

3rd Quarter Investor Meeting FY2021.3
(Fiscal Year Ending March 31, 2021)

Central Japan Railway Company

January 29, 2021

Results for 3Q of FY2021.3 (Consolidated)

2

(Billions of Yen)

	3Q of FY2020.3 (Apr. - Dec.) A	3Q of FY2021.3 (Apr. - Dec.) B	Change (B-A)	Main factors for the change
Operating Revenues	1,448.0	603.0	-844.9	
Transportation	1,135.2	401.7	-733.4	(-) JR CENTRAL (Transportation)
Merchandise and Other	199.6	121.1	-78.5	(-) JR Tokai Takashimaya, Tokai Kiosk
Real Estate	60.5	51.7	-8.7	(-) JR Development and Management Corporation of Kansai, JR Central Building
Others	170.9	160.8	-10.0	(-) JR Tokai Hotels, JR Tokai Tours
Operating Expenses	836.0	696.6	-139.3	
Operating Income (Loss)	611.9	(93.5)	-705.5	
Transportation	581.2	(88.2)	-669.4	(-) JR CENTRAL (Transportation)
Merchandise and Other	7.1	(10.3)	-17.4	(-) Tokai Kiosk, JR Tokai Takashimaya
Real Estate	16.7	11.5	-5.2	(-) JR Central Building, Nagoya Station Area Development Corporation
Others	6.6	(4.2)	-10.9	(-) JR Tokai Hotels, JR Tokai Tours
Ordinary Income (Loss)	555.6	(147.7)	-703.4	
Net Income (Loss) Attributable to Owners of the Parent	388.1	(111.4)	-499.6	

* Breakdown by segment is before offsetting transactions between segments. The sum of figures in the breakdown does not match Operating Revenues and Operating Income (Loss).

- Let me start with an overview of the consolidated results. As you can see in the slide, the business environment remained extremely difficult for both the Company and group companies mainly due to people refraining from going outside and traveling in response to the COVID-19 pandemic. This has resulted in a sharp fall in revenues. Amid these circumstances, we posted a substantial amount of loss, despite a decrease in operating expenses due to vigorous cost reductions.
- In terms of revenues, JR Central's transportation revenues fell substantially for both the Shinkansen and conventional lines. As for the non-railway business, although the Company sought to ensure profits, mainly through the operation of JR CENTRAL TOWERS and JR GATE TOWER while striving to prevent the spread of infection, the overall operating revenues significantly decreased on a consolidated basis as well because of the impacts of the COVID-19 pandemic. As a result, consolidated operating revenues decreased ¥844.9 billion year-on-year to ¥603.0 billion.
- Operating expenses declined by ¥139.3 billion or 16.7% year-on-year due to Group-wide cost reductions. However, we posted substantial losses of ¥93.5 billion in operating loss, ¥147.7 billion in ordinary loss, and ¥111.4 billion in net loss attributable to owners of the parent.
- In terms of business segment, the Transportation segment saw substantial falls in both revenues and income mainly due to a decline in the Company's transportation revenues. All other segments also faced decreases in both revenues and income, with the impact particularly large in the Merchandise and Other segment, which include drops in department store sales at JR Tokai Takashimaya and store sales at Tokai Kiosk, as well as from decreases in accommodation revenues at JR Tokai Hotels and travel product sales at JR Tokai Tours, which are part of Others.

Results for 3Q of FY2021.3 (Non-Consolidated)

