ABENOMICS

For future growth, for future generations, and for a future Japan that is robust.

"I will break down any and all walls looming ahead of the Japanese economy and map out a new trajectory for growth. This is precisely the mission of Abenomics."

- Prime Minister Shinzo Abe

Published in January 2018
Abenomics has achieved remarkable progress¹

Setting the economy on course to overcome deflation and make a steady recovery

<table>
<thead>
<tr>
<th>Nominal GDP</th>
<th>Number of Employed Persons (female)</th>
<th>Corporate Ordinary Profit</th>
<th>Unemployment Rate</th>
<th>Private Non-Resi. Investment</th>
<th>Tax Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>493 JPY tn → 549 JPY tn</td>
<td>62.7 mn (26.6 mn) → 64.6 mn (28.1 mn)</td>
<td>48.5 JPY tn → 75.0 JPY tn</td>
<td>4.5 % → 2.8 %</td>
<td>71.9 JPY tn → 83.6 JPY tn</td>
<td>42.3 JPY tn → 57.7 JPY tn</td>
</tr>
<tr>
<td>↑ 56 JPY tn</td>
<td>↑ 1.9 mn (1.5 mn)</td>
<td>↑ 26.5 JPY tn</td>
<td></td>
<td>↑ 11.8 JPY tn</td>
<td>↑ 15.4 JPY tn</td>
</tr>
</tbody>
</table>

* Average exchange rate for September 2017: USD = JPY 110

** The Japanese fiscal year starts in April and concludes in March of the following year.


² Source: Cabinet Office “National Accounts,” “Fiscal 2017 Economic Outlook and Basic Stance for Economic and Fiscal Management”

### About Abenomics

In early 2013, after two decades of economic stagnation, Prime Minister Shinzo Abe unveiled a comprehensive economic policy package to sustainably revive the Japanese economy while maintaining fiscal discipline. This program became known as Abenomics.

The centerpieces of Abenomics have been the three “policy arrows,” aggressive monetary policy, flexible fiscal policy and growth strategy including structural reform.

### Nominal GDP

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Nominal GDP (JPY tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>496</td>
</tr>
<tr>
<td>FY2012</td>
<td>494</td>
</tr>
<tr>
<td>FY2013</td>
<td>507</td>
</tr>
<tr>
<td>FY2014</td>
<td>518</td>
</tr>
<tr>
<td>FY2015</td>
<td>534</td>
</tr>
<tr>
<td>FY2016</td>
<td>539</td>
</tr>
<tr>
<td>FY2017 Estimate as of December 2017</td>
<td>550</td>
</tr>
<tr>
<td>FY2018 Forecast as of December 2017</td>
<td>564</td>
</tr>
<tr>
<td>TARGET</td>
<td>600</td>
</tr>
</tbody>
</table>
Corporate ordinary profits:

<table>
<thead>
<tr>
<th>Year</th>
<th>JPY tn</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>45.3</td>
<td>Source: Ministry of Finance “Financial Statements Statistics of Corporations by Industry,” all industries, all (firm) sizes, seasonally adjusted figures</td>
</tr>
<tr>
<td>FY2012</td>
<td>48.5</td>
<td></td>
</tr>
<tr>
<td>FY2013</td>
<td>59.6</td>
<td></td>
</tr>
<tr>
<td>FY2014</td>
<td>64.6</td>
<td></td>
</tr>
<tr>
<td>FY2015</td>
<td>68.2</td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>79.0</td>
<td></td>
</tr>
</tbody>
</table>

Number of employed persons:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>62.8</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>64.5</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>66.2</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>68.2</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>69.6</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>70.4</td>
<td></td>
</tr>
</tbody>
</table>

Private non-res. investment:

<table>
<thead>
<tr>
<th>Year</th>
<th>JPY tn</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>70.4</td>
<td>Source: Cabinet Office “National Accounts,” private non-residential investment</td>
</tr>
<tr>
<td>FY2012</td>
<td>71.9</td>
<td></td>
</tr>
<tr>
<td>FY2013</td>
<td>77.5</td>
<td></td>
</tr>
<tr>
<td>FY2014</td>
<td>81.1</td>
<td></td>
</tr>
<tr>
<td>FY2015</td>
<td>83.3</td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>83.6</td>
<td></td>
</tr>
</tbody>
</table>

