

(Translation)

NOTICE OF THE 32ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

To Our Shareholders:

We should like to extend our heartfelt gratitude for your continued understanding of business operations of West Japan Railway Group (the "Group").

The Group very seriously takes its responsibility for the train accident on the Fukuchiyama Line we caused on April 25, 2005 and the gravity of its consequences, and has continued to implement various measures in terms of both physical and intangible aspects to improve safety.

In consideration of this, I, as well as all officers and employees of the Group, have determined to continue to faithfully perform our roles in our respective positions with a sense of responsibility to build a safer railway system.

Last year, the Group launched a "JR-West Group Medium-Term Management Plan 2022" and its core component, a "JR-West Group Railway Safety Think-and-Act Plan 2022." Based on our resolve never to cause another accident like that on the Fukuchiyama Line, we will implement plans toward the realization of our corporate philosophy and management vision and contribute to the creation of "a safe and comfortable society filled with meetings among people and smiles" which is our vision.

With regard to shareholder returns, we will pay stable dividends, aiming for a dividend payout ratio of approximately 35% in the fiscal year ending March 31, 2023. In addition, over the aggregate period up to March 31, 2023, the Company's yardstick will be a total return ratio of approximately 40%, and we will make flexible acquisitions of treasury stock. During the fiscal year under review, we acquired and cancelled 1,253,600 shares of common stock of the Company.

The economic environment surrounding the Group is extremely challenging as we will face changes in the social structure, such as market contraction and labor shortages resulting from the decline in the population. On the other hand, however, customers visiting Japan from overseas are increasing and we are also advancing multiple large-scale projects. 2025 Japan World Expo ("Osaka/Kansai Expo") will be held. Thus, we have a substantial number of opportunities for growth in the future.

In these situations, by continuing to enhance our strengths in cooperation with local communities and in the development of initiatives as a unified group and becoming a "company that continues to take on challenges" from our perspective based on our vision, we will strive to contribute to social and economic development and enhance its enterprise value on a medium to long term.

On that basis, the entire Group will continually work to achieve growth and open up the future.

Hence, we cordially seek the continued understanding and support of our shareholders.

May 2019

Tatsuo Kijima
President and Representative Director

(Securities Code: 9021)
May 31, 2019

To the Shareholders:

NOTICE OF THE 32ND ORDINARY GENERAL MEETING
OF SHAREHOLDERS

Dear Shareholders:

Please take notice that the 32nd 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 via the Internet or other methods 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 19 (Wednesday), 2019.

Yours very truly,

Tatsuo Kijima
President and Representative Director

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

Description

1. Date and hour of the meeting:

June 20 (Thursday), 2019, 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 32nd fiscal year (from April 1, 2018 to March 31, 2019)
2. Report on the results of audit of the consolidated financial statements for the 32nd fiscal year by the account auditors and the Audit & Supervisory Board

Matter to be resolved:

Proposition No. 1: Appropriation of retained earnings

Proposition No. 2: Election of 15 Directors

Proposition No. 3: Election of four (4) Audit & Supervisory Board Members

4. Other matters determined upon convening the General Meeting of Shareholders:

- (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 via the Internet or other methods, the voting rights exercised via the Internet or other methods shall be treated as effective.
- (3) If voting rights are exercised more than once via the Internet or other methods, the voting rights last exercised shall be treated as effective.

END

Information on the matters to be posted on our Internet website

- (1) The business report, the consolidated financial statements, the financial statements and the audit reports required to be attached to the Notice of the General Meeting of Shareholders are as set forth on page 35 to page 77 herein. However, the systems required to secure the properness of business activities, the notes to consolidated financial statements and the notes to non-consolidated financial statements are posted on our Internet website (<https://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 business report that has been audited by the Audit & Supervisory Board Members and the consolidated financial statements and financial statements that have been audited by the account auditors and the Audit & Supervisory Board Members are comprised of the systems required to secure the properness of business activities, the notes to consolidated financial statements and the notes to non-consolidated financial statements posted on the abovementioned website as well as the documents included in this Notice of the General Meeting of Shareholders.

- (2) In the event of the revision of any matter in the Reference Document for the General Meeting of Shareholders, the business report, the consolidated financial statements and the financial statements, it will be posted on our Internet website (<https://www.westjr.co.jp/company/ir/stock/meeting/>).*

Internet website of the Company

<https://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 (<https://www.westjr.co.jp/global/en/ir/news/2020/>).

Information on the exercise of voting rights

Before exercising your voting rights, please refer to the Reference Document for the General Meeting of Shareholders (on page 8 to page 34).

The following three methods are available for exercising voting rights:

(i) Exercise of voting rights by attending the meeting	Please present the enclosed voting form to a receptionist at the place of the meeting.
(ii) Exercise of voting rights in writing by mail Must reach us no later than June 19 (Wednesday), 2019	Please indicate your votes for or against each proposition in the enclosed voting form and return the form by mail. If voting rights are exercised both in writing and via the Internet or other methods, the voting rights exercised via the Internet or other methods shall be treated as effective.
(iii) Exercise of voting rights via the Internet Will be acceptable no later than June 19 (Wednesday), 2019	Please refer to the "Notice on Exercise of Voting Rights via the Internet" on the next page before exercising your voting rights via the Internet in advance.

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., will be available to institutional investors who have applied for the use of the platform in advance.

Information on Exercise of Voting Rights via the Internet

- (1) By reading the QR Code® ("Smart Voting")

Smart Voting can be made only once.

If you desire to change the votes exercised, please access the website for PCs listed in (2) below and log in with the "code for the exercise of voting rights" and "password" printed in the enclosed voting form to exercise your votes again.

* If you read the QR Code® again, the website for PCs will open.

- (2) By entering the "code for the exercise of voting rights" and the "password"

Website for the exercise of voting rights: <https://www.web54.net>

For the use of the website for the exercise of voting rights:

1. The "code for the exercise of voting rights" and the "password" are printed in the enclosed voting form.
2. 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 June 19 (Wednesday), 2019. However, for the expedient counting of the voting rights exercised, it would be appreciated if you could exercise your voting rights early.
3. 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.

For further information on the exercise of voting rights via the Internet:

If you have any question about the exercise of voting rights via the Internet, please contact:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Business Planning Dept.

Web Support 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. on weekdays))

Reference Document for the General Meeting of Shareholders

Propositions and Information

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 achievement of the targets set in the "JR-West Group Medium-Term Management Plan 2022" publicized in April 2018, pay stable dividends, aiming for a dividend payout ratio of approximately 35% in the fiscal year ending March 31, 2023. In addition, over the aggregate period of this plan, the Company's yardstick will be a total return ratio of approximately 40%, and the Company will make flexible acquisitions of treasury stock.

By taking into consideration the business results of the Company for the fiscal year under review, future business outlook and various other factors, 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 ¥175 per share. As an interim dividend of ¥87.50 per share was paid in December 2018, management proposes to pay a year-end dividend of ¥87.50 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:

¥87.50 per share of common stock of the Company

¥16,842,065,800 in the aggregate

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

June 21, 2019

2. Other matters concerning the appropriation of retained earnings:

To be prepared for unforeseeable changes in the business environments in the future, management proposes to provide for ¥30 billion as general reserve.

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

General reserve: ¥30,000,000,000

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

Retained earnings carried forward: ¥30,000,000,000

Proposition No. 2: Election of 15 Directors

The term of office of the Directors, 15 in all, will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that 15 Directors be elected.

The candidates for Director are as follows:

Candidate No.	Name	Position and assignment in the Company	Attendance at the meetings of the Board of Directors during the fiscal year under review
1	[Reelection] Seiji Manabe	Chairman and Director	12/12 (100%)
2	[Reelection] Yumiko Sato Independent officer Candidate for External Director	External Director	12/12 (100%)
3	[Reelection] Yuzo Murayama Independent officer Candidate for External Director	External Director	11/12 (91%)
4	[Reelection] Norihiro Saito Independent officer Candidate for External Director	External Director	12/12 (100%)
5	[Reelection] Hideo Miyahara Independent officer Candidate for External Director	External Director	11/12 (91%)
6	[Reelection] Hikaru Takagi Independent officer Candidate for External Director	External Director	10/10 (100%)
7	[Reelection] Tatsuo Kijima	President and Representative Director In charge of "Three Pillars of Management"	12/12 (100%)

Candidate No.	Name	Position and assignment in the Company	Attendance at the meetings of the Board of Directors during the fiscal year under review
8	[Reelection] Fumito Ogata	Vice President and Representative Director Provides general assistance to President In charge of enhancement, innovation of railway technology, In charge of Railway Operations Headquarters, Safety Research Institute, Structural Engineering Office and Construction Department	12/12 (100%)
9	[Reelection] Kazuaki Hasegawa	Vice President and Representative Director Provides general assistance to President In charge of Business Development Headquarters	12/12 (100%)
10	[Reelection] Yoshihisa Hirano	Vice President and Representative Director Provides general assistance to President In charge of Shinkansen Operations Division, Railway Operations Headquarters	12/12 (100%)
11	[Reelection] Shoji Kurasaka	Director In charge of Supporting Headquarters for the victims of the derailment accident on the Fukuchiyama Line, Deliberation Department of the Derailment Accident on the Fukuchiyama Line, Inquiry & Auditing Department and General Affairs Department	10/10 (100%)
12	[Reelection] Keijiro Nakamura	Director In charge of Kansai Urban Area Regional Head Office	9/10 (90%)
13	[Reelection] Toshihiro Matsuoka	Director In charge of mid- to long-term strategies for the safety and technology of the Shinkansen	10/10 (100%)

Candidate No.	Name	Position and assignment in the Company	Attendance at the meetings of the Board of Directors during the fiscal year under review
14	[New election] Atsushi Sugioka	Senior Executive Officer Senior General Manager, Corporate Planning Headquarters and Senior General Manager, IT Headquarters In charge of "Development Project in Kansai"	-
15	[New election] Tadashi Kawai	Executive Officer Deputy General Manager, Kansai Urban Area Regional Head Office and General Manager, Osaka Branch, Kansai Urban Area Regional Head Office	-

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
1	<p>Seiji Manabe (October 21, 1953)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 12/12 (100%)</p>	<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 Vice President, Representative Director and Executive Officer; Senior General Manager, Tokyo Headquarters of the Company</p> <p>Oct. 2009 Vice President, Representative Director and Executive Officer of the Company</p> <p>May 2012 President, Representative Director and Executive Officer of the Company</p> <p>June 2016 Chairman and Director of the Company (present post)</p> <p><Important concurrent office></p> <ul style="list-style-type: none"> Chairman, Administrative Agency for Osaka City Museums 	10,000 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Since May 2012, Mr. Seiji Manabe, as President and Representative Director of the Company, had formulated and implemented the "JR-West Group Medium-Term Management Plan 2017" and the "Safety Think-and-Act Plan 2017". Since June 2016, he, as Chairman and Director, has held the office of Chairman of the Board of Directors to exercise appropriate supervision and control to enhance safety and increase the enterprise value. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
2	<p>Yumiko Sato (September 20, 1951)</p> <p>[Reelection]</p> <p>Independent officer Candidate for External Director</p> <p>Attendance at the meetings of the Board of Directors 12/12 (100%)</p>	<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>Oct. 2013 Special Professor, Institute for Creating Local Culture, Otemon Gakuin University</p> <p>May 2014 Specially-appointed Professor, Otemon Gakuin University</p> <p>Director, Center for Mature Society Research, Otemon Gakuin Educational Foundation</p> <p>Mar. 2015 Professor, Faculty of Regional Development Studies, Otemon Gakuin University (present post)</p> <p>April 2016 Director, Center for Mature Society Research, Otemon Gakuin University (present post)</p> <p><Important concurrent offices></p> <ul style="list-style-type: none"> • Professor, Faculty of Regional Development Studies, Otemon Gakuin University • Director, Center for Mature Society Research, Otemon Gakuin University • Member of the Board of Governors, Japan Broadcasting Corporation 	2,300 shares
<p>[Reason for selecting her as a candidate for Director]</p> <p>Ms. Yumiko Sato has long studied various aspects of livelihoods and cultures and the changes in lifestyles in generations and also has been active in various fields as an opinion leader. Based on her accumulated experience and expertise, she has provided useful advice to the Company on management with regard to various issues on participation by women and development of the next generation, among others, and the Company believes that she is qualified as an External Director.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office		Number of shares of the Company held by Candidate
3	Yuzo Murayama (February 21, 1953)	April 1982	Joined Nomura Research Institute, Ltd.	2,000 shares
	[Reelection]	June 1985	Deputy Chief Research Fellow, Economic Investigation Division, Nomura Research Institute, Ltd.	
Independent officer	July 1985	London Branch, Nomura Research Institute, Ltd.		
Candidate for External Director	April 1989	Full-time Lecturer, Department of English and American Languages, Kansai Gaidai University		
Attendance at the meetings of the Board of Directors 11/12 (91%)	Oct. 1993	Assistant Professor, American Studies, Department of Area Studies, Osaka University of Foreign Studies		
	Jan. 2001	Professor, Osaka University of Foreign Studies		
	April 2004	Professor, Doshisha Business School		
	April 2009	Professor and Dean, Doshisha Business School		
	June 2010	Director of the Company (present post)		
	April 2011	Professor, Doshisha University Graduate School of Business (present post)		
	April 2014	Vice President, Doshisha University (retired in March 2016)		
	<Important concurrent office>			
	• Professor, Doshisha University Graduate School of Business			
[Reason for selecting him as a candidate for Director] Mr. Yuzo Murayama has been acting as Professor, Doshisha University Graduate School of Business and also studied issues of CSR and what should be management strategies in changing international relationships. Based on his experience in consulting and accumulated expertise as to economic and business trends, he has provided useful advice to the Company and the Company believes that he is qualified as an External Director.				

