

(Translation)

March 19, 2008
West Japan Railway Company

Notice of Changes of Retirement Programs, Etc.

Notice is hereby given that in order to secure human resources and smoother impartment of skill, West Japan Railway Company (the "Company") has determined as to the topic mentioned in the title, as described below:

Description

1. Outline of the changes:

(1) Voluntary early retirement program:

The Company will terminate the application of the voluntary early retirement program, which has been applicable to the employees between the ages of fifty and fifty-five since the fiscal year ended March 31, 1996, as of the fiscal year ending March 31, 2012, as scheduled.

However, for the fiscal years ending March 31, 2013 through 2017, the Company will introduce an early retirement program, applicable to the employees reaching the age of fifty-eight, as a transitional measure.

(2) Reemployment program:

The Company has adopted a program (reemployment program) under which an employee who retires at the mandatory retirement age may be reemployed by the Company for the period from the day next following the date of his/her retirement until he/she reaches the age when he/she becomes qualified for full pension payments. The program is applicable to the employees retiring at the mandatory retirement age for the fiscal year ended March 31, 2007 through the fiscal year ending March 31, 2012. Now, the Company will introduce a new reemployment program applicable to the employees retiring at the mandatory retirement age for the fiscal year ending March 31, 2013 and thereafter.

(3) Mandatory retirement:

The Company now sets the mandatory retirement age at "sixty years of age." However, effective from the fiscal year ending March 31, 2010, the Company will uniformly set the mandatory retirement age at "July 31 of the fiscal year next following the fiscal year during which any employee reaches the age of sixty."

As a transitional measure for any employee who reaches the age of sixty during the period from April 1, 2009 through March 31, 2012, the Company will lay down that even if he/she retires as of the end of the month during which he/she reaches the age of sixty, his/her retirement may be treated as such mandatory retirement.

2. Others:

As a result of the above-mentioned changes, prior service cost is expected to increase by approximately ¥2,900 million, which will be amortized as an extraordinary expense in a lump sum in the current fiscal year.

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