

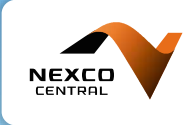


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Central Nippon Expressway Company Limited

2-18-19, Nishiki, Naka-ku, Nagoya,  
Aichi Prefecture 460-0003, Japan  
Telephone: +81-052-222-1348  
<http://www.c-nexco.co.jp> (Japanese)  
<http://global.c-nexco.co.jp> (English)  
Inquiry: [international@c-nexco.co.jp](mailto:international@c-nexco.co.jp)



# "For Even Safer and Smoother Expressway"

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Front Cover Photo : "Koyo no Naka wo Iku" by courtesy of Shiro Makino  
Contents Page Photo : "Kiri ni Tsutsumarete" by courtesy of Sumio Matsumoto



## Corporate Overview

### Corporate Profile



Company Name	Central Nippon Expressway Company Limited
Established	October 1, 2005 (by privatization of Japan Highway Public Corporation (JH), which was established in 1956)
Head Office	Nagoya, Japan
President & CEO	Yoshihito Miyake
Employees	2,085* – Non-consolidated 10,183* – Consolidated
Common Stock	65 billion JPY (612 million USD)

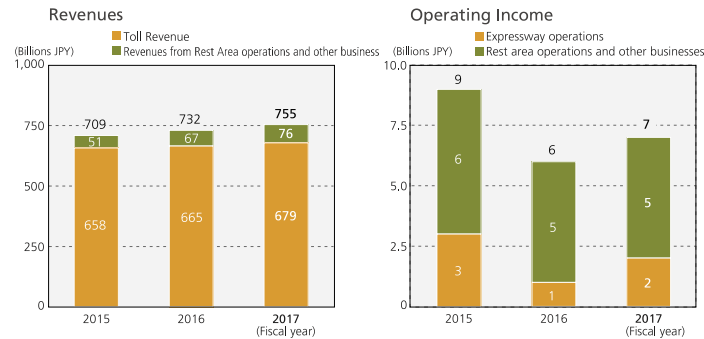
Exchange rate: 106JPY = 1USD  
\*As of March 2018

### Business Data

In Operation	2,077km*
Under Construction	190km*
Daily Traffic Volume	1.94 million
Toll Revenue	679 billion JPY (6.39 billion USD)
Number of Rest Areas	180*
Retail Sales of Rest Areas	201 billion JPY (1.89 billion USD)

