

[TRANSLATION]

[Supplemental Material 1]

Summary of the Consolidated Financial Results for the Year Ended March 31, 2019

April 25, 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.**
- **Although** operating expenses **rose due mainly to a higher cost of sales recorded by group companies,** the Company posted **higher revenue and profits** (operating income, ordinary income and net income attributable to owners of the parent) **for the period.**
- Next fiscal year, 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.
- The Company will pay a year-end dividend of **75 yen per share** for the fiscal year under review, **an increase of 5 yen** from the dividend forecast announced in January 2019. **The interim and year-end dividends for the next fiscal year are also forecasted to be 75 yen per share each.**

1. Summary of Consolidated Results for the Year Ended March 31, 2019

(1) Operating revenues: 1,878.1 billion yen (a 56.0 billion yen or a 3.1% increase)

- The Company's **transportation revenues increased by 38.3 billion yen (2.8%) to 1,396.6 billion yen in the year ended March 31, 2019 as compared with the year ended March 31, 2018.**

- 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 38.5 billion yen (3.1%) to 1,291.8 billion yen in the year ended March 31, 2019 as compared with the year ended March 31, 2018. Transportation revenues from the conventional lines decreased by 0.2 billion yen (0.3%) to 104.8 billion yen in the year ended March 31, 2019 as compared with the year ended March 31, 2018.

- 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. Overall operating revenues on a consolidated basis increased, mainly due to higher operating revenues of JR GATE TOWER.

(2) Operating expenses (1,168.3 billion yen; an 8.3 billion yen or a 0.7% increase)

- Despite the decrease in the Company's depreciation and amortization, operating expenses on a consolidated basis increased, mainly due to a higher cost of sales associated with sales increases at group companies.

(3) Operating income (709.7 billion yen; a 47.7 billion yen or a 7.2% increase)

(4) Non-operating income/loss (-77.1 billion yen; a 1.3 billion yen increase)

(5) Ordinary income (632.6 billion yen; a 49.0 billion yen or an 8.4% increase)

(6) Net income attributable to owners of the parent (438.7 billion yen; a 43.2 billion yen or a 10.9% increase)

2. Conditions of Cash Flow

(1) Net cash provided by operating activities: 600.3 billion yen (a 9.2 billion yen decrease)

- Net cash provided by operating activities decreased mainly due to an increase in

income tax paid, although transportation revenues of the Company increased as the use of the Company's services for business and tourism maintained their high levels.

(2) Net cash used in investing activities: 597.5 billion yen (a 1,078.9 billion yen decrease)

- Net cash used for investing activities decreased mainly due to a comparison with the placement into trust, in the year ended March 31, 2018, of the 1,500.0 billion yen proceeds of long-term debt for the Chuo Shinkansen construction.

(3) Net cash used in financing activities: 33.6 billion yen (a 1,468.4 billion yen increase)

- This is in comparison to the borrowing of long-term debt for the Chuo Shinkansen construction worth 1,500.0 billion yen in the year ended March 31, 2018.

(4) Cash and cash equivalents as of March 31, 2019: 751.6 billion yen (a 30.8 billion yen decrease)

3. Summary of Long-term Debt and Payables

- The balance of long-term debt and payables as of March 31, 2019 amounted to 4,851.1 billion yen. The balance of long-term debt and payables other than long-term debt for the Chuo Shinkansen construction decreased by 5.0 billion yen from the end of the previous fiscal year to 1,851.1 billion yen.

4. Forecasted Results of Operations for the Year Ending March 31, 2020

(1) Operating revenues: 1,891.0 billion yen (a 12.8 billion yen or a 0.7% increase)

- The Company's expected transportation revenues on a non-consolidated basis: 1,407.0 billion yen (a 10.3 billion yen or a 0.7% increase)

(2) Operating income: 676.0 billion yen (a 33.7 billion yen or a 4.8% decrease)

(3) Ordinary income: 599.0 billion yen (a 33.6 billion yen or a 5.3% decrease)

(4) Net income attributable to owners of the parent: 416.0 billion yen (a 22.7 billion yen or a 5.2% decrease)

5. Dividends (the Company)

- Year-end dividends for the fiscal year under review shall be 75 yen per share, an increase of 5 yen from the dividend forecast announced in January 2019.
- The amounts of both the interim and year-end dividends for the next fiscal year are forecasted to be 75 yen per share each.

