- I am Takeshi Fukano, general manager of the Corporate Strategy Division.
- Today, I will first summarize results for the first quarter and take questions later.
- Please refer to slide 3 in the presentation materials.

FY2024.3 1Q Results : Overview

Highlights

- In FY2024.3 1Q, consolidated and non-consolidated revenue and profit increased for a third consecutive year, with demand rebounding after the government changed the classification of COVID-19. However, net profit decreased in the absence of special tax treatment in the previous fiscal year.
- Transportation revenue has recovered to 88.5% of the pre-pandemic level (2019) and 92.4% of the 2018 level, owing in part to stronger demand and measures to boost revenue.
- Efforts at reforming the cost structure resulted in a ¥6.5 billion decline in costs in 1Q, versus the target for ¥31.0 billion for FY2024.3 (non-consolidated, compared with FY2020.3).
- Each business has been steadily recovering, and inbound revenue was higher than expected. In the main Shinkansen business, we expect ridership to increase toward the end of the fiscal year due in part to the Obon holiday season. We maintain our full-year earnings and dividend forecasts because the recovery trend after Obon required monitoring.

(¥Billions)

	3 months ended June 30, 2022	3 months ended June 30, 2023	YoY Increase/(Decrease)	YoY %	Forecasts FY24.3	YoY Increase/(Decrease)	YoY %
【Consolidated】							
Operating Revenues	297.1	**369.2**	72.1	24.3	**1,512.0**	116.4	8.3
Operating Expenses	277.6	**317.0**	39.4	14.2	**1,397.0**	85.4	6.5
Operating Income	19.5	**52.2**	32.6	167.3	**115.0**	31.0	37.0
Recurring Profit	16.9	**48.6**	31.7	187.5	**99.5**	25.8	35.2
Profit attributable to owners of parent	57.8	**33.3**	(24.5)	(42.4)	**66.5**	(22.0)	(24.9)
EBITDA	58.1	**91.7**	33.5	57.7	**279.0**	35.3	14.5
【Non-Consolidated】							
Transportation Revenues	157.7	**197.5**	39.8	25.2	**807.0**	112.4	16.2
Operating Expenses	166.5	**183.7**	17.2	10.4	**833.0**	80.6	10.7

3

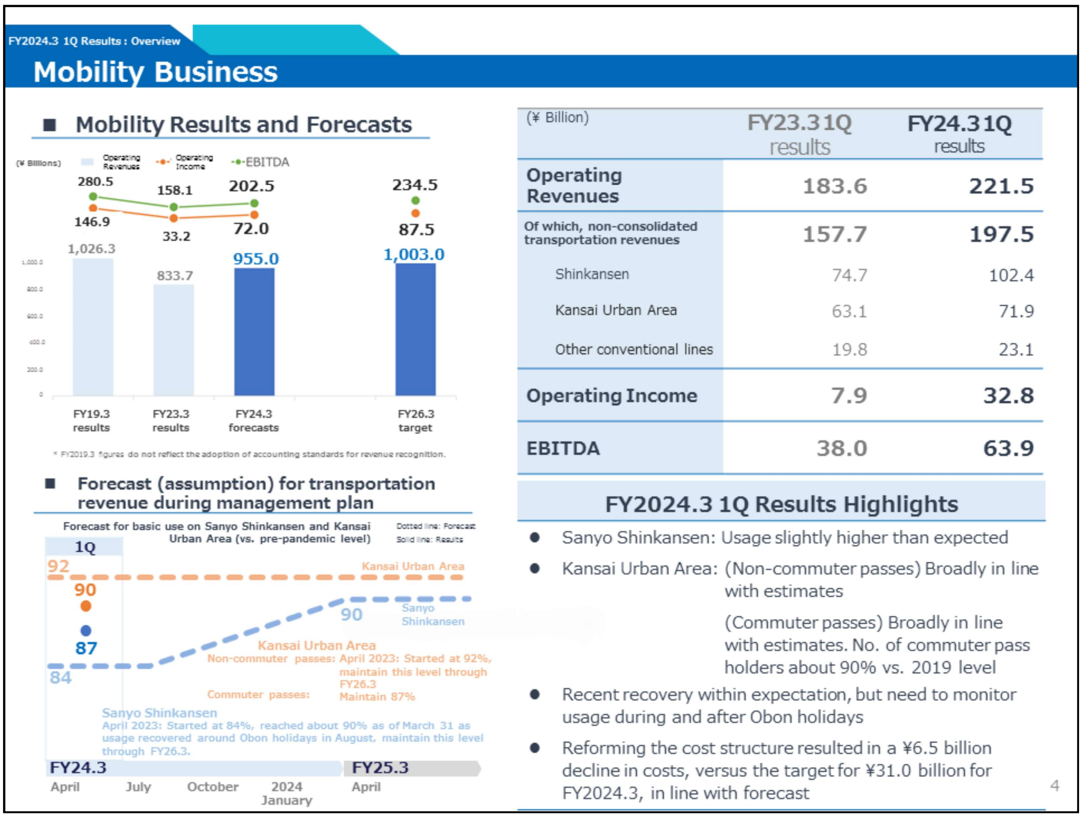
- In the first quarter, consolidated operating revenues were ¥369.2 billion, consolidated operating income was ¥52.2 billion, and consolidated profit attributable to owners of parent was 33.3 billion.

