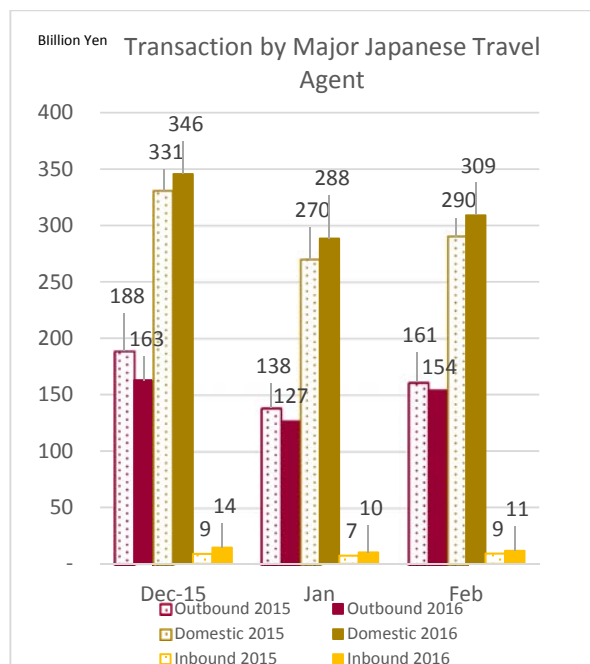
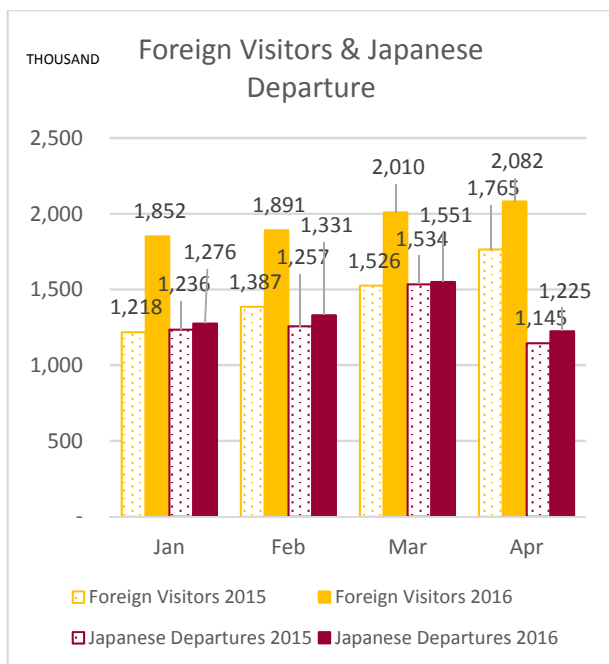


Japan Travel Market & JATA Activity Update

Bimonthly Report, January-April 2016 Issue

1. DATA



Foreign Visitors & Japanese Departure

International arrivals increased by 52.0% in January (year-on-year basis) reaching 1,852,000. 1,891,000 foreigners visited Japan (+36.4%) in January and 2,010,000 in March (+31.7%). For two successive months, the international arrivals surpassed the 2 million mark, with 2,082,000 (18.0% increase on year-on-year basis) international visitors coming to Japan in April. This number broke the record of the previous month surpassing it by 72,000, becoming the highest in the history of inbound travel to Japan.

Compared to the same period of the previous year, outbound travel grew by 3.3% in January, reaching 1,276,000 departures. In February, 5.9% more, or 1,331,000 Japanese traveled overseas. The number of departures continued to grow in March and April, with 1,551,000 (+1.1%) and 1,225,000 (+7.0%) Japanese going abroad in March and April respectively.

Transaction by Major Japanese Travel Agent

Outbound continued the downward trend, declining by 13.6% in December, 8.1% in January and 4.0% in February. Foreign arrivals grew by 63.3% in December, 40.5% in January and 26.3% in February. Domestic travel continued to expand during the three months, surpassing the number of the same period of the previous year.

2. MARKET TRENDS & TOPICS

Outbound

Market

Compared to the same period last year, bookings at major travel agencies were down by 13.6% in December, 8.1% in January and 4.0% in February, as the downward trend continued. Demand for travel to Europe in general fell short of that of the previous year. A comparatively short year-end holiday season, terrorist attacks and devalued yen are considered factors in the weak demand.

Inbound

Market

Data from major travel agencies shows substantial growth of the number of visitors compared to the same period of the previous year. International arrivals were up by 63.3% in December, 40.5% in January, and 26.3% in February. The increased number of flights – LCC in particular – to East Asian countries and the visa waiver programs, accounted for the growth.

