

## I. Summary of Financial Results for 1st Half of FY2019.3

Corporate Officer and  
General Manager of the  
Finance Department

Tatsuhiko Yamada



**Central Japan Railway Company**

October 30, 2018

# Income Statement (Consolidated)

(Billions of Yen)

	1st Half of FY2018.3 (Apr. - Sep.) Results A	1st Half of FY2019.3 (Apr. - Sep.) Results B	Changes (B-A)
Operating Revenues	899.5	918.1	+18.5
Operating Expenses	527.6	527.1	-0.5
Operating Income	371.8	390.9	+19.1
Non-operating Income (Loss)	-38.5	-39.1	-0.5
Ordinary Income	333.2	351.8	+18.5
Net Income Attributable to Owners of the Parent	220.8	244.7	+23.8

# Segment Information (Consolidated)

(Billions of Yen)

	1st Half of FY2018.3 (Apr. - Sep.) Results A	1st Half of FY2019.3 (Apr. - Sep.) Results B	Changes (B-A)
<b>Operating Revenues</b>	<b>899.5</b>	<b>918.1</b>	<b>+18.5</b>
<b>Transportation</b>	<b>709.8</b>	<b>725.1</b>	<b>+15.3</b>
<b>Merchandise and     Other</b>	<b>124.3</b>	<b>127.5</b>	<b>+3.2</b>
<b>Real Estate</b>	<b>37.9</b>	<b>38.9</b>	<b>+1.0</b>
<b>Other</b>	<b>104.8</b>	<b>95.6</b>	<b>-9.2</b>
<b>Operating Expenses</b>	<b>527.6</b>	<b>527.1</b>	<b>-0.5</b>
<b>Operating Income</b>	<b>371.8</b>	<b>390.9</b>	<b>+19.1</b>
<b>Transportation</b>	<b>353.8</b>	<b>371.6</b>	<b>+17.8</b>
<b>Merchandise and     Other</b>	<b>4.2</b>	<b>4.3</b>	<b>+0</b>
<b>Real Estate</b>	<b>9.0</b>	<b>10.6</b>	<b>+1.5</b>
<b>Other</b>	<b>5.4</b>	<b>4.1</b>	<b>-1.2</b>

\* Figures in the breakdown by segment are those prior to offsetting and eliminating intersegment transactions. The total of breakdown figures do not match the operating revenues and operating income above.

# Income Statement (Non-Consolidated)

(Billions of Yen)

	1st Half of FY2018.3 (Apr. - Sep.) Results A	1st Half of FY2019.3 (Apr. - Sep.) Results B	Changes (B-A)
Operating Revenues (Transportation Revenues)	711.5 (678.3)	727.0 (693.2)	+15.5 (+14.9)
Operating Expenses	356.1	353.5	-2.5
Personnel Expenses	89.6	90.4	+0.8
Non-personnel Expenses	150.4	149.1	-1.3
Energy	19.6	21.0	+1.3
Maintenance	42.8	40.3	-2.4
Others	87.9	87.7	-0.2
Taxes other than Income Taxes	20.2	20.8	+0.6
Depreciation & Amortization	95.8	93.0	-2.7
Operating Income	355.3	373.4	+18.0
Ordinary Income	317.8	333.9	+16.1
Net Income	222.2	234.6	+12.4



# Semi-Annual Investor Meeting FY2019.3 (Fiscal Year Ending March 31, 2019)

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## II. Performance Forecast for FY2019.3

## III. Key Initiatives

Executive Vice President and  
Representative Director,  
Director General of the  
Corporate Planning Division  
Yoshiki Suyama



