

Summary of Consolidated Financial Report for the Year Ended March 31, 2016 (under Japanese GAAP) (Unaudited)

English translation from the original Japanese-language document

April 27, 2016

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 the Annual Shareholders' Meeting	Unfixed
Expected Date of Presentation of Financial Statement Reports	Unfixed
Expected Date of Payment of Dividends	Unfixed
Supplementary Information	Attached
Briefing of Financial Results of Fiscal 2016	To be held

1. Results for the year ended March 31, 2016
(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 attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2016	1,738,409	4.0	578,677	14.2	511,455	19.5	337,440	27.8
Fiscal 2015	1,672,295	1.2	506,598	2.4	428,134	5.9	264,134	3.3

Note 1. Comprehensive income : Fiscal 2016 312,322 million yen (16.1%). Fiscal 2015 268,921 million yen (1.2%).

2. Percentages for operating revenues, operating income, ordinary income, net income attributable to owners of the parent and comprehensive income represent the changes from the previous year.

	Net income per share - basic	Net income per share - diluted	Return on net worth	Ordinary income to total assets	Operating income to operating revenues
	Yen	Yen	%	%	%
Fiscal 2016	1,714.64	-	15.6	9.8	33.3
Fiscal 2015	1,342.15	-	14.0	8.2	30.3

Note Equity in earnings of affiliates : Fiscal 2016 560 million yen. Fiscal 2015 339 million yen.

(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	Equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2016	5,268,544	2,352,566	44.0	11,770.36
Fiscal 2015	5,217,982	2,063,967	38.7	10,265.27

Note Net worth : Fiscal 2016 2,316,397 million yen. Fiscal 2015 2,020,196 million yen.

(3) Consolidated cash flows (Figures less than one million yen have been rounded down.)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents, end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2016	601,495	△ 170,305	△ 242,847	318,352
Fiscal 2015	570,806	△ 263,970	△ 252,279	130,002

2. Cash dividends

	Cash dividends per share					Total dividends (Fiscal)	Payout ratio (Consolidated)	Dividends on equity ratio (Consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2015	-	60.00	-	60.00	120.00	23,640	8.9	1.3
Fiscal 2016	-	60.00	-	65.00	125.00	24,625	7.3	1.1
Fiscal 2017 (Forecast)	-	65.00	-	65.00	130.00		7.0	

3. Consolidated forecast for Fiscal 2017 (Year ending March 31, 2017)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share - basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2017 2nd Quarter (six months)	863,000	0.3	326,000	0.6	298,000	1.7	209,000	6.8	1,062.00
Fiscal 2017	1,736,000	△ 0.1	577,000	△ 0.3	520,000	1.7	363,000	7.6	1,844.52

Note Percentages for operating revenues, operating income, ordinary income and net income attributable to owners of the parent represent the changes from the corresponding period of the previous year.

※Notes to Consolidated Financial Information

- (1) Changes in scope of significant consolidated subsidiaries : none
 (2) 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

(3) Number of common shares outstanding at the end of each year

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

Fiscal 2016	206,000,000 shares	Fiscal 2015	206,000,000 shares
Fiscal 2016	9,200,776 shares	Fiscal 2015	9,200,743 shares
Fiscal 2016	196,799,236 shares	Fiscal 2015	196,799,298 shares

(Reference) Summary of Nonconsolidated Financial Report for the Year Ended March 31, 2016

1. Results for the year ended March 31, 2016

(1) Nonconsolidated financial results (Figures less than one million yen, except for per share amounts, 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 2016	1,357,991	3.9	557,689	17.3	490,548	23.3	328,658	26.3
Fiscal 2015	1,306,602	2.3	475,403	3.2	397,724	7.0	260,278	8.3

	Net income per share - basic	Net income per share - diluted
	Yen	Yen
Fiscal 2016	1,668.31	-
Fiscal 2015	1,321.21	-

Note Percentages for operating revenues, operating income, ordinary income and net income represent the changes from the previous year.

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

	Total assets	Equity	Net worth ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2016	5,059,426	2,219,910	43.9	11,268.53
Fiscal 2015	5,013,460	1,931,097	38.5	9,802.48

Reference Net worth : Fiscal 2016 2,219,910 million yen. Fiscal 2015 1,931,097 million yen.

2. Nonconsolidated forecast for Fiscal 2017 (Year ending March 31, 2017)

	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 2017 2nd Quarter (six months)	679,000	0.1	315,000	0.7	287,000	1.9	203,000	5.1	1,030.45
Fiscal 2017	1,358,000	0.0	553,000	△ 0.8	496,000	1.1	349,000	6.2	1,771.57

Note Percentages for operating revenues, operating income, ordinary income and net income represent the changes from the corresponding period of the previous year.

