

Semi-Annual Investors Meeting FY2016.3 (Fiscal Year Ending March 31, 2016)

I. Financial Results for 1st Half of FY2016.3

Tatsuhiko Yamada

General Manager of Finance Department



Central Japan Railway Company

October 29, 2015 1

Summary of Financial Results for 1st Half of FY2016.3 (Consolidated)

(Billions of Yen)

	1 st Half of FY2015.3 (Apr-Sep) Results A	1 st Half of FY2016.3 (Apr-Sep) Results B	Change (B-A)
Operating Revenues	817.2	860.2	+ 43.0
Operating Expenses	538.3	536.2	- 2.0
Operating Income	278.9	324.0	+ 45.0
Non-operating Income (Loss)	- 33.7	- 31.1	+ 2.6
Ordinary Income	245.1	292.9	+ 47.7
Net Income Attributable to Owners of the Parent	167.0	195.7	+ 28.6

Long-term debt and payables at the end of 1st half of FY2016.3 :
2,149.9 billion yen (-0.5 billion yen compared to the end of FY2015.3)

Summary of Financial Results for 1st Half of FY2016.3 (By Segment)

(Billions of Yen)

	1 st Half of FY2015.3 (Apr-Sep) Results A	1 st Half of FY2016.3 (Apr-Sep) Results B	Change (B-A)
Operating Revenues	817.2	860.2	+ 43.0
Transportation	644.0	678.4	+ 34.4
Merchandise and Other	112.8	116.9	+ 4.0
Real Estate	32.9	32.8	- 0.1
Other	96.1	101.3	+ 5.1
Operating Expenses	538.3	536.2	- 2.0
Operating Income (Loss)	278.9	324.0	+ 45.0
Transportation	263.1	312.3	+ 49.2
Merchandise and Other	4.0	4.1	+ 0.0
Real Estate	8.5	7.5	- 0.9
Other	2.4	- 0.3	- 2.8

* Figures by segment for operating revenues and operating income are values without offsetting and eliminating intersegment transactions.

* Total values of segment for operating revenues and operating income are not equal to Operating Revenues and Operating Income (Loss) indicated above. 3

Summary of Financial Results for 1st Half of FY2016.3 (Non-Consolidated)

(Billions of Yen)

	1st Half of FY2015.3 (Apr-Sep) Results A	1st Half of FY2016.3 (Apr-Sep) Results B	Change (B-A)
Operating Revenues (Transportation Revenues)	644.5 (613.7)	678.5 (647.9)	+ 34.0 (+ 34.2)
Operating Expenses	379.6	365.8	- 13.7
Personnel Expenses	87.7	89.6	+ 1.8
Non-personnel Expenses	151.3	148.6	- 2.6
Energy	22.8	21.7	- 1.1
Maintenance	44.7	41.0	- 3.7
Others	83.7	85.9	+ 2.1
Tax other than income taxes	16.2	17.4	+ 1.1
Depreciation & Amortization	124.2	110.1	- 14.1
Operating Income	264.8	312.6	+ 47.8
Ordinary Income	231.3	281.7	+ 50.3
Net Income	161.7	193.1	+ 31.4

Semi-Annual Investors Meeting FY2016.3 (Fiscal Year Ending March 31, 2016)

