

# MFS Meridian® Funds

## European Core Equity Fund



30 SEPTEMBER 2018

### A core European equity portfolio

The fund's investment objective is to seek capital appreciation, measured in euros.

Key points:

- Selects European equity securities perceived by MFS as having above average growth utilizing a 'growth at a reasonable price' strategy
- Long-term investors assess investment opportunities over full market cycles, with country and sector exposures driven by bottom-up stock selection, not top down allocation
- Focuses on quality of business model by selecting companies with what we believe have enduring competitive advantages and strong management teams, high returns on capital and significant free cash generation, and who can compound growth and intrinsic value at above-average rates

#### PORTFOLIO MANAGEMENT

##### Roger Morley

21 years in industry

##### Gabrielle Gourgey\*\*

23 years in industry

##### Benjamin Tingling\*\*

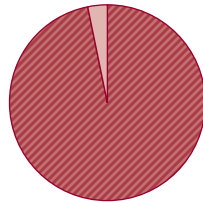
11 years in industry

\*\* Advises and communicates on the management of the portfolio, but is not responsible for day-to-day management.

Portfolio characteristics data are based on the equivalent exposure of unaudited net assets as of 30-Sep-18. Equivalent exposure measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. The portfolio is actively managed, and current holdings may be different.

Top ten holdings, portfolio characteristics and weightings do not reflect the effect of exposure/weightings for hedging of hedged share classes. Full holdings and net assets do reflect this hedging.

#### PORTFOLIO STRUCTURE



Stocks 96.78%  
Cash & Cash  
Equivalents 3.22%

#### TOP 10 EQUITY HOLDINGS

Bayer AG
Reckitt Benckiser Group PLC
LVMH Moët Hennessy Louis Vuitton SE
Pernod Ricard SA
Akzo Nobel NV
Danone SA
Vonovia SE
Diageo PLC
Nestlé SA
Linde AG

28.4% of total net assets

#### TOP CURRENCY WEIGHTINGS

Euro	45.6%
British Pound	
Sterling	28.4%
United States Dollar	12.4%
Swiss Franc	8.4%
Danish Krone	3.2%
Swedish Krona	1.7%
Czech Koruna	0.4%

#### EQUITY SECTORS

#### portfolio vs benchmark

Financial Services	20.7%	20.4%
Consumer Staples	19.3%	12.6%
Special Products & Services	11.2%	3.2%
Basic Materials	10.3%	7.5%
Health Care	8.1%	12.7%
Retailing	7.7%	5.3%
Leisure	6.1%	2.8%
Industrial Goods & Services	5.6%	8.0%
Technology	3.6%	5.6%
Autos & Housing	2.1%	4.7%
Transportation	2.0%	1.7%
Cash & Cash Equivalents	3.2%	N/A

Portfolio and benchmark data shown is based on MFS' sector/industry classification methodology, which differs from the benchmark's.

#### TOP 5 COUNTRIES

#### portfolio vs benchmark

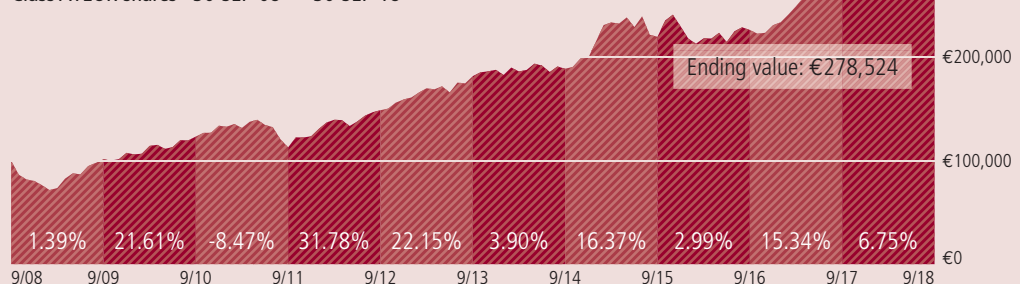
United Kingdom	27.0%	27.8%
Germany	21.7%	14.9%
France	16.5%	17.8%
Switzerland	8.4%	13.1%
Netherlands	5.7%	5.2%

