



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 15 July 2020 and the first supplementary Offering Circular dated 14 August 2020 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 2020, (ii) provide information with regard to the capitalisation and indebtedness of the Issuer as of and for the six-month period ended 30 September 2020, (iii) provide certain updated information with regard to the Issuer's business for the six-month period ended 30 September 2020, and (iv) update the selling restrictions and legends relating to sales to EEA and UK retail investors.

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 Securities MUFG Daiwa Capital Markets Europe

The date of this Supplementary Offering Circular is 29 January 2021.

RECENT BUSINESS

The Issuer's unaudited semiannual consolidated financial statements in English in respect of the six-month period ended 30 September 2020 (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 2020:

Consolidated Results for the Six-Month Period Ended 30 September 2020 Compared to Consolidated Results for the Six-Month Period Ended 30 September 2019

Overview

In the six-month period ended 30 September 2020, the Japanese economy faced severe difficulties, affected by factors such as the decrease in consumption due to the impact of the spread of COVID-19. While, with the restarting of economic activities following the lifting of the state of emergency in May 2020, there has been some recovery in traffic volume and sales in service areas, given the uncertainties with regard to the prospects for a containment of COVID-19, the Group believes that it will continue to face difficult conditions.

Against this background, the Group, taking into consideration major changes facing the future social environment such as a declining birth rate, an ageing population, a decrease in the labour population, the ageing of social infrastructure and further sophistication of information and communication technology, entered the final fiscal year of its "Management Plan Challenge V (Five) 2016-2020", which is aimed at showing the direction which the Group should move towards the twentieth year since its privatisation, and while taking thorough countermeasures against COVID-19, steadily promoted its initiatives based on the management policies of "continuously working at improving expressway safety and strengthening their functions", "promotion of technological development to improve safety and comfort", "contributing to regional revitalisation with social and economic changes in mind", and "strengthening the management foundation to keep up with the demands of society". In addition, in order to realise 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.

With respect to technological developments, the Group as a whole has been involved in the introduction of technologies such as those aimed at enhancing inspection functionalities, improving the safety of aged expressways and improving safety in roadworks, as well as information and communication technologies (ICT) and artificial intelligence (AI), with a view to further improve the safety of expressways and to strengthen their functions. Further, with the aim of realising the introduction and popularisation of self-driving cars, the Group has been involved in the development of automated driving and driver-assistance technologies and research and development relating to self-driving expressway maintenance vehicles, as well as working jointly among public and private sectors for the development of Intelligent Transport Systems (ITS) aimed at providing more accurate and more timely information (such as those relating to traffic control and fallen objects on expressways) through communication between expressways and vehicles.

Consolidated Results

Operating Revenues

Consolidated operating revenues for the Group in the six-month period ended 30 September 2020 decreased by 19.4 per cent. to ¥346,449 million, compared to ¥429,970 million for the six-month period ended 30 September 2019, 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 2020 by 18.7 per cent. to ¥330,398 million, compared to ¥406,224 million in the six-month period ended 30 September 2019, primarily reflecting a decrease in road assets leasing expenses.

Operating Income

The Group's operating income for the six-month period ended 30 September 2020 amounted to ¥16,051 million, a decrease of 32.4 per cent. compared to ¥23,746 million for the six-month period ended 30 September 2019.

Other Income (Net)

The Group's other income (net) amounted to ¥148 million for the six-month period ended 30 September 2020, compared to ¥344 million for the six-month period ended 30 September 2019. The decrease principally reflected increases in loss on impairment of fixed assets.

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 2020 amounted to ¥16,199 million, a decrease of 32.8 per cent. compared to ¥24,090 million for the six-month period ended 30 September 2019.

Income Taxes and Non-Controlling Interests

Income tax expenses for the six-month period ended 30 September 2020 was ¥8,981 million, as compared to ¥7,686 million for the six-month period ended 30 September 2019. There was no profit attributable to non-controlling interests for the six-month period ended 30 September 2020, as compared to ¥26 million for the six-month period ended 30 September 2019.

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 2020 amounted to ¥7,218 million, a decrease of 55.9 per cent. compared to ¥16,378 million for the six-month period ended 30 September 2019.

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 2020, the Group worked to strengthen functions and reduce "missing links" in the expressway network with a view to responding to steadily and efficiently maintaining the expressway network and meeting community expectations, under the Group's most important management policy of "continuously working at improving expressway safety and strengthening their functions". The Group completed the increase of traffic lanes to six on the Shin-Tomei Expressway between Gotenba Junction and Hamamatsu-Inasa Junction on 22 December 2020. As a result, congestion is expected to be reduced and the bypass function is expected to be improved.

