

Summary of the Consolidated Financial Results for the Year Ended March 31, 2014

April 25, 2014
Central Japan Railway Company

- **Transportation revenues of the Central Japan Railway Company (the “Company”) increased because the use of the Company’s services for business as well as tourism continued to increase steadily. The Company’s overall operating revenues on a consolidated basis also increased due to an increase in revenues of the group companies.**
- **Despite an increase in depreciation and amortization associated with the Yamanashi Maglev Test Line and an increase in the cost of sales at the group companies, operating expenses remained approximately at the same level as the previous year due to a substantial decrease in expenses resulting from the initiation of the reversal of the provision reserves for the large scale renovation of the Shinkansen infrastructure, etc.**
- As a result, **the Company recorded increases in revenues and profits** (operating income, ordinary income and net income). **The Company achieved its highest ever performance in operating revenues, operating income, ordinary income and net income.**
- As for the forecasted results for the year ending March 31, 2015, the Company will seek, in the entire group, to enhance its management vitality through working towards growing the earning capability and pursuing efficiency and cost reduction in the operation of its business at all levels including capital investments, while giving priority to ensuring safe and reliable transportation.
- **Dividends** for the end of this fiscal year are **60 yen per share, which is 5 yen more** than the forecasted dividends announced in January 2014, and **interim and year-end dividends (forecast) for the year ending March 31, 2015 are also 60 yen per share.**

1. Summary of Consolidated Results for the Year Ended March 31, 2014

(1) Operating revenues (1,652.5 billion yen; a 67.2 billion yen or a 4.2% increase)

- The Company's **transportation revenues increased by 45.7 billion yen (3.9%) to 1,214.8 billion yen in the year ended March 31, 2014 as compared with the year ended March 31, 2013.**
 - As for the Tokaido Shinkansen, the Company promoted its efforts to expand the number of members and the use of the Express Reservation service, etc., and also worked on various campaigns leveraging tourism attractions, such as the Grand Shrine of Ise, where the Shikinen Sengu Ceremony was held. The Company sought to enhance transportation services by, among other things, introducing new rolling stock, the N700A, and promoting modifications of the Series N700 in order to reflect features of the N700A, as well as by setting a flexible train schedule in accordance with demand.
 - As for the conventional lines, the Company sought to enhance transportation services by, among other things, operating a special express, which provides convenient access to Grand Shrine of Ise.
 - As a result, transportation revenues from the Tokaido Shinkansen increased by 44.2 billion yen (4.1%) to 1,113.8 billion yen in the year ended March 31, 2014 as compared with the year ended March 31, 2013. Transportation revenues from the conventional lines increased by 1.5 billion yen (1.6%) to 100.9 billion yen in the year ended March 31, 2014 as compared with the year ended March 31, 2013. Total transportation revenues increased by 45.7 billion yen (3.9%) to 1,214.8 billion yen in the year ended March 31, 2014 as compared with the year ended March 31, 2013.
- As for the non-railway business, the Company worked towards the enhancement of existing businesses, and carried on with projects, such as JR GATE TOWER Project at Nagoya Station. Mainly due to an increase in sales at NIPPON SHARYO, LTD. and at JR Nagoya Takashimaya, operating revenues of the group companies increased by 34.7 billion yen (9.7%) to 392.0 billion yen in the year ended March 31, 2014 as compared with the year ended March 31, 2013.

(2) Operating expenses (1,157.9 billion yen; a 1.2 billion yen or a 0.1% decrease)

- Depreciation and amortization increased due to restarting of running tests at the Maglev Test Line in August 2013 and the cost of sales at the group companies, such as NIPPON SHARYO, LTD., also increased.
- On the other hand, overall operating expenses remained approximately at the same level as the previous year due to a substantial decrease in expenses because the Company ended the accumulation of provision reserves for the large scale renovation and initiated the reversal of the provision reserves.

(3) Operating income (494.6 billion yen; a 68.4 billion yen or a 16.1% increase)

(4) Non-operating income/loss (-90.3 billion yen; a 7.6 billion yen improvement)

- Non-operating expenses decreased due to a decrease in interest expenses.

(5) Ordinary income (404.2 billion yen; a 76.1 billion yen or a 23.2% increase)

(6) Net income (255.6 billion yen; a 55.7 billion yen or a 27.9% increase)

2. Summary of Long-term Debt and Payables

- The balance of long-term debt and payables at the end of March 2014 decreased by 269.1 billion yen to 2,370.8 billion yen from the end of the previous fiscal year.

