

# Supplemental Data

(Results for 6 months ended September 30, 2018)

October 29, 2018

West Japan Railway Company

# 1. Financial Highlights

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY		Results FY2018.3	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease) E-D
			Increase/ (Decrease) B-A	% 1-B/A		As of July 31 D	As of Oct 29 E	Increase/ (Decrease) E-C	% 1-E/C	
	A	B			C					
<b>【Consolidated】</b>										
Operating Revenues	727.1	736.9	9.8	1.4	1,500.4	1,525.5	1,516.5	16.0	1.1	(9.0)
Operating Income	111.2	113.3	2.0	1.9	191.3	187.5	187.5	(3.8)	(2.0)	—
Recurring Profit	102.6	105.8	3.1	3.1	177.7	174.0	174.0	(3.7)	(2.1)	—
Profit attributable to owners of parent	67.8	56.4	(11.3)	(16.7)	110.4	111.0	95.5	(14.9)	(13.6)	(15.5)
<b>【Non-Consolidated】</b>										
Operating Revenues	485.4	484.6	(0.8)	(0.2)	976.2	988.0	979.0	2.7	0.3	(9.0)
Transportation Revenues	433.6	431.7	(1.9)	(0.4)	867.8	878.0	871.0	3.1	0.4	(7.0)
Operating Expenses	394.7	389.6	(5.1)	(1.3)	831.9	843.0	834.0	2.0	0.3	(9.0)
Personnel costs	109.1	108.1	(0.9)	(0.9)	221.4	217.0	216.5	(4.9)	(2.3)	(0.5)
Non personnel costs	183.5	183.4	(0.0)	(0.0)	407.6	426.5	420.0	12.3	3.0	(6.5)
Energy costs	22.2	22.1	(0.1)	(0.5)	44.0	46.5	45.5	1.4	3.2	(1.0)
Maintenance costs	66.9	63.2	(3.7)	(5.5)	161.4	172.5	166.5	5.0	3.1	(6.0)
Miscellaneous costs	94.2	97.9	3.7	4.0	202.1	207.5	208.0	5.8	2.9	0.5
Depreciation	66.8	64.3	(2.5)	(3.8)	136.8	136.5	134.5	(2.3)	(1.7)	(2.0)
Operating Income	90.6	94.9	4.2	4.7	144.3	145.0	145.0	0.6	0.4	—
Recurring Profit	81.1	87.0	5.8	7.2	128.6	131.0	131.0	2.3	1.8	—
Net Income	55.8	45.9	(9.9)	(17.8)	80.7	89.5	74.0	(6.7)	(8.4)	(15.5)

Note: Figures in brackets ( ) are negative values.

## 2. Non-Consolidated Financial Results

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
	A	B		
Operating Revenues	485.4	484.6	(0.8)	(0.2)
Transportation revenues	433.6	431.7	(1.9)	(0.4)
Other	51.8	52.8	1.0	2.1
Operating Expenses	394.7	389.6	(5.1)	(1.3)
Personnel costs	109.1	108.1	(0.9)	(0.9)
Non personnel costs	183.5	183.4	(0.0)	(0.0)
Energy costs	22.2	22.1	(0.1)	(0.5)
Maintenance costs	66.9	63.2	(3.7)	(5.5)
Miscellaneous costs	94.2	97.9	3.7	4.0
Rental payments, etc.	15.0	13.5	(1.4)	(9.9)
Taxes	20.2	20.2	(0.0)	(0.2)
Depreciation	66.8	64.3	(2.5)	(3.8)
Operating Income	90.6	94.9	4.2	4.7
Non-operating revenues and expenses	(9.4)	(7.8)	1.5	(16.8)
Non-operating revenues	1.3	2.4	1.1	—
Non-operating expenses	10.8	10.3	(0.4)	—
Recurring Profit	81.1	87.0	5.8	7.2
Extraordinary profit and loss, net	(0.7)	(22.1)	(21.4)	—
Extraordinary profit	3.4	8.8	5.4	—
Extraordinary loss	4.2	31.0	26.8	—
Net Income	55.8	45.9	(9.9)	(17.8)

Note: Figures in brackets ( ) are negative values.