In addition to the above, the Group progressed its business steadily in relation to the following new construction projects: (i) the Shin-Tomei Expressway (between Isehara-Oyama Interchange and Gotenba Junction), (ii) the Tokyo-Gaikan Expressway (between Chuo Junction (tentative name) and Tomei Junction (tentative name)), (iii) the Mei-Nikan Expressway (between Nagoya-Nishi Junction and Tobishima Junction (tentative name)), and (iv) 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 Dangozaka Smart-Interchange (Uenohara City, Yamanashi) on the Chuo Expressway on 24 May 2020, and the Atsugi Parking Area Smart-Interchange (Atsugi City, Kanagawa) on the Ken-O Expressway on 26 September 2020.

With regard to the maintenance and services business, in order to respond to rapid changes in the social environment such the increase in the frequency and intensity of natural disasters in recent years, the decreasing birth rate and ageing population of Japan, the rapid decrease of the labour population and rapid innovation in the area of ICT, the Group has adopted "safety as top priority" as its management principle and "continuously working at improving expressway safety and strengthening their functions" as its most important management policy. In this respect, the Group undertook measures such as inspection, maintenance, renovation and repair, with safety as top priority, in order to establish a reliable expressway network.

Regarding inspections for road constructions, 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 works to repair such damage. As some damage has been caused through, among others, the ageing of structures, the Group is pursuing a large-scale renewal and repair project in respect of road structures such as bridges and tunnels under its "Expressway Renewal Project".

Taking into consideration the damage caused to bridges by the Kumamoto earthquake that occurred in 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 constructions and lead to major traffic accidents, the Group took measures to strengthen measures against them, including making criminal complaints in aggravated cases, suspending discounts for large-scale and frequent users as well as promoting the constant crack-down on infringing vehicles by maintaining automatic weight measuring devices.

Regarding accident prevention, the Group, following results from trials, steadily progressed towards installation of wire ropes (instead of traffic poles which were previously in place to separate inbound and outbound lanes to prevent frontal collision accidents in the provisional two-lane sections) on segments of roads under construction as well as segments of roads containing small and medium-sized bridges. In addition, in order to prevent major accidents caused by vehicles operating the wrong way on expressways, the Group implemented technologies publicly procured from the private sector, and took measures for increasing customer awareness of traffic safety.

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 the Chuo Expressway (around Kobotoke Tunnel and Sagamiko Bus Stop). The Group also steadily introduced additional lanes to strengthen segments of provisional two-lane roads on the Tokai-Hokuriku Expressway (between Gokayama Interchange and Oyabe-Tonami Junction and between Shirakawa-go Interchange and Gokayama Interchange) and the Tokai-Kanjo Expressway (between Minokamo Interchange and Toki Junction). In addition, the Group began the design and investigation in respect of its project for introducing additional lanes on the Meishin Expressway (around Ichinomiya Junction), the Tomei Expressway (around Tomei-Miyoshi Interchange) and the Chuo Expressway (around Mitaka Bus Stop), each in respect of which the Group obtained permission from the Minister of LIT at the end of the fiscal year ended 31 March 2020.

Regarding alleviating congestion in parking areas of rest areas, the Group took measures to increase the number of parking lots and to provide information regarding congestion to customers. The Group worked to take measures such as disaster training, strengthening coordination with relevant authorities and storing necessary supplies for disaster recovery, with a view to ensuring a rapid emergency transportation route utilising road networks in the event of a major disaster. 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 set for the fiscal year ending 31 March 2021: "mobility management of expressways", "infrastructure management of expressways", and "advancement of field operations".

Regarding countermeasures against COVID-19, the Group has formulated guidelines for preventing the spread of COVID-19, with a view to preventing customers using expressways from being infected.

Against such background, the Group's operating revenue in the Expressway Business for the six-month period ended 30 September 2020 amounted to ¥319,051 million, a decrease of 19.9 per cent. compared to ¥398,150 million for the six-month period ended 30 September 2019. This principally reflected a decrease in toll fees caused by the impact of the spread of COVID-19, set off to a certain extent by an increase in the completion of expressway assets as a result of a large amount of the Group's expressway assets having been transferred to JEHDRA (such as from projects of increasing traffic lanes to six lanes on the Shin-Tomei Expressway).

