FY2024.3, 3Q Financial Results Presentation

Connect more. Spring into the future.

January 31, 2024

West Japan Railway Company

○ I am Takeshi Fukano, general manager of the Corporate Strategy Division.

○ First, I would like to express our heartfelt sympathy to everyone affected by the earthquake around the Noto Peninsula on New Year's Day. As a company, we are working hard to swiftly restore the affected sections of track on the Nanao Line and connecting railways, and we are committed to helping with the recovery and reconstruction efforts in the region.

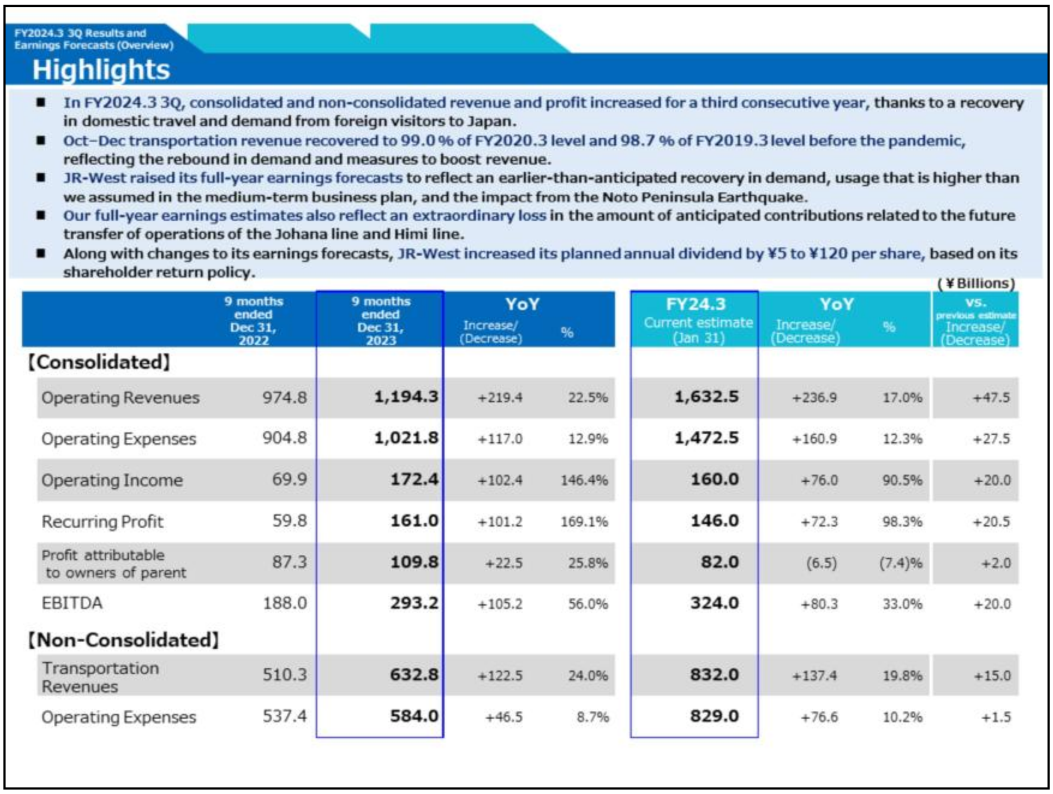
○ Today, I will first present an overview of our third quarter results and earnings forecasts for the year, followed by taking questions later.

○ Please refer to slide 2 in the presentation materials.

1 FY2024.3 3Q Results and Earnings Forecasts (Overview) Page 2

2 FY2024.3 3Q Results and Earnings Forecasts (Details) Page 15

3 Appendix Page 30



FY2024.3 3Q Results and Earnings Forecasts (Overview)

Highlights

- In FY2024.3 3Q, consolidated and non-consolidated revenue and profit increased for a third consecutive year, thanks to a recovery in domestic travel and demand from foreign visitors to Japan.
- Oct–Dec transportation revenue recovered to 99.0 % of FY2020.3 level and 98.7 % of FY2019.3 level before the pandemic, reflecting the rebound in demand and measures to boost revenue.
- JR-West raised its full-year earnings forecasts to reflect an earlier-than-anticipated recovery in demand, usage that is higher than we assumed in the medium-term business plan, and the impact from the Noto Peninsula Earthquake.
- Our full-year earnings estimates also reflect an extraordinary loss in the amount of anticipated contributions related to the future transfer of operations of the Johana line and Himi line.
- Along with changes to its earnings forecasts, JR-West increased its planned annual dividend by ¥5 to ¥120 per share, based on its shareholder return policy.

(¥Billions)

	9 months ended Dec 31, 2022	9 months ended Dec 31, 2023	YoY Increase/ (Decrease)	YoY %	FY24.3 Current estimate (Jan 31)	YoY Increase/ (Decrease)	YoY %	vs. previous estimate Increase/ (Decrease)
【Consolidated】								
Operating Revenues	974.8	**1,194.3**	+219.4	22.5%	**1,632.5**	+236.9	17.0%	+47.5
Operating Expenses	904.8	**1,021.8**	+117.0	12.9%	**1,472.5**	+160.9	12.3%	+27.5
Operating Income	69.9	**172.4**	+102.4	146.4%	**160.0**	+76.0	90.5%	+20.0
Recurring Profit	59.8	**161.0**	+101.2	169.1%	**146.0**	+72.3	98.3%	+20.5
Profit attributable to owners of parent	87.3	**109.8**	+22.5	25.8%	**82.0**	(6.5)	(7.4)%	+2.0
EBITDA	188.0	**293.2**	+105.2	56.0%	**324.0**	+80.3	33.0%	+20.0
【Non-Consolidated】								
Transportation Revenues	510.3	**632.8**	+122.5	24.0%	**832.0**	+137.4	19.8%	+15.0
Operating Expenses	537.4	**584.0**	+46.5	8.7%	**829.0**	+76.6	10.2%	+1.5

○ For the nine months ended December 31, 2023, amid a recovery in travel demand and robust inbound tourism, we achieved consolidated operating revenues of ¥1,194.3 billion, operating income of ¥172.4 billion, and income attributable to owners of parent of ¥109.8 billion. Revenues and profits grew for a third consecutive quarter.

○ Transportation revenues were on a par with pre-pandemic levels during the three months from October to December, and were above 90% for quarters one through three.

○ Each business did well versus targets that were upwardly revised in the second quarter, thanks especially to tourism and leisure demand, including foreign tourists.

○ We raised our full-year forecasts for consolidated operating revenues to ¥1,632.5 billion, operating income to ¥160 billion, and income attributable to owners of parent to ¥82 billion, to account for the faster-than-expected recovery in demand and the fact that basic usage exceeded our plan's assumptions. Our forecasts reflect the impact of the Noto Peninsula earthquake. Our forecasts for the fourth quarter are cautious.

○ Although not shown in third-quarter results, our forecasts include an extraordinary loss for our projected contribution to the future transfer of management of the Johana and Himi Lines.

○ In line with the upward revision to our earnings forecasts and our policy on shareholder returns, we increase our dividend target by ¥5 per share, for an annual dividend of ¥120 per share.

○ There have been no changes to our capital investment plan since the beginning of the period.

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

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Mobility Business

■ Mobility Results and Forecasts

* FY2019.3 figures do not reflect the adoption of accounting standards for revenue recognition.

(¥ Billion)	FY23.3 3Q results	FY24.3 3Q results
Operating Revenues	597.1	**727.3**
Of which, non-consolidated transportation revenues	510.3	**632.8**
Shinkansen	256.3	336.5
Kansai Urban Area	190.5	220.8
Other conventional lines	63.4	75.4
Operating Income	32.3	**116.1**
EBITDA	124.6	**211.4**

■ Transportation revenue and basic usage (vs. 2019)

FY2024.3 3Q Results Highlights

- Sanyo Shinkansen: Basic usage in Oct-Dec was higher than 90% of pre-pandemic level assumed in the management plan. Revenue was on a par with pre-pandemic levels.
- Kansai Urban Area: (Non-commuter passes) Oct-Dec level higher than expected. Revenue was on a par with pre-pandemic levels.
  (Commuter passes) Broadly in line with estimates. No. of commuter pass holders: about 90% vs. 2019 levels
- Inbound tourist transportation revenue was ¥27.4 billion, higher than in FY2019.3.
- Personnel expenses higher than forecast due to lump-sum payments
- Reforming the cost structure resulted in a ¥22.5 billion decline in costs in 1-3Q (73% progress), versus the target for ¥31.0 billion for FY2024.3

○ Let’s take a look at the mobility business first.

○ For the first nine months, transportation revenue was ¥632.8 billion. This is 92.9% of the 2019 level, the year before the pandemic, and 95.8% of the 2018 level, exceeding our forecast by approximately ¥14.5 billion.

○ Tourism and leisure have been driving the recovery in travel demand. Usage increased significantly on a boost from tourism demand during the high season for tourism travel in October and November, exceeding our expectations. In December, usage was somewhat subdued compared to October and November.

○ This slide shows a breakdown of revenue from Shinkansen and conventional lines. Shinkansen revenue of ¥336.5 billion comprised ¥305.4 billion from the Sanyo Shinkansen and ¥31.0 billion from the Hokuriku Shinkansen.

○ For the Sanyo Shinkansen, we assume basic usage in the second half will be 90% of pre-COVID levels, but it was 93% from October to December. This, combined with the boost from inbound tourism, resulted in higher-than-expected revenues in total for the Shinkansen. Basic non-commuter usage in the Kansai Urban Area also surpassed the targeted 90%, reaching 94% from October to December.

○ Regarding costs, structural reforms have resulted in savings of ¥22.5 billion, marking 73% progress towards the annual goal of reducing costs by ¥31 billion. Given the tendency for railway expenses to concentrate in the fourth quarter, we believe progress is on track at this juncture.

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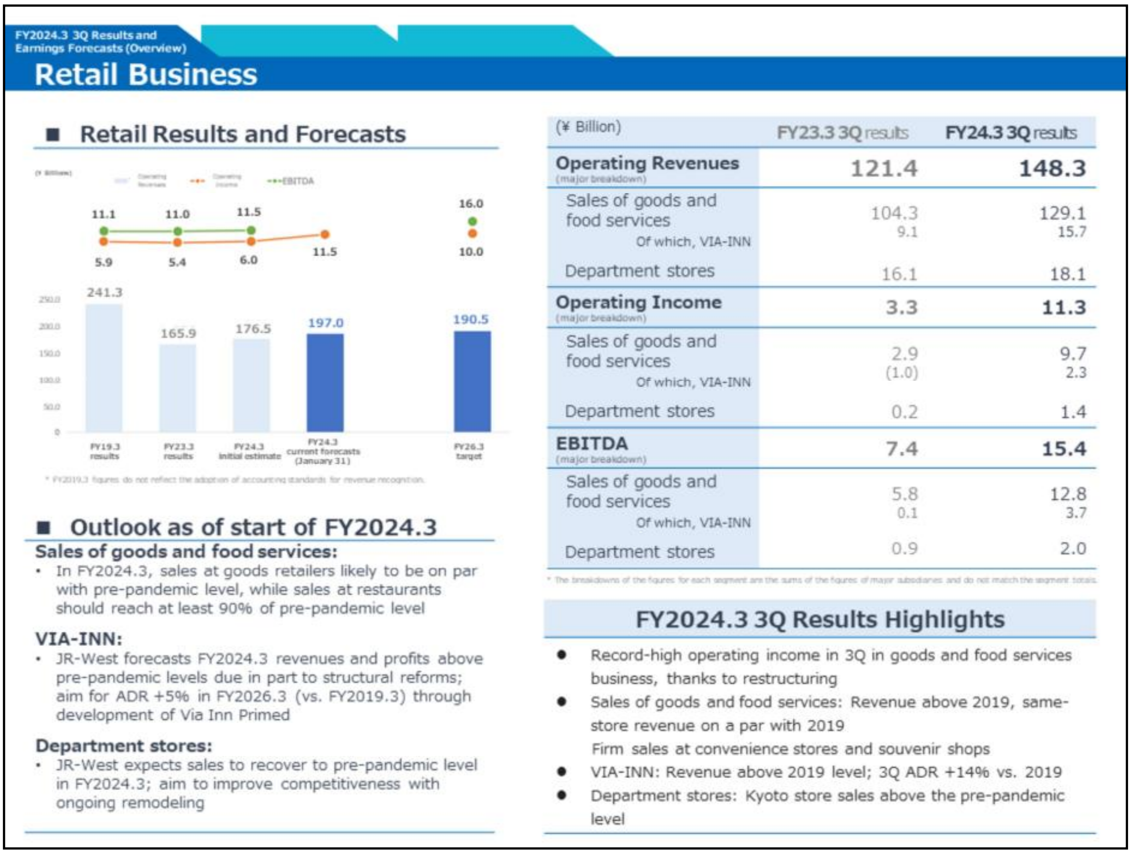

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Retail Business

■ Retail Results and Forecasts

* FY2019.3 figures do not reflect the adoption of accounting standards for revenue recognition.

■ Outlook as of start of FY2024.3

Sales of goods and food services:

- In FY2024.3, sales at goods retailers likely to be on par with pre-pandemic level, while sales at restaurants should reach at least 90% of pre-pandemic level

VIA-INN:

- JR-West forecasts FY2024.3 revenues and profits above pre-pandemic levels due in part to structural reforms; aim for ADR +5% in FY2026.3 (vs. FY2019.3) through development of Via Inn Primed

Department stores:

- JR-West expects sales to recover to pre-pandemic level in FY2024.3; aim to improve competitiveness with ongoing remodeling

(¥ Billion)	FY23.3 3Q results	FY24.3 3Q results
Operating Revenues (major breakdown)	121.4	148.3
Sales of goods and food services	104.3	129.1
Of which, VIA-INN	9.1	15.7
Department stores	16.1	18.1
Operating Income (major breakdown)	3.3	11.3
Sales of goods and food services	2.9	9.7
Of which, VIA-INN	(1.0)	2.3
Department stores	0.2	1.4
EBITDA (major breakdown)	7.4	15.4
Sales of goods and food services	5.8	12.8
Of which, VIA-INN	0.1	3.7
Department stores	0.9	2.0

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

FY2024.3 3Q Results Highlights

- Record-high operating income in 3Q in goods and food services business, thanks to restructuring
- Sales of goods and food services: Revenue above 2019, same-store revenue on a par with 2019
  Firm sales at convenience stores and souvenir shops
- VIA-INN: Revenue above 2019 level; 3Q ADR +14% vs. 2019
- Department stores: Kyoto store sales above the pre-pandemic level

○ The next topic is the retail business.

○ In the first nine months, revenue in the retail business increased ¥26.8 billion compared with the previous year, and operating income also increased by ¥7.9 billion to ¥11.3 billion. Sales were brisk at stores within train stations, business hotels, and department stores.

○ Convenience store and souvenir shop sales, as well as accommodation revenue from business hotels, have been firm. As of the third quarter, conditions are exceeding our expectations. In the goods and food services business, due to benefits from structural reforms, operating income was the highest we ever recorded for a third quarter.

