

Year-End Investor Meeting FY2016.3 (Fiscal Year Ending March 31, 2016)

I . Management Policy and Future Expectations of Key Issues

Koei Tsuge

President and Representative Director



Central Japan Railway Company

April 28, 2016

Management Policy

Maintaining and developing Japan's main artery of transportation



**Implementing
the Chuo Shinkansen Project**

**Strengthening transportation services
and increasing revenues**

Ensuring safety and reliability

Ensuring Safety and Reliability

Pursuing safety

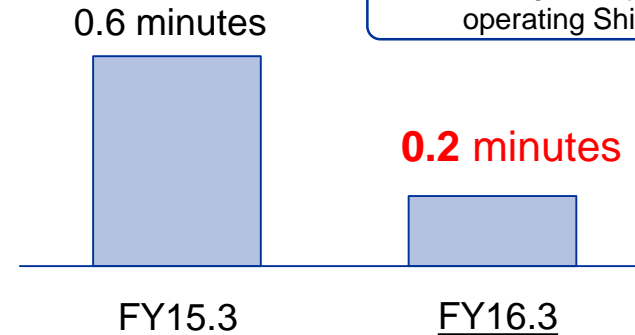
The number of incidents※



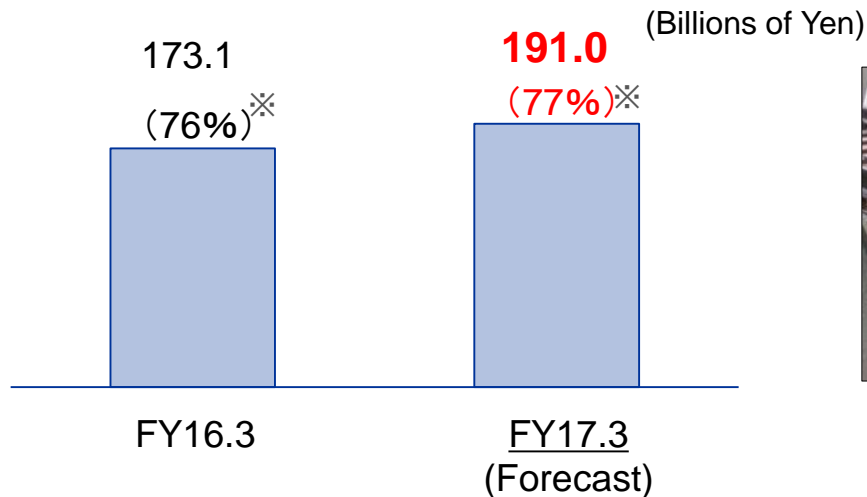
※Incidents that have the potential to cause a serious accident involving operational rolling stock.

Maintaining stable transportation

Average delay for each operating Shinkansen



Level of investments related to safety



Safety measures for Shinkansen/ conventional lines



Derailment prevention guards (for non-ballast bridges)

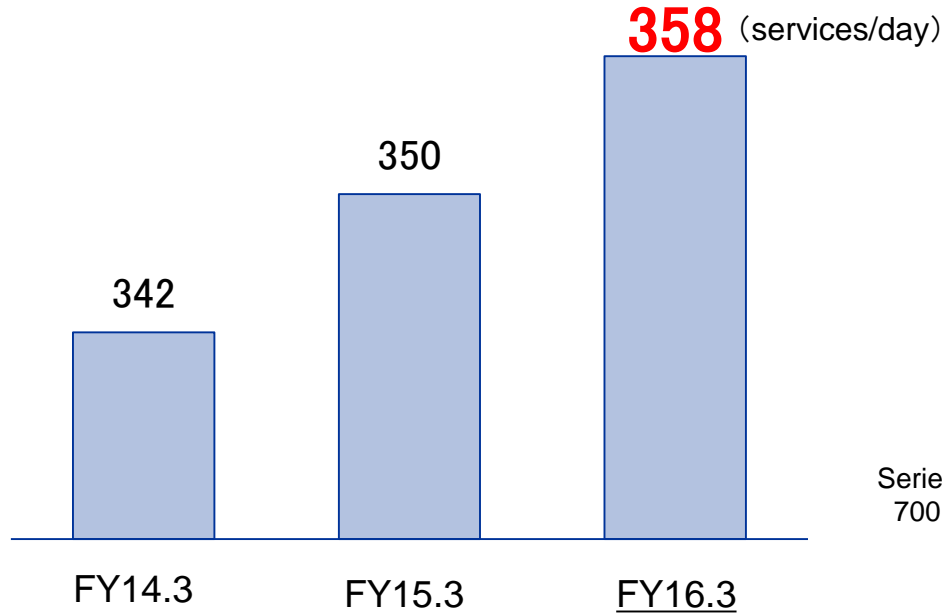


Making conventional line elevated track columns earthquake-resistant (steel plate jacking method)