Ratio of effective job offers and unemployment rate:

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio of effective job offers to application (Total)</th>
<th>Ratio of effective job offers to application (Regular staff)</th>
<th>Unemployment rate</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>4.5</td>
<td>0.74</td>
<td>0.44</td>
<td>Source: Ministry of Health, Labour and Welfare &quot;Statistics on Employment Referrals for General Workers,” seasonally adjusted figures; Ministry of Internal Affairs and Communications &quot;Labour force survey,” seasonally adjusted figures</td>
</tr>
<tr>
<td>2013</td>
<td>4.0</td>
<td>0.79</td>
<td>0.41</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>3.8</td>
<td>0.80</td>
<td>0.40</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>3.6</td>
<td>0.81</td>
<td>0.39</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>3.4</td>
<td>0.82</td>
<td>0.38</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3.2</td>
<td>0.83</td>
<td>0.37</td>
<td></td>
</tr>
</tbody>
</table>

Dependency ratio on Japanese government bonds:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount of JGBs issued (Left scale)</th>
<th>Level of dependence on JGBs (Right scale)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>44.4</td>
<td>25.0</td>
<td></td>
</tr>
<tr>
<td>FY2012</td>
<td>44.2</td>
<td>24.5</td>
<td></td>
</tr>
<tr>
<td>FY2013</td>
<td>44.3</td>
<td>24.0</td>
<td></td>
</tr>
<tr>
<td>FY2014</td>
<td>44.3</td>
<td>23.5</td>
<td></td>
</tr>
<tr>
<td>FY2015</td>
<td>44.3</td>
<td>23.0</td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>44.3</td>
<td>22.5</td>
<td></td>
</tr>
<tr>
<td>FY2017 (Forecast)</td>
<td>44.4</td>
<td>22.0</td>
<td>Source: Ministry of Finance “Public Finance Statistics Book,” initial budget</td>
</tr>
</tbody>
</table>
How Abenomics Works

The greatest structural issue facing the Japanese economy is the rapidly progressing aging society and a shrinking population, yet we see this challenge as an opportunity.

Demographic change is actually a social challenge that will soon be shared by most developed countries. Japan will commit to become a pioneer in establishing a social model for other countries that will inevitably experience similar social situations in the coming years.

Boosting productivity through “Productivity Revolution” and “Human Resources Development Revolution” are the keys to keeping the virtuous economic cycle going.

Rigorously implement comprehensive reforms to achieve sustainable growth and reach a nominal GDP of 600 trillion yen.
Japan has earnestly continued to take actions in order to reform its economic structure from the ground up, executing one by one without fail the items on the long list of reforms under Abenomics.

The newest addition to this list of commitments are Productivity Revolution and Human Resources Development Revolution, which are pillars in the New Economic Policy Package decided by the cabinet on December 8, 2017.

We will accelerate efforts for
A. Productivity Revolution
- double labour productivity to CAGR 2%
- increase capital investment by 10% by FY2020
- increase wage by 3% after FY2018

B. Human Resources Development Revolution
- drastically enhance human resources development by investing an additional 2 trillion yen every year, mainly in education and in supporting child-rearing
Reform our work-style

**REFORMS TO THE EMPLOYMENT SYSTEM**

- **Legislative rules and guidelines of “equal pay for equal work”:** Eliminate the irrational gaps in the working conditions between regular and non-regular workers in order to enable non-regular workers to be fairly evaluated and to work with higher motivation.

- **Promote flexible work style:** Promote teleworking, side jobs and multiple jobs with a variety of policy measures, including the renewal of guidelines.

See more on P.07

Providing grounds to drive innovation and to realize Society 5.0

**REGULATORY SANDBOX**

Launch a mechanism for carrying out trials freely for new businesses for a certain period of time, without conforming to existing regulations.

**OPEN DATA**

Open up government data to promote innovative products and services, particularly in eight selected areas that include healthcare, agriculture and mobility.

