

(Translation)

(Security Code: 9021)
June 1, 2011

To the Shareholders:

**NOTICE OF THE 24TH ORDINARY GENERAL MEETING
OF SHAREHOLDERS**

Dear Shareholders:

Please take notice that the 24th Ordinary General Meeting of Shareholders of the Company will be held as described below and you are cordially requested to attend the meeting.

Since voting rights can be exercised in writing or by electronic methods (including the Internet) even if you are not present at the meeting, please review the accompanying "Reference Document for the General Meeting of Shareholders" and exercise your voting rights by June 22 (Wednesday), 2011.

[Exercise of voting rights in writing]

Please indicate your votes for or against each of the propositions in the enclosed voting form and return the form to reach us by the above-mentioned voting deadline.

[Exercise of voting rights by electronic methods (including the Internet)]

Please refer to the "Notice on Exercise of Voting Rights by Electronic Methods (including the Internet)" on page 15 in advance. Then, please access the website for the exercise of voting rights (<http://www.webdk.net>) specified by the Company and enter your votes for or against each of the propositions in accordance with the guidance on the screen by the above-mentioned voting deadline.

Yours very truly,

Takayuki Sasaki
President and Representative Director

West Japan Railway Company
4-24, Shibata 2-chome,
Kita-ku, Osaka, Japan

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In attending the meeting, please present the enclosed voting form to a receptionist at the place of the meeting.

## Description

1. Date and hour of the meeting:

June 23 (Thursday), 2011, at 10:00 a.m.

2. Place of the meeting:

RIHGA Royal Hotel  
3-68, Nakanoshima 5-chome, Kita-ku, Osaka, Japan

3. Matters forming the objects of the meeting:

Matters to be reported:

1. Report on the business report, the consolidated financial statements and the financial statements for the 24th fiscal year (from April 1, 2010 to March 31, 2011)
2. Report on the results of audit of the consolidated financial statements for the 24th fiscal year by the account auditors and the Board of Corporate Auditors

Matters to be resolved:

<Proposed by the Company (Proposition No. 1 and Proposition No. 4)>

Proposition No. 1: Appropriation of retained earnings

Proposition No. 2: Amendment to the Articles of Incorporation

Proposition No. 3: Election of one (1) Director

Proposition No. 4: Election of four (4) Corporate Auditors

<Proposed by Shareholders (Proposition No. 5)>

Proposition No. 5: Dismissal of Director

The business report, the consolidated financial statements, the financial statements and auditors' reports which shall be attached to the Notice of the General Meeting of Shareholders are as set forth in the "Documents Attached to the Notice of the 24th Ordinary General Meeting of Shareholders" attached herewith (from page 2 to page 57).

4. Information for exercising voting rights:

- (1) Your voting rights can be exercised by proxy, who must be a shareholder (being one (1) person) of the Company entitled to vote at this General Meeting of Shareholders.
- (2) If voting rights are exercised both in writing and by an electronic method (including

the Internet), the voting rights exercised by the electronic method (including the Internet) shall be treated as effective.

- (3) If voting rights are exercised more than once by electronic methods (including the Internet), the voting rights last exercised shall be treated as effective.
- (4) In the event of the revision of any matter in the Reference Document for the General Meeting of Shareholders and the Documents Attached to the Notice of the 24th Ordinary General Meeting of Shareholders, it will be posted on our Internet website (<http://www.westjr.co.jp/company/ir/index.html>).

- END -

## Reference Document for the General Meeting of Shareholders

### Propositions and Information

<Proposed by the Company (from Proposition No. 1 to Proposition No. 4)>

#### **Proposition No. 1: Appropriation of retained earnings**

The Company recognizes it important to distribute profits to its shareholders on a long-term and constant basis and subject to its projects yielding results, aims to attain a 3% ratio of dividends to shareholders' equity on a consolidated basis (consolidated DOE) for the fiscal year ending March 31, 2013.

By taking into consideration various factors, including the performance for the fiscal year under review and the future business development, management proposes to appropriate retained earnings for the fiscal year under review, as set forth below:

1. Matters concerning year-end dividends:

With regard to dividends for the fiscal year under review, management has intended to pay an annual dividend of ¥8,000 per share. As an interim dividend of ¥4,000 per share was paid in November 2010, management proposes to pay a year-end dividend of ¥4,000 per share.

