

# Semi-Annual Investors Meeting FY2013.3 (Fiscal Year Ending March 31, 2013)

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## I. Financial Results for 1<sup>st</sup> Half of FY2013.3

**Hidenori Fujii**

Corporate Executive Officer and  
General Manager of Finance Department



Central Japan Railway Company  
October 30, 2012

# Summary of Financial Results for 1<sup>st</sup> Half of FY2013.3

【Consolidated】				【Non-Consolidated】			
	1 <sup>st</sup> Half FY2012.3 (Apr.-Sep.) Results A	1 <sup>st</sup> Half FY2013.3 (Apr.-Sep.) Results B	Change B-A		1 <sup>st</sup> Half FY2012.3 (Apr.-Sep.) Results C	1 <sup>st</sup> Half FY2013.3 (Apr.-Sep.) Results D	Change D-C
Operating Revenue	722.4	789.8	67.4	Operating Revenue (Transportation Revenue)	571.5 (535.9)	625.8 (581.6)	54.2 (45.6)
Operating Expenses	526.7	546.1	19.3	Operating Expenses	385.2	393.5	8.2
Operating Income	195.6	243.6	48.0	Operating Income	186.2	232.2	46.0
Non-operating Income (Loss)	-56.8	-58.9	-2.0	Non-operating Income (Loss)	-55.5	-57.9	-2.3
Ordinary Income	138.7	184.7	46.0	Ordinary Income	130.6	174.3	43.7
Net Income	83.1	114.2	31.0	Net Income	78.7	109.1	30.3

◆ Long-term Debt and Payables at the end of 1<sup>st</sup> half of FY2013.3

Consolidated: 2,728.9 billion yen (-137.7 billion yen compared with the end of FY2012.3 )

Non-consolidated: 2,698.8 billion yen (-130.2 billion yen compared with the end of FY2012.3)

## Summary of Financial Results for 1<sup>st</sup> Half of FY2013.3 (Non-Consolidated Operating Revenue and Operating Expenses)

(billion yen)

	1 <sup>st</sup> Half of FY2012.3 (Apr.-Sep.) Results A	1 <sup>st</sup> Half of FY2013.3 (Apr.-Sep.) Results B	Change (B-A)
Operating Revenue (Transportation Revenue)	571.5 (535.9)	625.8 (581.6)	54.2 (45.6)
Operating Expenses	385.2	393.5	8.2
Personnel Expenses	85.8	85.9	0.1
Non-personnel Expenses	168.3	184.5	16.2
—Energy	16.6	17.9	1.2
—Maintenance	68.9	79.3	10.3
—Others	82.7	87.3	4.6
Tax other than income taxes	16.3	16.5	0.1
Depreciation and Amortization	114.7	106.4	-8.3

- ◆ Tokaido Shinkansen Passenger Volume (YoY, Tokyo area, daily average)
- |                   |      |   |                        |
|-------------------|------|---|------------------------|
| Q1 (Apr. to Jun.) | 114% | } | 1H (Apr. to Sep.) 109% |
| Q2 (Jul. to Sep.) | 105% |   |                        |
- (105% compared with the 1st Half of FY2011.3)

## Summary of Financial Results for 1<sup>st</sup> Half of FY2013.3 (By Segment)

(billion yen)

	1 <sup>st</sup> Half of FY2012.3 (Apr.-Sep.) Results A	1 <sup>st</sup> Half of FY2013.3 (Apr.-Sep.) Results B	Change (B-A)
Operating Revenue	722.4	789.8	67.4
Transportation	570.5	624.7	54.2
Merchandise and Other	98.0	103.0	5.0
Real Estate	30.9	31.9	0.9
Other	94.6	95.2	0.6
Operating Expenses	526.7	546.1	19.3
Operating Income	195.6	243.6	48.0
Transportation	184.4	230.2	45.8
Merchandise and Other	2.3	3.3	1.0
Real Estate	7.1	7.7	0.6
Other	3.2	1.8	-1.4