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office		Number of shares of the Company held by Candidate
4	Norihiko Saito (February 11, 1946) [Reelection] Independent officer Candidate for External Director Attendance at the meetings of the Board of Directors 12/12 (100%)	April 1970	Joined The Kansai Electric Power Company, Incorporated	4,400 shares
		June 1997	Assistant Manager, The Kansai Electric Power Company, Incorporated	
		June 1999	Manager, The Kansai Electric Power Company, Incorporated	
		June 2001	Director, The Kansai Electric Power Company, Incorporated	
		June 2003	Managing Director, The Kansai Electric Power Company, Incorporated	
		June 2005	Vice President and Representative Director, The Kansai Electric Power Company, Incorporated (retired in June 2011)	
		June 2007	Statutory Auditor, Kinden Corporation	
		June 2011	Chairman, Kinden Corporation (retired in June 2016)	
		June 2012	Director of the Company (present post)	
		June 2016	Senior Advisor, Kinden Corporation	
		June 2018	Special Counsel, Kinden Corporation (present post)	
		<Important concurrent offices>		
		• Special Counsel, Kinden Corporation		
		• Outside Director, The Kinki Sharyo Co., Ltd.		
		• Director and Chairman (Outside Director), West Nippon Expressway Company Limited		
[Reason for selecting him as a candidate for Director] After serving The Kansai Electric Power Company, Incorporated as Managing Director and Vice President and Representative Director, Mr. Norihiko Saito has held the office of Chairman and Representative Director and Senior Advisor of Kinden Corporation since June 2011. Based on his professional knowledge and accumulated expertise as a management executive, he has provided useful advice to the Company on management, including organizational management and safety and the Company believes that he is qualified as an External Director.				

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office		Number of shares of the Company held by Candidate
5	<div>Hideo Miyahara (June 21, 1943)</div> <div>[Reelection]</div> <div>Independent officer Candidate for External Director</div> <div>Attendance at the meetings of the Board of Directors 11/12 (91%)</div>	<div>Jan. 1973 April 1973 April 1980 Oct. 1989 April 1998 Aug. 2003 Sept. 2007 April 2013 June 2013 April 2016</div> <div>Doctor of engineering, Osaka University Assistant, Faculty of Engineering, Kyoto University Associate Professor, School of Engineering Science, Osaka University Professor, School of Engineering Science, Osaka University Dean, Graduate School of Engineering Science and School of Engineering Science, Osaka University President, Osaka University (retired in August 2007) President, National Institute of Information and Communications Technology (retired in March 2013) Specially-appointed Professor, Graduate School of Information Science and Technology, Osaka University Director of the Company (present post) Visiting Professor, Graduate School of Information Science and Technology, Osaka University (present post)</div>	<div>300 shares</div> <div><Important concurrent offices><ul style="list-style-type: none">• Visiting Professor, Graduate School of Information Science and Technology, Osaka University• Research Director and Member of the Board, Asia Pacific Institute of Research• Representative Director, Knowledge Capital Association• Outside Director, Osaka Gas Co., Ltd.</div>	
	<div>[Reason for selecting him as a candidate for Director]</div> <div>Mr. Hideo Miyahara has served Osaka University successively as Professor, School of Engineering Science; Dean, Graduate School of Engineering Science; Dean, School of Engineering Science; and President. Based on his accumulated expertise in information engineering, he has provided useful advice to the Company on technology in general, including safety and the Company believes that he is qualified as an External Director.</div>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office		Number of shares of the Company held by Candidate
6	Hikaru Takagi (December 12, 1954)	April 1977	Assistant, Tokyo University	0 share
	[Reelection]	Aug. 1980	Associate Professor, Faculty of Law, Kobe University	
	Independent officer	April 1990	Professor, Faculty of Law, Kobe University	
	Candidate for External Director	April 1991	Professor, Faculty of Law, Gakushuin University	
	Attendance at the meetings of the Board of Directors 10/10 (100%)	April 2004	Professor, Graduate School of Law, Gakushuin University	
		April 2007	Professor, Graduate School of Law, Kyoto University (present post)	
		June 2018	Director of the Company (present post)	
		<Important concurrent office>		
		• Professor, Graduate School of Law, Kyoto University		
[Reason for selecting him as a candidate for Director] Mr. Hikaru Takagi has been engaged in research and education at Tokyo University, Kobe University, Gakushuin University and Kyoto University. Based on his professional knowledge and accumulated expertise as a jurist, he has provided useful advice to the Company on management and the Company believes that he is qualified as an External Director.				

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
7	<p>Tatsuo Kijima (September 22, 1954)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 12/12 (100%)</p>	<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 Vice President, Representative Director and Executive Officer of the Company</p> <p>Nov. 2012 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</p> <p>June 2016 President, Representative Director and Executive Officer of the Company (present post)</p>	9,400 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Based on his accumulated experience in the planning and general affairs divisions of the Company, among others, Mr. Tatsuo Kijima, as Vice President, Representative Director and Executive Officer of the Company since June 2012, and as President, Representative Director and Executive Officer of the Company since June 2016, has performed his duties to increase its enterprise value and enhance safety in the unstable economic situations and under severe business environments faced with frequent disasters. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
8	<p>Fumito Ogata (March 16, 1958)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 12/12 (100%)</p>	<p>April 1981 Joined JNR</p> <p>Mar. 1985 Budget Section, Accounting Department of JNR</p> <p>April 1987 Section Manager, Himeji Track Maintenance Section, Kinki Area Operations Headquarters of the Company</p> <p>June 2008 Deputy Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>Dec. 2009 Executive Officer; General Manager, Corporate Ethics & Risk Management Department of the Company</p> <p>April 2011 Executive Officer; General Manager, Corporate Ethics & Risk Management Department; General Manager, Inquiry & Auditing Department of the Company</p> <p>June 2011 Executive Officer; General Manager, Corporate Ethics & Risk Management Department of the Company</p> <p>June 2012 Executive Officer; General Manager, Corporate Communications Department of the Company</p> <p>June 2014 Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters; Senior General Manager, Tokyo Headquarters of the Company</p> <p>June 2016 Director, Senior Executive Officer; Senior General Manager, Corporate Planning Headquarters; Senior General Manager, IT Headquarters of the Company</p> <p>June 2017 Director, Senior Managing Executive Officer; Senior General Manager, Corporate Planning Headquarters; Senior General Manager, IT Headquarters of the Company</p> <p>Jan. 2018 Vice President, Representative Director and Executive Officer; Senior General Manager, Railway Operations Headquarters of the Company (present post)</p>	5,900 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Fumito Ogata has accumulated experience in the technology divisions of the Company and also has performed important roles in its planning and general affairs divisions for a long time. Through his activities in these wide sectors, he is familiar with the operations of the Company in general. He has taken the initiative in further enhancing safety in its entire railway business, including measures against intensifying natural disasters. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office		Number of shares of the Company held by Candidate
9	Kazuaki Hasegawa (May 1, 1957) [Reelection] Attendance at the meetings of the Board of Directors 12/12 (100%)	April 1981	Joined JNR	9,700 shares
		Feb. 1987	Secretariat Section, President's Office of JNR	
		April 1987	Secretariat Section, General Affairs Department of the Company	
		June 2005	General Manager in charge of Corporate Planning Headquarters of the Company	
		June 2006	Deputy Senior General Manager, Corporate Planning Headquarters of the Company	
		June 2008	Executive Officer; General Manager, Okayama Branch of the Company	
		June 2012	Director and Senior Executive Officer, Senior General Manager, Kansai Urban Area Regional Head Office of the Company	
		June 2016	Vice President, Representative Director and Executive Officer; Senior General Manager, Business Development Headquarters of the Company (present post)	
		[Reason for selecting him as a candidate for Director] Mr. Kazuaki Hasegawa has accumulated experience in the business divisions and administration of branch offices as well as the planning and general affairs divisions of the Company, among others. He also excels in organizational administration in the fields and is familiar with general businesses of the entire Group. He has taken the initiative in promoting measures to increase the regional value as a "Groupwide Strategies" with Railway and Non-Railway businesses in collaboration, while placing top priority on safety. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.		

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
10	<p>Yoshihisa Hirano (March 28, 1958)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 12/12 (100%)</p>	<p>April 1982 Joined JNR</p> <p>Feb. 1987 General Manager, Okayama Signal and Communication Branch-station, Okayama Electric Station, Shinkansen Division of JNR</p> <p>April 1987 General Manager, Okayama Signal and Communication Branch-station, Okayama Electric Station, Shinkansen Operations Headquarters of the Company</p> <p>Dec. 2005 General Manager in charge of Electrical Engineering Department, Railway Operations Headquarters of the Company</p> <p>July 2008 General Manager, Transport Security Systems Office, Railway Operations Headquarters of the Company</p> <p>June 2012 Technology Director; General Manager, Transport Security Systems Office, Railway Operations Headquarters of the Company</p> <p>June 2014 Executive Officer; General Manager, Technical Research & Development Department, Railway Operations Headquarters of the Company</p> <p>June 2016 Director and Senior Executive Officer; General Manager, Kansai Urban Area Regional Head Office of the Company</p> <p>Jan. 2018 Vice President, Representative Director and Executive Officer of the Company</p> <p>June 2018 Vice President, Representative Director and Executive Officer, Senior General Manager; Shinkansen Operations Division, Railway Operations Headquarters of the Company (present post)</p>	5,100 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Based on his accumulated experience in the technology divisions, Mr. Yoshihisa Hirano is at home in technology strategies instrumental in railway operations in the future, excels in organizational administration in the fields and is familiar with the businesses of the Company in general. He, in charge of the Shinkansen Operations Division established in 2018, has focused on the management of the new division and taken the initiative in promoting safety enhancement for the Shinkansen and measures to increase its value. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
11	Shoji Kurasaka (June 7, 1962) [Reelection] Attendance at the meetings of the Board of Directors 10/10 (100%)	<p>April 1985 Joined JNR</p> <p>April 1987 Personnel Section, Personnel Department of the Company</p> <p>June 2008 General Manager in charge of Personnel Department of the Company</p> <p>June 2009 Executive Officer; General Manager, Personnel Department of the Company</p> <p>June 2012 Executive Officer, Deputy Senior General Manager, Kansai Urban Area Regional Head Office; General Manager, Osaka Branch, Kansai Urban Area Regional Head Office of the Company</p> <p>June 2014 Executive Officer, General Manager, Corporate Communications Department of the Company</p> <p>June 2016 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 2018 Director and Senior Executive Officer; Senior General Manager, Supporting Headquarters for the victims of the derailment accident on the Fukuchiyama Line, General Manager, Deliberation Department of the Derailment Accident on the Fukuchiyama Line, and General Manager, General Affairs Department of the Company (present post)</p>	5,500 shares
	<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Shoji Kurasaka has been engaged in the planning and general affairs divisions, among others and also has experience in business divisions and the administration of branch offices. He has continued to make efforts to face with sincerity the victims of the derailment accident on the Fukuchiyama Line. He has extensive knowledge of the operations of the entire Group in general. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>		

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
12	<p>Keijiro Nakamura (July 10, 1960)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 9/10 (90%)</p>	<p>April 1985 Joined JNR</p> <p>April 1987 Track Maintenance Section, Track & Structures Department, Kinki Area Operations Headquarters of the Company</p> <p>Sept. 2005 General Manager in charge of Track & Structures Department, Railway Operations Headquarters of the Company</p> <p>July 2007 Deputy General Manager, Shinkansen Management Division of the Company</p> <p>June 2011 Deputy Senior General Manager, Shinkansen Management Division of the Company</p> <p>June 2012 Executive Officer; Senior General Manager, Shinkansen Management Division of the Company</p> <p>June 2014 Executive Officer; General Manager, Okayama Branch of the Company</p> <p>June 2016 Executive Officer; Senior General Manager, Shinkansen Management Division of the Company</p> <p>Jan. 2018 Senior Executive Officer, Senior General Manager, Kansai Urban Area Regional Head Office of the Company</p> <p>June 2018 Director and Senior Executive Officer, Senior General Manager, Kansai Urban Area Regional Head Office of the Company (present post)</p>	7,300 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Keijiro Nakamura has long been engaged in the technology divisions and also has accumulated experience in the administration of branch offices. He is familiar with the railway operations of the Company in general and has greatly contributed to safe and stable railway transportation. He, in charge of railway operations in the Kansai Urban Area, has taken the initiative in enhancing safety and increasing the value of the railway belts. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
13	<p>Toshihiro Matsuoka (September 10, 1959)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 10/10 (100%)</p>	<p>April 1985 Joined JNR</p> <p>April 1987 Rolling Stock Engineering Section, Suita Faculty, Kinki Area Operations Headquarters of the Company</p> <p>July 2006 General Manager in charge of Rolling Stock Department, Railway Operations Headquarters of the Company</p> <p>Dec. 2010 General Manager, Rolling Stock Department of the Company</p> <p>June 2014 Executive Officer; General Manager, Yonago Branch of the Company</p> <p>June 2017 Senior Executive Officer, Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Shinkansen Supervising Department, Railway Operations Headquarters of the Company</p> <p>June 2018 Senior Executive Officer, Deputy Senior General Manager, Railway Operations Headquarters, and Deputy Senior General Manager, Shinkansen Operations Division, Railway Operations Headquarters of the Company</p> <p>June 2018 Director, Senior Executive Officer, Deputy Senior General Manager, Railway Operations Headquarters, and Deputy Senior General Manager, Shinkansen Operations Division, Railway Operations Headquarters of the Company (present post)</p> <p><Important concurrent office></p> <p>- Outside Director, The Kinki Sharyo Co., Ltd.</p>	3,800 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Toshihiro Matsuoka has long been engaged in the technology divisions and also has accumulated experience in the administration of branch offices. He is familiar with railway operations of the Company in general and also excels in organizational administration in the fields. Currently, he has taken the initiative in enhancing the safety of the Shinkansen from technological aspects. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
14	Atsushi Sugioka (December 12, 1956) [New election]	<p>April 1982 Joined JNR</p> <p>April 1987 Track Maintenance Section, Track & Structures Department, Railway Operations Headquarters of the Company</p> <p>June 2007 General Manager in charge of Corporate Planning Headquarters of the Company</p> <p>June 2010 Executive Officer, Deputy Senior General Manager, Corporate Planning Headquarters of the Company</p> <p>June 2013 Executive Officer, General Manager, Hiroshima Branch of the Company</p> <p>June 2016 Senior Executive Officer, Deputy Senior General Manager, Business Development Headquarters of the Company</p> <p>June 2018 Senior Executive Officer, Senior General Manager, Corporate Planning Headquarters and Senior General Manager, IT Headquarters of the Company (present post)</p>	4,500 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Atsushi Sugioka has been engaged in the technology divisions and has accumulated experience in the administration of branch offices and the Business Development division. He also has accumulated experience in the planning division and is familiar with the operations of the Company in general. Currently, he has taken the initiative in strengthening the Group management system to achieve the "JR-West Group Medium-Term Management Plan 2022". For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position, assignment and important concurrent office	Number of shares of the Company held by Candidate
15	Tadashi Kawai (March 9, 1960) [New election]	<p>April 1985 Joined JNR</p> <p>April 1987 Track Maintenance Section, Track & Structures Department, Kinki Area Operations Headquarters of the Company</p> <p>July 2005 General Manager in charge of Transport Safety Department, Railway Operations Headquarters of the Company</p> <p>June 2009 Deputy General Manager, Transport Safety Department, Railway Operations Headquarters of the Company</p> <p>June 2011 General Manager, Track & Structures Department, Railway Operations Headquarters of the Company</p> <p>June 2014 Executive Officer, General Manager, Wakayama Branch of the Company</p> <p>June 2016 Executive Officer, Deputy Senior General Manager, Kansai Urban Area Regional Head Office and General Manager, Osaka Branch, Kansai Urban Area Regional Head Office of the Company (present post)</p>	2,800 shares
<p>[Reason for selecting him as a candidate for Director]</p> <p>Mr. Tadashi Kawai has long been engaged in the technology divisions and held several important positions in the safety division. He also has accumulated experience in the administration of branch offices, is familiar with railway operations of the Company in general and also excels in organizational administration in the fields. Currently, he, in charge of railway operations in the Osaka area, which is the important rail belt of the railway division of the Company, has taken the initiative in enhancing safety and increasing the value of the rail belt. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that his objective decision-making ability, forward-thinking skills and ability to deliver are appropriate to assume the responsibility for its management and that he is qualified as a Director of the Company.</p>			

