

Summary of the Consolidated Financial Results for the Three Months Ended June 30, 2022

July 27, 2022
Central Japan Railway Company

- **The Company's overall operating revenues on a consolidated basis increased year on year** mainly due to an increase in passenger volumes for both the Tokaido Shinkansen and conventional lines despite the impact of the COVID-19 pandemic.
- **The Company is out of the red and back in the black across the board** although operating expenses increased mainly due to an increase in the Company's non-personnel expenses and a higher cost of sales recorded by group companies.
- Forecasted results of operations for the fiscal year ending March 31, 2023 will **remain unchanged from the previous forecasts**. The Company will continue to carry out its mission as a transportation service provider by giving top priority to ensuring safe and reliable transportation. At the same time, it will reinforce its earning power by working to increase revenues through various initiatives and strongly promote its "Reform of Business Operations" to overcome the difficult business situation resulting from the impact of the COVID-19 pandemic.

1. Summary of Consolidated Results for the Three Months Ended June 30, 2022

(1) Operating revenues (309.3 billion yen; a 128.7 billion yen or a 71.3% increase)

- The Company's **transportation revenues increased by 113.2 billion yen (92.4%) to 235.8 billion yen in the three months ended June 30, 2022, as compared with the three months ended June 30, 2021.**
- As for the Tokaido Shinkansen, the Company worked to enhance its transportation services by, among other things, adding extra trains flexibly to respond to demand by leveraging the "12 Nozomi Timetable." In addition to selling attractive travel packages such as "Zurashi Travel" and "Oshi Travel Update," the Company also launched "Izaiza Nara," a new travel campaign which focuses on Nara. The Company also improved stations and cars so that they are more suitable for working in. This included the trial introduction of the "Business Booth," a private room in certain N700S cars, which passengers can use for short meetings, web conferences, etc.
- 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 and cars flexibly to respond to any increases in demand.
- As a result, transportation revenues from the Tokaido Shinkansen increased by 108.9 billion yen (102.1%) to 215.6 billion yen in the three months ended June 30, 2022, as compared with the three months ended June 30, 2021, while transportation revenues from conventional lines increased by 4.3 billion yen (27.3%) to 20.1 billion yen in the three months ended June 30, 2022, as compared with the three months ended June 30, 2021.
- As for the non-railway business, the Company sought to increase revenues, mainly through the integrated operation of JR CENTRAL TOWERS and JR GATE TOWER, which celebrated its fifth anniversary, while implementing business strategies designed to meet customer needs. As a result, overall operating revenues on a consolidated basis increased.

(2) Operating expenses (225.8 billion yen; a 19.8 billion yen or a 9.6% increase)

(3) Operating income (83.5 billion yen; a 108.8 billion yen positive change)

(4) Non-operating income/loss (-16.7 billion yen; a 1.8 billion yen negative change)

(5) Ordinary income (66.8 billion yen; a 107.0 billion yen positive change)

(6) Net income attributable to owners of the parent (47.0 billion yen; a 75.4 billion yen positive change)

2. Forecasted Results of Operations for the Fiscal Year Ending March 31, 2023

- Forecasted results of operations for the fiscal year ending March 31, 2023 will **remain unchanged from the previous forecasts.**

* Any fraction less than a tenth of the unit indicated is rounded down. (The same for Supplemental Material 2 and subsequent supplemental materials.)

Comparative Quarterly Statements of Income (Consolidated)

