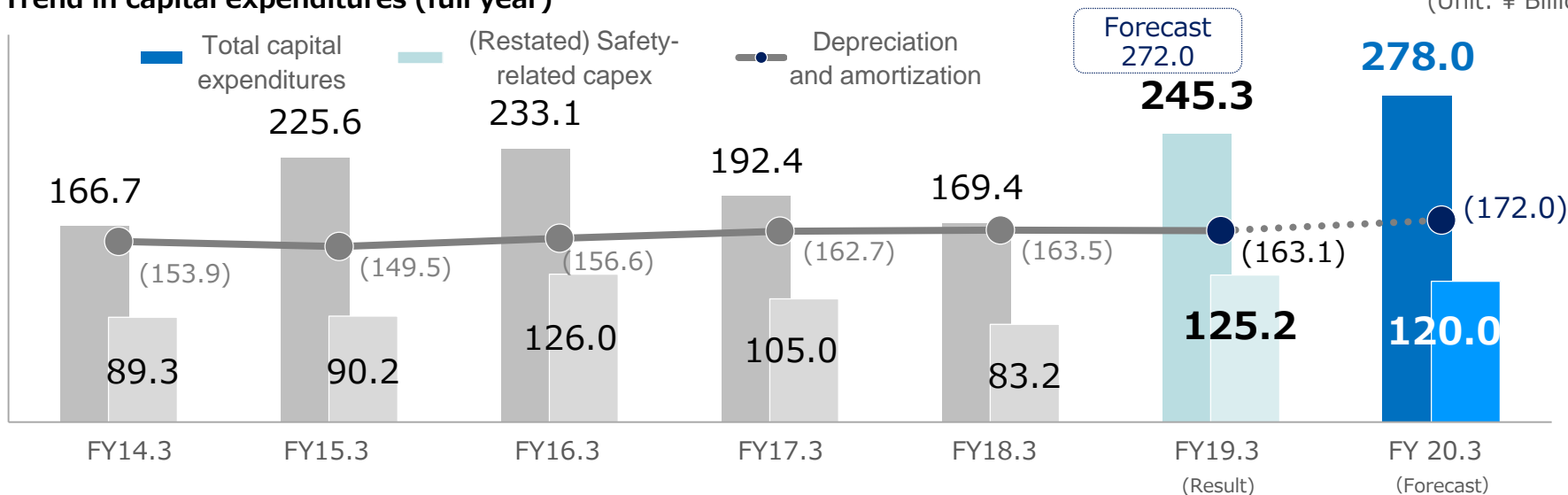


Appendix

# Capital Expenditures

## ○ Trend in capital expenditures (full year)

(Unit: ¥ Billion)



### Total capital expenditure during the medium-term management plan period

**Total: ¥1,270.0 billion**

Capex for growth  
¥460.0 billion

Capex for maintenance and upgrades  
¥810.0 billion

Safety-related capex  
¥530.0 billion

### Results FY19.3

#### By segment

Transportation      ¥ 207.2 billion

Retail                      ¥ 5.6 billion

Real estate                ¥ 44.8 billion

Other businesses        ¥ 8.0 billion

\* Including externally funded construction

### Major capital expenditure projects for FY20.3

#### Capex for growth

- Railway business
  - Increasing Productivity (Station operational systems, etc.)
  - Strategic station development
  - Hokuriku Shinkansen
  - Tsuruga extension
  - Umekita (Osaka) underground station
- Non-Railway Businesses
  - Department store renovations (Kyoto)
  - Lease properties development (Fukushima, Ibaraki, etc.)
  - Shopping centers renovation (Okayama, Ashiya, etc.)
  - New hotel openings (Vischio Kyoto)

#### Safety-related capex

- Rolling stock replacement/renovation
  - Sanyo Shinkansen (N700A)
  - Wakayama region (227 series)
- Safety/disaster-prevention
  - Platform safety measures
  - Further advancing earthquake resistance reinforcement
  - Slope reinforcement measures

Even though the construction work schedule for FY2019.3 was adjusted due to natural disasters, there is no change in the total amount for the medium-term management plan. Steadily implementing necessary investment.