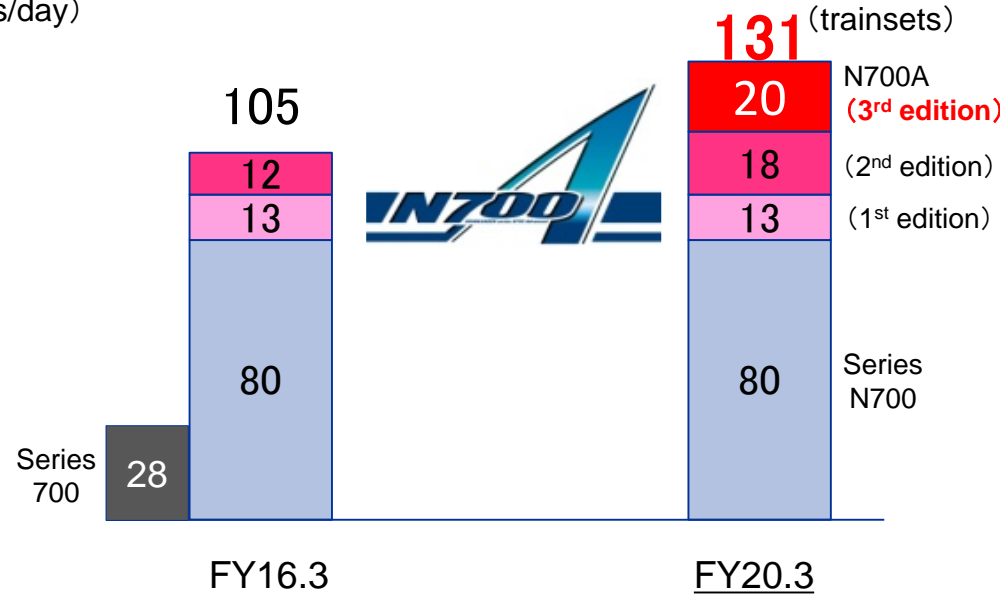
※Ratio of investments related to safety out of the amount of capital investment, excluding the Chuo Shinkansen.

Strengthening Transportation Services and Increasing Revenues (1)

Steadily increasing capacity of Shinkansen



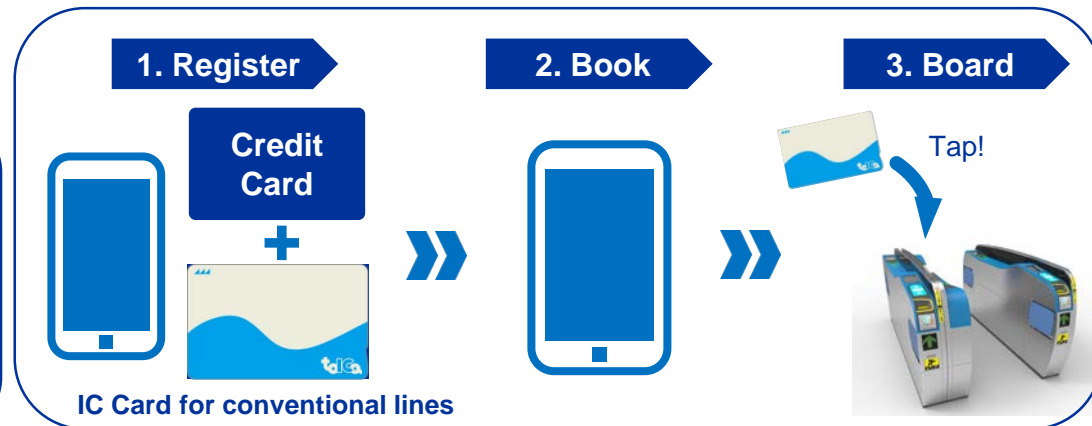
All services will be operated using the N700A type rolling stock



