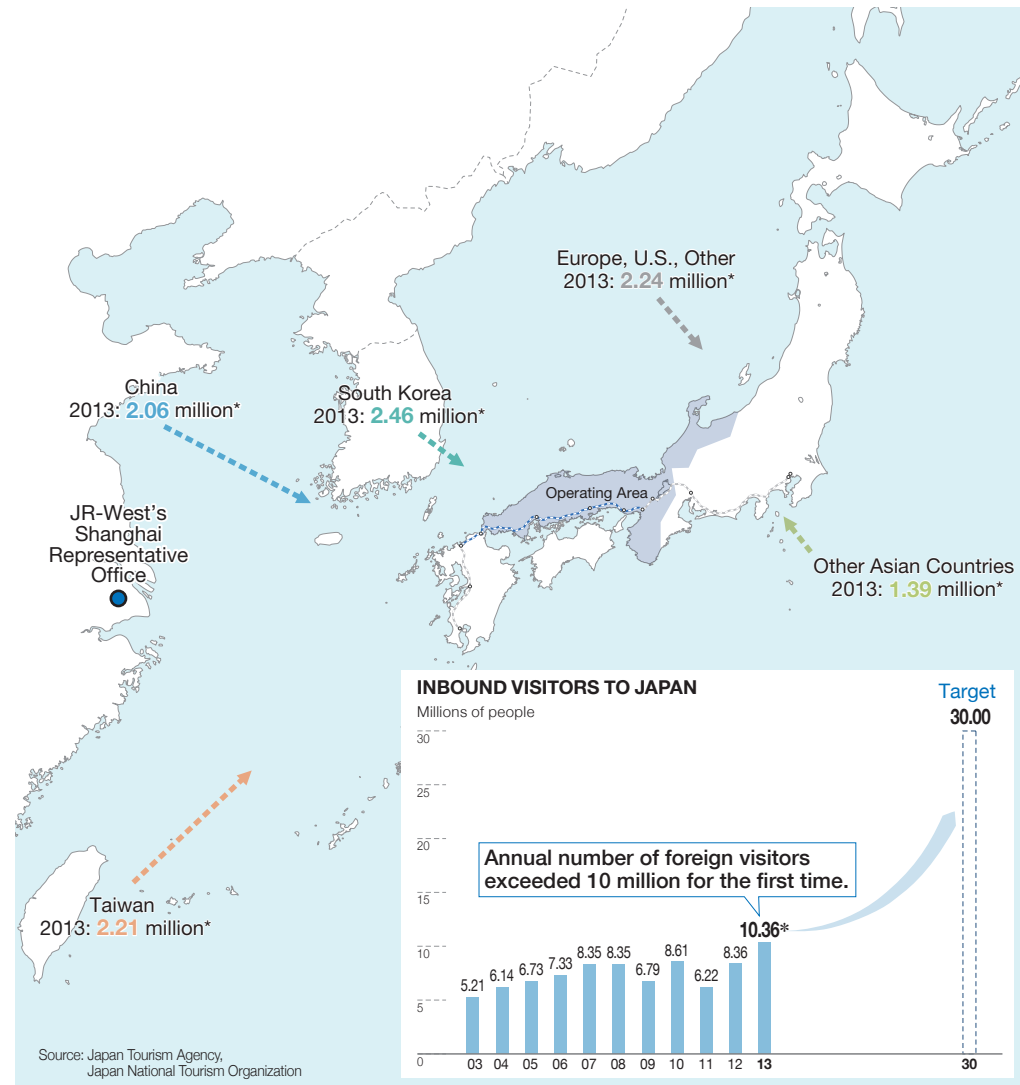


Operating Environment

Demand from Inbound Travel

INBOUND VISITORS TO JAPAN BY REGION



* Figures in 2013 are provisional.

* Provisional figure

Visting Rate by Prefecture (CY2013 result)

Quantity of responses: 28,920, Check all that apply

| Ranking | Prefectures | Visting rate % |
|---------|-------------|----------------|
| 1 | Tokyo | 47.3 |
| 2 | Osaka | 25.1 |
| 3 | Kyoto | 18.9 |
| 4 | Kanagawa | 11.2 |
| 5 | Fukuoka | 11.0 |
| 6 | Chiba | 9.6 |
| 7 | Aichi | 8.5 |
| 8 | Hokkaido | 7.8 |
| 9 | Hyogo | 6.2 |
| . | . | . |
| 13 | Nara | 4.4 |
| . | . | . |
| 16 | Hiroshima | 3.0 |

* Green shaded areas are JR-West's operating area. Source: Japan Tourism Agency

“JR-West Group Medium-Term Management Plan 2017”

Objective for FY2018/3 : Threefold increase in number of passengers using railway travel package for visitors from overseas

Measures to create inbound demand

Develop West Japan tourism routes and products

- Develop tourism routes in cooperation with local areas, etc. (The KIX to Kanazawa route, etc.)
- Expand product range for overseas travelers (Launch “Hokuriku Area Pass”, etc.)



JR-West Yo Yo

Strengthen sales promotion

- Launch a new website for Taiwan (“JR-West Yo Yo”)
- Strengthen promotion in South East Asia as growing markets, besides Korea, Taiwan, and Hong Kong

Improve system to support foreign customers

- Expand the multilingual telephone translation service to cover JR-West's operating area
- Increase the numbers of staffs to guide in foreign languages at major stations including Kyoto Station
- Expand coverage area of free public Wi-Fi for overseas visitors