

[TRANSLATION]

[Supplemental Material 1]

Summary of the Consolidated Financial Results for the Year Ended March 31, 2020

April 27, 2020

Central Japan Railway Company

- Non-consolidated transportation revenues of the Central Japan Railway Company (the "Company") and the revenues of the group companies decreased mainly because of the impact of people refraining from going outside and similar matters in response to the COVID-19 pandemic starting from February, **causing the Company's operating revenues on a consolidated basis to decrease.**
- Operating expenses increased, mainly due to an increase in non-personnel expenses of the Company, and the Company recorded **lower revenues and profits** (operating income, ordinary income, and net income attributable to owners of the parent) **for the period.**
- Next fiscal year, although it is expected that the current difficult business environment will continue for the time being, the Company will continue to fulfill its role as a transportation service provider while taking measures to prevent the spread of infection. In addition, it will improve its services while prioritizing maintenance of safe and reliable transportation as well as pursuing efficiency and cost reduction in the operation of its business at all levels, to prepare for the recovery/increase in earnings after the pandemic has subsided.
- **The Company will pay a year-end dividend of 75 yen per share for the fiscal year under review. The interim and year-end dividend forecasts for the next fiscal year are yet to be decided** as it is difficult to forecast results of operation at this point.

1. Summary of Consolidated Results for the Year Ended March 31, 2020

(1) Operating revenues (1,844.6 billion yen; a 33.4 billion yen or a 1.8% decrease)

- The Company's **transportation revenues decreased by 31.0 billion yen (2.2%) to 1,365.6 billion yen in the year ended March 31, 2020 as compared with the year ended March 31, 2019.**
- As for the Tokaido Shinkansen, the Company added extra trains flexibly to respond to demand by leveraging the "10 Nozomi Timetable." In addition, it incorporated N700A (3rd edition) and realized the "12 Nozomi Timetable" in March by ensuring a maximum speed of 285 km/h through the standardization of all train types. Furthermore, 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.
- Despite promoting the various measures described above, transportation revenues from the Tokaido Shinkansen decreased by 30.4 billion yen (2.4%) to 1,261.3 billion yen in the year ended March 31, 2020 as compared with the year ended March 31, 2019, due to the impact of COVID-19. Transportation revenues from the conventional lines decreased by 0.5 billion yen (0.5%) to 104.2 billion yen in the year ended March 31, 2020 as compared with the year ended March 31, 2019.
- As for the non-railway business, although the Company has worked on increasing profits by further strengthening the integrated management of JR CENTRAL TOWERS and JR GATE TOWER, overall operating revenues on a consolidated basis decreased.

(2) Operating expenses (1,188.4 billion yen; a 20.1 billion yen or a 1.7% increase)

(3) Operating income (656.1 billion yen; a 53.6 billion yen or a 7.6% decrease)

(4) Non-operating income/loss (-81.8 billion yen; a 4.7 billion yen decrease)

(5) Ordinary income (574.2 billion yen; a 58.3 billion yen or a 9.2% decrease)

(6) Net income attributable to owners of the parent (397.8 billion yen; a 40.8 billion yen or a 9.3% decrease)

2. Conditions of Cash Flow

(1) Net cash provided by operating activities: 595.2 billion yen (a 5.0 billion yen decrease)

- Net cash provided by operating activities decreased mainly because both the Company's transportation revenues and the group companies' revenues decreased due to the impact of people refraining from going outside and similar matters in response to the COVID-19 pandemic starting from February.

(2) Net cash used in investing activities: 552.4 billion yen (a 45.0 billion yen decrease)

- Net cash used for investing activities decreased mainly due to a decrease in expenditures associated with fund management, while the increased spending because of the acquisition of fixed assets in association with the Chuo Shinkansen construction was offset by the reversal of money held in trust for the Chuo Shinkansen construction.

(3) Net cash used in financing activities: 32.9 billion yen (a 0.6 billion yen decrease)

- Net cash used in financing activities was almost the same as the previous year because the increased spending due to the repayment of long-term debt and payables was offset by increased revenue due to the issuance of bonds.

(4) Cash and cash equivalents as of March 31, 2020: 761.3 billion yen (a 9.7 billion yen increase)

3. Summary of Long-term Debt and Payables

- The balance of long-term debt and payables as of March 31, 2020 amounted to 4,846.0 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 1,846.0 billion yen.

4. Forecasted Results of Operations for the Year Ending March 31, 2021

- The forecasted results of operations for the next fiscal year are yet to be decided as forecasting them is difficult, given the significant decrease in the use of trains and other services resulting from people refraining from going outside and similar matters in response to the COVID-19 pandemic, as well as that there are many undetermined factors that could affect operating results in the future. They will be published promptly once calculation becomes possible.

5. Dividends (the Company)

- Year-end dividends for the fiscal year under review shall be 75 yen per share as announced in the January 2020 dividend forecast.
- The amounts of both the interim and year-end dividends for the next fiscal year are yet to be decided as it is difficult to forecast results of operations at this point. They will be published promptly once calculation becomes possible.

