



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 20 July 2021 and the first supplementary Offering Circular dated 31 August 2021 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 2021, (ii) provide information with regard to the capitalisation and indebtedness of the Issuer as of and for the six-month period ended 30 September 2021, and (iii) provide certain updated information with regard to the Issuer's business for the six-month period ended 30 September 2021.

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 Daiwa Capital Markets Europe Mizuho Securities MUFG

The date of this Supplementary Offering Circular is 19 January 2022.

RECENT BUSINESS

The Issuer's unaudited semiannual consolidated financial statements in English in respect of the six-month period ended 30 September 2021 (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 2021:

Consolidated Results for the Six-Month Period Ended 30 September 2021 Compared to Consolidated Results for the Six-Month Period Ended 30 September 2020

Overview

In the six-month period ended 30 September 2021, 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.

Furthermore, as the business environment surrounding the Group is changing rapidly, the Group recognises the urgent need to respond to current and anticipated changes, such as the utilisation of digital technologies that was accelerated by the spread of COVID-19 which had a large impact on the society and the economy, the introduction of new technologies and services to support a new era of transportation systems such as "CASE" (Connected Autonomous Shared Electric) and "MaaS" (Mobility as a Service), and efforts towards environmental protection through the Group's business activities with the aim of contributing to developing a carbon-free society.

Against this background, in April 2021, the Group formulated "Management Plan Challenge V (Five) 2021-2025", which is aimed at showing the direction which the Group should move towards in order to resolve issues that arose while "Management Plan Challenge V (Five) 2016-2020" was being implemented until the fiscal year ended 31 March 2021 as well as to adapt to expected changes in the business environment. While taking thorough countermeasures against COVID-19, 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 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.

Consolidated Results

Operating Revenues

Consolidated operating revenues for the Group in the six-month period ended 30 September 2021 increased by 89.5 per cent. to ¥656,396 million, compared to ¥346,449 million for the six-month period ended 30 September 2020, principally reflecting an increase in operating revenues in the Expressway Business.

Operating Expenses

The Group's operating expenses increased in the six-month period ended 30 September 2021 by 92.0 per cent. to ¥634,509 million, compared to ¥330,398 million in the six-month period ended 30 September 2020, primarily reflecting an increase 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 2021 amounted to ¥21,887 million, an increase of 36.4 per cent. compared to ¥16,051 million for the six-month period ended 30 September 2020.

Other Income (Net)

The Group's other income (net) amounted to ¥754 million for the six-month period ended 30 September 2021, compared to ¥148 million for the six-month period ended 30 September 2020. The increase principally reflected a decrease 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 2021 amounted to ¥22,641 million, an increase of 39.8 per cent. compared to ¥16,199 million for the six-month period ended 30 September 2020.

Income Taxes and Non-Controlling Interests

Income tax expenses for the six-month period ended 30 September 2021 was ¥4,729 million, as compared to ¥8,981 million for the six-month period ended 30 September 2020. Loss attributable to non-controlling interests for the six-month period ended 30 September 2021 was ¥5 million, as compared to ¥0 million for the six-month period ended 30 September 2020.

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 2021 amounted to ¥17,917 million, an increase of 148.2 per cent. compared to ¥7,218 million for the six-month period ended 30 September 2020.

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 2021, 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 management policy of "strengthening the functions of expressways and developing expressways such that they are widely used by customers". The Group completed the construction and opening of the Shin-Tomei Expressway between Shin-Gotenba Interchange and Gotenba Junction (7 km) on 10 April 2021 and the Mei-Nikan Expressway between Nagoya-Nishi Junction and Tobishima Junction (12 km) on 1 May 2021.

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 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 Taki-VISON Smart-Interchange (Taki-cho, Taki-gun, Mie) on the Ise Expressway on 29 April 2021, and the Shin-Iwata Smart-Interchange (Iwata City, Shizuoka) on the Shin-Tomei Expressway on 17 July 2021.

With regard to the maintenance and services business, the Group has adopted "safety as top priority" as its corporate mission and "continuously working at improving expressway safety" as its most important management policy. In this respect, the Group undertook measures such as inspection, maintenance, renovation and repair in order to establish a reliable expressway network and provide services that satisfy its customers.

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 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.

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.

Regarding accident prevention, in order to prevent major accidents caused by vehicles operating the wrong way on expressways, the Group took measures against wrong entries from non-expressways, implemented technologies publicly procured from the private sector, and took measures for increasing customer awareness of traffic safety. The Group steadily progressed towards installation of wire ropes on segments of earthwork as well as segments of roads containing small and medium-sized bridges, with a view to preventing frontal collision accidents in the provisional two-lane sections. The Group also conducted trial placements of pipes and blocks on segments of roads containing tunnels and large bridges to separate inbound and outbound lanes.

