

[TRANSLATION]

[Supplemental Material 1]

Summary of the Consolidated Financial Results for the Nine Months Ended December 31, 2019

January 30, 2020
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 revenues of the group companies also increased, leading to the Company's overall operating revenues on a consolidated basis also increasing.**
- **Although** operating expenses **increased, mainly due to an increase in non-personnel expenses of the Company and a higher cost of sales recorded by group companies,** the Company recorded **higher revenues and profits** (operating income, ordinary income, and net income attributable to owners of the parent) **for the period.**
- Forecasted results of operations for the fiscal year ending March 31, 2020 **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, 2019

(1) Operating revenues (1,448.0 billion yen; a 40.2 billion yen or a 2.9% increase)

- The Company's **transportation revenues increased by 25.4 billion yen (2.4%) to 1,087.4 billion yen in the nine months ended December 31, 2019, as compared with the nine months ended December 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 put 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.
- As a result, transportation revenues from the Tokaido Shinkansen increased by 23.2 billion yen (2.4%) to 1,006.0 billion yen in the nine months ended December 31, 2019 as compared with the nine months ended December 31, 2018. Transportation revenues from the conventional lines increased by 2.1 billion yen (2.7%) to 81.3 billion yen in the nine months ended December 31, 2019 as compared with the nine months ended December 31, 2018.

- As for the non-railway business, the Company has implemented various measures including the integrated management of JR CENTRAL TOWERS and JR GATE TOWER as well as active sales and advertising promotions. As a result, sales in the merchandise and other businesses, including JR Tokai Takashimaya Co., Ltd., increased. In addition to this, increased sales in NIPPON SHARYO, LTD and other factors drove up the overall operating revenues on a consolidated basis.

(2) Operating expenses (836.0 billion yen; a 26.0 billion yen or a 3.2% increase)

- Operating expenses on a consolidated basis increased mainly due to an increase in non-personnel expenses of the Company and a higher cost of sales associated with sales increases at group companies.

(3) Operating income (611.9 billion yen; a 14.2 billion yen or a 2.4% increase)

(4) Non-operating income/loss (-56.2 billion yen; a 1.4 billion yen increase)

(5) Ordinary income (555.6 billion yen; a 15.7 billion yen or a 2.9% increase)

(6) Net income attributable to owners of the parent (388.1 billion yen; a 12.4 billion yen or a 3.3% increase)

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

- Forecasted results of operations for the fiscal year ending March 31, 2020 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, 2018	For the Nine Months Ended December 31, 2019	Increase (Decrease)	%
Operating revenues	1,407.7	1,448.0	40.2	102.9
Transportation	1,100.6	1,125.9	25.3	102.3
Merchandise and other	185.6	189.8	4.1	102.3
Real estate	35.3	36.4	1.1	103.2
Other	86.1	95.7	9.5	111.1
Operating expenses	810.0	836.0	26.0	103.2
Operating income	597.6	611.9	14.2	102.4
Non-operating income (loss)	(57.7)	(56.2)	1.4	97.4
Non-operating income	6.9	7.8	0.9	113.5
Non-operating expenses	64.6	64.1	(0.5)	99.1
Ordinary income	539.8	555.6	15.7	102.9
Extraordinary gain (loss)	(1.3)	1.7	3.0	-
Income before income taxes	538.4	557.3	18.8	103.5
Income taxes	158.9	164.4	5.5	103.5
Net income	379.5	392.9	13.3	103.5
Net income attributable to noncontrolling interests	3.8	4.7	0.9	123.3
Net income attributable to owners of the parent	375.6	388.1	12.4	103.3
Comprehensive income	368.2	395.7	27.4	107.5

(Note) 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, 2018	For the Nine Months Ended December 31, 2019	Increase (Decrease)	%
Operating revenues	1,112.5	1,139.4	26.9	102.4
Transportation revenues	1,062.0	1,087.4	25.4	102.4
Other services	50.5	51.9	1.4	102.9
Operating expenses	543.8	554.0	10.2	101.9
Personnel expenses	135.6	132.4	(3.1)	97.7
Non-personnel expenses	234.9	245.1	10.2	104.4
Taxes other than income taxes	31.3	31.9	0.5	101.7
Depreciation and amortization	141.8	144.4	2.5	101.8
Operating income	568.7	585.4	16.6	102.9
Non-operating income (loss)	(58.3)	(57.6)	0.7	98.8
Non-operating income	6.4	6.8	0.3	105.2
Non-operating expenses	64.7	64.4	(0.3)	99.4
Ordinary income	510.4	527.7	17.3	103.4
Extraordinary gain (loss)	(0.0)	(0.1)	(0.1)	622.7
Income before income taxes	510.3	527.6	17.2	103.4
Income taxes	151.8	157.2	5.4	103.6
Net income	358.5	370.4	11.8	103.3

