### Nagoya Railroad Co., Ltd. and Consolidated Subsidiaries

**Quarterly Consolidated Balance Sheets (Unaudited)**

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>30 September 2016</th>
<th>30 September 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>¥ 16,922</td>
<td>¥ 21,251</td>
<td>$ 210,406</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>794</td>
<td>786</td>
<td>7,782</td>
</tr>
<tr>
<td>Trade notes and accounts receivable</td>
<td>55,711</td>
<td>53,316</td>
<td>527,881</td>
</tr>
<tr>
<td>Inventories</td>
<td>64,029</td>
<td>65,646</td>
<td>649,961</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>3,411</td>
<td>4,577</td>
<td>45,317</td>
</tr>
<tr>
<td>Others</td>
<td>17,260</td>
<td>19,219</td>
<td>190,287</td>
</tr>
<tr>
<td>Less allowance for doubtful accounts</td>
<td>(203)</td>
<td>(304)</td>
<td>(3,010)</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>157,924</strong></td>
<td><strong>164,491</strong></td>
<td><strong>1,628,624</strong></td>
</tr>
<tr>
<td><strong>Property and equipment:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>359,804</td>
<td>363,969</td>
<td>3,603,653</td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>677,307</td>
<td>681,693</td>
<td>6,749,436</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles</td>
<td>307,164</td>
<td>311,029</td>
<td>3,079,495</td>
</tr>
<tr>
<td>Other properties</td>
<td>65,146</td>
<td>64,116</td>
<td>634,812</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>27,785</td>
<td>27,629</td>
<td>273,554</td>
</tr>
<tr>
<td><strong>Less accumulated depreciation</strong></td>
<td>(663,008)</td>
<td>(671,286)</td>
<td>(6,646,396)</td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td><strong>774,198</strong></td>
<td><strong>777,150</strong></td>
<td><strong>7,694,554</strong></td>
</tr>
<tr>
<td><strong>Investments and other assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>66,317</td>
<td>61,596</td>
<td>609,861</td>
</tr>
<tr>
<td>Investments in unconsolidated subsidiaries and affiliates</td>
<td>30,763</td>
<td>31,793</td>
<td>314,782</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>10,573</td>
<td>11,463</td>
<td>113,495</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>10,605</td>
<td>9,754</td>
<td>96,574</td>
</tr>
<tr>
<td>Other assets</td>
<td>16,239</td>
<td>16,667</td>
<td>165,020</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(2,012)</td>
<td>(1,823)</td>
<td>(18,049)</td>
</tr>
<tr>
<td><strong>Total investments and other assets</strong></td>
<td><strong>132,485</strong></td>
<td><strong>129,450</strong></td>
<td><strong>1,281,683</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>¥ 1,064,607</td>
<td>¥ 1,071,091</td>
<td>$ 10,604,861</td>
</tr>
</tbody>
</table>

See Notes to Quarterly Consolidated Financial Statements.
### Nagoya Railroad Co., Ltd. and Consolidated Subsidiaries

