

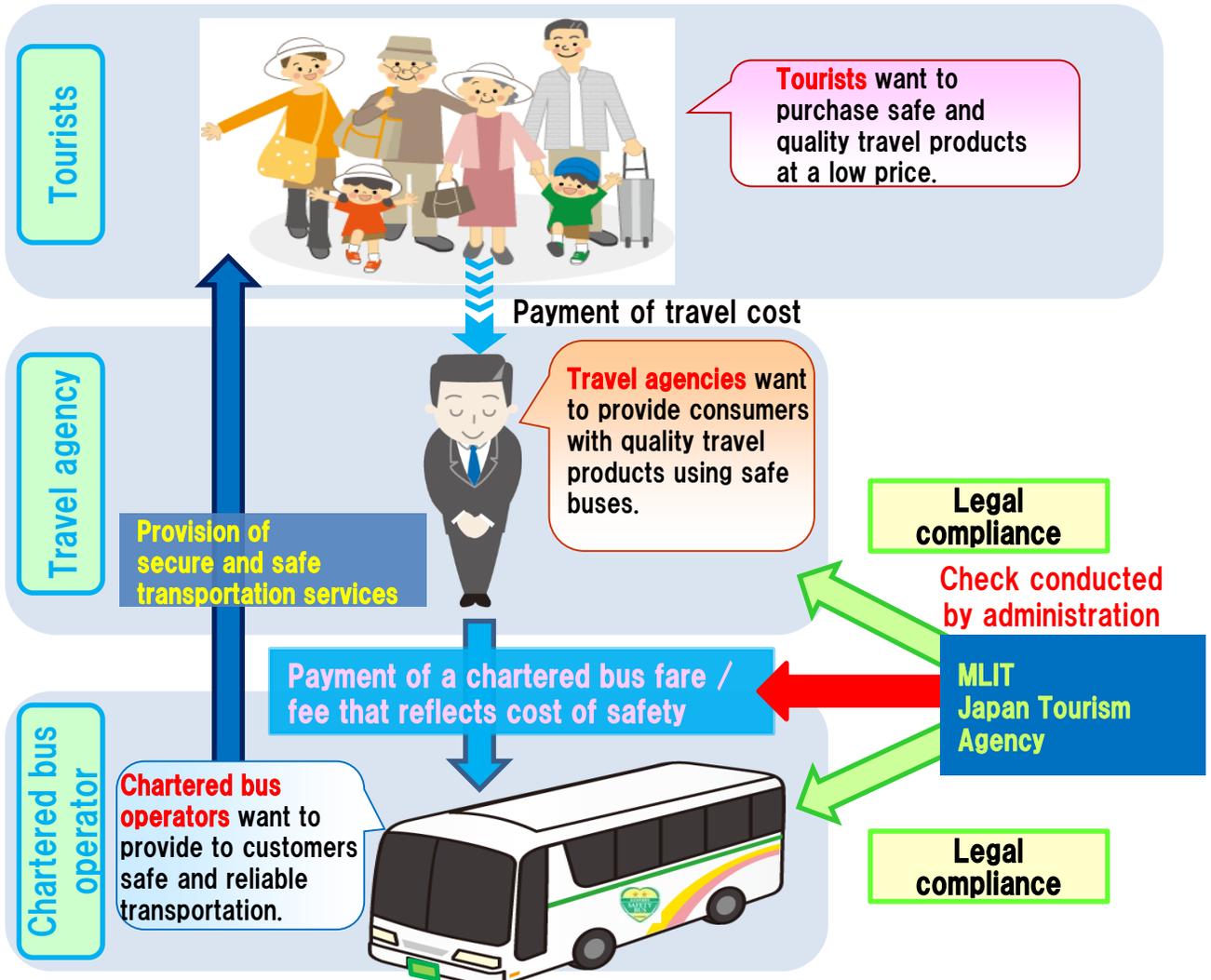
Dear customers, Chartered bus fare / pricing system has been revised.

The MLIT has introduced the new chartered bus fare / pricing system on April 1, 2014 as part of the improvement on structural issues of the chartered bus market that have become apparent from tour bus accidents on the highway.

Expenses such as labor costs, fuel costs, vehicle inspection and repair cost, and insurance are necessary for operating a chartered bus business. The new fare / pricing system is aimed to ensure the provision of secure and safe chartered bus transportation services by having chartered bus operators receive fares / fees that adequately reflect the cost that leads to safety.

- * Labor cost Appropriate employment of operation managers and drivers is required by law. Employment of drivers as day laborers, etc. is prohibited.
- * Fuel cost is rising (Diesel and gasoline have risen 70% and 50%, respectively, in the last decade.)