\* Figures by segment for operating revenue and operating income are values offsetting and eliminating intersegment transactions

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## II. Performance Forecast for FY 2013.3 and Key Policy Developments

**Katsumi Miyazawa**

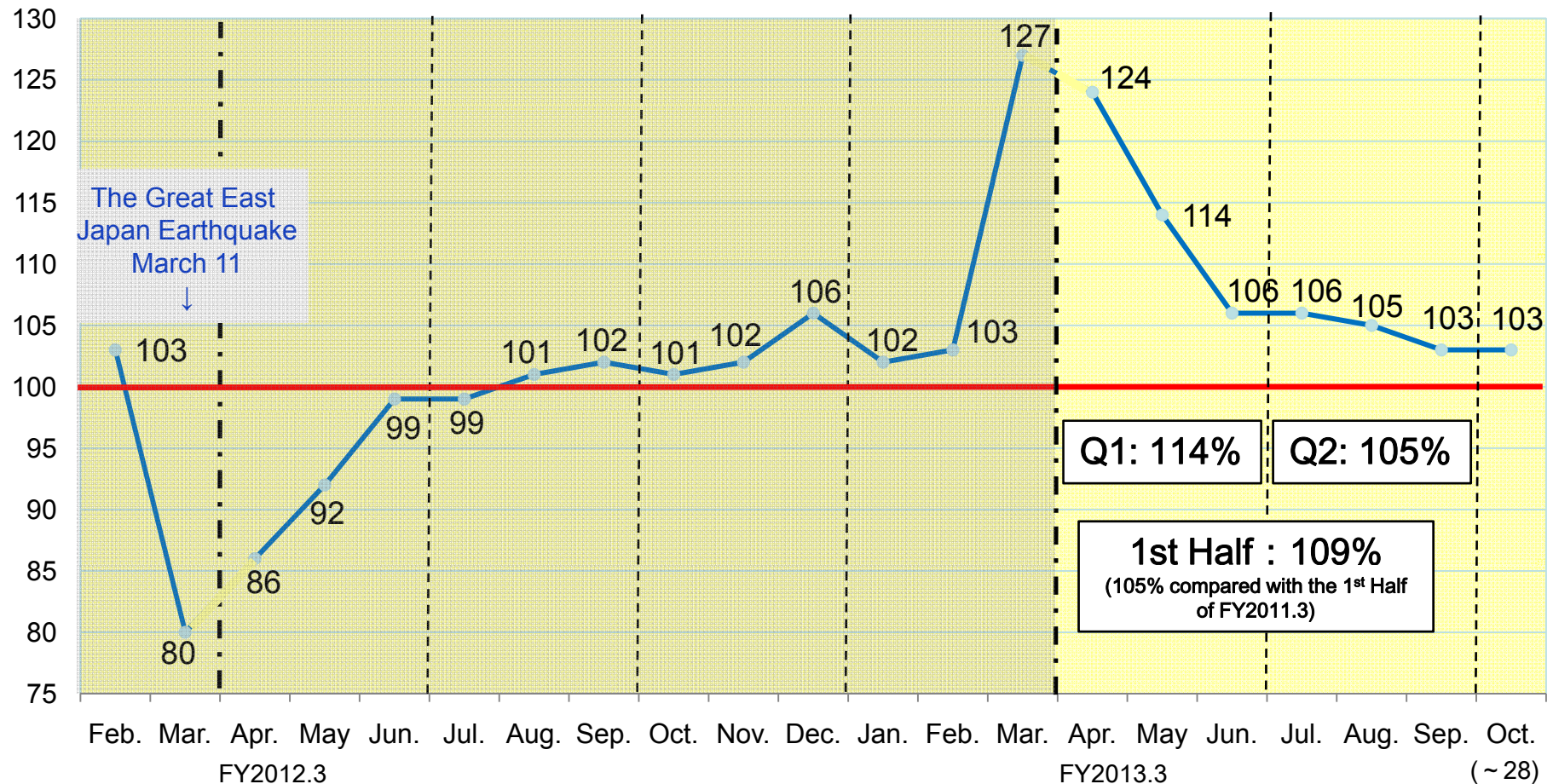
Director, Senior Executive Officer and  
Director General of Corporate Planning Division