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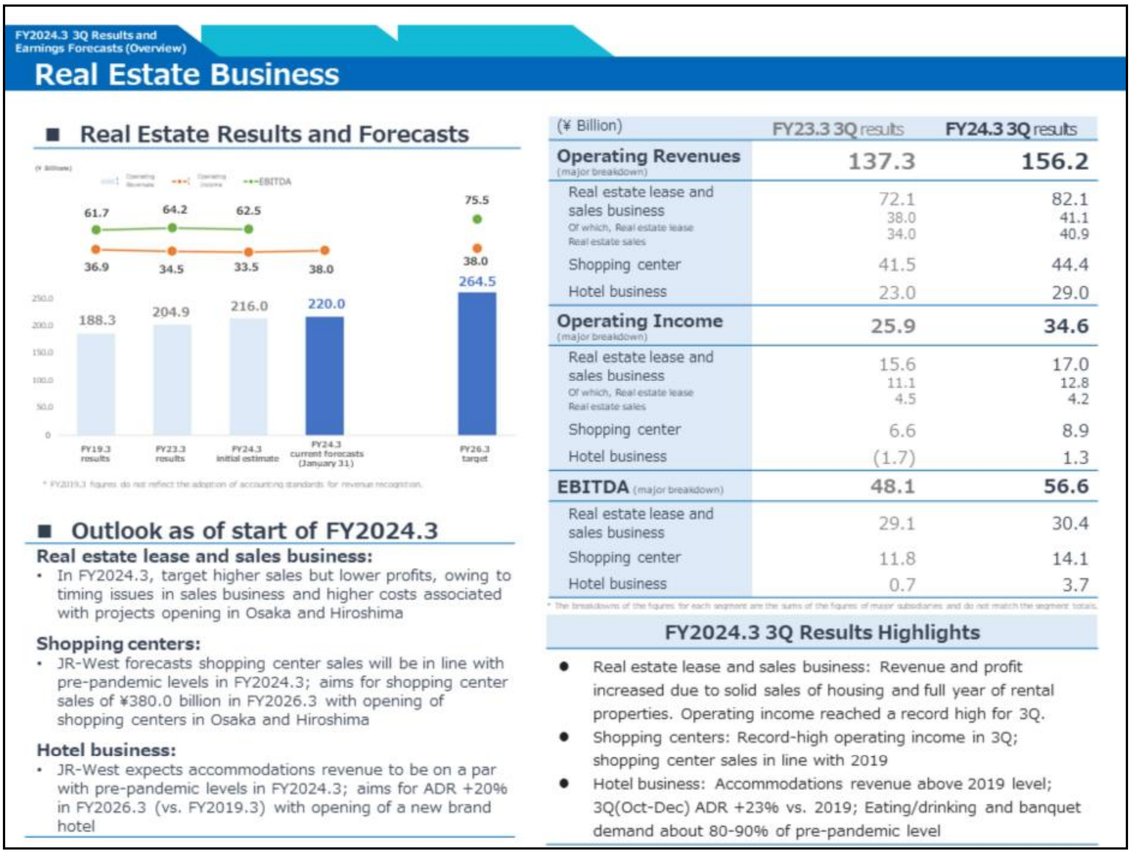

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Real Estate Business

■ Real Estate Results and Forecasts

* FY2019.3 figures do not reflect the adoption of accounting standards for revenue recognition.

■ Outlook as of start of FY2024.3

Real estate lease and sales business:

- In FY2024.3, target higher sales but lower profits, owing to timing issues in sales business and higher costs associated with projects opening in Osaka and Hiroshima

Shopping centers:

- JR-West forecasts shopping center sales will be in line with pre-pandemic levels in FY2024.3; aims for shopping center sales of ¥380.0 billion in FY2026.3 with opening of shopping centers in Osaka and Hiroshima

Hotel business:

- JR-West expects accommodations revenue to be on a par with pre-pandemic levels in FY2024.3; aims for ADR +20% in FY2026.3 (vs. FY2019.3) with opening of a new brand hotel

(¥ Billion)	FY23.3 3Q results	FY24.3 3Q results
Operating Revenues (major breakdown)	137.3	156.2
Real estate lease and sales business	72.1	82.1
Of which, Real estate lease	38.0	41.1
Real estate sales	34.0	40.9
Shopping center	41.5	44.4
Hotel business	23.0	29.0
Operating Income (major breakdown)	25.9	34.6
Real estate lease and sales business	15.6	17.0
Of which, Real estate lease	11.1	12.8
Real estate sales	4.5	4.2
Shopping center	6.6	8.9
Hotel business	(1.7)	1.3
EBITDA (major breakdown)	48.1	56.6
Real estate lease and sales business	29.1	30.4
Shopping center	11.8	14.1
Hotel business	0.7	3.7

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

FY2024.3 3Q Results Highlights

- Real estate lease and sales business: Revenue and profit increased due to solid sales of housing and full year of rental properties. Operating income reached a record high for 3Q.
- Shopping centers: Record-high operating income in 3Q; shopping center sales in line with 2019
- Hotel business: Accommodations revenue above 2019 level; 3Q(Oct-Dec) ADR +23% vs. 2019; Eating/drinking and banquet demand about 80-90% of pre-pandemic level

○ Next is the real estate business.

○ In the third quarter, revenue increased by ¥18.9 billion over the previous year, and operating income grew by ¥8.6 billion to ¥34.6 billion.

○ In the real estate leasing and sales business, revenue and profit increased compared with the previous year, due to full-year contributions from leasing properties opened during the previous fiscal year and solid housing sales. Furthermore, in the shopping center and hotel businesses, revenue and profit increased due to higher sales at shopping centers as demand recovered and higher accommodation revenue at hotels. Operating income in the third quarter reached a record high in both the real estate leasing and sales business and the shopping center business. In the hotel business, while accommodation revenue is above pre-COVID levels, there has also been an upward trend in banquet demand. Banquet revenue from October to December was approximately 80-90% of the pre-COVID level.

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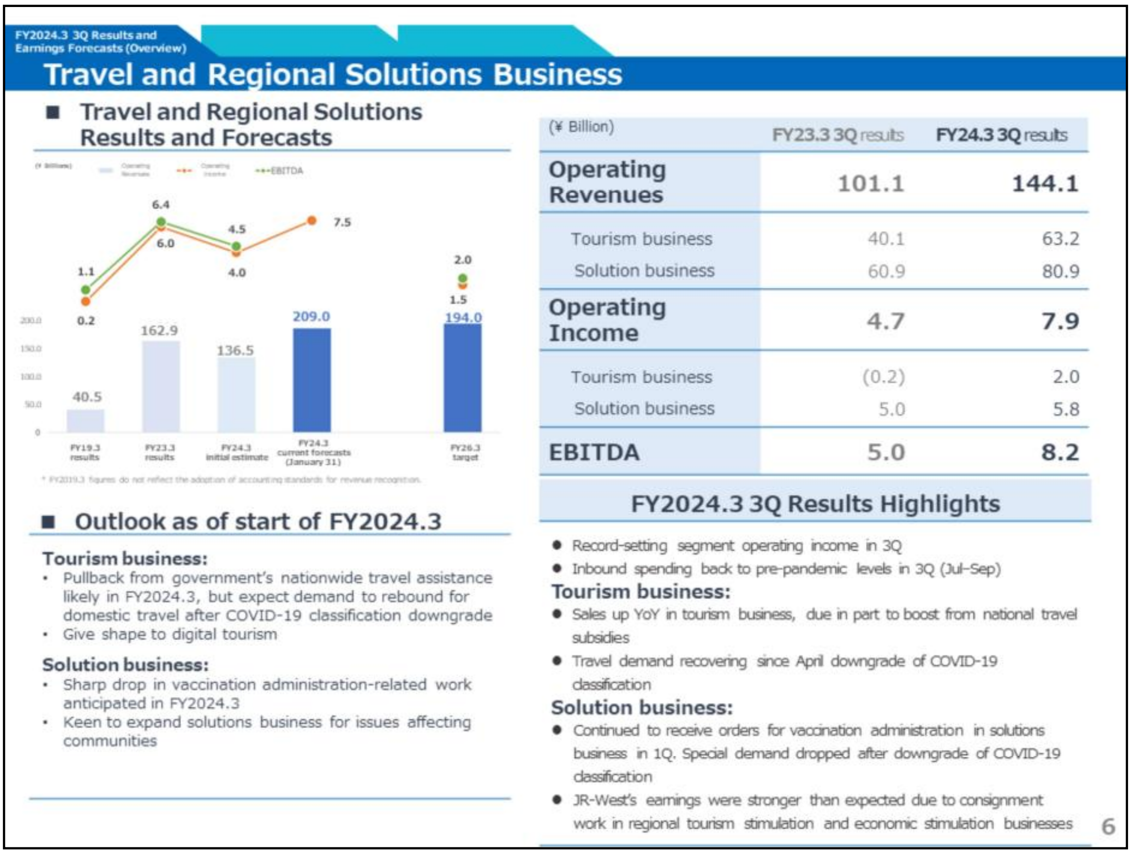

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Travel and Regional Solutions Business

■ Travel and Regional Solutions Results and Forecasts

* FY2019.3 figures do not reflect the adoption of accounting standards for revenue recognition.

■ Outlook as of start of FY2024.3

Tourism business:

- Pullback from government's nationwide travel assistance likely in FY2024.3, but expect demand to rebound for domestic travel after COVID-19 classification downgrade
- Give shape to digital tourism

Solution business:

- Sharp drop in vaccination administration-related work anticipated in FY2024.3
- Keen to expand solutions business for issues affecting communities

(¥ Billion)	FY23.3 3Q results	FY24.3 3Q results
Operating Revenues	101.1	**144.1**
Tourism business	40.1	63.2
Solution business	60.9	80.9
Operating Income	4.7	**7.9**
Tourism business	(0.2)	2.0
Solution business	5.0	5.8
EBITDA	5.0	**8.2**

FY2024.3 3Q Results Highlights

- Record-setting segment operating income in 3Q
- Inbound spending back to pre-pandemic levels in 3Q (Jul-Sep)

Tourism business:

- Sales up YoY in tourism business, due in part to boost from national travel subsidies
- Travel demand recovering since April downgrade of COVID-19 classification

Solution business:

- Continued to receive orders for vaccination administration in solutions business in 1Q. Special demand dropped after downgrade of COVID-19 classification
- JR-West's earnings were stronger than expected due to consignment work in regional tourism stimulation and economic stimulation businesses

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

○ Revenue in the tourism business increased from the previous year thanks to brisk demand for domestic travel. In the solutions business, special demand related to COVID-19 continued in the first quarter. We have since then secured projects, such as for regional tourism promotion and economic stimulus initiatives. This resulted in an overall increase in revenue of ¥43 billion compared to the previous year, and an increase in operating income of ¥3.1 billion to ¥7.9 billion. As of the third quarter, profit was at a record high.

○ In addition to the solutions business, the tourism business has also been performing well.

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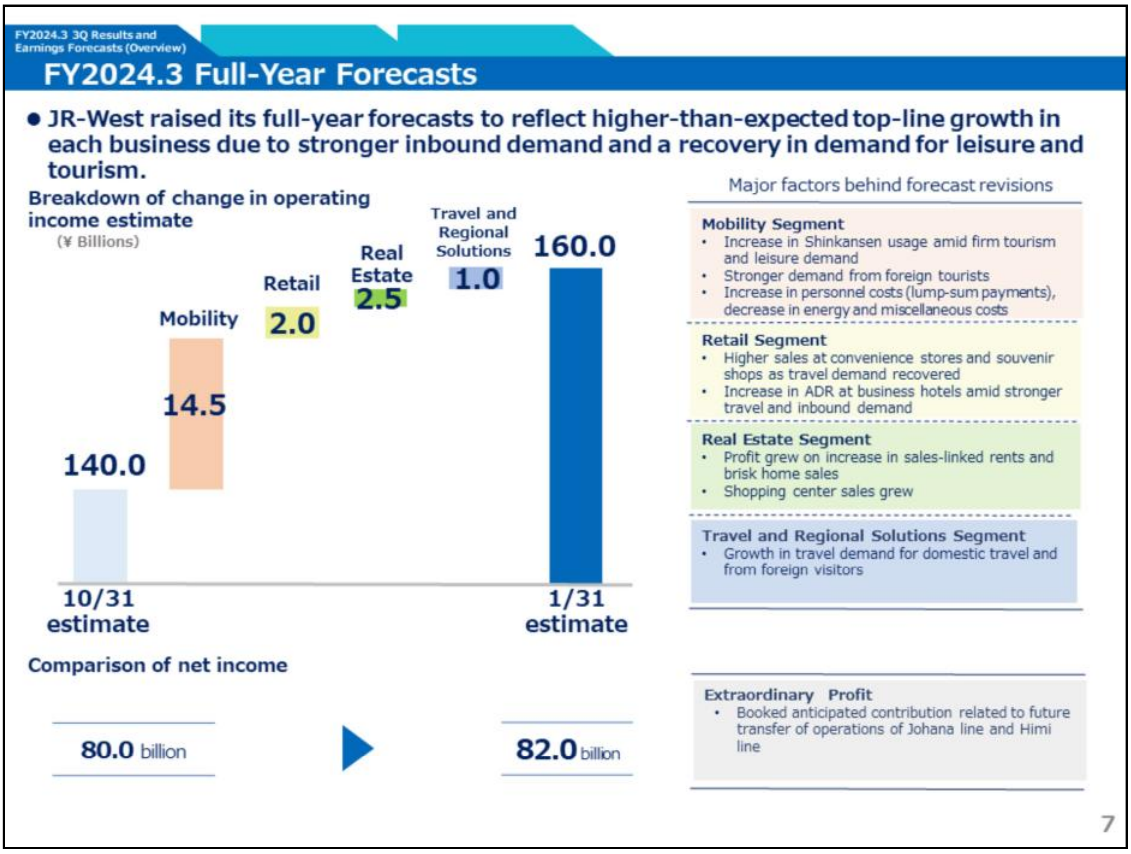

FY2024.3 Full-Year Forecasts

- JR-West raised its full-year forecasts to reflect higher-than-expected top-line growth in each business due to stronger inbound demand and a recovery in demand for leisure and tourism.

Breakdown of change in operating income estimate

Comparison of net income

80.0 billion ▶ 82.0 billion

Major factors behind forecast revisions

Mobility Segment
- Increase in Shinkansen usage amid firm tourism and leisure demand
- Stronger demand from foreign tourists
- Increase in personnel costs (lump-sum payments), decrease in energy and miscellaneous costs

Retail Segment
- Higher sales at convenience stores and souvenir shops as travel demand recovered
- Increase in ADR at business hotels amid stronger travel and inbound demand

Real Estate Segment
- Profit grew on increase in sales-linked rents and brisk home sales
- Shopping center sales grew

Travel and Regional Solutions Segment
- Growth in travel demand for domestic travel and from foreign visitors

Extraordinary Profit
- Booked anticipated contribution related to future transfer of operations of Johana line and Himi line

○ I will now provide an overview of our full-year earnings forecasts.

○ Overall, top-line growth was better than we expected, owing to the recovery in leisure and tourism demand and an increase in inbound demand. As a result, we increased our consolidated operating income forecast by ¥20 billion from our previous target to ¥160 billion.

○ In the mobility business, despite an increase in personnel costs due to lump-sum payments, we raised our operating income forecast by ¥14.5 billion, due to an increase in transportation revenue, primarily from tourism and leisure as well as inbound tourism, and reductions in energy costs and miscellaneous expenses.

○ In the retail business, with convenience stores, souvenir shops, and the accommodation oriented hotel business doing well, we revised our operating income forecast upward by ¥2 billion in light of results in the third quarter and our revised forecasts for the fourth quarter.

○ For the real estate business, we revised up our operating income forecast by ¥2.5 billion, considering the increase in real estate sales and shopping center revenue.

○ In the travel and regional solutions business, we raised our operating income forecast by ¥1 billion out of consideration of strength in the solutions business and stronger domestic travel demand in the tourism business.

○ Although we revised our operating income forecast upward by ¥20 billion, we only increase our forecast for income attributable to owners of parent by ¥2 billion to ¥82 billion, because we factor in an extraordinary loss for projected contributions related to the future transfer of management of the Johana and Himi lines.

○ Although we anticipate a loss in the fourth quarter, we believe it will be more challenging to generate profit in this quarter than in a typical year, due to the impact from lower revenue after the Noto Peninsula earthquake, the tendency for expenses to concentrate in the fourth quarter, and the timing of some expense recognition related to the opening of large-scale projects.