- (Notes)
- Each of the Candidates has no special interest in the Company.
 - Candidates Ms. Yumiko Sato, and Messrs. Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi are candidates for external director as provided for in Article 2, paragraph 3, item 7 of the Regulations to Enforce the Companies Act of Japan. Candidates Ms. Yumiko Sato, and Messrs. Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi are External Directors currently in office. The years of service of Ms. Yumiko Sato, Messrs. Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi as External Directors will be nine years, nine years, seven years, six years and one year, respectively, at the close of this General Meeting of Shareholders.
 - The Company has registered Candidates Ms. Yumiko Sato, and Messrs. Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi, each of whom has satisfied its "Criteria for Independence of External Officers" and the requirements for independent officers specified by the Tokyo Stock Exchange, as independent officers in accordance with the rules of each financial instruments exchange on which its shares are listed.
 - Management proposes to elect each of Candidates Ms. Yumiko Sato, and Messrs. Yuzo Murayama, Hideo Miyahara and Hikaru Takagi 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 Mr. Norihiko Saito as External Director to have his accumulated experience and expertise as a management executive reflected in the management of the Company.

5. The Company has entered into an agreement with each of Candidates for External Director Ms. Yumiko Sato, and Messrs. Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi 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. If the reelection of each of them is approved, the Company will maintain such agreement with each of them.

Proposition No. 3: Election of four (4) Audit & Supervisory Board Members

The term of office of the Audit & Supervisory Board Members, four (4) in all, will expire at the close of this Ordinary General Meeting of Shareholders. Hence, by taking into consideration the nature of the business of the Company, including safety among other things, and aiming to further strengthen its auditing functions, specifically for the enhancement of safety through audits by utilizing Audit & Supervisory Board Members' respective broad knowledge and experience, it is hereby proposed that four (4) Audit & Supervisory Board Members be elected.

The candidates for Audit & Supervisory Board Member are as follows.

The Audit & Supervisory Board has consented to the submission of this proposition.

Candidate No.	Name	Position in the Company	Attendance at the meetings of the Board of Directors during the fiscal year under review	Attendance at the meetings of the Audit & Supervisory Board during the fiscal year under review
1	[Reelection] Naoki Nishikawa	Full-time Audit & Supervisory Board Member	10/10 (100%)	11/11 (100%)
2	[New election] Makoto Shibata	-	-	-
3	[Reelection] Yasumi Katsuki Independent officer Candidate for External Audit & Supervisory Board Member	External Audit & Supervisory Board Member	12/12 (100%)	14/14 (100%)
4	[Reelection] Yoshinobu Tsutsui Independent officer Candidate for External Audit & Supervisory Board Member	External Audit & Supervisory Board Member	11/12 (91%)	14/14 (100%)

Candidate No.	Name (Date of birth)	Brief history, position and important concurrent office		Number of shares of the Company held by Candidate
1	<p>Naoki Nishikawa (September 13, 1950)</p> <p>[Reelection]</p> <p>Attendance at the meetings of the Board of Directors 10/10 (100%)</p> <p>Attendance at the meetings of the Audit & Supervisory Board 11/11 (100%)</p>	<p>April 1975</p> <p>Feb. 1986</p> <p>April 1987</p> <p>Oct. 2001</p> <p>June 2003</p> <p>Nov. 2005</p> <p>June 2006</p> <p>June 2008</p> <p>June 2012</p> <p>June 2014</p> <p>June 2015</p> <p>March 2017</p> <p>June 2018</p>	<p>Joined JNR</p> <p>Manager, Railway Station Section, Osaka Construction Office of JNR</p> <p>Chief Engineer, Osaka Construction Office of the Company</p> <p>General Manager in charge of Corporate Planning Headquarters of the Company</p> <p>Executive Officer; General Manager, Okayama Branch of the Company</p> <p>Senior Executive officer; Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Transport Safety Department, Railway Operations Headquarters of the Company</p> <p>Director, Senior Executive Officer; Deputy Senior General Manager, Railway Operations Headquarters; General Manager, Transport Safety Department, Railway Operations Headquarters of the Company</p> <p>Vice President, Representative Director and Executive Officer; Senior General Manager, Railway Operations Headquarters of the Company (Retired in June 2012)</p> <p>President and Representative Director of Osaka Terminal Building Company(Retired on June 2014)</p> <p>Vice Chairman and Director, Daitetsu Kogyo Co., Ltd.</p> <p>President and Representative Director, Daitetsu Kogyo Co., Ltd.</p> <p>Senior Advisor and Director, Daitetsu Kogyo Co., Ltd. (retired in June 2018)</p> <p>Audit & Supervisory Board Member of the Company (present post)</p>	11,300 shares
	<p>[Reason for selecting him as a candidate for Audit & Supervisory Board Member]</p> <p>Mr. Naoki Nishikawa has accumulated experience in the technology divisions and has performed duties of general control over railway safety in general. He also has contributed to enhancing safety and increasing the enterprise value as Vice President and Representative Director. Since his retirement from office of an executive officer of the Company, he has exhibited management skills for its group companies. To build good governance with which the Company can earn the trust of society for the purpose of sustainable development of the entire JR West Japan Group, the Company believes that he is qualified as an Audit & Supervisory Board Member of the Company.</p>			

Candidate No.	Name (Date of birth)	Brief history, position and important concurrent office	Number of shares of the Company held by Candidate
2	Makoto Shibata (December 14, 1954) [New election]	April 1978 Joined JNR March 1985 Manager, Personnel Section, General Affairs Department, Nagano Railway Operations Division of JNR April 1987 Deputy Manager, Planning Section, Marketing Department, Railway Operations Headquarters of the Company June 2002 On loan to West Japan Railway Daily Service Net Company Managing Director, West Japan Railway Daily Service Net Company July 2004 General Manager in charge of Group Management Planning Office, Corporate Planning Headquarters of the Company March 2006 General Manager, General Affairs Department of the Company June 2006 Executive Officer; General Manager, General Affairs Department of the Company June 2008 Executive Officer; General Manager, Hiroshima Branch of the Company June 2010 Director, Senior Executive Officer; General Manager, IT Headquarters, Deputy Senior General Manager, Railway Operations Headquarters, Senior General Manager, Marketing Department, Railway Operations Headquarters of the Company June 2012 Director, Senior Executive Officer; Deputy Senior General Manager, Railway Operations Headquarters, Senior General Manager, Marketing Department, Railway Operations Headquarters of the Company (retired in June 2014) June 2014 President and Representative Director, West Japan Railway Daily Service Net Company (retired in June 2017) June 2017 President and Representative Director, JR West Real Estate & Development Company (expected to retire in June 2019)	5,100 shares
		[Reason for selecting him as a candidate for Audit & Supervisory Board Member] Mr. Makoto Shibata has accumulated experience in the planning and general affairs divisions and sales division of the Company, among others and has contributed to increasing the enterprise value as Director and Senior Executive Officer. He also has engaged in organizational administration in the fields and safety enhancement through the administration of branch offices of the Company. Since his retirement from office of an executive officer of the Company, he has exhibited management skills for its group companies and his ample experience and knowledge covering the operations of the Group in general will contribute to more efficient audits. To build good governance with which the Company can earn the trust of society for the purpose of sustainable development of the entire JR West Japan Group, the Company believes that he is qualified as an Audit & Supervisory Board Member of the Company.	

Candidate No.	Name (Date of birth)	Brief history, position and important concurrent office		Number of shares of the Company held by Candidate
3	Yasumi Katsuki (November 29, 1947)	Oct. 1973	Joined Asahi & Co.	1,800 shares
	[Reelection] Independent officer Candidate for External Audit & Supervisory Board Member Attendance at the meetings of the Board of Directors 12/12 (100%) Attendance at the meetings of the Audit & Supervisory Board 14/14 (100%)	Sept. 1977	Registered as certified public accountant	
		July 1987	Partner, Asahi & Co. (now KPMG AZSA LLC) (the "auditing firm")	
		Aug. 1995	Representative Partner of the auditing firm	
		June 1997	Executive Partner, Osaka Office of the auditing firm	
		May 2001	Senior Executive Partner; Representative, Osaka Office of the auditing firm	
		May 2006	Partner, Head Office of KPMG AZSA & Co (now KPMG AZSA LLC)	
		June 2010	Retired from the auditing firm	
		July 2010	Established Katsuki Office (present post)	
		June 2011	Audit & Supervisory Board Member of the Company (present post)	
<Important concurrent office>				
<ul style="list-style-type: none">• Certified public accountant, Katsuki Office• Outside Director, Sumitomo Seika Chemical Company Limited• Outside Director, Sakata Inx Corporation				
[Reason for selecting him as a candidate for Audit & Supervisory Board Member] Mr. Yasumi Katsuki has long been acting as a certified public accountant and has served as a representative partner and a senior executive partner of auditing firms, among others. With his wide experience and deep insight, he has contributed to further strengthening governance through audits and other activities. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that he is qualified as an Audit & Supervisory Board Member of the Company.				

Candidate No.	Name (Date of birth)	Brief history, position and important concurrent office	Number of shares of the Company held by Candidate
4	<p>Yoshinobu Tsutsui (January 30, 1954)</p> <p>[Reelection]</p> <p>Independent officer Candidate for External Audit & Supervisory Board Member</p> <p>Attendance at the meetings of the Board of Directors 11/12 (91%)</p> <p>Attendance at the meetings of the Audit & Supervisory Board 14/14 (100%)</p>	<p>April 1977 Joined Nippon Life Insurance Company</p> <p>July 2004 Director, Nippon Life Insurance Company</p> <p>Jan. 2007 Director and Executive Officer, Nippon Life Insurance Company</p> <p>Mar. 2007 Director and Senior Executive Officer, Nippon Life Insurance Company</p> <p>Mar. 2009 Director and Senior Managing Executive Officer, Nippon Life Insurance Company</p> <p>Mar. 2010 Representative Director and Senior Managing Executive Officer, Nippon Life Insurance Company</p> <p>April 2011 President and Representative Director, Nippon Life Insurance Company</p> <p>June 2015 Audit & Supervisory Board Member of the Company (present post)</p> <p>April 2018 Chairman of the Board and Representative Director, Nippon Life Insurance Company (present post)</p> <p><Important concurrent offices></p> <ul style="list-style-type: none"> • Chairman of the Board and Representative Director, Nippon Life Insurance Company • Outside Director, Imperial Hotel Ltd. • Outside Director, Panasonic Corporation • Outside Director, Sumitomo Mitsui Financial Group, Inc. 	0 share
<p>[Reason for selecting him as a candidate for Audit & Supervisory Board Member]</p> <p>Mr. Yoshinobu Tsutsui has served Nippon Life Insurance Company as Representative Director and Senior Managing Executive Officer, President and Representative Director and Chairman of the Board and Representative Director. With his expert knowledge and deep insight as a corporate executive, he has contributed to further strengthening governance through audits and other activities. For the purpose of sustainable development of the entire JR West Japan Group, the Company believes that he is qualified as an Audit & Supervisory Board Member of the Company.</p>			

- (Notes)
- Each of the Candidates has no special interest in the Company.
 - Candidates Messrs. Yasumi Katsuki and Yoshinobu Tsutsui are candidates for external auditors as provided for in Article 2, paragraph 3, item 8 of the Regulations to Enforce the Companies Act of Japan. Candidates Messrs. Yasumi Katsuki and Yoshinobu Tsutsui are Audit & Supervisory Board Members currently in office. The years of service of Messrs. Yasumi Katsuki and Yoshinobu Tsutsui as Audit & Supervisory Board Members will be eight years and four years, respectively, at the close of this General Meeting of Shareholders.
 - The Company has registered Candidates Messrs. Yasumi Katsuki and Yoshinobu Tsutsui, each of whom has satisfied its "Criteria for Independence of External Officers" and the requirements for independent officers specified by the Tokyo Stock Exchange, as independent officers in accordance with the rules of each financial instruments exchange on which its shares are listed. Candidate Mr. Yoshinobu Tsutsui has held the office of Chairman of the Board and Representative Director of Nippon Life Insurance Company. However, the transaction amount

between the insurance company and the Company for the most recent three fiscal years was less than 2% of their respective consolidated net sales and the amount of borrowings of the Company from the insurance company was less than 2% of their respective consolidated total assets. Additionally, the insurance company holds shares in the Company but its shareholding ratio for the most recent five fiscal years was less than 10% of the total issued shares of the Company. Therefore, management believes that his independence as an External Audit & Supervisory Board Member has fully been secured.

