

FY2025.3, 1Q Financial Results Presentation





Connect more. Spring into the future.

August 1, 2024

West Japan Railway Company

- I am Eiji Tsubone, the Senior General Manager of the Corporate Strategy Headquarters.
- As CFO, I would like to increase the dialogue between our management and shareholders and investors more frequently such as the quarterly financial presentation and other occasions.
- Today, I will explain the overview of the first quarter results and some of the progress of the Medium-Term Management Plan 2025, followed by a QA session.
- Please turn to slide 3.

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Highlights

- In FY2025.3 1Q, consolidated and non-consolidated revenue and profit increased for a fourth consecutive year due to a recovery in customer usage and the effect of extending the Hokuriku Shinkansen to Tsuruga.
- Transportation revenue has recovered to 108% year-on-year and to 95% of the FY2019 level. However, usage of Sanyo Shinkansen and demand between Kansai/Chukyo regions and Hokuriku were lower than expected.
- Performance in the goods and food services business and shopping center business exceeded expectations, taking into account inbound demand.
- Earnings forecasts and dividends forecast for FY25.3 remain unchanged in light of our efforts to create future demand in each business.

(¥ Billions)

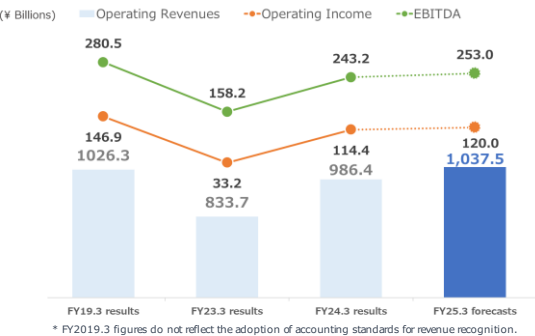
	FY24.3	FY25.3	YoY		FY25.3	YoY	
	1Q Results	1Q Results	Increase/ (Decrease)	%	Forecasts	Increase/ (Decrease)	%
[Consolidated]							
Operating Revenues	369.2	402.7	+33.5	9.1%	1,718.0	+82.9	5.1%
Operating Expenses	317.0	344.5	+27.4	8.7%	1,548.0	+92.7	6.4%
Operating income	52.2	58.2	+6.0	11.5%	170.0	(9.7)	-5.4%
Recurring income	48.6	55.2	+6.6	13.6%	155.5	(11.8)	-7.1%
Income attributable to owners of parent	33.3	38.2	+4.9	14.9%	100.0	+1.2	1.3%
EBITDA	91.7	98.1	+6.4	7.0%	343.0	(0.0)	0.0%
[Non-Consolidated]							
Transportation Revenue	197.5	212.5	+14.9	7.6%	887.0	+46.4	5.5%
Operating Expenses	183.7	193.2	+9.5	5.2%	872.0	+43.1	5.2%

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- For the results of the first quarter, consolidated operating revenue was ¥402.7 billion, consolidated operating income was ¥58.2 billion, and consolidated income attributable to owners of a parent company was ¥38.2 billion.
- Compared to the previous year, the recovery of the usage of railways and each group business and the increase of revenue from the Hokuriku Shinkansen Tsuruga extension that opened in March led to increases in consolidated and non-consolidated revenue and profit for the fourth consecutive year.
- Transportation revenue has recovered to 108% year-on-year and to 95% for CY2019. However, Sanyo Shinkansen's demand and usage between Kansai/Chukyo and Hokuriku was slightly lower than expected.
- In contrast, the results of the goods and food service business and shopping center business exceeded expectations by capturing inbound demand and other factors.
- There are increases and decreases depending on the segment, but the consolidated results of the first quarter trended mostly within the expected range. Going forward, we will strive to further create demand for railways and other Group businesses by maximizing the effects of the opening of the Osaka Project, an important strategy of the Medium-Term Management Plan and capturing inbound demand.
- The earnings forecasts and dividends remain unchanged from the plan at the start of the period.
- The following are details on each segment. Please turn to slide 4.

Mobility Segment

Mobility Results and Forecasts (full year)



(¥ Billion)

	FY24.3 1Q results	FY25.3 1Q results	FY25.3 forecasts (full year)
Operating Revenues	221.5	239.4	1,037.5
Of which, non-consolidated transportation revenues	197.5	212.5	887.0
Shinkansen	102.4	117.7	505.0
Kansai Urban Area	71.9	75.8	305.0
Other conventional lines	23.1	18.8	77.0
Operating Income	32.8	39.5	120.0
EBITDA	63.9	70.8	253.0

FY2025.3 1Q Results Highlights

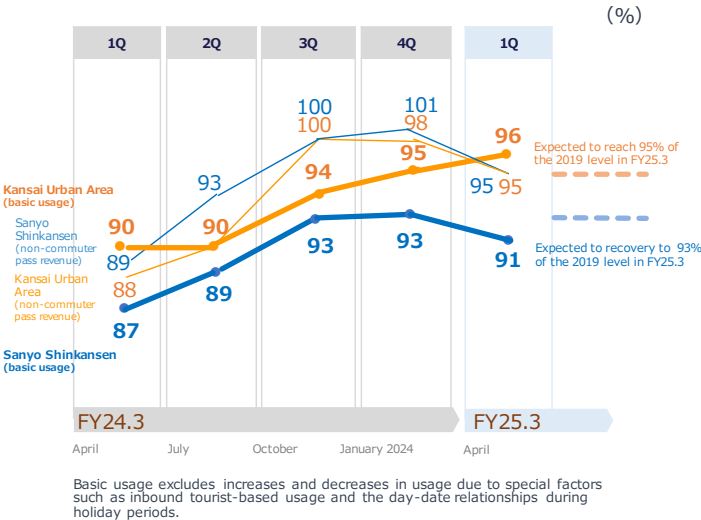
Sanyo Shinkansen	Although it exceeded the previous year's level, basic usage was lower than expected due to weak holiday leisure demand
Hokuriku Shinkansen	Results were generally in line with expectations since demand from the Tokyo metropolitan area has been firm due to the opening of the Tsuruga extension
Kansai Urban Area	(Non-commuter passes) Basic usage for short-distance transport was broadly in line with estimates
	Due to the impact of the Noto Peninsula earthquake, etc., usage between the Kansai/Chukyo and Hokuriku regions was sluggish, resulting in limited-express train usage falling short of expectations
Inbound Tourist (Transportation Revenue)	(Commuter passes) No. of commuter pass users and revenue were broadly in line with estimates
	+20% year-on-year, broadly in line with estimates
Cost Structure Reform	Cost structure reform is moving steadily, resulting in a ¥7.5 billion decline in costs in FY2025.3 1Q versus the estimate of ¥38.0 billion for FY2025.3

- Let's take a look at the mobility business.
- Transportation revenue increased 7.6% year-on-year to ¥212.5 billion. Although the results exceeded the previous year, as demand for leisure for Sanyo Shinkansen was slightly weak and train usage between Kansai/Chukyo and Hokuriku was below the expectation, transportation revenue overall was slightly below the expectation.
- In terms of costs, it is mostly trending as expected. The result of the cost structure reform in the first quarter was a reduction of ¥7.5 billion compared to pre-pandemic levels and progressed steadily toward the full-year reduction target of ¥38.0 billion.
- Please turn to slide 5.

Mobility Segment: Related Indicators

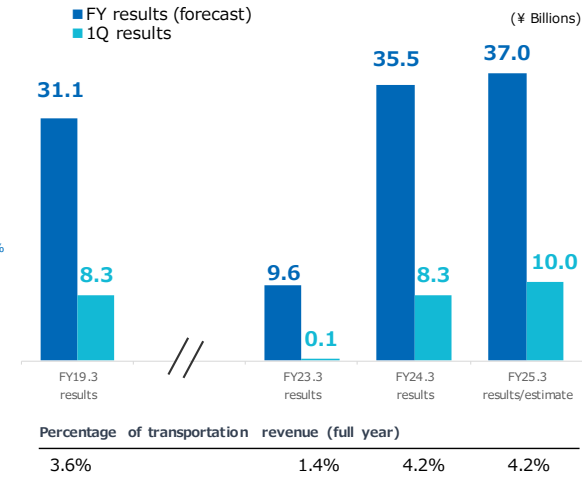
Transportation revenue and basic usage (vs. 2019)

Sanyo Shinkansen: Domestic leisure was sluggish
Kansai Urban Area: Weak passenger flow between the Kansai/Chukyo and Hokuriku regions due to the impact of the Noto Peninsula Earthquake, etc.



Inbound revenue (transportation revenue)

Inbound revenue reached a record high of ¥10.0 billion in FY25.3 1Q
Progress is in line with estimates (estimated inbound revenue is ¥37.0 billion in FY25.3)

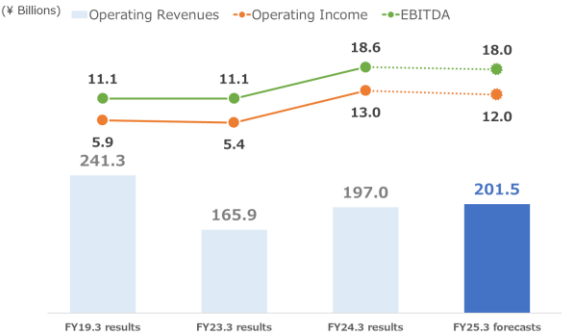


The figures are the totals of our revenues from products for inbound travelers and regular ticket use (estimated)
(Inbound traveler product revenues made up about 50% of total inbound revenue)

- Basic usage of the Sanyo Shinkansen was expected to be around 93% compared to 2019 but the result for the first quarter is estimated to be 91%, and the non-commuter pass revenue to be 95%.
- Basic usage of the Kansai Urban Area is on a favorable trend and is estimated to be 96%, slightly exceeding the expected 95%. With the decrease in usage of express trains, non-commuter pass revenue was 95%.
- In terms of inbound revenue, the number of redeemed Japan Rail Passes are declining due to its price revision, but usage is on a strong trend as it is being replaced by the purchase of products specifically for our areas and regular train tickets. As a result, revenue from inbound transport in the first quarter was at a record high of ¥10.0 billion.
- The start of the transportation revenue was slightly weak in the first quarter, but we will strive to create demand going forward by capturing demand during summer vacations and autumn travel seasons, as well as inbound demand to ensure usage by as many customers as possible.
- Please turn to slide 6.

Retail Segment

Retail Results and Forecasts (full year)



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

(¥ Billion)

	FY24.3 1Q results	FY25.3 1Q results	FY25.3 forecasts (full year)
Operating Revenues (major breakdown)	46.5	49.7	201.5
Sales of goods and food services	40.7	43.6	175.5
Portion of revenues from VIA INN	5.0	5.8	21.5
Department stores	5.3	5.7	24.5
Operating Income (major breakdown)	3.4	3.9	12.0
Sales of goods and food services	3.0	3.4	10.0
Portion of income from VIA INN	0.8	1.1	2.5
Department stores	0.3	0.4	2.0
EBITDA	4.7	5.3	18.0

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

FY2025.3 1Q Results Highlights

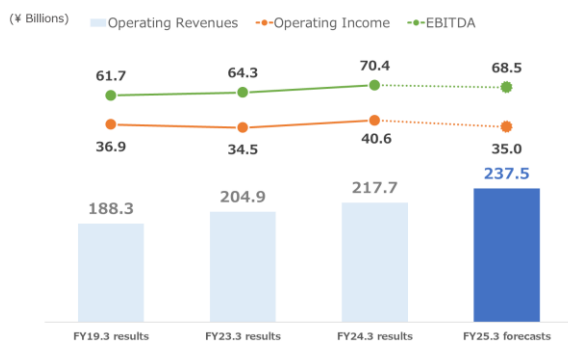
Revenues in the goods and food services reached a record high for the second consecutive year due to increased sales at stores within train stations and the recovery in train usage, increased accommodation revenue from VIA INN, and other factors

- | | |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sales of goods | <ul style="list-style-type: none">Sales of goods was higher year on year and higher than expected due to the steady customer traffic within the train stations and strong demand for souvenirs mainly in the Kansai Urban Area and FukuokaIn 1Q, revenue exceeded FY2019.3 same store revenue |
| VIA INN | <ul style="list-style-type: none">ADR was higher than expected, partly due to capturing inbound demandIn particular, ADR in the Tokyo area pushed up overall business; 1Q (April to June) ADR +11% year on year and +18% vs. 2019 |
| Department stores | <ul style="list-style-type: none">In 1Q, revenue and profit increased year on year due to an increase in duty-free sales and other factors. Performance was broadly in line with estimates. Kyoto store sales were above the 2019 level |

- The next topic is the retail business.
- In the first quarter, revenue increased by +7% year on year, and operating income increased by +15% to ¥3.9 billion. Continuing from the previous year, revenues in the goods and food service segment reached a record high due to increased sales at stores within train stations, particularly driven by the souvenir business, higher ADR from VIA INN, and other factors.
- Revenue and profit of department stores increased year-on-year due to an increase in inbound duty-free sales and other factors.
- Please turn to slide 7.