### 3. Major Factors of Increase/Decrease in Transportation Revenues

¥ Billions

Results for 6 months ended Sep 30, 2018					
Transportation revenues		YoY Increase/(Decrease)		Major factors	
		Amount	%		Amount
Shinkansen	227.2	4.5	2.0	Fundamentals 1.9%	4.2
				Special factors	
				·Inbound	0.8
				·Favorable demand during peak periods	1.0
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(2.1)
				·Typhoon No.21 (Jebi), etc.	0.7
etc.					
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	152.2	(3.4)	(2.2)	Fundamentals (0.7%)	(1.0)
				Special factors	
				·Inbound	0.4
				·Favorable demand during peak periods	0.2
				·Northern Osaka Prefecture Earthquake	(0.4)
				·The Heavy Rain Event of July 2018	(1.5)
				·Typhoon No.21 (Jebi), etc.	(1.4)
etc.					
Other lines	52.2	(3.0)	(5.5)	Fundamentals (0.6%)	(0.3)
				Special factors	
				·Inbound	0.1
				·Favorable demand during peak periods	0.1
				·Northern Osaka Prefecture Earthquake	(0.1)
				·The Heavy Rain Event of July 2018	(2.6)
				·Typhoon No.21 (Jebi), etc.	(0.3)
etc.					
Conventional lines	204.5	(6.4)	(3.1)		
Total	431.7	(1.9)	(0.4)		

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

# 4. Transportation Revenues and Passenger-Kilometers

Transportation Revenues

¥ Billions

Passenger-Kilometers

Millions of passenger-kilometers

	Results for 6 months ended Sep 30 (4/1~9/30)			3 months (2Q) (7/1~9/30)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	433.6	431.7	(1.9) (0.4%)	222.5	217.9	(4.5) (2.1%)
Shinkansen	222.6	227.2	4.5 2.0%	115.3	117.5	2.1 1.9%
Commuter Passes	5.4	5.6	0.1 3.6%	2.7	2.8	0.0 3.4%
Non-Commuter Passes	217.2	221.5	4.3 2.0%	112.6	114.6	2.0 1.8%
Conventional Lines	210.9	204.5	(6.4) (3.1%)	107.2	100.4	(6.7) (6.3%)
Commuter Passes	72.2	72.0	(0.1) (0.3%)	35.9	35.6	(0.2) (0.7%)
Non-Commuter Passes	138.6	132.4	(6.2) (4.5%)	71.3	64.8	(6.5) (9.1%)
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	155.6	152.2	(3.4) (2.2%)	78.2	74.6	(3.5) (4.5%)
Commuter Passes	59.4	59.4	0.0 0.0%	29.5	29.4	(0.0) (0.1%)
Non-Commuter Passes	96.2	92.7	(3.4) (3.6%)	48.6	45.2	(3.4) (7.2%)
Other Lines	55.3	52.2	(3.0) (5.5%)	28.9	25.8	(3.1) (11.0%)
Commuter Passes	12.8	12.6	(0.2) (1.6%)	6.3	6.1	(0.1) (3.0%)
Non-Commuter Passes	42.4	39.6	(2.8) (6.6%)	22.6	19.6	(3.0) (13.3%)

	Results for 6 months ended Sep 30 (4/1~9/30)			3 months (2Q) (7/1~9/30)		
	FY2018.3	FY2019.3	YoY	FY2018.3	FY2019.3	YoY
Total	29,881	29,742	(138) (0.5%)	15,214	14,992	(222) (1.5%)
Shinkansen	10,407	10,548	140 1.3%	5,408	5,472	64 1.2%
Commuter Passes	431	447	15 3.6%	215	222	6 3.1%
Non-Commuter Passes	9,976	10,101	125 1.3%	5,193	5,250	57 1.1%
Conventional Lines	19,473	19,194	(279) (1.4%)	9,806	9,519	(286) (2.9%)
Commuter Passes	11,803	11,751	(51) (0.4%)	5,800	5,753	(46) (0.8%)
Non-Commuter Passes	7,670	7,442	(227) (3.0%)	4,005	3,765	(240) (6.0%)
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	15,211	15,079	(131) (0.9%)	7,599	7,468	(130) (1.7%)
Commuter Passes	9,678	9,661	(17) (0.2%)	4,764	4,748	(15) (0.3%)
Non-Commuter Passes	5,532	5,418	(114) (2.1%)	2,835	2,720	(114) (4.1%)
Other Lines	4,261	4,114	(147) (3.5%)	2,206	2,050	(155) (7.1%)
Commuter Passes	2,124	2,089	(34) (1.6%)	1,036	1,005	(30) (2.9%)
Non-Commuter Passes	2,137	2,024	(112) (5.3%)	1,170	1,044	(125) (10.7%)

Note: Figures in brackets ( ) are negative values.

