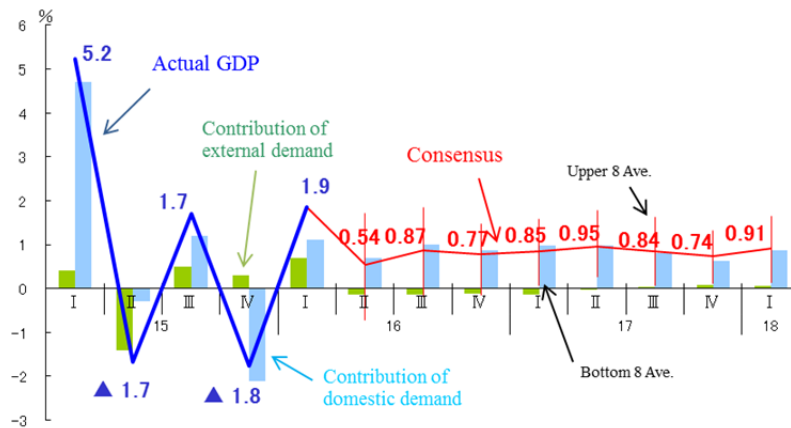


Fiscal-Stimulus Package Improves Real GDP Growth for FY2016 to 0.69%

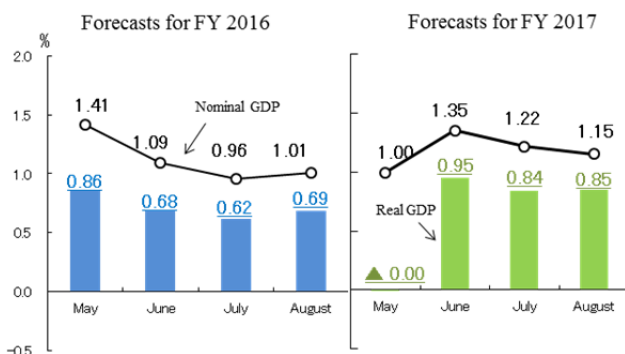
Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.54 % last quarter, through alternating between growth and decline in 2015. They predict stable growth around 0.5-0.9% over the survey period.



GDP Growth (FY)

The average rates of real GDP growth prediction are 0.69% in FY2016 and 0.85% in FY2017. The nominal figures for each fiscal year are 1.01% and 1.15%, respectively.



(Note) Forecasts of May assumed tax increase on April 2017.

Contribution	FY2016	FY2017
Domestic	0.6 (1.0/0.3)	0.9 (1.5/0.4)
Private	0.3 (0.7/▲0.1)	0.6 (1.2/0.2)
Public	0.3 (0.5/0.2)	0.2 (0.4/0.1)
External	0.1 (0.3/▲0.1)	▲0.0 (0.2/▲0.4)
Real GDP growth	0.69 (1.08/0.38)	0.85 (1.30/0.40)

(Notes) Consensus (Upper 8 Ave./Bottom 8 Ave.).

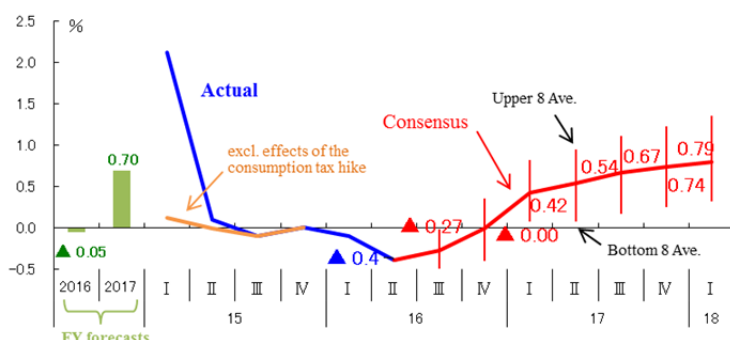
Contributions are approximate values.

(Additional question) Forecasts for FY2018

Consensus: 0.95% (Upper 8 Ave.: 1.46%; Bottom 8 Ave.: 0.43%)

Core CPI (year-on-year)

The forecasters expect core CPI to continue to decline until the end of 2016, and thereafter to moderately increase up to 0.79% in the 1st quarter of 2018. Annual average core CPI is ▲0.05% in FY2016 and 0.70% in FY2017, increasing from 0.0% in FY2015. (Note) Core CPI: All items less fresh food.



(Additional question) Forecasts for FY2018

Consensus: 0.91%

(Upper 8 Ave.: 1.40%; Bottom 8 Ave.: 0.44%)

Next survey will be released on or around September 7.