Real Estate Segment

Real Estate Results and Forecasts (full year)



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

(¥ Billion)

	FY24.3 1Q results	FY25.3 1Q results	FY25.3 forecasts (full year)
Operating Revenues (major breakdown)	46.3	63.3	237.5
Real estate lease and sales business	22.5	37.6	125.5
Portion of revenues from real estate leases	13.4	16.0	57.0
Portion of revenues from sales business	9.1	21.6	68.5
Shopping center business	14.2	15.0	61.5
Hotel business	9.2	10.3	49.5
Operating Income (major breakdown)	10.3	13.2	35.0
Real estate lease and sales business	5.2	7.8	15.0
Portion of income from real estate leases	4.2	5.8	10.5
Portion of income from sales business	0.9	1.9	4.5
Shopping center business	2.7	3.3	10.0
Hotel business	0.2	(0.6)	0.5
EBITDA	17.6	20.6	68.5

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

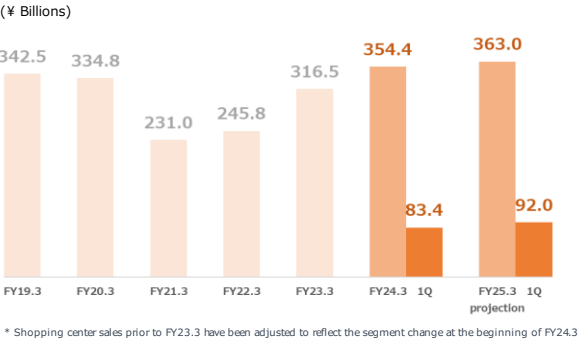
FY2025.3 1Q Results Highlights

Real estate lease and sales business	<ul style="list-style-type: none"> Revenue and profit increased year on year due to an increase in sales to investors despite expenses associated with opening of projects in Osaka and depreciation expenses Progress in both revenue and profit was high, but broadly in line with estimates
Shopping center business	<ul style="list-style-type: none"> The shopping center business achieved a record-high profit. Shopping center business performance in the Kyoto-Osaka-Kobe was strong due to increased inbound demand, exceeding expectations.
Hotel business	<ul style="list-style-type: none"> Accommodation revenue increased year-on-year, partly due to the effect of an increase in inbound tourism. ADR +29% vs. 2019 (April to June). Eating/drinking and banquet demand recovered to about 90% of the 2019 level Hotel business performance is broadly in line with estimates, even when including the opening costs of the Osaka Station Hotel, which opened on July 31

- Next is the real estate business.
- In the first quarter, revenue increased by +37% year on year, and operating income increased by +28% to ¥13.2 billion.
- In the real estate leasing and sales business, revenue and profit increased year on year due to an increase in sales to investors, despite the increased costs associated with the opening of the Osaka Project and depreciation expenses.
- In the shopping center business, revenue exceeded expectations mainly in the shopping centers in the Kyoto-Osaka-Kobe area by capturing inbound demand, achieving a record high.
- In the hotel business, the improvement of ADR on the back of inbound demand resulted in a higher accommodation revenue, resulting in an increase of revenue year on year. Although the hotel business resulted in a loss in the first quarter due to the opening costs of the Osaka Station Hotel, which opened on July 31, it is broadly in line with the estimate.
- Please turn to slide 9.

Real Estate Segment: Related Indicators

Shopping center sales

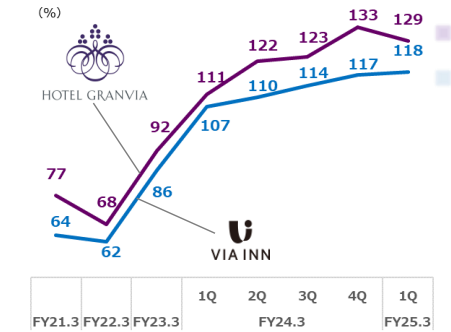


Newly opened properties

FY24.3	Tete Myodani	Shamine Yonago	CURU-F Fukui Station	
In or after FY25.3	BARCHICA 03 (Osaka)	Umekita Green Place	Hiroshima Station building	Sannomiya Station building

Hotel ADR

When ADR index is set to 100 for FY19.3

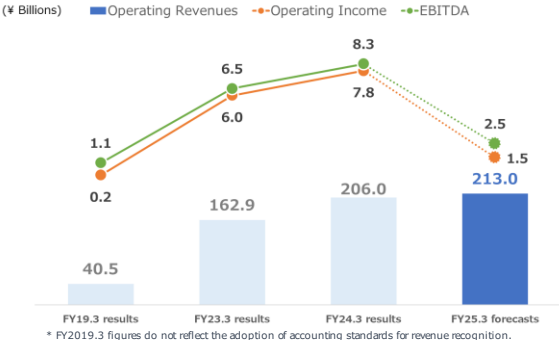


Earnings forecast assumptions

	GRANVIA	VIA INN
FY25.3	Same level as at the end of previous fiscal year	Same level as previous fiscal year

Travel and Regional Solutions Segment

Travel and Regional Solutions Results and Forecasts (full year)



FY2025.3 1Q Results Highlights

Tourism business:

- Tourism business performance was broadly in line with estimates despite the fact that domestic travel demand in 1Q (January to March) was sluggish compared to the previous year due to pullback from the government's nationwide travel assistance and the impact of the 2024 Noto Peninsula Earthquake
- An increase in expenses are expected in advance of digital tourism, mainly in 2Q onward

Solution business:

- Revenue and profit decreased year on year due to a decline in orders for in vaccination administration-related work in FY24.3 1Q (January to March)
- Profits were in line with expectation due to consignment work for regional tourism promotion and economic stimulus initiatives and consignment work for inbound tourism organizations

	FY24.3 1Q results	FY25.3 1Q results	FY25.3 forecasts (full year)
Operating Revenues	49.6	44.2	213.0
Tourism business	21.9	22.4	96.0
Solution business	27.6	21.8	117.0
Operating Income	5.1	0.5	1.5
Tourism business	1.0	0.2	0.0
Solution business	4.1	0.2	1.5
EBITDA	5.2	0.6	2.5

- Finally, we look at the travel and regional solutions segment. In this segment, the first quarter covers January-March.
- Tourism business performance was broadly in line with the estimated level although domestic travel demand was sluggish compared to the previous year due to a pullback from the government's nationwide travel assistance and the impact of the Noto Peninsula Earthquake in January of this year.
- Despite the absence of special demand related to the pandemic, profit in the solution business was broadly in line with the estimate due to consignment work for regional tourism promotion and inbound group tours.
- Please turn to slide 10.

Medium-Term Management Plan 2025 Progress—Revitalize and restructure core businesses

We will create demand through the Group-wide initiatives set out in Medium-Term Management Plan 2025 in preparation for the coming high-demand period and holiday season

Key Initiatives for Creating Demand

- Maximize the effect of the opening of the Hokuriku Shinkansen (Kanazawa-Tsuruga extension)
- Build momentum for the Osaka-Kansai Expo and take advantage of various business opportunities
- Create inbound tourism Japan by informing people about the great things that the West Japan area has to offer



Opening of Hokuriku Shinkansen Tsuruga extension



2025 Osaka/Kansai Expo Official Store



Setouchi Palette Project



Osaka Station Hotel



CURU-F Fukui Station

Future Initiatives

- Hokuriku destination campaign (from Oct. 2024)
- Build an excursion route for new sightseeing train "Hana Akari"
- Take advantage of the 50th anniversary of the opening of the entire Sanyo Shinkansen line as a way to act customers
- Expansion of interaction population by leveraging the Forest Festival of the Arts OKAYAMA (from Sep. 2024)
- Expand sales channels
 - Link reservations for the e5489 and Jorudan's Japan Transit Planner-Norikae Annai.
- Maximize income through initiatives to improve unit prices
 - All-reserved seating on Nozomi Shinkansen trains during the busiest holiday season
 - Guidance from local trains through seating service branding
- Revise fare system in the Kyoto-Osaka-Kobe metropolitan region
 - Simple and easy-to-understand fares for areas that offer the same level of transportation, by integrating multiple fare systems in that areas
 - Work to improve services such as accelerating barrier-free development

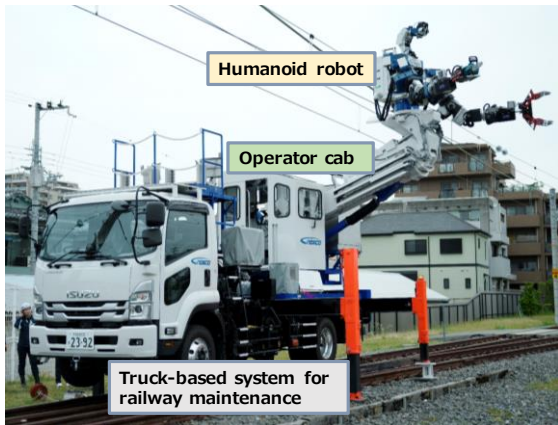


- In the Medium-Term Management Plan 2025, we include maximizing the effect of the opening of the Hokuriku Shinkansen Tsuruga extension and the capturing of inbound demand as major initiatives for creating demand. In this regard, we plan to implement these measures throughout the group to create demand in preparation for the coming high-demand and holiday seasons.
- We plan to increase the number of people interacting through the Hokuriku Destination Campaign and promote usage in conjunction with the 50th anniversary of the Sanyo Shinkansen, and the Forest Festival of the Arts Okayama.
- In addition, we also plan to increase the number of usage as well as unit price by promoting the use of comfortable seating service through making Nozomi trains all reserved seating during the summer holiday season and the Special Rapid Service A-seats in the Kyoto-Osaka-Kobe area.
- Earlier, we requested the revision of the fare system in the Kyoto-Osaka-Kobe metropolitan area and announced our policy of making the fare system simpler in the Kyoto-Osaka-Kobe area. Effect on the transport revenue from this is expected to balance out.
- For the fare system, although not described, we will continue to request the government to continue flexibly revising the system itself.
- Please turn to slide 11.

Amid a labor shortage, we will enhance the sustainability of the railway business through collaboration with various partners

Multifunctional Railway Heavy Equipment

- Developed in partnership with Man-Machine Synergy Effectors, Inc. and Nippon Signal Co., Ltd.
- Technological and operational innovations in railroad equipment maintenance enable improved safety and productivity
- From its practical application in the railroad field, it will contribute to mechanization and manpower saving in various social infrastructure maintenance in the future



Considering Unification of Train Equipment and Parts with JR East

- Aiming to commonalize equipment and parts for conventional railcars in order to maintain and develop the rail transportation business and provide stable transportation services to customers in the future despite expected declines in passenger traffic and the working population

Unification of train equipment and parts	Improved efficiency of train manufacturers' and suppliers' manufacturing processes, improved productivity, and efficient equipment and part procurement
Interaction between JR East and JR West to streamline train design processes and improve train design technology	Deepen cross-company collaboration in the field of train design aimed at sustainable train manufacturing

Local Lines

- Discussions for rebuilding of the Geibi line are progressing
- The restructuring implementation plan for the Johana/Himi Line, certified in February 2024, is steadily advancing
 - (change operating body to Ainokaze Toyama Railway by around five years)
- A decision was made to establish a new forum for discussions on the Mine Line
- Temporary Extra bus service trial (Oito Line) is being implemented, and other consultations are underway with local governments regarding the state of railway lines/sections

- We are currently promoting the coordination and cooperation with various partners that increase the sustainability of railways.
- We are especially hoping to improve productivity throughout the entire supply chain by developing technologies for railway maintenance, and unifying train equipment and parts with other railway companies as solutions to the industry-wide issue of labor shortage.
- In terms of local lines, we are promoting initiatives in each line, such as establishing a new forum for discussion on the Mine Line and the launch of extra buses for the Oito Line through the use of a national scheme, along with lines that are already under discussion. We will continue to engage in dialogue with the local communities on the state of the lines.
- Please turn to slide 12.

Progress of Medium-Term Management Plan 2025—Opening of INOGATE OSAKA and JP TOWER OSAKA (July 31)

- Inogate Osaka and JP Tower Osaka, which directly connect to the West Exit of JR Osaka Station, have opened as new bustling centers of activity
- Enhancing the area's value through improved convenience and circulation on the west side of Osaka Station in conjunction with the advance opening of Grand Green Osaka in September 2024

INOGATE OSAKA



INOGATE OSAKA

バルチカ03
Food and Beverage Zone
BARCHICA 03 on 2-5F
A food and beverage zone with 50 unique restaurants has opened



■ Rendering of BARCHICA 03 on 5F

JP TOWER OSAKA



KITTE OSAKA

THE OSAKA STATION HOTEL
AUTOGRAPH COLLECTION[®] HOTELS



Development overview

Commercial: Food and beverage zone BARCHICA 03 (2-5F), TSUTAYA BOOKSTORE (6F)
Office: Compass Offices (flexible offices) (9-10F)

Note: Office floors 11-22F are scheduled to open starting in autumn 2024

Commercial: Approx. 16,000 square meters KITTE Osaka (B1-6F), Theater (6F)
Offices: Approximately 68,000 square meters (11-27F)

Hotel: The Osaka Station Hotel, Autograph Collection (29-38F)

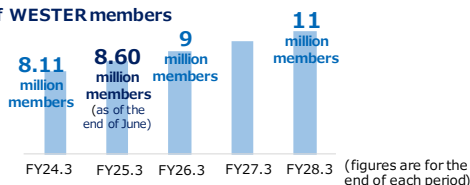
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- In terms of city development projects in Osaka, which is one of the steps for restructuring our portfolio, Inogate Osaka and JP Tower Osaka located to the west of the Osaka Station finally opened on July 31.
- Inogate Osaka has the function of supporting offices suitable for diverse workstyles with its flexible offices, rental meeting rooms, and lounges. In the building, Barchica 03, a restaurant zone that houses 50 unique stores, opened on the second to fifth floors.
- In JP Tower Osaka, which is operated in cooperation with Japan Post and other entities, we will manage the Osaka Station Hotel Autograph Collection. The hotel is the only hotel that incorporates the history and allure of railways with a brand concept of OSAKA TIME to pass down the history, culture, and value of the locale to the future.
- In line with the opening of the two buildings, a deck connecting Lucua Osaka and Inogate Osaka was opened. Connecting to the decks at the West Exit and JP Tower Osaka, which have already opened, will enhance the accessibility and flow on the west side of Osaka Station. We expect the value of the Osaka Umeda area to increase even more vibrantly with the pre-opening of the Grand Green Osaka on September 6th.
- Please turn to slide 13.

Expansion of the WESTER economic zone/ WESTER-based experiences

- Encouraging repeated use of Group companies through point redemption for shopping centers and rail lines
- Expanding network by collaborating with TIMES MOBILITY, Fukuya Hiroshima Station Square Store, etc.