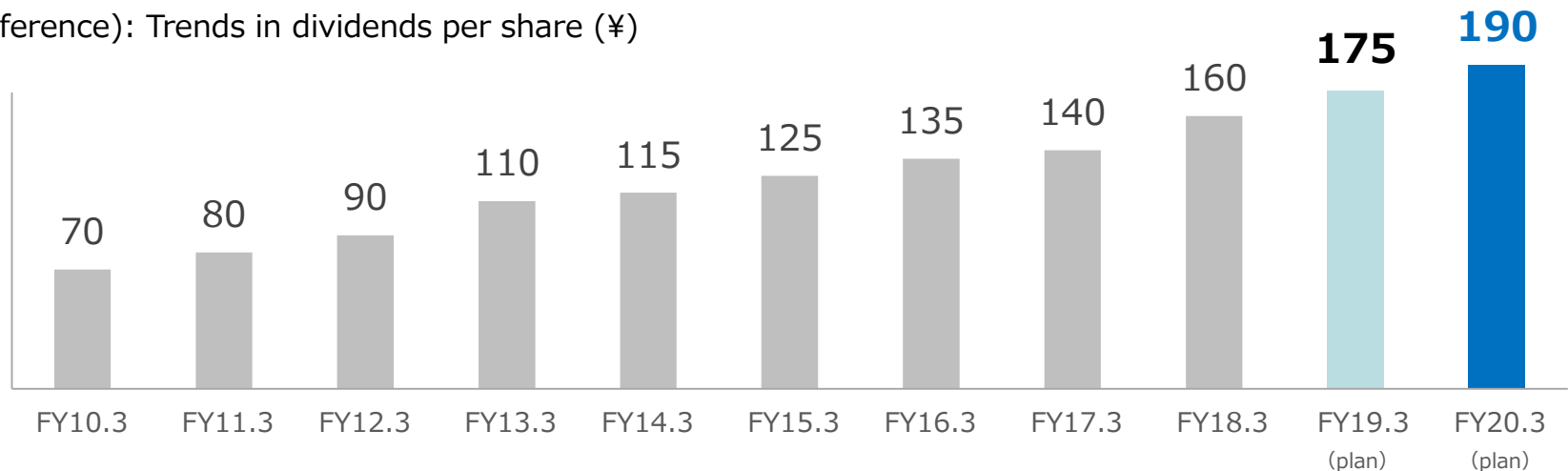
## Shareholder return policy

- We will implement stable dividends, aiming for a **dividend payout ratio of approximately 35% in fiscal 2023.**
- **Over the period of this plan, our yardstick will be a total return ratio of approximately 40%,** and we will make flexible acquisitions of treasury stock.

## Shareholder return in FY20.3

- Planning on dividends of **¥190** per share, an **increase of ¥15.**  
**\*10th consecutive year of higher dividends.**
- Planning to **acquire own shares,** with upper limit of **¥10.0 billion**

(Reference): Trends in dividends per share (¥)



**In accordance with the shareholder return policy, planning to increase dividends for the 10th consecutive year and to acquire own shares**

1 Results for FY2019.3

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2 Forecasts for FY2020.3

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3 Individual Business Initiatives

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4 Capital Expenditure Plan,  
Returns to Shareholders

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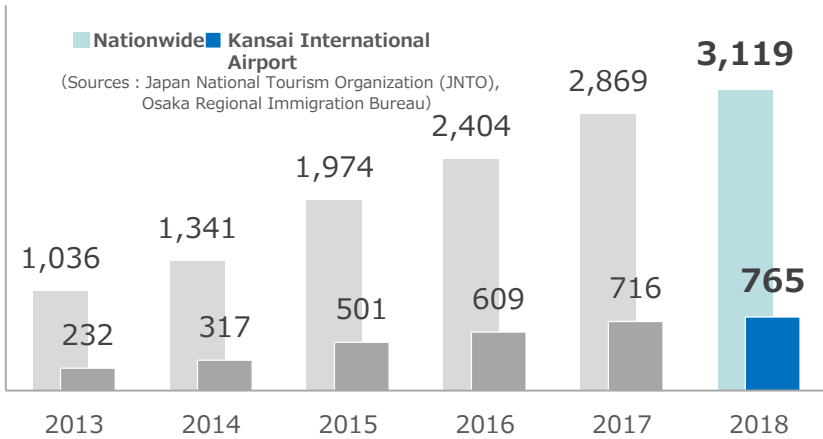


