

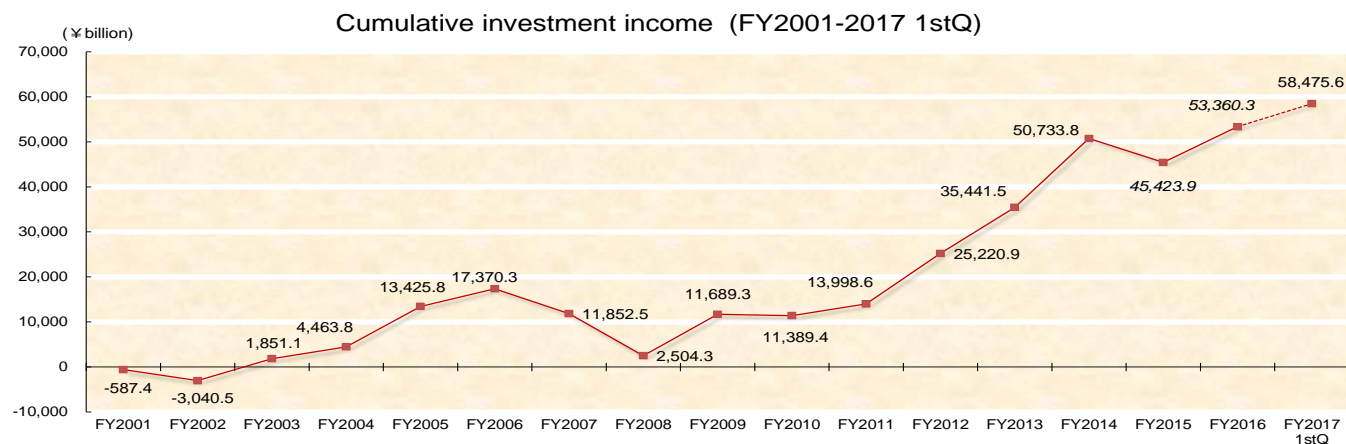
Investment results for the first quarter of fiscal 2017

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.

	2017 1st Q	From fiscal 2001 to the first quarter of fiscal 2017
Rate of investment return (Investment income/loss (¥ billion))	+3.54%(Not annualized) (+5,115.3 (Income and dividend income 901.6))	+3.07%(Annualized) (+58,475.6 (Income and dividend income 28,982.4))
Total assets (¥ billion)	149,198.7 (End of the first quarter of fiscal 2017)	



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 investment 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 ¥45,049.8 billion (Income and dividend income ¥24,507.6 billion)

Reference index : The first quarter of fiscal 2017

○Market Information

		2017/3	2017/4	2017/5	2017/6
Domestic bonds	JGB 10-year yield (%)	0.07	0.02	0.05	0.09
	TOPIX (points)	1512.60	1531.80	1568.37	1611.90
Domestic equities	Nikkei225 (¥)	18909.26	19196.74	19650.57	20033.43
	U.S. Treasury 10-year yield (%)	2.39	2.29	2.21	2.30
Foreign bonds	German Government Bond 10-year yield (%)	0.33	0.32	0.30	0.47
	NY Dow (\$)	20663.22	20940.51	21008.65	21349.63
Foreign equities	DAX (points)	12312.87	12438.01	12615.06	12325.12
	SSEC (points)	3222.51	3154.66	3117.18	3192.43
	¥/\$	111.43	111.47	110.59	112.36
FX	¥/€	119.18	121.39	124.35	128.15

○Benchmarks

	2017 1Q
Domestic bonds	
Composite Benchmark	-0.03%
NOMURA-BPI non-ABS	0.02%
Domestic equities	
TOPIX (incl. dividends)	6.76%
Foreign bonds	
Citi World Government Bond Index (not incl. JPY, no hedge/JPY basis)	4.76%
cf. Citi World Government Bond Index (not incl. JPY, Local currency basis)	0.72%
Foreign equities	
MSCI ACWI (not incl. JPY, JPY basis, incl. dividends, after taking into account our dividend tax factors)	5.21%
cf. MSCI ACWI (not incl. JPY, Local currency basis, incl. dividends, after taking into account our dividend tax factors)	3.00%