Improve convenience for a much wider range of potential customers

Summer 2017

The new online seat reservation and ticketless boarding service will be rolled out



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)



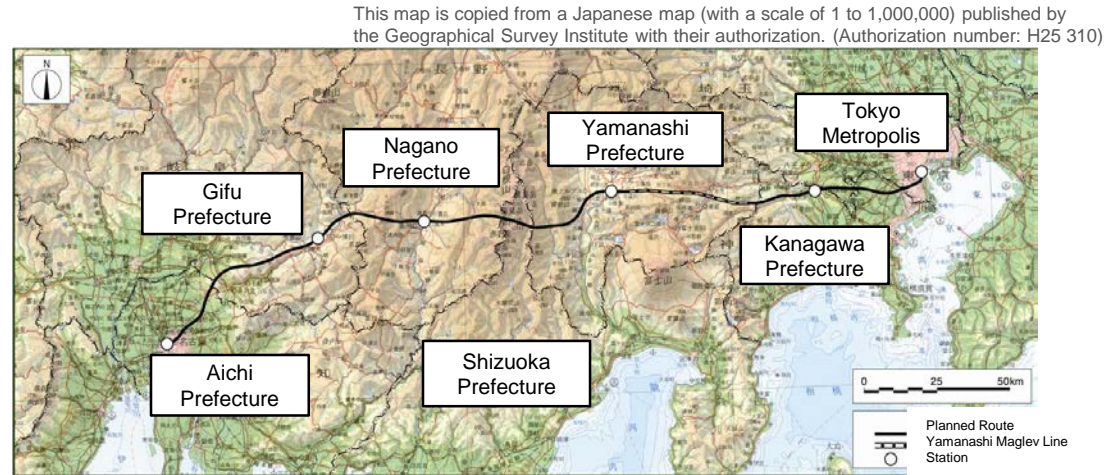
Image of “Takashimaya Gate Tower Mall”



Image of “Nagoya JR Gate Tower Hotel”

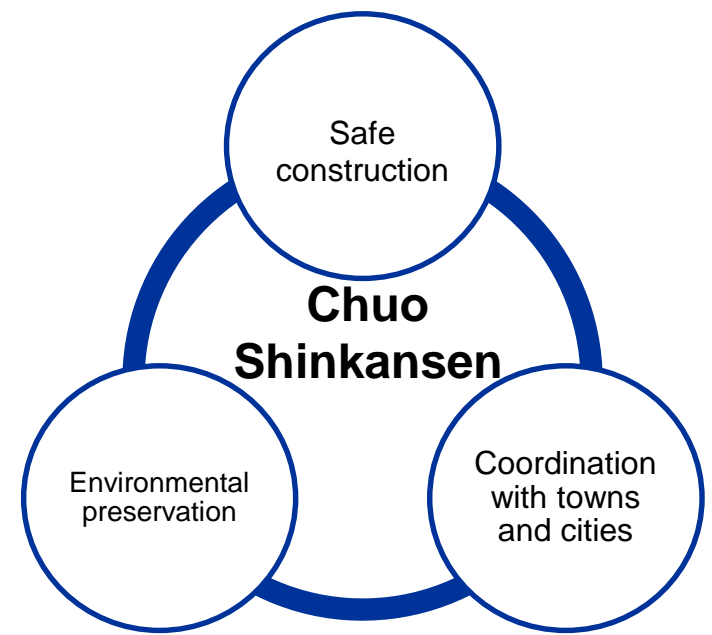
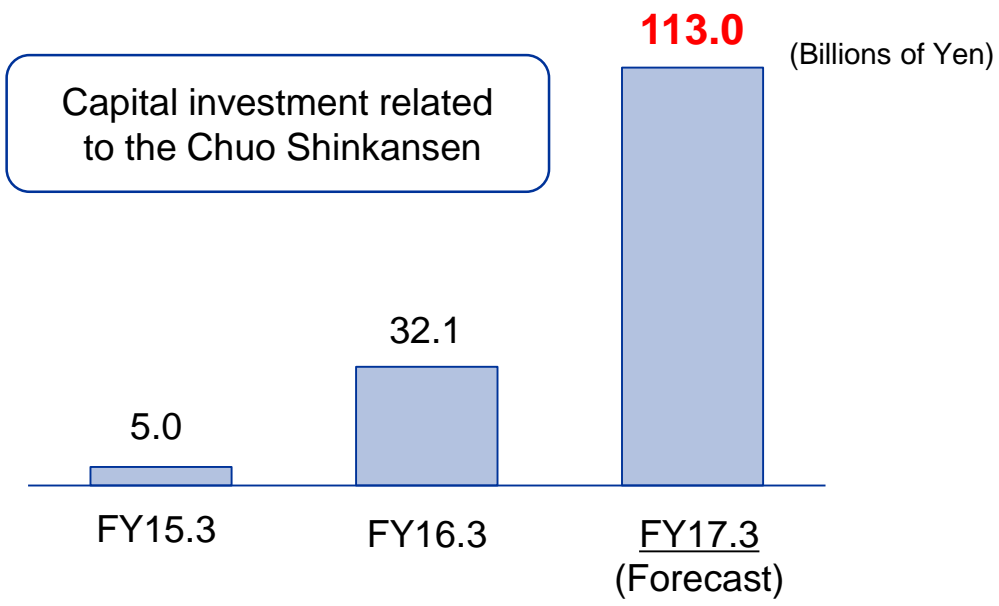
Implementing the Chuo Shinkansen Project