Appendix

(Reference (1))

# Appeal of JR West's Railway Service Area (Capturing inbound demand)

## Number of overseas visitors to Japan (Unit: 10,000 people)



## Increase in number of overseas visitors to western Japan In particular, growth in visits to regional areas.

◆ Number of overseas visitors entering Japan by airport (Unit: 10,000 people)  
(Source: Ministry of Justice)

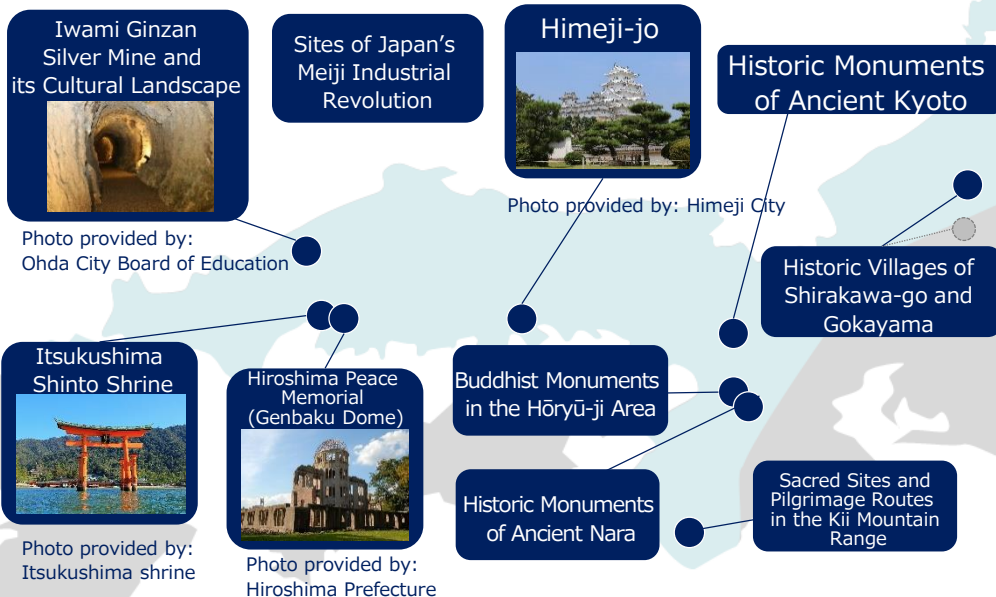
	2013	2018	Growth rate (vs.2013)
Kansai International Airport	232	765	3.3 times
Fukuoka	69	241	3.5 times
Narita	426	856	2.0 times

◆ Number of international visitor guest nights (Unit: 10,000 person-nights)  
(Source: Japan Tourism Agency, accommodation survey)

	2013	2018	Growth rate (vs. 2013)
Western Japan (excluding Kansai Urban Area)	1,067	3,081	3.2 times
Nationwide	3,350	8,859	2.6 times

## Appeal of the western Japan area

JR West's railway service area has approximately 40% of Japan's World Heritage sites (10 of 22)



## Setouchui Area is drawing attention from around the world.

- 「The New York Times」  
→52Places to Go in 2019 No. 7 (Only selection from Japan)
- 「NATIONAL GEOGRAPHIC TRAVELLER (UK)」  
→The Cool List 2019 (Only selection from Japan)  
This year's must-see destinations Best19 No. 1
- 「Fodor's Travel」 「Travel +Leisure」 etc.