# Passenger Volume of the Tokaido Shinkansen (1<sup>st</sup> Half of the FY2013.3)

(%) ◆ Tokaido Shinkansen Cross Sectional Passenger Volume (YoY, Tokyo area, daily average)



- Transportation revenue for the 1st half of FY2013.3 increased by 45.6 billion yen YoY (Our forecast announced in April 2012 predicted an increase of 20.0 billion yen YoY)
- We predict that transportation revenue for the 2<sup>nd</sup> half of FY2013.3 will be at par with the 2<sup>nd</sup> half of FY2012.3. (That is, forecasted transportation revenue for FY2013.3 is 1,153.8 billion yen, which has been revised upward by 25.6 billion yen compared to our previous forecast)

## Revised Performance Forecast for FY2013.3 (Non-Consolidated)

(billion yen)

	FY2013.3 Previous Forecast A	FY2013.3 Revised Forecast B	Change (B-A)
Operating Revenue	1,204.0	1,230.0	26.0
Operating Expenses	847.0	850.0	3.0
Personnel Expenses	172.0	172.0	–
Non-personnel Expenses	420.0	423.0	3.0
–Energy	36.0	37.0	1.0
–Maintenance	196.0	196.0	–
–Others	188.0	190.0	2.0
Tax other than income taxes	33.0	33.0	–
Depreciation and Amortization	222.0	222.0	–
Operating Income	357.0	380.0	23.0
Non-operating Income (Loss)	–96.0	–99.0	–3.0
Ordinary Income	261.0	281.0	20.0
Net income	164.0	177.0	13.0

## Revised Performance Forecast for FY2013.3 (By Segment)

(billion yen)

	FY2013.3 Previous Forecast A	FY2013.3 Revised Forecast B	Change (B-A)
Operating Revenue	1,552.0	1,580.0	28.0
Transportation	1,201.9	1,227.9	26.0
Merchandise and Other	205.5	207.4	1.9
Real Estate	63.7	64.3	0.6
Other	233.2	241.0	7.8
Operating Expenses	1,169.0	1,173.0	4.0
Operating Income	383.0	407.0	24.0
Transportation	354.1	377.1	23.0
Merchandise and Other	6.0	6.2	0.2
Real Estate	12.7	13.0	0.3
Other	9.3	9.1	-0.2
Non-operating Income (Loss)	-98.0	-101.0	-3.0
Ordinary Income	285.0	306.0	21.0
Net income	173.0	187.0	14.0

\* Figures by segment for operating revenue and operating income are values offsetting and eliminating intersegment transactions



# Key Measures

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## ■ Ensuring Safety and Reliable Transportation

- Implementing anti-quake reinforcements in embankments and bridges, countermeasures for derailment and deviation, and enhancements for “earthquake disaster prevention system” (Tokaido Shinkansen)
- Promoting countermeasures for falling rocks, upgrading level-crossing safety devices, and replacing old rolling stock with new rolling stock (Conventional Lines)
- Further developing employee training that focuses on safety and service by utilizing the new “General Training Center”, and working with group companies

## ■ Enhancing the Transportation Service of the Tokaido Shinkansen

- Gradually introducing N700A, thereby replacing the Series 700
- Commercial operation of the Series N700A will start from February 8, 2013



Countermeasures for Derailment and Deviation (Tokaido Shinkansen)