**Central Japan Railway Company**

October 30, 2018

# Transportation Status

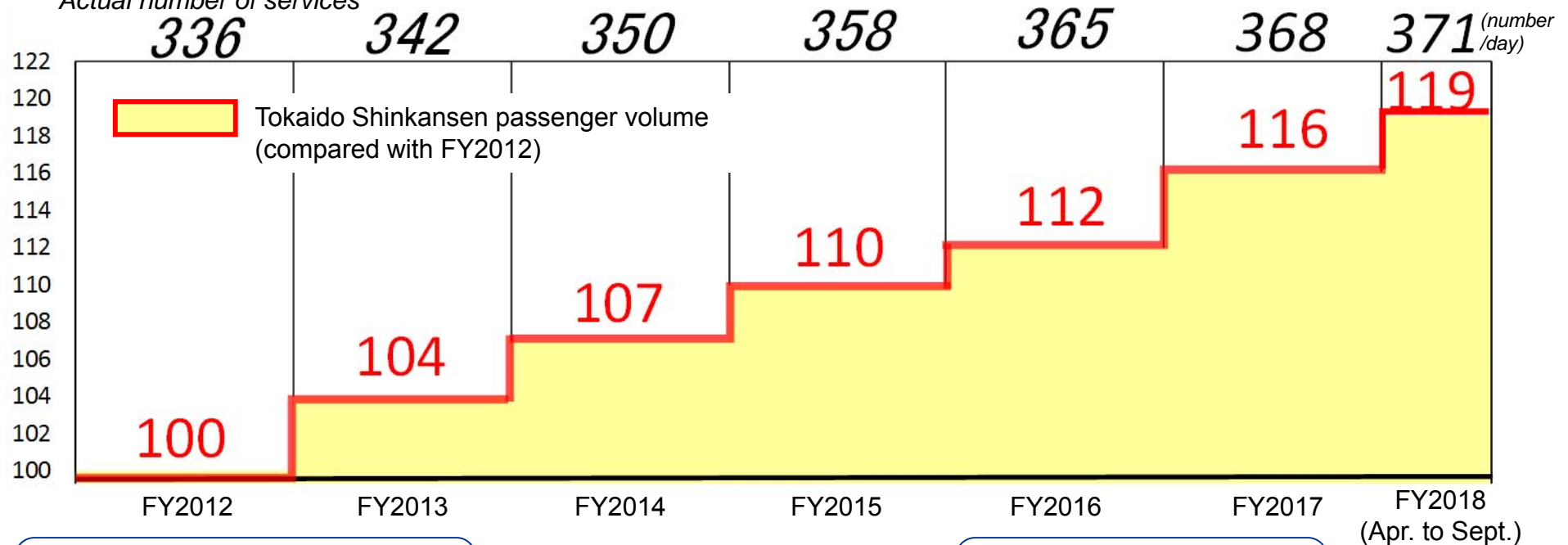
- Made efforts to set flexible timetables in line with the levels of demand by leveraging the “10 Nozomi Timetable” and managed to service a great number of customers.

No. of Nozomi services

(Maximum number of services one-way/hour)



Actual number of services



**[Actual number of services]**  
+10% from FY2012

\* Record-high number of services: 434 (August 10, 2018)

**[Tokaido Shinkansen passenger volume]**  
+19% from FY2012

- Considering setting a timetable that would further increase convenience and stability in operating all trains at the highest speed of 285 km/h starting in the spring of 2020.