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), the Chuo Expressway (around Kobotoke Tunnel, Sagamiko Bus Stop and Mitaka Bus Stop) and the Meishin Expressway (around Ichinomiya Junction). The Group also steadily introduced additional 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 (between Toki Junction and Minokamo Interchange) and the Kisei Expressway (between Omiya-Odai Interchange and Kisei-Ouchiyama Interchange). In respect of the abovementioned project, the Group completed a segment of roads in respect of the Tomei Expressway (around Yamato Tunnel) on 14 July 2021. In addition, the Group began the design and investigation in respect of its project for introducing additional lanes on the Kisei Expressway (between Seiwa-Taki Junction and Omiya-Odai Interchange), in respect of which the Group obtained permission from the Minister of LIT in March 2021.

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.

On 1 May 2021, the Group changed its toll system in the Nagoya metropolitan region inside the Tokai-Kanjo Expressway to one based on distance in order to improve user friendliness.

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 2022: "mobility management of expressways", "infrastructure management of expressways" and "advancement of field operations".

Regarding countermeasures against COVID-19, the Group has been working on preventing customers using expressways from being infected by following its guidelines for preventing the spread of COVID-19.

Against such background, the Group's operating revenue in the Expressway Business for the six-month period ended 30 September 2021 amounted to ¥635,658 million, an increase of 99.2 per cent. compared to ¥319,051 million for the six-month period ended 30 September 2020. This principally reflected an increase in toll fees as well as 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 construction and opening of the Mei-Nikan Expressway between Nagoya-Nishi Junction and Tobishima Junction).

Operating income in the Expressway Business for the six-month period ended 30 September 2021 amounted to ¥22,722 million, an increase of 22.3 per cent. compared to ¥18,585 million for the six-month period ended 30 September 2020, principally reflecting an increase in toll fee receipts. Toll fees from external customers for the six-month period ended 30 September 2021 amounted to ¥303,104 million, an increase of 10.9 per cent. compared to ¥273,359 million for the six-month period ended 30 September 2020, principally reflecting a recovery in traffic volume.

Rest Area Business

In respect of the Rest Area Business in the six-month period ended 30 September 2021, the Group endeavoured to develop distinctive and attractive service 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 as part of precautionary measures against the spread of COVID-19, in response to requests from local authorities during the state of emergency declared by the Japanese Government. Following the Japanese Government's announcement regarding the adoption of new lifestyles in response to the spread of COVID-19, the Group continuously took countermeasures such as periodic sanitisation of stores, clarification regarding where customers should stand while queuing for cash registers, as well as placing acrylic partitions, securing distance between customers' seats and installing CO₂ sensors to prevent transmissions through infectious droplets, with a view to providing a safe and secure environment for customers visiting its stores. The Group also expanded the provision of QR code payments, introduced a mobile order system and trialled a drive-through store to minimise human contact.

The Group, in collaboration with specialised intermediaries, held exhibitions of national produce and strengthened sales of local farm produce in commercial complexes to meet the demand for in-house consumption that was accelerated by the spread of COVID-19. In addition, the Group worked to promote local revitalisation and to strengthen the relationship with local community through measures such as improving menus utilising local produce. In light of restaurants shortening their operating hours in response to requests from local authorities, the Group supported essential workers such as truck drivers by increasing food trucks and expanding the range of take-away products such as packed lunch boxes offered in stores.

Oasis Park Co., Ltd., a subsidiary of the Issuer as from 1 April 2021 that manages and operates Kawashima Parking Area (outbound) and Kawashima Highway Oasis on the Tokai-Hokuriku Expressway, faced severe difficulties as a result of constraints caused by the spread of COVID-19.

Against such background, the Group's operating revenues in the Rest Area Business for the six-month period ended 30 September 2021 amounted to ¥11,017 million, an increase of 13.7 per cent. compared to ¥9,691 million for the six-month period ended 30 September 2020, principally reflecting an increase in store sales in rest areas due to a recovery in traffic volume. The Group's operating loss in the Rest Area Business for the six-month period ended 30 September 2021 amounted to ¥924 million, compared to an operating loss of ¥2,549 million for the six-month period ended 30 September 2020, principally reflecting an increase in store sales in rest areas as a result of a recovery in traffic volume.

