


# Results for The Fiscal Year Ended March 31, 2022



*Making Our Vision into Reality*

May 2, 2022  
**West Japan Railway Company**

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# FY2022.3 Results and FY2023.3 Results Forecasts — Highlights

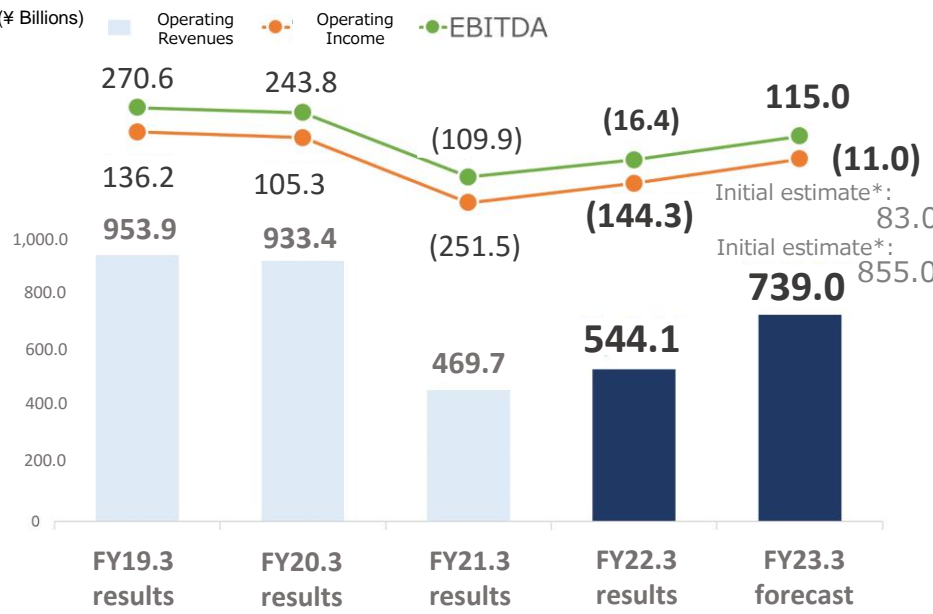
- **In FY2022.3**, the omicron coronavirus variant led to the rapid spread of new infections in the fourth quarter. This had an effect on operating revenues, which were less than the full-year plan. On the other hand, as a result of **progress with cost reductions, which exceeded the planned amounts, results were within the expected range at all levels of profit.**
- **For FY2023.3**, we are planning **a return to profitability for the first time since FY2020.3**, with consolidated operating income of ¥30.0 billion and consolidated profit attributable to owners of parent of ¥58.5 billion. We expect to implement maintenance that had been postponed, to see rising prices, and to record an increase in our revenue-linked expenses. We will continue taking steps to reduce costs, such as increasing **structural cost reductions to ¥20.0 billion** on a non-consolidated basis.

(¥ Billions)

	Results FY21.3	Results FY22.3	YoY		Vs. results forecast		Forecasts FY23.3	YoY		Vs. revised plan
			Increase/ (Decrease)	%	Increase/ (Decrease)	%		Increase/ (Decrease)	%	%
<b>【Consolidated】</b>										
Operating Revenues	920.0	<b>1,031.1</b>	111.0	12.1	(20.8) to (57.8)	(2.0) to (5.3)	<b>1,309.0</b>	277.8	27.0	(9.7)
Operating Expenses	1,165.5	<b>1,150.1</b>	(15.3)	(1.3)	(30.8) to (32.8)	(2.6) to (2.8)	<b>1,279.0</b>	128.8	11.2	(2.4)
Operating Income (Loss)	(245.5)	<b>(119.0)</b>	126.4	-	9.9 to (25.0)	-	<b>30.0</b>	149.0	-	(78.6)
Recurring Profit (Loss)	(257.3)	<b>(121.0)</b>	136.2	-	20.4 to (14.5)	-	<b>13.5</b>	134.5	-	(89.2)
Profit (Loss) attributable to owners of parent	(233.1)	<b>(113.1)</b>	119.9	-	3.3 to (31.6)	-	<b>58.5</b>	171.6	-	(26.9)
EBITDA	(70.8)	<b>42.9</b>	113.7	-	(7.9) to (27.1)	-	<b>193.0</b>	150.0	349.9	(41.5)
<b>【Non-Consolidated】</b>										
Transportation Revenues	419.0	<b>487.6</b>	68.6	16.4	(11.3) to (44.3)	(2.3) to (8.3)	<b>673.0</b>	185.3	38.0	(13.2)
Operating Expenses	740.6	<b>704.6</b>	(36.0)	(4.9)	(18.3)	(2.5)	<b>764.5</b>	59.8	8.5	(2.6)

\* "Vs. revised plan" percentages do not include the influence of the "Accounting Standard for Revenue Recognition"

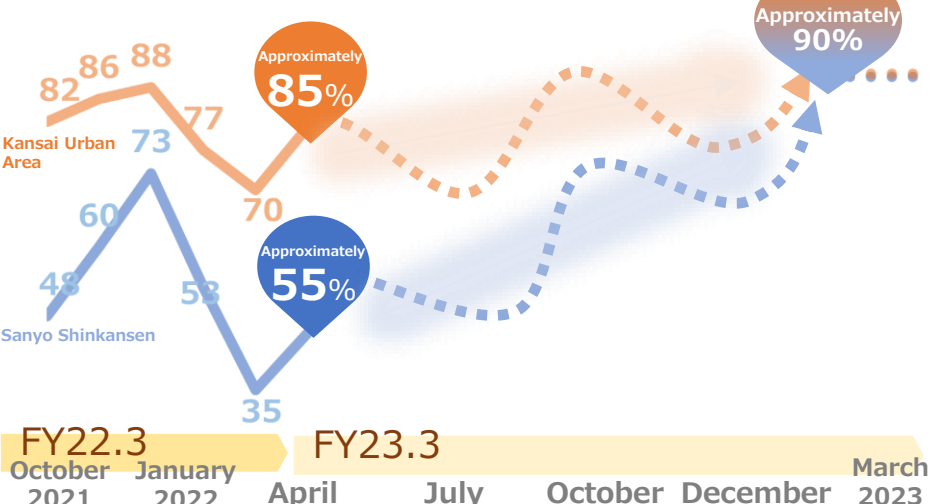
# FY22.3 Results and FY23.3 Results Forecasts — Transportation Operations



\*For FY2021.3 and thereafter, figures are after the application of the “Accounting Standard for Revenue Recognition” (excluding initial estimates for FY2023.3).

## Expectation for FY2023.3 (assumption)

**Sanyo Shinkansen** (Shin-Osaka – Nishi-Akashi segment) / **Kansai Urban Area** (Number of short-haul tickets sold)  
Usage results / expectations (assumptions)



## Operating Revenues

	FY22.3 results	FY23.3 forecast
	544.1	739.0
Of which, non-consolidated transportation revenues	487.6	673.0
Shinkansen	211.6	339.0
Kansai Urban Area	210.7	251.0
Other conventional lines	65.3	83.0

## Operating Income

	FY22.3 results	FY23.3 forecast
	(144.3)	(11.0)

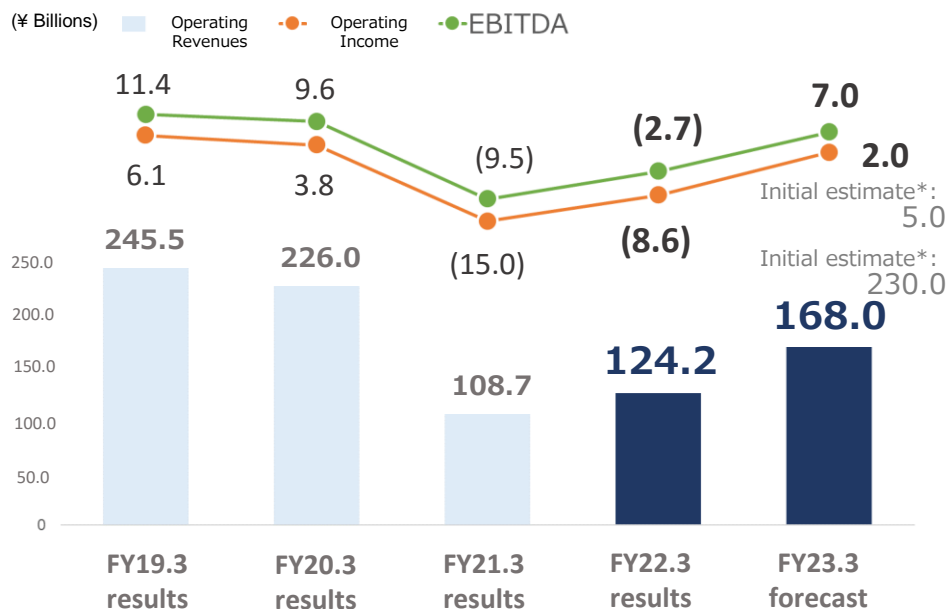
## EBITDA

	FY22.3 results	FY23.3 forecast
	(16.4)	115.0

## Point

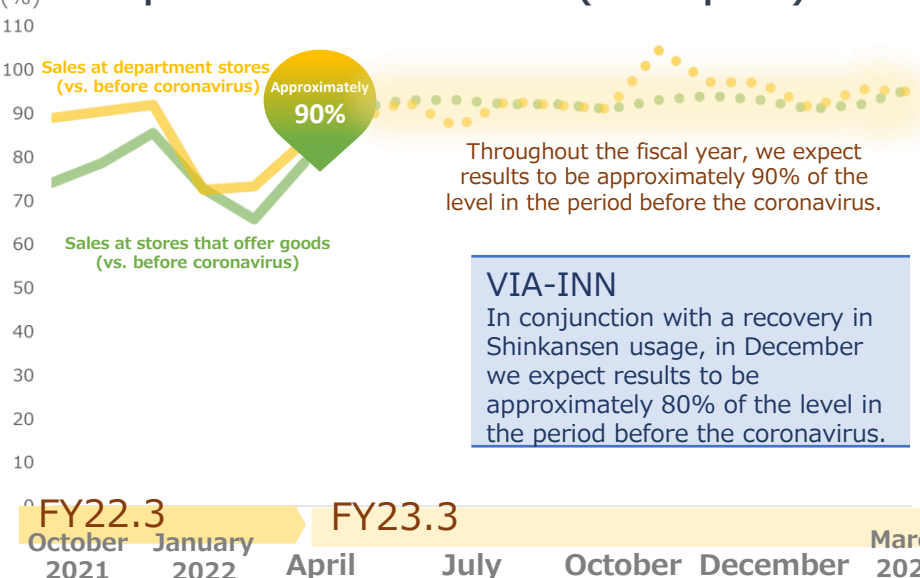
- In FY2022.3, the transportation revenue plan was not achieved due to such factors as the rapid spread of the omicron coronavirus variant in the fourth quarter.
- In FY2023.3, we expect a moderate recovery from the current circumstances (Shinkansen: approximately 55%, Kansai Urban Area approximately 85%), even considering the seventh and subsequent waves of coronavirus infections. Around the end of December, we expect usage to be 90% of the level in the period before the coronavirus.

# FY22.3 Results and FY23.3 Results Forecasts — Retail Business



\*For FY2021.3 and thereafter, figures are after the application of the "Accounting Standard for Revenue Recognition" (excluding initial estimates for FY2023.3).

## Expected sales in FY2023.3 (assumption)



## Operating Revenues (major breakdown) ¥ Billions

	FY22.3 results	FY23.3 forecast
Sales of goods and food services	102.0	139.0
Of which, VIA-INN	6.2	12.5
Department stores	18.1	24.0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## Operating Income (major breakdown) ¥ Billions

	FY22.3 results	FY23.3 forecast
Sales of goods and food services	(7.1)	1.0
Of which, VIA-INN	(4.3)	(2.0)
Department stores	(1.4)	0.5

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## EBITDA (major breakdown) ¥ Billions

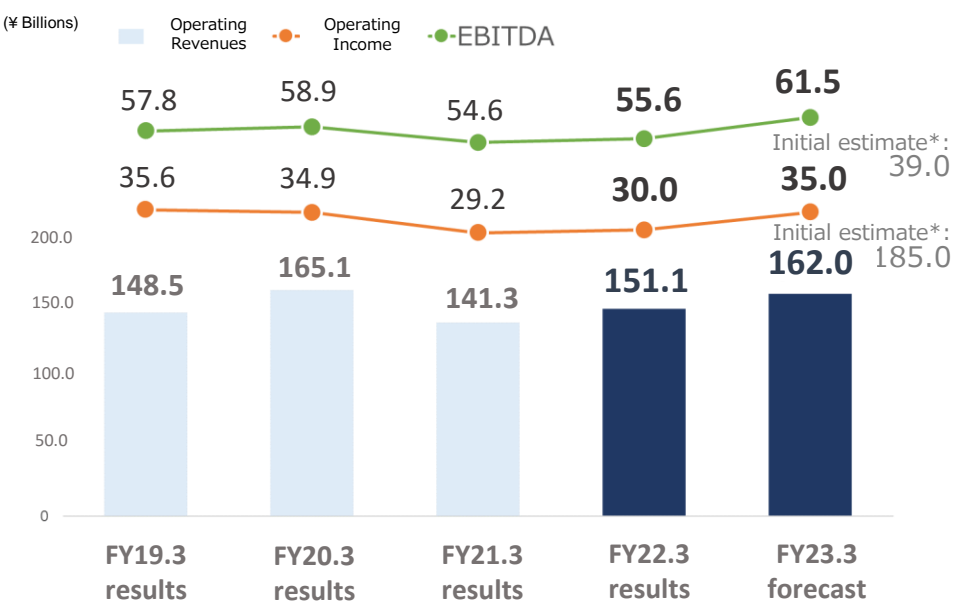
	FY22.3 results	FY23.3 forecast
Sales of goods and food services	(3.1)	5.0
Of which, VIA-INN	(2.5)	(0.2)
Department stores	(0.5)	1.4

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## Point

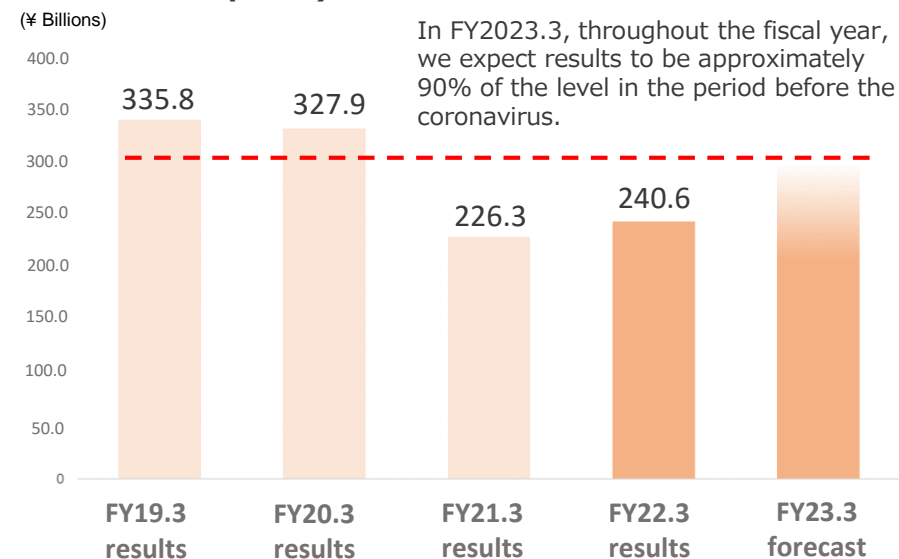
- In FY2022.3, due to the lengthening of the state of emergency in the second quarter, the rapid expansion in infections in the fourth quarter, etc., revenues and profits both were less than the plan.
- In FY2023.3, we expect sales at stores that offer goods and at department stores to be approximately 90% of the level in the period before the coronavirus. On the other hand, for VIA-INN we expect that time will be required for a recovery, and in December we expect results to be approximately 80% of the level in the period before the coronavirus.

