

(Translation)

(Security Code: 9021)
May 30, 2014

To the Shareholders:

NOTICE OF THE 27TH ORDINARY GENERAL MEETING
OF SHAREHOLDERS

Dear Shareholders:

Please take notice that the 27th 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 23 (Monday), 2014.

[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 19 in advance. Then, please access the website for the exercise of voting rights (<http://www.web54.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,

Seiji Manabe
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 24 (Tuesday), 2014, 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 27th fiscal year (from April 1, 2013 to March 31, 2014)
2. Report on the results of audit of the consolidated financial statements for the 27th 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. 2)>

- Proposition No. 1: Appropriation of retained earnings
- Proposition No. 2: Election of 14 Directors

<Proposed by Shareholders (Proposition No. 3 and Proposition No. 4)>

- Proposition No. 3: Amendment to the Articles of Incorporation (Disclosure of Officers' Remuneration on an Individual Basis)
- Proposition No. 4: Amendment to the Articles of Incorporation (Disclosure of the Content of an Evaluation Document upon Making any Subsidiary into a Wholly-owned Subsidiary)

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) The business report, the consolidated financial statements, the financial statements and the auditors' reports required to be attached to the Notice of the General Meeting of Shareholders are as set forth in the "Documents Attached to the Notice of the 27th Ordinary General Meeting of Shareholders" attached herewith (from page 2 to page 59). However, the notes to consolidated financial statements and the notes to non-consolidated financial statements are posted on our Internet website (<http://www.westjr.co.jp/company/ir/stock/meeting/>)\* in accordance as provided for in laws and ordinances and the Articles of Incorporation of the Company.

The consolidated financial statements and the financial statements that have been audited by the account auditors and the Board of Corporate Auditors are the notes to consolidated financial statements and the notes to non-consolidated financial statements posted on the abovementioned website as well as the documents stated in the "Notice of the 27th Ordinary General Meeting of Shareholders".

- (5) 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 27th Ordinary General Meeting of Shareholders, it will be posted on our Internet website (<http://www.westjr.co.jp/company/ir/stock/meeting/>).\*

(\*) For your reference, the English translation of the matters presented on the Japanese website above will be provided on the Company's English website (<http://www.westjr.co.jp/global/en/ir/news/2014/>).

- END -

## Reference Document for the General Meeting of Shareholders

### **Proposition and Information**

**<Proposed by the Company (Proposition No. 1 and Proposition No. 2)>**

#### **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 will, subject to the situation of utilization of the Kanazawa segment of the Hokuriku Shinkansen after its opening and the situation of achievement of the targets set in the "JR-West Group Medium-Term Management Plan 2017", aim to attain an approximately 3% "rate of total distribution on net assets"\* on a consolidated basis for the fiscal year ending March 31, 2018.

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

Matters concerning year-end dividends:

With regard to dividends for the fiscal year under review, management has intended to pay an annual dividend of ¥115 per share. As an interim dividend of ¥55 per share was paid in November 2013, management proposes to pay a year-end dividend of ¥60 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:

¥60 per share of common stock of the Company

¥11,624,063,640 in the aggregate

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

June 25, 2014

(\*) Rate of total distribution on net assets = (total amount of dividends + total amount of payments for the acquisition of its own shares) / consolidated net assets × 100

#### **Proposition No. 2: Election of 14 Directors**

The term of office of the Directors, 14 in all, will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that 14 Directors be elected.

The candidates for Directors are as follows:

| 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.            | Takayuki Sasaki<br>(August 24, 1946) | <p>April 1970      Joined Japanese National Railways ("JNR")</p> <p>Mar. 1987      General Manager, General Affairs Department, Osaka Railway Operations Division of JNR</p> <p>April 1987      General Manager, General Affairs Department, Kinki Area Operations Headquarters of the Company</p> <p>June 1994      General Manager, Finance Department of the Company</p> <p>June 1995      Director; General Manager, Finance Department of the Company</p> <p>June 1997      Director; Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Marketing Department, Railway Operations Headquarters; General Manager, Railway Regions Investigation Team, Railway Operations Headquarters of the Company</p> <p>June 1999      Executive Officer; Deputy Senior General Manager of Railway Operations Headquarters; General Manager, Marketing Department, Railway Operations Headquarters of the Company</p> <p>June 2000      Full-time Corporate Auditor of the Company</p> <p>June 2002      President and Representative Director of West Japan Railway Daily Service Net Company</p> <p>June 2007      Executive Vice President, Representative Director and Executive Officer of the Company</p> <p>July 2007      Executive Vice President, Representative Director and Executive Officer; Senior General Manager, IT Development Headquarters of the Company</p> <p>June 2009      Vice Chairman, Representative Director and Executive Officer; Senior General Manager, IT Development Headquarters of the Company</p> <p>Aug. 2009      President, Representative Director and Executive Officer of the Company</p> <p>May 2012      Chairman and Director of the Company (present post)</p> | 10,700 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.            | Tadashi Ishikawa<br>(August 24, 1943) | <p>April 1973 Admitted to bar</p> <p>April 1973 Joined Daijiro Yoshikawa Law Office</p> <p>Aug. 1977 Joined Weil, Gotshal &amp; Manges Law Office, New York</p> <p>Aug. 1978 Joined Daijiro Yoshikawa Law Office</p> <p>April 1980 Established Ishikawa Law Office (Current Oh-Ebashi LPC &amp; Partners)</p> <p>Oct. 1998 Part-time Lecturer of Kobe University Graduate School of Law</p> <p>Aug. 2002 Representative Partner, Oh-Ebashi LPC &amp; Partners</p> <p>April 2004 Professor of Kobe University School of Law</p> <p>June 2006 Director of the Company (present post)</p> <p>Aug. 2008 Partner, Oh-Ebashi LPC &amp; Partners</p> <p>Sept. 2012 Special Counsel, Oh-Ebashi LPC &amp; Partners (present post)</p> <p>&lt;Important concurrent office&gt;<br/>- Special Counsel, Oh-Ebashi LPC &amp; Partners</p> | 0 share                                           |
| 3.            | Yumiko Sato<br>(September 20, 1951)   | <p>April 1975 Joined Suntory Co., Ltd.</p> <p>Mar. 1998 General Manager, Research Institute on Continuity and Change in Life, Suntory Co., Ltd.</p> <p>Mar. 2005 General Manager, Next Generation Institute, Suntory Co., Ltd.</p> <p>April 2008 Senior Research Fellow, Suntory Foundation (incorporated foundation)</p> <p>May 2010 Senior Research Fellow, Suntory Foundation (public interest incorporated foundation)</p> <p>June 2010 Director of the Company (present post)</p> <p>October 2013 Special Professor, Institute for Creating Local Culture, Otemon Gakuin University (present post)</p> <p>&lt;Important concurrent office&gt;<br/>- Special Professor, Institute for Creating Local Culture, Otemon Gakuin University</p>                                                                              | 600 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.            | Yuzo Murayama<br>(February 21, 1953) | <p>April 1982      Joined Nomura Research Institute, Ltd.</p> <p>June 1985      Deputy Chief Research Fellow, Economic Investigation Division, Nomura Research Institute, Ltd.</p> <p>July 1985      London Branch, Nomura Research Institute, Ltd.</p> <p>April 1989      Full-time Lecturer, Department of English and American Languages, Kansai Gaidai University</p> <p>Oct. 1993      Assistant Professor, America Course, Department of Regional Cultures, Osaka University of Foreign Studies</p> <p>Jan. 2001      Professor, Osaka University of Foreign Studies</p> <p>April 2004      Professor, Business Course, Graduate School, Doshisha University</p> <p>April 2009      Professor and Dean of Business Course, Graduate School, Doshisha University</p> <p>June 2010      Director of the Company (present post)</p> <p>April 2011      Professor, Business Course, Graduate School, Doshisha University (present post)</p> <p>April 2014      Vice President, Doshisha University (present post)</p> <p>&lt;Important concurrent office&gt;</p> <ul style="list-style-type: none"> <li>- Vice President, Doshisha University</li> <li>- Professor, Business Course, Graduate School, Doshisha University</li> </ul> | 1,100 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 |
|---------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 5.            | Norihiko Saito<br>(February 11, 1946) | <p>April 1970      Joined The Kansai Electric Power Company, Incorporated</p> <p>June 1997      Assistant Manager, The Kansai Electric Power Company, Incorporated</p> <p>June 1999      Manager, The Kansai Electric Power Company, Incorporated</p> <p>June 2001      Director, The Kansai Electric Power Company, Incorporated</p> <p>June 2003      Managing Director, The Kansai Electric Power Company, Incorporated</p> <p>June 2005      Vice President and Representative Director, The Kansai Electric Power Company, Incorporated</p> <p>June 2007      Statutory Auditor, Kinden Corporation</p> <p>June 2011      Retired as Vice President and Representative Director, The Kansai Electric Power Company, Incorporated</p> <p>June 2011      Chairman and Representative Director, Kinden Corporation (present post)</p> <p>June 2012      Director of the Company (present post)</p> <p>&lt;Important concurrent office&gt;</p> <ul style="list-style-type: none"> <li>- Chairman and Representative Director, Kinden Corporation</li> </ul>                                                  | 1,600 shares                                      |
| 6.            | Hideo Miyahara<br>(June 21, 1943)     | <p>Jan. 1973      Doctor of engineering, Osaka University</p> <p>April 1973      Assistant, Kyoto University</p> <p>April 1980      Associate Professor, School of Engineering Science, Osaka University</p> <p>Oct. 1989      Professor, School of Engineering Science, Osaka University</p> <p>April 1998      Dean, Graduate School of Engineering Science and School of Engineering Science, Osaka University</p> <p>Aug. 2003      President, Osaka University</p> <p>Sept. 2007      President, National Institute of Information and Communications Technology</p> <p>April 2013      Specially-appointed Professor, Graduate School of Information Science and Technology, Osaka University (present post)</p> <p>June 2013      Director of the Company (present post)</p> <p>&lt;Important concurrent offices&gt;</p> <ul style="list-style-type: none"> <li>- Specially-appointed Professor, Graduate School of Information Science and Technology, Osaka University</li> <li>- Representative Director, KNOWLEDGE CAPITAL Association</li> <li>- Outside Director, Osaka Gas Co., Ltd.</li> </ul> | 0 share                                           |