Operating income in the Expressway Business for the six-month period ended 30 September 2020 amounted to ¥18,585 million, a decrease of 7.5 per cent. compared to ¥20,086 million for the six-month period ended 30 September 2019, principally reflecting a decrease in toll fee receipts. Toll fees from external customers for the six-month period ended 30 September 2020 amounted to ¥273,359 million, a decrease of 23.7 per cent. compared to ¥358,312 million for the six-month period ended 30 September 2019, principally reflecting a decrease in traffic volume as a result of the impact of the spread of COVID-19.

Rest Area Business

In respect of the Rest Area Business in the six-month period ended 30 September 2020, the Group endeavoured to develop distinctive and attractive service areas and parking areas 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 varying needs of customers, the promotion of local revitalisation and initiatives in cooperation with the local community. However, some stores shortened their operating hours or suspended their operations due to the impact of the spread of COVID-19. Following the Japanese Government's announcement regarding the adoption of new lifestyles in response to the spread of COVID-19, the Group took measures in each service area and parking area to prevent the spreading of infection, such as periodic sanitisation of stores, clarification regarding where customers should stand while queuing for cash registers, and securing distance between customers' seats, with a view to providing a safe and secure environment for customers visiting its stores. The Group also performed a campaign to expand its takeaway menus in order to respond to increased demand for takeaway food.

Furthermore, the Group newly opened Ebina Service Area (outbound) on the Tomei Expressway as "EXPASA Ebina (outbound)" after taking steps to accommodate the new lifestyle in response to COVID-19. In addition to placing shopping corners on both the east and west sides of commercial facilities, the Group increased the number of seats as well as the number of restaurants in food courts (for example, a store opening its first restaurant on expressways and a restaurant specialising in ramen where customers can enjoy popular ramen from all over Japan), with the view to improving customer convenience.

Against such background, the Group's operating revenues in the Rest Area Business for the six-month period ended 30 September 2020 amounted to ¥9,691 million, a decrease of 43.7 per cent. compared to ¥17,220 million for the six-month period ended 30 September 2019, principally reflecting a decrease in store sales in rest areas as a result of the impact of the spread of COVID-19. The Group's operating loss in the Rest Area Business for the six-month period ended 30 September 2020 amounted to ¥2,549 million, compared to an operating income of ¥3,326 million for the six-month period ended 30 September 2019, principally reflecting a decrease in store sales in rest areas as a result of the impact of the spread of COVID-19.

Other Related Businesses

The Group operates businesses such as the tourism promotion business, the regional development business and the international business as 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 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 117 such plans. However, in response to the state of emergency declared by the Japanese Government on 7 April 2020, the Group temporarily suspended its sales of driving plans from 7 April 2020 to 19 June 2020.

In the regional development business, the commercial complex "Terrace Gate Toki" near Toki-Minami Tajimi Interchange on the Tokai-Kanjo Expressway also temporarily suspended operations of "Yorimichi Hot Spring" (a hot spring facility) and "Machiyui" (a store selling local produce) from 13 April 2020 to 19 May 2020 due to the declaration of a state of emergency in respect of Gifu prefecture. From 20 May 2020 onwards, "Terrace Gate Toki" resumed operation and worked to attract customers by attracting prominent local stores as new tenants while taking thorough countermeasures against COVID-19. The Group also worked on the business to sell lots for detached houses which had previously been used for the Group's corporate housing in Hamamatsu city, Shizuoka prefecture, Machida city, Tokyo, and Tsu City and Kuwana City, Mie prefecture.

In the international business, the Group worked with Japan Expressway International Co., Ltd. (an equity method affiliate of the Company) to conduct research regarding expressway business in Asian, American, European and other regions. In Vietnam, in addition to the operation of the toll road "Phu Ly By-pass", the Group, based on a strategic partnership with a construction company in Vietnam, conducted a joint examination for technology transfer to the country and new expressway development.

Furthermore, the Group commenced mutual cooperation in technology transfer and operations of businesses in the Republic of the Philippines pursuant to the memorandum regarding technological collaboration with Metro Pacific Tollways Corporation signed on 25 April 2019. In addition, the Group has operated businesses in respect of NEXCO Highway Solutions of America Inc. and NEXCO-CENTRAL Philippines Inc. in order to expand the Group's international business and promotion of the Group's infrastructure systems overseas.

The Group continued to provide consulting services for four projects in Tajikistan, Zambia and other countries (including through online conferencing systems while taking into account the situation around COVID-19) and contributed to developing the ability of local engineers. Further, the Group continued to build an information exchange network through international interaction and also contributed to international services by participating in international cooperation projects operated by the Japanese Government.