# FY22.3 Results and FY23.3 Results Forecasts— Real Estate Business



\*For FY2021.3 and thereafter, figures are after the application of the "Accounting Standard for Revenue Recognition" (excluding initial estimates for FY2023.3).

## Expected shopping center sales in FY2023.3 (assumption)



## Operating Revenues (major breakdown) ¥ Billions

	FY22.3 results	FY23.3 forecast
Real estate lease and sales business	104.0	107.5
Of which, Real estate lease	47.3	50.1
Real estate sales	56.6	57.3

## Shopping center 45.6 54.0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## Operating Income (major breakdown) ¥ Billions

	FY22.3 results	FY23.3 forecast
Real estate lease and sales business	17.2	20.0
Of which, Real estate lease	10.7	12.7
Real estate sales	6.4	7.2

## Shopping center 4.5 7.0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## EBITDA (major breakdown) ¥ Billions

	FY22.3 results	FY23.3 forecast
Real estate lease and sales business	34.9 <sup>*1</sup>	38.5
Shopping center	10.9	14.0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

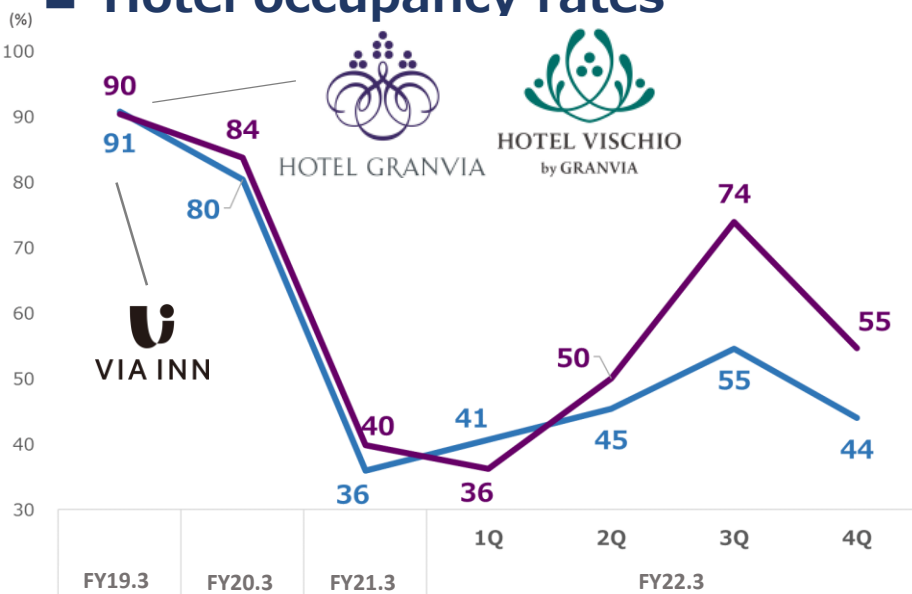
\*1 Revised. Before correction: 33.7.

## Point

- In FY2022.3, in the shopping center business revenues were ¥1.7 billion less than the plan. However, due to cost reductions, etc., profits were ¥600 million more than the plan. The real estate business was basically in line with forecasts.
- In FY2023.3, we are planning for higher sales and profits year on year due to an increase in sales to investors and to a recovery in variable rents.

# FY22.3 Results and FY23.3 Results Forecasts — Other Businesses

## Hotel occupancy rates



\* The VIA-INN brand of accommodation-oriented hotels is included in the retail business.

## Expectation for FY2023.3 (assumption)

### 【Hotel business】

- As of April, current occupancy rates were approximately 70% of the level in the period before the coronavirus.
- Accompanying a recovery in railway demand, in the fourth quarter we expect results to be approximately 90% of the level in the period before the coronavirus.

### 【Travel business】

- As of April, reservations for domestic travel products were approximately 30% of the level in the period before the coronavirus.
- Accompanying a moderate recovery in travel demand, at the end of December 2022 we expect revenues from domestic travel to be approximately 60% of the level in the period before the coronavirus.

## Operating Revenues (major breakdown)

¥ Billions

	FY22.3 results	FY23.3 forecast
Hotel business	18.5	31.5
Travel business	95.9	111.0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## Operating Income (major breakdown)

¥ Billions

	FY22.3 results	FY23.3 forecast
Hotel business	(9.0)	(4.0)
Travel business	2.4	0

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## EBITDA (major breakdown)

¥ Billions

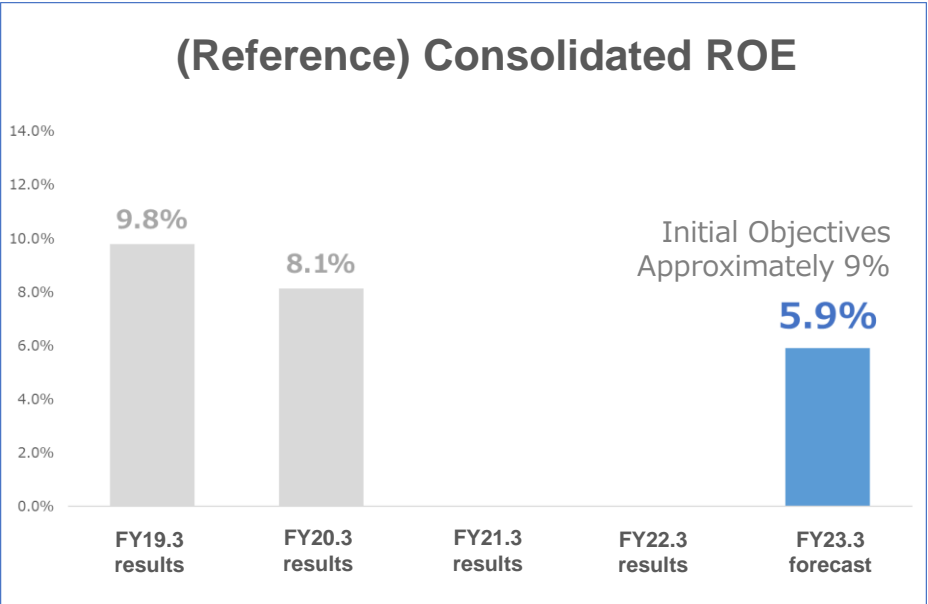
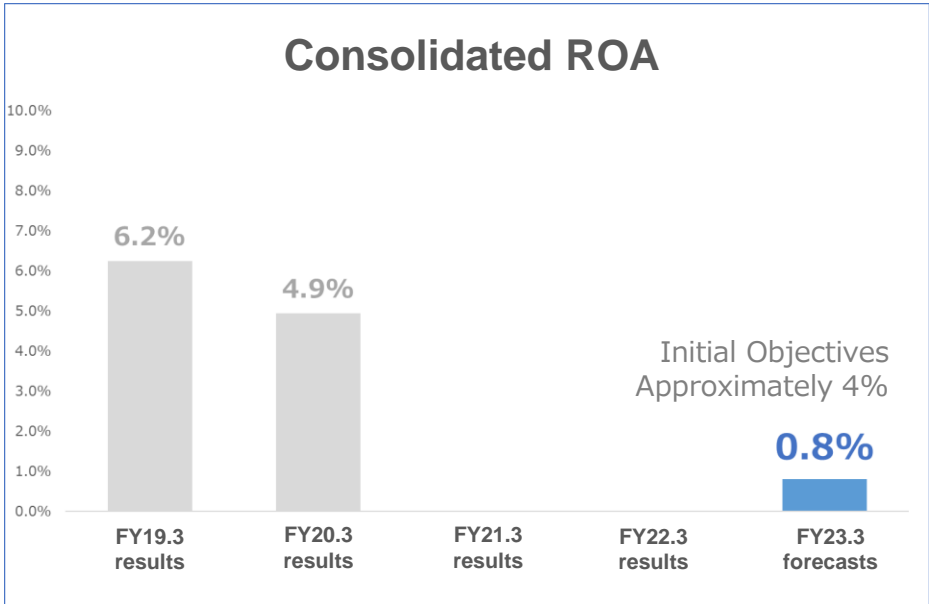
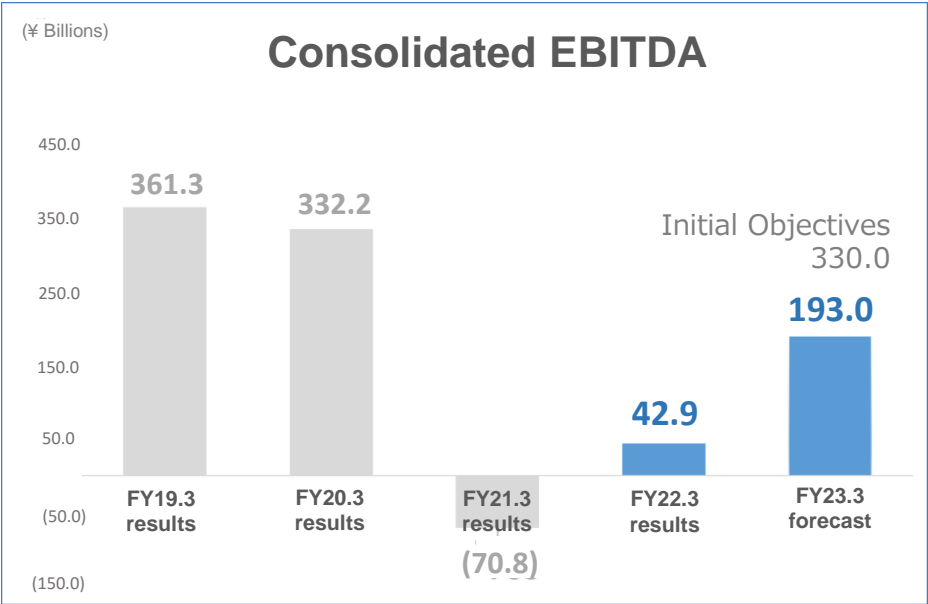
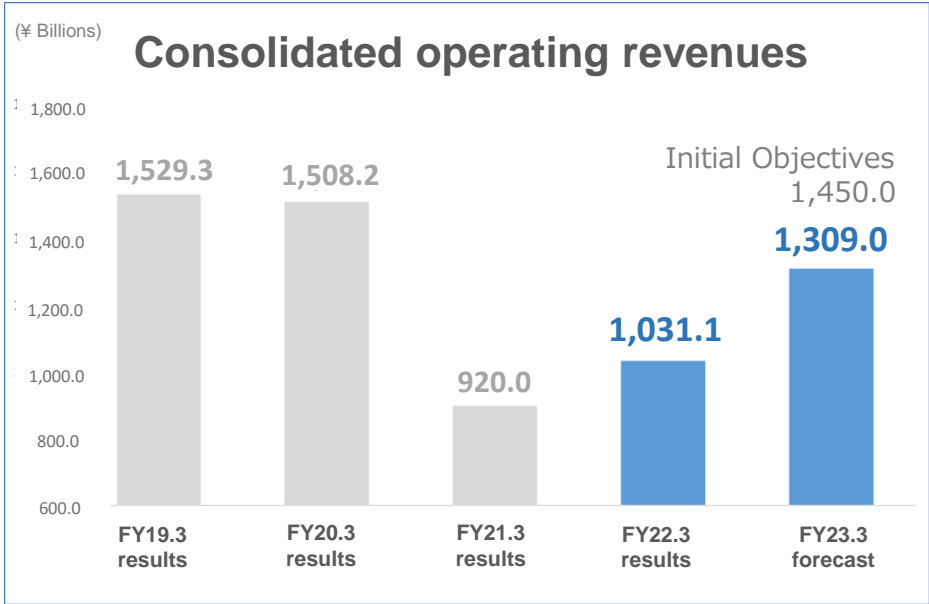
	FY22.3 results	FY23.3 forecast
Hotel business	(5.5)	(0.5)
Travel business	2.8	0.4

\* The breakdowns of the figures for each segment are the sums of the figures of major subsidiaries and do not match the segment totals.

## Point

- In FY2022.3, the hotel business was significantly affected by the declaration of a state of emergency, the new spread of infections, etc.  
On the other hand, in the travel business, due to the progress of structural reforms and expansion in the receipt of orders in the solutions business, results significantly exceeded the plan.
- In FY2023.3, we expect that time will be required for a recovery in the hotel business and travel operations, and in addition, in the solutions business, we expect a rebound from the previous year.

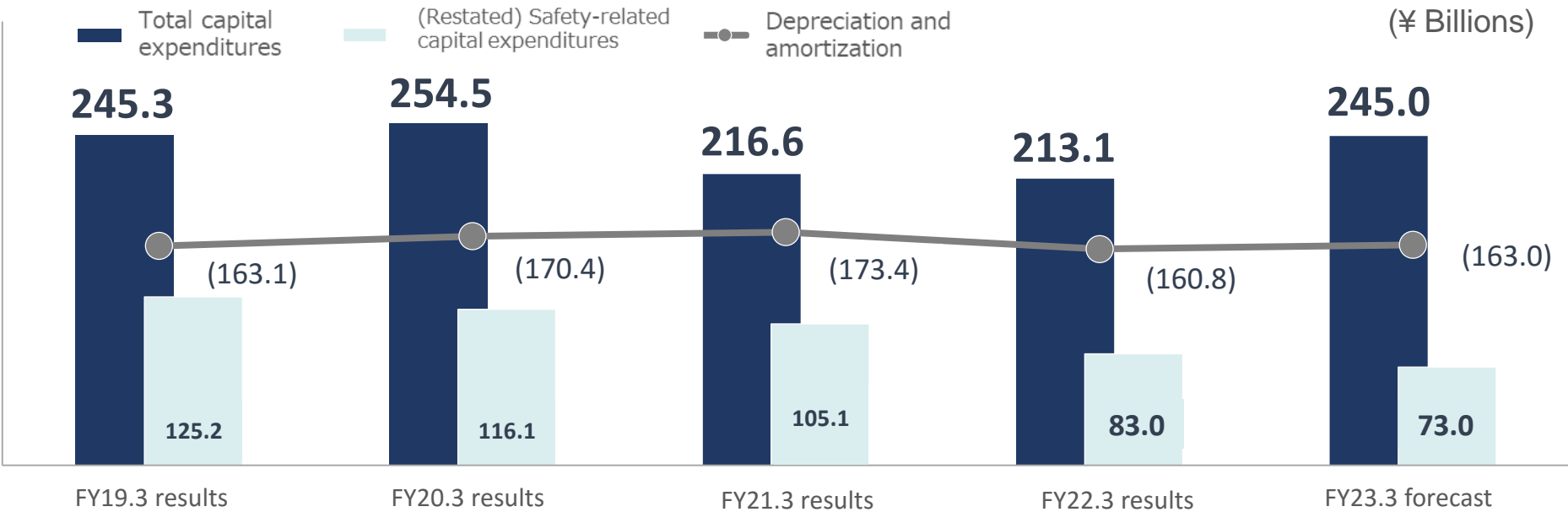
# Management Indices (KPI)



\*For FY2021.3 and thereafter, figures are after the application of the “Accounting Standard for Revenue Recognition” (excluding initial estimates for FY2023.3).

