

SECOND SUPPLEMENTARY OFFERING CIRCULAR



Central Nippon Expressway Company Limited

¥5,432,535,000,000

Euro Medium Term Note Programme

This supplementary offering circular (the "**Supplementary Offering Circular**") is prepared in connection with the ¥5,432,535,000,000 Euro Medium Term Note Programme (the "**Programme**") of Central Nippon Expressway Company Limited (the "**Issuer**") and is supplemental to, and should be read in conjunction with, the offering circular dated 4 July 2023 and the first supplementary offering circular dated 16 August 2023, each prepared in connection with the Programme (together, the "**Offering Circular**").

This Supplementary Offering Circular is issued in order to (i) provide information with regard to the recent business of the Issuer as of and for the six-month period ended 30 September 2023, (ii) provide information with regard to the capitalisation and indebtedness of the Issuer as of and for the six-month period ended 30 September 2023, and (iii) provide certain updated information with regard to the Issuer's business for the six-month period ended 30 September 2023.

Unless otherwise defined herein, terms defined in the Offering Circular have the same meanings when used in this Supplementary Offering Circular.

To the extent that there is any inconsistency between (a) any statement in this Supplementary Offering Circular and (b) any other statement in, or incorporated by reference into, the Offering Circular, the statements described in (a) above will prevail.

Approval-in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in the Offering Circular as supplemented by this Supplementary Offering Circular. Admission of any Notes to listing on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes. Notes may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Issuer accepts responsibility for the information contained in this Supplementary Offering Circular. To the best of the knowledge and belief of the Issuer (the Issuer having taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Arranger

SMBC NIKKO

Dealers

SMBC NIKKO

Mizuho

Daiwa Capital Markets Europe

The date of this Supplementary Offering Circular is 4 March 2024.

RECENT BUSINESS

The Issuer's unaudited semi-annual consolidated financial statements in English in respect of the six-month period ended 30 September 2023 (including the review report thereon and notes thereto) are, by virtue of paragraph (b) of the section "Documents Incorporated by Reference" in the Offering Circular, incorporated by reference into the Offering Circular.

The section "Recent Business" in the Offering Circular is updated as follows with regard to the six-month period ended 30 September 2023:

Consolidated Results for the Six-Month Period Ended 30 September 2023 Compared to Consolidated Results for the Six-Month Period Ended 30 September 2022

Overview

In the six-month period ended 30 September 2023, the outlook for the Japanese economy remained uncertain due to the rise in energy and food prices worldwide, while showing gradual recovery in socio-economic activities as they began to normalise following the spread of COVID-19.

In this environment, the Group recognises that its social mission to fulfil, such as the early development of the expressway network, promotion of systematic measures against the ageing of expressway assets, enhancement of resilience and response to disasters, and the development of service areas that will be the core of regional development, is becoming ever more important.

Against this background, the Group entered the third year of implementing the "Management Plan Challenge V (Five) 2021-2025". The Group steadily promoted its initiatives based on the management policies of "continuously working at improving expressway safety", "strengthening the functions of expressways and developing expressways such that they are widely used by customers", "setting new challenges to adapt to changes in the business environment such as digitalisation and decarbonisation", and "strengthening the management foundation to keep up with the expectations of the Group's stakeholders including its customers". In addition, in order to promote such management policies, the Group has been involved in improving the safety, reliability and convenience of expressways based on the "Safety and Security Implementation Plan of Expressways", which stipulates the strengthening of the functions of expressways as well as the development of expressways in response to innovations such as automated driving.

Consolidated Results

Operating Revenues

Consolidated operating revenues for the Group in the six-month period ended 30 September 2023 decreased by 26.1 per cent. to ¥459,308 million, compared to ¥621,217 million for the six-month period ended 30 September 2022, principally reflecting a decrease in operating revenues in the Expressway Business.

Operating Expenses

The Group's operating expenses decreased in the six-month period ended 30 September 2023 by 28.1 per cent. to ¥432,535 million, compared to ¥601,679 million in the six-month period ended 30 September 2022, primarily reflecting a decrease in cost of sales and administrative expenses for expressway business operations.

Operating Income

The Group's operating income for the six-month period ended 30 September 2023 amounted to ¥26,773 million, an increase of 37.0 per cent. compared to ¥19,538 million for the six-month period ended 30 September 2022.