**ECOSYSTEM FOR STARTUPS**

Supply the proving grounds for people brimming with a venture spirit by creating an agile environment where startups can continuously create and drive innovation.

**INDUSTRY ACADEMIA COLLABORATION**

Set up an operating system in universities to accept private investments, and set up an incentive system to encourage universities to collaborate with the industry.

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1. Society 5.0 is the fifth chapter after the four major stages of human development: (1) hunter-gatherer, (2) agricultural, (3) industrial and (4) information.
**Integrate and store personal medical information** using big data by 2020 to provide customized medical care (e.g., medical checkup records, treatment records, nursing care records)

**Enhance remote medical care services and face-to-face medical examinations** (effective care to be evaluated based on a FY2018 revision of medical service fees)

**Use AI and robots at long term care facilities** to maintain/improve users’ quality of life and reduce caregivers’ burden

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**Starting with mountainous regions, introduce drone delivery services in urban regions by the 2020s**

**Introduce driverless transportation services** with an aim of commercialization by 2020

**Autonomous truck platoons** for mass transportation to address the shortage of truck drivers (road tests on ShinTomei Highway by 2020 and commercialization by 2022) (e.g., single driver cargo truck in a convoy using unmanned-following-vehicle system)

**Road tests ongoing in**
- the capital region on urban roads and highways
- 13 mountainous regions sequentially across the country

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**Drive FinTech innovation by facilitating experimentation with blockchain technology**

*Technology that allows faster and deeper online transactions while assuring the security by recording transaction histories in chronological order within a chain of encrypted, interlocking blocks. After creation, falsification of any part of the chain is extremely difficult, creating a trusted and secure record of information.*

**Install open application programming interface (API) systems** in more than 80 banks by 2020 to further drive innovation

*An API is a software interface by which an application and other operations provide separate applications with a common function. In software development, a function provided by an API does not require further programming, which makes the process more efficient.*

**Achieve a 40% cashless payment rate by 2027**

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**Utilize technologies developed during the fourth industrial revolution and data accumulated through those technologies to overcome labor shortages in areas such as distribution, construction, agriculture, manufacturing and nursing**

**Further promote i-construction**, an approach to construction in which every aspect—from research to design, and inspection to maintenance—will be connected through information and communication technology (ICT) by 2019
Develop human resources to create an inclusive society

HUMAN RESOURCES DEVELOPMENT

- Make higher education effectively free for children from low-income households: Introduce new benefit scholarship programs and expand tuition waiver measures
- Accelerate the provision of early childhood education for free: Work to provide free pre-school education and childcare for all children between age three and five and also for all children in low-income households from birth to age two
- Enhance recurrent education and support reemployment: Support relearning by individuals, such as by enabling women who once took child rearing leave, to receive recurrent education for skill improvement and re-employment
- Advance reform of universities and other higher education institutions curriculum in order to meet the demand for practical education: Address the diverse needs of working professionals and provide education required, such as for IT personnel

SOCIAL SYSTEM

- Eliminate the wait to enter childcare facilities: Expand the capacity of childcare facilities by 320,000 children by the end of FY2020
- Secure the caregiving personnel needed to reduce the number of people who leave employment because of caregiving to zero: Improve employment conditions so as to eliminate the gap in wages with other industries
- Diversify the hiring process: Change the traditional hiring process of simultaneous recruiting of new graduates to a more flexible process to capture greater talent

On September 11, 2017, under Prime Minister Abe’s strong initiative as chair, the Council for Designing 100-Year Life Society was launched. The council will work to secure the opportunity for young people to receive higher education, to enhance the opportunity of recurrent education, to reform universities, to reassess recruiting systems to diversify the workforce, and to create social security for people across all generations.
Embrace diversity

**WOMEN**
- Increase childcare leave benefits from 50% to 67%, applied to the first six months of leave
- Further encourage recurrent education for women away on maternity leave
- Provide female candidates with executive leadership training programs from the world’s leading business scholars
- Through collaboration with the Tokyo Stock Exchange, select and promote enterprises that encourage women’s success in the workplace as “Nadeshiko Brands”