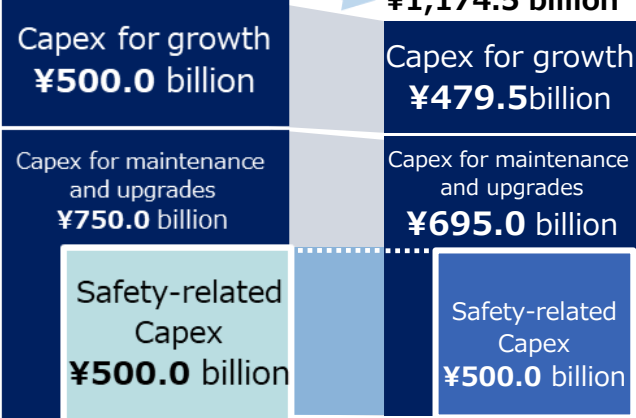
# Capital Expenditures

## ○ Trend in capital expenditures (full-year)



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

Planned amount: ¥1,250.0 billion  
Anticipated amount: ¥1,174.5 billion  
(75.4 billion difference)



### FY2022.3 full-year results

#### By segment

Transportation	¥168.4 billion
Retail business	¥1.9 billion
Real estate business	¥61.3 billion
Other	¥5.2 billion

• Including externally funded construction ¥23.7billion

### Major capital expenditure projects for FY2023.3

#### Capex for growth

- Railway business
  - Sanyo Shinkansen N700S
  - Hokuriku Shinkansen W7 series
  - Mobile ICOCA (provisional name)
  - Umekita (Osaka) underground station

#### Safety-related capex

- |                                      |                                       |
|--------------------------------------|---------------------------------------|
| Rolling stock replacement/renovation | • Safety/disaster-prevention measures |
| - 225 series, etc.                   | - Platform safety measures            |
|                                      | - Earthquake countermeasures, etc.    |

# Shareholder Return

## Shareholder return policy in the revision of the Medium-Term Management Plan 2022

○ **We will implement stable dividends, aiming for a dividend payout ratio of approximately 35% in FY 2023.3.**

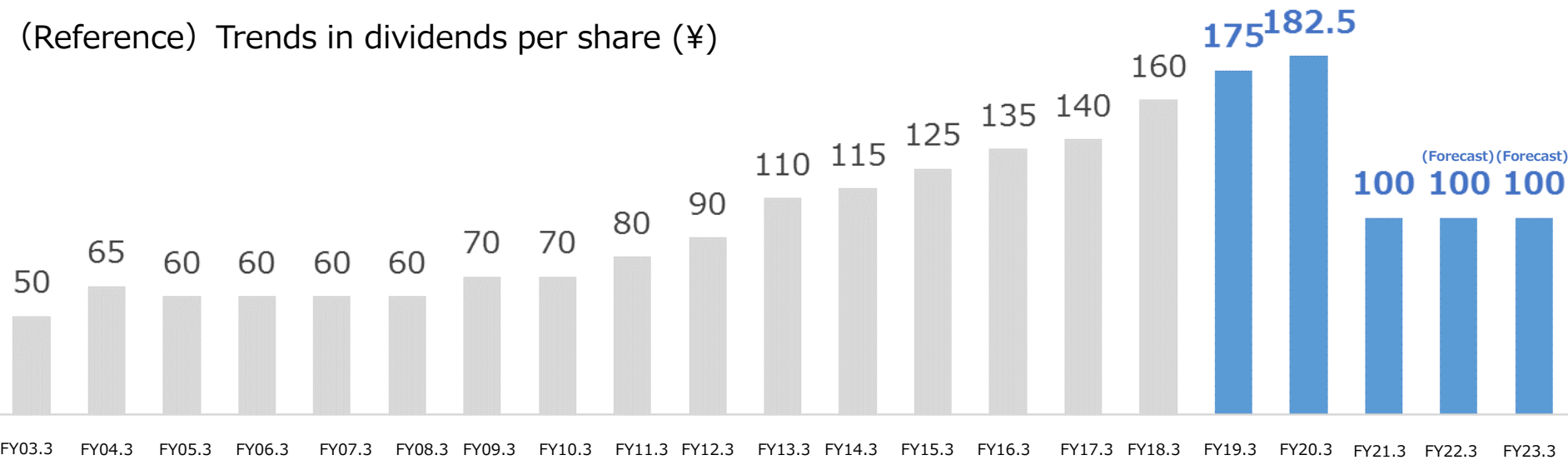
• Maintain policy of “emphasizing stable dividends over the long term,” even in a challenging management environment ”

## Shareholder return in FY 2022.3 and FY 2023.3

- **FY2022.3: The dividend forecast of ¥100 per share (full-year) is unchanged** (year-end dividend: ¥50 per share).
- **FY2023.3: In accordance with policy of emphasizing stable dividends over the long term, planning ¥100 per share (annual dividend)**

(Interim dividend: ¥50 per share; year-end dividend: ¥50 per share \*Both are plans)

(Reference) Trends in dividends per share (¥)



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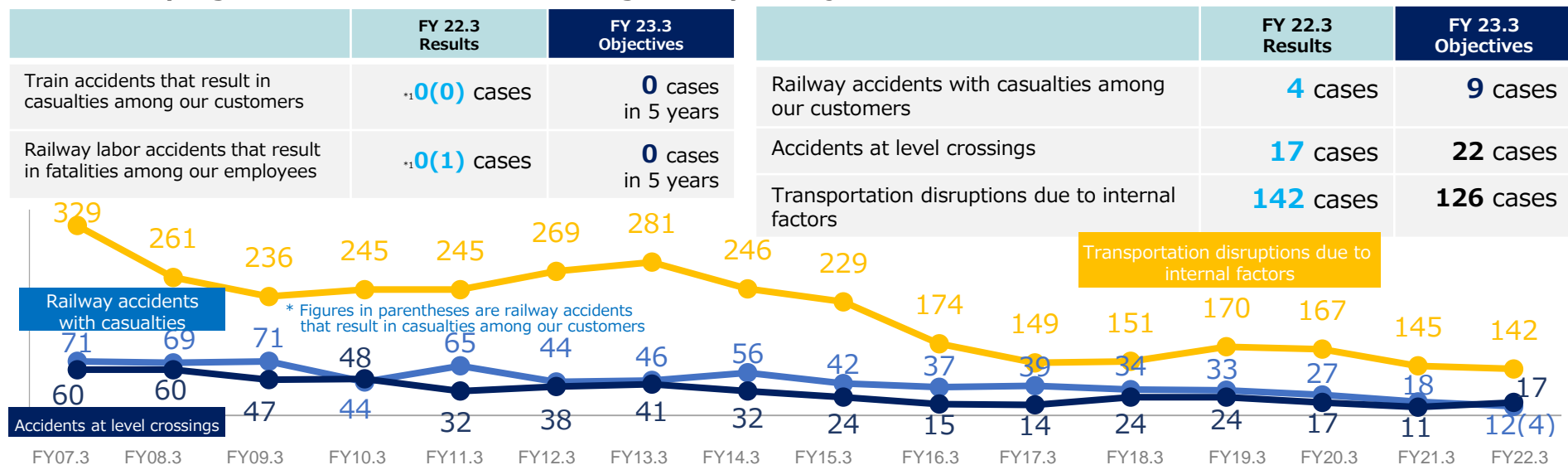
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# Safety

- **Safety is our most important strategy and is the foundation of management.**
- We are working to further enhance safety and to implement railway labor accident countermeasures through the use of new technologies.

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

\*1 Figures in parentheses are cumulative total from FY2019.3



Building frameworks for securing safety on a Companywide basis and establishing a corporate culture in which safety is the highest priority.

### Natural disaster countermeasures (disaster prevention / damage reduction)

- Initiatives to reduce time required for customers to disembark from trains in the event of an earthquake
- Implementation of Shinkansen earthquake-resistance measures, installation of derailment prevention guards

### Railway rolling stock safety measures

#### ■ Installation of security cameras inside conventional-line rolling stock

- Aiming for installation on approximately 50% of rolling stock operated in the Kyoto-Osaka-Kobe area by March 2024

### Measures to prevent the spread of the novel coronavirus pandemic

- Anti-viral and anti-bacterial processing in stations and on trains
- Installing air cleaners on limited express railcars
- Expanding the routes for which real-time congestion information provision service is available
  - In addition to Osaka Loop Line and JR Yumesaki Line, expanding to JR Kyoto and Kobe lines, JR Takarazuka Line, Hanwa Line, etc.

### Safety measures for crossings and platforms

#### ■ Developing platform safety screens, implementing verification in preparation for practical use

- Installing in multiple stations in FY2023.3, subsequently expanding further

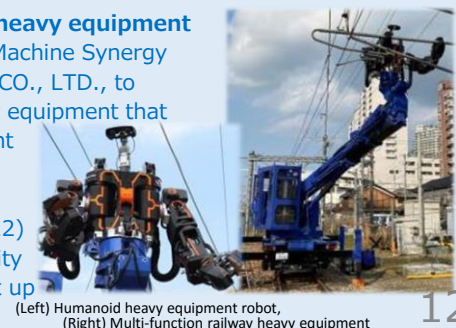
### Railway labor accident countermeasures

#### ■ Developing multi-function railway heavy equipment

- We are working together with Man-Machine Synergy Effectors, Inc., and NIPPON SIGNAL CO., LTD., to develop multi-function railway heavy equipment that combines humanoid heavy equipment robots and rolling stock for use in railway construction work.

(implementation testing from April 2022)

- We are aiming to enhance productivity and safety by mechanizing work that up to now has required human labor.

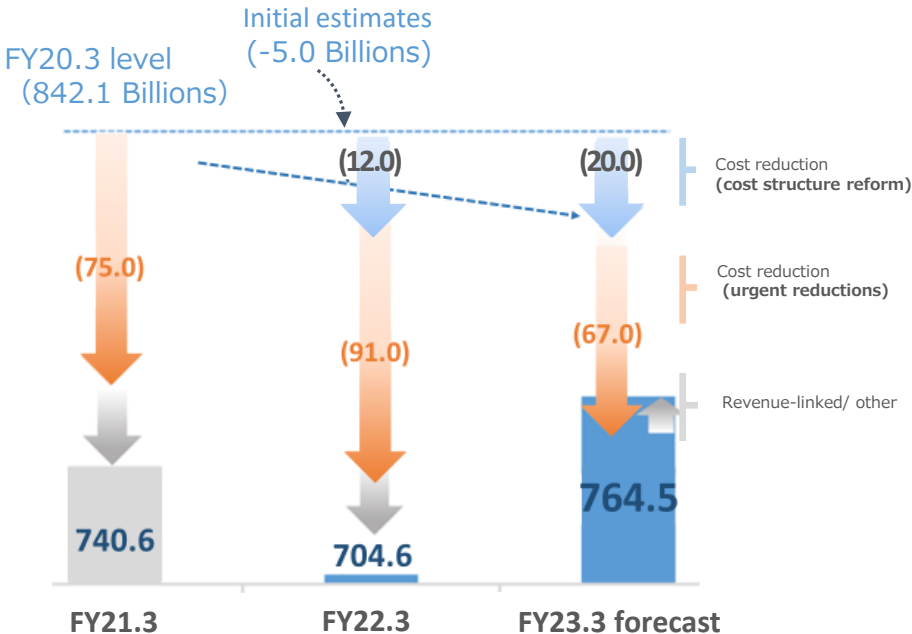


# Initiatives to Strengthen Management (Structural Reforms / Non-Consolidated)

- With structural cost reductions of **¥12.0 billion** in FY2022.3, we achieved **reductions that significantly exceeded** the planned level.
- In FY2023.3, we will expand structural reductions to **¥20.0 billion**. We are planning additional urgent reductions of **¥17.0 billion** in comparison with the revised medium-term management plan.

## ■ Operating Expenses

### Forecasts (Non-Consolidated) (Billions)



## ■ Cost Reductions Rates (Consolidated)

\*vs. FY2020.3 ¥ Billions

FY21.3 results	FY22.3 results	FY23.3 plan
(110.0)	(144.0)	(117.0)

## ■ Non-Consolidated Asset Sales

¥ Billions

FY21.3 results	FY22.3 results	FY23.3 plan
10.0	32.0	15.0

## ■ Cost Structure Reform

¥ Billions

	FY22.3 results	FY2023.3 plan
Enhancing productivity in railway operations	Approximately (7.0)	Approximately (9.0)
Optimizing train schedules	Approximately (2.5)	Approximately (3.0)
Organizational structure reforms	Approximately (2.0)	Approximately (8.0)

## ■ Capital Expenditures

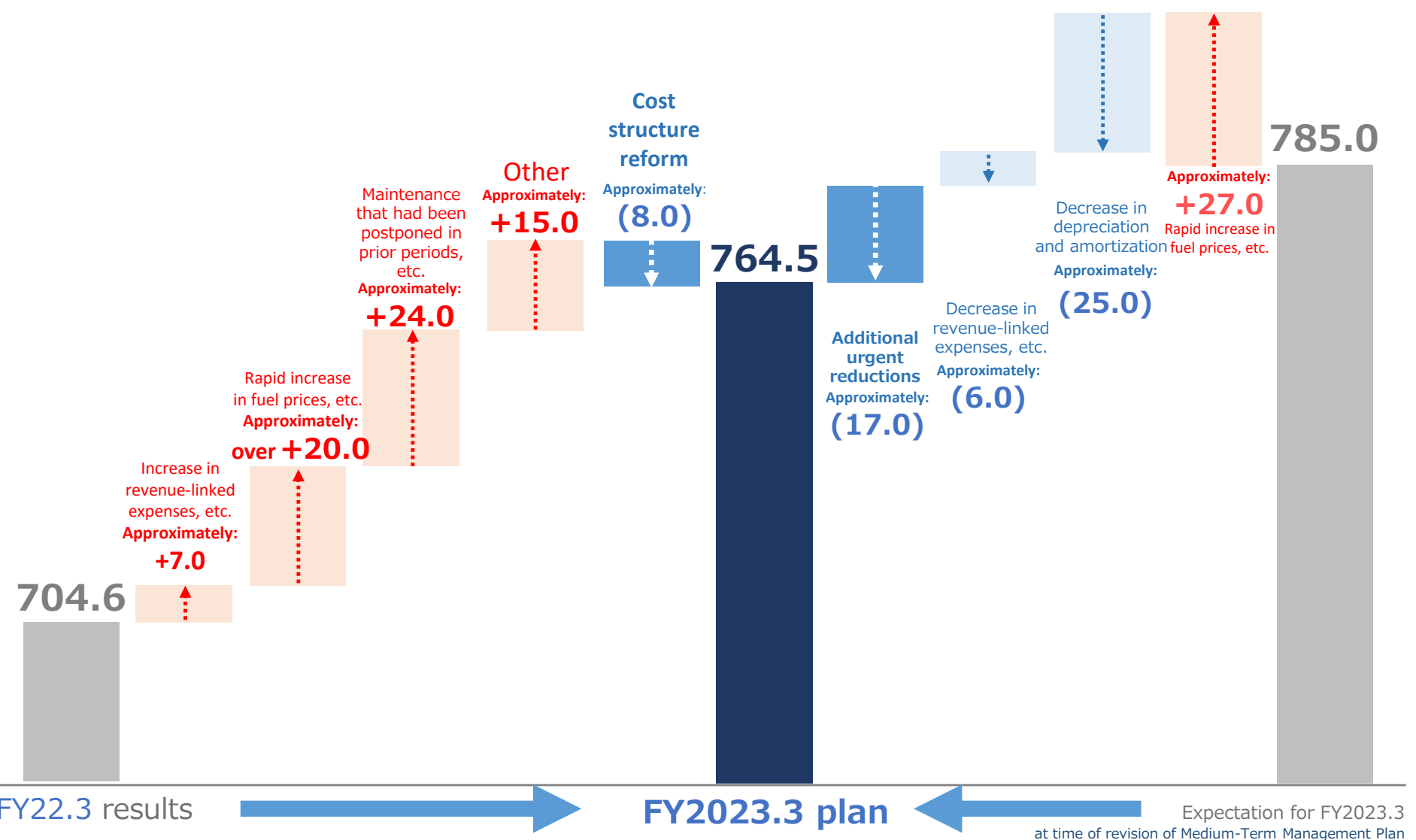
¥ Billions

FY 22.3 Results	Total planned amount
62.0	90.0

## ■ Reference Indicators

Number of stations that have JR Ticket Offices ("Midori-no-madoguchi")	Beginning of FY2021.3 Approximately 340 stations	End of FY2022.3 Approximately 250 stations	End of FY2023.3 Approximately 180 stations
Train-kilometers Compared with March 2020 timetable revision (%)	2021 spring revision (3)	2021 fall revision (4)	2022 spring revision (8)

# FY2023.3 Operating Expenses (Non-consolidated)



# Strengthening Management (Structural Reforms / Group Companies)

- We will work to **reform the profit structure and enhance our ability to address change** by revising portfolios and business processes in each business.
- **Nippon Travel Agency** has revised its medium-term management plan and is advancing **a thorough revision of its business model**.