Other Income (Net)

The Group's other income (net) amounted to ¥450 million for the six-month period ended 30 September 2023, compared to ¥486 million for the six-month period ended 30 September 2022. The decrease principally reflected an increase in foreign exchange losses.

Profit Before Income Taxes

As a result of the above, the Group's profit before income taxes for the six-month period ended 30 September 2023 amounted to ¥27,223 million, an increase of 36.0 per cent. compared to ¥20,024 million for the six-month period ended 30 September 2022.

Income Taxes and Non-Controlling Interests

Income tax expenses for the six-month period ended 30 September 2023 was ¥5,566 million, as compared to ¥4,150 million for the six-month period ended 30 September 2022. The profit attributable to non-controlling interests for the six-month period ended 30 September 2023 was ¥19 million, as compared to ¥18 million for the six-month period ended 30 September 2022.

Profit Attributable to the Owner of the Parent

As a result of the above, the profit attributable to the owner of the parent for the six-month period ended 30 September 2023 amounted to ¥21,638 million, an increase of 36.5 per cent. compared to ¥15,856 million for the six-month period ended 30 September 2022.

Results by Reporting Segment

In this section, where figures for operating revenues and operating income are presented on a per segment basis, such figures represent the total operating revenues or total operating income for such segment, as the case may be, without taking into account any inter-segment eliminations.

Expressway Business

In respect of the construction business in the six-month period ended 30 September 2023, the Group worked to strengthen functions and reduce "missing links" in the expressway network with a view to steadily and efficiently maintaining the expressway network and meeting community expectations, under the Group's management policy of "strengthening the functions of expressways and developing expressways such that they are widely used by customers".

The Group progressed its business steadily in relation to the following new construction projects: (i) the Shin-Tomei Expressway (between Shin-Hadano Interchange and Shin-Gotenba Interchange), (ii) the Tokyo-Gaikan Expressway (between Chuo Junction (tentative name) and Tomei Junction (tentative name)), and (iii) the Tokai-Kanjo Expressway (between Yamagata Interchange and Ono-Godo Interchange and between Yoro Interchange and Daian Interchange); it also progressed the projects of increasing traffic lanes to six lanes on the Shin-Meishin Expressway (between Kameyama-Nishi Junction and Koka-Tsuchiyama Interchange).

To promote customer convenience and the revitalisation of local communities, the Group opened the Taga Smart-Interchange (outbound) (Taga-cho, Inukami-gun, Shiga) on the Meishin Expressway on 29 April 2023.

With regard to the maintenance and services business, the Group, based on its corporate mission of "safety as top priority", undertakes measures such as inspection, maintenance, renovation and repair in order to establish a reliable expressway network and provide services that satisfy its customers, with safety as top priority and with the aim of "continuously working at improving expressway safety", the Group's most important management policy.

Regarding inspections for road structures, the Group confirmed the status of road structures through day-to-day patrolling of the expressways. The Group also conducted detailed inspections of structures such as bridges and tunnels every five years including through close visual inspections based on the applicable rules and regulations. To the extent any damage is found to structures through such inspections, the Group systematically works to repair such damage. In order to pass on the expressway network to the next generation in a sound state, the Group is pursuing the "Expressway Renewal Project" to repair and reinforce existing bridges and tunnel structures using the latest technology to maintain the original structures and enhance its functionality.

Taking into consideration the damage caused to bridges by the Kumamoto earthquake that occurred in April 2016, the Group worked to strengthen bridges to make them resistant to earthquakes in order to restore the functions of bridges as emergency transportation routes and for customers to use them safely.

With regard to vehicles which infringe rules such as those relating to weight carried, which may cause material damage to road structures and lead to major traffic accidents, the Group took measures such as utilising vehicle weight scales and promoting the constant crack-down on infringing vehicles by maintaining automatic weight measuring devices. The Group has also adopted a penalty point system recording points according to the severity of the case. When the accumulated points reach a certain level, discounts for large-scale and frequent users will be suspended, and complaints are made in aggravated cases.

Regarding its ability to respond to large-scale disasters, the Group is working to ensure that rapid emergency transportation routes utilising the expressway network can be secured and that service areas can be used as wide-area activity base in the fields of "rescue, emergency and fire extinguishing", "medical services", "supplies" and "fuel", to make a wide-area travel route in 24 hours, while being aware of the 72 hours that are crucial for life-saving after a disaster, in line with the Japanese Government's "Plan for Specific First Aid Action Activities in the Event of a Nankai Trough Earthquake".