4. Management proposes to elect Candidate Mr. Yasumi Katsuki as External Audit & Supervisory Board Member, expecting him to reflect his wide experience and expert knowledge as a certified public accountant on audits of the Company. He has not been involved in corporate management but for the above-mentioned reason, management believes that he will be able to properly perform his duties as External Audit & Supervisory Board Member. Management proposes to elect Candidate Mr. Yoshinobu Tsutsui as External Audit & Supervisory Board Member, expecting him to reflect his wide experience and broad expertise as a corporate executive on audits of the Company.
5. The Company has entered into an agreement with each of Messrs. Yasumi Katsuki and Yoshinobu Tsutsui to limit his 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. If the reelection of each of them is approved, the Company will maintain such agreement with each of them.
6. While Candidate Mr. Yoshinobu Tsutsui was serving Panasonic Corporation as an outside Director, Panasonic and its subsidiary in the United States, Panasonic Avionics Corporation ("PAC"), with regard to PAC's certain contracts with airline customers and the use of sales agents and consultants pertaining to such contracts, were investigated on suspicion of the violation of the United States Foreign Corrupt Practices Act and other securities laws. In May 2018, Panasonic and PAC agreed with the United States Securities and Exchange Commission and the United States Department of Justice to pay a penalty to the U.S. government and implement various measures to improve compliance. He was not aware of the fact. However, he, from the perspective of compliance with law, had been endeavored to perform his duties through the Board of Directors, among others to stop business execution in contravention of law. After the fact was made known, he performed his duties properly by instructing thorough investigations and measures to prevent recurrence of similar cases and confirming the content of such measures.

- END -

<For reference> Criteria for Independence of External Officers

The Board of Directors of the Company has established a criterion for independence to invite external officers who shall be able to perform effective monitoring and supervising activities from an objective perspective, independent of the Company.

1. Persons affiliated with the Group:
 - (1) Such officer shall not be, or shall have not been, any executive (which shall mean an executive director, operating officer, executive officer and other similar employee; the same applies hereinafter) of the Company or any of its subsidiaries (the "Group Companies"), for the current fiscal year or any of the previous ten fiscal years.
 - (2) Any relative of such officer in second or less degree shall not be, or shall have not been, any executive of any of the Group Companies, for the current fiscal year or any of the previous ten fiscal years.

2. Persons affiliated with the major clients:

The transaction amount of such major client with the Company shall be, or shall have been, less than an average of 2% of consolidated net sales (in case of borrowings, the amount of consolidated total assets) of the Company or the client, for the current fiscal year or any of the previous three fiscal years (if the client is a body corporate, the person affiliated with the client shall not be, or shall have not been, any executive of the client, for the current fiscal year or any of the previous three fiscal years).

3. Legal professionals, etc.:

The fees of such professional, excluding remuneration as an officer, received from the Company shall not be, or shall have not been, more than an annual average of ¥10 million (if the professional belongs to a body corporate, the fees shall be, or shall have been, less than 2% of consolidated net sales of the body corporate), for the current fiscal year or any of the previous three fiscal years.

4. Other:

- (1) Such officer shall not be, or shall not have been, any director or other executive of any entity to which the Company has made donations in the amount of more than an annual average of ¥10 million, for the current fiscal year or for the previous three fiscal years.
- (2) Any officer shall not be, or shall have not been, any major shareholder (whose shareholding ratio shall be 10% or more of the total voting rights) of the Company, for the current fiscal year or any of the previous five fiscal years (if the major shareholder is a body corporate, such officer shall not be, or shall have not been, any executive of the body corporate, for the current fiscal year or any of the previous five fiscal years).
- (3) Such officer shall have, or shall have had, no material interest in any of the Group Companies, for the current fiscal year or any of the previous three fiscal years.

DOCUMENTS ATTACHED TO THE NOTICE OF THE 32ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

BUSINESS REPORT (from April 1, 2018 to March 31, 2019)

1. Matters concerning the situations of West Japan Railway Group (the "Group")

(1) Developments and results of business activities

(i) General developments:

On April 25, 2005, the Company caused an extremely serious accident when one of its trains derailed between Tsukaguchi and Amagasaki stations on the Fukuchiyama Line, resulting in 106 fatalities and more than 500 injuries to passengers. In September 2018, work on the "Memorial Grove (Inori no Mori)" at the accident site was completed. The Company remains firm in its resolve never to allow another accident like the Fukuchiyama Line derailment, and will continue to sincerely face all persons affected by the accident, and enhance its diligent efforts to improve safety.

From fiscal 2018 (from April 1, 2018 to March 31, 2019), the Group launched a "JR-West Group Medium-Term Management Plan 2022" (the "Medium-Term Management Plan 2022") and a concrete safety plan forming its core component, the "JR-West Group Railway Safety Think-and-Act Plan 2022" (the "Railway Safety Think-and-Act Plan 2022"). The Group also formulated a "JR-West Group Technology Vision" to explore how to achieve the ideal form for the Group from a technical standpoint. Targeting the achievement of the Group-wide strategies of the Medium-Term Management Plan 2022 — "Increasing the Regional Value," "Increasing the Value of Railway Belts" and "Increasing the Business Value," the Group will advance the basic strategies and business strategies in both the railway and non-railway businesses and strive to realize "Our Vision" of contributing to the creation of a safe, comfortable society filled with meetings among people and smiles.

Based on these plans, the Company pursued various measures to enhance its corporate value over the medium and long term. However, a series of natural disasters occurred in the Company's service area, including a major earthquake in northern Osaka Prefecture (June 2018), the Heavy Rain Event of July 2018, and typhoons No. 21 and No. 24 (September 2018). Specifically, services on the Geibi Line, disrupted by the Heavy Rain Event of July 2018, have still not been restored on certain segments. The Company is making a concerted effort with local communities to resume the services, and continues to make efforts for recovery of the disaster-stricken areas.

In addition, with the decision in November 2018 to hold Japan Expo 2025 in Osaka/Kansai (the "Osaka/Kansai Expo"), the Company is making preparations in terms of both operations and sales, including improving reception systems for overseas visitors to Japan, and capturing demand from both Japan and abroad. The Company also is looking at this as an opportunity to contribute as a company bearing responsibility for public infrastructure, and is pursuing measures to achieve growth over the medium and long term. Furthermore, the Group is making a concerted effort as a corporate group to seize growth

opportunities from other major international events, such as Rugby World Cup Japan 2019 and the Olympic and Paralympic Games Tokyo 2020.

During the fiscal year under review, natural disasters had an effect in the first half, but subsequently growth in every segment was steady due to the effects of a variety of measures. Operating revenues increased 1.9% from the previous fiscal year to ¥1,529.3 billion. Operating income rose 2.9% to ¥196.9 billion, and recurring profit was up 3.1% to ¥183.3 billion. Profit attributable to owners of parent declined 7.0% to ¥102.7 billion, due mainly to the recording of extraordinary losses related to natural disasters. The increase in operating income was attributable to a reduction in operating expenses resulting from the adjustment of the schedules for previously planned work due to the priority given to disaster recovery in transportation operations.

In fiscal 2019 (from April 1, 2019 to March 31, 2020), the Company will implement focused safety measures, among others. In addition, the Company will steadily implement construction in accordance with the previous planned schedules, which had been adjusted with the priority given to recovery work; improve employment conditions in order to secure human resources, etc. Accordingly, expenses are planned to be significantly higher than in the fiscal year under review. During the period of the Medium-Term Management Plan 2022, to achieve its objectives, the Company will work to capture growth opportunities and steadily implement the measures set forth in the plan. Taking into consideration the results of those initiatives, the Company will provide stable shareholder returns in accordance with the shareholder returns policy in the Medium-term Management Plan 2022.

While the business environment for the Group is difficult as a result of such factors as a shrinking market due to a population decline, labor shortages and increasingly severe natural disasters, the Group will continue its efforts to develop the strengths of a corporate group, fulfill its missions as a social infrastructure company, seek to expand its business to new markets and fields, and enhance its corporate value over the medium and long term.

(ii) Results by Business Segment

< Transportation Business >

Safety Enhancements

The Group, based on the "Safety Think-and-Act Plan 2022," is implementing various measures aimed at establishing a structure to ensure safety throughout the entire organization, and fostering a corporate culture that prioritizes safety.

For measures to enhance safety, the Company is pursuing safety measures for platforms and railway crossings, measures to protect against natural disasters such as earthquakes and torrential rains, and measures to enhance safety and security through the introduction of new technologies.

For platform safety measures, the Company continued with the installation of platform gates at stations with more than 100,000 daily passengers. The Company also made

progress with safety measures at railroad crossings, including eliminating the infrequently opened railway crossings at the Higashi-Yodogawa station as part of the project to elevate the station.

In respect of natural disaster measures, for measures to counter earthquakes, based on its experience with past disasters and other data, the Company continued with such measures as seismic reinforcing of elevated track pillars and stations, and the installation of deviation prevention guards for the Sanyo Shinkansen.

For measures to counter torrential rains, as a result of focused measures for reinforcement of slopes in the Kyoto-Osaka-Kobe area, the Company managed to cut restricted train operation time along the subject sections of track by around 45% compared to that prior to the introduction of such measures. Further, as part of the plan through fiscal 2022 (from April 1, 2022 to March 31, 2023), the Company is moving forward with the slope reinforcement work, mainly along the railway segments used by limited express and special rapid trains on the Biwako Line, JR Kyoto Line and JR Kobe Line. Upon completion of the work, restricted train operation time will be cut substantially compared to that prior to the implementation of the work. In addition to these measures, from the standpoint of prioritizing safety, the Company announced and implemented planned suspensions of train services in the areas approached by typhoons that were expected to have an especially significant influence on train operations. Going forward, the Company will implement such measures as necessary, and in such cases continue to strive to provide relevant information in order to gain the understanding of customers and local residents.

In addition, for measures to enhance safety and security through the introduction of new technologies, in May 2018, the Company began using a new on-board safety system (D-TAS) with advanced driving assistance functionality, between the Nishi-Hiroshima and Iwakuni stations on the Sanyo Main Line.

In terms of enhancing safety for the Shinkansen, based on the critical incident on the Shinkansen in December 2017, to strengthen the safety management structure, the Company has established a "Shinkansen Operations Division" as part of the Railway Operations Headquarters, and is implementing measures in terms of both tangible and intangible initiatives.

For tangible measures, the Company is taking all possible steps to ensure the safety of trains by conducting ultrasonic tests, methodical visual checks of bogies and other checks, as well as such measures as introducing devices to detect anomalies in bogies during operation. By March 2019, the Company installed bogie anomaly detectors in all N700A trains (16-car trains), and began operations of the first ground-based bogie temperature detector.

For intangible measures, the new division will facilitate communications with on-site staff and internal cooperation between different departments, as well as formulating and implementing measures in a timely manner through prompt decision-making. In particular, the division will steadily implement such measures for an appropriate response during emergencies as halting services without hesitation when employees detect an anomaly or safety cannot be confirmed, and securing safety through reporting to relevant parties and a

prompt, systematic response.

In March 2019, the Company received an evaluation report from an external member of the "Expert Advisory Committee regarding the Shinkansen Critical Incident." In the evaluation report, the measures implemented by the Company immediately after the occurrence of the incident received a reasonably favorable evaluation, and ongoing measures were requested. Also, an investigation report of the Japan Transport Safety Board was released. The Company will continue to systematically advance tangible and intangible measures as well as the content of those reports and focus on a high level of safety.

Further, the Company will take steps to tighten security on Shinkansen trains, including deploying protective equipment, installing additional in-car security cameras and reinforcing patrols by security personnel.

Marketing Initiatives

To enhance customer satisfaction (CS) is one of the basic strategies of the railway business. While the Company is pursuing measures to meet the diverse needs of customers, it is working to capture and create business and tourism demand.

Along with various measures to increase customer satisfaction, the Company continued to work to raise transport service quality on the Shinkansen, enhance the value of the railway belts in the Kansai Urban Area, promote tourism in cooperation with regions in the West Japan Area and improve measures for accommodating overseas visitors to Japan.

Also, through the "Let's Discover West Japan" campaign to support recovery efforts from the Heavy Rain Event of July 2018, the Company worked to stimulate tourism demand with discount tickets and tourism site PR activities.

Further, in the timetable revision that was implemented in March 2019, the Company implemented measures to improve the quality of transportation services, including opening new lines and stations and starting fee-based seat services.

(Main Specific Measures)

A. Shinkansen

- Began operating the 500-series "Hello Kitty Shinkansen" (June 2018)
- Conducted the "Beauty of Japan is in Hokuriku" and "Japanese Beauty Hokuriku" campaigns (April 2018-March 2019)
- Started the "e5489 Corporate Service," which offers Internet reservations for corporations (November 2018)

B. Kansai Urban Area

- Completed renovation of the Ibaraki station (April 2018)
- Opened the segment of the Osaka Higashi Line between Shin-Osaka and Hanaten stations (March 2019)
- Opened Umekoji-Kyotonishi station on the Sagano Line between Kyoto and Tambaguchi stations (March 2019)

- Started operations for the Rakuraku Harima limited express and introduced A-Seat fee-based seat services on special rapid trains. (March 2019)
 - Introduced new rolling stock (227 series) on the Wakayama Line, etc.
- C. West Japan Area
- Conducted the "Setouchi Campaign" (March-June 2018)
 - Conducted the "Sanin Destination Campaign" (July-September 2018)
 - Began operating the Ametsuchi sightseeing train (July 2018)
 - Conducted the "Let's Discover West Japan" campaign (from August 2018 - March 2019)
 - Expanded the service area for using ICOCA (the Sanyo Main Line, Ako Line, Hokuriku Main Line) (each in September 2018), and Uno Line (March 2019))
 - Expanded the service area for using ICOCA through onboard IC ticket checking equipment (the Sakai Line) (March 2019)
 - Launched the ICOCA Point service and PiTaPa Post Pay service (October 2018)
 - Decided on a new long-distance train name, WEST EXPRESS GINGA, etc. (March 2019)
- D. Enhancing customer satisfaction
- Set up a chat-based response system to inquire about lost items, and a lost items helpline (May 2018)
 - Began providing operation status information through an official Twitter account (August 2018) and started to provide such information in multiple languages (March 2019)
 - Enhanced guidance regarding information on train operations through the expansion of train location information services, etc. (March 2019)
- E. Assistance for overseas visitors, and generating demand
- Strengthened functions at the special counter for overseas visitors at the Green Window ticket counter (Midori-no-madoguchi) in the Kyoto station (April 2018)
 - Made the Singapore Office a branch office under local laws to strengthen sales cooperation with local travel agencies and promotional activities (April 2018)
 - Launched JR-WEST ONLINE TRAIN RESERVATION service for visitors to Japan (March 2019)
 - Further strengthened multilingual information transmission, including during times of emergency

In bus and ferry (the Miyajima Line) services, on the basis of safe transportation, the Company worked to enhance convenience through such measures as implementing transportation improvements based on customer usage patterns.

In the first half of the fiscal year under review, the Transportation Operations segment was affected by natural disasters. However, usage was firm during holidays and other busy periods, due to a variety of campaigns, etc. Consequently, segment revenue increased 0.3% from the previous fiscal year, to ¥953.9 billion. Operating income rose 4.6% to ¥136.2 billion as a result of a decrease in operating expenses, due in part to the adjustment of the process of some of the scheduled maintenance works in order to prioritize restoration work.