**Achievements**
- From 2012 to 2016, the number of women joining the workforce increased by about 1.5 million
  - Source: Ministry of Internal Affairs and Communications “Labour Force Survey”
- Women in management positions in the private sector approaches 10%

**SENIORS**
- Provide a choice to extend retirement age for those who want to work, as well as support companies that extend the limit
- Provide support in matching job openings and applications

**Achievements**
- Employment rates of people over the age 65 are up by 3%
  - 71% of seniors report that they would like to continue to work past retirement age
  - Source: Cabinet Office “Annual Report on the Aging society”

**EXPATRIATES**
- Provide incentives and grants for expatriate entrepreneurship in National Strategic Special Zones
- Expand job categories for statuses of residence (e.g.) Nursing care
- Increase expatriate housekeeping support workers in National Strategic Special Zones

**Achievements**
- The number of workers from abroad exceeded 1 million (as of Oct 2016)


1 Tokyo, Niigata City, Fukuoka City, Sendai City, Aichi Pref., Hiroshima Pref., Imabari City
2 Tokyo, Kanagawa, Osaka and Hyogo
Adopt flexible regulatory frameworks to make Japan the central hub for regenerative medicine and grow the market to 26 trillion yen by 2020

- Create a faster R&D process in regenerative medicine
  - Revise the Pharmaceutical Affairs Law to optimize the adaptive licensing approval system to bring regenerative medicines to market quicker
    ✓ Law took effect in 2014
  - Facilitate the process of aggregating personal medical records and analyze them anonymously to advance medical research
    ✓ Law enacted in 2017
- Create a global hub for regenerative medicine
  - Make National Strategic Special Zones into hubs for cardiac, neurologic and ophthalmic treatments
  - Promote market entries from overseas

Achievements

- World’s fastest approval process in regenerative medicine
  
  Before 2014: Clinical Study → Clinical Trial
  
  After 2014: Clinical Study → Clinical Trial
  
  SHORTER PERIOD FOR APPROVAL

- Rapid development in advanced heart failure treatments such as myoblast cell-sheet transplantation therapy and cardiomyocyte sheet transplantation therapy
- World’s first successful iPS origin retinal cell transplant operation for age-related macular degeneration

First major structural reform and deregulation in 60 years to turn agriculture into a growth industry by increasing competitiveness

- Reform the Agricultural Cooperative system to encourage entrepreneurialism
  ✓ Law took effect in 2016
- Decrease production costs and promote structural reform in distribution / processing business by restructuring the business flow
  ✓ Law took effect in August 2017
- Increase exports to one trillion yen by 2019
  - Strengthen export promotion through the Japan Food Product Overseas Promotion Center (JFOODO)

Achievements

- Young people steadily joining the industry - 22,000 people under the age of 49 entered the agriculture industry in 2016
- Reached 750 billion yen agricultural, forestry, fishery products and foods exports in 2016, breaking the record for the forth consecutive year

Japan has cut into bedrock regulations in areas such as healthcare, energy and agriculture that were considered impossible to tap into.

Our battle for reform is far from over. For instance, we have passed eight agricultural reform laws this year and we will continue to spur on these initiatives.
Set up National Strategic Special Zones to encourage creations of new services

The selected regions will have the privilege of advanced structural reform initiatives in the hopes of turning successful cases into touchstones for nationwide implementation

- **10** areas have been selected since 2013
- **253** reforms were undertaken (as of November 2017)

### Achievements

- **First automated bus driving test** to be conducted on a public road in Semboku city (November 2016)

**Launch a regulatory sandbox system**, a mechanism for carrying out business trials and error freely on new businesses for a certain period of time without conforming to existing regulations

### Achievements

<table>
<thead>
<tr>
<th>ELECTRICITY</th>
<th>GAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market size (JPY)</td>
<td>8 trillion</td>
</tr>
<tr>
<td>New market entry</td>
<td>447 companies</td>
</tr>
<tr>
<td>Users switched to a different retailer</td>
<td>4.59 million</td>
</tr>
</tbody>
</table>

Establishment of a Negawatt trading market (as of December 2017)

**1st automated bus driving test** to be conducted on a public road in Semboku city (November 2016)

Launch a regulatory sandbox system, a mechanism for carrying out business trials and error freely on new businesses for a certain period of time without conforming to existing regulations
3 Build on international opportunities

Actively incorporating growth from around the world is the key to Japan’s economic growth.

