

I . Management Policy and Future Expectations of Key Issues

Koei Tsuge

President and Representative Director

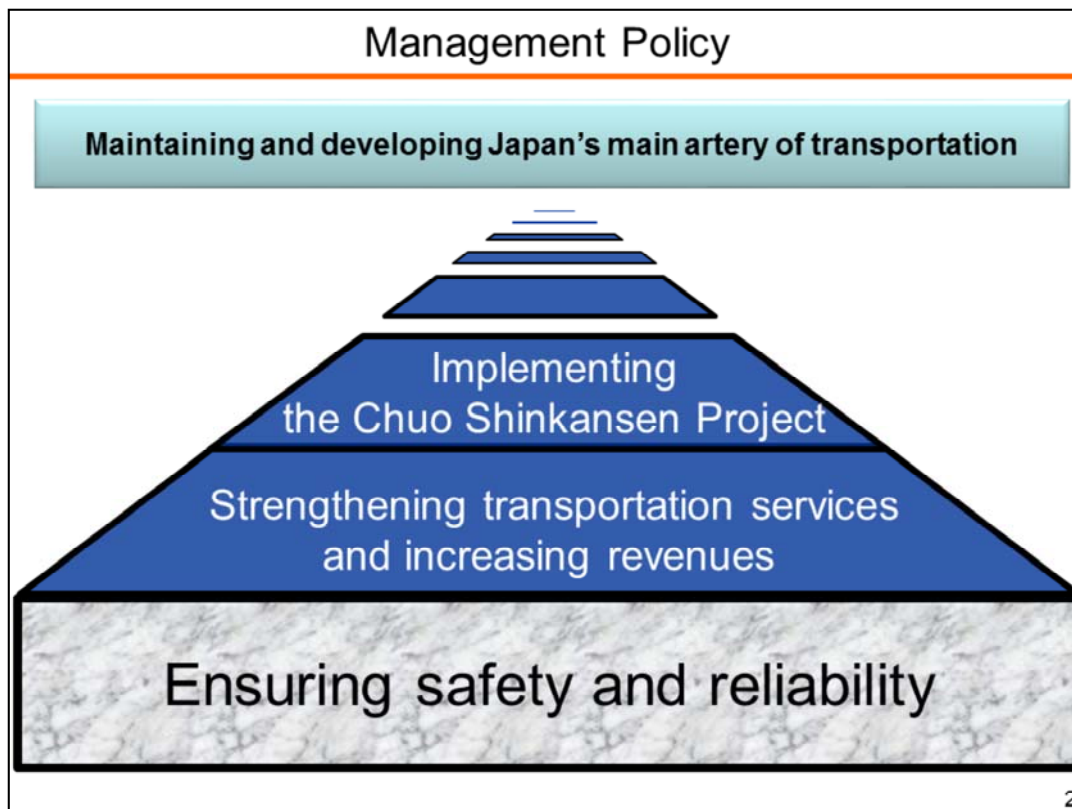


Central Japan Railway Company

April 28, 2016

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○ I am Koei Tsuge, the President of Central Japan Railway Company. Let me briefly touch on our management policy before outlining our current stance on key issues, and future expectations.



[Management policy]

○ The social mission of our company is to provide Japan's main artery of transportation, and to maintain and develop this into the future. To achieve this mission, I hope to lead the company from three main perspectives.

○ Those three perspectives are "Ensuring safety and reliability," "Strengthening transportation services and increasing revenues" and "Implementing the Chuo Shinkansen Project." I believe it is important as the manager to ensure these perspectives are implemented at the same time and in a thorough manner in order to fulfill our mission today, tomorrow, and well into the future.

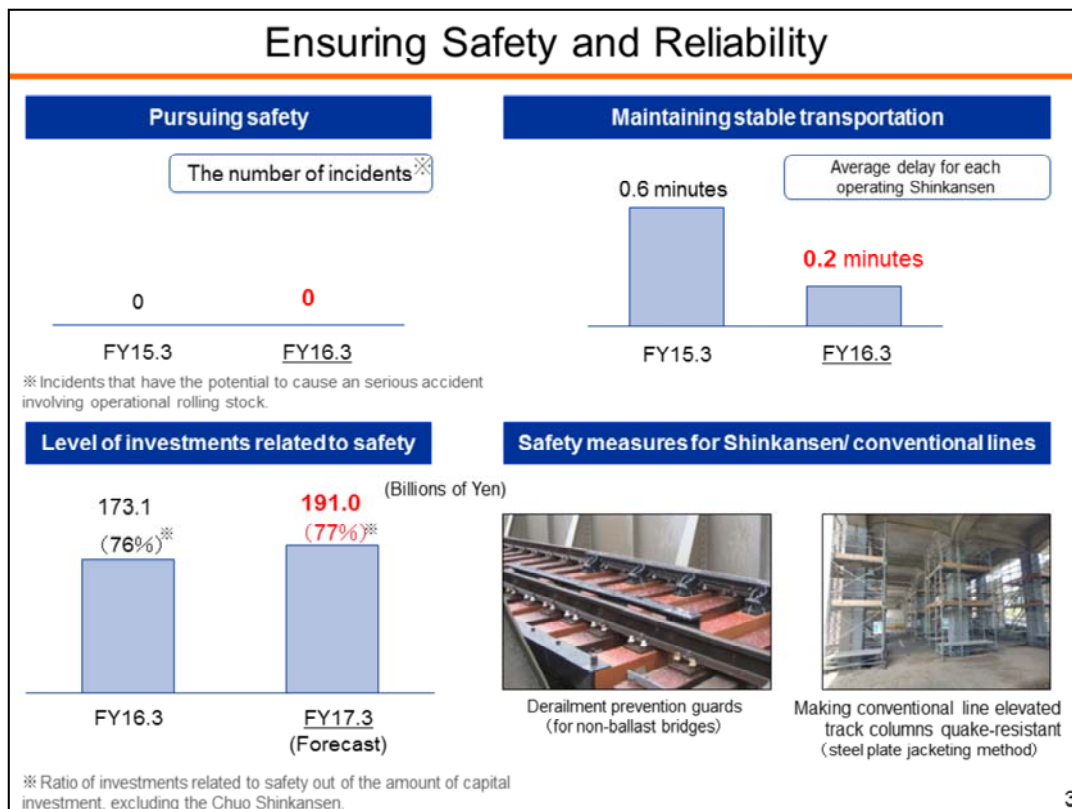
○ "Ensuring safety and reliability" is the first and foremost step that forms the foundation of all of our businesses. For more than half a century, the Tokaido Shinkansen has been operating with an exceptional level of safety with zero accidents involving fatal injuries. Maintaining such a high level of safety, and working on improving it further, is the core responsibility of our company's management for operating the railway business. If this begins to fail, the business itself becomes difficult to operate.