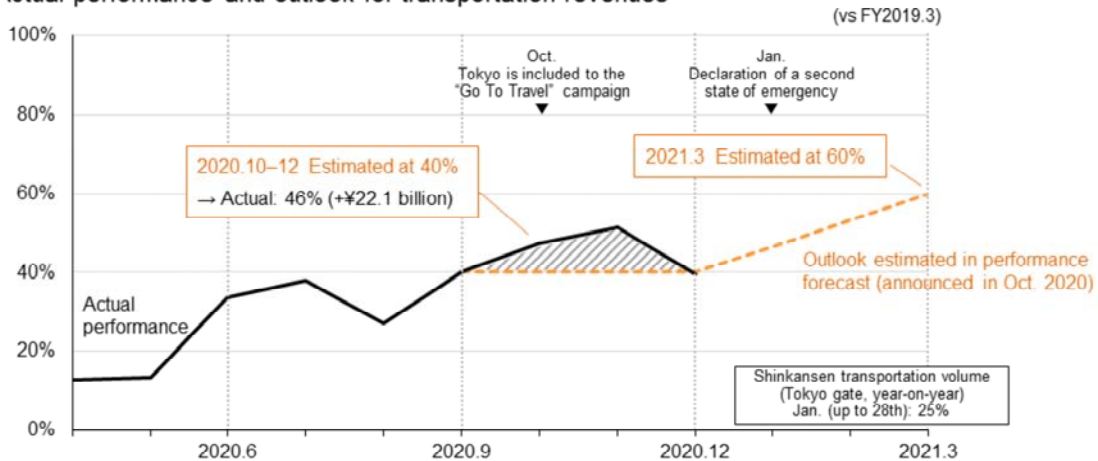
3

(Billions of Yen)

	3Q of FY2020.3 (Apr. - Dec.) A	3Q of FY2021.3 (Apr. - Dec.) B	Change (B-A)	Main factors for the change
Operating Revenues (Transportation Revenues)	1,139.4 (1,087.4)	408.4 (359.0)	-731.0 (-728.4)	
Operating Expenses	554.0	490.7	-63.2	
Personnel Expenses	132.4	125.5	-6.9	Decrease in employee bonus, etc.
Non-personnel Expenses	245.1	208.5	-36.6	
Energy	33.0	28.9	-4.0	Decrease in vehicle mileage, etc.
Maintenance	74.4	66.9	-7.4	Large-scale renovation, technology development-related, etc.
Other Operation	137.7	112.5	-25.1	Decrease in sales commissions, decrease in advertising expenses, etc.
Taxes and Public Dues	31.9	24.4	-7.5	Decrease in business taxes, etc.
Depreciation & Amortization	144.4	132.2	-12.2	Yamanashi Maglev Line, vehicles and ground equipment, etc.
Operating Income (Loss)	585.4	(82.3)	-667.7	
Ordinary Income (Loss)	527.7	(139.6)	-667.4	
Net Income (Loss)	370.4	(97.9)	-468.3	

- This slide shows non-consolidated results.
- The transportation revenues in operating revenues decreased ¥728.4 billion year-on-year to ¥359.0 billion due to the impact of COVID-19.
- Meanwhile, operating expenses were ¥490.7 billion. Operating expenses fell by ¥63.2 billion or 11.4% year-on-year as a result of further strengthening our efforts to improve efficiency and lower costs, which we have been striving continuously to realize, as well as further cost reductions without compromising safe and reliable transportation.
- Personnel expenses dropped by ¥6.9 billion year-on-year to ¥125.5 billion due in part to a decrease in employee bonus payment.
- As for the breakdown of non-personnel expenses, energy costs dropped by ¥4.0 billion year-on-year to ¥28.9 billion due in part to a decline in vehicle mileage as a result of a decrease in the number of services provided.
- Maintenance costs decreased by ¥7.4 billion year-on-year to ¥66.9 billion. This was due to a decrease in technology development-related costs for the next-generation limited express rolling stock for conventional lines and a partial reduction in repairs, such as large-scale renovation, as part of cost reduction efforts for the current term.
- Other operation expenses decreased by ¥25.1 billion year-on-year to ¥112.5 billion. This reflected lower sales commissions in tandem with the decrease in transportation revenues, as well as cost reductions resulting from a review of advertising, restraint on meetings and reduction of unnecessary and non-urgent equipment purchases.
- Lastly, depreciation and amortization came to ¥132.2 billion, a decrease of ¥12.2 billion year-on-year. The depreciation burden was reduced on the investment made in the past extension of the Yamanashi Maglev Line, and other depreciation on vehicles and ground equipment also decreased.
- Although operating expenses decreased due to the above efforts, a substantial amount of operating loss was posted in the non-consolidated results.