(1) Kind of property to be distributed as dividends:

Cash

(2) Matter concerning the allocation of the property to be distributed to the shareholders as dividends and the aggregate amount thereof:

¥4,000 per share of common stock of the Company

¥7,749,388,000 in the aggregate

(3) Date on which the distribution of retained earnings shall become effective:

June 24, 2011

2. Matters concerning the appropriation of other retained earnings:

With regard to the appropriation of other retained earnings, in preparation for unforeseeable changes in the business environment and other factors in the future, management proposes to provide for ¥10,000,000,000 as a general reserve.

(1) Item of retained earnings to be increased and the amount thereof:

General reserve

¥10,000,000,000

- (2) Item of retained earnings to be decreased and the amount thereof:

Retained earnings carried forward                      ¥10,000,000,000

**Proposition No. 2: Amendment to the Articles of Incorporation**

1. Reasons for the amendment:

(1) The Company, at the meeting of its Board of Directors held on May 18, 2011, adopted resolutions for a stock split to subdivide each share into 100 shares and the adoption of a unit-of-share system under which the number of shares constituting one unit of shares should be 100 shares, as well as the amendment to Article 6 (Total number of issuable shares) of the existing Articles of Incorporation and the establishment of a proposed Article 7 (Number of shares constituting one unit) in accordance with the Corporation Law of Japan. Accordingly, it is hereby proposed that a new Article 8 (Rights in respect of less-than-one-unit shares) and a new Article 9 (Request for sale of less-than-one-unit shares) be established.

(2) The Company regards the enhancement of corporate governance as one of its important managerial issues and has appointed external Directors and external Corporate Auditors. To be able to continue to retain capable human resources with high independence and expertise in the future, it is hereby proposed that a new Article 26 (Agreements to limit liabilities of external Directors) and a new Article 32 (Agreements to limit liabilities of external Corporate Auditors) be established in accordance with the Corporation Law of Japan.

Each Corporate Auditor has consented to the submission of the proposition to establish the new Article 26.

(3) To provide for the effective dates of the amendment to Article 6 of the existing Articles of Incorporation and the establishment of the proposed Article 7, Article 8 and Article 9, it is hereby proposed that Articles 1 and 2 of the Supplementary Provisions be established.

(4) In addition, in accordance with the establishment of such new provisions, it is hereby proposed that the relevant numbers of the existing Articles of Incorporation be carried down.

2. The particulars of the proposed amendment:

The particulars of the proposed amendment are as follows:

(Underlines show amendment.)

| Existing Articles of Incorporation                                                                                                                              | Proposed amendment                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(Total number of issuable shares)</p> <p>Article 6. The total number of issuable shares of the Company shall be <u>eight million (8,000,000)</u> shares.</p> | <p>(Total number of issuable shares)</p> <p>Article 6. The total number of issuable shares of the Company shall be <u>eight hundred million (800,000,000)</u> shares.</p> |

| Existing Articles of Incorporation                              | Proposed amendment                                                                                                                                                                                                                   |
|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (To be newly established)                                       | <u>(Number of shares constituting one unit)</u>                                                                                                                                                                                      |
| (To be newly established)                                       | <u>Article 7. The number of shares constituting one unit of shares of the Company shall be 100 shares.</u>                                                                                                                           |
| (To be newly established)                                       | <u>(Rights in respect of less-than-one-unit shares)</u>                                                                                                                                                                              |
| (To be newly established)                                       | <u>Article 8. Any shareholder of the Company cannot exercise any right other than those listed below, in respect of his/her less-than-one-unit shares:</u>                                                                           |
| (To be newly established)                                       | (1) <u>The rights as provided for in the items of Article 189, paragraph 2 of the Corporation Law of Japan;</u>                                                                                                                      |
| (To be newly established)                                       | (2) <u>The rights that can be requested pursuant to Article 166, paragraph 1 of the Corporation Law of Japan;</u>                                                                                                                    |
| (To be newly established)                                       | (3) <u>The rights to the allocation of shares offered to shareholders and stock acquisition rights offered to shareholders, in proportion to the numbers of their respective shares; and</u>                                         |
| (To be newly established)                                       | (4) <u>The rights to make requests as provided for in Article 9 hereof.</u>                                                                                                                                                          |
| Article <u>7</u> to Article <u>22</u><br>(Descriptions omitted) | <u>(Request for sale of less-than-one-unit shares)</u>                                                                                                                                                                               |
|                                                                 | <u>Article 9. Any shareholder of the Company shall be entitled to request the Company to sell the number of shares that will, together with the number of his/her less-than-one-unit shares, will constitute one unit of shares.</u> |
|                                                                 | Article <u>10</u> to Article <u>25</u><br>(Same as existing)                                                                                                                                                                         |