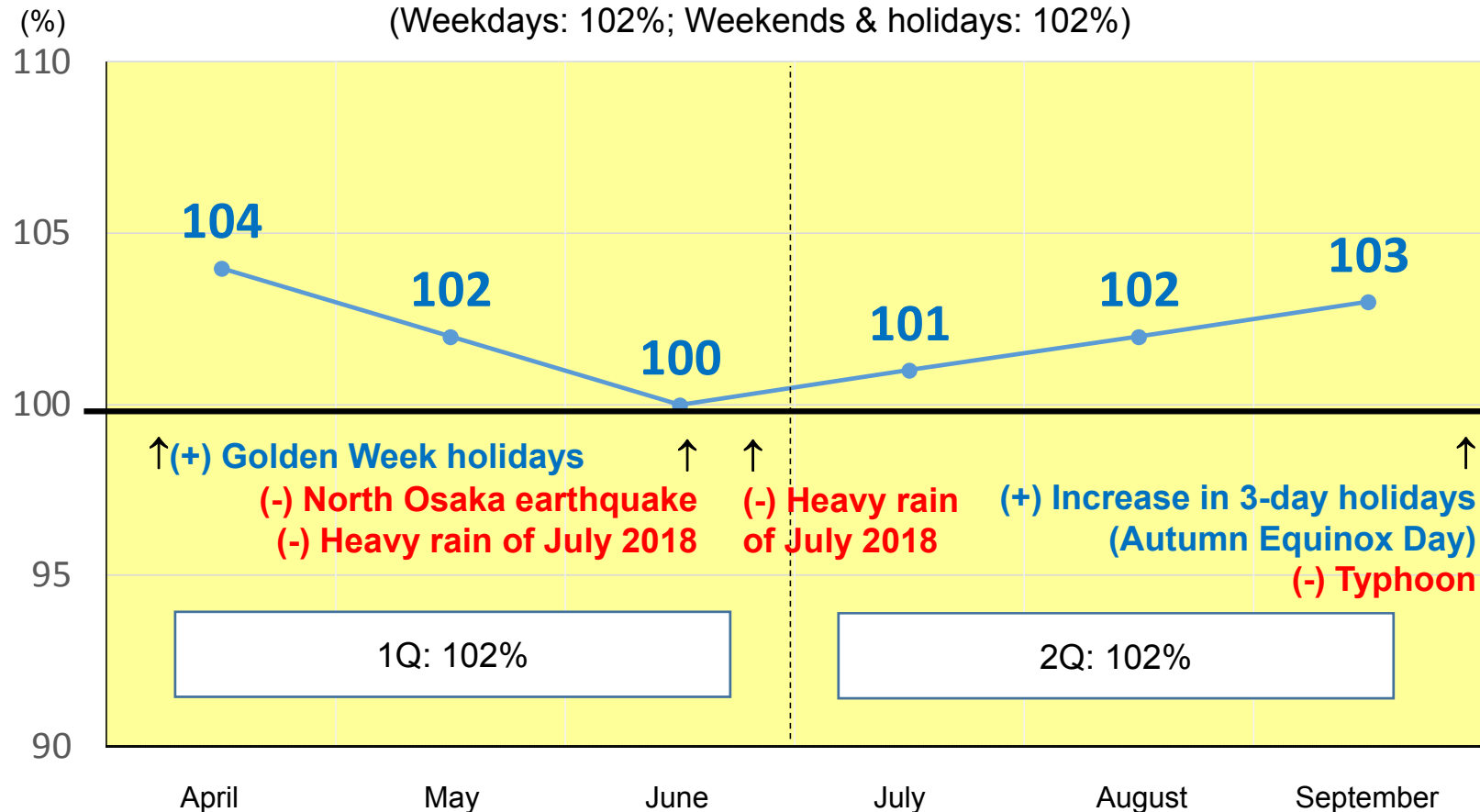
# Transportation Status

**Steady for both business and tourism**

\*Passenger volume (Tokaido Shinkansen, Tokyo area)

Results for 1st Half of FY2018: **102%** year on year

(Weekdays: 102%; Weekends & holidays: 102%)



**Upward revision of the full-year forecast to reflect the results of the 1st half**

\* Transportation revenues (Total for Shinkansen and conventional lines)

FY2018 (Forecast) **101.4%** year on year (1st-half results 102.2%, 2nd-half forecast 100.5%)

# Revised Full-Year Performance Forecast for FY2019.3 (Non-Consolidated)

(Billions of Yen)

	FY2018.3 Results A	FY2019.3 Previous Forecast B	FY2019.3 Revised Forecast C	Results vs. Forecast (C-A)	Change in Forecast (C-B)
Operating Revenues (Transportation Revenues)	1,427.4 (1,358.3)	1,438.0 (1,369.0)	1,446.0 (1,377.0)	+18.5 (+18.6)	+8.0 (+8.0)
Operating Expenses	802.1	807.0	807.0	+4.8	—
Personnel Expenses	179.6	180.0	180.0	+0.3	—
Non-personnel Expenses	382.0	391.0	391.0	+8.9	—
Energy	39.1	43.0	43.0	+3.8	—
Maintenance	145.4	149.0	149.0	+3.5	—
Others	197.3	199.0	199.0	+1.6	—
Taxes other than Income Taxes	41.8	42.0	42.0	+0.1	—
Depreciation & Amortization	198.6	194.0	194.0	-4.6	—
Operating Income	625.2	631.0	639.0	+13.7	+8.0
Ordinary Income	547.6	552.0	560.0	+12.3	+8.0
Net Income	384.4	386.0	392.0	+7.5	+6.0



