

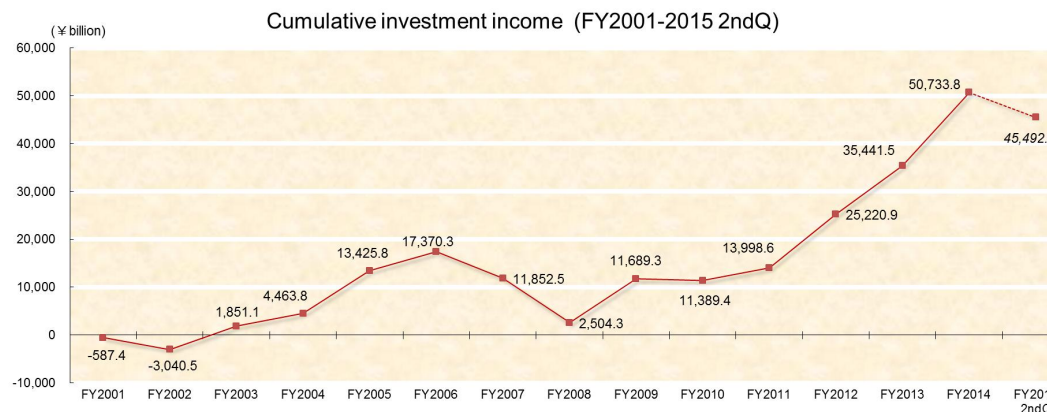
Investment results for the second quarter of fiscal 2015

Government Pension Investment Fund, Japan

The 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, the GPIF publishes the quarterly report to enhance the transparency to the public.

Please note that the results include the change of the fair market value and that the results tend to fluctuate in accordance with the market movement.

	2015 2nd Q	From fiscal 2001 to the second quarter of fiscal 2015
Rate of return	-5.59% (Not annualized)	2.79% (Annualized)
Investment income/loss (¥ billion)	-7,889.9	45,492.7 (Cumulative)
Total assets (¥ billion)	135,108.7 (End of the second quarter of fiscal 2015)	



Note1: The GPIF's portfolio consists of the funds invested in the markets (hereinafter "market investment," which is marked to market) and FILP bonds (Fiscal Investment and Loan Program bonds), which are held to maturity and valued at amortized costs.

Note2: Return figures are the average of returns of market investment and FILP bonds weighted with investment principal, and are gross of fees.

Note3: Period rate of return and period investment income are compared from the previous quarter.

Note4: Rate of return (Annualized) is calculated as a geometric mean.

Note5: Cumulative Income adds Investment income/loss of each fiscal year until the previous fiscal year and Investment income/loss of until this quarter. Cumulative Income since 2006, the first year when we were established as the independent administrative agency, is ¥32,067 billion.

Reference index : The second quarter of fiscal 2015

○Market Information

		2015/3	2015/6	2015/7	2015/8	2015/9	2015/10
Domestic bonds	JGB 10-year yield (%)	0.40	0.46	0.41	0.38	0.35	0.31
	TOPIX (points)	1543.11	1630.40	1659.52	1537.05	1411.16	1558.20
Domestic equities	Nikkei225 (¥)	19206.99	20235.73	20585.24	18890.48	17388.15	19083.10
	U.S. Treasury 10-year yield (%)	1.93	2.35	2.19	2.21	2.04	2.15
International bonds	German Government Bond 10-year yield (%)	0.18	0.77	0.65	0.79	0.59	0.52
	NY Dow (\$)	17776.12	17619.51	17689.86	16528.03	16284.70	17663.54
International equities	DAX (points)	11966.17	10944.97	11308.99	10259.46	9660.44	10850.14
	SSEC (points)	3747.90	4277.22	3663.73	3205.99	3052.78	3382.56
FX	¥/\$	119.93	122.37	123.90	121.19	119.77	120.68
	¥/€	128.80	136.34	136.89	135.79	133.69	133.30

