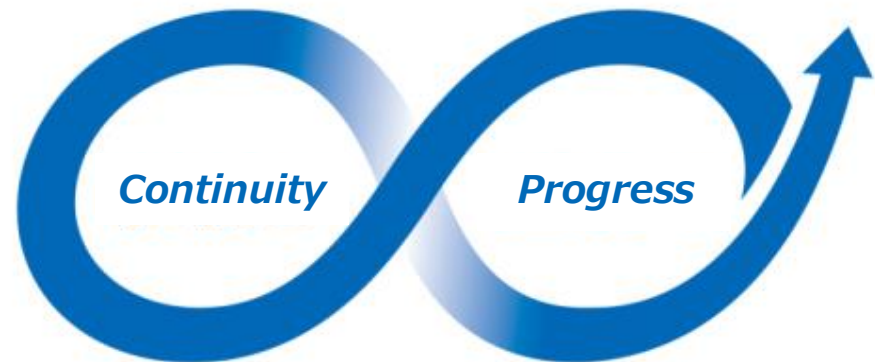










JR-WEST Group Consolidated Results 1st Half of FY2023.3



Making Our Vision into Reality

November 2, 2022
West Japan Railway Company

	FY2023.3 2Q Results and Full-Year Forecasts: Overview	Page 3
	Progress with the Formulation of the next Medium-Term Management Plan	Page 10
	FY2023.3 2Q Results and Full-Year Forecasts: Details	Page 21
	Appendix	Page 32

	FY2023.3 2Q Results and Full-Year Forecasts: Overview	Page 3
	Progress with the Formulation of the next Medium-Term Management Plan	Page 10
	FY2023.3 2Q Results and Full-Year Forecasts: Details	Page 21
	Appendix	Page 32

FY2023.3 2Q Results and FY2023.3 Full-Year Forecasts – Highlights

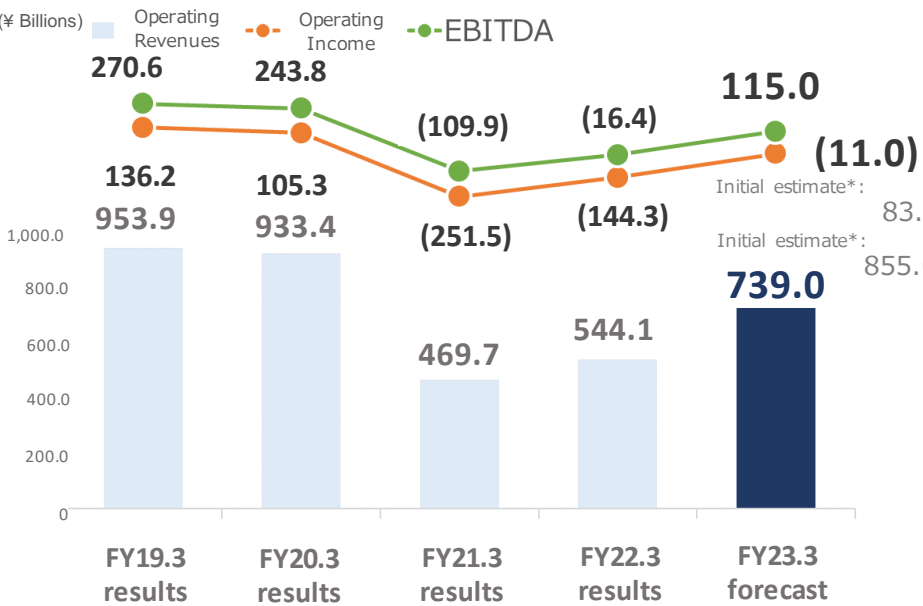
- **In the second quarter of FY2023.3**, due to the influence of the seventh wave of coronavirus infections, etc., the recovery in demand showed signs of slowing. However, **for the first time since FY2020.3**, the Company **recorded first-half profits on both a consolidated basis and a non-consolidated basis**.
- Looking at **cost structure reform initiatives**, on a non-consolidated basis, the plan is for a reduction of **¥20.0 billion** for the fiscal year, and we achieved a **reduction of ¥10.0 billion** in the first half.
- At the beginning of the period, the expectation was for a trend of recovery with fluctuations up and down. Circumstances have been basically in line with expectations, with trends exceeding expectations in the first quarter and falling short of expectations in the second quarter. Accordingly, **there is no change to the full-year results forecast and dividend forecast**.

(¥ Billions)

	6 months ended Sep 30, 2021	6 months ended Sep 30, 2022	YoY		Forecasts FY23.3	YoY		Vs. revised plan %
			Increase/ (Decrease)	%		Increase/ (Decrease)	%	
【Consolidated】								
Operating Revenues	436.8	616.7	179.8	41.2	1,309.0	277.8	27.0	(9.7)
Operating Expenses	522.9	582.8	59.9	11.5	1,279.0	128.8	11.2	(2.4)
Operating Income (Loss)	(86.1)	33.8	119.9	-	30.0	149.0	-	(78.6)
Recurring Profit (Loss)	(87.4)	27.7	115.1	-	13.5	134.5	-	(89.2)
Profit (Loss) attributable to owners of parent	(68.6)	64.5	133.1	-	58.5	171.6	-	(26.9)
EBITDA	(7.3)	111.7	119.1	-	193.0	150.0	349.9	(41.5)
【Non-Consolidated】								
Transportation Revenues	210.0	320.7	110.7	52.7	673.0	185.3	38.0	(13.2)
Operating Expenses	332.8	346.3	13.5	4.1	764.5	59.8	8.5	(2.6)

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

FY2023.3 2Q Results and FY2023.3 Full-Year 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).

Operating Revenues ¥ Billions

	FY2022.3 2Q results	FY2023.3 2Q results
	235.6	348.8
Of which, non-consolidated transportation revenues	210.0	320.7
Shinkansen	82.9	156.8
Kansai Urban Area	98.3	123.4
Other conventional lines	28.7	40.3

Operating Income ¥ Billions

	FY2022.3 2Q results	FY2023.3 2Q results
	(89.9)	12.6

EBITDA ¥ Billions

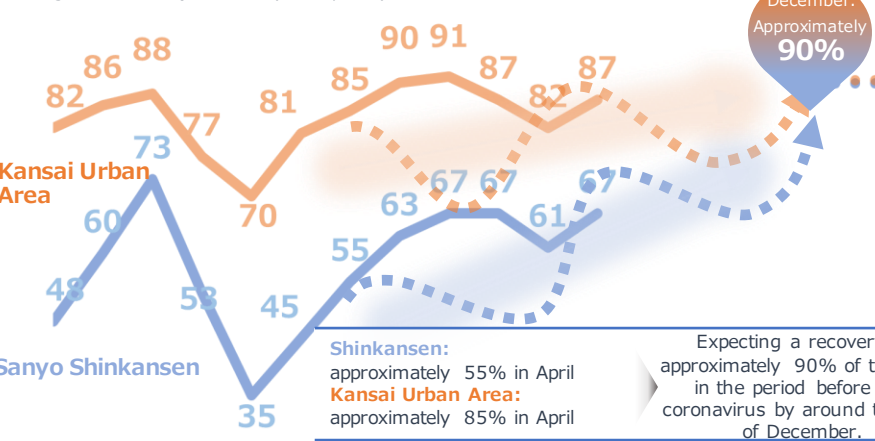
	FY2022.3 2Q results	FY2023.3 2Q results
	(27.4)	73.5

Points

- The expectation is for a gradual recovery from 55% in April for Shinkansen and 85% in April for Kansai Urban Area, with recovery to approximately 90% of the level in the period before the coronavirus by around the end of December. In comparison, the results in the three-month second quarter were below expectations.
- With consideration for the fact that the first half was basically in line with expectations and for the influence of the eighth wave of the coronavirus on demand recovery, the full-year forecast has not been changed.

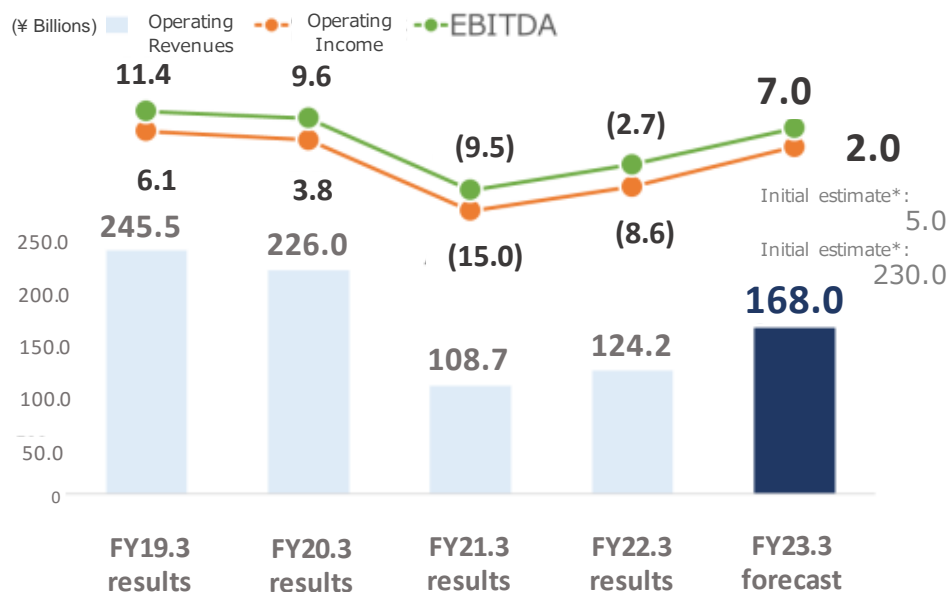
Expectation for FY2023.3 (assumption)

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



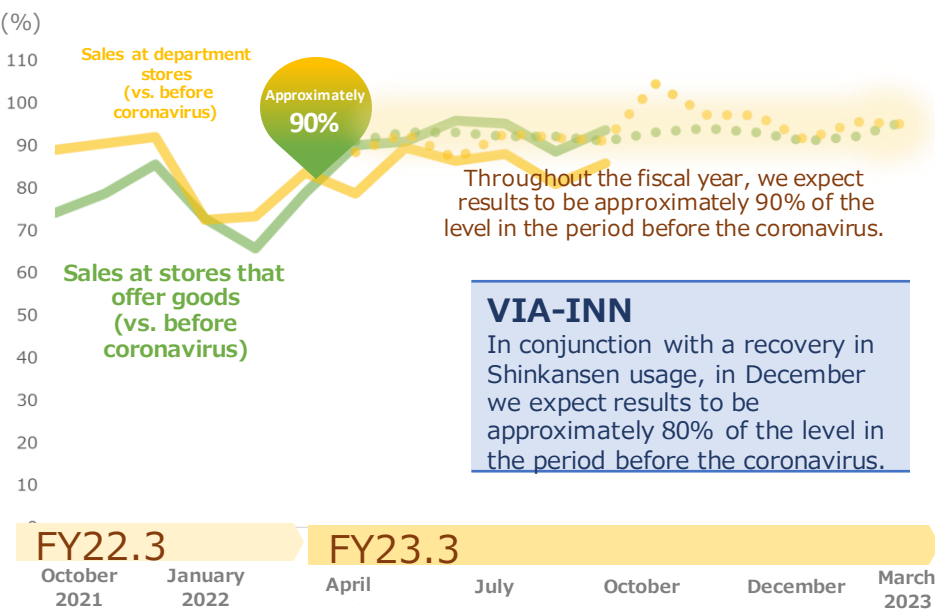
FY22.3: October 2021, January 2022
 FY23.3: April, July, October, December, March 2023

FY2023.3 2Q Results and FY2023.3 Full-Year 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

	FY2022.3 2Q results	FY2023.3 2Q results
Sales of goods and food services	55.5	77.2
Of which, VIA-INN	46.2	65.3
Department stores	7.3	9.6

* 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

	FY2022.3 2Q results	FY2023.3 2Q results
Sales of goods and food services	(6.9)	0.6
Of which, VIA-INN	(5.3)	0.8
Department stores	(1.5)	(0.3)

* 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

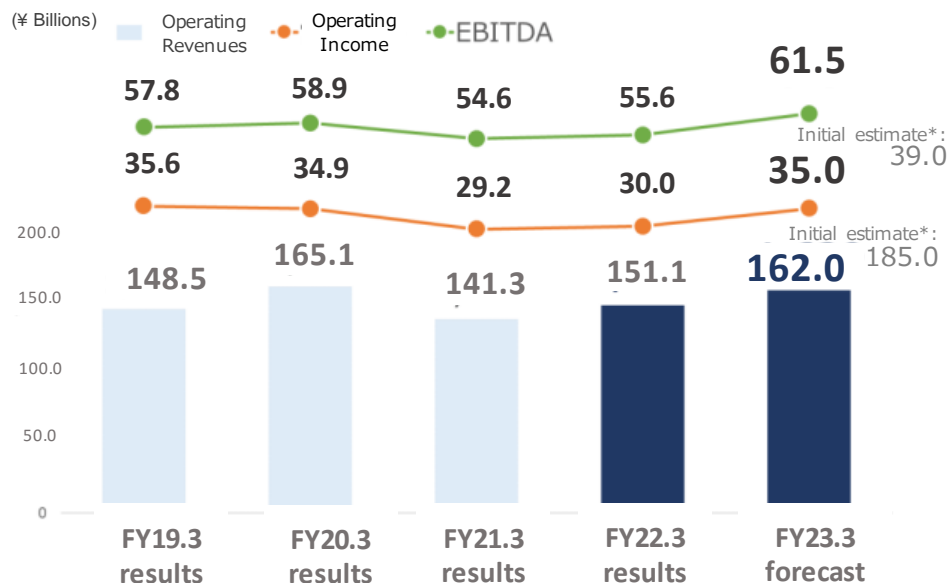
	FY2022.3 2Q results	FY2023.3 2Q results
Sales of goods and food services	(4.1)	3.3
Of which, VIA-INN	(3.3)	2.7
Department stores	(1.1)	0.1