Appropriate transactions of the new chartered bus fare / pricing system (illustration)



Hokkaido District
Transport Bureau



Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism



Hokkaido Bus Association
(a general incorporated association)

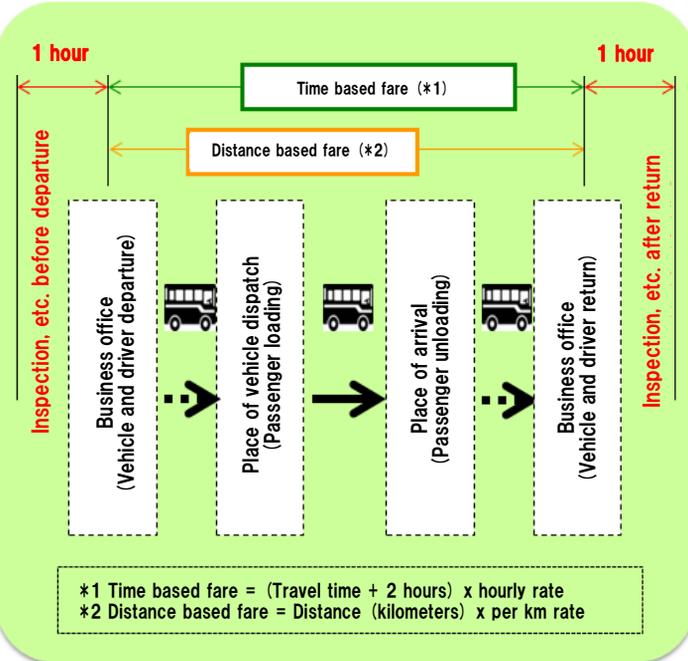
Appropriate fare / pricing system of the new chartered bus fare / pricing system (illustration)

- Calculated by adding time based fares and distance (kilometer) based fares.

Range of fares that does not require evaluation of the order to change the general charter passenger transport business

Public notice of the Hokkaido District

Transport Bureau dated March 27, 2014



		Upper limit	Lower limit	
Fare	Kilometer based fare (per kilometer)	Large-sized vehicle	170 yen	120 yen
		Medium-sized vehicle	150 yen	100 yen
		Small-sized vehicle	120 yen	90 yen
Fare	Time based fare (per hour)	Large-sized vehicle	6,130 yen	4,250 yen
		Medium-sized vehicle	5,180 yen	3,580 yen
		Small-sized vehicle	4,450 yen	3,080 yen
Fare	Fee on stationing a replacement driver	Kilometer based fare (per kilometer)	20 yen	10 yen
		Time based fare (per hour)	2,730 yen	1,890 yen
	Late night and early morning operation fee	Up to 20% extra on time based fare and fee for stationing a replacement driver (time based fare)		
	Additional fee on special-purpose vehicles	Up to 50% extra on fare		

Example Calculation of Chartered Bus Fares & Fees

Large-sized vehicle with driver only / 1 night + 2 days / North to south sightseeing tour originating and ending at "City A"

Day 1: 07:00 Depart "City A" Bus Office. 08:00 Depart place of dispatch (load passengers). North area sightseeing tour. 18:00 Arrive at hotel (unload passengers). 11 hours operating time.
→ Fares calculated based on 13 hours travel time, 425 km travelled.

Day 2: 08:00 Depart hotel (load passengers.) South area sightseeing tour. 18:00 Arrive at final destination (passengers disembark). 19:00 Bus returns to "City A" Bus Office. 11 hours operating time.
→ Fares calculated based on 13 hours travel time, 450 km travelled.

Fare = (Hourly Rate × Travel Time) + (Per km Rate × km Travelled)
= (6,130 yen/hr × 26 hrs) + (170 yen/km × 880 km) = 308,980 yen pre-tax

Fare after taxes (assuming no fees were incurred) = **308,980 yen × 1.08 = 333,698**
(Calculated based on maximum amounts published by Hokkaido District Transport Bureau)

* Unit fare / fee rates

- Set between the higher and lower limits indicated in the above table.

* Calculation terms

- Travel time is the time from departure to return including waiting time and out-of-service time.
- A total of two hours is added to the fare / fee calculation time for the roll-call of the driver and vehicle inspection (one hour before departing the garage and before departing to the accommodation, and one hour after arriving at the accommodation and returning to the garage).
- For the fare / fee calculation time, less than 30 minutes is rounded down and more than or equal to 30 minutes is rounded to 1 hour.
- For the total travel distance in kilometers, less than 10 km is rounded to 10 km.

* Fee for stationing a replacement driver

- A fee for stationing a replacement will be added when the actual travel distance exceeds 500 km during the day time and 400 km during the night.

* Late night and early morning operation fees apply when briefing time, inspection time, or traveling time occurs during the hours of 22:00 to 05:00.

Japanese only.

We cannot respond to inquiries in a language other than Japanese.

Inquiries on the new chartered bus fare / fee system

First Passenger Transport Division, Road Transport Department, Hokkaido District Transport Bureau

011-290-2741