## Retail

## Major Initiatives

### Increasing profitability/asset efficiency at existing stores

- Increasing store profitability by optimizing/strengthening operational systems
  - ✓ Closing certain unprofitable stores and utilizing sites
    - ✓ Convenience stores: FY2022.3, decrease by 14 stores; FY2021.3, decrease by 26 stores
  - Changing merchandising to address diversifying needs
    - ✓ Eki Marche Osaka renovation (Phase 1: October 2021, Phase 2: summer 2022)
  - Profit structure reform for the VIA-INN business
    - ✓ Reducing FY2023.3 break-even point by more than 10% (vs. FY2019.3, existing-location basis)

## Other Businesses

## Major Initiatives

### ■ Hotel

### Rebuilding brands and lowering break-even point

- Reducing fixed costs through structure reform
- Enhancing brand power as a chain
- Lowering break-even point
  - ✓ Reduced FY2022.3 break-even point by 5% (vs. FY2019.3)
- Implementing tie-up with Marriott International
  - ✓ Opening hotel as part of "Umeda 3-Chome Project (provisional name)"  
(Development of former site of Osaka central post office)



Umeda 3-Chome Project (provisional name)  
Upper floors 30 to 38: guest room floors

### ■ Nippon Travel Agency: New medium-term management plan

### Achieving structural change / increasing profitability

- Expand earnings in the solutions business
- Improvement of profit margin through optimization and efficiency of store/personnel structure
- Solutions business earnings share
  - ✓ 2025: 68% (2019: 40%; 2021: 68%)
- Increasing profitability
  - ✓ 2025 operating profit margin: 5.0% (2019: 2.3%; 2021: 8.5%)
  - ✓ Increasing "Akai Fusen" Internet sales ratio
  - ✓ Optimizing number of stores, personnel systems

# Strengthening Management (Structural Reforms / Group Companies)

- We will work to **recombine assets and increase asset efficiency** and to address **new city-development** opportunities.
- In addition to establishing a second real estate fund, we accepted asset management business. We are moving ahead with **private REIT** establishment preparations and with the **strengthening of asset management and property management operations**.

Real estate

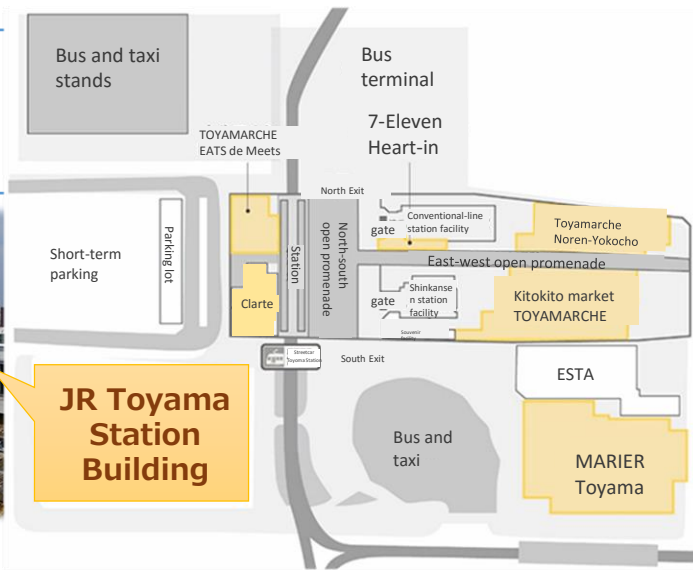
Major Initiatives

## Increasing railway belt value, regional value

- Area management in cooperation with regional and government institutions
  - Capturing city-development opportunities with various business initiatives
- Redevelopment of area southwest of Toyama Station
    - Evolution of a new base that will help to support the invigoration of the area in front of the station, as a showcase of station-area operations.
    - Opening of the JR Toyama Station Building, which hosts a MAROOT commercial facility and Hotel Vischio Toyama (March 2022)
      - ✓ In the month after opening, the number of visitors was approximately 540,000 and sales were 40% more than planned.

### Businesses enhancing the area in front of Toyama Station

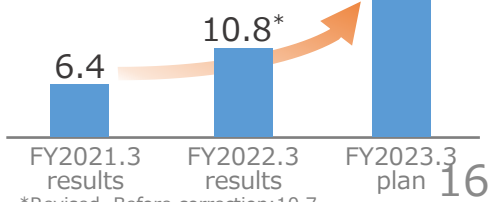
- Hokuriku Shinkansen construction project
- Grade separation project near Toyama Station
- Land readjustment project in the area surrounding Toyama Station
- Streetcar north-south connection. Etc.



## Increasing asset efficiency

- Maximizing portfolio value through asset recombination / cyclical model businesses
  - Securing new sources of earnings by expanding asset management operations
- Expanding sales to investors
  - Establishing second real estate fund (March 2022) (asset scale: approximately ¥14.0 billion)
  - Preparing for establishment of private REIT (planned for FY2024.3)
    - ✓ Aiming for asset scale of ¥70.0 billion (FY2028.3)
  - Preparing for establishment of asset management company (planned for July 2022)

**Trend in sales to investors** ¥ billion  
Planning for cumulative total of approximately **¥36.0 billion**



# Enhancing Coexistence with Local Communities

- We are working to create **new demand from two approaches** — “improving railway networks” and “city development.”
- We are participating in projects that are **integrated with urban planning**. We are leveraging the distinctive **strengths of a railway company** to invite **related projects**.

## Railway network

### Shinkansen

- Adding N700S railcars on the Sanyo Shinkansen
  - ✓ Two sets in each: FY2021.3 and FY2023.3~
- Expanding functionality of EX service
  - ✓ Start of service on Kyushu Shinkansen (June 2022)
  - ✓ EX-MaaS (provisional name)・EX Dynamic Package (provisional name) etc. (Summer 2023)
- Increasing W7-series on Hokuriku Shinkansen (from FY2022.3)



### Kansai Urban Area

- Umekita (Osaka) underground station (Spring 2023)
- Transition to double track on Nara Line (spring 2023)
- Naniwasuji Line (Spring 2031)



Umekita (Osaka) underground station

### Strengthening marketing, etc.

- Rebuilding inbound strategy
- Considering state of yield management, fare system
- Identifying and achieving the optimal transportation system

## Capital Expenditures

		¥ Billions		
		End of FY2022.3: Results	Total planned amount	Expected EBITDA*
city-development initiative	Osaka	11.0	100.0	9.0
	Hiroshima	10.5	60.0	5.0

\* Expectation after normal year for the entire Group, including transportation operations.

## City development at bases and in areas along railway lines

### Large-scale city-development projects

- Osaka
  - ✓ Development of the area west of Osaka Station (March 2024)
  - ✓ New station building (fall 2024)
  - ✓ Development under elevated tracks (from fall 2024)
  - ✓ Aboveground station building at Umekita (Osaka) underground station (spring 2025)
- Hiroshima: New Station Building (spring 2025)
- Sannomiya: New Station Building (from FY2030.3)
- Kyoto: Development of area northwest of station (FY2030.3)
- Toyama: MAROOT, Hotel Vischio Toyama(March 2022)
- Okayama: Redevelopment project in urban district in front of Okayama Station (from FY2027.3)



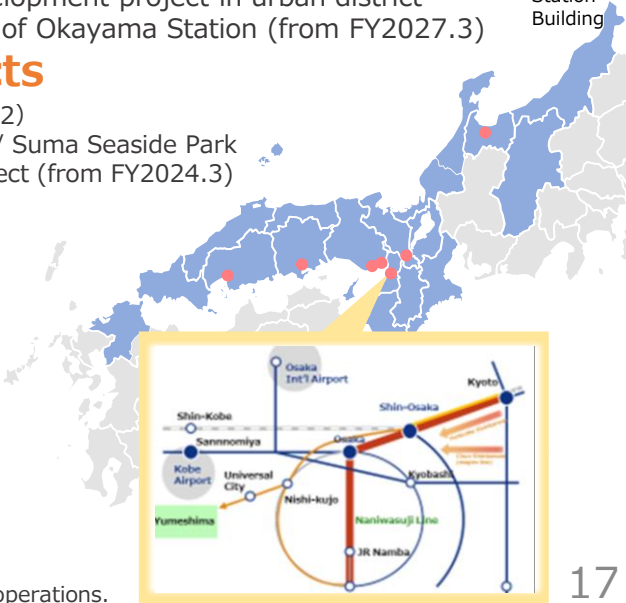
Development of the area west of Osaka Station



New Hiroshima Station Building

### Other projects

- Suita SST (April 2022)
- Suma Aqualife Park / Suma Seaside Park Redevelopment project (from FY2024.3)



# Creating New Value

- Utilizing **existing assets** as a strength, we are working together with various **external partners** to take on the challenge of **value creation**.
- We have cultivated solutions capabilities in our problem **resolution activities** and our businesses, and we are searching for opportunities to **provide these capabilities to other companies in our industry as well as to companies in other industries**.

## Telecommunications business utilizing the railway business optical-fiber network

- Opening up the railway business optical-fiber network, which offers high-quality, high-stability, and high-reliability
- Taking on the challenge of business development initiatives that find new uses for existing business assets
- Started optical fiber core wire rental service from October 2021

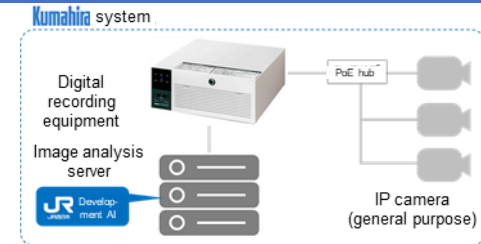


## Contributing to the creation of a safe, secure society with the use of AI technology

- Image analysis technology developed by the Company included in surveillance camera system from Kumahira Co., Ltd.
- The AI analyzes people and objects recorded by the camera and detects people's movements and objects that it has previously learned.

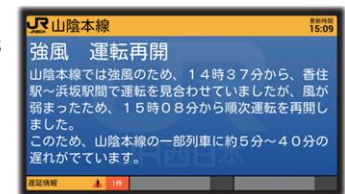
It can also detect the entry of people into designated areas that have been set in advance.

\* The AI human detection technology using in this development estimates and detects the movement of the human physique. It is not technology that identifies individuals through facial recognition, movement tracking, etc. (Developed in accordance with the Guidebook for Utilization of Camera Images from the Ministry of Internal Affairs and Communications)



## Open innovation initiatives among railway operators

- Co-creation activities, such as the sharing of technologies and know-how and the resolution of issues, are being implemented among railway operators throughout Japan. These operators are identifying common issues in operations and maintenance and searching for methods of resolving social issues in local communities.
- As a solution facilitating the easy provision of guidance to customers at unstaffed stations, Choshi Electric Railway Co, Ltd., started operation of "Scomm." a terminal for the simple provision of information at stations that was developed by JR West. (February 2022)



## Cargo transportation

- We have started regular cargo transportation on the Sanyo Shinkansen, Hokuriku Shinkansen, and Hakubi Line, where verification testing has been conducted.

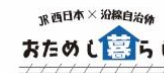
## CBM solutions for automatic ticket checking equipment

- Within the Company, we are expanding the range of machines in which these solutions are utilized to include ticket sales and payment machines.
- Already proposing to other railway companies.



## Trial "non-urban living" project **NEW WAY RAILWAY**

- In collaboration with Tamba-Sasayama City, Hyogo Prefecture; Nantan City, Kyoto Prefecture; and Takashima City, Shiga Prefecture, we are providing an environment for appealing "non-urban living."



# Digital Strategy

## Payment/Boarding/Authentication

Mobile ICOCA  
(provisional name)

- J-WEST Card



## Strengthening customer contact points

- WESTER
- setowa



## Expanding consumption content



## Regional invigoration measures using ICOCA

- Region-limited point service in Niimi City, Okayama Prefecture (Planned fall 2022)



**Individual mobility/purchasing data linked through a single ID**



## AI stamp rally

- Working in collaboration with external partners to invigorate outings and purchasing
- Expanding the number of cooperating IDs

## Earning points in daily life

Railways

Sales of goods and food services

Hotel

Accumulate points and enjoy rewards in mobility

Travel

SC

Real estate

**Make further use of JR-West business area in order to obtain points**

## Reference indicators

	FY21.3	FY22.3
Sanyo Shinkansen reserved seats Internet reservation ratio	46%	51%
Kansai Urban Area IC usage ratio	84%	87%
Number of J-West Net Members	Approximately 4.5 million	Approximately 4.6 million

## Digital-related investment ￥ Billions

End of FY2022.3: Results	Total planned amount
6.6	20.0

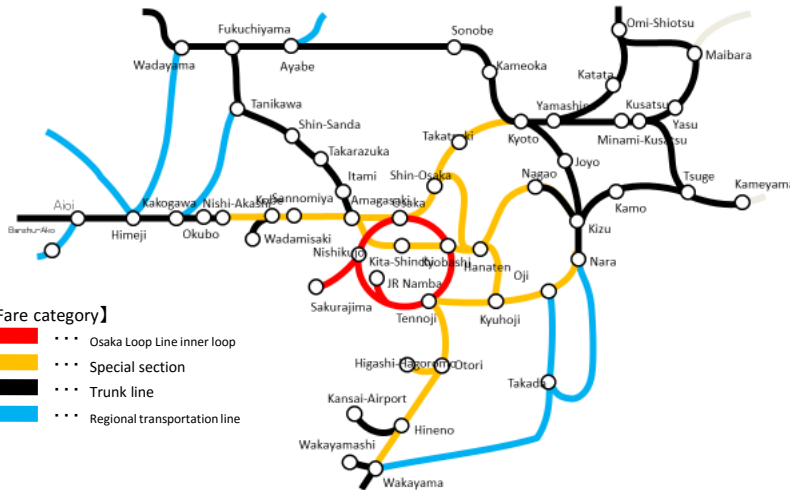
## Strengthening digital marketing

## Fares and Charges

## JR-West's thoughts regarding issues

**Applications for approval are only on a companywide basis, and a long time is required for revisions.**

- The system, which uniformly examines “profitability on all routes,” is rigid. It is not possible to make flexible, timely revisions.
- There is a mismatch between the usage conditions/operational configuration and the fare system.



**It is difficult to deal with dramatic reductions in revenues due to external factors and with inflation.**

- The examinations are based on the profitability outlook for the three-year period after a fare revision, and accordingly it is not possible to cover losses in prior fiscal years, such as periods of dramatic declines in revenues.

**In comparison with airline fares, etc., there is a difference in the degree of regulatory control.**

- There is a low degree of freedom in price setting, and it is difficult to establish products that address needs.

## Major points for discussion by a Ministry of Land, Infrastructure, Transport and Tourism subcommittee related to the state of the railway fare/charge system

## System

- Discussion point 1  
Is there a need to transition to a system that makes it possible for companies to use creative initiatives aligned with demand segments in order to provide services that reflect consideration for changes in user behavior and diversification of user needs?
- Discussion point 2  
How is the regional exclusivity of railways evaluated from a modern viewpoint?
- Discussion point 3  
Is it necessary to both (1) increase the flexibility of systems in a manner that reflects modern evaluations of regional exclusivity and (2) protect the interests of users through such means as information provision and transparency on the part of businesses?
- Discussion point 4  
What type of fare and charges system should be implemented in the future?

## Operations / other

- **Discussion point 5**  
Is there a need to transition to a system that facilitates both implementing expense control through increased cost efficiency and maintaining necessary investment.
- **Discussion point 6**  
Is there a need to transition to a system that makes it possible to address changes in socio-economic conditions that are difficult to predict?