* 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

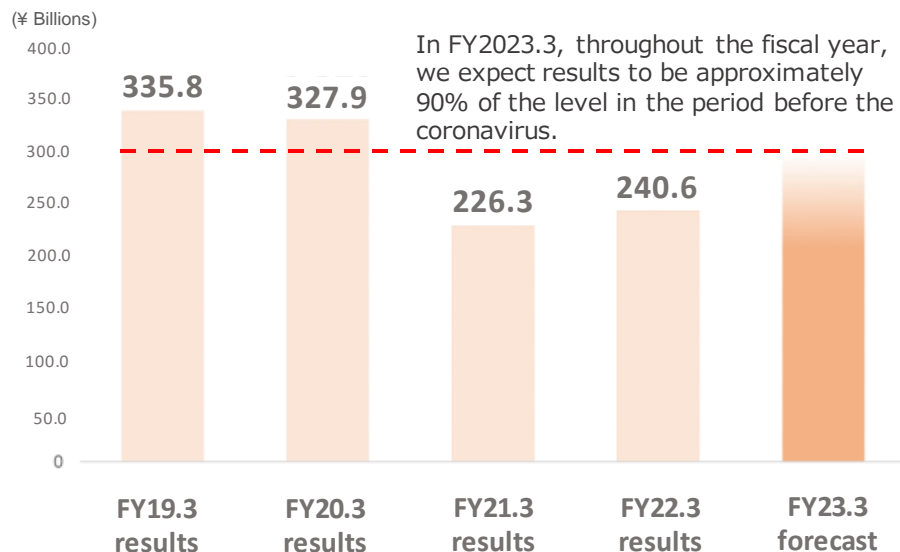
In the second quarter, the seventh wave of coronavirus infections had an effect, and there were signs that the recovery was slowing. Nonetheless, circumstances were basically in line with expectations.

FY2023.3 2Q Results and FY2023.3 Full-Year 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

	FY2022.3 2Q results	FY2023.3 2Q results
	66.2	75.7
Real estate lease and sales business	44.6	50.1
Of which, Real estate lease	23.8	25.2
Real estate sales	20.8	24.9
Shopping center	20.6	25.1

* 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

	FY2022.3 2Q results	FY2023.3 2Q results
	16.1	18.1
Real estate lease and sales business	10.2	11.8
Of which, Real estate lease	8.0	7.7
Real estate sales	2.1	4.1
Shopping center	1.7	3.5

* 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

	FY2022.3 2Q results	FY2023.3 2Q results
	28.3	31.1
Real estate lease and sales business	18.7	20.7
Shopping center	4.7	6.9

* 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

YOY growth was recorded in revenues and profits due to newly opened properties, full-year contributions from newly opened properties, sales to investors, and higher sales at shopping centers. Results were basically in line with expectations.

FY2023.3 2Q Results and FY2023.3 Full-Year 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 2022, 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

	FY2022.3 2Q results	FY2023.3 2Q results
Hotel business	7.2	13.7
Travel business	34.7	62.5

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

Operating Income (major breakdown)

¥ Billions

	FY2022.3 2Q results	FY2023.3 2Q results
Hotel business	(5.8)	(2.2)
Travel business	0.1	3.1

* 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

	FY2022.3 2Q results	FY2023.3 2Q results
Hotel business	(4.0)	(0.5)
Travel business	0.3	3.3

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

Points

- In the hotel business, results recovered, centered on the accommodation department, due to the reduced influence of the coronavirus, etc. The opening in March 2022 of Hotel Vischio Toyama also contributed to increased revenues.
- In the travel business, the solutions business, such as vaccination management operations, continued firm. Results exceeded the plan.

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.

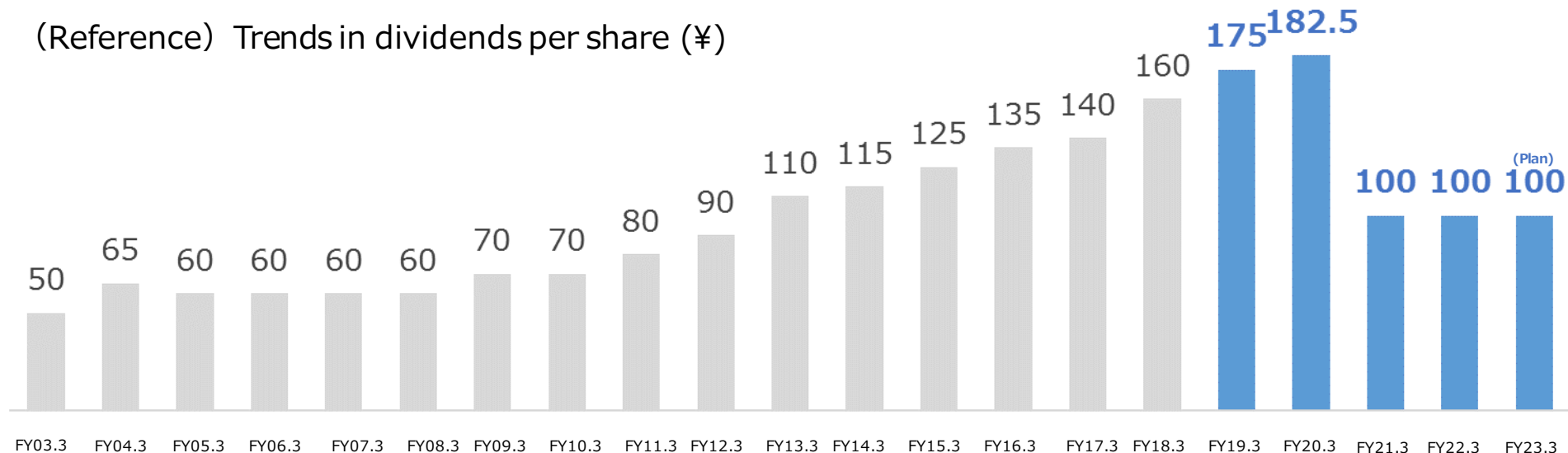
- Maintain policy of “emphasizing stable dividends over the long term,” even in a challenging management environment





Shareholder return in FY 2023.3

- 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 *Plan)

(Reference) Trends in dividends per share (¥)



	FY2023.3 1Q Results and Full-Year Forecasts: Overview	Page 3
	Progress with the Formulation of the next Medium-Term Management Plan	Page 10
	FY2023.3 1Q Results and Full-Year Forecasts: Details	Page 21
	Appendix	Page 32

Understanding of the External Environment, Issues for the Next Medium-Term Management Plan

- There are **opportunities to create new demand**, and there is accelerating **progress** with **digital technologies**, etc., that make it possible to address those opportunities.
- On the other hand, it is becoming clear that there is a **decline in conventional usage** and that there are **risks of higher costs** due to international circumstances and the requirements of society.

Operating Environment Changes

Opportunities to create new demand

- Rediscovery of real values
- Increase in environmental awareness
- Technical innovation, including digital technologies

Decline in number of users and number of uses

- Population decline / aging of society
- Unstable inbound demand
- Values gap between different generations
- Further changes in social behavior

Upward pressure on costs

- Intensifying natural disasters
- Yen depreciation/rising prices
- Securing human resources

Challenges in existing businesses

- Due to changes in the management environment, there is an unavoidable trend of decline in various elements making up the Group's earnings.
- International circumstances and the requirements of society are leading to the risk of higher costs.
- In non-railway operations, we do not have an operational scale that can provide support in a management crisis, such as the coronavirus. Moreover, under this business model, almost all non-railway businesses are linked to the railway business.

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

- Securing railway safety, the foundation of management

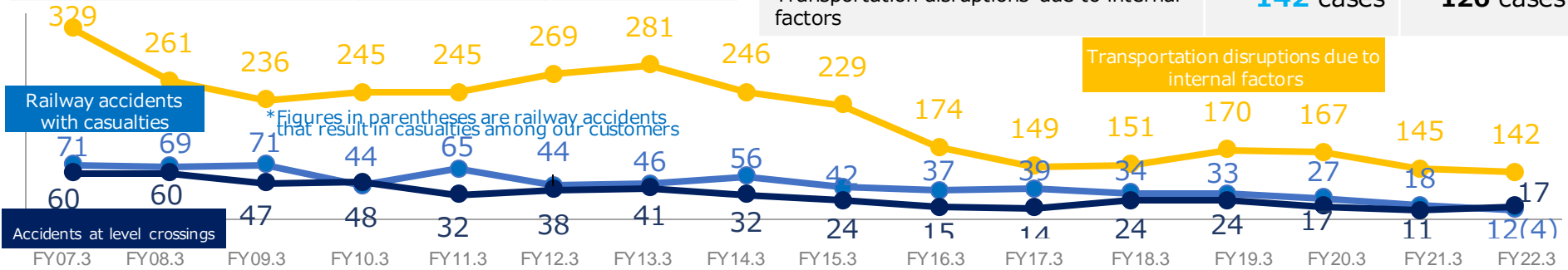
Safety

- 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

	FY 22.3 Results	FY 23.3 Objectives		FY 22.3 Results	FY 23.3 Objectives
Train accidents that result in casualties among our customers	*10(0) cases	0 cases in 5 years	Railway accidents with casualties among our customers	4 cases	9 cases
Railway labor accidents that result in fatalities among our employees	*10(1) cases	0 cases in 5 years	Accidents at level crossings	17 cases	22 cases
			Transportation disruptions due to internal factors	142 cases	126 cases



Previous efforts

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

Measures to prevent the spread of the novel coronavirus pandemic

Safety measures for crossings and platforms

- Accelerating installation through the use of New Fare System with Additional Fees to Promote Barrier-free Access at Railway Stations

Railway labor accident countermeasures

- Developing multi-function railway heavy equipment



Points for the formulation of the next Medium-Term Management Plan

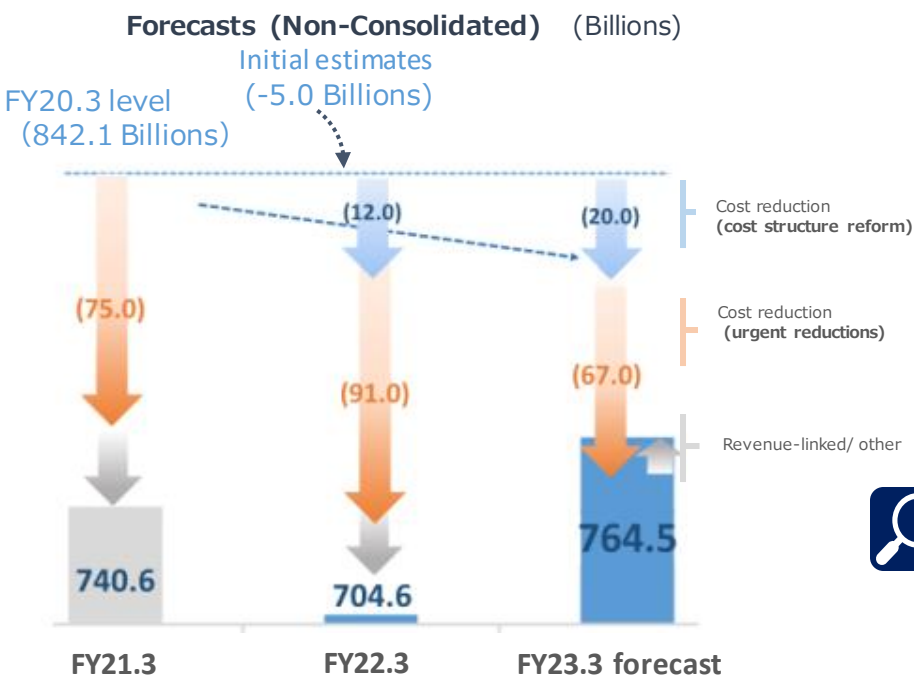
Securing safety will continue to be the foundation of management

- Defining “perspectives that are essential for the achievement of safety” in “Achieving Railway Safety into the Future” (formulated March 2021)
- Highlighting the above perspectives, confirming issues, and advancing initiatives in a focused manner

Innovation of Railways and Structural Reforms in Each Business

- **Structural cost reductions** are making **steady progress toward the plan of ¥20.0 billion** for FY2023.3 on a non-consolidated basis.
- Under the next medium-term management plan, we will **strengthen top-line and bottom-line initiatives**.