- Note 1. This consolidated financial information is not subject to audit procedures in accordance with the Japanese Financial Instruments and Exchange Act. The audit procedures on the consolidated financial statements for the year ended March 31, 2016 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.
 3. English supplemental information will be announced on our website later.

Supplementary information for the notes to consolidated financial information

Changes in accounting policies, changes in accounting estimates and error corrections
 Changes in accounting policies

On September 13, 2013, the Accounting Standard Board of Japan (the "ASBJ") issued revised ASBJ Statement No. 21, "Accounting Standard for Business Combinations," revised ASBJ Statement No. 22, "Accounting Standard for Consolidated Financial Statements," and revised ASBJ Statement No. 7, "Accounting Standard for Business Divestitures." Effective April 1, 2015, the Company applied the revised accounting standards and accounts for any adjustment resulted from transactions with noncontrolling interests as capital surplus as long as the Company retains control over its subsidiary, and acquisition-related costs as expenses in the period in which the costs are incurred.

In addition, for business combinations which occurred on or after April 1, 2015, the Company applied the retrospective adjustment as if the business combination had been completed at the acquisition date. "Income before minority interests," "net income" and "minority interests" under the previous accounting standard were changed to "net income," "net income attributable to owners of the parent," and "noncontrolling interests," respectively, under the revised accounting standard.

Reclassifications have been made in the fiscal 2015 consolidated financial statements to conform to the classifications used in the fiscal 2016.

Cash flows arising from purchases of or proceeds from sales of investments in subsidiaries that do not result in the change in the scope of consolidation, are classified as financing activities in the consolidated statement of cash flows for the year ended March 31, 2016.

In accordance with the transitional treatments stated in paragraph 58-2 (4) of the Accounting Standard for Business Combinations, paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and paragraph 57-4 (4) of the Accounting Standard for Business Divestitures, the new standards were applied prospectively from April 1, 2015.

The effects of the application of the revised accounting standards on the consolidated financial statements were immaterial.

CONSOLIDATED BALANCE SHEET (Unaudited)

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

Millions of yen		
	As of March 31, 2015	As of March 31, 2016
ASSETS		
Current assets:		
Cash and deposits	151,397	164,871
Notes and accounts receivable-trade	57,224	47,931
Railway fares receivables	33,732	37,593
Marketable securities	-	183,000
Inventories	38,636	38,214
Deferred tax assets	26,708	24,222
Short-term loans receivable	90,022	23
Other	34,483	34,897
Allowance for doubtful accounts	△ 22	△ 37
Total current assets	432,183	530,716
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,597,975	1,525,935
Machinery, rolling stock and vehicles, net	282,805	275,114
Land	2,356,186	2,356,273
Construction in progress	169,240	225,268
Other, net	28,530	32,139
Total property, plant and equipment	4,434,739	4,414,731
Intangible assets	24,470	24,259
Investments and other assets		
Investment securities	149,158	122,005
Asset for retirement benefits	5,929	4,015
Deferred tax assets	149,077	148,760
Other	27,552	24,142
Allowance for doubtful accounts	△ 5,129	△ 87
Total investments and other assets	326,587	298,836
Total noncurrent assets	4,785,798	4,737,827
Total assets	5,217,982	5,268,544

CONSOLIDATED BALANCE SHEET (Unaudited)

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

	Millions of yen	
	As of March 31, 2015	As of March 31, 2016
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	69,282	67,938
Short-term loans payable	31,368	24,800
Current portion of bonds payable	35,000	-
Current portion of long-term loans payable	104,879	112,236
Current portion of long-term accounts payable-railway facilities	86,073	77,665
Accounts payable-other	114,211	111,573
Income taxes payable	71,528	105,953
Advances received	48,673	51,321
Deposits received	18,779	15,590
Provision for bonuses	27,715	27,991
Other	51,355	44,196
Total current liabilities	658,868	639,269
Noncurrent liabilities:		
Bonds payable	732,326	646,126
Long-term loans payable	548,627	555,164
Long-term accounts payable-railway facilities	643,611	553,856
Provision for large scale renovation of the Shinkansen infrastructure	280,000	245,000
Liability for retirement benefits	205,501	207,625
Other	85,079	68,936
Total noncurrent liabilities	2,495,146	2,276,709
Total liabilities	3,154,015	2,915,978
EQUITY		
Shareholders' equity:		
Common stock	112,000	112,000
Capital surplus	53,500	53,499
Retained earnings	1,927,407	2,241,207
Treasury stock	△ 103,156	△ 103,157
Total shareholders' equity	1,989,750	2,303,549
Accumulated other comprehensive income:		
Unrealized gain on available-for-sale securities	38,663	22,227
Deferred loss on hedges	△ 24	△ 2
Remeasurements of defined benefit plans	△ 8,192	△ 9,375
Total accumulated other comprehensive income	30,446	12,848
Noncontrolling interests	43,770	36,168
Total equity	2,063,967	2,352,566
Total liabilities and equity	5,217,982	5,268,544