In addition, the Group commenced an information processing business related to services (ETC multi-purpose use services) that enable the use of ETC and other ITS technologies at facilities other than expressways such as parking lots. The Group will work with relevant organisations with a view to delivering ETC multi-purpose services to its customers at an early stage.

Further, Central Nippon Farm Suzunari Co., Ltd. (an equity method affiliate of the Company) 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 logistics base "Connect Area Hamamatsu" within 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 2020 amounted to ¥17,745 million, an increase of 21.3 per cent. compared to ¥14,624 million for the six-month period ended 30 September 2019, principally reflecting an increase in the number 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 2020 amounted to ¥12 million, compared to ¥331 million for the six-month period ended 30 September 2019. Such changes in the Group's operating revenue and operating income in the Other Related Business principally reflected decreases in sales to external customers and in store sales as a result of the impact of the spread of COVID-19, set off to a certain extent by an increase in the payment for progress in respect of construction works commissioned by the Japanese Government and Japanese local government authorities.

Financial Condition

Consolidated Balance Sheet as of 30 September 2020 Compared to Consolidated Balance Sheet as of 31 March 2020

Total assets as of 30 September 2020 amounted to ¥1,818,621 million, an increase of ¥184,848 million, or 11.3 per cent., compared to ¥1,633,773 million as of 31 March 2020. This primarily reflected an increase in inventories.

Total liabilities as of 30 September 2020 amounted to ¥1,556,005 million, an increase of ¥177,726 million, or 12.9 per cent., compared to ¥1,378,279 million as of 31 March 2020. This principally reflected an increase in short-term debt and long-term debt (including the current portion).

Total net assets as of 30 September 2020 amounted to ¥262,616 million, an increase of ¥7,122 million, or 2.8 per cent., compared to ¥255,494 million as of 31 March 2020, 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 2020 amounted to 14.4 per cent., a decrease of 1.2 percentage points, compared to 15.6 per cent. as of 31 March 2020.

Liquidity and Capital Resources

Consolidated Cash Flows for the Six-Month Period Ended 30 September 2020 Compared to Consolidated Cash Flows for the Six-Month Period Ended 30 September 2019

Net cash used in operating activities for the six-month period ended 30 September 2020 amounted to ¥297,517 million, compared to ¥294,255 million for the six-month period ended 30 September 2019. Cash flows from operating activities in the six-month period ended 30 September 2020 reflected an increase in inventories of ¥167,152 million and a decrease in accounts payable due to expressway business operations of ¥119,233 million, set off to a certain extent by profit before income taxes of ¥16,199 million and depreciation and amortisation of ¥12,570 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 2020 amounted to ¥21,316 million, compared to ¥16,434 million for the six-month period ended 30 September 2019. Cash flows from investing activities in the six-month period ended 30 September 2020 reflected, among others, ¥20,804 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 2020 amounted to ¥294,227 million, compared to ¥251,754 million for the six-month period ended 30 September 2019. Cash flows from financing activities in the six-month period ended 30 September 2020 reflected proceeds from the issuance of bonds for road construction amounting to ¥249,592 million and proceeds from the issuance of other bonds amounting to ¥118,716 million, set off to a certain extent by payment for redemption of bonds for road construction of ¥94,263 million.

Cash and cash equivalents as of 30 September 2020 amounted to ¥111,175 million, compared to ¥135,784 million as of 31 March 2020.

Contingent Liabilities

As of 30 September 2020, 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 2020
	<i>(Millions of yen)</i>
JEHDRA.....	¥431,000
West Nippon Expressway Company	8
Total.....	<u>¥431,008</u>

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 2020, 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 2020
	<i>(Millions of yen)</i>
JEHDRA.....	¥1,168,756

As a result of these transfers listed above, bonds for road construction decreased by ¥47,817 million (face value) for the six-month period ended 30 September 2020.

Capital Expenditure

In the six-month period ended 30 September 2020, the Group did not invest in any material new corporate assets. In the Expressway Business, the Group spent ¥7,392 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2020, principally in relation to the installation of machinery for toll collection and ETC system equipment. In the Rest Area Business, the Group spent ¥914 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2020, principally in relation to the renewal of existing service areas and parking areas such as the Ebina Service Area (outbound). In the Other Related Businesses, the Group spent ¥21 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2020.