3. Conditions of Cash Flow

(1) Net cash provided by operating activities: 540.5 billion yen (a 28.2 billion yen increase)

- Net cash provided by operating activities increased due to, inter alia, an increase in transportation revenues of the Company because the use of the Company's services for business as well as tourism continued to increase steadily.

(2) Net cash used in investing activities: 230.4 billion yen (a 31.6 billion yen decrease)

- Net cash used in investing activities decreased due to, inter alia, a decrease in expenditures relating to the acquisition of fixed assets in connection with capital investment.

(3) Net cash used in financing activities: 309.7 billion yen (a 49.9 billion yen increase)

- Net cash used in financing activities increased due to, inter alia, an increase in expenditures for repayment of long-term debt and payables.

(4) Cash and cash equivalents: 75.4 billion yen (a 0.3 billion yen increase)

4. Forecasted Results of Operations for the Year Ending March 31, 2015

(1) Operating revenues: 1,636.0 billion yen (a 16.5 billion yen or a 1.0% decrease)

- The Company's expected transportation revenues on a non-consolidated basis: 1,214.8 billion yen (the same amount as the actual results for the year ended March 31, 2014).

(2) Operating income: 459.0 billion yen (a 35.6 billion yen or a 7.2% decrease)

(3) Ordinary income: 388.0 billion yen (a 16.2 billion yen or a 4.0% decrease)

(4) Net income: 265.0 billion yen (a 9.3 billion yen or a 3.6% increase)

(5) Estimated reduction in long-term debt and payables: 124.0 billion yen (120.0 billion yen on a non-consolidated basis)

- The Company will reduce its long-term debt and payables, while 326.0 billion yen will be spent on capital investment.

5. Dividends (the Company)

- Year-end dividends for this fiscal year shall be 60 yen per share, which is 5 yen more than forecasted dividend of 55 yen per share announced in January 2014.
- Forecasted dividends for the next fiscal year shall be 60 yen per share with respect to each of the interim dividends and year-end dividends.

Comparison of Passenger-kilometers and Transportation Revenues

(Unit: Millions of passenger-kilometers, billions of yen, %)

			For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)	%	(Reference) From January to March, 2014	
								Vs. the Same Period of Fiscal 2013 (%)
Passenger-kilometers	Shinkansen	Commuter	1,391	1,444	53	103.8	377	112.6
		Others	45,540	47,429	1,890	104.1	11,487	104.8
		Subtotal	46,930	48,873	1,943	104.1	11,864	105.0
	Conventional lines	Commuter	5,463	5,588	125	102.3	1,358	108.1
		Others	3,575	3,641	66	101.8	903	101.9
		Subtotal	9,038	9,229	191	102.1	2,261	105.5
	Subtotal	Commuter	6,854	7,032	178	102.6	1,736	109.0
		Others	49,114	51,070	1,956	104.0	12,389	104.6
		Subtotal	55,968	58,102	2,134	103.8	14,125	105.1
Transportation revenues	Shinkansen	Commuter	16.6	17.1	0.4	102.9	4.2	106.8
		Others	1,053.0	1,096.7	43.7	104.2	264.4	104.7
		Subtotal	1,069.6	1,113.8	44.2	104.1	268.7	104.7
	Conventional lines	Commuter	34.0	34.3	0.3	101.0	8.3	103.7
		Others	65.3	66.6	1.2	101.9	16.3	101.5
		Subtotal	99.4	100.9	1.5	101.6	24.7	102.2
	Subtotal	Commuter	50.6	51.4	0.8	101.6	12.6	104.8
		Others	1,118.4	1,163.3	44.9	104.0	280.7	104.5
		Subtotal	1,169.0	1,214.8	45.7	103.9	293.4	104.5
Total (including parcel fare)			1,169.1	1,214.8	45.7	103.9	293.4	104.5

- (Notes)
1. The above table contains non-consolidated passenger-kilometers and transportation revenues of the Company.
 2. Any fraction in passenger-kilometers that is less than the unit indicated is rounded to the nearest unit.
 3. Any fraction in transportation revenues that is less than a tenth of the unit indicated is rounded down.