<Retail Business>

For the Retail Business, the Company worked to strengthen managerial the capabilities for directly-operated stores, enhance convenience inside its stations, expand in areas outside its stations, and establish a competitive brand.

During the fiscal year under review, the Company promoted the opening of new allied stores with Seven Eleven Japan (SEJ), and worked to improve profitability at its existing locations.

As for department stores, the Company conducted measures to capture demand from overseas visitors to Japan. In addition, to further enhance the appeal of JR Kyoto Isetan, the Company moved forward with a major renovation, the largest since the store's opening, to expand first-basement food floor.

Further, for the accommodation-oriented hotels included in the Retail Business segment, the Company opened Via-inn Shin-Osaka Shomenguchi in July 2018, Via-inn Nagoya Ekimae Tsubakicho in August 2018, and Via-inn Iidabashi Korakuen in September 2018.

As a result, sales of goods and food services rose steadily, mainly at SEJ allied stores. Segment revenue rose 2.4% from the previous fiscal year to ¥245.5 billion, though operating income declined 15.8% to ¥6.1 billion as a result of an increase in expenses incurred for the opening of three new Via-inn hotels, etc.

< Real Estate Business >

For the Real Estate Business, in recognition that the real estate business has a high degree of affinity with the railway business in terms of utilizing the portfolio assets of the corporate group to improve customer convenience and enhance the value of railway belts, the Company pursued such businesses as the development and management of shopping centers, as well as sales of residential and other properties.

In April 2018, the Company opened LUCUA FOOD HALL, a new dining area in the second basement of LUCUA Osaka, completing the renovation of the underground floors that had begun in 2017.

Also, in September 2018, the Company opened the third phase of the "ekie" commercial facility in the Hiroshima station.

In November 2018, the Company opened VIERRA Kishibe Kento, an integrated facility on the north side to the Kishibe station, centered on the Northern Osaka Health and Biomedical Innovation Town (NohBIT, also known as "KENTO").

Further, the Company pursued real estate sales and the leasing business in promising markets outside the Company's railway belts or railway service area.

As a result, due to the boost from such factors as renovation of commercial facilities, revenues in the Real Estate Business segment rose 6.3% from the previous fiscal year to ¥148.5 billion. Operating income, however, was down 0.3% to ¥35.6 billion due to on expenses incurred for the opening of large-scale lease properties such as VIERRA Kishibe Kento.

< Other Businesses >

In the Hotel Business, to meet firm accommodation demand and respond to diverse needs of customers, the Company strengthened operational capabilities, including structures and facilities for the reception system for overseas visitors to Japan, and worked to promote the opening of new hotels.

In June 2018, the Company opened HOTEL VISCHIO OSAKA, a new type of high-class accommodation-oriented hotel for the Group's hotels. The Company also opened HOTEL VISCHIO AMAGASAKI, rebranding its previous Hotel Hopinn Aming with a direct connection to the Amagasaki station. Also, the Company opened a cabin-style hotel First Cabin Station Wakayama Station in August 2018 and First Cabin Station Kyoto Umekoji RYOKAN in March 2019. Further, to further enhance its brand value through such measures as the speed-up of decision-making and guest room renovation, the Company acquired additional shares in Nara Hotel Co., Ltd., making the company a wholly-owned subsidiary. Going forward, together with its Granvia brand of city hotels and Via-inn brand of accommodation-oriented hotels, the Company will develop its hotel businesses by utilizing a diverse brand structure, in the areas inside and outside of its railway belts and railway service area.

In travel agency operations, the Company strengthened marketing to overseas visitors to Japan, and made efforts to increase orders received in corporate sales, and sales of products for individuals such as products available only on web store.

As a result, operating revenues for the Other Businesses segment rose 6.7% from the previous fiscal year to ¥181.3 billion on an increase in orders in the construction business, etc. Operating income increased 6.6% to ¥21.2 billion.

(2) Capital expenditure

During the fiscal year under review, the Company made capital investments by placing the full weight of its effort on enhancing safety. The Company also made investments to improve services and profitability and build up its transportation infrastructures, among other things.

The investments totaled ¥265.7 billion.

(i) Major projects completed during the fiscal year under review are as follows:

- Construction to build a new station ("Umekoji-Kyotonishi" on the Sagano Line).
- Construction to build new rolling stock (Shinkansen: 80 railcars, conventional railway lines: 226 railcars).

(ii) Major projects under construction as of the end of the fiscal year under review are as follows:

- Construction to relocate a portion of a drop line of the Tokaido Line underground and build a new station.
- Construction to improve the Kyobashi station.
- Improvement of transport capacities of the Nara Line.
- Construction to build new rolling stock (Shinkansen: 112 railcars, conventional railway lines: 20 railcars).
- Construction to renovate the Hakata comprehensive railway yard
- Construction to renovate the employee training center.
- Construction to build a new Hiroshima Branch building

(3) Fund-raising

During the fiscal year under review, the Company borrowed ¥70.0 billion in domestic straight bonds and ¥29.7 billion in long-term debt for the purposes of debt redemption and capital expenditure.

(4) Business environment, management policies and issues for the Company to address

(i) Business environment for the Group

The business environment for the Company will be negatively impacted by such factors as shrinking markets and diminished labor capacity due to a population decline, as well as increasing severe natural disasters. However, there are also opportunities for growth, driven by such factors as an increase in overseas visitors to Japan, the extension of the Hokuriku Shinkansen and development projects such as the Umekita (Osaka) underground station, as well as large-scale international events, such as the Osaka/Kansai Expo, which will be held in 2025.

Amid such an environment, the Group will refine its strengths of coordinating with local communities and implementing measures as a corporate group, to develop new markets and business fields and as a company coexisting with the communities, fulfill its mission.

(ii) Basic management policies

The Group, as a corporate group with social infrastructure business centered on railways, has positioned safety as the basis of management in its corporate philosophy and management vision.

To fulfill the corporate philosophy and management vision, the Company will implement the Medium-Term Management Plan 2022, and together with local communities, contribute to the realization of its vision for the future, the fostering of "a safe, comfortable society filled with meetings among people and smiles."

To realize this vision for the future, the Company has established as its ideal form "fulfilling our mission as a company coexisting with the communities" and "becoming a company that continually embraces new challenges." To allow all stakeholders to smile, the Company will provide the following values:

Values to be provided to stakeholders

- i. Customers: Services that make them feel safe, secure, comfortable and happy.
- ii. Communities: Creating places people want to visit and live in.
- iii. Shareholders: Continual increase in shareholder value.
- iv. Colleagues: Job satisfaction and pride.

In the Medium-Term Management Plan 2022, along with a stretch goal for 2030 of ¥2 trillion in consolidated operating revenues, the Company has outlined a vision for the West Japan area, and will pursue measures necessary to realize its vision for the future. Further, based on its resolve never to cause another accident like that on the Fukuchiyama Line, the Company will continue to exert its full efforts to improve safety in its core railway business, lay the foundations for the next 30 years, and pave the way for the future.

(iii) Medium- to long-term management strategies

Under the Medium-Term Management Plan 2022, the Company will pursue three common group strategies and strategies for the railway and non-railway businesses, build management foundations for sustainable and healthy business operations, and advance ceaselessly toward growth of the entire Group.

Common group strategies and the values provided

A. Increase community value

The Company will work with local communities to create towns and neighborhoods along its railway lines that will appeal to a wide range of people as places to visit and live in.

B. Increase railway belt value

The Company will provide safe and high-quality railway and living support services to make life more convenient and comfortable.

C. Increase business value

The Company will enhance the qualities of the goods and services the Group provides.

Railway business strategies and values provided

- Basic strategies

- A. Increase safety

The Company will maintain safety as the highest priority strategy, work to build structures to ensure safety throughout the organization and foster a corporate culture that prioritizes safety, to successfully conclude the "Safety Think-and-Act Plan 2022" and achieve the goal of preventing serious accidents and work accidents.

- B. Improve customer satisfaction

The Company will pursue "customer-oriented management" with the aim of creating "JR-West fans" among customers.

- C. Raise productivity

To continually provide railway and transportation services into the future, the Company will make improvements in terms of both physical and intangible aspects to effectively provide safe and high-quality railway services.

- D. Innovation through cultivation of human assets and technologies

The Company will develop the human assets and technologies that support railway business operations to enhance the quality of railway services.

- Business strategies

- A. Shinkansen

The Company will ensure the safety of the Shinkansen as a high-speed railway, refine its strength as the core of a wide-area railway network and contribute to the expansion of visitor population.

- B. Kansai Urban Area

The Company will enhance the value of its railway belts with safe and reliable transportation services and development of the areas along its railway lines.

- C. West Japan Area

Through dialogues and cooperation with the communities, the Company will develop businesses to fit specific areas and create a thriving environment in the West Japan area.

Non-railway business strategies and the values provided

- Basic strategies

- A. Deeply cultivate main businesses

Centered on its major businesses, the Company will pursue community development along its railway lines with its stations as hubs, provide attractive products and services and enhance the value of the neighborhoods overall.

- B. Enter new markets

For businesses that may allow the Company to utilize its strengths, the Company will strengthen chain competitiveness by entering new markets and build an optimal business portfolio that supports sustained growth.

- C. Expand into new business areas

Through cooperation and engagements with the communities, the Company will promote local industries and pursue a new value creation that utilizes local resources, to contribute to revitalizing the communities.

- D. Build foundations to support growth

The Company will proactively utilize ICT (information and communications technology) tools and external expertise, develop human assets and organizations to fit businesses, and build structures to take advantage of the collective power of the corporate group, with the aim of establishing the foundations that support growth.

- Business strategies

- A. Sales of goods and food services

The Company will strengthen the function of facilities as "life stations" and help make daily life and travel enjoyable.

- B. Real estate leasing and sales

The Company will create neighborhoods where people want to visit and live and contribute to the development of its railway line areas and communities.

- C. Shopping centers

The Company will provide goods and experiences to offer high-quality lifestyle solutions.

D. Hotels

The Company will respond to the diverse accommodation needs of customers and support comfortable stays.

Building management foundations

A. ESG initiatives

The Company will set priority fields from the standpoint of ESG (environment, society and governance), pursue measures bearing in mind SDGs*, fulfill its responsibilities as a member of society and seek a long-term and sustainable growth.

*SDGs: Sustainable Development Goals included as global goals for 2016 to 2030 in the "2030 Agenda for Sustainable Development" adopted at the United Nations Sustainable Development Summit in September 2015.

B. Organizational developments to benefit safety and growth

To increase safety and achieve growth for the corporate group overall, the Company will make preparations to shift to a group management structure (company system) that allows each business division to conduct more independent management, and adapt to changes in the business environment and promptly make decisions.

Consolidated capital expenditure plan

The Company is strengthening investments for safety, the basis of its management, and investments to benefit sustainable growth, and will steadily implement the plan.

	Medium-Term Management Plan 2022 Period (April 1, 2018 to March 31, 2023)	Vs. Medium-Term Management Plan 2017 Period (April 1, 2013 to March 31, 2018)
Maintenance and improvements [of which, safety investments]	¥810.0 billion [¥530.0 billion]	+¥100.0 billion [+¥40.0 billion]
Growth investments	¥460.0 billion	+¥180.0 billion
Total	¥1,270.0 billion	+¥280.0 billion

Medium-Term Management Plan 2022 targets

	FY2022 targets	[Reference] FY2017 results
Consolidated operating revenues	¥1,630.0 billion	¥1,500.4 billion
Consolidated EBITDA	¥400.0 billion	¥356.1 billion
Consolidated ROA	Mid 6% level	6.3%
[Reference benchmark] Consolidated ROE	Around 10%	11.3%

Priority for uses of funds and shareholder returns policy

A. Priority for uses of funds

The priority for the use of funds in this plan is: 1) Investment for safety and growth; 2) Shareholder returns; and 3) Debt reduction.

The Company, to realize its vision for the future and ideal form, will steadily make investments for safety and growth and seek a long-term and sustainable growth.

B. Shareholder returns policy

The Company considers it important to provide stable shareholder returns over the long term.

Specifically, the Company will pay stable dividends, aiming for a dividend payout ratio of approximately 35% in the fiscal year ending March 31, 2023.

In addition, over the aggregate period of this plan, the Company's yardstick will be a total return ratio of approximately 40%, and the Company will make flexible acquisitions of treasury stock.

The Company will also work to enhance shareholder benefits in order to build long-term, stable relationships with its shareholders.

(iv) Issues to be addressed (review of fiscal 2018 and future initiatives)

In fiscal 2018, the Company launched the "Medium-Term Management Plan 2022" and the "Safety Think-and-Act Plan 2022" and worked with the entire Group to pursue its principal initiatives as follows.

Safety in the railway business

In regard to safety, which is the Group's most important issue, the Company needs to build a safety culture through the promotion of safety awareness at an individual level and to advance initiatives, including improvement in management frameworks. Even small risks can be related to large events, and even if the frequency of a risk is low, there is a possibility that it will lead to significant damage. The Company recognizes that these facts apply not only to the Shinkansen, which is a high-speed railway, but to its entire railway operations, in which the Company is entrusted with the lives of many customers. In accordance with this recognition, the Company will work with the entire Group to implement both tangible and intangible measures to further enhance railway safety, maintain an awareness of safety as its highest priority and take thorough actions based on that awareness.

Addressing natural disasters

The Company has worked to increase resilience in regard to natural disasters through such measures as the reinforcement of slopes and earthquake/tsunami countermeasures. However, the entire Group has been significantly affected by a series of natural disasters. The Company has taken steps to support safety, such as suspending the operations of trains. In this way, the Company has been able to prevent harm to customers using its transportation services. However, large numbers of customers have been inconvenienced.

Accordingly, the Company has reinforced its understanding of the significant social influence of railways and of society's high expectations for railways. In addition, the Company will work to secure safety, and on that basis strive for further improvement in the areas of procedures and the provision of information. The Company recognizes that natural disasters could continue to intensify in the future and that there could be disasters for which countermeasures based on assumptions in the past will not be sufficient. In accordance with that recognition, the Company will strive to make full use of its limited management resources and to establish countermeasures without being limited by previous ways of doing things. In addition, in order to build a safe, comfortable society, the Company will further bolster its cooperation with communities and continue working to fulfill its mission as a social infrastructure company.

