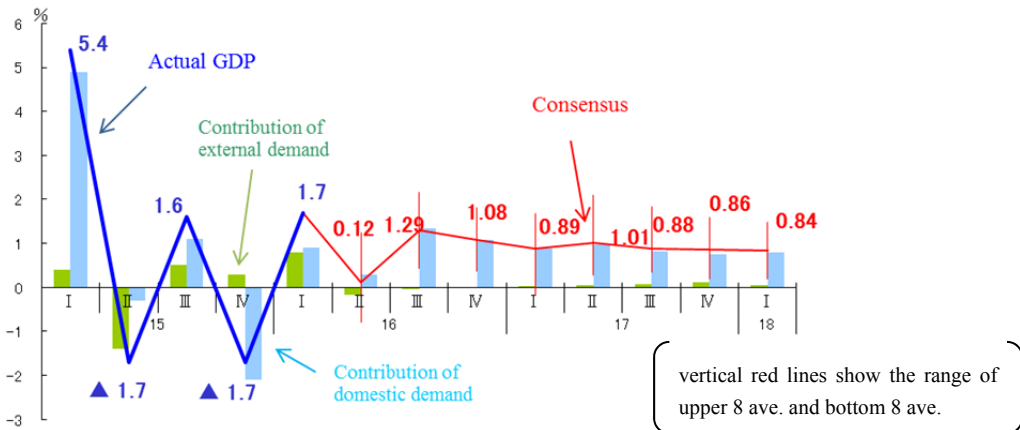


Real GDP Growth for FY2016 at 0.68%

Outlook for FY2017 Turns Up to 0.95% with Delay of Tax Increase

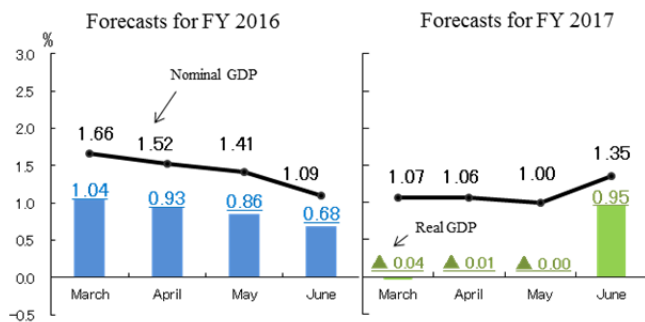
Real GDP (Quarterly)

Professional forecasters (39 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.12 % this quarter, a down from the previous survey at 0.69%. They predict stable growth around 1% over the survey period.



GDP Growth (FY)

The average rates of real GDP growth prediction are 0.68% in FY2016 and 0.95% in FY2017. The nominal figures for each fiscal year are 1.09% and 1.35%, respectively.



Contribution	FY2016	FY2017
Domestic	0.6	0.9
	(1.0/0.2)	(1.6/0.4)
Private	0.2	0.7
	(0.7/▲0.1)	(1.3/0.2)
Public	0.3	0.2
	(0.5/0.2)	(0.4/0.1)
External	0.1	0.0
	(0.4/▲0.1)	(0.3/▲0.3)
Real GDP growth	0.68	0.95
	(1.09/0.35)	(1.53/0.55)

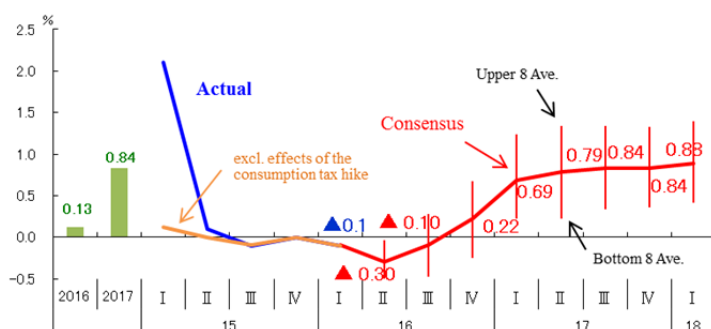
(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2018

Consensus: 1.00% (Upper 8 Ave.: 1.62%; Bottom 8 Ave.: 0.44%)

Core CPI (year-on-year)

The forecasters expect core CPI to level off at ▲0.30% this quarter, and thereafter to moderately increase up to 0.88% in the 1st quarter of 2018. Annual average core CPI is 0.13% in FY2016 and 0.84% in FY2017, increasing from 0.00% in FY2015. (Note) Core CPI: All items less fresh food



(Additional question) Forecasts for FY2018

Consensus: 0.99%

(Upper 8 Ave.: 1.64%; Bottom 8 Ave.: 0.45%)

Next survey will be released on or around July 11.