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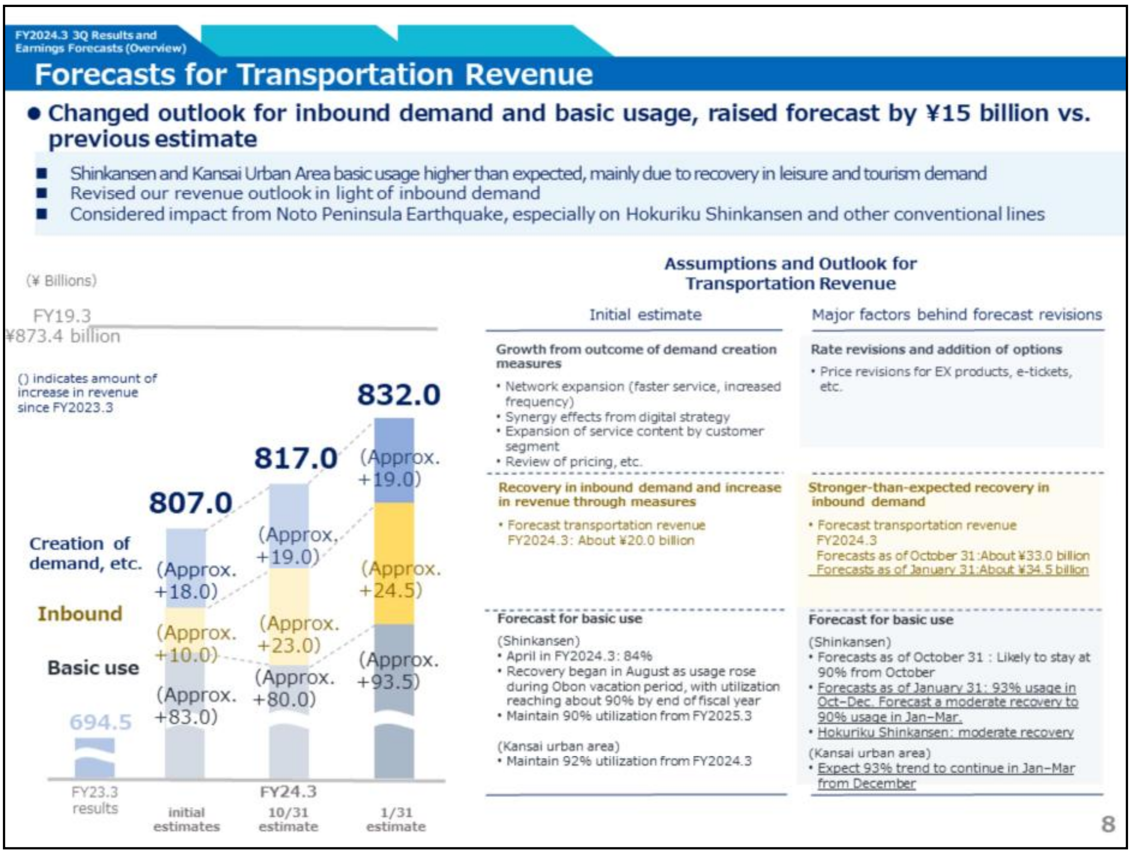

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Forecasts for Transportation Revenue

- **Changed outlook for inbound demand and basic usage, raised forecast by ¥15 billion vs. previous estimate**
  - Shinkansen and Kansai Urban Area basic usage higher than expected, mainly due to recovery in leisure and tourism demand
  - Revised our revenue outlook in light of inbound demand
  - Considered impact from Noto Peninsula Earthquake, especially on Hokuriku Shinkansen and other conventional lines

Assumptions and Outlook for Transportation Revenue

Initial estimate	Major factors behind forecast revisions
Growth from outcome of demand creation measures • Network expansion (faster service, increased frequency) • Synergy effects from digital strategy • Expansion of service content by customer segment • Review of pricing, etc.	**Rate revisions and addition of options** • Price revisions for EX products, e-tickets, etc.
Recovery in inbound demand and increase in revenue through measures • Forecast transportation revenue FY2024.3: About ¥20.0 billion	**Stronger-than-expected recovery in inbound demand** • Forecast transportation revenue FY2024.3 Forecasts as of October 31 :About ¥33.0 billion Forecasts as of January 31:About ¥34.5 billion
Forecast for basic use (Shinkansen) • April in FY2024.3: 84% • Recovery began in August as usage rose during Obon vacation period, with utilization reaching about 90% by end of fiscal year • Maintain 90% utilization from FY2025.3 (Kansai urban area) • Maintain 92% utilization from FY2024.3	**Forecast for basic use** (Shinkansen) • Forecasts as of October 31 : Likely to stay at 90% from October • Forecasts as of January 31: 93% usage in Oct–Dec. Forecast a moderate recovery to 90% usage in Jan–Mar. • Hokuriku Shinkansen: moderate recovery (Kansai urban area) • Expect 93% trend to continue in Jan–Mar from December

○ We increased our full-year forecast for total transportation revenue by ¥15 billion to ¥832 billion.

○ In the fourth quarter, we expect basic usage on the Sanyo Shinkansen to return to about 90% by the end of the fiscal year, a gradual improvement from the 88% trend seen in January, considering recent usage fueled by the recovery in leisure and tourism demand.

○ On the other hand, we expect non-commuter usage in the Kansai Urban Area to stay around 93% in the fourth quarter, considering trends since December, even though we had anticipated it to remain around 90% in the second half.

○ We have not changed our outlook for commuter pass revenue.

○ We raised our full-year forecast for inbound revenue to ¥34.5 billion.

○ Our forecasts reflect to a degree the impact from the Noto Peninsula Earthquake in terms of lower revenue from the Hokuriku Shinkansen and Thunderbird limited express train. We assume usage will gradually recover to the end of March. In March, the Tsuruga extension of the Hokuriku Shinkansen will open, and we are working diligently to restore services on some sections of the Nanao Line as soon as possible. JR-West is making the utmost effort to accelerate the recovery and reconstruction of affected regions.

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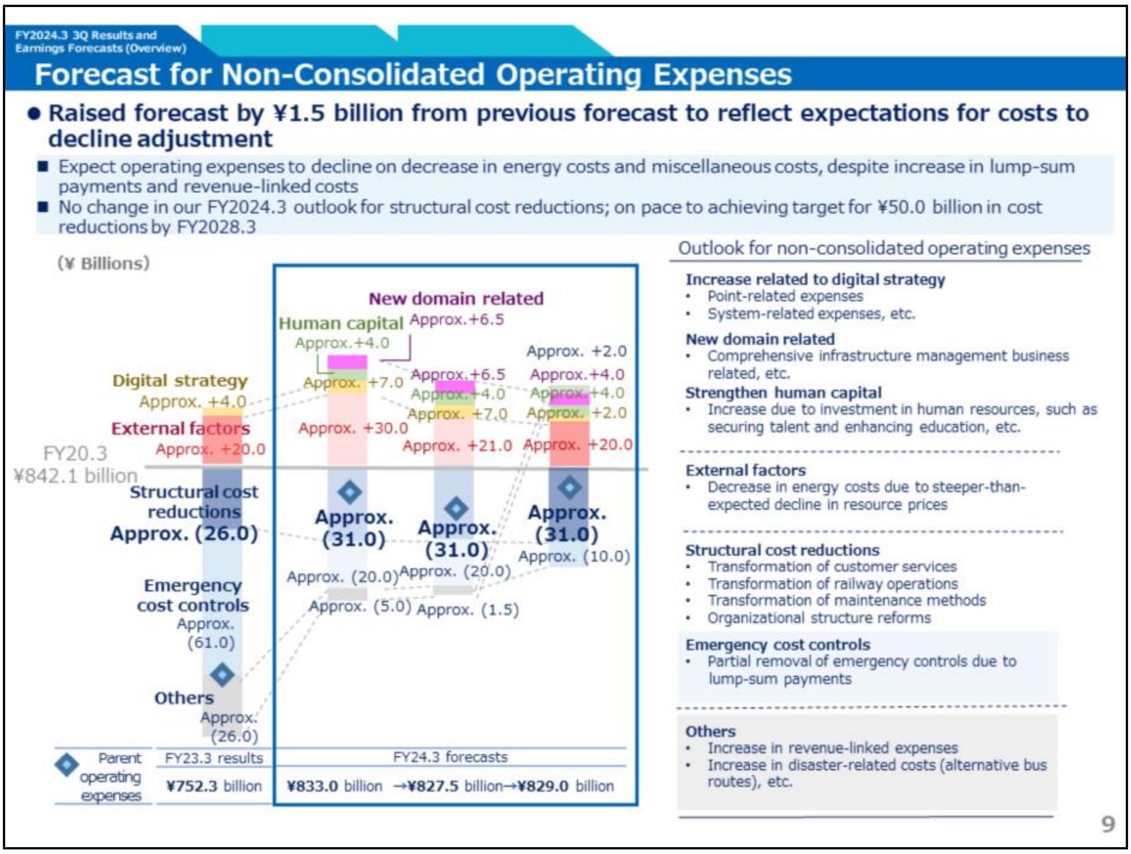

FY2024.3 3Q Results and Earnings Forecasts (Overview)

Forecast for Non-Consolidated Operating Expenses

- **Raised forecast by ¥1.5 billion from previous forecast to reflect expectations for costs to decline adjustment**
  - Expect operating expenses to decline on decrease in energy costs and miscellaneous costs, despite increase in lump-sum payments and revenue-linked costs
  - No change in our FY2024.3 outlook for structural cost reductions; on pace to achieving target for ¥50.0 billion in cost reductions by FY2028.3

◆ Parent operating expenses	FY23.3 results	FY24.3 forecasts
	¥752.3 billion	¥833.0 billion →¥827.5 billion→¥829.0 billion

Outlook for non-consolidated operating expenses

Increase related to digital strategy
- Point-related expenses
- System-related expenses, etc.

New domain related
- Comprehensive infrastructure management business related, etc.

Strengthen human capital
- Increase due to investment in human resources, such as securing talent and enhancing education, etc.

External factors
- Decrease in energy costs due to steeper-than-expected decline in resource prices

Structural cost reductions
- Transformation of customer services
- Transformation of railway operations
- Transformation of maintenance methods
- Organizational structure reforms

Emergency cost controls
- Partial removal of emergency controls due to lump-sum payments

Others
- Increase in revenue-linked expenses
- Increase in disaster-related costs (alternative bus routes), etc.

○ Here we explain our forecasts for non-consolidated operating expenses.

○ We lowered our forecasts in anticipation of a decrease in energy costs and miscellaneous costs.

○ However, we raised our full-year outlook by ¥1.5 billion to ¥829 billion to reflect an increase in personnel costs due to lump-sum payments and higher revenue-linked costs.

○ JR-West is progressing as planned on structural cost reductions, and we have not changed our outlook for this.

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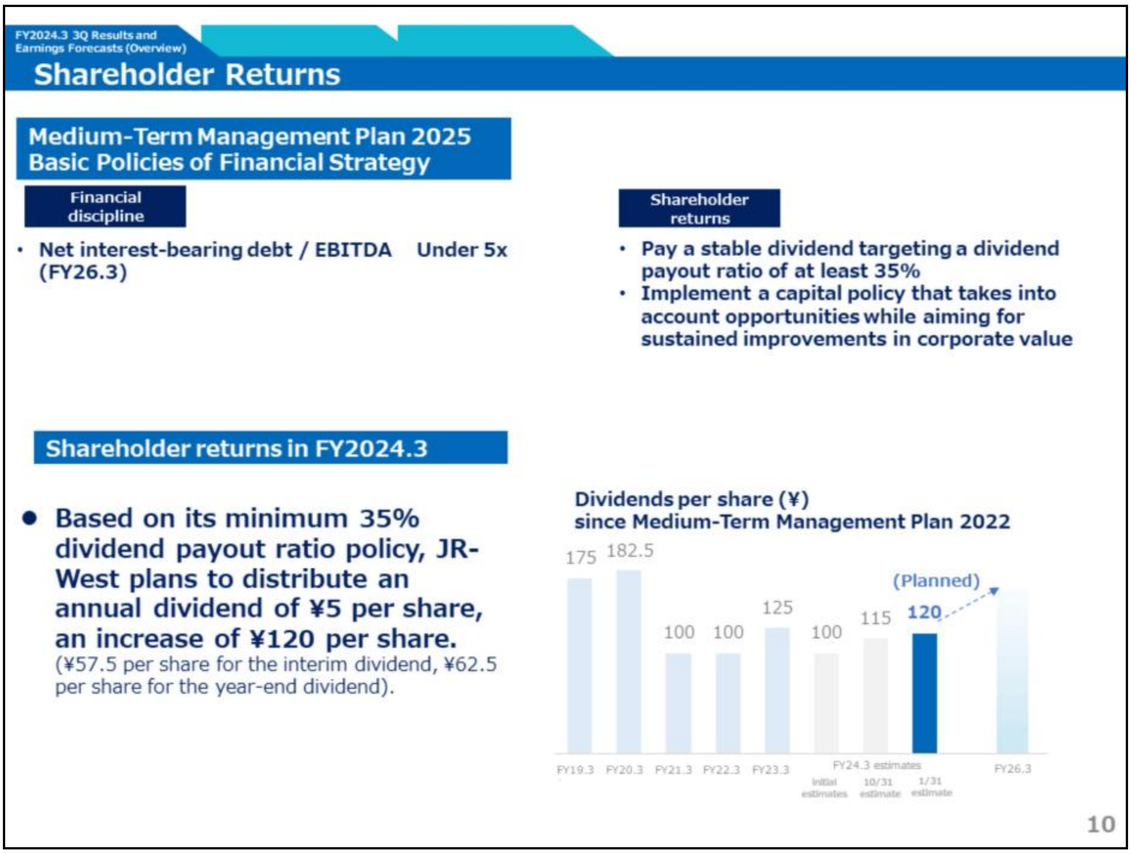

Shareholder Returns

Medium-Term Management Plan 2025 Basic Policies of Financial Strategy

Financial discipline

- Net interest-bearing debt / EBITDA Under 5x (FY26.3)

Shareholder returns

- Pay a stable dividend targeting a dividend payout ratio of at least 35%
- Implement a capital policy that takes into account opportunities while aiming for sustained improvements in corporate value

Shareholder returns in FY2024.3

- **Based on its minimum 35% dividend payout ratio policy, JR-West plans to distribute an annual dividend of ¥5 per share, an increase of ¥120 per share.** (¥57.5 per share for the interim dividend, ¥62.5 per share for the year-end dividend).

Dividends per share (¥) since Medium-Term Management Plan 2022

○ Our shareholder return policy has not changed. In light of the upward revisions to its earnings forecasts, JR-West now plans to pay an annual dividend of ¥120 per share, an increase of ¥5 per share, based on its policy that targets a dividend payout ratio of at least 35%.