#### PORTFOLIO FACTS

Net assets (EUR)	105.3 million
Number of holdings	66

#### Growth of a €100,000 investment and 12-month returns at NAV

Class A1EUR shares 30-SEP-08 — 30-SEP-18



Fund returns for the representative share class shown assume the reinvestment of dividends and capital gain distributions but do not include a sales charge. Results would have been less favorable if the sales charge were included. This example is for illustrative purposes only and is not intended to represent the future performance of any MFS product. **Past performance is not a reliable indicator for future results.**

#### CALENDAR-YEAR TOTAL RETURNS, NOT INCLUDING SALES CHARGE A1EUR\*

'08	'09	'10	'11	'12	'13	'14	'15	'16	'17
-40.58%	33.70%	24.39%	-7.59%	28.72%	18.00%	6.15%	15.29%	0.48%	16.65%

Please see reverse for complete performance information and important disclosure.

MFS Meridian Funds may be registered for sale in other jurisdictions or otherwise offered where registration is not required. MFS Meridian Funds are not available for sale in the United States or Canada or to US persons.

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MFS Investment Management Company (Lux) S.à.r.l

**MAY LOSE VALUE  
NOT GUARANTEED**

ANNUALIZED RETURNS AT NAV (%)^								SHARE CLASS INFORMATION				
Class	Ongoing Charges(%)†	Start of class perf. record	YTD^^	1 yr.	3 yrs.	5 yrs.	10 yrs.	Sedol	WKN	ISIN	CUSIP	Bloomberg
A1EUR	2.06	01-OCT-02	3.45	6.75	8.24	8.92	10.79	7046052	657046	LU0125946151	L63652645	MFSEGA1 LX
I1EUR	0.92	27-SEP-05	4.36	8.01	9.50	10.17	12.03	B08NCN7	A0ESAM	LU0219424214	L6365J168	MFEGIE1 LX
I1GBP	0.91	22-AUG-11	4.32	8.91	16.56	11.52	—	B59Z4D1	A1JCZF	LU0648598620	L6367C369	MECEI1S LX
I1USD¹	0.92	19-AUG-13	0.35	6.49	10.94	6.72	9.26	BBL4503	A1W0LV	LU0944406452	L6366J217	MECEI1U LX
W1EUR¹	1.01	19-AUG-13	4.28	7.94	9.38	10.03	11.36	BBL45J2	A1W0LW	LU0944408151	L6366J225	MECEW1E LX
W1USD¹	1.02	05-DEC-14	0.29	6.38	10.86	6.39	9.08	BRKXGD2	A12DYF	LU1123737568	L6365U536	MFCOW1U LX
WH1GBP²,³	1.01	02-FEB-11	5.02	9.05	11.15	7.83	—	B3ZDLS9	A1H6R2	LU0583245070	L6367C138	MFSEWIS LX
<b>Benchmark:</b> MSCI Europe Index (net div)												
EUR			0.84	1.47	6.29	6.92	6.87					
GBP			1.18	2.57	13.23	8.29	8.18					
USD			-2.46	-0.30	7.71	3.70	4.85					

**Other share classes are available for which performance and expenses will differ.**

The source for all fund data is MFS. Source: Benchmark performance from SPAR, FactSet Research Systems Inc.

Fund inception date: 01 October 2002

^ Results represent the percent change in NAV.

^^ Periods less than one year are actual not annualized.

† Ongoing charges are expressed at an annual rate as a percentage of net assets. They are based on annualized expenses for the six months ended 31 July 2017. For a Class with less than the full period of data available, or where adjustment is necessary to reflect current charges, the ongoing charges figure is an estimate. Please see the KIID of the relevant Class for the most recent expense information.