(Unit: Billions of yen, %)

| Classifications | For the Three Months Ended June 30, 2021 | For the Three Months Ended June 30, 2022 | Increase (Decrease) | % |
|---|--|--|------------------------|--------------|
| Operating revenues | 180.6 | 309.3 | 128.7 | 171.3 |
| Transportation | 133.4 | 248.6 | 115.1 | 186.3 |
| Merchandise and other | 19.9 | 29.5 | 9.5 | 147.6 |
| Real estate | 9.2 | 10.5 | 1.3 | 114.4 |
| Other | 17.9 | 20.6 | 2.6 | 114.9 |
| Operating expenses | 205.9 | 225.8 | 19.8 | 109.6 |
| Operating income (loss) | (25.3) | 83.5 | 108.8 | - |
| Non-operating income (loss) | (14.8) | (16.7) | (1.8) | 112.2 |
| Non-operating income | 5.8 | 4.0 | (1.8) | 68.6 |
| Non-operating expenses | 20.7 | 20.7 | (0.0) | 99.9 |
| Ordinary income (loss) | (40.1) | 66.8 | 107.0 | - |
| Extraordinary gain (loss) | 2.2 | (0.2) | (2.4) | - |
| Income (loss) before income taxes | (37.9) | 66.6 | 104.6 | - |
| Income taxes | (9.7) | 19.0 | 28.8 | - |
| Net income (loss) | (28.1) | 47.6 | 75.7 | - |
| Net income (loss) attributable to noncontrolling interests | 0.2 | 0.6 | 0.3 | 234.6 |
| Net income (loss) attributable to owners of the parent | (28.4) | 47.0 | 75.4 | - |
| Comprehensive income | (33.1) | 44.5 | 77.7 | - |

(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 Three Months Ended June 30, 2021 | For the Three Months Ended June 30, 2022 | Increase (Decrease) | % |
|--|--|--|------------------------|--------------|
| Operating revenues | 137.9 | 253.4 | 115.5 | 183.8 |
| Transportation revenues | 122.5 | 235.8 | 113.2 | 192.4 |
| Other services | 15.3 | 17.5 | 2.2 | 114.7 |
| Operating expenses | 159.7 | 173.8 | 14.1 | 108.8 |
| Personnel expenses | 43.7 | 44.0 | 0.3 | 100.7 |
| Non-personnel expenses | 62.3 | 72.0 | 9.6 | 115.5 |
| Taxes other than income taxes | 9.1 | 9.7 | 0.6 | 106.7 |
| Depreciation and amortization | 44.5 | 48.1 | 3.5 | 108.0 |
| Operating income (loss) | (21.8) | 79.5 | 101.4 | - |
| Non-operating income (loss) | (16.3) | (17.2) | (0.9) | 105.6 |
| Non-operating income | 4.5 | 3.5 | (0.9) | 79.5 |
| Non-operating expenses | 20.8 | 20.8 | (0.0) | 100.0 |
| Ordinary income (loss) | (38.2) | 62.2 | 100.4 | - |
| Extraordinary gain (loss) | 1.7 | (0.0) | (1.7) | - |
| Income (loss) before income taxes | (36.4) | 62.2 | 98.7 | - |
| Income taxes | (10.1) | 18.7 | 28.8 | - |
| Net income (loss) | (26.3) | 43.5 | 69.8 | - |

Comparison of Passenger-kilometers and Transportation Revenues
for the Three Months Ended June 30, 2022

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

| | | | For the Three Months Ended June 30, 2021 | For the Three Months Ended June 30, 2022 | Increase (Decrease) | % |
|-------------------------|-------------------------------------|----------|--|--|------------------------|-----------------|
| Passenger-kilometers | Shinkansen | Commuter | 255 | 277 | 22 | 108.7 |
| | | Others | 4,221 | 8,935 | 4,714 | 211.7 |
| | | Subtotal | 4,476 | 9,212 | 4,736 | 205.8 |
| | Conventional lines | Commuter | 1,247 | 1,254 | 7 | 100.6 |
| | | Others | 434 | 672 | 238 | 155.0 |
| | | Subtotal | 1,680 | 1,926 | 246 | 114.6 |
| | Subtotal | Commuter | 1,502 | 1,531 | 30 | 102.0 |
| | | Others | 4,655 | 9,607 | 4,952 | 206.4 |
| | | Subtotal | 6,157 | 11,138 | 4,982 | 180.9 |
| Transportation revenues | Shinkansen | Commuter | 3.0 | 3.2 | 0.2 | (71.0) 106.6 |
| | | Others | 103.6 | 212.3 | 108.7 | (69.0) 204.9 |
| | | Subtotal | 106.7 | 215.6 | 108.9 | (69.0) 202.1 |
| | Conventional lines | Commuter | 7.6 | 7.7 | 0.0 | (85.6) 100.7 |
| | | Others | 8.1 | 12.4 | 4.2 | (72.0) 152.4 |
| | | Subtotal | 15.8 | 20.1 | 4.3 | (76.7) 127.3 |
| | Subtotal | Commuter | 10.7 | 11.0 | 0.2 | (80.6) 102.4 |
| | | Others | 111.8 | 224.8 | 113.0 | (69.2) 201.1 |
| | | Subtotal | 122.5 | 235.8 | 113.2 | (69.6) 192.4 |
| | Subtotal (including parcel fare) | | 122.5 | 235.8 | 113.2 | (69.6) 192.4 |