Number of WESTER members



Opening of Wester Mall (EC Mall) (April 2024)



- Enables users to purchase souvenirs at tourist destinations without having to line up during peak time
- Acceptance of items via smart locker-based pickups and sales on the Metaverse are also being considered

Preparing for the launch of the WESTER Wallet (provisional name) service within FY2025.3

JCLaaS (Comprehensive Infrastructure Management Business)

Selected for Public-Private Partnership Modeling Project* proposed by the Ministry of Land, Infrastructure, Transport and Tourism
(Proposed method for bridge maintenance)

* A support system for the establishment of a new public-private partnership between private businesses and the Ministry of Land, Infrastructure, Transport and Tourism

XR Virtual Osaka Station 3.0 (Metaverse)

Total number of visitors: Over 15 million visitors
(visitor count 3 1/2 months after launch)



Taking on the Challenge of Creating New Businesses







- Business co-creation program "Bernal": Co-creation with start-up companies
- Innovation Creation Program: Internal recruitment

- Now on the digital strategy and new business creation.
- In terms of the WESTER economic zone, we are continuously increasing the usage within the Group by expanding the network in cooperation with our partners and implementing point measures to stimulate the cross-use of services within the Group to improve the experience in WESTER.
- Membership of WESTER has reached 8.6 million members as of the end of June, showing steady growth.
- In addition to ICOCA and J-WEST card, a new payment service Wester Wallet (provisional name) is preparing to launch its service in FY25.3.
- For new business, we are steadily building a business model, such as JCLaaS being selected for the Public-Private Partnership Modeling Project proposed by the Ministry of Land, Infrastructure, Transport and Tourism for the survey on solving issues related to maintenance of bridges.
- Virtual Osaka Station 3.0 (Metaverse) has been visited by over 15 million people from around the world as a virtual asset backed by reality since its opening in March, demonstrating its high ability to attract visitors in Japan. Going forward, we will continue to seek multiple monetization models, such as through ads and licensing.
- Please turn to slide 14.

Theme	Feedback from investors and shareholders	Our initiatives
Growth strategy to enhance corporate value Creation of an optimal business portfolio	<ul style="list-style-type: none">As JR West is working to create a business portfolio that includes real estate and city development, digital strategy, new business development, we would like JR West to disclose more information on the direction and progress of each business development.	<ul style="list-style-type: none">We reaffirmed the importance of dialog with investors and shareholders, while actively disclosing information on the implementation of the Medium-Term Management Plan measures and progress toward achieving managerial targets.We will build a resilient business portfolio and achieve sustainable growth for the entire JR West group, by investing the cash generated from each business in growth businesses of the life design field.
Management with an awareness of the cost of capital and stock price	<ul style="list-style-type: none">The business environment is changing after the COVID-19 pandemic, so we would like JR West to manage and develop its business with an awareness of appropriate cost of capital, taking into account the business environment in which price revisions are not easy to implement.	<ul style="list-style-type: none">We continue to be aware of the appropriate cost of equity in light of uncertainties such as the COVID-19 pandemic and inflation, and will make efforts to reduce the cost of equity and increase corporate and shareholder value through portfolio construction and appropriate information disclosure.

- We received various feedback through engaging in small meetings and direct dialogue on the update of the Medium-Term Management Plan 2025.
- We think that there are two major themes, growth strategy aimed toward the improvement of corporate value and management considering the cost of capital and share price. For the growth strategy, we will readdress that building an optimum business portfolio by expanding the life design field as described in the Medium-Term Plan is the drive for growth in terms of achieving sustainable growth of the entire Group. Going forward, we will also communicate the progress of each measure and confirm the progress of the growth strategy for the Group through dialogue with our investors and shareholders.
- For the cost of capital, we will appropriately consider never-seen uncertainties like the pandemic and inflation and reduce the cost of equity, as well as improve our corporate and shareholder values through building our portfolio and appropriate communication with investors and shareholders. We hope to continue the discussion of the topics mentioned, while considering dialogue with those involved in the capital market.
- This concludes my portion of today’s presentation.

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Consolidated Statements of Income

¥ Billions

	3 months ended Jun. 30, 2023	3 months ended Jun. 30, 2024	YoY		Major factors	Forecasts FY2025.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	369.2	402.7	33.5	9.1	[Increase for a fourth straight fiscal year]	1,718.0	82.9	5.1
Mobility	221.5	239.4	17.8	8.1	Increase in transportation revenue	1,037.5	51.0	5.2
Retail	46.5	49.7	3.2	7.0	Increase in sales of goods and food services	201.5	4.4	2.3
Real estate	46.3	63.3	17.0	36.8	Increase in real estate lease and sale, and hotel business	237.5	19.7	9.1
Travel and regional solutions	49.6	44.2	(5.3)	(10.8)	Decrease in contracted business	213.0	6.9	3.4
Other businesses	5.2	5.9	0.6	13.2		28.5	0.6	2.3
Operating Expenses	317.0	344.5	27.4	8.7		1,548.0	92.7	6.4
Operating Income	52.2	58.2	6.0	11.5	[Increase for a fourth straight fiscal year]	170.0	(9.7)	(5.4)
Mobility	32.8	39.5	6.7	20.4	Increase in transportation revenue	120.0	5.5	4.8
Retail	3.4	3.9	0.5	14.7	Increase in sales of goods and food services	12.0	(1.0)	(8.2)
Real estate	10.3	13.2	2.8	27.4	Increase in real estate lease and sale	35.0	(5.6)	(13.9)
Travel and regional solutions	5.1	0.5	(4.6)	(89.6)	Decrease in hotel business	1.5	(6.3)	(80.9)
Other businesses	0.1	0.7	0.5	432.3	Decrease in contracted business	3.0	(1.2)	(29.1)
Non-operating revenues and expenses, net	(3.5)	(2.9)	0.5	—		(14.5)	(2.1)	—
Recurring Income	48.6	55.2	6.6	13.6	[Increase for a fourth straight fiscal year]	155.5	(11.8)	(7.1)
Extraordinary profit and loss, net	(0.1)	0.7	0.8	—		(5.0)	17.2	—
Income taxes	13.7	16.9	3.2	23.6		45.5	4.6	11.5
Income attributable to owners of parent	33.3	38.2	4.9	14.9	[Increase for the first time in two fiscal years]	100.0	1.2	1.3
Comprehensive Income	36.5	39.7	3.1	8.6	Include 38.9 billion of comprehensive income attributable to shareholders of parent company	—	—	—

Note: Figures in brackets () are negative values.

Major Factors of Increase/Decrease in Each Segment

¥ Billions

			3 months ended Jun. 30, 2023	3 months ended Jun. 30, 2024	YoY		Major factors	
					Increase/ (Decrease)	%		
Mobility		Operating Revenues	221.5	239.4	17.8	8.1	·Recovery in demand (train usage) ·Increase in inbound demand	
		Operating Income	32.8	39.5	6.7	20.4		
Retail	Sales of goods and food services	Operating Revenues	40.7	43.6	2.8	7.0	·Increase in sales of station concourse stores	
		<small>(restated:Accommodation-oriented budget hotels)</small>	<small>[5.0]</small>	<small>[5.8]</small>	<small>[0.7]</small>	<small>[15.6]</small>	·Increase in average daily rate	
		Operating Income	3.0	3.4	0.3	11.4		
		<small>(restated:Accommodation-oriented budget hotels)</small>	<small>[0.8]</small>	<small>[1.1]</small>	<small>[0.3]</small>	<small>[44.5]</small>		
	Department stores	Operating Revenues	5.3	5.7	0.3	7.0	·Increase in duty-free sales	
		Operating Income	0.3	0.4	0.1	50.8		
Real estate	Real estate lease and sale	Operating Revenues	22.5	37.6	15.0	66.8	·Increase in sales to investors	
		<small>(restated:Real estate sale)</small>	<small>[9.1]</small>	<small>[21.6]</small>	<small>[12.5]</small>	<small>[136.9]</small>		
	Shopping center	Operating Income	5.2	7.8	2.6	49.7		
		<small>(restated:Real estate sale)</small>	<small>[0.9]</small>	<small>[1.9]</small>	<small>[1.0]</small>	<small>[107.1]</small>		
	Hotel	Operating Revenues	14.2	15.0	0.8	5.9	·Increase in rent income due to a rise in tenant sales	
		Operating Income	2.7	3.3	0.5	21.3		
		Hotel	Operating Revenues	9.2	10.3	1.0	11.7	·Increase in average daily rate
			Operating Income	0.2	(0.6)	(0.9)	—	·The Osaka Station Hotel opening expenses
Travel and regional solutions		Operating Revenues	49.6	44.2	(5.3)	(10.8)	·Reduction due to the rebound in contracted business	
		Operating Income	5.1	0.5	(4.6)	(89.6)		

Notes:

- The breakdowns of operating revenues and operating income by each segment are the sums of those of major subsidiaries and do not match the total segment figures..
- Figures in brackets () are negative values.

Non-Consolidated Statements of Income

¥ Billions

	3 months ended Jun. 30, 2023	3 months ended Jun. 30, 2024	YoY		Major factors	Forecasts FY2025.3	YoY	
			Increase/ (Decrease)	%			Increase/ (Decrease)	%
Operating Revenues	221.4	237.4	16.0	7.2	[Increase for a fourth straight fiscal year]	992.0	47.7	5.1
Transportation revenues	197.5	212.5	14.9	7.6		887.0	46.4	5.5
Transportation incidentals	3.8	3.7	(0.0)	(1.2)		15.5	(0.4)	(2.7)
Other operations	7.0	7.1	0.1	1.8		28.0	(0.4)	(1.6)
Miscellaneous	13.0	14.0	0.9	7.5	Increase in intercompany settlements, etc.	61.4	2.2	3.7
Operating Expenses	183.7	193.2	9.5	5.2		872.0	43.1	5.2
Personnel costs	48.1	51.8	3.7	7.8	Increase in bonus, etc.	205.5	1.0	0.5
Non personnel costs	88.5	91.5	2.9	3.4		459.5	29.8	6.9
Energy costs	16.4	14.2	(2.2)	(13.7)	Reduction in fuel unit prices, etc.	60.0	(0.0)	(0.1)
Maintenance costs	25.5	26.4	0.9	3.7		166.0	7.8	5.0
Miscellaneous costs	46.4	50.8	4.3	9.3	Increase in intercompany settlements, Increase in WESTER-related expenses, etc.	233.5	22.0	10.4
Rental payments, etc.	6.6	8.9	2.3	34.4	Increase due to the extension of the Hokuriku Shinkansen to Tsuruga	35.5	8.2	30.5
Taxes	9.4	9.6	0.2	2.3		40.0	0.5	1.3
Depreciation and Amortization	30.9	31.2	0.2	0.8		131.5	3.4	2.7
Operating Income	37.6	44.1	6.5	17.3	[Increase for a fourth straight fiscal year]	120.0	4.5	3.9

Note: Figures in brackets () are negative values.

Transportation Revenues and Passenger-Kilometers

Transportation Revenues										Passenger-Kilometers					
			3 months ended Jun. 30, 2024		YoY		compared with CY2019	Forecasts FY2025.3	YoY		3 months ended Jun. 30, 2024		YoY		compared with CY2019
			Increase/ (Decrease)	%	Increase/ (Decrease)	%			Increase/ (Decrease)	%	Increase/ (Decrease)	%			
Shinkansen	Sanyo Shinkansen	Commuter Passes	2.8	0.1	3.8	7.5	—	—	—	—	231	11	5.4	8.8	
		Non-Commuter Passes	97.0	6.5	7.2	(4.8)	—	—	—	—	4,163	53	1.3	(13.1)	
		Total	99.8	6.6	7.1	(4.5)	427.0	21.5	5.3	—	4,394	65	1.5	(12.1)	
	Hokuriku Shinkansen	Commuter Passes	0.4	0.2	104.1	107.0	—	—	—	—	32	17	116.0	111.4	
		Non-Commuter Passes	17.3	8.4	94.1	71.1	—	—	—	—	562	275	96.2	71.4	
		Total	17.8	8.6	94.3	71.8	78.0	35.7	84.4	—	594	293	97.2	73.2	
	Commuter Passes		3.3	0.3	11.5	15.3	—	—	—	—	263	29	12.6	15.8	
	Non-Commuter Passes		114.4	14.9	15.0	2.0	—	—	—	—	4,725	329	7.5	(7.7)	
Total		117.7	15.2	14.9	2.4	505.0	57.2	12.8	—	4,989	358	7.7	(6.7)		
Conventional lines	Kansai Urban Area (Kyoto-Osaka-Kobe Area)	Commuter Passes	27.4	0.7	2.8	(7.6)	—	—	—	—	4,399	49	1.1	(9.8)	
		Non-Commuter Passes	48.4	3.2	7.1	(5.4)	—	—	—	—	2,492	105	4.4	(12.4)	
		Total	75.8	3.9	5.5	(6.2)	305.0	10.7	3.6	—	6,891	155	2.3	(10.8)	
	Other	Commuter Passes	5.2	(0.3)	(6.7)	(16.7)	—	—	—	—	893	(66)	(6.9)	(15.5)	
		Non-Commuter Passes	13.6	(3.9)	(22.3)	(35.4)	—	—	—	—	645	(183)	(22.1)	(37.4)	
		Total	18.8	(4.2)	(18.5)	(31.1)	77.0	(21.5)	(21.9)	—	1,539	(249)	(14.0)	(26.3)	
	Commuter Passes		32.7	0.3	1.2	(9.2)	—	—	—	—	5,293	(16)	(0.3)	(10.9)	
	Non-Commuter Passes		62.0	(0.6)	(1.1)	(14.2)	—	—	—	—	3,138	(77)	(2.4)	(19.0)	
Total		94.7	(0.3)	(0.3)	(12.5)	382.0	(10.8)	(2.8)	—	8,431	(94)	(1.1)	(14.1)		
Total	Commuter Passes		36.0	0.7	2.0	(7.4)	—	—	—	—	5,556	13	0.2	(9.9)	
	Non-Commuter Passes		176.4	14.2	8.8	(4.3)	—	—	—	—	7,864	251	3.3	(12.6)	
	Total		212.5	14.9	7.6	(4.8)	887.0	46.4	5.5	—	13,421	264	2.0	(11.5)	