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

¥ Billions

Item	Results for 6 months ended Sep 30, 2018			
		YoY		Major factors (YoY)
		Increase/ (Decrease)	%	
Personnel costs	108.1	(0.9)	(0.9)	• Difference in unit cost
Energy costs	22.1	(0.1)	(0.5)	
Maintenance costs	63.2	(3.7)	(5.5)	• Schedule adjustment of capital expenditure-related removal works in order to prioritize service restoration work from disasters, etc.
Miscellaneous costs	97.9	3.7	4.0	• Expenditure for the substitute bus services due to the torrential rains disaster, etc.
Rental Payments, etc	13.5	(1.4)	(9.9)	• JR Tozai Line, etc.
Taxes	20.2	(0.0)	(0.2)	
Depreciation and amortization	64.3	(2.5)	(3.8)	• Progress of depreciation and amortization, etc.
Total	389.6	(5.1)	(1.3)	

Note: Figures in brackets ( ) are negative values.

※With regard to the disaster recovery expense from the Heavy Rain Event of July 2018, the Company recorded ¥21.5 billion as "Provisions for loss on disaster" under extraordinary losses.

# 6. Consolidated Financial Results

¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
	A	B		
Operating Revenues	727.1	736.9	9.8	1.4
Operating Expenses	615.8	623.6	7.8	1.3
Operating Income	111.2	113.3	2.0	1.9
Non-operating revenues and expenses, net	(8.5)	(7.4)	1.0	(12.5)
Non-operating revenues	2.6	3.3	0.7	—
Non-operating expenses	11.1	10.8	(0.3)	—
Recurring Profit	102.6	105.8	3.1	3.1
Extraordinary profit and loss, net	(1.3)	(22.7)	(21.4)	—
Extraordinary profit	5.1	9.2	4.0	—
Extraordinary loss	6.4	31.9	25.5	—
Profit attributable to owners of parent	67.8	56.4	(11.3)	(16.7)
<i>Comprehensive Income</i>	<i>70.1</i>	<i>58.4</i>	<i>(11.7)</i>	<i>(16.7)</i>

Note: Figures in brackets ( ) are negative values.

# 7. Consolidated Financial Results (Segment Information)

¥ Billions

	6 months ended Sep 30, 2017 A	6 months ended Sep 30, 2018 B	YoY	
			Increase/ (Decrease) B-A	% 1-B/A
<b>Operating Revenues*<sup>1</sup></b>	<b>727.1</b>	<b>736.9</b>	<b>9.8</b>	<b>1.4</b>
Transportation	472.7	471.3	(1.4)	(0.3)
Retail	117.5	119.6	2.0	1.8
Sales of goods and food services	80.2	83.8	3.6	4.5
[Accommodation-oriented budget hotels](restated)* <sup>2</sup>	[5.6]	[6.2]	[0.5]	[10.5]
Department stores	33.0	31.5	(1.5)	(4.7)
Real estate	68.7	69.2	0.5	0.7
Shopping center	29.1	30.0	0.8	2.9
Real estate lease and sale	38.5	38.1	(0.3)	(1.0)
[Real estate sale](restated)	[17.1]	[15.9]	[(1.2)]	[(7.4)]
Other businesses	68.1	76.8	8.6	12.8
Hotel	17.6	16.5	(1.0)	(5.9)
Nippon Travel Agency	19.3	18.4	(0.8)	(4.3)
<b>Operating Income*<sup>1</sup></b>	<b>111.2</b>	<b>113.3</b>	<b>2.0</b>	<b>1.9</b>
Transportation	83.5	87.8	4.2	5.1
Retail	3.3	2.9	(0.3)	(11.5)
Sales of goods and food services	3.2	2.6	(0.5)	(17.1)
Department stores	(0.0)	0.1	0.2	—
Real estate	19.8	18.2	(1.5)	(7.9)
Shopping center	4.4	4.7	0.3	8.4
Real estate lease and sale	10.3	10.6	0.2	2.1
Other businesses	3.2	2.9	(0.2)	(9.2)
Hotel	0.8	0.0	(0.8)	(96.9)
Nippon Travel Agency	(0.7)	(0.6)	0.1	(14.5)

Note: Figures in brackets ( ) are negative values.