#### Quarterly Consolidated Balance Sheets (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>30 September 2016</th>
<th>30 September 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term borrowings</td>
<td>¥ 26,287</td>
<td>¥ 21,613</td>
<td>$213,990</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>59,114</td>
<td>83,422</td>
<td>825,960</td>
</tr>
<tr>
<td>Trade notes and accounts payable</td>
<td>69,403</td>
<td>54,525</td>
<td>539,851</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>15,472</td>
<td>15,813</td>
<td>156,564</td>
</tr>
<tr>
<td>Income taxes payable</td>
<td>6,246</td>
<td>9,423</td>
<td>93,297</td>
</tr>
<tr>
<td>Provisions</td>
<td>2,142</td>
<td>2,085</td>
<td>20,644</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>75,386</td>
<td>81,248</td>
<td>804,436</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>254,050</td>
<td>268,129</td>
<td>2,654,742</td>
</tr>
<tr>
<td><strong>Non-current liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term debt</td>
<td>372,968</td>
<td>356,441</td>
<td>3,529,119</td>
</tr>
<tr>
<td>Accrued retirement benefits for directors and corporate auditors</td>
<td>1,738</td>
<td>1,537</td>
<td>15,218</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>3,638</td>
<td>3,503</td>
<td>34,683</td>
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<tr>
<td>Deferred tax liabilities for land revaluation</td>
<td>54,245</td>
<td>54,207</td>
<td>536,703</td>
</tr>
<tr>
<td>Provisions</td>
<td>8,564</td>
<td>8,217</td>
<td>81,356</td>
</tr>
<tr>
<td>Employee retirement benefit liability</td>
<td>37,340</td>
<td>35,762</td>
<td>354,079</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>18,516</td>
<td>18,487</td>
<td>183,040</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>497,009</td>
<td>478,154</td>
<td>4,734,198</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>751,059</td>
<td>746,283</td>
<td>7,388,940</td>
</tr>
<tr>
<td><strong>Contingent liabilities (Note 3)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity (Note 4):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock: authorised - 1,800,000 thousand shares</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>issued - 919,773 thousand shares at 31 March 2016 and 30 September 2016</td>
<td>88,864</td>
<td>88,864</td>
<td>879,842</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>23,042</td>
<td>23,146</td>
<td>229,168</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>80,615</td>
<td>91,246</td>
<td>903,426</td>
</tr>
<tr>
<td>Treasury stock - at cost: 449 thousand shares at 31 March 2016 and 580 thousand shares at 30 September 2016</td>
<td>(170)</td>
<td>(245)</td>
<td>(2,426)</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>192,351</td>
<td>203,011</td>
<td>2,010,010</td>
</tr>
<tr>
<td>Accumulated other comprehensive income (loss):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net unrealised gains on available-for-sale securities</td>
<td>20,355</td>
<td>16,970</td>
<td>168,020</td>
</tr>
<tr>
<td>Deferred gains and losses on hedges</td>
<td>(615)</td>
<td>(470)</td>
<td>(4,653)</td>
</tr>
<tr>
<td>Land revaluation increment</td>
<td>82,538</td>
<td>82,504</td>
<td>816,871</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>(9)</td>
<td>(24)</td>
<td>(238)</td>
</tr>
<tr>
<td>Retirement benefit adjustments</td>
<td>(3,628)</td>
<td>(2,767)</td>
<td>(27,396)</td>
</tr>
<tr>
<td><strong>Total accumulated other comprehensive income (loss)</strong></td>
<td>98,641</td>
<td>96,213</td>
<td>952,604</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>22,556</td>
<td>25,584</td>
<td>253,307</td>
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<tr>
<td><strong>Total net assets</strong></td>
<td>313,548</td>
<td>324,808</td>
<td>3,215,921</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>¥ 1,064,607</td>
<td>¥ 1,071,091</td>
<td>$10,604,861</td>
</tr>
</tbody>
</table>
Nagoya Railroad Co., Ltd. and Consolidated Subsidiaries

Quarterly Consolidated Statements of Income (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Six-month periods ended 30 September</td>
<td>Six-month period ended 30 September</td>
</tr>
<tr>
<td>Operating revenues (Note 5)</td>
<td>¥ 293,352</td>
<td>¥ 292,293</td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
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<tr>
<td>Transportation, other services and cost of sales</td>
<td>245,719</td>
<td>243,064</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>25,467</td>
<td>25,890</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>271,186</td>
<td>268,954</td>
</tr>
<tr>
<td>Operating income</td>
<td>22,166</td>
<td>23,339</td>
</tr>
<tr>
<td>Other income (expenses):</td>
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<td></td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>917</td>
<td>1,023</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(2,468)</td>
<td>(2,139)</td>
</tr>
<tr>
<td>Equity in net earnings of affiliates</td>
<td>1,322</td>
<td>1,650</td>
</tr>
<tr>
<td>Impairment loss on fixed assets</td>
<td>(3,964)</td>
<td>(115)</td>
</tr>
<tr>
<td>Gain on sale or disposition of property and equipment, net</td>
<td>931</td>
<td>357</td>
</tr>
<tr>
<td>Gain on contributions for construction</td>
<td>559</td>
<td>20</td>
</tr>
<tr>
<td>Loss on reduction of property and equipment</td>
<td>(520)</td>
<td>(10)</td>
</tr>
<tr>
<td>Others, net</td>
<td>(312)</td>
<td>915</td>
</tr>
<tr>
<td>Other income (expenses), net</td>
<td>(3,535)</td>
<td>1,701</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>18,631</td>
<td>25,040</td>
</tr>
<tr>
<td>Income taxes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>5,502</td>
<td>9,563</td>
</tr>
<tr>
<td>Deferred</td>
<td>1,351</td>
<td>(1,269)</td>
</tr>
<tr>
<td>Total income taxes</td>
<td>6,853</td>
<td>8,294</td>
</tr>
<tr>
<td>Profit</td>
<td>11,778</td>
<td>16,746</td>
</tr>
<tr>
<td>Profit attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the parent</td>
<td>10,391</td>
<td>15,182</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>1,387</td>
<td>1,564</td>
</tr>
<tr>
<td>Total profit</td>
<td>¥ 11,778</td>
<td>¥ 16,746</td>
</tr>
<tr>
<td>Per share:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Basic</td>
<td>¥ 11.30</td>
<td>¥ 16.52</td>
</tr>
<tr>
<td>- Diluted</td>
<td>9.87</td>
<td>14.42</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