| Existing Articles of Incorporation                               | Proposed amendment                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (To be newly established)                                        | <u>(Agreements to limit liabilities of external Directors)</u>                                                                                                                                                                                                                                                                                                                                                                     |
| Article <u>23</u> to Article <u>27</u><br>(Descriptions omitted) | <u>Article 26. The Company may, in accordance as provided for in Article 427, paragraph 1 of the Corporation Law of Japan, enter into agreements with external Directors, which limit their liabilities as provided for in Article 423, paragraph 1 of the said law; provided, however, that the maximum amount of their liabilities under such agreements shall be the amount as provided for in laws or ordinances.</u>          |
| (To be newly established)                                        | Article <u>27</u> to Article <u>31</u><br>(Same as existing)                                                                                                                                                                                                                                                                                                                                                                       |
| (To be newly established)                                        | <u>(Agreements to limit liabilities of external Corporate Auditors)</u>                                                                                                                                                                                                                                                                                                                                                            |
| Article <u>28</u> to Article <u>30</u><br>(Descriptions omitted) | <u>Article 32. The Company may, in accordance as provided for in Article 427, paragraph 1 of the Corporation Law of Japan, enter into agreements with external Corporate Auditors, which limit their liabilities as provided for in Article 423, paragraph 1 of the said law; provided, however, that the maximum amount of their liabilities under such agreements shall be the amount as provided for in laws or ordinances.</u> |
| (To be newly established)                                        | Article <u>33</u> to Article <u>35</u><br>(Same as existing)                                                                                                                                                                                                                                                                                                                                                                       |
| (To be newly established)                                        | <u>Supplementary Provisions</u>                                                                                                                                                                                                                                                                                                                                                                                                    |
| (To be newly established)                                        | <u>Article 1. The amendment to Article 6 and the establishment of new Article 7, Article 8 and Article 9 shall become effective as of July 1, 2011.</u>                                                                                                                                                                                                                                                                            |
| (To be newly established)                                        | <u>Article 2. The provisions of the above Article 1 and this Article 2 shall be deleted as of July 1, 2011.</u>                                                                                                                                                                                                                                                                                                                    |

### Proposition No. 3: Election of one (1) Director

Director Mr. Takashi Kondo will resign at the close of this Ordinary General Meeting of Shareholders and it is hereby proposed that one (1) Director be elected to fill the vacancy.

The candidate for Director is as follows:

| Name<br>(Date of birth)                   | Brief history, position, assignment and<br>important concurrent office | Number of shares<br>of the Company<br>held by Candidate                                                                                                                                   |           |
|-------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| *<br>Shizuka Yabuki<br>(October 23, 1950) | April 1974<br>Aug. 1985                                                | Joined Japanese National Railways ("JNR")<br>Deputy Manager, Employment Policy Office,<br>Staff Administration Section, Staff<br>Administration Department of JNR                         | 10 shares |
|                                           | April 1987                                                             | Manager, Employment Policy Section,<br>Employment Policy Dept. I, Employment Policy<br>Headquarters of Japanese National Railways<br>Settlement Corp.                                     |           |
|                                           | May 1990                                                               | Manager, Planning Section, Planning Promotion<br>Department, Railway Operations Headquarters of<br>the Company                                                                            |           |
|                                           | June 1998                                                              | General Manager, Transport Department,<br>Railway Operations Headquarters of the<br>Company                                                                                               |           |
|                                           | March 2001                                                             | Executive Officer; Deputy Senior General<br>Manager, Railway Operations Headquarters;<br>General Manager, Marketing Department,<br>Railway Operations Headquarters of the<br>Company      |           |
|                                           | June 2002                                                              | Senior Executive Officer; Deputy Senior<br>General Manager, Railway Operations<br>Headquarters; General Manager, Marketing<br>Division, Railway Operations Headquarters of<br>the Company |           |
|                                           | June 2004                                                              | Senior Executive Officer; General Manager,<br>Technical Research and Development<br>Department, Railway Operations Headquarters<br>of the Company                                         |           |
|                                           | June 2006                                                              | President and Representative Director, Nara<br>Hotel                                                                                                                                      |           |
|                                           | June 2009                                                              | President and Representative Director, West<br>Japan Railway Hotel Development, Ltd. (present<br>post)                                                                                    |           |

- (Notes) 1. The Candidate has no special interest in the Company.
2. The person marked with \* is a Candidate for new Director.