II. Performance Forecast for FY2016.3 and Key Policy Developments



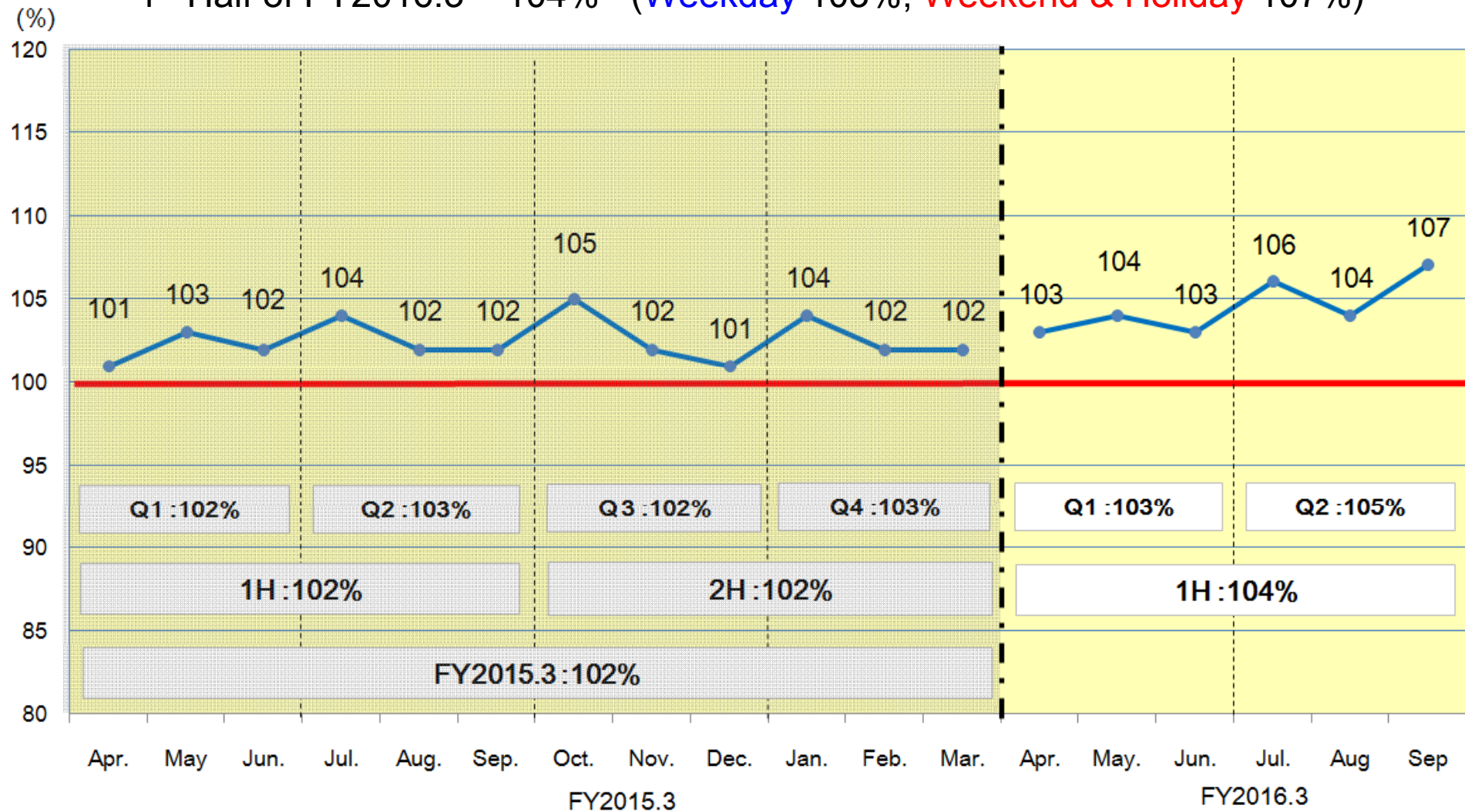
Katsumi Miyazawa

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

Tokaido Shinkansen Passenger Volume (Tokyo Area)

(Ratios compared to the previous year)

1st Half of FY2016.3 104% (Weekday 103%, Weekend & Holiday 107%)



Revised Performance Forecast for FY2016.3 (Non-Consolidated)

(Billions of Yen)

