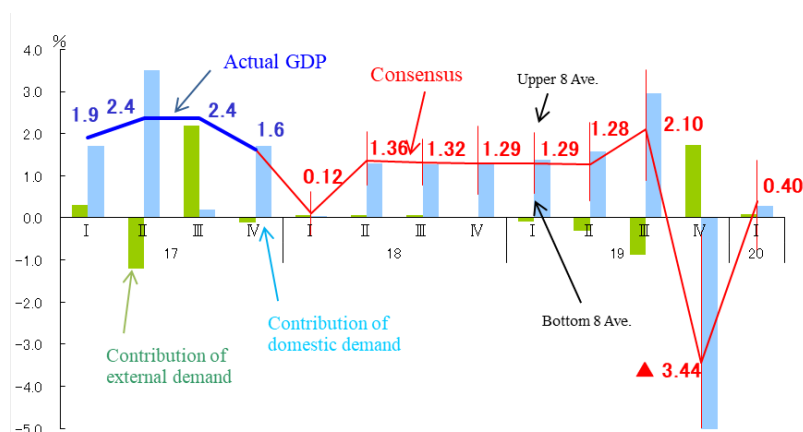


Real GDP Growth Outlook for 2018Q1 Revised Down to 0.12%

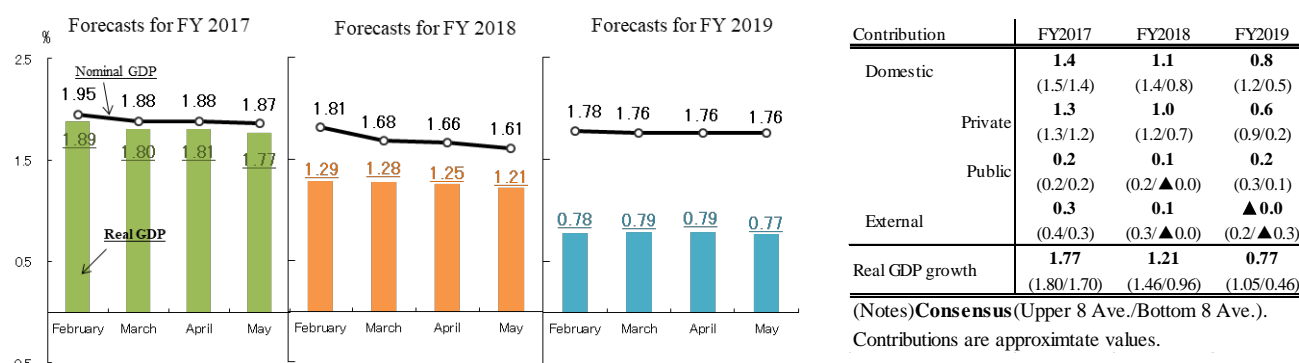
Real GDP (Quarterly)

Professional forecasters (40 forecasters surveyed) in Japan expect real GDP to grow at an annual rate of 0.12% last quarter, revised downward from the previous survey at 0.56%. They predict growth around 1.3-1.4% thereafter over the survey period except the consumption tax hike.



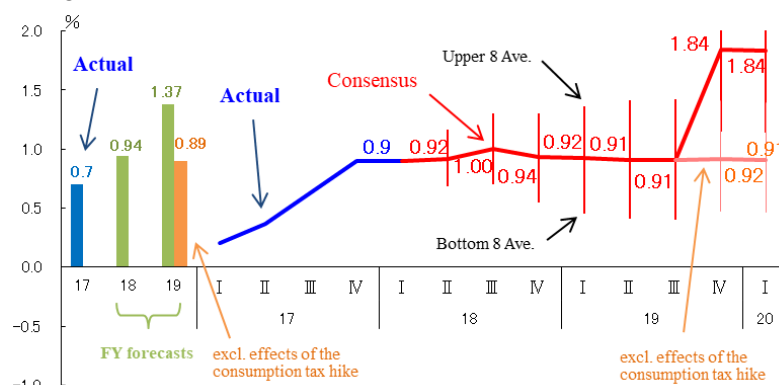
GDP Growth (FY)

The average rates of real GDP growth prediction are 1.77% in FY2017, 1.21% in FY2018, and 0.77% in FY2019. The nominal figures for each fiscal year are 1.87%, 1.61%, and 1.76%, respectively.



Core CPI (year-on-year)

The forecasters expect core CPI to average around 0.9% over the next six quarters and increase up to 1.84% in the 4th quarter of 2019 due to the consumption tax hike. Annual average core CPI is 0.94% in FY2018, and 1.37% in FY2019, increasing from 0.7% in FY2017. (Note) Core CPI: All items less fresh food.



Next survey will be released on or around June 18.