



# Investment results for 2Q of fiscal 2023(update report)

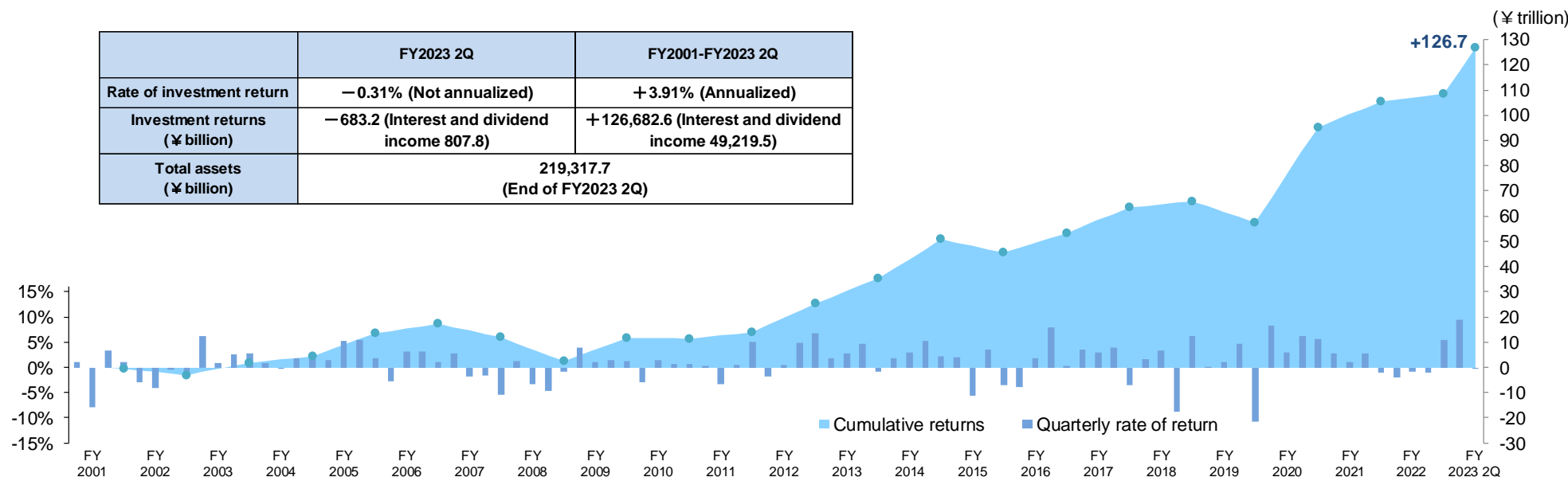
Government Pension Investment Fund

Government Pension Investment Fund (GPIF) manages the public pension fund in the long term and its investment results should be assessed in the same manner. In addition to the annual report, which is legally required, GPIF publishes the quarterly update report to enhance the transparency to the public.

Please note that returns, which are marked to market as of the end of each quarter, include unrealized gains and losses and are influenced by the market trends.

Cumulative returns and quarterly rate of return (FY2001-FY2023 2Q)

|                                | FY2023 2Q                                   | FY2001-FY2023 2Q                                   |
|--------------------------------|---|--|
| Rate of investment return      | -0.31% (Not annualized)                     | +3.91% (Annualized)                                |
| Investment returns (¥ billion) | -683.2 (Interest and dividend income 807.8) | +126,682.6 (Interest and dividend income 49,219.5) |
| Total assets (¥ billion)       | 219,317.7 (End of FY2023 2Q)                |  |



Note1: Rate of investment return and investment returns are gross of fees. The same applies hereinafter.

Note2: The rate of investment return from FY2001 to FY2019 is the average of the modified total return of the funds invested in the markets (market investment) and the return of FILP bonds weighted with investment principal, and the rate of investment return from FY2020 is time-weighted. The same applies hereinafter.