Continued progress with measures targeting the realization of "our vision"

In fiscal 2018, the Company faced many difficult situations. On the other hand, the Company worked to "increase the regional value," which is one of its "Group-wide strategies." To that end, the railway business and non-railway businesses collaborated with each other and worked together with local communities. For example, these initiatives included the start of a "Setouchi Palette Project," which aims to create a wide-area tourism region. The Company worked to enhance its railway network through the opening of all sections of the Osaka Higashi Line and the opening of new stations. The Company opened multiple hotels, including hotels opened under a new brand. The Company also implemented a "LUCUA Osaka" large-scale renewal and opened "VIERRA Kishibe Kento", which is a part of a city development project. In these ways, the Company implemented initiatives in businesses that have synergies with the railway business, and as a result the Company was able to make steady progress with the initiatives in the "Medium-Term Management Plan 2022."

The Company will strive to steadily generate results from these initiatives and on that basis, work to maximize the value created by the railway and non-railway businesses. In addition, the Company will work to leverage synergies through solid cooperation and further enhance its initiatives in terms of both quality and quantity. In these ways, the Company will endeavor to further enhance the value that it provides as a social infrastructure corporate group.

Specifically, the Company will move forward with the Hokuriku Shinkansen extension, the enhancement of the potential of the Shin-Osaka station as a hub, and the construction of the Naniwasuji Line. In non-railway businesses, the Company will advance three major projects in Osaka, Sannomiya and Hiroshima and take steps to prepare for the Osaka/Kansai Expo. The Company will work to steadily advance these important projects, which it regards as opportunities for the Group to open up a new era and attain dynamic growth.

Reference: Targets and results

	FY2018 results	(as shown above) FY2022 targets
Consolidated operating revenues	¥1,529.3 billion	¥1,630.0 billion
Consolidated EBITDA	¥361.3 billion	¥400.0 billion
Consolidated ROA	6.2%	Mid 6% range
[Reference benchmark] Consolidated ROE	9.8%	Around 10%

The Company seeks the understanding and support of the shareholders.

- (*) For the details of the Medium-Term Management Plan 2022, please refer to the pages of the website of the Company (<https://www.westjr.co.jp/company/>)
For your reference, the English translation of the matters presented on the Japanese website above will be provided on the Company's English website (<https://www.westjr.co.jp/global/en/ir/news/2020/>).

(5) Assets and profits

Item	29th April 1, 2015 - Mar. 31, 2016	30th April 1, 2016 - Mar. 31, 2017	31st April 1, 2017 - Mar. 31, 2018	32nd (current year) April 1, 2018 - Mar. 31, 2019
Operating revenues (billion yen)	1,451.3	1,441.4	1,500.4	1,529.3
Recurring profit (billion yen)	162.2	160.7	177.7	183.3
Profit attributable to owners of parent (billion yen)	85.8	91.2	110.4	102.7
Profit per share (yen)	443	471	570	533
Total assets (billion yen)	2,843.1	3,007.8	3,071.8	3,237.5
Net assets (billion yen)	926.3	1,032.6	1,116.3	1,179.8

(Note) From the beginning of the fiscal year under review, the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February

16, 2018) has been applied. For the 31st fiscal year (April 1, 2017 - Mar. 31, 2018), the figures after the retrospective application thereof are shown.

(6) State of major subsidiaries, etc. (as of March 31, 2019)

(i) State of major subsidiaries:

Name	Paid-in capital (million yen)	Equity ownership by the Company (%)	Main business
West Japan Railway Hotel Development Limited	18,000	100.0	Hotels
Kyoto Station Building Development Co., Ltd.	6,000	61.4 (61.9)	Real estate leasing
Osaka Terminal Building Company	5,500	76.2	Real estate leasing
Nippon Travel Agency Co., Ltd.	4,000	79.8	Travel agency
Chugoku JR Bus Company	2,840	100.0	Bus services
West Japan Railway Daily Service Net Company	2,300	100.0	Retail sales
West Japan JR Bus Company	2,110	100.0	Bus services
Daitetsu Kogyo Co., Ltd.	1,232	36.9	Construction
JR West Japan Shopping Center Development Company	1,200	100.0	Real estate leasing
JR-West Japan Real Estate & Development Company	620	100.0	Real estate sales and leasing
JR West Japan Communications Company	200	65.0 (100.0)	Advertising services
West Japan Railway Isetan Limited	100	60.0	Department store
West Japan Railway Techsia Co., Ltd.	100	51.9 (69.1)	Machinery and equipment work
West Japan Electric System Co., Ltd.	81	100.0	Electric engineering
JR West Properties Co., Ltd.	50	70.0	Real estate sales and leasing

(Notes) 1. The percentages in the parentheses represent the Company's equity ownership including shares held indirectly through the subsidiaries of the Company.

2. The ratio of voting rights held by the Company in Daitetsu Kogyo Co., Ltd. is 51.6%.

(ii) State of major affiliated companies:

Name	Paid-in capital (million yen)	Equity ownership by the Company (%)	Main business
Kansai Rapid Railway Co., Ltd.	75,482	23.9	Railway services
Osaka Soto-Kanjo Railway Co., Ltd.	24,634	24.5 (25.7)	Railway services
Kosei Construction Co., Ltd.	780	20.3 (35.6)	Construction

(Note) The percentages in the parentheses represent the Company's equity ownership including shares held indirectly through the subsidiaries of the Company.

(7) Major businesses and offices (as of March 31, 2019)

The major businesses the Group engages in and the offices therefor are as follows:

(i) Transportation Business:

In addition to the railway services, the Group engages in bus services and other services.

- The Company (Kita-ku, Osaka-City)
- Chugoku JR Bus Company (Minami-ku, Hiroshima-City)
- West Japan JR Bus Company (Konohana-ku, Osaka-City)

The outline of the railway services is as follows:

Office	Route length			Number of stations	Number of rolling stock cars
	Shinkansen	Conventional railway lines	Total		
	km	km	km		
Shinkansen Operations Division	644.0	8.5	652.5	3	1,007
Kanazawa Branch	168.6	(28.0) 459.8	(28.0) 628.4	136	554
Kansai Urban Area Regional Head Office	-	948.5	948.5	342	3,570
Wakayama Branch	-	282.5	282.5	86	0
Fukuchiyama Branch	-	331.7	331.7	71	167
Okayama Branch	-	601.0	601.0	154	402
Yonago Branch	-	497.6	497.6	121	241
Hiroshima Branch	-	960.9	960.9	261	610
Total	812.6	(28.0) 4,090.5	(28.0) 4,903.1	1,174	6,551

- (Notes) 1. Kyoto, Osaka and Kobe Branches have been established under the Kansai Urban Area Regional Head Office.
2. The kilometers in the parentheses are shown separately for Category III railway services (Nanao Line (between Wakura-Onsen and Anamizu)). The conventional railway lines of the Kansai Urban Area Regional Head Office include 38.0 kilometers of Category II railway services (Kansai-Airport Line (between Rinku-Town and Kansai-Airport), JR Tozai Line (between Kyobashi and Amagasaki) and Osaka Higashi Line (between Shin-Osaka and Kyuhoji)). The other lines are all for Category I railway services.

Category I railway services: Transportation services provided by using its own railway tracks

Category II railway services: Transportation services provided by leasing railway tracks from other operators

Category III railway services: Possession of railway tracks that are used by operators of Category II railway services for transportation services

(ii) Sales of Goods and Food Services:

The Group engages in department store business, as well as sales of goods and food services.

- West Japan Railway Daily Service Net Company (Amagasaki-City, Hyogo-Prefecture)
- West Japan Railway Isetan Limited (Shimogyo-ku, Kyoto-City)

(iii) Real Estate Business:

The Group engages in sales and lease of real estate by use of its own real estate and other properties and operations of shopping centers.

- Kyoto Station Building Development Co., Ltd. (Shimogyo-ku, Kyoto-City)
- Osaka Terminal Building Company (Kita-ku, Osaka-City)
- JR West Japan Shopping Center Development Company (Kita-ku, Osaka-City)
- JR-West Japan Real Estate & Development Company (Kita-ku, Osaka-City)
- JR West Properties Co., Ltd. (Minato-ku, Tokyo)

(iv) Other Businesses:

The Group engages in hotel and advertising businesses by use of its own properties, travel agency business that has highly synergistic effects with its railway business, and various construction and engineering works.

- West Japan Railway Hotel Development Limited (Shimogyo-ku, Kyoto-City)
- Nippon Travel Agency Co., Ltd. (Chuo-ku, Tokyo)
- Daitetsu Kogyo Co., Ltd. (Yodogawa-ku, Osaka-City)
- JR West Japan Communications Company (Kita-ku, Osaka-City)
- West Japan Railway Techsia Co., Ltd. (Amagasaki-City, Hyogo Prefecture)
- West Japan Electric System Co., Ltd. (Yodogawa-ku, Osaka-City)

(8) State of employees

(as of March 31, 2019)

Segment description	Number of employees (increase or decrease compared with the end of the previous fiscal year)	
Transportation Business	25,777	(-452)
Sales of Goods and Food Services	2,909	(+114)
Real Estate Business	1,447	(+58)
Other Businesses	17,709	(+253)
Total	47,842	(-27)

(Note) The number of employees represents the number of those actually at work in the respective segments.

(9) Major lenders

(as of March 31, 2019)

Lender	Debt payable (billion yen)
Sumitomo Mitsui Banking Corporation	37.9
Nippon Life Insurance Company	37.5
Resona Bank, Limited	32.1
MUFG Bank, Ltd.	29.1
Sumitomo Mitsui Trust Bank, Limited	21.5
The Bank of Kyoto, Ltd.	18.8
Development Bank of Japan	15.9
The Norinchukin Bank	15.0
Meiji Yasuda Life Insurance Company	14.0
The Dai-ichi Life Insurance Company, Limited	12.0
Sumitomo Life Insurance Company	12.0

2. Matters concerning shares (as of March 31, 2019)

(1) Total number of shares authorized to be issued 800,000,000 shares

(2) Total number of issued shares 192,481,400 shares

- (Notes)
1. 648 shares of treasury stock are included in the total number of issued shares.
 2. As a result of the cancellation by the Company of its own shares made on August 15, 2018, the total number of issued shares decreased by 1,253,600 shares in comparison with that at the end of the previous fiscal year.

(3) Number of shareholders 138,158 persons

(4) 10 major shareholders

Name	Number of shares (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Unit)	12,129,900	6.30
Japan Trustee Services Bank, Ltd. (Trust Unit)	9,132,100	4.74
Sumitomo Mitsui Banking Corporation	6,400,000	3.33
MUFG Bank, Ltd.	6,300,000	3.27
Nippon Life Insurance Company	4,000,000	2.08
Japan Trustee Services Bank, Ltd. (Trust Unit 5)	3,519,200	1.83
JR-West Employee Stock-Sharing Plan	3,395,800	1.76
Japan Trustee Services Bank, Ltd. (Trust Unit 7)	3,249,200	1.69
Sumitomo Mitsui Trust Bank, Limited	3,200,100	1.66
State Street Bank West Client - Treaty 505234	3,055,640	1.59

(Note) For the purpose of computing the shareholding ratios, 648 shares of treasury stock are excluded from the total number of issued shares of the Company.

3. Matters concerning corporate officers (as of March 31, 2019)

(1) Names of Directors and Audit & Supervisory Board Members, etc.

Title	Name	Duties and major concurrent posts
Chairman and Director (Chairman of the Board of Directors)	Seiji Manabe	
Director	Yumiko Sato	Professor, Faculty of Regional Development Studies, Otomon Gakuin University Director, Center for Mature Society Research, Otomon Gakuin University Member of the Board of Governors, Japan Broadcasting Corporation
Director	Yuzo Murayama	Professor, Business Course, Graduate School, Doshisha University
Director	Norihiko Saito	Special Counsel, Kinden Corporation Outside Director, The Kinki Sharyo Co., Ltd. Chairman of the Board (outside Director), West Nippon Expressway Company Limited
Director	Hideo Miyahara	Visiting Professor, Graduate School of Information Science and Technology, Osaka University Research Director and Member of the Board, Asia Pacific Institute of Research Representative Director, Knowledge Capital Association Outside Director, Osaka Gas Co., Ltd.
Director	Hikaru Takagi	Professor, Graduate School of Law, Kyoto University
President and Representative Director	Tatsuo Kijima	In charge of "Three Pillars of Management"
Vice President and Representative Director	Fumito Ogata	Provides general assistance to President, in charge of safety enhancement, innovation of railway technology In charge of Railway Operations Headquarters, Safety Research Institute, Structural Engineering Office and Construction Department
Vice President and Representative Director	Kazuaki Hasegawa	Provides general assistance to President In charge of Business Development Headquarters

Title	Name	Duties and major concurrent posts
Vice President and Representative Director	Nobutoshi Nikaido	Provides general assistance to President, in charge of furthering of reform In charge of Corporate Ethics & Risk Management Department, Corporate Planning Headquarters, IT Headquarters, Secretary Office, Corporate Communications Department, Personnel Department, Finance Department and Tokyo Headquarters
Vice President and Representative Director	Yoshihisa Hirano	Provides general assistance to President In charge of Shinkansen Operations Division, Railway Operations Headquarters
Director	Shinichi Handa	In charge of safety enhancement, and Transport Safety Department, Railway Operations Headquarters
Director	Shoji Kurasaka	In charge of Supporting Headquarters for the victims of the derailment accident on the Fukuchiyama Line, Deliberation Department of the Derailment Accident on the Fukuchiyama Line, Inquiry & Auditing Department and General Affairs Department
Director	Keijiro Nakamura	In charge of Kansai Urban Area Regional Head Office
Director	Toshihiro Matsuoka	In charge of mid- to long-term strategies for the safety and technology of the Shinkansen Outside Director, The Kinki Sharyo Co., Ltd.
Full-time Audit & Supervisory Board Member	Mikiya Chishiro	
Full-time Audit & Supervisory Board Member	Naoki Nishikawa	
Audit & Supervisory Board Member	Yasumi Katsuki	Certified public accountant, Katsuki Office Outside Director, Sumitomo Seika Chemicals Company Limited Outside Director, Sakata Inx Corporation
Audit & Supervisory Board Member	Yoshinobu Tsutsui	Chairman of the Board and Representative Director, Nippon Life Insurance Company Outside Director, Imperial Hotel Ltd. Outside Director, Panasonic Corporation Outside Director, Sumitomo Mitsui Financial Group, Inc.