○ "Strengthening transportation services and increasing revenues" is the next step after this. This means developing today's main artery of transportation in the best condition possible. It also forms the source of management capabilities required for steadily implementing the Chuo Shinkansen Project that is currently underway, so the entire group will need to work together to improve the overall capabilities.

○ And finally is the "Chuo Shinkansen Project" that our company is constructing as part of its mission that will extend well into the future.

○ In other words, all of these three perspectives are directly related to the missions that our company is involved in. JR Central is making steady progress with business in order to cover these three perspectives at the same time.

○ These are the key points of the management policy that I am overseeing as the President.



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[Ensuring safety and reliability]

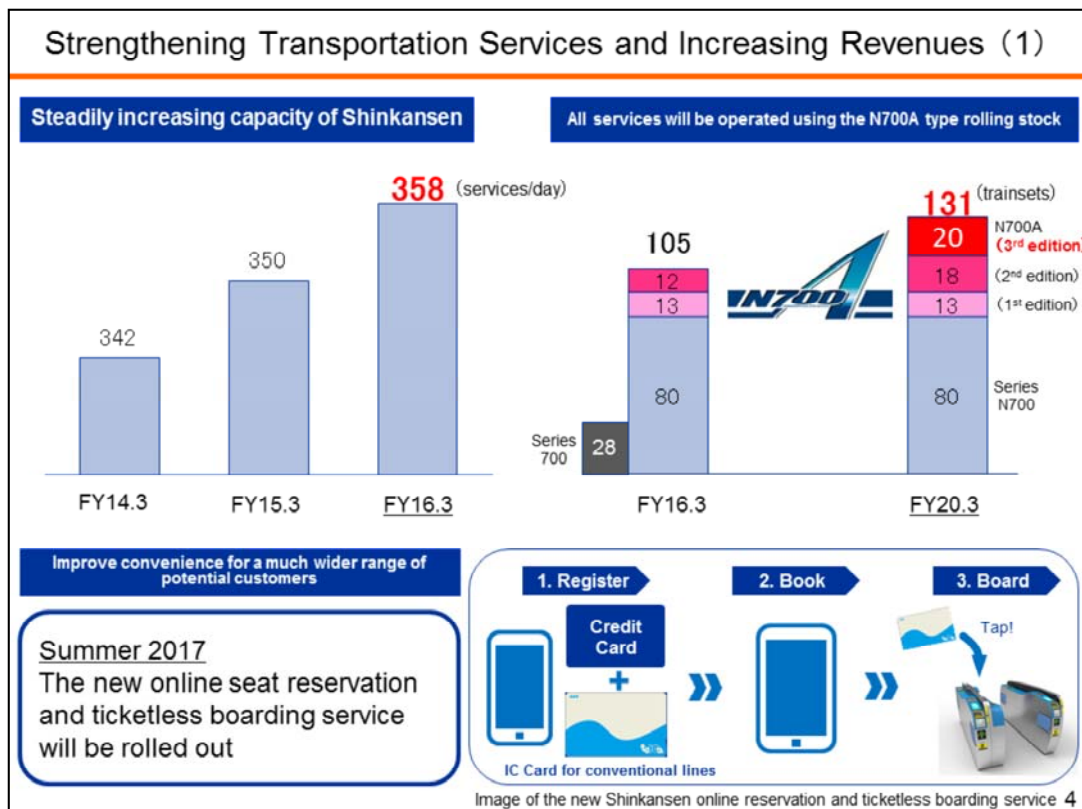
- I would now like to look back on the current state of the three perspectives that I just talked about, and also outline our future expectations.

- First though, let me explain “Ensuring safety and reliability” in more detail.

- Last year and the year before that, there were zero events that could be classified as incidents. The annual average delay in minutes for each operating Shinkansen was 0.2 minutes for last fiscal year. Ensuring safety and reliability will remain the top priority to focus on into the future.

- Investments related to safety are also being kept at a high level. The reason for this is the measures that are currently being implemented should be completed before the main construction phase of the Chuo Shinkansen in the future. For example, plans for countermeasures to derailment/deviation for the Shinkansen along sections that could result in major damage if derailment occurred that began in FY2009 will be approximately 70% completed by the end of this fiscal year, with the remainder expected to be completed by the end of FY2019.

- Even for conventional lines, work is progressing on seismic strengthening of elevated track columns and stations, and other earthquake countermeasures, with measures also being steadily implemented to protect against falling stones, heavy rain, and other disasters.



[Strengthening transportation services and increasing revenues (1)]

- Next I would like to talk about the second area that we are focusing on, that of “Strengthening transportation services and increasing revenues.”
- This slide shows how we are “strengthening transportation services.”
- The average number of Shinkansen services operating has been increased by some 2% year-on-year. With the current “10 Nozomi timetable,” we are able to operate up to 10 Nozomi services in both directions almost every hour.
- For example, we are planning to operate Shinkansen services at a rate of 105% year-on-year from today (April 28) through to Golden Week on May 8, and current reservations look positive at 107% year-on-year.
- In this way, we will be able to increase the number of Nozomi services operating on days or time periods where there is greater demand, and continue taking a flexible approach to timetables.
- Rolling stock is also steadily being upgraded. The N700A will continue to be rolled out, and by the end of FY2019, all services will be operated using the N700A type capable of speeds of 285 km/h.
- To make using the Shinkansen even more convenient, the new online seat reservation and ticketless boarding service will be rolled out from next summer. Introducing this service is considered a way to improve convenience for a much wider range of potential customers, such as those who are not normally used to using the Shinkansen, as well as inbound tourists.