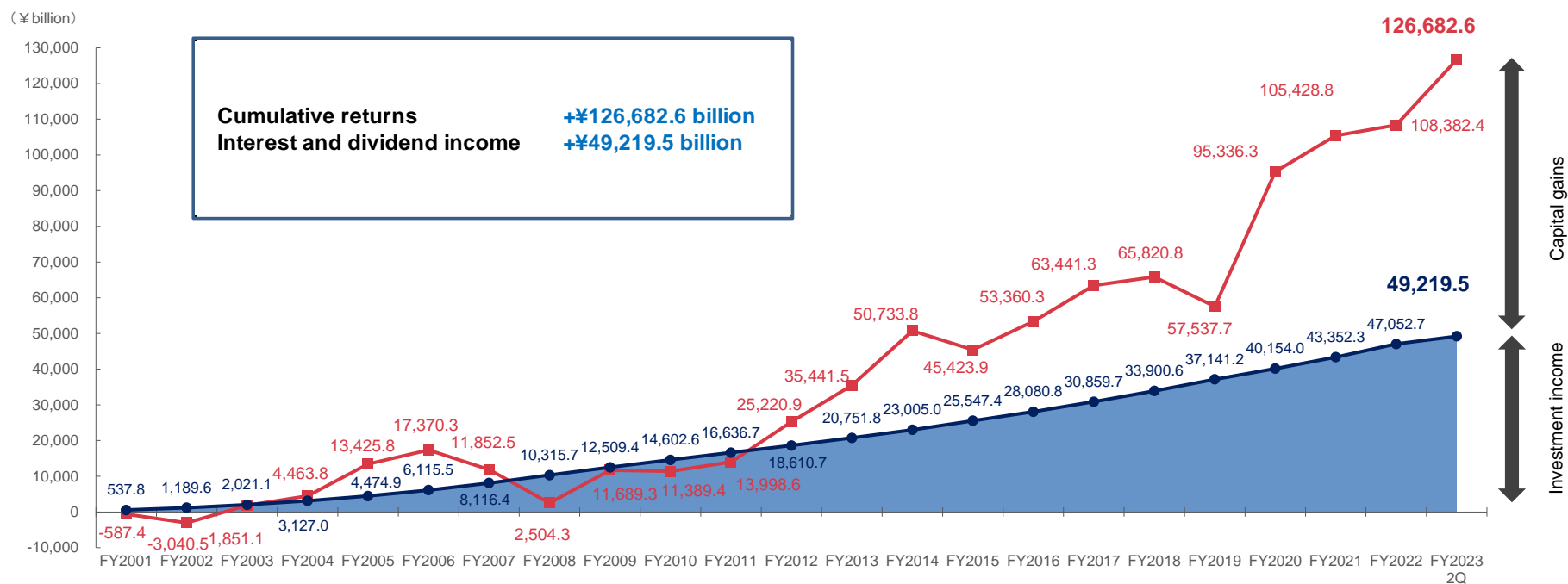
Note3: Periodic rate of investment return and periodic investment returns are compared from the end of the previous quarter. The same applies hereinafter.

Note4: Rate of investment return (annualized) is calculated as a geometric mean of the annual rate of return from FY2001 to this quarter.

Note5: Cumulative returns indicate the total investment returns so far (from FY2001 to this quarter).

Note6: As these figures are preliminary, they may be subject to change in the Annual Report, etc. The same applies hereinafter.

## Cumulative returns since fiscal 2001



## Investment returns and rate of investment return for individual fiscal years

|                                | FY2001 | FY2002   | FY2003  | FY2004  | FY2005  | FY2006  | FY2007   | FY2008   | FY2009  | FY2010  | FY2011  | FY2012   | FY2013   | FY2014   | FY2015   | FY2016  | FY2017   | FY2018  | FY2019   | FY2020   | FY2021   | FY2022  | FY2023 1Q-2Q | FY2006-FY2023 2Q | FY2001-FY2023 2Q |
|--------------------------------|--------|----------|---------|---------|---------|---------|----------|----------|---------|---------|---------|----------|----------|----------|----------|---------|----------|---------|----------|----------|----------|---------|--------------|------------------|------------------|
| Investment returns (¥ billion) | -587.4 | -2,453.0 | 4,891.6 | 2,612.7 | 8,961.9 | 3,944.5 | -5,517.8 | -9,348.1 | 9,185.0 | -299.9  | 2,609.2 | 11,222.2 | 10,220.7 | 15,292.2 | -5,309.8 | 7,936.3 | 10,081.0 | 2,379.5 | -8,283.1 | 37,798.6 | 10,092.5 | 2,953.6 | 18,300.2     | 113,256.8        | 126,682.6        |
| Investment income (¥ billion)  | 537.8  | 651.8    | 831.4   | 1,106.0 | 1,347.9 | 1,640.7 | 2,000.8  | 2,199.4  | 2,193.7 | 2,093.2 | 2,034.1 | 1,973.9  | 2,141.1  | 2,253.2  | 2,542.4  | 2,533.4 | 2,778.9  | 3,040.9 | 3,240.6  | 3,012.8  | 3,198.3  | 3,700.3 | 2,166.9      | 44,744.7         | 49,219.5         |
| Rate of investment return      | -1.80% | -5.36%   | 8.40%   | 3.39%   | 9.88%   | 3.70%   | -4.59%   | -7.57%   | 7.91%   | -0.25%  | 2.32%   | 10.23%   | 8.64%    | 12.27%   | -3.81%   | 5.86%   | 6.90%    | 1.52%   | -5.20%   | 25.15%   | 5.42%    | 1.50%   | 9.15%        | 4.25%            | 3.91%            |