# Revised Full-Year Performance Forecast for FY2019.3 (Consolidated)

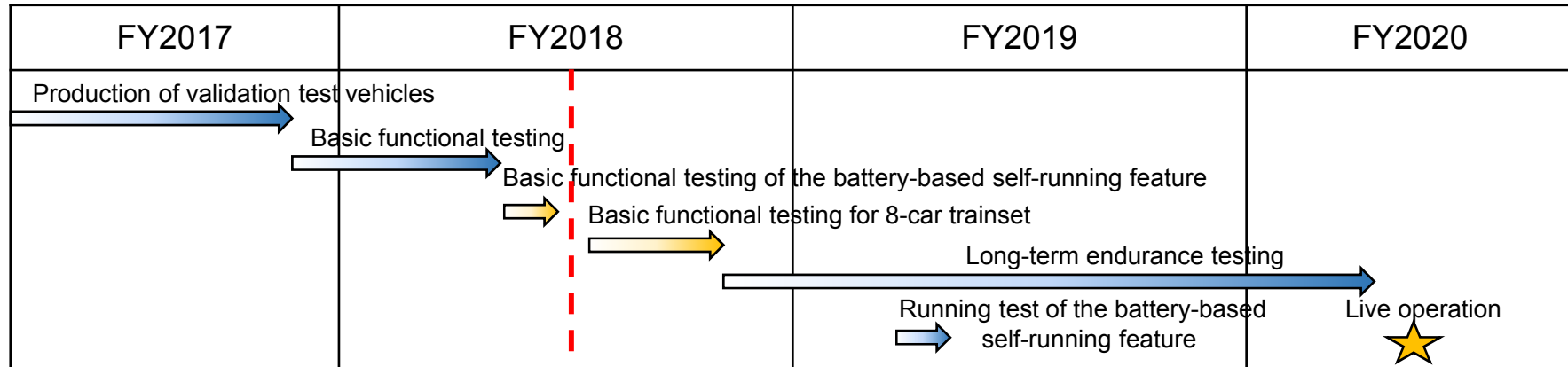
(Billions of Yen)

	FY2018.3 Results A	FY2019.3 Previous Forecast B	FY2019.3 Revised Forecast C	Results vs. Forecast (C-A)	Change in Forecast (C-B)
<b>Operating Revenues</b>	1,822.0	1,844.0	1,855.0	+32.9	+11.0
Transportation	1,424.0	1,435.0	1,443.0	+18.9	+8.0
Merchandise and Other	255.3	258.0	259.0	+3.6	+1.0
Real Estate	78.0	81.0	81.0	+2.9	—
Other	261.6	259.0	261.0	-0.6	+2.0
<b>Operating Expenses</b>	1,160.0	1,181.0	1,182.0	+21.9	+1.0
<b>Operating Income</b>	662.0	663.0	673.0	+10.9	+10.0
Transportation	623.0	629.0	637.0	+13.9	+8.0
Merchandise and Other	8.2	8.0	8.0	-0.2	—
Real Estate	18.5	18.0	18.0	-0.5	—
Other	13.2	8.0	10.0	-3.2	+2.0
<b>Non-operating Income (Loss)</b>	-78.4	-79.0	-79.0	-0.5	—
<b>Ordinary Income</b>	583.5	584.0	594.0	+10.4	+10.0
<b>Net Income Attributable to Owners of the Parent</b>	395.5	404.0	411.0	+15.4	+7.0

\* Figures in the breakdown by segment are those prior to offsetting and eliminating intersegment transactions. The total of breakdown figures do not match the operating revenues and operating income above.