Strengthening Transportation Services and Increasing Revenues (2)

Completing "JR Gate Tower" project

December 2008

Announced the "Basic concept for town development"

May 2010

Announced the development plan

December 2010

Started demolition work for former "Nagoya Terminal Building"

October 2012

Started construction work for "JR Gate Tower"

8 years since the "Basic concept" was announced

November 2016

Office tenants will start moving in

April 2017

Grand opening



"JR Gate Tower" appearance
(photo taken April 2016)



Image of "Takashimaya Gate Tower Mall"

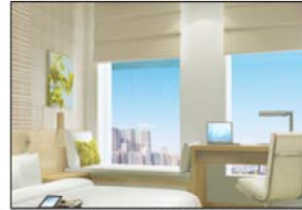


Image of "Nagoya JR Gate Tower Hotel"

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[Strengthening transportation services and increasing revenues (2)]

○ I would like to show you another slide to better explain how we are "increasing revenues."

○ The "JR Gate Tower" project that we have been working on for many years will finally reach the final phase this fiscal year.

○ It has been eight years since the "Basic concept" was announced, and the first office tenants will begin moving in November this year.

○ Other services including commercial facilities and the hotel will be open for business in April next year.

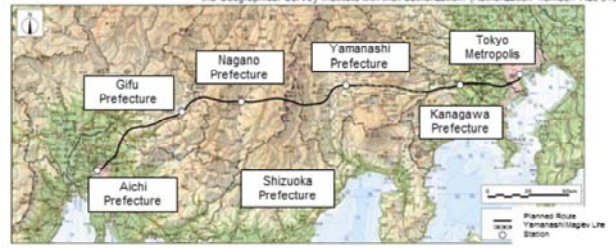
○ We will continue to make all necessary preparations to complete the plans.

Implementing the Chuo Shinkansen Project

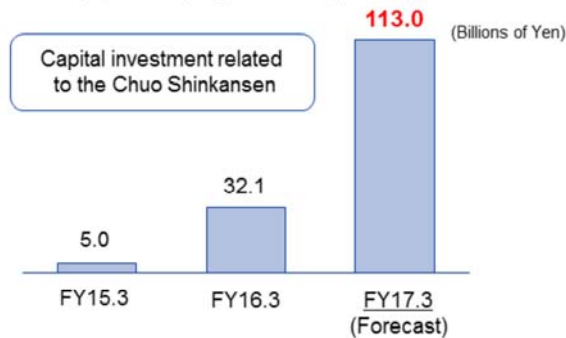
Steadily promoting full-scale construction



Construction of Southern Alps Tunnel (Yamanashi section)
Praying for safety at groundbreaking ceremony



Route of the Chuo Shinkansen (Between Tokyo and the City of Nagoya)



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[Implementing the Chuo Shinkansen Project]

○ Next is the third area of discussion, and I would like to provide you with an update on the Chuo Shinkansen Project.

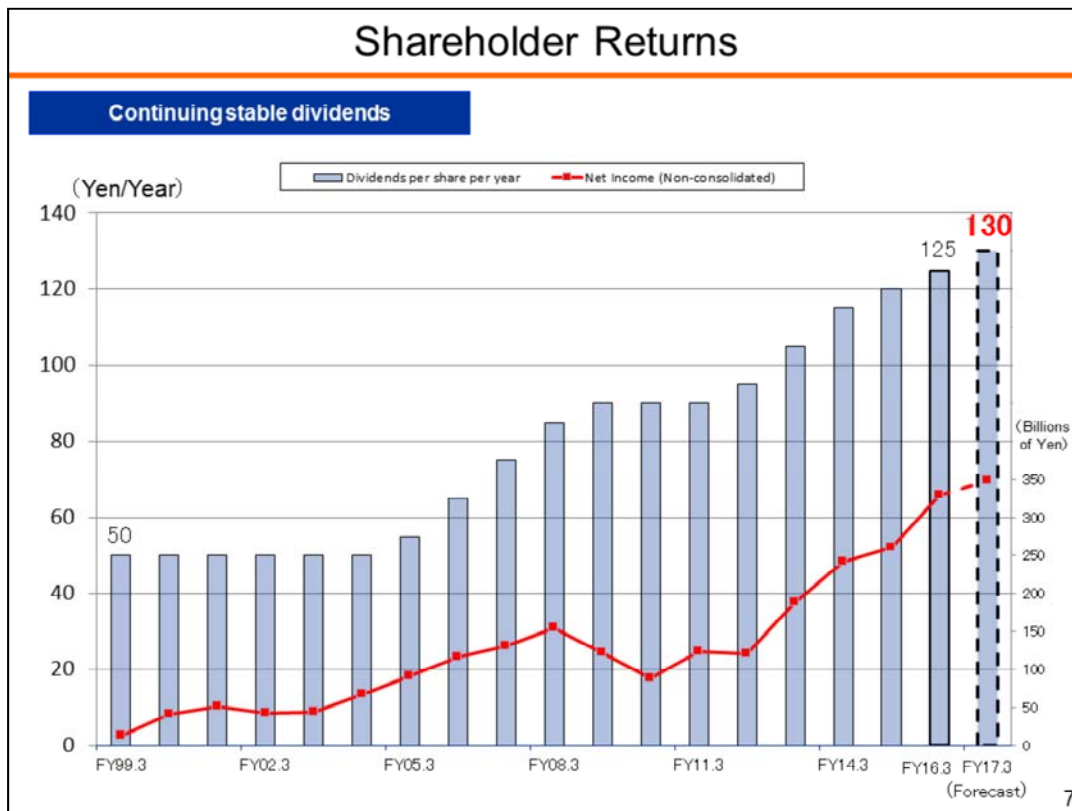
○ Last fiscal year we moved ahead with the construction contracts, and now we are also making steady progress for starting full-scale construction of the Southern Alps Tunnel (Yamanashi section) and Shinagawa Station (North and South construction sections) by praying for safety at groundbreaking ceremonies.