**1** The MFS Meridian Funds offer several share classes each with different expenses.

Performance reflects the performance of a relevant older class with the same currency until the actual start of class performance record of the class detailed. Performance for periods prior to that date may have been higher or lower had the actual share class fees and expenses been reflected.

**2** Hedged share classes aim to reduce exchange rate and return fluctuations between the applicable non-base currency hedged share class and the unhedged base currency class of the fund. From time to time shareholder transactions in the share class could result in a gain or a loss, which could be significant, in the share class value that is attributable to the adviser's hedging activities rather than to its investment management activities. Other share classes will not share in these gains or losses.

**3** The class was re-designated as a Hedged Share Class on 22 September 2015; performance shown prior to this date was unhedged and does not reflect the current currency hedging techniques applied to the class.

**Returns would have been lower had sales charges, of up to 6% of the net asset value (NAV), or any commissions, fees or other charges that your financial intermediary may charge been reflected.**

Class I shares are only available to certain qualifying institutional investors.

Class W shares are available to discretionary portfolio management or independent advisory accounts, clients of financial intermediaries otherwise prohibited from receiving compensation from the Fund, and to employees of MFS and its affiliates.

MSCI Europe Index measures stocks in European developed markets.

It is not possible to invest directly in an index.

TRAILING 3 YR RISK MEASURES VS. BENCHMARK (A1EUR)	
Beta	0.83
Standard Deviation	9.59 vs 10.60

**Beta** is a measure of the volatility of a portfolio relative to the overall market. A beta less than 1.0 indicates lower risk than the market; a beta greater than 1.0 indicates higher risk than the market. It is most reliable as a risk measure when the return fluctuations of the portfolio are highly correlated with the return fluctuations of the index chosen to represent the market.

**Standard deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume the reinvestment of dividends and capital gains.

**Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.**

Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different.

**See the fund's offering documents for more details, including information on fund risks and expenses.**

The offering documents (sales prospectus and Key Investor Information Documents (KIIDs)), articles of incorporation and financial reports are available to investors at no cost in paper form or electronically at [meridian.mfs.com](http://meridian.mfs.com), at the offices of the paying agent or representative in each jurisdiction or from your financial intermediary. KIIDs are available in the following languages: Danish, Dutch, English, French, German, Italian, Norwegian, Portuguese, Spanish and Swedish. The sales prospectus and other documents are available in English. For additional information, call 416.506.8418 in Toronto or 352.464.010.600 in Luxembourg or your local paying agent or representative. **Ireland:** Bridge Consulting Limited, 33 Sir John Rogerson's Quay, Dublin 2, Ireland. Tel: +353 (0)1-631-6444 **United Kingdom:** MFS International (UK) Ltd., One Carter Lane, London, EC4V 5ER UK. Tel: 44.(0)20.7429.7200

MFS Meridian Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à.r.l. is the management company of the Funds, having its registered office at 35, Boulevard du Prince Henri, L-1724, Luxembourg, Grand Duchy of Luxembourg (Company No. B.76.467). The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

MFS Meridian Funds are recognised by the UK Financial Conduct Authority under Section 264 of the Financial Services and Markets Act 2000 (reference number 435953) and U.K. investors should note that holdings of shares in the funds will not be covered by the provisions of the UK Financial Services Compensation Scheme, or by any similar scheme in Luxembourg.

#### IMPORTANT RISK CONSIDERATIONS

The fund may not achieve its objective and/or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to or investor perception of, issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. Because the portfolio may invest a substantial amount of its assets in issuers located in a single country or in a limited number of countries, it may be more volatile than a portfolio that is more geographically diversified.

Please see the prospectus for further information on these and other risk considerations.

#### RISK AND REWARD PROFILE CLASS A1EUR

< Lower risk (typically lower rewards) Higher risk (typically higher rewards) >

1	2	3	4	5	6	7
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The rating is based on past volatility of returns and may be different in the future or for other classes of the fund.