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

\*2 Figures in brackets [ ] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.



# 8. Major Factors of Increase/Decrease in Each Segment

¥ Billions

			Results for 6 months ended June 30,2018			Major factors (YoY)
			YoY			
			Increase/ (Decrease)	%		
Retail	Sales of goods and food services	Operating Revenues	83.8	3.6	4.5	·Seven-Eleven allied stores favorable, etc.
		Operating Income	2.6	(0.5)	(17.1)	
	Department stores	Operating Revenues	31.5	(1.5)	(4.7)	·Natural disasters ·Hindrance from renovation construction, etc.
		Operating Income	0.1	0.2	–	
Real estate	Shopping center	Operating Revenues	30.0	0.8	2.9	
		Operating Income	4.7	0.3	8.4	
	Real estate lease and sale	Operating Revenues	38.1	(0.3)	(1.0)	
		Operating Income	10.6	0.2	2.1	
Other Businesses	Hotel	Operating Revenues	16.5	(1.0)	(5.9)	·Closure of Sannomiya Terminal Building and natural disasters, etc.
		Operating Income	0.0	(0.8)	(96.9)	
	Nippon travel agency	Operating Revenues	18.4	(0.8)	(4.3)	·Weak trends in domestic travel, etc.
		Operating Income	(0.6)	0.1	(14.5)	

Note: Figures in brackets ( ) are negative values.

\* Operating revenues are the revenues from third parties ( = customers).

The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.

# 9. Consolidated Financial Situation and Statement Cash Flows

¥ Billions

	As of March 31, 2018 A	As of Sep 30, 2018 B	Difference increase/ (decrease) B-A
Assets	3,071.8	3,124.1	52.2
Liabilities	1,955.5	1,974.7	19.2
Net assets	1,116.3	1,149.3	33.0
Balance of Long-term Debt and Payables	1,032.2	1,073.9	41.7
[Average interest rate (%) ]	[1.86]	[1.83]	[(0.03)]
Shinkansen Purchase Liability	103.8	103.3	(0.4)
[Average interest rate (%) ]	[6.55]	[6.55]	[ - ]
Bonds	524.9	564.9	40.0
[Average interest rate (%) ]	[1.58]	[1.55]	[(0.03)]
Equity ratio (%)	33.2	33.7	0.5
Net assets per share ( ¥ )	5,273.42	5,471.86	198.44

	6 months ended Sep 30, 2017 A	6 months ended Sep 30, 2018 B	YoY increase/ (decrease) B-A
Cash flows from operating activities	99.6	93.5	(6.0)
Cash flows from investing activities	(62.7)	(81.0)	(18.3)
Free cash flows	36.9	12.5	(24.4)
Cash flows from financing activities	(23.7)	21.2	44.9
Change in cash and cash equivalents, net	14.0	33.7	19.7
Cash and cash equivalents at the end of the period	77.3	135.2	57.8

Note: Figures in brackets ( ) are negative values.

\* Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

# 10. Non-Consolidated Financial Forecasts

¥ Billions

	Results FY2018.3 A	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease) C-B
		As of July 31 B	As of Oct 29 C	Increase/ (Decrease) C-A	% 1-C/A	
Operating Revenues	976.2	988.0	979.0	2.7	0.3	(9.0)
Transportation revenues	867.8	878.0	871.0	3.1	0.4	(7.0)
Other	108.4	110.0	108.0	(0.4)	(0.4)	(2.0)
Operating Expenses	831.9	843.0	834.0	2.0	0.3	(9.0)
Personnel costs	221.4	217.0	216.5	(4.9)	(2.3)	(0.5)
Non personnel costs	407.6	426.5	420.0	12.3	3.0	(6.5)
Energy costs	44.0	46.5	45.5	1.4	3.2	(1.0)
Maintenance costs	161.4	172.5	166.5	5.0	3.1	(6.0)
Miscellaneous costs	202.1	207.5	208.0	5.8	2.9	0.5
Rental payments, etc.	30.2	27.5	27.5	(2.7)	(9.0)	–
Taxes	35.7	35.5	35.5	(0.2)	(0.7)	–
Depreciation	136.8	136.5	134.5	(2.3)	(1.7)	(2.0)
Operating Income	144.3	145.0	145.0	0.6	0.4	–
Non-operating revenues and expenses, net	(15.7)	(14.0)	(14.0)	1.7	(10.9)	–
Non-operating revenues	6.2	7.5	7.5	1.2	–	–
Non-operating expenses	21.9	21.5	21.5	(0.4)	–	–
Recurring Profit	128.6	131.0	131.0	2.3	1.8	–
Extraordinary profit and loss, net	(9.2)	(2.0)	(25.0)	(15.7)	–	(23.0)
Extraordinary profit	29.8	–	–	–	–	–
Extraordinary loss	39.0	–	–	–	–	–
Net Income	80.7	89.5	74.0	(6.7)	(8.4)	(15.5)

Note: Figures in brackets ( ) are negative values.

# 11. Transportation Revenue Forecasts

¥ Billions

Forecasts FY2019.3						
Transportation revenues		YoY Increase/(Decrease)		Major factors		Difference from the previous forecast Increase/(Decrease)
		Amount	%			
Shinkansen	455.5	7.7	1.7	Fundamental trend 1.4%	6.4	0.7
				Special factors		
				•Inbound	1.8	
				•Rebound from snow damage	0.9	
				•Northern Osaka Prefecture Earthquake	(0.4)	
				•The Heavy Rain Event of July 2018	(2.1)	
				•Typhoon No.21 (Jebi), etc.	0.7	
etc.						
Kansai Urban Area (Kyoto-Osaka-Kobe Area)	307.3	(1.7)	(0.6)	Fundamental trend (0.3%)	(0.9)	(4.7)
				Special factors		
				•Inbound	1.1	
				•Favorable demand during peak periods	0.2	
				•Rebound from snow damage	0.3	
				•Northern Osaka Prefecture Earthquake	(0.4)	
				•The Heavy Rain Event of July 2018	(1.5)	
•Typhoon No.21 (Jebi), etc.	(1.4)					
etc.						
Other lines	108.1	(2.9)	(2.7)	Fundamental trend (0.7%)	(0.7)	(3.0)
				Special factors		
				•Inbound	0.3	
				•Favorable demand during peak periods	0.0	
				•Rebound from snow damage	0.5	
				•Northern Osaka Prefecture Earthquake	(0.1)	
				•The Heavy Rain Event of July 2018	(2.7)	
•Typhoon No.21 (Jebi), etc.	(0.3)					
etc.						
Conventional lines	415.4	(4.6)	(1.1)			(7.7)
<b>Total</b>	<b>871.0</b>	<b>3.1</b>	<b>0.4</b>			<b>(7.0)</b>

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

# 12. Operating Expenses Forecasts (Non-Consolidated)



¥ Billions

Item	Forecasts FY2019.3				
		YoY		Major factors (YoY)	Difference from the previous forecast Increase/(Decrease)
		Increase/(Decrease)	%		
Personnel costs	216.5	(4.9)	(2.3)	• Difference in unit cost	(0.5)
Energy costs	45.5	1.4	3.2	• Increase in adjustment amount for fuel cost, etc.	(1.0)
Maintenance costs	166.5	5.0	3.1	• Increase in removal works related to capital expenditures • Increase in maintenance costs for structures, etc.	(6.0)
Miscellaneous costs	208.0	5.8	2.9	• Expenditure for the substitute bus services due to the torrential rains disaster • Increase in system-related costs, etc.	0.5
Rental Payments, etc	27.5	(2.7)	(9.0)	• JR Tozai Line, etc.	—
Taxes	35.5	(0.2)	(0.7)		—
Depreciation and amortization	134.5	(2.3)	(1.7)	• Progress of depreciation and amortization, etc.	(2.0)
Total	834.0	2.0	0.3		(9.0)

Note: Figures in brackets ( ) are negative values.