#### **Proposition No. 4: Election of four (4) Corporate Auditors**

The term of office of the Corporate Auditors, four (4) in all, will expire at the close of this Ordinary General Meeting of Shareholders and it is hereby proposed that four (4) Corporate Auditors be elected.

The candidates for Corporate Auditors are as follows.

The Board of Corporate Auditors has consented to the submission of this proposition.

| Candidate No. | Name<br>(Date of birth)        | Brief history, position, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Number of shares of the Company held by Candidate |
|---------------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 1.            | Noboru Koide<br>(May 27, 1949) | <p>April 1973      Joined Japanese National Railways</p> <p>April 1987      Manager, Fund Planning Section, Finance Department of the Company</p> <p>April 1996      General Manager, General Affairs Department of the Company</p> <p>June 2000      Executive Officer; Deputy Senior General Manager, Tokyo Headquarters of the Company</p> <p>June 2002      Executive Officer; General Manager, Fukuoka Branch Office of the Company</p> <p>May 2005      Senior Executive Officer; Deputy Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2005      Director and Senior Executive Officer; Deputy Senior General Manager, Corporate Planning Headquarters; Senior General Manager, Tokyo Headquarters of the Company</p> <p>March 2006      Director and Senior Executive Officer; Senior General Manager, Supporting Headquarters for the Victims of the Derailment Accident on the Fukuchiyama Line of the Company</p> <p>June 2006      Full-time Corporate Auditor of the Company (present post)</p> | 61 shares                                         |

| Candidate No. | Name<br>(Date of birth)             | Brief history, position, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Number of shares of the Company held by Candidate |
|---------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 2.            | Tsutomu Iwasaki<br>(April 28, 1949) | <p>April 1972      Joined the Ministry of Transport of Japan</p> <p>July 1998      Director-General of Kinki District Transport Bureau of the Ministry</p> <p>July 1999      Counselor, Cabinet Secretariat (and Director of Personnel Division, Prime Minister's Secretariat, Prime Minister's Office)</p> <p>Jan. 2001      Deputy Vice-Minister for Policy Coordination, Minister's Secretariat, Ministry of Land, Infrastructure and Transport of Japan</p> <p>July 2002      Retired from the Ministry</p> <p>Aug. 2002      Director of the Japan Railway Construction Public Corporation</p> <p>Oct. 2003      Executive Director of Japan Railway Construction, Transport and Technology Agency</p> <p>July 2004      Full-time Corporate Auditor of the Company (present post)</p>                                                                                                                                                                                                                                               | 48 shares                                         |
| 3.            | Ikuo Uno<br>(January 4, 1935)       | <p>March 1959      Joined Nippon Life Insurance Company</p> <p>July 1986      Director</p> <p>March 1989      Managing Director</p> <p>March 1992      Senior Managing Director</p> <p>March 1994      Vice President and Representative Director</p> <p>April 1997      President and Representative Director</p> <p>April 2005      Chairman and Representative Director</p> <p>June 2005      Corporate Auditor of the Company (present post)</p> <p>April 2011      Director and Advisor of Nippon Life Insurance Company (present post)</p> <p>(Important concurrent offices)</p> <ul style="list-style-type: none"> <li>• Director and Advisor of Nippon Life Insurance Company</li> <li>• Outside Director of Panasonic Corporation</li> <li>• Outside Director of Fuji Kyuko Co., Ltd.</li> <li>• Outside Corporate Auditor of Odakyu Electric Railways Co., Ltd.</li> <li>• Outside Corporate Auditor of Tohoku Electric Power Co., Inc.</li> <li>• Outside Corporate Auditor of Sumitomo Mitsui Financial Group Inc.</li> </ul> | 49 shares                                         |

| Candidate No. | Name<br>(Date of birth)                    | Brief history, position, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Number of shares of the Company held by Candidate |
|---------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 4             | *<br>Yasumi Katsuki<br>(November 29, 1947) | <p>Oct. 1973      Joined Asahi &amp; Co.</p> <p>Sept. 1977     Registered as certified public accountant</p> <p>July 1987      Partner, Asahi Shinwa &amp; Co. (current KPMG AZSA &amp; Co) (the "auditing firm")</p> <p>Aug. 1995     Representative Partner of the auditing firm</p> <p>June 1997     Executive Partner, Osaka Office of the auditing firm</p> <p>May 2006     Senior Executive Partner; Representative, Osaka Office of the auditing firm</p> <p>June 2010     Retired from the auditing firm</p> <p>July 2010     Established Katsuki Office (present post)</p> <p>(Important concurrent office)</p> <ul style="list-style-type: none"> <li>• Certified public accountant, Katsuki Office</li> </ul> | 0 share                                           |