- In the first quarter, both revenue and profit, including transportation revenue, increased for a third straight year, reflecting a rebound in demand after COVID-19 was reclassified as a less severe infectious disease. Consolidated net income for the quarter decreased in the absence of special taxation treatment in the previous fiscal year, but excluding this factor, net income would have increased.

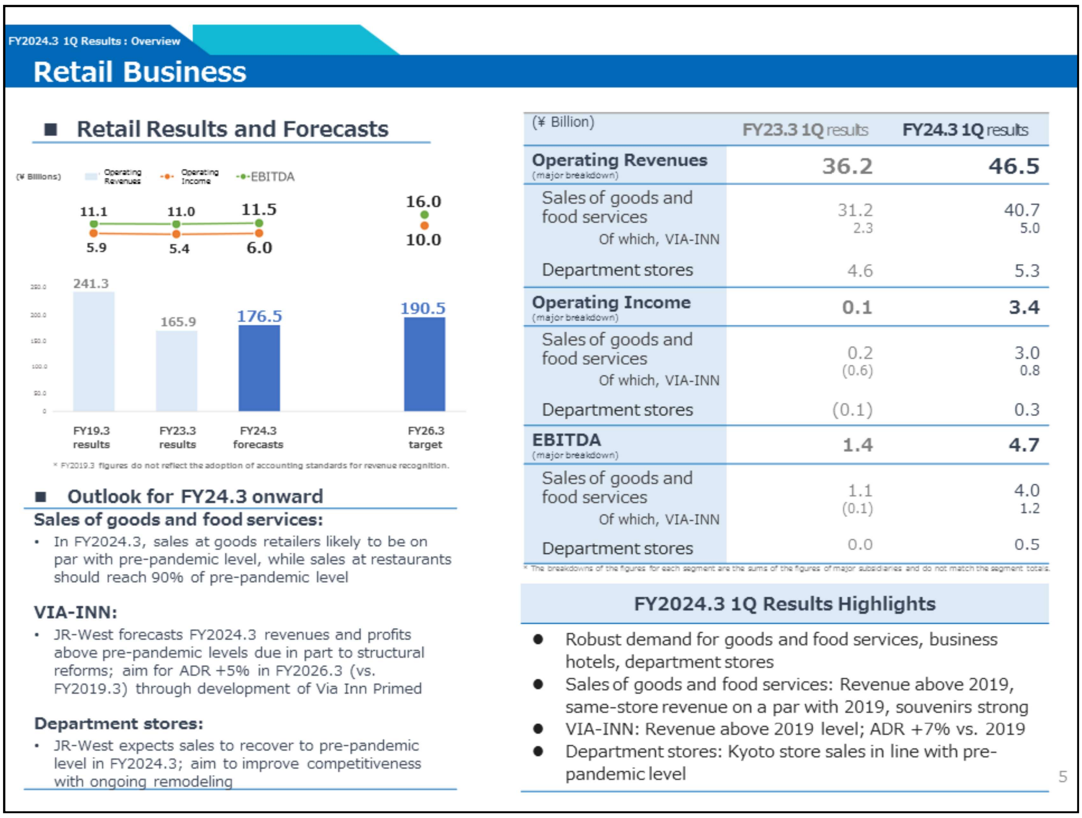
- Initiatives to reform the cost structure resulted in a ¥6.5 billion reduction in costs in the first quarter, solid progress in line with plans to cut costs by ¥31.0 billion on a non-consolidated basis this fiscal year, compared with the level in the fiscal year ended March 31, 2020.

- In the first quarter, earnings steadily improved in each business, starting with the core Sanyo Shinkansen. In particular, revenue generated from foreign tourists was higher than expected. Our initial forecasts assume that ridership would increase further from the Obon holiday season through the end of the fiscal year, with Shinkansen usage returning to 90% of the pre-pandemic level. We have not changed our full-year forecasts for earnings and dividends since first disclosing them at the start of the fiscal year, because usage needs to be monitored from the second quarter onward and trends in commodity prices and foreign exchange rates might affect our cost outlook.

- Next, I will summarize results in each business. Please turn to the next slide.



- Let's take a look at the mobility business first.
- Transportation revenue was ¥197.5 billion in the first quarter, a year-on-year increase of ¥39.8 billion, representing 88.5% of the level in 2019 and 92.4% of the level in 2018 before the COVID-19 pandemic. Overall, segment revenue was in line with our expectations.
- This slide shows a breakdown of revenue from Shinkansen and conventional lines. Shinkansen revenue of ¥102.4 billion comprised ¥93.2 billion from the Sanyo Shinkansen and ¥9.1 billion from the Hokuriku Shinkansen.
- As of the beginning of the fiscal year, we assumed that basic usage on the Sanyo Shinkansen would be around 84% compared with the pre-pandemic level from April through the end of July, but it was actually slightly higher, at 87%. In total for Shinkansen, basic usage for the fiscal year started higher than anticipated, thanks in part to the increase in foreign tourists. In the Kansai Urban Area, results were broadly in line with our expectations, with basic usage at the 90% level, slightly below our 92% target.
- Commuter revenue was generally in line with expectations, and the number of commuter pass holders was about 90% of the pre-pandemic level.
- As of July 27, reservations during the Obon holidays are at 89% of the 2018 level in total for Shinkansen and conventional lines. Recently, reservations have been slowly increasing and remain on an uptrend. During the Golden Week holidays, actual usage was at a higher level than reservations. We expect a large number of customers to ride on our trains.
- Please turn to the next slide.