Operating Expenses



cost reductions rates (consolidated)

*vs. FY2020.3 ¥ Billions

FY2023.3 2Q results	FY2023.3 full-year plan
(54.0)	(117.0)

Non-consolidated asset sales ¥ Billions

FY2023.3 2Q results	FY2023.3 full-year plan
4.4	15.0

Cost structure reform

¥ Billions

	FY2023.3 2Q results	FY2023.3 full-year plan
Enhancing productivity in railway operations	Approximately (5.0)	Approximately (11.0)
Optimizing train schedules	Approximately (2.0)	Approximately (3.5)
Organizational structure reforms	Approximately (3.0)	Approximately (5.5)



Points for the formulation of the next Medium-Term Management Plan

Deepening cost structure reform

- Further deepening the list of structural cost reductions

Yield management

- Enhancing demand forecasting, with consideration for accelerating the timing of the start of EX Service reservations
- With consideration for the above, maximizing earnings through the establishment of appropriate transport capacity / products

Strengthening marketing that leverages data

- Expanding railway usage by leveraging Group point system integration (introduction of WESTER points)

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.

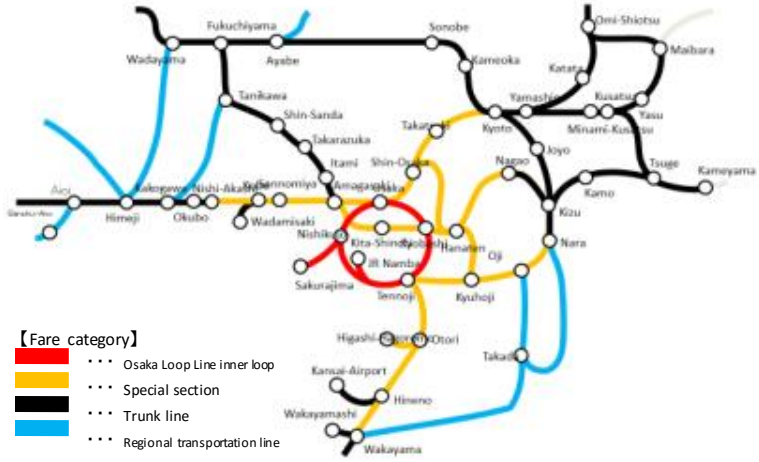
- The examinations are based on the profitability outlook for the three-year period after a fare revision, and accordingly it is not possible to cover losses in prior fiscal years, such as periods of dramatic declines in revenues.

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.

(Reference) Introduction of the New Fare System with Additional Fees to Promote Barrier-free Access at Railway Stations

- Receipt of fares from Osaka Loop Line and special railway section to start from FY2024.3.
- With a target of spring 2025, in conjunction with the standardization of the fare system, plans call for expansion of the receipt of fares and the area targeted for enhancement.



Ministry of Land, Infrastructure, Transport and Tourism subcommittee related to the state of the railway fare/charge system: Interim viewpoint summary

Current response

With the current fare/charge system as an assumption, the following specific discussions have been commenced. Implementation will be made in the order that conclusions are reached.

- **Revision of total cost calculation method**
Method of appropriately reflecting in the total cost the investments/costs involved in addressing current issues, such as safety/security and the environment. Etc.
- **Improvements/innovative initiatives in the operation of the current system**
New fare/charge system that does not result in increased revenues overall. Etc.
- **System revisions aimed at maintaining/securing regional mobility in regional areas**
If related parties in regional areas agree, a system that enables fares to be set in a manner that is different from authorized fares

Future discussions

In regard to the revision of the current fare/charge system itself, this will be a topic for continued discussions

(Source) Prepared by the Company from materials distributed for the eighth meeting of a Ministry of Land, Infrastructure, Transport and Tourism subcommittee related to the state of the railway fare/charge system

Future actions

Revision within the scope of notifications, with consideration for the competitive environment, etc.

- Revision of special railway section fares in the Kyoto-Osaka-Kobe Area
 - Revision of Nozomi/Mizuho reserved seat express train charges
 - Revision of conventional line express train charges / discounts when changing between conventional and Shinkansen trains
- (from April 2023)

Simplification of fare/charge system Flexible price setting in line with demand

- Discussions regarding the establishment of Kyoto-Osaka-Kobe Area fares, keeping in mind the advancement of discussions about accelerating the installation of barrier-free equipment, dynamic pricing, etc.
- Addressing the above improvements/innovative initiatives in the operation of the current system

Continued demand for revision of total cost calculation method

Addressing the above revision of the total cost method

✓ **Going forward, detailed discussions with related organizations**

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

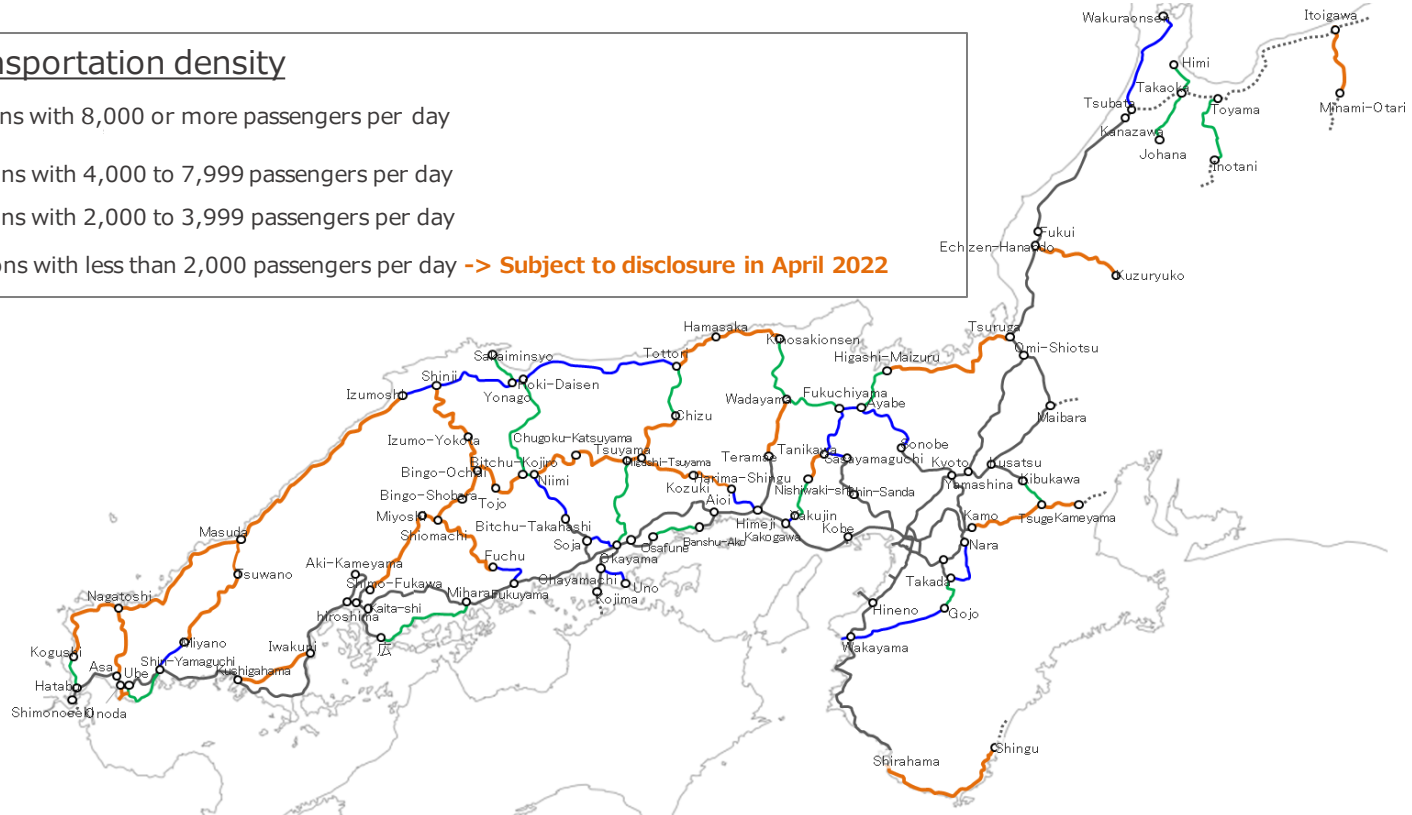
- Disclosing profitability by railway line section for 30 sections on 17 lines with a transportation density of less than 2,000 people per day (April 2022)
- Sharing with regions along railway lines the status and issues for railway line sections for which it is considered to be difficult to sufficiently 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 -> Subject to disclosure in April 2022



✓ After raising the issue, started discussions in a variety of forms

Digital Strategy

Payment/boarding/Authentication

- Mobile ICOCA (provisional name)
- J-WEST Card



Strengthening customer contact points

- WESTER
- tabiwa by WESTER



Enhanced service lineup



Regional invigoration measures using ICOCA

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



One ID, One point

WESTER ポイント

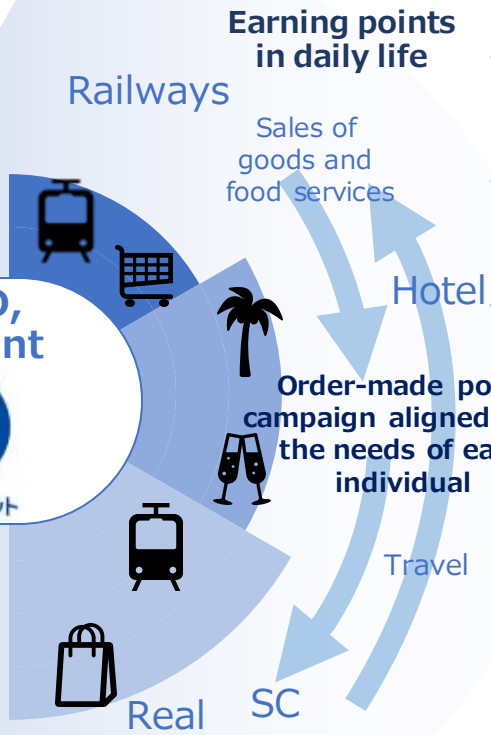


ICOCA and Plus

- ICOCA commuter pass considered to be fan club membership card, special benefits awarded Implementing test marketing through tie-up with WESTER (November 2022)

Collaborating in the establishment of regional mobility

- Reservations for on-demand tourism bus in Kinosaki Onsen/Yumura Onsen area (September 2022)



■ 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

Points for the formulation of the next Medium-Term Management Plan

Top-line growth at existing businesses

- Working to invigorate the western Japan area by increasing mobility opportunities and expanding regional consumption through the use of WESTER points
- By making it possible for points to be accumulated and used, we will aim for about 10 million point users at the end of FY2028.3.

Higher earnings per customer

✓ **×**
Increase In active IDs

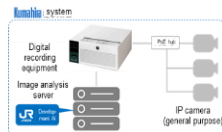
Leading to **growth in earnings**

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**.

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



Open innovation initiatives among railway operators

- Identifying common issues in operations and maintenance and searching for methods of resolving social issues in local communities
- ✓ "Scomm" terminal for the simple provision of information at unstaffed stations
- ✓ Train vibration judgment system using smartphones

CBM solutions for station equipment

- We are expanding the range of machines in which these solutions are utilized to include ticket sales and payment machines.
- Orders from multiple companies

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



Cargo transportation

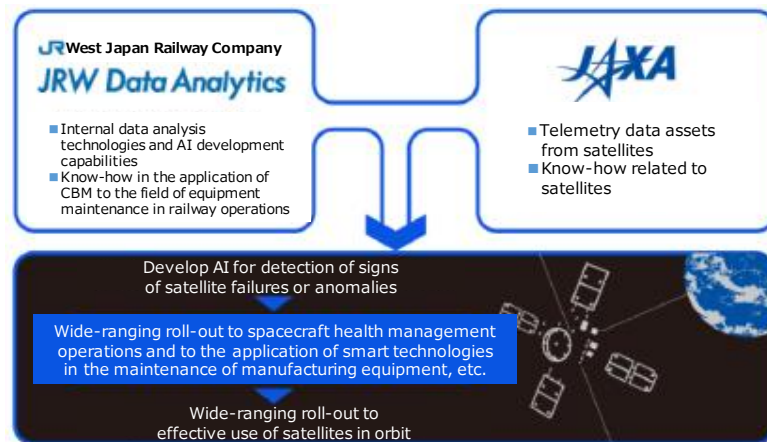
- We have started regular cargo transportation on the Sanyo Shinkansen, Hokuriku Shinkansen, and Hakubi Line
- ✓ Launched Kanazawa Station counter for Hako-byun Quick

Trial "non-urban living" project

- 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."