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

Comparative Statements of Income (Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)	%
Operating revenues	<i>[1.276]</i> 1,822.0	<i>[1.282]</i> 1,878.1	56.0	103.1
Transportation	1,412.1	1,449.1	37.0	102.6
Merchandise and other	243.2	253.3	10.0	104.1
Real estate	46.1	49.6	3.5	107.7
Other	120.5	125.9	5.4	104.5
Operating expenses	1,160.0	1,168.3	8.3	100.7
Operating income	<i>[1.059]</i> 662.0	<i>[1.063]</i> 709.7	47.7	107.2
Non-operating income (loss)	(78.4)	(77.1)	1.3	98.3
Non-operating income	8.7	10.7	1.9	122.7
Non-operating expenses	87.2	87.9	0.6	100.8
Ordinary income	<i>[1.066]</i> 583.5	<i>[1.072]</i> 632.6	49.0	108.4
Extraordinary gain (loss)	(21.7)	(2.3)	19.3	11.0
Income before income taxes	561.8	630.2	68.4	112.2
Income taxes	171.9	185.2	13.2	107.7
Net income	389.8	445.0	55.1	114.1
Net income (loss) attributable to noncontrolling interests	(5.6)	6.3	11.9	-
Net income attributable to owners of the parent	<i>[1.029]</i> 395.5	<i>[1.060]</i> 438.7	43.2	110.9
Comprehensive income	404.1	446.2	42.0	110.4

(Notes) 1. The figure shown in square brackets (i.e., "[]") is the ratio of consolidated to non-consolidated results.

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

Comparative Statements of Income (Non-consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)	%
Operating revenues	1,427.4	1,464.8	37.4	102.6
Transportation revenues	1,358.3	1,396.6	38.3	102.8
Other services	69.0	68.2	(0.8)	98.7
Operating expenses	802.1	797.1	(5.0)	99.4
Personnel expenses	179.6	179.7	0.0	100.0
Non-personnel expenses	382.0	381.7	(0.2)	99.9
Taxes other than income taxes	41.8	42.2	0.3	100.9
Depreciation and amortization	198.6	193.4	(5.2)	97.4
Operating income	625.2	667.7	42.4	106.8
Non-operating income (loss)	(77.6)	(77.6)	0.0	100.0
Non-operating income	8.3	10.4	2.1	125.8
Non-operating expenses	85.9	88.0	2.1	102.5
Ordinary income	547.6	590.1	42.4	107.8
Extraordinary gain (loss)	1.9	0.0	(1.8)	4.7
Income before income taxes	549.5	590.1	40.6	107.4
Income taxes	165.1	176.1	10.9	106.6
Net income	384.4	414.0	29.6	107.7

Comparison of Passenger-kilometers and Transportation Revenues

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

			For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)	%	(Reference)	
							From January to March 2019	%
Passenger-kilometers	Shinkansen	Commuter	1,479	1,519	40	102.7	360	102.5
		Others	53,277	54,758	1,481	102.8	13,184	103.4
		Subtotal	54,756	56,277	1,521	102.8	13,543	103.4
	Conventional lines	Commuter	5,656	5,676	20	100.4	1,322	100.6
		Others	3,800	3,783	(17)	99.6	942	100.8
		Subtotal	9,456	9,459	3	100.0	2,264	100.7
	Subtotal	Commuter	7,135	7,196	60	100.8	1,681	101.0
		Others	57,076	58,541	1,464	102.6	14,126	103.2
		Subtotal	64,212	65,736	1,525	102.4	15,807	103.0
Transportation revenues	Shinkansen	Commuter	17.6	18.1	0.4	102.7	4.3	102.4
		Others	1,235.5	1,273.6	38.1	103.1	304.6	103.5
		Subtotal	1,253.2	1,291.8	38.5	103.1	309.0	103.5
	Conventional lines	Commuter	35.1	35.2	0.1	100.4	8.4	100.6
		Others	69.9	69.5	(0.4)	99.4	17.1	100.8
		Subtotal	105.1	104.8	(0.2)	99.7	25.6	100.7
	Subtotal	Commuter	52.8	53.4	0.6	101.2	12.7	101.2
		Others	1,305.5	1,343.2	37.7	102.9	321.8	103.4
		Subtotal	1,358.3	1,396.6	38.3	102.8	334.6	103.3
Subtotal (including parcel fare)		1,358.3	1,396.6	38.3	102.8	334.6	103.3	