○Benchmarks

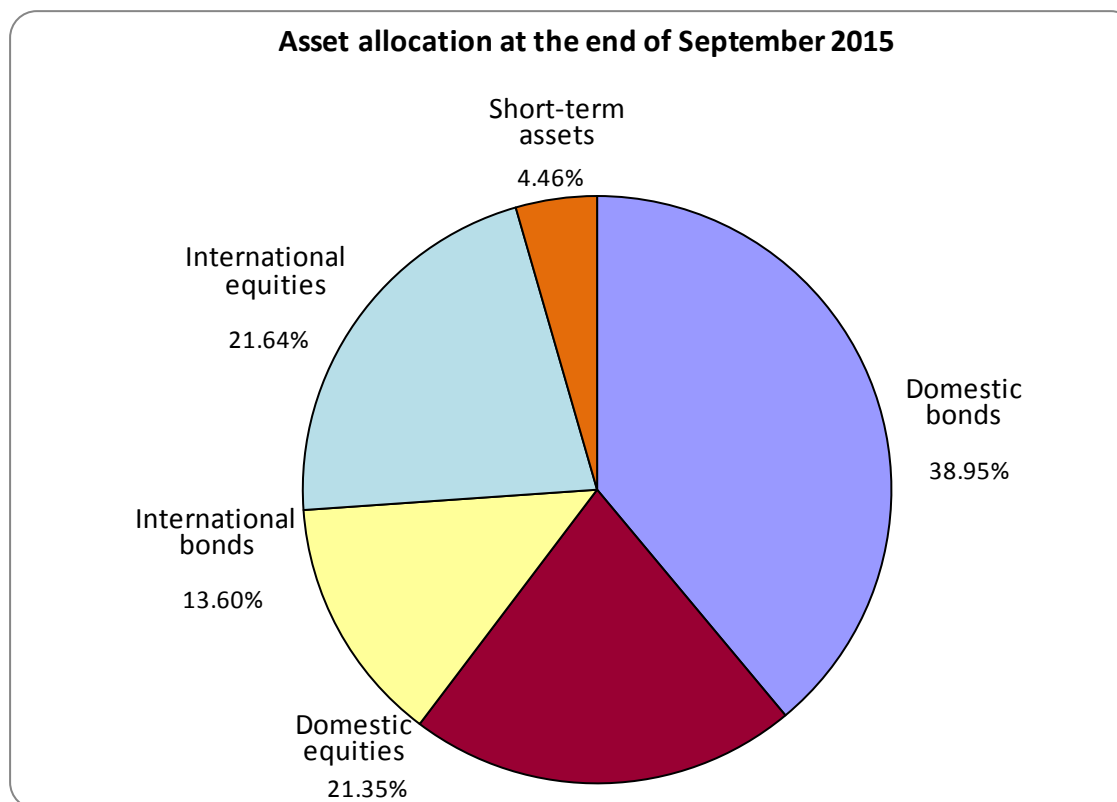
		2015 2Q	2015 1Q-2Q	2015/4-10
Domestic bonds				
Composite Benchmark		0.62%	0.49%	0.81%
NOMURA-BPI non-ABS		0.74%	0.54%	0.93%
Domestic equities				
TOPIX (incl. dividends)		-12.78%	-7.69%	1.93%
International bonds				
Composite Benchmark (JPY basis)		-0.91%	-0.16%	0.63%
Citi World Government Bond Index (not incl. JPY, no hedge/JPY basis)		-0.83%	-0.16%	0.63%
Citi World Broad Investment-Grade Bond Index (not incl. JPY, no hedge/JPY basis)		-1.16%	-0.22%	0.67%
cf. Composite Benchmark (Local currency basis)		2.00%	-1.20%	-1.00%
International equities				
Composite Benchmark (JPY basis)		-11.01%	-8.98%	-1.23%
MSCI ACWI (not incl. JPY, JPY basis, incl. dividends, after taking into account our dividend tax factors)		-11.09%	-9.05%	-1.32%
MSCI KOKUSAI (JPY basis, incl. dividends, after taking into account our dividend tax factors)		-9.97%	-7.96%	-0.07%
MSCI EMERGING MARKETS (JPY basis, incl. dividends, after deducting taxes)		-19.64%	-17.44%	-10.88%
cf. Composite Benchmark (Local currency basis)		-7.57%	-8.40%	-1.62%

Investment assets and portfolio allocation

(Reserve Funds managed by GPIF and the Pension Special Account)

End of September 2015

	Allocation of Reserve Funds
Domestic bonds	38.95%
Domestic equities	21.35%
International bonds	13.60%
International equities	21.64%
Short-term assets	4.46%
Total	100.00%



Note 1 : Policy Asset Mix (Domestic bonds 35% (±10%)、Domestic equities 25% (±9%)、International bonds 15% (±4%)、International equities 25% (±8%))

Note 2 : The percentage of the alternative investments : 0.05% (within maximum 5% of total portfolio)

Investment results for the second quarter of fiscal 2015

《Total investments (market investments + FILP bonds)》

Fiscal year	2014					2015				
	1st Q	2nd Q	3rd Q	4th Q	Total	1st Q	2nd Q	3rd Q	4th Q	Total
Rate of return (%)	1.77	2.87	5.16	2.14	12.27	1.92	-5.59	-	-	-3.78
Investment income/loss (¥ billion)	2,222.2	3,622.3	6,623.3	2,824.5	15,292.2	2,648.9	-7,889.9	-	-	-5,241.0
Total assets (¥ billion)	127,262.7	130,884.6	137,035.8	137,476.9	137,476.9	141,120.9	135,108.7	-	-	135,108.7

《Reference》

(Market investments)

Fiscal year	2014	2015	
		1st Q	2nd Q
Modified total return (%) (Time-weighted return)	12.88 (12.93)	1.98 (1.99)	-5.79 (-5.69)
Investment income/loss (¥ billion)	15,182.4	2,628.0	-7,909.0
Total assets (¥ billion)	132,464.8	136,680.3	131,017.3

(FILP bonds)

Fiscal year	2014	2015	
		1st Q	2nd Q
Rate of return (%)	1.63	0.42	0.43
Investment income/loss (¥ billion)	109.8	20.8	19.1
Total assets (¥ billion)	5,012.2	4,440.5	4,091.4

Note1: Fiscal year ends on March 31.

