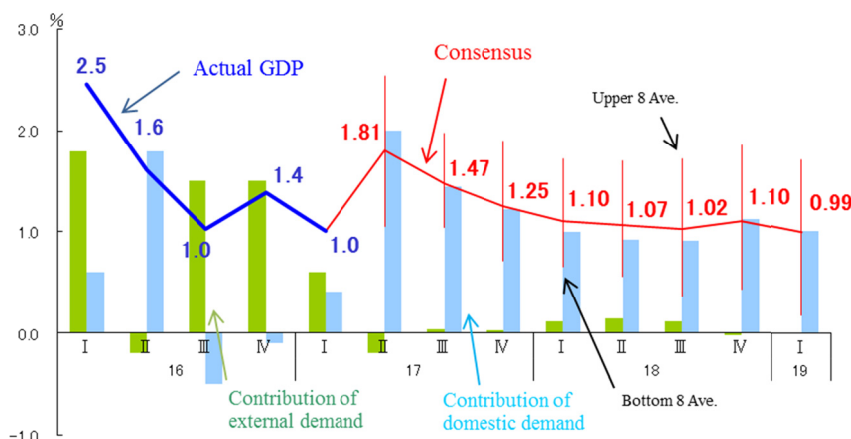


Real GDP Growth Outlook for FY2017 at 1.4% –Upward revision for 8 Consecutive Months

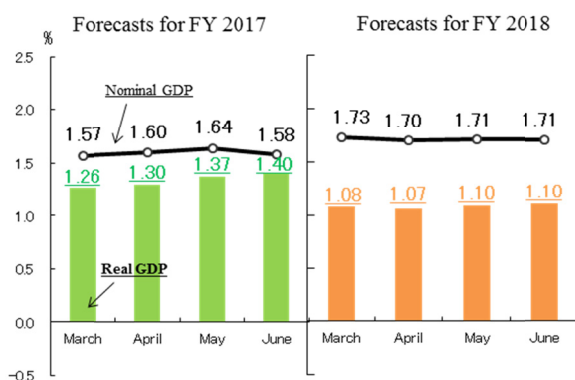
Real GDP (Quarterly)

Professional forecasters (42 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.81 % this quarter, and 1.47% next quarter. They predict growth slowing-down between 0.99% and 1.25% thereafter.



GDP Growth (FY)

The average rates of real GDP growth prediction are 1.40% in FY2017 and 1.10% in FY2018. The nominal figures for each fiscal year are 1.58% and 1.71%, respectively.



Contribution	FY2017	FY2018
Domestic	1.1 (1.4/0.8)	1.0 (1.4/0.6)
Private	0.9 (1.1/0.7)	0.9 (1.3/0.6)
Public	0.2 (0.4/0.1)	0.1 (0.3/▲0.0)
External	0.3 (0.5/0.1)	0.1 (0.3/▲0.1)
Real GDP growth	1.40 (1.64/1.21)	1.10 (1.48/0.69)

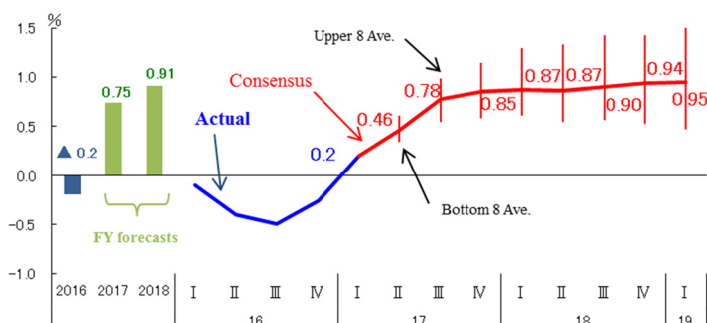
(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2019

Consensus: 0.73% (Upper 8 Ave.: 1.30%; Bottom 8 Ave.: ▲0.19%)

Core CPI (year-on-year)

The forecasters expect core CPI to moderately increase up to 0.95% in the 1st quarter of 2019. Annual average core CPI is 0.75% in FY2017 and 0.91% 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): 1.45%
(Upper 8 Ave.: 2.16%; Bottom 8 Ave.: 0.74%)

Consensus (excl. effects of the consumption tax hike): 0.99%
(Upper 8 Ave.: 1.71%; Bottom 8 Ave.: 0.37%)

Next survey will be released on or around July 10.