Co-creation activities with JAXA using failure prediction AI technology

- Combining JR-West's data analysis / AI development technologies related to equipment maintenance in the railway business, and the Company's know-how regarding the implementation of those technologies, with JAXA's telemetry data assets from satellites and operational know-how related to satellites
- Taking on the challenge of satellite predictive maintenance by developing AI for detection of signs of satellite failures or anomalies



© JAXA/West Japan Railway Company

- ✓ Exhibit at CEATEC, first for a railway operator

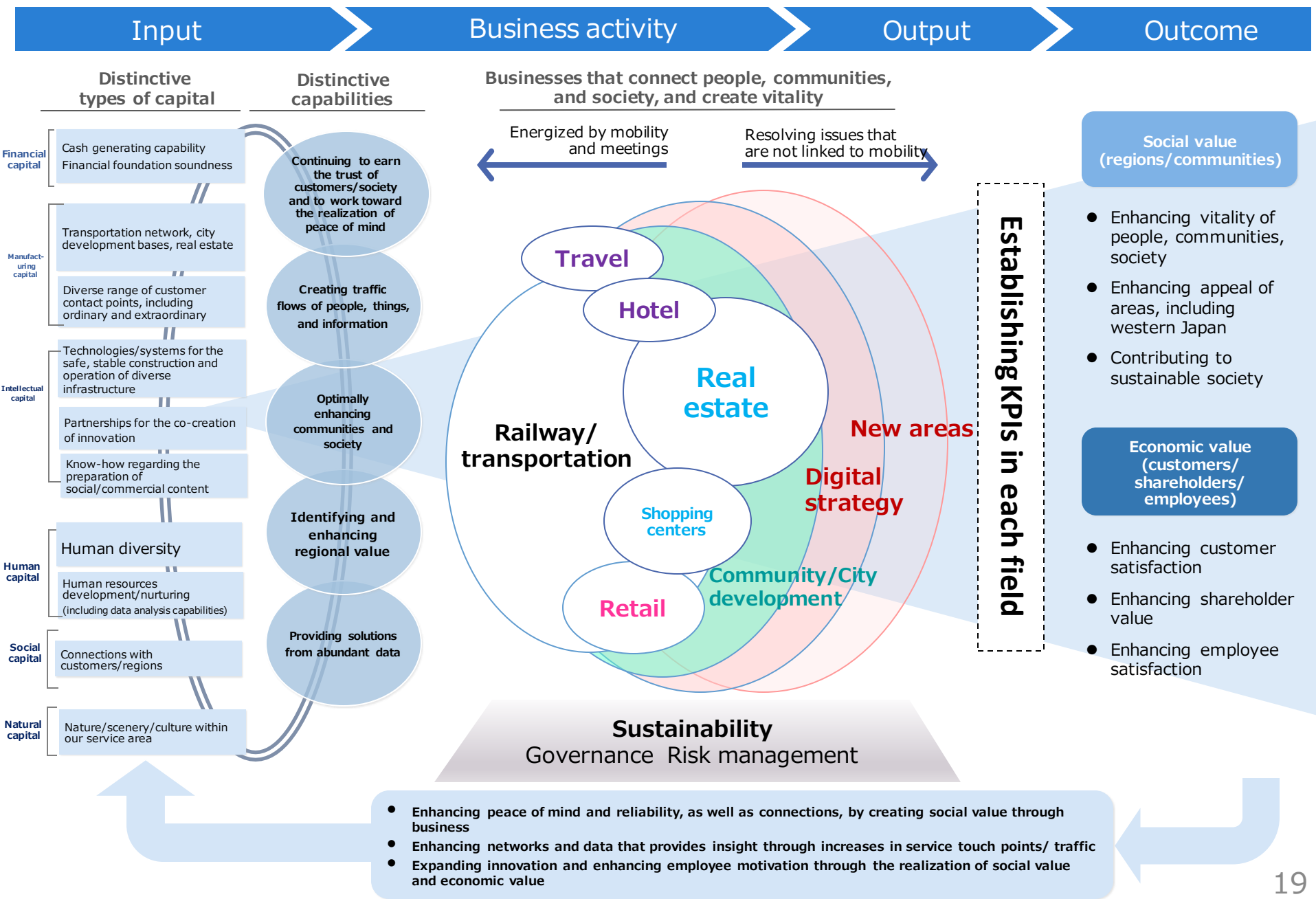






Points for the formulation of the next Medium-Term Management Plan

Taking on the challenge of building a new pillar of earnings that is not linked to mobility

- Making full use of existing assets. Focusing on businesses that can scale
- Strengthening ability to address change by building a so-called "Exploiting and Exploring" framework

Value Creation Model



	FY2023.3 2Q Results and Full-Year Forecasts: Overview	Page 3
	Progress with the Formulation of the next Medium-Term Management Plan	Page 10
	FY2023.3 2Q Results and Full-Year Forecasts: Details	Page 21
	Appendix	Page 32

Financial Highlights

¥ Billions

	6 months ended Sep. 30, 2021	6 months ended Sep. 30, 2022	YoY		Results FY2022.3	Forecasts FY2023.3 As of Nov. 1*	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
	A	B	B-A	B/A-1	C	D	D-C	D/C-1
【Consolidated】								
Operating Revenues	436.8	616.7	179.8	41.2	1,031.1	1,309.0	277.8	27.0
Operating Income (Loss)	(86.1)	33.8	119.9	—	(119.0)	30.0	149.0	—
Recurring Income (Loss)	(87.4)	27.7	115.1	—	(121.0)	13.5	134.5	—
Income (Loss) attributable to owners of parent	(68.6)	64.5	133.1	—	(113.1)	58.5	171.6	—
【Non-Consolidated】								
Operating Revenues	251.9	367.2	115.3	45.8	577.6	769.0	191.3	33.1
Transportation Revenues	210.0	320.7	110.7	52.7	487.6	673.0	185.3	38.0
Operating Expenses	332.8	346.3	13.5	4.1	704.6	764.5	59.8	8.5
Personnel costs	90.2	88.5	(1.6)	(1.8)	180.7	177.5	(3.2)	(1.8)
Non personnel costs	147.9	163.3	15.3	10.4	334.7	397.5	62.7	18.8
Energy costs	19.0	26.0	6.9	36.7	40.8	59.0	18.1	44.6
Maintenance costs	55.5	54.6	(0.8)	(1.6)	136.7	151.0	14.2	10.5
Miscellaneous costs	73.4	82.6	9.2	12.6	157.2	187.5	30.2	19.3
Depreciation and Amortization	62.2	60.6	(1.6)	(2.6)	127.2	125.5	(1.7)	(1.4)
Operating Income (Loss)	(80.9)	20.9	101.8	—	(127.0)	4.5	131.5	—
Recurring Income (Loss)	(86.9)	13.5	100.5	—	(138.2)	(10.0)	128.2	—
Net Income (Loss)	(63.8)	58.6	122.4	—	(121.6)	48.0	169.6	—

Note: Figures in brackets () are negative values.

*Forecasts have not been revised since Aug. 2, 2022.

Non-Consolidated Financial Results and Forecasts

¥ Billions

	6 months ended Sep. 30, 2021	6 months ended Sep. 30, 2022	YoY		Results FY2022.3	Forecasts FY2023.3 As of Nov. 1*	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
	A	B	B-A	B/A-1	C	D	D-C	D/C-1
Operating Revenues	251.9	367.2	115.3	45.8	577.6	769.0	191.3	33.1
Transportation revenues	210.0	320.7	110.7	52.7	487.6	673.0	185.3	38.0
Other	41.9	46.5	4.6	11.0	89.9	96.0	6.0	6.7
Operating Expenses	332.8	346.3	13.5	4.1	704.6	764.5	59.8	8.5
Personnel costs	90.2	88.5	(1.6)	(1.8)	180.7	177.5	(3.2)	(1.8)
Non personnel costs	147.9	163.3	15.3	10.4	334.7	397.5	62.7	18.8
Energy costs	19.0	26.0	6.9	36.7	40.8	59.0	18.1	44.6
Maintenance costs	55.5	54.6	(0.8)	(1.6)	136.7	151.0	14.2	10.5
Miscellaneous costs	73.4	82.6	9.2	12.6	157.2	187.5	30.2	19.3
Rental payments, etc.	13.2	13.2	(0.0)	(0.1)	26.7	27.0	0.2	0.8
Taxes	19.1	20.5	1.4	7.4	35.1	37.0	1.8	5.3
Depreciation and Amortization	62.2	60.6	(1.6)	(2.6)	127.2	125.5	(1.7)	(1.4)
Operating Income (Loss)	(80.9)	20.9	101.8	—	(127.0)	4.5	131.5	—
Non-operating revenues and expenses, net	(6.0)	(7.3)	(1.2)	—	(11.2)	(14.5)	(3.2)	—
Non-operating revenues	5.5	3.6	(1.8)	—	13.3	8.0	(5.3)	—
Non-operating expenses	11.6	10.9	(0.6)	—	24.6	22.5	(2.1)	—
Recurring Income (Loss)	(86.9)	13.5	100.5	—	(138.2)	(10.0)	128.2	—
Extraordinary profit and loss, net	7.4	7.5	0.1	—	11.0	17.0	5.9	—
Extraordinary profit	11.8	12.4	0.5	—	54.1	18.5	(35.6)	—
Extraordinary loss	4.4	4.8	0.4	—	43.1	1.5	(41.6)	—
Net Income (Loss)	(63.8)	58.6	122.4	—	(121.6)	48.0	169.6	—

Note: Figures in brackets () are negative values.

*Forecasts have not been revised since Aug. 2, 2022.

Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Results for 6 months ended Sep. 30, 2022					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		
Shinkansen	156.8	73.8	89.0	Fundamental trend 0.0%	
				Special factors	
				·Decreased COVID-19 effects	71.8
				etc.	
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	123.4	25.1	25.6	Fundamental trend 0.0%	
				Special factors	
				·Decreased COVID-19 effects	24.3
				etc.	
Other lines	40.3	11.6	40.6	Fundamental trend 0.0%	
				Special factors	
				·Decreased COVID-19 effects	11.3
				etc.	
Conventional lines	163.8	36.8	29.0		
Total	320.7	110.7	52.7		

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

Note2: Figures in brackets () are negative values.

Transportation Revenues and Passenger-Kilometers Results and Forecasts

Transportation Revenues

Passenger-Kilometers

¥ Billions

Millions of passenger-kilometers

	Results for 6 months ended Sep. 30 (4/1-9/30)			3 months (2Q) (7/1~9/30)			FY2022.3 Results	FY2023.3 Forecasts As of Nov. 1*	YoY	Results for 6 months ended Sep. 30 (4/1-9/30)			3 months (2Q) (7/1~9/30)		
	FY2022.3	FY2023.3	YoY	FY2022.3	FY2023.3	YoY				FY2022.3	FY2023.3	YoY	FY2022.3	FY2023.3	YoY
Total	210.0	320.7	110.7 52.7%	111.0	162.9	51.9 46.8%	487.6	673.0	185.3 38.0%	17,265	22,799	5,534 32.1%	8,867	11,610	2,743 30.9%
Shinkansen	82.9	156.8	73.8 89.0%	45.9	82.1	36.2 78.9%	211.6	339.0	127.3 60.2%	3,806	7,192	3,385 88.9%	2,108	3,819	1,710 81.1%
Commuter Passes	5.3	5.6	0.2 5.0%	2.6	2.7	0.1 5.0%	10.6	-	-	417	440	22 5.4%	206	216	10 5.2%
Non-Commuter Passes	77.6	151.2	73.6 94.8%	43.2	79.3	36.0 83.4%	201.0	-	-	3,388	6,751	3,363 99.3%	1,902	3,602	1,699 89.3%
Conventional Lines	127.0	163.8	36.8 29.0%	65.1	80.8	15.7 24.1%	276.0	334.0	57.9 21.0%	13,458	15,607	2,148 16.0%	6,758	7,791	1,033 15.3%
Commuter Passes	60.2	62.6	2.4 4.0%	29.7	31.1	1.3 4.5%	119.1	-	-	9,788	10,207	419 4.3%	4,739	4,972	233 4.9%
Non-Commuter Passes	66.8	101.2	34.4 51.5%	35.3	49.7	14.3 40.6%	156.9	-	-	3,670	5,399	1,728 47.1%	2,019	2,819	799 39.6%
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	98.3	123.4	25.1 25.6%	50.2	60.3	10.0 20.0%	210.7	251.0	40.2 19.1%	10,737	12,269	1,532 14.3%	5,386	6,063	677 12.6%
Commuter Passes	49.3	51.5	2.2 4.5%	24.3	25.6	1.2 5.0%	97.8	-	-	7,980	8,360	380 4.8%	3,872	4,081	208 5.4%
Non-Commuter Passes	49.0	71.9	22.9 46.9%	25.8	34.7	8.8 34.1%	112.8	-	-	2,757	3,909	1,152 41.8%	1,514	1,982	468 30.9%
Other Lines	28.7	40.3	11.6 40.6%	14.8	20.5	5.6 38.2%	65.3	83.0	17.6 27.1%	2,721	3,337	615 22.6%	1,372	1,728	356 26.0%
Commuter Passes	10.8	11.1	0.2 2.0%	5.4	5.5	0.1 2.5%	21.2	-	-	1,808	1,847	39 2.2%	867	891	24 2.8%
Non-Commuter Passes	17.8	29.2	11.4 64.2%	9.4	15.0	5.5 58.6%	44.0	-	-	913	1,489	576 63.1%	505	836	331 65.7%

Note: Figures in brackets () are negative values.