- (Notes)
1. Directors Yumiko Sato, Yuzo Murayama, Norihiko Saito, Hideo Miyahara and Hikaru Takagi are external directors as provided for in Article 2, item 15 of the Companies Act of Japan.
 2. Full-time Audit & Supervisory Board Member Mikiya Chishiro, Audit & Supervisory Board Members Yasumi Katsuki and Yoshinobu Tsutsui are external auditors as provided for in Article 2, item 16 of the Companies Act of Japan.
 3. The Company has registered all of its external officers (External Directors and External Audit & Supervisory Board Members) as independent officers as provided for by the financial instruments exchanges on which its shares are listed.
 4. Audit & Supervisory Board Member Yasumi Katsuki, who is qualified as a certified public accountant, has considerable knowledge of financing and accounting.
 5. The Company has no special relation with any other company or institution with which the External Directors and Audit & Supervisory Board Members hold concurrent posts as listed above.
 6. Audit & Supervisory Board Member Yasutaka Kikuchi resigned at the close of the 31st Ordinary General Meeting of Shareholders of the Company held on June 21, 2018.
 7. Chairman and Director Seiji Manabe assumed the office of Chairman of the Board, Administrative Agency for Osaka City Museums as of April 1, 2019.

- (2) Total amount of remuneration, etc. for Directors and Audit & Supervisory Board Members

Classification	Number	Amount
Director	18	¥530 million
Audit & Supervisory Board Member	5	¥77 million
Total	23	¥608 million

- (Notes)
1. The total amount of remuneration, etc. for nine external officers for the fiscal year under review was ¥99 million.
 2. In addition to the above-listed amount, pursuant to the resolution adopted at the 15th Ordinary General Meeting of Shareholders held on June 26, 2002 to pay retirement gratuities granted upon the abolition of the system of retirement gratuities for retiring officers, the Company paid retirement gratuities in the total amount of ¥176 million to three Directors who had retired.

(3) Major activities of external officers

Classification	Name	Major activities
External Director	Yumiko Sato	Ms. Sato attended all of the 12 sessions of the Board of Directors held during the fiscal year under review and expressed her opinions from time to time, principally from the professional perspective of an academic expert.
	Yuzo Murayama	Mr. Murayama attended 11 of the 12 sessions of the Board of Directors held during the fiscal year under review and expressed his opinions from time to time, principally from the professional perspective of an academic expert.
	Norihiko Saito	Mr. Saito attended all of the 12 sessions of the Board of Directors held during the fiscal year under review and expressed his opinions from time to time, principally from the perspective of an experienced management executive.
	Hideo Miyahara	Mr. Miyahara attended 11 of the 12 sessions of the Board of Directors held during the fiscal year under review and expressed his opinions from time to time, principally from the professional perspective of an academic expert.
	Hikaru Takagi	Mr. Takagi attended all of the 10 sessions of the Board of Directors held after he assumed the office and expressed his opinions from time to time, principally from the professional perspective of an academic expert.
External Audit & Supervisory Board Member	Mikiya Chishiro	Mr. Chishiro attended all of the 12 sessions of the Board of Directors and all of the 14 sessions of the Audit & Supervisory Board held during the fiscal year under review and expressed his opinions from time to time, principally with his wide experience in public administration.
	Yasumi Katsuki	Mr. Katsuki attended all of the 12 sessions of the Board of Directors and all of the 14 sessions of the Audit & Supervisory Board held during the fiscal year under review and expressed his opinions from time to time, principally from the professional perspective of a certified public accountant.
	Yoshinobu Tsutsui	Mr. Tsutsui attended 11 of the 12 sessions of the Board of Directors and all of the 14 sessions of the Audit & Supervisory Board held during the fiscal year under review and expressed his opinions from time to time, principally from the perspective of an experienced management executive.

(4) Summary of the agreements to limit liabilities

The Company has entered into an agreement with each of the External Directors and External Audit & Supervisory Board Members to limit his/her liabilities as provided for in Article 423, paragraph 1 of the Companies Act of Japan in accordance with Article 427, paragraph 1 of the said act. The maximum amount of the liabilities under the agreement is as provided for in laws and ordinances.

4. Matters concerning account auditors

(1) Name of the account auditors

ERNST & YOUNG SHINNIHON LLC

(2) Amount of remuneration, etc. for the account auditors

(i) Amount of remuneration, etc. payable for the fiscal year under review:

¥182 million

(ii) Total amount of money and other proprietary benefits payable by the Company and its subsidiaries:

¥458 million

- (Notes)
1. The amount of remuneration payable to the account auditors for their audits under the Companies Act of Japan and the amount of remuneration payable for their audits under the Financial Instruments and Exchange Act of Japan are not specifically separated in the audit contract between the Company and the account auditors and cannot be separated practically. Hence, such amounts are stated collectively.
 2. The Audit & Supervisory Board obtained necessary materials and received reports from the Directors, the related internal divisions of the Company and the account auditors and also confirmed the status of the audits made during the previous fiscal year, as well as the content of the audit plans, the appropriateness of remuneration estimates, etc. for the fiscal year under review. As a result, the Audit & Supervisory Board determined that the remuneration, etc. for the account auditors was appropriate and consented thereto.

(3) Content of non-auditing services

The Company has entrusted the account auditors with, and paid remuneration for, guidance and advisory services for the methods of accounting and preparing financial statements and others, which services are not covered by Article 2, paragraph 1 of the Certified Public Accountant Act of Japan.

(4) Policy on determination of dismissal and non-reappointment

In the event that the account auditors are considered to fall under any of the items of Article 340, paragraph 1 of the Companies Act of Japan, the Audit & Supervisory Board of the Company shall determine to dismiss the account auditors. In addition, if the account auditors are considered difficult to properly execute their duties, the Company shall, in accordance with the resolution of the Audit & Supervisory Board, submit a proposition to dismiss or not to reappoint the account auditors to the General Meeting of Shareholders.

5. Overview of the status of implementation of the systems required to secure the properness of business activities

(1) Measures to secure compliance with law

With risks diversifying, the President and other officers in the positions of responsibility at the "Risk Management Committee" shall strive to properly understand the risks that may have critical impacts on the Group's management, as well as to manage risks in a unified manner and mitigate such risks. The Committee shall select material risks and deliberate on and evaluate policies to respond to such risks and other issues, and file necessary reports with the Board of Directors. With regard to such policies of the Risk Management Committee, the Company has established a system under which the "Corporate Ethics Committee" shall deliberate on and evaluate important matters concerning the establishment of corporate ethics by seeking broad knowledge from experts.

The Corporate Ethics Committee has deliberated on fundamental policies on the establishment of corporate ethics and others. The "Ethics Office (including outside contacts)", which is responsible for internal reporting, has properly handled internal reporting and the Company has disseminated the methods of communication and consultation, etc. to its employees and Group Companies.

(2) Measures to ensure the proper and efficient execution by the Directors and employees of the Company of their duties

To strengthen the monitoring and supervising functions of the Board of Directors, the Company has, in conjunction with the system of distributing information to outside officers, created opportunities other than meetings of the Board of Directors to give explanations on important managerial issues, including explanations on propositions to a meeting of the Board of Directors in advance, and organized site visits to provide information on the managerial conditions and backgrounds of the implementation of measures, to External Directors and External Audit & Supervisory Board Members.

At each meeting of the Board of Directors, explanations have proactively been given on the positioning and effect and risk of each measure in the medium-term management plan and the details of the discussions in the Company prior to such meeting to enhance the effectiveness of the Board of Directors. In addition, opinions of the outside officers at the meetings of the Board of Directors have been reported to the Management Committee for the purposes of risk management and safety control and otherwise utilized by the management.

With the aim of building up a management system to respond to changes in the business environment in the future, more clearly defining management responsibilities and further strengthening corporate governance by increasing the opportunities to gain shareholder confidence, it was determined in June 2018 to shorten the term of office of Directors from two (2) years to one (1) year.

For the purpose of internal control, as a measure to "improve the quality of internal audits", the Company has positioned its internal audit division as the "third defense line" to

allow the division to make audits from an essential perspective, as to whether the mechanisms of business activities function effectively, among others and select and audit such themes as considered riskier among the managerial issues.

(3) Measures to manage exposure to the risk of loss

To follow the "JR-West Group Railway Safety Think-and-Act Plan 2022", the Company has been working to further enhance the safety of railway business through the enhancement of organizational safety management (safety management system) on the basis of fostering the spread of safety-first awareness. In addition, the Company through its internal audit division has evaluated and verified, and had third parties evaluate and verify, its safety management system.

Furthermore, for the purpose of risk management of other businesses than railway, based on the policies selected by the Risk Management Committee to respond to critical risks and other issues, the Company has made various committees deliberate on and evaluate measures and other issues on a case-by-case basis. In this regard, the Company has established a system under which the "Crisis Measures Committee" shall deliberate on and evaluate important matters relating to the establishment of a rapid initial response system in the event of a wide-scale disaster or any other serious crisis, by seeking broad knowledge from experts.

(4) Measures to secure the properness of business activities of the corporate group

The Company has held discussions on management and other policies with its Group Companies and sent executives to the important Group Companies to steadily promote group management. In addition, with regard to the establishment of corporate ethics and risk management of the entire Group, the Company has allowed its various committees, including the Corporate Ethics Committee and the Risk Management Committee to deliberate on and evaluate countermeasures on a case-by-case basis based on the Risk Management Committee's policies to select and respond to material risks, and afford necessary support for risk management of the entire Group.

Furthermore, the Company has promoted measures to strengthen its Group governance, including discussions on "organizational developments to benefit safety and growth", to respond to changes in the business environment surrounding the Group.

By implementing these measures, the Company has secured the properness of business activities of its corporate group.

(5) Measures to ensure effective audits by the Audit & Supervisory Board Members

The Company has strengthened, and endeavored to implement, the system to report the matters concerning the Company and its Group Companies to the Audit & Supervisory Board Members.

The Audit & Supervisory Board Members of the Company have attended meetings of the Board of Directors, sessions of the Management Committee and other important meetings, and exchanged opinions with the Representative Directors, each Director, the internal audit division and the Group Companies on a regular basis to verify the status of internal control.

(6) Measures to eliminate antisocial forces

The Company has appointed "personnel responsible for preventing undue claims" and held lectures in collaboration with attorneys at law to strengthen its preventive system and also promoted training and education through various measures and response manuals for the elimination of antisocial forces.

The "Systems Required to Secure the Properness of Business Activities" determined by the Board of Directors of the Company are posted on our website.

(<https://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 (<https://www.westjr.co.jp/global/en/ir/news/2020/>).

CONSOLIDATED BALANCE SHEET

(As of March 31, 2019)

	(million yen)
<u>ASSETS</u>	
Current assets:	454,934
Cash and deposits.....	109,327
Trade notes and accounts receivable.....	32,521
Railway fares receivable	43,552
Accounts receivable	72,287
Marketable securities	27,500
Inventories.....	104,827
Others	65,623
Less allowance for doubtful accounts.....	(705)
Fixed assets:	2,782,661
Tangible fixed assets:	2,453,887
Buildings and structures	1,175,279
Machinery, equipment and transport equipment	376,995
Land	767,908
Construction in progress	73,496
Other tangible fixed assets.....	60,207
Intangible fixed assets:	39,361
Investments and other assets:	289,413
Investment in securities	101,010
Net defined benefit asset.....	2,170
Deferred tax assets	140,749
Others.....	49,359
Less allowance for doubtful accounts.....	(3,876)
 TOTAL ASSETS	 3,237,596

(Note) Figures are indicated by discarding fractions of one million yen.

(million yen)

LIABILITIES

Current liabilities:	608,554
Trade notes and accounts payable.....	70,771
Short-term borrowings	20,713
Current portion of bonds	35,000
Current portion of long-term debt.....	38,832
Current portion of long-term payables for the acquisition of railway properties.....	1,642
Accounts payable	126,024
Accrued consumption taxes	6,583
Accrued income taxes	28,068
Railway deposits received.....	2,686
Deposits.....	105,788
Prepaid railway fares received	41,280
Advances received	33,785
Allowance for bonuses.....	37,408
Provision for loss on disaster	11,100
Allowance for point program.....	2,081
Others	46,786
Long-term liabilities:	1,449,180
Bonds	534,984
Long-term debt.....	350,828
Long-term payables for the acquisition of railway properties	102,728
Deferred tax liabilities.....	1,528
Provision for large scale renovation of Shinkansen infrastructure	12,500
Allowance for environment and safety measures	11,587
Provision for loss on liquidation of railway belts	9,594
Allowance for gift certificates yet to be redeemed	2,382
Net defined benefit liability	285,843
Others	137,203
TOTAL LIABILITIES	2,057,734

NET ASSETS

Shareholders' equity:	1,067,220
Common stock	100,000
Capital surplus	56,171
Retained earnings.....	911,532
Treasury stock	(483)
Accumulated other comprehensive income:	12,378
Evaluation difference on other securities.....	3,837
Deferred hedge income (loss)	(54)
Accumulated adjustments to retirement benefits	8,594
Non-controlling interests:	100,262
TOTAL NET ASSETS	1,179,861
TOTAL LIABILITIES AND NET ASSETS	3,237,596

(Note) Figures are indicated by discarding fractions of one million yen.

CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2018 to March 31, 2019)

(million yen)

Operating revenues		1,529,308
Operating expenses:		
Transportation and other services and cost of sales	1,128,016	
Selling, general and administrative expenses	204,345	1,332,361
Operating income		196,946
Non-operating income:		
Interest income	17	
Dividend income	1,144	
Equity in earnings of affiliates	1,812	
Others	6,452	9,426
Non-operating expenses:		
Interest expenses	20,030	
Others	3,019	23,049
Recurring profit		183,323
Extraordinary profits:		
Proceeds from construction contract	23,724	
Expropriation compensation	1,212	
Gain on sales of fixed assets	612	
Others	3,527	29,076
Extraordinary expenses:		
Reduction entry of proceeds from construction	22,107	
Loss on reduction entry of expropriation	1,204	
Loss on disaster	11,433	
Provision for loss on disaster	11,100	
Others	9,380	55,226
Income before income tax		157,173
Corporation, inhabitant and enterprise taxes	47,937	
Income taxes – deferred	1,414	49,352
Profit		107,821
Profit attributable to non-controlling interests		5,071
Profit attributable to owners of parent		102,750

(Note) Figures are indicated by discarding fractions of one million yen.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2018 to March 31, 2019)

(million yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Evaluation difference on other securities	Deferred hedge income (loss)	Accumulated adjustments to retirement benefits	Total accumulated other comprehensive income		
Balance as of April 1, 2018	100,000	56,171	849,925	(481)	1,005,615	4,018	83	11,242	15,344	95,343	1,116,304
Changes during the year:											
Dividends from surplus			(32,340)		(32,340)						(32,340)
Profit attributable to owners of parent			102,750		102,750						102,750
Increase by merger			845		845						845
Increase by corporate division			348		348						348
Purchase of treasury stock				(9,999)	(9,999)						(9,999)
Disposal of treasury shares		(0)	(9,997)	9,997	-						-
Change in equity in affiliates accounted for using equity method - treasury stock				0	0						0
Changes in items other than shareholders' equity during the year (net)						(181)	(137)	(2,648)	(2,966)	4,919	1,952
Total changes during the year	-	(0)	61,606	(1)	61,604	(181)	(137)	(2,648)	(2,966)	4,919	63,557
Balance as of March 31, 2019	100,000	56,171	911,532	(483)	1,067,220	3,837	(54)	8,594	12,378	100,262	1,179,861

(Note) Figures are indicated by discarding fractions of one million yen.