○ Capital investment for the Chuo Shinkansen was 32.1 billion yen against the 93 billion yen planned, due to the fact that construction has just started, as well as carefully planning briefings for local impacted communities about land acquisition and construction. Some contracts for full-scale construction are gradually being finalized, and negotiations for other sections in each area are still underway, but we believe that full-scale construction will begin sooner or later.

○ Capital investment related to the Chuo Shinkansen in FY2016 is planned to be 113 billion yen as we already announced.

○ The Chuo Shinkansen Project will be running for a long-term into the future. Moving forward, we will maintain a sound management and stable dividends, while also ensuring the utmost “safe construction” as well as keeping a focus on “environmental preservation” and “coordination with towns and cities” so that we can steadily progress with the project in a flexible manner.

○ So, to recap, the three perspectives are “Ensuring safety and reliability,” “Strengthening transportation services and increasing revenues” and “Implementing the Chuo Shinkansen Project.” JR Central will continue making steady progress with business in order to cover these three perspectives at the same time.



[Shareholder returns]

○ Finally I will touch briefly on shareholder returns.

○ We will increase year-end dividends for FY2015 by 5 yen over the forecast 60 yen dividend announced in January this year, to the 65 yen per share that will be proposed at the general shareholders' meeting. This is mainly due to positive trends for both business and tourism volume.

○ The interim and year-end dividends forecast for FY2016 are planned at 65 yen per share, respectively.

○ Thank you for listening today.

II. Financial Results for FY2016.3

Tatsuhiko Yamada

General Manager of Finance Department



Central Japan Railway Company

April 28, 2016

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Summary of Financial Results for FY2016.3 (Consolidated)

(Billions of Yen)

	FY2015.3 Results A	FY2016.3 Results B	Changes (B-A)
Operating Revenues	1,672.2	1,738.4	+66.1
Operating Expenses	1,165.6	1,159.7	-5.9
Operating Income	506.5	578.6	+72.0
Non-operating Income (Loss)	-78.4	-67.2	+11.2
Ordinary Income	428.1	511.4	+83.3
Net Income Attributable to Owners of the Parent	264.1	337.4	+73.3

- Long-term debts and payables at the end of FY2016.3

Consolidated: 1,945.0 billion yen, Annual reduction: -205.4 billion yen

(Non-consolidated: 1,915.6 billion yen, Annual reduction: -220.6 billion yen)

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[Summary of financial results (consolidated)]

○ My name is Tatsuhiko Yamada, General Manager of the Finance Department. Today I will be talking about our financial results for the fiscal year ending March 31, 2016.

○ First up is an overview of the consolidated financial results.

○ Our transportation revenue increased by 51.4 billion yen year-on-year due to ongoing positive growth in both our business and tourism transportation uses. Revenues also increased with other group companies, with overall consolidated operating revenues increasing by 66.1 billion yen year-on-year.

○ Operating expenses decreased by 5.9 billion yen across the entire group due to factors such as a drop in the amount of depreciation and amortization at JR Central, despite expenses increasing at NIPPON SHARYO and other group companies.

○ The decline in the amount of interests, etc., improved non-operating costs by 11.2 billion yen year-on-year.

○ Consequently, these financial results deliver an increase for all operating income, ordinary income and net income for parent company shareholders.

○ The amount of long-term debts was reduced by 205.4 billion yen, which exceeded targets. As a result, the balance at the end of the year was 1,945 billion yen, just under 2,000 billion yen.

Summary of Financial Results for FY2016.3 (Consolidated / by segment)

(Billions of Yen)

	FY2015.3 Results A	FY2016.3 Results B	Changes (B-A)
Operating Revenues	1,672.2	1,738.4	+66.1
Transportation	1,305.6	1,358.1	+52.4
Merchandise and Other	233.8	239.6	+5.8
Real Estate	66.5	66.0	-0.4
Other	238.9	243.0	+4.0
Operating Expenses	1,165.6	1,159.7	-5.9
Operating Income (Loss)	506.5	578.6	+72.0
Transportation	472.0	556.8	+84.8
Merchandise and Other	8.9	8.7	-0.1
Real Estate	16.6	15.6	-0.9
Other	8.2	-1.7	-10.0

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

* Total values of segment for operating revenue and operating income are not equal to Operating Revenue and Operating Income indicated above.

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[Summary of financial results (consolidated/by segment)]

- Next, let me explain year-on-year fluctuations of figures for each of our business segments.
- The transportation segment experienced increased revenues and income due to factors such as the increase in JR Central's transportation revenues.
- Income in the "merchandise and other" segment reduced due to the increases in expenses such as for JR-CENTRAL PASSENGERS, despite the greater revenue from increased sales at JR Tokai Takashimaya and Tokai Kiosk.
- The real estate segment suffered reduced revenues and income as a result of a decline in the sales revenues of JR Tokai Real Estate.
- "Other" business segment experienced increased revenues but a drop in income due to factors such as increased sales by NIPPON SHARYO, as well as increased operating expenses related to rolling stock projects for the U.S.