◆ Actual performance and outlook for transportation revenues



◆ Impact of COVID-19 on revenues

- Impact on operating revenues (non-consolidated):
Approx. -¥731 billion
- Impact on operating revenues (consolidated):
Approx. -¥842 billion

(Reference) Impact in each segment

Segment	Impact	Outline
Transportation	Approx. -¥734 billion	Decrease in transportation revenues, etc.
Merchandise and Other	Approx. -¥80 billion	Decrease in sales at department stores and other stores, etc.
Real Estate	Approx. -¥8 billion	Decrease in station building revenues in each area, etc.
Others	Approx. -¥19 billion	Decrease in revenues from accommodation, travel products, etc.

- I will next explain revenues, which have been hard hit by the COVID-19 pandemic.
- With regard to the Tokaido Shinkansen, which accounts for a majority of revenues, a gradual recovery was seen after October mainly in travel products as the Tokyo area was included to the "Go To Travel" campaign on October 1. However, customer use decreased again in December on the back of a resurgence in infections.
- We had expected in our performance forecast announced in October that transportation revenues would remain at 40% of FY2019.3 levels until December. However, the actual performance in 3Q was 46% of FY2019.3, which amounts to around ¥22.1 billion more than the forecast.
- On the other hand, customer use has decreased further in and after January due in part to the declaration of a second state of emergency, with passenger volume at the Tokyo gate in January (until the 28th) remaining at 25%.
- There are concerns going forward as revenues may decrease more than expected due to the declaration of a state of emergency. However, we have not revised our performance forecast due to uncertainties in the outlook as well as in view of the fact that the actual performance was better than the forecast up to 3Q. There is no change in our belief that customer use will recover, although we are not certain of the pace, as the state of emergency is lifted, infections gradually abate and the economy recovers.
- With regard to the impact of COVID-19 on revenues in 3Q results, we estimate that there was a negative impact on non-consolidated operating revenues of approx. ¥731 billion and on consolidated operating revenues of approximately ¥842 billion.

Initiatives to Reduce Costs

5

- As the extremely severe business environment continues, we vigorously reduced costs without compromising safe and reliable transportation.
- As of 3Q, we reduced approx. ¥41 billion in operating expenses on a consolidated basis. (Approx. ¥30 billion at JR Central and approx. ¥11 billion at group companies)

(Billions of Yen)

		Full-year reduction plan	Reduction as of Q3	Outline
JR Central	Operating Expenses	40.0	30.0	Reduction of employee bonus, large-scale renovation, review of advertising, reduction of energy costs, etc.
	Capital Expenditure	15.0 <small>Incl. capex related expenses of 8.0</small>	-	(Disclose at year-end results)
Group Companies	Operating Expenses	13.0	11.0	Review of advertising, reduction of employee bonus, reduction of outsourcing, etc.
	Capital Expenditure	8.0	-	(Disclose at year-end results)
Total		68.0 * <small>Excl. capex related expenses of 8.0</small>	41.0	

*Since JR Central's capital expenditure includes "capex related expenses", the sum of individual figures does not match the total.

- Lastly, I would like to explain our cost reduction initiatives.
- As the extremely severe business environment continues due to the impact of COVID-19, we have been making thorough efforts to reduce costs without compromising on ensuring safe and reliable transportation and the providing our transportation services. Our plan is to reduce ¥68.0 billion in total including capex on a consolidated basis. This has been reflected in our performance forecast.
- As a result of these initiatives, we reduced operating expenses by approximately ¥30.0 billion at the Company and approximately ¥11.0 billion at group companies, which add up to ¥41.0 billion on a consolidated basis as of 3Q through efforts including the reduction and re-scheduling of some repairs such as large-scale renovation that had been planned, the reduction of advertising and energy costs, and additional reductions such as in the number of months of employee bonus payment.
- Since we do not aggregate capital expenditure at 3Q, we will explain our efforts in reducing capex at the time of the year-end results.
- Although the situation remains severe, we will fulfill our mission as a transportation service provider placing top priority to ensuring safe and reliable transportation, while at the same time making efforts to prevent the spread of infections. Furthermore, we will strive to enhance our management capabilities by further improving services and pursuing efficiency and cost reduction in the operation of its business at all levels, looking forward to after the COVID-19 pandemic.
- This concludes my explanation.

