

[TRANSLATION]

[Supplemental Material 1]

Summary of the Consolidated Financial Results for the Nine Months Ended December 31, 2018

January 30, 2019
Central Japan Railway Company

- Non-consolidated 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 maintained their high levels. The Company’s overall operating revenues on a consolidated basis also increased due to an increase in revenues of the group companies.**
- Operating expenses **slightly decreased due mainly to a decrease in depreciation and amortization of the Company.**
- As a result, **the Company recorded increases in both consolidated revenues and profits** (operating income, ordinary income and net income attributable to owners of the parent).
- Forecasted results of operations for the fiscal year ending March 31, 2019 **will remain unchanged from the previous forecasts.** The Company will seek, as 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 top priority to ensuring safe and reliable transportation.

1. Summary of Consolidated Results for the Nine Months Ended December 31, 2018

(1) Operating revenues (1,407.7 billion yen; a 33.3 billion yen or a 2.4% increase)

- The Company's **transportation revenues increased by 27.6 billion yen (2.7%) to 1,062.0 billion yen in the nine months ended December 31, 2018, as compared with the nine months ended December 31, 2017.**
 - As for the Tokaido Shinkansen, the Company sought to enhance transportation services by, among other things, adding extra trains flexibly to respond to demand by leveraging the "10 Nozomi Timetable." In addition to promoting "Express Reservation" and "Smart EX," the Company also made an effort into spurring demand by offering tourist products such as "EX Hayatoku-Family NOZOMI."
 - As for the conventional lines, for limited express trains such as "Shinano" and "Hida," the Company made efforts to increase passengers by adding extra trains flexibly to respond to any increases in demand. In addition, the Company worked to recover swiftly the Takayama Line which was affected by "The Heavy Rain Event of July 2018," and resumed operations on the entire line last November.
 - As a result, transportation revenues from the Tokaido Shinkansen increased by 28.0 billion yen (2.9%) to 982.8 billion yen in the nine months ended December 31, 2018, as compared with the nine months ended December 31, 2017. Transportation revenues from the conventional lines decreased by 0.4 billion yen (0.6%) to 79.2 billion yen in the nine months ended December 31, 2018, as compared with the nine months ended December 31, 2017.
- As for the non-railway business, the Company has conducted an integral management of JR GATE TOWER along with JR CENTRAL TOWERS and carried out active sales and advertising promotion. The overall operating revenues on a consolidated basis increased, mainly due to higher operating revenues of JR GATE TOWER.

(2) Operating expenses (810.0 billion yen; a 2.4 billion yen or a 0.3% decrease)

- The expenses on a consolidated basis decreased slightly, mainly due to a decrease in depreciation and amortization of the Company.

(3) Operating income (597.6 billion yen; a 35.7 billion yen or a 6.4% increase)

(4) Non-operating income/loss (-57.7 billion yen; a 0.1 billion yen increase)

(5) Ordinary income (539.8 billion yen; a 35.9 billion yen or a 7.1% increase)

(6) Net income attributable to owners of the parent (375.6 billion yen; a 35.9 billion yen or a 10.6% increase)

2. Forecasted Results of Operations for the Fiscal Year Ending March 31, 2019

- Forecasted results of operations for the fiscal year ending March 31, 2019 will remain unchanged from the previous forecasts.

(Note) Any fraction less than a tenth of the unit indicated is rounded down.
(The same for Supplemental Material 2 and later.)

Comparative Quarterly Statements of Income (Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Nine Months Ended December 31, 2017	For the Nine Months Ended December 31, 2018	Increase (Decrease)	%
Operating revenues	1,374.3	1,407.7	33.3	102.4
Transportation	1,073.5	1,100.6	27.0	102.5
Merchandise and other	178.4	185.6	7.1	104.0
Real estate	34.7	35.3	0.5	101.5
Other	87.5	86.1	(1.4)	98.4
Operating expenses	812.5	810.0	(2.4)	99.7
Operating income	561.8	597.6	35.7	106.4
Non-operating income (loss)	(57.9)	(57.7)	0.1	99.7
Non-operating income	5.1	6.9	1.7	134.1
Non-operating expenses	63.1	64.6	1.5	102.5
Ordinary income	503.9	539.8	35.9	107.1
Extraordinary gain (loss)	(22.6)	(1.3)	21.2	6.1
Income before income taxes	481.2	538.4	57.2	111.9
Income taxes	147.3	158.9	11.5	107.8
Net income	333.9	379.5	45.6	113.7
Net income (loss) attributable to noncontrolling interests	(5.8)	3.8	9.7	-
Net income attributable to owners of the parent	339.7	375.6	35.9	110.6
Comprehensive income	354.1	368.2	14.1	104.0

(Notes) The breakdown of operating revenues is based on the amount of sales to external customers, according to reportable segments.