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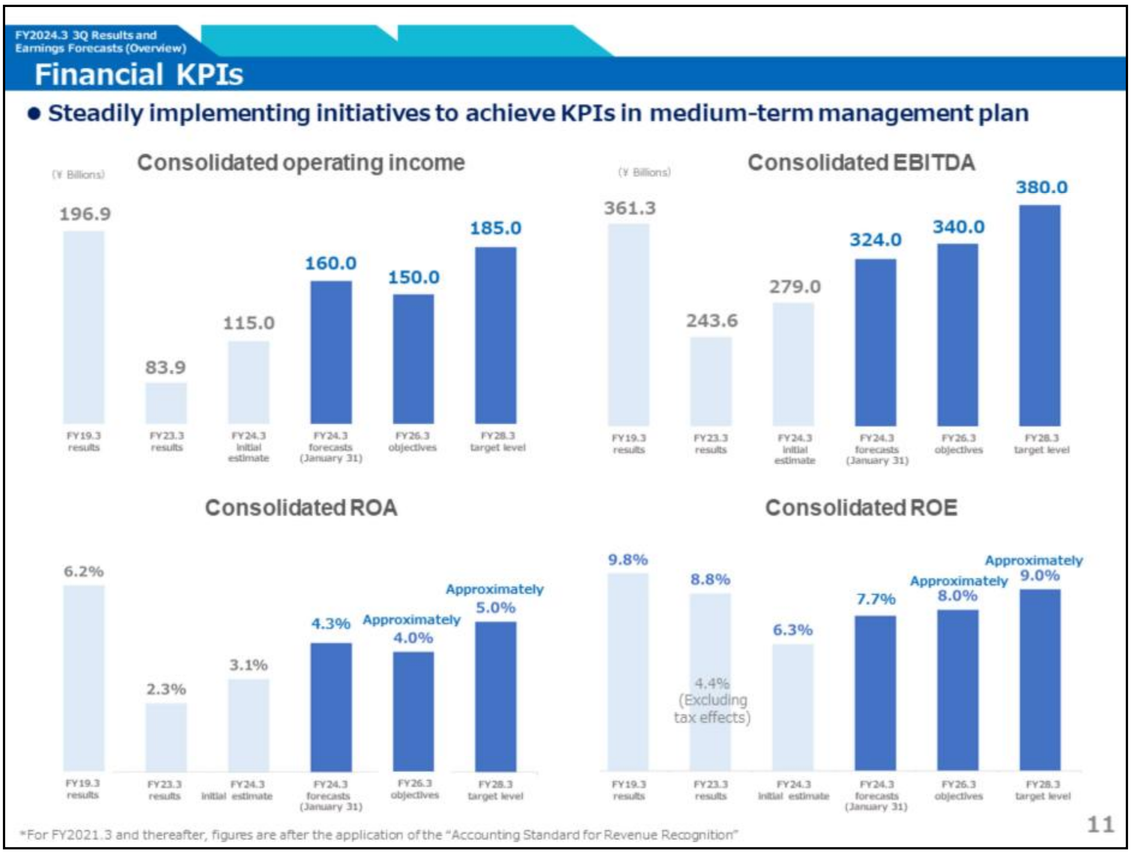


FY2024.3 3Q Results and Earnings Forecasts (Overview)

Financial KPIs

- **Steadily implementing initiatives to achieve KPIs in medium-term management plan**

Consolidated operating income

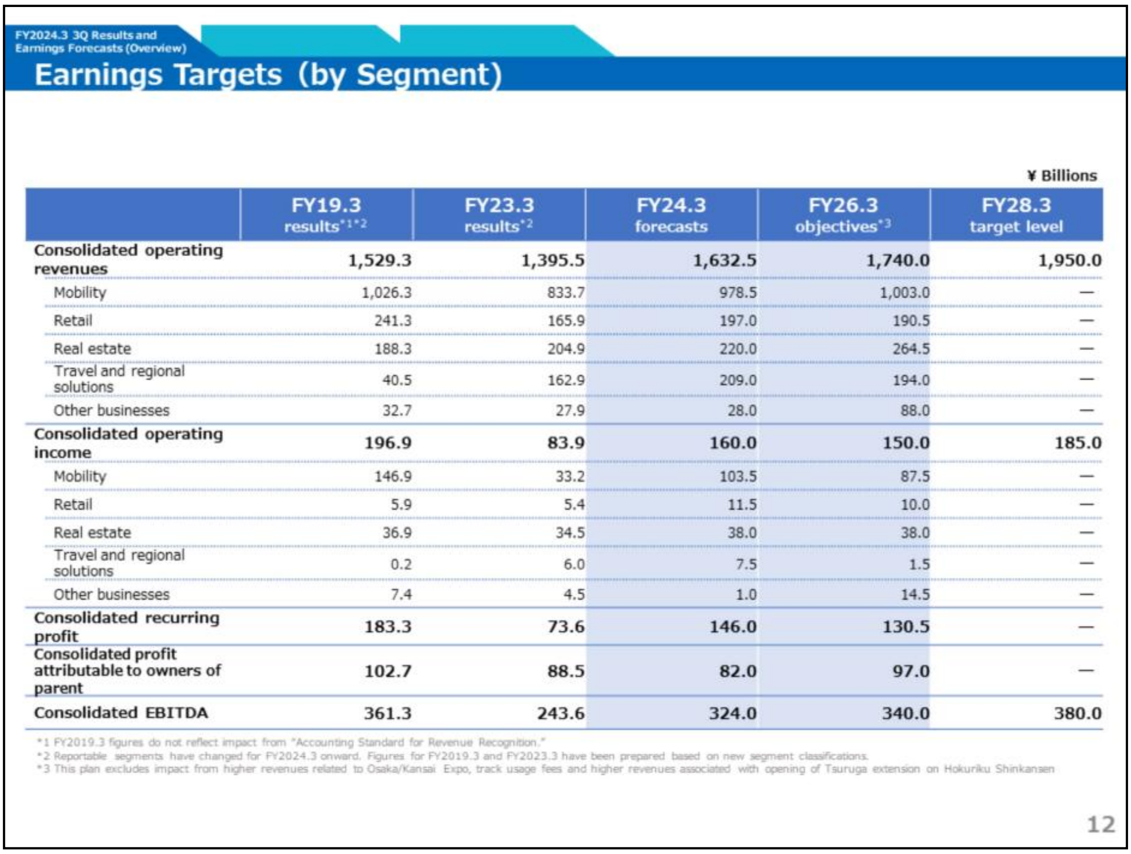
Consolidated EBITDA

Consolidated ROA

Consolidated ROE

*For FY2021.3 and thereafter, figures are after the application of the "Accounting Standard for Revenue Recognition"

○ This slide shows progress on our financial KPIs with the upward revisions to our earnings forecasts in mind.



FY2024.3 3Q Results and Earnings Forecasts (Overview)

Earnings Targets（by Segment)

¥ Billions

	FY19.3 results[1][2]	FY23.3 results[2]	FY24.3 forecasts	FY26.3 objectives[3]	FY28.3 target level
Consolidated operating revenues	**1,529.3**	**1,395.5**	**1,632.5**	**1,740.0**	**1,950.0**
Mobility	1,026.3	833.7	978.5	1,003.0	—
Retail	241.3	165.9	197.0	190.5	—
Real estate	188.3	204.9	220.0	264.5	—
Travel and regional solutions	40.5	162.9	209.0	194.0	—
Other businesses	32.7	27.9	28.0	88.0	—
Consolidated operating income	**196.9**	**83.9**	**160.0**	**150.0**	**185.0**
Mobility	146.9	33.2	103.5	87.5	—
Retail	5.9	5.4	11.5	10.0	—
Real estate	36.9	34.5	38.0	38.0	—
Travel and regional solutions	0.2	6.0	7.5	1.5	—
Other businesses	7.4	4.5	1.0	14.5	—
Consolidated recurring profit	**183.3**	**73.6**	**146.0**	**130.5**	—
Consolidated profit attributable to owners of parent	**102.7**	**88.5**	**82.0**	**97.0**	—
Consolidated EBITDA	**361.3**	**243.6**	**324.0**	**340.0**	**380.0**

[1] FY2019.3 figures do not reflect impact from "Accounting Standard for Revenue Recognition."

[2] Reportable segments have changed for FY2024.3 onward. Figures for FY2019.3 and FY2023.3 have been prepared based on new segment classifications.

[3] This plan excludes impact from higher revenues related to Osaka/Kansai Expo, track usage fees and higher revenues associated with opening of Tsuruga extension on Hokuriku Shinkansen

○ Slide 12 also breaks it down by segment. We are making steady progress on each KPI.

○ Please turn to slide 13.

Numerical Targets in Medium-Term Management Plan 2025

- Recovery in basic usage stronger than forecast when medium-term management plan was announced
- Energy costs at high level but trending lower than forecast
- Emerging risk of higher costs due to wage hikes and rising commodity prices

Assumptions behind forecasts for FY2025.3 and FY2026.3

Factors behind change in consolidated operating income

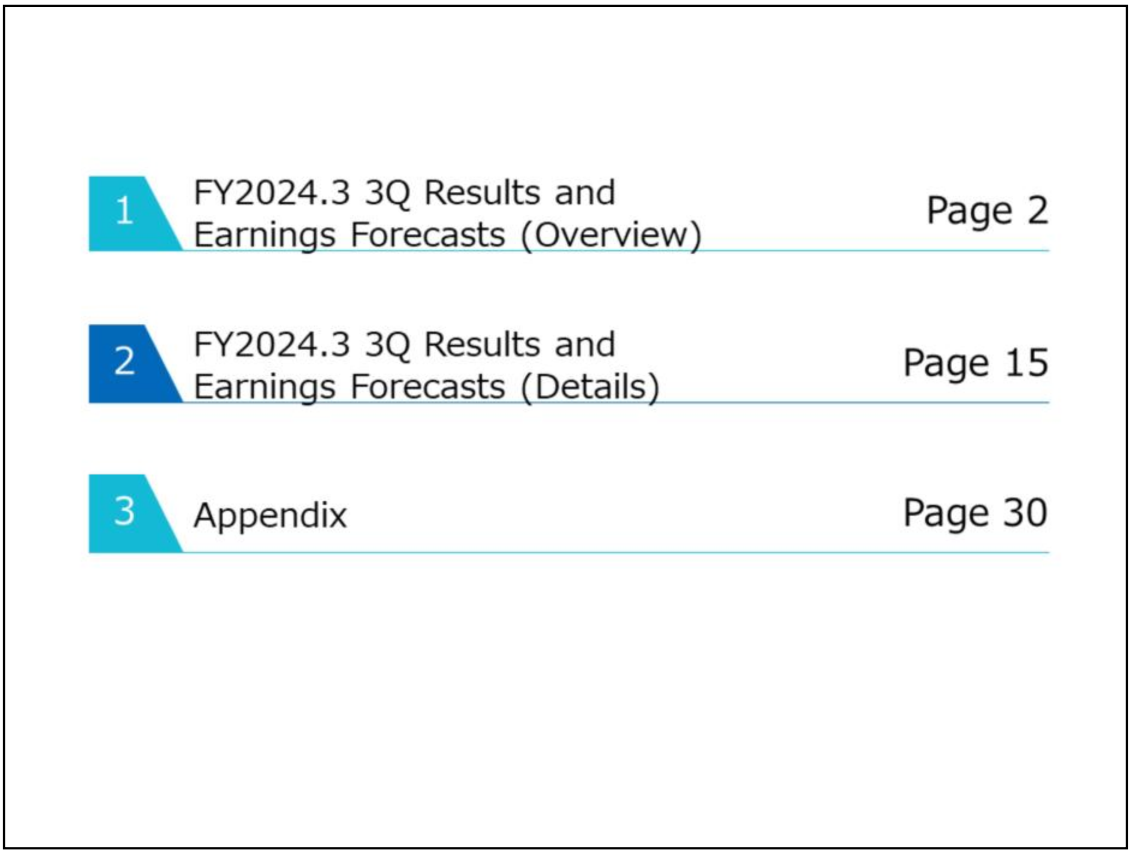
	Positive factors on income statement	Negative factors on income statement
FY2024.3 to FY2025.3	• Opening of Hokuriku Shinkansen Tsuruga extension • Full year recovery from pandemic impact • Increase in inbound revenue • Progress on cost reforms	• Upfront costs related to DX and new businesses • City development costs, such as real estate acquisition tax • Increase in depreciation due to higher capital investment • Increase in railway use fees for Hokuriku Shinkansen • Absence of special demand for vaccinations in solutions business • Higher commodity prices and personnel costs
FY2025.3 to FY2026.3	• Increase in inbound revenue • Benefits from DX and other Group synergies • Dropping out of city development costs • Progress on cost reforms • (Growth in revenue due to Osaka/Kansai Expo 2025)	• Upfront costs related to DX and new businesses • Increase in depreciation due to higher capital investment • Higher commodity prices and personnel costs

○ Here, we explain our current thoughts on the numerical targets in our medium-term management plan 2025.

○ Our upwardly revised forecasts for this fiscal year are higher than the ¥150 billion operating income target for FY2026.3 in our medium-term management plan.

○ This is because basic usage on railways this fiscal year has been higher than we assumed when we released the medium-term management plan. There has been a significant impact from the earlier-than-expected recovery, brisk inbound demand and special demand related to vaccine administration services.

○ In the event that basic usage is even higher than we now project, this would be a positive factor, but it is also a negative factor on the income statement in the short term because of upfront increases in strategic expenditures related to measures for long-term growth in the life design sector, such as DX and community development, the dropping out of special demand related to vaccination administration services, and drags on profits from higher commodity prices and personnel costs. We have not changed our medium-term strategy because the medium-term management plan has only just begun. In light of these factors, however, we intend to review our earnings forecasts for next fiscal year and the numerical targets for the final year of our medium-term management plan.



1 FY2024.3 3Q Results and Earnings Forecasts (Overview) Page 2

2 FY2024.3 3Q Results and Earnings Forecasts (Details) Page 15

3 Appendix Page 30

○ This concludes my brief explanation. Details about results and our earnings forecasts are included from slide 15. Please review these details later.

○ This concludes my portion of today’s presentation.

Consolidated Financial Results and Forecasts

¥Billions

	9 months ended Dec. 31, 2022	9 months ended Dec. 31, 2023	YoY		Major factors	Forecasts FY2024.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	**974.8**	**1,194.3**	**219.4**	**22.5**	[increase for a third straight fiscal year]	**1,632.5**	**236.9**	**17.0**
Mobility	597.1	727.3	130.2	21.8	increase in transportation revenue	978.5	144.7	17.4
Retail	121.4	148.3	26.8	22.1	increase in sales of goods and food services	197.0	31.0	18.7
Real estate	137.3	156.2	18.9	13.8	increase in real estate lease and sale, shopping centers and hotel business	220.0	15.0	7.4
Travel and regional solutions	101.1	144.1	43.0	42.5	increase in domestic and inbound tourism	209.0	46.0	28.3
Other businesses	17.8	18.1	0.3	2.0		28.0	0.0	0.0
Operating Expenses	**904.8**	**1,021.8**	**117.0**	**12.9**		**1,472.5**	**160.9**	**12.3**
Operating Income	**69.9**	**172.4**	**102.4**	**146.4**	[increase for a third straight fiscal year]	**160.0**	**76.0**	**90.5**
Mobility	32.3	116.1	83.7	258.7	increase in transportation revenue	103.5	70.2	211.3
Retail	3.3	11.3	7.9	239.8	increase in sales of goods and food services	11.5	6.0	109.3
Real estate	25.9	34.6	8.6	33.4	increase in real estate lease and sale, increase in shopping centers and hotel business	38.0	3.4	9.9
Travel and regional solutions	4.7	7.9	3.1	65.0		7.5	1.4	23.4
Other businesses	2.7	1.3	(1.3)	(50.0)		1.0	(3.5)	(78.0)
Non-operating revenues and expenses, net	(10.1)	(11.4)	(1.2)	–	decrease in employment adjustment subsidy	(14.0)	(3.6)	–
Recurring Income	**59.8**	**161.0**	**101.2**	**169.1**	[increase for a third straight fiscal year]	**146.0**	**72.3**	**98.3**
Extraordinary profit and loss, net	4.5	(0.1)	(4.6)	–	decrease in gain from sale of fixed asset	(24.0)	(23.2)	–
Income taxes	(26.0)	47.2	73.2	–	reactionary decline of special tax treatment	36.0	56.9	–
Income attributable to owners of parent	**87.3**	**109.8**	**22.5**	**25.8**	[increase for a third straight fiscal year]	**82.0**	**(6.5)**	**(7.4)**
Comprehensive Income	**92.4**	**115.4**	**23.0**	**24.9**	include 111.4 billion of comprehensive income	–	–	–

Note: Figures in brackets ( ) are negative values.