Comparative Statements of Income (Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)	%
Operating revenues	1,585.3	1,652.5	67.2	104.2
Transportation	1,231.9	1,264.8	32.8	102.7
Merchandise and other	201.5	212.9	11.3	105.6
Real estate	38.4	39.1	0.7	102.0
Other	113.4	135.6	22.2	119.6
Operating expenses	1,159.1	1,157.9	(1.2)	99.9
Operating income	426.1	494.6	68.4	116.1
Non-operating income (loss)	(98.0)	(90.3)	7.6	92.2
Non-operating income	7.1	7.9	0.7	110.2
Non-operating expenses	105.2	98.2	(6.9)	93.4
Ordinary income	328.0	404.2	76.1	123.2
Extraordinary gain (loss)	(1.9)	(1.5)	0.3	79.6
Extraordinary gain	9.1	5.3	(3.7)	58.4
Extraordinary loss	11.0	6.8	(4.1)	62.1
Income before income taxes and minority interests	326.1	402.7	76.5	123.5
Income taxes - current	131.5	143.5	12.0	109.1
Income taxes - deferred	(8.9)	(0.9)	8.0	10.2
Net income before minority interests (loss)	203.5	260.0	56.5	127.8
Minority interests in net income	3.5	4.3	0.8	123.4
Net income	199.9	255.6	55.7	127.9
Comprehensive income	216.1	265.6	49.5	122.9

- (Notes)
- Any fraction less than a tenth of the unit indicated is rounded down. The figure shown in square brackets (i.e., “[]”) is the ratio of consolidated to non-consolidated results.
 - The breakdown of operating revenues is based on the amount of sales to external customers, according to reportable segments.

Operating Income/Loss According to Reportable Segments

(Unit: Billions of yen, %)

Classifications	Segments	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)	%
Operating revenues	Transportation	1,243.0	1,276.1	33.0	102.7
	Merchandise and other	209.5	220.7	11.2	105.4
	Real estate	64.9	67.4	2.4	103.7
	Other	233.1	250.6	17.4	107.5
	Reconciliations	(165.5)	(162.4)	3.1	98.1
	Total	1,585.3	1,652.5	67.2	104.2
Segment profit (Operating income)	Transportation	396.1	460.1	63.9	116.2
	Merchandise and other	7.2	8.2	0.9	113.2
	Real estate	12.7	13.8	1.1	108.7
	Other	9.4	10.5	1.1	111.6
	Reconciliations	0.5	1.8	1.3	353.8
	Total	426.1	494.6	68.4	116.1

- (Notes)
- Any fraction less than a tenth of the unit indicated is rounded down.
 - Operating revenues include the amount of sales to other reportable segments as well as the amount of sales to external customers.
 - Rows entitled “Reconciliations” show amounts that are off-set among reportable segments.

Comparative Balance Sheets (Consolidated)

(Unit: Billions of yen)

Classifications	As of March 31, 2013	As of March 31, 2014	Increase (Decrease)
Current assets	282.0	313.8	31.8
Noncurrent assets	4,949.1	4,864.3	(84.7)
Property, plant and equipment	4,620.6	4,514.6	(106.0)
Intangible assets	22.0	23.7	1.7
Investments and other assets	306.4	325.9	19.4
Total assets	5,231.1	5,178.1	(52.9)
Current liabilities	657.4	711.5	54.0
Noncurrent liabilities	3,015.6	2,664.3	(351.2)
Total liabilities	3,673.1	3,375.9	(297.2)
[Long-term debt and payables]	2,639.9	2,370.8	(269.1)
Total equity	1,557.9	1,802.2	244.2
Total liabilities and equity	5,231.1	5,178.1	(52.9)

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Comparative Statements of Cash Flows (Consolidated)

(Unit: Billions of yen)

Classifications	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)
Net cash provided by operating activities	512.3	540.5	28.2
Income before income taxes and minority interests	326.1	402.7	76.5
Depreciation and amortization	240.1	276.2	36.0
(Decrease) increase in provision for large scale renovation of the Shinkansen infrastructure	33.3	(35.0)	(68.3)
Income taxes paid	(114.0)	(139.5)	(25.4)
Other	26.6	36.0	9.4
Net cash used in investing activities	(262.1)	(230.4)	31.6
Purchases of property, plant, equipment and intangible assets	(273.4)	(207.8)	65.5
Net fund management	10.0	(29.9)	(39.9)
Other	1.3	7.4	6.0
[Free cash flows (Operations plus Investments)]	[250.2]	[310.1]	[59.8]
Net cash used in financing activities	(259.8)	(309.7)	(49.9)
Proceeds from issuance of bonds and long-term loans payable	189.0	189.6	0.6
Repayment of long-term debt and payables	(415.7)	(458.7)	(43.0)
Other	(33.0)	(40.5)	(7.5)
Net increase (decrease) in cash and cash equivalents	(9.6)	0.3	9.9
Cash and cash equivalents, beginning of the year	84.6	75.1	(9.5)
Cash and cash equivalent, end of the year	75.1	75.4	0.3