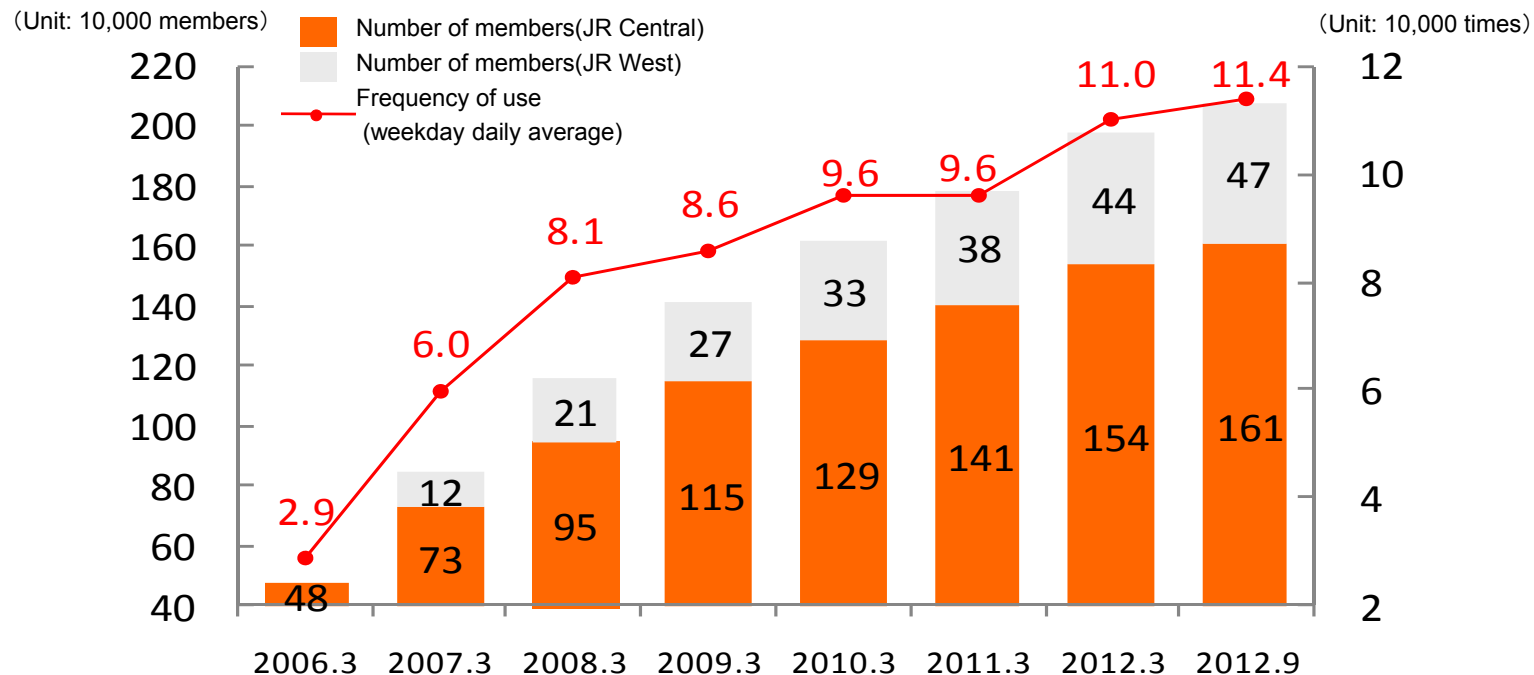
General Training Simulator (General Training Center)

# Key Measures

## ■ Enhancing Marketing Initiatives

- Making efforts to expand the usage of “EX-IC Service” and increase the number of “Express Reservation” members
- “PLUS EX” service was launched on October 9 for the Tokaido Shinkansen
- Enables passengers to use “Express Reservation” service with a credit card on hand (\*)

The Number of Express Reservation Members and Daily Average Usage



(\*) “PLUS EX” is as convenient as “Express Reservations” in terms of reservations, changes and boarding using IC cards, but its annual fee and ticket prices differ.