(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, 2019	For the Year Ended March 31, 2020	Increase (Decrease)	%
Operating revenues	<i>[1.282]</i> 1,878.1	<i>[1.284]</i> 1,844.6	(33.4)	98.2
Transportation	1,449.1	1,419.0	(30.1)	97.9
Merchandise and other	253.3	250.1	(3.2)	98.7
Real estate	49.6	47.4	(2.1)	95.7
Other	125.9	128.0	2.0	101.6
Operating expenses	1,168.3	1,188.4	20.1	101.7
Operating income	<i>[1.063]</i> 709.7	<i>[1.053]</i> 656.1	(53.6)	92.4
Non-operating income (loss)	(77.1)	(81.8)	(4.7)	106.2
Non-operating income	10.7	11.8	1.0	109.7
Non-operating expenses	87.9	93.7	5.8	106.6
Ordinary income	<i>[1.072]</i> 632.6	<i>[1.063]</i> 574.2	(58.3)	90.8
Extraordinary gain (loss)	(2.3)	(0.8)	1.5	35.5
Income before income taxes	630.2	573.4	(56.8)	91.0
Income taxes	185.2	169.1	(16.1)	91.3
Net income	445.0	404.3	(40.7)	90.9
Net income (loss) attributable to noncontrolling interests	6.3	6.4	0.1	101.8
Net income attributable to owners of the parent	<i>[1.060]</i> 438.7	<i>[1.050]</i> 397.8	(40.8)	90.7
Comprehensive income	446.2	388.4	(57.7)	87.0

(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, 2019	For the Year Ended March 31, 2020	Increase (Decrease)	%
Operating revenues	1,464.8	1,436.9	(27.8)	98.1
Transportation revenues	1,396.6	1,365.6	(31.0)	97.8
Other services	68.2	71.3	3.1	104.6
Operating expenses	797.1	813.9	16.8	102.1
Personnel expenses	179.7	175.1	(4.6)	97.4
Non-personnel expenses	381.7	401.3	19.6	105.2
Taxes other than income taxes	42.2	41.8	(0.3)	99.3
Depreciation and amortization	193.4	195.5	2.1	101.1
Operating income	667.7	623.0	(44.6)	93.3
Non-operating income (loss)	(77.6)	(83.0)	(5.4)	107.0
Non-operating income	10.4	10.5	0.1	101.3
Non-operating expenses	88.0	93.6	5.5	106.3
Ordinary income	590.1	540.0	(50.1)	91.5
Extraordinary gain (loss)	0.0	(0.0)	(0.1)	-
Income before income taxes	590.1	539.9	(50.2)	91.5
Income taxes	176.1	161.0	(15.0)	91.5
Net income	414.0	378.8	(35.2)	91.5

Comparison of Passenger-kilometers and Transportation Revenues

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

			For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	Increase (Decrease)	%	(Reference)	
							From January to March 2020	%
Passenger-kilometers	Shinkansen	Commuter	1,519	1,542	23	101.5	364	101.3
		Others	54,758	52,467	(2,291)	95.8	10,091	76.5
		Subtotal	56,277	54,009	(2,268)	96.0	10,455	77.2
	Conventional lines	Commuter	5,676	5,739	63	101.1	1,342	101.5
		Others	3,783	3,679	(104)	97.3	750	79.6
		Subtotal	9,459	9,418	(41)	99.6	2,091	92.4
	Subtotal	Commuter	7,196	7,281	86	101.2	1,706	101.5
		Others	58,541	56,146	(2,395)	95.9	10,840	76.7
		Subtotal	65,736	63,427	(2,309)	96.5	12,546	79.4
Transportation revenues	Shinkansen	Commuter	18.1	18.4	0.2	101.4	4.3	100.1
		Others	1,273.6	1,242.9	(30.7)	97.6	250.9	82.4
		Subtotal	1,291.8	1,261.3	(30.4)	97.6	255.2	82.6
	Conventional lines	Commuter	35.2	35.4	0.1	100.4	8.4	100.3
		Others	69.5	68.8	(0.6)	99.0	14.4	84.1
		Subtotal	104.8	104.2	(0.5)	99.5	22.8	89.4
	Subtotal	Commuter	53.4	53.8	0.4	100.8	12.8	100.2
		Others	1,343.2	1,311.7	(31.4)	97.7	265.3	82.4
		Subtotal	1,396.6	1,365.6	(31.0)	97.8	278.1	83.1
Subtotal (including parcel fare)		1,396.6	1,365.6	(31.0)	97.8	278.1	83.1	