Note2: FILP bonds; Fiscal Investment and Loan Program bonds .

Investment return

(unit : %)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Rate of return	12.27	1.92	-5.59	-	-	-3.78

《Reference》

(Market investments)

(unit : %)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Modified total return	12.88	1.98	-5.79	-	-	-3.94

(unit : %)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Time-weighted return	12.93	1.99	-5.69	-	-	-3.81
Domestic bonds	2.76	-0.10	0.60	-	-	0.49
Domestic equities	30.48	5.89	-12.78	-	-	-7.64
International bonds	12.70	0.65	-1.26	-	-	-0.62
International equities	22.27	2.38	-10.97	-	-	-8.86

(FILP bonds)

(unit : %)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Rate of return	1.63	0.42	0.43	-	-	0.85

Investment income/loss

《Total investments》

(unit : ¥ billion)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	15,292.2	2,648.9	-7,889.9	-	-	-5,241.0

《Reference》

(Market investments)

(unit : ¥ billion)

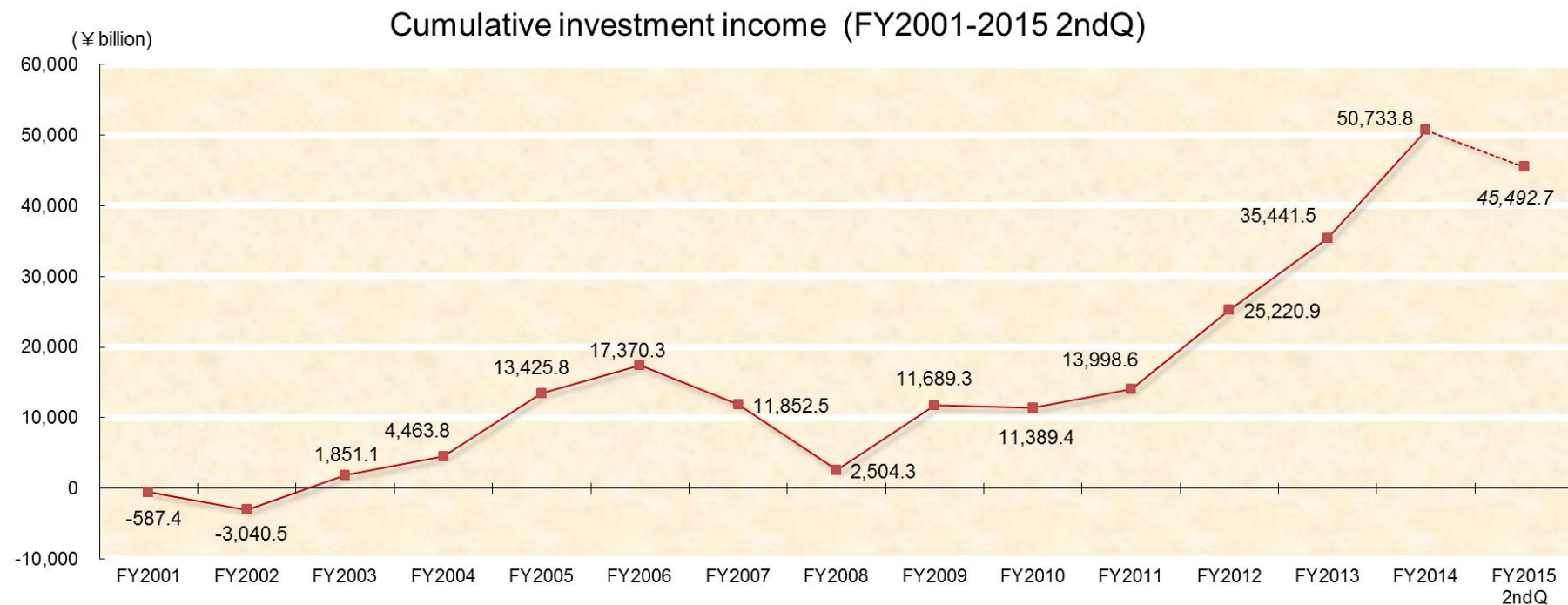
Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	15,182.4	2,628.0	-7,909.0	-	-	-5,280.9
Domestic bonds	1,595.7	-50.5	302.2	-	-	251.7
Domestic equities	6,910.5	1,865.7	-4,315.4	-	-	-2,449.7
International bonds	1,888.4	113.9	-240.8	-	-	-126.8
International equities	4,786.3	698.7	-3,655.2	-	-	-2,956.5
Short-term assets	1.5	0.1	0.2	-	-	0.4

(FILP bonds)

(unit : ¥ billion)

Fiscal year	2014	2015				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	109.8	20.8	19.1	-	-	39.9

Historical data on investment income and investment return



	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Apr to Sep	FY2006-2015 2ndQ	FY2001-2015 2ndQ
Investment income (¥ 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	-5,241.0	32,067.0	45,492.7
Rate of 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%	-3.78%	2.82%	2.79%

Note: Fiscal year ends on March 31.