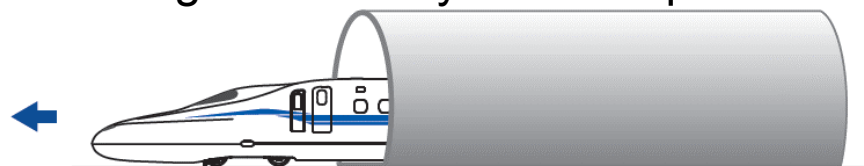
# Running Tests using N700S Validation Test Vehicles

## ■ Running test schedule

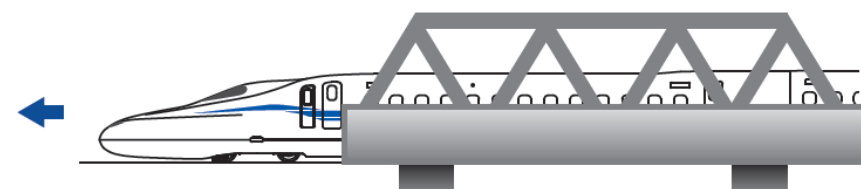


## ■ Basic functional testing of the battery-based self-running feature → **Implemented**

- Self-running at low speed is possible even in the event of a long-term power outage caused by an earthquake



Evacuation from tunnel



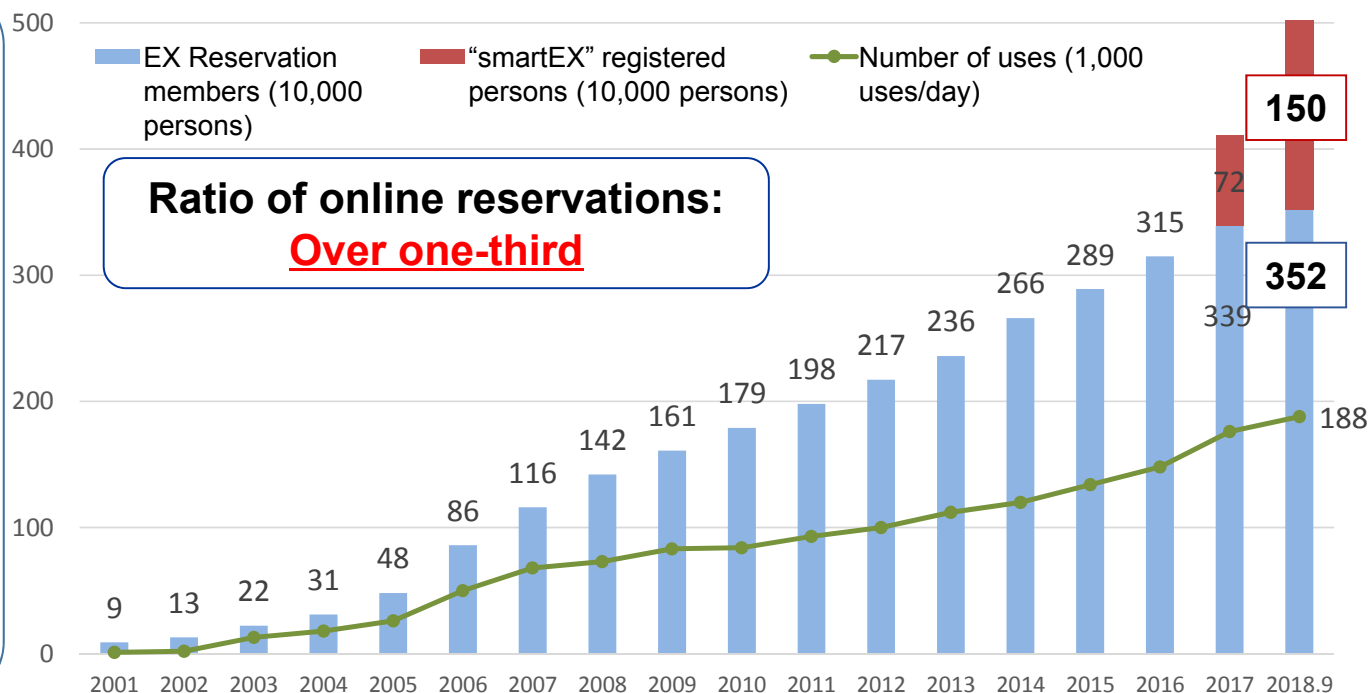
Evacuation from bridge beam

## ■ Basic functional testing for 8-car trainset → **Implemented starting from October**

- Currently confirming performance as “standard rolling stock” that can be converted to various trainsets

