

Summary of the Consolidated Financial Results for the Six Months Ended September 30, 2022

October 31, 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
- **Both operating revenues and income increased**, 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 are **revised downward in light of an increase in the Company's non-personnel expenses and other factors while operating revenues remains unchanged.**
- 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 promote its "Reform of Business Operations" and implementing innovative measures to realize revenue growth to overcome the difficult business situation resulting from the impact of the COVID-19 pandemic.

1. Summary of Consolidated Results for the Six Months Ended September 30, 2022

(1) Operating revenues (634.1 billion yen; a 247.1 billion yen or a 63.9% increase)

- The Company's **transportation revenues increased by 223.0 billion yen (85.8%) to 483.0 billion yen in the six months ended September 30, 2022, as compared with the six months ended September 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 well as the implementation of semi-private work booths in all stations served by "Nozomi" trains.
 - As for the conventional lines, for limited express trains such as "Shinano" and "Hida," the Company added extra trains and cars flexibly to respond to any increases in demand as well as started the commercial operation of the Series HC85, a new limited express train employing a hybrid system for "Hida" in July.
 - As a result, transportation revenues from the Tokaido Shinkansen increased by 214.0 billion yen (93.7%) to 442.5 billion yen in the six months ended September 30, 2022, as compared with the six months ended September 30, 2021, while transportation revenues from conventional lines increased by 8.9 billion yen (28.4%) to 40.5 billion yen in the six months ended September 30, 2022, as compared with the six months ended September 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 (462.2 billion yen; a 41.1 billion yen or a 9.8% increase)

(3) Operating income (171.9 billion yen; a 206.0 billion yen positive change)

(4) Non-operating income/loss (-35.6 billion yen; a 2.6 billion yen negative change)

(5) Ordinary income (136.2 billion yen; a 203.3 billion yen positive change)

(6) Net income attributable to owners of the parent (96.9 billion yen; a 141.4 billion yen positive change)

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

- **The previous forecast of 1,332.0 billion yen (up 42.4% year on year) for operating revenues remains unchanged** because of the uncertain outlook due to the lingering impact of the COVID-19 pandemic, although transportation revenues up until the second quarter exceeded the initial forecast.
- On the other hand, the forecast for **operating income, ordinary income, and net income attributable to owners of the parent have been revised downward to 279.0 billion yen, 208.0 billion yen, and 141.0 billion yen, respectively**, reflecting, for operating expenses, the increase in energy costs due to the sharp rise in fuel prices.
- The forecasted results may significantly change depending on how well the COVID-19 pandemic is contained, economic trends, and other factors in the future.

3. Interim Dividends and Forecasted Year-end Dividends for the Fiscal Year Ending March 31, 2023 (of the Company)

- Interim dividends 65 yen per share
(the same amount as initially planned and the same as the previous interim dividend)
- Forecasted year-end dividends 65 yen per share

* 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 Six Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	Increase (Decrease)	%
Operating revenues	386.9	634.1	247.1	163.9
Transportation	285.3	509.4	224.1	178.5
Merchandise and other	41.0	59.9	18.8	145.9
Real estate	20.3	21.6	1.2	106.3
Other	40.2	43.1	2.9	107.3
Operating expenses	421.0	462.2	41.1	109.8
Operating income (loss)	(34.1)	171.9	206.0	-
Non-operating income (loss)	(32.9)	(35.6)	(2.6)	108.0
Non-operating income	8.7	5.9	(2.8)	67.8
Non-operating expenses	41.7	41.6	(0.1)	99.6
Ordinary income (loss)	(67.0)	136.2	203.3	-
Extraordinary (loss) gain	1.9	(0.3)	(2.2)	-
Income (loss) before income taxes	(65.1)	135.9	201.1	-
Income taxes	(21.2)	38.4	59.6	-
Net income (loss)	(43.9)	97.5	141.5	-
Net income (loss) attributable to noncontrolling interests	0.4	0.6	0.1	120.2
Net income (loss) attributable to owners of the parent	(44.4)	96.9	141.4	-
Comprehensive income	(45.5)	92.5	138.1	-