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

Major Factors for Increase/Decrease in Transportation Revenue

¥ Billions

		Results for 3 months ended June 30, 2024				
			YoY		Major factors	
			Increase/ (Decrease)	%		
Sanyo Shinkansen	99.8	6.6	7.1	Fundamental trend 0.0%		
				Special factors		
				・Recovery of travel demand	4.9	
				・Increase in inbound demand	0.5	
				etc.		
				Fundamental trend 0.0%		
Hokuriku Shinkansen	17.8	8.6	94.3	Special factors		
				・Hokuriku Shinkansen Extension to Tsuruga	8.6	
				etc.		
Shinkansen		117.7	15.2	14.9		
Kansai Urban Area (Kyoto-Osaka- Kobe Area)	75.8	3.9	5.5	Fundamental trend 0.0%		
				Special factors		
				・Recovery of travel demand	2.9	
				・Increase in inbound demand	1.0	
				・Hokuriku Shinkansen Extension to Tsuruga	(0.3)	
				etc.		
Other lines	18.8	(4.2)	(18.5)	Fundamental trend 0.0%		
				Special factors		
				・Recovery of travel demand	1.4	
				・Increase in inbound demand	0.1	
				・Hokuriku Shinkansen Extension to Tsuruga	(5.8)	
				etc.		
Conventional lines		94.7	(0.3)	(0.3)		
Total		212.5	14.9	7.6		

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

Capital Expenditures

¥ Billions

	3 months ended Jun. 30, 2023	3 months ended Jun. 30, 2024	YoY		Forecasts FY2025.3
			Increase/ (Decrease)	%	
Capital Expenditures Consolidated	44.0	48.8	4.8	10.9	—
Own fund	42.8	47.9	5.0	11.9	294.0
External fund	1.2	0.9	(0.2)	(23.0)	—
Capital Expenditures Non-consolidated	20.3	19.1	(1.1)	(5.8)	—
Own fund	19.1	18.2	(0.9)	(4.7)	174.0
[Break down] [Safety-related capital expenditures]	[13.8]	[13.5]	[(0.2)]	[(2.0)]	[101.0]
[Other, etc.]	[5.3]	[4.7]	[(0.6)]	[(11.8)]	[73.0]
External fund	1.2	0.9	(0.2)	(23.0)	—

Note: Figures in brackets () are negative values.

- Major capital expenditure projects (Non-consolidated)
 - new rolling stock (N700S series, Yakumo Ltd. Exp., Okayama area commuter trains)
 - safety and disaster prevention measures (earthquake countermeasures) etc.

Consolidated Balance Sheet

¥ Billions

	As of March 31, 2024	As of June 30, 2024	Difference increase/(decrease)	Major factors																																
Current assets	700.9	539.2	(161.6)	Decrease in notes and accounts receivables, Decrease in accounts receivables																																
Cash and deposits	233.4	134.7	(98.7)																																	
Inventories	160.6	174.3	13.7																																	
Other current assets	306.8	230.2	(76.6)																																	
Non-current assets	3,078.9	3,073.5	(5.3)																																	
Property, plant and equipment, etc.	2,557.2	2,552.8	(4.3)																																	
Construction in progress	122.6	132.8	10.1																																	
Investments and other assets	398.9	387.8	(11.1)																																	
Deferred assets	0.1	0.0	(0.1)																																	
Total assets	3,780.0	3,612.9	(167.1)																																	
Current liabilities	710.1	645.3	(64.7)	<table><tr><th></th><th>As of March 31, 2024</th><th>As of June 30, 2024</th><th>Difference increase/(decrease)</th></tr><tr><td>Liabilities with interest</td><td>1,563.4</td><td>1,491.4</td><td>(72.0)</td></tr><tr><td>Average interest rate (%) 1</td><td>[1.22]</td><td>[1.25]</td><td>[0.03]</td></tr><tr><td>Shikansen Purchase Liability</td><td>97.4</td><td>97.4</td><td>—</td></tr><tr><td>Average interest rate (%) 2</td><td>[6.55]</td><td>[6.55]</td><td>[—]</td></tr><tr><td>Bonds</td><td>859.9</td><td>810.4</td><td>(49.4)</td></tr><tr><td>Average interest rate (%) 2</td><td>[1.01]</td><td>[1.07]</td><td>[0.06]</td></tr><tr><td>Other(Long-term debt etc.)</td><td>606.0</td><td>583.5</td><td>(22.5)</td></tr></table>		As of March 31, 2024	As of June 30, 2024	Difference increase/(decrease)	Liabilities with interest	1,563.4	1,491.4	(72.0)	Average interest rate (%) 1	[1.22]	[1.25]	[0.03]	Shikansen Purchase Liability	97.4	97.4	—	Average interest rate (%) 2	[6.55]	[6.55]	[—]	Bonds	859.9	810.4	(49.4)	Average interest rate (%) 2	[1.01]	[1.07]	[0.06]	Other(Long-term debt etc.)	606.0	583.5	(22.5)
	As of March 31, 2024	As of June 30, 2024	Difference increase/(decrease)																																	
Liabilities with interest	1,563.4	1,491.4	(72.0)																																	
Average interest rate (%) 1	[1.22]	[1.25]	[0.03]																																	
Shikansen Purchase Liability	97.4	97.4	—																																	
Average interest rate (%) 2	[6.55]	[6.55]	[—]																																	
Bonds	859.9	810.4	(49.4)																																	
Average interest rate (%) 2	[1.01]	[1.07]	[0.06]																																	
Other(Long-term debt etc.)	606.0	583.5	(22.5)																																	
Current portion of long-term payables, etc.	138.4	161.2	22.7																																	
Accounts payable-other, etc.	571.7	484.1	(87.5)																																	
Non-current liabilities	1,842.7	1,750.0	(92.7)																																	
Bond and Long-term debt, etc.	1,415.9	1,319.7	(96.2)																																	
Accrued retirement benefits	211.6	213.4	1.7																																	
Other long-term liabilities	215.1	216.8	1.7																																	
Total liabilities	2,552.9	2,395.4	(157.5)																																	
Shareholders' equity	1,103.4	1,092.5	(10.8)	Profit attributable to owners of parent:38.2 Dividend:(20.6)																																
Common stock	226.1	226.1	—																																	
Capital surplus	183.9	183.9	—																																	
Retained earnings	694.6	712.2	17.6																																	
Treasury stock	(1.2)	(29.7)	(28.5)																																	
Accumulated other comprehensive income	4.6	5.2	0.6																																	
Non-controlling interests	119.0	119.6	0.6																																	
Total Net assets	1,227.1	1,217.5	(9.5)																																	
Total Liabilities and net assets	3,780.0	3,612.9	(167.1)																																	

Notes:

- Accounting policies have been changed from the beginning of FY2025.3, and the figures for the FY2024.3 have been retroactively applied.
- Figures in brackets () are negative values.

Various Management Indicators

persons, ¥ Billions



	FY2024.3				FY2025.3			
	3 months ended Jun. 30		As of Mar. 31		3 months ended Jun. 30		Forecasts As of Mar. 31	
ROA (% , Consolidated)	—		4.8		—		4.6	
ROE (% , Consolidated)	—		9.2		—		9.1	
EBITDA (Consolidated)	91.7		343.0		98.1		343.0	
Depreciation (Consolidated)	39.5		163.3		39.9		173.0	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	45,897	22,262	44,366	21,314	46,294	22,150	—	—
Financial Expenses, net	(4.6)	(3.4)	(19.1)	(17.1)	(4.2)	(3.2)	(18.4)	(16.0)
Interest and dividend income	0.4	1.6	0.9	3.0	0.5	1.6	1.0	3.6
Interest expenses	5.0	5.0	20.1	20.1	4.8	4.9	19.4	19.6
Net Debt / EBITDA	—		3.9		—		—	
Equity ratio (%)	—		29.3		30.4		—	
Net income per share (EPS) (¥)	68.35		202.63		79.03		205.16	
Net assets per share (BPS) (¥)	—		2,273.29		2,295.65		—	

Note: Figures in brackets () are negative values.

	FY2024.3		Forecasts FY2025.3	
	Interim	Year-end [total]	Interim	Year-end [total]
Dividends (¥)	57.5	84.5 [142.0]	36.0	36.0 [72.0]

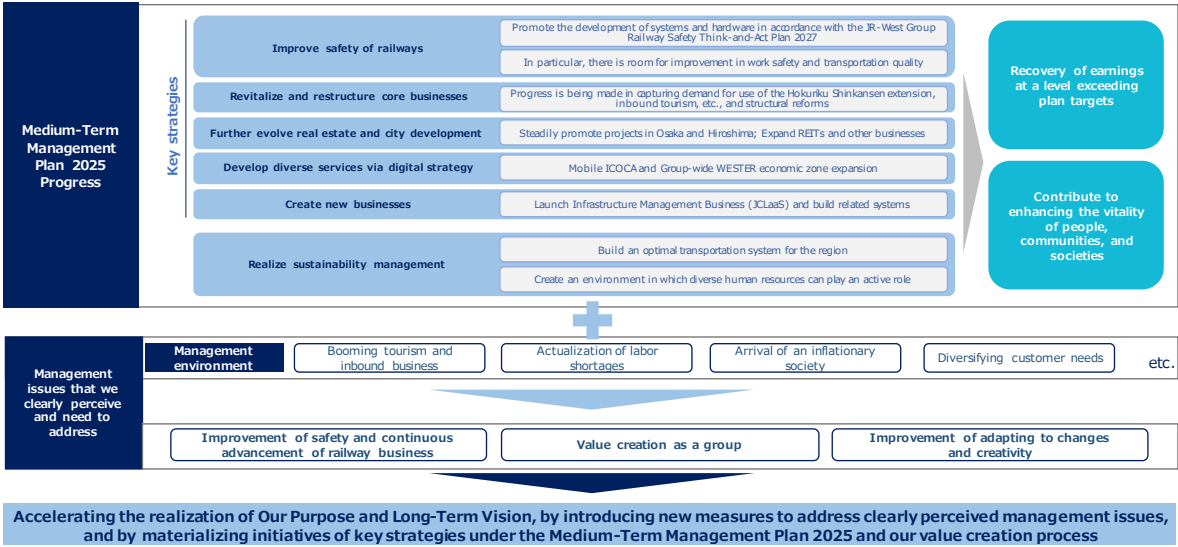
Notes:

- The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024. Net income per share (EPS) and net assets per share (BPS) are calculated assuming this stock split was conducted at the beginning of the fiscal year ending March 31, 2024. Please note that dividends for FY2024.3 are pre-stock split dividends.
- Accounting policies have been changed from the beginning of FY2025.3, and the figures for the FY2024.3 have been retroactively applied.

 Overview of FY2025.3, 1Q Financial Results	P. 2
 FY2025.3, 1Q Results and Earnings Forecasts (Details)	P. 15
 Updating of the Medium-Term Management Plan 2025 (reprint)	P. 24
 Appendix	P. 51

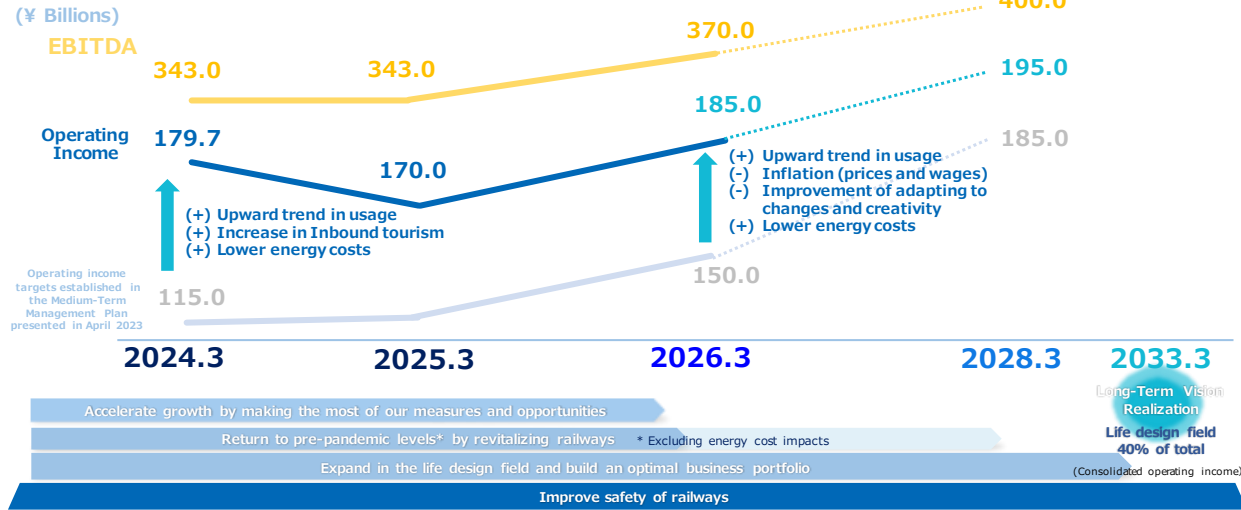
Management Issues and Future Direction of the Company

Our Purpose Evolve connections among people, communities, and societies, stir the heart. Drive the future.



Updating of the Medium-Term Management Plan 2025

- The basic strategies of the Plan remain unchanged. Numerical targets were changed (updated) based on increased usage resulting from the implementation of the Medium-Term Management Plan, the results of structural reforms, and changes in the external environment.
- In FY26.3, we aim to achieve our initial operating income target level for FY28.3 and a record-high EBITDA. Operating income for FY28.3 is expected to reach a record-high level.
- To realize our Long-Term Vision and address medium- to long-term management issues, we will further allocate resources and accelerate the promotion of the Medium-Term Management Plan.