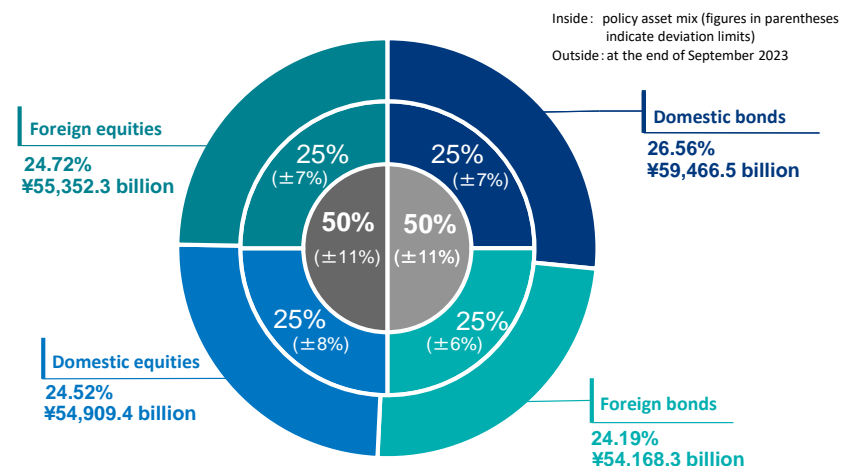
Note: The figures above are rounded off, so the sum of each item does not necessarily match the total number.

## Investment assets and portfolio allocation

### (Pension reserves managed by GPIF and the Pension Special Account)

End of September 2023

|                   | Market value<br>(¥ billion) | Allocation of<br>Pension Reserve (1) | Allocation of<br>Pension Reserve (2) |
|-------------------|-----------------------------|--------------------------------------|--------------------------------------|
| Domestic bonds    | 59,466.5                    | 26.56%                               | 50.75%                               |
| Foreign bonds     | 54,168.3                    | 24.19%                               |                                      |
| Domestic equities | 54,909.4                    | 24.52%                               | 49.25%                               |
| Foreign equities  | 55,352.3                    | 24.72%                               |                                      |
| <b>Total</b>      | <b>223,896.5</b>            | <b>100.00%</b>                       | <b>100.00%</b>                       |



Note1: The figures above are rounded off, so the sum of each item does not necessarily match the total number.

Note2: The pension reserves as a whole include reserves managed under the pension special account (about ¥4.6 trillion as of the end of September 2023).

Note3: JPY hedged foreign bonds and yen-denominated short-term assets are classified as Domestic bonds, and foreign currency-denominated short-term assets are classified as Foreign bonds.

Note4: The percentage of the alternative investments: 1.54% (within maximum 5% of total portfolio)

## Investment results for 2Q of fiscal 2023

| Fiscal year                    | 2022      | 2023      |           |    |    |                  |
|--------------------------------|-----------|-----------|-----------|----|----|------------------|
|                                |           | 1Q        | 2Q        | 3Q | 4Q | Total            |
| Rate of investment return (%)  | 1.50      | 9.49      | -0.31     |    |    | <b>9.15</b>      |
| Investment returns (¥ billion) | 2,953.6   | 18,983.4  | -683.2    |    |    | <b>18,300.2</b>  |
| Total assets (¥ billion)       | 200,132.8 | 219,173.6 | 219,317.7 |    |    | <b>219,317.7</b> |

Note: Rate of investment return in FY2022 is annualized and others are period rate.

