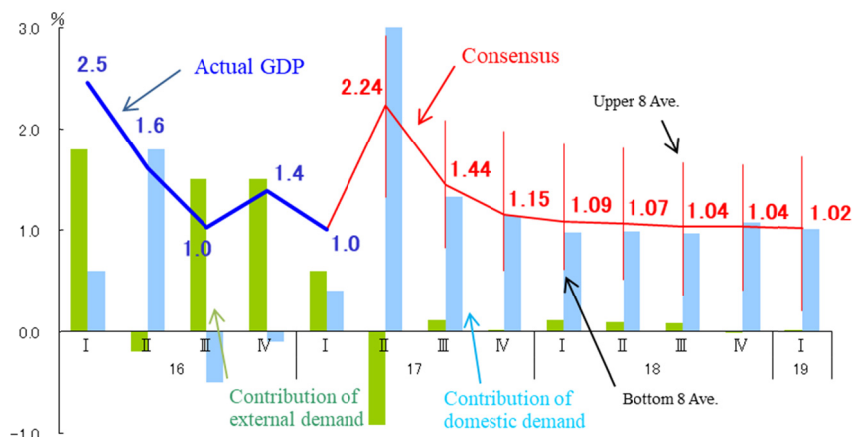


Real GDP Growth Outlook for 2nd Quarter 2017 Revised Upward to 2.2%

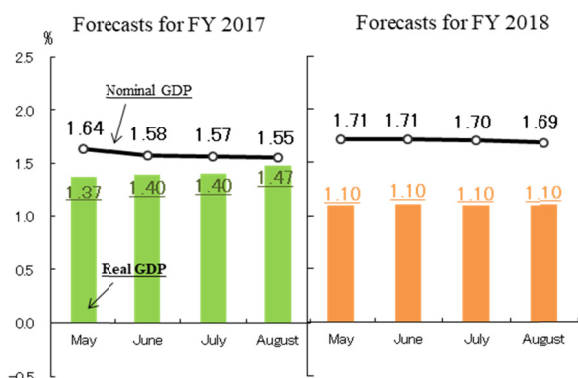
Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 2.24 % last quarter, and 1.44% this quarter. They predict growth slowing-down to around 1% thereafter.



GDP Growth (FY)

The average rates of real GDP growth prediction are 1.47% in FY2017 and 1.10% in FY2018. The nominal figures for each fiscal year are 1.55% and 1.69%, respectively.



Contribution	FY2017	FY2018
Domestic	1.3 (1.7/1.0)	1.0 (1.5/0.6)
Private	1.1 (1.4/0.8)	0.9 (1.3/0.6)
Public	0.3 (0.4/0.1)	0.1 (0.3/▲0.0)
External	0.1 (0.3/▲0.1)	0.1 (0.3/▲0.1)
Real GDP growth	1.47 (1.74/1.26)	1.10 (1.49/0.66)

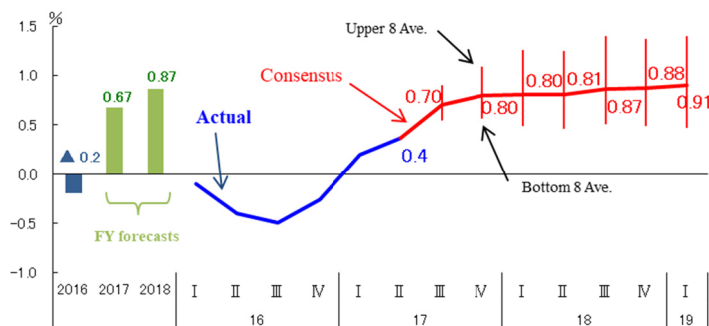
(Notes) Consensus (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2019

Consensus: 0.69% (Upper 8 Ave.: 1.26%; Bottom 8 Ave.: 0.16%)

Core CPI (year-on-year)

The forecasters expect core CPI to moderately increase up to 0.91% in the 1st quarter of 2019. Annual average core CPI is 0.67% in FY2017 and 0.87% in FY2018, increasing from ▲0.2% in FY2016. (Note) Core CPI: All items less fresh food.



(Additional question) Forecasts for FY2019

Consensus (incl. effects of the consumption tax hike): 1.36%
(Upper 8 Ave.: 2.13%; Bottom 8 Ave.: 0.58%)
Consensus (excl. effects of the consumption tax hike): 0.96%
(Upper 8 Ave.: 1.70%; Bottom 8 Ave.: 0.33%)

Next survey will be released on or around September 19.