



Matthews Asia

FUND FACTS (USD)

Total Fund Assets	\$160.4 million
Total # of Positions	61
Weighted Average Market Cap	\$20.9 billion
Benchmark	MSCI Japan Index
Management Fee	0.75%
Minimum Initial Investment	\$1,000,000/£500,000
Minimum Subsequent Investment	\$250,000/£125,000
Fund Domicile	Luxembourg
Available Share Classes	I
Base Currency	USD
Additional Dealing Currencies	EUR
Net Asset Value	
I Acc (USD)	\$11.11
I Acc (EUR)	€11.02

PORTFOLIO MANAGEMENT

Kenichi Amaki

Lead Manager

Taizo Ishida

Co-Manager

MATTHEWS ASIA

Matthews International Capital Management, LLC ("Matthews Asia"), the Investment Manager 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 Asia employs a bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 31 August 2017, Matthews Asia had US\$31.4 billion in assets under management.

Japan Fund

Class I Shares - Hedged

Matthews Asia Funds

31 August 2017

Investment Objective

Long-term capital appreciation.

Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD) - Hedged	LU1525503915	BDRKSB0	L6258X852
I Acc (EUR) - Hedged	LU1525504053	BDRKSC1	L6258X837

Performance as of 31 August 2017[†]

Japan Fund	August '17	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	2.02%	5.11%	n.a.	n.a.	n.a.	n.a.	11.10%	03 Apr 2017
I Acc (EUR)	1.75%	4.36%	n.a.	n.a.	n.a.	n.a.	10.20%	03 Apr 2017
MSCI Japan 100% Hedged to USD (USD)	-0.30%	2.97%	n.a.	n.a.	n.a.	n.a.	6.35%	n.a.
MSCI Japan 100% Hedged to EUR (EUR)	-0.47%	2.44%	n.a.	n.a.	n.a.	n.a.	5.45%	n.a.

[†] All returns over 1 year are annualised

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 with any dividends reinvested, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

Japan Fund

31 August 2017

TOP TEN HOLDINGS¹

	Sector	% of Net Assets
Mitsubishi UFJ Financial Group, Inc.	Financials	3.0%
Suzuki Motor Corp.	Consumer Discretionary	2.9%
Keyence Corp.	Information Technology	2.8%
Nitori Holdings Co., Ltd.	Consumer Discretionary	2.8%
Murata Manufacturing Co., Ltd.	Information Technology	2.6%
Nidec Corp.	Industrials	2.6%
Relo Group, Inc.	Real Estate	2.3%
Ryohin Keikaku Co., Ltd.	Consumer Discretionary	2.3%
SoftBank Group Corp.	Telecom Services	2.3%
TechnoPro Holdings, Inc.	Industrials	2.2%
% OF ASSETS IN TOP TEN		25.8%

Source: Brown Brothers Harriman (Luxembourg) S.C.A.

SECTOR ALLOCATION (%)²

	Fund	Benchmark	Difference
Industrials	26.1	20.7	5.4
Consumer Discretionary	16.7	20.0	-3.3
Information Technology	12.0	12.5	-0.5
Consumer Staples	11.0	7.9	3.1
Financials	10.4	12.3	-1.9
Health Care	10.3	7.3	3.0
Materials	5.8	6.7	-0.9
Real Estate	3.4	4.1	-0.7
Telecom Services	2.3	5.6	-3.3
Utilities	0.0	1.9	-1.9
Energy	0.0	0.9	-0.9
Cash and Other Assets, Less Liabilities	2.0	0.0	2.0

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 (%)^{2,3}

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	32.2	45.4	-13.2
Large Cap (\$10B-\$25B)	17.7	29.4	-11.7
Mid Cap (\$3B-\$10B)	28.6	24.5	4.1
Small Cap (under \$3B)	19.4	0.7	18.7
Cash and Other Assets, Less Liabilities	2.0	0.0	2.0

Source: FactSet Research Systems

P/E RATIOS⁴

P/E Using FY1 Estimates	19.4x
P/E Using FY2 Estimates	17.8x

Source: FactSet Research Systems (P/E est. as of 31/08/17)

- Holdings may combine more than one security from the same issuer and related depository receipts.
- Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding.
- Equity market cap of issuer.
- The P/E Ratio is the share price of a stock as of the report date, divided by the forecasted earnings per share for a 12-month period (FY1) and 24 month period (FY2). For the Fund, this is the weighted harmonic average estimated P/E ratio of all the underlying stocks in the Fund, excluding negative earners. There is no guarantee that the composition of the Fund will remain unchanged, or that forecasted earnings of a stock will be realized. Information provided is for illustrative purposes only.

The MSCI Japan Index is a free float-adjusted market capitalization—weighted index of Japanese equities listed in Japan. 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 Finland, France, Germany, Luxembourg, Spain, Sweden and the United Kingdom. Not all share classes are registered in each jurisdiction. For investors in Singapore, the Matthews Asia Funds (the "Funds") are not authorised or recognised by the Monetary Authority of Singapore, and Shares of the Funds are not allowed to be offered to the retail public. Shares in the Funds may only be offered to (i) to an accredited investor or other relevant person, or (ii) to an institutional investor. **NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS.**

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