



Japan Fund

Class I Shares

Matthews Asia Funds
30 September 2016

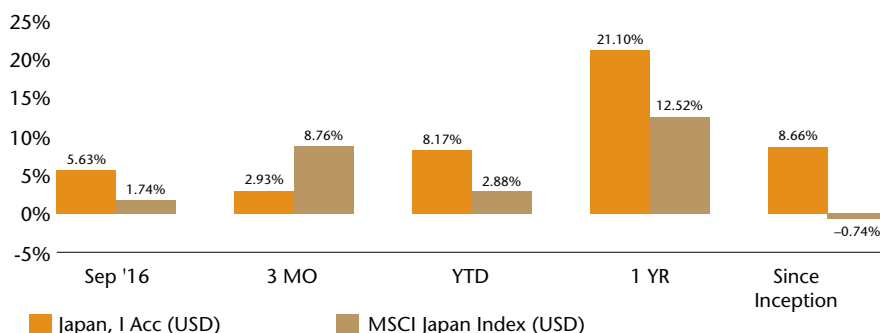
Investment Objective

Long-term capital appreciation.

Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD)	LU1220257130	BWX5XW8	L6263Q 793
I Acc (GBP)	LU1220257486	BWX5XY0	L6263Q 819

Performance as of 30 September 2016*



FUND FACTS (USD)

Total Fund Assets	\$122.1 million
Total # of Positions	62
Weighted Average Market Cap	\$17.3 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	A, I
Base Currency	USD
Additional Dealing Currencies	GBP
Net Asset Value	
I Acc (USD)	\$11.25
I Acc (GBP)	£13.38

PORTFOLIO MANAGEMENT

Kenichi Amaki

Lead Manager

Taizo Ishida

Co-Manager

MATTHEWS ASIA

Matthews International Capital Management, LLC ("Matthews Asia"), the Fund 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 bottom-up, fundamental investment philosophy with a focus on long-term investment performance. As of 30 September 2016, Matthews Asia had US\$28.1 billion in assets under management.

CONTACT INFORMATION

Matthews International Capital Management, LLC
4 Embarcadero Center, Suite 550
San Francisco, CA 94111 USA
Phone: +1 (415) 954-4510
Email: globalfunds@matthewsasiasia.com
Web: global.matthewsasiasia.com

Japan Fund	Sep '16	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	5.63%	2.93%	8.17%	21.10%	n.a.	n.a.	8.66%	30 Apr 2015
I Acc (GBP)	7.04%	6.61%	23.66%	41.74%	n.a.	n.a.	22.79%	30 Apr 2015
MSCI Japan Index (USD)	1.74%	8.76%	2.88%	12.52%	n.a.	n.a.	-0.74%	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. 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 for both Funds are in U.S. dollar, based on a NAV-to-NAV basis, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

Japan Fund

30 September 2016

TOP TEN HOLDINGS ¹		
	Sector	% of Net Assets
ORIX Corp.	Financials	2.9%
M3, Inc.	Health Care	2.7%
Kao Corp.	Consumer Staples	2.6%
Nitori Holdings Co., Ltd.	Consumer Discretionary	2.6%
Mabuchi Motor Co., Ltd.	Industrials	2.6%
TechnoPro Holdings, Inc.	Industrials	2.6%
Tokio Marine Holdings, Inc.	Financials	2.5%
MISUMI Group, Inc.	Industrials	2.5%
Sysmex Corp.	Health Care	2.5%
Seven & I Holdings Co., Ltd.	Consumer Staples	2.5%
% OF ASSETS IN TOP TEN		26.0%
Source: Brown Brothers Harriman (Luxembourg) S.C.A.		

SECTOR ALLOCATION (%) ²			
	Fund	Benchmark	Difference
Industrials	26.3	20.1	6.2
Consumer Discretionary	20.4	20.7	-0.3
Consumer Staples	15.0	8.4	6.6
Financials	14.5	12.3	2.2
Health Care	12.1	8.3	3.8
Information Technology	9.4	10.5	-1.1
Real Estate	1.8	4.7	-2.9
Materials	1.4	5.7	-4.3
Telecom Services	0.0	6.3	-6.3
Utilities	0.0	2.1	-2.1
Energy	0.0	0.8	-0.8
Liabilities in Excess of Cash and Other Assets	-0.7	0.0	-0.7
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)	21.9	43.0	-21.1
Large Cap (\$10B-\$25B)	21.9	28.6	-6.7
Mid Cap (\$3B-\$10B)	22.4	26.6	-4.2
Small Cap (under \$3B)	34.5	1.8	32.7
Liabilities in Excess of Cash and Other Assets	-0.7	0.0	-0.7
Source: FactSet Research Systems			

P/E RATIOS ⁴	
P/E Using FY1 Estimates	19.4x
P/E Using FY2 Estimates	17.3x
Source: FactSet Research Systems (P/E est. as of 30/09/16)	

1 Holdings may combine more than one security from the same issuer and related depositary receipts.
2 Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding.
3 Equity market cap of issuer.
4 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. P/E estimates are forward looking. There is no guarantee that portfolio composition will remain unchanged or P/E estimates will be achieved.

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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