

**Vanguard®**

Factsheet | 31 December 2017

Vanguard Japan Government Bond Index Fund

An index-related fund

Key fund facts

	Inception date	Minimum initial investment	ISIN	SEDOL	Bloomberg
USD					
Investor	30.12.2005	100,000	IE0032915336	3291533	VANJGBU
Institutional	10.03.2015	5,000,000	IE0032915443	3291544	VANJIUS
JPY					
Investor	21.03.2007	10,000,000	IE0032915583	3300558	VANJGBY
Institutional	11.10.2007	500,000,000	IE0033005699	3300569	VANJINJ
Institutional Plus	02.09.2014	20,000,000,000	IE00BGCZ0H16	BGCZ0H1	VANJIPJ
Institutional Plus Income	24.09.2015	20,000,000,000	IE00BZ04LN61	BZ04LN6	VANIPJI
GBP					
Accumulation Hedged	31.01.2014	100,000	IE00BFRTD946	BFRTD94	VANJGHA
Benchmark Bloomberg Barclays Japan Government Float Adjusted Bond Index		Index ticker LFG2TRJU		Trading frequency (cut-off) Daily (T-1 16:00 Irish Time)	
Domicile Ireland		Investment structure UCITS		Settlement T+2	
Base currency JPY		Total assets JPY (million) 141,829			
Investment manager The Vanguard Group, Inc. U.S. Bond Index Team					

Objective

The Fund seeks to provide returns consistent with the performance of the index, a market-weighted index of investment-grade fixed income securities issued by the Japanese government or government-related agencies.

Investment strategy

The Fund employs a passive management or indexing strategy designed to track the performance of the index. This market-weighted index is designed to reflect the total universe of Japanese yen-denominated treasury and Japan government-related securities with maturities greater than one year.

Performance summary*

JPY—Vanguard Japan Government Bond Index Fund

	Investor shares Net of expenses	Institutional shares Net of expenses	Institutional Plus shares Net of expenses
December 2012 – 2013	1.73%	1.83%	—%
December 2013 – 2014	4.32	4.36	—
December 2014 – 2015	0.90	0.95	1.03
December 2015 – 2016	3.02	3.07	3.16
December 2016 – 2017	-0.06	-0.01	0.08

Ongoing charges**

	Ongoing Charges
Investor	0.25%
Accumulation Hedged	0.25%
Institutional	0.20%
Institutional Plus	0.10%
Institutional Plus Income	0.10%

Performance*

JPY—Vanguard Japan Government Bond Index Fund

Benchmark—Bloomberg Barclays Japan Government Float Adjusted Bond Index

	Investor shares			Institutional shares			Institutional Plus shares		
	Net of expenses	Gross of expenses	Benchmark	Net of expenses	Gross of expenses	Benchmark	Net of expenses	Gross of expenses	Benchmark
1 month	-0.04%	-0.01%	0.10%	-0.03%	-0.01%	0.10%	-0.02%	-0.02%	0.10%
3 months	0.33	0.39	0.40	0.34	0.39	0.40	0.36	0.39	0.40
Year to date	-0.06	0.19	0.22	-0.01	0.19	0.22	0.08	0.18	0.22
1 year	-0.06	0.19	0.22	-0.01	0.19	0.22	0.08	0.18	0.22
3 years	1.28	1.53	1.57	1.33	1.53	1.57	1.41	1.52	1.57
5 years	1.97	2.23	2.27	2.03	2.23	2.27	—	—	—
10 years	1.92	2.20	2.23	2.00	2.20	2.23	—	—	—
Since inception	1.92	2.21	2.23	2.12	2.32	2.35	2.02	2.12	2.18

Key investment risks - Past performance is not a reliable indicator of future results. The value of investments, and the income from them, may fall or rise and investors may get back less than they invested. Funds investing in fixed interest securities carry the risk of default on repayment, erosion of the capital value of your investment and the level of income may fluctuate. Where investments are made in assets that are denominated in multiple currencies changes in exchange rates may affect the value of the investments.

*Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. The performance data does not take account of the commissions and costs incurred in the issue and redemption of shares. Basis of fund performance NAV to NAV with gross income reinvested. Basis of index performance is total return.

Bloomberg Barclays Japan Government Float Adjusted Bond Index: The benchmark for this portfolio was Bloomberg Barclays Global Aggregate Japan Government Bond Index through 30 June 2010 and Bloomberg Barclays Global Aggregate Japan Government Float Adjusted Bond Index thereafter.

**The Ongoing Charges Figure (OCF) covers administration, audit, depository, legal, registration and regulatory expenses incurred in respect of the Funds.

The Central Bank of Ireland has granted authorisation for the Vanguard Japan Government Bond Index Fund to invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members. As at 31 December 2017, the Vanguard Japan Government Bond Index Fund invests more than 35% of its scheme property in transferable securities and money market instruments issued or guaranteed by Japan.

This document is for Professional Investors only, as defined under MiFID and should not be distributed to, or relied upon by retail investors.

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Characteristics

	Fund	Benchmark
Number of bonds	425	941
Effective YTM	0.15%	0.16%
Average coupon	0.9%	1.2%
Average maturity	10.9 years	11.1 years
Average quality	A+	A+
Average duration	9.8 years	9.8 years
Cash investment	0.2%	—

Distribution by issuer (% of fund)

	Fund
Treasury/federal	91.1%
Government-related - agencies	5.7
Government-related - local authority	3.0
Cash	0.2
Total	100.0%

Distribution by credit quality (% of fund)

	Fund
AAA	0.0%
A	93.8
Not Rated	6.2
Total	100.0%

Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

Distribution by credit maturity (% of fund)

	Fund
Under 1 Year	0.6%
1 - 5 Years	37.8
5 - 10 Years	20.2
10 - 15 Years	12.7
15 - 20 Years	14.4
20 - 25 Years	5.1
Over 25 Years	9.2
Total	100.0%

Top country diversification

	Fund
Japan	99.5%
United States	0.4
United Kingdom	0.1
Total	100.0%

For more information contact your local sales team or:

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Vanguard Investment Series plc has been authorised by the Central Bank of Ireland as a UCITS and has been registered for public distribution in certain EU countries. Prospective investors are referred to the Funds' prospectus for further information. Prospective investors are also urged to consult their own professional advisers on the implications of making an investment in, and holding or disposing shares of the Funds and the receipt of distributions with respect to such shares under the law of the countries in which they are liable to taxation.

The Manager of Vanguard Investment Series plc is Vanguard Group (Ireland) Limited. Vanguard Asset Management, Limited is a distributor of Vanguard Investment Series plc.

For further information on the fund's investment policy, please refer to the Key Investor Information Document ("KIID"). The KIID and the Prospectus for this fund are available in local languages from Vanguard Asset Management, Limited via our website <https://global.vanguard.com/>.

The fund(s) may invest in financial derivative instruments that could increase or reduce exposure to underlying assets and result in greater fluctuations of the fund's Net Asset Value. Some derivatives give rise to increased potential for loss where the fund's counterparty defaults in meeting its payment obligations.

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