| Candidate No. | Name<br>(Date of birth)            | Brief history, position, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Number of shares of the Company held by Candidate |
|---------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 7.            | Seiji Manabe<br>(October 21, 1953) | <p>April 1976      Joined JNR</p> <p>Mar. 1985      Deputy Manager, Payroll Section, Staff Administration Department of JNR</p> <p>April 1987      Deputy Manager, Labor Section, Personnel Department of the Company</p> <p>Oct. 2001      General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2003      Executive Officer; General Manager, Finance Department of the Company</p> <p>June 2005      Senior Executive Officer; Deputy Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2006      Director and Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2009      Executive Vice President, Representative Director and Executive Officer; Senior General Manager, Tokyo Headquarters of the Company</p> <p>Oct. 2009      Executive Vice President, Representative Director and Executive Officer of the Company</p> <p>May 2012      President, Representative Director and Executive Officer of the Company (present post)</p> | 9,000 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 |
|---------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 8.            | Akiyoshi Yamamoto<br>(October 2, 1952) | <p>April 1975      Joined JNR</p> <p>Mar. 1985      Deputy Manager, External Affairs Department of JNR</p> <p>April 1987      Manager, Track Maintenance Section, Track &amp; Structures Department, Kinki Area Operations Headquarters of the Company</p> <p>June 2000      General Manager, Corporate Communications Office of the Company</p> <p>June 2002      Executive Officer; General Manager, Kobe Branch of the Company</p> <p>June 2006      Executive Officer; General Manager, Technical Research and Development Department, Railway Operations Headquarters of the Company</p> <p>June 2007      Senior Executive Officer; General Manager, Osaka Branch of the Company</p> <p>June 2008      Director and Senior Executive Officer; General Manager, Osaka Branch of the Company</p> <p>June 2009      Director and Senior Managing Executive Officer; General Manager, Osaka Branch of the Company</p> <p>Dec. 2010      Director and Senior Managing Executive Officer; Senior General Manager, Kansai Urban Area Regional Head Office of the Company</p> <p>June 2012      Executive Vice President, Representative Director and Executive Officer, Senior General Manager, Railway Operations Headquarters of the Company (present post)</p> | 6,000 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 |
|---------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 9.            | Shizuka Yabuki<br>(October 23, 1950) | <p>April 1974      Joined JNR</p> <p>Aug. 1985      Deputy Manager, Employment Policy Office, Staff Administration Section, Staff Administration Department of JNR</p> <p>Apr. 1987      Manager, Employment Policy Section, Employment Policy Dept. I, Employment Policy Headquarters of Japanese National Railways Settlement Corp.</p> <p>May 1990      Manager, Planning Section, Planning Promotion Department, Railway Operations Headquarters of the Company</p> <p>June 1998      General Manager, Transport Department, Railway Operations Headquarters of the Company</p> <p>Mar. 2001      Executive Officer; Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Marketing Department, Railway Operations Headquarters of the Company</p> <p>June 2002      Senior Executive Officer; Deputy Senior General Manager, Railway Operations Headquarters; Senior General Manager, Marketing Department, Railway Operations Headquarters of the Company</p> <p>June 2004      Senior Executive Officer; General Manager, Technical Research and Development Department, Railway Operations Headquarters of the Company</p> <p>June 2006      President and Representative Director, Nara Hotel Co., Ltd.</p> <p>June 2009      President and Representative Director, West Japan Railway Hotel Development, Ltd.</p> <p>June 2011      Director and Senior Managing Executive Officer; Senior General Manager, Business Development Headquarters of the Company</p> <p>June 2012      Executive Vice President, Representative Director and Executive Officer; Senior General Manager, Business Development Headquarters of the Company (present post)</p> | 3,800 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 |
|---------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 10.           | Tatsuo Kijima<br>(September 22, 1954) | <p>April 1978      Joined JNR</p> <p>Feb. 1986      Manager, Personal Section, Administration Department, Shinkansen Division of JNR</p> <p>April 1987      Deputy Manager, Labor Section, Personnel Department of the Company</p> <p>June 2002      General Manager, Corporate Communications Department of the Company</p> <p>June 2006      Executive Officer; General Manager, Personnel Department of the Company</p> <p>June 2009      Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>Oct. 2009      Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters; Senior General Manager, Tokyo Headquarters of the Company</p> <p>June 2010      Director and Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters; Senior General Manager, Tokyo Headquarters of the Company</p> <p>June 2012      Executive Vice President, Representative Director and Executive Officer of the Company</p> <p>Nov. 2012      Executive Vice President, Representative Director and Executive Officer; Senior General Manager, Supporting Headquarters for the victims of the derailment accident on the Fukuchiyama Line of the Company (present post)</p> | 4,200 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 |