Forward-looking statements and forecasts contained in this document are based on information available at the time of preparing this document. Actual operating results and performances may differ substantially from the forecasts in this document. Examples of latent risks and uncertainties include economic conditions, the business environment, consumer trends, the status of competition between the Company and its subsidiaries and other firms, changes to laws and regulations, and natural disasters.

(Reference) Transportation Segment

(Billions of Yen)	FY2020.3 3Q Results	FY2021.3 3Q Results	Year-on- year change	FY2020.3 Results	FY2021.3 Forecast	Year-on- year change
Operating Revenues	1,135.2	401.7	-733.4 35.4%	1,431.2	573.0	-858.2 40.0%
Operating Expenses	553.9	489.9	-64.0 88.4%	813.6	752.0	-61.6 92.4%
Operating Income (Loss)	581.2	(88.2)	-669.4 -	617.6	(179.0)	-796.6 -

Major factor for change in FY2021.3 3Q results

- Decrease in revenues and income due to a decrease in transportation revenues of JR Central



Major factor for change in FY2021.3 forecast

- Decrease in revenues and income due to a decrease in transportation revenues of JR Central

(Reference) Merchandise and Other Segment

(Billions of Yen)	FY2020.3 3Q Results	FY2021.3 3Q Results	Year-on- year change	FY2020.3 Results	FY2021.3 Forecast	Year-on- year change
Operating Revenues	199.6	121.1	-78.5 60.7%	263.2	177.0	-86.2 67.2%
Operating Expenses	192.4	131.4	-61.0 68.3%	255.8	190.0	-65.8 74.3%
Operating Income (Loss)	7.1	(10.3)	-17.4 -	7.4	(13.0)	-20.4 -

Major factor for change in FY2021.3 3Q results

- Decrease in revenues and income due to a drop in department store sales at JR Tokai Takashimaya and a decrease in store sales of Tokai Kiosk

Major factor for change in FY2021.3 forecast

- Decrease in revenues and income due to a drop in department store sales at JR Tokai Takashimaya and a decrease in store sales of Tokai Kiosk

(Reference) Real Estate Segment

(Billions of Yen)	FY2020.3 3Q Results	FY2021.3 3Q Results	Year-on- year change	FY2020.3 Results	FY2021.3 Forecast	Year-on- year change
Operating Revenues	60.5	51.7	-8.7 85.5%	79.9	70.0	-9.9 87.5%
Operating Expenses	43.7	40.2	-3.5 91.9%	60.9	57.0	-3.9 93.5%
Operating Income (Loss)	16.7	11.5	-5.2 68.9%	19.0	13.0	-6.0 68.4%

Major factor for change in FY2021.3 3Q results

- Decrease in revenues and income due to drops in station building revenues in each area



Major factor for change in FY2021.3 forecast

- Decrease in revenues and income due to drops in station building revenues in each area

(Reference) Others Segment

(Billions of Yen)	FY2020.3 3Q Results	FY2021.3 3Q Results	Year-on- year change	FY2020.3 Results	FY2021.3 Forecast	Year-on- year change
Operating Revenues	170.9	160.8	-10.0 94.1%	272.2	247.0	-25.2 90.7%
Operating Expenses	164.2	165.1	+0.9 100.6%	258.7	251.0	-7.7 97.0%
Operating Income (Loss)	6.6	(4.2)	-10.9 -	13.5	(4.0)	-17.5 -

Major factor for change in FY2021.3 3Q results

- Decrease in revenues and income due to drops in accommodation revenues at JR Tokai Hotels and travel product revenues at JR Tokai Tours