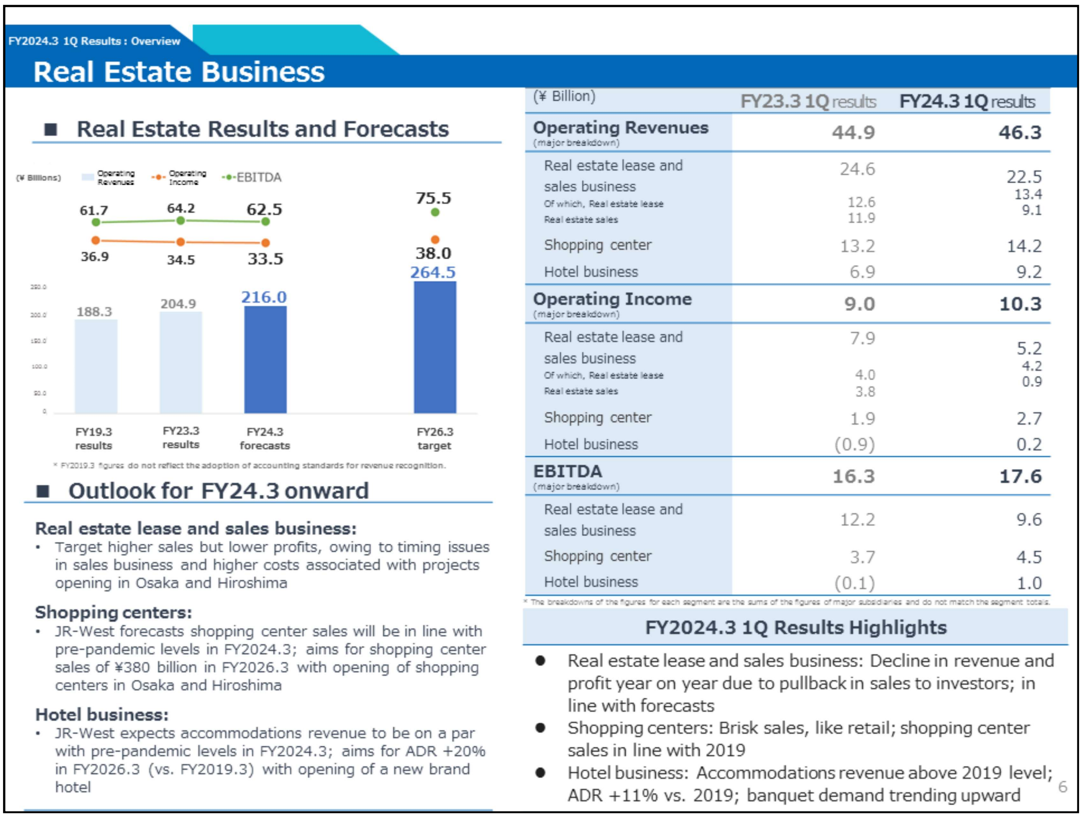


- Next is the retail business.

- In the first quarter, revenue rose ¥10.2 billion year on year and operating income grew ¥3.3 billion to ¥3.4 billion. Demand was solid at stores inside train stations, business hotels and department stores.

- Sales of souvenirs and business hotel usage remains firm and slightly better than anticipated in the first quarter.

- Please turn to the next slide.