## Multiple big events, centered on Kansai

- G20 Osaka Summit 2019
- Rugby World Cup 2019
- World Masters Games 2021 Kansai
- Osaka Exposition 2025

# (Reference (2)) Major Disaster Prevention / Disaster Damage Reduction Measures to Address Natural Disasters

## Earthquake countermeasures Earthquake resistance reinforcement measures

- Measures since the Great Hanshin earthquake (Shear failure type elevated track pillars, bridge collapse prevention measures, etc.) : **almost completed**



Elevated track pillars (Shear failure type)



Bridge collapse prevention measures



Bridge piers

- Measures since the Great East Japan Earthquake (Expanded subject area/buildings to prepare for earthquakes in Tokai, Tonankai, and Nankai regions) : **Approx. 50% completed**



Elevated track pillars (Flexural failure type)



Embankments



Steel bridge piers



Station buildings

- Additional measures that will be advanced in the future (expanding subject lines and structures with consideration for the progress of the measures listed above and for Kumamoto Earthquake / earthquake in northern Osaka Prefecture) (by FY2043.3) Amount of investment : **Approx. ¥240.0 billion**

Amount of investment : Approx. ¥100.0 billion

## Torrential rain countermeasures Slope reinforcement measures (Kansai Urban Area)

- Completed on sections primarily used for local trains on the Biwako Line, JR Kyoto Line, JR Kobe Line; on the Osaka Loop Line; etc. (FY2018.3) Amount of investment : **Approx. ¥4.0 billion**  
⇒ **Approximately 45% reduction** in restricted train operation time during rainfall on subject sections of track

- Expanding to sections, etc., primarily used for special rapid service trains, etc., on the Biwako Line, JR Kyoto Line, and JR Kobe Line (by FY2023.3)  
⇒ **Expect to be able to achieve approximately 85% reduction** in restricted train operation time during rainfall on subject sections of track Amount of investment : **Approx. ¥10.0 billion**



Shin-Osaka Station area

## Wind resilience measures

### Anti-wind barriers (Hokuriku Line, Kosei Line)

- Completed installation on subject sections (FY2019.3)  
⇒ **Reduction of about 60% to 70%** in restricted train operation time due to revision of strong wind regulations





# (Reference (3)) Major Real Estate Lease Properties

## FY19.3 results

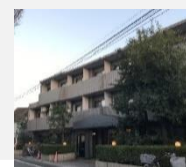
\* Indicates joint business with other companies

### West Japan Area

### Areas outside of Railway service area



Property name	VIERRA Senrioka	Osaka Kita NK Building	VIERRA Kishibe Kento	VIERRA Meimai	VIERRA Kaitaichi	Hiroshima Otemachi NK Building
Location	Suita City, Osaka Prefecture	Osaka City, Osaka Prefecture	Suita City, Osaka Prefecture	Kobe City, Hyogo Prefecture	Aki-gun, Hiroshima Prefecture	Hiroshima City, Hiroshima Prefecture
Uses	Commercial facilities	Hotel, etc.	Commercial facilities, Clinics, hotels, etc.	Commercial facilities, etc.	Commercial facilities, etc.	Hotel
Total floor space	Approx.2,200㎡	Approx.14,000㎡	Approx.27,000㎡	Approx.10,600㎡	Approx.5,600㎡	Approx.4,400㎡
Opening date	April 2018	June 2018	November 2018	November 2018	February 2019	March 2019



Property name	Forest Miyazakidai	REID-C Akihabara	Student Heim Nagoya I	NEIGHBORS MEGURO	VIERRA Court Ayase*	NEIGHBORS Tachikawa
Location	Kawasaki City, Kanagawa Prefecture	Chiyoda-ku, Tokyo Prefecture	Nagoya City, Aichi Prefecture	Meguro-ku, Tokyo Prefecture	Adachi-ku, Tokyo Prefecture	Tachikawa City, Tokyo Prefecture
Uses	Rental condominiums	Offices	Rental condominiums	Rental condominiums	Rental condominiums	Rental condominiums
Total floor space	Approx.3,500㎡	Approx.1,200㎡	Approx.1,900㎡	Approx.1,900㎡	Approx.7,600㎡	Approx.2,100㎡
Opening date	May 2018 acquisition	November 2018 acquisition	December 2018 acquisition	March 2019 acquisition	March 2019 acquisition	March 2019 acquisition