(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 Balance Sheets (Consolidated)

(Unit: Billions of yen)

Classifications	As of March 31, 2018	As of March 31, 2019	Increase (Decrease)
Current assets	3,804.7	3,630.6	(174.0)
Money held in trust for the Chuo Shinkansen construction	2,840.9	2,670.5	(170.3)
Noncurrent assets	5,103.9	5,665.0	561.1
Property plant and equipment	4,544.7	4,706.6	161.9
Intangible assets	55.6	77.5	21.9
Investments and other assets	503.5	880.8	377.2
Total assets	8,908.6	9,295.7	387.0
Current liabilities	602.8	650.2	47.4
Noncurrent liabilities	5,221.1	5,137.4	(83.6)
Total liabilities	5,823.9	5,787.6	(36.2)
Total equity	3,084.7	3,508.0	423.3
Total liabilities and equity	8,908.6	9,295.7	387.0
Breakdown of long-term debts	4,856.2	4,851.1	(5.0)
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	533.9	(38.9)
Long-term accounts payable-railway facilities	549.0	543.8	(5.1)

Comparative Statements of Cash Flows (Consolidated)

(Unit: Billions of yen)

Classifications	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)
Net cash provided by (used in) operating activities	609.5	600.3	(9.2)
Net cash provided by (used in) investing activities	(1,676.4)	(597.5)	1,078.9
Expenditures from the purchase of property plant and equipment and intangible assets, etc.	(306.9)	(397.8)	(90.8)
Proceeds from the trust for the Chuo Shinkansen construction (net)	(1,368.1)	170.3	1,538.5
Revenue/expenditure from fund management (net)	(1.3)	(370.0)	(368.7)
Net cash provided by (used in) financing activities	1,434.7	(33.6)	(1,468.4)
Proceeds from the long-term debt for the Chuo Shinkansen construction	1,500.0	-	(1,500.0)
Net increase (decrease) in cash and cash equivalents	367.8	(30.8)	(398.7)
Cash and cash equivalents, beginning of the year	414.5	782.4	367.8
Cash and cash equivalents, end of the year	782.4	751.6	(30.8)

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

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2019 (Actual Results)	For the Year Ending March 31, 2020 (Forecast)	Increase (Decrease)	%
Operating revenues	1,878.1	1,891.0	12.8	100.7
Operating expenses	1,168.3	1,215.0	46.6	104.0
Operating income	709.7	676.0	(33.7)	95.2
Ordinary income	632.6	599.0	(33.6)	94.7
Net income attributable to owners of the parent	438.7	416.0	(22.7)	94.8

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

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2019 (Actual Results)	For the Year Ending March 31, 2020 (Forecast)	Increase (Decrease)	%
Operating revenues	1,464.8	1,476.0	11.1	100.8
[Transportation revenues]	1,396.6	1,407.0	10.3	100.7
Operating expenses	797.1	831.0	33.8	104.2
Operating income	667.7	645.0	(22.7)	96.6
Non-operating income (loss)	(77.6)	(77.0)	0.6	99.2
Ordinary income	590.1	568.0	(22.1)	96.3
Extraordinary gain (loss)	0.0	-	(0.0)	-
Income before income taxes	590.1	568.0	(22.1)	96.2
Income taxes	176.1	169.0	(7.1)	95.9
Net income	414.0	399.0	(15.0)	96.4

