

Summary of Consolidated Financial Report for the Three Months Ended June 30, 2023 [under Japanese GAAP] (Unaudited)

English translation from the original Japanese-language document.

Central Japan Railway Company is referred to as the "Company," and the Company and its consolidated subsidiaries are referred to as the "Companies."

July 28, 2023

Company Name	Central Japan Railway Company
Stock Exchange Listings	Tokyo and Nagoya
Code Number	9022
URL	https://jr-central.co.jp
Representative	Shunsuke Niwa, President and Representative Director
Contact Person	Koji Kumekawa, General Manager of the Public Relations Department (Tel +81-52-564-2549)
Expected Date of Presentation of Quarterly Securities Reports	August 7, 2023
Expected Date of Dividend Payment Commencement	—
Supplementary Information	Attached
Briefing of Financial Results of 1st Quarter	To be held (for institutional investors and analysts)

(Figures less than one million yen, except for per share information, have been rounded down.)

1. Results for the three months ended June 30, 2023

(1) Consolidated financial results

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2024 1st Quarter	395,091	27.7	146,518	75.4	129,343	93.5	90,549	92.7
Fiscal 2023 1st Quarter	309,342	71.3	83,540	—	66,838	—	47,001	—

Note 1. Comprehensive income : Fiscal 2024 1st Quarter 108,644 million yen, 144.0%. Fiscal 2023 1st Quarter 44,531 million yen, —%.

2. Percentages for operating revenues, operating income, ordinary income, net income attributable to owners of the parent, and comprehensive income represent the changes from the same period of the previous year.

	Net income per share - basic	Net income per share - diluted
	Yen	Yen
Fiscal 2024 1st Quarter	460.11	—
Fiscal 2023 1st Quarter	238.83	—

(2) Consolidated financial position

	Total assets	Equity	Net worth ratio
	Millions of yen	Millions of yen	%
Fiscal 2024 1st Quarter	9,474,389	3,901,809	40.7
Fiscal 2023	9,514,409	3,807,110	39.5

Note Net worth : Fiscal 2024 1st Quarter 3,852,467 million yen. Fiscal 2023 3,759,255 million yen.

2. Cash dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2023	—	65.00	—	70.00	135.00
Fiscal 2024	—	—	—	—	—
Fiscal 2024 (Forecast)	—	70.00	—	70.00	140.00

Note Revisions to the previous forecast of cash dividends for Fiscal 2024 : none

3. Consolidated forecast for Fiscal 2024 (Year ending March 31, 2024)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share - basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2024	1,566,000	11.8	430,000	14.8	357,000	16.1	250,000	13.9	1,270.33

Note 1. Percentages for operating revenues, operating income, ordinary income, and net income attributable to owners of the parent represent the changes from the previous year.

2. Revisions to the previous consolidated forecast for Fiscal 2024 : none

Notes to Consolidated Financial Information

- (1) Changes in scope of significant consolidated subsidiaries : none
- (2) Adoption of simplified accounting methods or accounting methods used specifically for quarterly consolidated financial statements : adopted
- (3) Changes in accounting policies, changes in accounting estimates and error corrections
- i) Changes in accounting policies due to revision of accounting standard : none
 - ii) Other changes in accounting policies : none
 - iii) Changes in accounting estimates : none
 - iv) Error corrections : none
- (4) Number of common shares issued and outstanding at the end of each period

i) Number of shares outstanding at the end of the period (Including treasury stocks)	Fiscal 2024 1st Quarter	206,000,000 ^{shares}	Fiscal 2023	206,000,000 ^{shares}
	Fiscal 2024 1st Quarter	9,200,862 ^{shares}	Fiscal 2023	9,200,852 ^{shares}
ii) Number of treasury stocks at the end of the period	Fiscal 2024 1st Quarter	196,799,142 ^{shares}	Fiscal 2023 1st Quarter	196,799,149 ^{shares}
iii) Average number of shares outstanding for the period	Fiscal 2024 1st Quarter	196,799,142 ^{shares}	Fiscal 2023 1st Quarter	196,799,149 ^{shares}

(5) Quarterly Consolidated Balance Sheet

Money held in trust for the Chuo Shinkansen construction and Long-term debt for the Chuo Shinkansen construction

The Company has received loans from the Japan Railway Construction, Transport and Technology Agency for promoting the construction of the Chuo Shinkansen, and the money is placed in the trust fund to segregate it from other money.

