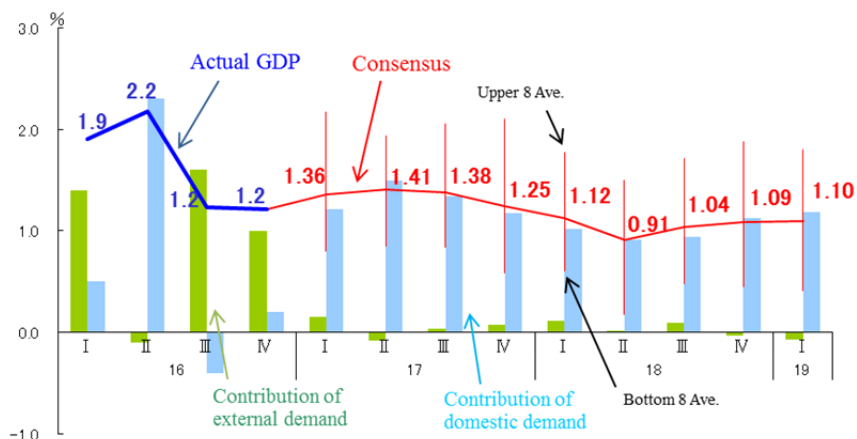


Real GDP Growth Outlook for 1st Quarter 2017 at 1.36%

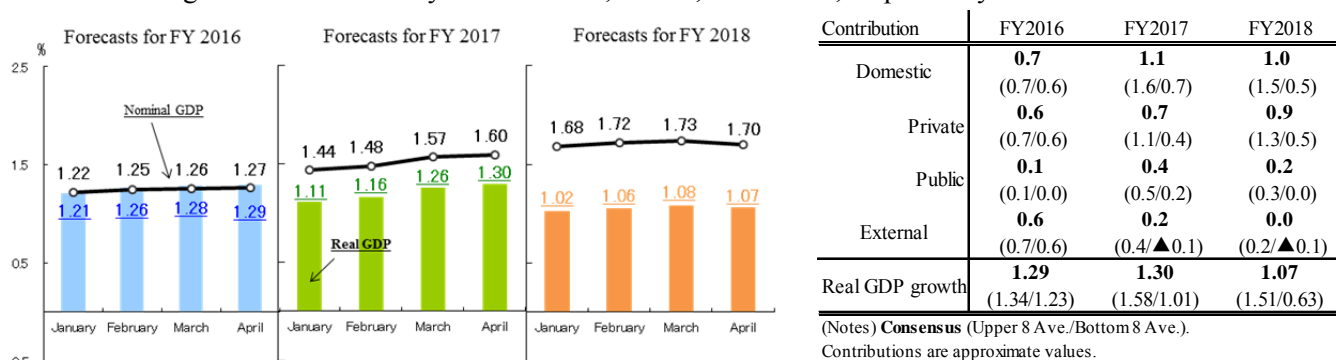
Real GDP (Quarterly)

Professional forecasters (40 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.36% last quarter. They predict stable growth around 1.2-1.4% in 2017 after over 1% growth in the second half of 2016.



GDP Growth (FY)

The average rates of real GDP growth prediction are 1.29% in FY2016, 1.30% in FY2017, and 1.07% in FY2018. The nominal figures for each fiscal year are 1.27%, 1.60%, and 1.70%, respectively.



Core CPI (year-on-year)

After having leveled off in the 3rd quarter of 2016, the forecasters expect core CPI to jump back into positive territory at 0.24% last quarter, and thereafter to moderately increase up to 1.06% in the 1st quarter of 2019. Annual average core CPI is ▲0.24% in FY2016, 0.83% in FY2017, and 1.00% in FY2018. (Note) Core CPI: All items less fresh food.

