

# Summary of Consolidated Financial Report for the Year Ended March 31, 2018 [under Japanese GAAP] (Unaudited)

English translation from the original Japanese-language document

April 26, 2018

Company Name	Central Japan Railway Company
Stock Exchange Listings	Tokyo and Nagoya
Code Number	9022
URL	http://jr-central.co.jp
Representative	Shin Kaneko, President and Representative Director
Contact Person	Shunsuke Niwa, 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 Dividend Payment Commencement	Unfixed
Supplementary Information	Attached
Briefing of Financial Results of Fiscal 2018	To be held

## 1. Results for the year ended March 31, 2018

### (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 2018	1,822,039	3.7	662,023	6.9	583,569	3.5	395,502	0.7
Fiscal 2017	1,756,980	1.1	619,564	7.1	563,973	10.3	392,913	16.4

Note 1. Comprehensive income : Fiscal 2018 404,198 million yen (1.1%). Fiscal 2017 399,856 million yen (28.0%).

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 2018	2,015.48	—	13.8	7.3	36.3
Fiscal 2017	1,996.52	—	15.7	9.2	35.3

Note Equity in earnings of affiliates : Fiscal 2018 603 million yen. Fiscal 2017 363 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 2018	8,908,682	3,084,739	34.3	15,602.66
Fiscal 2017	7,052,675	2,726,729	38.2	13,681.22

Note Net worth : Fiscal 2018 3,055,410 million yen. Fiscal 2017 2,692,451 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 provided by financing activities	Cash and cash equivalents, end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2018	609,595	(1,676,489)	1,434,788	782,454
Fiscal 2017	580,565	(1,909,547)	1,425,188	414,559

## 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 2017	—	65.00	—	70.00	135.00	26,595	6.8	1.1
Fiscal 2018	—	70.00	—	70.00	140.00	27,580	6.9	1.0
Fiscal 2019 (Forecast)	—	70.00	—	70.00	140.00		6.8	

## 3. Consolidated forecast for Fiscal 2019 (Year ending March 31, 2019)

	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 2019 2nd Quarter (six months)	908,000	0.9	374,000	0.6	334,000	0.2	230,000	4.1	1,174.51
Fiscal 2019	1,844,000	1.2	663,000	0.1	584,000	0.1	404,000	2.1	2,063.05

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 : none  
 ② Other changes in accounting policies : none  
 ③ Changes in accounting estimates : none  
 ④ Error corrections : none

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

- ① Number of shares outstanding at the end of year  
 (Including treasury stocks)

Fiscal 2018	206,000,000 shares	Fiscal 2017	206,000,000 shares
Fiscal 2018	10,173,749 shares	Fiscal 2017	9,200,886 shares
Fiscal 2018	196,233,039 shares	Fiscal 2017	196,799,182 shares

- ② Number of treasury stocks at the end of year  
 ③ Average number of shares outstanding for the year
- Note The Company's shares held by the employee stock ownership plan trust account are included in the number of treasury stocks at the end of the year (972,900 shares as of March 31, 2018) and in treasury stocks that are deducted for calculation of the average number of shares outstanding for the year (566,089 shares for the year ended March 31, 2018).

- (4) Changes in Presentation

On February 16, 2018, the Accounting Standard Board of Japan (the "ASBJ") issued revised ASBJ Statement No.28, "Partial Amendments of Standard for Tax Effect Accounting" with early adoption permitted for the fiscal year ending on March 31, 2018. The Company has implemented the early adoption of the revised accounting standard and changed the presentation method by which deferred tax assets have been included in investments and other assets, and deferred tax liabilities have been included in non-current liabilities. Therefore deferred tax assets of 18,787 million yen in current assets as of March 31, 2017, have been included in investments and other assets as deferred tax assets of 163,368 million yen.

- (5) Consolidated Balance Sheet

The Company has received loans from the Japan Railway Construction, Transport and Technology Agency for promoting the construction of the Chuo Shinkansen, and the money is placed in the trust fund to segregate it from other money.