Summary of Financial Results for FY2016.3 (Non-consolidated)

(Billions of Yen)

	FY2015.3 Results A	FY2016.3 Results B	Changes (B-A)
Operating Revenues (Transportation Revenues)	1,306.6 (1,243.2)	1,357.9 (1,294.7)	+51.3 (+51.4)
Operating Expenses	831.1	800.3	-30.8
Personnel Expenses	177.4	179.4	+2.0
Non-personnel Expenses	365.1	358.3	-6.8
Energy	45.0	40.5	-4.4
Maintenance	136.6	131.9	-4.7
Others	183.4	185.7	+2.3
Taxes other than Income Taxes	32.7	35.3	+2.6
Depreciation & Amortization	255.8	227.0	-28.7
Operating Income	475.4	557.6	+82.2
Ordinary Income	397.7	490.5	+92.8
Net Income	260.2	328.6	+68.3

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[Summary of financial results (non-consolidated)]

- Now is an explanation of the non-consolidated financial results of JR Central.
- First, our operating revenues rose by 51.3 billion yen year-on-year as a result of the 51.4 billion yen year-on-year increase in transportation revenues.
- Next let me talk about operating expenses.
- Personnel expenses increased by 2 billion yen year-on-year due to factors such as increasing base wages.
- While there was an increase in other expenses, non-personnel expenses reduced by 6.8 billion yen year-on-year due to a drop in energy costs and maintenance costs.
- Taxes other than income taxes rose by 2.6 billion yen year-on-year due to increases such as the enterprise taxes.
- Depreciation and amortization expenses declined by 28.7 billion yen year-on-year due to factors such as the reduction of depreciation associated with the Yamanashi Maglev Line as well as rolling stock and ground facilities.
- As a result, operating income increased by 82.2 billion yen year-on-year, ordinary income increased by 92.8 billion yen year-on-year, and net income increased by 68.3 billion yen year-on-year.
- Thank you for listening today.

III. Performance Forecast for FY 2017.3 and Key Measures

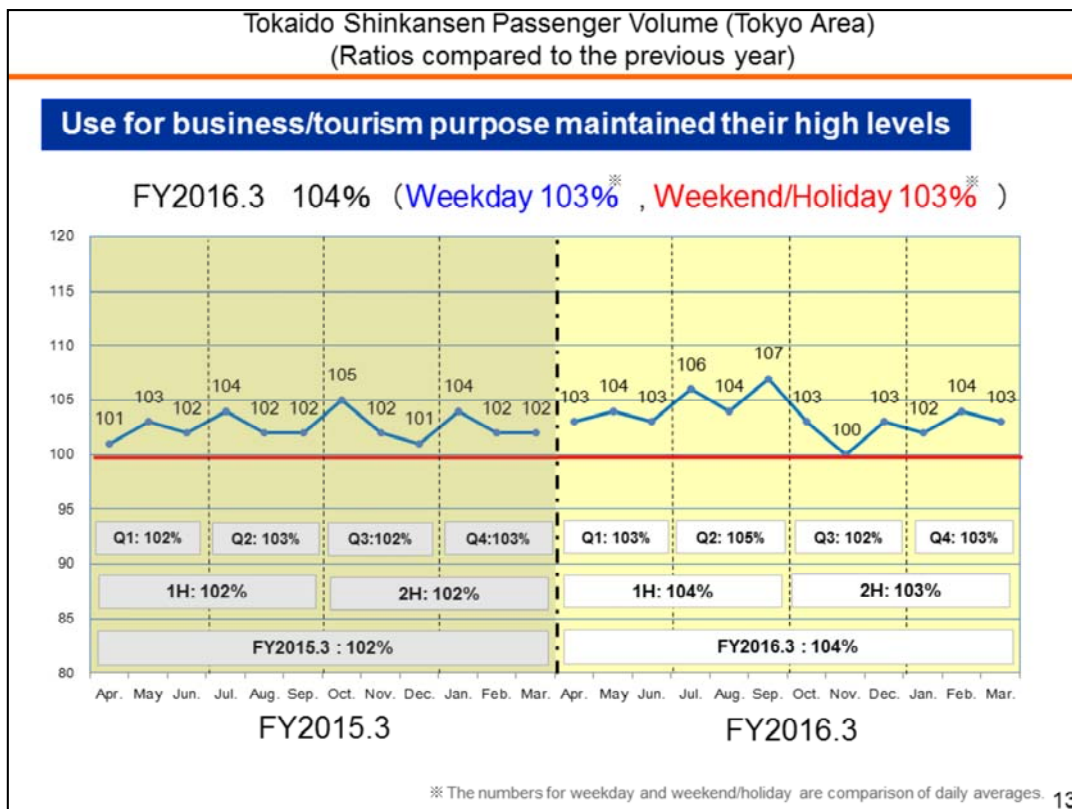
Katsumi Miyazawa

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



Central Japan Railway Company
April 28, 2016

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[Current transportation trends]

○ I am Katsumi Miyazawa, Director General of the Corporate Planning Division. First I would like to explain the transportation volume of the Tokaido Shinkansen using the cross-section passenger volume.

○ The total volume for FY2015 was 104% year-on-year, which exceeded the positive figures posted in FY2014. With this year being a leap year, the daily average passenger volume was 103% year-on-year.

○ We divided the data into weekday figures and weekend/holiday figures, with the daily average passenger volume strong at 103% year-on-year for both weekdays when trains are typically used for business purposes, and weekends/holidays when trains are primarily used for tourism purposes.

○ Reservations for the Golden Week period also remains steady.

Performance Forecast for FY2017.3 (Non-Consolidated)

	FY2016.3 Results A	FY2017.3 Forecast B	Changes (B-A)	(Billions of Yen)
Operating Revenues (Transportation Revenues)	1,357.9 (1,294.7)	1,358.0 (1,294.7)	+0.0 (—)	
Operating Expenses	800.3	805.0	+4.6	
Personnel Expenses	179.4	180.0	+0.5	
Non-personnel Expenses	358.3	372.0	+13.6	
Energy	40.5	41.0	+0.4	
Maintenance	131.9	139.0	+7.0	
Others	185.7	192.0	+6.2	
Taxes other than Income Taxes	35.3	39.0	+3.6	
Depreciation & Amortization	227.0	214.0	-13.0	
Operating Income	557.6	553.0	-4.6	
Non-Operating Income (Loss)	-67.1	-57.0	+10.1	
Ordinary Income	490.5	496.0	+5.4	
Net Income	328.6	349.0	+20.3	