Major factor for change in FY2021.3 forecast

- Decrease in revenues and income due to drops in accommodation revenues at JR Tokai Hotels and travel product revenues at JR Tokai Tours

(Reference) Results and Forecast of Major Subsidiaries
(before Consolidation Adjustment)

○Results

(Billions of Yen)

	Operating Revenues			Operating Income (Loss)			Ordinary Income		
	FY2020.3 3Q Results	FY2021.3 3Q Results	YoY Change	FY2020.3 3Q Results	FY2021.3 3Q Results	YoY Change	FY2020.3 3Q Results	FY2021.3 3Q Results	YoY Change
JR Tokai Takashimaya	104.5	70.4	67.3%	3.2	(1.6)	—	3.4	(1.5)	—
JR Central Building	24.2	22.1	91.3%	4.1	3.0	73.4%	3.9	2.8	71.9%
JR Tokai Hotels	20.1	8.8	44.0%	1.1	(5.2)	—	1.2	(4.7)	—
Nippon Sharyo	65.9	70.1	106.5%	4.9	4.2	85.6%	5.1	4.4	86.5%

Net income of Nippon Sharyo: 8.1 4.1 50.6%

○Forecast (As of January 29, 2021)

(Billions of Yen)

	Operating Revenues				Operating Income (Loss)				Ordinary Income			
	FY2020.3 Results	FY2021.3 Forecast (As of 2Q)	FY2021.3 Forecast (As of 3Q)	As of 3Q Vs As of 2Q	FY2020.3 Results	FY2021.3 Forecast (As of 2Q)	FY2021.3 Forecast (As of 3Q)	As of 3Q Vs As of 2Q	FY2020.3 Results	FY2021.3 Forecast (As of 2Q)	FY2021.3 Forecast (As of 3Q)	As of 3Q Vs As of 2Q
JR Tokai Takashimaya	143.7	102.0	102.0	No change	4.5	(1.4)	(1.4)	No change	4.7	(1.2)	(1.2)	No change
JR Central Building	32.7	29.6	29.6	No change	4.0	2.0	2.0	No change	3.7	1.7	1.7	No change
JR Tokai Hotels	24.9	11.8	11.8	No change	0.0	(7.6)	(7.6)	No change	0.2	(7.1)	(7.1)	No change
Nippon Sharyo	92.7	95.0	95.0	No change	8.3	5.7	5.7	No change	8.5	6.0	6.0	No change

Net income of Nippon Sharyo: 12.3 5.4 5.4 No change

(Reference) Monthly Passenger Volume

◆月次利用状況 Monthly passenger volume

(%)

期間 Period	新幹線 Shinkansen						在来線 Conventional Railway		
	東京口 Tokyo Gate						大阪口 Osaka Gate	特急等 Express	名古屋近郊 Nagoya Area
	合計 Total	のぞみ Nozomi	ひかり Hikari	こだま Kodama	平日 Weekdays	土休日 Weekends	合計 Total		
20/04	10	10	8	15	12	7	10	10	43
20/05	10	10	9	13	12	8	10	9	36
20/06	28	28	25	32	29	26	29	29	67
FY 1Q	16	16	14	20	18	12	16	15	49
20/07	32	32	27	36	35	27	34	28	68
20/08	25	25	22	32	27	23	25	24	60
20/09	38	39	32	41	37	40	40	38	72
FY 2Q	32	32	27	36	33	30	33	30	67
FY 1H	24	24	20	28	26	21	24	23	57
20/10	46	47	37	49	44	48	48	49	79
20/11	50	52	42	48	50	50	54	54	72
20/12	39	39	34	42	39	37	39	45	70
FY 3Q	45	46	38	46	44	46	47	50	74
年度累計 FY Total	31	31	26	34	32	28	32	32	63

(注) 新幹線・在来線特急等は特定の駅間における月累計断面輸送量の対前年比。

在来線名古屋近郊は自動改札集計による乗車人員合計の対前年比。※多客期においては定期外の乗車人員に限る。

Note: The data of the Shinkansen and Express is based on the total passenger volume of each month at certain points.