- (6) Consolidated Statement of Income

As for NIPPON SHARYO, LTD., a consolidated subsidiary of the Company, the large railway rolling stock project for the U.S.A. was taken over by another manufacturer. Accordingly, NIPPON SHARYO, LTD. suffered a loss resulted from concluding the contract to pay the settlement money to Sumitomo Corporation and Sumitomo Corporation of Americas.

## (Reference) Summary of Non-consolidated Financial Report for the Year Ended March 31, 2018

### 1. Results for the year ended March 31, 2018

#### (1) Non-consolidated 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 2018	1,427,444	3.4	625,293	4.9	547,645	1.2	384,410	0.7
Fiscal 2017	1,380,770	1.7	595,821	6.8	541,289	10.3	381,898	16.2

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

	Net income per share - basic	Net income per share - diluted
	Yen	Yen
Fiscal 2018	1,956.94	—
Fiscal 2017	1,938.56	—

#### (2) Non-consolidated 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 2018	8,726,438	2,929,880	33.6	14,946.24
Fiscal 2017	6,814,357	2,582,839	37.9	13,110.81

Reference Net worth : Fiscal 2018 2,929,880 million yen. Fiscal 2017 2,582,839 million yen.

### 2. Non-consolidated forecast for Fiscal 2019 (Year ending March 31, 2019)

	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 2019 2nd Quarter (six months)	719,000	1.0	359,000	1.0	319,000	0.4	223,000	0.3	1,137.59
Fiscal 2019	1,438,000	0.7	631,000	0.9	552,000	0.8	386,000	0.4	1,969.11

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. Consolidated financial information is not subject to audit procedures.  
 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 supplementary information will be announced on our website later.

## CONSOLIDATED BALANCE SHEET (Unaudited)

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

	Millions of yen	
	As of March 31, 2017	As of March 31, 2018
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	246,483	469,863
Money held in trust for the Chuo Shinkansen construction	1,472,741	2,840,931
Notes and accounts receivable-trade	54,293	55,774
Railway fares receivables	40,482	46,246
Marketable securities	304,300	308,500
Inventories	36,706	38,116
Other	36,564	45,349
Allowance for doubtful accounts	(16)	(13)
Total current assets	2,191,555	3,804,768
<b>Non-current assets:</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	1,558,665	1,499,397
Machinery, rolling stock and vehicles, net	267,229	252,386
Land	2,355,373	2,354,570
Construction in progress	273,653	401,234
Other, net	33,523	37,142
Total property, plant and equipment	4,488,445	4,544,732
<b>Intangible assets</b>	32,705	55,659
<b>Investments and other assets</b>		
Investment securities	150,469	306,937
Asset for retirement benefits	4,123	5,652
Deferred tax assets	163,368	166,438
Other	22,119	29,957
Allowance for doubtful accounts	(111)	(5,463)
Total investments and other assets	339,969	503,522
Total non-current assets	4,861,120	5,103,914
<b>Total assets</b>	<b>7,052,675</b>	<b>8,908,682</b>

CONSOLIDATED BALANCE SHEET (Unaudited)

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

	Millions of yen	
	As of March 31, 2017	As of March 31, 2018
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable-trade	74,140	81,240
Short-term loans payable	25,563	27,509
Current portion of long-term loans payable	100,574	82,047
Current portion of long-term debt of the employee stock ownership plan trust	—	5,400
Current portion of long-term accounts payable-railway facilities	4,824	5,126
Accounts payable-other	126,654	146,801
Income taxes payable	86,788	109,783
Advances received	55,136	49,304
Deposits received	16,902	17,129
Provision for bonuses	28,074	28,218
Other	36,692	50,262
Total current liabilities	555,352	602,823
<b>Non-current liabilities:</b>		
Bonds payable	724,250	734,295
Long-term loans payable	516,781	490,838
Long-term debt for the Chuo Shinkansen construction	1,500,000	3,000,000
Long-term debt of the employee stock ownership plan trust	—	15,100
Long-term accounts payable-railway facilities	549,028	543,897
Provision for large-scale renovation of the Shinkansen infrastructure	210,000	175,000
Liability for retirement benefits	205,423	201,006
Other	65,110	60,980
Total non-current liabilities	3,770,594	5,221,118
<b>Total liabilities</b>	<b>4,325,946</b>	<b>5,823,942</b>
<b>EQUITY</b>		
<b>Shareholders' equity:</b>		
Common stock	112,000	112,000
Capital surplus	53,498	53,498
Retained earnings	2,608,511	2,976,434
Treasury stock	(103,159)	(121,687)
Total shareholders' equity	2,670,849	3,020,245
<b>Accumulated other comprehensive income:</b>		
Unrealized gain on available-for-sale securities	28,832	38,011
Deferred loss on hedges	(1)	(3)
Remeasurements of defined benefit plans	(7,229)	(2,842)
Total accumulated other comprehensive income	21,601	35,164
<b>Non-controlling interests</b>	34,277	29,329
<b>Total equity</b>	<b>2,726,729</b>	<b>3,084,739</b>
<b>Total liabilities and equity</b>	<b>7,052,675</b>	<b>8,908,682</b>