(Source) Materials distributed for the fifth meeting of a Ministry of Land, Infrastructure, Transport and Tourism subcommittee related to the state of the railway fare/charge system

**On March 1, the Company expressed its opinions at the second meeting of the subcommittee.**

Late June: Plan to implement “interim viewpoint summary” 20

# Local Lines

## Disclosing information related to management circumstances on a railway line section basis

### Sharing railway line section status and issues with regions along railway lines

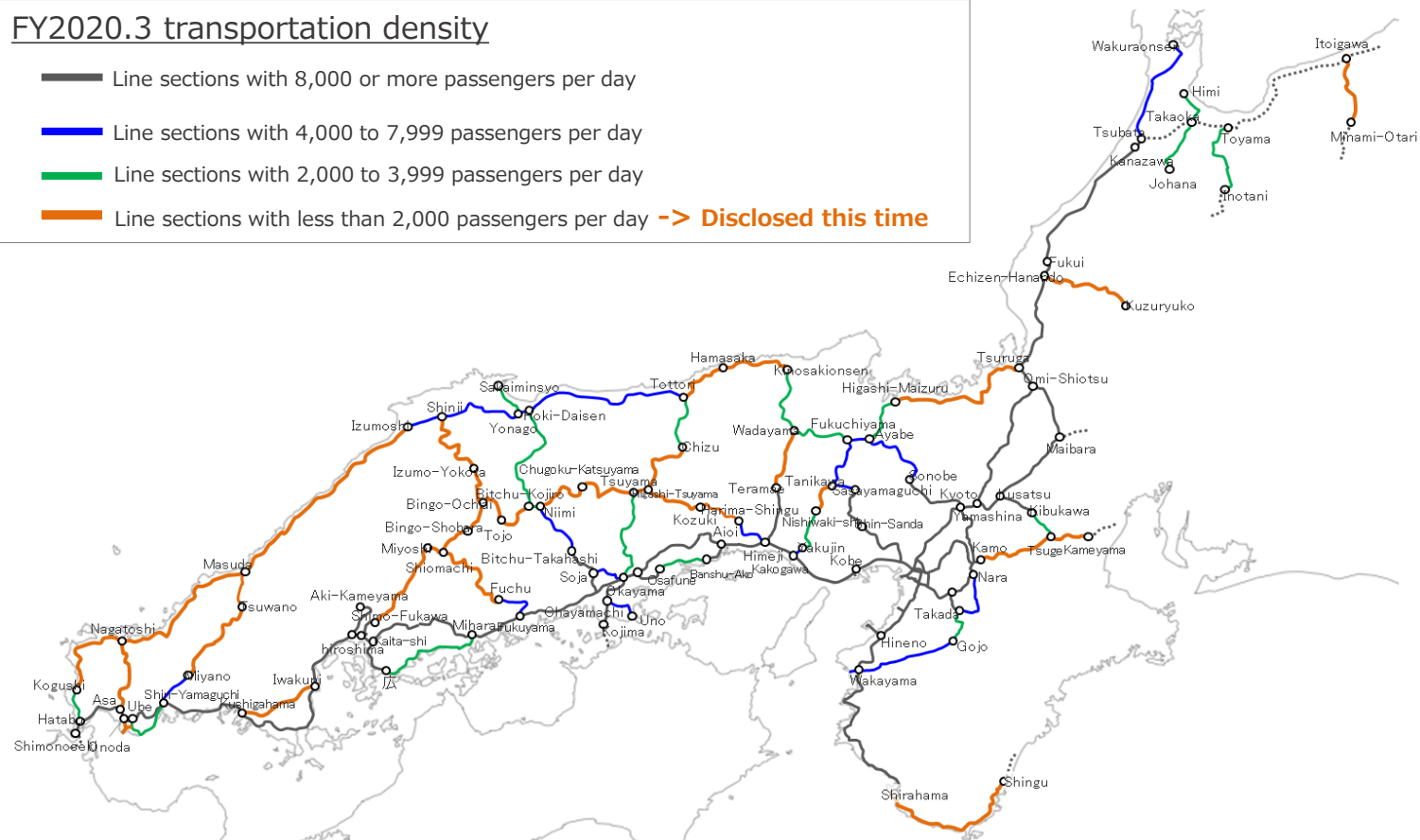
- Disclosing profitability by railway line section for 30 sections on 17 lines with a transportation density of less than 2,000 people per day
- Sharing with regions along railway lines the status and issues for railway line sections for which it is considered to be difficult to sufficiently demonstrate the characteristics of railways from the perspective of large-scale transportation

### Working together with local communities to identify and achieve the optimal regional transportation system, which will be easier to use

- ✓ With consideration for differences in special characteristics among railway line sections and mobility needs, we will work together with regions to create the optimal regional transportation system, which will be aligned with regional city development and will be easier to use.

#### FY2020.3 transportation density

- Line sections with 8,000 or more passengers per day
- Line sections with 4,000 to 7,999 passengers per day
- Line sections with 2,000 to 3,999 passengers per day
- Line sections with less than 2,000 passengers per day -> Disclosed this time



# Toward the Formulation of the Next Medium-Term Management Plan

## Realizing our vision

A safe, comfortable society filled with meetings among people and smiles



## Digital strategy (synergy areas)

- **Promoting DX** as the foundation of strategy implementation
  - ✓ Making hypothesis verification cycle more visible, increasing speed, implementing cross-selling

## Enhancing safety, with the Fukuchiyama Line accident as the starting point

- **Securing** railway **safety, the foundation of management**

# Organizational Structure Reform

- Through consistent organizational structure reforms, we will build a system for the **rapid Groupwide implementation** of strategies.

## Board of Directors

### Facilitating prompter, more-resolute decision-making, strengthening monitoring function

- Transitioning to a company with an audit and supervisory committee (planned for June 2022)
- Delegating significant authority to executive departments, shifting to strategic discussions
- Defining the skills that are believed to be important for the promotion of strategies in the future and establishing a system with teams that have those skills

### Skills considered to be important (skill matrix)

Corporate management

Safety/quality

City development

Governance

Innovation / advanced technologies

Coexisting with local communities

## President (Group Management Committee)

### Corporate Departments

Management resource allocation

- Corporate Strategy
- Governance

Corporate Strategy Headquarters (planned for June 2022)

Governance Promotion Headquarters (November 2020)

Railway Unit

Sales of goods and food services CP

Real estate CP

SC CP

Hotel CP

### Synergy creation

- City development

Regional Revitalization and Development Headquarters (planned for June 2022)

- DX

Digital Solutions Headquarters (November 2020)

Business Design Division (June 2021)


Realizing independent, autonomous growth in competitive markets

Establishing a system of authorities and responsibilities based on individual companies

## Regional institutions

### Implementing railway business administration enhancement and system reinforcement, deepening initiatives for coexistence with local communities

- Expanding the jurisdiction of regional institutions in the Kansai Urban/Chugoku areas, strengthening branch functions regarding coexistence with local communities (planned for fall 2022)

1	FY2022.3 Results and FY2023.3 Results Forecasts	Page 3
2	Progress with the Revised Medium-Term Management Plan 2022 and Preparations for the Next Medium-Term Management Plan	Page 12
3	Results for FY2022.3 (Details)	Page 25
4	Results Forecasts for FY2023.3, etc. (Details)	Page 35
	Appendix	Page 43

# Financial Highlights

¥ Billions

	Results FY2021.3*	Results FY2022.3	YoY		Forecasts FY2023.3	YoY	
			Increase/ (Decrease)	%		Increase/ (Decrease)	%
	A	B	B-A	B/A-1	C	C-B	C/B-1
<b>【Consolidated】</b>							
Operating Revenues	920.0	1,031.1	111.0	12.1	1,309.0	277.8	27.0
Operating Income (Loss)	(245.5)	(119.0)	126.4	—	30.0	149.0	—
Recurring Income (Loss)	(257.3)	(121.0)	136.2	—	13.5	134.5	—
Income (Loss) attributable to owners of parent	(233.1)	(113.1)	119.9	—	58.5	171.6	—
<b>【Non-Consolidated】</b>							
Operating Revenues	506.8	577.6	70.7	14.0	769.0	191.3	33.1
Transportation Revenues	419.0	487.6	68.6	16.4	673.0	185.3	38.0
Operating Expenses	740.6	704.6	(36.0)	(4.9)	764.5	59.8	8.5
Personnel costs	183.8	180.7	(3.1)	(1.7)	177.5	(3.2)	(1.8)
Non personnel costs	354.4	334.7	(19.7)	(5.6)	397.5	62.7	18.8
Energy costs	39.5	40.8	1.2	3.2	59.0	18.1	44.6
Maintenance costs	151.9	136.7	(15.2)	(10.1)	151.0	14.2	10.5
Miscellaneous costs	162.8	157.2	(5.6)	(3.5)	187.5	30.2	19.3
Depreciation and Amortization	141.0	127.2	(13.7)	(9.8)	125.5	(1.7)	(1.4)
Operating Income (Loss)	(233.8)	(127.0)	106.8	—	4.5	131.5	—
Recurring Loss	(250.7)	(138.2)	112.4	—	(10.0)	128.2	—
Net Income (Loss)	(217.3)	(121.6)	95.7	—	48.0	169.6	—

Note: Figures in brackets ( ) are negative values.

\*Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

# Non-Consolidated Financial Results

¥ Billions

	Results FY2021.3*	FY2022.3		YoY		Difference from the forecasts Increase/(Decrease)
		Forecasts (As of Jan 31)	Results	Increase/ (Decrease)	%	
	A	B	C	C-A	C/A-1	C-B
Operating Revenues	506.8	589.0 to 622.0	577.6	70.7	14.0	(11.3) to (44.3)
Transportation revenues	419.0	499.0 to 532.0	487.6	68.6	16.4	(11.3) to (44.3)
Other	87.8	90.0	89.9	2.1	2.4	(0.0)
Operating Expenses	740.6	723.0	704.6	(36.0)	(4.9)	(18.3)
Personnel costs	183.8	179.0	180.7	(3.1)	(1.7)	1.7
Non personnel costs	354.4	353.5	334.7	(19.7)	(5.6)	(18.7)
Energy costs	39.5	39.5	40.8	1.2	3.2	1.3
Maintenance costs	151.9	139.5	136.7	(15.2)	(10.1)	(2.7)
Miscellaneous costs	162.8	174.5	157.2	(5.6)	(3.5)	(17.2)
Rental payments, etc.	27.6	27.0	26.7	(0.8)	(3.1)	(0.2)
Taxes	33.6	34.5	35.1	1.4	4.3	0.6
Depreciation and Amortization	141.0	129.0	127.2	(13.7)	(9.8)	(1.7)
Operating Loss	(233.8)	(134.0) to (101.0)	(127.0)	106.8	—	6.9 to (26.0)
Non-operating revenues and expenses, net	(16.9)	(14.5)	(11.2)	5.6	—	3.2
Non-operating revenues	8.4	9.0	13.3	4.9	—	4.3
Non-operating expenses	25.3	23.5	24.6	(0.7)	—	1.1
Recurring Loss	(250.7)	(148.5) to (115.5)	(138.2)	112.4	—	10.2 to (22.7)
Extraordinary profit and loss, net	(23.9)	23.5	11.0	35.0	—	(12.4)
Extraordinary profit	25.0	28.0	54.1	29.0	—	26.1
Extraordinary loss	49.0	4.5	43.1	(5.9)	—	38.6
Net Loss	(217.3)	(117.0) to (84.0)	(121.6)	95.7	—	(4.6) to (37.6)

Note: Figures in brackets ( ) are negative values.

\*Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

# Major Factors of Increase/Decrease in Transportation Revenues

Results FY2022.3						¥ Billions
Transportation revenues		YoY Increase/(Decrease)		Major factors		Amount
		Amount	%			
Shinkansen	211.6	46.0	27.8	Fundamental trend 0.0%		
				Special factors		
				•Rebound from COVID-19 (Domestic)		45.6
				etc.		
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	210.7	16.5	8.5	Fundamental trend 0.0%		
				Special factors		
				•Rebound from COVID-19 (Domestic)		15.5
				etc.		
Other lines	65.3	6.0	10.1	Fundamental trend 0.0%		
				Special factors		
				•Rebound from COVID-19 (Domestic)		4.8
				etc.		
Conventional lines	276.0	22.5	8.9			
Total	487.6	68.6	16.4			

Note1: Revenues from luggage transportation are omitted due to the small amount.

Note2: Figures in brackets ( ) are negative values.

# Transportation Revenues and Passenger-Kilometers

## Transportation Revenues

¥ Billions

	Fiscal Year (4/1~3/31)			3 months (4Q) (1/1~3/31)		
	FY2021.3*	FY2022.3	YoY	FY2021.3*	FY2022.3	YoY
Total	419.0	487.6	68.6 16.4%	104.0	122.5	18.5 17.8%
Shinkansen	165.5	211.6	46.0 27.8%	40.8	53.5	12.6 31.0%
Commuter Passes	10.1	10.6	0.4 4.3%	2.4	2.5	0.1 6.5%
Non-Commuter Passes	155.3	201.0	45.6 29.4%	38.4	50.9	12.5 32.6%
Conventional Lines	253.4	276.0	22.5 8.9%	63.1	69.0	5.8 9.2%
Commuter Passes	117.3	119.1	1.8 1.5%	28.2	28.6	0.3 1.1%
Non-Commuter Passes	136.1	156.9	20.7 15.2%	34.8	40.3	5.5 15.8%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	194.1	210.7	16.5 8.5%	48.6	52.6	4.0 8.3%
Commuter Passes	96.2	97.8	1.6 1.7%	23.3	23.6	0.3 1.4%
Non-Commuter Passes	97.9	112.8	14.8 15.2%	25.2	28.9	3.7 14.7%
Other Lines	59.3	65.3	6.0 10.1%	14.5	16.3	1.7 12.3%
Commuter Passes	21.1	21.2	0.1 0.7%	4.9	4.9	(0.0) (0.1%)
Non-Commuter Passes	38.2	44.0	5.8 15.3%	9.6	11.4	1.7 18.7%

## Passenger-Kilometers

Millions of passenger-kilometers

	Fiscal Year (4/1~3/31)			3 months (4Q) (1/1~3/31)		
	FY2021.3	FY2022.3	YoY	FY2021.3	FY2022.3	YoY
Total	34,110	37,303	3,192 9.4%	8,159	9,029	870 10.7%
Shinkansen	7,717	9,745	2,027 26.3%	1,882	2,465	582 30.9%
Commuter Passes	783	824	40 5.2%	190	200	10 5.6%
Non-Commuter Passes	6,934	8,921	1,987 28.7%	1,692	2,264	571 33.8%
Conventional Lines	26,392	27,557	1,165 4.4%	6,276	6,564	287 4.6%
Commuter Passes	18,867	19,045	178 0.9%	4,350	4,375	25 0.6%
Non-Commuter Passes	7,525	8,511	986 13.1%	1,925	2,188	262 13.6%
Kansai Urban Area	20,934	21,888	954 4.6%	5,027	5,230	203 4.0%
Commuter Passes	15,389	15,612	223 1.5%	3,597	3,629	31 0.9%
Non-Commuter Passes	5,545	6,276	730 13.2%	1,429	1,600	171 12.0%
Other Lines	5,457	5,668	210 3.9%	1,249	1,334	84 6.8%
Commuter Passes	3,477	3,432	(44) (1.3%)	753	746	(6) (0.9%)
Non-Commuter Passes	1,979	2,235	255 12.9%	496	587	91 18.4%

Note: Figures in brackets ( ) are negative values.