See Notes to Quarterly Consolidated Financial Statements.
Nagoya Railroad Co., Ltd. and Consolidated Subsidiaries

Quarterly Consolidated Statements of Comprehensive Income (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td>Profit</td>
<td>¥ 11,778</td>
<td>¥ 16,746</td>
</tr>
<tr>
<td>Other comprehensive income:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net unrealised gains and losses on available-for-sale securities</td>
<td>(86)</td>
<td>(3,244)</td>
</tr>
<tr>
<td>Deferred gains and losses on hedges</td>
<td>(113)</td>
<td>164</td>
</tr>
<tr>
<td>Land revaluation increment</td>
<td>33</td>
<td>14</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>2</td>
<td>(16)</td>
</tr>
<tr>
<td>Retirement benefit adjustments</td>
<td>437</td>
<td>956</td>
</tr>
<tr>
<td>Share of other comprehensive income of affiliates accounted for using the equity method</td>
<td>(83)</td>
<td>(185)</td>
</tr>
<tr>
<td>Total other comprehensive income</td>
<td>190</td>
<td>(2,311)</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>¥ 11,968</td>
<td>¥ 14,435</td>
</tr>
<tr>
<td>Comprehensive income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the parent</td>
<td>¥ 10,530</td>
<td>¥ 12,799</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>1,438</td>
<td>1,636</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>¥ 11,968</td>
<td>¥ 14,435</td>
</tr>
</tbody>
</table>

See Notes to Quarterly Consolidated Financial Statements.
Nagoya Railroad Co., Ltd. and Consolidated Subsidiaries

Quarterly Consolidated Statements of Cash Flows (Unaudited)

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Six-month periods ended 30 September</td>
</tr>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>¥ 18,631</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>19,205</td>
</tr>
<tr>
<td>Impairment loss on fixed assets</td>
<td>3,963</td>
</tr>
<tr>
<td>Increase (decrease) in employee retirement benefit liability</td>
<td>88</td>
</tr>
<tr>
<td>Decrease in trade notes and accounts receivable</td>
<td>291</td>
</tr>
<tr>
<td>Increase in inventories</td>
<td>(4,142)</td>
</tr>
<tr>
<td>Decrease in trade notes and accounts payable</td>
<td>(13,414)</td>
</tr>
<tr>
<td>Others, net</td>
<td>(1,380)</td>
</tr>
<tr>
<td>Subtotal</td>
<td>23,242</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>1,278</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(2,434)</td>
</tr>
<tr>
<td>Extra retirement benefits paid</td>
<td>(1)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(4,122)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>17,963</td>
</tr>
</tbody>
</table>

Cash flows from investing activities:

| | | | |
|-----------------|-----------------|-----------------|
| Purchases of property and equipment | (24,900) | (24,345) | (241,040) |
| Proceeds from sales of property and equipment | 3,482 | 1,052 | 10,416 |
| Proceeds for contributions for construction | 3,152 | 4,553 | 45,079 |
| Purchases of investments securities | (182) | (35) | (346) |
| Proceeds from sales or redemptions of investment securities | 1,156 | 286 | 2,832 |
| Others, net | (64) | 252 | 2,495 |
| Net cash used in investing activities | (17,356) | (18,237) | (180,564) |

Cash flows from financing activities:

| | | | |
|-----------------|-----------------|-----------------|
| Increase in long-term debt | 33,037 | 35,208 | 348,594 |
| Repayment of long-term debt | (19,219) | (27,816) | (275,406) |
| Net decrease in short-term borrowings | (5,804) | (4,624) | (45,782) |
| Dividends paid to shareholders | (4,119) | (4,578) | (45,327) |
| Others, net | (168) | 1,394 | 13,802 |
| Net cash provided by (used in) financing activities | 3,727 | (416) | (4,119) |
| Effect of exchange rate changes on cash and cash equivalents | 2 | (14) | (139) |
| Net increase in cash and cash equivalents | 4,336 | 4,329 | 42,861 |
| Cash and cash equivalents at beginning of period | 15,776 | 16,922 | 167,545 |
| Cash and cash equivalents at end of period | ¥ 20,112 | $ 21,251 | $ 210,406 |

See Notes to Quarterly Consolidated Financial Statements.
1. Basis of quarterly consolidated financial statements

The accompanying quarterly consolidated financial statements of Nagoya Railroad Co., Ltd. (the “Company”) and its consolidated subsidiaries (together with the Company, the “Group”) have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to the application and disclosure requirements from International Financial Reporting Standards.