Exchange rate: 106JPY = 1USD  
As of FY 2017  
\*As of April 2018

### Financial Highlights

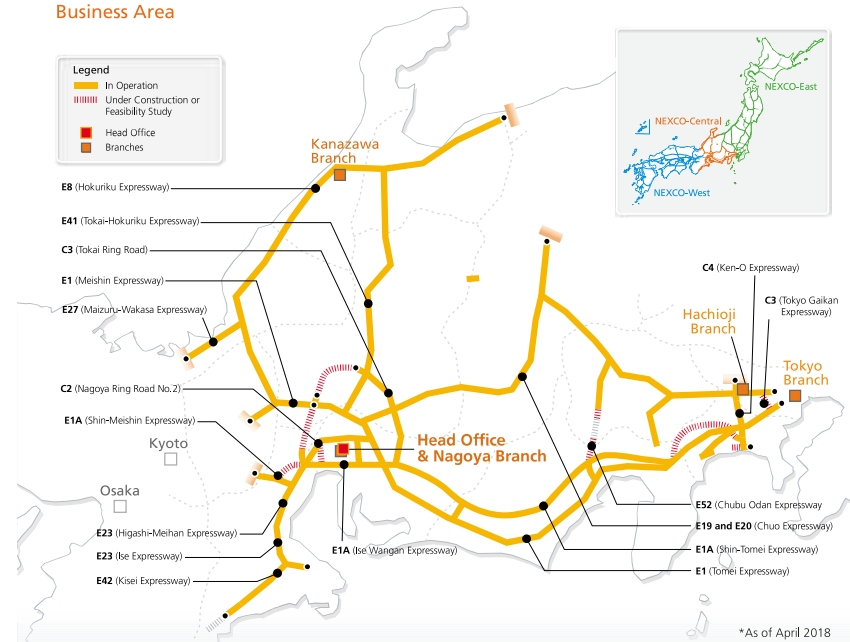


### NEXCO-Central Group

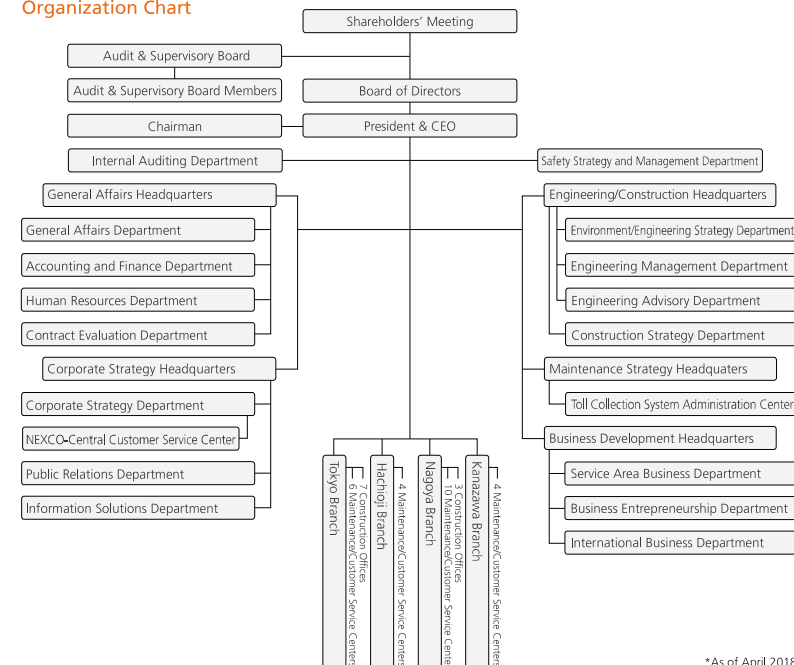
<b>Subsidiary companies</b>	<b>NEXCO-Central owns more than 50% of issued shares</b>	<b>Total 25</b>
	Rest Area Management	4
	Toll Collection	2
	Patrol	2
	Road Engineering, Maintenance and Inspection	2
	Road Repair, Maintenance and Cleaning	9
	Staffing Service	1
	Product Development and Consulting Service	1
	Investment	1
	Vehicle Maintenance and Repair	1
	Regional Development	1
	Road Operation	1
<b>Affiliated companies</b>	<b>NEXCO-Central holds sufficient voting shares</b>	<b>Total 13</b>
	Truck Terminal Operation	1
	IT Solutions	1
	Engineering R&D	1
	Insurance Services	1
	Tolling System Maintenance	1
	International Business	2
	Road Engineering, Maintenance and Inspection	1
	Road Repair, Maintenance and Cleaning	4

\*As of April 2018

### Business Area



### Organization Chart



\*As of April 2018

## NEXCO-Central's Profile

■ For 60 years, NEXCO-Central and its predecessor corporation, Japan Highway Public Corporation, have been engaged in expressway design, construction, inspection, maintenance and rest areas. Since its establishment in 2005, NEXCO-Central has been expanding its business areas and serving as a leading expressway company in Japan.

### Our History

- 1956** Japan Highway Public Corporation (JH) established.
- 1963** Japan's first expressway – E1 (Meishin Expressway) – opens.
- 1969** E1 (Tomei Expressway) opens.
- 1973** The total length of JH's expressways exceeds 1,000 kilometers.
- 1982** The total length of JH's expressways exceeds 3,000 kilometers.
- 1996** The total length of JH's expressways exceeds 6,000 kilometers.
- 2001** Electronic Toll Collection (ETC) system introduced.
- 2005** JH split into three companies.  
NEXCO-Central established.
- 2008** First overseas office established in Hanoi, Vietnam.
- 2012** E1A (Shin-Tomei Expressway)  
(Shizuoka prefecture part: 162km) opens.  
The total length of the three companies' expressways exceeds 8,000 kilometers.
- 2014** The total length of NEXCO-Central's expressways exceeds 2,000 kilometers.
- 2016** E1A (Shin-Tomei Expressway)  
(Aichi prefecture part: 55km) opens.  
Expressway Renewal Project launched.
- 2017** Entered toll road business in Vietnam .



The Opening of E1 (the Meishin Expressway)



The Opening of E1 (the Tomei Expressway)







The Total Length of JH's Expressways Exceeds 3,000 kilometers



The Opening of E1A (the Shin-Tomei Expressway)

### Our Business

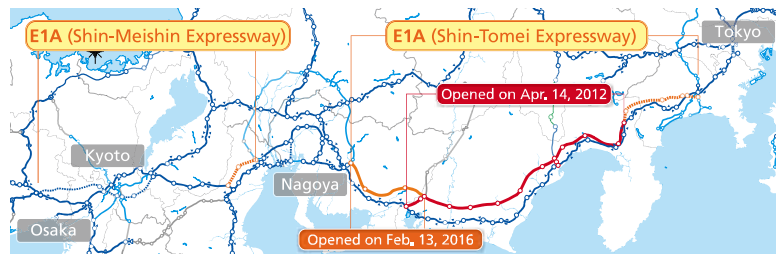
Expressway Business	<b>Construction</b> Road construction 	<b>Operation and Maintenance</b> Inspection, maintenance, repair works and rehabilitation, post-disaster restoration, toll collection and traffic control 
Business Development	<b>Rest Area</b> Rest area development, management and operation 	<b>Adjacent Businesses</b> International business, technology solutions, vicinity development and tourism promotion etc. 



## E1A (Shin-Tomei Expressway and Shin-Meishin Expressway) —the next-generation expressway—



### E1A (Shin-Tomei Expressway and Shin-Meishin Expressway)

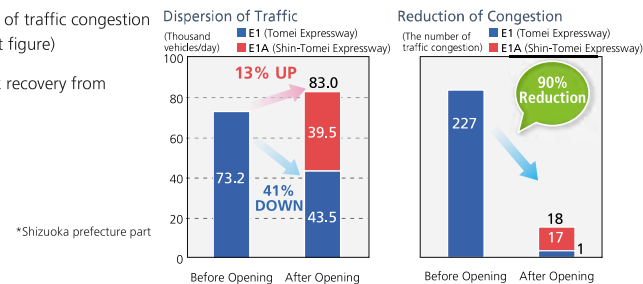


#### Outline

- Since the opening in 1969, E1 (Tomei Expressway and Meishin Expressway) has served as the great arteries of Japan. With the increase in automobile traffic, E1 (Tomei Expressway and Meishin Expressway) has been in service for almost 40 years, while experiencing an increase in traffic volume and vehicle size. E1A (Shin-Tomei Expressway and Shin-Meishin Expressway) addresses these issues by dispersing traffic, as it form, together with E1 (Tomei Expressway and Meishin Expressway), a double network linking the three major metropolitan areas of Tokyo, Nagoya, and Osaka.