(6) Adoption of simplified accounting methods or accounting methods used specifically for quarterly consolidated financial statements

Computation of income taxes

The Companies compute income taxes by multiplying quarterly income before income taxes by the effective tax rate that is reasonably estimated by applying tax effect accounting to the projected annual income before income taxes of the fiscal 2024 including the fiscal 2024 1st Quarter. In case where the method of computation is remarkably unreasonable, the statutory effective tax rate is used.

- Note
1. Financial information is not subject to audit procedures.
 2. The forward-looking statements in this report are based on estimates and assumptions that reflect information available as of the day of release of this report. The accuracy of forecasts above, therefore, is inherently uncertain because it is affected by future economic trends and environment.
 3. English supplementary information will be announced on our website later.

QUARTERLY CONSOLIDATED BALANCE SHEET (Unaudited)

	Millions of yen	
	Fiscal 2023 (As of March 31, 2023)	Fiscal 2024 1st Quarter (As of June 30, 2023)
ASSETS		
Current assets:		
Cash and deposits	674,640	703,581
Money held in trust for the Chuo Shinkansen construction	1,585,282	1,463,076
Notes, accounts receivable-trade and contract assets	66,275	59,022
Railway fares receivables	74,809	70,674
Marketable securities	177,500	163,100
Inventories	37,337	39,817
Other	96,534	124,378
Allowance for doubtful accounts	(95)	(81)
Total current assets	2,712,285	2,623,569
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	1,313,282	1,294,450
Machinery, rolling stock and vehicles, net	316,718	317,026
Land	2,367,843	2,367,743
Construction in progress	1,571,185	1,599,797
Other, net	43,571	40,808
Total property, plant and equipment	5,612,601	5,619,827
Intangible assets	159,401	161,144
Investments and other assets		
Investment securities	630,801	636,234
Deferred tax assets	217,495	211,287
Other	182,310	222,806
Allowance for doubtful accounts	(487)	(480)
Total investments and other assets	1,030,120	1,069,848
Total noncurrent assets	6,802,124	6,850,820
Total assets	9,514,409	9,474,389

	Millions of yen	
	Fiscal 2023 (As of March 31, 2023)	Fiscal 2024 1st Quarter (As of June 30, 2023)
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	79,533	62,738
Short-term loans payable	27,341	27,102
Current portion of bonds payable	139,002	139,005
Current portion of long-term loans payable	47,692	46,192
Current portion of long-term accounts payable-railway facilities	6,937	6,937
Income taxes payable	44,216	39,596
Provision for bonuses	26,811	16,835
Other	357,917	254,963
Total current liabilities	729,452	593,372
Noncurrent liabilities:		
Bonds payable	769,801	769,811
Long-term loans payable	473,390	473,390
Long-term debt for the Chuo Shinkansen construction	3,000,000	3,000,000
Long-term accounts payable-railway facilities	513,050	513,050
Liability for retirement benefits	182,801	183,803
Other	38,802	39,151
Total noncurrent liabilities	4,977,846	4,979,207
Total liabilities	5,707,299	5,572,579
EQUITY		
Shareholders' equity:		
Common stock	112,000	112,000
Capital surplus	53,474	53,473
Retained earnings	3,643,142	3,719,901
Treasury stock	(103,159)	(103,159)
Total shareholders' equity	3,705,456	3,782,215
Accumulated other comprehensive income:		
Unrealized gain on available-for-sale securities	49,517	66,418
Remeasurements of defined benefit plans	4,280	3,833
Total accumulated other comprehensive income	53,798	70,251
Noncontrolling interests	47,855	49,342
Total equity	3,807,110	3,901,809
Total liabilities and equity	9,514,409	9,474,389