Updating of the Medium-Term Management Plan 2025: Targets by Segment

(¥ Billions)	FY19.3 results*1*2	FY23.3 results*2	FY24.3 results	FY25.3 forecasts	FY26.3 targets*3	FY28.3 target levels
Consolidated operating revenues	1,529.3	1,395.5	1,635.0	1,718.0	1,857.0	2,076.5
Mobility Segment	1,026.3	833.7	986.4	1,037.5	1,064.5	—
Retail Segment	241.3	165.9	197.0	201.5	208.0	—
Real Estate Segment	188.3	204.9	217.7	237.5	275.0	—
Travel and Regional Solutions Business	40.5	162.9	206.0	213.0	248.0	—
Other	32.7	27.9	27.8	28.5	61.5	—
Consolidated operating income	196.9	83.9	179.7	170.0	185.0	195.0
Mobility Segment	146.9	33.2	114.4	120.0	127.5	—
Retail Segment	5.9	5.4	13.0	12.0	13.5	—
Real Estate Segment	36.9	34.5	40.6	35.0	41.0	—
Travel and Regional Solutions Business	0.2	6.0	7.8	1.5	1.5	—
Other	7.4	4.5	4.2	3.0	3.0	—
Consolidated recurring profit	183.3	73.6	167.3	155.5	168.5	—
Consolidated profit attributable to owners of parent	102.7	88.5	98.7	100.0	112.5	—
Consolidated EBITDA	361.3	243.6	343.0	343.0	370.0	400.0

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

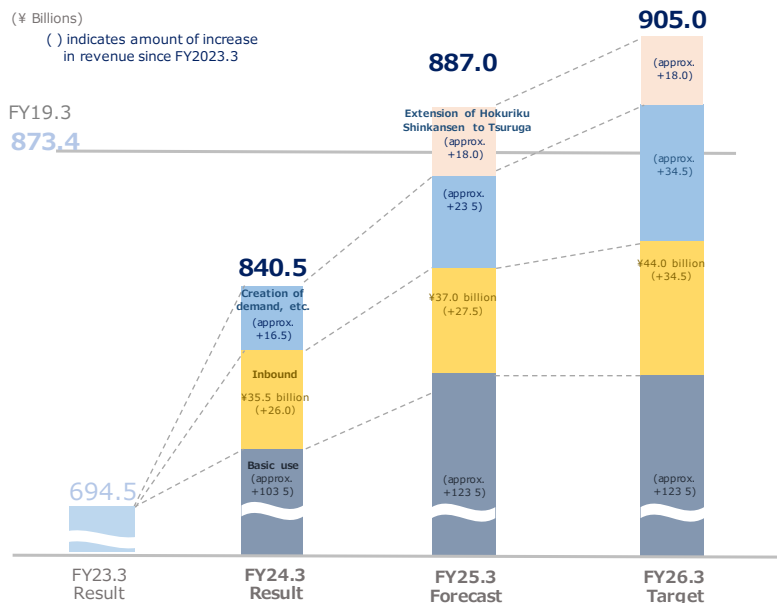
*2 Reportable segments have changed for FY2024.3 onward. Figures for FY2019.3 and FY2023.3 have been prepared based on new segment classifications.

*3 This plan excludes impact from higher revenues related to Expo 2025.

Operating Income by Segment

(¥ Billions)	FY24.3 Results	FY25.3 Forecasts	FY26.3 Targets	Major factors for increase/decrease in operating income (YoY)	
				FY25.3	FY26.3
Mobility Segment	114.4	120.0	127.5	<ul style="list-style-type: none"> • Increase in Inbound tourism • Increase in unit price due to service improvements • Effect of extending the Hokuriku Shinkansen to Tsunuga 	<ul style="list-style-type: none"> • Increase in Inbound tourism • Reduction in costs due to structural reforms
Retail Segment	13.0	12.0	13.5	<ul style="list-style-type: none"> • Increase in costs due to human capital investment • Increase in hotel renovation costs 	<ul style="list-style-type: none"> • Increase in store sales and business hotel revenues because of Expo 2025
Real Estate Segment	40.6	35.0	41.0	<ul style="list-style-type: none"> • City development project startup expenses • Expenses for opening new hotels 	<ul style="list-style-type: none"> • Leveling off of project effects • Increase in accommodation revenues
Travel and Regional Solutions Business	7.8	1.5	1.5	<ul style="list-style-type: none"> • Loss of special demand for COVID-19 vaccinations • Increase in expenses in advance of digital tourism 	<ul style="list-style-type: none"> • Increase in travel due to increase in Inbound tourism
Other	4.2	3.0	3.0	<ul style="list-style-type: none"> • Increase in new domain related costs 	<ul style="list-style-type: none"> • Digital strategy-based synergy generation
Consolidated operating income	179.7	170.0	185.0	(9.7)	+15.0

Forecasts for Transportation Revenue



Forecasts for Transportation Revenue

Extension of Hokuriku Shinkansen to Tsuruga

- Increase in Shinkansen revenue (including decrease in revenue from parallel conventional lines)
- Creation of demand through promotion of the new extension, etc.

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.

Recovery in inbound demand and increase in revenue through measures

- Forecast transportation revenue
FY25.3: Approx. ¥37.0 billion
FY26.3: Approx. ¥44.0 billion

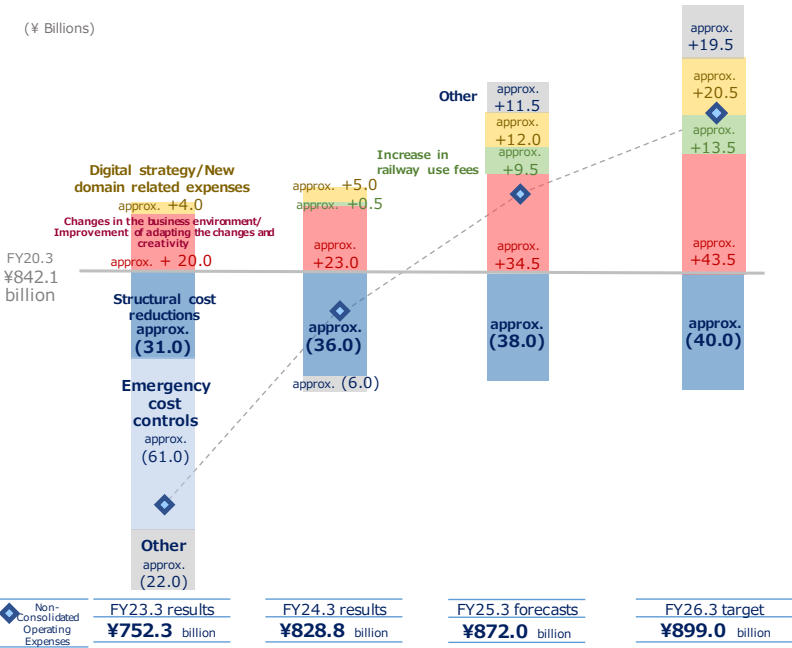
Forecast for basic use

(Shinkansen)

- FY24.3 4Q: 93%
- Maintain approx. 93% from FY25.3 (Kansai urban area)
- FY24.3 4Q: 96%
- Maintain approx. 95% from FY25.3

Forecast for Non-Consolidated Operating Expenses

Forecast for Non-Consolidated Operating Expenses



Digital strategy/New domain related expenses

- Point-related expenses
- System-related expenses
- Comprehensive infrastructure management business related, etc.

Increase in railway use fees

- Railway use fees and property taxes associated with the extension of the Hokuriku Shinkansen

Changes in the business environment/Improvement of adapting the changes and creativity

- Enhance human resource acquisition and training, increase in testing expenses and other costs that stimulate challenges, etc.
- Increase due to rising energy costs, etc.

Structural cost reductions

Plan to achieve ¥50.0 billion in cost reductions by FY28.3

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

Emergency cost controls

- Emergency controls removed from FY24.3

Medium-Term Management Plan 2025 Progress

		Past initiatives	Future initiatives	
		FY24.3	FY25.3	FY26.3
Mobility Service	Railway revitalization	<div>Completed the addition of W7 series Shinkansen trains to the Hokuriku Shinkansen</div> <div>Effect of extending the Hokuriku Shinkansen from Kanazawa to Tsuruga</div> <div>Hokuriku destination campaign</div> <div>Completed the addition of two N700S series Shinkansen trainsets</div> <div>Expanded paid seat service</div> <div>EX services: Reservations one year in the future, prices changed for EX products, JRP, etc.</div> <div>Started demonstration tests for self-driving and convoy driving with BRT on public roads</div>		
	Railway fares/rates Local Lines	<div>(National) Train Fares Subcommittee presents vision</div> <div>(National) Revisions to Regional Transportation Act</div> <div>Geibi Line: Request to establish rebuilding cooperation committee</div> <div>Geibi Line: Rebuilding cooperation committee meetings</div> <div>Johana Line and Himi Line: Approval of railway restructuring implementation plan</div>	<div>(National) Review of cost calculation guidelines</div>	
Life Design	Real estate and city development	<div>JP Tower Osaka: Advanced opening of pedestrian deck and offices</div> <div>Began managing a private-placement REIT</div> <div>JP Tower Osaka: Completed</div> <div>JP Tower Osaka and Inogate Osaka: Opening</div> <div>Osaka Station Hotel: Opening</div>	<div>JR WEST LABO</div> <div>Opening of Umekita aboveground station (Umekita Green Place)</div> <div>New Hiroshima Station building: Opened</div>	
	Digital strategy	<div>Released ICOCA for Apple Pay</div> <div>Released Kansai MaaS app</div> <div>Established TRAILBLAZER</div>	<div>Opening of WESTER Mail</div>	<div>WESTER Wallet (tentative name) (to be introduced in FY2024)</div>
	New Business	<div>Undertook wastewater-related operations for Yonago City</div> <div>Commercialized +PLACE</div> <div>Signed business consignment agreement for water utility business for Fukuchiyama City</div>	<div>Launched JCLaaS business</div>	

Improve safety of railways

During the period of the JR-West Group Railway Safety Think-and-Act Plan 2027, we will improve safety, which is the foundation of the Group's business, and further invest in safety, including investing in new rolling stock based on the status of labor securement with the mindset of putting customers first and meeting their expectations.

Objectives over the 5 years through FY28.3		Progress as of the end of FY24.3
Train accidents that result in casualties among customers	Keep at zero	Zero accidents
Train labor accidents that result in fatalities among employees	Keep at zero	Two accidents occurred
FY28.3 objectives		
• Hardware maintenance (Platform Safety) Of train stations eligible for barrier-free fare system, (Railway Crossing Safety) Upgrade equipment at railroad crossings that meet certain criteria*2 to audibly warn train drivers of large vehicles stuck in crossings (Earthquake Countermeasures) Earthquake countermeasures for Sanyo Shinkansen	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
	① Railroad crossings upgraded with radio notification systems	Upgrade ratio 90%
	② Trains equipped with visual recognition systems	Upgrade ratio 60%*3
	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”	We have developed a system to lead to autonomous improvements in each organization, and have promoted specific initiatives, such as practical training for task force headquarters to establish a type of management that prioritizes on-site judgment.

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

*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.

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

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

Progressing as planned

Business Strategy (Mobility Service): Revitalization and Structural Reform of Railways

FY24.3 Initiatives	Future Initiatives	Target Level
<ul style="list-style-type: none">Opening of Hokuriku Shinkansen Tsuruga extensionDevelopment of Group-wide measuresInitiative to increase unit priceProgress on structural reforms	<ul style="list-style-type: none">Creation of new value through group marketingIncrease unit price and improve yieldInbound business strategyPromotion of structural reformsBuilding sustainable railways and transportation systems	<div>Transportation revenue ¥905.0 billion (FY26.3)</div> <div>Portion of transportation revenue from inbound revenue ¥44.0 billion (FY26.3)</div> <div>Structural Reform (vs. FY20.3) (¥40.0) billion (FY26.3)</div> <div>(¥50.0) billion (FY28.3)</div>

Creation of demand

- Take advantage of the 50th anniversary of the opening of the entire Sanyo Shinkansen line as a way to attract customers
- Maximize the effect of the opening of the Hokuriku Shinkansen Tsuruga extension
 - Hold Hokuriku Destination Campaign and building of a excursion route for new sightseeing train "Hana Akari"
- Response to seating needs and leveling usage
 - All reserved seats operations on Nozomi trains during peak season to meet seating needs and improve convenience
- Maximize synergies from the Osaka Station (Umekita area) 2nd phase district opening
- Further advance Inbound business strategy
 - Limited express "Haruka" QR code support



Increase unit price and improve yield

- Review of pricing
 - Increase yield by shifting from discount measures to point measures
 - Set the number of discounted seats and extra trains based on the status of reservations made one year in advance for EX service
- Expansion of seat service
 - Expand routes in response to seating needs. Operation of the "Rakuraku Series" commuter limited express trains in addition to the A-seats in special rapid service and the Ure-Seats in rapid service trains.



Business Strategy (Mobility Service): Railway Fares/Charges

- We examine the possibility of fare revision based on the future outlook of railway business under the new revenue costing procedure while proceeding with the revision within the scope of notification

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.

Achieved increase in revenue of approximately ¥20.0 billion by revisions after the pandemic

In FY24.3, revenue increase of +¥14.0 billion YoY

Examine the possibility of revising fares by approval based on the new revenue cost calculation guidelines.

Ministry of Land, Infrastructure, Transport and Tourism (MLIT): Partial revision of cost of revenue calculation guidelines: Main Revisions

Promote capital investment that contributes to sustainable rail transport services	<ul style="list-style-type: none">• 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
Securing human resources	<ul style="list-style-type: none">• The figures reflect not only the rate of increase in personnel expenses by railway operators, but also the rate of increase based on the Basic Statistical Survey on Wage Structure
Disaster recovery	<ul style="list-style-type: none">• The repair costs of railroad facilities, which have been increasing due to the severity and frequency of disasters, are also taken into consideration when recording extraordinary losses as part of the overall cost
Other	<ul style="list-style-type: none">• Revised the cost of revenue calculation method, including the yardstick method

Even in light of the new revenue cost calculation guidelines, there is no room for fare rate revision for the time being due to the recent increase in transportation revenue due to the increase in travel demand and strong inbound tourism.

We will continue to encourage the government to make the system even more flexible so that it can respond to inflation and other conditions.