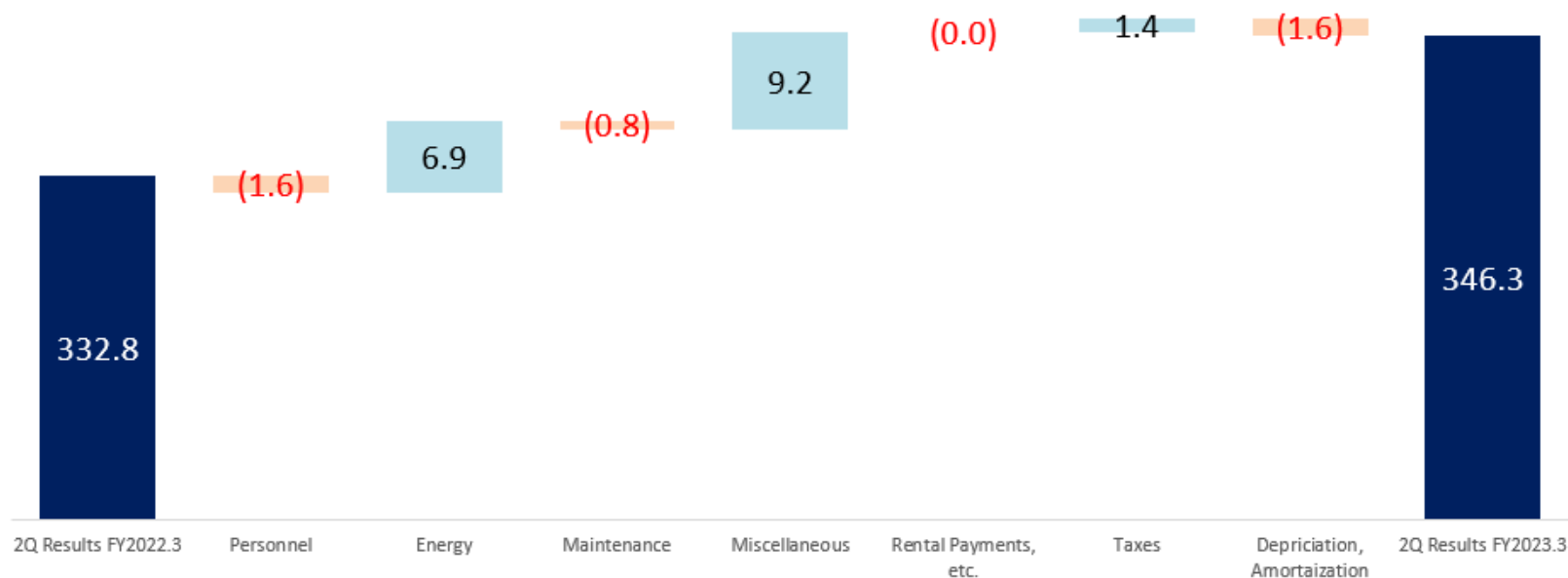
*Forecasts have not been revised since Aug. 2, 2022.

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

¥ Billions

	Results for 6 months ended Sep. 30, 2022			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	88.5	(1.6)	(1.8)	·Decrease in personnel, etc.
Energy costs	26.0	6.9	36.7	·Increase in adjustment amount for fuel cost, etc.
Maintenance costs	54.6	(0.8)	(1.6)	·Decrease due to Cost Structure Reform, etc.
Miscellaneous costs	82.6	9.2	12.6	·Increase in revenue-linked costs, advertising expenses, and adjustment amount for fuel cost, etc.
Rental Payments, etc.	13.2	(0.0)	(0.1)	
Taxes	20.5	1.4	7.4	·Increase in business tax on corporations, etc.
Depreciation and Amortization	60.6	(1.6)	(2.6)	·Progress of depreciation, etc.
Total	346.3	13.5	4.1	

Note: Figures in brackets () are negative values.



Consolidated Financial Results and Forecasts

¥ Billions

	6 months ended Sep. 30, 2021	6 months ended Sep. 30, 2022	YoY		Results FY2022.3	Forecasts FY2023.3 As of Nov. 1*	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
	A	B	B-A	B/A-1	C	D	D-C	D/C-1
Operating Revenues	436.8	616.7	179.8	41.2	1,031.1	1,309.0	277.8	27.0
Operating Expenses	522.9	582.8	59.9	11.5	1,150.1	1,279.0	128.8	11.2
Operating Income (Loss)	(86.1)	33.8	119.9	—	(119.0)	30.0	149.0	—
Non-operating revenues and expenses, net	(1.3)	(6.1)	(4.7)	—	(1.9)	(16.5)	(14.5)	—
Non-operating revenues	11.6	5.3	(6.2)	—	23.6	7.2	(16.4)	—
Non-operating expenses	13.0	11.5	(1.5)	—	25.5	23.7	(1.8)	—
Recurring Income (Loss)	(87.4)	27.7	115.1	—	(121.0)	13.5	134.5	—
Extraordinary profit and loss, net	7.5	5.2	(2.3)	—	15.4	9.0	(6.4)	—
Extraordinary profit	14.5	10.7	(3.8)	—	58.8	—	—	—
Extraordinary loss	7.0	5.5	(1.4)	—	43.3	—	—	—
Income (Loss) attributable to owners of parent	(68.6)	64.5	133.1	—	(113.1)	58.5	171.6	—
<i>Comprehensive Income (Loss)</i>	(67.9)	66.6	134.6	—	(112.2)	—	—	—

Note: Figures in brackets () are negative values.

*Forecasts have not been revised since Aug. 2, 2022.

Consolidated Financial Results and Forecasts (Segment Information)

¥ Billions

	6 months ended Sep. 30, 2021	6 months ended Sep. 30, 2022	YoY		Results FY2022.3	Forecasts FY2023.3 As of Nov. 1 ^{*3}	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
			A	B			B-A	B/A-1
Operating Revenues ^{*1}	436.8	616.7	179.8	41.2	1,031.1	1,309.0	277.8	27.0
Transportation	235.6	348.8	113.2	48.0	544.1	739.0	194.8	35.8
Retail	55.5	77.2	21.6	39.0	124.2	168.0	43.7	35.2
Sales of goods and food services	46.2	65.3	19.0	41.2	102.0	139.0	36.9	36.3
[Accommodation-oriented budget hotels](restated) ^{*2}	[2.7]	[4.9]	[2.1]	[78.8]	[6.2]	[12.5]	[6.2]	[99.5]
Department stores	7.3	9.6	2.2	30.3	18.1	24.0	5.8	32.5
Real estate	66.2	75.7	9.5	14.4	151.1	162.0	10.8	7.2
Shopping center	20.6	25.1	4.4	21.7	45.6	54.0	8.3	18.3
Real estate lease and sale	44.6	50.1	5.5	12.3	104.0	107.5	3.4	3.3
[Real estate sale](restated)	[20.8]	[24.9]	[4.1]	[19.7]	[56.6]	[57.3]	[0.6]	[1.2]
Other businesses	79.4	114.9	35.4	44.7	211.5	240.0	28.4	13.5
Hotel	7.2	13.7	6.4	89.4	18.5	31.5	12.9	69.6
Nippon Travel Agency	34.7	62.5	27.7	79.9	95.9	111.0	15.0	15.7
Operating Income (Loss) ^{*1}	(86.1)	33.8	119.9	—	(119.0)	30.0	149.0	—
Transportation	(89.9)	12.6	102.6	—	(144.3)	(11.0)	133.3	—
Retail	(6.9)	0.6	7.5	—	(8.6)	2.0	10.6	—
Sales of goods and food services	(5.3)	0.8	6.1	—	(7.1)	1.0	8.1	—
[Accommodation-oriented budget hotels](restated) ^{*2}	[(2.6)]	[(1.1)]	[1.4]	—	[(4.3)]	[(2.0)]	[2.3]	—
Department stores	(1.5)	(0.3)	1.1	—	(1.4)	0.5	1.9	—
Real estate	16.1	18.1	2.0	12.8	30.0	35.0	4.9	16.6
Shopping center	1.7	3.5	1.8	104.6	4.5	7.0	2.4	54.1
Real estate lease and sale	10.2	11.8	1.6	15.7	17.2	20.0	2.7	15.9
[Real estate sale](restated)	[2.1]	[4.1]	[1.9]	[89.6]	[6.4]	[7.2]	[0.7]	[12.3]
Other businesses	(6.1)	0.4	6.6	—	2.9	7.0	4.0	135.1
Hotel	(5.8)	(2.2)	3.5	—	(9.0)	(4.0)	5.0	—
Nippon Travel Agency	0.1	3.1	3.0	—	2.4	0.0	(2.4)	—

Note: Figures in brackets () are negative values.

*1 Operating revenues are the revenues from third parties (= customers). 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 Forecasts have not been revised since Aug. 2, 2022.

Major Factors of Increase/Decrease in Each Segment

¥ Billions

			Results for 6 months ended Sep. 30, 2022			Major factors (YoY)
			YoY			
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	65.3	19.0	41.2	·Moderate recovery in demand (stores within railway stations, VIAINN), etc.
		Operating Income	0.8	6.1	–	
	Department stores	Operating Revenues	9.6	2.2	30.3	·Moderate recovery in demand, etc.
		Operating Loss	(0.3)	1.1	–	
Real estate	Shopping center	Operating Revenues	25.1	4.4	21.7	·Increase in rent income due to a recovery in tenant sales, and new opening of MAROOT Toyama, etc.
		Operating Income	3.5	1.8	104.6	
	Real estate lease and sale	Operating Revenues	50.1	5.5	12.3	·Full-year effect of new opening of lease properties, and increase in sales to investors, etc.
		Operating Income	11.8	1.6	15.7	
Other Businesses	Hotel	Operating Revenues	13.7	6.4	89.4	·Moderate recovery in demand (the accommodation department), etc.
		Operating Loss	(2.2)	3.5	–	
	Nippon Travel Agency	Operating Revenues	62.5	27.7	79.9	·Increase in travel and non-travel related business, etc.
		Operating Income	3.1	3.0	–	

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 Statement of Cash Flows

¥ Billions

	As of Mar. 31, 2022 A	As of Sep. 30, 2022 B	Difference increase/(decrease) B-A
Assets	3,702.4	3,677.5	(24.9)
Liabilities	2,628.2	2,550.2	(77.9)
Net assets	1,074.2	1,127.2	53.0
Balance of Long-term Debt and Payables	1,724.8	1,694.2	(30.5)
[Average interest rate (%)]	[1.17]	[1.19]	[0.02]
Shinkansen Purchase Liability	99.8	99.2	(0.5)
[Average interest rate (%)]	[6.55]	[6.55]	[-]
Bonds	974.9	974.9	0.0
[Average interest rate (%)]	[0.98]	[0.98]	[-]
DER	1.8	1.7	(0.1)
Equity ratio (%)	26.2	27.8	1.6
Net assets per share (¥)	3,973.15	4,190.50	217.35

	6 months ended Sep. 30, 2021 A	6 months ended Sep. 30, 2022 B	YoY increase/(decrease) B-A
Cash flows from operating activities	(95.7)	82.8	178.6
Cash flows from investing activities	(73.0)	(59.3)	13.6
Free cash flows	(168.7)	23.5	192.2
Cash flows from financing activities	433.6	(43.7)	(477.4)
Change in cash and cash equivalents, net	264.9	(20.2)	(285.1)
Cash and cash equivalents at the end of the period	474.9	299.3	(175.6)

Note: Figures in brackets () are negative values.

Other Data

Persons, ¥ Billions





	6 months ended Sep. 30, 2021	6 months ended Sep. 30, 2022	Results FY2022.3	Forecasts FY2023.3 As of Nov. 1 ^{*2}
ROA (% Consolidated)	—	0.9	—	0.8
ROE (% Consolidated)	—	6.5	—	5.9
EBITDA (Consolidated) ^{*1}	(7.3)	111.7	42.9	193.0
Depreciation (Consolidated)	78.1	77.9	160.8	163.0
Capital Expenditures (Consolidated, own fund)	73.4	67.3	213.1	245.0
Capital Expenditures (Non-consolidated, own fund)	45.5	42.1	149.4	164.0
Safety related capital expenditure	26.5	18.3	83.0	73.0
Dividends per share (¥)	50.0	50.0	100.0	100.0

	6 months ended Sep. 30, 2021		6 months ended Sep. 30, 2022		Results FY2022.3		Forecasts FY2023.3 As of Nov. 1 ^{*2}	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,611	22,958	45,393	21,823	46,779	22,715	—	—
Financial Expenses, net	(8.7)	(8.8)	(9.8)	(8.8)	(18.1)	(18.8)	(19.8)	(18.1)
Interest and dividend income	1.9	1.8	0.6	1.6	3.2	2.4	1.2	2.6
Interest expenses	10.6	10.6	10.4	10.4	21.4	21.2	21.0	20.8