CAPITALISATION AND INDEBTEDNESS

The following table sets out the Issuer's unaudited consolidated capitalisation and indebtedness as of 30 September 2020, which has been extracted without material adjustment from the Issuer's unaudited semiannual consolidated financial statements as of the same date:

	(Unaudited) As of 30 September 2020
	(Millions of yen)
Indebtedness:	
Short-term debt:	
Short-term debt, including current portion of long-term debt	¥197,918
Total short-term debt	197,918
Long-term debt:	
Bonds for road construction (less current portion)	1,027,751
Long-term loan for road construction (less current portion)	93,055
Other long-term loan (less current portion)	442
Total long-term debt	1,121,248
Total indebtedness ⁽²⁾⁽³⁾⁽⁴⁾	1,319,166
Net assets:	
Shareholder's equity	
Common stock, no par value:	
Authorized: 520,000,000 shares	
Issued: 130,000,000 shares ⁽⁵⁾	65,000
Capital surplus	73,012
Retained earnings	137,030
Total shareholders' equity	275,042
Accumulated other comprehensive loss:	
Net unrealised holding gain on securities	6
Translation adjustments	1
Retirement benefits liability adjustments	(12,433)
Total accumulated other comprehensive loss	(12,426)
Total net assets	262,616
Total capitalisation and indebtedness⁽⁶⁾	¥1,581,782

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 2020, ¥1,090,311 million of the Issuer's bonds for road construction, ¥118,723 million of other bonds and ¥1,134,756 million of obligations under the Issuer's bonds which were assumed by JEHDRA were secured. As of 30 September 2020, ¥0 of the Issuer's consolidated indebtedness was guaranteed.
- (3) On 21 October 2020 and 22 January 2021, the Issuer issued ¥100,000 million and ¥30,000 million in aggregate principal amount, respectively, of bonds for road construction, and on 10 December 2020, the Issuer issued U.S.\$400 million of green bonds. On 6 November 2020 and 6 November 2020, the Issuer issued EUR664 million and EUR420 million in aggregate principal amount, respectively, of bonds to finance the management activities related to its expressways.
- (4) As of 30 September 2020, the Issuer had a total of ¥1,599,756 million of contingent liabilities in respect of joint and several liabilities (see "Recent Business — Contingent Liabilities"). JEHDRA redeemed ¥15,000 million, AUD300 million, ¥40,000 million, ¥30,000 million and ¥10,000 million in aggregate principal amounts of bonds on 6 November 2020, 9 November 2020, 30 November 2020, 18 December 2020 and 18 December 2020, respectively, thereby decreasing its contingent liabilities in respect of joint and several liabilities by ¥15,000 million, AUD300 million, ¥40,000 million, ¥30,000 million and ¥10,000 million, respectively. Contingent liabilities in respect of joint and several liabilities increased by U.S.\$375 million and U.S.\$350 million due to the transfer of liabilities to JEHDRA on 28 December 2020.
- (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 2020.

BUSINESS

The section "Business" in the Offering Circular is updated as follows with regard to the six-month period ended 30 September 2020:

Leasing of Expressway Assets

Leased Expressway Assets

The principal expressway assets leased by the Issuer from JEHDRA as of 30 September 2020 are set out below:

Section	Lease Fees ⁽¹⁾⁽³⁾
	<i>(Millions of yen)</i>
<i>National Highway Network</i>	¥453,848 ⁽²⁾
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))	362
Total	¥454,210

Notes:

- (1) The above table sets out the lease fees to be paid to JEHDRA for the fiscal year ending 31 March 2021.
- (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. The lease fees above do not include consumption taxes.

OTHER CHANGES

Legends

The legend "IMPORTANT – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS" on page (ii) of the Offering Circular is replaced in its entirety by the following:

"PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation."

An additional legend shall be included on page (ii) of the Offering Circular in the following form:

"PROHIBITION OF SALES TO UK RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Product Governance under UK MiFIR: A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels."

Subscription and Sale

The sub-section "Subscription and Sale — Selling Restrictions — Prohibition of Sales to EEA and UK Retail Investors" in the Offering Circular is replaced in its entirety by the following:

"Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes."

An additional selling restriction shall be included in section "Subscription and Sale — Selling Restrictions" in the Offering Circular in the following form:

"Prohibition of Sales to UK Retail Investors

Each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes."

Form of Final Terms

The legends "PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS" and "MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET" in the section "Form of Final Terms" in the Offering Circular are replaced in their entirety by the following:

"PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part

of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "FSMA") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET: Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Issuer to consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market: Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Issuer to consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]"