

Summary of Consolidated Financial Report for the Six Months Ended September 30, 2013 [under Japanese GAAP] (Unaudited)

English translation from the original Japanese-language document

October 29, 2013

Company Name	Central Japan Railway Company
Stock Exchange Listings	Tokyo and Nagoya
Code Number	9022
URL	http://jr-central.co.jp
Representative	Yoshiomi Yamada, President and Representative Director
Contact Person	Ryo Ejiri, General Manager of the Public Relations Department (Tel +81-52-564-2549)
Expected Date of Presentation of Quarterly Financial Statement Reports	November 7, 2013
Expected Date of Payment of Dividends	December 2, 2013
Supplementary Information	attached
Briefing of Financial Results of 2nd Quarter	to be held

1. Results for the six months ended September 30, 2013
(1) Consolidated financial results (Figures less than one million yen, except for per share information, have been rounded down.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2014 2nd Quarter	814,759	3.2	288,182	18.3	245,949	33.1	159,580	39.7
Fiscal 2013 2nd Quarter	789,813	9.3	243,673	24.6	184,773	33.2	114,242	37.4

Note 1. Comprehensive income : Fiscal 2014 2nd Quarter 169,612 million yen (52.7%). Fiscal 2013 2nd Quarter 111,056 million yen (38.2%)
 2. Percentages for operating revenues, operating income, ordinary income, net income and comprehensive income represent the changes from the corresponding six-month period of the previous year.

	Income per share - basic	Income per share - diluted
	Yen	Yen
Fiscal 2014 2nd Quarter	810.88	-
Fiscal 2013 2nd Quarter	580.50	-

Note The company determined to split one common share to 100 shares and implement the share unit system, by which 100 shares turn to a share unit, effective as of October 1, 2012. Accordingly, the company represents income per share - basic as if the shares were split as of April 1, 2012.

(2) Consolidated financial position (Figures less than one million yen, except for per share information, have been rounded down.)

	Total assets	Equity	Net worth ratio
	Millions of yen	Millions of yen	%
Fiscal 2014 2nd Quarter	5,243,691	1,716,488	31.9
Fiscal 2013	5,231,104	1,557,972	28.9

Note Net worth : Fiscal 2014 2nd Quarter 1,670,263 million yen. Fiscal 2013 1,513,317 million yen.

2. Cash dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2013	-	5,000.00	-	55.00	-
Fiscal 2014	-	55.00	-	-	-
Fiscal 2014 (Forecast)	-	-	-	55.00	110.00

Note 1. Changes in the forecast of cash dividends for Fiscal 2014 : none
 2. The company determined to split one common share to 100 shares and implement the share unit system, by which 100 shares turn to a share unit, effective as of October 1, 2012. As for cash dividends per share for Fiscal 2013 2nd Quarter, the company represents without reflecting the stock split.

3. Consolidated forecast for Fiscal 2014 (Year ending March 31, 2014)

	Operating revenues		Operating income		Ordinary income		Net income		Income per share - basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2014	1,621,000	2.3	444,000	4.2	356,000	8.5	229,000	14.5	1,163.62

Note 1. Percentages for operating revenues, operating income, ordinary income and net income represent the changes from the corresponding period of the previous year.
 2. Changes in the consolidated forecast for Fiscal 2014 : changed

※Note

- (1)Changes in scope of significant consolidated subsidiaries : none
 (2)Adoption of simplified accounting methods or accounting methods used specifically for quarterly consolidated financial statements : adopted
 (3)Changes in accounting policies, changes in accounting estimates and error corrections
 ①Changes in accounting policies due to revision of accounting standard : none
 ②Other changes in accounting policies : none
 ③Changes in accounting estimates : none
 ④Error corrections : none

(4)Number of common shares outstanding at the end of each period

①Number of shares issued and outstanding at the end of each period
 (Including treasury stocks)

Fiscal 2014 2nd Quarter	206,000,000 shares	Fiscal 2013	206,000,000 shares
Fiscal 2014 2nd Quarter	9,200,676 shares	Fiscal 2013	9,200,620 shares
Fiscal 2014 2nd Quarter	196,799,349 shares	Fiscal 2013 2nd Quarter	196,799,380 shares

②Number of treasury stocks at the end of each period

③Average number of shares outstanding for the period

Note The company determined to split one common share to 100 shares and implement the share unit system, by which 100 shares turn to a share unit, effective as of October 1, 2012. Accordingly, the company represents number of common shares outstanding as if the shares split as of April 1, 2012.

(Reference) Nonconsolidated forecast for Fiscal 2014 (Year ending March 31, 2014)

	Operating revenues		Operating income		Ordinary income		Net income		Income per share - basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2014	1,253,000	0.6	417,000	4.5	331,000	9.5	218,000	16.1	1,106.59

Note 1. Percentages for operating revenues, operating income, ordinary income and net income represent the change from the corresponding period of the previous year.
 2. Changes in the nonconsolidated forecast for Fiscal 2014 : changed

- Note 1. This consolidated financial information is not subject to quarterly review in accordance with the Japanese Financial Instruments and Exchange Act. Quarterly review procedures on the consolidated financial statements for the six-month period ended September 30, 2013 have not been completed at the time of announcement of this consolidated financial information.
 2. The forward-looking statements in this report are based on estimates and assumptions that reflect information available as of the day of release of this report. The accuracy of forecasts above, therefore, is inherently uncertain because it is affected by future economic trends and environment. This forecast has been changed from the previous forecast at April 30, 2013.
 3. English supplemental information will be disclosed on our website later.

