

Notice Regarding Investment in the Urban Passenger Railway Business in Brazil

As described below, on December 9, 2015, JR-West decided to invest in the urban passenger railway business in Brazil and concluded a contract that calls for the purchase from Mitsui & Co., Ltd., of a portion of the shares of Guarana Urban Mobility Incorporated, a Mitsui subsidiary.

1. Purpose of investment

Under the Medium-Term Management Plan 2017, the JR-West Group is working to foster growth as a Group, including in global markets. Through participation in overseas railway projects, JR-West aims to open up the potential of new businesses and to develop its human resources through collaboration in the development and operation of overseas railways.

Through this acquisition of shares in Guarana Urban Mobility Incorporated, a Mitsui subsidiary that invests in urban passenger railway businesses in Brazil, and through the technical support that is currently being planned, JR-West will contribute to safe, stable transport on urban passenger railways in Brazil. In addition, a contribution will be made to the development of the railway business in Japan through the acquisition of know-how in the overseas railway business, the development of our human resources, and the provision of technical support.

2. Overview of investment

- (1) Company in which investment will be made
Guarana Urban Mobility Incorporated (GUMI)

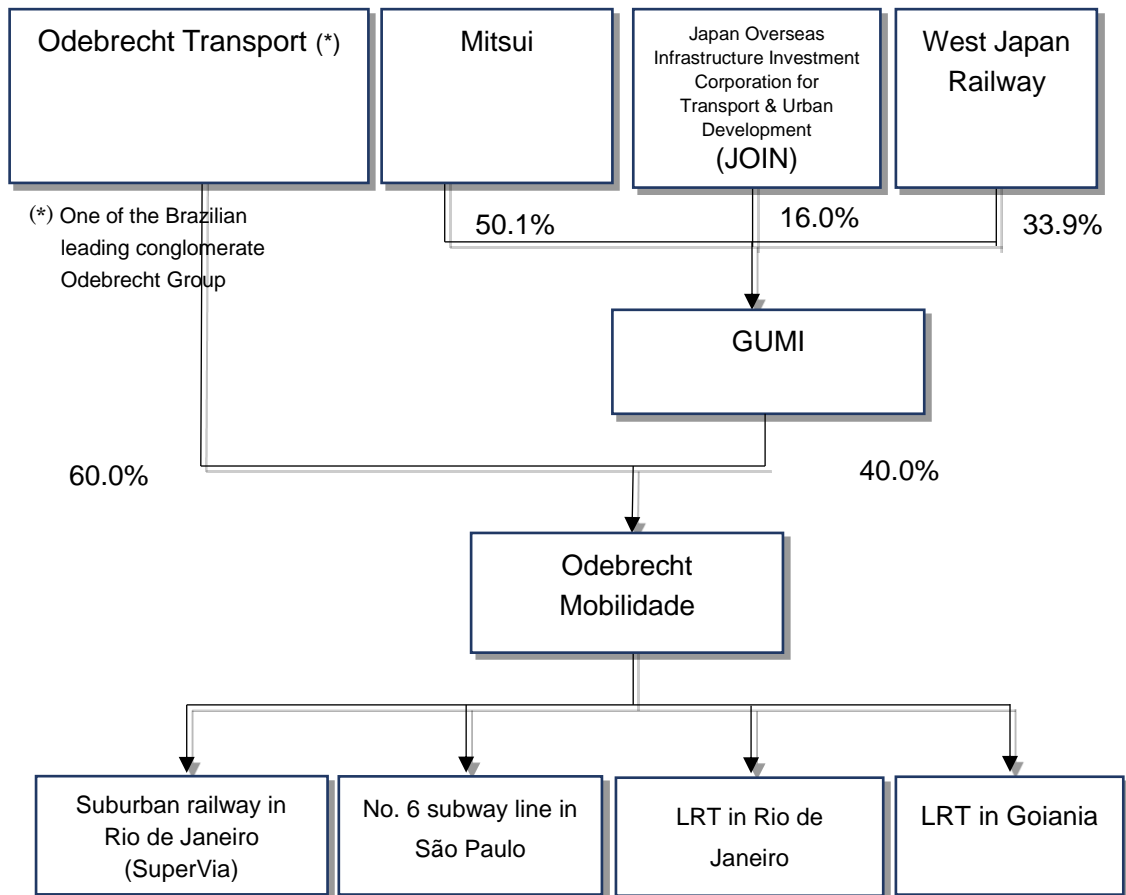
- (2) Number of shares to be acquired
812,736 shares (33.9% of issued shares)

- (3) Seller
Mitsui & Co., Ltd.

- (4) Date contract concluded
December 9, 2015

Attachment

【Investment Structure】



【Businesses Included in the Deal】

	Suburban railway in Rio de Janeiro (SuperVia)	No. 6 subway line in São Paulo	LRT in Rio de Janeiro	LRT in Goiania
Business format/ period	Concession/ 1998-2048	PPP/ 2014-2039	PPP/ 2013-2038	PPP/ 2016-2051
Opening date	In operation	2021	2016	2018
OM shareholding	60.0%	13.7%	24.9%	90.0%
System/rail length	Suburban lines/270km	Subway/15.3km	LRT/28km	LRT/14km
Capacity	1.7 million people/day	1.million people/day	285,000 people/day	240,000 people/day