(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, 2019	As of March 31, 2020	Increase (Decrease)
Current assets	3,630.6	3,382.6	(248.0)
Money held in trust for the Chuo Shinkansen construction	2,670.5	2,435.0	(235.5)
Noncurrent assets	5,665.0	6,220.4	555.3
Property plant and equipment	4,706.6	4,925.1	218.5
Intangible assets	77.5	91.1	13.5
Investments and other assets	880.8	1,204.1	323.2
Total assets	9,295.7	9,603.1	307.3
Current liabilities	650.2	625.6	(24.5)
Noncurrent liabilities	5,137.4	5,105.3	(32.0)
Total liabilities	5,787.6	5,731.0	(56.6)
Total equity	3,508.0	3,872.1	364.0
Total liabilities and equity	9,295.7	9,603.1	307.3

Breakdown of long-term debts	4,851.1	4,846.0	(5.0)
Long-term debt for the Chuo Shinkansen construction	3,000.0	3,000.0	-
Bonds payable	773.2	848.7	75.4
Long-term loans payable	533.9	458.7	(75.1)
Long-term accounts payable-railway facilities	543.8	538.4	(5.4)

Comparative Statements of Cash Flows (Consolidated)

(Unit: Billions of yen)

Classifications	For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	Increase (Decrease)
Net cash provided by (used in) operating activities	600.3	595.2	(5.0)
Net cash provided by (used in) investing activities	(597.5)	(552.4)	45.0
Expenditures from the purchase of property plant and equipment and intangible assets, etc.	(397.8)	(459.0)	(61.2)
Proceeds from the trust for the Chuo Shinkansen construction (net)	170.3	235.5	65.2
Revenue/expenditure from fund management (net)	(370.0)	(328.9)	41.0
Net cash provided by (used in) financing activities	(33.6)	(32.9)	0.6
Net increase (decrease) in cash and cash equivalents	(30.8)	9.7	40.5
Cash and cash equivalents, beginning of the year	782.4	751.6	(30.8)
Cash and cash equivalents, end of the year	751.6	761.3	9.7

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

(Unit: Billions of yen, %)

	For the Year Ended March 31, 2020 (Actual Results)	For the Year Ending March 31, 2021 (Planned)	Increase (Decrease)	%
Capital investment (consolidated)	524.0	718.0	193.9	137.0
Capital investment (non-consolidated)	499.6	688.0	188.3	137.7

Reference: Actual Results by Reportable Segment

(Unit: Billions of yen, %)

Classifications		For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	Increase (Decrease)	%
Operating revenues	Transportation	1,461.3	1,431.2	(30.0)	97.9
	Merchandise and other	264.9	263.2	(1.7)	99.4
	Real estate	82.1	79.9	(2.1)	97.4
	Other	261.0	272.2	11.1	104.3
	Reconciliations	(191.3)	(202.1)	(10.7)	105.6
	Total	1,878.1	1,844.6	(33.4)	98.2
Segment profit (Operating income)	Transportation	664.8	617.6	(47.2)	92.9
	Merchandise and other	9.6	7.4	(2.2)	76.8
	Real estate	20.2	19.0	(1.2)	93.7
	Other	16.1	13.5	(2.5)	83.9
	Reconciliations	(1.1)	(1.3)	(0.2)	122.3
	Total	709.7	656.1	(53.6)	92.4

(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.

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

	Unit	For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	Increase (Decrease)
Finance income and expenditures	Billions of yen	(75.7)	(74.1)	1.6
Interest expenses	Billions of yen	80.7	79.9	(0.8)
Earnings per share (EPS)	Yen	2,238	2,027	(211)
Return on net worth	%	13.4	10.9	(2.5)
Net worth ratio	%	37.3	39.9	2.6
Capital investment	Billions of yen	467.3	524.0	56.7
Long-term debt and payables (year-end)	Billions of yen	4,851.1	4,846.0	(5.0)
Average interest (year-end)	%	1.65	1.64	(0.01)
Number of employees (year-end)	Persons	29,128	29,603	475

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

	Unit	For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	Increase (Decrease)
Finance income and expenditures	Billions of yen	(76.2)	(74.6)	1.5
Interest expenses	Billions of yen	81.2	80.5	(0.7)
Earnings per share (EPS)	Yen	2,110	1,928	(182)
Return on net worth	%	13.3	10.9	(2.4)
Net worth ratio	%	36.5	38.9	2.4
Capital investment	Billions of yen	448.8	499.6	50.8
Long-term debt and payables (year-end)	Billions of yen	4,851.1	4,846.0	(5.0)
Average interest (year-end)	%	1.65	1.64	(0.01)
Number of employees (year-end)	Persons	18,148	18,282	134
Number of retired employees	Persons	979	907	(72)

- (Notes) 1. Average number of shares for the term (consolidated):
195,947,224 shares for the year ended March 31, 2019
196,207,902 shares for the year ended March 31, 2020
Average number of shares for the term (non-consolidated):
196,148,844 shares for the year ended March 31, 2019
196,409,522 shares for the year ended March 31, 2020
2. "Number of employees" shows the number of persons at work.