Steadily promoting full-scale construction



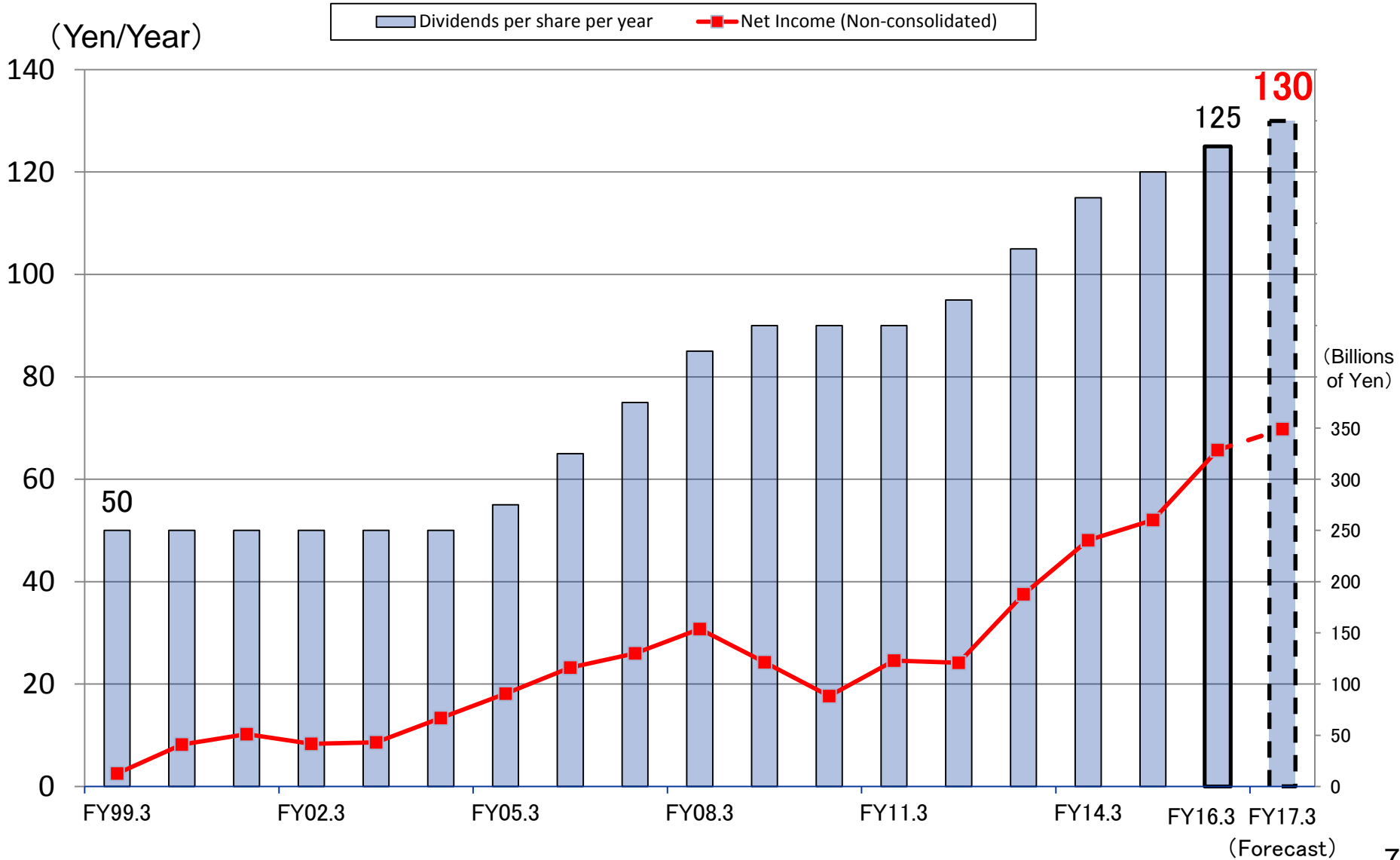
Construction of Southern Alps Tunnel (Yamanashi section)
Praying for safety at groundbreaking ceremony