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[Fiscal year performance forecast (non-consolidated)]

- Next is an explanation of the non-consolidated performance forecast for the fiscal year ending in March 2017.
- We aim to maintain the same amount of transportation revenues as the positive figures posted for FY2015, by flexibly adding extra trains as well as implementing sales and marketing, despite uncertainty throughout the domestic economy in Japan.
- Overall operating expenses are expected to increase by 4.6 billion yen year-on-year due to the increase in non-personnel expenses and taxes other than income taxes, despite the reduction of depreciation associated with the Yamanashi Maglev Line.
- Personnel expenses are expected to rise by 0.5 billion yen year-on-year with the increase in base wages.
- Non-personnel expenses are expected to increase 13.6 billion yen year-on-year due to increases in areas such as maintenance costs and other expenses.
- Taxes other than income taxes are expected to increase 3.6 billion yen year-on-year due to increases in areas such as enterprise tax.
- Depreciation and amortization expenses are expected to drop by 13 billion yen year-on-year with the reduction of depreciation associated with the Yamanashi Maglev Line as well as rolling stock and ground facilities.
- As a result, operating income is expected to decrease by 4.6 billion yen year-on-year.
- Non-operating income is expected to improve by 10.1 billion yen year-on-year due to factors such as a reduction in the amount of interest expenses following the reduction in long-term debts.
- Consequently, ordinary income is expected to increase by 5.4 billion yen year-on-year.
- Net income is also expected to increase by 20.3 billion yen year-on-year due to factors such as the reduction in corporate tax following tax reforms.

Performance Forecast for FY2017.3 (Consolidated / by segment)			
	FY2016.3 Results A	FY2017.3 Forecast B	Changes (B-A)
Operating Revenues	1,738.4	1,736.0	-2.4
Transportation	1,358.1	1,357.8	-0.3
Merchandise and Other	239.6	237.2	-2.4
Real Estate	66.0	69.4	+3.3
Other	243.0	250.4	+7.3
Operating Expenses	1,159.7	1,159.0	-0.7
Operating Income (Loss)	578.6	577.0	-1.6
Transportation	556.8	550.5	-6.3
Merchandise and Other	8.7	9.0	+0.2
Real Estate	15.6	15.7	+0.0
Other	-1.7	2.5	+4.2
Non-Operating Income (Loss)	-67.2	-57.0	+10.2
Ordinary Income	511.4	520.0	+8.5
Net Income Attributable to Owners of the Parent	337.4	363.0	+25.5

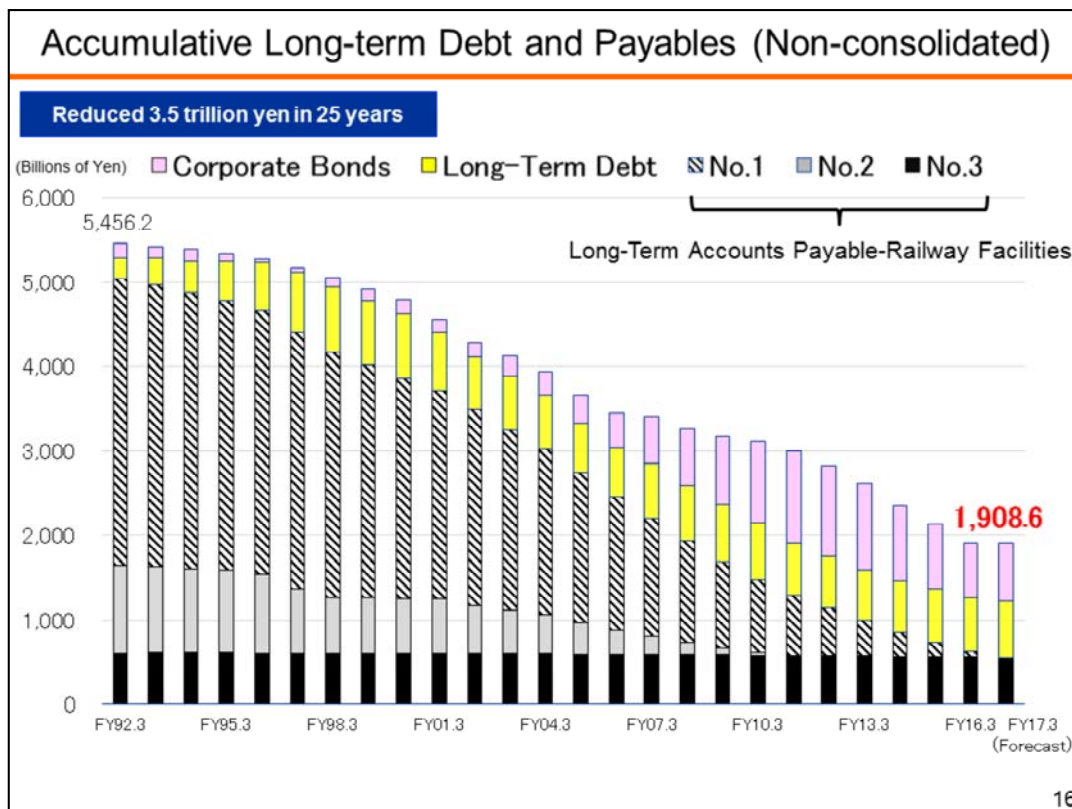
(Billions of Yen)		
■ Forecasted reduction in long-term debt and payables (Billions of Yen)		
	FY2017.3	
	Amount at the end of term	Annual Reduction
Consolidated	1,935.0	-10.0
Non-consolidated	1,908.6	-7.0

(Billions of Yen)		
■ Capital investments (Billions of Yen)		
	FY2016.3 (Results)	FY2017.3 (Forecast)
Consolidated	279.9	423.0
Non-consolidated	259.1	362.0
Safety-related	173.1	191.0
Chuo Shinkansen	32.1	113.0

* Figures by segment for operating revenue and operating income are values without offsetting and eliminating intersegment transactions.
* Total values of segment for operating revenue and operating income are not equal to Operating Revenue and Operating Income indicated above.

