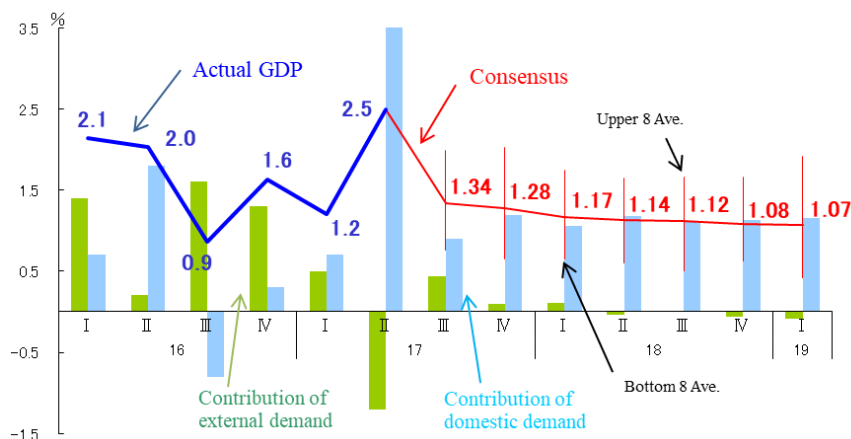


Real GDP Growth Outlook for 3rd Quarter 2017 at 1.34%

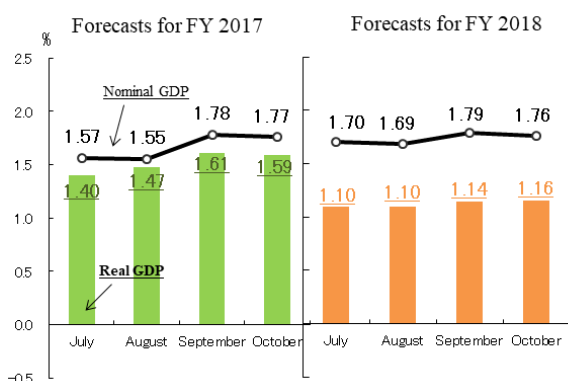
Real GDP (Quarterly)

Professional forecasters (41 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 1.34 % last quarter, and 1.28% this quarter. They predict growth slowing-down to around 1% thereafter.



GDP Growth (FY)

The average rates of real GDP growth prediction are 1.59% in FY2017 and 1.16% in FY2018. The nominal figures for each fiscal year are 1.77% and 1.76%, respectively.



Contribution	FY2017	FY2018
Domestic	1.5 (1.7/1.3)	1.1 (1.6/0.7)
Private	1.2 (1.4/0.9)	1.0 (1.4/0.7)
Public	0.4 (0.5/0.3)	0.1 (0.3/▲0.0)
External	0.1 (0.2/▲0.1)	0.0 (0.2/▲0.1)
Real GDP growth	1.59 (1.79/1.41)	1.16 (1.50/0.83)

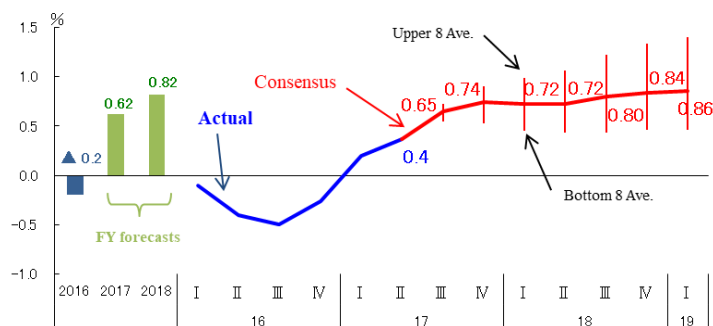
(Notes) **Consensus** (Upper 8 Ave./Bottom 8 Ave.).
Contributions are approximate values.

(Additional question) Forecasts for FY2019

Consensus: 0.69% (Upper 8 Ave.: 1.14%; Bottom 8 Ave.: 0.29%)

Core CPI (year-on-year)

The forecasters expect core CPI to moderately increase up to 0.86% in the 1st quarter of 2019. Annual average core CPI is 0.62% in FY2017 and 0.82% 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): 1.35%
(Upper 8 Ave.: 2.09%; Bottom 8 Ave.: 0.66%)
Consensus (excl. effects of the consumption tax hike): 0.93%
(Upper 8 Ave.: 1.65%; Bottom 8 Ave.: 0.38%)

Next survey will be released on or around November 9.