

Summary of the Consolidated Financial Results for the Nine Months Ended December 31, 2020

January 29, 2021

Central Japan Railway Company

- **The Company's overall operating revenues on a consolidated basis significantly decreased** because of an ongoing extremely difficult business environment for the Company and its group companies mainly due to people refraining from going outside and traveling in response to the COVID-19 pandemic.
- Under such circumstance, **the Company recorded a significant operating loss** despite a decrease in operating expenses through various measures including drastic cost reduction.
- Forecasted results of operations for the fiscal year ending March 31, 2021 will **remain unchanged from the previous forecasts**. The challenging business environment is continuing due to reasons such as the redeclaration of a state of emergency. Nevertheless, the Company will carry out its mission as a transportation service provider by giving top priority to ensuring safe and reliable transportation, while putting efforts into preventing the spread of infection. In addition, with the end of the COVID-19 pandemic in mind, the Company will seek to enhance its management capabilities by further improving services, as well as pursuing efficiency and cost reduction in the operation of its business at all levels.

1. Summary of Consolidated Results for the Nine Months Ended December 31, 2020**(1) Operating revenues (603.0 billion yen; an 844.9 billion yen or a 58.4% decrease)**

- The Company's **transportation revenues decreased by 728.4 billion yen (67.0%) to 359.0 billion yen in the nine months ended December 31, 2020, compared with the nine months ended December 31, 2019.**
 - As for the railway business, the Company put efforts into preventing the spread of infection on both the Tokaido Shinkansen and conventional lines so that customers could use its services with peace of mind. The Company also provided sufficient transport capacity, for example by utilizing the "12 Nozomi Timetable" based on the amount of usage of its services by customers. In addition, as an effort to increase the use of its services, the Company has also suggested "Zurashi Tabi," as a new style of travel where customers choose different time schedules, destinations, on-site transportation means and experiences from conventional ones, and sold attractive travel packages.
 - However, due to the impact of the COVID-19 pandemic, transportation revenues from the Tokaido Shinkansen decreased by 691.2 billion yen (68.7%) to 314.8 billion yen in the nine months ended December 31, 2020 as compared with the nine months ended December 31, 2019. Meanwhile, transportation revenues from conventional lines decreased by 37.1 billion yen (45.7%) to 44.1 billion yen in the nine months ended December 31, 2020 as compared with the nine months ended December 31, 2019.

- As for the non-railway business, although the Company sought to ensure profits, mainly through the operation of JR CENTRAL TOWERS and JR GATE TOWER while striving to prevent the spread of infection, the overall operating revenues significantly decreased on a consolidated basis as well because of the impacts of the COVID-19 pandemic.

(2) Operating expenses (696.6 billion yen; a 139.3 billion yen or a 16.7% decrease)

(3) Operating income/loss (-93.5 billion yen; a 705.5 billion yen negative change)

(4) Non-operating income/loss (-54.1 billion yen; a 2.1 billion yen positive change)

(5) Ordinary income/loss (-147.7 billion yen; a 703.4 billion yen negative change)

(6) Net income/loss attributable to owners of the parent (-111.4 billion yen; a 499.6 billion yen negative change)

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

- Forecasted results of operations for the fiscal year ending March 31, 2021 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, 2019	For the Nine Months Ended December 31, 2020	Increase (Decrease)	%
Operating revenues	1,448.0	603.0	(844.9)	41.6
Transportation	1,125.9	394.4	(731.5)	35.0
Merchandise and other	189.8	111.7	(78.0)	58.9
Real estate	36.4	29.3	(7.0)	80.6
Other	95.7	67.4	(28.2)	70.5
Operating expenses	836.0	696.6	(139.3)	83.3
Operating (loss) income	611.9	(93.5)	(705.5)	-
Non-operating income (loss)	(56.2)	(54.1)	2.1	96.3
Non-operating income	7.8	10.8	2.9	137.9
Non-operating expenses	64.1	64.9	0.8	101.3
Ordinary (loss) income	555.6	(147.7)	(703.4)	-
Extraordinary gain (loss)	1.7	(5.0)	(6.7)	-
(Loss) income before income taxes	557.3	(152.8)	(710.2)	-
Income taxes	164.4	(41.6)	(206.0)	-
Net (loss) income	392.9	(111.2)	(504.1)	-
Net income attributable to noncontrolling interests	4.7	0.2	(4.5)	6.0
Net (loss) income attributable to owners of the parent	388.1	(111.4)	(499.6)	-
Comprehensive income	395.7	(95.5)	(491.3)	-