Business Strategy (Mobility Service): Local Lines

- 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

- October 2023: A rebuilding cooperation committee (a national first) was set up for the 68.5-kilometer Bitchu-Kojiro to Bingo-Shobara section
- March 24: The first meeting was held to talk about the section between Bitchu-Kojiro and Hiroshima
- 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
- Railway restructuring implementation plan certified by Minister of Land, Infrastructure, Transport and Tourism in February 2024 (change operating body to Ainokaze Toyama Railway by around five years)
- Contribute ¥15.0 billion* toward the restructuring
- Steadily promote items stipulated in the plan in cooperation with the local community to improve convenience and comfort and achieve sustainable rail line

* Extraordinary loss recorded in FY24.3



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

Business Strategy (Life Design): Real Estate and City Development

FY24.3 Initiatives	Future Initiatives	Target Level
<ul style="list-style-type: none">Promotion of projects in Osaka<ul style="list-style-type: none">JP Tower Osaka: Advanced opening of offices and theaterInogate Osaka: Under constructionHiroshima Station building: Under constructionEstablishment of private-placement REIT	<ul style="list-style-type: none">Openings of projects in Osaka (from summer of 2024)Expansion of privately-placement REIT assetsConstruction of the Hiroshima Station Building will be completed in preparation for opening in the spring of 2025	<div>Osaka</div> <div>Total investment: ¥100.0 billion Expected EBITDA: ¥9.0 billion (FY28.3)</div> <div>Hiroshima</div> <div>Total investment: ¥60.0 billion Expected EBITDA: ¥5.0 billion (FY28.3)</div>

Major station development

Osaka

Inogate Osaka

We developed a station building that boasts overwhelming convenience which is directly connected to the new ticket gate area.

JP Tower Osaka

By setting up one of the largest offices in western Japan, accompanied by retail facilities, a theater, and our Group's symbolic hotel, we aim to enhance the experiential value of the city center.

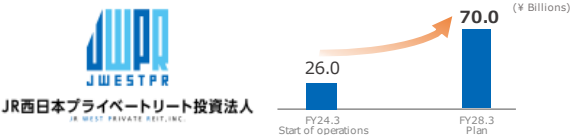
Hiroshima

In conjunction with the creation of a vibrant environment with new station buildings, enhance the charm of towns through a more convenient transportation network, such as streetcar access to JR station ticket gates.

Strengthen Management Fields and Improve Asset Efficiency

JR West Private REIT, Inc. starts operations

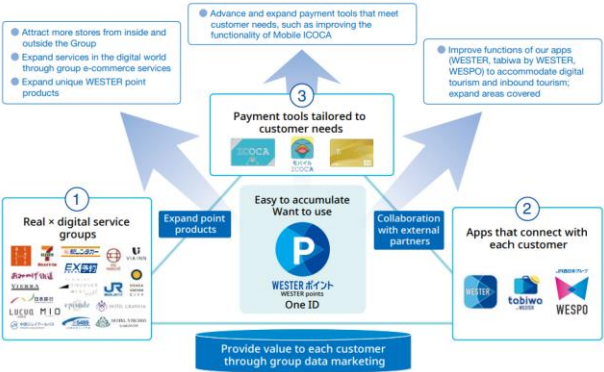
As we have been engaged in the formulation and management of real estate private funds, we plan to further expand the fund and private REIT businesses as starting private REIT management will enable businesses that better match the asset characteristics and expectations of investors.



Business Strategy (Life Design): Digital Strategy

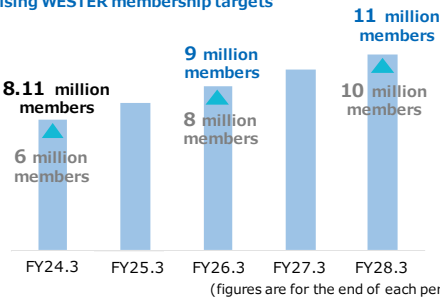
FY24.3 Initiatives	Future Initiatives	Target Level
<ul style="list-style-type: none">• WESTER ID integration• Expanded Mobile ICOCA functionality (Apple Pay)• Increase number of WESTER members 8.11 million members as of the end of March 2024 (+ 2.29 million members in the period of a year)	<ul style="list-style-type: none">• Enhance app to increased active users• Shift to 1 to 1 service• Launch of WESTER Wallet service• WESTER Mall development	Number of members: ¥9 million (FY26.3), ¥11 million (FY28.3) Capital investment: ¥50.0 billion (FY26.3), ¥130.0 billion (FY28.3) Operating income: ¥2.0 billion (FY26.3), ¥11.0 billion (FY28.3) * Capital investment and Operating income in line with both digital strategy and new business creation * Includes profits of Group companies

Maximize Group synergies through WESTER-based experiences



We will maximize group synergies by connecting customers with ① real store and digital space services, ② apps that serve as contact points, and ③ payment services with WESTER memberships/points at the core.

Raising WESTER membership targets



Business Strategy (Life Design): New Business Creation

FY24.3 Initiatives	Future Initiatives	Target Level
<ul style="list-style-type: none">Launch of JCLaaS (Comprehensive Infrastructure Management) BusinessCommercialization of Co-working Space Reservation Platform “+PLACE”(Metaverse) demonstration experiment “Virtual Osaka Station”External monetization of data solutions	<ul style="list-style-type: none">Scale projects in each businessBuild alliances for business promotion	<p>JCLaaS: Launch 100 or more projects (by 2030)</p> <p>Capital investment: ¥50.0 billion (FY26.3), ¥130.0 billion (FY28.3)</p> <p>Operating income: ¥2.0 billion (FY26.3), ¥11.0 billion (FY28.3)</p> <p>* Capital investment and Operating income in line with both digital strategy and new business creation</p> <p>* Includes profits of Group companies</p>

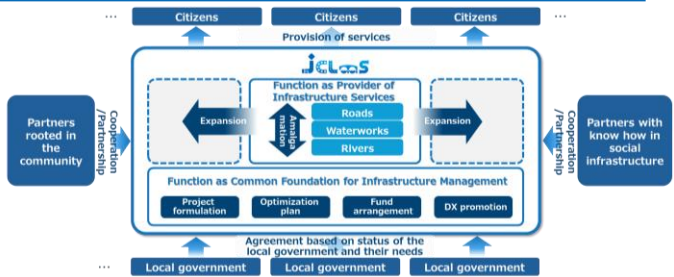
Comprehensive Infrastructure Management Business

- We will work on rebuilding infrastructure that supports prosperous lifestyles and economic growth for future generations to create a society which the government, corporations, and citizens cooperate in shaping the future
- Comprehensively assume the functions of optimizing social infrastructure and offer services that meet the situation and needs of the local governments, etc.
- The domestic market size is between ¥9 trillion^{*1} and ¥12.9 trillion^{*2} on an annual basis.

^{*1} Ministry of Land, Infrastructure, Transport and Tourism (MLIT): Estimation of Future Maintenance/Renewal Cost of Social Capital in the Fields Under the Control of the MLIT

^{*2} <Policy Research Institute, Ministry of Finance “Financial Review”, Vol. 1, 2022 (No. 147), March 2022>

“Considerations on Infrastructure Aging and Renewal Investment Financing”



Additional initiatives associated with the update of the Medium-term Management Plan 2025

Accelerating the realization of our Our Purpose and Long-Term Vision 2032 by adding new initiatives to address clearly perceived management issues

Improvement of safety and continuous advancement of railway business

- Enhancing safety and comfort by accelerating vehicle updates
- Expansion of seat service (adding A-seat)
- Enhancing transportation quality and productivity by improving both hardware and software



Replacement of rolling stock



Expansion of seat service

Value creation as a group

- Expanding real estate business (increasing real estate assets with more value added)
- Renewal of terminal stations, which are the core of the city



City development expanding from stations



Increasing housing business



Renewal of shops in terminal stations

Improvement of adapting to changes and creativity

- Environment/System that enhances diversity and motivation, and support individual growth
- Cultivating human resources dedicated to enhancing services and quality through diligent self-improvement
- Initiatives to enhance digital literacy and expand opportunities for creating innovation



JRW Innovation platform
JR西日本グループの技術開発発信サイト



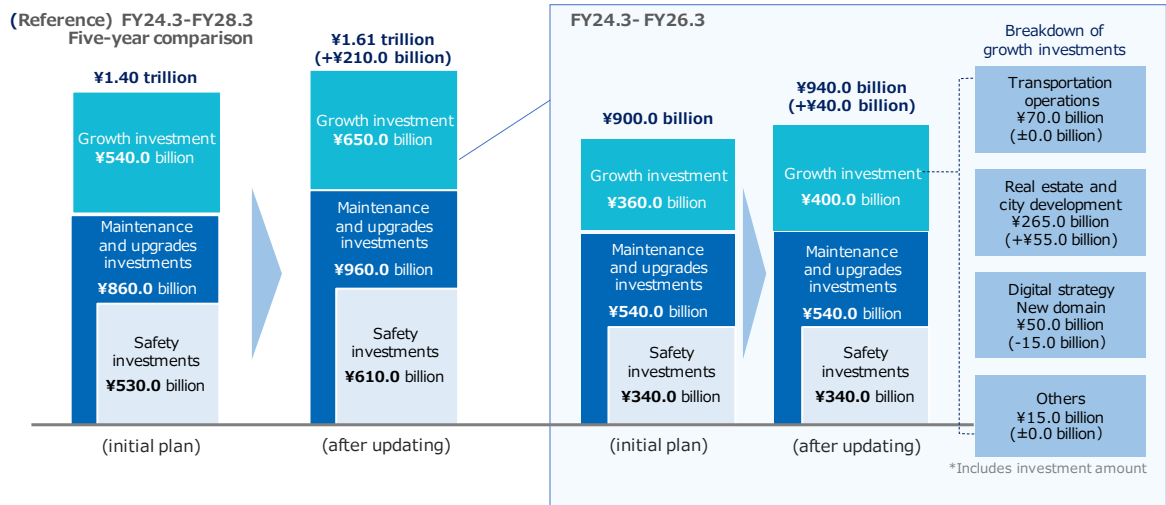
Financial Strategy: Capital Allocation

- After allocating human capital, which is the source of value creation, and strengthening our ability to respond to changes and creativity, we plan to allocate additional resources based on the priority of the use of funds and management issues as follows
- Plan for additional ¥210.0 billion in capital investment by FY28.3 as well as implement share buybacks (expecting approx. ¥100.0 billion by FY27.3) depending on the progress of the Medium-Term Management Plan

Fundraising	Uses of cash		Ideas behind Additional Resource Allocation
<div>Operating cash flow</div> <div>Bonds/ loans payable, other</div>	Safety investments	[Priority ranking 1] <ul style="list-style-type: none">Steadily invest in safety, an unwavering priority in our strategy	<ul style="list-style-type: none">Increase our competitiveness by allocating additional funds based on the status of improving safety and securing a workforce, which is the foundation of the Group's business Maintenance and upgrades investments, mainly Safety investments Approx. ¥100.0 billion
	Growth investment	[Priority ranking 2-1] <ul style="list-style-type: none">Aim to optimize the business portfolio by concentrating resource investments in growth fields to expand operations in life design field and invigorate mobility service field	<ul style="list-style-type: none">Implement growth measures that contribute to the expansion of corporate valueFocus additional resources on measures related to optimizing the business portfolio by expanding the life design field Approx. ¥110.0 billion
	Shareholder returns	[Priority ranking 2-2] <ul style="list-style-type: none">Dividend payout ratio at least 35%, steady dividend paymentsNet interest-bearing debt / EBITDA multiple: Under 5x (FY26.3)Aim to constantly improve corporate value and implement capital policy as opportunities arise	<ul style="list-style-type: none">Implement share buybacks to reduce the cost of capital and recover EPSFY28.3 target level: Keep Net interest-bearing debt / EBITDA at 4x as a guideline to control debt Approx. ¥100.0 billion (expected)

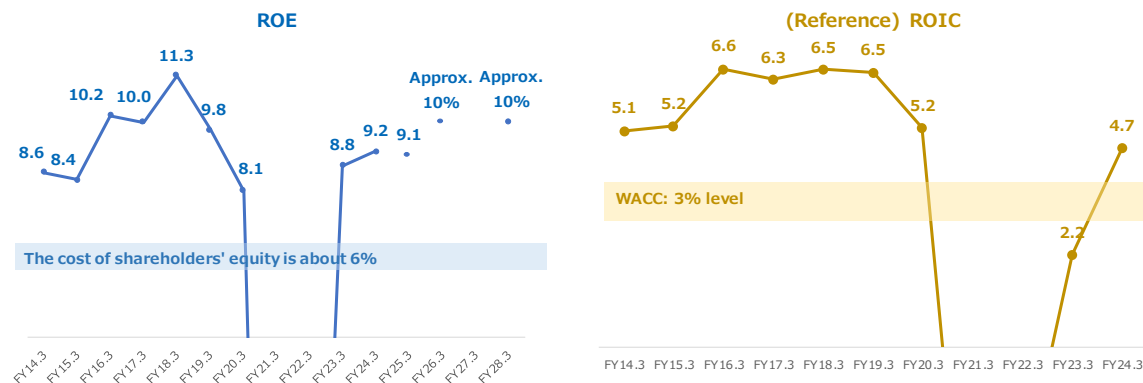
Financial Strategy: Capital Investment Plan

Resources have been allocated to measures aimed at improving safety and continuous advancement of railway, creating value as a group, and enhancing adaptability to changes and creativity, which form the foundation for these efforts



Analysis of the Current Situation and Future Issues

- ROE for FY24.3 is on a recovery trend to pre-pandemic levels although the impact of the decline in earnings due to the COVID-19 pandemic remains to a certain extent.
- In order to further improve ROE, we aim to achieve an ROE of around 10% in FY26.3, the final year of the Medium-Term Management Plan, through Inbound revenue acquisition measures, cost structure reforms, synergy effects from DX, and other measures, as well as share buybacks to reduce the cost of capital.