	FY2016.3 Previous Forecast (A)	FY2016.3 Revised Forecast (B)	Change (B-A)
Operating Revenues (Transportation Revenues)	1,307.0 (1,243.2)	1,341.0 (1,277.4)	+ 34.0 (+ 34.2)
Operating Expenses	820.0	816.0	- 4.0
Personnel Expenses	180.0	180.0	-
Non-personnel Expenses	374.0	372.0	- 2.0
Energy	45.0	43.0	- 2.0
Maintenance	141.0	140.0	- 1.0
Others	188.0	189.0	+ 1.0
Tax other than income taxes	36.0	36.0	-
Depreciation & Amortization	230.0	228.0	- 2.0
Operating Income	487.0	525.0	+ 38.0
Non-Operating Income (Loss)	- 69.0	- 69.0	-
Ordinary Income	418.0	456.0	+ 38.0
Net Income	288.0	314.0	+ 26.0

Revised Performance Forecast for FY2016.3 (By Segment)

	FY2016.3 Previous Forecast (A)	FY2016.3 Revised Forecast (B)	Change (B-A)
Operating Revenues	1,674.0	1,715.0	+ 41.0
Transportation	1,307.0	1,341.1	+ 34.1
Merchandise and Other	232.4	236.2	+ 3.8
Real Estate	65.1	65.5	+ 0.4
Other	231.7	238.5	+ 6.8
Operating Expenses	1,159.0	1,170.0	+ 11.0
Operating Income (Loss)	515.0	545.0	+ 30.0
Transportation	484.9	523.1	+ 38.2
Merchandise and Other	7.6	8.5	+ 0.9
Real Estate	15.0	15.4	+ 0.4
Other	6.3	- 2.0	- 8.3
Non-Operating Income (Loss)	- 70.0	- 70.0	-
Ordinary Income	445.0	475.0	+ 30.0
Net Income Attributable to Owners of the Parent	303.0	321.0	+ 18.0

(Billions of Yen)

Estimated Reduction in Long-term Debt and Payables
(Billions of Yen)

FY2016.3	
Amount at the end of FY2016.3	Annual Reduction
Consolidated	
1,996.5	- 154.0
Non-Consolidated	
1,966.3	- 170.0

* Figures by segment for operating revenues and operating income are values without offsetting and eliminating intersegment transactions.

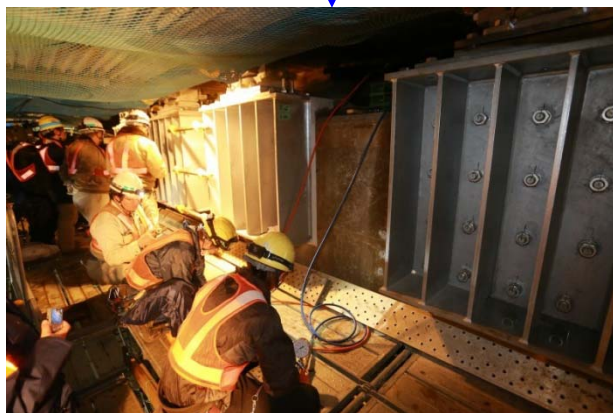
* Total values of segment for operating revenues and operating income are not equal to Operating Revenues and Operating Income (Loss) indicated above. 8