## FY20.3~



Property name	Fukushima-ku 5/7 joint development *	Ibaraki Shinchujo-cho NK Building development	JR Kanazawa Station Nishi Dai-san NK Building development	Kotobashi NK Building development (provisional)	Kyoto-Umekoji NK Building development (provisional)	JRHiroshima Station Northwest NK Building development	Kyoto Higashi Kujo Muromachi NK Building development	Business utilizing city-owned site southwest of Toyama Station
Location	Osaka City, Osaka Prefecture	Ibaraki City, Osaka Prefecture	Kanazawa City, Ishikawa Prefecture	Sumida-ku, Tokyo Prefecture	Kyoto City, Kyoto Prefecture	Hiroshima City, Hiroshima Prefecture	Kyoto City, Kyoto Prefecture	Toyama City, Toyama Prefecture
Uses	Hotel, Commercial facilities	Commercial facilities, Rental condominiums, etc.	Offices	Commercial facilities, etc.	Hotel	Hotel	Hotel	Hotel, Commercial facilities
Total floor space	Approx.11,000㎡	Approx.11,000㎡	Approx.6,100㎡	Approx.8,900㎡	Approx.8,300㎡	Approx.5,700㎡	Approx.3,000㎡	Approx.40,000㎡
Opening date (planned)	May 2019	June 2019	Winter 2019	Winter 2019	Spring 2020	Spring 2020	Summer 2020	Spring 2022

# (Reference(4)) Major Real Estate Sales Properties

## FY19.3 results






\* Indicates joint business with other companies

West Japan Area




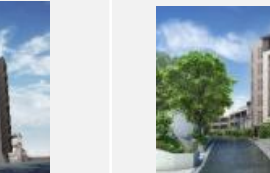
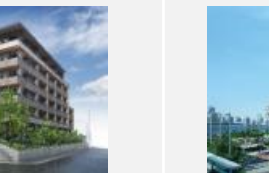
Areas outside of  
Railway service area

								
Property name	J.GRAN L IBARAKI	J.GRAN THE HONOR Shimogamo Tadasunomori	Diaesta Mio Fukumachi Urban	PROUD CITY TSUKAGUCHI MARK SKY*	J.GRAN L RITTO	Urban Shimamoto City*	The Terrace Totsuka Grand Terminal *	Lions Tokai-dori J.GRANDIA*
Location	Ibaraki City, Osaka	Kyoto City, Kyoto Prefecture	Osaka City, Osaka Prefecture	Amagasaki City, Hyogo Prefecture	Ritto City, Shiga Prefecture	Mishima-gun, Osaka Prefecture	Yokohama City, Kanagawa Prefecture	Nagoya City, Aichi Prefecture
Total units	283units	99units	96units	366units	63units	264units	175units	69units
Start of delivery	March 2016	June 2017	October 2017	March 2018	December 2018	February 2019	March 2019	March 2019