# Key Measures

## ■ Developing Affiliated Businesses

- Promoting the construction of the Nagoya Station New Building (tentative name) and dismantling of the existing building

[Schedule]

- The groundbreaking ceremony for the new building was held on October 17
- Construction will be completed by and rental offices will be available for use from the end of 2015.
- The department store (Takashimaya) and a hotel will open in the spring of 2016



Rendering of Pedestrian Corridor (2<sup>nd</sup> Floor)



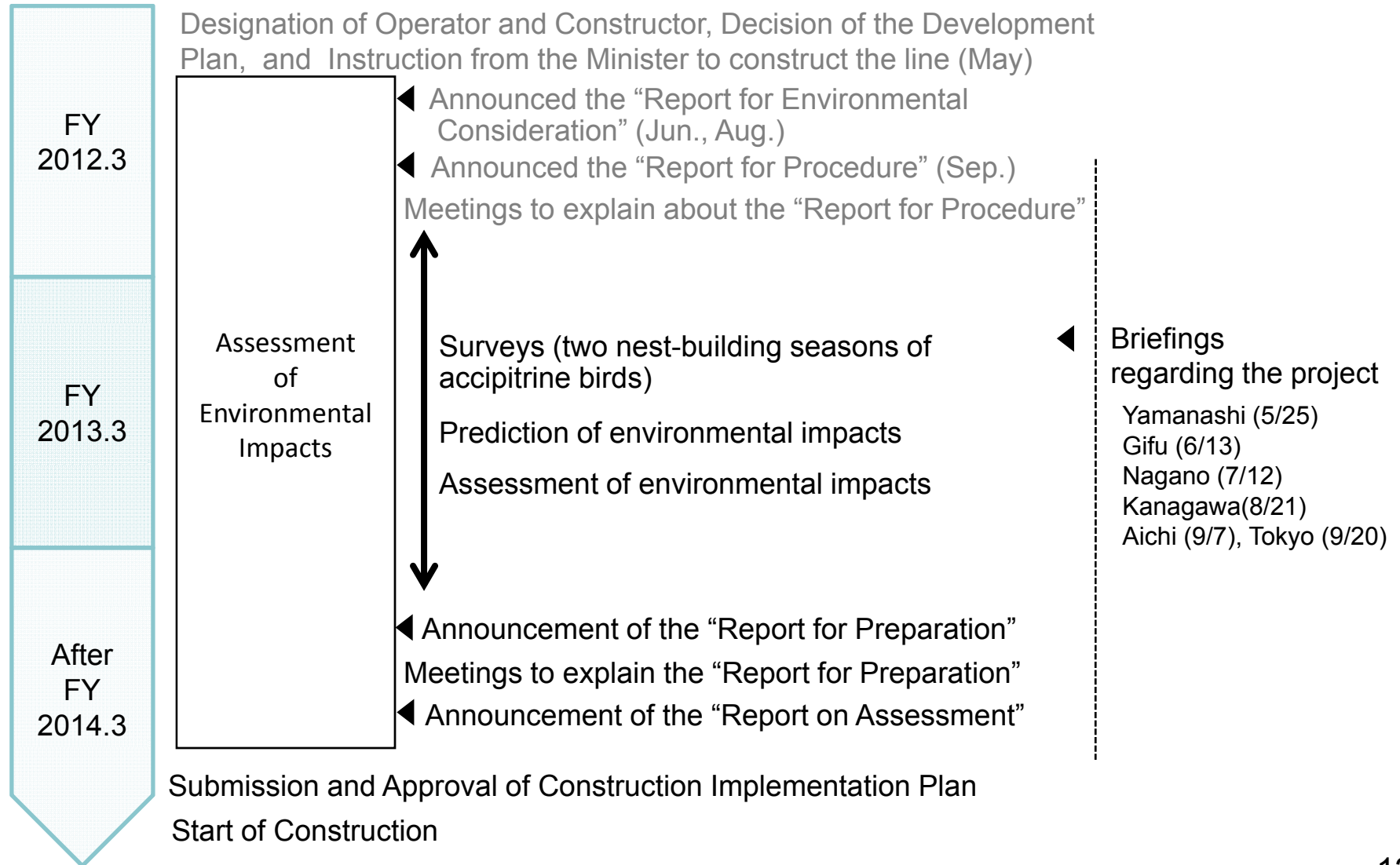
Rendering of "Skystreet" and courtyard (15<sup>th</sup> Floor)