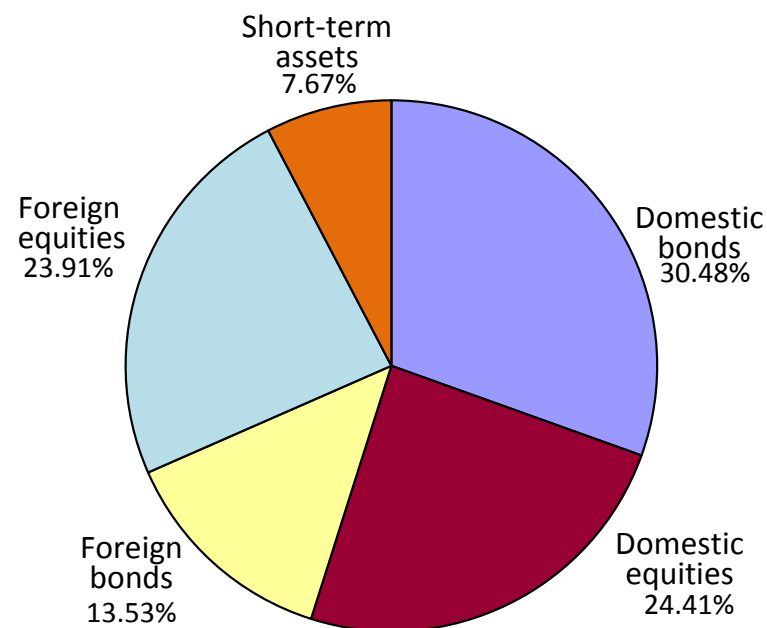
Investment assets and portfolio allocation

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

End of June 2017

	Allocation of Reserve Funds
Domestic bonds	30.48%
Domestic equities	24.41%
Foreign bonds	13.53%
Foreign equities	23.91%
Short-term assets	7.67%
Total	100.00%

Asset allocation at the end of June 2017



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

Note 2 : The percentage of the alternative investments : 0.10% (within maximum 5% of total portfolio)

Investment results for the first quarter of fiscal 2017

《Total investments (market investments + FILP bonds) 》

Fiscal year	2016					2017				
	1st Q	2nd Q	3rd Q	4th Q	Total	1st Q	2nd Q	3rd Q	4th Q	Total
Rate of investment return (%)	-3.88	1.84	7.98	0.21	5.86	3.54				3.54
Investment income/loss (¥ billion)	-5,234.2	2,374.6	10,497.1	298.8	7,936.3	5,115.3				5,115.3
Total assets (¥ billion)	129,701.2	132,075.1	144,803.6	144,903.4	144,903.4	149,198.7				149,198.7

《Reference》

(Market investments)

Fiscal year	2016	2017
		1st Q
Modified total return (%) (Time-weighted return)	5.94 (5.93)	3.57 (3.58)
Investment income/loss (¥ billion)	7,889.9	5,108.1
Total assets (¥ billion)	143,256.2	147,777.7

(FILP bonds)

Fiscal year	2016	2017
		1st Q
Rate of investment return (%)	1.77	0.45
Investment income/loss (¥ billion)	46.4	7.2
Total assets (¥ billion)	1,647.2	1,421.0

Note1: Fiscal year ends on March 31.

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

Investment return

(unit : %)

Fiscal year	2016	2017				Total
		1st Q	2nd Q	3rd Q	4th Q	
Rate of investment return	5.86	3.54				3.54

《Reference》

(Market investments)

(unit : %)

Fiscal year	2016	2017				Total
		1st Q	2nd Q	3rd Q	4th Q	
Modified total return	5.94	3.57				3.57

(unit : %)

Fiscal year	2016	2017				Total
		1st Q	2nd Q	3rd Q	4th Q	
Time-weighted return	5.93	3.58				3.58
Domestic bonds	-0.85	-0.01				-0.01
Domestic equities	14.89	6.59				6.59
Foreign bonds	-3.22	4.45				4.45
Foreign equities	14.20	5.48				5.48

(FILP bonds)

(unit : %)

Fiscal year	2016	2017				Total
		1st Q	2nd Q	3rd Q	4th Q	
Rate of investment return	1.77	0.45				0.45