#### Major Effects of E1A (Shin-Tomei Expressway and Shin-Meishin Expressway)

- Significant mitigation of traffic congestion (as shown in the right figure)
- Contribution to quick recovery from natural disaster



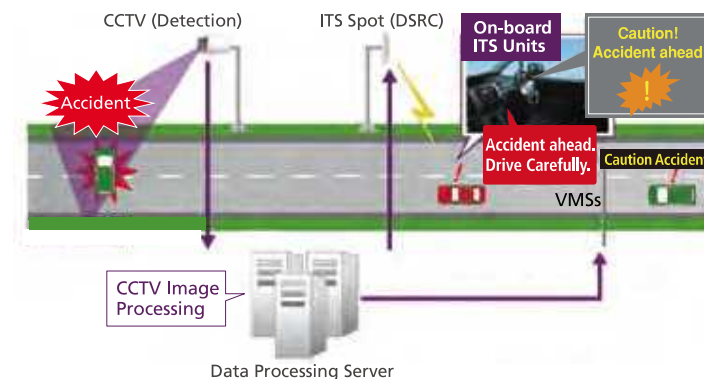
#### The Features of E1A (Shin-Tomei Expressway)

- E1A (Shin-Tomei Expressway) features gentle curves and slopes, making it safer, more comfortable, and more environmentally friendly than E1 (Tomei Expressway).



#### Automatic Incident Detection and Information Systems

- Road obstacles and traffic accidents are automatically detected by real-time monitoring equipment. Drivers are alerted via on-board ITS units and variable message signboards along the expressway.



## Actions for Further Safety



### Expressway Safety Improvements

■ Traveler safety is our top priority. Through the 3-year action plan for further safety (FY2013-FY2015), we have organized and shared our various policies for further safety. Led our management, we have established our own structure for safety improvements through continuous checks and follow ups. Since FY 2016, the following “Five Policies” have been applied to improve safety by succeeding to the 3-year action plan (FY2013-FY2015).

### “Five Policies” to improve safety

1. Corporate culture to put top priority on safety
2. Continuous business process improvements to handle deterioration and potential risks of aging structures.
3. Promotion of safety activities
4. Human resource development
5. Sustainable business enhancement for safety improvements

### NEXCO-Central's Safety Program in Action

#### Developing New Technologies for Inspection

■ By introducing “High-speed Image Processing Technology,” we developed new inspection technology for monitoring facility conditions automatically while traveling 100 kph.



Image Shot at 100 kph

### Inspection Training



N<sup>2</sup>U-BRIDGE (Exterior)

#### N<sup>2</sup>U-BRIDGE

■ N<sup>2</sup>U BRIDGE at Nagoya University for training on bridge inspection skills.



E-MAC (Exterior)

#### E-MAC

■ E-MAC enables employees to obtain regular inspections and emergency response skills on full-sized equipment actually used on the expressways.



Technical Training Center (Exterior)

#### Technical Training Center (TTC)

■ TTC offers various kinds of training courses for our group and nearby municipal engineers to upgrade comprehensive inspection skills.

### Expressway Renewal Project

■ Approximately 60% of 2,077 km expressway under our operation are more than 30 years old at present. Significant deteriorations have been recognized due to increase of large-sized vehicles, anti-freezing agent and recent climate change. We have launched “Expressway Renewal Project” to deal with these issues.

#### Objectives of the Expressway Renewal Project

- Life cycle cost minimization
- Preventive maintenance
- Function upgrade

■ The total estimated cost for this project is approximately 1 trillion yen (9.41 billion USD).





## Bridges

### New Bridge Structures and Technologies

■ Japan is 70% mountainous and is one of the most earthquake-prone countries in the world. As a result, we have developed many world-renowned technologies to prevent damage to bridge structures.

At the planning and design stages, we address future structural maintenance issues including cost effectiveness, length of bridges, and environmental impact to achieve the most suitable bridge for each construction site. For example, when we build bridges in mountainous areas, we select a simple style and form that blends well with the surrounding environment, taking practical and economic issues into consideration. To cross rivers or seas, we create long-span bridges employing the most suitable and disaster-resistant designs. In flat areas, we use pre-cast segments or large blocks to expedite construction.

These varied approaches reduce the impact of construction on nearby communities and the surrounding environment. They also help to restrain construction costs. Our major advantage comes from our ability to employ a full range of engineering skills to plan, design and build the best bridge for the site.



■ This highly engineered bridge (The Shin Fujigawa Bridge) is a steel-concrete composite structure. The arch and vertical members are made of concrete to maintain superior compression characteristics. In contrast, the top girders are made of steel to achieve a lightweight bridge structure. The weight and cost are approximately 40% and 20% less than an ordinary concrete arch bridge respectively.