Domestic

Market

Domestic travel grew by 4.5% in December, 6.9% in January and 6.5% in February. Among other factors, the new attraction of Universal Studios Japan Kansai was popular with domestic travelers. The operations of Hokuriku Shinkansen continued to factor positively in the steady performance of Hokuriku while travel companies ran promotional campaigns which drew visitors to the Tohoku region.

JATA Activity



The Japan Association of Travel Agents initiated the “Enjoy Japan to the Full!” campaign on April 1, 2014, promoting the increase of domestic overnights. The first commercial, run from the beginning of the campaign, featured popular artists WORLD ORDER and was produced in Hokuriku, which at the time had attracted attention with the extension of the Hokuriku Shinkansen tracks. In April 2015, JATA released a promotional video shot in Kyushu, which had garnered popularity as a destination for inbound travelers. The second video for the year was released in July the same year, and again, introduced the

Tohoku region.

In fiscal year 2016, the campaign is scheduled to introduce Fukushima with a promotional video of WORLD ORDER titled “Miwa’s Tour Diary” released in April.



<http://asobitsukuse.jp/>

3. HOT NEWS

Recovery of Europe through the Recovery of France “Paris after the terrorist attacks” Seminar targeting the travel industry

Following the Paris business mission on January 15-16, JATA held a seminar in the embassy of France in Tokyo, presenting reports on the situation in Paris after the terrorist attacks. 100 professionals in charge of tour planning and sales of tours to Europe attended the seminar. Ms. Junko Konno, Director and Corporate Officer of MIKI TOURIST and other participants in the mission delivered presentations. H.E. Mr. Thierry Dana, Ambassador of France to Japan, welcomed the attendees. “The state of emergency in Paris was extended till May as a preventive measure which would be effective in preventing future terrorist threat. We need the Paris citizens, the public and visitors to Paris to understand that it is a preventive measure which helps to maintain safety,” said H.E. Mr. Dana.

Event for the general public at the ambassador’s residence

A meeting for JATA member companies considering offering tours to France was held at the French ambassador’s residence in Azabu. 146 VIPs were invited for the presentation of the situation and safety of Paris. The event was aimed at expanding the demand for tours to France. At the event, Mr. Yoshinori Ochi, Director & Secretary General of JATA said that the extension of the state of emergency is the epitome of “thorough security measures.” H. E. Mr. Thierry Dana, Ambassador of France to Japan added that the expression in itself is the reason for the bad image” and that as “travel industry representatives convey information from their professional point of view, their customers will understand the situation at present.”

Food, Art and Lively France

Aiming at the recovery of Travel to France FESTA

A Tout France is planning to open a promotional event at the event Hall Malcube of Marunouchi, Tokyo Station on June 3. The event will target the general consumer and will be organized and supported by A Tout France, travel companies and airlines.

■ Date & time: Friday, June 3rd, 2016, 10:00 – 19:00

■ Venue: Marunouchi Building, (Tokyo, Chiyoda-ku, Marunouchi 2-4-1)

- Event space: Malcube, 1F
- Seminar: 1st session: 13:30 – 14:30
2nd session: 17:00 – 18:00
Marunouchi Building Hall & Conference Square Room 4

Recovery of China Forum

Creating tours to stimulate the market

Infrastructure improvement making travel to any part of China possible



On March 22, JATA held “The Quick Recovery of Travel to China” forum at its headquarters. The speakers presented new concepts of tour development, using the newest tourism resources and infrastructure and aimed at a new era of travel to China. 130 representatives of the travel industry attended the forum and Mr. Jungo Kikuma, Vice-Chairman of JATA and Chairman of the Committee on Outbound Travel Promotion, inaugurated the forum saying that the theme of JATA’s activities in 2016 is the “Recovery of overseas travel.” The recovery of Japanese travel to China is paramount to achieving this goal. Vice Chairman Kikuma

emphasized that “Instead of waiting for signs of recovery and relying on travel agencies to engage in tour planning, we have to act to stimulate the market.” The Director of the Japan Office of China National Tourism Administration Mr. Luo Yuquan, said, “Infrastructure and services which can accommodate the demand and expectations not only of domestic but foreign visitors, have been developed throughout the country, including towns, villages and the whole countryside. We will appreciate it if Japanese travel agencies see for themselves the new tourism resources, experience first-hand the changes in China and inform their customers of the changes and plan tours using the new contents.”