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



Shareholder Returns

Continuing stable dividends



Year-End Investor Meeting FY2016.3 (Fiscal Year Ending March 31, 2016)

II. Financial Results for FY2016.3

Tatsuhiko Yamada

General Manager of Finance Department



Central Japan Railway Company

April 28, 2016

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)

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.

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

Year-End Investor Meeting FY2016.3 (Fiscal Year Ending March 31, 2016)

Ⅲ. Performance Forecast for FY 2017.3 and Key Measures

Katsumi Miyazawa

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



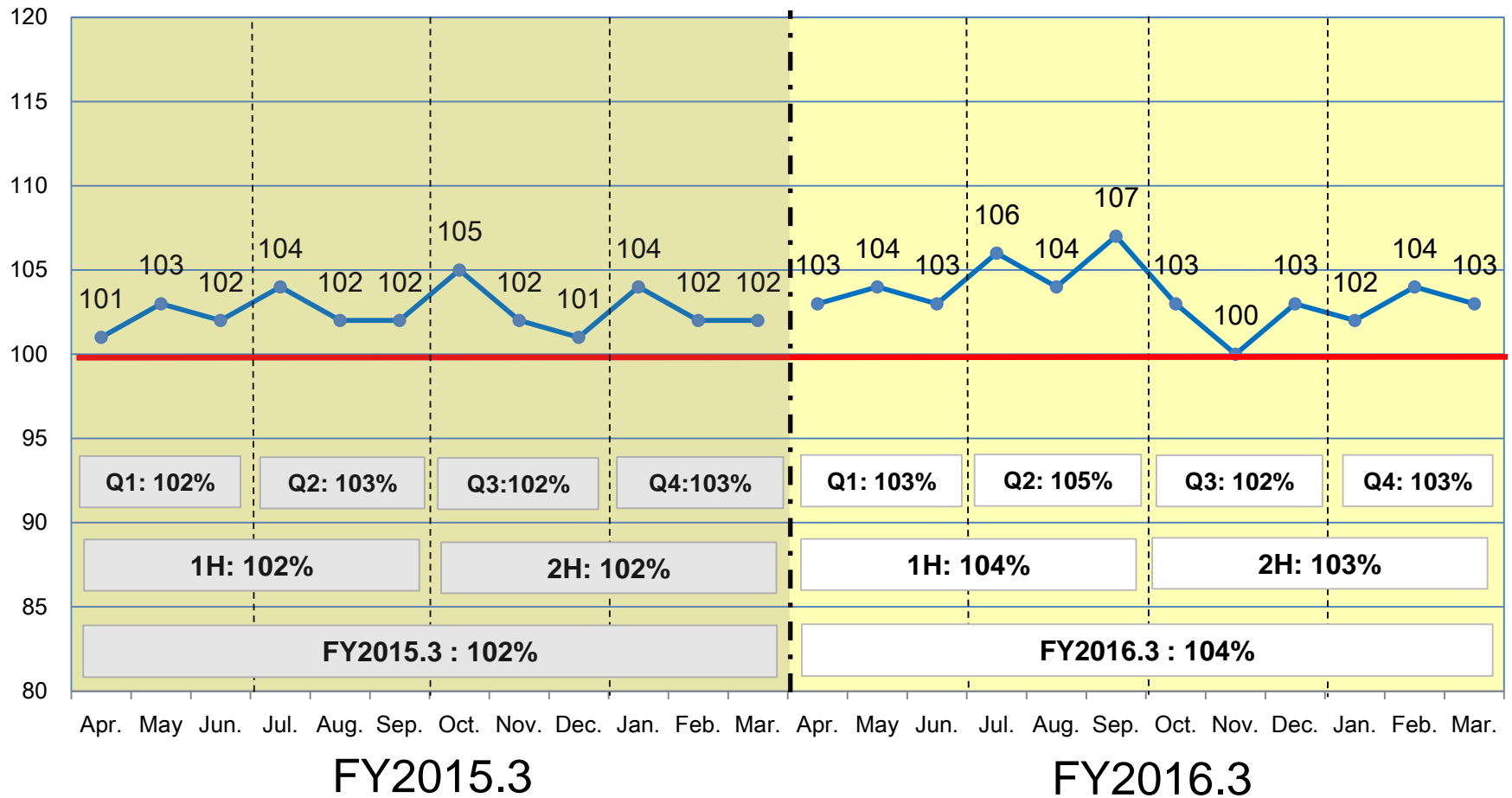
Central Japan Railway Company