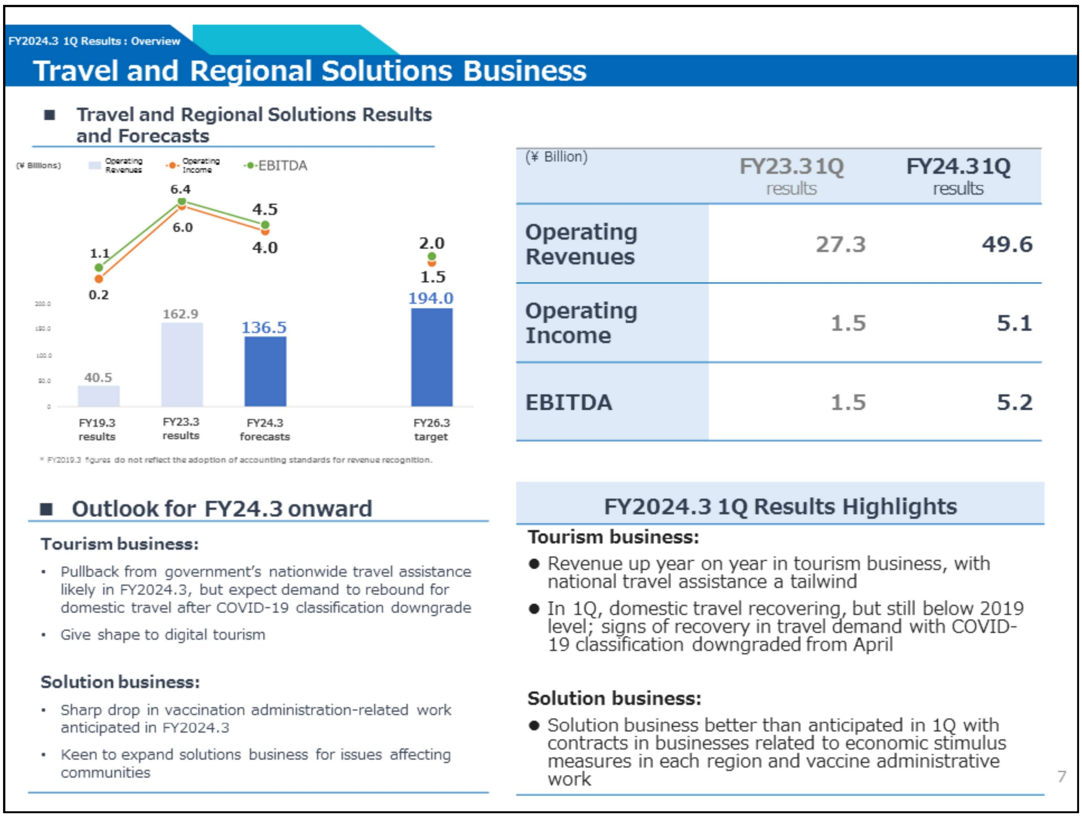
- Next is the real estate segment.

- Revenue increased ¥1.3 billion and operating income expanded ¥1.3 billion to ¥10.3 billion in the first quarter.

- Revenue and profit decreased in the real estate lease and sales business due to a reactive decline in sales of properties to investors. However, the shopping center and hotel businesses saw revenue and profit increase, reflecting higher sales of shopping centers and higher accommodations revenue at hotels as demand recovered.

- Earnings were broadly in line with expectations in each business. In the hotel business, banquet demand has been returning after the classification for COVID-19 was downgraded.

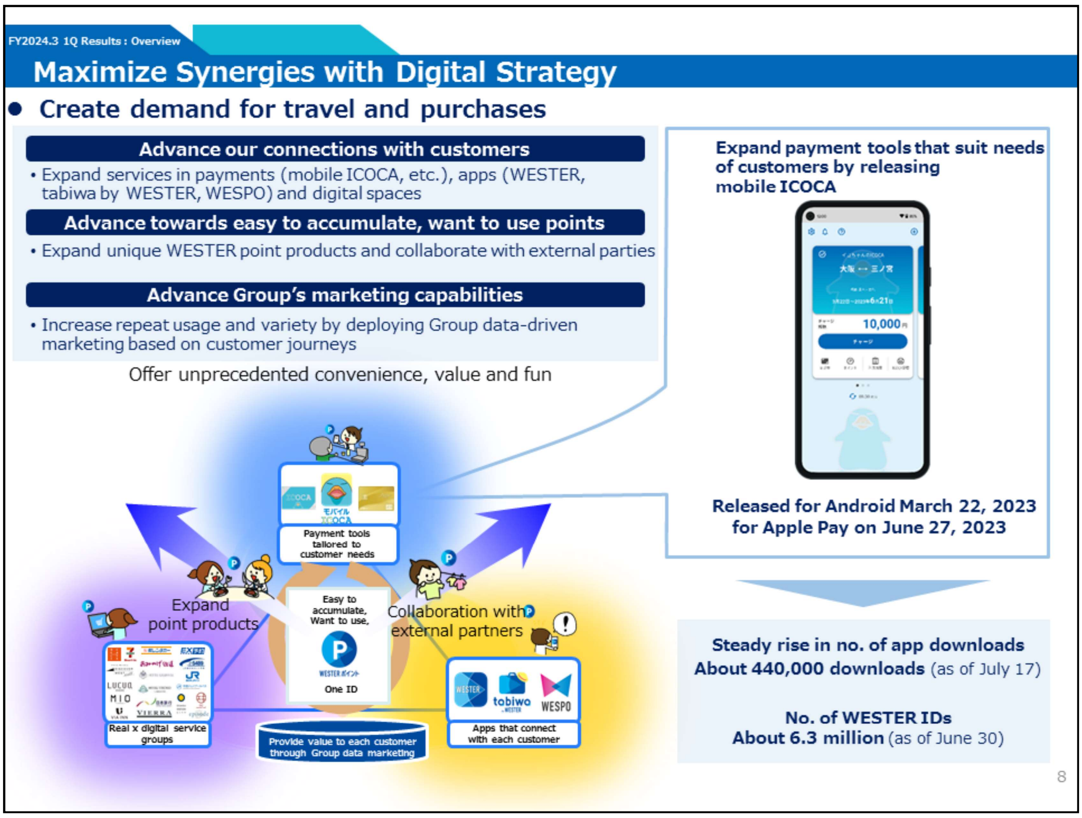
- Please turn to the next slide.