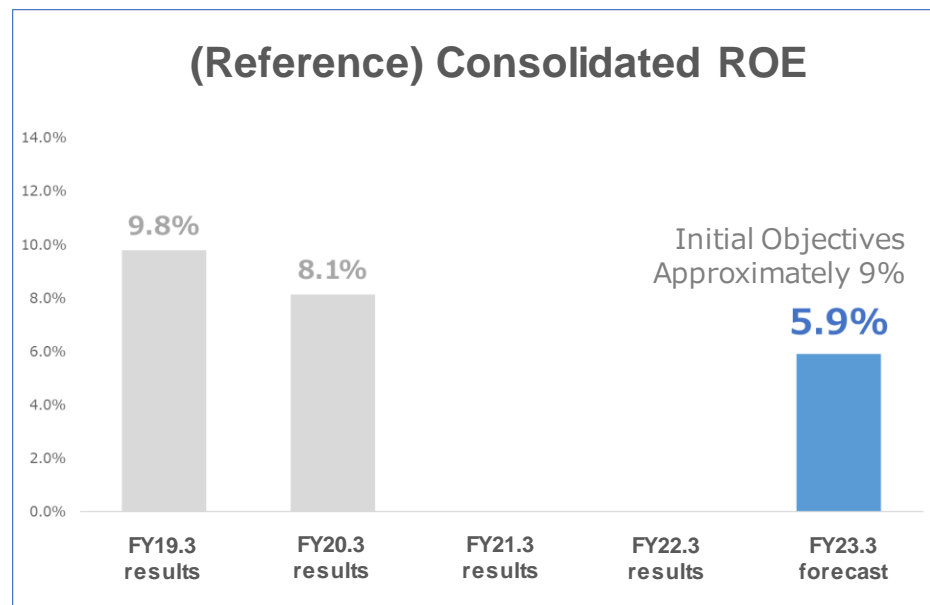
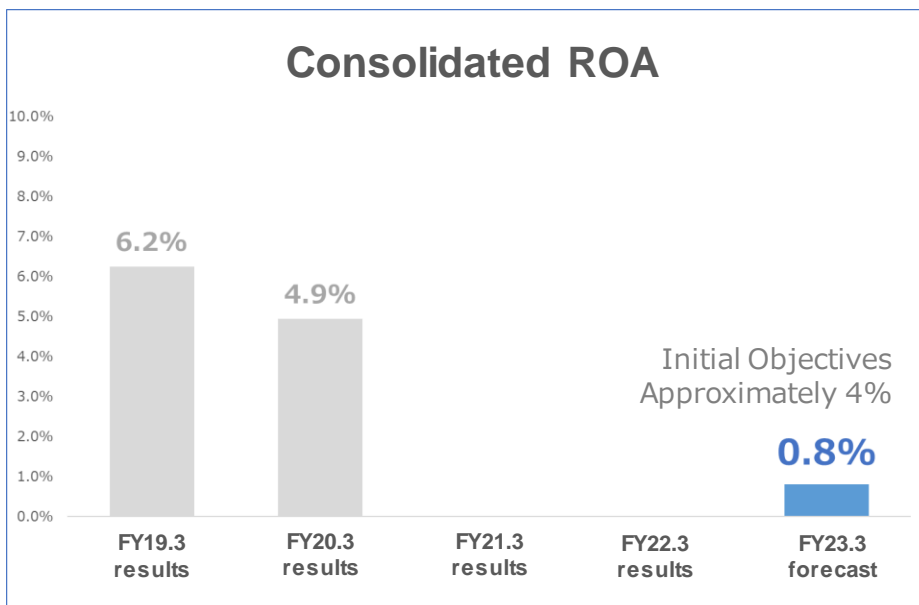
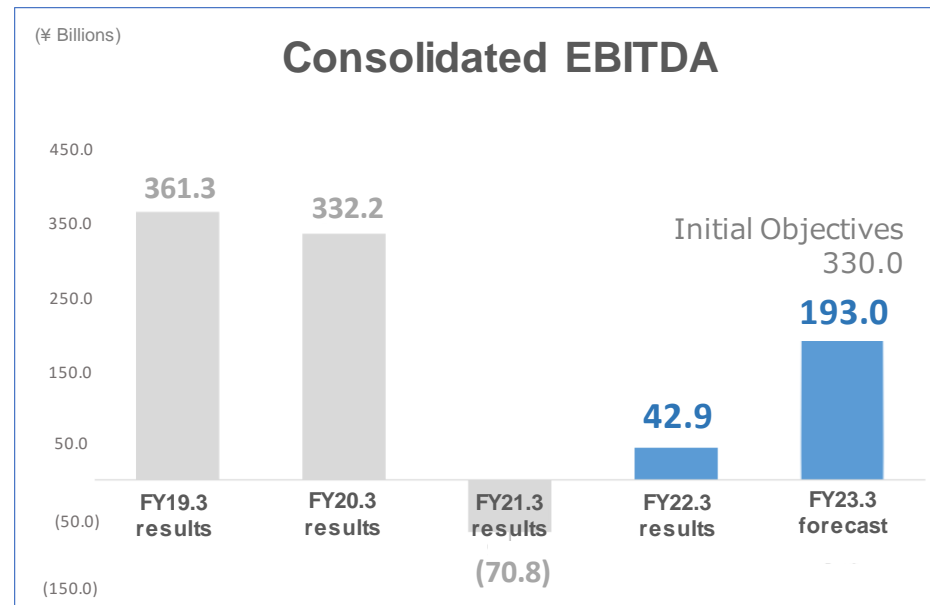
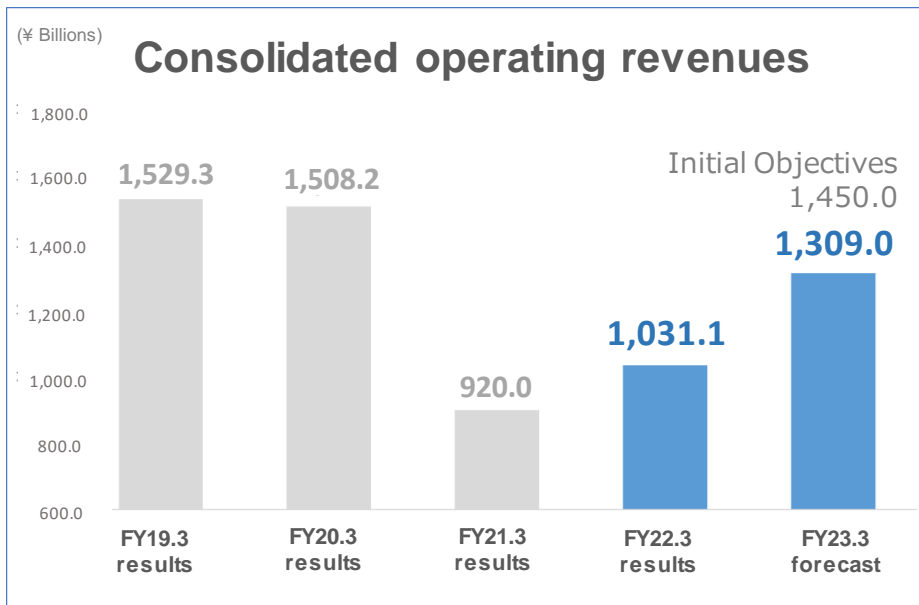
Note: Figures in brackets () are negative values.

^{*1} EBITDA = Operating Income (Loss) + Depreciation + Amortization of goodwill

^{*2} Forecasts have not been revised since Aug. 2, 2022.

	FY2023.3 2Q Results and Full-Year Forecasts: Overview	Page 3
	Progress with the Formulation of the next Medium-Term Management Plan	Page 10
	FY2023.3 2Q Results and Full-Year Forecasts: Details	Page 21
	Appendix	Page 32

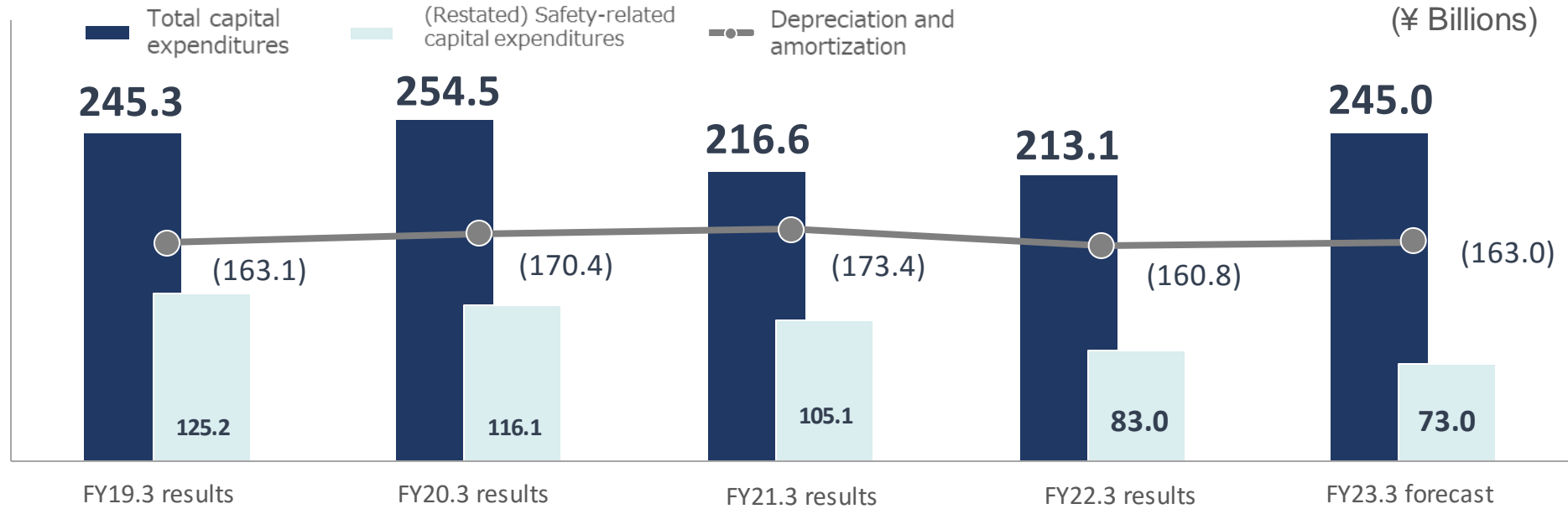
Management Indices (KPI)



*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 decrease)

Capex for growth
 ¥500.0 billion

Capex for growth
 ¥479.5 billion

Capex for maintenance and upgrades
 ¥750.0 billion

Capex for maintenance and upgrades
 ¥695.0 billion

Safety-related Capex
 ¥500.0 billion

Safety-related Capex
 ¥500.0 billion

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
 ¥23.7 billion

Major capital expenditure projects for FY2022.3

Capex for growth

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

- Non-railway businesses
 - Large-scale city-development projects in Osaka and Hiroshima

Safety-related capex

- Rolling stock replacement/renovation
 - 225 series, etc.

- Safety/disaster-prevention measures
 - Platform safety measures
 - Earthquake countermeasures, etc.

Invigoration of Railways and Structural Reforms in Each Business

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

■ 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
 - ✓ FY 2026.3: 68% (FY2020.3: 40%; FY2022.3: 68%)
 - Increasing profitability
 - ✓ FY2026.3 operating profit margin: 5.0% (FY2020.3: 2.3%; FY2022.3: 8.5%)
 - ✓ Increasing “Akai Fusen” Internet sales ratio
 - ✓ Optimizing number of stores, personnel systems



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

Invigoration of Railways and Structural Reforms in Each Business

- We will work to **recombine assets and increase asset efficiency** and to address **new city-development** opportunities.
- In addition to establishing a second fund, we will accept 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

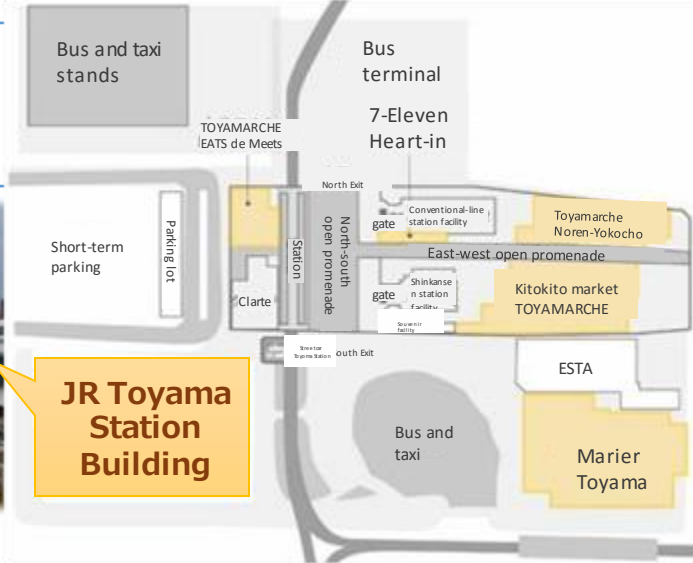
Increasing railway belt value, regional value

- 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 will host a MAROOT commercial facility and HotelVischio Toyama (March 2022)
 - ✓ Contributing to the creation of lively environments around the station, including existing facilities in the area

Businesses enhancing the area in front of Toyama Station

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

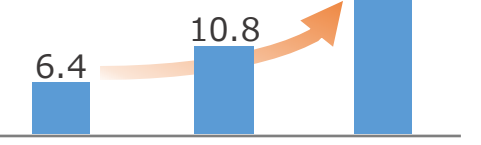


Increasing asset efficiency

- Maximizing portfolio value through asset recombination / asset turnover type businesses
- Securing new sources of earnings by expanding asset management operations