- (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.
3. Figures in parentheses in the percentage column show comparisons with the three-month period ended June 30, 2018.

Comparative Quarterly Balance Sheets (Consolidated)

(Unit: Billions of yen)

| Classifications | As of March 31, 2022 | As of June 30, 2022 | Increase (Decrease) |
|---|----------------------------|------------------------|------------------------|
| Current assets | 2,682.7 | 2,637.0 | (45.7) |
| Money held in trust for the Chuo Shinkansen construction | 1,813.0 | 1,698.2 | (114.8) |
| Noncurrent assets | 6,767.7 | 6,766.8 | (0.8) |
| Property, plant and equipment and Intangible assets | 5,549.7 | 5,577.7 | 28.0 |
| Investments and other assets | 1,218.0 | 1,189.1 | (28.8) |
| Total assets | 9,450.5 | 9,403.9 | (46.5) |
| Current liabilities | 737.3 | 658.6 | (78.7) |
| Noncurrent liabilities | 5,103.9 | 5,104.4 | 0.5 |
| Total liabilities | 5,841.2 | 5,763.0 | (78.1) |
| Total equity | 3,609.2 | 3,640.8 | 31.6 |
| Total liabilities and equity | 9,450.5 | 9,403.9 | (46.5) |
| Breakdown of long-term debts | 4,941.6 | 4,951.7 | 10.0 |
| Long-term debt for the Chuo Shinkansen construction | 3,000.0 | 3,000.0 | - |
| Bonds payable | 890.7 | 900.7 | 10.0 |
| Long-term loans payable | 524.4 | 524.4 | - |
| Long-term accounts payable-railway facilities | 526.5 | 526.5 | - |

Reference: Comparative Quarterly Operating Income/Loss by Segment

(Unit: Billions of yen, %)

| Classifications | | For the Three Months Ended June 30, 2021 | For the Three Months Ended June 30, 2022 | Increase (Decrease) | % |
|--|-----------------------|--|--|------------------------|-------|
| Operating revenues | Transportation | 135.7 | 251.0 | 115.3 | 185.0 |
| | Merchandise and other | 22.0 | 31.4 | 9.4 | 142.7 |
| | Real estate | 16.7 | 18.3 | 1.5 | 109.4 |
| | Other | 43.6 | 50.3 | 6.7 | 115.5 |
| | Reconciliations | (37.4) | (41.8) | (4.3) | 111.7 |
| | Total | 180.6 | 309.3 | 128.7 | 171.3 |
| Segment profit (loss) (Operating income (loss)) | Transportation | (23.8) | 77.3 | 101.2 | - |
| | Merchandise and other | (2.3) | 1.3 | 3.7 | - |
| | Real estate | 4.1 | 5.0 | 0.8 | 120.8 |
| | Other | (2.8) | (0.0) | 2.8 | 1.5 |
| | Reconciliations | (0.3) | (0.1) | 0.1 | 59.1 |
| | Total | (25.3) | 83.5 | 108.8 | - |

- (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.