- Finally, we look at the travel and regional solutions segment.

- In the tourism business, revenue increased from the previous year on the back of strong usage by foreign tourists, as well as an increase in domestic travel supported by a national government program to encourage travel. In the solutions business, there was still some special demand related to the pandemic. For the segment overall, revenue increased ¥22.2 billion and profit expanded ¥3.6 billion year over year. The first quarter marked a new record high in profit for the segment.

- Domestic travel and foreign tourism has been more favorable than we had expected.



- Next, I will give an update on our efforts to maximize synergies through our digital strategy, a key initiative in the Medium-term Management Plan 2025.
- Leveraging data and digital technologies, we aim to create demand for mobility and shopping by connecting each one of our customers to the varied services offered by the Group. To this end, our efforts are focused on (1) advancing our connections with customers, (2) advancing towards easy to accumulate, want to use points, and (3) advancing the Group's marketing capabilities.
- In March, we released Mobile ICOCA as a key tool for these efforts, and in June we launched services compatible with Apple Pay. Customers benefit the most from the conveniences offered by using Mobile ICOCA, the J-WEST Card and the WESTER app, our three tools for digitally interacting with customers. These initiatives have led to an increase in usage across the JR-West Group and are a step closer to realizing our purpose for creating entertaining experiences and stirring the heart.
- Our Mobile ICOCA app has been well received by customers. As of July 17, it has been downloaded around 440,000 times, and usage has steadily increased. The number of WESTER members was about 6.3 million people as of the end of June and is increasing steadily toward our goal of 8.0 million people in the fiscal year ending March 31, 2026.
- Previously, customers that only used ICOCA payments for railway transportation services have begun to use the mobile ICOCA app for ICOCA payments at retail stores. We have a bright outlook for its usage to expand in scope.
- We continue in our aim to improve convenience along each customer's journey with the intention of increasing the number of repeat customers.
- Lastly, slide 10 onward are supplementary materials to the financial filings. We have integrated the two previously separate publications "supplemental data" and "results" into this single publication. While the content has not changed, we hope this format for disclosing information will be easier to understand.
- This concludes my portion of today's presentation.

Non-Consolidated Financial Results and Forecasts

¥ Billions

	3 months ended Jun. 30, 2022	3 months ended Jun. 30, 2023	YoY		Major factors	Forecasts FY2024.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	**297.1**	**369.2**	**72.1**	**24.3**	[increase for a third straight fiscal year]	**1,512.0**	**116.4**	**8.3**
Mobility	183.6	221.5	37.8	20.6	increase in transportation revenue	955.0	121.2	14.5
Retail	36.2	46.5	10.2	28.4	increase in sales of goods and food services	176.5	10.5	6.4
Real estate	44.9	46.3	1.3	2.9	increase in shopping centers and hotel business	216.0	11.0	5.4
Travel and regional solutions	27.3	49.6	22.2	81.4	increase in tourism business	136.5	(26.4)	(16.2)
Other businesses	4.8	5.2	0.3	7.3		28.0	0.0	0.0
Operating Expenses	**277.6**	**317.0**	**39.4**	**14.2**		**1,397.0**	**85.4**	**6.5**
Operating Income	**19.5**	**52.2**	**32.6**	**167.3**	[increase for a third straight fiscal year]	**115.0**	**31.0**	**37.0**
Mobility	7.9	32.8	24.9	315.8	increase in transportation revenue	72.0	38.7	116.5
Retail	0.1	3.4	3.3	–	increase in sales of goods and food services	6.0	0.5	9.2
Real estate	9.0	10.3	1.3	15.0	increase in shopping centers and hotel business	33.5	(1.0)	(3.1)
Travel and regional solutions	1.5	5.1	3.6	242.9		4.0	(2.0)	(34.2)
Other businesses	0.6	0.1	(0.5)	(79.6)		1.0	(3.5)	(78.0)
Non-operating revenues and expenses, net	(2.6)	(3.5)	(0.9)	–	decrease in employment adjustment subsidy	(15.5)	(5.1)	–
Recurring Income	**16.9**	**48.6**	**31.7**	**187.5**	[increase for a third straight fiscal year]	**99.5**	**25.8**	**35.2**
Extraordinary profit and loss, net	4.3	(0.1)	(4.4)	–	decrease in gain from sale of fixed asset	0.5	1.2	–
Income taxes	(37.3)	13.7	51.1	–	reactionary decline of special tax treatment	30.0	50.9	–
Income attributable to owners of parent	**57.8**	**33.3**	**(24.5)**	**(42.4)**	[decrease for the first time in three years]	**66.5**	**(22.0)**	**(24.9)**
Comprehensive Income	**58.8**	**36.5**	**(22.2)**	**(37.8)**	include 35.0 billion of comprehensive income attributable to shareholders of parent	–	–	–

Note: Figures in brackets ( ) are negative values.