# 13. Consolidated Financial Forecasts

¥ Billions

	Results FY2017.3  A	Forecasts FY2018.3		YoY		Difference between the forecasts Increase/ (Decrease)  C-B
		As of July 28  B	As of Oct 30  C	Increase/ (Decrease)  C-A	%  1-C/A	
Operating Revenues	1,500.4	1,525.5	1,516.5	16.0	1.1	(9.0)
Operating Expenses	1,309.0	1,338.0	1,329.0	19.9	1.5	(9.0)
Operating Income	191.3	187.5	187.5	(3.8)	(2.0)	—
Non-operating revenues and expenses, net	(13.5)	(13.5)	(13.5)	0.0	(0.6)	—
Non-operating revenues	9.0	8.6	8.6	(0.4)	—	—
Non-operating expenses	22.6	22.1	22.1	(0.5)	—	—
Recurring Profit	177.7	174.0	174.0	(3.7)	(2.1)	—
Extraordinary profit and loss, net	(7.1)	(7.0)	(30.0)	(22.8)	—	(23.0)
Extraordinary profit	32.8	—	—	—	—	—
Extraordinary loss	39.9	—	—	—	—	—
Profit attributable to owners of parent	110.4	111.0	95.5	(14.9)	(13.6)	(15.5)
Net income per share(¥)	570.72	573.33	495.68	—	—	—

Note: Figures in brackets ( ) are negative values.

# 14. Consolidated Financial Forecasts (Segment Information)

¥ Billions

	Results FY2018.3  A	Forecasts FY2019.3		YoY		Difference between the forecasts Increase/ (Decrease)  C-B
		As of July 31	As of Oct 29	Increase/ (Decrease)	%	
		B	C	C-A	1-C/A	
<b>Operating Revenues*<sup>1</sup></b>	<b>1,500.4</b>	<b>1,525.5</b>	<b>1,516.5</b>	<b>16.0</b>	<b>1.1</b>	<b>(9.0)</b>
Transportation	950.8	962.0	953.0	2.1	0.2	(9.0)
Retail	239.8	244.8	244.8	4.9	2.1	—
Sales of goods and food services	161.7	167.0	167.0	5.2	3.3	—
[Accommodation-oriented budget hotels](restated)* <sup>2</sup>	[11.6]	[12.7]	[12.7]	[1.0]	[9.0]	—
Department stores	70.1	69.1	69.1	(1.0)	(1.4)	—
Real estate	139.6	147.8	147.8	8.1	5.8	—
Shopping center	59.6	60.7	60.7	1.0	1.8	—
Real estate lease and sale	78.1	85.1	85.1	6.9	9.0	—
[Real estate sale](restated)	[35.0]	[40.7]	[40.7]	[5.7]	[16.4]	—
Other businesses	170.0	170.9	170.9	0.8	0.5	—
Hotel	35.6	36.1	36.1	0.4	1.3	—
Nippon Travel Agency	41.3	41.9	39.9	(1.4)	(3.5)	(2.0)
<b>Operating Income*<sup>1</sup></b>	<b>191.3</b>	<b>187.5</b>	<b>187.5</b>	<b>(3.8)</b>	<b>(2.0)</b>	<b>—</b>
Transportation	130.3	130.6	130.6	0.2	0.2	—
Retail	7.2	5.7	5.7	(1.5)	(21.9)	—
Sales of goods and food services	6.0	4.4	4.4	(1.6)	(27.7)	—
Department stores	0.9	1.0	1.0	0.0	1.1	—
Real estate	35.7	33.4	33.4	(2.3)	(6.7)	—
Shopping center	8.7	8.5	8.5	(0.2)	(2.5)	—
Real estate lease and sale	17.3	15.6	15.6	(1.7)	(10.3)	—
Other businesses	19.9	21.1	21.1	1.1	5.7	—
Hotel	1.9	1.4	1.4	(0.5)	(29.5)	—
Nippon Travel Agency	0.2	0.3	0.3	0.0	9.6	—

Note: Figures in brackets ( ) are negative values.