Japan will use every means available to extend free, fair, rule-based markets across the world. Japan will continue to demonstrate leadership to this end.

Meeting expanding global infrastructure needs with Japan’s quality infrastructure will contribute to not only Japan’s economic growth, but also to economic development of partner countries, constructing win-win relationships.

Being a consistent advocate of free trade

FREE TRADE

- Accelerate negotiations to bring free trade agreements into force
  - Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP) by 11 nations
  - Japan-EU Economic Partnership Agreement (EPA)
  - Other EPAs such as RCEP and Japan-China-ROK FTA

FTA COVERAGE RATIO

*In force including agreement
Source: Ministry of Foreign Affairs
"Japan’s EPA Activities*
Ministry of Economy, Trade and Industry

2018 target 70%

24.3% Under Negotiation

45.5%

More information: https://www.japan.go.jp/infrastructure

- Provide financing to infrastructure projects across the world of approximately USD 200 billion for the next five years
- Encourage private companies to invest and finance in infrastructure projects
- Strengthen the institutional capacity and financial grounds of Japan’s relevant organizations*

*Including JICA, JBIC, NEXI and JOGMEC

Achievements

- Reached an agreement in principle on an EPA with the EU in July 2017
- Reached an agreement in principle on TPP11 at the ministerial level in November 2017

Infrastructure project orders received

30 trillion* yen by 2020

Source: Cabinet Office “30th meeting of the Management Council for Infrastructure Strategy”

*Approximate figures
**TOURISM**

- Form 100 world-class DMOs\(^1\) and train tourism management specialists by 2020
- Promote branding of national parks, usage of cultural properties and create globally attractive travel routes
- Improve the tourist experience with additional free Wi-Fi spots and 3,000 ATMs equipped for international transactions
- Pursue planning of the “Integrated Resorts” promotion
  - Bill was enacted in December 2016
- Promote temporary accommodations by renting private dwellings under certified procedures

**Achievements**

- Inbound tourists and expenditure
  - 24 million tourists in 2016
  - 3.7 trillion yen in 2016

- Regions with a high growth rate of inbound tourists\(^2\) (Growth from 2012 to 2016)

**SMEs**

- Support the international expansion of SMEs, particularly Japan’s numerous “hidden champions” especially in the regional areas
- Modernize SMEs to comply with global standards
  - Encourage financial institutions to engage in the profitability enhancement of companies and review the credit-guarantee system
  - Accelerate the establishment of data utilization platforms and provide IT support to increase productivity

**Achievements**

- Ordinary profits have a record high
  - 18.3 trillion yen

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1. DMO = Destination Management / Marketing Organization
2. Excluding day trip travelers

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Source: Japan National Tourism Organization, Japan Tourism Agency “White Paper on Tourism in Japan”

Source: Ministry of Finance “Financial Statements Statistics of Corporations by Industry,” all industries, enterprises with capital of at least 10 JPY mn but less than 100 JPY mn, seasonally adjusted figures
Building a truly business-friendly environment to drive inward FDI

Building a truly business-friendly environment to stimulate growth requires drastic reforms in Japan’s corporate culture. This “growth” is meaningless without its sustainability. Thus it is crucial to continue reforms in corporate governance to urge companies to improve dialogue with investors.

4 Improve business environment to drive inward FDI

Building a truly business-friendly environment to drive inward FDI requires drastic reforms in Japan’s corporate culture. This “growth” is meaningless without its sustainability. Thus it is crucial to continue reforms in corporate governance to urge companies to improve dialogue with investors.