Major Factors of Increase/Decrease in Each Segment

¥ Billions

			3 months ended Jun. 30, 2023	YoY Increase/(Decrease)	YoY %	Major factors (YoY)
Mobility		Operating Revenues	221.5	37.8	20.6	･Moderate recovery in demand (train usage)
		Operating Income	32.8	24.9	315.8	
Retail	Sales of goods and food services	Operating Revenues	40.7	9.5	30.4	･Moderate recovery in demand (stores within railway stations,VIAINN)
		Operating Income	3.0	2.8	–	
	Department stores	Operating Revenues	5.3	0.7	15.3	･Moderate recovery in demand
		Operating Income	0.3	0.4	–	
Real estate	Real estate lease and sale	Operating Revenues	22.5	(2.0)	(8.3)	･Decrease in sales for investors
		Operating Income	5.2	(2.6)	(33.9)	･Sales margin difference
	Shopping center	Operating Revenues	14.2	1.0	7.6	･Increase in rent income due to a recovery in tenant sales
		Operating Income	2.7	0.7	39.6	
	Hotel	Operating Revenues	9.2	2.3	33.9	･Moderate recovery in demand (the accomodation department)
		Operating Income	0.2	1.2	–	
Travel and regional solutions		Operating Revenues	49.6	22.2	81.4	･Moderate recovery in demand (travel)
		Operating Income	5.1	3.6	242.9	

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.

Non-Consolidated Financial Results and Forecasts

¥ Billions

	3 months ended Jun. 30, 2022	3 months ended Jun. 30, 2023	YoY		Major factors	Forecasts FY2024.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	**180.1**	**221.4**	**41.2**	**22.9**	[increase for a third straight fiscal year]	**908.0**	**116.7**	**14.8**
Transportation revenues	157.7	197.5	39.8	25.2	decrease of covid-19 effects	807.0	112.4	16.2
Transportation incidentals	3.4	3.8	0.3	11.3		15.5	0.7	5.0
Other operations	6.6	7.0	0.3	4.9		28.1	1.0	3.9
Miscellaneous	12.3	13.0	0.7	6.0	increase in sales fee, etc.	57.4	2.4	4.5
		structural reform (6.5)				structural reform(31.0)		
Operating Expenses	**166.5**	**183.7**	**17.2**	**10.4**		**833.0**	**80.6**	**10.7**
Personnel costs	44.6	48.1	3.4	7.7	increase in bonus, etc.	188.0	1.3	0.7
Non personnel costs	76.1	88.5	12.4	16.3	increase in adjustment amount for fuel cost, etc.	451.0	73.6	19.5
Energy costs	11.8	16.4	4.6	39.2		69.5	9.8	16.6
Maintenance costs	23.8	25.5	1.7	7.4		164.0	23.8	17.0
Miscellaneous costs	40.4	46.4	6.0	14.9	increase in sales fee, etc.	217.5	39.8	22.4
Rental payments, etc.	6.6	6.6	0.0	1.0		27.0	0.3	1.2
Taxes	9.1	9.4	0.3	4.0		37.5	0.0	0.2
Depreciation and Amortization	30.0	30.9	0.9	3.2		129.5	5.2	4.3
Operating Income	**13.6**	**37.6**	**24.0**	**175.7**	[increase for a third straight fiscal year]	**75.0**	**36.0**	**92.5**

Note: Figures in brackets ( ) are negative values.

FY2024.3 1Q Results : Details

Transportation Revenues and Passenger-Kilometers

Transportation Revenues (%, ¥ Billions) / **Passenger-Kilometers** (%, Millions of passenger-kilometers)

			Transportation Revenues: 3 months ended Jun. 30, 2023	YoY Increase/(Decrease)	YoY %	compared with FY2019	Forecasts FY2024.3	YoY Increase/(Decrease)	YoY %	Passenger-Kilometers: 3 months ended Jun. 30, 2023	YoY Increase/(Decrease)	YoY %	compared with FY2019
Shinkansen		Commuter Passes	2.9	0.1	4.9	3.4	–	–	–	234	10	4.8	2.9
		Non-Commuter Passes	99.4	27.5	38.4	(11.3)	–	–	–	4,396	1,247	39.6	(14.1)
		total	102.4	27.7	37.1	(10.9)	419.0	67.3	19.1	4,631	1,258	37.3	(13.4)
Conventional Lines	Kansai Urban Area (Kyoto-Osaka-Kobe Area)	Commuter Passes	26.7	0.8	3.1	(10.2)	–	–	–	4,349	70	1.6	(10.9)
		Non-Commuter Passes	45.2	7.9	21.3	(11.7)	–	–	–	2,386	459	23.9	(16.1)
		total	71.9	8.7	13.8	(11.1)	294.0	37.2	14.5	6,736	530	8.5	(12.8)
	Other	Commuter Passes	5.6	0.0	0.8	(10.7)	–	–	–	959	3	0.4	(9.3)
		Non-Commuter Passes	17.5	3.2	23.1	(16.9)	–	–	–	829	176	27.0	(19.6)
		total	23.1	3.3	16.8	(15.5)	94.0	7.9	9.2	1,789	180	11.2	(14.4)
	Commuter Passes		32.3	0.8	2.7	(10.3)	–	–	–	5,309	74	1.4	(10.6)
	Non-Commuter Passes		62.7	11.2	21.8	(13.2)	–	–	–	3,216	636	24.7	(17.0)
	total		95.0	12.0	14.6	(12.2)	388.0	45.1	13.2	8,525	710	9.1	(13.1)
Total	Commuter Passes		35.3	0.9	2.9	(9.2)	–	–	–	5,543	84	1.6	(10.1)
	Non-Commuter Passes		162.2	38.8	31.4	(12.0)	–	–	–	7,613	1,883	32.9	(15.4)
	total		197.5	39.8	25.2	(11.5)	807.0	112.4	16.2	13,156	1,968	17.6	(13.2)

Note: Figures in brackets ( ) are negative values.