CONSOLIDATED STATEMENT OF INCOME (Unaudited)

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

	Millions of yen	
	For the year ended March 31, 2015	For the year ended March 31, 2016
Operating revenues	1,672,295	1,738,409
Operating expenses:		
Transportation, other services and cost of sales	983,074	982,295
Selling, general and administrative expenses	182,622	177,436
Total operating expenses	<u>1,165,696</u>	<u>1,159,732</u>
Operating income	506,598	578,677
Non-operating income:		
Interest income	229	343
Dividends income	2,058	2,447
Equity in earnings of affiliates	339	560
Insurance income	3,866	2,334
Other	3,637	2,601
Total non-operating income	<u>10,132</u>	<u>8,286</u>
Non-operating expenses:		
Interest expense	25,488	23,815
Interest on long-term accounts payable-railway facilities	46,784	41,718
Other	16,323	9,974
Total non-operating expenses	<u>88,595</u>	<u>75,508</u>
Ordinary income	428,134	511,455
Extraordinary gain:		
Contribution for construction	2,221	3,944
Gain on sales of noncurrent assets	1,973	2,197
Reversal of provision for loss on business of an unconsolidated subsidiary	-	10,712
Reversal of provision for doubtful accounts of an unconsolidated subsidiary	-	5,035
Other	262	1,232
Total extraordinary gain	<u>4,457</u>	<u>23,121</u>
Extraordinary loss:		
Loss on reduction of noncurrent assets	3,545	4,244
Loss on retirement of noncurrent assets	2,252	1,907
Loss on sales of noncurrent assets	578	874
Write down of an investment in an unconsolidated subsidiary	5,648	19,061
Provision for loss on business of an unconsolidated subsidiary	10,712	-
Provision for doubtful accounts of an unconsolidated subsidiary	5,035	-
Other	121	387
Total extraordinary loss	<u>27,893</u>	<u>26,475</u>
Income before income taxes	404,698	508,101
Income taxes-current	135,387	165,344
Income taxes-deferred	12,547	11,754
Income taxes	<u>147,934</u>	<u>177,098</u>
Net Income	<u>256,763</u>	<u>331,003</u>
Net loss attributable to noncontrolling interests	△ 7,370	△ 6,437
Net income attributable to owners of the parent	264,134	337,440

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

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

	Millions of yen	
	For the year ended March 31, 2015	For the year ended March 31, 2016
Net income	256,763	331,003
Other comprehensive income:		
Unrealized (loss) gain on available-for-sale securities	18,741	△ 16,719
Deferred gain (loss) on hedges	△ 59	42
Remeasurements of defined benefit plans	△ 6,725	△ 1,898
Share of other comprehensive income in affiliates	201	△ 105
Total other comprehensive income	12,157	△ 18,681
Comprehensive income	268,921	312,322
(breakdown)		
Total comprehensive income attributable to		
Owners of the parent	272,616	319,842
Noncontrolling interests	△ 3,694	△ 7,520

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current year	112,000	53,500	1,669,462	△ 103,155	1,731,806
Cumulative effects of changes in accounting policies			17,450		17,450
Beginning balance after cumulative effects of changes in accounting policies	112,000	53,500	1,686,913	△ 103,155	1,749,257
Changes of items during the year					
Dividends from surplus			△ 23,640		△ 23,640
Net income attributable to owners of the parent			264,134		264,134
Purchases of treasury stock				△ 1	△ 1
Changes in the ownership interest by purchases of shares of consolidated subsidiaries					—
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	—	240,494	△ 1	240,492
Balance at the end of current year	112,000	53,500	1,927,407	△ 103,156	1,989,750