April 28, 2016

Tokaido Shinkansen Passenger Volume (Tokyo Area) (Ratios compared to the previous year)

Use for business/tourism purpose maintained their high levels

FY2016.3 104% (Weekday 103%*, Weekend/Holiday 103%*)



*The numbers for weekday and weekend/holiday are comparison of daily averages. 13

Performance Forecast for FY2017.3 (Non-Consolidated)

(Billions of Yen)

	FY2016.3 Results A	FY2017.3 Forecast B	Changes (B-A)
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

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

Capital investments

(Billions of Yen)

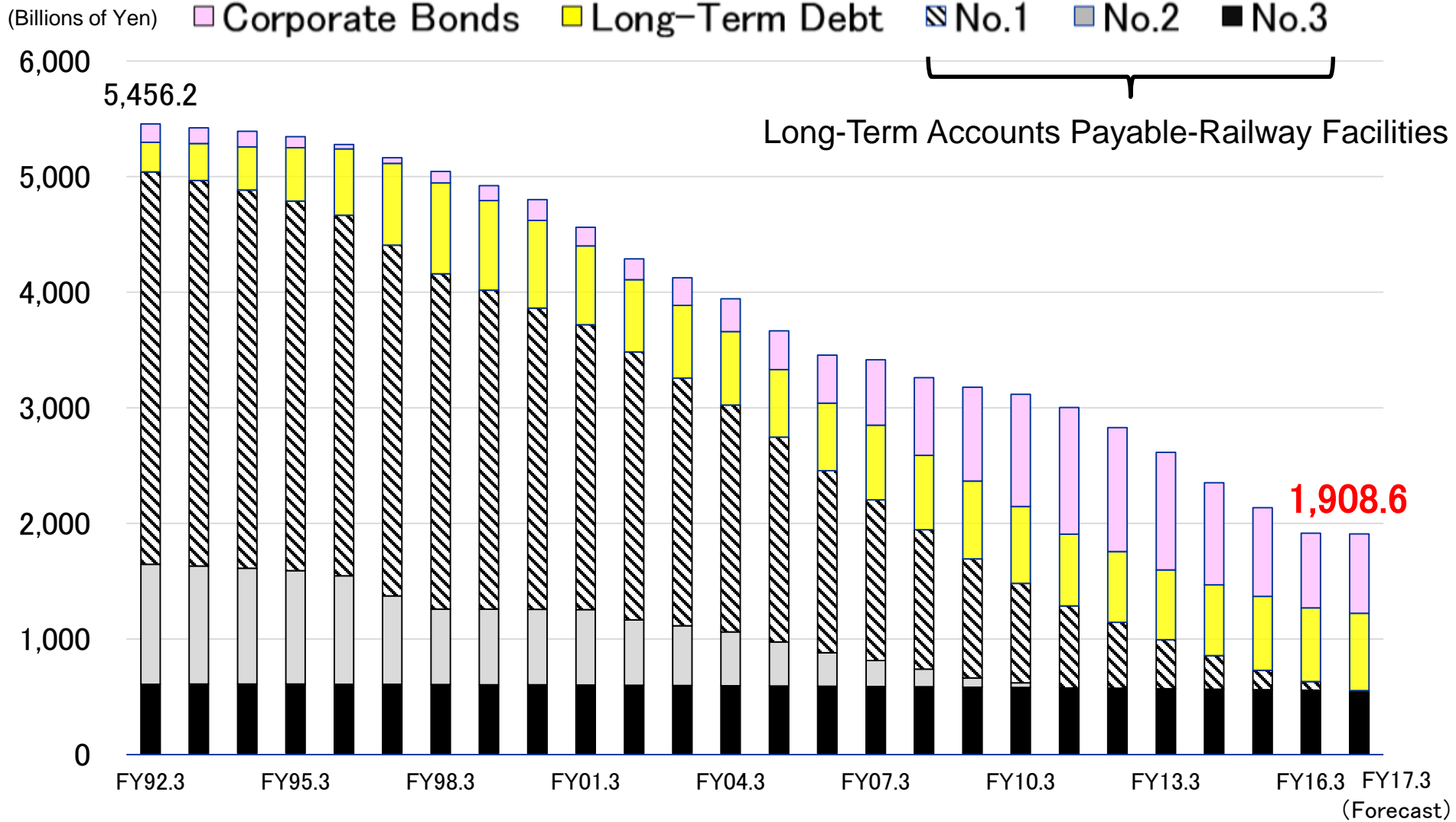
	FY2016.3 (Results)	FY2017.3 (Forecast)
Consolidated	279.9	423.0
Non-consolidated	259.1	362.0
Safety-related	173.1	191.0
Chuo Shinkansen	32.1	113.0