Rendering of Eastern Exterior

# Promoting the Chuo Shinkansen Project

## ■ Progress of the project





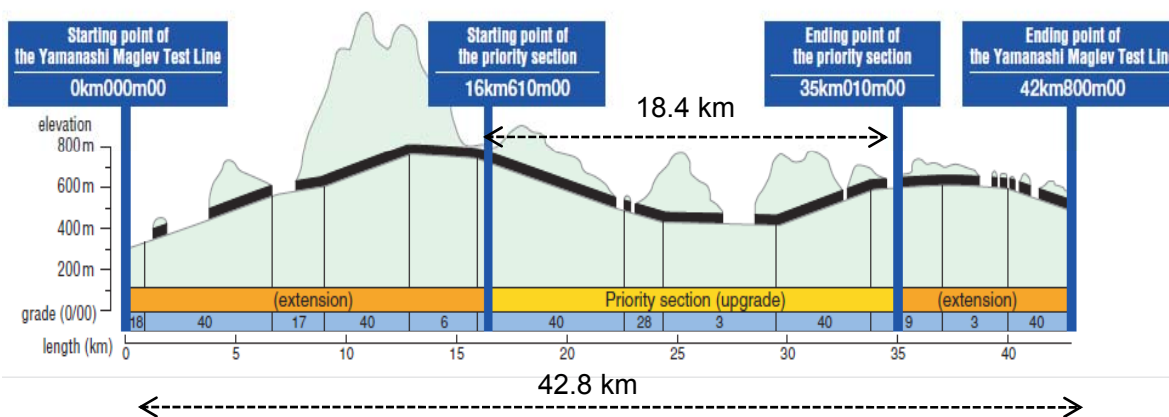
# Promoting the Chuo Shinkansen Project

## ■ Improvements in Superconducting Maglev Technology

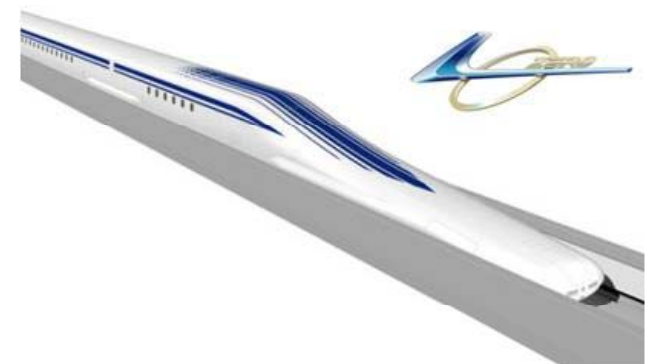
- Making efforts to improve Superconducting Maglev technology and reduce costs for construction, operation, and maintenance
- Proceeding with construction to extend the length of the Yamanashi Maglev Test Line to 42.8 km and upgrade its facilities in full scale to start running tests by the end of 2013
- Manufacturing a new vehicle, the Series L0 (L zero)



Yamanashi Maglev Test Line  
Construction Site at the Akiyama region, Uenohara City



Yamanashi Maglev Test Line



New Vehicle Series L0 (L zero)

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Central Japan Railway Company  
October 30, 2012



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In this documentation, forward-looking statements, such as those regarding business plans, strategies, and financial forecasts, are based on assumptions that reflect information available at the time of writing. The accuracy of such statements, therefore, is inherently uncertain because it is affected by future macroeconomic trends and business environment developments, notably, consumption trends, competitive challenges, and changes in relevant laws and legal provisions.