**Plan to launch the new N700S rolling stock in FY2020**

# Expansion of Online Reservation/Ticketless Boarding Services

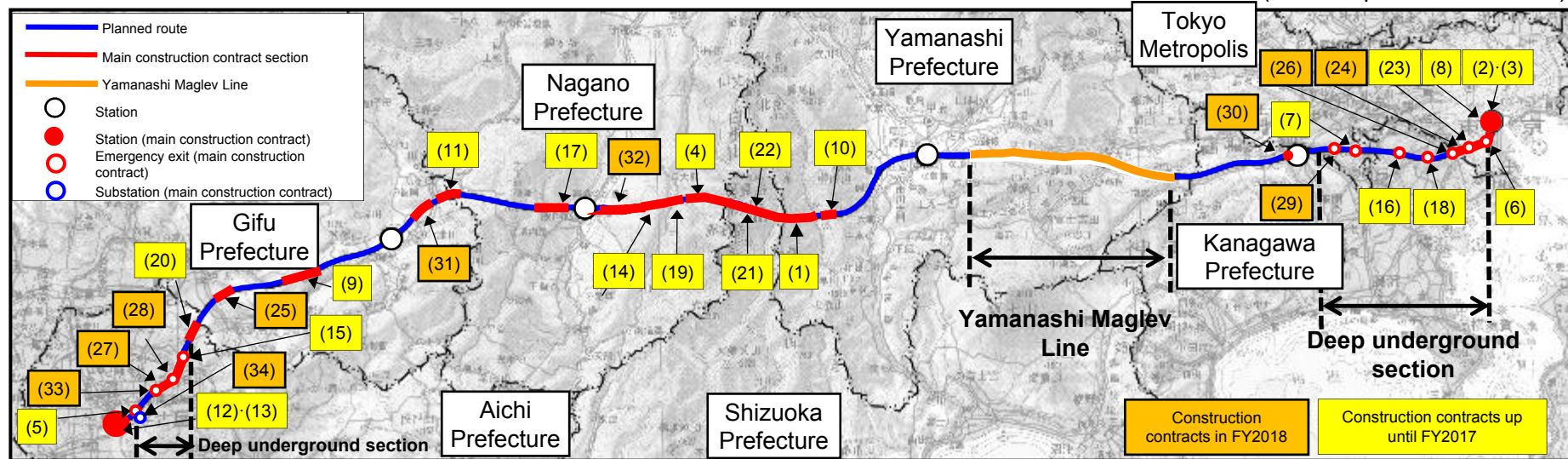


## “smartEX” one year anniversary campaign

- “EX Hayatoku 21” special price - 1,000 off the regular price! \*Sale completed
  - A product offering the best price for reserved seating on a regular car of the Nozomi if reserved up to 21 days prior to the boarding date.
- “smartEX THE Sekikuji”
  - A campaign for members who reserve a seat via “smartEX” for a section priced 5,000 yen or more (one-way per person) during the campaign period and the seat is entered into a lottery and eligible to win a luxurious prize.

# Chuo Shinkansen Project: Progress of Construction and Contracts Concluded

(As of September 30, 2018)



\* This map is a copy of the one-millionth map of Japan issued by the Geospatial Information Authority of Japan (GSI) with the approval of the Director-General of GSI. (Authorization number: H25 Jo Fuku, 310)  
 \* Main construction contract sections reflect approximate positions.

## <Names of the main construction contracts concluded>

### FY2015

- |  |   |
|--|---|
| (1) Southern Alps Tunnel (Yamanashi construction section) [Yamanashi Prefecture] (August 2015) | (12) Nagoya Station (Central east construction section) [Aichi Prefecture] (September 2016)     |
| (2) Shinagawa Station (North construction section) [Tokyo Metropolis] (September 2015)         | (13) Nagoya Station (Central west construction section) [Aichi Prefecture] (September 2016)     |
| (3) Shinagawa Station (South construction section) [Tokyo Metropolis] (October 2015)           | (14) Ina Mountains Tunnel (Sakashima construction section) [Nagano Prefecture] (September 2016) |
| (4) Southern Alps Tunnel (Nagano construction section) [Nagano Prefecture] (February 2016)     | (15) Sakashita Emergency Exit [Aichi Prefecture] (October 2016)                                 |