* 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.

Accumulative Long-term Debt and Payables (Non-consolidated)

Reduced 3.5 trillion yen in 25 years



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 ~ FY 2020.3)	
FY2014.3	FY2015.3	FY2016.3		FY2017.3	
9.5 billion yen (including approx. 6.9 billion yen as expenses)	30.2 billion yen (including approx. 19.5 billion yen as expenses)	35.5 billion yen (including approx. 24.1 billion yen as expenses)	75.3 billion yen (including approx. 50.6 billion yen as expenses)	34.0 billion yen (including approx. 23.5 billion yen as expenses)	145.0 billion yen

Measures to inhibit aging damage



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

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 ~ FY 2020.3)				
FY2010.3 ~ FY 2015.3	FY 2016.3	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	Approx. 134.0 billion yen
(Installation of Derailment Guards in length)				
288 km	72 km	360 km	71 km	596 km

About 70% of total length will be completed



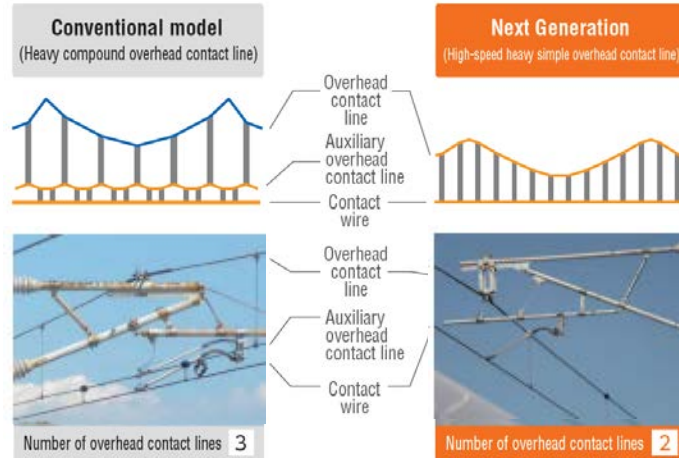
Derailment prevention guards
(for expansion joints)

