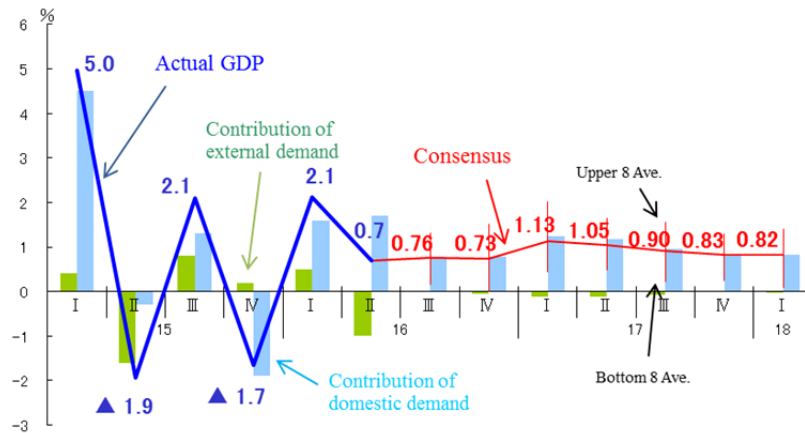


Real GDP Growth Outlook Revises Slightly Up to 0.77% in FY2016

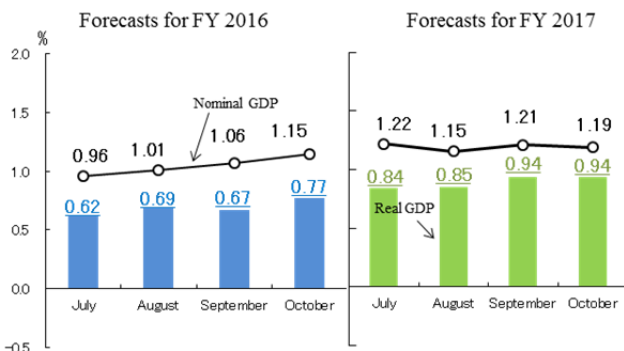
Real GDP (Quarterly)

Professional forecasters (41 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.76 % last quarter, through alternating between growth and decline in 2015. They predict stable growth around 0.7-1.1% over the survey period.



GDP Growth (FY)

The average rates of real GDP growth prediction are 0.77% in FY2016 and 0.94% in FY2017. The nominal figures for each fiscal year are 1.15% and 1.19%, respectively.



Contribution	FY2016	FY2017
Domestic	0.9 (1.2/0.7)	1.0 (1.7/0.5)
Private	0.5 (0.7/0.3)	0.6 (1.1/0.2)
Public	0.4 (0.5/0.3)	0.4 (0.5/0.2)
External	▲0.1 (0.0/▲0.3)	▲0.1 (0.2/▲0.5)
Real GDP growth	0.77 (1.01/0.56)	0.94 (1.36/0.51)

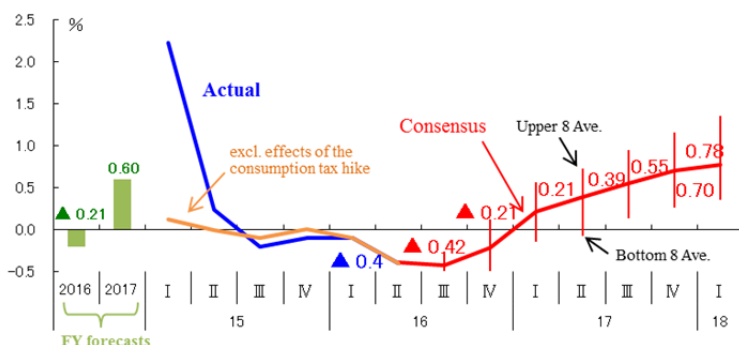
(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2018

Consensus: 0.91% (Upper 8 Ave.: 1.44%; Bottom 8 Ave.: 0.45%)

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 0.78% in the 1st quarter of 2018. Annual average core CPI is ▲0.21% in FY2016 and 0.60% in FY2017. (Note) Core CPI: All items less fresh food.



(Additional question) Forecasts for FY2018

Consensus: 0.91%
(Upper 8 Ave.: 1.38%; Bottom 8 Ave.: 0.45%)

Next survey will be released on or around November 10.