- (Notes)
1. Candidate Mr. Ikuo Uno is Director and Advisor of Nippon Life Insurance Company, which has business dealings with the Company.
  2. The person marked with \* is a Candidate for new Corporate Auditor.
  3. Candidates Messrs. Tsutomu Iwasaki, Ikuo Uno and Yasumi Katsuki are candidates for external auditors as provided for in Article 2, paragraph 3, item 8 of the Regulations to Enforce the Corporation Law of Japan. Candidates Messrs. Tsutomu Iwasaki and Ikuo Uno have currently assumed the office of Corporate Auditors of the Company and seven years and six years will have elapsed upon the close of this General Meeting of Shreholders, respectively, since they assumed office as such.
  4. We propose to elect Candidate Mr. Tsutomu Iwasaki as External Corporate Auditor, expecting him to reflect his wide experience and broad expertise in public administration on audits of the Company. He has not been involved in corporate management but for the above-mentioned reason, we have determined that he will be able to properly perform his duties as External Corporate Auditor.

We propose to elect Candidate Mr. Ikuo Uno as External Corporate Auditor, expecting him to reflect his wide experience and broad expertise as a corporate executive on audits of the Company.

We propose to elect Candidate Mr. Yasumi Katsuki as External Corporate Auditor, expecting him to reflect his wide experience and broad expertise as a certified public accountant on audits of the Company. He has not been involved in corporate management but for the above-mentioned reason, we have determined that he will be able to properly perform his duties as External Corporate Auditor.

5. In the event that the election of Candidates for External Corporate Auditors Messrs. Tsutomu Iwasaki, Ikuo Uno and Yasumi Katsuki is approved, the Company, subject to the approval and adoption of Proposition No. 2 "Amendment to the Articles of Incorporation", will enter into an agreement with each of them to limit his liabilities as provided for in Article 423, paragraph 1 of the Corporation Law of Japan, to the amount as provided for in laws or ordinances.
6. While Candidates Messrs. Tsutomu Iwasaki and Ikuo Uno were serving as External Corporate Auditors of the Company, in September 2009, a fact of solicitation for information leak came out in the process of the investigation of the railway accident on the Fukuchiyama Line by the Aircraft and Railway Accidents Investigation Commission and the Company was ordered by the Ministry of Land, Infrastructure, Transport and Tourism to conduct fact-finding inquiries and report preventive measures.

Each of them had not been aware of the fact until it came out and had ordinarily made comments from time to time from the perspectives of compliance with law. Since the fact came out, they have performed their duties for the Company to prevent a recurrence of similar problems, by requesting the Directors to ensure strict compliance with rules and regulations in the operations in general and further strengthen corporate ethical standards at the meetings of its Board of Directors.

7. While Candidate Mr. Ikuo Uno was serving as Representative Director of Nippon Life Insurance Company, in July 2006 and July 2008, the company was issued a business improvement order by the Financial Services Agency with regard to its administrative structure for the payment of insurance proceeds, etc.

While Mr. Uno was serving as External Director of Panasonic Corporation, in September 2006, the company was issued a surcharge payment order by the Fair Trade Commission with regard to its marketing activities relating to traffic signal construction works. In September and October 2010, it entered into agreements with the Department of Justice of the United States and the Department of Justice of Canada, respectively to pay fines with regard to violation of antitrust laws concerning its business of compressors for use in refrigerators. While he was serving as External Corporate Auditor of Tohoku Electric Power Company, Incorporated, the company was found to have failed to file a report on an automatic shutdown of its atomic furnace and was issued an order for amendment to its safety and security manual by the Ministry of Economy, Trade and Industry in May 2007. A fact was also revealed that the company had been conducting a legally inadequate water intake at its hydraulic power plant and it was instructed to suspend water intake for any use other than power generation by the Ministry of Land, Infrastructure and Transport in March 2007.

Mr. Uno, utilizing his wide experience and broad expertise in management and other matters, has expressed his opinions on a timely and appropriate basis and also confirmed the details of their efforts to prevent the occurrence of such any incident for the abovementioned companies for which he is serving concurrently as External Director and External Corporate Auditor. Thus, he has properly performed his duties.

<Proposed by Shareholders (Proposition No. 5)>

**Proposition No. 5 has been made by our shareholders.**

**Proposition No. 5: Dismissal of Director**

◇ Summary of the proposition

It is hereby proposed that Director Naoki Nishikawa be dismissed.