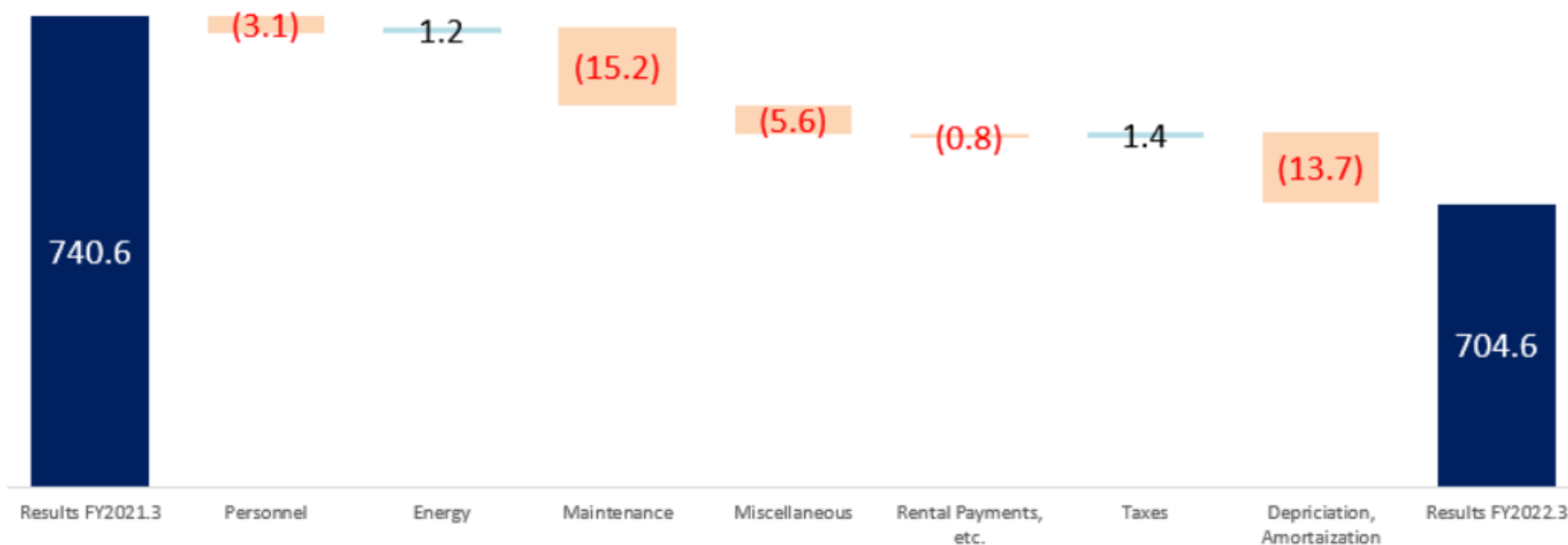
\*Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

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

¥ Billions

		Results FY2022.3		
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	180.7	(3.1)	(1.7)	• Decrease in personnel, bonus, etc.
Energy costs	40.8	1.2	3.2	• Decrease in passenger car-kilometer due to timetable revision • Increase in adjustment amount for fuel cost, etc.
Maintenance costs	136.7	(15.2)	(10.1)	• Difference in progress of maintenance work • Decrease due to limitation of measures, etc.
Miscellaneous costs	157.2	(5.6)	(3.5)	• Decrease in payments for other JR companies, outsourcing expenses, and advertising expenses, etc.
Rental Payments, etc.	26.7	(0.8)	(3.1)	• Decrease in rental payments for JR Tozai Line, etc.
Taxes	35.1	1.4	4.3	• Increase in business tax on corporations, etc.
Depreciation and Amortization	127.2	(13.7)	(9.8)	• Revision of method of depreciation for Shinkansen rolling stock, etc.
Total	704.6	(36.0)	(4.9)	

Note: Figures in brackets ( ) are negative values.



# Consolidated Financial Results

¥ Billions

	Results FY2021.3*	FY2022.3		YoY		Difference from the forecasts Increase/(Decrease)
		Forecasts (As of Jan 31)	Results	Increase/ (Decrease)	%	
	A	B	C	C-A	C/A-1	C-B
Operating Revenues	920.0	1,052.0 to 1,089.0	1031.1	111.0	12.1	(20.8) to (57.8)
Operating Expenses	1165.5	1,181.0 to 1,183.0	1150.1	(15.3)	(1.3)	(30.8) to (32.8)
Operating Loss	(245.5)	(129.0) to (94.0)	(119.0)	126.4	—	9.9 to (25.0)
Non-operating revenues and expenses, net	(11.8)	(12.5)	(1.9)	9.8	—	10.5
Non-operating revenues	13.0	13.2	23.6	10.5	—	10.4
Non-operating expenses	24.8	25.7	25.5	0.6	—	(0.1)
Recurring Loss	(257.3)	(141.5) to (106.5)	(121.0)	136.2	—	20.4 to (14.5)
Extraordinary profit and loss, net	(17.3)	24.0	15.4	32.8	—	(8.5)
Extraordinary profit	31.9	—	58.8	26.8	—	—
Extraordinary loss	49.3	—	43.3	(5.9)	—	—
Loss attributable to owners of parent	(233.1)	(116.5) to (81.5)	(113.1)	119.9	—	3.3 to (31.6)
Comprehensive Income (Loss)	(240.4)	—	(112.2)	128.1	—	—

Note: Figures in brackets ( ) are negative values.

\*Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

# Consolidated Financial Results (Segment Information)

¥ Billions

	Results FY2021.3* <sup>3</sup>	FY2023.3		YoY		Difference from the forecasts Increase/(Decrease) C-B
		Forecasts (As of Jan 31) B	Results C	Increase/ (Decrease) C-A	%	
Operating Revenues* <sup>1</sup>	920.0	1,052.0 to 1,089.0	1031.1	111.0	12.1	(20.8) to (57.8)
Transportation	469.7	558.0 to 592.0	544.1	74.3	15.8	(13.8) to (47.8)
Retail	108.7	148.0 to 149.0	124.2	15.5	14.3	(23.7) to (24.7)
Sales of goods and food services	88.2	121.2 to 122.2	102.0	13.7	15.5	(19.1) to (20.1)
[Accommodation-oriented budget hotels](restated)* <sup>2</sup>	[4.5]	[7.5] to [8.5]	[6.2]	[1.6]	[36.2]	[( 1.2)] to [(2.2)]
Department stores	16.3	22.4	18.1	1.7	10.8	(4.2)
Real estate	141.3	153.0	151.1	9.8	6.9	(1.8)
Shopping center	42.3	47.4	45.6	3.3	7.9	(1.7)
Real estate lease and sale	96.9	103.5	104.0	7.1	7.4	0.5
[Real estate sale](restated)	[49.8]	[56.3]	[56.6]	[6.8]	[13.7]	[0.3]
Other businesses	200.2	193.0 to 195.0	211.5	11.3	5.7	18.5 to 16.5
Hotel	15.3	21.0 to 23.0	18.5	3.2	21.3	(2.4) to (4.4)
Nippon Travel Agency	87.6	70.2	95.9	8.3	9.5	25.7
Operating Income (Loss)* <sup>1</sup>	(245.5)	(129.0) to (94.0)	(119.0)	126.4	—	9.9 to (25.0)
Transportation	(251.5)	(150.5) to (117.0)	(144.3)	107.2	—	6.1 to (27.3)
Retail	(15.0)	(3.5) to (3.0)	(8.6)	6.4	—	(5.1) to (5.6)
Sales of goods and food services	(12.7)	(3.7) to (3.1)	(7.1)	5.6	—	(3.4) to (4.0)
[Accommodation-oriented budget hotels](restated)* <sup>2</sup>	—	—	[(4.3)]	—	—	—
Department stores	(2.2)	0.0	(1.4)	0.7	—	(1.4)
Real estate	29.2	28.0	30.0	0.7	2.6	2.0
Shopping center	2.0	3.9	4.5	2.4	116.8	0.6
Real estate lease and sale	18.9	16.0	17.2	(1.6)	(8.8)	1.2
[Real estate sale](restated)	—	—	[6.4]	—	—	—
Other businesses	(5.7)	0.0 to 1.0	2.9	8.7	—	2.9 to 1.9
Hotel	(11.6)	(7.1) to (6.1)	(9.0)	2.5	—	(1.9) to (2.9)
Nippon Travel Agency	(7.3)	(2.5)	2.4	9.7	—	4.9

Note: Figures in brackets ( ) are negative values.

\*1 The breakdowns of operating revenues and operating income (loss) 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 Asakusa (other businesses segment), and Hiroshima Kanayamacho (other businesses segment) locations.

\*3 Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

# Major Factors of Increase/Decrease in Each Segment

¥ Billions

			Results FY2022.3			
			YoY		Major factors (YoY)	
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	102.0	13.7	15.5	• Moderate recovery in demand (stores within railway stations, VIAINN), etc.
		Operating Loss	(7.1)	5.6	—	
	Department stores	Operating Revenues	18.1	1.7	10.8	• Moderate recovery in demand, etc.
		Operating Loss	(1.4)	0.7	—	
Real estate	Shopping center	Operating Revenues	45.6	3.3	7.9	• Increase in rent income due to a recovery in tenant sales, etc.
		Operating Income	4.5	2.4	116.8	
	Real estate lease and sale	Operating Revenues	104.0	7.1	7.4	• Full-year effect of new opening of lease properties, etc.
		Operating Income	17.2	(1.6)	(8.8)	• Decrease in operating income ratio of residences sold, etc.
Other Businesses	Hotel	Operating Revenues	18.5	3.2	21.3	• Moderate recovery in demand (the accommodation department), etc.
		Operating Loss	(9.0)	2.5	—	
	Nippon Travel Agency	Operating Revenues	95.9	8.3	9.5	• Increase in travel and non-travel related business, etc.
		Operating Income	2.4	9.7	—	

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, 2021* A	As of March 31, 2022 B	Difference increase/(decrease) B-A
Assets	3,477.3	3,702.4	225.0
Liabilities	2,521.1	2,628.2	107.0
Net assets	956.2	1,074.2	117.9
Balance of Long-term Debt and Payables	1,559.5	1,724.8	165.3
【Average interest rate (%)】	【1.28】	【1.17】	【(0.11)】
Shinkansen Purchase Liability	100.9	99.8	(1.0)
【Average interest rate (%)】	【6.55】	【6.55】	【-】
Bonds	839.9	974.9	135.0
【Average interest rate (%)】	【1.11】	【0.98】	【(0.13)】
DER	1.8	1.8	(0.0)
Equity ratio (%)	24.5	26.2	1.7
Net assets per share (¥)	4,461.46	3,973.15	(488.31)

\*Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

	Results FY2021.3 A	Results FY2022.3 B	YoY increase/(decrease) B-A
Cash flows from operating activities	(103.2)	(86.4)	16.8
Cash flows from investing activities	(211.6)	(188.7)	22.9
Free cash flows	(314.9)	(275.1)	39.8
Cash flows from financing activities	446.7	384.6	(62.0)
Change in cash and cash equivalents, net	131.7	109.5	(22.2)
Cash and cash equivalents at the end of the period	210.0	319.5	109.5

Note: Figures in brackets ( ) are negative values.

1	FY2022.3 Results and FY2023.3 Results Forecasts	Page 3
2	Progress with the Revised Medium-Term Management Plan 2022 and Preparations for the Next Medium-Term Management Plan	Page 12
3	Results for FY2022.3 (Details)	Page 25
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# Non-Consolidated Financial Forecasts

¥ Billions

	Results FY2022.3  A	Forecasts FY2023.3  B	YoY	
			Increase/ (Decrease) B-A	% B/A-1
Operating Revenues	577.6	769.0	191.3	33.1
Transportation revenues	487.6	673.0	185.3	38.0
Other	89.9	96.0	6.0	6.7
Operating Expenses	704.6	764.5	59.8	8.5
Personnel costs	180.7	177.5	(3.2)	(1.8)
Non personnel costs	334.7	397.5	62.7	18.8
Energy costs	40.8	59.0	18.1	44.6
Maintenance costs	136.7	151.0	14.2	10.5
Miscellaneous costs	157.2	187.5	30.2	19.3
Rental payments, etc.	26.7	27.0	0.2	0.8
Taxes	35.1	37.0	1.8	5.3
Depreciation and Amortization	127.2	125.5	(1.7)	(1.4)
Operating Income (Loss)	(127.0)	4.5	131.5	—
Non-operating revenues and expenses, net	(11.2)	(14.5)	(3.2)	—
Non-operating revenues	13.3	8.0	(5.3)	—
Non-operating expenses	24.6	22.5	(2.1)	—
Recurring Loss	(138.2)	(10.0)	128.2	—
Extraordinary profit and loss, net	11.0	17.0	5.9	—
Extraordinary profit	54.1	18.5	(35.6)	—
Extraordinary loss	43.1	1.5	(41.6)	—
Net Income (Loss)	(121.6)	48.0	169.6	—

Note: Figures in brackets ( ) are negative values.

# Transportation Revenue Forecasts

¥ Billions

Forecasts FY2023.3					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		Amount
Shinkansen	339.0	127.3	60.2	Fundamental trend 0.0%	
				Special factors	
				•Decreasing COVID-19 effects	122.8
				etc.	
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	251.0	40.2	19.1	Fundamental trend 0.0%	
				Special factors	
				•Decreasing COVID-19 effects	39.2
				etc.	
Other lines	83.0	17.6	27.1	Fundamental trend 0.0%	
				Special factors	
				•Decreasing COVID-19 effects	16.9
				etc.	
Conventional lines	334.0	57.9	21.0		
Total	673.0	185.3	38.0		

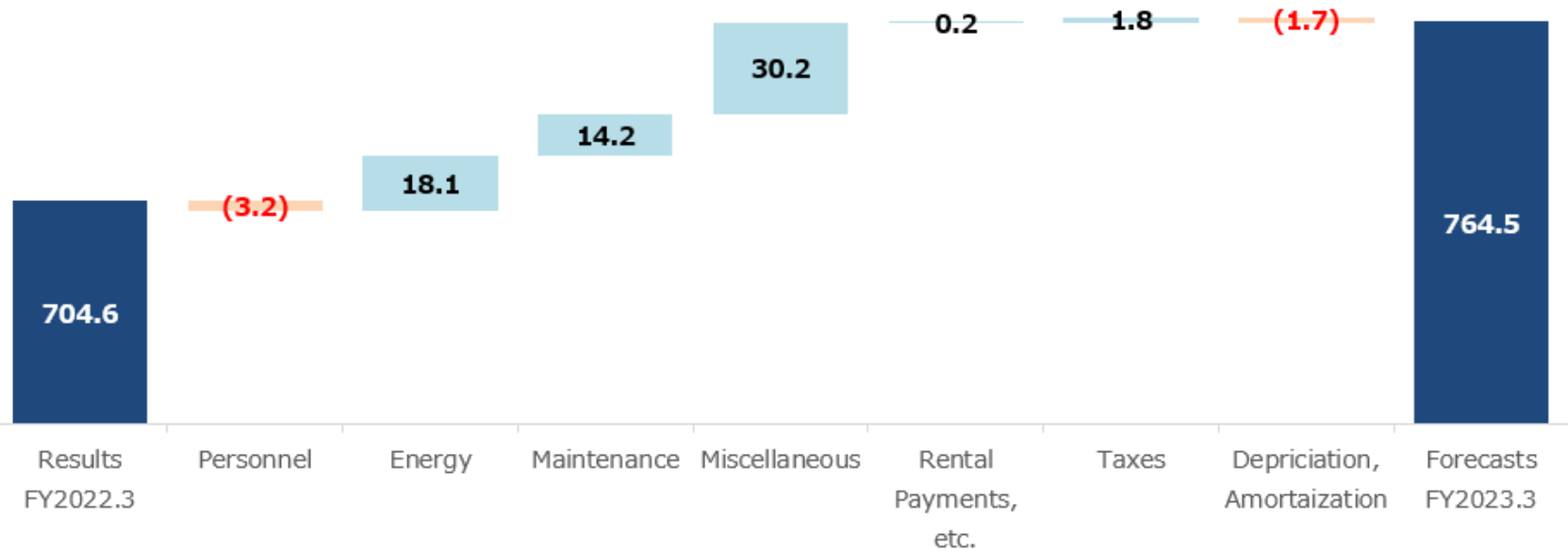
Note1: Revenues from luggage transportation are omitted due to the small amount.