**CONSOLIDATED STATEMENT OF INCOME (Unaudited)**

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

	Millions of yen	
	For the year ended March 31, 2017	For the year ended March 31, 2018
<b>Operating revenues</b>	1,756,980	1,822,039
<b>Operating expenses:</b>		
Transportation, other services and cost of sales	954,512	966,688
Selling, general and administrative expenses	182,903	193,326
Total operating expenses	1,137,415	1,160,015
<b>Operating income</b>	<b>619,564</b>	<b>662,023</b>
<b>Non-operating income:</b>		
Interest income	31	353
Dividend income	1,999	2,960
Equity in earnings of affiliates	363	603
Insurance income	2,890	2,169
Other	2,121	2,703
Total non-operating income	7,406	8,791
<b>Non-operating expenses:</b>		
Interest expense	22,762	42,883
Interest on long-term accounts payable-railway facilities	37,523	35,839
Other	2,711	8,522
Total non-operating expenses	62,996	87,245
<b>Ordinary income</b>	<b>563,973</b>	<b>583,569</b>
<b>Extraordinary gain:</b>		
Contribution for construction	2,641	9,981
Gain on sales of non-current assets	1,059	12,134
Other	157	443
Total extraordinary gain	3,858	22,559
<b>Extraordinary loss:</b>		
Loss on reduction of non-current assets	2,566	10,222
Loss on retirement of non-current assets	4,322	1,657
Loss on sales of non-current assets	717	396
Provision for doubtful accounts of an unconsolidated subsidiary	—	4,845
Settlement of railway rolling stock production business	—	26,445
Other	196	709
Total extraordinary loss	7,802	44,276
<b>Income before income taxes</b>	<b>560,029</b>	<b>561,852</b>
Income taxes-current	160,669	183,663
Income taxes-deferred	8,098	(11,710)
Income taxes	168,768	171,952
Net income	391,261	389,899
Net loss attributable to non-controlling interests	(1,652)	(5,603)
<b>Net income attributable to owners of the parent</b>	<b>392,913</b>	<b>395,502</b>

## 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, 2017	For the year ended March 31, 2018
<b>Net income</b>	391,261	389,899
<b>Other comprehensive income:</b>		
Unrealized gain on available-for-sale securities	6,507	9,521
Deferred (loss) gain on hedges	2	(4)
Remeasurements of defined benefit plans	2,020	4,704
Share of other comprehensive income in affiliates	63	78
Total other comprehensive income	8,595	14,299
<b>Comprehensive income</b>	<b>399,856</b>	<b>404,198</b>
(breakdown)		
<b>Total comprehensive income (loss) attributable to</b>		
Owners of the parent	401,667	409,065
Non-controlling interests	(1,810)	(4,866)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the year ended March 31, 2017

(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	53,499	2,241,207	(103,157)	2,303,549
Changes of items during the year					
Dividends from surplus			(25,610)		(25,610)
Net income attributable to owners of the parent			392,913		392,913
Purchases of treasury stock				(2)	(2)
Disposal of treasury stock					
Changes in the ownership interest by purchases of shares of consolidated subsidiaries		(0)			(0)
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	(0)	367,303	(2)	367,300
Balance at the end of current year	112,000	53,498	2,608,511	(103,159)	2,670,849