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

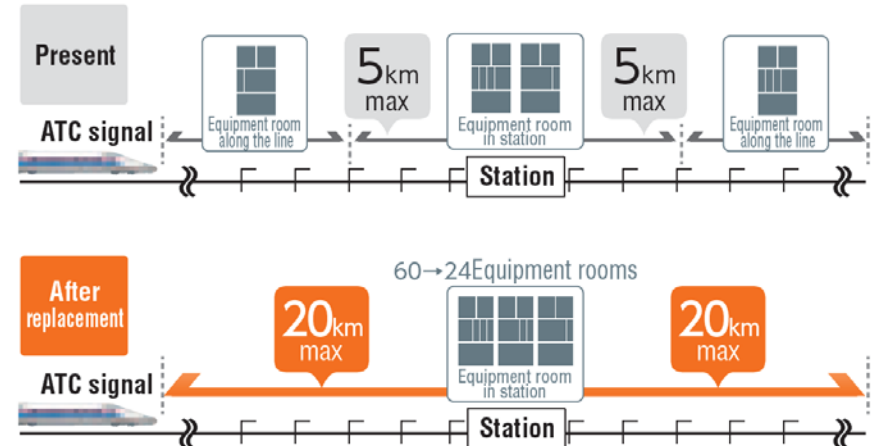
Examples of Cost Reduction Initiatives

Reducing the type and number of facilities by R&D

Introduction of next generation overhead contact line

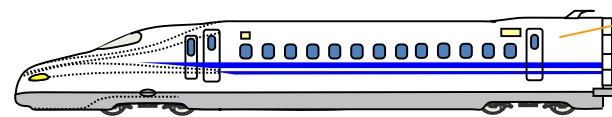


Updating Shinkansen ATC equipment



Standardizing rolling stock with the highly reliable N700A type

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



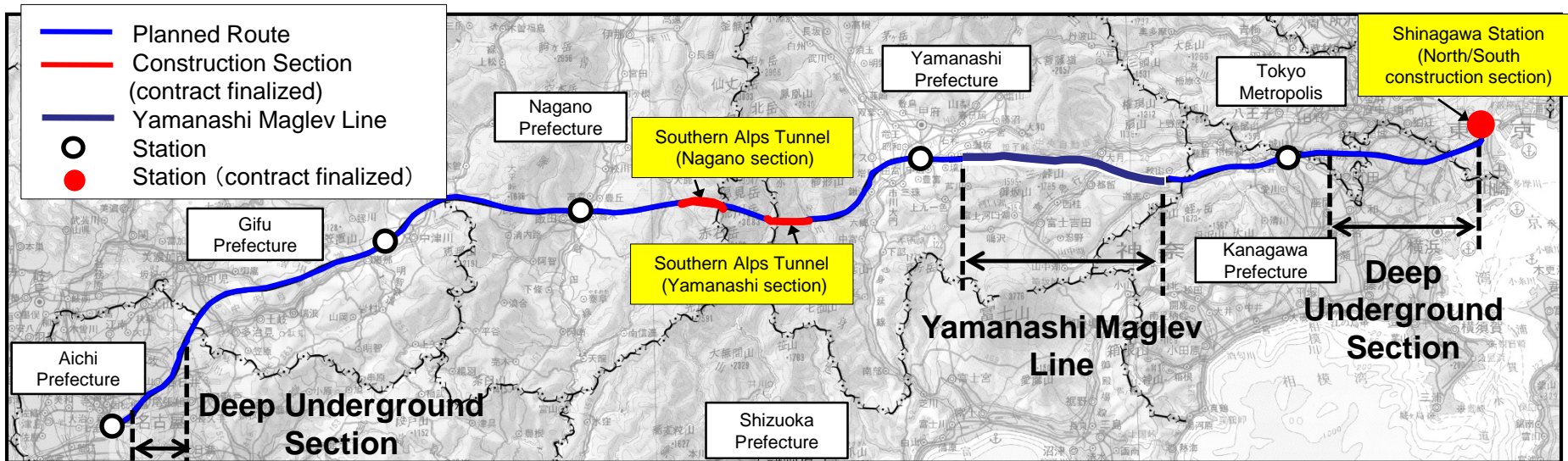
Recording various types of data

- Operating frequency
- Current, voltage
- Operating time
- Vibrations
- Temperature, etc

Sent to rolling stock data analysis center

Chuo Shinkansen Construction Progress

Location of construction sections with contracts finalized in FY2015



This map is copied from a Japanese map (with a scale of 1 to 1,000,000) published by the Geographical Survey Institute with their authorization. (Authorization number: H25 310)

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]

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.