Capital Expenditures

¥Billions

		3 months ended Jun. 30, 2022	3 months ended Jun. 30, 2023	YoY Increase/ (Decrease)	YoY %	Forecasts FY2024.3
Capital Expenditures Consolidated		27.3	44.0	16.7	61.2	–
	own fund	26.3	42.8	16.5	62.8	267.0
	External fund	1.0	1.2	0.1	19.8	–
Capital Expenditures Non-consolidated		16.6	20.3	3.7	22.7	–
	own fund	15.6	19.1	3.5	22.9	177.0
[Break down]	[Safety-related capital expenditures]	[6.7]	[13.8]	[7.1]	[105.9]	[97.0]
	[Growth investment, etc.]	[8.8]	[5.3]	[(3.5)]	[(39.9)]	[80.0]
	External fund	1.0	1.2	0.1	19.8	–

Note: Figures in brackets ( ) are negative values.

・ Major capital expenditure projects (Non-consolidated)
  - new rolling stock (conventional line)
  - safety and disaster prevention measures (earthquake countermeasures) etc.

Consolidated Balance Sheets

¥ Billions

	As of March 31, 2023	As of June 30, 2023	Difference increase/(decrease)	Major factors
Current assets	716.5	592.2	(124.2)	decrease in cash and deposits
Noncurrent assets	3,018.3	3,021.7	3.4	
Property, plant and equipment, etc.	2,513.2	2,515.4	2.1	
Construction in progress	117.1	117.7	0.5	
Investments and other assets	387.8	388.5	0.7	
Deferred assets	0.6	0.5	(0.1)	
Total assets	**3,735.5**	**3,614.6**	**(120.8)**	
Current liabilities	658.4	590.1	(68.3)	
Current portion of long-term payables etc.	140.7	139.7	(1.0)	
Accounts payable, etc.	517.6	450.3	(67.3)	
Noncurrent liabilities	1,932.7	1,862.1	(70.5)	
Bond and Long-term debt, etc.	1,514.9	1,440.9	(74.0)	
Accrued retirement benefits	223.3	224.4	1.1	
Other long-term liabilities	194.5	196.7	2.2	
Total liabilities	**2,591.1**	**2,452.3**	**(138.8)**	
Shareholders' equity	1,034.7	1,049.7	15.0	
Common stock	226.1	226.1	–	
Capital surplus	183.9	183.9	–	
Retained earnings	626.1	641.1	15.0	profit attributable to owners of parent:33.3
Treasury stock	(1.3)	(1.3)	(0.0)	dividend:(18.2)
Accumulated other comprehensive income	(0.2)	1.4	1.7	
Non-controlling interests	109.8	111.0	1.2	
Total Net assets	**1,144.3**	**1,162.2**	**17.9**	
Total Liabilities and net assets	**3,735.5**	**3,614.6**	**(120.8)**	

	As of March 31, 2023	As of June 30, 2023	Difference increase/(decrease)
Balance of Interest-bearing debt	1,662.9	1,587.3	(75.5)
【Average interest rate (%) 】	【1.19】	【1.23】	【0.04】
Shinkansen Purchase Liability	98.6	98.6	–
【Average interest rate (%) 】	【6.55】	【6.55】	【–】
Bonds	959.9	899.9	(59.9)
【Average interest rate (%) 】	【0.98】	【1.04】	【0.06】

Note: Figures in brackets ( ) are negative values.

Other Data

persons, ¥Billions

	3 months ended June 30, 2022	3 months ended June 30, 2023	Forecasts FY2024.3
ROA (%, Consolidated)	0.5	1.4	3.1
ROE (%, Consolidated)	5.8	3.2	6.3
EBITDA (Consolidated) *1	58.1	91.7	279.0
Depreciation (Consolidated)	38.6	39.5	164.0

	3 months ended June 30, 2022		3 months ended June 30, 2023		Forecasts FY2024.3	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	46,900	22,832	45,897	22,262	–	–
Financial Expenses, net	(4.5)	(3.7)	(4.6)	(3.4)	(19.4)	(17.7)
Interest and dividend income	0.5	1.4	0.4	1.6	1.1	2.6
Interest expenses	5.1	5.1	5.0	5.0	20.5	20.4

	3 months ended June 30, 2022	3 months ended June 30, 2023	Forecasts FY2024.3
DER	1.7	1.5	–
net Debt / EBITDA	23.8	15.1	–
Equity ratio (%)	27.6	29.1	–
Net assets per share (¥)	4,160.82	4,313.96	–

Note: Figures in brackets ( ) are negative values.