■ Compact design is essential to constructing bridges in mountainous areas. Strutted box girders achieve a lightweight superstructure, minimizing substructure elements, resulting in cost effective bridge structure.



■ Three consecutive cable-stayed bridges on E1A (Ise-Wangan Expressway) were constructed in Nagoya's port zone. The bridge sections are 758 meters, 1,170 meters and 700 meters long, respectively, and form a three-lane expressway. These large-scale bridges demonstrate our advanced capabilities.



## Tunnels

### Advanced Construction Technologies for the Most Demanding Projects

■ Japan's mountainous terrain makes tunnel construction a vital part of building smoothly aligned, high-standard arterial expressways. This unique challenge has provided us with the opportunities to accumulate a variety of tunnel construction expertise. To optimize efficiency, we select the most suitable technology for the site's condition. These technologies include, but are not limited to the pilot tunnel excavation method using a tunnel boring machine (TBM), the New Austrian Tunneling Method (NATM), and the open-cut method.

Tunnel construction sites present a multitude of issues, such as fragile ground, fracture zones, spring water outbreaks and topographical deformations. We resolve each issue by drawing on our most valuable assets – expertise and technological know-how gained from years of experience.



■ The Hida Tunnel is 10.7 kilometers long, with an overburden of 1,000 meters of rock. Since this configuration precluded the placement of vertical ventilation shafts, we employed a longitudinal ventilation system beneath the roadway surface and another ventilation tunnel along the main tunnel.

This new system automatically selects the most efficient ventilation duct among five for the volume of traffic.

■ To ensure safe tunnel construction, a TBM is used to bore a pilot tunnel. This pilot tunnel provides geological information and allows groundwater to drain before the tunnel is enlarged.



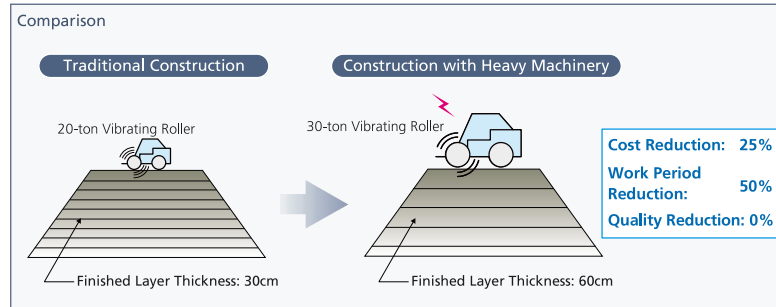
■ Once the tunnel structure is completed, the excavated soil is backfilled to restore the terrain to its original profile, minimizing the tunnel's impact on adjacent residential areas.

## Earthworks

### Building Large-Scale Earthworks to Harmonize with the Surrounding Environment

■ Some sections of E1A (Shin-Tomei Expressway) have embankments with volumes of 1-5 million cubic meters and maximum heights of almost 100 meters. These embankments are built to resist earthquakes and other natural disasters. To complete these large-scale earthworks reliably and efficiently, various state-of-the-art designs and technologies have been employed. For example, “Zoning Design” is a construction technology that divides the intended embankment area into specific segments for better quality management. Another example is the use of over-sized machinery at earthwork sites, making construction more time and cost-efficient. IT is also used to enhance construction efficiency.

When constructing a bridge foundation in a mountainous area, partial excavation methods are used. These methods are time and cost-effective approaches similar to drilling vertical shafts for tunnels. They enable high-quality construction, while minimizing the impact on the environment.



■ We have created a special excavation method to reduce the areas of slope cutting. This method preserves the maximum amount of natural vegetation and topography of the remaining area.



■ Heavy machinery like the 35-ton dump truck and backhoe with a 5 or 12m³ bucket, shown below working on E1A (Shin-Tomei Expressway), enables rapid construction on large-scale earthwork.



■ Our IT-intensive earthwork construction employs GPS digital mapping that streamlines construction management. This method reduces construction time and cost.



## Pavement

### Porous Asphalt Pavement

■ We have introduced “porous asphalt” on our roadway surfaces. While conventional pavement is designed to force water to flow over the surface of the roadway, the porous asphalt layer is designed to allow water to penetrate and drain inside the pavement, securing a void ratio of approximately 20%. This pavement system provides the following advantages:

#### Ensuring Safety

- Because the pavement forms a thinner water membrane on its surface, there is a higher level of skid resistance on rainy days. This effectively shortens vehicle stopping distances and safer driving under rainy conditions.
- It also prevents hydroplaning and uncontrolled skids.

#### Environment

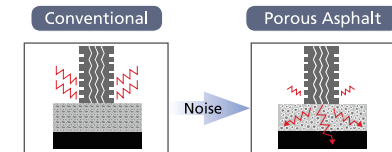
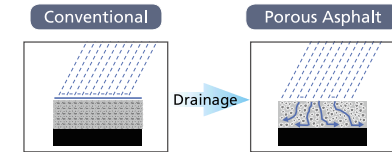
- The voids in porous asphalt absorb roadway noise.

#### Driving Comfort and Driver Confidence

- By reducing roadway spray on rainy days, porous asphalt ensures better roadway visibility, and reduces headlight glare.
- It also reduces roadway noise inside the vehicle.