MOU signed with ATOUT FRANCE

JATA and the Travel Industry Commit to Helping the Recovery of Demand for European tours



JATA and ATOUT FRANCE signed a MOU on promoting bilateral exchange in the field of tourism. The opinion exchange meeting held before the signing ceremony was attended by French Minister of Foreign Affairs and International Development Mr. Jean-Marc Ayrault who also attended the G-7 Foreign Ministers summit. “French people are looking forward to welcoming Japanese visitors” said Mr. Ayrault and expressed his strong hope for the return of Japanese visitors to France. JATA Vice Chairman Kikuma, who signed the MOU on behalf of JATA, said that despite the headwinds,

the MOU is a good opportunity to unify the travel industry. “We are resolved to rediscover the attractiveness of France and create tours with new constituents.” Mr. Kikuma also appealed for full support by the French travel industry, local facilities and relevant authorities.

JATA’s Activities in 2016

Prompt and Coordinated Response to Managerial Challenges

At a meeting held on March 23, the Board of Directors of JATA set the objectives for 2016. JATA continues its commitment to the Strategic Proposal on Outbound Travel, which it made in FY 2015. In order to be able to respond promptly to the sudden changes in the business environment, JATA is planning to strengthen the relations between the Main Office and its Regional Charters and through its committees act promptly to realize the proposed policies.

Through Tourism EXPO Japan and mega missions to China and Indonesia, JATA played a leading role in establishing Japan as a leading tourism nation. In FY 2016, the association continues to lobby for improvement of the legislative system, create demand stimuli, train personnel, and engage in consumer consultation and settlements. Through these activities, JATA will work to improve the standing of the travel industry and strengthen its position as a value-creating industry. JATA is committed to the advancement of the travel industry and will continue to work for the further strengthening of the image of Japan as a tourism-based country. Following are the seven pillars of JATA’s activities. 1. Work for the revitalization of Japanese outbound travel 2. Continue to support the recovery of Tohoku 3. Propose a strategy for the further development of domestic travel 4. Strengthen JATA’s leadership in international tourism 5. Establish Tourism EXPO Japan as a core initiative 6. Contribute to the recruitment and training of talented human resources 7. Offer safe and comfortable travel

JATA Tourism EXPO Japan 2016

Make 2016 the Year for a “Jump” as the Culmination of the Three Years Aim at a Further Leap Forward, Looking Ahead to the Tokyo 2020 Olympic Games



This year, JATA Tourism EXPO Japan marks its third year following the first and the second expos in 2014 and 2015. The event is an integration of two former events, JATA Tabihaku Travel Showcase organized by the Japan Association of Travel Agents (JATA) and Tabi Fair Japan organized by the Japan Travel and Tourism Association (JTTA). JATA Tourism EXPO Japan 2016, the third expo, will take a further leap forward, aiming to become the world’s largest, most comprehensive tourism event and looking ahead to the Tokyo 2020 Olympic and Paralympic Games.

Mr. Hiromi Tagawa, chairman of JATA, who also serves as the chairman of the JATA Tourism EXPO Japan Organizing Committee,

made a comment on JATA Tourism EXPO Japan 2016 during a New Year’s interview on January 7. He has

positioned 2016 as the year for a “jump,” following the year for a “hop” in 2014 and the year for a “step” in 2015. He expressed his vision, saying “I intend to put the finishing touches on each event, including exhibitions, international tourism forums, and Japan Tourism Awards. I would like to establish them as JATA’s core projects.” Last year, Japan became a member of the United Nations’ World Tourism Organization (UNWTO) Council. This increased expectations for Japan’s leadership in international tourism. Mr. Tagawa said, “JATA will support the UNWTO’s activities from the private sector’s standpoint,” and stressed the importance of JATA Tourism EXPO Japan as the place to impress Japan’s attitudes on the world.

- Date : September 22 through September 25, 2016
- Venue : Tokyo Big Sight and Nihonbashi Area, Tokyo

4. AROUND THE WORLD

The following is a list of courtesy calls to JATA from January to April 2016.