Comparison of Passenger-kilometers and Transportation Revenues
for the Nine Months Ended December 31, 2019

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

			For the Nine Months Ended December 31, 2018	For the Nine Months Ended December 31, 2019	Increase (Decrease)	%	(Reference) From October to December 2019	Vs. From October to December 2018 (%)
Passenger-kilometers	Shinkansen	Commuter	1,160	1,178	18	101.6	395	101.9
		Others	41,574	42,376	802	101.9	14,454	100.1
		Subtotal	42,734	43,554	820	101.9	14,848	100.1
	Conventional lines	Commuter	4,355	4,398	43	101.0	1,481	101.7
		Others	2,841	2,929	88	103.1	960	99.5
		Subtotal	7,195	7,327	131	101.8	2,441	100.8
	Subtotal	Commuter	5,514	5,576	61	101.1	1,875	101.8
		Others	44,415	45,305	890	102.0	15,414	100.0
		Subtotal	49,929	50,881	952	101.9	17,289	100.2
Transportation revenues	Shinkansen	Commuter	13.8	14.0	0.2	101.9	4.7	103.1
		Others	968.9	992.0	23.0	102.4	339.1	100.5
		Subtotal	982.8	1,006.0	23.2	102.4	343.9	100.5
	Conventional lines	Commuter	26.8	26.9	0.1	100.4	8.8	100.3
		Others	52.3	54.4	2.0	103.9	17.7	99.6
		Subtotal	79.2	81.3	2.1	102.7	26.6	99.8
	Subtotal	Commuter	40.6	41.0	0.3	100.9	13.6	101.3
		Others	1,021.3	1,046.4	25.0	102.5	356.8	100.4
		Subtotal	1,062.0	1,087.4	25.4	102.4	370.5	100.5
	Total (including parcel fare)		1,062.0	1,087.4	25.4	102.4	370.5	100.5

- (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, 2019	As of December 31, 2019	Increase (Decrease)
Current assets	3,630.6	3,561.7	(68.9)
Money held in trust for the Chuo Shinkansen construction	2,670.5	2,435.0	(235.5)
Noncurrent assets	5,665.0	6,009.4	344.4
Property, plant and equipment and Intangible assets	4,784.2	4,863.9	79.7
Investments and other assets	880.8	1,145.4	264.6
Total assets	9,295.7	9,571.2	275.4
Current liabilities	650.2	536.6	(113.6)
Noncurrent liabilities	5,137.4	5,156.0	18.6
Total liabilities	5,787.6	5,692.6	(94.9)
Total equity	3,508.0	3,878.5	370.4
Total liabilities and equity	9,295.7	9,571.2	275.4
Breakdown of long-term debts	4,851.1	4,882.0	30.9
Long-term debt for the Chuo Shinkansen construction	3,000.0	3,000.0	-
Bonds payable	773.2	853.7	80.4
Long-term loans payable	533.9	487.1	(46.8)
Long-term accounts payable-railway facilities	543.8	541.2	(2.6)

Reference: Comparative Quarterly Operating Income/Loss by Segment

(Unit: Billions of yen, %)

Classifications		For the Nine Months Ended December 31, 2018	For the Nine Months Ended December 31, 2019	Increase (Decrease)	%
Operating revenues	Transportation	1,109.7	1,135.2	25.4	102.3
	Merchandise and other	194.2	199.6	5.4	102.8
	Real estate	59.2	60.5	1.2	102.1
	Other	157.1	170.9	13.7	108.8
	Reconciliations	(112.6)	(118.3)	(5.6)	105.1
	Total	1,407.7	1,448.0	40.2	102.9
Segment profit (Operating income)	Transportation	566.3	581.2	14.9	102.6
	Merchandise and other	7.0	7.1	0.1	101.6
	Real estate	15.9	16.7	0.7	104.6
	Other	8.4	6.6	(1.7)	78.8
	Reconciliations	(0.1)	0.1	0.2	-
	Total	597.6	611.9	14.2	102.4

(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.