BALANCE SHEET
(As of March 31, 2019)

(million yen)

ASSETS

Current assets:	294,942
Cash and deposits.....	89,425
Railway fares receivable	44,865
Accounts receivable	37,419
Accrued income	6,155
Short-term loans receivable	29,295
Marketable securities	27,500
Materials and supplies.....	20,411
Prepaid expenses	2,346
Others.....	37,899
Less allowance for doubtful accounts.....	(378)
Fixed assets:	2,487,407
Fixed assets for railway operations.....	1,761,524
Fixed assets for related businesses.....	70,804
Other relevant fixed assets	68,359
Construction in progress	59,214
Investments and other assets	527,503
Stocks of affiliates.....	270,469
Investment in securities.....	20,466
Long-term loans receivable.....	115,550
Long-term prepaid expenses	11,628
Deferred tax assets	111,942
Others.....	6,300
Less allowance for doubtful accounts.....	(8,855)
TOTAL ASSETS	2,782,350

(Note) Figures are indicated by discarding fractions of one million yen.

LIABILITIES	(million yen)
Current liabilities:	676,456
Short-term borrowings	233,757
Current portion of bonds	35,000
Current portion of long-term debt	37,006
Current portion of long-term payables for acquisition of railway properties ..	1,642
Other accounts payable	183,135
Accrued expenses	19,191
Accrued consumption taxes	2,237
Accrued income taxes	18,946
Railway deposits received	2,413
Deposits	33,786
Prepaid railway fares received	41,013
Advances received	29,252
Prepaid income received	865
Allowance for bonuses	25,713
Provision for loss on disaster	11,100
Allowance for point program	751
Others	644
Long-term liabilities:	1,306,114
Bonds	534,984
Long-term debt	350,275
Long-term payables for acquisition of railway properties	102,728
Provision for large scale renovation of Shinkansen infrastructure	12,500
Retirement allowances for employees	272,665
Allowance for environment and safety measures	11,586
Provision for loss on liquidation of railway belts	9,594
Asset retirement obligations	3,269
Others	8,510
TOTAL LIABILITIES	1,982,571
NET ASSETS	
Shareholders' equity:	797,044
Common stock	100,000
Capital surplus	55,000
Capital reserve	55,000
Retained earnings	642,050
Retained earnings reserve	11,327
Other retained earnings	630,722
Reserve for advanced depreciation of fixed assets	23,956
General reserve	450,000
Retained earnings carried forward	156,765
Treasury stock	(5)
Valuation and translation adjustments:	2,734
Evaluation difference on other securities	2,734
TOTAL NET ASSETS	799,779
TOTAL LIABILITIES AND NET ASSETS	2,782,350

(Note) Figures are indicated by discarding fractions of one million yen.

STATEMENT OF INCOME

(From April 1, 2018 to March 31, 2019)

(million yen)

Railway operations		
Operating revenues	951,546	
Operating expenses	816,148	
Operating income		135,397
Related businesses		
Operating revenues	29,360	
Operating expenses	14,031	
Operating income		15,329
Operating income		150,727
Non-operating income		
Interest and dividend income	2,285	
Others	5,245	7,530
Non-operating expenses		
Interest expenses and bond interest	20,059	
Others	1,709	21,768
Recurring profit		136,489
Extraordinary profits		
Proceeds from construction contract	23,724	
Expropriation compensation	1,032	
Gain on sales of fixed assets	839	
Others	2,004	27,600
Extraordinary expenses		
Reduction entry of proceeds from construction	22,539	
Loss on reduction entry of expropriation	1,025	
Loss on disaster	11,433	
Provision for loss on disaster	11,100	
Others	2,158	48,256
Income before income tax		115,833
Corporation, inhabitant and enterprise taxes	32,854	
Income taxes - deferred	2,365	35,220
Net income		80,613

(Note) Figures are indicated by discarding fractions of one million yen.

STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2018 to March 31, 2019)

(million yen)

	Shareholders' equity											Valuation and translation adjustments	Total net assets
	Common stock	Capital surplus			Retained earnings					Treasury stock	Total shareholders' equity	Evaluation difference on other securities	
		Capital reserve	Other capital surplus	Total capital surplus	Retained earnings reserve	Other retained earnings		Retained earnings carried forward	Total retained earnings				
						Reserve for advanced depreciation of fixed assets	General reserve						
Balance as of April 1, 2018	100,000	55,000	0	55,000	11,327	24,644	410,000	157,803	603,775	(3)	758,771	2,931	761,703
Changes during the year:													
Distribution of surplus								(32,340)	(32,340)		(32,340)		(32,340)
Net income								80,613	80,613		80,613		80,613
Provision of reserve for advanced depreciation of fixed assets						319		(319)	-		-		-
Reversal of reserve for advanced depreciation of fixed assets						(1,007)		1,007	-		-		-
Provision of general reserve							40,000	(40,000)	-		-		-
Purchase of treasury stock										(9,999)	(9,999)		(9,999)
Disposal of treasury shares			(0)	(0)				(9,997)	(9,997)	9,997	-		-
Changes in items other than shareholders' equity during the year (net)												(197)	(197)
Total changes during the year	-	-	(0)	(0)	-	(687)	40,000	(1,037)	38,275	(1)	38,273	(197)	38,075
Balance as of March 31, 2019	100,000	55,000	-	55,000	11,327	23,956	450,000	156,765	642,050	(5)	797,044	2,734	799,779

(Note) Figures are indicated by discarding fractions of one million yen.

Copy of Account Auditors' Audit Report Relating to Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

May 9, 2019

The Board of Directors
West Japan Railway Company

Ernst & Young ShinNihon LLC

Kenji Nishihara (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Yutaka Matsumura (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Masahiko Naka (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

We have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements of West Japan Railway Company (the "Company"), applicable to its consolidated fiscal year from April 1, 2018 to March 31, 2019 pursuant to Article 444, paragraph 4 of the Companies Act of Japan.

Management's Responsibility for Consolidated Financial Statements

The responsibility of the Company's management is to prepare and present properly these consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly these consolidated financial statements free of material misstatement by fraud or error.

Account Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements from an independent standpoint, based on our audit conducted. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to formulate an audit plan and conduct an audit based thereon to obtain reasonable assurance about whether these consolidated financial statements are free of material misstatement.

In an audit, procedures are taken to obtain audit evidence as to the amount in consolidated financial statements and disclosure thereof. Audit procedures, on our own

judgment, are selected and applied based on our risk assessment of material misstatement in the consolidated financial statements by fraud or error. An audit is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, we assess internal control related to the preparation and proper presentation of these consolidated financial statements to form a plan for adequate audit procedures according to conditions. An audit also includes assessing the accounting policies and methods of application thereof employed by management and estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

We believe that our audit provides sufficient and appropriate audit evidence forming a basis for our opinion.

Account Auditors' Opinion

We are of the opinion that the above consolidated financial statements present properly the financial position and profit and loss of the corporate group comprised of West Japan Railway Company and its consolidated subsidiaries for the period related to the consolidated financial statements in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

Financial Interest

We have no financial interest in the Company which is required to be disclosed under the provisions of the Certified Public Accountant Act of Japan.

- END -

Copy of Account Auditors' Audit Report

INDEPENDENT AUDITORS' REPORT

May 9, 2019

The Board of Directors
West Japan Railway Company

Ernst & Young ShinNihon LLC

Kenji Nishihara (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Yutaka Matsumura (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Masahiko Naka (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

We have audited the balance sheet, the statement of income, the statement of changes in net assets and the notes to non-consolidated financial statements, and the supplementary financial schedules of West Japan Railway Company (the "Company"), applicable to its 32nd fiscal year from April 1, 2018 to March 31, 2019 pursuant to Article 436, paragraph 2, item 1 of the Companies Act of Japan.

Management's Responsibility for Financial Statements, etc.

The responsibility of the Company's management is to prepare and present properly these financial statements and the supplementary financial schedules in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly these financial statements and the supplementary financial schedules free of material misstatement by fraud or error.

Account Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements and the supplementary financial schedules from an independent standpoint, based on our audit conducted. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to formulate an audit plan and conduct an audit based thereon to obtain reasonable assurance about whether these financial statements and the supplementary financial schedules are free of material misstatement.

In an audit, procedures are taken to obtain audit evidence as to the amount in financial statements and supplementary financial schedules and disclosure thereof. Audit procedures, on our own judgment, are selected and applied based on our risk assessment of

material misstatement in the financial statements and the supplementary financial schedules by fraud or error. An audit is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, we assess internal control related to the preparation and proper presentation of these financial statements and the supplementary financial schedules to form a plan for adequate audit procedures according to conditions. An audit also includes assessing the accounting policies and methods of application thereof employed by management and estimates made by management, as well as evaluating the overall presentation of these financial statements and the supplementary financial schedules.

We believe that our audit provides sufficient and appropriate audit evidence forming a basis for our opinion.

Account Auditors' Opinion

We are of the opinion that the above financial statements and the supplementary financial schedules present properly the financial position and profit and loss for the period related to the financial statements and the supplementary financial schedules in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

Financial Interest

We have no financial interest in the Company which is required to be disclosed under the provisions of the Certified Public Accountant Act of Japan.

- END -

Copy of Audit Report of the Audit & Supervisory Board

AUDITORS' REPORT

We, the Audit & Supervisory Board of the Company, based on the audit report prepared by each Audit & Supervisory Board Member on the performance by the Directors of their duties during the 32nd fiscal year from April 1, 2018 to March 31, 2019, prepared this audit report upon deliberation and hereby report as follows:

1. Method of Audit by the Audit & Supervisory Board Members and the Audit & Supervisory Board and the Particulars thereof:

- (1) The Audit & Supervisory Board determined the audit policy, audit plans, etc. and received from each Audit & Supervisory Board Member reports on the state of his performance of audits and the results thereof. We also received from the Directors, the account auditors, etc., reports on the state of performance of their duties and demanded their explanations whenever necessary.
- (2) The Audit & Supervisory Board Members, pursuant to the rules of audits by Audit & Supervisory Board Members determined by the Audit & Supervisory Board and in accordance with the audit policy, audit plans, etc., maintained constant communication with the Directors, internal audit divisions and other employees, etc. in an effort to collect information and improve the environment for auditing, and conducted audits in accordance with the following methods:
 - (i) We attended meetings of the Board of Directors and other important meetings, received from the Directors and employees, etc., reports on the state of performance of their duties, demanded their explanations whenever necessary, inspected important decision documents, etc., and made investigation into the state of activities and property at the head office and principal business offices of the Company.

With regard to its subsidiaries, we maintained constant communication and exchanged information with the directors, audit & supervisory board members, etc. thereof and required the subsidiaries to render reports on their business operations and made investigation into the state of their activities and property whenever necessary.

- (ii) With regard to the details of the resolutions of the Board of Directors for establishing such systems to secure that the performance by the Directors of their duties will comply with laws or ordinances and the Articles of Incorporation as described in the business report and such other systems provided for in Article 100, paragraphs 1 and 3 of the Regulations to Enforce the Companies Act of Japan as necessary to secure the adequacy of business of the corporate group comprised of a joint-stock corporation and its subsidiaries, as well as the systems (internal control systems) established pursuant to such resolutions, we received from the Directors, internal audit divisions and other employees, etc., reports on the status of the establishment and operation of the systems and demanded their explanations whenever necessary.

- (iii) We monitored and verified whether the Account Auditors had maintained an independent position and conducted adequate audits, and received from the Account Auditors reports on the state of performance of their duties and demanded their explanations whenever necessary. In addition, we received from the Account Auditors a notice that the "systems to secure adequate performance of duties" (as listed in the items of Article 131 of the Corporate Accounting Regulations) had been established in accordance with the "Standard for Quality Control Concerning Audits" (the Accounting Standards Board of Japan, October 28, 2005) and demanded their explanations whenever necessary.

In accordance with such methods, we investigated the business report and its supplementary schedules, the financial statements (the balance sheet, the statement of income, the statement of changes in net assets and the notes to non-consolidated financial statements) and the supplementary financial schedules, as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements), for the fiscal year under review.

2. Results of Audit:

(1) Results of audit of the business report, etc.:

We are of the opinion:

- (i) That the business report and its supplementary schedules fairly present the state of the Company in accordance with laws or ordinances and the Articles of Incorporation;
- (ii) That in connection with the performance by the Directors of their duties, no dishonest act or material fact of violation of laws or ordinances or the Articles of Incorporation exists; and
- (iii) That the details of the resolutions of the Board of Directors on internal control systems are proper and that the details of the descriptions in the business report and the performance by the Directors of their duties concerning such internal control systems contain nothing to be pointed out.

(2) Results of audit of the financial statements and the supplementary financial schedules:

We are of the opinion that the method and results of the audit made by the Account Auditors, Ernst & Young ShinNihon LLC, are proper.

(3) Results of audit of the consolidated financial statements:

We are of the opinion that the method and results of the audit made by the Account Auditors, Ernst & Young ShinNihon LLC, are proper.

May 13, 2019

The Audit & Supervisory Board
West Japan Railway Company

Mikiya Chishiro (seal)
Full-time Audit & Supervisory Board Member
(External Audit & Supervisory Board Member)

Naoki Nishikawa (seal)
Full-time Audit & Supervisory Board Member

Yasumi Katsuki (seal)
External Audit & Supervisory Board Member

Yoshinobu Tsutsui (seal)
External Audit & Supervisory Board Member

- END -