Major Factors of Increase/Decrease in Each Segment

¥Billions

			9 months ended Dec. 31, 2023	YoY		Major factors
				Increase/ (Decrease)	%	
Mobility		Operating Revenues	727.3	130.2	21.8	･Moderate recovery in demand (train usage)
		Operating Income	116.1	83.7	258.7	
Retail	Sales of goods and food services	Operating Revenues	129.1	24.7	23.7	･Moderate recovery in demand (stores within railway stations,VIAINN)
		Operating Income	9.7	6.7	231.6	
	Department stores	Operating Revenues	18.1	1.9	12.1	･Moderate recovery in demand
		Operating Income	1.4	1.1	434.7	
Real estate	Real estate lease and sale	Operating Revenues	82.1	10.0	13.9	･Leveling of rent income, increase in condominium sales
		Operating Income	17.0	1.3	8.8	
	Shopping center	Operating Revenues	44.4	2.8	7.0	･Increase in rent income due to a recovery in tenant sales
		Operating Income	8.9	2.2	33.4	
	Hotel	Operating Revenues	29.0	6.0	26.2	･Moderate recovery in demand (the accomodation department)
		Operating Income	1.3	3.1	–	
Travel and regional solutions		Operating Revenues	144.1	43.0	42.5	･Moderate recovery in demand (travel)
		Operating Income	7.9	3.1	65.0	

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 Results and Forecasts（Segment Information）

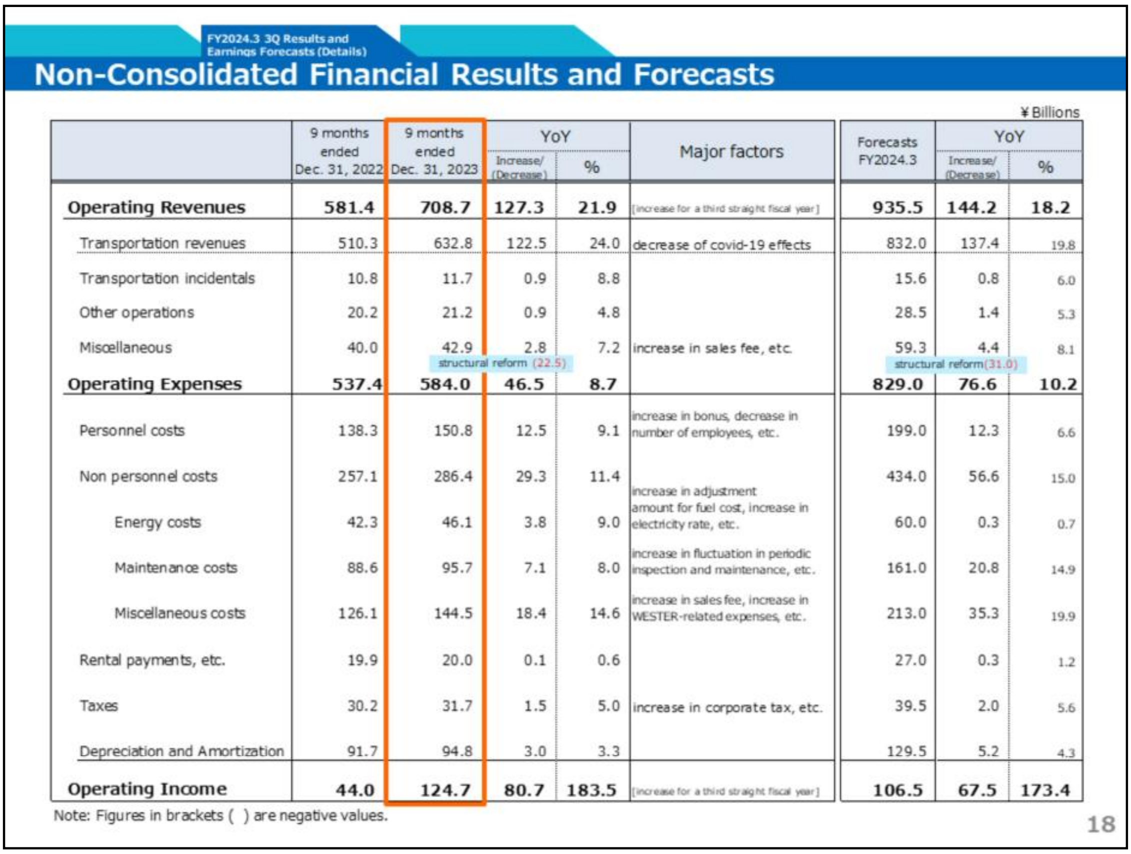
¥ Billions

	9 months ended Dec. 31, 2022	9 months ended Dec. 31, 2023	YoY		Forecasts FY2024.3	YoY Increase/ (Decrease)
			Increase/ (Decrease)	%		
Operating Revenues[*1]	974.8	1,194.3	219.4	22.5	1,632.5	236.9
Mobility	597.1	727.3	130.2	21.8	978.5	144.7
Retail	121.4	148.3	26.8	22.1	197.0	31.0
Sales of goods and food services	104.3	129.1	24.7	23.7	171.0	28.1
【Accommodation-oriented budget hotels】(restated)[*2]	【9.1】	【15.7】	【6.5】	【72.2】	【20.5】	【6.9】
Department stores	16.1	18.1	1.9	12.1	24.5	2.6
Real estate	137.3	156.2	18.9	13.8	220.0	15.0
Real estate lease and sale	72.1	82.1	10.0	13.9	122.0	4.9
【Real estate sale】(restated)	【34.0】	【40.9】	【6.9】	【20.3】	【67.5】	【1.6】
Shopping center	41.5	44.4	2.8	7.0	59.0	3.2
Hotel	23.0	29.0	6.0	26.2	38.0	6.7
Travel and regional solutions	101.1	144.1	43.0	42.5	209.0	46.0
Other businesses	17.8	18.1	0.3	2.0	28.0	0.0
Operating Income (Loss)[*1]	69.9	172.4	102.4	146.4	160.0	76.0
Mobility	32.3	116.1	83.7	258.7	103.5	70.2
Retail	3.3	11.3	7.9	239.8	11.5	6.0
Sales of goods and food services	2.9	9.7	6.7	231.6	10.5	5.8
【Accommodation-oriented budget hotels】(restated)[*2]	【(1.0)】	【2.3】	【3.4】	–	【2.5】	【3.3】
Department stores	0.2	1.4	1.1	434.7	1.5	0.7
Real estate	25.9	34.6	8.6	33.4	38.0	3.4
Real estate lease and sale	15.6	17.0	1.3	8.8	18.5	(3.3)
【Real estate sale】(restated)	【4.5】	【4.2】	【(0.2)】	【(6.5)】	【5.5】	【(3.0)】
Shopping center	6.6	8.9	2.2	33.4	9.0	0.6
Hotel	(1.7)	1.3	3.1	–	0.5	2.7
Travel and regional solutions	4.7	7.9	3.1	65.0	7.5	1.4
Other businesses	2.7	1.3	(1.3)	(50.0)	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.



Non-Consolidated Financial Results and Forecasts

¥Billions

	9 months ended Dec. 31, 2022	9 months ended Dec. 31, 2023	YoY		Major factors	Forecasts FY2024.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	**581.4**	**708.7**	**127.3**	**21.9**	[increase for a third straight fiscal year]	**935.5**	**144.2**	**18.2**
Transportation revenues	510.3	632.8	122.5	24.0	decrease of covid-19 effects	832.0	137.4	19.8
Transportation incidentals	10.8	11.7	0.9	8.8		15.6	0.8	6.0
Other operations	20.2	21.2	0.9	4.8		28.5	1.4	5.3
Miscellaneous	40.0	42.9	2.8	7.2	increase in sales fee, etc.	59.3	4.4	8.1
			structural reform (22.5)				structural reform(31.0)	
Operating Expenses	**537.4**	**584.0**	**46.5**	**8.7**		**829.0**	**76.6**	**10.2**
Personnel costs	138.3	150.8	12.5	9.1	increase in bonus, decrease in number of employees, etc.	199.0	12.3	6.6
Non personnel costs	257.1	286.4	29.3	11.4		434.0	56.6	15.0
Energy costs	42.3	46.1	3.8	9.0	increase in adjustment amount for fuel cost, increase in electricity rate, etc.	60.0	0.3	0.7
Maintenance costs	88.6	95.7	7.1	8.0	increase in fluctuation in periodic inspection and maintenance, etc.	161.0	20.8	14.9
Miscellaneous costs	126.1	144.5	18.4	14.6	increase in sales fee, increase in WESTER-related expenses, etc.	213.0	35.3	19.9
Rental payments, etc.	19.9	20.0	0.1	0.6		27.0	0.3	1.2
Taxes	30.2	31.7	1.5	5.0	increase in corporate tax, etc.	39.5	2.0	5.6
Depreciation and Amortization	91.7	94.8	3.0	3.3		129.5	5.2	4.3
Operating Income	**44.0**	**124.7**	**80.7**	**183.5**	[increase for a third straight fiscal year]	**106.5**	**67.5**	**173.4**

Note: Figures in brackets ( ) are negative values.

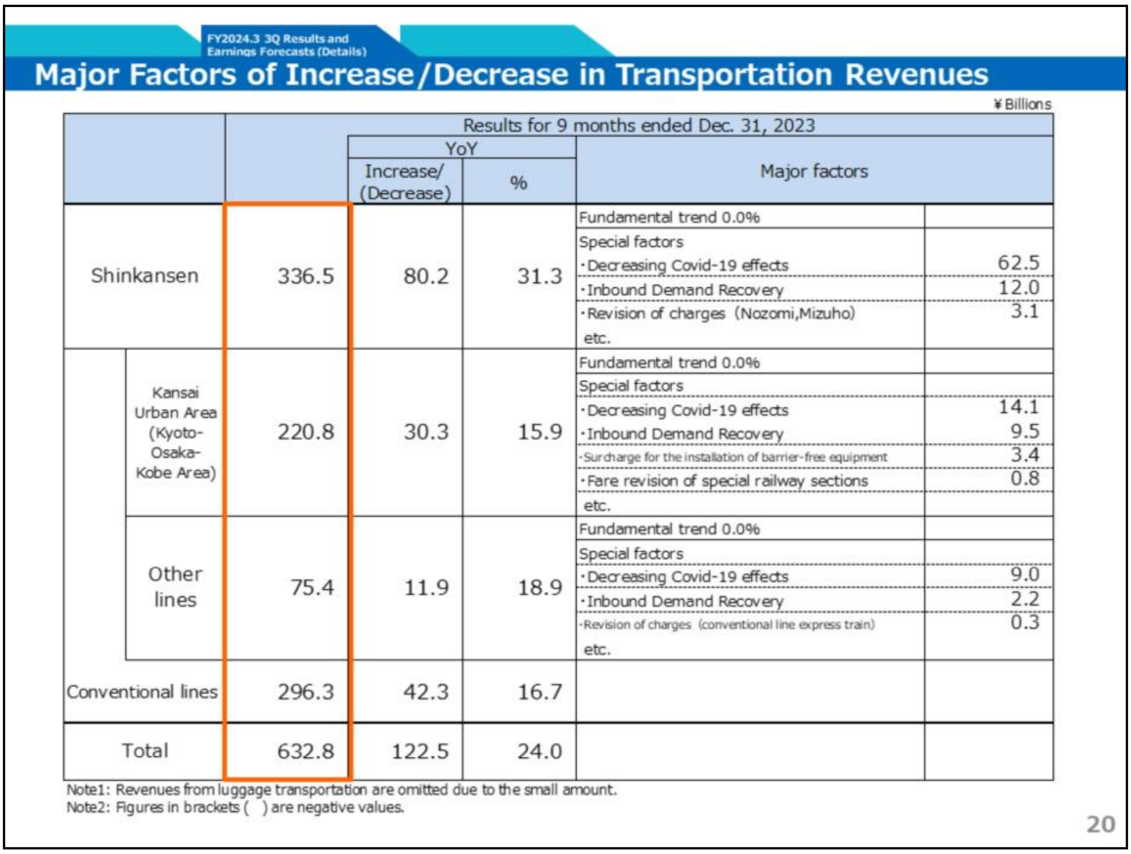
Transportation Revenues and Passenger-Kilometers

%, ¥Billions

%, Millions of passenger-kilometers

			Transportation Revenues							Passenger-Kilometers			
			9 months ended Dec. 31, 2023	YoY		compared with CY2019	Forecasts FY2024.3	YoY		9 months ended Dec. 31, 2023	YoY		compared with CY2019
				Increase/ (Decrease)	%			Increase/ (Decrease)	%		Increase/ (Decrease)	%	
Shinkansen		Commuter Passes	8.8	0.3	4.3	2.3	–	–	–	688	29	4.5	2.0
		Non-Commuter Passes	327.6	79.8	32.2	(5.6)	–	–	–	14,489	3,304	29.5	(9.3)
		Total	336.5	80.2	31.3	(5.4)	441.0	89.3	25.4	15,177	3,334	28.2	(8.9)
Conventional lines	Kansai Urban Area (Kyoto-Osaka-Kobe Area)	Commuter Passes	80.2	3.0	4.0	(9.9)	–	–	–	12,690	228	1.8	(12.8)
		Non-Commuter Passes	140.6	27.2	24.1	(7.0)	–	–	–	7,543	1,335	21.5	(12.5)
		Total	220.8	30.3	15.9	(8.1)	292.0	35.2	13.7	20,233	1,564	8.4	(12.7)
	Other	Commuter Passes	16.9	0.3	1.8	(10.3)	–	–	–	2,749	17	0.6	(12.0)
		Non-Commuter Passes	58.4	11.6	25.0	(11.5)	–	–	–	2,884	492	20.6	(14.5)
		Total	75.4	11.9	18.9	(11.2)	99.0	12.9	15.0	5,633	509	10.0	(13.3)
	Commuter Passes		97.2	3.3	3.6	(9.9)	–	–	–	15,439	245	1.6	(12.7)
	Non-Commuter Passes		199.1	38.9	24.3	(8.4)	–	–	–	10,427	1,828	21.3	(13.0)
	Total		296.3	42.3	16.7	(8.9)	391.0	48.1	14.0	25,867	2,074	8.7	(12.8)
Total	Commuter Passes		106.0	3.7	3.6	(9.0)	–	–	–	16,127	275	1.7	(12.1)
	Non-Commuter Passes		526.8	118.7	29.1	(6.7)	–	–	–	24,917	5,133	25.9	(10.9)
	Total		632.8	122.5	24.0	(7.1)	832.0	137.4	19.8	41,045	5,408	15.2	(11.4)

Note: Figures in brackets ( ) are negative values.



Major Factors of Increase/Decrease in Transportation Revenues

¥Billions

		Results for 9 months ended Dec. 31, 2023				
			YoY		Major factors	
			Increase/ (Decrease)	%		
Shinkansen		336.5	80.2	31.3	Fundamental trend 0.0%	
					Special factors	
					･Decreasing Covid-19 effects	62.5
					･Inbound Demand Recovery	12.0
					･Revision of charges (Nozomi,Mizuho)	3.1
					etc.	
	Kansai Urban Area (Kyoto-Osaka-Kobe Area)	220.8	30.3	15.9	Fundamental trend 0.0%	
					Special factors	
					･Decreasing Covid-19 effects	14.1
					･Inbound Demand Recovery	9.5
					･Surcharge for the installation of barrier-free equipment	3.4
					･Fare revision of special railway sections	0.8
					etc.	
	Other lines	75.4	11.9	18.9	Fundamental trend 0.0%	
					Special factors	
					･Decreasing Covid-19 effects	9.0
					･Inbound Demand Recovery	2.2
					･Revision of charges (conventional line express train)	0.3
					etc.	
Conventional lines		296.3	42.3	16.7		
Total		632.8	122.5	24.0		

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

Capital Expenditures

¥Billions

		9 months ended Dec. 31, 2022	9 months ended Dec. 31, 2023	YoY		Forecasts FY2024.3
				Increase/ (Decrease)	%	
Capital Expenditures Consolidated		119.4	133.7	14.3	12.0	–
	own fund	105.6	127.6	21.9	20.7	267.0
	External fund	13.7	6.1	(7.5)	(55.2)	–
Capital Expenditures Non-consolidated		90.2	92.8	2.5	2.9	–
	own fund	76.5	86.6	10.1	13.3	177.0
[Break down]	[Safety-related capital expenditures]	[33.0]	[52.2]	[19.1]	[58.1]	[97.0]
	[Other, etc.]	[43.4]	[34.4]	[(9.0)]	[(20.8)]	[80.0]
	External fund	13.7	6.1	(7.5)	(55.2)	–

Note: Figures in brackets ( ) are negative values.