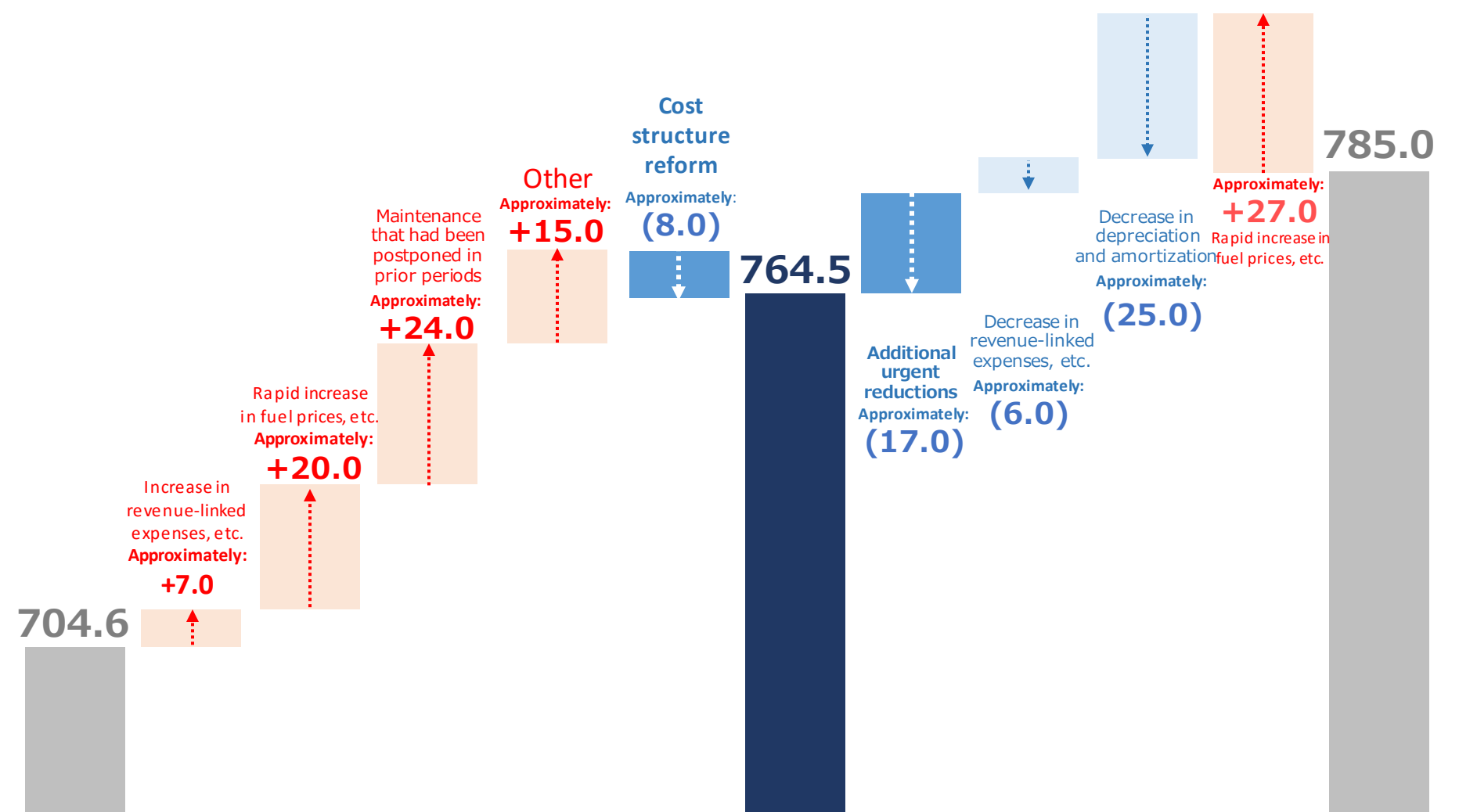
- Expanding sales to investors
- Establishing second real estate fund (March 2022) (asset scale: approximately ¥14.0 billion)
- Preparing for establishment of private REIT (planned for FY2024.3)
- ✓ Aiming for asset scale of ¥70.0 billion (FY2028.3)
- Established JR West Real Estate Asset Management Co., Ltd. (July 2022)

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



*Revised. Before correction: 10.7. 35

FY2023.3 Operating Expenses (Non-consolidated)



FY22.3 results

FY2023.3 plan

Expectation for FY2023.3 at time of revision of Medium-Term Management Plan

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 (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



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

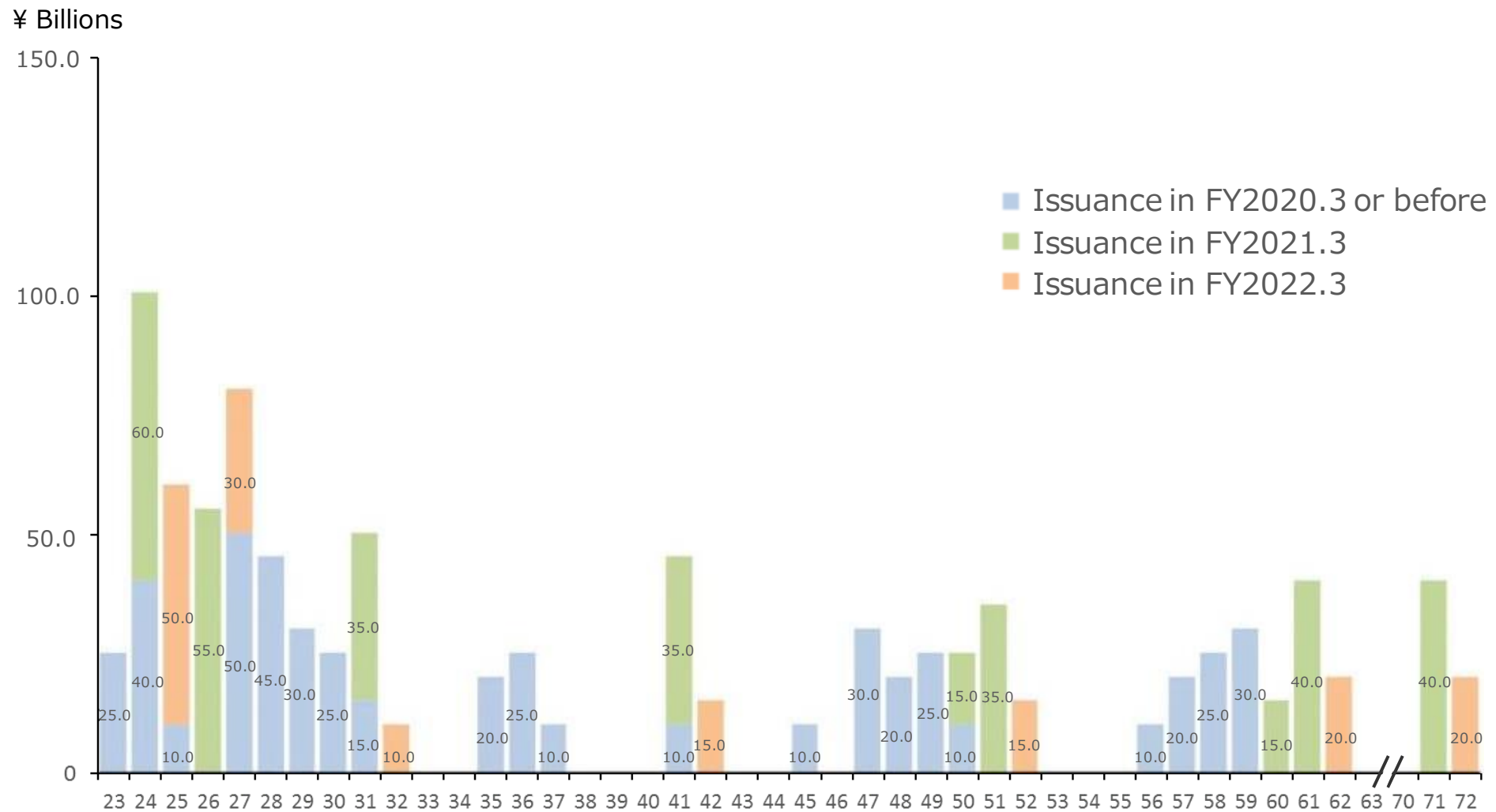
Regional institutions

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

- Reorganized Kansai Urban Area Regional Head Office, established Chugoku Regional Head Office, strengthened branch functions related to coexistence with local communities (October 2022)

Expected bond redemption

Bond redemption amount (non-consolidated)



(Note 1): As of November 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 CO₂ reduction



- Long-term environmental goal: "JR West Group Zero Carbon 2050"
 - Aiming for net zero CO₂ emissions on a Groupwide basis in 2050.
 - Aiming for a 46% reduction in CO₂ emissions on a Groupwide basis in FY2031.3 (vs. FY2014.3)
 - Verification testing for introduction of next-generation bio-diesel fuel (from August 2022)
- Support for TCFD and information disclosure
 - 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

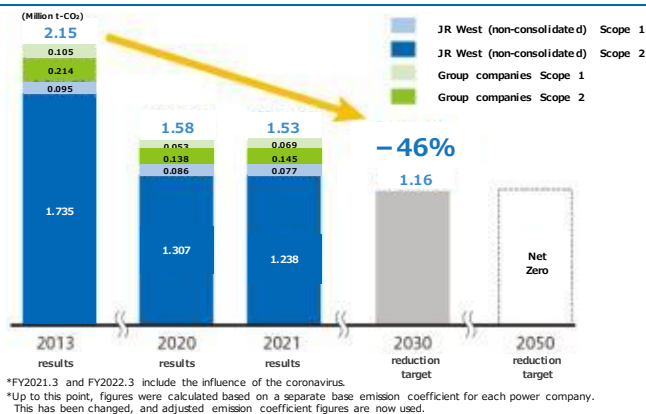
Society – Regional revitalization backed by safe and sustainable railway service



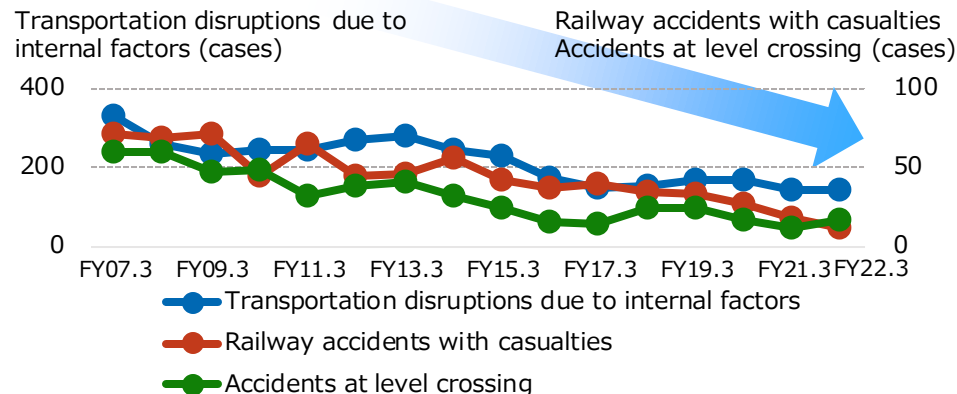
- Initiatives to achieve "JR-West Group Railway Safety Think-and-Act Plan 2022"
- COVID-19 prevention
 - "On-time congestion information" service
- Attractive city developments through collaborations with local communities
 - Increase non-resident/resident population
 - Safe and sustainable railway service



Trend in CO₂ emissions



Safety indicator

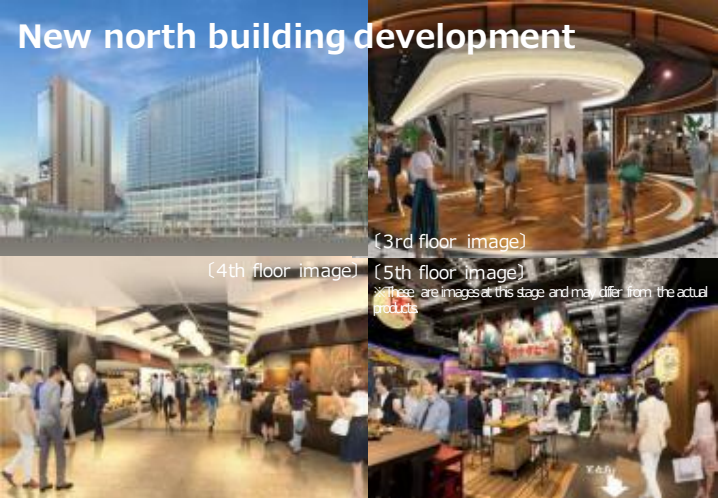
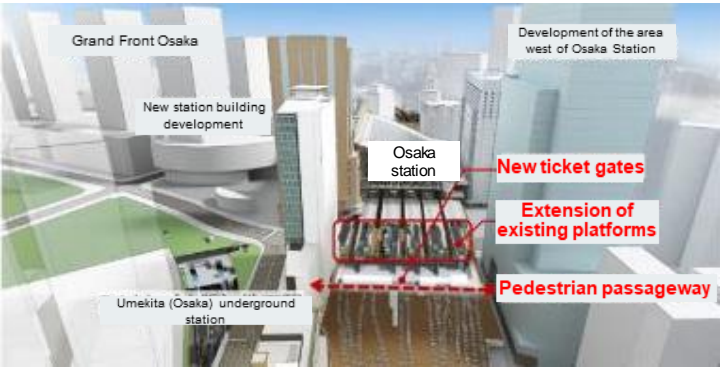


Governance – Monitoring our management, enhancing our supervisory function



- 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 implemented 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. (June 2022)
- With the purposes of achieving continued increases in corporate value and promoting the further sharing of value with shareholders, the Company introduced a restricted stock remuneration plan. (June 2022)

Large-scale projects / Osaka



(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

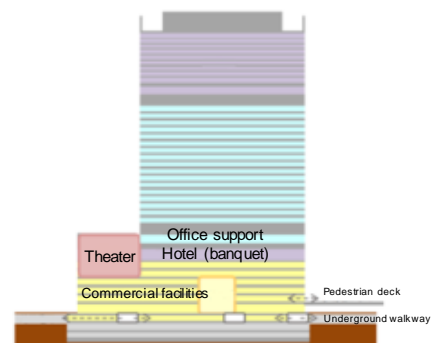
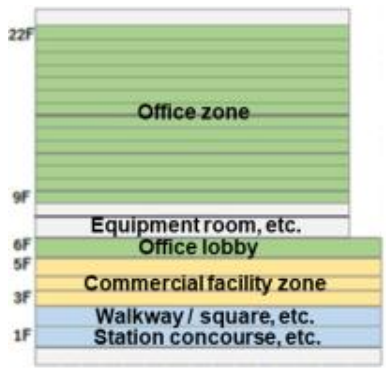
- Opening: In stages from fall 2024 to spring 2027
- Total floor space: approx. 7,000m²
- Uses: Commercial facilities, bus terminal, etc.