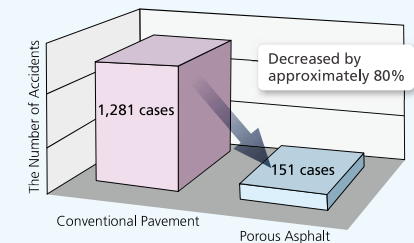
#### Durability

- Containing high viscosity materials, porous asphalt provides improved aggregate bonding, resulting in a 50% lower rate of rutting and a longer lifespan than conventional pavement.



#### Decrease in Accidents in Rainy Conditions

Porous asphalt paved roadways have experienced a remarkable 80% reduction in roadway accidents.





## Toll Collection



### Electronic Toll Collection (ETC)

■ Japan's ETC system uses two-way communication between roadside devices and on-board units (OBU) to facilitate nearly instant, reliable, mass data transmission that enables tolls to be adjusted according to traffic volume. In Japan, more than 90% of tolls are paid using ETC.



### Multiple and Integrated Toll Collection Machines (MIC)

■ MIC's user-friendly interface enables drivers to choose their toll payment method - cash or credit card.

### Smart IC

■ Smart ICs are the simplified interchanges. Since Smart ICs accept vehicles with OBU only, they don't require generally used tollgates, resulting in lower construction and maintenance costs.

Smart ICs play a vital role in providing convenience, and they support revitalization of local communities and their economies.

Currently (as of March 2018) 34 Smart ICs operate on our expressways.



## Traffic Control



### Traffic Control Center

#### Flow of Traffic Control Operations

##### Incident Information

- Accident
- Road Obstacle
- Vehicle Fire
- Congestion
- Natural Disaster

Collect

- Manual Collection**
  - CCTV Camera
  - Traffic Control Squad
  - Emergency Telephone
- Automatic Collection**
  - Vehicle Detector
  - Weather Monitoring Equipment

Process

**Traffic Control Center**

Provide

- VMSS
- Highway Radio
- VICS

Instruct

- Accident Clearance
- Traffic Restrictions
- Removal of Obstacles

Coordinate

- Police, Fire Department
- Traffic Information Center
- Media



Traffic Control Squad



VMS indicating Travel Time



Weather Monitoring Equipment



Mobile VMS

■ Our Traffic Control Centers feature state-of-the-art traffic and facilities control technologies. These centers collect information about roadway conditions and disseminate it to drivers. Once an accident happens, our staff coordinate with expressway traffic police units and fire departments to ensure fast accident clearance and traffic flow recovery.

## Road Maintenance and Asset Management

### Comprehensive Asset Management

■ Our comprehensive operation and maintenance (O&M) system ensures safe, high-quality road maintenance as well as prompt and appropriate emergency and incident response that enables reliable, around-the-clock service.

Orchestrating all of these tasks requires the expert skills and experience that we have accumulated in every field to optimize operational and economic efficiency.

Today, we are facing several pressing issues like aging structures and severe weather conditions. In order to ensure the reliable expressway systems in the future, we pursue consistent and effective O&M system and continuously improve that.



Snow Removal



Road Surface Maintenance

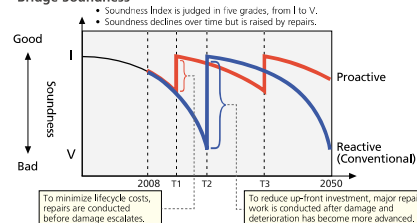
### Proactive Asset Management

■ Our long-term proactive asset maintenance plans allow more optimum and efficient management, enhancing the overall soundness of our roadway assets, and reducing their lifecycle costs. These plans provide guidance based on past experience and accumulated data that allows us to quantitatively evaluate structures; the progress of structural

deterioration, and the proactive maintenance needed to prevent serious structural damage. Japan's bridges are aging, and the cost of their maintenance is increasing. Our proactive asset management system enables us to be better able to control and reduce bridge maintenance costs.

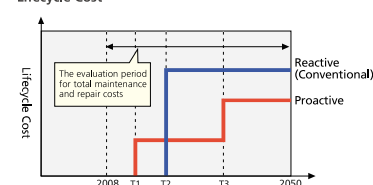
#### Effective Bridge Maintenance Management

##### Bridge Soundness\*



\*Bridge soundness is defined under the NEXCO Bridge Management System.

##### Lifecycle Cost



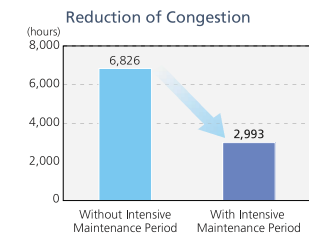
### Continuous Inspections

■ To maintain and improve safe and comfortable driving conditions, we carry out routine, periodic, comprehensive road structure and facilities inspections.



### Intensive Maintenance Operations

■ Since 1998, we have reduced incidents of traffic congestion by more than two thirds through the use of intensive maintenance during which segments of expressway are limited and comprehensive renovation is carried out.



### Rope Access Inspections

■ Rope access techniques enable our inspectors to check the state of deterioration on portions of our expressway systems that were previously difficult for close visual inspection.



### On-Site Information Reporting and Sharing System (ORSS)

■ For effective road management, sharing and organizing information is essential. Our ORSS allows the input of information and images collected by unmanned aerial vehicle (UAM) and rope access inspections into a smartphone App, then shares and organizes that information into a database that guides our road management efforts. This data is registered as GIS information and available for search and output. The system helps us identify deterioration and stay on top of local complaints, enabling efficient road management.