# Operating Expenses Forecasts (Non-Consolidated)

¥ Billions

		Forecasts FY2023.3		
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	177.5	(3.2)	(1.8)	• Decrease in personnel, etc.
Energy costs	59.0	18.1	44.6	• Increase in adjustment amount for fuel cost, etc.
Maintenance costs	151.0	14.2	10.5	• Implementing the postponed measures, etc.
Miscellaneous costs	187.5	30.2	19.3	• Increase in revenue-linked cost, • Implementing the reduced measures , etc.
Rental Payments,etc.	27.0	0.2	0.8	
Taxes	37.0	1.8	5.3	• Increase in business tax on corporations, etc.
Depreciation and Amortization	125.5	(1.7)	(1.4)	
Total	764.5	59.8	8.5	

Note: Figures in brackets ( ) are negative values.



# Consolidated Financial Forecasts

¥ Billions

	Results FY2022.3 A	Forecasts FY2023.3 B	YoY	
			Increase/ (Decrease) B-A	% B/A-1
Operating Revenues	1,031.1	1,309.0	277.8	27.0
Operating Expenses	1,150.1	1,279.0	128.8	11.2
Operating Income (Loss)	(119.0)	30.0	149.0	—
Non-operating revenues and expenses, net	(1.9)	(16.5)	(14.5)	—
Non-operating revenues	23.6	7.2	(16.4)	—
Non-operating expenses	25.5	23.7	(1.8)	—
Recurring Income (Loss)	(121.0)	13.5	134.5	—
Extraordinary profit and loss, net	15.4	9.0	(6.4)	—
Extraordinary profit	58.8	—	—	—
Extraordinary loss	43.3	—	—	—
Profit (Loss) attributable to owners of parent	(113.1)	58.5	171.6	—
Net income (Loss) per share( ¥ )	(516.06)	239.88	755.94	—

Note: Figures in brackets ( ) are negative values.

# Consolidated Financial Forecasts (Segment Information)

¥ Billions

	Results FY2022.3  A	Forecasts FY2023.3  B	YoY	
			Increase/ (Decrease)  B-A	%  B/A-1
Operating Revenues <sup>*1</sup>	1,031.1	1,309.0	277.8	27.0
Transportation	544.1	739.0	194.8	35.8
Retail	124.2	168.0	43.7	35.2
Sales of goods and food services [Accommodation-oriented budget hotels] (restated) <sup>*2</sup>	102.0 [6.2]	139.0 [12.5]	36.9 [6.2]	36.3 [99.5]
Department stores	18.1	24.0	5.8	32.5
Real estate	151.1	162.0	10.8	7.2
Shopping center	45.6	54.0	8.3	18.3
Real estate lease and sale [Real estate sale](restated)	104.0 [56.6]	107.5 [57.3]	3.4 [0.6]	3.3 [1.2]
Other businesses	211.5	240.0	28.4	13.5
Hotel	18.5	31.5	12.9	69.6
Nippon Travel Agency	95.9	111.0	15.0	15.7
Operating Income (Loss) <sup>*1</sup>	(119.0)	30.0	149.0	—
Transportation	(144.3)	(11.0)	133.3	—
Retail	(8.6)	2.0	10.6	—
Sales of goods and food services [Accommodation-oriented budget hotels] (restated) <sup>*2</sup>	(7.1) [(4.3)]	1.0 [(2.0)]	8.1 [2.3]	— —
Department stores	(1.4)	0.5	1.9	—
Real estate	30.0	35.0	4.9	16.6
Shopping center	4.5	7.0	2.4	54.1
Real estate lease and sale [Real estate sale](restated)	17.2 [6.4]	20.0 [7.2]	2.7 [0.7]	15.9 [12.3]
Other businesses	2.9	7.0	4.0	135.1
Hotel	(9.0)	(4.0)	5.0	—
Nippon Travel Agency	2.4	0.0	(2.4)	—

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 Asakusa (other businesses segment), and Hiroshima Kanayamacho (other businesses segment) locations.

# Each Segment Forecasts

¥ Billions

			Forecasts FY2023.3			
			YoY		Major factors (YoY)	
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	139.0	36.9	36.3	•Recovery in demand (stores within railway stations, VIAINN), etc.
		Operating Income	1.0	8.1	—	
	Department stores	Operating Revenues	24.0	5.8	32.5	•Recovery in demand, etc.
		Operating Income	0.5	1.9	—	
Real estate	Shopping center	Operating Revenues	54.0	8.3	18.3	•Increase in rent income due to a recovery in tenant sales, etc.
		Operating Income	7.0	2.4	54.1	
	Real estate lease and sale	Operating Revenues	107.5	3.4	3.3	•New opening of lease properties and increase in real estate sale, etc.
		Operating Income	20.0	2.7	15.9	
Other Businesses	Hotel	Operating Revenues	31.5	12.9	69.6	•Recovery in demand (the accommodation department), etc.
		Operating Loss	(4.0)	5.0	—	
	Nippon Travel Agency	Operating Revenues	111.0	15.0	15.7	•Increase in domestic travel business, etc.
		Operating Income	0.0	(2.4)	—	•Rebound from non-travel related business, etc.

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 FY2021.3 <sup>*2</sup>	Results FY2022.3	Forecasts FY2023.3
ROA (% , Consolidated)	—	—	0.8
ROE (% , Consolidated)	—	—	5.9
EBITDA (Consolidated) <sup>*1</sup>	(70.8)	42.9	193.0
Depreciation (Consolidated)	173.4	160.8	163.0
Capital Expenditures (Consolidated, own fund)	216.6	213.1	245.0
Capital Expenditures (Non-consolidated, own fund)	167.4	149.4	164.0
Safety related capital expenditure	105.1	83.0	73.0
Dividends per share ( ¥ )	100.0	100.0	100.0

	Results FY2021.3		Results FY2022.3		Forecasts FY2023.3	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,984	23,900	46,779	22,715	—	—
Financial Expenses, net	(19.5)	(17.8)	(18.1)	(18.8)	(19.8)	(18.1)
Interest and dividend income	0.9	2.4	3.2	2.4	1.2	2.6
Interest expenses	20.4	20.2	21.4	21.2	21.0	20.8

Note: Figures in brackets ( ) are negative values.

<sup>\*1</sup> EBITDA = Operating Income (Loss) + Depreciation + Amortization of goodwill

<sup>\*2</sup> Results for the fiscal year ended March 31, 2021, are the figures after the retroactive application of "Accounting Standard for Revenue Recognition."

1

FY2022.3 Results and FY2023.3 Results Forecasts Page 3

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2

Progress with the Revised Medium-Term Management Plan 2022  
and Preparations for the Next Medium-Term Management Plan Page 12

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3

Results for FY2022.3 (Details) Page 25

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4

Results Forecasts for FY2023.3, etc. (Details)Page 35

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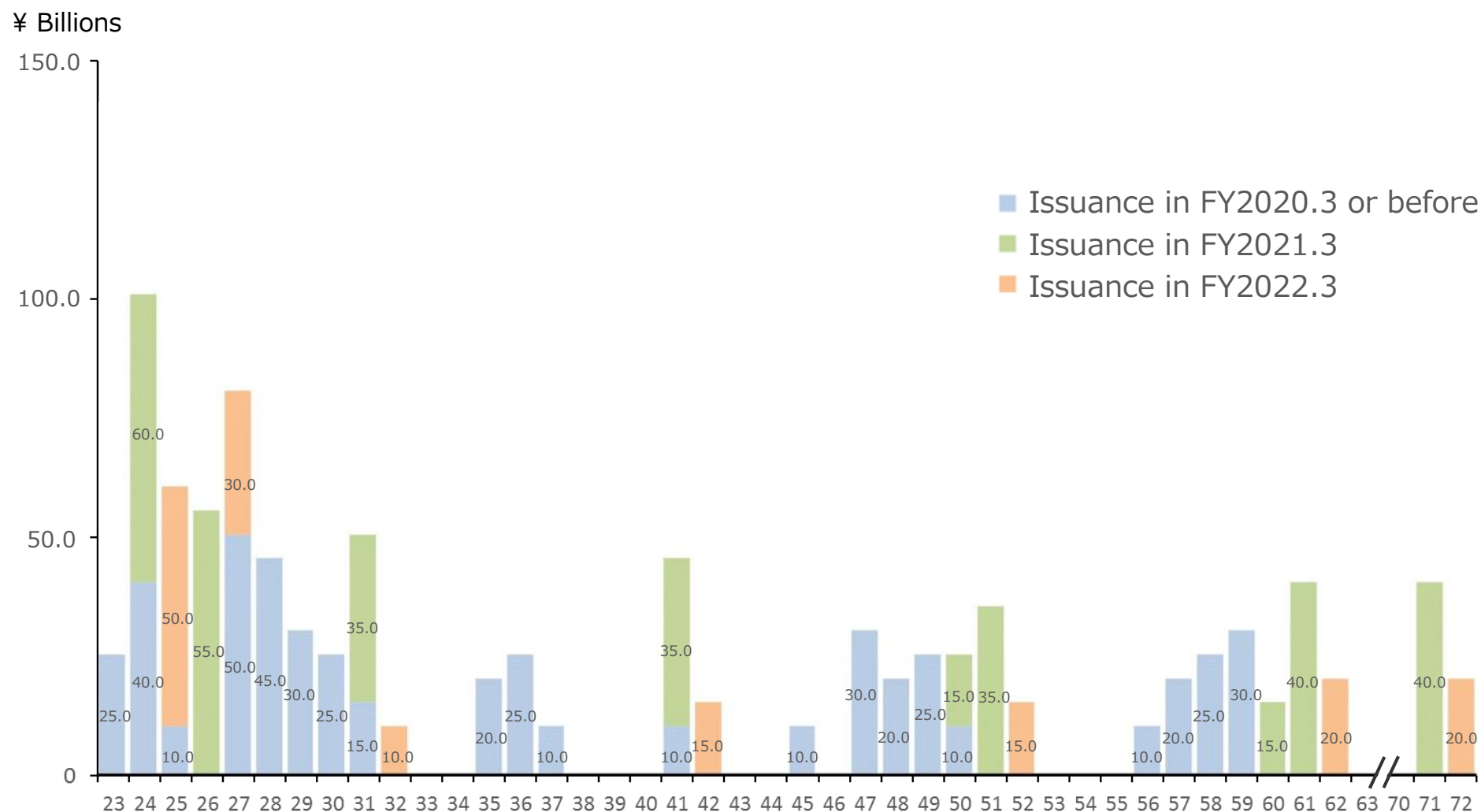


Appendix

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# Expected bond redemption

## Bond redemption amount (non-consolidated)



(Note 1): As of May 2, 2022

(Note 2): Redemption amount is face value

(Note 3): Horizontal axis shows fiscal years ending in March

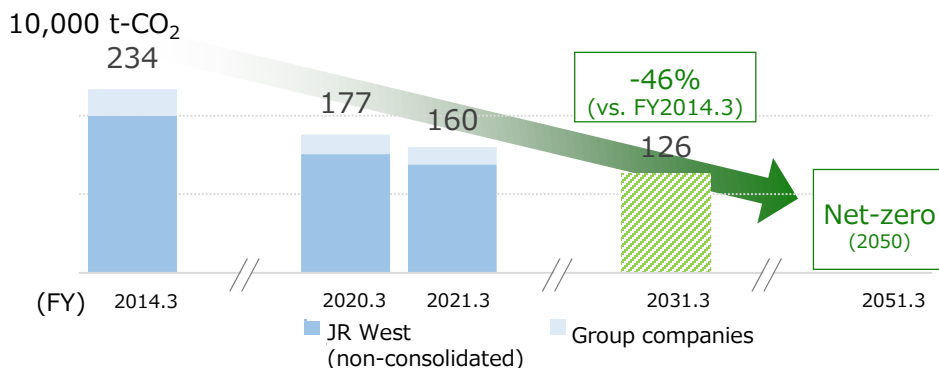
# Initiatives to Increase Corporate Value / ESG

## Environment: Helping to prevent global warming through CO<sub>2</sub> reduction



- Long-term environmental goal: "JR West Group Zero Carbon 2050"
  - Aiming for net zero CO<sub>2</sub> emissions on a Groupwide basis in 2050.
  - Aiming for a 46% reduction in CO<sub>2</sub> emissions on a Groupwide basis in FY2031.3 (vs. FY2014.3)
- Support for TCFD and information disclosure
  - Establishing Global Environment Committee, monitoring climate change risk, etc.
  - In accordance with TCFD recommendations, implementing information disclosure in regard to analysis of and measures to address risks and opportunities in the railway business, which is especially strongly affected by climate change (April 2021)
  - We estimated the quantitative effect of identified risks, etc., and made a provisional calculation of transportation revenues. Both were announced. (December 2021)
- Initiatives to reduce environmental burdens, such as the use of renewable energy in the real estate business

## Trend in CO<sub>2</sub> emissions



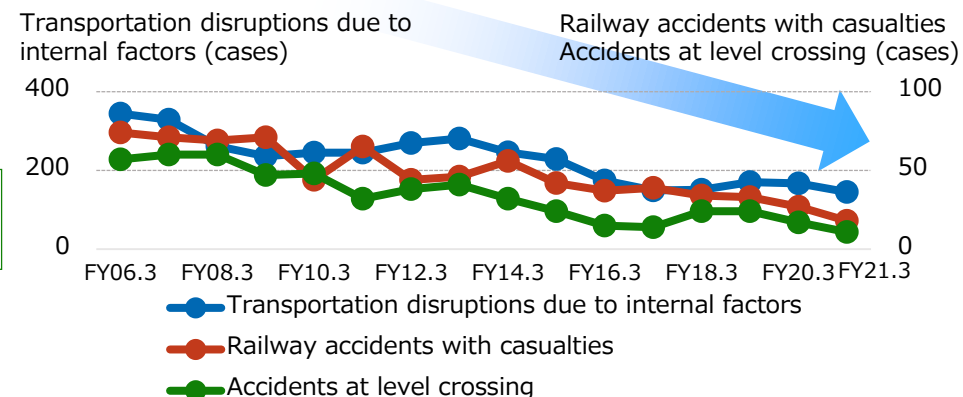
## Society – Regional revitalization backed by safe and sustainable railway service



- Initiatives to achieve "JR-West Group Railway Safety Think-and-Act Plan 2022"
- COVID-19 prevention
  - "On-time congestion information" service
- Attractive city developments through collaborations with local communities
  - Increase non-resident/resident population
  - Safe and sustainable railway service



## Safety indicator



## Governance – Monitoring our management, enhancing our supervisory function



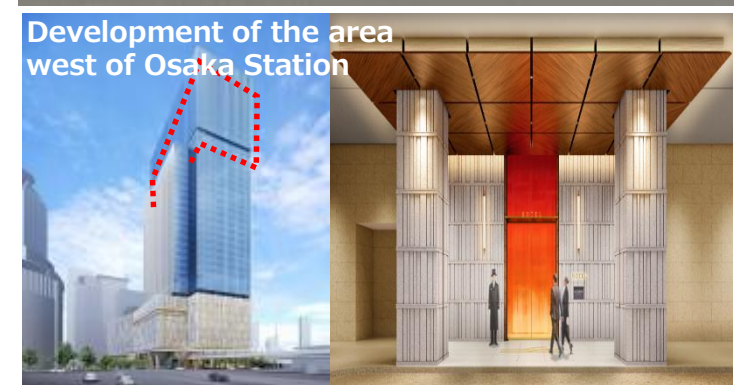
- 5 of the 13 directors are independent outside directors
- Personnel and Remuneration Advisory Committee with majority consisting of independent outside directors (December 2019)
- To increase corporate value, we defined the skills that are believed to be important for the Board of Directors as of this point, and we disclosed a skill matrix for Directors and Audit & Supervisory Board Members. (December 2021)

- We announced a transition to a company with an audit and supervisory committee in order to conduct management decision-making and business execution more rapidly and to strengthen the monitoring of the Board of Directors. (January 2022)
- With the purposes of achieving continued increases in corporate value and promoting the further sharing of value with shareholders, the Company announced the introduction of a restricted stock remuneration plan. (April 2022)

# Large-scale projects / Osaka



## New north building development



(Left): Upper floors 30 to 38 are hotel guest room floors.  
(Right): Illustration of the hotel front entrance (1st floor)

## (1) New ticket gates / passageway located inside ticket gates

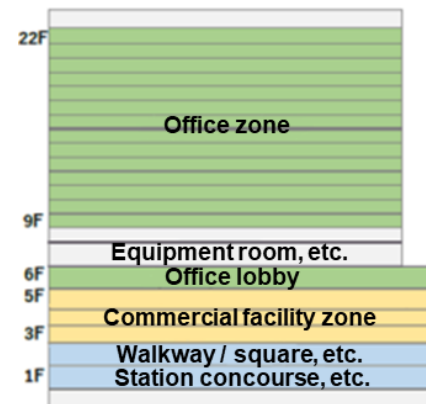
- New ticket gates under elevated tracks on west side
- Establishment of passageway located inside ticket gates that connects the new ticket gates and Umekita underground station. Opening of Umekita underground station as "Osaka Station."