(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 Six Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	Increase (Decrease)	%
Operating revenues	294.6	519.3	224.7	176.3
Transportation revenues	260.0	483.0	223.0	185.8
Other services	34.5	36.2	1.6	104.9
Operating expenses	323.1	354.4	31.3	109.7
Personnel expenses	79.9	86.1	6.2	107.8
Non-personnel expenses	134.9	150.8	15.8	111.8
Taxes other than income taxes	17.5	19.2	1.7	110.2
Depreciation and amortization	90.8	98.1	7.3	108.1
Operating income (loss)	(28.5)	164.8	193.3	-
Non-operating income (loss)	(35.1)	(36.4)	(1.3)	103.8
Non-operating income	6.8	5.4	(1.4)	79.5
Non-operating expenses	42.0	41.9	(0.0)	99.8
Ordinary income (loss)	(63.6)	128.4	192.0	-
Extraordinary gain (loss)	(9.8)	(0.0)	9.8	0.0
Income (loss) before income taxes	(73.5)	128.4	201.9	-
Income taxes	(22.2)	37.9	60.2	-
Net income (loss)	(51.2)	90.4	141.6	-

Comparison of Passenger-kilometers and Transportation Revenues
for the Six Months Ended September 30, 2022

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

			For the Six Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	Increase (Decrease)	%	(Reference) From July to September 2022	Vs. From July to September 2021 (%)
Passenger-kilometers	Shinkansen	Commuter	495	549	55	111.0	272	113.6
		Others	9,192	18,467	9,276	200.9	9,532	191.8
		Subtotal	9,686	19,017	9,330	196.3	9,804	188.2
	Conventional lines	Commuter	2,459	2,500	41	101.7	1,246	102.7
		Others	885	1,365	480	154.2	693	153.5
		Subtotal	3,344	3,865	521	115.6	1,939	116.5
	Subtotal	Commuter	2,954	3,049	95	103.2	1,518	104.5
		Others	10,077	19,832	9,756	196.8	10,225	188.6
		Subtotal	13,031	22,882	9,851	175.6	11,743	170.8
Transportation revenues	Shinkansen	Commuter	5.9	6.4	0.5	(70.3) 109.0	3.1	(69.6) 111.7
		Others	222.5	436.0	213.5	(69.0) 195.9	223.6	(69.1) 188.1
		Subtotal	228.4	442.5	214.0	(69.1) 193.7	226.8	(69.1) 186.3
	Conventional lines	Commuter	15.1	15.3	0.2	(85.5) 101.7	7.6	(85.5) 102.7
		Others	16.4	25.1	8.7	(72.8) 152.9	12.7	(73.7) 153.5
		Subtotal	31.5	40.5	8.9	(77.2) 128.4	20.3	(77.7) 129.4
	Subtotal	Commuter	21.0	21.8	0.7	(80.4) 103.7	10.8	(80.1) 105.2
		Others	239.0	461.2	222.2	(69.2) 193.0	236.3	(69.3) 185.8
		Subtotal	260.0	483.0	223.0	(69.7) 185.8	247.2	(69.7) 179.8
	Total (including parcel fare)		260.0	483.0	223.0	(69.7) 185.8	247.2	(69.7) 179.8

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

Comparative Quarterly Balance Sheets (Consolidated)

(Unit: Billions of yen)

Classifications	As of March 31, 2022	As of September 30, 2022	Increase (Decrease)
Current assets	2,682.7	2,683.1	0.3
Money held in trust for the Chuo Shinkansen construction	1,813.0	1,676.7	(136.3)
Noncurrent assets	6,767.7	6,777.7	10.0
Property, plant and equipment and Intangible assets	5,549.7	5,620.1	70.3
Investments and other assets	1,218.0	1,157.6	(60.3)
Total assets	9,450.5	9,460.9	10.4
Current liabilities	737.3	793.1	55.8
Noncurrent liabilities	5,103.9	4,978.8	(125.0)
Total liabilities	5,841.2	5,772.0	(69.2)
Total equity	3,609.2	3,688.9	79.6
Total liabilities and equity	9,450.5	9,460.9	10.4
Breakdown of long-term debts	4,941.6	4,948.1	6.4
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	524.0	(0.3)
Long-term accounts payable-railway facilities	526.5	523.3	(3.2)

Comparative Quarterly Statements of Cash Flows (Consolidated)

(Unit: Billions of yen)

Classifications	For the Six Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	Increase (Decrease)
Net cash provided by (used in) operating activities	(84.6)	166.5	251.2
Net cash provided by (used in) investing activities	(96.2)	(77.4)	18.7
Expenditures from the purchase of property plant and equipment and intangible assets, etc.	(224.3)	(240.2)	(15.9)
Proceeds from the trust for the Chuo Shinkansen construction	128.0	136.3	8.3
Revenue/expenditure from fund management (net)	-	26.4	26.4
Net cash provided by (used in) financing activities	171.4	(2.8)	(174.2)
Net increase (decrease) in cash and cash equivalents	(9.5)	86.2	95.7
Cash and cash equivalents, beginning of the period	719.9	619.4	(100.4)
Cash and cash equivalents, end of the period	710.3	705.6	(4.7)