Other Related Businesses

The Group operates businesses such as the agency business, the tourism promotion business, the real estate 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 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 104 such plans. However, in response to the state of emergency declared by the Japanese Government on 7 January 2021, the Group temporarily suspended its sales of driving plans.

In the real estate development 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 Hamamatsu City, Shizuoka prefecture, Tsu City and Kuwana City, Mie prefecture, Toyokawa City, Aichi prefecture and Toyama City, Toyama prefecture, to lease flats in Toyokawa City, Aichi prefecture, as well as to reform and sell flats in Kawasaki City, Kanagawa prefecture. "Terrace Gate Toki", the commercial complex operated by the Group and located near Toki-Minami Tajimi Interchange on the Tokai-Kanjo Expressway, temporarily shortened the operating hours of "Toki Yorimichi Hot Spring" (a hot spring facility) from 27 August 2021 to 30 September 2021 due to the declaration of a state of emergency.

In the international business, the Group conducted 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, a company in the Republic of the Philippines. The Group operated the toll road "Phu Ly By-pass" in Vietnam and conducted a technology transfer to the country based on a strategic partnership with a construction company in Vietnam. The Group continued to provide consulting services for five projects in Tajikistan, Zambia, Thailand and Vietnam and other countries, thereby contributing to the development of the ability of local engineers. In addition, NEXCO-CENTRAL Philippines Inc. (a consolidated subsidiary of the Issuer) progressed tunnel construction works 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. 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, the Group progressed its considerations towards the realisation of the expansion of "ETC multi-purpose use services" that enable the use of ETC and other ITS technologies. The Group, in collaboration with the technology operating company, commenced providing a settlement service that uses ETC on the Izu Chuodo and Shuzenji Road operated by Shizuoka Prefecture Road Corporation. The Group will work with relevant parties with a view to promoting the use of ETC multi-purpose services at other public road corporations and scenic motorways, parking lots and drive-through stores.

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 logistics 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 2021 amounted to ¥9,739 million, a decrease of 45.1 per cent. compared to ¥17,745 million for the six-month period ended 30 September 2020, 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 2021 amounted to ¥87 million, compared to ¥12 million for the six-month period ended 30 September 2020. Such changes in the Group's operating revenue and operating income in the Other Related Business principally reflected a decrease in the completion of construction works commissioned by the Japanese Government and Japanese local government authorities.

Financial Condition

Consolidated Balance Sheet as of 30 September 2021 Compared to Consolidated Balance Sheet as of 31 March 2021

Total assets as of 30 September 2021 amounted to ¥2,148,955 million, at much the same level as ¥2,148,655 million as of 31 March 2021.

Total liabilities as of 30 September 2021 amounted to ¥1,879,144 million, a decrease of ¥18,124 million, or 1.0 per cent., compared to ¥1,897,268 million as of 31 March 2021. This principally reflected a decrease in accounts payable due to expressway business operations.

Total net assets as of 30 September 2021 amounted to ¥269,811 million, an increase of ¥18,424 million, or 7.3 per cent., compared to ¥251,387 million as of 31 March 2021, 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 2021 amounted to 12.5 per cent., an increase of 0.8 percentage points, compared to 11.7 per cent. as of 31 March 2021.

Liquidity and Capital Resources

Consolidated Cash Flows for the Six-Month Period Ended 30 September 2021 Compared to Consolidated Cash Flows for the Six-Month Period Ended 30 September 2020

Net cash provided by operating activities for the six-month period ended 30 September 2021 amounted to ¥128,460 million, compared to ¥297,517 million of net cash used in operating activities for the six-month period ended 30 September 2020. Cash flows from operating activities in the six-month period ended 30 September 2021 reflected a profit before income taxes of ¥22,641 million, a decrease in inventories of ¥97,396 million and a decrease in accounts receivable due from expressway business operations of ¥72,310 million, partially offset by a decrease in accounts payable due to expressway business operations of ¥117,069 million. The decrease in inventories principally related to the decrease of expressway assets 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 2021 amounted to ¥20,420 million, compared to ¥21,316 million for the six-month period ended 30 September 2020. Cash flows from investing activities in the six-month period ended 30 September 2021 reflected, among others, ¥20,273 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 2021 amounted to ¥73,422 million, compared to ¥294,227 million for the six-month period ended 30 September 2020. Cash flows from financing activities in the six-month period ended 30 September 2021 reflected proceeds from issuance of bonds for road construction amounting to ¥439,446 million and proceeds from issuance of other bonds amounting to ¥99,018 million, set off to a certain extent by payment for redemption of bonds for road construction of ¥323,249 million and payment for redemption of other bonds of ¥116,713 million.