- Major capital expenditure projects（Non-consolidated）
  - new rolling stock（W7 series, Yakumo Ltd. Exp.）
  - safety and disaster prevention measures（earthquake countermeasures）etc.

Consolidated Balance Sheets

¥Billions

	As of Mar. 31, 2023	As of Dec. 31, 2023	Difference increase/(decrease)	Major factors
Current assets	716.5	647.1	(69.3)	
Cash and deposits	290.1	218.9	(71.1)	
Inventories	153.2	186.0	32.8	increase in real estate for seles, increase in costs on uncompleted construction contracts
Other current assets	273.1	242.1	(31.0)	decrease in accounts receivables
Non-current assets	3,018.3	3,010.6	(7.6)	
Property, plant and equipment, etc.	2,513.2	2,511.9	(1.3)	
Construction in progress	117.1	124.1	6.9	
Investments and other assets	387.8	374.6	(13.2)	decrease in deferred tax assets
Deferred assets	0.6	0.3	(0.3)	
Total assets	**3,735.5**	**3,658.1**	**(77.3)**	
Current liabilities	658.4	622.4	(36.0)	
Current portion of long-term payables, etc.	140.7	146.0	5.2	
Accounts payable-other, etc.	517.6	476.3	(41.3)	
Non-current liabilities	1,932.7	1,808.5	(124.1)	
Bond and Long-term debt, etc.	1,514.9	1,398.9	(115.9)	
Accrued retirement benefits	223.3	208.7	(14.5)	
Other long-term liabilities	194.5	200.7	6.2	
Total liabilities	**2,591.1**	**2,430.9**	**(160.2)**	
Shareholders' equity	1,034.7	1,112.4	77.6	
Common stock	226.1	226.1	–	
Capital surplus	183.9	183.9	0.0	
Retained earnings	626.1	703.5	77.4	profit attributable to owners of parent:109.8
Treasury stock	(1.3)	(1.2)	0.1	dividend:(32.3)
Accumulated other comprehensive income	(0.2)	1.2	1.5	
Non-controlling interests	109.8	113.5	3.6	
Total Net assets	**1,144.3**	**1,227.1**	**82.8**	
Total Liabilities and net assets	**3,735.5**	**3,658.1**	**(77.3)**	

	[illegible]	[illegible]	[illegible]
Liabilities with interest	1,662.9	1,554.2	(108.7)
[Average interest rate (%)]	[1.19]	[1.22]	[0.03]
Shinkansen Purchase Liability	98.6	98.0	(0.6)
[Average interest rate (%)]	[6.55]	[6.55]	[–]
Bonds	959.9	869.9	(89.9)
[Average interest rate (%)]	[0.98]	[1.02]	[0.04]
Other (Long-term debt etc.)	604.2	586.1	(18.1)

Note: Figures in brackets ( ) are negative values.

Consolidated Financial Forecasts

¥ Billions

	Results FY2023.3	Forecasts FY2024.3		YoY		Difference between the forecasts Increase/ (Decrease)
		As of Oct.31	**As of Jan.31**	Increase/ (Decrease)	%	
Operating Revenues	**1,395.5**	**1,585.0**	**1,632.5**	**236.9**	**17.0**	**47.5**
Mobility	833.7	966.5	**978.5**	144.7	17.4	12.0
Retail	165.9	185.5	**197.0**	31.0	18.7	11.5
Real estate	204.9	219.5	**220.0**	15.0	7.4	0.5
Travel and regional solutions	162.9	185.5	**209.0**	46.0	28.3	23.5
Other businesses	27.9	28.0	**28.0**	0.0	0.0	–
Operating Expenses	**1,311.5**	**1,445.0**	**1,472.5**	**160.9**	**12.3**	**27.5**
Operating Income	**83.9**	**140.0**	**160.0**	**76.0**	**90.5**	**20.0**
Mobility	33.2	89.0	**103.5**	70.2	211.3	14.5
Retail	5.4	9.5	**11.5**	6.0	109.3	2.0
Real estate	34.5	35.5	**38.0**	3.4	9.9	2.5
Travel and regional solutions	6.0	6.5	**7.5**	1.4	23.4	1.0
Other businesses	4.5	1.0	**1.0**	(3.5)	(78.0)	–
Non-operating revenues and expenses, net	(10.3)	(14.5)	**(14.0)**	(3.6)	–	0.5
Recurring Income	**73.6**	**125.5**	**146.0**	**72.3**	**98.3**	**20.5**
Extraordinary profit and loss, net	(0.7)	(5.5)	**(24.0)**	(23.2)	–	(18.5)
Income taxes	(20.9)	36.0	**36.0**	56.9	–	–
Income attributable to owners of parent	**88.5**	**80.0**	**82.0**	**(6.5)**	**(7.4)**	**2.0**
Net income per share (¥)	**363.26**	**328.27**	**336.48**	**(26.78)**	**(7.4)**	**8.21**

Note: Figures in brackets ( ) are negative values.

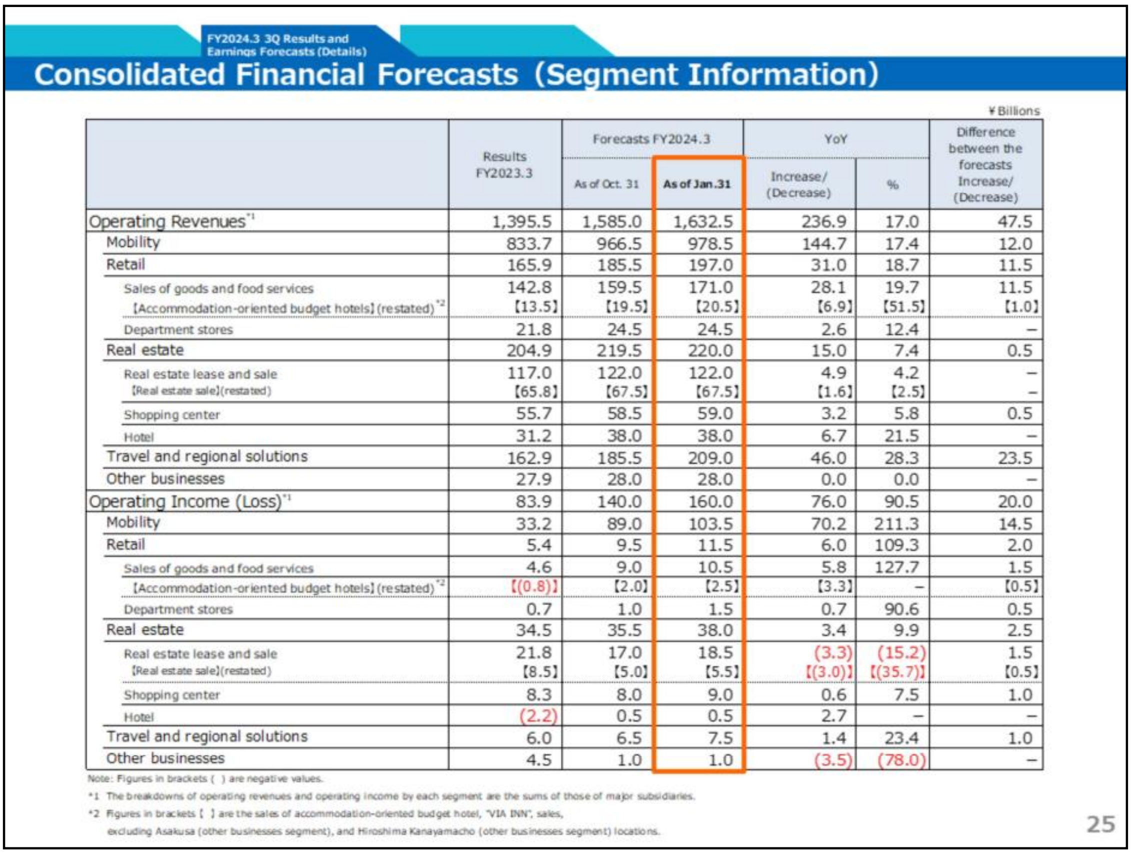
Each Segment Forecasts

¥Billions

			Forecasts FY2024.3	YoY		Major factors	Difference from the previous forecast Increase/ (Decrease)
				Increase/ (Decrease)	%		
Mobility		Operating Revenues	978.5	144.7	17.4	·Moderate recovery in demand (train usage)	12.0
		Operating Income	103.5	70.2	211.3		14.5
Retail	Sales of goods and food services	Operating Revenues	171.0	28.1	19.7	·Moderate recovery in demand (stores within railway stations, VIAINN)	11.5
		Operating Income	10.5	5.8	127.7		1.5
	Department stores	Operating Revenues	24.5	2.6	12.4	·Moderate recovery in demand	–
		Operating Income	1.5	0.7	90.6		0.5
Real estate	Real estate lease and sale	Operating Revenues	122.0	4.9	4.2	·Leveling of rent income, increase in real estate sales to investors	–
		Operating Income	18.5	(3.3)	(15.2)	·Sales margin difference, opening cost of new buildings	1.5
	Shopping center	Operating Revenues	59.0	3.2	5.8	·Increase in rent income due to a recovery in tenant sales	0.5
		Operating Income	9.0	0.6	7.5		1.0
	Hotel	Operating Revenues	38.0	6.7	21.5	·Moderate recovery in demand (the accomodation department)	–
		Operating Income	0.5	2.7	–		–
Travel and regional solutions		Operating Revenues	209.0	46.0	28.3	·Moderate recovery in demand (travel) ·Reactionary decline of solution business	23.5
		Operating Income	7.5	1.4	23.4		1.0

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.



FY2024.3 3Q Results and Earnings Forecasts (Details)

Consolidated Financial Forecasts（Segment Information）

¥Billions

	Results FY2023.3	Forecasts FY2024.3		YoY		Difference between the forecasts Increase/ (Decrease)
		As of Oct. 31	**As of Jan.31**	Increase/ (Decrease)	%	
Operating Revenues[*1]	1,395.5	1,585.0	1,632.5	236.9	17.0	47.5
Mobility	833.7	966.5	978.5	144.7	17.4	12.0
Retail	165.9	185.5	197.0	31.0	18.7	11.5
Sales of goods and food services 【Accommodation-oriented budget hotels】(restated)[*2]	142.8 【13.5】	159.5 【19.5】	171.0 【20.5】	28.1 【6.9】	19.7 【51.5】	11.5 【1.0】
Department stores	21.8	24.5	24.5	2.6	12.4	–
Real estate	204.9	219.5	220.0	15.0	7.4	0.5
Real estate lease and sale 【Real estate sale】(restated)	117.0 【65.8】	122.0 【67.5】	122.0 【67.5】	4.9 【1.6】	4.2 【2.5】	– –
Shopping center	55.7	58.5	59.0	3.2	5.8	0.5
Hotel	31.2	38.0	38.0	6.7	21.5	–
Travel and regional solutions	162.9	185.5	209.0	46.0	28.3	23.5
Other businesses	27.9	28.0	28.0	0.0	0.0	–
Operating Income (Loss)[*1]	83.9	140.0	160.0	76.0	90.5	20.0
Mobility	33.2	89.0	103.5	70.2	211.3	14.5
Retail	5.4	9.5	11.5	6.0	109.3	2.0
Sales of goods and food services 【Accommodation-oriented budget hotels】(restated)[*2]	4.6 【(0.8)】	9.0 【2.0】	10.5 【2.5】	5.8 【3.3】	127.7 –	1.5 【0.5】
Department stores	0.7	1.0	1.5	0.7	90.6	0.5
Real estate	34.5	35.5	38.0	3.4	9.9	2.5
Real estate lease and sale 【Real estate sale】(restated)	21.8 【8.5】	17.0 【5.0】	18.5 【5.5】	(3.3) 【(3.0)】	(15.2) 【(35.7)】	1.5 【0.5】
Shopping center	8.3	8.0	9.0	0.6	7.5	1.0
Hotel	(2.2)	0.5	0.5	2.7	–	–
Travel and regional solutions	6.0	6.5	7.5	1.4	23.4	1.0
Other businesses	4.5	1.0	1.0	(3.5)	(78.0)	–

Note: Figures in brackets ( ) are negative values.

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

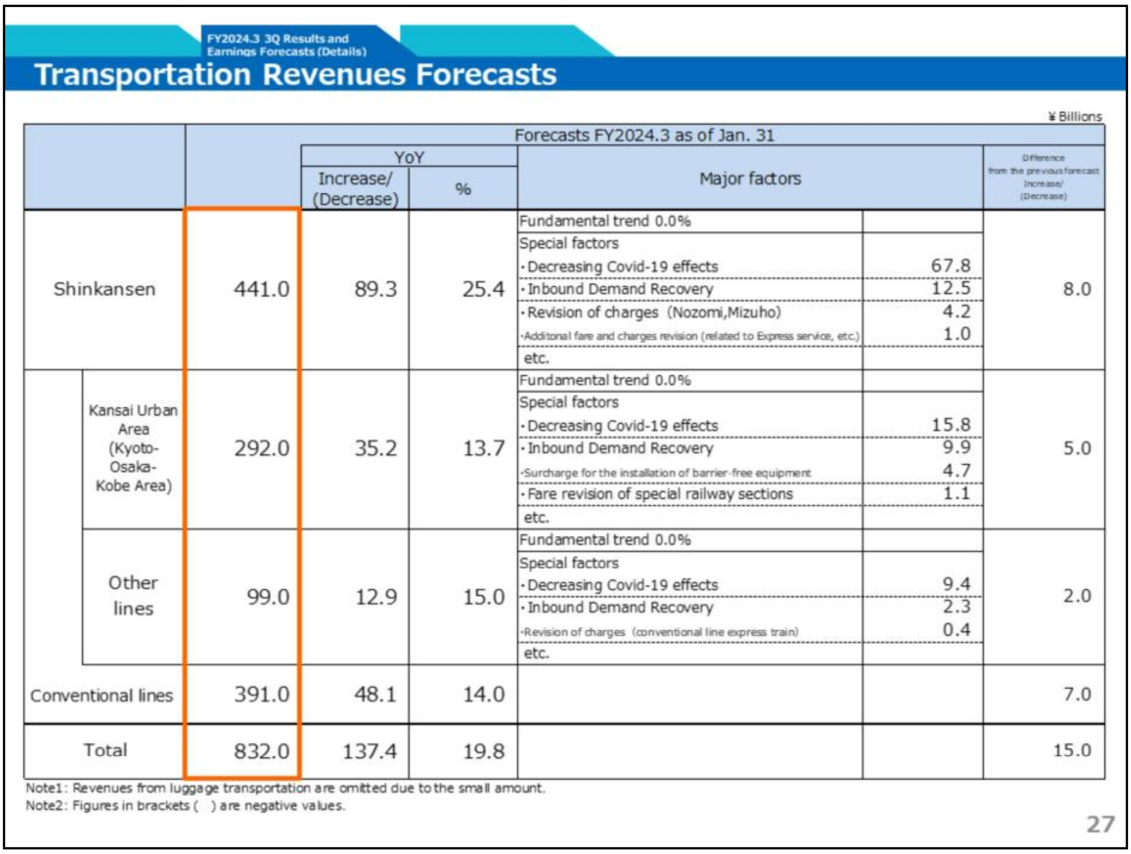
[*2] Figures in brackets【 】are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Asakusa (other businesses segment), and Hiroshima Kanayamacho (other businesses segment) locations.