	Accumulated other comprehensive income				Non-controlling 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	22,227	(2)	(9,375)	12,848	36,168	2,352,566
Changes of items during the year						
Dividends from surplus						(25,610)
Net income attributable to owners of the parent						392,913
Purchases of treasury stock						(2)
Disposal of treasury stock						
Changes in the ownership interest by purchases of shares of consolidated subsidiaries						(0)
Net changes of items other than shareholders' equity	6,605	1	2,146	8,753	(1,891)	6,861
Total changes of items during the year	6,605	1	2,146	8,753	(1,891)	374,162
Balance at the end of current year	28,832	(1)	(7,229)	21,601	34,277	2,726,729

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the year ended March 31, 2018

(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	53,498	2,608,511	(103,159)	2,670,849
Changes of items during the year					
Dividends from surplus			(27,580)		(27,580)
Net income attributable to owners of the parent			395,502		395,502
Purchases of treasury stock				(21,365)	(21,365)
Disposal of treasury stock		0		2,838	2,838
Changes in the ownership interest by purchases of shares of consolidated subsidiaries		(0)			(0)
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	(0)	367,922	(18,527)	349,395
Balance at the end of current year	112,000	53,498	2,976,434	(121,687)	3,020,245

	Accumulated other comprehensive income				Non-controlling 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	28,832	(1)	(7,229)	21,601	34,277	2,726,729
Changes of items during the year						
Dividends from surplus						(27,580)
Net income attributable to owners of the parent						395,502
Purchases of treasury stock						(21,365)
Disposal of treasury stock						2,838
Changes in the ownership interest by purchases of shares of consolidated subsidiaries						(0)
Net changes of items other than shareholders' equity	9,178	(2)	4,387	13,562	(4,947)	8,615
Total changes of items during the year	9,178	(2)	4,387	13,562	(4,947)	358,010
Balance at the end of current year	38,011	(3)	(2,842)	35,164	29,329	3,084,739



**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, 2017	For the year ended March 31, 2018
<b>Operating activities:</b>		
Income before income taxes	560,029	561,852
Depreciation and amortization	225,386	216,027
Decrease in provision for large-scale renovation of the Shinkansen infrastructure	(35,000)	(35,000)
Increase in liability for retirement benefits	764	1,040
Interest and dividend income	(2,030)	(3,314)
Interest expense	60,285	78,722
Equity in earnings of affiliates	(363)	(603)
Proceeds from contribution for construction	(2,641)	(9,981)
Loss on reduction of non-current assets	2,566	10,222
Loss on retirement of non-current assets	13,433	8,746
Gain on sales of non-current assets	(341)	(11,737)
Increase in trade receivables	(9,278)	(7,244)
(Increase) decrease in inventories	1,946	(971)
Increase in trade payables	6,200	7,100
Increase in accounts payable-other	4,208	10,575
Increase in advances received	434	1,018
Other	(4,496)	13,968
Subtotal	821,103	840,421
Interest and dividend income received	1,837	2,878
Interest expense paid	(58,812)	(74,240)
Income taxes paid	(183,562)	(159,463)
<b>Net cash provided by operating activities</b>	<b>580,565</b>	<b>609,595</b>
<b>Investing activities:</b>		
Placement of time deposits	(78,700)	—
Withdrawal of time deposits	110,700	—
Payments for money held in trust for the Chuo Shinkansen construction	(1,500,000)	(1,500,000)
Proceeds from cancellation of money held in trust for the Chuo Shinkansen construction	27,259	131,810
Purchases of marketable securities	(555,100)	—
Proceeds from redemption of marketable securities	416,400	138,700
Purchases of property, plant and equipment	(305,151)	(280,424)
Proceeds from contribution for construction	6,022	3,130
Purchases of intangible assets	(11,046)	(28,436)
Purchases of investment securities	(19,600)	(142,004)
Proceeds from sales of investment securities	33	423
Other	(363)	311
<b>Net cash used in investing activities</b>	<b>(1,909,547)</b>	<b>(1,676,489)</b>
<b>Financing activities:</b>		
Net increase in short-term loans payable	877	1,946
Proceeds from long-term loans payable	62,192	75,277
Repayment of long-term loans payable	(112,236)	(119,748)
Proceeds from long-term debt for the Chuo Shinkansen construction	1,500,000	1,500,000
Proceeds from issuance of bonds	78,096	20,000
Redemption of bonds	—	(9,992)
Payments for long-term accounts payable-railway facilities	(77,668)	(4,829)
Purchases of treasury stock	(2)	(21,365)
Proceeds from sales of treasury stock	—	3,056
Cash dividends paid	(25,610)	(27,580)
Cash dividends paid to non-controlling shareholders	(79)	(79)
Other	(379)	18,103
<b>Net cash provided by financing activities</b>	<b>1,425,188</b>	<b>1,434,788</b>
<b>Net increase in cash and cash equivalents</b>	<b>96,207</b>	<b>367,894</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>318,352</b>	<b>414,559</b>
<b>Cash and cash equivalents increased by merger with an unconsolidated subsidiary</b>	<b>0</b>	<b>—</b>
<b>Cash and cash equivalents, end of year</b>	<b>414,559</b>	<b>782,454</b>