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

Consolidated Financial Results and Forecasts（Segment Information）

¥ Billions

	3 months ended Jun. 30, 2022	3 months ended Jun. 30, 2023	YoY Increase/ (Decrease)	YoY %	Forecasts FY2024.3	YoY Increase/ (Decrease)
Operating Revenues[*1]	297.1	369.2	72.1	24.3	1,512.0	116.4
Mobility	183.6	221.5	37.8	20.6	955.0	121.2
Retail	36.2	46.5	10.2	28.4	176.5	10.5
Sales of goods and food services	31.2	40.7	9.5	30.4	150.5	7.6
【Accommodation-oriented budget hotels】(restated)[*2]	【2.3】	【5.0】	【2.6】	【110.4】	【18.0】	【4.4】
Department stores	4.6	5.3	0.7	15.3	24.5	2.6
Real estate	44.9	46.3	1.3	2.9	216.0	11.0
Real estate lease and sale	24.6	22.5	(2.0)	(8.3)	118.5	1.4
【Real estate sale】(restated)	【11.9】	【9.1】	【(2.8)】	【(23.6)】	【65.1】	【(0.7)】
Shopping center	13.2	14.2	1.0	7.6	58.5	2.7
Hotel	6.9	9.2	2.3	33.9	38.0	6.7
Travel and regional solutions	27.3	49.6	22.2	81.4	136.5	(26.4)
Other businesses	4.8	5.2	0.3	7.3	28.0	0.0
Operating Income (Loss)[*1]	19.5	52.2	32.6	167.3	115.0	31.0
Mobility	7.9	32.8	24.9	315.8	72.0	38.7
Retail	0.1	3.4	3.3	−	6.0	0.5
Sales of goods and food services	0.2	3.0	2.8	−	5.5	0.8
【Accommodation-oriented budget hotels】(restated)[*2]	【(0.6)】	【0.8】	【1.4】	−	【1.5】	【2.3】
Department stores	(0.1)	0.3	0.4	−	1.0	0.2
Real estate	9.0	10.3	1.3	15.0	33.5	(1.0)
Real estate lease and sale	7.9	5.2	(2.6)	(33.9)	15.5	(6.3)
【Real estate sale】(restated)	【3.8】	【0.9】	【(2.8)】	【(75.2)】	【3.8】	【(4.6)】
Shopping center	1.9	2.7	0.7	39.6	7.5	(0.8)
Hotel	(0.9)	0.2	1.2	−	0.5	2.7
Travel and regional solutions	1.5	5.1	3.6	242.9	4.0	(2.0)
Other businesses	0.6	0.1	(0.5)	(79.6)	1.0	(3.5)

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.

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Major Factors of Increase/Decrease in Transportation Revenues

¥Billions

		Results for 3 months ended June 30, 2023			
		YoY		Major factors	
		Increase/ (Decrease)	%		
Shinkansen	102.4	27.7	37.1	Fundamental trend 0.0%	
				Special factors	
				･Decreasing Covid-19 effects	21.9
				･Inbound Demand Recovery	4.1
				･Revision of charges (Nozomi,Mizuho)	1.0
				etc.	
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	71.9	8.7	13.8	Fundamental trend 0.0%	
				Special factors	
				･Decreasing Covid-19 effects	3.1
				･Inbound Demand Recovery	3.2
				･Fare revision of special railway sections	0.2
				･Surcharge for the installation of barrier-free equipment	1.3
				etc.	
Other lines	23.1	3.3	16.8	Fundamental trend 0.0%	
				Special factors	
				･Decreasing Covid-19 effects	2.3
				･Inbound Demand Recovery	0.7
				･Revision of charges (conventional line express train)	0.1
				etc.	
Conventional Lines	95.0	12.0	14.6		
Total	197.5	39.8	25.2		

Note1: Revenues from luggage transportation are omitted due to the small amount.
Note2: Figures in brackets ( ) are negative values.

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

¥Billions

	Results for 3 months ended June 30, 2023			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	48.1	3.4	7.7	･Increase in bonus ･Decrease in personnel
Energy costs	16.4	4.6	39.2	･Increase in adjustment amount for fuel cost ･Increase in electricity rate
Maintenance costs	25.5	1.7	7.4	･Increased fluctuation in periodic inspection and maintenance
Miscellaneous costs	46.4	6.0	14.9	･Increase in revenue-linked cost ･Increase in DX-related expenses
Rental Payments,etc.	6.6	0.0	1.0	
Taxes	9.4	0.3	4.0	
Depreciation and Amortization	30.9	0.9	3.2	･Full-year effect of new assets in operation during fiscal 2023 ･Progress of depreciation
Total	183.7	17.2	10.4	

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.
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  - ・economic downturn, deflation and population decreases;
  - ・adverse changes in laws, regulations and government policies in Japan;
  - ・service improvements, price reductions and other strategies undertaken by competitors such as passenger railway and airlines companies;
  - ・infectious disease outbreak and epidemic;
  - ・earthquake and other natural disaster risks; and
  - ・failure of computer telecommunications systems disrupting railway or other operations
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