Key Measures on FY2016.3

	FY2014.3	FY2015.3	FY2016.3	FY2017.3	FY2018.3	
<u>Ensuring Safe and Reliable Transportation</u>	Large-scale renovation for the Tokaido Shinkansen					
	Countermeasures for disasters, such as earthquakes, etc. (Tokaido Shinkansen: Countermeasures to derailment/deviation, Hamamatsu Workshop renovation) (Conventional lines: Enhancement of earthquake safety of the elevated track columns, etc., renovation and anti-quake reinforcement of station buildings, etc.)					
<u>Enhancing Transportation Service</u>	Introduction of N700A Shinkansen Trains (31 trainsets)			Introduction of N700A Shinkansen Trains (20 trainsets)		
	Modification of Series N700 Shinkansen Trains (80 trainsets)			☆ August 2015 Completion of the renovation construction for Series N700		
(Shinkansen and Conventional Lines)	"10 Nozomi Timetable" started (since March 2014)					
	Increased maximum speed of 285km/h for the Tokaido Shinkansen (since March 2015)					
	Introduction of new diesel railcars			☆ August 2015 Introduction of new diesel railcars to the Kisei and Sangu Lines		
<u>Enhancing Sales and Marketing</u>	Promotion of sales and marketing to increase revenues (Various campaigns utilizing permanent tourism resources, such as Kyoto and Nara, etc.)					
	☆ Enhancement of tourist products for Express Reservation and 50+ members and deploying excursion packages					
<u>Chuo Shinkansen Project (Maglev)</u>	Promotion of the Chuo Shinkansen Project using the Superconducting Maglev System					
	October 2014 Approval for the Construction Implementation Plan (Part 1) ☆		☆ August 2015 Concluded an agreement for full-scale construction work, which is the first in the entire line (the Southern Alps Tunnel (Yamanashi Construction Section))			
<u>Developing Affiliated Businesses</u>	Promotion of the "JR Gate Tower" project at Nagoya Station					
	Winter of FY2016.3 Completion of Framework ☆			November 2016 Start of occupancy of offices ☆		
<u>Pursuit of Overseas Projects</u>	Marketing activities, etc. with the aim of establishing projects targeting certain lines					
	☆ April 2014 International High-Speed Rail Association (IHRA) is established ☆ April 2014 Technical Consulting Agreement with Taiwan High Speed Rail					

Key Measures on FY2016.3

	FY2014.3	FY2015.3	FY2016.3	FY2017.3	FY2018.3
<u>Ensuring Safe and Reliable Transportation</u>	Large-scale renovation for the Tokaido Shinkansen				
	Countermeasures for disasters, such as earthquakes, etc. (Tokaido Shinkansen: Countermeasures to derailment/deviation, Hamamatsu Workshop renovation) (Conventional lines: Enhancement of earthquake safety of the elevated track columns, etc., renovation and anti-quake reinforcement of station buildings, etc.)				
<u>Enhancing Transportation Service</u>	Introduction of N700A Shinkansen Trains (31 trainsets)			Introduction of N700A Shinkansen Trains (20 trainsets)	
	Modification of Series N700 Shinkansen Trains (80 trainsets)			Modification of Series N700/ N700A Shinkansen Trains (111 sets)	
(Shinkansen and Conventional Lines)	"10 Nozomi Timetable" started (since March 2014)				
	Increased maximum speed of 285km/h for the Tokaido Shinkansen (since March 2015)				
	Introduction of new diesel railcars			Introduction of new diesel railcars to the Kisei and Sangu Lines	



Large-scale renovation (Steel bridge/ Replacement of shoe)



Introduction of N700A Shinkansen Trains



Modification of Series N700 Shinkansen Trains

Key Measures on FY2016.3

	FY2014.3	FY2015.3	FY2016.3	FY2017.3	FY2018.3
<u>Enhancing Sales and Marketing</u>	Promotion of sales and marketing to increase revenues (Various campaigns utilizing permanent tourism resources, such as Kyoto and Nara, etc.)				
			☆ Enhancement of tourist products for Express Reservation and 50+ members and deploying excursion packages		
<u>Chuo Shinkansen Project (Maglev)</u>	Promotion of the Chuo Shinkansen Project using the Superconducting Maglev System				
	October 2014 Approval for the Construction Implementation Plan (Part 1) ☆		☆ August 2015 Concluded an agreement for full-scale construction work, which is the first in the entire line (the Southern Alps Tunnel (Yamanashi Construction Section))		
		☆ December 2014 Started Shinagawa/Nagoya Station preparation construction			
<u>Developing Affiliated Businesses</u>	Promotion of the “JR Gate Tower” project at Nagoya Station				
		Winter of FY2016.3 Completion of Framework ☆	November 2016 Start of occupancy of offices ☆		☆ April 2017 Inauguration of commercial facilities/hotel
<u>Pursuit of Overseas Projects</u>	Marketing activities, etc. with the aim of establishing projects targeting certain lines				
		☆ April 2014 International High-Speed Rail Association (IHRA) is established	☆ April 2014 Technical Consulting Agreement with Taiwan High Speed Rail		



