



RATINGS



PORTFOLIO MANAGEMENT

Jesper O. Madsen, CFA
Lead Manager

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Co-Manager

FUND FACTS (USD)

Inception Date	30 April 2010
Total Fund Assets	\$97.9 million
Total # of Positions	59
Weighted Average Market Cap	\$24.9 billion
Benchmark	MSCI AC Asia Pacific Index
Management Fee	0.75%
Minimum Investment	\$1,000,000
Fund Domicile	Luxembourg
Available Share Classes	A, I, C
Base Currency	USD
Additional Dealing Currencies	GBP

INVESTMENT APPROACH

Matthews International Capital Management, LLC, the advisor to Matthews Asia Funds, believes in the long-term growth of Asia, one of the world's fastest-growing regions. Since 1991, we have focused our efforts and expertise in these countries, investing through a variety of market environments. Matthews employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance. As of 30 April 2012, Matthews had US\$18.0 billion in assets under management.



Matthews Asia®

global.matthewsasia.com

Asia Dividend Fund

I Class, Accumulation Shares

30 April 2012

Fund Objective

Under normal market conditions, the Fund seeks to achieve its investment objective by investing, directly or indirectly, at least 80% of its total net assets, in income-paying publicly traded common stocks, preferred stocks, convertible preferred stocks and other equity-related instruments (including, for example, investment trusts and other financial instruments) of companies located in the Asia Pacific region. On an ancillary basis, the Fund may invest in other permitted assets on a worldwide basis.

Risk Considerations

Investments in Asian securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. As with any fund, possible loss of principal is a risk of investing.

Share Class Identifiers

Share Class	Inception Date	ISIN	Bloomberg ID	SEDOL	CUSIP
I Acc (USD)	30 April 2010	LU0491818331	MATAADI:LX	B4577G8	L6263Q124
I Acc (GBP)	28 February 2011	LU0594556648	MATAAIA:LX	B3ZGK81	L6263Q504

Performance as of 30 April 2012

Asia Dividend Fund	NAV	Average Annual Total Returns				
		1 Month	3 Months	1 Year	3 Years	Inception
I Acc (USD)	\$11.22	0.72%	7.47%	0.54%	n.a.	5.92%
I Acc (GBP)	£10.38	-0.76%	4.32%	3.18%	n.a.	3.25%
MSCI AC Asia Pacific Index (USD)		-0.93%	2.81%	-7.53%	n.a.	2.54% ¹

¹ Index calculated as at 30 April 2010.

All performance quoted represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate with market conditions so that when redeemed, shares may be worth more or less than the original cost. Current performance may be lower or higher than performance shown. Investors investing in Funds denominated in non-local currency should be aware of the risk of currency exchange fluctuations that may cause a loss of principal.

Performance details provided are based on a NAV to NAV basis, and are net of management fees and other expenses.

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Standard & Poor's Fund Management Ratings are based on a frequently-updated evaluations of quantitative (historic performance, volatility, and portfolio construction) and qualitative (management, corporate status and investment process) factors that contribute to long-term performance. Only funds with a track record of at least two years can apply for a rating, and only 20% of the funds' analysed achieve one of the three following Fund Management Ratings: AAA, AA, or A. For more details on Fund rating definitions please go to global.matthewsasia.com.

Asia Dividend Fund

30 April 2012

TOP TEN HOLDINGS²

	Country	% of Net Assets
Japan Tobacco Inc	Japan	3.6
ITOCHU Corp	Japan	3.5
Metcash Ltd	Australia	3.4
HSBC Holdings PLC	United Kingdom	3.0
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	3.0
China Mobile Ltd	China/Hong Kong	3.0
ORIX Corp	Japan	3.0
Cheung Kong Infrastructure Holdings Ltd	China/Hong Kong	2.7
KT&G Corp	South Korea	2.7
NTT DoCoMo Inc	Japan	2.5
% OF ASSETS IN TOP TEN		30.4

COUNTRY ALLOCATION (%)³

	Fund	Benchmark	Difference
China/Hong Kong	28.5	16.7	11.8
Japan	22.1	38.0	-15.9
Singapore	11.3	3.3	8.0
Taiwan	8.7	6.8	1.9
Australia	8.4	15.6	-7.2
Thailand	6.7	1.4	5.3
South Korea	4.3	9.7	-5.4
Indonesia	3.1	1.7	1.4
United Kingdom	3.0	0.0	3.0
Philippines	1.6	0.5	1.1
India	0.0	4.0	-4.0
Malaysia	0.0	2.1	-2.1
New Zealand	0.0	0.2	-0.2
Cash and Other Assets, Less Liabilities	2.3	0.0	2.3

Source: FactSet Research Systems

SECTOR ALLOCATION (%)³

	Fund	Benchmark	Difference
Consumer Staples	20.8	6.2	14.6
Financials	19.6	27.7	-8.1
Consumer Discretionary	14.0	12.7	1.3
Industrials	10.2	13.1	-2.9
Telecom Services	9.2	5.0	4.2
Utilities	6.6	3.2	3.4
Information Technology	5.4	13.5	-8.1
Energy	4.9	5.2	-0.3
Health Care	4.7	3.3	1.4
Materials	2.3	10.1	-7.8
Cash and Other Assets, Less Liabilities	2.3	0.0	2.3

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.

Source: FactSet Research Systems

MARKET CAP EXPOSURE (%)^{3,4}

	Fund	Benchmark	Difference
Large Cap (over \$5B)	49.1	83.8	-34.7
Mid Cap (\$1B-\$5B)	26.4	16.0	10.4
Small Cap (under \$1B)	22.2	0.2	22.0
Cash and Other Assets, Less Liabilities	2.3	0.0	2.3

Source: FactSet Research Systems

P/E RATIOS⁵

P/E Using FY1 Estimates	11.5x
P/E Using FY2 Estimates	10.6x

Source: FactSet Research Systems

DIVIDEND YIELD⁶

3.82%

Source: FactSet Research Systems, Bloomberg, Matthews

² Holdings may combine more than one security from same issuer and related depositary receipts.

³ Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding.

⁴ Equity market cap of issuer.

⁵ The P/E figures represent the Weighted Harmonic Average P/E—which measures the price/earnings ratio of the Fund's entire portfolio, excluding negative earners—weighted by the size of the company's position within the portfolio.

⁶ The dividend yield (trailing) for the portfolio is the weighted average sum of the dividend paid per share during the last 12 months divided by the current price. The annualised dividend yield for the Fund is for the equity-only portion of the portfolio. Please note that this is based on gross portfolio holdings and does not reflect the actual yield an investor in the Fund would receive. Past yields are no guarantee of future yields.

The MSCI All Country Asia Pacific Index is a free float-adjusted market capitalisation-weighted index of the stock markets of Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand. The Fund invests in countries that are not included in the MSCI All Country Asia Pacific Index. It is not possible to invest directly in an index.

DISCLOSURES

The Fund is a sub-fund of Matthews Asia Funds SICAV, an umbrella fund, with segregated liability between sub-funds, established as an open-ended investment company with variable capital and incorporated with limited liability under the laws of Luxembourg. It is authorised by the Commission de Surveillance du Secteur Financier (CSSF) as a UCITS and is only registered for public offer and sale in Luxembourg, Switzerland and the United Kingdom. **NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS.**

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