Cost of equity is calculated from CAPM and price/earnings ratio
Risk-free rate: Approx. 1%; Market risk premium: Approx. 6%; Beta 0.8-0.9
PER is calculated based on our own forecasts and analyst reports

Interest-bearing debt: ¥1.5634 trillion (as of March 31, 2024)
Market capitalization: Approx. ¥1.5 trillion
Debt financing cost: 1.2% (pre-tax)

Financial Strategy: Shareholder Returns

Financial discipline

- Net interest-bearing debt/EBITDA **Approx. 4x (FY26.3) Under 4x (FY28.3)**

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

FY24.3

Based on its minimum 35% dividend payout ratio policy, JR-West plans to increase its annual dividend by ¥22 per share (compared to previous forecasts), resulting in an annual total dividend of ¥142 per share.

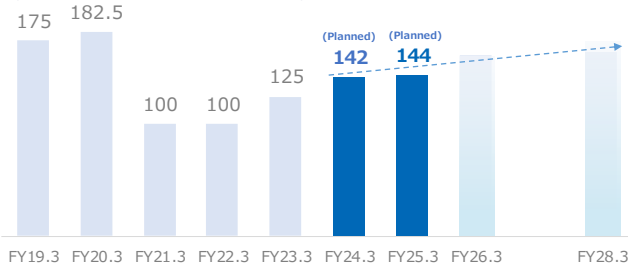
(¥57.5 per share for the interim dividend, ¥84.5 per share for the year-end dividend)

FY25.3

- Annual dividend of ¥72 per share (planned)
*Amount of dividends per share before stock split in 2: ¥144
- To improve EPS and reduce the cost of capital, **we will implement a share buyback program with a maximum limit of ¥50.0 billion yen.**

Dividends per Share (¥)

2-for-1 split of common shares on April 1, 2024. Indicated amount of dividend per share does not consider the stock split



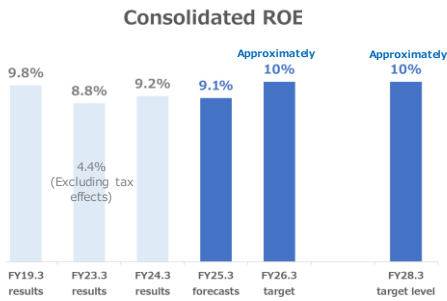
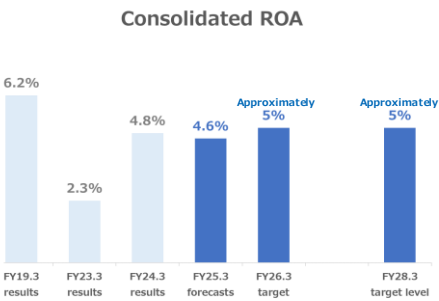
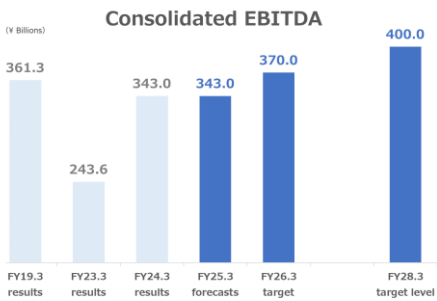
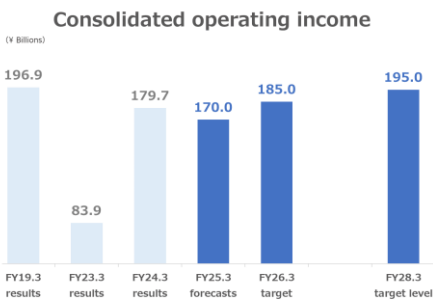
	FY19.3	FY20.3	FY21.3	FY22.3	FY23.3	FY24.3	FY25.3	FY26.3	FY28.3
Total Amount Paid for Dividends	33.6	34.9	19.1	24.4	30.4	34.5	Approx. 35.0		
Share buybacks	9.9	9.9	-	-	-	-	-	Approx. 50.0	

Financial Strategy: Updating of Financial KPIs

		FY24.3 Results	FY25.3 Earnings forecast	FY26.3 Medium-Term Management Plan Financial Target*1,2	FY28.3 Target Level (Reference)*2
Ability to generate profits	Consolidated operating income	¥179.7 billion	¥170.0 billion	(¥150.0 billion) ▶ ¥185.0 billion	(¥185.0 billion) ▶ ¥195.0 billion
	EBITDA	¥343.0 billion	¥343.0 billion	(¥340.0 billion) ▶ ¥370.0 billion	(¥380.0 billion) ▶ ¥400.0 billion
	(Reference) Transportation Revenue	¥840.5 billion	¥887.0 billion	(¥860.0 billion) ▶ ¥905.0 billion	(¥870.0 billion) ▶ ¥915.0 billion
Management efficiency	Consolidated ROA	4.8%	4.6%	(Approx. 4%) ▶ (Approx. 5%)	(Approx. 5%) ▶ (Approx. 5%)
	Consolidated ROE	9.2%	9.1%	(Approx. 8%) ▶ Approx. 10%	(Approx. 9%) ▶ Approx. 10%
Financial discipline	Net interest-bearing debt/ EBITDA	3.9×	4.2×	(Under 5x) ▶ Approx. 4x	(Under 4x) ▶ Under 4x
Business Composition	Life Design Field Operating Income Ratio	25%	22%	(Approx. 25%) ▶ Approx. 25%	(Approx. 35%) ▶ Approx. 35%

*1 This plan excludes the increase in transportation revenues related to EXPO2025
*2 The figures in parentheses are the figures in the Medium-Term Management Plan 2025 before being updated

Financial Strategy: Updating of Financial KPIs



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

ESG: Sustainability Initiatives

JR-West Group's approach to sustainability

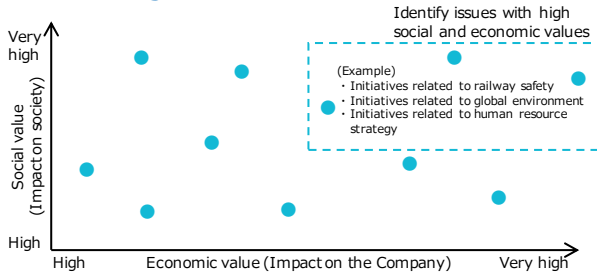
The JR-West Group develops various businesses such as wide-area infrastructure services, prioritizing safety above all, and has contacts with many customers and connections with communities. Based on Our Purpose, from the perspective of sustainability, which is important for sustainable social development and sustained corporate growth, we will face social challenges, evolve our connections, create social and economic value through our business, and contribute to the achievement of the SDGs.

Identifying sustainability priority areas (materialities)

In identifying the materialities, we studied social issues, created a candidate list, and evaluated them on two axes: social value and economic value, extracting issues with high social and economic value.

In addition, we set the materialities in conjunction with the issues of the “global environment” and “human resource development as a source of value creation” to support the realization of the four priority issues (= Long-Term Vision), in anticipation of the emergence of various social issues in the next 10 years.

Prioritizing materialities



Six materialities

Long-Term Vision

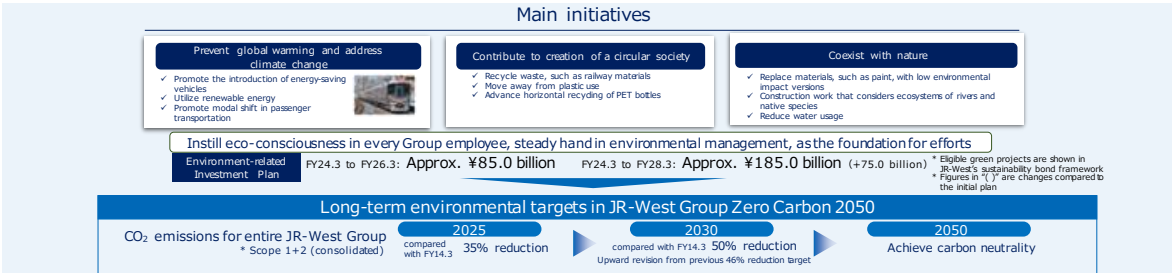
1. Safe, worry-free transportation that is kind to people and the planet
2. Vibrant communities where people move about freely
3. Convenient and abundant lifestyles for all people
4. Sustainable society

Efforts to support the Long-Term Vision

5. Global Environment
6. Human resource development as a source of value creation

ESG: Global Environment

- As a corporate group responsible for social infrastructure, JR-West aims to improve the overall sustainability of society through efforts to protect the global environment



Key Initiatives

Strengthen PR about environmental advantages of railways

- In unison with the railway sector, strengthen public relations about environmental advantages of railways by working to promote social understanding



Promotion of energy savings

- Replacing our trains with energy-efficient models in order to reduce electric power consumption for train operations, which accounts for the majority of energy use. Furthermore, JR West promotes energy conservation by introducing the N700S Shinkansen train and more energy-efficient trains for conventional lines.

Carbon offset program trial

- Visualization of CO₂ emissions for business trips on railways by companies that signed up for corporate business trip online reservation services
- Framework for offsetting emissions by purchasing carbon credit and handing over invalidation notices
- Through the purchase of J-Credits, contribute to sustainable regional development by connecting business activities along the railway line and forest and agricultural environmental conservation activities in the area along railway lines

Shinkansen and conventional lines to use electricity generated from renewable energy

- Install solar power generation facilities for JR-West's sole use along with Kansai Electric Power, Chugoku Electric Power, and Hokuriku Electric Power, entering into off-site PPA for receiving electricity generated from renewable energy sources
- Target about 10% electricity from renewable energy for power used to operate Shinkansen by end of FY28.3
- Switch to 100% electricity from renewable energy for power used to operate trains on Osaka Loop lines and JR Yumesaki Line during FY24.3 (including use of non-fossil fuel certificates)
- Expand this to the JR Kyoto Line, JR Kobe Line, and JR Takarazuka Line and other lines, and replace more than 10% of the electricity used for operation of all conventional lines with renewable energy

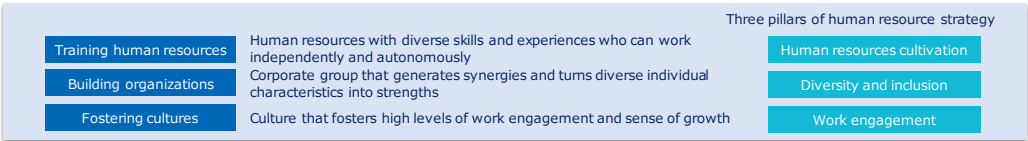
Demonstration test for using next-generation biodiesel

- Began trial runs in July 2023 of prototype train that uses 100% next-generation biodiesel fuel
- Aim for full-scale rollout from FY26.3 after conducting long-term trial run in FY25.3 with objective of switching to 100% next-generation biodiesel fuels in diesel trains owned by JR-West.

ESG: Human Resource Development as a Source of Value Creation

- People are our greatest resource for creating various kinds of value. Aim to increase corporate value by allocating more to human capital and strengthening our ability to respond to and initiate change, and by drawing out the full potential of our human resources

Aiming for a diverse human resource portfolio



- Workplace motivation survey conducted once each quarter, grasp problems in real time and follow up
- Deploy digital tools and reform organizational and company culture to improve employee motivation and realize work styles that create new value and effect change for society at a high frequency
- Established TRAILBLAZER as a subsidiary in October 2023 to hire and train advanced digital talent; aim to accelerate digital measures for JR-West Group

Key Initiatives

Training of digital talent

- Training for advanced digital talent to lead digital strategies, key people to drive DX, Groupwide initiatives targeting all employees affected by DX

Targets for FY26.3

Advanced digital talent	About 400 people Digital Solutions Headquarters and TRAILBLAZER
Key persons for advancing DX	About 4,000 people Information security, work design, etc.
All employees	About 45,000 people (Includes Group companies) DX literacy training, educational material provision

Launch of “come back” hiring

- As a part of initiatives to secure diverse human resources, JR-West seeks to hire back people who left to raise children or other reasons, and people who left to advance their careers
- Learn from employees’ perspectives and values gained from working at other companies, childrearing and caregiving

New systems for taking leave and moving with spouses to new work locations

- In situations where spouses change jobs or move due to marriage, for example, systems have been set up so that employees can switch jobs to stay in their careers or take leave while continuing to live with their spouses

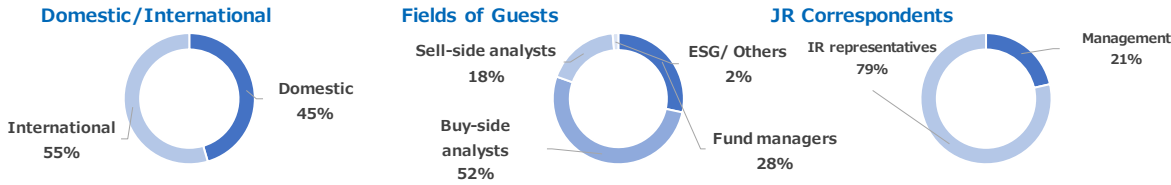
Support the growth of human resources involved in the maintenance of railway facilities, equipment, and rolling stock, as well as those who respond to diversifying needs

- Improvement of allowances for railway facilities, equipment and maintenance workers
- Establishment of an allowance for holding advanced qualifications, etc.

Status of Dialogs with Investors and Shareholders ①

Target period: April 1, 2023 to March 31, 2024

Overview of Dialogues held with investors and shareholders (approx. 220 times)



Major IR events and correspondents





Period	IR event	Description	Main correspondent
May	Financial Results Presentation (financial results for FY23.3)	Announcement of FY23.3 business results, Medium-Term Management Plan, and Long-Term Vision	President and Representative Director
August and January	Financial Results Presentation (financial results for 1Q and 3Q of FY24.3)	FY24.3 1Q and 3Q results	IR representative (General Manager, Corporate Strategy Division)
November	Financial Results Presentation (financial results for 2Q of FY24.3)	FY24.3 2Q results	Vice President and Representative Director
May	Small Meeting	Strategic dialog between analysts, institutional investors, and the President	President and Representative Director

Status of feedback to management

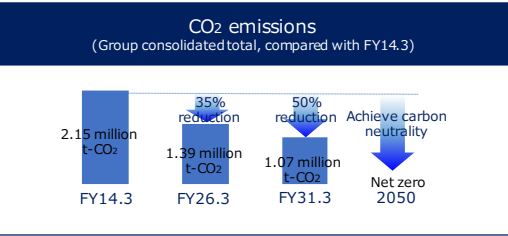
Description	Frequency	Feedback received by	Reporting method
Summary of the dialog	2Q/full-year financial results	Board of Directors	Submitted to Board of Directors
Summary of analyst reports	Quarterly	President and Representative Director, CFO, etc.	In person or by e-mail, etc.
Suggestions made during the dialog	Each time a dialog is held	CFO, related departments, etc.	In person or by e-mail, etc.