## 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 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 2017 ( For the year ended March 31, 2017 )

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

	Millions of yen						
	Transportation	Merchandise and Other	Real Estate	Other	Total	Reconciliations	Consolidated
<b>Operating revenues:</b>							
External customers	1,368,604	227,201	41,244	119,929	1,756,980	—	1,756,980
Intersegment transactions or transfers	11,798	9,888	27,400	134,036	183,124	(183,124)	—
Total	1,380,403	237,089	68,645	253,966	1,940,104	(183,124)	1,756,980
Segment profit	593,192	7,501	18,144	1,684	620,522	(958)	619,564
Segment assets	6,295,736	111,093	376,295	369,461	7,152,585	(99,910)	7,052,675
<b>Other</b>							
Depreciation and amortization	205,970	3,463	12,147	3,804	225,386	—	225,386
Amounts of investments in equity in affiliates	9,048	—	—	—	9,048	—	9,048
Increase in property, plant and equipment and intangible assets	270,710	12,786	39,720	6,706	329,924	—	329,924

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

2. Reconciliations are as follows:

(1) The reconciliations amount of (958) million yen for segment profit is the elimination of intersegment transactions.

(2) The reconciliations amount of (99,910) million yen for segment assets includes corporate assets of 426,429 million yen and elimination of intersegment balances of (526,340) 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 is reconciled to operating income in the consolidated statements of income.

Fiscal 2018 ( For the year ended March 31, 2018 )

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

	Millions of yen						
	Transportation	Merchandise and Other	Real Estate	Other	Total	Reconciliations	Consolidated
<b>Operating revenues:</b>							
External customers	1,412,182	243,228	46,117	120,510	1,822,039	—	1,822,039
Intersegment transactions or transfers	11,869	12,164	31,902	141,115	197,052	(197,052)	—
Total	1,424,051	255,393	78,020	261,626	2,019,091	(197,052)	1,822,039
Segment profit	623,077	8,224	18,534	13,208	663,045	(1,021)	662,023
Segment assets	8,191,415	119,640	371,961	398,838	9,081,856	(173,173)	8,908,682
<b>Other</b>							
Depreciation and amortization	190,763	4,009	17,164	4,090	216,027	—	216,027
Amounts of investments in equity in affiliates	9,648	—	—	—	9,648	—	9,648
Increase in property, plant and equipment and intangible assets	305,974	5,732	8,673	5,224	325,604	—	325,604

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

2. Reconciliations are as follows:

(1) The reconciliations amount of (1,021) million yen for segment profit is the elimination of intersegment transactions.

(2) The reconciliations amount of (173,173) million yen for segment assets includes corporate assets of 441,612 million yen and elimination of intersegment balances of (614,785) 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 is reconciled to operating income in the consolidated statements of income.