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Comparative Statements of Income (Non-consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)	%
Operating revenues	1,245.0	1,277.2	32.1	102.6
Transportation revenues	1,169.1	1,214.8	45.7	103.9
Other services	75.9	62.3	(13.6)	82.1
Operating expenses	845.9	816.3	(29.5)	96.5
Personnel expenses	172.7	174.3	1.6	100.9
Non-personnel expenses	416.1	348.6	(67.4)	83.8
Taxes other than income taxes	33.3	32.9	(0.3)	98.9
Depreciation and amortization	223.7	260.3	36.6	116.4
Operating income	399.1	460.8	61.7	115.5
Non-operating income(loss)	(96.7)	(89.0)	7.6	92.1
Non-operating income	7.6	8.4	0.8	111.3
Non-operating expenses	104.3	97.5	(6.8)	93.5
Ordinary income	302.4	371.8	69.3	122.9
Extraordinary gain(loss)	(0.5)	(1.0)	(0.5)	188.8
Extraordinary gain	7.8	1.9	(5.9)	24.6
Extraordinary loss	8.3	2.9	(5.4)	35.6
Income before income taxes	301.8	370.7	68.8	122.8
Income taxes - current	123.4	130.2	6.7	105.5
Income taxes - deferred	(9.4)	0.1	9.6	-
Net income	187.8	240.3	52.5	128.0

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Long-term Debt and Payables (Non-consolidated)

(Unit: Billions of yen)

	As of March 31, 1992	As of March 31, 2013	As of March 31, 2014
Balance of long-term debt and payables (at fiscal year-end)	5,456.2	2,614.9	2,351.7
Amount decreased per annum	-	(214.1)	(263.2)
Accumulated decreased amount	-	(2,841.3)	(3,104.5)

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Forecasted Results of Operations for the Next Fiscal Year (Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2014 (Actual Results)	For the Year Ending March 31, 2015 (Forecast)	Increase (Decrease)	%
Operating revenues	<i>[1.294]</i> 1,652.5	<i>[1.279]</i> 1,636.0	(16.5)	99.0
[Transportation revenues of the Company]	1,214.8	1,214.8	-	100.0
Operating expenses	1,157.9	1,177.0	19.0	101.6
Operating income	<i>[1.073]</i> 494.6	<i>[1.070]</i> 459.0	(35.6)	92.8
Ordinary income	<i>[1.087]</i> 404.2	<i>[1.081]</i> 388.0	(16.2)	96.0
Net income	<i>[1.064]</i> 255.6	<i>[1.056]</i> 265.0	9.3	103.6

(Note) Any fraction less than a tenth of the unit indicated is rounded down. The figure shown in square brackets (i.e., “[]”) is the ratio of consolidated to non-consolidated results.

Forecasted Results According to Reportable Segments

(Unit: Billions of yen, %)

Classifications		For the Year Ended March 31, 2014 (Actual Results)	For the Year Ending March 31, 2015 (Forecast)	Increase (Decrease)	%
Operating revenues	Transportation	1,276.1	1,277.8	1.6	100.1
	Merchandise and other	220.7	223.3	2.5	101.1
	Real estate	67.4	65.1	(2.3)	96.6
	Other	250.6	234.7	(15.9)	93.7
	Reconciliations	(162.4)	(164.9)	(2.4)	101.5
	Total	1,652.5	1,636.0	(16.5)	99.0
Segment profit (Operating income)	Transportation	460.1	428.1	(32.0)	93.0
	Merchandise and other	8.2	6.8	(1.4)	82.7
	Real estate	13.8	13.5	(0.3)	97.6
	Other	10.5	8.7	(1.8)	82.2
	Reconciliations	1.8	1.9	0.0	102.9
	Total	494.6	459.0	(35.6)	92.8

- (Notes)
- Any fraction less than a tenth of the unit indicated is rounded down.
 - Operating revenues include the amount of sales to other reportable segments as well as the amount of sales to external customers.
 - Rows entitled “Reconciliations” show amounts that are off-set among reportable segments.