Non-Consolidated Financial Forecasts

¥Billions

	Results FY2023.3	Forecasts FY2024.3		YoY		Major factors	Difference between the forecasts Increase/ (Decrease)
		As of Oct.31	As of Jan.31	Increase/ (Decrease)	%		
Operating Revenues	**791.2**	**919.5**	**935.5**	**144.2**	**18.2**		**16.0**
Transportation revenues	694.5	817.0	832.0	137.4	19.8	decrease in Covid-19 effects	15.0
Transportation incidentals	14.7	15.7	15.6	0.8	6.0		(0.0)
Other operations	27.0	28.3	28.5	1.4	5.3		0.1
Miscellaneous	54.9	58.3	59.3	4.4	8.1	increase in sales fee, etc.	0.9
Operating Expenses	**752.3**	**827.5**	**829.0**	**76.6**	**10.2**		**1.5**
Personnel costs	186.6	189.5	199.0	12.3	6.6	increase in bonus, decrease in number of employees, etc.	9.5
Non personnel costs	377.3	443.0	434.0	56.6	15.0		(9.0)
Energy costs	59.6	61.0	60.0	0.3	0.7	increase in electricity rate, etc.	(1.0)
Maintenance costs	140.1	161.0	161.0	20.8	14.9	increase in fluctuation in periodic inspection and maintenance, etc.	–
Miscellaneous costs	177.6	221.0	213.0	35.3	19.9	increase in sales fee, increase in WESTER-related expenses, etc.	(8.0)
Rental payments, etc.	26.6	27.0	27.0	0.3	1.2		–
Taxes	37.4	38.5	39.5	2.0	5.6	increase in corporate tax, etc.	1.0
Depreciation and Amortization	124.2	129.5	129.5	5.2	4.3		–
Operating Income	**38.9**	**92.0**	**106.5**	**67.5**	**173.4**		**14.5**

Note: Figures in brackets ( ) are negative values.



Transportation Revenues Forecasts

¥ Billions

		Forecasts FY2024.3 as of Jan. 31					
			YoY		Major factors		Difference from the previous forecast Increase/ (Decrease)
			Increase/ (Decrease)	%			
Shinkansen		441.0	89.3	25.4	Fundamental trend 0.0%		8.0
					Special factors ・Decreasing Covid-19 effects	67.8	
					・Inbound Demand Recovery	12.5	
					・Revision of charges (Nozomi,Mizuho)	4.2	
					・Additonal fare and charges revision (related to Express service, etc.)	1.0	
					etc.		
	Kansai Urban Area (Kyoto-Osaka-Kobe Area)	292.0	35.2	13.7	Fundamental trend 0.0%		5.0
					Special factors ・Decreasing Covid-19 effects	15.8	
					・Inbound Demand Recovery	9.9	
					・Surcharge for the installation of barrier-free equipment	4.7	
					・Fare revision of special railway sections	1.1	
					etc.		
	Other lines	99.0	12.9	15.0	Fundamental trend 0.0%		2.0
					Special factors ・Decreasing Covid-19 effects	9.4	
					・Inbound Demand Recovery	2.3	
					・Revision of charges (conventional line express train)	0.4	
					etc.		
Conventional lines		391.0	48.1	14.0			7.0
Total		832.0	137.4	19.8			15.0

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

Other Data

persons, ¥Billions

	FY2022		FY2023	
	9 months ended Dec. 31	As of Mar. 31	9 months ended Dec. 31	Forecasts As of Mar. 31
ROA (%, Consolidated)	–	2.3	–	4.3
ROE (%, Consolidated)	–	8.8	–	7.7
EBITDA (Consolidated) *	188.0	243.6	293.2	324.0
Depreciation (Consolidated)	118.0	159.6	120.8	164.0

	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	45,145	21,748	44,897	21,727	44,872	21,580	–	–
Financial Expenses, net	(14.7)	(13.5)	(19.7)	(18.3)	(14.2)	(12.5)	(18.9)	(17.1)
Interest and dividend income	1.0	2.1	1.0	2.3	0.9	2.6	1.1	2.9
Interest expenses	15.7	15.6	20.8	20.7	15.1	15.1	20.0	20.0

net Debt / EBITDA	–	5.6	–	–
Equity ratio (%)	–	27.7	30.4	–
Net assets per share (¥)	–	4,245.13	4,569.67	–

Note: Figures in brackets ( ) are negative values.

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

	FY2022			FY2023		
	Interim	Year-end	Total	Interim	Year-end*	Total*
Dividend	50.0	75.0	125.0	57.5	62.5	120.0

*forecast

1 FY2024.3 3Q Results and Earnings Forecasts (Overview) Page 2

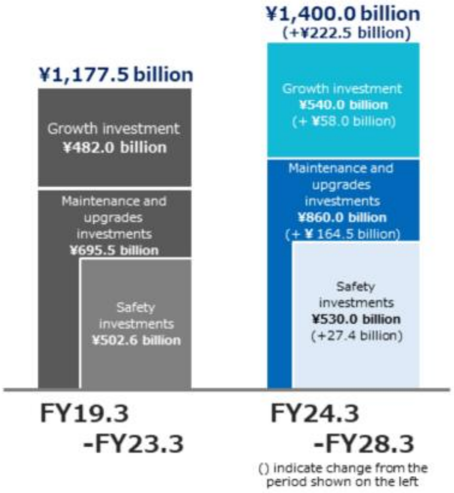
2 FY2024.3 3Q Results and Earnings Forecasts (Details) Page 15

3 Appendix Page 30

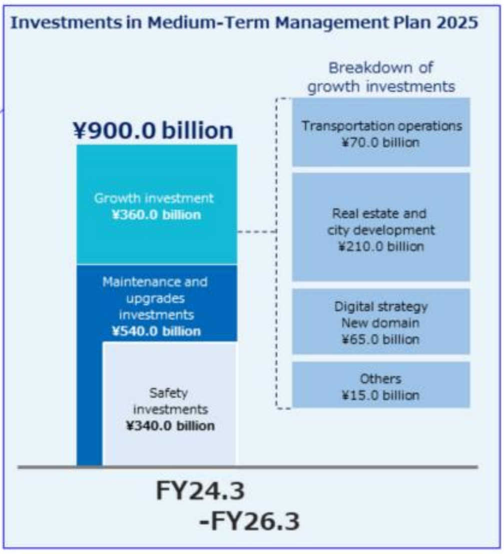
Financial Strategy /Investment Plan

- **Steadily invest in safety, concentrate resources in growth fields**

(Reference)
Five-year comparison



() indicate change from the period shown on the left



*Includes investment amount

Improve safety of railways (Targets)

● Objectives

Objectives over the 5 years through FY2028.3		
Train accidents that result in casualties among customers		**Keep at zero**
Train labor accidents that result in fatalities among employees		**Keep at zero**
FY2028.3 objectives		
· **Hardware maintenance** **〔Platform Safety〕** Of train stations eligible for barrier-free fare system,	① Update platform gates at stations with more than 100,000 riders	**Upgrade ratio 60%**[*1]
	② Update platform gates or platform safety screens at stations with less than 100,000 riders	**Upgrade ratio 50%**[*1]
〔Railway Crossing Safety〕 Upgrade equipment at railroad crossings that meet certain criteria[*2] to audibly warn train drivers of large vehicles stuck in crossings	① Railroad crossings upgraded with radio notification systems	**Upgrade ratio 90%**
	② Trains equipped with visual recognition systems	**Upgrade ratio 60%**[*3]
〔Earthquake Countermeasures〕 Earthquake countermeasures for Sanyo Shinkansen	① Measures to prevent collapse of structures (reinforce bridge footings) ② Measures to prevent significant sagging of railway lines (reinforce rigid-frame abutments) ③ Measures to prevent major train deviation from tracks (upgrade derailment prevention guards on high-priority track sections[*4])	**Upgrade ratio 100%**
· **Vision**	Set targets to achieve by end of FY2028.3 based on "culture that prioritizes safety first," "framework for ensuring safety across entire organization," and "every employee thinks and acts with safety in mind"	

[*1] Areas poised to expand upgrade ratio might change slightly based on outcomes of adjustments with relevant entities.

[*3] Assumes technological verifications progress smoothly for early introduction by FY2025.3

[*2] Train track crossings where large vehicles cross that meet any of the following criteria: (1) trains travel at speeds up to 100km/h when passing train intersections, (2) railway transportation density is more than 10,000 people per day on average by section, and (3) more than 500 large vehicles hours per day across the train tracks.

[*4] Priority evaluations based on probability of earthquake and projected seismic activity

Non-financial targets (key non-financial KPIs, excluding safety targets)

CO_2 emissions

(Group consolidated total, compared with FY14.3)

Motivated workplace ratio*

Percentage of responses stating "low stress and high work engagement workplace to all workplaces" in employee awareness survey

Ratio of women in management positions*

Ratio of women in leadership positions*

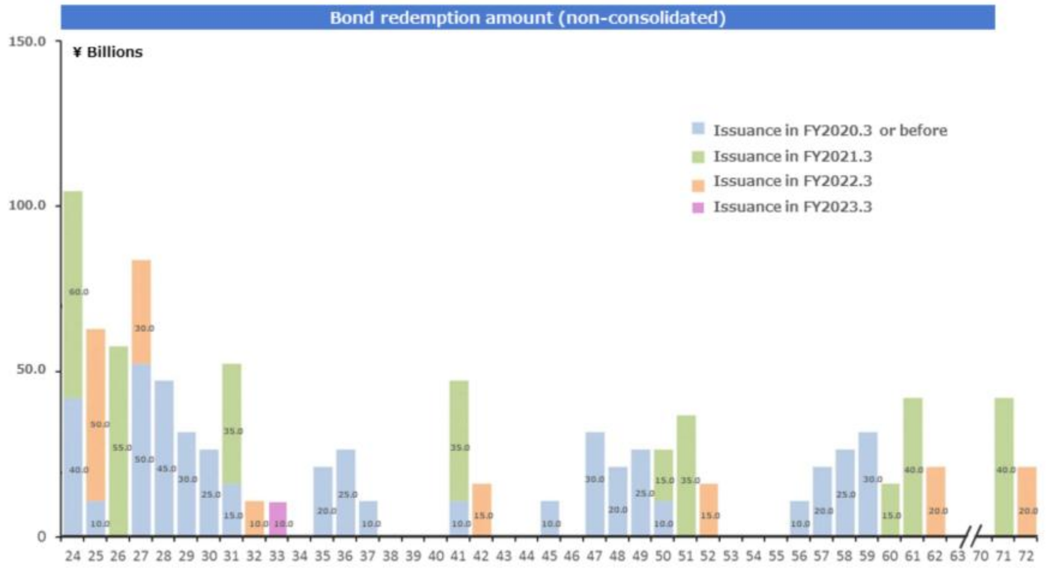
Preparation ratio of personnel to be next-generation officers*

Preparation ratio of candidates able to take on key posts

*JR-West non-consolidated indicators

Explore appropriate non-financial KPIs as indicators of growth in residents, exchanges and related populations along train lines

Expected bond redemption

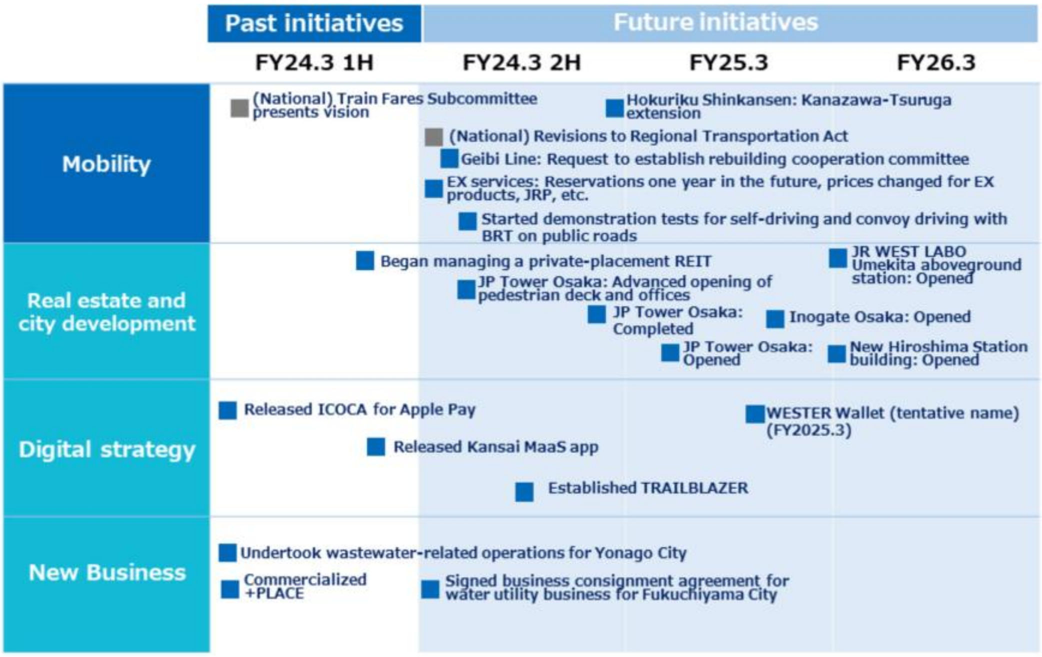


Bond redemption amount (non-consolidated)

(Note 1): As of May 1, 2023
(Note 2): Redemption amount is face value
(Note 3): Horizontal axis shows fiscal years ending in March

Progress on Medium-Term Management Plan 2025

- **Steady progress on measures to achieve medium-term management plan**



Mobility

- (National) Train Fares Subcommittee presents vision
- Hokuriku Shinkansen: Kanazawa-Tsuruga extension
- (National) Revisions to Regional Transportation Act
- Geibi Line: Request to establish rebuilding cooperation committee
- EX services: Reservations one year in the future, prices changed for EX products, JRP, etc.
- Started demonstration tests for self-driving and convoy driving with BRT on public roads

Real estate and city development

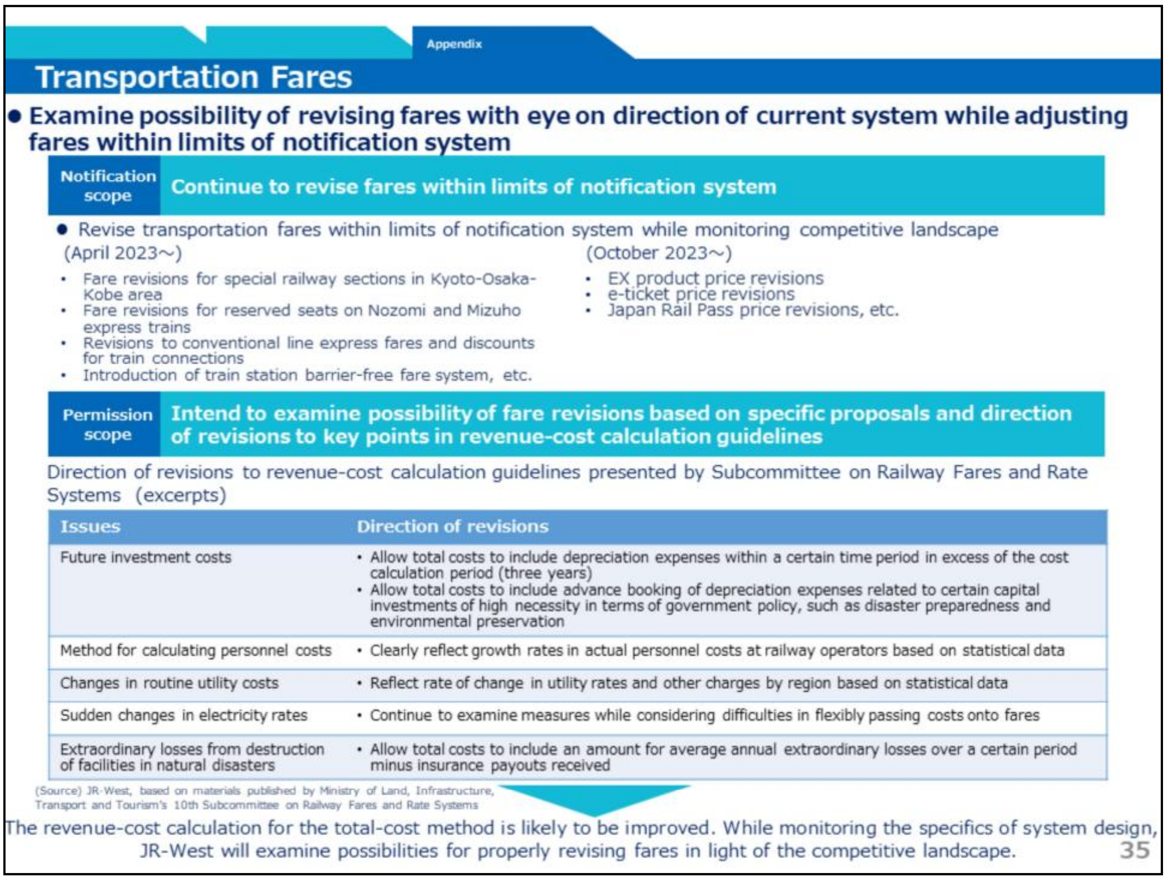
- Began managing a private-placement REIT
- JR WEST LABO Umekita aboveground station: Opened
- JP Tower Osaka: Advanced opening of pedestrian deck and offices
- JP Tower Osaka: Completed
- Inogate Osaka: Opened
- JP Tower Osaka: Opened
- New Hiroshima Station building: Opened

Digital strategy

- Released ICOCA for Apple Pay
- WESTER Wallet (tentative name) (FY2025.3)
- Released Kansai MaaS app
- Established TRAILBLAZER

New Business

- Undertook wastewater-related operations for Yonago City
- Commercialized +PLACE
- Signed business consignment agreement for water utility business for Fukuchiyama City



Transportation Fares

- **Examine possibility of revising fares with eye on direction of current system while adjusting fares within limits of notification system**

Notification scope **Continue to revise fares within limits of notification system**

- Revise transportation fares within limits of notification system while monitoring competitive landscape

(April 2023～)

- Fare revisions for special railway sections in Kyoto-Osaka-Kobe area
- Fare revisions for reserved seats on Nozomi and Mizuho express trains
- Revisions to conventional line express fares and discounts for train connections
- Introduction of train station barrier-free fare system, etc.