Forecasted Results of Operations for the Fiscal Year Ending March 31, 2023 (Consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2022 (Actual Results) A	For the Year Ending March 31, 2023 (Previous Forecast) B	For the Year Ending March 31, 2023 (Revised Forecast) C	C-B	C/B	C-A	C/A
				Increase (Decrease)	%	Increase (Decrease)	%
Operating revenues	935.1	1,332.0	1,332.0	-	100.0	396.8	142.4
Operating expenses	933.4	1,042.0	1,053.0	11.0	101.1	119.5	112.8
Operating income (loss)	1.7	290.0	279.0	(11.0)	96.2	277.2	-
Ordinary income (loss)	(67.2)	217.0	208.0	(9.0)	95.9	275.2	-
Net income (loss) attributable to owners of the parent	(51.9)	146.0	141.0	(5.0)	96.6	192.9	-

Forecasted Results of Operations for the Fiscal Year Ending March 31, 2023
(Non-consolidated)

(Unit: Billions of yen, %)

Classifications	For the Year Ended March 31, 2022 (Actual Results) A	For the Year Ending March 31, 2023 (Previous Forecast) B	For the Year Ending March 31, 2023 (Revised Forecast) C	C-B	C/B	C-A	C/A
				Increase (Decrease)	%	Increase (Decrease)	%
Operating revenues	726.0	1,084.0	1,084.0	-	100.0	357.9	149.3
[Transportation revenues]	657.2	1,013.0	1,013.0	-	100.0	355.7	154.1
Operating expenses	727.3	807.0	819.0	12.0	101.5	91.6	112.6
Operating income (loss)	(1.2)	277.0	265.0	(12.0)	95.7	266.2	-
Ordinary income (loss)	(74.0)	204.0	193.0	(11.0)	94.6	267.0	-
Net income (loss)	(68.1)	139.0	132.0	(7.0)	95.0	200.1	-

Reference: Actual Results According to Reportable Segments

(Unit: Billions of yen, %)

Classifications		For the Six Months Ended September 30, 2021	For the Six Months Ended September 30, 2022	Increase (Decrease)	%
Operating revenues	Transportation	290.0	514.5	224.4	177.4
	Merchandise and other	44.9	63.6	18.6	141.5
	Real estate	35.6	37.3	1.7	104.9
	Other	94.3	103.0	8.6	109.2
	Reconciliations	(78.0)	(84.4)	(6.3)	108.2
	Total	386.9	634.1	247.1	163.9
Segment profit (loss) (Operating income (loss))	Transportation	(32.5)	160.5	193.1	-
	Merchandise and other	(4.9)	2.6	7.5	-
	Real estate	8.3	9.8	1.5	118.1
	Other	(4.1)	(0.4)	3.7	11.2
	Reconciliations	(0.8)	(0.6)	0.1	81.8
	Total	(34.1)	171.9	206.0	-

- (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 According to Reportable Segments

(Unit: Billions of yen, %)

Classifications		For the Year Ended March 31, 2022 (Actual Results) A	For the Year Ending March 31, 2023 (Previous Forecast) B	For the Year Ending March 31, 2023 (Revised Forecast) C	C-B	C/B	C-A	C/A
					Increase (Decrease)	%	Increase (Decrease)	%
Operating revenues	Transportation	717.6	1,074.0	1,074.0	-	100.0	356.3	149.7
	Merchandise and other	102.7	137.0	137.0	-	100.0	34.2	133.4
	Real estate	72.2	75.0	75.0	-	100.0	2.7	103.8
	Other	234.4	251.0	248.0	(3.0)	98.8	13.5	105.8
	Reconciliations	(191.9)	(205.0)	(202.0)	3.0	98.5	(10.0)	105.3
	Total	935.1	1,332.0	1,332.0	-	100.0	396.8	142.4
Segment profit (loss) (Operating income (loss))	Transportation	(8.3)	269.0	257.0	(12.0)	95.5	265.3	-
	Merchandise and other	(3.7)	3.0	3.0	-	100.0	6.7	-
	Real estate	14.9	15.0	14.0	(1.0)	93.3	(0.9)	93.8
	Other	1.1	5.0	6.0	1.0	120.0	4.8	511.1
	Reconciliations	(2.2)	(2.0)	(1.0)	1.0	50.0	1.2	44.0
	Total	1.7	290.0	279.0	(11.0)	96.2	277.2	-

- (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.