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

(Unit: Billions of yen, %)

	For the Year Ended March 31, 2019 (Actual Results)	For the Year Ending March 31, 2020 (Planned)	Increase (Decrease)	%
Capital investment (consolidated)	467.3	621.0	153.6	132.9
Capital investment (non-consolidated)	448.8	583.0	134.1	129.9

Reference: Actual Results by Reportable Segment

(Unit: Billions of yen, %)

Classifications		For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)	%
Operating revenues	Transportation	1,424.0	1,461.3	37.2	102.6
	Merchandise and other	255.3	264.9	9.5	103.8
	Real estate	78.0	82.1	4.1	105.3
	Other	261.6	261.0	(0.5)	99.8
	Reconciliations	(197.0)	(191.3)	5.6	97.1
	Total	1,822.0	1,878.1	56.0	103.1
Segment profit (Operating income)	Transportation	623.0	664.8	41.8	106.7
	Merchandise and other	8.2	9.6	1.4	117.2
	Real estate	18.5	20.2	1.7	109.4
	Other	13.2	16.1	2.8	121.9
	Reconciliations	(1.0)	(1.1)	(0.1)	111.9
	Total	662.0	709.7	47.7	107.2

- (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.

Reference: Forecasted Results by Reportable Segment

(Unit: Billions of yen, %)

Classifications		For the Year Ended March 31, 2019 (Actual Results)	For the Year Ending March 31, 2020 (Forecast)	Increase (Decrease)	%
Operating revenues	Transportation	1,461.3	1,471.0	9.6	100.7
	Merchandise and other	264.9	270.0	5.0	101.9
	Real estate	82.1	82.0	(0.1)	99.8
	Other	261.0	263.0	1.9	100.7
	Reconciliations	(191.3)	(195.0)	(3.6)	101.9
	Total	1,878.1	1,891.0	12.8	100.7
Segment profit (Operating income)	Transportation	664.8	640.0	(24.8)	96.3
	Merchandise and other	9.6	8.0	(1.6)	83.0
	Real estate	20.2	20.0	(0.2)	98.6
	Other	16.1	9.0	(7.1)	55.9
	Reconciliations	(1.1)	(1.0)	0.1	87.5
	Total	709.7	676.0	(33.7)	95.2

- (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.

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

	Unit	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)
Finance income and expenditures	Billions of yen	(75.4)	(75.7)	(0.3)
Interest expenses	Billions of yen	78.7	80.7	2.0
Earnings per share (EPS)	Yen	2,015	2,238	223
Return on net worth	%	13.8	13.4	(0.4)
Net worth ratio	%	34.3	37.3	3.0
Capital investment	Billions of yen	379.6	467.3	87.6
Long-term debt and payables (year-end)	Billions of yen	4,856.2	4,851.1	(5.0)
Average interest (year-end)	%	1.66	1.65	(0.01)
Number of employees (year-end)	Persons	28,867	29,128	261

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

	Unit	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	Increase (Decrease)
Finance income and expenditures	Billions of yen	(75.6)	(76.2)	(0.6)
Interest expenses	Billions of yen	79.1	81.2	2.1
Earnings per share (EPS)	Yen	1,956	2,110	153
Return on net worth	%	13.9	13.3	(0.6)
Net worth ratio	%	33.6	36.5	2.9
Capital investment	Billions of yen	384.5	448.8	64.2
Long-term debt and payables (year-end)	Billions of yen	4,856.2	4,851.1	(5.0)
Average interest (year-end)	%	1.66	1.65	(0.01)
Number of employees (year-end)	Persons	18,116	18,148	32
Number of retired employees	Persons	919	979	60

- (Notes) 1. Average number of shares for the term (consolidated):
196,233,039 shares for the year ended March 31, 2018
195,947,224 shares for the year ended March 31, 2019
Average number of shares for the term (non-consolidated):
196,434,659 shares for the year ended March 31, 2018
196,148,844 shares for the year ended March 31, 2019
2. "Number of employees" shows the number of persons at work.