

[Attached Table]

Economic Model Simulation by RENGO-RIALS

(1) Forecasts

| | FY 2004 Actual | FY 2005 Forecast | FY 2006 Forecast | |
|--|-------------------|---------------------|------------------|--------|
| | | | Case A | Case B |
| Nominal GDP | 0.8% | 1.2% | 2.1% | 1.5% |
| Real GDP | 1.9% | 2.5% | 2.0% | 1.7% |
| Contribution of domestic demand | 1.4% | 2.3% | 1.8% | 1.4% |
| Contribution of external demand | 0.5% | 0.2% | 0.2% | 0.3% |
| Private final consumption | 1.2% | 1.7% | 1.4% | 0.9% |
| Private residential investment | 2.1% | -2.9% | 0.1% | -0.7% |
| Private non-residential investment | 5.2% | 7.5% | 5.7% | 5.2% |
| Private inventory investment (Contribution) | 0.2% | 0.1% | 0.0% | 0.0% |
| Government final consumption | 2.7% | 2.0% | 1.2% | 1.4% |
| Public fixed capital formation | -15.1% | -4.8% | -4.7% | -4.6% |
| Exports of goods and services | 11.9% | 5.7% | 5.3% | 5.3% |
| Imports of goods and services | 9.3% | 5.6% | 4.4% | 3.8% |
| GDP deflator | -1.1% | -1.3% | 0.0% | -0.2% |
| Industrial production | 4.1% | 1.3% | 2.5% | 2.0% |
| Domestic corporate goods prices | -0.5% | 1.8% | 1.4% | 1.3% |
| Consumer prices | -0.1% | -0.2% | 0.3% | 0.1% |
| Labor force | -0.3% | 0.2% | -0.3% | -0.3% |
| Employed persons | 0.2% | 0.5% | 0.0% | -0.2% |
| Unemployment rate (Fiscal year-end) | 4.5% | 4.2% | 3.9% | 4.2% |
| Ratio of active job openings (Fiscal year-end) | 0.91 | 1.02 | 1.13 | 1.02 |
| Nominal compensation of employees | -1.0% | 1.6% | 2.9% | 0.6% |
| Total cash earnings (30 employees or more) | -0.3% | 0.7% | 3.0% | 0.7% |
| Total hours actually worked (30 employees or more) | 1,839 | 1,829 | 1,831 | 1,830 |
| Current account (Trillion yen) | 18.2 | 16.0 | 16.4 | 16.8 |
| Ratio of current account to nominal GDP | 3.6% | 3.1% | 3.1% | 3.2% |

(2) Assumptions for the forecasts

| | FY 2004 Actual | FY 2005 Forecast | FY 2006 Forecast |
|---|-------------------|---------------------|---------------------|
| Nominal government final consumption | 1.7% | 1.6% | 1.4% |
| Nominal public capital formation | -14.5% | -3.8% | -3.7% |
| Nominal 3-month interest rate | 0.1% | 0.1% | 0.1% |
| Nominal exchange rate (¥/\$) | 107.5 | 110.0 | 110.7 |
| Real world economic growth rate (Calendar year) | 5.3% | 4.5% | 4.4% |
| Crude oil price (\$/barrel) | 45.1 | 59.9 | 62.2 |

Note 1. Concerning the assumption for the FY2006 wage revision, Case A assumes about 3% reflecting the periodical pay raise and increased labor productivity, while Case B assumes about 1% which is lower than the periodical pay raise.

Note 2. "Fiscal year-end" means the average for the period from January to March.