## FY20.3~

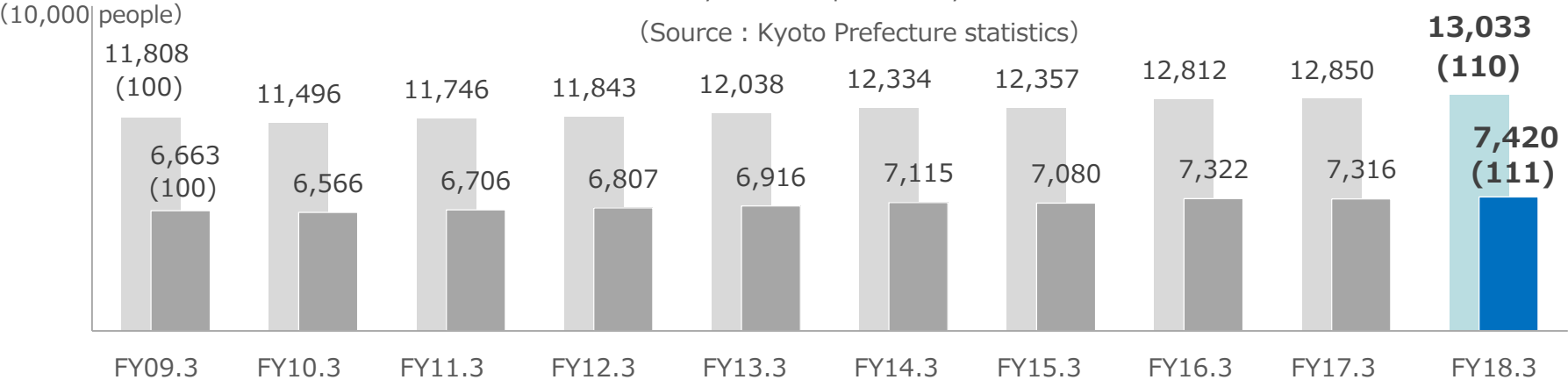
					
Property name	Maya City STATION GATE*	J.GRAN MORIYAMA	J.GRAN TENNOJI DOUGASHIBA	The Parkhouse KOBE TOWER*	J.GRAN City Tsukamoto
Location	Kobe City, Hyogo Prefecture	Moriyama City, Shiga Prefecture	Osaka City, Osaka Prefecture	Kobe City, Hyogo Prefecture	Osaka City, Osaka Prefecture
Total units	118units	73units	39units	352units	312units
Start of delivery (planned)	September 2019	September 2019	September 2019	February 2020	March 2020

					
Property name	J.GRAN MOTOSUMIYOSHI	PREDEAR FUCHUNISHIFU	PREDEAR YOKOHAMAMITSUZAWA	J.GRANDIA HIYOSHI	BRANZ TOWER TOYOSU*
Location	Kawasaki City, Kanagawa Prefecture	Fuchu City, Tokyo Prefecture	Yokohama City, Kanagawa Prefecture	Yokohama City, Kanagawa Prefecture	Koto-ku, Tokyo Prefecture
Total units	41units	20units	51units	86units	1,152units
Start of delivery (planned)	July 2019	September 2019	September 2019	November 2019	March 2022

# (Reference(5)) Kyoto Station Usage, Etc.

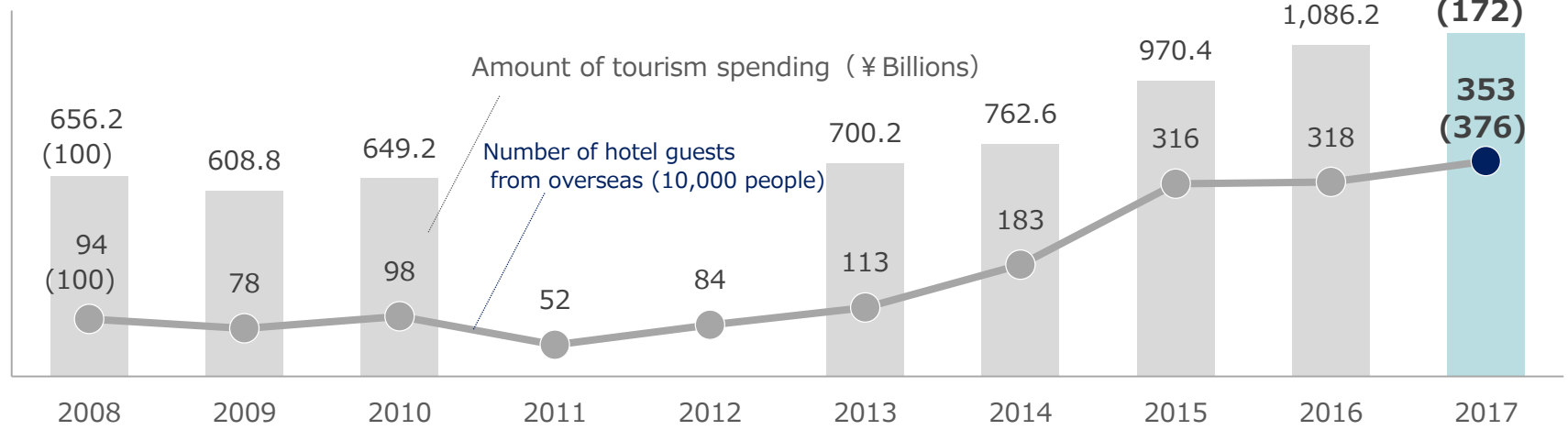
## ○ Trend in number of railway passengers (Kyoto Station)