|---------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 11.           | Akihiro Horisaka<br>(August 21, 1955) | <p>April 1979      Joined JNR</p> <p>June 1986      Manager, Budget Section, Accounting Department, Sendai Railway Operations Division of JNR</p> <p>April 1987      Assistant Manager, Accounting Section, Finance Department of the Company</p> <p>July 2004      On loan to Kyoto Station Building Development Co., Ltd.<br/>Managing Director, Kyoto Station Building Development Co., Ltd.</p> <p>July 2007      General Manager, Secretary Office of the Company</p> <p>June 2008      Executive Officer; General Manager, General Administration Department of the Company</p> <p>June 2012      Director and Senior Executive Officer; General Manager, General Affairs Department of the Company</p> <p>June 2013      Director and Senior Executive Officer; General Manager, Deliberation Department of the Derailment Accident on the Fukuchiyama Line; General Manager, Corporate Ethics and Risk Management Department; General Manager, General Affairs Department of the Company (present post)</p> | 6,000 shares                                      |
| 12.           | Kazuaki Hasegawa<br>(May 1, 1957)     | <p>April 1981      Joined JNR</p> <p>Feb. 1987      Secretariat Section, President's Office of JNR</p> <p>April 1987      Secretariat Section, General Affairs Department of the Company</p> <p>June 2005      General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2006      Deputy Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2008      Executive Officer; General Manager, Okayama Branch of the Company</p> <p>June 2012      Director and Senior Executive Officer, Senior General Manager, Kansai Urban Area Regional Head Office of the Company (present post)</p>                                                                                                                                                                                                                                                                                                                                                                            | 7,400 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 |
|---------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 13.           | Norihiro Yoshie<br>(February 3, 1955) | <p>April 1979      Joined JNR</p> <p>Feb. 1987      Assistant Manager, Passenger-Carrying Car Dept., Takatori Factory of JNR</p> <p>April 1987      Assistant Manager, Takatori Factory, Kinki Area Operations Headquarters of the Company</p> <p>July 2000      Deputy Manager, Rolling Stock Department, Railway Operations Headquarters of the Company</p> <p>Oct. 2001      Manager, Rolling Stock Department, Railway Operations Headquarters of the Company</p> <p>Sept. 2005      General Manager, in charge of Rolling Stock Department, Railway Operations Headquarters of the Company</p> <p>June 2006      General Manager, Rolling Stock Department, Railway Operations Headquarters of the Company</p> <p>June 2009      Technical Director and General Manager, Technical Research &amp; Development Department, Railway Operations Headquarters of the Company</p> <p>June 2013      Director and Senior Executive Officer; Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Shinkansen Supervising Department, Railway Operations Headquarters of the Company (present post)</p> | 5,500 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 |
|---------------|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 14.           | *<br>Nobutoshi Nikaido<br>(September 6, 1957) | <p>April 1980      Joined JNR</p> <p>Feb. 1986      Deputy Manager, Accounts Section,<br/>Accounting Department of JNR</p> <p>April 1987      Deputy Manager, Account Division,<br/>Finance Department of the Company</p> <p>June 2006      General Manager, Management Promotion<br/>Department, Corporate Planning<br/>Headquarters of the Company</p> <p>June 2008      On loan to West Japan Railway Daily<br/>Service Net Company</p> <p>                    Managing Director, West Japan Railway<br/>Daily Service Net Company</p> <p>June 2010      Executive Officer; General Manager, Kyoto<br/>Branch of the Company</p> <p>Dec. 2010      Executive Officer; Deputy Senior General<br/>Manager, Kansai Urban Area Regional<br/>Head Office; General Manager, Kyoto<br/>Branch, Kansai Urban Area Regional Head<br/>Office of the Company</p> <p>June 2012      Senior Executive Officer; Senior General<br/>Manager, Corporate Planning<br/>Headquarters; Senior General Manager,<br/>Tokyo Headquarters of the Company<br/>(present post)</p> | 3,600 shares                                      |