QUARTERLY CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

	Millions of yen	
	Fiscal 2023 1st Quarter (For the three months ended June 30, 2022)	Fiscal 2024 1st Quarter (For the three months ended June 30, 2023)
Operating revenues	309,342	395,091
Operating expenses:		
Transportation, other services and cost of sales	183,967	202,727
Selling, general and administrative expenses	41,834	45,845
Total operating expenses	225,801	248,573
Operating income	83,540	146,518
Non-operating income:		
Interest income	534	551
Dividend income	2,140	2,110
Insurance income	16	49
Other	1,317	647
Total non-operating income	4,008	3,357
Non-operating expenses:		
Interest expense	11,161	11,236
Interest on long-term accounts payable-railway facilities	8,558	8,457
Other	991	838
Total non-operating expenses	20,710	20,532
Ordinary income	66,838	129,343
Extraordinary gain:		
Contribution for construction	135	263
Gain on sales of noncurrent assets	25	94
Other	6	7
Total extraordinary gain	167	365
Extraordinary loss:		
Loss on reduction of noncurrent assets	45	57
Loss on retirement of noncurrent assets	307	405
Other	23	9
Total extraordinary loss	376	472
Income before income taxes	66,629	129,236
Income taxes	19,024	37,896
Net income	47,604	91,339
Net income attributable to noncontrolling interests	603	790
Net income attributable to owners of the parent	47,001	90,549

QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

	Millions of yen	
	Fiscal 2023 1st Quarter (For the three months ended June 30, 2022)	Fiscal 2024 1st Quarter (For the three months ended June 30, 2023)
Net income	47,604	91,339
Other comprehensive income (loss):		
Unrealized gain (loss) on available-for-sale securities	(2,711)	17,703
Remeasurements of defined benefit plans	(321)	(474)
Share of other comprehensive income (loss) in affiliates	(39)	75
Total other comprehensive income (loss)	(3,073)	17,304
Comprehensive income	44,531	108,644
(breakdown)		
Total comprehensive income attributable to		
Owners of the parent	43,991	107,003
Noncontrolling interests	540	1,640

SEGMENT INFORMATION (Unaudited)

Fiscal 2023 1st Quarter (For the three months ended June 30, 2022)

Information about operating revenues and profit (loss)

(Millions of yen)

	Transportation	Merchandise and Other	Real Estate	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Operating revenues:							
External customers	248,638	29,505	10,581	20,617	309,342	—	309,342
Intersegment transactions or transfers	2,442	1,925	7,730	29,767	41,866	(41,866)	—
Total	251,080	31,431	18,311	50,385	351,208	(41,866)	309,342
Segment profit (loss)	77,385	1,372	5,018	(43)	83,732	(191)	83,540

- Note 1. "Other" includes business of hotel, travel, advertising, rolling stock production, construction, etc., which are not included in any reportable segment.
 2. "Reconciliations" amount of (191) million yen for segment profit (loss) is the elimination of intersegment transactions.
 3. Segment profit (loss) is reconciled to operating income in the quarterly consolidated statement of operations.

Fiscal 2024 1st Quarter (For the three months ended June 30, 2023)

Information about operating revenues and profit (loss)

(Millions of yen)

	Transportation	Merchandise and Other	Real Estate	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Operating revenues:							
External customers	322,381	36,060	11,643	25,005	395,091	—	395,091
Intersegment transactions or transfers	2,674	1,710	8,003	28,542	40,931	(40,931)	—
Total	325,056	37,771	19,647	53,548	436,023	(40,931)	395,091
Segment profit	135,425	2,669	5,855	2,325	146,275	242	146,518

- Note 1. "Other" includes business of hotel, travel, advertising, rolling stock production, construction, etc., which are not included in any reportable segment.
 2. "Reconciliations" amount of 242 million yen for segment profit is the elimination of intersegment transactions.
 3. Segment profit is reconciled to operating income in the quarterly consolidated statement of operations.