Kyoto Campaign



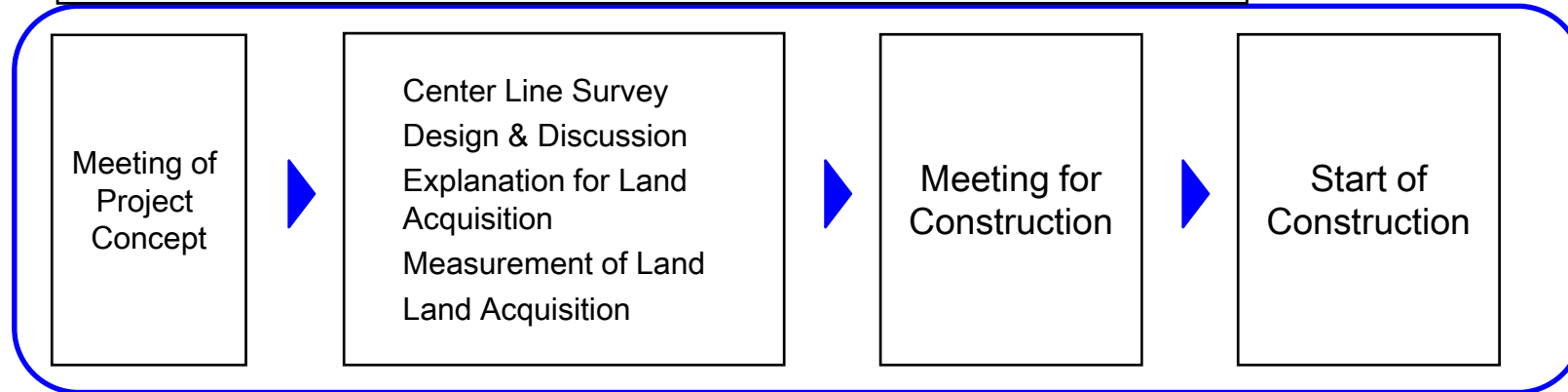
A poster introducing “Express Reservation” and “PLUS EX”



Construction of “JR Gate Tower”
(as of September 29, 2015)

Promoting the Chuo Shinkansen Project

From Approval of the Plan to Start of Construction



FY
2015.3

- ◀ Submitted the Construction Implementation Plan (Part 1) (August 2014), Approved (October 2014)
- ◀ Held Meetings of Project Concept (October 2014 -)
- ◀ Started preparatory construction in the company-owned land at Shinagawa Station and Nagoya Station (December 2014)
- ◀ Started center line surveys (March 2015 -)

FY
2016.3

- ◀ Held Meetings for Land Acquisition (June 2015 -)
- ◀ Concluded agreements for full-scale construction (August 2015 -)
- ◀ Held Meetings for Construction (October 2015 -)

Promote construction with the emphasis on "Construction safety", "Environmental preservation", and "Coordination with regions"

Refining Superconducting Maglev Technology and Reducing Costs

- ◆ Continuously making efforts to improve Superconducting Maglev technology and to reduce costs.
 - On April 14, 2015, recorded the maximum daily running distance of 4,064 km.
 - On April 21, 2015, recorded the highest speed of 603 km/h for trains, breaking its own world record.
- ◆ Continuously holding "Superconducting Maglev Test Rides" since FY2015.3.



Recorded the highest speed of 603 km/h



"Superconducting Maglev Test Ride"

Semi-Annual Investors Meeting

FY2016.3 (Fiscal Year Ending March 31, 2016)



Central Japan Railway Company
October 29, 2015

Business plans and financial forecasts in this documentation are based on information that we can obtain at the time of writing. The accuracy of such statements, therefore, incorporates risks and uncertainties. Latent risks and uncertainties include macroeconomic trends and business environments, consumption trends, competitive situations between other companies and JR-Central/JR-Central's subsidiaries, and changes in relevant laws and legal provisions.