

(Translation)

May 1, 2020
West Japan Railway Company

Financial Results Briefing for the Fiscal Year Ended March 31, 2020
Summary of Question and Answer Session

Q1

How will the Company approach future cost reductions?

A1

In consideration of the current challenging environment, we recognize the necessity of controlling expenses and investment. In the railway business, the share of fixed costs is high, and it is difficult to implement dramatic cost reductions. We will take appropriate steps, such as reducing the number of trains while monitoring usage, even though the cost reduction effects will be limited. Over the medium to long term, we must work to increase productivity by simplifying equipment, etc. Railway safety is our highest priority, and accordingly we will work to maintain safety as we implement meticulous cost controls in a manner that does not have any adverse effect on safety.

Q2

Will the Company consider tenant rent reductions, etc.?

A2

We think that it will be important to protect our supply chain as one part of our basic approach to addressing the novel coronavirus. Our tenants are valuable business partners, and we will consult with them on an individual basis in order to maintain sustainable relationships.

Q3

Is there a possibility that the strategies implemented up to this point will be changed after the spread of the novel coronavirus comes to an end?

A3

After the spread of the novel coronavirus infection comes to an end, we believe that there is a possibility of changes in values and behavior patterns, such as an increased value placed on hygiene and contact avoidance, and heightened demand for gatherings and outdoor activities. In addition, working styles are diversifying, including the use of second offices, and in this environment we will consider how to respond while continuing to focus on those changes.

Q4

In regard to fund-raising, at this point how much is the Company thinking of raising?

A4

Looking at commercial paper, we have already raised ¥100.0 billion. For long-term funds, we will raise funds when discussions are complete. In regard to how much we will raise, we will not disclose a specific amount, but with consideration for the challenging management environment, we will prepare for future circumstances by securing cash reserves.

End