In addition, as a means of securing road traffic during heavy snowfall, the Group is working to strengthen its snow clearing system, expand monitoring cameras to detect standstill vehicles at an early stage, deploy rescue vehicles, give advance notice of heavy snowfall and closure of roads, and strengthen cooperation with related organisations. In addition, in occasions of intensive snowfall in a short period of time, the Group's basic approach is to attempt to avoid large-scale traffic congestion, giving top priority to human life. For emergency announcements regarding heavy snowfall by the national government and snowfall that exceeds the Group's snowfall clearing ability, the Group will work on precautionary closure of roads. For sections where expressways and national roads are in parallel, in order to avoid large-scale traffic congestion due to traffic concentration on one road in case of closure of another road, the Group will work to implement "simultaneous traffic suspension" to stop expressways and national roads at the same time. From three days prior to when a heavy snowfall is expected, the Group uses a variety of media, including TV advertisements and official websites, as well as social networking services, to thoroughly encourage people to refrain from going out. The Group will stop traffic without hesitation, and carry concentrated snow removal for early release of traffic suspension.

Regarding accident prevention, together with taking focused measures against accident-prone areas, the Group took measures to prevent vehicles operating the wrong way on expressways and wrong entries from non-expressways, and to increase customer awareness of traffic safety. The Group generally completed installation of wire ropes on segments of earthwork as well as segments of roads containing bridges less than 50 metres in length, with a view to preventing frontal collision accidents in the provisional two-lane sections. The Group also conducted trial placements of centre pipes and centre blocks on segments of roads containing bridges of over 50 metres in length and tunnels.

Regarding traffic control measures, the Group worked to alleviate traffic congestion through taking measures such as introducing additional lanes on the Tomei Expressway (around Yamato Tunnel and Tomei-Miyoshi Interchange (inbound)), the Chuo Expressway (around Kobotoke Tunnel (inbound), Sagamiko Bus Stop (outbound) and Mitaka Bus Stop (inbound)) and the Meishin Expressway (around Ichinomiya Junction). The Group also steadily introduced additional lanes or increased the traffic lanes into four lanes to strengthen segments of provisional two-lane roads on the Tokai-Hokuriku Expressway (between Shirakawa-go Interchange and Oyabe-Tonami Junction), the Tokai-Kanjo Expressway (a certain part between Toki Junction and Minokamo Interchange) and the Kisei Expressway (a certain part between Kisei-Ouchiyama Interchange and Seiwa-Taki Junction).

In order to alleviate congestion in parking lots at rest areas, principally at night-time, due to the limited number of spaces available to large vehicles, the Group took measures to increase the number of parking spaces in rest areas, as well as demonstrating operation of "limited-time parking space" by making a portion of the spaces for large vehicles available for parking within 60 minutes.

In light of the increased use of the ETC, the Group has been promoting cashless and touchless tollbooths using ETC. Since April 2022, the Group started to operate the ETC-only tollbooths at the Inagi Interchange on the Chuo Expressway and the Hachioji-Nishi Interchange on the Ken-O Expressway, and since June 2022, at the Sagami Interchange on the Ken-O Expressway. In addition, since April 2023, the Group started to operate ETC-only tollbooths at four locations, the Yamagata Interchange and Ono-Godo Interchange on the Tokai-Kanjo Expressway and the Arimatsu Interchange (outer loop) and Narumi Interchange (outer loop) on the Mei-Nikan Expressway, and since August 2023, three locations, at the Maruoka Interchange, Mikawa Interchange and Tateyama Interchange on the Hokuriku Expressway.

The Group has been promoting "i-MOVEMENT", an innovative project that contributes to the development of expressway mobility through the introduction of cutting-edge ICT technologies and robotics

technologies, while responding to dramatic changes in the Group's environment, such as changes in the social environment due to a declining birth rate, an ageing population and the advancement of digital technologies, and the sophistication of provision of information in light of the diversification of customer needs. In an effort to realise the project, the Group established a consortium-style group called "Innovation Networking Group" that encourages open innovation. As part of its efforts in the Innovation Networking Group, the Group has been involved in verification tests regarding the suitability of technologies for maintenance management of expressways proposed in relation to each of the following themes: "evolution and advancement of traffic services" and "advancement of maintenance management of expressways".