Main Dialog Themes

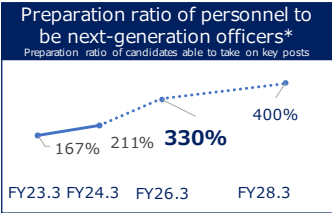
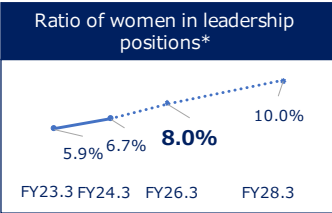
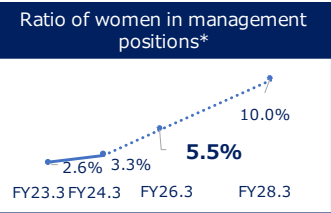
Theme		Company initiatives
Growth strategy to enhance corporate value	<ul style="list-style-type: none">Construction of an optimal business portfolio by revitalizing the railway business and expanding the life design field (level of recovery in railway use, real estate/city development strategy, and digital strategy to generate synergies, etc.)	<p>Descriptions and explanations provided so that understanding can be deepened through the JR-West Group Integrated Report, financial results presentations, individual meetings, etc. (Examples)</p> <ul style="list-style-type: none">Improvement of disclosure materials (Disclosure of progress on railway fares and local lines, improvement of disclosure methods for management indicators for the hotel business, which is divided into retail and real estate segments Note: "Real Estate Segment: Related Indicators" on page 8 of this document)Integrated Report (summarizes our approach to realizing Our Purpose and Long-Term Vision 2032, as well as an outline of the Medium-Term Management Plan 2025, the first step of these efforts. Note: Awarded the Second Grand Prize, 3rd Nikkei Integrated Report Award)Opportunities for dialog with management (deliberately set up management-level speakers at individual meetings) <p>Plans for IR events will be considered with the aim of further enhancing dialog and disclosure.</p>
	<ul style="list-style-type: none">Outlook for long-Term and Sustainable Growth under inflation (revision of fares and charges, yield policy, structural reform, sustainable transportation systems, etc.)	
Financial strategy in management with an awareness of cost of capital and stock price	<ul style="list-style-type: none">Regarding the use of proceeds in response to higher-than-expected cash flow increase (confirmation of the intention to implement shareholder return measures to restore the diluted EPS level due to the public offering, etc.)	<p>We have incorporated our approach to financial strategy into explanatory materials so that readers can gain a deeper understanding. (Example)</p> <ul style="list-style-type: none">Improvement of disclosure materials (EPS recovery is described in the materials Note: "Financial Strategy/Shareholder Returns" on page 10 of the Financial Results Presentation (financial results for 2Q of FY24.3) and "Financial Strategy" on page 26 to 29 of this Financial Results Presentation document (financial results for of FY24.3))
ESG initiatives that form the foundation for value creation	<ul style="list-style-type: none">Approach to establishing materialitiesProgress of each initiative	<p>Descriptions and explanations provided so that understanding can be deepened through the JR-West Group Integrated Report, individual meetings focused on ESG, etc. (Example)</p> <ul style="list-style-type: none">The Integrated Report systematically describes initiatives that form the foundation for value creation centered on ESG (on page 49 and thereafter of the JR-West Group Integrated Report 2023 and "ESG: Sustainability Initiatives" on page 32 of this Financial Results Presentation document (financial results for of FY24.3))

	Overview of FY2025.3, 1Q Financial Results	P. 2
	FY2025.3, 1Q Results and Earnings Forecasts (Details)	P. 15
	Updating of the Medium-Term Management Plan 2025 (reprint)	P. 24
	Appendix	P. 51

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



Note: CO2 emissions in FY24.3 are currently being calculated

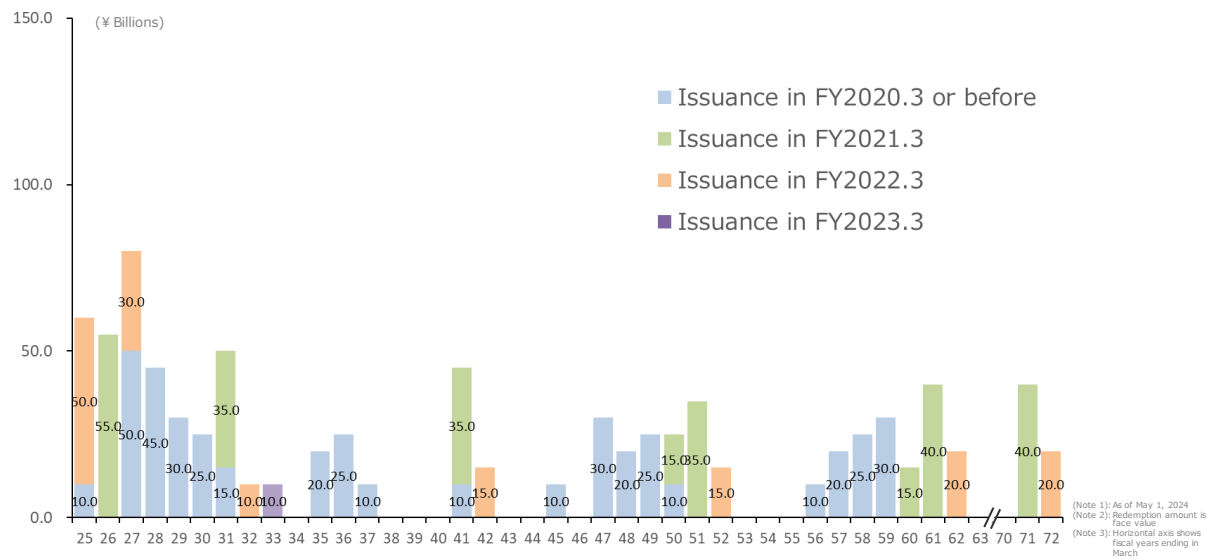


Explore appropriate non-financial KPIs as indicators of growth in residents, exchanges and related populations along train lines

*JR-West non-consolidated indicators

Expected bond redemption

Bond redemption amount (non-consolidated)



Extension of Hokuriku Shinkansen to Tsuruga

Section between Kanazawa and Tsuruga opened on March 16, 2024

The average number of passengers per day for the first month of operation was about 23,000 (up +26% compared to 2019).
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

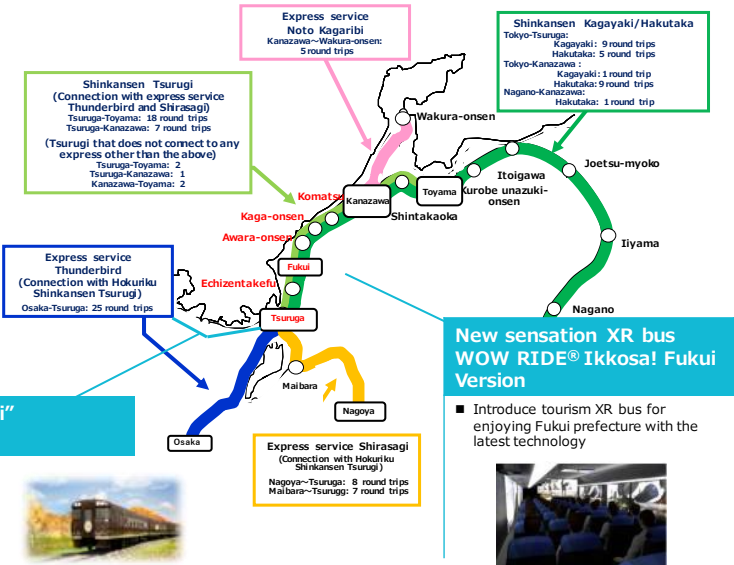
Fastest train times

- 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)












New tourism train “Hana Akari” for 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

Operations after opening Tsuruga extension



City development projects by sites

		FY24.3	FY25.3	FY26.3	From FY27.3
Osaka	JP Tower Osaka		 Construction completed in March 2024  Opened in July 2024		
	Inogate Osaka			 Opened in July 2024	
	Development under western elevated tracks		Plan to open from spring 2024 to spring 2027		
	JR WEST LABO Umekita Green Place			 Pedestrian deck for shared use opening in September 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 FY2029

City development projects by sites: Osaka

Inogate Osaka



JP Tower Osaka



JP Tower Osaka

Floor space: About 227,000㎡
Purpose: Office, hotels, retail, theaters.
Size: 39 floors above ground, three floors below ground
Date: Completed in March 2024, Opened on July 31, 2024
(from November 2023 onward)

Development under western elevated tracks

Floor space: About 6,000㎡
Purpose: Retail, bus terminal.
Planned opening: Spring 2027
(Spring 2024 onward)

Grand Front Osaka

JR Osaka station

Umekita Green Place



Hankyu Osaka-Umeda Station

Umekita Green Place

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

Inogate Osaka

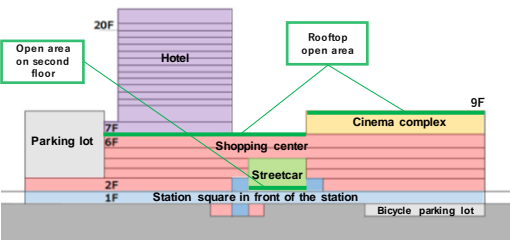
Floor space: About 60,000㎡
Purpose: Office, retail.
Size: 23 floors above ground, one floor below ground
Date: Opened on July 31, 2024
(Retail: July 31, office: Autumn 2024)

City development projects by sites: Hiroshima

Development overview

Planned opening	Spring 2025
Investment	About 60.0 billion
Building floor area	About 14,000㎡
Floor space	About 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 configuration diagram



External rendering of new station building



Internal rendering of building



Rendering of hotel



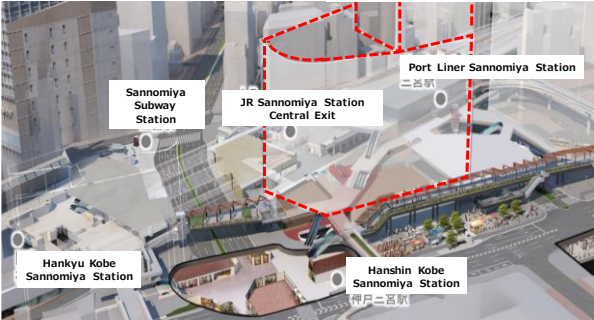
City development projects by sites: Sannomiya

Development Overview

Note: Joint project with Urban Renaissance Agency

Planned opening	FY2030.3
Floor space	91,500m ²
Size	Roughly 160m height (JR-West's largest development project)
Purpose	Retail (retail space about 19,000m ²) Hotel (about 250 guestrooms) Office (Leasable floor area about 6,000m ²) Open area (open-air deck area in front of station)

New JR Sannomiya Station building and neighboring transfer lines



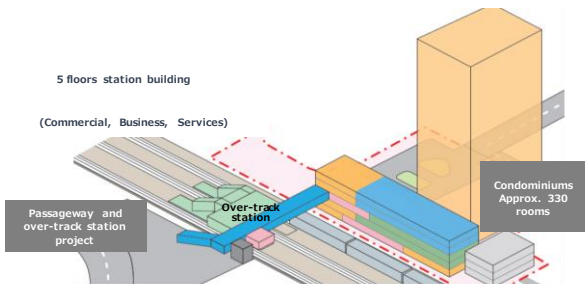
External rendering of new station building



City development projects: Along railway line (Mukomachi Station and Nishi-Akashi Station)

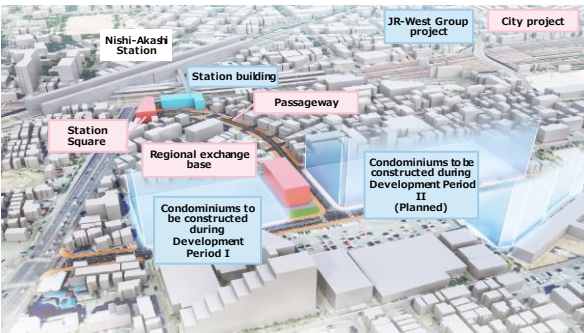
Mukomachi Station East Section (JR Kyoto Line/Muko City, Kyoto Prefecture)

Vision	Creating an urban environment in which people want to work due to a concentration of diverse startups and cutting-edge companies
Development overview	East-west passageway and bridge project at Mukomachi Station East station section urban development project
Planned opening	FY2028
Floor space	About 46,300 m ²
Building floor area	About 2,700 m ²



Nishi-Akashi Station South Section (JR Kobe Line/Akashi City, Hyogo Prefecture)

Vision	To solve regional issues in cooperation with Akashi City and at the same time create a convenient and livable town utilizing a wide-area railroad network
Development overview	New ticket gates and new station building Condominium development utilizing company housing site (Development Period I and Development Period II) (City projects: Station square, access road development, community exchange base development)
Planned opening	Station building: FY2026 Condominiums (constructed during Development Period I): FY2027
Floor space	Station building: Approx. 2,400 m ² Condominiums (constructed during Development Period I): Approx. 35,400 m ²
Building floor area	Station building: Approx. 900 m ² Condominiums (constructed during Development Period I): Approx. 5,300 m ²



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 August 1, 2024 based on information available to JR-West as of August 1, 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.

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JR West website Investor Relations section: <https://www.westjr.co.jp/global/en/ir/>