[Fiscal year performance forecast (consolidated)]

- Continuing on, here is our consolidated performance forecast.
- Consolidated operating revenues are projected to reach 1,736 billion yen, a decline of 2.4 billion yen year-on-year.
- This figure takes into consideration the reduction in revenue due to factors such as refurbishment work required for the current department store in JR Central Towers for JR Tokai Takashimaya to prepare for opening the new store in JR Gate Tower, as well as the reduction in sales at NIPPON SHARYO.
- Operating expenses are expected to be mostly similar to the last fiscal year across the entire group.
- As a result, operating income is expected to decrease by 1.6 billion yen year-on-year, to 577 billion yen.
- Ordinary income is expected to increase by 8.5 billion yen year-on-year to 520 billion yen following a reduction in non-operating expenses.
- With the reduction in corporate tax and other factors, the net income attributable to parent company shareholders is expected to increase by 25.5 billion yen year-on-year, to 363 billion yen.
- We will continue to work on reducing long-term debt, aiming to reduce consolidated debt by 10 billion yen and non-consolidated debt by 7 billion yen to strengthen management capabilities, despite capital investment increasing in line with construction progress of the Chuo Shinkansen.
- Consolidated and non-consolidated capital investments in FY2015 were worth 279.9 billion yen and 259.1 billion yen respectively. For FY2016, we are planning to make capital investments worth 423 billion yen in consolidated total and 362 billion yen in non-consolidated total, as have already been announced.



[Accumulative long-term debt and payables (non-consolidated)]

○ I now want to look back quickly at non-consolidated accumulative long-term debt.

○ Tracing back our company history, we see that the amount was approximately 5.5 trillion yen at the end of FY1991 following termination of the Shinkansen Leasing System. It has been approximately 25 years since then, and the company is now more competitive while ensuring safety and reliability to steadily build up a sound financial foundation. As a result, the accumulative long-term debt and payables dropped below 2 trillion yen at the end of last fiscal year, with plans to reach approximately 1.9 trillion yen at the end of this fiscal year.

○ The amount of interest expenses was 65.3 billion yen last fiscal year. The company was able to bring this figure down to a level approximately 20% that of the peak amount of 349.3 billion yen in FY1992.

○ The large majority of the long-term debt was debt from Japanese National Railways, the so-called “long-term accounts payable-railway facilities.” Repayments for No. 2 Long-term Payable was completed at the end of FY2010, with repayments for No. 1 Long-term Payable to be completed at the end of this fiscal year. No. 3 Long-term Payable, which forms the source of funding for constructing new Shinkansen lines in other areas, is planned to be remain until FY2051.

Efforts for Ensuring Safety and Reliability

Large-scale renovation for the Tokaido Shinkansen

- Inhibit the occurrence of age-related damage, such as cracks, of steel bridges, concrete bridges and tunnels.

Accumulated results of the past 3 years				Plan for the next 4 years (FY2017.3 ~ FY2020.3)	
FY2014.3	FY2015.3	FY2016.3		FY2017.3	
9.5 billion yen <small>(including approx. 6.9 billion yen as expenses)</small>	30.2 billion yen <small>(including approx. 19.5 billion yen as expenses)</small>	35.5 billion yen <small>(including approx. 24.1 billion yen as expenses)</small>	75.3 billion yen <small>(including approx. 50.6 billion yen as expenses)</small>	34.0 billion yen <small>(including approx. 23.5 billion yen as expenses)</small>	145.0 billion yen



Large-scale renovation
(for tunnel/ grout injection behind lining)

Measures to inhibit aging damage

Earthquake countermeasures

- Tokaido Shinkansen : Derailment and deviation countermeasures, anti-quake reinforcement and renovation of the Hamamatsu Workshop, etc.
- Conventional lines : Making elevated track columns, etc. quake-resistant, and promoting reconstruction and quake-resistant reinforcement work for the Nagoya Workshop, etc.

Derailment and deviation countermeasures for the Tokaido Shinkansen (FY2010.3 ~ FY2020.3)			
FY2010.3 ~ FY2015.3	FY2016.3	Accumulated results of the past 7 years	FY2017.3
60.7 billion yen	12.7 billion yen	73.4 billion yen	13.5 billion yen
<small>(Installation of Derailment Guards in length)</small>			
288 km	72 km	360 km	71 km



Derailment prevention guards
(for expansion joints)

※ Derailment prevention guards,
Deviation prevention stoppers
(completed in FY2012), reinforcement of
civil engineering structures, exchanging
PC crosstie, etc.

About 70% of total
length will be
completed

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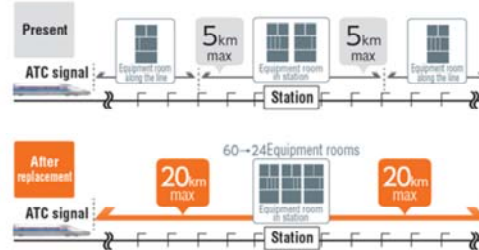
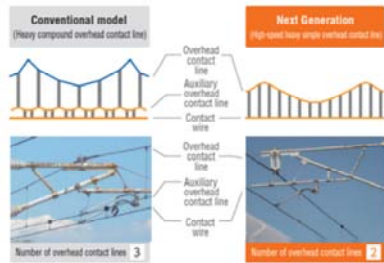
[Efforts for ensuring safety and reliability]

- President Tsuge mentioned our company's initiatives for ensuring safety and reliability, and I would now like to explain these initiatives in more detail.
- FY2015 forms the third year of our large-scale renovations, which progressed as planned. We spent 35.5 billion yen on construction work, of which 24.1 billion yen was accounted for as expenses. Plans for FY2016 and on will be covered in four years through to FY2019 as doing so while implementing countermeasures to derailment/deviation will be the most efficient approach, and will also lead to cost reductions. We will continue implementing measures to inhibit aging damage.
- The countermeasures to derailment/deviation being implemented for the Tokaido Shinkansen, as well as earthquake countermeasures for elevated track columns on conventional line tracks and other earthquake countermeasures will also continue being worked on.
- Research and development into countermeasures to derailment/deviation began with the aim of minimizing the possibility of damage during an earthquake, after the Joetsu Shinkansen was derailed when the Chuetsu earthquake struck in 2004. The highest priority of these countermeasures is to stop the rolling stock from derailing, but if derailment cannot be avoided, the redundant system also prevents the cars from deviating from the track.
- Construction began in FY2009, with approximately 134 billion yen planned as capital investment through to FY2019. Part of this investment is for derailment prevention guards, and with plans to complete approximately 70% of the construction in target areas by the end of this fiscal year. Target areas include sections of track subjected to a high level of seismic vibration during a Tokai earthquake, as well as sections that could result in major damage if derailment occurred.