- (Notes)
1. Each of the Candidates has no special interest in the Company.
  2. The person marked with \* is a Candidate for new Director.
  3. Candidates Tadashi Ishikawa, Yumiko Sato, Yuzo Murayama, Norihiko Saito and Hideo Miyahara are candidates for external directors as provided for in Article 2, paragraph 3, item 7 of the Regulations to Enforce the Companies Act of Japan. Each Candidate is an external Director currently in office. The years of service of Mr. Tadashi Ishikawa, Ms. Yumiko Sato, Messrs. Yuzo Murayama, Norihiko Saito and Hideo Miyahara as external Directors will be eight years, four years, four years, two years and one year, respectively, at the close of this General Meeting of Shareholders.
  4. The Company has given notice of Candidates Tadashi Ishikawa, Yumiko Sato, Yuzo Murayama, Norihiko Saito and Hideo Miyahara as independent officers in accordance with the rules of each financial instruments exchange on which its shares are listed.
  5. Management proposes to elect Candidate Tadashi Ishikawa as external Director to have his accumulated experience and expertise as an attorney at law reflected in the management of the Company. He has not been engaged in corporate management. However, for the aforementioned reason, management believes that he will properly perform the duties of an external Director.

Management proposes to elect each of Candidates Yumiko Sato, Yuzo Murayama and Hideo Miyahara as external Director to have his/her accumulated experience and expertise as an academic expert reflected in the management of the Company. Neither of them has been engaged in corporate management. However, for the aforementioned reason, management

believes that each of them will properly perform the duties of an external Director.

Management proposes to elect Candidate Norihiko Saito as external Director to have his accumulated experience and expertise as a management executive reflected in the management of the Company.

6. The Company has entered into an agreement with each of Candidates for external Directors Tadashi Ishikawa, Yumiko Sato, Yuzo Murayama, Norihiko Saito and Hideo Miyahara to limit his/her liabilities as provided for in Article 423, paragraph 1 of the Companies Act of Japan, to the amount as provided for in laws or ordinances.
7. While Candidate Norihiko Saito was serving Kinden Corporation as Representative Director, with regard to a transaction relating electric power transmission work ordered by The Kansai Electric Power Company, Incorporated, Kinden Corporation was subjected to a cease and desist order and an order for payment of surcharge by the Fair Trade Commission because it was found to have violated Article 3 (Prohibition of Unreasonable Restraint of Trades) of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (or Antimonopoly Act) of Japan.