Against such background, the Group's operating revenue in the Expressway Business for the six-month period ended 30 September 2023 amounted to ¥430,118 million, a decrease of 27.5 per cent. compared to ¥593,584 million for the six-month period ended 30 September 2022. This principally reflected a decrease in the completion of expressway assets compared to the transfer of a large amount of the Group's expressway assets to JEHDRA in six-month period ended 30 September 2022, partially offset by the increase in toll fees due to the recovery in traffic volume of cars as a result of recategorisation by the government of COVID-19 to a lower category of infectious diseases (the same category as seasonal influenza, with no regulatory limitations on movement or requirements for hospitalisation).

Operating income in the Expressway Business for the six-month period ended 30 September 2023 amounted to ¥23,205 million, an increase of 35.0 per cent. compared to ¥17,190 million for the six-month period ended 30 September 2022, principally reflecting the recovery in traffic volume and a decrease in administrative expenses. Toll fees from external customers for the six-month period ended 30 September 2023 amounted to ¥341,459 million, an increase of 3.4 per cent. compared to ¥330,376 million for the six-month period ended 30 September 2022, principally reflecting the recovery in traffic volume.

Rest Area Business

In respect of the Rest Area Business in the six-month period ended 30 September 2023, the Group promoted local revitalisation and initiatives in cooperation with the local community such as through the creation of stores that make the most of the characteristics of the local area, the sale of attractive products, the implementation of services that meet the diverse needs of customers, as well as actively organising various events and campaigns in cooperation with local communities in response to the governmental recategorisation of COVID-19 in early May 2023.

In addition, in an effort to improve the comfort and convenience of its service areas, the Group renewed and re-opened the Sakaigawa Parking Area (inbound) on the Chuo Expressway on 14 June 2023 by increasing the number of seats in food courts, expanding the number of shopping booths and introducing a new "baby space". In addition, a new coin-operated shower and coin-operated laundry were introduced in the Enakyo Service Area (outbound) on the Chuo Expressway on 1 June 2023 and the Seki Service Area (inbound) on the Tokai Hokuriku Expressway on 14 June 2023.

Further, as an initiative to achieve a decarbonised society, the Group opened the first hydrogen station on an expressway network nationwide, in the Ashigara Service Area (outbound) on the Tomei Expressway on 15 September 2023. In addition, the Group worked on contribution to the local communities such as opening a toll parking lot for a limited time in order to support tourism in the surrounding areas by utilising a portion of the planned site for construction of the Hadano Tanzawa Service Area (inbound) on the Shin-Tomei Expressway.

Against such background, the Group's operating revenues in the Rest Area Business for the six-month period ended 30 September 2023 amounted to ¥16,409 million, an increase of 13.5 per cent. compared to ¥14,452 million for the six-month period ended 30 September 2022, principally reflecting an increase in store sales in rest areas due to an increase in the number of customers and sales per customer. The Group's operating income in the Rest Area Business for the six-month period ended 30 September 2023 amounted to ¥3,359 million, an increase of 53.2 per cent. compared to ¥2,192 million for the six-month period ended 30 September 2022, principally reflecting the same factors as the increase in operating revenues.

Other Related Businesses

The Group operates businesses such as the agency business, the tourism promotion business, the real estate business, truck terminal business, private facility utilisation business, international business, external sales of technology business and other related businesses. Through these businesses, the Group continues to work on

local revitalisation in accordance with possible social and economic changes, international interaction and making contributions abroad, and reinforcement of the Group's business base.

In the agency business, following discussions with the central and local governments and public authorities, where it was decided that the Group was best placed to act as the agent of the relevant government or public authority, the Group engaged in the construction of structures such as road networks and access roads.

In the tourism promotion business, the Group offered driving plans (discount plans) in conjunction with the local authorities to offer a fixed-rate toll plan with specified areas. The Group also offered "set" travel products (combining driving plans with hotel stays and entry tickets into tourist facilities, among others), offering 99 such plans.