## (2) Development under elevated tracks

- Opening: In stages from fall 2024 to spring 2027
- Total floor space: approx. 7,000m<sup>2</sup>
- Uses: Commercial facilities, bus terminal, etc.

## (3) New station building development

- Opening: Fall 2024
- Total floor space: approx. 60,000m<sup>2</sup>
- Scale: Above ground, 23 floors; below ground, 1 floor
- Uses: Offices, commercial facilities, etc.

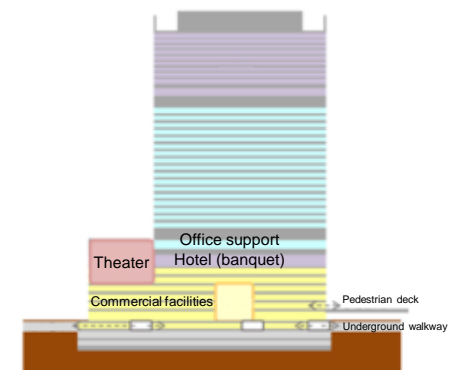


## (4) Development of the area west of Osaka Station

(Development of former site of central post office)

\* Joint business activities

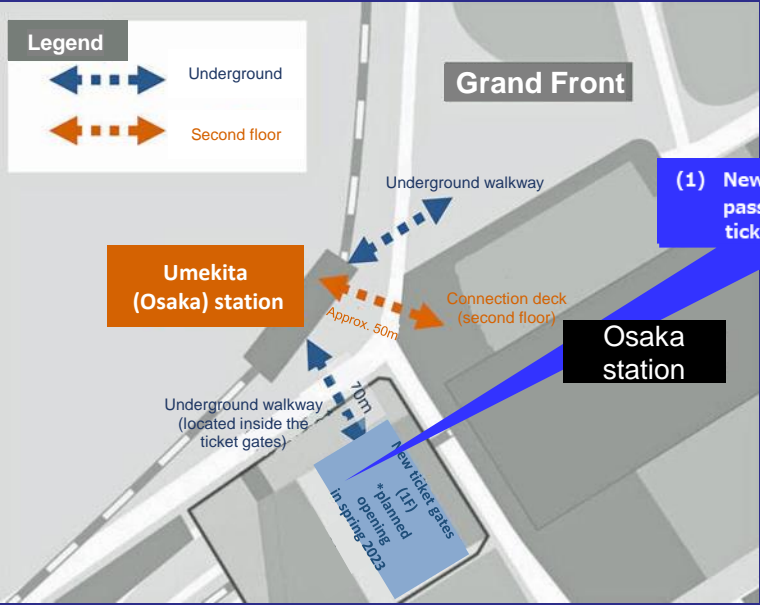
- Opening: Completion planned for March 2024
- Total floor space: approx. 227,000m<sup>2</sup>
- Scale: Above ground, 39 floors; below ground, 3 floors
- Uses: Offices, commercial facilities, hotels, theater, etc.



\* Amount of investment: approximately ¥100.0 billion (total for (1) to (4) above, JR-West's portion only)

# Large-scale projects/Osaka

## Umekita (Osaka) station (planned opening in spring 2023)



(1) New ticket gates / passageway located inside ticket gates

passageway located inside ticket gates (underground)

(3) New station building development

(2) Development under elevated tracks

(4) Development of the area west of Osaka Station  
(Development of former site of central post office)



Herbis Plaza ENT

Grand Front Osaka

LINKS UMEDA

Yodobashi Camera

Umekita Plaza

LUCUA 1100

North Gate Building

JR Osaka station

Daimaru Umeda

South Gate Building

Hotel Granvia Osaka

Hanshin Osaka-Umeda station

Hanshin Department store

Hilton Osaka

Nishi-Umeda subway station

Hankyu Osaka-umeda Station

Hankyu Department store

Higashi-Umeda subway station

# Large-scale projects/Osaka

Making the Umekita (Osaka) Station into a field that is co-created with a variety of partners

## JR WEST LABO Innovative Station Field



# Large-scale projects/Osaka

Illustration of exterior



## JR WEST LABO field

### Above-ground section

#### Opening

- Summer 2024: Certain services will start to be made available
- Spring 2025: Full opening

#### Scale

- Ground area: approximately 12,500m<sup>2</sup>
- Building: 3 stories above ground (of which, store floor space: approximately 3,750m<sup>2</sup>)

#### Uses

- Open space in front of station: Boarding areas for tourist buses and taxis, etc.
- Building: Open space for pedestrians, commercial facilities, connection deck, etc.

Concourse



### Underground portion

#### Overview of facilities:

- Underground station building, 2 island platforms for 4 lines  
\*Relocate a portion of a branch line of the Tokaido Line underground and open a new station

#### Concept

- A station that will bring a smile to your face

#### Technologies that will be introduced

- Interactive space that utilizes digital technologies
- One-to-one digital guidance
- Full-screen platform doors \* First in the world using this method

Platform level



**2023**  
**JR WEST LABO**  
**- Innovative Station Field -**  
**START!**

# Large-scale projects/Hiroshima

## ◆ Illustration of exterior



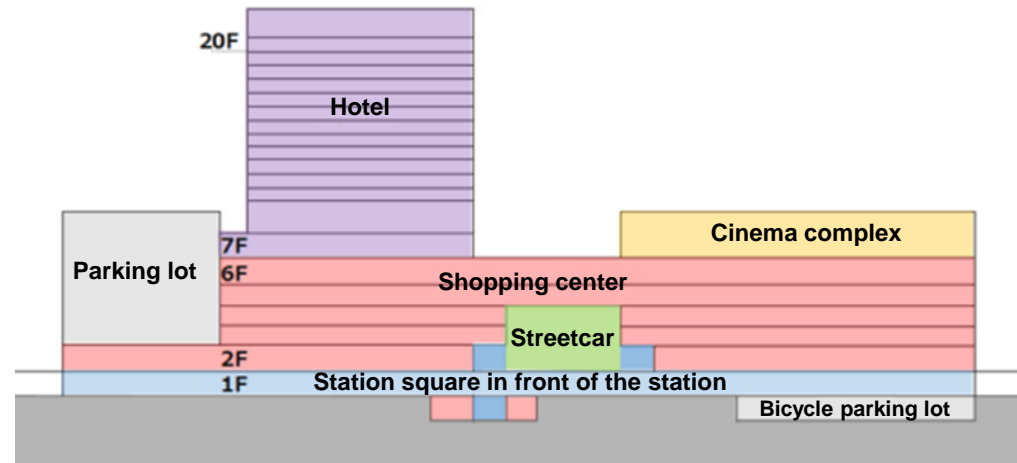
## ◆ Illustration of interior



## ◆ Development overview

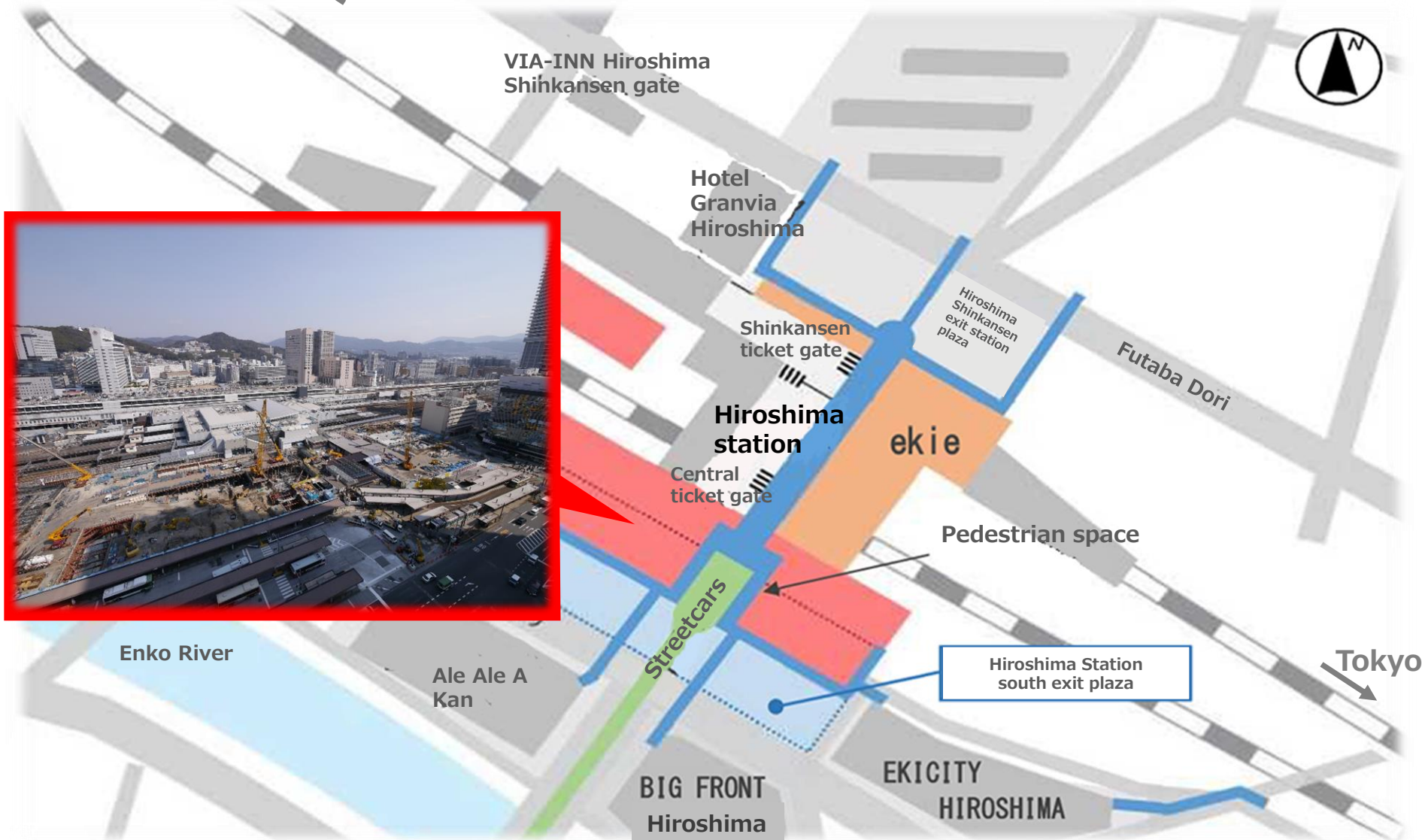
- Planned opening: Spring 2025
- Amount of investment: approximately ¥60.0 billion
- Building area: approximately 14,000m<sup>2</sup>
- Total floor space: approximately 111,000m<sup>2</sup>
- Scale: Above ground, 20 floors; below ground, 1 floor; height: approximately 100 m
- Uses:
  - Shopping center / cinema complex (Store floor space: approximately 25,000m<sup>2</sup>)
  - High-class accommodation-oriented hotel Vischio (approximately 400 rooms)
  - Parking lot directly connected to station building (approximately 500 spaces)
  - Parking lot in separate building (approximately 400 spaces)

## ◆ Illustration of floor organization



# Large-scale projects/Hiroshima

◆ Status of progress with construction  
Hakata



# Large-scale projects/Sannomiya

Illustration of exterior of  
new station building (overall view)



◆ Illustration of sky deck at open space  
in front of station

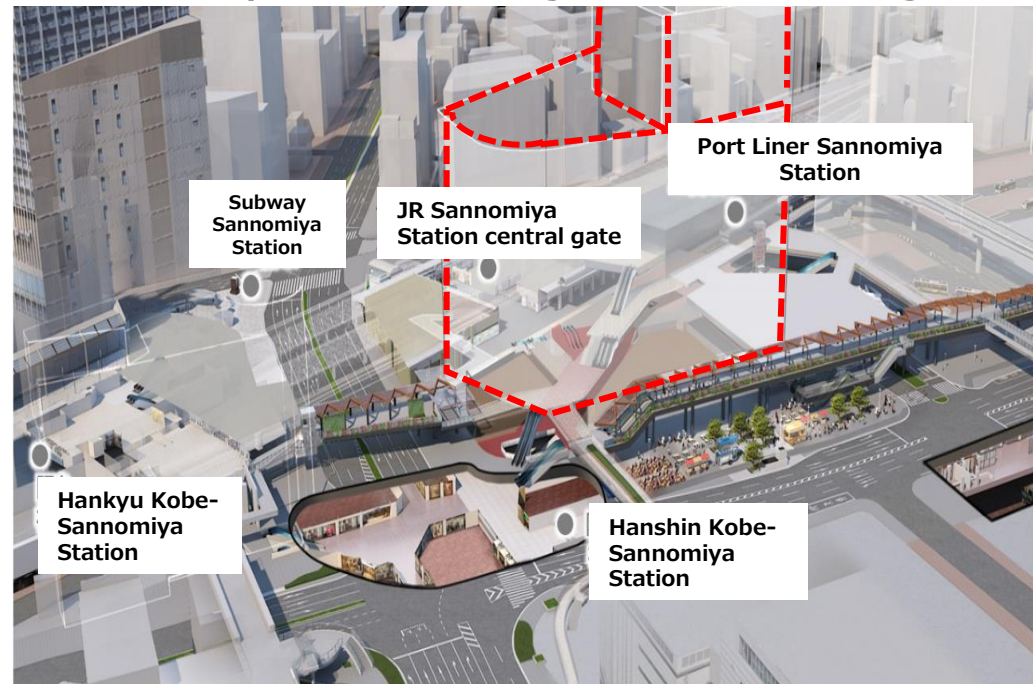


## ◆ Overview of new station building development

\* Joint project with Urban Renaissance Agency

- Planned opening: FY2030.3
- Total floor space: approximately 100,000m<sup>2</sup>
- Scale: height of approximately 160 meters  
(the highest ever for a development led by JR-West)
- Uses: Commercial facilities (Store floor space: approximately 19,000m<sup>2</sup>)  
Hotel (approximately 250 rooms)  
Offices (leasing floor space: approximately 6,000m<sup>2</sup>)  
Open space (Sky deck at open space in front of station)

## ◆ Illustration of connection flow at JR Sannomiya Station Building and the surrounding area



# Cautionary Statement Regarding Forward-looking Statements

- This presentation contains forward-looking statements that are based on JR-West's current expectations, assumptions, estimates and projections about its business, industry, and capital markets around the world.
- These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "plan" or similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of JR-West's financial condition, or state other forward-looking information.
- Known or unknown risks, uncertainties and other factors could cause the actual results to differ materially from those contained in any forward-looking statements. JR-West cannot promise that the expectations expressed in these forward-looking statements will turn out to be correct. JR-West's actual results could be materially different from and worse than expectations.
- Important risks and factors that could cause actual results to be materially different from expectations include, but are not limited to:
  - expenses, liability, loss of revenue or adverse publicity associated with property or casualty losses;
  - economic downturn, deflation and population decreases;
  - adverse changes in laws, regulations and government policies in Japan;
  - service improvements, price reductions and other strategies undertaken by competitors such as passenger railway and airlines companies;
  - 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 2, 2022 based on information available to JR-West as of May 2, 2022 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.