## Rest Area Management

- To make our rest areas more comfortable, convenient and enjoyable, we provide appealing commercial facilities and authentic, unique locally produced merchandise.

### Service with a Spirit of Welcome and Hospitality

- "OMOTENASHI" is a Japanese unique spirit of welcome, hospitality, and even expressing respect for customers. We serve customers with "OMOTENASHI" at our rest areas. To pursue the spirit, hospitality contests among employees are periodically held.

A rest area concierge is the representative example of our service with "OMOTENASHI." At most major rest areas, they provide wide range of information on traffic, tolls, commercial facilities and nearby tourist sites, and also are well-trained to assist customers in case of emergency.



Hospitality Contest

Rest Area Concierge



### Local Accessible Gateways to Rest Areas

- Most of our rest areas have become available for local residents besides our original customers (expressway users) with exclusive parking lots.



Entrance for Local Communities at Rest Area

### Official Mascot

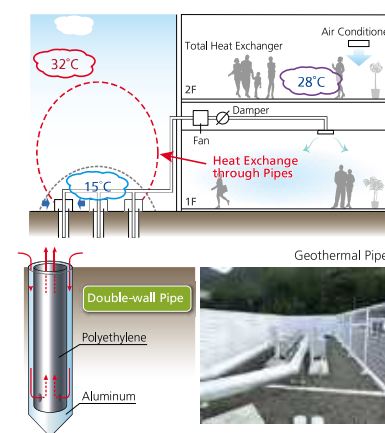
- Our official mascot, "Michimaru-kun," promotes our commercial facilities and events. "Michimaru-kun" plays an active role in creating a welcoming and fun atmosphere for guests at our rest areas.



### Geothermal-Assisted Air Conditioning

- Geothermal air conditioning systems have been installed at some of our rest area food courts.

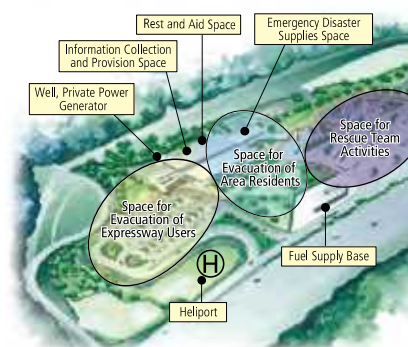
While the ground surface is strongly affected by the ambient temperature, the underground temperature is more stable (around 15°C) throughout the year. Employing geothermal heat, the systems at these rest areas have reduced power consumption by 10% by taking fresh air into their buildings through underground pipes, cooling it in the summer and warming it in the winter.



### Rest Areas Serve as Disaster Response Bases

- Based on the lessons learned from the Great East Japan Earthquake, we are installing emergency equipment at our rest areas so that they can function as bases for the Japan Self-Defense Forces, and local fire and police departments carrying out rescue operations after future disasters.

We also are providing the necessary equipment and emergency supplies so that our rest areas can function as evacuation sites for local residents and expressway customers.



## International Business

### Discovering Overseas Business Opportunities

We, as a major Public Private Partnership (P3) player in Japan, have been seeking business opportunities overseas, offering our vast experience and expertise to develop the world's transportation infrastructure.

#### Vietnam Office

■ Our Vietnam Office has been developing projects and strengthening networks with local authorities and companies in Indochina since 2008.



#### Activities in US

■ Our representatives, based on Washington D.C. and Dallas, TX, conduct marketing research on P3 investments and consulting services in order to enter into P3 expressway projects by taking advantage of our engineering technologies.



#### Consulting Services

■ We are providing consulting services that assist road development in many nations. Currently, we are delivering two consulting services as below.

Country	Project Name
Kyrgyz	Project for Capacity Development for Road Disaster Prevention Management
Tajikistan	The Project for Capacity Development for Road Disaster Management

### Road Investments

■ In 2017, We entered into the Strategic Partnership Agreement with FECON Corporation (FECON), a Vietnam construction company. As part of this strategic partnership, we invested in FCC, a toll road company of the "Phu Ly Bypass" located on the outskirts of Hanoi. This is the first case that the Japanese expressway company has entered the toll road business in Vietnam.



### International Contributions

We promote active communication and interaction with communities and organizations around the world, and we contribute to international development.

#### Expert Deployed to Other Nations

■ Our engineers have been sent all over the world as Japan International Cooperation Agency (JICA) expert, embassy secretary, or Technical Advisor of the Permanent International Association of Road Congress (PIARC) upon the request of the Japanese government.



