

Summary of Consolidated Financial Report for the Nine Months Ended December 31, 2014 [under Japanese GAAP] (Unaudited)

English translation from the original Japanese-language document

January 30, 2015

Company Name	Central Japan Railway Company
Stock Exchange Listings	Tokyo and Nagoya
Code Number	9022
URL	http://jr-central.co.jp
Representative	Kouei Tsuge, President and Representative Director
Contact Person	Ryo Ejiri, Corporate Officer, General Manager of the Public Relations Department (Tel +81-52-564-2549)
Expected Date of Presentation of Quarterly Financial Statement Reports	February 10, 2015
Expected Date of Payment of Dividends	—
Supplementary Information	attached
Briefing of Financial Results of 3rd Quarter	none

1. Results for the nine months ended December 31, 2014
(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 2015 3rd Quarter	1,252,884	0.5	431,136	△ 0.3	381,218	2.6	260,752	8.2
Fiscal 2014 3rd Quarter	1,246,218	3.9	432,453	16.4	371,709	26.2	241,042	31.9

Note 1. Comprehensive income : Fiscal 2015 3rd Quarter 273,464 million yen (6.5%). Fiscal 2014 3rd Quarter 256,727 million yen (36.6%).
 2. Percentages for operating revenues, operating income, ordinary income, net income and comprehensive income represent the changes from the corresponding nine-month period of the previous year.

	Net income per share - basic	Net income per share - diluted
	Yen	Yen
Fiscal 2015 3rd Quarter	1,324.97	—
Fiscal 2014 3rd Quarter	1,224.81	—

(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 2015 3rd Quarter	5,342,748	2,068,510	37.8
Fiscal 2014	5,178,166	1,802,252	33.9

Note Net worth : Fiscal 2015 3rd Quarter 2,019,029 million yen. Fiscal 2014 1,753,771 million yen.

2. Cash dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2014	—	55.00	—	60.00	115.00
Fiscal 2015	—	60.00	—	—	—
Fiscal 2015 (Forecast)	—	—	—	60.00	120.00

Note Changes in the forecast of cash dividends for Fiscal 2015 : none

3. Consolidated forecast for Fiscal 2015 (Year ending March 31, 2015)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share - basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2015	1,651,000	△ 0.1	475,000	△ 4.0	396,000	△ 2.0	268,000	4.8	1,361.79

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 2015 : none

※Notes to Consolidated Financial Information

- (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
- ① Changes in accounting policies due to revision of accounting standard : changed
- ② Other changes in accounting policies : none
- ③ Changes in accounting estimates : none
- ④ Error corrections : none

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

- ① Number of shares issued and outstanding at the end of each period
(Including treasury stocks)
- ② Number of treasury stocks at the end of each period
- ③ Average number of shares outstanding for the period

Fiscal 2015 3rd Quarter	206,000,000 shares	Fiscal 2014	206,000,000 shares
Fiscal 2015 3rd Quarter	9,200,743 shares	Fiscal 2014	9,200,676 shares
Fiscal 2015 3rd Quarter	196,799,311 shares	Fiscal 2014 3rd Quarter	196,799,340 shares

- 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 nine-month period ended December 31, 2014 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 not been changed from the previous forecast at October 29, 2014.
3. English supplemental information will be announced on our website later.

Supplementary information for the notes to consolidated financial information

- (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.
- (2) Changes in accounting policies, changes in accounting estimates and error corrections
- Effective the first quarter beginning on April 1, 2014, the company adopted main clause of paragraph (35) of Accounting Standard for Retirement Benefits, and paragraph (67) of Guidance on Accounting Standard for Retirement Benefits.
- In accordance with the accounting standard and guidance for retirement benefits above, the company changed the method of determining projected benefit obligations and service costs, and revised the method of attributing expected benefit to periods from the straight-line basis to the plan's benefit formula basis, and that of determining discount rate. In accordance with transitional treatment stipulated in paragraph (37) of Accounting Standard for Retirement Benefits, the company recorded the cumulative effect of the change in the method of determining projected benefit obligations and service costs in retained earnings as of April 1, 2014.
- As a result, retained earnings as of April 1, 2014 increased by 17,450 million yen, and the effect on the consolidated statement of income for the nine months ended December 31, 2014 was immaterial.

QUARTERLY CONSOLIDATED BALANCE SHEET (Unaudited)

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

	Millions of yen	
	As of March 31, 2014	As of December 31, 2014
ASSETS		
Current assets:		
Cash and deposit	92,639	229,549
Notes and accounts receivable-trade	58,024	58,465
Railway fares receivables	41,006	32,149
Inventories	36,650	44,127
Deferred tax assets	27,592	26,373
Other	57,979	181,066
Allowance for doubtful accounts	△ 39	△ 11
Total current assets	313,853	571,721
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,678,360	1,595,320
Machinery, rolling stock and vehicles, net	314,032	282,822
Land	2,358,060	2,357,926
Construction in progress	132,900	162,125
Other, net	31,265	26,102
Total property, plant and equipment	4,514,619	4,424,298
Intangible assets	23,787	22,510
Investments and other assets		
Investment securities	128,543	143,662
Deferred tax assets	171,225	156,280
Other	26,229	24,367
Allowance for doubtful accounts	△ 92	△ 93
Total investments and other assets	325,905	324,217
Total noncurrent assets	4,864,313	4,771,027
Total assets	5,178,166	5,342,748