Forecasted Results of Operations for the Next Fiscal Year (Non-consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2014 (Actual Results)	For the Year Ending March 31, 2015 (Forecast)	Increase (Decrease)	%
Operating revenues	1,277.2	1,279.0	1.7	100.1
[Transportation revenues]	1,214.8	1,214.8	-	100.0
Operating expenses	816.3	850.0	33.6	104.1
Personnel expenses	174.3	177.0	2.6	101.5
Non-personnel expenses	348.6	382.0	33.3	109.6
Taxes other than income taxes	32.9	33.0	0.0	100.0
Depreciation and amortization	260.3	258.0	(2.3)	99.1
Operating income	460.8	429.0	(31.8)	93.1
Non-operating income(loss)	(89.0)	(70.0)	19.0	78.6
Ordinary income	371.8	359.0	(12.8)	96.6
Extraordinary gain(loss)	(1.0)	-	1.0	-
Income before income taxes	370.7	359.0	(11.7)	96.8
Income taxes	130.3	108.0	(22.3)	82.8
Net income	240.3	251.0	10.6	104.4

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Estimated Reduction in Long-term Debt and Payables (Consolidated / Non-consolidated)

(Unit: Billions of yen)

Classifications	For the Year Ended March 31, 2014		For the Year Ending March 31, 2015	
	As of March 31, 2014 (Actual Results)	Actual Amount of Decrease	As of March 31, 2015 (Estimated)	Estimated Amount of Decrease
Balance of long-term debt and payables (consolidated)	2,370.8	(269.1)	2,246.8	(124.0)
Balance of long-term debt and payables (non-consolidated)	2,351.7	(263.2)	2,231.7	(120.0)

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Scheduled Amount of Capital Investment (Consolidated / Non-consolidated)

(Unit: Billions of yen, %)

	For the Year Ended March 31, 2014 (Actual Results)	For the Year Ending March 31, 2015 (Planned)	Increase (Decrease)	%
Capital investment (consolidated)	240.6	326.0	85.3	135.5
Capital investment (non-consolidated)	229.0	301.0	71.9	131.4

(Note) Any fraction less than a tenth of the unit indicated is rounded down.

Reference Figures for the End of the Fiscal Years (Consolidated)

	Unit	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)
Finance income and expenditures	Billions of yen	(87.4)	(78.3)	9.0
Interest expenses	Billions of yen	89.2	80.3	(8.9)
Earnings per share (EPS)	Yen	1,016	1,299	283
Return on net worth	%	14.1	15.7	1.6
Net worth ratio	%	28.9	33.9	5.0
Capital investment	Billions of yen	318.3	240.6	(77.6)
Long-term debt and payables (year-end)	Billions of yen	2,639.9	2,370.8	(269.1)
Average interest (year-end)	%	3.13	3.12	(0.01)
Number of employees (year-end)	Persons	28,348	28,619	271

Reference Figures for the End of the Fiscal Years (Non-consolidated)

	Unit	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	Increase (Decrease)
Finance income and expenditures	Billions of yen	(85.6)	(76.8)	8.7
Interest expenses	Billions of yen	88.7	80.0	(8.7)
Earnings per share (EPS)	Yen	953	1,220	266
Return on net worth	%	13.9	15.5	1.6
Net worth ratio	%	28.5	33.3	4.8
Capital investment	Billions of yen	301.6	229.0	(72.6)
Long-term debt and payables (year-end)	Billions of yen	2,614.9	2,351.7	(263.2)
Average interest (year-end)	%	3.14	3.13	(0.01)
Number of employees (year-end)	Persons	18,094	18,223	129
Number of retired employees	Persons	512	570	58

- (Notes)
- As of the effective date, October 1, 2012, the Company split 1 share of common stock into 100 shares, and adopted a share unit system under which the number of shares constituting 1 unit is 100 shares. Therefore, the Company calculated EPS on the basis that such stock split was made at the beginning of the previous consolidated fiscal year and previous business year.
 - Average number of shares for the term (consolidated): 196,799,380 shares for the year ended March 31, 2013 and 196,799,336 shares for the year ended March 31, 2014
Average number of shares for the term (non-consolidated): 197,001,000 shares for the year ended March 31, 2013 and 197,000,956 shares for the year ended March 31, 2014
 - “Number of employees” shows the number of persons at work.