The accompanying quarterly consolidated financial statements have been restructured and translated into English from the quarterly consolidated financial statements of the Company prepared in accordance with the accounting standard for quarterly financial reporting under Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Japanese Financial Instruments and Exchange Act. In preparing these quarterly consolidated financial statements, certain reclassifications have been made to the quarterly consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan. Certain supplementary information included in the statutory Japanese language quarterly consolidated financial statements, but not required for fair presentation, is not presented in the accompanying quarterly consolidated financial statements. In addition, certain comparative figures have been reclassified to conform to the current year’s presentation.

The quarterly consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan, using the approximate rate prevailing at 30 September 2016, which was ¥101 to U.S. $1.00. Such translations should not be construed as a representation that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars at this or any other rate of exchange.

2. Significant accounting policies

The accompanying quarterly consolidated financial statements are prepared based on the same accounting policies as the annual consolidated financial statements. There were no changes in accounting policies that were applied in the accompanying quarterly consolidated financial statements for the six-month periods ended 30 September 2015 and 2016 from those for the years ended 31 March 2015 and 2016, except for those described in Note 2(b).

(a) Basis of consolidation

The accompanying quarterly consolidated financial statements include the accounts of the Company and its significant subsidiaries. Investments in significant unconsolidated subsidiaries and affiliated companies are accounted for using the equity method. Investments in unconsolidated subsidiaries and affiliated companies not accounted for using the equity method are stated at cost. There were no material changes in the scope of consolidated subsidiaries, unconsolidated subsidiaries and affiliated companies accounted for using the equity method for the six-month periods ended 30 September 2015 and 2016 from those for the years ended 31 March 2015 and 2016, respectively.
(b) Accounting changes

(Application of Practical Solution on Accounting for Changes in Depreciation Method related to the 2016 Tax Law Changes)

In accordance with the amendment of the Corporation Tax Act of Japan, some of the consolidated subsidiaries have applied “Practical Solution on Accounting for Changes in Depreciation Method related to the 2016 Tax Law Changes (ASBJ Practical Issues Task Force (“PITF”) No. 32, 17 June 2016)” from the beginning of the six-month period ended 30 September 2016 and changed the depreciation method of facilities attached to the buildings and structures acquired on and after 1 April 2016 from the declining balance method to the straight-line method.

The effects on the quarterly consolidated financial statements for the six-month period ended 30 September 2016 were not material.

(c) Additional information

(Application of Revised Implementation Guidance on Recoverability of Deferred Tax Assets)


3. Contingent liabilities

At 31 March 2016 and 30 September 2016, contingent liabilities were as follows:

<table>
<thead>
<tr>
<th>Contingently liable for:</th>
<th>Millions of yen</th>
<th></th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 March 2016</td>
<td>30 September 2016</td>
<td>30 September 2016</td>
</tr>
<tr>
<td>Guarantees of loans of others</td>
<td>¥490</td>
<td>¥532</td>
<td>$5,267</td>
</tr>
<tr>
<td>Guarantees under debt assumption agreements</td>
<td>10,000</td>
<td>10,000</td>
<td>99,010</td>
</tr>
<tr>
<td>Total</td>
<td>¥10,490</td>
<td>¥10,532</td>
<td>$104,277</td>
</tr>
</tbody>
</table>

4. Net assets

At the ordinary shareholders’ meeting held on 25 June 2015 and 28 June 2016, the shareholders approved cash dividends of ¥4.50 per share and ¥5.00 per share, amounting to ¥4,139 million and ¥4,597 million ($45,515 thousand), respectively.
5. Segment information

The Group is engaged in diversified business activities involving traffic, transport, real estate, leisure, distribution, equipment maintenance and others. On the basis of the above activities, the Company’s reportable segments are “Traffic,” “Transport,” “Real Estate,” “Leisure and Services” and “Distribution.”

Information about reportable segments for the six-month period ended 30 September 2015 was as follows.