(3) New station building development

- Opening: Fall 2024
- Total floor space: approx. 60,000m²
- 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 Spring 2024
- Total floor space: approx. 227,000m²
- Scale: Above ground, 39 floors; below ground, 3 floors
- Uses: Offices, commercial facilities, hotels, theater, etc.



✓ Capital expenditure: ¥100.0 billion.

Large-scale projects/Osaka



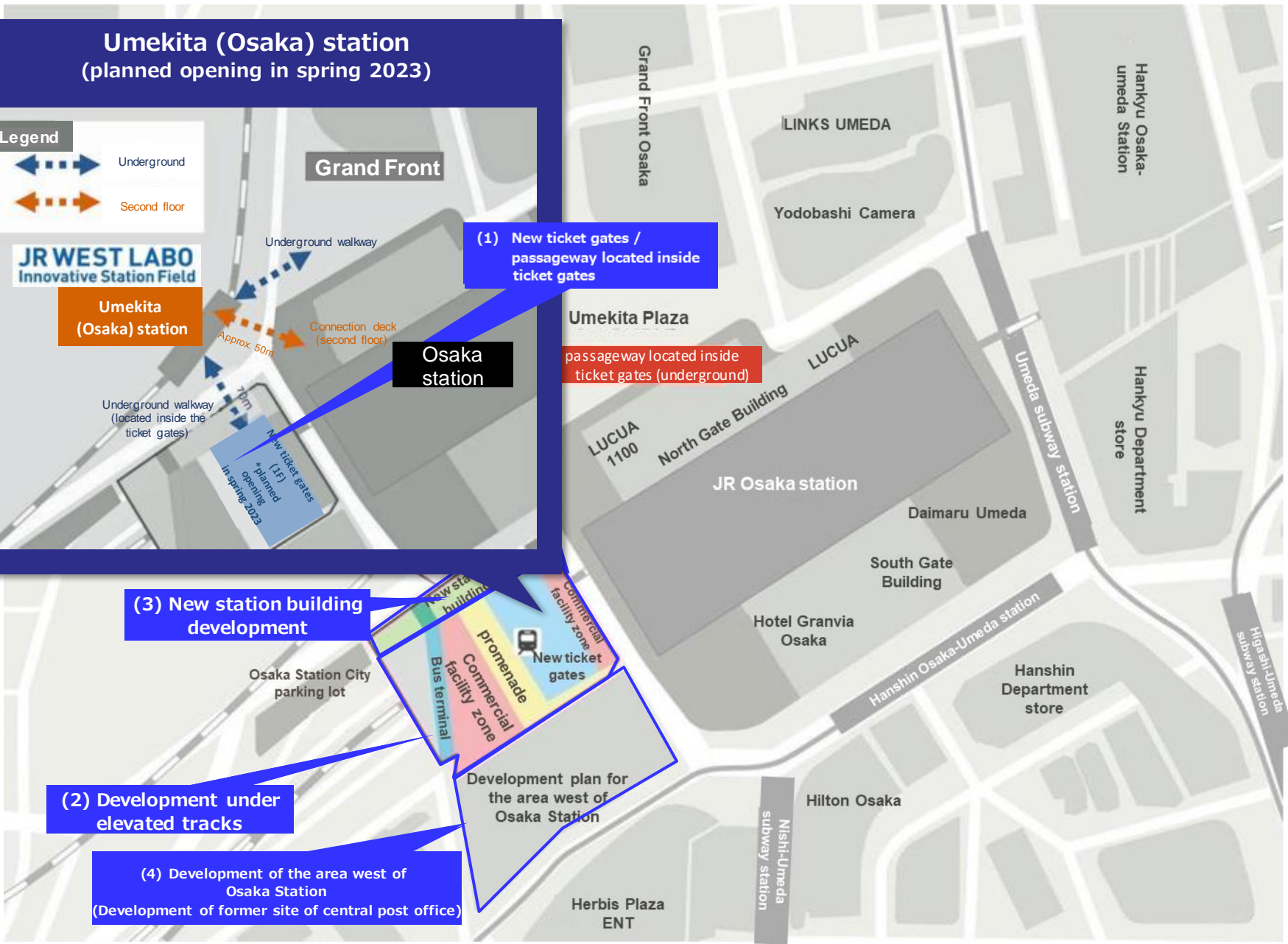
(1) New ticket gates / passageway located inside ticket gates

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)



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



Concourse



Platform level



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 12,500㎡
 - Building: 3 stories above ground (of which, store floor space: approximately 3,750㎡)
- 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.

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

2023
JR WEST LABO
- Innovative Station Field -
START!

Large-scale projects/Hiroshima

◆ Illustration of exterior



◆ Development overview

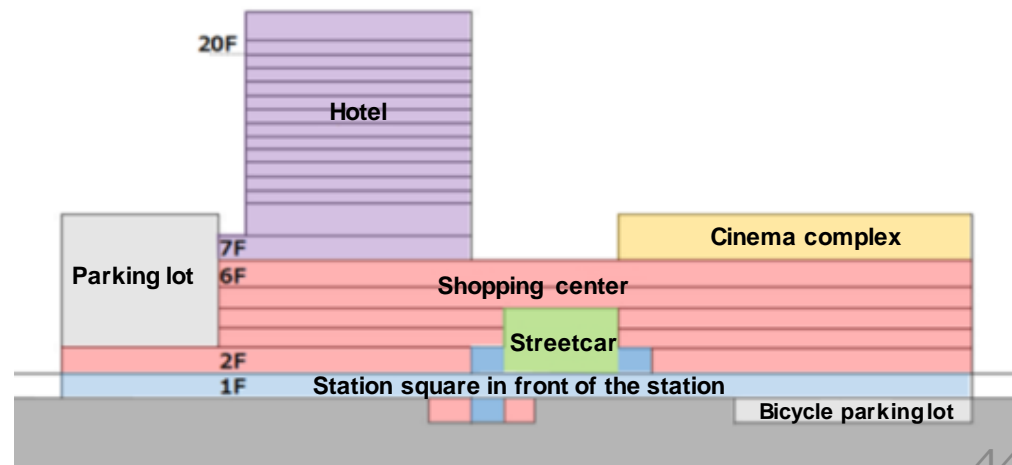
- Planned opening: Spring 2025
- Amount of investment: approximately ¥60.0 billion
- Building area: approximately 14,000m²
- Total floor space: approximately 111,000m²
- Scale: Above ground, 20 floors; below ground, 1 floor; height: approximately 100 m
- Uses:
 - Shopping center / cinema complex (Store floor space: approximately 25,000m²)
 - 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)

✓ **Capital expenditure: ¥60.0 billion, expected EBITDA*: ¥5.0 billion**
* Expectation after normal year for the entire Group, including transportation operations.

◆ Illustration of interior



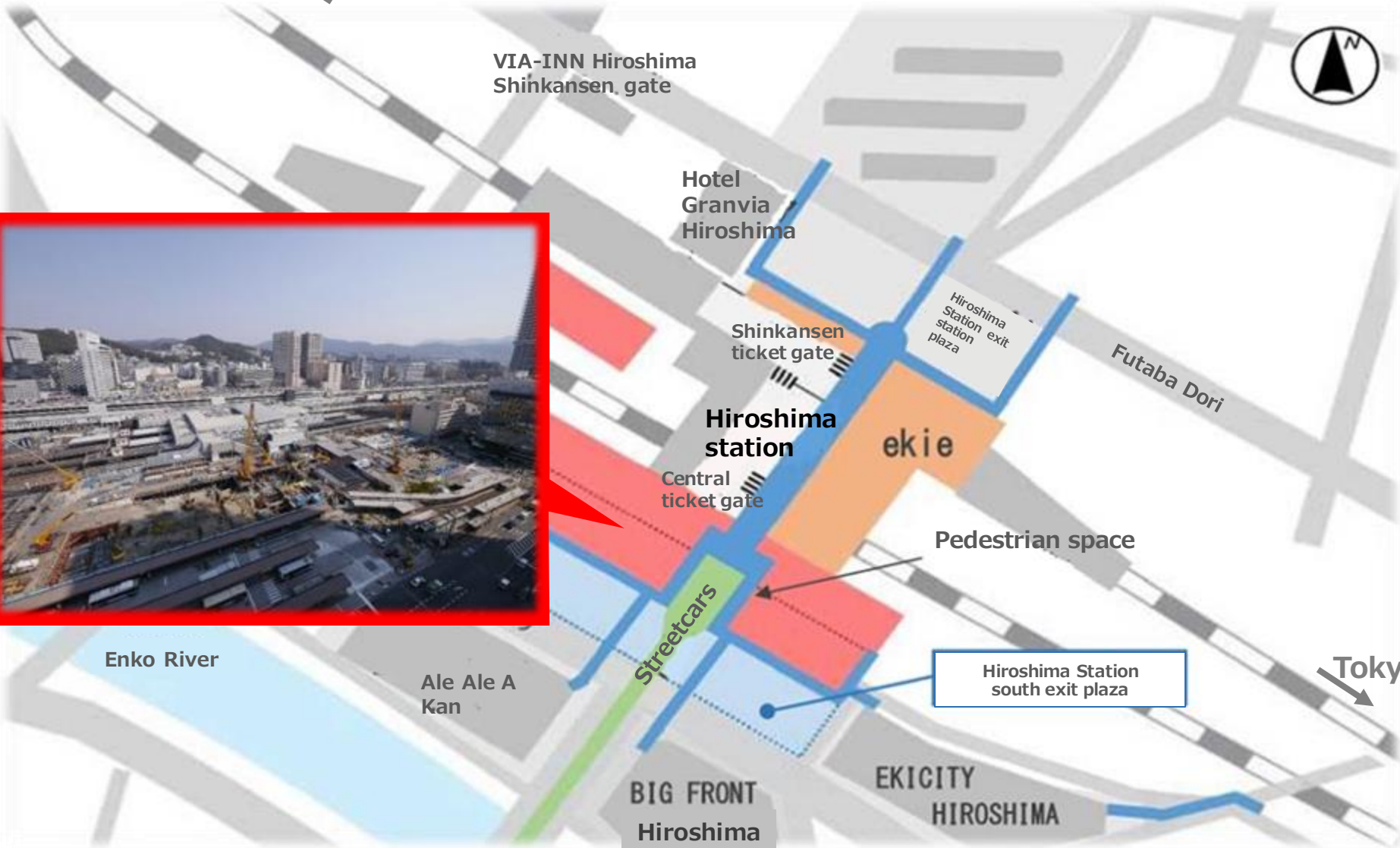
◆ Illustration of floor organization



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

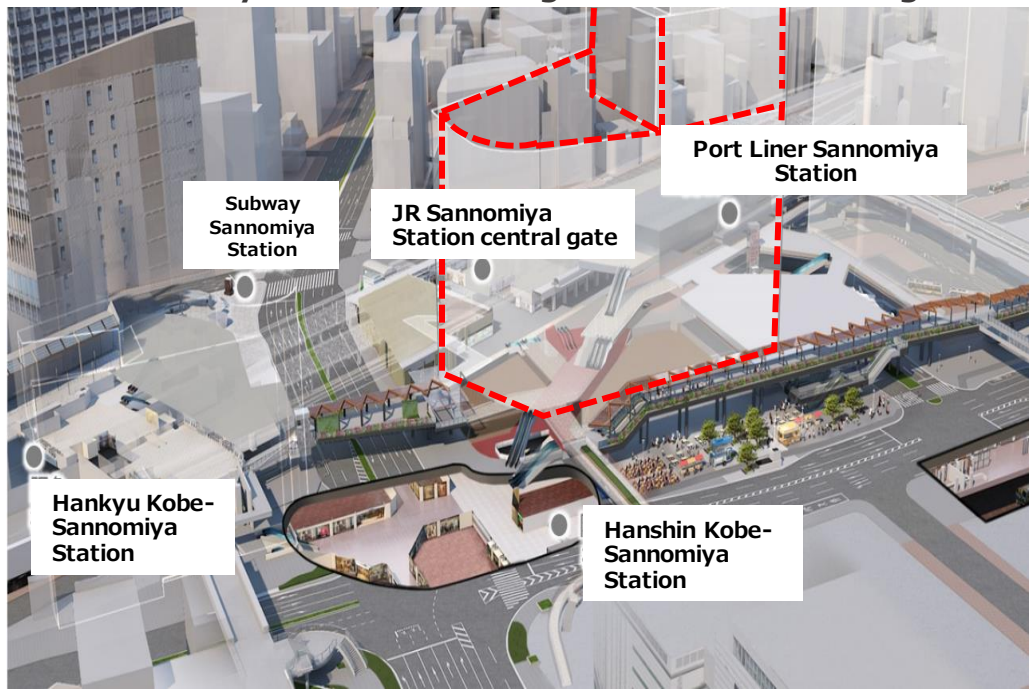


◆ Overview of new station building development

* Joint project with Urban Renaissance Agency

- Planned opening: FY2030.3
- Total floor space: approximately 100,000m²
- Scale: height of approximately 160 meters (the highest ever for a development led by JR-West)
- Uses: Commercial facilities (Store floor space: approximately 19,000m²)
Hotel (approximately 250 rooms)
Offices (leasing floor space: approximately 6,000m²)
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 November 2, 2022 based on information available to JR-West as of November 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.