### FY2016

- |   |  |
|---|--|
| (5) Meijo Emergency Exit [Aichi Prefecture] (April 2016)  | (17) Central Alps Tunnel (Matsukawa) outer [Nagano Prefecture] (December 2016)*              |
| (6) Kita-Shinagawa Emergency Exit and Substation Facilities (Underground) [Tokyo Metropolis] (April 2016) | (18) Kajigaya Emergency Exit and material loading area [Kanagawa Prefecture] (February 2017) |
| (7) Onoji Emergency exit, etc. [Tokyo Metropolis] (April 2016)*   |  |
| (8) Shinagawa Station (Non-excavation construction section) [Tokyo Metropolis] (May 2016)                 |  |

### FY2017

- |  |  |
|--|--|
| (9) Hiyoishi Tunnel (Minamigaito construction section) [Gifu Prefecture] (June 2016)         | (19) Ina Mountains Tunnel (Aokigawa construction section) [Nagano Prefecture] (August 2017)        |
| (10) No. 4 Minami-Koma Tunnel (West construction section) [Yamanashi Prefecture] (July 2016) | (20) Dai-ichi Chukyo Area Tunnel (Nishio construction section) [Aichi Prefecture] (September 2017) |
| (11) Central Alps Tunnel (Yamaguchi) [Nagano & Gifu Prefectures] (August 2016)*              | (21) Shizuoka Conduit Tunnel [Shizuoka Prefecture] (October 2017)                                  |
|  | (22) Southern Alps Tunnel (Shizuoka construction section) [Shizuoka Prefecture] (November 2017)    |
|  | (23) Higashi-Yukigaya Emergency Exit [Tokyo Metropolis] (January 2018)                             |