<table>
<thead>
<tr>
<th>Reportable segments</th>
<th>Traffic</th>
<th>Transport</th>
<th>Real Estate</th>
<th>Leisure and Services</th>
<th>Distribution</th>
<th>Others (*1)</th>
<th>Total</th>
<th>Adjustments</th>
<th>Quarterly consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External customers</td>
<td>¥81,519</td>
<td>¥65,945</td>
<td>¥33,757</td>
<td>¥26,924</td>
<td>¥61,437</td>
<td>¥23,770</td>
<td>¥293,352</td>
<td>¥—</td>
<td>¥293,352</td>
</tr>
<tr>
<td>Intersegment sales/transfer</td>
<td>1,151</td>
<td>214</td>
<td>3,486</td>
<td>768</td>
<td>5,570</td>
<td>8,810</td>
<td>19,999</td>
<td>(19,999)</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>¥82,670</td>
<td>¥66,159</td>
<td>¥37,243</td>
<td>¥27,692</td>
<td>¥67,007</td>
<td>¥32,580</td>
<td>¥313,351</td>
<td>¥(19,999)</td>
<td>¥293,352</td>
</tr>
<tr>
<td>Segment income (*2)</td>
<td>12,514</td>
<td>3,333</td>
<td>3,581</td>
<td>1,175</td>
<td>7</td>
<td>1,277</td>
<td>21,887</td>
<td>279</td>
<td>22,166</td>
</tr>
</tbody>
</table>

*1) “Others” is a business segment that is not considered a reportable segment. It includes the business of equipment maintenance, air transportation, building maintenance, insurance agency and the like.

*2) Segment income adjustment amounting to ¥279 million was treated as intersegment elimination.

3) Segment income was reconciled to operating income in the accompanying quarterly consolidated statements of income.

Information about reportable segments for the six-month period ended 30 September 2016 was as follows.

<table>
<thead>
<tr>
<th>Reportable segments</th>
<th>Traffic</th>
<th>Transport</th>
<th>Real Estate</th>
<th>Leisure and Services</th>
<th>Distribution</th>
<th>Others (*1)</th>
<th>Total</th>
<th>Adjustments</th>
<th>Quarterly consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External customers</td>
<td>¥82,053</td>
<td>¥64,604</td>
<td>¥35,484</td>
<td>¥26,636</td>
<td>¥59,458</td>
<td>¥24,058</td>
<td>¥292,293</td>
<td>¥—</td>
<td>¥292,293</td>
</tr>
<tr>
<td>Intersegment sales/transfer</td>
<td>1,145</td>
<td>231</td>
<td>3,493</td>
<td>784</td>
<td>4,846</td>
<td>9,092</td>
<td>19,591</td>
<td>(19,591)</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>¥83,198</td>
<td>¥64,835</td>
<td>¥38,977</td>
<td>¥27,420</td>
<td>¥64,304</td>
<td>¥33,150</td>
<td>¥311,884</td>
<td>¥(19,591)</td>
<td>¥292,293</td>
</tr>
<tr>
<td>Segment income (*2)</td>
<td>12,497</td>
<td>3,478</td>
<td>4,742</td>
<td>827</td>
<td>195</td>
<td>1,115</td>
<td>23,054</td>
<td>285</td>
<td>23,339</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reportable segments</th>
<th>Traffic</th>
<th>Transport</th>
<th>Real Estate</th>
<th>Leisure and Services</th>
<th>Distribution</th>
<th>Others (*1)</th>
<th>Total</th>
<th>Adjustments</th>
<th>Quarterly consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Thousands of U.S. dollars</td>
</tr>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External customers</td>
<td>$812,406</td>
<td>$639,643</td>
<td>$351,327</td>
<td>$263,723</td>
<td>$588,693</td>
<td>$238,198</td>
<td>$2,893,990</td>
<td>$—</td>
<td>$2,893,990</td>
</tr>
<tr>
<td>Intersegment sales/transfer</td>
<td>11,337</td>
<td>2,287</td>
<td>34,584</td>
<td>7,762</td>
<td>47,980</td>
<td>90,020</td>
<td>193,970</td>
<td>(193,970)</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>$823,743</td>
<td>$641,930</td>
<td>$385,911</td>
<td>$271,485</td>
<td>$636,673</td>
<td>$328,218</td>
<td>$3,087,960</td>
<td>$(193,970)</td>
<td>$2,893,990</td>
</tr>
<tr>
<td>Segment income (*2)</td>
<td>125,713</td>
<td>34,436</td>
<td>46,950</td>
<td>8,188</td>
<td>1,931</td>
<td>11,039</td>
<td>228,257</td>
<td>2,822</td>
<td>231,079</td>
</tr>
</tbody>
</table>

*1) “Others” is a business segment that is not considered a reportable segment. It includes the business of equipment maintenance, air transportation, building maintenance, insurance agency and the like.

*2) Segment income adjustment amounting to $285 million ($2,822 thousand) was treated as intersegment elimination.

3) Segment income was reconciled to operating income in the accompanying quarterly consolidated statements of income.