

October 30, 2012
Central Japan Railway Company

Q&A Summary at the Semi-Annual Investors Meeting for FY2013.3

Q. Why did the Tokaido Shinkansen maintain firm passenger demand for the first half of FY2013.3?

A. The passenger volume of the Tokaido Shinkansen (Tokyo Area) for the first half was 109% YoY. In addition to firm demand on weekdays, which is primarily generated by business-related travel, especially the number of passengers using the Shinkansen on Saturdays, Sundays, and holidays increased YoY, which we believe indicates that the demand from tourists was strong. The number of sold package tours from the Nagoya and Kansai (Osaka) areas to Tokyo area increased due to, we think, an increase in tourism to destinations such as the "Tokyo Sky Tree" and "Tokyo Disney Resort" during the first half of this fiscal year.

Q. Why do you expect non-consolidated transportation revenue for the second half of FY2013.3 to be at par with the second half of FY2012.3? Is the current passenger volume of the Tokaido Shinkansen decreasing?

A. With the uncertainty of the domestic and international economic situations we thought it reasonable to plan on the same level of transportation revenue YoY. We do not think current demand for the Tokaido Shinkansen is getting weaker.

Q. What was the result of "Cost Reduction Activities" for the first half of FY2013.3?

A. We have been pursuing efficiency and engaging in "Cost Reduction Activities" while prioritizing safe and reliable transportation with even more vigor since the Lehman Shock of 2008.

We think we were able to reduce operating expenses by 1 billion yen through our continued "Cost Reduction Activities" during the first half of FY2013.3. In consideration of the upcoming Chuo Shinkansen construction we shall continue

to be more cost-conscious and make efforts to pursue efficiency and reduce costs.

Q. Are your capital expenditures in line with your plan for this fiscal year?

A. Yes, they are going according to plan. The large capital expenditure involved with “extension of the length and upgrading of the facilities at the Yamanashi Maglev Test Line” will be completed during 2013 as planned. In addition, countermeasures for derailment and deviation that are being implemented as additional anti-earthquake measures for the Tokaido Shinkansen are also on schedule.

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