Supplementary information for the Note of Summary

- (1)Adoption of simplified accounting methods or accounting methods used specifically for quarterly consolidated financial statements
 Computation of income taxes
 The company computed income taxes by multiplying quarterly net income before income taxes by estimated effective rate, which is applicable to annual tax provision to annual net income before income taxes of the current year.

QUARTERLY CONSOLIDATED BALANCE SHEET (Unaudited)

(Figures less than one million yen have been rounded down.)

	Millions of yen	
	As of March 31, 2013	As of September 30, 2013
ASSETS		
Current assets:		
Cash and deposit	59,838	80,620
Notes and accounts receivable-trade	45,091	46,859
Railway fares receivables	29,680	28,787
Inventories	50,610	44,678
Deferred tax assets	26,717	26,223
Other	70,106	102,176
Allowance for doubtful accounts	△ 40	△ 39
Total current assets	282,003	329,305
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,615,239	1,709,085
Machinery, rolling stock and vehicles, net	274,684	333,630
Land	2,359,272	2,359,387
Construction in progress	340,608	135,950
Other, net	30,838	28,687
Total property, plant and equipment	4,620,643	4,566,740
Intangible assets	22,046	22,260
Investments and other assets		
Investment securities	115,146	127,762
Deferred tax assets	174,813	170,760
Other	16,564	26,963
Allowance for doubtful accounts	△ 113	△ 101
Total investments and other assets	306,410	325,385
Total noncurrent assets	4,949,101	4,914,385
Total assets	5,231,104	5,243,691

QUARTERLY CONSOLIDATED BALANCE SHEET (Unaudited)

(Figures less than one million yen have been rounded down.)

	Millions of yen	
	As of March 31, 2013	As of September 30, 2013
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	69,827	51,044
Short-term loans payable	26,643	26,902
Current portion of bonds payable	55,000	20,000
Current portion of long-term loans payable	102,828	130,472
Current portion of long-term accounts payable-railway facilities	103,450	105,621
Income taxes payable	80,273	85,503
Provision for bonuses	26,802	27,148
Other	192,674	140,498
Total current liabilities	657,498	587,193
Noncurrent liabilities:		
Bonds payable	961,100	997,905
Long-term loans payable	526,334	483,395
Long-term accounts payable-railway facilities	891,285	837,923
Provision for large scale renovation of the Shinkansen infrastructure	350,000	332,500
Provision for retirement benefits	209,736	212,343
Other	77,176	75,941
Total noncurrent liabilities	3,015,632	2,940,009
Total liabilities	3,673,131	3,527,202
EQUITY		
Shareholders' equity:		
Common stock	112,000	112,000
Capital surplus	53,500	53,500
Retained earnings	1,435,445	1,584,191
Treasury stock	△ 103,155	△ 103,155
Total shareholders' equity	1,497,790	1,646,535
Accumulated other comprehensive income:		
Unrealized gain on available-for-sale securities	15,508	23,713
Deferred gain on hedges	18	13
Total accumulated other comprehensive income	15,526	23,727
Minority interests	44,654	46,225
Total equity	1,557,972	1,716,488
Total liabilities and equity	5,231,104	5,243,691

QUARTERLY CONSOLIDATED STATEMENT OF INCOME (Unaudited)

(Figures less than one million yen have been rounded down.)

	Millions of yen	
	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Operating revenues	789,813	814,759
Operating expenses:		
Transportation, other services and cost of sales	467,418	443,898
Selling, general and administrative expenses	78,720	82,678
Total operating expenses	546,139	526,576
Operating income	243,673	288,182
Non-operating income:		
Interest income	70	53
Dividends income	974	982
Insurance income	303	263
Other	1,046	1,083
Total non-operating income	2,395	2,383
Non-operating expenses:		
Interest expense	15,792	14,103
Interest on long-term accounts payable-railway facilities	30,061	26,724
Other	15,441	3,789
Total non-operating expenses	61,295	44,617
Ordinary income	184,773	245,949
Extraordinary gain:		
Contribution for construction	2,676	503
Gain on sales of noncurrent assets	391	832
Other	757	235
Total extraordinary gain	3,824	1,570
Extraordinary loss:		
Loss on reduction of noncurrent assets	2,556	616
Loss on retirement of noncurrent assets	738	648
Other	443	234
Total extraordinary loss	3,738	1,498
Income before income taxes and minority interests	184,859	246,021
Income taxes	69,312	84,524
Net Income before minority interests	115,546	161,496
Minority interests in net income	1,304	1,916
Net income	114,242	159,580

QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

(Figures less than one million yen have been rounded down.)