	Accumulated other comprehensive income				Noncontrolling interests	Total equity
	Unrealized gain available-for-sale securities	Deferred (loss) gain on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current year	21,493	5	465	21,964	48,481	1,802,252
Cumulative effects of changes in accounting policies					△ 580	16,869
Beginning balance after cumulative effects of changes in accounting policies	21,493	5	465	21,964	47,900	1,819,122
Changes of items during the year						
Dividends from surplus						△ 23,640
Net income attributable to owners of the parent						264,134
Purchases of treasury stock						△ 1
Changes in the ownership interest by purchases of shares of consolidated subsidiaries						—
Net changes of items other than shareholders' equity	17,169	△ 30	△ 8,657	8,482	△ 4,130	4,351
Total changes of items during the year	17,169	△ 30	△ 8,657	8,482	△ 4,130	244,844
Balance at the end of current year	38,663	△ 24	△ 8,192	30,446	43,770	2,063,967

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the year ended March 31, 2016

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current year	112,000	53,500	1,927,407	△ 103,156	1,989,750
Cumulative effects of changes in accounting policies					—
Beginning balance after cumulative effects of changes in accounting policies	112,000	53,500	1,927,407	△ 103,156	1,989,750
Changes of items during the year					
Dividends from surplus			△ 23,640		△ 23,640
Net income attributable to owners of the parent			337,440		337,440
Purchases of treasury stock				△ 0	△ 0
Changes in the ownership interest by purchases of shares of consolidated subsidiaries		△ 1			△ 1
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	△ 1	313,800	△ 0	313,798
Balance at the end of current year	112,000	53,499	2,241,207	△ 103,157	2,303,549

	Accumulated other comprehensive income				Noncontrolling interests	Total equity
	Unrealized gain available-for-sale securities	Deferred loss on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current year	38,663	△ 24	△ 8,192	30,446	43,770	2,063,967
Cumulative effects of changes in accounting policies						—
Beginning balance after cumulative effects of changes in accounting policies	38,663	△ 24	△ 8,192	30,446	43,770	2,063,967
Changes of items during the year						
Dividends from surplus						△ 23,640
Net income attributable to owners of the parent						337,440
Purchases of treasury stock						△ 0
Changes in the ownership interest by purchases of shares of consolidated subsidiaries						△ 1
Net changes of items other than shareholders' equity	△ 16,436	21	△ 1,183	△ 17,597	△ 7,601	△ 25,199
Total changes of items during the year	△ 16,436	21	△ 1,183	△ 17,597	△ 7,601	288,599
Balance at the end of current year	22,227	△ 2	△ 9,375	12,848	36,168	2,352,566

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

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

	Millions of yen	
	For the year ended March 31, 2015	For the year ended March 31, 2016
Operating activities:		
Income before income taxes	404,698	508,101
Depreciation and amortization	271,568	242,369
Decrease in provision for large scale renovation of the Shinkansen infrastructure	△ 35,000	△ 35,000
Increase in liability for retirement benefits	4,561	1,657
Interest and dividends income	△ 2,287	△ 2,790
Interest expense	72,272	65,533
Equity in earnings of affiliates	△ 339	△ 560
Proceeds from contribution for construction	△ 2,221	△ 3,944
Loss on reduction of noncurrent assets	3,545	4,244
Loss on retirement of noncurrent assets	10,001	8,769
Gain on sales of noncurrent assets	△ 1,395	△ 1,322
Decrease in trade receivables	8,052	5,743
Decrease (increase) in inventories	△ 518	1,421
(Decrease) increase in trade payables	3,262	△ 1,775
Increase in accounts payable—other	3,391	3,099
Increase (decrease) in advances received	△ 11,752	1,644
Other	61,732	477
Subtotal	<u>789,571</u>	<u>797,670</u>
Interest and dividends income received	2,215	2,581
Interest expense paid	△ 72,683	△ 65,636
Income taxes paid	△ 148,296	△ 133,119
Net cash provided by operating activities	<u>570,806</u>	<u>601,495</u>
Investing activities:		
Placement of time deposits	△ 279,000	△ 162,900
Withdrawal of time deposits	215,010	244,900
Purchases of marketable securities	△ 50,000	△ 120,000
Proceeds from redemption of marketable securities	50,000	120,000
Purchases of property, plant and equipment	△ 197,469	△ 236,164
Proceeds from contribution for construction	4,929	4,909
Purchases of intangible assets	△ 5,158	△ 4,449
Purchases of investment securities	△ 203	△ 2,013
Proceeds from sales of investment securities	434	5,262
Other	△ 2,512	△ 19,850
Net cash used in investing activities	<u>△ 263,970</u>	<u>△ 170,305</u>
Financing activities:		
Net (decrease) increase in short-term loans payable	6,581	△ 5,712
Proceeds from long-term loans payable	149,600	118,773
Repayment of long-term loans payable	△ 128,026	△ 104,879
Proceeds from issuance of bonds	110,000	96,368
Redemption of bonds	△ 225,672	△ 217,585
Payments for long-term accounts payable—railway facilities	△ 126,202	△ 98,163
Cash dividends paid	△ 23,640	△ 23,640
Cash dividends paid to noncontrolling shareholders	△ 434	△ 79
Other	△ 14,483	△ 7,928
Net cash used in financing activities	<u>△ 252,279</u>	<u>△ 242,847</u>
Net increase in cash and cash equivalents	<u>54,556</u>	<u>188,343</u>
Cash and cash equivalents, beginning of year	<u>75,445</u>	<u>130,002</u>
Cash and cash equivalents increased by merger with an unconsolidated subsidiary	-	7
Cash and cash equivalents, end of year	<u>130,002</u>	<u>318,352</u>