CORPORATE GOVERNANCE

Strengthen investor confidence through transparency

• Drew up a Corporate Governance Code\(^1\), to promote transparent, fair, timely and decisive decision-making by listed companies

• Formulated a Stewardship Code\(^2\), to promote constructive engagement, or purposeful dialogue between institutional investors and investee companies

• Eliminate overlaps in the disclosure rules and expedite provision of information (relevant documents) to shareholders by electronic transfer

Achievements

• Corporate Governance Code
  - Applied to more than 2,000 companies
  - Percentage of listed companies with two or more independent outside directors rose from 17% to **88%**

  - Cross-shareholdings in FY2016 have been reduced to **15%** of all companies

• Stewardship Code
  - Accepted by more than 200 institutional investors

CORPORATE TAX REDUCTION

Reform corporate tax to be growth-oriented

• Reduce corporate tax rate below 30% mark in FY2016

• Reduce property tax for SMEs from FY2016 to FY2018

Achievements

• Annual corporate tax revenue increased by close to **7 trillion yen** compared to the previous administration, despite the reduced corporate tax rate

Source: Ministry of Finance Japan
Welcoming highly skilled foreign professionals from all around the world

**LIFESTYLE SUPPORT**

More information: https://www.japan.go.jp/livinginjapan

- Conduct “fast track visa screenings” for highly skilled professionals within 10 days
- Expedite permanent residency after a year of arriving, under certain conditions - “Japanese Green Card for Highly Skilled Foreign Professionals”
- Increase bilingual healthcare professionals and educational support

**BUSINESS SUPPORT**


- Optimize administration process
  - Reduce administrative costs by 20% by 2020 in areas that are considered to have the heaviest burdens such as “business approval and licenses” and “social insurance”
  - Consolidate scattered registration outlets for different documents into one convenient outlet (e.g.) Tokyo One-Stop Business Establishment Center
- Host FDI seminars to disseminate FDI information
- Support the matching of foreign companies with domestic SMEs by utilizing the J-GoodTech website:
  http://jgoodtech.smrj.go.jp

**Achievements**

- Since May 2015, the number of highly-skilled foreign professionals increased by 97%
  (As of December 2016)
  Source: Ministry of Justice: “Number of Recognitions of Highly Skilled Professionals”

- 6,773 cases completed at the Tokyo One-Stop Business Establishment Center (as of Nov 2017)

- Net amount of inward foreign direct investment (FDI) in 2016 marked a record high of 27.8 trillion yen
  
  ![FDI Graph](https://via.placeholder.com/150)

**Come and visit Japan!**

**SHORTER TRAVEL TIME TO DOWNTOWN TOKYO**

In addition to Narita International Airport, Tokyo is served by the more centrally located Haneda International Airport. Providing domestic connections to 48 cities, Haneda is now offering a wider choice of international routes.

- Haneda International Airport
  - 30 minutes by car

**ACCOMMODATION FOR LESS**

<table>
<thead>
<tr>
<th>City</th>
<th>Hotel Price Index 2015</th>
<th>2015 USD Yearly average currency exchange rate:</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>254</td>
<td>1GBP = 0.681USD, 1EUR = 0.937USD, 1JPY = 125.911USD</td>
</tr>
<tr>
<td>London</td>
<td>199</td>
<td></td>
</tr>
<tr>
<td>Paris</td>
<td>158</td>
<td></td>
</tr>
<tr>
<td>Tokyo</td>
<td>135</td>
<td></td>
</tr>
<tr>
<td>Madrid</td>
<td>109</td>
<td></td>
</tr>
</tbody>
</table>

The Hotels.com Hotel Price Index (2015) shows that Tokyo has a lower average price point compared to other iconic cities.

**SHOP FOR LESS**

Japan is not that expensive anymore. In fact, The Economist’s Big Mac Index—a broad indicator of price points—ranks Japan 34th out of 56 countries. (Jan 2017) [USD]

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Price Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>Switzerland</td>
<td>6.35</td>
</tr>
<tr>
<td>2nd</td>
<td>Norway</td>
<td>5.47</td>
</tr>
<tr>
<td>3rd</td>
<td>Sweden</td>
<td>5.26</td>
</tr>
<tr>
<td>34th</td>
<td>Japan</td>
<td>3.26</td>
</tr>
</tbody>
</table>

**TOP DESTINATION FOR FINE DINING**

According to The Michelin Guide (2017),
Tokyo has the most Michelin-starred restaurants globally.