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

\*2 Figures in brackets [ ] are the sales of accommodation-oriented budget hotel, "VIA INN", sales, excluding Shimonoseki (non-consolidated), Asakusa (other business segment), and Hiroshima Kanayamacho (other business segment) locations.

# 15. Each Segment Forecasts

¥ Billions

			Forecasts FY2019.3				
			YoY		Major factors (YoY)	Difference from the previous forecast Increase/(Decrease)	
			Increase/(Decrease)	%			
Retail	Sales of goods and food services	Operating Revenues	167.0	5.2	3.3	•New opening of Seven-Eleven allied stores, etc.	—
		Operating Income	4.4	(1.6)	(27.7)	•Accommodation-oriented hotel opening expenses, etc.	—
	Department stores	Operating Revenues	69.1	(1.0)	(1.4)	•Partial closure due to renovation works, etc.	—
		Operating Income	1.0	0.0	1.1		—
Real estate	Shopping center	Operating Revenues	60.7	1.0	1.8	•Hiroshima ekie opening full-year contribution, etc.	—
		Operating Income	8.5	(0.2)	(2.5)		—
	Real estate lease and sale	Operating Revenues	85.1	6.9	9.0	•Increase in number of residences sold, opening of lease properties, etc.	—
		Operating Income	15.6	(1.7)	(10.3)	•Lease properties new opening expenses, etc.	—
Other Businesses	Hotel	Operating Revenues	36.1	0.4	1.3		—
		Operating Income	1.4	(0.5)	(29.5)		—
	Nippon travel agency	Operating Revenues	39.9	(1.4)	(3.5)	•Weak trends in sales of domestic travels, etc.	(2.0)
		Operating Income	0.3	0.0	9.6		—

Note: Figures in brackets ( ) are negative values.

\* Operating revenues are the revenues from third parties ( = customers).

The breakdowns of operating revenues by each segment are the sums of revenues of major subsidiaries.



# 16. Other Data

Persons, ¥ Billions

	6 months ended Sep 30, 2017	6 months ended Sep 30, 2018	Results FY2018.3	Forecasts FY2019.3 As of Oct 29
ROA (% , Consolidated) *1	3.7	3.7	6.3	6.0
ROE (% , Consolidated)	7.0	5.4	11.3	9.1
EBITDA (Consolidated) *2	191.6	192.0	356.1	353.2
Depreciation (Consolidated)	79.8	78.1	163.5	164.5
Capital Expenditures (Consolidated, own fund)	59.3	79.4	169.4	272.0
Capital Expenditures (Non-consolidated, own fund)	41.7	60.4	127.8	210.0
Safety related capital expenditure	28.4	38.4	83.2	127.0
Dividends per share ( ¥ )	80	87.5	160	175

	6 months ended Sep 30, 2017		6 months ended Sep 30, 2018		Results FY2018.3		Forecasts FY2019.3 As of Oct 29	
	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated	Non-Consolidated
No. of employees at the end of period	47,814	25,381	48,219	24,976	47,869	25,291	—	—
Financial Expenses, net	(10.1)	(9.6)	(9.1)	(8.1)	(20.2)	(19.6)	(19.3)	(17.6)
Interest and dividend income	0.3	0.8	0.7	1.8	0.7	1.2	0.7	2.2
Interest expenses	10.5	10.4	9.9	9.9	20.9	20.8	20.0	19.9

Note: Figures in brackets ( ) are negative values.

\*1 Figures at the end of FY2018.3 have been retroactively adjusted due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

\*2 EBITDA = Operating Income + Depreciation + Amortization of goodwill

# Cautionary Statement Regarding Forward-looking Statements

- This presentation contains forward-looking statements that are based on JR-West's current expectations, assumptions, estimates and projections about its business, industry, and capital markets around the world.
- These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "plan" or similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of JR-West's financial condition, or state other forward-looking information.
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  - economic downturn, deflation and population decreases;
  - adverse changes in laws, regulations and government policies in Japan;
  - service improvements, price reductions and other strategies undertaken by competitors such as passenger railway and airlines companies;
  - infectious disease outbreak and epidemic;
  - earthquake and other natural disaster risks; and
  - failure of computer telecommunications systems disrupting railway or other operations
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