In the real estate business, the Group worked on the business to sell lots for detached houses which had previously been used for the Group's corporate housing in Midori Ward, Nagoya City, Aichi prefecture, Odawara City, Kanagawa prefecture, and Matsumoto City and Iida City, Nagano prefecture as well as to lease housing in Toyokawa City and Chiryu City, Aichi prefecture. "Terrace Gate Toki", the commercial complex operated by the Group and located near Toki-Minami Tajimi Interchange on the Tokai-Kanjo Expressway, continued renovations of the restaurants in hot spring facilities and using its event spaces, as well as operating community-friendly commercial facilities.

In the international business, the Group continued to provide consulting services for six projects in Tajikistan, Zambia, Thailand, Vietnam and the Philippines, thereby contributing to the development of the ability of local engineers. In addition, NEXCO-CENTRAL Philippines Inc. (a consolidated subsidiary of the Issuer) progressed the provision of tunnel facilities relating to the by-pass construction business in Davao City, the Republic of the Philippines. NEXCO Highway Solutions of America Inc. (a consolidated subsidiary of the Issuer) conducted business development in respect of consulting services related to road maintenance such as road pavement inspection solutions and was awarded contracts for six cities. The Issuer conducted a joint examination regarding the expressway business in Asia, Europe and the United States and other regions with Japan Expressway International Co., Ltd. (an equity method affiliate of the Issuer).

In respect of sales of technology to external customers, as part of its "ETC multi-purpose use services" business, the Group entered into a business alliance agreement with ETC Solutions Co., Ltd., which provides "ETCX" services (provision of services other than toll collection through ETC) and has received orders for the information processing business of this service.

Further, Central Nippon Farm Suzunari Co., Ltd. (an equity method affiliate of the Issuer) cultivated vegetables (such as lettuce and green soybeans) in Hamamatsu City, Shizuoka prefecture, with the aim of finding solutions for local issues and contributing to local revitalisation. In addition, the Group operates a relay transportation base "Connect Area Hamamatsu" adjacent to Hamamatsu Service Area (outbound) on the Shin-Tomei Expressway in conjunction with Enshu Truck Co., Ltd. with a view to improving the working environment of long-distance truck drivers in the transportation industry.

Against such background, the Group's operating revenues in the Other Related Businesses for the six-month period ended 30 September 2023 amounted to ¥12,803 million, a decrease of 3.1 per cent. compared to ¥13,207 million for the six-month period ended 30 September 2022, principally reflecting a decrease in the completion of construction work projects commissioned by the Japanese Government and Japanese local government authorities. The Group's operating income in the Other Related Businesses for the six-month period ended 30 September 2023 amounted to ¥205 million, compared to ¥154 million for the six-month period ended 30 September 2022, principally reflecting a decrease in operating expenses.

Financial Condition

Consolidated Balance Sheet as of 30 September 2023 Compared to Consolidated Balance Sheet as of 31 March 2023

Total assets as of 30 September 2023 amounted to ¥2,190,887 million, an increase of ¥155,123 million, or 7.6 per cent., compared to ¥2,035,764 million as of 31 March 2023, principally reflecting an increase in inventories.

Total liabilities as of 30 September 2023 amounted to ¥1,910,885 million, an increase of ¥132,344 million, or 7.4 per cent., compared to ¥1,778,541 million as of 31 March 2023. This principally reflected an increase in bonds for road construction.

Total net assets as of 30 September 2023 amounted to ¥280,002 million, an increase of ¥22,779 million, or 8.9 per cent., compared to ¥257,223 million as of 31 March 2023, principally reflecting an increase in retained earnings. Equity ratio (ratio of net assets (less non-controlling interests) to total assets as of balance sheet date) as of 30 September 2023 amounted to 12.8 per cent., an increase of 0.2 percentage points, compared to 12.6 per cent. as of 31 March 2023.

Liquidity and Capital Resources

Consolidated Cash Flows for the Six-Month Period Ended 30 September 2023 Compared to Consolidated Cash Flows for the Six-Month Period Ended 30 September 2022

Net cash used in operating activities for the six-month period ended 30 September 2023 amounted to ¥207,463 million, compared to ¥36,167 million for the six-month period ended 30 September 2022. Cash flows from operating activities in the six-month period ended 30 September 2023 reflected an increase in accounts receivable due from expressway business operations of ¥54,555 million, an increase in inventories of ¥110,770 million, and a decrease in accounts payable due to expressway business operations of ¥73,423 million, partially offset by a profit before income taxes of ¥27,223 million, and a decrease in depreciation and amortisation of ¥14,184 million. The increase in inventories principally related to the increase of expressway assets to be transferred to JEHDRA upon completion of the construction of the relevant expressways.