QUARTERLY CONSOLIDATED BALANCE SHEET (Unaudited)

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

	Millions of yen	
	As of March 31, 2014	As of December 31, 2014
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	66,019	56,117
Short-term loans payable	24,754	31,018
Current portion of bonds payable	85,000	50,000
Current portion of long-term loans payable	128,026	93,880
Current portion of long-term accounts payable-railway facilities	96,505	98,541
Income taxes payable	84,472	49,354
Provision for bonuses	27,319	14,129
Other	199,428	208,685
Total current liabilities	711,526	601,728
Noncurrent liabilities:		
Bonds payable	797,988	857,696
Long-term loans payable	503,907	555,016
Long-term accounts payable-railway facilities	759,382	709,593
Provision for large scale renovation of the Shinkansen infrastructure	315,000	288,750
Liability for retirement benefits	212,969	187,692
Other	75,139	73,760
Total noncurrent liabilities	2,664,387	2,672,510
Total liabilities	3,375,913	3,274,238
EQUITY		
Shareholders' equity:		
Common stock	112,000	112,000
Capital surplus	53,500	53,500
Retained earnings	1,669,462	1,924,025
Treasury stock	△ 103,155	△ 103,156
Total shareholders' equity	1,731,806	1,986,368
Accumulated other comprehensive income:		
Unrealized gain on available-for-sale securities	21,493	32,200
Deferred (loss) gain on hedges	5	△ 37
Remeasurements of defined benefit plans	465	497
Total accumulated other comprehensive income	21,964	32,660
Minority interests	48,481	49,480
Total equity	1,802,252	2,068,510
Total liabilities and equity	5,178,166	5,342,748

QUARTERLY CONSOLIDATED STATEMENT OF INCOME (Unaudited)

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

	Millions of yen	
	For the nine months ended December 31, 2013	For the nine months ended December 31, 2014
Operating revenues	1,246,218	1,252,884
Operating expenses:		
Transportation, other services and cost of sales	687,936	688,803
Selling, general and administrative expenses	125,827	132,944
Total operating expenses	813,764	821,747
Operating income	432,453	431,136
Non-operating income:		
Interest income	102	169
Dividends income	1,806	2,009
Insurance income	362	1,357
Other	2,101	2,876
Total non-operating income	4,372	6,412
Non-operating expenses:		
Interest expense	21,157	19,358
Interest on long-term accounts payable-railway facilities	39,549	35,339
Other	4,410	1,633
Total non-operating expenses	65,117	56,331
Ordinary income	371,709	381,218
Extraordinary gain:		
Contribution for construction	653	1,021
Other	3,367	341
Total extraordinary gain	4,020	1,363
Extraordinary loss:		
Loss on reduction of noncurrent assets	759	1,055
Loss on retirement of noncurrent assets	1,100	1,240
Write down of an investment in an unconsolidated subsidiary	-	2,655
Loss on liquidation of an unconsolidated subsidiary	795	-
Other	854	85
Total extraordinary loss	3,508	5,036
Income before income taxes and minority interests	372,221	377,544
Income taxes	127,866	115,609
Net income before minority interests	244,354	261,935
Minority interests in net income	3,312	1,183
Net income	241,042	260,752

QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

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

	Millions of yen	
	For the nine months ended December 31, 2013	For the nine months ended December 31, 2014
Net income before minority interests	244,354	261,935
Other comprehensive income:		
Unrealized gain on available-for-sale securities	12,333	11,418
Deferred loss on hedges	△ 12	△ 84
Remeasurements of defined benefit plans	—	83
Share of other comprehensive income in affiliates	51	111
Total other comprehensive income	12,372	11,528
Comprehensive income	256,727	273,464
(breakdown)		
Total comprehensive income attributable to		
Owners of the parent	253,459	271,448
Minority interests	3,267	2,015

SEGMENT INFORMATION (Unaudited)

I Fiscal 2014 3rd quarter (For the nine months ended December 31, 2013)

Information about operating revenues and profit

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

	Millions of yen						Reconciliations	Consolidated
	Transportation	Merchandise and Other	Real Estate	Other	Total			
Operating revenues:								
External customers	957,578	154,927	29,531	104,180	1,246,218	—	1,246,218	
Intersegment transactions or transfers	8,438	5,579	20,012	64,523	98,553	△ 98,553	—	
Total	966,016	160,506	49,544	168,703	1,344,771	△ 98,553	1,246,218	
Segment profit	407,606	5,959	11,998	5,484	431,048	1,405	432,453	

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 1,405 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 2015 3rd quarter (For the nine months ended December 31, 2014)

Information about operating revenues and profit

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

	Millions of yen						Reconciliations	Consolidated
	Transportation	Merchandise and Other	Real Estate	Other	Total			
Operating revenues:								
External customers	978,824	164,553	29,629	79,876	1,252,884	—	1,252,884	
Intersegment transactions or transfers	8,693	6,516	20,033	72,803	108,046	△ 108,046	—	
Total	987,518	171,069	49,662	152,679	1,360,930	△ 108,046	1,252,884	
Segment profit	405,563	6,368	13,087	5,547	430,566	570	431,136	

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 570 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.