## Rate of investment return / Amount of investment returns

| Fiscal year       | 2022             | 2023              |                   |    |    |                   |
|-------------------|------------------|-------------------|-------------------|----|----|-------------------|
|                   |                  | 1Q                | 2Q                | 3Q | 4Q | Total             |
| Total             | 1.50%            | 9.49%             | -0.31%            |    |    | 9.15%             |
|                   | ¥2,953.6 billion | ¥18,983.4 billion | -¥683.2 billion   |    |    | ¥18,300.2 billion |
| Domestic bonds    | -1.74%           | 0.36%             | -2.74%            |    |    | -2.39%            |
|                   | -¥851.7 billion  | ¥176.1 billion    | -¥1,522.8 billion |    |    | -¥1,346.7 billion |
| Foreign bonds     | -0.12%           | 8.08%             | -0.79%            |    |    | 7.22%             |
|                   | -¥56.2 billion   | ¥3,899.0 billion  | -¥403.7 billion   |    |    | ¥3,495.3 billion  |
| Domestic equities | 5.54%            | 14.37%            | 2.49%             |    |    | 17.22%            |
|                   | ¥2,728.8 billion | ¥7,088.6 billion  | ¥1,334.4 billion  |    |    | ¥8,423.0 billion  |
| Foreign equities  | 1.84%            | 15.43%            | -0.10%            |    |    | 15.31%            |
|                   | ¥1,132.7 billion | ¥7,819.6 billion  | -¥91.1 billion    |    |    | ¥7,728.5 billion  |

Note1: JPY hedged foreign bonds and yen-denominated short-term assets are classified as Domestic bonds, and foreign currency-denominated short-term assets are classified as Foreign bonds.

Note2: The figures above are rounded off, so the sum of each item does not necessarily match the total number.

Note3: Rate of investment return in FY2022 is annualized and others are period rate.

## Reference index: 2Q of fiscal 2023

### ○Market Information

|                   |  | 2023/3    | 2023/6    | 2023/7    | 2023/8    | 2023/9    |
|-------------------|--|-----------|-----------|-----------|-----------|-----------|
| Domestic bonds    | JGB 10-year yield (%)                    | 0.35      | 0.40      | 0.61      | 0.65      | 0.77      |
|                   | U.S. Treasury 10-year yield (%)          | 3.47      | 3.84      | 3.96      | 4.11      | 4.57      |
| Foreign bonds     | German Government Bond 10-year yield (%) | 2.29      | 2.39      | 2.49      | 2.47      | 2.84      |
|                   | TOPIX (points)                           | 2,003.50  | 2,288.60  | 2,322.56  | 2,332.00  | 2,323.39  |
| Domestic equities | Nikkei225 (¥)                            | 28,041.48 | 33,189.04 | 33,172.22 | 32,619.34 | 31,857.62 |
|                   | NY Dow (\$)                              | 33,274.15 | 34,407.60 | 35,559.53 | 34,721.91 | 33,507.50 |
| Foreign equities  | DAX (points)                             | 15,628.84 | 16,147.90 | 16,446.83 | 15,947.08 | 15,386.58 |
|                   | SSEC (points)                            | 3,272.86  | 3,202.06  | 3,291.04  | 3,119.88  | 3,110.48  |
|                   | ¥/\$                                     | 133.09    | 144.54    | 142.08    | 145.59    | 149.23    |
| FX                | ¥/€                                      | 144.60    | 157.69    | 156.65    | 158.01    | 157.99    |

### ○Benchmarks

|   | 2023 2Q | 2023 1Q-2Q |
|---|---------|------------|
| Domestic bonds<br>NOMURA-BPI non-ABS  | -2.97%  | -2.57%     |
| Foreign bonds<br>FTSE World Government Bond Index (not incl. JPY, CNY, no hedge/JPY basis)        | -0.97%  | 6.76%      |
| Domestic equities<br>TOPIX (incl. dividends)  | 2.45%   | 17.25%     |
| Foreign equities<br>MSCI ACWI (not incl. JPY, JPY basis, incl. dividends, before deducting taxes) | -0.27%  | 15.17%     |