Net cash used in investing activities for the six-month period ended 30 September 2023 amounted to ¥10,647 million, compared to ¥13,462 million for the six-month period ended 30 September 2022. Cash flows from investing activities in the six-month period ended 30 September 2023 reflected, among others, ¥10,831 million of payments for purchase of fixed assets (such as machinery for toll collection and ETC system equipment).

Net cash provided by financing activities for the six-month period ended 30 September 2023 amounted to ¥200,798 million, compared to ¥318,625 million of net cash used in financing activities for the six-month period ended 30 September 2022. Cash flows from financing activities in the six-month period ended 30 September 2023 reflected proceeds from long-term loans amounting to ¥953 million and proceeds from issuance of bonds for road construction amounting to ¥336,006 million, partially offset by a net decrease in short-term loans of ¥91,956 million and payment for redemption of bonds for road construction of ¥41,789 million.

Cash and cash equivalents as of 30 September 2023 amounted to ¥107,997 million, compared to ¥125,275 million as of 31 March 2023.

Contingent Liabilities

As of 30 September 2023, the Issuer was jointly and severally liable for certain debts.

Pursuant to Article 16 of the Implementation Act, the Issuer is jointly and severally liable with JEHDRA, East Nippon Expressway Company and West Nippon Expressway Company for the loans and road bonds succeeded to by JEHDRA, East Nippon Expressway Company or West Nippon Expressway Company from the former Japan Highway Public Corporation (excluding loans from the Japanese Government, loans succeeded to by JEHDRA and bonds held by the Japanese Government) as follows:

	(Unaudited) As of 30 September 2023
	<i>(Millions of yen)</i>
JEHDRA.....	¥270,000

The Issuer is jointly and severally liable for the long-term debt transferred to JEHDRA pursuant to Article 15 of the JEHDRA Act corresponding to costs incurred for road construction, renovation, repairs and disaster recovery.

As of 30 September 2023, the Issuer was jointly and severally liable with JEHDRA for the bonds and loans of JEHDRA transferred by the Issuer, which were originally financed by the Issuer, as follows:

	(Unaudited) As of 30 September 2023
	<i>(Millions of yen)</i>
JEHDRA.....	¥685,952

As a result of these transfers listed above, bonds for road construction decreased by ¥41,789 million (face value) for the six-month period ended 30 September 2023.

Capital Expenditure

In the six-month period ended 30 September 2023, the Group did not invest in any material new corporate assets. In the Expressway Business, the Rest Area Business and the Other Related Businesses, the Group spent ¥7,393 million, ¥890 million and ¥52 million, respectively, of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2023.

CAPITALISATION AND INDEBTEDNESS

The following table sets out the Issuer's unaudited consolidated capitalisation and indebtedness as of 30 September 2023, which has been extracted without material adjustment from the Issuer's unaudited semi-annual consolidated financial statements as of the same date:

	(Unaudited) As of 30 September 2023
	<i>(Millions of yen)</i>
Indebtedness:	
Short-term debt:	
Short-term debt, including current portion of long-term debt	¥35,580
Total short-term debt.....	35,580
Long-term debt:	
Bonds for road construction (less current portion)	1,382,571
Long-term loan for road construction (less current portion)	169,676
Other long-term loan (less current portion).....	50,471
Total long-term debt.....	1,602,718
Total indebtedness ⁽²⁾⁽³⁾⁽⁴⁾	1,638,298
Net assets:	
Shareholder's equity	
Common stock, no par value:	
Authorised: 520,000,000 shares	
Issued: 130,000,000 shares ⁽⁵⁾	65,000
Capital surplus	73,012
Retained earnings	149,703
Total shareholders' equity	287,715
Accumulated other comprehensive loss:	
Net unrealised holding gain on securities	423
Translation adjustments	61
Retirement benefits liability adjustments.....	(8,486)
Total accumulated other comprehensive loss.....	(8,002)
Non-controlling interests	289
Total net assets.....	280,002
Total capitalisation and indebtedness ⁽⁶⁾	¥1,918,300

Notes:

- (1) The above table should be read in conjunction with the consolidated financial statements of the Issuer incorporated by reference herein.
- (2) As of 30 September 2023, ¥1,399,184 million of the Issuer's bonds for road construction, ¥4,823 million of other bonds and ¥655,952 million of obligations under the Issuer's bonds which were assumed by JEHDRA were secured. As of 30 September 2023, ¥0 of the Issuer's consolidated indebtedness was guaranteed.
- (3) The Issuer issued ¥70,000 million and ¥70,000 million in aggregate principal amount of bonds for road construction on 21 November 2023 and 31 January 2024, respectively. The Issuer issued U.S.\$30 million in aggregate principal amount of U.S. dollar-denominated commercial paper to finance the management activities related to its expressways on 14 November 2023, U.S.\$100 million, U.S.\$50 million, U.S.\$100 million and U.S.\$100 million in aggregate principal amount of U.S. dollar-denominated commercial papers for road construction on 22 January 2024, 26 January 2024, 6 February 2024 and 13 February 2024, respectively, and EUR70 million and EUR25 million in aggregate principal amount of euro-denominated commercial papers for road construction on 1 December 2023 and 22 January 2024, respectively.
- (4) As of 30 September 2023, the Issuer had a total of ¥955,952 million of contingent liabilities in respect of joint and several liabilities (see "Recent Business — Contingent Liabilities"). JEHDRA redeemed ¥10,000 million in aggregate principal amounts of bonds on 20 December 2023, thereby decreasing its contingent liabilities in respect of joint and several liabilities by ¥10,000 million. Contingent liabilities in respect of joint and several liabilities increased by ¥160,000 million due to the transfer of liabilities to JEHDRA on 28 December 2023.
- (5) All of the issued shares are fully-paid and non-assessable.
- (6) Total capitalisation and indebtedness is a total of total short-term debt, total long-term debt and total net assets.
- (7) Save as disclosed above, there has been no material change in the Issuer's consolidated capitalisation, indebtedness, contingent liabilities and guarantees since 30 September 2023.

BUSINESS

The section "Business" in the Offering Circular is updated as follows with regard to the six-month period ended 30 September 2023:

Leasing of Expressway Assets

Leased Expressway Assets

The principal expressway assets leased by the Issuer from JEHDRA as of 30 September 2023 are set out below:

Section	Lease Fees ⁽¹⁾⁽³⁾
	<i>(Millions of yen)</i>
	¥384,705 ⁽²⁾
<i>National Highway Network</i>	
Chuo Expressway, Fuji-Yoshida Line	
Chuo Expressway, Nishinomiya Line (from Otsuki to Higashi-Omi (including Yokaichi Interchange))	
Chuo Expressway, Nagano Line (from Okaya to Azumino (including Azumino Interchange))	
Tomei Expressway	
Tokai-Hokuriku Expressway	
Shin-Tomei Expressway	
Chubu-Odan Expressway	
Hokuriku Expressway (from Asahimachi, Shimo-Niikawa, Toyama prefecture to Maibara (including Asahi Interchange))	
Kinki Expressway Ise Line	
Kinki Expressway Nagoya-Kameyama Line	
Shin-Meishin Expressway (from Tobishima, Ama, Aichi prefecture to Koka (not including Koka-Tsuchiyama Interchange))	
Kisei Expressway	
Maizuru-Wakasa Expressway (from Obama to Tsuruga (not including Obama Interchange))	
National Route 1 (Shin-Shonan By-pass Toll Road)	
National Route 1 (Seisho By-pass Toll Road)	
National Route 138 (Higashi-Fujigoko Toll Road)	
National Route 271 (Odawara-Atsugi Toll Road)	
National Route 302 (Ise Wangan Toll Road)	
National Route 468 (Ken-O Expressway) (from Chigasaki to Kadosawabashi, Ebina, and from Nakashinden, Ebina to Akiruno (not including Akiruno Interchange))	
National Route 475 (Tokai-Kanjo Expressway) (from Toyota to Yokkaichi)	
<i>Single Routes</i>	
National Route 158 (Chubu-Jukan Expressway (Aboutouge Toll Road))	285
Total	¥384,990

Notes:

- (1) The above table sets out the lease fees to be paid to JEHDRA for the fiscal year ending 31 March 2024.
- (2) The lease fees for National Highway Network are standardised, and not set per expressway.
- (3) The lease fees may fluctuate depending on the toll revenue for each fiscal year, which may be influenced by revision of the Issuer-JEHDRA Agreements.