#### Hosting Overseas Delegates

■ We welcome technical tours widely from various countries every year. In FY 2017, we hosted 20 delegations from 29 countries. These delegations were particularly interested in our:

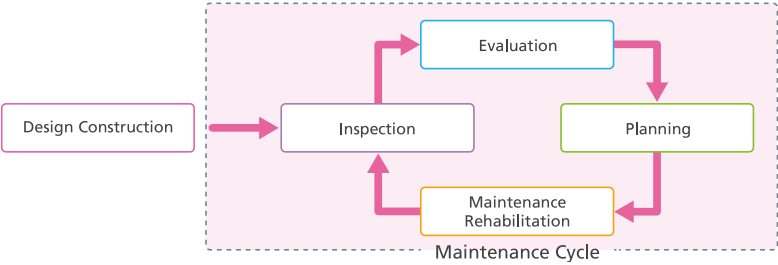
- Construction sites
- Long tunnels and bridges
- Traffic control centers and Communication Plaza
- Rest areas
- Training facilities



## Services and Products

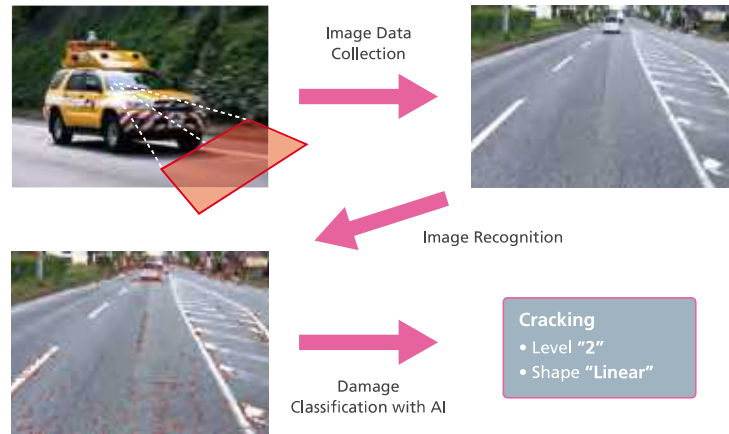
### Innovative Technologies to Improve O&M Performance and Life Cycle Cost

■ Our engineering services, backed by decades of practical experience, help road operators and engineering companies that seek to manage their roadways effectively by reducing life-cycle costs and increasing performances.



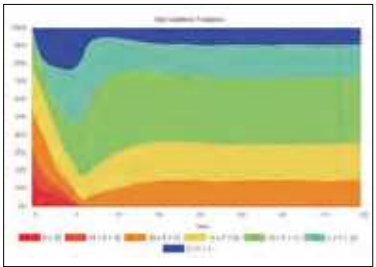
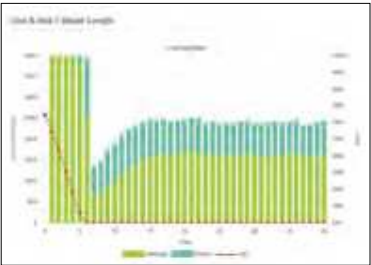
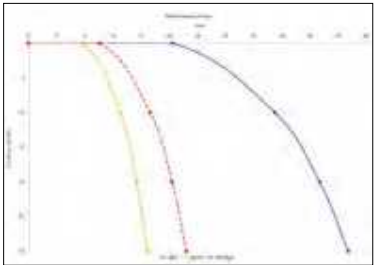
### Advanced Pavement Data Analysis by Using Image Recognition and AI Technologies.

■ Our automatic pavement distress identification system (APDIS) is an automatic system that obtains pavement distress data using advanced image recognition technology from video images. Our system helps engineering companies save the time by acquiring an overview of pavement distress conditions without using expensive data collection equipment.



### Pavement Performance Analysis Service

■ Our pavement performance analysis service helps road operators make data-driven decisions by providing performance projection based on inspection data. For the data analysis, we evaluate pavement performance with stochastic model and statistical analysis. We can estimate the average pavement performance deterioration rate and remaining lifetime. In addition, we can compare pavement performances in each environmental condition.



### Robotics (Automatic Stay-Cable Inspection System (ASCIS))

■ Our Automatic Stay-Cable Inspection System (ASCIS) is an automatic system that inspects the outsides and insides of stay-cables. Because stay-cables are critical members of cable-stayed bridges, stay-cable bridge owners need to conduct comprehensive periodical inspections. However, conventional visual inspection and non-destructive testing are not effective or safe. Our ASCIS is both effective and safe.



For more information, please visit our special website.  
<http://global.c-nexco.co.jp/solutions/>

## CSR Management

■ Our CSR activities are to adequately meet various expectation of stakeholders through our business activities. We pursue both developing sustainable

society and upgrading our corporate value by dealing with social issues through communications with stakeholders.



### CSR Guidelines

■ In a global society, we consider it is important to cooperate internally and externally in ways that contribute to a sustainable society.

In 2008, we agreed to the 10 principles of the United Nations Global Compact on Human Rights, Labor Practices, the Environment and Fair Operating Practices by participating in the Global Compact Network Japan.

We support "SUSTAINABLE DEVELOPMENT GOALS" adopted by the UN Summit in September 2015 and aim to achieve these goals through our business activities.

WE SUPPORT



### Environmental Stewardship

■ Since enactment of the Invasive Alien Species Act that promotes control of invasive alien species, we have encouraged the planting of native plants and trees at our construction sites by picking native

plant seeds, raising them to seedlings, and planting them back into reclaimed construction sites.

Easy-to-plant Seedling Packages with Original Soil



Restoring Works at Hachioji Junction, the Ken-O Expressway (May 2000)



Nine Years Later

### Contributing to Local Communities

■ In 2011, we launched volunteer activities in three districts of Shizuoka prefecture. Today, these projects are underway in six districts. Some of our volunteer activities are:

- Mowing fallow fields in three districts along E1A (Shin-Tomei Expressway) in Shizuoka prefecture
- Maintaining hayfields that produce building rafter roofs for houses at a World Heritage site near Gokayama IC along E41 (Tokai-Hokuriku Expressway)
- Participating in a revival project of camellia oil in Suzuka where E1A (Shin-Meishin Expressway) is under construction.
- Protecting the registered wetland at Lake Mikatagoko under Ramsar Convention, nearby E27 (Maizuru-Wakasa Expressway).