\* Figures in parentheses show index, with FY2009.3 = 100.

## ○ Trend in amount of tourism spending and number of hotel guests from overseas (Kyoto City)

(Source : Kyoto Prefecture)



\* Figures in parentheses show index, with 2008 = 100.

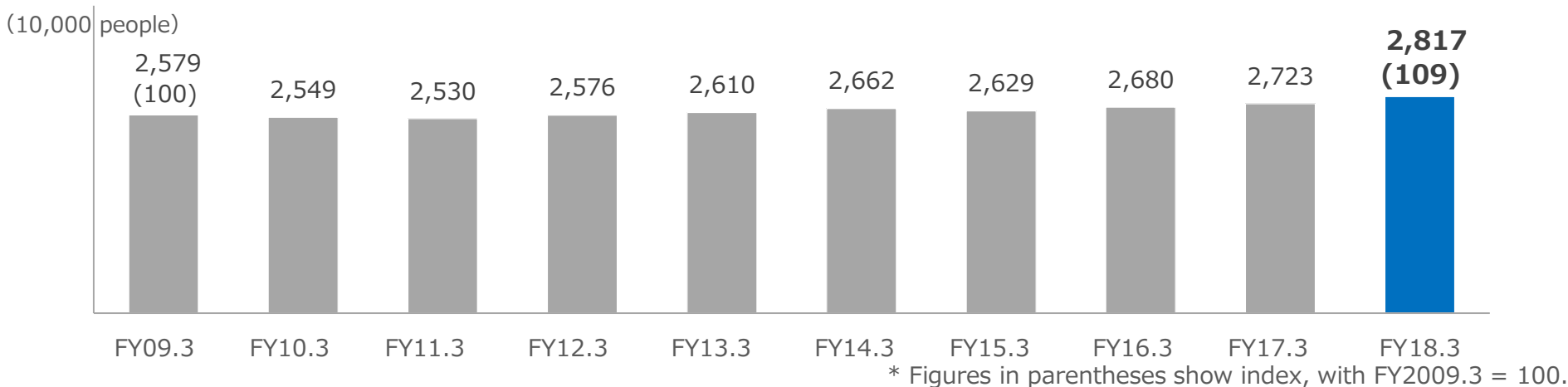
\* The amounts of tourism spending in 2011 and 2012 are not shown.

**Over the past 10 years, the usage of Kyoto Station has increased 11%, and the number of Kyoto City hotel guests from overseas has increased to more than 3.7 times the previous level. 41**