The data of the Nagoya area is based on the passenger ridership of each month counted by automatic ticket gates.

※The data of the Nagoya area regarding the peak holiday seasons is based on the passenger ridership excluding commuter passes.

(Reference) Passenger Volume during the peak holiday seasons

◆多客期利用状況（東京口） Passenger volume during the peak holiday seasons (Tokyo Gate)

・ゴールデンウィーク "Golden Week" Holidays

期間 Period	新幹線 Shinkansen				在来線 Conventional Railway	
	合計 Total	のぞみ Nozomi	ひかり Hikari	こだま Kodama	特急等 Express	名古屋近郊 Nagoya Area
4/24~5/6	6	5	5	7	4	16

・お盆期間 Summer Holidays

期間 Period	新幹線 Shinkansen				在来線 Conventional Railway	
	合計 Total	のぞみ Nozomi	ひかり Hikari	こだま Kodama	特急等 Express	名古屋近郊 Nagoya Area
8/7~8/17	24	24	20	30	24	42

・年末年始 Winter Holidays

期間 Period	新幹線 Shinkansen				在来線 Conventional Railway	
	合計 Total	のぞみ Nozomi	ひかり Hikari	こだま Kodama	特急等 Express	名古屋近郊 Nagoya Area
12/25~1/5	32	33	27	33	35	53

(注) 新幹線・在来線特急等は特定の駅間における月累計断面輸送量の対前年比。

在来線名古屋近郊は自動改札集計による乗車人員合計の対前年比。※多客期においては定期外の乗車人員に限る。

Note: The data of the Shinkansen and Express is based on the total passenger volume of each month at certain points.

The data of the Nagoya area is based on the passenger ridership of each month counted by automatic ticket gates.

※The data of the Nagoya area regarding the peak holiday seasons is based on the passenger ridership excluding commuter passes.

(Reference) Monthly Results of Commercial Facilities and Hotels

◆商業施設

Commercial Facilities

ジュイブール名古屋タカシマヤ、及び タカシマヤゲートタワーモール JR Nagoya Takashimaya and Takashimaya Gate Tower Mall		
期間 Period	売上高合計 2021年2月期 (百万円) Total Sales FY2020: 2020.3~2021.2 (Millions of Yen)	前年同月比 (%) YoY Comparison
20/03	9,489	62.1
20/04	2,758	21.1
20/05	4,036	32.6
20/06	11,019	80.8
20/07	10,642	79.6
20/08	7,723	64.7
20/09	10,436	65.5
20/10	11,717	105.6
20/11	12,245	88.9
20/12	15,008	83.2

◆ホテル

Hotels

名古屋マリオットアソシアホテル Nagoya Marriott Associa Hotel		名古屋JRゲートタワーホテル Nagoya JR Gate Tower Hotel (※1)		
期間 Period	稼働率 (%) Occupancy Rate	前年同月比 増減 YoY Inc./Dec.	稼働率 (%) Occupancy Rate	前年同月比 増減 YoY Inc./Dec.
20/04	18.6	-66.9	23.7	-72.7
20/05	16.7	-62.5	-	-
20/06	25.7	-50.1	27.3	-64.2
20/07	29.7	-47.4	42.8	-52.8
20/08	37.6	-38.0	46.1	-51.0
20/09	49.2	-30.0	67.3	-26.4
20/10	70.1	-18.5	85.4	-10.0
20/11	71.4	-18.7	90.5	-6.3
20/12	53.0	-28.8	71.7	-20.5

(※1) 名古屋JRゲートタワーホテルは4月19日から5月31日まで休業したため、4月は12日までの実績。

Note1 Nagoya JR Gate Tower Hotel was closed from April 19th to May 31st. The figure for April show the results up to April 12th.

(※2) 各月の数値は速報値のため、確定値とは異なる場合があります。

Note2: The number for each month comes from a quick estimation, which might differ from the actual results.