Volunteer Activity at Gokayama in 2015

### Contributing to International Society

■ We have supported JICA's "One Village One Product" project to reduce poverty by selling traditional handmade Kyrgyz felt goods at one of our rest areas. The project aims to improve local producers' quality of life and invigorate their communities in a sustainable way. This "Sustainable International Contribution" event received a favorable reception from many customers.



Kyrgyz Felt Goods Fair at EXPASA Ashigara



## Consolidated Balance Sheets

As of March 31, 2018 and 2017

	Millions JPY		Thousands USD	
	FY2017	FY2016	FY2017	FY2016
<b>Assets</b>				
Total current assets	<b>¥1,243,809</b>	¥1,125,283	<b>\$11,707,540</b>	\$10,030,154
Total property and equipment	<b>263,405</b>	261,741	<b>2,479,339</b>	2,333,015
Total investments and other assets	<b>24,028</b>	29,701	<b>226,167</b>	264,738
Deferred assets	<b>1,665</b>	1,626	<b>15,672</b>	14,494
<b>Total assets</b>	<b>1,532,907</b>	1,418,351	<b>14,428,718</b>	12,642,401
<b>Liabilities</b>				
Total current liabilities	<b>178,858</b>	166,183	<b>1,683,528</b>	1,481,264
Total long-term liabilities	<b>1,122,944</b>	1,045,396	<b>10,569,879</b>	9,318,085
<b>Net assets</b>				
Total shareholders' equity	<b>245,593</b>	225,847	<b>2,311,681</b>	2,013,076
Total accumulated other comprehensive loss	<b>▲ 16,062</b>	▲ 20,467	<b>▲ 151,186</b>	▲ 182,432
Non-controlling interests	<b>1,574</b>	1,392	<b>14,816</b>	12,408
<b>Total net assets</b>	<b>231,105</b>	206,772	<b>2,175,311</b>	1,843,052
<b>Total liabilities and net assets</b>	<b>¥1,532,907</b>	¥1,418,351	<b>\$14,428,718</b>	\$12,642,401

Exchange rate: 106JPY=1USD (FY2017), 112JPY=1USD (FY2016)

## Consolidated Statements of Income

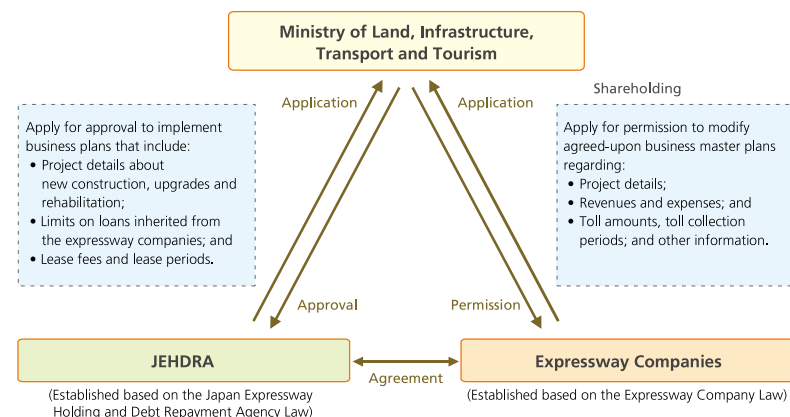
As of March 31, 2018 and 2017

	Millions JPY		Thousands USD	
	FY2017	FY2016	FY2017	FY2016
Toll revenues	<b>¥ 678,673</b>	¥ 664,975	<b>\$6,388,112</b>	\$5,927,222
Revenues from rest area operations and other business	<b>76,534</b>	66,914	<b>720,388</b>	596,434
Completion of road assets	<b>216,869</b>	175,707	<b>2,041,312</b>	1,566,156
<b>Operating revenues</b>	<b>972,076</b>	907,596	<b>9,149,812</b>	8,089,812
<b>Total operating expenses</b>	<b>964,894</b>	901,203	<b>9,082,210</b>	8,032,828
<b>Operating income</b>	<b>7,182</b>	6,393	<b>67,602</b>	56,984
Profit before income taxes	<b>29,711</b>	7,625	<b>279,659</b>	67,965
<b>Income taxes</b>	<b>9,782</b>	▲ 3,700	<b>92,074</b>	▲ 32,980
Profit	<b>19,929</b>	11,325	<b>187,585</b>	100,945
Profit attributable to:				
Non-controlling interests	<b>116</b>	100	<b>1,092</b>	892
Owner of parent	<b>¥ 19,813</b>	¥ 11,225	<b>\$ 186,493</b>	\$ 100,053

Exchange rate: 106JPY=1USD (FY2017), 112JPY=1USD (FY2016)

## Business Framework

## Relationship Among the Organizations



## Roles of JEHDRA and the Expressway Companies

- Expressway assets and liabilities resulting from construction are transferred from the expressway companies to JEHDRA once construction is complete. The expressway companies lease back assets to earn toll revenue.

