October 29, 2026

Central Japan Railway Company

Main Q&A of the Semi-Annual Investor Meeting for FY2027.3

(Transportation trends)

Q. How is transportation trending from late October onward? Do you think the robust trend from the first half is continuing, including bookings for November?

A. We believe demand remains strong, as current Shinkansen passenger volume exceeds last year's levels. Although we have not identified any specific negative factors for the days ahead, we are being cautious and forecasting second-half transportation revenues to be 100% of last year's level. We will strive to exceed this figure as much as we can.

(Additional Nozomi services)

Q. How many more Nozomi services can you add per hour?

A. In the past, we have made continuous improvements to increase the number of Nozomi services. These efforts bore fruit in the form of the "12 Nozomi Timetable" during the March 2020 timetable revision. Following this, we will increase the number of time slots when we can operate 13 Nozomi services per hour in our next timetable revision, with the eventual goal of reaching 14.

Q. You say that you will increase the number of time slots in which you can operate 13 Nozomi services per hour, and that you aim to increase this figure to 14 in the future. Are there any challenges to increasing the number of Nozomi services? Would it require significant capital investment?

A. At this stage, we do not anticipate requiring large-scale capital investment. Since setting a timetable involves various factors in a complex way, it is important to solve one issue at a time.

(Nozomi fee)

Q. On October 16, you announced that you will revise the Nozomi fee in July of next year, but what was the reason behind your decision to revise it at this time? Was it to respond to cost increases caused by inflation?

A. In the past, we have consistently worked to improve services on the Tokaido Shinkansen. While we have been working to improve Nozomi's service, in particular, including making the timetable more convenient by shortening travel times and significantly increasing the number of services, we have decided to revise the Nozomi fee in order to address the recent rise in various costs due to inflation, and to ensure the continued provision of safe, stable transportation services, as well as further service enhancements.

(Revisions to the fare/fee system)

Q. Due to the Nozomi fee revision you announced recently, the fee will increase to the approved ceiling. However, this reduces the room for relying solely on individual efforts to address inflation. Going forward, how will you engage with relevant parties to introduce a system that allows for flexible adjustments to fares and charges due to inflation-induced cost increases, as well as to enable changes to limited express surcharges for Shinkansen non-reserved seats through notification?

A. Since labor costs and raw material prices are continuously rising, we must collaborate with all other JR companies to engage with the relevant parties.

(Demand creation)

Q. What is your view on the revenue increase effect due to the event launches described on the slide number 6 of the Investor Meeting material?

A. Due to initiatives such as collaborating with content holders and attracting events, we are confident that demand has increased. As a next step, we will work to generate foot traffic by being involved with the hosting of events in areas along our railway lines to encourage Shinkansen use.

(Shareholder returns)

Q. What was the reason for increasing your interim and year-end dividend forecasts from those announced in April?

A. At the time the results were announced in April, we forecasted an approximately 100 billion yen decline in profit for this year and thought it would be difficult to predict an increase in dividends at that point. On the other hand, actual performance showed that passenger volume on the Tokaido Shinkansen remained robust, with transportation revenues for the first half of the year exceeding last year's revenues, which increased due to the Expo. In view of these circumstances, we decided to increase dividends at the time of the interim results.

Q. Predicting the timing and scale of your shareholder returns is difficult. Do you have plans to make them more predictable in the future?

A. Our policy on shareholder returns is to consider increasing returns if funds become available, taking into account the need to secure funds for future investments in safety and growth, as well as for construction costs of the Chuo Shinkansen. Keeping this policy in mind, we will continue to make the most appropriate decision from among various options depending on the situation at hand.