Examples of Cost Reduction Initiatives

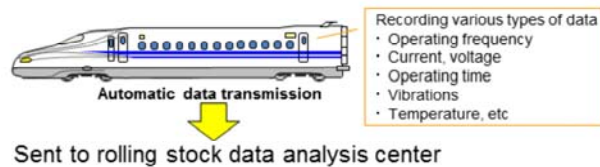
Reducing the type and number of facilities by R&D

- Introduction of next generation overhead contact line
- Updating Shinkansen ATC equipment



Standardizing rolling stock with the highly reliable N700A type

- Longer intervals for regular inspections and more efficient inspections for the Shinkansen



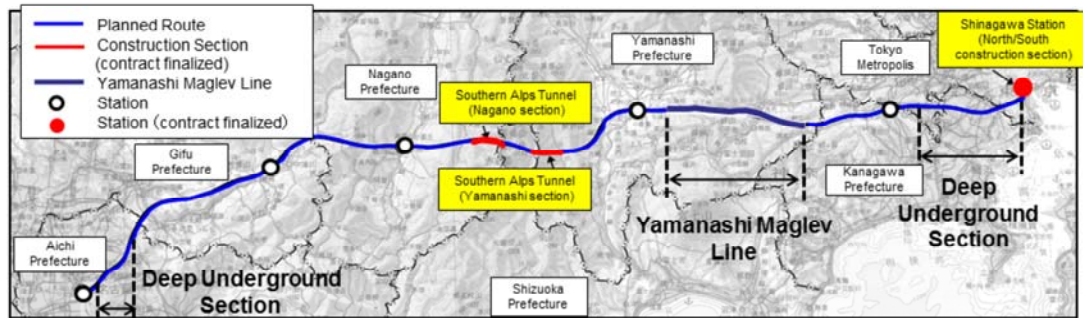
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[Examples of cost reduction initiatives]

- Now I would like to provide two major examples of efforts we are taking to reduce costs.
- The first is reducing the type and number of facilities.
- Two examples of this are shown in the top half of this slide here. With the replacement interval for overhead contact lines for the Shinkansen, a next-generation 2-cable layout will be rolled out to replace the previous 3-cable layout. These reduce maintenance and upgrade costs by approximately 20% compared to the previous layout.
- The second example is when updating Shinkansen ATC equipment. Technological development is helping to reduce the number of equipment rooms along the Shinkansen line required as part of the system configuration. This can reduce costs by approximately 14.5 billion yen over approximately 20 years through a combination of equipment replacement costs as well as maintenance and upgrade costs.
- The other perspective is standardization of the types of rolling stock. We are rolling out the N700A rolling stock when replacing the Series 700, and all rolling stock will be standardized to the N700A type by the end of FY2019.
- The Series N700 and N700A (collectively called the N700A type) incorporates the latest technology and much better quality equipment, which reduces the failure rate immensely allowing the interval for regular inspections to be extended.
- Longer intervals for regular inspections began from March this year, and by standardizing the rolling stock with the N700A type that has longer intervals for regular inspections, the number of sets undergoing regular inspections every day has been reduced from nine to six. A reduction in the number of cars being inspected leads to a reduction in the number of required inspection staff, as well as an increase in the number of rolling stock that can be used for operational service, thereby increasing efficiency in both these areas.
- Additionally, the N700A type records data from onboard equipment and automatically transmits for analysis. Continually monitoring such data allows some data that was checked in periodic inspections to also be analyzed on a daily basis. This not only helps to increase safety but also takes inspection precision to a new level, resulting in greater efficiency in both areas.
- We will continue rolling out initiatives to reduce costs to further enhance our management capabilities.

Chuo Shinkansen Construction Progress

Location of construction sections with contracts finalized in FY2015



Contracts finalized in FY2015

- Shinagawa Station (North construction section) [September, 2015]
- Shinagawa Station (South construction section) [October, 2015]
- Southern Alps Tunnel (Yamanashi section) [August, 2015]
- Southern Alps Tunnel (Nagano section) [February, 2016]

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[Chuo Shinkansen construction progress]

○ Finally, I will provide an outline on the progress of construction for the Chuo Shinkansen.

○ In FY2015, we concluded contracts for the construction of the areas marked in yellow, which include the North and South construction sections of Shinagawa Station, and the Yamanashi and Nagano sections of the Southern Alps Tunnel.

○ Contracts that have already been finalized in FY2016 cover construction of the Meijo emergency exit in Aichi Prefecture, and the Kita-Shinagawa emergency exit and substation facilities (underground). Negotiations are also underway for contracts covering construction at Nagoya Station, three tunnels through mountainous areas, and three emergency exits.

○ We will continue implementing plans throughout FY2016 such as surveying, design consultations and land acquisition, as well as starting construction in areas where preparatory work has been completed, including the Southern Alps Tunnel, Shinagawa Station and Nagoya Station where construction will be lengthy and complex.

○ Moving forward, we will maintain sound management and stable dividends, while focusing on “safe construction,” “environmental preservation” and “coordination with towns and cities” so that we can steadily progress with the project in a flexible manner.

○ Thank you for listening today.

FY2015 refers to the one-year period ending March 31, 2016.

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.