(October 2023～)

- EX product price revisions
- e-ticket price revisions
- Japan Rail Pass price revisions, etc.

Permission scope **Intend to examine possibility of fare revisions based on specific proposals and direction of revisions to key points in revenue-cost calculation guidelines**

Direction of revisions to revenue-cost calculation guidelines presented by Subcommittee on Railway Fares and Rate Systems (excerpts)

Issues	Direction of revisions
Future investment costs	• Allow total costs to include depreciation expenses within a certain time period in excess of the cost calculation period (three years) • Allow total costs to include advance booking of depreciation expenses related to certain capital investments of high necessity in terms of government policy, such as disaster preparedness and environmental preservation
Method for calculating personnel costs	• Clearly reflect growth rates in actual personnel costs at railway operators based on statistical data
Changes in routine utility costs	• Reflect rate of change in utility rates and other charges by region based on statistical data
Sudden changes in electricity rates	• Continue to examine measures while considering difficulties in flexibly passing costs onto fares
Extraordinary losses from destruction of facilities in natural disasters	• Allow total costs to include an amount for average annual extraordinary losses over a certain period minus insurance payouts received

(Source) JR-West, based on materials published by Ministry of Land, Infrastructure, Transport and Tourism's 10th Subcommittee on Railway Fares and Rate Systems

The revenue-cost calculation for the total-cost method is likely to be improved. While monitoring the specifics of system design, JR-West will examine possibilities for properly revising fares in light of the competitive landscape.

Local Lines

● Promotion of convenient, sustainable transportation systems with regions

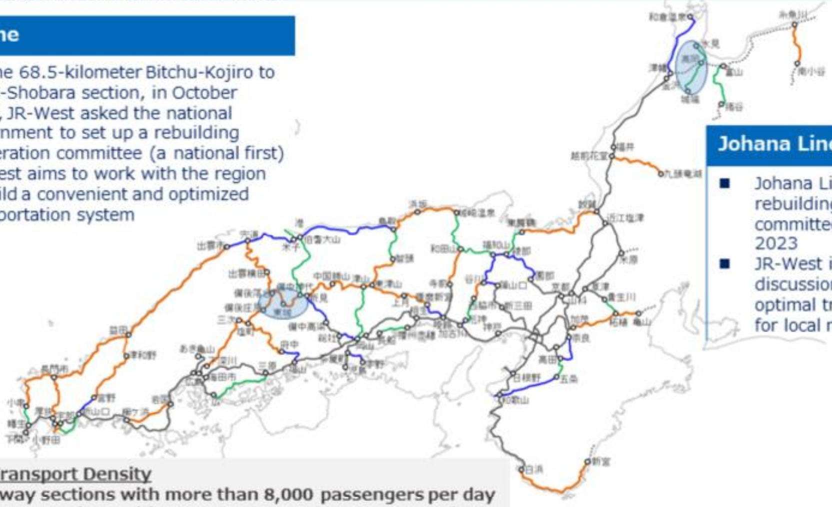
- Since April 2022, JR-West has disclosed ratio of costs to revenue by railway section for 30 sections on 17 lines with transport density of less than 2,000 passengers per day.
- On these railway sections, which account for roughly one-third of JR-West's operating kilometers, usage has decreased by about 70% since 1987. This presents a problem where the benefits of railway service (mass transport) cannot be fully leveraged. Various discussions about this issue have commenced.
- Revisions to the Regional Transportation Act (enacted on October 1, 2023) created a framework for discussing the rebuilding of local lines, such as the rebuilding cooperation committee organized by the Ministry of Land, Infrastructure, Transport and Tourism at the request of local public organizations or railway operators.

Geibi Line

- For the 68.5-kilometer Bitchu-Kojiro to Bingo-Shobara section, in October 2023, JR-West asked the national government to set up a rebuilding cooperation committee (a national first)
- JR-West aims to work with the region to build a convenient and optimized transportation system

Johana Line and Himi Line

- Johana Line and Himi Line rebuilding examination committee established in July 2023
- JR-West is participating in the discussions to examine an optimal transportation system for local residents



FY2020.3 Transport Density

- ▬ Railway sections with more than 8,000 passengers per day
- ▬ Railway sections with 4,000 to 8,000 passengers per day
- ▬ Railway sections with 2,000 to 4,000 passengers per day
- ▬ ~2,000 passengers per day → Scope for disclosure

City development projects

FY24.3 FY25.3 FY26.3 From FY27.3

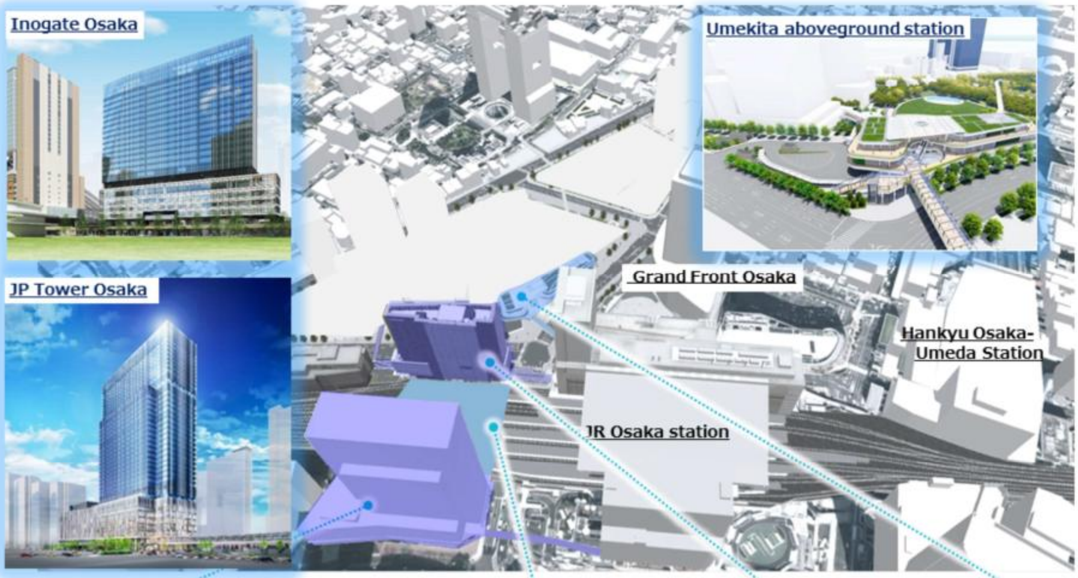
Osaka

- **JP Tower Osaka**: Scheduled opening in summer 2024
- **Inogate Osaka**: Scheduled opening in autumn 2024
- **Development under western elevated tracks**: Plan to open from spring 2024 to spring 2027
- **JR WEST LABO Umekita aboveground station**: Partial opening around summer 2024; Full opening around spring 2025
- **(Reference) Grand Green Osaka (Umekita 2nd)**: Advance opening in September 2024

Hiroshima Station building: Scheduled opening in spring 2025

Sannomiya Station building: Scheduled opening in FY2030

City development projects ／Osaka



JP Tower Osaka
Floor space: About 227,000㎡
Purpose: Office, hotels, retail, theaters.
Size: 39 floors above ground, three floors below ground
Planned opening: Summer 2024
(November 2023 onward)

Development under western elevated tracks
Floor space: About 6,000㎡
Purpose: Retail, bus terminal.
Planned opening: Spring 2027
(Spring 2023 onward)

Inogate Osaka
Floor space: About 60,000㎡
Purpose: Office, retail.
Size: 23 floors above ground, one floor below ground
Planned opening: Summer 2024
(Retail: Summer 2024, office: Autumn 2024)

Umekita aboveground station
Floor space: About 10,000㎡
Purpose: Retail, pedestrian spaces, etc.
Size: Three floor above ground
Planned opening: Spring 2025

City development projects ／Hiroshima

External rendering of new station building

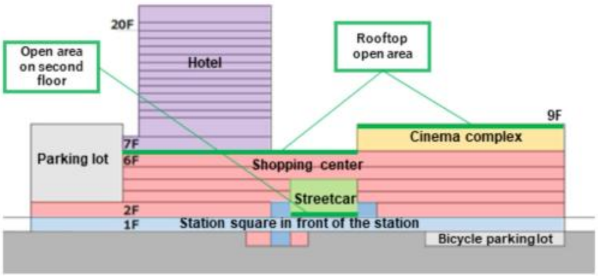
Internal rendering of building

Rendering of hotel

Development overview

Planned opening	• Spring 2025
Investment	• About 60.0 billion
Building floor area	• About 14,000㎡
Floor space	• Aboubt 111,000㎡
Size	• 20 floors above ground, one floor below ground、roughly 100m height
Purpose	• Shopping center, cinema complex (retail space about 25,000㎡) • Hotel Granvia Hiroshima South Gate (380 guestrooms) • Parking garage (for about 500 vehicles) directly connected to station building • Separate parking garage (for about 400 vehicles)

Floor structure



City development projects ／Sannomiya

External rendering of new station building

Rendering of open-air deck area in front of station

Development overview of new station building

* Joint project with Urban Renaissance Agency

Planned opening	• FY2030.3
Floor space	• About 100,000㎡
Size	• Roughly 160m height(JR-West's largest development project)
Purpose	• Retail （retail space about 19,000㎡） • Hotels （about 250 guestrooms） • Office （Leasable floor area about 6,000㎡） • Open area （open-air deck area in front of station）

New JR Sannomiya Station building and neighboring transfer lines

Automated driving and convoy driving BRT

● Demonstration test finished on dedicated test course (Yasu City, Shiga Prefecture)

Vision

- Secure transportation capacity that flexibly meets demand
- Eliminate shortages of drivers
- Ensure safety, punctuality and promptness with dedicated roads
- Seamless and flat transportation network
- Offer low-cost services with simple facilities

Field tests on a dedicated test course (Yasu City, Shiga Prefecture)

● Start of demonstration tests on public roads in Higashihiroshima City

Targets and goals of demonstration tests on public roads

- Identify and validate issues with autonomous driving and caravan driving before implementing in society
- Foster interest in new technologies, such as autonomous driving and caravan driving, and BRT among people in Higashihiroshima City

Aim to achieve Level 4 autonomous driving around mid-2020s

● Schedule

	2021	2022	2023
Dedicated test course	▼ Start of demonstration tests (October)	▼ Started caravan driving tests (February)	▼ Completed field tests (July)
Higashihiroshima City		▼ Collaboration agreement signed with Hiroshima University and Higashihiroshima City (November)	▼ Established examination subcommittee under Regional Public Transportation Council (April) ▼ Start of demonstration tests (November)

Extension of Hokuriku Shinkansen to Tsuruga

● Operations after opening Tsuruga extension

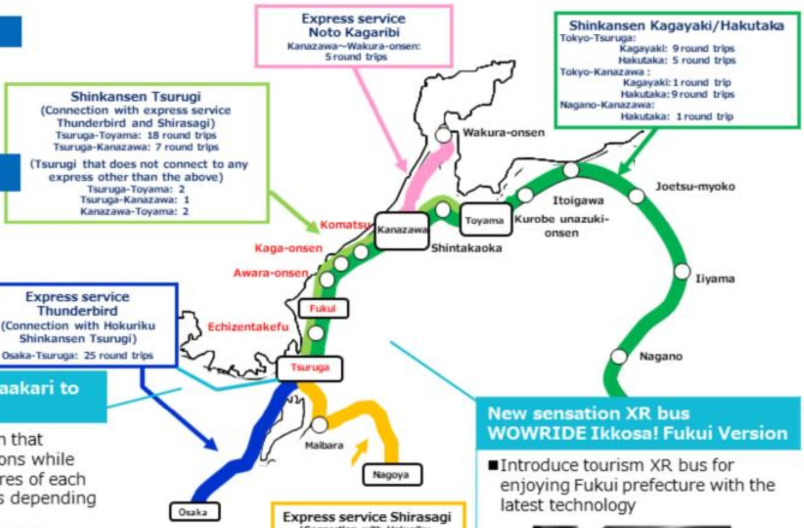
Spare no effort to help with rebuilding the region and facilitating the recovery

Basic information

- ■ Extended section that opened: Kanazawa to Tsuruga (125km)
- ■ Opening date: March 16, 2024

Travel times on fastest train

■Tokyo-Fukui 2:51 (-36 min)
Tsuruga 3:08 (-50 min)
■Osaka-Fukui 1:44 (-3 min)
Kanazawa 2:09 (-22 min)
Toyama 2:35 (-29 min)



Express service Noto Kagaribi
Kanazawa~Wakura-onsen: 5 round trips

Shinkansen Kagayaki/Hakutaka
Tokyo-Tsuruga:
Kagayaki: 9 round trips
Hakutaka: 5 round trips
Tokyo-Kanazawa :
Kagayaki: 1 round trip
Hakutaka: 9 round trips
Nagano-Kanazawa:
Hakutaka: 1 round trip

Shinkansen Tsurugi
(Connection with express service Thunderbird and Shirasagi)
Tsuruga-Toyama: 18 round trips
Tsuruga-Kanazawa: 7 round trips
(Tsurugi that does not connect to any express other than the above)
Tsuruga-Toyama: 2
Tsuruga-Kanazawa: 1
Kanazawa-Toyama: 2

Express service Thunderbird
(Connection with Hokuriku Shinkansen Tsurugi)
Osaka-Tsuruga: 25 round trips

Express service Shirasagi
(Connection with Hokuriku Shinkansen Tsurugi)
Nagoya~Tsuruga: 8 round trips
Maibara~Tsurugg: 7 round trips

Special tourism train Hanaakari to create demand for travel

- ■Introduce new tourism train that connects customers to regions while conveying the special features of each region, with different routes depending on the season
- ■Autumn 2024 debut service with Hokuriku destination campaign

New sensation XR bus WOWRIDE Ikkosa! Fukui Version

- ■Introduce tourism XR bus for enjoying Fukui prefecture with the latest technology

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 January 31, 2024 based on information available to JR-West as of January 31, 2024 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.