Comparative Quarterly Statements of Income (Non-Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Nine Months Ended December 31, 2017	For the Nine Months Ended December 31, 2018	Increase (Decrease)	%
Operating revenues	1,085.1	1,112.5	27.4	102.5
Transportation revenues	1,034.4	1,062.0	27.6	102.7
Other services	50.6	50.5	(0.1)	99.7
Operating expenses	550.3	543.8	(6.4)	98.8
Personnel expenses	135.1	135.6	0.5	100.4
Non-personnel expenses	238.5	234.9	(3.6)	98.5
Taxes other than income taxes	30.6	31.3	0.7	102.5
Depreciation and amortization	146.0	141.8	(4.1)	97.1
Operating income	534.7	568.7	33.9	106.3
Non-operating income (loss)	(57.3)	(58.3)	(0.9)	101.6
Non-operating income	4.7	6.4	1.7	135.9
Non-operating expenses	62.1	64.7	2.6	104.3
Ordinary income	477.3	510.4	33.0	106.9
Extraordinary gain (loss)	0.1	(0.0)	(0.1)	-
Income before income taxes	477.5	510.3	32.8	106.9
Income taxes	143.7	151.8	8.0	105.6
Net income	333.8	358.5	24.7	107.4

Comparison of Passenger-kilometers and Transportation Revenues
for the Nine Months Ended December 31, 2018

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

			For the Nine Months Ended December 31, 2017	For the Nine Months Ended December 31, 2018	Increase (Decrease)	%	(Reference) From October to December 2018	Vs. From October to December 2017 (%)
Passenger-kilometers	Shinkansen	Commuter	1,128	1,160	31	102.8	387	102.6
		Others	40,526	41,574	1,049	102.6	14,446	103.3
		Subtotal	41,654	42,734	1,080	102.6	14,833	103.3
	Conventional lines	Commuter	4,342	4,355	13	100.3	1,456	100.4
		Others	2,865	2,841	(24)	99.2	965	102.0
		Subtotal	7,207	7,195	(11)	99.8	2,421	101.0
	Subtotal	Commuter	5,470	5,514	44	100.8	1,843	100.9
		Others	43,390	44,415	1,024	102.4	15,411	103.2
		Subtotal	48,861	49,929	1,069	102.2	17,254	102.9
Transportation revenues	Shinkansen	Commuter	13.4	13.8	0.3	102.8	4.6	102.6
		Others	941.3	968.9	27.6	102.9	337.4	103.7
		Subtotal	954.7	982.8	28.0	102.9	342.0	103.7
	Conventional lines	Commuter	26.7	26.8	0.0	100.3	8.8	100.4
		Others	52.9	52.3	(0.5)	99.0	17.7	102.2
		Subtotal	79.6	79.2	(0.4)	99.4	26.6	101.6
	Subtotal	Commuter	40.1	40.6	0.4	101.2	13.4	101.1
		Others	994.2	1,021.3	27.1	102.7	355.2	103.6
		Subtotal	1,034.4	1,062.0	27.6	102.7	368.7	103.5
	Total (including parcel fare)		1,034.4	1,062.0	27.6	102.7	368.7	103.5

- (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.

Comparative Quarterly Balance Sheets (Consolidated)

(Unit: Billions of yen)

Classifications	As of March 31, 2018	As of December 31, 2018	Increase (Decrease)
Current assets	3,804.7	3,666.7	(138.0)
Money held in trust for the Chuo Shinkansen construction	2,840.9	2,670.5	(170.3)
Noncurrent assets	5,103.9	5,474.6	370.7
Property, plant and equipment / Intangible assets	4,600.3	4,636.1	35.7
Investments and other assets	503.5	838.4	334.9
Total assets	8,908.6	9,141.3	232.6
Current liabilities	602.8	541.7	(61.0)
Noncurrent liabilities	5,221.1	5,170.2	(50.9)
Total liabilities	5,823.9	5,711.9	(112.0)
Total equity	3,084.7	3,429.4	344.6
Total liabilities and equity	8,908.6	9,141.3	232.6
Breakdown of long-term debts	4,856.2	4,879.4	23.2
Long-term debt for the Chuo Shinkansen construction	3,000.0	3,000.0	-
Bonds payable	734.2	773.2	38.9
Long-term loans payable	572.8	559.6	(13.2)
Long-term accounts payable-railway facilities	549.0	546.4	(2.5)

Reference: Comparative Quarterly Operating Income/Loss by Segment

(Unit: Billions of yen, %)

Classifications		For the Nine Months Ended December 31, 2017	For the Nine Months Ended December 31, 2018	Increase (Decrease)	%
Operating revenues	Transportation	1,082.4	1,109.7	27.2	102.5
	Merchandise and other	187.9	194.2	6.2	103.3
	Real estate	58.2	59.2	0.9	101.7
	Other	169.5	157.1	(12.3)	92.7
	Reconciliations	(123.8)	(112.6)	11.1	91.0
	Total	1,374.3	1407.7	33.3	102.4
Segment profit (Operating income)	Transportation	532.3	566.3	33.9	106.4
	Merchandise and other	5.8	7.0	1.2	120.8
	Real estate	15.0	15.9	0.9	106.5
	Other	9.9	8.4	(1.4)	85.3
	Reconciliations	(1.2)	(0.1)	1.0	14.5
	Total	561.8	597.6	35.7	106.4

- (Notes)
1. Operating revenues include the amount of sales to other reportable segments as well as the amount of sales to external customers.
 2. Rows entitled "Reconciliations" show amounts that are off-set among reportable segments.