<Proposed by Shareholders (Proposition No. 3 and Proposition No. 4)>

**Proposition No. 3 and Proposition No. 4 have been made by our shareholders.**

**Proposition No. 3: Amendment to the Articles of Incorporation (Disclosure of Officers' Remuneration on an Individual Basis)**

◇ Summary of the proposition

It is hereby proposed that the following provision be inserted into the Articles of Incorporation:

"With regard to the amounts of remuneration and bonuses for Directors and Corporate Auditor for each fiscal year, the amount thereof for each Director and each Corporate Auditor shall, irrespective of whether it exceeds 100 million yen or not, be disclosed on an individual basis by inclusion in the reference document for the general meeting of shareholders attached to the notice of the general meeting of shareholders for each such fiscal year."

◇ Reasons for the proposition

It is the duty of all officers entrusted with management by the shareholders to them to inform them of the amounts of remuneration of the officers. By taking the initiative in disclosing its officers' remuneration to its shareholders, the Company will enjoy higher international credit as a company committed to transparent information disclosure and repay the shareholders' trust, whereby enhancing its corporate value. In the capital market in the United States and Great Britain where high returns have been paid to shareholders for the past 20 years, disclosure of remuneration on an individual basis is common and has caused no inconvenience, which would be the grounds for the introduction of "Say on Pay" (a mechanism to allow the shareholders to voice their opinions about remuneration at general meetings of shareholders). The proposer does not object to paying more remuneration to hire more excellent executives who may increase the shareholder value. At many companies to which individual remuneration disclosure has been proposed, 30% to 48% of the votes cast have been proved to be affirmative.

In Japan, customarily, remuneration in the name of advisor's fees or otherwise is paid to individuals who have served as officers. The proposer also recommends that such remuneration be disclosed.

○ Opinion of the Board of Directors

With regard to the amounts of remuneration paid to its Directors and Corporate Auditors, the Company regards it essential to disclose the aggregate amounts of remuneration as cost related to management. Accordingly, the Company, in accordance with laws and ordinances, properly discloses the total amount of remuneration and the number of officers in its business report based on the classification of Directors, Corporate Auditors and external officers.

Remuneration for both Directors and Corporate Auditors, with their officers' bonuses abolished and integrated into monthly remuneration, remains in an appropriate level with consideration given to the results of surveys of other companies' remuneration levels and other matters.

Remuneration for Directors is determined, within the scope of the total amount of remuneration determined by resolution of the General Meeting of Shareholders, by resolution of the Board of Directors based on a report of the deliberations at the Remuneration Advisory Committee a majority of the members of which shall be external Directors. Remuneration for Corporate Auditors is determined, within the scope of the total amount of remuneration determined by resolution of the General Meeting of Shareholders, upon discussions among the Corporate Auditors.

As discussed above, the Company discloses and determines its officers' remuneration properly and does not find it necessary to establish such provision as proposed herein in its Articles of Incorporation.

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

**Proposition No. 4: Amendment to the Articles of Incorporation (Disclosure of the Content of an Evaluation Document upon Making any Subsidiary into a Wholly-owned Subsidiary)**

◇ Summary of the proposition

It is hereby proposed that the following provision be inserted into the Articles of Incorporation:

"In the event that the Company makes any unlisted subsidiary, the shares of which are generally available for trading, into a wholly-owned subsidiary, it shall disclose the free cash flow plan, discount rate and other facts forming the basis for the determination of the price."

◇ Reasons for the proposition

In a management buyout (MBO) of a listed company, disclosure of the substantive content of the share price valuation report is required under law. Similarly, in the event that any unlisted subsidiary, the shares of which are generally available for trading, is made into a wholly-owned subsidiary, such content should be disclosed. If a valuation report is not disclosed, there could be a risk of price manipulation by making the debt figure negative or otherwise as revealed in the valuation report by Mizuho Securities in the Kanebo incident.

○ Opinion of the Board of Directors

In acquiring shares, the Company makes a decision adequately from comprehensive perspectives upon taking into consideration objective evaluations by third parties, to enhance the common interests of its shareholders and its corporate value.

In addition, with regard to disclosure of information, the Company is committed to timely and proper disclosure in accordance with laws and ordinances, and does not find it necessary to establish such provision as proposed herein in its Articles of Incorporation.

**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.web54.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 Monday, June 23, 2014. 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.5.01 SP2 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:                             | Sumitomo Mitsui Trust Bank, Limited<br>Stock Transfer Agency Business Planning Dept. |
| Dedicated Phone No:                          | 0120-652-031 (toll-free) (9:00 a.m. to 9:00 p.m.)                                    |
| Request for forms, etc. and other inquiries: | 0120-782-031 (toll-free) (9:00 a.m. to 5:00 p.m.<br>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.