Mr. Jong Hoon Lee, newly appointed Regional Executive Director of Japan, Korea Tourism Organization, visited Mr. Tagawa, Chairman of JATA on January 6th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160106_korea.html#korea

Mr. Armand Shandro, Charge d’Affaires, Embassy of the Republic of Albania visited Mr. Tatsuro Nakamura, President of JATA on January 12th, Tuesday

http://www.jata-net.or.jp/about/jata/visit/2016/160112_albania.html#albania

H.E. Mr. Luis Miguel Hincapie, Vice Minister of Foreign Affairs of the Republic of Panama visited Mr. Tatsuro Nakamura, President of JATA on January 13th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160113_panama.html#panama

Mr. John Toomey, Vice President, Sales, Asia Pacific, Marriott International, Inc. visited Mr. Tatsuro Nakamura, President of JATA on January 14th, Thursday

http://www.jata-net.or.jp/about/jata/visit/2016/160114_marriott.html#marriott

H.E. Mr. Drazen Hrstic, Ambassador of the Republic of Croatia, visited Mr. Hiromi Tagawa, President of JATA, on January 20th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160120_croatia.html#croatia

Mr. Jung Ho Choi, Korean Air, Regional Director & Managing Vice President, Japan, and his successor, Mr. Jeong Soo Kim visited Mr. Hiromi Tagawa, Chairman of JATA, on January 20th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160120_korea.html#korea

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PHONE:[+81] 3 3592 1244 FAX[+81] 3 3592 1268 URL <http://www.jata-net.or.jp>

Mr. Clay Gregory, CEO of Visit Napa Valley, USA, visited the Headquarters of JATA on February 12th, Friday

http://www.jata-net.or.jp/about/jata/visit/2016/160212_usa.html#usa

H.E. Ms. Simona Leskovar, Ambassador of the Republic of Slovenia, visited Mr. Tatsuro Nakamura, President of JATA, on February 15th, Monday

http://www.jata-net.or.jp/about/jata/visit/2016/160215_slovenia.html#slovenia

Dr. Kanman Chanhthalangsy, Vice Governor of Luang Prabang Province, Lao People's Democratic Republic, visited the Headquarters of JATA on February 15th, Monday

http://www.jata-net.or.jp/about/jata/visit/2016/160215_laos.html#laos

H. E. Ms. Rabab Fatima, Ambassador of the People's Republic of Bangladesh in Japan, visited Mr. Tatsuro Nakamura, President of JATA, on February 26th, Friday

http://www.jata-net.or.jp/about/jata/visit/2016/160226_bangladesh.html#bangladesh

H. E. Ms. Ndiyoi M. Mutiti, Ambassador Extraordinary and Plenipotentiary of the Republic of Zambia, visited the Headquarters of JATA on March 1st, Tuesday

http://www.jata-net.or.jp/about/jata/visit/2016/160301_zambia.html#zambia

H.E. Mr. Jacob Dickie Nkate, Ambassador of the Republic of Botswana visited Mr. Tatsuro Nakamura, President of JATA, on March 16th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160316_botswana.html#botswana

Ms. Sumathi Ramanathan, Regional Manager, Asia Pacific and Middle East, VisitBritain, visited Mr. Kikuma, Vice-Chairman of JATA, on March 24th, 2016

http://www.jata-net.or.jp/about/jata/visit/2016/160324_visituk.html#visituk

Mr. Won Ma, Senior Vice President, Passenger Business Division, Korean Air, Visited Mr. Tatsuro Nakamura, President of JATA, on March 28th, Monday

http://www.jata-net.or.jp/about/jata/visit/2016/160328_korea.html#korea

Mr. Vo Van Chanh, Vice Chairman of People's Committee of Dong Nai Province, Vietnam, visited the Headquarters of JATA on April 13th, Wednesday

http://www.jata-net.or.jp/about/jata/visit/2016/160413_vietnam.html#vietnam

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Mr. Andrew Reilly, Tourism Australia, Regional General Manager, Japan & Korea, visited Mr. Hiromi Tagawa, Chairman of JATA on April 14th, Thursday

http://www.jata-net.or.jp/about/jata/visit/2016/160414_australia.html#australia

Mr. David Craig, General Manager Asia, Tourism New Zealand, visited Mr. Hiromi Tagawa, Chairman of JATA, on April 14th, Thursday

http://www.jata-net.or.jp/about/jata/visit/2016/160414_nz.html#nz

Ms. Marta Blanco, Director General, Institute of Tourism of Spain, Ministry of Industry, Energy and Tourism of Spain, visited Mr. Hiromi Tagawa, Chairman of JATA, on April 14th, Thursday

http://www.jata-net.or.jp/about/jata/visit/2016/160414_spain.html#spain

Mr. Jean-Michel Foutrein, Director, New Caledonia Tourism, visited Mr. Tatsuro Nakamura, President of JATA, on April 25th, Monday

http://www.jata-net.or.jp/about/jata/visit/2016/160425_newcaledonia.html#newcaledonia