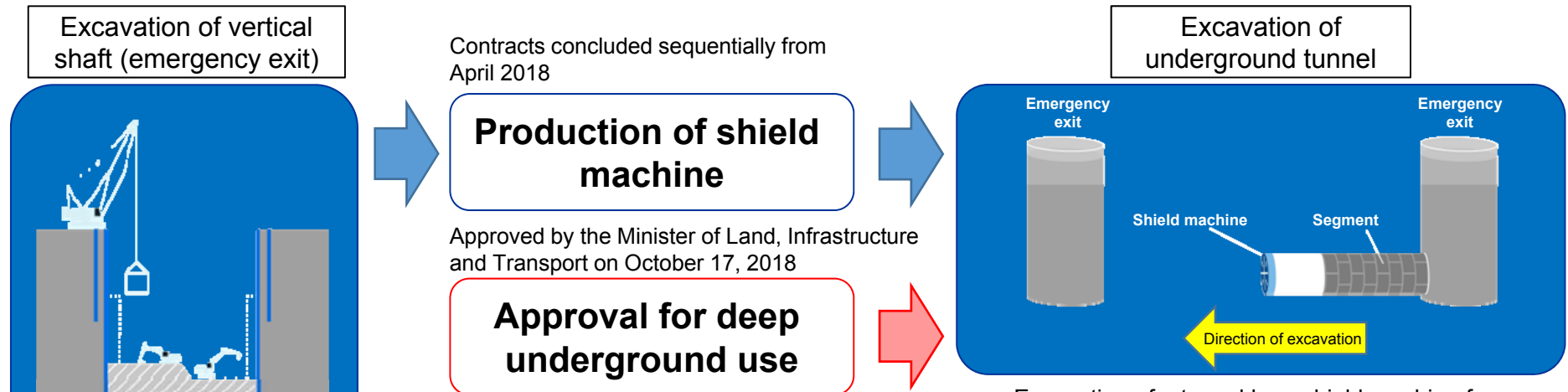
### FY2018

- |  |
|--|
| (24) No. 1 Tokyo Metropolis Tunnel (Kita-Shinagawa construction section) [Tokyo Metropolis] (April 2018) |
| (25) No. 1 Chukyo Area Tunnel (Omori construction section) [Gifu Prefecture] (April 2018)                |
| (26) Todoroki Emergency Exit [Kanagawa Prefecture] (June 2018)   |
| (27) No. 1 Chukyo Area Tunnel (Sakashita-Nishi construction section) [Aichi Prefecture] (June 2018)      |
| (28) Jinryo Emergency Exit [Aichi Prefecture] (June 2018)  |
| (29) Kami-Oyamada Emergency Exit [Tokyo Metropolis] (July 2018)*   |
| (30) National road No. 16 Crossing Tunnel [Kanagawa Prefecture] (July 2018)                              |
| (31) Seto Tunnel [Gifu Prefecture] (August 2018)   |
| (32) Ina Mountains Tunnel (Tochu/Mibusawa construction sections) [Nagano Prefecture] (September 2018)    |
| (33) Kachigawa Emergency Exit [Aichi Prefecture] (September 2018)  |
| (34) Meijo Substation Facilities, etc. [Aichi Prefecture] (September 2018)                               |

Note) \* Signifies the translated name of construction contracts by Japan Railway Construction, Transport and Technology Agency (JRRT).

# Chuo Shinkansen Project: Progress of Construction

## ■ Procedure of tunnel construction in urban areas



### \* Features of the shield construction method

- Used in many applications, this method allows construction of a tunnel safely even in areas where the land above ground is developed in urban areas and in places below a river, etc. where the underground water level is high.
- This method is highly water-proof and there is no risk of leakage. Levels of noise and vibration above ground are extremely low.

## ■ Status of starting pit

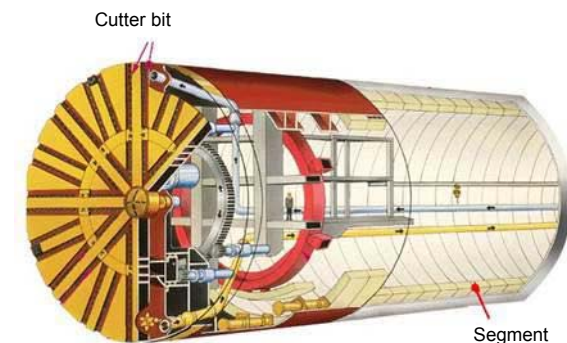
- Kita-Shinagawa Emergency Exit



- Meijo Emergency Exit



## ■ Shield machine (illustrated image)



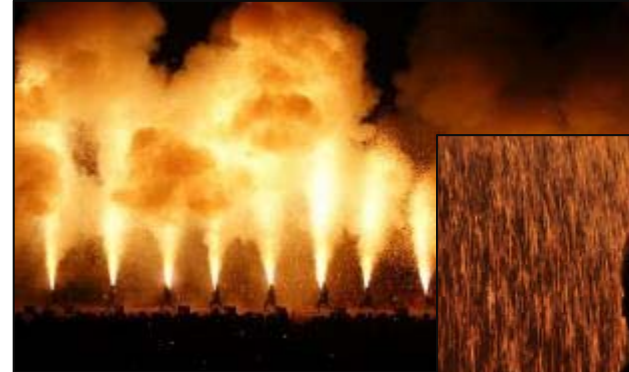
# Aichi Destination Campaign



## ■ Major tourist attractions



- Nagoya Castle Honmaru Palace  
Special visit after regular closing



- Toyohashi Hand Tube Fireworks  
special Destination Campaign (DC) event



## ■ Aichi DC Free Ticket

[Outline] A two-day ticket offering unlimited rides on all railroads and major bus routes to tourist sites within Aichi Prefecture.

[Eligibility] Customers traveling in Aichi Prefecture via a tourist package or *Hayatoku* product of EX service.

[Benefits] Discounted entrance fees to approximately 40 tourist facilities within Aichi Prefecture.

## ■ *Bushotai* train

- Operate tourist trains decorated with warrior images, e.g. “Rapid *Mirai* Creator Nobunaga” train

## ■ Other initiatives of the JR Central Group

- Showing special rolling stock, e.g. 300X at SCMAGLEV and Railway Park
- Sale of Aichi DC commemorating lunch boxes
- Development of Aichi DC-limited souvenirs
- Aichi fairs at various stores



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