SEGMENT INFORMATION (Unaudited)

1. Description of reportable segments

The companies' reportable segments are those for which separately financial information is available and regularly reported to the board of directors in order to determine how to allocate the resources and evaluate the performance among the companies.

The companies are composed of segments by nature of products and services, and three reportable segments: Transportation, Merchandise and Other, and Real Estate, are disclosed.

The Transportation segment manages the companies' railway operations, such as the Tokaido Shinkansen and conventional railway operations in the Tokai area, and bus operations. The Merchandise and Other segment includes a department store in JR central towers and retail sales in trains and stations.

The Real Estate segment includes real estate leasing business, such as station building leasing, and real estate sales in lots.

2. Methods of measurement for the amounts of Operating Revenues, Profit (Loss), Assets, Liabilities and Other items for each reportable segment

Reportable segment profit (loss) represents operating income. Intersegment transactions or transfers prices are based upon the arm's length transactions.

3. Information about Operating Revenues, Profit (Loss), Assets, Liabilities and Other items is as follows.

Fiscal 2015 (For the year ended March 31, 2015)

(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	1,294,050	225,038	39,349	113,857	1,672,295	—	1,672,295
Intersegment transactions or transfers	11,641	8,818	27,237	125,114	172,812	△ 172,812	—
Total	1,305,691	233,856	66,587	238,971	1,845,107	△ 172,812	1,672,295
Segment profit	472,017	8,935	16,616	8,281	505,851	746	506,598
Segment assets	4,631,213	99,620	332,606	219,910	5,283,351	△ 65,369	5,217,982
Other							
Depreciation and amortization	251,092	3,383	13,148	3,944	271,568	—	271,568
Amounts of investments in equity in affiliates	8,332	—	—	—	8,332	—	8,332
Increase in property, plant and equipment and intangible assets	191,252	6,143	14,051	3,084	214,531	—	214,531

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

2. Reconciliations are as follows:

- (1) The reconciliations amount of 746 million yen for segment profit is the elimination of intersegment transactions.
- (2) The reconciliations amount of △65,369 million yen for segment assets includes corporate assets of 303,610 million yen and elimination of Intersegment balances of △368,979 million yen. Corporate assets, which are not allocated to reportable segments, principally consist of investment securities and short-term loans receivable.
The elimination of intersegment transactions is related to intersegment receivables.

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

Fiscal 2016 (For the year ended March 31, 2016)

(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	1,346,347	230,670	38,618	122,774	1,738,409	—	1,738,409
Intersegment transactions or transfers	11,815	9,025	27,471	120,252	168,564	△ 168,564	—
Total	1,358,162	239,695	66,089	243,026	1,906,974	△ 168,564	1,738,409
Segment profit (loss)	556,892	8,747	15,637	△ 1,722	579,554	△ 876	578,677
Segment assets	4,648,963	105,259	342,344	212,356	5,308,923	△ 40,378	5,268,544
Other							
Depreciation and amortization	222,474	3,481	12,477	3,936	242,369	—	242,369
Amounts of investments in equity in affiliates	8,705	—	—	—	8,705	—	8,705
Increase in property, plant and equipment and intangible assets	202,549	7,855	24,338	3,635	238,379	—	238,379

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

2. Reconciliations are as follows:

- (1) The reconciliations amount of △876 million yen for segment profit (loss) is the elimination of intersegment transactions.
- (2) The reconciliations amount of △40,378 million yen for segment assets includes corporate assets of 320,737 million yen and elimination of Intersegment balances of △361,116 million yen. Corporate assets, which are not allocated to reportable segments, principally consist of investment securities and marketable securities.
The elimination of intersegment transactions is related to intersegment receivables.

3. Segment profit (loss) is reconciled to operating income in the consolidated statements of income.