	Millions of yen	
	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Net income before minority interests	115,546	161,496
Other comprehensive income:		
Unrealized gain (loss) on available-for-sale securities	△ 4,408	8,102
Deferred loss on hedges	△ 72	△ 9
Share of other comprehensive income in affiliates	△ 9	22
Total other comprehensive income	<u>△ 4,490</u>	<u>8,115</u>
Comprehensive income	<u>111,056</u>	<u>169,612</u>
(breakdown)		
Total comprehensive income attributable to		
Owners of the parent	110,006	167,781
Minority interests	<u>1,049</u>	<u>1,830</u>

QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

(Figures less than one million yen have been rounded down.)

Millions of yen		
	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Net cash provided by operating activities		
Income before income taxes and minority interests	184,859	246,021
Depreciation and amortization	114,879	121,620
(Decrease) increase in provision for large scale renovation of the Shinkansen infrastructure	16,666	△ 17,500
Increase in provision for retirement benefits	2,033	2,606
Interest and dividends income	△ 1,045	△ 1,035
Interest expense	45,854	40,827
Proceeds from contribution for construction	△ 2,676	△ 503
Loss on reduction of noncurrent assets	2,556	616
Loss on retirement of noncurrent assets	4,625	3,253
(Increase) decrease in trade receivables	13,276	△ 875
Decrease (increase) in inventories	△ 11,051	6,199
Decrease in trade payables	△ 6,622	△ 18,782
Other	12,713	△ 10,957
Subtotal	376,070	371,491
Interest and dividends income received	1,024	1,016
Interest expense paid	△ 46,189	△ 41,395
Income taxes paid	△ 61,480	△ 78,553
Net cash provided by operating activities	269,425	252,558
Net cash used in investing activities		
Placement of time deposits	—	△ 45,000
Withdrawal from time deposits	30,000	20,002
Purchases of marketable securities	△ 25,000	△ 35,000
Purchases of property, plant and equipment	△ 129,428	△ 111,094
Proceeds from contribution for construction	1,342	2,081
Purchases of intangible assets	△ 2,345	△ 2,504
Other	△ 2,394	475
Net cash used in investing activities	△ 127,824	△ 171,039
Net cash used in financing activities		
Net increase in short-term loans payable	1,575	259
Proceeds from long-term loans payable	48,700	43,500
Repayment of long-term loans payable	△ 47,543	△ 58,793
Proceeds from issuance of bonds	30,000	40,000
Redemption of bonds	△ 115,305	△ 38,199
Payments for long-term accounts payable-railway facilities	△ 53,652	△ 51,191
Cash dividends paid	△ 9,850	△ 10,835
Cash dividends paid to minority shareholders	△ 257	△ 257
Other	△ 11,833	△ 3,234
Net cash used in financing activities	△ 158,166	△ 78,751
Net increase (decrease) in cash and cash equivalents	△ 16,565	2,767
Cash and cash equivalents, beginning of period	84,692	75,106
Cash and cash equivalents increased by merger with an unconsolidated subsidiary	43	—
Cash and cash equivalents, end of period	68,170	77,874

SEGMENT INFORMATION (Unaudited)

I Fiscal 2013 2nd quarter (For the six months ended September 30, 2012)

Information about operating revenues and profit (loss)

(Figures less than one million yen have been rounded down.)

	Millions of yen						
	Transportation	Merchandise and Other	Real Estate	Other	Total	Reconciliations	Consolidated
Operating revenues:							
External customers	619,228	98,975	18,835	52,773	789,813	—	789,813
Intersegment transactions or transfers	5,557	4,108	13,104	42,496	65,266	△ 65,266	—
Total	624,785	103,083	31,940	95,270	855,080	△ 65,266	789,813
Segment profit	230,271	3,362	7,763	1,853	243,250	423	243,673

Note 1. Other includes business in hotel, travel, advertising, rolling stock production and construction and etc. which are not included in reportable segments.

2. The reconciliations amount of 423 million yen for segment profit is the elimination of intersegment transactions.

3. Segment profit is reconciled to operating income in the quarterly consolidated statement of income.

II Fiscal 2014 2nd quarter (For the six months ended September 30, 2013)

Information about operating revenues and profit (loss)

(Figures less than one million yen have been rounded down.)

	Millions of yen						
	Transportation	Merchandise and Other	Real Estate	Other	Total	Reconciliations	Consolidated
Operating revenues:							
External customers	625,528	101,841	19,684	67,705	814,759	—	814,759
Intersegment transactions or transfers	5,586	3,536	13,242	39,199	61,564	△ 61,564	—
Total	631,115	105,378	32,926	106,904	876,324	△ 61,564	814,759
Segment profit	272,955	3,814	7,795	2,209	286,775	1,407	288,182

Note 1. Other includes business in hotel, travel, advertising, rolling stock production and construction and etc. which are not included in reportable segments.

2. The reconciliations amount of 1,407 million yen for segment profit is the elimination of intersegment transactions.

3. Segment profit is reconciled to operating income in the quarterly consolidated statement of income.