# (Reference(6)) Hiroshima Station Usage, Etc.

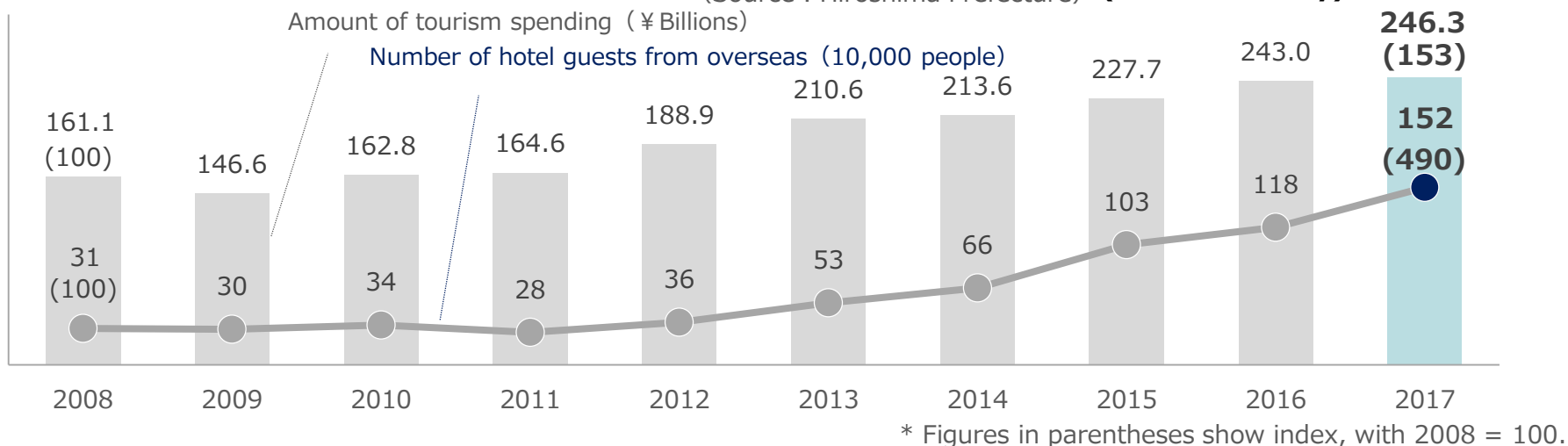


## ○ Trend in number of JR West railway passengers (Hiroshima Station)



## ○ Trend in amount of tourism spending and number of hotel guests from overseas

(Source : Hiroshima Prefecture) (Hiroshima City)



Over the past 10 years, the usage of Hiroshima Station has increased 9%, and the number of Hiroshima City hotel guests from overseas has increased to 4.9 times the previous level.

## Society

- **Safety** (--> pages 21, 38)
- **Human resources and motivation** (--> pages 23 to 32)
  - ◆ Revising wages, work systems, etc. , for fixed-term employees (senior employees (rehired) / contract employees, etc.)
  - Raising base salaries, / diligence allowances, etc., establishing new allowances
  - Revising systems for leave, vacation, etc., establishing work systems that support both child-rearing and work.
  - ◆ Advancing diversity and inclusion
- ⇒ Selected for METI's "Fiscal 2018 New Diversity Management Selection 100 Project"
- Formulating action plan for promotion of women's participation and advancement in the workplace and developing the next generation
- Introducing telecommuting, satellite offices
- Further enhancing reduced-days work system
  - Enhancing systems for train crew members whose work involves overnight stays (about 4 actual days off per week)
- Opening a day care center for employees
- ◆ Advancing health management
  - More than 70% receiving comprehensive physical examinations in FY2023.3, etc.



- **Human rights**
  - ◆ Formulating basic policy on human rights
- **Customer satisfaction**
  - ◆ Enhancing guidance services for overseas customers, etc. (--> page 20)
  - ◆ Advancing easy-to-understand guidance services
  - Enhancing train location services
  - Improving operating status information app
  - Opening official Twitter account
  - Providing tablets for all train crew / major stations for use in offering guidance

## Governance

- **Strengthening corporate governance**
  - ◆ Reducing term of directors (2 years → 1 year)
  - ◆ Considering frameworks related to development of officer candidates, officer nominations, etc.
- **Risk management**
  - ◆ Addressing large-scale events, such as G20, etc.

## Environment

- **Establishing new environmental targets in medium-term management plan 2022**
  - ◆ Energy consumption intensity -3% (FY2023.3 vs FY2014.3)
  - ◆ Percentage of energy-saving railcars: 88% (FY2023.3), etc.
- **Initiatives to help prevent global warming**
  - ◆ Introducing electric power storage equipment (Power supply station in Yasu)

- **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 forwardlooking statements will turn out to be correct. JR-West’s actual results could be materially different from and worse than expectations.**
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  - ❑ **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; and**
  - ❑ **failure of computer telecommunications systems disrupting railway or other operations**
- **All forward-looking statements in this release are made as of May 8, 2019 based on information available to JRWest as of May 8, 2019 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.**