Investment income/loss

(unit : ¥ billion)

Fiscal year	2016	2017				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	7,936.3	5,115.3				5,115.3

《Reference》

(Market investments)

(unit : ¥ billion)

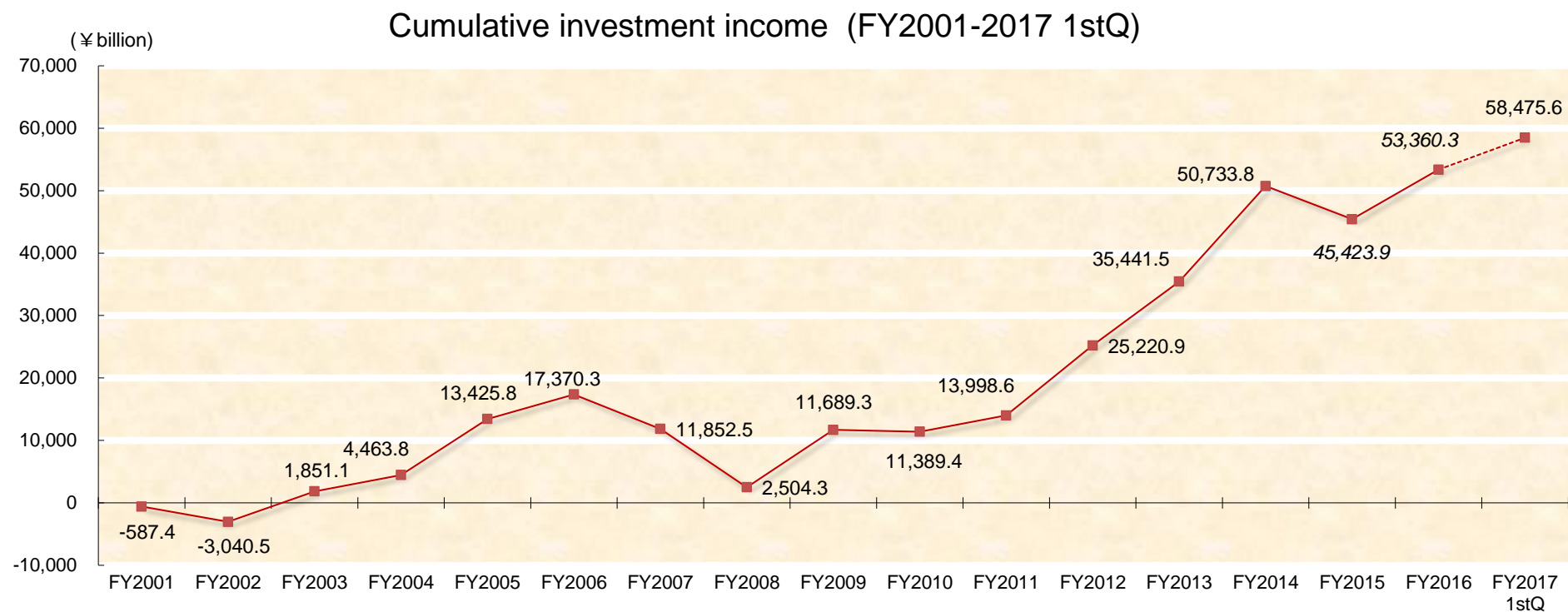
Fiscal year	2016	2017				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	7,889.9	5,108.1				5,108.1
Domestic bonds	-395.8	-1.4				-1.4
Domestic equities	4,554.6	2,316.1				2,316.1
Foreign bonds	-596.2	880.9				880.9
Foreign equities	4,327.3	1,912.4				1,912.4
Short-term assets	0.0	0.1				0.1

(FILP bonds)

(unit : ¥ billion)

Fiscal year	2016	2017				
		1st Q	2nd Q	3rd Q	4th Q	Total
Investment income/loss	46.4	7.2				7.2

Historical data on investment income and investment return



	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 Apr to Jun	FY2006-2017 1stQ	FY2001-2017 1stQ
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	-5,309.8	7,936.3	5,115.3	45,049.8	58,475.6
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%	3.54%	3.22%	3.07%

Note: Fiscal year ends on March 31.