Cash and cash equivalents as of 30 September 2021 amounted to ¥387,289 million, compared to ¥205,839 million as of 31 March 2021.

Contingent Liabilities

As of 30 September 2021, 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 2021
	<i>(Millions of yen)</i>
JEHDRA.....	¥431,000
West Nippon Expressway Company	3
Total.....	<u>¥431,003</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 2021, 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
	<u>September 2021</u>
	<i>(Millions of yen)</i>
JEHDRA.....	¥935,266

As a result of these transfers listed above, bonds for road construction decreased by ¥323,249 million (face value) and long-term loans for road construction decreased by ¥25,000 million for the six-month period ended 30 September 2021.

Capital Expenditure

In the six-month period ended 30 September 2021, the Group did not invest in any material new corporate assets. In the Expressway Business, the Group spent ¥12,159 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2021, principally in relation to the new installation and renewal of machinery for toll collection and ETC system equipment. In the Rest Area Business, the Group spent ¥378 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2021, principally in relation to Oasis Park Co., Ltd., a subsidiary of the Issuer as from 1 April 2021. In the Other Related Businesses, the Group spent ¥293 million of capital expenditure (including investment in intangible fixed assets) in the six-month period ended 30 September 2021.

CAPITALISATION AND INDEBTEDNESS

The following table sets out the Issuer's unaudited consolidated capitalisation and indebtedness as of 30 September 2021, 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 2021
	(Millions of yen)
Indebtedness:	
Short-term debt:	
Short-term debt, including current portion of long-term debt	¥245,724
Total short-term debt.....	245,724
Long-term debt:	
Bonds for road construction (less current portion)	1,210,857
Long-term loan for road construction (less current portion)	115,361
Other long-term loan (less current portion).....	50,307
Total long-term debt.....	1,376,525
Total indebtedness ⁽²⁾⁽³⁾⁽⁴⁾	1,622,249
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	141,058
Total shareholders' equity	279,070
Accumulated other comprehensive loss:	
Net unrealised holding gain on securities	100
Translation adjustments	15
Retirement benefits liability adjustments.....	(9,624)
Total accumulated other comprehensive loss.....	(9,509)
Total net assets.....	269,811
Total capitalisation and indebtedness ⁽⁶⁾	¥1,892,060

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 2021, ¥1,285,899 million of the Issuer's bonds for road construction, ¥170,547 million of other bonds and ¥893,766 million of obligations under the Issuer's bonds which were assumed by JEHDRA were secured. As of 30 September 2021, ¥0 of the Issuer's consolidated indebtedness was guaranteed.
- (3) On 10 November 2021, the Issuer issued ¥100,000 million in aggregate principal amount of bonds for road construction. On 14 October 2021, the Issuer issued EUR220 million, U.S.\$140 million and EUR80 million in aggregate principal amount, respectively, of commercial papers for road construction. On 19 January 2022, the Issuer issued EUR480 million and EUR300 million in aggregate principal amount, respectively, of commercial papers for road construction. On 19 January 2022, the Issuer issued U.S.\$178 million in aggregate principal amount of commercial papers for the general financing purposes of the Issuer.
- (4) As of 30 September 2021, the Issuer had a total of ¥1,366,266 million of contingent liabilities in respect of joint and several liabilities (see "Recent Business — Contingent Liabilities"). JEHDRA redeemed U.S.\$425 million, U.S.\$375 million, ¥50,000 million, ¥10,000 million and ¥18,000 million in aggregate principal amounts of bonds on 2 November 2021, 2 November 2021, 20 December 2021, 20 December 2021 and 20 December 2021, respectively, thereby decreasing its contingent liabilities in respect of joint and several liabilities by U.S.\$425 million, U.S.\$375 million, ¥50,000 million, ¥10,000 million and ¥18,000 million, respectively. Contingent liabilities in respect of joint and several liabilities increased by ¥88,000 million due to the transfer of liabilities to JEHDRA on 28 December 2021.
- (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 2021.

BUSINESS

The section "Business" in the Offering Circular is updated as follows with regard to the six-month period ended 30 September 2021:

Leasing of Expressway Assets

Leased Expressway Assets

The principal expressway assets leased by the Issuer from JEHDRA as of 30 September 2021 are set out below:

Section	Lease Fees ⁽¹⁾⁽³⁾
	<i>(Millions of yen)</i>
	¥408,254 ⁽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))	379
Total	<u>¥408,633</u>

Notes:

- (1) The above table sets out the lease fees to be paid to JEHDRA for the fiscal year ending 31 March 2022.
- (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.