(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, 2019	For the Nine Months Ended December 31, 2020	Increase (Decrease)	%
Operating revenues	1,139.4	408.4	(731.0)	35.8
Transportation revenues	1,087.4	359.0	(728.4)	33.0
Other services	51.9	49.4	(2.5)	95.1
Operating expenses	554.0	490.7	(63.2)	88.6
Personnel expenses	132.4	125.5	(6.9)	94.8
Non-personnel expenses	245.1	208.5	(36.6)	85.1
Taxes other than income taxes	31.9	24.4	(7.5)	76.4
Depreciation and amortization	144.4	132.2	(12.2)	91.6
Operating (loss) income	585.4	(82.3)	(667.7)	-
Non-operating income (loss)	(57.6)	(57.2)	0.3	99.5
Non-operating income	6.8	7.7	0.9	113.6
Non-operating expenses	64.4	65.0	0.6	100.9
Ordinary (loss) income	527.7	(139.6)	(667.4)	-
Extraordinary gain (loss)	(0.1)	(0.9)	(0.7)	662.0
(Loss) income before income taxes	527.6	(140.5)	(668.1)	-
Income taxes	157.2	(42.5)	(199.8)	-
Net (loss) income	370.4	(97.9)	(468.3)	-

Comparison of Passenger-kilometers and Transportation Revenues
for the Nine Months Ended December 31, 2020

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

			For the Nine Months Ended December 31, 2019	For the Nine Months Ended December 31, 2020	Increase (Decrease)	%	(Reference) From October to December 2020	Vs. From October to December 2019 (%)
Passenger-kilometers	Shinkansen	Commuter	1,178	783	(395)	66.5	252	63.8
		Others	42,376	13,014	(29,362)	30.7	6,511	45.0
		Subtotal	43,554	13,797	(29,757)	31.7	6,762	45.5
	Conventional lines	Commuter	4,398	3,684	(714)	83.8	1,253	84.6
		Others	2,929	1,217	(1,712)	41.6	540	56.2
		Subtotal	7,327	4,901	(2,425)	66.9	1,792	73.4
	Subtotal	Commuter	5,576	4,467	(1,109)	80.1	1,505	80.2
		Others	45,305	14,232	(31,073)	31.4	7,050	45.7
		Subtotal	50,881	18,699	(32,182)	36.8	8,555	49.5
Transportation revenues	Shinkansen	Commuter	14.0	9.3	(4.6)	66.7	3.0	64.4
		Others	992.0	305.4	(686.5)	30.8	149.1	44.0
		Subtotal	1,006.0	314.8	(691.2)	31.3	152.2	44.3
	Conventional lines	Commuter	26.9	21.9	(5.0)	81.2	7.4	84.0
		Others	54.4	22.2	(32.1)	41.0	9.9	56.3
		Subtotal	81.3	44.1	(37.1)	54.3	17.4	65.5
	Subtotal	Commuter	41.0	31.2	(9.7)	76.3	10.5	77.2
		Others	1,046.4	327.7	(718.7)	31.3	159.1	44.6
		Subtotal	1,087.4	359.0	(728.4)	33.0	169.6	45.8
Total (including parcel fare)		1,087.4	359.0	(728.4)	33.0	169.6	45.8	

- (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, 2020	As of December 31, 2020	Increase (Decrease)
Current assets	3,382.6	3,079.8	(302.8)
Money held in trust for the Chuo Shinkansen construction	2,435.0	2,149.4	(285.6)
Noncurrent assets	6,220.4	6,410.6	190.2
Property, plant and equipment and Intangible assets	5,016.3	5,156.1	139.8
Investments and other assets	1,204.1	1,254.5	50.4
Total assets	9,603.1	9,490.4	(112.6)
Current liabilities	625.6	598.3	(27.3)
Noncurrent liabilities	5,105.3	5,136.4	31.1
Total liabilities	5,731.0	5,734.8	3.7
Total equity	3,872.1	3,755.6	(116.4)
Total liabilities and equity	9,603.1	9,490.4	(112.6)
Breakdown of long-term debts	4,846.0	4,916.9	70.9
Long-term debt for the Chuo Shinkansen construction	3,000.0	3,000.0	-
Bonds payable	848.7	928.8	80.0
Long-term loans payable	458.7	452.5	(6.2)
Long-term accounts payable-railway facilities	538.4	535.6	(2.8)

Reference: Comparative Quarterly Operating Income/Loss by Segment

(Unit: Billions of yen, %)

Classifications		For the Nine Months Ended December 31, 2019	For the Nine Months Ended December 31, 2020	Increase (Decrease)	%
Operating revenues	Transportation	1,135.2	401.7	(733.4)	35.4
	Merchandise and other	199.6	121.1	(78.5)	60.7
	Real estate	60.5	51.7	(8.7)	85.5
	Other	170.9	160.8	(10.0)	94.1
	Reconciliations	(118.3)	(132.4)	(14.0)	111.9
	Total	1,448.0	603.0	(844.9)	41.6
Segment profit (loss) (Operating income (loss))	Transportation	581.2	(88.2)	(669.4)	-
	Merchandise and other	7.1	(10.3)	(17.4)	-
	Real estate	16.7	11.5	(5.2)	68.9
	Other	6.6	(4.2)	(10.9)	-
	Reconciliations	0.1	(2.2)	(2.3)	-
	Total	611.9	(93.5)	(705.5)	-

(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.

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