◇ Reasons for the proposition

West Japan Railway Company has acted in defense of Defendant Yamazaki, who is not related to the Company, accused of professional negligence resulting in bodily injuries and deaths in a criminal case of the derailment accident on the JR Fukuchiyama Line and made its employees attend court as "business trips" and give testimony like "I don't remember" and "I don't know" to defend the Company by making secret arrangements with the Company. Consequently, such insincere acts have brought about tremendous pain on the bereaved and the victims and eroded the confidence in the Company. Representative Director Nishikawa has violated the code of being "sincere and honest" under the "Executive Officers' Code of Conduct" and abdicated "corporate social responsibility" as Senior General Manager of Railway Operations Headquarters of West Japan Railway Company.

Furthermore, Representative Director Nishikawa has not taken responsibility for a rash of accidents and scandals, including the collision and derailment accident of Shinkansen maintenance cars, the unsettling of fuses of wireless devices by a conductor and child prostitution committed by an assistant manager, since last year nor performed his duties to enhance safety and his obligations to supervise employees.

Hence, we demand the Company to dismiss Director Naoki Nishikawa.

○ Opinion of the Board of Directors

On April 25, 2005, the Company caused a very grave accident to occur between Tsukaguchi and Amagasaki on the Fukuchiyama Line. The Company has since recognized the building of "a corporate culture of placing top priority on safety" as its highest priority issue of management and exerted its efforts to further enhance safety and restore the confidence of its customers.

In this situation, Mr. Naoki Nishikawa, as Executive Vice President and Representative Director, Executive Officer and Senior General Manager of Railway Operations Headquarters, has steadily implemented measures to establish safety management and build up a safety infrastructure based on risk assessments and taken the initiative in enhancing safety and restoring the confidence, all in an effort to carry through the "Basic Safety Plan" formulated in April 2008. He has thus performed his duties as Director faithfully in accordance with laws and ordinances and the Articles of Incorporation of the Company. We have found no reason to dismiss him.

**Therefore, the Board of Directors objects to this proposition.**

- END -

## **Notice on Exercise of Voting Rights by Electronic Methods (including the Internet)**

In exercising your voting rights by electronic methods (including the Internet), please confirm the following items in advance:

### **Exercise of voting rights via the Internet:**

1. Any exercise of voting rights via the Internet will be possible only on the website for the exercise of voting rights (<http://www.webdk.net>) specified by the Company. The website for the exercise of voting rights is also accessible via mobile-phone Internet.
2. To exercise voting rights via the Internet, please enter your votes for or against each of the propositions in accordance with the guidance on the screen, by using the "code for the exercise of voting rights" and the "password" printed in the enclosed voting form.
3. Any exercise of voting rights via the Internet will be acceptable no later than the day immediately preceding the date of this Ordinary General Meeting of Shareholders, or Wednesday, June 22, 2011. However, for the expedient counting of the voting rights exercised, it would be appreciated if you could exercise your voting rights early.
4. All fees payable to Internet service providers and telecommunication carriers in accessing the website for the exercise of voting rights must be borne by the shareholders.
5. To access the website for the exercise of voting rights, the following system environments are necessary:
  - (i) If voting rights are exercised by using a PC, "Internet Explorer ver.6.0 or above" must be available as Internet browsing software.

\* "Internet Explorer" is a registered trademark of Microsoft Corporation.

- (ii) If voting rights are exercised by using a mobile phone, it must be the one that enables 128 bit SSL communications (encrypted communications).

\* To ensure security, the website is compatible only with mobile phones that enable 128 bit SSL communications (encrypted communications) and some mobile phones may have no access thereto.

If you have any questions, please contact:

Share Registrar: The Sumitomo Trust & Banking Co., Ltd., Stock Transfer Agency Department  
Dedicated Phone No: 0120-186-417 (toll-free) (9:00 a.m. to 9:00 p.m.)  
Request for forms, etc. and other inquiries: 0120-176-417 (toll-free) (9:00 a.m. to 5:00 p.m. on weekdays)

**Platform for electronic exercise of voting rights for institutional investors:**

"ICJ Platform", a platform for electronic exercise of voting rights for institutional investors operated by ICJ Inc., which was incorporated by Tokyo Stock Exchange, Inc. and others, will be available to nominee shareholders (including standing proxies), such as custodian trust banks, as an electronic method of exercise of voting rights in addition to the above-mentioned method via the Internet if they apply for the use of the platform during a specified period.